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越秀房地產投資信託基金

YUEXIU REAL ESTATE INVESTMENT TRUST

(A Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))
(Stock code: 00405)

Managed by



越秀房託資產管理有限公司

YUEXIU REIT ASSET MANAGEMENT LIMITED

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board of directors (the “Board”) of Yuexiu REIT Asset Management Limited (the “Manager”) is pleased to announce the unaudited interim results of Yuexiu Real Estate Investment Trust (“Yuexiu REIT”) for the six months ended 30 June 2025 (the “Interim Period”) as follows:

FINANCIAL HIGHLIGHTS

The following is a summary of Yuexiu REIT’s financial results during the Interim Period together with comparative figures for the six months ended 30 June 2024 and year ended 31 December 2024:

(in Renminbi (“RMB”), unless otherwise specified)

	Six months ended 30 June		Change (Decrease)/ Increase
	2025	2024	
Gross income	966,148,000	1,034,091,000	(6.6)%
Net property income	679,036,000	742,665,000	(8.6)%
Net loss after tax before transactions with Unitholders	(337,419,000)	(40,529,000)	732.5%
Interim distribution	171,141,000	185,247,000	(7.6)%
Loss per unit	(0.0630)	(0.0062)	916.1%
Distribution per unit	0.0333	0.0371	(10.2)%
Equivalent to HK\$	0.0366	0.0405	(9.6)%

	As at		
	30 June	31 December	Change
	2025	2024	Decrease
Property portfolio valuation	41,889,247,000	42,308,008,000	(1.0)%
Net assets attributable to Unitholders	14,506,842,000	14,829,378,000	(2.2)%
Net assets attributable to			
Unitholders per unit	2.82	2.91	(3.1)%

DISTRIBUTION

In accordance with the Trust Deed, Yuexiu REIT is required to distribute no less than 90% of Total Distributable Income to the Unitholders. The Manager has intended to distribute to the Unitholders an amount equal to 100% of Yuexiu REIT's Total Distributable Income and Additional Item (as defined in the Offering Circular issued to Unitholders dated 30 June 2012) for the Interim Period of 2025.

The Manager also has the discretion under the Trust Deed, where there are surplus funds, to distribute additional amounts. At the time of announcing the distribution for any particular year, the Manager shall consider whether to exercise such discretion having regard to factors including but not limited to Yuexiu REIT's funding requirements, its earnings and financial position, its growth strategies, operating and capital requirements, compliance with relevant laws, regulations and covenants (including existing limitations on borrowings as prescribed in the REIT Code), other capital management considerations, the overall stability of distributions and prevailing industry practices.

In light of the above, the Manager has determined that an interim distribution to Unitholders for the Interim Period will be approximately RMB0.0333 which is equivalent to Hong Kong Dollars ("HK\$") 0.0366 (June 2024: approximately RMB0.0371 which was equivalent to HK\$0.0405) per unit. Such interim distribution per unit, however, is subject to adjustment once new units are issued to the Manager (in satisfaction of the Manager's fee) prior to the record date for the 2025 interim distribution. A further announcement will be made to inform Unitholders of the interim distribution per unit for the six months ended 30 June 2025.

The total 2025 interim distribution amounted to approximately RMB171,141,000 which is equivalent to HK\$188,201,000 (June 2024: approximately RMB185,247,000 which was equivalent to HK\$202,036,000), includes an amount of approximately RMB62,755,000 (June 2024: RMB85,136,000), that is capital in nature. The total distribution amount for the Interim Period comprises the distributable amount calculated pursuant to the formula set out in the Trust Deed plus a further distribution of approximately RMB3,137,000 having regard to the abovementioned discretion of the Manager under the Trust Deed to distribute excess amounts where it has surplus funds. Further details regarding the breakdown of the total distributable amount are set out in the Distribution Statement of this announcement.

Distribution payable to Unitholders is paid in Hong Kong dollar. The exchange rate adopted by the Manager is the average central parity rate, as announced by the People's Bank of China, for the five business days preceding the date of declaration of distribution.

Distribution Per Unit

Distribution to Unitholders for the Interim Period is HK\$0.0366 per unit (June 2024: HK\$0.0405), representing a yield of approximately 4.21% (28 June 2024: 4.26%) based on the closing price of HK\$0.87 per unit as at 30 June 2025 (28 June 2024: HK\$0.95). This represents an annualized distribution yield of 8.42%.

CLOSURE OF REGISTER OF UNITHOLDERS

The record date for the interim distribution will be 11 September 2025. The register of Unitholders will be closed from 11 September 2025 to 12 September 2025, during which period no transfer of units will be effected. In order to qualify for the distribution, all Unit certificates with the completed transfer forms must be lodged with Yuexiu REIT's unit registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Center, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on 10 September 2025. The 2025 interim distribution will be paid on 24 October 2025 to the Unitholders whose names appear on the register of Unitholders on 11 September 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2025, global economic growth slowed down as the United States launched a tariff war around the world, trade policy uncertainty increased significantly, and the geopolitical situation deteriorated sharply. Given the ongoing inflationary pressure, the US Federal Reserve did not lower the interest rate in the first half of the year. Faced with the escalating internal and external risk factors, China has introduced “trade-in” subsidy policies to stimulate consumption, initiated “supply-side structural reform 2.0” to regulate the order in market competition, promoted the healthy development of new quality productive forces to foster emerging production capacity, and continued the moderate accommodative monetary policy with a reduction of 10 basis points in the Loan Prime Rate (LPR) in the first half of 2025. According to the National Bureau of Statistics, China’s gross domestic product (GDP) in the first half of 2025 increased by 5.3% year-on-year, showing an overall stable and improving trend. In particular, the added value of the tertiary industry grew by 5.5% year-on-year, contributing 60.2% to the economic growth. From the demand side, consumer expenditure was the main driving force, contributing 52.0% to economic growth, while export trade showed remarkable resilience, with net exports of goods and services contributing 31.2% to economic growth.

In the first half of 2025, the office building market continued to see a trend of pursuing “cost reduction and efficiency improvement”, and corporate expansion remained cautious and slow. For retail malls and clothing wholesale markets, merchants have been subjected to increased operating pressure stemming from weak consumption. For high-end hotels and serviced apartments, average daily rate (ADR) was under pressure due to the direct impact of consumption downgrading. In order to effectively deal with the headwinds in the industry, the Manager took strategic actions to secure market share, strengthened risk control by renewing leases in advance, invested in asset appreciation projects to enhance product competitiveness, and adopted comprehensive measures to stabilise the fundamentals of operations, which effectively supported the revenue of Yuexiu REIT for the interim period. The Manager is pleased to see lower financing cost, which is beneficial to the distribution.

PROPERTY PORTFOLIO

As of 30 June 2025, Yuexiu REIT's portfolio of properties consisted of ten properties, namely, White Horse Building Units ("White Horse Building"), Fortune Plaza Units and certain Carpark Spaces ("Fortune Plaza"), City Development Plaza Units and certain Carpark Spaces ("City Development Plaza"), Victory Plaza Units ("Victory Plaza"), Guangzhou International Finance Center ("GZIFC"), Yuexiu Financial Tower ("Yuexiu Financial Tower"), located in Guangzhou; Yue Xiu Tower ("Shanghai Yue Xiu Tower"), located in Shanghai; Wuhan Yuexiu Fortune Centre, Starry Victoria Shopping Centre and certain Carpark Spaces ("Wuhan Properties"), located in Wuhan; Hangzhou Victory Business Center Units and certain Carpark Spaces ("Hangzhou Victory"), located in Hangzhou; and 17th and 23rd Floors of Yue Xiu Building Units ("17th and 23rd Floors of Hong Kong Yue Xiu Building"), located in Hong Kong. The total gross floor area of the properties was 1,184,156.5 sq.m. and the total rentable area was 803,984.1 sq.m. (excluding 1,408.3 sq.m. of parking space of Fortune Plaza; 2,104.3 sq.m. of parking space of City Development Plaza; 91,460.9 sq.m. of hotel, 51,102.3 sq.m. of serviced apartments, 76,512.3 sq.m. of parking space, and 7,752.5 sq.m. of other ancillary facilities area of GZIFC; 13,502.6 sq.m. of parking space and 2,610.4 sq.m. of specific purpose area of Shanghai Yue Xiu Tower; 62,785.7 sq.m. of parking space and 12,415.1 sq.m. of common facilities area of Wuhan Properties; 17,663.6 sq.m. of parking space of Hangzhou Victory; 10,289.1 sq.m. of parking space and 29,797.1 sq.m. of common facilities area of Yuexiu Financial Tower, and the following statistics of both aggregate rented area and occupancy rate have excluded the above areas).

PROPERTY VALUATION

On 30 June 2025, revaluation of the portfolio of properties of Yuexiu REIT was carried out by Savills Valuation and Professional Services Limited (“Savills”), an independent professional valuer, and the revalued market value was approximately RMB41.889 billion.

The following table summarises the valuation of each of the properties as at 30 June 2025 and 31 December 2024:

Name of Property	Valuation as at	Valuation as at	Increase/ (Decrease) Percentage
	30 June	31 December	
	2025	2024	
	RMB million	RMB million	
White Horse Building	4,815	4,815	—%
Fortune Plaza	1,240	1,240	—%
City Development Plaza	1,006	1,022	(1.6)%
Victory Plaza	959	959	—%
GZIFC	18,934	18,990	(0.3)%
Shanghai Yue Xiu Tower	2,868	2,918	(1.7)%
Wuhan Properties	3,304	3,359	(1.6)%
Hangzhou Victory	626	625	0.2%
Yuexiu Financial Tower	8,049	8,284	(2.8)%
17th and 23rd Floors of Hong Kong Yue Xiu Building	88	96	(8.3)%
Total	41,889	42,308	(1.0)%

Particulars of the properties are as follows:

Property	Type	Location	Year of Completion	Gross Floor Area (sq.m.)	Rentable Area (sq.m.)	Property Occupancy Rate ⁽¹⁾	Number of Lease ⁽¹⁾	Unit Rent ⁽¹⁾ (RMB/sq.m./month)
White Horse Building	Wholesale mall	Yuexiu District, Guangzhou	1990	50,199.3	50,128.9	95.0%	857	445.1
Fortune Plaza	Grade A office	Tianhe District, Guangzhou	2003	42,763.5	41,355.2 ⁽²⁾	88.0%	108	141.8
City Development Plaza	Grade A office	Tianhe District, Guangzhou	1997	44,501.7	42,397.4 ⁽³⁾	89.4%	79	133.3
Victory Plaza	Retail shopping mall	Tianhe District, Guangzhou	2003	27,698.1	27,262.3	96.2%	28	196.3
GZIFC	Commercial complex	Tianhe District, Guangzhou	2010	457,356.8	230,266.9	85.4%	239	214.8
Including:	Grade A office			267,804.4	183,539.6 ⁽⁴⁾	82.6%	183	229.6
	Retail shopping mall			46,989.2	46,727.3	96.4%	56	165.1
	Hotel			91,460.9 ⁽⁵⁾	N/A	N/A	N/A	N/A
	Serviced apartments			51,102.3	N/A	N/A	N/A	N/A
Shanghai Yue Xiu Tower	Grade A office	Pudong New District, Shanghai	2010	62,139.4	46,026.3 ⁽⁶⁾	87.2%	114	196.0
Wuhan Properties	Commercial complex	Qiaokou District, Wuhan		248,194.2	172,993.3	66.8%	205	63.4
Including:	Grade A office		2016	139,937.1	129,446.7 ⁽⁷⁾	61.5%	117	73.2
	Retail shopping mall		2015	45,471.4	43,546.6 ⁽⁸⁾	82.4%	88	41.5
	Commercial parking spaces		2015-2016	47,182.9	N/A	N/A	N/A	N/A
	Residential parking spaces		2014-2016	15,602.8	N/A	N/A	N/A	N/A
Hangzhou Victory	Grade A office	Shangcheng District, Hangzhou	2017	40,148.4	22,484.8 ⁽⁹⁾	88.7%	36	127.1
Yuexiu Financial Tower	Grade A office	Tianhe District, Guangzhou	2015	210,282.9	170,196.8 ⁽¹⁰⁾	82.1%	192	194.2
17th and 23rd Floors of Hong Kong Yue Xiu Building	Office	Wanchai, Hong Kong	1985	872.2	872.2	100.0%	4	322.5
Total				<u>1,184,156.5</u>	<u>803,984.1</u>	82.2%	<u>1,862</u>	187.5

Notes:

- (1) As at 30 June 2025;
- (2) Excluding 1,408.3 sq.m. of parking space;
- (3) Excluding 2,104.3 sq.m. of parking space;
- (4) Excluding 76,512.3 sq.m. of parking space and 7,752.5 sq.m. of other ancillary facilities area;
- (5) Including 2,262.0 sq.m. of hotel ancillary facilities area and refuge floor area;
- (6) Excluding 13,502.6 sq.m. of parking space and 2,610.4 sq.m. of specific purpose area (management office, owners' committee office, bicycle parking space and refuge floor);
- (7) Excluding 10,490.3 sq.m. of common facilities area and refuge floor area;
- (8) Excluding 1,924.8 sq.m. of common facilities area;
- (9) Excluding 17,663.6 sq.m. of parking space;
- (10) Excluding 10,289.1 sq.m. of parking space and 29,797.1 sq.m. of common facilities area.

OCCUPANCY SLIGHTLY DECLINED

As at 30 June 2025, the overall occupancy rate of the properties was approximately 82.2%.

The following table sets out a comparison of occupancy rates in respect of all the properties between the Interim Period and the corresponding period of previous year:

Name of Property	Occupancy rate as at 30 June 2025	Occupancy rate as at 30 June 2024	Percentage (decrease)/ increase
			as compared to 30 June 2024
White Horse Building	95.0%	95.6%	(0.6)%
Fortune Plaza	88.0%	94.2%	(6.2)%
City Development Plaza	89.4%	95.7%	(6.3)%
Victory Plaza	96.2%	97.8%	(1.6)%
GZIFC Office	82.6%	84.7%	(2.1)%
GZIFC Shopping Mall	96.4%	98.4%	(2.0)%
Shanghai Yue Xiu Tower	87.2%	84.6%	2.6%
Wuhan Properties Office	61.5%	60.8%	0.7%
Wuhan Properties Shopping Mall	82.4%	88.7%	(6.3)%
Hangzhou Victory	88.7%	95.1%	(6.4)%
Yuexiu Financial Tower	82.1%	82.9%	(0.8)%
17th and 23rd Floors of Hong Kong Yue Xiu Building	100.0%	100.0%	0.0%
Total	82.2%	84.0%	(1.8)%

Operational Property	Type	Commencement of Operation	Area of Ownership (sq.m.)	No. of Units (units)	Average Occupancy Rate ⁽¹⁾	Average Room Rate ⁽¹⁾ (RMB)
Four Seasons Hotel Guangzhou ⁽²⁾	Five-star hotel	August 2012	91,460.9	344	80.1%	2,201
Ascott Serviced Apartments GZIFC ⁽²⁾	High-end serviced apartments	September 2012	51,102.3	314	92.3%	1,128

Notes:

(1) From 1 January 2025 to 30 June 2025;

(2) Both hotel and serviced apartments are entrusted operation.

REVENUE SLIGHTLY DECREASED

During the Interim Period, the properties of Yuexiu REIT recorded total revenue of approximately RMB966.1 million, representing a decrease of 6.6% as compared to the corresponding period of the previous year. White Horse Building, Fortune Plaza, City Development Plaza, Victory Plaza, GZIFC, Shanghai Yue Xiu Tower, Wuhan Properties, Hangzhou Victory, Yuexiu Financial Tower and 17th and 23rd Floors of Hong Kong Yue Xiu Building accounted for approximately 11.3%, 3.2%, 3.2%, 3.3%, 50.3%, 4.9%, 4.8%, 1.7%, 17.1% and 0.2% of the total revenue, respectively.

The following table sets out a comparison of revenue in respect of the Properties between the Interim Period and the corresponding period of 2024:

Name of Property	Revenue for the Interim Period of 2025 RMB million	Revenue for the Interim Period of 2024 RMB million	(Decrease)/ Increase Compared to the Interim Period of 2024 RMB million	(Decrease)/ Increase in Revenue from the Property Percentage
White Horse Building	109.4	111.4	(2.0)	(1.8)%
Fortune Plaza ⁽ⁱ⁾	31.2	41.5	(10.3)	(24.8)%
City Development Plaza ⁽ⁱ⁾	30.8	36.9	(6.1)	(16.5)%
Victory Plaza ⁽ⁱ⁾	31.6	40.5	(8.9)	(22.0)%
GZIFC				
Office	201.7	215.1	(13.4)	(6.2)%
Retail shopping mall	33.9	34.9	(1.0)	(2.9)%
Hotel	190.2	194.4	(4.2)	(2.2)%
Serviced apartment	60.3	60.0	0.3	0.5%
Shanghai Yue Xiu Tower	47.2	49.0	(1.8)	(3.7)%
Wuhan Properties	46.3	50.8	(4.5)	(8.9)%
Hangzhou Victory	16.7	16.4	0.3	1.8%
Yuexiu Financial Tower	165.1	181.7	(16.6)	(9.1)%
17th and 23rd Floors of Hong Kong Yue Xiu Building	1.7	1.5	0.2	13.3%
Total	966.1	1,034.1	(68.0)	(6.6)%

Note:

- (i) Fortune Plaza, City Development Plaza and Victory Plaza recognised revenue from advertising spaces of RMB8 million, RMB4 million and RMB8 million respectively in the interim period of 2024, with no such revenues in the Interim Period of 2025.

OFFICE – MATCHING DEMANDS TO CONSOLIDATE PRODUCT COMPETITIVENESS, INTRODUCING AND RETAINING QUALITY TENANTS TO ENHANCE TENANT STRUCTURE, AND IMPLEMENTING VARIOUS MEASURES TO STABILISE THE OCCUPANCY RATE

The office properties of Yuexiu REIT are located in four high-growth cities in Chinese Mainland (namely, Guangzhou, Shanghai, Wuhan and Hangzhou) and Hong Kong. During the Interim Period, cities where the Mainland properties are located witnessed an increase in supply with a weak demand for office building to varying degrees, which have generally put pressure on project occupancy rates. Facing fierce competition, the Manager adhered to the principle of “one project, one strategy, one dedicated team”. With setting the stabilisation of occupancy rates as the priority, the Manager actively broadened tenant promotion channels, launched products such as furnished units, and small and medium-sized units to meet market demand, introduced and retained quality tenants to enhance tenant structure, and consolidated market competitiveness by leveraging the advantages of the properties. As of 30 June 2025, among office tenants, tenants with backgrounds of the Fortune Global 500 companies and Fortune China 500 companies accounted for 37.5% of the rented area.

GUANGZHOU

GZIFC: The office portion of the GZIFC commercial complex, which is a super grade A office building and one of the iconic buildings and landmarks in the core area of Zhujiang New Town, Guangzhou. During the Interim Period, GZIFC achieved positive growth in both customer flow and conversion rates through continuous product enhancement and operational optimisation, with a newly contracted area of 13,133 sq.m., including a large area leased on one floor (trading business sector). The newly launched 4,235 sq.m. of furnished units recorded an absorption cycle of only about 19 days and an absorption rate close to 90%. Quality tenants introduced include a Fortune Global 500 company (in IT sector), a leading global shipping company and a renowned Internet-based culture, sports and entertainment company, taking up more than 2,200 sq.m. in aggregate. In addition, the project recorded a renewed leasing area of 9,099 sq.m. and a renewal rate of 70%, retaining quality tenants including 2 Fortune Global 500 companies (in the chemical and household appliances sectors) and a foreign consulate. As at 30 June 2025, the occupancy rate of the office building of GZIFC was 82.6%, representing a year-on-year decrease of 2.1 percentage points. In May, GZIFC was selected as one of the Top 30 companies in the “Performance Index - 2025 Commercial Property Operation Performance (表現力指數·2025商辦資產運營表現)” by Guandian.

Yuexiu Financial Tower: A super grade A office building in the core area of Zhujiang New Town, Guangzhou. During the Interim Period, the project recorded a newly contracted area of 7,448 sq.m., including a total of 1,500 sq.m. further took up by seven existing tenants looking for expanded area. 7,089 sq.m. of furnished units were launched, with an absorption cycle of approximately 38 days and an absorption rate of more than 65%. Quality tenants newly introduced include a Fortune Global 500 company (in the insurance sector) and a futures company with a market value of over RMB10 billion. As certain tenants relocated to their own properties, the project recorded a renewed leasing area of 10,303 sq.m. and a renewal rate of 42%, with the retention of quality tenants with large leasing areas, including Deloitte, one of the Big Four International Accounting Firms, and a leading integrated asset management company in China. As at 30 June 2025, the occupancy rate of Yuexiu Financial Tower was 82.1%, substantially in line with that in previous year.

Fortune Plaza: During the Interim Period, the project recorded a newly contracted area of 2,354 sq.m., and introduced quality tenants including several healthcare and elderly care subsidiaries of a Fortune Global 500 integrated financial group, with the effect of upstream and downstream industrial clusters emerging. The project recorded a renewed leasing area of 2,924 sq.m. and a renewal rate of 76%, retained quality tenants including a Fortune Global 500 company (in the logistics sector) and flexibly adjusted units to match their demand for cost efficiency. As at 30 June 2025, the occupancy rate of Fortune Plaza was 88.0%, representing a year-on-year decrease of 6.2 percentage points.

City Development Plaza: During the Interim Period, the project recorded a newly contracted area of 7,585 sq.m. and introduced a beauty technology company to enhance the ambience of healthcare business in the building. Retention plans were formulated in light of tenants in pursuit of cost efficiency, aimed at optimising product standards to meet tenant needs. The project recorded a renewed leasing area of 2,090 sq.m. and a renewal rate of 68%, retained tenants including the Guangzhou office of a globally-renowned Contract Research Organisation (CRO). As at 30 June 2025, the occupancy rate of City Development Plaza was 89.4%, representing a year-on-year decrease of 6.3 percentage points.

SHANGHAI

Shanghai Yue Xiu Tower: During the Interim Period, the project recorded a renewed leasing area of 3,798 sq.m., with a renewal rate of 39%, while securing a newly contracted area of 3,933 sq.m., efficiently making up for the units surrendering ahead of lease expiry. By replacing the energy-saving light tubes in the carpark spaces to enhance brightness, the project enhanced both energy efficiency and service standards, thereby improving tenant satisfaction and customer viscosity. As at 30 June 2025, the occupancy rate of Shanghai Yue Xiu Tower was 87.2%, representing a year-on-year increase of 2.6 percentage points.

WUHAN

Wuhan Yuexiu Fortune Centre: The office portion of the commercial complex of Wuhan Properties. During the Interim Period, the project recorded a newly contracted area of 12,395 sq.m., and introduced quality tenants including a member of a leading global automobile group and a diversified professional services company. In addition, it recorded a renewed leasing area of 10,884 sq.m. and a renewal rate of 81%, retained quality tenants with large leasing areas, including a Fortune Global 500 state-owned enterprise (in the electric power engineering industry). The business solicitation team optimised customers' experience in visiting through partial micro-renovation of units, soft furnishing upgrades and creation of AI model rooms to increase the conversion rate of customers. As at 30 June 2025, the occupancy rate of Wuhan Yuexiu Fortune Centre was 61.5%, substantially in line with that in the previous year. Wuhan Yuexiu Fortune Centre was awarded 2025 China Real Estate Commercial Management "Elite Business" Commercial Office Special Project Award at the 9th New Gravity Summit held in June.

HANGZHOU

Hangzhou Victory: During the Interim Period, the project recorded a newly contracted area of 1,974 sq.m. and introduced a tenant (in the IT sector) to take up an entire floor. In addition, it recorded a renewed leasing area of 6,083 sq.m. and a renewal rate of 64%, retained quality tenants including a Fortune Global 500 construction engineering company and the Zhejiang branch of a state-owned enterprise (in the transportation engineering industry) in Shanxi Province. As at 30 June 2025, the occupancy rate of Hangzhou Victory was 88.7%, representing a year-on-year decrease of 6.4 percentage points.

HONG KONG

17th and 23rd Floors of Hong Kong Yue Xiu Building: The project maintained an occupancy rate of 100% during the Interim Period with solid operation performance.

RETAIL SHOPPING MALLS – INTRODUCING EMERGING BRANDS TO ENHANCE CONSUMPTION AMBIENCE, ENGAGING IN CROSS-SECTOR COLLABORATION TO BOOST CUSTOMER FLOW AND SALES, AND ACCURATELY MATCHING RESOURCES TO EMPOWER MERCHANT OPERATIONS

The retail mall properties of Yuexiu REIT are located in two high-growth cities in Chinese Mainland (Guangzhou and Wuhan). Driven by “trade-in” consumption subsidy policies, domestic consumption activity improved, with the June 2025 Consumer Price Index (CPI) turning positive year-on-year, and total retail sales of consumer goods boosted by 5.0% year-on-year in the first half of 2025. In comparison, consumption in core business districts remained strong, with outdoor sports and trendy entertainment economies driving a notable consumption vitality. During the Interim Period, the Manager adjusted brand mix in line with consumption trends, created consumption scenarios through cross-sector collaboration, and empowered merchant operations in multiple ways.

GUANGZHOU

GZIFC Shopping Mall: The retail shopping mall of the commercial complex of GZIFC, which is a premium retail shopping mall in the core area of Zhujiang New Town, Guangzhou. During the Interim Period, it was announced that China Duty Free Group (CDFG) will set up a store in GZIFC Shopping Mall, which will be the first and currently the only downtown duty-free store in Guangzhou which is expected to open in the third quarter, with the target of creating a new landmark for duty-free shopping. The project actively created digitalised consumption scenarios, advanced the pilot implementation of the local lifestyle platform “YueXiu Club”, which now covers 12 merchants, while attracting customers through multiple channels such as Dianping and UnionPay QuickPass platforms. During the Interim Period, newly contracted area and renewed leasing area totaled 5,734 sq.m., with a renewal rate of 97%. As at 30 June 2025, the occupancy rate stood at 96.4%, representing a year-on-year decrease of 2 percentage points, yet maintaining a high level occupancy.

Victory Plaza: A premium retail shopping mall located in the core business district of TiYu West Road, Tianhe District, Guangzhou. During the Interim Period, its anchor tenant, Uniqlo, continued to play a flagship role by launching its C-series products, and hosted the first “A Better Life” campaign of Uniqlo (優衣庫美好生活市集) in China, along with gigantic Pokémon installations and A Better Life Music Event, from 28 March to 6 April. Customer flow reached a quarterly peak during the events, driving a 7% year-on-year sales growth in April, contributing to a 0.3% year-on-year sales growth during the Interim Period. By collaborating with tenants engaging in catering services to capitalise on increased sales with a surging customer flow, the project drove a year-on-year increase of 0.6% in overall sales during the Interim Period. As at 30 June 2025, the occupancy rate stood at 96.2%, representing a year-on-year decrease of 1.6 percentage points, yet maintaining a high level occupancy.

WUHAN

Wuhan Starry Victoria Shopping Centre: The retail shopping mall of the commercial complex of Wuhan Properties. During the Interim Period, faced with the significant impact of the weak consumption, the business solicitation team actively expanded tenant solicitation channels, with newly contracted area and renewed leasing area totalling 3,894 sq.m. and a renewal rate of 82%. The project successfully introduced several popular food and beverage

brands, including the internet-famous brand “Domino’s” on the 1st floor of Hall A, to attract more family customer groups. The project tapped into nighttime consumption by leveraging the unique appeal of “Joy Garden (悦花園)” on the 4th floor, continuously developing initiatives like “Riverside Starry Night (江畔星夜)” and “Midnight Diner (深夜食堂)” to stimulate new sales growth drivers. As at 30 June 2025, the occupancy rate stood at 82.4%, representing a year-on-year decrease of 6.3 percentage points.

WHOLESALE MARKET – ENHANCING “PEOPLE, GOODS AND VENUES” SYNERGY TO CREATE NEW SCENARIOS BASED ON CROSS-SECTOR FASHION, UNLOCKING NEW OPERATIONAL EFFICIENCIES

White Horse Building: The sole wholesale market under Yuexiu REIT, and one of Guangzhou’s iconic apparel wholesale markets. During the Interim Period, White Horse Building introduced supply chain resources from the Pearl River Delta and recorded a newly contracted area of 3,273 sq.m., with full occupancy on the 1st floor. White Horse Building focused on four key dimensions – operational capability, product competitiveness, brand image and channel diversification, and organised two election events, “Most Favoured Merchants by Purchasers (最受採購商喜愛商戶)” and “Most Favoured Products by Purchasers (最受採購商喜愛產品)”, which attracted the participation of more than 200 merchants, aimed at empowering quality merchants in a targeted manner. By integrating a “Fashion+” cross-sector marketing ecosystem, White Horse Building creatively launched four major promotional campaigns in boosting more shopping scenarios: anniversary celebration, May Day Golden Week, autumn and winter joint order fair, and mid-year promotion, which effectively improved the growth of customer flow. With a core strategy of “group purchases to drive bulk purchases and ultimately transform into tenants’ revenue”, White Horse Building managed to build its dual drivers to expand cultural, commercial and tourism resources alongside with outreaching to foreign purchasers through the Canton Fair. In the first half of 2025, it welcomed a total of 165 procurement delegations, along with receiving nearly 5,000 purchaser visits, including 23 foreign delegations from France, Vietnam and other countries, and facilitated procurement deals worth of RMB140 million. By taking advantage of exhibitions such as the Greater Bay Area International Women’s Wear Expo and the Canton Fair, White Horse Building facilitated tenants’ transactions. It also successfully established the cross-border e-commerce platform “White Horse Global E-Channel (白馬悅境通)” and set up a series of courses titled “White Horse Business School Marketing Empowerment Camp” to activate new momentum for tenants’ digital operations. As at 30 June 2025, the occupancy rate stood at 95.0%, substantially in line with that in the previous year.

HOTEL AND SERVICED APARTMENTS – ROOM REVENUE REACHING A NEW RECORD HIGH, AND RESTAURANTS RETAINING MICHELIN AWARDS

The hotel and serviced apartments of Yuexiu REIT form an integral part of the commercial complex of GZIFC, including Four Seasons Hotel Guangzhou and Ascott Serviced Apartments GZIFC. According to data from China’s National Immigration Administration, China recorded 38,053,000 foreigners entering and leaving the country in the first half of 2025, representing a year-on-year increase of 30.2%, which included 13,640,000 visa-free entries by foreigners, representing a year-on-year increase of 53.9%. These inbound travellers effectively made up for the demand for high-end hotel consumption.

Four Seasons Hotel Guangzhou: During the Interim Period, the average occupancy rate was 80.1%, representing a year-on-year increase of 1.1 percentage points. The average room rate was RMB2,201, representing a year-on-year decrease of 0.6% and 37.6% higher than that of the hotel competitors. The revenue per available room (RevPAR) was RMB1,762, representing a year-on-year increase of 0.7%. The RevPAR competitive index was 111.7, maintaining a relatively leading market position among luxury hotel competitors. Through various targeted promotions, Four Seasons Hotel Guangzhou capitalised on the market demand of high-net-worth foreign customers, thus seizing a share of the high-end market and successfully pushing room revenue to a record high for the same period. In respect of catering services, Four Seasons Hotel Guangzhou focused on a “product upgrade, market promotion, and customer-oriented” approach to explore the potential for revenue growth. The Chinese restaurant, Yu Yue Heen, retained its title of “one Michelin star” restaurant in Guangzhou for 2025, while CATCH was awarded the 2025 “Michelin Guide Selected Restaurant” in Guangzhou, reflecting a high level of market recognition.

Ascott Serviced Apartments GZIFC: During the Interim Period, the average occupancy rate was 92.3%, representing a year-on-year increase of 1.8 percentage point and 9.7 percentage points higher than that of the serviced apartment competitors. The average room rate was RMB1,128, representing a year-on-year decrease of 0.5% and 7.2% higher than that of the serviced apartment competitors. The RevPAR was RMB1,041, representing a year-on-year growth of 1.5%. The RevPAR competitive index reached 120.0, maintaining a relatively leading market position among serviced apartment competitors. Ascott Serviced Apartments GZIFC keenly grasped the changing trends of its customer groups, setting the priority to stabilise the core long-stay customer group on the one hand, and actively expanding overseas channels to promote the growth of short-stay customer groups on the other hand, thus successfully driving the revenue to a record high for the same period.

ACTIVE PROMOTION OF PROJECTS FOR ASSET APPRECIATION, ACHIEVING VALUE PRESERVATION AND APPRECIATION OF PROPERTIES

Every year, the Manager invests in a number of asset upgrading and renovation projects, with a view to continue to improve product competitiveness, energy conservation and carbon reduction performance, and safety assurance level of the asset portfolio. During the Interim Period, the Manager completed the upgrading and renovation project of the restaurant at Ascott Serviced Apartments GZIFC, the upgrading and renovation project of the air-conditioning system at White Horse Building, as well as the upgrading and renovation project of the public area on standard floors at Wuhan Yuexiu Fortune Centre. In the second half of 2025, the Manager plans to continue investing in the following renovation projects.

In terms of product competitiveness improvement, for office buildings, the Manager plans to renovate vacant units in GZIFC, Yuexiu Financial Tower, Fortune Plaza, City Development Plaza, Wuhan Yuexiu Fortune Centre, Shanghai Yue Xiu Tower and Hangzhou Victory to create furnished office units meeting market demand, which will effectively shorten the tenant solicitation cycle and stabilise the rental level. For hotel and serviced apartments, the Manager plans to carry out guest room upgrading project as well as replacement of soft-covered walls and ceiling refurbishment in the banquet hall at Four Seasons Hotel Guangzhou, so as to elevate service quality. For public areas, the Manager plans to carry out the maintenance and renovation project for the public areas of the office buildings at GZIFC, renovation and reconstruction project of the public areas of the City Development Plaza and renovation project of certain public corridors on the 3rd to 27th floors at Shanghai Yue Xiu Tower.

In terms of equipment and facilities upgrades, the Manager plans to carry out the insulation replacement project for the air-conditioning system from the 15th to the 28th floors of the main tower of GZIFC, the retrofit of certain air-conditioning system terminal at Fortune Plaza, the upgrading and renovation project of the air-conditioning air handling units at Victory Plaza, the retrofit of the air-conditioning equipment in Hall B of Wuhan Starry Victoria Shopping Centre, and the replacement of chilled water pipes for the air-conditioning system at Yuexiu Tower.

In terms of safety and security enhancement, the Manager plans to carry out the renovation and refurbishment project of the roof structure protective layer on the 103rd floor of Four Seasons Hotel Guangzhou, the upgrading and renovation project of the smart evacuation lighting system at Ascott Serviced Apartments GZIFC, the replacement of storage-type electric water heaters and the renovation of gas pressure regulating wells in the office buildings at GZIFC, the upgrading and renovation project of the high-voltage cabinets and the replacement of terminal devices in the automatic fire alarm system at White Horse Building, the replacement and renovation of transformers at City Development Plaza, the anti-rust treatment of steel structures at Wuhan Yuexiu Fortune Centre, and the renovation of the marble pavement from the Fushan Road exit to the Xiangcheng Road exit at Shanghai Yue Xiu Tower.

PROACTIVE MANAGEMENT IN FINANCING RISK AND EFFECTIVE STABILISATION IN FINANCING COST

In terms of liquidity management, with regard to the short-term loan of RMB530 million and the 5-year syndicated loan of HK\$2.1 billion, both due in the first half of 2025, and other loans which are due within the year, the Manager in the first half of 2025 renewed the short-term loan of RMB530 million, obtained offshore loan of RMB1.7 billion and issued dim sum bonds of RMB1 billion for the refinancing and early repayment of the maturing loans so as to ensure effective monitor on the liquidity risk.

As for interest rate management, in order to alleviate inflationary pressure, the United States has announced 11 interest rate hikes in a row since 2022, with a cumulative increase of 525 basis points. Hong Kong dollar followed the sharp interest rate hike, with significant increase in Hong Kong dollar interest rates simultaneously. Separately, in order to boost domestic economic recovery, RMB interest rate cuts have been ongoing since the end of 2021, with the 1-year and 5-year domestic loan prime rates (LPRs) reducing by an aggregate of 85 basis points and 115 basis points, respectively. The US Federal Reserve started interest rate hikes from 2022, but it has announced 3 interest rate cuts since September 2024 with a cumulative decrease of 100 basis points, and the Hong Kong dollar interest rates have fallen accordingly. Subsequently, due to the release of liquidity by the Hong Kong Monetary Authority in late May 2025 and the expected IPOs in the Hong Kong market, Hong Kong dollar enjoyed sufficient liquidity. At the end of June 2025, the 1-month HIBOR fell to approximately 0.73%, a relatively low level in the past three years. Due to the pressure of factors such as inflation in the United States and the international situation, the path of US dollar interest rate cuts remains unclear. Prevailing market expectation indicates that overseas interest rates are likely to remain relatively high for a period of time. In the medium and long term, RMB will maintain a certain financing spread advantage over Hong Kong dollar and US dollar.

Taking advantage of the position of the RMB interest rate market, the Manager continued to research various financing instruments and actively adjusted the financing structure at a reasonable cost level to mitigate the impact of the interest rate market on the operating results of Yuexiu REIT. A total of RMB3.23 billion in loans were obtained in the first half of 2025 to refinance offshore HKD floating rate loans, taking advantage of the relatively low-cost of RMB financing to proactively adjust the financing structure, thereby minimising the impact of the interest rate market. At the end of the first half of 2025, the financing interest rate exposure of Yuexiu REIT was approximately 14%, narrowed by 12 percentage points from 26% at the beginning of the year; the average financing cost was 3.33%, representing a decrease of 83 basis points from 4.16% at the beginning of the year; the average interest payment rate for the first half of the year was 3.92%, representing a year-on-year decrease of 64 basis points from 4.56% in the first half of 2024.

With regard to foreign exchange management, due to the combined effects of US dollar interest rate hikes and RMB interest rate cuts since 2022, both US dollar and Hong Kong dollar appreciated significantly against RMB and are expected to remain at relatively high levels. The Manager continued its focus on the market dynamics by adopting effective management strategies, actively adjusted the financing structure and timely used foreign exchange hedging tool at reasonable cost to monitor financing foreign exchange exposure.

RMB financing has been continuously introduced to replace Hong Kong dollar financing since 2023. At the end of June 2025, Yuexiu REIT RMB financing reached approximately RMB14,795 million, accounting for 72% of total financing (corresponding period of 2024: RMB financing of approximately RMB8,404 million, accounting for 41% of total financing). At the end of June 2025, the foreign exchange exposure of Yuexiu REIT was equivalent to approximately RMB5,770 million, accounting for 28% of total financing (corresponding period of 2024: foreign exchange exposure of approximately RMB12,075 million, accounting for 59% of total financing). The Manager has also continued to further narrow the exchange rate exposure by adjusting the financing structure and increasing the proportion of low-cost RMB financing when appropriate.

INTEGRATING ESG INTO BUSINESS AND PROMOTING SUSTAINABLE DEVELOPMENT

The Manager continued to promote the deep integration of ESG standards into business development, enhance lean management efficiency and advance sustainable development. During the Interim Period, multiple properties under Yuexiu REIT achieved milestone breakthroughs by obtaining the WELL Building Standard recognition, marking another active exploration and practical achievement in the ESG field of commercial real estate in China. Specifically, the GZIFC Office and Yuexiu Financial Tower obtained the Platinum-level WELL certifications with outstanding performance, becoming the only two office buildings in Zhujiang New Town CBD of Guangzhou to receive both LEED and WELL Platinum-level certifications. The GZIFC Shopping Mall, Fortune Plaza, City Development Plaza, Victory Plaza, Wuhan Yuexiu Fortune Centre, Wuhan Starry Victoria Shopping Centre, Shanghai Yue Xiu Tower and Hangzhou Victory all received recognitions under the WELL Health-Safety Rating (WELL HSR).

In the first half of 2025, China suffered from frequent high temperature. According to the China Meteorological Administration, the national average temperature in June even hit a record high compared to the previous corresponding periods, indicating the impact of climate change on the daily life of everyone. The properties under Yuexiu REIT continuously strengthened equipment and facility management, enhanced digital energy consumption monitoring capabilities, and regularly conducted safety emergency drills, integrating the concept of sustainable development into the details of daily operations. From April to May, GZIFC successfully hosted a public welfare event titled “Action for a Green Future, Kind Action brings Goodness (綠動未來，向善而行)”, collaborating with tenants, merchants and public welfare organisations to launch themed activities such as dialogues exploring sustainable lifestyles, sustainable lifestyle art exhibitions, experience activities of coffee grounds recycling for planting, and sustainable lifestyle markets, calling on the public to explore sustainable lifestyles.

OUTLOOK

On the one hand, the market generally hopes for further interest rate cuts by the US Federal Reserve in the second half of 2025, though the path and extent remain uncertain. On the other hand, 2025 marks the concluding year of China's "14th Five-Year Plan", with policies prioritising stability, including moderate accommodative monetary policies and "trade-in" consumption subsidy policies aimed at expanding domestic demand to stimulate market vitality. Consequently, the Manager expects the RMB interest rate to remain at a relatively low level. With the accelerated development of new quality productive forces and the advancement of supply-side reforms in China, the Manager expects that new industrial momentum will continue to emerge and business environment will improve. The highly anticipated 15th National Games is scheduled to open in Guangzhou in the second half of 2025, which is expected to boost consumption in shopping malls and demand for hotels and apartments.

In the second half of 2025, the Manager will keep abreast of economic development trends and dynamically implement proactive, prudent and flexible leasing strategies, keenly seize potential opportunities, and continuously enhance the market competitiveness of asset portfolio. The Manager will continue to review and make reasonable adjustments to its financing structure depending on expectations of market developments, and introduce low-cost RMB financing through various RMB financing channels to seek more favourable financing costs to offset interest rate risks. Additionally, the Manager will carry out relevant asset appreciation projects as planned, with reasonable planning and phased renovation of the guest rooms at Four Seasons Hotel Guangzhou. By focusing on product enhancement, equipment renewal and safety guarantee, the Manager aims to achieve value preservation and appreciation of the properties and ensure the sound operation of the projects.

FINANCIAL REVIEW

Financial Results

During the Interim Period, gross income was lower than the corresponding period of 2024. The following is a summary of Yuexiu REIT's financial results during the Interim Period:

	Six months ended 30 June		
	2025	2024	(Decrease)/
	Unaudited	Unaudited	Increase
	RMB'000	RMB'000	
Gross income	966,148	1,034,091	(6.6)%
Hotel and serviced apartments direct expenses	(156,425)	(156,242)	0.1%
Leasing agents' fee	(21,990)	(24,212)	(9.2)%
Property related taxes (<i>Note 1</i>)	(105,328)	(108,949)	(3.3)%
Other property expenses (<i>Note 2</i>)	(3,369)	(2,023)	66.5%
Total property operating expenses	(287,112)	(291,426)	(1.5)%
Net property income	679,036	742,665	(8.6)%
Withholding tax	(20,257)	(23,020)	(12.0)%
Depreciation and amortization	(67,590)	(70,487)	(4.1)%
Manager's fees	(83,964)	(85,136)	(1.4)%
Trustee's fees	(6,275)	(6,350)	(1.2)%
Other trust expenses (<i>Note 3</i>)	32,875	(5,622)	(684.8)%
Total non-property operating expenses	(145,211)	(190,615)	(23.8)%
Profit before finance income,			
finance expenses and tax	533,825	552,050	(3.3)%
Finance income	10,568	16,013	(34.0)%
Finance expenses	(461,117)	(476,243)	(3.2)%

	Six months ended 30 June		
	2025	2024	(Decrease)/
	Unaudited	Unaudited	Increase
	RMB'000	RMB'000	
Profit before tax	83,276	91,820	(9.3)%
Income tax expenses	<u>4,851</u>	<u>(89,520)</u>	(105.4)%
Net profit after tax before fair value loss on investment properties and fair value gain on derivative financial instruments	88,127	2,300	3,731.6%
Fair value loss on investment properties	(425,546)	(69,471)	512.6%
Fair value gain on derivative financial instruments	<u>—</u>	<u>26,642</u>	(100.0)%
Net loss after tax before transactions with unitholders	<u>(337,419)</u>	<u>(40,529)</u>	732.5%

Note 1 Property related taxes include real estate tax, land use right tax, urban construction and maintenance tax, education surcharge, local education surcharge and stamp duties etc..

Note 2 Other property expenses include valuation fee, insurance premium, impairment allowance and other expenses incurred at the level of the properties.

Note 3 Other trust expenses include audit fees, printing charges, unit registrar's fees, legal advisory fees, exchange differences from operation, value added tax, Manager's fee adjustment and miscellaneous expenses.

Gross income comes from office, wholesales, retails, hotel and serviced apartments. The following table shows an analysis of gross income:

(RMB'000)	Mainland		Six months ended 30 June	
	China	Hong Kong	2025	2024
Office	529,873	1,689	531,562	581,741
Wholesales	109,353	—	109,353	111,381
Retails	74,805	—	74,805	86,583
Hotel and serviced apartments	250,428	—	250,428	254,386
Total	964,459	1,689	966,148	1,034,091

During the Interim Period, net property income amounted to approximately RMB679,036,000 (June 2024: RMB742,665,000), being the income after deduction of hotel and serviced apartments direct expenses, property related taxes, leasing agents' fees and other property operating expenses, representing approximately 70.3% (June 2024: 71.8%) of total gross income. The table below sets out an analysis of net property income:

(RMB'000)	Mainland		Six months ended 30 June	
	China	Hong Kong	2025	2024
Office	439,079	1,681	440,760	487,453
Wholesales	91,967	—	91,967	93,848
Retails	62,310	—	62,310	73,034
Hotel and serviced apartments	83,999	—	83,999	88,330
Total	677,355	1,681	679,036	742,665

Hotel and serviced apartments direct expenses were RMB156,425,000 (including depreciation expense of approximately RMB5,951,000 incurred in connection with right-of-use assets and interest expense of RMB182,000 incurred in connection with lease liabilities), an increase of 0.1% as compared with six months ended 30 June 2024. It was mainly due to an increase in the labor cost from hotel.

Leasing agents' fee decreased by approximately 9.2% as compared with six months ended 30 June 2024. It was mainly due to a decrease of rental income.

Property related taxes decreased by approximately 3.3% as compared with six months ended 30 June 2024. It was mainly due to a decrease of rental income.

As the hotel and serviced apartments were booked as fixed assets, they incurred the depreciation and amortization charge.

Other trust expenses decreased by approximately 684.8% as compared with six months ended 30 June 2024. It was mainly due to the Manager's fee adjustment of approximately RMB43,293,000 (June 2024: RMB7,354,000). Excluding this Manager's fee adjustment income, other trust expenses incurred for the Interim Period amounted to approximately RMB10,418,000 (June 2024: approximately RMB12,976,000, excluding the Manager's fee income), representing a decrease of approximately 19.7% year-on-year.

The finance income received for the Interim Period amounted to approximately RMB10,568,000 (June 2024: RMB16,013,000).

As RMB appreciated against HK\$ and USD for the Interim Period, the bank borrowings and guaranteed medium term notes denominated in United States Dollar resulted in an exchange loss of approximately RMB58,231,000. Excluding the exchange loss, the finance expenses incurred for the Interim Period amounted to approximately RMB402,886,000 (June 2024: Excluding the exchange loss, the finance expenses were approximately RMB465,628,000). The average one-month Hong Kong Interbank Offered Rate ("HIBOR") for the first half of 2025 was 2.88%, which was lower than that of the first half of 2024 by approximately 163 basis points and led to a decrease of interest expenses on the floating portion of debt.

Loss after tax before transactions with Unitholders amounted to approximately RMB337,419,000 (June 2024: loss of approximately RMB40,529,000), which represented an increase of approximately 732.5%, mainly due to a fair value loss on investment properties.

New Units Issued and Unit Activity

In respect of the settlement of Manager's fee for the period from 1 July 2024 to 31 December 2024, Yuexiu REIT issued 50,348,379 new units at HK\$0.85 per unit on 1 April 2025. As at 30 June 2025, a total of 5,141,086,550 units were issued by Yuexiu REIT.

The unit price of Yuexiu REIT reached a high of HK\$0.95 and a low of HK\$0.67 during the Interim Period. The average trading volume amounted to approximately 3,281,000 units per day (June 2024: 3,307,000 units) during the Interim Period.

Deferred Manager Fee Units

Referring to an announcement on 24 March 2024, RMB3,275,674 (which is equivalent to approximately HK\$3,610,473) has been deferred and settled by issuing another tranche of new Units at the applicable Market Price at such later date which the REIT Manager considers is in the interests of the independent Unitholders provided the Trustee has no objection to such issuance.

Referring to an announcement on 2 September 2024, RMB19,393,162 (which is equivalent to approximately HK\$21,238,815) has been deferred and settled by issuing another tranche of new Units at the applicable Market Price at such later date(s) which the REIT Manager considers is in the interests of the independent Unitholders provided the Trustee has no objection to such issuance.

Deferred Units

According to the offering circular in relation to the acquisition of GZIFC dated 30 June 2012, commencing from 31 December 2016, the Yuexiu REIT will, on 31 December of each year, issue to Yuexiu Property Company Limited (“YXP”) (or YXP Nominee) such number of Deferred Units as shall be equal to the maximum number of Units that may be issued to YXP (or YXP Nominee) and its concert parties which, when aggregated with the Manager Fee Units that are expected to be issued during the period of 12 months after the relevant Issue Date, will not trigger an obligation on the part of YXP (and parties acting in concert with it) to make a mandatory general offer under Rule 26 of the Takeovers Code for all units not already owned or agreed to be acquired by them at the relevant time.

As stated in the circular dated 13 November 2021 (“2021 Circular”), in light of the subscription price of the Rights Issue (being HK\$3.20) being at a discount greater than 10% of the average of the daily closing prices of the Units for the five consecutive trading days preceding the date of the 2021 Announcement (being HK\$3.67), the Deferred Units Issue Price shall be adjusted by multiplying the current Deferred Units Issue Price (being HK\$4.00 per Unit) by the fraction as set out under the Indebtedness Agreement and further described in the 2021 Circular (the “Deferred Units Issue Price Adjustment”). The Deferred Units Issue Price Adjustment has taken effect upon the completion of the Rights Issue, which has taken place on 26 January 2022.

Accordingly, assuming no other Deferred Units Adjustment Events eventuate, the balance of the Assignment consideration will be settled by the issuance of 212,808,584 Deferred Units in aggregate at HK\$3.861652 per Unit.

Net Asset Value

The net assets (including net assets attributable to deferred Unitholders) attributable to existing Unitholders per unit as at 30 June 2025 was approximately RMB2.82 (as at 31 December 2024: RMB2.91).

CAPITAL AND FINANCIAL STRUCTURE

Yuexiu REIT's borrowings are as follows:

	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
Bank borrowings and notes		
Denominated in RMB	14,795,300	12,330,465
Denominated in HK\$	2,925,850	5,373,870
Denominated in USD	2,844,321	2,875,621
Total bank borrowings and notes	<u>20,565,471</u>	<u>20,579,956</u>
Maturity analysis		
Within one year	10,150,664	4,607,000
Two to five years	10,414,807	15,972,956
Beyond five years	—	—
The effective interest rate (per annum) of the bank borrowings and notes at the balance sheet date		
RMB	3.65%	3.63%
HK\$	2.25%	6.17%
USD	2.72%	2.72%

The overall effective interest rate (per annum) of the bank borrowings and notes at the balance sheet date was 3.33% (as at 31 December 2024: 4.16%).

On 5 February 2025, Yuexiu REIT, through its offshore SPV company, entered into a facility renewal agreement with an offshore bank in connection with a one-year unsecured and fixed rate term loan facility of RMB530,000,000. It was drawn down on 5 February 2025 for repayment of certain HK\$ bank loan facility.

On 31 March 2025, Yuexiu REIT, through its offshore SPV company, entered into a facility agreement with an offshore bank in connection with a three-year unsecured and fixed rate term loan facility of RMB1,700,000,000. It was drawn down on 31 March 2025 for repayment of certain HK\$ bank loan facility.

On 2 April 2025, Yuexiu REIT, through its offshore SPV company, proposed issue RMB1,000,000,000 4.10% Guaranteed Notes due 2028. On 2 April 2025, the Guaranteed Notes were issued and listed on the Hong Kong Stock Exchange, and the proceeds were utilised for repayment of offshore bank loans. For details, please refer to the announcements dated 27 March 2025 and 2 April 2025.

The Manager adopted a series of liquidity management measures. It managed the annual interest rate at a reasonable level and was alert for the foreign exchange risk.

Following the pace of US dollar interest rate hikes, the HIBOR level has risen significantly since the second half of 2022. Through reasonable arrangement of financing structure (including maintaining the financing ratio between fixed and floating interest rates, and establishing interest rate hedging), the Manager has effectively mitigated the impact of the fluctuating interest rate market on the operating results of Yuexiu REIT;

At the end of June 2025, the average financing cost of Yuexiu REIT was 3.33% (June 2024: 4.55%). The average interest payment rate for the first half of the year was 3.92% (first half of 2024: 4.56%), which was 104bp higher than the average daily HIBOR(1m) for the first half of the year at 2.88% (first half of 2024: 4.51%), but still lower than the financing cost level of overseas loans of Yuexiu REIT;

In light of the general market expectation of slow interest rate cuts in 2025, and the fact that interest rate would remain higher than the existing RMB financing cost even if interest rate cuts take place, the refinancing strategy will therefore continue to focus on replacing existing financing with low-cost domestic RMB financing.

As at 30 June 2025, total borrowings of Yuexiu REIT amounted to approximately RMB20,565,471,000 which represented approximately 48.1% of total assets of Yuexiu REIT (as at 31 December 2024: 47.5%). The above said gearing ratio was below the maximum borrowing limit of 50% as stipulated in the REIT Code.

As at 30 June 2025, total liabilities of Yuexiu REIT (excluding net assets attributable to Unitholders) amounted to approximately RMB27,106,019,000, representing approximately 63.4% of total assets of Yuexiu REIT.

Cash Position

As at 30 June 2025, cash and cash equivalents, short-term deposit balance of Yuexiu REIT amounted to approximately RMB1,554,388,000. Yuexiu REIT has sufficient financial resources to satisfy its financial commitments and working capital requirements.

The Manager has adopted a prudent approach in cash management to ensure flexibility to meet the operational needs and the distributions of Yuexiu REIT.

REVIEW OF FINANCIAL RESULTS

The results of Yuexiu REIT for the Interim Period have been reviewed by the Disclosures Committee and Audit Committee of the Manager and by Yuexiu REIT's auditor in accordance with Hong Kong Standards on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

ISSUANCE OF 2025 INTERIM REPORT

The interim report of Yuexiu REIT for the six months ended 30 June 2025 will be published on the websites of the Stock Exchange and Yuexiu REIT, and will be sent to Unitholders on or before 31 August 2025.

REPURCHASE, SALE OR REDEMPTION OF UNITS

Yuexiu REIT may, subject to the fulfillment of certain requirements, purchase its own Units on the Stock Exchange. During the Interim Period, there was no repurchase, sale or redemption of units of Yuexiu REIT by Yuexiu REIT or any of its subsidiaries.

SUMMARY OF ALL REAL ESTATE SALES AND PURCHASES

Yuexiu REIT or any of its subsidiaries did not enter into any real estate sale and purchase during the Interim Period.

EMPLOYEES

As at 30 June 2025, Yuexiu REIT employed 571 and 127 employees in China for hotel operation and for serviced apartments operation through its subsidiaries respectively, mainly to fulfill its operating functions and provision of service for hotel and serviced apartments.

Save as disclosed above, Yuexiu REIT is managed by the Manager. Yuexiu REIT does not employ any staff directly.

CORPORATE GOVERNANCE

The Manager has adopted an overall corporate governance framework of the Code of Best Practice that is designed to promote the operation of Yuexiu REIT in a transparent manner with built-in checks and balances which are critical to the performance of the Manager and consequently, the success of Yuexiu REIT which it manages.

The Manager has adopted a compliance manual (the “Compliance Manual”) and the principles and provisions of the Corporate Governance Code for use in relation to the management and operation of Yuexiu REIT which includes key policies and procedures to maintain a high standard of corporate governance.

During the Interim Period, the Manager has complied with the provisions of the Compliance Manual for its management of Yuexiu REIT.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

		Six months ended 30 June	
	<i>Notes</i>	2025	2024
		(Unaudited)	(Unaudited)
		RMB'000	RMB'000
Revenue	6	966,148	1,034,091
Operating expenses, net	7	(432,141)	(481,617)
Fair value losses on investment properties	14	(425,546)	(69,471)
Net gains on derivative financial instruments	17	—	26,642
Finance income	9	10,568	16,013
Finance expenses	10	(461,299)	(476,667)
(Loss)/profit before income tax and transactions with unitholders		(342,270)	48,991
Income tax credit/(expense)	11	4,851	(89,520)
Loss after income tax before transactions with unitholders		(337,419)	(40,529)
Transactions with unitholders	24	232,480	65,809
(Loss)/profit after income tax and transactions with unitholders		(104,939)	25,280
Other comprehensive income/(loss) for the period			
<u>Items that will not be classified to profit or loss:</u>			
Change in fair value of property, plant and equipment			
– Gross		(26,953)	66,192
– Tax		7,549	(18,538)
		(19,404)	47,654
<u>Items that may be classified to profit or loss:</u>			
Exchange differences on translation of foreign operations		109,095	(82,187)
Other comprehensive income/(loss) for the period, net of tax		89,691	(34,533)
Total comprehensive loss for the period		(15,248)	(9,253)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	Attributable to				
	Unitholders before transactions with unitholders (Unaudited) RMB'000	Transactions with unitholders (Note 24) (Unaudited) RMB'000	Unitholders after transactions with unitholders (Unaudited) RMB'000	Non - controlling interests (Unaudited) RMB'000	Total (Unaudited) RMB'000
(Loss)/profit for the period ended 30 June 2024	(30,779)	65,809	35,030	(9,750)	25,280
Other comprehensive income:					
<u>Items that will not be reclassified to profit or loss:</u>					
Change in fair value of property, plant and equipment, net of tax	47,157	—	47,157	497	47,654
<u>Items that may be reclassified to profit or loss:</u>					
Exchange differences on translation of foreign operations	(82,187)	—	(82,187)	—	(82,187)
Total comprehensive (loss)/income for the period ended 30 June 2024	<u>(65,809)</u>	<u>65,809</u>	<u>—</u>	<u>(9,253)</u>	<u>(9,253)</u>
(Loss)/profit for the period ended 30 June 2025	(322,373)	232,480	(89,893)	(15,046)	(104,939)
Other comprehensive income:					
<u>Items that will not be reclassified to profit or loss:</u>					
Change in fair value of property, plant and equipment, net of tax	(19,202)	—	(19,202)	(202)	(19,404)
<u>Items that may be reclassified to profit or loss:</u>					
Exchange differences on translation of foreign operations	<u>109,095</u>	<u>—</u>	<u>109,095</u>	<u>—</u>	<u>109,095</u>
Total comprehensive (loss)/income for the period ended 30 June 2025	<u>(232,480)</u>	<u>232,480</u>	<u>—</u>	<u>(15,248)</u>	<u>(15,248)</u>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

Notes:

- (i) In accordance with the Trust Deed dated 7 December 2005, as amended by first supplemental deed on 25 March 2008, second supplemental deed on 23 July 2010, third supplemental deed on 25 July 2012, fourth supplemental deed dated 3 April 2020 and fifth supplemental deed dated 28 May 2021 (the “Trust Deed”), Yuexiu Real Estate Investment Trust (“Yuexiu REIT”) is required to distribute to the unitholders not less than 90% of its total distributable income for each financial period. Yuexiu REIT has a limited life of 80 years from the date of establishment. Accordingly, the units contain contractual obligations to pay cash distributions and also upon termination of the trust, a share of all net cash proceeds derived from the sale or realisation of the assets of Yuexiu REIT less any liabilities, in accordance with unitholders’ proportionate interests in Yuexiu REIT at the date of the termination of Yuexiu REIT. The unitholders’ funds are therefore classified as a financial liability rather than equity in accordance with HKAS 32 *Financial Instruments: Disclosure and Presentation*. Consistent with unitholders’ funds being classified as a financial liability, the distributions to unitholders are part of finance costs which are recognised in the interim condensed consolidated statement of comprehensive income. The classification does not have an impact on the net assets attributable to the unitholders. It only affects how unitholders’ funds are disclosed in the interim condensed consolidated statement of financial position and how distributions are disclosed in the interim condensed consolidated statement of comprehensive income. Total distributable income is determined in the interim condensed consolidated distribution statement.
- (ii) Loss per unit, based upon loss after income tax before transactions with unitholders attributable to unitholders and the weighted average number of units in issue, are presented in Note 25.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION
30 JUNE 2025**

	<i>Notes</i>	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Non-current assets			
Property, plant and equipment	12	1,917,360	1,974,360
Right-of-use assets	13	1,064,581	1,095,174
Investment properties	14	37,075,247	37,494,008
Deferred assets, prepayments, deposits and other receivables	15	160,206	185,465
Goodwill	16	839,001	839,001
Total non-current assets		41,056,395	41,588,008
Current assets			
Inventories		2,544	2,860
Trade and lease receivables	18	19,721	18,775
Amounts due from related parties	26(b)	62,852	156,247
Deferred assets, prepayments, deposits and other receivables	15	76,137	61,333
Tax recoverable		13,183	11,541
Bank deposits	19	60,000	50,000
Cash and cash equivalents	19	1,494,388	1,396,154
Total current assets		1,728,825	1,696,910
Total assets		42,785,220	43,284,918
Equity			
Reserves		(528,488)	(618,381)
Retained earnings		528,488	618,381
		—	—
Non-controlling interests		1,172,359	1,188,933
Total equity		1,172,359	1,188,933

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION (CONTINUED)
30 JUNE 2025**

		30 June	31 December
	<i>Notes</i>	2025	2024
		(Unaudited)	(Audited)
		RMB'000	RMB'000
Current liabilities			
Trade payables	21	13,861	16,517
Rental deposits, current portion	22	181,230	218,685
Receipts in advance	22	93,858	102,138
Accruals and other payables	22	408,000	442,628
Amounts due to related parties	26(b)	126,567	122,850
Borrowings	23	10,150,664	4,607,000
Lease liabilities	13	5,429	11,826
Tax payables		59,563	85,572
Total current liabilities		11,039,172	5,607,216
Non-current liabilities, other than net assets attributable to unitholders			
Rental deposits, non-current portion	22	191,168	163,143
Borrowings	23	10,414,807	15,972,956
Deferred tax liabilities	20	5,460,872	5,523,292
Total non-current liabilities		16,066,847	21,659,391

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF
FINANCIAL POSITION (CONTINUED)
30 JUNE 2025**

	<i>Note</i>	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Total liabilities, other than net assets attributable to unitholders		27,106,019	27,266,607
Net assets attributable to unitholders	24	14,506,842	14,829,378
Total equity and liabilities		42,785,220	43,284,918
Net current liabilities		(9,310,347)	(3,910,306)
Units in issue ('000)	24	5,141,086	5,090,738
Net assets attributable to unitholders per unit (RMB)		2.82	2.91

**INTERIM CONDENSED CONSOLIDATED DISTRIBUTION STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Loss after income tax before transactions with unitholders attributable to unitholders	(322,373)	(30,779)
Adjustments for the total distributable income (i)		
– Fair value losses on investment properties	406,818	49,638
– Deferred taxation in respect of fair value changes on investment properties credited to profit or loss	(109,542)	(15,117)
– Different depreciation and amortisation charge on investment properties, property, plant and equipment and land use rights under China Accounting Standards (“CAS”)	(202,170)	(195,517)
– Fair value gains on derivative financial instruments	—	(26,642)
– Manager’s fee adjustment	(43,293)	(7,354)
	(270,560)	(225,771)
Additional items (ii)		
– Different depreciation and amortisation charge on investment properties, property, plant and equipment and land use rights under CAS	202,170	195,517

INTERIM CONDENSED CONSOLIDATED DISTRIBUTION STATEMENT (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2025

	<i>Note</i>	Six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
		RMB'000	RMB'000
– Depreciation and amortisation of property, plant and equipment and land use rights under Hong Kong Financial Reporting Standards (“HKFRSs”)		66,908	69,775
– Deferred taxation in respect of the depreciation and amortisation of investment properties, property, plant and equipment and land use rights		51,672	50,098
– Manager’s fee paid and payable in units in lieu of cash		62,755	85,136
– Foreign exchange losses on financing activities		58,231	10,615
Distributable income after additional items		171,176	185,370
Distributable amount at 1 January		129,520	148,750
Distribution paid during the period (iii)	24	(129,555)	(148,873)
Interim distribution declared (iv)		171,141	185,247
Distribution per unit, declared (iv)		RMB0.0333	RMB0.0371

INTERIM CONDENSED CONSOLIDATED DISTRIBUTION STATEMENT (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2025

Notes:

- (i) Under the terms of the Trust Deed, the total distributable income is the consolidated profit after income tax before transactions with unitholders attributable to unitholders adjusted to eliminate the effects of certain non-cash adjustments which have been recorded in the interim condensed consolidated statement of comprehensive income for the relevant period.
- (ii) Pursuant to the circular dated 30 June 2012, the Manager intends to distribute certain additional items on top of the total distributable income under the Trust Deed.
- (iii) A distribution of RMB0.0252 per unit, totalling RMB129,555,000 (equivalent to HK\$140,352,000), was paid to unitholders on 23 May 2025.
- (iv) Interim distribution in respect of the six months ended 30 June 2025 of RMB0.0333 (equivalent to HK\$0.0366) per unit, totalling RMB171,141,000 (equivalent to HK\$188,201,000) was declared by the Board of the Manager on 14 August 2025.

The Manager calculated the above per unit figures based on the units in issue as at 30 June 2025 as disclosed in Note 24.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF NET ASSETS
ATTRIBUTABLE TO UNITHOLDERS AND CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	Equity				
	Net assets attributable to unitholders <i>RMB'000</i>	Retained earnings <i>RMB'000</i>	Reserve <i>RMB'000</i>	Non- controlling interests <i>RMB'000</i>	Total <i>RMB'000</i>
At 1 January 2024	15,632,979	327,358	(327,358)	1,206,832	16,839,811
Issuance of units (Note 24)	76,210	—	—	—	76,210
Profit for the period attributable to:					
– Unitholders	(65,809)	—	—	—	(65,809)
– Equity holders	—	35,030	—	(9,750)	25,280
Distributions paid to					
– Unitholders	(148,873)	—	—	—	(148,873)
– Equity holders	—	—	—	(1,271)	(1,271)
Change in fair value of property, plant and equipment, net of tax	—	—	47,157	497	47,654
Exchange differences on translation of foreign operations	—	—	(82,187)	—	(82,187)
At 30 June 2024 (unaudited)	<u>15,494,507</u>	<u>362,388</u>	<u>(362,388)</u>	<u>1,196,308</u>	<u>16,690,815</u>
At 1 January 2025	<u>14,829,378</u>	<u>618,381</u>	<u>(618,381)</u>	<u>1,188,933</u>	<u>16,018,311</u>
Issuance of units (Note 24)	39,499	—	—	—	39,499
Profit for the period attributable to:					
– Unitholders	(232,480)	—	—	—	(232,480)
– Equity holders	—	(89,893)	—	(15,046)	(104,939)
Distributions paid to					
– Unitholders	(129,555)	—	—	—	(129,555)
– Equity holders	—	—	—	(1,326)	(1,326)
Change in fair value of property, plant and equipment, net of tax	—	—	(19,202)	(202)	(19,404)
Exchange differences on translation of foreign operations	—	—	109,095	—	109,095
At 30 June 2025 (unaudited)	<u>14,506,842</u>	<u>528,488</u>	<u>(528,488)</u>	<u>1,172,359</u>	<u>15,679,201</u>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Cash flows from operating activities		
Cash generated from operations	769,146	654,808
Interest paid	(423,267)	(472,891)
Interest element on lease liabilities	(182)	(424)
Income tax paid	(97,867)	(87,264)
Net cash from operating activities	247,830	94,229
Cash flows from investing activities		
Additions of investment properties	(20,773)	(25,610)
Additions of property, plant and equipment	(12,901)	(6,401)
Disposal of property, plant and equipment	—	185
Interest received	10,598	14,291
Increase in bank deposits	(60,000)	—
Redemption on maturity of bank deposits	50,000	—
Net cash used in investing activities	(33,076)	(17,535)
Cash flows from financing activities		
Distribution paid	(130,881)	(150,144)
Proceeds from borrowings, net of transaction costs	2,654,840	1,541,057
Repayment of borrowings	(2,628,508)	(1,417,589)
Settlement of derivative financial instruments	—	40,740
Principal elements of lease payments	(6,398)	(5,903)
Net cash (used in)/from financing activities	(110,947)	8,161
Net increase in cash and cash equivalents	103,807	84,855
Cash and cash equivalents at beginning of the period	1,396,154	1,417,727
Effects of foreign exchange rate changes, net	(5,573)	1,948
Cash and cash equivalents at end of the period	1,494,388	1,504,530

1. General information

Yuexiu Real Estate Investment Trust (“Yuexiu REIT”) and its subsidiaries (together, the “Group”) are mainly engaged in the leasing of commercial properties in Chinese Mainland.

Yuexiu REIT is a Hong Kong collective investment scheme constituted as a unit trust by the Trust Deed entered into between the Manager and HSBC Institutional Trust Services (Asia) Limited, as the Trustee of Yuexiu REIT (the “Trustee”) on 7 December 2005 (as amended by First Supplemental Deed dated 25 March 2008, Second Supplemental Deed dated 23 July 2010, Third Supplemental Deed dated 25 July 2012, Fourth Supplemental Deed dated 3 April 2020 and Fifth Supplemental Deed dated 28 May 2021) and authorised under section 104 of the Securities and Futures Ordinance subject to the applicable conditions imposed by Securities and Futures Commission from time to time. The address of its registered office is 17B, Yue Xiu Building, 160 Lockhart Road, Wanchai, Hong Kong.

Yuexiu REIT was listed on The Stock Exchange of Hong Kong Limited on 21 December 2005.

This interim condensed consolidated financial information is presented in Renminbi (“RMB”), unless otherwise stated. This interim condensed consolidated financial information was approved for issue by the Board of Directors of the Manager on 14 August 2025.

This interim condensed consolidated financial information has not been audited.

2. Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

As at 30 June 2025, the Group's current liabilities exceeded its current assets by RMB9,310 million (31 December 2024: RMB3,910 million) due to the borrowings of RMB10,151 million fall due within twelve months from the balance sheet date (31 December 2024: borrowings of RMB4,607 million fall due within twelve months from the balance sheet date). The Manager is in the process of arranging various sources of funding, which include discussing with the Group's existing principal bankers for refinancing, to meet with the settlement of the bank borrowings fall due within twelve months from the balance sheet date. Taking into account the financial resources available, including further limit available under the Guaranteed Medium Term Note Programme of Yuexiu REIT MTN Company Limited ("MTN Programme"), the available issuance limit for Panda Bonds, as well as the abovementioned refinancing plan, the Manager considers the Group has adequate resources to meet its liabilities as and when they fall due as well as its working capital and operating requirements for the foreseeable future. Accordingly, the directors consider it is appropriate the going concern basis has been adopted in preparing this interim condensed consolidated financial information.

3. Changes in accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period's financial information.

Amendments to HKAS 21

Lack of Exchangeability

The amendments did not have any impact on the financial position or performance of the Group.

4. Significant judgements and accounting estimates

The preparation of the interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

5. Financial risk management

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk and liquidity risk.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31 December 2024.

There have been no significant changes in the risk management policies since the last year end.

6. Revenue and segment information

The chief operating decision-maker has been identified as the executive directors of the Manager. Management determines the operating segments based on the Group's internal reports, which are then submitted to the executive directors for performance assessment and resources allocation.

The executive directors consider the business by nature of business activities and assess the performance of hotel and serviced apartments, office rental and wholesale and shopping mall.

The executive directors assess the performance of the operating segments based on a measure of segment results. This measurement basis excludes the effects of non-recurring expenditure from the operating segments and other unallocated operating costs. Other information provided, except as noted below, to the executive directors is measured in a manner consistent with that in the interim condensed consolidated financial information.

Total assets excluded corporate assets which are not directly attributable to segments.

The revenue from external parties reported to the executive directors is measured in a manner consistent with that in the interim condensed consolidated statement of comprehensive income.

The Group's revenue from external customers is derived from its operations in Chinese Mainland and Hong Kong. Except for the Group's goodwill (approximately RMB839,001,000), the Group's non-current assets are located in Chinese Mainland and Hong Kong.

	Hotel and serviced apartments (Unaudited) RMB'000	Office rental (Unaudited) RMB'000	Wholesale and shopping mall (Unaudited) RMB'000	Total (Unaudited) RMB'000
Period ended 30 June 2025				
Revenue from external customers	<u>250,428</u>	<u>531,562</u>	<u>184,158</u>	<u>966,148</u>
Segment results	<u>16,592</u>	<u>17,073</u>	<u>152,418</u>	<u>186,083</u>
Depreciation	<u>73,541</u>	<u>—</u>	<u>—</u>	<u>73,541</u>
Fair value losses on investment properties	<u>—</u>	<u>(423,687)</u>	<u>(1,859)</u>	<u>(425,546)</u>
Period ended 30 June 2024				
Revenue from external customers	<u>254,386</u>	<u>581,741</u>	<u>197,964</u>	<u>1,034,091</u>
Segment results	<u>18,268</u>	<u>406,984</u>	<u>177,877</u>	<u>603,129</u>
Depreciation	<u>76,438</u>	<u>—</u>	<u>—</u>	<u>76,438</u>
Fair value (losses)/gains on investment properties	<u>—</u>	<u>(80,466)</u>	<u>10,995</u>	<u>(69,471)</u>
As at 30 June 2025				
Total reportable segments' assets	<u>3,321,996</u>	<u>29,025,579</u>	<u>9,405,332</u>	<u>41,752,907</u>
As at 31 December 2024				
Total reportable segments' assets	<u>3,425,824</u>	<u>29,352,439</u>	<u>9,415,435</u>	<u>42,193,698</u>

A reconciliation of total segment results to total (loss)/profit before income tax and transactions with unitholders is provided as follows:

	Six months ended 30 June	
	2025	2024
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	RMB'000	RMB'000
Segment results	186,083	603,129
Net gains on derivative financial instruments	—	26,642
Unallocated operating costs (Note)	(77,622)	(120,126)
Operating profit	108,461	509,645
Finance income	10,568	16,013
Finance expenses	(461,299)	(476,667)
(Loss)/Profit before income tax and transactions with unitholders	<u>(342,270)</u>	<u>48,991</u>

Note: Unallocated operating costs include mainly manager's fee, legal and professional expenses and other operating expenses incurred at corporate level.

A reconciliation of reportable segments' assets to total assets is provided as follows:

	30 June	31 December
	2025	2024
	<i>(Unaudited)</i>	<i>(Audited)</i>
	RMB'000	RMB'000
Total reportable segments' assets	41,752,907	42,193,698
Corporate assets	1,032,313	1,091,220
Total assets	<u>42,785,220</u>	<u>43,284,918</u>

The Group's revenue by nature is as follows:

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Hotel and serviced apartments operations		
Room rentals	168,892	168,157
Food and beverages	68,205	72,692
Others	13,331	13,537
Property rentals	715,720	779,705
Total	<u>966,148</u>	<u>1,034,091</u>

The following is an analysis of the Group's revenue by timing of satisfaction of performance obligations:

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Revenue recognised at a point in time	81,193	82,010
Revenue recognised over time	168,892	171,916
Other sources	716,063	780,165
Total	<u>966,148</u>	<u>1,034,091</u>

7. Expenses by nature

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Property management fee (i)	21,990	24,212
Employee benefit expense	65,943	64,439
Real estate tax	98,186	102,253
Flood prevention fee, urban construction and maintenance tax, education surcharge and local education surcharge	4,870	5,200
Withholding tax (ii)	20,257	23,020
Depreciation of property, plant and equipment (Note 12)	42,948	45,845
Depreciation of right-of-use assets (Note 13)	30,593	30,593
Cost of inventories sold or consumed in operation	42,116	43,685
Other direct expenses on hotel and serviced apartments	42,233	41,743
Manager's fee (Note 8)	83,964	85,136
Manager's fee adjustment	(43,293)	(7,354)
Trustee's fee	6,275	6,350
Valuation fee	488	498
Legal and professional fee	6,608	2,121
Auditor's remuneration	1,200	1,200
Bank charges	334	345
Foreign exchange losses	4,338	7,421
Write back of construction payable	(6,270)	—
Others	9,361	4,910
Total operating expenses, net	<u>432,141</u>	<u>481,617</u>

Notes:

- (i) The Group received leasing, marketing and tenancy management services from three leasing agents, namely, Guangzhou Yuexiu Yicheng Business Operation Management Co., Ltd. ("Yicheng BM"), Guangzhou Baima Business Operation Management Co., Ltd. ("Baima BM") and Guangzhou IFC Business Management Co., Ltd. ("GZ IFC Management") (Note 26).
- (ii) Withholding tax on the rental income and interest income derived from properties located in Chinese Mainland and held by BVI companies is calculated at a rate of 10%.

8. Manager's fee

Pursuant to the Trust Deed, the Manager is entitled to receive remuneration for its services as manager of Yuexiu REIT, which is the aggregate of a base fee of 0.3% per annum of the carrying value of the deposited property as defined in the Trust Deed; a service fee of 3% per annum of net property income; a transaction fee of 1% of the consideration for the acquisition of any real estate from external party and a transaction fee of 0.5% of the gross sale price of the disposal of any part of deposited property comprising of Real Estate, as defined in the Trust Deed.

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Manager's fee:		
In the form of units	62,755	85,136
In the form of cash	21,209	—
	<hr/>	<hr/>
Total	83,964	85,136
	<hr/> <hr/>	<hr/> <hr/>

Pursuant to the circular of Yuexiu REIT dated 13 November 2021 ("2021 Circular") and subsequent announcement dated 14 January 2025, the base fee for the year ending 31 December 2025 will be paid in the form of units, and the service fee for the year ending 31 December 2025 will be paid in cash. In accordance with the Trust Deed, the Manager Fee Units for the period ended 30 June 2025 are expected to be issued on 2 September 2025. Also in accordance with the Trust Deed, the issue price of the units (and consequentially the number of units to be issued to the Manager) will be calculated based on the higher of (i) the closing price of the units on the trading day immediately preceding 2 September 2025 and (ii) the average closing price of the units in the 10 trading days immediately preceding 2 September 2025.

9. Finance income

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Interest income from bank deposits	8,856	14,291
Interest income from a related party (Note 26(a))	1,712	1,722
	<hr/>	<hr/>
Total	10,568	16,013
	<hr/> <hr/>	<hr/> <hr/>

10. Finance expenses

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Interest expense for bank borrowings	311,274	373,008
Interest expense for other borrowings	79,202	83,544
Interest and finance charges paid/payable for lease liabilities (Note 13)	182	424
Amortisation of transaction costs for borrowings	12,410	9,076
Foreign exchange losses on financing activities	58,231	10,615
	<hr/>	<hr/>
Total	461,299	476,667
	<hr/> <hr/>	<hr/> <hr/>

11. Income tax credit/(expense)

For the subsidiaries incorporated and operating in Chinese Mainland, they are subject to China corporate income tax at a rate of 25% under Corporate Income Tax Law of the People's Republic of China.

For other subsidiaries with operations in Chinese Mainland, the corporate income tax was paid by way of withholding tax as disclosed in Note 7(ii).

No Hong Kong profits tax has been provided as the Group has no assessable profit in Hong Kong.

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Current income tax		
– China corporate income tax	44,047	42,174
– PRC withholding tax	5,973	22,265
Deferred income tax (Note 20)	(54,871)	25,081
Total	(4,851)	89,520

12. Property, plant and equipment

	Hotel and serviced apartments <i>RMB'000</i>	Office supplies <i>RMB'000</i>	Motor vehicles <i>RMB'000</i>	Total <i>RMB'000</i>
Six months ended 30 June 2024				
Opening net book amount as				
at 1 January 2024	2,131,000	244	398	2,131,642
Additions	6,653	—	—	6,653
Depreciation	(45,845)	—	—	(45,845)
Disposal	—	—	(105)	(105)
Fair value gains on revaluation	66,192	—	—	66,192
Closing net book amount as				
at 30 June 2024	2,158,000	244	293	2,158,537
At 30 June 2024				
At fair value	2,158,000	—	—	2,158,000
At cost	—	244	293	537
Total	<u>2,158,000</u>	<u>244</u>	<u>293</u>	<u>2,158,537</u>
Six months ended 30 June 2025				
Opening net book amount as				
at 1 January 2025	1,974,000	244	116	1,974,360
Additions	12,901	—	—	12,901
Depreciation	(42,948)	—	—	(42,948)
Fair value losses on revaluation	(26,953)	—	—	(26,953)
Closing net book amount as				
at 30 June 2025	<u>1,917,000</u>	<u>244</u>	<u>116</u>	<u>1,917,360</u>
At 30 June 2025				
At fair value	1,917,000	—	—	1,917,000
At cost	—	244	116	360
Total	<u>1,917,000</u>	<u>244</u>	<u>116</u>	<u>1,917,360</u>

If hotel and serviced apartments had not been revalued, it would have been included in the interim condensed consolidated financial information at historical cost less accumulated depreciation of RMB1,131,574,000 (31 December 2024: RMB1,187,645,000).

As at 30 June 2025, property, plant and equipment with an aggregate carrying amount of approximately RMB1,707 million (31 December 2024: RMB1,758 million) were pledged as collateral for the Group's bank borrowings (Note 23).

Valuation processes of the Group

The Group measures the building portion of hotel and serviced apartments at fair value. Hotel and serviced apartments were revalued by Savills Valuation and Professional Services Limited ("Savills"), being independent qualified valuer not related to the Group as at 30 June 2025 and 31 December 2024.

The Group's finance department includes a team that reviews the valuations performed by the independent valuer for financial reporting purposes. This team reports directly to the senior management. Discussions of valuation processes and results are held between the management and the valuer at least once every six months, in line with the Group's interim and annual reporting dates.

At each financial period end, the finance department:

- Verifies all major inputs to the independent valuation report
- Assesses property valuations movements when compared to the prior year valuation report
- Holds discussions with the independent valuer

Valuation techniques

Fair value of the building portion of hotel and serviced apartments of Guangzhou International Financial Centre (“Guangzhou IFC”) is derived using depreciated replacement cost method.

The depreciated replacement cost method involves estimation of the market redevelopment costs of the building portion of hotel and serviced apartments of Guangzhou IFC which includes building costs, finance costs and professional fee. Depreciation is also considered to reflect the physical deterioration, functional and economic obsolescence to derive the fair value.

The overall fair value (including land and building portions) of hotel and serviced apartments in Chinese Mainland is generally derived using the discounted cash flow analysis. Due to lack of land transaction in market, fair value of land, for disclosure purpose only as set out in Note 13, is therefore calculated as the difference between the fair value under discounted cash flow analysis and the fair value under depreciated replacement cost method.

The building portion of hotel and serviced apartments in property, plant and equipment are included in Level 3 (31 December 2024: Level 3) of the fair value hierarchy.

13. Lease

	Land use rights	Staff quarter	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Right-of-use assets			
At 1 January 2024	1,133,547	22,814	1,156,361
Depreciation	<u>(24,642)</u>	<u>(5,951)</u>	<u>(30,593)</u>
At 30 June 2024	<u>1,108,905</u>	<u>16,863</u>	<u>1,125,768</u>
At 1 January 2025	1,084,262	10,912	1,095,174
Depreciation	<u>(24,642)</u>	<u>(5,951)</u>	<u>(30,593)</u>
At 30 June 2025	<u>1,059,620</u>	<u>4,961</u>	<u>1,064,581</u>
Lease liabilities			
		30 June	31 December
		2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
		<i>(Unaudited)</i>	<i>(Audited)</i>
Current portion		5,429	11,826
Non-current portion		<u>—</u>	<u>—</u>
Total		5,429	11,826

As at 30 June 2025, the fair value of land use rights is approximately RMB2,897 million (31 December 2024: RMB2,840 million). The change in fair value was not reflected in the interim condensed consolidated financial information.

As at 30 June 2025, right-of-use assets were pledged with an aggregate net book amount of approximately RMB979 million (31 December 2024: RMB1,002 million) as collateral for the Group's bank borrowings (Note 23).

The interim condensed consolidated statement of comprehensive income shows the following amount relating to leases:

Depreciation charge of right-of-use assets

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Land use rights	24,642	24,642
Staff quarter	5,951	5,951
Total	<u>30,593</u>	<u>30,593</u>
Interest expense (included in finance expenses) (Note 10)	<u>182</u>	<u>424</u>

14. Investment properties

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Beginning of the period	37,494,008	37,771,146
Exchange differences	(1,391)	751
Capitalised expenditure	8,176	24,120
Fair value losses during the period, included in profit or loss under “Fair value losses on investment properties”	<u>(425,546)</u>	<u>(69,471)</u>
End of the period	<u>37,075,247</u>	<u>37,726,546</u>

In the interim condensed consolidated statement of comprehensive income, direct operating expenses include RMB18,570,000 (six months ended 30 June 2024: RMB19,087,000) relating to investment properties that were vacant.

As at 30 June 2025, investment properties with an aggregate carrying value of approximately RMB3,698 million (31 December 2024: RMB3,720 million) were pledged as collateral for the Group's bank borrowings (Note 23).

Valuation processes of the Group

The Group measures its investment properties at fair value. The investment properties were revalued by Savills being independent qualified valuer not related to the Group as at 30 June 2025 and 31 December 2024.

The Group's finance department includes a team that reviews the valuations performed by the independent valuer for financial reporting purposes. This team reports directly to the senior management. Discussions of valuation processes and results are held between the management and valuer at least once every six months, in line with the Group's interim and annual reporting dates.

At each financial period end, the finance department:

- Verifies all major inputs to the independent valuation report
- Assesses property valuations movements when compared to the prior year valuation report
- Holds discussions with the independent valuer

Valuation techniques

Fair value measurements using significant unobservable inputs

(a) Investment properties in Chinese Mainland

As at 30 June 2025 and 31 December 2024, Savills mainly relied on the income capitalisation method as the primary approach and cross-checked by the direct comparison approach. The use of income capitalisation method is in line with market practice of property valuation for income-producing commercial assets which are the main asset class of the Group.

The income capitalisation method is based on the capitalisation of the current passing rental income and potential reversionary income of the property from the date of valuation at appropriate investment yields to arrive at the capital value. Appropriate adjustments or deductions for rent-free periods, ongoing vacancy voids, marketing periods and non-recoverable expenses for the vacant space have been considered.

The income capitalisation method is used to capitalise the unexpired rental incomes of contractual tenancies. It has also taken into account the reversionary market rents after the expiry of tenancies in capitalisation. The prevailing market rents adopted in the valuation have made reference to recent lettings and other similar comparable properties in the vicinity.

(b) Investment properties in Hong Kong

As at 30 June 2025 and 31 December 2024, Savills relied on the direct comparison approach for the valuation of investment properties located in Hong Kong. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The key input under this approach is the price per square foot from current year sales of comparable properties.

The investment properties are included in Level 3 (31 December 2024: Level 3) of the fair value hierarchy.

15. Deferred assets, prepayments, deposits and other receivables

Rental income is recognised on an accrued basis by averaging out the impact of rent-free periods, contracted rental escalations and such other terms affecting the cash received from rental income under each tenancy agreement. Thus, rental income is recognised on a straight-line basis for the entire lease term of each tenancy agreement, which effectively amortises the impact of rent-free periods, contracted rental escalations and other relevant terms on the rental income over the relevant lease periods. The temporary difference between the rental income as set out in the lease agreements and accounting rental income is reflected as deferred assets. Deferred assets which are expected to be realised within twelve months after the balance sheet date are classified as current assets. The balance of prepayments, deposits and other receivables mainly represents other tax prepayments, deposits for utilities and property maintenance fund. The deferred assets, prepayments, deposits and other receivables are mainly denominated in RMB.

16. Goodwill

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Cost	859,868	859,868
Accumulated impairment	(20,867)	(20,867)
Net book amount	<u>839,001</u>	<u>839,001</u>

17. Derivative financial instruments

	30 June 2025 (Unaudited) RMB'000	30 June 2024 (Unaudited) RMB'000
Net realised gains from derivative financial instruments	<u>—</u>	<u>26,642</u>

18. Trade and lease receivables

	30 June	31 December
	2025	2024
	<i>(Unaudited)</i>	<i>(Audited)</i>
	RMB'000	RMB'000
Trade and lease receivables	23,191	20,751
Less: allowance	(3,470)	(1,976)
Trade and lease receivables, net	19,721	18,775

The fair values of trade and lease receivables approximate their carrying amounts.

The credit terms of the Group are generally within three months. The aging analysis of trade and lease receivables by invoice date is as follows:

	30 June	31 December
	2025	2024
	<i>(Unaudited)</i>	<i>(Audited)</i>
	RMB'000	RMB'000
0 - 30 days	12,436	13,363
31 - 90 days	2,993	4,590
91 - 180 days	3,956	815
181 - 365 days	2,654	1,700
Over 1 year	1,152	283
Total	23,191	20,751

The Group applies the HKFRS 9 simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

All of the Group's trade and lease receivables are denominated in RMB.

19. Bank deposits and cash and cash equivalents

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Current		
Cash at bank and on hand	1,260,385	1,294,763
Short-term bank deposits with original maturity of less than three months	<u>234,003</u>	<u>101,391</u>
Cash and cash equivalents	1,494,388	1,396,154
Short-term bank deposits with original maturity of more than three months but less than twelve months	<u>60,000</u>	<u>50,000</u>
Total	<u><u>1,554,388</u></u>	<u><u>1,446,154</u></u>
Maximum exposure to credit risk	<u><u>1,554,088</u></u>	<u><u>1,445,804</u></u>

As at 30 June 2025, included in the bank deposits and cash and cash equivalents of the Group are bank deposits of approximately RMB1,189,786,000 (31 December 2024: RMB1,104,452,000) denominated in RMB, which is not a freely convertible currency in the international market and its exchange rate is determined by the People's Bank of China. The remittance of these funds out of Chinese Mainland is subject to exchange control restrictions imposed by the Chinese government.

The credit quality of bank deposits and cash and cash equivalents has been assessed by reference to external credit ratings (if available) or to historical information about the counterparty default rates. The existing counterparties do not have defaults in the past.

The carrying amounts of bank deposits and cash and cash equivalents approximate their fair values.

Bank deposits and cash and cash equivalents are denominated in the following currencies:

	30 June	31 December
	2025	2024
	<i>(Unaudited)</i>	<i>(Audited)</i>
	RMB'000	RMB'000
RMB	1,190,086	1,104,801
HK\$	308,624	324,852
US\$	55,678	16,501
Total	<u>1,554,388</u>	<u>1,446,154</u>

20. Deferred tax liabilities

	Six months ended 30 June	
	2025	2024
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	RMB'000	RMB'000
Beginning of the period	5,523,292	5,521,648
Deferred taxation (credited)/charged to profit or loss (Note 11)	(54,871)	25,081
Deferred taxation (credited)/charged to reserve	(7,549)	18,538
End of the period	<u>5,460,872</u>	<u>5,565,267</u>

21. Trade payables

The fair values of trade payables approximate their carrying amounts. The aging analysis of the trade payables by invoice date is as follows:

	30 June	31 December
	2025	2024
	<i>(Unaudited)</i>	<i>(Audited)</i>
	RMB'000	RMB'000
0 - 30 days	6,123	9,585
31 - 90 days	6,097	5,111
91 - 180 days	962	1,272
181 - 365 days	250	549
Over 1 year	429	—
	<hr/>	<hr/>
Total	13,861	16,517
	<hr/> <hr/>	<hr/> <hr/>

All of the Group's trade payables are denominated in RMB.

22. Rental deposits, receipts in advance, accruals and other payables

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Rental deposits		
Current portion	181,230	218,685
Non-current portion	191,168	163,143
Subtotal	372,398	381,828
Receipts in advance	93,858	102,138
Accrued urban real estate tax	65,081	53,752
Accrued withholding tax payable	9,855	9,663
Accrued surcharge tax	14,669	21,659
Construction payable	109,254	121,852
Accrued interest expenses	80,619	113,410
Accruals for operating expenses	128,522	122,292
Accruals and other payables	408,000	442,628
Total	874,256	926,594

Notes:

- (i) The carrying amounts of rental deposits, receipts in advance and accruals and other payables approximate their fair values. Majority of the Group's rental deposits, receipts in advance and accruals and other payables are denominated in RMB and HKD.

23. Borrowings

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Current		
Short-term bank borrowings		
– Unsecured	400,000	530,000
Current portion of long-term borrowings		
Bank borrowings		
– Secured (Note a)	3,922,333	165,000
– Unsecured	1,484,643	3,912,000
Other borrowings, unsecured (Note b)	4,343,688	—
Total current borrowings	10,150,664	4,607,000
Non-current		
Long-term borrowings		
Bank borrowings		
– Secured (Note a)	4,866,733	4,947,900
– Unsecured	9,957,433	10,727,544
Other borrowings, unsecured (Note b)	5,341,305	4,374,512
Total long-term borrowings	20,165,471	20,049,956
Less: current portion of long-term borrowings	(9,750,664)	(4,077,000)
Non-current portion of long-term borrowings	10,414,807	15,972,956
Analysis into:		
– Unsecured	15,698,738	15,632,056
– Secured	4,866,733	4,947,900
Total	20,565,471	20,579,956

Note a:

As at 30 June 2025, bank loans of approximately RMB4,866 million (31 December 2024: RMB4,948 million) are secured by certain parts of Guangzhou IFC with carrying value of RMB6,384 million (31 December 2024: RMB6,480 million).

Note b:

On 2 February 2021, Yuexiu REIT MTN Company Limited (“REIT MTN”), a wholly owned subsidiary of Yuexiu REIT, issued and sold a total of US\$400 million principal amount of 2.65% notes due in February 2026 to investors under the MTN Programme, which was updated in January 2021.

On 24 March 2023 and 2 April 2025, MOON KING LIMITED, a wholly owned subsidiary of Yuexiu REIT, issued and sold RMB1,500 million principal amount of 4.15% guaranteed notes due in March 2026 and RMB1,000 million principal amount of 4.10% guaranteed notes due in April 2028, respectively.

24. Net assets attributable to unitholders

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Beginning of the period	14,829,378	15,632,979
Issuance of units	39,499	76,210
Transfer from the interim condensed consolidated statement of comprehensive income	(232,480)	(65,809)
Distributions paid during the period	(129,555)	(148,873)
End of the period	<u>14,506,842</u>	<u>15,494,507</u>

The movement of numbers of existing units is as below:

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Units in issue ('000)		
Beginning of the period	5,090,738	4,915,738
Manager's fee in form of units (Note a)	50,348	80,000
End of the period	<u>5,141,086</u>	<u>4,995,738</u>

Note a:

During the period, 50,348,379 units were issued for the payment of manager's fee (2024: 80,000,000 units).

25. Loss per unit based upon loss after income tax before transactions with unitholders attributable to unitholders

Basic loss per unit based upon loss after income tax before transactions with unitholders attributable to unitholders is calculated by dividing the loss after income tax before transactions with unitholders attributable to unitholders by the weighted average number of units in issue during the period.

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Loss after income tax before transactions with unitholders attributable to unitholders (RMB'000)	<u>(322,373)</u>	<u>(30,779)</u>
Weighted average number of units in issue ('000)	<u>5,115,773</u>	<u>4,959,937</u>
Basic and diluted loss per unit (RMB)	<u>(0.06)</u>	<u>(0.01)</u>

Diluted loss per unit based upon loss after income tax before transactions with unitholders attributable to unitholders is calculated by adjusting the weighted average number of units outstanding to assume conversion of all dilutive potential units. Yuexiu REIT has deferred units outstanding and manager's fee in form of units during the period which are dilutive potential units. The deferred units outstanding and manager's fee in form of units during the six-month period ended 30 June 2025 are not included in the calculation of diluted loss per unit because they are antidilutive for the period ended 30 June 2025.

26. Connected party transactions and significant related party transactions and balances

As at 30 June 2025, the Group was significantly influenced by YXP (incorporated in Hong Kong), which owns approximately 41% (31 December 2024: 39%) of Yuexiu REIT's units. The remaining units are widely held.

The table set forth below summarised the names of connected/related companies and nature of relationship with Yuexiu REIT as at 30 June 2025:

Connected/related companies	Relationship with Yuexiu REIT
YXP ¹	A major unitholder of Yuexiu REIT
The Manager ¹	An associate of YXP
GZ IFC Management ¹	An associate of YXP
Yicheng BM ¹	A subsidiary of YXP
Guangzhou White Horse Clothings Market Ltd. ("White Horse JV") ¹	A subsidiary of YXP
Baima BM ¹	A subsidiary of YXP
Guangzhou Yuexiu Xingye Property Agent Ltd. ("Xingye") ¹	A subsidiary of YXP
Guangzhou City Construction and Development Co., Ltd. ("GCCD") ¹	A subsidiary of YXP
Guangzhou Construction & Development Holdings (China) Limited ("GCD (China)") ¹	A subsidiary of YXP
Guangzhou Yuexiu Holdings Limited ("GZYX") ¹	Immediate holding company of Yue Xiu
Guangzhou Yuexiu Enterprises (Holdings) Ltd. ("YXE") ¹	A subsidiary of GZYX
Guangzhou Yuexiu Capital Holdings Group Co., Ltd. ("GZYCHG")	A subsidiary of GZYX
Yue Xiu Enterprises (Holdings) Limited ("Yue Xiu")	A major shareholder of YXP

Connected/related companies	Relationship with Yuexiu REIT
Guangzhou City Construction and Development Group Co., Ltd. (“GCCD BVI”) ¹	A subsidiary of YXE
Guangzhou Grandcity Development Ltd.	A subsidiary of YXP
Guangzhou Yue Xiu City Construction Jones Lang LaSalle Property Services Co., Ltd. (“GZ JLL”) ¹	A subsidiary of YXP
Guangzhou Suiqiao Development Co., Ltd. (“Suiqiao”) ¹	A subsidiary of Yue Xiu
Guangzhou Yuexiu Industrial Investment Fund Management Co., Ltd. ¹	A subsidiary of GZYCHG
Guangzhou Yuexiu Financial Leasing Co., Ltd. ¹	A subsidiary of GZYCHG
Guangzhou Yuexiu Capital Holdings Co., Ltd. ¹	A subsidiary of GZYCHG
Guangzhou Yue Xiu Enterprises Development Ltd.	A subsidiary of YXE
Guangzhou Yue Tong Expressway Operations and Management Company Limited (“Yue Tong”) ¹	A subsidiary of Yue Xiu
Guangzhou Yue Peng Information Ltd. (“Yue Peng”) ¹	A subsidiary of Yue Xiu
Yuexiu (China) Transport Infrastructure Investment Company Limited	A subsidiary of Yue Xiu
Yuexiu Transport Infrastructure Limited (“Yuexiu Transport”) ¹	A subsidiary of Yue Xiu
Chong Hing Bank Limited (“Chong Hing Bank”) ¹	A subsidiary of Yue Xiu
Chong Hing Bank Limited Guangzhou Sub-Branch (“Chong Hing Guangzhou”) ¹	A subsidiary of Yue Xiu
Chong Hing Bank Limited Shanghai Branch (“Chong Hing Shanghai”) ¹	A subsidiary of Yue Xiu
Chong Hing Insurance Company Limited (“Chong Hing Insurance”) ¹	A subsidiary of Yue Xiu

Connected/related companies	Relationship with Yuexiu REIT
Guangzhou Paper Group Ltd. ¹	A subsidiary of YXE
Guangzhou Futures Co., Ltd. ¹	A subsidiary of GZYCHG
廣州市祥港房地產開發有限公司	A subsidiary of YXP
廣州市宏錦房地產開發有限公司	A subsidiary of YXP
廣州東耀房地產開發有限公司	A subsidiary of YXP
廣州市城建開發集團名特網絡發展有限公司	A subsidiary of GZYY
廣州鵬燁貿易有限公司 ¹	A subsidiary of YXP
Guangzhou Yuexiu Financial Technology Co., Ltd. ¹	A subsidiary of GZYCHG
Shanghai Yuexiu Finance Leasing Co., Ltd. ¹	A subsidiary of GZYCHG
武漢康景實業投資有限公司	A subsidiary of YXP
廣州城建開發設計院有限公司 ¹	A subsidiary of GZYY
廣州越秀商業地產經營管理有限公司 ¹	A subsidiary of YXP
Yue Xiu Consultants (Shenzhen) Co., Ltd.	A subsidiary of Yue Xiu
杭州越秀房地產開發有限公司 ¹	A subsidiary of YXP
杭州越榮房地產開發有限公司	A subsidiary of YXP
杭州盛寅房地產開發有限公司	A subsidiary of YXP
杭州豐勝房地產開發有限公司	A subsidiary of YXP
杭州杭秀房地產開發有限公司 ¹	A subsidiary of YXP
杭州越嘉房地產開發有限公司 ¹	A subsidiary of YXP
武漢越秀商業管理有限公司 ¹	A subsidiary of YXP
廣州市品秀房地產開發有限公司	A subsidiary of YXP

Connected/related companies	Relationship with Yuexiu REIT
Guangzhou Yuexiu Business Operation Management Co., Ltd.	A subsidiary of YXP
廣州越秀星寓公寓管理有限公司 ¹	A subsidiary of YXP
廣州雋越房地產開發有限責任公司	A subsidiary of YXP
廣州越秀資本投資管理有限公司 ¹	A subsidiary of GZYCHG
Guangzhou Yuexiu Kunpeng Private Equity Fund Management Co., Ltd.	A subsidiary of GZYCHG
廣州悅秀智訊科技信息諮詢有限公司 ¹	A subsidiary of YXP
廣州白馬電子商務股份有限公司	A subsidiary of YXE
廣州城建開發裝飾有限公司 ¹	A subsidiary of YXP
廣州越秀城開房地產開發有限公司 ¹	A subsidiary of YXP
廣州城建開發工程造價諮詢有限公司 ¹	A subsidiary of YXP
廣期資本管理(上海)有限公司 ¹	A subsidiary of GZYCHG
廣州資產管理有限公司 ¹	A subsidiary of GZYCHG
廣州東秀房地產開發有限公司	A subsidiary of YXP
廣州越秀華城房地產開發有限公司 ¹	A subsidiary of YXP
廣州皇上皇集團股份有限公司	A subsidiary of YXE
廣州風行乳業股份有限公司	A subsidiary of YXE
金鷹基金管理有限公司 ¹	A subsidiary of GZYCHG
廣州宏勝房地產開發有限公司	A subsidiary of YXP
廣州裕秀房地產開發有限公司	An associate of YXP
廣州越冠房地產開發有限公司 ¹	A subsidiary of YXP
廣州匯城實業發展有限公司	A subsidiary of YXP

Connected/related companies	Relationship with Yuexiu REIT
廣州敏秀房地產開發有限公司	A joint venture of YXP
廣州南方智媒產業園有限公司	A subsidiary of YXP
廣州樾富房地產開發有限公司	A subsidiary of YXP
廣州市品薈房地產開發有限公司 ¹	A subsidiary of YXP
廣州越宏房地產開發有限公司 ¹	An associate of YXP
廣州市佰城投資發展有限公司 ¹	A subsidiary of YXP
Guangzhou Yuexiu Foods Group Co., Ltd. (“Yuexiu Foods”)	A subsidiary of YXE
廣州越秀投資發展有限公司 ¹	A subsidiary of YXE
廣州越創智數信息科技有限公司 ¹	A subsidiary of YXP
廣州皇上皇食品商貿有限公司	A subsidiary of YXE
廣州市品輝房地產開發有限公司	A subsidiary of YXP
廣州市品悅房地產開發有限公司 ¹	A subsidiary of YXP
廣州鳴泉居會議中心有限公司	A subsidiary of GZYYX
廣州市悅冠智能科技有限公司 ¹	A subsidiary of YXP
廣州悅秀會信息科技有限公司 ¹	A subsidiary of YXP
輝山乳業(瀋陽)銷售有限公司 ¹	A subsidiary of YXE
廣州市品臻房地產開發有限公司 ¹	An associate of YXP
廣州越建工程管理有限公司 ¹	A subsidiary of YXP
廣州市穗港澳合作交流促進會 ¹	A subsidiary of YXP
湖北悅秀薈房地產經紀有限公司	A subsidiary of YXP
廣州越達投資有限責任公司	A subsidiary of Yue Xiu
Guangzhou Yuexiu Venture Investment Fund Management Co., Ltd. ¹	A subsidiary of GZYCHG

Connected/related companies	Relationship with Yuexiu REIT
廣州越創房地產開發有限公司	An associate of YXP
Dragon Yield Holding Limited (“Dragon Yield”)	A subsidiary of YXP
The Trustee	The Trustee of Yuexiu REIT
The Hongkong and Shanghai Banking Corporation Limited and its subsidiaries (the “HSBC Group”) ¹	Associates of the Trustee
Yue Xiu Securities Company Limited ¹	A subsidiary of GZYY
廣州天盈房地產開發有限公司 ¹	A subsidiary of YXP
廣州天越房地產開發有限公司 ¹	A subsidiary of YXP
廣州越秀物業發展有限公司 ¹	A subsidiary of YXP
Guangzhou Guang Zheng Hang Seng Research Co., Ltd. (“Guang Zheng”)	A subsidiary of GZYCHG
Guangzhou Securities Co., Limited	A subsidiary of GZYCHG
廣州越秀地產工程管理有限公司	A subsidiary of YXP
中信証券華南股份有限公司	A subsidiary of GZYCHG
廣州越秀資產管理有限公司	A subsidiary of YXP
廣州越浩房地產開發有限公司 ¹	A subsidiary of YXP
廣州市悅匯城商業經營管理有限公司武漢分公司 ¹	A subsidiary of YXP
廣州市品鑫房地產開發有限公司 ¹	A subsidiary of YXP
廣州越秀融資擔保有限公司 ¹	A subsidiary of YXP
廣州鳴泉居酒店有限公司第一分公司 ¹	A subsidiary of YXP
廣州市祥發房地產有限公司 ¹	A subsidiary of YXP
廣州新厚德投資發展有限公司 ¹	A subsidiary of YXP

Connected/related companies**Relationship with Yuexiu REIT**

廣州城建開發宏城車場物業管理有限公司

A subsidiary of YXP

Guangzhou Yuexiu Fengxing Foods Group Co., Ltd
("YX Fengxing Foods")

A subsidiary of YXE

廣州國金商業經營管理有限公司上海分公司

A subsidiary of YXP

杭州燚樂實業投資有限公司¹

A subsidiary of YXP

Savills Valuation and Professional Services Limited
(the "Incumbent Valuer")The current principal valuer of
Yuexiu REIT

Note:

- 1 These connected companies are also considered as related companies of the Group. Transactions and balances carried out with these related companies are disclosed in notes (a) and (b) below.

(a) Transactions with connected/related companies

The following transactions and balances were carried out with connected/related companies:

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Asset management fee paid/payable to		
– the Manager (note ii)	83,964	85,136
Management fee paid/payable to		
– Yicheng BM	10,870	12,544
– Baima BM	3,280	3,341
– GZ IFC Management	7,840	8,327
Rental income received/receivable from		
– Xingye	—	2,351
– Yicheng BM	4,115	3,860
– GCCD	13,470	8,108
– Suiqiao	274	275
– Guangzhou Futures Co., Ltd.	307	427
– Guangzhou Yuexiu Industrial Investment Fund Management Co., Ltd.	495	470
– GZ JLL	8,729	9,155
– Guangzhou Yuexiu Financial Leasing Co., Ltd.	9,582	7,864
– GZ IFC Management	7,187	6,647
– Guangzhou Yuexiu Capital Holdings Co., Ltd.	11,871	12,324
– Yue Tong	4,505	4,501
– Yue Peng	363	365
– Guangzhou Paper Group Ltd.	140	139
– Chong Hing Guangzhou	7,795	8,398
– Chong Hing Shanghai	2,692	2,705
– 杭州燦樂實業投資有限公司	1,603	—
– 廣州鵬燁貿易有限公司	1,090	1,096
– Guangzhou Yuexiu Financial Technology Co., Ltd.	—	200
– Shanghai Yuexiu Finance Leasing Co., Ltd.	2,833	2,922

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Rental income received/receivable from		
– 武漢越秀商業管理有限公司	1,398	1,406
– 廣州城建開發設計院有限公司	1,092	229
– 廣州越秀商業地產經營管理有限公司	458	403
– 廣州越秀資本投資管理有限公司	1,866	2,108
– 杭州越秀房地產開發有限公司	2,647	2,660
– 廣州悅秀智訊科技信息諮詢有限公司	1,564	1,573
– 廣州城建開發工程造價諮詢有限公司	42	—
– 廣州越秀融資擔保有限公司	77	—
– 廣期資本管理 (上海) 有限公司	1,591	1,587
– 廣州資產管理有限公司	8,982	9,537
– 廣州鳴泉居酒店有限公司第一分公司	3	—
– Guangzhou Yuexiu Venture Investment Fund Management Co., Ltd.	2,629	3,045
– 廣州越秀城開房地產開發有限公司	933	930
– 廣州越秀華城房地產開發有限公司	6,444	20,271
– 廣州市悅匯城商業經營管理有限公司武漢分公司	1,207	—
– 廣州市祥發房地產有限公司	410	—
– 廣州新厚德投資發展有限公司	24	—
– 廣州越宏房地產開發有限公司	—	16
– 廣州市佰城投資發展有限公司	4,365	4,385
– GZYX	30,004	31,191
– 廣州越秀投資發展有限公司	115	139
– 廣州越創智數信息科技有限公司	145	161
– 杭州杭秀房地產開發有限公司	—	531
– 杭州越嘉房地產開發有限公司	—	1,079
– 金鷹基金管理有限公司	2,988	3,995
– 廣州越浩房地產開發有限公司	12,477	—
– 廣州市品鑫房地產開發有限公司	3,645	—
– 廣州越冠房地產開發有限公司	1,825	1,827
– 廣州市品悅房地產開發有限公司	—	876
– 廣州市穗港澳合作交流促進會	192	194

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Rental income received/receivable from		
– 廣州市品薈房地產開發有限公司	—	2,648
– 廣州市品臻房地產開發有限公司	—	2,652
– 廣州市悦冠智能科技有限公司	834	892
– 廣州悦秀會信息科技有限公司	7	7
– 輝山乳業 (瀋陽) 銷售有限公司	119	45
– YXP	843	773
– the Manager	423	351
– Yuexiu Transport	423	351
– 廣州越建工程管理有限公司	2,393	2,216
– 廣州天盈房地產開發有限公司	8,732	6,747
– 廣州天越房地產開發有限公司	—	4,439
– 廣州國金商業經營管理有限公司上海分公司	563	—
– 廣州越秀物業發展有限公司	4,758	4,784
Principal element of lease payments paid to		
– 廣州越秀星寓公寓管理有限公司	6,580	5,804
Rental income received/receivable from Trustee		
– the HSBC Group	2,405	—
Trustee's fee paid/payable to		
– The Trustee	6,275	6,350
Interest expense paid/payable to		
– the HSBC Group	5,298	9,646
– the Chong Hing Bank	899	—
– YXIC	3,644	7,251

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Commercial insurance fee paid to		
– the Chong Hing Insurance	7	8
Bond underwriter's fee paid/payable to		
– the HSBC Group	—	1
– the Chong Hing Bank	37	22
– Yue Xiu Securities Company Limited	43	28
Interest income received/receivable from		
– the Chong Hing Bank	270	223
– the HSBC Group	246	24
– GCCD	1,712	1,722

Notes:

- (i) All transactions with connected/related companies were carried out in accordance with the terms of the relevant agreements governing the transactions.
- (ii) The Manager's fee is calculated as the 0.3% per annum of the carrying value of the deposited property as defined in the Trust Deed; a service fee of 3% per annum of net property income; a transaction fee of 1% of the consideration for the acquisition of any real estate from external party and a transaction fee of 0.5% of the gross sale price of the disposal of any part of deposited property comprising of Real Estate, as defined in the Trust Deed (Note 8).

(b) Balances with related companies

	30 June	31 December
	2025	2024
	(Unaudited)	(Audited)
	RMB'000	RMB'000
Amount due from GCCD (i)	45,702	142,212
Amount due from GCD (China)	17,150	14,035
Amount due to Yicheng BM	574	2,034
Amount due to Baima BM	3,433	213
Amount due to the Manager	107,611	106,497
Amount due to GZ IFC Management	2,400	1,535
Amount due to GCD (China)	123	123
Amount due to GCCD BVI	10,000	10,000
Amount due to YXP	2,426	2,448
Bank deposit in Chong Hing Bank	63,389	4,701
Bank deposit in HSBC Group	99,834	105,641
Bank borrowing from the HSBC Group	37,516	318,328
Bank borrowing from the Chong Hing Bank	33,742	34,263
Rental income receivables from related companies	4,636	1,782
Receipts in advance from related companies	10,522	2,823
Rental deposits from related companies (ii)	74,173	68,697
Rental deposits from HSBC Group	1,389	—
Trade payable to related companies	3,908	2,765
	—	240,770
Borrowing from the YXIC (iii)	—	240,770

Except for the borrowing from YXIC as disclosed in (iii) below and an amount due from GCCD of approximately RMB40 million (31 December 2024: RMB40 million) which is unsecured, interest bearing at 9% per annum and repayable on settlement of the related construction fee payable, all other balances with related companies are unsecured, interest-free and repayable on demand. All the balances are denominated in RMB and reasonable approximation to their fair values.

Notes:

- (i) Pursuant to the settlement agency agreement entered into between GCCD and Tower Top, GCCD would be responsible for settling the outstanding construction costs related to the construction of Guangzhou IFC. The receivable balance of RMB40 million (2024: RMB40 million) as at the end of the period represents the initial amount transferred to GCCD less the settlement of construction payable. To the extent that there are residual funds after settlement of all outstanding construction costs, GCCD will be required to refund the surplus cash to Tower Top after the settlement of such costs.
- (ii) Rental deposits from related companies are included as rental deposits in the consolidated balance sheet.
- (iii) The balance represented the outstanding borrowing of HK\$260,000,000 due to Yue Xiu Investment Consultants Limited (“YXIC”) as of 31 December 2024, which was fully repaid in April 2025. The borrowing is at an interest rate of HIBOR plus 1.5% with a five-year term commencing on 29 April 2020, which was originally drawn down under the facility agreement between Secure Shell (as borrower) and several banks (as lenders) (the “Facility Agreement”) and was subsequently transferred from one of the original lenders to YXIC on 17 August 2023. Pursuant to the Facility Agreement, Yuexiu REIT and Secure Shell were not parties to or otherwise involved in the transfer.

(c) Key management compensation

There was no key management compensation for the period ended 30 June 2025 (six months ended 30 June 2024: Nil).

27. Capital commitments

	30 June 2025 (Unaudited) RMB’000	31 December 2024 (Audited) RMB’000
Capital commitments in respect of property, plant and equipment and investment properties		
Contracted but not provided for	<u>47,897</u>	<u>53,747</u>

28. Future minimum rental receivables

At 30 June 2025 and 31 December 2024, the Group had future minimum rental receivables under non-cancellable leases as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Within one year	1,193,698	1,530,934
Between one year and five years	1,642,988	2,005,528
Over five years	29,745	34,734
Total	<u>2,866,431</u>	<u>3,571,196</u>

By order of the board of directors of
Yuexiu REIT Asset Management Limited
(as manager of Yuexiu Real Estate Investment Trust)
JIANG Guoxiong
Chairman

Hong Kong, 14 August 2025

As at the date of this announcement, the Board of the Manager is comprised as follows:

Executive Directors:	Ms. OU Haijing and Mr. LIN Deliang
Non-executive Directors:	Mr. JIANG Guoxiong (Chairman) and Mr. ZENG Zhizhao
Independent Non-executive Directors:	Mr. CHAN Chi Fai Brian, Mr. CHAN Chi On Derek, Mr. CHEUNG Yuk Tong and Mr. CHEN Xiaoou