

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 Announces Annual Results 2024

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Retained Steady Growth Through Volatility, Stay Prudent Amidst Continuing Challenges

Results highlights for the year ended 31 December 2024:

- Total revenue up 2.4% to HK\$451.4 million¹
- Net property income (“NPI”) up 1.5% to HK\$361.2 million¹
- Distributable income up 1.9% to HK\$234.4 million
- Declared a final distribution per unit of HK12.69 cents
- Total distribution per unit for the Year down 4.4% to HK27.40 cents
- Annualised distribution yield of 8.8%²
- Overall occupancy remained high at 98.0%

(Hong Kong, 13 March 2025) **SF REIT Asset Management Limited** (“the REIT Manager”), as the manager of **SF Real Estate Investment Trust** (“SF REIT”, SEHK: 2191), the first and only logistics-focused REIT listed in Hong Kong, announces its annual results for the year ended 31 December 2024 (the “Year”).

Leveraging its robust risk management framework and strategic partnership with S.F. Holding Co., Ltd. (together with its subsidiaries, collectively “**SFH Group**”), the REIT Manager continued to deliver solid performance of SF REIT during the Year, despite challenges in the economic landscape. Total revenue amounted to HK\$451.4 million,¹ an increase of 2.4% year-on-year; net property income was HK\$361.2 million,¹ an increase of 1.5%.

Total distributable income for the Year increased by 1.9% year-on-year to HK\$234.4 million, and the Board has resolved to declare a final distribution per unit of HK12.69 cents, representing a payout ratio of 90% for the second half of the Year. Together with the interim distribution, the total distribution per unit for the Year amounted to HK27.40 cents, resulting in an overall payout ratio of approximately 95% and an annualised distribution yield of 8.8%.² The adjustment to the payout ratio is primarily

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

² Based on the closing unit price of HK\$3.13 on the last trading day of the Year.

aimed at preserving capital to enhance financial stability and better position SF REIT to face future challenges.

The REIT manager achieved solid leasing results by building long-term relationships with tenants. As at 31 December 2024, the overall occupancy across SF REIT's portfolio remained high at 98.0% in terms of gross lettable area ("GLA"). In addition, by continuously working to strengthen relationships with current tenants, the REIT Manager successfully renewed and re-let all major leases due to expire in 2024.

The SFH Group, as an anchor tenant, occupied 80.3% of the GLA and contributed approximately 75.1% of the total revenue. The annual rental increases in the subsisting leases with the SFH Group tenants, which are set to expire in 2026, brought a high degree of income stability for SF REIT during the Year.

As at 31 December 2024, the total appraised value of SF REIT's portfolio was HK\$6,731.4 million, a dip of 8.9% compared to that as at 31 December 2023, primarily attributable to the drop of market rental, reflecting a more cautious outlook on the economy and demand-supply dynamics of the regions where SF REIT's assets are located.

Amidst the volatile environment, SF REIT proactively implemented a robust capital management strategy to strengthen liquidity, optimise funding costs and extend debt maturities for a resilient balance sheet. Key initiatives included proactive early refinancing, negotiating lower interest cost for all loans, extending IRS tenors, securing new credit facility and advancing sustainable finance. Therefore, the weighted average effective interest rate for the Year was reduced at 4.22%, down 9 basis points as compared with 2023.

While continuously improving operations and finance, SF REIT remains committed to sustainability, particularly in green building and green finance initiatives. During the Year, SF REIT participated in the Global Real Estate Sustainability Benchmark ("GRESB") for the second time, and successfully attained the highest 5-Star rating, placing it among the top 20% of entities.

Mr. Hubert Chak, Executive Director and Chief Executive Officer of the REIT Manager, said, *"We are delighted to share with Unitholders a set of solid results even at such a challenging time. Nevertheless, we maintain a cautious outlook for the year ahead, as uncertainties about interest rates and geopolitical conflicts are expected to remain a significant focus of the world. The uncertain environment requires vigilant monitoring and prioritizing risk management.*

"Above all, our strategic partnership with the SFH Group and healthy relationships with other tenants are the cornerstones of our strategy. Financially, we will continue to exercise prudence in determining future payout ratios for a healthy financial position and capital preservation to enhance our resilience against potential headwinds. We will also closely monitor market conditions and, if opportunities arise, seek to grow our portfolio through acquisitions to achieve sustainable returns for Unitholders."

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About SF Real Estate Investment Trust

SF REIT is the first and only 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 and the Stock Exchange of Hong Kong. SFH is a leading integrated logistics services provider in the PRC with comprehensive business segments covering express delivery, freight, cold chain, international and intra-city services, cross-border logistics and supply chain management.

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