

Press Release

**Sunlight Real Estate Investment Trust (“Sunlight REIT”)
Second Interim Results for the 12 Months Ended 30 June 2024**

Hong Kong, 13 August 2024 — Henderson Sunlight Asset Management Limited (the “**Manager**”) announces the second interim results of Sunlight REIT for the 12 months ended 30 June 2024 (the “**Reporting Period**”).

Sunlight REIT’s revenue grew 6.0% year on year to HK\$830.2 million, mainly attributable to the full-year contribution from West 9 Zone Kids. Property operating expenses increased 14.4% to HK\$182.2 million, reflecting lower fiscal concessions as compared with the previous year. Net property income came in at HK\$648.0 million, up 3.9%, with a cost-to-income ratio of 21.9%.

Distributable income was down 12.2% year on year to HK\$333.9 million. Pursuant to the change of financial year end date of Sunlight REIT from 30 June to 31 December, the Board has resolved to declare a second interim distribution per unit (“**DPU**”) of HK 9.1 cents. Together with the first interim DPU of HK 9.0 cents, total DPU for the Reporting Period would amount to HK 18.1 cents, representing a payout ratio of 92.6%. The distribution yield was 10.6% based on the closing price of HK\$1.71 on the last trading day of the Reporting Period.

The appraised value of Sunlight REIT’s portfolio was HK\$18,418.6 million at 30 June 2024. Gross assets and net assets were HK\$19,056.6 million and HK\$13,495.6 million respectively. Net asset value was HK\$7.87 per unit.

Operating Highlights

At 30 June 2024, the overall occupancy rate of Sunlight REIT’s portfolio was 91.6% (30 June 2023: 93.3%), while the corresponding figures of the office and retail portfolios were 91.3% and 92.2% respectively (30 June 2023: 93.1% and 93.5%). For the Reporting Period, the office portfolio recorded a negative rental reversion of 1.6%, while that of the retail portfolio was a positive 1.6%, giving rise to a positive rental reversion of 0.3% for the overall portfolio.

In respect of the operating performance of key office properties, the occupancy rate of Dah Sing Financial Centre at 30 June 2024 stayed largely unchanged at 90.2%, while passing rent was down 5.0% to HK\$39.7 per sq. ft.. On the Kowloon side, Righteous Centre performed reasonably well during the Reporting Period with an occupancy rate of 96.7%, while The Harvest was affected by certain non-renewing tenancies in the first half of 2024, resulting in a lower occupancy rate of 87.8%.

-cont’d-

Press Release

Sunlight REIT's Second Interim Results for the 12 Months Ended 30 June 2024
Page 2 of 3

Regarding the performance of the retail portfolio, Metro City Phase I Property recorded an occupancy rate of 93.9% at 30 June 2024, while passing rent was HK\$ 54.2 per sq. ft.. The occupancy rate of Sheung Shui Centre Shopping Arcade was 90.5%, principally attributable to a prolonged rent void period to identify a replacement kindergarten tenant. Passing rent was HK\$104.8 per sq. ft. at 30 June 2024.

Mr. Au Siu Kee, Alexander, Chairman of the Manager, said, "Prospects for commercial leasing in Hong Kong should become more stable based on the global economic environment, despite still being clouded by certain fundamental and structural hurdles. Meanwhile, as the US economy is finally showing signs of cooling off, we are of the view that further risk escalation in respect of interest rates should be limited."

Remarks: Attached financial highlights of second interim results of Sunlight REIT for the 12 months ended 30 June 2024.

- End -

About Sunlight REIT

Listed on The Stock Exchange of Hong Kong Limited since 21 December 2006, Sunlight REIT (stock code: 435) is a real estate investment trust authorized by the Securities and Futures Commission and constituted by the trust deed dated 26 May 2006 (as amended and restated) (the "**Trust Deed**"). It offers investors the opportunity to invest in a diversified portfolio of 11 office and six retail properties in Hong Kong with a total gross rentable area of approximately 1.3 million sq. ft.. The office properties are located in both core and decentralized business areas, while the retail properties are situated in regional transportation hubs, new towns and urban areas with high population density.

About the Manager

The Manager of Sunlight REIT is an indirect wholly-owned subsidiary of Henderson Land Development Company Limited. Its main responsibility is to manage Sunlight REIT and all of its assets in accordance with the Trust Deed in the sole interest of its unitholders.

Press Release

Sunlight REIT's Second Interim Results for the 12 Months Ended 30 June 2024
Page 3 of 3

Financial Highlights of Second Interim Results for the 12 months ended 30 June 2024

(in HK\$' million, unless otherwise specified)

	12 months ended 30 June 2024 (unaudited)	Year ended 30 June 2023 (audited)	Change (%)
Revenue	830.2	783.3	6.0
Net property income	648.0	624.0	3.9
Profit/(loss) after taxation	159.2	(28.4)	N/A
Distributable income	333.9	380.3	(12.2)
Distribution per unit (HK cents)	18.1	22.0	(17.7)
Payout ratio (%)	92.6	97.9	N/A
	At 30 June 2024 (unaudited)	At 30 June 2023 (audited)	Change (%)
Portfolio valuation	18,418.6	18,512.2	(0.5)
Net asset value	13,495.6	13,669.2	(1.3)
Net asset value per unit (HK\$)	7.87	8.06	(2.4)
Gearing ratio (%)	26.3	26.1	N/A

Disclaimer: The information contained in this press release does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for units in Sunlight REIT in Hong Kong or any other jurisdiction.

This press release is issued by Strategic Financial Relations Limited on behalf of the Manager. For further information, please contact:

Strategic Financial Relations Limited

Keris Leung / Doris Ho / Cita Zhang

T: (852) 2864 4863 / 2114 4916 / 2864 4806

E: sunlightreit@sprg.com.hk