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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

PAYMENT OF MANAGER'S FEE TO
SF REIT ASSET MANAGEMENT LIMITED
ENTIRELY BY WAY OF UNITS

Reference is made to the Election Announcement. As the REIT Manager has not elected the payment method of the Manager's Fee for the financial year ending 31 December 2024, the most recent valid election made by the REIT Manager on 10 January 2023 shall apply to the financial year ending 31 December 2024 in accordance with Clause 11.1 of the Trust Deed. Based on the Election, HK\$13,259,750.85, being 100% of the Relevant Period Manager's Fee, shall be settled entirely in the form of new Units issued by SF REIT.

The Board announces that in accordance with the Trust Deed, on 5 September 2024, SF REIT issued 4,892,896 Units (representing approximately 0.60% of the 815,892,895 Units in issue immediately after such issue) to the REIT Manager at the price of HK\$2.71 per Unit (being the Market Price) as payment for 100% of the Relevant Period Manager's Fee.

Immediately after issuance of the Manager Fee Units and as at the date of this announcement, the REIT Manager holds 4,892,896 Units (representing approximately 0.60% of the 815,892,895 Units in issue immediately after such issue).

To fund its working capital needs, the REIT Manager intends to transfer the Manager Fee Units to SF Fengtai (being a wholly-owned subsidiary of SFH and a Substantial Unitholder) at same Market Price of HK\$2.71 per Unit as soon as practicable after the date of this announcement. Immediately following the aforementioned transfer, it is expected that the REIT Manager will not hold any Unit and SF Fengtai will hold 295,892,895 Units (representing approximately 36.27% of the 815,892,895 Units in issue).

PAYMENT OF MANAGER'S FEE

Reference is made to (i) the announcement of SF Real Estate Investment Trust (“**SF REIT**”) dated 10 January 2023 in relation to the REIT Manager’s election of receiving the Manager’s Fee for the year ended 31 December 2023 entirely in the form of new Units issued by SF REIT (the “**Election Announcement**”); and (ii) the offering circular of SF REIT dated 5 May 2021 (the “**Offering Circular**”) in connection with the initial public offering and listing of the Units on the Main Board of the Hong Kong Stock Exchange. Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meaning as those defined in the Offering Circular.

CALCULATION OF MANAGER'S FEE

Pursuant to the Trust Deed, the REIT Manager is entitled to receive the following fees from SF REIT (the “**Manager’s Fee**”):

- (i) on a semi-annual basis, the Base Fee at the rate of 10% per annum of the Base Fee Distributable Income; and
- (ii) on an annual basis, the Variable Fee at the rate of 25% per annum of the difference in DPU in a financial year compared to the preceding financial year, multiplied by the weighted average number of Units in issue for such financial year (for the purpose of calculating the Variable Fee only, the DPU shall be calculated before accounting for the Variable Fee but after accounting for the Base Fee for the relevant financial year).

The Manager’s Fee for the period from 1 January 2024 to 30 June 2024 (the “**Relevant Period**”) represents the Base Fee in respect of the Relevant Period, which amounts to a total of HK\$13,259,750.85 (the “**Relevant Period Manager’s Fee**”).

SETTLEMENT OF RELEVANT PERIOD MANAGER'S FEE

As stated in the Election Announcement, the REIT Manager had notified the Trustee in writing of its election in respect of the Manager's Fee for the year ended 31 December 2023 to be paid by SF REIT to the REIT Manager entirely in the form of new Units issued by SF REIT (the "**Election**"). As the REIT Manager has not elected the payment method of the Manager's Fee for the financial year ending 31 December 2024, the Election (being the most recent valid election) shall apply to the financial year ending 31 December 2024 in accordance with Clause 11.1 of the Trust Deed. Based on the Election, HK\$13,259,750.85, being 100% of the Relevant Period Manager's Fee, shall be settled entirely in the form of Units (the "**Manager Fee Units**").

The Board announces that in accordance with the Trust Deed, on 5 September 2024, SF REIT issued 4,892,896 Units (representing approximately 0.60% of the 815,892,895 Units in issue immediately after such issue) to the REIT Manager at the price of HK\$2.71 per Unit (being the average closing price of the Units on the Hong Kong Stock Exchange for the five consecutive trading days immediately preceding the date on which the Manager Fee Units are issued (the "**Market Price**")) as payment for the Relevant Period Manager's Fee.

Immediately after issuance of the Manager Fee Units and as at the date of this announcement, the REIT Manager holds 4,892,896 Units (representing approximately 0.60% of the 815,892,895 Units in issue immediately after such issue).

To fund its working capital needs, the REIT Manager intends to transfer the Manager Fee Units to SF Fengtai (being a wholly-owned subsidiary of SFH and a Substantial Unitholder) at same Market Price of HK\$2.71 per Unit as soon as practicable after the date of this announcement. Immediately following the aforementioned transfer, it is expected that the REIT Manager will not hold any Unit and SF Fengtai will hold 295,892,895 Units (representing approximately 36.27% of the 815,892,895 Units in issue).

ISSUANCE OF UNITS AS PAYMENT FOR MANAGER'S FEE IN RESPECT OF THE FINANCIAL YEAR ENDING 31 DECEMBER 2024

The number of the Units issued by SF REIT to the REIT Manager as payment of all or part of the Manager's Fee for each financial year shall be counted as part of the 20% of outstanding Units that SF REIT may issue in each financial year without Unitholders' approval pursuant to paragraph 12.2 of the REIT Code. In addition, pursuant to paragraph 12.6 of the REIT Code, in respect of each financial year, the maximum number of Units that may be issued to the REIT Manager as payment of all or part of the Manager's Fee for that financial year without Unitholders' approval shall, in the aggregate, be limited to such number of Units as represents 3% of the total number of Units outstanding as at the last day of the immediately preceding financial year plus the number of Units (if any) issued in the relevant financial year for the purposes of financing any acquisition of real estate by SF REIT.

The payment of the Manager's Fee in Units was in accordance with the terms of the Trust Deed and did not require specific prior approval of Unitholders pursuant to paragraph 12.6 of the REIT Code.

The total number of Units issued to the REIT Manager so far as payment of the Manager's Fee in respect of the financial year ending 31 December 2024, being 4,892,896 Units, representing approximately 0.61% of the Units outstanding as at 31 December 2023 (being the last day of the immediately preceding financial year), did not exceed 3% of the Units outstanding as at that date. As at the date of this announcement, no Unit had been issued for the purpose of financing any acquisition of real estate by SF REIT in the financial year ending 31 December 2024.

GENERAL

This announcement is made pursuant to paragraphs 10.3 and 10.4(k) of the REIT Code.

The REIT Manager confirms that, to the best of its knowledge, save as disclosed in this announcement, it is not aware of any other information discloseable under paragraphs 10.3 and 10.4 of the REIT Code.

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, 5 September 2024

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.