

To: Business Editor
[For Immediate Release]



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

SF REIT Delivers Solid Interim Performance

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Enlarged Asset Portfolio to Diversify Income Streams with Completion of Changsha Property Acquisition

Highlights for the Six Months ended 30 June 2022 (the “Reporting Period”)

- Revenue amounted to HK\$197.5 million, while net property income reached HK\$161.6 million.
- Income available for distribution to Unitholders amounted to HK\$109.4 million.
- Total appraised value of the Properties was HK\$7,356.8 million as at 30 June 2022, up by 12.5% as compared to the last valuation as at 31 December 2021.
- The Board has resolved to declare an interim distribution of HK13.67 cents per unit, representing a payout ratio of 100% and an annualised distribution yield of 8.0%¹.
- Completed its first acquisition of a modern logistics property in Changsha, China, expanding the geographical footprint of SF REIT to Central China.
- Robust capital structure with gearing at 34.5%, providing headroom for future acquisitions.

¹ Computation based on the closing unit price of HK\$3.45 on 30 June 2022.

As SF REIT was established on 29 April 2021, no appropriate year-on-year comparative figures are available.

(Hong Kong, 18 August 2022) **SF Real Estate Investment Trust** (“**SF REIT**” or “**the Group**”, SEHK: 2191), the first and only logistics-focused REIT listed in Hong Kong, announced its interim results for the six months ended 30 June 2022 (the “Reporting Period”).

For the Reporting Period, SF REIT recorded a revenue of HK\$197.5 million. Net property income came in at HK\$161.6 million and the distributable income for the Reporting Period was HK\$109.4 million. The independently appraised value of SF REIT’s portfolio was HK\$7,356.8 million, representing an increase of 12.5% from that as at 31 December 2021 mainly attributable to a new acquisition and growth in the Tsing Yi Property.

The Board has resolved to declare an interim distribution of HK13.67 cents per Unit for the Reporting Period, representing a payout ratio of 100% and an annualised distribution yield of 8.0% (based on the closing unit price of HK\$3.45 on 30 June 2022). Distribution will be paid on 29 September 2022

to the Unitholders whose names appear on the register of Unitholders of SF REIT as at 5 September 2022.

Mr. Hubert Chak, Executive Director and Chief Executive Officer of SF REIT Asset Management Limited, the manager of SF REIT (the “REIT Manager”) said, *“Despite the many challenges in the first half of 2022, SF REIT benefitted from the sustained demands for logistics services and delivered solid operational performance. We are pleased to have completed our first post-IPO acquisition in June 2022, with the addition of a modern logistics property in Changsha, China. It has extended our geographical footprint to Central China, complementing our portfolio which covers the Greater Bay Area and Yangtze River Delta. The enlarged portfolio is expected to bring better economies of scale from enhanced operating synergies.”*

High Occupancy Rate and Stable Revenue Base

SF REIT’s current portfolio comprises four modern logistics properties strategically located in Tsing Yi, Hong Kong as well as Foshan, Wuhu, and Changsha, Mainland China. These four properties are all within key logistics hubs which were initially developed to support the logistics operations of members of the SFH Group.

As at 30 June 2022, the average occupancy rate of SF REIT’s portfolio was 98.1 % (31 December 2021: 95.8%). SFH Group tenants occupied 78.8% of the gross lettable area (“GLA”) and contributed approximately 75.3% of the total revenue for the Reporting Period. The majority of the leases with the SFH Group tenants are relatively long with expiry in 2026 and with annual rental increases providing a high degree of income stability for SF REIT.

Tsing Yi Property, Hong Kong

As at 30 June 2022, the Tsing Yi Property had an occupancy rate of 97.3% (31 December 2021: 92.6%) with approximately 65.9% of the GLA leased to the SFH Group tenants. The improvement in occupancy was attributable to strong demand for logistic services and the REIT Manager’s proactive leasing strategy. In addition, a new tenant in the food supply industry which requires cold storage facilities has been secured during the Reporting Period.

Properties in Foshan, Wuhu and Changsha, Mainland China

As at 30 June 2022, the Foshan Property and Wuhu Property had an occupancy rate of 100.0% (31 December 2021: 100.0%) and 96.2% (31 December 2021: 98.5%), respectively. The newly acquired property in Changsha had an occupancy rate of 98.8% as at 30 June 2022 with approximately 75.5% of the property’s GLA leased to various business units of the SFH Group including express delivery, freight forwarding and contract logistics.

ESG Commitments

SF REIT recognises the importance of integrating ESG principles and values into business decision-making process to create long-lasting value to unitholders and society at large. A case in point is the extensive installation of solar panels at properties to reduce electricity consumption. Another initiative is the increase in female representation in the Board of Directors so as to increase gender diversity. SF REIT will continue to follow the key pillars of its ESG strategies, namely, integrity of business, health and well-being, excellence in services and green operation.

Growth Prospects Driven by Sustained Logistic Services Demand

Looking forward, the REIT Manager believes that SF REIT is on the right track to grow both organically and through acquisitions given the compelling fundamentals of modern logistics property. In the second half of 2022, the REIT Manager will work closely with the SFH Group under this strategy and focus on properties with stable income stream supported by SFH Group as a major tenant in different cities across Mainland China to expand SF REIT’s portfolio.

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About SF Real Estate Investment Trust

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

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

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