

FOR IMMEDIATE RELEASE

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Star Asia Group Makes Strategic Investments in 2 Listed Hotel Operators

Star Asia Group and its affiliates (“Star Asia Group”) announced today that it has made a strategic investment in two listed Japanese hotel operating companies, **Greens Co. (TSE: 6547)** and **Washington Hotel Corp (TSE: 4691)**. Star Asia Group also currently owns over 76% of **Polaris Holdings Ltd (TSE: 3010)** which is the owner and/or operator of 45 hotels with 8,135 rooms across Japan and the Philippines. Polaris has opportunistically grown its rooms under operation by 2.62x over the last 2 years and is looking to further grow through additional accretive hotel acquisitions as well as corporate M&A.

Strategic Overview

Star Asia Group believes that the stress and dislocation in the Japanese hospitality market caused by ongoing COVID-19 pandemic unleashed unique investment opportunities not seen since the Global Financial Crisis, nearly 15 years ago. As the Covid-19 restrictions are gradually being lifted in Japan and globally, Star Asia Group believes the Japanese hospitality sector is in the early stages of a strong turnaround and should begin to show the strongest growth metrics in the entire real estate universe.

Star Asia Group believes that **Greens Co. (TSE: 6547)** and **Washington Hotel Corp. (TSE: 4691)** have both been trading at significant discounts to their intrinsic value. Star Asia Group is now one of the largest shareholders of both companies, currently owning over 6% of Greens and over 6% of Washington Hotel. Star Asia Group believes that both companies are solid hospitality operators and will be supported by their ability to generate significant cash flow post COVID-19, as the market opening accelerates, and many more domestic and foreign guests start traveling in Japan. Star Asia Group’s senior management intends to work closely with Greens and Washington Hotel to unlock the significant value intrinsic to both companies. “We have initiated constructive dialogue with both companies’ management, and we are now exploring strategies to further maximize shareholder value” said Taro Masuyama, Star Asia Group Co-Founder and Managing Partner. Star Asia Group will continue actively engaging with the management of Polaris Holdings, Greens and Washington Hotel, and is prepared to provide all necessary financial and strategic resources to facilitate unlocking shareholder value for all 3 companies.

Star Asia Group has already been actively taking tactical advantage of the extensive dislocation in the hospitality space through its sponsorship of its listed hotel operating affiliate, **Polaris Holdings (TSE: 3010)**. Together with Star Asia Group, Polaris has acquired or assumed operations of 33 hotels and over 5,830 hotel rooms since the beginning of the pandemic. Polaris now operates 45 hotels with 8,135 hotel rooms under management and is very well-positioned to capitalize on the re-opening of the Japanese hospitality market.

Star Asia Group’s senior management believes that the fiercely competitive limited-service hotel space should and will likely undergo structural changes as well as consolidation. “In the fiercely competitive limited-service hotel sector, economies of scale are critically important to assure strong

guest loyalty, operating efficiency, and improved financing terms. We think consolidation of smaller hotel operators is inevitable for them to maximize their shareholder value. Star Asia Group is prepared to make additional investments in both companies to facilitate a potential transaction” said Malcolm MacLean, Star Asia Group Co-Founder and Managing Partner.

Hotel Operators in Japan by Number of Hotel Rooms Under Management ¹

No.	Company Name	Brands	Listed/ Unlisted	Number of ²	
				Hotels	Rooms
1	Toyoko Inn	Toyoko Inn	Unlisted	334	73,210
2	APA	APA Hotel	Unlisted	294	62,942
3	Route Inn Japan	Hotel Route Inn	Unlisted	324	55,813
4	Mystays Hotel Management	Mystays / Flexstay Inn / Art Hotel	Unlisted	140	19,967
5	Super Hotel	Super Hotel	Unlisted	166	18,829
6	Kyoritsu Maintenance	Dormy Inn / Onyado NONO	Listed (9616)	122	18,675
7	Daiwa House Realty Management	Daiwa Roynet Hotel	Unlisted	74	15,738
8	Sotetsu Hotel Management	Sotetsu Fressa Inn / Hotel Sunroute	Unlisted	78	14,720
9	Greens	Comfort Hotel / Comfort Inn	Listed (6547)	100	14,675
10	Tokyu Hotels	Tokyu Hotels	Unlisted	48	12,429
11	Hankyu Hanshin Hotels	Remm / Daiichi Hotel	Unlisted	46	12,247
12	Fujita Kanko	Hotel Gracery / Washington Hotel	Listed (9722)	56	12,178
13	Live Max	Hotel Live Max	Unlisted	158	10,808
14	Mitsui Fudosan Hotel Management	Mitsui Garden Hotel / Celestin / Sequence	Unlisted	39	9,845
15	Washington Hotel	Washington Hotel Plaza / R&B	Listed (4691)	43	9,616
16	Hotel Alpha One Jigyo Honsya	Hotel α-1	Unlisted	48	9,548
17	Nihon Hotel	Hotel Metropolitan / Hotel Mets	Unlisted	57	9,316
18	Hospitality Operations	Smile Hotel	Unlisted	71	8,800
19	Solare Hotels & Resorts	Chisun Inn / Loisir	Unlisted	59	8,589
20	RNT Hotels	Richmond Hotels	Unlisted	42	8,485
21	Polaris Holdings	Best Western / KOKO HOTEL / Value The Hotel / Red Planet	Listed (3010)	45	8,135
22	JR West Via Inn	Via Inn	Unlisted	27	6,617
23	Kuretakeko	Kuretake Inn	Unlisted	47	5,321
24	Hotel Montrey	Hotel Montrey	Unlisted	21	5,289
25	Nishitetsu Hotels	Solaria / Nishitetsu Inn	Unlisted	19	4,935

Notes:

1. Hotel operators mainly operating limited-service hotels
2. Source: Corporate home page, or "Weekly Hotel & Restaurant" issued in Mar 2022

About Star Asia Group

Founded by Malcolm F. MacLean IV and Taro Masuyama in 2006, Star Asia Group is an independent fund management company focused on Japanese and Asian real estate and real estate related assets. Since its founding, Star Asia Group has invested over JPY1 trillion and has current assets under management of over JPY400 billion. Star Asia Group has 371 officers and employees with over 55 professionals in finance, investment and real estate area located primarily in Japan with a few employees based in North America.

Star Asia Group’s partners and employees share a long-term perspective and always operate under our Guiding Principles which continuously drive the group to become and remain one of the leading real estate investment management firms in Japan and Asia. Star Asia Group’s strong track record and long-term partnership approach with our investors have been integral in attracting significant capital from sophisticated global investors, including large American university endowments and foundations, Japanese and European pension funds, Sovereign Wealth Funds, U.S. and Asia based family offices as well as other global real estate investors. Star Asia Group is committed to its disciplined Investment Philosophy with a single goal of meeting and exceeding our client’s expectations for the mandates we are given.

For further information, please see our website: www.starasiamanagement.com