



Hoshino

Hoshino
Resorts
REIT

Presentation Material

Fiscal Period Ended
October 2025/25th FP
Hoshino Resorts REIT, Inc. Presentation Materials

Security Code: 3287

<https://www.hoshinoresorts-reit.com/en/>

Asset Management Company:
Hoshino Resort Asset Management Co., Ltd.

December 16, 2025



HRR is creating schemes to benefit from the growth of Japan's tourism industry

We believe that the tourism industry is crucial for Japan's revitalization in an aging society with a declining birthrate.

Our goal is to become a truly tourism-oriented REIT by creating schemes to benefit from the growth in Japan's tourism industry through unitholders owning investment units, and continually expanding unitholder value.



Chapter 1.

Financial summary

05

Chapter 2.

Highlights of operations

09

Chapter 3.

Future operation strategy

21

Chapter 4.

Sustainability initiatives

28

Chapter 5.

Appendix (1): About Sponsor Hoshino Resorts

33

Chapter 6.

Appendix (2): About Hoshino Resorts REIT and the portfolio

37

For notes in the text, please refer to the contents of the “Note” section below.

In addition, the following abbreviations are used for some parts of the text from the next page onwards.

“Hoshino Resorts”	Hoshino Resorts, Inc. and its parent company and subsidiaries
“4 HOSHINOYA properties”	HOSHINOYA Karuizawa, HOSHINOYA Kyoto, HOSHINOYA Fuji, HOSHINOYA Taketomi Island
“5 HOSHINOYA properties”	HOSHINOYA Karuizawa, HOSHINOYA Kyoto, HOSHINOYA Fuji, HOSHINOYA Taketomi Island, HOSHINOYA Okinawa
“2 RISONARE properties”	RISONARE Yatsugatake, RISONARE Atami
“6 KAI”	KAI Matsumoto, KAI Tamatsukuri, KAI Ito, KAI Hakone, KAI Kinugawa, KAI Kaga
“11 KAI”	KAI Matsumoto, KAI Tamatsukuri, KAI Ito, KAI Hakone, KAI Kinugawa, KAI Kaga, KAI Alps, KAI Enshu, KAI Nagato, KAI Kirishima, KAI Beppu
“12 KAI”	KAI Matsumoto, KAI Tamatsukuri, KAI Ito, KAI Hakone, KAI Kinugawa, KAI Kaga, KAI Alps, KAI Enshu, KAI Nagato, KAI Kirishima, KAI Beppu, KAI Poroto
“2 OMO properties”	OMO7 Kochi, OMO7 Osaka
“22 Roadside properties”	22 budget-style hotels operated by the Greens
“23 Roadside properties”	22 Roadside properties, Comfort Inn Niigata Kameda
“3 ANA Crowne Plaza properties”	ANA Crowne Plaza Hiroshima, ANA Crowne Plaza Kanazawa, ANA Crowne Plaza Toyama
“4 the b properties”	the b akasaka, the b sangenjaya, the b nagoya, the b kobe
“5 the b properties”	the b akasaka, the b sangenjaya, the b nagoya, the b kobe, the b asakuka
“5 Candeo properties”	Candeo Hotels Handa, Candeo Hotels Chino, Candeo Hotels Fukuyama, Candeo Hotels Sano, Candeo Hotels Kameyama

• Unless otherwise noted, amounts are rounded to the nearest unit, and ratios are rounded to the nearest hundredth.

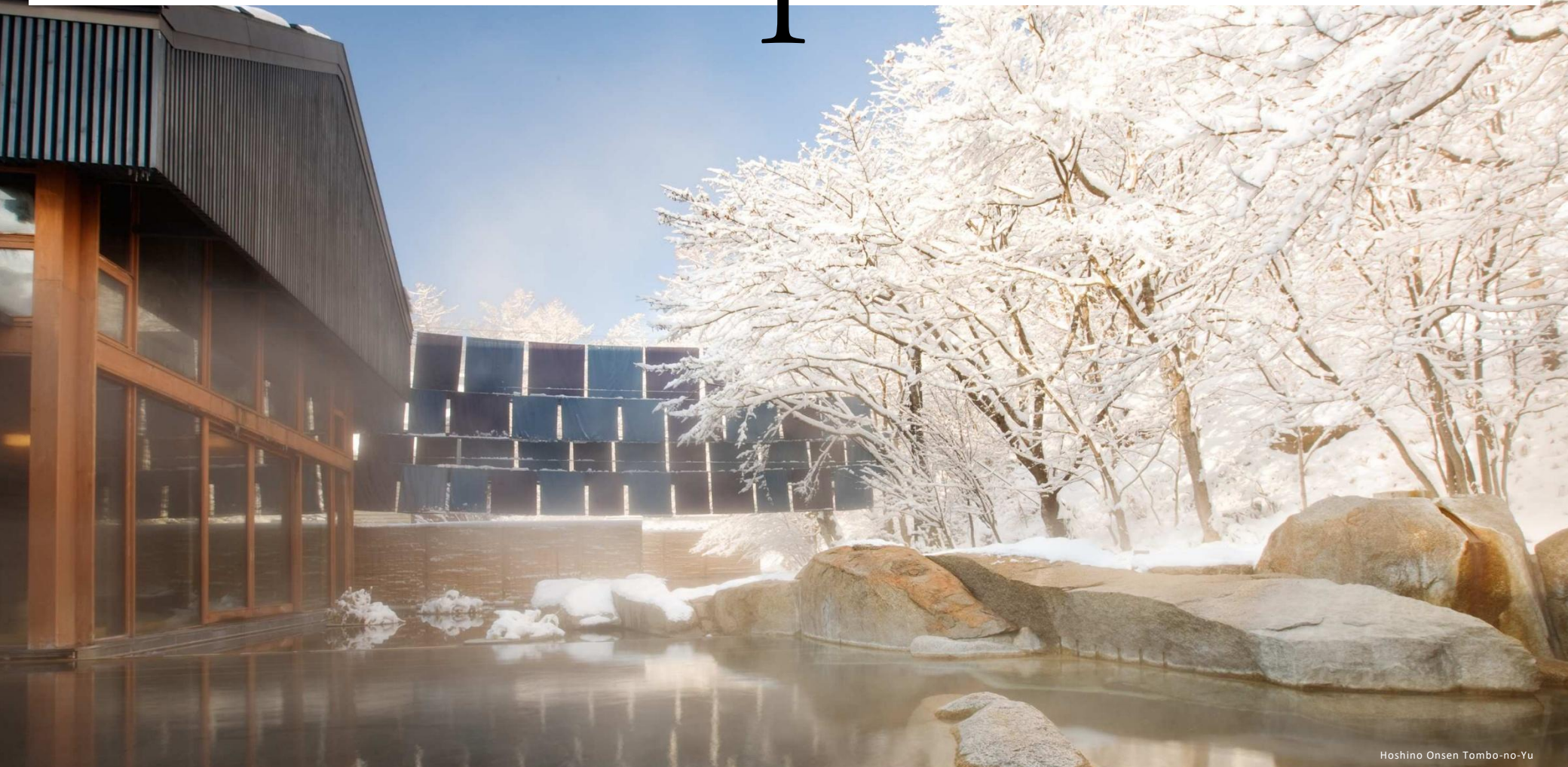
• Monthly key performance indicators and inbound ratios are based on figures provided by lessees.

• This document may include information on properties not currently owned by the Investment Corporation, such as properties owned by Hoshino Resorts and DBJ Joint Fund. There are no specific plans for the Investment Corporation to acquire these properties, including those listed in the main sponsor pipeline list, as of the date of this document, and there is no guarantee that they will be acquired in the future. For information on properties owned by the Investment Corporation, please refer to the Investment Corporation's website: <https://www.hoshinoresorts-reit.com/en/portfolio/list.html>

• If there is a QR code image, you can move to a website by reading it with a smartphone, etc.

CHAPTER

1



Hoshino Onsen Tombo-no-Yu

Financial summary

Financial summary for the fiscal period ended October 2025 (25th fiscal period)

	Results of the 24th FP	Forecast for the 25th FP (Financial results as of June 16, 2025) (A)	Results of the 25th FP (B)	Comparison with Forecast (B)-(A)
Operational status (million yen)				
Operating revenue	7,633	8,675	8,696	+20
Operating expenses	4,195	4,381	4,370	-10
Operating profit	3,437	4,293	4,325	+31
Ordinary profit	2,691	3,511	3,556	+45
Profit	2,793	3,510	3,555	+45
Distribution per unit	4,615 yen	6,000 yen	6,077 yen	+77 yen
Others				
Rental NOI (million yen)	6,310	7,130	7,159	+29
Rental NOI yield	5.5%	6.3%	6.3%	+0.02 pt
LTV	39.4%	39.1%	39.5%	+0.35 pt
NAV per unit	302,386 yen	-	305,074	-

Breakdown of operating revenue

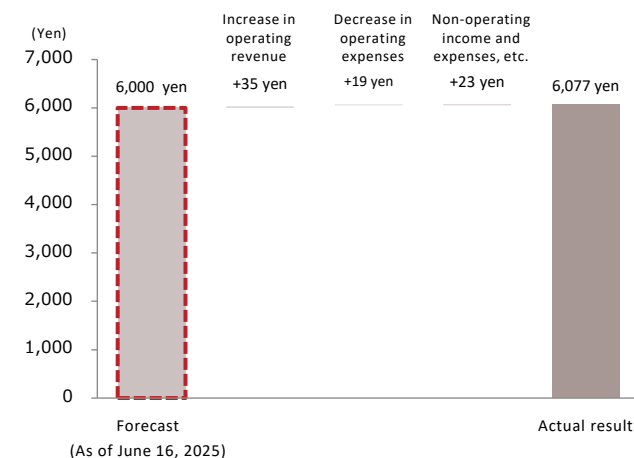
■ Fixed rent	5,378 million yen (61.9%)
■ Variable rent	3,150 million yen (36.2%)
■ Other revenue	167 million yen (1.8%)

Comparison of operating expenses with previous forecast

■ Rental business expenses (repair expenses)	-8 million yen
■ Rental business expenses (expenses other than repair expenses)	+15 million yen
■ Increase/decrease in other expenses	-17 million yen

Breakdown of distribution increase and decrease

■ Distribution per unit	6,077 yen
■ Comparison with forecast	+77 yen (+1.2%)

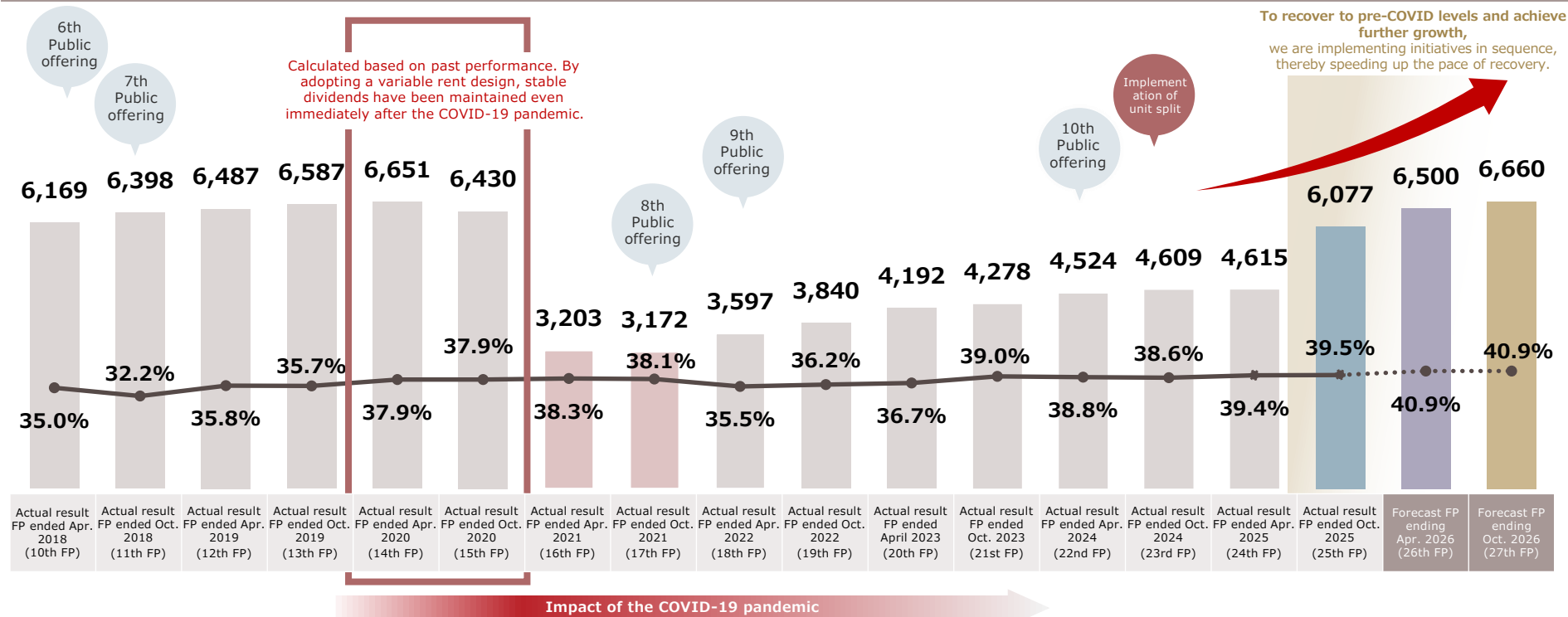


Actual distributions and distribution forecast per unit and changes in LTV

Actual distributions and distribution forecasts

	Previous forecast (released Jun. 16, 2025)	This announcement (released Dec. 16, 2025)	
FP ended Oct. 2025 (FP 25 th)	6,000 yen	Actual results 6,077 yen (vs. previous forecast +77 yen)	<ul style="list-style-type: none"> ■ Main Variable Rent Calculation Period: December 2023 – November 2024 ■ A number of initiatives were implemented to support increased distributions and enhance the investment unit price. ■ Compared with the previous financial results forecast, roadside and other properties with real-time performance linked rents (a rent structure that reflects operating performance in variable rent immediately) performed well, resulting in distributions exceeding the initial forecast.
FP ended Apr. 2026 (FP 26 th)	6,200 yen	Forecast 6,500 yen (vs. previous forecast +300 yen)	<ul style="list-style-type: none"> ■ Main Variable Rent Calculation Period: November 2024 – October 2025 ■ While the impact of the gain on sale of "OMO7Asahikawa" and "KAI Aso" recorded in the previous period will no longer be present (-271 yen), the strong performance of external properties, including the Grand Prince Hotel Osaka Bay, which captured demand from the Expo, is expected to result in a significant increase in distributions compared with the previous period. ■ Compared with the previous forecast, the demand exceeding expectations from the Expo, as well as the contribution from the acquisition of AQUAIGNIS/Yunoyama Sotsuikyō on November 4, 2025, contributed to the increase.
FP ended Oct. 2026 (FP 27 th)	-	Forecast 6,660 yen (vs. 26th period +160 yen, +2.5%)	<ul style="list-style-type: none"> ■ Main Variable Rent Calculation Period: May 2025 – April 2026 ■ Distributions are expected to exceed pre-COVID levels (6,651 yen). ■ Rents from Hoshino Resorts operated properties declined due to renovation closures at Kai Enshu and the end of the Premium Fixed Rent period at OMO7 Osaka. In contrast, strong performance at external properties, including the Grand Prince Hotel Osaka Bay and the b properties, along with seasonality effects in properties linked to real-time performance, led to higher revenues and an increase in distributions

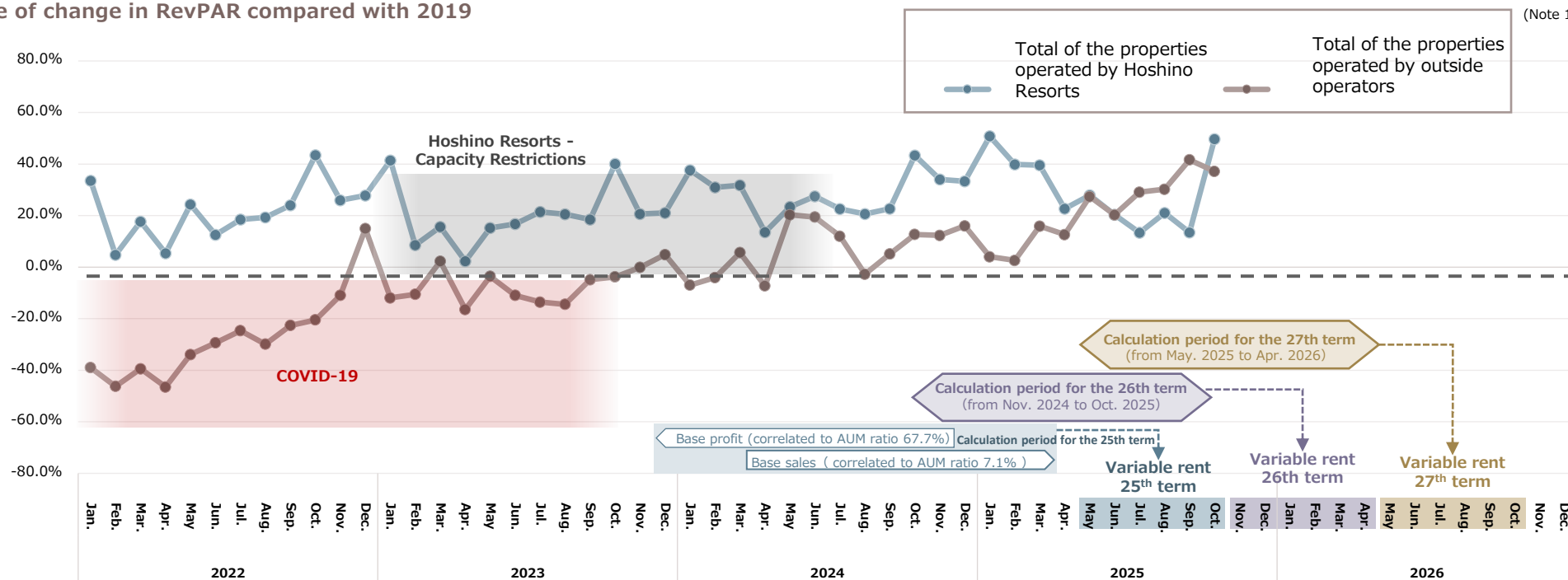
Changes in distributions per unit (yen, after considering investment unit split) and LTV (%) *The figures are stated considering the investment unit split



Correspondence between rent and hotel sales/profit

Rate of change in RevPAR compared with 2019

(Note 1)



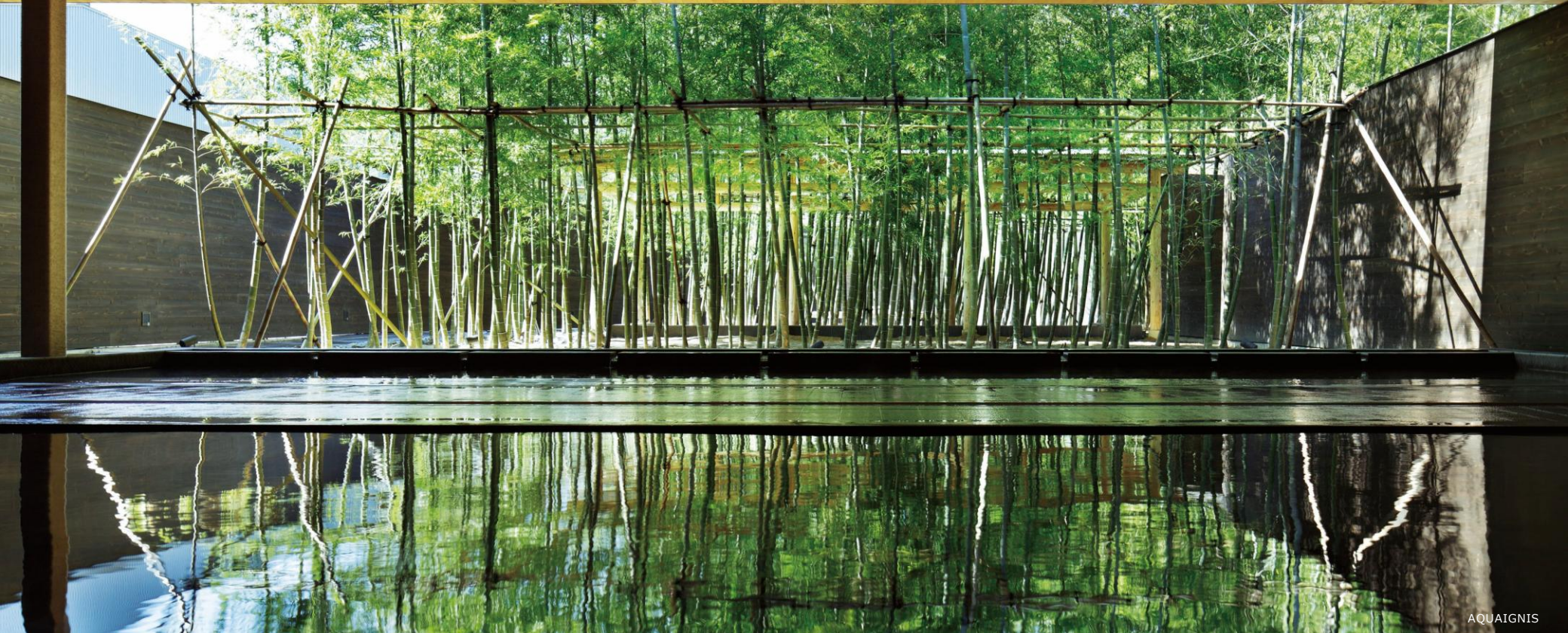
Assumptions for rent (Note 2)

(Unit: millions of yen)

Operation Category	Brand	Result of FP ending October 2025 (the 25th FP)			Forecast of FP ending April 2026 (the 26th FP)			Forecast of FP ending October 2026 (the 27th FP)		
		Fixed Rent etc.	Variable Rent	Total	Fixed Rent etc.	Variable Rent	Total	Fixed Rent etc.	Variable Rent	Total
Properties operated by Hoshino Resorts	HOSHINOYA	1,030	337	1,367	1,030	353	1,383	1,030	363	1,393
	RISONARE	374	346	720	374	280	654	374	299	673
	KAI	589	459	1,049	589	517	1,107	598	418	1,017
	OMO	1,093	-	1,093	1,093	-	1,093	468	571	1,039
	Others	173	130	304	173	143	317	173	149	323
Subtotal		3,261	1,273	4,535	3,261	1,294	4,555	2,644	1,802	4,447
Properties operated by outside operators	3 ANA Crowne Plaza Properties	696	133	829	696	230	926	696	212	908
	23 Roadside Properties	288	606	895	288	416	704	288	632	921
	5 the b Properties	312	543	855	312	527	840	312	575	888
	Others	820	593	1,413	817	1,118	1,936	820	1,144	1,965
	Subtotal	2,117	1,876	3,993	2,114	2,294	4,408	2,117	2,565	4,683
Total		5,378	3,150	8,528	5,375	3,588	8,963	4,762	4,368	9,130
Newly Acquired Properties	AQUAIGNIS/Yunoyama Sosuikyo	-	-	-	57	134	191	60	105	165
Total of 71 properties after replacement		5,378	3,150	8,528	5,433	3,722	9,155	4,822	4,473	9,296

CHAPTER

2



AQUAIGNIS

Highlights of operations

Distributions: Initiatives to restore pre-COVID levels and drive growth beyond that

	Drivers of change from the fiscal period ending Oct 2025 to the fiscal period ending Apr 2026 Main rent calculation period: Nov 2024 – Oct 2025	Drivers of change from the fiscal period ending Apr 2026 to the fiscal period ending Oct 2026 Main rent calculation period: May 2025 – Apr 2026
Hoshino Resorts	<ul style="list-style-type: none"> Growth is expected to remain modest due to new competition for the 2 RISONARE properties, rumors originating in Hong Kong about “an imminent natural disaster in Japan,” and actual natural disasters in the Kyushu region. 	<ul style="list-style-type: none"> At <i>KAI Enshu</i>, which continues to perform well, guestroom renovations and facility upgrades will be carried out. The temporary closure will reduce variable rent for the period (–85yen). The premium fixed-rent period at <i>OMO7 Osaka</i> will end, resulting in an additional decline (–93yen).
Properties operated by outside operators	<ul style="list-style-type: none"> Rent increase at Osaka-area properties driven by Expo demand (+737yen) Seasonality impact on real-time linked assets (–approx. 400yen) Higher revenue from the acquisition of AQUAIGNIS 	<ul style="list-style-type: none"> Strong performance is expected to continue at <i>Grand Prince Hotel Osaka Bay</i> and the b hotels. Seasonality at real-time linked assets will have a positive impact (+approx. 400yen).
Financial costs	<ul style="list-style-type: none"> Refinancing terms and the floating-rate mix will be adjusted appropriately considering the interest-rate environment. We aim to cap funding costs at around 2% and contain the rise in financial expenses. 	<ul style="list-style-type: none"> Refinancing volume will increase from the prior period (from 5.0 billion to 8.1 billion yen).

Drivers for achieving DPU of 7,000 yen and 8,000 yen

Hoshino Resorts properties

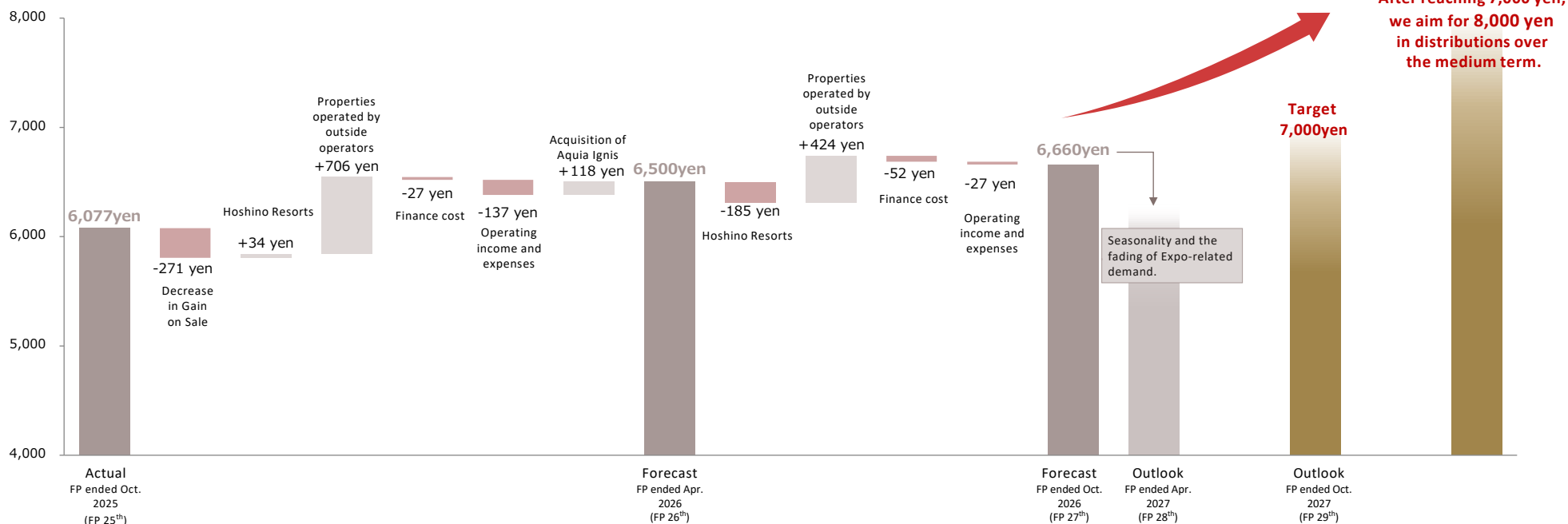
- Profitability recovery from higher labor costs
- Growth driven mainly by stronger inbound demand at *KAI*
- OMO7 Osaka*: reaching planned earnings
- Earnings improvement through reinvestment in property appeal

Properties operated by outside operators

- Targeted investment in lodging-focused assets with room for earnings growth
- Modifying ML contracts to capture higher rent
- Rebranding initiatives

External growth

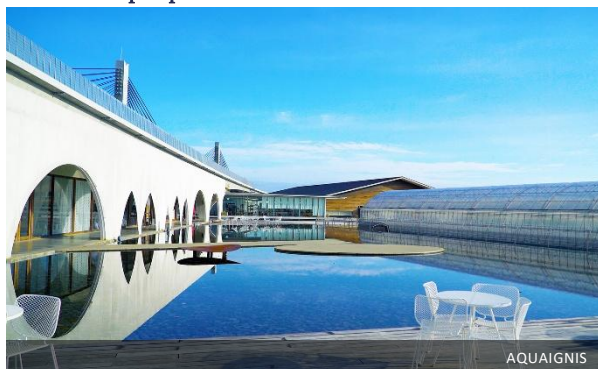
- Disciplined investments in high-yield assets and properties with significant growth potential, including portfolio rebalancing and use of acquisition capacity



Overview of acquired property: AQUAIGNIS/Yunoyama Sосуikyo

Concept

The best holiday space where food and people intersect to heal the hearts of visitors



- A hot spring resort complex with strong design appeal, themed around “healing and food,” “local production for local consumption,” and “fine dining by renowned chefs.”
- The property differentiates itself with abundant natural hot spring water and culinary facilities operated by top chefs.
- It is popular with both residents and tourists from the Nagoya and Kansai areas, attracting around one million visitors annually.
- Leveraging our acquisition capacity, we made a disciplined investment in a property expected to deliver a post-depreciation yield of over 5%.
- Renovation plans aimed at increasing usage are also under review, supporting internal growth that contributes to distribution expansion.
- This acquisition will also help generate future development and investment opportunities through collaboration with AQUAIGNIS Co., Ltd.

Area map/access

- 8 minutes on foot from Yunoyama-Onsen Station on the Kintetsu Yunoyama Line
- About 5 minutes by car from Komono IC on the Shin-Meishin Expressway, about 45 minutes from Nagoya, and about 2 hours from Osaka

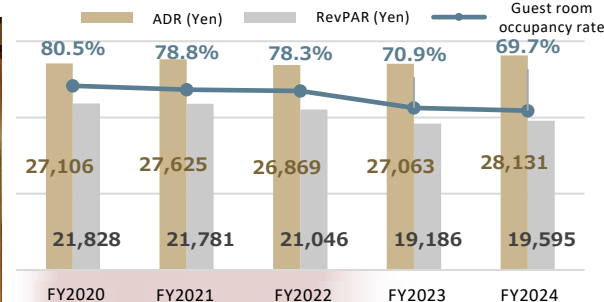


Overview of the acquired property

Location	Mie District, Mie Prefecture	Acquisition price	5,953 million yen
Year of completion	AQUAIGNIS: 2012	Real estate appraisal amount	6,340 million yen
	Yunoyama Sосуikyo: 2020	Lease term	10 years
Acquisition date	November 4, 2025	Appraisal NOI yield	5.8%
Total number of guest rooms	31	Appraisal NCF yield	5.3%
Seller	AQUAIGNIS Co., Ltd., and others	Post-depreciation yield	5.3%
Operator/lessee	AQUAIGNIS Co., Ltd.	Rent type	Fixed + variable (sales) * Fixed rent will be increased during the renovation period

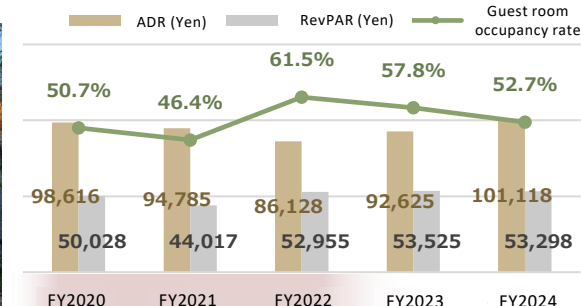
Operating results (FY: August to July)

- **AQUAIGNIS:** The property attracts a wide range of guest segments by offering both a lodging wing adjacent to the daytrip hot spring facility “Kataoka Onsen” and a collection of private organic villa suites with their own open-air baths.



Strong ability to attract guests even during COVID-19

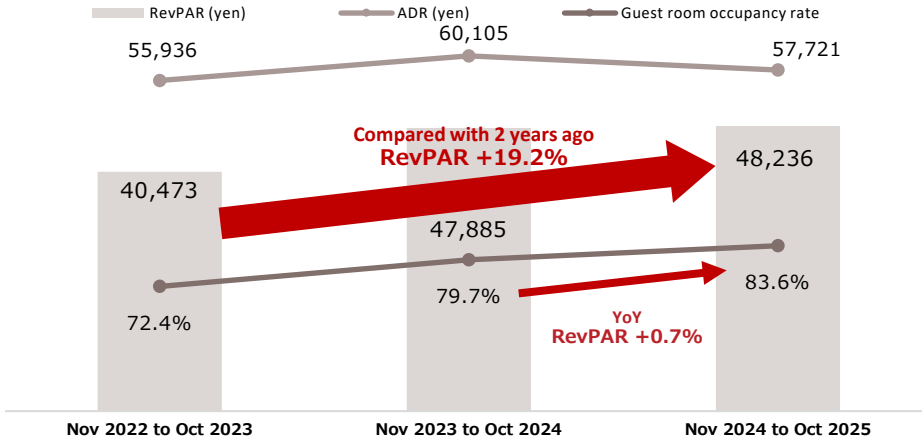
- **Yunoyama Sосуikyo:** Twelve standalone villas constructed with bold use of natural materials such as iron and stone. Designed with a gallery-like aesthetic, the villas offer a sense of exclusivity reminiscent of a private residence.



Despite opening amid the pandemic, RevPAR has shown steady growth

Operating results summary by brand (changes over the last three years)

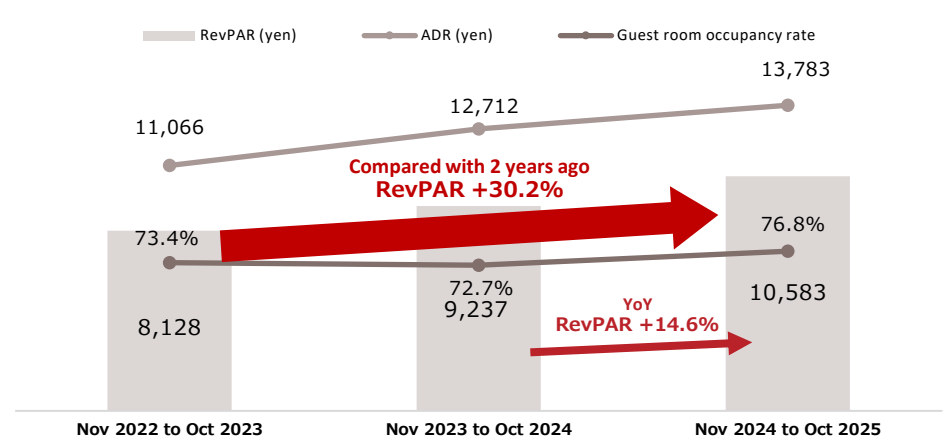
Total properties operated by Hoshino Resorts (Note 1)



		2022/11 to 2023/10 (1)	2023/11 to 2024/10 (2)	2024/11 to 2025/10 (3)	Compared with 2 years ago (3-1)	Compared with the previous year (3-2)
		(1)	(2)	(3)	(3-1)	(3-2)
5 HOSHINOYA properties	Guest room occupancy rate	65.8%	76.7%	84.0%	+18.2pt	+7.3pt
	ADR (Yen)	88,213	83,237	82,787	-5,426	-450
	RevPAR (Yen)	58,087	63,802	69,564	+11,477	+5,762
2 RISONARE properties	Guest room occupancy rate	74.6%	81.3%	77.2%	+2.6 pt	-4.1 pt
	ADR (Yen)	69,943	67,363	66,740	-3,203	-623
	RevPAR (Yen)	52,184	54,759	51,509	-675	-3,250
11 KAI properties	Guest room occupancy rate	78.7%	82.7%	87.1%	+8.4 pt	+4.4 pt
	ADR (Yen)	45,681	45,419	46,492	+811	+1,073
	RevPAR (Yen)	35,951	37,555	40,493	+4,542	+2,938
OMO7 Kochi (Note 2)	Guest room occupancy rate	64.2%	65.7%	83.4%	+19.2pt	+17.7pt
	ADR (Yen)	11,021	26,185	25,554	+14,533	-631
	RevPAR (Yen)	7,078	17,207	21,313	+14,235	+4,106

Including the rebranding period

Total of major properties operated by outside operators (Note 1)



		2022/11 to 2023/10 (1)	2023/11 to 2024/10 (2)	2024/11 to 2025/10 (3)	Compared with 2 years ago (3-1)	Compared with the previous year (3-2)
		(1)	(2)	(3)	(3-1)	(3-2)
3 ANA Crowne Plaza properties	Guest room occupancy rate	70.2%	74.0%	74.2%	+4.0 pt	+0.2 pt
	ADR (Yen)	12,858	13,946	14,446	+1,588	+500
	RevPAR (Yen)	9,032	10,319	10,723	+1,691	+404
Grand Prince Hotel Osaka Bay (Note 3)	Guest room occupancy rate	48.2%	45.8%	65.0%	+16.8 pt	+19.2 pt
	ADR (Yen)	19,552	19,839	25,822	+6,270	+5,983
	RevPAR (Yen)	9,421	9,078	16,791	+7,370	+7,713
22 Roadside properties	Guest room occupancy rate	77.5%	74.7%	77.6%	+0.1 pt	+2.9 pt
	ADR (Yen)	6,356	6,854	7,631	+1,275	+777
	RevPAR (Yen)	4,926	5,121	5,919	+993	+798
4 the b properties	Guest room occupancy rate	80.6%	82.1%	82.9%	+2.3 pt	+0.8 pt
	ADR (Yen)	9,610	10,956	12,282	+2,672	+1,326
	RevPAR (Yen)	7,746	8,991	10,184	+2,438	+1,193
Grand Hyatt Fukuoka	Guest room occupancy rate	77.0%	77.7%	82.6%	+5.6 pt	+4.9 pt
	ADR (Yen)	31,082	34,140	36,496	+5,414	+2,356
	RevPAR (Yen)	23,927	26,540	30,136	+6,209	+3,596

Including renovation period

Including rebranding period

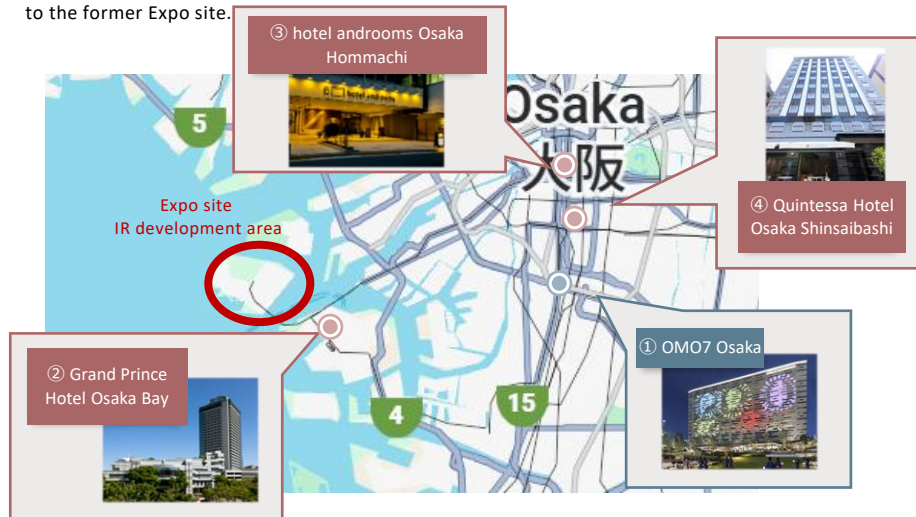


Please refer to “Hotel Operational Results Data” for monthly operating results for individual properties.

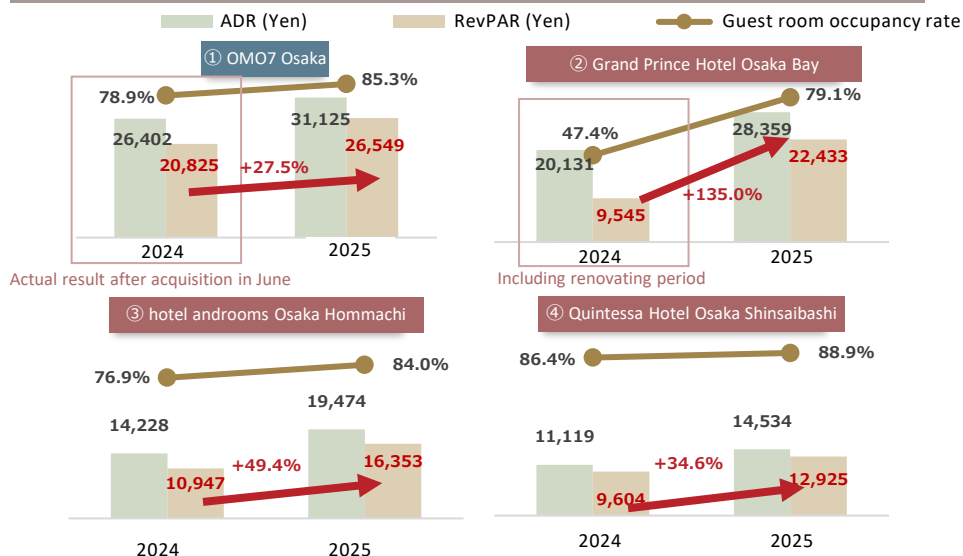
<https://www.hoshinoresorts-reit.com/en/ir/library.html>

Owned properties with convenient access to Yumeshima (the former Expo site and IR development area)

Four owned properties in Osaka City, including Grand Prince Hotel Osaka Bay, which is located close to the former Expo site.



Performance of each property during the Expo period (cumulative, April to October)

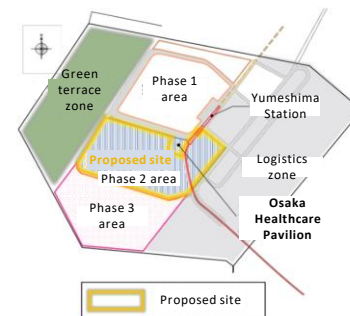


Yumeshima's future

Urban development under way aimed at creating an international tourism hub that leverages the legacy of the Expo

Phase 1 Area: Urban development centered on an Integrated Resort (IR)

The site covers about 490,000m², the construction has begun in 2025 and the opening is planned for around autumn 2030. The project is expected to attract about 20 million visitors annually from Japan and abroad, generating an estimated annual revenue of about 520 billion yen. Although construction costs have increased beyond the initial estimates, the project is now considered certain to open as planned because the operator waived its option to withdraw from the project without penalties in September 2024.



Phase 2 Area: Urban development that carries on the vision of the Expo

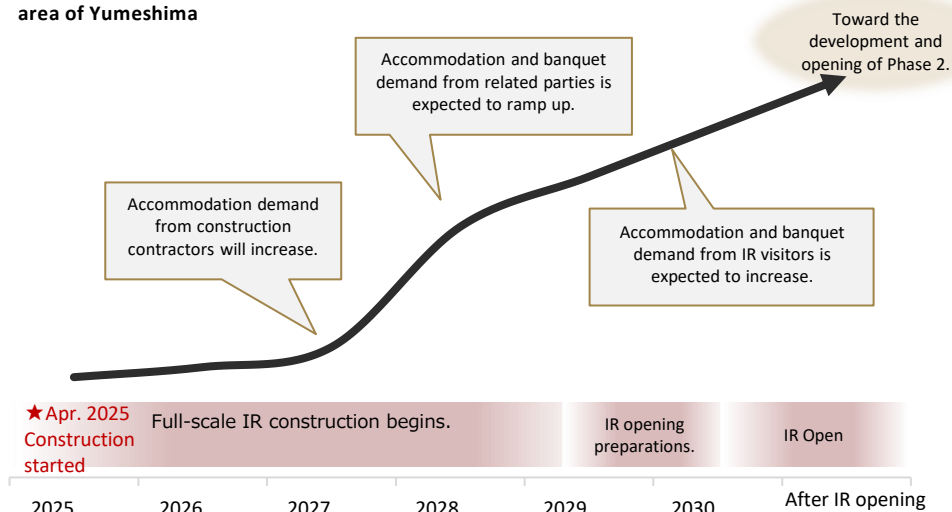
Two excellent proposals selected for developing the master plan:
- A racing circuit and luxury hotels, with potential collaboration with F1.
- Functions to activate the station area, centered on an integrated resort complex that includes a water park.

Phase 3 Area: Creating a long-stay urban environment based on the initiatives of Phases 1 and 2

Through advanced technologies and services, aiming to enhance convenience and quality of life while delivering a high-end resort experience with a sense of escape.

HRR's outlook for future demand

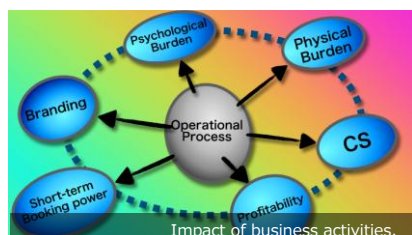
Ongoing demand expected in the surrounding area in line with the development phases of each area of Yumeshima



Building an operating framework that strengthens Hoshino Resorts' long-term competitiveness.

Business Optimization Project

- Business activities affect all six elements—including customer satisfaction, brand strength, and profitability—creating inherent trade-offs among them.
- We are taking on the challenge of shifting to a balanced operating model that achieves a higher-level equilibrium across all six elements.
- Compared with the start of the project in 2024, KAI properties owned by the Investment Corporation are expected to reduce total labor hours by 4.34% and labor hours per available room by 4.9% (Note 1), improving operational efficiency. The time saved through these efficiencies will be redirected toward initiatives that enhance property appeal, contributing to higher customer satisfaction.



Issue: Optimal dinner time slots to ensure all staff finish by 22:00

Excerpt

Conclusion	Current	Target
Change dinner seating ratio from	5 (early) : 5 (late)	5 (early) : 5 (late)

Current Situation

1. Dinner hours are currently designed to remain open until 22:30.

2. Dinner seat settings and shift structures differ by property.

Challenges

1. The dinner in-charge and staffer are forced to adjust shifts on the same day.

2. Front desk staff are overwhelmed with guest phone calls regarding dinner times.

Key Points for Achieving a 5:5 Dinner Reservation Split (22:00 close)

1. Optimized staffing

A balanced reservation flow avoids peak-time shortages and late-hour overstaffing, removing the need for mid-shifts.

2. More efficient dinner operations

Reduces irregular reservation adjustments and enables smoother same-day operations with standardized shifts.

3. Better customer experience

Eliminates the need to push guests toward early slots, creating a more natural and comfortable booking process.

4. Future plan

Automate reconfirmation when slots reach full capacity.

Next step: Roll out sequentially by April 1

Issues	Brand	Customer Acquisition	CS	Physical Burden	Psychological Burden	Profitability
9:6	○	○	○	○	○	○
8:4	×	○	×	×	×	○

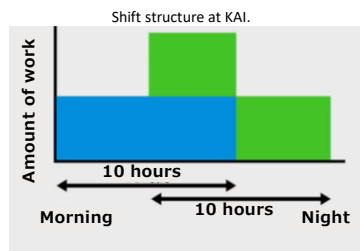
Example of project case study (KAI)

ホテル現場で持続可能な働き方ができる革新的な取組み

- To elevate the tourism industry into a first-tier sector, Hoshino Resorts has invested in working conditions by raising starting salaries for new graduates, increasing base pay, and expanding paid leave.
- At KAI, a sustainable work style aimed at reducing turnover has been introduced through a three-day-week system. Daily working hours have been optimized from “8 hours + an average of 2 hours of overtime” to 10 hours, achieving both operational efficiency and a more stable operating structure.

- Effects of the three-day-week system
- More efficient shift scheduling
 - Staff can decide their own overtime hours
 - Increased opportunities to take consecutive days off

- Short-term impacts
- Decrease in overtime pay
 - Increase in fixed labor costs
- Medium- to long-term effects
- Lower recruitment costs through improved staff retention
 - Reduced training time and higher skill proficiency



Illustrative comparison of working hours under different numbers of weekly days off.

	5 days workweek	4 days workweek
Day 1	8 Overtime	1 0
Day 2	8 Overtime	1 0
Day 3	8 Overtime	1 0
Day 4	8 Overtime	1 0
Day 5	8 Overtime	Day off
Day 6	Day off (2h)	Day off
Day 7	Day off	Day off

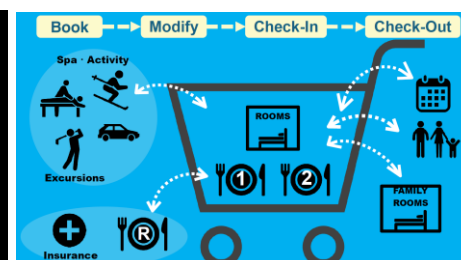
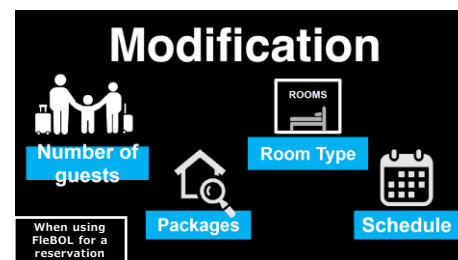
A system that makes travel more enjoyable: “Flexible Booking Online” (Note 2).



- The value of the lodging experience is rising globally, and competition is shifting toward the reservation experience.
- In response, Hoshino Resorts developed its own system platform, HOP4, to strengthen competitiveness in the reservation journey, and introduced FleBOL, a system that allows guests to arrange their trips more freely.

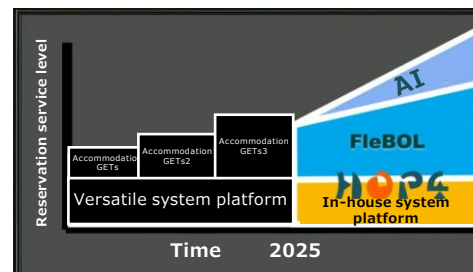
Phase 1: Introduction of reservation change functionality.

- As the first step in introducing FleBOL, four reservation-change functions have been implemented.
- Previously, changes to the number of guests, length of stay, room type, or dates required rebooking or refund processing, however, with FleBOL, guests can now make these changes themselves after booking.
- Phase 1 has been rolled out across all KAI and LUCY properties.



The future of the new reservation experience service, FleBOL.

- FleBOL is designed to remain effective even in an era where AI recommends accommodation options.
- As more features are added, the ability for guests to complete reservation changes on their own will further improve staff efficiency.
- By enhancing guest convenience while streamlining operations, FleBOL will strengthen Hoshino Resorts' long-term competitiveness. We will continue expanding its functionality and rolling it out across all Hoshino Resorts brands.



Inbound tourism ratio

Hoshino Resorts maintains an exceptionally **high direct booking ratio of over 60%** for both domestic and inbound guests—an industry-leading level. The Asset Management Company believes this reflects Hoshino Resorts' **strong customer attraction capabilities both in Japan and overseas**. Leveraging the strength of its direct channels, the corporation aims to achieve sustainable medium- to long-term growth by continuing to capture diverse customer needs.

Properties operated by Hoshino Resorts

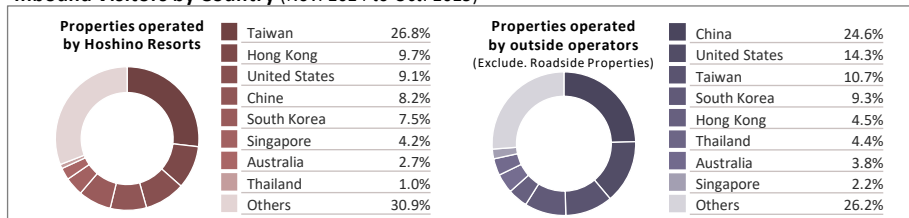
Name of property	Before COVID-19		Compared with the same period in 2019
	Nov 2018 to Oct 2019	Nov 2024 to Nov 2025	
HOSHINOYA Karuizawa	35.9%	32.6%	-3.3pt
HOSHINOYA Kyoto	57.7%	65.3%	+7.6pt
HOSHINOYA Fuji	55.8%	70.3%	+14.5pt
HOSHINOYA Taketomi Island	7.9%	9.0%	+1.1pt
HOSHINOYA Okinawa	-	47.0%	-
RISONARE Yatsugatake	1.1%	1.7%	+0.6pt
RISONARE Atami	3.4%	3.5%	+0.1pt
KAI Matsumoto	6.7%	15.8%	+9.1pt
KAI Tamatsukuri	3.6%	6.4%	+2.8pt
KAI Ito	6.0%	11.0%	+5.0pt
KAI Hakone	20.2%	18.5%	-1.7pt
KAI Kinugawa	5.7%	14.6%	+8.9pt
KAI Kaga	4.8%	7.9%	+3.1pt
KAI Alps	8.2%	16.9%	+8.7pt
KAI Enshu	-	5.7%	-
KAI Nagato	-	6.4%	-
KAI Kirishima	-	15.3%	-
KAI Beppu	-	28.3%	-
KAI Poroto	-	32.1%	(Note1)
OMO7 Kochi	-	3.3%	-
OMO7 Osaka	-	29.5%	(Note1)
Iriomote Hotel	-	2.3%	-
BEB5 Karuizawa	-	9.9%	-
Hotel WBF Grande Asahikawa	-	8.7%	-
Sub-total	14.1%	19.5% (17.3%)	+5.4pt (+3.2pt)

Properties operated by outside operators

Name of property	Before COVID-19		Compared with the same period in 2019
	Nov 2018 to Oct 2019	Nov 2024 to Oct 2025	
22 Roadside Properties (Note 2)	1.1%	1.6%	+0.5%
ANA Crowne Plaza Hiroshima	28.0%	30.1%	+2.1pt
ANA Crowne Plaza Kanazawa	26.0%	29.3%	+3.3pt
ANA Crowne Plaza Toyama	26.0%	21.0%	-5.0pt
Grand Prince Hotel Osaka Bay (Note 3)	57.7%	28.3%	-29.4pt
Grand Hyatt Fukuoka	-	55.0%	-
the b akasaka	52.1%	67.8%	+15.7pt
the b sangenjaya	12.7%	15.3%	+2.6pt
the b nagoya	47.1%	55.8%	+8.7pt
the b kobe	29.2%	28.6%	-0.6pt
the b asakuka	-	94.9%	-
hotel androoms Osaka Hommachi	69.0%	23.6%	-45.4pt
Sol Vita Hotel Naha	-	11.2%	-
Quintessa Hotel Osaka Shinsaibashi	91.9%	89.3%	-2.6pt
Sub-total	21.5%	22.3% (17.6%)	+0.8pt (-3.9pt)
Total	20.5%	21.5% (17.6%)	+1.0pt (-2.9pt)

Figures in parentheses are the ratio limited to properties acquired before COVID-19

Inbound Visitors by Country (Nov. 2024 to Oct. 2025)



Hoshino Resorts' initiatives to sustainably capture inbound demand.

Inbound market outlook for 2025 (Note).

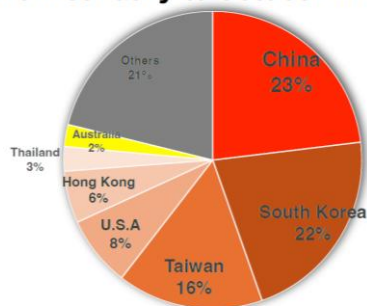
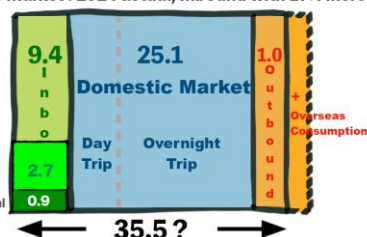
- Hoshino Resorts expects inbound arrivals in 2025 to exceed 40 million, surpassing the record high in 2024.

Impact of China–Japan diplomatic issues (Hoshino Resorts' view).

- Hoshino Resorts' outlook for Japan's inbound market in 2025: approximately 23% from China and 6% from Hong Kong, totaling around 2.7 trillion yen.
- Cancellations from China are mainly from group tours, while individual travel demand remains largely stable, so no significant impact on Hoshino Resorts is expected.
- The inbound market is projected to continue growing at about 10% annually, maintaining an expansion trend.
- Given the high volatility of inbound demand, Hoshino Resorts emphasizes diversified marketing to capture travelers from multiple countries and regions.

Visitors to Japan by country from January to October in 2025

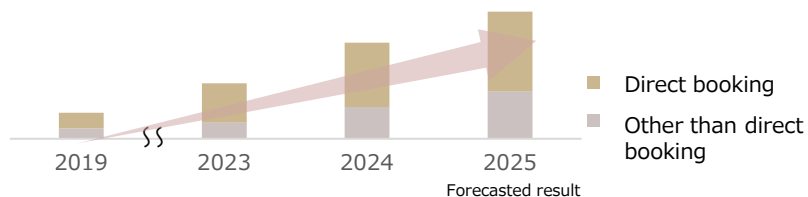
Tourism Market in Japan, 2025? (Outlook)
Domestic market: 2024 actual, Inbound with 17% increase



Room revenue from inbound travelers across all Hoshino Resorts properties.

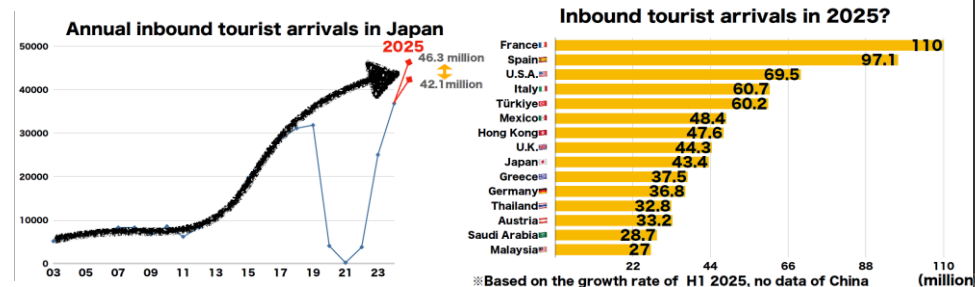
- Since 2019, inbound revenue has trended upward.
- From December 2024 to November 2025, it is expected to surpass the previous year's record.

Maintaining a direct booking ratio of over 60%.



Long-term trends in the inbound market (Hoshino Resorts' view).

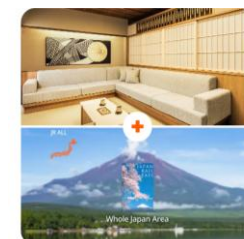
- Although the inbound market has rebounded sharply since the COVID-19 pandemic, its long-term trend follows an S-curve, and a slowdown in growth is inevitable at some point.
- The top source countries are primarily those sharing land borders, with the U.K.—an island nation—projected at around 44 million arrivals in 2025.
- In Japan, growth could plateau around 40–60 million annual arrivals in the future.
- To sustain the expanding inbound market, ensuring high visitor satisfaction is essential.



Initiatives by Hoshino Resorts to ensure high inbound guest satisfaction

Improving access to encourage the distribution of demand across regions.

- In regional areas, factors such as limited access, language barriers restricting reservation information, and a lack of tourism options have concentrated demand in specific cities.
- Hoshino Resorts collaborates with the travel booking app Klook to offer packages that combine KAI accommodations with transportation tickets, creating a more convenient environment for travelers to visit regional destinations.



Package combining KAI Hakone accommodations with train tickets.

Initiatives to enhance the dining experience.



Expansion of vegetarian options

- To enhance the stay experience for inbound guests, vegetarian menus have been introduced.
- The traditional two-course Japanese meals have been consolidated into a single high-quality course, balancing experience value with operational efficiency.

Addressing consecutive-night stays

- From 2026 onward, to meet growing demand for multi-night stays, offerings will be expanded through partnerships with external restaurants, flexible “no-dinner” options, and provision of boxed lunches.
- An operational framework is being established to naturally accommodate consecutive-night guests.

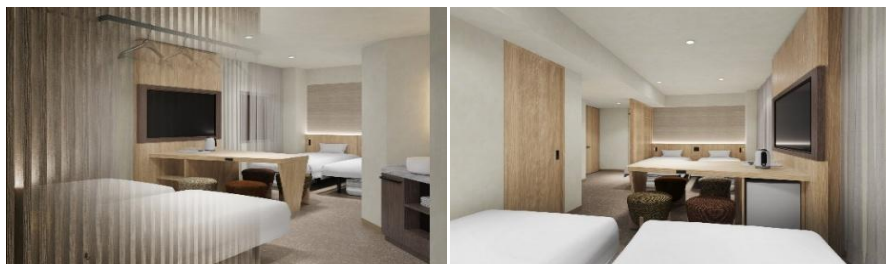
Lodging-focused properties: abundant investment opportunities that drive revenue growth

In addition to growth in the inbound market, domestic leisure travel is increasingly outpacing business demand, with rising demand for trips with three or more guests. In urban areas where single and double rooms dominate, we aim to meet this demand for larger groups, enhancing both average rates and guest satisfaction. Beyond this investment, we seek to capture the abundant opportunities present in lodging-focused properties to drive revenue growth.

the **b** hotels

Conversion to larger rooms at the **b** Akasaka through guestroom expansion: “Family 4”

- Two low-occupancy lower-floor single and twin rooms are combined into one room, “**Family 4**,” accommodating up to four guests.
- A centrally placed table creates a space where guests can share time together, offering communal comfort in the heart of the city.



Impact of the renovations

- Post-renovation RevPAR increased by 29.7%, contributing to higher revenue per floor area.
- Strong operational performance is expected to shorten the investment payback period to around two years, faster than initially projected.
- Based on these results, conversions to larger guest rooms will continue to be considered beyond 2026.

	Before renovations (Monthly average in 2024)	After renovations (Monthly average from August to October 2025)	Rate of change
Number of rooms	4 (2 Single room, 2 Twin room)	2	-
Guest room Occupancy rate	66.9%	75.5%	-
ADR (yen)	27,812 (Total of two rooms)	31,939 (Per room)	+14.8%
RevPAR (yen)	18,598 (Total of two rooms)	24,127 (Per room)	+29.7%

Increase in guest capacity at the **b** Asakusa through FF&E modifications: “Loft Bed”

- Six of the 85 Superior Twin rooms have been converted into “**Loft Bed**” rooms, accommodating three guests with sofas and functional furnishings.
- The design brings the excitement of travel directly into the room, capturing demand from families and friends traveling together.



Impact of the renovations

- Post-renovation performance shows RevPAR up 49.5% and ADR up 55.9%.
- Efficient investment has successfully captured demand, with a projected payback period of less than one year.

	Monthly average result July to October in 2025		Rate of change
	Standard room (twin)	Renovated room (Loft Bed)	
Guest room Occupancy rate	83.7%	80.2%	-
ADR (yen)	17,219	26,848	+55.9%
RevPAR (yen)	14,405	21,537	+49.5%
Double Occupancy rate	1.89	2.53	+33.8%

Summary of real estate appraisal amount, etc.

	Real estate appraisal amount, etc.			Key factors
	End of 25th FP (Unit: million yen)	VS. previous FP (Unit: million yen)		
Total of 70 properties	263,612	+1,483	+0.6%	
Total for properties operated by the Hoshino Resorts	136,830	+210	+0.2%	
5 HOSHINOYA Properties	40,780	-10	-0.0%	HOSHINOYA Kyoto: Temporary decrease in rents due to changes in rent calculation period RISONARE: Higher revenues in comparison to operating income assumed in the appraisal KAI Hakone: Increase in rents following completion of renovation works and changes in rent calculation period OMO7 Osaka: Revision of valuation reflecting shortfall in food and beverage performance
2 RISONARE Properties	14,180	+40	+0.3%	
12 KAI Properties	37,330	+710	+1.9%	
2 OMO Properties	38,740	-530	-1.3%	
Hoshino Resorts Others	5,800	-	-	
Total for properties operated by outside operators	126,782	+1,273	+1.0%	
Full-service hotels	52,790	+350	+0.7%	Grand Hyatt Fukuoka: Increase in variable rent rate 4 the b: Increase in variable rent rate
Hotels that specialize in accommodation	52,760	+845	+1.6%	
Roadside properties	21,232	+78	+0.4%	
Unrealized profit	36,402	+1,584	+4.5%	

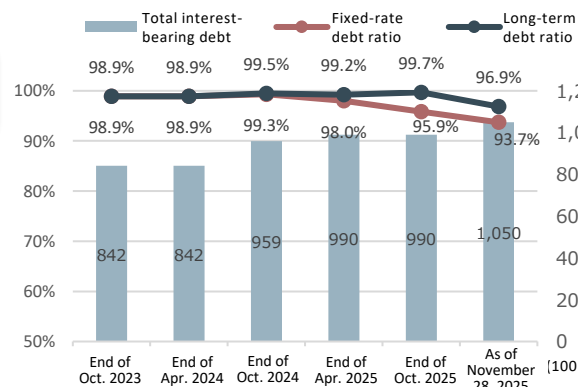
Enhancing risk management and financing strategies in a rising interest rate environment

Financial management strategy

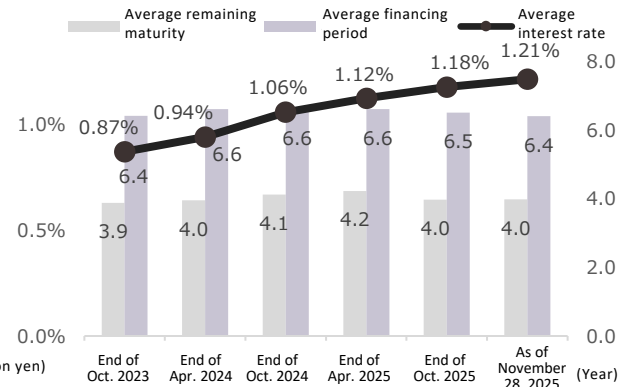
While maintaining a basic policy of long-term fixed rates, partially adopting short maturities and variable rates

While maintaining a basic policy of long-term fixed rates, we are shortening funding maturities and, for periods of three years or less, procuring funds at variable interest rates in order to suppress increases in financial costs in consideration of the recent rise in interest rates. Furthermore, with regard to available funds, by analyzing market interest rate conditions and flexibly managing instruments such as time deposits, we achieve efficient fund management.

Trends in fixed ratio and long-term ratio (Note 1)



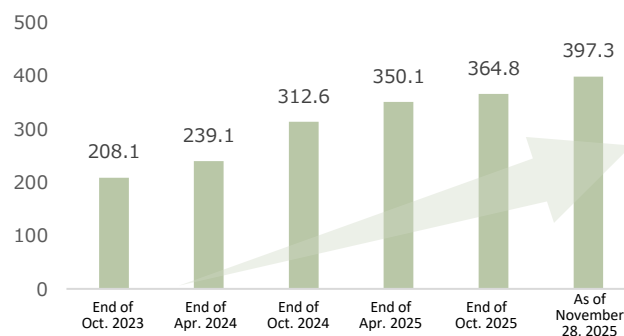
Change in procurement conditions



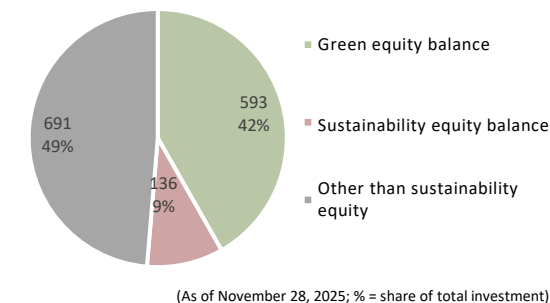
Utilizing sustainable finance

By utilizing ESG finance borrowings through programs such as the Bank of Japan's climate response operations^(Note 2), we are suppressing interest costs. This time, we have newly established a Sustainability-Linked Finance Framework and implemented funding through Sustainability-Linked Loans (SLL). By achieving targets linked to interest rate conditions, we are promoting improvements in financial efficiency.

Sustainable finance balance^(Note 3, 5) (100 million yen)



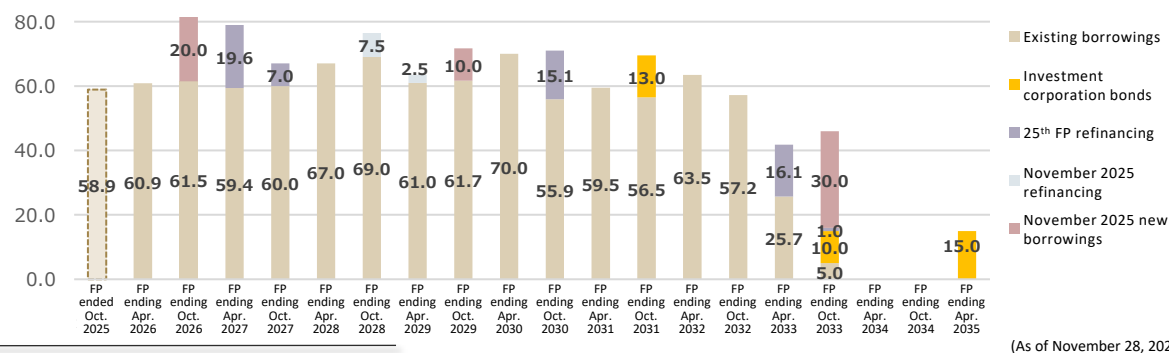
Sustainable equity balance^(Note 4, 6) (100 million yen)



Diversifying the timing of loan repayment

To mitigate the impact of rising interest rates at the time of refinancing and to secure stable cash flow, we set multiple maturity dates for new borrowings and refinancing, thereby optimizing the maturity structure. In addition, by avoiding the concentration of repayment deadlines, we minimize refinancing risk.

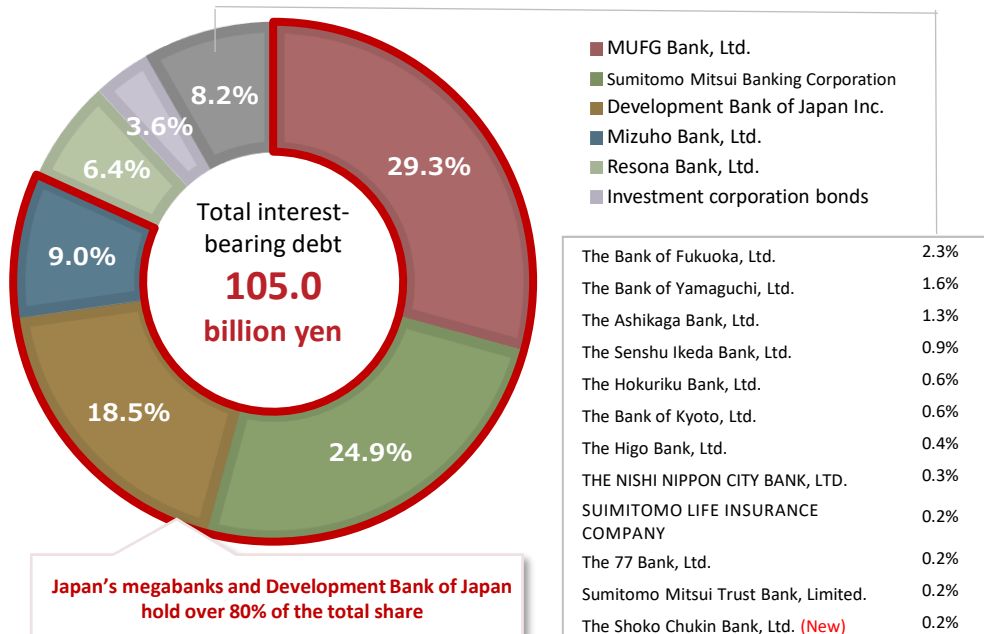
Diversification of the timing of loan repayment (100 million yen)



Stable financial base and financial stability

Lender formation (as of November 28, 2025)

- ✓ To expand the lender formation, The Shoko Chukin Bank has been newly invited.
- ✓ A bilateral transaction was conducted with Mizuho Bank, enabling financing at lower interest rates compared with syndicated loans. We will continue to aim for strong relationships with lenders.



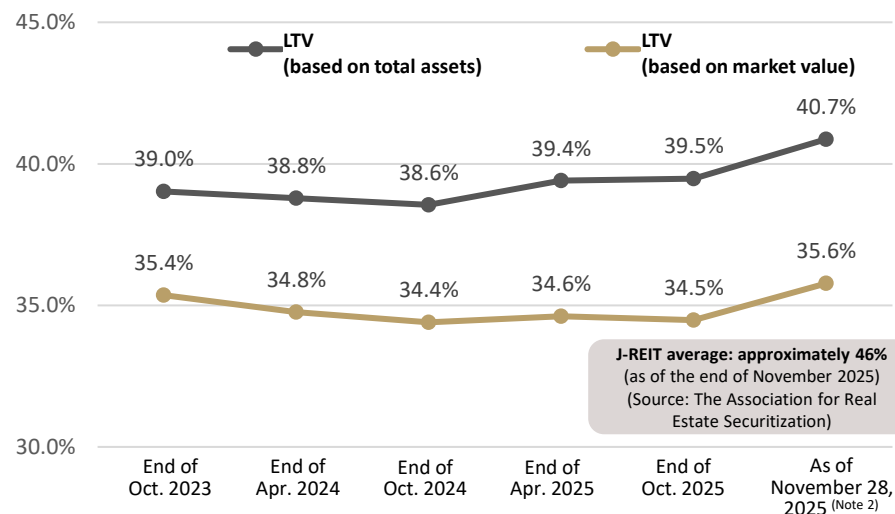
Establishment of Sustainability-Linked Finance Framework

- ✓ In October 2025, a Sustainability-Linked Finance Framework was established. This framework sets Key Performance Indicators (KPIs) and Sustainability Performance Targets (SPTs) as outlined below.
- ✓ The KPIs are meaningfully connected to the investment corporation's ESG initiatives, and regarding the SPTs, we have received a third-party opinion from the Japan Credit Rating Agency, Ltd. that the targets were ambitiously set.

KPI	Ratio of Environmental Certifications (based on acquisition price)
SPT	Fiscal Year 2030: Environmental certification ratio of 50% (based on acquisition price)

LTV trends (Note 1)

- ✓ By maintaining a low LTV level, we ensure both financial soundness and flexibility in property acquisitions. (1pt = acquisition capacity of approximately JPY 4.5 billion)



Status of credit ratings, etc.

[Long-term issuer/issuer rating]

Japan Credit Rating Agency, Ltd. (JCR)	Rating and Investment Information, Inc. (R&I)
Long-term issuer rating	Issuer rating
A+ (stable)	A (stable)

[Sustainable finance framework rating]

Sustainability Finance Framework	Green Finance Framework
SU1 (F)	Green1 (F)
Japan Credit Rating Agency (JCR)	Japan Credit Rating Agency (JCR)

CHAPTER

3

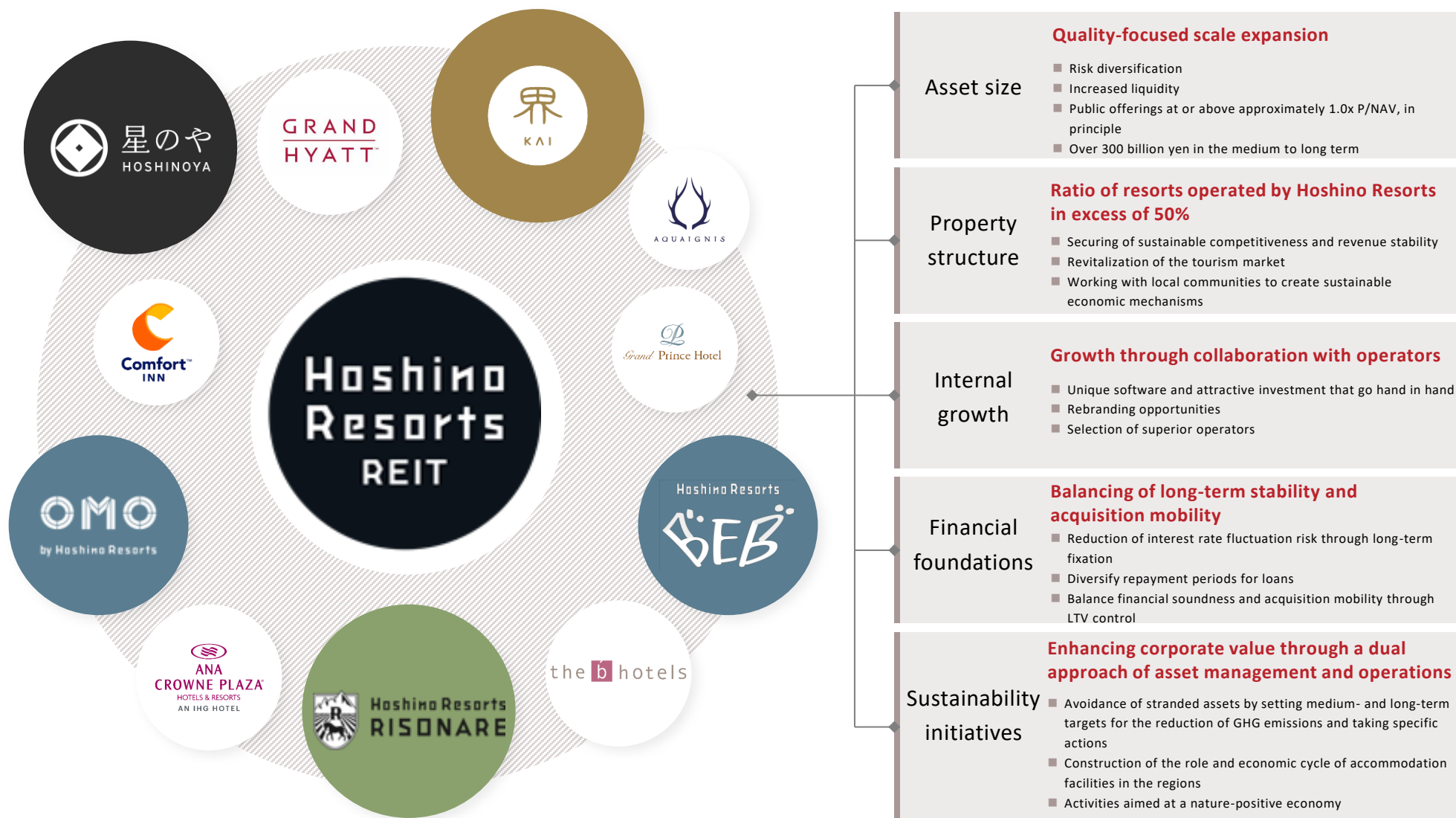


HOSHINOYA Okinawa

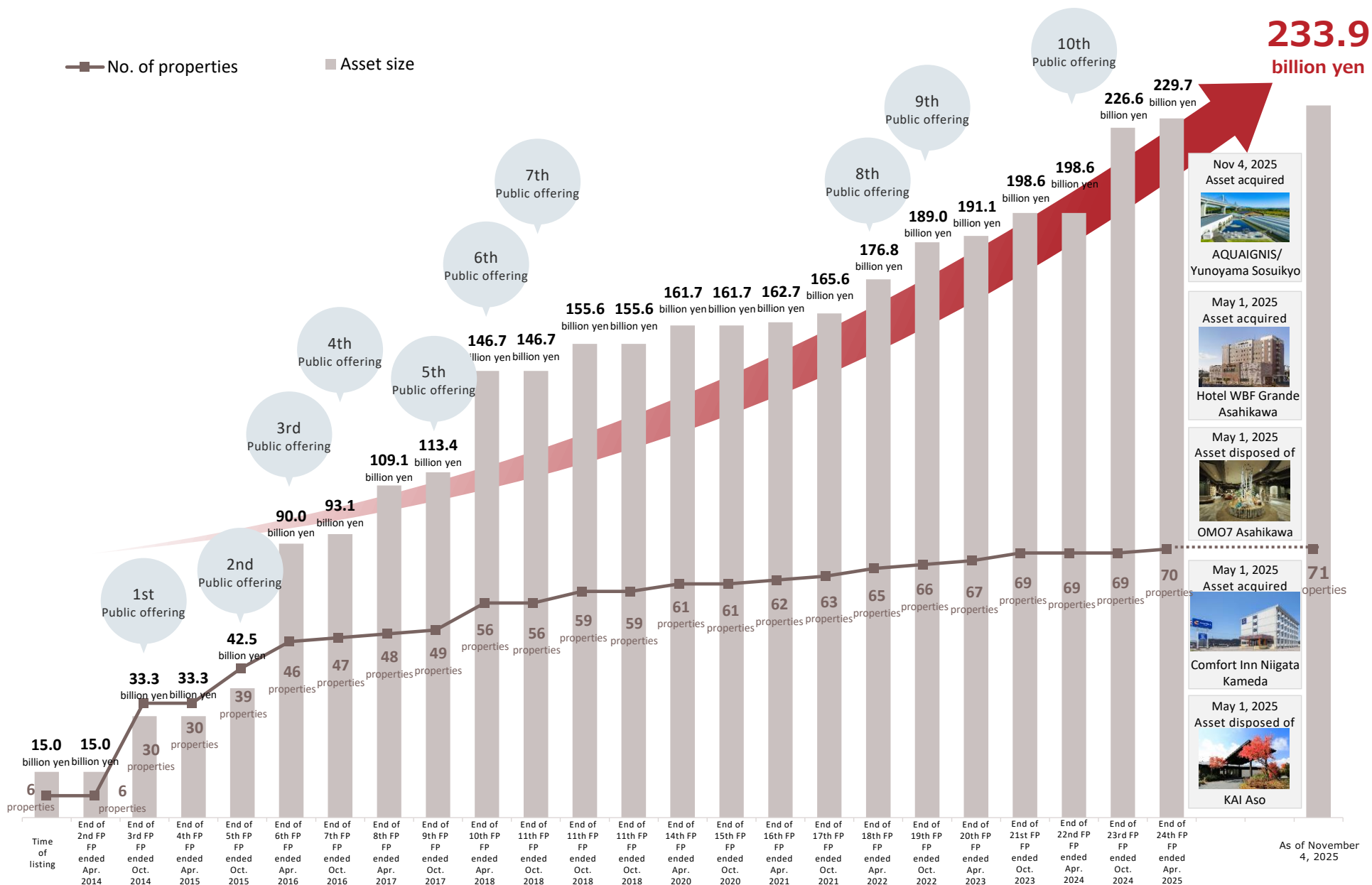
Future operation strategy

The vision for Hoshino Resorts REIT, Inc.

A tourism-oriented REIT that reaps the benefits of the long-term growth of Japan's tourism industry to maximize investor value



Steady growth in asset size



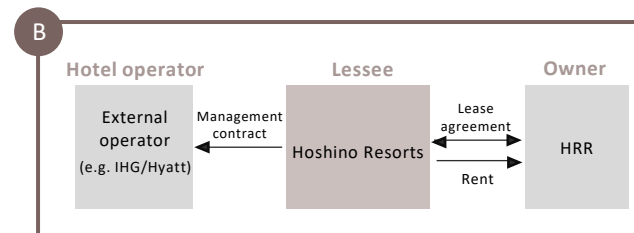
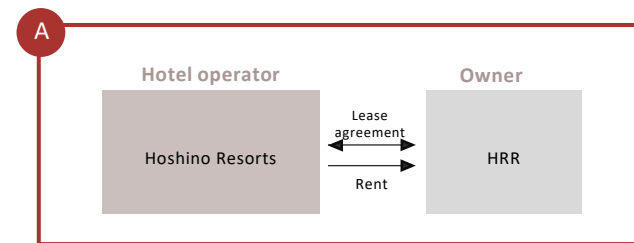
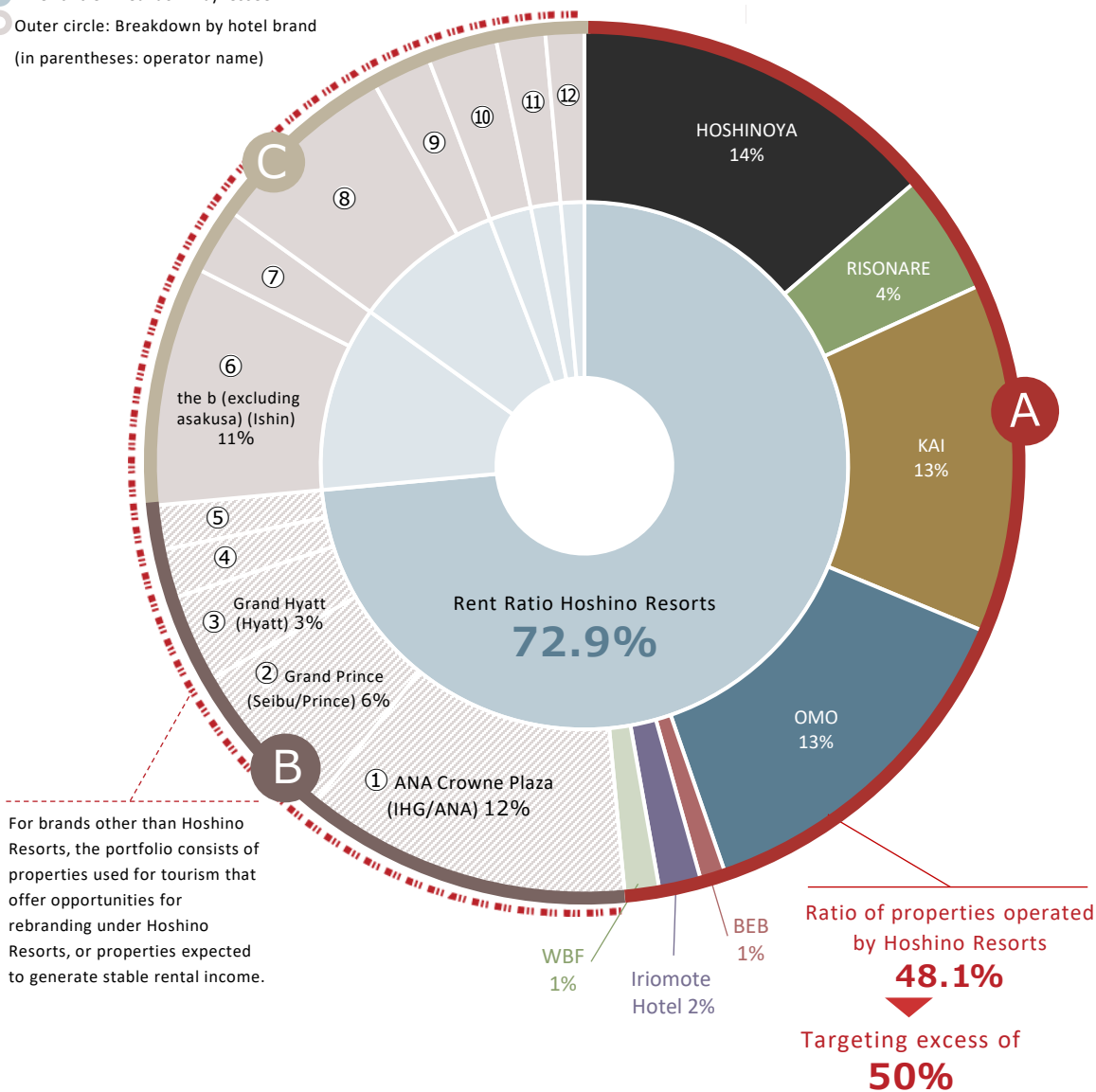
Portfolio structure (based on acquisition price)

As of Nov 4, 2025

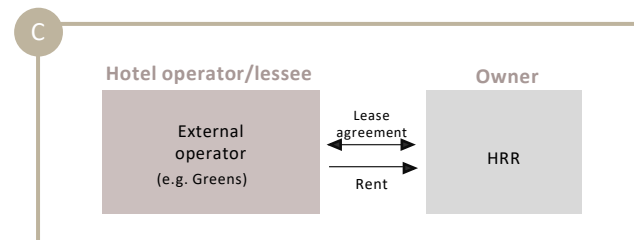
● Inner circle: Breakdown by lessee

● Outer circle: Breakdown by hotel brand

(in parentheses: operator name)



① ANA Crowne Plaza (IHG/ANA)	12%
② Grand Prince (Seibu/Prince)	6%
③ Grand Hyatt (Hyatt)	3%
④ hotel androoms (Solare)	2%
⑤ Sol Vita (Green Hospitality)	2%



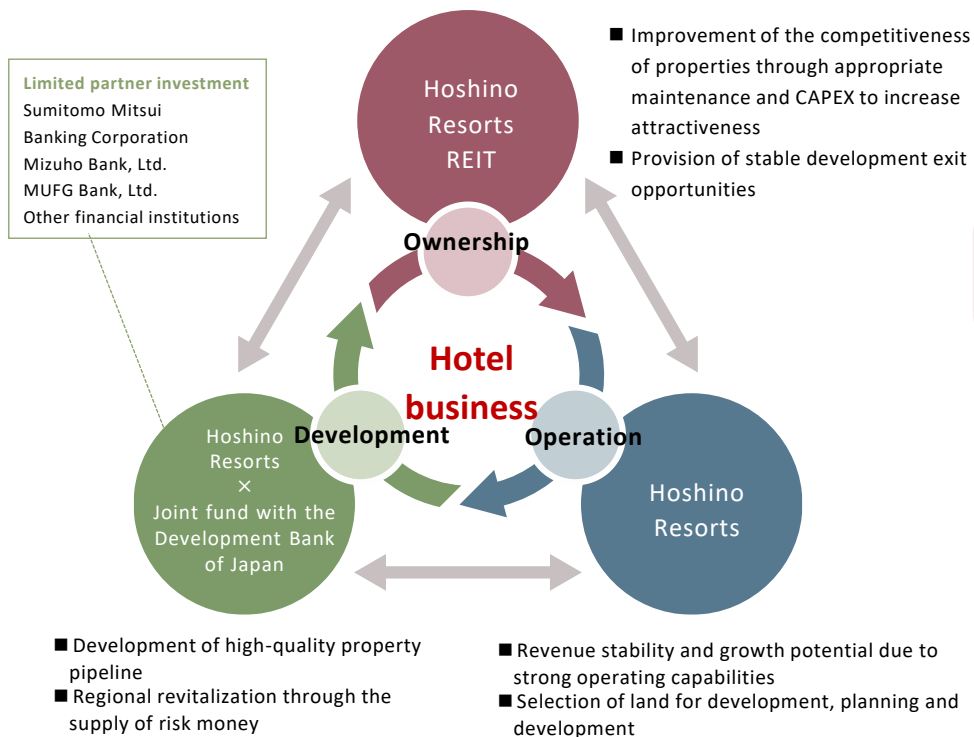
⑥ the b (Ishin)	11%
⑦ Comfort Inn (Greens)	7%
⑧ Comfort (Greens)	2%
⑨ AQUAIGNIS (Aquaignis)	3%
⑩ Candeo (Candeo)	2%
⑪ Quintessa (Core Global)	1%
⑫ HOTEL VISTA (Vista)	1%

Please see our website for other portfolio summaries and maps.
<https://www.hoshinoresorts-reit.com/en/portfolio/>
<https://www.hoshinoresorts-reit.com/en/portfolio/map.html>

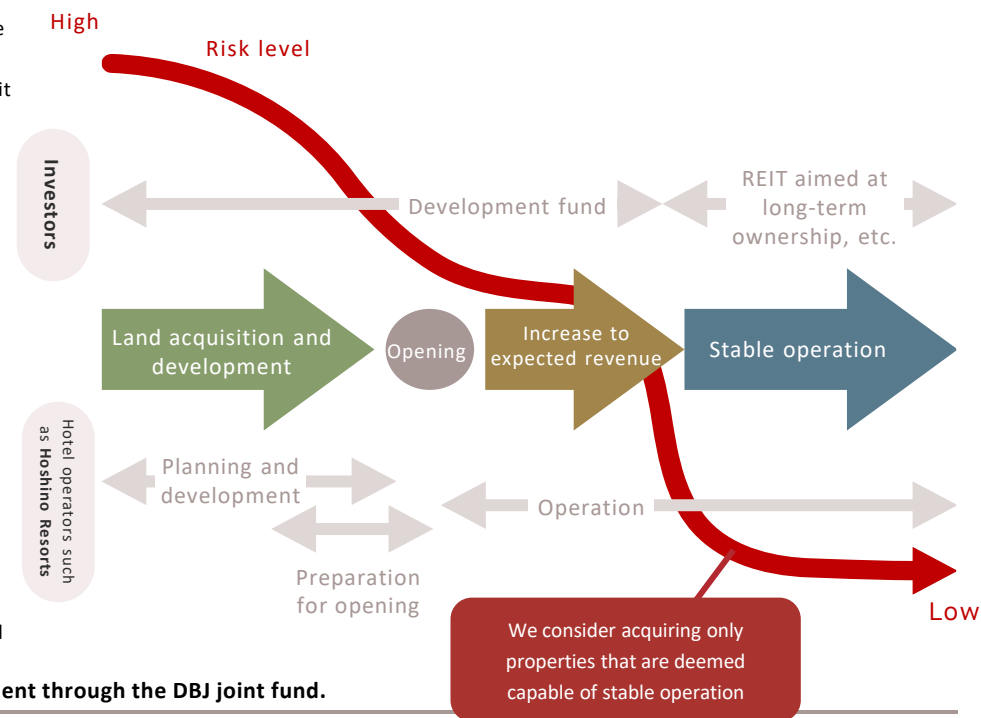
Abundant acquisition opportunities through DBJ joint fund, a fund jointly managed by Hoshino Resorts and the Development Bank of Japan

A strong partnership has been built between HRR (ownership), Hoshino Resorts (operation) and the joint fund (development) based on the provision of stable development exits by HRR and the strong operating capabilities of Hoshino Resorts. HRR will continue to play a role in the growth cycle of the three parties and is aiming for sustainable external growth and improvement in the quality of its portfolio based on the acquisition of highly competitive properties.

HRR basic strategy: Three-party growth cycle



Conceptual image of risk level from hotel development to stable operation (Note)



12 properties operated by Hoshino Resorts have been developed or are under development through the DBJ joint fund.

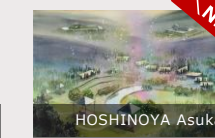
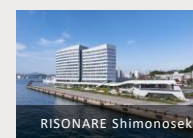
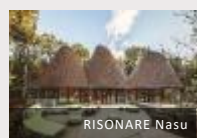
Properties already acquired by HRR

KAI Alps
KAI Nagato
KAI Kirishima
KAI Beppu

HOSHINOYA (77.47% total shareholding)
Okinawa
OMO7 Osaka
KAI Poroto

7 properties 61.3 billion yen

Hoshino Resorts x DBJ joint fund owned properties

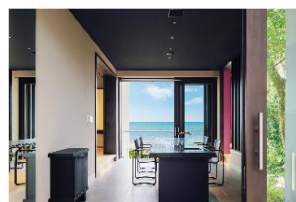


NEW

List of the property pipeline

Ch. 3-05

Hoshino Resorts × DBJ joint fund owned properties (partial)



NEW

RISONARE Nasu

Start of operation: 2019

HOSHINOYA Okinawa

Start of operation: 2020

KAI Unzen

Start of operation: 2022

RISONARE Shimonoseki

Start of operation: 2025

KAI Kusatsu

Start of operation (plan): 2026

HOSHINOYA Asuka

Start of operation (plan): 2027

Hoshino Resorts-owned facilities

Start of operation	Name of facility
1995	Karuizawa Hotel Bleston Court
2003	Bandaisan Onsen Hotel
2012	KAI Atami (currently closed)
2013	KAI Nikko (currently closed)
2020	Surfjack Hotel & Swim Club
2020	RISONARE Kohamajima
2023	RISONARE Guam
2024	OMO5 Hakodate

Hoshino Resorts development projects (partial)

Start of operation (Note 1)	Name of facility
2025	LUCY Oze Hatomachi
2026 (plan)	OMO7 Yokohama
2026 (plan)	HOSHINOYA Nara Prison
2026 (plan)	KAI Miyajima
2027 (plan)	RISONARE Fukui
2029 (plan)	HOSHINOYA Lodge Niseko (provisional name)
2026 (plan)	KAI Teshikaga

Hoshino Resort Tourism Revitalization Fund Project (Note 2)

Start of operation (Note 1)	Name of facility
2024	KAI Akiu
2024	KAI Okuhida
2026 (plan)	TBD (Equity in investment in a silent partnership of Onsenryokan 3-gou, a limited liability company)

ALL-JAPAN Tourism Nation Fund Project (Note 3)

Start of operation	Name of facility
2022	KAI Izumo
2023	OMO Kansai Airport

Third-party owned facilities (partial) (Note 4)

Start of operation	Name of facility
2005	RISONARE Tomamu
2005	Tomamu The Tower
2008	KAI Anjin
2011	KAI Tsugaru
2021	OMO3 Kyoto Toji
2021	OMO5 Kyoto Sanjo
2021	OMO5 Okinawa Naha
2022	OMO5 Otaru
2022	KAI Yufuin
2024	Hoshino Resorts 1955 Tokyo Bay

Future development and openings

List of facilities to be opened from December 2025 and onward (partial)



⑩ KAI Miyajima

To be opened in the summer of 2026



⑧ RISONARE Fukui

To be opened in the fall of 2027



⑦ HOSHINOYA Asuka

To be opened in 2027



③ KAI Zao

To be opened in the fall of 2026

② HOSHINOYA Lodge Niseko
(provisional)

To be opened in 2029



① KAI Teshikaga

To be opened in 2026



④ KAI Kusatsu

To be opened on June 7, 2026



⑤ OMO5 Yokohama Bashamichi

To be opened on January 15, 2026



⑥ OMO7 Yokohama

To be opened on April 21, 2026

Okinawa

TOPICS Recent initiatives of Hoshino Resorts

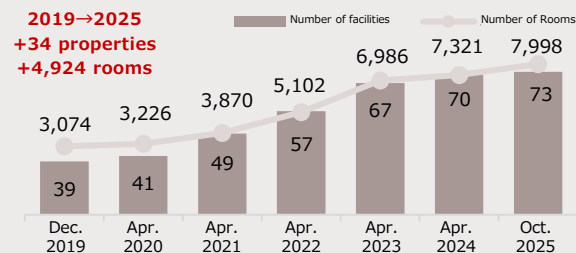
■ Hoshino Resorts to operate its first museum: Revitalizing the important cultural property

"Former Nara Prison"

Hoshino Resorts will open its first museum, the "Nara Prison Museum," on April 27, 2026, utilizing the important cultural property "Former Nara Prison." The Former Nara Prison is the only remaining structure among the five major prisons built in the Meiji era, and its preservation and architectural heritage form the core concept. The project aims to establish a model for maintaining and passing down cultural properties by leveraging tourism revenue. The concept is "questions from a beautiful prison," creating a place to reflect on freedom and ways of living through a space of discipline. The exhibits span three buildings and introduce, from multiple perspectives, the history, daily life of inmates, and the relationship between the prison and society. Designers including Taku Sato and Adrien Gardère are participating in the project, incorporating techniques that showcase the architectural heritage as a contemporary museum. In addition, a cafe and shop will be built on the premises, and "HOSHINOYA Nara Prison" is scheduled to open in 2026, creating a hub that blends culture with the stay experience.



Transition in the number of facilities and guest rooms



Source: Hoshino Resorts

CHAPTER

4



Currently, with the global environment continuing to deteriorate, including global warming and disasters caused by climate change, HRR believes it is important to achieve both profit and contributions to the environment and society based on the strong leadership of management, and to promote Creating Shared Value (CSV), a source of competitiveness in a new age, by sustainable means. In addition, to meet the expectations of stakeholders regarding environmental, social and governance issues as a company engaged in the tourism industry, the Asset Management Company will resolve these global issues steadily and speedily; and it will do so with sponsors and operators by clarifying each others' roles, and through management leadership so that they can be converted into real estate, social and corporate value.

CSV: Creating Shared Value

This is a concept proposed by an American business scholar Michael Porter and others.

CSV is an approach in which profit-driven companies seek to generate both economic and social value by responding to social needs (solving social issues).



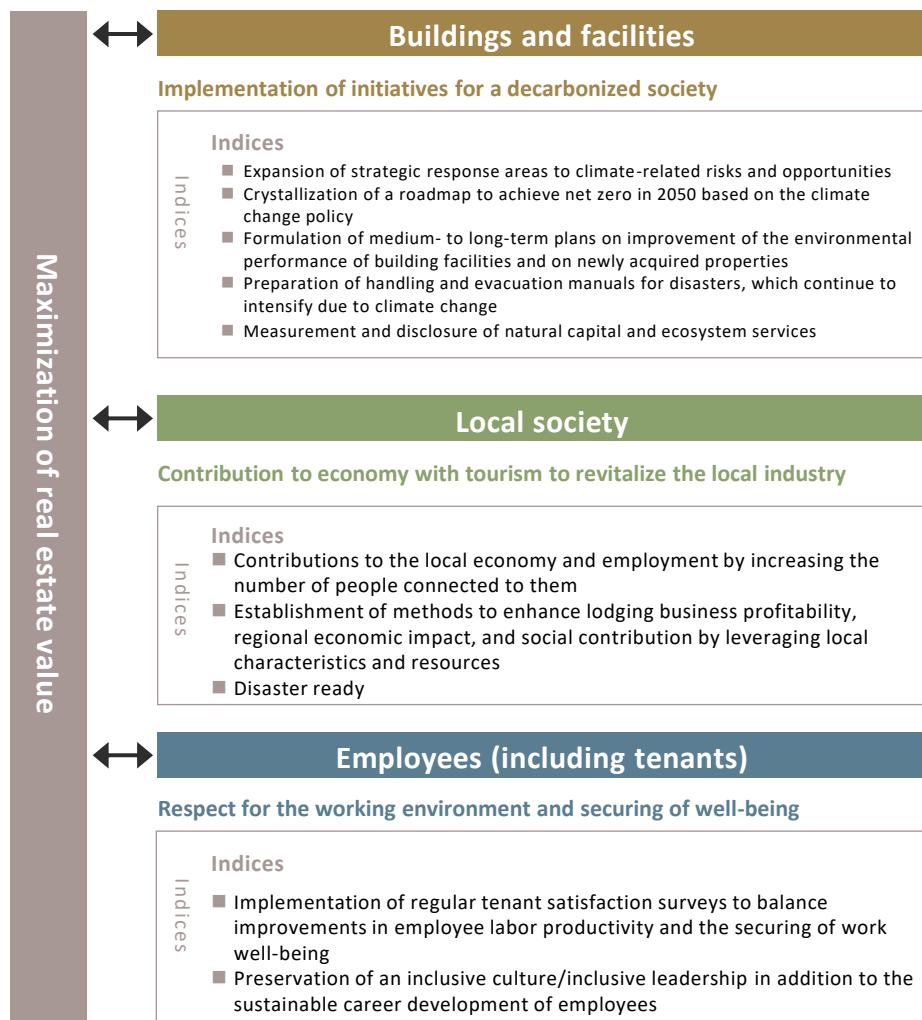
Kera-Ike Ice Rink

Sustainability initiatives

Creating value by recognizing climate change as a core challenge of our time and adapting to social, technological, and regulatory transitions

We aim to create a sustainable business model that maintains a sustainable competitive advantage while addressing environmental and social issues by linking "real estate and facility management"

Building a sustainable business model and marketing development that is characteristic of the tourism industry

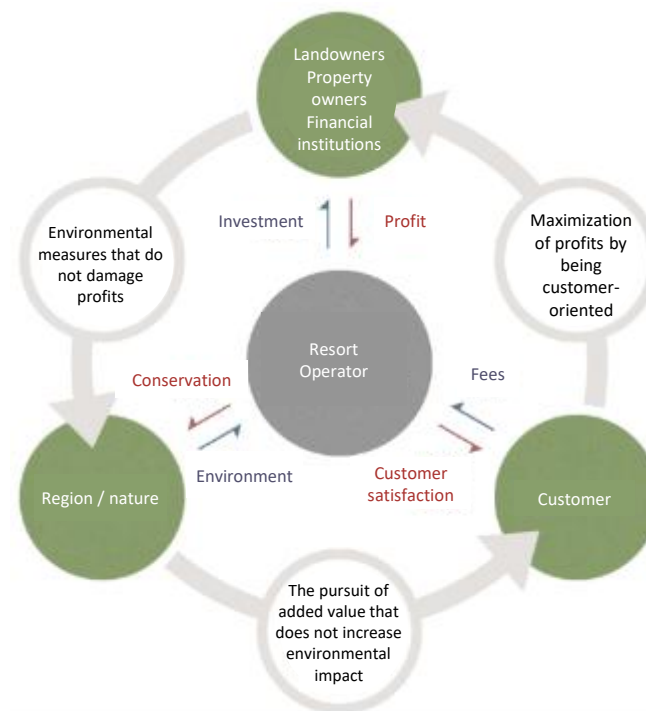


Hoshino Resorts' environmental management

Ecosystem of coexistence and co-prosperity

Hoshino Resorts believes that a hotel and its area are one and the same. In other words, the increased attractiveness of its area is connected directly to a hotel's business performance; and on the other hand, we believe that by communicating the attractiveness of its area, a hotel can help to enhance the area's brand power, so we conduct various activities rooted in our surrounds.

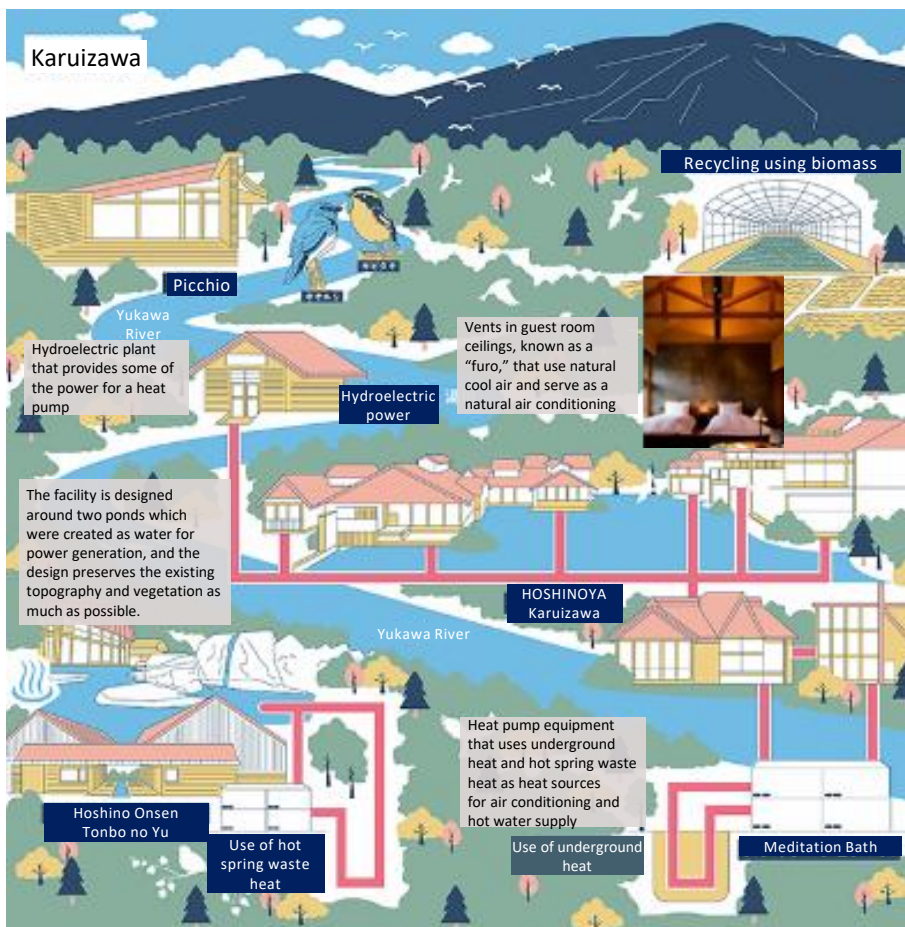
Hoshino Resorts promotes eco-tourism, zero emissions and other environmental management initiatives because we believe that the natural environment, local technologies, agricultural, forestry and fishery products, and tourism resources that exist in our areas will provide a source of accommodation value, and in turn, connect to sustainable corporate competitiveness.



Environmental architecture based on vernacular wisdom

Unique accommodations that understand the local environment — its conditions, resources, history, and ecology — and create designs that harmonize with it

HOSHINOYA Karuizawa — An energy system that harnesses the valley's terrain, river, hot springs, and geothermal heat



We use a unique EIMY ecosystem in order to reduce the burden on nature, utilizing hydroelectric power, underground heat, and recycling using biomass.

From an architectural aspect, sustainable resort operations are promoted through features such as a "furo," a small roof that uses natural cool air, and a design that considers biodiversity.

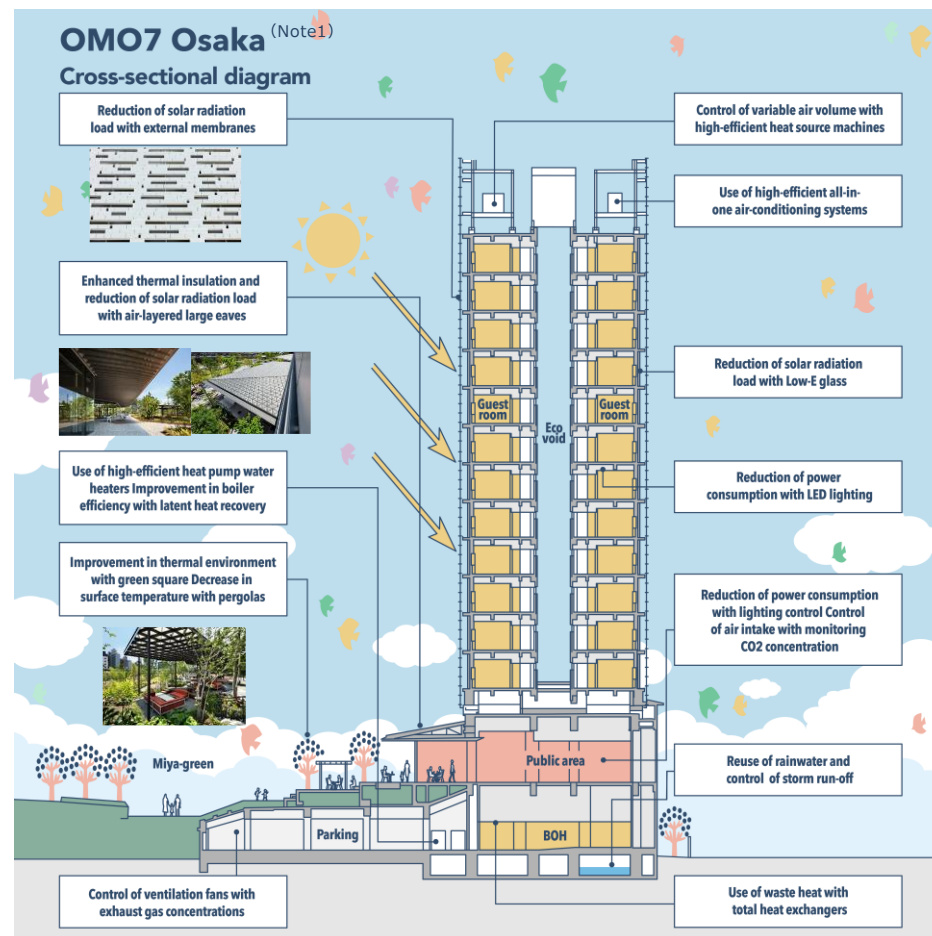
◆ Now streaming ◆

Natural energy utilization at HOSHINOYA Karuizawa: "EIMY (Energy in my yard)"



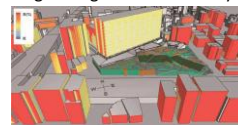
<https://youtu.be/idsuT0JoyNk>

OMO7 Osaka — Protecting against solar heat through passive environmental control inspired by wisdom from traditional craftsmanship



Examples of effect analyses for each technology (Note 2)

By enveloping the building with an exterior membrane, the material functions like a bamboo screen, blocking direct sunlight from hitting the concrete structure. The plan aims to reduce sunlight entering through the windows by 30 to 45%.



At the "Miya-green" green square, an azumaya (pavilion) is installed and the area is landscaped with about 200 trees and roughly 1,700 m² of lawn, helping to mitigate the heat-island effect.



Environmental performance and external evaluation

Environmental performance (Note 1)

Energy consumption (Note 2)

Period	FY2022	FY2023	FY2024
No. of properties	65	66	66
Energy consumption (MWh)	172,486	188,578	184,166
Energy consumption per basic unit (kWh/m ²)	329.3	360.9	355.0

Water consumption (Note 3)

Period	FY2022	FY2023	FY2024
No. of properties	62	63	64
Water consumption (m ³)	1,670,067	1,849,894	1,889,801
Water consumption per basic unit (m ³ /m ²)	3.3	3.6	3.7

GHG emissions (Note 4)

Period	FY2022	FY2023	FY2024
No. of properties	65	66	66
Greenhouse gas (GHG) emissions (t-CO ₂)	54,667	62,713	59,237
Greenhouse gas (GHG) emissions per basic unit (kgCO ₂ /m ²)	104.4	120.0	114.2

Waste (Note 5)

Period	FY2022	FY2023	FY2024
No. of properties	56	61	58
Amount of waste (t)	3,558	4,092	3,661
Recycling ratio (%)	14.2	21.6	21.5

GHG reduction initiatives across the supply chain

- Green lease agreements enable building owners and tenants to collaborate in reducing utility costs, thereby improving profitability and lowering environmental impacts. The goal is to promote sustainable building use while ensuring mutual benefits. As of December 1, 2025, the green lease agreement execution ratio is 100%.
- For newly acquired properties, in addition to avoiding stranded assets and brown discounts, we have begun examining sustainability factors such as environmental certifications and equipment performance prior to acquisition, taking into account compatibility with future regulatory tightening and the risk of rising operating costs.
- To visualize supply chain emissions in operations, we are strengthening collaboration with our business partners and have begun conducting climate change-related surveys in order of priority categories. Going forward, we will use the data obtained to identify opportunities for GHG reduction and translate them into effective actions.
- We are incorporating decarbonization methods such as SAF (sustainable aviation fuel) (Note 6) into the tourism value chain and working to reduce GHG emissions through both travel and accommodation. In the properties owned by HRR, six additional facilities (shown in bold below) advanced the use of SAF this fiscal period, bringing the total to ten facilities: **HOSHINOYA Fuji, KAI Hakone, KAI Enshu, ANA Crowne Plaza Hiroshima, ANA Crowne Plaza Kanazawa, ANA Crowne Plaza Toyama, RISONARE Atami, KAI Ito, KAI Nagato, and OMO7 Osaka.**

Initiatives we support



We are conducting a scenario analysis of transition and physical risks in line with the TCFD framework to examine changes in the business environment related to climate change. Based on the results of this analysis, we plan to achieve a GHG emissions reduction rate of at least 40% (compared with 2020) by 2030 aiming for net zero emissions in 2050.



For details of the scenario analysis, please refer to "Initiatives for Climate Change":
<https://www.hoshinoresorts-reit.com/en/sustainability/climate.html>



We support the TNFD Forum with the aim of promoting sustainable economic activities and improving data transparency by visualizing the dependence on and impact of natural capital and ecosystem services.



We participate in the JCLP to expand the use of renewable energy and achieve a decarbonized society. We are developing skills to respond to climate change using the power of business through policy proposals, the spread of low-carbon technologies, and CO₂ reduction across the entire supply chain.

External evaluation (Note 7)



In the GRESB Real Estate Assessment, we maintained our GRESB Rating of 3 Stars again this year and ranked second in the Asia Hotel Sector. In the disclosure assessment, we received the highest "A" rating for the second consecutive year.



Amid growing corporate disclosure of ecological information through CDP, which has the world's largest environmental database, we also submitted responses regarding climate change in 2024 to enhance transparency and address climate change, and received a "C" rating. In 2025, we will add water security as well to comprehensively understand environmental and financial information.



In the CASBEE real estate assessment, one of the green building certifications, "HOSHINOYA Karuizawa (Haru Nire Terrace)," "ANA Crowne Plaza Hotel Hiroshima," "RISONARE Yatsugatake," and "RISONARE Atami" received an S rank, while "KAI Alps" and "KAI Matsumoto" received an A rank.



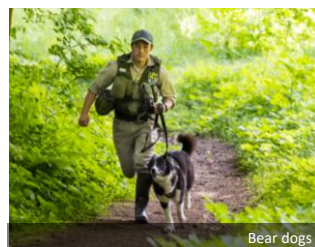
In 2022, we obtained the highest five-star rating under the third-party BELS (Building-Housing Energy-efficiency Labeling System) certification (Note 8) and we have also been certified as "ZEB Oriented" (Note 9).

Initiatives for local society and economy, and employee well-being

Contributions to natural capital and ecosystems

Sustainable initiatives to conserve and protect ecosystems, including measures for the Japanese black bear

- In resort areas, the health of forest ecosystems and coexistence with wildlife form the foundation of tourism and lodging businesses, which depend heavily on the natural environment.
- In Karuizawa, where HRR owns facilities, the wildlife ranger team “Picchio” has been conducting ecological research on Japanese black bears and developing coexistence measures since the early 2000s.
- They are implementing long-term natural capital and ecosystem management, including understanding habitat and activity ranges, managing attractants (such as waste and feeding), and creating environments that enable safe human activities.



A policy that protects both humans and bears based on research findings

To avoid injuries or psychological harm from agricultural and forestry damage, they identify each bear's traits and aim to prevent harm without relying on culling. Efforts include attaching transmitters to individual bears, soft-release training, behavioral tracking, and bear dog hazing. At the same time, coexistence measures are implemented such as installing bear-proof trash cans and electric fences, conducting on-site assessments, and providing informational signage.



Activity to attach transmitters to bears



A bear-proof trash bin was installed

For details of activities related to Japanese black bears conducted by the NPO Picchio, please visit <https://npo.picchio.jp/bear/>.

Initiatives for employees

2025 tenant satisfaction survey: Overall satisfaction

HRR conducts a satisfaction survey for hotel employees every two years. Because the previous survey identified issues with the back-office environment at “HOSHINOYA Taketomi Island,” improvement investments were made, resulting in a 36-point increase in positive evaluations in the 2025 survey and improved workplace comfort. We will continue to make investments that enhance labor productivity and employee motivation based on feedback from on-site staff, striving to maximize real estate value.



Using Hoshino Resorts' organizational culture and management resources, the Asset Management Company is engaged in many human resource initiatives that will enhance its sustainable competitiveness as a hotel asset management corporation.
For details, see <https://www.hoshinoresorts-reit.com/en/sustainability/society.html>.

Contribution to local society and economy

Reconstruction support by ANA Crowne Plaza Kanazawa

As part of support efforts for areas severely affected by the Noto Peninsula earthquake and heavy rainfall, a collaboration initiative was carried out. In the project with Notojima Aquarium, the only aquarium in the prefecture, a portion of the sales from selected products is donated to support the care of the animals.



Special sweets in collaboration with Notojima Aquarium

Using local ingredients such as Noto salt, sweets that showcase the charm of Noto have been sold since July this year. Each season features a different animal motif, making it an ongoing project.



Seasonal sweets designed after popular aquarium animals



Notojima Aquarium mainly keeps and exhibits fish that inhabit or migrate through the coastal waters of the Noto Peninsula. It had been temporarily closed due to the Noto Peninsula earthquake and heavy rainfall, but all exhibits reopened in March 2025.

Receiving Eruboshi certification (The Asset Management Company)

“Eruboshi certification” is a system in which the Minister of Health, Labour and Welfare recognizes companies with outstanding initiatives to promote women's advancement. HRR received the highest three-star rating in 2025.



The Asset Management Company is committed to creating an environment where all employees can work with confidence over the long term, providing flexible work styles tailored to different life stages and systems that support autonomous career development. Going forward, we will further promote the development of a workplace environment that enhances employees' physical and mental well-being and sense of growth, enabling them to work proactively.



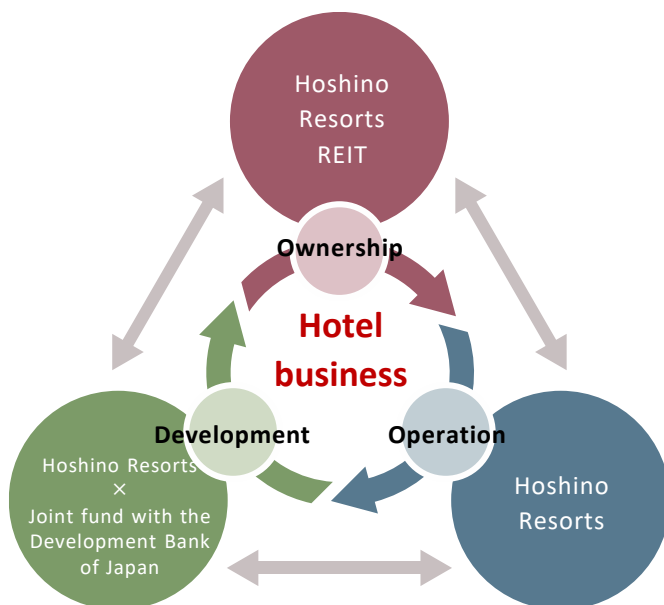
Hoshino Onsen Ryokan (at the time of its opening)

Appendix (1): About Sponsor Hoshino Resorts

The history of Hoshino Resorts

The travel industry has become the most important peacekeeping industry in the world.

We will work on our next hundred years of business from the perspective of connecting people around the world as friends and be a company that strives to have “big dreams and steady operations.”



History

Phase (1)

1991 to 2000

Accumulated know-how as a hotel operator

Phase (2)

2001 to 2010

Revitalized large resorts and hot spring ryokan projects and launched three major brands

Phase (3)

2011 to 2020

Built a business model separating ownership, operations and development

Phase (4)

2021 onward–

Taking Japanese ryokan to the world

1904 Began development of hot spring in Karuizawa
1914 Opened Hoshino Onsen Ryokan

1991 Yoshiharu Hoshino, Hoshino Resorts' 4th and current CEO, joins Hoshino Onsen and is appointed its representative
1992 **Announcement of company's future vision as an operation company whose main business does not consist of property ownership**
1995 Company name changed to Hoshino Resorts, Inc.

2001 Start of operation of RISONARE Yatsugatake
2003 Start of operation of Alts Bandai Resort
2004 Start of operation of Tomamu Resort
2005 Became a partner in the operation of an onsen ryokan invested in by Goldman Sachs
Opened HOSHINOYA Karuizawa
2010 Master brand strategy is launched

2011 KAI brand is launched
RISONARE brand is launched
2013 **Hoshino Resorts REIT, Inc. listed on the Tokyo Stock Exchange**
2015 **Organized as a fund jointly run with the Development Bank of Japan to establish a development framework**
2018 OMO brand is launched
2019 BEB brand is launched

2023 Opened RISONARE Guam
2025 Renewed HOSHINOYA brand logo
LUCY brand is launched
2028 Opening of an onsen ryokan in mainland North America (planned)


As of October 2025

Hoshino Resorts operates 68 accommodation facilities in Japan and 5 overseas.




Introduction of the History of Hoshino Resorts (in Japanese)

About Hoshino Resorts Brand




HOSHINOYA

An overwhelmingly extraordinary experience guided by original themes




RISONARE

Resorts filled with experiences beyond imagination




KAI

High-quality hot spring ryokan focused on a pleasant Japanese atmosphere, where guests rediscover regional charm




OMO

Exciting urban hotels




BEB

More than a tavern, less than a trip, hotels where everybody spends their time in a laid-back way




LUCY

Mountain hotels that move the heart



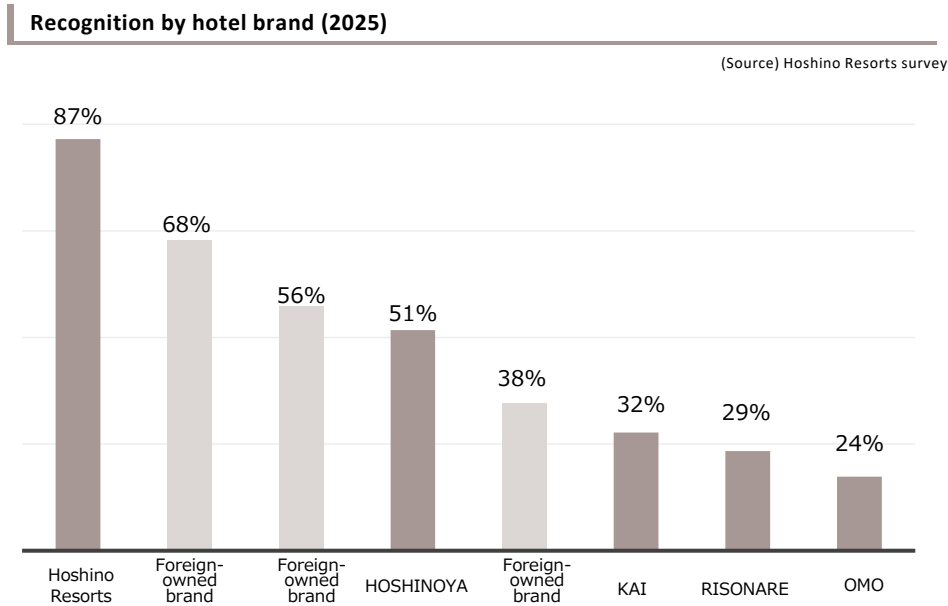
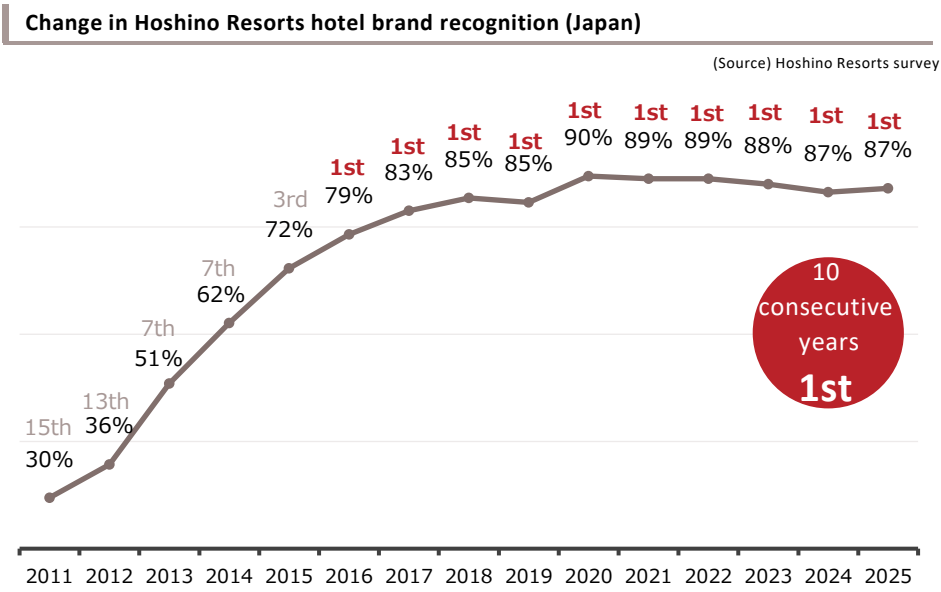
Other Unique Lodgings

Resorts and hot spring ryokan with outstanding individuality, developed in Japan and around the world



Daytrip Destinations

From hot springs to skiing, we have a variety of services to enjoy a day off



“Management based on the textbook”

At Hoshino Resorts, we believe that in a changing market environment, we should rely on the tried-and-tested principles of management rather than intuition. While making management decisions in accordance with the textbook, we always place importance on sustainability in a challenging environment and boldly take on growth opportunities. We believe that by achieving the frontier of productivity, choosing activities involving trade-offs, and fostering a sense of fit between these activities, we can secure a position that is difficult for competitors to imitate.

Fit between activities



Branding

- With the brand promise of “making travel more enjoyable,” we are developing unique facilities that make the most of the characteristics of each region throughout Japan
- We strive to maintain and strengthen our brand by providing local charm that can only be experienced there and creating customer experiences that exceed expectations

Flat organizational culture

- A culture where everyone can discuss issues openly and frankly, regardless of their job responsibilities, on an equal footing
- Each individual can freely express their ideas, and through fair team discussions, they can think for themselves and make the right management decisions

Creating a unique appeal

- The staff themselves can feel the appeal of the area where they live, and by working as a team, they can refine this appeal and create it with a marketing mindset
- Not only do we generate economic benefits through hotel management, but we also protect the natural environment unique to the area and cultural assets that that environment has nurtured and pass them on to the next generation

The Service team

- By performing all operations related to management without dividing them up and by multitasking, we have many points of contact with our customers
- We continue to provide value to all stakeholders involved with Hoshino Resorts with the ultimate customer orientation.

Specialized management & REIT

- To expand to multiple locations with low capital and risk, we launched Japan's first real estate investment trust (REIT) specializing in tourism and chose a specialized management strategy
- Creating an environment where ordinary investors can invest in the growth of the tourism industry was a major step towards making the tourism industry a top-class industry

CHAPTER

6

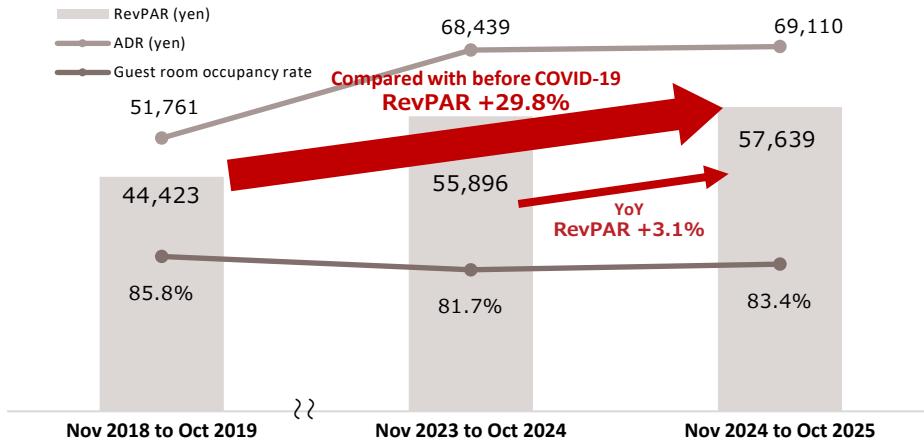


RISONARE Yatsugatake

Appendix (2): About Hoshino Resorts REIT and the portfolio

Operating results summary by brand (prior to COVID-19 pandemic and changes over the last two years)

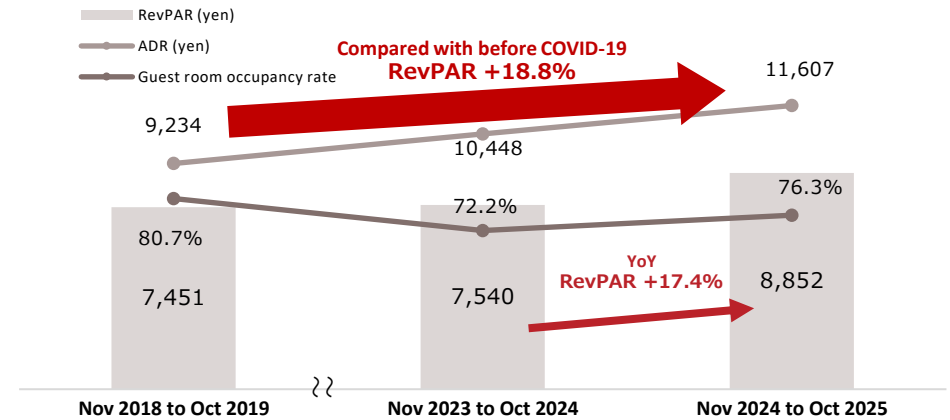
Total properties operated by Hoshino Resorts (Note)



		2018/11 to 2019/10 (①)	2023/11 to 2024/10 (②)	2024/11 to 2025/10 (③)	Compared with before COVID-19 pandemic (③-①)	Compared with the previous year (③-②)
					(③-①)	(③-②)
4 HOSHINOYA properties	Guest room occupancy rate	89.1%	78.6%	86.4%	-2.7 pt	+7.8 pt
	ADR (Yen)	74,670	90,665	89,901	+15,231	-764
	RevPAR (Yen)	66,519	71,291	77,634	+11,115	+6,343
2 RISONARE properties	Guest room occupancy rate	86.4%	81.3%	77.2%	-9.2 pt	-4.1 pt
	ADR (Yen)	43,478	67,363	66,740	+23,262	-623
	RevPAR (Yen)	37,558	54,759	51,509	+13,951	-3,250
6 KAI properties	Guest room occupancy rate	82.1%	85.1%	89.0%	+6.9 pt	+3.9 pt
	ADR (Yen)	39,128	50,181	51,017	+11,889	+836
	RevPAR (Yen)	32,140	42,681	45,398	+13,258	+2,717

Total of major properties operated by outside operators (Note)

(3 ANA Crowne Plaza properties, Grand Prince Hotel Osaka Bay, 22 Roadside properties, and 4 the b properties are calculated)



		2018/11 to 2019/10 (①)	2023/11 to 2024/10 (②)	2024/11 to 2025/10 (③)	Compared with before COVID-19 pandemic (③-①)	Compared with the previous year (③-②)
					(③-①)	(③-②)
3 ANA Crowne Plaza properties	Guest room occupancy rate	79.5%	74.0%	74.2%	-5.3 pt	+0.2 pt
	ADR (Yen)	13,071	13,946	14,446	+1,375	+500
	RevPAR (Yen)	10,391	10,319	10,723	+332	+404
Grand Prince Hotel Osaka Bay	Guest room occupancy rate	70.6%	45.8%	65.0%	-5.6 pt	+19.2 pt
	ADR (Yen)	16,317	19,839	25,822	+9,505	+5,983
	RevPAR (Yen)	11,525	9,078	16,791	+5,266	+7,713
22 Roadside properties	Guest room occupancy rate	81.1%	74.7%	77.6%	-3.5 pt	+2.9 pt
	ADR (Yen)	6,140	6,854	7,631	+1,491	+777
	RevPAR (Yen)	4,980	5,121	5,919	+939	+798
4 the b properties	Guest room occupancy rate	88.2%	82.1%	82.9%	-5.3 pt	+0.8 pt
	ADR (Yen)	9,806	10,956	12,282	+2,476	+1,326
	RevPAR (Yen)	8,649	8,991	10,184	+1,535	+1,193















Please refer to “Hotel Operational Results Data” for monthly operating results for individual properties.

<https://www.hoshinoresorts-reit.com/en/ir/library.html>

Overview of property portfolio by brand ①

HRR owns a wide range of brands developed by Hoshino Resorts.













As of November 4, 2025

Operator	Hoshino Resorts					
Brand						
Genre	Luxury hotels	Resort hotels	Luxury hot spring ryokan	City tourist hotels	Casual hotels	Other unique accommodation facilities
Brand overview	A brand that captivates you with overwhelmingly extraordinary, original themes	Resort hotels with sophisticated design and plenty of activities	High-quality hot spring ryokan focused on a pleasant Japanese atmosphere, where guests rediscover regional charm	Exciting urban hotels	More than a tavern, less than a trip, hotels where everybody spends their time in a laid-back way	Unique resort hotels and onsen ryokans in Japan and other countries
Annual ADR (Note)	About 82,000 yen	About 66,000 yen	About 46,000 yen	About 28,000 yen	About 21,000 yen	About 32,000 yen
Representative facilities	 HOSHINOYA Karuizawa	 RISONARE Yatsugatake	 KAI Poroto	 OMO7 Osaka	 BEB5 Karuizawa	 Iriomote Hotel
No. of properties owned	5	2	12	2	1	1
Total acquisition price (ratio)	31,803 million yen (13.6%)	10,383 million yen (4.4%)	30,323 million yen (13.0%)	31,200 million yen (13.3%)	2,170 million yen (0.9%)	3,650 million yen (1.6%)

Overview of property portfolio by brand ②

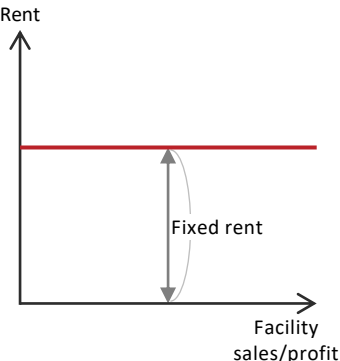
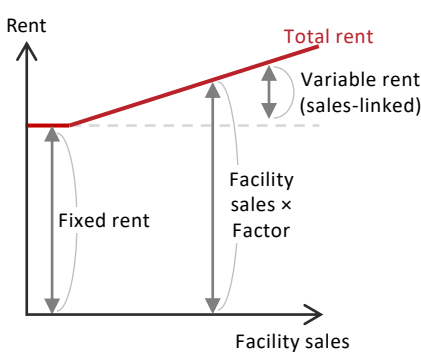
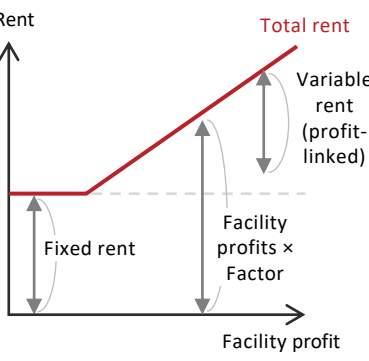
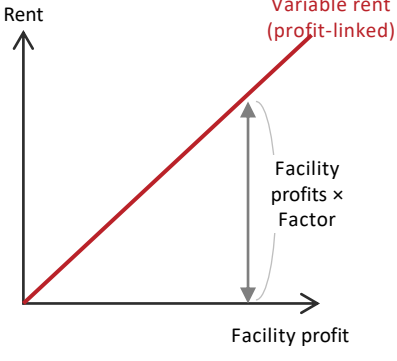
HRR also invests in properties other than those operated by Hoshino Resorts that are likely to secure steady cash flows over a long-term period.

As of November 4, 2025

Operator	IHG ANA Hotels	Hyatt International	Seibu Prince Hotels	Ishin Hotels Group	Greens	AQUAIGNIS
Brand						
Genre	Full service	Full service	Full service	Specialized in accommodation	Roadside	Hot spring resort complex
Brand overview	Upscale hotels offering the world-class service of Crowne Plaza and the high-quality hospitality boasted by ANA Hotels	Hotels that offer luxurious, iconic and grand stays	Comfortable, spacious interiors, relaxing guest rooms and excellent service Hotels that serve as bases for interaction that place a high value on connections between people	Stylish city hotels in major cities nationwide	Hotels that specialize in accommodation near highway interchanges and along major roads	A hot spring resort complex featuring refined design, with themes of “healing and food,” “local production for local consumption,” and “fine dining created by renowned chefs”
Annual ADR (Note)	About 14,000 yen	About 36,000 yen	About 25,000 yen	About 13,000 yen	About 7,000 yen	AQUAIGNIS: About 28,000 yen Yunoyama Sosuikyo: About 101,000 yen
Representative facilities	 ANA Crowne Plaza Hiroshima	 Grand Hyatt Fukuoka	 Grand Prince Hotel Osaka Bay	 the b akasaka	 Comfort Inn Suwa Inter	 AQUAIGNIS/ Yunoyama Sosuikyo
No. of properties owned	3	1	1	5	23	1
Total acquisition price (ratio)	28,401 million yen (12.1%)	7,700 million yen (3.3%)	13,867 million yen (5.9%)	26,430 million yen (11.3%)	16,417 million yen (7.0%)	5,953 million yen (2.5%)

Rent type

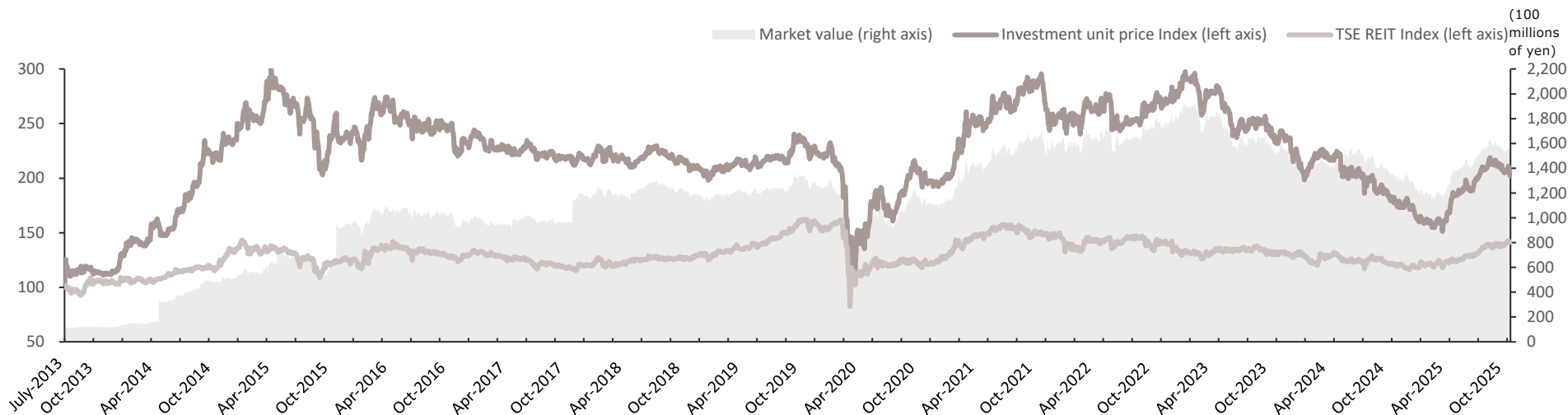
As of November 4, 2025

Rent type		Fixed rent	Fixed rent + variable rent	Fixed rent + variable rent	Variable rent
Benchmark index for calculation of variable rent		—	Facility sales	Facility profit	Facility profit
No. of properties		8	5	57	1
Acquisition price	Amount	7.2 billion yen	21.6 billion yen	189.0 billion yen	16.0 billion yen
	Ratio	3.1%	9.2%	80.8%	6.8%
Property name		<ul style="list-style-type: none"> ◆ 5 Candeo properties ◆ Comfort: Hakodate, Tomakomai, Kure 	<ul style="list-style-type: none"> ◆ Hoshinoya: Karuizawa, Kyoto ◆ RISONARE: Yatsugatake ◆ KAI: Ito ◆ AQUAIGNIS/Yunoyama Sosuikyo 	<ul style="list-style-type: none"> ◆ HOSHINOYA: Fuji, Taketomi Island, Okinawa ◆ RISONARE: Atami ◆ KAI: Tamatsukuri, Kinugawa, Kaga, Alps, Enshu, Nagato, Kirishima, Beppu, Poroto, Hakone, Matsumoto ◆ OMO7 Osaka, OMO7 Kochi, BEB5 Karuizawa, Iriomote Hotel, Hotel WBF Grande Asahikawa ◆ 23 Roadside properties ◆ 3 ANA Crowne Plaza properties ◆ 5 the b properties ◆ hotel androoms Osaka Hommachi ◆ Sol Vita Hotel Naha ◆ Quintessa Hotel Osaka Shinsaibashi ◆ Grand Hyatt Fukuoka ◆ Comfort Hotel Takamatsu ◆ HOTEL VISTA MATSUYAMA 	<ul style="list-style-type: none"> ◆ Grand Prince Hotel Osaka Bay
Rent plan (conceptual image) (Note)					

Changes in market value and investment unit price/ Information on investors as of the end of the fiscal period ended October 2025

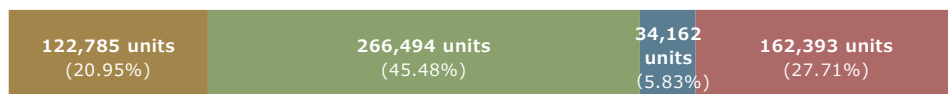
Ch. 6-05

Changes in market value and investment unit price (Note 1)



Investor composition (Note 2) (as of October 31, 2025)

- Individual
- Financial institutions (including financial traders)
- Other Japanese corporations
- Non-Japanese corporations, etc.



Number of investment units held
by type of unitholder

Total 585,834 units



Number of investors by type of unitholder

Total 26,365 people

Major investors	Number of investment units held (units)	Percentage (Note 3) (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	98,938	16.88
Custody Bank of Japan, Ltd. (Trust account)	91,525	15.62
BNP PARIBAS SINGAPORE/2S/JASDEC/CLIENT ASSET	34,940	5.96
The Nomura Trust and Banking Co., Ltd. (Investment trust account)	29,137	4.97
UBS AG SINGAPORE	10,771	1.83
K.K. Horizon Hotels	9,464	1.61
STATE STREET BANK WEST CLIENT - TREATY 505234	9,282	1.58
STATE STREET BANK AND TRUST COMPANY 505001	8,159	1.39
JP MORGAN CHASE BANK 385781	8,037	1.37
Hoshino Resorts Inc.	7,246	1.23
Total	307,499	52.48

* Percentage of investment units held by Hoshino Resorts: 4.49%

p. 8

Note 1: "Total of the properties operated by Hoshino Resorts" is calculated by aggregating data from "4 HOSHINOYA," "2 RISONARE," and "6 KAI." "Total of the properties operated by outside operators" is calculated by aggregating data from "3 ANA Crowne Plaza Properties," "Grand Prince Hotel Osaka Bay (Formerly Hyatt Regency Osaka)," "22 Roadside properties," "4 the b properties," and "Grand Hyatt Fukuoka."

Note 2: The timing and specific calculation method of variable rent in "Assumption of Rent" will vary depending on each property.

p. 12

Note 1: The "Total of the properties operated by Hoshino Resorts" and "Total of the properties operated by outside operators" do not include properties acquired on or after November 2022.

Note 2: Operational performance data for "OMO7 Kochi" prior to March 2023 is based on figures from the property's former brand, 'Hotel Nikko Kochi Asahi Royal.' The same applies hereafter.

Note 3: The figures for Grand Prince Hotel Osaka Bay prior to July 2023, are calculated based on the figures for Hyatt Regency Osaka prior to the rebranding. The same applies hereafter.

p. 14

Note 1: This comparison covers operating results from November 2024 to October 2025 and the plan for November 2025 to October 2026. Properties that were closed for renovations during this period—KAI Enshu, KAI Hakone, and KAI Matsumoto—are excluded from the aggregation.

Note 2: The content of this item and this slide has been prepared with reference to information publicly disclosed by Hoshino Resorts, as well as information provided to this asset management company by Hoshino Resorts.

p. 15

Note 1: Data for "OMO7 Osaka" is compiled from June 1, 2024, onward, and data for "KAI Poroto" is compiled from January 1, 2025, onward.

Note 2: The inbound ratios for the "22 roadside properties" for July 2024 and earlier are those at the time of the "Chisun Inn."

Note 3: The inbound ratio of "Grand Prince Hotel Osaka Bay" before June 2023 is the same as that of "Hyatt Regency Osaka."

p. 16

Note: The information presented herein has been prepared by the Asset Management Company as reference material based on a video recorded by Hoshino Resorts for the REIT's financial results briefing. While the figures and statistical data are derived from the content of the video, rounding and other adjustments may result in discrepancies from the numbers disclosed in official materials.

p. 19

Note 1: The ratio of fixed rate includes yield curve swap agreements that review interest rates at scheduled intervals.

Note 2: The Bank of Japan's Climate Response Financing Operation refers to funds that each private financial institution deems eligible for the 'fund-provisioning operations to support efforts on climate change' conducted by the Bank of Japan.

Note 3: "Sustainable finance balance" refers to the total outstanding balance of sustainable loans, green loans, blue loans, positive impact finance, sustainability-linked loans, sustainable bonds, and green bonds.

Note 4: "Sustainable equity balance" refers to the total amount of outstanding sustainable equity and green equity.

Note 5: "Sustainable finance balance" also includes the green and sustainable finance balances executed under the former Green and Sustainability Finance Frameworks, which were based on the BELS evaluation system prior to its revision.

Note 6: "Green equity balance" and "Sustainability equity balance" are calculated based on the criteria of the previous BELS evaluation due to changes in the BELS evaluation system.

p. 20

Note 1: The calculation method for "LTV (based on market value)" is "total interest-bearing debt" divided by "total assets including unrealized gains and losses."

Note 2: "LTV (based on total assets)" as of November 28, 2025, is calculated as total interest-bearing debt as of November 28 divided by total assets as of November 28. "LTV (based on market value)" is calculated as total interest-bearing debt as of November 28 divided by total assets as of November 28 + unrealized gains and losses as of October 31 + (appraisal value of AQUAIGNIS/Yunoyama Sosui-kyo as of September 30, 2025 – acquisition price).

p. 25

Note: The "Image of risk level from hotel development to stable operation" is only a conceptual image of the generally assumed risk level from hotel development to stable operation and the roles of related parties. It does not guarantee or promise that the actual development will be as shown in the diagram.

p. 26

Note 1: Where the year given in the "Start of operation" column is followed by the parenthesized word "plan," the year merely indicates the year that, as of the date of this document, HRR plans on starting operation. It may be subject to change.

Note 2: "Hoshino Resort Tourism Revitalization Fund" is a joint fund formed by Hoshino Resorts and RISA Partners Inc.

Note 3: "ALL JAPAN Tourism Nation Fund" is a fund that partners with the leading companies of various sectors as well as regional financial institutions in order to invest in assets throughout all 47 prefectures in Japan, free of any regional constraints. It engages in various businesses guided by a broad range of purposes, including the launch, renovation, and conversion of hotels and other accommodation establishments, promoting reforms in the way lodging establishments are operated and managed, promoting startups that support the national push to elevate Japan's status as a tourist destination, and revitalizing traditional industries.

Note 4: "Properties owned by third parties" refer to properties operated by Hoshino Resorts Group that are not owned by Hoshino Resorts Group, the DBJ joint fund, Hoshino Resort Tourism Revitalization Fund, or ALL JAPAN Tourism Nation Fund.

p. 30

Note 1: The "Cross-sectional composition diagram" is a conceptual illustration designed to clearly explain the environmentally friendly structure of the property, and it does not guarantee or promise that the environmental control shown in the diagram can be achieved.

Note 2: Results of effect analyses in the "Examples of effect analyses for each technology" are based on the Report on Environmental Simulation Verification prepared by NIHON SEKKEI, INC., and do not guarantee or promise the actual effects of the property.

p. 31

Note 1: The figures in "Environmental Performance" are based on the figures provided by the operator of each property. "Energy Consumption," "Water Consumption," "GHG Emissions," and "Waste" are calculated from April to March each year. The number of properties for "Energy Consumption," "Water Consumption," "GHG Emissions," and "Waste" is based on properties owned by HRR for which 100% of the area for which data was obtained.

Note 2: "Energy consumption per basic unit" is calculated as (energy consumption of properties with 100% of the area of data acquisition among properties owned) ÷ basic unit denominator (area (m²) of properties with 100% of the area of data acquisition among properties owned).

Note 3: "Water consumption per basic unit" is calculated as (water consumption of 100% of the properties in the portfolio) ÷ denominator of basic unit (area (m²) of the properties in the portfolio with 100% of the area of data acquisition).

Note 4: "GHG emissions per basic unit" is calculated as (greenhouse gas (GHG) emissions from properties with 100% of the total area covered by data) ÷ basic unit denominator (area (m²) of properties with 100% of the total area covered by data).

Note 5: "Waste" is calculated as (The amount of waste recycled in properties where 100% of the data acquisition area has been obtained) ÷ (The amount of waste generated in properties where 100% of the data acquisition area has been obtained).

Note 6: SAF refers to "sustainable aviation fuel" derived from non-fossil sources such as used cooking oil, plant and animal fats, and woody biomass. It is considered to significantly reduce carbon dioxide (CO₂) emissions compared with conventional petroleum-based fuels.

Note 7: The "External Evaluation" on Sustainability, evaluations may vary by building depending on the property, and in that case, the evaluation results for the building that received the highest rating (the evaluated building) at each property is listed.

Note 8: "BELS" is one of the third-party certification systems based on the Ministry of Land, Infrastructure, Transport and Tourism's Guidelines for Energy Efficiency Performance Labeling of Buildings (Guidelines for Displaying the Energy Consumption Performance of Buildings). It provides an objective assessment of a building's energy efficiency performance, which is indicated using a five-star rating scale. The same applies hereafter. Please note that although the notification on the building energy efficiency labeling system was revised and enforced in April 2024, expanding the rating scale to seven levels, this document refers to the fact that the highest rating of five stars was obtained under the former system.

Note 9: "ZEB" stands for Net Zero Energy Building. It refers to a building that aims to achieve a net zero annual primary energy balance by significantly reducing energy consumption, while maintaining indoor environmental quality, through advanced architectural design that suppresses energy loads, active utilization of natural energy based on passive technologies, and the introduction of high-efficiency building systems. Renewable energy is then incorporated to maximize the building's energy self-sufficiency. To promote the realization and widespread adoption of ZEBs, four certification levels are currently used: "ZEB," "Nearly ZEB," "ZEB Ready," and "ZEB Oriented." The "ZEB Oriented" certification obtained by this property refers to a building designed with a view toward achieving ZEB Ready, incorporating high-performance building envelopes, high-efficiency energy-saving systems, and additional measures aimed at realizing further reductions in energy consumption. The same applies hereafter.

p. 38

Note: The “Total of the properties operated by Hoshino Resorts” and “Total of the properties operated by outside operators” do not include properties acquired on or after November 2018.

p. 39

Note: Annual ADR is a reference value calculated based on the period from November 2024 to October 2025.

p. 40

Note: Annual ADR is a reference value calculated based on the period from November 2024 to October 2025 (August 2024 to July 2025 only for AQUAIGNIS/Yunoyama Sosuikyo). However, for properties operated by “Greens,” figures are not disclosed (excluding roadside properties), as the lessee has not consented to disclosure.

p. 41

Note: The coefficient differs depending on the lease agreement for each property.

p. 42

Note 1: The start date for the graph is July 11, 2013, the day of business immediately prior to the new listing date. In consideration of the investment unit split (half each) effective as of November 1, 2016, and November 1, 2024, the investment unit price has been indexed taking one fourth of the issue price 510,000 yen of the public offering implemented on July 11, 2013, as 100 and revising the figures prior to October 26, 2016, and October 30, 2024, the last trading day before the investment unit split, accordingly. In addition, the Tokyo Stock Exchange REIT index has been indexed taking the closing price as of July 11, 2013, as 100.

Note 2: The ratios in parentheses under the number of units held by type of unitholder indicate the ratio of units held by each type of unitholder against the total number of investment units issued. In addition, the ratio in parentheses under number of investors by type of unitholder indicates the ratio of the number of investors by each type of unitholder to the total number of investors who own HRR. All figures are shown rounded down to two decimal places.

Note 3: Percentage means the ratio of the number of investment units owned against the total number of investment units issued, rounded down to two decimal places.

This document is provided for information purposes only and is not a solicitation for investment, nor recommendation or invitation to make specific transactions. We caution readers to undertake investment decisions at their own discretion and responsibility.

This document is not a disclosure document or report based upon the Financial Instruments and Exchange Act, the Act on Investment Trusts and Investment Corporations, public listing regulations of the Tokyo Stock Exchange or other related laws and regulations.

This document includes charts, data and other materials prepared by Hoshino Resort Asset Management Co., Ltd. based on data, indices, etc. disclosed by third parties, in addition to statements related to Hoshino Resorts REIT, Inc. Statements on analyses, judgments and other opinions of the Asset Management Company as of the date of the document are also included.

The contents of this document have not been audited and their accuracy and completeness are not guaranteed. Analyses, judgments and other opinions of the Asset Management Company that are not actual facts are only reflecting the views of the Asset Management Company as of the date of the document. Therefore, other views and opinions exist and the Asset Management Company may change its views in the future.

The figures under the same item of other disclosed materials may differ from figures presented in this document due to different rounding of fractions, etc.

While HRR and the Asset Management Company has taken due care in the preparation of this document, the possibility of errors exists. Readers are also cautioned that the contents of this document are subject to correction or change without prior notice.

HRR or the Asset Management Company will not be responsible for any inaccuracy in data, indices, etc. disclosed by third parties.

Although this document includes statements regarding HRR's future policies, etc., these statements do not guarantee such future policies, etc.

This document may include properties that are not included in the properties held by HRR as of the date of this document, such as facilities owned by Hoshino Resorts, DBJ Joint Fund, and WBF. There are no specific plans for HRR to acquire any of these properties, including those described in the list of major sponsor pipelines, as of the date of this document, nor is there any guarantee that HRR will be able to acquire them in the future. Please refer to "Status of Portfolio" on our website: <https://www.hoshinoresorts-reit.com/en/portfolio/list.html>

For the convenience of preparing graphs, the dates indicated may differ from actual business dates.

* We do not provide any guarantees regarding the completeness or accuracy of the English translation of this document.
If there is any discrepancy between the English translation and the original Japanese text, the latter shall prevail.

Contact Tel.: +81-3-5159-6338

REIT Securities Issuer: Hoshino Resorts REIT, Inc. (securities code: 3287)

Asset Management Company: Hoshino Resort Asset Management Co., Ltd. (Financial instruments business operator, Director of Kanto Local Finance Bureau (Kin-sho) No. 2405, Member of the Investment Trusts Association, Japan)