



Date: 13 April 2026

To: Holders of Stapled Securities in Acrophyte Hospitality Trust

Dear Sir/Madam

**AUDITED FINANCIAL STATEMENTS OF ACROPHYTE HOSPITALITY
BUSINESS TRUST MANAGEMENT PTE. LTD. FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2025**

We are pleased to enclose for your information a copy of the audited financial statements of Acrophyte Hospitality Business Trust Management Pte. Ltd. for the financial year ended 31 December 2025, pursuant to Section 78(1)(b) of the Business Trusts Act 2004 of Singapore.

The enclosed audited financial statements are in respect of Acrophyte Hospitality Business Trust Management Pte. Ltd., which is the trustee-manager of Acrophyte Hospitality Management Trust.

Please refer to the Acrophyte Hospitality Trust Annual Report 2025 for the audited financial statements of Acrophyte Hospitality Trust for the financial year ended 31 December 2025.

For and on behalf of the Board of Directors

Stephen Ray Finch
Chairman and
Independent Non-Executive Director

Lin Daqi
Non-Executive Director

Acrophyte Hospitality Business Trust Management Pte.Ltd.

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Acrophyte Hospitality Business Trust Management Pte. Ltd.

Company Registration No:
201829682G

Annual Financial Statements
31 December 2025



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Acrophyte Hospitality Business Trust Management Pte. Ltd.

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Acrophyte Hospitality Business Trust Management Pte. Ltd.

Directors' statement

The directors present their statement to the member together with the audited financial statements of Acrophyte Hospitality Business Trust Management Pte. Ltd. (the "Company") for the financial year ended 31 December 2025.

Opinion of the directors

In the opinion of the directors,

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2025 and the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date, and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are:

Stephen Ray Finch
Randy Allan Daniels
Wong Choong Mann
Lin Daqi

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' interests in shares and debentures

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act 1967 (the Act), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

Name of director and corporation in which interest are held	Holdings registered in name of director or nominee		Holdings in which director is deemed to have an interest	
	At 1.1.2025	At 31.12.2025	At 1.1.2025	At 31.12.2025
Acrophyte Hospitality Trust				
Stapled Securities				
Stephen Ray Finch	–	–	160,000	160,000
Lin Daqi	88,000	88,000	–	–

Acrophyte Hospitality Business Trust Management Pte. Ltd.

Directors' statement

Directors' interests in shares and debentures (cont'd)

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

Share options

No options were granted during the financial year to subscribe for unissued shares of the Company.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

Stephen Ray Finch
Director

Lin Daqi
Director

Singapore
13 April 2026

Acrophyte Hospitality Business Trust Management Pte. Ltd.

**Independent auditor's report
For the financial year ended 31 December 2025**

**Independent auditor's report to the member of Acrophyte Hospitality Business Trust
Management Pte. Ltd.**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Acrophyte Hospitality Business Trust Management Pte. Ltd. (the "Company"), which comprise the statement of financial position of the Company as at 31 December 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore (the "FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2025 and of the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (the "SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (the "ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for other information. The other information comprises the information included in the Directors' Statement, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Acrophyte Hospitality Business Trust Management Pte. Ltd.

Independent auditor's report For the financial year ended 31 December 2025

Independent auditor's report to the member of Acrophyte Hospitality Business Trust Management Pte. Ltd.

Responsibilities of Management and the Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Acrophyte Hospitality Business Trust Management Pte. Ltd.

**Independent auditor's report
For the financial year ended 31 December 2025**

**Independent auditor's report to the member of Acrophyte Hospitality Business Trust
Management Pte. Ltd.**

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
13 April 2026

Acrophyte Hospitality Business Trust Management Pte. Ltd.

Statement of comprehensive income
For the financial year ended 31 December 2025

	Note	2025 US\$	2024 US\$
Revenue	4	272,114	405,618
Finance income	5	2,525	2,936
Other income		–	104,017
Other expenses		(882,972)	(657,828)
Loss before tax	6	(608,333)	(145,257)
Tax credit	7	–	14,424
Loss after tax, representing total comprehensive loss for the year		(608,333)	(130,833)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Acrophyte Hospitality Business Trust Management Pte. Ltd.**Statement of financial position
As at 31 December 2025**

	Note	2025 US\$	2024 US\$
Assets			
Current assets			
Trade and other receivables	8	42,878	104,154
Prepayments		18,826	19,817
Cash and cash equivalents	9	573,323	1,139,353
Total current assets		635,027	1,263,324
Total assets		635,027	1,263,324
Equity			
Share capital	10	50,000	50,000
Retained earnings		305,209	913,542
Total equity		355,209	963,542
Liabilities			
Current liabilities			
Trade and other payables	11	279,818	299,782
Total current liabilities		279,818	299,782
Total liabilities		279,818	299,782
Total equity and liabilities		635,027	1,263,324

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Acrophyte Hospitality Business Trust Management Pte. Ltd.

Statement of changes in equity
For the financial year ended 31 December 2025

	Share capital (Note 10) US\$	Retained earnings US\$	Total US\$
At 1 January 2024	50,000	1,606,325	1,656,325
Total comprehensive loss for the year			
Loss for the year	–	(130,833)	(130,833)
Total comprehensive loss for the year	–	(130,833)	(130,833)
Distribution to owners			
Dividends paid (Note 10)	–	(561,950)	(561,950)
At 31 December 2024	50,000	913,542	963,542
At 1 January 2025	50,000	913,542	963,542
Total comprehensive loss for the year			
Loss for the year	–	(608,333)	(608,333)
Total comprehensive loss for the year	–	(608,333)	(608,333)
At 31 December 2025	50,000	305,209	355,209

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Acrophyte Hospitality Business Trust Management Pte. Ltd.

**Statement of cash flows
For the financial year ended 31 December 2025**

	Note	2025 US\$	2024 US\$
Cash flows from operating activities			
Loss before tax		(608,333)	(145,257)
<i>Adjustments for:</i>			
Loss on disposal of stapled securities in ACRO-HT	6	–	82,755
Distribution income	6	–	(104,017)
Interest income	5	(2,525)	(2,936)
Net foreign exchange gain		(2,522)	(259)
		<hr/>	<hr/>
Operating loss before working capital changes		(613,380)	(169,714)
Changes in working capital:			
Trade and other receivables		61,276	(71,754)
Prepayments		991	(19,817)
Trade and other payables		(17,442)	(16,913)
		<hr/>	<hr/>
Cash used in operations		(568,555)	(278,198)
Tax paid		–	(14,965)
		<hr/>	<hr/>
Net cash used in operating activities		(568,555)	(293,163)
<hr/>			
Cash flows from investing activities			
Distribution income received	6	–	104,017
Interest received	5	2,525	2,936
Proceeds from sale of stapled securities in ACRO-HT		–	1,828,442
		<hr/>	<hr/>
Net cash generated from investing activities		2,525	1,935,395
<hr/>			
Cash flows from financing activity			
Dividends paid	10	–	(561,950)
		<hr/>	<hr/>
Net cash used in financing activity		–	(561,950)
<hr/>			
Net (decrease)/increase in cash and cash equivalents		(566,030)	1,080,282
Cash and cash equivalents at 1 January		1,139,353	59,071
		<hr/>	<hr/>
Cash and cash equivalents at 31 December	9	573,323	1,139,353
		<hr/> <hr/>	<hr/> <hr/>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Acrophyte Hospitality Business Trust Management Pte. Ltd.

Notes to the financial statements For the financial year ended 31 December 2025

1. Corporate information

Acrophyte Hospitality Business Trust Management Pte. Ltd. (the “Company”) is incorporated in Singapore and has its registered office at 10 Anson Road, #23-15 International Plaza, Singapore 079903.

The principal activities of the Company are to provide property fund management services and to act as the trustee-manager of Acrophyte Hospitality Management Trust (“ACRO-BT”). ACRO-BT is a business trust which is part of Acrophyte Hospitality Trust (“ACRO-HT”), a stapled group comprising Acrophyte Hospitality Property Trust (“ACRO-REIT”) and its subsidiaries and ACRO-BT and its subsidiaries. ACRO-HT listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 9 May 2019.

Its immediate holding company is Acrophyte Asset Management Pte. Ltd., and its ultimate holding company is Tang Organization Pte. Ltd. (formerly known as Acrophyte Pte. Ltd. or Chip Eng Seng Corporation Ltd.). Both companies are incorporated in Singapore.

2. Basis of preparation

2.1 *Statement of compliance*

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore (‘FRSs’).

2.2 *Basis of measurement*

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 *Functional and presentation currency*

These financial statements are presented in United States Dollars (“US\$”), which is the Company’s functional currency.

2.4 *Use of estimates and judgements*

The preparation of the financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

2.5 *Changes in accounting policies*

New standards and amendments

The Company has adopted accounting policies that are consistent with those of the previous financial year except that, in the current financial year, the Company has adopted all the new and revised FRSs that are effective for annual financial periods beginning on or after 1 January 2025. The adoption of these standards does not have any material effect on the financial performance or position of the Company.

Notes to the financial statements
For the financial year ended 31 December 2025

2. Basis of preparation (cont'd)

2.6 *Standards issued but not yet effective*

The new and amended standards and interpretations that are issued but not yet effective are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Description	Effective for annual period beginning on or after
Amendments to FRS 109 and FRS 107: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Annual Improvements to FRSs - Volume 11	1 January 2026
FRS 118: <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027

These amendments to the FRSs are not expected to have any significant impact on the Company's financial statements, except for FRS 118 in the year of initial application.

FRS 118 Presentation and Disclosure in Financial Statements

FRS 118 *Presentation and Disclosure in Financial Statements* introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

In addition, narrow-scope amendments have been made to FRS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

FRS 118 is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. FRS 118 will replace FRS 1 *Presentation of Financial Statements* and will apply retrospectively.

3. Material accounting policy information

3.1 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date.

3.2 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, the Company's financial assets are classified and measured at amortised cost because they are held within a business model to collect contractual cash flows and those cash flows are solely payments of principal and interest ("SPPI"). The Company does not hold financial assets measured at fair value through other comprehensive income ("FVOCI") or at FVTPL.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

3. Material accounting policy information (cont'd)

3.2 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets (cont'd)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

3. Material accounting policy information (cont'd)

3.2 Financial instruments (cont'd)

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Company neither transfers nor retains substantially all of the risk and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits with original maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

3. Material accounting policy information (cont'd)

3.3 Impairment

(i) Non-derivative financial assets

The Company recognises loss allowances for expected credit losses (“ECLs”) on financial assets measured at amortised cost.

Loss allowances of the Company are measured on either of the following bases:

- 12-month ECLs: these are ECLs that results from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Company applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Company applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition.

In determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company’s historical experience and informed credit assessment and includes forward-looking information.

The Company considers a financial asset to be in default when the customer is unlikely to pay its contractual obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

3. Material accounting policy information (cont'd)

3.3 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is "credit impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or being more than 90 days past due;
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- It is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

Presentation of allowance of ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount.

Acrophyte Hospitality Business Trust Management Pte. Ltd.

Notes to the financial statements For the financial year ended 31 December 2025

3. Material accounting policy information (cont'd)

3.4 *Share capital and share issuance expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3.5 *Revenue recognition*

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a promised service to a customer. Invoices issued to customers are due within 45 days.

No adjustment is made to transaction prices for time value of money as the contracts do not include significant financing consideration.

Nature of services

The following is a description of the principal activities from which the Company generates its revenue.

(i) Management base and performance fees

Management base and performance fees are derived from the management of ACRO-HT. The base fees are determined based on 10% per annum of the distributable income of ACRO-HT. Performance fees are determined based on 25% of the increase in distribution per stapled security ("DPS") of ACRO-HT in a financial year over the DPS in the preceding financial year, multiplied by the weighted average number of stapled securities in issue for such financial year.

For as long as ACRO-REIT is stapled to ACRO-BT, the total management fees for the managers shall be apportioned between the Company and Acrophyte Hospitality Trust Management Pte. Ltd., the REIT manager of ACRO-REIT ("REIT Manager"), in such proportion as may be agreed between the Company and the REIT Manager from time to time. The split in fees is currently agreed as 25% of fees in cash for the Company and the REIT Manager each, and 50% fees in cash to Acrophyte Hospitality Management Inc., a wholly-owned subsidiary of the REIT Manager.

Management services are provided to ACRO-HT as a series of distinct services that are substantially the same and transferred over time, either separately or in combination as an integrated offering, and are treated as a single performance obligation. Variable consideration is allocated to each distinct increment of service in the series and recognised as revenue as the service is performed over time.

(ii) Trustee fees

Trustee fees are determined based on 0.02% of the value of the trust property of the ACRO-BT and is subject to a monthly minimum fee of US\$10,000. The services are provided to customers as a series of distinct services that are substantially the same and transferred over time, either separately or in combination as an integrated offering, and are treated as a single performance obligation. Variable consideration is allocated to each distinct increment of service in the series and recognised as revenue as the service is performed over time.

Acrophyte Hospitality Business Trust Management Pte. Ltd.

Notes to the financial statements For the financial year ended 31 December 2025

3. Material accounting policy information (cont'd)

3.6 *Finance income*

Finance income comprises of interest income. Interest income is recognised using the effective interest method.

3.7 *Income tax*

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

4. Revenue

	2025 US\$	2024 US\$
Base fee	152,114	285,618
Trustee fee	120,000	120,000
	<hr/> 272,114	<hr/> 405,618
Timing of revenue recognition Performance obligations satisfied over time	<hr/> 272,114	<hr/> 405,618

All management and trustee fees for FY2025 were settled in cash. The Company held no stapled securities at 31 December 2025.

5. Finance income

	2025 US\$	2024 US\$
Finance income		
Interest income on short-term deposits	2,525	2,936

Acrophyte Hospitality Business Trust Management Pte. Ltd.

Notes to the financial statements
For the financial year ended 31 December 2025

6. Loss before tax

The following items have been included in arriving at the loss before tax for the year:

	2025 US\$	2024 US\$
Other income:		
Distribution income	–	104,017
Other expenses:		
Loss on disposal of stapled securities in ACRO-HT	–	82,755
Service fee expense to related corporation	835,537	542,470

7. Tax credit

	2025 US\$	2024 US\$
Current tax expense		
Overprovision for prior year tax	–	(14,424)
Total tax credit	–	(14,424)
Reconciliation of effective tax rate:		
Loss before tax	(608,333)	(145,257)
Tax using the Singapore tax rate at 17% (2024: 17%)	(103,417)	(24,694)
Non-deductible expenses	502	675
Tax-exempt income	–	(17,682)
Overprovision for prior year tax	–	(14,424)
Deferred tax assets not recognised	102,915	41,701
	–	(14,424)

As at 31 December 2025, the Company has unutilised tax losses of US\$850,683 (2024: US\$245,302) that are available for offset against future taxable profits of the Company, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these unutilised tax losses is subject to the agreement of the relevant taxation authority and compliance with certain provisions of the tax legislation.

Acrophyte Hospitality Business Trust Management Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 December 2025**

8. Trade and other receivables

	2025	2024
	US\$	US\$
Accrued fees receivables	–	63,819
Trade receivables	32,700	32,700
Other receivables	10,178	7,635
	<hr/>	<hr/>
	42,878	104,154
	<hr/>	<hr/>

The Company's exposure to credit risk related to trade receivables is disclosed in Note 12.

9. Cash and cash equivalents

	2025	2024
	US\$	US\$
Cash at bank	573,323	439,353
Fixed deposit	–	700,000
	<hr/>	<hr/>
	573,323	1,139,353
	<hr/>	<hr/>

10. Share capital

	2025	2024
	Number of shares and US\$	
At 1 January and 31 December	50,000	50,000
	<hr/>	<hr/>

The holder of ordinary shares is entitled to receive dividends as declared from time to time and is entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

All issued shares are fully paid, with no par value.

Dividends

The following tax-exempt dividends was declared and paid by the Company for the year ended 31 December:

	2025	2024
	US\$	US\$
Paid by the Company to the owners of the Company:		
Interim dividends of US\$Nil per ordinary share (2024: US\$11.239)	–	561,950
	<hr/>	<hr/>

Acrophyte Hospitality Business Trust Management Pte. Ltd.

Notes to the financial statements For the financial year ended 31 December 2025

11. Trade and other payables

	2025 US\$	2024 US\$
Accrued expenses	23,060	20,831
Amounts due to related corporations, trade	256,758	278,951
	<hr/>	<hr/>
	279,818	299,782
	<hr/>	<hr/>

The Company's exposure to liquidity risk related to trade and other payables is disclosed in Note 12.

12. Financial risk management

Overview

The Company has exposure to the following risks from financial instruments:

- Credit risk
- Liquidity risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from counterparties and investment securities.

The carrying amount of financial assets represents the Company's maximum exposure to credit risk, before taking into account any collateral held. The Company does not hold any collateral in respect of its financial assets.

12. Financial risk management (cont'd)

Credit risk (cont'd)

Trade and other receivables

Risk management policy

The Company's exposure to credit risk arises mainly through its trade and accrued fees receivables from ACRO-HT, which has a good record with the Company. Exposure to credit risk is monitored on an ongoing basis.

The Company establishes an allowance for impairment that represents its estimate of ECLs in respect of trade receivables. Impairment on trade receivables and accrued fees receivables have been measured on the lifetime expected loss basis.

The aging of trade receivables that was not impaired at the reporting date was:

	2025	2024
	US\$	US\$
0 – 60 Days		
Trade receivables	32,700	32,700

Cash and cash equivalents

The cash and cash equivalents of the Company are held with reputable banks and financial institutions which are regulated with high credit ratings and have no history of default.

Liquidity risk

Risk management policy

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically, the Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

Notes to the financial statements
For the financial year ended 31 December 2025

12. Financial risk management (cont'd)

Liquidity risk (cont'd)

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities which are measured at amortised cost including estimated interest payments but excluding the impact of netting agreements:

	Carrying amount US\$	← Cash flows → Contractual cash flows US\$	Within 1 year US\$
2025			
Non-derivative financial liabilities			
Trade and other payables	279,818	(279,818)	(279,818)
2024			
Non-derivative financial liabilities			
Trade and other payables	299,782	(299,782)	(299,782)

It is not expected that the cash flows included in the maturity analysis of the Company could occur significantly earlier, or at significantly different amounts.

13. Capital management

The Company is not subject to any externally imposed capital requirements. The primary objective of the Company in respect of its capital management is to ensure its ability to continue as a going concern. In this regard, the Board of Directors regularly reviews the Company's capital structure with a view for the Company to pay its debts as and when they fall due. As the Company is part of a larger group, the Company's sources of additional capital and policies for distribution of excess capital may also be affected by the group's capital management objectives. The Company defines "capital" as including all components of equity. There were no changes in the Company's approach to capital management during the year.

14. Related parties

Except as disclosed elsewhere in these financial statements, there were no other significant related party transactions during the financial year.

Transactions with key management personnel

Certain non-independent and non-executive directors of the Company are employees of a related corporation and no consideration is paid to the related corporation for the services rendered by the directors.

15. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on 13 April 2026.