IMMEDIATE RELEASE

EHT Unitholders Reject SC Capital as New Manager

- **EHT unitholders have rejected SC as replacement Manager; Lengthy restructuring efforts not in best interests of unitholders, causing depletion of REIT's cash reserves; Sponsor constantly demonstrates its efforts to save the REIT**

- **Sponsor's plans to rescue REIT blocked since August which, if acted upon, would have set the REIT onto path of recovery, instead of causing damage due to internal differences**

- **While successful businesses fight for unity during the pandemic, SC and the Trustee's proposal would have provoked conflict and driven the REIT into further hardship**

SINGAPORE, December 30, 2020 – Unitholders of Eagle Hospitality Real Estate Investment Trust (EH-REIT) today rejected SC Capital Partners (SC) as its replacement Manager at a 2:00 PM EGM (Extraordinary General Meeting), held via a digital webcast.

Resolutions 1 to 4 were inter-conditional such that they all had to be carried or fall together, although Resolutions 1, 3 and 4 were Ordinary Resolutions (requiring more than 50% of unitholders vote) and Resolution 2 was an Extraordinary Resolution (requiring more than 75% of unitholders vote). Votes were submitted electronically no later than 2:00 PM on December 27th, 2020.

After the results of the voting were announced today, it was found the SC was rejected as the replacement manager.

Urban Commons (UC), the Sponsor of EH-REIT, said unitholders obviously want additional options, and it reiterated that it should be allowed to table its plans devised since August 2020, which are in the best interests of the unitholders. Since August, the Sponsor has attempted to table multiple plans to demonstrate the best path to save the REIT but it has been blocked from presenting the plans to unitholders.

"***We believe that unitholders recognise SC's lack of experience in the US market, which is mature, unique and dynamic***", said Howard Wu, Principal at UC. "***The current pandemic has***

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highlighted structural complexities which, thanks to our experience in both the US market and in the REIT property portfolio, puts us in a strong position to address. Ever since our powers as REIT Manager had been restricted, we have witnessed the REIT's cash reserves being depleted through unnecessary restructuring efforts on the recommendations of the REIT's advisors and DBS Trustee. How is it possible that our plans, which are designed with the best interest of unitholders, remain unseen by unitholders? At the same time, alternative plans tabled by the Trustee have been rejected by unitholders. Based on today's vote, unitholders clearly agree with our view that we are not heading in the right direction. Now is the time to unite and act fast to save our REIT, and avoid liquidation at all costs, which would be disastrous to all parties involved."

UC also said that unitholders saw highly uncertain elements at EH-REIT's EGM that could allow the REIT vehicle to be driven into more hardship. In particular, the fact that the REIT's US$89.0 million unsecured loan, taken from Lodging USA Lendco, LLC (Lendco), is currently past due and in default, whereas EHT's EGM stated it is not. Lendco has, on 14 August 2020, sent out the notice of default to EHT. This kind of action creates uncertainty and may cause a major conflict with the lender. Furthermore, the attempt to remove the Manager during a global pandemic is additional, internal, conflict that will likely provoke further divisive actions between parties, potentially resulting in the removal of the master lease. The Sponsor of EHT remains adamant that now is the time to unite to save the REIT.

Wu added: "***SC's plan lacked a financial commitment, of own capital, to the REIT. I can understand why unitholders may be skeptical about a new Manager that has not contributed capital, and therefore, does not have a real stake in the REIT. We believe this is a major contributing factor in SC not receiving approval, as well as their plan not outlining the injection or raising of capital to help the REIT through these turbulent times. In addition, we saw some alarming elements to SC's proposal that could have caused unnecessary conflict between invested parties at the detriment of unitholder value, and we are pleased that unitholders recognised the same***."

 # Ends #

About Urban Commons

Urban Commons is a Los Angeles-based real estate investment and development firm with a successful track record of developing, repositioning, and rebranding assets throughout the United States. The

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company focuses on improving under-managed and underutilized assets by developing innovative solutions that promote optimal economic, social, and environmental returns.

Since its founding in 2008, Urban Commons has owned, operated and developed a variety of real estate properties including several dozen hotels, apartments, retail, office, and senior care, throughout the United States including the development of nearly one million square feet of commercial retail space.

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