

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.

Update Announcement #20 – Appeal by Shareholder of REIT Manager against MAS Direction Not Accepted by MAS and Update on Requisition to Convene an Extraordinary General Meeting of Stapled Securityholders

1. Introduction

- 1.1 Eagle Hospitality REIT Management Pte. Ltd., as manager (the “**REIT Manager**”) of Eagle Hospitality Real Estate Investment Trust (“**EH-REIT**”), 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**”, collectively with EH-REIT, “**EHT**”) and DBS Trustee Limited, as trustee of EH-REIT (the “**REIT Trustee**”) refer to the article published in The Business Times titled “Appeal on removal of EH-Reit’s manager not successful: MAS” on 21 December 2020¹ (the “**BT Article**”) relating to the shareholder of the REIT Manager’s appeal against the Monetary Authority of Singapore’s (the “**MAS**”) direction (the “**MAS Direction**”) on 30 November 2020 to the REIT Trustee to remove the REIT Manager within 1 month from the date of issuance of the MAS Direction and appoint a new manager for EH-REIT, having not been accepted by the MAS.

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

¹ The Business Times article can be accessed via the following link: <https://www.businesstimes.com.sg/companies-markets/appeal-on-removal-of-eh-reits-manager-not-successful-mas>.

1.2 Reference is also made to the announcement “Update Announcement #19” dated 18 December 2020 (the “**Update Announcement #19**”). Unless otherwise defined, all capitalised terms used and not defined herein shall have the same meanings as set out in the Update Announcement #19.

2. Appeal Lodged by the Shareholder of the REIT Manager against the MAS Direction Not Accepted by MAS

As set out in the BT Article, the Managers and the REIT Trustee understand that the appeal by Mandarin West Holdings, LLC (being the shareholder of the REIT Manager which is in turn owned by the Sponsor) (“**MW**”) against the MAS Direction has not been accepted by the MAS. Accordingly, the REIT Trustee wishes to reiterate that it intends to comply with the MAS Direction and will remove the REIT Manager as manager of EH-REIT within the stipulated deadline.

3. Update on Requisition to Convene the Proposed Further EGM

3.1 As mentioned in the Update Announcement #19, the REIT Manager and the REIT Trustee had received the Requisition Letter from the Requisitionists requesting and requisitioning the REIT Manager to convene the Proposed Further EGM for Stapled Securityholders to consider the proposed resolutions set out in the Requisition Letter. In response to the Requisition Letter, the Managers and the REIT Trustee requested for clarification in respect of the Requisitionists’ proposed resolutions (the “**Request for Information**”). Further details of the Request for Information are as further elaborated in Paragraph 3 of the Update Announcement #19.

3.2 In response to the Request for Information, the Requisitionists have issued subsequent letters to the REIT Manager (the “**Requisitionists’ Subsequent Letters**”) stating their further demands, including, *inter alia*, suggesting that the explanations to Stapled Securityholders when calling for the Proposed Further EGM can be as simple as follows:

“Resolution 1: To allow stapled securityholders to consider and if thought fit to direct the manager to take steps towards issuing new Units of US\$50,000,000 at US\$0.075 by way of rights issue.

Resolution 2: To retain, and/or re-appoint, Eagle Hospitality REIT Management Pte Ltd as the Manager of EH-REIT, subject to it being allowed under the law, and if so to the fullest extent which the law will permit.”.

3.3 The Requisitionists’ Subsequent Letters did not specifically address any of the Request for Information to the satisfaction of the REIT Manager and the REIT Trustee, including (a) in respect of Resolution 1 as proposed by the Requisitionists relating to the proposed rights issue, what the structure and terms of the proposed rights issue will be and whether the rights issue will be underwritten, and (b) in respect of Resolution 2 as proposed by the Requisitionists relating to the retention of the REIT Manager as the manager of EH-REIT, what is the precise law which permits the retention of the REIT Manager despite the MAS Direction.

Response to Requisitionists’ Subsequent Letters

3.4 The REIT Manager has responded to the Requisitionists as summarised below:

(a) absent the provision by the Requisitionists of essential information required in respect of the proposed resolutions pursuant to applicable laws and regulations, the REIT Manager (based on and taking into consideration professional advice) considers that there is no legitimate basis for the Proposed Further EGM and the resolutions proposed by the Requisitionists and/or to compel the REIT Manager to convene such Proposed Further EGM; and

(b) the fact that the Requisitionists have refused to provide substantive clarifications to the Request for Information serves only to reinforce the above. In addition, the Request for Information clearly explained the SGX-ST regulatory requirements which also reflect a

fundamental principle of Singapore securities laws – unitholders must be given sufficient information to make an informed decision.

3.5 Absent any such essential information on the resolutions proposed by the Requisitionists as requested by the Managers and the REIT Trustee in the Request for Information, the Managers cannot properly consider the viability of any rights issue as proposed by the Requisitionists and taking into consideration professional advice, see no basis for the convening of a Proposed Further EGM to consider an undeveloped proposal. Further, by requisitioning the Proposed Further EGM to table the proposed Resolution 2 in relation to the retention and/or re-appointment of the REIT Manager as manager of EH-REIT, the Requisitionists are effectively asking the Managers to take steps in respect of, and Stapled Securityholders to consider, a matter which is contrary to and in disregard of the MAS Direction.

4. Scheduled EGM

4.1 Accordingly, the Scheduled EGM **will proceed as planned and will be convened and held by way of electronic means at 2.00 p.m. on 30 December 2020. For the avoidance of doubt, other than the resolutions as set out in the Circular, no additional resolutions will be tabled at the Scheduled EGM. Any further delays or impediments to hold up the Scheduled EGM would not be in the interests of the EHT and its Stapled Securityholders.**

4.2 Stapled Securityholders should refer to the Circular and the Managers and the REIT Trustee's announcement "Electronic Despatch of Circular and Alternative Arrangements relating to the Extraordinary General Meeting to be held on 30 December 2020" dated 8 December 2020 for information on, *inter alia*, the submission of proxy forms and registration for the Scheduled EGM and exercise their rights to vote.

4.3 The Managers and/or the REIT Trustee will keep Stapled Securityholders updated of any material developments on the above matters.

Stapled Securityholders are advised to read this Announcement and any further announcements by the Managers and/or the REIT Trustee carefully. Stapled Securityholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

For Strategic Review and related matters, please contact:

Email: boardsc@eagleht.com

Any queries relating to this Announcement should be directed to the following:

Contact Investor Relations
Telephone: +65 6653 4434
Email: enquiry@eagleht.com

Issued by:

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

DBS Trustee Limited
(Company Registration No.: 197502043G)
as trustee of Eagle Hospitality Real Estate Investment Trust

Date: 23 December 2020

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 Eagle Hospitality Trust 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), the Sole Financial Adviser and Issue Manager, the Joint Global Coordinators and the Joint Bookrunners and Underwriters 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. 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 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.