



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))

2021 Interim Results Presentation



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Section 1








Highlights



Highlights



- 1** Operational performance benefited from strong demand for modern logistic properties 
- 2** Portfolio value increased reflecting improved leased terms 
- 3** Long term leases with SFH Group tenants provide high degree of income stability 
- 4** Prudent balance sheet provides gearing headroom to support future acquisitions 
- 5** Continue to work closely with SFH Group to pursue acquisition opportunities 

Section 2

Summary of Interim Results



Financial Performance (for the Reporting Period) ⁽²⁾



Income ⁽²⁾

Revenue: HK\$50.7 Mn
NPI: HK\$42.2 Mn
NPI Margin: 83.3%

- 5 years' lease with SFH Group:**
 - **Reset to market rent;**
 - **3 - 5% annual escalation;**
 - **Circa 76.6% of rental contributed by SFH Group = High income stability.**

Net Asset Value ⁽³⁾

NAV HK\$3,922.3 Mn
NAV / Unit HK\$4.9

- Supported by prime logistics portfolio in strategic locations**

Gearing Ratio ⁽³⁾

29.6%

- Ample headroom for future debt financing for acquisitions**

Notes:

(1) First results since establishment on 29 April 2021. No comparative figures available.

(2) For the Reporting Period from 29 April 2021 (date of establishment) to 30 June 2021.

(3) As at 30 June 2021

Section 3

Portfolio Overview



First and only logistics-focused REIT in Hong Kong



3 modern logistics properties in prime locations of Hong Kong and Mainland China

- ✓
First logistics-focused REIT in Hong Kong
- ✓
Prime logistics assets with competitive specifications
- ✓
Top-quality and stable tenant base
- ✓
ROFR has been granted to acquire properties from SFH

REIT Portfolio	
Properties	3
Gross lettable area	307,678 sq.m.
Appraised value ⁽¹⁾	HK\$6,446 M
Occupancy rate ⁽¹⁾	95.7%
WALE ⁽¹⁾	4.4 Years
REIT manager	SF REIT Asset Management Limited

Foshan Guicheng Fengtai Industrial Park

- GLA: **84,951 sq.m.**
- Appraised value⁽¹⁾: **HK\$563 M**
- Year of completion: **2021**
- Occupancy⁽¹⁾: **100%**



Strategically located, modern logistics property portfolio



Wuhu Fengtai Industrial Park

- GLA: **62,405 sq.m.**
- Appraised value⁽¹⁾: **HK\$281 M**
- Year of completion: **2019**
- Occupancy⁽¹⁾: **97.9%**



Asia Logistics Hub – SF Centre

- GLA: **160,322 sq.m.**
- Appraised value⁽¹⁾: **HK\$5,602 M**
- Year of completion: **2014**
- Occupancy⁽¹⁾: **92.6%**



Note: (1) As at 30 June, 2021

Portfolio Performance



Occupancy Rates ⁽¹⁾

Average / Total:

95.7 %

-Hong Kong:

92.6%

-Foshan :

100.0%

-Wuhu :

97.9%

80.0% leased to SFH Group for 5 years, providing stability of income

Property Valuation HK\$ M ⁽¹⁾

6,446.0  5.7%

5,602.0  6.0% ⁽²⁾

563.4  1.1% ⁽²⁾

280.6  4.4% ⁽²⁾

**- Value increased reflecting new leases entered with SFH Group and FX changes.
- No change in yields and methodology adopted by independent valuer.**

Notes:

(1) As at 30 June 2021

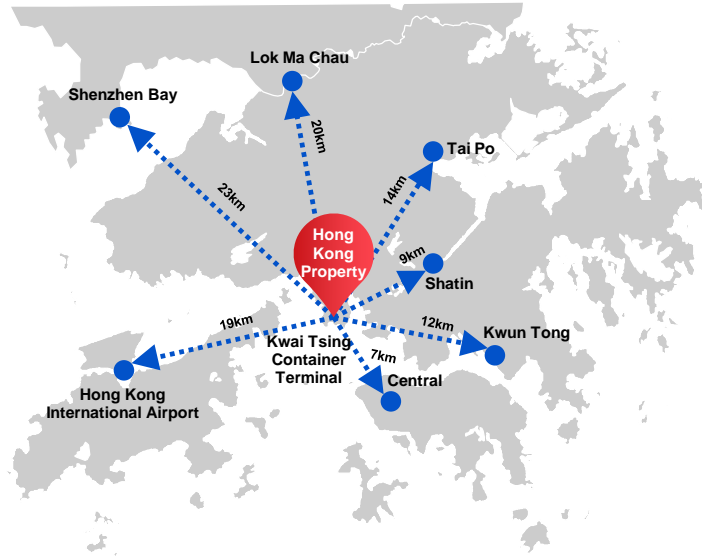
(2) In local currency



Prime property portfolio

Asia Logistics Hub – SF Centre, Tsing Yi, Hong Kong

Strategically located



Tsing Yi, Hong Kong
A premium logistics cluster

- **100m** from Container Terminal No. 9
- **19km** from Hong Kong International Airport

- Conveniently accessible by major roads/infrastructure such as **Hong Kong-Zhuhai-Macao Bridge** and **Guangzhou-Shenzhen-Hong Kong Express Rail Link**

Modern logistics property

A 15-storey 'ramp-up' modern logistics property with a distribution centre equipped with automatic sorting and supply chain support facilities



Vehicular ramp access to every warehouse floor with **direct, spacious loading/unloading docks**

High quality building specifications such as **large and regular floor plates, high ceilings** and **wide column spacing** for optimal spacing utilization

Gross Lettable Area

160,322.2 sq.m.

Expiry of gov't. lease

13 Jan 2061

Occupancy⁽¹⁾

92.6%
(65.9% of GLA leased to SFH Group)

Valuation⁽²⁾

HK\$5,602.0 M

Term Yield: 3.9%
Reversionary Yield: 4.4%

Numbers of Tenants ⁽¹⁾

SFH Group - 2
Other 3rd parties - 6

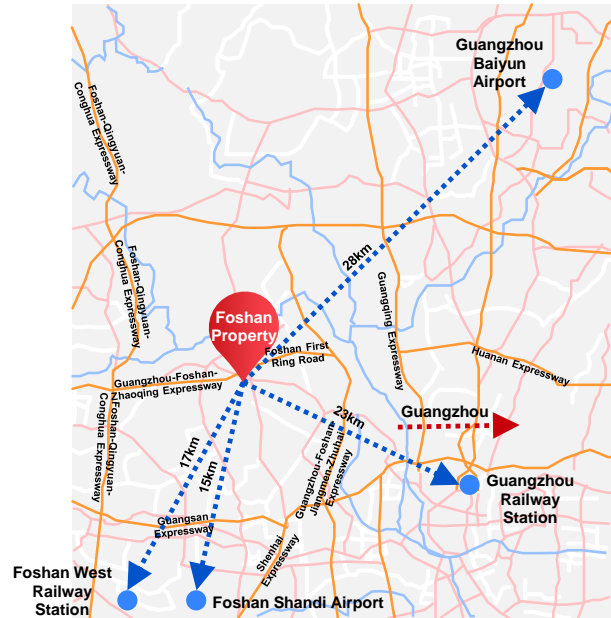
Note: (1) As at 30 June 2021

Prime property portfolio

Foshan Guicheng Fengtai Industrial Park, Nanhai District, Foshan, Guangdong



Strategically located



Foshan, Guangdong

Key tier-1 city in the Pearl River Delta
The manufacturing center of western Greater Bay Area

- Neighbors Foshan First Ring Road
- ~23km from largest high-speed railway station in Southern China
- 28km from Guangzhou Baiyun Airport (one of the biggest aviation transportation hubs in the PRC)

Modern logistics property

A three-storey ramp-up modern logistics property



Equipped with **intelligent technology, built-to-suit facilities**, such as **automatic sorting** and **supply chain support facilities**

Purposefully caters to the needs of its **single logistics tenant** (Foshan SF Express Co., Ltd.)

Gross Lettable Area

84,950.8 sq.m.

Expiry of gov't. lease

20 July 2049

Occupancy⁽¹⁾

100.0%
(99.9% of GLA leased to SFH Group)

Valuation⁽²⁾

HK\$563.4 M

Term Yield: 5.0%
Reversionary Yield: 5.5%

Numbers of Tenants⁽¹⁾

SFH Group - 1
Other 3rd party - 1

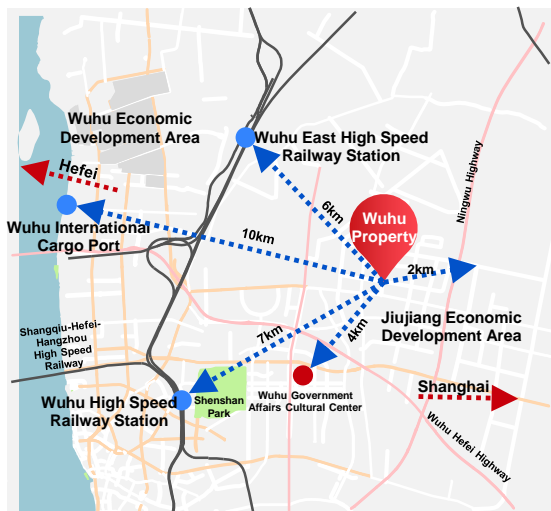
Note: (1) As at 30 June 2021



Prime property portfolio

Wuhu Fengtai Industrial Park, Jiujiang District, Wuhu, Anhui

Strategically located



Wuhu, Anhui

Key **transportation hub** in Yangtze River Economic Region
Competitive capabilities in industrial/E-commerce/3PL sectors

Jiujiang Economic Development Area

A national level development zone for logistics enterprises

▪ **2km** from Ningwu Highway

▪ **10km** from Wuhu International Cargo Port

▪ Wuhu is **~4 hours' commute from Beijing** and **1.5 hours' commute from Hangzhou**

Modern logistics property

Two high-standard warehouses, an automatic distribution center, a R&D building and two ancillary buildings



Automatic sorting and supply chain support facilities

Gross Lettable Area

62,404.5 sq.m.

Expiry of gov't. lease

20 Jan 2066

Occupancy⁽¹⁾

97.9%
(89.1% of GLA leased to SFH Group)

Valuation⁽¹⁾

HK\$280.6 M

Term Yield: 5.0%
Reversionary Yield: 5.5%

Numbers of Tenants ⁽¹⁾

SFH Group - 2
Other 3rd parties - 20

Note: (1) As at 30 June 2021

Section 4



Financial Details



Income Statement Highlights



First set of results since Date of Establishment, no year-on-year comparison available.

SFH Group contributed approximately 76.6% of the rental income, providing a relatively long term stable income source.

G&A expenses included HK\$7.7 M of listing expenses which is one-off and adjusted for distribution calculation.

	29 April 2021 – 30 June 2021
	(HK\$'000)
Revenue	50,700
Property operating expenses	(8,489)
Net property income	42,211
G&A expenses	(13,006)
Other losses - net	(3,833)
Operating profit	25,372
Finance costs, net	(4,298)
Income tax expenses	(5,269)
Profit after tax for the period	15,805

Distribution Statement Highlights



	29 April 2021 - 30 June 2021
	(HK\$'000)
Profit for the period	15,805
Adjustments ⁽¹⁾	10,892
Total distributable income	26,697
Intended distribution as a percentage of total distributable income	100%
Total distributions to Unitholders	26,697
Units in issue as at 30 June 2021	800,000,000
Distribution per unit	HK3.34 cents

1st distribution comprises:
(i) Interim Results' HK\$26.7 M; and
(ii) Six-month period ending 31 December 2021

1st distribution will be paid no later than the end of May 2022.

Note:

(1) As disclosed in the Offering Circular's Distribution Policy, the distributable income is profit for the period, before distribution to 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.

Balance Sheet Summary



30 June 2021

(HK\$'000)

Non-current assets

Investment properties	6,446,006
Others	16,201
	<hr/>
	6,462,207

Current assets

Cash and cash equivalents	173,321
Others	54,258
	<hr/>
	227,579

Total assets **6,689,786**

Current liabilities	265,123
Non-current liabilities	2,502,413
	<hr/>
Total liabilities	2,767,536

Net assets attributable to Unitholders **3,922,250**
Units in issue as at 30 June 2021 800,000,000

Net assets per unit attributable to Unitholders **HK\$4.90**

Healthy balance sheet supported by:
-Premium modern logistics assets; and
-Relatively long debt maturity profile.

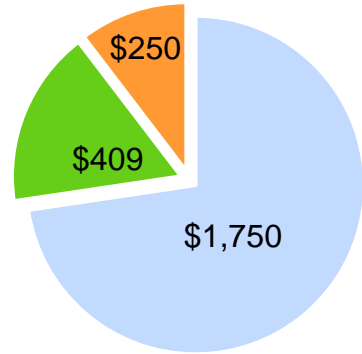
Total bank borrowings \$1,984M - gearing ratio 29.6% allows ample headroom for future debt financing and acquisitions.

Unit price of \$4.38 as at 30 June 2021 represents a discount of 10.6% to the NAV.



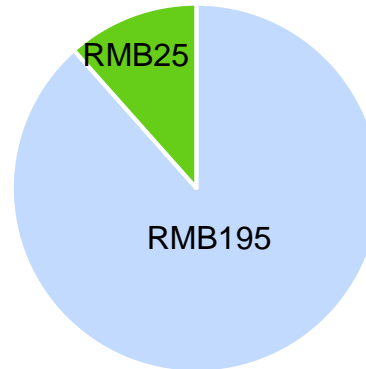
Borrowings (as at 30 June 2021)

HK\$ debt facilities⁽¹⁾
(HK\$'M)



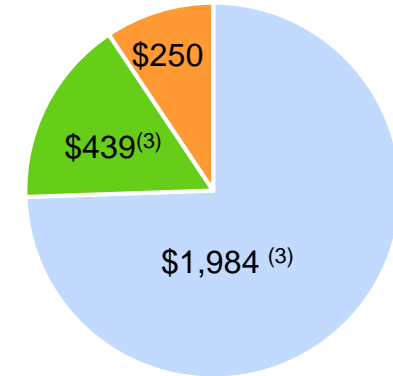
- Utilised term loan (5-year term)
- Unutilised term loan
- Unutilised revolving loan

RMB debt facilities⁽²⁾
(RMB'M)



- Utilised term loan (5-year term)
- Unutilised term loan

Total debt facilities
(HK\$'M)



- Utilised term loan
- Unutilised term loan
- Unutilised revolving loan

Notes:

(1) Includes 5-year term loan @ HIBOR+1.1% and uncommitted revolving loan @ HIBOR+0.85% repayable 1 year from drawdown date.

(2) On-shore RMB borrowings @ 5.5%.

(3) Exchange Rate adopted: RMB 1= HK\$ 1.12.

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