



SF REAL ESTATE INVESTMENT TRUST 順豐房地產投資信託基金

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

Stock Code : 2191



INTERIM REPORT
2021

About SF REIT

SF Real Estate Investment Trust (“**SF REIT**”) (stock code: 2191) is the first logistics-focused REIT listed on the Main Board of the Hong Kong Stock Exchange on 17 May 2021. It is a collective investment scheme authorised by the SFC and constituted by the Trust Deed.

The investment focus of SF REIT is income-generating real estate globally, with an initial focus on logistics properties. SF REIT’s portfolio initially comprises three properties in Hong Kong as well as Foshan and Wuhu, Mainland China. All of these properties are modern logistics properties comprising distribution centres equipped with automatic sorting and supply chain support facilities and are strategically located within the key logistics hubs and near major airports, seaports, railways, express highways and transportation hubs in Hong Kong and Mainland China.

About the REIT Manager

SF REIT is managed by SF REIT Asset Management Limited (the “**REIT Manager**”) whose main responsibility is to manage SF REIT and all its assets in accordance with the Trust Deed and in the sole interest of the Unitholders.

About SFH

S.F. Holding Co., Ltd. (順豐控股股份有限公司) (“**SFH**”), a company established in PRC and whose shares are listed on the Shenzhen Stock Exchange, is the sponsor and a controlling unitholder of SF REIT. SFH is a leading integrated logistics services provider in Mainland China with comprehensive business segments covering freight, cold chain, international and intra-city services, cross-border logistics and supply chain management.

CONTENTS

2	Performance Highlights
3	Management Discussion and Analysis
3	Market and Operation Review
8	Financial Review
10	Outlook
11	Corporate Governance
17	Disclosure of Interests
20	Other Information
21	Connected Party Transactions
24	Independent Practitioner's Review Report
26	Condensed Consolidated Financial Statements
26	Condensed Consolidated Income Statement
27	Condensed Consolidated Statement of Comprehensive Income
28	Condensed Consolidated Balance Sheet
30	Condensed Consolidated Statement of Changes in Net Assets Attributable to Unitholders
31	Consolidated Distribution Statement
32	Condensed Consolidated Statement of Cash Flows
33	Notes to the Condensed Consolidated Financial Statements
72	Portfolio of the Properties
73	Performance Table
74	Glossary
Inside back	Corporate Information

Performance Highlights

Revenue



For the Reporting Period: 29 April 2021 (Date of Establishment) to 30 June 2021

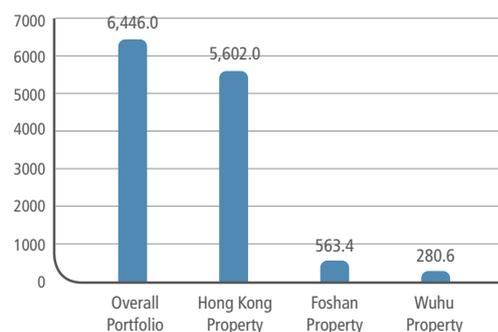
Net Property Income



For the Reporting Period: 29 April 2021 (Date of Establishment) to 30 June 2021

Property Valuation

HK\$ million



As at 30 June 2021

Net Assets Per Unit

HK\$
4.9



Net Assets

HK\$
3,922.3
million

As at 30 June 2021

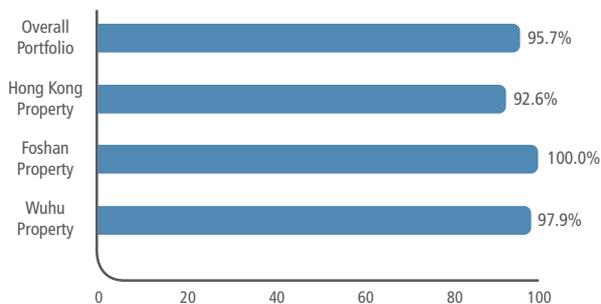
Gearing Ratio

29.6%



As at 30 June 2021

Occupancy Rate



As at 30 June 2021

Management Discussion and Analysis

Market and Operation Review

Market Overview

In the first half of 2021, GDP of Mainland China recorded a year-on-year increase of 12.7%. A moderate pickup in the second quarter growth reflected a combination of external and domestic factors with the latter attributable mainly to consumption and service activities upticks. As a major manufacturing base in the global industrial chain, total imports and exports value of Mainland China in the first seven months of 2021 grew 24.4% and 24.5% respectively, mainly reflecting an economic recovery from the lock down at the beginning of the COVID-19 last year. According to the latest forecast by International Monetary Fund in July 2021, GDP of Mainland China would be having a growth of 8.1% in 2021.

Logistics industry in Mainland China continued to develop with total social logistics amount in the first half of 2021 grew by 15.7%. In the first seven months of 2021, the prosperity index of logistics industry in Mainland China (which provides an early indication of logistics activities in Mainland China's logistics sector) was generally in a positive range. Overall, the demand for industrial logistics in Mainland China is increasing steadily, the demand for import logistics is growing with good momentum, and the demand for the new drivers related to people's livelihood consumption continues to develop rapidly.

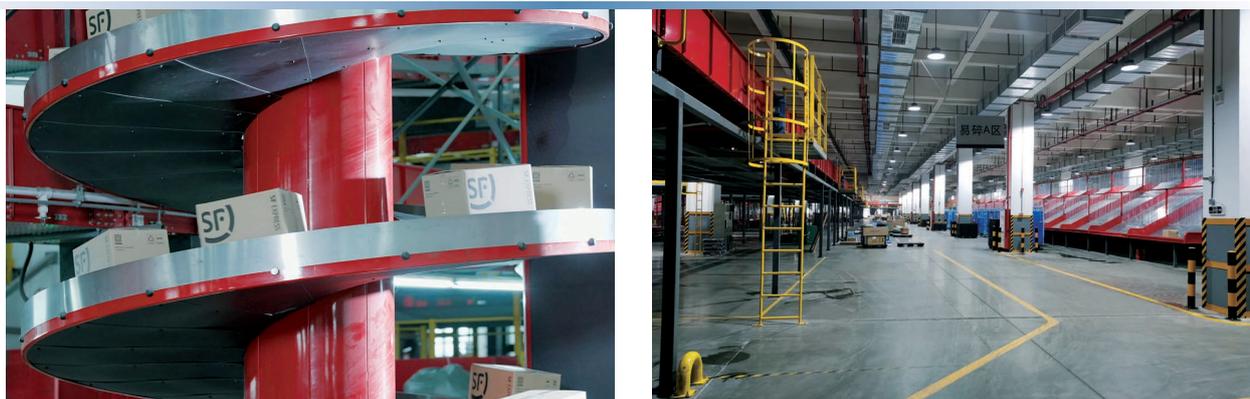
The growth of the e-commerce market in Hong Kong and Mainland China is a major driver for the logistics properties market as e-commerce activities require comprehensive logistics and warehousing support for merchandise storage and distribution. Underpinned by increasing internet usage and household spending power, the e-commerce market has expanded rapidly over the last decade. The outbreak of the COVID-19 pandemic has also accelerated structural changes in consumers' spending habits and retailers' supply chain management, causing retailers and suppliers to modernise and improve their logistics facilities and capabilities in response to these changes.

Overview of our Properties

The three Properties of the Group are located in Tsing Yi, Hong Kong, as well as Foshan and Wuhu, Mainland China. The Properties were initially developed to support the logistics operation of SFH (which is listed on the Shenzhen Stock Exchange and a controlling unitholder of SF REIT). As at 30 June 2021, 80.0% of the GLA of the Properties had been leased to the SFH Group. Certain facilities were specifically built to suit their operational needs and large capital expenditures were spent to install heavy machinery and equipments to meet their specifications.

Management Discussion and Analysis

All subsisting leases to the SFH Group are for a term of five years commencing from 1 May 2021 and rent payable under these leases is fixed with a yearly increment of 3% to 5% depending on the location of the relevant Property. While the SFH Group contributed a relatively high percentage of the total rental income generated by the Properties, the REIT Manager considers this arrangement to be beneficial to SF REIT as it provides a high degree of income stability.



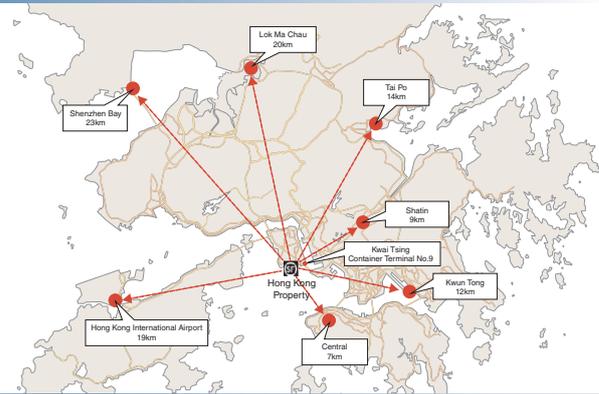
Automatic sorting and supply chain support facilities

As at 30 June 2021, the average occupancy rate of the Properties was 95.7% with the Hong Kong Property, the Foshan Property and the Wuhu Property recording, respectively, 92.6%, 100.0% and 97.9%. The Properties housed a total of 32 tenants, with the SFH Group contributed approximately 76.6% of the total gross rental income for the Reporting Period. Approximately 86.1% of the tenants (in terms of GLA) were from the logistics sector and the remaining tenants included those from the pharmaceutical, food supply and other sectors. The Properties had a weighted average lease expiry of 4.4 years by GLA as at 30 June 2021.

Management Discussion and Analysis



Hong Kong Property



Hong Kong Property's Location Map

As at 30 June 2021, the Hong Kong Property housed a total of 8 tenants with approximately 65.9% of its GLA leased to the SFH Group. The rest of the tenants were from the logistics sector (including freight forwarding) as well as pharmaceutical and food supply sectors.

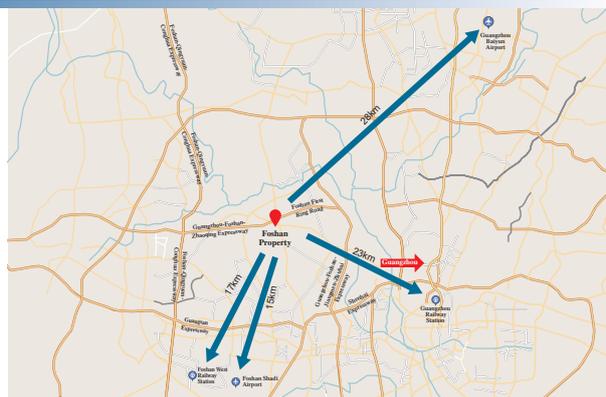
The Hong Kong Property was completed in 2014 and is a 15-storey (plus one basement level) ramp-up modern logistics property with a total GLA of approximately 160,322.2 sq.m.. The Hong Kong Property is designed for operating at a high level of throughput functioning 24-hours a day, comprising (a) a distribution centre equipped with automatic sorting and supply chain support facilities; (b) carpark spaces and warehouses; and (c) ancillary offices. It is one of the newest modern logistics properties in Hong Kong and a LEED-certified building which was granted the LEED Gold Award by the U.S. Green Building Council in recognition of the efficiency and sustainability of its design.

The Hong Kong Property is strategically located at Tsing Yi, Hong Kong, which is a premium logistics cluster with a high concentration of logistics properties. Tsing Yi is well connected with the rest of Hong Kong, with easy access to different parts in Hong Kong within a 30-minute drive. It is adjacent to Kwai Tsing Container Terminal No. 9 (approximately 100 metres across the street) and Stonecutters Bridge offering easy access to arterial roads and major business districts and is well connected to Hong Kong International Airport (approximately 19 kilometres away).

Management Discussion and Analysis



Foshan Property



Foshan Property's Location Map

As at 30 June 2021, the Foshan Property housed two tenants and was almost entirely leased to the SFH Group for operating mainly as a modern logistics property for regional distribution purposes.

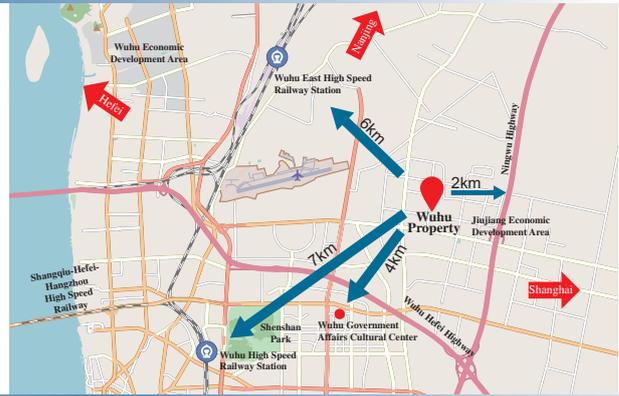
The Foshan Property was completed in March 2021 and is a modern logistics property with a total GLA of approximately 84,950.8 sq.m.. The Foshan Property comprises (a) a ramp-up three-storey distribution centre; and (b) an ancillary building. The Foshan Property is equipped with intelligent technology and built-to-suit facilities, such as automatic sorting and supply chain support facilities, to house the needs of its logistics tenant.

The Foshan Property is located in the Nanhai district of Foshan, PRC, which is part of the Greater Bay Area. Logistics properties in Foshan are concentrated in the Nanhai district due to its convenience and economic prosperity. The Foshan Property is one of the largest (by GFA) modern logistics properties in the Nanhai district of Foshan. The Foshan Property is close to Foshan First Ring Road, and approximately 15 kilometres away from Foshan Shadi Airport, 17 kilometres away from Foshan West Railway Station, 23 kilometres away from Guangzhou Railway Station which is the largest high-speed railway station in the Southern Mainland China, and 28 kilometres from Guangzhou Baiyun Airport which is one of the biggest aviation transportation hubs in Mainland China.

Management Discussion and Analysis



Wuhu Property



Wuhu Property's Location Map

As at 30 June 2021, the Wuhu Property housed a total of 22 tenants, with approximately 89.1% of its GLA leased to the SFH Group.

The Wuhu Property was completed in 2019 and is a modern logistics property with a total GLA of approximately 62,404.5 sq.m.. It comprises (a) two single-storey high standard warehouses; (b) a two-storey distribution centre equipped with automatic sorting and supply chain support facilities; (c) a research and development building; and (d) two ancillary buildings. The Wuhu Property is positioned as a modern logistics property to meet various commercial needs of the tenants.

The Wuhu Property is located in the Jiujiang Economic Development Area in PRC, being the political, cultural and financial centre of Wuhu and a core logistics cluster in Yangtze River Delta Economic Region. In terms of GFA, the Wuhu Property is one of the largest modern logistics properties in Wuhu. It is approximately (i) six kilometres from Wuhu East High Speed Railway Station; (ii) ten kilometres from Wuhu International Cargo Port; and (iii) two kilometres from Ningwu Highway which connects the north and south parts of the Yangtze River Delta Economic Region.

Management Discussion and Analysis

Financial Review

This is the first set of interim financial results prepared by SF REIT since the Date of Establishment. Therefore, no year-on-year financial comparison is available in these results.

Financial Highlights

Operating Results

For the Reporting Period, SF REIT recorded a revenue of HK\$50.7 million with the Hong Kong Property as well as the Foshan Property and the Wuhu Property in Mainland China contributed HK\$39.9 million and HK\$10.8 million respectively. Net property income came in at HK\$42.2 million with the Hong Kong Property as well as the Foshan Property and the Wuhu Property in Mainland China contributed HK\$33.2 million and HK\$9.0 million respectively.

Distribution Policy

In accordance with the Trust Deed, SF REIT is required 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 after listing, the REIT Manager expects two distributions will be made by SF REIT for each financial year, including an interim distribution with respect to the six-month period ending 30 June and a final distribution with respect to the six-month period ending 31 December.

The REIT Manager also has the discretion to make distribution over and above 90% of the Annual Distribution Income if it considers SF REIT has surplus funds for its business requirements. As disclosed in the Offering Circular, the REIT Manager intends to distribute after listing 100% of the Annual Distributable Income for the period from the Listing Date to 31 December 2021 as its first distribution. The first distribution will therefore comprise the total distributable income for the Relevant Period of HK\$26.7 million and the total distributable income for the six-month period ending 31 December 2021. The first distribution will be paid no later than the end of May 2022 to Unitholders registered as at the record date for the first distribution.

Financial Position

As at 30 June 2021, total assets and net assets attributable to Unitholders were HK\$6,689.8 million and HK\$3,922.3 million respectively and net assets per unit attributable to Unitholders was HK\$4.9.

As at 30 June 2021, the total appraised value (as valued by an independent property valuer) of the Properties was HK\$6,446.0 million, representing an increase of 5.7% from the total appraised value as at 31 March 2021 (the last valuation date as disclosed in the Offering Circular).

Management Discussion and Analysis

As at 30 June 2021, the gearing ratio (which represents total borrowings as a percentage of total assets) of SF REIT was 29.6% while the total liabilities (excluding net assets attributable to Unitholders) as a percentage of total assets was 41.4%.

Capital Management

In April 2021, a subsidiary of SF REIT entered into a facility agreement for (a) a committed term loan facility of up to HK\$2,159.0 million and (b) an uncommitted revolving loan facility of up to HK\$250.0 million. The term of the term loan facility is five years from the first drawdown date with an interest rate of HIBOR plus 1.10% per annum and the term of the revolving loan facility is up to one year from the drawdown date with an interest rate of HIBOR plus 0.85% per annum. Such term loan and revolving loan facilities, together, were secured by the Hong Kong Property and its rental collection account.

As at 30 June 2021, HK\$1,750.0 million of the term loan facility was drawn while the revolving loan facility remained undrawn.

In April 2021, two subsidiaries of SF REIT entered into facility agreements for term loan facilities up to RMB120.0 million and RMB100.0 million respectively in Mainland China. The term of these onshore term loan facilities is five years from the first drawdown date with amortisation and at an interest rate of 5.5% per annum. These onshore term loan facilities were secured by the Foshan Property and the rental collection accounts of both the Foshan Property and the Wuhu Property.

As at 30 June 2021, SF REIT had total borrowings of HK\$1,980.5 million of which 88.2% were on floating interest rates which will be affected by policies of central banks. Since early 2020, central banks around the world have introduced further quantitative easing and reduced interest rates to support their economy, pushing interest rates down to record low levels. The REIT Manager will closely monitor the interest rate movements and may consider using financial derivatives when appropriate to manage interest rate exposure so as to mitigate the impact on distribution to Unitholders.

Currently, approximately 21.4% of the revenue of SF REIT are denominated in Renminbi. Fluctuations in the exchange rate of Renminbi against Hong Kong dollars may therefore have impact on the level of distributions to Unitholders. The REIT Manager will closely monitor the foreign exchange market and will take appropriate protective actions when necessary.

Liquidity Management

As at 30 June 2021, SF REIT had total cash and bank balances of HK\$173.3 million and uncommitted revolving loan facility of HK\$250.0 million. Taking into consideration the recurrent income generated from the Group's operations, the current cash position and sources of funding available, the REIT Manager is of the view that the Group has sufficient financial resources to meet its business and other requirements.

Management Discussion and Analysis

Use of Proceeds from Listing

Prior to the Listing Date, on 13 May 2021, 280,000,000 new units of SF REIT were issued to SF Fengtai Industrial Park Holdings Limited (a wholly-owned subsidiary of SFH) as part of the consideration to acquire the holding companies which own the Properties. In addition, on the Listing Date, 520,000,000 new units were issued to public Unitholders pursuant to the global offering of SF REIT's units, raising approximately HK\$2,589.6 million (the "Proceeds") at HK\$4.98 per unit (before deduction of transaction costs). The REIT Manager has utilised the Proceeds together with bank loan drawdown for acquisition of the holding companies which own the Properties, transaction costs of listing and general corporate purposes in accordance with the purposes set out in the section headed "Use of Proceeds" in the Offering Circular. Approximately HK\$56.6 million of the Proceeds remained unutilised as at 30 June 2021.

Outlook

Despite the improvement in sentiment after the rollout and efficacy of COVID-19 vaccines, the global economy is still being clouded by the unstable pandemic situation. Nevertheless, the outbreak of the COVID-19 pandemic has accelerated structural changes in consumers' spending habits and retailers' supply chain management, causing retailers and suppliers to modernise and improve their logistics facilities and capabilities in response to these changes.

It is expected that favourable government policies in Hong Kong and Mainland China will continue to encourage the growth of the modern logistics property market. The Hong Kong Government's initiatives to support the construction of transportation infrastructure such as the third runway of Hong Kong International Airport and the new cross border infrastructures are expected to keep enhancing the connectivity between Hong Kong and Mainland China and promote the growth of the trading and logistics sectors as well as the modern logistics property market in Hong Kong.

Regarding Mainland China, the PRC government has introduced a series of favourable policies and reforms to support the development of the logistics sector, which consequentially benefits the modern logistics property market.

With resilient demand from consumer sectors and robust e-commerce growth which support logistics properties as well as SF REIT's healthy balance sheet and quality portfolio, we strive to deliver stable returns to the Unitholders in the first financial year of SF REIT amid uncertain global economic environment.

Going forward, the REIT Manager will work closely with SFH to pursue acquisition opportunities of modern logistics properties with income and capital growth potential, whether such opportunities are derived from the SFH Group or third parties, to provide sustainable returns to the Unitholders and to enhance asset value.

Corporate Governance

The REIT Manager recognises that good corporate governance is fundamental to the smooth, effective and transparent operation of SF REIT and its ability to attract investment, protect the rights of Unitholders and stakeholders, and enhance Unitholder value. As such, the REIT Manager is committed to upholding high corporate governance standards and has put in place certain policies and procedures to promote SF REIT's operation in a transparent manner and with built-in checks and balances. Certain corporate governance policy and procedures adopted by the REIT Manager for SF REIT since listing were described in the Offering Circular.

The REIT Manager has adopted the Compliance Manual in relation to the management and operations of SF REIT. The Compliance Manual sets out the key processes, systems and policies and procedures including the corporate governance policy.

Throughout the Relevant Period, SF REIT and the REIT Manager complied with the REIT Code, the SFO, applicable provisions of the Listing Rules, the Trust Deed and in all material respects the Compliance Manual.

Authorisation Structure

SF REIT is a collective investment scheme authorised by the SFC under section 104 of the SFO and regulated by the REIT Code and constituted by the Trust Deed.

The REIT Manager is licensed by the SFC under section 116 of the SFO to conduct the regulated activity of asset management. During the Relevant Period and up to the date of this report, the REIT Manager has three responsible officers, whose names appear in the "Corporate Information" section of this report, for the purposes of the SFO and the REIT Code.

The Trustee is a trust company registered under section 77 of the Trustee Ordinance (Chapter 29 of the Laws of Hong Kong) and is qualified to act as a trustee for collective investment schemes authorised under the SFO pursuant to the REIT Code.

Roles of the Trustee and the REIT Manager

The Trustee and the REIT Manager are independent of each other. The Trustee is responsible under the Trust Deed for the safe custody of the assets of SF REIT on behalf of the Unitholders and for overseeing the activities of the REIT Manager for compliance with the relevant constitutive documents of, and regulatory requirements applicable to, SF REIT. The REIT Manager is to manage SF REIT and its assets in accordance with the Trust Deed in the sole interest of the Unitholders and to fulfil the duties imposed on it under general law as the manager of SF REIT and, in particular, to ensure that the financial and economic aspects of SF REIT's assets are professionally managed in the sole interest of the Unitholders.

Board and Board Committees of the REIT Manager

Board

The Board principally oversees the day-to-day management of the REIT Manager's affairs and the conduct of its business, and is responsible for the overall governance of the REIT Manager. The Board exercises its general powers within the limits defined by the articles of association of the REIT Manager, with a view to ensuring that the REIT Manager discharges its duties appropriately, and that sound internal control policies and risk management systems are maintained.

As of the date of this report, the Board comprises 10 Directors, including one Executive Director (who is the Chief Executive Officer), four Non-executive Directors (one of whom is the Chairman) and five Independent Non-executive Directors. The names of the Directors appear in the "Corporate Information" section of this report.

Among all the Directors, nine of them (including four Independent Non-executive Directors) were appointed prior to the Listing Date. On 30 June 2021, Mr. Michael Tjahja SUSANTO was appointed as an additional Independent Non-executive Director. With this last addition, the number of Independent Non-executive Directors has accounted for 50% of the total number of Board members. This strong independent representation ensures that the Board can effectively exercise independent judgement. Save as disclosed, there was no change to the Board members during the Relevant Period and up to the date of this report.

The composition of the Board reflects the necessary balance of skills and experience desirable for effective leadership and execution of the Board's duties. The role of the Chairman (which is held by Mr. WANG Wei) is separate from that of the Chief Executive Officer (which is held by Mr. Hubert CHAK) to reinforce accountability and responsibility. According to the Compliance Manual, the Chairman must be a Non-executive Director. He is responsible for the overall leadership of the Board and the REIT Manager. The Chief Executive Officer, being an Executive Director, is responsible for the day-to-day management of the REIT Manager and SF REIT and supervises the management team to ensure that the REIT Manager and SF REIT are both operated in accordance with stated strategies, policies and regulations.

Changes in Directors' Information

After the publication of the Offering Circular dated 5 May 2021 and up to the date of this report, there were the following changes in Directors' information:

- (i) Mr. TAN Huay Lim was appointed as an independent non-executive director of Green Link Digital Bank Pte. Ltd., a private company incorporated in Singapore, in May 2021.

- (ii) Mr. Michael Tjahja SUSANTO was appointed as an Independent Non-executive Director and a member of the Investment Committee of the REIT Manager on 30 June 2021; and he was also appointed as a managing director and Head of China Investments of Phoenix Property Investors on 15 July 2021.
- (iii) Mr. HO Lap Kee, MH, JP, was appointed as a member of the Land and Development Advisory Committee and its Land Sub-committee of the Hong Kong Government with effect from 1 July 2021.

Board Committees

The Board has established four Board Committees, namely, the Investment Committee, the Audit Committee, the Nomination and Remuneration Committee and the Disclosures Committee, to assist the Board in discharging certain aspects of its duties. Each of these Board Committees is governed by its own written terms of reference.

Investment Committee

The Investment Committee is mainly responsible for evaluating and making recommendations on proposed acquisitions and/or disposals of assets, capital management strategies (such as hedging activities), financing and refinancing arrangements, and investment and financial risks as well as reviewing and recommending changes to financial authorities and policies or procedures in relation to treasury management.

As at the date of this report, the Investment Committee comprises the following four members:

NG Wai Ting** (*chairman*)
Hubert CHAK*
CHAN Ming Tak, Ricky***
Michael Tjahja SUSANTO***

* Executive Director

** Non-executive Director

*** Independent Non-executive Director

Audit Committee

The Audit Committee is mainly responsible for establishing and maintaining effective internal financial reporting system and internal control and risk management systems; ensuring the quality and integrity of financial statements; nominating independent external auditor and reviewing the adequacy of external audit in respect of cost, scope and performance.

Corporate Governance

As at the date of this report, the Audit Committee comprises the following four members:

TAN Huay Lim*** (*chairman*)
HO Lap Kee, MH, JP***
CHAN Ming Tak, Ricky***
KWOK Tun Ho, Chester***

*** Independent Non-executive Director

At least one of the Audit Committee members must be an Independent Non-executive Director who possesses appropriate professional qualifications or accounting or related financial management expertise. In this regard, Mr. TAN Huay Lim meets the requirement.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is mainly responsible for reviewing the structure, size and composition of the Board and Board Committees; making recommendations on changes in members of the Board and Board Committees; developing the criteria for identifying and assessing the qualifications of candidates and evaluating candidates for directorship; assessing the independence of Independent Non-executive Directors; reviewing, implementing and monitoring the board diversity policy; reviewing, implementing and monitoring the nomination procedures of Directors; overseeing and establishing the overall compensation strategy and policies, pay level and manpower succession plan; and making recommendations to the Board on the remuneration packages for Directors.

As at the date of this report, the Nomination and Remuneration Committee comprises the following four members:

HO Lap Kee, MH, JP*** (*chairman*)
NG Wai Ting**
TAN Huay Lim***
KWOK Tun Ho, Chester***

** Non-executive Director

*** Independent Non-executive Director

Disclosures Committee

The Disclosures Committee is mainly responsible for reviewing matters relating to the disclosure of information to Unitholders and public announcements to ensure that the disclosure of information is accurate, complete and not misleading.

As at the date of this report, the Disclosures Committee comprises the following three members:

CHAN Ming Tak, Ricky*** (*chairman*)
TAN Huay Lim***
HO Lap Kee, MH, JP***

*** Independent Non-executive Director

Procedures to Deal with Conflict of Interests

SF REIT invests in income-generating real estate globally with an initial focus on logistics properties located in Hong Kong and Mainland China. While SFH's principal business is not the leasing of properties, it is engaged in and manages entities that are engaged in the investment, development and management of logistics properties in Mainland China. The REIT Manager which manages SF REIT is an indirect subsidiary of SFH. Therefore, there may be circumstances where conflict of interests amongst the REIT Manager, SF REIT and SFH may arise. The PRC Operations Managers are indirect subsidiaries of SFH and they also provide services to properties and entities within the SFH Group. The PRC Operations Managers may face conflict of interests in other activities of the SFH Group at an operational level. Four Non-executive Directors, namely, Mr. WANG Wei, Ms. NG Wai Ting, Mr. YANG Tao and Mr. LEONG Chong, hold directorships and/or senior management positions in SFH and/or its subsidiaries and may therefore have conflict of interests in their involvement in the business, policies and other affairs of both the Group and the SFH Group. In particular, Mr. WANG Wei controls 59.3% equity interests of SFH as at the date of this report.

To mitigate the potential conflict of interests with SFH, the REIT Manager has maintained a strong independent element on its Board composition. Five out of 10 of the Board members (50%) are Independent Non-executive Directors not related to SFH. These Independent Non-Executive Directors will act independently for the sole interest of SF REIT and can address any potential conflict of interests with the SFH Group. The Audit Committee, the Disclosures Committee and the Nomination and Remuneration Committee are all comprised with a majority of Independent Non-executive Directors as members to promote the level of corporate governance.

With regard to the PRC Operations Managers, the REIT Manager has segregated certain sensitive operational functions, namely, leasing and marketing, to be performed by dedicated and ringfenced teams within the PRC Operations Managers. These ringfenced teams shall be made up of personnel whose performance will be measured by reference to their efforts in the management of the Foshan Property and the Wuhu Property only, effectively aligning the interests of the PRC Operations Managers with those of SF REIT and the Unitholders. To protect sensitive and confidential information with respect to the Properties, the REIT Manager and the PRC Operations Managers have implemented measures such as "Chinese Walls", information technology systems with access rights control and clear reporting lines to protect sensitive property management information pertaining to the Properties from being used by members of the SFH Group to the detriment of the Group.

Moreover, the REIT Manager has adopted the following measures to deal with conflict of interests generally:

- the REIT Manager is a dedicated manager to SF REIT and does not manage any other REIT;
- the REIT Manager will ensure that it is able to function independently from its shareholder, and its senior management is employed on a full time basis solely for the operations of the Group;
- the REIT Manager has established procedures to deal with conflict of interests in the Compliance Manual;

Corporate Governance

- the REIT Manager has established control procedures to monitor connected party transactions between SF REIT and its connected persons;
- conflict of interests involving a substantial holder of SF REIT or a Director or other connected person will be required to be managed by a physical Board meeting where all Independent Non-executive Directors having no material interest in the matter shall be present; and
- a Director who has a material interest in a matter shall abstain from voting on the resolution concerned and shall not be counted in quorum at the relevant Board meeting.

Compliance

Corporate Governance Code

SF REIT and the REIT Manager had applied the principles and complied with, to the extent appropriate, the code provisions in the Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules throughout the Relevant Period.

Code Governing Dealings in Units by Directors

The REIT Manager has adopted its own Code Governing Dealings in Units by Directors on terms no less exacting than the required standard as set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules to govern dealings in units by the Directors. The Code Governing Dealings in Units by Directors is extended to apply to the REIT Manager and those employees of the REIT Manager who are likely to be in possession of unpublished inside information in relation to SF REIT and the REIT Manager.

After making specific enquiry of all the Directors, each of them confirmed that he/she had complied with the required standard as set out in the Code Governing Dealings in Units by Directors throughout the Relevant Period.

Investor Relations and Communications

The REIT Manager has adopted a Unitholders' communication policy which aims to ensure an effective communication with Unitholders and enhance the culture of disclosure of developments of SF REIT. Announcements, circulars and other corporate communications covering financial and non-financial information of SF REIT are disseminated on a timely basis to keep Unitholders and the public informed of SF REIT's latest developments. To ensure proper dissemination of information, the REIT Manager has also adopted a corporate communication policy to set the standard and guide staff to respond to external enquiries.

Disclosure of Interests

The REIT Code requires connected persons of SF REIT to disclose their interests in units of SF REIT. Further, certain provisions of Part XV of the SFO in relation to disclosure of interests are deemed, pursuant to the Trust Deed, to apply to the REIT Manager, the Directors or the chief executive of the REIT Manager and certain persons interested in units of SF REIT (including short positions).

Interests of Directors in Units

According to the disclosure of interests to the Hong Kong Stock Exchange and the REIT Manager pursuant to the provisions of Part XV of the SFO and the register required to be kept by the REIT Manager pursuant to the Trust Deed, the Directors or the chief executive of the REIT Manager had the following interests in the units of SF REIT as at 30 June 2021:

Name of Director	Number of units held				Total	Approximate percentage of total units in issue (%) ⁽³⁾
	Personal interests	Family interests	Corporate interests	Other interests		
WANG Wei ⁽¹⁾	–	–	280,000,000 ⁽²⁾	–	280,000,000	35.00

Notes:

1. Mr. WANG Wei, the Chairman and a Non-executive Director, was deemed to be interested in 280,000,000 units through a chain of companies including 深圳明德控股發展有限公司 (Shenzhen Mingde Holding Development Co., Ltd.), SFH, 深圳順豐泰森控股(集團)有限公司 (Shenzhen S.F. Taisen Holding (Group) Co., Ltd.), SF Holding Limited, Sunny Sail Holding Limited and SF Fengtai Industrial Park Holdings Limited. Please see the “Interests of Unitholders in Units Required to be Disclosed under the SFO” section below for further details.
2. The above-mentioned interests were long position interests. There were no short position interests in units of SF REIT held by any Director or the chief executive of the REIT Manager as at 30 June 2021.
3. The approximate percentage was calculated based on a total of 800,000,000 units in issue as at 30 June 2021.

Save as disclosed above, as at 30 June 2021, none of the Directors or the chief executive of the REIT Manager or any of their respective associates had any interests in units (or, as the case may be, shares) or underlying units (or, as the case may be, underlying shares) or debentures (if any) of SF REIT and/or its associated corporations (within the meaning of Part XV of the SFO) which were required to be recorded in the register required to be kept by the REIT Manager pursuant to the Trust Deed, or as otherwise notified to the Hong Kong Stock Exchange and the REIT Manager pursuant to the provisions of Part XV of the SFO.

Disclosure of Interests

Interests of Unitholders in Units Required to be Disclosed under the SFO

As at 30 June 2021, other than the Directors or the chief executive of the REIT Manager, the following persons had interests of 5% or more in units of SF REIT as recorded in the register required to be kept by the REIT Manager under the Trust Deed:

Name of Unitholder	Capacity	Number of units held	Long position / Short position / Lending pool	Approximate percentage of total units in issue (%) ⁽²⁾
SF Fengtai Industrial Park Holdings Limited ⁽¹⁾	Beneficial owner	280,000,000	Long position	35.00
SFH ⁽¹⁾	Interest of controlled corporations	280,000,000	Long position	35.00
深圳明德控股發展有限公司 ⁽¹⁾ (Shenzhen Mingde Holding Development Co., Ltd.)	Interest of controlled corporations	280,000,000	Long position	35.00

Notes:

- 280,000,000 units were held directly by SF Fengtai Industrial Park Holdings Limited, a direct wholly-owned subsidiary of Sunny Sail Holding Limited which itself was a direct wholly-owned subsidiary of SF Holding Limited. SF Holding Limited was a direct wholly-owned subsidiary of 深圳順豐泰森控股(集團)有限公司 (Shenzhen S.F. Taisen Holding (Group) Co., Ltd.) which itself was a direct wholly-owned subsidiary of SFH. SFH is a company listed on the Shenzhen Stock Exchange and 深圳明德控股發展有限公司 (Shenzhen Mingde Holding Development Co., Ltd.), a company owned as to 99.9% by Mr. WANG Wei, the Chairman and a Non-executive Director, held 59.3% interest in SFH as at 30 June 2021. Therefore, 深圳明德控股發展有限公司 (Shenzhen Mingde Holding Development Co., Ltd.), SFH, 深圳順豐泰森控股(集團)有限公司 (Shenzhen S.F. Taisen Holding (Group) Co., Ltd.), SF Holding Limited, Sunny Sail Holding Limited were all deemed to be interested in the same batch of 280,000,000 units held directly by SF Fengtai Industrial Park Holdings Limited. Mr. WANG Wei, by virtue of his 99.9% interests in 深圳明德控股發展有限公司 (Shenzhen Mingde Holding Development Co., Ltd.), was also deemed to be interested in the same batch of 280,000,000 units.
- The approximate percentage was calculated based on a total of 800,000,000 units in issue as at 30 June 2021.

Save as disclosed above, as at 30 June 2021, the REIT Manager had not been notified by any person, other than the Directors or the chief executive of the REIT Manager, who had interests or short positions in units or underlying units of SF REIT which were recorded or required to be recorded in the register required to be kept by the REIT Manager pursuant to the Trust Deed.

Interests of the REIT Manager in Units

As at 30 June 2021, the REIT Manager did not hold any interest in units of SF REIT.

Interests of Other Connected Persons in Units

After making reasonable enquiries and according to the information available to the REIT Manager, as at 30 June 2021, the interests in units of SF REIT held by connected persons (other than the REIT Manager, substantial holders of SF REIT, the Directors or the chief executive of the REIT Manager and their respective associates) were as follows:

Name of Unitholder	Number of units held	Approximate percentage of total units in issue (%) ⁽²⁾
RREEF America LLC ⁽¹⁾	8,141,000	1.0716
Deutsche Bank AG London ⁽¹⁾	10,000	0.0013

Notes:

1. RREEF America LLC and Deutsche Bank AG London are both associated companies of the Trustee.
2. The approximate percentage was calculated based on a total of 800,000,000 units in issue as at 30 June 2021.

Other Information

Issue of New Units

There were no new units of SF REIT issued during the Relevant Period.

Sale and Purchase of Real Estate

SF REIT did not enter into any sale and purchase of real estate during the Relevant Period.

A summary of all real estate held by SF REIT as at 30 June 2021 is set out in the “Portfolio of the Properties” section of this report on page 72.

Other Investments

SF REIT did not engage or participate in any Property Development and Related Activities (as defined in the REIT Code) nor did it invest in any Relevant Investments (as defined in the REIT Code) during the Relevant Period.

Employees

SF REIT is an externally managed REIT and 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 Relevant 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.

Review of Interim Financial Statements

The condensed consolidated financial statements of the Group for the Reporting Period have been reviewed by the Audit Committee, the Disclosures Committee and PricewaterhouseCoopers, the external auditor of SF REIT. The review report of the external auditor is set out in the “Independent Practitioner’s Review Report” section of this report on pages 24 to 25.

Connected Party Transactions

Pursuant to the REIT Code, connected persons of SF REIT include the REIT Manager, the Trustee, the Directors, substantial holders and their respective associates. Set out below in this section is a summary of the connected party transactions entered into between SF REIT and/or its subsidiaries with connected persons of SF REIT during the Relevant Period.

SF Leasing Framework Agreement

As part of the Group's ordinary and usual course of business, the subsidiaries of SF REIT (as landlords) will enter into or renew with connected persons of SF REIT (by virtue of their relationship with the REIT Manager or substantial holder(s) of SF REIT) (as tenants) leases, tenancies or licences in respect of the Properties (the "SF Leases"). On 29 April 2021 (Date of Establishment), the REIT Manager (in its capacity as the manager of SF REIT) had entered into a leasing framework agreement (the "SF Leasing Framework Agreement") with 深圳順豐泰森控股(集團)有限公司 (Shenzhen S.F. Taisen Holding (Group) Co., Ltd.), a substantial holder of SF REIT, to set out the terms and conditions governing the SF Leases. The terms and conditions of each individual SF Lease entered into from time to time shall be in consistent with that of the SF Leasing Framework Agreement. The SF Leasing Framework Agreement is for an initial term commencing from 17 May 2021 (Listing Date) and ending on 31 December 2026. DBS Asia Capital Limited (the sole listing agent as named in the Offering Circular) had confirmed that it is a normal business practice for the SF Leasing Framework Agreement to be of such duration.

Under the SF Leasing Framework Agreement, the rent of each SF Lease is determined by reference to the then current open market rent at the commencement date of the term of the relevant SF Lease which would be paid by a willing tenant to a willing landlord for a similar premises in a similar development.

Details of the SF Leases entered into during the Relevant Period and rental income and other income recognised thereunder are as follows:

Name of tenant	Relationship	Nature of transaction	Rental income and other income	Deposit provided
			(excluding rental deposit) for the Relevant Period	in the form of cash or bank guarantee
			HK\$'000	HK\$'000
S.F. Express (China) Limited	associate of the REIT Manager ⁽¹⁾ associate of substantial holder ⁽²⁾ associate of Director ⁽³⁾	Lease of premises and provision of add-on services ⁽⁴⁾ of the Hong Kong Property	13,787	29,038
S.F. Express (Hong Kong) Limited	associate of the REIT Manager ⁽¹⁾ associate of substantial holder ⁽²⁾ associate of Director ⁽³⁾	Lease of premises and provision of add-on services ⁽⁴⁾ of the Hong Kong Property	12,731	28,703

Connected Party Transactions

Name of tenant	Relationship	Nature of transaction	Rental income and other income	Deposit provided
			(excluding rental deposit) for the Relevant Period <i>HK\$'000</i>	in the form of cash or bank guarantee <i>HK\$'000</i>
佛山順豐速運有限公司 (Foshan S.F. Express Co., Ltd.)	associate of the REIT Manager ⁽¹⁾ associate of substantial holder ⁽²⁾ associate of Director ⁽³⁾	Lease of premises of the Foshan Property	7,048	8,620 ⁽⁵⁾
安徽順豐速運有限公司 (Anhui S.F. Express Co., Ltd.)	associate of the REIT Manager ⁽¹⁾ associate of substantial holder ⁽²⁾ associate of Director ⁽³⁾	Leases of premises of the Wuhu Property	1,551	928 ⁽⁵⁾
安徽順和快運有限公司 (Anhui Shunhe Freight Co., Ltd.)	associate of the REIT Manager ⁽¹⁾ associate of substantial holder ⁽²⁾ associate of Director ⁽³⁾	Leases of premises of the Wuhu Property	1,292	785 ⁽⁵⁾
HAVI Logistics Services (Hong Kong) Limited	associate of the REIT Manager ⁽¹⁾ associate of substantial holder ⁽²⁾ associate of Director ⁽³⁾	Provision of add-on services ⁽⁴⁾ of the Hong Kong Property	24	–
FS Electronic Technology Co., Limited	associate of the REIT Manager ⁽¹⁾ associate of substantial holder ⁽²⁾ associate of Director ⁽³⁾	Provision of add-on services ⁽⁴⁾ of the Hong Kong Property	37	–
Total			36,470	

Notes:

- (1) a fellow subsidiary of the REIT Manager
- (2) a subsidiary of SFH, a substantial holder of SF REIT
- (3) an associate of Mr. WANG Wei, the Chairman and a Non-executive Director
- (4) add-on services such as shuttle bus, cleaning, security guard services
- (5) deposit provided in the form of bank guarantee

The REIT Manager has applied for, and the SFC has granted, a waiver exempting SF REIT from strict compliance with, in respect of the SF Leasing Framework Agreement, the announcement, circular and independent Unitholders' approval requirements under Chapter 14A of the Listing Rules (modified as appropriate pursuant to paragraph 2.26 of the REIT Code). Throughout the Relevant Period, the REIT Manager had complied with the conditions of the SFC waiver. The total rental income and other income recognised under the SF Leasing Framework Agreement were HK\$36.47 million for the Relevant Period, as compared with the annual cap of rental income and other income of HK\$344.4 million for the financial year ending 31 December 2021.

PRC Operations Management Agreements

On 1 May 2021, the Foshan Operations Manager had entered into an operations management agreement (the “**Foshan Operations Management Agreement**”) with Foshan Runzhong, a subsidiary of SF REIT, in relation to the provision of operations and property management services to the Foshan Property. The Foshan Operations Management Agreement is for a term commencing from 17 May 2021 (Listing Date) and ending on 31 December 2023.

On 1 May 2021, the Wuhu Operations Manager had entered into an operations management agreement (the “**Wuhu Operations Management Agreement**”) with Wuhu Fengtai, a subsidiary of SF REIT, in relation to the provision of operations and property management services to the Wuhu Property. The Wuhu Operations Management Agreement is for a term commencing from 17 May 2021 (Listing Date) and ending on 31 December 2023.

The Foshan Operations Manager and the Wuhu Operations Manager are both subsidiaries of SFH (a substantial holder of SF REIT), associates of the REIT Manager and associates of Mr. WANG Wei (the Chairman and a Non-executive Director). Therefore, the Foshan Operations Manager and the Wuhu Operations Manager are both connected persons of SF REIT.

Under the Foshan Operations Management Agreement, the Foshan Operations Manager is entitled to receive from Foshan Runzhong a monthly management fee equal to 2% of the sum of the monthly rental income and property management fee income (both inclusive of VAT) of Foshan Runzhong. Under the Wuhu Operations Management Agreement, the Wuhu Operations Manager is entitled to receive from Wuhu Fengtai a monthly management fee equal to 2% of the sum of the monthly rental income and property management fee income (both inclusive of VAT) of Wuhu Fengtai.

The REIT Manager has applied for, and the SFC has granted, a waiver exempting SF REIT from strict compliance with, in respect of the Foshan Operations Management Agreement and the Wuhu Operations Management Agreement, the announcement, circular and independent Unitholders’ approval requirements under Chapter 14A of the Listing Rules (modified as appropriate pursuant to paragraph 2.26 of the REIT Code). Throughout the Relevant Period, the REIT Manager had complied with the conditions of the SFC waiver. The total management fees incurred under the Foshan Operations Management Agreement and the Wuhu Operations Management Agreement for the Relevant Period were HK\$0.190 million, as compared with the annual cap of management fees of HK\$4.1 million for the financial year ending 31 December 2021.

Other Disclosures under the REIT Code

Pursuant to the REIT Code, services provided to SF REIT by the REIT Manager and the Trustee as contemplated under the constitutive documents shall not be treated as connected party transactions but particulars of such services (except where any services transaction has a value of not more than HK\$1 million), such as terms and remuneration, shall be disclosed in the next published interim or annual report.

The Trustee’s fee is payable pursuant to the Trust Deed on a semi-annual basis. For the Relevant Period, a fee of approximately HK\$0.16 million was incurred and payable to the Trustee.

Pursuant to the Trust Deed, the REIT Manager’s fees include base fee payable on a semi-annual basis, variable fee payable on an annual basis and, wherever applicable, acquisition fee and divestment fee. For the Relevant Period, no variable fee, acquisition fee or divestment fee was incurred or payable. For the Relevant Period, a base fee of approximately HK\$3.24 million was incurred and payable in cash to the REIT Manager.

Further details of the Trustee’s fee and the REIT Manager’s fee are set out in note 9 and note 11, respectively, to the condensed consolidated financial statements.

Independent Practitioner's Review Report



羅兵咸永道

Independent Practitioner's Review Report

To the Board of Directors of SF REIT Asset Management Limited

(as "Manager" of SF Real Estate Investment Trust)

We have reviewed the interim condensed consolidated financial statements (the "**interim financial statements**") of SF Real Estate Investment Trust ("**SF REIT**") and its subsidiaries (together, the "**Group**") set out on pages 26 to 71 which comprises the condensed consolidated balance sheet as at 30 June 2021, and the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in net assets attributable to unitholders, the consolidated distribution statement, and the condensed consolidated statement of cash flows for the period from 29 April 2021 (date of establishment of SF REIT) to 30 June 2021, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Interim Financial Statements

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial statements to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting". The directors of the Manager are responsible for the preparation and presentation of this interim financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting", and for such internal control as directors determine is necessary to enable the preparation of interim financial statements that is free from material misstatement, whether due to fraud or error.

*PricewaterhouseCoopers, 22/F, Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com*

Practitioner's Responsibility

Our responsibility is to express a conclusion on the interim financial statements and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our review in accordance with Hong Kong Standard on Review Engagements ("HKSRE") 2400 (Revised), "Engagements to Review Historical Financial Statements" issued by the Hong Kong Institute of Certified Public Accountants. HKSRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements, taken as a whole, is not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with HKSRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with Hong Kong Standards on Auditing. Accordingly, we do not express an audit opinion on these interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26 August 2021

Condensed Consolidated Income Statement

	Note	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 <i>HK\$'000</i> (Unaudited)
Revenue	6	50,700
Property operating expenses	8	(8,489)
Net property income		42,211
General and administrative expenses		(13,006)
Fair value changes on investment properties		–
Other losses – net		(3,833)
Operating profit	9	25,372
Finance income		40
Finance costs		(4,338)
Profit before tax and transactions with Unitholders		21,074
Income tax expenses	10	(5,269)
Profit for the period, before transactions with Unitholders		15,805
Distribution paid to Unitholders		–
Profit for the period, after transactions with Unitholders		15,805
Basic earnings per unit	12	HK1.98 cents
Diluted earnings per unit	12	HK1.98 cents

The notes on pages 33 to 71 are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Comprehensive Income

	Before transactions with Unitholders <i>HK\$'000</i> (Unaudited)	Transactions with Unitholders (Note) <i>HK\$'000</i> (Unaudited)	After transactions with Unitholders <i>HK\$'000</i> (Unaudited)
Profit for the period from 29 April 2021 (Date of Establishment) to 30 June 2021	15,805	(9,554)	6,251
Other comprehensive income			
<i>Item that may be reclassified subsequently to condensed consolidated income statement:</i>			
Exchange losses on translation of financial statements	(6,251)	–	(6,251)
Total comprehensive income for the period from 29 April 2021 (Date of Establishment) to 30 June 2021	9,554	(9,554)	–

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 the Date of Establishment. Accordingly, the units contain contractual obligations of the trust to pay cash distributions 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 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.

The notes on pages 33 to 71 are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Balance Sheet

	Note	As at 30 June 2021 <i>HK\$'000</i> (Unaudited)
ASSETS		
Non-current assets		
Investment properties	13	6,446,006
Property, plant and equipment		14,592
Land use rights		668
Intangible assets		359
Prepayments for constructions		582
		6,462,207
Current assets		
Trade receivables	14	2,102
Amounts due from related companies		8,823
Prepayments and other receivables		25,669
Restricted cash		17,664
Cash and cash equivalents		173,321
		227,579
Total assets		6,689,786

Condensed Consolidated Balance Sheet

	Note	As at 30 June 2021 <i>HK\$'000</i> (Unaudited)
LIABILITIES		
Current liabilities		
Borrowings	15	30,973
Trade payables	17	14,150
Amounts due to related companies	18	106,659
Other payables	19	110,641
Current tax liabilities		2,700
		265,123
Non-current liabilities, excluding net assets attributable to Unitholders		
Borrowings	15	1,949,487
Deferred tax liabilities	16	522,866
Deferred government grants		30,060
		2,502,413
Net current liabilities		(37,544)
Total assets less current liabilities		6,424,663
Total liabilities, excluding net assets attributable to Unitholders		2,767,536
Net assets attributable to Unitholders		3,922,250
Units in issue (Thousand)	23	800,000
Net assets per unit attributable to Unitholders		HK\$4.90

On behalf of the Board of Directors of
SF REIT Asset Management Limited, as the Manager of SF Real Estate Investment Trust

Hubert CHAK
Executive Director and Chief Executive Officer

NG Wai Ting
Non-executive Director

The notes on pages 33 to 71 are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Changes in Net Assets Attributable to Unitholders

	Note	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 <i>HK\$'000</i> (Unaudited)
As at 29 April 2021 (Date of Establishment)		–
Units issued for acquisition of subsidiaries (Note (i))	23	1,394,400
Units issued for initial offering (Note (ii))	23	2,589,600
Units issuance cost		(71,304)
Profit for the period, before transactions with Unitholders		15,805
Exchange losses on translation of financial statements		(6,251)
As at 30 June 2021		3,922,250

Notes:

- (i) The amount represents 280,000,000 units issued at HK\$4.98 per unit to settle part of the asset injection consideration in relation to the acquisition of the sole issued share of Golden Bauhinia Logistics Holdings Limited (“**Golden Bauhinia**”) and the acceptance of assignment of certain loans owing by Golden Bauhinia and its subsidiaries to the guarantor. Details are set out in Note 20.
- (ii) The amount represents 520,000,000 units issued for initial public offering of SF REIT on 17 May 2021 at the offer price of HK\$4.98 per unit.

The notes on pages 33 to 71 are an integral part of these condensed consolidated financial statements.

Consolidated Distribution Statement

	Note	HK\$'000 (Unaudited)
Profit for the period from 29 April 2021 (Date of Establishment) to 30 June 2021, before transactions with Unitholders		15,805
Adjustments:		
– Negative goodwill	9	(395)
– Differences between finance cost and interest payable in accordance with contractual obligations		687
– Deferred tax charges		1,431
– Depreciation and amortisation		188
– Listing expenses	9	7,716
– Amortisation of cost of debt		82
– Historical tax losses utilised	16	3,238
– Amortisation of government grants		(89)
– Amounts not available for distribution (Note (i))		(1,966)
Total distributable income		26,697
Intended distribution as a percentage of the total distributable income (Note (ii))		100%
Total distributions to Unitholders		26,697
Units in issue as at 30 June 2021 (Thousand)	23	800,000
Distribution per unit		HK3.34 cents

Notes:

- (i) Pursuant to the Trust Deed, SF REIT's first distribution will comprise: (i) the distribution for the period from and including 17 May 2021 (the "Listing Date") to 30 June 2021; and (ii) the distribution for the six months ending 31 December 2021. The first distribution will be paid no later than the end of May 2022. Amounts not available for distribution relates to profit after tax for the period from 29 April 2021 (Date of Establishment) to 16 May 2021.
- (ii) 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 currently intends, for the first distribution, to distribute 100% of the Annual Distributable Income (as defined in the Offering Circular dated 5 May 2021) for the period from the Listing Date to 31 December 2021.

The notes on pages 33 to 71 are an integral part of these condensed consolidated financial statements.

Condensed Consolidated Statement of Cash Flows

Note	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 HK\$'000 (Unaudited)
Cash flows from operating activities	
Cash generated from operations	19,220
Interest received	33
Net cash generated from operating activities	19,253
Cash flows from investing activities	
Additions of property, plant and equipment	(76)
Acquisition of subsidiaries, net of cash acquired	20(d) (1,399,040)
Net cash used in investing activities	(1,399,116)
Cash flows from financing activities	
Proceeds from borrowings	1,750,000
Settlement of assigned loans from a related company	20(d) (2,705,834)
Proceeds from units issued for initial offering	2,589,600
Interest paid	(3,651)
Listing expenses paid	(76,931)
Net cash generated from financing activities	1,553,184
Net increase in cash and cash equivalents	173,321
Cash and cash equivalents at 29 April 2021 (Date of Establishment)	–
Cash and cash equivalents at 30 June 2021	173,321

The notes on pages 33 to 71 are an integral part of these condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

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 on 17 May 2021. SF REIT is governed by a trust deed dated 29 April 2021 between the SF REIT Asset Management Limited (the “**REIT Manager**”) and DB Trustees (Hong Kong) Limited (the “**Trustee**”) (the “**Trust Deed**”).

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

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

These condensed consolidated financial statements have not been audited. These condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Group. These condensed consolidated financial statements have been approved for issue by the Board of Directors of the REIT Manager on 26 August 2021.

2. Basis of preparation

The condensed consolidated financial statements for the period from 29 April 2021 (the “**Date of Establishment**”) to 30 June 2021 (the “**condensed consolidated financial statements**”) of SF REIT have been prepared in accordance with International Accounting Standard (“**IAS**”) 34 “Interim Financial Reporting”. In addition, the condensed 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 and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

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

As at 30 June 2021, the Group’s current liabilities exceeded its current assets by approximately HK\$37,544,000. In the opinion of the REIT Manager, the Group will generate stable operational cash inflow and has unutilised credit facilities to meet its financial obligations. Subsequent to period end, in July 2021, a further loan drawdown of HK\$150,000,000, which has a term of 57 months from the drawdown date, was made by the Group. Accordingly, the condensed consolidated financial statements are prepared on a going concern basis.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

3. Summary of significant accounting policies

3.1. New standards and amendments to standards

The following 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
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to IFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to IAS 16	Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to IAS 37	Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Annual improvements to IFRSs	Annual Improvements to IFRSs 2018-2020 Cycle	1 January 2022
IFRS 17	Insurance Contracts	1 January 2023
Amendments 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 material impact on the Group in the current or future reporting periods and on the foreseeable future transactions.

3.2. Subsidiaries

3.2.1. Consolidation

(a) *Basis of consolidation*

The condensed consolidated financial statements include the financial statements of SF REIT and its subsidiaries from 29 April 2021 (Date of Establishment) to 30 June 2021. The results of subsidiaries are consolidated from the date of acquisition, being the date on which SF REIT obtains control, and continue to be consolidated until the date that such control ceases. All significant inter-company transactions and balances within the Group are eliminated on consolidation.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

3. Summary of significant accounting policies (continued)

3.2. Subsidiaries (continued)

3.2.1. Consolidation (continued)

(b) Business combination

The Group applies the acquisition method to account for business combinations. The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred,
- liabilities incurred to the former owners of the acquired business,
- equity interests issued by the Group,
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity,

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in condensed consolidated income statement as a negative goodwill.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

3. Summary of significant accounting policies (continued)

3.3. Segment reporting

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.

3.4. Foreign currency translation

3.4.1. Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in HK\$, which is the Group's functional and presentation currency.

3.4.2. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are generally recognised in condensed consolidated income statement.

Foreign exchange gains and losses are presented in the condensed consolidated income statement on a net basis within "other losses – net".

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Currency translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, currency translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and currency translation differences on non-monetary assets such as equities held at fair value through other comprehensive income are recognised in other comprehensive income.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

3. Summary of significant accounting policies (continued)

3.4. Foreign currency translation (continued)

3.4.3. Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet,
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions), and
- all currency translation differences are recognised in other comprehensive income.

On consolidation, currency translation differences arising from the translation of any net investment in foreign operations are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated currency translation differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

3.5. Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and provision for impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amounts or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the item can be measured reliably. The carrying amounts of the replaced part is derecognised. All other repairs and maintenance are charged to condensed consolidated income statement during the reporting period in which they are incurred.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

3. Summary of significant accounting policies (continued)

3.5. Property, plant and equipment (continued)

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their costs, net of their residual value, over their estimated useful lives, as follows:

Buildings	47 years
Office equipment, electronic equipment and others	3 to 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amounts if the asset's carrying amount is greater than its estimated recoverable amounts.

Gain or loss on disposal of property, plant and equipment are determined by comparing proceeds with carrying amounts and are recognised in condensed consolidated income statement.

3.6. Investment properties

Investment properties, principally comprising leasehold land and buildings, are held for long-term rental yields and/or for capital appreciation. Land held under operating leases is accounted for as investment property when the rest of the definition of an investment property is met. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. Subsequently, they are carried at fair value. Changes in fair values are recorded in condensed consolidated income statement.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of them can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in condensed consolidated income statement in the period in which the property is derecognised.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

3. Summary of significant accounting policies (continued)

3.7. Land use rights

Land use rights are up-front payments to acquire long-term interest in land. These payments are stated at cost and charged to the condensed consolidated income statement on a straight-line basis over the remaining period of the lease.

3.8. Intangible assets

System software

Acquired system software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using straight-line method over their estimated useful lives of 5 years.

3.9. Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is recognised for the amounts by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.10. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or a financial liability is recognised when the Group becomes a party to the contractual provisions of the instrument.

3.10.1. Financial assets

(a) Classification

The Group classifies its financial assets as financial assets measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

The Group subsequently measures all financial assets at amortised cost.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

3. Summary of significant accounting policies (continued)

3.10. Financial instruments (continued)

3.10.1. Financial assets (continued)

(d) *Impairment*

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

3.10.2. Financial liabilities

Financial liabilities of the Group are financial liabilities at amortised cost, which mainly comprise trade payables, other payables, amounts due to related companies and borrowings. Such financial liabilities are initially recognised at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method. Financial liabilities that are due within one year (inclusive) are classified as current liabilities; those with maturities over one year but are due within one year (inclusive) from the balance sheet date are classified as current portion of non-current liabilities. Others are classified as non-current liabilities.

A financial liability is derecognised or partly derecognised when the underlying present obligation is discharged or partly discharged. The difference between the carrying amount of the derecognised part of the financial liability and the consideration paid is recognised in condensed consolidated income statement for the current period.

3.11. Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days, which is the normal operating cycle of the Group, and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less allowance for impairment. The allowance of impairment is recognised in the condensed consolidated income statement.

In the event that lease incentives, including rent free periods, are given to enter into operating leases, such incentives are recognised in trade receivables. The aggregate benefit of incentives is recognised as a reduction of rental income on a straight-line basis over the respective term of the lease.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

3. Summary of significant accounting policies (continued)

3.12. Cash and cash equivalents

For the purpose of presentation in the condensed consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, which are subject to an insignificant risk of changes in value.

3.13. Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

3.14. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amounts can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

3.15. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in finance cost over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

3. Summary of significant accounting policies (continued)

3.15. Borrowings (continued)

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

3.16. Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the condensed consolidated income statement in the period in which they are incurred.

3.17. Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where SF REIT's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the condensed consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

3. Summary of significant accounting policies (continued)

3.17. Current and deferred income tax (continued)

(b) Deferred income tax (continued)

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amounts and tax bases of investments in foreign operations where SF REIT is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

(c) Offsetting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred income tax is recognised in the condensed consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income. In these cases, the tax is also recognized in other comprehensive income.

3.18. Revenue recognition

(a) Rental income

Rental income from operating leases where the Group is a lessor is recognised in revenue on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as an expense over the lease term on the same basis as rental income.

(b) Management service income

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when control of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

3. Summary of significant accounting policies (continued)

3.18. Revenue recognition (continued)

(b) Management service income (continued)

The Group provides property management services to the tenants of the properties. Since customers simultaneously receive and consume the benefits when service is provided, revenue from providing services is recognised over time in the period in which the services are rendered. The Group acts as the principal and is primarily responsible for providing the property management services to the tenants. The Group recognizes the fee received or receivable from tenants as its revenue.

(c) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

3.19. Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to expenses are deferred and recognised in the condensed consolidated income statement over the period necessary to match them with the expenses that they are intended to compensate.

Government grants relating to the construction of infrastructure on the acquired land are included in non-current liabilities as deferred income and are credited to the condensed consolidated income statement on a straight-line basis over the expected lives of the related assets.

3.20. Unitholders' funds as a financial liability

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 the Date of Establishment. Accordingly, the units contain contractual obligations of the trust to pay cash distributions 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 IAS 32 "Financial Instruments: Presentation". It is shown on the condensed consolidated balance sheet as the net assets attributable to Unitholders.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

4. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

4.1. Market risk

4.1.1. Foreign exchange risk

Foreign exchange risk arises from recognised assets and liabilities in currencies other than the respective functional currencies of the Group's entities.

The property holding company of the Hong Kong property (the "**Hong Kong Property Company**") and the property holding companies of the PRC properties operate in their respective jurisdictions with most of the transactions settled in HK\$ and RMB respectively. The REIT Manager considers that the business is not exposed to significant foreign exchange risk as there are no significant financial assets or liabilities of the Group that are denominated in the currencies other than the respective functional currencies of the Group's entities.

During the period from 29 April 2021 (Date of Establishment) to 30 June 2021, the Group has not entered into any derivative instruments to hedge its foreign exchange exposures. The REIT Manager monitors the foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

4.1.2. Interest rate risk

The Group's interest rate risk arises from borrowings with variable rates, which expose the Group to cash flow interest rate risk. Details of the Group's borrowings have been disclosed in Note 15.

During the period from 29 April 2021 (Date of Establishment) to 30 June 2021, the Group does not use any derivative contracts to hedge its exposure to interest rate risk. However, the REIT Manager will consider hedging significant interest rate exposures should the need arise.

4.2. Credit risk

Credit risk arises from the potential failure of the Group's counterparties to settle its financial and contractual obligations to the Group, when they fall due. The Group is exposed to credit risk on its cash and cash equivalents, restricted cash, trade receivables, amounts due from related companies and other receivables.

To manage the credit risk associated with cash and cash equivalents and restricted cash, most of the deposits are placed with certain state-owned banks in the PRC, which are high-credit-quality financial institutions, and banks with high credit ratings in Hong Kong.

The REIT Manager monitors the balances of the trade receivables, amounts due from related companies and other receivables on an on-going basis. The REIT Manager assesses the credit worthiness and financial strength of tenants or counterparties as well as considering prior dealing history with them. The REIT Manager also has policies in place to ensure that rental security deposits are required prior to commencement of leases.

The maximum exposure to credit risk is represented by the carrying value of each financial asset in the condensed consolidated balance sheet.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

4. Financial risk management (continued)

4.3. Liquidity risk

The REIT Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations. In addition, the REIT Manager observes the REIT Code issued by the SFC concerning limits on total borrowings and monitors the level of borrowings of SF REIT to be within the permitted limit.

As at 30 June 2021, the Group's current liabilities exceeded its current assets by approximately HK\$37,544,000. Taking into account of the available resources as set out in Note 2, the Group will be able to meet its financial obligation when they fall due.

4.4. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for Unitholders.

The REIT Manager monitors capital on the basis of the gearing ratio. The gearing ratio is calculated as total borrowings as a percentage of total assets. As at 30 June 2021, the gearing ratio of the Group was 29.6%.

4.5. Fair values estimation

4.5.1. Fair value hierarchy

IFRS 13 requires disclosure of fair value measurement by three levels of fair value hierarchy.

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

4. Financial risk management (continued)

4.5. Fair values estimation (continued)

4.5.1. Fair value hierarchy (continued)

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers between levels 1, 2 and 3 during the period from 29 April 2021 (Date of Establishment) to 30 June 2021.

As at 30 June 2021, investment properties are classified as level 3 under the fair value hierarchy. There were no changes in valuation techniques for the period from 29 April 2021 (Date of Establishment) to 30 June 2021. Details of the valuation techniques and inputs have been disclosed in Note 13.

4.5.2. Fair value disclosure

The REIT Manager considers that the fair values of the financial assets and financial liabilities recorded in the condensed consolidated financial statements approximate to their carrying amounts. The carrying values of borrowings with variable rates approximate their fair values as the impact of discounting using the relevant rate is not significant.

5. Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The REIT Manager makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

5.1. Critical accounting estimates

Estimates of fair value of investment properties

Investment properties are stated at fair value at the end of the reporting period based on the valuation performed by the independent valuer. Details of the judgement and assumptions have been disclosed in Note 13.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

5. Critical accounting estimates and assumptions (continued)

5.2. Critical accounting judgement

Deferred taxation on investment property of the Hong Kong Property Company

For the purposes of measuring deferred taxation arising from investment property of the Hong Kong Property Company that is measured using fair value model, the REIT Manager reviewed the Group's Hong Kong investment property and concluded that the Group's Hong Kong investment property is held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. Therefore, in determining the Group's deferred taxation on investment property of Hong Kong Property Company, the Group have determined that the presumption of the investment properties measured using the fair value model are recovered entirely through sale is rebutted. As a result, the Group has recognised the deferred taxation based on the temporary differences between the tax base and the fair value of the investment property and the tax rates expected to apply.

6. Revenue

	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 <i>HK\$'000</i> (Unaudited)
Rental income	42,323
Management service income	5,014
Others (Note)	3,363
	50,700

Note:

Others represent revenue generated from supplementary services, government rent and provision of electricity and water.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

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

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

	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021		
	Hong Kong <i>HK\$'000</i> (Unaudited)	PRC <i>HK\$'000</i> (Unaudited)	Total <i>HK\$'000</i> (Unaudited)
Segment revenue	39,863	10,837	50,700
Net property income	33,229	8,982	42,211
General and administrative expenses			(13,006)
Fair value changes on investment properties			–
Other losses – net			(3,833)
Finance income			40
Finance costs			(4,338)
Income tax expenses			(5,269)
Profit for the period, before transactions with Unitholders			15,805

Depreciation and amortisation of Hong Kong segment and PRC segment for the period from 29 April 2021 (Date of Establishment) to 30 June 2021 was approximately HK\$70,000 and approximately HK\$118,000, respectively.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

7. Segment information (continued)

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 30 June 2021 <i>HK\$'000</i> (Unaudited)
Segment assets	
Hong Kong	5,725,434
PRC	907,465
Others	56,887
	6,689,786
Segment liabilities, excluding net assets attributable to Unitholders	
Hong Kong	537,946
PRC	369,339
Others	1,860,251
	2,767,536

8. Property operating expenses

	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 <i>HK\$'000</i> (Unaudited)
Property management fee	4,633
Rates and government rent	1,127
Repairs and maintenance	551
Electricity and water fee	862
Other taxes	1,195
Others	121
	8,489

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

9. Operating profit

Operating profit is arrived at after charging / (crediting) the following items:

	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 <i>HK\$'000</i> (Unaudited)
Auditors' remuneration	
– Audit and audit-related assurance services	1,451
– Other services	121
REIT Manager's fee	3,240
Trustee's remuneration	156
Principal valuer's fee	71
Legal and professional fee	109
Bank charges	29
Listing expenses (Note)	7,716
Negative goodwill	(395)
Exchange losses, net	4,228
Net provision for impairment losses of financial assets	158

Note:

The Securities and Futures Commission has administered a Grant Scheme funded by the Government of the Hong Kong Special Administrative Region to provide subsidies for qualified REITs. The Grant Scheme covers eligible expenses incurred in relation to the listing of a REIT which is listed on or after 10 May 2021. The grant amount of SF REIT amounted to HK\$8,000,000 has been net-off with listing expenses.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

10. Income tax expenses

During the period from 29 April 2021 (Date of Establishment) to 30 June 2021, Hong Kong profits tax was subject to the rate of 16.5% on the estimated assessable profit.

During the period from 29 April 2021 (Date of Establishment) to 30 June 2021, the Group's subsidiaries in the PRC were subject to corporate income tax ("CIT") at a standard rate of 25%. Withholding tax was provided for undistributed profits in the PRC at a rate of 10%.

	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 <i>HK\$'000</i> (Unaudited)
Current income tax – PRC CIT	600
Deferred income tax	4,669
	5,269

11. REIT Manager's fee

Pursuant to the Trust Deed, the REIT Manager is entitled to receive 10% per annum of the base fee distributable income as remuneration (the "Base Fee"). 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.

	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 <i>HK\$'000</i> (Unaudited)
In the form of cash	3,240

Note:

Pursuant to the Trust Deed, the REIT Manager is entitled to receive the Base Fee commencing from and including the Listing Date.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

11. REIT Manager's fee (continued)

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. If no election is made, the most recent valid election made by the REIT Manager in a prior calendar year (if any) shall apply and, if there is no such prior calendar year election by the REIT Manager, the REIT Manager's fee shall be paid in cash. Since there is no prior calendar year election by the REIT Manager, the REIT Manager's fee is entirely in the form of cash for the current period.

12. Earnings per unit

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

	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 (Unaudited)
Profit for the period, before transactions with Unitholders (HK\$'000)	15,805
Weighted average number of units for the period (Thousand)	800,000
Basic and diluted earnings per unit	HK1.98 cents

There were no dilutive potential units during the period from 29 April 2021 (Date of Establishment) to 30 June 2021, therefore the diluted earnings per unit is equivalent to the basic earnings per unit.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

13. Investment properties

	As at 30 June 2021 <i>HK\$'000</i> (Unaudited)
As at 29 April 2021 (Date of Establishment)	–
Acquisition of subsidiaries (Note 20(b))	6,446,700
Currency translation differences	(694)
As at 30 June 2021	6,446,006

(i) Valuation process

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

The investment properties were revalued on a fair value basis as at 30 June 2021 by Jones Lang LaSalle Corporate Appraisal and Advisory 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.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

13. Investment properties (continued)

(ii) Valuation techniques (continued)

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

Investment properties held by the Group	Fair value hierarchy	Valuation (HK\$'000)	Valuation technique and significant unobservable inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
Asia Logistics Hub – SF Centre No. 36 Tsing Yi Hong Wan Road (Tsing Yi Town Lot No. 180), Tsing Yi, New Territories, Hong Kong	Level 3	30 June 2021: 5,602,000	Income capitalisation method with cross-reference to the direct comparison approach		
			The significant unobservable 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 3.90% as at 30 June 2021.	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 4.40% as at 30 June 2021.	The higher the reversionary yield, the lower the fair value.
			(3) Monthly market rent	Market rent was determined by the estimated amount for which all 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 was HK\$12.99/sq. ft./month as at 30 June 2021.	The higher the monthly market rent, the higher the fair value.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

13. Investment properties (continued)

(ii) Valuation techniques (continued)

Investment properties held by the Group	Fair value hierarchy	Valuation (HK\$'000)	Valuation technique and significant unobservable inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
Foshan Guicheng Fengtai Industrial Park The northern side of Guanli Road, Nanhai District, Foshan City, Guangdong Province, PRC	Level 3	30 June 2021: 563,431	Income capitalisation method		
			The significant unobservable 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 5.00% as at 30 June 2021.	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 5.50% as at 30 June 2021.	The higher the reversionary yield, the lower the fair value.
			(3) Monthly market rent	Market rent was determined by the estimated amount for which all 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 was RMB40.15/sq. m./month as at 30 June 2021.	The higher the monthly market rent, the higher the fair value.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

13. Investment properties (continued)

(ii) Valuation techniques (continued)

Investment properties held by the Group	Fair value hierarchy	Valuation (HK\$'000)	Valuation technique and significant unobservable inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
Wuhu Fengtai Industrial Park No. 61 Longteng Road, Jiujiang District, Wuhu City, Anhui Province, PRC	Level 3	30 June 2021: 280,575	Income capitalisation method		
			The significant unobservable 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 5.00% as at 30 June 2021.	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 5.50% as at 30 June 2021.	The higher the reversionary yield, the lower the fair value.
			(3) Monthly market rent	Market rent was determined by the estimated amount for which all 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 was RMB23.26/sq. m./month as at 30 June 2021.	The higher the monthly market rent, the higher the fair value.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

13. Investment properties (continued)

(iii) Restriction on the investment properties

SF REIT acquired the Hong Kong, Foshan and Wuhu properties through business combination as at 13 May 2021. SF REIT is prohibited from disposing of its properties for at least two years from the time such properties are acquired, unless the Unitholders approve the proposed disposal by way of special resolution passed in accordance with the Trust Deed.

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 30 June 2021, certain of the Group's investment properties, amounting to approximately HK\$6,165.4 million, were pledged to secure the Group's borrowings of HK\$1,980.5 million (Note 15).

14. Trade receivables

	As at 30 June 2021 HK\$'000 (Unaudited)
Trade receivables	
– Third parties	2,268
– Related companies (Note)	8,733
	11,001
Less: Provision for impairment losses	(166)
	10,835

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

Trade receivables represent rental receivables from third parties and related companies lessees. 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 2021, a significant portion of the trade receivables and future trade receivables were and will be pledged to secure the Group's bank borrowings.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

14. Trade receivables (continued)

As at 30 June 2021, the ageing analysis of trade receivables, net of impairment, based on invoice date, were as follows:

	As at 30 June 2021 HK\$'000 (Unaudited)
Within 30 days	10,835

15. Borrowings

	As at 30 June 2021 HK\$'000 (Unaudited)
Non-current: Bank borrowings, secured	1,949,487
Current: Bank borrowings, secured	30,973
	1,980,460

The finance cost on borrowings for the period from 29 April 2021 (Date of Establishment) to 30 June 2021 was approximately HK\$4,338,000.

As at 30 June 2021, the Group's investment properties of approximately HK\$6,165.4 million (Note 13), a significant portion of trade receivables, the rental income generated from the leases of the investment properties during the terms of the borrowings, restricted bank balances of approximately HK\$17.7 million, 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.

16. Deferred tax liabilities

Deferred tax assets and liabilities at 30 June 2021, presented in the condensed consolidated balance sheet, after appropriate offsetting are as follows:

	As at 30 June 2021 HK\$'000 (Unaudited)
Deferred tax assets	(96,525)
Deferred tax liabilities	619,391
Net deferred tax liabilities	522,866

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

16. Deferred tax liabilities (continued)

(a) Deferred tax assets

	As at 30 June 2021 <i>HK\$'000</i> (Unaudited)
Government grants	7,689
Unused tax losses	88,836
	96,525
Set-off against deferred tax liabilities pursuant to set-off provisions	(96,525)
Net deferred tax assets	–

The movement on the deferred tax assets for the period from 29 April 2021 (Date of Establishment) to 30 June 2021 is as follows:

	Government grants <i>HK\$'000</i> (Unaudited)	Unused tax losses <i>HK\$'000</i> (Unaudited)	Total <i>HK\$'000</i> (Unaudited)
As at 29 April 2021 (Date of Establishment)	–	–	–
Acquisition of subsidiaries	7,589	92,074	99,663
Charged to the condensed consolidated income statement	(22)	(3,238)	(3,260)
Currency translation differences	122	–	122
As at 30 June 2021	7,689	88,836	96,525

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through the future taxable profit is probable. As at 30 June 2021, all tax losses had been recognised as deferred tax assets.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

16. Deferred tax liabilities (continued)

(b) Deferred tax liabilities

	As at 30 June 2021 <i>HK\$'000</i> (Unaudited)
Difference between tax book and accounting book in respect of investment properties	617,759
Withholding tax on undistributed profits of PRC subsidiaries	1,632
	619,391
Set-off against deferred tax liabilities pursuant to set-off provisions	(96,525)
Net deferred tax liabilities	522,866

The movement on the deferred tax liabilities for the period from 29 April 2021 (Date of Establishment) to 30 June 2021 period is as follows:

	Difference between tax book and accounting book in respect of investment properties <i>HK\$'000</i> (Unaudited)	Withholding tax on undistributed profits of PRC subsidiaries <i>HK\$'000</i> (Unaudited)	Total <i>HK\$'000</i> (Unaudited)
As at 29 April 2021 (Date of Establishment)	–	–	–
Acquisition of subsidiaries	613,667	1,592	615,259
Charged to the condensed consolidated income statement	1,370	39	1,409
Currency translation differences	2,722	1	2,723
As at 30 June 2021	617,759	1,632	619,391

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

17. Trade payables

	As at 30 June 2021 <i>HK\$'000</i> (Unaudited)
Trade payables	14,150

As at 30 June 2021, the ageing analysis of trade payables, based on invoice date, were as follows:

	As at 30 June 2021 <i>HK\$'000</i> (Unaudited)
Within 30 days	14,150

18. Amounts due to related companies

	As at 30 June 2021 <i>HK\$'000</i> (Unaudited)
Payables for construction	1,407
Deposits received from tenants	57,641
Rental collected in advance	20,950
Provision for final payment in relation to the acquisition of subsidiaries (Note 20(a)(ii))	23,260
Others	3,401
	106,659

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

19. Other payables

	As at 30 June 2021 <i>HK\$'000</i> (Unaudited)
Payables for construction	46,441
Deposits received from tenants	27,984
Rental collected in advance	1,492
Payables for listing expenses	10,089
Provision for withholding tax in relation to the acquisition of subsidiaries	22,319
Provision for finance costs	1,098
Others	1,218
	110,641

20. Business combination

On 29 April 2021, SF Logistics Holdings Limited (“**SF Logistics**”) (as purchaser), a subsidiary of SF REIT, the REIT Manager (in its capacity as the manager of SF REIT), SF Fengtai Industrial Park Holdings Limited (“**SF Fengtai**”) (as seller), SF Holding Limited (“**SF Holding**”) (as guarantor) had entered into a sale and purchase deed in respect of the acquisition by SF Logistics from SF Fengtai of the sole issued share of Golden Bauhinia Logistics Holdings Limited (the “**Golden Bauhinia**”) and the assignment of certain loans owing by Golden Bauhinia and its subsidiaries (collectively, the “**Golden Bauhinia Group**”) from SF Holding to SF Logistics at the asset injection consideration equal to an initial consideration (in the form of cash and issued units) as adjusted by the final payment (“**Final Payment**”). The activity of Golden Bauhinia is investment holding and its subsidiaries are principally engaged in property investments in Hong Kong, and in Foshan and Wuhu of the PRC. The acquisition was completed on 13 May 2021 (the “**Date of Acquisition**”).

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

20. Business combination (continued)

(a) Consideration

The consideration for the acquisition of Golden Bauhinia Group and settlement of assigned loans from a related company are summarised as follows:

	<i>HK\$'000</i> (Unaudited)
Cash	4,216,287
Units issued (Note (i))	1,394,400
Total consideration (Note (ii))	5,610,687

Notes:

- (i) The amount represents 280,000,000 units of SF REIT at HK\$4.98 per unit.
- (ii) Total consideration has taken into account the Final Payment of approximately HK\$23,260,000 which was calculated based on adjusted net asset value of the Golden Bauhinia Group as at the Date of Acquisition. As at 30 June 2021, the Final Payment had been recognised in amounts due to related companies in the condensed consolidated balance sheet. Subsequent to period end, on 26 August 2021, the Final Payment was agreed by the REIT Manager and SF Logistics with SF Fengtai and the amount will be paid in cash within 10 business days after 26 August 2021. Further details were disclosed in the announcement dated 26 August 2021 of SF REIT.

(b) Assets acquired and liabilities recognised at the Date of Acquisition

The fair values of the identifiable assets and liabilities of Golden Bauhinia Group at the Date of Acquisition are summarised as follows:

	<i>HK\$'000</i> (Unaudited)
Investment properties	6,446,700
Cash and cash equivalents	88,153
Trade and other receivables (Note (i))	36,191
Amounts due from related companies (Note (i))	18,345
Amounts due to related companies	(2,803,922)
Deferred tax liabilities, net	(515,596)
Borrowings	(233,385)
Other net liabilities (Note (ii))	(131,238)
Net assets acquired	2,905,248

Notes:

- (i) The fair value and the gross contracted amounts of the trade and other receivables and amounts due from related companies at the Date of Acquisition amounted to approximately HK\$54,500,000. The contractual cash flows of those trade and other receivables and amounts due from related companies at the Date of Acquisition were expected to be collected in full.
- (ii) Other net liabilities mainly represent property, plant and equipment, trade and other payables and deferred government grants.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

20. Business combination (continued)

(c) Negative goodwill arising from the acquisition

	<i>HK\$'000</i> (Unaudited)
Consideration (Note 20(a))	5,610,687
Less: Settlement of assigned loans from a related company	(2,705,834)
Less: Net assets acquired (Note 20(b))	(2,905,248)
Excess of fair value of the identifiable net assets over the consideration	(395)

The difference between the fair value of the identifiable net assets and the consideration of approximately HK\$395,000 was recognised as negative goodwill in the condensed consolidated income statement for the period from 29 April 2021 (Date of Establishment) to 30 June 2021.

(d) Net cash outflow on the acquisition of the Golden Bauhinia Group

	As at 30 June 2021 <i>HK\$'000</i> (Unaudited)
Cash consideration paid	4,193,027
Less: Cash and cash equivalents acquired (Note 20(b))	(88,153)
Net cash outflow	4,104,874
Final Payment to be settled (Note 20(a)(ii))	23,260
	4,128,134
Represented:	
The acquisition of net assets of the Golden Bauhinia Group	
– Net cash paid	1,399,040
– Final Payment to be settled	23,260
	1,422,300
The settlement of assigned loans from a related company	2,705,834
	4,128,134

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

20. Business combination (continued)

(e) Revenue and profit contribution of the Golden Bauhinia Group

The Golden Bauhinia Group contributed revenue of approximately HK\$50,700,000 and net profit of approximately HK\$36,100,000 to the Group for the period from the Date of Acquisition to 30 June 2021.

If the acquisition had occurred on 29 April 2021, consolidated pro-forma revenue and profit for the period from 29 April 2021 (Date of Establishment) to 30 June 2021 would have been approximately HK\$61,900,000 and approximately HK\$20,300,000, respectively.

21. Capital commitments

As at 30 June 2021, the Group had no capital commitments.

22. Contingent liabilities

As at 30 June 2021, the Group had no contingent liabilities.

23. Units in issue

	Number of units	HK\$'000 (Unaudited)
As at 29 April 2021 (Date of Establishment)	–	–
Units issued for acquisition of subsidiaries (Note (i))	280,000,000	1,394,400
Units issued for initial offering (Note (ii))	520,000,000	2,589,600
As at 30 June 2021	800,000,000	3,984,000

Notes:

- (i) SF REIT acquired the sole issued share of Golden Bauhinia and accepted the assignment of certain loans owing by Golden Bauhinia and its subsidiaries to SF Holding on 13 May 2021, the consideration of which was in the form of issuance of 280,000,000 units and cash to SF Fengtai. Please refer to Note 20 for details.
- (ii) On Listing Date, SF REIT issued 520,000,000 units at HK\$4.98 per unit.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

24. Connected party transactions and significant related party transactions and balances

(a) Nature of relationship with connected persons / related parties

The table set forth below summarises the names of the connected persons / related parties, as defined in the REIT Code / IAS 24 (Revised) "Related Party Disclosures", and nature of their relationship with the Group as at 30 June 2021:

Connected persons / related parties	Note
SF REIT Asset Management Limited	(i), (ii), (iv) and (v)
DB Trustees (Hong Kong) Limited	(i)
S.F. Express (China) Limited	(i), (ii), (iii), (iv) and (v)
S.F. Express (Hong Kong) Limited	(i), (ii), (iii), (iv) and (v)
佛山順豐速運有限公司 (Foshan S.F. Express Co., Ltd.)	(i), (ii), (iii), (iv) and (v)
安徽順豐速運有限公司 (Anhui S.F. Express Co., Ltd.)	(i), (ii), (iii), (iv) and (v)
安徽順和快運有限公司 (Anhui Shunhe Freight Co., Ltd.)	(i), (ii), (iii), (iv) and (v)
HAVI Logistics Services (Hong Kong) Limited	(i), (ii), (iii), (iv) and (v)
FS Electronic Technology Co., Limited	(i), (ii), (iii), (iv) and (v)
佛山市豐預泰產業園運營管理有限公司 (Foshan Fengyutai Industrial Park Operation Management Co., Ltd.)	(i), (ii), (iii), (iv) and (v)
合肥市捷泰企業管理有限公司 (Hefei Jietai Enterprise Management Co., Ltd.)	(i), (ii), (iii), (iv) and (v)
SF Fengtai Industrial Park Holdings Limited	(i), (ii), (iii), (iv) and (v)
深圳市豐泰工程項目管理有限公司 (Shenzhen Fengtai Project Management Co., Ltd.)	(i), (ii), (iii), (iv) and (v)

Notes:

- (i) These companies are considered as connected persons as defined in the REIT Code.
- (ii) These companies are considered as related parties as defined in IAS 24 (Revised) "Related Party Disclosures".
- (iii) These companies are the associates of the REIT Manager, which are the fellow subsidiaries of the REIT Manager.
- (iv) These companies are the associates of the substantial holder of SF REIT, which are the subsidiaries held by S.F. Holding Co., Ltd..
- (v) These companies are the associates of Mr. WANG Wei, the Chairman and Non-executive Director.
- (vi) "Associate" has the meaning ascribed to it under the REIT Code.

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

24. Connected party transactions and significant related party transactions and balances (continued)

(b) Transactions with connected persons / related parties

Save as disclosed elsewhere in the condensed consolidated financial statements, during the period from 29 April 2021 (Date of Establishment) to 30 June 2021, the following transactions were carried out with connected persons / related parties in the ordinary course of business and on normal commercial terms. The terms were mutually agreed by both parties:

(i) Rental income

	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 <i>HK\$'000</i> (Unaudited)
S.F. Express (China) Limited	11,611
S.F. Express (Hong Kong) Limited	11,225
佛山順豐速運有限公司 (Foshan S.F. Express Co., Ltd.)	7,000
安徽順豐速運有限公司 (Anhui S.F. Express Co., Ltd.)	1,422
安徽順和快運有限公司 (Anhui Shunhe Freight Co., Ltd.)	1,146
	32,404

(ii) Management service income

	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 <i>HK\$'000</i> (Unaudited)
S.F. Express (China) Limited	1,639
S.F. Express (Hong Kong) Limited	1,584
佛山順豐速運有限公司 (Foshan S.F. Express Co., Ltd.)	341
安徽順豐速運有限公司 (Anhui S.F. Express Co., Ltd.)	82
安徽順和快運有限公司 (Anhui Shunhe Freight Co., Ltd.)	115
	3,761

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

24. Connected party transactions and significant related party transactions and balances (continued)

(b) Transactions with connected persons / related parties (continued)

(iii) Other revenue

	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 <i>HK\$'000</i> (Unaudited)
S.F. Express (China) Limited	1,424
S.F. Express (Hong Kong) Limited	749
FS Electronic Technology Co., Limited	38
HAVI Logistics Services (Hong Kong) Limited	26
佛山順豐速運有限公司 (Foshan S.F. Express Co., Ltd.)	155
安徽順豐速運有限公司 (Anhui S.F. Express Co., Ltd.)	167
安徽順和快運有限公司 (Anhui Shunhe Freight Co., Ltd.)	118
	2,677

(iv) Operations manager's fees

	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 <i>HK\$'000</i> (Unaudited)
佛山市豐預泰產業園運營管理有限公司 (Foshan Fengyutai Industrial Park Operation Management Co., Ltd.)	144
合肥市捷泰企業管理有限公司 (Hefei Jietai Enterprise Management Co., Ltd.)	58
	202

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

24. Connected party transactions and significant related party transactions and balances (continued)

(b) Transactions with connected persons / related parties (continued)

(v) REIT Manager's fee

	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 <i>HK\$'000</i> (Unaudited)
SF REIT Asset Management Limited	3,240

(vi) Trustee's remuneration

	For the period from 29 April 2021 (Date of Establishment) to 30 June 2021 <i>HK\$'000</i> (Unaudited)
DB Trustees (Hong Kong) Limited	156

(c) Balances with connected persons / related parties

(i) Amounts due from related companies

	As at 30 June 2021 <i>HK\$'000</i> (Unaudited)
S.F. Express (China) Limited	3,565
S.F. Express (Hong Kong) Limited	1,699
FS Electronic Technology Co., Limited	43
HAVI Logistics Services (Hong Kong) Limited	32
佛山順豐速運有限公司 (Foshan S.F. Express Co., Ltd.)	2,661
安徽順豐速運有限公司 (Anhui S.F. Express Co., Ltd.)	390
安徽順和快運有限公司 (Anhui Shunhe Freight Co., Ltd.)	433
	8,823

Notes to the Condensed Consolidated Financial Statements

For the period from 29 April 2021 (Date of Establishment) to 30 June 2021

24. Connected party transactions and significant related party transactions and balances (continued)

(c) Balances with connected persons / related parties (continued)

(ii) Amounts due to related companies

	As at 30 June 2021 <i>HK\$'000</i> (Unaudited)
S.F. Express (China) Limited	37,004
S.F. Express (Hong Kong) Limited	36,307
佛山順豐速運有限公司 (Foshan S.F. Express Co., Ltd.)	4,169
安徽順豐速運有限公司 (Anhui S.F. Express Co., Ltd.)	613
安徽順和快運有限公司 (Anhui Shunhe Freight Co., Ltd.)	503
深圳市豐泰工程項目管理有限公司 (Shenzhen Fengtai Project Management Co., Ltd.)	1,368
合肥市捷泰企業管理有限公司 (Hefei Jietai Enterprise Management Co., Ltd.)	39
SF Fengtai Industrial Park Holdings Limited	23,260
SF REIT Asset Management Limited	3,240
DB Trustees (Hong Kong) Limited	156
	106,659

25. Approval of the condensed consolidated financial statements

The condensed consolidated financial statements were approved by the board of directors of SF REIT Asset Management Limited on 26 August 2021.

Portfolio of the Properties

Property	Location	Expiry of lease / land use right	Type	GFA (sq.m.)	GLA (sq.m.)	Occupancy	Appraised
						as at 30 June 2021	value as at 30 June 2021 (HK\$ million)
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	13 January 2061	logistics property	97,181.3	160,322.2	92.6%	5,602.0
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 City, Guangdong Province, PRC	20 July 2049	logistics property	82,552.2	84,950.8	100.0%	563.4
Wuhu Fengtai Industrial Park (蕪湖豐泰產業園)	No. 61 Longteng Road Jiujiang District, Wuhu City, Anhui Province, PRC	20 January 2066	logistics property	62,304.2	62,404.5	97.9%	280.6

Performance Table

	As at 30 June 2021
Net assets attributable to Unitholders	HK\$3,922.3 million
Net assets per unit attributable to Unitholders	HK\$4.90
Market capitalisation ⁽ⁱⁱ⁾	HK\$3,504.0 million
Units issued	800,000,000
	For the period from 17 May 2021 (Date of Listing) to 30 June 2021
The highest traded unit price	HK\$4.74
The highest premium of the traded unit price to net assets per unit attributable to Unitholders ⁽ⁱⁱⁱ⁾	N/A
The lowest traded unit price	HK\$4.12
The highest discount of the traded unit price to net assets per unit attributable to Unitholders	15.92%
Net yield per unit ^(iv)	0.76%
Annualised net yield per unit	6.18%

Notes:

- (i) No comparative figures have been presented as this is the first set of SF REIT's financial results since its listing on 17 May 2021.
- (ii) Market capitalisation is calculated based on the closing price of HK\$4.38 times the units issued as at 30 June 2021.
- (iii) The highest traded unit price is lower than the net assets per unit attributable to Unitholders as at 30 June 2021. Accordingly, the highest premium of the traded unit price to net assets per unit attributable to Unitholders has not been recorded.
- (iv) The net yield per unit is calculated based on the distribution per unit for the period from 17 May 2021 to 30 June 2021 over the closing price of HK\$4.38 per unit.

Glossary

Annual Distributable Income	under the Trust Deed, means the amount for a financial year calculated by the REIT Manager (based on the audited financial statements of SF REIT for that financial year) as representing the audited consolidated net profit after tax of SF REIT and its subsidiaries for that financial year, as adjusted for the Adjustments (as defined in the Trust Deed) and, for the avoidance of doubt, is calculated after accounting for the base fee and the variable fee payable to the REIT Manager and excludes any additional discretionary distributions out of capital
associate(s)	has the meaning ascribed to this term under the REIT Code
Board	board of directors of the Company
Chairman	chairman of the Board
Chief Executive Officer	chief executive officer of the Company
Company or REIT Manager	SF REIT Asset Management Limited, as the manager of SF REIT
Compliance Manual	the compliance manual adopted by the Company in relation to the management and operations of SF REIT
connected person(s)	has the meaning ascribed to this term under the REIT Code
controlling unitholder	has the meaning ascribed to this term under the REIT Code
COVID-19	coronavirus disease 2019
Date of Establishment	29 April 2021, the date on which SF REIT was constituted by the Trust Deed
Director(s)	director(s) of the Company
Executive Director	executive director of the Company
Foshan Operations Management Agreement	has the meaning ascribed to this term under the “Connected Party Transactions” section of this report
Foshan Operations Manager	佛山市豐預泰產業園運營管理有限公司 (Foshan Fengyutai Industrial Park Operation Management Co., Ltd.), a company established in PRC and a wholly-owned subsidiary of SFH
Foshan Property	the Property owned by SF REIT in Foshan, Mainland China, and its exact location is set out in the “Portfolio of the Properties” section of this report
Foshan Runzhong	佛山市潤眾工業投資有限公司 (Foshan Runzhong Industrial Investment Co., Ltd.), a company established in PRC and a wholly-owned subsidiary of SF REIT
GDP	gross domestic product
GFA	gross floor area

GLA	gross lettable area
Group	SF REIT and its subsidiaries
HIBOR	Hong Kong Interbank Offered Rate
HK\$	Hong Kong dollar, the lawful currency of Hong Kong
Hong Kong	Hong Kong Special Administrative Region of PRC
Hong Kong Property	the Property owned by SF REIT in Tsing Yi, Hong Kong, and its exact location is set out in the “Portfolio of the Properties” section of this report
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
Independent Non-executive Director(s)	independent non-executive director(s) of the Company
LEED	the Leadership in Energy and Environmental Design which is a global green building certification system developed and issued by the U.S. Green Building Council that provides third-party verification of the features, design, construction, maintenance, operation and effectiveness of green building
Listing Date	17 May 2021, the date on which units of SF REIT were listed on the Main Board of the Hong Kong Stock Exchange
Listing Rules	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
Mainland China	PRC (excluding Hong Kong), for the purpose of this report only
Non-executive Director(s)	non-executive director(s) of the Company
Offering Circular	offering circular dated 5 May 2021 in respect of the global offering of SF REIT’s units
PRC	The People’s Republic of China
PRC Operations Managers	the Foshan Operations Manager and the Wuhu Operations Manager
Proceeds	has the meaning ascribed to this term under the “Management Discussion and Analysis” section of this report
Properties	collectively, the Hong Kong Property, the Foshan Property and the Wuhu Property, and Property individually refers to any one of them
REIT(s)	real estate investment trust(s) authorised by the SFC under the REIT Code
REIT Code	Code on Real Estate Investment Trusts issued by the SFC
Relevant Period	the period from 17 May 2021 (Listing Date) to 30 June 2021

Glossary

Reporting Period	the period from 29 April 2021 (Date of Establishment) to 30 June 2021
RMB	Renminbi, the lawful currency of PRC
SF Leases	has the meaning ascribed to this term under the “Connected Party Transactions” section of this report
SF Leasing Framework Agreement	has the meaning ascribed to this term under the “Connected Party Transactions” section of this report
SF REIT	SF Real Estate Investment Trust, a collective investment scheme authorised under section 104 of the SFO and constituted by the Trust Deed
SFC	Securities and Futures Commission of Hong Kong
SFH	S.F. Holding Co., Ltd. (順豐控股股份有限公司), a company established in PRC and whose shares are listed on the Shenzhen Stock Exchange, and is a controlling unitholder of SF REIT
SFH Group	SFH and its subsidiaries
SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
sq.m.	square metre
subsidiary(ies)	has the meaning ascribed to this term under the Listing Rules
substantial holder(s)	has the meaning ascribed to this term under the REIT Code
Trust Deed	trust deed dated 29 April 2021 entered into between the Trustee and the REIT Manager constituting SF REIT
Trustee	DB Trustees (Hong Kong) Limited, as the trustee of SF REIT
unit(s)	unit(s) of SF REIT (unless the context requires otherwise)
Unitholder(s)	holder(s) of unit(s) of SF REIT
VAT	value added tax
Wuhu Fengtai	蕪湖市豐泰電商產業園管理有限公司 (Wuhu Fengtai E-commerce Industrial Park Management Co., Ltd.), a company established in PRC and a wholly-owned subsidiary of SF REIT
Wuhu Operations Management Agreement	has the meaning ascribed to this term under the “Connected Party Transactions” section of this report
Wuhu Operations Manager	合肥市捷泰企業管理有限公司 (Hefei Jietai Enterprise Management Co., Ltd.), a company established in PRC and a wholly-owned subsidiary of SFH
Wuhu Property	the Property owned by SF REIT in Wuhu, Mainland China, and its exact location is set out in the “Portfolio of the Properties” section of this report

Corporate Information

Board of Directors of REIT Manager

Chairman and Non-Executive Director

Mr. WANG Wei

Executive Director

Mr. Hubert CHAK (*Chief Executive Officer*)

Non-executive Directors

Ms. NG Wai Ting
Mr. YANG Tao
Mr. LEONG Chong

Independent Non-executive Directors

Mr. TAN Huay Lim
Mr. HO Lap Kee, MH, JP
Mr. CHAN Ming Tak, Ricky
Mr. KWOK Tun Ho, Chester
Mr. Michael Tjahja SUSANTO

Responsible Officers of REIT Manager

Mr. Hubert CHAK
Mr. HONG Kam Kit, Eddie
Mr. CHOW Chi Ping, Simon

Company Secretary of REIT Manager

Ms. LEUNG Wai Yee

Trustee

DB Trustees (Hong Kong) Limited

Principal Valuer

Jones Lang LaSalle Corporate Appraisal and Advisory
Limited

Auditor

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

Hong Kong Legal Advisor

Baker & McKenzie

Registered Office of REIT Manager

Room 2002, 20/F., Lee Garden Six
111 Leighton Road
Causeway Bay
Hong Kong

Unit Registrar and Transfer Office

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong
Telephone: (852) 2980 1333
e-mail: is-enquiries@hk.tricorglobal.com

Investor's Enquiry

Telephone: (852) 3690 8134
Facsimile: (852) 3690 8132
Email: irsfreit@sfmail.sf-express.com

Website

www.sf-reit.com

Stock Code

2191

