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 REPORTS 1H 2026 RESULTS

Key Highlights

- ***Revenue declined by 2.6% for the reporting period, primarily reflecting the divestment of two hotels, which resulted in a 4.8% reduction in available rooms for the portfolio.***

- ***On a same-store basis, revenue recorded a modest increase of 0.4%.***

- ***Net property income decreased by 6.1%, due to inflation pressure, higher utility and insurance costs.***

Portfolio Overview	As at 30 June 2026	As at 30 June 2025	Change (%)
No. of hotels	31	33	-6.1%
No. of rooms	4,064	4,315	-5.8%
Rooms available for sale	734,887	781,015	-4.8%

(US$m)	1H 2026	1H 2025	Change (%)
Revenue	76.1	78.1	-2.6%
Gross Operating Profit ("**GOP**")	25.1	26.7	-5.9%
GOP Margin	33.0%	34.2%	-1.2pp
Net Property Income ("**NPI**")	16.9	18.0	-6.1%
NPI Margin	22.2%	23.1%	-0.9pp

Singapore, 6 August 2026 – 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 2026 ("**1H 2026**").

Financial and Portfolio Performance in 1H 2026

ACRO-HT achieved revenue of US$76.1 million in 1H 2026, down 2.6% year over year, primarily due to the divestment of two hotels, which resulted in a 4.8% reduction in available rooms for sale. On a same-store basis, revenue increased modestly by 0.4% compared to the same period last year. Gross Operating Profit ("**GOP**") declined 5.9% to US$25.1 million, while Net Property Income ("**NPI**") fell 6.1% to US$16.9 million. On a same-store basis, GOP and NPI decreased by 5.0% and 6.9%, respectively. The lower performance for 1H 2026 was primarily attributable to the impact of winter storms, which significantly increased utility costs; operational disruptions arising from renovation works at four hotels; and the transition of hotel management, as well as higher insurance premium and elevated interest rates.

The United States ("**U.S.**") economy in the 1H 2026 was dominated by changes in U.S. policies, including broad-based tariffs, restrictive immigration policy and the Middle East conflict. U.S. GDP in 2Q 2026 increased by 1.5%[1], supported by resilient consumer spending and surge in AI build-out, while reduction in net exports and rising costs weighed on overall economic activity. The unemployment rate remained steady at 4.2%[2] as of June 2026, while softer U.S. labor market has moderated wage and labor costs. Inflation has risen to 3.5%[3] for the 12 months ending in June 2026, reflecting higher energy prices and persistent cost pressures. The Federal Reserve maintained its policy rate during the first half of 2026, reinforcing future expectations of a higher and interest rate environment.

The U.S. lodging market continued to improve during the first half of 2026 against the backdrop of challenging macroeconomic factors. Compared to the corresponding period in 2025, occupancy increased by 0.9% while ADR grew by 3.8%, resulting in 4.8%[4] increase in RevPAR. The improvement was supported by resilient travel demand, although uncertainty surrounding U.S. economic and trade policies may continue to weigh on market sentiment.

Mr. James Sung Jung, CEO of the Managers, said, "Our operational performance in 1H 2026 was impacted by the absence of contributions from the divested hotels, which resulted in a 4.8% reduction in rooms available for the portfolio. Furthermore, persistent cost pressures, particularly from higher utility expenses and increased insurance costs, weighed on operating performance. Despite the challenging macroeconomic environment, we are laser focused on operational efficiency and cost discipline."

Proactive Capital Management

As at 30 June 2026, ACRO-HT had approximately US$26.0 million in cash and cash equivalents, of which approximately US$4.5 million was reserved for hotel operating requirements.

Mr. Jung concluded, "In addition to our operational discipline, we remain committed to a prudent capital management strategy by divesting non-core and underperforming assets while reallocating capital towards essential capital expenditure initiatives to enhance the resilience and long-term competitiveness of our portfolio."

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[1] U.S. Bureau of Economic Analysis, Gross Domestic Product, July 2026
[2] U.S. Bureau of Labor Statistic, U.S. Department of Labor, July 2026
[3] U.S. Bureau of Labor Statistic, Consumer Price Index Summary, July 2026
[4] CoStar Group, Press Release, June 2026

Significant Capital Requirements

ACRO-HT faces significant capital expenditure requirements to complete its Brand-Mandated Renovations and ongoing portfolio maintenance. To preserve liquidity during the COVID-19 pandemic, Brand-Mandated Renovations were deferred, resulting in a substantial backlog of capital expenditure. As previously announced, the Managers estimate that approximately US$100 million of capital expenditure will be required over FY2025 to FY2027, of which approximately US$30.5 million has incurred in FY2025, while US$26.6 million is expected in FY2026 and approximately US$45.0 million in FY2027. The estimated capital expenditure has increased due to higher imported material and labor costs arising from changes in U.S. trade and immigration policies and ongoing geopolitical conflict.

Limited Funding Capacity

The Managers have implemented various capital preservation measures, including retaining 10% of distributable income since FY2024, increasing the FF&E Reserve from 4% to 6% of revenue, and pursuing asset divestments. However, these measures have proven insufficient to meet ACRO-HT's significant capital expenditure requirements. Asset sales remain constrained by weak market conditions and regulatory pricing requirements, making sales proceeds an unreliable near-term funding source. At the same time, alternative funding options are limited by aggregate leverage of approximately 43.2% approaching the regulatory limit, elevated borrowing costs and tighter lending conditions, while equity fundraising is constrained by U.S. REIT tax considerations and the potential dilution to existing stapled securityholders.

Decision to Suspend Distributions

Given ACRO-HT's substantial capital expenditure commitments, the ongoing negotiations to extend and amend its upcoming loan facilities, and the constraints associated with the capital preservation measures and funding alternatives described above, the Boards of the Managers have approved the suspension of distributions to Stapled Securityholders, effective from 1H 2026, to supplement the existing capital preservation measures which alone are insufficient to meet near-term requirements.

The suspension is expected to remain in place until 2H 2028. However, should market conditions improve and funding requirements permit, the Managers may recommence distributions earlier than anticipated.

A separate press release providing further details of the distribution suspension will be issued together with ACRO-HT's 1H 2026 financial results.

James Sung Jung
Chief Executive Officer
6 August 2026

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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 30 upscale select-service hotels with a total of 3,938 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 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.