



7 December 2021

Mr. Ronald Chan / Mr. Aditya Salim

Chartwell Capital Limited
Rm. 1702, New World Tower 1
16-18 Queen's Road Central, Hong Kong

Dear Mr. Chan and Mr. Salim,

Thank you for your letter dated 3 November and your company's continuous support to SF Real Estate Investment Trust ("SF REIT"). SF REIT Asset Management Limited, as the manager of SF REIT ("the Manager") treasures every opportunity in the communication with unitholders ("Unitholders") and take their recommendations seriously. Regarding your specific recommendations, we would like to address them one by one below:

1. Establish a corporate website and platform for investor relations

The Manager has an objective of ensuring that Unitholders of SF REIT are provided with ready, equal and timely access to information about SF REIT. Such information may include SF REIT's financial performance, strategic goals and plans, material developments, governance and risk profile in order to enable Unitholders to exercise their rights in an informed manner, and to allow Unitholders and the investment community to engage actively with SF REIT. To fulfil such an objective, corporate website alongside with annual general meetings are the key channels.

At the time of writing, SF REIT's website has already been launched consisting key information about SF REIT such as announcements, financial statements, investors' presentations, strategies and corporate governance related issues.

Separately, the Manager understands the importance of social media communications nowadays as a medium of active engagement with stakeholders. Therefore, investing in resources related to this aspect will be considered by the Manager in order to provide more timely information to stakeholders.

2. Interest rate hedges on offshore debt facilities

You have rightly commented that the Manager takes a prudent approach in the overall management of SF REIT's balance sheet, in particular regarding gearing. On interest rate exposure, the Manager is closely monitoring the market trend and will take into consideration the market outlook, interest rate swap prices and impact on distribution to determine the appropriate fixed / floating rate ratio of the group's debt portfolio.

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SF REIT Asset Management Limited

3. Introduce a distribution reinvestment program (“DRP”)

Your recommendation for SF REIT to offer script or cash distribution is well noted. As stated in the Offering Circular of SF REIT, the Manager may adopt such arrangements as it considers appropriate. Currently, the total amount of distributions and expected level of acceptance do not justify the cost of setting up a DRP. The Manager will revisit this topic when SF REIT has substantially expanded its portfolio and increased the total amount of distributions to Unitholders.

We hope that the above explanation is clear enough and also able to demonstrate our general philosophies in the related topics. Once again, your team’s active communications with the Manager is highly appreciated. We look forward to building a long term relationship with your team.

Sincerely,

A handwritten signature in black ink, appearing to be 'H. Chak', written over a horizontal line.

Hubert Chak
Executive Director and Chief Executive Officer
SF REIT Asset Management Limited