

NOT FOR RELEASE, DISTRIBUTION OR PUBLICATION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, EUROPEAN ECONOMIC AREA, CANADA, JAPAN, AUSTRALIA OR ANY OTHER JURISDICTION OUTSIDE SINGAPORE.

This announcement is not for release, publication or distribution, directly or indirectly, in or into the United States of America (“**United States**”), European Economic Area, Canada, Japan or Australia. This announcement is not an offer of securities for sale in the United States, European Economic Area, Canada, Japan, Australia or any other jurisdiction. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold in the United States unless registered under the Securities Act, or pursuant to an applicable exemption from registration. There will be no public offering of any securities of Eagle Hospitality Trust, EH-REIT and/or EH-BT (each as defined herein) in the United States.



EAGLE HOSPITALITY TRUST

Comprising:

EAGLE HOSPITALITY REAL ESTATE INVESTMENT TRUST

(a real estate investment trust constituted on 11 April 2019 under the laws of the Republic of Singapore)

managed by

Eagle Hospitality REIT Management Pte. Ltd.

EAGLE HOSPITALITY BUSINESS TRUST

(a business trust constituted on 11 April 2019 under the laws of the Republic of Singapore)

managed by

Eagle Hospitality Business Trust Management Pte. Ltd.

FURTHER UPDATE ON THE QUEEN MARY

Eagle Hospitality REIT Management Pte. Ltd., as manager (the “**REIT Manager**”) of Eagle Hospitality Real Estate Investment Trust (“**EH-REIT**”), and Eagle Hospitality Business Trust Management Pte. Ltd., as trustee-manager (the “**Trustee-Manager**”, collectively with the REIT Manager, the “**Managers**”) of Eagle Hospitality Business Trust (“**EH-BT**”), is pleased to announce that further to its announcement made on 24 October 2019, Urban Commons, LLC (“**UC**”) has responded to the letter from the City of Long Beach (the “**City**”) dated 1 October 2019 (“**1 October 2019 City Letter**”). The City has acknowledged receipt of UC’s written response on 25 October 2019. The REIT Manager wishes to give a further update on the matters set out below. Please also refer to the separate announcement dated 28 October 2019 by the Managers entitled “Response to the SGX-ST’s Queries on The Queen Mary” for further details.

1. No event of default

Neither UC nor EH-REIT is in default under the terms of the ground lease with the City. In a letter dated 25 October 2019 from the City to Urban Commons Queensway, LLC, the subsidiary of EH-REIT that is the tenant under the Queen Mary ground lease (“**25 October 2019 Clarification Letter**”), John Keisler, Director of Economic Development of the City, clarified that the 1 October 2019 City Letter is considered a formal request for information by the City and is not a notification of default.

Mr Keisler said in the 25 October 2019 Clarification Letter, “Formal documentation of issues between landlord and tenant is a normal practice of good lease management but does not establish default. I am

DBS Bank Ltd. was the sole financial adviser and issue manager for the initial public offering of Eagle Hospitality Trust (“**EHT**”).

happy to report that the City has received Urban Commons' written response to its October 1st letter and is currently reviewing the proposed plans to cure issues of concern."

Mr. Keisler added, "The City values its partnership with Urban Commons to activate, maintain, and preserve the historic Queen Mary on behalf of the residents of Long Beach."

2. Good structural condition

In a separate letter also dated 25 October 2019 from the City ("**25 October 2019 Acknowledgement Letter**"), the City has confirmed receipt from UC of an engineering report from John A. Martin & Associates Inc. ("**JAMA**") establishing the structural integrity of the hull and tank top.

In addition, UC furnished a letter from an independent naval architect and chartered engineer, Mr. R. Maddison, CEng. MPhil, confirming that the remedial actions by JAMA associated with the hull were an appropriate course of action and that the repairs are adequate for the continued operation of this vessel in its current stationary location.

"The approach of using Finite Element Modelling is very applicable to this type of analysis...The model created for this analysis is thorough and adequate for determining reliable estimates of the hull of this vessel...The conclusions that the calculated stresses are reasonably below the yield stresses of the material present can be considered accurate with a high degree of confidence, particularly with regards to the conservative approach of this analysis," Mr. R. Maddison, CEng. MPhil, Naval Architect confirmed.

3. Total estimated cost of up to US\$7 million

The 1 October 2019 City Letter referenced five items to be addressed. UC provided an estimate to the City to address these items. The total cost is estimated to be up to US\$7 million and UC estimates that the work required will be done within the next two years. The most significant component in terms of cost and safety is the side shell repair and lifeboat removal. In the 25 October 2019 Acknowledgement Letter, the City confirmed receipt of a bid from Roberts Construction Inc. ("**RC**") for side shell repair and lifeboat removal. Pursuant to a detailed cost estimate breakdown provided by RC, the estimated cost associated would be US\$4.8 million.

Capital expenditures associated with the Queen Mary are not the responsibility of EH-REIT. Based on the master lease agreement dated 24 May 2019 between EHT QMLB, LLC, the affiliate of UC that is the lessee under the master lease, and Urban Commons Queensway, LLC, a subsidiary of EH-REIT, the affiliate of UC is responsible for making repairs and maintaining the Queen Mary property. The REIT Manager also notes that the Queen Mary benefits from multiple capital reserve mechanisms to support continued investment in the ship.

"The City is confident that Urban Commons now has a plan in place to resolve the remaining structural issues ... The City values the continued progress Urban Commons has made to improve the structural integrity of the historic Queen Mary on behalf of the residents and visitors to Long Beach", said Mr. Keisler in the 25 October 2019 Acknowledgement Letter.

About the Queen Mary:

The Queen Mary is one of the City of Long Beach's most iconic tourist destinations. The Queen Mary Long Beach is a Southern California landmark attraction and special event venue surrounding a 347-room hotel and banquet facility aboard the historic British ocean liner, including 1,600 parking spaces. It is conveniently located within a 15-minute drive (five miles) from Long Beach Airport and a 35-minute drive (18 miles) from Los Angeles International Airport. Facilities include a total meeting space of approximately 80,000 sq ft, a fitness gym, three restaurants and three bars. The Hotel both puts on and

hosts prominent events, such as annual winter event and a Halloween event that enjoy significant and consistent community support. Since 2018, following an agreement with Goldenvoice, a large-scale concert promoter, the property begun hosting numerous sizeable concerts.

For and on behalf of the Board

Salvatore Gregory Takoushian
Executive Director and Chief Executive Officer

Eagle Hospitality REIT Management Pte. Ltd.
(Company Registration No.: 201829789W)
as manager of Eagle Hospitality Real Estate Investment Trust

Eagle Hospitality Business Trust Management Pte. Ltd.
(Company Registration No.: 201829816K)
as trustee-manager of Eagle Hospitality Business Trust

28 October 2019

IMPORTANT NOTICE

This announcement is for information only and does not constitute an offer of, or invitation to subscribe or purchase or solicitation of subscriptions or purchases of stapled securities in EHT (comprising units in EH-REIT and units in EH-BT) ("**Stapled Securities**") any jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment or any investment decision whatsoever.

The value of the Stapled Securities and the income derived from them may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the REIT Manager, the Trustee-Manager, DBS Trustee Limited (as trustee of EH-REIT), Urban Commons, LLC (as sponsor of EHT) or any of their respective affiliates, advisers or representatives.

An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Holders of Stapled Securities ("**Stapled Securityholders**") have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of EHT. The forecast financial performance of EHT is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers' current view of future events.

This announcement is not an offer or sale of the Stapled Securities in the United States. The Stapled Securities have not been and will not be registered under the Securities Act and may not be offered or sold in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. Any public offering of the Stapled Securities in the United States would be made by means of a prospectus that would contain detailed information about EHT, EH-REIT, EH-BT, the Managers and their management, as well as financial

statements. The Managers do not intend to conduct a public offering of the Stapled Securities in the United States. The Stapled Securities are being offered and sold outside the United States (including to institutional and other investors in Singapore) in reliance on Regulation S under the Securities Act.

This announcement is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of the Securities Act or the applicable laws of other jurisdictions.