EAGLE HOSPITALITY TRUST
UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE THIRD QUARTER 2020 AND FINANCIAL PERIOD FROM 1 JANUARY 2020 TO 30 SEPTEMBER 2020

TABLE OF CONTENTS

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

Introduction

Eagle Hospitality Trust ("EHT") is a hospitality stapled group comprising Eagle Hospitality Real Estate Investment Trust ("EH-REIT") and Eagle Hospitality Business Trust ("EH-BT"). EHT was listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 24 May 2019 (the "Listing Date").

EH-REIT is a Singapore-based real estate investment trust 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 United States.

EH-BT is a Singapore-based business trust which is presently dormant. Accordingly, the financial information of EH-BT has not been presented.

The initial portfolio of EHT (the "Initial Portfolio") comprises 18 full service hotel properties consisting of nine Upper Upscale hotels, five Upscale hotels and four Upper Midscale hotels (the "Hotels" or the "Properties") located in the United States, with a total of 5,420 rooms.

The features of each type of Hotel in the Initial Portfolio are set out below:

- **Upper Upscale:** Typically offer a full range of on-property amenities and services, including full service, all-day restaurants, room service (in most cases), recreational facilities, a fitness centre, and a business centre. In some cases, the Hotels feature concierges and spas. For Hotels that are in an airport market, they often offer a shuttle service to airport.

- **Upscale:** Offer an array of on-property amenities and services, including a F&B outlet offering breakfast (and in some cases a three-meal operation), recreational facilities (in some cases), a fitness centre and a business centre. For Hotels that are in an airport market, they often offer a shuttle service to airport.

- **Upper Midscale:** Feature a breakfast buffet, selected on-property amenities to include a fitness centre and selected business services. For Hotels that are in an airport market, they often offer a shuttle service to airport.

Hotel	**Location**	**Market Segment**	**Number of Rooms**
Sheraton Pasadena	Pasadena, California	Upper Upscale	311
Holiday Inn Hotel & Suites Anaheim	Anaheim, California	Upper Midscale	255
Embassy Suites by Hilton Anaheim North	Anaheim, California	Upper Upscale	223
Holiday Inn Hotel & Suites San Mateo	San Mateo, California	Upper Midscale	219
Four Points by Sheraton San Jose Airport	San Jose, California	Upscale	195
The Westin Sacramento	Sacramento, California	Upper Upscale	101
Embassy Suites by Hilton Palm Desert	Palm Desert, California	Upper Upscale	198
The Queen Mary Long Beach	Long Beach, California	Upscale	347
Renaissance Denver Stapleton	Denver, Colorado	Upper Upscale	400
Holiday Inn Denver East – Stapleton	Denver, Colorado	Upper Midscale	298
Sheraton Denver Tech Center	Denver, Colorado	Upper Upscale	263
Holiday Inn Resort Orlando Suites – Waterpark	Orlando, Florida	Upper Midscale	777
Crowne Plaza Dallas Near Galleria-Addison	Dallas, Texas	Upscale	428
Hilton Houston Galleria Area	Houston, Texas	Upper Upscale	292
Delta Hotels by Marriott Woodbridge	Woodbridge, New Jersey	Upper Upscale	312
Crowne Plaza Danbury	Danbury, Connecticut	Upscale	242
Doubletree by Hilton Salt Lake City Airport	Salt Lake City, Utah	Upscale	288
Hilton Atlanta Northeast	Atlanta, Georgia	Upper Upscale	271
Total			**5,420**

EH-REIT and EH-BT are managed by Eagle Hospitality REIT Management Pte. Ltd. (the “REIT Manager”) and Eagle Hospitality Business Trust Management Pte. Ltd. (the “Trustee-Manager”, and together with the REIT Manager, the "Managers"), respectively.

EH-REIT was constituted by a trust deed dated 11 April 2019 entered into between the REIT Manager and DBS Trustee Limited as Trustee of EH-REIT (the “REIT Trustee”). EH-BT was constituted by a trust deed dated 11 April 2019.

The units in EH-REIT and EH-BT are stapled together as stapled securities in EHT (“Stapled Securities”) under the terms of a stapling deed dated 11 April 2019 entered into between the REIT Manager, the REIT Trustee and the Trustee-Manager and cannot be traded separately.

EHT is presenting its financial results for the third quarter ended 30 September 2020 (“**3Q 2020**”) and for the financial period from 1 January 2020 to 30 September 2020 (“**YTD 2020**”).

Distribution Policy

Distributions from EHT comprise distributions from EH-REIT and EH-BT.

EH-REIT’s distribution policy is to distribute 100.0% of its distributable income for the financial year from 1 January 2020 to 31 December 2020. Thereafter, EH-REIT will distribute at least 90.0% of its annual distributable income for each subsequent financial year, with the actual level of distribution to be determined at the discretion of the Board of Directors of the REIT Manager.

In light of the present circumstances facing EHT including the evolving situation of the COVID-19 pandemic and its collective impact on EHT, the liquidity of EHT, the Master Lessees' inability to make rental payments and fulfil its obligations under the Master Lease Agreements (“MLAs”), the Master Lessor's election to terminate the MLAs for the Master Lessees' multitude of defaults under the MLAs, the default and acceleration of the syndicated credit agreement (the "Facilities Agreement"), the DW Mortgage Loan, the CPDG Mortgage Loan and the HHG Mortgage Loan and the continuing inability of EHT to pay the distribution for FY2019, the REIT Manager considers that it is highly unlikely that EHT will have distributable income for distribution in accordance with the distribution policy for the financial year ending 31 December 2020.

EH-BT was dormant as at the Listing Date and no distributions will be made during the period that EH-BT remains dormant. In the event that EH-BT becomes active and profitable, EH-BT’s distribution policy will be to distribute as much of its income as practicable, and the determination to distribute and the quantum of distributions to be made by EH-BT will be determined by the Trustee-Manager Board at its sole discretion.

Significant Events during the Reporting Period (“Key Events”)

Reference should be made to the Managers' announcements on SGXNET for key events occurring during the Reporting Period, in particular but without limitation:

i. *Default and acceleration of the Facilities Agreement*

As announced by the Managers on 24 March 2020 in the announcement titled "Request for Voluntary Trading Suspension" (the "24 March 2020 Announcement"), Bank of America, N.A., as administrative agent (“Administrative Agent”) for the syndicate of lenders (“Lenders”) in respect of the syndicated credit agreement dated 16 May 2019 (the “Facilities Agreement”), had issued a notice of default and acceleration (the “Notice”) of the Facilities Agreement. The Notice provided that the Administrative Agent, on behalf of the Lenders, is entitled to and is exercising its rights and remedies under the Facilities Agreement, including the right to accelerate the term loan facilities and/or revolving credit facility of which US$341.0 million had been borrowed to date (the “Loan”), as a result of which a principal amount of US$341.0 million was declared to have become immediately due and owing.

ii. *Restrictions of certain bank accounts of the EH-REIT Group in connection with default and acceleration of the Facilities Agreement*

As announced by the Managers on 20 April 2020 in the announcement titled "Update Announcement and Response to the SGX-ST's Queries" (the "20 April 2020 Announcement"), the Administrative Agent, in assertion of their rights and remedies following the issuance of the Notice on 20 March 2020, has restricted access to certain bank accounts of EH-REIT's subsidiaries and the master lessees that were established with the Administrative Agent.

The REIT Manager has also provided irrevocable instructions to DBS Bank (Hong Kong) Limited not to cause or permit any withdrawal or transfers from the bank account of an EH-REIT subsidiary held with DBS Bank (Hong Kong) Limited, whilst discussions with the Administrative Agents and the Lenders are ongoing during the temporary forbearance period. The Facilities Agreement also provides that no Borrower may, directly or indirectly, declare, order, make or set apart any sum for or pay any dividend or distribution following the acceleration of the Loan. In the Notice, the Administrative Agent expressly highlighted this restriction against the payment of any distributions. The issuance of the Notice therefore means that EH-REIT is now restricted under the terms of the Facilities Agreement from making payment of the Distribution.

iii. *Receipt of Notices of Default and Notices of Termination under the Respective Hotel Management Agreements, Demand for Repayment of Key Money from Master Lessors and Implementation of Additional Temporary Caretaker Arrangements*

As announced by the Managers on 24 April 2020 in the announcement titled "Update Announcement – Appointment of Chief Restructuring Officers and other Updates" (the "24 April 2020 Announcement"), the REIT Manager and the REIT Trustee have been informed that several of the Master Lessees have received notices of defaults from the relevant hotel managers for defaults by such Master Lessees under the respective hotel management agreements ("HMAs") as a result of, *inter alia*, the Master Lessees' failure to provide and/or maintain sufficient working capital for the hotels' operations, and additional defaults resulting from the failure to pay management fees and/or failure to make funds available for the payment of hotel operating expenses ("HMA Default Notices").

In addition, the REIT Manager and the REIT Trustee had also been informed that certain Master Lessees have received notices of termination under the respective HMAs as a result of the Master Lessees' failure to cure its default (among other items) of maintaining sufficient working capital for the hotels' operations. The alleged defaults under the HMA Default Notices, if true, would in turn constitute a breach of the respective MLAs by the Master Lessees. All rights of the Master Lessors (being subsidiaries of EH-REIT) against the Master Lessees under the MLAs are reserved and the Master Lessees remain obliged to fulfil their obligations under the MLAs.

As announced by the Managers on 21 June 2020 in the announcement titled "Update Announcement #8 – (1) Additional Notices of Default by Master Lessees under the Hotel Management Agreements and Demand for Repayment of Key Money from Master Lessors, (2) Implementation of Additional Temporary Caretaker Arrangements, (3) Proceedings In Relation to the Sheraton Pasadena, (4) Lines Over Certain Hotels, and (5) Defaults Under the Queen Mary Long Beach Lease" (the "21 June 2020 Announcement"), the Managers were also informed that certain Master Lessees have received further notices of default from the hotel managers of certain hotels for defaults by the relevant Master Lessees under the HMAs as a result of, inter alia, such Master Lessee's failure to timely pay the key money due under the relevant HMAs as demanded by the relevant hotel manager.

In view of the lack of remedial action on the part of the relevant Master Lessees to safeguard the hotels, each of the corresponding Master Lessors (being subsidiaries of EH-REIT), at the direction of the REIT Manager and with the approval of the REIT Trustee, the Administrative Agent and the Lenders, have instituted temporary caretaker arrangements with the incumbent or a new hotel manager for the certain properties whose HMAs have been terminated, under which such hotel managers are providing temporary caretaker services at the applicable hotel in exchange for payment of monthly caretaker costs by the applicable Master Lessors.

iv. Notice of Default and Demand for Payment under the DW Mortgage Loan

As announced by the Managers in the 24 May 2020 Announcement, the REIT Manager had received a notice of default and demand for payment ("DW Notice") in relation to the mortgage loan dated 21 May 2019 in respect of the Delta Woodbridge with a principal amount of US$35.0 million ("DW Mortgage Loan") issued by Wells Fargo, National Association ("Wells Fargo").

The DW Notice states that Wells Fargo's rights and remedies include, (a) the right to declare the outstanding principal amount under the DW Mortgage Loan (together with all interest accrued and unpaid thereon and all other sums due immediately due and payable; (b) the right to cause the loan to bear interest at the default rate; and (c) the right to foreclose on the collateral. The DW Notice further indicates that Wells Fargo has exercised its right to cause the loan to bear interest at the default rate calculated from 1 April 2020 (being the date that the outstanding sum were due) and demanded for payment in full of all amounts currently due and payable under the loan).

The DW Mortgage Loan is secured against the Delta Woodbridge property in EHT's portfolio of properties. In an event of default under the DW Mortgage Loan, Wells Fargo may be able to initiate enforcement proceedings in respect of its security.

v. Termination of the BOTW Interest Rate Swap Agreement

As announced by the Managers' on 15 May 2020 in the announcement titled "Update Announcement – (1) Termination of Interest Rate Swap Agreement, (2) Discovery of Interested Person Transactions, and (3) Liabilities of Master Lessees" (the “15 May 2020 Announcement”), the REIT Manager had receive a notice of termination of the interest rate swap agreement ("BOTW Interest Rate Swap Agreement") entered into between EH-REIT (through on one of its subsidiaries) and Bank of the West ("BOTW") in relation to the loan under the Facilities Agreement.

Subsequently, the REIT Manager had received a letter from BOTW stating that the total amounts owing under the BOTW Interest Rate Swap Agreement was approximately US$18.3 million, with default interest accruing on such amount with effect from the termination date in accordance with the applicable provisions of the BOTW Interest Rate Swap Agreement. This amount has become due and payable.

vi. Discovery of Non-Disturbance Agreements

As announced by the Managers in the 15 May 2020 Announcement, the Managers were informed by their United States legal counsel that there were six non-disturbance agreements (collectively, the “NDAs”) entered into (post the initial public offering of the units (“IPO”) in EHT) by certain directors of the REIT Manager (who are also the indirect controlling shareholders of Urban Commons, LLC (the “Sponsor”)) on behalf of certain subsidiaries of EH-REIT (as Master Lessors) with the corresponding Master Lessees (the “NDA Master Lessees”) and the relevant hotel manager. Two NDAs were entered into during the financial period ended 31 December 2019 and four NDAs were entered into in the year 2020.

As set out in the announcement, entry into these non-disturbance agreements constitutes "interested person transactions" under Chapter 9 of the Listing Manual. Reference should be made to the 15 May 2020 Announcement for further details and analysis.

vii. Distribution in respect of the period from 24 May 2019 to 31 December 2019

In February 2020, the Managers had declared a distribution, amounting to approximately US$30.4 million, in respect of the period from 24 May 2019 to 31 December 2019 (the “Distribution”). The Facilities Agreement provides that no Borrower may, directly or indirectly, declare, order, make or set apart any sum for or pay any dividend or distribution following the acceleration of the Loan. In the Notice, the Administrative Agent expressly highlighted this restriction against the payment of any distribution. The payment of this distribution had been suspended in compliance with one of the key conditions set by the Administrative Agent and the Lenders in agreeing to a temporary forbearance from exercising their rights as a result of the Notices in relation to the Facilities Agreement (as disclosed in note (ii) above).

viii. Utilisation of Funds to Preserve and Protect Portfolio

As announced by the Managers on 27 May 2020 in the announcement titled "Update Announcement – Utilisation of Funds to Preserve and Protect Portfolio", the Managers and the REIT Trustee, having received and reviewed the advice of their professional advisers and after consideration, had determined that it is in the best interest of EHT and the Stapled Securityholders to utilise available funds of EH-REIT (including in particular the funds constituting the security deposits available to EH-REIT, and funds that were originally intended for the payment of the distribution to Stapled Securityholders of approximately US$30.4 million for the period from the Listing Date to 31 December 2019) to fund the necessary and critical expenses of EHT and its underlying portfolio to protect and safeguard the asset value of EHT's portfolio, to the extent appropriate and necessary and in such manner and proportion as may be agreed with the Administrative Agent and the Lenders.

ix. Master Lessees Failure to Fulfil Rental Obligations

As at the reporting date, the fixed rent for the months of January 2020 to September 2020 remain substantially outstanding and unpaid by the Master Lessees, which constitutes an event of default by the Maser Lessees under the MLAs. The Master Lessors have since issued notices of termination to the Master Lessees stating the Master Lessors' election to terminate the MLAs for the Master Lessees' multitude of defaults under MLAs (as disclosed in note (xix) below).

x. Other Events of Default under the Master Lease Agreements

As announced by the Managers on 29 June 2020 in the announcement titled "Update Announcement #9 – Commencement of Forensic Accounting Investigation of Sponsor of EHT and Master Lessees and Issuance of Notices of Defaults to Master Lessees" (the "29 June 2020 Announcement"), the Master Lessees had not provided the remaining outstanding security deposits of approximately US$15.0 million either in cash and/or letter of credit by the stipulated extended deadline, which, in turn, constitutes an event of default under the relevant MLAs (the "SD Defaults"). Accordingly, the EH-REIT Group has issued a notice of default in respect of the SD Defaults to the Master Lessees.

In addition, the defaults by the Master Lessees under the HMAs as a result of, inter alia, the Master Lessees' failure to provide and/or maintain sufficient working capital for the hotels' operations (see note (iii) above), and additional defaults resulting from the failure to pay management fees and/or failure to make funds available for the payment of hotel operating expenses, constitute additional defaults and/or events of default under the respective MLAs by the Master Lessees. As announced by the Managers in the 29 June 2020 Announcement, in light of the above defaults under the HMAs and together with additional defaults and events of default on other obligations under the relevant MLAs by the Master Lessees, the master lessors had on 18 June 2020 issued a separate notice in respect of the defaults and events of defaults under the MLAs to the Master Lessees. The Managers had subsequently on 5 August 2020 issued a second notice to the Master Lessees in respect of the events of default which had occurred and are continuing under each MLA by the applicable Master Lessee in connection with the operation of each of the properties pursuant to the MLA.

xi. Proceedings in relation to the Sheraton Pasadena

As announced by the Managers in the 21 June 2020 Announcement, the City of Pasadena has initiated proceedings in the United States in relation to one of EH-REIT Group's properties, Sheraton Pasadena (the "Complaint"), against the Sponsor and the relevant Master Lessee of Sheraton Pasadena, Urban Commons Cordova, LLC (which is not a subsidiary of EH-REIT) (collectively, the "Defendants"). The Complaint alleged (among other causes of action), inter alia, that the Defendants (i) remain delinquent to pay certain outstanding transient occupancy taxes ("TOT") and tourism business improvement districts ("TBID") assessments to the City of Pasadena for the period of May 2019 through February 2020 (as of the date of the Complaint); (ii) failed and refused to hold the TOT principal in trust for the account of the City of Pasadena from the time the TOT was collected from each hotel guest until remitted to the City of Pasadena and failed and refused to remit the said monies to the City of Pasadena; and (iii) failed to pay to the City of Pasadena the TBID assessment (based on gross occupancy revenues), as required pursuant to the relevant City of Pasadena municipal legislation.

The Managers were subsequently informed that the hotel manager of the Sheraton Pasadena has filed a cross-complaint against the relevant Master Lessee and the Master Lessor of the Sheraton Pasadena (being a subsidiary of EH-REIT) on 10 June 2020 (the "Cross-Complaint"). The Managers are currently consulting their professional advisers as to the appropriate course of action to be taken as regards to the Cross-Compliant.

xii. *Liens over Certain Hotels*

As announced by the Managers in the 21 June 2020 Announcement, the Managers have been informed that, based on publicly available information, delinquent taxes and/or tax liens, in addition to certain judgement and/or mechanics' liens, were filed on the title of certain of EH-REIT Group's properties by various taxing authorities and third-party service providers on account of unpaid amounts for services rendered and/or materials provided by such third-party service providers for the improvement and/or renovation of the relevant hotels. As at the 21 June 2020 Announcement, the hotels with tax liens are the (1) Embassy Suites by Hilton Anaheim North; (2) Holiday Inn Hotel & Suites Anaheim North; (3) Embassy Suites by Hilton Palm Desert; (4) Sheraton Pasadena; (5) Westin Sacramento; (6) Four Points by Sheraton San Jose Airport; (7) Holiday Inn and Suites San Mateo; (8) Crowne Plaza Danbury; (9) Holiday Inn Resorts Orlando Suites – Waterpark; and (10) The Queen Mary Long Beach. The hotels with judgement and/or mechanics' liens are (1) The Queen Mary Long Beach; (2) Holiday Inn Denver East – Stapleton; (3) Renaissance Denver Stapleton; (4) Holiday Inn Resorts Orlando Suites – Waterpark; (5) Doubletree by Hilton Salt Lake City Airport; (6) Holiday Inn and Suites San Mateo; and (7) Crowne Plaza Danbury. The judgement and/or mechanics' liens were filed following the IPO and relate to both (i) capital expenditures, the work for which commenced, or was contracted for, before the IPO, which constitute claims for work performed by or on behalf of the prior owner and/or the Master Lessee of the applicable hotel; and (ii) operating expenditures (e.g. day to day maintenance and repair), the work for which commenced, or was contracted for, after the IPO, which constitute claims for work performed by or on behalf of the Master Lessee of the applicable hotel.

Such liens constitute security interests in the title of the relevant properties and potentially compromise EH-REIT's ability to sell, refinance or otherwise deal with the relevant properties. In addition, in the event that the relevant Master Lessees will not be able to settle the liens that they are responsible for and the relevant Master Lessors are found liable, the EH-REIT Group and EHT may have to incur additional expenses and liabilities in relation to the amounts claimed by the various third-party service providers and delinquent tax assessments under the abovementioned liens and encumbrances.

xiii. *Defaults under The Queen Mary Long Beach Lease*

As announced by the Managers in the 21 June 2020 Announcement, Urban Commons Queensway, LLC (a subsidiary of EH-REIT and the lessee in respect of The Queen Mary Long Beach) (the "QM Subsidiary") received notices of default from the City of Long Beach (the "QM Notices") in relation to its defaults under the lease agreement with the City of Long Beach (the "QM Lease Agreement").

Such defaults arose as a result of the QM Subsidiary failing to (a) pay the monthly TOT amounts to the City of Long Beach for certain months in both 2019 and 2020 as required under the QM Lease Agreement (and the relevant Long Beach municipal legislation), which failure resulted in an additional default under the QM Lease Agreement for failing to comply with applicable governmental restrictions (the "QM TOT Default"), which the Managers have been informed by the Sponsor has since been cured, as further stated below; (b) provide access to, and/or copies of, certain records (including financial statements and maintenance records) to the City of Long Beach's auditor as required under the QM Lease Agreement, which documentation was requested by the City of Long Beach as part of an audit initiated in December 2019, in addition to failing to provide full audited financial statements for 2019 as required pursuant to the QM Lease Agreement (the "QM Audit Default"); and (c) pay the monthly rent to the City of Long Beach for the month of June 2020 as required under the QM Lease Agreement (the "QM Rent Default" which the Managers have been informed by the Sponsor but based on information available to the Managers, has since been cured, as further stated below, and together with the QM TOT Default and the QM Audit Default, collectively, the "QM Defaults"). Pursuant to the master sublease agreement (i.e. the MLA) between the QM Subsidiary (as Master Lessor and sublessor) and the Master Lessee as sublessee of The Queen Mary Long Beach (the "QM Master Lessee"), the QM Master Lessee is responsible for the payment of the rent and the TOT amounts to the City of Long Beach and compliance with such audit request.

Under the QM Notices, the QM Subsidiary had (a) with respect to the QM Audit Default, until 30 June 2020; and (b) with respect to the QM Rent Default, until 25 June 2020, in each instance, to cure the applicable QM Defaults, and failing which, the City of Long Beach is entitled to pursue remedies available to it under the QM Lease Agreement and otherwise as provided by applicable law. The Managers had been informed by (a) the City of Long Beach that the QM Subsidiary has 120 days to cure the QM Audit Default from 1 July 2020; and (b) the Sponsor that the QM Master Lessee has paid the monthly rent required in respect of the QM Rent Default and has cured the QM TOT Default, with the outstanding TOT amounts having been fully paid by the QM Master Lessee.

xiv. *Obligations of EH-REIT under other loan agreements*

As disclosed by the Managers in the Prospectus, EH-REIT, through one of its subsidiaries, entered into a US$89.0 million unsecured loan ("Unsecured Loan") from Lodging USA Lendco, LLC (“Lendco”). At the date of the issuance of these financial statements and based on the information available to the EH-REIT Group, Lendco has yet to issue a notice of default and/or demand for payment in relation to the Unsecured Loan. Nevertheless, in light of the events surrounding EH-REIT including, but not limited, to the issuance of the Notice by the Administrative Agent and the Master Lessees' numerous defaults under the MLAs, EH-REIT has been unable to fulfil its obligations under the Unsecured Loan. Lendco's right to receive payments under the Unsecured Loan (including interest) is subordinate to the payment obligations under the Facilities Agreement. Only interest is payable on the Unsecured Loan and the Unsecured Loan may be prepaid in whole or in part at any time (including in connection with certain mandatory prepayments as provided in the loan agreement) without any prepayment penalty or charge.

xv. *Discovery of Unauthorised Application made under the United States Paycheck Protection Program on behalf of the Queen Mary Master Lessor*

As announced by the Managers on 14 August 2020 in the announcement titled "Update Announcement #11 – (1) Discovery of Unauthorised Application made under the United States Paycheck Protection Program on behalf of the Queen Mary Master Lessor, (2) Delinquency of Taxes by Certain Master Lessees, and (3) Receipt of Notices of Default and Termination under Certain Franchise Agreements" (the "14 August 2020 Announcement"), the Managers and the REIT Trustee were informed by their professional advisers that they discovered that an unauthorised loan application dated 18 May 2020 (the “QM PPP Application”) was submitted on behalf of Urban Commons Queensway, LLC (the "QM Master Lessor", being the Master Lessor of the Queen Mary Long Beach ("QM") and a subsidiary of EH-REIT) under the United States Paycheck Protection Program administered by the United States Small Business Administration (“US SBA”) purportedly on behalf of the QM Master Lessor.

Reference should be made to the 14 August 2020 Announcement for further details on the QM PPP Application. The Managers and the REIT Trustee are in the midst of consulting with their professional advisers to determine any further actions to be taken in respect of the unauthorised QM PPP Application and the QM PPP Loan. The Managers will provide further updates on the QM PPPP Application and the QM PPP Loan as and when there are material developments.

xvi. *Delinquency of Taxes by Certain Master Lessees*

As announced by the Managers in the 14 August 2020 Announcement, the Managers and the REIT Trustee have been informed that the Master Lessees of the Holiday Inn Denver East – Stapleton and the Renaissance Denver Stapleton (the "Denver Master Lessees") have been deficient in paying certain outstanding sales taxes, lodger's taxes and tourism improvement district taxes that have continued to accrue over certain periods in respect of the abovementioned hotels since at least December 2019 to the tax authorities of the City and County of Denver (the "Denver Outstanding Taxes"). However, the Denver Master Lessee entered into a settlement arrangement with the Denver tax authorities on 1 July 2020 pursuant to which the Denver Master Lessees would pay the Denver Outstanding Taxes by way of instalments. The Managers and the REIT Trustee understand that the total outstanding amount of the Denver Outstanding Taxes to be settled under the settlement arrangement (inclusive of penalties and interests) is approximately US$954,000, which is to be paid by way of six (6) monthly instalments from July 2020 to December 2020.

Subsequently, it was brought to the attention of the Managers and the REIT Trustee that the Denver Master Lessees failed to pay the first instalment that was due on 13 July 2020 to the tax authorities of the City and County of Denver. In response, the tax authorities issued a warrant of seizure of assets (the “Warrant”) in respect of the Holiday Inn Denver East – Stapleton and Renaissance Denver Stapleton. The Managers and the REIT Trustee were subsequently informed that on 14 July 2020, the Denver Master Lessees paid the first instalment in respect of the Denver Outstanding Taxes to the tax authorities of the City and County of Denver and the tax authorities have accepted such payment. Pursuant to the settlement arrangement between the Denver Master Lessees and the Denver tax authorities with regard to the Denver Outstanding Taxes, a second instalment was due on 6 August 2020 which, as at the date of issuance of these financial statements, has not been paid by the Denver Master Lessees. The Managers and the REIT Trustee’s local counsel has informed the Managers and the REIT Trustee that as a result of the non-payment by the Denver Master Lessees of the second instalment by the due date, the tax authorities of the City and County of Denver have indicated that they will not be giving any advance notice prior to issuing and executing their seizure warrants on the Holiday Inn Denver East – Stapleton and the Renaissance Denver Stapleton.

As announced by the Managers in the same announcement, the Managers and the REIT Trustee have also been informed that the Master Lessee of the Holiday Inn Resort Orlando Suites – Waterpark (the "HIOR Master Lessee") has been deficient in paying certain outstanding tourism development taxes that have continued to accrue in respect of the Holiday Inn Resort Orlando Suites – Waterpark since February 2020 to the Comptroller of Orange County, Florida. As a result of the outstanding taxes, the Comptroller of Orange County, Florida filed a tourism development tax warrant against both UCCONT1, LLC (the "HIOR Master Lessor", being the Master Lessor of the Holiday Inn Resort Orlando Suites – Waterpark and a subsidiary of EH-REIT) and the HIOR Master Lessee for the collection of the delinquent outstanding tourism development taxes in the amount of approximately US$244,000 (including penalties and interest) (the "Orlando Outstanding Taxes").

The Comptroller of Orange County, Florida further issued a notice dated 12 June 2020 (the "HIOR Tax Notice") to the HIOR Master Lessor of its intent to levy upon any cash in possession of the HIOR Master Lessor and a bank account of the HIOR Master Lessor with Bank of America (the "HIOR Account"). The Managers and the REIT Trustee understand that on or about 25 June 2020, the Sponsor entered into a repayment agreement with the Comptroller of Orange County, Florida to pay all delinquent tourist development taxes (including penalties and interest) due to the Comptroller of Orange County, Florida in three (3) instalments due on 26 June 2020, 1 August 2020 and 1 September 2020, as well as to satisfy the levy. Despite the Sponsor's payment of the first instalment due on 26 June 2020, the Comptroller of Orange County, Florida refused to release the HIOR Account or delay enforcement of the garnishment referenced in the HIOR Tax Notice. The Managers and the REIT Trustee appointed local counsel which then filed a complaint on behalf of the HIOR Master Lessor against the Comptroller of Orange County, Florida on 2 July 2020 (the "HIOR Complaint") to contest the Comptroller of Orange County, Florida's levy and garnishment of the HIOR Account to collect the Orlando Outstanding Taxes as (a) the HIOR Master Lessee is the party that is directly and solely liable to pay the Orlando Outstanding Taxes pursuant to the terms of the MLA and (b) the Comptroller of Orange County, Florida is able to collect the Outstanding Orlando Taxes pursuant to the repayment arrangement with the Sponsor.

The Managers and the REIT Trustee are in the process of consulting their professional advisers to ascertain the impact of the above matters and the appropriate course of action to be taken in respect thereof.

xvii. *Receipt of Notices of Default and Termination under Certain Franchise Agreements*

As announced by the Managers in the 14 August 2020 Announcement, the Managers and the REIT Trustee have been informed that the Master Lessees of ten (10) hotels have received notices of default and termination from the relevant franchisors under the respective franchise agreements (the "Franchise Agreements") as a result of the Master Lessees' failure to cure its default for non-payment of fees and other amounts due and owing to the relevant franchisor under the relevant Franchise Agreement (the "FA Termination Notices"). Based on the FA Termination Notices and the information available to FTI Consulting, Inc. (being the Chief Restructuring Officer), the aggregate outstanding amount due by the Master Lessees to the franchisors under such Franchise Agreements amount to approximately US$3.8 million.

Pursuant to the FA Termination Notices, the relevant franchisors will have the right to terminate the respective Franchise Agreements if the relevant Master Lessees do not cure the defaults under the Franchise Agreements within the applicable cure periods as stated in the FA Termination Notices. Pursuant to the terms of the applicable MLAs in respect of the hotels under the FA Termination Notices, the relevant Master Lessees are responsible for payment of such outstanding amounts under the Franchise Agreements to the applicable franchisors and the alleged defaults under the FA Termination Notices, if true, would in turn also constitute a breach of the respective MLAs by the Master Lessees.

xviii. *Receipt of Notices of Breach from the Master Lessors*

As announced by the Managers on 27 August 2020 in the announcement titled "Update Announcement #12 – Receipt of Notice of Breaches from Master Lessees of EHT's Properties and Issuance of Response Letter by Master Lessors" (the "27 August 2020 Announcement"), the Managers and REIT Trustee have been informed that on 12 August 2020 the Master Lessors have received a notice of breaches from the Master Lessees (the "Notice of Breaches"). As set out in the 27 August 2020 Announcement, the Managers and the REIT Trustee consider, upon the advice of professional advisers, the Master Lessees Notice of Breaches to be misguided, and the allegations of breach in the Master Lessees Notice of Breaches to be baseless. Reference should be made to the 27 August 2020 Announcement for further details on the Master Lessors' position on the Master Lessees Notice of Breaches

.

xix. Issuance of Pay/Perform or Quit Statutory Notices in respect of Applicable Master Lease Agreements and Termination of Master Lease Agreements by the Master Lessors

As announced by the Managers on 16 September 2020 in the announcement titled "Update Announcement #13 – Issuance of Pay/Perform or Quit Statutory Notices in respect of Applicable MLAs" (the "16 September 2020 Announcement"), the relevant Master Lessors have served the relevant Master Lessees with statutory notices ("Statutory Notices") at EHT's properties located in States which have statutory "pay or quit" and/or "perform or quit" notice and cure requirements and has demanded (where applicable under applicable State law) that the applicable Master Lessee pay the outstanding rent and/or perform the defaulted non-rent obligations under the applicable MLA within the stipulated deadline (as required by State law). Upon the expiry of such notice period, if the applicable Master Lessee fails to pay and/or quit the defaulted MLA obligations, the applicable Master Lessee is required to quit and peacefully vacate and surrender the applicable property.

Further to the issuance of the Statutory Notices, as announced by the Managers on 23 September 2020 in the announcement titled "Update Announcement #14 - Termination of Master Lease Agreements by the Master Lessors" (the "23 September 2020 Announcement"), notices of termination ("Notices of Termination") of the MLAs have been issued by the Master Lessors of all the 18 properties of EH-REIT to the Master Lessees in pursuit of exercising their contractual rights under the MLAs to protect the interest of EHT and its Stapled Securityholders. The termination of the MLAs is to occur 10 days after the delivery of the termination notices to the Master Lessees. Reference should be made to the 23 September 2020 for further details and analysis on the rationale for the termination of the MLAs by the Master Lessors.

In conjunction with the issuance of the Notices of Termination by the Master Lessors to the Master Lessees, it is envisaged that the Master Lessors (being the subsidiaries of EH-REIT) will, after termination of the MLAs and, if necessary, upon obtaining unlawful detainer judgments in accordance with applicable laws, directly enter into new HMAs (or caretaker HMAs) and franchise agreements for the hotel managers to manage and operate EHT's hotels under the brand name of the franchisor in the interim. Until longer-term replacement lessee(s) solutions are found, EH-REIT and the Master Lessors, with the assistance of the professional advisers of EHT, will provide customary oversight responsibilities as the "master lessee" of the hotels, subject to the terms of the HMAs (or caretaker HMAs).

xx. Notice of acceleration for Payment under the CPDG Mortgage Loan

As announced by the Managers on 30 October 2020, the Managers had received a notice of acceleration (the "CPDG Notice") in relation to the mortgage loan in respect of the Crowne Plaza Dallas Near Galleria-Addison (the "CPDG Mortgage Loan") held by Wilmington Trust, National Association, as trustee, for the benefit of the holders of Benchmark 2018-B4 Mortgage Trust Commercial Mortgage Pass-Through Certificates, Series 2018-B4 (the "CPDG Lender").

The CPDG Notice states that the CPDG Mortgage Loan is in default for, among other things, the failure to pay all amounts when due thereunder and, as a result, the CPDG Lender has elected to accelerate the CPDG Mortgage Loan, thereby demanding the immediate payment of all amounts due under and pursuant to the CPDG Mortgage Loan. The Managers have also been informed that in light of the default under the CPDG Mortgage Loan, the CPDG Lender has drawn upon a cash reserve (previously set aside for utilisation upon an event of default) to partially repay the outstanding amounts due under the CPDG Mortgage Loan.

xxi. Notice of Default for Payment under the HHG Mortgage Loan

As announced by the Managers on 30 October 2020, the Managers received the notice of default (the "HHG Notice") in relation to the mortgage loan in respect of the Hilton Houston Galleria Area (the "HHG Mortgage Loan") held by Wilmington Trust, National Association, as trustee, for the benefit of the registered holders of Wells Fargo Commercial Mortgage Trust 2017 C-41, Commercial Mortgage Pass-Through Certificates, Series 2017-C41 (the "HHG Lender").

The HHG Notice states that defaults and events of defaults have occurred and are continuing under the HHG Mortgage Loan for, among other things, the failure to pay all amounts when due thereunder. Accordingly, the HHG Lender has demanded for the payment of all such delinquent amounts, otherwise it may elect to exercise its rights and remedies pursuant to the HHG Mortgage Loan documents.

xxii. *Covid-19 pandemic and continuing impact on the hospitality industry*

The outbreak of COVID-19 was declared by the World Health Organisation as a global pandemic on 11 March 2020, and subsequently declared a national emergency in the United States of America (“United States”) on 13 March 2020. The spread of COVID-19, both globally and in the United States, has resulted in significant uncertainty in global economies and unprecedented disruptions in the United States lodging industry. Consequently, the operations of and revenue stream from EHT’s properties have been severely disrupted and its full impact cannot be meaningfully and reliably assessed.

xxiii. *Restructuring and Strategic Review of EHT*

As announced by the Managers in the 24 April 2020 Announcement and the announcement on 28 April 2020 titled "Update Announcement – Appointment of Financial Adviser and Implementation of Temporary Caretaker Arrangements at Certain Hotels", the Managers had appointed (i) FTI Consulting, Inc (“FTI”) to assist with, inter alia, the restructuring process of EHT (the "**Restructuring**") and (ii) Moelis & Company (“Moelis”) to assist with, inter alia, the comprehensive strategic review of EHT's business (the "**Strategic Review**"), including advising on available options to achieve the best possible outcomes for Stapled Securityholders. Both FTI and Moelis, as professional advisers to the EH-REIT Group, also assist in negotiating with the Administrative Agent, Lenders and other counterparties of the EH-REIT Group with a view to restructuring the relevant facilities, and reviewing and analysing a range of strategic and corporate options for EHT.

Significant Events after the Reporting Period

Reference should be made to the Managers' announcements on SGXNET for key events occurring after the Reporting Period, in particular but without limitation:

i. *Receipt of Notices of Extension of Termination Date under Certain Franchise Agreements*

As previously disclosed in the 14 August 2020 Announcement, the Master Lessees of ten (10) hotels have received notices of default and termination from the relevant franchisors under the respective Franchise Agreements.

As announced by the Managers on 30 October 2020 in the announcement titled "Update Announcement #17 – (1) Receipt of Notices of Extension of Termination Date under Certain Franchise Agreements, (2) Receipt of Certain Notices for the Mortgage Loans in respect of the Crowne Plaza Dallas Near Galleria-Addison and the Hilton Houston Galleria Area, (3) Certain Proceedings in relation to the Holiday Inn Resort Orlando Suites – Waterpark, and (4) Discovery of Employment-related Claims relating to the Queen Mary Long Beach" (the "30 October 2020 Announcement"), with respect to eight (8) of the ten (10) hotels, the Managers and the REIT Trustee understand that the respective Master Lessees have received further notices from the relevant franchisors in relation to the extension of the termination date specified under the respective FA Termination Notices (the “FA Extension Notices”). Reference should be made to the 30 October 2020 Announcement for further details on the FA Extension Notices.

ii. *Proceedings in relation to the Holiday Inn Resort Orlando Suites – Waterpark*

As announced by the Managers in the 30 October 2020 Announcement, certain litigation proceedings initiated by two (2) third-party service providers against, amongst others, the Master Lessor of the Holiday Inn Resort Orlando Suites – Waterpark ("HIRO") (the “HIRO Master Lessor”), in respect of unpaid amounts for certain services rendered in respect of the HIRO. Such services were rendered by the applicable third-party service providers to the HIRO prior to the implementation of the temporary caretaker arrangement by the REIT Manager as disclosed in the 21 June 2020 Announcement.

The Managers and the REIT Trustee were informed that a default judgment was entered against the HIRO Master Lessor in favour of AmeriFactors Financial Group, LLC ("AmeriFactors") for approximately US$420,326.40 for staffing services provided to the HIRO. In addition, a writ of garnishment was issued against the HIRO Master Lessor on 5 June 2020 following such default judgment. The HIRO Master Lessor has since filed a motion to vacate the default judgment and the writ of garnishment on grounds that the previous hotel manager, and not the HIRO Master Lessor, was the party to the agreement or business transactions with AmeriFactors and should be named as the defendant instead of the HIRO Master Lessor.

The motion to vacate was granted, the default judgment and the writ of garnishment were vacated and the motion to dismiss has been filed by the HIRO Master Lessor as at the date of the announcement.

The Managers and the REIT Trustee were also informed that a default judgment was entered against the HIRO Master Lessor and the previous hotel manager of the HIRO in favour of Advanced Resourcing, LLC ("Advanced Resourcing") for approximately US$190,398.93 for the alleged unjust enrichment to the HIRO Master Lessor for the provision of hotel-related services in respect of the HIRO. The HIRO Master Lessor has since filed to vacate the default judgment on grounds that the previous hotel manager, and not the HIRO Master Lessor, was the party to the agreement or business transactions with Advanced Resourcing and should be named as the defendant instead of the HIRO Master Lessor. The motion to vacate was granted, the default judgment was vacated and the motion to dismiss has been filed as at the date of the announcement. Advanced Resourcing filed an amended complaint on 12 October 2020 against the HIRO Master Lessor, the HIRO Master Lessee and the previous hotel manager of the HIRO and the HIRO Master Lessor has subsequently filed a motion to dismiss such amended complaint on 23 October 2020.

The Managers will provide further updates when there are material developments on these matters.

iii. *Discovery of Employment-related Claims relating to the Queen Mary Long Beach*

As announced by the Managers in the 30 October 2020 Announcement, the Managers clarified that (a) the QM Master Lessor was the signatory of two (2) separate collective bargaining agreements, which were entered into prior to the IPO, covering union-represented employees working at the QM as at the Listing Date, and (b) in respect of union-represented employees working at the QM, as advised by EHT's relevant professional advisers at the time of IPO (including the Managers' United States legal counsel), the obligations under the collective bargaining agreements were assigned to the Master Lessee of the QM in connection with EHT's listing pursuant to an Omnibus Assignment and Assumption Agreement. Under the Omnibus Assignment and Assumption Agreement, the QM Master Lessor would be indemnified by the QM Master Lessee in respect of all claims relating to any act, matter or thing occurring on or after EHT's listing date of 24 May 2019 under the contracts assigned pursuant to the Omnibus Assignment and Assumption Agreement, including these collective bargaining agreements. The Managers have discovered, however, that there are a number of pending employment-related claims in respect of the QM, including those involving union-represented employees, for certain individuals who were previously actively employed at the QM.

The Managers and the REIT Trustee are in the midst of consulting their professional advisers as to the appropriate course of action to be taken in relation to the employment arrangements in respect of the QM and any resulting obligations and liabilities in respect of the QM arising therefrom. The Managers will provide further updates to Stapled Securityholders if there are material developments on this matter.

iv. *Receipt of the Monetary Authority of Singapore's Notice of Intention to Direct the REIT Trustee to remove the REIT Manager*

As announced by the Managers on 27 October 2020 in the announcement titled "Update Announcement #16 – Receipt of the Monetary Authority of Singapore's Notice of Intention to Direct the REIT Trustee to remove the REIT Manager" (the "27 October 2020 Announcement"), the Monetary Authority of Singapore (the "**MAS**") had on 26 October 2020 issued a Notice of Intention to direct the REIT Trustee to remove the REIT Manager as manager of EH-REIT and to appoint a new manager. Reference should be made to the 27 October 2020 Announcement for further details of the Notice of Intention.

As announced by the Managers on 13 November 2020 in the announcement titled "Update Announcement #18 – (1) Update on Master Lease Agreement Termination Process, (2) Receipt of Notices of Demand for Working Capital and Implementation of Additional Temporary Caretaker Arrangements, (3) Update on QM Audit Default under the QM Lease Agreement, and (4) REIT Manager's Clarification Response to MAS Notice of Intention" (the "13 November 2020 Announcement"), the REIT Manager has submitted a written clarification response to the MAS to clarify its position and outlined that the Board and the management of the REIT Manager have exercised diligence and expended their best efforts to further mitigate and/or remedy the various breaches outlined in the Notice of Intention. The Board of the REIT Manager's written clarification response was not intended to set out grounds as to why the MAS should not direct the REIT Trustee to remove the REIT Manager as the manager of EH-REIT and the REIT Manager understands that a separate written statement has been submitted by the shareholder of the REIT Manager to the MAS in that regard.

v. Progress of MLA Termination Process

As announced by the Managers in the 23 September 2020 Announcement (and as disclosed under note (xix above), notices of termination of the MLAs have been issued by the Master Lessors of all the 18 properties of EH-REIT to the Master Lessees.

As announced by the Managers in the 13 November 2020 Announcement, legal actions have been commenced by each of the Master Lessors against the applicable Master Lessee in the relevant State in which the applicable property is located. As at the date of these financial statements, a possession order has been granted in respect of each of the Doubletree by Hilton Salt Lake City Airport and the Renaissance Denver and the applicable Master Lessors have since regained legal possession of such properties. The remaining actions against the applicable Master Lessees remain pending (the “Pending Actions”) and are proceeding according to local processes. Delays have been observed in the processing of the Pending Actions by the respective State courts due, *inter alia*, to the impact of COVID-19-related restrictions on the court processes in certain jurisdictions. To the Managers’ knowledge, there has been no response or action on the part of the Sponsor or the Master Lessees in any of the Pending Actions to date.

vi. Receipt of Demands for Working Capital and Implementation of Additional Temporary Caretaker Arrangements

As announced by the Managers in the 13 November 2020 Announcement, the hotel manager of the Holiday Inn Denver East – Stapleton and the Renaissance Denver Stapleton has demanded, by notice to the applicable Master Lessors, for the payment of working capital (the “Working Capital Notices”) on the basis of the Denver NDAs and the applicable Master Lessor’s election to terminate the applicable MLA. It is also stated in the Working Capital Notices that failure to provide working capital as requested by the hotel manager would result in a significant reduction in the hotel management services provided by the hotel manager at these properties and the effective closure of these two (2) hotels, which remain operational as at the date of this Announcement.

In view of the need to protect and preserve the asset value of the Holiday Inn Denver East – Stapleton and the Renaissance Denver Stapleton and to keep these two (2) hotels operational, each of the corresponding Master Lessors, at the direction of the REIT Manager and with the approval of the REIT Trustee (after taking into consideration professional advice), the Administrative Agent and the Lenders, intends to enter into hotel caretaker agreements with the incumbent hotel manager, under which the hotel manager would provide and implement temporary caretaker services at the applicable hotel such that these two (2) hotels would continue to remain operational, in exchange for payment of monthly caretaker costs by the applicable Master Lessors. The hotel caretaker agreements are currently being negotiated as at the date of these financial statements and the Managers and the REIT Trustee will provide further updates when appropriate.

vii. Progress on the QM Audit Default under the QM Lease Agreement

As announced by the Managers in the 21 June 2020 Announcement (and as disclosed under note (xiii) above), the QM Subsidiary had received notices of default from the City of Long Beach in relation to, amongst other things, the QM Audit Default.

As announced by the Managers in the 13 November 2020 Announcement, the audited financial statements for 2019 for the QM Subsidiary have been issued and delivered to the City of Long Beach. The QM Subsidiary has received an additional letter from the City of Long Beach seeking further clarification and document in relation to the financial statements, which the QM Subsidiaries have promptly provided with the assistance of professional advisers.

viii. Other Key Events Pending

The Managers and the REIT Trustee have also been informed of other key events which may affect EHT and which are still in the midst of being investigated by the Managers and the REIT Trustee with the possibility of additional liability materialising. As at the date of issuance of these financial statements, the Managers are in the process of seeking professional advice and will need more time to assess the implications of such events (including determining if such events give rise to additional liabilities (contingent or otherwise)), and the appropriate actions to be undertaken. The Managers will keep Stapled Securityholders updated of any material developments as and when they arise.

Summary of Eagle Hospitality Trust's Results

Actual vs Prior period

	3Q 2020 US$'000	3Q 2019 US$'000	Variance %	YTD 2020 US$'000	24 May 2019 to 30 September 2019[1] US$'000	Variance[2] %
Revenue	16,585[3]	21,517	(22.9%)	48,869[3]	31,024	n.m.
Net property income	14,163	20,071	(29.4%)	40,688	28,117	n.m.
Income available for distribution to Stapled Securityholders [4]	–	14,364	n.m.	–	20,011	n.m.
Distribution per Stapled Security ("DPS") (US cents) [4]	–	1.649	n.m.	–	2.299	n.m.
Annualised distribution yield (%)						
- Based on IPO listing price of US$0.78	–	8.4%[5]	n.m.	–	8.3%[5]	n.m.

n.m. – Not meaningful

Footnotes:

(1) The comparative figures were for the period from 24 May 2019 (Listing Date) to 30 September 2019. These figures were extracted from EHT's results announcements for the period from 24 May 2019 to 30 September 2019.

(2) The actual results for the period from 24 May 2019 to 30 September 2019 covers 129 days, while YTD 2020 covers 273 days. Accordingly, the comparison of these two reporting periods is not meaningful. Please refer to Section 9 for variance analysis of the actual results for 3Q 2020 and YTD 2020 compared with the projections as disclosed in the Prospectus of EHT dated 16 May 2019.

(3) Fixed rent is recognised pursuant to the MLAs prior to their termination.

(4) There is no income available for distribution for 3Q 2020 and YTD 2020 respectively, as a result of, amongst other things, the Master Lessees' inability to make rental payments and fulfil its obligations under the MLAs, and the subsequent election of the Master Lessors to terminate the MLAs for the Master Lessees' multitude of defaults under the MLAs.

(5) The annualised distribution yield for 3Q 2019 and YTD 2019 was on a pro-rata basis of 92 days and 129 days from the results following the Listing Date based on the listing price of US$0.78.

Summary of Eagle Hospitality Trust's Results

Actual vs Projection

	3Q 2020			YTD 2020		
	Actual US$'000	**Projection[(1)] US$'000**	**Variance %**	**Actual US$'000**	**Projection[(1)] US$'000**	**Variance %**
Revenue	16,585[(3)]	25,077	(33.9%)	48,869[(3)]	70,927	(31.1%)
Net property income	14,163	21,546	(34.3%)	40,688	60,346	(32.6%)
Income available for distribution to Stapled Securityholders [(2)]	–	15,715	n.m.	–	42,772	n.m.
Distribution per Stapled Security ("DPS") (US cents) [(2)]	–	1.801	n.m.	–	4.901	n.m.
Annualised distribution yield (%)						
- Based on IPO listing price of US$0.78	–	9.3%	n.m.	–	8.4%	n.m.

n.m. – Not meaningful

Footnotes:

(1) The Prospectus disclosed a 12-month profit projection for the year from 1 January 2020 to 31 December 2020 (the "Projection"). Projection results were derived from the seasonal projection for 3Q 2020 and YTD 2020 respectively, based on the Projection Year 2020 as disclosed in the Prospectus.

(2) There is no income available for distribution for 3Q 2020 and YTD 2020 respectively, as a result of, among other things, the Master Lessees' inability to make rental payments and fulfil its obligations under the MLAs, and the subsequent election of the Master Lessors to terminate the MLAs for the Master Lessees' multitude of defaults under the MLAs.

(3) Fixed rent is recognised pursuant to the MLAs prior to their termination.

1(a)(i)(ii) Consolidated Statement of Comprehensive Income and Distribution Statement

		EHT			EH-REIT Group		
Consolidated Statements of Comprehensive Income	**Notes**	**3Q 2020**	**3Q 2019(1)**	**Variance**	**3Q 2020**	**3Q 2019(1)**	**Variance**
		US$'000	**US$'000**	**%**	**US$'000**	**US$'000**	**%**
Revenue(2)		16,585	21,517	(22.9%)	16,585	21,517	(22.9%)
Property expenses		(2,422)	(1,446)	67.5%	(2,422)	(1,446)	67.5%
Net property income		**14,163**	**20,071**	**(29.4%)**	**14,163**	**20,071**	**(29.4%)**
REIT Manager's management fee	1	–	(1,436)	n.m.	–	(1,436)	n.m.
REIT Trustee's fee		(46)	(51)	(9.8%)	(46)	(51)	(9.8%)
Other trust expenses	2	(7,131)	(448)	n.m.	(7,121)	(448)	n.m.
Caretaker expenses	3	(6,611)	–	n.m.	(6,611)	–	n.m.
Other income	4	34,156	–	n.m.	34,156	–	n.m.
Finance income		13	345	(96.2%)	13	345	(96.2%)
Finance costs		(9,067)	(5,902)	53.6%	(9,067)	(5,902)	53.6%
Net finance costs	5	(9,054)	(5,557)	62.9%	(9,054)	(5,557)	62.9%
Loss on termination of interest rate swap	6	–	–	n.m.	–	–	n.m.
Impairment loss on trade and non-trade receivables	7	(48,148)	–	n.m.	(48,148)	–	n.m.
(Loss)/ Profit before tax and change in fair value		**(22,671)**	**12,579**	**n.m.**	**(22,661)**	**12,579**	**n.m.**
Net fair value change in investment properties	8	(534,234)	–	n.m.	(534,234)	–	n.m.
(Loss)/ Profit before tax		**(556,905)**	**12,579**	**n.m.**	**(556,895)**	**12,579**	**n.m.**
Tax expense	9	1	–	n.m.	1	–	n.m.
(Loss)/ Profit for the period (3)	10	**(556,904)**	**12,579**	**n.m.**	**(556,894)**	**12,579**	**n.m.**
Distribution Statement							
(Loss)/ Profit for the period	10	(556,904)	12,579	n.m.	(556,894)	12,579	n.m.
Distribution adjustments	11	556,904	1,785	n.m.	556,894	1,785	n.m.
Income available for distribution to Stapled Securityholders	12	**–**	**14,364**	**n.m.**	**–**	**14,364**	**n.m.**

n.m. – Not meaningful

Footnotes:
(1) These figures were extracted from EHT's results announcement for the period from 1 July 2019 to 30 September 2019.
(2) Revenue pertaining to financial year 2020 consist of fixed rent recognised pursuant to the MLAs prior to their termination
(3) Included in EHT's loss for 3Q 2020 is EH-BT's other trust expenses of US$10,200.

1(a)(i)(ii) Consolidated Statement of Comprehensive Income and Distribution Statement

		EHT			EH-REIT Group		
Consolidated Statements of Comprehensive Income	**Notes**	**YTD 2020 US$'000**	**24 May 2019 to 30 September 2019[1] US$'000**	**Variance[2] %**	**YTD 2020 US$'000**	**24 May 2019 to 30 September 2019[1] US$'000**	**Variance[2] %**
Revenue[3]		48,869	31,024	n.m.	48,869	31,024	n.m.
Property expenses		(8,181)	(2,907)	n.m.	(8,181)	(2,907)	n.m.
Net property income		**40,688**	**28,117**	**n.m**	**40,688**	**28,117**	**n.m.**
REIT Manager's management fee	1	–	(2,001)	n.m.	–	(2,001)	n.m.
REIT Trustee's fee		(149)	(74)	n.m.	(149)	(74)	n.m.
Other trust expenses	2	(18,719)	(569)	n.m.	(18,701)	(569)	n.m.
Caretaker expenses	3	(9,972)	–	n.m.	(9,972)	–	n.m.
Other income	4	48,472	–	n.m.	48,472	–	n.m.
Finance income		171	382	n.m.	171	382	n.m.
Finance costs		(23,055)	(8,280)	n.m.	(23,055)	(8,280)	n.m.
Net finance costs	5	(22,884)	(7,898)	n.m.	(22,884)	(7,898)	n.m.
Loss on termination of interest rate swap	6	(18,283)	–	n.m.	(18,283)	–	n.m.
Impairment loss on trade and non-trade receivables	7	(88,460)	–	n.m.	(88,460)	–	n.m.
(Loss)/ Profit before tax and change in fair value		**(69,307)**	**17,575**	**n.m.**	**(69,289)**	**17,575**	**n.m.**
Net fair value change in investment properties	8	(535,291)	163,996	n.m.	(535,291)	163,996	n.m.
(Loss)/ Profit before tax		**(604,598)**	**181,571**	**n.m.**	**(604,580)**	**181,571**	**n.m.**
Tax expense	9	(125)	(34,447)	n.m.	(125)	(34,447)	n.m.
(Loss)/ Profit for the period [4]	**10**	**(604,723)**	**147,124**	**n.m.**	**(604,705)**	**147,124**	**n.m.**
Distribution Statement							
(Loss)/ Profit for the period	10	(604,723)	147,124	n.m.	(604,705)	147,124	n.m.
Distribution adjustments	11	604,723	(127,113)	n.m.	604,705	(127,113)	n.m.
Income available for distribution to Stapled Securityholders	**12**	**–**	**20,011**	**n.m.**	**–**	**20,011**	**n.m.**

n.m. – Not meaningful

Footnotes:

(1) The comparative figures were for the period from 24 May 2019 (Listing Date) to 30 September 2019. These figures were extracted from EHT's results announcements for the period from 24 May 2019 to 30 September 2019.
(2) The actual results for the period from 24 May 2019 to 30 September 2019 covers 129 days, while YTD 2020 covers 273 days. Accordingly, the comparison of these two reporting periods is not meaningful. Please refer to Section 9 for variance analysis of the actual results for 3Q 2020 and YTD 2020 compared with the projections as disclosed in the Prospectus.
(3) Revenue pertaining to financial year 2020 consist of fixed rent recognised pursuant to the MLAs prior to their termination.
(4) Included in EHT's loss for YTD 2020 is EH-BT's other trust expenses of US$17,700.

Notes:

1. REIT Manager's management fee is based on 10.0% of distributable income. There is no REIT Manager's management fee for 3Q 2020 and YTD 2020 due to the nil distributable income for 3Q 2020 and YTD 2020 respectively, as a result of, among other things, the Master Lessees' inability to make rental payments and fulfil its obligations under the MLAs, and the subsequent election of the Master Lessors to terminate the MLAs for the Master Lessees' multitude of defaults under the MLAs.

2. Other trust expenses consist of recurring expenses, legal fees and professional fees incurred in connection with the Restructuring and Strategic Review of EHT's business, the defaults under the MLAs and the termination of the MLAs by the Master Lessors (Refer to notes (xxiii), (x) and (xix) on pages 11, 6 and 10 respectively for further details) .

   Recurring expenses relate to compliance expenses, registry and secretarial fees, valuation fees, audit and tax advisory fees and other miscellaneous expenses.

   Legal and professional fees are mainly incurred in connection with the default under the MLAs and the termination of the MLAs by the Master Lessors. To the extent that any such fees are reasonably incurred in connection with any default under the MLAs, they would fall within the scope of the relevant Master Lessees' indemnity obligation under MLAs.

3. Expenses relating to temporary caretaker arrangements at certain hotels in EHT's portfolio were incurred and accrued based on the information available to the REIT Manager, due to the lack of remedial action on the part of the relevant Master Lessees to safeguard the hotels whose hotel management agreements ("HMAs") have been, amongst other things, terminated (Refer to note (iii) on page 4 for further details).

   Certain defaults by the Master Lessees under HMAs in turn constitute defaults and/or events of defaults under the MLAs entered into with the Master Lessees (being subsidiaries of EH-REIT) (Refer to note (x) on page 6 for further details). To the extent that any such fees are reasonably incurred in connection with any default under the MLAs, they would fall within the scope of the relevant Master Lessees' indemnity obligation under MLAs.

4. Other income comprises legal and professional fees, caretaker expenses and interest expense due to default rates, that are accrued in the statement of comprehensive income and to be recovered from the Master Lessees. To the extent these expenses are incurred in connection with any default under the MLAs, they would fall within the scope of the relevant Master Lessees' indemnity obligation under the MLAs.

5. Finance income comprises interest income on bank balances.

   Finance costs comprise interest expense on loans and borrowings, interest rate swaps and lease liabilities, amortisation of debt-related transaction costs, accretion of non-current security deposits measured at amortised cost.

   The finance costs have increased significantly in 3Q 2020 mainly due to the default interest accrued on the total outstanding loan balances of the Facilities Agreement, the DW Mortgage Loan, the CPDG Mortgage Loan and the HHG Mortgage Loan, with effect from the date of respective notice of defaults in accordance with the applicable provision of the relevant loan or facility agreement (Refer to notes (i), (iv), (xx) and (xxi) on pages 3, 5 and 10 respectively for further details). In addition, the increase in finance costs also attributable to the interest on overdue interest payable amount at a rate calculated in accordance with the applicable provision of the relevant loan or facility agreement.

6. The loss on termination of interest rate swap ("IRS") pertains to the amounts due and payable under the IRS agreement with effect from its termination date as a result of the notice of termination of IRS agreement received by EHT. (Refer to note (v) on page 5 for further details).

7. Impairment loss on trade receivables and non-trade receivables comprise:
   (1) Rental receivable from Master Lessees as of 30 September 2020 have been fully impaired as a result of the Master Lessee's inability to make rental payments and fulfil its obligations under MLAs, and the subsequent election of the Master Lessors to terminate the MLAs for the Master Lessees' multitude of defaults under the MLAs; and
   (2) Other receivables due from the Master Lessees which are reasonably incurred and to be recovered from the Master Lessees, in connection with the default under the MLAs, have been fully impaired as a result of uncertainty on its recoverability.

8. The change in net fair value on investment properties relates to fair value losses arising from the valuation performed on EHT's properties by independent valuers as at 31 August 2020. Refer to note 1 on page 21 for further details on the carrying amount of the investment properties.

9. Tax expense consist of current tax and deferred tax expenses. Current tax expense comprises mainly of income tax payable. Deferred tax is recognised in respect of temporary differences between the carrying amounts used, mainly derived for financial reporting purposes, and the amounts used for taxation purposes.

10. As a result of the above, EHT recorded a loss for 3Q 2020 and YTD 2020 of approximately US$556.9 million and US$604.7 million, respectively.

11. Included in distribution adjustments are the following:

	EHT					
	3Q 2020 **US$'000**	**3Q 2019** **US$'000**	**Variance** **%**	**YTD 2020** **US$'000**	**24 May 2019 to 30 September 2019**[1] **US$'000**	**Variance**[2] **%**
Distribution adjustments						
REIT Manager's management fees payable in Stapled Securities	–	1,436	n.m.	–	2,001	n.m.
REIT Trustee's fee	46	51	(9.8%)	149	74	n.m.
Amortisation of upfront debt-related transaction costs	622	605	2.8%	1,866	823	n.m.
Straight-lining of rental income, amortisation of deferred income and other revenue adjustments	(690)	(780)	(11.5%)	(2,212)	(1,109)	n.m.
Finance costs arising from lease liabilities	69	70	(1.4%)	206	93	n.m.
Net fair value change on investment properties	534,234	–	n.m.	535,291	(163,996)	n.m.
Deferred tax expense	–	–	n.m.	61	34,447	n.m.
Property tax expense	(2,146)	–	n.m.	(677)	–	n.m.
Drawdown of interest reserve account	131	296	(55.7%)	542	405	n.m.
Finance costs arising from accretion of non-current security deposits measured at amortised cost	58	–	n.m.	280	–	n.m.
Other adjustments [3]	24,580	107	n.m.	69,217	149	n.m.
Distribution adjustments	**556,904**	**1,785**	**n.m.**	**604,723**	**(127,113)**	**n.m.**

Footnotes:

(1) The comparative figures were for the period from 24 May 2019 (Listing Date) to 30 September 2019. These figures were extracted from EHT's results announcements for the period from 24 May 2019 to 30 September 2019.
(2) The actual results for the period from 24 May 2019 to 30 September 2019 covers 129 days, while YTD 2020 covers 273 days. Accordingly, the comparison of these two reporting periods is not meaningful. Please refer to Section 9 for variance analysis of the actual results for 3Q 2020 and YTD 2020 compared with the projections as disclosed in the Prospectus.
(3) This relates to an upward adjustment made to arrive at the nil distribution income for 3Q 2020 and YTD 2020 respectively.

12. There is no income available for distribution for 3Q 2020 and YTD 2020 respectively, as a result of, among other things, the Master Lessees' inability to make rental payments and fulfil its obligations under the MLAs, and the subsequent election of the Master Lessors to terminate the MLAs for the Master Lessees' multitude of defaults under the MLAs.

1(b)(i) Statements of Financial Position

	Note	EHT		EH-REIT Group		EH-BT[1]	
		As at 30 Sep 2020 US$'000	As at 31 Dec 2019 US$'000	As at 30 Sep 2020 US$'000	As at 31 Dec 2019 US$'000	As at 30 Sep 2020 US$'000	As at 31 Dec 2019 US$'000
Assets							
Non-current assets							
Investment properties	1	733,780	1,267,480	733,780	1,267,480	–	–
		733,780	**1,267,480**	**733,780**	**1,267,480**	–	–
Current assets							
Trade and other receivables	2	6,541	17,798	6,565	17,805	–	–
Cash and cash equivalents	3	38,622	76,926	38,622	76,926	–	–
		45,163	**94,724**	**45,187**	**94,731**	–	–
Total assets		**778,943**	**1,362,204**	**778,967**	**1,362,211**	–	–
Liabilities							
Non-current liabilities							
Trade and other payables	4	14,250	28,027	14,250	28,027	–	–
Loans and borrowings	5	86,714	497,516	86,714	497,516	–	–
Lease liabilities		6,836	6,855	6,836	6,855	–	–
Derivative liabilities	6	–	4,699	–	4,699	–	–
Deferred tax liabilities	7	39,561	39,501	39,561	39,501	–	–
		147,361	**576,598**	**147,361**	**576,598**	–	–
Current liabilities							
Trade and other payables	4	84,154	5,708	84,150	5,705	28	10
Loans and borrowings	5	398,420	746	398,420	746	–	–
Lease liabilities		25	25	25	25	–	–
Current tax liabilities		85	19	85	19	–	–
		482,684	**6,498**	**482,680**	**6,495**	**28**	**10**
Total liabilities		**630,045**	**583,096**	**630,041**	**583,093**	**28**	**10**
Net assets/(liabilities)		**148,898**	**779,108**	**148,926**	**779,118**	**(28)**	**(10)**
Stapled Securityholders' funds							
Stapled Securities in issue and to be issued		679,988	679,988	679,988	679,988	–	–
Issue costs		(38,417)	(38,347)	(38,417)	(38,347)	–	–
Hedging reserve	6	–	(4,699)	–	(4,699)	–	–
(Accumulated losses)/ Retained earnings	8	(492,673)	142,166	(492,645)	142,176	(28)	(10)
Total Stapled Securityholders' funds		**148,898**	**779,108**	**148,926**	**779,118**	**(28)**	**(10)**

Footnote:

(1) EH-BT was dormant during the period.

Notes:

1. Property appraisals are carried out on an annual basis by independent valuers. Investment properties were valued by independent valuers, Colliers International Consultancy & Valuation (Singapore) Pte Ltd as at 31 August 2020, and includes the recognition of right-of-use asset arising from the adoption of IFRS 16 in relation to EHT's operating lease that qualifies as an investment property and accounting for rental income on a straight-line basis.

   The decrease in investment properties was mainly due to the net fair value change of US$534.2 million recognised in 3Q 2020. The fair value loss recorded for all of EHT's investment properties were due to, amongst other things, the negative impact of COVID-19 on property operating metrics, significantly lower earnings projection and higher discount rates being applied to EHT's investment properties, the removal of the MLAs and the increase in capital expenditures required for EHT's investment properties. Colliers remarked that the decrease in valuation from the 2018 valuations remains well within the expected range cited by other industry experts as set out in the Colliers valuation report. Refer to the announcement by the Managers on 6 November 2020 titled "Announcement on Asset Valuation" for further details.

   The outbreak of COVID-19 has resulted in significant market uncertainty and unprecedented disruptions in the United States lodging industry, which we operate in. Consequently, the valuation of investment properties are subject to material estimation uncertainty. The carrying amounts of the investment properties were current as of 31 August 2020 and the values may vary or change significantly.

2. Trade and other receivables as of 30 September 2020 was lower than 31 December 2019 mainly due to:
   (1) Rental receivables from Master Lessees as of 31 December 2019 have been fully settled;
   (2) Non-trade receivables as of 31 December 2019 had been partially settled subsequent to year end 31 December 2019 and the remaining outstanding balance had been impaired due to uncertainty on the recoverability;
   (3) Rental receivable from Master Lessees recorded as of 30 September 2020 had been fully impaired as a result of (a) the Master Lessees' inability to make rental payments and fulfil its obligations under the MLAs and (b) the subsequent election of the Master Lessors to terminate the MLAs for the Master Lessees' multitude of defaults under the MLAs; and
   (4) Other receivables due from the Master Lessees which are reasonably incurred and to be recovered from the Master Lessees, in connection with the default under the MLAs, have been fully impaired as a result of uncertainty on its recoverability.

   The decrease is partially offset by prepaid retainer fees to professionals for restructuring and GST receivables as of 30 September 2020.

   Under the MLAs, the Master Lessees are to pay an interest on demand on overdue amounts at a rate calculated in accordance with the applicable MLA. Such interests have not been reflected in the statement of comprehensive income. The Master Lessors reserve the right to impose default interest on the unpaid rent. There is no certainty of the Master Lessees' ability to make its rental payments and/or relevant interest payments, under the MLAs.

3. Cash and cash equivalents as of 30 September 2020 was lower than 31 December 2019 mainly due to the payment of professional fees incurred in connection with the Restructuring and Strategic Review of EHT's business and expenses relating to temporary caretaker arrangements at certain hotels in EHT's portfolio incurred during the period, which is partially offset by the receipt of 2019 rental receivables.

   The utilisation of the cash and cash equivalents have been largely restricted since 20 March 2020 pursuant to the terms of the temporary forbearance agreement entered into with the Administrative Agent, the Lenders and the relevant entities of EHT and for the duration of such agreement. See further footnote 3 at page 26 below.

4. Trade and other payables as of 30 September 2020 was higher than 31 December 2019 mainly due to:
   (1) Distribution payable of US$30.1 million for the financial period from 24 May 2019 to 31 December 2019 (see Note 8 below);
   (2) US$5.0 million of security deposits received from Master Lessees as part of the amendment to the MLAs to grant the extension of time for Master Lessees to provide the balance of US$15.0 million of incremental security deposits by 8 June 2020 (refer to EHT announcement dated 19 March 2020 titled "Business Strategic Review and Update"). As announced by the Managers in the 29 June 2020 Announcement, the Master Lessees had not provided the outstanding security deposits of approximately US$15.0 million either in cash and/or letter of credit by the stipulated extended deadline, which, in turn, constitutes an event of default under the relevant MLAs (the "SD Defaults"). Accordingly, the EH-REIT Group has issued a notice of default in respect of the SD Defaults to the Master Lessees. (Refer to note (xix) on page 10 for further details).
   (3) Accruals for professional fees in respect of Restructuring and Strategic Review of EHT's business which have been incurred but not yet paid as at 30 September 2020;
   (4) Property tax recognised but not yet paid as at 30 September 2020;
   (5) Interest payables for loans and borrowings;
   (6) Default interests accrued on the total outstanding loan balances with effect from the date of notice of defaults in accordance with the applicable provision of the facility agreements, as a result of the notice of defaults in relation to Facilities Agreement received by EHT; and
   (7) The amounts due and payable under IRS agreement as a result of the notice of termination of IRS agreement received by EHT.

   The increase is partially offset by payments made for property taxes which were accrued as at 31 December 2019 and paid as of YTD 2020 and security deposits drawn down to offset against certain properties' YTD 2020 rental receivables.

5. As of 30 September 2020, US$341.0 million in term loans and US$61.0 million in mortgage loans had been reclassified from non-current liabilities to current liabilities, due to the notices of default and/or demands for payment received on the Facilities Agreement, the DW Mortgage Loan, the CPDG Mortgage Loan and the HHG Mortgage Loan.

   The CPDG Lender utilised US$14.7 million of cash reserve (previously set aside for utilisation upon an event of default) to partially repay the CPDG Mortgage Loan.

6. The REIT Manager had received a notice of termination of the BOTW Interest Rate Swap Agreement entered into by between EH-REIT (through one of its subsidiaries) and BOTW in relation to the Loan under the Facilities Agreement. The total amounts owing under the BOTW Interest Rate Swap Agreement was approximately US$18.3 million, with default interest accruing on such amount with effect from the termination date in accordance with the applicable provisions of the BOTW Interest Rate Swap Agreement. (Refer to note (v) on page 5 for further details). This amount has become due and payable.

7. An assessment on the deferred tax liabilities has not been performed for the 31 August 2020 valuation as it will be done based on the 31 December 2020 valuation.

8. Retained earnings as of 30 September 2020 was lower than 31 December 2019 mainly due to the loss position of EHT for period ended 30 September 2020 and the distribution for the financial period from the Listing Date to 31 December 2019 ("Distribution") as disclosed in the announcement "Notice of Record Date and Distribution Payment Date" dated 17 February 2020.

   Refer to EHT's 24 March 2020 Announcement, which states that no payment of the Distribution will be made on 30 March 2020 as originally scheduled and announced in the announcement "Notice of Record Date and Distribution Payment Date" dated 17 February 2020, pursuant to the issuance of the notice of default and acceleration in relation to the Facilities Agreement which restricts the payment of the Distribution.

   Refer to EHT's announcement dated 27 May 2020 titled "Update Announcement – Utilisation of Funds to Preserve and Protect Portfolio", whereby the Managers and the REIT Trustee, having received and reviewed the advice of their professional advisers and after consideration, had determined that it is in the best interest of EHT and the Stapled Securityholders to utilise available funds of EH-REIT (including in particular the funds constituting the security deposits available to EH-REIT, and funds that were originally intended for the payment of the Distribution) to fund the necessary and critical expenses of EHT and its underlying portfolio to protect and safeguard the asset value of EHT's portfolio, to the extent appropriate and necessary and in such manner and proportion as may be agreed with the Administrative Agent and the Lenders.

1(b)(ii) Aggregate Amount of Borrowings and Debt Securities

	EHT and EH-REIT Group	
	As at 30 Sep 2020 US$'000	**As at 31 Dec 2019 US$'000**
Secured loans and borrowings		
Amount repayable within one year	402,618	1,165
Less: Unamortised transaction costs	(4,198)	(419)
	398,420	746
Amount repayable after one year	–	416,447
Less: Unamortised transaction costs	–	(5,217)
	–	411,230
Total secured loans and borrowings	**398,420**	**411,976**
Unsecured loans and borrowings		
Amount repayable after one year	89,000	89,000
Less: Unamortised transaction costs	(2,286)	(2,714)
Total unsecured loans and borrowings	**86,714**	**86,286**
Grand total	**485,134**	**498,262**

On 20 March 2020, EHT received the Notice in relation to the Facilities Agreement, issued on behalf of Bank of America ("BofA"), the administrative agent for a syndicate of lenders on a syndicated term loan of which US$341.0 million had been borrowed. Based on the Notice, an event of default had occurred under the Facilities Agreement, due to Master Lessees' non-payment of rent under the MLAs (Refer to EHT's 24 March 2020 Announcement). (Refer to note (i) on page 3 for further details).

As announced by the REIT Manager in the 24 April 2020 Announcement, the REIT Manager had received a notice of default and demand for payment in relation to the mortgage loan dated 21 May 2019 in respect of the Delta Woodbridge with a principal amount of US$35.0 million issued by Wells Fargo, National Association. (Refer to note (iv) on page 5 for further details)

As announced by the REIT Manager in the 15 May 2020 Announcement, the REIT Manager had receive a notice of termination of the interest rate swap agreement ("BOTW Interest Rate Swap Agreement") entered into between EH-REIT (through one of its subsidiaries) and Bank of the West ("BOTW") in relation to the term loans under the Facilities Agreement (Refer to note (v) – on page 5 for further details).

As announced by the REIT Manager in the 30 October 2020 Announcement, the REIT Manager had received notices of default and demand for payment in relation to the CPDG and HHG Mortgage Loans (Refer to notes (xx) and (xxi) – on page 10 for further details).

As at 30 September 2020, these term loans were fully drawn down and US$15.6 million has been repaid for mortgage loans. The weighted average all-in cost of borrowing for 30 September 2020, including debt-related transaction costs, was 5.96%. Aggregate leverage, as defined in the Property Funds Appendix, as at the end of the period was 65.5%(1). The interest coverage ratio(2) of EHT has not been disclosed as its EBIDTA is negative, taking into consideration the impairment loss of trade and other receivables, and therefore not a meaningful ratio.

Footnotes:

(1) Aggregate leverage is calculated based on the valuation done on the investment properties done as at 31 August 2020 and includes the termination cost of the BOTW Interest Rate Swap Agreement of approximately US$18.3 million as part of the borrowings of EH-REIT. In the event that such termination cost is not included, the aggregate leverage of EH-REIT as at 30 September 2020 would be approximately 63.1%.

As set out in paragraph 9.2(a) of Appendix 6 of the Code on Collective Investment Schemes, the total borrowings and deferred payments (collectively, the "aggregate leverage") of a property fund should not, before 1 January 2022, exceed 50% of the fund's deposited property. As of 30 September 2020, the aggregate leverage of EHT is at 65.5%.Paragraph 9.4(a) of Appendix 6 of the Code on Collective Investment Schemes further provides that aggregate leverage limit is not considered to be breached if due to circumstances beyond the control of the manager there is a depreciation in the asset value of the property fund, and upon which, the manager should not incur additional borrowings or enter into further deferred payment arrangements.

(2) As set out in the Code on Collective Investment Schemes, the interest coverage ratio means a ratio that is computed as trailing 12 months EBITDA (excluding effects of any net fair value changes of derivatives and investment properties, and foreign exchange translation), over trailing 12 months borrowing costs.

1(c) Consolidated Statement of Cash Flows

	EHT		EH-REIT Group	
	3Q 2020	3Q 2019	3Q 2020	3Q 2019
	US$'000	US$'000	US$'000	US$'000
Cash flows from operating activities				
(Loss)/Profit for the period (1)	(556,904)	12,579	(556,894)	12,579
Adjustments for:				
Straight-lining of rental income, amortisation of deferred income and other revenue adjustments	(690)	(780)	(690)	(780)
Finance income	(13)	(346)	(13)	(346)
Finance costs	9,067	5,902	9,067	5,902
REIT Manager's management fee payable in Stapled Securities	–	1,454	–	1,454
Net fair value change on investment properties	534,234	–	534,234	–
Impairment loss on trade and other receivables	48,148	–	48,148	–
Tax expense	(1)	–	(1)	–
Operating income before working capital changes	**33,841**	**18,809**	**33,851**	**18,809**
Changes in working capital:				
Trade and other receivables	(48,348)	(1,407)	(48,348)	(1,407)
Trade and other payables	(4,411)	8,481	(4,421)	8,481
Net cash (used in)/generated from operating activities	**(18,918)**	**25,883**	**(18,918)**	**25,883**
Cash flows from investing activity				
Interest received	4	318	4	318
Net cash generated from investing activity	**4**	**318**	**4**	**318**
Cash flows from financing activities				
Payment of transaction costs related to the issuance of Stapled Securities	–	(732)	–	(732)
Repayment of borrowings	(14,711)	(294)	(14,711)	(294)
Movement in restricted cash	34,302	(15,986)	34,302	(15,986)
Finance costs paid	(837)	(4,992)	(837)	(4,992)
Net cash generated from/(used in) financing activities	**18,754**	**(22,004)**	**18,754**	**(22,004)**
Net (decrease)/increase in cash and cash equivalents	**(160)**	**4,197**	**(160)**	**4,197**
Cash and cash equivalents at beginning of the period	1,435	19,072	1,435	19,072
Cash and cash equivalents at end of the period (3)	**1,275**	**23,269**	**1,275**	**23,269**

Footnotes:

(1) Included in EHT's loss for 3Q 2020 is EH-BT's other trust expenses of US$10,200.

1(c) Consolidated Statement of Cash Flows

	EHT		EH-REIT Group	
	YTD 2020	**24 May 2019 to 30 September 2019[(2)]**	**YTD 2020**	**24 May 2019 to 30 September 2019[(2)]**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Cash flows from operating activities				
(Loss)/Profit for the period [(1)]	(604,723)	147,124	(604,705)	147,124
Adjustments for:				
Straight-lining of rental income, amortisation of deferred income and other revenue adjustments	(2,212)	(1,109)	(2,212)	(1,109)
Finance income	(171)	(382)	(171)	(382)
Finance costs	23,055	8,280	23,055	8,280
Loss on termination of interest rate swap	18,283	–	18,283	–
REIT Manager's management fee payable in Stapled Securities	–	2,001	–	2,001
Net Fair value change on investment properties	535,291	(163,996)	535,291	(163,996)
Impairment loss on trade and other receivables	88,460	–	88,460	–
Tax expense	125	34,447	125	34,447
Operating income before working capital changes	**58,108**	**26,365**	**58,126**	**26,365**
Changes in working capital:				
Trade and other receivables	(77,203)	(12,866)	(77,203)	(12,866)
Trade and other payables	1,233	31,189	1,215	31,189
Net cash (used in)/generated from operating activities	**(17,862)**	**44,688**	**(17,862)**	**44,688**
Cash flows from investing activities				
Acquisition of subsidiaries, net of cash acquired	–	(490,743)	–	(490,743)
Interest received	171	354	171	354
Net cash generated from/(used in) investing activities	**171**	**(490,389)**	**171**	**(490,389)**
Cash flows from financing activities				
Proceeds from issue of Stapled Securities	–	565,834	–	565,834
Proceeds from borrowings	–	465,000	–	465,000
Payment of transaction costs related to the issuance of Stapled Securities	(70)	(38,441)	(70)	(38,441)
Payment of transaction costs relating to borrowings	–	(9,795)	–	(9,795)
Repayment of borrowings	(14,993)	(458,701)	(14,993)	(458,701)
Movement in restricted cash	12,921	(48,944)	12,921	(48,944)
Finance costs paid	(5,550)	(5,983)	(5,550)	(5,983)
Net cash (used in)/generated from financing activities	**(7,692)**	**468,970**	**(7,692)**	**468,970**
Net (decrease)/increase in cash and cash equivalents	**(25,383)**	**23,269**	**(25,383)**	**23,269**
Cash and cash equivalents at beginning of the period	26,658	–	26,658	–
Cash and cash equivalents at end of the period [(3)]	**1,275**	**23,269**	**1,275**	**23,269**

Footnotes:

(1) Included in EHT's loss for YTD 2020 is EH-BT's other trust expenses of US$17,700.
(2) The comparative figures were for the period from 24 May 2019 (Listing Date) to 30 September 2019. These figures were extracted from EHT's results announcements for the period from 24 May 2019 to 30 September 2019.

(3) Cash and cash equivalents for EHT as at 30 September 2020 are follows:

	EHT and EH-REIT Group
	As at 30 Sep 2020 US$'000
Cash and cash equivalents in the statements of financial position	38,622
Less: Restricted cash [(1)]	(37,347)
Cash and cash equivalents in the consolidated statement of cash flows	**1,275**

Footnote:

(1) Restricted cash mainly relates to security deposits received in cash from the Master Lessees amounting to US$9.7 million which are pledged for term loan facilities granted to EHT, reserve funds of US$9.2 million required to be maintained under the terms of certain mortgage loans, US$0.1 million maintained to fund certain capital improvement works as required under the terms of the MLAs, and US$6.0 million in general business accounts which have been restricted for withdrawal and transfer due to the default under the Facilities Agreement. The restricted cash also includes US$12.4 million in a bank account held with DBS Bank (Hong Kong) Limited which the REIT Manager has provided irrevocable instructions not to cause or permit any withdrawal or transfers whilst discussions with the Administrative Agents and the Lenders are ongoing during the temporary forbearance period.

1(d)(i) Statements of Changes in Unitholders' Funds for the period from 1 July 2020 to 30 September 2020

	EHT					EH-REIT Group					EH-BT	
	Units in issue and to be issued US$'000	Issue expenses US$'000	Hedging reserve US$'000	Retained earnings US$'000	Total US$'000	Units in issue and to be issued US$'000	Issue expenses US$'000	Hedging reserve US$'000	Retained earnings US$'000	Total US$'000	Accumula-ted losses US$'000	Total US$'000
At the beginning of the period	679,988	(38,417)	–	64,231	705,802	679,988	(38,417)	–	64,249	705,820	(18)	(18)
Total comprehensive income for the period												
Loss for the period	–	–	–	(556,904)	(556,904)	–	–	–	(556,894)	(556,894)	(10)	(10)
Other comprehensive income												
Hedging reserve transferred to profit and loss	–	–	–	–	–	–	–	–	–	–	–	–
Total other comprehensive income	–	–	–	–	–	–	–	–	–	–	–	–
Total comprehensive income for the period	–	–	–	(556,904)	(556,904)	–	–	–	(556,894)	(556,894)	(10)	(10)
Transactions with unitholders, recognised directly in equity												
Contributions by and distributions to unitholders												
Issue costs	–	–	–	–	–	–	–	–	–	–	–	–
Total contributions by and distributions to unitholders	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total transactions with unitholders	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
At 30 September 2020	**679,988**	**(38,417)**	**–**	**(492,673)**	**148,898**	**679,988**	**(38,417)**	**–**	**(492,645)**	**148,926**	**(28)**	**(28)**

1(d)(i) Statements of Changes in Unitholders' Funds for the period from 1 July 2019 to 30 September 2019

	EHT					EH-REIT Group					EH-BT	
	Units in issue and to be issued US$'000	Issue expenses US$'000	Hedging reserve US$'000	Retained earnings US$'000	Total US$'000	Units in issue and to be issued US$'000	Issue expenses US$'000	Hedging reserve US$'000	Retained earnings US$'000	Total US$'000	Accumula-ted losses US$'000	Total US$'000
At the beginning of the period	**677,518**	**(37,722)**	–	**134,545**	**774,341**	**677,468**	**(37,722)**	–	**134,545**	**774,291**	**50**	**50**
Total comprehensive income for the period												
Profit for the period	–	–	–	12,579	12,579	–	–	–	12,579	12,579	–	–
<u>Other comprehensive income</u>												
Effective portion of changes in fair value of cash flow hedge	–	–	(7,134)	–	(7,134)	–	–	(7,134)	–	(7,134)	–	–
Total other comprehensive income	–	–	(7,134)	–	(7,134)	–	–	(7,134)	–	(7,134)	–	–
Total comprehensive income for the period	–	–	(7,134)	12,579	5,445	–	–	(7,134)	12,579	5,445	–	–
Transactions with unitholders, recognised directly in equity												
<u>Contributions by and distributions to unitholders</u>												
Issue costs	–	(719)	–	–	(719)	–	(719)	–	–	(719)	–	–
REIT Manager's management fee payable in Stapled securities	1,436	–	–	–	1,436	1,436	–	–	–	1,436	–	–
Total contributions by and distributions to unitholders	**1,436**	**(719)**	–	–	**717**	**1,436**	**(719)**	–	–	**717**	–	–
Total transactions with unitholders	**1,436**	**(719)**	–	–	**717**	**1,436**	**(719)**	–	–	**717**	–	–
At 30 September 2019	**678,954**	**(38,441)**	**(7,134)**	**147,124**	**780,503**	**678,904**	**(38,441)**	**(7,134)**	**147,124**	**780,453**	**50**	**50**

1(d)(i) Statements of Changes in Unitholders' Funds for the period from 1 January 2020 to 30 September 2020[(1)]

	EHT					EH-REIT Group					EH-BT	
	Units in issue and to be issued US$'000	**Issue expenses US$'000**	**Hedging reserve US$'000**	**Retained earnings US$'000**	**Total US$'000**	**Units in issue and to be issued US$'000**	**Issue expenses US$'000**	**Hedging reserve US$'000**	**Retained earnings US$'000**	**Total US$'000**	**Accumulated losses US$'000**	**Total US$'000**
At the beginning of the period	679,988	(38,347)	(4,699)	142,166	779,108	679,988	(38,347)	(4,699)	142,176	779,118	(10)	(10)
Total comprehensive income for the period												
Loss for the period	–	–	–	(604,723)	(604,723)	–	–	–	(604,705)	(604,705)	(18)	(18)
Other comprehensive income												
Hedging reserve transferred to profit and loss	–	–	4,699	–	4,699	–	–	4,699	–	4,699	–	–
Total other comprehensive income	–	–	4,699	–	4,699	–	–	4,699	–	4,699	–	–
Total comprehensive income for the period	–	–	4,699	(604,723)	(600,024)	–	–	4,699	(604,705)	(600,006)	(18)	(18)
Transactions with unitholders, recognised directly in equity												
Contributions by and distributions to unitholders												
Issue costs	–	(70)	–	–	(70)	–	(70)	–	–	(70)	–	–
Distribution[(2)]	–	–	–	(30,116)	(30,116)	–	–	–	(30,116)	(30,116)	–	–
Total contributions by and distributions to unitholders[(2)]	**–**	**(70)**	**–**	**(30,116)**	**(30,186)**	**–**	**(70)**	**–**	**(30,116)**	**(30,186)**	**–**	**–**
Total transactions with unitholders[(2)]	**–**	**(70)**	**–**	**(30,116)**	**(30,186)**	**–**	**(70)**	**–**	**(30,116)**	**(30,186)**	**–**	**–**
At 30 September 2020	**679,988**	**(38,417)**	**–**	**(492,673)**	**148,898**	**679,988**	**(38,417)**	**–**	**(492,645)**	**148,926**	**(28)**	**(28)**

Footnotes:

(1) The comparative figures were for the period from 24 May 2019 (Listing Date) to 30 September 2019. These figures were extracted from EHT's results announcement for the period from 24 May 2019 to 30 September 2019

(2) No payment of the Distribution had been made on 30 March 2020 as originally scheduled. (Refer to note (vii) – page 5 for further details).

1(d)(i) Statements of Changes in Unitholders' Funds for the period from 24 May 2019 to 30 September 2019

	EHT					EH-REIT Group					EH-BT	
	Units in issue and to be issued US$'000	**Issue expenses US$'000**	**Hedging reserve US$'000**	**Retained earnings US$'000**	**Total US$'000**	**Units in issue and to be issued US$'000**	**Issue expenses US$'000**	**Hedging reserve US$'000**	**Retained earnings US$'000**	**Total US$'000**	**Accumulated losses US$'000**	**Total US$'000**
At 11 April 2019 (Date of Constitution)	–	–	–	–	–	–	–	–	–	–	–	–
Total comprehensive income for the period												
Profit for the period	–	–	–	147,124	147,124	–	–	–	147,124	147,124	–	–
<u>Other comprehensive income</u>												
Effective portion of changes in fair value of cash flow hedge	–	–	(7,134)	–	(7,134)	–	–	(7,134)	–	(7,134)	–	–
Total other comprehensive income	–	–	(7,134)	–	(7,134)	–	–	(7,134)	–	(7,134)	–	–
Total comprehensive income for the period	–	–	(7,134)	147,124	139,990	–	–	(7,134)	147,124	139,990	–	–
Transactions with unitholders, recognised directly in equity												
<u>Contributions by and distributions to unitholders</u>												
Issue of new units/stapled securities at Initial public offering	676,953	–	–	–	676,953	676,903	–	–	–	676,903	50	50
REIT Manager's management fees payable in Stapled securities	2,001	–	–	–	2,001	2,001	–	–	–	2,001	–	–
Issue costs	–	(38,441)	–	–	(38,441)	–	(38,441)	–	–	(38,441)	–	–
Total contributions by and distributions to unitholders	**678,954**	**(38,441)**	**–**	**–**	**640,513**	**678,904**	**(38,441)**	**–**	**–**	**640,463**	**50**	**50**
Total transactions with unitholders	**678,954**	**(38,441)**	**–**	**–**	**640,513**	**678,904**	**(38,441)**	**–**	**–**	**640,463**	**50**	**50**
At 30 September 2019	**678,954**	**(38,441)**	**(7,134)**	**147,124**	**780,503**	**678,904**	**(38,441)**	**(7,134)**	**147,124**	**780,453**	**50**	**50**

1(d)(ii) Details of any changes in Stapled Securities

	EHT			
	3Q 2020 **No. of Stapled Securities**	**3Q 2019** **No. of Stapled Securities**	**YTD 2020** **No. of Stapled Securities**	**24 May 2019 to 30 September 2019(1)** **No. of Stapled Securities**
Stapled securities in issue:				
At the beginning of the period/At 11 April 2019 (Date of Constitution)	872,750,118	867,888,000	870,866,094	–
Movements during the period:				
- Issue of new Stapled Securities at initial public offering	–	–	–	867,888,000
- REIT Manager's management fee paid in stapled securities for the period	–	807,296	1,884,024	807,296
Total issued Stapled Securities as at the end of the period	872,750,118	868,695,296	872,750,118	868,695,296
Stapled securities to be issued:				
- REIT Manager's management fee payable for the period	–	2,170,798	–	2,170,798
Total issuable Stapled Securities as at the end of the period	–	2,170,798	–	2,170,798
Total stapled securities issued and to be issued as at end of the period	872,750,118	870,866,094	872,750,118	870,866,094

Footnote:

(1) The comparative figures were for the period from 24 May 2019 (Listing Date) to 30 September 2019. These figures were extracted from EHT's results announcement for the period from 24 May 2019 to 30 September 2019.

1(d)(iii) To show the total number of issued stapled securities excluding treasury shares at the end of the current financial period, and as at the end of the immediately preceding year

EHT does not hold any treasury stapled securities as at 30 September 2020. The total number of issued Stapled Securities in EHT was 872,750,118.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited nor reviewed.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied

EHT has applied the same accounting policies and methods of computation consistent with those used in the audited financial statements for the financial period ended 31 December 2019 in the preparation of the consolidated financial statements for the current reporting period.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Not applicable.

6 Earnings Per Stapled Security ("EPS") and Distribution Per Stapled Security ("DPS")

EPS

	EHT			
	3Q 2020	**3Q 2019**	**YTD 2020**	**24 May 2019 to 30 September 2019 (1)**
Basic EPS				
Weighted average number of Stapled Securities in issue and issuable	872,750,118	868,718,892	872,750,118	868,482,226
Basic EPS (US cents)	(63.810)	1.448	(69.289)	16.940
Diluted EPS				
Weighted average number of Stapled Securities in issue and issuable	872,750,118	870,866,094	872,750,118	870,866,094
Diluted EPS (US cents)	(63.810)	1.444	(69.289)	16.894

DPS

	EHT			
	3Q 2020	**3Q 2019**	**YTD 2020**	**24 May 2019 to 30 September 2019 (1)**
Number of Stapled Securities in issue at end of period	872,750,118	870,866,094	872,750,118	870,866,094
DPS (US cents) (2)	–	1.649	–	2.299

Footnotes:

(1) The comparative figures were for the period from 24 May 2019 (Listing Date) to 30 September 2019. These figures were extracted from EHT's results announcement for the period from 24 May 2019 to 30 September 2019.

(2) There is no income available for distribution for 3Q 2020 and YTD 2020 respectively, as a result of, among other things, the Master Lessees' inability to make rental payments and fulfil its obligations under the MLAs and the subsequent election of the Master Lessors to terminate the MLAs for the Master Lessees' multitude of defaults under the MLAs. In this regard, there is no distribution per Stapled Security.

7 Net Asset Value ("NAV") and Net Tangible Asset ("NTA") per Stapled Security based on issued and issuable stapled securities at the end of (a) the current financial period reported on and (b) immediately preceding financial year

	EHT	
	As at 30 Sep 2020	**As at 31 Dec 2019**
Number of Stapled Securities in issue and to be issued	872,750,118	872,750,118
Net asset value/net tangible assets attributable to stapled securityholders (US$'000)	148,898	779,108
NAV and NTA per Stapled Security (US cents) (1)	17.06	89.27

Footnote:

(1) The computation of NAV and NTA was based on number of stapled securities in issue and to be issued as at the end of the period. NAV and NTA is the same as there was no intangible asset as at the end of the period.

8 Review of Performance

On 24 March 2020, the REIT Manager announced that it had on 20 March 2020 received the Notice in relation to the Facilities Agreement issued on behalf of the Administrative Agent for the Lenders under the Facilities Agreement. The Notice states that as a result of such event of default, the Administrative Agent, on behalf of the Lenders under the Facilities Agreement, is entitled to and is exercising its rights and remedies under the Facilities Agreement, including the right to accelerate the entirety of the loan as a result of which a principal amount of US$341.0 million was declared to have become immediately due and owing.

As announced on 1 April 2020 in the announcement "Update Announcement – Special Committee Established" (the "1 April 2020 Announcement"), the Special Committee of the REIT Manager have been working with the Administrative Agent and the Lenders to, among other things, negotiate with an objective of obtaining an agreement with the Administrative Agent and the Lenders in respect of a longer-term forbearance agreement, including a consensual strategy moving forward. However, as disclosed in the same announcement, there is no certainty or assurance that any discussions or prospects will be successfully concluded or any definitive arrangements in relation to any transactions will be entered into, including whether there will be any satisfactory resolution with the Administrative Agent and the Lenders. Consequently, EHT's portfolio of properties remain at risk upon enforcement action by the Lenders.

Furthermore, as a result of the circumstances faced by EHT, EHT has been unable to meet its principal and/or interest repayment obligations under the other loan agreements entered into by EHT. The EH-REIT Manager has also received notices of default and demands for payment under the DW Mortgage Loan, the HHG Mortgage Loan, the CPDG Mortgage Loan and the BOTW Interest Rate Swap Agreement. While the REIT Manager has been actively engaging with the respective Lenders of the DW Mortgage Loan, the HHG Mortgage Loan and the CPDG Mortgage Loan with a view of achieving longer-term forbearance arrangements, there is similarly no certainty or assurance that any discussions or prospects will be successfully concluded or any definitive arrangements will be entered into.

The unaudited financial statements for 3Q 2020 and YTD 2020 have been prepared based on certain key assumptions and adjustments as follows:

i. The unaudited financial statements have been prepared on a going concern basis on the assumption that the any of the Lenders of EHT will not act to foreclose the entirety of the respective loans due and owing under the relevant loan or facility agreement and/or other parties do not seek to enforce their rights to any receivables.

ii. The financial effects of certain developments affecting EHT after 30 September 2020 are not reflected in the 3Q 2020 and YTD 2020 financial statements. Please refer to further announcements of the REIT Manager for more information. The REIT Manager will continue to provide update of any significant developments as and when appropriate.

Please refer to Section 9 on the review of the actual results for the Third Quarter period from 1 July 2020 to 30 September 2020 and the nine-month period from 1 January 2020 to 30 September 2020 against the projection as disclosed in the Prospectus.

9 Where a forecast, or a prospect statement, has been previously disclosed to Stapled Securityholders, any variance between it and the actual results.

Variance between Actual and Projection Results

		3Q 2020			YTD 2020		
Consolidated Statement of Comprehensive Income	**Note**	**Actual US$'000**	**Projection[1] US$'000**	**Variance %**	**Actual US$'000**	**Projection[1] US$'000**	**Variance %**
Revenue	1	16,585	25,077	(33.9%)	48,869	70,927	(31.1%)
Property expenses	2	(2,422)	(3,531)	(31.4%)	(8,181)	(10,581)	(22.7%)
Net property income		**14,163**	**21,546**	**(34.3%)**	**40,688**	**60,346**	**(32.6%)**
REIT Manager's management fees	3	–	(1,571)	n.m.	–	(4,277)	n.m.
REIT Trustee's fees		(46)	(69)	(33.3%)	(149)	(205)	(27.3%)
Other trust expenses	4	(7,131)	(482)	n.m.	(18,719)	(1,446)	n.m.
Caretaker expenses	5	(6,611)	–	n.m.	(9,972)	–	n.m.
Other income	6	34,156	–	n.m.	48,472	–	n.m.
Finance income		13	157	(91.7%)	171	471	(63.7%)
Finance costs		(9,067)	(5,766)	57.2%	(23,055)	(17,305)	33.2%
Net finance costs	7	(9,054)	(5,609)	61.4%	(22,884)	(16,834)	35.9%
Loss on termination of interest rate swap	8	–	–	n.m.	(18,283)	–	n.m.
Impairment loss on trade and non-trade receivables	9	(48,148)	–	n.m.	(88,460)	–	n.m.
(Loss)/Profit before tax and change in fair value		**(22,671)**	**13,815**	**n.m.**	**(69,307)**	**37,584**	**n.m.**
Net fair value change in investment properties	10	(534,234)	–	n.m.	(535,291)	–	n.m.
(Loss)/Profit before tax		**(556,905)**	**13,815**	**n.m.**	**(604,598)**	**37,584**	**n.m.**
Tax expense	11	1	–	n.m.	(125)	–	n.m.
(Loss)/ Profit for the period	12	**(556,904)**	**13,815**	**n.m.**	**(604,723)**	**37,584**	**n.m.**

Distribution Statement							
(Loss)/ Profit for the period	12	(556,904)	13,815	n.m.	(604,723)	37,584	n.m.
Distribution adjustments		556,904	1,900	n.m.	604,723	5,188	n.m.
Income available for distribution to Stapled Securityholders	13	**–**	**15,715**	**n.m.**	**–**	**42,772**	**n.m.**

n.m. – Not meaningful

Footnotes:

(1) The Prospectus disclosed a 12-month profit projection for the year from 1 January 2020 to 31 December 2020 (the "Projection"). Projection results were derived from the seasonal projection for 3Q 2020 and YTD 2020 respectively, based on the Projection Year 2020 as disclosed in the Prospectus.

Notes:

1. Revenue for 3Q 2020 and YTD 2020 were US$16.6 million and US$48.9 million which were 33.9% and 31.1% below projection. Revenue pertaining to financial year 2020 consist of fixed rent recognised pursuant to the MLAs prior to their termination.

   As announced by the Managers in the 28 April 2020 Announcement and the 21 June 2020 Announcement, the relevant Master Lessors (being subsidiaries of EH-REIT), with the approval of the REIT Trustee, the Administrative Agent and the Lenders, have instituted temporary caretaker arrangements with the incumbent or a new hotel manager for certain properties whereby (i) pursuant to the issue of default notices to the relevant Master Lessees under the respective hotel management agreements, the HMAs have been terminated or the applicable hotel manager was threatening to reduce management services and/or abandon the hotel in the absence of imminent caretaker action; and/or (ii) the hotels would be closed to the public for at least the immediate future in response to the COVID-19 pandemic and its unprecedented impact on the hotels, under which such hotel managers are providing temporary caretaker services at the applicable hotel in exchange for payment of monthly caretaker costs by the applicable Master Lessors. Furthermore, the impact of the global COVID-19 pandemic where travel restrictions and stay-at-home orders were imposed by governments to varying degrees since March 2020 resulted in a significant decline in our RevPAR. As of 30 September 2020, 15 out of the 18 properties in EHT's portfolio have shuttered and ceased operations for the time being.

2. Property expenses for 3Q 2020 and YTD 2020 were US$2.4 million and US$8.2 million, which were 31.4% and 22.7% lower than projection which is mainly attributed to property tax expense being recognised when EHT receives the invoice for payment whereas the projected property tax expenses derived from the Projection Year 2020 was on a pro-rata basis of 92 days and 274 days respectively.

3. REIT Manager’s management fee is calculated at 10.0% of distributable income. There is no REIT Manager’s management fee for 3Q 2020 and YTD 2020 due to the nil distributable income for 3Q 2020 and YTD 2020 respectively, as a result of, among other things, the Master Lessees' inability to make rental payments and fulfil its obligations under the MLAs, and the subsequent election of the Master Lessors to terminate the MLAs for the Master Lessees’ multitude of defaults under the MLAs.

4. Other trust expenses for 3Q 2020 and YTD 2020 were US$7.1 million and US$18.7 million, which were significantly higher than projection. This was mainly attributed to legal and professional fees incurred in connection with the Restructuring and Strategic Review, the default under the MLAs and the termination of the MLAs by the Master Lessors. (Refer to notes (xxiii), (x) and (xix) on pages 11, 6 and 10 respectively for further details)

5. Expenses relating to temporary caretaker arrangements at certain hotels in EHT's portfolio were incurred and accrued based on the information available to the REIT Manager, due to the lack of remedial action on the part of the relevant Master Lessees to safeguard the hotels whose HMAs have been, amongst other things, terminated (Refer to note (iii) on page 4 for further details).

6. Other income comprises legal and professional fees, caretaker expenses and interest expense due to default rates, that are accrued in the statement of comprehensive income and to be recovered from the Master Lessees. To the extent these expenses are incurred in connection with any default under the MLAs, they would fall within the scope of the relevant Master Lessees’ indemnity obligation under the MLAs.

7. Finance income comprises interest income on bank balances and are lower as compared to projections as cash is used to pay the various professionals due to the default under the MLAs and this was not considered when the projection was done.

   Finance costs comprise interest expense on loans and borrowings, interest rate swaps and lease liabilities, amortisation of debt-related transaction costs, accretion of non-current security deposits measured at amortised cost.

   The finance costs have increased significantly in 3Q 2020 due to the default interest accrued on the total outstanding loan balances of the Facilities Agreement, DW Mortgage Loan, CPDG Mortgage Loan and HHG Mortgage Loan with effect from the date of respective notice of defaults in accordance with the applicable provision of the relevant loan or facility agreement (Refer to notes (i), (iv), (xx) and (xxi) on pages 3, 5 and 10 respectively for further details). In addition, the increase in finance costs also attributable to the interest on overdue interest payable amount at a rate calculated in accordance with the applicable provision of the relevant loan or facility agreement.

8. The loss on termination of interest rate swap (“IRS”) pertains to the amounts due and payable under the IRS agreement with effect from its termination date as a result of the notice of termination of IRS agreement received by EHT. (Refer to note (v) on page 5 for further details)

9. Impairment loss on trade receivables and non-trade receivables comprise:
   (1) Rental receivable from Master Lessees as of 30 September 2020 which have been fully impaired as a result of, among other things, the Master Lessee's inability to make rental payments and fulfil its obligations under MLAs, and the subsequent election of the Master Lessors to terminate the MLAs for the Master Lessees' multitude of defaults under the MLAs; and
   (2) Other receivables due from the Master Lessees which are reasonably incurred and to be recovered from the Master Lessees in connection with the default under the MLAs have been fully impaired as a result of uncertainty on its recoverability.

10. The change in net fair value in investment properties relates to the fair value losses arising from the valuations performed on EHT's properties by independent valuers as at 31 August 2020. Refer to note 1 on page 21 for further details on the carrying amount of the investment properties.

11. Tax expense consist of current tax and deferred tax expenses. Current tax expense comprises mainly of income tax payable. Deferred tax is recognised in respect of temporary differences between the carrying amounts used, mainly derived for financial reporting purposes, and the amounts used for taxation purposes.

12. As a result of the above, EHT recorded a loss for 3Q 2020 and YTD 2020 of approximately US$556.9 million and US$604.7 million, respectively.

13. There is no income available for distribution for 3Q 2020 and YTD 2020 respectively, as a result of, among other things, the Master Lessee's inability to make rental payments and fulfil its obligations under the MLAs, and the subsequent election of the Master Lessors to terminate the MLAs for the Master Lessees' multitude of defaults under the MLAs.

10 Commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

As a result of the COVID-19 pandemic, many countries around the world have implemented enhanced social distancing or partial or total lockdown measures, resulting in a sharp decrease in traveller volume in the United States. Within the United States, the outbreak has been closely monitored, with stringent travel restrictions and stay-at-home orders put in place by many states, including those in which EHT's hotels operate. These developments have caused significant disruptions to market demand across EHT's hotels and have affected the revenue streams of these hotels. To date, 15 of EHT's hotels have shuttered and the cessation of operations is expected to have a significant impact on both the fixed and variable rent EHT expects to receive in 2020 which were based on pre-COVID-19 forecast.

Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("Colliers") had performed valuations of the investment properties in EHT's portfolio as at 31 August 2020, which recorded a revaluation loss of approximately US$534.2 million recognised in 3Q 2020. As set out in the 6 November 2020 Announcement, the decrease in valuation of EHT's properties is primarily due to, amongst other things, the negative impact of COVID-19 on property operating metrics, which remains unprecedented and beyond what was demanded by investors in the hospitality sector. Furthermore, the valuation of EHT's properties were also affected by the termination of the MLAs by the Master Lessors and the increase in capital expenditures required for a greater number of portfolio properties. Colliers remarked that the decrease in valuation from the 2018 valuations remains well within the expected range cited by other industry experts as set out in the Colliers valuation report. Refer to the announcement by the Managers on 6 November 2020 titled "Announcement on Asset Valuation" for further details.

As previously disclosed by the Managers in (i) the announcement "Business Strategic Review and Update" dated 19 March 2020, (ii) the 24 March 2020 Announcement, (iii) the 20 April 2020 Announcement, (iv) the 24 April 2020 Announcement, (v) the 15 May 2020 Announcement, (vi) the 21 June 2020 Announcement, (vii) the 29 June 2020 Announcement, (viii) the 14 August 2020 Announcement, (ix) the 27 August 2020 Announcement, (x) the 16 September 2020 Announcement, (xi) the 23 September 2020 Announcement, (xii) the 30 October 2020 Announcement, and (xiii) the 13 November 2020 Announcement, there have been various delinquencies on the part of Master Lessees, particularly in providing security deposits and paying for rent for the months of January to September 2020 under their master leases with EHT (prior to the termination of the same) as well as in performing various obligations under their hotel management agreements with third party hotel operators, all of which have not been remedied to date. There is currently no visibility on whether the Master Lessees will remedy these delinquencies, if at all, especially coupled with the uncertainty in business prospects due to COVID-19 as outlined in further detail below. In view of the foregoing, as disclosed in the 23 September 2020 Announcement, the Master Lessors have issued notices of termination of the MLAs to the Master Lessees pursuant to an exercise of their contractual rights thereunder and to protect the interests of EHT and its Stapled Securityholders. At the same time, contingency measures have been implemented by the Master Lessors, such as instituting temporary caretaker arrangements at some of EHT's hotels, to preserve asset value.

Despite assertions by the Master Lessees that they should be excused from non-performance by reason of provisions pertaining to force majeure and other events under the MLAs, the Managers' United States legal counsel's advice is that these assertions are without merit. The Managers' position is therefore that the Master Lessees remain fully obliged to fulfil all their obligations under the master leases and all rights of the Master Lessors against the Master Lessees under the MLAs prior to the termination of the same are expressly reserved. As set out in the 13 November 2020 Announcement, despite the issuance of the Statutory Notices and Notices of Termination to the Master Lessees, the Master Lessees did not cure their numerous defaults under the MLAs and had continued to remain in possession of the properties in EHT's portfolio without the relevant Master Lessor's consent. As such, the Master Lessors have commenced legal action against the applicable Master Lessees in the relevant States in which the applicable EHT property is located.

On a related note, as previously disclosed in the 24 March 2020 Announcement and the 1 April 2020 Announcement, as a result of the Master Lessees' non-payment of rent, a notice of default and acceleration in relation to the Facilities Agreement was issued by the Administrative Agent acting on behalf of the Lenders, declaring that a principal amount of US$341.0 million has become due and payable. As subsequently disclosed in the 15 May 2020 Announcement, pursuant to the subsequent termination of an interest rate swap arrangement with one of the Lenders under the Facilities Agreement, there has been a further addition of US$18.3 million to this outstanding amount. The Lenders under the DW Mortgage Loan, the HHG Mortgage Loan and the CPDG Mortgage Loan have also issued notices of default and/or demands for payment under their respective loan agreements. There is currently no certainty that a long-term forbearance or any other form of satisfactory resolution will be achieved with the Lenders of EHT. As such, the prospects of a consensual restructuring of EHT remains uncertain and EHT's portfolio of properties remain at risk upon enforcement action by the Lenders of EHT.

US Economic and Lodging Market Outlook[1]

As efforts continued to reopen businesses and resume activities, US Real GDP[2] is estimated to have increased at an accelerated rate of 33.1% in 3Q 2020, as compared to a contraction of 31.4% in 2Q 2020.

US job market improved with unemployment rate[3] decreasing to 7.9% as of 3Q 2020, as compared to 11.1% as of 2Q 2020. Consumer confidence[4] has also improved slightly to 80.4 in 3Q 2020, as compared to 78.1 in 2Q 2020. As of October 2020, consumer confidence has continued its recovery and is currently at 81.8.

The Lodging sector continues to face two main headwinds: a contraction in overall economic activity and the need for social distancing. This has caused a severe decline in Lodging demand, with the impact expected to be greatest in gateway cities that cater to international and business travellers, and those that accommodate large groups for conventions and conferences. The drop in foreign travellers will especially impact gateway hospitality markets such as New York, Los Angeles, Miami and Orlando.

While the aforementioned statistics are based on recent publications, the status of the pandemic continues to evolve on a real-time basis, including an overall increase in COVID-19 cases nationally with spikes in certain key US markets. A recent resurgence in coronavirus cases in the US, as well as globally, is expected to continue to curtail lodging demand as travelers seek to avoid the risk of infection. Coupled with the recent US elections and developments in respect to a potential vaccine, there remains significant uncertainty in the US economic and lodging market outlook.

[1] Source: Independent Market Research unless otherwise stated
[2] Source Bureau of Economic Analysis, United States Department of Commerce
[3] Source: Bureau of Labor Statistics, United States Department of Labor
[4] Source: University of Michigan

11 Other Risk Factors

In light of the recent events surrounding EHT, such as the termination of the MLAs by the Master Lessors, the default and acceleration of the Facilities Agreement and the outbreak of the COVID-19 pandemic, the REIT Manager wishes to highlight some of the material risks it currently faces. It should be noted that the full consequences and implications which have been disclosed in the REIT Manager' announcements thus far cannot necessarily be appreciated or assessed at this time.

The risks described below are by no means exhaustive or comprehensive, and there may be other risks in addition to those outlined below that are not known to the REIT Manager or which may not be material now but could turn out to be material in the future. Confirmations by the directors set out in paragraph 15 need to be read in the context of all disclosures to date by the REIT Manager including in this announcement and the fact that not all implications of developments and events can be assessed or known at this time.

There is material uncertainty which may cast significant doubt on EHT's ability to continue as a going concern

There cannot be any assurance that EHT can or will be operating as a going concern. As a result of the notices of default and/or demand for payment issued under the Facilities Agreement, the DW Mortgage Loan, the HHG Mortgage Loan and the CPDG Mortgage Loan, as of 30 September 2020, approximately US$402.6 million of secured loans and borrowings are repayable by EHT within one year, and exceeds EHT's unrestricted cash and cash equivalents of approximately US$1.3 million as of 30 September 2020.

As part of the Request for Proposal process, the REIT Trustee along with its advisers are currently undergoing discussions and negotiations with the Lenders of EHT with the goal of achieving a long-term forbearance agreement or the restructuring of existing loan facilities, but there can be no certainty or assurance that there will be any satisfactory resolution with EHT's Lenders. If a long-term forbearance or a successful restructuring cannot be negotiated, the Lenders of EHT will have the right to foreclose on their respective loans and exercise their rights and remedies under their respective loan or facility agreements.

In addition, the Manager along with the REIT Trustee and their advisers have continually negotiated short-term forbearance with EHT's Lenders. Similarly, there can be no certainty or assurance that short-term forbearance will continue to be secured. Absent continued forbearance, the Lenders of EHT will have the right to foreclose on their respective loan and exercise their rights and remedies under their respective loan or facility agreements.

The financial performance of EHT is dependent on the condition and outlook of the United States hospitality and lodging industry, which has been severely affected by the outbreak of COVID-19

The global impact of the COVID-19 pandemic has resulted in unprecedented impacts in the industries which we operate in, particularly the hospitality and lodging industry in the United States. It is possible that public health officials or governmental authorities in the markets in which we operate in may impose restrictions in an effort to slow the spread of COVID-19, or relax or revoke existing restrictions too quickly, which could, in any case, exacerbate the severity of adverse impacts on economies. Due to the fluid and evolving nature of the COVID-19 outbreak, there is uncertainty as to the severity of impact that COVID-19 will have on EHT. This presents a material risk to our business, financial condition, results of operations and prospects of EHT.

The Properties in EHT's portfolio may not be able to generate sufficient cash flow

There can be no assurance that the properties in EHT's Initial Portfolio will be able to generate sufficient cash flow. EHT's revenue and results of operations depend on the performance of the United States economy, which is in turn affected by, amongst others, the outbreak of the COVID-19 pandemic and global economic conditions. Any prolonged adverse effects on the United States economy could adversely affect EHT's results of operations and financial performance. The foregoing is further exacerbated by the fact that 15 out of 18 hotels in EHT's portfolio were closed due to the various defaults by the Master Lessees and remain closed as at the date of these financial statements and there is no certainty on when such hotels can be reopened, thereby posing further uncertainty on when and to what extent EHT can collect revenues from its portfolio properties.

EHT may not be able to achieve meaningful recovery from the Master Lessees

As previously disclosed in the 23 September 2020 Announcement, the REIT Manager and the REIT Trustee have directed the Master Lessors to issue notices of termination to the Master Lessees stating the Master Lessors' election to terminate the MLAs for the Master Lessees' multitude of defaults under the MLAs.

While the REIT Manager remains firmly of the position that all the rights of the Master Lessors against the Master Lessees under the MLAs are expressly reserved and the Master Lessees remain obliged to fulfil their obligations under the MLAs, there is no certainty or assurance that the Master Lessees will fulfil their obligations under the MLAs, including in particular the Master Lessees' outstanding rental obligations to EHT. Furthermore, we cannot assure that we will be able to achieve a satisfactory outcome in any potential litigation proceedings involving the Master Lessees and the MLAs.

EHT may be affected by adverse developments relating to the Sponsor and/or Master Lessees

Any adverse developments and future financial challenges, such as potential bankruptcy or insolvency of the Sponsor and/or the Master Lessees may have a material adverse effect on the financial condition and results of operations of EHT.

As disclosed in the 21 June 2020 Announcement, the REIT Manager has been informed by FTI Consulting, Inc, ("FTI") as Chief Restructuring Officers of EHT, that to the best of their estimation and computation based on information available to FTI, the total liabilities incurred by the Master Lessees under the Hotel Management Agreements in respect of EHT's properties amount to approximately US$50.7 million.

To the extent that EHT may also become involved in legal and regulatory proceedings and otherwise be subject to legal claims arising out of the adverse developments affecting the Sponsor and/or the Master Lessees, including claims by regulatory authorities, hotel franchisors and/or hotel managers operating the hotels for, *inter alia*, breaches of legal, contractual or other duties on the part of the Master Lessee, such exposure to litigation may affect EHT's reputation and have a material adverse effect on the financial condition and results of the operations of EHT.

The REIT Manager may be removed as manager of EH-REIT

On 26 October 2020, the Monetary Authority of Singapore ("MAS") had issued a Notice of Intention setting out its intention to direct the REIT Trustee to remove the REIT Manager as the manager of EH-REIT and to appoint a new manager of EH-REIT. The REIT Trustee had on 28 October 2020 issued a statement indicating that it intends to comply with such direction to remove the REIT Manager as manager of EH-REIT if it is so directed by the MAS. As announced by the Managers in the 13 November 2020 Announcement, the REIT Manager had submitted a written clarification to the MAS to clarify its position to the MAS with regard to the breaches outlined in the Notices of Intention, but the board of directors of the REIT Manager's written clarification response was not intended to set grounds as to why the MAS should not direct the REIT Trustee to remove the REIT Manager as the manager of EH-REIT.

If the MAS directs the REIT Trustee to remove the REIT Manager, the REIT Manager will, upon issuance of the written notice by the REIT Trustee in accordance with the EH-REIT Trust Deed no longer be able to continue as the manager of the EH-REIT, and the operations of EH-REIT will be adversely affected if no suitable replacement manager is found or can be found in a timely manner.

12 Distribution

(a) Current financial period

Any distributions declared for the current financial period?

No

(b) Corresponding period of the immediately preceding financial period

Any distributions declared for the corresponding period of the immediately preceding financial period?

Not applicable

(c) Date payable

Not applicable

(d) Record date

Not applicable

13 If no distribution has been declared/recommended, a statement to that effect and the reason (s) for the decision

No distribution for the current financial period was declared as there was no income available for distribution for the period from 1 January 2020 to 30 September 2020.

In light of the present circumstances facing EHT including the evolving situation of the COVID-19 pandemic and its collective impact on EHT, the liquidity of EHT, the Master Lessees' inability to make rental payments and fulfil its obligations under the Master Lease Agreements ("MLAs"), the Master Lessor's election to terminate the MLAs for the Master Lessees' multitude of defaults under the MLAs, the default and acceleration of the syndicated credit agreement (the "Facilities Agreement"), the DW Mortgage Loan, the CPDG Mortgage Loan and the HHG Mortgage Loan and the continuing inability of EHT to pay the distribution for FY2019, the REIT Manager considers that it is highly unlikely that EHT will have distributable income for distribution in accordance with the distribution policy for the financial year ending 31 December 2020

14 If the Group has obtained a general mandate from Stapled Securityholders for interested person transactions ("IPT"), the aggregate value of such transactions are required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

EHT has not obtained a general mandate from its Stapled Securityholders for interested person transactions.

15 Confirmation pursuant to Rule 705(5) of the Listing Manual

<u>Subject to the basis of preparation as set out in paragraph 8 and the matters which have been disclosed on SGXNET and events or implications arising therefrom</u>, we, on behalf of the Board of Directors of the REIT Manager and the Trustee-Manager confirm that, to the best of our knowledge, nothing has come to the attention of the board of directors of the REIT Manager and the Trustee-Manager which may render the unaudited financial results of EHT for third quarter ended 30 September 2020, to be false or misleading in any material aspect.

____________________	____________________
Salvatore Gregory Takoushian	Tan Wee Peng Kelvin
Executive Director and Chief Executive Officer	Independent Director

16 Confirmation pursuant to Rule 720(1) of the Listing Manual

We, on behalf of the board of directors of the REIT Manager and the Trustee-Manager, confirm that it has procured undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 of the Listing Manual of the SGX-ST (the "Listing Manual"), as required by Rule 720(1) of the Listing Manual.

17 Use of proceeds from Initial Public Offering

The use of proceeds raised from the initial public offering, including proceeds from the loan facilities, is in accordance with the stated uses as disclosed in the Prospectus, and is set out below:

	Amount allocated US$'000	Amount utilised US$'000	Balance US$'000
Acquisition of the Initial Portfolio	1,111,649	1,111,649	–
Issue expenses and other transaction costs	49,234	45,205	4,029
Working capital [(1)]	23,600	22,319	1,281
	1,184,483	1,179,173	5,310

Footnote:
(1) Included in the working capital is a US$16.1 million cash collateral on a secured loan.

The breakdown on the utilisation of working capital from IPO is as follows:

	Amount utilised US$'000
Debt-related transaction cost	3,123
Unused cash from IPO	(1,210)
Finance income	(66)
REIT Trustee fees	80
Utilisation of cash collateral	16,709
Other trust expenses	3,683
	22,319

The REIT Manager will make further announcements via SGXNET on the utilisation of the remainder of the IPO proceeds as and when such funds are substantially disbursed.

By Order 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. 201829918K)
(**as Trustee-Manager of Eagle Hospitality Business Trust**)

Date: 13 November 2020