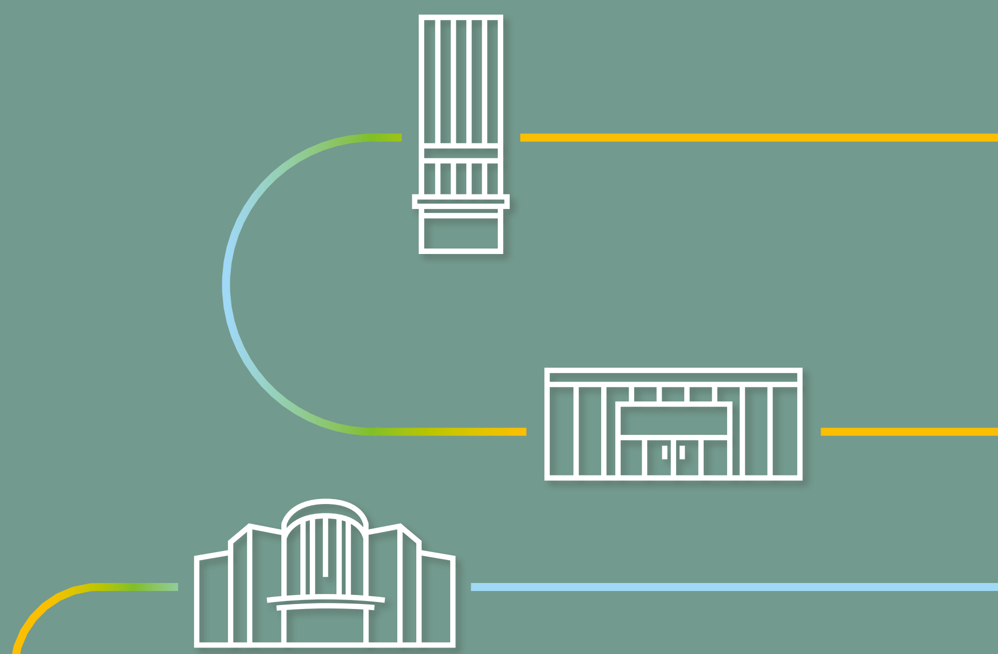
SUNLIGHT REIT

陽光房地產基金

Stock Code 股份代號：435



2026

Interim Report

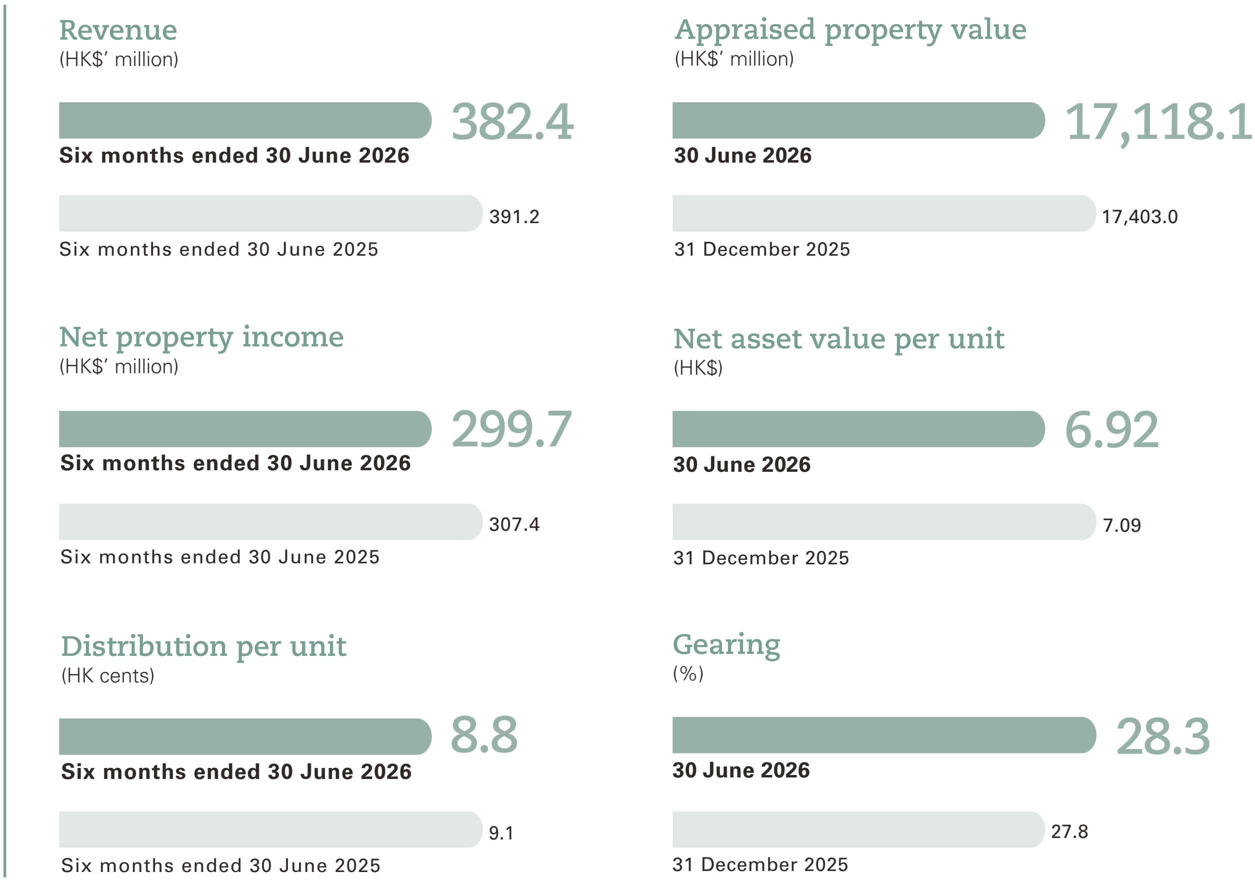
中期報告

Sunlight REIT

Listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 21 December 2006, Sunlight Real Estate Investment Trust ("**Sunlight REIT**") (stock code : 435) is a real estate investment trust authorized by the Securities and Futures Commission (the "**SFC**") 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 ("**GRA**") of approximately 1.3 million sq. ft. and an aggregate appraised value of HK$17,118.1 million at 30 June 2026. 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.

Sunlight REIT is managed by Henderson Sunlight Asset Management Limited (the "**Manager**") which is an indirect wholly-owned subsidiary of Henderson Land Development Company Limited ("**HLD**"). The Manager's 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.

Performance Highlights



Contents

Forward-looking Statements

This interim report contains certain statements and terminologies that are forward-looking. These statements are made on the basis of the current beliefs, assumptions, expectations and projections of the board of directors (the "**Board**") and senior management of the Manager. They are subject to risks, uncertainties and other factors beyond the Manager's control, the emergence of which may cause actual results or performance to differ materially from those expressed or implied in such statements.

Market and Operation Review

For the six months ended 30 June 2026 (the "**Reporting Period**"), global economic conditions were unexpectedly influenced by the outbreak of armed conflict primarily involving the United States ("**US**") and Iran, which heightened geopolitical tensions in the Middle East and triggered a sharp surge in energy costs. The resultant resurgence in inflationary anxiety and its implications for interest rates have become a defining concern, casting a long shadow over market sentiment.

Hong Kong's monetary conditions and interbank rates continued to broadly track the shifts in US interest rate expectations. Meanwhile, capital inflows into the territory somewhat moderated, as evidenced by the lackluster performance of the local equity market during the Reporting Period.

Performance of Hong Kong's Grade A office leasing market was stable during the period under review. Positive net absorption was mainly underpinned by demand from the financial sector, with core Central office premises continuing to steal the limelight. By contrast, activities in decentralized areas remained subdued amid abundant supply. According to statistics provided by Knight Frank Petty Limited, while the overall Grade A office vacancy rate was 13.9% at 30 June 2026, the corresponding rate in Kowloon East was 19.1%.

On the retail front, the ongoing rebound in inbound tourism helped reinforce Hong Kong's retail sales, the value of which registered a year-on-year increase of 9.6% during the Reporting Period. However, community shopping malls continued to face headwinds from evolving consumption patterns, notably the growing prevalence of online shopping and the sustained popularity of cross-border consumption among local residents.

At 30 June 2026, the overall occupancy rate of Sunlight REIT's portfolio stood at 90.8% (31 December 2025: 90.6%). Occupancy rates of the office and retail portfolios came in at 92.0% and 88.4% respectively, while their corresponding passing rents were HK$30.6 per sq. ft. and HK$62.2 per sq. ft., down 1.3% and 2.7% from six months ago. The portfolio recorded a negative rental reversion of 7.6% for the period under review, while the average retention rate achieved a satisfactory level of 77%.

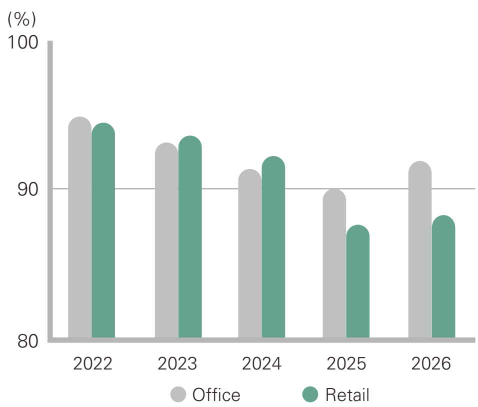
Dah Sing Financial Centre, the flagship office property of Sunlight REIT, recorded an occupancy of 91.8%, while its passing rent stayed largely unchanged at HK$35.2 per sq. ft. A similar level of occupancy was achieved by the Sheung Wan/Central portfolio, reflecting the spillover demand from Central. In respect of the service-driven office portfolio located in Mong Kok, the occupancy of Righteous Centre was 88.0%, while its neighbouring property, The Harvest, recorded an occupancy level of 95.7%.

Regarding the retail portfolio, the occupancy of Sheung Shui Centre Shopping Arcade came in at 86.9%, mainly attributable to the prolonged vacancy pending the replacement of a kindergarten tenant. Passing rent of this property was HK$98.2 per sq. ft. Meanwhile, Metro City Phase I Property reported an occupancy rate of 88.0%, while its passing rent was HK$52.0 per sq. ft. Finally, the occupancy rate of Kwong Wah Plaza Property in Yuen Long was 92.8%, while its passing rent stood at HK$51.7 per sq. ft.

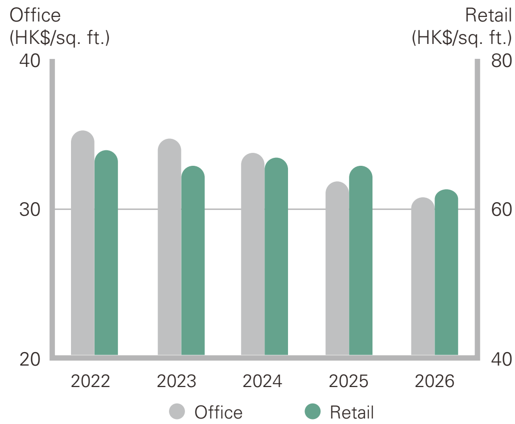
Tenants

At 30 June 2026, Sunlight REIT had a total of 847 tenancies, of which office and retail tenants numbered 527 and 320 respectively. The largest tenant and the top five tenants accounted for 7.8% and 17.1% of total revenue for the Reporting Period respectively.

Portfolio occupancy trend
(at 30 June)



Passing rent profile
(at 30 June)



Tenant mix of key retail properties by GRA
(at 30 June 2026)

	Sheung Shui Centre Shopping Arcade	Metro City Phase I Property
Food and beverage	26.6%	30.9%
Financial	16.8%	8.7%
Healthcare and beauty	12.8%	13.9%
Grocery and light refreshments	11.1%	9.6%
Fashion, jewellery and optical	9.0%	5.1%
Lifestyle	4.2%	5.0%
Education	2.5%	9.3%
Others	3.9%	5.5%
Vacant	13.1%	12.0%

Sustainability

In March 2026, Sheung Shui Centre Shopping Arcade achieved a Gold rating under "LEED v4.1 Operations and Maintenance : Existing Buildings", reflecting the continued commitment of Sunlight REIT to advancing sustainable operational practices across the property portfolio. A summary of key green building certifications is provided below :

Property	Certificates	Rating
Dah Sing Financial Centre	BEAM Plus EB V2.0 Comprehensive Scheme	Platinum
Strand 50	BEAM Plus EB V2.0 Selective Scheme (Materials and Waste Aspects, and Indoor Environmental Quality Aspect)	Excellent Grade
	LEED v4.1 Operations and Maintenance : Existing Buildings	Gold
Metro City Phase I Property	BEAM Plus EB V2.0 Selective Scheme (Site Aspects)	Excellent Grade
	LEED v4.1 Operations and Maintenance : Existing Buildings	Gold
Sheung Shui Centre Shopping Arcade	BEAM Plus EB V2.0 Selective Scheme (Site Aspects)	Excellent Grade
	LEED v4.1 Operations and Maintenance : Existing Buildings	Gold
Kwong Wah Plaza Property Righteous Centre 235 Wing Lok Street Trade Centre	BEAM Plus EB V2.0 Selective Scheme (Site Aspects)	Excellent Grade
West 9 Zone Kids	BEAM Plus EB V2.1 Selective Scheme (Site Aspects)	Very Good Grade

Financial Review

Financial highlights

(in HK$' million, unless otherwise specified)

	Six months ended 30 June 2026	Six months ended 30 June 2025	Change (%)
Revenue	**382.4**	391.2	(2.2)
Net property income	**299.7**	307.4	(2.5)
Cost-to-income ratio (%)	**21.6**	21.4	N/A
Loss after taxation	**(124.1)**	(172.2)	N/A
Distributable income	**164.0**	168.6	(2.7)
Distribution per unit (HK cents)	**8.8**	9.1	(3.3)
Payout ratio (%)	**94.3**	93.8	N/A

	At 30 June 2026	At 31 December 2025	Change (%)
Portfolio valuation	**17,118.1**	17,403.0	(1.6)
Total assets	**17,728.3**	17,944.4	(1.2)
Total liabilities	**5,560.1**	5,541.8	0.3
Net asset value	**12,168.2**	12,402.6	(1.9)
Net asset value per unit (HK$)	**6.92**	7.09	(2.4)
Gearing ratio (%)	**28.3**	27.8	N/A

Operating results

For the Reporting Period, Sunlight REIT recorded revenue of HK$382.4 million, a year-on-year decline of 2.2%. After deducting property operating expenses of HK$82.7 million, net property income came in at HK$299.7 million. The cost-to-income ratio for the Reporting Period was 21.6%.

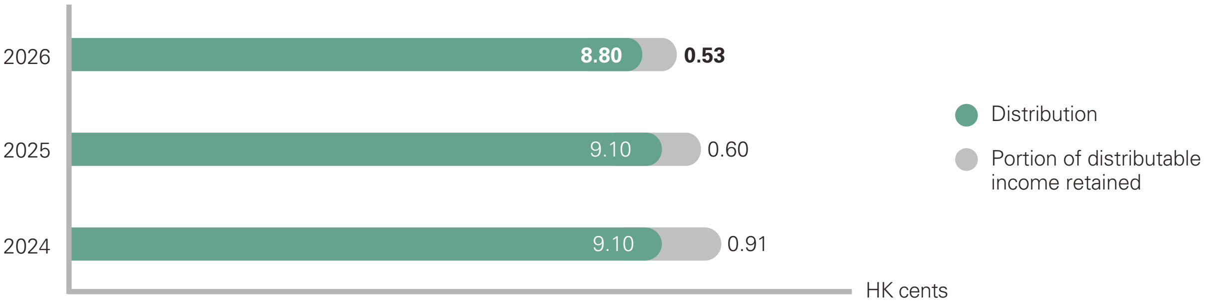
Taking into account a decrease in fair value of investment properties amounting to HK$266.1 million, a loss after taxation of HK$124.1 million was recorded.

Distribution

Aided by a 7.9% saving in cash interest expense to HK$84.3 million, distributable income for the Reporting Period was HK$164.0 million, a 2.7% drop from the corresponding period in the previous year.

The Board has resolved to declare an interim distribution per unit of HK 8.8 cents, representing a payout ratio of 94.3% and an annualized distribution yield of 8.1% based on the closing unit price of HK$2.16 on the last trading day of the Reporting Period.

Interim distribution per unit at a glance[1]



Financial position

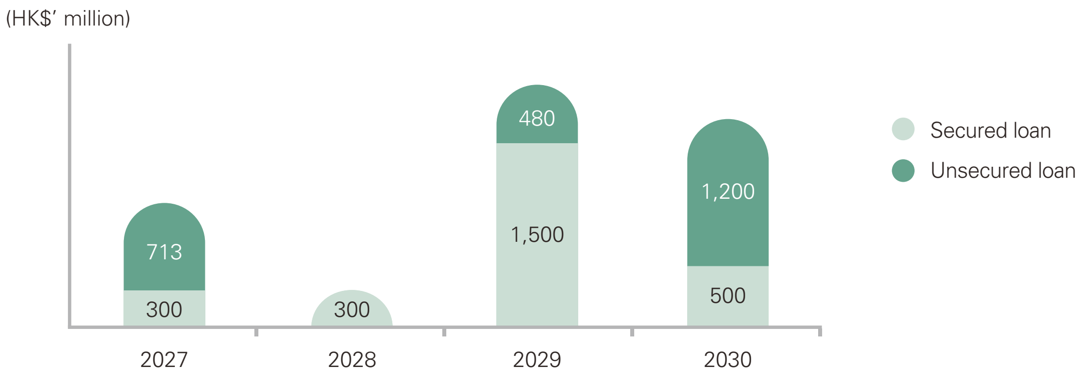
The appraised value of Sunlight REIT's portfolio was HK$17,118.1 million at 30 June 2026. Gross assets and net assets of Sunlight REIT were HK$17,728.3 million and HK$12,168.2 million respectively, and the net asset value per unit was HK$6.92.

The gearing ratio of Sunlight REIT (defined as total borrowings as a percentage of gross assets) was 28.3%, while gross liabilities represented 31.4% of gross assets.

The EBITDA[2] of Sunlight REIT for the Reporting Period was HK$253.7 million. Benefitting from a more favourable interest rate environment, the interest coverage ratio improved to 3.0 times versus 2.9 times for the same period last year.

Maturity profile of term loan facilities

(at 30 June 2026)



Capital and interest rate management

For the period under review, Sunlight REIT successfully refinanced all borrowings maturing in the year ending 31 December 2026 at favourable pricing. Total borrowings of Sunlight REIT amounted to HK$5,023 million at 30 June 2026, including a drawdown of HK$30 million from its revolving credit facilities which was repaid in full on 2 July 2026.

Subsequent to the implementation of certain refinancing arrangements, the secured loan portion currently stood at HK$2,600 million (31 December 2025 : HK$2,100 million) and was backed by a mortgage over certain properties with an appraised value of HK$7,187 million. The weighted average debt maturity was maintained at 3.0 years, and all term loans are structured as sustainability-linked loans.

Notes :

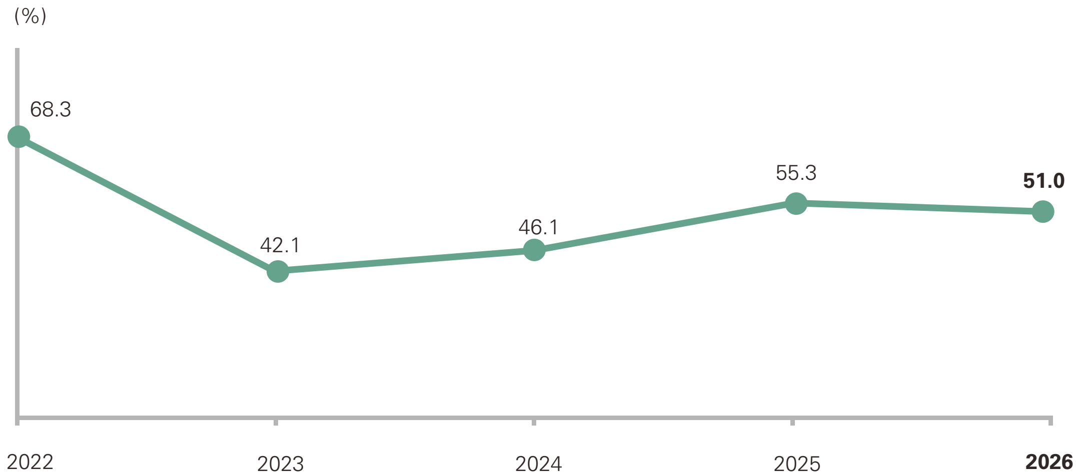
1. For the six months ended 30 June.
2. EBITDA represents net earnings before interest expense, taxation, depreciation and amortization, and change in fair value of investment properties.

Financial Review

To manage exposure to interest rate volatility, a portion of Sunlight REIT's borrowings was hedged through interest rate swaps. At 30 June 2026, the proportion of Sunlight REIT's fixed-rate exposure stayed at 51.0%, with an all-in weighted average interest rate of 3.51% per annum. The floating-rate term loans carried a blended interest margin of 0.66% per annum (31 December 2025 : 0.75% per annum) over Hong Kong Interbank Offered Rate. For the Reporting Period, the weighted average funding cost was 3.41%, compared to 3.70% recorded in the corresponding period of the preceding year.

Fixed rate borrowings as a % of total borrowings

(at 30 June)



Liquidity management and currency exposure

The Manager is permitted to place funds as bank deposits and to invest in Relevant Investments[Note], with an overall maturity profile compatible with projected funding requirements. At 30 June 2026, Sunlight REIT had total cash and bank balances of HK$497.3 million and maintained a portfolio of Relevant Investments with an aggregate book value of HK$24.2 million.

During the Reporting Period, Sunlight REIT secured additional revolving credit facilities in the amount of HK$450 million, bringing total standby credit facilities to HK$750 million. Taking into consideration its recurring operating income, prevailing cash position, available funding sources, and the liquidity risk associated with Relevant Investments, the Manager is of the view that Sunlight REIT has sufficient financial resources to meet its working capital, distribution payment and capital expenditure requirements.

Sunlight REIT has exposure to US dollars through its portfolio of Relevant Investments and bank deposits, while its exposure to Japanese yen (in relation to the 7,000 million Japanese yen loan) has been fully hedged.

Note : As defined in paragraph 7.2B of the Code on Real Estate Investment Trusts.

Outlook

The commercial property market in Hong Kong is showing divergent trends. While transaction volumes have clearly improved on the back of stronger end-user demand, particularly for conversion into student hostels, asset prices have yet to recover meaningfully as distress-driven transactions are still evident. Meanwhile, the retail sector is likely to remain challenging amid changing consumption habits. Although selected operators are seeking to capitalize on attractive rental offers, their expansion appetite stays lukewarm. A more sustained recovery in demand will depend on tenants' ability to enhance cost efficiency and respond swiftly to shifting consumer behaviours.

Looking ahead, approximately 14.0% and 22.3% of the office and retail rentable areas of Sunlight REIT are scheduled for lease renewals in the second half of 2026, respectively. In light of prevailing market conditions, improving occupancy across the portfolio will be key to mitigating the impact of negative rental reversion.

In the absence of an enduring peace settlement to curb the hostilities in the Middle East, oil prices may remain volatile, clouding the outlook for US interest rates. As such, expectations of a more favourable monetary policy environment in Hong Kong may not materialize in the near term. Any delay in rate cuts, or more worryingly, renewed upward pressure on benchmark rates, could increase financing costs and weigh on the distributable income of Sunlight REIT. Against such headwinds, the sound financial position of Sunlight REIT provides a degree of assurance, as demonstrated by the favourable refinancing of over HK$3,600 million in debt facilities over the past 12 months.

In parallel, the Manager will prioritize strengthening operational resilience through disciplined cost management, prudent capital allocation and selective asset enhancement initiatives that support long-term value creation. In this regard, the lift modernization project at Dah Sing Financial Centre, scheduled for commencement later this year, should enhance the asset's appeal and service quality.

In approaching its 20th listing anniversary, Sunlight REIT will endeavour to create sustainable value for the benefit of unitholders, while harnessing innovation and technology to bolster portfolio robustness and support future-ready asset management.

Expiry profile by GRA

(at 30 June 2026)

	Jul – Dec 2026
Dah Sing Financial Centre	6.7%
Sheung Shui Centre Shopping Arcade	26.6%
Metro City Phase I Property	21.5%
Overall office portfolio	14.0%
Overall retail portfolio	22.3%

Portfolio Statistics

Property	Location	GRA (sq. ft.)			No. of car park spaces
		Office	Retail	Total	
Office					
Grade A					
Dah Sing Financial Centre	Wan Chai	369,891	6,490	376,381	46
Grade B					
Strand 50	Sheung Wan	108,506	9,403	117,909	0
135 Bonham Strand Trade Centre Property	Sheung Wan	60,844	3,071	63,915	0
Righteous Centre	Mong Kok	41,004	10,763	51,767	0
Winsome House Property	Central	37,937	2,177	40,114	0
The Harvest	Mong Kok	23,024	11,627	34,651	0
235 Wing Lok Street Trade Centre	Sheung Wan	47,481	4,804	52,285	0
Java Road 108 Commercial Centre	North Point	35,694	2,229	37,923	0
On Loong Commercial Building	Wan Chai	25,498	1,708	27,206	0
Sun Fai Commercial Centre Property	Mong Kok	23,817	2,334	26,151	0
Wai Ching Commercial Building Property	Yau Ma Tei	14,239	2,082	16,321	0
Sub-total / Average		**787,935**	**56,688**	**844,623**	**46**
Retail					
New Town					
Sheung Shui Centre Shopping Arcade	Sheung Shui	0	122,339	122,339	297
Metro City Phase I Property[3]	Tseung Kwan O	0	188,889	188,889	410
Kwong Wah Plaza Property	Yuen Long	42,670	25,741	68,411	0
Urban					
West 9 Zone Kids	Tai Kok Tsui	0	58,836	58,836	17
Supernova Stand Property	North Point	0	4,226	4,226	0
Beverley Commercial Centre Property	Tsim Sha Tsui	0	7,934	7,934	0
Sub-total / Average		**42,670**	**407,965**	**450,635**	**724**
Total / Average		**830,605**	**464,653**	**1,295,258**	**770**

Notes :

1. Passing rent is calculated on the basis of average rent per sq. ft. for occupied gross rentable area on the relevant date.
2. Valuation was conducted by Knight Frank Petty Limited, the principal valuer of Sunlight REIT.
3. Disposal of certain car parking spaces of the property was completed on 31 March 2026 for a consideration of approximately HK$30 million.
4. Rental reversion is calculated on the basis of change in effective rent of the leases renewed and commenced during the relevant Reporting Period.

Occupancy rate (%)		Passing rent[1] (HK$/sq. ft.)		Rental and car park income (HK$'000)		Appraised value[2] (HK$'000)
at 30 Jun 2026	at 31 Dec 2025	at 30 Jun 2026	at 31 Dec 2025	Six months ended 30 Jun 2026	Six months ended 30 Jun 2025	at 30 Jun 2026
91.8	91.0	35.2	35.3	73,221	75,260	4,528,000
92.2	89.1	26.8	27.9	16,848	17,528	1,120,000
94.4	89.7	25.5	25.9	8,864	8,972	520,000
88.0	90.6	33.7	34.7	9,375	9,634	518,000
91.4	88.6	33.8	34.3	7,948	8,321	499,000
95.7	100.0	37.8	38.0	7,546	6,376	484,000
87.9	88.3	18.9	19.3	5,226	5,300	330,000
96.1	100.0	23.9	24.0	5,226	5,396	254,000
87.2	87.2	25.2	25.4	3,498	3,839	219,000
95.0	91.4	20.9	21.7	3,053	3,238	160,000
97.2	100.0	16.4	16.4	1,586	1,529	78,000
92.0	**91.2**	**30.6**	**31.0**	**142,391**	**145,393**	**8,710,000**
86.9	87.5	98.2	102.2	68,848	74,620	3,550,000
88.0	87.1	52.0	53.4	60,951	62,512	2,886,100
92.8	100.0	51.7	50.7	19,865	20,180	1,070,000
87.9	89.6	39.5	40.7	12,355	11,268	758,000
100.0	100.0	58.8	58.8	1,487	1,477	74,000
82.6	87.6	30.2	30.7	1,155	1,329	70,000
88.4	**89.6**	**62.2**	**63.9**	**164,661**	**171,386**	**8,408,100**
90.8	**90.6**	**41.1**	**42.1**	**307,052**	**316,779**	**17,118,100**

	Rental reversion[4] (%)		Capitalization rate (%)
	Six months ended 30 Jun 2026	Six months ended 31 Dec 2025	at 30 Jun 2026
Office	(8.3)	(10.4)	3.65 - 3.95
Retail	(7.3)	(11.2)	3.40 - 4.35
Average	**(7.6)**	**(10.8)**	

Corporate Governance

The Manager is committed to upholding a high standard of corporate governance. To ensure compliance with all relevant laws and regulations, it has established a robust corporate governance framework supported by five key elements, namely checks and balances, risk management, internal control, communication and transparency.

Structure of Sunlight REIT

Sunlight REIT is a collective investment scheme authorized by the SFC under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") and regulated by the provisions of the Code on Real Estate Investment Trusts (the "**REIT Code**"). The Manager is licensed under Part V of the SFO and approved by the SFC to manage Sunlight REIT.

The trustee of Sunlight REIT (the "**Trustee**") is registered as a trust company under Section 77 of the Trustee Ordinance (Chapter 29 of the Laws of Hong Kong), and is licensed by the SFC to conduct the regulated activity of providing depository services to SFC-authorized collective investment schemes.

The Board of the Manager

The Board is responsible for the overall management and corporate governance of the Manager. At 30 June 2026, it had seven directors ("**Directors**"), including one Executive Director ("**ED**") (who is also the Chief Executive Officer (the "**CEO**")), two Non-Executive Directors ("**NEDs**") (including the chairman of the Board (the "**Chairman**")) and four Independent Non-Executive Directors ("**INEDs**"). The roles of the Chairman and the CEO are separate and performed by two different individuals. The Board has established four Board committees with clear terms of reference, each of which is formed to assist the Board in supervising specific issues and functions of Sunlight REIT and the Manager, and to report back to the Board their findings, decisions and recommendations.

Ms. Lo Yuk Fong, Phyllis, the Chief Financial Officer of the Manager, has been appointed as an Executive Director with effect from 10 August 2026.

Changes in Directors' information

Subsequent to 11 March 2026, being the date of the 2025 annual report, the Manager has been informed that Mr. Au Siu Kee, Alexander has retired as an independent non-executive director of Henderson Investment Limited with effect from the conclusion of its annual general meeting held on 2 June 2026.

Save as aforesaid, the Manager has not been notified of any other change in Directors' information.

Conflicts of interest and business competition

To ensure that conflicts of interest relating to Sunlight REIT are properly managed, the Manager has adopted various control measures, including but not limited to the following :

1. the Manager will not manage any real estate investment trust other than Sunlight REIT nor manage any other real estate assets other than those owned by Sunlight REIT;

2. the Manager has functional units and systems which operate independently of its shareholder(s);

3. the Manager has established internal control systems to ensure that Sunlight REIT's connected party transactions are monitored and undertaken in compliance with the REIT Code, the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and waivers granted by the SFC;

4. the Manager has a Conflicts of Interest Policy in place to ensure fairness and good corporate governance. Any situations of actual, potential or perceived conflicts of interest of employees are reported and monitored;

5. Director(s) with potential conflicts of interest shall disclose his/her interest to the Board and abstain from voting on the relevant matter, as well as not to be counted in the quorum for that resolution; and

6. registers of other directorships and senior positions held by the Directors are maintained and updated from time to time.

The Manager and Henderson Sunlight Property Management Limited (the "**Property Manager**") are both indirect wholly-owned subsidiaries of HLD. Both NEDs of the Manager (including the Chairman) are directors of HLD, which is/may be engaged in, among other things, the development, investment and management of retail, office and other properties in and outside Hong Kong.

Accordingly, the Manager may experience conflicts of interest with HLD when acquiring and disposing of investments, or in connection with transactions between Sunlight REIT and HLD. The Manager and the Property Manager may also experience conflicts of interest with HLD when identifying and competing for potential tenants.

The Manager is of the view that the various control measures in place are sufficient to manage any potential conflicts of interest with HLD as mentioned above and assures that it is capable of performing, and shall continue to perform, its duties for Sunlight REIT in the best interests of Sunlight REIT and unitholders.

Compliance with the Compliance Manual and the Corporate Governance Code

The Manager has adopted a Compliance Manual which sets out the key processes, internal control and system, corporate governance policies as well as other policies and procedures governing the management and operations of Sunlight REIT.

During the Reporting Period, the Manager has in material terms complied with the provisions of the Compliance Manual. In addition, the Manager and Sunlight REIT have, to the extent applicable, applied the principles of and complied with the code provisions in the Corporate Governance Code in Appendix C1 of the Listing Rules.

Compliance with the Dealings Code

The Manager has adopted a code governing dealings in securities of Sunlight REIT by Directors (the "**Dealings Code**"), the terms of which are no less exacting than those set out in Appendix C3 of the Listing Rules. The Dealings Code is applicable to the Manager and its Directors, senior executives, officers and employees, and directors of special purpose vehicles of Sunlight REIT. Certain restrictions and notification requirements as provided under the Listing Rules are adopted with modifications in the Dealings Code to apply to unit buy-back by the Manager on behalf of Sunlight REIT.

Specific enquiries have been made with all Directors and the Manager, and all of them confirmed that they have complied with the required standard as set out in the Dealings Code throughout the Reporting Period.

Corporate Governance

Relevant Investments

The full investment portfolio of Relevant Investments, as defined in paragraph 7.2B of the REIT Code, of Sunlight REIT at 30 June 2026 is set out below :

Financial instruments[1] & issuers	Primary listing	Currency	Total cost (HK$'000)	Mark-to-market value (HK$'000)	% of gross asset value of Sunlight REIT[2,3]	Credit rating
CATHAY 4⅞ 08/17/26 Cathay Pacific MTN Financing (HK) Limited	Stock Exchange	USD	11,672	11,763	0.067	N/A
PANVA 4 04/26/27 TCCL (Finance) Limited	Stock Exchange	USD	4,623	4,679	0.026	S&P BBB+ Moody's Baa1
HKMTGC 3⅞ 11/26/30 The Hong Kong Mortgage Corporation Limited	Stock Exchange	USD	7,732	7,717	0.044	S&P AA+ Moody's Aa3
Total			**24,027**	**24,159**	**0.137**	

At 30 June 2026, the combined mark-to-market value of Relevant Investments, together with other ancillary investments of Sunlight REIT, represented approximately 3.5% of the gross asset value of Sunlight REIT.

The full investment portfolio of Relevant Investments is updated monthly within five business days of the end of each calendar month on the website of Sunlight REIT.

Notes :

1. All financial instruments are bonds and their descriptions are quoted from Bloomberg.
2. The percentages are arrived at by comparing the mark-to-market value of the investments with the gross asset value of Sunlight REIT at 30 June 2026.
3. Gross asset value refers to the total assets after adjusting for the interim distribution declared. Total assets and interim distribution are stated on page 22 and page 25 respectively.

Buy-back, sale or redemption of units

During the Reporting Period, there was no purchase, sale or redemption of units by Sunlight REIT or its wholly-owned and controlled entities.

New units issued

Except for an aggregate of 9,135,312 new units issued to the Manager as payment of part of the Manager's fees, there were no other new units issued during the Reporting Period.

Public float

Based on information that is publicly available and as far as the Manager is aware, not less than 25% of the outstanding units in issue of Sunlight REIT were held in public hands on 7 August 2026 (being the date of the interim results announcement).

Employees

Sunlight REIT is managed by the Manager and does not employ any staff itself.

Distribution entitlement and closure of register of unitholders

The ex-distribution date and record date for the interim distribution are Monday, 24 August 2026 and Friday, 28 August 2026 respectively. The register of unitholders will be closed from Wednesday, 26 August 2026 to Friday, 28 August 2026, both days inclusive, during which period no transfer of units will be effected. In order to qualify for the interim distribution, all transfer documents accompanied by the relevant unit certificates must be lodged for registration with the unit registrar of Sunlight REIT, Tricor Investor Services Limited, on 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Tuesday, 25 August 2026. Payment of the interim distribution will be made to unitholders on Tuesday, 8 September 2026.

Review of interim report

This interim report has been reviewed by the audit committee and the disclosures committee of the Manager in accordance with their respective terms of reference. The condensed interim financial statements for the Reporting Period have also been reviewed by the auditor of Sunlight REIT, KPMG, Certified Public Accountants, in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants.

Connected Party Transactions

Information in respect of the transactions entered into between Sunlight REIT and its connected persons (as defined in paragraph 8.1 of the REIT Code) during the Reporting Period, other than those transactions that are excluded pursuant to waivers granted by the SFC and/or exempted from the reporting requirements (if any), is set out in this section. All the transactions are continuing connected party transactions.

Connected party transactions with the HLD Related Group

HLD and its subsidiaries ("**HLD Group**") hold an aggregate of approximately 24.0% of units in issue of Sunlight REIT at 30 June 2026. The Manager is an indirect wholly-owned subsidiary of HLD. Therefore, HLD and its subsidiaries and associates (which has the meaning given to it under the REIT Code) ("**HLD Related Group**", which for the avoidance of doubt, excludes the Sunlight REIT Group (as defined below)), are connected persons of Sunlight REIT. Accordingly, the transactions made between Sunlight REIT, special purpose vehicles owned and controlled by Sunlight REIT ("**Sunlight REIT Group**") and members of the HLD Related Group constitute connected party transactions of Sunlight REIT.

The following agreements were entered into on 30 April 2024 by or on behalf of Sunlight REIT with members of the HLD Related Group, for a term from 1 July 2024 to 31 December 2026 :

(i) master leasing agreement to govern all leasing and licensing transactions made with members of the HLD Related Group in respect of premises owned by the Sunlight REIT Group (the "**Master Leasing Agreement**");

(ii) joint effort carparking agreement in respect of sharing of fees and costs among the owners of the shopping arcades in Metro City Phases I, II and III relating to free parking provided to customers of these shopping arcades (the "**Joint Effort Carparking Agreement**");

(iii) sixth supplemental agreement to the property management agreement to extend the term of appointment of the Property Manager under the Property Management Agreement (such term as defined in the announcement of Sunlight REIT dated 30 April 2024) (the "**Property Management Agreement**"); and

(iv) master services agreement to govern all service transactions related to the management and operation of properties of the Sunlight REIT Group to be provided by the HLD Related Group (the "**Master Services Agreement**").

In addition, transactions with the DMC managers (which are members of the HLD Group) of certain properties of the Sunlight REIT Group currently appointed for maintenance and management of common areas and facilities as shared among different owners of the relevant property under the relevant deeds of mutual covenant (the "**Connected Deeds of Mutual Covenant**") constitute continuing connected party transactions of Sunlight REIT under the REIT Code.

The income and expenses of Sunlight REIT from the transactions under the aforementioned agreements during the Reporting Period are summarized below :

Continuing Connected Party Transactions	Income/ (Expenses) for the Reporting Period* (HK$'000)	Annual caps for the year ending 31 December 2026 (HK$'000)
Leasing transactions under the Master Leasing Agreement	5,066	20,250
Joint effort carparking arrangement under the Joint Effort Carparking Agreement	1,448	5,252
Property management :		
i) Transactions under the Property Management Agreement	(23,259)	(62,860)
ii) Service transactions under the Master Services Agreement	–	(7,740)
iii) Transactions under the Connected Deeds of Mutual Covenant	(7,084)	(23,260)

* All of the transaction amounts stated in the above table were within the respective annual caps for the year ending 31 December 2026.

Further information about the abovementioned agreements can be found in the announcement and circular of Sunlight REIT dated 30 April 2024 and 7 May 2024 respectively.

The Master Leasing Agreement, the Joint Effort Carparking Agreement, the Property Management Agreement and the Master Services Agreement will expire on 31 December 2026. On 28 May 2026, a new master leasing agreement, a new joint effort carparking agreement, the seventh supplemental agreement to the Property Management Agreement (the "**Seventh Supplemental Agreement**") and a new master services agreement (the "**Renewed Master Services Agreement**") were entered into by and on behalf of Sunlight REIT to renew the Master Leasing Agreement, the Joint Effort Carparking Agreement, the Property Management Agreement and the Master Services Agreement, respectively, for a term from 1 January 2027 to 31 December 2029. For more information, please refer to the announcement and circular of Sunlight REIT dated 28 May 2026 and 5 June 2026 respectively.

The transactions contemplated under the Property Management Agreement (as amended and supplemented by the Seventh Supplemental Agreement), the Renewed Master Services Agreement and the Connected Deeds of Mutual Covenant (collectively, the "**Property Management Transactions**") and their respective annual caps for each of the three years ending 31 December 2029 were approved by the independent unitholders as required under the REIT Code at the extraordinary general meeting of Sunlight REIT held on 25 June 2026.

Connected Party Transactions

Connected party transactions with the Trustee Connected Persons

Sunlight REIT had certain connected party transactions with the Trustee and Trustee related connected persons of Sunlight REIT (including without limitation, the HSBC Group[Note] (collectively, the "**Trustee Connected Persons**")) during the Reporting Period, which include ordinary banking and financial services provided by the HSBC Group (such as interest income on bank deposits, interest expense and security trustee fee on bank borrowings, net interest expense on IRSs and other bank charges) for which HK$22.2 million has been paid (or payable) by Sunlight REIT, and leasing or licensing of premises owned by the Sunlight REIT Group for which HK$10.2 million has been (or to be) received by Sunlight REIT.

Other disclosures under the REIT Code

Pursuant to the REIT Code, services provided to Sunlight REIT by the 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 relevant interim or annual report.

During the Reporting Period, the aggregate amount of fees (in the form of cash and/or units) paid or payable by Sunlight REIT to the Manager and to the Trustee under the Trust Deed were approximately HK$43.1 million and HK$2.2 million respectively. Particulars of the services provided by the Manager and the Trustee are set out in notes 23(b)(iii) and (v) to the condensed interim financial statements.

Note :

HSBC Group means HSBC and its subsidiaries and, unless otherwise expressly stated herein, excludes the Trustee and its proprietary subsidiaries (being the subsidiaries of the Trustee but excluding those subsidiaries formed in its capacity as the trustee of Sunlight REIT).

Disclosure of Interests

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

Holdings of the Manager and the Directors or chief executive of the Manager

At 30 June 2026 and 31 December 2025, the interests in units of the Manager and the Directors or chief executive of the Manager as recorded in the register required to be kept by the Manager under Schedule C of the Trust Deed (the "**Register**"), were as follows :

	At 30 June 2026		At 31 December 2025	
Name	**Number of units interested**	**% of interest in units[1]**	Number of units interested	% of interest in units[1]
The Manager[2]	**278,318,851**	**15.838**	266,163,539	15.226
Au Siu Kee, Alexander[3]	**2,300,000**	**0.131**	2,300,000	0.132
Wu Shiu Kee, Keith[4]	**930,000**	**0.053**	930,000	0.053
Kwok Tun Ho, Chester[5]	**62,000**	**0.004**	62,000	0.004

Notes :

1. The percentages are based on the total number of units in issue of 1,757,268,481 units at 30 June 2026 and 1,748,133,169 units at 31 December 2025 (as the case may be).
2. During the Reporting Period, the Manager received 9,135,312 units in April 2026 as payment of part of the Manager's fees, and acquired 3,020,000 units in March and June 2026 in the open market. The Manager beneficially owned 278,318,851 units at 30 June 2026. Subsequent to the Reporting Period, the Manager further acquired 780,000 units in the open market and beneficially owned 279,098,851 units at 7 August 2026 (being the date of the interim results announcement).
3. Mr. Au Siu Kee, Alexander is the Chairman and NED of the Manager.
4. Mr. Wu Shiu Kee, Keith is the CEO and ED of the Manager.
5. Mr. Kwok Tun Ho, Chester is an INED of the Manager.

There were no short positions in units held by the Manager and the Directors or chief executive of the Manager at 30 June 2026.

Disclosure of Interests

Holdings of substantial unitholders

At 30 June 2026 and 31 December 2025, the interests in units of the substantial unitholders (other than the Manager), as recorded in the Register, were as follows :

	At 30 June 2026		At 31 December 2025	
Name	**Number of units interested**	**% of interest in units[1]**	Number of units interested	% of interest in units[1]
Dr. Lee Ka Kit[2(c)]	**795,603,876**	**45.28**	Note 2(c)	Note 2(c)
Dr. Lee Ka Shing[2(c)]	**795,603,876**	**45.28**	Note 2(c)	Note 2(c)
Lee Financial (Cayman) Limited[2(a)]	**374,072,708**	**21.29**	374,072,708	21.40
Leesons (Cayman) Limited[2(a)]	**374,072,708**	**21.29**	374,072,708	21.40
Leeworld (Cayman) Limited[2(a)]	**374,072,708**	**21.29**	374,072,708	21.40
Shau Kee Financial Enterprises Limited[2(a)]	**374,072,708**	**21.29**	374,072,708	21.40
Uplite Limited[2(a)]	**224,443,625**	**12.77**	224,443,625	12.84
Wintrade Limited[2(a)]	**149,629,083**	**8.51**	149,629,083	8.56
Henderson Development Limited[2(b)]	**422,231,168**	**24.03**	399,889,966	22.88
HLD[2(b)]	**422,231,168**	**24.03**	399,889,966	22.88
Hopkins (Cayman) Limited[2(b)]	**422,231,168**	**24.03**	399,889,966	22.88
Riddick (Cayman) Limited[2(b)]	**422,231,168**	**24.03**	399,889,966	22.88
Rimmer (Cayman) Limited[2(b)]	**422,231,168**	**24.03**	399,889,966	22.88

Notes :

1. The percentages are based on the total number of units in issue of 1,757,268,481 units at 30 June 2026 and 1,748,133,169 units at 31 December 2025 (as the case may be).

2. (a) At 30 June 2026, 224,443,625 units were owned by Uplite Limited and 149,629,083 units were owned by Wintrade Limited. Uplite Limited and Wintrade Limited are wholly-owned subsidiaries of Financial Enterprise Properties Limited, which in turn is wholly-owned by Shau Kee Financial Enterprises Limited ("**SKFE**"). SKFE is wholly-owned by Lee Financial (Cayman) Limited ("**Lee Financial**") as the trustee of a unit trust, the units of which are held by Leesons (Cayman) Limited ("**Leesons**") and Leeworld (Cayman) Limited ("**Leeworld**") as the respective trustees of two discretionary trusts. Therefore, each of Lee Financial, Leesons and Leeworld was taken to be interested in the total of 374,072,708 units (representing approximately 21.29% of the total number of units in issue) owned by Uplite Limited and Wintrade Limited.

   (b) Apart from the above, at 30 June 2026, 76,533,345 units were owned by Cobase Limited, 67,378,972 units were owned by Richful Resources Limited and 278,318,851 units were owned by the Manager. Cobase Limited and Richful Resources Limited are wholly-owned subsidiaries of Brightland Enterprises Limited. The Manager is a wholly-owned subsidiary of Latco Investment Limited. Brightland Enterprises Limited and Latco Investment Limited are wholly-owned subsidiaries of HLD. Henderson Development Limited ("**HD**") owned more than one-third of the issued share capital of HLD. All issued ordinary shares of HD are owned by Hopkins (Cayman) Limited ("**Hopkins**") as the trustee of a unit trust, the units of which are held by Rimmer (Cayman) Limited ("**Rimmer**") and Riddick (Cayman) Limited ("**Riddick**") as the respective trustees of two discretionary trusts. Therefore, each of HD, HLD, Hopkins, Riddick and Rimmer was taken to be interested in the total of 422,231,168 units (representing approximately 24.03% of the total number of units in issue) at 30 June 2026.

   Subsequent to the Reporting Period, the Manager acquired a further of 780,000 units in total. Therefore, as far as the Manager is aware, each of HD, HLD, Hopkins, Riddick and Rimmer was taken to be interested in the total of 423,011,168 units (representing approximately 24.07% of the total number of units in issue) at 7 August 2026 (being the date of the interim results announcement).

Notes : (continued)

(c) At 31 December 2025, all the issued shares in Lee Financial, Leesons, Leeworld, Hopkins, Rimmer and Riddick were beneficially owned by the late Dr. Lee Shau Kee, and each of his sons, Dr. Lee Ka Kit and Dr. Lee Ka Shing would inherit certain shares in Lee Financial, Leesons, Leeworld, Hopkins, Rimmer and Riddick. At 30 June 2026, Dr. Lee Ka Kit and Dr. Lee Ka Shing each directly or indirectly owned 50% of shares in Lee Financial, Leesons, Leeworld, Hopkins, Rimmer and Riddick. Leesons & Leeworld and Rimmer & Riddick (the relevant trustees of the respective discretionary trusts) hold units in the respective unit trusts but each is not entitled to any interest in their trust assets which are, in the ordinary course of business, held by Lee Financial and Hopkins as trustees of the respective unit trusts independently without any reference to their shareholders, and each of Dr. Lee Ka Kit and Dr. Lee Ka Shing remains to be one of the discretionary beneficiaries of the aforementioned discretionary trusts.

At 30 June 2026, as far as the Manager is aware, Dr. Lee Ka Kit and Dr. Lee Ka Shing was each taken to be interested in the total of 796,303,876 units (representing approximately 45.31% of the total number of units in issue). Nevertheless, in the Register, each of Dr. Lee Ka Kit and Dr. Lee Ka Shing was respectively recorded as having an interest in 795,603,876 units at 30 June 2026, as no notifiable interest arose since their last disclosure of interest notifications to the Stock Exchange.

At 7 August 2026 (being the date of the interim results announcement), as far as the Manager is aware, Dr. Lee Ka Kit and Dr. Lee Ka Shing was each taken to be interested in the total of 797,083,876 units (representing approximately 45.36% of the total number of units in issue).

(d) The units mentioned under this note 2 were beneficially held or interested in by connected persons of Sunlight REIT under the REIT Code.

Based on the Register, there were no short positions in units held by substantial unitholders at 30 June 2026.

Holdings of other connected persons and senior management

Save as disclosed above and as far as the Manager is aware, the holdings of units of other connected persons and senior management of Sunlight REIT at 30 June 2026 were as follows :

Name	**Number of units held**	**% of unit holding[1]**
Lo Yuk Fong, Phyllis[2]	100,000	0.006
Shum Chung Wah, Yulanda[3]	40,000	0.002
Persons related to the Trustee[4]	212,693	0.012

Notes :

1. The percentages are based on the total number of units in issue of 1,757,268,481 units at 30 June 2026.
2. Ms. Lo Yuk Fong, Phyllis, a member of senior management, is a connected person of Sunlight REIT by virtue of being a director of certain subsidiaries of Sunlight REIT (31 December 2025 : 100,000 units).
3. Ms. Shum Chung Wah, Yulanda is a member of senior management (31 December 2025 : 40,000 units).
4. Certain associates (as defined in the REIT Code) of the Trustee are connected persons of Sunlight REIT and were beneficially interested in 212,693 units at 30 June 2026 (31 December 2025 : 283,000 units).

Consolidated Statement of Profit or Loss

for the six months ended 30 June 2026 – unaudited
(Expressed in Hong Kong dollars)

		Six months ended 30 June	
	Note	**2026** **$'000**	2025 $'000
Revenue	4 & 5	**382,423**	391,217
Property operating expenses	4 & 6	**(82,764)**	(83,833)
Net property income		**299,659**	307,384
Other income	7	**11,240**	9,944
Administrative expenses		**(52,372)**	(51,890)
Decrease in fair value of investment properties	11(a)	**(266,128)**	(314,279)
Loss from operations		**(7,601)**	(48,841)
Finance costs on interest-bearing liabilities	8(a)	**(87,682)**	(94,747)
Loss before taxation and transactions with unitholders	8	**(95,283)**	(143,588)
Income tax	9	**(28,792)**	(28,655)
Loss after taxation and before transactions with unitholders		**(124,075)**	(172,243)

The notes on pages 28 to 45 form part of these condensed interim financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the six months ended 30 June 2026 – unaudited

(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2026	2025
	$'000	$'000
Loss after taxation and before transactions with unitholders	**(124,075)**	(172,243)
Other comprehensive income / (loss) for the period		
Items that have been reclassified / may be reclassified subsequently to profit or loss :		
– Effective portion of changes in fair value of cash flow hedges recognised during the period	**17,138**	(28,744)
– Net reclassification adjustments for amounts transferred to profit or loss in respect of :		
– finance costs on interest-bearing liabilities	**–**	548
– unrealised exchange difference on foreign currency borrowing	**9,863**	(35,553)
– unwinding of swaps	**–**	(1,810)
	27,001	(65,559)
Total comprehensive loss for the period	**(97,074)**	(237,802)

The notes on pages 28 to 45 form part of these condensed interim financial statements.

Consolidated Statement of Financial Position

at 30 June 2026
(Expressed in Hong Kong dollars)

	Note	**30 June 2026 (unaudited) $'000**	31 December 2025 (audited) $'000
Non-current assets			
Fixed assets			
– Investment properties	11	**17,118,100**	17,403,000
– Other fixed assets		**75**	95
		17,118,175	17,403,095
Deferred tax assets		**16**	16
Derivative financial instruments	13	**2,836**	203
Reimbursement rights	12	**37,436**	37,436
Other financial assets	14	**7,734**	4,644
Other non-current assets	15	**2,706**	1,884
		17,168,903	17,447,278
Current assets			
Trade and other receivables	16	**43,316**	44,789
Derivative financial instruments	13	**2,330**	264
Other financial assets	14	**16,454**	23,355
Cash and bank balances	17	**497,264**	428,760
		559,364	497,168
Total assets		**17,728,267**	17,944,446
Current liabilities			
Tenants' deposits		**(184,134)**	(184,807)
Rent receipts in advance		**(14,234)**	(14,830)
Trade and other payables	18	**(79,701)**	(82,453)
Bank and other borrowings	19	**(30,000)**	(1,199,244)
Derivative financial instruments	13	**(8,136)**	(19,666)
Tax payable		**(25,295)**	(12,560)
		(341,500)	(1,513,560)
Net current assets / (liabilities)		**217,864**	(1,016,392)
Total assets less current liabilities		**17,386,767**	16,430,886

Consolidated Statement of Financial Position (continued)

at 30 June 2026

(Expressed in Hong Kong dollars)

	Note	30 June 2026 (unaudited) $'000	31 December 2025 (audited) $'000
Non-current liabilities, excluding net assets attributable to unitholders			
Bank and other borrowings	19	**(4,805,478)**	(3,615,538)
Deferred tax liabilities		**(253,149)**	(251,276)
Derivative financial instruments	13	**(159,990)**	(161,469)
		(5,218,617)	(4,028,283)
Total liabilities, excluding net assets attributable to unitholders		**(5,560,117)**	(5,541,843)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		**12,168,150**	12,402,603
Number of units in issue	20	**1,757,268,481**	1,748,133,169
Net asset value attributable to unitholders per unit		**$ 6.92**	$ 7.09

The notes on pages 28 to 45 form part of these condensed interim financial statements.

Consolidated Statement of Changes in Net Assets Attributable to Unitholders

for the six months ended 30 June 2026 – unaudited
(Expressed in Hong Kong dollars)

		Six months ended 30 June	
	Note	**2026** **$'000**	2025 $'000
At the beginning of the period		**12,402,603**	13,010,067
Loss after taxation and before transactions with unitholders		**(124,075)**	(172,243)
Other comprehensive income / (loss)		**27,001**	(65,559)
Total comprehensive loss for the period		**(97,074)**	(237,802)
Distribution paid to unitholders		**(159,080)**	(160,584)
Issuance of units to the Manager	20	**21,701**	22,403
		(137,379)	(138,181)
At the end of the period		**12,168,150**	12,634,084

The notes on pages 28 to 45 form part of these condensed interim financial statements.

Distribution Statement

for the six months ended 30 June 2026 – unaudited
(Expressed in Hong Kong dollars)

		Six months ended 30 June	
	Note	**2026** **$'000**	2025 $'000
Loss after taxation and before transactions with unitholders		**(124,075)**	(172,243)
Adjustments (note (i)) :			
– Decrease in fair value of investment properties	11	**266,128**	314,279
– Manager's fees paid or payable in the form of units		**21,565**	22,195
– Gain on disposal of investment properties		**(4,848)**	–
– Interest rate swaps – cash flow hedges	8(a)	**(571)**	608
– Non-cash finance costs on interest-bearing liabilities	8(a)	**3,919**	2,594
– Deferred tax	9	**1,872**	1,144
– Depreciation		**20**	26
		288,085	340,846
Distributable income (note (i))		**164,010**	168,603
Interim distribution (notes (ii) & (iii))		**154,640**	158,198
Payout ratio		**94.3%**	93.8%
Distribution per unit (notes (ii) & (iii))		**8.8 cents**	9.1 cents

Distribution Statement (continued)

for the six months ended 30 June 2026 – unaudited
(Expressed in Hong Kong dollars)

Notes :

(i) Under the Code on Real Estate Investment Trusts issued by the Securities and Futures Commission of Hong Kong (the "**REIT Code**"), a real estate investment trust shall distribute to unitholders as dividends each year an amount not less than 90% of its audited annual net income after tax. Pursuant to the trust deed dated 26 May 2006 (as amended and restated) under which Sunlight Real Estate Investment Trust ("**Sunlight REIT**") is constituted (the "**Trust Deed**"), the total amounts distributed or distributable to unitholders shall be no less than 90% of annual distributable income for each financial year.

Distributable income means the amount calculated by the Manager as representing the consolidated profit / loss after taxation and before transactions with unitholders of Sunlight REIT for the relevant financial period, as adjusted to eliminate the effects of certain items which have been recorded in the consolidated statement of profit or loss for the relevant financial period.

In arriving at the amount available for distribution for the six months ended 30 June 2026, Adjustments (as defined and set out in the Trust Deed) have been made, among others, to add back the finance costs relating to the amortisation of debt establishment fees for bank and other borrowings of $3,919,000 or 0.22 cent per unit (2025 : the amortisation of debt establishment fees for bank and other borrowings and issuance discount on medium term notes of $2,594,000, or 0.15 cent per unit) which is an effective return of capital.

(ii) The interim distribution for the six months ended 30 June 2025 of $158,198,000 is calculated by multiplying the interim distribution per unit of 9.1 cents by 1,738,437,279 units in issue at 1 September 2025, the record date for such distribution, and was paid to unitholders on 9 September 2025.

(iii) The interim distribution for the six months ended 30 June 2026 of $154,640,000 is calculated by multiplying the interim distribution per unit of 8.8 cents by 1,757,268,481 units anticipated to be in issue at 28 August 2026, the record date for such distribution, and is expected to be paid to unitholders on 8 September 2026.

(iv) The distribution declared after the end of the reporting period is not recognised as a liability at the end of the reporting period.

The notes on pages 28 to 45 form part of these condensed interim financial statements.

Condensed Consolidated Cash Flow Statement

for the six months ended 30 June 2026 – unaudited
(Expressed in Hong Kong dollars)

		Six months ended 30 June	
		2026	2025
	Note	**$'000**	$'000
Operating activities			
Cash generated from operations		**269,326**	276,874
Net Hong Kong Profits Tax paid		**(14,185)**	(89)
Net cash generated from operating activities		**255,141**	276,785
Investing activities			
Interest received		**5,971**	10,101
Payment for expenditure incurred for investment properties		**(7,565)**	(8,937)
Net proceeds from disposal of investment properties		**28,593**	–
Payment for purchase of debt securities		**(7,732)**	–
Proceeds from redemption of debt securities		**11,757**	44,425
Proceeds from disposal of debt securities		**–**	1,720
Decrease in bank deposits with original maturity over three months		**278,421**	164,398
Net cash generated from investing activities		**309,445**	211,707
Financing activities			
Distribution paid to unitholders		**(159,080)**	(160,584)
Proceeds from new bank borrowings		**1,730,000**	500,000
Repayment of bank borrowings		**(1,700,000)**	(500,000)
Interest paid		**(85,233)**	(94,396)
Other borrowing costs paid		**(3,360)**	(1,800)
Net cash used in financing activities		**(217,673)**	(256,780)
Net increase in cash and cash equivalents		**346,913**	231,712
Cash and cash equivalents at the beginning of the period	17	**135,284**	201,526
Effect of foreign exchange rate changes		**12**	424
Cash and cash equivalents at the end of the period	17	**482,209**	433,662

The notes on pages 28 to 45 form part of these condensed interim financial statements.

Notes to the Condensed Interim Financial Statements

(Expressed in Hong Kong dollars)

1 General

Sunlight REIT is a Hong Kong collective investment scheme constituted as a unit trust by the Trust Deed and is authorised under section 104 of the Securities and Futures Ordinance. Sunlight REIT is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**SEHK**").

The principal activity of Sunlight REIT and its subsidiaries (collectively referred to as the "**Group**") is to own and invest in income-producing office and retail properties in Hong Kong with the objective of providing unitholders with regular and stable cash distributions with the potential for sustainable long term growth of such distributions and enhancement in value of the property portfolio. It has its principal place of business at 30th Floor, Dah Sing Financial Centre, 248 Queen's Road East, Wan Chai, Hong Kong.

2 Basis of preparation

These condensed interim financial statements have been prepared in accordance with the relevant disclosure provisions of the REIT Code and the Rules Governing the Listing of Securities on the SEHK (the "**Listing Rules**") as if the relevant disclosure provisions of the Listing Rules were applicable to Sunlight REIT, including compliance with Hong Kong Accounting Standard ("**HKAS**") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). It was authorised for issuance on 7 August 2026.

These condensed interim financial statements have been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements for the year ended 31 December 2025, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of the changes in accounting policies are set out in note 3.

The preparation of the condensed interim financial statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

These condensed interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed interim financial statements and the accompanying notes do not include all of the information required for full set of financial statements prepared in accordance with HKFRS Accounting Standards.

2 Basis of preparation (continued)

The condensed interim financial statements are unaudited, but have been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors of Henderson Sunlight Asset Management Limited, the manager of Sunlight REIT (the "**Manager**"), is included on page 46.

The financial information relating to the financial year ended 31 December 2025 that is included in the condensed interim financial statements as being previously reported information does not constitute Sunlight REIT's statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the financial year ended 31 December 2025 are available from Sunlight REIT's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 11 March 2026.

3 Changes in accounting policies

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period of the Group.

None of these developments has had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in the condensed interim financial statements.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4 Segment reporting

The Manager manages the Group's business by divisions. In a manner consistent with the way in which information is reported internally to the Manager's most senior executive management for the purposes of resource allocation and performance assessment, the Manager has identified two reportable segments, which are "Office properties" and "Retail properties".

As all of the Group's activities are carried out in Hong Kong, no geographical information is presented.

Segment results

For the purposes of assessing segment performance and allocating resources between segments, the senior executive management of the Manager monitors the results attributable to each reportable segment on the following bases :

Revenue and expenses are allocated to the reportable segments with reference to income generated and the expenses incurred by those segments. The measure used for reporting segment performance is the "segment results".

4 Segment reporting (continued)

Segment results (continued)

Information regarding the Group's reportable segments as provided to the Manager's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below :

	Six months ended 30 June					
	2026 (unaudited)			2025 (unaudited)		
	Office properties $'000	**Retail properties $'000**	**Total $'000**	Office properties $'000	Retail properties $'000	Total $'000
Revenue						
– Rental income	**140,022**	**147,921**	**287,943**	142,986	154,948	297,934
– Car park income	**2,369**	**16,740**	**19,109**	2,407	16,438	18,845
– Rental related income	**36,592**	**38,779**	**75,371**	35,209	39,229	74,438
	178,983	**203,440**	**382,423**	180,602	210,615	391,217
Property operating expenses	**(34,888)**	**(47,876)**	**(82,764)**	(35,736)	(48,097)	(83,833)
Net property income	**144,095**	**155,564**	**299,659**	144,866	162,518	307,384
Administrative expenses	**(23,085)**	**(22,097)**	**(45,182)**	(23,403)	(22,826)	(46,229)
Segment results	**121,010**	**133,467**	**254,477**	121,463	139,692	261,155
Decrease in fair value of investment properties	**(106,421)**	**(159,707)**	**(266,128)**	(139,850)	(174,429)	(314,279)
Gain on disposal of investment properties	**–**	**4,848**	**4,848**	–	–	–
Finance costs on interest-bearing liabilities			**(87,682)**			(94,747)
Income tax			**(28,792)**			(28,655)
Interest income			**6,170**			8,733
Unallocated net expenses			**(6,968)**			(4,450)
Loss after taxation and before transactions with unitholders			**(124,075)**			(172,243)
Depreciation	**9**	**11**	**20**	11	15	26

5 Revenue

Revenue represents gross income generated from leasing of investment properties. The amount of each significant category of revenue recognised during the period is as follows :

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	$'000	$'000
Rental income	**287,943**	297,934
Car park income	**19,109**	18,845
Rental related income	**75,371**	74,438
	382,423	391,217

6 Property operating expenses

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	$'000	$'000
Building management fee	**31,729**	32,242
Property Manager's fees (note)	**23,259**	22,472
Government rent and rates	**19,282**	19,795
Car park operating costs	**3,916**	3,849
Rental commission (third party property agents) (note 8(b))	**935**	884
Marketing and promotion expenses	**1,097**	830
(Reversal of provision) / provision for credit losses on rental receivables (note 16(b))	**(55)**	1,534
Other direct costs	**2,601**	2,227
	82,764	83,833

Note : Included rental commission of $4,017,000 (2025 : $3,645,000) (note 8(b)).

7 Other income

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	$'000	$'000
Bank interest income	**5,482**	7,628
Interest income from debt securities	**688**	1,105
Gain on disposal of investment properties	**4,848**	–
Others	**222**	1,211
	11,240	9,944

8 Loss before taxation and transactions with unitholders

Loss before taxation and transactions with unitholders is arrived at after charging / (crediting) :

	Six months ended 30 June	
	2026 (unaudited) $'000	2025 (unaudited) $'000
(a) Finance costs on interest-bearing liabilities		
Interest on bank and other borrowings	**84,334**	91,545
Other borrowing costs	**3,919**	2,594
	88,253	94,139
Interest rate swaps – cash flow hedges		
– Reclassified from net assets attributable to unitholders	**–**	548
– Net fair value (gain) / loss of ineffective cash flow hedges	**(571)**	60
	(571)	608
	87,682	94,747

Other borrowing costs represent various financing charges and amortisation of debt establishment fees for bank and other borrowings. For the six months ended 30 June 2025, the amount also included amortisation of issuance discount on medium term notes.

	Six months ended 30 June	
	2026 (unaudited) $'000	2025 (unaudited) $'000
(b) Other items		
Manager's fees	**43,129**	44,389
Trustee's remuneration and charges	**2,179**	2,236
Auditor's remuneration		
– Audit services	**1,145**	1,106
– Other services	**538**	527
Valuation fee payable to principal valuer	**165**	165
Legal and other professional fees	**3,069**	1,514
Rental commission (note 6)		
– Property Manager	**4,017**	3,645
– Third party property agents	**935**	884
Bank charges	**167**	157
Net foreign exchange gain	**(218)**	(888)

Sunlight REIT does not appoint any director and the Group does not engage any employee. Accordingly, no employee benefit expense was incurred in the current and prior periods.

9 Income tax

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	$'000	$'000
Current tax – Hong Kong Profits Tax		
Provision for the period	**26,920**	27,511
Deferred tax		
Origination and reversal of temporary differences	**1,872**	1,144
	28,792	28,655

Provision for Hong Kong Profits Tax has been made at 16.5% on the estimated assessable profits for the current and prior periods.

10 Loss per unit before transactions with unitholders

The basic loss per unit before transactions with unitholders for the six months ended 30 June 2026 amounted to $0.07 (2025 : $0.10). The calculation of basic loss per unit before transactions with unitholders is based on the Group's loss after taxation and before transactions with unitholders of $124,075,000 (2025 : $172,243,000) and the weighted average of 1,751,413,805 units (2025 : 1,731,114,369 units) in issue during the period.

Diluted loss per unit before transactions with unitholders for the six months ended 30 June 2026 and 2025 are not presented as there was no potential dilution of loss per unit before transactions with unitholders.

11 Investment properties

	30 June 2026 (unaudited) $'000	31 December 2025 (audited) $'000
At the beginning of the period / year	**17,403,000**	17,933,600
Movement during the period / year		
– Additions	**4,936**	21,929
– Disposals	**(23,708)**	–
– Decrease in fair value	**(266,128)**	(552,529)
At the end of the period / year	**17,118,100**	17,403,000

11 Investment properties (continued)

(a) Valuation

The investment properties were appraised at 30 June 2026 by the Group's principal valuer, Knight Frank Petty Limited, an independent firm that has key personnel who are fellows or members of The Hong Kong Institute of Surveyors or the Royal Institute of Chartered Surveyors (Hong Kong Branch) with recent experience in the location and category of property being valued. Valuation methodologies adopted by Knight Frank Petty Limited were the same as when carrying out the valuation for 31 December 2025. As a result of the valuation, a loss of $266,128,000 (31 December 2025 : $552,529,000) has been recognised in profit or loss for the period in respect of investment properties.

(b) The analysis of the fair value of investment properties is as follows :

	30 June 2026 (unaudited) $'000	31 December 2025 (audited) $'000
In Hong Kong		
– Long leases	**7,544,000**	7,639,000
– Medium-term leases	**9,574,100**	9,764,000
	17,118,100	17,403,000

(c) Certain investment properties of the Group have been mortgaged to secure banking facilities granted to the Group (see note 19).

12 Reimbursement rights

The amount represents the reimbursement rights recognised pursuant to the tax indemnity under the relevant deeds of tax covenant dated 21 December 2006 provided by the vendors (comprising certain subsidiaries of Shau Kee Financial Enterprises Limited ("**SKFE**"), Henderson Land Development Company Limited ("**HLD**"), Henderson Investment Limited, Henderson Development Limited and Jetwin International Limited) (collectively referred to as the "**Vendors**") to the extent of the deferred tax liabilities in respect of possible clawback of depreciation allowances claimed by the Vendors prior to the date of acquisition in connection with the listing of Sunlight REIT in December 2006.

13 Derivative financial instruments

	30 June 2026 (unaudited)			31 December 2025 (audited)		
	Assets $'000	**Liabilities $'000**	**Net amount $'000**	Assets $'000	Liabilities $'000	Net amount $'000
Interest rate swaps and cross currency interest rate swap – cash flow hedges						
Current portion	**2,330**	**(8,136)**	**(5,806)**	264	(19,666)	(19,402)
Non-current portion	**2,836**	**(159,990)**	**(157,154)**	203	(161,469)	(161,266)
	5,166	**(168,126)**	**(162,960)**	467	(181,135)	(180,668)

The Group uses interest rate swaps ("**IRSs**") to hedge against the interest rate risk in relation to its floating rate borrowings.

The Group also uses a cross currency interest rate swap ("**CCIRS**") to hedge against the interest rate risk and foreign currency risk in relation to its floating rate term loan denominated in Japanese yen.

At 30 June 2026, the Group assessed the effectiveness of its cash flow hedges and identified certain ineffectiveness. As a result, fair value gain of ineffective hedges amounting to $571,000 (2025 : fair value loss of $60,000) was recognised in profit or loss for the period.

For the six months ended 30 June 2026, the increase in the effective portion of changes in fair value of cash flow hedges of $17,138,000 (2025 : decrease in the effective portion of changes in fair value of cash flow hedges of $28,744,000) and a reclassification adjustment in respect of unrealised exchange gain on foreign currency borrowing of $9,863,000 (2025 : unrealised exchange loss of $35,553,000) recognised in other comprehensive income were included in the net assets attributable to unitholders.

At 30 June 2026, the Group had IRSs with an aggregate notional amount of $2,050,000,000 (31 December 2025 : $2,050,000,000) and CCIRS with notional amount of $513,196,000 (31 December 2025 : $513,196,000) and their net cumulative unrealised fair value changes were included in the net assets attributable to unitholders. These swaps will mature between November 2026 and November 2028 (31 December 2025 : November 2026 and November 2028).

The above derivatives are measured at fair value at the end of the reporting period. Their fair values are determined based on the discounted cash flow model.

14 Other financial assets

	30 June 2026 (unaudited) $'000	31 December 2025 (audited) $'000
Financial assets measured at amortised cost		
Debt securities		
– Listed in Hong Kong	**24,188**	16,323
– Listed outside Hong Kong	**–**	11,676
	24,188	27,999
The carrying amounts of the debt securities are expected to be recovered as follows :		
Within one year	**16,454**	23,355
After one year	**7,734**	4,644
	24,188	27,999

15 Other non-current assets

The balance represented the amounts incurred relating to the progress billings for the improvement works carried out on certain investment properties of the Group which were in progress at the end of the reporting period.

16 Trade and other receivables

	30 June 2026 (unaudited) $'000	31 December 2025 (audited) $'000
Rental receivables	**26,348**	27,773
Deposits and prepayments	**10,804**	11,239
Other receivables	**1,782**	1,265
Amounts due from related companies	**4,382**	4,512
	43,316	44,789

Trade and other receivables included unamortised rent-free and rental concession, deposits and prepayments of $21,147,000 (31 December 2025 : $23,149,000) which are expected to be recovered or recognised in profit or loss after one year. Apart from the above, all of the balances are expected to be recovered or recognised in profit or loss within one year.

16 Trade and other receivables (continued)

The amounts due from related companies are unsecured, interest-free and have no fixed terms of repayment.

(a) Ageing analysis

At the end of the reporting period, the ageing analysis of rental receivables, based on the date of revenue recognition and net of provision for credit losses, is as follows :

	30 June 2026 (unaudited) $'000	31 December 2025 (audited) $'000
Current	**17,787**	20,004
Less than one month overdue	**5,393**	3,728
More than one month and up to three months overdue	**1,173**	967
More than three months and up to six months overdue	**355**	629
More than six months overdue	**1,640**	2,445
	26,348	27,773

(b) Provision for credit losses on rental receivables

Provision for credit losses on rental receivables was assessed and made by the Group on a case-by-case basis, based on the historical default experience and forward-looking information that may impact the tenants' ability to repay the outstanding rental receivables. If the Group considered that the recovering of the rental receivable is remote, relevant provision for credit losses would be written off against the receivable directly.

The movement in the loss allowance for rental receivables during the period / year is as follows :

	30 June 2026 (unaudited) $'000	31 December 2025 (audited) $'000
At the beginning of the period / year	**2,111**	716
(Reversal of provision) / provision for credit losses (note 6)	**(55)**	1,420
Written off	**(241)**	(25)
At the end of the period / year	**1,815**	2,111

17 Cash and bank balances

	30 June 2026 (unaudited) $'000	31 December 2025 (audited) $'000
Deposits with original maturity within three months	**456,036**	122,999
Cash at bank and in hand	**26,173**	12,285
Cash and cash equivalents in the condensed consolidated cash flow statement	**482,209**	135,284
Deposits with original maturity over three months	**15,055**	293,476
Cash and bank balances in the consolidated statement of financial position	**497,264**	428,760

18 Trade and other payables

	30 June 2026 (unaudited) $'000	31 December 2025 (audited) $'000
Creditors and accrued charges	**50,187**	52,342
Manager's fees payable (note 23(b)(iii))	**21,349**	20,650
Amounts due to related companies	**8,165**	9,461
	79,701	82,453

All creditors and accrued charges are due within one month or on demand and expected to be settled within one year.

Manager's fees payable is due within four months and payable in the form of cash and units.

The amounts due to related companies are unsecured, interest-free and have no fixed terms of repayment except for the amount due to the Trustee of $1,074,000 (31 December 2025 : $1,028,000) which is due within 30 days.

19 Bank and other borrowings

	30 June 2026 (unaudited) $'000	31 December 2025 (audited) $'000
Bank loans (notes (i) & (ii))		
– Secured	**2,593,990**	2,093,338
– Unsecured	**2,241,488**	2,721,444
	4,835,478	4,814,782
The bank and other borrowings were repayable as follows :		
Within one year	**30,000**	1,199,244
After one year but within two years	**1,135,905**	845,260
After two years but within five years	**3,669,573**	2,770,278
	4,805,478	3,615,538
	4,835,478	4,814,782

Notes :

(i) The Group entered into IRSs and CCIRS, details of which are set out in note 13.

All bank borrowings are guaranteed by the Trustee (in its capacity as trustee of Sunlight REIT), and in some cases together with Sunlight REIT Holding Limited, the holding company of all other subsidiaries of the Group, on a joint and several basis. In addition, the secured bank borrowings are secured by, among others, the following :

– mortgages over the investment properties with a fair value of $7,187,000,000 at 30 June 2026 (31 December 2025 : $4,780,000,000) (note 11); and

– first fixed charge over all present and future rights, title and interest in and to, all present and future shares in Sunlight REIT Finance Limited and Sunlight REIT Holding Limited, both being subsidiaries of the Group, and dividends and distributions thereof.

(ii) At 30 June 2026, the amount of bank loans included an unrealised exchange gain on the foreign currency borrowing amounting to $175,628,000 (31 December 2025 : $165,765,000). As the foreign currency borrowing is fully hedged by a CCIRS, the effect of the exchange difference was neutralised through the change in fair value of the CCIRS (note 13) in the net assets attributable to unitholders.

(iii) The effective interest rate of the bank and other borrowings at the end of the reporting period was 3.45% per annum (31 December 2025 : 3.66% per annum).

(iv) At 30 June 2026, the Group had uncommitted revolving credit facilities of $750,000,000 (31 December 2025 : $300,000,000), of which $720,000,000 (31 December 2025 : $300,000,000) remained undrawn.

20 Units in issue

	Number of units	
	30 June 2026 (unaudited)	31 December 2025 (audited)
At the beginning of the period / year	**1,748,133,169**	1,726,707,663
Movement during the period / year		
– Issuance of units	**9,135,312**	21,425,506
At the end of the period / year	**1,757,268,481**	1,748,133,169

Details of units issued during the period / year as payment of the Manager's fees are as follows :

Payment of the Manager's fees for the period / year	**Average issue price per unit determined based on the Trust Deed $**	**Aggregate amount of units issued $'000**	**Number of units issued**
For the six months ended 30 June 2026 (unaudited)			
1 October 2025 to 31 December 2025	**2.322**	**10,811**	**4,655,656**
1 January 2026 to 31 March 2026	**2.431**	**10,890**	**4,479,656**
		21,701	**9,135,312**
For the year ended 31 December 2025 (audited)			
1 October 2024 to 31 December 2024	1.834	11,166	6,088,430
1 January 2025 to 31 March 2025	1.992	11,237	5,641,186
1 April 2025 to 30 June 2025	2.260	10,957	4,848,261
1 July 2025 to 30 September 2025	2.252	10,917	4,847,629
		44,277	21,425,506

No unit was bought back by the Manager on behalf of Sunlight REIT for the six months ended 30 June 2026 and 2025.

21 Fair value measurement of financial instruments

(a) Financial assets and liabilities measured at fair value

(i) Fair value hierarchy

HKFRS 13, *Fair value measurement*, requires the fair value of financial instruments measured at the end of the reporting period on a recurring basis to be categorised into the three-level fair value hierarchy as defined in HKFRS 13. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows :

- Level 1 valuations : Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

- Level 2 valuations : Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available

- Level 3 valuations : Fair value measured using significant unobservable inputs

At 30 June 2026 and 31 December 2025, the Group's only financial instruments carried at fair value are the IRSs and CCIRS (note 13), which fall under Level 2 of the fair value hierarchy described above.

During the six months ended 30 June 2026 and 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy at the end of the reporting period in which they occur.

(ii) Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of IRSs and CCIRS is the estimated amount that the Group would receive or pay to terminate the swap at the end of the reporting period, taking into account the current interest rates, exchange rate and creditworthiness of the swap counterparties.

(b) Fair values of financial assets and liabilities carried at other than fair value

At 30 June 2026, the carrying amounts of the Group's financial instruments carried at amortised cost are not materially different from their fair values. The Manager assessed the credit risk of the debt securities held by the Group with reference to the credit ratings assigned by credit rating agencies, where available, and default probability analysis provided by external financial data providers.

22 Capital commitments

Capital commitments outstanding at 30 June 2026 not provided for in the condensed interim financial statements are as follows :

	30 June 2026 (unaudited) $'000	31 December 2025 (audited) $'000
Contracted for	**13,200**	13,485
Authorised but not contracted for	**10,295**	14,169
	23,495	27,654

23 Connected party transactions and material related party transactions

In addition to the transactions and balances disclosed elsewhere in the condensed interim financial statements, the Group entered into the following transactions with certain connected persons and related parties, as defined under the REIT Code and HKAS 24 (Revised), *Related party disclosures*, during the period :

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

Connected person / related party	**Relationship with the Group**
SKFE and other members of its group (collectively referred to as "**SKFE Group**")	Substantial holders of Sunlight REIT and their associates
HLD and other members of its group (collectively referred to as "**HLD Group**")	Substantial holders of Sunlight REIT and their associates
HSBC Institutional Trust Services (Asia) Limited (the "**Trustee**")	The Trustee of Sunlight REIT
The Hongkong and Shanghai Banking Corporation Limited and other members of its group (collectively referred to as "**HSBC Group**")	Associates of the Trustee
Henderson Sunlight Asset Management Limited (the "**Manager**")	The Manager of Sunlight REIT and a member of HLD Group
Henderson Sunlight Property Management Limited (the "**Property Manager**")	The Property Manager of Sunlight REIT and a member of HLD Group

23 Connected party transactions and material related party transactions (continued)

(b) Transactions with connected persons / related parties

	Six months ended 30 June	
	2026 (unaudited) $'000	2025 (unaudited) $'000
Rental and rental related income received / receivable from (note (i)) :		
– HLD Group	**5,066**	5,017
– HSBC Group	**10,182**	10,137
Property management expenses paid / payable to (note (i)) :		
– HLD Group	**(7,084)**	(8,447)
Other expenses paid / payable to (notes (i) & (vi)) :		
– HLD Group	**(161)**	–
Manager's fees (notes (ii) & (iii))	**(43,129)**	(44,389)
Property Manager's fees (note (iv))	**(23,259)**	(22,472)
Trustee's remuneration and charges (notes (ii) & (v))	**(2,179)**	(2,236)
Interest expense and security trustee fee on bank borrowings and other charges paid / payable to (note (i)) :		
– HSBC Group	**(20,937)**	(25,746)
Net interest (expense) / income on IRSs (paid / payable to) / received / receivable from (note (i)) :		
– HSBC Group	**(1,409)**	143
Interest income on bank deposits received / receivable from (note (i)) :		
– HSBC Group	**126**	744
Interest income from debt securities received / receivable from (notes (i) & (vi)) :		
– HLD Group	**104**	103
Promotional income received / receivable from (note (i)) :		
– HLD Group	**1,448**	1,563

23 Connected party transactions and material related party transactions (continued)

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

Notes :

(i) In the opinion of the Manager, these transactions were carried out on normal commercial terms and in the ordinary course of business.

(ii) All the material related party transactions as set out in this note 23 also constitute connected transactions / continuing connected transactions under the Listing Rules, other than the fees paid / payable to the Manager and the Trustee. The disclosures as required under Chapter 14A of the Listing Rules are provided in "Connected Party Transactions" on pages 14 to 16 in this interim report.

(iii) The Manager's fees are calculated as the aggregate of a base fee not exceeding 0.4% per annum of the value of all the properties of the Group and a variable fee of 3% per annum of the Group's Net Property Income (as defined in the Trust Deed).

Pursuant to the Trust Deed, the Manager is entitled to make an election for the payment of the Manager's fees, only to the extent that it is related to the Group's Properties (as defined in the Trust Deed), to be made in the form of cash and/or units.

On 9 January 2025, the Manager made an election for the base fee and the variable fee for the financial year ended 31 December 2025 to be paid 50% in the form of cash and 50% in the form of units. On 5 January 2026, the Manager has elected to keep the split unchanged for the financial year ending 31 December 2026.

(iv) Under the property management agreement entered into between the Manager and the Property Manager dated 29 November 2006 (as subsequently renewed on amended terms and conditions by seven supplemental agreements) (the "**Property Management Agreement**"), the Property Manager is entitled to receive a fee not exceeding 3% per annum of the Gross Property Revenue (as defined in the Property Management Agreement).

The Property Manager is also entitled to receive a commission equivalent to :

– one month's base rent or licence fee for securing a tenancy or licence of three years or more;

– one-half month's base rent or licence fee for securing a tenancy or licence of less than three years;

– one-half month's base rent or licence fee for securing a renewal of tenancy or licence irrespective of the duration of the renewal term;

– an amount not exceeding the lower of one-half month's base rent or licence fee, or 10% (or a lower percentage as mutually agreed between the Manager and the Property Manager from time to time) of the total rent or licence fee for securing a tenancy, licence or renewal of tenancy or licence for a duration of less than 12 months; and

– one-fourth month's base rent or licence fee (as reviewed), for handling each rent or licence review during the term of a tenancy or licence provided for in the tenancy or licence agreement.

23 Connected party transactions and material related party transactions (continued)

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

Notes : (continued)

The Manager and the Property Manager may mutually agree in writing from time to time to revise the rate of the commission payable to the Property Manager for the marketing services provided that the revised rate shall not exceed the relevant rate as stated above.

In addition to the above fees, the Property Manager is also reimbursed by relevant property companies for staff costs incurred for the management of properties of the Group.

(v) The Trustee's remuneration is calculated at rates ranging from 0.02% per annum to 0.03% per annum on the total assets of the Group, subject to minimum fees of $50,000 per month. In accordance with the Trust Deed, the Trustee's remuneration may be increased, without obtaining unitholders' approval subject to one month's written notice to unitholders, to a maximum of 0.06% per annum of the total assets of the Group.

The Trustee is also entitled to charge additional fees for duties undertaken by the Trustee which are of an exceptional nature or otherwise outside the scope of the Trustee's normal duties in the ordinary and normal course of business of Sunlight REIT, including but not limited to any services in relation to the acquisition of real estate by Sunlight REIT.

(vi) Connected party transactions exempted from the disclosure requirements under Chapter 14A of the Listing Rules as they are below the de minimis threshold pursuant to Rule 14A.76(1).

(c) Balances with connected persons / related parties are as follows :

	30 June 2026 (unaudited) $'000	31 December 2025 (audited) $'000
HLD Group :		
– Net payable amount	**(24,221)**	(24,494)
– Debt securities issued by HLD Group	**4,689**	4,644
HSBC Group :		
– Deposits and cash placed with HSBC Group	**29,775**	16,490
– Bank borrowings and interest payable to HSBC Group	**(1,302,045)**	(1,302,282)
– Other net payable amount	**(7,680)**	(7,629)

24 Non-adjusting event after the reporting period

After the end of the reporting period, the Board of Directors of the Manager declared an interim distribution. Further details are disclosed in the "Distribution Statement" of the condensed interim financial statements.

Auditor's Review Report

KPMG

Independent review report to the Board of Directors of Henderson Sunlight Asset Management Limited (the "Manager")

Introduction

We have reviewed the condensed interim financial statements set out on pages 20 to 45 which comprises the consolidated statement of financial position of Sunlight Real Estate Investment Trust as of 30 June 2026 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in net assets attributable to unitholders, distribution statement and condensed consolidated cash flow statement for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of condensed interim financial statements to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants. The Manager is responsible for the preparation and presentation of these condensed interim financial statements in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on these condensed 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.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of the condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim financial statements as at 30 June 2026 are not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

7 August 2026

Performance Table

(Expressed in Hong Kong dollars, unless otherwise specified)

	Note	2026	2025	2024	2023	2022
At 30 June :						
Net asset value ($ million)		**12,168**	12,634	13,496	13,669	14,051
Net asset value per unit		**6.92**	7.27	7.87	8.06	8.36
Market capitalisation ($ million)		**3,796**	3,929	2,931	4,882	6,138
For the six months ended 30 June :						
Highest traded unit price		**2.80**	2.39	2.19	3.65	4.41
Highest premium of the traded unit price to net asset value per unit	1	**N/A**	N/A	N/A	N/A	N/A
Lowest traded unit price		**2.14**	1.74	1.48	2.77	3.53
Highest discount of the traded unit price to net asset value per unit (%)		**69.1**	76.1	81.2	65.6	57.8
Closing unit price		**2.16**	2.26	1.71	2.88	3.65
Distribution per unit (cents)	2	**8.8**	9.1	9.1	11.0	12.8
Payout ratio (%)	2	**94.3**	93.8	90.9	102.4	100.6
Annualised distribution yield per unit (%)	3	**8.1**	8.1	10.6	7.6	7.0

Notes :

1. The highest traded unit price is lower than the net asset value per unit at the end of each period.
2. These figures are not directly comparable as the distribution per unit and payout ratio for 2022 to 2023 refers to the final distribution which have taken into consideration the distributable income retained from the first half of each respective financial year.
3. Annualised distribution yield per unit is calculated by dividing the annualised distribution per unit by the closing unit price of the last trading day of the period.

Corporate Information

Board of Directors of the Manager

Chairman and Non-Executive Director

AU Siu Kee, Alexander

Chief Executive Officer and Executive Director

WU Shiu Kee, Keith

Non-Executive Director

KWOK Ping Ho

Independent Non-Executive Directors

KWAN Kai Cheong
TSE Kwok Sang
KWOK Tun Ho, Chester
Helen ZEE

Responsible Officers of the Manager

LO Yuk Fong, Phyllis
(appointed as Executive Director with effect from 10 August 2026)
SHUM Chung Wah, Yulanda
WONG Chi Ming
WU Shiu Kee, Keith
YIP May Ling, Vivian

Company Secretary of the Manager

CHUNG Siu Wah

Registered Office of the Manager

30th Floor, Dah Sing Financial Centre,
248 Queen's Road East, Wan Chai,
Hong Kong

Investor Relations

Tel : (852) 3669 2880
Fax : (852) 2285 9980
Email : ir@HendersonSunlight.com

Trustee

HSBC Institutional Trust Services (Asia) Limited

Auditor

KPMG
Certified Public Accountants and Registered Public Interest Entity Auditor

Principal Valuer

Knight Frank Petty Limited

Legal Adviser

Woo Kwan Lee & Lo

Principal Bankers

Bank of China (Hong Kong) Limited
CMB Wing Lung Bank Limited
Dah Sing Bank, Limited
DBS Bank Ltd., Hong Kong Branch
Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Oversea-Chinese Banking Corporation Limited
Sumitomo Mitsui Banking Corporation

Unit Registrar

Tricor Investor Services Limited
17/F, Far East Finance Centre,
16 Harcourt Road,
Hong Kong

Website

www.sunlightreit.com

Financial Calendar

(for the six months ended 30 June 2026)

Interim results	announced on 7 August 2026
Interim report	posted on 24 August 2026
Ex-distribution date for interim distribution	24 August 2026
Closure of register of unitholders for entitlement of interim distribution	26 August 2026 to 28 August 2026, both days inclusive
Interim distribution HK 8.8 cents per unit	to be paid on 8 September 2026

Sunlight Real Estate Investment Trust
Managed by Henderson Sunlight Asset Management Limited

陽光房地產投資信託基金
由恒基陽光資產管理有限公司管理

www.sunlightreit.com