

SUNWAY[®]
REIT



**Investment Talk with Sunway REIT
by Rakuten Trade**

5 October 2021



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The Success of Sunway REIT since IPO in 2010

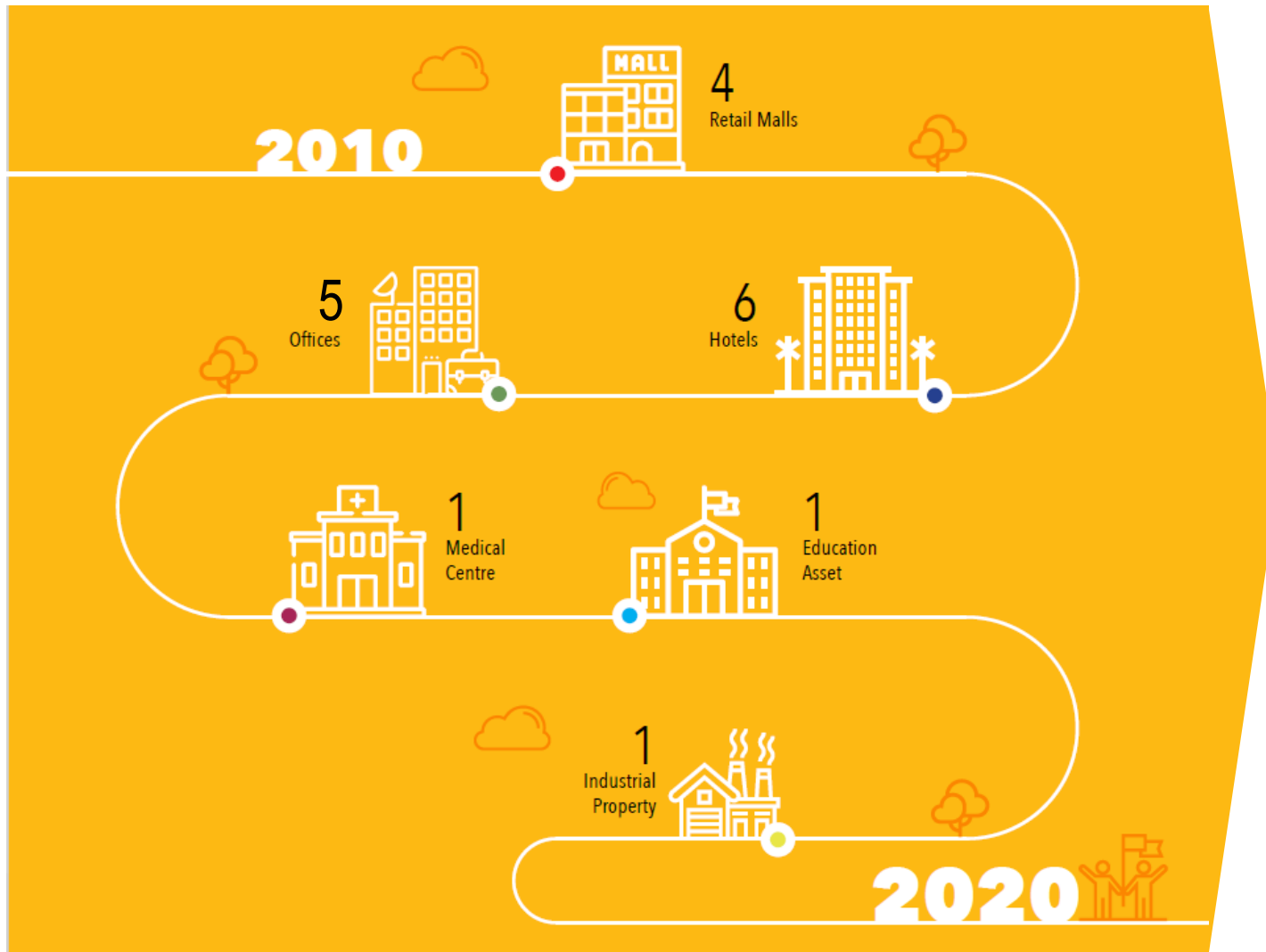
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Performance Snapshot (FY2020)



PROPERTY VALUE ¹

RM8.49
billion



GROSS REVENUE

RM557 million



NET PROPERTY INCOME

RM417 million



NO. OF ASSETS ¹

18



DPU

7.33 sen



MARKET CAPITALISATION ²

RM4.9 billion



GROSS FLOOR AREA

15.7 million sq.ft.



DISTRIBUTION YIELD

4.5%

1. Includes the acquisition of The Pinnacle Sunway in November 2020

2. Bloomberg as at 30 June 2021

One Of The Largest Diversified Real Estate Investment Trusts (REITs) In Malaysia

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More than 75% of Sunway REIT'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

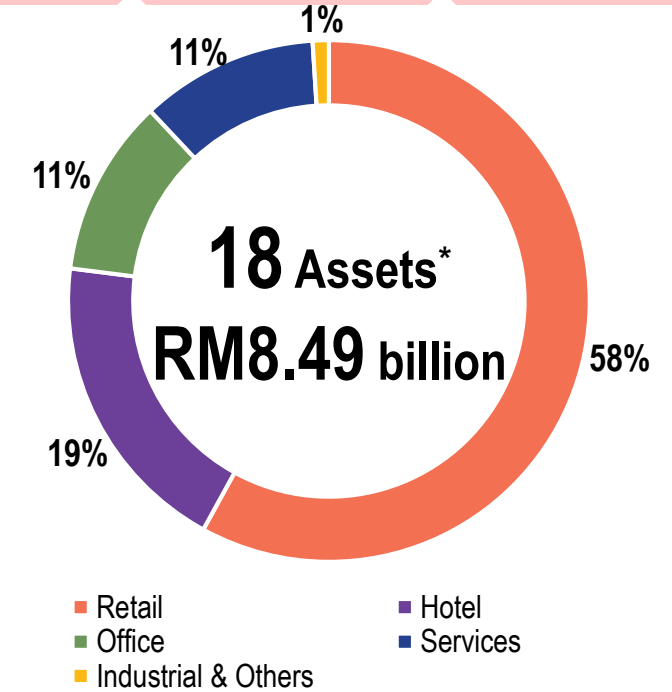
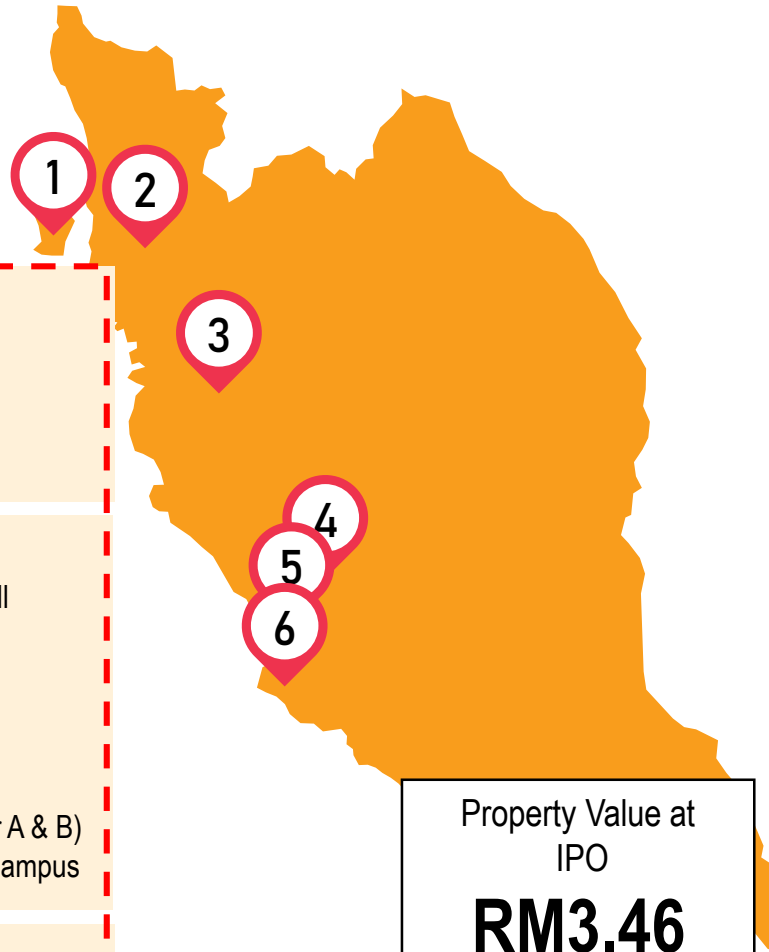
- Sunway Putra Mall
- Sunway Putra Hotel
- Sunway Putra Tower
- Sunway Tower

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



Property Value at IPO
RM3.46 billion

Total Acquisition since IPO
RM2.44 billion

Net Fair Value Gain, AEs & Development
RM2.59 Billion

*Includes the acquisition of The Pinnacle Sunway in November 2020

Portfolio Property Information (FY2020)

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Sunway Pyramid Shopping Mall



Sunway Putra Mall



Sunway Carnival Mall



SunCity Ipoh Hypermarket



Menara Sunway



The Pinnacle Sunway



Sunway Putra Tower



Sunway Tower



Wisma Sunway

Asset Type	Retail	Retail	Retail	Retail	Office	Office	Office	Office	Office
Location	Selangor	Kuala Lumpur	Penang	Perak	Selangor	Selangor	Kuala Lumpur	Kuala Lumpur	Selangor
Land Area	820,070 sq.ft.	193,621 ² sq.ft.	348,428 sq.ft.	354,994 sq.ft.	193,395 sq.ft.	78,415 sq.ft.	193,621 ² sq.ft.	25,898 sq.ft.	Strata Title
Gross Floor Area¹	4,328,265 sq.ft.	1,822,804 sq.ft.	983,100 sq.ft.	193,408 sq.ft.	666,142 sq.ft.	700,802 sq.ft.	1,028,430 sq.ft.	456,604 sq.ft.	299,570 sq.ft.
Net Lettable Area²	1,774,359 sq.ft.	553,827 sq.ft.	488,395 sq.ft.	183,327 sq.ft.	291,807 sq.ft.	576,864 sq.ft.	317,051 sq.ft.	268,306 sq.ft.	171,544 sq.ft.
Valuation	RM3,830 million	RM545 million	RM393 million	RM53 million	RM172 million	RM450 million	RM133 million	RM120 million	RM60 million
Net Property Income	RM204.9 million	RM18.0 million	RM22.3 million	RM3.4 million	RM12.4 million	RM27.6 ³ million	RM7.9 million	RM0.3 million	RM3.5 million
Property Yield	5.3%	3.3%	5.7%	6.5%	7.2%	6.1%	5.9%	0.2%	5.9%

1. Includes carpark
2. Includes convention centre
3. Annualised

4. For the entire complex comprising Sunway Putra Mall, Sunway Putra Hotel and Sunway Putra Tower

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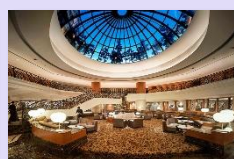
Sunway Resort Hotel



Sunway Pyramid Hotel



Sunway Clio Property



Sunway Putra Hotel



Sunway Hotel Seberang Jaya



Sunway Hotel Georgetown



Sunway university & college campus



Sunway Medical Centre (Tower A & B)



Sunway REIT Industrial

Asset Type	Hotel	Hotel	Hotel	Hotel	Hotel	Hotel	Services & Others	Services & Others	Industrial
Location	Selangor	Selangor	Selangor	Kuala Lumpur	Penang	Penang	Selangor	Selangor	Selangor
Land Area	376,274 sq.ft.	Strata Title	77,403 sq.ft.	193,621 ² sq.ft.	46,220 sq.ft.	33,592 sq.ft.	733,237 sq.ft.	195,838 sq.ft.	673,684 sq.ft.
Gross Floor Area ¹	1,130,177 sq.ft.	356,888 sq.ft.	798,762 sq.ft.	833,844 sq.ft.	175,000 sq.ft.	193,115 sq.ft.	1,880,145 sq.ft.	780,578 sq.ft.	386,856 sq.ft.
Net Lettable Area / Rooms	439 rooms & 3 villas	564 rooms	401 rooms	650 rooms	202 rooms	250 rooms	N / A	372 beds	N / A
Valuation	RM500 million	RM342 million	RM307 million	RM334 million	RM60 million	RM80 million	RM560 million	RM348 million	RM96 million
Net Property Income	RM17.5 million	RM12.5 million	RM18.8 million	RM8.4 million	RM2.6 million	RM2.5 million	RM34.7 million	RM24.3 million	RM6.2 million
Property Yield	3.5%	3.7%	6.1%	2.5%	4.3%	3.1%	6.2%	7.0%	6.4%

1. Includes carpark

2. For the entire complex comprising Sunway Putra Mall, Sunway Putra Hotel and Sunway Putra Tower

We Adhere To The Highest Standard Of Governance

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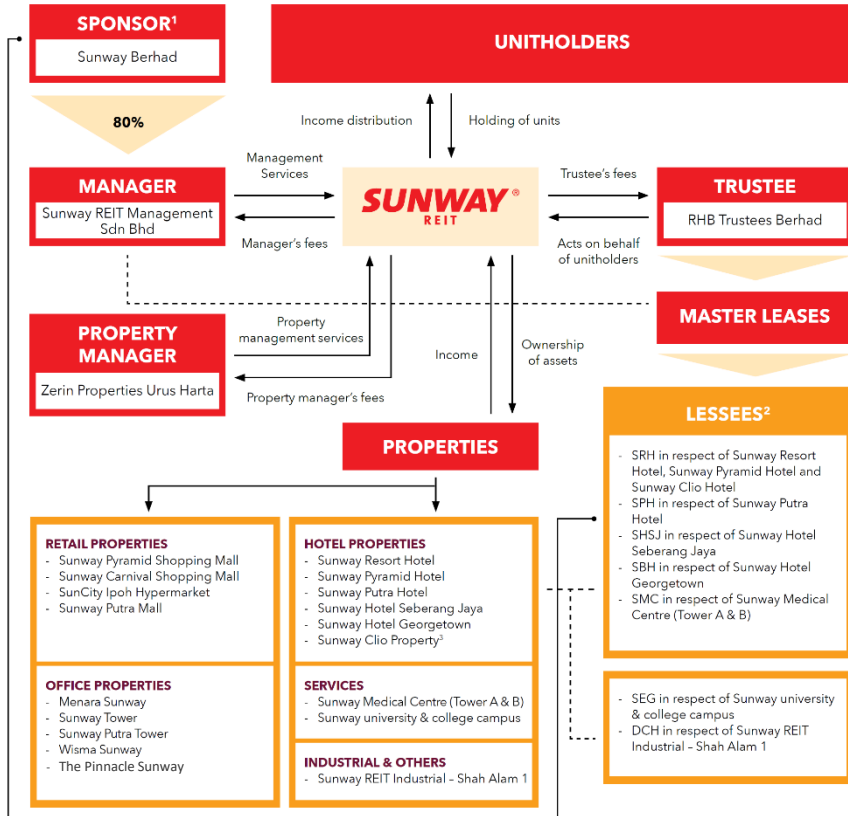
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TRUST STRUCTURE

GRI 102-5

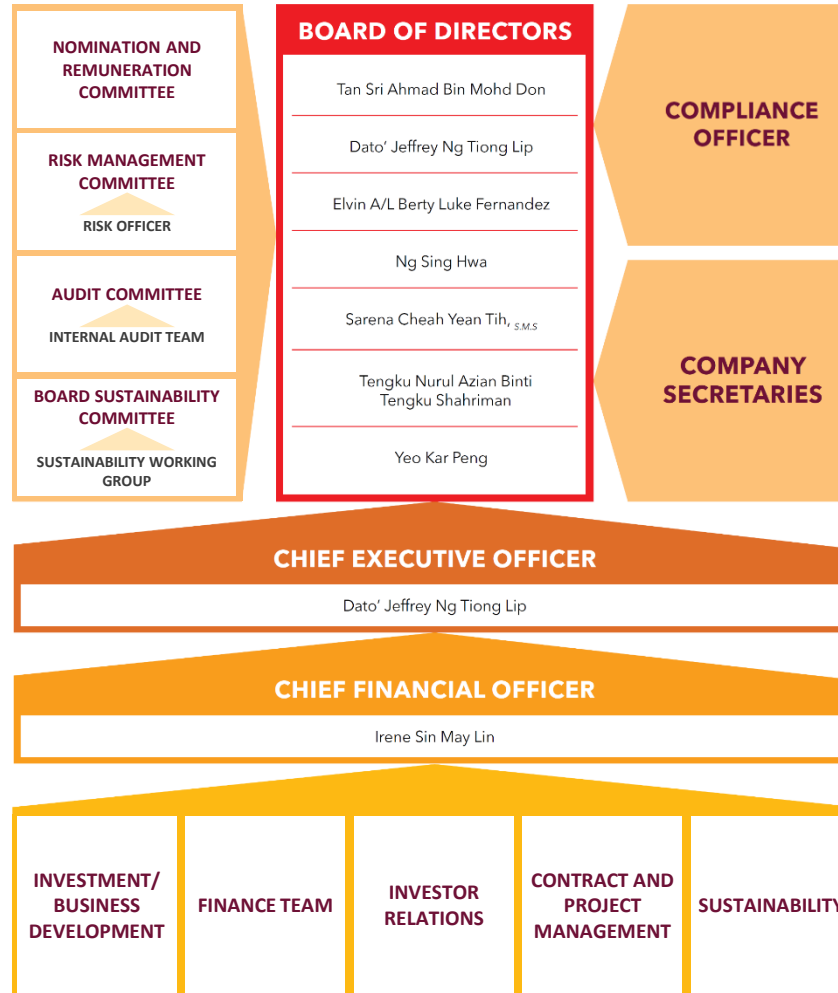


→ Equity interest
 → Payments and services pursuant to contractual relationships under the Deed, the Master Leases and the Property Management Agreement
 - - - Contractual relationship under the Master Leases

¹ Sunway Berhad has 40.9% investment in Sunway REIT as at 30 June 2020
² Sunway Resort Hotel Sdn Bhd (SRH) is the lessee for Sunway Resort Hotel, Sunway Pyramid Hotel and Sunway Clio Hotel
 Sunway Putra Hotel Sdn Bhd (SPH) is the lessee for Sunway Putra Hotel
 Sunway Hotel (Seberang Jaya) Sdn Bhd (SHSJ) is the lessee for Sunway Hotel Seberang Jaya
 Sunway Hotel Sdn Bhd (SBH) is the lessee for Sunway Hotel Georgetown
 Sunway Medical Centre Sdn Bhd (SMC) is the lessee for Sunway Medical Centre (Tower A & B)
 Sunway Education Group Sdn Bhd (SEG) is the lessee for Sunway university & college campus
 DCH Contract Manufacturing Sdn Bhd is the lessee for Sunway REIT Industrial - Shah Alam 1
 The hotel lessees are wholly owned subsidiaries of Sunway Berhad whilst SMC is a 99.2% owned subsidiary
³ Sunway Clio Property comprises a hotel and a retail component

ORGANISATION STRUCTURE

GRI 102-18, 102-19



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 composition of the Board
- Board composition with **43% female**
- Launched the **Anti-Bribery and Corruption Policy**

Strong Commitment To Corporate Governance and Sustainability







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Indices	
	<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
	<ul style="list-style-type: none"> • FTSE EPRA NAREIT Global REIT Index • FTSE EPRA NAREIT Global Index • FTSE EPRA NAREIT Asia ex Japan • FTSE EPRA NAREIT Asia Pacific Index • FTSE EPRA NAREIT Emerging REIT Index
	<ul style="list-style-type: none"> • MSCI Malaysia Small Cap Index

Awards (2020 - 2021)	
	<ul style="list-style-type: none"> • Gold Winner – NACRA Excellence Awards (Companies With RM2b To RM10b In Mkt Cap)
	<ul style="list-style-type: none"> • ASEAN CG Industry Excellence Awards (2020) Real Estate Investment Trust
	<ul style="list-style-type: none"> • Gold Winner (2021)
	<ul style="list-style-type: none"> • Gold Winner (2021) – Annual Report (PDF) Real Estate Investment Trust
	<ul style="list-style-type: none"> • Best IR Professional (2020) - Mid Cap
	<ul style="list-style-type: none"> • Bronze Winner (2021) Asia's Best Integrated Report (Design)

Our Core Values Are Our Strong Foundation

1. Our Vision

To be the leading **diversified** REIT in Malaysia committed to enhancing stakeholder value – Sustainable Growth, Environmental Stewardship and Community Engagement.

2. Our Mission

To deliver sustainable income distribution over the long-term through responsible business strategies supported by **adaptive innovation solutions, management and sustainability practices.**

3. Our Purpose

- ✓ **Empowering Businesses**
- ✓ **Curating Experiences**
- ✓ **Enriching Lives**

INTEGRITY

We believe in doing the right thing at all times:

- We conduct ourselves in an honest and trustworthy manner
- We act professionally, ethically and honourably
- We ensure our actions are consistent with our words

HUMILITY

We believe in being humble, polite and respectful:

- We never stop learning
- We care for and respect the people and the environment
- We seek first to understand, then to be understood

EXCELLENCE

We take pride in all that we do:

- We strive to deliver high quality products and services
- We continuously innovate and improve for greater progress
- We seek to inspire others to excel

Key Growth Strategies

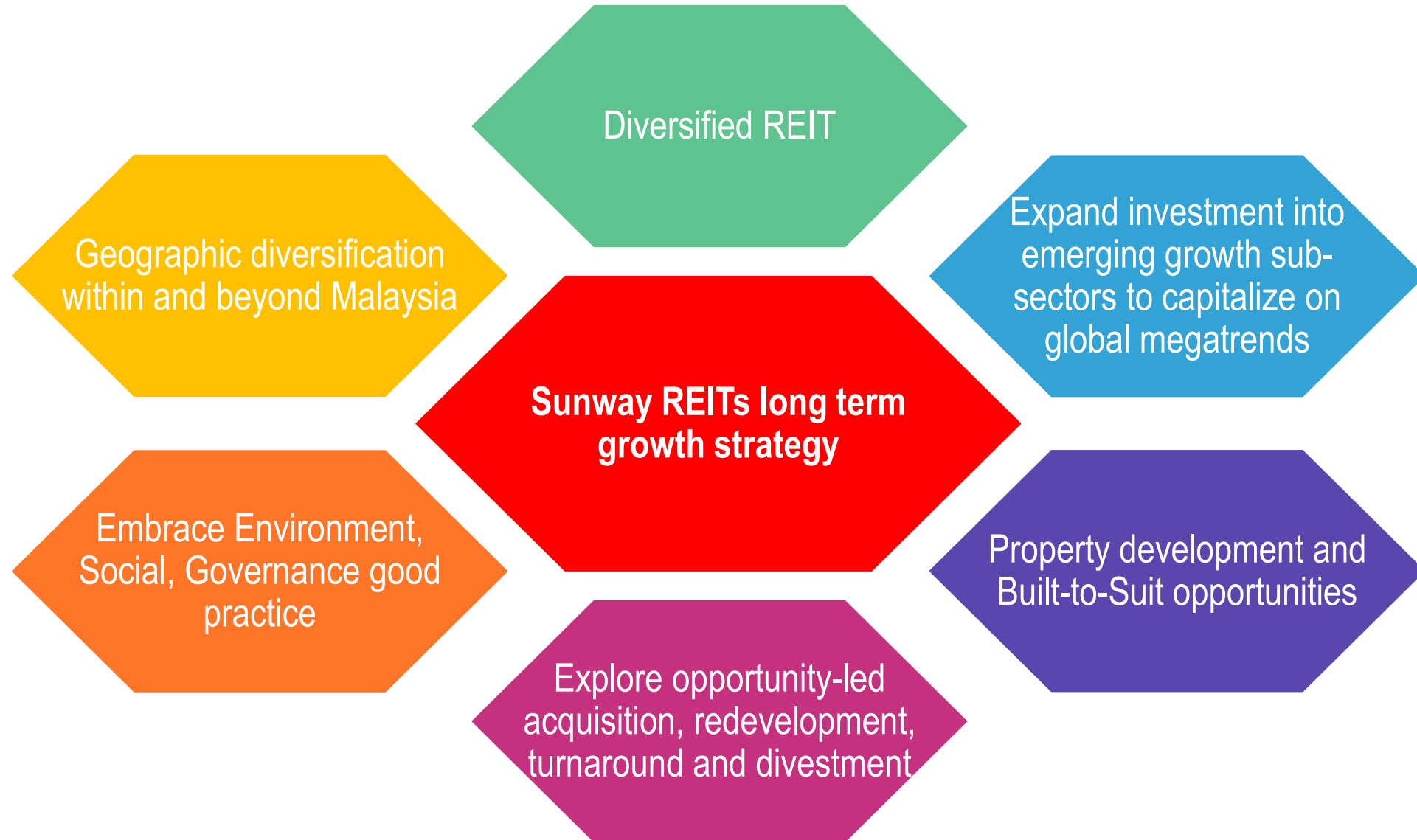
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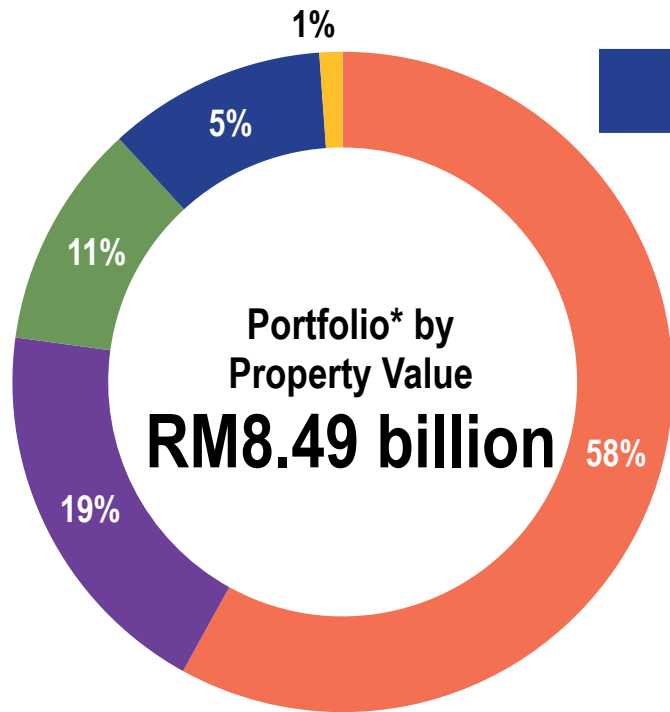
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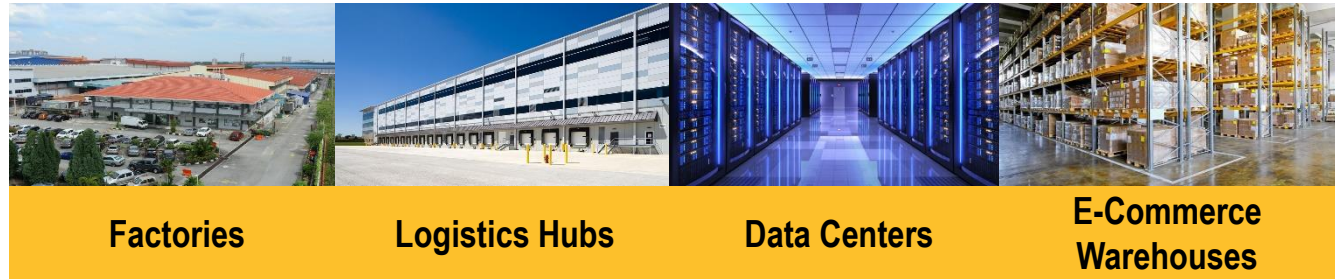


Transcend 2025 Targets

TRANSCEND 2025 is a 5-year strategic plan charted out to form actionable roadmap to capitalise on the diversity of Sunway REIT, leveraging its strategic pillars to achieve diversified portfolio value worth **RM13 - RM15 billion by FY2025**.



Target Portfolio by Property Value in FY2025
RM13 - 15 billion
Expand Services and Industrial & Others segments to
15% - 25% of TAV

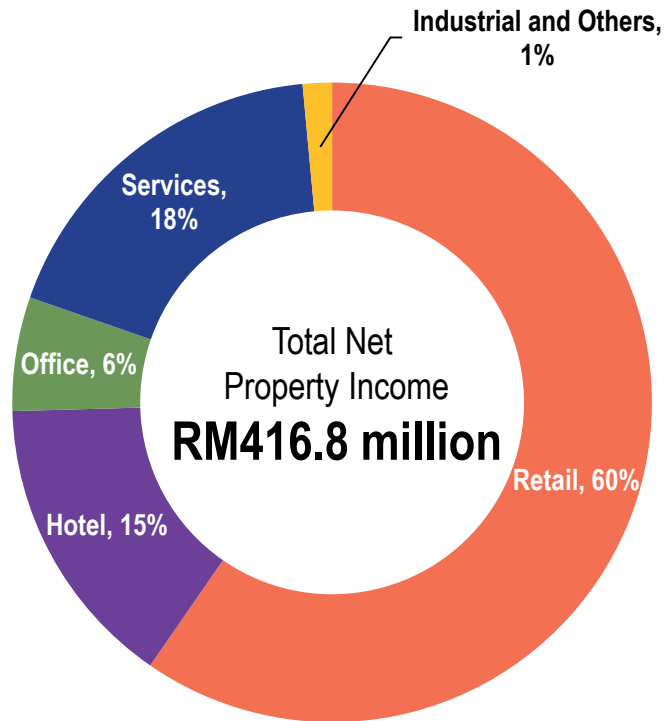


■ Retail
 ■ Hotel
 ■ Office
 ■ Services
 ■ Industrial & Others

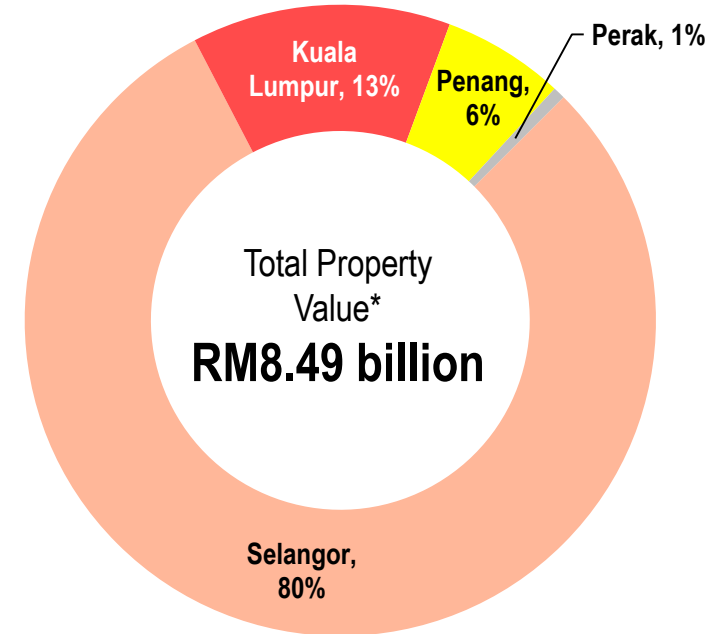
*Includes the acquisition of The Pinnacle Sunway in November 2020

Portfolio At A Glance (FY2020)

Income Contribution by Segment



Geographical Diversification



*Includes the acquisition of The Pinnacle Sunway in November 2020

A Decade of Growth since IPO

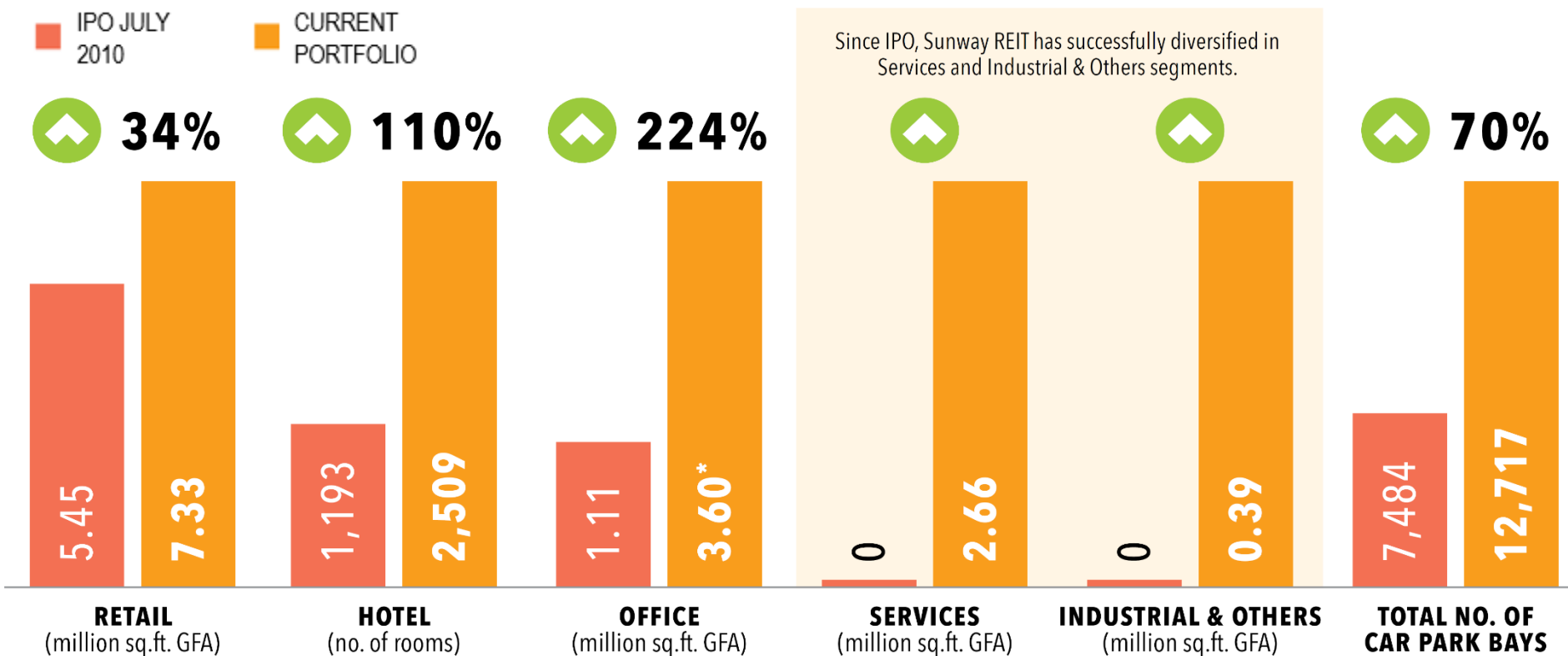
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Property Value expanded by more than 100% since IPO in 2010 to FY2020², increasing number of properties from 8 to 18

Total Acquisition ²	Total AEIs ¹	Total Fair Value Gain
RM 2.4 billion	RM1.1 billion	RM1.5 billion

1. Completed and ongoing including committed

2. Based on property value as at FY2020 which includes the acquisition of The Pinnacle Sunway in November 2020

Portfolio Value Creation since IPO – Acquisitions and Future Pipeline

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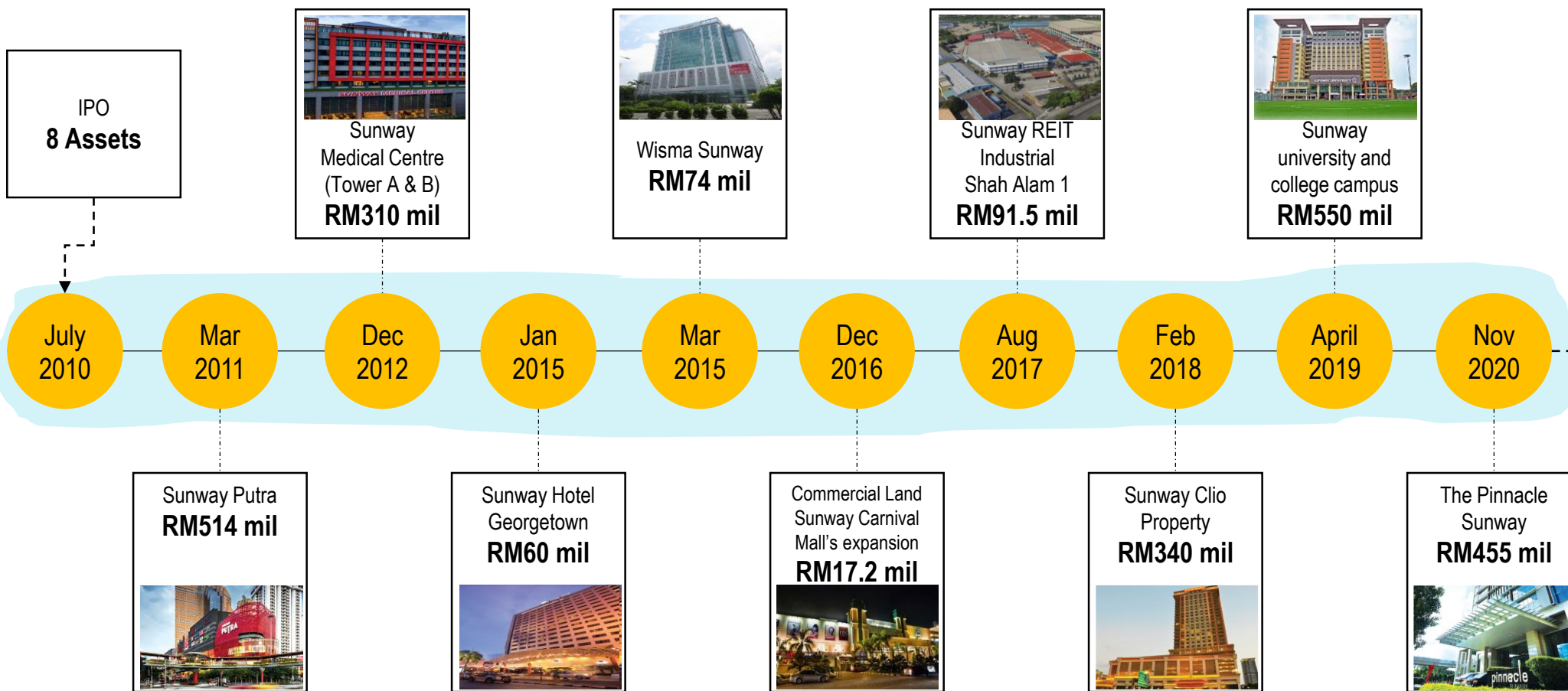
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Total Acquisition of **RM2.4 billion** since IPO
Average acquisition of more than **RM200 million per annum**



Portfolio Value Creation since IPO - Financials

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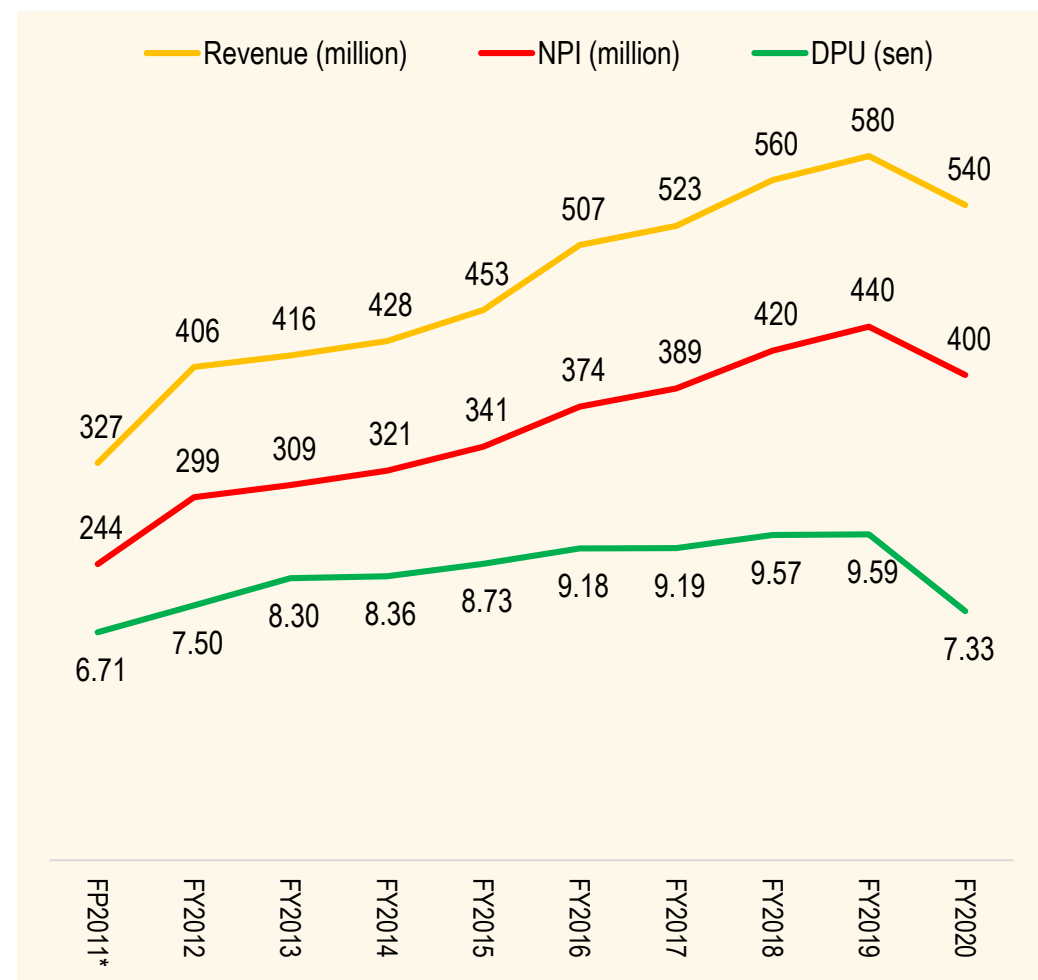
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RM million	FP2011 ¹	FY2020	CAGR FP2011 - FY2020 (%)
Gross Revenue	327	540	5.7
• Retail	238	365	4.9
• Hotel	56	68	2.2
• Office	34	42	2.4
• Services	-	59	N/A
• Industrial and Others	-	6	N/A
Net Property Income	244	416	6.1
• Retail	165	248	4.6
• Hotel	53	62	1.8
• Office	26	24	-0.9
• Services	-	76	N/A
• Industrial and Others	-	6	N/A
Distribution per unit (sen)	6.58	7.33	1.2
NAV per unit (after income distribution) (sen)	1.0151	1.4804	4.3
Gearing ratio (%)	35.3	37.9	

Historical Performance



*Sunway REIT was established on 20 May 2010 and the acquisition of the initial eight properties was completed on listing date, 8 July 2010. The financial results reported refers to the period from 20 May 2010 to 30 June 2011 (FP 2011)

Debt Profile (4QFP2021)

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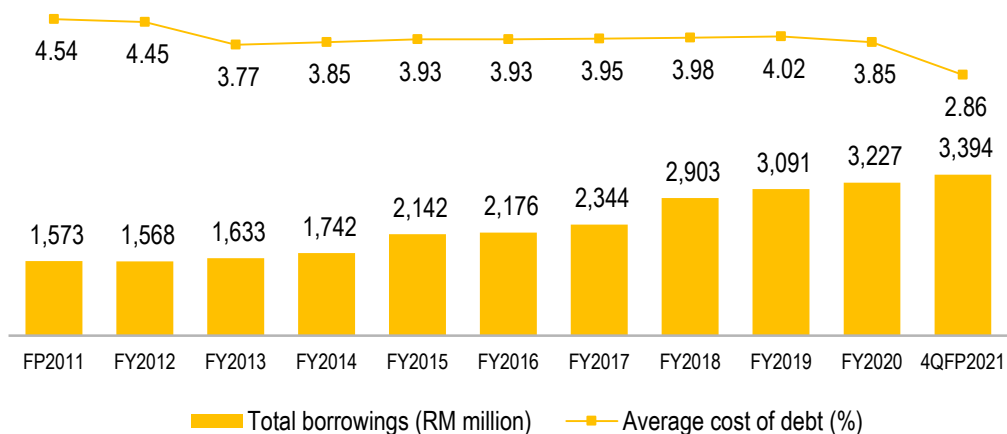
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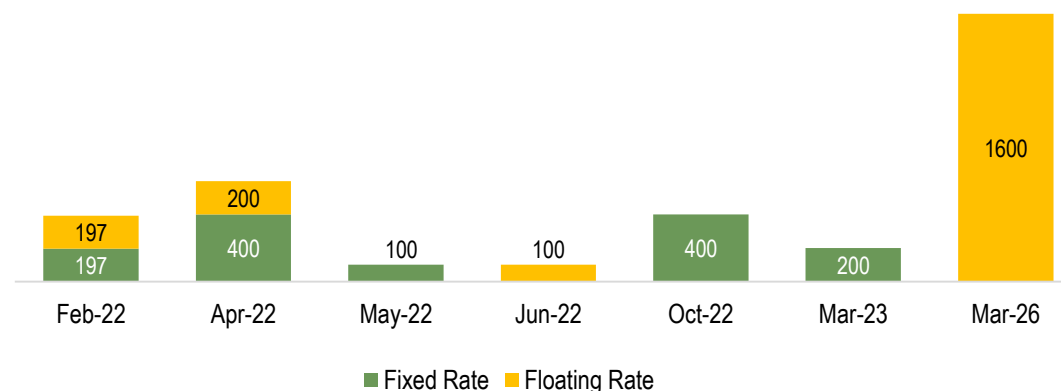
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	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	4QFP2021
Total borrowings (RM million)	1,573	1,568	1,633	1,742	2,142	2,176	2,344	2,903	3,091	3,445	3,394
Average cost of debt (%)	4.54	4.45	3.77	3.85	3.93	3.93	3.95	3.98	4.02	3.66	2.86
Fixed : Floating debt	33 : 67	20 : 80	81 : 19	76 : 24	88 : 12	94 : 6	89 : 11	40 : 60	45 : 55	43 : 57	38 : 62
Average maturity period (years)	3.0	1.0	3.1	2.2	1.7	1.0	0.4	0.6	0.4	0.4	2.8
Interest service coverage ratio (x)	3.7	3.8	5.0	5.0	3.7	4.9	4.1	3.7	3.4	3.1	2.7
Gearing ratio (%)	35.3	33.5	31.0	31.1	33.3	33.3	34.3	38.6	37.9	40.7	36.9

Total Borrowings and Avg Cost of Debt



Debt Maturity Profile (RM million)



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One of the leading REITs in Malaysia with attractive and diversified portfolio

Quality assets in strategic location with robust growth, mainly in townships master planned and developed by sponsor



Strong and experienced REIT management and asset management teams

Proactive capital management



Reputable sponsor with large visible pipeline assets and able to leverage on Sunway Berhad's expertise

Strong Environmental, Social, and Governance oriented REIT



High standard of corporate governance structure

Thank You

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

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Salient Features of the Fund

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Name of Fund	Sunway REIT
Type of Fund	Income and Growth
Category of Fund	Real Estate Investment Trust
Investment Objective	To provide the unitholders with an exposure to a diversified portfolio of authorised investments that will provide stable cash distributions with the potential for sustainable growth of the net asset value per unit
Investment Policy	At least 75% of the Fund's total asset value must be invested in real estate and/or single purpose companies at all times, and not more than 25% of the total asset value is invested in non-real estate, cash, deposit and/or money market instruments
Key Acquisition Criteria	<ul style="list-style-type: none"> • Retail and mixed-use asset • High growth cities and township in Malaysia • Compatibility and synergistic to asset portfolio
Distribution Policy	<ul style="list-style-type: none"> • 100% distributable income since FP2011 to FY2019 and at least 90% for each subsequent financial year • Semi-annual distribution
Revaluation Policy	Annually by independent registered valuer
Gearing Policy	Not exceeding 50% of the Fund's total asset value
Manager's Fees	<p>Base Fee: 0.3% per annum of total asset value</p> <ul style="list-style-type: none"> • Performance Fee: 3% per annum of net property income, but before deduction of fees payable to the Property Manager pursuant to the Property Management Agreement • Acquisition Fee: 1% of acquisition price • Divestment Fee: 0.5% of sale price
Trustee's Fee	Up to 0.015% per annum of the Fund's net asset value subject to a maximum limit of RM700,000 per annum
Listing	Main Market of Bursa Malaysia Securities Berhad
Date of Listing	8 July 2010

Sunway REIT Unitholders Information (4Q FP2021)

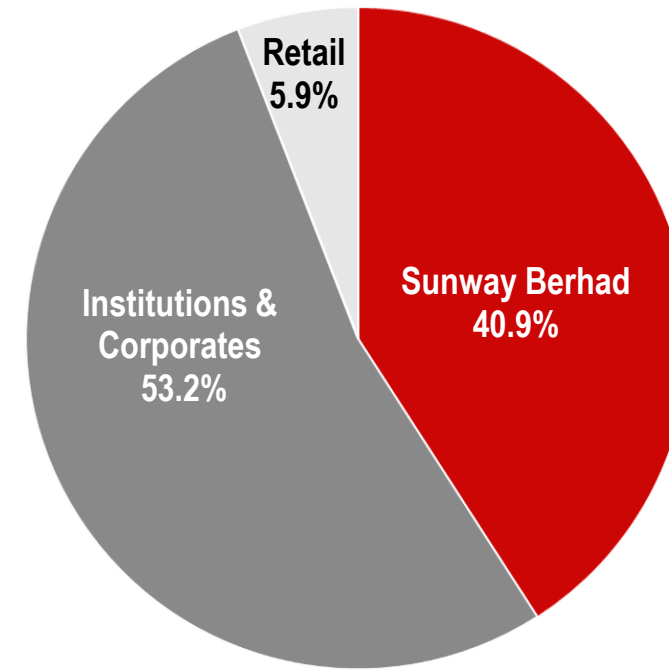
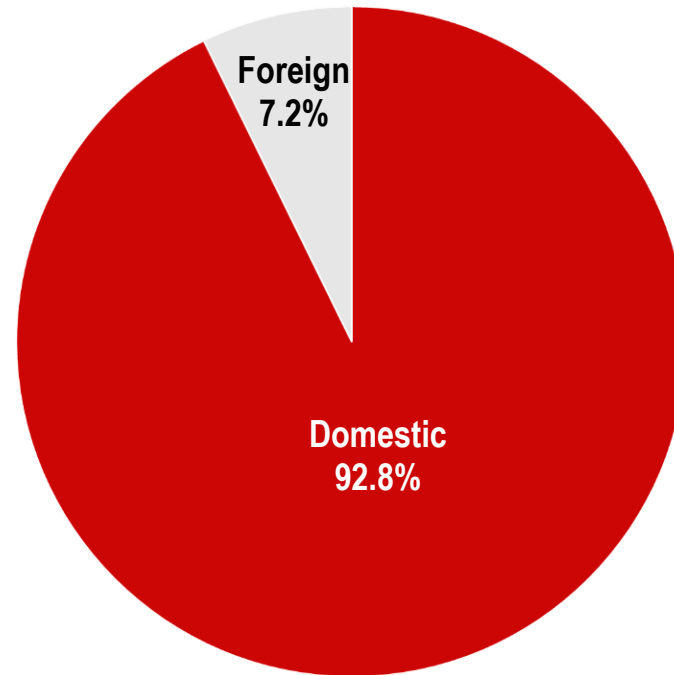
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	June 2021	March 2021	Q-o-Q Change
No of unitholders	27,392	26,074	+1,318 (4.1%)
Retail unitholders	5.9%	5.7%	0.2%
Foreign unitholders	7.2%	7.2%	+0.1%
Sunway Berhad	40.9%	40.9%	Unchanged

Strict SOP for Related Party Transaction

In relation to related party transaction (“RPT”), the Manager adopts highly stringent approach as part of our high standard of corporate governance. All related party transactions are subject to review by the Audit Committee prior to recommendation to the Board. If a member of the Audit Committee has an interest in a transaction, he is to abstain from participating in the review and recommendation process in relation to that transaction.

For property acquisition, the following standard operating procedures for RPT are adhered to:

- Independent valuation by a qualified valuer and valuation report will be lodged with SC;
- Non-independent directors cannot vote for the acquisition;
- Acquisition is subject to Audit Committee’s and Trustee’s approval;
- Trustee can appoint another independent valuer if they are not satisfied with the valuation report submitted;
- SC can appoint another independent valuer if they are not satisfied with the valuation report submitted;
- Unitholders’ approval required for acquisition amounting more than 5% of total asset value;
- An investment must also meet the criteria that have been endorsed by the Board; and
- Announcement is made to Bursa Malaysia

For non-property acquisition related party transaction (such as construction contract, IT services, renovation and interior design services), the following standard operating procedures for RPT are adhered to:

- Tendering of contract
- Conduct cost comparison
- Subject to Audit Committee’s and Trustee’s approval with announcement is made to Bursa Malaysia whereby:
 - ✓ Individual transaction exceed 0.25% of relevant thresholds
 - ✓ Cumulatively exceed 5% of total asset value – subject to unitholders’ approval as well
- For project delivery partner (“PDP”), all sub packages are on tender basis. PDP fee will be based on quote comparison.

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