

MEDIA RELEASE

2 October 2019

**SUNWAY REIT 7th ANNUAL GENERAL MEETING:
TRANSCEND 2025 TO DRIVE SUNWAY REIT'S PROPERTY VALUE BETWEEN
RM13 BILLION TO RM15 BILLION BY FY2025**

Key Highlights:

- Unitholders approved all resolutions at the Annual General Meeting.
- Sunway REIT continued to deliver a set of stable financial performance for the financial year ended 30 June 2019 (FY2019).
- Sunway REIT launched TRANSCEND2025 to capitalise on the diversity of asset portfolio.
- Sunway REIT endeavours to deliver resilient earnings in FY2020.

Bandar Sunway, 2 October 2019 – Sunway REIT Management Sdn. Bhd., the Manager of Sunway Real Estate Investment Trust (“Sunway REIT”), proposes for a mandate to issue and allot new units of up to 20% of the total number of issued units of Sunway REIT. The Proposed Mandate allows the Manager to issue and allot new units of Sunway REIT (“New Units”) from time to time to such persons and for such purposes as the Directors of the Manager may in their absolute discretion deem fit and in the best interest of Sunway REIT.

The Proposed Mandate, was approved at the Annual General Meeting (“AGM”), will be valid for 12 months and expire at the conclusion of the next AGM for unitholders of Sunway REIT. Based on the number of units issued of 2,945,078,000 units as at 30 June 2019, the mandate allows Sunway REIT to issue up to 589,015,600 new units. The Proposed Mandate will allow the Manager the flexibility to allot and issue new units to raise funds to finance acquisitions and capital expenditure to enhance the value of Sunway REIT and/or to refinance existing debt as well as for working capital purposes.

In addition, unitholders have also approved the renewal of the annual mandate for recurrent related party transactions of a revenue or trading nature.

Sunway REIT continued to deliver a set of stable financial performance for the financial year ended 30 June 2019 (FY2019), delivering a distribution per unit (DPU) of 9.59 sen. This was achieved on the back of a spectra of uncertainties in both global and domestic fronts. All segments contributed to the improvement in the financial performance, however, was partially offset by lower income contribution from the hotel segment due to the underlying adverse fundamental affecting the hospitality sector and income disruption arising from refurbishment of the Grand Ballroom and Meeting Rooms at Sunway Resort Hotel & Spa. The financial performance was further supported by new income contribution from the completion of the acquisition of Sunway university & college campus.

Dato' Jeffrey Ng, CEO of Sunway REIT Management Sdn. Bhd., commented, "We are pleased that the set of financial performance was better than our initial expectation in spite of the increasingly challenging operating environment. The stable set of financial performance was achieved on the back of timely completion of the acquisition of Sunway university & college campus, prudent cost management and proactive capital management initiatives."

Commenting on the outlook for the financial year ahead, he elaborated, "Looking ahead, the underlying fundamental surrounding the operating landscape remains challenging on the back of global whirlwind, moderation in domestic economy and fluidity in Government policies amidst the New Government reform. We endeavour to deliver resilient earnings in FY2020, primarily supported by full year income contribution from acquisition of Sunway university & college campus and modest growth in retail segment."

Since the establishment of Sunway REIT in 2010, the Trust has charted a steady track record. This year, in its final lap of the first decade, Sunway REIT maps the strategic direction ahead to enable continuous value creation to stakeholders. Sunway REIT initiated **TRANSCEND 2025 (TC25)**, a programme that formulates the strategic roadmap to capitalise on the diversity of Sunway REIT. TC25 leverages on Sunway REIT's strategic pillars to set mid-term goals and aspirations for Sunway REIT up to FY2025.

Sunway REIT aspires to be a leading diversified REIT in Malaysia with a target property value of RM13 billion to RM15 billion by FY2025 through deployment of multi-faceted strategies, as below:

- 1) Capitalise on global megatrends to expand investment into emerging growth sub-sectors to diversify the asset portfolio.
- 2) Explore opportunity-led acquisition, redevelopment, turnaround and divestment.
- 3) Explore development and built-to-suit opportunities.
- 4) Geographical diversification within and out of Malaysia.
- 5) Seek out for merger and acquisition opportunities
- 6) Explore non-traditional investment opportunities.
- 7) Embraces sustainability and prudent risk management.

Dato' Jeffrey concluded, "In a fast changing and highly innovative environment, Sunway REIT stays ahead of the curve by embracing innovation to expand our investment horizon in becoming a leading diversified REIT in Malaysia."

About Sunway Real Estate Investment Trust

Sunway Real Estate Investment Trust (Sunway REIT or Trust) is one of the largest diversified real estate investment trusts (REITs) in Malaysia with a diverse portfolio strategically located across award-winning integrated townships in key locations in Greater Kuala Lumpur, Penang, and Perak.

Sunway REIT was listed on the Main Market of Bursa Malaysia Securities Berhad (Bursa Malaysia) on 8 July 2010. The market capitalisation of Sunway REIT stood at RM5.7 billion as at 30 September 2019.

Sunway REIT is a component of FTSE Bursa Malaysia Mid 70 Index, FTSE4 Good Bursa Malaysia Index, Bursa Malaysia REIT Index, GPR APREA Composite REIT Index - Malaysia, FTSE EPRA / NAREIT Global REIT Index, FTSE EPRA / NAREIT Global Index, FTSE EPRA / NAREIT Asia ex Japan Index, FTSE EPRA / NAREIT Asia Pacific Index, FTSE EPRA / NAREIT Emerging REIT Index and MSCI Malaysia Small Cap Index.

Sunway REIT owns a portfolio of 17 assets comprising 4 retail malls, 6 hotels, 4 offices, a medical centre, an industrial property and an education asset with a combined property value that stood at RM8.05 billion as at 30 June 2019.

Sunway REIT's assets are primarily located in Sunway City where its flagship asset, Sunway Pyramid Shopping Mall, is located. Other assets located in Sunway City include Sunway Resort Hotel & Spa, Sunway Pyramid Hotel, Sunway Clio Property (comprising Sunway Clio Hotel and Sunway Clio Retail), Menara Sunway, Sunway Medical Centre (Tower A&B) and Sunway university & college campus. On the northern Peninsular of Malaysia, Sunway REIT owns SunCity Ipoh Hypermarket in Perak. In Penang, Sunway REIT owns Sunway Hotel Seberang Jaya, Sunway Hotel Georgetown and Sunway Carnival Shopping Mall. Sunway REIT owns two properties in Shah Alam, namely, Wisma Sunway and Sunway REIT Industrial – Shah Alam 1.

Sunway REIT owns four properties in in Kuala Lumpur, namely Sunway Tower and the remaining three assets which constitute part of the 3-in-1 integrated development, Sunway Putra. Sunway Putra consists of Sunway Putra Mall, Sunway Putra Hotel and Sunway Putra Tower.

Important notice

This media release may contain certain forward looking statements due to a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions; interest rate trends; cost of capital and capital availability including availability of financing in the amounts and the terms necessary to support future business; availability of real estate properties; competition from other companies; changes in operating expenses including employee wages, benefits and training, property expenses, government and public policy changes. You are cautioned not to place undue reliance on these forward looking statements which are based on the Management's current view of future events. Past performance is not necessarily indicative of its future performance.

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