



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.**

ANNUAL GENERAL MEETING HELD ON 29 APRIL 2026 RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS

Acrophyte Hospitality Trust Management Pte. Ltd. in its capacity as manager of Acrophyte Hospitality Property Trust, and Acrophyte Hospitality Business Trust Management Pte. Ltd. in its capacity as trustee-manager of Acrophyte Hospitality Management Trust (collectively known as the “**Managers**”), would like to thank our Stapled Securityholders for submitting questions in advance of the Annual General Meeting of Acrophyte Hospitality Trust (“**ACRO-HT**”, also referred to as the “**Stapled Group**” or the “**Trust**”) to be held on 10.00 am on 29 April 2026.

The Managers will address the substantial and relevant questions with regards to the resolutions tabled. Please refer to **Annex A** for the list of substantial and relevant questions and the Managers’ responses to these questions.

For full details on ACRO-HT’s financial results for the financial year ended 31 December 2025, please refer to ACRO-HT’s Annual Report 2025 at <https://www.acrophytetrust.com/investor-relations>.

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

27 April 2026

Annex A

Please refer to the Managers' responses to the questions as set out in the tables below:

Questions	Responses
<p>1. The Letter to Stapled Securityholders mentions that the tremendous capital expenditure required for brand-mandated renovations cannot be supported by operational cash flows alone and that the Trust faces constraints in raising funds. In light of these constraints, what specific funding models (e.g., further divestments, equity raising, or sponsor support) are being prioritized to ensure these essential renovations are completed?</p>	<p>The Managers acknowledge that brand-mandated renovations require significant capital expenditure (“CAPEX”), which cannot be fully funded by operational cash flows alone. The Managers are therefore adopting a multi-pronged approach, including: (1) selective divestments of non-core assets to fund CAPEX and recycle capital into higher performing assets; (2) recycling capital into assets that are expected to deliver stronger and more resilient cash flows after renovation; and (3) exercising disciplined capital management and tight cost controls to ensure efficient capital allocation.</p> <p>The Managers will continue to assess the optimal funding mix while maintaining financial prudence and balance sheet stability.</p> <p>The Managers also note that additional measures may be put in place as they further review and track the performance of the portfolio.</p>
<p>2. Declining Distributable Income: Total distributable income declined significantly by 46.7%, from US\$9.3 million in FY2024 to US\$4.9 million in FY2025. Beyond the reduction in portfolio size and high interest rates, what proactive measures is the Management taking to specifically reverse the decline in the Net Property Income (“NPI”) margin, which was impacted by rising insurance and property taxes?</p>	<p>FY2025 was a softer year for the U.S. lodging market compared to FY2024, with RevPAR declining by 0.3%. Continued inflationary pressures on operating expenses and labour costs, as well as spikes in insurances premiums and property taxes, also weighed on industry profitability.</p> <p>In line with broader market trends, ACRO-HT's portfolio recorded a 0.5% decline in RevPAR and a 16.3% decrease in NPI in FY2025. The decline in distributable income was attributable to fewer income-contributing assets following four divestments over the past two financial years, disruptions from brand-mandated renovations across properties, management transition costs at certain hotels, as well as higher operating, labour, financing and fixed costs.</p> <p>To address NPI margin compression, the Managers have implemented targeted measures, including: (i) cost mitigation initiatives at underperforming assets, including efforts to optimize insurance costs; (ii) enhanced revenue management to support RevPAR through demand</p>

Questions	Responses
	segmentation, property-level sales and channel optimization; and (iii) execution of refurbishment programs to improve asset competitiveness and operating performance.
<p>3. Disruption from brand-mandated renovations at seven better-performing hotels contributed to a 6.0% decline in total revenue in FY2025. With renovations expected to continue through 2026 at several other properties, what is the expected impact on revenue and distributions for the upcoming financial year?</p>	<p>Over the past two years (FY 2024 and FY2025) we have completed renovations for 8 hotels, with a further 5 hotels under renovation and expected to be completed in FY2026. While renovations are planned during low season to reduce impact, renovation works nonetheless impact revenues, profits and distributions. While the performance at most of the renovated hotels has improved, we are expecting to continue renovating hotels over the next several years to maintain brand compliance pursuant to the franchise agreements. Moreover, with recent developments in the Middle East, the inflationary pressure will be heightened and an erosion in discretionary income may result in diminishment of travel. As a result, Revenue, NPI and Distributions may remain under pressure.</p>
<p>4. The Trust has been divesting "non-core" assets, including properties in Detroit and a terminated sale in Memphis. Is there a specific target number of assets the Board intends to divest in the coming year, and which geographical markets are now considered "core" to the Trust's long-term resilience?</p>	<p>The Managers are focused on divesting assets in the bottom quartile, guided by a disciplined, value-driven framework that considers factors such as asset performance, market outlook, capital expenditure requirements, and transaction conditions, including liquidity and pricing.</p> <p>In terms of geographical focus, the Managers continue to prioritize markets with strong underlying lodging supply-demand fundamentals, liquidity, and operational resilience, as well as assets with higher profitability and valuation growth potential. Through the selective divestment of weaker assets and reinvestment into higher-quality assets, the Managers aim to enhance the overall quality and resilience of the portfolio.</p>
<p>5. The sale of Hyatt Place Memphis Primacy Parkway was recently terminated by the buyer due to economic uncertainty and rising costs. Does the Board believe this signals a broader challenge in the U.S. hotel transaction market, and does it affect the Trust's ability to use divestment proceeds for its ongoing renovation needs?</p>	<p>The termination of the sale of Hyatt Place Memphis Primacy Parkway reflects the typical buyer profile for underperforming, non-core assets. Such assets are generally marketed to individual owner-operators with relatively limited financial capacities, who are more sensitive to changes in transaction costs and financing conditions.</p>

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	<p>As stated in our announcement on 16 March 2026, the Managers shall continue to explore the strategic options that are available to them in relation to the property and will, in compliance with their obligations under the Listing Manual of the SGX-ST, make the appropriate announcement(s) in due course in the event of any material development which warrants disclosure.” given that the discussions have not been finalized.</p> <p>The Managers note that Hyatt Place Memphis is among the portfolio’s weaker-performing assets, with a limited buyer pool. While the termination of the sale of the property does not change the overall capital recycling strategy, it may affect the timing of future divestments, as such assets typically have lower in-place cash flows and attract non-institutional buyers.</p>
<p>6. A secured term loan of US\$198.5 million is due for repayment in September 2026. While non-binding expressions of interest have been obtained, the timing and terms remain uncertain. What is the Board’s "Plan B" if refinancing terms in 2026 are significantly less favorable than the current 6.4% cost of debt?</p>	<p>The Board oversees the refinancing strategy for the secured term loan due in September 2026, while the Managers are actively engaged with lenders and have obtained expression of interest to refinance the loan from all lenders when it falls due. In parallel, the Managers are evaluating a range of contingency measures to ensure financial flexibility, including exploring alternative financing sources across different lender groups and structures; potential asset divestments to reduce refinancing quantum; and maintaining prudent cash flow management to support liquidity. The Board and Managers remain focused on proactively managing refinancing risks and will adopt the most appropriate strategy based on prevailing market conditions.</p>
<p>7. The ICR stood at 1.6 times at year-end, which is close to the minimum requirement of 1.5 times set by the MAS. Sensitivity analysis shows a 1% increase in interest rates could reduce the ICR to 1.4 times. What immediate operational or financial steps are being taken to provide a larger buffer for this critical ratio?</p> <p>What immediate operational or financial steps are being taken to provide a larger buffer for this critical ratio? What is the financial standing and position of the sponsor, Tang Organization? Does the sponsor have the capacity to back-up and</p>	<p>The Managers are mindful of the ICR position and the importance of maintaining an adequate buffer above the regulatory threshold. To strengthen this position, the Managers are undertaking active capital management, including potential deleveraging through asset sales; close monitoring of interest rate exposure, with consideration of hedging strategies where appropriate; operational initiatives to manage operating expenses and support earnings growth, particularly through post-renovation performance improvements; and maintaining financial discipline in capital allocation and cost management. The</p>

Questions	Responses
<p>support the REIT, such as to extend a loan (like Manulife)? Please explain and elaborate.</p>	<p>Managers will continue to adopt a prudent and proactive approach to ensure compliance with regulatory requirements and financial stability.</p> <p>The Managers are not in a position to comment on the financial standing or position of the Sponsor; however, you may refer to the publicly available information regarding the Sponsor’s recent activities, including its recent acquisition transactions, for further information.</p> <p>The Managers are not in a position to comment on the circumstances that necessitated Manulife REIT to tap on its Sponsor for the loan.</p> <p>The Managers remain focused on securing an appropriate refinancing outcome while maintaining financial prudence and flexibility.</p>
<p>8. To sustain market share, asset management increased portfolio occupancy to 69.4% but traded off a 1.5% decline in Average Daily Rate (“ADR”). Given the inflationary pressures on labor and operating costs, does the Board believe that prioritizing occupancy over pricing is a sustainable long-term strategy?</p>	<p>The Managers’ revenue management strategy seeks to optimize overall RevPAR performance, rather than focusing solely on occupancy or ADR in isolation. In FY2025, the increase in occupancy reflects a strategy to drive base demand due to softening demand conditions among the backdrop of volatile economic conditions and uncertainty. The portfolio was successful in maintaining market share, particularly in a competitive operating environment. Looking ahead, demand is expected to benefit from broader market recovery trends and major events such as the FIFA World Cup, while ongoing brand-mandated works continue to progress, the Managers expect to gradually recalibrate pricing strategies as market demand increases, with a stronger emphasis on ADR growth while maintaining healthy occupancy levels.</p>
<p>9. I note that the REIT owns many properties. How is the REIT managing the rise in energy costs brought about by the Iran War? What steps is or have REIT taken to manage the rise in energy costs? Please detail and elaborate.</p>	<p>The Managers note that, to date, there has been no direct impact on the portfolio’s energy costs arising from recent geopolitical developments. Nevertheless, energy costs remain a key operating expense, and the Managers continue to adopt a proactive approach to managing cost pressures through sustainability and energy efficiency initiatives as part of a longer-term ESG strategy.</p>

Questions	Responses
	<p>In particular, several eco-friendly measures have been integrated into renovation projects, including LED lighting upgrades, low-flow water fixtures, improvements to building envelopes such as roofs and facades, and the replacement of aging equipment with high-efficiency systems such as HVAC units and boilers. These initiatives are aimed at improving long-term operational efficiency while reducing environmental impact.</p> <p>In parallel, the Managers continue to implement energy management measures at the property level, including ongoing monitoring and optimization of energy consumption, operational efficiency initiatives, and engagement with operators to enhance cost discipline.</p>
<p>10. Whilst Trump is talking about lowering interest rates and many think that interest rates would trend lower based on the prevailing media narrative, the reality is that certain countries have started raising interest rates. An example is Australia. Also inflation remains sticky and energy prices have risen. What is REIT's view of the trajectory of interest rate going forward? Please detail and elaborate.</p>	<p>The Managers do not take a specific directional view on future interest rate movements, as these are subject to a range of macroeconomic factors, including inflation trends, monetary policy developments and geopolitical conditions.</p> <p>In the current environment, interest rates remain subject to uncertainty, with divergent trends observed across different markets. The Managers therefore remain focused on prudent financial management, including maintaining close engagement with lenders, monitoring interest rate exposure, and evaluating appropriate capital management and financing strategies.</p> <p>The Managers will continue to adopt a prudent and nimble approach to navigate the evolving interest rate environment.</p>
<p>11. I note that the REIT has a CFO, a Director of Finance and a Finance Manager in the Management team. Does the REIT need to maintain such a large finance team? Especially in view of the REIT's financial position of high gearing, net current liabilities, significant debt repayment due in less than six months and negligible shareholder distribution.. should it not cut costs and reduce the size of the REIT's finance team? Please explain and elaborate.</p>	<p>The Managers regularly review the organizational structure to ensure that it remains appropriate for the scale and complexity of the Trust's operations. The Stapled Group has an active Business Trust that other REITs usually do not have and the portfolio comprises more than 30 hotels across 16 states in U.S., which requires oversight across multiple jurisdictions and time zones.</p> <p>The current finance team supports a broad range of functions, including financial reporting, tax and regulatory compliance, treasury and financing activities, as well as ongoing operational oversight</p>

Questions	Responses
	<p>across the portfolio. Given the Trust's current focus on refinancing, capital management and portfolio optimization, these functions remain critical.</p> <p>The Managers will continue to exercise cost discipline while ensuring that adequate resources are maintained to support the Trust's operational, financing, reporting and regulatory requirements. In any case, the staff costs of the finance team are fully borne by the Managers out of their own fees and are not borne out of the assets of the Trust. As such, this will not in any way reduce the distributions of the Trust.</p>
<p>12. In the Independent Auditor report, it " included an emphasis of matter in respect of a material uncertainty related to going concern arising from ACRO-HT's ability to successfully secure the refinancing of a secured term loan of US\$198,500,000 that falls due for repayment in September 2026." and "While the Managers have obtained non-binding expressions of interest from the lending banks in relation to the refinancing of this loan, formal negotiations and due diligence are expected to take place closer to the loan's maturity date and as such, the timing and terms of any refinancing of which currently remain uncertain." Does the manager anticipate that the loan will be refinanced at a higher or lower rate? On a proforma basis, assuming constant earnings, post-refinancing, will the ICR be higher or lower? Please detail and elaborate.</p>	<p>The Managers have been actively engaging with lenders in relation to the refinancing of the secured term loan due in September 2026 and have obtained non-binding expressions of interest. At this stage, the timing and terms of any refinancing remain subject to market conditions and ongoing discussions, and it would not be appropriate to speculate on the final refinancing rate or its impact on financial metrics such as the Interest Coverage Ratio ("ICR"). As per the MAS's requirement, the sensitivity analysis of the ICR has been disclosed in the Annual Report on page 24. The Managers remain focused on securing an appropriate refinancing outcome while maintaining financial prudence and flexibility.</p>
<p>13. "As such, the Independent Auditor's Report has stated that these events or conditions indicate the existence of a material uncertainty that may cast significant doubt on the abilities of the Stapled Group and the ACRO-REIT Group (which reported net current liabilities of US\$181,272,000 and US\$166,172,000 respectively as at 31 December 2025) to continue as going concerns. In addition, the ACRO-BT Group (which reported net current liabilities of US\$33,380,000 as at 31 December 2025) is also dependent on, among others, the successful completion of the refinancing of the abovementioned loan and on maintaining continued compliance with the loan covenants to</p>	<p>The Stapled Group is subject to customary financial covenants under its loan agreements, including requirements on leverage, net worth and interest coverage. As disclosed on page 132 of the Annual Report, the Stapled Group is required to comply with the following financial covenants at the end of each financial quarter:</p> <p>(a) Aggregate Leverage to Deposited Property not exceeding the prescribed limit under the Property Funds Appendix;</p> <p>(b) Minimum total consolidated net worth as agreed with the lending financial institutions; and</p>

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<p>continue as going concerns." What are the loan covenants that REIT need to comply with? Please detail and elaborate.</p>	<p>(c) Interest coverage ratio, calculated as EBITDA over interest expense.</p> <p>The Stapled Group has complied with all financial covenants throughout the reporting period and as at 31 December 2025. The Managers continue to monitor compliance closely and remain focused on maintaining adherence to all applicable requirements.</p>
<p>14. The Distributable Income of the REIT dropped from 9.3 million to 4.9 million, DPS dropped from 1.595 cents to 0.85 cents. Going forward, will REIT distributions be halted? As part of loan re-negotiation, does the lender require the REIT to halt distributions? Does the manager anticipate that distributions will be halted like other US REITs such as Manulife REIT? Please explain and elaborate.</p>	<p>The Managers recognize the importance of distributions to Stapled Securityholders and acknowledge that distributions are influenced by a range of factors, including operating performance, capital requirements, financing obligations and the timing and impact of ongoing renovation works.</p> <p>Over the past two financial years, the Trust has undertaken renovation works across multiple properties, resulting in temporary operational disruptions, including reduced room availability. These works are typically scheduled to minimize disruption and have contributed to improved performance at completed assets. The Trust expects to continue such programs in the coming years in order to maintain brand standards and asset competitiveness.</p> <p>In addition, ongoing macro headwinds, including recent developments in Middle East, may continue to impact consumer spending and the outlook for the U.S. hospitality sector, especially discretionary spending such as domestic travel and hotel stays. As a result, distributions may remain under pressure. The Managers will continue to assess the situation, taking into account the Trust's financial position, operating performance, and capital requirements in determining distributions.</p>
<p>15. Given the auditor comments, financial standing and position of the REIT, does the manager anticipate a need to do a rights or placement issue? Please explain and elaborate.</p>	<p>Equity fundraising by ACRO-HT may take the form of a renounceable rights issue, a non-renounceable preferential offering (i.e. a cash call to all Stapled Securityholders), and/or a private placement. However, such equity fundraising may be challenging, as it is typically conducted at a discount to the prevailing market price, which could be dilutive to existing Stapled Securityholders. In addition, securing the requisite underwriting to support a fund raising at an</p>

Questions	Responses
	acceptable discount may also be difficult under current market conditions. The Stapled Group operates within a complex and highly structured tax framework, and hence the Managers will evaluate the above-mentioned options with prudence before further action.

For enquiries, please contact:

Email: ir-enquiry@acrophyte.com

ABOUT ACROPHYTE HOSPITALITY TRUST

Listed on the Singapore Exchange on 9 May 2019, Acrophyte Hospitality Trust (“**ACRO-HT**”) is a hospitality stapled group comprising Acrophyte Hospitality Property Trust (“**ACRO-REIT**”) and Acrophyte Hospitality Management Trust (“**ACRO-BT**”). ACRO-HT invests in income-producing real estate assets used primarily for hospitality and/or hospitality-related purposes located in the United States. As at the date of this announcement, ACRO-HT’s portfolio comprises 31 upscale select-service hotels with a total of 4,061 rooms across 16 states in the United States.

ACRO-HT is managed by Acrophyte Hospitality Trust Management Pte. Ltd. (“**REIT-Manager**”) and Acrophyte Hospitality Business Trust Management Pte. Ltd. (“**Trustee-Manager**”), 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**”, or the “**Sponsor**”), the sponsor of ACRO-HT.

Tang Organization (formerly known as Acrophyte Pte. Ltd. or Chip Eng Seng Corporation Ltd.) is a multinational conglomerate company with businesses in property development and property 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 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.