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For immediate release

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## Notice Concerning Changes to Domestic Real Estate Lease Agreements

### (Grand Hyatt Fukuoka and HOSHINOYA Okinawa)

Hoshino Resorts REIT, Inc. (hereinafter “HRR”) hereby announces that Hoshino Resort Asset Management Co., Ltd. (hereinafter the “Asset Management Company”), an asset management company to which HRR entrusts its asset management, has decided, as one of its series of initiatives aimed at achieving HRR’s internal growth and enhancing unitholder value, to amend the existing lease agreements for Grand Hyatt Fukuoka and HOSHINOYA Okinawa (hereinafter, each property may be referred to as the “Property”), properties owned by HRR, as follows. Both the counterparty to the lease amendment agreement and the Acquisition (defined below) for Grand Hyatt Fukuoka, and the counterparty to the lease amendment agreement for HOSHINOYA Okinawa fall under interested parties, etc. under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, including subsequent amendments; hereinafter the “Investment Trust Act”), as well as interested parties, etc. under the “Interested Party Transactions Rules” which are internal rules of the Asset Management Company. Therefore, pursuant to the “Interested Party Transactions Rules,” the Asset Management Company has obtained the consent of HRR for each transaction based on the approval of HRR’s Board of Directors’ Meeting held on March 18, 2025.

#### 1. Outline of Initiatives

In order to achieve internal growth of HRR’s assets and enhance its unitholder value, the Asset Management Company is considering implementing a series of initiatives (hereinafter the “Initiatives”) that will include proactively revising rent for properties where rent increase revision is possible in exchange for additional investment or other conditions, and also considering asset replacement for properties where rent increase revision is difficult. Accordingly, HRR has decided to amend the lease agreements for “Grand Hyatt Fukuoka” and “HOSHINOYA Okinawa” as one of the Initiatives, with the aim of increasing rental income. For details of the Initiatives, please refer to the “Supplementary Explanatory Material for the Press Release Dated March 18, 2025” which is separately published as of today. With the favorable Fukuoka market as a backdrop, Grand Hyatt Fukuoka is performing well and is expected to have an upside in rental income, in exchange for HRR acquiring fixtures and equipment that were previously owned, renewed and repaired by the lessee (hereinafter the “Acquisition”), HRR will be able to enjoy greater upside in floating rent by raising the profit-linked rent rate. Additionally, at HOSHINOYA Okinawa, which aims to grow operating balance through new CAPEX investment, we will extend the premium fixed rent period in light of the longer investment period and secure stable profitability.

Furthermore, Hakata Sumiyoshi Hotel Management Co., Ltd. (hereinafter “Hakata Sumiyoshi Hotel Management”), the lessee of Grand Hyatt Fukuoka, and Yomitan Operations Inc. (hereinafter “Yomitan Operations”), the lessee of HOSHINOYA Okinawa, are lessees belonging to the Hoshino Resorts Group

(collectively referring to Hoshino Resorts Inc. and its parent company and its subsidiaries; the same applies below). The Initiatives have made it possible to realize a win-win for both HRR and the lessees belonging to the Hoshino Resorts Group, with the cooperation of Hoshino Resorts Inc., HRR's sponsor. And HRR believes that this is a concrete embodiment of the close, mutually beneficial relationship built among the members of Hoshino Resorts Group including HRR and its sponsor.

## 2. Overview of transactions related to Grand Hyatt Fukuoka

### (1) Changes to the Fixed-Term Building Lease Agreement and Property Management Agreement

HRR has entered into amendment agreements with Hakata Sumiyoshi Hotel Management, the lessee of Grand Hyatt Fukuoka, the Asset Management Company and Hoshino Resorts Inc. regarding the existing fixed-term building lease agreement and property management agreement for Grand Hyatt Fukuoka, effective May 1, 2025, in exchange for the Acquisition described in (2) below, as follows: The changes are underlined.

|      | Existing contracts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Changed contracts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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| Rent | <p>Annual fixed rent: 540,612,000 yen</p> <p>Floating rent: Floating rent accrues on the following basis:<br/>The method for calculating monthly floating rent is as follows: from May to October each year, EBITDA calculated from rent for the 12 months from December of the year before last to November of the previous year shall be the EBITDA for the floating rent calculation period; from November every year to April of the following year, EBITDA calculated from rent for the 12 months from June of the previous year to May of the current year shall be the EBITDA for the floating rent calculation period, and the amount equivalent to 1/12 of the total amount (the lower limit is 0 yen) calculated based on the following formula is the floating rent.</p> <p>&lt;Formula&gt;</p> <p>(i) An amount equivalent to 65% of the portion of EBITDA for the floating rent calculation period that exceeds 579,113,000 yen (excluding, however, the portion exceeding 1,409,364,000 yen)</p> <p>(ii) An amount equivalent to 50% of the portion of EBITDA for the floating rent calculation period exceeding 1,409,364,000 yen</p> <p>(*1) "EBITDA" means the total amount of sales of the Property during a certain period, less cost of sales, unallocated expenses, management fees and GOP expenses.</p> <p>(*2) Cost of sales, unallocated expenses, management fees and GOP expenses shall be limited to expenses directly related to the operation at the Property, and other expenses (including, but not limited to, expenditures related to other operating facilities of the</p> | <p>Annual fixed rent: 540,612,000 yen</p> <p>Floating rent: Floating rent accrues on the following basis:<br/>The method for calculating monthly floating rent is as follows: from May to October each year, EBITDA calculated from rent for the 12 months from December of the year before last to November of the previous year shall be the EBITDA for the floating rent calculation period; from November every year to April of the following year, EBITDA calculated from rent for the 12 months from June of the previous year to May of the current year shall be the EBITDA for the floating rent calculation period, and the amount equivalent to 1/12 of the total amount (the lower limit is 0 yen) calculated based on the following formula is the floating rent.</p> <p>&lt;Formula&gt;</p> <p>• <u>Until April 30, 2025</u></p> <p>(i) An amount equivalent to 65% of the portion of EBITDA for the floating rent calculation period that exceeds 579,113,000 yen (excluding, however, the portion exceeding 1,409,364,000 yen)</p> <p>(ii) An amount equivalent to 50% of the portion of EBITDA for the floating rent calculation period exceeding 1,409,364,000 yen</p> <p>• <u>From May 1, 2025 to April 30, 2029</u></p> <p>(i) <u>An amount equivalent to 85% of the portion of EBITDA for floating rent calculation period that exceeds 579,113,000 yen (excluding, however, the portion exceeding 1,409,364,000 yen)</u></p> <p>(ii) <u>An amount equivalent to 75% of the portion of EBITDA for floating rent calculation period exceeding 1,409,364,000 yen</u></p> |

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|  | <p>lessee) shall not be included. Furthermore, FFE reserves and expenses actually incurred by the lessee relating to FFE shall not be included in the GOP expenses either.</p> | <p>• From May 1, 2029 onwards</p> <p>(i) <u>An amount equivalent to 65% of the portion of EBITDA for the floating rent calculation period that exceeds 579,113,000 yen (excluding, however, the portion exceeding 1,409,364,000 yen)</u></p> <p>(ii) <u>An amount equivalent to 50% of the portion of EBITDA for floating rent calculation period exceeding 1,409,364,000 yen</u></p> <p>(*1) "EBITDA" means the total amount of sales of the Property during a certain period, less cost of sales, unallocated expenses, management fees and GOP expenses.</p> <p>(*2) Cost of sales, unallocated expenses, management fees and GOP expenses shall be limited to expenses directly related to the operation at the Property, and other expenses (including, but not limited to, expenditures related to other operating facilities of the lessee) shall not be included. Furthermore, FFE reserves and expenses actually incurred by the lessee relating to FFE shall not be included in the GOP expenses either.</p> |
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## (2) Overview of the Acquisition

HRR has reached an agreement with Hakata Sumiyoshi Hotel Management to acquire the following assets (hereinafter the "Asset to Be Acquired").

- (a) Details of the Asset to Be Acquired: Items agreed as transferred assets between HRR and Hakata Sumiyoshi Hotel Management such as fixtures and equipment owned by Hakata Sumiyoshi Hotel Management located within Grand Hyatt Fukuoka
- (b) Type of specific asset: Real estate (building accessories), etc.
- (c) Address: 217-30 Sumiyoshi 1-chome, Hakata-ku, Fukuoka City, Fukuoka Prefecture
- (d) Planned acquisition price: 142,616,901 yen (Note)
- (e) Sales contract date: March 18, 2025
- (f) Planned acquisition date: May 1, 2025

(Note) "Planned acquisition price" is the purchase price of the asset stated in the sales contract (excluding expenses such as consumption tax and local consumption tax).

## (3) Outline of Lessee and Seller

|                                                       |                                                                     |                                                                                                                       |
|-------------------------------------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| Trade name                                            | Hakata Sumiyoshi Hotel Management Co. Ltd.                          |                                                                                                                       |
| Head office location                                  | 2-82 Sumiyoshi 1-chome, Hakata-ku, Fukuoka City, Fukuoka Prefecture |                                                                                                                       |
| Title and name of representative                      | Representative Director: Takeo Matoba                               |                                                                                                                       |
| Capital                                               | 30 million yen (as of March 11, 2025)                               |                                                                                                                       |
| Date of establishment                                 | June 1, 2021                                                        |                                                                                                                       |
| Net assets                                            | -59 million yen                                                     |                                                                                                                       |
| Total assets                                          | 1,829 million yen                                                   |                                                                                                                       |
| Major shareholders and shareholding ratio             | Hoshino Resorts Inc. (100%)                                         |                                                                                                                       |
| Main Business                                         | Hotel business                                                      |                                                                                                                       |
| Relationship with HRR or the Asset Management Company | Capital relationship                                                | It is a subsidiary of the parent company of the Asset Management Company.                                             |
|                                                       | Personnel relationship                                              | There is no personnel relationship required to be stated between HRR/the Asset Management Company and the seller.     |
|                                                       | Business relationship                                               | It is leasing Grand Hyatt Fukuoka from HRR as at today.                                                               |
|                                                       | Applicable status of related party                                  | The seller is a company with the same parent company as the Asset Management Company and falls under a related party. |

## 3. Overview of Transaction Related to “HOSHINOYA Okinawa”

## (1) Changes to the Fixed-Term Building Lease Agreement and Property Management Agreement

HRR has entered into an amendment agreement to the existing fixed-term building lease agreement and property management agreement with Yomitan Operations, the tenant of HOSHINOYA Okinawa, the Asset Management Company, and Hoshino Resorts Inc., with an effective date of May 1, 2025, as follows. The changes are underlined. The amendments to the lease agreement described below shall remain effective even if all or part of the renovation work at HOSHINOYA Okinawa is postponed or changed as a result of discussions and agreements between HRR and Yomitan Operations after the conclusion of the amendment agreement. However, in the event that the entire renovation work of HOSHINOYA Okinawa is canceled, or that it is postponed or changed due to reasons solely attributable to HRR, Yomitan Operations may request discussions with HRR regarding changes to the lease agreement as described below.

|      | Existing contracts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Changed contracts                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| Rent | <p>Annual fixed rent: 361,926,000 yen</p> <p>Floating rent: Floating rent accrues on the following basis:<br/>The method for calculating monthly floating rent is as follows: from May to October each year, GOP calculated from rent for the 12 months from December of the year before last to November of the previous year shall be the GOP for the floating rent calculation period; from November every year to April of the following year, GOP calculated from rent for the 12 months from June of the previous year to May of the current year shall be the GOP for the floating rent calculation period, and the amount equivalent to 1/12 of the total amount (the lower limit is 0 yen) calculated based on the following formula is the floating rent.</p> <p>&lt;Formula&gt;<br/>• Until October 31, 2027<br/>(i) An amount equivalent to 65% of the portion of GOP for floating rent calculation period that exceeds 458,536,800 yen (excluding, however, the portion exceeding 1,380,898,800 yen)<br/>(ii) An amount equivalent to 50% of the portion of GOP for floating rent calculation period exceeding 1,380,898,800 yen<br/>• From November 1, 2027 onwards<br/>(i) An amount equivalent to 81% of the portion of GOP for floating rent calculation period that exceeds 404,012,400 yen (excluding, however, the portion exceeding 1,380,898,800 yen)</p> | <p>Annual fixed rent: 361,926,000 yen<br/><u>(However, from May 1, 2025 to October 31, 2028 (hereinafter the “Premium Fixed-Rent Period”), the amount is 822,849,600 yen (annualized).)</u></p> <p>Floating rent: Floating rent accrues on the following basis:<br/>The method for calculating monthly floating rent is as follows: from May to October each year, GOP calculated from rent for the 12 months from December of the year before last to November of the previous year shall be the GOP for the floating rent calculation period; from November every year to April of the following year, GOP calculated from rent for the 12 months from June of the previous year to May of the current year shall be the GOP for the floating rent calculation period, and the amount equivalent to 1/12 of the total amount (the lower limit is 0 yen) calculated based on the following formula is the floating rent.</p> <p>&lt;Formula&gt;<br/>• Until October 31, 2027<br/>(i) An amount equivalent to 65% of the portion of GOP for floating rent calculation period that exceeds 458,536,800 yen (excluding, however, the portion exceeding 1,380,898,800 yen)<br/>(ii) An amount equivalent to 50% of the portion of GOP for floating rent calculation period exceeding 1,380,898,800 yen<br/>• From November 1, 2027 onwards<br/>(i) An amount equivalent to 81% of the portion of GOP for floating rent calculation period that exceeds 404,012,400 yen (excluding, however, the portion exceeding 1,380,898,800 yen)</p> |

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|  | <p>(ii) An amount equivalent to 50% of the portion of GOP for floating rent calculation period exceeding 1,380,898,800 yen</p> <p>(Note) “GOP for floating rent calculation period” refers to the total sales revenue of the Facility for a certain period less the cost of sales, selling, general and administrative expenses, and chain service fees (expenses borne by the Lessee in its headquarters functions that are directly related to the operation of the Property).</p> | <p>(ii) An amount equivalent to 50% of the portion of GOP for floating rent calculation period exceeding 1,380,898,800 yen</p> <p><u>Notwithstanding the above, no floating rent will accrue during any Premium Fixed-Rent Period. Provided, however, that by giving written notice to the lessee at least one month in advance, HRR may change the termination date of the Premium Fixed-Rent Period to either April 30 or October 31 immediately following any year prior to October 31, 2028 (including that date). Note that once HRR changes the termination date of the Premium Fixed-Rent Period, it shall not change the date again.</u></p> <p>(Note) “GOP for floating rent calculation period” refers to the total sales revenue of the Facility for a certain period less the cost of sales, selling, general and administrative expenses, and chain service fees (expenses borne by the Lessee in its headquarters functions that are directly related to the operation of the Property).</p> |
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## (2) Overview of the lessee

|                                                       |                                                                                                                                  |                                                                                                                       |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| Trade name                                            | Yomitan Operations Inc.                                                                                                          |                                                                                                                       |
| Head office location                                  | 474 Aza Gima, Yomitan-son, Nakagami-gun, Okinawa Prefecture                                                                      |                                                                                                                       |
| Title and name of representative                      | Representative Director: Mitsunori Seo                                                                                           |                                                                                                                       |
| Capital                                               | 1 million yen (as of March 11, 2025)                                                                                             |                                                                                                                       |
| Date of establishment                                 | July 1, 2022                                                                                                                     |                                                                                                                       |
| Net assets                                            | -178 million yen                                                                                                                 |                                                                                                                       |
| Total assets                                          | 578 million yen                                                                                                                  |                                                                                                                       |
| Major shareholders and shareholding ratio             | Hoshino Resorts Inc. (100%)                                                                                                      |                                                                                                                       |
| Main Business                                         | 1. Management of hot spring inns and restaurants<br>2. Contracted operations of hotels, restaurants and other leisure facilities |                                                                                                                       |
| Relationship with HRR or the Asset Management Company | Capital relationship                                                                                                             | It is a subsidiary of the parent company of the Asset Management Company.                                             |
|                                                       | Personnel relationship                                                                                                           | There is no personnel relationship required to be stated between HRR/the Asset Management Company and the seller.     |
|                                                       | Business relationship                                                                                                            | It is leasing HOSHINOYA Okinawa from HRR as at today.                                                                 |
|                                                       | Applicable status of related party                                                                                               | The seller is a company with the same parent company as the Asset Management Company and falls under a related party. |

## 4. Transactions with Interested Parties

Both Hakata Sumiyoshi Hotel Management that is the counterparty to the lease amendment agreement for Grand Hyatt Fukuoka and the seller of the Asset to Be Acquired, and Yomitan Operations that is the counterparty to the lease amendment agreement for HOSHINOYA Okinawa are the subsidiaries of the parent company of the Asset Management Company, and these fall under interested parties, etc. under Article 201 of the Investment Trust Act, and Article 123 of Enforcement Order of the Investment Trust and Investment Corporation Law (Cabinet Order No. 480 of 2000, including subsequent amendments), and under the “Interested Party Transactions Rules” which are internal rules of the Asset Management Company. Therefore, pursuant to the “Interested Party Transactions Rules,” the Asset Management Company has gone through approval procedures prescribed in the internal rules for each transaction and obtained the consent of HRR based on the approval of HRR’s Board of Directors’ Meeting held on March 18, 2025, pursuant to the Investment Trust Act and the Interested Party Transactions Rules.

## 5. Future Outlook

As the effective date of the amendments to each lease agreement is scheduled to be May 1, 2025, and the Acquisition is scheduled to take place on May 1, 2025, there will be no impact of each transaction on the outlook of management status for the fiscal period ending April 2025 (November 1, 2024 to April 30, 2025). For details of the impact on and the outlook of HRR's management status for the fiscal period ending October 2025 (May 1, 2025 to October 31, 2025), please refer to "Notice Concerning Revisions to Management Status Forecast and Distribution Forecast for the Fiscal Period Ending October 2025" separately announced today.

\* The HRR website address: <https://www.hoshinoresorts-reit.com/en/>

*\* 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.*