

SUNWAY[®]
REIT

**HLIB INSTITUTIONAL CLIENT WEBINAR
BRACING THE COVID-19 PANDEMIC
22 March 2021**



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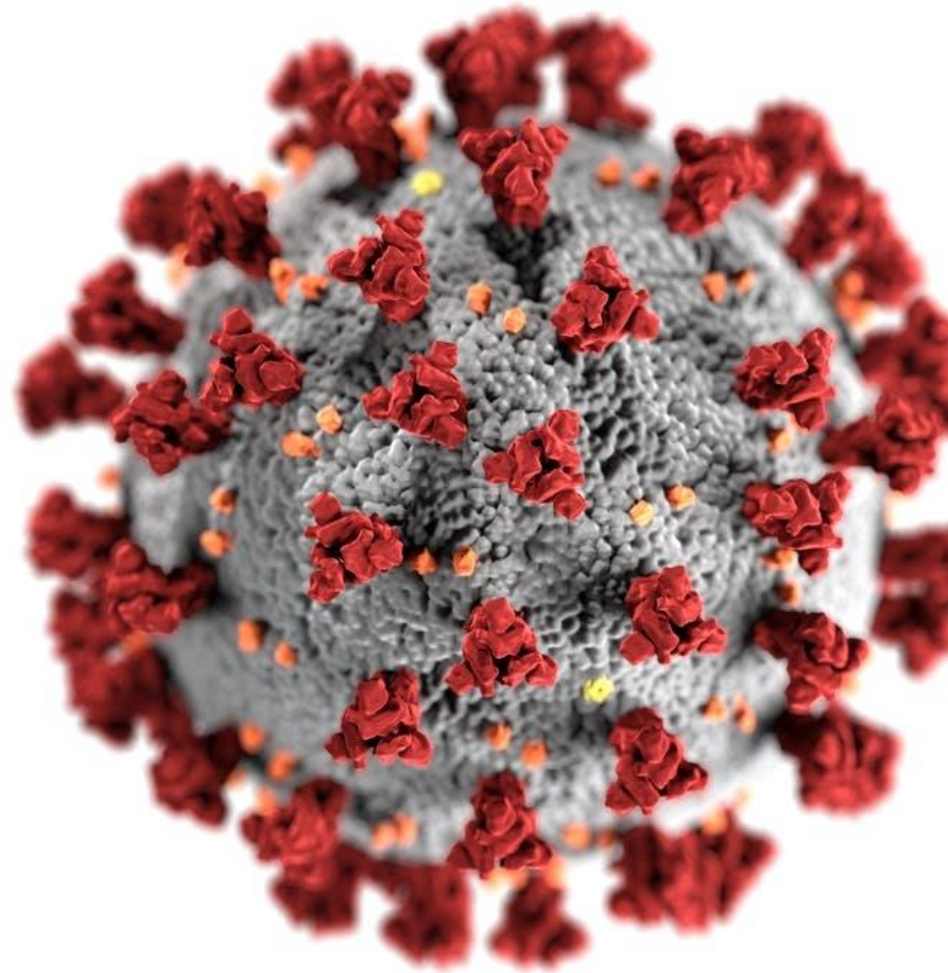
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A Flu-conomic Crisis That Shook The World

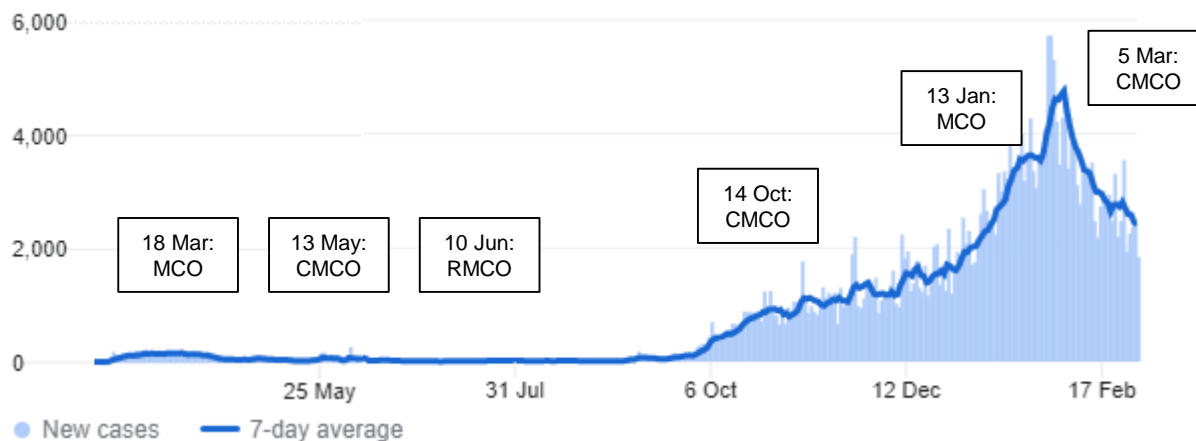


Impact Of COVID-19 Continues To Linger

COVID-19 Outbreak and Resurgence

- For the year 2020, Malaysia's GDP saw a **5.6% contraction** where this is the **second lowest contraction** recorded post-Asian Financial Crisis where GDP suffered a 7.4% contraction in 1998.
- Real GDP recorded a **drop of 3.4% in 4Q2020**, largely attributable to the **imposition of CMCO** on selected states since mid-October. The restrictions on mobility constricted the economic activity.
- All economic sectors continued to see negative growth in 2H2020, except for **manufacturing sector**, saw a **3.3% and 3.0% growth** in 3Q and 4Q2020 respectively.
- The **Retail and Hotel segments** are most hit resulting from **cautious consumer sentiment** and **changing spending pattern** as a result of the MCO restriction; inter-district and inter-state travelling restrictions.
- Businesses are looking at a paradigm shift to their traditional way of doing things by accelerating their digitalisation effort to prevent themselves from being disrupted.

Daily COVID cases in Malaysia
(January 2020 – February 2021)



Source: Bank Negara Bulletin, Department of Statistics Malaysia (DOSM), Center for Systems Science and Engineering (CSSE) at Johns Hopkins University

Chart 1
Y-o-Y Real GDP Growth (%)

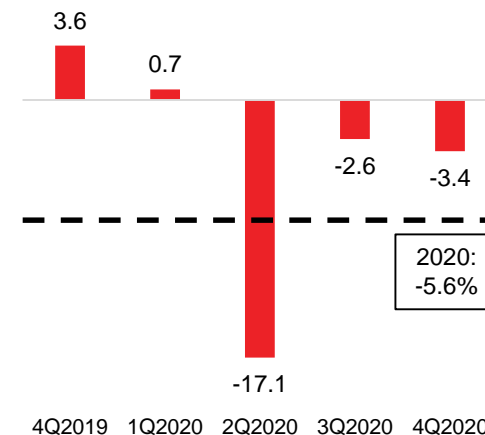
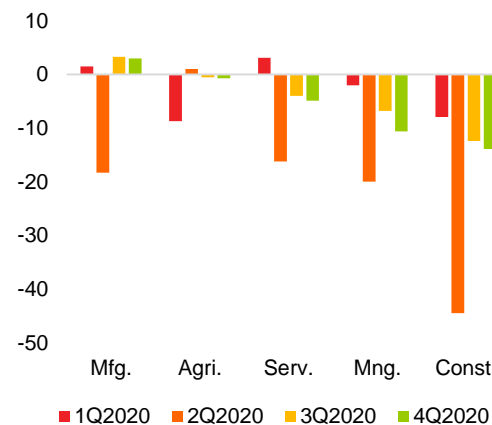


Chart 2
Growth by Economic Sector (%)



Challenging Operating Environment

National Statistics	1Q 2020	2Q 2020	3Q 2020	4Q 2020
	Pre-COVID-19	1 st round of MCO / CMCO	RMCO reopening	2 nd round of CMCO
Daily COVID-19 cases	0 - 2 digits	2 - 3 digits	1 - 3 digits	4 digits
GDP (% Y-o-Y)	+0.7%	-17.1%	-2.6%	-3.4%
GDP (% Q-o-Q)	-2.0%	-16.5%	+18.2%	-0.3%

Economic Impact of COVID-19 and Movement Restrictions:

The economic situation and retail consumption trends in 2020 have been **fluctuating in line with the pandemic and movement restrictions**:

- **2Q 2020:** Adverse impact resulted from **initial surge of COVID-19** and **1st round of MCO / CMCO**
- **3Q 2020:** Recovery from successful management of COVID-19 and **RMCO re-opening**
- **4Q 2020:** Adverse impact resulted from **resurgence of COVID-19** and **2nd round of CMCO** across multiple states

- **Jan 2021:** 2nd round of MCO effected in key states and Declaration of State of Emergency
- **Feb 2021:** Malaysia's National COVID-19 Immunisation Programme kickstarted
- **Mar 2021:** Declining daily cases; MCO replaced by CMCO with most businesses allowed to open up

Source: DOSM, Bank Negara Malaysia (BNM), International Monetary Fund (IMF), Retail Group Malaysia (RGM)

Light At The End Of Tunnel



Pandemic vs Financial Crisis:

- Unlike the Asian Financial Crisis 1997 and Global Financial Crisis 2008, the virus inflicted health crisis in 2020 is primarily caused by the global viral pandemic and movement restrictions instead of financial market drivers.
- **When the pandemic is under control, the “fear” factor will subside** domestic retail and travel spending is expected to recover over time to pre-pandemic level, while international trade and travel restrictions will also be gradually lifted, especially intra-Asian routes.



Potential Catalysts in 2021:

- ✓ **Move towards mass vaccination** and potentially earlier herd immunity will be achieved.
- ✓ **Inter-states border re-opening** and potentially looking at **travel bubble between nations**; Tourism Boost.
- ✓ **Pent-up local demand** upon lifting of restrictions where similar trends were observed in RMCO previously.
- ✓ **Continuation of PRIHATIN and PENJANA economic stimulus package**, including electricity tariff rebate, wage subsidy, targeted loan moratorium etc.
- ✓ **Low interest rate environment** likely to be maintained; conducive for businesses.

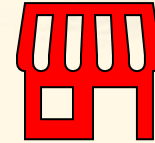


However...

- Not all property sectors or states will recover at the same rate or to the same level; the paradigm shifted to consumer-centric services. Winners are those who took the opportunity to improve during the pandemic.
- Prolonged period of movement restrictions and technological disruptions may have **changed consumer behavior and preferences in the post-COVID-19 new normal**, e.g. physical retail vs e-commerce and food delivery apps.

Source: Department of Statistics Malaysia (DOSM), Bank Negara Malaysia (BNM), PricewaterhouseCoopers (PwC), The Malaysian Reserve

How Are The Sectors Faring?



Retail



Hotel



Office



Industrial

Leading Malls Registered Stable Occupancy

Despite the lower retail footfall in 2020, occupancy rates for well-managed leading retail malls in Greater KL area are demonstrating high level of resiliency.



Sunway Pyramid Mall, Selangor

Sunway REIT

NLA: 1,790,290 sq.ft.

Occupancy Rate in 2020: 97.3% (2019: 97.6%)



Mid Valley, Kuala Lumpur

IGB REIT

NLA: 1,846,738 sq.ft.

Occupancy Rate in 2020: 99.7% (2019: 99.9%)



Pavilion Mall, Kuala Lumpur

Pavilion REIT

NLA: 1,331,966 sq.ft.

Occupancy Rate in 2020: 96.5% (2019: 98.0%)



Suria KLCC, Kuala Lumpur

KLCC REIT

NLA: 948,908 sq.ft.

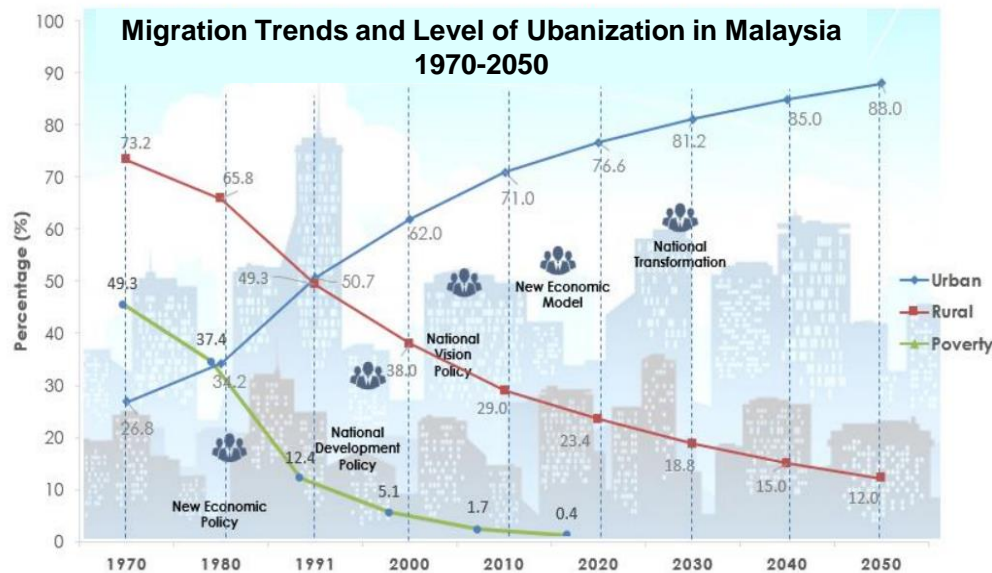
Occupancy Rate in 2020: 97.0% (2019: 99.0%)

Source: Latest available REIT Annual Reports, REIT Website and Quarterly Reports

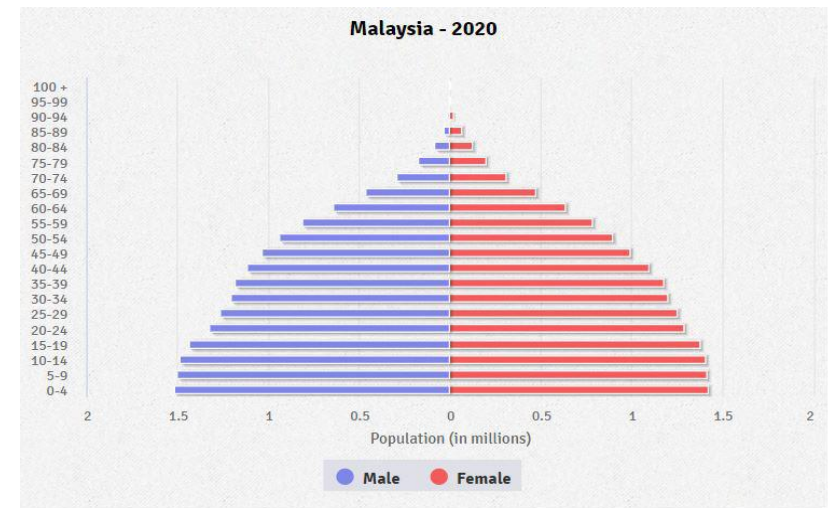
Retail Growth Adversely Affected But Fundamentals Intact

Economic and demographic fundamentals support long-term potential

- ✓ GDP growth of Malaysia is projected to rebound to **6.5% – 7.5% in 2021** (2020: -5.6%)
- ✓ **MIER Consumer Sentiment Index*** dropped to **85.2 pts in 4Q2020** (3Q2020: 91.6 pts)
- ✓ **Retail sales** saw a drop of 16.3% in 2020 but a **4.1% rebound** is expected in 2021



Malaysia's Population Age Distribution (2020)



Malaysia's economic fundamentals are underpinned by high and growing urbanization rate, supported by a young population – both fueling long-term growth in demand for retail space

*Index above 100pts is the threshold for optimism

Source: Bank Negara Malaysia (BNM), Department of Statistics Malaysia (DOSM), Malaysia Retail Association (MRA)

Outlook – Pent-up Demand To Boost Retail Footfall

Retail landscape in Malaysia will continue to evolve with global trends albeit at a different pace

Short Term



- Retail sector will continue to see a **challenging period** where shoppers and frequent travelers are **shying away from crowded areas**.
- Landlords or retail mall owners should take the opportunity to **rebuild the confidence level** of public by ensuring high **hygiene and safety standards** as well as **service offerings**.

Medium Term



- **“Revenge spending”** may stimulate pent-up demand which will contribute positively to retail footfall and sales.
- Retailers need to adjust to the new normal where the social distancing rules will remain in force, especially whose businesses are dependent on capacity such as entertainment, cinema, enrichment centres, indoor attractions, etc.

Long Term



- On a brighter note, the **fundamentals of the macroeconomy** and **roll-out of the vaccination programme** will provide an impetus for normalcy to resume.
- Despite digital sales taking over the scene during MCO period, retail malls will continue to be relevant as **retail experience, entertainment and social gathering** is **paramount to healthy community living**.

Hotel – Visit 2020 Never Came About Due To COVID-19

Visit Malaysia 2020 was the Fifth instalment of Visit Malaysia Programme.

A significant event that has been supporting and boosting the tourism sector, but was foiled by COVID-19.

30 million
international tourist are expected in
Malaysia for 2020

Only **4.3 million**
tourist arrival recorded due to COVID-19

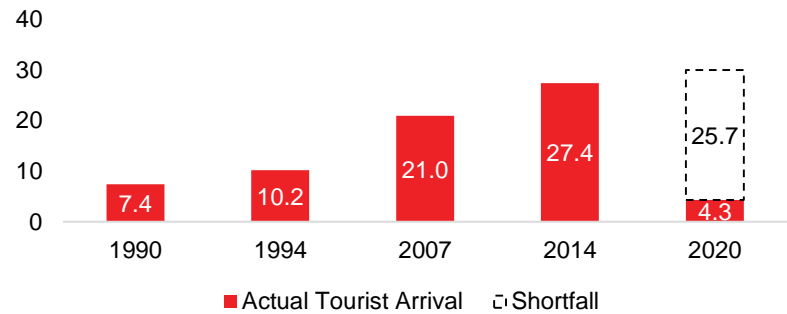
Impact

Average occupancy in 2020 for the hotel industry at **32.5%**
(2019: 59.9%)

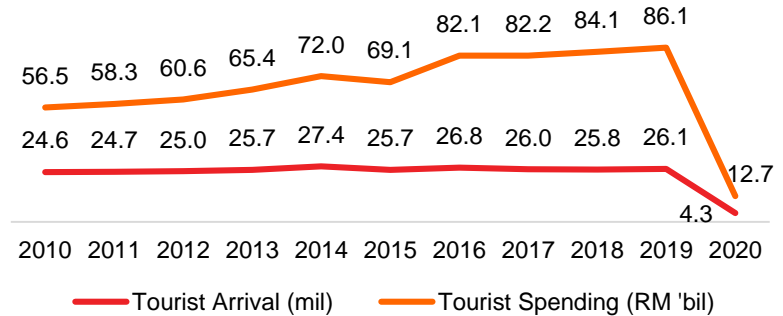
Decrease in and cancellation of bookings have led to **losses** and **several hotels are permanently shutdown**

Source: CBRE, Malaysia Association of Hotel

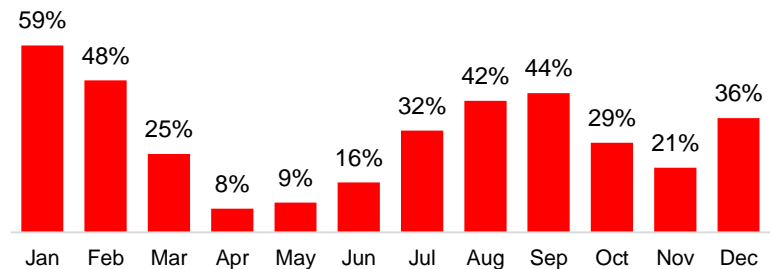
Visit Malaysia Year Tourist Arrival (mil)



Tourist Arrivals & Spending



Malaysia's Hotel Occupancy 2020



Outlook – Recovery To Happen Gradually

Uncertainty surrounding the hotel segment to persist but vaccine rollout is optimistic; recovery will be gradual as the vaccine distribution speed across the globe varies

Short Term



- Domestic travel to be the industry's focus before border reopening; to focus on **domestic leisure and business travelers**.
- To focus on **survivability and ensure breakeven** of the operations by offering competitive room rates, attractive packages and **services tailored** to what the market desires.

Medium Term



- An opportunity for hoteliers to undertake **refurbishment activities** to rejuvenate the assets ahead of longer term recovery.
- Paramount for hotels to provide **unique and tailored services** to attract local travelers from other states once the interstate restrictions are lifted.

Long Term



- Recovery of the tourism and hospitality sector will be **gradual and over a longer duration** until the **pandemic “fear” dissipates** globally.
- Despite possible international borders opening up soon, the **urge to travel abroad may not be as evident** despite aviation sector offering competitive rates and discounts.

Office – Occupancy Rate Continues To Face Pressure

Cumulative supply in Klang Valley office space in stood at approximately
109.5 million sq.ft.

New office space estimated at circa
12.8 million sq.ft. is expected to come on stream in the next two years

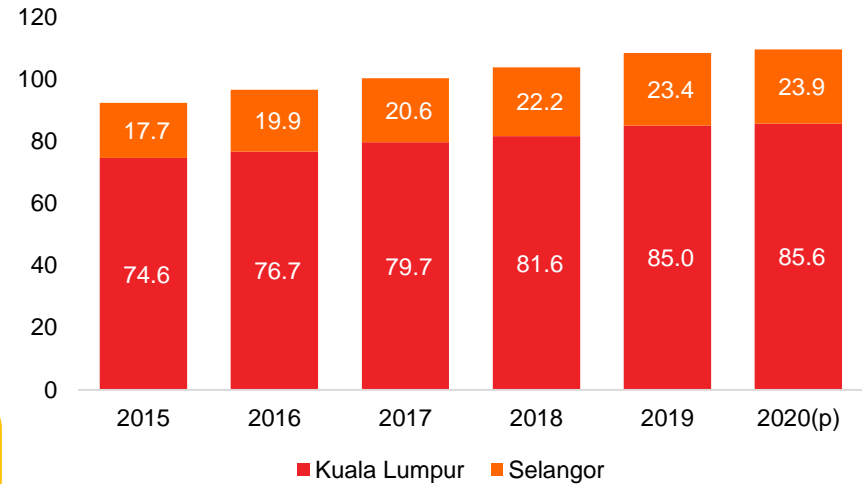
Kuala Lumpur
10.8 million sq. ft.

Selangor
2.0 million sq. ft.

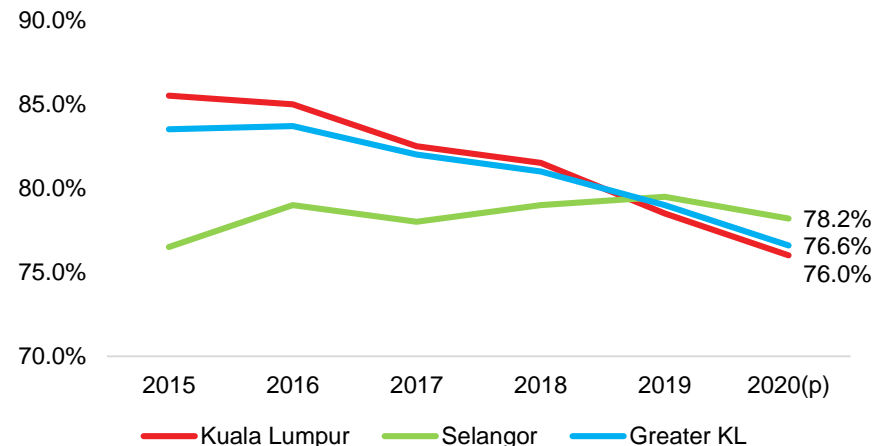
- Overall occupancy rate in Kuala Lumpur eased to 76.0% (2019: 78.3%) as COVID-19 pandemic continues to affect businesses.
- The overall occupancy rate in Selangor also saw a dip to 78.2% (2019: 79.4%).
- The impending new supply will continue to exert pressure on the office segment. However, pockets of opportunities are seen in strategic locations within integrated development and transit-oriented-developments.

Source: Knight Frank, CBRE WTW Research

Office Space Trend (NLA million sq.ft.)



Office Occupancy Trend



Outlook – Paradigm Shift to Drive Demand for Office

Despite the office segment is relatively less impacted compared to the retail and hotel segments, there are other lasting impacts from the pandemic which may lead to a paradigm shift in demand-supply for office space.

Short Term



- **Uncertainties surrounding businesses** given the pace of change COVID-19 brought about; priority in **preserving cash and delaying the capital expenditure activities** leading to reduced leasing activities in the market.
- **Shorter tenure leases and smaller area** as tenants capitalize on the savings from leaner workforce.

Medium Term



- Continuous cost containment effort by businesses may lead to movement of tenants in the office market.
- **WFH is gaining traction**, which may widen the supply and demand mismatch gap.
- For businesses to grow once again, the **speed of vaccine rollout is crucial** to paving the way for **business recovery**.

Long Term



- **Supply** of offices continues to **build up**; it is a case of survival of the fittest where **office buildings within integrated developments and transit-oriented-development** will be benefitting from the ecosystem.
- **Hybrid-model trend of WFH and in-office** will impact the future demand for office spaces, **affecting** how **office buildings and layouts** are designed to accommodate such trend in the future.

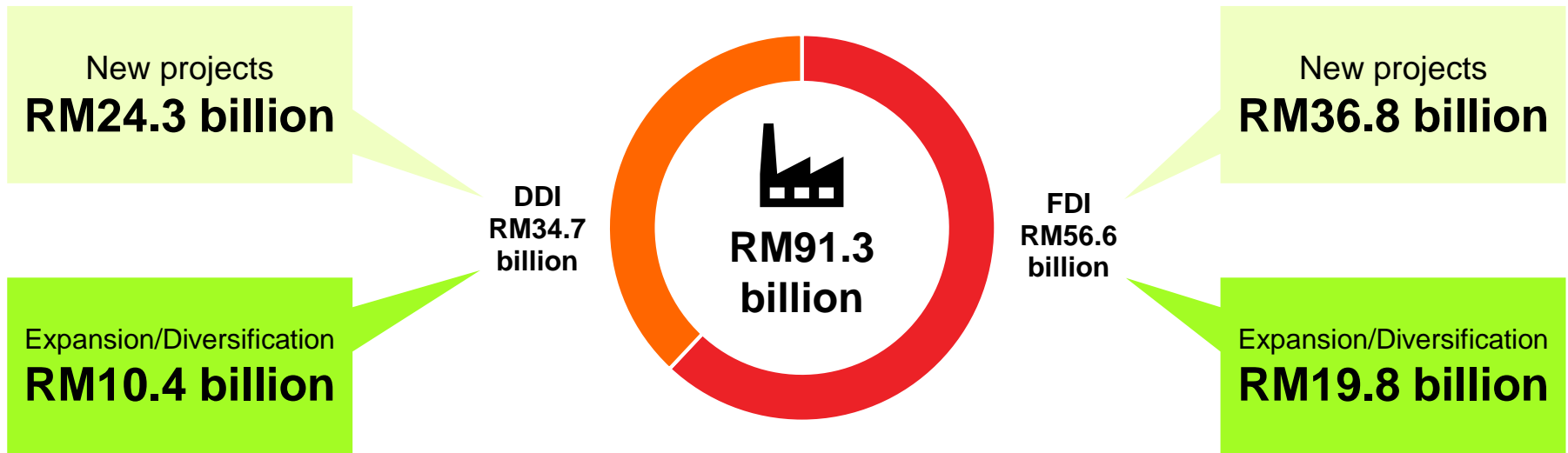
Industrial – Continued Investment A Boon

Manufacturing sector charted a **10.3% growth** in investment from RM82.7 billion in 2019 despite COVID-19 pandemic.

Number of approved projects grew **6.2% y-o-y**

Manufacturing DDI surged **22.6% y-o-y** as a result of Government's various stimulus packages to boost domestic economy

Manufacturing FDI increased by **3.9% y-o-y**



Source: MIDA, Knight Frank

Outlook – A Resilient Sector

The outlook for the industrial sector continues to be positive backed by the increase in demand in the manufacturing and logistics sectors

Short Term



- The **exponential growth of the e-commerce sector** during the pandemic has created a surge in **demand** for the operations of **warehousing and logistics companies**.

Medium Term



- Industrial sector is expected to be **resilient with rising demand** in the logistics distribution centre segment.
- The fast-track approval mechanism for manufacturing licenses and tax incentives with the establishment of **Project Acceleration and Coordination (PACU)** will help **raise the country's attractiveness** in the eyes of **foreign investors**.

Long Term

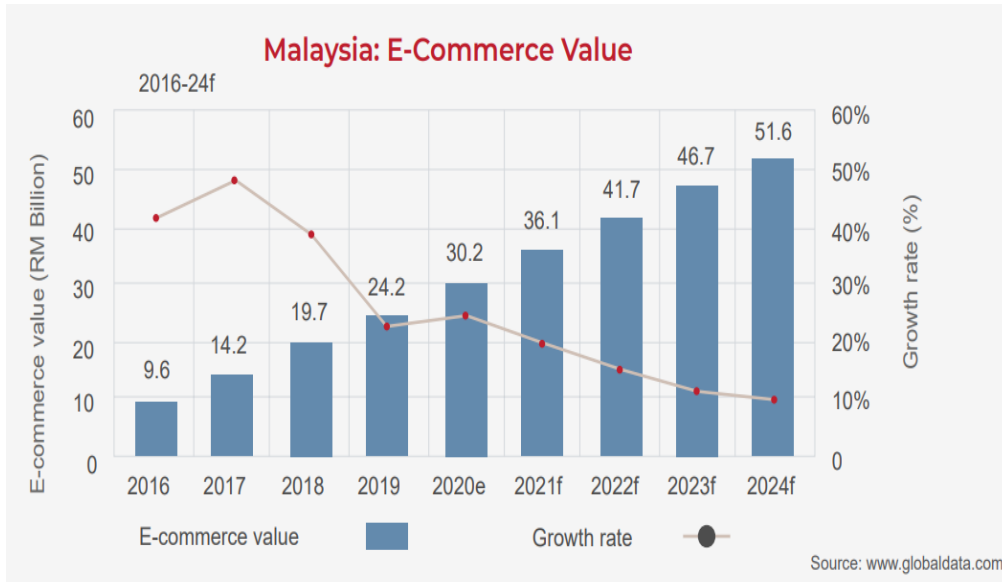


- Growing **demand for last-mile delivery** facilities will continue to push for e-commerce expansion, where ease of access to and from the industrial asset will be the main criteria for meeting the needs of logistic players.
- **Malaysia Vision Valley** and **Digital Free Trade Zone** would provide an additional boost to the economy in the longer term.

The Next Normal Trend And Business Adaptation



Inevitable Rise of E-Commerce



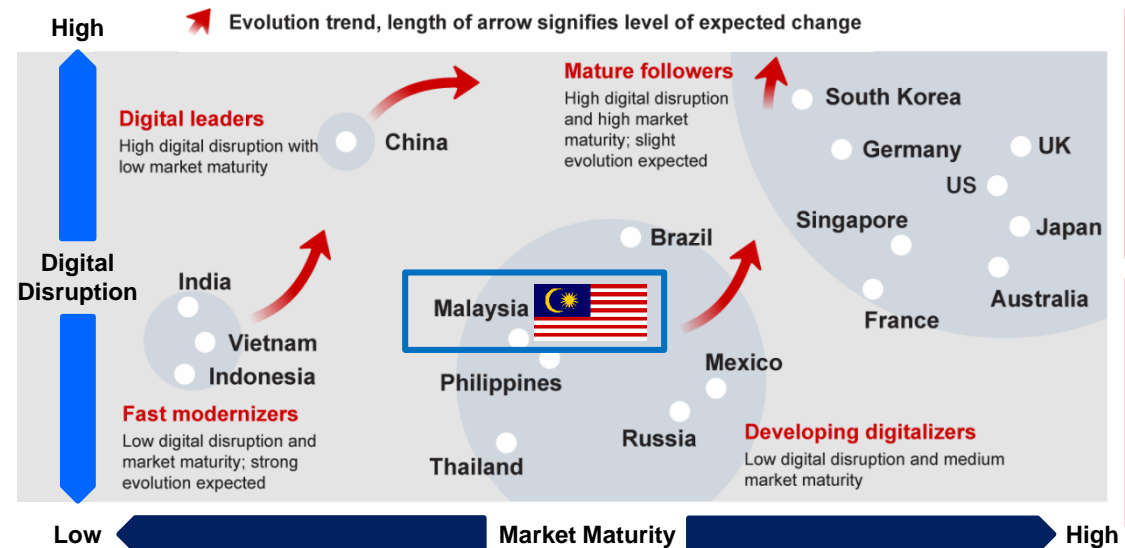
The Rise of E-Commerce with Short to Medium Term Boosters

COVID-19 has significantly **accelerated e-commerce penetration and spending** in Malaysia

Online Retail Sales	2020 vs 2019		
	Oct	Nov	Dec
Y-o-Y growth	+26.3%	+27.7%	+37.3%

Malaysia E-commerce pace

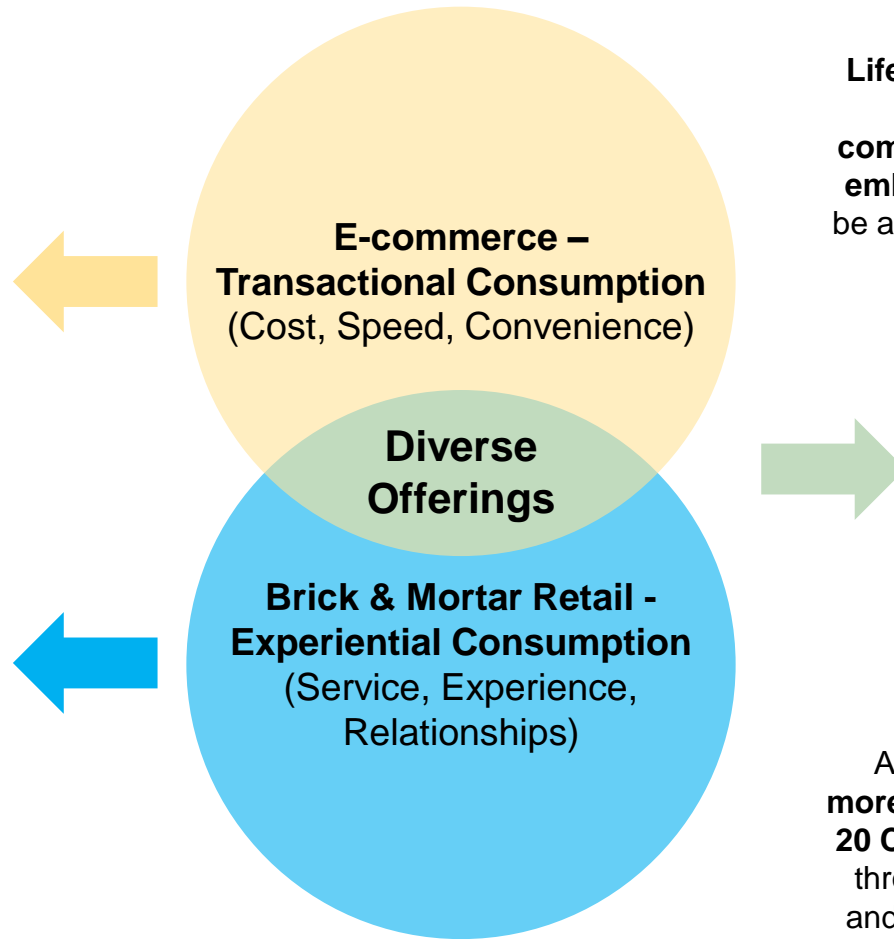
Despite the growth, Malaysia still lags behind many countries in the level of e-commerce penetration rate and e-commerce Average Revenue per User (ARPU). With **3% of total retail sales** contributed by e-commerce in the past 2 years (2018-2019), **physical retail remains relevant in Malaysia**, and in good position to take this **window to synergize and digitalise** their businesses.



Source: Global data, MIDA, Bain & Company, DOSM, The Edge Markets, Retail Group Malaysia (RGM)

Digital Economy A Synergy For Brick And Mortar Retail

The relationship between e-commerce and brick-and-mortar retail are symbiotic and will co-exist to complement one another



Lifestyle retail malls with **diverse services, experience and community-oriented offerings** that **embrace the digital economy** will be able to capture the larger market share.



Omni-channel / Multi-Platform Retail

Alibaba's Hema Supermarket has **more than 100 stores in more than 20 Chinese cities**. Visitors buy food through mobile app linked to Alipay and can receive deliveries within 30 minutes upon placing their orders.

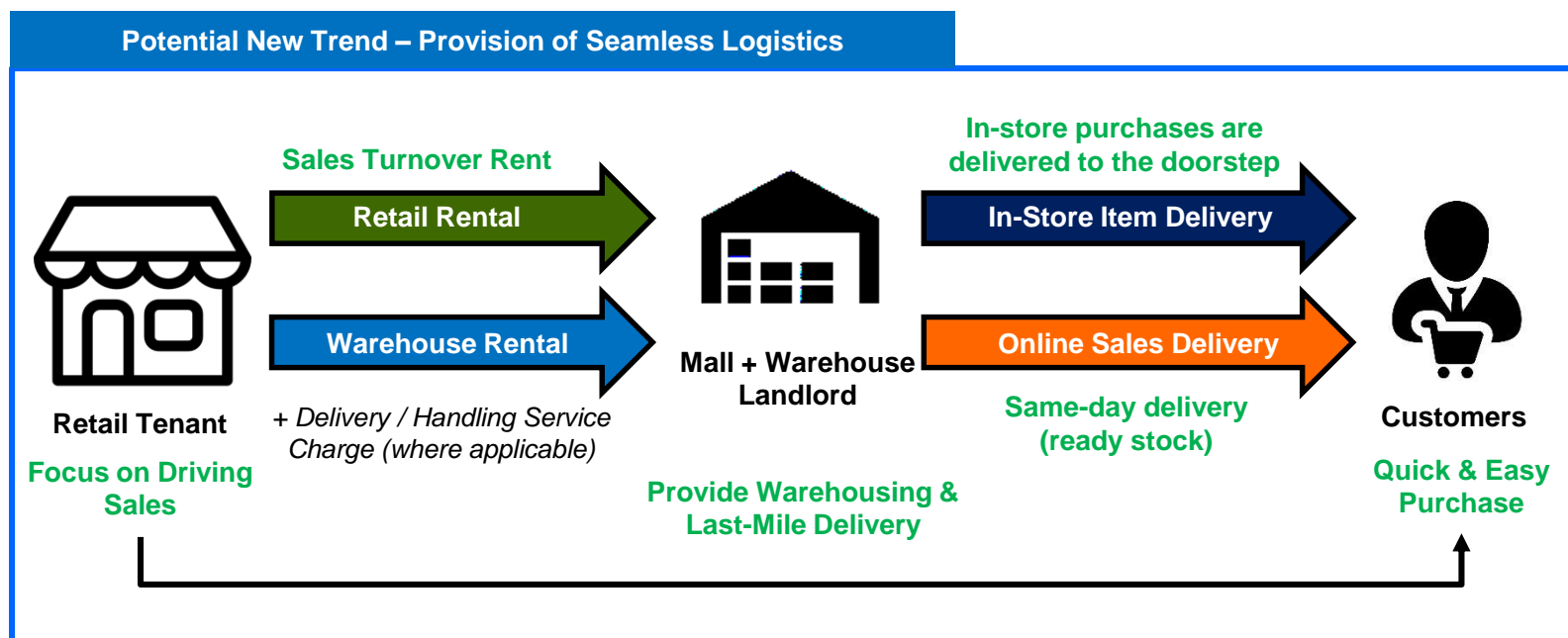
Seamless Ecosystem Provision The Way Forward

i. Growing Trend of Gross Turnover Rent (GTO) Structure

- Both landlord and tenant are incentivized by a common goal of growing sales value, with risk mitigation for tenants (minimal base rent) and potential upside for landlord (revenue share).
- Opportunities for landlords: Landlords is able to enjoy the potential upside in revenue from tenants.

ii. Potential New Trend: Provision of New Downstream Services by Retail Mall Landlords to Tenants

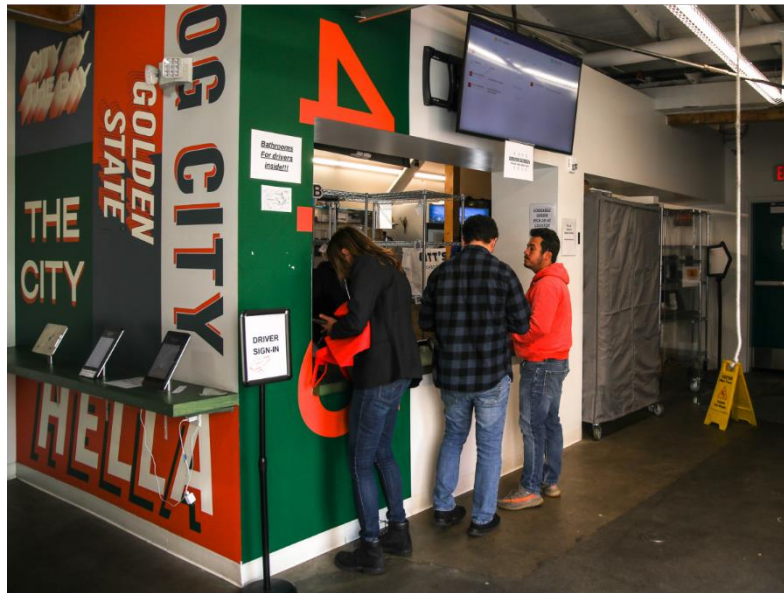
- Warehousing, Aggregation & Delivery Support Ecosystem to be an all-encompassing system for easy tracking and data collation.
- The seamless service provision will alleviate tenants' trouble of managing multi-platform service providers, be it online marketplace or delivery partner (eg. Lazada, Shopee, J&T, NinjaVan).



Change of Space Use To Enhance Rent Structure

Case Study: CloudKitchen

- ✓ Centralised kitchens for delivery-focused F&B outlets, also known as 'commissary kitchens', 'smart kitchens' and 'virtual kitchens'
- ✓ Enhances efficiency and decreases upfront & operational costs as well as turnover time due to economies of scale (centralisation of cost-centre i.e. kitchen, delivery and even marketing), allowing F&B businesses to focus on sales



Delivery workers collecting coordinated orders



Vendor Partners: Marketing, Delivery, Cross-Selling and Consulting



Brand Partners: Delivery-Focused F&B

Opportunities for retail mall landlords in Malaysia to consider allocating space for cloud kitchens with potential to grow GTO

Source: Business Insider, CloudKitchens Corporate Website

Integration & Connectivity

- **Regional malls** within **integrated township or development** comprising hotels, offices, service residences, medical centers and educational institutions, along with **‘draw factors’** e.g. convention centers, parks and state-of-the-art architectural designs serve to attract visitors from beyond the surrounding catchment where **shopping is an adjunct** and not necessarily the main reason for visiting the mall
- **TODs** has the benefit of drawing in **high-volume pedestrian traffic without the need for additional carpark space**



Suria KLCC is integrated & connected with:

- Petronas Twin Towers
- Menara 3 Petronas
- Menara ExxonMobil
- Menara Maxis
- Mandarin Oriental Kuala Lumpur
- Kuala Lumpur Convention Centre
- KLCC Park
- KLCC LRT2 Station and KLCC East MRT2 Station



Key examples of well-connected integrated malls include:

PAVILION
KUALA LUMPUR

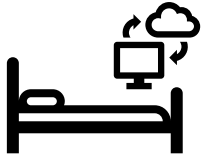
SUNWAY PYRAMID
Your Unique Lifestyle Adventure


It's all in one
1 Utama Shopping Centre


nu
sentral

SUNWAY[®]
REIT

Hotel – Unique Experience Key To Winning Guests



Smart Hotels

- Guest experience to be elevated by the latest **technological solutions**.
- Great service starts at reception **seamless check-in, stay, and check-out process**.



Unique brand experience

- **Experience matters** and no longer “one size fits all”.
- **Thematic rooms tailored to discerning group of guests** with specific lifestyle preferences.
- To inculcate **refreshing experience** for **different visits**.



Change of space use for working or wellness stay

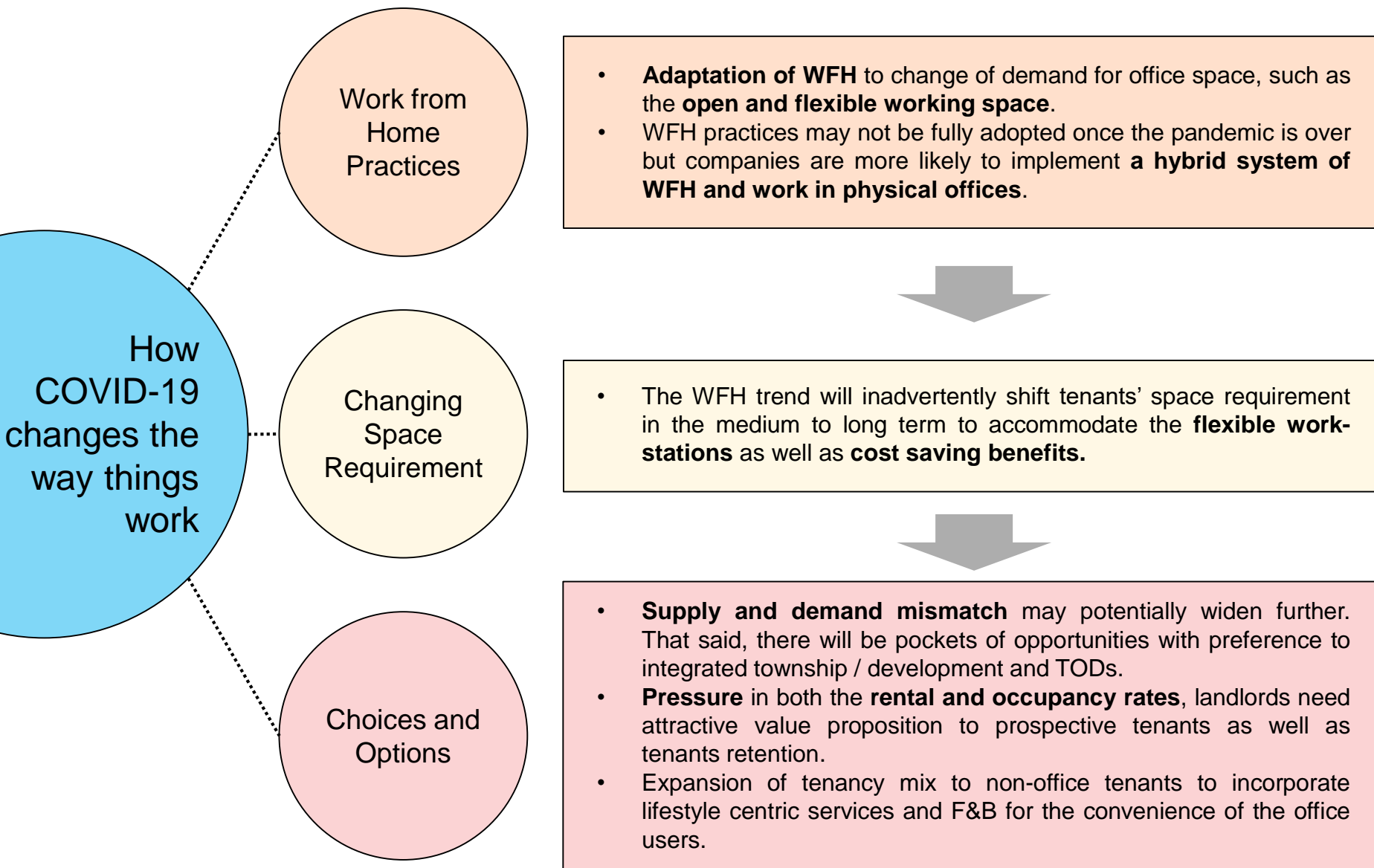
- **Work-from-hotel** or **longer stay bookings**.
- A **wellness stay** trend where each stay will be **transformative and unique**.



Sustainable hotel

- Sustainable tourism and taking a “greener” approach as health and wellness will continue to take on the mainstage in daily lives moving forward post-COVID-19 pandemic.

Office – Shift In Demand To Widen Gap Further



Industrial – Fueled by E-commerce Growth

The exponential growth of the e-commerce sector fueled by the increasing adaptation of consumers to transact via online platforms as the shopping alternative during the COVID-19 pandemic.

Online shopping has now become the new norm, and many businesses moving onto the digital space. They are also shifting the reliance of physical storefront to distribution centre / warehouse.

This has created a strong tailwind for the operations of logistics companies, leading to higher demand third party logistics services.

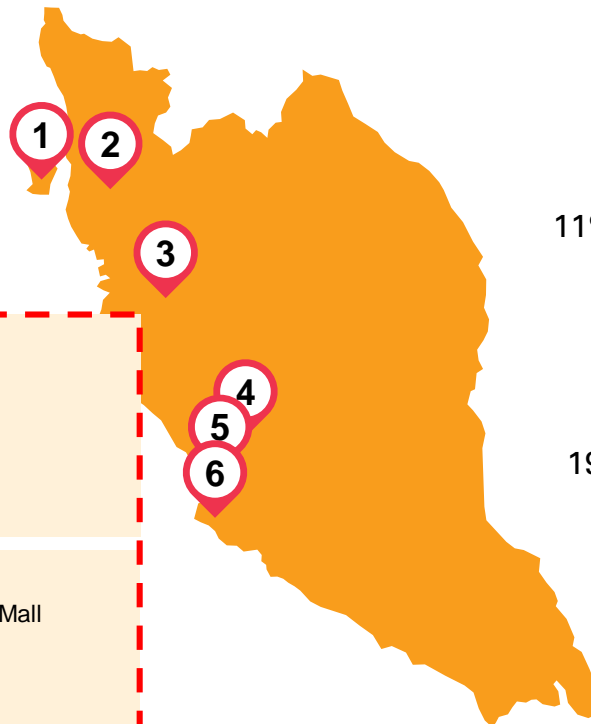
As consumer expectation of swift deliveries services continue to increase, the need for well-located warehousing space is crucial with combination of large scale hub in prime location with smaller hubs in the fringe of urban areas.

**From The
Perspective Of
Sunway REIT**

Sunway REIT - Portfolio Summary

One Of Malaysia's Largest Diversified Real Estate Investment Trusts (REITs)

More than 75% of the SunREIT's assets are strategically located within Klang Valley



1. Penang Island

- Sunway Hotel Georgetown

2. Penang Mainland

- Sunway Hotel Seberang Jaya
- Sunway Carnival Shopping Mall

3. Ipoh

- SunCity Ipoh Hypermarket

4. Kuala Lumpur

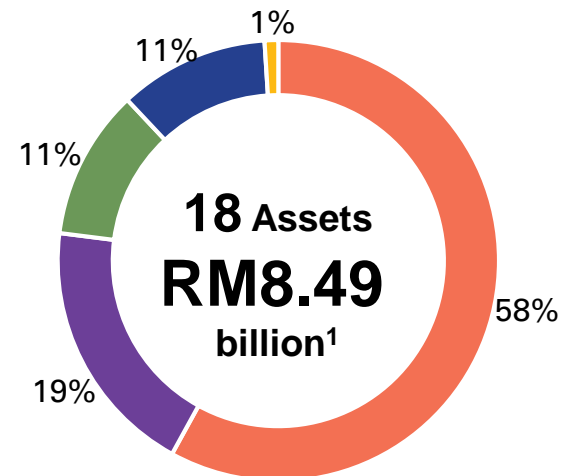
- Sunway Putra Mall
- Sunway Putra Hotel
- Sunway Putra Tower
- Sunway Tower

5. Sunway City

- Sunway Pyramid Shopping Mall
- Sunway Resort Hotel
- Sunway Pyramid Hotel
- Sunway Clio Property
- Menara Sunway
- The Pinnacle Sunway
- Sunway Medical Centre (Tower A & B)
- Sunway university & college Campus

6. Shah Alam

- Wisma Sunway
- Sunway REIT Industrial – Shah Alam 1



- Retail
- Office
- Industrial & Others
- Hotel
- Services

Property Value at IPO

RM3.46 billion

Total Acquisition since IPO

RM2.44 billion

Net Fair Value Gain, AEs & Development

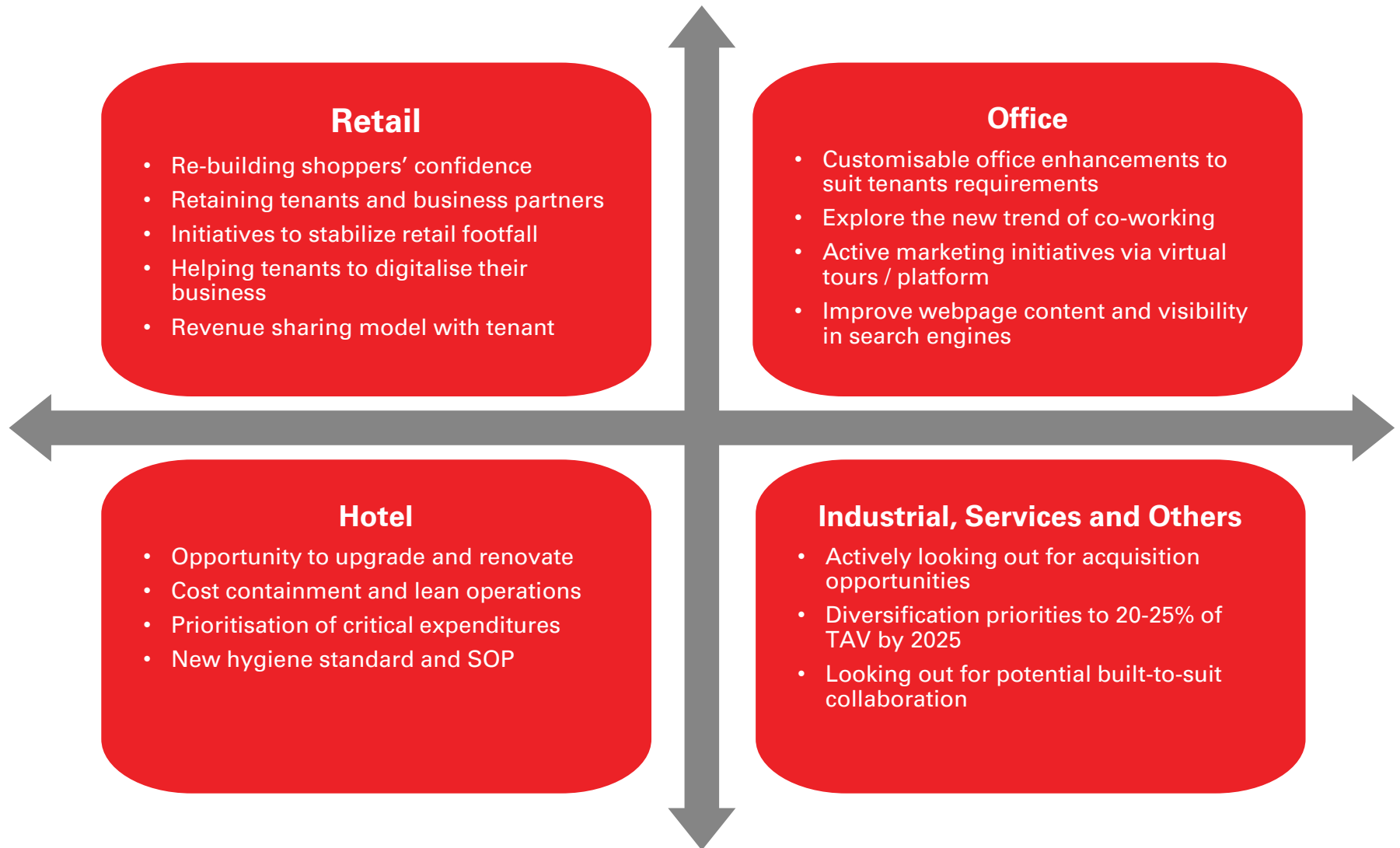
RM2.59 billion

¹ Measured by property value as at 31 December 2020

Sunway REIT - Uplifting Fundamentals to New Growth

Response in Covid-19 Management and Emerging Trends

Focus Moving Forward



Economic Overview

Sectorial Trend - Retail

Sunway REIT - Crisis Management

Strategy Forward

Retail – Tenants' Safety and Business Continuity Our Utmost Priority

Strengthening sustainable landlord-tenant partnerships



Rebuilding shoppers' confidence by improving safety and hygiene standards



Asset Enhancement Initiative to elevate retail experience to shoppers



Digitalisation of retail mall offerings, utilization of Big Data for retail footfall and sales analysis



Hotel – Staying Lean And Mean With Creativity

Opportunity to upgrade and renovate



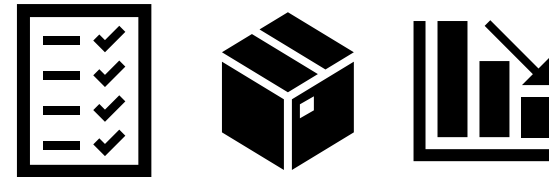
Implementation of the rooms-only business model



Distinctive marketing and collaboration – Gordon Ramsay Restaurant



Cost containment measures and lean operations



Prioritisation of critical expenditures

Office – Embracing New Shifts

Allocation for open space to cater for WFH



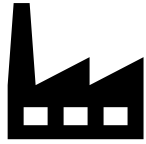
New trend of collaborative spaces (co-living, co-working)



Customisable office enhancements to suit tenants requirements



Industrial, Services & Others - On the Lookout



Industrial

- To explore and pursue **data centre** assets as **Internet of Things (IoT)** continues to grow.
- Continues **to seek opportunities in this segment** in view of Malaysia's strong fundamental and resiliency in the industrial sector, especially **manufacturing, logistics, and distribution.**



Education

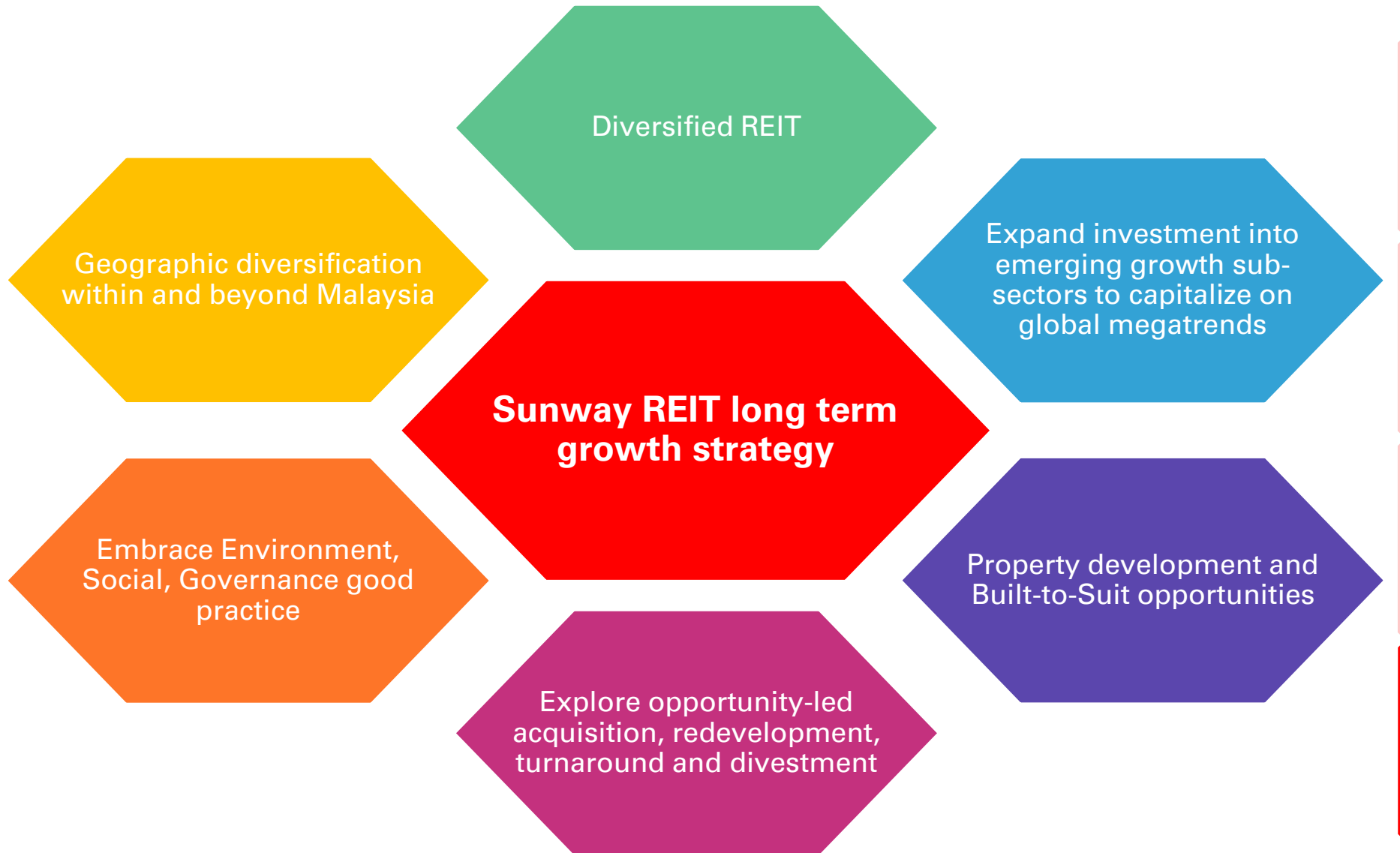
- Despite the transition into digital learning, **on-campus resources and facilities** such as libraries and laboratories are still **paramount to the education experience.**
- **Education segment** will continue to play a **key role in the nation's growth** moving forward.
- **Branding and quality** of the education provider is essential to its ensure business sustenance.



Healthcare

- Malaysia is ranked among the **top international medical tourism destination** and has attracted around 1.3 million medical tourists in 2019.
- **Malaysia's medical tourism is expected to be in the growth trajectory** and assets in these categories will be able to benefit from the lifting of the international borders.

Key Growth Strategies



Effective Capital Management Strategy

Lowest average cost of debt amongst M-REITs¹

Substantial **interest savings** arising from lower average cost of debt

Optimised gearing level and **balanced** fixed-to-floating ratio

Managing refinancing risk through **diversification of sources** of debt funding

Average Cost of Debt

2.96%¹

Average Debt Maturity

2.9 years¹

Gearing Ratio

37.4%¹

RAM Rating of

P1(s)*

*Highest short-term Corporate Credit Rating assigned by RAM Ratings

Driver Of Long-term Value Creation

Active Capital Management To Achieve Stable Return



Clear Assessments Of Capital Risks And Opportunities



Managing A Crisis With Robust Debt Maturity Profile



Resiliency Of The Business Model through Effective Capital Management Strategy

¹ As at 31 December 2020

Diverse Financing Options

Ease of access to capital and debt market for flexibility to pursue new yield accretive acquisitions and asset enhancement initiatives.

Diverse financing programme

	Commercial Paper (CP) Programme	Unrated Medium Term Notes (MTNs) Programme	Perpetual Note Programme
Year established/revised	2019 / N/A	2013 / 2017	2019 / N/A
Programme size (RM billion)	3.0	10.0	10.0
Amount utilised (RM billion)	0.1	1.4	0.3
Programme tenure (years)/expiry	7/2026	35/2048	N/A
Rating	P1(s)	Unrated	Unrated

Equity financing

- **Sufficient liquidity and access to equity** capital financing in the market
- Raised **RM710 million via private placement** in October 2020 during COVID-19 pandemic to acquire The Pinnacle Sunway and to fund expansion of Sunway Carnival Mall
 - ✓ Recognised as **Best Share Placement** exercise in 2020 by **The Edge Malaysia**

Healthy Balance Sheet with ample acquisition strength

- Cash and Bank Balances of **RM445 million***
- **Debt headroom of ~RM800 million**

*As at 31 December 2020

Growing Assets and Improving Unitholders' Return

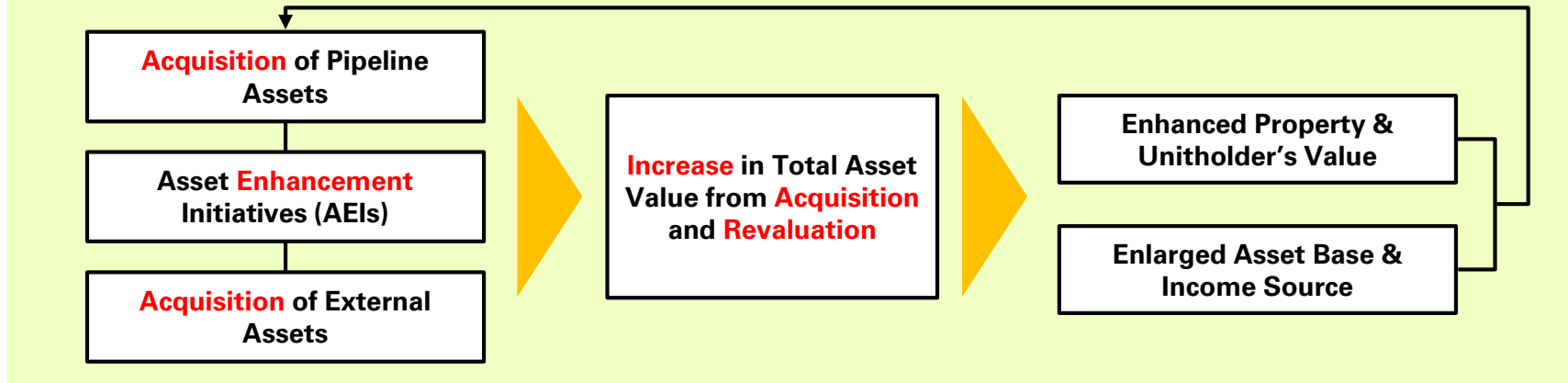
TRANSCEND 2025 is a strategy charted out to form actionable roadmap to capitalise on the growth trajectory of Sunway REIT, leveraging its strategic pillars through a diversified asset portfolio and to achieve a property value of between RM13 billion to RM15 billion by 2025.

Targeted Property Value: RM13 - 15 billion by 2025









Capital Growth through Acquisition and AEs

Capital Growth



Forefront In Performance Benchmarking

Comprehensively represented in 15 established indices drawing and expanding large investor base globally. Sunway REIT always benchmarks against international corporations for improvements as one of the leading REITs in Malaysia.

		 FTSE4Good
<ul style="list-style-type: none"> • FTSE Bursa Malaysia Mid 70 Index • FTSE Bursa Malaysia Top 100 Index • FTSE Bursa Malaysia Emas Index • Bursa Malaysia REIT Index 	<ul style="list-style-type: none"> • FTSE ASEAN All-Share Index • FTSE ASEAN All-Share ex Developed Index • FTSE ASEAN Malaysia Index 	<ul style="list-style-type: none"> • FTSE4Good Bursa Malaysia Index
		
<ul style="list-style-type: none"> • GPR APREA Composite REIT Index – Malaysia 	FTSE EPRA NAREIT <ul style="list-style-type: none"> • Global REIT Index • Global Index • Asia ex Japan • Asia Pacific Index • Emerging REIT Index 	<ul style="list-style-type: none"> • MSCI Malaysia Small Cap Index

Profit With A Purpose

Advocate of ESG initiatives

Environmental

- GHG emissions: Avoided **12,671 CO₂e** equivalent to **190,000 trees**
- **21,645 MWh** from energy saving initiatives
- Consumed **1,540m³** of recycled water sourced from rainwater harvesting and lake water
- **Diverted 417 tonnes** of waste from the landfill
- Collected more than **1,700kg** of used soaps; donated **3,100 bars** of soap to the needy through **#SunwaySoapful**

Social

#SunwayForGood truck:

- Collected gifts and contributions around Klang Valley to fulfil more than **1,500 wishes** of children from **26 welfare homes**
- Contributed about **10,000 packets** of *bubur lambuk* to front liners, police, fire fighters and B40 communities in conjunction with Hari Raya celebration

Governance

- The Board is led by an **Independent Non-Executive Chairman**
- **Independent Directors** made up **57%** of the Board composition
- Board composition with **43% female**
- Launched the **Anti-Bribery and Corruption Policy**

Sunway REIT joins global push for climate-related financial disclosures

- A push to support the recommendations of the **Task Force on Climate-Related Financial Disclosures (TCFD)**.
- Sunway REIT is amongst the **first few Malaysia companies** to join the 1,700-strong organisations to support **TCFD's recommendations**.
- **Commitment to advocate** the 17 United Nations Sustainable Development Goals.



Commitment To Fight Climate Change

Environmental

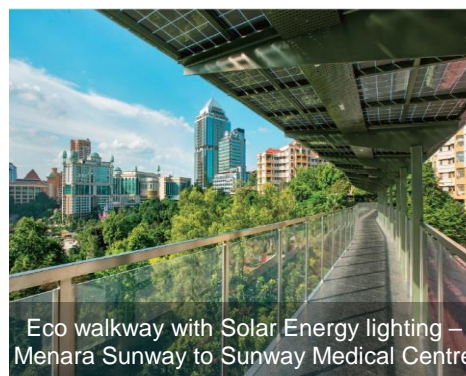
- Sunway REIT has been an **advocate of the United Nation's Sustainable Development Goals (UNSDG)**, driving sustainable initiatives such as:
 - Energy saving, waste reduction and recycling projects
 - Solar energy projects & rainwater harvesting
 - Food waste composting
- Sunway REIT ensures its assets **strive for green certification standards** through **sustainable refurbishment** practices.
- Since 2016, Sunway REIT has been rolling out robust energy reduction initiatives.
 - Chillers retrofitting and efficient air conditioning system
 - Energy efficient appliances
 - LED lighting replacement
 - Building Energy Management System (BEMS)
- **Sunway Carnival Mall** targets to achieve the **GreenRE Gold** and **Green Mark Gold Plus** certifications in FP2021 due to an expansion of the mall.



Food waste composting - Sunway Pyramid Mall and Sunway Resort Hotel



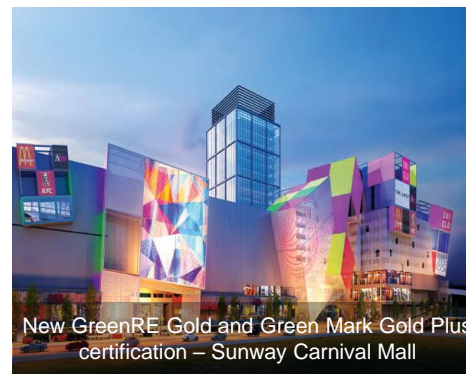
Water Treatment Plant - Sunway City Kuala Lumpur



Eco walkway with Solar Energy lighting – Menara Sunway to Sunway Medical Centre



Solar Energy Panels – Sunway Pyramid Mall



New GreenRE Gold and Green Mark Gold Plus certification – Sunway Carnival Mall



Urban Farming & Organic Gardens

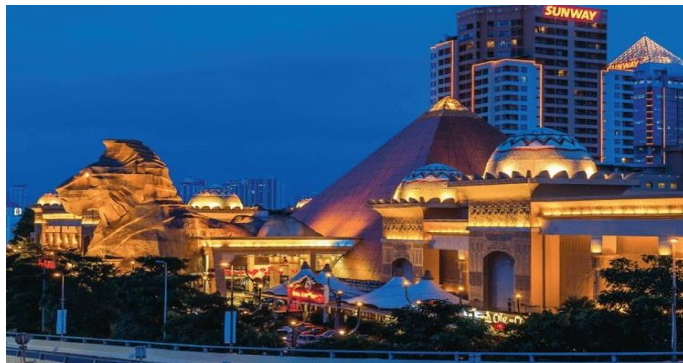
For more information on Sunway REIT's ESG initiatives, please refer to page 116-144 of our Integrated Report

COVID-related Proactive Measures

Social

Rental Support Programme

- One of the first retail mall owner in Malaysia to proactively established a rental support programme to **ease the tenants' hardships**.
- **Rebuilding businesses together** by providing **marketing support** to our tenants for their business continuity and eventual recovery.



COVID-19 vaccination centre

- **Sunway Pyramid Convention Centre** designated as the appointed Vaccination Centre for Petaling district
- **Forefront** as part of the **National COVID-19 Immunisation Programme**.



For more information on Sunway REIT's ESG initiatives, please refer to page 116-144 of our Integrated Report

Robust Governance Framework

Governance

100% of Audit Committee Members comprise of **Independent Non-Executive Directors**

Majority of the Board Members comprise of **Independent Non-Executive Directors**

Chairman of the Board is an **Independent Non-Executive Director**

43% of Board Composition are **Female Directors**

For more information on Sunway REIT's ESG initiatives, please refer to page 116-144 of our Integrated Report

Awards and Recognition



National Annual
Corporate Report
Awards (NACRA) 2019



The Asset Corporate Award
2019
Gold Award for ESG



The Asset ESG Corporate
Award 2019
Highly Commended Initiative
Environmental Responsibility

The Asset Corporate Award
2019
Best Investor
Relations Team Award



FIABCI
Malaysia Property
Award 2017 -
Sunway Putra
Mall



The Edge Malaysia
Property
Development
Excellence Award
2017 - Sunway
Pyramid Shopping
Mall

THANK YOU

For further information on this presentation kit, please kindly contact:

Sunway REIT Management Sdn Bhd
(Manager of Sunway REIT)
Email: irsunreit@sunway.com.my
Contact: (603) 5639 8889
Website: <http://www.sunwayreit.com>