

To: Business Editor
[For Immediate Release]



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

SF REIT Announces Interim Results 2024

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Sustained Resilient Growth in Volatile Environment, Gearing Up for Opportunities When Market Turns

Results highlights for the six months ended 30 June 2024:

- Total revenue up 1.6% to HK\$222.3 million¹
- Net property income (“NPI”) up 2.3% to HK\$181.1 million¹
- Distribution per unit (“DPU”) up 0.5% to HK14.71 cents
- 100% payout ratio retained, with 11.1% annualised distribution yield²
- Overall occupancy remained high at 98.0%
- All major leases expiring in 2024 renewed with 10.0% average rental reversion

(Hong Kong, 15 August 2024) **SF REIT Asset Management Limited** (“the REIT Manager”), as the manager of **SF Real Estate Investment Trust** (“SF REIT”, SEHK: 2191), the first and only logistics-focused REIT listed in Hong Kong, announces its interim results for the six months ended 30 June 2024 (the “Reporting Period”).

Despite the complex uncertainties brought by persistently high USD interest rates and unresolved geopolitical tensions around the world, during the Reporting Period, SF REIT continued to deliver a set of satisfactory results. Total revenue amounted to HK\$222.3 million,¹ an increase of 1.6% year-on-year; net property income was HK\$181.1 million,¹ an increase of 2.3%.

Total distributable income for the Reporting Period increased by 1.9% year-on-year to HK\$119.3 million, and the interim distribution per unit increased by 0.5% year-on-year to HK14.71 cents, representing a 100% payout ratio and an annualised distribution yield of 11.1%.²

The REIT manager maintained a robust leasing performance as a result of its proactive strategy to cultivate long-term and healthy relationships with tenants. As at 30 June 2024, the overall occupancy level across SF REIT's portfolio remained high at 98.0% in terms of gross lettable area (“GLA”). The SFH Group, as an anchor tenant, occupied 80.2% of the GLA and contributed approximately 75.1% of the total revenue.

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

² Based on the closing unit price of HK\$2.67 on the last trading day of the Reporting Period.

In addition, the REIT Manager successfully renewed and re-let all major leases expiring in 2024 with a total GLA of approximately 34,500 sq.m., representing 93.8% of the leases due to expire in 2024. Notably, all expiring leases due in Hong Kong's Tsing Yi Property have already been renewed with an average positive rental reversion of 10.0%.

As at 30 June 2024, the total appraised value of SF REIT's portfolio was HK\$7,252.4 million, a slight dip of 1.8% compared to that as at 31 December 2023, primarily attributable to an expansion of capitalisation rates and drop of market rents of the Mainland China properties, reflecting a more cautious outlook on the economy and logistics market.

Mr. Hubert Chak, Executive Director and Chief Executive Officer of the REIT Manager, said, *"We are pleased to report steadily growing income and distribution in such a challenging environment. Although the general market prospects are still unclear and may not recover quickly, we expect to benefit from the likely interest rate cut, as well as the expanding cross-border e-commerce in Hong Kong and Mainland China, which shall sustain the demand for modern logistics properties and support the industry's rental level."*

"With a prime portfolio of strategically located and high-quality logistics assets, we will uphold our proactive asset management and prudent risk management in navigating the prevailing turbulence, while continuing to closely monitor the volatile market and strengthening our capabilities, with an aim to act swiftly in possible acquisition plans targeting assets in the Greater Bay Area when the market turns, and to generate sustainable value for Unitholders."

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About SF Real Estate Investment Trust

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

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

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