

To: Business Editor
[For Immediate Release]



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

SF REIT Posts Satisfactory Growth in 2022

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Improved Performance Attributable to Enlarged Portfolio and Proactive Asset Management

Operational Highlights for the year ended 31 December 2022 (the “Year”)

- Total revenue and net property income amounted to HK\$421.5 million and HK\$343.6 million, up by 16.8% and 19.3% respectively, on an annualised basis¹.
- Overall occupancy rate increased by 2.4 p.p. year-on-year to 98.2% at the end of 2022.
- Total appraised value of the portfolio was HK\$7,377.6 million as at 31 December 2022, up by 12.8% year-on-year.
- The Board declared a final distribution of HK14.07 cents per unit, which is 2.9% higher than the interim distribution. Total distribution per unit for the Year amounted to HK27.74 cents, representing a pay-out ratio of 100% and a distribution yield of 9.5%².

Steadfast partnership with SFH supports SF REIT’s growth strategy

- Stable income stream in coming few years through the support of SFH occupying 78.8% of gross lettable area of SF REIT.
- Leverage on the strategic relationship with SFH for sustained development and stable growth.

(Hong Kong, 16 March 2023) **SF Real Estate Investment Trust** (“**SF REIT**” or “**the Group**”, SEHK: 2191), the first and only logistics-focused REIT listed in Hong Kong, announced its first full year’s results for the Year.

During the Year, despite the unprecedented challenges brought forth by the lingering impact of COVID-19, weak international business sentiments, rising inflation and interest rate hikes, SF REIT continued to benefit from increasing demand for modern logistics facilities driven by Mainland China’s domestic consumption and the new economy with broadening variety of platforms and business models. Coupled with the first acquisition to enlarge portfolio, a set of satisfactory performance was delivered.

¹ Revenue and net property income from 29 April 2021 (date of establishment of SF REIT) to 31 December 2021 were HK\$244.3 million and HK\$194.9 million or HK\$361.0 million and HK\$288.0 million on an annualised basis.

² Based on the closing unit price of HK\$2.91 on the last trading date of the Year.

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The total revenue and net property income for the Year were HK\$421.5 million and HK\$343.6 million, representing a surge of 16.8% and 19.3% respectively, on an annualised basis. Total appraised value of the portfolio was HK\$7,377.6 million, up by 12.8% as compared to that as at 31 December 2021.

The total distributable income for the Year amounted to HK\$221.9 million. The Board declared a final distribution of HK14.07 cents per unit for the second half of the Year, which is 2.9% higher than the interim distribution. Total distribution per unit for the Year amounted to HK27.74 cents and implies a pay-out ratio of 100%. It also represents an annualised distribution yield of 9.5% based on the closing unit price of HK\$2.91 on the last trading date of the Year.

Mr. Hubert Chak, Executive Director and Chief Executive Officer of SF REIT Asset Management Limited, the manager of SF REIT (the “REIT Manager”) said, *“SF REIT has clear growth strategies through acquisitions and organic growth. Despite the many challenges we faced in 2022, SF REIT continued to deliver solid performance, attributable to improved occupancy rate, effective cost management, the addition of a new property in Changsha acquired during the Year and prudent financial management.*

Against the backdrop of solid market fundamentals, SF REIT will place more focus to expand our portfolio in Southern China, in particular the GBA, as well as key cities in South Western China (predominantly the ChengYu region) to leverage the SFH’s business in those areas as well as in Southeast Asia.”

Sustainable Growth

Looking forward into 2023, the relaxation of COVID-19 related policies in Mainland China and Hong Kong is expected to accelerate their economic recovery. The strategic partnership with SFH and stable lease expiry profile of SF REIT should provide stable growth in rental income in coming few years. While overall performance and distributable income in 2023 hinges on interest rate movements, through our proactive management strategies as well as growth driver of potential yield accretive acquisitions, the REIT manager remains confident in the long-term sustainable growth of SF REIT.

SF REIT has been integrating ESG elements into its operations and business decision-making processes to create lasting value to stakeholders and maintain sustainable growth. The REIT Manager has put focus on four key pillars – Green Operation, Employee Empowerment, Partner Engagement and Business Integrity in managing SF REIT as well as setting ESG targets for the next few years to achieve its growth strategies.

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About SF Real Estate Investment Trust

SF REIT is the first logistics-focused REIT listed on the Main Board of The Stock Exchange of Hong Kong Limited. SF REIT targets to invest in income-generating real estate globally, with an initial focus on logistics properties. Through its current portfolio of four properties, SF REIT can offer its unitholders a direct exposure to modern logistics properties in Hong Kong and Mainland China.

SF REIT has full support of S.F. Holding Co., Ltd. ("SFH"), its controlling unitholder, in the development of its business. SFH is a company established in The People's Republic of China ("PRC") with its shares listed on the Shenzhen Stock Exchange. SFH is a leading integrated logistics services provider in PRC with comprehensive business segments covering express delivery, freight, cold chain, international and intra-city services, cross-border logistics and supply chain management.

For media enquiries, please contact:

Cornerstones Communications Ltd.

Sharis Siu	T: +852 2903 9292	E: sfreit@cscspr.com
Rainbow Sum	T: +852 2903 9200	
Jeremy Tsoi	T: +852 2903 9285	
Kelvin Man	T: +852 2903 9288	