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Fiscal Year Ending March 2027

First Quarter Financial Results Presentation Materials

August 13, 2026

Polaris Holdings Co., Ltd.

Listing: Tokyo Stock Exchange

Securities code: 3010

Contents

Due to different fiscal year-ends, the periods included in the consolidated results differ.

Polaris HD

Apr.–Jun. 2026 Results

+

Minacia +Overseas*

Jan.–Mar. 2026 Results

*Excl. 1 hotel

Executive Summary

1Q Financial Highlights

- Net sales increased 7.4% YoY, driven by new hotel openings.
- Operating profit declined due to higher rents and operating costs at existing hotels and costs associated with new hotel openings.
- Full-year earnings and dividend forecasts remain unchanged.

Business Overview

- Revenue declined at some existing hotels due to fewer guests from China.
- New hotel agreements are progressing at a faster pace than in the previous fiscal year.
- Three hotels were affected by the 2026 Kumamoto Earthquake, and one remains temporarily closed.
  The other two have resumed normal operations.
  We continue to monitor the impact.

Business Environment

- The decline in visitors from China continued, affecting some hotels.
- No impact from heightened tensions in the Middle East has been observed.
- While visitors from China continued to decline, visitors from other markets increased 13% YoY in the first half of 2026, maintaining solid growth.

Shareholder Returns

- Revised the shareholder return policy and raised the target dividend payout ratio to 50%.
- Raised the FY2027/3 dividend forecast from ¥5 to ¥10 per share.
- A new shareholder benefit program, available to a broader range of shareholders, was launched this fiscal year.

FY2027/3 1Q Financial Highlights

Net sales increased 7.4% YoY, driven by new hotel openings, while operating profit declined due to lower revenue at some existing hotels and higher SG&A expenses.

(unit:¥M)	FY2026/3 1Q	FY2027/3 1Q	YoY	
			Change	Change(%)
Net Sales	11,257	**12,085**	+828	+7.4%
Existing Domestic Hotels	10,084	**10,176**	+92	+0.9%
Newly Opened Domestic Hotels	75	**810**	+735	+980%
Other	1,098	**1,099**	+1	+0.1%
Operating Profit*	1,255	**974**	[281]	[22.4]%
Ordinary Profit*	968	**701**	[267]	[27.6]%
Profit Attributable to Owners of Parent*	876	**458**	[418]	[47.8]%
Adjusted Net Income*	937	**654**	[283]	[30.2]%

Note: Profit figures from operating profit onward are presented before goodwill amortization. Adjusted Net Income is calculated as profit attributable to owners of parent plus goodwill amortization and deferred income tax expense.

Key Factors

- **Net Sales**
  - Existing hotels recorded modest revenue growth, affected by fewer Chinese guests and lower demand in the Kansai/Osaka area following Expo 2025.
  - Contribution from six newly opened hotels.
- **Operating Profit — Main Factors Behind the Decline**
  - Higher variable rents associated with increased revenue.
  - Lower revenue at some existing hotels.
  - Higher hotel operating costs.
  - Front-loaded costs associated with new hotel openings.
- **Ordinary Profit — Main Factor Behind the Decline**
  - ¥31 million decrease in insurance claim income.
- **Net Income**
  - ¥197 million in deferred income tax expense due to the reversal of deferred tax assets, up ¥135 million YoY.

FY2027/3 1Q Financial Results – Progress Against Full-Year Forecast

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Net sales and profit are tracking slightly below initial expectations, while the full-year forecast remains unchanged.

(unit:¥M)	FY2027/3 1Q	FY2027/3 Forecast	Percentage Complete
Net Sales	**12,085**	54,500	**22.2%**
Operating Profit*	**974**	5,504	**17.7%**
Ordinary Profit*	**701**	4,304	**16.3%**
Profit Attributable to Owners of Parent*	**458**	2,903	**15.8%**
Adjusted Net Income*	**654**	5,557	**11.8%**
Annual Dividend per Share (JPY)	–	10.0	—

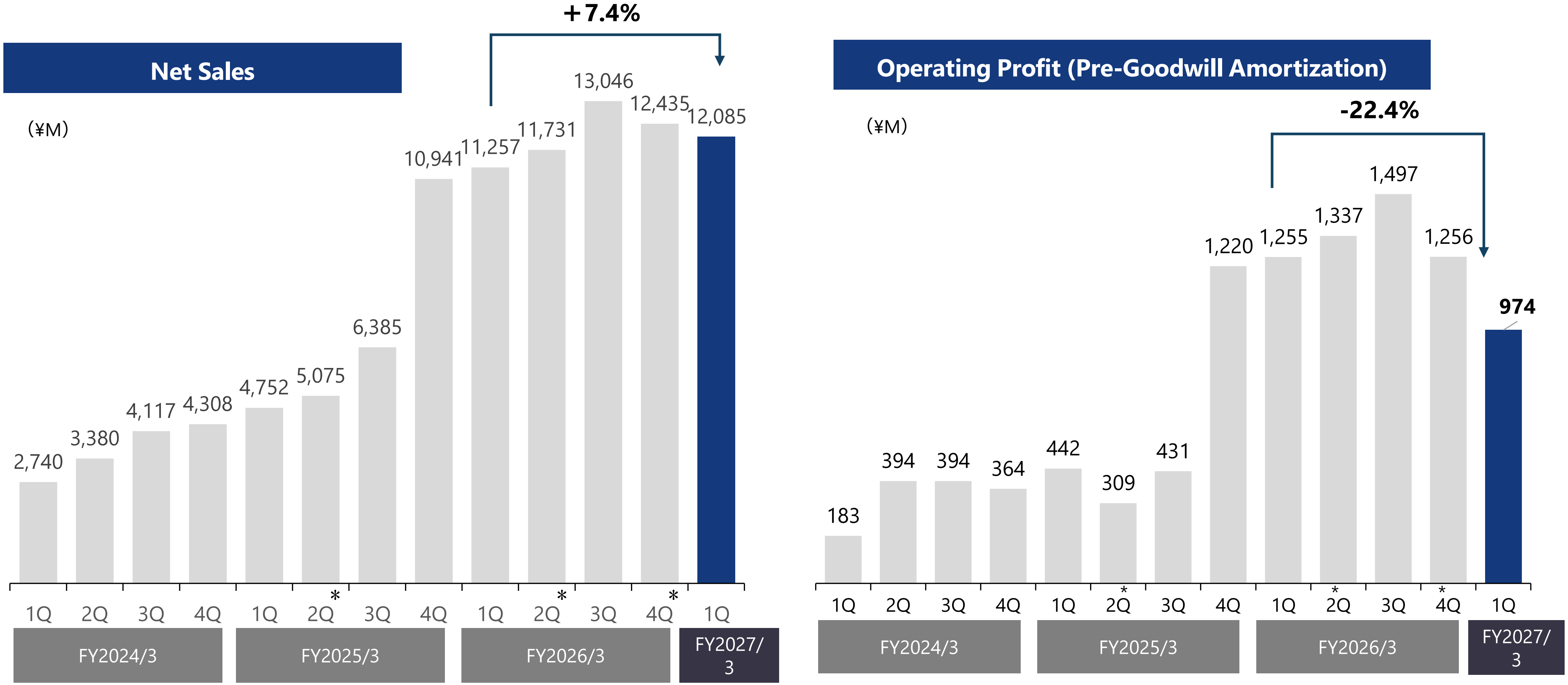
Note: Profit figures from operating profit onward are presented before goodwill amortization. Adjusted Net Income is calculated as profit attributable to owners of parent plus goodwill amortization and deferred income tax expense.

Key Factors

- **Full-Year Forecast**
  - Results are tracking slightly below initial expectations due to fewer Chinese visitors amid deteriorating Japan-China relations. However, solid inbound demand from other markets supports maintaining the full-year forecast.
  - One hotel remains closed due to the 2026 Kumamoto Earthquake, with no reopening date determined. We continue to monitor changes in demand, including inbound trends, and the impact on earnings.
- **Dividend Forecast**
  - The revised dividend forecast of ¥10 per share, increased from ¥5 following the June 24, 2026, revision of the shareholder return policy, remains unchanged.

Quarterly Trends in Net Sales and Operating Profit

Net sales continued to grow steadily.

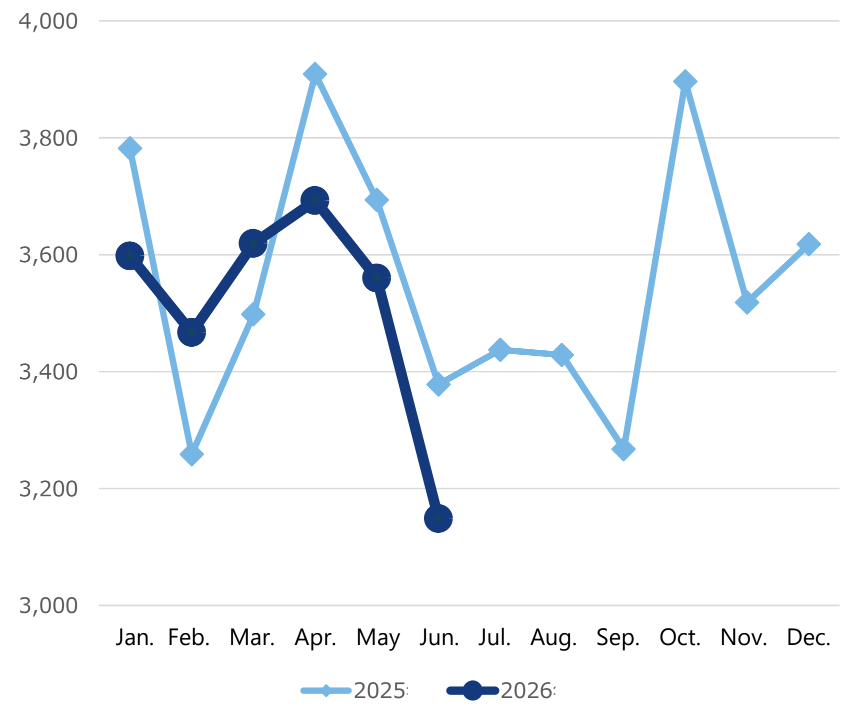


* Figures marked with an asterisk exclude one-time items, including gains on real estate sales and investment distribution income.

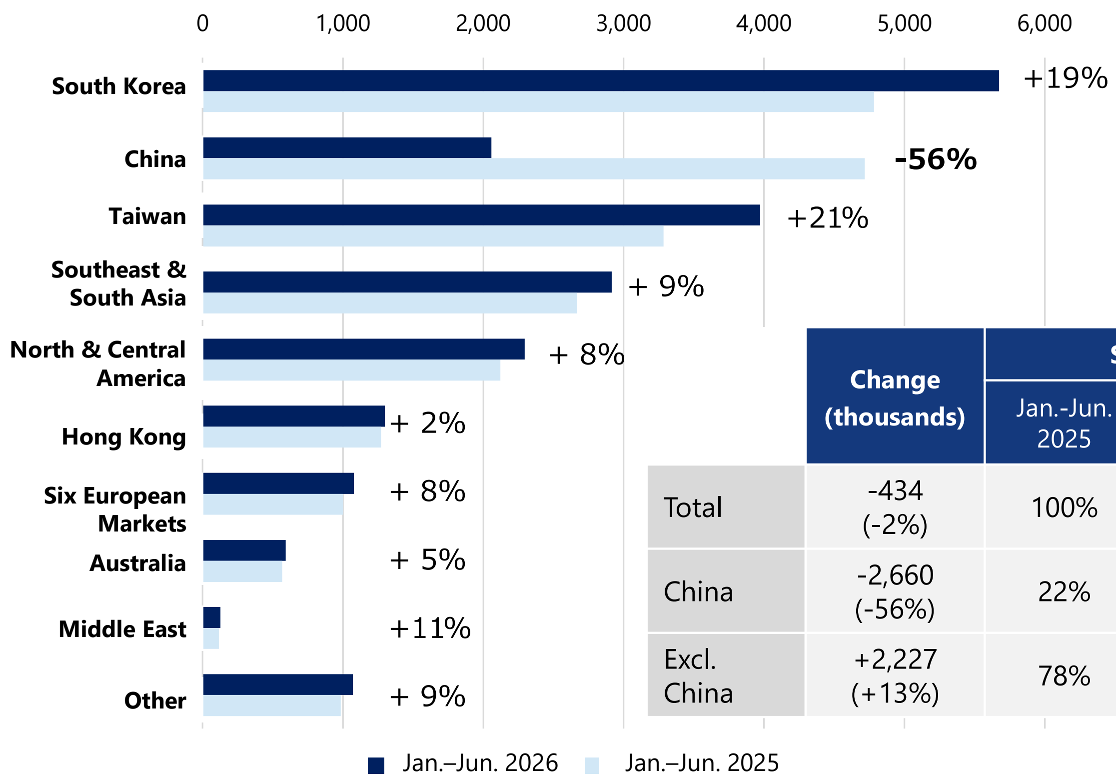
Inbound Visitor Trends

Inbound visitors declined YoY, largely due to a 56% decrease in visitors from China. No impact from tensions in the Middle East was observed, while visitors from other markets increased 13% YoY.

Monthly Inbound Visitors



Inbound Visitors by Market (Jan.–Jun.)



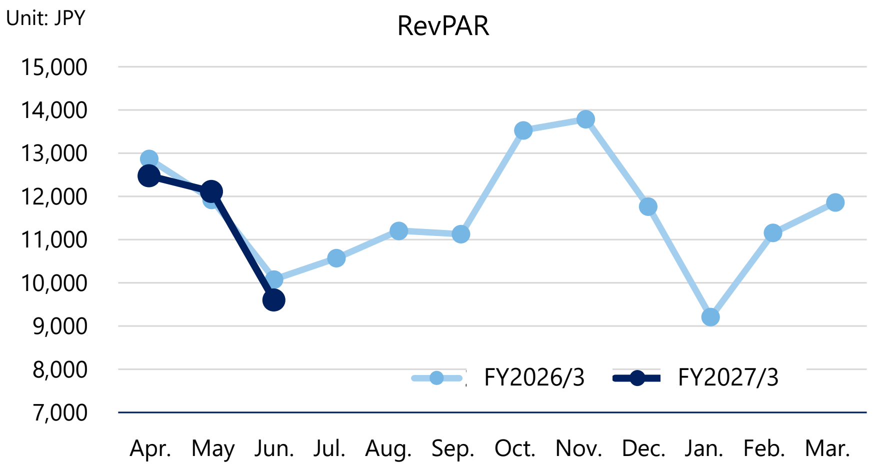
	Change (thousands)	Share	
		Jan.-Jun. 2025	Jan.-Jun. 2026
Total	-434 (-2%)	100%	100%
China	-2,660 (-56%)	22%	10%
Excl. China	+2,227 (+13%)	78%	90%

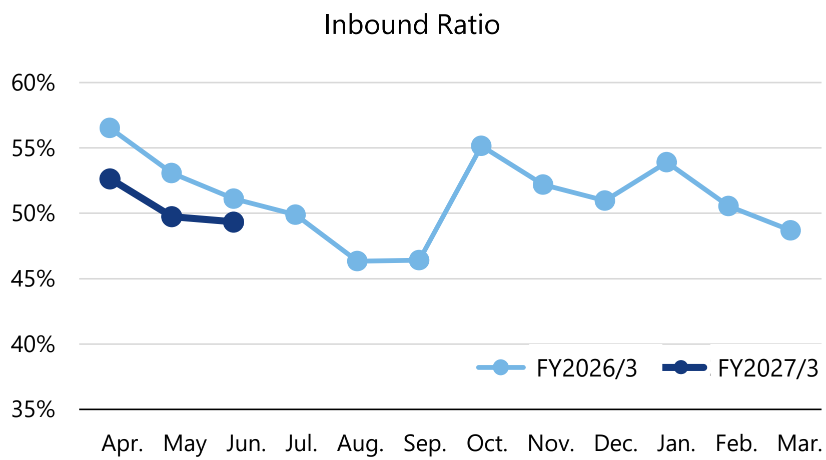
Source: Japan National Tourism Organization (JNTO), Visitor Arrivals Statistics.

KPI Performance of Comparable Domestic Hotels

RevPAR decreased 2% YoY, affected by fewer Chinese guests amid deteriorating Japan-China relations and lower demand following Expo 2025 Osaka, Kansai.

68 Comparable Domestic Hotels	FY2027/3 1Q Apr.–Jun. 2026	FY2026/3 1Q Apr.–Jun. 2025	YoY	
			Difference	Growth Rate
OCC	88.6%	89.3%	[0.7]pp	-
ADR (JPY)	12,871	13,026	[155]	[1.2]%
RevPAR (JPY)	11,403	11,627	[225]	[1.9]%
Inbound Ratio	50.6%	53.6%	[3.0]pp	-

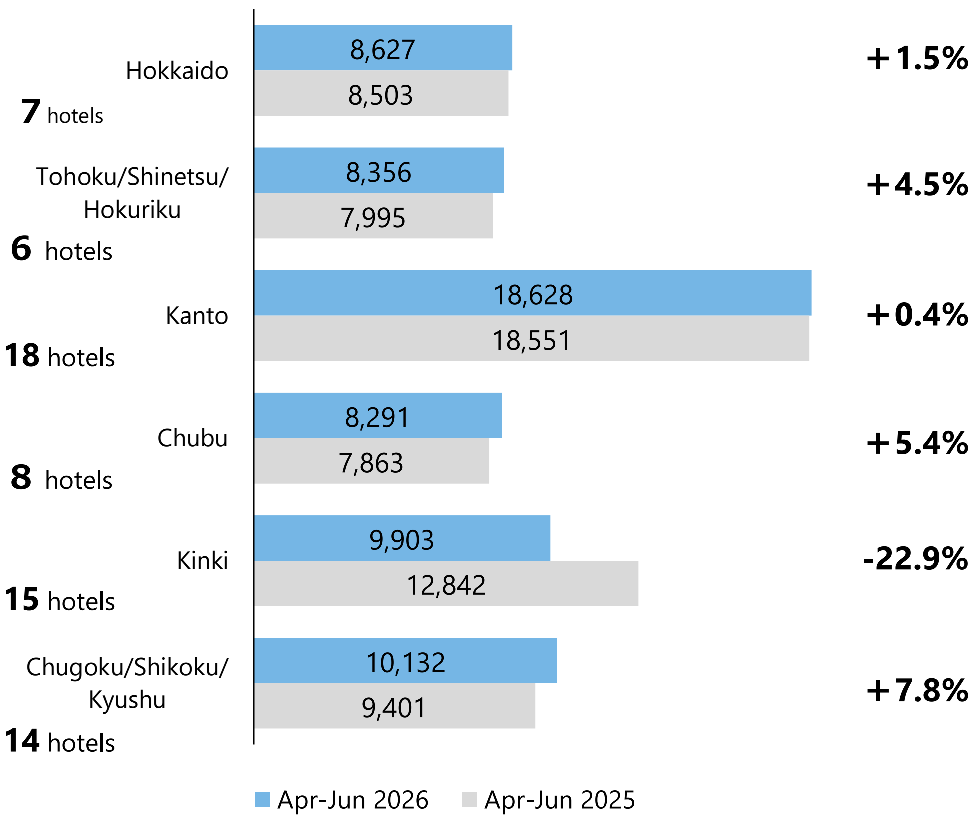




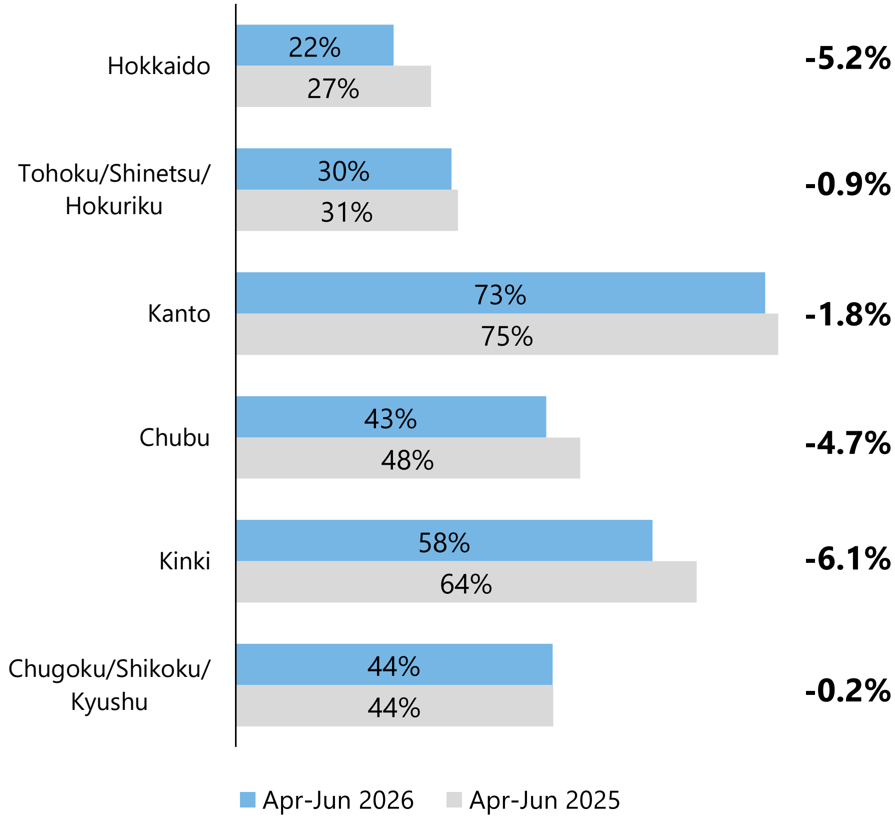
KPI Performance of Comparable Domestic Hotels by Region

RevPAR declined significantly in the Kinki region following Expo 2025 Osaka, Kansai, while increasing in all other regions despite fewer Chinese guests.

RevPAR (JPY)



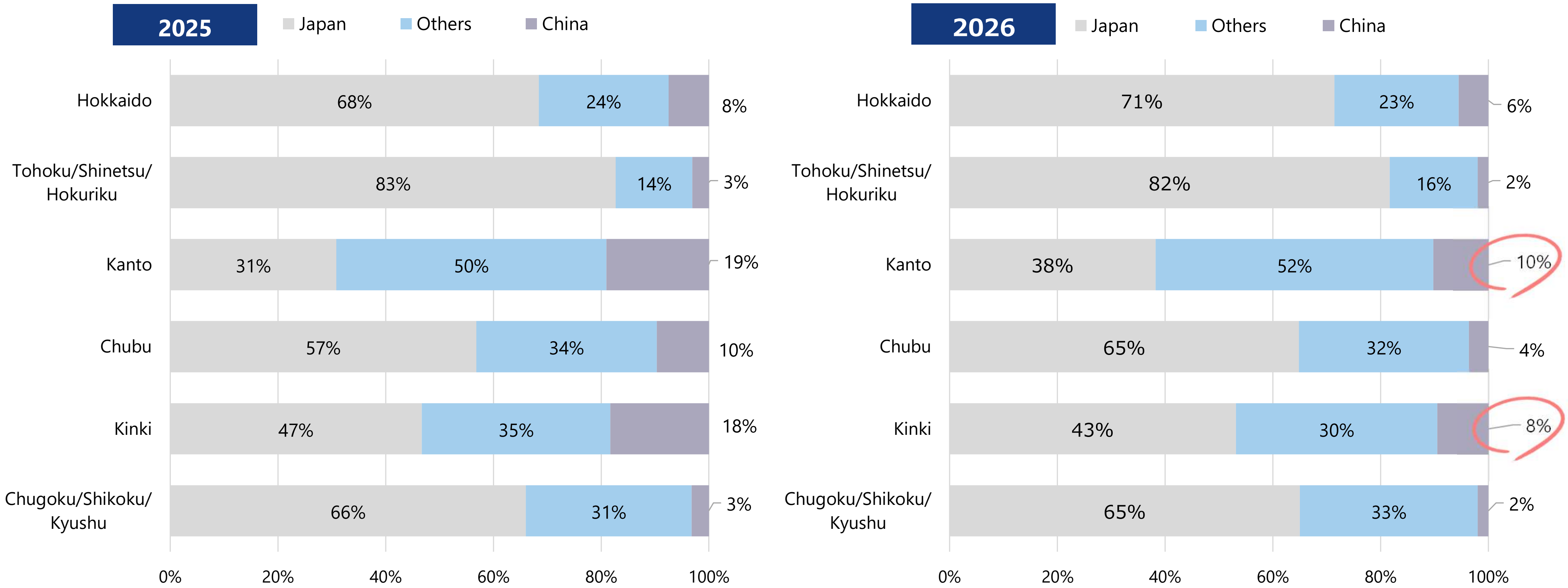
Inbound Ratio (Guest-nights)



Changes in Inbound Guest Mix

Chinese guests declined in the Kanto and Kinki regions, where they had previously accounted for a relatively high share of guests.

Guest-Night Mix by Region and Nationality (Apr.–Jun.)



New Hotel Openings – Contract Progress and Operating Scale

Secured 8 new hotel contracts in 1Q, significantly exceeding the previous year.
We are making steady progress toward the Medium-Term Management Plan targets.

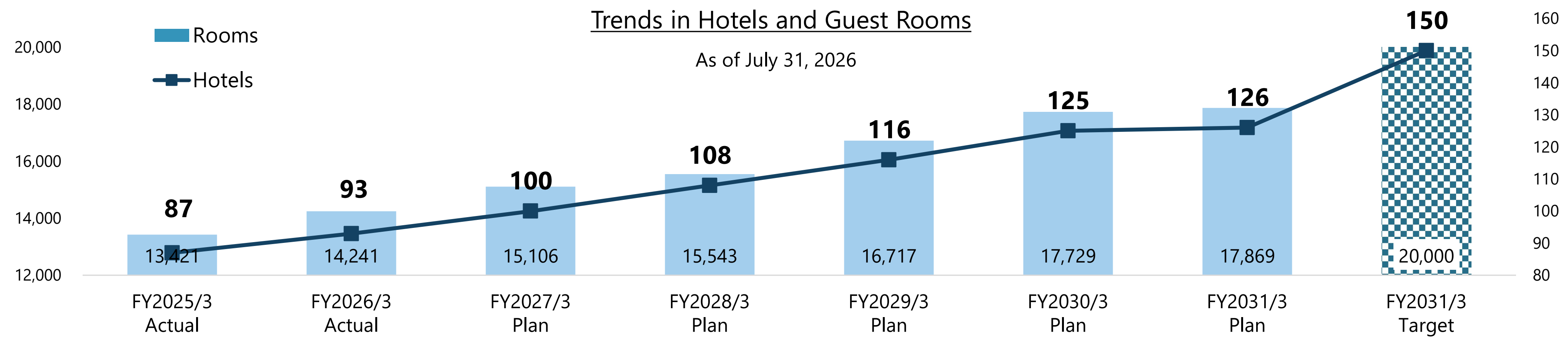
Quarterly New Hotel Contract Activity

	1Q	2Q	3Q	4Q	Total
FY2026/3	2	2	5	6	15
FY2027/3	8	-	-	-	8

Hotel Portfolio Overview

As of July 31, 2026

	Hotels in Japan		Overseas	Total	MTP 2030 Target
	Operating	Scheduled to Open	Operating		
Hotels	80	31	15	126	150
Rooms	12,131	3,210	2,528	17,869	20,000



New Hotel Opening – KOKO HOTEL Sendai Station Central

- **Our fourth hotel in Sendai and first newly built hotel in the city**
- **Further strengthening our cluster strategy to enhance operational efficiency**

Highlights

- Prime location near the West Exit of JR Sendai Station
- Close to our three existing KOKO HOTELS, enhancing operational efficiency through information sharing, staff deployment and vendor coordination
- Twin and family rooms catering to both business and leisure demand, including inbound guests
- Breakfast featuring local flavors, served at the directly operated restaurant on the first floor

Hotel Overview	
Guest Rooms	117
Contract Type	Lease Agreement
Contract Term	20 years
Rent Structure	Fixed + Variable Rent
Opening Date	May 1, 2026

New Hotel Opening – KOKO HOTEL Premier Tokyo Bay Makuhari

- **Jointly acquired with the sponsor group upon completion, with Polaris investing ¥1.0 billion**
- **First KOKO HOTEL featuring a top-floor public bath with a sauna and open-air bath**

Highlights

- Made a ¥1.0 billion Tokumei Kumiai investment in an SPC jointly with the Star Asia Group
- Large-scale hotel with over 300 rooms near Kaihin-Makuhari Station, in an area with strong accommodation demand driven by Makuhari Messe and other facilities
- First KOKO HOTEL featuring a top-floor public bath with a sauna and open-air bath
- Hawaiian restaurant “Merengue” on the first floor, enhancing the breakfast offering

Hotel Overview	
Guest Rooms	301
Contract Type	Lease Agreement
Contract Term	20 years
Rent Structure	Variable Rent
Opening Date	June 18, 2026

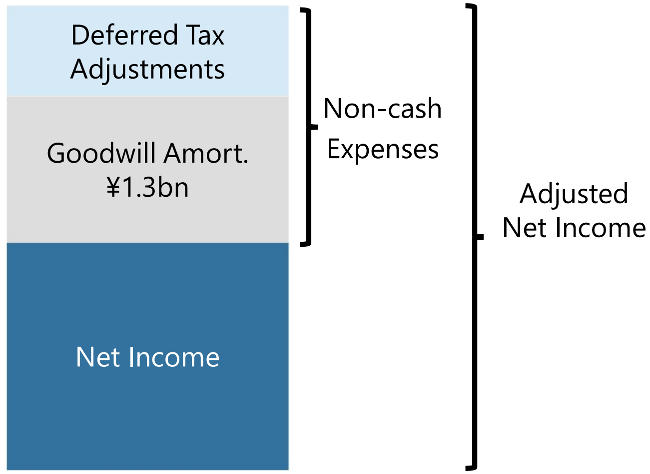
Revision of Shareholder Return Policy

Based on the cash generation capacity of our business model (asset-light and recurring revenue models), we determined that we can sustainably increase dividends while still securing funds for growth investments. Accordingly, we raised the target dividend payout ratio and revised the FY2027/3 dividend forecast from ¥5 to ¥10 per share.

The details of the revised shareholder return policy are as follows:

	Previous Policy	Revised Policy
Basis for Calculating Dividend Payout Ratio	Net Income	**Adjusted Net Income** (Net Income + Goodwill Amortization + Deferred Tax Adjustments)
Target Consolidated Dividend Payout Ratio	30% or more	**50% or more**
Shareholder Return Policy	Maintain and enhance stable, performance-linked dividends	No change

Illustration of Adjusted Net Income



Trends in Dividends and Dividend Payout Ratio

	FY2024/3 Actual	FY2025/3 Actual	FY2026/3 Actual	FY2027/3 Forecast	Medium-Term Management Plan 2030 Target
Annual Dividend per Share (JPY)	0.00	3.00	5.00	**10.00**	–
Dividend Payout Ratio (Adjusted Net Income)	–	49.1%	28.9%	**54.8%**	50% or more

Appendix

FY2027/3 1Q Financial Results – Reported Basis

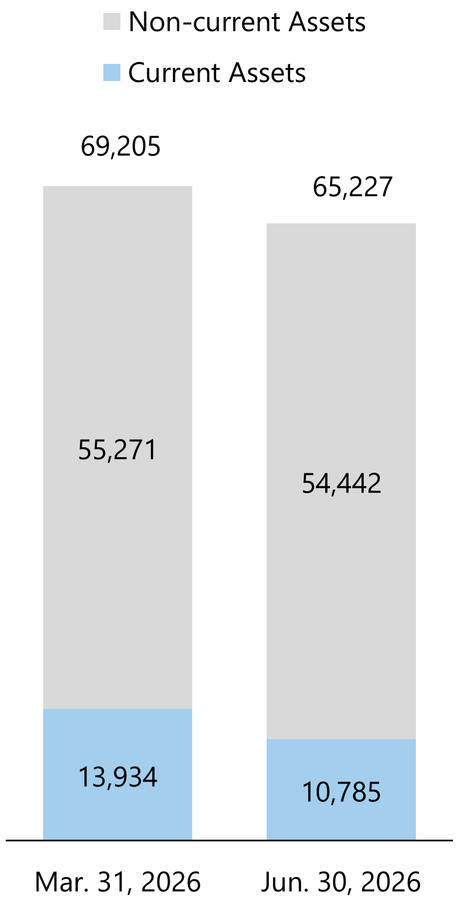
Net sales increased 7.4% YoY, driven by new hotel openings, while operating profit declined due to lower revenue at some existing hotels and higher SG&A expenses.

JPY million	FY2026/3 1Q	FY2027/3 1Q	YoY	
			Change	Change (%)
Net Sales	11,257	**12,085**	+828	+7.4%
Gross Profit	10,825	**11,586**	+761	+7.0%
Selling, General and Administrative Expenses	9,896	**10,938**	+1,042	+10.5%
(of which, Goodwill Amortization)	326	**326**	–	–
Operating Profit	929	**648**	[281]	[30.3]%
Ordinary Profit	642	**375**	[267]	[41.6]%
Profit Before Income Taxes	642	**359**	[283]	[44.1]%
Deferred Income Tax Expense	61	**197**	+135	+220.3%
Profit Attributable to Owners of Parent	550	**132**	[418]	[76.1]%
Adjusted Net Income*	937	**654**	[283]	[30.2]%

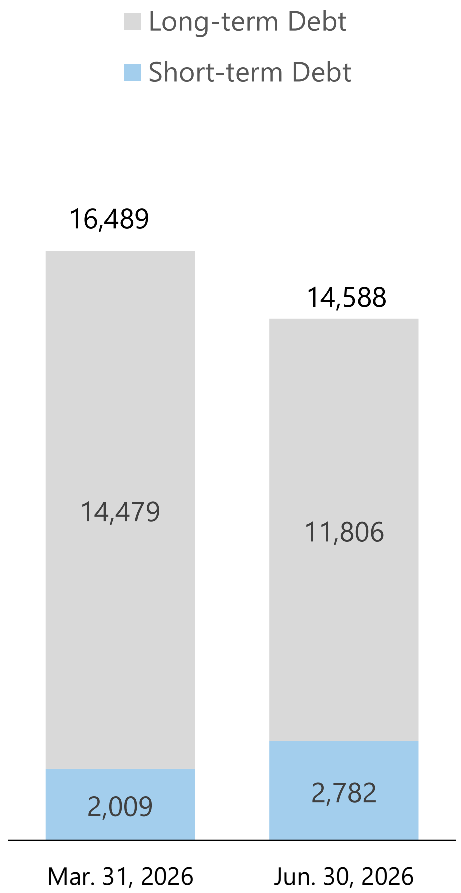
Note: Adjusted Net Income is calculated as profit attributable to owners of parent plus goodwill amortization and deferred income tax expense.

FY2027/3 1Q Financial Position (JPY million)

Total Assets

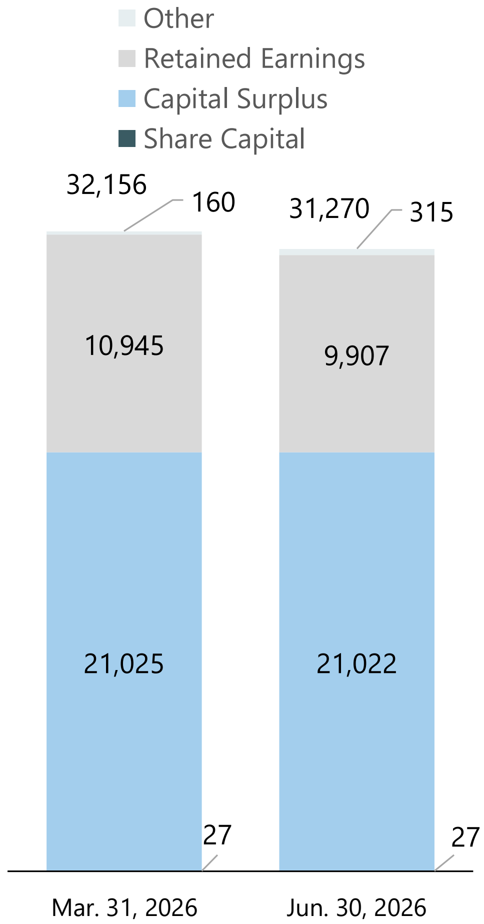


Interest-bearing Debt

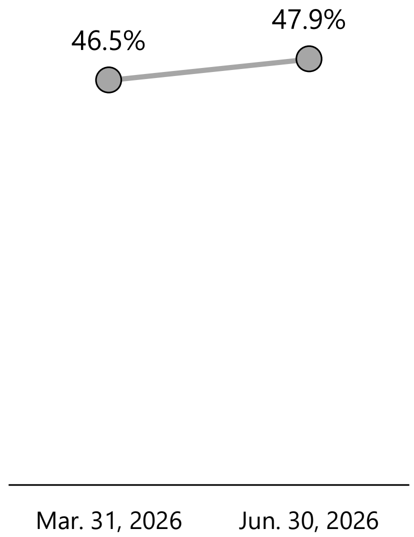


Note: 1. Excludes lease liabilities.
2. Long-term debt represents debt with maturities of more than one year.

Net Assets

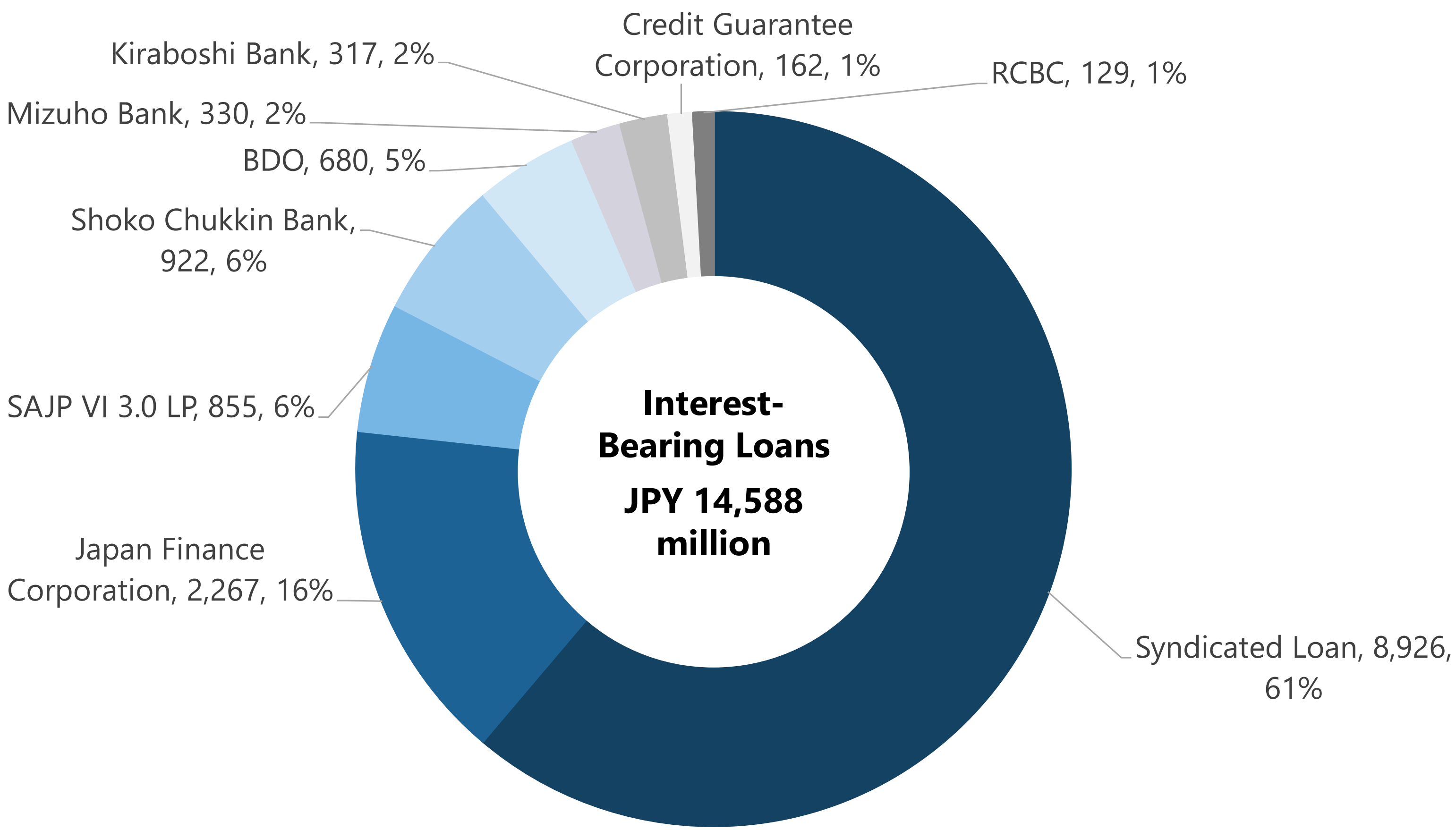


Equity Ratio



Borrowing Status As of June 30, 2026

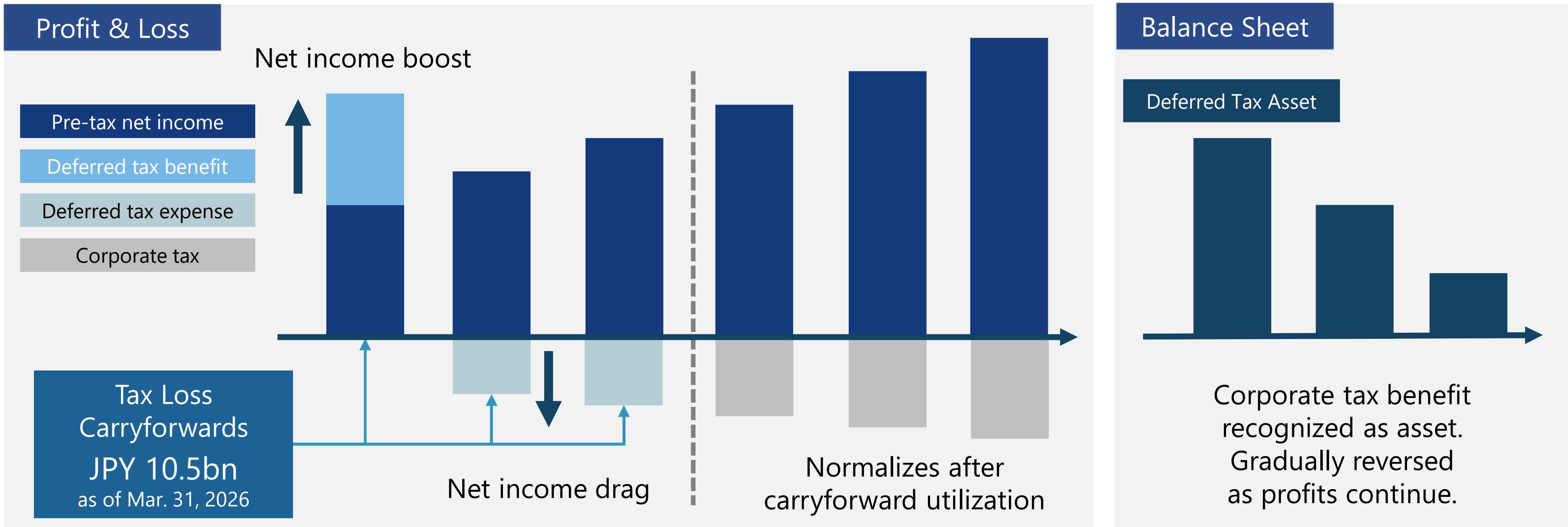
Unit: JPY million



Note: The syndicated loan is provided through a cooperative financing arrangement by seven banks, with Mizuho Bank, Ltd. serving as the arranger. The participating banks are Sumitomo Mitsui Banking Corporation, Kiraboshi Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited, SBI Shinsei Bank, Limited, The Chiba Bank, Ltd., and The Juhachi-Shinwa Bank, Ltd.

Tax Loss Carryforwards & Deferred Tax Assets (Tax Effect Accounting)

- Significant tax loss carryforwards from COVID-era losses are expected to reduce corporate tax payments in the near term.
- As future earnings were assessed as stable, deferred tax assets representing future tax benefits were recognized on the FY2026/3 balance sheet, together with deferred tax benefits on the P&L, temporarily increasing net income.
- If profits continue, the deferred tax assets will be gradually reversed and deferred tax expenses recognized, temporarily reducing net income until the tax loss carryforwards are fully utilized.
- This accounting treatment is required to reconcile differences between financial and tax accounting and is a factor behind the projected decline in FY2027/3 net income.
- These are accounting adjustments only, with no associated cash movement.



Note: The above diagrams are for illustrative purposes only and do not represent actual financial figures.

Five-Year Financial Data

		FY2022/3	FY2023/3	FY2024/3	FY2025/3	FY2026/3
Net Sales	JPY thousand	3,712,127	7,017,664	22,545,288	27,881,446	48,469,321
Ordinary Profit	JPY thousand	[1,623,142]	[215,243]	2,608,746	1,893,262	2,896,055
Net Income attributable to Owners of the Parent	JPY thousand	[1,829,816]	534,189	3,297,199	2,610,672	4,596,358
Comprehensive Income	JPY thousand	[1,829,815]	534,190	3,361,789	2,810,851	4,494,133
Net Worth	JPY thousand	192,600	2,910,571	6,884,782	28,329,421	32,155,558
Total Assets	JPY thousand	12,035,678	24,653,218	23,208,107	67,174,815	69,205,013
Net Worth per Share (BPS)	JPY	1.99	24.83	55.46	121.19	137.47
Earnings per Share (EPS)	JPY	[25.98]	4.98	26.86	16.90	19.66
Diluted Earnings per Share (Diluted EPS)	JPY	–	4.91	26.44	16.83	–
Equity Ratio	%	1.5	11.8	29.7	42.2	46.5
Return on Equity (ROE)	%	–	34.6	67.4	14.8	15.2
Cash Flows from Operating Activities	JPY thousand	[7,818,785]	[109,963]	7,739,499	4,285,318	5,805,951
Cash Flows from Investing Activities	JPY thousand	[415,301]	[728,200]	[1,659,113]	[3,876,064]	[2,126,641]
Cash Flows from Financing Activities	JPY thousand	8,798,969	2,185,003	[6,943,207]	4,043,345	[3,704,767]
Cash and Cash Equivalents at End of Period	JPY thousand	2,224,386	3,571,227	2,723,271	7,195,869	7,159,918
Number of Employees	person	171	358	486	1,109	1,940

Notes on Domestic Hotel KPIs

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1. The aggregation includes hotels that were already in operation at the beginning of the previous financial year and continued to operate as of the end of the reported period. The three hotels operated under the “Value the Hotel” brand, which were established as part of reconstruction support following the Great East Japan Earthquake, are excluded from the scope of aggregation.
2. OCC (Occupancy Rate): The ratio of total rooms sold to total available rooms during the relevant period.
3. ADR (Average Daily Rate): Calculated by dividing total lodging division revenue (including service charges) by total rooms sold during the relevant period.
4. RevPAR (Revenue Per Available Room): Calculated by dividing total lodging division revenue by total available rooms during the relevant period.
5. Inbound Ratio: The ratio of total foreign guests to total guests during the relevant period.
6. OCC, ADR, RevPAR and Inbound Ratio are weighted averages of the aggregated hotels.
7. OCC and Inbound Ratio are rounded to one decimal place, while ADR and RevPAR are rounded to the nearest whole number.
8. Please note that the figures and information have not been subject to auditing procedures, and therefore we do not guarantee the accuracy or completeness of individual figures or information. These figures may be revised in the future.

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Furthermore, performance forecasts and forward-looking statements contained herein are based on judgments using information reasonably available at the time of preparation and involve certain risks and uncertainties. Actual results may differ materially from those forecasted.

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