ACROPHYTE HOSPITALITY TRUST

A stapled group comprising:

ACROPHYTE HOSPITALITY PROPERTY TRUST
(a real estate investment trust constituted on 24 September 2018 under the laws of the Republic of Singapore) managed by
Acrophyte Hospitality Trust Management Pte. Ltd.

ACROPHYTE HOSPITALITY MANAGEMENT TRUST
(a business trust constituted on 29 October 2018 under the laws of the Republic of Singapore) managed by
Acrophyte Hospitality Business Trust Management Pte. Ltd.

PROPOSED SALE OF HYATT PLACE DETROIT LIVONIA

1. Introduction

Acrophyte Hospitality Trust Management Pte. Ltd., in its capacity as manager of Acrophyte Hospitality Property Trust ("**ACRO-REIT**"), and Acrophyte Hospitality Business Trust Management Pte. Ltd., in its capacity as trustee-manager of Acrophyte Hospitality Management Trust ("**ACRO-BT**") (collectively known as the "**Managers**"), wish to announce that Acrophyte Hospitality Trust ("**ACRO-HT**"), through its indirect wholly-owned subsidiary, ARA USH Chicago, LLC (the "**Vendor**"), has on 8 December 2025 (U.S. Time) entered into a conditional purchase and sale agreement (the "**PSA**") with NJA Management Group LLC (the "**Purchaser**"), pursuant to which the Vendor has agreed to sell to the Purchaser, Hyatt Place Detroit Livonia ("**HPDL**", the "**Hotel**" or the "**Property**") (the "**Proposed Sale**"), for a consideration of US$10.0 million (the "**Sale Consideration**"), subject to closing adjustments in accordance with the PSA.

2. Information on the Proposed Sale

Description of the Property

The Hotel, which commenced operations in 1998, with 127 rooms, is located in Livonia, a suburb of Detroit Michigan. The Hotel is situated off Highway 275 within a retail center. The Hotel is predominantly surrounded by residential buildings, but there are also healthcare offices and several industrial parks.

Sale Consideration and Valuation

For the purposes of the Proposed Sale, an independent valuation on HPDL was commissioned by DBS Trustee Limited, as trustee of ACRO-HT (the "**Trustee**"). The independent appraiser, HVS Consulting and Valuation, valued the Hotel at US$10.3 million (the "**Independent Valuation**") as at 31 July 2025 based on the income capitalization and the sales comparison approach. The Sale Consideration is negotiated on a willing-buyer and willing-seller basis, taking into account the Independent Valuation, and represents a 2.9% discount to the Independent Valuation. The Sale Consideration will be satisfied wholly in cash.

In accordance with the trust deed dated 24 September 2018 constituting ACRO-REIT, the trust deed dated 29 October 2018 constituting ACRO-BT and the stapling deed dated 17 April 2019, each as amended, supplemented and/or restated from time to time (the "**Trust Deeds**"), the Managers are entitled to a divestment fee of approximately US$50,000, being 0.5% of the Sale Consideration. In addition, the sale is expected to incur approximately US$495,000 of transaction costs. Accordingly, the net divestment proceeds are estimated to be approximately US$9.5million.

The divestment is expected to be completed in the first quarter of 2026.

3. Rationale for the Proposed Sale

The Managers believe that the Proposed Sale will bring the following key benefits to the stapled securityholders of ACRO-HT (the "**Stapled Securityholders**"):

HPDL is a Non-Core and Underperforming Asset

HPDL ranks at the bottom quartile of ACRO-HT's portfolio in terms of its contribution to both valuation and gross operating profit ("**GOP**"). As one of the smallest assets within the portfolio, the Hotel accounted for 1.5% of ACRO-HT's total portfolio value as at 31 December 2024. Its GOP margin stood at 20.3% in 2024, significantly below ACRO-HT's portfolio average of 35.3% in 2024. The Hotel also continues to underperform with a revenue per available room ("**RevPAR**") Index ("**RPI**") of just 94% in 2024. As a result of market conditions and continuing underperformance, the property value as at 31 December 2024 has declined 28.9% since 2019. Moreover, the suburb of Detroit faces a difficult labour market, characterised by a shortage of skilled talent, which has led to staffing challenges at the Hotel and increased operational inefficiencies.

Furthermore, the Hotel is one of the older assets in ACRO-HT's portfolio and will require a sizeable capital expenditure relative to its value. A significant portion of this expenditure will go toward addressing deferred maintenance and meeting brand requirements, without offering much upside given prevailing market dynamics. By selling this asset, ACRO-HT can avoid unnecessary capital outlay and redeploy resources more effectively toward higher-performing assets in the portfolio.

Strengthen Balance Sheet and Fund Capital Expenditure Requirements

The Proposed Sale will free up capital which can be redeployed to either 1) fund the capital expenditure needs in relation to the ongoing renovation requirements of the existing portfolio; or 2) pare down existing bank borrowings to improve the portfolio's average leverage ratio and increase debt headroom; or 3) acquire accretive and higher yield properties; or 4) meet general working capital needs.

4. Salient Terms of the PSA

The PSA contains provisions customary to the Property's jurisdiction, including representations and warranties, indemnities and other commercial terms. The principal terms of the PSA include, amongst others, the following:

1) An initial deposit of US$200,000 shall be payable by the Purchaser to an escrow agent under the PSA (the "**Deposit**"). Save in accordance with the terms of the PSA, the Deposit is non-refundable and will be applied towards the Sale Consideration payable at completion of the Proposed Sale ("**Completion**"). The due diligence period of the Proposed Sale for the Purchaser to conduct due diligence on the Property commenced on the date of signing of the PSA and shall continue until 5.00 P.M. (Eastern Time) on the date that is 45 days following the date of signing of the PSA, and Completion shall take place on or before the date that is 45 days after the

expiration of the due diligence period (the "**Completion Date**").

2) The PSA is subject to the fulfilment of (unless otherwise waived) of certain conditions precedent, including but not limited to, the following:

(a) Completion of the Purchaser's due diligence on the Property, the results of which are satisfactory to the Purchaser;

(b) Each of the representations and warranties made by the Purchaser and the Vendor be true and correct in all material aspects when made and on as of the Completion Date as though such representations and warranties were made on and as of the Completion Date;

(c) the covenants and obligations of the Purchaser and the Vendor required to be performed or complied with by the Purchaser or the Vendor (as the case may be) on or before Completion having been performed or complied with in all material aspects;

(d) Vendor having terminated the existing management agreement between Avion Hospitality, LLC (the "**Manager**"), as the manager of the Property and the Vendor (or its affiliate), with respect to the Property and any lease agreement with ARA USH Chicago Tenant, LLC, the tenant;

(e) (I) the Vendor having received (a) evidence acceptable to it that the Purchaser has obtained consent from Hyatt Place Franchising L.L.C., the franchisor of the Hotel (the "**Franchisor**"), to the transfer of the franchise rights granted under an existing franchise agreement (the "**Existing FA**") to the Purchaser (the "**Franchisor Consent**") which may require, among other things as determined by the Franchisor, a replacement franchise agreement being entered into by the Purchaser to assume the obligations of the Existing FA or (b) (if the Franchisor requires a new franchise agreement to be entered into with the Purchaser) a termination of the Existing FA from the Franchisor without being required to pay any termination fee, penalty, damages or other similar charges, (II) the Vendor, together with any of its affiliates that are directly or indirectly obligated under the Existing FA, having been released by the Franchisor from any obligations under the Existing FA and/or any guaranty(ies) thereof, pertaining to the period on and after Completion;

(f) no order or injunction of any court or administrative agency of competent jurisdiction nor any statute, rule, regulation or executive order promulgated by any governmental authority of competent jurisdiction shall be in effect as of Completion which restrains, materially delays or prohibits the Proposed Sale or the consummation of any other transaction contemplated hereby;

(g) the Vendor having received all of the relevant completion deliverables required to be delivered by the Purchaser under the PSA;

(h) (i) the Vendor having received from the Purchaser the Sale Consideration and all other amounts due to the Vendor from the Purchaser under the PSA; and (ii) subject to the payment of all title insurance premiums as provided under the PSA, the title insurer being prepared to issue a title insurance policy without endorsements insuring the Purchaser's title to the Property, subject to permitted exceptions under the PSA, in an amount equal to the portion of the Sale Consideration allocated to the real property pursuant to the allocation set out in the PSA.

3) Representations and warranties customary to a transaction of this nature and in line with usual market practice in the U.S. have been given by the Vendor under the PSA.

5. Use of Proceeds

The Managers intend to use the net proceeds from the Proposed Sale in the near term to fund the capital expenditure needs related to ongoing renovations of the existing portfolio, pare down existing bank borrowings, acquire accretive and higher yield properties, or meet general working capital needs.

6. Pro Forma Financial Effects

FOR ILLUSTRATIVE PURPOSES ONLY: The pro forma financial effects of the Proposed Sale on the distribution per stapled security of ACRO-HT ("**Stapled Security**" and the distribution per Stapled Security, "**DPS**") and Net Asset Value ("**NAV**") per Stapled Security presented below were prepared based on the audited financial statements of ACRO-HT for the financial year ended 31 December 2024 ("**FY 2024**").

For the purposes of the pro forma financial effects of the Proposed Sale, it is assumed that (i) (for the purposes of computing the pro forma DPS) the sale of the Property was completed on 1 January 2024, and (ii) (for the purposes of computing the pro forma NAV per Stapled Security) the sale of the Property was completed on 31 December 2024.

Pro Forma DPS

The pro forma financial effects of the Proposed Sale on ACRO-HT's DPS as at 31 December 2024, as if ACRO-HT had completed the sale on 1 January 2024, are as follows:

	Before the Divestment	After the Divestment
Distributable Income available[(1)] (US$000)	10,282	10,827
Total number of Stapled Securities[(2)] ('000)	580,103	580,103
DPS (US Cents)	1.772	1.866

Notes:

(1) The figures set out are purely for illustrative purposes only and assumes the corresponding reduction in reserves set aside for HPDL's capital expenditure for FY 2024 and the repayment of loan and borrowings using the net proceeds from the Proposed Sale as if it was completed on 1 January 2024.

(2) Number of Stapled Securities in issue and to be issued as at 31 December 2024.

Pro Forma NAV

The pro forma financial effects of the Proposed Sale on ACRO-HT's NAV per Stapled Security as at 31 December 2024, as if the Proposed Sale was completed on 31 December 2024, are as follows:

	Before the Divestment	After the Divestment
NAV[(1)] ($'000)	423,907	422,563
Total number of Stapled Securities ('000)	580,103	
NAV per Stapled Security (US$)	0.73	0.73

Notes:

(1) Number of Stapled Securities in issue and to be issued as at 31 December 2024.

7. Disclosable Transaction

Based on the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual, the Proposed Sale is a "Disclosable Transaction" within the meaning of Rule 1010 of the Listing Manual. The relative figures for the Proposed Sale using the applicable bases in Rule 1006(a), (b) and (c) of the Listing Manual are set out in the table below.

Comparison of	Proposed Sale	ACRO-HT	Relative figure
NAV (US$'000)	10,300[(1)]	423,907[(2)]	2.4%
NPI[(3)] (as defined below) (US$'000)	197	44,337	0.4%
Consideration against market capitalization (US$'000)	10,000	145,026[(4)]	6.9%

Notes:

(1) Refers to the NAV of HPDL

(2) Refers to the NAV of the portfolio of ACRO-HT

(3) In the case of a property trust, the net property income ("**NPI**") is a close proxy to the net profits or loss attributable to its assets.

(4) The figure is calculated based on 580,102,394 Stapled Securities in issue multiplied by the weighted average price of US$0.250 per Stapled Security on the SGX-ST as 8 December 2025, being the market day immediately prior to 9 December 2025 (being the date of exchange of the PSA on 8 December 2025 (U.S. time)).

8. Interest of Directors and Controlling Stapled Securityholders.

As at the date of this announcement, certain directors of the Managers collectively hold an aggregate direct and deemed interest in 248,000 Stapled Securities. The Managers are wholly-owned subsidiaries of Acrophyte Asset Management Pte. Ltd., a wholly-owned subsidiary of the sponsor of ACRO-HT.

Save as disclosed in this announcement and based on the information available to the Managers as at the date of this announcement, none of the directors of the Managers or the controlling Stapled Securityholders has an interest, direct or indirect, in the Proposed Sale.

9. Directors' Service Contracts

No person is proposed to be appointed as a director of the Managers in connection with the Proposed Sale or any other transactions contemplated in relation to the Proposed Sale.

10. Documents for Inspection

Copies of the PSA and the valuation report for the Independent Valuation are available for inspection, by appointment, at the Managers' registered office located at 10 Anson Road #23-15, International Plaza, Singapore 079903 during business hours for a period of three months commencing from the date of this announcement.

BY ORDER OF THE BOARD
ACROPHYTE HOSPITALITY TRUST MANAGEMENT PTE. LTD.
(Company registration no. 201829676W)
As manager of Acrophyte Hospitality Property Trust

ACROPHYTE HOSPITALITY BUSINESS TRUST MANAGEMENT PTE. LTD.
(Company registration no. 201829682G)
As trustee-manager of Acrophyte Hospitality Management Trust

Lee Jin Yong
Chief Executive Officer
10 December 2025

For enquiries, please contact:
Investor Relations
Email: ir-enquiry@acrophyte.com

ABOUT ACROPHYTE HOSPITALITY TRUST

Listed on the Singapore Exchange on 9 May 2019, Acrophyte Hospitality Trust (formerly known as ARA US Hospitality Trust) ("**ACRO-HT**") is a hospitality stapled group comprising Acrophyte Hospitality Property Trust ("**ACRO-REIT**") (formerly known as ARA US Hospitality Property Trust) and Acrophyte Hospitality Management Trust ("**ACRO-BT**") (formerly known as ARA US Hospitality Management Trust). ACRO-HT invests in income-producing real estate assets used primarily for hospitality purposes located in the United States. As at the date of this announcement, ACRO-HT's portfolio comprises 32 select-service hotels with a total of 4,188 rooms across 17 states in the United States.

ACRO-HT is managed by Acrophyte Hospitality Trust Management Pte. Ltd. (formerly known as ARA Trust Management (USH) Pte. Ltd.) and Acrophyte Hospitality Business Trust Management Pte. Ltd. (formerly known as ARA Business Trust Management (USH) Pte. Ltd.), collectively known as the "**Managers**". The Managers are wholly-owned subsidiaries of Acrophyte Asset Management Pte. Ltd. ("**Acrophyte AM**").

ABOUT THE SPONSOR

Acrophyte AM is a wholly-owned subsidiary of Tang Organization Pte. Ltd. ("**Tang Organization**"), the sponsor of ACRO-HT.

Tang Organization (formerly known as Chip Eng Seng Corporation Ltd. or Acrophyte Pte. Ltd.) is a multinational conglomerate company with businesses in property development and investment, construction (building construction, civil infrastructure, environmental and sustainability, prefabrication technology and procurement), hospitality, as well as education.

Tang Organization established itself as a prominent real estate player in the 1990s and has since grown into a multinational conglomerate that includes capabilities (i) across the real estate value chain, comprising real estate construction, real estate development, property investment and asset management, and (ii) in the hospitality industry. As an established player in the hospitality industry, Tang Organization is an owner of hotels in Singapore, Maldives, and Australia, as well as a hotel and serviced residence operator in Singapore.

IMPORTANT NOTICE

The value of the stapled securities in Acrophyte Hospitality Trust ("**Stapled Securities**") (where each Stapled Security comprises 1 unit in ACRO-REIT stapled to 1 unit in ACRO-BT), and the income derived from them may fall as well as rise. Stapled Securities are not obligations of, deposits in, or guaranteed by, the Managers, DBS Trustee Limited, in its capacity as trustee of the ACRO-REIT, or any of their respective affiliates.

An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Stapled Securityholders have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Predictions, projections or forecasts of the economy or economic trends of the market are not necessarily indicative of the future or likely performance of Acrophyte Hospitality Trust. The forecast financial performance of Acrophyte Hospitality Trust is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

The directors of the Managers (including any director who may have delegated detailed supervision of the preparation of this announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this announcement are fair and accurate and that there are no other material facts not contained in this announcement, the omission of which would make any statement in this announcement misleading. The directors of the Managers jointly and severally accept responsibility accordingly.