SPRG STRATEGIC FINANCIAL RELATIONS LIMITED 縱橫財經公關顧問有限公司

For immediate release

SpringREIT

Spring REIT announces 2026 Interim Results

- ***CCP Property occupancy kept stable at approximately 90.8% under a retention-led leasing strategy***
- ***Huamao Place in Huizhou completed major reconfiguration works, and maintained steady footfall and resilient tenant sales in the Greater Bay Area***
- ***A resilient capital structure underpinned by a long-standing hedging programme and prudent treasury management across multi-currency borrowings***

(Hong Kong, 20 August 2026) – **Spring Asset Management Limited** (the "**Manager**"), as manager of Spring Real Estate Investment Trust ("**Spring REIT**", stock code: 1426), is pleased to announce the interim results of Spring REIT for the six months ended 30 June 2026 ("**1H 2026**" or the "**Reporting Period**").

The Board of Directors of the Manager is pleased to declare an interim distribution of HK4.0 cents per Unit, with a payout ratio of 90%, representing an increase of 11.1% half-on-half ("**HoH**") and a decrease of 47.4% year-on-year ("**YoY**").

During the Reporting Period, China's economic performance continued to be uneven, while the domestic real estate sector remained in a prolonged period of adjustment, weighing on business and consumer confidence alike. Preliminary macroeconomic figures indicate China's economy grew approximately 4.7% in the first half of 2026. Growth continued to be supported by manufacturing and exports, while domestic consumption and investment remained comparatively subdued.

Spring REIT's revenue for the Reporting Period was RMB289.62 million (1H 2025: RMB322.56 million), representing a 3.0% decrease HoH and a 10.2% decrease YoY. Net property income increased by 1.6% HoH and declined by 13.4% YoY to RMB205.03 million. The HoH improvement was attributed to a stable contribution from Huamao Place in Huizhou, even as the CCP Property continued to face softness and rental pressure in the Beijing Grade-A office leasing market. The YoY decline reflected absence of any contribution from the UK Portfolio, which was disposed of in March 2025. Total Distributable Income ("**TDI**") for the Reporting Period was RMB58.14 million.

Beijing CCP Property: A retention-led strategy maintained high occupancy in challenging leasing market

During the Reporting Period, the China Central Place Office Tower 1 and 2 and the relevant portion of the car park (the "**CCP Property**") reported a 6.4% decrease in revenue HoH. Rental income generated from the office space decreased by 6.1% HoH, reflecting continued rental pressure in a challenging Beijing office market. After taking into account an 11.8% HoH decrease in property operating expenses, mainly attributable to lower leasing commission during the Reporting Period, net property income amounted to RMB127.59 million, representing a decrease of 4.1% HoH and 14.4% YoY.

In response to an office leasing market that has become increasingly cost-driven, the Manager maintained its disciplined defensive strategy with an emphasis on robust occupancy and active tenant retention initiatives. Broader market vacancy risks were mitigated through proactive tenant engagement and flexible leasing arrangements tailored to individual tenant requirements. Occupancy at the CCP Property remained stable, standing at approximately 90.8% as at 30 June 2026 (30 June 2025: 85.9%; 31 December 2025: 90.0%).

Average monthly unit rent decreased to RMB333 per sqm in 1H 2026 (2H 2025: RMB341 per sqm; 1H 2025: RMB348 per sqm). As part of the Manager's leasing strategy during the Reporting Period, certain incentives, such as rent-free periods and other concessions, were provided in line with prevailing market conditions to support tenant retention and maintain occupancy levels.

Huamao Place (華貿天地): Reconfiguration completed, resilient tenant sales sustained

During the Reporting Period, Huamao Place's positioning as a unique high-end lifestyle mall was reinforced and its reputation as a premier shopping and leisure destination maintained. To differentiate the mall from competitors and strengthen its distinctive market positioning, we introduced selected first-to-market and premium brands, some of which have chosen Huamao Place as the location for their first city store or flagship outlet. Notably, the arrival of internationally recognised brands such as Coach, Descente and SK-II further enhanced the mall's appeal to trend-conscious consumers. At the same time, the mall's trade mix was further optimised to cater to evolving consumer preferences, helping maintain a vibrant and engaging shopping experience.

Following the reconfiguration of the former cinema space on the fifth floor undertaken in 2025, the upgraded area was formally launched during the Reporting Period. There is now a new cinema in operation alongside other lifestyle and entertainment offerings, including a KTV venue and a number of quality dining establishments. In addition, Spring REIT continued to subdivide and optimise various large anchor tenant spaces, with one of the vacated anchor units having been reconfigured to accommodate several new food and beverage brands. These initiatives have further improved space utilisation and broadened the mall's range of dining, entertainment and lifestyle offerings.

As at 30 June 2026, the occupancy rate was 95.2% (31 December 2025: 98.5%; 30 June 2025: 94.2%). The mall's average monthly unit rent moderately increased to RMB173 per sqm in 1H 2026 (2H 2025: RMB168 per sqm; 1H 2025: RMB178 per sqm). Huamao Place had a total of 548 tenancies as at 30 June 2026, and leases expiring in the second half of 2026 and in 2027 accounted for 16.9% and 26.4% of the total leased GFA respectively.

Prudent capital management

Spring REIT adopts a prudent approach to treasury and risk management, with foreign exchange and interest rate exposures from its HKD- and JPY-denominated borrowings under continuous monitoring and assessment. A hedging programme has been in place since 2021 to mitigate interest rate and exchange rate risks. As at 30 June 2026, in relation to the CCP Facilities, a notional amount of HK$1,570 million was covered by float-to-fixed cross-currency swap ("**CCS**") contracts with tenures aligned to the respective loan maturities, while the RMB-denominated loan is based on a fixed rate or the PRC Loan Prime Rate. The remaining borrowings are subject to floating interest rates.

As at 30 June 2026, approximately 77% of Spring REIT's borrowings were either covered by interest rate hedges, or were under a fixed rate or under a relatively stable PRC Loan Prime Rate (31 December 2025: 77%). Approximately

77% of total borrowings were also currency-matched with the underlying assets as at 30 June 2026 (31 December 2025: 77%). Following the expiration of certain lower-rate hedging instruments and the completion of refinancing in September 2025, the weighted average cash interest rate was approximately 4.5% per annum at the end of 2025. As at 30 June 2026, the weighted average cash interest rate remained unchanged at approximately 4.5% per annum.

Navigating market volatility with disciplined execution in 2H 2026

The Beijing office market is expected to remain tenant-favourable in the near term, with landlords continuing to compete on rent and concessions while occupiers stay focused on cost control. Against this backdrop, the Manager will maintain its defensive strategy at the CCP Property, prioritising occupancy and tenant retention over headline rent.

In Huizhou, the research consultancy firm RET projects the total gross merchandise value of the shopping mall industry to grow at a compound annual growth rate of 5.5% from 2026 to 2031, reflecting favourable growth prospects within the GBA. With the fifth-floor reconfiguration completed and the new cinema, KTV and dining offerings now trading, Huamao Place enters the second half with a fuller and more diversified line-up, supporting footfall and operational contribution.

Notwithstanding the challenging environment, the Manager remains confident in Spring REIT's resilience. Moving into 2H 2026, the Manager will continue to explore selective asset recycling opportunities and active capital allocation strategies, including Unit buy-backs, to optimise funding efficiency and generate long-term value for unitholders through prudent management and proactive portfolio strategies.

Mr. Toshihiro TOYOSHIMA, Chairman of Spring Asset Management Limited, said “In Beijing, we chose to defend occupancy rather than chase rent, and that discipline helped maintain occupancy at the CCP Property at approximately 90.8% in a market where Grade A vacancy stayed elevated. In Huizhou, we completed the reconfiguration of Huamao Place and brought in names such as Coach, Descente and SK-II, and the mall has continued to deliver resilient tenant sales. Distributable income is under near-term pressure as our financing costs normalise following last September's refinancing, but the operating platform underneath is sound. We remain confident in Spring REIT's resilience and in our ability to generate long-term value for unitholders.”

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About Spring Real Estate Investment Trust (stock code: 1426)

Spring Real Estate Investment Trust ("**Spring REIT**", stock code: 1426) is a real estate investment trust which invests in high quality income-producing real estate. Listed on 5 December 2013 on the Hong Kong Stock Exchange, Spring REIT's property portfolio comprises (i) two Premium Grade office buildings strategically located in the Central Business District of Beijing, and (ii) a landmark shopping mall Huamao Place in Huizhou, Greater Bay Area. Spring REIT seeks to offer to Unitholders stable distributions and the potential for sustainable long-term growth through investing in a diversified portfolio of income-producing real estate.

Spring REIT is managed by Spring Asset Management Limited, a company incorporated in Hong Kong. As at 30 June 2026, the Manager is 80.4% owned by Mercuria Holdings Co., Ltd. ("**Mercuria Holdings**"), 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.

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RESULTS HIGHLIGHT

(in RMB million unless otherwise specified)					
For the Six Months Ended	**30-Jun-2026**	**HoH Change**	**31-Dec-2025**	**HoH Change**	**30-Jun-2025**
Revenue	**289.62**	(3.0%)	298.49	(7.5%)	322.56
Property operating expenses	**(84.59)**	(12.5%)	(96.70)	12.6%	(85.91)
Net property income	**205.03**	1.6%	201.80	(14.7%)	236.64
Net property income margin	**70.8%**	+3.2 ppts	67.6%	-5.8 ppts	73.4%
G&A expenses	**(35.34)**	(15.7%)	(41.91)	6.3%	(39.44)
Cash interest expenses	**(106.45)**	10.0%	(96.78)	13.8%	(85.04)
Total distributable income	**58.14**	(12.1%)	66.14	(35.4%)	102.33

Unit information	**1H 2026**	**HoH Change**	**2H 2025**	**HoH Change**	**1H 2025**
Distribution per Unit (HK cents)	**4.0**	11.1%	3.6	(52.6%)	7.6
Distribution per Unit (RMB cents equivalent)	**3.5**	6.1%	3.3	(52.9%)	7.0
Net asset value per Unit (HK$)	**4.08**	(1.4%)	4.14	(3.7%)	4.30
Number of Units (excluding treasury Units)	**1,481,041,212**	0.2%	1,477,981,560	0.6%	1,469,039,643

As at	**30-Jun-2026**	**HoH Change**	**31-Dec-2025**	**HoH Change**	**30-Jun-2025**
Property valuation[1]	**10,718.00**	(3.3%)	11,081.00	(1.4%)	11,244.00
Total assets	**11,396.99**	(3.5%)	11,808.01	(2.0%)	12,055.41
Total borrowings	**4,487.22**	(3.2%)	4,636.40	(2.4%)	4,751.85
Net asset value attributable to Unitholders	**5,245.57**	(5.1%)	5,529.33	(4.0%)	5,759.72
Gearing ratio	**39.4%**	+0.1 ppts	39.3%	-0.1 ppts	39.4%

1. As appraised by the Principal Valuer