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## Spring Real Estate Investment Trust

春泉產業信託

(a Hong Kong collective investment scheme authorized under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong))  
(Stock Code: 01426)

Managed by  
Spring Asset Management Limited

### INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025 AND CLOSURE OF REGISTER OF UNITHOLDERS

#### ABOUT SPRING REIT

Spring Real Estate Investment Trust (“**Spring REIT**”) is a real estate investment trust constituted by a trust deed entered into on 14 November 2013 as amended and supplemented by the first supplemental deed dated 22 May 2015, the First Amending and Restating Deed dated 28 May 2021 and the Second Amending and Restating Deed dated 20 September 2024 (collectively, the “**Trust Deed**”) between Spring Asset Management Limited and DB Trustees (Hong Kong) Limited, as trustee of Spring REIT (the “**Trustee**”). Units of Spring REIT (the “**Units**”) were first listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 5 December 2013.

Spring REIT offers investors direct exposure to two premium office buildings strategically located in Beijing Central Business District (“**Beijing CBD**”) through its ownership in China Central Place Office Tower 1 and 2 (and the relevant portion of the car park) (the “**CCP Property**”) and to a landmark shopping mall Huamao Place in Huizhou, located in Greater Bay Area, which comprises seven-storey shopping mall and 750 carpark spaces (the “**Huamao Place**”).

## ABOUT THE MANAGER

Spring REIT is managed by Spring Asset Management Limited (as manager of Spring REIT, the “**Manager**”), a company incorporated in Hong Kong for the sole purpose of managing Spring REIT. As at 30 June 2025, the Manager is 80.4% owned by Mercuria Holdings Co., Ltd. (“**Mercuria Holdings**”), which is an investment holding company listed on the Tokyo Stock Exchange (Stock Code: 7347) with notable shareholders such as Development Bank of Japan, Itochu Corporation and Sumitomo Mitsui Trust Bank, Limited.

## DISTRIBUTION

The board of directors (the “**Board**”) of the Manager, for and on behalf of Spring REIT, has resolved to declare an interim distribution for the period from 1 January 2025 to 30 June 2025 (the “**Reporting Period**”, “**1H 2025**” or “**2025 Interim Distribution Period**”) of HK7.6 cents per Unit (“**2025 Interim Distribution**”) to unitholders of Spring REIT (“**Unitholders**”) whose names appear on the register of Unitholders on 8 October 2025 (the “**Record Date**”), remaining unchanged half-on-half (“**HoH**”) and representing a decrease of 15.6% year-on-year (“**YoY**”) and a payout ratio of 100% (FY2024: 100%, 2024 1st half : 100%).

Based on the closing price of HK\$1.73 per Unit as at 30 June 2025, the Reporting Period distribution per Unit (“**DPU**”) represents an annualized distribution yield of 8.8%. For details of the distribution, please refer to the section headed “Condensed Consolidated Statement of Distributions” in the financial information.

The presentation currency of Spring REIT is Renminbi (“**RMB**”) and all distributions will be paid in Hong Kong Dollars (“**HK\$**”). The exchange rate adopted for the 2025 Interim Distribution is HK\$1 = RMB0.9204, which represents the average of month-end central parity rates in the 2025 Interim Distribution Period (as announced by the People’s Bank of China).

The Manager confirms that 2025 Interim Distribution is composed only of consolidated profit after tax, before transactions with Unitholders attributable to Unitholders and non-cash adjustments for the 2025 Interim Distribution Period.

As at the date of this announcement, 1,762,000 treasury Units was held by Spring REIT, which deposited with the Central Clearing and Settlement System (“**CCASS**”) and would not be entitled to receive the 2025 Interim Distribution. Before the Record Date of the 2025 Interim Distribution, the aforesaid 1,762,000 treasury Units would be not withdrawn from CCASS and either re-registered in Spring REIT’s name or cancelled.

In accordance with the Trust Deed, the Manager’s current policy is to distribute to Unitholders at least 90% of Total Distributable Income (“**TDI**”) in each financial year. The Manager also has the discretion to direct that Spring REIT makes distributions over and above the minimum 90% of TDI for any financial year if and to the extent that Spring REIT, in the opinion of the Manager, has funds surplus to its business requirements.

The Record Date for the 2025 Interim Distribution will be 8 October 2025. The register of Unitholders will be closed for the purpose of determining the identity of Unitholders from 6 October 2025 to 8 October 2025, both days inclusive, during which period no transfer of Units will be registered. The 2025 Interim Distribution is to be payable on 23 October 2025 to Unitholders whose names appear on the register of Unitholders on the Record Date.

In order to qualify for the 2025 Interim Distribution, all completed transfer forms in respect of transfer of Units (accompanied by the relevant Unit certificates) must be lodged for registration with Tricor Investor Services Limited, Spring REIT’s Unit registrar in Hong Kong, whose address is 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on 3 October 2025.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Overview

The Manager is pleased to present the financial results of Spring REIT for the six months ended 30 June 2025. During the Reporting Period, China's economy remained on a path of stabilization, though growth continued to be constrained by ongoing pressures in the property sector, subdued domestic consumption, and the cautious stance of investors. Preliminary figures indicate a GDP growth of approximately 5.3% in the first half of 2025, reflecting underlying resilience within certain segments of the domestic market.

Net property income declined by 13.9% year-on-year and 1.6% half-on-half affected by lower revenue following the sale of the UK portfolio. Excluding the effect of UK portfolio, net property income for the period increased 3.7% HoH and decreased 10.4% YoY respectively. The performance of Spring REIT's China portfolio reflected broader market trends. Strong retail performance at Huamao Place in Huizhou supported overall results, but this was partially offset by ongoing challenges in the Beijing office market, which impacted the CCP Property.

In response to the evolving operating environment, the Manager continued its focus on a strategy that emphasises occupancy and optimizing tenant mix, particularly at the CCP Property. By exercising flexibility in rental strategies and offering customized incentives, the property's leasing momentum outperformed the general office sector trend in Beijing. At the same time, Huamao Place maintained solid footfall and sales, reinforcing Spring REIT's position within the Greater Bay Area's dynamic retail landscape.

During the first half of 2025, the U.S. Federal Reserve maintained a cautious stance, keeping policy rates elevated for much of the period before initiating a modest rate-cut cycle in response to moderating inflation and slowing economic growth. As a result, U.S. dollar funding costs remained relatively high compared to recent years, although downward pressure began to emerge toward the end of the Reporting Period.

TDI for the Reporting Period was RMB 102.33 million. The DPU was HK7.6 cents, with a payout ratio maintained at 100%, representing a decrease of 15.6% compared to the corresponding period in 2024 and unchanged compared to 2H 2024. Notwithstanding the challenging environment, the Manager remains confident in Spring REIT's resilience and its ability to generate long-term value for Unitholders through prudent management and proactive portfolio strategies.

## BEIJING OFFICE MARKET AND PROPERTY PERFORMANCE

### Beijing Office Market Overview

The Beijing CBD is home to tenants from a wide range of industries, including many from the finance and insurance, professional services, and manufacturing industries. It holds the largest amount of Grade-A office stock in Beijing, amounting to 2.80 million sqm as at 30 June 2025, and accounting for 24.3% of the city's total Grade-A office space of 11.50 million sqm.

In the first half of 2025, the Beijing Grade A office market exhibited greater stability than it has for some time, with occupancy rates holding firm despite continued softness in rental levels. While rents have yet to bottom out, market activity picked up slightly, particularly in the CBD, and occupancy rates began to stabilise.

Across the board, landlords in the Grade A segment have continued to focus on retaining existing tenants rather than attracting new ones, as businesses have continued to remain cautious about the costs and risks of relocation. Most tenants fall into two main categories: those with soon-to-expire leases, who often prefer to renew rather than move; and those who are seeking to reduce their current occupancy costs. Although overall activity has remained subdued, some tenants have taken advantage of the current market conditions to upgrade to higher quality office space, taking advantage of more competitive rents. Transaction volumes have been relatively modest, but the market is showing signs of stability in terms of.

Looking ahead, the Beijing office market, particularly in the central business district, is expected to remain soft in the near term in the face of moderate leasing demand and tenant caution. Landlords are likely to continue emphasising tenant retention by adopting flexible leasing strategies and supportive measures. Although a strong recovery may still be some time away, a gradual stabilisation of the market is likely as economic conditions improve. Challenges remain, but signs of recovery and renewed activity in some areas offer a foundation for cautious optimism and expectations of long-term stability.

## Beijing Office Market Occupancy and Rental Rates in 1H 2025

		Average Rental Rate <sup>1</sup>					
		Occupancy Rate <sup>1</sup>	HoH Change	YoY Change	(RMB/sqm/ month)	HoH Change <sup>2</sup>	YoY Change <sup>2</sup>
CBD	Grade A	87.9%	- 0.1 ppts	- 3.3 ppts	252	(8.6%)	(18.8%)
	Premium Grade A	87.8%	—	- 4.1 ppts	289	(8.6%)	(14.4%)

<sup>1</sup> Data is as at 30 June 2025.

<sup>2</sup> YoY and HoH changes in average rental rate are on a chain-linked basis, to facilitate like-for-like comparison.

Source: JLL Research

## CCP Property Financial Review

### CCP Property Financial Highlights

(in RMB million)	1H 2025	HoH Change	2H 2024	HoH Change	1H 2024
Revenues					
– Rental income	198.05	(2.6%)	203.42	(8.0%)	221.00
– Car park income	1.65	(20.0%)	2.06	(13.1%)	2.37
– Other income (note i)	2.87	5.2%	2.73	52.5%	1.79
	202.57	(2.7%)	208.21	(7.5%)	225.16
Property Operating Expenses					
– Property management fee	(4.45)	7.9%	(4.12)	(16.9%)	(4.96)
– Property taxes (note ii)	(24.79)	3.1%	(24.05)	(12.6%)	(27.52)
– Turnover tax (note iii)	(20.14)	4.3%	(19.32)	(13.9%)	(22.43)
– Other taxes (note iv)	(0.19)	(12.2%)	(0.22)	(43.6%)	(0.39)
– Leasing commission	(2.31)	(73.1%)	(8.59)	647.0%	(1.15)
– Other expenses	(1.57)	65.7%	(0.95)	(38.7%)	(1.55)
	(53.45)	(6.6%)	(57.52)	(1.3%)	(58.00)
Net Property Income	149.12	(1.2%)	150.96	(9.7%)	167.16

Notes:

- i Other income mainly represents compensation paid by tenants for early termination of lease.
- ii Property taxes represent real estate tax and land use tax.
- iii Turnover tax in the People's Republic of China is calculated based on rental revenues at a rate of 10%.
- iv Other taxes mainly represent stamp duty.

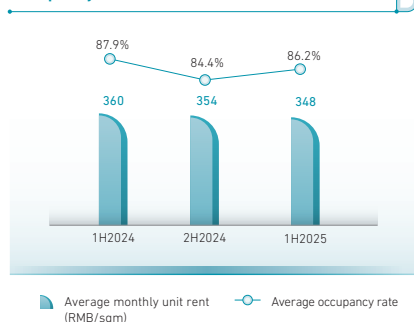
During the Reporting Period, the CCP Property reported a 2.7% decrease in revenue HoH. Rental income generated from the office space decreased by 2.6% HoH, reflecting a moderate decline in occupancy rate since 31 December 2024. Property operating expenses decreased 6.6% HoH, mainly due to lower commission expenses as lease renewals dominated activity during the period. After deducting property operating expenses, net property income amounted to RMB 149.12 million, representing a decrease of 1.2% HoH and 10.8% YoY.

Property operating expenses are mainly comprised of tax expenses, namely property taxes, turnover tax and other taxes. Tax expenses in aggregate accounted for 84.4% of the total property operating expenses. The property management fee, payable at 2.0% of total revenue, accounted for 8.3% of the total property operating expenses.

## CCP Property Operation Review

The CCP Property registered an average occupancy rate<sup>1</sup> of 86.2% in 1H 2025. Average monthly unit rent<sup>2</sup> (net of Value-Added Tax (“VAT”)) decreased to RMB348 per sqm in 1H 2025 as a result of negative rental reversion under the current challenging environment. The amount of outstanding arrears as at 30 June 2025, at the time of writing, stood at RMB1.0 million.

Average Monthly Unit Rent<sup>2</sup> and Average Occupancy Rate<sup>1</sup>



Expiry Profile by Leased GFA (As of 30 June 2025)



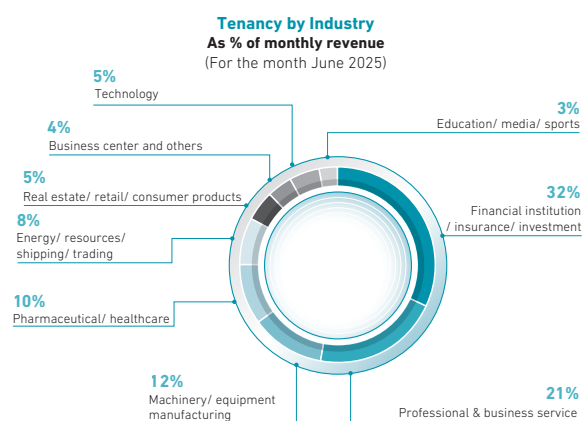
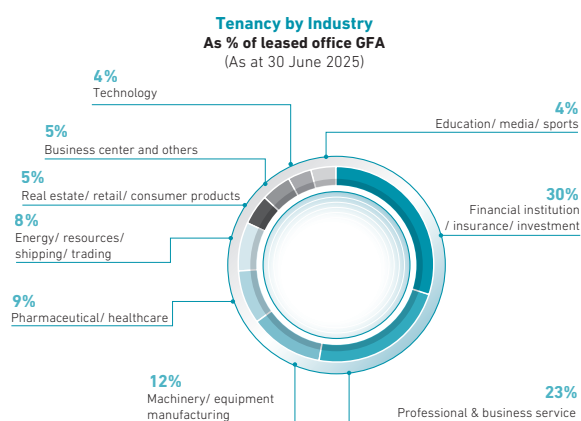
1. Occupancy rate is an average of the month-end figures throughout the specified period.
2. The average monthly unit rent of the CCP Property is presented net of VAT and represents the contractual rent (excluding management fee).

Leases expiring in the second half of 2025 and in the year ending 31 December 2026 accounted for 9.7% and 24.9% of the total leasable GFA respectively.



As at 30 June 2025, the CCP Property had a total of 182 tenancies, with 55.7% of the GFA occupied by foreign companies. The top five tenants in terms of GFA accounted for 18.5% of the total revenue for the Reporting Period, and occupied 23.2% of the total leased GFA as at 30 June 2025. Details of these tenants are set out below.

Tenants	Portion of total leased GFA
Epson	6.1%
Zhong De Securities	4.6%
Global Law Office	4.6%
The Executive Centre	4.4%
Conde Nast	3.5%
Total	23.2%



## HUIZHOU RETAIL MARKET AND PROPERTY PERFORMANCE

### Huizhou City Overview

One of the 9+2 cities in the Greater Bay Area (“GBA”) in Guangdong Province, Huizhou covers an area of some 11,000 square kilometres and is rich in natural resources, energy resources, and tourist attractions. With a residential population of 6.2 million, the city serves as an essential gateway between eastern and northern Guangdong Province. Huizhou is also one of the closest mainland cities to Hong Kong, adding to its strategic significance in the region. Due to its superior geographical location and rich resources, Huizhou has attracted many high-quality business enterprises. It has also enjoyed industrial spill-over transfers from the nearby cities of Shenzhen and Dongguan, which have boosted the city’s population and helped drive its economic development.

### Huizhou Retail Market Review

Huizhou’s shopping mall industry has experienced robust growth, driven by high economic growth potential, ongoing urbanisation, consumption upgrading, an expanding infrastructure network, and continued government support. According to the research organisation China Insights Consultancy, the overall gross merchandise value (“GMV”) of shopping malls in Huizhou increased from RMB20.2 billion in 2020 to RMB21.8 billion in 2024. China Insights Consultancy projects a CAGR of 5.6% from 2025 to 2030, with the total GMV of the shopping mall industry in Huizhou predicted to reach RMB29.4 billion by 2030, outpacing the growth of the industry in other cities in the GBA. As of 30 June 2025, Huizhou had 35 shopping malls managed by approximately 29 operators, with a total retail GFA of approximately 2.5 million sqm. Huizhou’s shopping mall industry is not highly concentrated, with the top five shopping mall management service providers accounting for 36.8% of the market in terms of retail GFA.

## Huamao Place Financial Review

### Huamao Place Financial Highlights

(in RMB million)	1H 2025	HoH Change	2H 2024	HoH Change	1H 2024
Revenues					
– Total rental income (note i)	108.9	0.3%	108.5	(3.0%)	111.8
– Other income (note ii)	1.7	(38.6%)	2.8	(14.5%)	3.3
	110.6	(0.7%)	111.3	(3.3%)	115.1
Property Operating Expenses	(32.3)	(24.7%)	(42.9)	51.0%	(28.4)
Net Property Income	78.3	14.4%	68.4	(21.1%)	86.7

Notes:

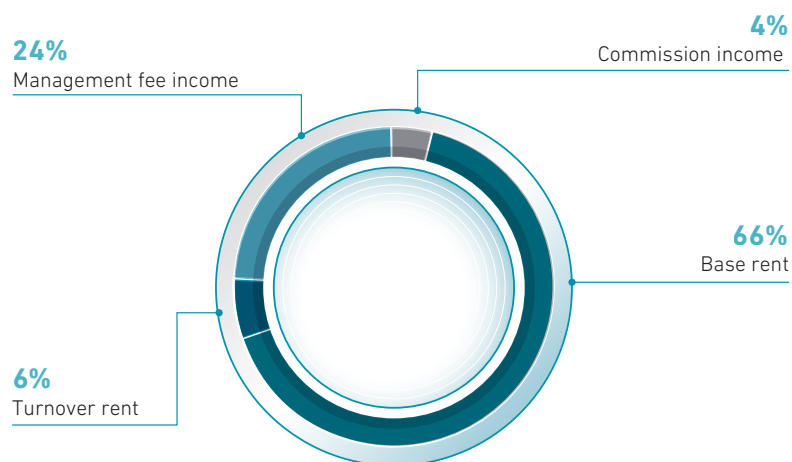
- i Total rental income mainly represents base rental income, turnover rent, commission income and service fee income.
- ii Other income mainly represents advertising income and penalty income.

During the Reporting Period, Huamao Place reported revenue of RMB110.6 million, comprised of base rent, management fee income, turnover rent and commission income. Base rent is the fixed rent provided for in lease agreements, while management fee income represents additional income from tenants for services provided by the local property management team, such as promotions and events. Turnover rent is collected from certain tenants in the form of a percentage of their sales receipts. Commission income represents a share in the sales receipts for products sold on consignment.

## Huizhou Huamao Place

### Rental Income Mix

(for the six months period ended 30 June 2025)



Property operating expenses are mainly comprised of property management fees and tax expenses, namely property taxes and other taxes. Tax expenses in aggregate accounted for 34.2% of the total property operating expenses. The property management fee accounted for 49.5% of the total property operating expenses.

The contribution of Huizhou Huamao Place in terms of net property income amounted to RMB 78.3 million for the Reporting Period.

### Huamao Place Operation Review

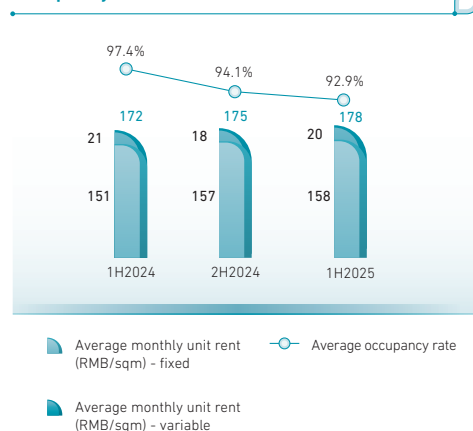
We have continued our efforts to raise Huamao Place's status as a premier high-end lifestyle destination and further enhance its unique positioning in the market. A number of celebrated brands have been welcomed to the mall, distinguishing the mall from competitors and reinforcing its upscale identity, several of which have chosen Huamao Place as their city-first or flagship location. One highlight was the arrival of the brand La Mer, which significantly contributed to the mall's appeal among trend-savvy shoppers.

Continuously reimagining the mall's interior layout is a key aspect of our growth strategy. This involves systematically phasing out underperforming tenants to make way for fresh, relevant offerings that align closely with our vision. Food and beverage establishments remain vital traffic drivers to the mall, anchored by a mix of iconic local names and internationally recognised brands.

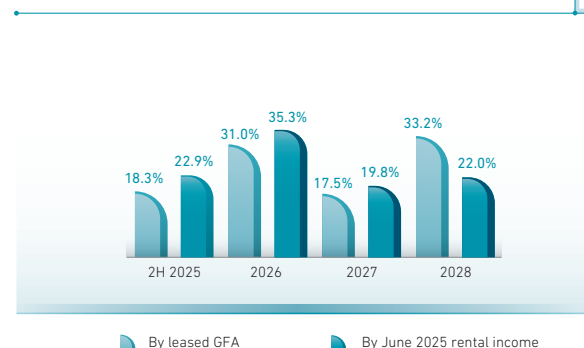
During the Reporting Period, we were successful in signing leases with 61 new merchants. Alongside this, we continued to refresh the mall's appearance in order to create a more cohesive and markedly luxurious atmosphere. These efforts have further strengthened Huamao Place's reputation as Huizhou's premier shopping destination.

During the Reporting Period, the average occupancy rate was 92.9%. The mall's average monthly unit rent<sup>1</sup> increased from RMB175 per sqm in 2H 2024 to RMB178 per sqm for the Reporting Period.

**Average Monthly Unit Rent<sup>1</sup> and Average Occupancy Rate<sup>2</sup>**



**Expiry Profile  
(As of 30 June 2025)**



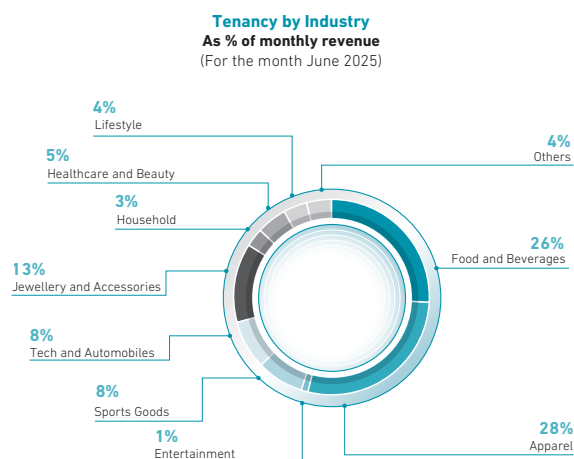
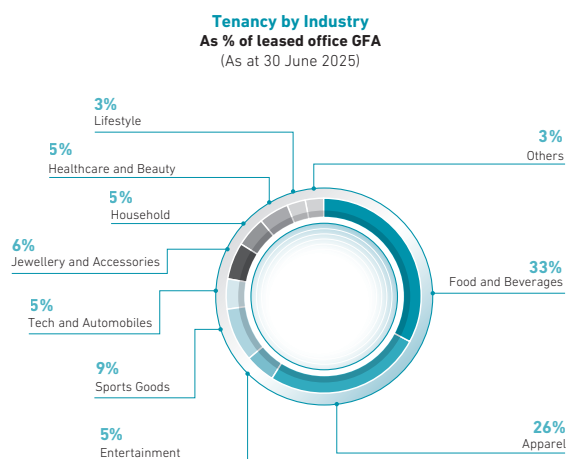
1. Average monthly unit rent is presented net of VAT and is comprised of base rental income, turnover rental income, consignment sales income and service fee income.
2. Occupancy rate is an average of the month-end figures throughout the specific period.

As at 30 June 2025, leases expiring in the years ending 31 December 2025 and 31 December 2026 accounted for 18.3% and 31.0% of the total leased GFA respectively, and for 22.9% and 35.3% of the June rental income respectively.

Huamao Place has been strategically adapting its trade mix to reflect changing market trends. For example, the fifth-floor cinema space is currently undergoing a full-scale renovation, and the revamped venue will be unveiled with a sophisticated new look by the end of this year or early next year. The space will feature a contemporary-format cinema, entertainment experiences, and a curated food and beverage zone designed to appeal to the tastes and habits of the younger generation. These upgrades will further solidify Huamao Place’s position as a forward-looking, culturally relevant destination within the city. Huamao Place also remains a hub for creative and highly engaging events, contributing to its reputation as being more of a lifestyle experience than simply a mall.

Huamao Place had a total of 536 tenancies as at 30 June 2025. Details of the top five tenants in terms of GFA are set out in the table below.

No.	Tenant’s trade sector	By June 2025 Rental Income	
		By GFA	Income
1	Food and Beverage	4.5%	0.8%
2	Tech and Automobiles	1.9%	1.1%
3	Household	1.9%	0.4%
4	Household	1.5%	0.6%
5	Food and Beverage	1.5%	0.8%
Total		11.3%	3.7%



## Uk Portfolio Operation Review

During the first half of 2025, up to the completion date of the disposal of the UK Portfolio on 28 March 2025, Spring REIT's UK Portfolio comprised 83 separate commercial properties. Each property was held on a long-term “full repairing and insuring” lease to Kwik-Fit (GB) Limited (“**Kwik Fit**”), with all leases due to expire in March 2032. Throughout the period of ownership, the UK Portfolio maintained 100% occupancy and generated annualised contract rental income of approximately GBP 4.64 million (pro-rated for the period up to the completion date of the disposal of the UK Portfolio on 28 March 2025). Under the triple-net lease structure, the tenant pays all property taxes, building insurance and maintenance costs on the properties in addition to normal fees that are specified under the agreement (e.g. rent and utilities).

On 18 February 2025, through its wholly-owned subsidiary, Spring REIT entered into a sale and purchase agreement with an independent third-party buyer to dispose the entire UK Portfolio. The transaction, which received 99.99% independent Unitholders support at an extraordinary general meeting held on 10 March 2025, was completed on 28 March 2025 and a gain of disposal of GBP 0.3 million was recognised. Net proceeds are to be deployed in accordance with Spring REIT's capital management strategy. These will enhance its financial flexibility and enable it to refocus on its core Chinese markets.

## Financial Results Highlights

(in RMB millions unless otherwise specified)					
For the Six Months Ended	30-Jun-2025	HoH Change	31-Dec-2024	HoH Change	30-Jun-2024
Revenue	322.56	(5.4%)	341.00	(5.7%)	361.47
Property operating expenses	(85.91)	(14.5%)	(100.45)	15.8%	(86.73)
Net property income	236.64	(1.6%)	240.55	(12.4%)	274.74
Net property income margin	73.4%	+2.9 ppts	70.5%	-5.5 ppts	76.0%
G&A expenses	(39.44)	(11.7%)	(44.67)	1.4%	(44.06)
Cash interest expenses	(85.04)	(10.4%)	(94.90)	(5.7%)	(100.66)
Current income tax	(18.22)	16.3%	(15.67)	(14.9%)	(18.42)
(Loss)/profit after taxation					
attributable to Unitholders	(35.70)	(59.9%)	(88.91)	(310.3%)	42.28
Profit after taxation attributable to					
non-controlling interests	15.40	55.0%	9.94	(41.5%)	17.00
Total distributable income	102.33	0.4%	101.92	(14.6%)	119.33

Units Information	1H 2025	HoH Change	2H 2024	HoH Change	1H 2024
DPU (HK cents)	7.6	—	7.6	(15.6%)	9.0
DPU (RMB cents equivalent)	7.0	—	7.0	(14.6%)	8.2
Payout ratio	100%	—	100%	—	100%
Net asset value per Unit (HK\$)	4.30	(1.4%)	4.36	(5.0%)	4.59
Number of Units					
(excluding treasury Units)	1,469,039,643	0.8%	1,459,041,125	0.6%	1,450,217,368

As at	30-Jun-2025	HoH Change	31-Dec-2024	HoH Change	30-Jun-2024
Property valuation	11,244.00	(5.5%)	11,901.92 <sup>1</sup>	(0.7%)	11,981.86
Total assets	12,055.41	(4.6%)	12,638.24	(1.3%)	12,804.75
Total borrowings	4,751.85	(9.2%)	5,234.72 <sup>2</sup>	0.8%	5,194.63
Net asset value attributable					
to Unitholders	5,759.42	(2.2%)	5,887.41	(3.1%)	6,078.03
Gearing ratio	39.4%	+1.4 ppts	38.0% <sup>3</sup>	-2.6 ppts	40.6%

1. Includes the property valuation of the UK Portfolio.
2. Includes the interest-bearing borrowings of the UK Portfolio.
3. If bank borrowing, included in liabilities classified as held for sale (which was referring to the UK Portfolio) were included, the Group's gearing ratio was 41.4% as at 31 December 2024.



## Financial Performance

Spring REIT's revenue for the Reporting Period was RMB322.56 million, representing a 5.4% decrease HoH and a 10.8% decrease YoY. After taking into account property operating expenses of RMB85.91 million, net property income amounted to RMB236.64 million, representing a 1.6% decrease HoH and a 13.9% decrease YoY. The net property income margin increased to 73.4% for the Reporting Period (2H 2024: 70.5%).

General and administrative expenses amounted to RMB39.44 million. Meanwhile, a total finance cost on interest-bearing borrowings of RMB47.72 million (1H 2024: RMB120.97 million) was registered, which consisted of a non-cash foreign exchange gain of RMB62.62 million (1H 2024: non-cash exchange loss of RMB28.21 million) when HK\$-dominated bank borrowings were converted to RMB in the financial statements. Cash interest expenses amounted to RMB85.04 million, decreased by 15.5% as compared to RMB100.66 million in 1H 2024.

Taking into account the decline in the fair value of the investment properties of RMB12.02 million (1H 2024: RMB76.68 million), loss after taxation attributable Unitholders for the Reporting Period was RMB35.70 million (1H 2024: profit after taxation attributable to Unitholders of RMB42.28 million).

Spring REIT's total distributable income for the Reporting Period was RMB102.33 million, representing an increase of 0.4% HoH and a decrease of 14.2% YoY. Among other adjustments, the reported amount excludes the foreign exchange loss and the decrease in the fair value of the investment properties, which are non-cash in nature and gain on disposal of a subsidiary.

## Financial Position

Spring REIT's principal valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited (“JLL” or the “Principal Valuer”), performed a valuation of the Spring REIT portfolio as at 30 June 2025. The CCP Property was appraised at RMB8,380 million as at 30 June 2025, representing a 0.2% decrease in value compared to its valuation as at 31 December 2024. Its valuation was arrived at using the income capitalisation approach, and cross-checked by the direct income capitalisation approach and the direct comparison approach. The capitalization rate/reversionary yield was 4.5% (31 December 2024: 4.5%).

Huamao Place was appraised at RMB2,864 million as at 30 June 2025, a mild increase of 0.4% compared to its valuation as at 31 December 2024. Its valuation was arrived at using the income capitalisation approach, and cross-checked by the direct income capitalisation approach and the direct comparison approach. The capitalization rate/reversionary yield was 6.5% (31 December 2024: 6.0%).

As at 30 June 2025, Spring REIT had in place aggregate debt facilities of approximately RMB4,751.85 million, comprising:

1. a combined facility of HK\$4,875 million consists of a committed facility of HK\$3,705 million and an uncommitted facility of HK\$1,170 million (the “**CCP Facilities**”), which bears an interest rate of 1-month HIBOR plus 1.65% per annum and will mature in September 2025. Of the CCP Facilities, HK\$4,495 million was outstanding as at the end of the Reporting Period.
2. a facility of RMB900 million which bears an interest rate of 60 basis points above the PRC loan prime rate (for five years or more) and will mature in March 2032, of which RMB664.22 million was outstanding as at the end of the Reporting Period.

As at 30 June 2025, the Group’s gearing ratio, i.e. its total borrowings to gross asset value, was 39.4%.

Spring REIT’s investment properties, rent receivables, restricted bank balances, and ordinary shares of certain subsidiaries of the Group are pledged to secure the loan facilities where applicable. Throughout the Reporting Period, Spring REIT and other subsidiaries of the Group have in all material respects complied with the terms and provisions of the finance and security documents.

The unrestricted cash amounted to RMB445.95 million as at 30 June 2025, compared with RMB253.82 million as at 31 December 2024. The Group also had total undrawn bank loan facilities of RMB402 million. With these financial resources, Spring REIT has sufficient liquid assets to satisfy its working capital and operating requirements. The cash is generally placed in short-term deposits. The Group’s liquidity and financing requirements are reviewed regularly.

## Capital Management

Spring REIT has in place a hedging programme that has involved it entering into float-to-fixed interest rate swap (“**IRS**”) and HKD-RMB cross-currency swaps (“**CCS**”) contracts of varied tenures to mitigate its interest rate and exchange rate risks.

As at 30 June 2025, in relation to the CCP Facilities, a notional amount of HK\$785 million was covered by float-to-fixed IRS contracts, while HK\$3,520 million was effectively covered by HKD-RMB CCS contracts at a fixed RMB interest rate, with a combined weighted average swap rate of 1.3% per annum. Meanwhile, the RMB-denominated loan, which is based on the PRC loan prime rate, was relatively stable and maintained a downward trend during the Reporting Period.

As at 30 June 2025, about 96% of Spring REIT’s borrowings were either covered by IRS and CCS, or were under a relatively stable PRC loan prime rate (31 December 2024: 97%). Additionally, by entering into CCS contracts, 78% of the HKD notional amount under the CCP Facilities has been swapped into RMB (31 December 2024: 78%). Together with the RMB-denominated loan, 81% of the total borrowings were denominated in currencies aligned with the relevant underlying assets as at 30 June 2025 (31 December 2024: 83%).

During the Reporting Period, the weighted average cash interest rate (after interest margin) per annum was approximately 3.3% (1H 2024: 3.9%).

## Net Assets Attributable to Unitholders

As at 30 June 2025, net assets attributable to Unitholders stood at RMB5,759.72 million. The net asset value per Unit as at 30 June 2025 was HK\$4.30 (31 December 2024: HK\$4.36). This represented a 148.6% premium to the closing price of the Units of HK\$1.73 as at 30 June 2025, the last trading day in the Reporting Period.

## Capital Commitments

As at 30 June 2025, the Group had no significant capital commitments.

## Employees

Spring REIT is managed by the Manager and did not directly employ any staff during the Reporting Period.

## Outlook

The first half of 2025 saw the Beijing office market showing early signs of stabilisation, especially in terms of occupancy. Although the market continues to grapple with rental pressure, current trends suggest that rental levels are finding a base, which should pave the way for a more balanced and resilient office sector going forward. Landlords are increasingly focusing on quality spaces and tenant retention, and adopting flexible leasing strategies in response to evolving business needs. These realignments, while driven by competition, are fostering a healthier and more efficient marketplace.

Spring REIT's CCP Property has been actively adapting to this new environment. Its ongoing focus on occupancy and tenant satisfaction over rental has proven effective in maintaining stability through the reporting period, and this strategy will remain central for the remainder of 2025. Approximately 10% of its leases are set to expire in the second half of this year, and the asset management team has been proactively engaging with tenants to ensure flexibility and continuity through service-led leasing solutions and tailored offerings. As the market gradually steadies, this kind of client-centric approach is expected to strengthen tenant relationships and support overall asset resilience.

While the performance of the Beijing office segment is closely tied to macroeconomic trends, this is less the case in China's GBA, where growth opportunities are continuing to emerge. Spring REIT's retail flagship in the GBA, Huamao Place in Huizhou, delivered an encouraging performance in the Reporting Period. Huamao Place maintained positive occupancy rates in the first half of 2025, as well as showing resilience in rental income levels. Building on this momentum, management has commenced various optimisation works to reconfigure some underutilised spaces, including areas previously occupied by a cinema, into new retail formats. While some short-term disruption is anticipated during renovations, these enhancements are expected to significantly enhance the property's long-term appeal and revenue-generating potential once completed toward the end of 2025 or by early 2026. The mall's established tenant base and leading market position is expected to prove a solid platform for its continued success going forward.

From a capital management perspective, Spring REIT continued to adopt a prudent and forward-looking approach during the first half of 2025. As at 30 June 2025, approximately 96% of Spring REIT's borrowings were either hedged or linked to the relatively stable PRC loan prime rate. This high level of hedging proved its effectiveness during the previous interest rate tightening cycle in 2022-2023, when USD rates rose sharply from near-zero to 5.5%.

In May 2025 the HKD 1-month HIBOR began to decline significantly, falling from around 4% to under 1% by the end of June. Now that short-term rates are sitting at low levels, we are continuing to monitor market conditions and assess opportunities to optimise our hedging portfolio where appropriate.

In February 2025, Spring REIT entered into an agreement to divest its UK Portfolio in a move that represents a major strategic milestone. The divestment has resulted in a realignment of the portfolio's geographic focus, more streamlined operations, and enhanced financial flexibility, giving the REIT the opportunity to deepen its presence in key mainland markets.

Following the completion of the UK Portfolio divestment, Spring REIT has further simplified its capital structure. As at 30 June 2025, gearing stood at 39.4%, providing additional headroom to support future initiatives.

Looking ahead, the broader macroeconomic picture remains fluid. However, improved office leasing demand is expected in response to targeted government support and new stimulus initiatives aimed at revitalising domestic business activity. They are expected to stimulate renewed interest in high-quality office space in key urban centres such as Beijing.

For Spring REIT, the foundations are in place for a more resilient performance in 2025 as the Beijing office market stabilises and Huamao Place's status as Huizhou's premier retail and lifestyle destination is further reinforced. Through its focus on operational agility, tenant engagement, and sound financial management, Spring REIT is well-prepared to deliver stable distributions to Unitholders and take advantage of future growth trends within its core markets.

## CORPORATE GOVERNANCE

With the objective of establishing and maintaining high standards of corporate governance, certain policies and procedures have been put in place to promote the operation of Spring REIT in a transparent manner and with built-in checks and balances. The corporate governance policy of Spring REIT have been adopted with due regard to the requirements under Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), with necessary changes, as if those rules were applicable to real estate investment trusts in Hong Kong.

The Manager was established for the sole purpose of managing Spring REIT. The Manager is committed to maintain good corporate governance culture, practices and procedures. The current corporate governance principles emphasize on accountability to all stakeholders, resolution of conflict of interest issues, transparency in reporting, and compliance with relevant procedures and guidelines. The Manager has adopted a compliance manual and certain internal policies, including corporate governance policy (the “**Corporate Governance Policy**”), for use in relation to the management and operation of Spring REIT, which sets out the key processes, systems and measures, and such policies to be applied for compliance with all applicable legislation and regulations. The Board plays a central supportive and supervisory role in the corporate governance duties. It regularly reviews the compliance manual and other policies and procedures on corporate governance and on legal and regulatory compliance, approving changes to governance policies in light of the latest statutory regime and international best practices and reviewing corporate governance disclosures. All Directors act with integrity, lead by example, and promote the desired culture which instils and continually reinforces across the organization values of acting lawfully, ethically and responsibly.

During the Reporting Period, both the Manager and Spring REIT have in material terms complied with the provisions of the compliance manual, the Corporate Governance Policy, the Trust Deed, the Code on Real Estate Investment Trusts (the “**REIT Code**”) and applicable provisions of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) and the Listing Rules.

During the Reporting Period, an annual general meeting of Spring REIT was held on 3 June 2025 (to note the audited financial statements of Spring REIT together with the independent auditor's report for the year ended 31 December 2024, and the re-appointment of the independent auditor of Spring REIT; and to approve the buy-back mandate) for meeting with Unitholders and answering their questions, if any.

Besides, an extraordinary general meeting of Spring REIT was held on 10 March 2025 (to seek the independent Unitholders' approval on the disposal of 83 commercial properties in the United Kingdom and special deal, details of which were set out in the circular to Unitholders dated 19 February 2025) for meeting with Unitholders and answering their questions in respect of the transactions, if any.

### Authorization Structure

Spring REIT is a collective investment scheme constituted as a unit trust and authorized by the Securities and Futures Commission (the “SFC”) under section 104 of the SFO and regulated by the SFC pursuant to the applicable provisions of the SFO, the REIT Code and the Listing Rules. The Manager has been authorized by the SFC under section 116 of the SFO to conduct the regulated activities of asset management. As at the date of this announcement, Mr. Leung Kwok Hoe, Kevin (Executive Director and Chief Executive Officer of the Manager), Mr. Chung Wai Fai (Executive Director and Chief Financial Officer of the Manager), Mr. Chan Chun Tung and Mr. Wang Junsong are the responsible officers of the Manager (the “RO”) pursuant to the requirements under section 125 of the SFO and Paragraph 5.4 of the REIT Code. Mr. Leung Kwok Hoe, Kevin, Executive Director and Chief Executive Officer of the Manager, was approved by the SFC as an approved person of the Manager pursuant to sections 104(2) and 105(2) of the SFO.

DB Trustees (Hong Kong) Limited has been granted a license under section 116(1) of the SFO to carry on Type 13 Regulated Activity. The Trustee is qualified to act as a trustee for collective investment schemes authorized under the SFO pursuant to the REIT Code.

## New Issue of Units

During the Reporting Period, an aggregate of 11,220,518 new Units were issued to the Manager as payment of part of the Manager's fee. Please refer to the announcements dated 25 March 2025 and 30 April 2025 for more details.

During the Reporting Period, the Manager (on behalf of Spring REIT) bought back a total of 1,222,000 Units and all the Units bought back were held as treasury Units. Please refer to the section headed "Purchase, Sale or Redemption of Units" for details.

The total number of Units in issue as at 30 June 2025 was 1,470,261,643 Units (comprising 1,469,039,643 Units and 1,222,000 treasury Units).

## Purchase, Sale or Redemption of Listed Units

During the Reporting Period, the Manager (on behalf of Spring REIT) bought back on-market a total of 1,222,000 Units on the Stock Exchange at an aggregate consideration (excluding expenses) of approximately HK\$2.2 million. All the Units bought back were held as treasury Units which are intended to be used in accordance with the applicable rules and regulations, including but not limited to sale for cash, transfer and cancellation. During the Reporting Period, no treasury Units were sold, transferred or cancelled and accordingly, 1,222,000 Units were held by Spring REIT in treasury as at 30 June 2025. Further details are set out as follows:

Month	Number of Units bought back (on-market)	Purchase price per Unit		Approximate aggregate consideration (excluding expenses)
		Highest HK\$	Lowest HK\$	HK\$'000
2025				
March	540,000	1.87	1.86	1,008
April	380,000	1.87	1.77	695
June	302,000	1.72	1.67	512



All the above on-market Unit buy-backs by the Manager on behalf of Spring REIT during the Reporting Period were carried out pursuant to the general mandate to buy back Units granted by the Unitholders that was in force in the relevant time, and were made in the interests of Spring REIT and the Unitholders as a whole. The buy-backs were effected by the Manager for the enhancement of the net asset value and/or earnings and/or distributions per Unit.

The average cost (excluding expenses) of the Units bought back on-market was approximately HK\$1.81 per Unit.

Save as disclosed above, there was no purchase, sale or redemption of the Units or sale of treasury Units by the Manager on behalf of Spring REIT or any of the special purpose vehicles that are owned and controlled by Spring REIT during the Reporting Period. Please also refer to the section headed “New Issue of Units” in this announcement for details relating to new Units issued by Spring REIT during the Reporting Period.

### **Public Float of the Units**

Based on information that is publicly available and within the knowledge of the Directors, Spring REIT maintained a public float of not less than 25% of the issued and outstanding Units (excluding treasury Units) as of 30 June 2025.

### **Investments in Property Development and Relevant Investments**

During the Reporting Period, Spring REIT did not enter into any (i) Investments in Property Development and Related Activities (as defined in Paragraph 2.16A of the REIT Code); or (ii) Relevant Investments (as defined in Paragraph 7.2B of the REIT Code).

## Review of Interim Results

The consolidated interim results of Spring REIT for the Reporting Period and this announcement have been reviewed by the Audit Committee and the Disclosures Committee of the Manager in accordance with their respective terms of reference.

The consolidated interim results of Spring REIT for the Reporting Period have also been reviewed by the external auditor of Spring REIT in accordance with International Standards on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the International Auditing and Assurance Standards Board.

## Issuance of the Interim Report

The interim report of Spring REIT for the Reporting Period will be published on the websites of the Hong Kong Exchanges and Clearing Limited, at [www.hkexnews.hk](http://www.hkexnews.hk), and Spring REIT, at [www.springreit.com](http://www.springreit.com), and will be sent to Unitholders, who have elected for hard copies, on or before 29 August 2025.

By order of the Board  
**Spring Asset Management Limited**  
(as manager of Spring Real Estate Investment Trust)  
**Mr. Toshihiro Toyoshima**  
*Chairman of the Manager*

Hong Kong, 21 August 2025

*As at the date of this announcement, the directors of the Manager are Toshihiro Toyoshima (Chairman and non-executive director); Leung Kwok Hoe, Kevin (executive director and Chief Executive Officer) and Chung Wai Fai, Michael (executive director and Chief Financial Officer); Hideya Ishino (non-executive director); and Simon Murray, Qiu Liping, Lam Yiu Kin and Tong Shumeng (independent non-executive directors).*

## CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
	Notes	RMB'000	RMB'000
<b>Revenues</b>	6	<b>322,558</b>	361,474
Property operating expenses	7	<u>(85,914)</u>	<u>(86,735)</u>
<b>Net property income</b>		<b>236,644</b>	274,739
General and administrative expenses	8	<b>(39,442)</b>	(44,059)
Fair value loss of investment properties	14	<b>(12,015)</b>	(76,677)
Fair value loss of right-of-use assets	15	—	(30)
Other (losses)/gains, net	9	<u><b>(138,749)</b></u>	<u>48,858</u>
<b>Operating profit</b>		<b>46,438</b>	202,831
Gain on disposal of a subsidiary	25	<b>2,907</b>	—
Bank interest income		<b>4,634</b>	3,338
Finance costs on interest-bearing borrowings	10	<u><b>(47,717)</b></u>	<u>(120,966)</u>
<b>Profit before taxation and transactions with Unitholders</b>		<b>6,262</b>	85,203
Income tax expense	11	<u><b>(26,554)</b></u>	<u>(25,929)</u>
<b>(Loss)/profit for the period, before transactions with Unitholders</b>		<b>(20,292)</b>	59,274
Distributions paid to Unitholders:			
– 2023 final distribution		—	(120,332)
– 2024 final distribution (note i)		<u><b>(104,298)</b></u>	<u>—</u>
		<u><b>(124,590)</b></u>	<u>(61,058)</u>

**Six months ended 30 June**

<b>2025</b>	<b>2024</b>
<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>RMB'000</b>	<b>RMB'000</b>

Represented by:

Change in net assets attributable to Unitholders,  
excluding issuance of new units, units

bought back for cancellation and treasury units	<b>(144,494)</b>	(70,439)
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Amount arising from exchange reserve movements

regarding translation of financial statements	<b>4,500</b>	(7,618)
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Non-controlling interests

<b>15,404</b>	16,999
<b>(124,590)</b>	(61,058)

(Loss)/profit for the period, before transactions

with Unitholders attributable to:

– Unitholders ( <i>note ii</i> )	<b>(35,696)</b>	42,275
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– Non-controlling interests	<b>15,404</b>	16,999
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<b>(20,292)</b>	59,274
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*Notes:*

- (i) 2024 final distribution of RMB104,298,000 for the year ended 31 December 2024 was paid during the six months ended 30 June 2025. Total distribution for the six months ended 30 June 2025 is presented in the condensed consolidated statement of distributions.
- (ii) (Loss)/earnings per unit, based upon (loss)/profit for the period, before transactions with Unitholders attributable to Unitholders and the weighted average number of units in issue, is set out in note 13.

The notes on pages 37 to 62 are an integral part of these condensed consolidated interim financial information.

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Before transactions with Unitholders (Unaudited) RMB'000	Transactions with Unitholders (note i) (Unaudited) RMB'000	After transactions with Unitholders (note ii) (Unaudited) RMB'000	Non- Controlling interests (Unaudited) RMB'000	Total (Unaudited) RMB'000
	<i>Note</i>					
<b>For the six months ended</b>						
<b>30 June 2025</b>						
Loss for the period		(35,696)	40,196	4,500	15,404	19,904
Other comprehensive income:						
<i>Items that may be reclassified to</i>						
<i>condensed consolidated</i>						
<i>income statement</i>						
Exchange gains on translation of						
financial statements						
of subsidiaries		16,342	—	16,342	—	16,342
<i>Items that may not be reclassified</i>						
<i>to condensed consolidated</i>						
<i>income statement</i>						
Exchange losses on translation of						
financial statements of						
Spring REIT		(20,842)	—	(20,842)	—	(20,842)
<b>Total comprehensive income</b>						
<b>for the period</b>	ii	<u>(40,196)</u>	<u>40,196</u>	<u>—</u>	<u>15,404</u>	<u>15,404</u>
<b>For the six months ended</b>						
<b>30 June 2024</b>						
Profit for the period		42,275	(49,893)	(7,618)	16,999	9,381
Other comprehensive income:						
<i>Items that may be reclassified to</i>						
<i>condensed consolidated</i>						
<i>income statement</i>						
Exchange gains on translation of						
financial statements						
of subsidiaries		22,250	—	22,250	—	22,250
<i>Items that may not be reclassified</i>						
<i>to condensed consolidated</i>						
<i>income statement</i>						
Exchange losses on translation of						
financial statements of						
Spring REIT		(14,632)	—	(14,632)	—	(14,632)
<b>Total comprehensive income</b>						
<b>for the period</b>	ii	<u>49,893</u>	<u>(49,893)</u>	<u>—</u>	<u>16,999</u>	<u>16,999</u>

*Notes:*

- (i) Transactions with Unitholders comprise the distributions paid to Unitholders of RMB104,298,000 (2024: RMB120,332,000), and change in net assets attributable to Unitholders excluding issuance of new units, units bought back for cancellation and treasury units, which is a decrease of RMB144,494,000 (2024: RMB70,439,000).
- (ii) In accordance with the Trust Deed, Spring REIT is required to distribute not less than 90% of total distributable income to Unitholders for each financial year. Accordingly, the units contain contractual obligations of Spring REIT to pay cash distributions. The Unitholders' funds are therefore classified as a financial liability rather than equity in accordance with International Accounting Standard 32: Financial Instruments: Presentation. Consistent with Unitholders' funds being classified as a financial liability, the distributions to Unitholders and change in net assets attributable to Unitholders, excluding issuance of new units and units bought back for cancellation, are part of finance costs which are recognised in the condensed consolidated income statement. Accordingly, the total comprehensive income, after transactions with Unitholders is zero.

The notes on pages 37 to 62 are an integral part of these condensed consolidated interim financial information.

## CONDENSED CONSOLIDATED STATEMENT OF DISTRIBUTIONS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
<b>(Loss)/profit for the period, before transactions with Unitholders attributable to Unitholders</b>	<b>(35,696)</b>	42,275
Adjustments:		
– Fair value loss of investment properties attributable to Unitholders	14,753	79,306
– Fair value loss of right-of-use assets	—	30
– Net fair value loss/(gain) of derivative financial instruments	143,708	(26,773)
– Deferred taxation on investment properties attributable to Unitholders	5,667	5,105
– Manager's fee in units in lieu of cash	17,769	19,076
– Amortisation of transaction costs for host liability components of bank borrowings	26,485	(6,010)
– Gain on disposal of a subsidiary	(2,907)	—
– Unrealised foreign exchange (gains)/losses	(67,453)	6,321
<b>Distributable income for the period (note ii)</b>	<b>102,326</b>	119,330
Total distributions of the period (note iii)	102,326	119,330
Percentage of total distribution over distributable income for the period	100%	100%
Distributions per unit to Unitholders for the period		
– Interim distribution per unit, to be paid (note iv, v and vi)	<b>HK7.6 cents</b>	HK9.0 cents

Notes:

- (i) All distributions to Unitholders are determined and paid in Hong Kong dollar. For Unitholder's reference, the distributions per unit to Unitholders expressed in RMB term is as follows:

Distributions per unit to Unitholders		
– Interim distribution per unit	RMB7.0 cents	RMB8.2 cents
<b>Distribution per unit for the period</b>	<b>RMB7.0 cents</b>	RMB8.2 cents

- (ii) Under the terms of the Trust Deed, the distributable income represents the (loss)/profit for the period before transactions with Unitholders attributable to Unitholders, adjusted to eliminate the effects of certain non-cash transactions which have been recorded in the condensed consolidated income statement for the period.
- (iii) In accordance with the terms of the Trust Deed, Spring REIT is required to distribute to Unitholders not less than 90% of its total distributable income for each financial year. The Manager also has the discretion to make distributions over and above the minimum 90% of Spring REIT's total distributable income if and to the extent Spring REIT has funds surplus to meet its business requirements.
- (iv) 1,222,000 units were repurchased as treasury units, during the six months ended 30 June 2025. On 25 March 2025 and 30 April 2025, a total of 5,467,525 and 5,752,993 units were issued as payment of part of the Manager's fees respectively. In July 2025, 540,000 units were repurchased as treasury units. On 20 August 2025, a total of 5,843,903 units, were issued, as payment of part of the Manager's fees.

Accordingly, the interim distribution per unit of HK7.6 cents for the six months ended 30 June 2025 is calculated based on the interim distribution to be paid to Unitholders of RMB102,326,000 for the period and 1,474,343,541 units in issue (excluding treasury units) as at 21 August 2025, being the date of declaration of the interim distribution, rounded to the nearest HK0.1 cents.

Distributions to Unitholders for the six months ended 30 June 2025 represent a payout ratio of 100% (2024: 100%) of Spring REIT's total distributable income for the period. The interim distribution for the six months ended 30 June 2025 is expected to be paid to Unitholders on 23 October 2025.

- (v) 1,087,000 unit repurchased were cancelled during the six months ended 30 June 2024. On 25 March 2024 and 30 April 2024, a total of 5,227,842 and 5,579,416 units were issued as payment of part of the Manager's fees respectively. On 16 August 2024, a total of 5,447,302 units were issued, as payment of part of the Manager's fees. Accordingly, the interim distribution per unit of HK9.0 cents for the six months ended 30 June 2024 is calculated based on the interim distribution to be paid to Unitholders of RMB119,330,000 for the period and 1,455,664,670 units in issue as at 22 August 2024, being the date of declaration of the interim distribution, rounded to the nearest HK0.1 cents.
- (vi) All distributions to Unitholders are determined and paid in Hong Kong dollar.

The notes on pages 37 to 62 are an integral part of these condensed consolidated interim financial information.



## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
	Notes		
<b>Assets</b>			
Investment properties	14	11,244,000	11,252,000
Right-of-use assets	15	—	—
Derivative financial instruments	16	1,189	95,443
Restricted bank balances	18	300,593	276,413
Trade and other receivables	17	63,672	66,647
Cash and cash equivalents	18	445,952	253,820
		<b>12,055,406</b>	11,944,323
Assets classified as held for sale	24	—	693,916
<b>Total assets</b>		<b>12,055,406</b>	12,638,239
<b>Liabilities, excluding net assets attributable to Unitholders</b>			
Interest-bearing borrowings	20	4,751,848	4,798,359
Derivative financial instruments	16	48,396	—
Deferred tax liabilities	21	131,306	122,972
Lease liabilities	15	—	—
Rental deposits	19	189,682	195,487
Trade and other payables	19	158,090	177,294
Income tax payable		35,665	31,572
		<b>5,314,987</b>	5,325,684
Liabilities classified as held for sale	24	—	459,856
<b>Total liabilities, excluding net assets attributable to Unitholders</b>		<b>5,314,987</b>	5,785,540
<b>Non-controlling interests</b>		<b>980,695</b>	965,291
<b>Net assets attributable to Unitholders</b>		<b>5,759,724</b>	5,887,408
Units in issue (excluding treasury units) ('000)	22	<b>1,469,040</b>	1,459,041
Net asset value per unit attributable to Unitholders			
In RMB		<b>3.92</b>	4.04
In HK\$		<b>4.30</b>	4.36

For and on behalf of the Board of Directors of  
Spring Asset Management Limited, as the Manager

**Leung Kwok Hoe, Kevin**  
*Executive Director*

**Chung Wai Fai, Michael**  
*Executive Director*

The notes on pages 37 to 62 are an integral part of these condensed consolidated interim financial information.

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

*For the six months ended 30 June 2025*

	Reserves (Unaudited) RMB'000	Net assets attributable to Unitholders (Unaudited) RMB'000	Non- controlling interest (Unaudited) RMB'000	Total (Unaudited) RMB'000
<b>As at 1 January 2025</b>	—	5,887,408	965,291	6,852,699
Loss for the period, before transactions with Unitholders	—	(35,696)	15,404	(20,292)
Exchange losses on translation of financial statements	(4,500)	—	—	(4,500)
Amount arising from exchange reserve movements (note)	4,500	(4,500)	—	—
Distributions paid to Unitholders: – 2024 final distribution	—	(104,298)	—	(104,298)
Change in net assets attributable to Unitholders for the six months ended 30 June 2025, excluding issuance of new units and units bought back as treasury units	—	(144,494)	15,404	(129,090)
Issuance of units (note 22)	—	18,870	—	18,870
Units bought back as treasury units (note 22)	—	(2,060)	—	(2,060)
<b>As at 30 June 2025</b>	—	5,759,724	980,695	6,740,419

	Reserves (Unaudited) RMB'000	Net assets attributable to Unitholders (Unaudited) RMB'000	Non- controlling interest (Unaudited) RMB'000	Total (Unaudited) RMB'000
<b>As at 1 January 2024</b>	—	6,130,664	971,150	7,101,814
Profit for the period, before transactions with Unitholders	—	42,275	16,999	59,274
Exchange gains on translation of financial statements	7,618	—	—	7,618
Amount arising from exchange reserve movements	(7,618)	7,618	—	—
Distributions paid to Unitholders:				
– 2023 final distribution	—	(120,332)	—	(120,332)
– Dividend paid to minority interest	—	—	(3,200)	(3,200)
Change in net assets attributable to Unitholders for the six months ended 30 June 2024, excluding issuance of new units and units bought back for cancellation	—	(70,439)	13,799	(56,640)
Issuance of units (note 22)	—	19,231	—	19,231
Units bought back for cancellation (note 22)	—	(1,422)	—	(1,422)
<b>As at 30 June 2024</b>	—	6,078,034	984,949	7,062,983

*Note:* The amount represented earnings retained for the period to offset the reserve movements.

The notes on pages 37 to 62 are an integral part of these condensed consolidated interim financial information.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 1 GENERAL INFORMATION

Spring Real Estate Investment Trust (“Spring REIT”) is a Hong Kong collective investment scheme authorised under section 104 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Spring REIT was established on 25 November 2013 and its units are listed on the main board of The Stock Exchange of Hong Kong Limited (the “HKSE”) on 5 December 2013. Spring REIT is governed by a trust deed entered into on 14 November 2013 as amended and supplemented by the first supplemental deed dated 22 May 2015, the first amending and restating deed on 28 May 2021 and the second amending and restating deed on 20 September 2024 entered into between Spring Asset Management Limited (the “Manager”) and DB Trustees (Hong Kong) Limited (the “Trustee”) (collectively, the “Trust Deed”) and the Code on Real Estate Investment Trusts issued by the Securities and Futures Commission of Hong Kong (the “REIT Code”). The addresses of the registered offices of the Manager and the Trustee are Room 2602, 26/F, LHT Tower, 31 Queen’s Road Central, Hong Kong and 60/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong, respectively.

The principal activity of Spring REIT and its subsidiaries (together, the “Group”) is to own and invest in income-producing real estate assets.

The condensed consolidated interim financial information are presented in Renminbi (“RMB”). The functional currency of Spring REIT is Hong Kong dollars (“HK\$”), the distribution of Spring REIT is determined and paid in HK\$.

## 2 BASIS OF PREPARATION

The condensed consolidated interim financial information for the six months ended 30 June 2025 has been prepared in accordance with International Accounting Standards (“IAS”) 34 “Interim financial reporting” as issued by the International Accounting Standards Board. The condensed consolidated interim financial information should be read in conjunction with the Group’s annual financial statements as at 31 December 2024, which have been prepared in accordance with IFRS accounting standards.

## 3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2024 as described in those annual financial statements.

### **New amendments to existing standards adopted by the Group**

The Group has adopted all of the new amendments to existing standards issued by the International Accounting Standards Board that are mandatory for annual accounting periods beginning on or after 1 January 2025.

New amendments to existing standards effective in 2025:

		<b>Effective for accounting periods beginning on or after</b>
IAS 21 and IFRS 1 (Amendments)	Lack of Exchangeability	1 January 2025

The adoption of these new amendments to existing standards does not have a material impact on the accounting policies or results and the financial position of the Group and/or the disclosure set out in these condensed consolidated financial information.

#### **New standards, amendments and improvements to existing standards not yet adopted**

The following new standards, amendments and improvements to existing standards are in issue but not yet effective, and have not been early adopted by the Group.

		<b>Effective for accounting periods beginning on or after</b>
IFRS 9 and IFRS 7 (Amendments)	Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 10 and IAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group will apply the above new standards, amendments and improvements to existing standards as and when they become effective. The Group has already commenced an assessment of the impact of these new standards, amendments and improvements to existing standards, and anticipated that the adoption of new standards, amendments and improvements to existing standards will not have a material effect on the Group's operating result or financial position.

## **4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant effect on carrying amounts of assets and liabilities within the next financial year are discussed below.

### **(a) Estimates of fair value of investment properties**

The fair value of each investment property is individually determined at each reporting date by independent valuer using valuation techniques. Details of the judgement and assumptions have been disclosed in note 14.

### **(b) Estimates of fair values of derivative financial instruments**

Fair values of derivative financial instruments have been arrived at using valuations provided by the counterparty banks for each reporting period with reference to market data. Actual results may differ when assumptions and selections of valuation technique changes.

### **(c) Taxation**

The Group is a foreign enterprise established outside the PRC. The Group is subject to various taxes in the PRC. Significant judgement is required in determining the provision for taxation including deferred taxation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises or writes back liabilities for anticipated tax issues based on estimates of whether additional taxes will be due or reversal to be made. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the taxation and deferred tax.

## **5 FINANCIAL RISK**

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange and interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2024.

There have been no changes in the risk management policies since the year end.

## 6 REVENUE AND SEGMENT INFORMATION

The Group holds investment properties in the PRC and the UK, and is principally engaged in property investment and provision of related services. Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. Given that management reviews the operating results of the Group on an aggregate basis, no segment information is therefore presented.

For the six months period ended 30 June 2025, revenue of RMB313.2 million (30 June 2024: RMB340.2 million) is attributable to tenants from the PRC investment properties and RMB9.4 million (30 June 2024: RMB21.3 million) is attributable to tenants from the UK investment properties. As at 30 June 2025, investment properties of RMB11,244 million is located in the PRC (31 December 2024: investment properties of RMB11,252 million is located in the PRC and no investment properties and right-of-use assets is located in the UK (31 December 2024: investment properties of RMB650 million and right-of-use assets of RMB16 million was located in the UK).

An analysis of revenues of the Group is as follows:

	Six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Revenues		
Rental income	316,307	353,995
Car park income	1,649	2,370
Other income ( <i>note i</i> )	4,602	5,109
	<u>322,558</u>	<u>361,474</u>

*Note:*

- (i) Other income mainly represents compensation paid by tenants for early termination of lease and miscellaneous income charged to tenants.



## 7 PROPERTY OPERATING EXPENSES

	Six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Property management fee	20,564	18,871
Property taxes ( <i>note i</i> )	34,357	37,441
Other taxes ( <i>note ii</i> )	1,663	2,083
Turnover tax ( <i>note iii</i> )	20,143	22,434
Leasing commission	2,311	1,152
Advertising and promotion expense	5,057	3,000
Reinstatement costs	1,276	1,089
Others	543	665
	<u>85,914</u>	<u>86,735</u>

### Notes:

- (i) Property taxes represent real estate tax and land use tax in the PRC. Real estate tax applicable to the Group's PRC properties is calculated: (a) for leased area, at 12% of rental income; and (b) for vacant area, at 1.2% of the residual value of the relevant area.
- (ii) Other taxes mainly represent urban construction and maintenance tax, education surcharge, consumption tax and stamp duty in the PRC.
- (iii) Turnover tax is calculated based on 10% of the revenues received from rental operation for the Beijing properties and onshore interest income.

## 8 GENERAL AND ADMINISTRATIVE EXPENSES

	Six months ended 30 June	
	2025	2024
	(Unaudited) RMB'000	(Unaudited) RMB'000
Manager's fee ( <i>note i</i> )	28,237	30,991
Trustee fee	914	1,058
Valuation fee	331	521
Auditor's remuneration		
– Audit services	221	113
– Other assurance services	677	658
– Other non-assurance services	105	35
Legal and other professional fee ( <i>note ii</i> )	5,903	7,830
Others	3,054	2,853
	<u>39,442</u>	<u>44,059</u>

Notes:

- (i) The breakdown of the Manager's fee was set out in note 12.
- (ii) Manager's fee of RMB1.3 million (note 12), trustee fee of RMB0.1 million and auditor's remuneration of RMB0.5 million in related to the disposal of the UK portfolio were captured in the gain on disposal of a subsidiary.

## 9 OTHER (LOSSES)/GAINS, NET

	Six months ended 30 June	
	2025	2024
	(Unaudited) RMB'000	(Unaudited) RMB'000
Net fair value (loss)/gain of derivative financial instruments		
at fair value through profit or loss	(143,708)	26,773
Foreign exchange gains, net	4,836	21,893
Other gains	123	192
	<u>(138,749)</u>	<u>48,858</u>

## 10 FINANCE COSTS ON INTEREST-BEARING BORROWINGS

	Six months ended 30 June	
	2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Interest expenses on bank borrowings ( <i>note i</i> )	(151,127)	(150,422)
Interest income on derivative financial instruments	40,793	58,126
Interest expenses on lease liabilities	—	(456)
Foreign exchange gains/(losses) on bank borrowings ( <i>note ii</i> )	62,617	(28,214)
	<u>(47,717)</u>	<u>(120,966)</u>

*Notes:*

- (i) Interest expenses on bank borrowings comprised contractual loan interest and amortised loan arrangement fee, which were recognised using the effective interest rate method.
- (ii) Foreign exchange gains/(losses) on bank borrowings arise upon translating the bank borrowings denominated in foreign currencies.

## 11 INCOME TAX EXPENSE

For the subsidiary with operation in Beijing, the PRC, it is not subject to the corporate income tax but it is subject to turnover tax as disclosed in note 7(iii).

For the subsidiary with operation in Huizhou, the PRC, it is subject to corporate income tax at a rate of 25%.

For the subsidiary with operation in the UK, it is subject to corporation tax at a rate of 25%.

No Hong Kong profits tax has been provided as the Group has no assessable profit in Hong Kong.

The amount of income tax expense charged to the condensed consolidated income statement represents:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Current income tax	<b>14,955</b>	18,422
Withholding tax on dividend income	<b>3,265</b>	—
Deferred taxation	<b>8,334</b>	7,507
	<b>26,554</b>	<b>25,929</b>

The differences between the Group's expected tax charge, calculated at the domestic rates applicable to the country concerned, and the Group's tax charge for the period were as follows:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Profit before income tax and transactions with Unitholders	<b>6,262</b>	85,203
Exclude (loss)/profit from the PRC operation which is not subject to income tax ( <i>note 7(iii)</i> )	<b>36,909</b>	(23,736)
	<b>43,171</b>	61,467
Tax calculated at the Hong Kong profit tax rate at 16.5% (2024: 16.5%)	<b>7,123</b>	10,142
Effect on different taxation rate on overseas operations	<b>9,693</b>	6,730
Income not subject to tax	<b>(9,197)</b>	(4,886)
Expenses not deductible for tax purposes	<b>18,935</b>	13,943
	<b>26,554</b>	<b>25,929</b>

## 12 MANAGER'S FEE

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Base fee ( <i>note i</i> )	21,889	23,604
Variable fee ( <i>note ii</i> )	6,348	7,387
Divestment fee ( <i>note iii</i> )	1,251	—
	<u>29,488</u>	<u>30,991</u>

Pursuant to the Trust Deed, the Manager is entitled to receive remuneration for its services as the manager of Spring REIT, which is the aggregate of:

- (i) Base fee at 0.4% per annum of the value of the Deposited Property ("Base Fee", as defined in the Trust Deed).
- (ii) Variable fee at 3.0% per annum of the Net Property Income ("Variable Fee", as defined in the Trust Deed) (before deduction therefrom of the Base fee and Variable fee).
- (iii) Divestment fee at 0.5% of the consideration of the disposal of UK Portfolio ("Divestment fee", as defined in the Trust Deed).

Based on the election made by the Manager dated 4 December 2024 and 13 December 2023 in relation to the Manager's elections for the Base Fee to be paid to the Manager in the form of cash as to 20% and in the form of Units as to 80% (2024: same), and Variable Fee to be paid to the Manager in the form of cash entirely (2024: same), arising from any real estate of Spring REIT for the six months ended 30 June 2025 and 2024 in accordance with the Trust Deed.

### 13 (LOSS)/EARNINGS PER UNIT

	Six months ended 30 June	
	2025	2024
	(Unaudited) RMB'000	(Unaudited) RMB'000
(Loss)/profit for the period, before transactions with Unitholders attributable to Unitholders	(35,696)	42,275
Weighted average number of units for the period for calculating basic earnings per unit	1,463,493,230	1,444,154,859
Adjustment for dilutive units issuable in respect of the Manager's fee	—	5,217,891
Weighted average number of units for the period for calculating diluted earnings per unit	1,463,493,230	1,449,372,750
Basic (loss)/earnings per unit based upon (loss)/profit before transactions with Unitholders attributable to Unitholders	<u>(RMB2.4 cents)</u>	<u>RMB2.9 cents</u>
Diluted (loss)/earnings per unit based upon (loss)/profit before transactions with Unitholders attributable to Unitholders	<u>(RMB2.4 cents)</u>	<u>RMB2.9cents</u>

The units issuable in respect of the Manager's fee are considered to have an anti-dilutive effect on the basic loss per unit for the period ended 30 June 2025, thus it is not included in the calculation of diluted loss per unit.

## 14 INVESTMENT PROPERTIES

	For the period ended 30 June 2025 (Unaudited) RMB'000	For the year ended 31 December 2024 (Audited) RMB'000
At beginning of the period/year	11,252,000	12,039,343
Additions	4,015	14,367
Exchange differences recognised in other comprehensive income	—	6,628
Changes in fair value recognised in consolidated income statement	(12,015)	(158,421)
	11,244,000	11,901,917
Transfer to assets classified as held for sale	—	(649,917)
At end of the period/year	11,244,000	11,252,000

Notes:

- (i) The investment properties of the Group include those located in the Beijing and Huizhou (31 December 2024: the Beijing, Huizhou and the UK).

In Beijing, the investment properties comprises office towers 1 & 2 and approximately 608 car parking spaces located at No. 79 and 81 Jianguo Road, Beijing, the land use rights of the properties have been granted to RCA01 for a 50-year term expiring on 28 October 2053.

In Huizhou, the investment properties comprises seven-storey shopping mall and 700 underground and 50 above-ground car park spaces located at No. 9 First Wencheng Road, Huicheng District, Huizhou, Guangdong Province, the PRC. The land use rights of the properties have been granted to Huizhou Runxin for 40-year term expiring on 1 February 2048.

In the UK, the investment properties comprise 83 individual properties with diversified locations across the UK. The investment properties are held under either freehold or leasehold interests.

As at 30 June 2025 and 31 December 2024, the Group had no unprovided contractual obligations for future repairs and maintenance of the investment properties.

As at 30 June 2025 and 31 December 2024, the investment properties were pledged to secure the Group's bank borrowings (note 20).

As at 31 December 2024, the UK investment properties were transferred to assets classified as held for sale. On 18 February 2025, the Group entered into a sale and purchase agreement with an independent third party of the Group to dispose of the UK properties (note 24). The disposal was approved by the Unitholders on 10 March 2025 and completed on 28 March 2025.

### **Valuation process**

The Group's investment properties were valued by an independent qualified valuer not connected to the Group who holds a recognised relevant professional qualification and has recent experiences in the locations and segments of the investment properties valued.

The Manager reviewed the valuation performed by the independent valuer for financial reporting purpose. Discussions of valuation processes and results are held between the Manager and the independent valuer at least once every six months, in line with the Group's interim and annual reporting dates. As at 30 June 2025, 31 December 2024, the fair values of the investment properties have been determined by Jones Lang LaSalle Corporate Appraisal and Advisory Limited and Knight Frank Petty Limited respectively.

The independent valuer adopted the income capitalisation approach and cross-checked by the direct income capitalisation and the direct comparison approach for the valuation where applicable.

### **Valuation techniques**

#### **(i) PRC investment properties**

The income capitalisation approach estimates the value of the properties on an open market basis by capitalising the estimated rental income having regard to the current passing rental income from the existing tenancies and potential future reversionary income at the market level. In this valuation method, the total rental income comprises the current passing rental income over the existing remaining lease terms (the “**term income**”) and a potential market rental income upon reversion (the “**reversionary income**”). The term value involves the capitalisation of the current passing rental income over the existing remaining lease terms. The reversionary value is estimated by capitalising the current market rental income. It is then discounted back to the valuation date. In this method, the independent qualified valuer has considered the term and reversionary yields to capitalise the current passing rental income and the market rental income, respectively.

The direct comparison approach is based on comparing the subject property with other comparable sales evidences of similar properties in the local market.



**(ii) UK investment properties**

The income capitalisation approach estimates the values of the properties on an open market basis by capitalising the estimated rental income having regard to the current passing rental income from the existing tenancies and potential future reversionary income at the market level. In this valuation method, the total rental income comprises the term income and the reversionary income. Both the term income and the reversionary income are capitalised using the same capitalisation rate either on perpetual basis (for freehold properties) or on the basis of the properties' remaining land tenure (for leasehold properties).

**Fair value hierarchy**

	Fair value measurements using		
	Level 1	Level 2	Level 3
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Recurring fair value measurements			
As at 30 June 2025	<u>—</u>	<u>—</u>	<u>11,244,000</u>
As at 31 December 2024	<u>—</u>	<u>—</u>	<u>11,252,000</u>

There were no transfers between levels 1, 2 and 3 during the period/year (31 December 2024: nil).

**Key unobservable inputs used to determine fair values**

**(i) Beijing CCP properties**

**(a) Capitalisation rate**

This is estimated based on the market lease over market value on comparable. The higher the capitalisation rates used, the lower the fair values of the investment properties. In the 30 June 2025 valuation, a capitalisation rate of 4.5% (31 December 2024: 4.5%) is used in the income capitalisation approach.

**(b) Base rent**

Base rent is the standard rent payable under the lease exclusive of any other charges and reimbursements. This was estimated based on the market lease comparable. The higher the base rent used, the higher the fair values of the investment properties. The adopted average monthly market rent is in the range of RMB319 to RMB370 (31 December 2024: RMB370) per square meter exclusive of VAT.

**(ii) Huizhou Huamao Place**

**(a) Capitalisation rate**

This is estimated based on the market lease over market value on comparable. The higher the capitalisation rates used, the lower the fair values of the investment properties. In the 30 June 2025 valuation, a capitalisation rate of 6.5% (31 December 2024: 6.0%) is used in the income capitalisation approach.

**(b) Base rent**

Base rent is the standard rent payable under the lease exclusive of any other charges and reimbursements. This was estimated based on the market lease comparable. The higher the base rent used, the higher the fair values of the investment properties. The adopted average monthly market rent is in the range of RMB131 to RMB290 (31 December 2024: RMB184) per square meter exclusive of VAT.

**(iii) UK investment properties**

**(a) Capitalisation rate**

This is estimated based on the market lease over market value on comparable. The higher the capitalisation rates used, the lower the fair values of the investment properties. In the 31 December 2024 valuations, the capitalisation rate used in the income capitalisation approach of 83 investment properties ranged 4.25% to 9.05%.

**(b) Base rent**

Base rent is the standard rent payable under the lease exclusive of taxes, other relevant charges and reimbursements. This was estimated based on the market lease comparable. The higher the base rent used, the higher the fair values of the investment properties. In the 31 December 2024, the gross annual unit base rents of 83 investment properties ranged from GBP4.75 to GBP25.75 per square foot.

## 15 LEASES

This note provides information for leases where the Group is a lessee that is not occupied by the Group.

	<b>For the period ended 30 June 2025 (Unaudited) RMB'000</b>	For the year ended 31 December 2024 (Audited) RMB'000
<b>Right-of-use assets</b>		
At beginning of the period/year	—	15,468
Exchange differences recognised in other comprehensive income	—	163
Changes in fair value recognised in consolidated income statement	—	(44)
	—	15,587
Transfer to assets classified as held for sale ( <i>note 24</i> )	—	(15,587)
At end of the period/year	—	—
	<b>As at 30 June 2025 (Unaudited) RMB'000</b>	<b>As at 31 December 2024 (Audited) RMB'000</b>
<b>Lease liabilities, expected to be settled:</b>		
Within 1 year	—	267
After 1 year	—	10,769
	—	11,036
Transfer to liabilities classified as held for sale ( <i>note 24</i> )	—	(11,036)
	—	—

Right-of-use assets of the UK applied level 3 fair value measurement as of 31 December 2024.

## 16 DERIVATIVE FINANCIAL INSTRUMENTS

	As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
<b>Asset</b>		
Derivative financial instruments	<u>1,189</u>	<u>95,443</u>
<b>Liabilities</b>		
Derivative financial instruments	<u>48,396</u>	<u>—</u>

As at 30 June 2025, the Group has entered into two (31 December 2024: three) interest rate swaps and six (31 December 2024: six) cross currency swaps as part of its financial risk management but did not account for these as accounting hedges under IFRS 9. Plain vanilla interest rate swap was used to hedge the floating interest payments of the debt instruments. Cross-currency swap was used to hedge both floating interest payment and foreign exchange risk of the debt instruments.

The aggregated notional principal amounts of the interest rate swaps as at 30 June 2025 were HK\$2,355 million (approximately RMB2,148 million) (31 December 2024: HK\$2,355 million and GBP 47.8 million (approximately RMB2,617million)) with HK\$2,355 million mature on 23 September 2025 (31 December 2024: HK\$2,355 million mature on 23 September 2025 and GBP47.8 million mature on 27 January 2025).

The Group entered into six cross currency swaps swapping RMB to HK\$. The total aggregated notional principal amount as of 30 June 2025 was HK\$3,520 million (approximately RMB 3,210 million) with maturity on 23 September 2025 (31 December 2024: HK\$3,520 million (approximately RMB 3,260 million) with maturity on 23 September 2025).

The Group recorded net fair value loss on derivative financial instruments for the period ended 30 June 2025 amounting to RMB143,708,000 (30 June 2024: gain of RMB26,773,000) (note 9) which were charged to the consolidated income statement.

The maximum exposure to credit risk at the reporting date is the carrying values of the derivative financial instruments.

The carrying amounts of derivatives are expected to be recovered/settled within next twelve months.

## 17 TRADE AND OTHER RECEIVABLES

	As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
Rent receivables ( <i>note vi</i> )	2,925	6,315
Deferred rent receivables ( <i>note iv</i> )	37,802	37,294
Prepayments	16,038	15,484
Other receivables	3,963	4,610
Indemnified tax recoverable ( <i>note v</i> )	2,944	2,944
	<u>63,672</u>	<u>66,647</u>

### Notes:

- (i) Trade and other receivables are mainly denominated in RMB (31 December 2024: RMB and GBP), and the carrying amounts of these receivables approximate their fair values.

There are no specific credit terms given to the tenants.

Fixed monthly rentals are payable in advance by tenants in accordance with the leases while the turnover rent and daily gross receipts from tenants and car parks are received from the car park operators in arrears.

- (ii) The Group's exposure from outstanding rent receivables and deferred rent receivables in the PRC is generally fully covered by the rental deposits from the corresponding tenants (note 19).
- (iii) As at 30 June 2025 and 31 December 2024, the Group's rent receivables and all future rent receivables in the PRC were pledged to secure the Group's interest-bearing borrowings (note 20).
- (iv) Deferred rent receivables represent the accumulated difference between effective rental revenue and actual rental receipts.
- (v) Balance represents the tax indemnity from seller in relation to the acquisition of Huizhou properties for any tax liabilities of the project company before the acquisition and the balance was unsecured, interest free, repayable on demand and denominated in RMB.

(vi) The ageing of rent receivables, presented based on the due date, is as follows:

	As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
0 – 30 days	951	3,154
31 – 90 days	869	1,878
Over 90 days	1,105	1,283
	<u>2,925</u>	<u>6,315</u>

(vii) The carrying amounts of trade and other receivables are expected to be recovered within the next twelve months.

## 18 RESTRICTED BANK BALANCES AND CASH AND CASH EQUIVALENTS

	As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
Restricted bank balances	300,593	276,413
Cash and cash equivalents	445,952	253,820
	<u>746,545</u>	<u>530,233</u>

Cash and cash equivalents and restricted bank balances are denominated in the following currencies:

	As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
US\$	232,852	2,932
RMB	344,288	314,153
HK\$	164,785	213,122
GBP	4,620	26
	<u>746,545</u>	<u>530,233</u>

Restricted bank balances are related to bank accounts restricted under the bank borrowing facility agreements of the Group's bank borrowings (note 20).

The carrying amounts of cash and cash equivalents and restricted bank balances are expected to be recovered as below:

	As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
<b>Cash and cash equivalents</b>		
Within 1 year	<u>445,952</u>	<u>253,820</u>
<b>Restricted bank balances</b>		
Within 1 year	260,593	236,413
After 1 year	<u>40,000</u>	<u>40,000</u>
	<u>300,593</u>	<u>276,413</u>

## 19 RENTAL DEPOSITS AND TRADE AND OTHER PAYABLES

	As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
<b>Rental deposits (note i)</b>	<u>189,682</u>	<u>195,487</u>
<b>Trade and other payables:</b>		
Rental receipts in advance	49,429	53,953
Provision for other taxes (note ii)	2,983	4,449
Accrued expenses and other payables	<u>105,678</u>	<u>118,892</u>
	<u>158,090</u>	<u>177,294</u>

Notes:

- (i) The carrying amount is expected to be settled based on the terms of agreement as below:

	As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
Within 1 year	55,781	58,819
After 1 year	133,901	136,668
	<u>189,682</u>	<u>195,487</u>

- (ii) Provision for other taxes represent provision for value added tax, urban construction and maintenance tax, education surcharge and stamp duty.

The carrying amounts of trade and other payables approximate their fair values, mainly denominated in RMB (31 December 2024: RMB and GBP) and are expected to be settled within twelve months.

## 20 INTEREST-BEARING BORROWINGS

The carrying amounts of bank borrowings are expected to be settled as below:

	As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
<b>Bank borrowings</b>		
Within 1 year	4,165,532	4,205,918
After 1 year	586,316	592,441
	<u>4,751,848</u>	<u>4,798,359</u>
Bank borrowing included in liabilities classified as held for sale (note 24)	—	436,362
	<u>4,751,848</u>	<u>5,234,721</u>



Bank borrowings are denominated in the following currencies:

	As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
HK\$ (note i)	4,087,630	4,130,815
RMB (note ii)	664,218	667,544
	<u>4,751,848</u>	<u>4,798,359</u>

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates at the end of the reporting period/year are as follows:

	As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
6 months or less	<u>4,751,848</u>	<u>4,798,359</u>

The carrying amounts of bank borrowings approximate their fair values, as the borrowings were at floating interest rate.

Notes:

- (i) The borrowing bears interest of 1.65% per annum above 1-month HK\$ HIBOR and repayable in full on 23 September 2025;
- (ii) The borrowing bears interest of 60 basis point above the loan prime rate for more than five years as announced by the National Interbank Funding Centre, repayable periodically and will mature in March 2032; and

As at 30 June 2025 and 31 December 2024, the Group's investment properties (note 14), derivative financial instruments (note 16), rent receivables (note 17) and all future rent receivables (note 23), restricted bank balances (note 18), interests in certain subsidiaries of the Group and certain assets of a subsidiary of the Group were pledged to secure the Group's loan borrowings. In addition, the Trustee (in its capacity as trustee of Spring REIT) has provided guarantee for all the loan facilities.

## 21 DEFERRED TAX LIABILITIES

Deferred taxation is calculated in full on temporary differences under the liability method.

Deferred tax liabilities are expected to be settled after one year.

The movements in deferred tax liabilities during the period/year are as follows:

	<b>Investment properties revaluation RMB'000</b>	<b>Acceleration depreciation allowance RMB'000</b>	<b>Total RMB'000</b>
<b>At 30 June 2025 (Unaudited)</b>			
At beginning of the period	102,500	20,472	122,972
Deferred tax expense recognised in consolidated income statement	3,000	5,334	8,334
At end of the period	<u>105,500</u>	<u>25,806</u>	<u>131,306</u>
	Investment properties revaluation RMB'000	Acceleration depreciation allowance RMB'000	Total RMB'000
<b>At 31 December 2024 (Audited)</b>			
At beginning of the year	100,250	9,900	110,150
Deferred tax expense recognised in consolidated income statement	2,250	10,572	12,822
At end of the year	<u>102,500</u>	<u>20,472</u>	<u>122,972</u>

## 22 UNITS IN ISSUE

	<b>Number of units</b>	
	<b>For the period ended 30 June 2025</b>	<b>For the year ended 31 December 2024</b>
Balance at the beginning of the period/year	1,459,041,125	1,440,497,110
New units issued for Manager's fee	11,220,518	21,521,015
Repurchase of units in issue for cancellation	—	(2,977,000)
Units bought back as treasury units ( <i>note ii</i> )	(1,222,000)	—
Balance at the end of the period/year ( <i>note i</i> )	<u>1,469,039,643</u>	<u>1,459,041,125</u>

*Notes:*

- (i) Traded market value of the units as of 30 June 2025 was HK\$1.73 (31 December 2024: HK\$1.87) per unit. Based on 1,469,039,643 (31 December 2024: 1,459,041,125) units in issue (excluding treasury units), the market capitalisation was HK\$2,541 million (approximately RMB2,318 million) (31 December 2024: HK\$2,728 million (approximately RMB2,527 million)).
- (ii) Pursuant to the general mandate granted to the Manager by the Unitholders, the Manager (on behalf of Spring REIT) bought back a total of 1,222,000 units as treasury units at an aggregate consideration of approximately RMB2,059,000 during the period ended 30 June 2025.

## 23 FUTURE MINIMUM RENTAL RECEIVABLES

As at 30 June 2025, the analysis of the Group's aggregate future minimum rental receivable under non-cancellable leases is as follows:

	As at 30 June 2025 (Unaudited) RMB'000	As at 31 December 2024 (Audited) RMB'000
Within 1 year	530,707	619,428
1 - 2 years	400,286	471,155
2 - 3 years	250,409	299,832
3 - 4 years	164,837	198,995
4 - 5 years	66,912	138,841
After 5 years	45,090	163,305
	<u>1,458,241</u>	<u>1,891,556</u>

*Note:* Most of the operating leases are on fixed terms and of terms of ranging from 3 years (31 December 2024: 3 years).

## 24 Asset classified as held for sale/liabilities associated with assets classified as held for sale

As at 31 December 2024, the Group decided to dispose all 83 commercial properties in the United Kingdom (the “**UK properties**”) through the disposal of the entire issued share capital of Hawkeye Properties 501 Limited (“**HP501**”), a wholly-owned subsidiary of the Group.

As at 31 December 2024, assets classified as held for sale represents the investment properties and assets associated held through HP501. The liabilities associated with assets classified as held for sale represents liabilities associated with HP501. Details of the assets classified as held for sale and liabilities associated with assets classified as held for sale for HP501 are as follows:

	<b>As at 31 December 2024 (Audited) RMB’000</b>
Assets classified as held for sale	
Investment properties (note)	649,917
Right-of-use assets	15,587
Trade and other receivables	7,152
Restricted bank balances	3,106
Cash and cash equivalents	17,096
Derivative financial instruments	1,058
	<u>693,916</u>
Liabilities classified as held for sale	
Trade and other payables	10,251
Interest-bearing borrowings	436,362
Income tax payable	2,207
Lease liabilities	11,036
	<u>459,856</u>

*Note:* The investment properties held through comprised 83 commercial properties located in the United Kingdom.

## 25 Disposal of a subsidiary

On 28 March 2025, the Group disposed of its 100% equity interests of a subsidiary, at a consideration of GBP25,391,000 to an independent third party. The net assets of the subsidiary at the date of disposal were as follows:

Consideration received:	<i>RMB'000</i>
Cash received	<u>239,095</u>
Analysis of assets over which control was lost:	<i>RMB'000</i>
Net assets disposed of	<u>227,968</u>
Gain on disposal of the UK investment properties:	<i>RMB'000</i>
Consideration received	239,095
Net assets disposed of	(227,968)
Transaction costs	(8,060)
Release of exchange reserve upon disposal	<u>(160)</u>
Gain on disposal of investment properties	<u>2,907</u>
Net cash inflow arising on disposal:	<i>RMB'000</i>
Cash consideration	239,095
Cash and restricted bank balances disposed of	(8,776)
Transaction costs	<u>(8,060)</u>
	<u>222,259</u>

## 26 PRINCIPAL SUBSIDIARIES

Name	Place of establishment and kind of legal entity/place of operations	Principal activities	Particulars of issued share capital	Interest held	
				2025	2024
<b>Directly held:</b>					
RCA01	Cayman Islands, limited liability	Property investment	1,000 of US\$1 each	100%	100%
RUK01 Limited	Jersey, limited liability	Investment holding	1 of GBP1 each	100%	100%
RHZ01 Limited	British Virgin Islands, limited liability	Investment holding	1 of US\$1 each	100%	100%
<b>Indirectly held:</b>					
Huamao Capital Focus 03 Limited	British Virgin Islands, limited liability	Investment holding	1 of US\$1 each	100%	100%
Hawkeye Properties 501 Limited	Jersey, limited liability	Property investment	2 of GBP1 each	—	100%
Huizhou Runxin Shopping Mall Development Co., Ltd.	PRC, limited liability	Property investment	RMB400,000,000	68%	68%

The above list contains only the particulars of the subsidiaries which principally affect the results or assets and liabilities of the Group.

## 27 APPROVAL OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The condensed consolidated interim financial information was authorised for issue by the Manager on 21 August 2025.