

January 10, 2023

Company Name: Polaris Holdings Co., Ltd.

Representative: Atsuo Umeki, President and Representative Director

Stock Listing: Tokyo Stock Exchange, Standard Market

Stock Code: 3010

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Polaris to Acquire 2 Additional Red Planet Hotel Assets in Central Manila

Polaris Holdings Co., Ltd. (“Polaris”) is pleased to announce that we have entered into a share purchase agreement (the “SPA”) to acquire Red Planet Hotels Manila Corporation (“RP Manila Corp”) that owns and operates 2 hotels under the "Red Planet" brand in the Republic of the Philippines. As described in the July 28, 2022 press release titled "Polaris to Acquire 2 Additional Red Planet Hotel Assets Strategically Located in Central Manila" Polaris had been in discussions with Red Planet Japan, Inc. (the “Seller”) to execute the SPA. Today, Polaris' Board of Directors resolved to conclude and execute the contract.

1. Reason for entering into the SPA

On July 26, 2022, Polaris acquired Red Planet Holdings (Philippines) Limited that owns and operates 13 limited-service hotels (2,208 rooms) under the Red Planet brand in the Philippines, as announced press release titled "Polaris Opportunistically Acquires Red Planet Hotel Philippines Business; Continues to Execute Strategic Growth Plans in Japan and South East Asia".

The acquisition of RP Manila Corp will lead to a further accretive expansion of the fully integrated, hotel operating platform in the Philippines and this acquisition will further propel Polaris in maximizing profits and shareholder value. RP Manila Corp. owns and will operate the “Red Planet The Fort” Hotel (245 rooms scheduled to open in early 2023), which is located in the heart of Bonifacio Global City—one of the important and leading Central Business Districts for global companies and one of the most high-end residential districts in Central Manila. This hotel has the competitive edge to become the flagship property of the "Red Planet" brand in the Philippines.

Upon completion of this acquisition, the total number of hotels operated by Polaris and its subsidiaries will be 45 hotels totaling 8,135 rooms.

2. Number of Shares Acquired, Acquisition Price and Status of Shares Held Before and After Acquisition

Under the SPA, in addition to the share acquisition, Polaris will assume the Seller's loans with a book value as of November 30, 2022 of JPY 1,704 million (equivalent to PHP 710 million at 2.4 JPY per 1 PHP) for only JPY 976 million.

(1) Number of Shares Held Before the Acquisition	0 shares (Number of voting rights: 0) (Percentage of voting rights: 0%)
(2) Number of Shares Acquired	10,624,394 shares (Number of voting rights: 10,624,394)
(3) Acquisition Price	For the common shares of RP Manila Corp: JPY 38 million Advisory Fees etc. (approximate): JPY 20 million Total (approximate): JPY 58 million
(4) Number of Shares Held After the Acquisition	10,624,394 shares (Number of voting rights: 10,624,394) (Percentage of voting rights: 100.0%)

3. Schedule

(1) Date of Resolution by the Board of Directors	January 10, 2023
(2) Contract Date	January 10, 2023
(3) Date of Share Transfer	March 2023 (Scheduled)

The transfer of shares is subject to the prior written consent of Asia United Bank, which provides financing to RP Manila Corp.

4. Outlook

Polaris has decided to postpone disclosure of its consolidated forecast due to the current difficulty of reasonably forecasting the impact of the COVID-19 on our group business activities for the fiscal year ending March 31, 2023. The Company will promptly announce forecasts as soon as disclosure become possible.

NOTE: This is an English translation summary of the Company's announcement in Japanese. No assurances or warranties are given for completeness or accuracy of this English translation summary.