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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 FINAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2025

The board of directors (the “**Board**”) of SF REIT Asset Management Limited (the “**REIT Manager**”) is pleased to announce the audited consolidated final results of SF Real Estate Investment Trust (“**SF REIT**”) and its subsidiaries (the “**Group**”) for the year ended 31 December 2025 (the “**Year**”). The final results and the consolidated financial statements of the Group for the Year have been approved for issue by the Board on 12 March 2026.

PERFORMANCE HIGHLIGHTS

	For the year ended 31 December 2025 HK\$ million	For the year ended 31 December 2024 HK\$ million	Changes
Revenue¹	460.4	451.4	+2.0%
Net property income¹	383.7	361.2	+6.2%
Distributable income	240.0	234.4	+2.4%
Distribution per unit (HK cents)	26.33	27.40	-3.9%
Payout ratio	90%	95%	-5 percentage points
	As at 31 December 2025	As at 31 December 2024	Changes
Occupancy rate	96.9%	98.0%	-1.1 percentage points
Portfolio value (HK\$ million)	6,170.8	6,731.4	-8.3%
Net asset value per unit (HK\$)	3.88	4.51	-14.0%
Gearing ratio	38.5%	35.9%	+2.6 percentage points

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

FINANCIAL REVIEW

Operating Results

During the Year, SF REIT recorded revenue of HK\$460.4 million (2024: HK\$451.4 million),² representing an increase of 2.0% year-on-year. Coupled with stringent cost controls to reduce property operating expenses by 15.0% to HK\$76.7 million (2024: HK\$90.3 million),² the net property income came in at HK\$383.7 million (2024: HK\$361.2 million),² representing an increase of 6.2% year-on-year.

	Revenue ²			Net property income ²		
	For the year ended 31 December					
	2025	2024	Changes	2025	2024	Changes
Hong Kong	HK\$'000	HK\$'000	%	HK\$'000	HK\$'000	%
Tsing Yi Property	335,138	329,668	+1.7	285,173	269,233	+5.9
Chinese Mainland	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Changsha Property	45,265	44,731	+1.2	35,275	33,426	+5.5
Foshan Property	49,570	47,897	+3.5	40,574	37,783	+7.4
Wuhu Property	20,341	19,659	+3.5	14,692	13,570	+8.3
Total	115,176	112,287	+2.6	90,541	84,779	+6.8

The significant drop in property operating expenses was mainly due to the continuous streamlining of work flows to enhance effectiveness and efficiency as reflected in the reduction of property management fees, which amounted to HK\$36.7 million (2024: HK\$41.4 million), as well as repairs and maintenance fees, which amounted to HK\$7.7 million (2024: HK\$16.3 million). The remaining property operating expenses mainly consisted of other taxes, rates and government rent and utilities fees.

Finance costs for the Year were HK\$85.3 million (2024: HK\$117.1 million), of which interest expenses on bank borrowings amounted to HK\$84.4 million (2024: HK\$115.4 million). The net interest expenses on bank borrowings after considering interest rate swap contracts (“IRS”) were HK\$92.9 million (2024: HK\$112.1 million). The drop in interest expenses was attributable to the decrease in HIBOR and the REIT Manager’s continuous efforts in negotiating for more favourable interest rates.

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

SF REIT reported a loss after taxation of HK\$332.3 million during the Year (2024: HK\$294.5 million), mainly due to the fair value loss on investment properties of HK\$610.3 million (2024: HK\$614.4 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 constituting SF REIT (the “**Trust Deed**”), 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 Year increased by 2.4% to HK\$240.0 million (2024: HK\$234.4 million), representing the loss 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.

In order to enhance financial capabilities continuously, the Board has resolved to maintain a 90% payout ratio, and declare a final distribution per unit of HK13.22 cents for the period from 1 July 2025 to 31 December 2025 (2024 final distribution per unit: HK12.69 cents).

Including the interim distribution, which has already been declared and distributed earlier, the total distribution per unit for the Year will be HK26.33 cents (2024: HK27.40 cents). Such distribution represents a distribution yield of 9.4% based on the closing unit price of HK\$2.80 on the last trading day of the Year.

The final distribution will be paid on Tuesday, 21 April 2026 to the Unitholders whose names appear on the register of Unitholders of SF REIT on Tuesday, 31 March 2026.

Financial Position

As at 31 December 2025, total assets amounted to HK\$6,411.4 million (2024: HK\$6,982.1 million) comprising mainly investment properties of HK\$6,170.8 million (2024: HK\$6,731.4 million).

Total liabilities were HK\$3,228.5 million (2024: HK\$3,301.7 million) including committed bank borrowings of HK\$2,470.4 million (2024: HK\$2,504.5 million), of which HK\$2,157.4 million was in HK\$ loans (2024: HK\$2,156.5 million) and HK\$313.0 million was in RMB loans (2024: HK\$348.0 million). The reduction was mainly due to the decrease in deferred tax liabilities as a result of the devaluation of investment properties, and repayment of RMB loans. Net asset value per unit was HK\$3.88 (2024: HK\$4.51).

SF REIT's gearing ratio (defined as the percentage of total borrowings over total assets) was 38.5% (2024: 35.9%), while the total liabilities as a percentage of total assets was 50.4% (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**”), Chinese Mainland. Initially developed by S.F. Holding Co., Ltd. (順豐控股股份有限公司) (“**SFH**”, together with its subsidiaries, collectively “**SFH Group**”), these four properties are suitable to support the logistics operations of its members.

Property	GLA	Occupancy	Occupancy	% of GLA
	as at 31 December 2025 (sq.m.)	as at 31 December 2025	as at 31 December 2024	occupied by internal tenants as at 31 December 2025 ³
Tsing Yi Property	160,324	94.8%	97.3%	70.2%
Changsha Property	119,684	98.0%	98.9%	75.6%
Foshan Property	84,951	100.0%	100.0%	99.9%
Wuhu Property	62,698	95.9%	95.4%	91.1%
Total	427,657	96.9%	98.0%	80.7%

During the Year, the REIT Manager adopted a tenant-centric approach, supported by regular communication and flexible leasing terms, which contributed to a high occupancy rate of 96.9% as at 31 December 2025 (2024: 98.0%), among which the SFH Group occupied 80.7% (2024: 80.3%) and contributed approximately 76.4% of the total revenue for the Year (2024: 75.1%).

As the majority of the leases with the SFH Group are due to expire by 2026, during an Extraordinary General Meeting of Unitholders held on 9 January 2026, the REIT Manager successfully sought approval from independent Unitholders for the New SF Leasing Framework Agreement and the proposed New Annual Caps, which facilitated smoother negotiation with relevant business units of SFH Group regarding leases renewal.

³ Internal tenants refer to tenants from the SFH Group.

As at the date of announcement, the REIT Manager has successfully renewed the major leases expiring in 2026 with all relevant business units of the SFH Group. This serves to strengthen the strategic alignment with the SFH Group, while safeguarding income stability and maximizing occupancy. Upon the renewal, the agreed rental rates for the relevant Properties have been aligned with the prevailing market rents. For details of the leases renewal with the SFH Group, please refer to the announcement titled “Inside Information – Continuing Connected Party Transactions – Renewal of Subject SF Leases” dated 12 March 2026 published by SF REIT.

Taking account of the confirmed leases renewal of both SFH tenants and external tenants (“**Confirmed Leases Renewal**”) as of the announcement date, the expiry profile of all the properties in terms of their total GLA are as below:

Property	Leases Expiry (% of GLA)					
	2026	2027	2028	2029	2030	2031
Tsing Yi Property	3.4%	15.1%	58.7%	0.5%	3.6%	13.5%
Changsha Property	1.2%	2.0%	0.0%	0.0%	0.0%	95.2%
Foshan Property	0.0%	0.0%	0.0%	99.9%	0.0%	0.1%
Wuhu Property	9.3%	0.3%	0.1%	0.0%	0.1%	86.6%
Total	<u>3.0%</u>	<u>6.3%</u>	<u>22.0%</u>	<u>20.0%</u>	<u>1.4%</u>	<u>44.4%</u>

Hong Kong

Our Tsing Yi Property is a purpose-built, multi-storey logistics facility developed to meet enhanced specifications tailored to logistics service requirements. These include direct ramp access, large floorplates, high headroom, heavy floor loading capacity, ample parking facilities with loading and unloading areas, as well as temperature-controlled areas. Together, these features make our Tsing Yi Property highly attractive for logistics operations.

Currently, the Tsing Yi Property is leased to a wide range of tenants engaged in the distribution of goods, food supply, and consumer products across various countries. The occupancy rate of the Tsing Yi Property recorded a mild drop to 94.8% as at 31 December 2025 (2024: 97.3%) after some tenant movements.

On the other hand, SFH Group tenants, including various business units such as express delivery, supply chain management, contract logistics, cold storage and freight forwarding, continued occupying a total of 70.2% of the Tsing Yi Property’s GLA (2024: 69.3%).

During the Year, the REIT Manager carried out a comprehensive wall inspection for the Tsing Yi Property using high-resolution drone imagery combined with AI-powered analysis to identify early signs of facade deterioration and no critical defect was found. This proactive approach supports timely maintenance, preserves structural integrity and ensures a safe environment for tenants.

In addition, repair works were undertaken on the entrance driveway to maintain safe vehicle access, while repainting of the parapet wall around the property boundary was completed to uphold the building's overall appearance.

Chinese Mainland

Changsha, Hunan

The occupancy of our Changsha Property was 98.0% as at 31 December 2025 (2024: 98.9%), in which the SFH Group occupied 75.6% of GLA, including business units of express parcel delivery and supply chain management.

During the Year, enhancement works were carried out at the Changsha Property, including improvement to the internal road surface, which helped enhance vehicular access and day-to-day logistics operations. The facades were also upgraded with waterproofing measures to prevent water ingress and protect the building envelope, thereby enhancing durability and reducing long-term maintenance requirements.

Foshan, Guangdong

The Foshan Property is a “built-to-suit” distribution centre and occupied almost entirely by the SFH Group, which operates there as a regional hub to support its express delivery services in Guangdong Province. It maintained an occupancy rate of 100% as at 31 December 2025 (2024: 100%), in which 99.9% of the GLA was leased to an express delivery unit of the SFH Group.

During the Year, comprehensive renovation works were carried out on the restrooms at the Foshan Property, including upgrades to the ceiling, washbasins and cubicle partitions, to enhance hygiene and user comfort for tenants.

Wuhu, Anhui

The Wuhu Property recorded an occupancy rate of 95.9% as at 31 December 2025 (2024: 95.4%), with 91.1% of the GLA leased to the SFH Group tenants including express delivery, freight forwarding and contract logistics. The warehouses remained fully occupied, while certain ancillary offices were vacant.

During the Year, the internal road surface at the Wuhu Property was also upgraded to improve traffic circulation and support efficient logistics operations.

PORTFOLIO VALUATION

Colliers International (Hong Kong) Limited, the principal valuer of SF REIT valued the properties of SF REIT as at 31 December 2025 using the income capitalisation approach with reference to market comparables.

As at 31 December 2025, the appraised value of SF REIT's portfolio was HK\$6,170.8 million (2024: HK\$6,731.4 million), representing a decrease by 8.3%. The following table summarises the valuation of SF REIT's properties as at 31 December 2025 and 31 December 2024.

	Appraised Value				YoY Changes		Capitalisation Rate	
	As at 31 December 2025		As at 31 December 2024		in HK\$ %	in local currency %	As at	As at
	HK\$ million	RMB million	HK\$ million	RMB million			31 December 2025 %	31 December 2024 %
Hong Kong								
Tsing Yi Property	<u>5,120.0</u>		<u>5,620.0</u>		<u>-8.9</u>	<u>-8.9</u>	<u>4.25</u>	4.25
Chinese Mainland								
Changsha Property	<u>463.6</u>	<u>416.9</u>	<u>481.8</u>	<u>452.8</u>	<u>-3.8</u>	<u>-7.9</u>	<u>5.55</u>	5.55
Foshan Property	<u>413.4</u>	<u>371.8</u>	<u>443.1</u>	<u>416.5</u>	<u>-6.7</u>	<u>-10.7</u>	<u>5.45</u>	5.45
Wuhu Property	<u>173.8</u>	<u>156.3</u>	<u>186.5</u>	<u>175.3</u>	<u>-6.8</u>	<u>-10.8</u>	<u>5.70</u>	5.70
Sub-Total	<u>1,050.8</u>	<u>945.0</u>	<u>1,111.4</u>	<u>1,044.6</u>	<u>-5.4</u>	<u>-9.5</u>		
Total Portfolio	<u><u>6,170.8</u></u>		<u><u>6,731.4</u></u>		<u><u>-8.3</u></u>			

Both the Tsing Yi Property and the properties in Chinese Mainland experienced a decrease in valuation, primarily attributed by the drop of market rental adopted by the principal valuer, reflecting a softening of the logistics real estate market, a more cautious outlook on the economy and demand-supply dynamics of the respective regions.

CAPITAL MANAGEMENT

During the Year, SF REIT had the following Hong Kong dollar-denominated banking facilities (“**HK\$ Loans**”) including:

1. 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
2. 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**”).

As at 31 December 2025, the HK\$ Term Loan was fully drawn while the HK\$ Revolving Loan was not utilised during the Year.

During the Year, SF REIT had the following RMB-denominated banking facilities (“**RMB Loans**”):

1. Foshan Property – Early Repayment

The Foshan RMB loan, a five-year facility of up to RMB120 million at a floating rate and originally maturing in April 2026, was fully repaid ahead of schedule.

2. Wuhu Property – Refinancing

The original Wuhu RMB loan (a five-year facility of up to RMB100 million with floating rate and maturing in April 2026) was refinanced during the Year. It was replaced by a new RMB loan (a ten-year facility up to RMB60 million with floating rate and maturing in November 2035). As of 31 December 2025, the outstanding balance was RMB55 million.

3. Changsha Property – Refinancing (Post-Year-End)

During the year, the original Changsha RMB loan (an eight-year facility of up to RMB275 million with floating rate and maturing in May 2030) remained outstanding. As of 31 December 2025, the outstanding balance was RMB227 million.

After the reporting period, the original Changsha RMB loan was refinanced with a new RMB loan (a ten-year facility of up to RMB234 million with floating rate and maturing in November 2035).

The longer terms of the two new RMB loans improved the cash flow flexibility of SF REIT.

During the Year, the Group's investment properties, the rental income during the terms of the borrowings, restricted bank balances, equity interests in certain subsidiaries of the Group and certain assets of a subsidiary of the Group were pledged to secure the Group's bank borrowings.

Since 2022, SF REIT has been using a mix of short- and long-term IRS to manage financing costs. During the Year, after accounting for the IRS, the weighted average effective interest rate for all loans, HK\$ Loans and RMB Loans were contained at 3.73%, 3.84% and 3.02% per annum (2024: 4.22%, 4.50% and 3.92% per annum), respectively.

As at 31 December 2025, 42% of the HK\$ Term Loan had been hedged with a long-term IRS since the loan inception in September 2024 until September 2027, when the HK\$ Term Loan itself matures.

For the Year, approximately 26.7% and 24.9% (2024: 26.9% and 25.3%) 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 31 December 2025, SF REIT had total cash and bank balances of HK\$118.9 million (2024: HK\$93.5 million), the majority of which were held in HK\$ and RMB, term deposits with original maturity over 3 months of HK\$10.0 million (2024: HK\$40.0 million), and available banking facilities of HK\$250 million (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

Global Environment

The global economic environment, shaped by inflationary pressures, elevated interest rates and heightened geopolitical tensions, remained volatile throughout 2025. Entering 2026, these uncertainties are continuing to weigh on market visibility, in particular the worsening international conflicts. The business environment has yet to become more favourable.

Chinese Mainland Logistics Property Market

The logistics property market in China has entered a phase of adjustment and optimization, shifting from a period of rapid expansion toward more sustainable, steady growth. Market demand is facing headwinds, particularly in the e-commerce sector, which has been adversely affected by escalating tariffs and trade tensions. Competition within the sector remains intense. The overall vacancy rate in the logistics real estate market has risen, reflecting the growing supply–demand imbalances. Concurrently, rental levels have exhibited a downward trend, driven largely by landlords’ adoption of a “price-for-volume” leasing strategy to secure occupancy. However, the pace of new supply has begun to moderate, alleviating some of the leasing pressures across the broader logistics property market.

Hong Kong Logistics Property Market

The logistics property market in Hong Kong is encountering significant challenges in the near term. Tenant sentiment remains cautious, largely due to ongoing uncertainties on tariffs and heightened geopolitical tensions. Leasing activity has weakened and is now primarily driven by lease renewals and relocations rather than new demand. In response, landlords are increasingly offering enhanced incentives to retain existing tenants or attract new ones. Compounding these pressures, new supply is expected to enter the market between 2027 and 2030, particularly in Kwai Tsing District. The combination of subdued demand and forthcoming new supply is exerting downward pressure on rental rates and occupancy rates in the short to medium term.

Nonetheless, a market recovery is anticipated as Hong Kong’s economic fundamentals strengthen and external trade conditions improve. With greater macroeconomic stability and a gradual resurgence in regional trade flows, demand for logistics space is expected to recover steadily over time.

Strategic Response

In the face of continuing market uncertainty, we remain committed to proactive asset management by strengthening our relationship with various tenants, including internal tenants within the SFH Group and other external tenants, and enhancing their experience at our properties. At the same time, we shall stay prudent in capital management by maintaining a healthy balance sheet to navigate potential challenges. The REIT Manager will continue monitoring the market closely and explore any acquisition opportunities to expand the portfolio, subject to market conditions, with an objective of achieving sustainable returns for Unitholders.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	3	445,447	445,986
Property operating expenses	5	<u>(78,892)</u>	<u>(92,335)</u>
Net property income		366,555	353,651
General and administrative expenses	6	(33,853)	(33,031)
Fair value changes on investment properties	12	(610,265)	(614,439)
Other (losses)/gains – net	7	<u>(25,246)</u>	<u>38,345</u>
Operating loss		(302,809)	(255,474)
Finance income		2,533	7,002
Finance costs	8	<u>(85,296)</u>	<u>(117,061)</u>
Loss before taxation and transactions with Unitholders		(385,572)	(365,533)
Income tax credits	9	<u>53,253</u>	<u>70,999</u>
Loss for the year, before transactions with Unitholders		(332,319)	(294,534)
Distribution paid to Unitholders			
– 2025 interim distribution (paid on 23 September 2025)		(107,548)	–
– 2024 final distribution (paid on 25 April 2025)		(103,537)	–
– 2024 interim distribution (paid on 30 September 2024)		–	(119,298)
– 2023 final distribution (paid on 23 April 2024)		–	<u>(112,828)</u>
		<u>(543,404)</u>	<u>(526,660)</u>
Basic loss per unit (HK cents)	11	(40.56)	(36.32)
Diluted loss per unit (HK cents)	11	(40.56)	(36.32)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Before transactions with Unitholders HK\$'000	Transactions with Unitholders (Note) HK\$'000	After transactions with Unitholders HK\$'000
For the year ended 31 December 2025			
Loss for the year	(332,319)	299,214	(33,105)
Other comprehensive income			
<i>Items that may be reclassified subsequently to consolidated income statement:</i>			
Exchange gains on translation of financial statements	33,105	–	33,105
	<u>33,105</u>	<u>–</u>	<u>33,105</u>
Total comprehensive income for the year ended 31 December 2025	<u>(299,214)</u>	<u>299,214</u>	<u>–</u>
 For the year ended 31 December 2024			
Loss for the year	(294,534)	349,092	54,558
Other comprehensive income			
<i>Items that may be reclassified subsequently to consolidated income statement:</i>			
Changes in fair value of derivatives that are designated as cash flow hedges, net of tax	(27,514)	–	(27,514)
Exchange losses on translation of financial statements	(27,044)	–	(27,044)
	<u>(27,044)</u>	<u>–</u>	<u>(27,044)</u>
Total comprehensive income for the year ended 31 December 2024	<u>(349,092)</u>	<u>349,092</u>	<u>–</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended 31 December 2025

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.

CONSOLIDATED BALANCE SHEET

As at 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
ASSETS			
Non-current assets			
Investment properties	12	6,170,840	6,731,444
Property, plant and equipment		11,985	13,316
Land use rights		557	546
Intangible assets		8	49
Derivative financial instruments		13,364	32,878
Deferred tax assets		32,075	—
		<u>6,228,829</u>	<u>6,778,233</u>
Current assets			
Trade receivables	13	1,818	1,768
Amounts due from related companies	13	3,064	7,634
Prepayments and other receivables		9,173	13,431
Restricted cash		39,536	47,488
Term deposits with original maturity over 3 months		10,000	40,019
Cash and cash equivalents		118,949	93,501
		<u>182,540</u>	<u>203,841</u>
Total assets		<u>6,411,369</u>	<u>6,982,074</u>

CONSOLIDATED BALANCE SHEET (CONTINUED)

As at 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
LIABILITIES			
Current liabilities			
Borrowings	14	40,362	45,615
Trade payables	15	327	745
Amounts due to connected persons and related companies		98,186	83,386
Other payables		53,196	68,272
Current tax liabilities		2,909	3,350
		<u>194,980</u>	<u>201,368</u>
Non-current liabilities, excluding net assets attributable to Unitholders			
Borrowings	14	2,430,045	2,458,891
Deferred tax liabilities		567,072	605,734
Deferred government grants		36,384	35,675
		<u>3,033,501</u>	<u>3,100,300</u>
Total liabilities, excluding net assets attributable to Unitholders		<u>3,228,481</u>	<u>3,301,668</u>
Net assets attributable to Unitholders		<u>3,182,888</u>	<u>3,680,406</u>
Units in issue (Thousand)		<u>820,356</u>	<u>815,893</u>
Net assets per unit attributable to Unitholders		<u>HK\$3.88</u>	<u>HK\$4.51</u>

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the year ended 31 December 2025

	Note	Net Assets Attributable to Unitholders HK\$'000
As at 1 January 2025		3,680,406
Units issued to REIT Manager	10	12,781
Loss for the year, before transactions with Unitholders		(332,319)
Distribution paid to the Unitholders		(211,085)
Exchange gains on translation of financial statements		33,105
		<hr/>
As at 31 December 2025		3,182,888
		<hr/> <hr/>
As at 1 January 2024		4,233,618
Units issued to REIT Manager		28,006
Loss for the year, before transactions with Unitholders		(294,534)
Distribution paid to the Unitholders		(232,126)
Exchange losses on translation of financial statements		(27,044)
Cash flow hedging reserve		(27,514)
		<hr/>
As at 31 December 2024		3,680,406
		<hr/> <hr/>

CONSOLIDATED DISTRIBUTION STATEMENT

For the year ended 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Loss for the year, before transactions with Unitholders		(332,319)	(294,534)
Adjustments:			
– Fair value changes on investment properties	12	610,265	614,439
– Fair value losses/(gains) on derivative financial instruments – non cash settlement portion		19,514	(13,614)
– Realised gains on the disposal of derivative financial instruments	7	–	(19,264)
– REIT Manager's fee payment in the form of units	10	–	26,041
– Differences between finance cost and interest paid and payable in accordance with contractual obligations		899	1,684
– Deferred tax credits	9	(70,744)	(84,567)
– Depreciation and amortisation		2,185	2,113
– Appropriation to PRC statutory reserve		(2,261)	(3,355)
– Amortisation of government grants		(881)	(878)
– Non-cash foreign exchange (gains)/losses		(1,610)	864
– Differences between accrued rental income and contractual rental receipts		14,918	5,444
Total distributable income		239,966	234,373
Interim distribution, paid to Unitholders		107,548	119,339
Final distribution, to be paid/paid to Unitholders		108,421	103,531
Total distributions to Unitholders for the year		215,969	222,870
Percentage of distribution over total distributable income for the year (Note (i))		90%	95%
Units in issue as at year end (Thousand)		820,356	815,893
Distributions per unit to Unitholders:			
– Interim distribution per unit, paid to Unitholders (Note (ii))		HK13.11 cents	HK14.71 cents
– Final distribution per unit, to be paid/paid to Unitholders (Note (iii))		HK13.22 cents	HK12.69 cents
Distribution per unit for the year		HK26.33 cents	HK27.40 cents

CONSOLIDATED DISTRIBUTION STATEMENT (CONTINUED)

For the year ended 31 December 2025

Notes:

- (i) Pursuant to the Trust Deed, the distributable income is profit for the year, 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 approximately 90% of the Annual Distributable Income (as defined in the Trust Deed) for the year ended 31 December 2025.
- (ii) The interim distribution per unit of HK13.11 cents for the period from 1 January 2025 to 30 June 2025 (2024 interim distribution per unit: HK14.71 cents) was calculated based on the interim distribution amount of HK\$107,548,000 (2024 interim distribution: HK\$119,339,000) over 820,355,471 units in issue as at 30 June 2025 (30 June 2024: 810,999,999 units in issue). The interim distribution was paid on 23 September 2025 (2024 interim distribution: 30 September 2024).
- (iii) The final distribution per unit of HK13.22 cents for the period from 1 July 2025 to 31 December 2025 (2024 final distribution per unit: HK12.69 cents), was calculated based on the final distribution amount of HK\$108,421,000 (2024 final distribution: HK\$103,531,000) over 820,355,471 units in issue as at 31 December 2025 (31 December 2024: 815,892,895 units in issue). The final distribution will be paid on 21 April 2026 (2024 final distribution: 25 April 2025).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of SF REIT.

2. Summary of material accounting policies

2.1. Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“**IFRS**”). In addition, the consolidated financial statements include 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 (the “**SFC**”) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The consolidated financial statements have been prepared under the historical cost convention, except for derivative financial instruments and investment properties, which are carried at fair value.

2.2. New standards and amendments to standards effective for the year ended 31 December 2025:

Effective for
accounting
periods
beginning
on or after

Amendments to IAS 21 Lack of Exchangeability 1 January 2025

All effective standards, amendments to standards and interpretations, which are mandatory for the financial year beginning 1 January 2025 are applied to the Group in the consolidated financial statements.

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 adoption of amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.3. New standards and amendments to standards have been issued 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
Amendment to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements'	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendment to IAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37	Disclosures about Uncertainties in the Financial Statements	To be determined
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 consolidated financial statements of the Group.

3. Revenue

	2025	2024
	HK\$'000	HK\$'000
Rental income (Note (i))	374,185	377,877
Management service income (Note (ii))	56,373	54,105
Others (Note (iii))	14,889	14,004
	<u>445,447</u>	<u>445,986</u>

Notes:

- (i) As at 31 December 2025 and 2024, the Group had minimum lease payment receivables on lease of investment properties including warehouses, distribution centres, office buildings and car parking spaces as follows:

	2025	2024
	HK\$'000	HK\$'000
Within 1 year	199,421	387,143
Between 1 and 2 years	33,483	193,563
Between 2 and 3 years	10,818	23,139
Between 3 and 4 years	1,896	1,710
Between 4 and 5 years	84	–
	<u>245,702</u>	<u>605,555</u>

- (ii) Revenue from providing management services to customers is recognised over time. The Group applied the practical expedient in IFRS 15 to recognise revenue in the amount that the Group has the right to invoice based on the terms of the relevant agreements. As permitted by IFRS 15, the contract price of management service income allocated to the remaining performance obligations is not disclosed.
- (iii) Others mainly represent revenue generated from supplementary services, which is recognised at a point in time.

4. 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 Chinese Mainland, 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 Chinese Mainland.

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

For the year ended 31 December 2025	Hong Kong	Chinese	
	HK\$'000	Mainland	Total
		HK\$'000	HK\$'000
Segment revenue	326,637	118,810	445,447
Net property income	275,446	91,109	366,555
Fair value changes on investment properties	(500,000)	(110,265)	(610,265)
General and administrative expenses			(33,853)
Other losses – net			(25,246)
Finance income			2,533
Finance costs			(85,296)
Income tax credits			53,253
Loss for the year, before transactions with Unitholders			(332,319)

For the year ended 31 December 2024	Hong Kong HK\$'000	Chinese Mainland HK\$'000	Total HK\$'000
Segment revenue	<u>325,847</u>	<u>120,139</u>	<u>445,986</u>
Net property income	264,276	89,375	353,651
Fair value changes on investment properties	(367,000)	(247,439)	(614,439)
General and administrative expenses			(33,031)
Other gains – net			38,345
Finance income			7,002
Finance costs			(117,061)
Income tax credits			<u>70,999</u>
Loss for the year, before transactions with Unitholders			<u><u>(294,534)</u></u>

Depreciation and amortisation of Hong Kong segment and Chinese Mainland segment for the year ended 31 December 2025 was approximately HK\$1,268,000 (2024: HK\$1,179,000) and approximately HK\$917,000 (2024: HK\$934,000) 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:

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
Segment assets		
Hong Kong	5,133,058	5,633,761
Chinese Mainland	1,184,676	1,197,108
All other segments	93,635	151,205
	<u>6,411,369</u>	<u>6,982,074</u>
Segment liabilities, excluding net assets attributable to Unitholders		
Hong Kong	640,672	693,124
Chinese Mainland	398,916	412,210
All other segments	2,188,893	2,196,334
	<u>3,228,481</u>	<u>3,301,668</u>

5. Property operating expenses

	2025 HK\$'000	2024 HK\$'000
Property management fees	36,671	41,440
– Building management fees (Note (i))	26,583	29,518
– Supplemental services related expenses	10,088	11,922
Rates and government rent	9,423	9,376
Repairs and maintenance	7,688	16,299
Electricity and water fee	6,559	6,513
Other taxes (Note (ii))	15,518	15,640
Others	3,033	3,067
	<u>78,892</u>	<u>92,335</u>

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\$2,812,000 for the year ended 31 December 2025 (2024: HK\$2,971,000).
- (ii) Other taxes mainly include property tax, land use tax, and stamp duty of Chinese Mainland.

6. General and administrative expenses

	2025 HK\$'000	2024 HK\$'000
Auditors' remuneration		
– Audit and audit-related assurance services	1,645	1,666
– Other services	234	232
REIT Manager's fee	26,663	26,041
Trustee's fee	1,282	1,396
Principal valuer's fee	228	242
Legal and professional fee	3,251	2,677
Promotional expenses	108	136
Bank charges	58	53
Others	384	588
	<u>33,853</u>	<u>33,031</u>

7. Other (losses)/gains-net

	2025 HK\$'000	2024 HK\$'000
Exchange gains/(losses), net	1,843	(1,050)
Government grants	935	3,362
Realised gains on the disposal of derivative financial instruments	–	19,264
Fair value (losses)/gains on derivative financial instruments	(28,054)	16,894
Settlement of the currency forward contract	–	(272)
Others	30	147
	<u> </u>	<u> </u>
	(25,246)	38,345

8. Finance costs

	2025 HK\$'000	2024 HK\$'000
Interest expenses on bank borrowings (Note 14)	84,397	115,377
Amortisation of cost of debts	899	1,684
	<u> </u>	<u> </u>
	85,296	117,061

9. Income tax credits

For the year ended 31 December 2025 and 2024, Hong Kong profits tax was subject to the rate of 16.5% on the estimated assessable profit. The Group's subsidiaries in Chinese Mainland were subject to corporate income tax ("CIT") at a standard rate of 25% on the estimated assessable profit for the year. Withholding tax was provided for undistributed profits of subsidiaries in Chinese Mainland at a rate of 10%.

	2025 HK\$'000	2024 HK\$'000
Current income tax		
– Chinese Mainland CIT	(13,385)	(12,371)
– Hong Kong profits tax	1	(1,043)
– Withholding taxes	(4,107)	(154)
Deferred income tax	<u>70,744</u>	<u>84,567</u>
	<u><u>53,253</u></u>	<u><u>70,999</u></u>

The differences between the Group's expected income tax expenses, using the Hong Kong profits tax rate, and the Group's income tax credits for the year were as follows:

	2025 HK\$'000	2024 HK\$'000
Loss before taxation and transactions with Unitholders	(385,572)	(365,533)
Expected tax calculated at the Hong Kong profits tax rate of 16.5%	(63,619)	(60,313)
Effect of different tax rates	(2,514)	(14,119)
Income not subject to tax purposes	(677)	(1,261)
Expenses not deductible for tax purposes	1,958	2,051
Reversal of temporary difference of unrecognised deferred tax liability where the initial recognition exemption applies	7,785	–
Utilised tax loss previously not recognised	–	(1,404)
Tax losses not recognised	1,926	–
(Over)/Under-provision in prior years	(76)	105
Withholding taxes	<u>1,964</u>	<u>3,942</u>
Income tax credits	<u><u>(53,253)</u></u>	<u><u>(70,999)</u></u>

10. 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 (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 for the year.

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.

	2025	2024
	HK\$'000	HK\$'000
REIT Manager's fee		
In the form of units	–	26,041
In the form of cash	<u>26,663</u>	<u>–</u>
	<u>26,663</u>	<u>26,041</u>

11. Loss per unit

(a) Basic

The calculation of the basic loss per unit before transactions with Unitholders is based on the loss for the year before transactions with Unitholders, with the weighted average number of units in issue for the year.

	2025	2024
Loss for the year, before transactions with Unitholders (HK\$'000)	<u>(332,319)</u>	<u>(294,534)</u>
Weighted average number of units for the year (Thousand)	<u>819,231</u>	<u>810,890</u>
Basic loss per unit (HK cents)	<u>(40.56)</u>	<u>(36.32)</u>

(b) Diluted

Diluted loss per unit based upon loss for the year 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 year ended 31 December 2024 which are dilutive potential units. There were no dilutive potential units during the year ended 31 December 2025.

	2025	2024
Loss for the year, before transactions with Unitholders (HK\$'000)	<u>(332,319)</u>	<u>(294,534)</u>
Weighted average number of units for the year (Thousand)	<u>819,231</u>	<u>810,890</u>
Adjustments for manager's fee to be paid in the form of units (Thousand) (Note)	<u>—</u>	<u>—</u>
Weighted average number of units for diluted loss per unit (Thousand)	<u>819,231</u>	<u>810,890</u>
Diluted loss per unit (HK cents)	<u>(40.56)</u>	<u>(36.32)</u>

Note: The units issuable in respect of the REIT Manager's fee are considered to have an anti-dilutive effect on the basic loss per unit for the year ended 31 December 2024 and 2025, thus it is not included in the calculation of diluted loss per unit.

12. Investment properties

Details of the movements of investment properties are as follows:

	HK\$'000
As at 1 January 2025	6,731,444
Additions	1,973
Fair value changes on investment properties	(610,265)
Currency translation differences	47,688
	<hr/>
As at 31 December 2025	6,170,840
	<hr/> <hr/>
	HK\$'000
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 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.

The valuation technique is summarised as below with its significant unobservable inputs.

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	2025: HK\$5,120,000,000 (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 31 December 2025 (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 31 December 2025 (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 31 December 2025 (2024: HK\$2.5/sq. ft./month);</p> <p>Warehouse: HK\$11.8 – 12.0/sq. ft./month as at 31 December 2025 (2024: HK\$12.5 – 13.4/sq. ft./month); and</p> <p>Ancillary Office: HK\$9.1 – 10.0/sq. ft./month as at 31 December 2025 (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, Huangxing Town, Changsha, Hunan Province, PRC	Level 3	2025: HK\$463,593,000 (RMB416,900,000) 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 31 December 2025 (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 31 December 2025 (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 amount of which were as below:</p> <p>Distribution Centre: RMB23.4/sq. m./month as at 31 December 2025 (2024: RMB25.3/sq. m./month);</p> <p>Warehouse: RMB24.8/sq. m./month as at 31 December 2025 (2024: RMB26.6/sq. m./month); and</p> <p>Office and Ancillary: RMB27.3/sq. m./month as at 31 December 2025 (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	2025: HK\$413,442,000 (RMB371,800,000) 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 31 December 2025 (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 31 December 2025 (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: RMB34.4/sq. m./month as at 31 December 2025 (2024: RMB39.7/sq. m./month); and</p> <p>Ancillary Convenience Store: RMB37.4/sq. m./month as at 31 December 2025 (2024: RMB42.7/sq. m./month).</p>	<p>The higher the monthly market rent, the higher the fair value.</p>

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	2025: HK\$173,805,000 (RMB156,300,000) 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 31 December 2025 (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 31 December 2025 (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: RMB22.8/sq. m./month as at 31 December 2025 (2024: RMB27.1 sq. m./month);</p> <p>Warehouse: RMB17.6/sq. m./month as at 31 December 2025 (2024: RMB19.1/sq. m./month); and</p> <p>Office and Ancillary: RMB16.1/sq. m./month as at 31 December 2025 (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 borrowings

As at 31 December 2025, certain of the Group’s investment properties in Chinese Mainland and Hong Kong, amounting to approximately HK\$1,050,840,000 (2024: HK\$924,927,000) and HK\$5,120,000,000 (2024: HK\$5,620,000,000) respectively, were pledged to secure the Group’s borrowings of HK\$2,470,407,000 (2024: HK\$2,504,506,000).

13. Trade receivables

	2025	2024
	HK\$’000	HK\$’000
Trade receivables		
– Third parties	1,818	1,768
– Related companies (Note)	3,064	7,634
	4,882	9,402

Note: Trade receivables from related companies are presented as amounts due from related companies in the 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.

The ageing analysis of trade receivables, based on invoice date, was as follows:

	2025	2024
	HK\$’000	HK\$’000
Within 30 days	4,882	9,324
31-90 days	–	78
	4,882	9,402

14. Borrowings

	2025	2024
	HK\$'000	HK\$'000
Principal amounts of bank borrowings, secured	2,471,978	2,506,975
Capitalisation of transaction costs	(1,571)	(2,469)
	2,470,407	2,504,506
Less: Borrowings with maturities less than one year which were presented under current liabilities	(40,362)	(45,615)
	2,430,045	2,458,891

Bank borrowings are denominated in the following currencies:

	2025	2024
	HK\$'000	HK\$'000
HK\$	2,157,429	2,156,531
RMB	312,978	347,975
	2,470,407	2,504,506

As at 31 December 2025, the weighted average effective interest rate on bank borrowings based on the interest rates charged by banks by outstanding principal amounts was 3.63% per annum (2024: 4.90% per annum).

Please refer to Note 8 for the finance cost on borrowings for the year ended 31 December 2025 and 2024.

As at 31 December 2025, the Group's investment properties of approximately HK\$6,170,840,000 (2024: HK\$6,544,927,000) (Note 12), the rental income generated from the leases of the investment properties during the terms of the borrowings, restricted bank balances of approximately HK\$37,254,000 (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 Group's borrowings were repayable as follows:

	2025	2024
	HK\$'000	HK\$'000
Within 1 year	40,362	45,615
Between 1 and 2 years	2,222,521	99,338
Between 2 and 5 years	165,039	2,330,293
Over 5 years	42,485	29,260
	<u>2,470,407</u>	<u>2,504,506</u>

15. Trade payables

	2025	2024
	HK\$'000	HK\$'000
Trade payables	327	745
	<u>327</u>	<u>745</u>

The ageing analysis of trade payables, based on invoice date, was as follows:

	2025	2024
	HK\$'000	HK\$'000
Within 30 days	327	745
	<u>327</u>	<u>745</u>

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 FINAL RESULTS

The final results and the consolidated financial statements of the Group for the Year have been reviewed by the audit committee of the Board in conjunction with SF REIT's external auditor, PricewaterhouseCoopers (“**PwC**”).

The figures in this announcement have been agreed by PwC, to the amounts set out in the audited consolidated financial statements of the Group for the Year. The work performed by PwC in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements as issued by the Hong Kong Institute of Certified Public Accountants and, consequently, no assurance has been expressed by PwC on this announcement.

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 Year, 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 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 applicable, the code provisions in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 of the Listing Rules throughout the Year with deviations from the code provision B.3.5 of the CG Code specified and explained below.

According to the code provision B.3.5, at least one director of a different gender should be appointed to the nomination committee of the Board. The Board has established the nomination and remuneration committee (the “**NRC**”), which currently consists of three male members with a majority of independent non-executive directors (“**INED**”) and is chaired by an INED. In view of the fact that the REIT Manager has adequate female representation at its Board, at senior management level as well as among its workforce, the Board considers that at this stage there is no compelling need for female representation at the NRC. Management will continue to monitor the matter and advise the Board from time to time when circumstances require.

ISSUE OF NEW UNITS

During the Year, 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 31 December 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 Year.

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.

FINAL DISTRIBUTION AND CLOSURE OF REGISTER OF UNITHOLDERS

The final distribution of HK13.22 cents per unit for the period from 1 July 2025 to 31 December 2025 will be paid on Tuesday, 21 April 2026 to those Unitholders whose names appear on the register of Unitholders of SF REIT on Tuesday, 31 March 2026. For the purpose of ascertaining Unitholders' entitlement to this distribution, the register of Unitholders of SF REIT will be closed from Monday, 30 March 2026 to Tuesday, 31 March 2026, both days inclusive, during which period no transfer of units will be registered. 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 Friday, 27 March 2026.

PUBLICATION OF ANNUAL REPORT

The annual report of SF REIT for the Year will be published on the websites of the Stock Exchange and SF REIT and be despatched to Unitholders on or before 30 April 2026.

ANNUAL GENERAL MEETING OF UNITHOLDERS

The date and notice of the 2026 annual general meeting of Unitholders of SF REIT will be published and issued in accordance with the Trust Deed.

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, 12 March 2026

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.