

Proactive Asset Management and Operational Initiatives

- Initiatives include property manager changes and brand realignments as well as cost-savings and revenue improvement strategies
- While the portfolio outperformed competition by 3.7% in 2019¹, these initiatives aim to further enhance portfolio positioning and operations
- EHT is trading at an Annualized Dividend Yield of 15.7% and a 59.1% discount to Net Asset Value based on a closing price of US\$0.365 as of 3 March, 2020

Singapore, 3 March 2020 - 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 “**Manager**”) of Eagle Hospitality Business Trust (“**EH-BT**”), would like to highlight that Urban Commons LLC (“**Urban Commons**”, and the “**Master Lessee**”), Eagle Hospitality Trust’s (“**EHT**”) Sponsor and the Manager have taken a variety of proactive asset management and operational initiatives in an effort to preserve and enhance portfolio performance amid softening US lodging market fundamentals and uncertainties surrounding the impact of the Covid-19 virus. These initiatives are meant to improve operating efficiencies and drive revenue growth.

In 2019, the Lessee upgraded nine property managers, representing half of EHT’s portfolio to larger, more institutional and globally recognized operators that maintain higher standards and industry leading best practices. The Lessee identified three more property manager changes, including the consolidation of the property management at EHT’s three Denver assets, which are expected to occur in 2Q 2020. In addition, a brand realignment strategy included The Renaissance Woodbridge becoming Delta by Marriott Woodbridge in 3Q 2019, a brand with a more modern positioning and more efficient cost structure. Two more brand changes are planned for 2020 and 2022, utilizing a similar strategy aimed to optimize the assets’ positioning in their respective markets.

Revenue improvement strategies include: a new income-guaranteed parking management contract with a third party operator at 12 hotels, starting in April 2020; an enhanced dynamic pricing strategy through a supplemented sales force; revenue management support through major brand partnerships; new Corporate Revenue Directors in the Lessee’s operational team; a revenue enhancement team that has already begun implementing revenue improvement strategies throughout the portfolio; and a bolstered events department to improve production and expansion into new areas, including eSports and Virtual Reality.

In addition to focusing on revenue growth opportunities, EHT has implemented cost-saving initiatives, including: expense reduction strategies as part of a formal competitor analysis done in conjunction with an independent consultant; energy cost reductions in de-regulated markets through strategic partnerships; portfolio-wide labour savings initiatives; and county and state tax assessment appeals through independent tax consultants.

¹ The Portfolio’s RevPAR Index is 103.7% as of 2019 (January through December). The RevPAR Index compares EHT’s assets’ RevPAR performance with that of their respective competitive sets.

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

Lastly, the Managers would like to reiterate that the Sponsor's significant recent capital expenditure program of approximately US\$174 million, including approximately US\$103 million of projects completed in 2018 and another approximately US\$44 million of projects completed in 2019, was designed to allow EHT's assets to maintain and improve their respective market share. The capital investment was financed by the Sponsor; the lion share of the investment occurred before the IPO with the goal of avoiding any major operational displacement and capital overhang that might otherwise impact EHT post-listing. Ramp-up associated with this investment will continue through 2020.

Despite significant disruptions in 2019 at EHT's largest asset, Holiday Inn Resorts Orlando Suites associated with a category-5 hurricane and construction delays at five of its assets, RevPAR still outperformed competition by 3.7% on a portfolio basis.

International bookings at EHT's portfolio represent only 11.0% in 2019, with a significantly smaller proportion coming from regions in Asia and other parts of the world more exposed to the Covid-19 outbreak. The US lodging market, while not immune to the impact of the virus, has experienced a lesser impact than China and other surrounding markets that rely more heavily on Chinese tourism.

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Mr Salvatore G. Takoushian, Chief Executive Officer and President of the Managers, said, **“As part of our duty to drive asset management, we continue to work closely with the Sponsor across a variety of initiatives. Amid softening fundamentals and uncertainty around the Covid-19 virus, it is important to remain vigilant in preserving and enhancing our operations.”**

Mr. Howard Wu, Founder and Principal of Urban Commons said, **“EHT has gone to great lengths to improve portfolio revenue strategies and cost efficiencies, which is in-line with a commitment to deliver greater value to shareholders. These initiatives are meant to allow our properties to remain competitive in the face of external challenges.”**

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About Eagle Hospitality Trust (“EHT”)

EHT is a hospitality stapled group comprising EH-REIT and EH-BT. EH-REIT is established with the principal investment strategy of investing on a long-term basis, directly or indirectly, in a diversified portfolio of income-producing real estate which is used primarily for hospitality and/or hospitality-related purposes, as well as real estate-related assets in connection with the foregoing, with an initial focus on the U.S.

EHT’s asset portfolio comprises 18 hotel properties located in the U.S., with a total of 5,420 rooms and an aggregate valuation of approximately US\$1.26 billion as at 31 December 2019.

The Sponsor of EHT is Urban Commons, LLC, a privately-held real estate investment and development firm that was founded in 2008 and is headquartered in Los Angeles, U.S. The Sponsor has deep experience in managing and investing in hotel properties in the U.S. Since its inception, the Sponsor has completed 38 real estate acquisition and divestment transactions. As at 31 December 2018, the Sponsor has managed more than US\$1.0 billion of total assets under management.

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