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SpringREIT

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

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 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 31 December 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 a final distribution for the period from 1 July 2025 to 31 December 2025 (the “**Reporting Period**”, “**2H 2025**” or “**2025 Final Distribution Period**”) of HK3.6 cents per Unit (“**2025 Final Distribution**”) to unitholders of Spring REIT (the “**Unitholders**”) whose names appear on the register of Unitholders on 15 April 2026 (the “**Record Date**”). Together with the interim distribution of HK7.6 cents per Unit, total distributions for the year ended 31 December 2025 (“**FY2025**”, “**Reporting Year**”) amounts to a total of HK11.2 cents per Unit (FY2024: HK16.6 cents per Unit), representing a payout ratio of 90% (FY2024: 100%).

Based on the closing price of HK\$1.69 per Unit as at 31 December 2025, the Reporting Year Distribution per Unit (“**DPU**”) represents a distribution yield of 6.6%. For details of the distribution, please refer to the section headed “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 Final Distribution is HK\$1 = RMB0.9101, which represents the average of month-end central parity rates in the 2025 Final Distribution Period (as announced by the People’s Bank of China).

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

As at the date of this announcement, 2,237,000 treasury Units were held by Spring REIT, which were deposited with the Central Clearing and Settlement System (“**CCASS**”) and would not be entitled to receive the 2025 Final Distribution.

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 meet its business requirements.

The Record Date for the 2025 Final Distribution will be 15 April 2026. The register of Unitholders will be closed for the purpose of determining the identity of Unitholders from 14 April 2026 to 15 April 2026, both days inclusive, during which period no transfer of Units will be registered. The 2025 Final Distribution is expected to be payable on 29 April 2026 to Unitholders whose names appear on the register of Unitholders on the Record Date.

In order to qualify for the 2025 Final 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 13 April 2026.

CHAIRMAN STATEMENT

Dear Unitholders,

On behalf of the Board of the Manager, I am pleased to present the financial results of Spring REIT for the financial year ended 31 December 2025.

China's economic performance for 2025 has been uneven, with growth mainly driven by advanced industrial manufacturing and exports. Across other parts of the economy, recovery has been relatively weaker. The real estate sector, in particular, is still in a prolonged period of adjustment, and this transition has weighed on consumer and business confidence alike. The office leasing market has reflected this, with Beijing's Grade-A office leasing market remaining subdued throughout the year. Vacancy rates in the broader market remained high by historical standards, and there has been strong downward pressure on rental rates as tenant leasing decisions have become increasingly cost-driven. Meanwhile, in China's retail sector, consumption patterns have evolved and consumers have become more selective in their choice of shopping destinations. Shopping malls without a distinct market positioning have generally faced stronger headwinds in driving sales and footfall.

Against this backdrop, Spring REIT's two core China assets continued to demonstrate resilience. Within an overall weak real estate environment, our CCP Property in Beijing maintained a stable occupancy rate due to its high-quality spaces, proactive leasing efforts and disciplined asset management. Huamao Place, our premium shopping mall in Huizhou in the Greater Bay Area ("GBA"), also maintained steady footfall in a tight consumer market and continued to attract strong tenant interest.

Spring REIT recorded a DPU of HK11.2 cents for the Reporting Year, representing a 32.5% decrease from 2024. This primarily reflected continued weakness in the Beijing office leasing market, the normalisation of financing costs from the prior lower levels, and the partial-year income contribution from the UK portfolio prior to its disposal in March 2025.

During the year, Spring REIT also completed two important capital and portfolio management initiatives. In March 2025 it disposed of the UK Portfolio as planned, allowing it to focus its resources on its core China market and enhance financial flexibility. In September 2025, Spring REIT successfully refinanced the loan facilities for its Beijing CCP asset.

PERFORMANCE REVIEW

The Grade-A office market in Beijing continued to face a cautious leasing environment in 2025, with tenants prioritising cost efficiency, optimising space utilisation and consolidating operations rather than expanding. As a result, landlords generally adopted more flexible leasing strategies with respect to pricing and incentives in order to maintain occupancy levels. At the same time, vacancy rates in Beijing’s citywide Grade-A office market remained relatively high. According to Jones Lang LaSalle (“**JLL**”), the citywide vacancy rate stood at approximately 12% at the end of 2025. Leasing activity remained subdued, with most transactions being leasing renewals, and landlords generally focusing on tenant retention.

Within this context, Spring REIT’s CCP Property maintained a solid occupancy rate with a quality tenant base. Occupancy stood at approximately 90% as at 31 December 2025. This was supported by active and early engagement with tenants, with renewal discussions often initiated well ahead of lease expiry.

Alongside these leasing execution efforts, the Manager continued to invest in maintaining the quality, functionality and visual appeal of the CCP Property. Capital expenditure was focused on core building systems, public areas and tenant-related works, with the aim of keeping service standards high and adding to the leasing competitiveness of the property.

Environmental, Social and Governance (“**ESG**”) objectives remained an important consideration of the Manager’s enhancement efforts during the year. The CCP Property continued to participate in Beijing’s green electricity trading framework throughout 2025, as part of our commitment to sustainable and responsible asset management. During the year, the CCP Property also obtained a 5-star GRESB rating¹, in addition to maintaining its LEED Platinum certification².

In China’s muted consumer climate, retail spending became more nuanced and hierarchical in 2025. Well-located, well-managed shopping destinations with clear positioning and strong tenant curation continued to attract consumer demand. Across Mainland China’s retail sector, shopping malls that adapted to evolving consumer preferences and the growing demand for themed and experience-led retail formats generally demonstrated greater resilience in occupancy, footfall and tenant sales.

1 GRESB refers to the Global Real Estate Sustainability Benchmark, an internationally recognised ESG benchmark for real estate and infrastructure investments.

2 LEED refers to the Leadership in Energy and Environmental Design green building certification programme.

Spring REIT's Huizhou Huamao Place delivered a resilient performance in 2025. Supported by its positioning as Huizhou's leading high-end lifestyle shopping destination, the mall continued to record positive momentum in tenant sales and footfall. As a result, occupancy was maintained at a high level, with leasing activity reflecting sustained tenant demand for prime space within the mall.

With leasing demand remaining healthy, the Manager continued to focus on optimising the tenant mix. This involved prioritising selected first-to-market and premium brands and dining operators, as well as experience-led retail concepts, while progressively phasing out less-performing tenants. Alongside this, the previous large-format cinema space was reconfigured, replacing it with a smaller, modernised cinema and introducing a quality KTV operator together with a cluster of dining concepts. These changes have improved the mall's utilisation of space and enhanced the range and quality of its entertainment and lifestyle offerings.

Food and beverage leasing during the year was guided by an emphasis on differentiation and social-dining appeal. Various regional-specialty brands and selected city-first entrants were introduced to Huamao Place, enhancing the mall's overall dining offering and visitor experience. In addition, the outdoor spaces at Huamao Place were further utilised to enhance the experience for visitors. Its spacious plaza, overlooked by a large-format LED screen, was host to numerous themed events, seasonal promotions and community activities that were especially valuable in driving footfall on weekends and holidays and keeping visitors at the mall for longer.

From a sustainability perspective, Huamao Place continued to demonstrate strong credentials. Energy efficiency features at the mall, including rooftop solar installations, contribute to lower carbon emissions and efficient operations. The mall's LEED Gold certification¹ reflects its adherence to established standards in environmental design and asset stewardship.

The Manager completed the disposal of the UK Portfolio on 28 March 2025, following the signing of a sale and purchase agreement with an independent third-party purchaser in February 2025. The disposal represented an important strategic realignment for Spring REIT towards its core China market, where it has established operational experience and long-term market presence.

1 LEED refers to the Leadership in Energy and Environmental Design green building certification programme.

In September 2025, Spring REIT successfully completed the refinancing of its loan facilities for the Beijing portfolio, resulting in an extended debt maturity profile. We appreciate the continued support of our banking partners throughout this process. The Manager implemented an interest rate hedging programme in 2021 ahead of the global rate tightening cycle that began in 2022. This helped cushion the impact of rising interest rates and allowed Spring REIT to benefit from relatively low financing costs in recent years. As these hedges matured in 2025 and the refinancing of the Beijing loan facilities took effect in September, finance costs have normalised from prior lower levels, and this has a near-term impact on distributable income.

At the end of the Reporting Year, around 77% of Spring REIT's total borrowings were either hedged or linked to stable benchmark rates, with its overall effective cash interest rate standing at approximately 4.5% per annum. The Manager will continue to review and optimise Spring REIT's financing structure as part of its disciplined capital management, while maintaining a prudent risk profile.

As at 31 December 2025, Spring REIT's gearing ratio (i.e. the ratio of total borrowings to gross asset value) stood at around 39.3%, compared to around 38.0% a year ago, with the increase mainly attributable to slightly lower property valuations. This level of gearing remains within a prudent range and provides a good buffer against market volatility.

During the Reporting Year, Spring REIT repurchased 4.16 million Units on the market at an average price of HK\$1.70 per Unit, representing approximately 0.28% of the Units in issue at the end of 2025. The repurchased Units were retained as treasury Units, with a significant portion used during the Reporting Year to settle the Manager's Fee in Units.

During the year, the Manager underwent a leadership transition. Mr. Leung Kwok Hoe, Kevin retired as Chief Executive Officer of the Manager on 31 October 2025 to devote more time to his family. The Board thanks Mr. Leung for his leadership and contributions during his tenure. Mr. Chung Wai Fai, Michael was appointed as Chief Executive Officer of the Manager with effect from 31 October 2025. The Board looks forward to working with Mr. Chung as the Manager continues to guide Spring REIT through the next stage of its development.

During the year, there were also changes to the composition of the Board, including among the Non-Executive Directors. The Board will work closely with the management team to navigate market challenges and pursue sustainable, long-term value for Unitholders.

OUTLOOK

Geopolitical tensions remain high as we enter 2026, with recent developments in the Middle East adding to global uncertainty, while China's economy continues to undergo structural adjustments that have kept consumer sentiment subdued. Although the high-growth industrial and export segments have shown greater resilience, the commercial real estate sector is expected to remain challenged in the near term.

For Spring REIT, the continued softness in the Beijing Grade-A office leasing market, together with higher financing costs following the refinancing completed in September 2025, are expected to place pressure on distributable income in the near term.

In the Beijing office market, rental pressures are not expected to ease in 2026 as operating conditions are likely to remain difficult. Vacancy levels across the broader market are expected to remain high, and tenants are likely to continue focusing on cost controls and space optimization.

Despite this generally muted outlook, the CCP Property remains a premium-quality office asset in Beijing's central business district with strong connectivity and a well-established tenant base. Its solid occupancy level of approximately 90% at the end of 2025 indicates that the property remains well-suited to its existing tenancy base, with its floor configuration and other features aligning well with tenants' space requirements.

As consumer behaviour in the GBA continues to evolve, the Manager will continue its efforts to consolidate Huamao Place's distinctive positioning as a high-end shopping and lifestyle destination. This will involve further selective tenant curation with an emphasis on tenant quality and differentiation, together with targeted marketing initiatives and community engagement activities.

The Manager's primary focus in 2026 for the CCP Property will be on lease renewals and tenant retention. For lease expiries scheduled in the first half of 2026, progress has already been made on several key renewals. The Manager will continue to engage tenants proactively and actively manage leasing activities with an aim to maintain occupancy stability and mitigate vacancy risks.

Alongside these leasing efforts, the Manager will continue to adopt a prudent approach to capital management. Financing arrangements and hedging strategies will be reviewed periodically to maintain an appropriate risk profile and preserve balance sheet resilience through the cycle.

While the near-term operating environment remains challenging, the Manager remains confident in the long-term fundamentals of China's economy and the continued development of its major urban centres. As China enters the 15th Five-Year Plan period, the country is expected to continue pursuing economic transformation and higher-quality growth, which should support the long-term demand drivers for well-located prime real estate assets in key economic regions.

Against this backdrop, the Manager remains confident in the quality and positioning of Spring REIT's assets. The Manager will continue to focus on operational execution and prudent financial management, while taking a disciplined approach to portfolio management and capital allocation to deliver long-term value for Unitholders.

MANAGEMENT DISCUSSION AND ANALYSIS

BEIJING OFFICE MARKET AND PROPERTY PERFORMANCE

Beijing Office Market Overview

Throughout the Reporting Year, headwinds continued to affect the Beijing office market. There was subdued new demand for space, with many tenants continuing to exercise cost discipline amid the economic uncertainty. Domestic tenants dominated the market as multinationals remained cautious about expansion, and leasing activity largely involved renewals and cost optimisation. Competition among landlords was intense in the tenant-favourable market environment, with many offering tenants aggressive rent reductions and other concessions.

At the end of 2025, the total Grade A office stock in Beijing amounted to approximately 11.5 million sqm. According to JLL, as at 31 December 2025, the city's overall vacancy rate remained elevated at 11.6%, reflecting continued softness in leasing demand. In this environment of intense competition for tenants, landlords continued to face rental pressure.

The Beijing CBD, where our CCP Property is located, 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 2.8 million sqm as at the end of 2025, and accounting for 24.3% of the city's total Grade-A office space. Although the Grade A vacancy rate for the CBD remained broadly stable at around 12.0% at the end of 2025, rental levels in the CBD remained under pressure. The vacancy rate for the high-end premium Grade-A segment in the CBD, which includes our CCP Property, stood at 12.3% at the end of the year, broadly in line with the overall CBD vacancy rate.

Despite the challenging environment, the Beijing office market continued to be supported by demand from domestic financial institutions, professional services firms and emerging technology sectors. A lack of new office completions has also provided some resilience for the sector, as new office space that has come onto the market over the last few years has been gradually absorbed. However, leasing demand remained subdued during the Reporting Year, and vacancy levels across the broader market remained elevated. At the time of writing, 510,000 sqm of new supply is expected to enter the CBD market in 2026. According to JLL, a significant proportion of the new completions is expected to comprise self-use space, which will mitigate the amount of space available for open-market leasing and partially offset the impact of the new supply.

CCP PROPERTY FINANCIAL REVIEW

CCP Property Financial Highlights

(in RMB million)	FY2025	FY2024	Change
Revenues			
– Rental income	383.27	424.42	(9.7%)
– Car park income	3.71	4.43	(16.2%)
– Other income (note i)	3.73	4.52	(17.4%)
	390.71	433.37	(9.8%)
Property Operating Expenses			
– Property management fee	(8.77)	(9.08)	(3.4%)
– Property taxes (note ii)	(48.72)	(51.57)	(5.5%)
– Withholding tax (note iii)	(40.08)	(41.75)	(4.0%)
– Other taxes (note iv)	(0.40)	(0.61)	(34.9%)
– Leasing Commission	(8.67)	(9.74)	(11.0%)
– Other expenses	(1.89)	(2.50)	(24.2%)
	(108.53)	(115.25)	(5.8%)
Net Property Income	282.18	318.12	(11.3%)

Notes:

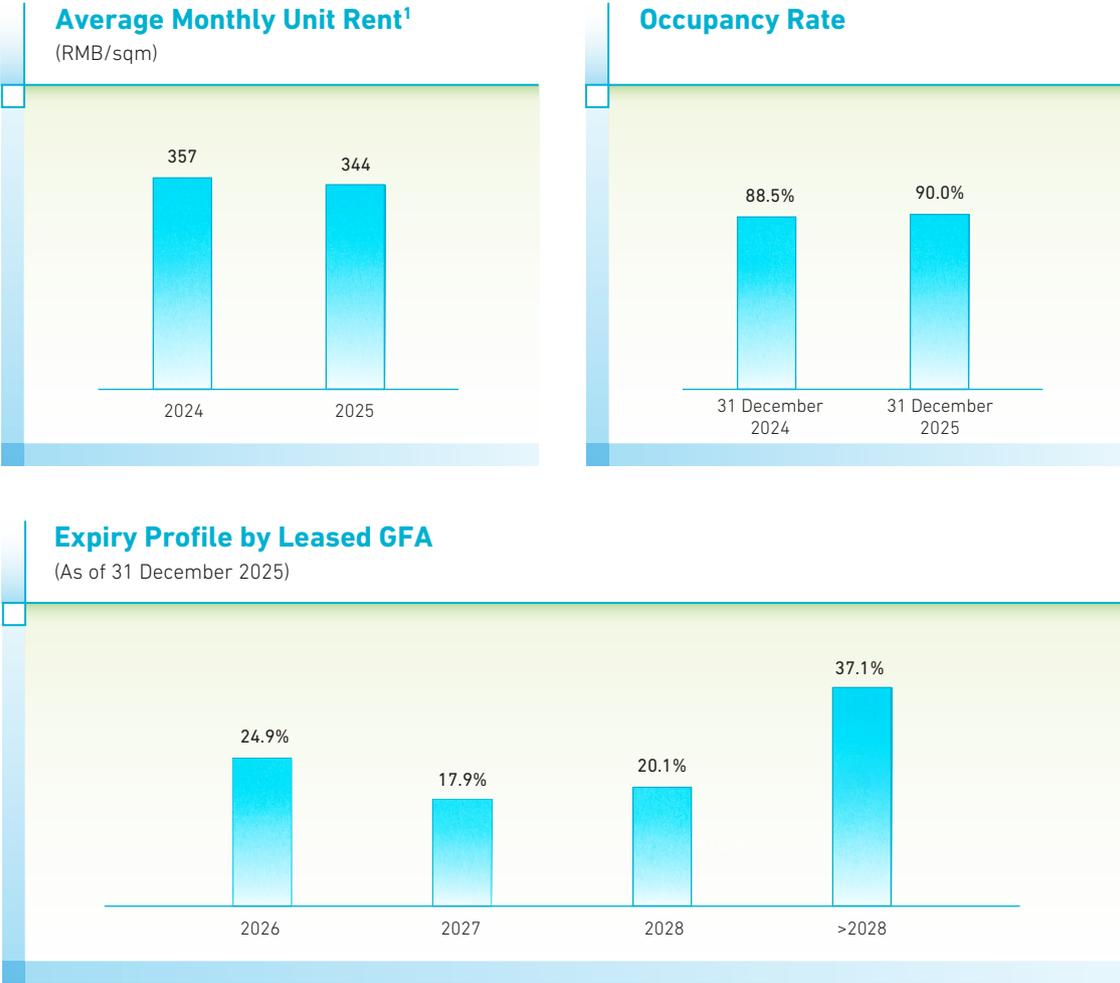
- i Other income mainly represents compensation paid by tenants for early termination of lease.
- ii Property taxes represent real estate tax and land use tax.
- iii Withholding tax in the People's Republic of China is calculated based on rental revenues at a rate of 10%.
- iv Other taxes represent stamp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

During the Reporting Year, the CCP Property reported a 9.8% decrease in revenue YoY. Rental income generated from the office space decreased by 9.7% YoY, reflecting a decline in occupancy and rental level under the challenging Beijing office market. Taking into account the 5.8% YoY decrease in property operating expenses, mainly attributable to lower revenue-linked taxes, net property income amounted to RMB282.18 million, representing a decrease of 11.3% YoY.

Property operating expenses are mainly comprised of tax expenses, namely property taxes, withholding tax and other taxes. In FY2025, the total tax expenses and the property management fee, accounted for 82.2% and 8.1% of the total property operating expenses respectively.

CCP Property Operation Review

The CCP Property maintained a stable occupancy level, with occupancy standing at approximately 90.0% as at 31 December 2025. Average monthly unit rent¹ decreased to RMB344 per sqm in FY2025 (FY2024: RMB357 per sqm). Leasing demand remained relatively weak during the year, with tenants continuing to focus on cost controls and space optimisation. Rental levels at the CCP Property continued to reflect the Property’s premium positioning and established tenant base. During the Reporting Year, as part of the Manager’s leasing strategy, 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.

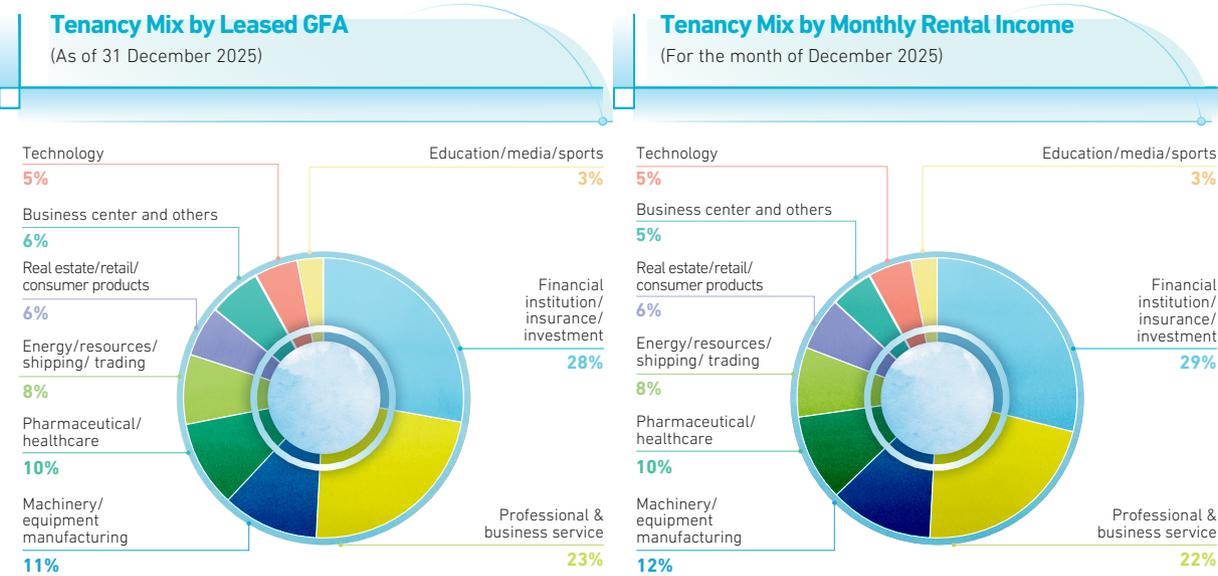


1. The average monthly unit rent represents the contractual rent, excluding management fee and net of value-added tax (“VAT”).

As at 31 December 2025, the weighted average lease expiry, by gross floor area (“GFA”), was 852 days for the CCP Property. Leases expiring in the years ending 31 December 2026 and 31 December 2027 accounted for 24.9% and 17.9% of the total leased GFA respectively.

The CCP Property had a total of 188 tenancies as at 31 December 2025. Over half of the GFA was occupied by foreign companies, reflecting the CCP Property’s appeal to multinational and overseas enterprises seeking a presence in the CBD area. The top five tenants in terms of GFA accounted for 22.1% of the total leased GFA as at 31 December 2025. Details of these tenants are set out below.

Tenant	Portion of total leased GFA
Epson	5.8%
Zhong De Securities	4.4%
Global Law Office	4.4%
The Executive Centre	4.2%
Conde Nast	3.3%
Total	22.1%



HUIZHOU RETAIL MARKET AND PROPERTY PERFORMANCE

Huizhou City Overview

Huizhou is one of the 9+2 cities in the GBA in Guangdong Province, covering an area of some 11,000 square kilometres and rich in natural resources, energy resources, and tourism attractions. With a residential population of 6.1 million, the city serves as an essential gateway and connector 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 Overview

Huizhou's shopping mall industry has experienced robust growth in recent years, driven by high economic growth potential, ongoing urbanisation, consumption upgrading, an expanding infrastructure network, and continued government support. The research consultancy firm China Insights Consultancy projects the total gross merchandise value ("GMV") of the shopping mall industry in Huizhou to grow at a compound annual growth rate of 5.5% from 2025 to 2030, reflecting favourable growth prospects within the GBA. As at 31 December 2025, Huizhou had 34 shopping malls covering a total retail GFA of approximately 2.5 million sqm, which were managed by approximately 29 operators. Huizhou's shopping mall industry is not highly concentrated, with the top five shopping mall management service providers accounting for 37.3% of the market in terms of retail GFA.

Huamao Place Financial Review

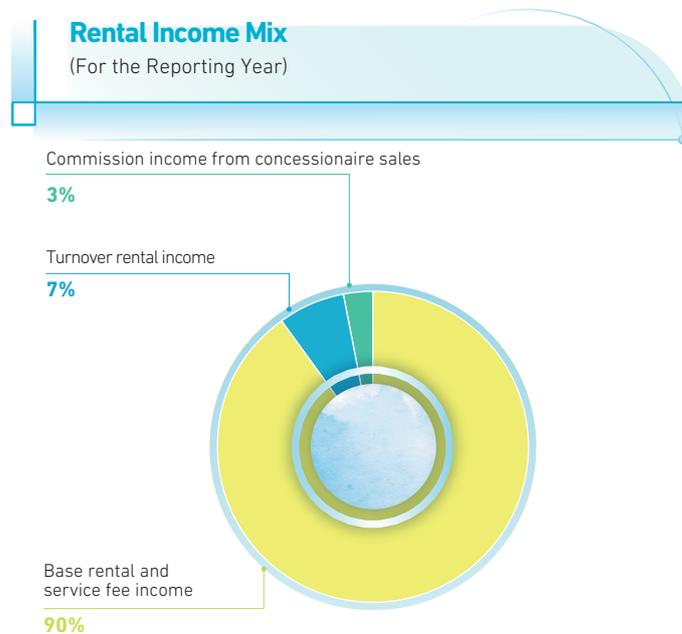
Huamao Place Financial Highlights

(in RMB million)	FY2025	FY2024	Change
Revenues			
– Total rental income (note i)	216.61	220.3	(1.7%)
– Other income (note ii)	4.25	6.1	(30.6%)
	220.86	226.4	(2.5%)
Property Operating Expenses	(73.93)	(71.3)	(3.7%)
Net Property Income	146.93	155.1	(5.3%)

Notes:

- i Total rental income mainly represents base rental and service fee income, turnover rental income and commission income from concessionaire sales, representing a share of sales receipts from certain retail premises.
- ii Other income mainly represents advertising income and penalty income.

In FY2025, Huamao Place reported revenue of RMB220.86 million, representing a 2.5% decrease YoY, mainly attributable to a lower base rental income. Property operating expenses are mainly comprised of property management fees, advertising and promotion expenses as well as tax expenses, namely property taxes and other taxes. During the Reporting Year, tax expenses in aggregate accounted for 34.3% of the total property operating expenses. The property management fee, accounted for 46.3% of the total property operating expenses. The 3.7% YoY growth in property operating expenses was mainly attributable to the higher property management fee and promotion costs.



Huamao Place Operation Review

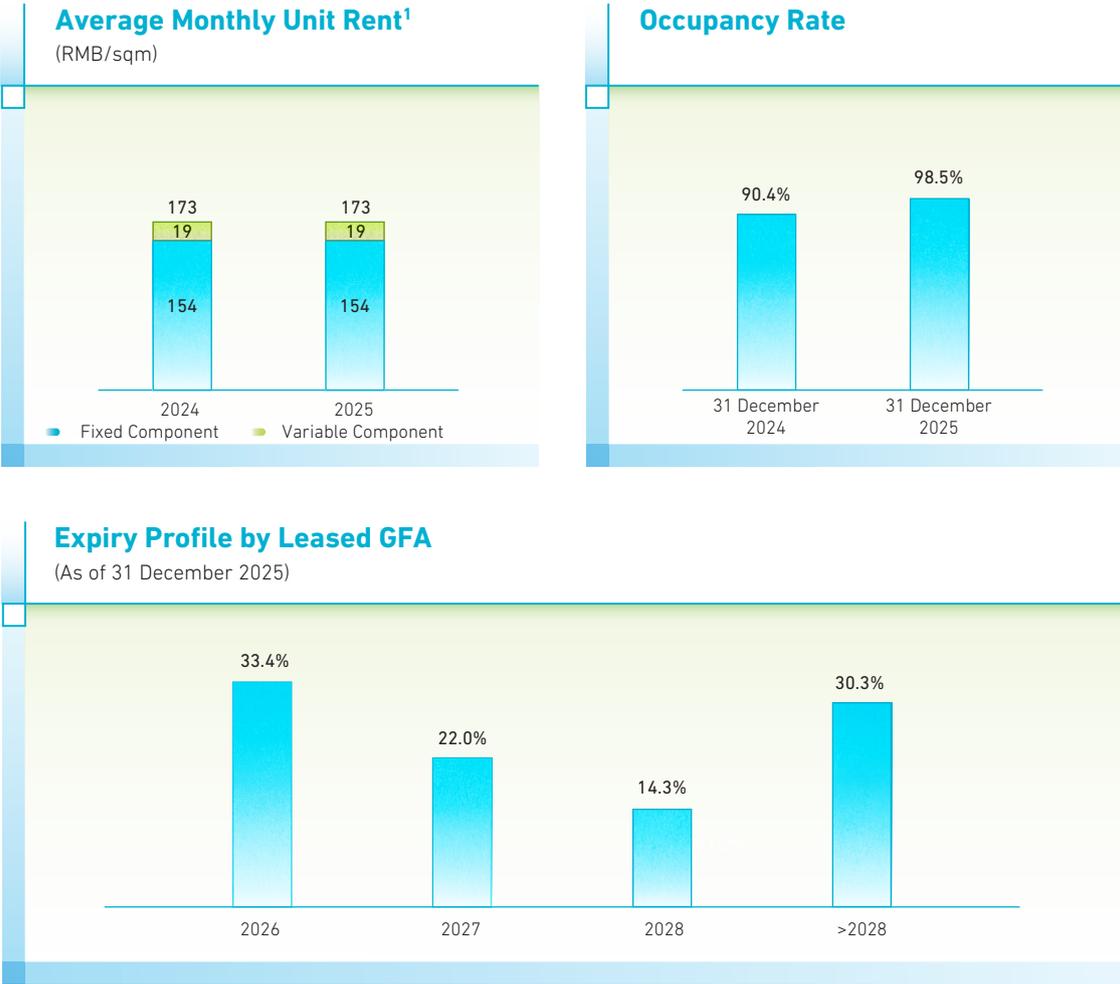
During the Reporting Year, we continued to enhance Huamao Place’s positioning as a unique high-end lifestyle mall, and further strengthen its reputation as a premier shopping and leisure destination. To differentiate the mall from competitors and strengthen its distinct market positioning, we have introduced a variety of renowned brands, some of which have chosen Huamao Place as the location for their first city store or flagship outlet. Notably, the introduction of internationally recognised brands such as La Mer, Ralph Lauren and Coach has further enhanced the mall’s appeal to trend-conscious consumers. At the same time, we have continued to optimise the trade mix in order to maintain a vibrant and engaging shopping experience that caters to evolving consumer preferences.

To maintain a fresh and ever-evolving atmosphere, we are consistently refining the mall’s space configuration, strategically phasing out underperforming tenants, and curating new offerings. Food and beverage outlet comprising well-established local and international brands, have continued to serve as key anchors sustaining high foot traffic. In addition, we have introduced a range of lifestyle and anime culture tenants, further diversifying our retail mix.

During the Reporting Year, we undertook a significant upgrade of the space on the fifth floor following the exit of the former cinema. The space has been reconfigured into several new units, creating a more flexible and diversified layout. A new cinema has commenced operations as at the time of writing, alongside additional lifestyle and entertainment offerings introduced progressively during the year, including a KTV venue and a number of quality dining establishments. These enhancements have enhanced the utilisation of the space, enriched the consumer experience and supported overall visitor traffic at the mall.

Occupancy rate remained high at 98.5% as at 31 December 2025 (FY2024: 90.4% as at 31 December 2024). The mall’s average monthly unit rent¹ continued stable at RMB173 per sqm in FY2025 (FY2024: RMB173 per sqm).

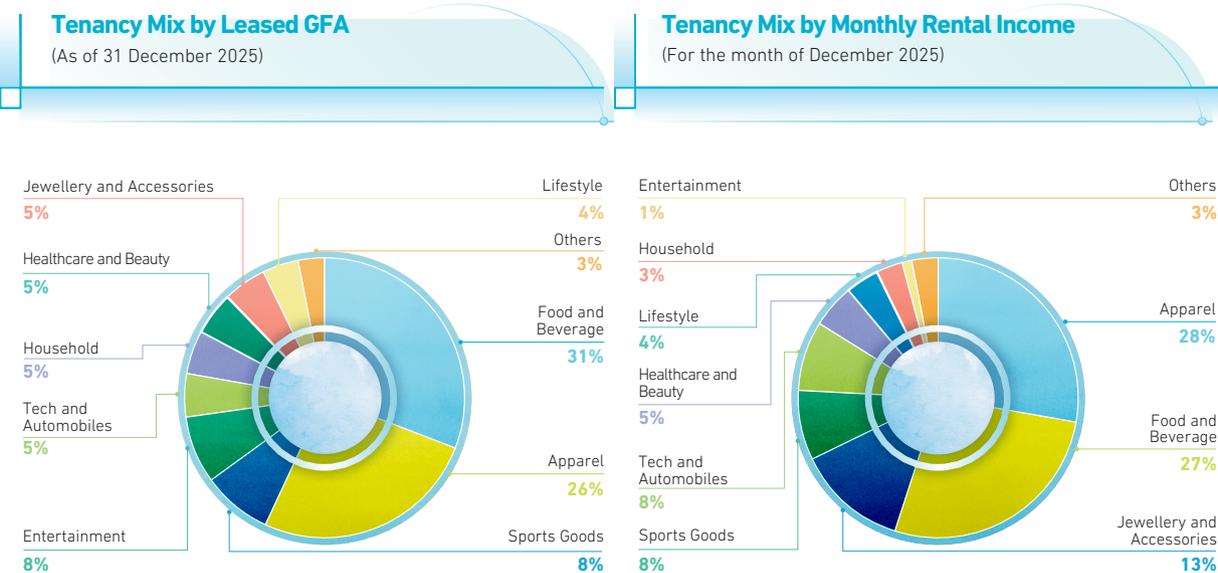
As at 31 December 2025, leases expiring in the years ending 31 December 2026 and 31 December 2027 accounted for 33.4% and 22.0% of the total leased GFA respectively.



1. The average monthly unit rent is presented net of VAT.

Huamao Place had a total of around 563 tenancies as at 31 December 2025. Details of the trade sectors of the top 5 tenants in terms of GFA are set out in the table below.

Tenants' trade sectors	by GFA
Food and Beverages	4.3%
Entertainment	3.9%
Tech and Automobiles	1.8%
Household	1.8%
Household	1.5%
Total	13.3%



UK PORTFOLIO OPERATION REVIEW

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 paid all property taxes, building insurance and maintenance costs on the properties in addition to normal fees that were specified under the agreement (e.g. rent and utilities).

On 18 February 2025, through a wholly-owned subsidiary, Spring REIT entered into a sale and purchase agreement with an independent third-party buyer for the entire UK Portfolio at an implied consideration of GBP 73.5 million, representing a premium to the appraised value as at 31 December 2024. The transaction, which received 99.99% unitholders support at an extraordinary general meeting held on 10 March 2025, was completed on 28 March 2025. 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 investment on its core Chinese markets.

SPRING REIT FINANCIAL REVIEW

Financial Highlights

(in RMB millions unless otherwise specified)	FY2025	FY2024	Change
Revenue	621.05	702.47	(11.6%)
Property operating expenses	(182.61)	(187.18)	(2.4%)
Net property income	438.44	515.29	(14.9%)
Net property income margin	70.6%	73.4%	-2.8 ppts
G&A expenses	(81.35)	(88.73)	(8.3%)
Cash interest expenses	(181.82)	(195.56)	(7.0%)
Current income tax	(25.10)	(34.09)	(26.4%)
Loss after taxation attributable to Unitholders	(180.24)	(46.63)	286.6%
Profit after taxation attributable to non-controlling interests	40.30	26.94	49.6%
Total distributable income	168.47	221.25	(23.9%)

Unit Information

DPU (HK cents)	11.2	16.6	(32.5%)
DPU (RMB cents equivalent)	10.3	15.2	(32.2%)
Payout ratio	90%	100%	-10 ppts
Net asset value per Unit (HK\$)	4.14	4.36	(5.0%)
Number of Units (excluding treasury Units)	<u>1,477,981,560</u>	<u>1,459,041,125</u>	<u>1.3%</u>

As at	31 December 2025	31 December 2024	Change
Property valuation	11,079.60	11,901.92 ¹	(6.9%)
Total assets	11,808.01	12,638.24	(6.6%)
Total borrowings	4,636.40	5,234.72 ²	(11.4%)
Net asset value attributable to Unitholders	5,529.33	5,887.41	(6.1%)
Gearing ratio	<u>39.3%</u>	<u>38.0%</u> ³	<u>+1.3 ppts</u>

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

Financial Performance

Spring REIT's revenue for the Reporting Year was RMB621.05 million, representing an 11.6% decrease YoY, primarily due to the disposal of the UK Portfolio in March 2025 and softer leasing conditions in the Beijing office market. After taking into account property operating expenses of RMB182.61 million, net property income amounted to RMB438.44 million, representing a 14.9% decrease YoY and a net property income margin of 70.6% (FY2024: 73.4%), mainly reflecting lower revenue and relatively stable operating costs.

General and administrative expenses amounted to RMB81.35 million. Meanwhile, a total finance cost on interest-bearing borrowings of RMB147.64 million (FY2024: RMB290.74 million) was recorded, which included a non-cash foreign exchange gain of RMB76.05 million (FY2024: non-cash foreign exchange loss of RMB87.52 million) arising mainly from the translation of bank borrowings denominated in foreign currencies into RMB in the financial statements. Cash interest expenses amounted to RMB181.82 million in FY2025 (FY2024: RMB195.56 million), a decrease mainly due to the disposal of the loan facility related to the UK Portfolio in March 2025.

Taking into account the decline in the fair value of the investment properties of RMB184.59 million (FY2024: decline in fair value of RMB158.42 million), loss after taxation attributable to Unitholders for the Reporting Year was RMB180.24 million (FY2024: RMB46.63 million).

Spring REIT's total distributable income for the Reporting Year was RMB168.47 million, representing a decrease of 23.9% YoY. The distributable income excludes certain non-cash items, including foreign exchange movements and changes in the fair value of the investment properties.

Financial Position

Spring REIT's principal valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited (the "**Principal Valuer**"), performed a valuation of Spring REIT's portfolio of investment properties as at 31 December 2025.

The CCP Property was appraised at RMB8,154 million as at 31 December 2025, representing a 2.9% decrease compared to its valuation as at 31 December 2024. The valuation of the CCP Property was arrived at using the income approach, and cross-checked by the comparison approach. The capitalisation rate/reversionary yield was 4.5% (30 June 2025: 4.5%; 31 December 2024: 4.5%).

Huamao Place was appraised at RMB2,925.6 million as at 31 December 2025, representing a 2.6% increase compared to its valuation as at 31 December 2024. The valuation of Huamao Place was arrived at using the income approach, and cross-checked by the comparison approach. The capitalisation rate/reversionary yield was 6.5% (30 June 2025: 6.5%; 31 December 2024: 6.0%).

During the Reporting Year, Spring REIT successfully completed the refinancing of its loan facilities for its CCP Property in Beijing (the “**CCP Facilities**”), resulting in an extended debt maturity profile. As at 31 December 2025, Spring REIT had in place aggregate debt facilities of approximately RMB4,636.4 million, comprising secured loans of RMB3,796.2 million and unsecured borrowings of RMB840.2 million, with a weighted debt maturity period of 2.8 years. The Group’s borrowings comprised RMB-, HKD- and JPY-denominated facilities.

As at 31 December 2025, the Group’s gearing ratio according to the consolidated statement of financial position, i.e. its total borrowings to gross asset value, was 39.3%, compared with 38.0% at 31 December 2024.

Spring REIT’s investment properties, rent receivables, restricted bank balances, and ordinary shares of certain subsidiaries of the Group were pledged to secure the loan facilities where applicable. Throughout the Reporting Year, 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 of Spring REIT (together with its special purpose vehicles, the “**Group**”) amounted to RMB291.57 million as at 31 December 2025, compared with RMB253.82 million as at 31 December 2024. 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, mostly denominated in HKD and USD. The Group’s liquidity and financing requirements are reviewed regularly.

Capital Management

Spring REIT has had a hedging programme in place since 2021 to mitigate its interest rate and exchange rate risks. The Manager adopts a prudent approach to treasury and risk management, under which the foreign exchange and interest rate exposures arising from the Group's borrowings, including its HKD- and JPY-denominated facilities, are subject to ongoing monitoring and assessment. As at 31 December 2025, 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. Meanwhile, the RMB-denominated loan is based on a fixed rate or the PRC Loan Prime Rate, which was relatively stable and on a downward trend during the Reporting Year. The remaining borrowings are subject to floating interest rates. As a result, as at 31 December 2025, approximately 77% of Spring REIT's borrowings were either covered by interest rate hedges, under fixed rate or were under a relatively stable PRC Loan Prime Rate (31 December 2024: 97%), mitigating the impact of interest rate volatility on Spring REIT.

In addition, through CCS contracts and an increased proportion of RMB-denominated borrowings, approximately 77% of total borrowings were currency-matched with the underlying assets as at 31 December 2025 (31 December 2024: 83%).

The weighted average cash interest rate was approximately 3.7% per annum (FY2024: 3.6% per annum) during the Reporting Year. Following the expiration of certain hedging instruments in September 2025 that were at a lower rate, the weighted average cash interest rate increased to approximately 4.5% by the end of the Reporting Year.

During the Reporting Year, the Manager (on behalf of Spring REIT) repurchased 4,159,000 Units on the market at an average price of HK\$1.70 per Unit, representing approximately 0.28% of the Units in issue at the end of 2025. The repurchased Units were held as treasury Units, of which 1,922,000 Units were used to facilitate the settlement of the Manager's fee in Units.

Net Assets Attributable to Unitholders

As at 31 December 2025, net assets attributable to Unitholders stood at RMB5,529.33 million. The net asset value per Unit as at 31 December 2025 was HK\$4.14 (31 December 2024: HK\$4.36). This represented a 145.0% premium to the closing price of the Units of HK\$1.69 as at 31 December 2025, the last trading day in the Reporting Year.

Capital Commitments

As at 31 December 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 Year.

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 of Hong Kong Limited (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 Year, 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.

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. Chung Wai Fai (Executive Director and Chief Executive 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. The ROs have completed the Continuous Professional Trainings as required by the SFC for the Reporting Year. Mr. Chung Wai Fai, 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 on 14 October 2025. Mr. Leung Kwok Hoe, Kevin ceased as RO of the Manager on 31 October 2025.

DB Trustees (Hong Kong) Limited has been granted a license under section 116(1) of the SFC 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 Year, an aggregate of 21,177,435 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, 30 April 2025, 20 August 2025 and 20 November 2025 for more details.

During the Reporting Year, the Manager (on behalf of Spring REIT) bought back a total of 4,159,000 Units and all the Units bought back were held as treasury Units. 1,922,000 treasury Units were resold to the Manager as payment of part of the Manager's fee. Please refer to the below section headed "Purchase, Sale or Redemption of Listed Units" and the above announcement dated 20 November 2025 in respect of Manager's fee for details.

The total number of Units in issue as at 31 December 2025 was 1,480,218,560 Units (comprising 1,477,981,560 Units and 2,237,000 treasury Units).

Purchase, Sale or Redemption of Units

During the Reporting Year, the Manager (on behalf of Spring REIT) bought back on-market a total of 4,159,000 Units on the Stock Exchange at an aggregate consideration (excluding expenses) of approximately HK\$7.06 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. Further details are set out as follows:

Month	Number of Units bought back (on-market)	Purchase price per Unit		Approximate aggregate consideration (excluding expenses) HK\$'000
		Highest HK\$	Lowest HK\$	
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
July	540,000	1.73	1.69	926
October	160,000	1.65	1.58	263
November	90,000	1.63	1.58	146
December	2,147,000	1.69	1.58	3,513

All the above on-market Unit buy-backs by the Manager on behalf of Spring REIT during the Reporting Year 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 distribution per Unit.

The average cost (excluding expenses) of the Units bought back on-market was approximately HK\$1.70 per Unit.

During the Reporting Year, the Manager (on behalf of Spring REIT) resold by private arrangement (as part payment of Manager's fee) a total of 1,922,000 treasury Units at a price of HK\$1.627 per Unit (representing a total consideration of HK\$3.1 million). After that, 2,237,000 Units were held by Spring REIT in treasury as at 31 December 2025.

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 Year. 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 Year.

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 31 December 2025.

Review of Annual Results

The consolidated annual results of Spring REIT for the Reporting Year 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 annual results of Spring REIT for the Reporting Year have also been agreed by the external auditor of Spring REIT in accordance with relevant professional standard.

Scope of work of the auditor

The figures set out in this announcement in respect of our Group's results for the year ended 31 December 2025 have been agreed by our Group's auditor, PricewaterhouseCoopers, to the amounts set out in our Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong/International Standards on Auditing, Hong Kong/International Standards on Review Engagements or Hong Kong/International Standards on Assurance Engagements, and consequently, no assurance has been expressed by PricewaterhouseCoopers on this announcement.

Issuance of the Annual Report

The annual report of Spring REIT for the year ended 31 December 2025 will be published on the websites of the Hong Kong Exchanges and Clearing Limited, at www.hkexnews.hk, and Spring REIT, at www.springreit.com, and will be sent to Unitholders on or before 30 April 2026.

Annual General Meeting

The 2026 annual general meeting of Spring REIT will be held on or around 27 May 2026, notice of which will be published and given to Unitholders in due course.

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, 23 March 2026

As at the date of this announcement, the directors of the Manager are Toshihiro Toyoshima (chairman and non-executive director); Chung Wai Fai, Michael (Chief Executive Officer and executive director); Xu Xiaolin and Tadashi Konno (non-executive directors); and Simon Murray, Lam Yiu Kin, Liping Qiu and Tong Shumeng (independent non-executive directors).

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Year ended 31 December	
		2025 RMB'000	2024 RMB'000
Revenues	5	621,045	702,469
Property operating expenses	6	<u>(182,606)</u>	<u>(187,183)</u>
Net property income		438,439	515,286
General and administrative expenses	7	(81,350)	(88,725)
Fair value loss of investment properties, net	13	(184,594)	(158,421)
Fair value loss of right-of-use assets	14	—	(44)
Other (losses)/gains, net	8	<u>(119,051)</u>	<u>42,466</u>
Operating profit		53,444	310,562
Gain on disposal of a subsidiary	24	2,907	—
Bank interest income		9,941	7,403
Finance costs on interest-bearing borrowings	9	<u>(147,640)</u>	<u>(290,735)</u>
(Loss)/profit before taxation and transactions with Unitholders		(81,348)	27,230
Income tax expense	10	<u>(58,589)</u>	<u>(46,915)</u>
Loss for the year, before transactions with Unitholders		(139,937)	(19,685)
Distributions paid to Unitholders:			
– 2023 final distribution		—	(120,332)
– 2024 interim distribution		—	(119,885)
– 2024 final distribution (note ii)		(104,298)	—
– 2025 interim distribution (note ii)		<u>(102,666)</u>	—
		<u>(346,901)</u>	<u>(259,902)</u>

	Year ended 31 December	
	2025	2024
Notes	RMB'000	RMB'000
Represented by:		
Change in net assets attributable to Unitholders, excluding issuance of new units and units bought back for cancellation	(388,712)	(276,647)
Amount arising from exchange reserve movements regarding translations of financial statements	1,512	(10,196)
Non-controlling interests	40,299	26,941
	<u>(346,901)</u>	<u>(259,902)</u>
Loss for the year, before transactions with Unitholders attributable to:		
– Unitholders (note i)	(180,236)	(46,626)
– Non-controlling interests	40,299	26,941
	<u>(139,937)</u>	<u>(19,685)</u>

Notes:

- (i) Loss per unit, based upon loss for the year, before transactions with Unitholders attributable to Unitholders and the weighted average number of units in issue, is set out in note 12.
- (ii) 2025 interim distribution and 2024 final distribution of RMB102,666,000 and RMB104,298,000 respectively were paid during the year ended 31 December 2025. Total distribution for the year ended 31 December 2025 is presented in the consolidated statement of distributions.

The notes on pages 40 to 77 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	Before transactions with Unitholders RMB'000	Transactions with Unitholders (note i) RMB'000	After transactions with Unitholders (note ii) RMB'000	Non- controlling interests RMB'000	Total RMB'000
For the year ended 31 December 2025					
Loss for the year	(180,236)	181,748	1,512	40,299	41,811
Other comprehensive income:					
<i>Items that may be reclassified to consolidated income statement</i>					
Exchange losses on translation of financial statements of subsidiaries	(30,953)	—	(30,953)	—	(30,953)
<i>Items that may not be reclassified to consolidated income statement</i>					
Exchange gains on translation of financial statements of Spring REIT	29,441	—	29,441	—	29,441
Total comprehensive income for the year	(181,748)	181,748	—	40,299	40,299
For the year ended 31 December 2024					
Loss for the year	(46,626)	36,430	(10,196)	26,941	16,745
Other comprehensive income:					
<i>Items that may be reclassified to consolidated income statement</i>					
Exchange gains on translation of financial statements of subsidiaries	28,174	—	28,174	—	28,174
<i>Items that may not be reclassified to consolidated income statement</i>					
Exchange losses on translation of financial statements of Spring REIT	(17,978)	—	(17,978)	—	(17,978)
Total comprehensive income for the year	(36,430)	36,430	—	26,941	26,941

Notes:

- (i) Transactions with Unitholders comprise the distributions paid to Unitholders of RMB206,964,000 (2024: RMB240,217,000), change in net assets attributable to Unitholders excluding issuance of new units and unit bought back as treasury units or for cancellation, which is a decrease of RMB388,712,000 (2024: a decrease of RMB276,647,000).
- (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 consolidated income statement. Accordingly, the total comprehensive income attributable to Unitholders after transactions with Unitholders is zero.

The notes on pages 40 to 77 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF DISTRIBUTIONS

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	RMB'000	RMB'000
Loss for the year, before transactions with Unitholders		
attributable to Unitholders	(180,236)	(46,626)
Adjustments:		
– Net fair value loss of investment properties attributable to Unitholders	205,429	160,730
– Fair value loss of right-of-use assets	—	44
– Net fair value loss/(gain) of derivative financial instruments	180,711	(22,802)
– Deferred taxation on change in fair values of investment properties attributable to Unitholders	19,861	8,719
– Manager’s fee expenses in units in lieu of cash	35,618	37,716
– Interests calculated under effective interest method of bank borrowings	44,599	10,866
– Other non-cash losses attributable to Unitholders	—	2,841
– Unrealised foreign exchange (gains)/losses	(137,513)	69,760
Distributable income for the year (note ii)	168,469	221,248
Total distributions of the year (note iii)	151,622	221,248
Represented by:		
Interim distribution, paid (note iv)	102,666	119,885
Final distribution, to be paid (note v)	48,956	101,363
Total distributions of the year (note iii)	151,622	221,248
Percentage of total distribution over distributable income for the year	90%	100%
Distributions per unit to Unitholders		
– Interim distribution per unit, paid (note iv)	HK\$7.6 cents	HK\$9.0 cents
– Final distribution per unit, to be paid (note v)	HK\$3.6 cents	HK\$7.6 cents
Distribution per unit for the year (note vi)	HK\$11.2 cents	HK\$16.6 cents

The notes on pages 40 to 77 are an integral part of these consolidated financial statements.

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:

	2025	2024
Distributions per unit to Unitholders		
– Interim distribution per unit	RMB7.0 cents	RMB8.2 cents
– Final distribution per unit	RMB3.3 cents	RMB7.0 cents
Distribution per unit for the year	<u>RMB10.3 cents</u>	<u>RMB15.2 cents</u>

- (ii) Under the terms of the Trust Deed, the distributable income represents the loss for the year before transactions with Unitholders attributable to Unitholders, adjusted to eliminate the effects of certain non-cash transactions which have been recorded in the consolidated income statement for the year.
- (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) The interim distribution per unit of HK\$7.6 cents for the six months ended 30 June 2025 was calculated based on the interim distribution of RMB102,326,000 for the period and 1,474,343,546 units (being 1,476,105,546 units in issue less 1,762,000 treasury units as at 8 October 2025, being the record date of 2025 Interim Distribution), rounded to the nearest HK\$0.1 cents. The interim distribution was paid to Unitholders on 23 October 2025.
- (v) The final distribution per unit of HK\$3.6 cents for the year ended 31 December 2025 is calculated based on the final distribution to be paid to Unitholders of RMB48,956,000 for the second half of the financial year and 1,477,981,560 units (being 1,480,218,560 units in issue less 2,237,000 treasury units as at 23 March 2026, being the date of declaration of the final distribution), rounded to the nearest HK\$0.1 cents.

The final distribution for the year ended 31 December 2025 is expected to be paid to Unitholders on 29 April 2026.

The final distribution per unit of HK\$7.6 cents for the year ended 31 December 2024 was calculated based on the final distribution paid to the Unitholders of RMB104,298,000 for the second half of the financial year and 1,463,748,650 units (being 1,464,508,650 units in issue less 760,000 treasury units as at 15 April 2025, being the record date of 2024 Final Distribution), rounded to the nearest HK\$0.1 cents. The final distribution for the year ended 31 December 2024 was paid to Unitholders on 30 April 2025.

- (vi) All distributions to Unitholders are determined and paid in Hong Kong dollar.

The notes on pages 40 to 77 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

		As at 31 December	
		2025	2024
	Notes	RMB'000	RMB'000
Assets			
Investment properties	13	11,079,600	11,252,000
Right-of-use assets	14	—	—
Derivative financial instruments	15	—	95,443
Restricted bank balances	17	383,044	276,413
Trade and other receivables	16	53,794	66,647
Cash and cash equivalents	17	291,573	253,820
		11,808,011	11,944,323
Assets classified as held for sale	23	—	693,916
Total assets		11,808,011	12,638,239
Liabilities, excluding net assets attributable to Unitholders			
Interest-bearing borrowings	19	4,636,402	4,798,359
Derivative financial instruments	15	67,411	—
Deferred tax liabilities	20	152,179	122,972
Lease liabilities	14	—	—
Rental deposits	18	188,342	195,487
Trade and other payables	18	204,782	177,294
Income tax payable		33,577	31,572
		5,282,693	5,325,684
Liabilities classified as held for sale	23	—	459,856

		As at 31 December	
		2025	2024
	Notes	RMB'000	RMB'000
Total liabilities, excluding net assets attributable to Unitholders		5,282,693	5,785,540
Non-controlling interests		995,990	965,291
Net assets attributable to Unitholders		5,529,328	5,887,408
Units in issue (excluding treasury units) ('000)	21	1,477,982	1,459,041
Net asset value per unit attributable to Unitholders			
In RMB		3.74	4.04
Equivalent in HK\$		4.14	4.36

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

Toshihiro Toyoshima
Chairman

Chung Wai Fai, Michael
Executive Director

The notes on pages 40 to 77 are an integral part of these consolidated financial statements.

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

FOR THE YEAR ENDED 31 DECEMBER 2025

	Reserve RMB'000	Net assets attributable to Unitholders RMB'000	Non- controlling interest RMB'000	Total RMB'000
As at 1 January 2025	—	5,887,408	965,291	6,852,699
Loss for the year and before transactions with Unitholders	—	(180,236)	40,299	(139,937)
Exchange losses on translation of financial statements	(1,512)	—	—	(1,512)
Amount arising from exchange reserve movements (note)	1,512	(1,512)	—	—
Distributions paid:				
– 2024 final distribution	—	(104,298)	—	(104,298)
– 2025 interim distribution	—	(102,666)	—	(102,666)
Dividend declared to non-controlling interest	—	—	(9,600)	(9,600)
Change in net assets attributable to Unitholders for the year ended 31 December 2025, excluding issuance of new units and units bought back for cancellation	—	(388,712)	30,699	(358,013)
Issuance of units (note 21)	—	37,066	—	37,066
Units bought back as treasury unit (note 21)	—	(6,434)	—	(6,434)
	—	30,632	—	30,632
As at 31 December 2025	—	5,529,328	995,990	6,525,318

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

The notes on pages 40 to 77 are an integral part of these consolidated financial statements.

	Reserve	Net assets attributable to Unitholders	Non- controlling interest	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2024	—	6,130,664	971,150	7,101,814
Loss for the year and before transactions with Unitholders	—	(46,626)	26,941	(19,685)
Exchange gains on translation of financial statements	10,196	—	—	10,196
Amount arising from exchange reserve movements (note)	(10,196)	10,196	—	—
Distributions paid to Unitholders:				
– 2023 final distribution	—	(120,332)	—	(120,332)
– 2024 interim distribution	—	(119,885)	—	(119,885)
Dividend paid to non-controlling interest	—	—	(32,800)	(32,800)
Change in net assets attributable to Unitholders for the year ended 31 December 2024, excluding issuance of new units and units bought back for cancellation	—	(276,647)	(5,859)	(282,506)
Issuance of units (note 21)	—	38,219	—	38,219
Units bought back for cancellation (note 21)	—	(4,828)	—	(4,828)
	—	33,391	—	33,391
As at 31 December 2024	—	5,887,408	965,291	6,852,699

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

The notes on pages 40 to 77 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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 entered into between Spring Asset Management Limited (the “Manager”) and DB Trustees (Hong Kong) Limited (the “Trustee”) on 20 September 2024 (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 consolidated financial statements 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 Summary of material accounting policies

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented.

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”), the requirements of the Trust Deed and the relevant disclosure requirements as set out in Appendix C of the REIT Code issued by the Securities and Futures Commission of Hong Kong.

The Group has adopted the liquidity basis in the presentation of the consolidated statement of financial position as it is considered to be more relevant and meaningful to readers based on the timing of their realisation or settlement of assets and liabilities as justified by the market situation.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, right-of-use assets and derivative financial instruments, which are carried at fair value.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

New standards and amendments to existing standards adopted by the Group

The Group has adopted all of the new standards and amendments to existing standards issued by the IASB that are relevant to the Group's operations and mandatory for annual accounting periods beginning 1 January 2025.

New standards and amendments to existing standards effective in 2025:

IAS 21 and IFRS 1 (Amendments) Lack of Exchangeability

The adoption of these new standards and 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 consolidated financial statements.

New standards and amendments to existing standards not yet adopted

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

		Effective for accounting periods beginning on or after
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 and amendments to existing standards as and when they become effective. The Group has already commenced an assessment of the impact of these new standards and amendments to existing standards, and anticipated that the adoption of new standards and amendments to existing standards will not have a material effect on the Group's operating result or financial position. While the adoption of IFRS 18 would not have any impact on the Group's operating result or financial position, it is expected to trigger certain changes in the presentation of consolidated income statement.

(b) Consolidation

The consolidated financial statements incorporate the assets and liabilities of Spring REIT and its subsidiaries as at 31 December 2025 and their results for the year then ended.

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the units issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition related costs are expensed in the consolidated income statement during the period in which they are incurred.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of financial position and statement of changes in equity and net assets attributable to Unitholders respectively.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, for rental income in the ordinary course of the Group's activities. Amounts disclosed as revenue are net of returns and amounts collected on behalf of third parties. Revenue is recognised when or as the control of the good or service is transferred to the customer.

(i) Rental and car park income

Operating lease rental income from investment properties is recognised in the consolidated income statement on a straight-line basis over the terms of lease agreements. Lease incentives provided, such as rent-free periods, are amortised on a straight-line basis and are recognised as a reduction of rental income over the respective term of the lease.

(ii) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

(d) Property operating expenses

Property operating expenses include property related outgoings and other expenses, are recognised on an accrual basis.

(e) Investment properties

Investment properties, principally comprising freehold land, leasehold land and buildings, are held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. It also includes properties that are being constructed or developed for future use as investment properties. Investment properties are initially measured at cost, including related transaction costs and where applicable borrowing costs.

After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuer. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Certain balances of deferred rent receivables is adjusted to the carrying value of the investment properties where appropriate. Changes in fair values are recorded in the consolidated income statement as part of a valuation gain or loss.

(f) Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at its fair value at the end of each reporting year. The change in the fair value is recognised in the consolidated income statement.

(g) Trade and other receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. The amount of the provision is recognised in the consolidated income statement.

In the event that lease incentives, including rent free periods, are given to enter into operating leases, such incentives are recognised as deferred rent receivables. The aggregate benefit of incentives is recognised as a reduction of rental income on a straight-line basis.

(h) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks with original maturities of three months or less.

(i) Interest-bearing borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(j) Borrowing costs

Borrowing costs are recognised in the consolidated income statement in the period in which they are incurred.

(k) Payables and provisions

(i) Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(ii) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where a provision is expected to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation that reflects current market assessments of the time value of money and the risks specific to the obligation.

(iii) Rental deposits

Rental deposits arise when the Group enters into lease agreement directly with a tenant.

(l) Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred taxation

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred taxation is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation arising from investment property is determined based on the expected manner as to how the investment properties will be recovered through sale or through use with the corresponding tax rate applied.

(m) Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). Spring REIT's functional currency is HK\$ and the consolidated financial statements are presented in RMB.

The Group's functional currency is different from the presentation currency and the results and financial position are translated into the presentation currency as follows:

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated income statement within “finance costs”. All other foreign exchange gains and losses are presented in the consolidated income statement within other gains or losses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in consolidated income statement as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

(n) Leases

(i) At initial recognition

The Group acting as lessee recognises a right-of-use asset and a lease liability for all leases with a term of more than 12 months, unless the underlying asset is of low value.

The right-of-use asset is measured at its cost which includes the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred by the Group; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate adjusted for the length of lease.

Lease liabilities include the net present value of the following lease payments:

- fixed lease payments, included in-substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the exercise price of purchase options, if the Group is reasonably certain to exercise the option;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, or the penalty payable on the exercise of a termination option unless the Group is reasonably certain not to exercise the option; and
- any amounts expected to be payable under residual value guarantees.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the investment properties used in the Group's leasing activities. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group is using the lessee's incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

(ii) Subsequent measurement

The Group measures the right-of-use assets that meet the definition of investment property using the fair value model applied to its investment property.

The lease liability is measured as follows:

- (a) increasing the carrying amount to reflect interest on the lease liability;
- (b) reducing the carrying amount to reflect the lease payments made; and
- (c) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

Where the Group is exposed to potential future increases in variable lease payments based on an index or rate, these are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(o) Unitholders' funds as a financial liability

In accordance with the Trust Deed, Spring REIT is required to distribute to Unitholders not less than 90% of the Group's total distributable income for each financial year. Accordingly, the units contain a contractual obligation of the trust to pay to its Unitholders cash distributions. The Unitholders' funds are therefore classified as a financial liability rather than equity in accordance with IAS 32: Financial Instruments: Presentation. It is shown on the consolidated statement of financial position as the net assets attributable to Unitholders.

3 Financial risk and capital risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the senior management. The management manages and monitors these risk exposures to ensure appropriate measures are implemented on timely and effective manners.

(a) Market risk

(i) Foreign exchange risk

The subsidiaries of the Group operate in the People Republic of China (the "PRC") with functional currency in Renminbi ("RMB"). It is therefore exposed to foreign exchange risk arising from commercial transactions, and from recognised assets and liabilities that are denominated in a currency that is not the functional currency. This is primarily with respect to the United States dollars ("US\$"), HK\$ and Japanese yen ("JPY").

As at 31 December 2025, the Group has one (2024: six) cross currency swaps swapping RMB to HK\$ with total notional amount of HK\$1,570 million (approximately RMB1,418 million) (2024: total notional amount of HK\$3,520 million (approximately RMB 3,260 million)) to manage the foreign exchange risk from the HK\$ denominated bank borrowings until September 2028.

As at 31 December 2025, if US\$ had strengthened/weakened by 5% against the RMB with all other variables held constant, loss for the year would have been increased/decreased by RMB3,765,000 (2024: loss for the year would have been increased/decreased by RMB48,570,000) respectively, mainly as a result of foreign exchange differences on translation of monetary assets and liabilities being denominated in US\$ that is not the functional currency items in the PRC such as cash and bank balance and other payables.

As at 31 December 2025, if HK\$ had strengthened/weakened by 5% against the RMB with all other variables held constant, loss for the year would have been increased/decreased by RMB100,280,000 (2024: loss for the year would have been increased/decreased by RMB134,553,000) respectively, mainly as a result of foreign exchange differences on translation of monetary assets and liabilities being denominated in HK\$ that is not the functional currency items in the PRC such as cash and bank balance, other payables and borrowings.

As at 31 December 2025, if JPY had strengthened/weakened by 5% against the RMB with all other variables held constant, loss for the year would have been increased/decreased by RMB42,066,000 (2024: Nil) respectively, mainly as a result of foreign exchange differences on translation of monetary assets and liabilities being denominated in JPY that is not the functional currency items such as interest-bearing borrowings.

(ii) Interest rate risk

The Group's interest rate risk mainly arises from its long-term borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk which is partially offset by bank deposits at variable rate. Under the Group's interest rate management policy, the Group generally raises borrowings at floating rates and may use plain vanilla interest rate swaps and cross-currency swaps to manage the risk where the Group forecasts a significant rise in interest rate in the foreseeable future.

As at 31 December 2025, the Group has no plain vanilla interest rate swaps. The Group has one cross-currency swap which the Group pays interest at fixed rates of 2.59% per annum on RMB notional amount and receives interest at the rate of 1-month HK\$ HIBOR until September 2028.

As at 31 December 2024, the Group has three plain vanilla interest rate swaps with total notional amount of HK\$2,355 million and GBP47.8 million (approximately RMB2,617 million) to manage the interest rate risk arising from the variable rate bank borrowings. In relation to the HK\$ denominated bank borrowings, the Group paid interest at fixed rates from 1.144% to 1.25% per annum and received interest at the rate of 1-month HK\$ HIBOR until 23 September 2025. In relation to the GBP denominated bank borrowings, the Group paid interest at fixed rate of 3.8% per annum and received interest rate at the rate of 3-month compounded Sterling Overnight Index Average until 27 January 2025.

As at 31 December 2025, if interest rates had been 50 basis points higher/lower with all other variables held constant, loss for the year would have been RMB5,389,000 higher/lower (2024: loss for the year would have been increase/decrease by RMB1,470,000) lower/higher respectively, mainly as a result of higher/lower interest expense on floating rate borrowings after taking into consideration of interest rate swaps.

(b) Credit risk

Credit risk arises from the potential failure of the Group's counterparties to meet their obligations under financial contracts. The Group is exposed to credit risk on its deposits with financial institutions, derivative financial instruments as well as trade and other receivables.

For deposits with financial institutions, the Group has limited its credit exposure by restricting their selection of financial institutions to reputable banks with sound credit ratings.

In respect of credit exposures to tenants, credit risk exposure is minimised by undertaking transactions with a large number of counterparties and conducting credit evaluations on prospective tenants before lease agreements are entered into with tenants. Monthly rentals are payable in advance by tenants in accordance with the leases. The Group also has policies in place to ensure that rental security deposits are required from tenants prior to commencement of leases. It also has other monitoring procedures to ensure that follow-up actions are taken to recover overdue debts. In addition, the Group regularly reviews the recoverable amount of each individual trade receivable to ensure that adequate provision for impairment losses is made for irrecoverable amounts.

(c) Liquidity risk

Cash flow forecasting is performed by the Group's finance function ("Group Finance"). Group Finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its borrowing facilities (note 19) at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal financial position ratio targets and, if applicable external regulatory or legal requirements.

Liquidity risk management includes maintaining sufficient cash, the availability of funding from operating cash flow and seeking stable financing activities. The Group will continue to monitor market conditions to assess the possibility of arranging longer term refinancing at favorable rates and extending the maturity profile of its debts. Taking into account the liquidity position, covenants and regulatory compliance (including the gearing ratio) of the Group, management expected the Group has adequate resources to meet its liabilities and commitment as and when they fall due and to continue in operational existence for the foreseeable future.

The table below analyses the Group's financial assets into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity dates.

	Within 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000
At 31 December 2025				
Restricted bank balances	—	—	343,044	40,000
Trade and other receivables	4,916	—	—	—
Cash and cash equivalents	291,573	—	—	—
	<u>291,573</u>	<u>—</u>	<u>343,044</u>	<u>40,000</u>
At 31 December 2024				
Restricted bank balances	236,413	—	—	40,000
Trade and other receivables	9,259	—	—	—
Cash and cash equivalents	253,820	—	—	—
Derivative financial instruments (net recoverable)	95,443	—	—	—
	<u>294,935</u>	<u>—</u>	<u>—</u>	<u>40,000</u>

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows which comprise both interest and principal cash flows.

	Within 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000
At 31 December 2025				
Trade and other payables	115,099	—	—	—
Rental deposits	46,729	39,556	97,307	4,750
Interest payable on borrowings	215,582	208,366	181,904	4,962
Interest-bearing borrowings	156,096	147,562	4,230,689	153,603
	<u>533,506</u>	<u>495,484</u>	<u>4,411,899</u>	<u>163,315</u>
At 31 December 2024				
Trade and other payables	121,278	—	—	—
Rental deposits	58,819	48,446	82,081	6,141
Interest payable on borrowings	256,942	22,480	45,661	9,942
Interest-bearing borrowings	4,674,071	83,443	258,673	250,329
Lease liabilities	1,159	1,159	3,476	52,638
	<u>5,712,269</u>	<u>153,528</u>	<u>349,811</u>	<u>319,050</u>

3.2 Capital risk management

(a) Gearing ratio

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for Unitholders.

The Group monitors capital on the basis of the gearing ratio. The gearing ratio is calculated as total borrowings divided by total assets.

	2025		2024	
		Gearing Ratio		Gearing Ratio
At 31 December	RMB'000	(%)	RMB'000	(%)
Borrowings on statement of financial position	4,636,402	39.3%	4,798,359	38.0%
Borrowings classified as liabilities held for sale	—		436,362	
Total borrowings	<u>4,636,402</u>	<u>39.3%</u>	<u>5,234,721</u>	<u>41.4%</u>
Total assets	<u>11,808,011</u>		<u>12,638,239</u>	

(b) Loan covenants

Under the terms of the major bank loan, the Group is required to conduct tests on certain financial covenants.

The Group had complied with all financial covenants' tests throughout the year ended 31 December 2025 and 2024.

There are no indications that the Group would have difficulties complying with the covenants when they will be tested throughout the year ended 31 December 2026.

3.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at 31 December 2025 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents financial instruments that are measured at fair values.

	Level 1	Level 2	Level 3	Total
At 31 December 2025	RMB'000	RMB'000	RMB'000	RMB'000
Derivative liabilities				
Derivative financial instruments	<u>—</u>	<u>67,411</u>	<u>—</u>	<u>67,411</u>
	Level 1	Level 2	Level 3	Total
At 31 December 2024	RMB'000	RMB'000	RMB'000	RMB'000
Derivative assets				
Derivative financial instruments	<u>—</u>	<u>95,443</u>	<u>—</u>	<u>95,443</u>

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

Valuation techniques used to derive the fair values of the derivatives are as follows:

As at 31 December 2025, the level 2 derivative financial instruments represented no (2024: three) plain vanilla interest rate swaps and one cross currency swap (2024: six) which are not traded in an active market. The fair values of these derivative financial instruments are based on prices quoted by financial institutions at the end of the reporting period.

There were no changes in valuation techniques during the year.

The disclosures of the investment properties and right-of-use assets, that are measured at fair value, are set out in notes 13 and 14.

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 13.

(b) Estimates of fair values of derivative financial instruments

Fair values have been arrived at using valuations provided by the counterparty banks/valuer 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 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 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 year ended 31 December 2025, revenue of RMB612 million (2024: RMB660 million) is attributable to tenants from the PRC investment properties and RMB9 million (2024: RMB42 million) is attributable to tenants from the UK investment properties. As at 31 December 2025, investment properties of RMB11,080 million (2024: RMB11,252 million) is located in the PRC and no investment properties and right-of-use assets are 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:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Revenues		
Rental income	592,923	669,996
Car park income	3,713	4,434
Other income (note i)	24,409	28,039
	<u>621,045</u>	<u>702,469</u>

Note:

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

6 Property operating expenses

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Property management fee	43,121	38,522
Property taxes (note i)	69,297	69,673
Other taxes (note ii)	5,177	5,479
Withholding tax (note iii)	40,081	41,751
Leasing commission	8,670	9,738
Reinstatement costs	1,276	1,635
Advertising and promotional expenses	14,127	10,515
Provision for rent receivables	—	4,578
Others	857	5,292
	<u>182,606</u>	<u>187,183</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 represent urban construction and maintenance tax, education surcharge, consumption tax, vehicle and vessel tax, value-added tax and stamp duty in the PRC.
- (iii) Withholding tax is calculated based on 10% of the revenues received from rental operation for the Beijing properties and onshore interest income.

7 General and administrative expenses

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Manager's fee (note i)	54,870	60,773
Trustee fee	1,874	2,149
Valuation fee	406	1,059
Auditor's remuneration		
- Audit services (group auditor)	1,853	2,020
- Other non-audit services (group auditor)	1,009	1,007
- Audit services (other auditors)	151	64
Legal and other professional fees (note ii)	14,970	15,463
Others	6,217	6,190
	<u>81,350</u>	<u>88,725</u>

Note:

- (i) The breakdown of the Manager's fee was set out in note 11.
- (ii) Manager's fee of RMB1.3 million (note 11), trustee fee of RMB0.1 million and auditor's remuneration of RMB0.5 million in related to the disposal of the UK portfolio were included in the calculation of the gain on disposal of a subsidiary.

8 Other (losses)/gains, net

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Net fair value (loss)/gain of derivative financial instruments		
at fair value through profit or loss	(180,711)	22,802
Foreign exchange gains, net	61,467	17,760
Other gains	193	1,904
	<u>(119,051)</u>	<u>42,466</u>

9 Finance costs on interest-bearing borrowings

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Interest expenses on bank borrowings (note i)	(269,438)	(320,467)
Interest income on derivative financial instruments	45,752	118,165
Interest expenses on lease liabilities	—	(912)
Foreign exchange gains/(losses) on bank borrowings (note ii)	76,046	(87,521)
	<u>(147,640)</u>	<u>(290,735)</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.

10 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 withholding tax as disclosed in note 6(iii).

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

From 31 March 2023 onwards, the UK subsidiary 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 consolidated income statement represents:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Current income tax	25,096	34,093
Withholding tax on dividend income	4,286	—
Deferred taxation	29,207	12,822
	<u>58,589</u>	<u>46,915</u>

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 years were as follows:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
(Loss)/profit before income tax and transactions with unitholders	(81,348)	27,230
Exclude loss from the PRC operation which is not subject to income tax (note 6(iii))	<u>220,335</u>	<u>34,968</u>
	138,987	62,198
Tax calculated at the Hong Kong profit tax rate at 16.5% (2024: 16.5%)	22,933	10,263
Effect on different taxation rate on operations outside Hong Kong	18,903	11,022
Income not subject to tax	(12,622)	(7,299)
Expenses not deductible for tax purposes	25,089	32,929
Withholding tax on dividend income	4,286	—
	<u>58,589</u>	<u>46,915</u>

11 Manager's fee

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Base fee (note i)	43,146	46,826
Variable fee (note ii)	11,724	13,947
Divestment fee (note iii)	1,251	—
	<u>56,121</u>	<u>60,773</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 year ended 31 December 2025 and 2024 in accordance with the Trust Deed.

12 (Loss)/earnings per unit

	2025	2024
	RMB'000	RMB'000
Loss for the year before transactions with Unitholders attributable to Unitholders	<u>(180,236)</u>	<u>(46,626)</u>
Weighted average number of units for the year for calculating basic earnings per unit	1,468,749,725	1,449,657,500
Adjustment for dilutive units issuable in respect of the Manager's fee	<u>—</u>	<u>—</u>
Weighted average number of units for the year for calculating diluted earnings per unit	1,468,749,725	1,449,657,500
Basic loss per unit based upon profit before transactions with Unitholders attributable to Unitholders	<u>(RMB12.3 cents)</u>	<u>(RMB3.2 cents)</u>
Diluted loss per unit based upon profit before transactions with Unitholders attributable to Unitholders	<u>(RMB12.3 cents)</u>	<u>(RMB3.2 cents)</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 year ended 31 December 2025, thus it is not included in the calculation of diluted loss per unit.

13 Investment properties

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
At beginning of the year	11,252,000	12,039,343
Additions	12,194	14,367
Exchange differences recognised in other comprehensive income	—	6,628
Changes in fair value recognised in consolidated income statement	(184,594)	(158,421)
	11,079,600	11,901,917
Transfer to assets classified as held for sale (note 23)	—	(649,917)
At end of the year	11,079,600	11,252,000

Notes:

The investment properties of the Group include those located in Beijing and Huizhou (31 December 2024: 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 31 December 2025 and 31 December 2024, the Group had no unprovided contractual obligations for future repairs and maintenance of the investment properties.

As at 31 December 2025 and 31 December 2024, the investment properties were pledged to secure the Group's bank borrowings (note 19).

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. 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 31 December 2025 and 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 comparison approach for the valuation where applicable.

Valuation techniques

(i) PRC investment properties

The income capitalisation approach estimates the value of the property 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
	RMB'000	RMB'000	RMB'000
Recurring fair value measurements			
As at 31 December 2025	—	—	11,079,600
As at 31 December 2024	—	—	11,252,000

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

(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 31 December 2025 valuation, a capitalisation rate of 4.5% (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 property. The adopted average monthly market rent is in the range of RMB308 to RMB357 (31 December 2024: average of 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 31 December 2025 valuation, a capitalisation rate of 6.5% (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 RMB118 to RMB294 (31 December 2024: average of RMB184) per square meter exclusive of VAT.

15 Derivative financial instruments

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Derivative assets		
Derivative financial instruments	—	95,443
Derivative liabilities		
Derivative financial instruments	67,411	—

The Group has entered into one cross currency swap (2024: six cross currency swaps and three interest rate 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 Group entered into one (2024: six) cross currency swaps swapping RMB to HK\$. The total aggregated notional principal amount as of 31 December 2025 was HK\$1,570 million (approximately RMB1,418 million) with maturity in September 2028 (2024: HK\$3,520 million (approximately RMB3,260 million) with maturity in September 2025).

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

The Group recorded net fair value losses on derivative financial instruments for the year ended 31 December 2025 amounting to RMB180,711,000 (2024: gain of RMB22,802,000) (note 8) which were charged to the consolidated income statement.

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

16 Trade and other receivables

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Rent receivables (note vi)	4,916	6,315
Deferred rent receivables (note iv)	33,670	37,294
Prepayments	9,223	15,484
Other receivables	5,985	4,610
Indemnified tax recoverable (note v)	—	2,944
	<u>53,794</u>	<u>66,647</u>

Notes:

- (i) Trade and other receivables are mainly denominated in RMB, 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 is generally fully covered by the rental deposits from the corresponding tenants (note 18).
- (iii) As at 31 December 2025 and 2024, the rent receivables and all future rent receivables in the PRC were pledged to secure the Group's interest-bearing borrowings (note 19).
- (iv) Deferred rent receivables represent the accumulated difference between effective rental revenue and actual rental receipts.
- (v) The 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 31 December	
	2025	2024
	RMB'000	RMB'000
0 – 30 days	2,114	3,154
31 – 90 days	1,031	1,878
Over 90 days	1,771	1,283
	<u>4,916</u>	<u>6,315</u>

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

17 Restricted bank balances and cash and cash equivalents

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Restricted bank balances	383,044	276,413
Cash and cash equivalents	291,573	253,820
	<u>674,617</u>	<u>530,233</u>

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

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
US\$	147,773	2,932
RMB	437,389	314,153
HK\$	87,481	213,122
Others	1,974	26
	<u>674,617</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 interest-bearing borrowings (note 19).

The balances include RMB 153 million (2024: RMB134 million) which are kept in the account with banks in the Mainland where the remittance of funds is subject to foreign exchange control.

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

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Cash and cash equivalents		
Within 1 year	<u>291,573</u>	<u>253,820</u>
Restricted bank balances		
Within 1 year	—	236,413
After 1 year	<u>383,044</u>	<u>40,000</u>
	<u>383,044</u>	<u>276,413</u>

18 Rental deposits and trade and other payables

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Rental deposits (note i)	<u>188,342</u>	<u>195,487</u>
Trade and other payables:		
Rental receipts in advance	53,505	53,953
Provision for other taxes (note ii)	5,363	4,449
Accrued expenses and other payables	<u>145,914</u>	<u>118,892</u>
	<u>204,782</u>	<u>177,294</u>

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

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Within 1 year	46,730	58,819
After 1 year	<u>141,612</u>	<u>136,668</u>
	<u>188,342</u>	<u>195,487</u>

(ii) Provision for other taxes represents 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 and are expected to be settled within twelve months.

19 Interest-bearing borrowings

The carrying amounts of interest-bearing borrowing are expected to be settled as below:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Borrowings		
Within 1 year	156,096	4,205,918
After 1 year	4,480,306	592,441
	<u>4,636,402</u>	<u>4,798,359</u>
Interest-bearing borrowing included in liabilities classified as held for sale (note 24)	—	436,362
	<u>4,636,402</u>	<u>5,234,721</u>

Interest-bearing borrowings are denominated in the following currencies:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
HK\$	1,509,960	4,130,815
RMB	2,286,216	667,544
JPY	840,226	—
	<u>4,636,402</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 year are as follows:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
6 months or less	<u>4,636,402</u>	<u>4,798,359</u>

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

Details of the Group's interest-bearing borrowings as at 31 December 2025 are as follows:

- (i) A 3-year secured term loan with notional amount of HK\$1,845 million and RMB1,526 million with maturity in September 2028;
- (ii) A 10-year secured term loan with outstanding amount of RMB649 million with maturity in March 2032; and
- (iii) A 3-year unsecured term loan with outstanding amount of JPY19,220 million with maturity in September 2028.

As at 31 December 2025 and 31 December 2024, the Group's investment properties (note 13), derivative financial instruments (note 15), rent receivables (note 16) and all future rent receivables of the investment properties (note 22), restricted bank balances (note 17), 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.

20 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 year are as follows:

	Investment properties revaluation RMB'000	Acceleration depreciation allowance RMB'000	Total RMB'000
At 31 December 2025			
At 1 January 2025	102,500	20,472	122,972
Deferred tax expense recognised in consolidated income statement	18,400	10,807	29,207
At end of the year	<u>120,900</u>	<u>31,279</u>	<u>152,179</u>
	Investment properties revaluation RMB'000	Acceleration depreciation allowance RMB'000	Total RMB'000
At 31 December 2024			
At 1 January 2024	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>

21 Units in issue

	Number of units	
	As at 31 December	
	2025	2024
Balance as at beginning of the year	1,459,041,125	1,440,497,110
New units issued for Manager's fee	21,177,435	21,521,015
Repurchase of units in issue for cancellation (note ii)	—	(2,977,000)
Units bought back as treasury units and as management fee (note ii)	<u>(2,237,000)</u>	<u>—</u>
Balance as at end of the year	<u>1,477,981,560</u>	<u>1,459,041,125</u>

- (i) Traded market value of the units as of 31 December 2025 was HK\$1.69 (2024: HK\$1.87) per unit. Based on 1,477,981,560 (2024: 1,459,041,125) units in issue (excluding treasury units), the market capitalisation was HK\$2,498 million (approximately RMB2,256 million) (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 4,159,000 units (2024: 2,977,000 units) at an aggregate amount of approximately RMB6,434,000 (2024: RMB4,828,000) as treasury units during the year ended 31 December 2025. 1,922,000 units have been sold as the settlement of the Manager's Fee in units during the year.

22 Future minimum rental receivables

As at 31 December 2025, the analysis of the Group's aggregate future minimum rental receivable under non-cancellable leases is as follows:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Within 1 year	510,464	619,428
1 – 2 years	390,623	471,155
2 – 3 years	271,315	299,832
3 – 4 years	174,427	198,995
4 – 5 years	81,845	138,841
After 5 years	<u>42,876</u>	<u>163,305</u>
	<u>1,471,550</u>	<u>1,891,556</u>

Note: Most of the operating leases are on fixed terms and of terms of 3 years (2024: 3 years).

23 Assets 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:

	2024
	RMB'000
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.

24 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:

	RMB'000
Cash received	240,719
	<u>240,719</u>
	RMB'000
Analysis of assets over which control was lost:	
Net assets disposed of	229,467
	<u>229,467</u>
	RMB'000
Gain on disposal of the UK investment properties:	
Consideration received	240,719
Net assets disposed of	(229,467)
Transaction costs	(8,136)
Release of exchange reserve upon disposal	(209)
	<u>2,907</u>
Gain on disposal of investment properties	2,907
	<u>2,907</u>
	RMB'000
Net cash inflow arising on disposal:	
Cash consideration	240,719
Cash and restricted bank balances disposed of	(8,833)
Transaction costs	(8,136)
	<u>223,750</u>
	<u>223,750</u>

25 Principal subsidiaries

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

26 Financial instruments by category

		Year ended 31 December	
		2025	2024
	Notes	RMB'000	RMB'000
Financial assets			
<i>Financial assets at amortised cost:</i>			
Trade and other receivables	16	10,901	24,077
Restricted bank balances	17	383,044	276,413
Cash and cash equivalents	17	291,573	253,820
<i>Financial assets at fair value through profit and loss:</i>			
Derivative financial instruments	15	—	95,443
		685,518	649,753
Financial liabilities			
<i>Financial liabilities at amortised cost:</i>			
Accrued expenses and other payables	18	145,914	127,493
Rental deposits	18	188,342	195,487
Interest-bearing borrowings	19	4,636,402	4,798,359
<i>Financial liabilities at fair value through profit and loss:</i>			
Derivative financial instruments	15	67,411	—
		5,038,069	5,121,339

The Group's exposure to various risks associated with the financial instruments is discussed in note 3. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

27 Approval of the consolidated financial statements

The consolidated financial statements were authorised for issue by the Manager on 23 March 2026.