

SINGAPORE, 28 October 2020 – DBS Trustee Limited, in its capacity as trustee of Eagle Hospitality Real Estate Investment Trust (“**EH-REIT**” and in such capacity, the “**Trustee**”) confirms it has on 26 October 2020 received the Monetary Authority of Singapore’s (“**MAS**”) notice of intention to direct Trustee to remove the manager for EH-REIT (the “**REIT Manager**”) and appoint a new manager for EH-REIT pursuant to section 286(14) of the Securities and Futures Act (Cap. 289) (the “**Notice of Intention**”).

The Trustee notes:

- (i) MAS’ intention to direct it to remove the REIT Manager within one (1) month from the date of issuance of the direction, or any longer period as MAS may approve in writing, and appoint a new manager for EH-REIT; and
- (ii) that before such a direction is made, the Trustee may give MAS, by close of business on 9 November 2020, a written statement, accompanied by any relevant documents, as to its comments on the Notice of Intention, failing which MAS will proceed on the basis that the Trustee has no comments.

Pursuant to clause 24.1.6 of the deed constituting EH-REIT dated 11 April 2019 (the “**Trust Deed**”), the Trustee may remove the EH-REIT Manager if it is directed by MAS. The Trustee intends to comply with such direction, when issued.

The Notice of Intention does not adversely impact the Request for Proposal (“**RFP**”) process and ongoing efforts of the Trustee and EH-REIT’s professional advisors to manage the situation. The Trustee wishes to assure the Stapled Securityholders that it will continue to work closely with the EH-REIT’s professional advisors in both Singapore and the U.S. for an orderly resolution of the situation, including but not limited to the interim management and operation of the hotels, negotiations with the EH-REIT’s lenders for continued forbearance and transition to a new replacement manager.

Update on RFP Process

The Trustee would also like to provide updates on the RFP process previously announced in “Update Announcement #10” dated 23 July 2020 pursuant to which the Trustee had instructed and directed Moelis & Company (in its capacity as financial adviser to the Trustee) (“**Moelis**”) to consider all options in the interest of the Stapled Securityholders, and commence a comprehensive RFP process to seek proposals for EH-REIT, on an expedited basis. Since the submission of RFP proposals on 31st August, the Trustee and Moelis have assessed the diverse proposals received. The interested bidders have also had the opportunity to refine their proposals to take into account feedback from the Trustee, Moelis and other key stakeholders including the EH-REIT’s lenders.

The Trustee envisages that the selected candidate should be one that is focused on the long-term rehabilitation of EH-REIT and has a key interest in resolving the current situation for the long-term benefit of the Stapled Securityholders. The selected candidate’s objectives are to be aligned with those of the Stapled Securityholders. The selection of the final candidate will be announced imminently and is expected to be the replacement manager for EH-REIT as well, subject to the necessary approvals (including the Stapled Securityholders’ approval) being obtained at an Extraordinary General Meeting to be convened at a later date. Further information on this process will be announced in due course.

The Trustee remains committed to act in the best interests of the Stapled Securityholders and will provide further updates if and when there are material developments on this matter.

Stapled Securityholders are advised to read this statement issued by the Trustee and any further announcements by the Trustee carefully. The Trustee wishes to emphasise that there is no certainty or assurance as at the date of this statement that any discussions or prospects will be successfully concluded or any definitive agreements in relation to any transactions will materialise or be entered into including those relating to the RFP process. Stapled Securityholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.