



EAGLE HOSPITALITY TRUST

Comprising:

EAGLE HOSPITALITY REAL ESTATE INVESTMENT TRUST (a real estate investment trust constituted on 11 April 2019 under the laws of the Republic of Singapore)	EAGLE HOSPITALITY BUSINESS TRUST (a business trust constituted on 11 April 2019 under the laws of the Republic of Singapore)
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Update Announcement #55 – Summary Updates on EHT

1. INTRODUCTION

DBS Trustee Limited, in its capacity as trustee (the "**REIT Trustee**") of Eagle Hospitality Real Estate Investment Trust ("**EH-REIT**"), wishes to provide stapled securityholders (the "**Stapled Securityholders**") of Eagle Hospitality Trust ("**EHT**") with:

- (a) a summary update on the overview and outcome of the Chapter 11 process;
- (b) a summary update on the status of the dissolution and wind down of EH-REIT and its subsidiaries; and
- (c) information on certain investigations and proceedings relating to EHT.

2. OVERVIEW AND OUTCOME OF CHAPTER 11 PROCESS

2.1 In view of the closing of the Chapter 11 cases in the United States following the confirmation of the Chapter 11 Plan (as defined below), the REIT Trustee wishes to provide Stapled Securityholders with an overview of the outcome of the Chapter 11 Filings (as defined below) as disclosed in the REIT Trustee's previous update announcements.

Chapter 11 Filings and Chapter 11 Properties

- 2.2 As announced by the REIT Trustee on 20 January 2021 and 28 January 2021, EH-REIT and certain of its subsidiaries (collectively, the "**Chapter 11 Entities**") which owned 15 (out of the 18) properties in EH-REIT's portfolio (collectively, the "**Chapter 11 Properties**") had to, among other things, seek insolvency protection of the United States Bankruptcy Court by filing for voluntary petitions for relief under Chapter 11 (the "**Chapter 11 Filings**").
- 2.3 With the supervision and approval of the United States Bankruptcy Court, a bidding process was subsequently carried out for the sale of the Chapter 11 Properties, pursuant to which 14 (out of the 15) of the Chapter 11 Properties were successfully sold to various bidders. No qualified bids were received for the Chapter 11 Property known as the "Queen Mary Long Beach".

- 2.4 At a hearing held on 28 May 2021 (United States time), the United States Bankruptcy Court approved the sale of the 14 Chapter 11 Properties (which excludes the Queen Mary Long Beach property) to the successful bidders. The sale of the 14 Chapter 11 Properties had completed in June 2021. The aggregate gross consideration from the sale of the 14 Chapter 11 Properties is US\$481.9 million.

Queen Mary Long Beach property – Surrender to City of Long Beach, California

- 2.5 As no qualified or viable bids were received for the Queen Mary Long Beach property, the Queen Mary Long Beach property was surrendered to the City of Long Beach, California (being the head lessor of the property). There is no disposal value associated with the surrender of the Queen Mary Long Beach property.

Non-Chapter 11 Properties

- 2.6 In respect of the 3 properties previously in EH-REIT's portfolio that had not filed for Chapter 11 protection together with the Chapter 11 Entities (being the Delta Woodbridge property, the Hilton Houston Galleria property and the Crowne Plaza Dallas Near Galleria-Addison property) (collectively, the "**Non-Chapter 11 Properties**"):

- (a) **Delta Woodbridge property:** A receiver was appointed by the Superior Court of New Jersey upon application by the lender of the mortgage loan relating to the property, and the property was eventually sold for a purchase price of US\$22.3 million (being the highest and best offer received).
- (b) **Hilton Houston Galleria property:** A receiver was appointed by the district court of Harris County, Texas upon application by the lender which foreclosed on the mortgage loan relating to the property, and the property was eventually sold for a purchase price of US\$14.0 million (being the highest bid received).
- (c) **Crowne-Plaza Dallas Near Galleria-Addison property:** An auction was held in April 2021 and the property was eventually sold, with an aggregate consideration received for such sale amounting to US\$16.82 million.

- 2.7 The net proceeds of the disposals of the Delta Woodbridge property and the Hilton Houston Galleria property were insufficient to cover the whole outstanding principal balances due under the respective mortgage loans relating to the properties.

- 2.8 The proceeds for the disposal of the Crowne-Plaza Dallas Near Galleria-Addison property were used to repay, among other things (a) the amounts owed under the mortgage loan obtained in respect of the property, (b) other disposal-related expenses (including professional fees) and (c) other unsecured claims including outstanding accounts payable. Any nominal net proceeds remaining after making such repayments were distributed upstream to the Chapter 11 Entities, and formed part of the pool of assets which were subject to the Chapter 11 process.

- 2.9 Please refer to Appendix 1 to this Announcement which sets out a summary of the disposal value obtained from the sale of the properties.

Confirmation of the Chapter 11 Plan

- 2.10 Subsequent to the aforementioned disposals, a chapter 11 plan of liquidation (the "**Chapter 11 Plan**") was filed with the United States Bankruptcy Court together with a disclosure statement (the "**Disclosure Statement**").

2.11 In summary, the Chapter 11 Plan and the Disclosure Statement:

- (a) sets out the total debts and liabilities of the Chapter 11 Entities (excluding Urban Commons Queensway, LLC ("**UCQ**"), being the Chapter 11 Entity that had previously held the Queen Mary Long Beach property) (the "**Liquidating Chapter 11 Entities**"), which in aggregate amounted to an excess of US\$415 million¹;
- (b) sets out the details on the allocation of the net sale proceeds from the sale of the Chapter 11 Properties to the Liquidating Chapter 11 Entities' creditors and other stakeholders. In respect of such allocation:
 - (i) all costs of administration of the Chapter 11 Filings (including professional fees and expenses and post-petition expenses of operating the business) and debtor-in-possession financing have priority over all other claims;
 - (ii) thereafter, all prepetition creditors and trade creditors of the Liquidating Chapter 11 Entities will be paid in the order of priority of their respective rights under the United States Bankruptcy Code (which includes the US\$380 million owing under the BAML Facilities Agreement² (including accrued interest)); and
 - (iii) to the extent any value remains, other junior creditors would be paid;
- (c) provides that the Stapled Securityholders would receive contingent interests in a liquidating trust (the "**Liquidating Trust**") that would entitle them to a distribution only if there is value available at EH-REIT and only if holders of claims against EH-REIT have been paid in full;
- (d) provides that the Liquidating Trustee (being a person jointly selected by the Committee of Unsecured Creditors of the Chapter 11 Entities and BAML) will be authorised to take all actions reasonably necessary to dissolve the Liquidating Chapter 11 Entities (excluding EH-REIT and its Singapore-incorporated subsidiaries, Eagle Hospitality Trust S1 Pte. Ltd. and Eagle Hospitality Trust S2 Pte. Ltd. (the "**Singapore Subsidiaries**"), and together with EH-REIT, the "**Singapore Chapter 11 Entities**");
- (e) provides that funding will be provided to conduct an orderly wind-down of the Singapore Chapter 11 Entities. In this regard, the REIT Trustee will be authorised to take all actions reasonably necessary to dissolve the Singapore Chapter 11 Entities; and
- (f) provides that the Liquidating Trustee and the REIT Trustee shall have standing and be entitled to investigate and, if appropriate, pursue any causes of action relating to Liquidating Chapter 11 Entities (the "**Potential Causes of Action**")³.

2.12 The United States Bankruptcy Court had on 20 December 2021 (United States time) entered an order confirming the Chapter 11 Plan (hereinafter referred to as the "**Confirmed Plan**"), and the effective date of the Confirmed Plan took place on 28 December 2021 (United States time).

¹ Such figure does not take yet take into account, among other things, debtor-in-possession financing, professional fees and administrative expenses incurred during the course of the Chapter 11 cases.

² Refers to the syndicated credit agreement dated 16 May 2019 entered into by EH-REIT, through certain of its subsidiaries, with a syndicate of lenders in respect of term loan facilities and/or a revolving credit facility, which was EH-REIT's largest debt facility with US\$341.0 million having been borrowed thereunder. Bank of America, N.A. ("**BAML**") is the administrative agent of the BAML Facilities Agreement.

³ Includes any causes of action EH-REIT, the REIT Trustee or the Singapore Chapter 11 Entities may have (the "**Potential Singapore Causes of Action**").

- 2.13 Please refer to Appendix 2 to this Announcement for a summary of the disbursements made pursuant to the Confirmed Plan to the creditors and other stakeholders of EH-REIT and its subsidiaries as well as to satisfy other costs and expenses associated with the Confirmed 11 Plan. Appendix 2 to this Announcement has been prepared with the assistance of the professional advisers and based on information that has been made available to the REIT Trustee.
- 2.14 As of the date of this Announcement, EH-REIT and its subsidiaries no longer holds any properties in its portfolio and interim disbursements have been made under the terms of the Confirmed Plan. Following such disbursements and as at 1 September 2023, there is a remaining amount of approximately US\$400,000 which will eventually be utilised to pay creditors in the United States and expenses and costs relating to the administration of the Liquidating Trust.
- 2.15 **For the avoidance of doubt:**
- (a) **Stapled Securityholders will not receive any distributions resulting from the sale of the properties; and**
 - (b) **it is not currently expected that Stapled Securityholders will receive any distributions on account of its contingent interests in the Liquidating Trust.**

3. STATUS OF DISSOLUTION AND WIND DOWN OF EH-REIT AND ITS SUBSIDIARIES

3.1 Liquidating Chapter 11 Entities (excluding the Singapore Chapter 11 Entities) and Non-Chapter 11 Entities

- (a) The Liquidating Chapter 11 Entities⁴ incorporated in the United States have been wound down and dissolved under the applicable laws. All of the EH-REIT subsidiaries that own the Non-Chapter 11 Properties (the "**Non-Chapter 11 Entities**") have also been wound down and dissolved under the applicable laws.
- (b) The Liquidating Trustee is finalising the winding down of the Liquidating Chapter 11 Entities incorporated in the Cayman Islands, and this process is expected to be completed in the next few months.

3.2 Singapore Chapter 11 Entities

- (a) As announced on 17 August 2023, the REIT Trustee had commenced the liquidation process of the Singapore Subsidiaries by way of a members' voluntary resolution.
- (b) The REIT Trustee will only be able to commence the liquidation process of EH-REIT once the liquidation process for all the other Liquidating Chapter 11 Entities (including the Singapore Subsidiaries) have been completed.

⁴ Other than UCQ. UCQ's Chapter 11 case has been converted into a Chapter 7 case and a Chapter 7 trustee has been appointed to oversee the administration of the liquidation of UCQ.

4. CERTAIN INVESTIGATIONS AND PROCEEDINGS RELATING TO EHT

4.1 The REIT Trustee also wishes to provide Stapled Securityholders with information on certain investigations and proceedings relating to EHT and certain of its related parties.

4.2 The Sponsor Individuals

(a) As announced on 27 May 2021, UCQ had filed a complaint and motion against, amongst others, Mr Howard Wu and Mr Taylor Woods (collectively, the "**Sponsor Individuals**") in the United States Bankruptcy Court in respect of the unauthorised loan application made by the Sponsor Individuals on behalf of UCQ under the United States Paycheck Protection Programme ("**PPP Loan Application**").

(b) The United States Bankruptcy Court had on 14 September 2021 granted summary judgement in favour of UCQ compelling, among other things, the freezing of the Sponsor Individuals' assets. The REIT Trustee has been subsequently informed that Mr Howard Wu has since received a bankruptcy discharge in his personal bankruptcy case in the United States Bankruptcy Court. An involuntary bankruptcy petition was filed against Mr Taylor Woods and he has since reached a settlement with the petitioning creditors whereby a "Creditor Trust" was created for the benefit of certain eligible parties and his bankruptcy case was closed in May 2023.

4.3 Potential Causes of Action

(a) Pursuant to the Confirmed Plan, the Liquidating Trustee and the REIT Trustee have the standing and are entitled to investigate any Potential Causes of Action relating to the Liquidating Chapter 11 Entities.

(b) In this regard, the REIT Trustee has taken, amongst other things, the following actions in its investigation of the Potential Singapore Causes of Actions to date:

(i) The REIT Trustee applied to the High Court of the Republic of Singapore in December 2021 and obtained an order that the former manager of EH-REIT (the "**Former REIT Manager**") provides its books, documents, records and any other property held by or on behalf of the Former REIT Manager relating to EH-REIT (the "**Manager Documents**"). The Manager Documents might contain documents or information covered by legal privilege and hence were subject to a third party review process before the Manager Documents could be handed over to the REIT Trustee.

(ii) The Manager Documents were provided to the REIT Trustee in end March 2023 and are being reviewed by the REIT Trustee and its legal adviser.

(c) As the investigations into the Potential Causes of Action are confidential in nature, the REIT Trustee is unable to provide any further updates at this time. The REIT Trustee will keep Stapled Securityholders updated on any material developments relating to the Potential Causes of Action, as and when necessary and appropriate.

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

Issued by:

DBS Trustee Limited

(Company Registration No.: 197502043G)

as trustee of Eagle Hospitality Real Estate Investment Trust

Date: 25 October 2023

APPENDIX 1

SUMMARY OF PROPERTIES AND DISPOSAL VALUE

No.	Property	Disposal Value (US\$'mil)	Status of Property Disposal
Chapter 11 Properties			
1.	Holiday Inn Resort Orlando Suites – Waterpark	326.5	Completed on 24 June 2021 (United States time)
2.	Holiday Inn Denver East-Stapleton		
3.	Renaissance Denver Stapleton		
4.	Holiday Inn Hotel & Suites Anaheim		
5.	Holiday Inn Hotel & Suites San Mateo		
6.	Sheraton Pasadena		
7.	Crowne Plaza Danbury		
8.	Westin Sacramento		
9.	Embassy Suites by Hilton Palm Desert		
10.	Sheraton Denver Tech Center	9.2	Completed on 3 June 2021 (United States time)
11.	Four Points by Sheraton San Jose Airport	41.1	
12.	Embassy Suites Hilton Anaheim North	33.1	
13.	Doubletree by Hilton Salt Lake City Airport	33.8	
14.	Hilton Atlanta Northeast	38.2	Completed on 8 June 2021 (United States time)
15.	Queen Mary Long Beach	N.A.	Surrendered on 4 June 2021 (United States time) to the City of Long Beach, California
Total Disposal Value from sale of Chapter 11 Properties (US\$'mil)		481.9	
Non-Chapter 11 Properties			
16.	Delta Woodbridge	22.3	Completed on 8 December 2021 (United States time)
17.	Hilton Houston Galleria	14.0	Completed on 1 February 2022 (United States time)
18.	Crowne-Plaza Dallas Near Galleria Addison	16.8	Completed on 12 October 2021 (United States time)
Total Disposal Value from sale of Non-Chapter 11 Properties (US\$'mil)		53.1	

APPENDIX 2

SUMMARY OF DISBURSEMENTS⁵

A. Pursuant to Confirmed Plan

As at 1 September 2023	(US\$'mil)
Amount available for disbursement in connection with the Confirmed Plan	
Total disposal value of Chapter 11 Properties ⁶	481.9
Less: selling costs and sale prorations	(5.3)
Net proceeds	476.6
Cash, Miscellaneous proceeds & others	9.6
Total amount available for disbursement	486.2
Categories of Disbursements made pursuant to the Confirmed Plan	
(a) DIP Financing facility repayment (including interest) ⁷	41.1
(b) Creditor disbursements:	
(i) Secured and/or priority tax and other secured claims	5.5
(ii) BAML Facilities Agreement (including pre-petition interest and charges) ⁸ and swap claim ⁹	372.9
(iii) Trade and other unsecured claims	16.2
(c) Winddown and administrative disbursements ¹⁰	50.1
Remaining Cash Balance¹¹	0.4

⁵ Prepared based on information made available to the REIT Trustee.

⁶ Excludes the Queen Mary Long Beach property. As stated in paragraph 2.5 of this Announcement, the Queen Mary Long Beach property was surrendered to the City of Long Beach, California, and accordingly there is no disposal value associated with the surrender of the Queen Mary Long Beach property.

⁷ Refers to Debtor-In-Possession financing that was obtained by the Chapter 11 Entities in connection with the Chapter 11 Filings ("**DIP Financing**"). The DIP Financing was used to pay for certain fees, costs and expenses incurred by the Chapter 11 Entities in connection with and/or pursuant to the Chapter 11 Filings on an as-needed basis, which included, among other things, monthly administrative expenses of maintaining and operating EH-REIT, critical operating expenses required to maintain the properties in EH-REIT's portfolio (including the Non-Chapter 11 Properties), and legal and other professional fees and expenses incurred pursuant to the Chapter 11 Filings.

⁸ Refers to the syndicated credit agreement dated 16 May 2019 entered into by EH-REIT, through certain of its subsidiaries, with a syndicate of lenders in respect of term loan facilities and/or a revolving credit facility, which was EH-REIT's largest debt facility with US\$341.0 million having been borrowed thereunder. BAML is the administrative agent of the BAML Facilities Agreement.

⁹ Refers to the interest rate swap agreement with Bank of the West in the United States in relation to the BAML Facilities Agreement.

¹⁰ Includes amounts spent and/or approved under the Confirmed Plan in connection with and/or pursuant to the Chapter 11 Filings on an as-needed basis, legal and other professional fees and expenses incurred pursuant to the Chapter 11 Filings by, among others, the administrative agent of the DIP Financing, the lenders of the DIP Financing, professionals retained by the Committee of Unsecured Creditors, the U.S. Trustee, and professionals retained by the Chapter 11 Entities, as approved by the United States Bankruptcy Court. It also includes costs associated with the dissolution and/or winding down of the Liquidating Chapter 11 Entities.

¹¹ As at 1 September 2023, there is a remaining amount of US\$400,000 which will eventually be utilised to pay creditors in the United States and expenses and costs relating to the administration of the Liquidating Trust.

B. In respect of Non-Chapter 11 Properties

No.	Property	Category of Disbursement	Disbursements (US\$'mil)
1.	Delta Woodbridge	Outstanding principal balance under mortgage loan	22.3
2.	Hilton Houston Galleria	Outstanding principal balance under mortgage loan	14.0
3.	Crowne-Plaza Dallas Near Galleria Addison	<p>Disposal value</p> <p><u>Disbursements:</u></p> <p>(a) Sale prorations, disposal-related expenses and other unsecured claims</p> <p>(b) Outstanding principal balance under mortgage loan</p> <p>(c) Remaining amount contributed to the pool of assets subject to the Chapter 11 process</p>	<p>16.8</p> <p>1.4</p> <p>13.3</p> <p>2.1</p>
Total disbursements from sale of Non-Chapter 11 Properties			<u>53.1</u>

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