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**SF Real Estate Investment Trust**  
**順豐房地產投資信託基金**

*(a collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))*  
**(Stock Code: 2191)**

**Managed by**  
**SF REIT Asset Management Limited**

**ANNOUNCEMENT OF INTERIM RESULTS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

The board of directors (the “**Board**”) of SF REIT Asset Management Limited (the “**REIT Manager**”) is pleased to announce the unaudited interim results of SF Real Estate Investment Trust (“**SF REIT**”) and its subsidiaries (the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**” or “**1H 2025**”). The interim results and the condensed consolidated interim financial information of the Group for the Reporting Period have been approved for issue by the Board on 14 August 2025.

## PERFORMANCE HIGHLIGHTS

	For the six months ended 30 June 2025 HK\$ million	For the six months ended 30 June 2024 HK\$ million	Changes
<b>Revenue<sup>1</sup></b>	<b>229.9</b>	222.3	+3.4%
<b>Net property income<sup>1</sup></b>	<b>192.0</b>	181.1	+6.0%
<b>Distributable income</b>	<b>119.5</b>	119.3	+0.2%
<b>Distribution per unit (HK cents)</b>	<b>13.11</b>	14.71	-10.9%
<b>Payout ratio</b>	<b>90%</b>	100%	-10 percentage points
	As at 30 June 2025	As at 31 December 2024	Changes
<b>Occupancy rate</b>	<b>97.5%</b>	98.0%	-0.5 percentage points
<b>Portfolio value (HK\$ million)</b>	<b>6,237.2</b>	6,731.4	-7.3%
<b>Gearing ratio</b>	<b>38.4%</b>	35.9%	+2.5 percentage points
<b>Net assets per unit attributable to Unitholders (HK\$)</b>	<b>3.96</b>	4.51	-12.2%

<sup>1</sup> Adjusted to reflect the step-up rent mechanism in leases and excluding depreciations, where appropriate.

## FINANCIAL REVIEW

### Operating Results

During the Reporting Period, SF REIT recorded revenue of HK\$229.9 million (1H 2024: HK\$222.3 million),<sup>2</sup> representing an increase of 3.4% year-on-year. After deducting property operating expenses of HK\$37.9 million (1H 2024: HK\$41.2 million), the net property income amounted to HK\$192.0 million (1H 2024: HK\$181.1 million),<sup>2</sup> representing an increase of 6.0% year-on-year.

	Revenue <sup>2</sup>			Net property income <sup>2</sup>		
	Six months ended 30 June					
	2025	2024	Changes	2025	2024	Changes
Hong Kong	HK\$'000	HK\$'000	%	HK\$'000	HK\$'000	%
Tsing Yi Property	168,691	162,220	+4.0	143,972	134,344	+7.2
Mainland China	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Changsha Property	22,274	22,287	-0.1	17,178	17,160	+0.1
Foshan Property	24,461	23,603	+3.6	20,074	19,138	+4.9
Wuhu Property	10,036	9,618	+4.3	7,273	6,884	+5.7
Total	56,771	55,508	+2.3	44,525	43,182	+3.1

Property operating expenses included building management fees charged by independent third parties of approximately HK\$12.6 million (1H 2024: HK\$13.3 million) and by the operations manager which is a subsidiary of S.F. Holding Co., Ltd. (順豐控股股份有限公司) (“**SFH**”, together with its subsidiaries, collectively “**SFH Group**”) of approximately HK\$1.3 million (1H 2024: HK\$1.3 million) as well as fees for provision of services to generate supplemental services income of HK\$4.2 million (1H 2024: HK\$5.0 million). The remaining property operating expenses mainly consisted of other taxes, rates and government rent, repairs and maintenance, and utilities fees.

Finance costs for the Reporting Period were HK\$47.3 million (1H 2024: HK\$56.6 million), including interest expenses on bank borrowings of HK\$46.8 million (1H 2024: HK\$56.2 million) with the remainder consisting of amortisation of cost of debts. The net interest expenses on bank borrowings after considering interest rate swap contracts (“**IRS**”) were HK\$49.4 million (1H 2024: HK\$56.2 million).

<sup>2</sup> Adjusted to reflect the step-up rent mechanism in leases and excluding depreciations, where appropriate.

SF REIT reported a loss after taxation of HK\$362.2 million during the Reporting Period (1H 2024: profit after taxation of HK\$12.2 million), mainly due to the fair value loss on investment properties of HK\$525.9 million (1H 2024: HK\$102.7 million), which is non-cash in nature and does not affect distribution.

## **Distribution**

Under the Code on Real Estate Investment Trusts (the “**REIT Code**”) and the trust deed dated 29 April 2021 constituting SF REIT (the “**Trust Deed**”), as amended from time to time, SF REIT is required to distribute to its unitholders (the “**Unitholders**”) not less than 90% of the total distributable income (which is the audited profit for the period before transactions with Unitholders subject to certain adjustments as defined in the Trust Deed).

The total distributable income for the Reporting Period increased by 0.2% to HK\$119.5 million (1H 2024: HK\$119.3 million), representing the loss (1H 2024: profit) before transactions with Unitholders as adjusted to eliminate the effects of the adjustments as set out in the Trust Deed, which mainly include fair value losses on investment properties, fair value losses on financial instruments – non cash settlement portion, and deferred tax credits.

With an aim at preserving capital to enhance financial stability and better position SF REIT to face future challenges in this volatile market, the Board has resolved to maintain a 90% payout ratio and declare an interim distribution per unit of HK13.11 cents for the Reporting Period (1H 2024: HK14.71 cents). Such distribution represents a distribution yield of 8.7% on an annualised basis based on the closing unit price of HK\$3.03 on the last trading day of the Reporting Period.

The interim distribution will be paid on 23 September 2025 to the Unitholders whose names appear on the register of Unitholders of SF REIT on 29 August 2025.

## **Financial Position**

As at 30 June 2025, total assets amounted to HK\$6,445.6 million (31 December 2024: HK\$6,982.1 million) comprising mainly investment properties of HK\$6,237.2 million (31 December 2024: HK\$6,731.4 million). Total liabilities were HK\$3,196.9 million (31 December 2024: HK\$3,301.7 million) including bank borrowings of HK\$2,478.0 million (31 December 2024: HK\$2,504.5 million), of which HK\$2,157.0 million was in HK\$ loans (31 December 2024: HK\$2,156.5 million) and HK\$321 million was in RMB loans (31 December 2024: HK\$348.0 million). Net asset value per unit was HK\$3.96 (31 December 2024: HK\$4.51).

SF REIT’s gearing ratio (defined as the percentage of total borrowings over total assets) was 38.4% (31 December 2024: 35.9%), while the total liabilities as a percentage of total assets was 49.6% (31 December 2024: 47.3%).

## OPERATIONS REVIEW

SF REIT's portfolio comprises four modern logistics properties situated in key logistics hubs, including Tsing Yi, Hong Kong ("**Tsing Yi Property**") as well as Changsha in Hunan Province ("**Changsha Property**"), Foshan in Guangdong Province ("**Foshan Property**") and Wuhu in Anhui Province ("**Wuhu Property**"), Mainland China. Initially developed by SFH, all four properties are tailor-made to support the logistics operations of its members.

Property	GLA	Occupancy	Occupancy	% of GLA
	as at 30 June 2025 (sq.m.)	as at 30 June 2025	as at 31 December 2024	occupied by internal tenants as at 30 June 2025 <sup>3</sup>
Tsing Yi Property	160,324	96.1%	97.3%	70.2%
Changsha Property	119,684	98.6%	98.9%	75.6%
Foshan Property	84,951	100.0%	100.0%	99.9%
Wuhu Property	62,698	95.5%	95.4%	91.1%
Total	427,657	97.5%	98.0%	80.7%

During the Reporting Period, the REIT Manager continued to maintain long-term relationships with tenants through proactive communication, gaining insights into their businesses needs and offering flexible leasing options. These efforts supported a high overall occupancy rate of 97.5% as at 30 June 2025 (31 December 2024: 98.0%), reflecting continued resilience across the portfolio.

The SFH Group occupied 80.7% of the GLA as at 30 June 2025 (31 December 2024: 80.3%) and contributed approximately 75.5% of the total revenue for the Reporting Period (1H 2024: 75.1%), bringing a high degree of income stability for SF REIT during the Reporting Period.

<sup>3</sup> Internal tenants refer to tenants from the SFH Group.

As at 30 June 2025, approximately 2%, 85%, 9% and 1% of leases in terms of the total GLA will expire in 2025, 2026, 2027 and 2028, respectively. Among all, SFH Group's leases in the Tsing Yi, Foshan and Wuhu Properties signed in 2021, representing about 59% of the total GLA, will expire in the first half of 2026, followed by its leases in the Changsha Property signed in 2022, representing about 21% of the total GLA, in the second half of 2026.

The REIT Manager has initiated negotiation with relevant business units of SFH Group regarding renewal. The renewal terms will reflect SFH Group's actual business needs. Due to the annual rental increases in the subsisting leases, their current passing rents are significantly higher than the prevailing market rents under downward pressure.

## **Hong Kong**

SFH Group tenants, including various business units such as express delivery, supply chain management, contract logistics, cold storage and freight forwarding, continued their support by occupying a total of 70.2% of the Tsing Yi Property's GLA (31 December 2024: 69.3%). Specifically, the headquarters of the supply chain management business moved into the Tsing Yi Property early this year.

During the Reporting Period, the REIT Manager has successfully renewed half of the leases due to expire this year, with a rental reversion of -9.6%. A third-party tenant of the Tsing Yi Property did not renew part of its warehouse leases, covering about 5,480 sq.m., which represents the other half of the GLA expiring this year, bringing the occupancy rate as at 30 June 2025 down by 1.2 percentage points to 96.1% (31 December 2024: 97.3%). The REIT Manager is actively working to bring in new tenants.

## **Mainland China**

The other three properties in Mainland China maintained stable operating performance during the Reporting Period. The occupancy rates of the Changsha Property, Foshan Property and Wuhu Property were of 98.6%, 100.0% and 95.5%, respectively, as at 30 June 2025 (31 December 2024: 98.9%, 100.0% and 95.4%, respectively). Among all tenants, SFH Group tenants took up approximately 86.9% of the GLA in these three properties combined for their express delivery and supply chain management businesses.

As at 30 June 2025, 1,962 sq.m. of leases in the Changsha Property, representing 76.0% of its GLA due to expire this year, have been renewed or re-let, including warehouses, ancillary offices and dormitories of external tenants. The REIT Manager is actively managing the remaining expiring leases of approximately 618 sq.m. of ancillary offices and dormitories. However, we anticipate downward rental pressure due to oversupply and limited demand in the region.

While the Foshan Property remained almost entirely occupied by the SFH Group, 1,303 sq.m. of leases of the Wuhu Property, representing 66.9% of its GLA expiring this year, have been renewed or re-let, including ancillary offices and dormitories. The REIT Manager is continuing its efforts to lease out the remaining approximately 647 sq.m. of ancillary offices and dormitories, while the warehouses remained fully occupied by the SFH Group.

## PORTFOLIO VALUATION

Colliers International (Hong Kong) Limited has been appointed as the principal valuer of SF REIT and commenced the valuation of the properties of SF REIT as at 30 June 2025 using the income capitalisation approach with reference to market comparables.

As at 30 June 2025, the appraised value of SF REIT's portfolio was HK\$6,237.2 million (31 December 2024: HK\$6,731.4 million), representing a decrease by 7.3%. The following table summarises the valuation of SF REIT's properties as at 30 June 2025 and 31 December 2024.

	Appraised Value				HoH Changes		Capitalisation Rate	
	As at 30 June 2025		As at 31 December 2024		in HK\$ %	in local currency %	As at 30 June 2025	As at 31 December 2024
Hong Kong	HK\$ million		HK\$ million				%	%
Tsing Yi Property	<u>5,170.0</u>		<u>5,620.0</u>		<u>-8.0</u>	<u>-8.0</u>	4.25	4.25
Mainland China	HK\$ million	RMB million	HK\$ million	RMB million	%	%	%	%
Changsha Property	463.8	423.8	481.8	452.8	-3.7	-6.4	5.55	5.55
Foshan Property	424.1	387.5	443.1	416.5	-4.3	-7.0	5.45	5.45
Wuhu Property	<u>179.3</u>	<u>163.8</u>	<u>186.5</u>	<u>175.3</u>	<u>-3.9</u>	<u>-6.6</u>	5.70	5.70
Sub-Total	<u>1,067.2</u>	<u>975.1</u>	<u>1,111.4</u>	<u>1,044.6</u>	<u>-4.0</u>	<u>-6.7</u>		
Total	<u><u>6,237.2</u></u>		<u><u>6,731.4</u></u>		<u><u>-7.3</u></u>			

Both the Tsing Yi Property and the properties in Mainland China experienced a decrease in valuation, primarily attributed to the drop of market rental adopted by the principal valuer. Referencing the principal valuers' assessment over the past years, the market rents of warehouses in our portfolio have dropped by approximately 15% to 25%, from their corresponding peaks, reflecting their cautious outlook on the economy and demand-supply dynamics of the respective regions.

## CAPITAL MANAGEMENT

During the Reporting Period, SF REIT had Hong Kong dollar banking facilities (“**HK\$ Loans**”) including:

- (i) a three-year sustainability-linked term loan facility for a principal amount up to HK\$2,159 million (the “**HK\$ Term Loan**”) maturing in September 2027 with a two-year extension option at an interest rate of HIBOR plus 0.70% per annum; and
- (ii) a one-year revolving loan facility for a principal amount up to HK\$250 million, or its equivalent in RMB, at an interest rate of HIBOR plus 0.60% per annum (the “**HK\$ Revolving Loan**”).

The HK\$ Loans are secured by the Tsing Yi Property and its rental collection account. As at 30 June 2025, the HK\$ Term Loan was fully drawn while the HK\$ Revolving Loan was not utilised during the Reporting Period.

During the Reporting Period, SF REIT also had RMB banking facilities (“**RMB Loans**”) including:

- (i) a five-year term loan facility maturing in April 2026 (“**Foshan RMB Loan**”) for a principal amount up to RMB120 million for Foshan Property at an interest rate of 2.9% per annum, calculated by the one-year loan prime rate, as announced by the National Interbank Funding Center on the business day immediately preceding the drawdown date and updated annually, with an interest margin representing a discount of 0.2% per annum. The Foshan RMB Loan was early repaid in full during the Reporting Period to enhance the flexibility of fund management. The Foshan RMB Loan was secured by the Foshan Property and the rental collection account of the Foshan Property;
- (ii) a five-year term loan facility maturing in April 2026 (“**Wuhu RMB Loan**”) for a principal amount up to RMB100 million for Wuhu Property currently at an interest rate of 2.9%, calculated by the one-year loan prime rate, as announced by the National Interbank Funding Center on the business day immediately preceding the drawdown date and updated annually, with an interest margin representing a discount of 0.2% per annum. The Wuhu RMB Loan was secured by the Foshan Property and the rental collection account of the Wuhu Property. As at 30 June 2025, the total outstanding amount of the Wuhu RMB Loan amounted to approximately RMB60 million. The REIT Manager is exploring with banks for refinancing options for the Wuhu RMB Loan; and



- (iii) an eight-year term loan facility (“**Changsha RMB Loan**”) for a principal amount up to RMB275 million maturing in May 2030 currently at an interest rate of 2.6% per annum, calculated by the over-five-year loan prime rate, as announced by the National Interbank Funding Center on the business day immediately preceding the drawdown date and updated annually, with an interest margin. which was reduced from a discount of 0.45% to a further discount of 0.90% per annum. The Changsha RMB Loan is secured by the Changsha Property, the rental collection account of the Changsha Property and the entire shareholding of an indirect wholly-owned subsidiary of SF REIT holding the Changsha Property. As at 30 June 2025, the total outstanding amount of the Changsha RMB Loan amounted to approximately RMB234 million.

Since 2022, SF REIT has been using a mix of short- and long-term IRS to manage financing costs. During the Reporting Period, after accounting for the IRS, the weighted average effective interest rate for all loans, HK\$ Loans and RMB Loans were contained at 3.95%, 4.04% and 3.36% per annum (1H 2024: 4.39%, 4.44% and 4.15%), per annum, respectively.

As at 30 June 2025, the entire HK\$ Term Loan had been hedged with IRS. This included a long term IRS covering HK\$900 million since the loan inception in September 2024 until September 2027, when the HK\$ Term Loan itself matures, and a short term IRS entered into in May 2025 to protect the remaining HK\$1,259 million from interest rate fluctuation until the end of 2025.

For the Reporting Period, approximately 26.3% and 24.5% (1H 2024: 27.0% and 25.7%) of the revenue and net property income, respectively, of SF REIT were denominated in RMB, which had to be converted into Hong Kong dollars for the calculation of distributions to Unitholders. The REIT Manager will continue to monitor the foreign exchange market and will take appropriate protective actions to mitigate foreign exchange risks, when necessary.

As at 30 June 2025, SF REIT had total cash and bank balances of HK\$100.6 million (31 December 2024: HK\$93.5 million), term deposits with original maturity over 3 months of HK\$37.6 million (31 December 2024: HK\$40.0 million), and available banking facilities of HK\$250 million (31 December 2024: HK\$450 million). Taking into consideration the recurrent income generated from its operations, the current cash position and sources of funding available, the REIT Manager is of the view that SF REIT has sufficient financial capability to satisfy its working capital and capital expenditure requirements.

## OUTLOOK AND STRATEGY

The first half of 2025 witnessed multiple phases of volatility across the global economy. The fall in 1-month HIBOR to a three-year low, alongside the United States' decision to hold rates steady, reflects mixed directions in the macroeconomy. Geopolitical tensions and tariffs further strained the business environment. In light of these risks, we remain cautious and conservative for the remainder of the year.

Apart from the macro economy, the logistics property sector is also undergoing a period of adjustments. In Hong Kong, overall warehouse vacancy exceeded 10% as at June 2025, as traders and logistics operators remained cautious and postponed their expansion plans amid the uncertain outlook.<sup>4</sup> On the other hand, further supply is anticipated, with the earliest completion expected in 2027, which could place additional pressure on logistics warehouse rentals.

The market in Mainland China, meanwhile, is still under pressure despite a pick-up in absorption and alleviated vacancy, mainly due to the slowing supply pipeline. Looking ahead, the Greater Bay Area, which has performed relatively well in recent years, may underperform in the short term due to significant new supplies. Although cross-border e-commerce businesses could be impacted by ongoing tariff negotiations, domestic parcel delivery, which surged by close to 20% during the Reporting Period<sup>5</sup>, should provide continued support for logistics services and properties.

Coming up against the volatile market, we shall continue to proactively manage our assets and strengthen our relationship with the SFH Group, who is our strategic partner and anchor tenant, and with other tenants as well. Financially, we remain committed to prudent capital management to maintain a healthy financial position and ensure sufficient capital for potential challenges. Finally, and just as importantly, the REIT Manager will continue monitoring market conditions and identifying suitable opportunities to expand our portfolio to deliver sustainable returns for Unitholders.

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<sup>4</sup> CBRE, *Hong Kong Figures - Industrial Q2 2025*

<sup>5</sup> State Post Bureau

## CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2025

		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
	Notes	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Revenue</b>	4	<b>224,590</b>	221,837
Property operating expenses	6	<u><b>(39,034)</b></u>	<u>(42,267)</u>
<b>Net property income</b>		<b>185,556</b>	179,570
General and administrative expenses	7	<b>(16,499)</b>	(17,198)
Fair value changes on investment properties	13	<b>(525,922)</b>	(102,677)
Other (losses)/gains – net	8	<u><b>(31,430)</b></u>	<u>3,122</u>
<b>Operating (loss)/profit</b>		<b>(388,295)</b>	62,817
Finance income		<b>1,952</b>	4,255
Finance costs	9	<u><b>(47,284)</b></u>	<u>(56,604)</u>
<b>(Loss)/profit before taxation and transactions with Unitholders</b>		<b>(433,627)</b>	10,468
Income tax credits	10	<u><b>71,392</b></u>	<u>1,714</u>
<b>(Loss)/profit for the period, before transactions with Unitholders</b>		<b>(362,235)</b>	12,182
Distribution paid to Unitholders			
– 2023 final distribution, paid on 23 April 2024		<b>–</b>	(112,828)
– 2024 final distribution, paid on 25 April 2025		<u><b>(103,537)</b></u>	<u>–</u>
		<u><b>(465,772)</b></u>	<u>(100,646)</u>
Basic (loss)/earnings per unit (HK cents)	12	<b>(44.28)</b>	1.51
Diluted (loss)/earnings per unit (HK cents)	12	<u><b>(44.28)</b></u>	<u>1.50</u>

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
For the six months ended 30 June 2025

	Before transactions with Unitholders HK\$'000 (Unaudited)	Transactions with Unitholders (Note) HK\$'000 (Unaudited)	After transactions with Unitholders HK\$'000 (Unaudited)
<b>Six months ended 30 June 2025</b>			
Loss for the period	(362,235)	340,928	(21,307)
Other comprehensive income			
<i>Items that may be reclassified subsequently to condensed consolidated income statement:</i>			
Exchange gain on translation of financial statements	21,307	–	21,307
<b>Total comprehensive income for the period</b>	<b>(340,928)</b>	<b>340,928</b>	<b>–</b>
<b>Six months ended 30 June 2024</b>			
Profit for the period	12,182	7,070	19,252
Other comprehensive income			
<i>Items that may be reclassified subsequently to condensed consolidated income statement:</i>			
Changes in fair value of derivatives that are designated as cash flow hedges, net of tax	1,185	–	1,185
Exchange loss on translation of financial statements	(20,437)	–	(20,437)
<b>Total comprehensive income for the period</b>	<b>(7,070)</b>	<b>7,070</b>	<b>–</b>

Note:

In accordance with the Trust Deed, SF REIT is required to distribute to Unitholders not less than 90% of total distributable income for each financial year. SF REIT also has a limited life and shall continue until 80 years less one day from 29 April 2021 (Date of Establishment). Accordingly, the units contain contractual obligations of the trust to pay cash distributions to Unitholders and, upon termination of the trust, to share all net cash proceeds derived from the sales on realisation of the assets of the trust less any liabilities, in accordance with their proportionate interests in the trust at the date of the termination. The Unitholders' funds are therefore classified as a financial liability rather than equity in accordance with International Accounting Standard ("IAS") 32 "Financial Instruments: Presentation". Consistent with Unitholders' funds being classified as a financial liability, the distribution to Unitholders and change in net assets attributable to Unitholders, excluding issuance of new units, are part of finance costs. Accordingly, the total comprehensive income attributable to Unitholders, after the transactions with Unitholders, is zero.

## CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2025

		<b>30 June 2025</b>	31 December 2024
	Notes	<b>HK\$'000</b>	HK\$'000
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	13	<b>6,237,188</b>	6,731,444
Property, plant and equipment		<b>12,706</b>	13,316
Land use rights		<b>555</b>	546
Intangible assets		<b>10</b>	49
Derivative financial instruments		<b>8,078</b>	32,878
		<b>6,258,537</b>	6,778,233
<b>Current assets</b>			
Trade receivables	14	<b>1,448</b>	1,768
Amounts due from related companies	14	<b>6,577</b>	7,634
Prepayments and other receivables		<b>11,098</b>	13,431
Restricted cash		<b>29,698</b>	47,488
Term deposits with original maturity over 3 months		<b>37,632</b>	40,019
Cash and cash equivalents		<b>100,645</b>	93,501
		<b>187,098</b>	203,841
<b>Total assets</b>		<b>6,445,635</b>	6,982,074

		<b>30 June 2025 HK\$'000 (Unaudited)</b>	<b>31 December 2024 HK\$'000 (Audited)</b>
	Notes		
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Borrowings	15	<b>81,104</b>	45,615
Trade payables	16	<b>358</b>	745
Amounts due to connected persons and related companies		<b>89,726</b>	83,386
Other payables		<b>53,678</b>	68,272
Current tax liabilities		<b>3,908</b>	3,350
Derivative financial instruments		<b>7,434</b>	—
		<b>236,208</b>	201,368
<b>Non-current liabilities, excluding net assets attributable to Unitholders</b>			
Borrowings	15	<b>2,396,859</b>	2,458,891
Deferred tax liabilities		<b>527,593</b>	605,734
Deferred government grants		<b>36,253</b>	35,675
		<b>2,960,705</b>	3,100,300
<b>Total liabilities, excluding net assets attributable to Unitholders</b>		<b>3,196,913</b>	3,301,668
<b>Net assets attributable to Unitholders</b>		<b>3,248,722</b>	3,680,406
<b>Units in issue (Thousand)</b>		<b>820,356</b>	815,893
<b>Net assets per unit attributable to Unitholders</b>		<b>HK\$3.96</b>	HK\$4.51

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the six months ended 30 June 2025

	Note	Net assets attributable to Unitholders HK\$'000 (Unaudited)
<b>As at 1 January 2025</b>		<b>3,680,406</b>
Units issued to REIT Manager	11	12,781
Loss for the period, before transactions with Unitholders		(362,235)
Distribution paid to the Unitholders		(103,537)
Exchange gain on translation of financial statements		21,307
<b>As at 30 June 2025</b>		<b>3,248,722</b>
As at 1 January 2024		4,233,618
Units issued to REIT Manager		14,746
Profit for the period, before transactions with Unitholders		12,182
Distribution paid to the Unitholders		(112,828)
Exchange loss on translation of financial statements		(20,437)
Cash flow hedging reserve		1,185
As at 30 June 2024		4,128,466



## CONSOLIDATED DISTRIBUTION STATEMENT

For the six months ended 30 June 2025

		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
	<b>Notes</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>(Loss)/profit for the period, before transactions with Unitholders</b>		<b>(362,235)</b>	<b>12,182</b>
<b>Adjustments:</b>			
– Fair value changes on investment properties	13	<b>525,922</b>	<b>102,677</b>
– Fair value losses/(gains) on financial instruments – non cash settlement portion		<b>30,281</b>	<b>(932)</b>
– REIT Manager's fee payment in the form of units	11	<b>–</b>	<b>13,260</b>
– Differences between finance cost and interest paid and payable in accordance with contractual obligations		<b>449</b>	<b>399</b>
– Deferred tax credits	10	<b>(78,091)</b>	<b>(8,388)</b>
– Depreciation and amortisation		<b>1,141</b>	<b>1,066</b>
– Appropriation to PRC statutory reserve		<b>(2,009)</b>	<b>(1,581)</b>
– Amortisation of government grants		<b>(490)</b>	<b>(439)</b>
– Non-cash foreign exchange (gain)/loss		<b>(752)</b>	<b>605</b>
– Differences between accrued rental income and contractual rental receipts		<b>5,282</b>	<b>490</b>
<b>Total distributable income</b>		<b>119,498</b>	<b>119,339</b>
<b>Percentage of distribution over total distributable income for the period</b>			
(Note (i))		<b>90%</b>	<b>100%</b>
<b>Interim distribution for the period to be paid to Unitholders (Note (ii))</b>		<b>107,548</b>	<b>119,339</b>
<b>Units in issue (Thousand)</b>		<b>820,356</b>	<b>811,000</b>
<b>Distribution per unit for the period</b>			
(Note (ii))		<b>HK13.11 cents</b>	<b>HK14.71 cents</b>

Notes:

- (i) Pursuant to the Trust Deed, the distributable income is profit for the period, before transactions with Unitholders as adjusted to eliminate the effects of Adjustments (as set out in the Trust Deed) which have been recorded in the consolidated income statement for the relevant year. The REIT Manager's policy is to distribute to Unitholders an amount of no less than 90% of SF REIT's annual distributable income for each financial year save for the first distribution. The REIT Manager decided to distribute 90% of the Interim Distributable Income (as defined in the Trust Deed) for the six months ended 30 June 2025.
- (ii) The interim distribution per unit of HK13.11 cents for the six months ended 30 June 2025 (2024 interim distribution per unit: HK14.71 cents) was calculated based on the interim distribution of HK\$107,548,000 (2024 interim distribution: HK\$119,339,000) over 820,355,741 units in issue as at 30 June 2025 (30 June 2024: 810,999,999 units in issue). The interim distribution will be paid on 23 September 2025 (2024 interim distribution: 30 September 2024).

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2025

## 1. General information

SF Real Estate Investment Trust (“**SF REIT**”) is a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and its units were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 17 May 2021. SF REIT is governed by a trust deed dated 29 April 2021 entered into between SF REIT Asset Management Limited (the “**REIT Manager**”) and DB Trustees (Hong Kong) Limited (the “**Trustee**”), as amended by any supplemental deed (the “**Trust Deed**”).

The principal activity of SF REIT is investment holding whereas its subsidiaries (together with SF REIT referred to as the “**Group**”) are principally engaged in property investments in Hong Kong, and in Foshan, Wuhu and Changsha of The People’s Republic of China (the “**PRC**”).

The addresses of the registered offices of the REIT Manager and the Trustee, are Room 2002, 20th Floor, Lee Garden Six, 111 Leighton Road, Causeway Bay, Hong Kong, and Level 60, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong, respectively.

The condensed consolidated interim financial information is presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company.

## 2. Basis of preparation

The condensed consolidated interim financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34, ‘Interim Financial Reporting’ issued by the International Accounting Standards Board. In addition, the condensed consolidated interim financial information includes the relevant provisions of the Trust Deed, the Code on Real Estate Investment Trusts (the “**REIT Code**”) issued by the Securities and Futures Commission of Hong Kong and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with IFRS Accounting Standards (“**IFRS**”).

The condensed consolidated interim financial information has been prepared under the historical cost convention, except for investment properties and derivatives financial instruments, which are carried at fair value.

### 3. Accounting policies

The accounting policies adopted are consistent with those of the annual consolidated financial statements for the year ended 31 December 2024, as described in those annual consolidated financial statements, except for the adoption of amended IFRSs effective as at 1 January 2025, details of which are set out below:

#### **New standards and amendments to standards and Interpretations**

The following new and amended standards and interpretation are mandatory for the first time for the financial period beginning on or after 1 January 2025:

##### **Amendments to IAS 21**

##### **Lack of Exchangeability**

The Amendments to IAS 21 help entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not. The Group does not expect these amendments to have a material impact on its operations or financial statements.

Certain new accounting standards, amendments to accounting standards and interpretations have been published but are not yet effective and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
Annual Improvements	Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
Amendment to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

The Group has assessed the impact of adopting these new standards and amendments to standards. According to the preliminary assessment, these standards and amendments to standards are not expected to have a significant impact on the results and financial position of the Group.

#### 4. Revenue

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Rental income	<b>189,041</b>	188,941
Management service income	<b>28,077</b>	26,416
Others (Note)	<b>7,472</b>	6,480
	<b>224,590</b>	<b>221,837</b>

Note: Others mainly represent revenue generated from supplementary services, which is recognised at a point in time.

#### 5. Segment information

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker, which has been identified as the REIT Manager, in order to allocate resources to segments and to assess their performance.

The Group holds one property company in Hong Kong and three property companies in Mainland China, which are principally engaged in property investment. Revenue recognised for the current period is mainly from rental income and related management service income from tenants. The REIT Manager evaluates the Group's performance from a geographic perspective and identifies two reportable segments of its business, Hong Kong and Mainland China.

The REIT Manager primarily uses a measure of segment revenue and net property income to assess the performance of the operating segments.

**Six months ended 30 June 2025**

	<b>Hong Kong</b>	<b>Mainland</b>	
	<b>HK\$'000</b>	<b>China</b>	<b>Total</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Segments revenue</b>	<b>165,463</b>	<b>59,127</b>	<b>224,590</b>
<b>Net property income</b>	<b>140,085</b>	<b>45,471</b>	<b>185,556</b>
Fair value changes on investment properties	(450,000)	(75,922)	(525,922)
General and administrative expenses			(16,499)
Other losses – net			(31,430)
Finance income			1,952
Finance costs			(47,284)
Income tax credits			71,392
<b>Loss for the period, before transactions with Unitholders</b>			<b>(362,235)</b>

**Six months ended 30 June 2024**

<b>Segments revenue</b>	<b>161,935</b>	<b>59,902</b>	<b>221,837</b>
<b>Net property income</b>	<b>133,473</b>	<b>46,097</b>	<b>179,570</b>
Fair value changes on investment properties	13,000	(115,677)	(102,677)
General and administrative expenses			(17,198)
Other gains – net			3,122
Finance income			4,255
Finance costs			(56,604)
Income tax credits			1,714
<b>Profit for the period, before transactions with Unitholders</b>			<b>12,182</b>

Depreciation and amortisation of Hong Kong segment and Mainland China segment for the six months ended 30 June 2025 was approximately HK\$682,000 (30 June 2024: HK\$607,000) and approximately HK\$459,000 (30 June 2024: HK\$459,000) respectively.

Segment assets and segment liabilities (excluding net assets attributable to Unitholders) are measured in the same way as in the financial statements. Total segment assets and total segment liabilities (excluding net assets attributable to Unitholders) are allocated based on the physical location of the assets and liabilities:

	<b>30 June 2025 HK\$'000 (Unaudited)</b>	<b>31 December 2024 HK\$'000 (Audited)</b>
Segment assets		
Hong Kong	<b>5,181,813</b>	5,633,761
Mainland China	<b>1,149,642</b>	1,197,108
All other segments	<b>114,180</b>	151,205
	<b><u>6,445,635</u></b>	<b><u>6,982,074</u></b>
Segment liabilities, excluding net assets attributable to Unitholders		
Hong Kong	<b>629,518</b>	693,124
Mainland China	<b>370,246</b>	412,210
All other segments	<b>2,197,149</b>	2,196,334
	<b><u>3,196,913</u></b>	<b><u>3,301,668</u></b>

## 6. Property operating expenses

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Property management fees	<b>18,214</b>	19,631
– Building management fees (Note (i))	<b>13,965</b>	14,621
– Supplemental services related expenses	<b>4,249</b>	5,010
Rates and government rent	<b>4,620</b>	4,684
Repairs and maintenance	<b>3,891</b>	5,343
Electricity and water fee	<b>3,009</b>	3,060
Other taxes (Note (ii))	<b>7,695</b>	7,921
Others	<b>1,605</b>	1,628
	<b>39,034</b>	42,267

Notes:

(i) Building management fees included the operations management fee to the operations manager which is a subsidiary of S.F. Holding Co., Ltd. of approximately HK\$1,348,000 for the six months ended 30 June 2025 (30 June 2024: HK\$1,326,000).

(ii) Other taxes mainly include property tax, land use tax, and stamp duty of Mainland China.

## 7. General and administrative expenses

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Auditor's remuneration		
– Audit and audit-related assurance services	<b>1,045</b>	1,170
– Other services	<b>116</b>	108
REIT Manager's fee	<b>13,277</b>	13,260
Trustee's fee	<b>645</b>	753
Principal valuer's fee	<b>88</b>	90
Legal and professional fee	<b>1,101</b>	1,491
Bank charges	<b>37</b>	31
Others	<b>190</b>	295
	<b>16,499</b>	17,198



**8. Other (losses)/gains – net**

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Government grants	<b>490</b>	2,918
Fair value (losses)/gains on derivative financial instruments	<b>(32,818)</b>	932
Exchange gains/(losses), net	<b>885</b>	(739)
Others	<b>13</b>	11
	<b>(31,430)</b>	3,122

**9. Finance costs**

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Interest expenses on bank borrowings	<b>46,835</b>	56,205
Amortisation of cost of debts	<b>449</b>	399
	<b>47,284</b>	56,604

## 10. Income tax credits

Income tax expense is recognised based on management's best estimate of the income tax rate that would be applicable to the full financial year.

During the six months ended 30 June 2025, Hong Kong profits tax was subject to the rate of 16.5% (30 June 2024: 16.5%) on the estimated assessable profit. The Group's subsidiaries in Mainland China had provided for corporate income tax ("CIT") at a standard rate of 25% (30 June 2024: 25%) on the estimated assessable profit for the period. Withholding tax was provided for undistributed profits of subsidiaries in the Mainland China at a rate of 10% (30 June 2024: 10%).

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Current income tax		
– Mainland China CIT	<b>(6,547)</b>	(6,520)
– Withholding taxes	<b>(152)</b>	(154)
Deferred income tax	<b>78,091</b>	8,388
	<b>71,392</b>	1,714

## 11. REIT Manager's fee

Pursuant to the Trust Deed, the REIT Manager is entitled to receive management fee for its services as the manager of SF REIT, which is calculated based on 10% per annum of the base fee distributable income as remuneration (the "**Base Fee**"). The Base Fee distributable income is the amount of the total distributable income to Unitholders calculated before accounting for the Base Fee payable for the period.

The REIT Manager may elect at its sole discretion to receive the REIT Manager's fee in the form of cash or entirely or partly in the form of units of SF REIT. If no election is made, the most recent valid election made by the REIT Manager in a prior calendar year (if any) shall apply. Pursuant to the announcement of SF REIT dated 13 January 2025, the REIT Manager notified the Trustee in writing of its election to receive the REIT Manager's fee for the year ending 31 December 2025 from SF REIT entirely in the form of cash (2024: entirely in the form of units). On 3 April 2025, a total of 4,462,846 new units of SF REIT were issued to the REIT Manager at a price of HK\$2.864 per unit as entire payment of the REIT Manager's fee of approximately HK\$12,781,000, being the Base Fee for the period from 1 July 2024 to 31 December 2024.

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>REIT Manager's fee</b>		
In the form of units	–	13,260
In the form of cash	<u>13,277</u>	<u>–</u>
	<u><b>13,277</b></u>	<u><b>13,260</b></u>

## 12. (Loss)/earnings per unit

### (i) Basic

The calculation of the basic (loss)/earnings per unit before transactions with Unitholders is based on the (loss)/profit for the period before transactions with Unitholders, with the weighted average number of units in issue for the period.

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
(Loss)/profit for the period, before transactions with Unitholders (HK\$'000)	<u><b>(362,235)</b></u>	<u><b>12,182</b></u>
Weighted average number of units for the period (Thousand)	<u><b>818,087</b></u>	<u><b>807,607</b></u>
Basic (loss)/earnings per unit (HK cents)	<u><b>(44.28)</b></u>	<u><b>1.51</b></u>

**(ii) Diluted**

Diluted (loss)/earnings per unit based upon (loss)/profit for the period before transactions with Unitholders is calculated by adjusting the weighted average number of units in issue and assuming all dilutive potential units are issued. SF REIT has manager's fee to be paid entirely in the form of units during the period from 1 January 2024 to 30 June 2024 which are dilutive potential units. There were no dilutive potential units during the period from 1 January 2025 to 30 June 2025.

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
(Loss)/profit for the period, before transactions with Unitholders (HK\$'000)	<b>(362,235)</b>	12,182
Weighted average number of units for the period (Thousand)	<b>818,087</b>	807,607
Adjustments for manager's fee to be paid entirely in the form of units (Thousand) (Note)	—	4,966
Weighted average number of units for diluted (loss)/earnings per unit (Thousand)	<b>818,087</b>	812,573
Diluted (loss)/earnings per unit (HK cents)	<b>(44.28)</b>	1.50

Note: For illustration purpose, the number of units adjusted for manager's fee to be paid entirely in the form of units of SF REIT was calculated based on the average closing price of the units of SF REIT on the Stock Exchange for the five consecutive trading days immediately preceding 30 June 2024.

### 13. Investment properties

	HK\$'000 (Unaudited)
<b>As at 1 January 2025</b>	<b>6,731,444</b>
Additions	1,023
Fair value changes on investment properties	(525,922)
Currency translation differences	30,643
	<hr/>
<b>As at 30 June 2025</b>	<b>6,237,188</b>
	<hr/> <hr/>
	HK\$'000 (Audited)
As at 1 January 2024	7,388,198
Cost adjustments (Note)	(1,860)
Fair value changes on investment properties	(614,439)
Currency translation differences	(40,455)
	<hr/>
As at 31 December 2024	6,731,444
	<hr/> <hr/>

Note: The amount included the construction cost adjustments of Foshan property and Changsha property, arising from settlements for the year ended 31 December 2024.

#### (i) Valuation Process

The Group's investment properties are measured using the fair value model.

The investment properties were revalued on a market value basis as at 30 June 2025 and 31 December 2024 by Colliers International (Hong Kong) Limited (the "**Principal Valuer**"), an independent firm of professional qualified valuers and the Principal Valuer of SF REIT.

#### (ii) Valuation Techniques

The investment properties were appraised by the Principal Valuer, using the income capitalisation approach as its primary approach with cross-reference to the direct comparison approach, where appropriate.

The income capitalisation approach is based on the net rental income of a property derived from its existing tenancies with due allowance for the reversionary income potential of the property upon expiry of the existing leases, which was then capitalised to determine the fair value at an appropriate capitalisation rate.

Investment properties held by the Group	Fair value hierarchy	Valuation	Valuation technique and significant unobservable inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
Asia Logistics Hub – SF Centre (亞洲物流中心-順豐大廈) No. 36 Tsing Yi Hong Wan Road (Tsing Yi Town Lot No. 180) Tsing Yi New Territories Hong Kong	Level 3	30 June 2025: HK\$5,170,000,000 (31 December 2024: HK\$5,620,000,000)	Income capitalisation method with cross reference to the direct comparison approach		
The key inputs are:					
			(1) Term yield	Term yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the conditions of the subject property, was 3.75% as at 30 June 2025 (31 December 2024: 3.75%).	The higher the term yield, the lower the fair value.
			(2) Reversionary yield	Reversionary yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the risk associated with the future rental, was 4.25% as at 30 June 2025 (31 December 2024: 4.25%).	The higher the reversionary yield, the lower the fair value.

Investment properties held by the Group	Fair value hierarchy	Valuation	Valuation technique and significant unobservable inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
			(3) Monthly market rent	<p>Market rent was determined by the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion, the amounts of which were as below:</p> <p>Car parking: HK\$2.5/sq. ft./month as at 30 June 2025 (31 December 2024: HK\$2.5/sq. ft./month);</p> <p>Warehouse was HK\$11.9 – 12.1/sq. ft./month as at 30 June 2025 (31 December 2024: HK\$12.5 – 13.4/sq. ft./month);</p> <p>Ancillary Office was HK\$9.2 – 10.1/sq. ft./month as at 30 June 2025 (31 December 2024: HK\$10.9/sq. ft./month).</p>	The higher the monthly market rent, the higher the fair value.

Investment properties held by the Group	Fair value hierarchy	Valuation	Valuation technique and significant unobservable inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
Changsha Fengtai Industrial Park (長沙豐泰產業園) No. 102 Hexin Road, Huangxin Town, Changsha, Hunan Province, PRC	Level 3	30 June 2025: HK\$463,824,000 (RMB423,800,000) (31 December 2024: HK\$481,775,000 (RMB452,800,000))	Income capitalisation method with cross reference to the direct comparison approach		
The key inputs are:					
			(1) Term yield	Term yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the conditions of the subject property, was 5.05% as at 30 June 2025 (31 December 2024: 5.05%).	The higher the term yield, the lower the fair value.
			(2) Reversionary yield	Reversionary yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the risk associated with the future rental, was 5.55% as at 30 June 2025 (31 December 2024: 5.55%).	The higher the reversionary yield, the lower the fair value.



Investment properties held by the Group	Fair value hierarchy	Valuation	Valuation technique and significant unobservable inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
			(3) Monthly market rent	<p>Market rent was determined by the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion, the amounts of which were as below:</p> <p>Distribution Centre: RMB23.7/sq. m./month as at 30 June 2025 (31 December 2024: RMB25.3/sq. m./month);</p> <p>Warehouse was RMB25.1/sq. m./month as at 30 June 2025 (31 December 2024: RMB26.6/sq. m./month);</p> <p>Office and Ancillary were RMB27.4/sq. m./month as at 30 June 2025 (31 December 2024: RMB28.9/sq. m./month).</p>	The higher the monthly market rent, the higher the fair value.

Investment properties held by the Group	Fair value hierarchy	Valuation	Valuation technique and significant unobservable inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
Foshan Guicheng Fengtai Industrial Park (佛山桂城豐泰產業園) The northern side of Guanli Road and the western side of Guihe Road, Nanhai District, Foshan, Guangdong Province, PRC	Level 3	30 June 2025: HK\$424,096,000 (RMB387,500,000) (31 December 2024: HK\$443,152,000 (RMB416,500,000))	Income capitalisation method with cross reference to the direct comparison approach		
The key inputs are:					
			(1) Term yield	Term yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the conditions of the subject property, was 4.95% as at 30 June 2025 (31 December 2024: 4.95%).	The higher the term yield, the lower the fair value.
			(2) Reversionary yield	Reversionary yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the risk associated with the future rental, was 5.45% as at 30 June 2025 (31 December 2024: 5.45%).	The higher the reversionary yield, the lower the fair value.

Investment properties held by the Group	Fair value hierarchy	Valuation	Valuation technique and significant unobservable inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
			(3) Monthly market rent	<p>Market rent was determined by the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion, the amounts of which were as below:</p> <p>Distribution Centre: RMB37.4/sq. m./month as at 30 June 2025 (31 December 2024: RMB39.7/sq. m./month);</p> <p>Ancillary Convenience Store was RMB40.4/sq. m./month as at 30 June 2025 (31 December 2024: RMB42.7/sq. m./month).</p>	The higher the monthly market rent, the higher the fair value.

Investment properties held by the Group	Fair value hierarchy	Valuation	Valuation technique and significant unobservable inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
Wuhu Fengtai Industrial Park (蕪湖豐泰產業園) No. 61 Longteng Road Jiujiang District, Wuhu, Anhui Province, PRC	Level 3	30 June 2025: HK\$179,268,000 (RMB163,800,000) (31 December 2024: HK\$186,517,000 (RMB175,300,000))	Income capitalisation method with cross reference to the direct comparison approach		
The key inputs are:					
			(1) Term yield	Term yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the conditions of the subject property, was 5.20% as at 30 June 2025 (31 December 2024: 5.20%).	The higher the term yield, the lower the fair value.
			(2) Reversionary yield	Reversionary yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the risk associated with the future rental, was 5.70% as at 30 June 2025 (31 December 2024: 5.70%).	The higher the reversionary yield, the lower the fair value.

Investment properties held by the Group	Fair value hierarchy	Valuation	Valuation technique and significant unobservable inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
			(3) Monthly market rent	<p>Market rent was determined by the estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion, the amounts of which were as below:</p> <p>Distribution Centre: RMB25.6/sq. m./month as at 30 June 2025 (31 December 2024: RMB27.1 sq. m./month);</p> <p>Warehouse was RMB18.2/sq. m./month as at 30 June 2025 (31 December 2024: RMB19.1/sq. m./month);</p> <p>Ancillary Office and Others were RMB16.1/sq. m./month as at 30 June 2025 (31 December 2024: RMB17.0/sq. m./month).</p>	The higher the monthly market rent, the higher the fair value.

### (iii) Restriction on the investment properties

Approval from the Urban and Rural Planning Bureau in Wuhu is required for SF REIT to dispose the Wuhu property, although such approval is not required for the equity disposal of the property holding company of the Wuhu property (the “**Wuhu Company (PRC)**”) itself. This does not restrict the free negotiability of the equity interest of the Wuhu Company (PRC).

### (iv) Security for the Group’s Loan Facilities

As at 30 June 2025, certain of the Group’s investment properties in Mainland China and Hong Kong, amounting to approximately HK\$887,920,000 (31 December 2024: HK\$924,927,000) and HK\$5,170,000,000 (31 December 2024: HK\$5,620,000,000) respectively, were pledged to secure the Group’s borrowings of HK\$2,477,963,000 (31 December 2024: HK\$2,504,506,000).

## 14. Trade receivables

	<b>30 June 2025 HK\$'000 (Unaudited)</b>	<b>31 December 2024 HK\$'000 (Audited)</b>
Trade receivables		
– Third parties	<b>1,448</b>	1,768
– Related companies (Note)	<b>6,577</b>	7,634
	<b>8,025</b>	9,402

Note: Trade receivables from related companies are presented as amounts due from related companies in the condensed consolidated balance sheet.

Rental income from rental of investment properties including warehouses, distribution centres and office buildings are generally required to be settled by tenants within 30 days upon issuance of invoice.

As at 30 June 2025 and 31 December 2024, a significant portion of the trade receivables and future trade receivables were and will be pledged to secure the Group's bank borrowings.

- (i) The ageing analysis of trade receivables, based on invoice date, was as follows:

	<b>30 June 2025 HK\$'000 (Unaudited)</b>	<b>31 December 2024 HK\$'000 (Audited)</b>
Within 30 days	<b>7,865</b>	9,324
31-90 days	<b>79</b>	78
90-180 days	<b>81</b>	–
	<b>8,025</b>	9,402

The carrying amounts of trade receivables and amounts due from related companies approximate to their fair values.

## 15. Borrowings

	<b>30 June 2025 HK\$'000 (Unaudited)</b>	31 December 2024 HK\$'000 (Audited)
Principal amounts of bank borrowings, secured	<b>2,479,983</b>	2,506,975
Capitalisation of transaction costs	<b>(2,020)</b>	(2,469)
	<b>2,477,963</b>	2,504,506
Less: Borrowings with maturities less than one year which were presented under current liabilities	<b>(81,104)</b>	(45,615)
	<b><u>2,396,859</u></b>	<b><u>2,458,891</u></b>

As at 30 June 2025, the weighted average effective interest rate on bank borrowings based on the interest rates charged by banks by outstanding principal amounts was 1.42% per annum (31 December 2024: 4.90% per annum).

Please refer to Note 9 for the finance cost on borrowings for the six months ended 30 June 2025 and 2024.

As at 30 June 2025, the Group's investment properties of approximately HK\$6,057,920,000 (31 December 2024: HK\$6,544,927,000) (Note 13), the rental income generated from the leases of the investment properties during the terms of the borrowings, restricted bank balances of approximately HK\$29,698,000 (31 December 2024: HK\$47,488,000), equity interests in a certain subsidiary of the Group and certain assets of a subsidiary of the Group were pledged to secure the Group's bank borrowings.

The carrying amounts of borrowings approximate to their fair values as the fluctuations of interest rate has no material impact on the fair value measurement of borrowings.

## 16. Trade payables

	<b>30 June 2025 HK\$'000 (Unaudited)</b>	<b>31 December 2024 HK\$'000 (Audited)</b>
Trade payables	<b>358</b>	<b>745</b>

The carrying amounts of trade payables approximate to their fair values. The ageing analysis of trade payables, based on invoice date, was as follows:

	<b>30 June 2025 HK\$'000 (Unaudited)</b>	<b>31 December 2024 HK\$'000 (Audited)</b>
Within 30 days	<b>358</b>	<b>745</b>



## **APPRECIATION**

The Board would like to thank all staff of the REIT Manager as well as investors, business partners and other stakeholders of SF REIT for their support and confidence.

## **REVIEW OF INTERIM RESULTS**

The interim results and the condensed consolidated interim financial information of the Group for the Reporting Period have been reviewed by the audit committee of the Board. The condensed consolidated interim financial information has also been reviewed by PricewaterhouseCoopers, the external auditor of SF REIT, in accordance with the Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” as issued by the Hong Kong Institute of Certified Public Accountants.

## **CORPORATE GOVERNANCE**

The REIT Manager is committed to upholding high corporate governance standards and has put in place a series of policies and procedures to promote SF REIT’s operation in a transparent manner and with built-in checks and balances. Throughout the Reporting Period, SF REIT and the REIT Manager complied with the REIT Code, the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), applicable provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the Trust Deed and in all material respects the REIT Manager’s compliance manual. SF REIT and the REIT Manager had also applied the principles and complied with, to the extent appropriate, the code provisions in the Corporate Governance Code contained in Appendix C1 of the Listing Rules throughout the Reporting Period.

## **ISSUE OF NEW UNITS**

On 3 April 2025, a total of 4,462,846 new units of SF REIT were issued to the REIT Manager at a price of HK\$2.864 per unit as entire payment of the REIT Manager’s fee of HK\$12,781,591.82, being the base fee for the period from 1 July 2024 to 31 December 2024.

As at 30 June 2025, the total number of units of SF REIT in issue was 820,355,741.

## **EMPLOYEES**

SF REIT is an externally managed real estate investment trust and therefore does not employ any staff directly.

## **BUY-BACK, SALE OR REDEMPTION OF LISTED UNITS OF SF REIT**

There was no buy-back, sale or redemption of any listed units by SF REIT or any of its subsidiaries during the Reporting Period.

## **PUBLIC FLOAT**

As far as the REIT Manager is aware and based on information publicly available, SF REIT has maintained a sufficient public float with not less than 25% of its outstanding units being held in public hands.

## **INTERIM DISTRIBUTION AND CLOSURE OF REGISTER OF UNITHOLDERS**

The interim distribution of HK13.11 cents per unit for the Reporting Period will be paid on Tuesday, 23 September 2025 to those Unitholders whose names appear on the register of Unitholders of SF REIT on Friday, 29 August 2025. For the purpose of ascertaining Unitholders' entitlement to this distribution, the register of Unitholders of SF REIT will be closed on Friday, 29 August 2025. In order for Unitholders to qualify for this distribution, all transfer documents accompanied by the relevant unit certificates must be lodged with SF REIT's unit registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 28 August 2025.

## **PUBLICATION OF INTERIM REPORT**

The interim report of SF REIT for the Reporting Period will be published on the websites of The Stock Exchange of Hong Kong Limited and SF REIT and be despatched to Unitholders on or before 30 September 2025.

By Order of the Board  
**SF REIT Asset Management Limited**  
(as manager of SF Real Estate Investment Trust)  
**HO Chit**  
*Chairman of the Board*

Hong Kong, 14 August 2025

*As at the date of this announcement, the Board comprises Mr. HO Chit as Chairman and Non-executive Director; Mr. Hubert CHAK as Executive Director and Chief Executive Officer; Ms. OOI Bee Ti and Ms. GAN Ling as Non-executive Directors; and Mr. HO Lap Kee, MH, JP, Mr. CHAN Ming Tak, Ricky, Mr. KWOK Tun Ho, Chester and Mr. Michael Tjahja SUSANTO as Independent Non-executive Directors.*