



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.

PRESS RELEASE

ACRO-HT NAVIGATES PORTFOLIO TRANSITIONS AND SOFTER LODGING DEMAND IN 1H 2025

Key Highlights

- *Gross revenue for the portfolio declined by 6.9% primarily due to the sale of hotels in 2024, which led to a 7.3% reduction in available rooms for sale.*
- *On a same-store basis, gross revenue remained relatively stable, down slightly by 1.0%.*
- *Net property income decreased by 14.3%, and distributable income was further impacted by a 35.8% decline due to continued high interest rates.*

Portfolio Overview	As at 30 June 2025	As at 30 June 2024	Change (%)
No. of hotels	33	35	-5.7%
No. of rooms	4,315	4,573	-5.6%
Rooms available for sale	781,015	842,954	-7.3%

(US\$m)	1H 2025	1H 2024	Change (%)
Revenue	78.1	83.9	-6.9%
Gross Operating Profit ("GOP")	26.7	29.6	-9.9%
<i>GOP Margin</i>	34.2%	35.3%	-1.1pp
Net Property Income ("NPI")	18.0	21.0	-14.3%
<i>NPI Margin</i>	23.0%	25.0%	-2.0pp

Singapore, 6 August 2025 – 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, as trustee-manager of Acrophyte Hospitality Management Trust (“**ACRO-BT**”) (collectively known as the “**Managers**”), today reported the business and operational update of Acrophyte Hospitality Trust (“**ACRO-HT**”) for the half year ended 30 June 2025 (“**1H 2025**”).

Financial and Portfolio Performance in 1H 2025

ACRO-HT achieved gross revenue of US\$78.1 million in 1H 2025, down 6.9% year on year, primarily due to the sale of the hotels in 2024, which led to a 7.3% reduction in available rooms for sale. As compared to the same period last year, both GOP and NPI were lower at US\$26.7 million and US\$18.0 million, respectively. The operational performance for 1H 2025 was impacted by a combination of portfolio contraction following the disposal of the hotels in 2024, softer lodging demand amid macroeconomic uncertainty, and reduced occupancy levels across the broader U.S. hotel market.

On the same-store basis, gross revenue remained relatively stable, down slightly by 1.0%. However, NPI declined 10.3%, primarily due to increases in labor costs, as well as a rise in rental expenses and insurance costs.

The United States (“**U.S.**”) economy in the 1H 2025 was dominated by dramatic changes in U.S. policies, including trade, immigration, taxes, spending and regulation. U.S. GDP in 2Q 2025 increased by 3%¹, due to swings in trade with exports rebounding following a surge in imports ahead of anticipated tariffs in Q1. The overall economic climate remains moderate. The labor market continues to show resilience, with unemployment rate ticking down to 4.1%² in June 2025. Inflation has risen to 2.7%³ for the 12 months ending in June 2025, aligning more closely with the Federal Reserve’s target. However, the broader outlook remains cloudy, weighted down by uncertainties surrounding trade wars, immigration crackdowns, government restructuring, and geopolitical risks.

In conjunction, the U.S. lodging market has also moderated, with hotel occupancy weakening in the 1H 2025 as business travel slowed due to the prevailing uncertainty. As occupancy has faltered, ADR growth in response has slowed. As such, RevPAR for the first six months of 2025 increased by only 0.7%. Uncertainty due to the dramatic changes in U.S. economic policies have had an indirect effect on both business and leisure travelers.

Mr. Lee Jin Yong, CEO of the Managers, said, “Our operational performance in 1H 2025 was impacted by the absence of contributions from the hotels divested in 2024, which equated to a 7.3% reduction in rooms available for sale. Additionally, the softening of overall U.S. lodging demand—driven by macroeconomic uncertainty and policy-related headwinds—weighed on performance as the portfolio’s RevPAR increased only slightly. From an expense standpoint, we continue to face challenges with rising operating costs, particularly labour.”

¹ U.S. Bureau of Economic Analysis, July 2025

² U.S. Bureau of Labor Statistic, U.S. Department of Labor, July 2025

³ U.S. Bureau of Labor Statistic, Consumer Price Index Summary, July 2025

Proactive Capital Management

As at 30 June 2025, ACRO-HT had approximately US\$29.7 million in cash and cash equivalents, which included reserves earmarked for upcoming capital expenditures.

Mr. Lee concluded, “Amid ongoing macroeconomic headwinds and a softening lodging demand environment, we continue to adopt a disciplined capital management strategy—divesting non-core and underperforming assets, and reallocating capital towards capital expenditures and paying down debt—to enhance portfolio resilience and maintain the competitiveness of our hotels.”

Lee Jin Yong
Chief Executive Officer
6 August 2025

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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 (formerly known as ARA US Hospitality Property Trust) and Acrophyte Hospitality Management Trust (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 33 select-service hotels with a total of 4,315 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.

For more information, please visit www.acrophyte.com.

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 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 markets 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 Managers' current view of future events.