

# REIMAGINE GROWTH





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## INTEGRATED ANNUAL REPORT 2024

### REIMAGINE GROWTH

The theme of Reimagine Growth is consistent with Sunway REIT's dynamic and forward looking value creation strategies, which are designed to deliver continued progress amidst a dynamic and fast-evolving external operating environment. Reimagine Growth reflects not just commitment and ambition, but also the continuous innovative spirit, agility, relentless focus and resilient risk mitigation, and embracing of opportunities. Sunway REIT stands tall on its inherent business strengths and continues to look forward to the future.

## SUSTAINABILITY REPORT 2024

### REIMAGINE IMPACT

The theme of Reimagine Impact underscores Sunway REIT's vision for sustainability, where growth and progress go hand in hand with environmental stewardship. It represents a proactive approach to reducing its ecological footprint that prioritises resource efficiency, climate resilience and innovative solutions to deliver long-term value to its stakeholders. By reimagining its impact, Sunway REIT remains committed to creating a more sustainable and climate-conscious future.



#### CONTACT

The Manager welcomes input from stakeholders towards strengthening its reporting in subsequent reports. All feedback, comments and questions can be sent to [irsunreit@sunway.com.my](mailto:irsunreit@sunway.com.my).




The report is available online at  
[www.sunwayreit.com/investor-relations](http://www.sunwayreit.com/investor-relations)


Please email [irsunreit@sunway.com.my](mailto:irsunreit@sunway.com.my) to request a printed copy of the Integrated Annual Report 2024 and Sustainability Report 2024. For environmental preservation, the use of softcopy is encouraged.

## Navigation icons

The inclusion of navigation icons in IAR 2024 serves to enhance readers' experience by providing a more intuitive approach to explore Sunway REIT's integrated reporting narrative. These icons are designed to highlight key areas of the business, illustrating the interconnectedness and interrelationship of various segments, capitals, strategies and stakeholders across the business.

### Cross References

 Connect to more information in **Integrated Annual Report 2024 (IAR 2024)**

 Connect to more information in **Sustainability Report 2024 (SR 2024)**

 Refer to Sunway REIT's website

### TRANSCEND 2027 Strategic Pillars

 A Leading M-REIT

 Growing Portfolio Size

 Focused Growth

 Targets

### Business Segments



Retail



Services



Hotel



Industrial & Others



Office

### Capitals



Financial Capital



Intellectual Capital



Portfolio Capital



Social & Relationship Capital



Human Capital



Natural Capital

### Stakeholders



Board of Directors



Tenants and Lessees



Senior Management



Unitholders, Financiers and Investment Community



Employees and Asset Managers



Regulators and Industry Associations



Suppliers

# 12<sup>th</sup>

**Annual General Meeting  
("AGM") Sunway REIT**

**29 May 2025, Thursday  
3:00 p.m.**

#### Meeting Venue:

Grand Congress, Level 12, Sunway Resort Hotel,  
Persiaran Lagoon, Bandar Sunway,  
47500 Subang Jaya,  
Selangor Darul Ehsan, Malaysia.

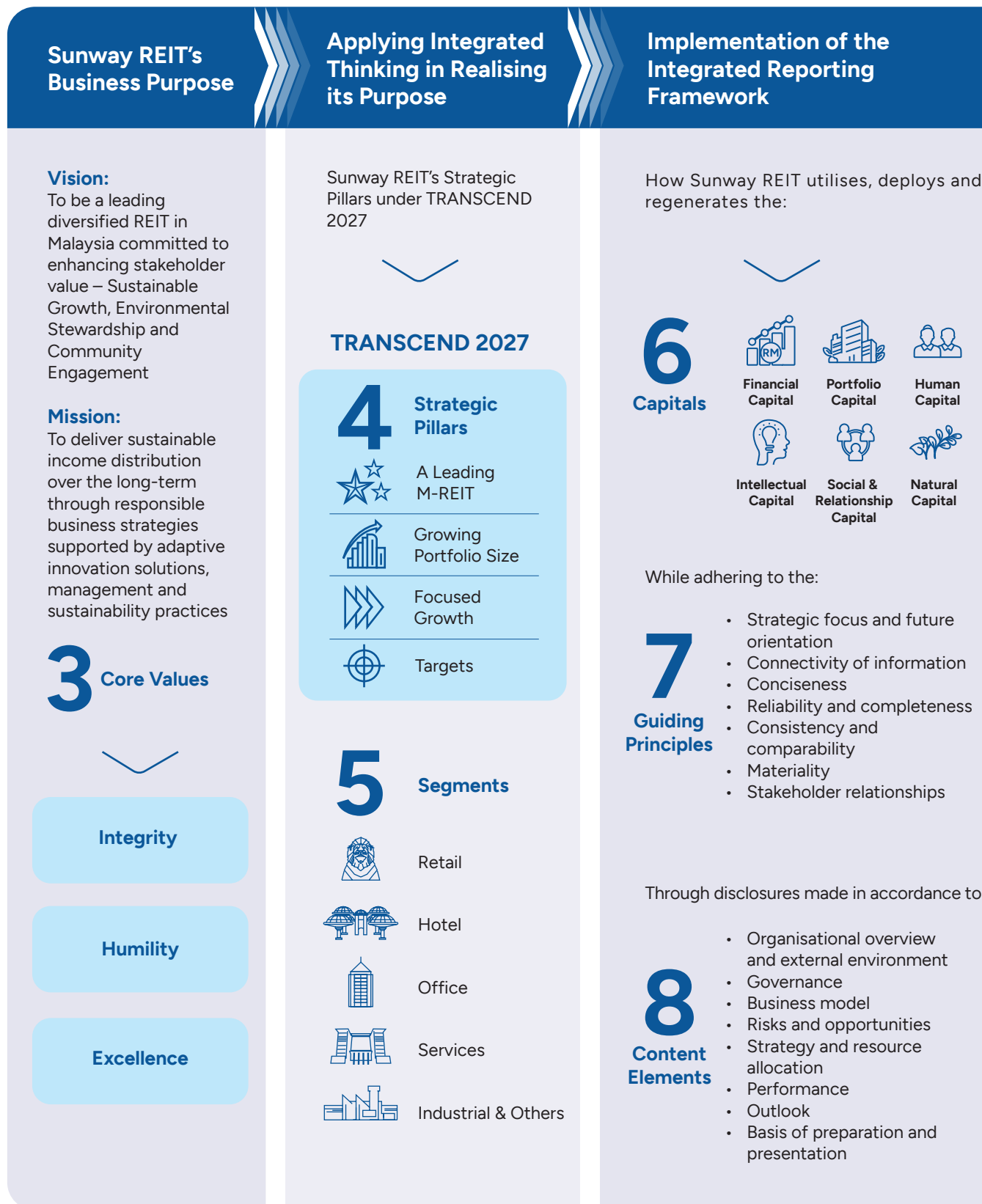
# OVERVIEW

- About This Report
- Investment Case
- Corporate Profile
- 2024 Milestones
- Salient Features



## ABOUT THIS REPORT

Sunway Real Estate Investment Trust ("Sunway REIT" or "the Trust") is pleased to present its integrated annual report in respect of the financial year ended 31 December 2024 ("FY2024"). Beyond financial disclosures and business performance, Integrated Annual Report 2024 ("IAR 2024") aims to provide a comprehensive yet concise reporting of the Trust's continued efforts in sustaining and enhancing stakeholder value based on the six capitals of integrated reporting as well as the Integrated Reporting Principles Based Framework as follows:



## ABOUT THIS REPORT

IAR 2024 also provides information on the Trust's non-financial performance, business and operational strategies, risks and opportunities and forward-looking narratives, including resource allocation, future orientation, goals and objectives.

In essence, IAR 2024 has been developed to enable providers of capital to have a clear understanding of how Sunway REIT has and aims to continue creating stakeholder value, which includes managing risks, capitalising on emerging opportunities and developing a robust pathway in navigating its external operating environment over the short, medium and long-term perspectives.

## Basis of Preparation and Approach to Reporting

### Reporting Scope and Boundary

IAR 2024 presents information of Sunway REIT's financial and non-financial performance from 1 January 2024 to 31 December 2024 unless stated otherwise. Data, information and disclosures have been scoped to all business entities, assets and operations that the Trust has full operational control of, including subsidiaries.

### Basis of Preparation

Disclosures have been further scoped based on the principle of materiality of information as well as the disclosure requirements set out in the following reporting frameworks:

- Securities Commission Guidelines on Listed Real Estate Investment Trusts ("Listed REIT Guidelines")
- Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Listing Requirements")
- Capital Markets and Services Act 2007
- Companies Act 2016
- Bursa Malaysia Corporate Governance Guide (4th edition)
- Securities Commission Licensing Handbook
- Malaysian Code on Corporate Governance 2021 ("MCCG")
- Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001
- Malaysian Financial Reporting Standards ("MFRSs")
- IFRS Accounting Standards ("IFRS")
- IFRS Foundation's International Integrated Reporting <IR> Framework ("IR Framework")
- United Nations Sustainable Development Goals ("UN SDGs")
- Global Reporting Initiative ("GRI") Standards
- National Sustainability Reporting Framework ("NSRF")

For further information on the determination of materiality, kindly refer to Sustainability Report 2024 which provides detailed disclosures on the Trust's materiality assessment process, identification and prioritisation of material issues. However, the approach to materiality is based on the following considerations:



Disclosures that are mandatory to ensure regulatory compliance with reporting frameworks such as Bursa Malaysia's enhanced sustainability reporting requirements and NSRF.



Progressive adoption of the IFRS S1 and IFRS S2 standards.



Information requirements of providers of capital and other stakeholders, including unitholders.

## Board Statement of Responsibility

The Board of Directors of the Manager of Sunway REIT acknowledges its responsibility to ensure the integrity of the Integrated Annual Report for the financial year ended 31 December 2024 and is of the opinion that it has been prepared in accordance with the IFRS Foundation's Integrated Reporting Principles Based Framework and other disclosure requirements.

## INVESTMENT CASE



## One of the Leading Diversified REITs in Malaysia

Market Capitalisation

**RM6.3** BILLION


Property Value

**RM10.5** BILLION


No. of Assets

**28**

Total GFA

**>22**  
MILLION SQ.FT.
Wide tenant base with **1,657** tenanciesAsset Portfolio Allocation  
(by property value)

Retail segment


**65%**

Hotel segment


**18%**

Services segment


**6%**

Office segment


**9%**

Industrial &amp; Others segment


**2%**


## Growth Strategy

Guided by

**TRANSCEND 2027**  
Roadmap
Property Value at IPO<sup>1</sup>
**RM3.5** BILLION
Total Acquisition (Net of disposal) since IPO<sup>1</sup>
**RM3.2** BILLION

Net Fair Value Gain, AEI and Property Development Activities since IPO

**RM3.8** BILLION

Acquisitions completed in FY2024

### April 2024

- Sunway REIT Hypermarket – Kinrara
- Sunway REIT Hypermarket – Putra Heights
- Sunway REIT Hypermarket – USJ
- Sunway REIT Hypermarket – Klang
- Sunway REIT Hypermarket – Ulu Kelang
- Sunway REIT Hypermarket – Plentong

### October 2024

- Sunway 163 Mall
- Sunway REIT Industrial – Prai

### December 2024

- Sunway Kluang Mall

<sup>1</sup> Including incidental costs on the acquisition, i.e. acquisition fee, legal fee and valuation fee

## INVESTMENT CASE



## Robust Financials

Revenue

**RM767**  
MILLION

Property Yield

**5.7%**

NPI

**RM570**  
MILLION

Total Return

**25.5%**

Cost of Debt

**3.89%**

Premium-to-NAV

**22.1%**

DPU

**10.0**  
SEN

Distribution Yield

**5.4%**

## Sustainability Agenda

Pioneering efforts in advancing sustainable finance in the Malaysian REIT industry:

- Issued **RM400 million** rated Sustainability-linked Medium Term Notes
- Issued **RM500 million** rated Sustainability-linked Perpetual Notes
- **98%** of borrowings were structured with sustainable finance mechanism

MSCI rating of **A**

**GRESB 4-star rating**  
and attained "A" for Public Disclosure

**8** Green buildings, **37%** of total GFA under management are green-certified



## Corporate Governance

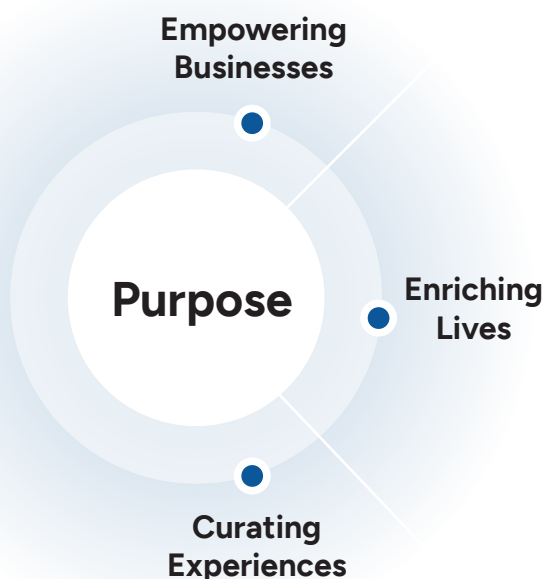
**43%**female directors  
on boardCorporate Credit  
rating **AA2**

Awarded **9** accolades and recognitions  
in FY2024

- The 9<sup>th</sup> Annual REITs and Real Estate Investment Summit Asia Pacific 2024  
**PLATINUM AWARD** – Best Retail REIT (Malaysia, USD 1 Billion and Above)

- Minority Shareholder Watchdog Group's National Corporate Governance & Sustainability Awards 2024  
**REITs EXCELLENCE AWARD**
- Australasian Reporting Awards 2024  
**GOLD AWARD** – Distinguished Achievements in Reporting  
**BRONZE AWARD** – Distinguished Achievements in Sustainability Reporting
- National Annual Corporate Report Awards 2024  
**GOLD EXCELLENCE AWARD** – companies with RM2 billion to RM10 billion in market capitalisation category
- The Edge ESG Awards 2024  
**GOLD AWARD** – REIT category
- The Star ESG Positive Impact Awards 2023  
**SILVER AWARD** – Innovative Partnership category (Green Lease)
- GreenRE Sustainable Development Awards 2024  
**BEST COMMERCIAL DEVELOPMENT (HOTEL)** – Sunway Resort Hotel  
**BEST COMMERCIAL DEVELOPMENT (SHOPPING MALL)** – Sunway Putra Mall

## CORPORATE PROFILE



### Vision

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

### Mission

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

## CORE VALUES

### 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

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, Perak and Johor. As at 31 December 2024, total property value stood at RM10.5 billion.

Sunway REIT was listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia") on 8 July 2010. The Trust's market capitalisation as at 31 December 2024 stood at RM6.3 billion.

Sunway REIT owns a diversified portfolio of 28 properties comprising 13 retail properties (including a property designated for re-development into a retail-centric tourist destination and seven supermarkets), six hotels, five offices, an education property and three industrial properties.



# 13

Retail Properties



# 6

Hotels



# 5

Offices



# 1

Education Property



# 3

Industrial Properties

## CORPORATE PROFILE

**Penang Island**

Sunway Hotel Georgetown

**Penang Mainland**

Sunway Carnival Mall  
 Sunway Hotel Seberang Jaya  
 Sunway REIT Industrial – Prai

**Ipoh**

SunCity Ipoh Hypermarket

**Sunway City Kuala Lumpur**

Sunway Pyramid Mall  
 Sunway Resort Hotel  
 Sunway Pyramid Hotel  
 Sunway Lagoon Hotel  
 Menara Sunway  
 Sunway Pinnacle  
 Sunway university & college campus

**Selangor**

Wisma Sunway  
 Sunway Pier  
 Sunway REIT Hypermarket – Kinrara  
 Sunway REIT Hypermarket – Putra Heights  
 Sunway REIT Hypermarket – USJ  
 Sunway REIT Hypermarket – Klang  
 Sunway REIT Industrial – Shah Alam 1  
 Sunway REIT Industrial – Petaling Jaya 1

**Kuala Lumpur**

Sunway Putra Mall  
 Sunway Putra Hotel  
 Sunway Putra Tower  
 Sunway Tower  
 Sunway 163 Mall  
 Sunway REIT Hypermarket – Ulu Kelang

**Johor**

Sunway Kluang Mall  
 Sunway REIT Hypermarket – Plentong

Sunway REIT's properties are primarily in Sunway City Kuala Lumpur ("SCKL") where its flagship retail property, Sunway Pyramid Mall, is located. Other properties in SCKL include Sunway Resort Hotel, Sunway Pyramid Hotel, Sunway Lagoon Hotel, Menara Sunway, Sunway Pinnacle and Sunway university & college campus.

Within the capital city of Kuala Lumpur, Sunway REIT owns Sunway 163 Mall, Sunway Tower, Sunway REIT Hypermarket – Ulu Kelang and a three-in-one integrated development called Sunway Putra which consists of Sunway Putra Mall, Sunway Putra Hotel and Sunway Putra Tower.

In the state of Selangor, Sunway REIT owns eight properties in Selangor, namely Wisma Sunway, Sunway REIT Industrial – Shah Alam 1, Sunway Pier (which is planned for re-development into a retail-centric tourist destination), Sunway REIT Industrial – Petaling Jaya 1 and four Sunway REIT Hypermarkets in Kinrara, USJ, Putra Heights and Klang.

In the northern region, Sunway REIT owns SunCity Ipoh Hypermarket in Perak, as well as Sunway Hotel Seberang Jaya, Sunway Hotel Georgetown, Sunway Carnival Mall and Sunway REIT Industrial – Prai in Penang.

In the southern region, Sunway REIT owns Sunway Kluang Mall and Sunway REIT Hypermarket – Plentong in Johor.

The asset portfolio is diversified in terms of types of assets, sectoral exposure as well as geographic location. This reduces dependence on any specific asset class and enables Sunway REIT to leverage on emerging opportunities while also benefitting from cross-functional business and operational synergies between its portfolio of assets.

**FY2024 Profile Highlight:**

Sunway REIT continued its pioneering efforts in implementing the Green Lease Partnership Programme. This is an industry-first initiative in promoting sustainability among tenants and lessees within the asset portfolio.

**Green Lease Participation  
Rate as of FY2024:**

**Hotel Lessees**  
**100%**



**Retail Tenants**  
**91%**



**Office Tenants**  
**91%**

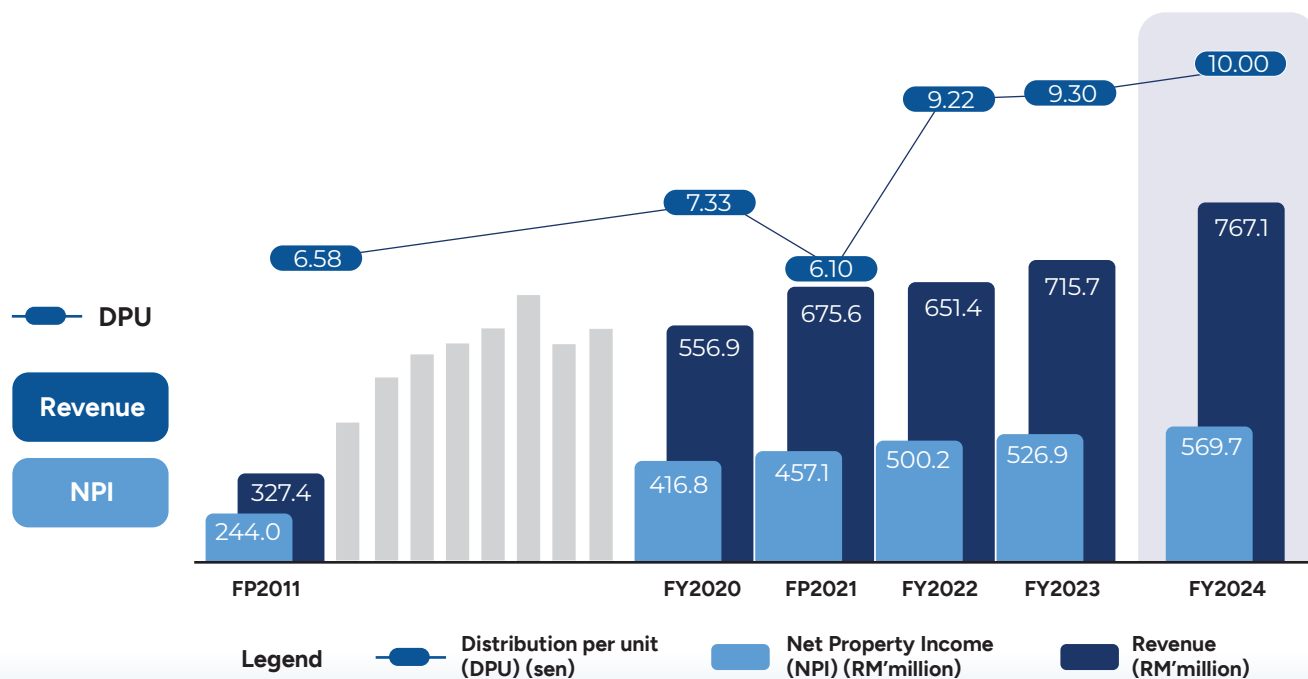


**Industrial Tenants**  
**40%**

Kindly refer to SR 2024 – Goal 2, Advocating A Responsible Value Chain for more information.

## 2024 MILESTONES

## ALL-TIME HIGH SINCE IPO



## APRIL

Completion of acquisition of six Sunway REIT Hypermarkets in Klang Valley and Johor



## AUGUST

Corporate credit rating of AA2 reaffirmed by RAM Rating Services Berhad



RM400  
MILLION



## JULY

Issuance of the first-in-the-industry Rated Sustainability-linked Medium Term Notes of RM400 million

## OCTOBER

Completion of acquisition of Sunway 163 Mall



RM500  
MILLION



## OCTOBER

Issuance of the first-in-the-industry Rated Sustainability-linked Perpetual Notes of RM500 million

## 2024 MILESTONES



	Initial Portfolio	FY2023	FY2024
No. of Properties	8 (IPO)	19	28
Property Value	RM3.5 BILLION (IPO)	RM9.0 BILLION	RM10.5 BILLION
Market Capitalisation	RM3.0 BILLION (FP2011)	RM5.3 BILLION	RM6.3 BILLION

## OCTOBER

Completion of acquisition of Sunway REIT Industrial – Prai



## NOVEMBER

Completion of refurbishment at Sunway Pyramid Mall Oasis wing

## DECEMBER

Completion of acquisition of Sunway Kluang Mall



## NOVEMBER

GreenRE Silver (Provisional) certification for Sunway Pier

## DECEMBER

GreenRE Platinum certification for Sunway University building



## DECEMBER

GreenRE Gold certification for Sunway Putra Hotel



## SALIENT FEATURES

<b>Name of Fund</b>	<b>Sunway REIT</b>
<b>Type of Fund</b>	Income and Growth
<b>Category of Fund</b>	Real Estate Investment Trust
<b>Duration of Fund/ Termination Date</b>	<p>The earlier of:</p> <ul style="list-style-type: none"> <li>the occurrence of the termination events as listed in the deed dated 20 May 2010, a supplemental deed dated 10 June 2010 and an amended and restated deed dated 18 September 2018 (collectively referred to as "Deed");</li> <li>the 999 years after the date of the registration of the Deed; or</li> <li>the date on which the Fund is terminated by the Manager in such circumstance as set out in the Deed</li> </ul>
<b>Investment Objective</b>	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
<b>Investment Policy</b>	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
<b>Key Acquisition Criteria</b>	<ul style="list-style-type: none"> <li>Diversified asset classes</li> <li>High growth cities and townships in Malaysia</li> <li>Compatibility and synergistic with asset portfolio</li> </ul>
<b>Distribution Policy</b>	<ul style="list-style-type: none"> <li>100% of distributable income in each financial year (at least 90% of distributable income in FY2020 and FP2021)</li> <li>Semi-annual distribution</li> </ul>
<b>Revaluation Policy</b>	At least once a financial year by independent registered valuer
<b>Gearing Policy</b>	Not exceeding 50% of the Fund's total asset value
<b>Manager's Fees</b>	<ul style="list-style-type: none"> <li>Base Fee: 0.3% per annum of total asset value</li> <li>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</li> <li>Acquisition Fee: 1% of acquisition price</li> <li>Divestment Fee: 0.5% of sale price</li> </ul>
<b>Trustee's Fee</b>	Up to 0.015% per annum of the Fund's net asset value subject to a maximum limit of RM700,000 per annum
<b>Financial Year End</b>	31 December
<b>Board Lot</b>	100 units per board lot
<b>Listing</b>	Main Market of Bursa Malaysia Securities Berhad
<b>Stock Name</b>	SUNREIT
<b>Stock Code</b>	5176
<b>Date of Listing</b>	8 July 2010
<b>Initial Public Offering Price</b>	<ul style="list-style-type: none"> <li>RM0.88 – retail</li> <li>RM0.90 – institutional</li> </ul>

# VALUE CREATION STRATEGY

- Message from The Chairman
- CEO's Business Review
- The Business Model:  
TRANSCEND 2027 Recalibrated
- A Balanced Approach to Achieve  
Organic and Inorganic Growth



## MESSAGE FROM THE CHAIRMAN

### Dear Valued Stakeholders,

It is my pleasure to present the Integrated Annual Report for the financial year ended 31 December 2024 ("FY2024"). Amidst a volatile and challenging operating environment, Sunway REIT has successfully delivered robust performance, both financially and operationally.

This is further reflected by our landmark achievement in delivering the highest distribution per unit of 10.0 sen in Sunway REIT's history, underscoring our ability to navigate market complexities and deliver superior Unitholders' returns.

**TAN SRI AMIRSHAM BIN A AZIZ**  
Chairman  
Sunway REIT Management Sdn Bhd



### RESILIENCE IN NAVIGATING GLOBAL CHALLENGES

As we reflect on the past year, it is evident that the global markets are navigating through a complex landscape characterised by significant transitions. Geopolitical tensions, political leadership changes and climate change are reshaping the world order, with profound implications to the economy. Despite these headwinds, the global economy has shown remarkable resilience, albeit with uneven performance across regions.

The gradual easing of monetary policy in the United States, with the Federal Reserve reducing the Federal Funds Rate from a two-decade high of 5.25% - 5.50% to a range of 4.25% - 4.50%, signalled an end to the monetary policy tightening cycle. It is anticipated that the Federal Reserve will continue to maintain an accommodating monetary policy in 2025.

Meanwhile, Malaysia's Overnight Policy Rate ("OPR") was maintained at 3.00% in 2024. This narrowing of interest rate differentials between Malaysia and advanced economies was favourable for the Malaysian Ringgit. This trend, combined with Malaysia's favourable economic prospects and ongoing domestic reforms, is expected to support the domestic currency and foster healthy economic growth in 2025.

Malaysia's economy has demonstrated resilience in the face of these global challenges. In 2024, the country achieved a GDP growth rate of 5.1%, and is projected to maintain a growth of 4.5% to 5.5% in 2025. This positive outlook is underpinned by our government's commitment to structural reforms and initiatives to attract investments which is bearing fruit with increased foreign investments in data centres, artificial intelligence and electronics manufacturing committed during the year.

## MESSAGE FROM THE CHAIRMAN

## PERFORMANCE OVERVIEW OF M-REITS

## TRADING PERFORMANCE OF M-REITS (2024)



**Total Return**  
**9.4%**



**Distribution Yield**  
**5.8%**

In 2024, Malaysian Real Estate Investment Trusts ("M-REITs") have demonstrated healthy growth, with the Bursa Malaysia REIT Index recording an annual increase of 11.4%. This positive trend is primarily attributed to the easing of global interest rates, which has bolstered investor sentiment within the REIT sector.

The year began modestly but gained momentum in the second half of 2024 as the United States Federal Reserve moved to ease interest rates.

Of significance, the heightened optimism surrounding M-REITs has led to an expansion in market capitalisation, which surged by 17.0% to RM48.9 billion in 2024, from RM41.8 billion in 2023. This growth in market capitalisation was further driven by active expansion and acquisitions across most REIT sectors, including industrial, hospitality and retail REITs. Furthermore, the solid performance of M-REITs is fuelled by a recovery in earnings, particularly within the retail and hotel segments. This recovery has been supported by an increase in tourist arrivals and the broader strengthening of the economy.

At the end of 2024, M-REITs recorded a distribution yield of 5.8%, which represents a compression from 6.2% in 2023 due to the higher unit prices. Total returns for M-REITs have seen a solid improvement from 5.0% in the previous year to 9.4% in 2024, reflecting an optimistic outlook from investors amidst a more favourable interest rate landscape and sustained business recovery.

Furthermore, the average discount-to-Net Asset Value ("NAV") for M-REITs has narrowed slightly from 23.2% as at 31 December 2023, to 18.5% as at 31 December 2024, reflective of the impact of increased unit prices.

## OUTPERFORMING M-REITS

## TRADING PERFORMANCE OF SUNWAY REIT (FY2024)



**Total Return**  
**25.5%**



**Distribution Yield**  
**5.4%**

Sunway REIT mirrored the broader M-REITs market trend, delivering commendable trading performance in FY2024. Sunway REIT's unit price registered an increase of 20.1%, reaching a peak of RM1.88 before closing at RM1.85 on 31 December 2024, compared to RM1.54 as at 31 December 2023.

Sunway REIT also maintained its commitment to distributing 100% of its distributable realised profit for FY2024, declaring a DPU of 10.0 sen. Although the distribution yield has slightly compressed from 6.0% in FY2023 to 5.4% in FY2024 due to higher unit price, total return has nonetheless improved to 25.5%, compared to 11.5% in the previous year.

Additionally, Sunway REIT's premium-to-NAV has shown improvement, reaching 22.1% as at 31 December 2024, up from 5.1% in the prior year. The trading performance reflects strong investor sentiment towards the outlook of Sunway REIT in the coming year as we reap the rewards of our newly completed acquisitions and asset enhancement initiatives.

## MESSAGE FROM THE CHAIRMAN

### RECALIBRATION OF TRANSCEND 2027

#### 4 STRATEGIC PILLARS



##### A Leading M-REIT

##### Top 2 M-REIT

- Market capitalisation
- Property value



##### Growing Portfolio Size

##### Growing property value to RM14 – RM15 billion

- Yield-accretive acquisitions
- Value-enhancing AEs



##### Focused Growth

##### Core Sector Focus:

- Refocusing on the core sectors
- Leveraging on retail strength

##### Opportunistic Expansion:

- Pursuing strategic opportunities in upcoming segments i.e. logistics, services, data centres, etc.



##### Targets

##### Primary Targets:

- Annual Total Return
- Premium-to-NAV

##### Secondary Targets:

- 5-year average total return
- DPU CAGR (2019 as the base year)

Benchmarked against M-REITs peer performance annually

In view of the rapidly changing environment post pandemic, the Board saw a need to revise our TRANSCEND 2027 strategy to optimise our growth trajectory and enhance long-term value creation. In brief, this medium-term roadmap was formulated to guide Sunway REIT's strategic direction, financial goals and investment decisions in the coming years.

Following much deliberation, the Board has decided to slightly pivot from the previous strategy of further diversification to a renewed emphasis on focused growth within our core sectors, particularly within the retail segment and for properties within integrated developments. Nonetheless, we continue to remain interested in alternative sectors like logistics, industrial and services. Sunway REIT will pursue these opportunities when they meet our acquisition return expectations and for ancillary growth.

The renewed focus on our core strengths was deemed necessary, as an evolving global market landscape has made international tax regimes less favourable, foreign exchange more volatile, and regulatory challenges more complex. Hence, we have recalibrated our approach to prioritise domestic opportunities while approaching overseas ventures selectively and opportunistically. This decision reflects a prudent approach to managing risk while we gauge and enhance our understanding of overseas markets. We will nonetheless continue to build our global knowledge and capabilities, positioning ourselves for future geographic expansion when the opportunity presents itself.

Nevertheless, aside from the above refinements to our TRANSCEND 2027, Sunway REIT remains committed to grow our Asset under Management ("AUM") to between RM14 billion and RM15 billion by 2027, positioning Sunway REIT as among the top two M-REITs in terms of market capitalisation and property value. Concurrently, we seek to benchmark our growing portfolio against peers' returns and profitability trends to ensure returns are not compromised in the pursuit of size.

We firmly believe that our TRANSCEND 2027 represents a strategic corporate compass in our investment direction that will reinforce our leading market position while ensuring resilience against external challenges. By concentrating on high-performing retail assets and maintaining flexibility in our acquisition strategy, Sunway REIT is better positioned for sustainable long-term growth.

To an extent, Sunway REIT is already reaping the rewards of the revised TRANSCEND 2027 blueprint as we completed the acquisitions of nine new assets, primarily retail assets with a combined value of approximately RM1 billion in 2024. With the new acquisitions, Sunway REIT achieved a record high in AUM exceeding RM10 billion in FY2024 and is on track to meet our TRANSCEND 2027 AUM targets.

##### The 9 new assets acquired in FY2024 were as follows:

- Sunway 163 Mall
- Sunway Kluang Mall
- Sunway REIT Hypermarket – Kinrara
- Sunway REIT Hypermarket – Putra Heights
- Sunway REIT Hypermarket – USJ
- Sunway REIT Hypermarket – Klang
- Sunway REIT Hypermarket – Ulu Kelang
- Sunway REIT Hypermarket – Plentong
- Sunway REIT Industrial – Prai



Kindly refer to the section of The Business Model: TRANSCEND 2027 Recalibrated for more information.

## MESSAGE FROM THE CHAIRMAN

## SUSTAINABILITY AS OUR STRATEGIC CORNERSTONE

Given the increasing prominence of sustainability as a key priority for our stakeholders, the market is understandably witnessing a notable shift towards ESG-conscious organisations. Demand for green buildings also continues to grow, driven by environmental awareness and increasing preference for sustainable work spaces.

At Sunway REIT, we are committed to aligning our strategies along these trends, continuously enhancing our ESG best practices to emphasise sustainability and responsible business operations, alongside active pursuit of green building certifications for all our properties by 2034.



Aligning with our Green Building Roadmap 2034, we have successfully expanded our green building portfolio with three new accreditations in FY2024, namely the GreenRE Platinum for Sunway University building, the GreenRE Gold ascribed to Sunway Putra Hotel and the GreenRE Silver (Provisional) for Sunway Pier. These certifications reflect our ongoing commitment to sustainable development and responsible property management, catering to the rising demand for green buildings in the market and ensuring optimal energy efficiency in our buildings. To-date, 8 of Sunway REIT's properties are green-certified, equivalent to 37% of Sunway REIT's gross floor area under management.



Our industry-first Green Lease Partnership Programme has also proven instrumental in continuing to raise awareness for sustainability among our tenants and lessees, and we are on track to achieve our ultimate aim of 100% programme participation by 2030. For FY2024, we achieved strong tenant participation rates, with 100% hotel lessees, 91% office and retail tenants as well as 40% industrial tenants already on board our programme. This programme not only promotes eco-friendly practices amongst tenants and lessees, but also encourages a collaborative approach to environmental responsibility among all stakeholders.



Among the initiatives under Green Lease Partnership Programme in 2024 was the organisation of the Simplified ESG Disclosure Guide ("SEDG") workshop in collaboration with Capital Markets Malaysia, an affiliate of Securities Commission Malaysia, for our retail and office tenants across all sectors. SEDG was introduced with the aim of providing SMEs within global supply chains with a streamlined and standardised set of guidelines in relation to ESG disclosures that align with selected global and local frameworks. With this, our tenants are better equipped to achieve their own sustainability goals and to respond to requests from stakeholders, including customers, investors, financiers and regulators on their sustainability impact and practices.



In ensuring our sustainability efforts are aligned to global industry practices, Sunway REIT has sought to benchmark our sustainability performance against leading real estate organisations worldwide by participating in various international ratings including the Global Real Estate Sustainability Benchmark ("GRESB") assessment. We are pleased to report an improvement in our GRESB score in only our second year of participation and have now attained a four-star rating in the Standing Investments category and an "A" for Public Disclosure from GRESB, putting us among the top 25 of the best real estate companies in ESG in Asia.

## MESSAGE FROM THE CHAIRMAN

### KEY RECOGNITION IN SUSTAINABILITY AND GOVERNANCE

In recognition of Sunway REIT's unwavering commitment to transparency, integrity and ethical business practices, I have the pleasure of sharing some of the key national and international accolades received in FY2024:

#### MALAYSIAN AWARDS

##### National Annual Corporate Report Awards 2024 ("NACRA")

###### Gold Excellence Award

Companies with RM2 billion to RM10 billion in market capitalisation category



*This is the 13<sup>th</sup> consecutive year Sunway REIT has been feted at NACRA, reflecting our consistently high standards at delivering relevant disclosures to our stakeholders, even when benchmarked against all similar sized peers listed on Bursa Malaysia.*

##### Minority Shareholder Watchdog Group's National Corporate Governance & Sustainability Awards 2024 ("NACGSA")

###### REITs Excellence Award



*Our corporate governance and sustainability practices were recognised by the MSWG as industry leading with our win in the REIT category.*

##### The Edge ESG Awards 2024

###### Gold Award



*The Edge, Malaysia's leading business paper, acclaimed Sunway REIT's ESG practices with Sunway REIT improving from its Silver Award in 2023.*

##### The Star ESG Positive Impact Awards 2023

###### Silver Award

Innovative Partnership category (Green Lease)



*A recognition for Sunway REIT's distinctive Green Lease Partnership Programme in raising awareness of ESG practices within our supply chain.*

##### GreenRE Sustainable Development Awards 2024

###### Best Commercial Development (Hotel)

Sunway Resort Hotel

###### Best Commercial Development (Shopping Mall)

Sunway Putra Mall

*These awards are testament to Sunway REIT's commitments to not just obtain green certifications for our buildings but aim to be the very best within the respective asset classes.*

## MESSAGE FROM THE CHAIRMAN

## INTERNATIONAL AWARDS

**The 9<sup>th</sup> Annual REITs and Real Estate Investment Summit Asia Pacific 2024****Platinum Award**

Best Retail REIT (Malaysia, USD 1 Billion and Above)



*This annual summit in Singapore recognised the best REITs across Asia Pacific and lauded Sunway REIT for its financial and operational performance in 2023.*

**Australasian Reporting Awards 2024 ("ARA")****Gold Award**

Distinguished Achievements in Reporting

**Bronze Award**

Distinguished Achievements in Sustainability Reporting



*Based in Australia and New Zealand, the awards from ARA validated that our reporting practices meet international standards and compared well even against the best organisations in Asia Pacific.*

## ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I would like to thank Tengku Nurul Azian Binti Tengku Shahrman, who has retired from the Board of Directors after fulfilling her full nine-year term from March 2016 to February 2025. We extend our sincere gratitude for her valued contribution and keen business acumen, which have been instrumental in supporting our business ventures and growth.

We are also pleased to welcome Puan Farah Suhanah Binti Ahmad Sarji as our new Independent Non-Executive Director in November 2024, bringing her extensive knowledge and sound experience in legal and corporate management.

I express my heartfelt appreciation to our valued stakeholders, including unitholders, REIT manager, trustee, property manager, management teams of various business units, business partners, investment community and the media. Your unwavering support and deep trust in Sunway REIT are indeed invaluable in enabling our strong business performance.

Together, we are excited about advancing Sunway REIT, scaling new heights of success and achievements in the years ahead.

Yours Sincerely,  
**Tan Sri Amirsham Bin A Aziz**  
 Chairman  
 Sunway REIT Management Sdn Bhd

## CEO'S BUSINESS REVIEW



### Dear Valued Stakeholders,

As we reflect on the year 2024, we are delighted that there is a resurgence in the outlook for Malaysia. With a relatively stable government and greater foreign investor interest, Malaysia is again commanding the right headlines and drawing investments in electrical and electronics manufacturing, data centres and renewable energy. The positive macroeconomic developments have boosted the strength of the Malaysian Ringgit and together with the benign interest rate environment, private consumption has continued to grow. Coupled with the encouraging return of foreign tourists to Malaysia, Sunway REIT's properties have enjoyed a stellar year and we are pleased to report our strong financial performance for FY2024.

**CLEMENT CHEN KOK PENG**  
Chief Executive Officer  
Sunway REIT Management Sdn Bhd

### RECORD ANNUAL DISTRIBUTION PER UNIT ("DPU")

**DPU**  
**10.0 sen**  
FY2023: 9.3 sen

While we had previously cautioned on growth prospects for FY2024 due to temporary closures for Asset Enhancement Initiatives ("AEIs") and loss of income following the disposal of Sunway Medical Centre (Tower A & B) in late 2023, we are pleased to report that not only did Sunway REIT manage to mitigate any drop in income, we were able to grow the DPU to 10.0 sen (FY2023: 9.3 sen), Sunway REIT's highest annual DPU since IPO.

The record DPU was registered on the back of higher revenue of RM767.1 million, which is an improvement of 7% from RM715.7 million recorded in FY2023. Net Property Income similarly grew by 8% to RM569.7 million from RM526.9 million in FY2023. Meanwhile, profit before tax surged 55% to RM527.7 million

(FY2023: RM339.6 million) on the back of higher fair valuation gains of RM173.4 million (FY2023: RM0.5 million), mainly from the revaluation of Sunway Pyramid Mall following the successful opening of the Oasis precinct. The growth in realised profit attributable to unitholders was more moderate but still commendable at 8% from RM319.0 million in FY2023 to RM343.8 million in FY2024. It was impacted mainly by higher finance costs which was feeling the full year impact of interest rate hike in 2023.

## CEO'S BUSINESS REVIEW

While there was steady growth in all segments (except the services segment which no longer enjoyed the income from the disposed Sunway Medical Centre (Tower A & B)), Sunway REIT's stronger financial performance was primarily driven by the retail segment and was the culmination of a three-pronged strategy comprising:

## 1 ACCRETIVE ACQUISITIONS

## 2 TRANSFORMATIVE ASSET ENHANCEMENTS

## 3 ORGANIC GROWTH

### 1 ACCRETIVE ACQUISITIONS

In FY2024, Sunway REIT recorded its busiest year ever in terms of acquisitions, completing over RM959.8 million of property purchases. Based on revised forecasts, all the new acquisitions are expected to generate average initial yield of approximately 7% on acquisition cost which will be yield accretive to the existing portfolio.

In addition, although the new acquisitions are predominantly in the retail segment, they have unique attributes which will likely add to the income diversity and earnings resilience of Sunway REIT. Firstly, the portfolio of Giant hypermarkets acquired on 30 April 2024 for RM520.0 million are leased on a triple net basis with long lease expiries which will provide certainty on long term income. There has been recent agreement with the lessee on restructuring of lease terms which adds further clarity to the prospects of this portfolio.

Meanwhile, Sunway 163 Mall is a neighbourhood mall located in the affluent area of Mont Kiara and serving the everyday needs of a high density and high-income population. Anchored by Jaya Grocer, the mall also houses a cinema, an ice skating rink, personal care and enrichment centres and a multitude of food and beverage offerings. The RM215.0 million acquisition was completed on 9 October 2024 and initiatives to improve maintenance, ventilation and traffic circulation had been implemented to elevate shoppers' experience. Longer term plans to enhance the asset via tenant mix optimisation and floor space reconfiguration are also being formulated. The prospects of the mall have been further enhanced by the recent MRT3 alignment announcement as the proposed Sri Hartamas station is located within walking distance and would further enhance accessibility to the mall upon completion of the line.

On 30 December 2024, Sunway REIT completed the RM158.0 million acquisition of Sunway Kluang Mall. The move represents a strategic geographic diversification by Sunway REIT into central Johor which is potentially underserved and Sunway Kluang Mall is viewed as having the potential to grow into a regional mall comparable to Sunway Carnival Mall by attracting population in nearby secondary cities. The impending completion of the electrified double tracking rail line from Gemas to Johor Bahru in 2025 will greatly aid this ambition as Sunway Kluang Mall is located less than a kilometre from the new Kluang train station. Since the acquisition, tenant mix improvement has begun with new tenants like Sports Direct, joining the existing offerings at the mall which include Pacific Department Store, GSC, H&M, Popular and Ampang Superbowl.

Finally, the acquisition of Sunway REIT Industrial – Prai for RM66.8 million on 24 October 2024 added a third asset to our industrial portfolio and will boost the contribution of this emerging segment to our portfolio. The property is currently tenanted by three multinational tenants including a Belgian electronics manufacturer, a Japanese logistics company and an American data management firm. Located in the logistics hub of mainland Penang and with great access and visibility along the PLUS highway, Management believes there will be strong demand for industrial and logistics space within the property.

All of the newly acquired properties are operating at or close to full occupancy and will play a major role in driving immediate DPU growth from 2025 onwards.

## CEO'S BUSINESS REVIEW

### 🔍 CASE STUDY OF GIANT ACQUISITION

On 30 April 2024, Sunway REIT completed the acquisition of a portfolio of hypermarket properties, leased to GCH Retail (Malaysia) Sdn Bhd, for a total purchase consideration of RM520.0 million. The six freehold properties are located in USJ, Bandar Kinrara, Putra Heights, Ulu Kelang, Klang and Plentong respectively, all of which are densely populated suburban areas within Klang Valley and Johor Bahru with large captive populations and are highly strategic locations for retail or other potential redevelopments.



Upon completion of the acquisition, Sunway REIT had engaged with the lessee to identify their long term requirements and business plans. Through commitments by both parties to the continued operations on site and the condition of the properties, there was agreement to extend the Bandar Kinrara and Putra Heights leases by 15 years and for the tenant to waive their existing break options for the Ulu Kelang, Klang and Plentong leases, ensuring they will remain with us at these properties for another 5 years. In turn, there was agreement by Sunway REIT to provide conditional rental rebate totalling RM5 million until August 2028 for the USJ property where the lessee is experiencing a challenging operating environment compounded by traffic circulation issues.

Notwithstanding the rebate for the USJ property, this portfolio's yield on acquisition cost is expected to remain above 8% with the above arrangements and will be highly yield accretive to Sunway REIT's overall portfolio. In addition, securing the tenant's commitment to remain at all the sites provides good visibility to the hypermarket portfolio's earnings. The 6 hypermarkets now have a weighted average lease expiry ("WALE") of 9.0 years and have helped improved Sunway REIT's WALE to 4.0 years in FY2024.

With the above improvements, the valuation ascribed to the portfolio has increased twice since acquisition. Upon acquisition, the portfolio was valued at RM593.0 million which was further increased to RM601.0 million as at December 2024 following greater visibility on tenure of the leases at the properties. The latest valuation translates to fair valuation gains of RM81 million or approximately 15% gain over our acquisition cost.

Moving forward, as part of our sustainability efforts and initiatives to preserve capital values, we look to assist the lessee in improving building energy efficiency and water conservation as well as rectifying building structural issues. Sunway REIT will also facilitate green building certifications for these properties in line with our aspirations under our Green Building Roadmap 2034. To this end, we have allocated a budget of RM2 million for these initiatives over the next 2 to 3 years.

## CEO'S BUSINESS REVIEW

**2 TRANSFORMATIVE ASSET ENHANCEMENT INITIATIVES ("AEI")**

Sunway REIT also had one of its busiest years in terms of AEIs in FY2024 with over RM900 million worth of AEIs being undertaken. The key AEI completion was Sunway Pyramid Mall Oasis which entailed the reconfiguration of 320,000 sq.ft. of retail space formerly occupied by a department store anchor tenant. The AEI which commenced in August 2023 at a cost of RM190 million was completed on schedule and was reopened to public on 1 November 2024. The refurbished retail space houses approximately 100 new tenants, including the flagship outlet for brands like Jaya Grocer, Muji, Sports Direct and Padini, which further adds to the diversity and completeness of offerings of Sunway Pyramid Mall, ensuring it remains competitive as one of the key super-regional malls in Malaysia. Substantiating this, footfall at Sunway Pyramid Mall has increased 10% for the period of November to December 2024 compared to the corresponding period in 2023. In terms of financials, average rental per square feet ("sq.ft.") for the Oasis precinct has increased 250% per sq.ft. post refurbishment, indicating both the strategic and financial success of the AEI.

Over at Seberang Jaya, Penang, we continue to make progress with the sectional refurbishment of Sunway Carnival Mall's existing wing. As at the end of 2024, 75% of the works has been completed and is on track for full completion in Q2 2025. This RM360.0 million AEI has been equally well received by tenants with over 95% of the refurbished space having been leased with new tenants such as Parkson, Muji and Harvey Norman having already moved into the completed sections with other brands such as Din Tai Fung, Michael Kors and Oriental Kopi committing to Sunway Carnival Mall in 2025.

Sunway Pier's development officially commenced physical works on 29 October 2024 with the construction works awarded to Awangsa PMC Sdn Bhd at RM255.0 million. With a construction timeline of approximately 28 months, Sunway Pier is slated to open to public in H2 2027, introducing a new tourism-centric retail concept to the Port Klang vicinity. With a jetty, seafood market, diverse food and beverage offerings and proposed duty-free shops, we expect Sunway Pier to draw domestic and foreign tourists including cruise passengers and crew stopping at the Pulau Indah Cruise Terminal, Westport and Northport.

**3 ORGANIC GROWTH**

Sunway REIT's portfolio continued to demonstrate the ability to grow organically in FY2024. Overall, the portfolio achieved rental reversion of 6.4% for FY2024. All segments are registering positive reversions including marginal increases for the office sector which is commendable considering intense competition in Kuala Lumpur city centre. The retail segment has continued to lead reversions with the ability to attract the latest attractions like Popmart, Chagee, Shake Shack and Paris Baguette fundamental to its success in uplifting footfall and rents. For the hotel segment, average room rates had continued to trend upwards with average increase of 3% across our portfolio's six hotel properties, in line with improving sentiments in the tourism sector.

The impact of positive rental reversion has been augmented by corresponding improvements in occupancy across the portfolio. For the retail segment, temporary dips in the occupancy of Sunway Pyramid Mall and Sunway Carnival Mall due to AEI works were offset by the high occupancy of the hypermarkets portfolio. Overall retail occupancy improved to 98% from 97% in FY2023. All of the hotel properties except Sunway Pyramid Hotel and Sunway Hotel Georgetown registered a climb in occupancies in FY2024 with overall occupancy for the hotel segment increasing one percentage point to 65%. The office segment also managed to maintain stable overall occupancy with strong take-ups in the Sunway City offices mitigating the 11% drop in Sunway Putra Tower occupancy as a result of the departure of one of its key tenants, which relocated to its own new building.

For the services and industrial & others segments, three of the four properties are achieving 100% occupancy while Sunway REIT Industrial – Petaling Jaya 1 is 31% occupied with another 29% committed for tenancy in FY2025. The take up in occupancy for this property had been affected by a change in leasing strategy to a multi-tenant model which required modifications and refurbishments to the building leading to a delay in commencement of tenancies. Moving ahead, we expect leasing to accelerate.

## CEO'S BUSINESS REVIEW

### GREATER FOCUS ON BALANCE SHEET MANAGEMENT

Concurrent with efforts to expand the asset and income base, there was also renewed focus on balance sheet optimisation and conscious efforts were made to improve the capital structure and cost of financing. There were three major initiatives taken during the year to this extent.



#### Maintaining Higher Gearing Levels

During the year, as a result of asset acquisitions and capital expenditure for enhancements, our debt financing had grown. Management had taken a conscious decision to defer equity fund raising and instead maintained a slightly higher gearing level with lower cost of financing to optimise returns to unitholders. Moving forward, we foresee Sunway REIT maintaining slightly more elevated gearing compared to the past although we will opportunistically raise equity as and when there are potential new acquisitions or when market conditions are conducive.



#### Tapping the Malaysian Bond Market

In FY2024, Sunway REIT secured corporate credit rating of AA2 from RAM Rating Services Berhad following their annual review. With the enhanced credit standing and favourable bond market conditions, Sunway REIT issued its inaugural rated Medium Term Notes (MTN) in July 2024 with tenures of 5 and 7 years at a coupon of 3.97% and 4.06% respectively raising RM400 million in total. The longer dated financing has increased the average debt maturity to 2.2 years as at end FY2024 (FY2023: 1.3 years) and provides greater certainty on availability and cost of financing over the mid-term for Sunway REIT. In addition, Sunway REIT's rated MTN issuance is the first sustainability-linked MTN issuance by a REIT in Malaysia.



#### Refinancing Unrated Perpetual Notes with Sustainability Linked Rated Perpetual Notes

Utilising Sunway REIT's A1(s) rating for its perpetual note programme, we had also taken the opportunity to refinance our previously unrated perpetual notes of RM340 million which carried a cost of 5.85%. In October 2024, Sunway REIT issued two tranches of perpetual notes totalling RM500 million which are non-callable in 5 and 7 years respectively with a blended rate of 4.63%. The perpetual notes are not accounted for as debt and have a return requirement that is lower than unitholders demand. Accordingly, we believe it is an integral instrument within our capital structure that can further enhance returns to unitholders. In addition, Sunway REIT's perpetual notes embody the true substance of perpetual notes as there will be no increase in the coupon rates if the notes are not redeemed at the end of the non-callable period.

Sunway REIT's rated perpetual notes are the first ever sustainability-linked perpetual notes in Malaysia and the first ever rated perpetual notes issued by a REIT in Malaysia, both of which demonstrates Sunway REIT's pioneering innovation in capital management.

## CEO'S BUSINESS REVIEW

## POSITIVE OUTLOOK AHEAD

There is a convergence of factors which are pointing towards a favourable year ahead for Sunway REIT. The US Federal Reserve has commenced interest rate cuts in 2024 and further easing is expected in the face of tamed inflation. Bank Negara Malaysia has kept interest rates steady in the past year and we expect little change in this accommodating monetary policy stance in the absence of any heightened inflationary pressure.

Consumer spending is expected to increase in line with a growing economy, low unemployment and rising tourist arrivals. We expect consumer purchasing power to remain net positive, boosted by the rise in minimum wage that will offset potential impact from a decline in government subsidies and additional sales and service tax.

We believe the measures that Sunway REIT has taken in 2024 will provide us a strong foundation to tap onto the expected robust consumer spending. The new retail assets acquisitions in 2024 and Sunway Pyramid Mall Oasis AEI has expanded the diversity of our offerings and geographic footprint, enabling us to serve new pools of consumers. With a greater network of malls, we also have greater leverage with tenants to bring in the best and latest brands to our properties which will further increase footfall. Hence, the prospects for our retail segment look bright aided by full year contributions from these new initiatives.

The hotel segment is poised to benefit from a continued recovery in tourist arrivals and increase in connecting flights to our international airports. In terms of contribution to Net Property Income, the hotel segment has already exceeded pre-pandemic levels and we believe ongoing efforts to increase occupancy and MICE activities, especially at our flagship Sunway Resort Hotel, will further enhance the profitability of this segment.

Our office segment was generally able to sustain its performance in 2024 amidst a challenging macro environment and is expected to remain resilient in 2025. Efforts are ongoing to improve the competitiveness of our office properties via AEIs like upgrading air conditioning systems, lifts and transformers. Besides providing the occupants with a better experience, these upgrades will generate energy savings and facilitate green building certifications which would enable us to better meet new tenant requirements and increase occupancy.

Based on the above, while challenges in the various real estate segments persist especially in terms of oversupply, we believe our actions in continuing to diversify, enhance and modernise our offerings will keep our properties competitive moving forward.

From a portfolio management perspective, we will continue with efforts to review our portfolio for asset recycling opportunities and enhance portfolio yield. We are still actively monitoring the market for new acquisition opportunities especially in the retail, logistics and services sectors. Management is committed to meeting the Asset Under Management targets as outlined under our Revised TRANSCEND 2027 in order to maintain our position as one of the leading REITs in Malaysia.

## ACKNOWLEDGEMENT

I take this opportunity to welcome Puan Farah Suhanah Binti Ahmad Sarji who officially joined the Sunway REIT Management Sdn Bhd's Board of Directors as an Independent Non-Executive Director on 1 November 2024. Puan Farah has an extensive background and experience in corporate and legal matters and will undoubtedly contribute extensively to the strong governance of Sunway REIT moving forward.

I would also like to record my sincere appreciation to Tengku Nurul Azian Binti Tengku Shahriman who retired from our Board of Directors on 28 February 2025, upon the completion of nine years of service in compliance with good corporate governance guidelines. A detailed and astute professional, she has contributed immensely to the success of Sunway REIT's strategies and I wish her continued success in her future undertakings.

In closing, I wish to thank the Board of Directors, the Sunway REIT team, colleagues in Sunway business units, unitholders, tenants, suppliers, bankers, contractors and the media for your contribution and support towards Sunway REIT over the past year. Sunway REIT values your continued partnership and we call upon your extended cooperation with the aspiration of achieving greater heights together.

Yours Sincerely,  
**Clement Chen Kok Peng**  
Chief Executive Officer  
Sunway REIT Management Sdn Bhd

# THE BUSINESS MODEL: TRANSCEND 2027 RECALIBRATED

TRANSCEND 2027 serves as the basis of Sunway REIT's approach to driving value creation, segmented into several strategic pillars or focus areas. TRANSCEND 2027 enables the development of robust business and operational strategies designed to address the Trust's requirements across the six capitals. It also leads the identification of material financial and non-financial material matters, risks and opportunities and the setting of clear performance targets and goals for financial and non-financial objectives.

The business model is designed to solidify Sunway REIT's position as a market leader and innovator, to ensure resilience

and sustained growth and the ability to remain adept and agile in tandem with market forces.

By focusing on its core strengths and remaining responsive to market trends, Sunway REIT is committed to delivering sustainable value to its unitholders through targeted strategic initiatives.

## 4 STRATEGIC PILLARS



### A Leading M-REIT

#### Top 2 M-REIT

- Market capitalisation
- Property value



### Growing Portfolio Size

#### Growing property value to RM14 – RM15 billion

- Yield-accretive acquisitions
- Value-enhancing AEs



### Focused Growth

#### Core Sector Focus:

- Refocusing on the core sectors
- Leveraging on retail strength

#### Opportunistic Expansion:

- Pursuing strategic opportunities in upcoming segments i.e. logistics, services, data centres, etc.



### Targets

#### Primary Targets:

- Annual Total Return
- Premium-to-NAV

#### Secondary Targets:

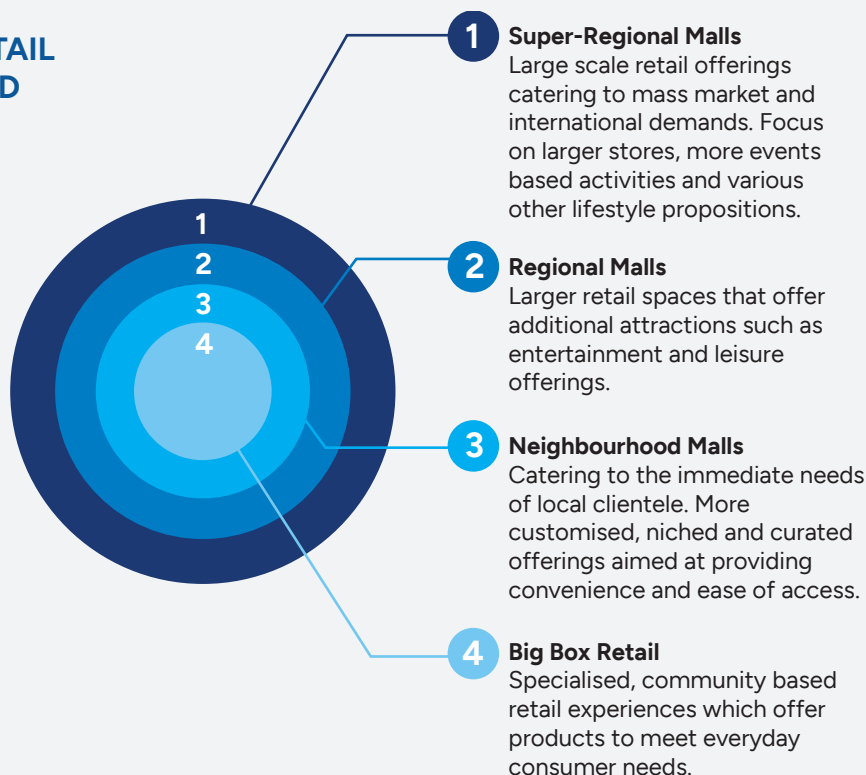
- 5-year average total return
- DPU CAGR (2019 as the base year)

Benchmarked against M-REITs peer performance annually

## BUILDING A DIVERSIFIED RETAIL PORTFOLIO WITH ENHANCED INCOME RESILIENCE

The Core Sector Focus goal (under the pillar of Focused Growth) is aimed at developing a robust and comprehensive retail portfolio based on the four identified subsectors. These are super-regional, regional and neighbourhood malls as well as big-box retail.

This approach expands and extends Sunway REIT's reach towards capturing a wider and larger consumer demographic nationwide. This is in line with the objective of driving greater growth and value accretive opportunities within Malaysia.



## THE BUSINESS MODEL: TRANSCEND 2027 RECALIBRATED

	Super-Regional Malls	Regional Malls	Neighbourhood Malls	Big Box Retail
<b>Target market &amp; net lettable area</b>	Local & International tourists NLA > 1 million sq.ft	Population within 50km NLA > 500,000 sq.ft	Population within 20km NLA > 250,000 sq.ft	Population within 10km NLA c. 250,000 sq.ft
<b>Strategic retail asset portfolio</b>	Sunway Pyramid Mall	Sunway Carnival Mall	Sunway Putra Mall Sunway Pier <sup>1</sup> Sunway 163 Mall Sunway Kluang Mall	Hypermarkets: SunCity Ipoh, Kinrara, USJ, Putra Heights, Ulu Kelang, Kluang, Plentong
<b>Geographical footprint across Malaysia</b>	Sunway City Kuala Lumpur	Penang	Kuala Lumpur, Klang, Johor	Ipoh, Selangor, Kuala Lumpur, Johor
<b>Sunway's unique strengths &amp; characteristic</b>	Unique and iconic location; Strong management and leasing expertise	Focus on identifying underserved markets	Resilience through a diverse tenant mix of F&B and essential services	Serving everyday needs of everyday people
<b>Segment's WALE</b>	1 - 3 years	1 - 3 years	1 - 3 years	5 - 10 years

<sup>1</sup> Retail mall under development

Specific information on each pillar is provided within the Capitals section of IAR 2024. Following is Sunway REIT's 2024 performance in tandem with its Transcend 2027 pillars:

## TRANSCEND 2027 PROGRESS REPORT

Strategic Pillars	2027 Targets	2024 Results
A Leading M-REIT	Become Top 2 M-REIT by property value	<b>RM10.5 billion</b> Ranked 2 <sup>nd</sup> amongst M-REITs 
	Become Top 2 M-REIT by market capitalisation	<b>RM6.3 billion</b> Ranked 3 <sup>rd</sup> amongst M-REITs 
Growing Portfolio Size	Grow property value to RM14-15 billion	<b>RM10.5 billion</b> (FY2023: RM9.0 billion)
Focused Growth	Core sector focus	Acquired eight new retail assets: six Giant hypermarkets, Sunway 163 Mall and Sunway Kluang Mall Total: <b>13</b> retail assets, <b>6</b> hotels and <b>5</b> offices
	Opportunistic expansion	Acquired a new industrial property Total: <b>1</b> education property, <b>3</b> industrial assets
Targets	<b>Primary Targets</b> <ul style="list-style-type: none"> <li>Annual total return</li> <li>Premium-to-NAV</li> </ul>	Annual total return: <b>25.5%</b>  Premium-to-NAV: <b>22.1%</b>
	<b>Secondary Targets</b> <ul style="list-style-type: none"> <li>5-year average total return</li> <li>DPU CAGR (2019 as the base year)</li> </ul>	5-year average total return: <b>5.6%</b>  DPU CAGR (2019 as the base year): <b>0.8%</b>

## A BALANCED APPROACH TO ACHIEVE ORGANIC AND INORGANIC GROWTH

TRANSCEND 2027 enables the pursuit of both organic and inorganic growth. It provides the roadmap for Sunway REIT to optimise its consumption of capitals to prioritise between its focus areas and support active portfolio management of its assets.



### Legend

- Organic growth strategies
- Inorganic growth strategies

### ORGANIC GROWTH STRATEGIES AND VALUES CREATED

Strategy	Results Created
Healthy Rental Reversion & Increasing Occupancy	Average Rental Reversion of <b>6.4%</b> for the portfolio's 1,392,744 sq.ft. of new or renewed tenancies in FY2024. (FY2023: 8.5%) Weighted Average Lease Expiry ("WALE") <b>4.0 years</b> (FY2023: 4.0 years)
Asset Enhancement Initiatives ("AEIs")	Sunway REIT focuses on optimising low-yielding precincts through rebranding and market positioning strategies. Primarily, the focus may include tenant refreshment strategies to introduce new market attuned offerings and services.
Property Development	Property development undertaken includes the redevelopment works at Sunway Pier, Port Klang, Selangor.

### INORGANIC GROWTH STRATEGIES AND VALUES CREATED

Strategy	Results Created
Strategic Acquisitions	In FY2024, approximately <b>RM1 billion</b> in cumulative asset value was purchased from the market.  Sunway REIT acquired Sunway 163 Mall in Kuala Lumpur and Sunway Kluang Mall in Johor, for <b>RM215 million</b> and <b>RM158 million</b> , respectively.  In Penang, an industrial asset, Sunway REIT Industrial – Prai was acquired at <b>RM66.8 million</b> .

## A BALANCED APPROACH TO ACHIEVE ORGANIC AND INORGANIC GROWTH



Financial



Portfolio



Human



Intellectual

Social &  
Relationship

Natural

### Robust Average Occupancy Rates in FY2024

Retail: **98%** (FY2023: 97%)  
 Hotel: **65%** (FY2023: 64%)  
 Office: **83%** (FY2023: 84%)  
 Services: **100%** (FY2023: 100%)  
 Industrial: **80%** (FY2023: 58%)

The AEI at Sunway Pyramid Mall's Oasis wing is one of the highlights for FY2024. **RM190 million** was spent on the reconfiguration project to transform ex-anchor tenant space into the reinvented "Oasis" wing at Sunway Pyramid Mall. Upon reopening, the Oasis wing achieved near 100% occupancy, with an uptick in the average gross rental (ARR), reflecting the success of the reconfiguration.

At Sunway Carnival Mall in Penang, AEI valued at **RM360 million** continues to see steady progress to refurbish and revitalise the mall in tandem with shifting social and demographic trends of consumers in the area. This AEI is expected to be completed by mid-2025, with anticipation of an increase in ARR upon its completion.

Works entailed transforming the asset into a retail-centric tourist destination within the Port Klang area. Capital expenditure allocated for this property development amounts to **RM400 million**.

### Capitals Enhanced



### Capitals Enhanced

Additionally, the portfolio of six hypermarkets was acquired for **RM520 million**, consisting of the following:

- Sunway REIT Hypermarket – Kinrara
- Sunway REIT Hypermarket – Putra Heights
- Sunway REIT Hypermarket – USJ
- Sunway REIT Hypermarket – Klang
- Sunway REIT Hypermarket – Ulu Kelang
- Sunway REIT Hypermarket – Plentong

The acquisitions offer an average initial yield of approximately 7% with substantial potential to enhance the net lettable area in the future.

➡ For the full information on the newly-acquired assets, please refer to the Portfolio Capital section.



# VALUE CREATION THROUGH A MULTI-CAPITALS APPROACH



## Financial Capital

All financial resources allocated for the operations of the business model. These include debt and equity capital, internally generated funds and unitholders' funds.



## Portfolio Capital

Multi-segment property asset portfolio comprising retail, office, hotel, services and industrial properties with total property value of RM10.5 billion.



## Human Capital

The Manager's workforce, along with their professional skills, talents, and qualifications, drives the proliferation of a high-performance, merit-based organisational culture, supported by Business Unit Management Teams.



## Intellectual Capital

The collective capabilities, skills, business acumen and industry know-how residing within the Trust including the competencies, experience and expertise of the Board and Senior Management. It also includes intellectual property, systems and processes including the risk management framework.





## Social & Relationship Capital

Comprising the diverse network of relationships and engagements with various stakeholders that impact social license to operate. The strategy for managing Social & Relationship Capital is centred on proactive engagement with stakeholders and investors through transparent, timely and effective communication and disclosure.



## Natural Capital

The pursuit of resource efficiency in the consumption of natural resources and materials required in the Trust's operations. Responsibly managed the use of renewable and non-renewable environmental resources including energy, water, building materials and land.

## Value Creation Model

### Financial Capital

Financial Highlights

Value Added Statement

Capital Management

Trading Performance

Fair Value of Investment Properties

### Portfolio Capital

Property Details

Segmental Highlights

Retail Segment

Hotel Segment

Office Segment

Services, Industrial & Others Segments

### Human Capital

Organisation Structure

Trust Structure

Corporate Structure

### Intellectual Capital

Directors' Profile

Management Team

Corporate Governance Overview  
Statement

Statement on Risk Management  
and Internal Control

Key Business Risks

### Social & Relationship Capital

Stakeholder Engagement

### Natural Capital

Sustainability Goals 2030



# VALUE CREATION MODEL

## CAPITALS

## INPUTS



### Financial

- Unitholders' funds **RM5.4 billion**
- Cash and cash equivalents **RM289.8 million**
- Total borrowings **RM4.5 billion**
- Optimal gearing level
- Balanced debt portfolio
- Dynamic and well-diversified financing profile



### Portfolio

- Organic and inorganic growth strategies comprising AEs, asset acquisitions and more
- Space under management:
  - Retail: **>6.1 million** sq.ft. NLA
  - Hotel: **>2,500** rooms
  - Office: **>1.6 million** sq.ft. NLA
  - Services: **>1.8 million** sq.ft. GFA
  - Industrial & Others: **>1.1 million** sq.ft. GFA



### Human

- Total workforce of the Manager: **23** employees
- No. of new hires: **4**
- **>RM44,000** invested in employee training



### Intellectual

- TRANSCEND 2027
- Organic and inorganic growth strategies
- Market understanding and industry knowledge
- Inherent expertise and experience
- Leveraging brand reputation of Sponsor and Sunway REIT



### Social & Relationship

- **34** investor-related engagements
- **1** Investor Day in December 2024
- **1** townhall for fixed income investors
- **1** REIT-level CSR activity
- Various stakeholder engagement strategies
- Building strong and trust-based relationships with tenants
- Participation and contribution to CSR activities
- Green Lease Partnership Programme



### Natural

- **217,869 MWh** energy sourced from the grid
- **4,075 MWh** solar energy generation
- **2,517,036 m³** of water consumption
- **13,701 tonnes** of waste produced (excluding construction waste)
- Continued efforts to reduce environmental footprint
- Identification and mitigation of climate risks

## VALUE CREATION MODEL

## SUNWAY REIT'S TRANSCEND 2027 AND SUSTAINABILITY GOALS 2030

## TRANSCEND 2027



A Leading M-REIT



Growing Portfolio Size



Focused Growth



Targets

## Sustainability Goals 2030

**GOAL 1**Transforming  
Our Portfolio to  
Low-Carbon Assets**GOAL 2**Advocating  
a Responsible  
Value Chain**GOAL 3**Investing in  
Community  
Inclusivity**GOAL 4**Respecting  
Ethical  
Principles

Retail



Hotel



Office



Services

Industrial &  
Others

UNDERPINNED BY 5 SEGMENTS AND KEY VALUE DRIVERS

## VALUE CREATION MODEL

### OUTPUTS



- Revenue **RM767.1 million**
- NPI **RM569.7 million**
- DPU **10.00 sen**
- Distribution yield **5.4%**
- Total return **25.5%**
- Gearing **41.4%**
- Fixed vs Floating debt: **45:55**
- Average debt maturity: **2.2 years**
- Total assets **RM10.8 billion**
- Total liabilities **RM4.9 billion**



- **9** new assets were acquired
- Expansion of portfolio to 28 properties with a total property value of **RM10.5 billion**
- Average occupancy rate:
  - Retail: **98%**
  - Services: **100%**
  - Hotel: **65%**
  - Industrial & Others: **80%**
  - Office: **83%**



- Zero employee grievances recorded
- **83%** employee retention rate
- **72%** employee engagement score
- **38** average training hours per employee



- Continued realisation of TRANSCEND 2027 Targets
- The value of Intellectual Capital is reflected in the various business, operational and strategic achievements registered across all six capitals
- Continued business and financial performance growth
- 9 industry awards and accolades
- Effective risk mitigation
- Consolidation of Sunway brand value
- Robust corporate governance and continued strengthening of internal processes and controls



- Unit price improved **20.1%** y-o-y
- Highest amongst M-REITs: **15** research coverages
- No. of Buy calls from analysts: **13**
- Increased unitholders to **>32,000**
- **1,657** tenancies
- **91%** tenancy renewal rate
- Zero fines for social / labour non-compliance
- Green lease participation rate:
  - Retail: **91%** Hotel: **100%** Office: **91%**
  - Industrial & Others: **40%**



- **12 tonnes Co<sub>2</sub>e** Scope 1 emissions
- **59,523 tonnes Co<sub>2</sub>e** Scope 2 emissions
- **119,989 tonnes Co<sub>2</sub>e** Scope 3 emissions
- **91%** waste directed to disposal
- **9%** waste diverted from disposal
- **8** Green buildings

### OUTCOMES

- Property value **RM10.5 billion**
- Market capitalisation **RM6.3 billion**
- 5-year average total return **5.6%**
- **98%** of borrowings were structured with sustainable finance mechanism

- Further expansion into geographic regions i.e. Penang and Johor as well as ability to leverage new demographic market segments
- Further progress made in the realisation of TRANSCEND 2027
- Higher NPI yields and fair value gain
- Healthy rental renewals and improved WALE

- Providing local employment opportunities, developing local talents and the effective deployment of human capital enables Financial, Portfolio and Social & Relationship capitals.
- Retail tenant satisfaction: **84%**
- Office tenant satisfaction: **98%**
- Hotel guest satisfaction: **89%**

- Strong long-term relationships with business partners and stakeholders with high levels of integrity and fairness to all parties
- Enhanced tenant satisfaction and stakeholder relationships, closer working ties and improved productivity

- Lowered carbon footprint and efficient resource management
- Continued improvements in sustainability performance and progressive advancement towards Net Zero Carbon Emissions by 2050
- Adopted IFRS S2 Climate-related disclosure

## VALUE CREATION MODEL

## TRADE-OFFS BETWEEN CAPITALS



Organic and inorganic growth strategies would typically erode short-term financial resources. The former includes capital expenditure and operating expenses attributed to AEs and other asset enhancement or general maintenance activities or replacement of mechanical and electrical machinery, equipment and fixtures and fittings.

Financial Capital is also required for the acquisition of technology and human capital development. The need to invest in Portfolio and other Capitals can lead to short-term erosion of financial values but supports the medium to long-term ability to generate continued, sustainable returns for unitholders, as well as sustaining and improving business and operational performance.

Portfolio Capital continues to be strengthened and even expanded post the acquisition of 9 new assets. Asset acquisition and enhancements typically necessitate further investments in facilitating ancillary resources such as additional human capital, technology and also the introduction of new management systems and processes into asset operations. Hence, beyond short-term financial capital erosion, assets may also lead to increased demand for Human, Intellectual and Social & Relationship Capitals. The Trust has allocated sufficient Financial Capital in meeting these requirements.

While developing Human Capital would require Financial Capital, investing in talent management and development enhances Intellectual Capital as well as Social & Relationship Capital as it enables the retention and development of crucial organisational knowledge, skills and competencies. It also strengthens employee satisfaction and morale, which translates into improved organisational culture and operational productivity. This approach fosters continuous learning and innovation, ensuring sustained growth and resilience over the medium to long-term.

Continued emphasis on strengthening Intellectual Capital as evident in the proliferation of technology and digitalisation incurs financial costs and automation of processes may reduce dependence on Human Capital. These may incur short-term financial impacts but ultimately provide increased cost and other operational efficiencies.

Technology may require a gestation period before the full benefits of the implementation can be optimised. This may impact the operational ability of Portfolio Capital but is expected to be a short-term impact as the proliferation of technology is normalised over time.

Fostering robust relationships with stakeholders and ensuring rigorous adherence to corporate governance standards will significantly enhance all forms of Capital. Additionally, contributions towards social and humanitarian programmes will greatly benefit Social & Relationship, Portfolio, Human and Intellectual Capitals over the long-term.

The focus on preserving and conserving Natural Capital has led to improvements in Portfolio Capital. Investing in renewable energy has and continues to deliver significant benefits to enhancing the valuation and attractiveness of assets to investors and tenants. Thus, this is also enhancement of Social & Relationship and Financial Capitals. The prioritisation of Natural Capital has led to tangible positive outcomes in terms of improving asset valuation (Portfolio Capital), supported improved access to financing (Financial Capital), increasing asset's appeal to tenants and investors, stronger brand equity and a growing corporate reputation for upholding environmental stewardship (Social & Relationship Capital).



# 1 | FINANCIAL CAPITAL



Financial Capital consists of the pool of funds available to Sunway REIT, generated from rental income, property revaluation and financing through debt and equity. It plays a vital role in facilitating business operations and bolstering the effectiveness of the other Capitals, thus ensuring the enduring viability of Sunway REIT's business and operation. The comprehensive approach to managing Financial Capital steers the direction of financial inputs and outputs, aimed at attaining sustainable and long-term cash flows.

The generation of robust financial performance, typically reflected in revenue and earnings growth as well as stable cashflow supports the development of other Capitals consumed by the Trust. Financial Capital enables the acquisition and maintenance of Portfolio Capital, the hiring, retention and development of Human Capital, finances technological acquisition to drive improvements in Intellectual Capital and also drives the Trust's strategic initiatives and agenda in generating positive outputs and outcomes in terms of Social & Relationship and Natural Capitals.

The principal trade-off is managing short-term erosion in Financial Capital such as investments in technology, buildings, assets and people, for medium to longer-term benefits such as driving employee satisfaction, managing environmental footprint, mitigating climate risks and strengthening brand image and perception among stakeholders.

**Revenue**

**RM767.1 MILLION**

**NPI**

**RM569.7 MILLION**

**DPU**

**10.0 SEN**

**Distribution Yield**

**5.4%**



All financial resources allocated for the operations of the business model. Includes debt and equity capital, internally generated funds and unitholders' funds.

### Significance To Business Model

Financial capital is essential for the operations of the business model to meet working capital requirements to undertake property acquisitions and asset enhancement initiatives, hire and retain talents, invest in technology and also support sustainability initiatives.

### Dependence

### Inputs Required

### Outputs Generated

### Actions Taken To Enhance This Capital



- Unitholders' funds **RM5.4 billion**
- Cash and cash equivalents **RM289.8 million**
- Total borrowings **RM4.5 billion**
- Optimal gearing level
- Balanced debt portfolio
- Dynamic and well-diversified financing profile

- Revenue **RM767.1 million**
- NPI **RM569.7 million**
- DPU **10.0 sen**
- Distribution Yield **5.4%**
- Total Return **25.5%**
- Fixed vs floating borrowings **45% vs 55%**
- Supported by a group of **9 financiers**
- ISCR **3.2 times**
- Average debt maturity **2.2 years**
- Average cost of debt **3.89%**
- Gearing **41.4%**
- Total Assets **RM10.8 billion**
- Total Liabilities **RM4.9 billion**

- Prioritise the identification and reduction of operational inefficiencies, optimise property maintenance and control operating expenses to maximise net property income.
- Strategically manage debt profile, secure favourable interest rates and diversify funding sources, including equity financing, bonds, commercial papers, revolving loans, hybrid instruments or sustainability-linked financing options:
  - Issuance of RM500.0 million Rated Sustainability-Linked Perpetual Securities, Malaysia's 1<sup>st</sup> Rated Sustainability-Linked Perpetual Securities launched.
  - Issuance of RM400.0 million Rated Sustainability-Linked Medium-Term Notes (MTN), M-REIT's 1<sup>st</sup> Rated Sustainability-Linked MTN launched.
  - Restructured RM1.2 billion revolving loan to a longer-dated debt instrument, namely unrated secured MTN.
- Safeguard Sunway REIT's credit standing through responsible debt management, ensuring financial stability and enabling access to favourable financing terms.

Legend:



Financial



Portfolio



Human



Intellectual



Social & relationship



Natural

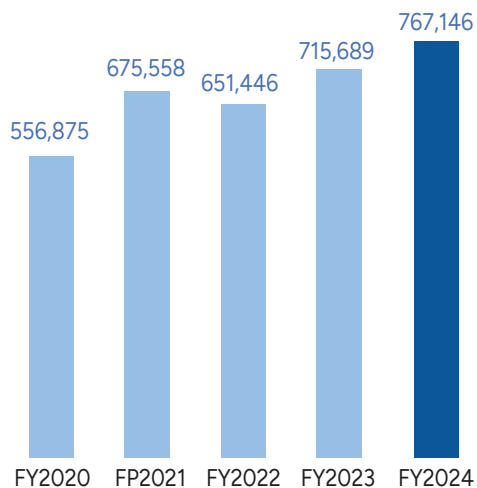
**Market Capitalisation**  
**RM6.3 BILLION**

**Total Return**  
**25.5%**

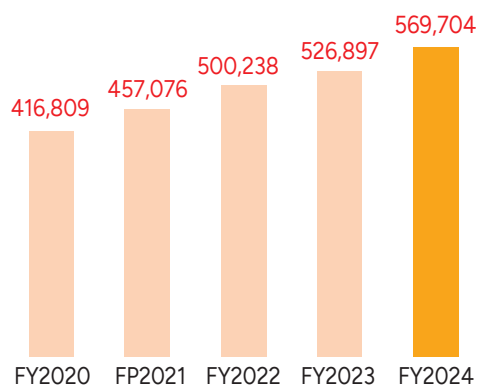
# FINANCIAL HIGHLIGHTS

## FIVE-YEAR FINANCIAL INFORMATION

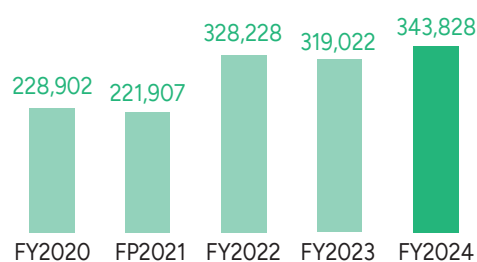
### REVENUE (RM'000)



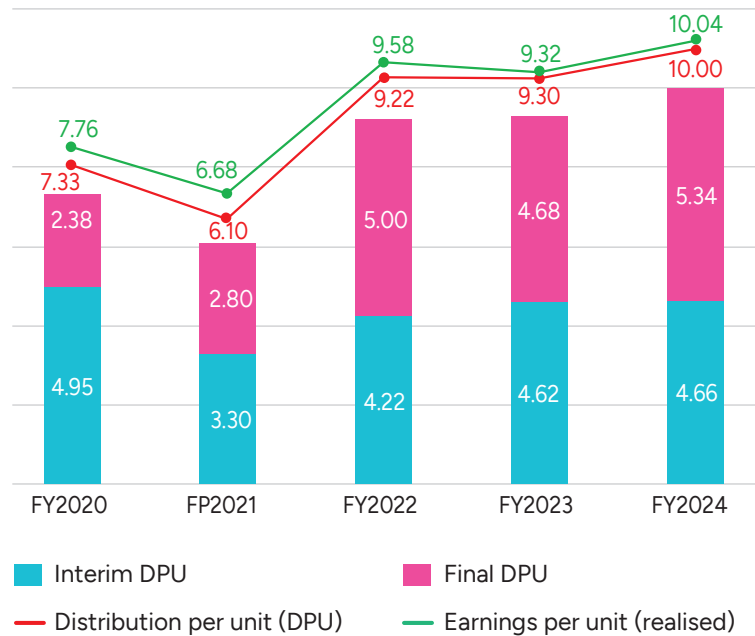
### NET PROPERTY INCOME (RM'000)



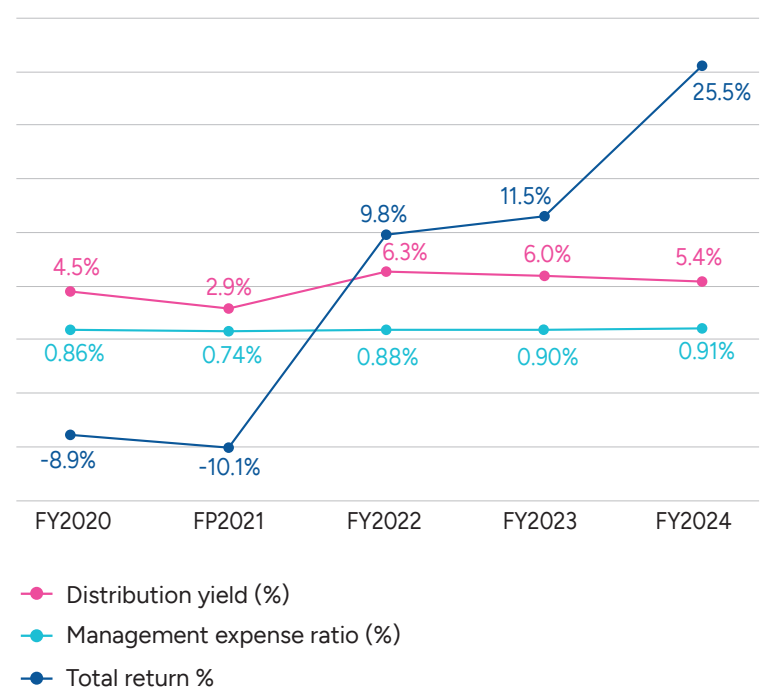
### INCOME AVAILABLE FOR DISTRIBUTION (REALISED) (RM'000)



### DISTRIBUTION PER UNIT (DPU) (SEN)



### DISTRIBUTION YIELD, TOTAL RETURN AND MANAGEMENT EXPENSE RATIO (%)



## FINANCIAL HIGHLIGHTS

## REVIEW OF OPERATIONAL RESULTS

## REALISED PROFIT ATTRIBUTABLE TO UNITHOLDERS (RM'000)

8%  
▲

343,828	FY2024
319,022	FY2023

Realised profit expanded in tandem with a healthy growth in NPI.

## DPU (SEN)

8%  
▲

10.00	FY2024
9.30	FY2023

Sunway REIT maintained its 100% distribution payout policy for FY2024.

## INTERIM DPU (SEN)

1%  
▲

4.66	FY2024
4.62	FY2023

Higher interim distributions were primarily driven by robust results from the Retail and Hotel segments in H1 2024.

## FINAL DPU (SEN)

14%  
▲

5.34	FY2024
4.68	FY2023

Higher final distributions were contributed by the overall strong performance, alongside the additional income generated from the newly acquired assets.

## FINANCE COSTS (RM'000)

20%  
▲

(166,619)	FY2024
(138,949)	FY2023

While finance costs increased due to additional debt raised for acquisitions and capital expenditure, the average cost of debt remained one of the lowest amongst M-REITs at 3.89%, a slight increase from 3.80% in the prior year.

## FINANCIAL HIGHLIGHTS

## REVIEW OF OPERATIONAL RESULTS

REVENUE<sup>1</sup>


(RM'000)  
**756,868** FY2024

**704,548** FY2023

Overall, Sunway REIT achieved a positive year-on-year financial performance, driven by robust growth across all segments, marginally offset by the impact of an asset disposal under the Services segment. Contributions from the successful new acquisitions more than offset the lost of income from disposed asset.

## Retail




(RM'000)  
**529,625** FY2024

**472,895** FY2023

Retail segment revenue demonstrated a healthy growth, primarily attributable to the successful addition of six new hypermarkets that commenced its rental contribution on 30 April 2024 and Sunway 163 Mall on 9 October 2024.

## Hotel




(RM'000)  
**95,457** FY2024

**87,096** FY2023

Hotel segment registered an uptick in revenue, supported by the robust recovery in tourism activity and increase in tourist arrivals, both local and foreign.

## Office




(RM'000)  
**83,135** FY2024

**82,625** FY2023

Office segment revenue remained resilient, underpinned by positive rental reversions and consistently high occupancy rates of above 80%.

## Services




(RM'000)  
**38,395** FY2024

**55,157<sup>1</sup>** FY2023

Services segment recorded a decline in revenue following the disposal of Sunway Medical Centre (Tower A & B) in August 2023.

## Industrial &amp; Others




(RM'000)  
**10,256** FY2024

**6,775** FY2023

Industrial and Others segment exhibited strong growth in revenue, primarily driven by the commencement of new tenancies at Sunway REIT Industrial - Petaling Jaya 1 and the commencement of rental contributions from Sunway REIT Industrial - Prai on 24 October 2024.

<sup>1</sup> Excluded unrealised income in relation to unbilled lease income receivable pursuant to MFRS 16 Leases.

## FINANCIAL HIGHLIGHTS

## REVIEW OF OPERATIONAL RESULTS

NPI<sup>1</sup>8% (RM'000)  
**559,426** FY2024**515,756** FY2023

Sunway REIT's overall financial performance for FY2024 highlights strong growth across most segments, particularly Retail and Hotel segments, alongside Industrial & Others segment. The strategic acquisitions and enhancements across its property portfolio are expected to further bolster performance moving forward.

Retail

15% (RM'000)  
**368,440** FY2024**320,806** FY2023

Retail segment NPI registered robust growth primarily due to the inclusion of new acquisitions during the year.

Hotel

11% (RM'000)  
**91,525** FY2024**82,365** FY2023


Hotel segment NPI was boosted by increased revenue, higher occupancy rate as well as steady to higher room rates.

Office

0% (RM'000)  
**52,171** FY2024**52,172** FY2023

Office segment NPI maintained a resilient performance year-on-year despite a persistent sector-wide oversupply situation.

Services

-30% (RM'000)  
**38,389** FY2024**55,157<sup>1</sup>** FY2023

Services segment NPI was impacted by the aforementioned disposal of Sunway Medical Centre (Tower A & B).

Industrial &amp; Others

69% (RM'000)  
**8,901** FY2024**5,256** FY2023

Industrial and Others segment NPI increased significantly, driven by the commencement of tenancies at Sunway REIT Industrial - Petaling Jaya 1 and the commencement of rental contributions from Sunway REIT Industrial - Prai.

<sup>1</sup> Excluded unrealised income in relation to unbilled lease income receivable pursuant to MFRS 16 Leases.



## FINANCIAL HIGHLIGHTS

## SEGMENTAL REVIEW

Property	Revenue <sup>1</sup>			Net Property Income <sup>1</sup>		
	FY2024 RM'000	FY2023 RM'000	Change %	FY2024 RM'000	FY2023 RM'000	Change %
Sunway Pyramid Mall	358,089	351,389	1.9%	262,264	258,522	1.4%
Sunway Carnival Mall	79,905	68,039	17.4%	45,749	37,560	21.8%
Sunway Putra Mall	52,114	49,891	4.5%	25,102	23,675	6.0%
Sunway 163 Mall <sup>2</sup>	6,844	-	N/A	3,432	-	N/A
Sunway Kluang Mall <sup>3</sup>	-	-	N/A	-	-	N/A
Sunway Pier <sup>4</sup>	182	235	(22.6%)	(537)	(2,250)	(76.1%)
SunCity Ipoh Hypermarket	3,630	3,341	8.7%	3,569	3,299	8.2%
Sunway REIT Hypermarket - Kinrara <sup>5</sup>	6,670	-	N/A	6,670	-	N/A
Sunway REIT Hypermarket - Putra Heights <sup>5</sup>	3,647	-	N/A	3,647	-	N/A
Sunway REIT Hypermarket - USJ <sup>5</sup>	6,029	-	N/A	6,029	-	N/A
Sunway REIT Hypermarket - Klang <sup>5</sup>	3,072	-	N/A	3,072	-	N/A
Sunway REIT Hypermarket - Ulu Kelang <sup>5</sup>	2,562	-	N/A	2,562	-	N/A
Sunway REIT Hypermarket - Plentong <sup>5</sup>	6,881	-	N/A	6,881	-	N/A
<b>Total for Retail Segment</b>	<b>529,625</b>	<b>472,895</b>	<b>12.0%</b>	<b>368,440</b>	<b>320,806</b>	<b>14.8%</b>
Sunway Resort Hotel	35,876	29,240	22.7%	34,512	27,773	24.3%
Sunway Pyramid Hotel	24,875	24,956	(0.3%)	24,034	24,137	(0.4%)
Sunway Lagoon Hotel	12,199	12,138	0.5%	12,296	11,488	7.0%
Sunway Putra Hotel	12,623	11,106	13.7%	11,243	9,749	15.3%
Sunway Hotel Seberang Jaya	3,423	3,033	12.9%	3,210	2,819	13.9%
Sunway Hotel Georgetown	6,461	6,623	(2.4%)	6,230	6,399	(2.6%)
<b>Total for Hotel Segment</b>	<b>95,457</b>	<b>87,096</b>	<b>9.6%</b>	<b>91,525</b>	<b>82,365</b>	<b>11.1%</b>
Menara Sunway	18,044	17,151	5.2%	11,199	10,454	7.1%
Sunway Tower	5,240	4,689	11.8%	191	(574)	>100.0%
Sunway Putra Tower	10,768	12,347	(12.8%)	5,841	7,214	(19.0%)
Wisma Sunway	7,067	6,980	1.2%	3,731	3,934	(5.2%)
Sunway Pinnacle	42,016	41,458	1.3%	31,209	31,144	0.2%
<b>Total for Office Segment</b>	<b>83,135</b>	<b>82,625</b>	<b>0.6%</b>	<b>52,171</b>	<b>52,172</b>	<b>(0.0%)</b>
Sunway Medical Centre (Tower A & B) <sup>6</sup>	-	17,625	(100.0%)	-	17,625	(100.0%)
Sunway university & college campus	38,395	37,532	2.3%	38,389	37,532	2.3%
<b>Total for Services Segment</b>	<b>38,395</b>	<b>55,157</b>	<b>(30.4%)</b>	<b>38,389</b>	<b>55,157</b>	<b>(30.4%)</b>
Sunway REIT Industrial - Shah Alam 1	6,774	6,775	(0.0%)	6,774	6,722	0.8%
Sunway REIT Industrial - Petaling Jaya 1	2,305	-	N/A	1,051	(1,466)	>100.0%
Sunway REIT Industrial - Prai <sup>7</sup>	1,177	-	N/A	1,076	-	N/A
<b>Total for Industrial &amp; Others Segment</b>	<b>10,256</b>	<b>6,775</b>	<b>51.4%</b>	<b>8,901</b>	<b>5,256</b>	<b>69.3%</b>
<b>Total Portfolio</b>	<b>756,868</b>	<b>704,548</b>	<b>7.4%</b>	<b>559,426</b>	<b>515,756</b>	<b>8.5%</b>

<sup>1</sup> Excluded unrealised income in relation to unbilled lease income receivable pursuant to MFRS 16 Leases.

<sup>2</sup> Rental contribution commenced on 9 October 2024.

<sup>3</sup> Rental contribution commenced on 30 December 2024, the two-day rental contribution in FY2024 will be included in FY2025.

<sup>4</sup> Redevelopment into a retail-centric tourist attraction commenced in October 2024 with targeted completion in 2027.

<sup>5</sup> Rental contribution commenced on 30 April 2024.

<sup>6</sup> Rental contribution ceased on 30 August 2023.

<sup>7</sup> Rental contribution commenced on 24 October 2024.

## FINANCIAL HIGHLIGHTS

## REVIEW OF FINANCIAL POSITION

Statement of Financial Position - Key Data & Financial Ratios	As at 31 December 2024 RM'000	As at 31 December 2023 RM'000	As at 31 December 2022 RM'000	As at 31 December 2021 RM'000	As at 30 June 2020 RM'000
Investment properties	10,384,928	8,912,360	8,622,501	8,701,745	8,020,233
Investment properties - accrued lease income	69,918	59,640	48,499	36,514	16,930
Other non-current assets	17,238	18,119	16,576	12,427	12,902
Current assets	330,515	548,504	295,795	399,787	410,180
Non-current asset held for sale	-	-	430,000	-	-
<b>Total asset value</b>	<b>10,802,599</b>	<b>9,538,623</b>	<b>9,413,371</b>	<b>9,150,473</b>	<b>8,460,245</b>
Non-current liabilities	(2,852,113)	(2,115,461)	(1,997,417)	(1,881,024)	(1,892,465)
Current liabilities	(2,078,492)	(1,907,083)	(1,887,976)	(1,804,239)	(1,798,006)
<b>Total liabilities</b>	<b>(4,930,605)</b>	<b>(4,022,544)</b>	<b>(3,885,393)</b>	<b>(3,685,263)</b>	<b>(3,690,471)</b>
<b>Net Asset Value ("NAV")</b>	<b>5,871,994</b>	<b>5,516,079</b>	<b>5,527,978</b>	<b>5,465,210</b>	<b>4,769,774</b>
Perpetual note holders' funds	(499,717)	(339,717)	(339,717)	(339,717)	(339,717)
<b>Total unitholders' funds</b>	<b>5,372,277</b>	<b>5,176,362</b>	<b>5,188,261</b>	<b>5,125,493</b>	<b>4,430,057</b>
NAV attributable to unitholders (before income distribution)	5,372,277	5,176,362	5,188,261	5,125,493	4,430,057
NAV attributable to unitholders (after income distribution)	5,189,392	5,016,081	5,017,021	5,029,598	4,359,964
NAV per unit attributable to unitholders (before income distribution) (RM)	1.5686	1.5114	1.5149	1.4966	1.5042
NAV per unit attributable to unitholders (after income distribution) (RM)	1.5152	1.4646	1.4649	1.4686	1.4804
Lowest NAV per unit attributable to unitholders during the year/period (RM)	1.4649	1.4646	1.4649	1.4686	1.4804
Highest NAV per unit attributable to unitholders during the year/period (RM)	1.5152	1.4651	1.4759	1.4827	1.4905
Closing unit price (RM)	1.85	1.54	1.46	1.41	1.62
Premium/(discount) to NAV (%)	22.1	5.1	(0.3)	(4.0)	9.4



## FINANCIAL HIGHLIGHTS

### REVIEW OF CASH FLOW POSITION

Net cash from operating activities was mainly comprised of cash receipt and refundable deposits from lessees and tenants, partially offset by cash paid for operating expenses.

	FY2024 RM'000	FY2023 RM'000
<b>Operating Activities</b>	<b>543,754</b>	445,618

Net cash used in investing activities was mainly for acquisitions of investment properties and capital expenditure incurred for Sunway Pyramid Mall reconfiguration and Sunway Carnival Mall refurbishment.

Capital expenditure and acquisition of investment properties	<b>(1,223,952)</b>	124,829
Interest received	<b>14,158</b>	10,543
<b>Investing Activities</b>	<b>(1,209,794)</b>	135,372

Net cash from financing activities was mainly contributed by net drawdown of borrowings and net proceed from issuance of perpetual notes, net of income distribution paid to unitholders and interest paid.

Net drawdown of borrowings	<b>860,352</b>	78,951
Net proceeds from perpetual notes	<b>160,000</b>	-
Interest paid	<b>(160,060)</b>	(136,572)
Distribution to perpetual note holders	<b>(9,918)</b>	(19,836)
Distribution to unitholders	<b>(319,877)</b>	(329,466)
<b>Financing Activities</b>	<b>530,497</b>	(406,923)

Cash and bank balances as at 31 December 2024 and 31 December 2023 stood at RM289.8 million and RM425.3 million respectively. Higher cash and bank balances as at 31 December 2023 was mainly due to proceeds received following the disposal of Sunway Medical Centre (Tower A & B).

Net (decrease)/increase in cash and cash equivalents	<b>(135,543)</b>	174,067
Cash and cash equivalents at beginning of financial year	<b>425,305</b>	251,238
<b>Cash and cash equivalents at end of financial year</b>	<b>289,762</b>	<b>425,305</b>

## FINANCIAL HIGHLIGHTS

## PERFORMANCE BENCHMARK

## i. Management expense ratio (MER) (%)

FY2023  FY2024  
0.90% 0.91%

The MER remained relatively stable over the past two years.

↔ For historical MER levels, please refer to the Five-year Financial Information section.

↔ For more information on the calculation of MER verified by the auditors, please refer to Note 29 of the Notes to the Financial Statements in the Audited Financial Statements section.

## ii. Total return (%)

FY2023  FY2024  
11.5% 25.5%

An uptick in total return was attributable to capital gains of 20.1% and distribution yield of 5.4% in FY2024.

## iii. Average total return (5 years) (%)

FY2023  FY2024  
2.6% 5.6%

The five-year average total return was driven by the strong unit price performance in FY2024.

## iv. Average total return (3 years) (%)

FY2023  FY2024  
3.7% 15.6%

The three-year average total return was driven by the strong unit price performance in FY2024.

## v. Distribution yield (%)

FY2023  FY2024  
6.0% 5.4%

The lower distribution yield was a result of unit price escalation.

## vi. NAV per unit attributable to unitholders (after income distribution) (RM)

FY2023  FY2024  
1.4646 1.5152

NAV per unit registered an improvement, primarily attributable to the fair value gain on investment properties.

## vii. Closing Unit Price (RM)

FY2023  FY2024  
1.54 1.85

Unit price exhibited positive momentum in FY2024, in line with the upward trend of the Bursa Malaysia REIT Index.

↔ For a detailed analysis of Sunway REIT's unit price performance, please refer to the Trading Performance section.

- i. Ratio of trust expenses in operating Sunway REIT to the NAV (after income distribution).
- ii. Changes in unit price of Sunway REIT from the beginning up to the end of the financial year plus distribution yield for the financial year.
- iii.,iv. Sum of the total return of Sunway REIT over a given number of years divided by that number of years.
- v. Based on DPU divided by the closing unit price.
- vi. Determined by deducting the value of all Sunway REIT's liabilities from its total asset value as at end of financial year and after the proposed final income distribution for the financial year, divided by the number of issued units.
- vii. Based on the unit price as at year end.

## VALUE ADDED STATEMENT

Total turnover  
**RM767.1**  
million

-

Purchases  
of goods and  
services  
**RM197.4**  
million

+

Interest and  
other income/  
expense  
**RM170.9**  
million

=

Total Value  
Created  
**RM740.6**  
million

### PROVIDERS OF CAPITAL

UNITHOLDERS  
**RM342.5**  
million

FINANCIERS AND  
PERPETUAL  
NOTE HOLDERS **RM176.8**  
million

Sunway REIT's primary focus is on distributing value to **Providers of Capital**, comprising unitholders, financiers and perpetual note holders. This aligns with its core business model, where investments are strategically funded through a balanced ratio of 60% equity and 40% debt. In line with this strategy, the Trust maintained an approximately 100% income distribution payout for the year.

Value Created  
**RM**  
**740.6**  
million  
was distributed

REINVESTMENT  
AND GROWTH  
**RM173.3**  
million

Funds retained for **Reinvestment and Growth** were derived from the year's unrealised profit. These funds will be strategically allocated to support the Trust's growth strategy and fund capital expenditures, ensuring long-term sustainability and value enhancement of the Trust's portfolio.

MANAGER  
AND TRUSTEE  
**RM48.0**  
million

The Trust is managed by the Manager and overseen by the Trustee in accordance with the Deed and the Listed REIT Guidelines. The Trust does not have any employees. Thus, the value distributed to **Manager and Trustee** during the year was based on the asset value and performance achieved by Sunway REIT.

Sunway REIT is exempted from tax, under the tax transparency system in accordance with Section 61A of Malaysian Income Tax Act 1967, with almost 100% income distribution payout for FY2024. Consequently, no value was distributed to the **Government** during the year.

## VALUE ADDED STATEMENT

	FY2024 RM'000	FY2023 RM'000
<b>Value Added</b>		
Total turnover	767,146	715,689
Purchases of goods and services	(197,442)	(188,792)
Interest and other income / (expense)	170,900	(5,788)
<b>Total Value Added</b>	<b>740,604</b>	<b>521,109</b>
<b>Reconciliation</b>		
Total comprehensive income for the year	526,007	337,456
Add: Finance costs	166,619	138,949
Manager's fees	47,208	43,934
Trustee's fees	770	770
<b>Total Value Added</b>	<b>740,604</b>	<b>521,109</b>
<b>Value Distributed</b>		
<b>Manager and Trustee</b>		
Manager's fees	47,208	43,934
Trustee's fees	770	770
<b>Providers of capital</b>		
Finance costs	166,619	138,949
Perpetual note distribution <sup>1</sup>	10,215	19,889
Income distribution <sup>2</sup>	342,481	318,507
<b>Reinvestment and growth</b>		
Undistributed income / (loss) <sup>3</sup>	173,311	(940)
<b>Total Value Distributed</b>	<b>740,604</b>	<b>521,109</b>

<sup>1</sup> In respect of amount reserved and distribution paid to perpetual note holders.

<sup>2</sup> In respect of proposed/declared income distribution to unitholders. The proposed final income distribution will be recognised and paid in the following financial year.

<sup>3</sup> Mainly comprises unrealised profit in FY2024.

# CAPITAL MANAGEMENT

## FY2024 HIGHLIGHTS



- One of the **lowest average costs of debt** amongst M-REITs of **3.89%** (FY2023: 3.80%)



- Successfully **refinanced all borrowings due** during the financial year totalling **RM2.0 billion** (FY2023: RM1.6 billion)



- 98%** of borrowings were structured with **sustainable finance mechanism** (FY2023: 97.5%)



- Despite an increase, **gearing** remains healthy at **41.4%** (FY2023: 38.1%)



- Issued the **inaugural rated sustainability-linked medium term notes ("SLMTN")** of RM400 million and **rated sustainability-linked perpetual notes** of RM500 million



- Robust credit profile** backed by independent ratings by RAM Rating Services Berhad

**SUNWAY**  
REIT
CORPORATE CREDIT RATING<sup>1</sup>
**AA2**

Sunway REIT

### PROGRAMME-LEVEL RATINGS<sup>1</sup>

**AA1(s)**

 RM10.0 billion  
Medium Term  
Notes (MTN)  
Programme -  
Secured

**AA2(s)**

 RM10.0 billion  
Medium Term  
Notes (MTN)  
Programme -  
Unsecured

**A1(s)**

 RM10.0 billion  
Perpetual  
Note  
Programme

**P1(s)**

 RM3.0 billion  
Commercial  
Paper  
Programme

### SUSTAINABLE FINANCE FRAMEWORKS<sup>2</sup>

**Gold** Sustainable Finance rating  
and **Aligned** level of disclosure

 Sustainability-Linked  
Financing Framework

**Aligned to Strong**  
level of disclosure

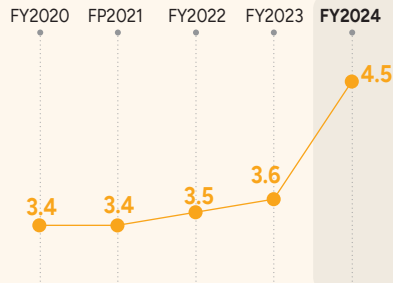
 Sustainability-Linked  
MTN Framework

<sup>1</sup> Ratings were ascribed by RAM Rating Services Berhad.

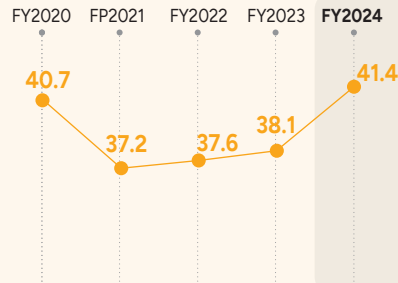
<sup>2</sup> Ratings were ascribed by RAM Sustainability Sdn Bhd.

## CAPITAL MANAGEMENT

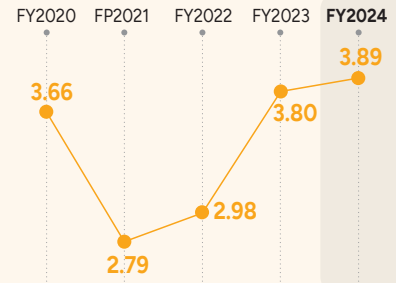
## FIVE-YEAR PERFORMANCE

**Total borrowings (RM'billion)**

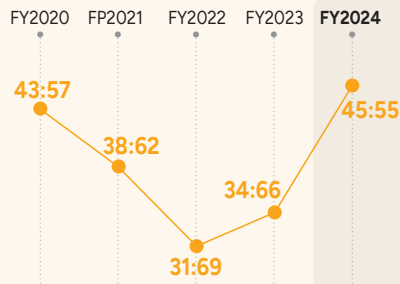
Increase in total borrowings to support growth initiatives, including acquisitions and AEs.

**Gearing (%)**

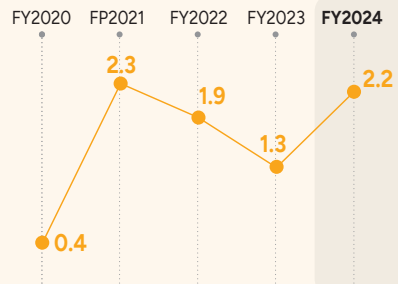
Gearing edged up due to additional borrowings of RM0.9 billion during the financial year.

**Average cost of debt (%)**

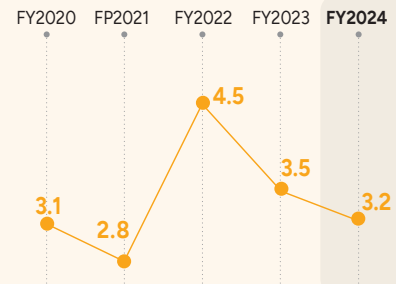
Increase in average cost of debt resulting from full year impact of the last OPR hike of 25 basis points in May 2023.

**Fixed : Floating ratio**

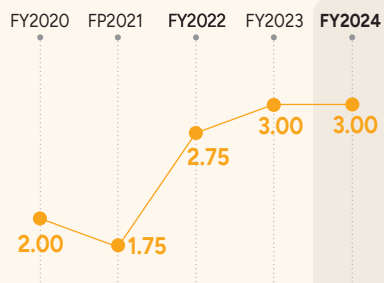
Fixed rate borrowings increased by 11% attributed to the issuance of fixed rate rated SLMTN of RM400 million.

**Average debt maturity period (years)**

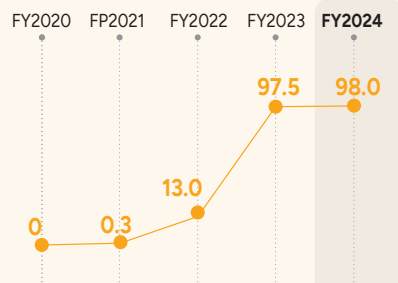
Average debt maturity period increased mainly attributable to the issuance of 5 to 7 years rated SLMTN and conversion of RL to 3 to 7 years unrated SLMTN.

**Interest service cover ratio (ISCR) (times)**

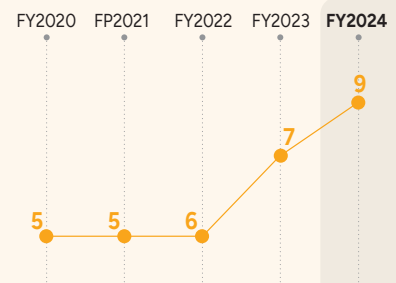
Reduction in ISCR due to higher finance costs.

**Overnight Policy Rate (OPR)**

OPR remained stable at 3.00% during the financial year supported by higher economy growth and manageable inflation.

**Sustainable Finance (%)**

A significant portion of Sunway REIT's borrowings, with the exception of commercial papers, were structured with sustainable finance mechanism.

**Number of financiers**

Sunway REIT is well-supported by a broad financier base, driven by its strong creditworthiness and focus on sustainable finance.



## CAPITAL MANAGEMENT

# THREE-PRONGED APPROACH

## 1. Optimal Gearing Level

In FY2024, Sunway REIT continued to maintain its track record of gearing below 50% of total asset value consistent with the Listed REIT Guidelines. The Manager has a lower internal gearing threshold of 45% as a pre-emptive measure to provide a buffer as compared to the regulatory requirement.

The Manager maintains ample debt headroom against both the threshold imposed by the Listed REIT Guidelines and internal policy. As at 31 December 2024, Sunway REIT has balance debt headroom of approximately RM900 million to fund investment opportunities.

During the financial year, borrowings totalling approximately RM900 million has been drawn to fund

asset acquisitions and AEs. Assets acquired include Sunway 163 Mall, Sunway Kluang Mall and Sunway REIT Industrial – Prai as well as Sunway REIT Hypermarket – Kinrara, Putra Heights, USJ, Klang, Ulu Kelang and Plentong. AEs comprised the refurbishment for Sunway Pyramid Mall Oasis wing, Sunway Carnival Mall existing wing and Sunway Pier redevelopment. Correspondingly, the gearing edged up to 41.4% as at 31 December 2024.

The Manager will continue to optimise the capital structure for opportunistic yield-accretive acquisitions and capital expenditure. Over the longer horizon, the Manager strives to maintain the gearing level at below 45% and reviews the opportunity to undertake equity financing when appropriate.

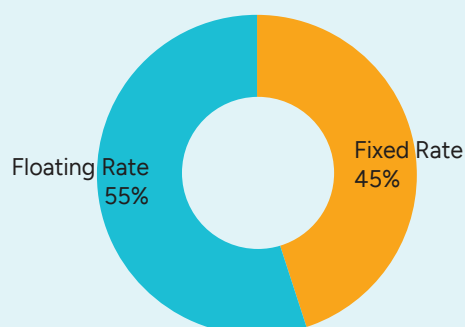
## 2. Balanced Debt Portfolio

In reducing exposure to potential interest rate hikes, Sunway REIT continued to adhere to its internal policy to ensure fixed rate borrowings constitute at least 30% of the total borrowings. The Manager has increased the fixed rate borrowings of Sunway REIT to 45% as at 31 December 2024, tapping on the competitive fixed rate bond pricing during the financial year. For FY2024, Sunway REIT continued the record as one of the lowest average cost of debt amongst the M-REITs at 3.89%.

In the near term, the Manager envisages to keep the fixed rate borrowings around the internal threshold to allow Sunway REIT to continue to benefit from the repricing of market interest rates in view that the overnight policy rate is expected to maintain at the

current level supported by the accommodativeness of national monetary policy overseen by Bank Negara Malaysia. Over the longer horizon, the Manager continues to monitor for opportunities to lock in favourable fixed rates with longer tenure and to hedge through interest rate swap contracts.

Fixed vs Floating Rate



## CAPITAL MANAGEMENT

### 3. Dynamic and Well-Diversified Financing Profile

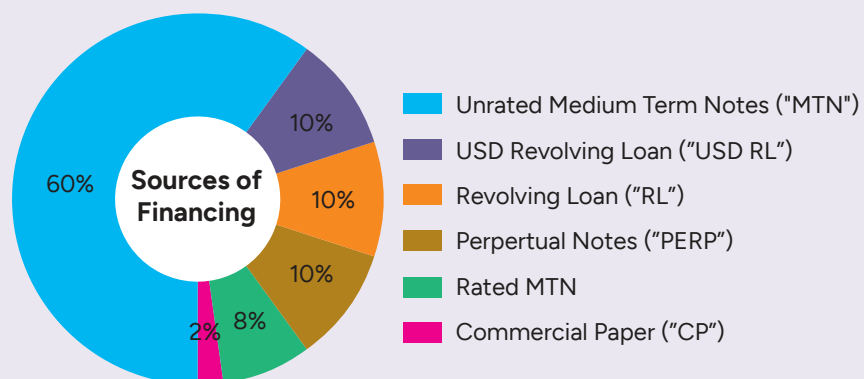
The resilience of Sunway REIT's capital management was underpinned by a diversified financing profile comprising loans and debt securities, in both local and foreign currencies. This provides greater flexibility in funding structure over the short and medium term.

Refinancing risk was moderated by Sunway REIT's healthy credit profile and robust balance sheet, coupled with the strong support of reputable financiers to Sunway Group. Sunway REIT recorded a strong interest service cover ratio of 3.2 times for FY2024, well above the debt covenant level.

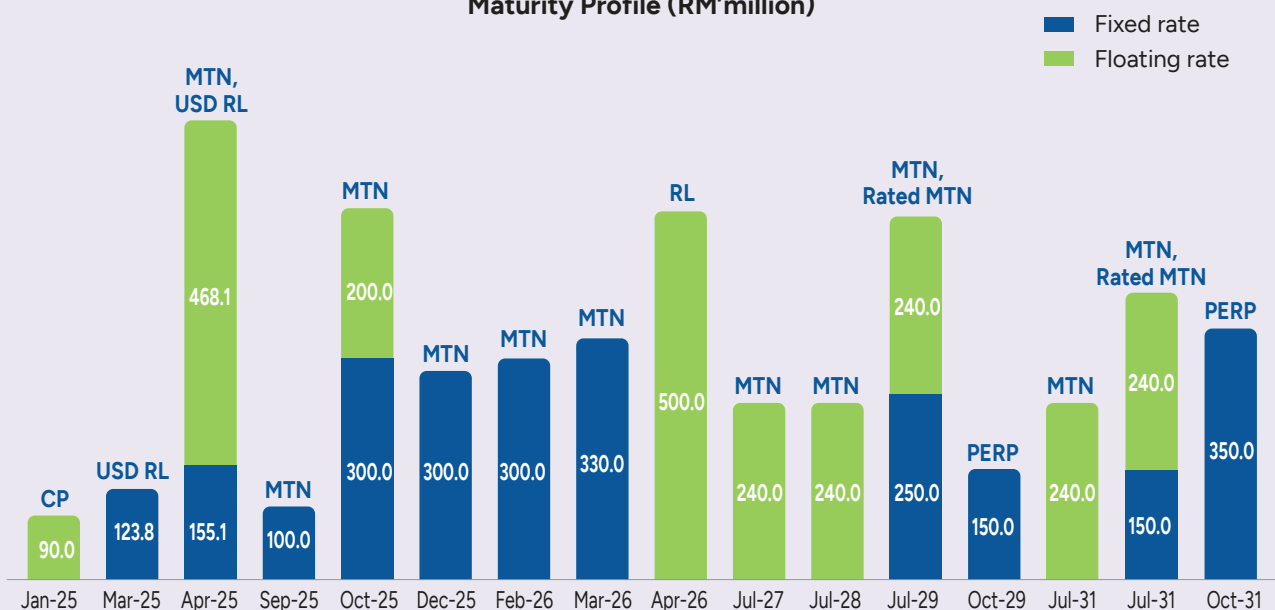
During the financial year, Sunway REIT received independent corporate credit rating and programme-level ratings affirmed by RAM Rating Services Berhad.

The rating affirmation was a testament to Sunway REIT's credit fundamentals and favourable market position, with a prime and diversified asset and tenant mix, substantial financial flexibility and healthy debt coverage. With the ratings, Sunway REIT will continue to tap the debt capital markets for issuance of rated debt securities.

The Manager has successfully refinanced borrowings of various maturities totalling RM2.0 billion during the financial year. As at 31 December 2024, the average debt maturity of Sunway REIT stood at 2.2 years.



Maturity Profile (RM'million)



## CAPITAL MANAGEMENT

 **A CASE STUDY IN SUSTAINABLE FINANCE**
**Strategic Capital Management and Optimisation**

Sunway REIT proactively managed its debt portfolio to secure attractive borrowing rates, improve its financing profile and ultimately deliver higher return to the unitholders. Below case study showcased the key achievements of Sunway REIT in FY2024.

**Rated Sustainability-Linked  
Medium Term Notes ("SLMTN")  
of RM400 million**

**Rated Sustainability-Linked  
Perpetual Notes ("SLPN")  
of RM500 million**

Pioneered the rated sustainability-linked bond issuances

**1<sup>st</sup> in M-REIT**  
In July 2024



**1<sup>st</sup> in M-REIT  
1<sup>st</sup> in Malaysia**  
In October 2024

Secured competitive coupon rates

Blended Coupon Rate:  
**4.00%**

Issued at 25 – 30 basis points ("bps")  
5-year RM250 million at 3.97%  
7-year RM150 million at 4.06%



Blended Coupon rate:  
**4.63%**

Issued at 100 bps  
5-year RM150 million at 4.51%  
7-year RM350 million at 4.68%

Garnered strong investor interest

Book-to-cover ratio:  
**3.5 times**



Book-to-cover ratio:  
**1.4 times**

Supported by independent credit ratings

**AA2(s)**



**A1(s)**

Adhered to the Sustainable Finance Frameworks

Sustainability-Linked  
MTN Framework



Sustainability-Linked  
Financing Framework



Kindly refer to Sunway REIT's corporate website for more information about the sustainable finance frameworks.

## CAPITAL MANAGEMENT

## Optimising Capital Structure and Cost of Borrowings

Secured a blended coupon rate of 4.00% for the rated SLMTN, demonstrating **access to the rated debt securities** at attractive rates.

Issued the first rated SLPN by a Malaysian REIT, achieving a strong pricing outcome of 4.63%, being the **first perpetual to achieve coupon rate of below 5% since 2020**.

The rated SLMTN **increased the proportion of fixed-rate debt** and enhanced debt maturity, improving resilience against interest rate fluctuations.

The rated SLPN was structured to comply with the Listed REIT Guidelines, where **perpetual note is treated as equity** and not borrowings, for the purpose of computation of gearing ratio for REIT.

## Creating Value for Unitholders

Proactively managed the financial risk to safeguard against any potential interest rate fluctuations or uncertainty.

Tapped the Malaysian debt market and attracted a diversified pool of quality investors, comprising asset management firms, financial institutions, private banks and insurance companies.

Successfully navigated the capital markets by issuing rated debt and hybrid instruments, securing favourable borrowing terms that directly contribute to interest savings.

Contributed to a healthier balance sheet, which positions Sunway REIT to deliver sustainable value to unitholders.

Sunway REIT's strategic capital management approach demonstrates its commitment to financial discipline and creating long-term value for its unitholders.

Capitals enhanced:



Financial



Social &amp; relationship



Natural

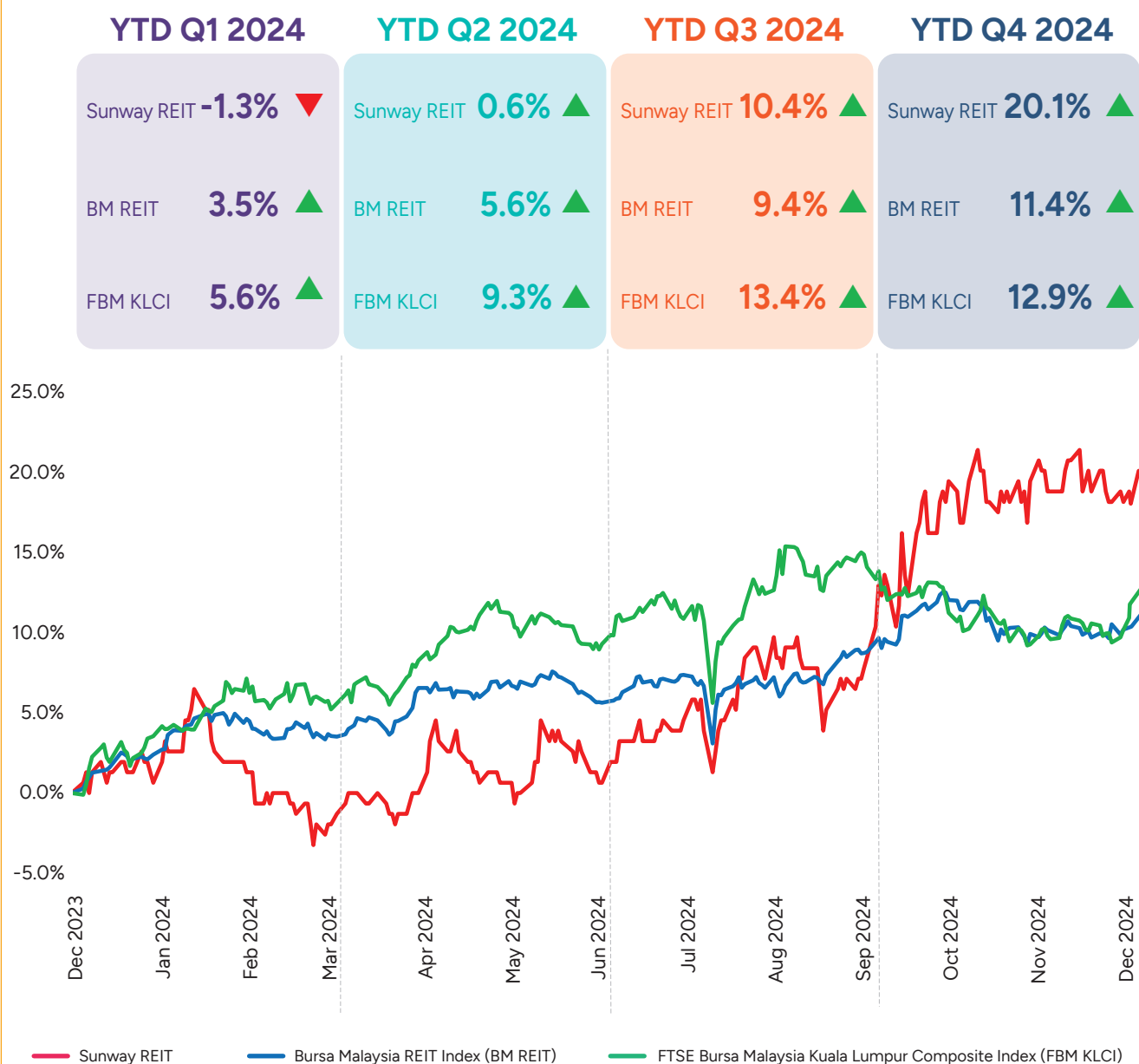
Kindly refer to Sustainable Finance section in SR 2024 for more information.



## TRADING PERFORMANCE

### Sunway REIT's Unit Price Performance vs Performance Benchmarks in FY2024

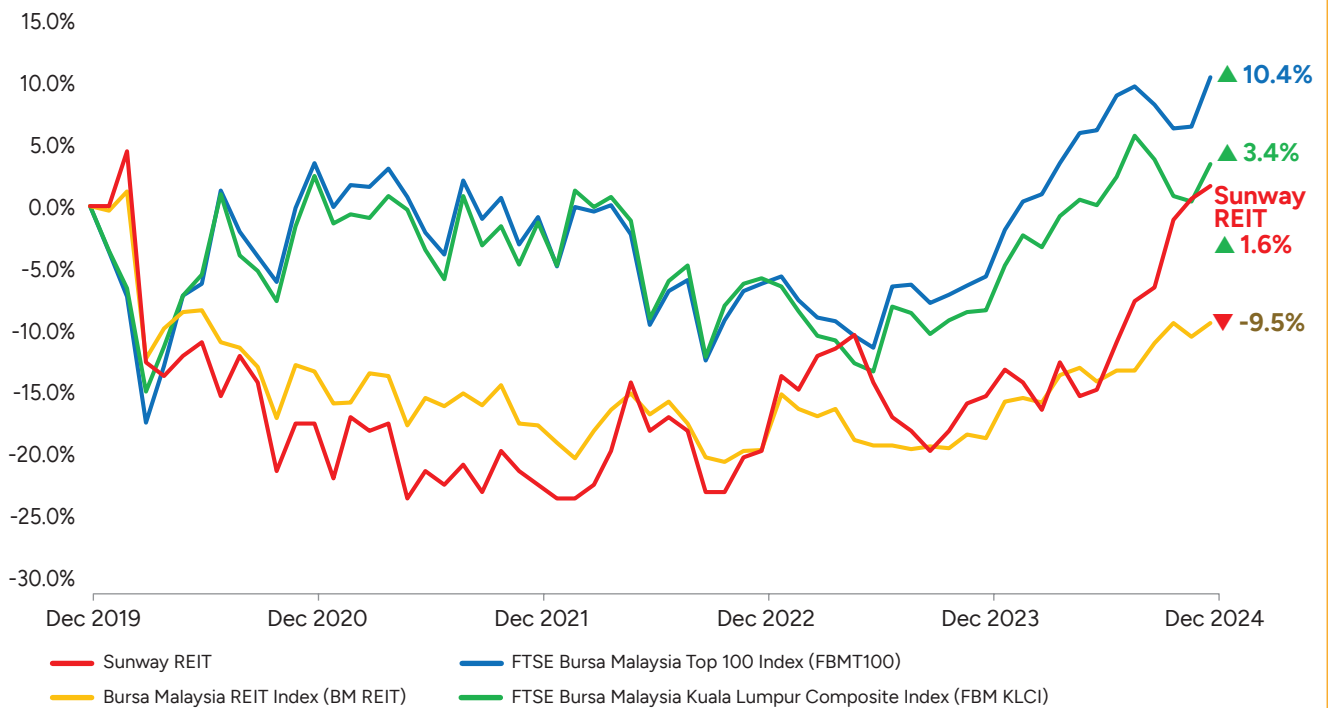
Sunway REIT's unit price performance was commendable in 2024. The unit price appreciated 20.1%, ending at RM1.85 as at 31 December 2024 compared to RM1.54 as at 31 December 2023, outpaced both the Bursa Malaysia REIT Index and the broader FTSE Bursa Malaysia KLCI.



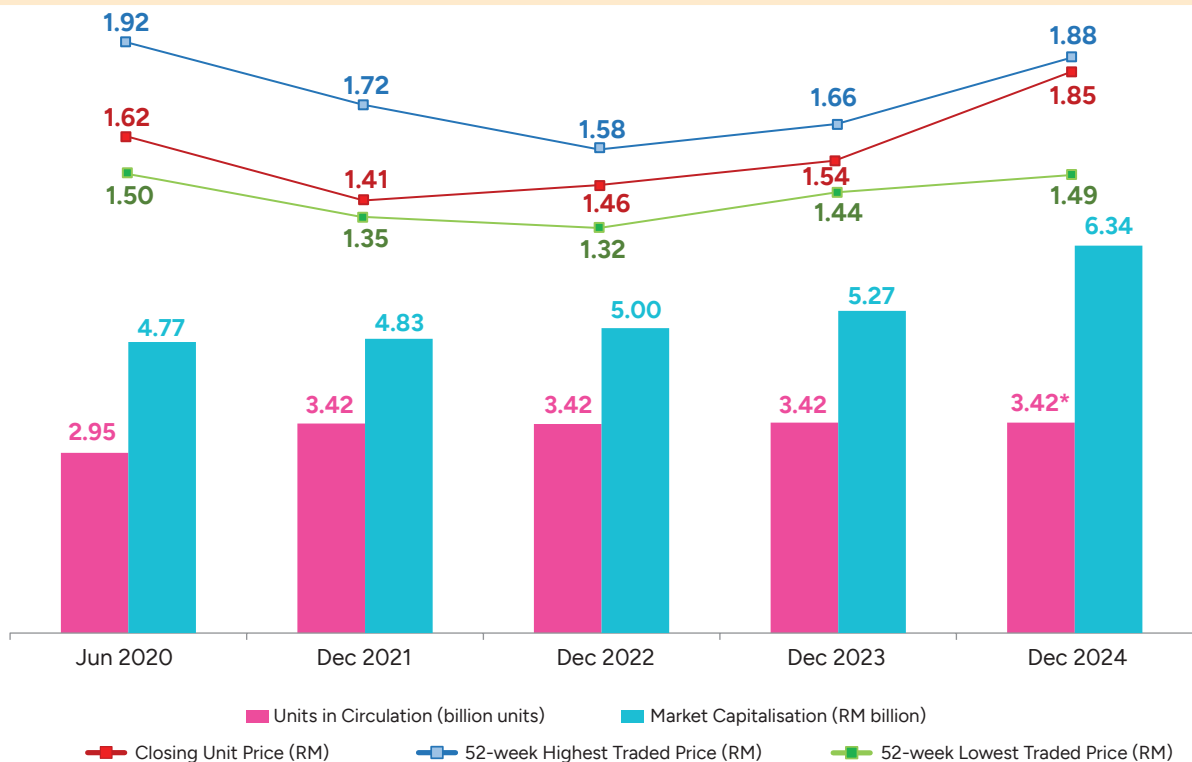
Source: Sunway REIT, Bloomberg

## TRADING PERFORMANCE

## Sunway REIT's Five-year Unit Price Performance vs Benchmark Indices



## Five-year Market Capitalisation, Unit Price and Units In Circulation

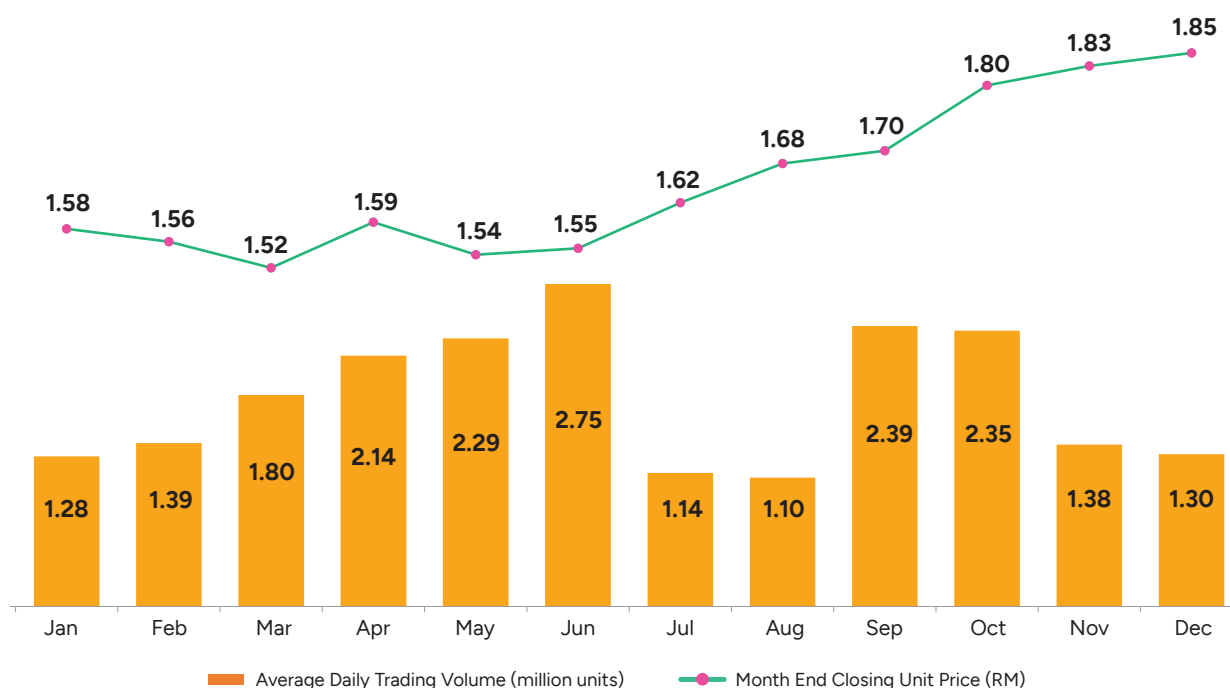


\* Free-float comprises 59.1% (2,024,061,350 units) of 3,424,807,700 units in circulation.

Source: Sunway REIT, Bloomberg

## TRADING PERFORMANCE

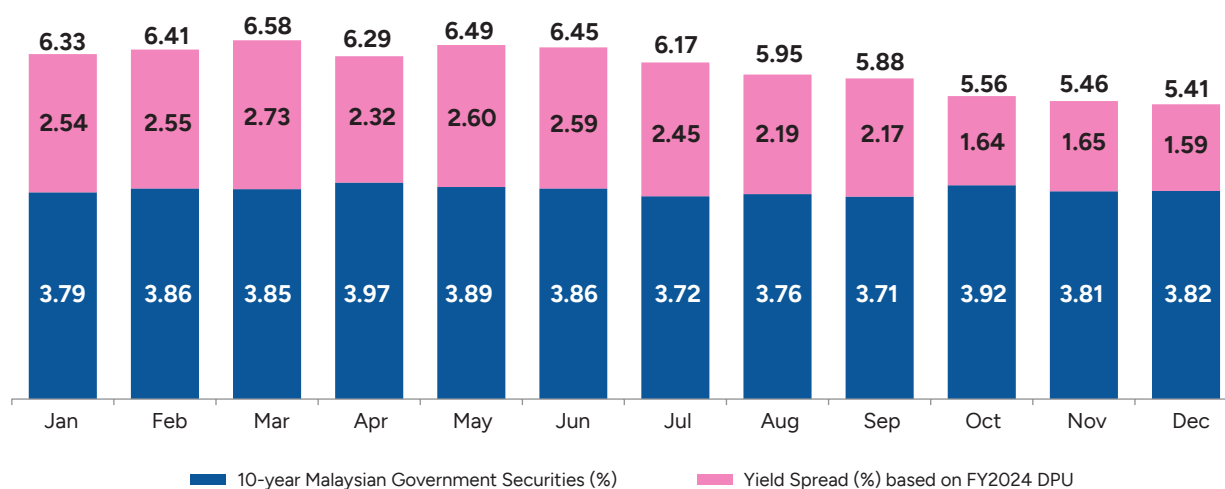
### Monthly Trading Performance (FY2024)



Note: All information stated based on month-end data

Source: Sunway REIT, Bloomberg

### Monthly Yield Comparison (FY2024)

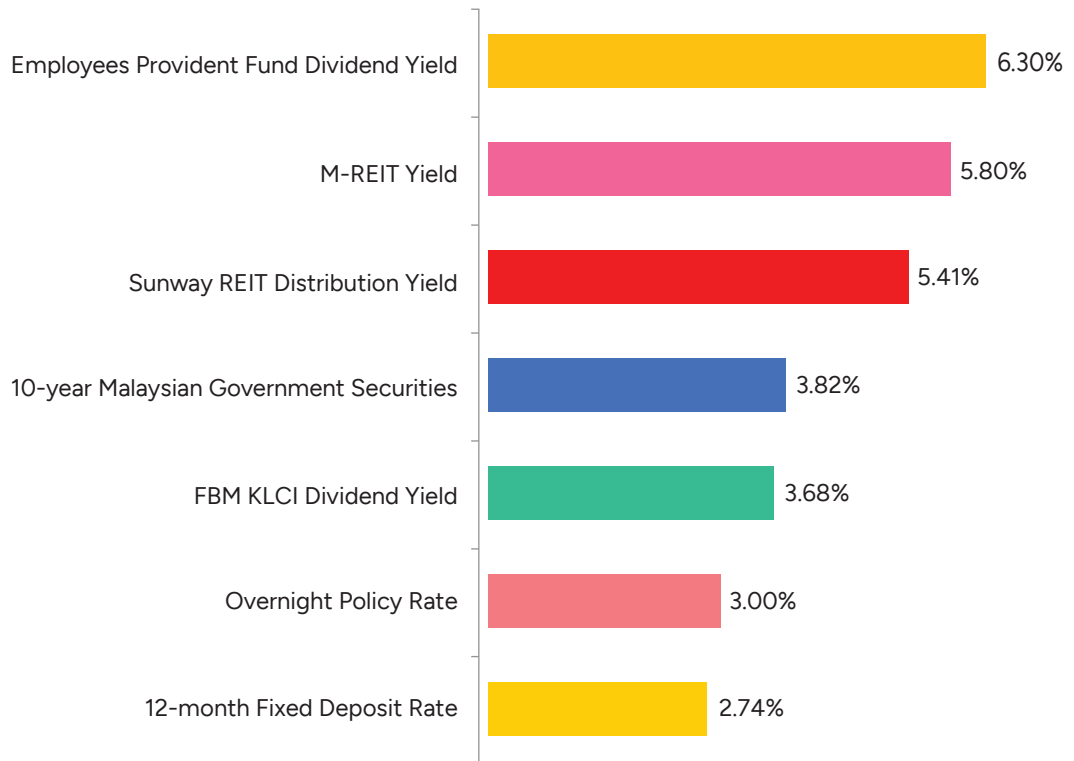


Note: All information stated based on month-end data

Source: Sunway REIT, Bloomberg, Bank Negara Malaysia

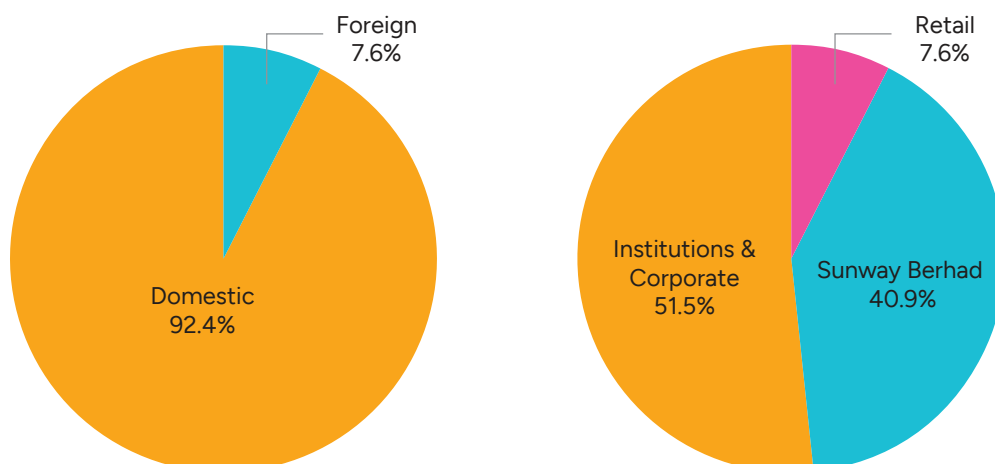
## TRADING PERFORMANCE

## Comparative Yields (as at 31 December 2024)



Source: Sunway REIT, Bloomberg, Bank Negara Malaysia, Bursa Malaysia, Employees Provident Fund

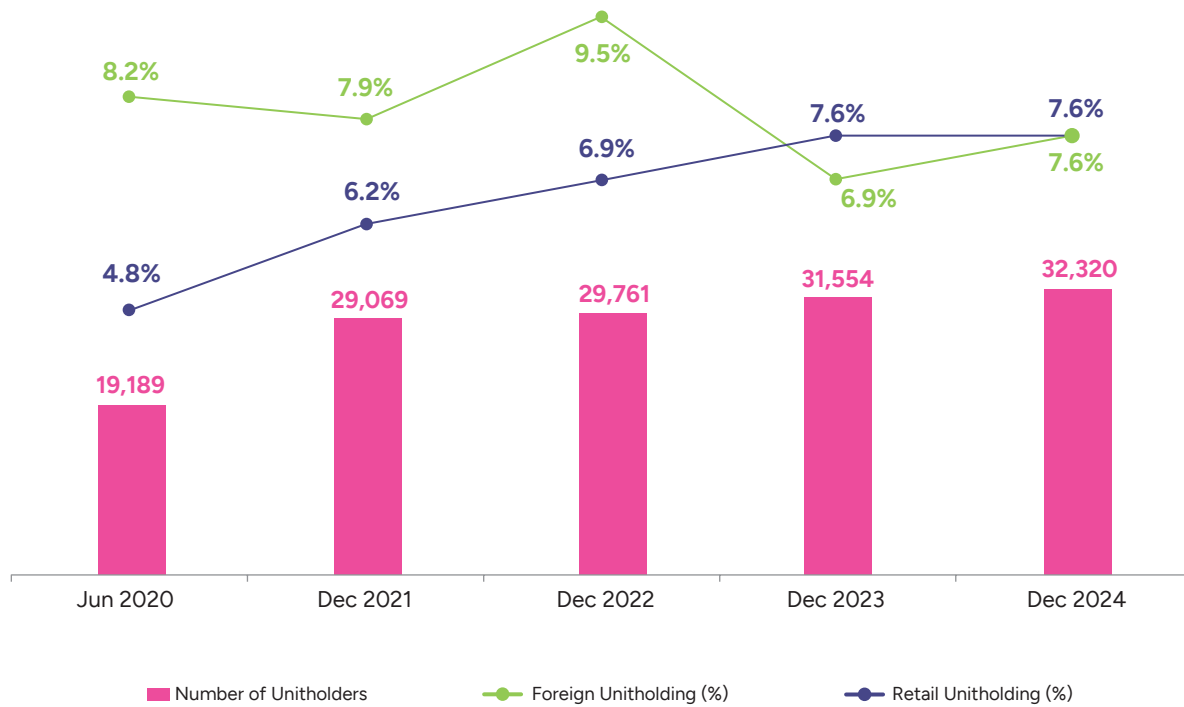
## Unitholders' Composition (as at 31 December 2024)



Source: Sunway REIT

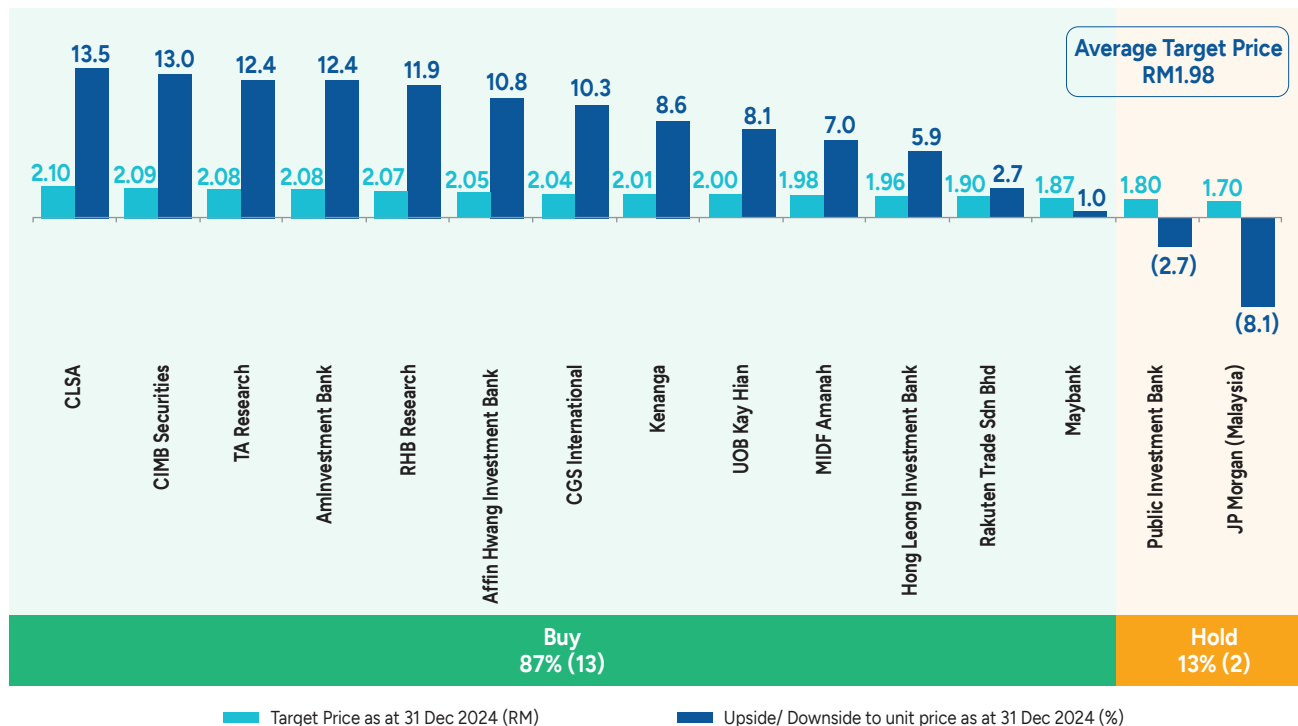
## TRADING PERFORMANCE

### Five-year Unitholders Statistics



Source: Sunway REIT, Bloomberg

### Analyst Recommendation (as at 31 December 2024)



Source: Bloomberg

## FAIR VALUE OF INVESTMENT PROPERTIES

Property	Location	Fair Value FY2024 RM'million	Fair Value FY2023 RM'million	Change in Value RM'million	Property Yield FY2024 %	Property Yield FY2023 %
<b>RETAIL</b>						
Sunway Pyramid Mall	Selangor	4,200	3,900	300	6.0% <sup>1</sup>	6.6% <sup>1</sup>
Sunway Carnival Mall	Penang	980	900	80	4.7%	4.2%
Sunway Putra Mall	Kuala Lumpur	528	525	3	4.8%	4.5%
Sunway 163 Mall	Kuala Lumpur	225	N/A	225	6.7% <sup>2</sup>	N/A
Sunway Kluang Mall	Johor	165	N/A	165	N/A <sup>3</sup>	N/A
Sunway Pier	Selangor	- <sup>4</sup>	33	(33)	N/A	(6.8%)
SunCity Ipoh Hypermarket	Perak	55	55	-	6.5%	6.0%
Sunway REIT Hypermarket - Kinrara	Selangor	143	N/A	143	6.9% <sup>2</sup>	N/A
Sunway REIT Hypermarket - Putra Heights	Selangor	71	N/A	71	7.7% <sup>2</sup>	N/A
Sunway REIT Hypermarket - USJ	Selangor	101	N/A	101	8.9% <sup>2</sup>	N/A
Sunway REIT Hypermarket - Klang	Selangor	74	N/A	74	6.2% <sup>2</sup>	N/A
Sunway REIT Hypermarket - Ulu Kelang	Kuala Lumpur	53	N/A	53	7.2% <sup>2</sup>	N/A
Sunway REIT Hypermarket - Plentong	Johor	159	N/A	159	6.4% <sup>2</sup>	N/A
		6,754	5,413	1,341	5.7%	5.9%
<b>HOTEL</b>						
Sunway Resort Hotel	Selangor	740	730	10	5.1% <sup>1</sup>	3.3% <sup>1</sup>
Sunway Pyramid Hotel	Selangor	345	345	-	7.2% <sup>1</sup>	8.1% <sup>1</sup>
Sunway Lagoon Hotel	Selangor	310	310	-	5.3% <sup>1</sup>	3.7% <sup>1</sup>
Sunway Putra Hotel	Kuala Lumpur	334	334	-	3.4%	2.9%
Sunway Hotel Seberang Jaya	Penang	55	52	3	5.8%	5.4%
Sunway Hotel Georgetown	Penang	86	84	2	7.2%	7.6%
		1,870	1,855	15	5.3%	4.4%
<b>OFFICE</b>						
Menara Sunway	Selangor	178	178	-	6.3%	5.9%
Sunway Tower	Kuala Lumpur	115	115	-	0.2%	(0.5%)
Sunway Putra Tower	Kuala Lumpur	135	135	-	4.3%	5.3%
Wisma Sunway	Selangor	60	60	-	6.2%	6.6%
Sunway Pinnacle	Selangor	471	470	1	6.4%	6.6%
		959	958	1	5.3%	5.4%
<b>SERVICES</b>						
Sunway university & college campus	Selangor	586	580	6	6.6%	6.5%
		586	580	6	6.6%	6.5%
<b>INDUSTRIAL &amp; OTHERS</b>						
Sunway REIT Industrial - Shah Alam 1	Selangor	106	105	1	6.4%	6.4%
Sunway REIT Industrial - Petaling Jaya 1	Selangor	71	61	10	1.5%	(2.4%)
Sunway REIT Industrial - Prai	Penang	68	N/A	68	8.5% <sup>2</sup>	N/A
		245	166	79	5.6%	3.2%
<b>Fair Value of Investment Properties</b>		<b>10,414</b>	<b>8,972</b>	<b>1,442</b>	<b>5.7%</b>	<b>5.7%</b>
Less: Acquisitions during the year				(972.5)		
Less: Capital expenditure during the year				(329.1)		
Add: Transfer to investment property under construction				33.0 <sup>4</sup>		
<b>Fair Value Gain</b>				<b>173.4</b>		

<sup>1</sup> As some of the spaces in the Cluster Hotels (namely Sunway Resort Hotel, Sunway Pyramid Hotel and Sunway Lagoon Hotel) were repurposed into retail lots, the adjusted yield (after reallocating the retail portion to the hotels) for the Cluster Hotels will be 5.7% in FY2024, an increase from 5.1%. Accordingly, the adjusted yield for Sunway Pyramid Mall will shrink marginally from 6.2% to 6.0% in FY2024.

<sup>2</sup> The property yields for the assets acquired in FY2024 were based on annualised NPI.

<sup>3</sup> Rental contribution commenced on 30 December 2024, the two-day rental contribution in FY2024 will be included in FY2025.

<sup>4</sup> Sunway Pier was transferred to investment property under construction in FY2024 and as a result, this property was not subject to annual revaluation.

# 2 | PORTFOLIO CAPITAL



Sunway REIT's Portfolio Capital encompasses well-diversified and high-quality assets categorised into five asset classes, namely Retail, Hotel, Office, Services and Industrial & Others segments. The approach to managing the Portfolio Capital revolves around a combination of organic and inorganic growth strategies designed to deliver sustainable value to its stakeholders. These strategies include yield-accretive asset acquisitions, property developments, asset enhancement initiatives, optimising tenancy mix, and proactive leasing initiatives, etc.

Beyond Financial Capital, the acquisition, maintenance and operations of Portfolio Capital consumes Intellectual, Human and Natural Capitals primarily. There are constant trade-offs between these capitals across the short, medium and long-term. Sunway REIT adopts a distinctive strategy mix towards optimising capitals consumed while striving for continuous asset optimisation.

Specifically, the focus on Portfolio Capital is driven by Sunway REIT's TRANSCEND 2027 which outlines broad strategies towards developing the Retail, Hotel and Office, as well as Services and Industrial & Others portfolios.



13

Retail

Sunway Pyramid Mall

Sunway Carnival Mall

Sunway Putra Mall

NEW Sunway 163 Mall

NEW Sunway Kluang Mall

Sunway Pier

SunCity Ipoh Hypermarket

NEW Sunway REIT Hypermarket – Kinrara

NEW Sunway REIT Hypermarket – Putra Heights

NEW Sunway REIT Hypermarket – USJ

NEW Sunway REIT Hypermarket – Klang

NEW Sunway REIT Hypermarket – Ulu Kelang

NEW Sunway REIT Hypermarket – Plentong



6

Hotel

Sunway Resort Hotel

Sunway Pyramid Hotel

Sunway Lagoon Hotel

Sunway Putra Hotel

Sunway Hotel  
GeorgetownSunway Hotel  
Seberang Jaya

5

Office

Menara Sunway

Sunway Pinnacle

Wisma Sunway

Sunway Putra Tower

Sunway Tower



1

Services

Sunway university &  
college campus

3

Industrial and  
OthersSunway REIT Industrial –  
Shah Alam 1Sunway REIT Industrial –  
Petaling Jaya 1NEW Sunway REIT Industrial –  
Prai



Multi-segment property asset portfolio comprising retail, office, hotel, services and industrial properties with total property value of RM10.5 billion.

#### Significance To Business Model

The operations of the Trust's assets generate financial values and non-financial values for stakeholders. Hence, it is imperative that assets operate at optimal capacity and potential, remain relevant and continue to remain value accretive to stakeholders.

#### Dependence

#### Inputs Required

#### Outputs Generated

#### Actions Taken To Enhance This Capital



- Organic and inorganic growth strategies comprising AEs, asset acquisitions and more.
- Space under management:
  - Retail: **>6.1 million sq.ft. NLA**
  - Hotel: **>2,500 rooms**
  - Office: **>1.6 million sq.ft. NLA**
  - Services: **>1.8 million sq.ft. GFA**
  - Industrial & Others: **>1.1 million sq.ft. GFA**

- 9** new assets were acquired
- Expansion of portfolio to **28** properties with a total property value of **RM10.5 billion**
- Average Occupancy Rate:
  - Retail: **98%**
  - Hotel: **65%**
  - Office: **83%**
  - Services: **100%**
  - Industrial & Others: **80%**

#### Strategic Retail Acquisition

- RM520 million** acquisition for six hypermarkets strategically located in Klang Valley and Johor

#### Driving Retail Excellence

Identify resilient neighbourhood malls while strategically venturing into underserved markets to capture new market share.

- RM158 million** acquisition for Sunway Kluang Mall in Johor
- RM215 million** acquisition for Sunway 163 Mall

#### Opportunistic Industrial Asset Acquisition

- RM66.8 million** acquisition for Sunway REIT Industrial - Prai

#### Repurposing and Enhancing Retail Offerings

Maximise NLA through repurposing underutilised spaces and delivering new and innovative retail experiences.

- Sunway Pyramid Mall Oasis wing
- Sunway Carnival Mall existing wing

#### Property Development

- Commencement of construction of **RM400 million** Sunway Pier

Legend:



Financial



Portfolio



Human



Intellectual



Social & relationship



Natural

NO. OF ASSETS  
**28**

PROPERTY VALUE  
**RM10.5 BILLION**

# PROPERTY DETAILS

## Retail



Date of Acquisition

**8 July 2010**

Acquisition Cost (RM'million)

**2,132**

Title, Expiry Date, Years Remaining

- i. **PN 17414 Lot 62059,**  
**21 February 2102, 77**
- ii. **PN 9495 Lot 32,**  
**1 April 2097, 72**
- iii. **H.S(D) 259957 PT 1312,**  
**1 April 2097, 72**
- iii. **PN 9500 Lot 51175,**  
**1 April 2097, 72**
- iv. **H.S(D) 233143 Lot PT 891,**  
**14 August 2105, 81**

**All in Bandar Sunway, Daerah**  
**Petaling, Negeri Selangor**

Tenure

**99 years**

Encumbrance

**Charged to Public Investment Bank**  
**Berhad**

Year of Completion

**Phase 1: 1997****Phase 2: 2007****Refurbished in 2024**

Appraised Value (RM'million)

**4,200**

Date of Latest Valuation

**1 December 2024**

Valued by

**CBRE WTW Valuation & Advisory**  
**Sdn Bhd**

Age of Building

**Phase 1: 27 years****Phase 2: 17 years**

## Sunway Pyramid Mall


**Level CP6, Blue Atrium, Sunway Pyramid, No. 3 Jalan PJS 11/15, Sunway City,**  
**47500 Selangor Darul Ehsan, Malaysia.**
**+603 7494 3000****www.sunwaypyramid.com****facebook.com/SunwayPyramidMall**

Land Area (sq.ft.)	<b>820,070</b>	No. of Parking Bays	<b>&gt; 4,000</b>
GFA (sq.ft.)		No. of Tenancies	<b>766</b>
Retail	<b>2,454,795</b>	Value per sq.ft. (RM)	<b>2,395</b>
Car Park	<b>1,873,470</b>		
NLA (sq.ft.)		Capitalisation Rate -	<b>6.00 /</b>
Retail	<b>1,610,515</b>	Term / Reversionary (%)	<b>6.70 - 7.00</b>
Convention			
Centre	<b>143,467</b>		

Since opening its doors in 1997, Sunway Pyramid Mall, Malaysia's first themed shopping and lifestyle destination, has undergone a magnificent transformation to herald a new shopping empire that boasts more than four million sq.ft. in gross floor area.

Integrated with attractions and amenities, Sunway Pyramid Mall is a crown jewel that serves all, providing a unique shopping adventure for visitors from around the world with a 360° immersive retail experience offering a diverse selection of fashion, accessories, shoes, jewellery, timepieces, music, gifts, souvenirs, leather goods, books, pharmacies, electrical appliances, home furnishing, wellness and IT products.

## PROPERTY DETAILS



Retail



## Sunway Carnival Mall



3068, Jalan Todak, Pusat Bandar Seberang Jaya, 13700 Seberang Jaya,  
Pulau Pinang, Malaysia.



+604 202 0128



[www.sunwaycarnival.com](http://www.sunwaycarnival.com)



[facebook.com/SunwayCarnivalMall](https://facebook.com/SunwayCarnivalMall)

Land Area (sq.ft.)	493,515	No. of Parking Bays	> 3,000
GFA (sq.ft.)		No. of Tenancies	252
Retail	1,302,653	Value per sq.ft. (RM)	1,291
Car Park	1,191,440	Capitalisation / Discount	6.25 / 8.00
NLA (sq.ft.)	759,024 <sup>2</sup> (upon completion of AEI)	Rate (%)	

Sunway Carnival Mall is a stylish four-storey shopping mall strategically located at the heart of Seberang Jaya, Penang – a well-integrated township initiated by the government to boost the administrative, residential, commercial and industrial sectors of Malaysia's northern region.

The mall opened in June 2007 and is one of Mainland Penang's largest and most popular retail havens, welcoming eight million visitors annually. With its enhanced offerings and all-inclusive amenities, shoppers can truly indulge in a wholesome range of offerings, from fashion boutiques and restaurants to a cineplex and a fitness centre.

Date of Acquisition

8 July 2010

27 December 2016<sup>1</sup>

Acquisition Cost (RM'million)

232

17<sup>1</sup>

Title, Expiry Date, Years Remaining

i. PN 1816 Lot 5497,  
21 October 2092, 68

ii. PN 1817 Lot 5498,  
21 October 2092, 68

iii. PN 1818 Lot 5499,  
21 October 2092, 68

iv. PN 12175 Lot 10404<sup>1</sup>,  
21 October 2092, 68

v. PN 12302 Lot 10405<sup>1</sup>,  
3 November 2117, 93

All in Mukim 1, Daerah Seberang Perai  
Tengah, Negeri Pulau Pinang

Tenure

99 years

Encumbrance

Charged to OCBC Bank (Malaysia)  
Berhad

Year of Completion

2007

2022<sup>1</sup>

Appraised Value (RM'million)

980

Date of Latest Valuation

1 December 2024

Valued by

Knight Frank Malaysia Sdn Bhd

Age of Building

SC1: 17 years

SC2: 3 years<sup>1</sup>

Green Building Certification:



<sup>1</sup> Land for expansion of Sunway Carnival Mall ("New Wing" or "SC2")

<sup>2</sup> The existing NLA as at the date of valuation was 701,881 sq.ft.

## PROPERTY DETAILS



## Retail



Date of Acquisition  
**19 April 2011**

Acquisition Cost (RM'million)  
**223**

Title, Expiry Date, Years Remaining  
**Geran 10012, Lot 38, Seksyen 51, N/A**

**Kuala Lumpur, Wilayah Persekutuan**

Tenure  
**Freehold**

Encumbrance

- i. **Charged to Public Investment Bank Berhad**
- ii. **Lienholder's caveat by Public Investment Bank Berhad**
- iii. **30-year lease to Tenaga Nasional Berhad, expiring 4 April 2047**

Year of Completion  
**1988**  
**Refurbished in 2015**

Appraised Value (RM'million)  
**528**

Date of Latest Valuation  
**1 December 2024**

Valued by  
**Knight Frank Malaysia Sdn Bhd**

Age of Building  
**36 years**

Green Building Certification:



## Sunway Putra Mall



6-2, Sunway Putra Mall, No. 100, Jalan Putra, 50350 Kuala Lumpur, Malaysia.



+603 2786 9300



[www.sunwayputramall.com](http://www.sunwayputramall.com)



[facebook.com/SunwayPutraMall](https://facebook.com/SunwayPutraMall)

Land Area (sq.ft.)	<b>193,621<sup>1</sup></b>	No. of Parking Bays	<b>&gt; 1,560<sup>1</sup></b>
GFA (sq.ft.)		No. of Tenancies	<b>229</b>
Retail	<b>1,017,060</b>	Value per sq.ft. (RM)	<b>950</b>
Car Park	<b>574,588<sup>1</sup></b>		
NLA (sq.ft.)	<b>555,898</b>	Capitalisation Rate - Term / Reversionary (%)	<b>6.25 - 6.75 / 6.50 (Retail &amp; Car Park) 7.00 (Other Incomes)</b>

Sunway Putra Mall, a self-sustained integrated development at the heart of the Diamond Triangle, is one of the most vibrant business hubs and residential districts in downtown Kuala Lumpur. An iconic landmark with more than three decades of history, the complex was extensively refurbished and reopened in 2015 with a refreshed architectural design and a revamped interior design.

Connected to the PWTC LRT station and nearby KTM stations via covered pedestrian walkways, the mall enjoys superb access and connectivity, hosting both local and international brands across nine levels of retail podiums. From stylish fashion to designer apparel, gastronomic feasts to local fare, and cinematic entertainment to relaxing wellness, Sunway Putra Mall provides a diverse range of offerings for surrounding resident and tourists alike to enjoy.

<sup>1</sup> For the entire complex comprising Sunway Putra Mall, Sunway Putra Hotel and Sunway Putra Tower.

## PROPERTY DETAILS



Retail



## Sunway 163 Mall



No 8, Jalan Kiara, Mont Kiara, 50480 Kuala Lumpur, Malaysia.



+603 6411 9686



www.sunway163mall.com



facebook.com/sunway163mall

Land Area (sq.ft.)	- <sup>1</sup>	No. of Parking Bays	> 1,100
GFA (sq.ft.)		No. of Tenancies	113
Retail	358,772	Value per sq.ft. (RM)	978
Car Park	453,397		
NLA (sq.ft.)	230,157 (excluding license areas of approx. 9,420 sq.ft.)	Capitalisation Rate – Current / Reversionary (%)	6.25 / 6.50

Sunway 163 Mall is a stratified seven-storey boulevard retail mall and is the centrepiece component of a mixed integrated development known as Kiara 163. In fulfilling the diverse needs of the surrounding community, the retail mall is anchored by Jaya Grocer, an established premium grocer, and supplemented by a diverse range of food and beverages ("F&B") outlets, as well as lifestyle and entertainment offerings such as health and beauty services, a cinema, an ice-skating rink and many more.

Sunway 163 Mall is centrally situated within the heart of the residential enclave of Mont' Kiara, a prime residential area for expatriates and upper-middle-class families. Additionally, Mont' Kiara is 11-kilometres from Kuala Lumpur City Centre and easily accessible via several highways, including Sprint Expressway and Duta-Ulu Kelang Expressway ("DUKE").

Date of Acquisition  
**9 October 2024**

Acquisition Cost (RM'million)  
**215**

Title, Expiry Date, Years Remaining

**Held under 9 Strata Titles on Parent Lot 67384 held under Final Master Title Geran Mukim 8842, Mukim Batu**

- Geran Mukim 8842/M1/B5/1, N/A
- Geran Mukim 8842/M1/B1/19, N/A
- Geran Mukim 8842/M1/1/20, N/A
- Geran Mukim 8842/M1/1/21, N/A
- Geran Mukim 8842/M1/3/22, N/A
- Geran Mukim 8842/M1/5/23, N/A
- Geran Mukim 8842/M1/6/24, N/A
- Geran Mukim 8842/M1C/7/32, N/A
- Geran Mukim 8842/M1C /8/33, N/A

**All within the locality of Jalan Kiara, Mukim of Batu, Kuala Lumpur, Wilayah Persekutuan**

Tenure  
**Freehold**

Encumbrance  
**Nil**

Year of Completion  
**2018**

Appraised Value (RM'million)  
**225**

Date of Latest Valuation  
**1 December 2024**

Valued by  
**Savills (Malaysia) Sdn Bhd**

Age of Building  
**5 years**

<sup>1</sup> The mall is on strata title

## PROPERTY DETAILS



### Retail



Date of Acquisition  
**30 December 2024**

Acquisition Cost (RM'million)  
**158**

Title, Expiry Date, Years Remaining

- i. **HS(D) 77339/PTB 11512,**  
**7 February 2116, 92**
- ii. **HS(D) 77211/PTB 11655,**  
**7 February 2116, 92**
- iii. **HS(D) 77212/PTB 11656,**  
**7 February 2116, 92**

**All in Bandar and District of Kluang,**  
**Johor Darul Takzim**

Tenure  
**99 years**

Encumbrance  
**Nil**

Year of Completion

- i. **2008**
- ii. **Latest asset enhancement**  
**initiatives ("AEI") completed in**  
**2015**

Appraised Value (RM'million)  
**165**

Date of Latest Valuation  
**1 December 2024**

Valued by  
**Savills (Malaysia) Sdn Bhd**

Age of Building  
**15 years**

## Sunway Kluang Mall



**Jalan Rambutan, 86000 Kluang, Johor Darul Takzim, Malaysia.**



**+607 772 6655**



**www.sunwaykluangmall.com**



**facebook.com/SunwayKluangMall**

Land Area (sq.ft.)	<b>261,621</b>	No. of Parking Bays	<b>&gt; 920</b>
GFA (sq.ft.)		No. of Tenancies	<b>144</b>
Retail	<b>563,850</b>	Value per sq.ft. (RM)	<b>457</b>
Car Park	<b>244,390</b>	Capitalisation Rate –	<b>6.00 / 6.25</b>
NLA (sq.ft.)	<b>360,882</b>	Current / Reversionary (%)	

Sunway Kluang Mall is a free-standing four-storey shopping complex and is anchored by Pacific Hypermarket & Department Store, supplemented by a wide spectrum of F&B outlets, as well as lifestyle and entertainment offerings such as health and beauty services, cinema, bowling centre and many more. Key tenants include GSC Cinema, Ampang Superbowl, Popular, H&M, Starbucks, Skechers, Coffee Bean, KFC, Body Shop, Face Shop and Machines.

Sunway Kluang Mall is nestled in the heart of Kluang town and caters to the residents in the Kluang district and serves as a preferred shopping haven for other residents in central Johor, encompassing regions like Batu Pahat, Ayer Hitam, Kulai and Mersing.

## PROPERTY DETAILS

Retail



Artist's impression

## Sunway Pier



Lot PT 484, Jalan Foreshore (Jalan Syahbandar), 42000 Port Klang,  
Selangor Darul Ehsan, Malaysia.

Land Area (sq.ft.)	783,074 <sup>1</sup>	No. of Parking Bays	N/A <sup>1</sup>
GFA (sq.ft.)		Capitalisation Rate –	N/A
Retail	N/A <sup>1</sup>	Current / Reversionary (%)	
Car Park	N/A <sup>1</sup>		
NLA (sq.ft.)	N/A <sup>1</sup>		

Sunway Pier is currently slated for a planned redevelopment to create an international seafront tourist destination with F&B, retail and leisure offerings. Presently, the development of the 18-acre site is in progress, with exciting retail concepts and dining experiences to be anticipated in the near future.

This property is easily accessible via the KTM Komuter station, which is just opposite the asset, and also via the existing networks of roads and highways, making it a convenient drive to and from the capital city and the population catchments of Klang Valley.

Date of Acquisition  
17 January 2022

Acquisition Cost (RM'million)  
37

Title, Expiry Date, Years Remaining  
PN 111686, Lot 10510, Seksyen 48,  
13 December 2108, 84

Bandar Port Swettenham, Daerah  
Klang, Negeri Selangor

Tenure  
99 years

Encumbrance  
Nil

Year of Completion  
Under development plan

Appraised Value (RM'million)  
N/A<sup>2</sup>

Date of Latest Valuation  
N/A<sup>2</sup>

Valued by  
Savills (Malaysia) Sdn Bhd

Age of Building  
N/A<sup>1</sup>

Green Building Certification:



<sup>1</sup> The property was demolished for redevelopment, with project commencement in October 2024.

<sup>2</sup> The property was transferred to investment property under construction and as a result, this property was not subject to annual revaluation.

## PROPERTY DETAILS



## Retail



Date of Acquisition  
**8 July 2010**

Acquisition Cost (RM'million)  
**46**

Title, Expiry Date, Years Remaining  
**PN 258216 Lot 331232,  
22 February 2100, 75**

**Mukim Hulu Kinta, Daerah Kinta,  
Negeri Perak**

Tenure  
**99 years**

Encumbrance  
**Charged to Public Investment Bank  
Berhad**

Year of Completion  
**2005**

Appraised Value (RM'million)  
**55**

Date of Latest Valuation  
**1 December 2024**

Valued by  
**Knight Frank Malaysia Sdn Bhd**

Age of Building  
**19 years**

## SunCity Ipoh Hypermarket



**No. 2, Jalan SCI 2/2, Sunway City Ipoh, 31150 Ipoh, Perak Darul Ridzuan, Malaysia.**

Land Area (sq.ft.)	<b>354,994</b>	No. of Parking Bays	<b>&gt; 400</b>
GFA (sq.ft.)	<b>193,408</b>	No. of Tenancies	<b>1</b>
NLA (sq.ft.)	<b>183,327</b>	Value per sq.ft. (RM)	<b>300</b>
		Capitalisation Rate - Term/ Reversionary (%)	<b>6.75 / 7.00</b>

SunCity Ipoh Hypermarket opened in 2005 as a single-storey hypermarket master planned and developed by the Sponsor in collaboration with the Perak State Government. Located strategically in Sunway City Ipoh, a pioneer township in the area with 25 years of rich history, the hypermarket is currently tenanted to TF Value-Mart, an established retail chain operating more than 40 outlets nationwide.

## PROPERTY DETAILS

Retail



## Sunway REIT Hypermarket – Kinrara



Jalan BK 5A/1, Bandar Kinrara, 47180 Puchong, Selangor Darul Ehsan, Malaysia.

Land Area (sq.ft.)	317,912	No. of Parking Bays	> 770
GFA (sq.ft.)	508,970	No. of Tenancies	1
		Value per sq.ft. (RM)	281
		Capitalisation Rate – Current / Reversionary (%)	6.50 / 6.75

Sunway REIT Hypermarket – Kinrara is a two-and-a-half-storey hypermarket / retail complex located within a matured township known as Bandar Kinrara, Puchong, which is sited off the southern side of the Bukit Jalil Highway. The property is located within a densely populated area whereby buildings within the vicinity of this property comprises landed and stratified residential developments, and commercial shop offices.

Overall, Sunway REIT Hypermarket – Kinrara is easily accessible via well-connected highways such as the Bukit Jalil Highway, and is complemented by the availability of public transportation located within close vicinity of the property which includes the Kinrara BK5 LRT station.

### Master Lessee Details:-

**Master Lessee**  
**GCH Retail (Malaysia) Sdn Bhd**

### Duration

**30 years from 1 December 2009**

### Rent

**RM9.9 mil per annum at date of acquisition**

### Rental Uplift

**Step-up 9% every 5 years**

### Rental Basis

**Triple-net lease**

### Date of Acquisition

**30 April 2024**

### Acquisition Cost (RM'million)

**130**

### Title, Expiry Date, Years Remaining

**HS(D) 105861, PT 37328, N/A**

**Mukim and District of Petaling, Selangor Darul Ehsan**

### Tenure

**Freehold**

### Encumbrance

**Charged to Public Investment Bank Berhad**

### Year of Completion

**2007**

### Appraised Value (RM'million)

**143**

### Date of Latest Valuation

**1 November 2024**

### Valued by

**Knight Frank Malaysia Sdn Bhd**

### Age of Building

**17 years**

## PROPERTY DETAILS



### Retail



#### Master Lessee Details:-

**Master Lessee**  
**GCH Retail (Malaysia) Sdn Bhd**

#### Duration

**30 years from 1 December 2009**

#### Rent

**RM5.4 mil per annum at date of acquisition**

#### Rental Uplift

**Step-up 9% every 5 years**

#### Rental Basis

**Triple-net lease**

#### Date of Acquisition

**30 April 2024**

#### Acquisition Cost (RM'million)

**60**

#### Title, Expiry Date, Years Remaining

**HS(D) 151035, PT 21523, N/A**

**Mukim Damansara, District of Petaling, Selangor Darul Ehsan**

#### Tenure

**Freehold**

#### Encumbrance

**Charged to Public Investment Bank Berhad**

#### Year of Completion

**2008**

#### Appraised Value (RM'million)

**71**

#### Date of Latest Valuation

**1 November 2024**

#### Valued by

**Knight Frank Malaysia Sdn Bhd**

#### Age of Building

**16 years**

## Sunway REIT Hypermarket – Putra Heights



Persiaran Putra Perdana, Putra Heights, 47650 Subang Jaya, Selangor Darul Ehsan, Malaysia.

Land Area (sq.ft.)	<b>191,652</b>	No. of Parking Bays	<b>&gt; 420</b>
GFA (sq.ft.)	<b>257,627</b>	No. of Tenancies	<b>1</b>
		Value per sq.ft. (RM)	<b>276</b>
		Capitalisation Rate – Current / Reversionary (%)	<b>7.00 - 10.00 / 7.00</b>

Sunway REIT Hypermarket – Putra Heights is a two-storey hypermarket / retail complex located within a matured township known as Putra Heights, Subang Jaya, which is sited off the western side of the North-South Expressway Central Link North-South Expressway Central Link ("ELITE") Highway, travelling from Bandar Saujana Putra towards Putra Heights.

The property is centrally located within the Putra Heights township and is surrounded by landed and stratified residential developments and commercial shop offices. In particular, residential developments and established housing schemes within the vicinity include Kingsley Hills, Mascarena Palms and Sections 7 to 10 Putra Heights. Besides that, Sunway REIT Hypermarket – Putra Heights is served by well-connected highways such as the Damansara Puchong Highway ("LDP") and is complemented by good access to public transportation such as the Putra Heights LRT station, which is located within close vicinity of the property.

## PROPERTY DETAILS

Retail



## Sunway REIT Hypermarket – USJ



Persiaran Subang Permai, USJ 1, 47600 Subang Jaya, Mukim Damansara, District of Petaling, Selangor Darul Ehsan, Malaysia.

Land Area (sq.ft.)	242,511	No. of Parking Bays	> 790
GFA (sq.ft.)	443,608	No. of Tenancies	1
		Value per sq.ft. (RM)	228
		Capitalisation Rate – Current / Reversionary (%)	7.25 - 10.00 / 7.00

Sunway REIT Hypermarket – USJ is a three-and-a-half-storey hypermarket / retail complex with car parking facilities located within a matured township known as USJ 1, Subang Jaya, which is sited off the southern side of the Shah Alam Expressway (“KESAS”), travelling from Puchong towards Shah Alam. Properties located within the vicinity include landed and stratified residential developments, commercial shops and offices.

On top of that, Sunway REIT Hypermarket – USJ is easily accessible via well connected highways such as KESAS and is complemented by the availability of public transportation located within close vicinity of Sunway REIT Hypermarket – USJ, which includes the USJ 7 Light Rapid Transit (“LRT”) Station and the Sunway Bus Rapid Transit (“BRT”) USJ 7 Station.

### Master Lessee Details:-

**Master Lessee**  
**GCH Retail (Malaysia) Sdn Bhd**

### Duration

**15 years from 22 August 2013 with an option to renew for a further 15 years (upon expiry of first term)**

### Rent

**RM8.2 mil per annum at date of acquisition**

### Rental Uplift

**Step-up of 10% every 5 years**

### Rental Basis

**Triple-net lease**

### Date of Acquisition

**30 April 2024**

### Acquisition Cost (RM'million)

**80**

Title, Expiry Date, Years Remaining  
**HSM 11317, PT 15216, N/A**

**Pekan Subang Jaya, Mukim Damansara, District of Petaling, State of Selangor**

### Tenure

**Freehold**

### Encumbrance

**Charged to Public Investment Bank Berhad**

### Year of Completion

**2013**

### Appraised Value (RM'million)

**101**

### Date of Latest Valuation

**1 November 2024**

### Valued by

**Knight Frank Malaysia Sdn Bhd**

### Age of Building

**11 years**

## PROPERTY DETAILS



## Retail



## Master Lessee Details:-

**Master Lessee**  
**GCH Retail (Malaysia) Sdn Bhd**

## Duration

**Fixed term of 10 years from 17 Dec 2020**

## Rent

**RM4.6 mil per annum at date of acquisition**

## Rental Uplift

**Step-up of 10% every 5 years**

## Rental Basis

**Triple-net lease**

## Date of Acquisition

**30 April 2024**

## Acquisition Cost (RM'million)

**65**

## Title, Expiry Date, Years Remaining

**GRN 128054, Lot 83639, N/A**

**Pekan Pandamaran, District of Klang, Selangor Darul Ehsan**

## Tenure

**Freehold**

## Encumbrance

**Changed to Public Investment Bank Berhad**

## Year of Completion

**2002**

## Appraised Value (RM'million)

**74**

## Date of Latest Valuation

**1 November 2024**

## Valued by

**Knight Frank Malaysia Sdn Bhd**

## Age of Building

**22 years**

## Sunway REIT Hypermarket – Klang



Persiaran Batu Nilam, Bandar Bukit Tinggi, 41200 Klang, Selangor Darul Ehsan, Malaysia

Land Area (sq.ft.)	<b>693,453</b>	No. of Parking Bays	<b>&gt; 1,100</b>
GFA (sq.ft.)	<b>190,689</b>	No. of Tenancies	<b>1</b>
		Value per sq.ft. (RM)	<b>388</b>
		Capitalisation Rate – Current / Reversionary (%)	<b>7.00 – 7.50 / 7.00</b>

Sunway REIT Hypermarket – Klang is a single-storey hypermarket / retail complex located within a matured and integrated township known as Bukit Tinggi, Klang. The Bukit Tinggi township is sited off the northern side of Shah Alam Expressway ("KESAS"), travelling from Bukit Rimau towards Pulau Indah. Properties located within the vicinity include landed and stratified residential developments, commercial shops and offices. The property is easily accessible via well-connected highways such as the KESAS and is complemented by the availability of public transportation such as taxi stands and bus stations, all within close proximity of the Klang Property.

Overall, Sunway REIT Hypermarket – Klang is well positioned to benefit from the large catchment area of Bukit Tinggi, with residential neighbourhoods such as Bandar Bukit Tinggi 2 and Taman Sri Andalas, and commercial properties such as Bandar Bukit Tinggi commercial centre.

## PROPERTY DETAILS



Retail



## Sunway REIT Hypermarket – Ulu Kelang



Jalan Changkat Permata, Taman Permata, 533000 Kuala Lumpur, Malaysia.

Land Area (sq.ft.)	81,720	No. of Parking Bays	> 160
GFA (sq.ft.)	224,622	No. of Tenancies	1
		Value per sq.ft. (RM)	236
		Capitalisation Rate – Current / Reversionary (%)	6.75 – 7.00 / 7.00

Sunway REIT Hypermarket – Ulu Kelang is a three-storey hypermarket with a two-storey retail complex and one-level of basement car park located within the residential township of Taman Permata, which is sited off the southern side of the Kuala Lumpur Middle Ring Road 2 (“MRR2”), travelling from Ampang to Taman Melati. Properties located within the vicinity include landed and stratified residential properties, commercial shops and offices.

Additionally, Sunway REIT Hypermarket – Ulu Kelang is easily accessible via well-connected highways such as the MRR2 and is well served by public transportation such as taxi stands and bus stations within close vicinity of the property.

Generally, the property’s hypermarket / retail complex has established its presence over the years in the Taman Permata township. This allows Sunway REIT Hypermarket – Ulu Kelang to benefit from both the residential catchment area within the Taman Permata township, neighbouring towns such as Taman Melawati, Wangsa Maju and the broader region of Ampang.

## Master Lessee Details:-

**Master Lessee**  
GCH Retail (Malaysia) Sdn Bhd

## Duration

**Fixed term of 10 years from 17 Dec 2020**

## Rent

**RM3.8 mil per annum at date of acquisition**

## Rental Uplift

**Step-up of 10% every 5 years**

## Rental Basis

**Triple-net lease**

## Date of Acquisition

**30 April 2024**

## Acquisition Cost (RM’million)

**45**

## Title, Expiry Date, Years Remaining

- GRN 269978, Lot 13793, N/A
- GRN 269979, Lot 13796, N/A

**Bandar Ulu Kelang, District of Gombak, Selangor Darul Ehsan**

## Tenure

**Freehold**

## Encumbrance

**Changed to Public Investment Bank Berhad**

## Year of Completion

**1987**

**Renovated and refurbished in 2017**

## Appraised Value (RM’million)

**53**

## Date of Latest Valuation

**1 November 2024**

## Valued by

**Knight Frank Malaysia Sdn Bhd**

## Age of Building

- 37 years
- 7 years since last renovation and refurbishment

## PROPERTY DETAILS



### Retail



#### Master Lessee Details:-

**Master Lessee**  
GCH Retail (Malaysia) Sdn Bhd

#### Duration

**Fixed term of 10 years from 17 Dec 2020**

#### Rent

**RM10.3 mil per annum at date of acquisition**

#### Rental Uplift

**Step-up of 10% every 5 years**

#### Rental Basis

**Triple-net lease**

#### Date of Acquisition

**30 April 2024**

#### Acquisition Cost (RM'million)

**140**

#### Title, Expiry Date, Years Remaining

- i. GRN 428511, Lot 84421, N/A
- ii. GRN 430454, Lot 121289, N/A
- iii. GRN 73013, Lot 64279, N/A

**All within Mukim Plentong, District of Johor Bahru, Johor Darul Takzim**

#### Tenure

**Freehold**

#### Encumbrance

**Charged to Public Investment Bank Berhad**

#### Year of Completion

**1998**

**Renovated and refurbished in 2016**

#### Appraised Value (RM'million)

**159**

#### Date of Latest Valuation

**1 November 2024**

#### Valued by

**Knight Frank Malaysia Sdn Bhd**

#### Age of Building

- i. **26 years**
- ii. **8 years since last renovation and refurbishment**

## Sunway REIT Hypermarket – Plentong



**3, Jalan Masai Lama, Taman Perindustrian Plentong, 81750 Masai, Johor Darul Takzim, Malaysia.**

Land Area (sq.ft.)	<b>931,056</b>	No. of Parking Bays	<b>&gt; 1,230</b>
GFA (sq.ft.)	<b>726,120</b>	No. of Tenancies	<b>1</b>
		Value per sq.ft. (RM)	<b>219</b>
		Capitalisation Rate – Current / Reversionary (%)	<b>6.75 – 7.00 / 7.00</b>

Sunway REIT Hypermarket – Plentong is a one-storey hypermarket with a mezzanine floor and three-storey retail complex located within Plentong which is sited off the north-eastern side of the Pasir Gudang Highway travelling from Perling towards Pasir Gudang. Properties located within the vicinity include terraced, semi-detached and detached houses and high-rise apartments / condominiums complemented by commercial shop offices and shop houses, commercial shopping complexes and terraced, semi-detached and detached factories / warehouses. Furthermore, Sunway REIT Hypermarket – Plentong is easily accessible via well-connected highways such as Eastern Dispersal Link and Pasir Gudang Highway.

## PROPERTY DETAILS



Hotel



## Sunway Resort Hotel



Persiaran Lagoon, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia.



+603 7492 8000



www.sunwayhotels.com



srhs.enquiry@sunwayhotels.com

Land Area (sq.ft.)	376,274	No. of Parking Bays	> 550
GFA (sq.ft.)	1,076,790	Average Price Per Room (RM)	1,598,272
Number of Rooms	460 rooms and 3 villas	Capitalisation / Discount Rate (%)	6.75 / 9.00

Sunway Resort Hotel is the flagship five-star hotel located at the core of Sunway City. One of the most iconic hotels in Klang Valley, it is part of a central cluster of three hotels, a large convention centre, a landmark shopping mall, a medical centre and a popular theme park in the 800-acre integrated township, just minutes away from the capital city of Kuala Lumpur.

Upon the completion of phased refurbishment works, Sunway Resort Hotel reopened with 460 guest rooms, suites and pool villas with commanding scenic views of the theme park and the resort city skyline. Well-equipped with modern conveniences and amenities, the hotel is the preferred choice for business, leisure and medical travellers.

## Master Lessee Details:-

Master Lessee

**Sunway Resort Hotel Sdn Bhd**

Duration

**10 years from 8 July 2020 with an option to renew for another 10 years**

Total Rent

**90% of Gross Operating Profit ("GOP")**

Date of Acquisition

**8 July 2010**

Acquisition Cost (RM'million)

**445**

Title, Expiry Date, Years Remaining

- i. **PN 9492 Lot 35, 1 April 2097, 72**
- ii. **PN 9498 Lot 51173, 1 April 2097, 72**

**All in Bandar Sunway, Daerah Petaling, Negeri Selangor**

Tenure

**99 years**

Encumbrance

- i. **Charged to Public Investment Bank Berhad**
- ii. **10-year lease to Sunway Resort Hotel Sdn Bhd, expiring 7 July 2030**

Year of Completion

- **Sunway Resort Hotel: 1997 (Refurbished in 2022)**
- **3 villas: 2004 (Rebuilt in 2023)**

Appraised Value (RM'million)

**740**

Date of Latest Valuation

**1 December 2024**

Valued by

**CBRE WTW Valuation & Advisory Sdn Bhd**

Age of Building

- **Sunway Resort Hotel: 27 years**
- **3 villas: 2 years**

Green Building Certification:





## PROPERTY DETAILS



## Hotel

## Master Lessee Details:-

Master Lessee

**Sunway Resort Hotel Sdn Bhd**

## Duration

**10 years from 8 July 2020 with an option to renew for another 10 years**

## Total Rent

**90% of GOP**

## Date of Acquisition

**8 July 2010**

## Acquisition Cost (RM'million)

**250**

## Title, Expiry Date, Years Remaining

**PN 17415/M1/1/1 Lot 62060,****21 February 2102, 77****Bandar Sunway, Daerah Petaling, Negeri Selangor**

## Tenure

**99 years**

## Encumbrance

**i. Charged to Public Investment Bank Berhad****ii. 10 years lease to Sunway Resort Hotel Sdn Bhd, expiring 7 July 2030**

## Year of Completion

**2004****Refurbished in 2016**

## Appraised Value (RM'million)

**345**

## Date of Latest Valuation

**1 December 2024**

## Valued by

**CBRE WTW Valuation & Advisory Sdn Bhd**

## Age of Building

**20 years**
**Sunway Pyramid Hotel**
**Persiaran Lagoon, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia.****+603 7492 8000****www.sunwayhotels.com****srhs.enquiry@sunwayhotels.com**

Land Area (sq.ft.)	<b>-<sup>1</sup></b>	No. of Parking Bays	<b>&gt; 550</b>
GFA (sq.ft.)	<b>356,888</b>	Average Price Per Room (RM)	<b>611,702</b>
Number of Rooms	<b>564 rooms</b>	Capitalisation / Discount Rate (%)	<b>7.00 / 9.00</b>

Sunway Pyramid Hotel forms part of the cluster of hotels in Sunway City, and is well-connected to surrounding attractions and landmarks such as Sunway Lagoon theme park and Sunway Pyramid Mall. The four-star hotel offers 564 rooms, including Family Rooms and Suites purpose-built to accommodate the increasing number of family and leisure guests.

Guest rooms and suites in Sunway Pyramid Hotel are equipped with technology-enhanced features and amenities such as complimentary Wi-Fi, smart lighting, bedside USB charger outlets, high-pressure walk-in showers and LED Smart TVs with satellite news, sports and movie channels.

<sup>1</sup> The hotel is on strata title

## PROPERTY DETAILS



Hotel



## Sunway Lagoon Hotel



Persiaran Lagoon, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia.



+603 7492 8000



www.sunwayhotels.com



srhs.enquiry@sunwayhotels.com

Land Area (sq.ft.)	77,403	No. of Parking Bays	> 740
GFA (sq.ft.)	798,762	Average Price Per Room (RM)	773,067
Number of Rooms	401 rooms	Capitalisation / Discount Rate (%)	7.00 / 9.00

Sunway Lagoon Hotel forms part of the cluster of hotels in Sunway City. Located on the west side of the iconic Sunway Pyramid Mall, the four-star hotel features 401 guest rooms equipped with technology-enhanced amenities such as complimentary Wi-Fi and wired broadband internet access, USB charger outlets, LED Smart TVs with satellite news, sports and movie channels, flexible workspaces, high-pressure walk-in rain showers and in-room electronic safe boxes.

Sunway Lagoon Hotel provides the right balance between work and play. The hotel has five fully-equipped function rooms and a host of other facilities, including the Café West, the hotel's all-day dining restaurant, in-room dining services, a fitness centre and an outdoor swimming pool.

Master Lessee Details:-  
Master Lessee

**Sunway Resort Hotel Sdn Bhd**

Duration

**10 years from 10 February 2018 with an option to renew for another 10 years**

Total Rent

**The higher of variable rent or minimum rent. Variable rent comprises base rent of 20% of revenue plus 70% of GOP less master lease expenses. Minimum rent in respect of Sunway Lagoon Hotel consists of RM10.9 million for Year 1 and Year 2 and RM8.2 million each year for the remaining 10-year term.**

Date of Acquisition

**9 February 2018**

Acquisition Cost (RM'million)

**344**

Title, Expiry Date, Years Remaining

**HSD 259881 Lot No. PT 1333, 16 November 2108, 84**

**Bandar Sunway, Daerah Petaling, Negeri Selangor**

Tenure

**99 years**

Encumbrance

- Charged to Public Investment Bank Berhad**
- 10 years lease to Sunway Resort Hotel Sdn Bhd, expiring 9 February 2028**

Year of Completion

**2016**

Appraised Value (RM'million)

**310**

Date of Latest Valuation

**1 December 2024**

Valued by

**CBRE WTW Valuation & Advisory Sdn Bhd**

Age of Building

**8 years**

Green Building Certification:



## PROPERTY DETAILS



### Hotel

#### Master Lessee Details:-

Master Lessee

**Sunway Putra Hotel Sdn Bhd**

#### Duration

**10 years from 28 September 2021  
with an option to renew for another  
10 years**

#### Total Rent

**90% of GOP**

#### Date of Acquisition

**19 April 2011**

#### Acquisition Cost (RM'million)

**217**

#### Title, Expiry Date, Years Remaining

**Geran 10012, Lot 38, Seksyen 51, N/A**

**Kuala Lumpur, Wilayah Persekutuan**

#### Tenure

**Freehold**

#### Encumbrance

- i. **Charged to Public Investment Bank Berhad**
- ii. **Lienholder's caveat by Public Investment Bank Berhad**
- iii. **30-year lease to Tenaga Nasional Berhad, expiring 4 April 2047**

#### Year of Completion

**1993**

**Refurbished in 2015**

#### Appraised Value (RM'million)

**334**

#### Date of Latest Valuation

**1 December 2024**

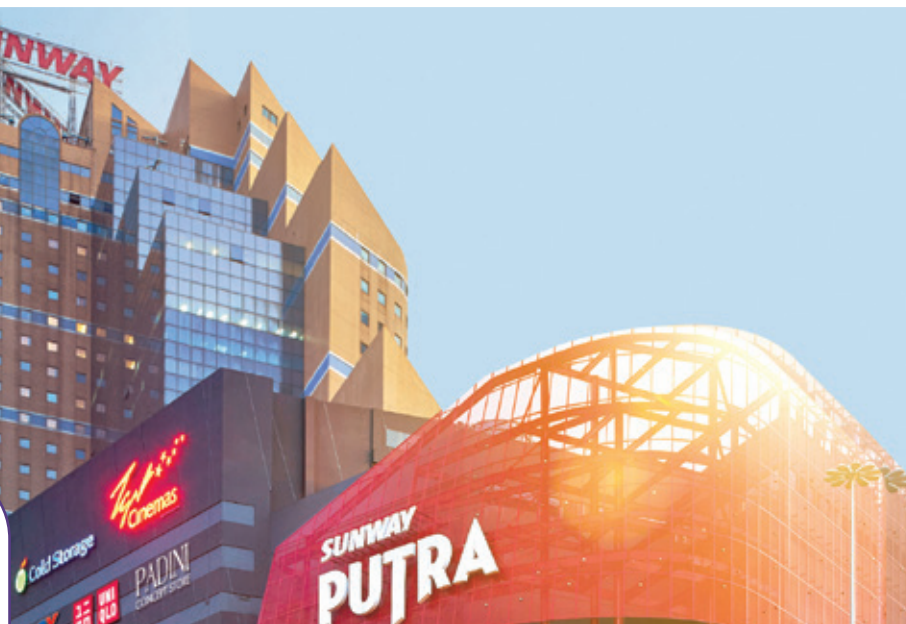
#### Valued by

**Knight Frank Malaysia Sdn Bhd**

#### Age of Building

**31 years**

#### Green Building Certification:



## Sunway Putra Hotel



**No. 100, Jalan Putra, 50350 Kuala Lumpur, Malaysia.**



**+603 4040 9888**



**www.sunwayhotels.com**



**spkl.enquiry@sunwayhotels.com**

Land Area (sq.ft.)	<b>193,621<sup>1</sup></b>	No. of Parking Bays	<b>&gt; 1,560<sup>1</sup></b>
GFA (sq.ft.)		Average Price Per Room (RM)	<b>513,846</b>
Hotel	<b>687,609</b>		
Car Park	<b>574,588<sup>1</sup></b>		
Number of Rooms	<b>650 rooms</b>	Capitalisation / Discount Rate (%)	<b>6.50 / 8.50</b>

Sunway Putra Hotel is integrated with Sunway Putra Mall and Sunway Putra Tower in a mixed-use development opposite the World Trade Centre Kuala Lumpur within the city's main commercial district. The hotel is connected via covered pedestrian walkways to nearby LRT and KTM station, which are easily accessible and convenient for corporate and leisure travellers.

The hotel's food and beverage ("F&B") offerings include the Coffee House, an all-day dining restaurant that serves local and international à la carte and buffet options; Atrium Lounge, which serves signature afternoon tea with a wide selection of coffees, cakes and pastries; as well as Rumah Makan Nusantara which serves authentic Indonesian culinary offerings from various provinces across Indonesia, aiming to provide an exceptional Indonesian gastronomic experience to the esteemed hotel guests in Sunway Putra Hotel.

<sup>1</sup> For the entire complex comprising Sunway Putra Mall, Sunway Putra Hotel and Sunway Putra Tower.

## PROPERTY DETAILS





## Sunway Hotel Georgetown



No. 33, Lorong Baru, 10400 Penang, Malaysia.



+604 229 9988



shgp.enquiry@sunwayhotels.com



www.sunwayhotels.com

Land Area (sq.ft.)	33,592	No. of Parking Bays	> 90
GFA (sq.ft.)	193,115	Average Price Per Room (RM)	344,000
Number of Rooms	250 rooms	Capitalisation / Discount Rate (%)	6.50 / 8.50

Sunway Hotel Georgetown is a 250-room, four-star hotel at the heart of Georgetown, Penang, a renowned UNESCO World Heritage site where traditional charm meets modernity. Located just 30 minutes from Penang International Airport and 20 minutes from the iconic Penang Bridge and Ferry Terminal, the hotel caters to corporate and leisure travellers, offering convenient access to a confluence of tourist attractions and commercial districts that are within walking distance of the hotel.

Sunway Hotel Georgetown's choice of comfortable and spacious accommodation includes Deluxe, Family Rooms and Suites with commanding views of the city and island skyline, especially for guests staying on the uppermost floors of the hotel. After a long day of sightseeing, guests can also unwind at the outdoor swimming pool and jacuzzi or work out at the 24-hour fitness centre after an enjoyable night of local street food.

Master Lessee Details:-  
Master Lessee  
**Sunway Biz Hotel Sdn Bhd**

Duration  
**10 years from 28 January 2025 with an option to renew for another 10 years**

Total Rent  
**90% of GOP**

Date of Acquisition  
**28 January 2015**

Acquisition Cost (RM'million)  
**74**

Title, Expiry Date, Years Remaining  
i. **GRN 63519 Lot 2220, N/A**  
ii. **GRN 35332 Lot 1754, N/A**

**Seksyen 12, Bandar George Town, Daerah Timor Laut, Pulau Pinang**

Tenure  
**Freehold**

Encumbrance  
i. **Charged to OCBC Bank (Malaysia) Berhad**  
ii. **10-year lease to Sunway Biz Hotel Sdn Bhd, expiring 27 January 2035**

Year of Completion  
**1994**  
**Refurbished in 2013**

Appraised Value (RM'million)  
**86**

Date of Latest Valuation  
**1 December 2024**

Valued by  
**Knight Frank Malaysia Sdn Bhd**

Age of Building  
**30 years**

## PROPERTY DETAILS



### Hotel

#### Master Lessee Details:-

Master Lessee

**Sunway Hotel (Seberang Jaya) Sdn Bhd**

#### Duration

**10 years from 8 July 2020 with an option to renew for another 10 years**

#### Total Rent

**90% of GOP**

#### Date of Acquisition

**8 July 2010**

#### Acquisition Cost (RM'million)

**52**

#### Title, Expiry Date, Years Remaining

**PN 2602 Lot 5785,  
21 October 2092, 68**

**Mukim 1, Daerah Seberang Perai  
Tengah, Pulau Pinang**

#### Tenure

**99 years**

#### Encumbrance

- i. **Charged to OCBC Bank (Malaysia) Berhad**
- ii. **Leased to Sunway Hotel (Seberang Jaya) Sdn. Bhd for 10 years, commencing on 8 July 2020 and expiring on 7 July 2030**
- iii. **Part of the land has been leased to Tenaga Nasional Berhad for 30 years, commencing on 16 March 1998 and expiring on 15 March 2028**

#### Year of Completion

**1998**

**Refurbished in 2013**

#### Appraised Value (RM'million)

**55**

#### Date of Latest Valuation

**1 December 2024**

#### Valued by

**Knight Frank Malaysia Sdn Bhd**

#### Age of Building

**26 years**



## Sunway Hotel Seberang Jaya



**11, Lebuhr Tenggiri 2, Pusat Bandar Seberang Jaya, 13700 Prai, Penang, Malaysia.**



**+604 377 7788**



**www.sunwayhotels.com**



**shsj.enquiry@sunwayhotels.com**

Land Area (sq.ft.)	<b>46,220</b>	No. of Parking Bays	<b>&gt; 80</b>
GFA (sq.ft.)	<b>174,800</b>	Average Price Per Room (RM)	<b>272,277</b>
Number of Rooms	<b>202 rooms</b>	Capitalisation / Discount Rate (%)	<b>6.75 / 8.75</b>

Strategically located in the Seberang Jaya town centre at the intersection between the North-South Expressway and the East-West Highway, Sunway Hotel Seberang Jaya is conveniently accessible via a 40-minute drive from the iconic Penang Bridge and Penang International Airport.

Located amid a vibrant hub of entertainment, leisure and a medical centre along with shopping options at the newly expanded Sunway Carnival Mall, it is perfect for holidaymakers, corporate travellers and medical tourists seeking easy access to Mainland Penang's bustling commercial and industrial zones.

## PROPERTY DETAILS



Office



## Menara Sunway



Unit 4.5 Level 4 East Lobby, Menara Sunway Annexe, Jalan Lagoon Timur, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia.



+603 5639 8888

Land Area (sq.ft.)	193,395	No. of Parking Bays	> 630
GFA (sq.ft.)		No. of Tenancies	56
Office	399,446	Value per sq.ft. (RM)	610
Car Park	266,696	Capitalisation Rate-Term / Reversionary (%)	6.00 / 6.50
NLA (sq.ft.)	291,807		

Menara Sunway is a 19-storey office building in Sunway City that serves as the headquarters of the Sunway Group. Consisting of a main tower and an annexe. Menara Sunway offers a unique integrated environment where tenants and employees can make good use of the convention centre, medical centre, hospitality, leisure and retail options within the township.

Surrounded by highly populated suburbs such as Subang Jaya, Puchong and Petaling Jaya, and easily accessible via five major expressways – the Federal Highway, New Pantai Expressway ("NPE"), Shah Alam Expressway ("KESAS"), Damansara-Puchong Expressway ("LDP") and New Klang Valley Expressway ("NKVE") – Menara Sunway is a preferred office location due to the shorter travel time compared to commuting to the city centre.

Date of Acquisition  
8 July 2010

Acquisition Cost (RM'million)  
128

Title, Expiry Date, Years Remaining  
PN 17105 Lot 61760,  
1 April 2097, 72

Bandar Sunway, Daerah Petaling,  
Negeri Selangor

Tenure  
99 years

Encumbrance  
Charged to Public Investment Bank  
Berhad

Year of Completion  
1994

Appraised Value (RM'million)  
178

Date of Latest Valuation  
1 December 2024

Valued by  
Jones Lang Wootton (Proprietor:  
Singham Sulaiman Sdn Bhd)

Age of Building  
30 years

## PROPERTY DETAILS



### Office

Date of Acquisition  
**20 November 2020**

Acquisition Cost (RM'million)  
**455**

Title, Expiry Date, Years Remaining  
**PN 17103 Lot 61759,  
1 April 2097, 72**

**Bandar Sunway, Daerah Petaling,  
Negeri Selangor**

Tenure  
**99 years**

Encumbrance  
**Charged to OCBC Bank (Malaysia)  
Berhad**

Year of Completion  
**2013**

Appraised Value (RM'million)  
**471**

Date of Latest Valuation  
**1 December 2024**

Valued by  
**Jones Lang Wootton (Proprietor:  
Singham Sulaiman Sdn Bhd)**

Age of Building  
**11 years**

Green Building Certification:



## Sunway Pinnacle



Suite LGb-01, Lower Ground Management Office, Persiaran Lagoon, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia.



+603 5639 9575

Land Area (sq.ft.)	<b>78,415</b>	No. of Parking Bays	<b>&gt; 880</b>
GFA (sq.ft.)		No. of Tenancies	<b>45</b>
Office	<b>700,802</b>	Value per sq.ft. (RM)	<b>814</b>
Car Park	<b>444,752</b>	Capitalisation Rate - Term/ Reversionary (%)	<b>6.00 / 6.50</b>
NLA (sq.ft.)	<b>578,917</b>		

Sunway Pinnacle is a 24-storey Grade A office building within the integrated township of Sunway City Kuala Lumpur, offering convenient access to the convention centre as well as a wide range of hospitality, leisure, healthcare, education and retail options.

As a green-certified corporate office, Sunway Pinnacle is a new-generation building equipped with environmentally friendly features such as motion-sensor lighting and rainwater harvesting for landscape irrigation. Sunway Pinnacle is also an MSC status building that offers high-speed internet connection and 24/7 technical support for tenants, proudly serving many international corporations and businesses that call it home.

## PROPERTY DETAILS



Office



## Wisma Sunway



No. 1, Jalan Tengku Ampuan Zabedah C 9/C, Seksyen 9, 40100 Shah Alam, Selangor Darul Ehsan, Malaysia.



+603 5510 1629

Land Area (sq.ft.)	- <sup>1</sup>	No. of Parking Bays	> 420
GFA (sq.ft.)		No. of Tenancies	6
Office	176,325 <sup>2</sup>	Value per sq.ft. (RM)	350
Car Park	125,401 <sup>2</sup>	Capitalisation Rate - Current / Reversionary (%)	6.50 / 6.75
NLA (sq.ft.)	171,544		

Wisma Sunway is a stratified 19-storey office building located in the vibrant Seksyen 9, Shah Alam, the state government precinct of Selangor. Conveniently located beside the Concorde Hotel and Plaza Shah Alam, it is easily accessible via the Federal Highway and New Klang Valley Expressway ("NKVE").

Wisma Sunway is fully occupied, with government agencies making up the majority of its tenants.

Date of Acquisition  
**23 March 2015**

Acquisition Cost (RM'million)  
**62**

Title, Expiry Date, Years Remaining

- i. PN 21876/M1/B1/1, 29 August 2094, 70
- ii. PN 21876/M1/1/3, 29 August 2094, 70
- iii. PN 21876/M1/N1/4, 29 August 2094, 70
- iv. PN 21876/M1/N1/5, 29 August 2094, 70
- v. PN 21876/M1/2/6, 29 August 2094, 70
- vi. PN 21876/M1/8/7, 29 August 2094, 70
- vii. PN 21876/M1/9/8, 29 August 2094, 70
- viii. PN 21876/M1/10/9, 29 August 2094, 70
- ix. PN 21876/M1/11/10, 29 August 2094, 70
- x. PN 21876/M1/12/11, 29 August 2094, 70
- xi. PN 21876/M1/13/12, 29 August 2094, 70
- xii. PN 21876/M1/14/13, 29 August 2094, 70
- xiii. PN 21876/M1/15/14, 29 August 2094, 70
- xiv. PN 21876/M1/16/15, 29 August 2094, 70
- xv. PN 21876/M1/17/16, 29 August 2094, 70

**All situated on Lot 517, Seksyen 9, Bandar Shah Alam, Daerah Petaling, Selangor Darul Ehsan**

Tenure  
**99 years**

Encumbrance  
**Charged to Public Investment Bank Berhad**

Year of Completion  
**1997**  
**Refurbished in 2013**

Appraised Value (RM'million)  
**60**

Date of Latest Valuation  
**1 December 2024**

Valued by  
**VPC Alliance (KL) Sdn Bhd**

Age of Building  
**27 years**

<sup>1</sup> The office is on strata title

<sup>2</sup> Based on total surveyed strata floor area for Car Park and Office (office area, building ledges, and lift motor rooms).

## PROPERTY DETAILS



### Office

Date of Acquisition

**19 April 2011**

Acquisition Cost (RM'million)

**82**

Title, Expiry Date, Years Remaining

**Geran 10012, Lot 38, Seksyen 51, N/A**

**Kuala Lumpur, Wilayah Persekutuan**

Tenure

**Freehold**

Encumbrance

- i. **Charged to Public Investment Bank Berhad**
- ii. **Lienholder's caveat by Public Investment Bank Berhad**
- iii. **30-year lease to Tenaga Nasional Berhad, expiring 4 April 2047**

Year of Completion

**1993**

**Refurbished in 2015**

Appraised Value (RM'million)

**135**

Date of Latest Valuation

**1 December 2024**

Valued by

**Knight Frank Malaysia Sdn Bhd**

Age of Building

**31 years**

## Sunway Putra Tower



**100, Jalan Putra, 50350 Kuala Lumpur, Malaysia.**



**+603 4050 3282**

Land Area (sq.ft.)	<b>193,621<sup>1</sup></b>	No. of Parking Bays	<b>&gt; 1,560<sup>1</sup></b>
GFA (sq.ft.)		No. of Tenancies	<b>13</b>
Office	<b>338,115</b>	Value per sq.ft. (RM)	<b>426</b>
Car Park	<b>574,588<sup>1</sup></b>	Capitalisation Rate - Term / Reversionary (%)	<b>6.00 - 6.50 / 6.25 (Office) 7.00 (Other Income)</b>
NLA (sq.ft.)	<b>317,051</b>		

Sunway Putra Tower is an office tower that forms part of an integrated mixed-used development with Sunway Putra Mall and Sunway Putra Hotel. Strategically located next to the World Trade Centre Kuala Lumpur, Sunway Putra Tower is easily accessible via major highways and well served by public transportation such as the LRT, KTM and RapidKL.

Government agencies, financial institutions and professional firms occupy a substantial percentage of its NLA.

<sup>1</sup> For the entire complex comprising Sunway Putra Mall, Sunway Putra Hotel and Sunway Putra Tower

PROPERTY DETAILS

Office





Sunway Tower



Ground Floor, Sunway Tower, No. 86, Jalan Ampang, 50450 Kuala Lumpur, Malaysia.



+603 2032 4100

Land Area (sq.ft.)	25,898	No. of Parking Bays	> 290
GFA (sq.ft.)		No. of Tenancies	15
Office	360,493	Value per sq.ft. (RM)	429
Car Park	126,580		
NLA (sq.ft.)	268,306	Capitalisation Rate – Current / Reversionary (%)	Nil (adopted comparison approach)

Sunway Tower is a 33-storey prime office building strategically located at the intersection between Jalan Sultan Ismail and Jalan Ampang in Kuala Lumpur, which is also famously known as the Golden Triangle.

In close proximity to the landmark Petronas Twin Towers and Kuala Lumpur Convention Centre, Sunway Tower offers excellent connectivity with convenient access to the adjacent Dang Wangi LRT station, Bukit Nanas monorail station and the Ampang-Kuala Lumpur Elevated Highway (“AKLEH”), which links to major expressways and ring roads within and around the Klang Valley, making it a prime business address in Kuala Lumpur.

Date of Acquisition

8 July 2010

Acquisition Cost (RM’million)

171

Title, Expiry Date, Years Remaining

Geran 45110, Lot 55, Seksyen 45, N/A

Kuala Lumpur, Wilayah Persekutuan

Tenure

Freehold

Encumbrance

i. Charged to Public Investment Bank Berhad

ii. Lienholder’s caveat by Public Investment Bank Berhad

Year of Completion

1996

Refurbished in 2009

Appraised Value (RM’million)

115

Date of Latest Valuation

1 December 2024

Valued by

VPC Alliance (KL) Sdn Bhd

Age of Building

28 years

## PROPERTY DETAILS



### Services

#### Master Lessee Details:-

Master Lessee

**Sunway Education Group Sdn Bhd**  
(“SEG”) and its relevant subsidiaries

#### Duration

**30 years from 1 December 2018 with an option to renew for a second term of 30 years (at the expiry of the first term) and a third term of 18 years and four months up to 31 March 2095 (at the expiry of the second term)**

#### Rent

**RM34.2 million per annum for the first year**

#### Rental Uplift

**2.3% per annum for each subsequent year of the first 30-year term**

#### Rental Basis

**Triple-net lease**

#### Date of Acquisition

**15 April 2019**

#### Acquisition Cost (RM'million)

**556**

#### Title, Expiry Date, Years Remaining

- i. **HS(D) 118326 Lot No. PT 1905, 1 April 2097, 72**
- ii. **HS(D) 118325 Lot No. PT 1904, 1 April 2097, 72**
- iii. **HS(D) 118332 Lot No. PT 28, 1 April 2097, 72**

**All in Bandar Sunway, Daerah Petaling, Negeri Selangor**

#### Tenure

**99 years**

#### Encumbrance

**Charged to Public Investment Bank Berhad**

#### Year of Completion

- **Phase 1 (South Building, Hostel and North Building): 1993 & 1996**
- **Phase 2 (New University Block): 2015**

#### Appraised Value (RM'million)

**586**

#### Date of Latest Valuation

**1 December 2024**

#### Valued by

**Jones Lang Wootton (Proprietor: Singham Sulaiman Sdn Bhd)**

#### Age of Building

- **Phase 1: 28 years and 31 years**
- **Phase 2: 9 years**

#### Green Building Certification:



## Sunway university & college campus



**5, Jalan University, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia.**



**+603 7491 8622**



**[www.sunwayuniversity.edu.my](http://www.sunwayuniversity.edu.my)**



**[info@sunway.edu.my](mailto:info@sunway.edu.my)**

Land Area (sq.ft.) **733,246**

No. of Parking Bays **> 1,160**

GFA (sq.ft.)

Campus **1,459,134**

Car Park **421,111**

Value per sq.ft. (RM)

**312**

Capitalisation Rate -  
Term / Reversionary (%)

**6.50 - 9.25 / 6.50**

The Sunway university & college campus is located within the integrated township of Sunway City Kuala Lumpur and comprises academic blocks, hostel apartments, sports facilities and a car park.

Well-connected to nearby cities and highly populated suburbs via an extensive network of roads, expressways and public transportation, the campus hosts Sunway University and Sunway College, both reputable higher learning institutions established in 2004 and 1987, respectively.

## PROPERTY DETAILS

## Industrial &amp; Others



## Sunway REIT Industrial – Shah Alam 1



Lot 6, Persiaran Perusahaan, Seksyen 23, 40300 Shah Alam, Selangor Darul Ehsan, Malaysia.



+603 5541 6600



[www.dchcmfg.com](http://www.dchcmfg.com)

Land Area (sq.ft.)	<b>673,684</b>	No. of Tenancies	<b>1</b>
GFA (sq.ft.)	<b>386,856</b>	Value per sq.ft. (RM)	<b>274</b>
		Capitalisation Rate – Term / Reversionary (%)	<b>6.00 / 6.25</b>

Sunway REIT Industrial – Shah Alam 1 (“SRI SA1”) is strategically located within the prime industrial hub of Seksyen 23, Shah Alam, which houses many established international logistics and manufacturing companies.

Easily accessible via three major highways – the Federal Highway, North-South Expressway Central Link (“ELITE”) and Shah Alam Expressway (“KESAS”) SRI SA1 is approximately 45 minutes away from Kuala Lumpur International Airport (“KLIA”) and Port Klang, the largest container port in Malaysia.

## Master Lessee Details:-

Master Lessee

**DCH Contract Manufacturing Sdn Bhd**

## Duration

- **Initial term - expires on 31 December 2034**
- **Renewal term - automatically extended for one further term of five years on the same terms and conditions unless the Lessee gives written notice to the Lessor not less than 18 months prior to the end of the Initial Term that it does not wish to extend the term for the period in excess of five years but less than or equal to 15 years**

## Rental Uplift

The rent is subject to review every three years and the next review shall be on 1 January 2028. At each rent review date, the rent shall be increased to the greater of the then prevailing fair market value and CPI adjustment, subject to a cap on the increase of 10%

## Rental Basis

**Triple-net lease**

## Date of Acquisition

**1 August 2017**

## Acquisition Cost (RM'million)

**92**

## Title, Expiry Date, Years Remaining

**HS(D) 132499, PT 65, 30 May 2098, 73**

**Seksyen 23, Shah Alam, Daerah Petaling, Negeri Selangor**

## Tenure

**99 years**

## Encumbrance

- **Charged to Public Investment Bank Berhad**
- **Leased to DCH Contract Manufacturing Sdn Bhd, expiring 31 December 2034**

## Year of Completion

**Phase 1: 1993  
Phase 2: 2010**

## Appraised Value (RM'million)

**106**

## Date of Latest Valuation

**1 December 2024**

## Valued by

**Savills (Malaysia) Sdn Bhd**

## Age of Building

- **Phase 1: 31 years**
- **Phase 2: 14 years**

## PROPERTY DETAILS



### Industrial & Others



Date of Acquisition  
**10 November 2022**

Acquisition Cost (RM'million)  
**61**

Title, Expiry Date, Years Remaining  
i. **HSD 79342, PT 4971, N/A**  
ii. **HSD 79344, PT 4973, N/A**

**Mukim Damansara, Daerah Petaling, Negeri Selangor**

Tenure  
**Freehold**

Encumbrance  
**Charged to Public Investment Bank Berhad**

Year of Completion  
**Building 1: 1996**  
**Building 2: 2002**

Appraised Value (RM'million)  
**71**

Date of Latest Valuation  
**1 December 2024**

Valued by  
**CBRE WTW Valuation & Advisory Sdn Bhd**

Age of Building  
• **Building 1: 28 years**  
• **Building 2: 22 years**

## Sunway REIT Industrial – Petaling Jaya 1



**Lot 3, Jalan SS 8/6, 47300 Petaling Jaya, Selangor.**

Land Area (sq.ft.)	<b>157,702<sup>1</sup></b>	No. of Tenancies	<b>1</b>
GFA (sq.ft.)	<b>422, 554</b>	Value per sq.ft. (RM)	<b>168</b>
		Capitalisation Rate - Term/ Reversionary (%)	<b>Nil (adopted comparison approach)</b>

Sunway REIT Industrial – Petaling Jaya 1 ("SRI PJ1") is a prime freehold industrial asset comprising a double-storey and a five-storey former electronics factory. SRI PJ1 is easily accessible via major highways and expressways such as the Federal Highway and Lebuhraya Damansara-Puchong ("LDP").

Nestled among multinational corporations and mixed-use developments, SRI PJ1 is well-equipped with high-grade facilities to house potential manufacturing activities for immediate operations.

<sup>1</sup> Total surveyed land area extracted from the Certified Plan

## PROPERTY DETAILS

## Industrial &amp; Others



## Sunway REIT Industrial – Prai



No. 1552 (Plot 81), Jalan Perusahaan, Kawasan Perindustrian Bukit Tengah 13600 Prai, Pulau Pinang, Malaysia.

Land Area (sq.ft.)	452,300	No. of Tenancies	3
GFA (sq.ft.)	303,373	Value per sq.ft. (RM)	224
		Capitalisation Rate – Current / Reversionary (%)	6.25 / 6.50

Sunway REIT Industrial – Prai is strategically nestled within the Bukit Tengah Industrial Park, immediately adjacent to Juru Auto City, 12-kilometres south-east of Butterworth and 7-kilometres south-west of Bukit Mertajam. Additionally, Sunway REIT Industrial – Prai is located in the vicinity of Sunway REIT's properties in Penang and is approximately 12-kilometres from both Sunway Carnival Mall and Sunway Hotel Seberang Jaya.

Sunway REIT Industrial – Prai is fully tenanted by three reputable multinational corporations ("MNC"), namely a Belgian sound products manufacturer, together with a Japanese logistics company and an American information management services company.

Date of Acquisition  
**24 October 2024**

Acquisition Cost (RM'million)  
**67**

Title, Expiry Date, Years Remaining  
**H.S.(D) 14913, Lot No. PT 2959,  
22 October 2052, 28**

**Bukit Tengah Industrial Park,  
Prai, Penang**

Tenure  
**60 years**

Encumbrance  
**30-year lease to Tenaga Nasional  
Berhad, commencing 23 October  
1996 and expiring 22 October 2026**

Year of Completion  
**Building B (1) and B (2): 1996  
Building A: 2012  
Building A+: 2022**

Appraised Value (RM'million)  
**68**

Date of Latest Valuation  
**1 December 2024**

Valued by  
**Savills (Malaysia) Sdn Bhd**

Age of Building  

- **Building B (1) and B (2): 28 years**
- **Building A: 12 years**
- **Building A+: 2 years**

## SEGMENTAL HIGHLIGHTS



Sunway REIT's Portfolio Capital comprises well-diversified and high-quality assets, comprising Retail, Hotel, Office, Services and Industrial & Others segments. These five business segments are strategically guided by Sunway REIT's TRANSCEND 2027 Roadmap, with key strategic pillars driving growth in property size and core sector focus.

Sunway REIT has a well-diversified tenant portfolio comprising 1,657 tenancies, which includes seven retail properties under triple-net leases, five hotel master leases, an industrial master lease and an education master lease.

### TENANCY RENEWALS IN FY2024

In FY2024, Sunway REIT achieved an average rental reversion<sup>1</sup> of 6.4% for the portfolio's 1,392,744 sq.ft. of new or renewed tenancies (FY2023: 8.5%), driven largely by the strong rental rates secured for renewed and replaced tenants within the Retail segment, as well as the stable rental performance from the Office segment. The performance reflects Sunway REIT's ability to effectively continue capitalising on favourable market conditions in the retail sector while maintaining resilient rental in its office portfolio.

The retail segment renewed or secured new tenants for a total of

**848,604 sq.ft.**  
(FY2023: 1,457,921 sq.ft.)

equivalent to a renewal rate of

**92.2% (FY2023: 97.3%)**  
of total space due for renewal.



The office segment renewed or secured new tenants for a total of

**544,140 sq.ft.**  
(FY2023: 573,609 sq.ft.)

equivalent to a renewal rate of

**88.9% (FY2023: 98.3%)**  
of total space due for renewal.



<sup>1</sup> Increase in three years including step-up rents.

### WEIGHTED AVERAGE LEASE EXPIRY (WALE)

**WALE:**  
**4.0 years**

(FY2023: 4.0 years)

Hotel



**5.8 years**

Services



**23.9 years**

Retail



**2.0 years**

Office



**1.7 years**

Industrial  
& Others



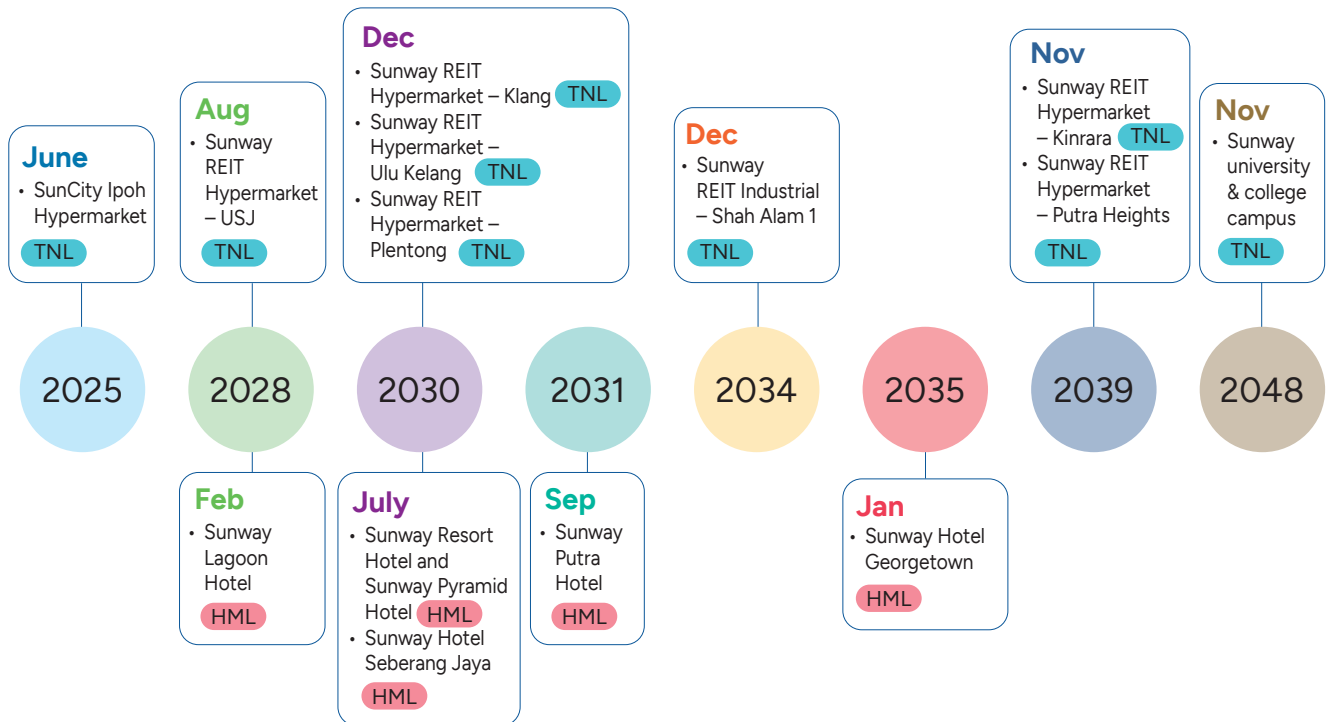
**5.8 years**

The portfolio of Sunway REIT consists of 15.2%, 9.8% and 70.6% of tenanted NLA expiring in FY2025, FY2026 and FY2027 and beyond, respectively. The majority of the tenancies are three-year tenancies with renewal options for another three-year term, included in the tenancies expiring in FY2024 were monthly tenancies occupying 0.4% of the total space.

## SEGMENTAL HIGHLIGHTS

## LEASE EXPIRY PROFILE

Master leases represent 31% of fair value of the portfolio. The expiries of master leases, including triple-net-lease (TNL) and hotel master lease (HML) are as follows:



## TOP 10 TENANTS BY TOTAL GROSS RENTAL INCOME

Top 10 tenants contributed approximately

**27%**

of total gross rental income in December 2024, maintaining low exposure to tenant-concentration risk. In addition, Sunway Group's rental contribution to Sunway REIT's total gross rent amounted to 21% in FY2024.

	Tenant	Tenancy Expiry Date	Trade	% of Total Gross Rental Income <sup>1</sup>
1	Sunway Resort Hotel Sdn Bhd	December 2025, February 2028 and July 2030	Hotel and Convention Centre	10.0%
2	GCH Retail (Malaysia) Sdn Bhd	August 2028, December 2030 and November 2039	Hypermarket	5.0%
3	Sunway Education Group Sdn Bhd	November 2048	Education	4.4%
4	Sunway Putra Hotel Sdn Bhd	September 2031	Hotel	2.2%
5	Parkson Corporation Sdn Bhd	September 2026 and December 2026	Departmental Store	1.0%
6	Uniqlo (Malaysia) Sdn Bhd	June 2025 and July 2026	Fashion	0.9%
7	Sunway Biz Hotel Sdn Bhd	January 2035	Hotel	0.9%
8	DCH Contract Manufacturing Sdn Bhd	December 2034	Manufacturing	0.8%
9	Padini Dot Com Sdn Bhd	June 2025, May 2027 and July 2027	Fashion	0.8%
10	Roche Services (Asia Pacific) Sdn Bhd	May 2027	Pharmaceutical	0.8%

<sup>1</sup> Based on total gross rental income for the month of December 2024.

## RETAIL SEGMENT

Segment  
Contribution  
by Revenue  
**70%**  
(FY2023: 67%)

Segment  
Contribution by  
Property Value  
**65%**  
(FY2023: 60%)

### STABLE AND HEALTHY RETAIL OCCUPANCY

As at 31 December 2024, Sunway REIT's retail portfolio maintained a high occupancy rate of 98%, attributable to its strategically located retail properties and strong asset management capabilities.

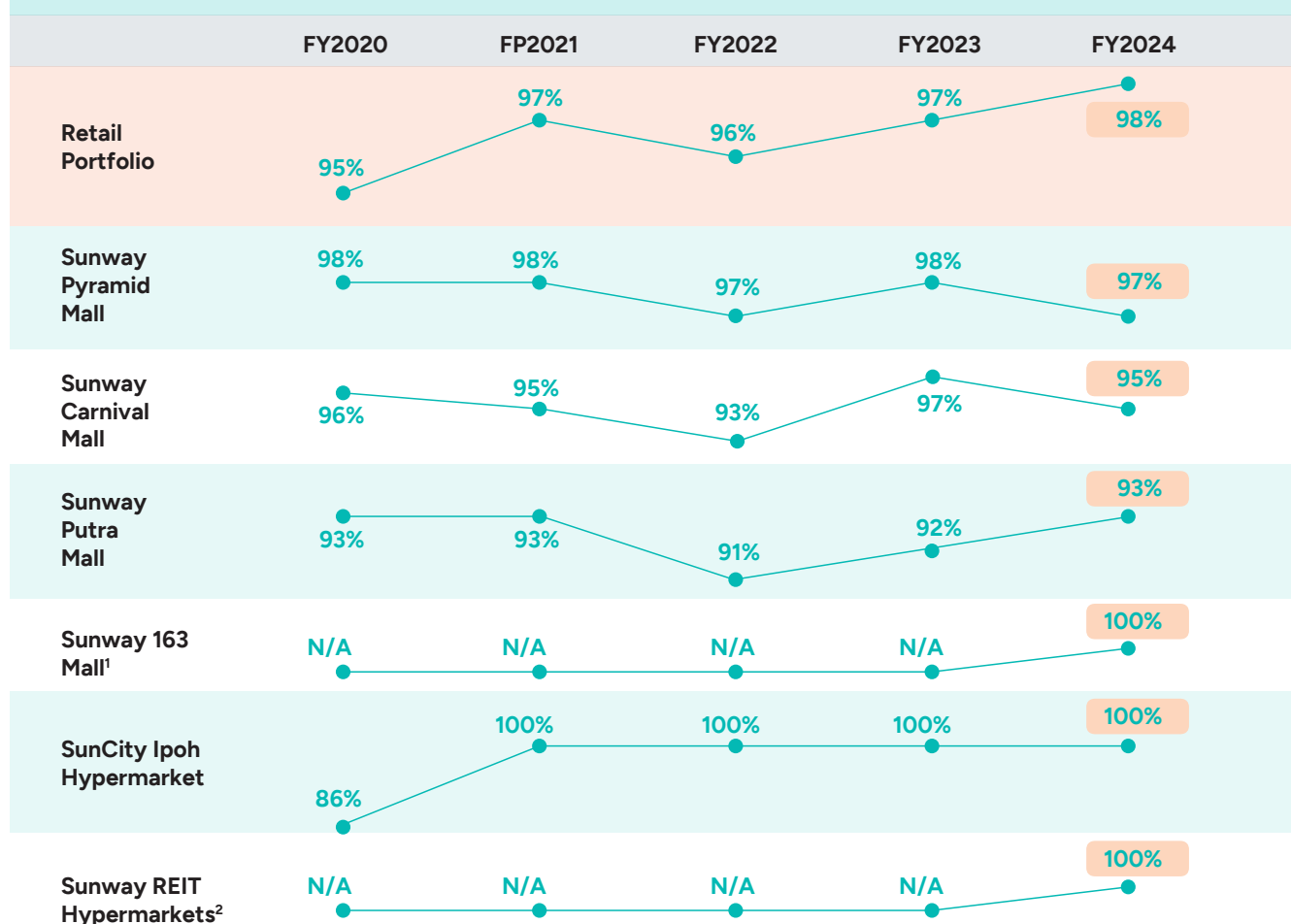
With the acquisition of eight new retail properties, Sunway's REIT's retail portfolio currently stands strong with a total of 13 properties, comprising five malls under management, seven hypermarkets and one property under redevelopment exercise.

The four malls under management achieved a combined average occupancy rate of 96%<sup>1</sup> and seven hypermarkets which are under triple-net-lease arrangements achieved 100% occupancy as of 31 December 2024.

This retail portfolio expansion undertaking aligns with Sunway REIT's TRANSCEND 2027 renewed focus to pursue growth and value-accretive opportunities within Malaysia.

<sup>1</sup> Excluding Sunway Kluang Mall as the acquisition was completed on 30 December 2024.

### FIVE-YEAR AVERAGE OCCUPANCY RATE



<sup>1</sup> Acquisition was completed on 9 October 2024.

<sup>2</sup> Sunway REIT Hypermarkets pertain to the newly acquired six hypermarkets located at Kinrara, Putra Heights, USJ, Klang, Ulu Kelang and Plentong, acquisition was completed on 30 April 2024.

## RETAIL SEGMENT

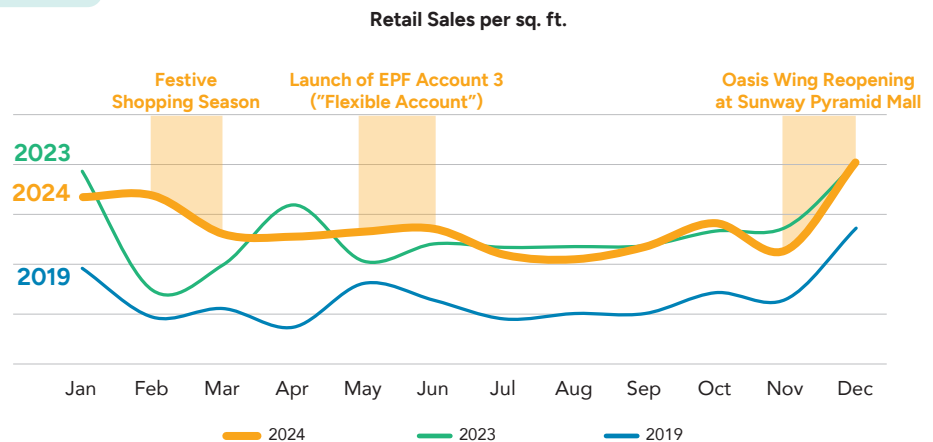
## RETAIL SALES PER SQ.FT. (RM)

2024 vs 2023

▲ 3%

2024 vs 2019

▲ 22%

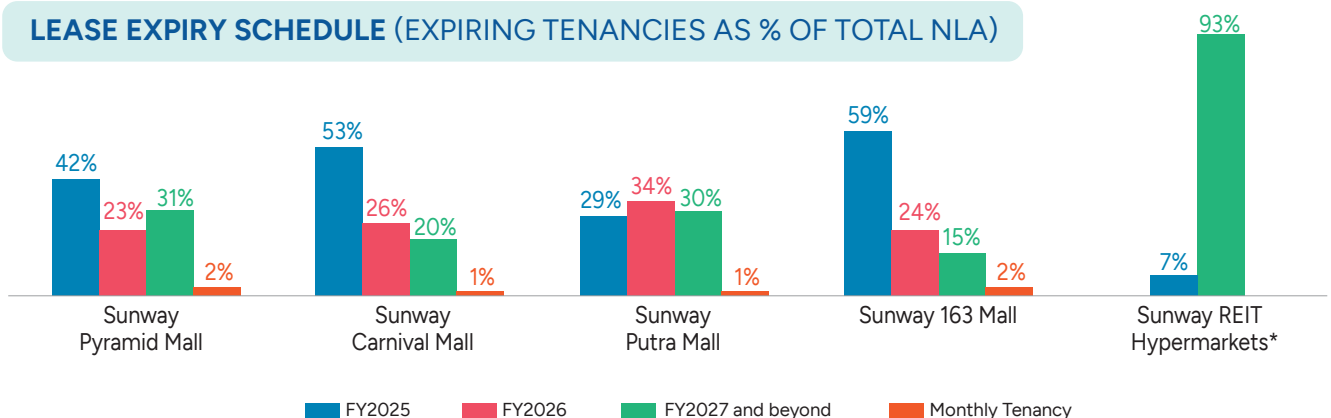


Note: The above retail sales per sq.ft. data only covers Sunway Pyramid Mall, Sunway Carnival Mall and Sunway Putra Mall. It does not include the newly-acquired retail assets and triple-net retail assets.

The retail sales per sq.ft. in 2024 maintained a healthy growth momentum from 2023, surpassing pre-pandemic 2019 levels and registering a strong recovery in consumer activity. The first half of 2024 saw robust performance, driven by heightened festive spending during the Chinese New Year and Hari Raya Aidilfitri festive season. Notably, Sunway Carnival Mall emerged as a standout performer, leading sales among Sunway Malls in Q1 2024. This success was bolstered by the Raya festive period and the sustained impact of its new wing, which opened in June 2022, attracting healthy footfall and driving higher sales volumes. Moreover, the retail segment also benefited from the introduction of the Employees Provident Fund ("EPF") Account 3 ("Flexible Account") in May 2024, which provided consumers with additional disposable income, further fuelling discretionary spending and supporting overall retail growth.

The strong momentum was sustained in the second half of 2024, with a particularly strong performance in December following the reopening of Oasis wing at Sunway Pyramid Mall in November 2024. This, coupled with year-end school holiday sales, contributed to a surge in footfall and retail activity. Overall, the enhanced retail sales performance across Sunway REIT's malls in 2024 reflects an uptick in consumer spending, driven by a growing preference for in-person shopping experiences. This growth was also supported by festive shopping cycles, favourable government policies and the strategic mall enhancements, all of which contributed to sustained retail success throughout the year.

## LEASE EXPIRY SCHEDULE (EXPIRING TENANCIES AS % OF TOTAL NLA)



\* Sunway REIT Hypermarkets pertain to the seven hypermarkets including SunCity Ipoh Hypermarket and the newly acquired six hypermarkets located at Kinrara, Putra Heights, USJ, Klang, Ulu Kelang and Plentong.

The lease expiry profile for retail segment is well-spread across FY2025 and beyond. There is a spike in tenancies expiring in FY2025 for Sunway Carnival Mall owing to the 3-year term renewal for the mall's new wing which commenced in June 2022. For the six Sunway REIT hypermarkets, the lessee extended their leases for the respective hypermarket in the following localities, as below:

## USJ

Until August 2028

## Kinrara and Putra Heights

Extended further 15 years to November 2039

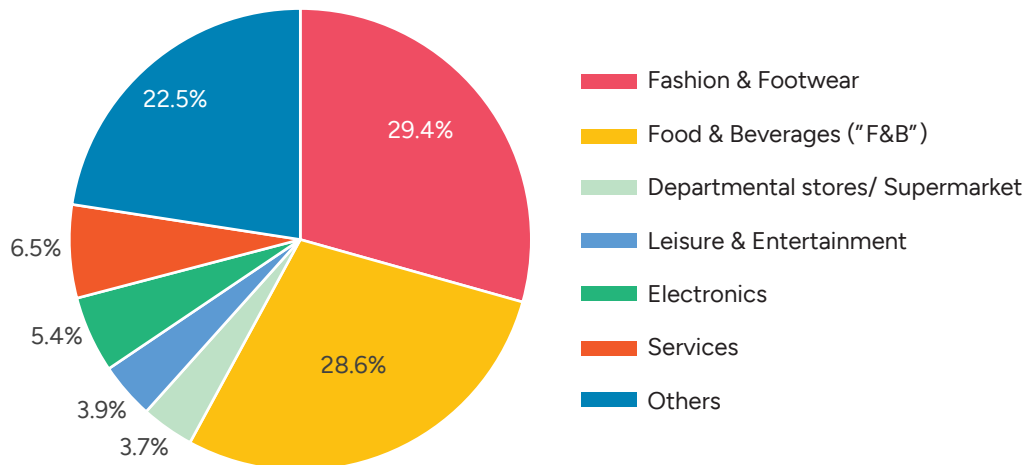
## Klang, Ulu Kelang and Plentong

Break options were waived; hence the leases have been extended to December 2030

## RETAIL SEGMENT

## TOP TRADE CATEGORIES BY GROSS RENTAL INCOME

The top three retail trade categories, collectively accounted for more than 60% of December 2024 retail gross rental income, include fashion & footwear, F&B and services.



## TENANT MIX (BASED ON DECEMBER 2024 GROSS RENTAL INCOME AND NET LETTABLE AREA)

		Fashion & footwear	Food & beverages	Departmental stores / Supermarket	Leisure & entertainment	Electronics	Services	Others	Vacant	Total
Sunway Pyramid Mall	By Gross Rental Income	30.6%	27.1%	2.9%	3.4%	5.3%	6.2%	24.5%	-	100.0%
	By Net Lettable Area	26.6%	21.9%	8.9%	9.4%	4.5%	5.4%	21.3%	2.0%	100.0%
Sunway Carnival Mall	By Gross Rental Income	33.5%	24.6%	6.1%	3.3%	9.5%	8.8%	14.2%	-	100.0%
	By Net Lettable Area	27.8%	14.9%	18.1%	9.4%	9.6%	5.7%	14.1%	0.4%	100.0%
Sunway Putra Mall	By Gross Rental Income	27.4%	35.1%	2.7%	8.2%	1.0%	2.3%	23.3%	-	100.0%
	By Net Lettable Area	28.9%	21.8%	3.4%	14.3%	0.5%	1.0%	23.9%	6.2%	100.0%
Sunway 163 Mall	By Gross Rental Income	2.8%	48.8%	9.8%	5.4%	1.8%	12.2%	19.2%	-	100.0%
	By Net Lettable Area	2.9%	32.8%	12.8%	14.6%	1.2%	16.5%	18.8%	0.4%	100.0%

■ Tenant Mix

■ By Gross Rental Income

■ By Net Lettable Area

## RETAIL SEGMENT

## TOP 10 TENANTS (BASED ON DECEMBER 2024 GROSS RENTAL INCOME)



**Total 11.9 %**

WALE  
**1.5** years

### Sunway Pyramid Mall

- 1.6%** Uniqlo (Malaysia) Sdn Bhd (Uniqlo)
- 1.5%** Parkson Corporation Sdn Bhd (Parkson)
- 1.3%** Sunway Resort Hotel Sdn Bhd (Sunway Pyramid Convention Centre)
- 1.3%** TGV Cinemas Sdn Bhd (TGV Cinemas)
- 1.3%** Padini Dot Com Sdn Bhd (Padini)
- 1.1%** Cotton On (Malaysia) Sdn Bhd (Cotton On)
- 1.1%** Adidas (Malaysia) Sdn Bhd (Adidas)
- 0.9%** Gagan (Malaysia) Sdn Bhd (Zara)
- 0.9%** Beauty In Motion Sdn Bhd (Sephora)
- 0.9%** Sports Direct Malaysia Sdn Bhd (Sports Direct)

### Sunway Carnival Mall

- 4.6%** Parkson Corporation Sdn Bhd (Parkson)
- 2.3%** Elitetrax Marketing Sdn Bhd (Harvey Norman)
- 2.2%** Uniqlo (Malaysia) Sdn Bhd (Uniqlo)
- 1.9%** CG Computers Sdn Bhd (Switch)
- 1.8%** Padini Dot Com Sdn Bhd (Padini Concept Store)
- 1.7%** Golden Screen Cinemas Sdn Bhd (GSC Cinemas)
- 1.5%** Trendcell Sdn Bhd (Jaya Grocer)
- 1.5%** Tomaz Shoes Sdn Bhd (Tomaz)
- 1.3%** Sports Direct MST Sdn Bhd (Sports Direct)
- 1.3%** JD Sports Fashion Sdn Bhd (King of Trainers)

**Total 20.1 %**

WALE  
**1.1** years



**Total 22.5 %**

WALE  
**1.4** years

### Sunway Putra Mall

- 5.4%** TGV Cinemas Sdn Bhd (TGV Cinemas)
- 2.9%** Padini Dot Com Sdn Bhd (Padini)
- 2.7%** GCH Retail (Malaysia) Sdn Bhd (Mercato)
- 1.9%** Yee Fong Hung (M) Sdn Bhd (Brands Outlet)
- 1.9%** Uniqlo (Malaysia) Sdn Bhd (Uniqlo)
- 1.9%** Lifestyle Retail Malaysia Sdn Bhd (Max Fashion and Babyshop)
- 1.7%** Tomaz Shoes Sdn Bhd (Tomaz)
- 1.5%** Guardian Health And Beauty Sdn Bhd (Guardian)
- 1.3%** Sports Direct MST Sdn Bhd (Sports Direct)
- 1.3%** Kaisan Furnishing Sdn Bhd (Kaisan)

### Sunway 163 Mall

- 8.5%** Trendcell Sdn Bhd (Jaya Grocer)
- 3.5%** Walking On Sunshine Sdn Bhd (Walking On Sunshine)
- 3.2%** Watson's Personal Care Stores Sdn Bhd (Watsons)
- 2.7%** Paradise Dynasty Sdn Bhd (Paradise Dynasty)
- 2.6%** Bluefire (Malaysia) Sdn Bhd (The Social)
- 2.4%** Bluefire (Mont Kiara) Sdn Bhd (Lisette's Café & Bakery)
- 2.2%** Proof Gourmet Sdn Bhd (Osteria Emilia)
- 2.2%** Good Eats Restaurants Sdn Bhd (Choo's Kitchen)
- 2.2%** F Innovators Malaysia Sdn Bhd (Kanbe)
- 2.0%** Lavender Confectionery & Bakery Sdn Bhd (Lavender)

**Total 31.5 %**

WALE  
**0.9** year



## RETAIL SEGMENT

## ASSET ACQUISITIONS



Kinrara Property



Putra Heights Property



Ulu Kelang Property



USJ Property



Klang Property



Plentong Property

**6** Hypermarkets  
located in Klang  
Valley and Johor

COMPLETED

The acquisition of six Sunway REIT Hypermarkets for a purchase consideration of RM520.0 million from Kwasa Properties Sdn Bhd, a wholly-owned subsidiary of the Employees Provident Fund, was completed on 30 April 2024. The six Sunway REIT hypermarkets, five within the Klang Valley (Kinrara, Putra Heights, USJ, Ulu Kelang and Klang) and one in Johor (Plentong).

Strategically situated within densely populated and established residential neighbourhoods in the Klang Valley and Johor, these properties benefit from significant catchment populations. By offering essential non-discretionary goods and services to the local mass market, they cater to consistent consumer demand.

Furthermore, these assets are 100% leased to a well-regarded hypermarket operator under triple-net master lease agreements. This structure ensures a stable and predictable income stream for Sunway REIT, minimising exposure to the potential impacts of economic downturns. The successful acquisition of six hypermarkets reflects Sunway REIT's strategic focus on inorganic expansion through yield-accretive acquisitions.



Immediate fair  
value gain

**RM81 million<sup>1,2</sup>**



Yield accretion  
with NPI yield of

**8.0%<sup>2</sup>**



Immediate WALE  
enhancement  
Six hypermarkets' WALE:

**9.0 years**



Supported by strong  
underlying land value of

**56 acres  
of Freehold land**

<sup>1</sup> Based on fair value as at 31 December 2024.

<sup>2</sup> Based on acquisition price.

## RETAIL SEGMENT

## ASSET ACQUISITIONS

## Sunway 163 Mall

COMPLETED



The acquisition of Sunway 163 Mall, a stratified seven-storey mall, for a purchase consideration of RM215.0 million, from D'Kiara Place Sdn Bhd, was completed on 9 October 2024. The property is currently 100% occupied, featuring over 100 tenants and brands that offer a diverse range of retail options for the surrounding communities of Mont' Kiara, Hartamas and Segambut.

In fulfilling the diverse needs of the surrounding community, Sunway 163 Mall is anchored by Jaya Grocer, an established premium grocer, and supplemented by a diverse range of F&B outlets, as well as lifestyle and entertainment offerings such as health and beauty services, cinema, an ice skating rink and many more. Surrounded by a substantial captive population comprising both locals and expatriates and coupled with Sunway's strong branding and track record in mall management, it is anticipated that the mall can be further enhanced as a premium lifestyle hub and NPI increased through tenant mix optimisation and asset enhancement initiatives.

Efforts to improve maintenance and traffic circulation at Sunway 163 Mall have commenced imminently to elevate the shoppers' experience, while longer term plans to enhance the asset via tenant mix optimisation and floor space reconfiguration are being formulated to ensure Sunway 163 Mall will become the premier lifestyle destination in North Kuala Lumpur. The recent MRT3 alignment announcement augurs well for Sunway 163 Mall as the proposed Sri Hartamas station is located within walking distance and would further enhance accessibility to the mall upon completion of the line.



**Purchase Consideration**  
**RM215 million**



**NPI yield**  
**6.5%<sup>1</sup>**

<sup>1</sup> Based on acquisition price.

## RETAIL SEGMENT

## ASSET ACQUISITIONS

## Sunway Kluang Mall

COMPLETED



Purchase Consideration

**RM158 million**

NPI yield

**6.8%<sup>1</sup>**

Sunway Kluang Mall, a freehold four-storey shopping complex located in Kluang, Johor was acquired for RM158.0 million, from Tenaga Nusantara Sdn Bhd. The acquisition was completed on 30 December 2024. The property caters to a catchment population of over 320,000 residents in the Kluang district and attracts a potential market of around one million people in central Johor, including Batu Pahat, Ayer Hitam, Kulai and Mersing.

The property is occupied with over 140 tenants, anchored by Pacific Hypermarket & Department Store, supplemented by a wide spectrum of F&B outlets, as well as lifestyle and entertainment offerings such as health and beauty services, cinema, a bowling centre and many more. The wide array of tenancy mix serves a mature residential market catchment and, in particular attracts families, students and working professionals from the central part of Johor.

Leveraging Sunway's strong branding and track record in retail management, it is envisioned that the mall has the opportunity to be further enhanced through tenancy optimisation, proactive mall management and AEI. Building on the success of the rejuvenation of Sunway Carnival Mall in Seberang Jaya, Penang, the Manager is confident in adding value and unlocking the potential of Kluang Mall in another potentially underserved area. The property is an exciting opportunity to capitalise on the untapped potential within the central Johor area, which will soon benefit from the impending completion of the Gemas – JB Electrified Double Tracking rail project and ongoing road improvement works along the Batu Pahat - Ayer Hitam - Kluang federal route.

<sup>1</sup> Based on acquisition price.



Sunway Kluang Mall was the Gold winner for the Non-Strata Retail (10 Years and Above) category at The Edge Malaysia Best Managed and Sustainable Property Awards 2023, demonstrating its strong ESG credentials and alignment with Sunway REIT's portfolio of sustainable properties.

## RETAIL SEGMENT

## ASSET ENHANCEMENT INITIATIVES

## Sunway Pyramid Mall

In its effort to maximise value of Sunway REIT's assets amidst changing market dynamics, the Manager completed asset enhancements at Sunway Pyramid Mall on 1 November 2024, with a total capital expenditure of RM190 million, spanning one year for the refurbishment.

COMPLETED



This reconfiguration of ex-anchor tenant space is rebranded as 'Oasis' wing, a four-level retail wing spanning 260,000 sq.ft. NLA and is designed to enhance the tenancy mix with new offerings and services. Notably, the footfall at Sunway Pyramid Mall increased by 10% from November to December 2024 compared to the same period in 2023, while the average rental rate for the Oasis wing surged by 250% per sq.ft. post-refurbishment.



Oasis wing was launched with 99% occupancy and stands proud as jewel in an urban setting, a pivotal component of Sunway Pyramid Mall's enhancement initiative to attract a diverse array of high-yielding tenants, increase footfall and ultimately, provide a memorable, unique shopping experience for consumers. Oasis continuously crafts new opportunities to remain a leader in the retail industry with an eclectic curation of over 100 local and international brands, expanding the diversity and depth of the shopping experience. With brands such as H&M Home, MUJI Store with Gelato & Coffee Counter, Akemi Home, Urban Revivo and many more.



## RETAIL SEGMENT

## ASSET ENHANCEMENT INITIATIVES

## Sunway Carnival Mall

 Target Completion:  
Q2 2025

Before Refurbishment



After Refurbishment



Building on the successful launch of Sunway Carnival Mall's new wing in 2022, Sunway REIT commenced the refurbishment of the existing wing of Sunway Carnival Mall in Mainland Penang. Recognising the growth potential in this region, the Manager allocated approximately RM360.0 million for the second phase of AEI for Sunway Carnival Mall's existing wing.

the aesthetic appeal of the external façade and creating seamless connectivity across the expanded mall. These improvements aim to create a more inviting and engaging environment for shoppers, further enhancing their overall shopping experience. A positive indication as of December 2024, the Manager has successfully secured commitments from over 95% of prospective tenants.

This refurbishment, scheduled for completion by June 2025, focuses on optimising the mall's layout, enhancing

## RETAIL SEGMENT

## PROPERTY DEVELOPMENT ACTIVITY

## Sunway Pier

Target Completion:  
H2 2027

Artist's impression

Following the acquisition of Sunway Pier in 2022, the Manager developed a strategic plan to transform this asset into a vibrant retail-centric tourism destination. The property redevelopment exercise commenced on 29 October 2024 and is anticipated to span 28 months, with targeted completion in H2 2027. The new building will feature GFA of approximately 500,000 sq.ft. and NLA of approximately 300,000 sq.ft., along with more than 600 parking bays.

Upon its completion, Sunway Pier is anticipated to provide the Klang Valley population with a premier seafront development. With a seafood market and diverse F&B

offerings, it is expected that Sunway Pier also draw domestic and foreign tourists including cruise passengers and crew stopping at the Pulau Indah Cruise Terminal and Westport.

Located adjacent to the Port Klang KTM station and on the western end of the Federal Highway, Sunway Pier is easily accessible by public transport and is within an easy 50-minute drive from KLCC. Sunway Pier, with an estimated development cost of RM400.0 million<sup>1</sup>, is expected to transform Port Klang into a destination for leisure and shopping activities.

<sup>1</sup> The property development activity at Sunway Pier represents only 3.7% of the total asset value, well below the 15% threshold specified in Clause 8.17 of the Listed REIT Guidelines.

## RETAIL SEGMENT

### AWARDS AND RECOGNITIONS

#### Sunway Pyramid Mall

- Best Shopping Mall by Motherhood Choice Awards 2024
- **Silver Award** for the "SCAN and ReX" (Top Sustainability Practices) 2023-2024



#### Sunway Carnival Mall

- **Gold Award** for "Fostering A Love for Reading with Le Petit Prince" Campaign (Best Experiential Marketing) 2023-2024
- **Gold Award** for "Empowering Communities for Sustainable Growth" (Top Sustainability Practices) 2023-2024
- Toilet of the Year Award 2024



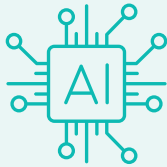
#### Sunway Pier

- GreenRE Silver (Provisional) certification



## RETAIL SEGMENT

## MEDIUM- / LONG-TERM TARGETS



Adopting **digital transformation initiatives**  
e.g. real-time monitoring, robotic cleaning, smart office solutions and AI technology for operational improvements



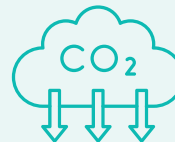
Enhancing **F&B offerings with "Winner Brands"** and reconfiguring space planning for high-performing tenants



Rebranding Sunway Pyramid Mall as a **resort mall destination**



Improving **operational cost management** by adopting cost discipline and reducing building energy intensity



Continuing **sustainable development initiatives** to transform Sunway Malls into low-carbon assets

## PROSPECTS

Despite persistent challenges posed by rising living costs, Retail Group Malaysia is projecting a steady 4.3% growth in retail sales in 2025 (3.8% in 2024) amidst the government's projection of a respectable 4.5%-5.5% GDP growth, a low unemployment rate and rising tourist arrivals. It is anticipated that the consumer purchasing power to remain net positive, boosted by the rise in minimum wage that will offset potential impact from a decline in government subsidies and rise in sales and service tax.

The Manager believes the measures that Sunway REIT has taken in 2024 will provide a strong foundation to tap into the expected robust consumer spending. The new retail asset acquisitions in 2024 and Sunway Pyramid Mall Oasis AEI has expanded the diversity of its offerings and geographic footprint, enabling Sunway REIT to serve new pools of consumers. With a greater network of malls, the Manager also has greater leverage with tenants to bring in the best and latest brands to Sunway REIT's properties which will further increase footfall. Hence, the prospects for the retail segment look bright aided by the full-year contributions from these new initiatives.

## HOTEL SEGMENT

In 2024, Malaysia saw a notable increase in international tourist arrivals and improved flight connectivity. Similarly, Sunway REIT's hotel segment experienced stable average occupancy, rising slightly to 65% in FY2024 from 64% in FY2023. This performance was primarily driven by increased tourism activity, demand from leisure travellers, and Meetings, Incentives, Conferences, and Exhibitions ("MICE") events, alongside the influx of both domestic and international tourists. Additionally, it was largely attributed to its proven business agility and marketing expertise in attracting travellers through compelling promotional campaigns, effective room revenue management and other strategic measures.

Segment  
Contribution By  
Revenue

**13%**  
(FY2023: 12%)

Segment  
Contribution By  
Property Value

**18%**  
(FY2023: 21%)

### FIVE-YEAR AVERAGE OCCUPANCY RATE



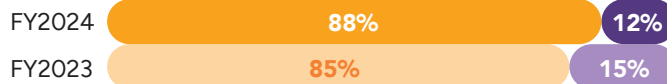
\* Sunway Resort Hotel was closed for refurbishment in FP2021.

## HOTEL SEGMENT

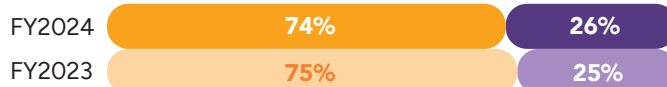
## GUEST PROFILE BY ROOM REVENUE (%)

Leisure Corporate

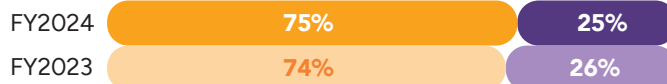
## Sunway Resort Hotel



## Sunway Pyramid Hotel



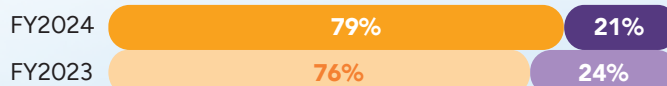
## Sunway Lagoon Hotel



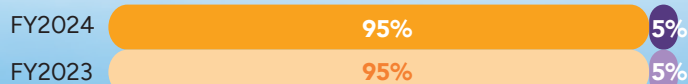
## Sunway Hotel Seberang Jaya



## Sunway Putra Hotel

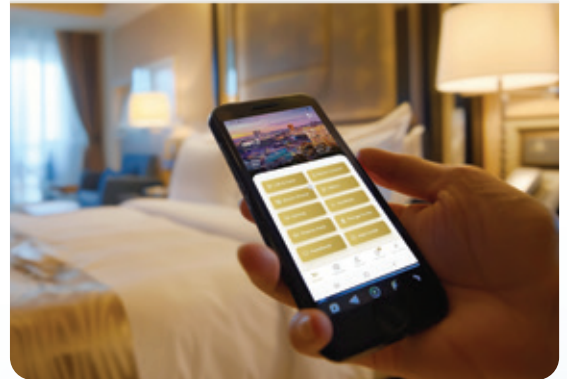


## Sunway Hotel Georgetown



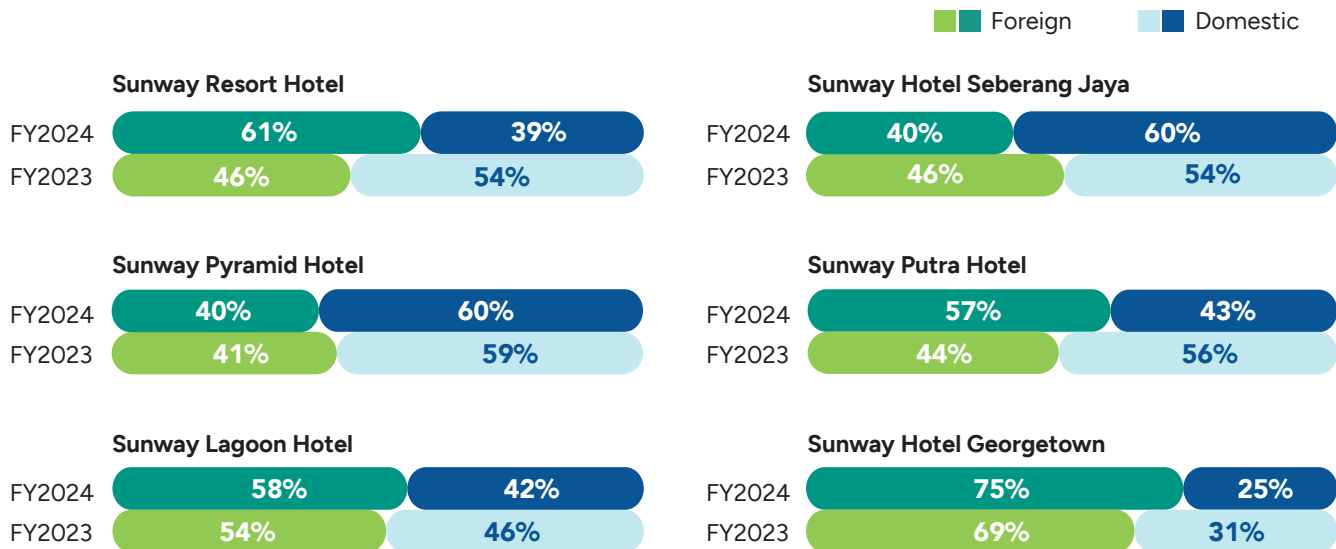
## SUNWAY HOTELS &amp; RESORTS APP

Offering guests seamless check-in and out, in-room features and controls, exclusive deals and information.



## HOTEL SEGMENT

## FOREIGN VS DOMESTIC TRAVELLERS BY OCCUPIED ROOM (%)



Since the reopening of international borders, there was a commendable overall increase in the arrivals of foreign tourists to the hotels. Notably, visitors from Singapore, the Middle East, China, India and Indonesia have made a substantial contribution to this growth in Sunway REIT's hotel properties.

## FOREIGN TOURIST ARRIVALS BY COUNTRIES/REGIONS

- 1 Singapore
- 2 Middle East
- 3 China
- 4 India
- 5 Indonesia



## HOTEL SEGMENT

## AWARDS AND RECOGNITIONS

## SUNWAY CLUSTER OF HOTELS IN SUNWAY CITY KUALA LUMPUR



Sunway Resort Hotel



Sunway Pyramid Hotel



Sunway Lagoon Hotel

WORLD LUXURY HOTEL  
AWARDS 2024

## Sunway Resort Hotel

- Luxury Family Hotel
- Luxury Destination Hotel
- Luxury Wellness Hotel

WORLD LUXURY RESTAURANT  
AWARDS 2024Gordon Ramsay Bar & Grill  
at Sunway Resort Hotel

- Most Luxurious Ambience
- Fine Dining Cuisine
- Luxury Hotel Restaurant

ASEAN TOURISM STANDARD  
2024 - 2026Sunway Resort Hotel -  
ASEAN MICE

Venue Standard  
(Category: Meeting Room)



## HOTEL SEGMENT

## AWARDS AND RECOGNITIONS

## SUNWAY PUTRA HOTEL

- **GreenRE Gold certification** .....
- Best Luxury City Hotel in Malaysia, By Luxury Lifestyle Awards
- Top Producing Hotel 2024, Trip.com
- Ranked Top 2% of hotels in Kuala Lumpur, TripAdvisor
- Top 3% of best properties in Kuala Lumpur, Kayak.com
- Customer Review Award 2024, Agoda
- Traveller Review Award 2024, Booking.com



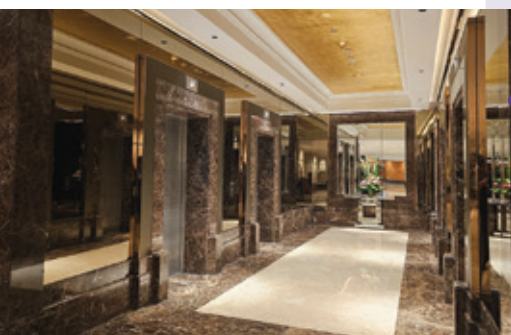
## SUNWAY HOTEL GEORGETOWN

- Traveller Review Award 2024, Booking.com
- Top Producing Hotel Award 2024, Trip.com
- Best Dining & Shopping 2024, Agoda

## SUNWAY HOTEL SEBERANG JAYA

- Traveller Review Award 2024, Booking.com

## ASSET PRESERVATION AND UPGRADING: SUNWAY PUTRA HOTEL



Key areas of improvement to enhance guest experience:

#### Guestroom Lifts Landing and Waiting Area

Aesthetic enhancements to improve visual appeal

#### Atrium Lounge

Complete restructuring of the layout and incorporation of aesthetic design improvements

#### Diamond Lounge

Creation of a centralised coffee break area

#### Hotel Entrance

Upgrades to the existing landscape

#### Lobby Washrooms

Complete refurbishment of both gents & ladies



## HOTEL SEGMENT

## MEDIUM- / LONG-TERM TARGETS



Driving **international business growth** by appointing sales agents in key markets



**Collaborating with Sunway Travel** to target new markets with unique products



Building relationships with Penang travel agencies to **attract leisure and medical tourists** at Sunway Medical Centre in Seberang Jaya.



Seeking **potential new segments** like premium weddings, entertainment events and world-class sports events



Leveraging **pre-buy business** at Sunway Hotel Georgetown and Sunway Hotel Seberang Jaya



Practicing **dynamic pricing** through monitoring of daily demand and booking trend

## PROSPECTS

Tourism Malaysia recorded a 24.4% increase in visitor arrivals, reaching 25.0 million in 2024, compared to 2023. However, this figure remains below the 2019 pre-pandemic level of 26.1 million arrivals. Tourists from China saw an increase of over 100% following the introduction of visa-free entry on 1 December 2023. The top three tourist markets are Singapore, Indonesia and China, accounting for approximately 36%, 15% and 13%, respectively.

Tourism Malaysia is targeting a 25% increase in tourist arrivals to top 31.4 million in 2025, in anticipation of a stronger market recovery and the ability to capitalise on its strategic initiatives.

Thus, the hotel segment is poised to benefit from a continued recovery in tourist arrivals and the increase in connecting flights to the international airports. In terms of contribution to net property income, the hotel segment has already exceeded pre-pandemic levels and the Manager believes ongoing efforts to increase occupancy and MICE activities, especially at the flagship Sunway Resort Hotel, will further enhance the profitability of this segment.

## OFFICE SEGMENT

The Office segment continued to maintain a steady five-year average occupancy rate of 83% in 2024. The average occupancy rate for all office properties increased year-on-year with the exception of Sunway Putra Tower which suffered from the cessation of tenancies of several major tenants. However, with the Manager's continued implementation of proactive leasing management strategies, occupancy rates for Sunway Putra Tower and all office properties are expected to improve in the near future.

Segment  
Contribution  
by Revenue

**11%**

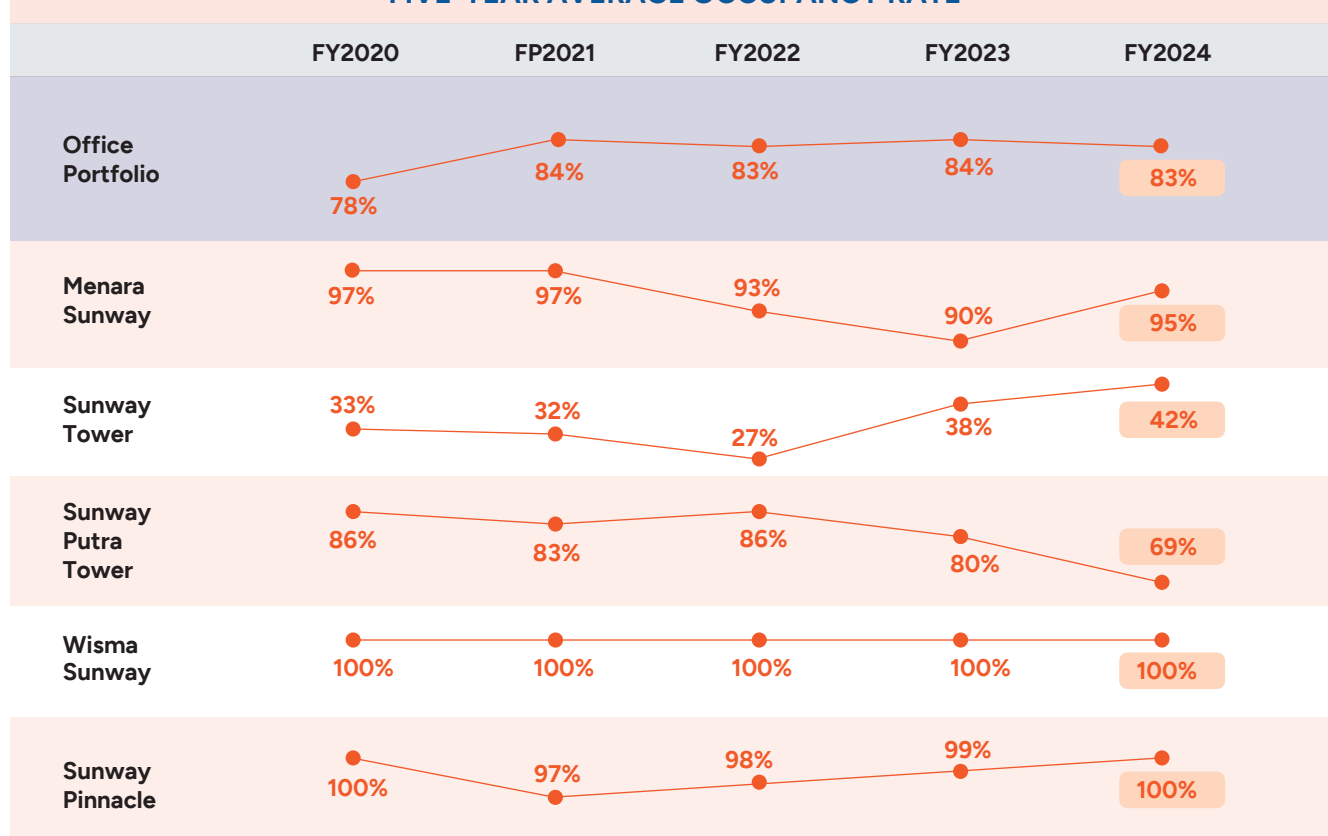
(FY2023: 12%)

Segment  
Contribution by  
Property Value

**9%**

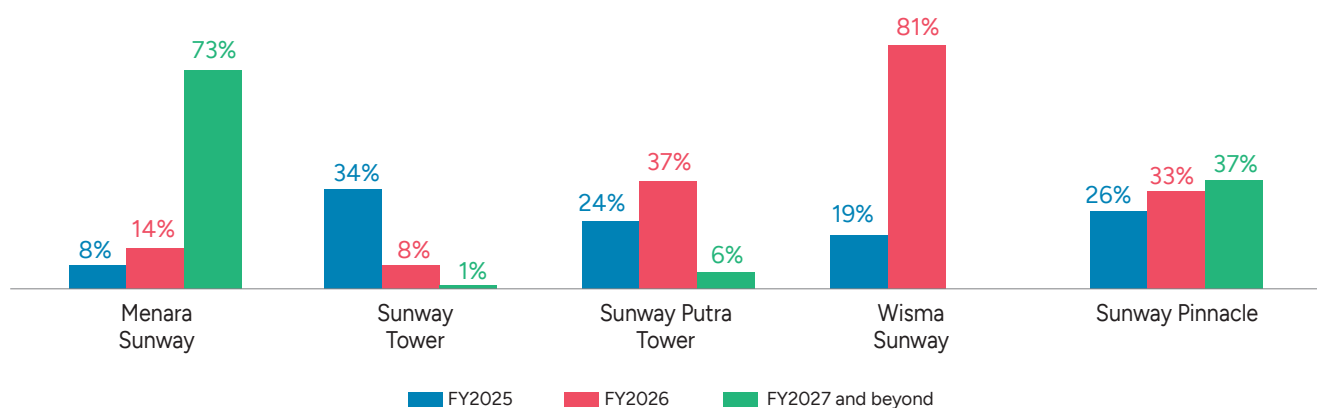
(FY2023: 11%)

### FIVE-YEAR AVERAGE OCCUPANCY RATE



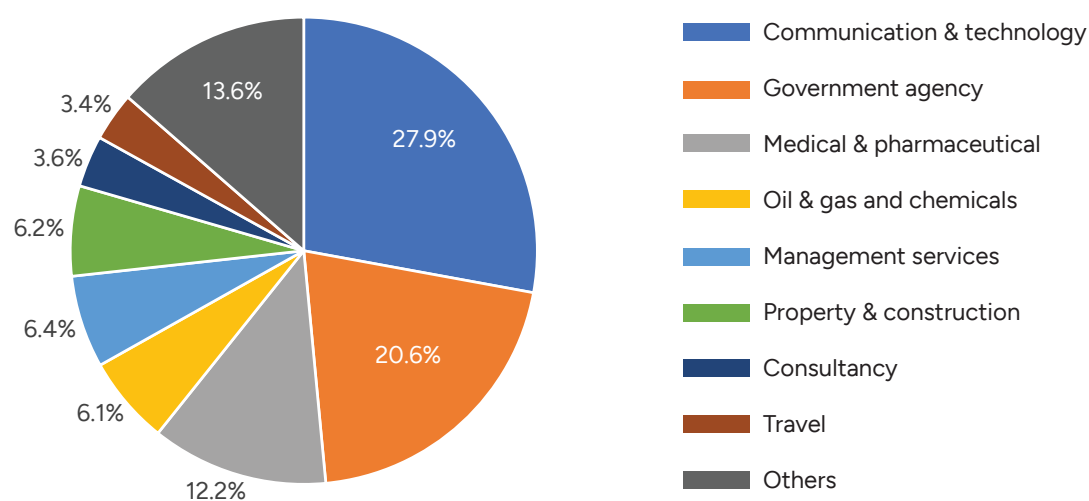
## OFFICE SEGMENT

## LEASE EXPIRY SCHEDULE (EXPIRING TENANCIES AS % OF TOTAL NLA)

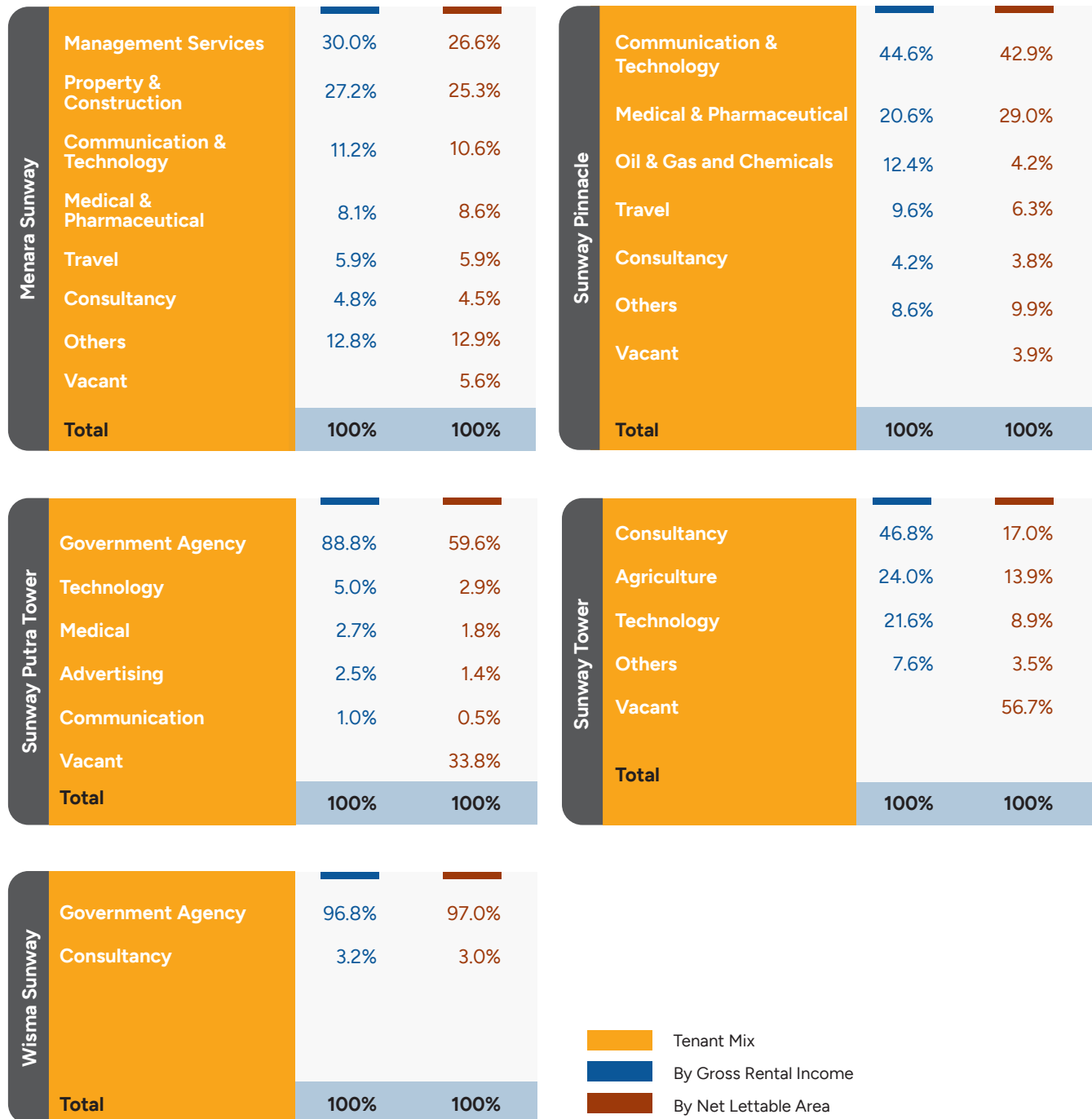


## TOP TRADE CATEGORIES BY GROSS RENTAL INCOME

The top three office trade categories, collectively accounted for more than 60% of December 2024 office gross rental income, include communication & technology, government agency and medical & pharmaceutical.



## OFFICE SEGMENT

**TENANT MIX (BASED ON DECEMBER 2024 GROSS RENTAL INCOME AND NET LETTABLE AREA)**


## OFFICE SEGMENT

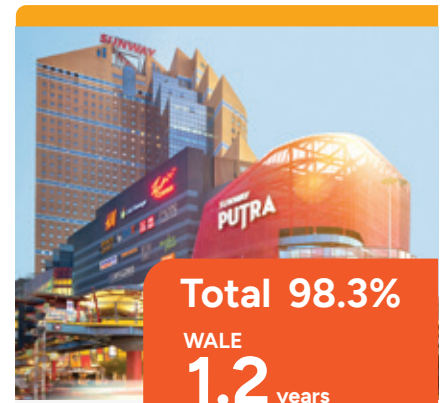
## TOP 10 TENANTS (BASED ON DECEMBER 2024 GROSS RENTAL INCOME)

**Menara Sunway**

<b>21.1%</b>	Sunway Services Sdn Bhd
<b>13.1%</b>	Sunway Integrated Properties Sdn Bhd
<b>8.4%</b>	Sunway Construction Group Berhad
<b>8.1%</b>	Roche Services (Asia Pacific) Sdn Bhd
<b>4.0%</b>	Maxis Broadband Sdn Bhd
<b>2.9%</b>	Sunway Marketing Sdn Bhd
<b>2.8%</b>	Sunway Quarry Industries Sdn Bhd
<b>2.4%</b>	TF Value-Mart Sdn Bhd
<b>2.1%</b>	Sunway Ventures Sdn Bhd
<b>2.1%</b>	Ammobox Studios Sdn Bhd

**Sunway Tower**

<b>24.0%</b>	Sunway Xfarms Sdn Bhd
<b>19.4%</b>	YYC Holdings Sdn Bhd
<b>9.0%</b>	Iconnectix Sdn Bhd
<b>7.9%</b>	Eftech Drilling Solution Sdn Bhd
<b>7.4%</b>	R1 International Malaysia Sdn Bhd
<b>6.4%</b>	VPO Services Sdn Bhd
<b>6.0%</b>	ZJ Advisor Sdn Bhd
<b>5.3%</b>	ZhaoGe Rainbow Sdn Bhd
<b>4.8%</b>	SK Networks Retails Malaysia Sdn Bhd
<b>4.0%</b>	Pimpinan Ehsan Berhad

**Sunway Putra Tower**

<b>42.7%</b>	JKR Wilayah Persekutuan Kuala Lumpur
<b>23.2%</b>	Kementerian Perdagangan Dalam Negeri Koperasi dan Kepenggunaan Malaysia
<b>8.0%</b>	Lembaga Pembangunan Industri Pembinaan Malaysia (CIDB)
<b>7.4%</b>	Jabatan Perdana Menteri (ICU)
<b>5.2%</b>	Cradle Fund Sdn Bhd
<b>5.0%</b>	Nano Commerce Sdn Bhd
<b>2.5%</b>	Ateni Media Sdn Bhd
<b>1.9%</b>	Health Digital Technologies Sdn Bhd
<b>1.4%</b>	Pemandu Associates Sdn Bhd
<b>1.0%</b>	Raffcomm Sdn Bhd

**Wisma Sunway**

<b>50.7%</b>	Jabatan Kesihatan Negeri Selangor
<b>24.2%</b>	Jabatan Alam Sekitar
<b>16.4%</b>	Lembaga Hasil Dalam Negeri
<b>5.5%</b>	Pejabat Kementerian Pelancongan dan Kebudayaan Malaysia Negeri Selangor
<b>3.2%</b>	SM Centre (MYS) Sdn Bhd

**Sunway Pinnacle**

<b>14.5%</b>	Roche Services (Asia Pacific) Sdn Bhd
<b>10.7%</b>	Maxis Broadband Sdn Bhd
<b>6.7%</b>	Lodging Partner Travel Sdn Bhd
<b>6.1%</b>	Johnson & Johnson Sdn Bhd
<b>5.5%</b>	Ericsson (Malaysia) Sdn Bhd
<b>4.7%</b>	Evonik Malaysia Sdn Bhd
<b>4.3%</b>	Accenture Solutions Sdn Bhd
<b>4.0%</b>	Huntsman Global Business Services Sdn Bhd
<b>3.9%</b>	Linde Malaysia Sdn Bhd
<b>3.6%</b>	Thyssenkrupp Elevator Malaysia Sdn Bhd

## OFFICE SEGMENT

### OPERATIONAL IMPROVEMENTS IN FY2024

To enhance overall tenant experience and environmental sustainability, there were several key initiatives undertaken, including modernisation and upgrading of mechanical and electrical infrastructure:



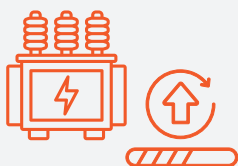
#### LIFT REPLACEMENT

Upgraded the elevator system at Menara Sunway to improve efficiency and reliability.



#### AHU REPLACEMENT

Replaced the outdated Air Handling Units ("AHU") at Sunway Putra Tower to optimise indoor air quality and energy performance.



#### TRANSFORMER REPLACEMENT

Installed a new transformer at Wisma Sunway to enhance power distribution and reduce energy consumption.

#### SUSTAINABILITY COMMITMENT

Committed to creating sustainable and eco-friendly office spaces. The Manager will continue to implement energy-efficient measures and pursue green certifications for all Sunway REIT's buildings.

➡ Kindly refer to Goal 1, Transforming Our Portfolio To Low-Carbon Assets in SR 2024 for more information.

#### National Building Energy Label awarded by Suruhanjaya Tenaga

Menara Sunway 4-star



Wisma Sunway 5-star



Sunway Pinnacle 5-star



Sunway Tower 5-star



## OFFICE SEGMENT

## MEDIUM- / LONG-TERM TARGETS



Expanding reach of **digital marketing strategies** via social media to boost leads and generate more leasing enquiries



Building on **attractive pricing strategies** to increase occupancy



Enhancing **property yield** via higher building rental rates and occupancy



Upgrading building facilities and amenities, including converting all buildings to achieve **green building certification**



Increasing number of tenants via attractive **rental capex amortisation packages**

## PROSPECTS

The office sector in Malaysia is expected to experience a continued increase in supply, with approximately 2.5 million sq.ft. of NLA slated for delivery in 2025, followed by an additional 2.3 million sq.ft. NLA in 2026 within the Klang Valley.

Sunway REIT's office segment was generally able to sustain its performance in 2024 amidst a challenging macro environment and is expected to remain resilient in 2025. Efforts are ongoing to improve the competitiveness of the office properties via AEIs like upgrading air conditioning systems, lifts and transformers. Besides providing the occupants with a better experience, these upgrades will generate energy savings and facilitate green building certifications, enabling Sunway REIT to better fulfil new tenant requirements and increase occupancy.

## SERVICES, INDUSTRIAL & OTHERS SEGMENTS

### SERVICES SEGMENT



The Services segment includes Sunway university and college campus, leased on a triple-net master lease with fixed rent and annual rental uplift.

#### Sunway University building

- **GreenRE Platinum Certification**

Segment  
Contribution  
by Revenue  
**5%**  
(FY2023: 8%)

Segment  
Contribution by  
Property Value  
**6%**  
(FY2023: 6%)



### INDUSTRIAL & OTHERS SEGMENT

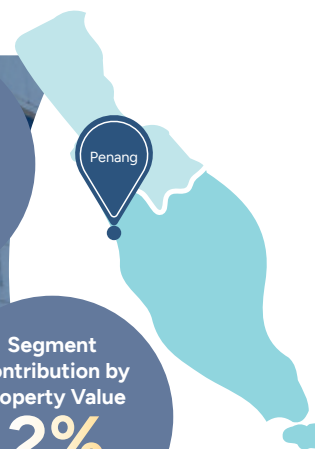
#### ASSET ACQUISITION

#### Sunway REIT Industrial – Prai



Segment  
Contribution  
by Revenue  
**1%**  
(FY2023: 1%)

Segment  
Contribution by  
Property Value  
**2%**  
(FY2023: 2%)



The acquisition of Sunway REIT Industrial – Prai for a purchase consideration of RM66.8 million, from Best Corridor Venture Sdn Bhd, was completed on 24 October 2024. Sunway REIT Industrial – Prai is presently 100% occupied by three tenants which provides Sunway REIT with a resilient rental income stream and solid tenant base. The tenants include three reputable multinational corporations ("MNC"), namely a Belgian sound products manufacturer, together with a Japanese logistics company and an American information management services company.

This acquisition reinforces the geographical and segmental diversification of Sunway REIT's portfolio within the state, ensuring balanced growth and robust exposure to varied market segments. It is anticipated that the Sunway REIT Industrial – Prai has positive long-term prospects being surrounded by established local and MNC industrial players within the same industrial park. This is also supported by the strong investment inflows into Penang which is among the top beneficiary states of Malaysia's approved manufacturing investments in recent years.

<sup>1</sup> Based on acquisition price.



Purchase Consideration  
**RM66.8 million**



NPI yield  
**7.0%<sup>1</sup>**

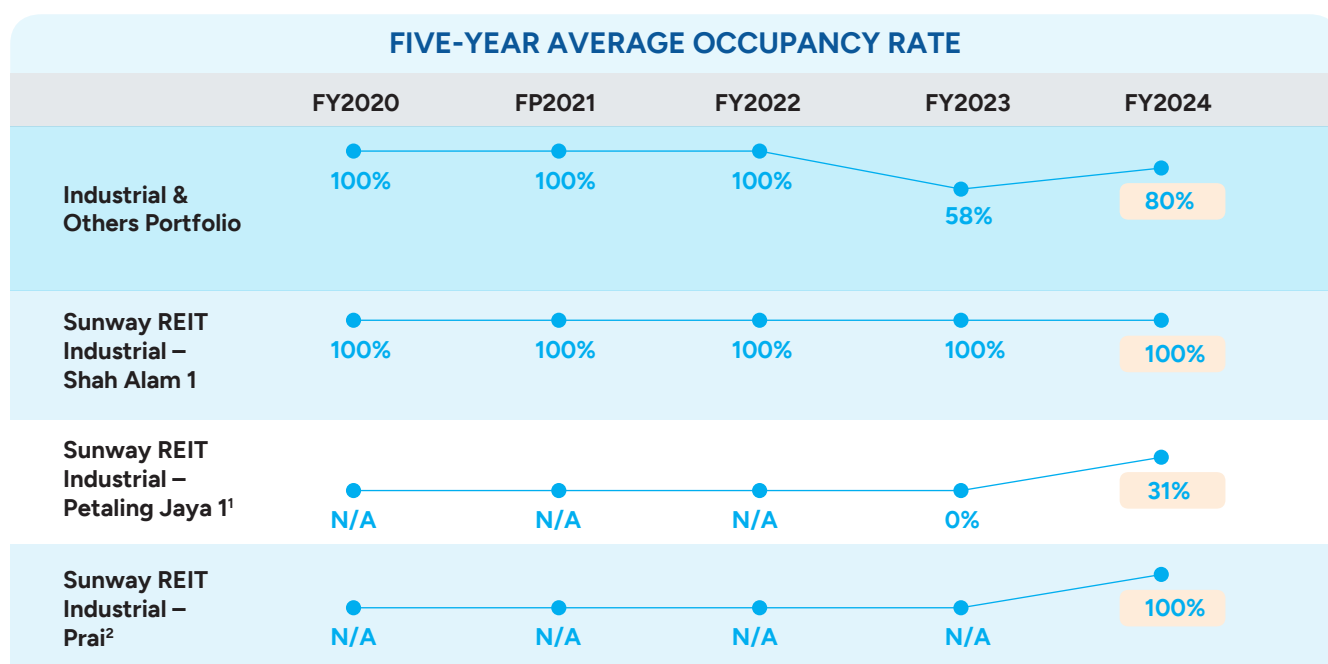
## SERVICES, INDUSTRIAL &amp; OTHERS SEGMENTS

**SUNWAY REIT INDUSTRIAL – SHAH ALAM 1**

The property is leased to a manufacturing company under a triple-net master lease arrangement expiring in 2034. Rental reviews occur once in every three years, with the most recent review completed on 1 January 2025, with a 10% rental uplift.

**SUNWAY REIT INDUSTRIAL – PETALING JAYA 1**

The property was acquired on 10 November 2022 and remained vacant throughout 2023. Sunway REIT Industrial - Petaling Jaya 1 consists of two buildings. One of the buildings is currently anchored by a major tenant, while the other has recently been refurbished as a multi-tenanted facility and is in the process of being leased to prospective tenants. As at December 2024, one tenant occupies 31% of the Net Lettable Area ("NLA"). The Manager is in advanced negotiations with prospective tenants for the remaining space. These tenancies are expected to commence in FY2025, resulting in an anticipated occupancy rate of approximately 60% of the total NLA.



<sup>1</sup> Acquisition was completed on 10 November 2022.

<sup>2</sup> Acquisition was completed on 24 October 2024.

**PROSPECTS**

In line with the growing investments in Malaysia, demand for industrial properties is expected to remain strong. Under the New Industrial Master Plan 2030 ("NIMP 2030") and the National Energy Transition Roadmap ("NETR"), there will be greater emphasis on sustainability and technological advancements in industries leading to increased demand for modern premises. Accordingly, demand for industrial properties is expected to remain resilient especially in core locations like Shah Alam and Penang.

Separately, while evolving global trade dynamics stemming from geopolitical considerations present risks for Malaysian exporters, there are also opportunities for Malaysian entities to take advantage of supply chain realignments through Malaysia's diversified trade partnerships and participation in Regional Comprehensive Economic Partnership ("RCEP") and Brazil, Russia, India, China and South Africa ("BRICS"). The realignments will create immense opportunities for manufacturers and logistics players to develop new markets and augur well for demand for factories and warehouses.

Based on the above, the Manager remains optimistic about the prospects of the industrial segment, which is underpinned by a long WALE and stands to benefit from the continued uptrend in demand for industrial space.

# 3 | HUMAN CAPITAL



Sunway REIT's Human Capital encompasses the employees of the Manager of Sunway REIT, along with strong support from Business Unit Management Teams. This human ecosystem is further fortified by various parties comprising of trustees, property managers and share registrars.

Sunway REIT's strategy for managing Human Capital revolves around implementing initiatives and promoting training and development programmes in order to develop a resilient and skilled workforce within a conducive and healthy working environment.

While investments in developing and retaining Human Capital may take up Financial Capital, but it is necessary to help build a more skilled, experienced and motivated workforce, which in turn, enhances productivity and capability, ultimately driving improved financial and business performance. Hence, the trade-off renders a positive effect over the medium and long-term horizons.

⇒ Kindly refer to SR 2024 - Goal 3, Investing In Community Inclusivity for more information.



The Manager's workforce, along with their professional skills, talents, and qualifications, drives the proliferation of a high-performance, merit-based organisational culture, supported by Business Unit Management Teams.

<b>Significance To Business Model</b>	The ability to hire, retain and motivate the pool of professional talent within Sunway REIT has a direct impact on business and operational productivity and the ability to innovate and compete within the marketplace.		
<b>Dependence</b>	<b>Inputs Required</b>	<b>Outputs Generated</b>	<b>Actions Taken To Enhance This Capital</b>
  	Total workforce of the Manager: <b>23</b> employees  No. of new hires: <b>4</b>  <b>&gt;RM44,000</b> invested in employee training	Zero employee grievances recorded  <b>83%</b> employee retention rate  <b>72%</b> employee engagement score  <b>38</b> average training hours per employee	Conduct regular training programs on technical skills and sustainability practices to keep employees updated on industry trends.  Implement a transparent and merit-based performance evaluation system and align individual goals with the Trust's strategic objectives.  Promote diversity in hiring and ensure inclusive workplace practices.  Provide wellness programs and mental health support as well as foster cross-functional collaboration through team-building activities and open communication channels.  Conduct employee engagement surveys to gauge satisfaction and address concerns.

Legend:



Financial



Portfolio



Human



Intellectual

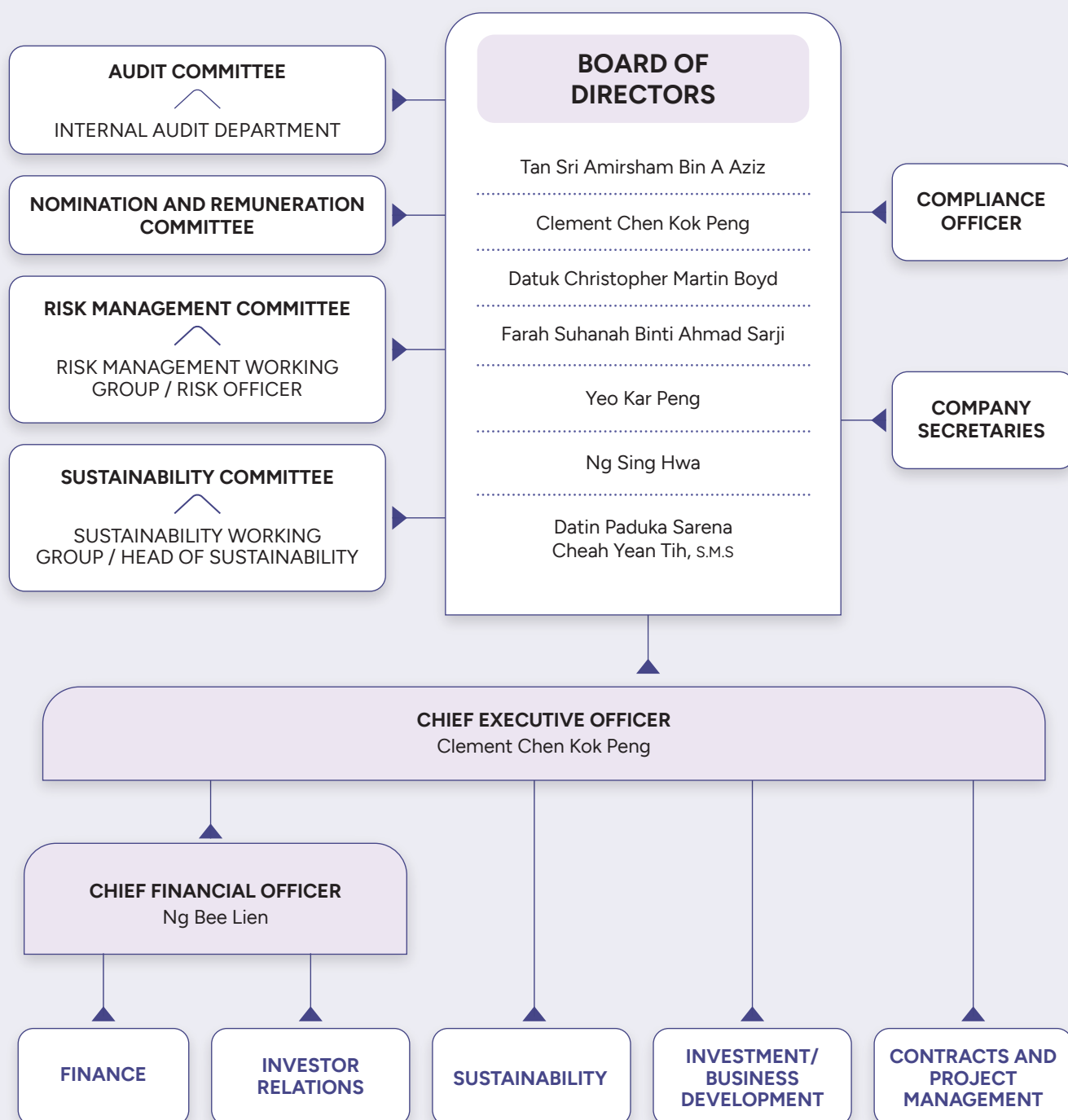


Social & relationship

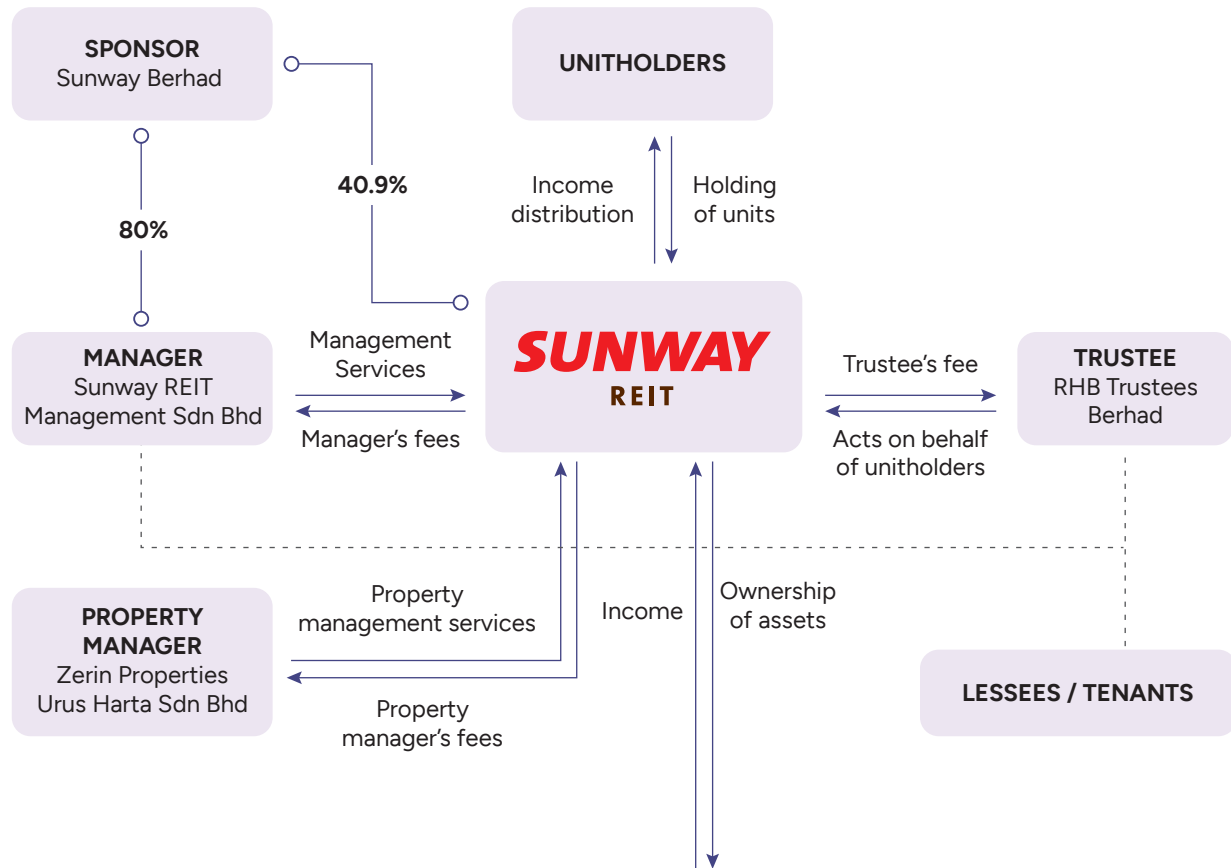


Natural

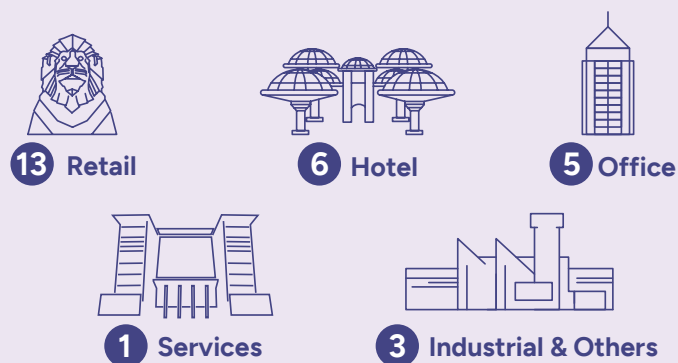
## ORGANISATION STRUCTURE



## TRUST STRUCTURE



## 28 PROPERTIES



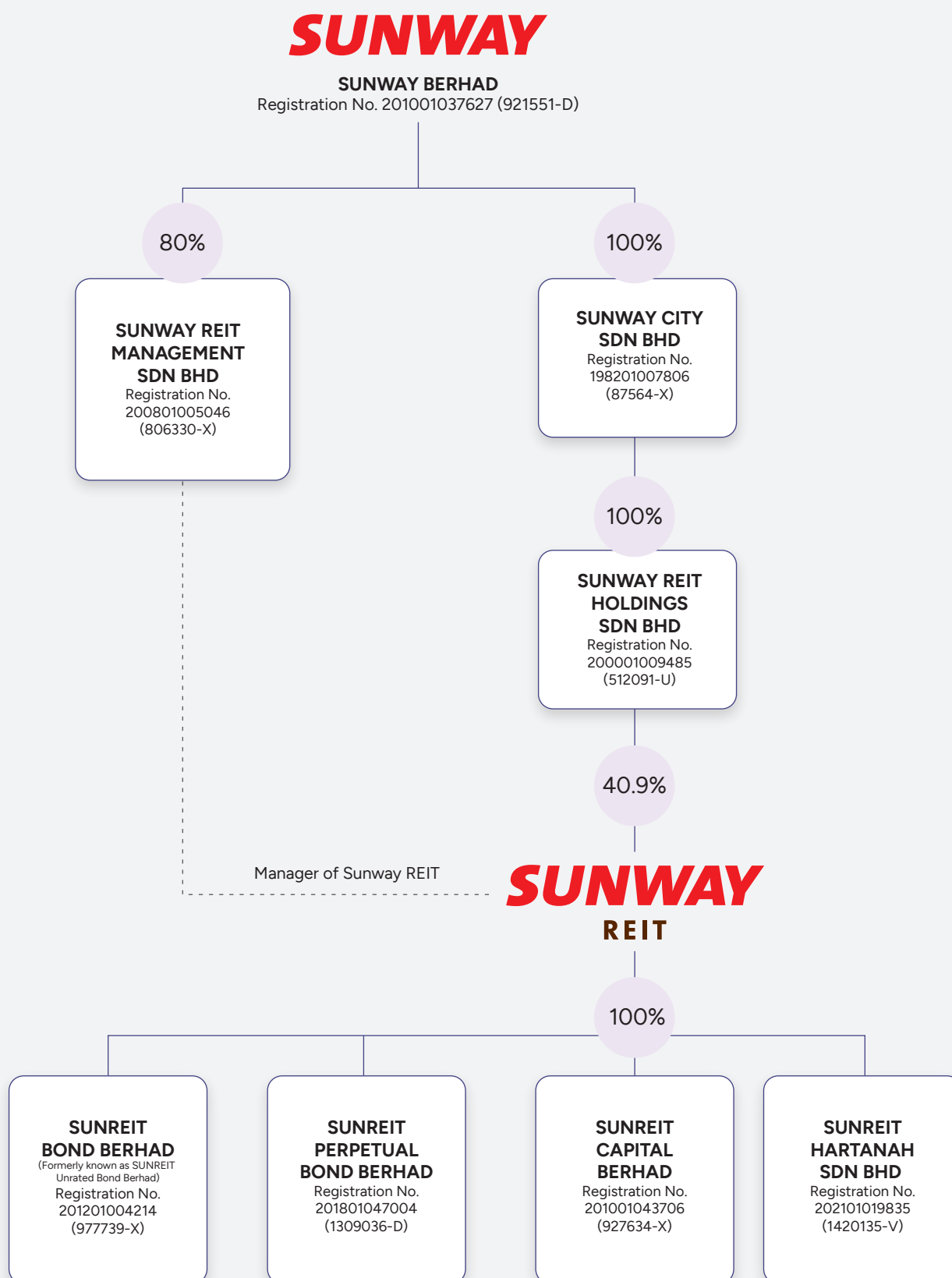
➡ For more information, please refer to Property Details section.

—○ Equity interest

—➡ Payments and services pursuant to contractual relationships under the Deed, the Leases/ Tenancies and the Property Management Agreement

----- Contractual relationship under the Leases/ Tenancies

# CORPORATE STRUCTURE



# 4 | INTELLECTUAL CAPITAL



Sunway REIT's Intellectual Capital represents the combined expertise in specialised asset management and the inherent experience possessed by Sunway REIT's Board of Directors and Senior Management. The approach to managing Intellectual Capital involves implementing effective management systems, standard operating procedures and policies to facilitate and reinforce the specialised knowledge in Sunway REIT. Additionally, fostering a conducive corporate culture and maintaining a strong brand reputation, both Sponsor and Sunway REIT play pivotal roles in maximising the potential of the Intellectual Capital.

Trade-offs include financial capital invested in the acquisition and sourcing of relevant Board of Directors and Senior Management, the development of proprietary know-how, skillsets and expertise that support effective execution of business and operational strategies and the business model.

Given technological obsolescence and the continuous emergence of new developments, investment in Intellectual Capital is an ongoing process. Risks include unsuccessful technological investments, development of systems and process that are not aligned to a dynamically and fast evolving operating environment. Sunway REIT has developed robust mitigation strategies which are detailed under the Key Business Risks section of this report.

## SKILLS AND EXPERIENCE OF DIRECTORS

7 / 7

REIT Development  
and Investment/ Property  
Valuation

7 / 7

Sustainability / ESG

5 / 7

Law / Regulation

7 / 7

Economic / Business

7 / 7

Corporate Governance /  
Risk Management /  
Internal Controls

2 / 7

Information Technology /  
Digital Strategy

6 / 7

Financial / Banking /  
Audit

7 / 7

Human Capital /  
Talent Management Issues



The collective capabilities, skills, business acumen and industry know-how residing within the Trust including the competencies, experience and expertise of the Board and Senior Management. It also includes intellectual property, systems and processes including the risk management framework.

### Significance To Business Model

Intellectual capabilities represented in the collective and individual abilities of the Board, its personnel drive the development and implementation of effective business and operational strategies that enable execution of the business model. Intellectual Capital sets Sunway REIT apart from its competitors and strengthens the development of a unique value proposition.

### Dependence

### Inputs Required

### Outputs Generated

### Actions Taken To Enhance This Capital



- TRANSCEND 2027
- Organic and Inorganic Growth Strategies
- Market understanding and industry knowledge
- Inherent expertise and experience
- Leveraging brand reputation of Sponsor and Sunway REIT

- Continued realisation of TRANSCEND 2027 Targets
- The value of Intellectual Capital is reflected in the various business, operational and strategic achievements registered across all six capitals
- Continued business and financial performance growth
- 9 industry awards and accolades
- Effective risk mitigation
- Consolidation of Sunway brand value
- Robust corporate governance and continued strengthening of internal processes and controls

- Regular progress updates on TRANSCEND 2027, ensuring alignment with corporate goals and facilitating informed decision-making
- Conduct research and studies on global market trends to strengthen in-house property market knowledge, supported by collaborative efforts from the business unit management teams

### Legend:



Financial



Portfolio



Human



Intellectual



Social & relationship



Natural

### GENDER

The Board comprises three women Board members, thus achieving more than 30% of female representation on the Board.



57%  
Male

43%  
Female

### AGE GROUP

The Board possesses a good mix and balance of experience, skill sets and diversity and comprises qualified members in its composition.



29%  
50 years old and below

29%  
51 to 70 years old

### COMPOSITION

There are currently four Independent Directors, representing 57% of the composition of the Board, thus exceeding the requirement for at least half of the Board to comprise Independent Directors.



57%  
Independent

43%  
Non-Independent

42%  
71 years old and above

## DIRECTORS' PROFILE



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M



**Tan Sri Amirsham  
Bin A Aziz**

Chairman, Independent Non-Executive Director

Date of Appointment: **8 April 2022**

### Academic and Professional Qualifications:

- Degree in Bachelor of Economics (Honours), University of Malaya
- Member, Malaysian Institute of Certified Public Accountants

### Working Experience:

#### Present Appointments:

- Independent Non-Executive Director and Chairman of the Audit Committee, Hap Seng Plantations Holdings Berhad
- Independent Non-Executive Chairman, Alliance Bank Malaysia Berhad

#### Past Experiences:

- President and Chief Executive Officer, Malayan Banking Berhad
- Minister, Prime Minister's Department (Economic Planning Unit and Department of Statistics)
- Chairman, National Economic Advisory Council
- Independent Non-Executive Chairman, Bursa Malaysia Berhad
- Independent Non-Executive Chairman, RAM Holdings Berhad
- Independent Non-Executive Chairman, RAM Rating Services Berhad

### Other Directorships:

#### Listed Issuer(s)

- Hap Seng Plantations Holdings Berhad
- Alliance Bank Malaysia Berhad

#### Private Company(ies) and Other Organisation(s)

- Glenealy Plantations Sdn Bhd (Non-Executive Director)



42

M



**Clement  
Chen Kok Peng**

Chief Executive Officer, Non-Independent Executive Director

Date of Appointment: **1 July 2023**

SC

### Academic and Professional Qualifications:

- Bachelor of Arts (Honours) Finance, Accounting and Management, University of Nottingham, United Kingdom
- Chartered Accountant, Malaysian Institute of Accountants
- Fellow Chartered Accountant, Institute of Chartered Accountants in England and Wales
- Capital Markets Services Representative's Licence (CMSRL) Holder

### Working Experience:

#### Present Appointments:

- Director, SUNREIT Capital Berhad
- Director, SUNREIT Bond Berhad
- Director, SUNREIT Perpetual Bond Berhad

#### Past Experiences:

- Finance Trainee, Sunway Holdings Incorporated Berhad (now known as Sunway Holdings Sdn Bhd)
- Financial Controller, Sunway Hatay Co Ltd, Vietnam
- Assistant General Manager – Corporate Finance and Investor Relations, Sunway Berhad
- General Manager – Business Development, Sunway Integrated Properties Sdn Bhd

### Other Directorships:

#### Listed Issuer(s)

Nil

#### Public Company(ies)

- SUNREIT Capital Berhad
- SUNREIT Bond Berhad
- SUNREIT Perpetual Bond Berhad

#### Private Company(ies) and Other Organisation(s)

- SUNREIT Hartanah Sdn Bhd (Executive Director)

## DIRECTORS' PROFILE



78

M



## Datuk Christopher Martin Boyd

Senior Independent Non-Executive Director

Date of Appointment: 8 April 2022

AC

RMC

NRC

### Academic and Professional Qualifications:

- Fellow, Royal Institution of Chartered Surveyors, United Kingdom
- Fellow, Royal Institution of Surveyors Malaysia
- Registered Valuer in Malaysia
- Member, Singapore Institute of Surveyors and Valuers
- Member, Australian Property Institute

### Working Experience:

#### Present Appointments:

- Proprietor, Chris Boyd Property Consultants

#### Past Experiences:

- Partner, Jones Lang Wootton Malaysia
- Director, Jones Lang Wootton Singapore
- Partner, Knight Frank Baillieu Malaysia
- Executive Chairman, Savills (Malaysia) Sdn Bhd
- Director, Eastern & Oriental Berhad
- Director, MUI Properties Berhad

### Other Directorships:

#### Listed Issuer(s)

Nil

#### Public Company(ies)

Nil

#### Private Company(ies) and Other Organisation(s)

- Chris Boyd Property Consultants (Executive Director)
- Cool Paradise Sdn Bhd (Non-Executive Director)
- Refocus Sdn Bhd (Non-Executive Director)
- Max Horizon Sdn Bhd (Non-Executive Director)
- Lenzcheck Sdn Bhd (Non-Executive Director)
- Cornerside Development Sdn Bhd (Non-Executive Director)
- Boyd & Partners (Executive Director)

#### Non-profit and other organisation(s)

- Yayasan Hash Heritage - Board of Trustees (Chairman)
- Malaysian Nature Society - Board of Trustee (Chairman)
- Aged European Fund (Trustee and Hon Treasurer)



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F



## Farah Suhanah Binti Ahmad Sarji

Independent Non-Executive Director

Date of Appointment: 1 November 2024

NRC

AC

RMC

### Academic and Professional Qualifications:

- Master of Business Administration with a specialization in Finance, University Tun Abdul Razak, Kuala Lumpur (*still pursuing*)
- Program of Instruction for Lawyers, Harvard Law School, Boston, United States of America
- Advocate and Solicitor of the High Court of Malaya
- Barrister-at-Law, Bar of England & Wales, Middle Temple, London, United Kingdom
- Bachelor of Arts (Hons) in Law, University of Kent at Canterbury, United Kingdom

### Working Experience:

#### Present Appointments:

- Non-Executive Director and member of Audit Committee, AEON Credit Service (M) Berhad
- Non-Executive Director, member of Audit Committee, Nominating Committee, Remuneration Committee and Risk Management Committee, Kluang Rubber Company (Malaya) Berhad
- Non-Executive Director, Chairperson of Remuneration Committee, member of the Audit Committee, Nomination and Corporate Governance Committee and ESG Committee, Anglo-Eastern Plantations Plc (a company listed on the Main Market of the London Stock Exchange)

#### Past Experiences:

- Group Legal Counsel, IOI Corporation Berhad
- Managing Partner, Chambers of Farah Suhanah
- General Counsel and Senior Advisor in CEO's office, MEASAT Satellite Systems Sdn Bhd
- Partner, Zaid Ibrahim & Co.
- Deputy Public Prosecutor and Federal Counsel, Attorney-General's Chambers
- Magistrate, Kuala Lumpur

### Other Directorships:

#### Listed Issuer(s)

- AEON Credit Service (M) Berhad
- Kluang Rubber Company (Malaya) Berhad
- Anglo-Eastern Plantations Plc

#### Private Company(ies) and Other Organisation(s)

- Titian Pesaka Sdn Bhd (Non-Executive Director)
- Wijaya Baiduri Sdn Bhd (Non-Executive Director)
- Karisma Mesra Sdn Bhd (Non-Executive Director)
- Wijaya Sinar Sdn Bhd (Non-Executive Director)
- Saluran Abadi Sdn Bhd (Non-Executive Director)

## DIRECTORS' PROFILE



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F



### Yeo Kar Peng

Independent Non-Executive Director

Date of Appointment: **2 January 2019**

SC

AC

NRC

RMC

#### Academic and Professional Qualifications:

- Bachelor of Economics majoring in Accounting and Finance, Monash University, Clayton Melbourne, Australia
- Member, CPA Australia

#### Working Experience:

##### Present Appointments:

- Trustee, Top Glove Foundation

##### Past Experiences:

- Board member, Khazanah Nasional Berhad
- Managing Partner, Citigroup Global Markets Malaysia Sdn Bhd
- Head of Research, UBS Equity Research (Malaysia) Sdn Bhd
- Head of Research, WI Carr (Malaysia) Sdn Bhd
- Analyst, Ariffin and Low (now known as CIMB Securities)
- Accountant, Cooperative Central Bank
- Auditor, Ernst and Winney (now known as Ernst & Young)
- Chairman and Founding Partner, Kendall Court Capital Partners Ltd
- Independent Non-Executive Director, EON Bank Berhad
- Non-Executive Director, Kendall Court Capital Management Limited.

#### Other Directorships:

##### Listed Issuer(s)

Nil

##### Public Company(ies)

- Top Glove Foundation

##### Private Company(ies) and Other Organisation(s)

- Happy Learning (2006) Inc (Non-Executive Director)
- Kendall Place Holdings Ltd (Non-Executive Director)
- Cenviro Sdn Bhd (Non-Executive Director)
- Kendall Court Cambridge Investment Manager Limited (Non-Executive Director)



79

M



### Ng Sing Hwa

Non-Independent Non-Executive Director

Date of Appointment: **18 November 2013**

RMC

#### Academic and Professional Qualifications:

- Completed Program for Management Development, Harvard University Graduate School of Business Administration, Boston
- Chartered Accountant
- Member, Malaysian Institute of Accountants
- Member, Malaysia Institute of Certified Public Accountants

#### Working Experience:

##### Present Appointments:

- Executive Chairman, Miramas Development Sdn Bhd
- Director, Millennium Pavilion Sdn Bhd, a major shareholder of the REIT Manager

##### Past Experiences:

- Executive Chairman, Bertam Alliance Berhad
- Managing Director, CI Holdings Berhad
- Group Chief Executive, Faber Merlin Malaysia Berhad

#### Other Directorships:

##### Listed Issuer(s)

Nil

##### Public Company(ies)

Nil

##### Private Company(ies) and Other Organisation(s)

- Seng Yee Holdings Sdn Bhd (Non-Executive Director)
- Dynamic Enterprises Sdn Bhd (Executive Director)
- WL Property Holdings Sdn Bhd (Non-Executive Director)
- Millennium Pavilion Sdn Bhd (Executive Director)
- Miramas Development Sdn Bhd (Executive Director)
- Miramas Properties Sdn Bhd (Executive Director)
- Ishtihar Properties & Development Sdn Bhd (Non-Executive Director)
- Ishtihar Construction Sdn Bhd (Non-Executive Director)
- Ishtihar Realty Sdn Bhd (Non-Executive Director)
- Sekitar Dunia Sdn Bhd (Non-Executive Director)
- Idaman Hijau Sdn Bhd (Non-Executive Director)
- Cabaran Performa Sdn Bhd (Non-Executive Director)
- Dynamic Pro-Parking Sdn Bhd (Non-Executive Director)
- Leo August & Associates Sdn Bhd (Non-Executive Director)
- Cabaran Subang Sdn Bhd (Non-Executive Director)

## DIRECTORS' PROFILE



## Datin Paduka Sarena Cheah Yean Tih, s.m.s.

Non-Independent Non-Executive Director

Date of Appointment: **25 August 2010**

SC

### Academic and Professional Qualifications:

- Master in Business Administration, Melbourne Business School
- Bachelor of Commerce (Accounting and Finance), University of Western Australia
- Member, Australian Society of Certified Practising Accountants (ASCPA)
- Capital Markets Services Representative's Licence (CMSRL) holder

### Working Experience:

#### Present Appointments:

- Executive Deputy Chairman, Sunway Berhad
- Director, SUNREIT Capital Berhad
- Director, SUNREIT Bond Berhad
- Director, SUNREIT Perpetual Bond Berhad
- Trustee, Yayasan Raja Muda Selangor
- Director, United Oversea Bank (Malaysia) Berhad
- Board Member, Malaysian Investment Development Authority (MIDA)

#### Past Experiences:

- Managing Director, Property Development Division, Sunway Berhad
- Joint Managing Director, Property Development Division, Malaysia/ Singapore, Sunway Group
- Executive Director, Strategy and Corporate Development, Sunway Group
- General Manager, Sales and Marketing, Property Development Division, Sunway Group
- Various roles in Corporate Finance, Group Internal Audit and Business Development Department, Sunway Group
- Director, Bank of America Malaysia Berhad

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F



### Other Directorships:

#### Listed Issuer(s)

- Sunway Berhad and Group

#### Public Company(ies)

- SUNREIT Capital Berhad
- SUNREIT Bond Berhad
- SUNREIT Perpetual Bond Berhad
- Elite UK REIT Management Pte. Ltd. (Manager of Elite UK REIT which is listed on the Singapore Exchange Securities Trading Limited)

### Other Directorships:

#### Private Company(ies)

- Active Equity Sdn Bhd and Group (Non-Executive Director)
- Jef-San Enterprise Sdn Bhd (Non-Executive Director)
- Sunway Education Group Sdn Bhd and Group (Non-Executive Director)
- Bendera Teliti (M) Sdn Bhd (Non-Executive Director)
- Excelvagent Sdn Bhd (Non-Executive Director)
- Excelvagent Care Sdn Bhd (Non-Executive Director)
- Excelvagent Education Services Sdn Bhd (Non-Executive Director)
- Progressive Venture Sdn Bhd (Non-Executive Director)
- SUNREIT Hartanah Sdn Bhd (Non-Executive Director)

#### Non-profit and other organisation(s)

- Yayasan Raja Muda Selangor
- Malaysian Investment Development Authority (MIDA)

#### Notes:

Family Relationship with Director and/or Major Unitholder  
Datin Paduka Sarena Cheah Yean Tih ("Datin Paduka Sarena Cheah"), a Non-Independent Non-Executive Director and major unitholder of Sunway REIT, is an Executive Deputy Chairman and major shareholder of Sunway Berhad. Datin Paduka Sarena Cheah is the daughter of Tan Sri Sir Dr Jeffrey Cheah Fook Ling KBE AO ("Tan Sri Sir Dr Jeffrey Cheah") and the sister of Mr Adrian Cheah Yean Sun ("Mr Adrian Cheah"). Tan Sri Sir Dr Jeffrey Cheah, a major unitholder of Sunway REIT, is also the Executive Chairman and major shareholder of Sunway Berhad. Mr Adrian Cheah, a major unitholder of Sunway REIT, is also a major shareholder of Sunway Berhad.

Save as disclosed above, none of the Directors have:

- any family relationship with any Director of the Manager and/or major unitholder of Sunway REIT;
- any conviction for offences within the past five years (other than traffic offences); and
- any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2024.

A summary of Directors' conflict of interest and potential of conflict of interest are disclosed in the Audit Committee Report under Corporate Governance Overview Statement.

#### Membership of Board Committees in Sunway REIT:

AC

Audit Committee

RMC

Risk Management Committee

Chairman/  
Chairperson



Malaysian

M

Male

NRC

Nomination and  
Remuneration Committee

SC

Sustainability Committee

Member



British

F

Female

## MANAGEMENT TEAM

### Clement Chen Kok Peng

Chief Executive Officer

42

M



➞ For more information, please refer to the Directors' Profile section.



Date of Appointment:  
1 July 2023

### Ng Bee Lien

Chief Financial Officer

52

F



#### Academic and Professional Qualifications:

- Chartered Accountant, Malaysian Institute of Accountants
- Bachelor of Commerce majoring in Finance, University of Western Australia
- Capital Markets Services Representative's Licence (CMSRL) holder

#### Working Experience:

Ms Ng started her career as an auditor with Ernst & Young from 1994 to 1997. Thereafter, she joined Muhibbah Engineering (M) Bhd in 1997. Subsequently Ms Ng joined Sunway Construction Group in 2005 and spearheaded Sunway Construction Group Berhad to its public listing in 2015 which she was appointed as the Chief Financial Officer in 2016 before relinquishing her role in 2022 to join Sunway Real Estate Investment Trust.

#### Other Directorships:

**Listed issuer**  
Nil

**Public Company**  
Nil



Date of Appointment:  
1 July 2022

### Koh Sin Yee

General Manager – Project and Contracts

43

F



#### Academic and Professional Qualifications:

- Bachelor of Science in Building Contract Management, John Moores University, Liverpool, United Kingdom
- Graduate Member, The Royal Institution of Surveyors Malaysia

#### Working Experience:

Ms Koh started her career in 2004 with consultancy firm prior to joining Sunway City Berhad in 2009. At Sunway City Bhd (now known as Sunway City Sdn Bhd), she has gained comprehensive knowledge and experience in Quantity Surveying, Contract Management and Project Management across a variety of industries including property investment, property development, leisure and hospitality where she held various positions. Her last role was Head of Department for Supply Chain & Contract Management, Property Investment Division of Sunway Integrated Properties Sdn Bhd before assuming her current position as General Manager.

#### Other Directorships:

**Listed issuer**  
Nil

**Public Company**  
Nil



Date of Appointment:  
1 November 2017

## MANAGEMENT TEAM

**Adrian Cheah Yean Sun**Senior Manager, Corporate  
and Business Development

30

M

**Academic and Professional Qualifications:**Bachelor of International Business in Hotel and Tourism Management –  
Cesar Ritz Colleges Switzerland**Working Experience:**

Mr Adrian Cheah started his career as a Manager of Strategic Operations in Sunway International Hotels and Resorts Sdn Bhd from October 2014 to May 2020. He was involved in the Group's Business Development team to cultivate strong brand presence in key growth markets across Asia Pacific and the Middle East as well as establishing regional sales office representation. In June 2020, Mr Adrian Cheah was promoted to Senior Manager of Retail Planning in Sunway Malls in which he was involved in predevelopment projects and retail planning in establishing retail designs of new and upcoming shopping malls, retail advisory (retail formats and layout configuration), conducting market intelligence studies as well as establishing rental studies for leasing activities.

**Other Directorships:****Listed issuer**  
Nil**Public Company**  
NilDate of Appointment:  
**1 November 2023****Angeline Sie Ing Swan**

Head of Sustainability

37

F

**Academic and Professional Qualifications:**

- Master of Business Administration, Victoria University, Melbourne Australia
- Bachelor of Engineering (Environmental Engineering) (Honours), RMIT University, Melbourne Australia
- Registered LEED Accredited Professional Building Design + Construction
- Registered GreenRE Accredited Professional

**Working Experience:**

Ms Angeline Sie began her career in 2011 in a green building consultancy firm focusing on green building certification prior to joining Sunway Construction in 2012. She was part of the technical department when she was in Sunway Construction, where she gained her building technical knowledge and experience in green buildings. Prior to joining Sunway REIT, Ms Angeline Sie was the Sustainability Manager at EcoWorld Development Group Berhad in 2017, where she started venturing into her career in sustainability. She joined the Sustainability Department of Sunway REIT in 2023, in driving the green building agenda and sustainability strategy of Sunway REIT.

**Other Directorships:****Listed issuer**  
Nil**Public Company**  
NilDate of Appointment:  
**3 January 2023****Lim Sze-Yin**

Compliance Officer

38

F

**Academic and Professional Qualifications:**

- Barrister-At-Law, England and Wales (Middle Temple)
- Advocate & Solicitor, High Court of Malaya
- Postgraduate Diploma in Bar Vocational Studies, University of the West of England, Bristol, United Kingdom
- LL.B. (Hons), Oxford Brookes University, United Kingdom

**Working Experience:**

Ms Lim started her legal career in 2010, specialising in Capital Market, Corporate Real Estate and Real Estate Investment Trusts. She was part of the legal advisory team involved in the listing of Sunway Construction Group Berhad in 2015. Prior to joining the Sunway Group, Ms Lim was the Regional Legal Counsel for CPP Petroleum Engineering (M) Sdn Bhd. Ms Lim joined the legal department of Sunway Group as a Senior Manager on 21 July 2021 and additionally took on the role of Compliance Officer for Sunway REIT on 30 July 2021. She is actively involved in property acquisitions and corporate exercises undertaken by Sunway REIT and Sunway Group.

**Other Directorships:****Listed issuer**  
Nil**Public Company**  
NilDate of Appointment:  
**30 July 2021****Notes:**

Family Relationship with Director and/or Major Unitholder

Mr Adrian Cheah, a major unitholder of Sunway REIT, is a brother of Datin Paduka Sarena Cheah, Datin Paduka Sarena Cheah, a Non-Independent Non-Executive Director and major unitholder of Sunway REIT, is also an Executive Deputy Chairman and major shareholder of Sunway Berhad. Mr Adrian Cheah is a son of Tan Sri Dr Jeffrey Cheah, Tan Sri Dr Jeffrey Cheah, a major unitholder of Sunway REIT, is also the Executive Chairman and major shareholder of Sunway Berhad.

Save as disclosed above, none of the other Senior Management has:

- (i) any family relationship with any Director of the Manager and/or major unitholder of Sunway REIT;
- (ii) any conflict of interest or potential conflict of interest with Sunway REIT or its subsidiaries;
- (iii) any conviction for offences within the past five years (other than traffic offences); and
- (iv) any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2024.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

This Corporate Governance Overview Statement ("CGOS") outlines Sunway REIT's corporate governance practices during the financial year ended 31 December 2024, providing unitholders and investors with essential insights.

The CGOS should be read in conjunction with the Corporate Governance Report ("CG Report"), which details the implementation of the best practices recommended by the Malaysian Code on Corporate Governance 2021 ("MCCG"). The CG Report is accessible on the corporate website at [www.sunwayreit.com](http://www.sunwayreit.com). Sunway REIT has adhered to all practices in the MCCG, with the exceptions of Practices 8.2 and Step-up 8.3 concerning the disclosure of senior management's remuneration.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### ROLES AND RESPONSIBILITIES OF THE BOARD

The Board is committed to fostering an effective corporate governance culture and ensuring that Sunway REIT's strategic plan supports long-term value creation.

The Board provides overall leadership, strategic direction and oversight for the Manager and Sunway REIT. It establishes the Vision, Mission and strategic goals, ensuring obligations to shareholders, unitholders and stakeholders are met. The Board convenes quarterly meeting to review performance, approve strategies and make key decisions.

The primary functions and roles of the Board include, but are not limited to:

- (i) Ensuring sustainable business growth to create long-term value for Sunway REIT;
- (ii) Monitoring and evaluating performance against approved budgets;
- (iii) Overseeing implementation of strategies, budgets, plans and policies;
- (iv) Establishing an effective risk management framework and internal control systems;
- (v) Approving Management's recommendations on critical matters, including acquisitions, divestments, AEI and major expenditures;
- (vi) Staying informed of changes in regulations and ensuring compliance;
- (vii) Overseeing management succession planning and talent development;
- (viii) Reviewing financial reports quarterly;
- (ix) Evaluating the performance of key senior management against KPIs;
- (x) Monitoring sustainability objectives and overseeing ESG initiatives; and
- (xi) Providing balanced assessment of Sunway REIT's performance and prospects.

In fulfilling its fiduciary duties, the Board is guided by its Board Charter. The Board Charter clearly defines the roles and responsibilities of the Board, the Board Chairman, definitions and scope of duties for independent and non-independent directors, separation of powers between the Chairman and the Managing Director / CEO as well as the mandated duties for Board Committees.

### SEPARATION OF POWERS

As prior mentioned, the Board Charter provides for separation of power and responsibilities for both positions and both positions are to be held by different individuals at all times. This prevents a consolidation of power by any single individual and promotes a stronger check and balance system of internal controls and limited authority.

The specific roles and responsibilities of the Chairman, CEO, Senior Independent Directors, and Non-Executive Independent Directors are as follows:

#### CHAIRMAN

- Provides leadership and ensures effective Board governance.
- Facilitates collaboration between the Board and Management.
- Ensures timely dissemination of important information.
- Encourages active engagement from all Board members.
- Promotes stakeholders communication.

#### CEO

- Holds executive responsibility for operational decisions.
- Works with Management to implement risk management.
- Works alongside the Board to develop and align on Sunway REIT's strategy.
- Provides leadership and guidance to Management.
- Develops and nurtures strong relationships with stakeholders.
- Provides regular updates to the Board.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**SENIOR INDEPENDENT  
NON-EXECUTIVE DIRECTOR**

- Acts as a sounding board to the Chairman.
- Facilitates confidential discussions among Directors.
- Serves as a point of contact for unitholders on unresolved concerns.
- Provides leadership support and advice during challenging period.

**INDEPENDENT DIRECTORS**

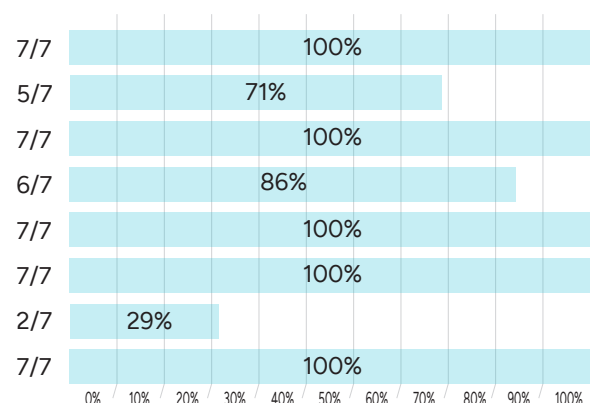
- Provide independent judgment without being influenced by operational considerations.
- Ensure the interests of all stakeholders are accounted for.
- Serve a tenure limit of nine (9) years or until age 80, whichever is earlier.

**KEY FOCUS AREAS**

Key Focus Areas	Description
<b>Strategic Growth - TRANSCEND 2027</b>	Sunway REIT is committed to securing its position among the Top 2 M-REITs by market capitalisation and property value. The initiative targets property value growth to RM14–15 billion through yield-accretive acquisitions and value-enhancing asset enhancement initiatives ("AEIs"). The strategy emphasizes core sector development, particularly retail, while identifying strategic opportunities in other segments. Key priorities include achieving strong annual total returns, sustaining a premium-to-NAV, and delivering a 5-year average total return and DPU CAGR based on 2019 benchmarks.
<b>Board diversity and succession planning</b>	The Board aims to optimise its composition by fostering diversity in qualifications, experience, knowledge, skills, gender, and age, aligned with Sunway REIT's strategic objectives. This approach ensures the preservation of organisational knowledge and seamless continuity through staggered Director terms.
<b>Stakeholder engagement</b>	Sunway REIT prioritizes strong relationships with stakeholders by actively understanding and managing their expectations to create long-term shared value. The Board emphasizes clear, impactful communication channels to effectively engage stakeholders and enhance collaboration.

**SKILLS AND EXPERIENCE OF DIRECTORS**

REIT development and investment / property valuation  
 Law / regulation  
 Corporate governance / risk management / internal controls  
 Financial / Banking / Audit  
 Sustainability / ESG  
 Economic / Business  
 Information technology / Digital Strategy  
 Human capital / Talent management issues



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### BOARD COMMITTEES

Sunway REIT has established various Board Committees to assist the main Board in undertaking specific duties and also in accordance with regulatory and Bursa Listing Requirements.

These Committees, namely the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, and Sustainability Committee, operate under the effective leadership of their respective Chairs, with clearly defined roles and responsibilities to ensure efficient governance. The composition of these Board committees comprises mainly independent directors to promote a higher level of independent decision making in the best interests of unitholders.

The Committees benefit from robust checks and balances, bolstered by the diverse expertise of their Directors, which enhances the quality of deliberations. Furthermore, cross-collaboration and engagement between Committees promote a cohesive approach to decision-making.

The Chairs foster open communication and encourage the inclusion of diverse perspectives, facilitating comprehensive and in-depth discussions before presenting recommendations to the Board. The Board remains well-informed on significant matters and resolutions discussed by each Committee through regular updates provided by the Committee Chairs. Additionally, detailed minutes of Committee meetings are circulated to members for feedback before being tabled for confirmation at subsequent Committee meetings and noted at Board meetings.

To maintain relevance, effectiveness and compliance with legislative and governance standards, the Board Charter and the TORs of each Committees are reviewed and updated periodically or as necessary. The Board Charter was last reviewed and amended on 14 November 2024 to enhance disclosure relating to conflicts of interest.

The Board Charter of Sunway REIT is published on Sunway REIT's website at [www.sunwayreit.com](http://www.sunwayreit.com).

### BOARD COMMITTEES

#### Audit Committee

**Chairman:**

Datuk Christopher  
Martin Boyd

**Members:**

Yeo Kar Peng  
  
Farah Suhanah Binti  
Ahmad Sarji

Responsible for overseeing financial and accounting reporting processes, evaluating audit procedures and internal control systems, reviewing related party transactions, and assessing potential conflicts of interest.

#### Nomination and Remuneration Committee

**Chairperson:**

Farah Suhanah  
Binti Ahmad Sarji

**Members:**

Yeo Kar Peng  
  
Datuk Christopher  
Martin Boyd

Oversees matters related to the remuneration of Directors and senior management, facilitates the selection and appointment process for Directors, conducts annual performance assessments of the Board and its Committees, evaluates senior management performance, and reviews succession planning for key management roles.

#### Risk Management Committee

**Chairman:**

Ng Sing Hwa

**Members:**

Yeo Kar Peng  
  
Datuk Christopher  
Martin Boyd  
  
Farah Suhanah Binti  
Ahmad Sarji

Reviews the adequacy and effectiveness of Sunway REIT's risk management framework and internal control systems to ensure robust risk mitigation and compliance.

#### Sustainability Committee

**Chairperson:**

Yeo Kar Peng

**Members:**

Datin Paduka Sarena  
Cheah Yean Tih, S.M.S.  
  
Clement Chen Kok  
Peng

Oversees Sunway REIT's sustainability strategy, identifies and monitors sustainability-related issues, risks, and opportunities, sets key sustainability goals and performance targets, and tracks progress through scorecard monitoring.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## BOARD MEETINGS

During the financial year under review, the Board convened 11 meetings, conducted both physically and virtually, to discuss and review Sunway REIT's key activities, significant business developments, strategic initiatives, regulatory updates and progress on the TRANSCEND 2027 goals. To ensure in-depth deliberations, Board meetings were scheduled on separate days from Board Committee meetings.

Board members demonstrated steadfast commitment and high levels of accountability by devoting time and crucial support to Management in steering Sunway REIT. Independent Directors also held pre-Board private sessions to consolidate their views without influence from Non-Independent Directors, the Executive Director or Management. They demonstrated their commitment through active participation in offsite strategy session and site visits organised by Management.

The attendance of Board and Board Committee members during FY2024 was diligently recorded, as follows:

Directors	Attendance of Meeting				
	Board	AC	NRC	RMC	SC
Tan Sri Amirsham Bin A Aziz	11/11	-	-	-	-
Clement Chen Kok Peng	11/11	-	-	-	2/2
Datuk Christopher Martin Boyd	11/11	5/5	5/5	2/2	-
Yeo Kar Peng	11/11	5/5	5/5	2/2	2/2
Ng Sing Hwa	11/11	-	-	2/2	-
Datin Paduka Sarena Cheah Yean Tih, S.M.S	10/11	-	-	-	2/2
Farah Suhanah Binti Ahmad Sarji*	2/2	1/1	1/1	1/1	-
Tengku Nurul Azian Binti Tengku Shahrman <sup>#</sup>	10/11	5/5	5/5	2/2	-

Notes:

AC – Audit Committee

NRC – Nomination and Remuneration Committee

RMC – Risk Management Committee

SC – Sustainability Committee

\* Puan Farah Suhanah Binti Ahmad Sarji was appointed as an Independent Non-Executive Director and a member of AC, NRC and RMC on 1 November 2024. She was re-designated as the Chairperson of NRC on 13 December 2024.

# Tengku Nurul Azian Binti Tengku Shahrman retired as an Independent Non-Executive Director on 28 February 2025. Consequently, she ceased as a member of the NRC, AC and RMC with effect from 28 February 2025.

Meeting schedules for the Board, Board Committees, and the AGM of Sunway REIT were planned at least 6 months in advance to facilitate efficient planning for Directors. Additionally, ad hoc meetings were convened as required to address urgent matters necessitating immediate attention.

Board papers were distributed five business days before each meeting, ensuring Directors had sufficient time to review materials and make informed decisions. Directors were encouraged to seek clarification, request additional information, or provide feedback to Management to facilitate well-informed discussions.

Meeting notices were detailed and well-structured, outlining agenda topics and estimated durations. After approval by the respective Chairpersons, notices and Board papers were securely uploaded to an electronic platform for Directors' access.

Board meetings provided a collaborative environment, allowing members to express views freely and contribute their expertise. The Board exceeded the 30% female representation threshold outlined in Practice 5.9 of the MCCG, achieving 43% female representation, which support cognitive diversity. Furthermore, the Board maintained a majority of Independent Directors, aligning with Practice 5.2 of the MCCG, ensuring impartial oversight and effective governance. All deliberations, decisions and conclusions were meticulously recorded in minutes by the Company Secretaries.

In FY 2024, the Board considered/reviewed/deliberated/approved various agenda items and matters, including but not limited to the following:

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

<b>A. Business Development and Strategies</b>	<ul style="list-style-type: none"> <li>Investment strategies and opportunities, as well as updates on acquisitions progress by the Investment Appraisal Working Group.</li> <li>Recalibration of TRANSCEND 2027 goals.</li> <li>Fair values evaluations for investment properties by independent valuers.</li> <li>Proposed acquisitions of Sunway 163 Mall, Sunway Kluang Mall and AEON Seri Manjung.</li> </ul>
<b>B. Recalibration of TRANSCEND 2027</b>	<ul style="list-style-type: none"> <li>Maintaining the Top 2 M-REITs in market capitalisation and property value.</li> <li>Growing property value to RM14 billion to RM15 billion through yield-accretive acquisitions and value-enhancing AEI.</li> <li>Refocusing on core sector, leveraging retail strengths while exploring strategic opportunities in other segments.</li> <li>Achieving a primary target of annual total return and premium-to-NAV with a secondary target of 5-year average total return and DPU CAGR (2019).</li> </ul>
<b>C. Finance and the Facilitation of Investor Relations</b>	<ul style="list-style-type: none"> <li>Financial performance against the approved budget and business plan.</li> <li>Capital management updates and investor relations strategies.</li> <li>Approval of financial statements, audit plans and other financial reports.</li> <li>Investor relations strategy and plan.</li> </ul>
<b>D. Operations and Project Management</b>	<ul style="list-style-type: none"> <li>Progress and cost updates on project development and AEI.</li> <li>Risk assessment covering areas such as occupational safety and health, tenancy renewal, litigation, natural disasters/pandemic-level disease outbreaks, climate change, market dynamic.</li> </ul>
<b>E. Sustainability</b>	<ul style="list-style-type: none"> <li>Progress on Bursa Malaysia sustainability requirements and green certification.</li> <li>Updates on sustainability KPIs and related policies.</li> <li>Monitoring of 2030 sustainability targets, including GRESB scores and energy performance.</li> </ul>
<b>F. Governance and Risk</b>	<ul style="list-style-type: none"> <li>Approval of the Integrated Annual Report, Sustainability Report, Corporate Governance Report and Unitholders' mandate for recurrent RPTs of a revenue or trading nature.</li> <li>Review of regulatory compliance and conflict of interest disclosures.</li> <li>Updates to policies in Policy Manual, Board Charter, TOR of the Board Committees, Conflict of Interest Policy, and Anti-Money Laundering, Countering Financing of Terrorism, and Countering Proliferation Financing Policy.</li> <li>Implementation of Technology Risk Management recommendations and adoption of IT General Control Policy.</li> </ul>
<b>G. People and Culture</b>	<ul style="list-style-type: none"> <li>Board Effectiveness Evaluation facilitated by KPMG Management &amp; Risk Consulting Sdn Bhd ("KPMG").</li> <li>Succession planning and development programs for senior management.</li> <li>Revision of the Remuneration Policy for Directors and Senior Management.</li> </ul>

### ACCESS TO INFORMATION AND INDEPENDENT ADVICE

Directors of Sunway REIT are granted full and unrestricted access to all relevant information about the Company and Sunway REIT. The Board and its Committees may seek independent professional advice when necessary to perform their duties, with the cost borne by the Company. Additionally, the Board may seek guidance or updates from Management on any operational or business-related concerns. Directors also have unrestricted access to the advice and dedicated support services of the Company Secretary, facilitating seamless communication and support.

### COMPLIANCE OFFICER

The Compliance Officer ensures adherence to the Deed, Bursa Listing Requirements and all relevant guidelines issued by the Securities Commission Malaysia and securities laws applicable to Sunway REIT. The Compliance Officer provides regular updates to the Board on amendments to these guidelines.

### PROFESSIONAL DEVELOPMENT AND TRAINING

Continuous professional development is essential to enable Directors to discharge their duties effectively and evaluate Management proposals comprehensively. During the financial year, Directors participated in various training and development programs to stay informed of the latest market and economic trends. Additionally, Management organized several knowledge-sharing sessions tailored to Sunway REIT's diversified business portfolio, including:

- (i) Evolution of Shopping Malls and Retail in Malaysia, presented by a real estate consultant.
- (ii) Global Real Estate Market Insights, presented by a global investment banker.
- (iii) Perspective on M-REITs, presented by a local investment bank analyst.

All Directors have completed the *Mandatory Accreditation Programme Part II: Leading for Impact* introduced by Bursa Malaysia in June 2023. Additional details of training programs attended by all Directors in FY2024 are available on the Sunway REIT website.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## INTEGRITY AND ACCOUNTABILITY

## CODE OF CONDUCT AND BUSINESS ETHICS POLICY

The Company's Code of Conduct and Business Ethics provides a comprehensive ethical framework to guide the actions and behaviour of the Board and all employees of the Manager. Its primary objective is to ensure compliance with corporate governance with best practices, applicable laws and ethical standards in fulfilling their responsibilities. The Board and Management are steadfast in upholding the highest standards of integrity and honesty in all business activities, including interactions with customers, suppliers, employees and business partners, and the broader community and environment in which the Manager and Sunway REIT operate.

The Code applies to the Board and all employees of the Manager across all businesses and countries in which Sunway REIT operates. Violations of the Code's provisions are subject to disciplinary action, which may include termination of employment. To reinforce this commitment, all employees are required to review and sign their acknowledgment of the Code during their tenure, as mandated by Group HR. This initiative promotes an organisational culture rooted in ethical values and fosters ongoing awareness of the importance of maintaining a value-based culture beyond mere compliance.

## WHISTLEBLOWING POLICY AND PROCEDURE

The Whistleblowing Policy and Procedure provides a structured and confidential mechanism for employees of the Manager and stakeholders to report concerns regarding suspected wrongdoing, inappropriate behaviour or misconduct, including fraud, corrupt practices and abuse. The policy ensures that concerns can be raised safely and confidentially while protecting the identity of the whistleblower.

The policy outlines key definitions related to fraud, corrupt practices, abuse and whistleblowing, along with detailed reporting procedures. While the whistleblowing procedures serve as a last resort, employees are encouraged to address concerns through existing channels by first consulting their line supervisor or department head before initiating the formal whistleblowing process.

Employees or members of the public with knowledge of improper conduct are encouraged to report their concerns in good faith through the following designated channels:

(i) <b>Whistleblowing hotlines:</b> (603) 5639 8025	Email: whistleblowing@sunway.com.my
(ii) <b>Datuk Christopher Martin Boyd, Chairman of Audit Committee</b> Level 16, Menara Sunway, Jalan Lagoon Timur Bandar Sunway, 47500 Subang Jaya Selangor Darul Ehsan, Malaysia Email: chris@boyd.com.my	(iii) <b>Ms Khong Shiyi, Head of Internal Audit Department</b> Level 4, Menara Sunway, Jalan Lagoon Timur Bandar Sunway, 47500 Subang Jaya Selangor Darul Ehsan, Malaysia Office Phone: (603) 5639 8300 Mobile Phone: (6012) 694 9862 Email: khongsy@sunway.com.my

## COMMITMENT TO ANTI-BRIBERY AND CORRUPTION POLICY AND AML, CFT &amp; CPF POLICY

Sunway REIT upholds a zero-tolerance policy against all forms of bribery and corruption. In alignment with the latest amended Guidelines on Prevention of Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing and Targeted Financial Sanctions for Reporting Institutions in the Capital Market issued by the Securities Commission Malaysia, the Anti-Money Laundering Policy has been revised and renamed to the Anti-Money Laundering, Countering Financing of Terrorism and Countering Proliferation Financing Policy ("AML/CFT & CPF Policy"). These updates ensure compliance with regulations related to money laundering, terrorism financing, proliferation financing, and targeted financial sanctions.

As part of its commitment to ethical business practices, Sunway REIT has made all employees and business associates aware of their responsibilities under the Anti-Bribery and Corruption Policy and the AML, CFT & CPF Policy. These policies reinforce Sunway REIT's dedication to maintaining a culture of transparency, accountability, and integrity.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### NOMINATION AND REMUNERATION COMMITTEE REPORT

#### COMPOSITION OF THE NRC

The Nomination and Remuneration Committee ("NRC") is comprised exclusively of independent non-executive directors and is chaired by an Independent Director. The composition of the NRC is as follows:

- i. Farah Suhanah Binti Ahmad Sarji - Chairperson  
(Independent Non-Executive Director)  
(Appointed on 1 November 2024 and redesignated as the Chairperson of NRC on 13 December 2024)
- ii. Yeo Kar Peng  
(Independent Non-Executive Director)
- iii. Datuk Christopher Martin Boyd  
(Senior Independent Non-Executive Director)

(Tengku Azian retired as an Independent Director on 28 February 2025. Consequently, she also stepped down as a member of the NRC on the same date.)

#### ACTIVITIES OF THE NRC

During the financial year under review for 2024, the NRC convened 5 meetings to deliberate on various matters, as detailed below:

##### a) January 2024

- (i) evaluated the 2023 scorecards and full-year performances of the CEO and CFO against their planned KPIs.
- (ii) recommended interim bonus and salary increments for the CEO and CFO for FY2023.
- (iii) reviewed and deliberated the KPIs and scorecards for the CEO and CFO for FY2024.
- (iv) reviewed and recommended the NRC report for inclusion in the Integrated Annual Report 2023.

##### b) March 2024

- (i) reviewed the revised KPIs and scorecards of the CEO and CFO for FY2024.
- (ii) evaluated the revised FY2023 scorecards and final bonuses for the CEO and CFO.
- (iii) examined a market comparison of CEO salaries.
- (iv) noted the engagement of Institute of Corporate Directors Malaysia ("ICDM") to source a replacement for Tengku Azian, retired in February 2025.
- (v) reviewed the proposed engagement of KPMG Management & Risk Consulting Sdn Bhd ("KPMG") to conduct the 2024 board effectiveness evaluation ("BEE") exercise.

##### c) May 2024

- (i) reviewed a proposal from KPMG regarding advisory services for the BEE exercise.
- (ii) shortlisted potential candidates for an Independent Non-Executive Director position.
- (iii) reviewed proposed revisions to the Remuneration Policy for Directors and Senior Management.

##### d) August 2024

- (i) reviewed progress updates on the ongoing BEE exercise.
- (ii) evaluated interview results for the shortlisted candidates and recommended Puan Farah Suhanah as an Independent Non-Executive Director.
- (iii) reviewed annual performance evaluations for the Internal Audit Function and the External Auditor.
- (iv) assessed mid-year performances of the CEO and CFO against their KPIs.

##### e) November 2024

- (i) reviewed the final report from KPMG on the BEE exercise.
- (ii) reviewed the proposed amendments to the NRC TOR to enhance the clarity of COI assessment by the NRC.
- (iii) as part of the succession plan, Puan Farah Suhanah was nominated as Chairperson of the NRC and Tengku Azian was redesignated as a member of the NRC effective December 2024.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### BOARD EFFECTIVENESS EVALUATION

In accordance with Practice 6.1 of Malaysian Code on Corporate Governance, an independent external consultant, KPMG was engaged on 1 March 2024 to undertake the board and board committee effectiveness as well as the Directors' performance evaluation.

KPMG outlined the objective of the Board Effectiveness Evaluation ("BEE") as identifying areas of strength and opportunities for improvement to enable the Board to enhance its performance and effectiveness. The engagement process included questionnaires, interviews with Directors and Key Senior Management as well as minutes reviews.

The BEE assessment areas included:

- |   |   |
|---|---|
| i) Board of Directors Assessment                    | vi) Audit Committee Assessment                        |
| ii) Board Skills Matrix Assessment                  | vii) Nomination and Remuneration Committee Assessment |
| iii) Directors' Self and Peer Assessment            | viii) Risk Management Committee Assessment            |
| iv) Fit and Proper Assessment                       | ix) Sustainability Committee Assessment               |
| v) Independence Assessment of Independent Directors |   |

### OUTCOME OF BEE EXERCISE

#### i. Overview of BEE Score

The overall BEE score for Sunway REIT was 88%, reflecting strong adherence to governance principles and best practices. All Independent Directors affirmed compliance with the Independence Assessment and all Directors confirmed compliance with the Fit and Proper Assessment.

#### ii. Overview of "Positive Highlights"

##### 1. Board dynamic and commitment

- Sunway REIT's Board operates in principles of professionalism, respect and collegiality, fostering objectivity and constructive deliberations.
- Directors have the freedom to express their views openly, with discussions conducted in a decorous and respectful manner.
- Female representation on the Board exceeds the 30% threshold, with 43% female Directors, enhancing cognitive diversity.
- The Board comprises a majority of Independent Directors, ensuring impartial oversight of management.
- Directors demonstrated steadfast commitment and accountability, actively devoting time and supporting Management to steer Sunway REIT.
- Independent Directors engaged in pre-Board sessions to consolidate views free from Executive influence.
- A balanced mix of personality traits (Knower, Pioneer, Motivator and Gatekeeper) are evident, with individual Directors often displaying multiple traits.

##### 2. Co-creation of strategy

- The Board demonstrated proactive and effective collaboration with Management in developing future-proof portfolio strategies, particularly in the formulation of the TRANSCEND 2027 strategic roadmap.

- Sufficient time is dedicated to strategic matters, with the Board proactively stewarding the development of a balanced risk and diversified REIT assets portfolio strategy.
- The Board adopts a forward-looking approach in shaping TRANSCEND 2027 strategic roadmap, which encompasses new targets and enhanced initiatives to achieve Sunway REIT's long-term strategic objectives.
- It was highlighted that the ability of the strategic plan to come into fruition largely hinges on the expertise and leadership of Sunway REIT's Board of Directors as well as the CEO.
- Leveraging their extensive experience, the Board and Management deliver substantial strategic value, crafting a well-designed blueprint to transform and strengthen Sunway REIT's ecosystem.

##### 3. Board committee configuration and outworking

- The composition, configuration and operation of the Board Committees are deemed conducive and effective.
- Committees primarily consist of Independent Directors, which enhance checks and balances and enriches deliberations with diverse perspectives.
- The composition of the Committees ensures independence and objectivity, enabling them to discharge their duties effectively.
- The collaborative engagement between Board Committees was highly praised, particularly for fostering cross-collaboration and engagement.
- The leadership of the Board Committee Chairs was commended for their clear delineation of roles and responsibilities, as well as their effectiveness in committee composition, as outlined below:
  - Effective leadership of Board Committee Chairs
    - Board Committee Chairs encourage open communication and actively support diverse perspectives.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

- Board Committee Chairs are recognised for their subject matter expertise, thorough reviews and strategic insights.
- Clear Role Demarcation between Board Committees
  - A clear delineation of responsibilities between RMC and SC on ESG-related risk management had been established:
    - RMC's role: Manages and monitors sustainability risk
    - SC's role: Oversees sustainability initiatives, including:
      - o Compliance with local regulations.
      - o Monitoring sustainability-related KPIs.
      - o Setting and achieving sustainability goals.
  - SC Chair's dual membership
    - SC Chair also serves as a member of RMC, ensuring seamless communication and escalation processes between the two committees.
- Value-added Benefits of Effective Memberships
  - Independent Directors' participation across nearly all Board Committees enhances the Board's depth of knowledge across key areas.
  - Committee meetings provide Directors with preliminary insights, enabling efficient Board-level deliberations.
  - As Board Committee discussions cover detailed topics, only significant matters are escalated to the Board, streamlining Board meetings and preventing protracted discussions.

#### 4. Working relationship between the Board and Management

- a. There is a harmonious and effective working relationship between the Board and Management.
- b. The collaboration between the Board and Management is marked by a healthy and synergetic partnership, reinforcing Sunway REIT's position as a high-performing entity.
- c. Directors highlighted the importance of clear and consistent communication, which served as the cornerstone of the strong relationship between the Board and Management.
- d. The Board maintains direct access to Management personnel for queries or additional information requests.
- e. Directors are forthcoming in posing questions or providing constructive feedback on Management's presentations.
- f. A "healthy tension" exists between the Board and Management, characterized by the Board's ability to challenge assumptions and provide alternative perspectives.
- g. Both formal and informal communication channels are utilized, enabling the exploration of innovative ideas and approaches.
- h. The relationship between Directors and Management is consistently described as transparent, effective and cordial, fostering seamless information sharing and insightful discussions.

#### 5. Efficacy of Company Secretarial ("CoSec") Function

- a. The CoSec function demonstrated a strong commitment to excellence, particularly in acting as a vital bridge of information and communication between the Board and Management.
- b. The CoSec function has been commended for its team's competence, dedication and ability to establish sound governance practices. Their proficiency in drafting high-quality minutes further underscores their commitment to excellence.
- c. Feedback from interviews highlighted unanimous agreement among interviewees that board papers are consistently disseminated to Directors in a timely manner, allowing adequate review time for meeting materials.
- d. The CoSec function exemplifies the FAME Model as outlined by the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"):
  - **Facilitate:** Administers board and governance process, including boardroom operations, administration and board evaluations.
  - **Advise:** Provides evolving advisory support to the Board, Chairman and senior management and stakeholders in alignment with corporate governance rules and guidelines.
  - **Monitor:** Oversees statutory documentation and information to ensure compliance.
  - **Enhance:** Strengthens compliance practices by continuously improving governance processes for better corporate governance standards.

#### iii. Overview of "Considerations for improvement"

The following two key areas were identified as "Considerations for improvement":

##### 1. Board's Adeptness in Emerging Skillsets

- a. The Board was encouraged to stay current with technical advancements and emerging domains in the market, particularly in sustainability and information technology/digitalisation, through enhanced and targeted and continuous professional development.
- b. The evolving business landscape and market trends underscore the need to deepen the Board's expertise in emerging skillsets, as factors like climate risk and artificial intelligence are expected to significantly influence the real estate industry in the near future.
- c. A structured skillset matrix and training framework were proposed to facilitate the continuous development of Directors' knowledge in these areas, incorporating diverse and forward-looking perspectives to support the long-term strategy and success.

##### 2. Boardroom Succession Planning

- a. To implement a well-defined policy to ensure the Board's composition remains aligned with Sunway REIT's strategic needs, even in unforeseen circumstances.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## REMUNERATION

The remuneration of Directors and Senior Management is determined by the Manager, not by Sunway REIT. The Remuneration Policy for Directors and Senior Management serves as a guideline for the NRC to review and determine fee and remuneration at least once every 3 years.

The remuneration for Non-Executive Directors considers market fee levels and trends for comparable positions, time commitment required for their roles, and additional responsibilities undertaken, such as committee memberships or chairperson roles. Non-Executive Directors are compensated through fixed annual Directors' fee and committee fee, allowances for attending Board and Board Committee meetings. Non-Executive Directors are also entitled to reimburse for their travel and other related expenses incurred in the performance of their duties. The annual Directors' fees for Non-Executive Directors are subject to shareholders' approval at the AGM of the Manager.

The remuneration package of Non-Executive Directors is as follows:

	Chairman / Chairperson (RM'000)	Member (RM'000)
<b>Annual Director's fee:</b>		
Board	120	90
AC	10	5
NRC	10	5
RMC	10	5
SC	10	5
<b>Meeting allowance per meeting:</b>		
For each Board or Board Committee meeting	1	1

Although the remuneration of the Non-Executive Directors is formally reviewed at least once every 3 years, it is also subject to interim reviews as needed to ensure its continued relevance. The Remuneration Policy for Directors and Senior Management is accessible on Sunway REIT's website at [www.sunwayreit.com](http://www.sunwayreit.com).

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT ACCOUNTABILITY

### RISK MANAGEMENT COMMITTEE REPORT

Operating in a dynamic business environment, Sunway REIT requires a robust system of internal controls and effective risk management practices. The Board is committed to overseeing these functions by defining an acceptable risk appetite and fostering a culture of proactive risk management. It continuously reviews adequacy and effectiveness of processes for identifying, assessing, and mitigating key risks, with support from its Board Committees.

#### RISK MANAGEMENT

The Risk Management Committee ("RMC") assists the Board in overseeing the risk management framework and policies. Concurrently, the AC supports the Board by reviewing and monitoring the adequacy and effectiveness of internal controls, incorporating insights from independent external auditors. The Board receives regular updates from these Committees, ensuring it remains informed about key deliberations and decisions regarding delegated responsibilities.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The governance of Sunway REIT's risk management and internal controls framework rests with the Board, supported by the RMC. The Board has implemented comprehensive written policies and procedures governing both external and internal audit functions to ensure impartiality, independence, and effectiveness. These policies are subject to regular reviews to maintain their relevance and effectiveness. Annual evaluations of internal and external audit partners are conducted through questionnaire-based assessments involving the Board and Senior Management team members. The Board also rigorously reviews financial and narrative statements in accordance with best practices, drawing on the expertise of auditor for guidance.

To identify, monitor, and manage risk effectively, the Board has established a structured procedure. It conducts periodic reviews of the Manager's risk management and internal control systems, assessing the effectiveness of material controls across financial, operational, and compliance areas. This includes the implementation and oversight of risk mitigation measures for material risks.

For specific risk information, readers may refer to the Statement of Risk Management and Internal Control ("SORMIC") within IAR 2024.

### AUDIT COMMITTEE REPORT

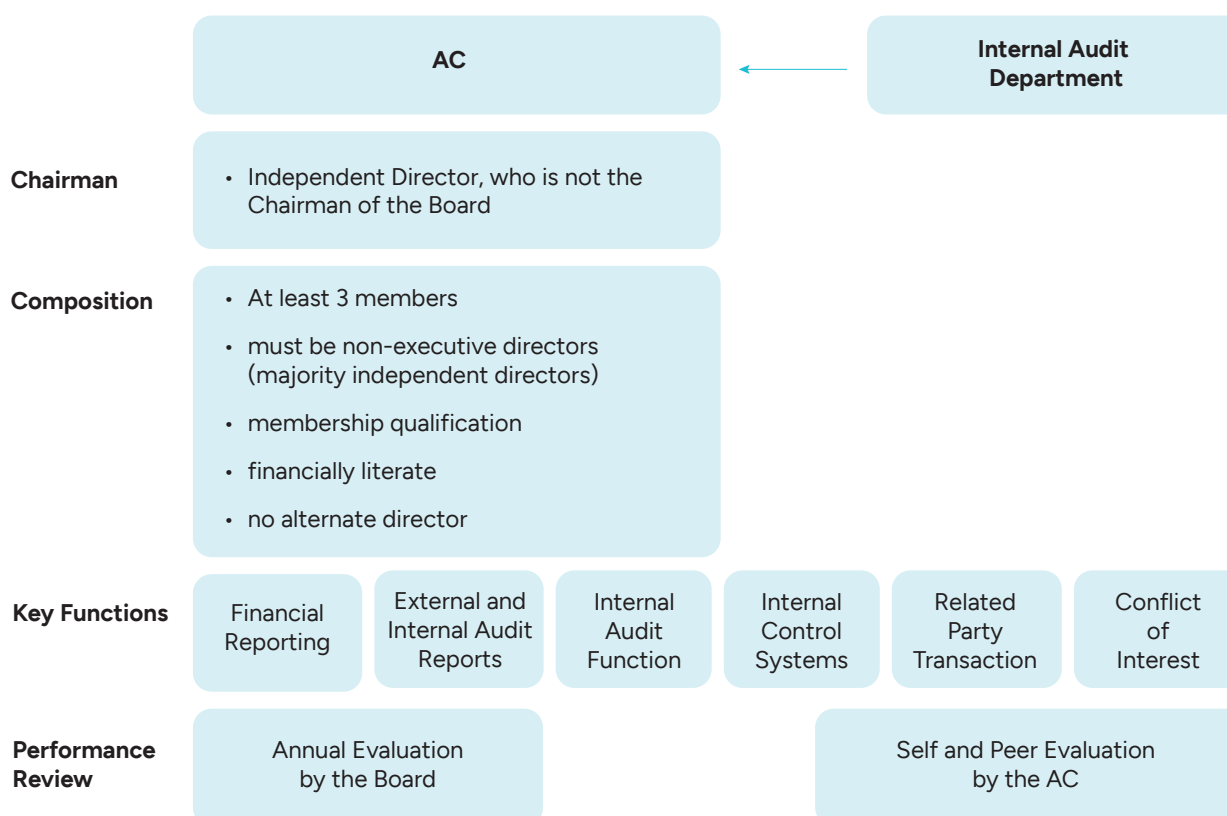
The Audit Committee ("AC") was appointed by the Board of the Manager. The AC Report provides insights into the manner in which it discharged its duties and responsibilities in accordance to its terms of reference during FY2024.

#### 1. TERMS OF REFERENCE ("TOR")

The authority as well as the duties and responsibilities of the AC are clearly set out in its TOR which is periodically reviewed and updated to ensure its relevance based on regulatory changes and the recommended governance best practices. The TOR of the AC is available at <https://www.sunwayreit.com> under Corporate Governance and Policies.

The AC assists the Board to review, assess and make appropriate recommendations relating to financial and accounting reporting, internal control systems, RPTs and conflict of interest situation that arose, persist or may arise together with the measures taken to resolve, eliminate or mitigate such conflicts.

#### TERMS OF REFERENCE



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

**2. COMPOSITION**

The AC is chaired by the Senior Independent Non-Executive Director, who is not the Chairman of the Board. The AC is comprised of 3 members, all of whom are Independent Non-Executive Directors, namely:

1. Datuk Christopher Martin Boyd - Chairman  
(Senior Independent Non-Executive Director)
2. Yeo Kar Peng  
(Independent Non-Executive Director)
3. Farah Suhanah Binti Ahmad Sarji  
(Independent Non-Executive Director)  
(Appointed on 1 November 2024)

(Tengku Nurul Azian Binti Tengku Shahriman retired as Independent Director on 28 February 2025. Consequently, she also stepped down as a member of AC on the same date.)

The composition of the AC has complied with the Bursa Listing Requirements and the principles and best practices set out in the ("MCCG"):

Bursa Listing Requirements	Commentary
Paragraphs 15.09(1)(a) and (b)	The AC comprises 3 members, all of whom are Independent Non-Executive Directors, who have satisfied with the test of independence under the Bursa Listing Requirements.
Paragraph 15.09(1)(c)	Madam Yeo Kar Peng is a member of Certified Public Accountant Australia. The Manager has fulfilled the requirement that at least a member of the AC must possess relevant accounting qualification or having related financial management expertise or experience.

Best Practices of MCCG	Commentary
Practice 9.1	Datuk Christopher Martin Boyd is not the Chairman of the Board.
Practice 9.2	The TOR of the AC prohibits any former partner of Sunway REIT's external auditors from being appointed as a member of the AC before observing a cooling-off of at least 3 years. Since the incorporation of the Manager on 14 February 2008, none of the members of the AC have been former key audit partners of Sunway REIT's external auditors or hold any financial interest in the external auditors.
Practice 9.3	The AC has policies and procedures to assess the suitability, objectivity and independence of the external auditors.
Practice 9.4 (Step Up)	The AC comprised solely of independent directors.
Practice 9.5	<p>All members are financially literate, competent and are able to understand matters under the purview of the AC including the financial reporting process.</p> <p>They have attended continuous professional development seminars/workshops to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.</p>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### 3. PERFORMANCE OF AC

The AC was evaluated by an external independent consultant, KPMG. The assessment covered several key areas such as composition and governance, meeting administration and conduct, group synergy and reporting line, and oversight of the financial reporting process, including internal controls and the audit function. The assessment criteria were developed based on regulatory provisions and best practices tailored to Sunway REIT's needs.

Overall, the AC received a score of 86%, indicating strong performance with some areas for improvement.

Based on the assessment, the AC was effective in maintaining independence and financial literacy. The AC Chairman encouraged healthy discussion during AC meetings and ensured that dissenting views and further clarification could be freely expressed, discussed and recorded. The assessment showed that the AC had full and unrestricted access to both financial and non-financial information from Management whenever necessary to assist in its reviews of quarterly results and year-end financial statements. Additionally, there were proper reporting line processes and procedures in place for the AC in terms of deliberating audit findings. The IAD regularly briefs AC Chairman prior to the AC meetings. The Committee ensured fair and objective deliberations when dealing with complex matters. Sufficient time was allocated for the AC members to deliberate on pertinent issues, such as financial reports, compliance with accounting standards and implementation of internal controls.

The assessment also showed that the oversight of the financial reporting process was robust, with regular reviews of internal audit performance. The whistleblowing processes were handled effectively, including channels and case-handling flow from the stages of complaint to investigation until the corrective/remedial action was taken. The assessment highlighted the coordination between other Board committees, particularly the AC and RMC. This has allowed for the internal audit work plan to be aligned with risks identified by RMC and with risk governance information needs, facilitating an aggregated approach towards internal auditing and risk management.

Based on the Bursa Listing Requirements, paragraph 15.12(1)(h) stipulates that for any RPTs and conflict of interest situations that arose, persist or may arise within the listed issuer or group including any transaction, AC must discharge its duties in ensuring procedure or courses of conduct that raised questions of management integrity, and the measures taken to resolve, eliminate, or mitigate such conflicts. The AC performed its function by reviewing and deliberating the disclosure of conflict of interest on quarterly basis.

### 4. MEETINGS AND ATTENDANCE

A total of 5 AC meetings were held during the financial year under review. The members of the AC and their respective attendance records are as follows:

AC MEMBERS	MEMBERSHIP	ATTENDANCE	% OF ATTENDANCE
Datuk Christopher Martin Boyd <i>Senior Independent Non-Executive Director</i>	Chairman	5/5	100%
Yeo Kar Peng <i>Independent Non-Executive Director</i>	Member	5/5	100%
Farah Suhanah Binti Ahmad Sarji <i>Independent Non-Executive Director</i> <i>(Appointed on 1 November 2024)</i>	Member	1/1	100%
Tengku Nurul Azian Binti Tengku Shahrman <i>Independent Non-Executive Director</i> <i>(Ceased as AC member with effect from 28 February 2025)</i>	Member	5/5	100%

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The following parties were invited to attend the AC meetings:

Invitees	Frequency of attendance	Purpose
CEO and CFO	All AC meetings	To present quarterly and annual financial reports and provide clarifications on the financial reports as well as any audit issues highlighted.
Compliance Officer	All AC meetings	To report on any non-compliances of the Deed, the CMSA, the Listed REITs Guidelines, Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001.
Head of IAD	All AC meetings	To present the annual risk-based internal audit plan, quarterly internal audit reports and any special audit and investigation reports.  Private meetings were held twice with the IAD during the year, without the presence of the Executive Director and Management, to facilitate open discussions.
External auditors	2 meetings	To present to the AC the annual audit planning memorandum, the audit findings, the transparency report, the audit oversight board inspection report and the independent auditors' report as well as key audit matters in respect to Sunway REIT.  Private meetings were held twice with the external auditors during the year without the presence of Executive Director and Management to have robust discussions and to share candid views.
REIT Management and Business Unit Management Team members	As and when necessary	To brief the AC on specific issues involving their respective areas of responsibilities arising from their respective reports or on any matters of interest.

Minutes of each of the AC meetings were circulated in advance to all AC members for comments and inputs before tabled for confirmation at the following AC meeting. The AC members ensure that minutes of meetings accurately reflected the deliberations and decisions made with necessary details. The Chairman of the AC reported the Committee's recommendations (if any) for the Board's consideration and endorsement.

The AC, the CEO and the Head of IAD monitored the implementation of the Whistleblowing Policy and Procedures, whilst duties relating to the day-to-day administration of the policy are performed by the Head of IAD. During the financial year under review, the Head of the IAD received one case through the whistleblowing communication channel. The IAD took the necessary steps to investigate and address the complaint made in accordance with the Whistleblowing Policy. The outcome of the investigation was reported to the AC and the necessary remedial actions taken.

## 5. SUMMARY OF ACTIVITIES

The AC carried out the following activities during FY2024:

### A. Financial Reporting

#### (a) Quarterly Financial Results

At the AC meetings held on 29 January 2024, 15 May 2024, 14 August 2024 and 13 November 2024, the AC reviewed and discussed with Management the quarterly management accounts and quarterly financial results. The AC ensured all regulatory and accounting disclosures as well as applicable accounting standards were adhered to. At each AC meeting, the CFO presented the quarterly financial reports and confirmed to the AC that:

- (i) the relevant accounting policies and methods of computation adopted by Sunway REIT were consistent with those adopted in the previous audited financial statements;
- (ii) there were no significant and unusual issues other than those reported in the unaudited financial results;
- (iii) Sunway REIT continued to operate as a going concern; and
- (iv) the relevant accounting standards, regulatory and other legal requirements had been complied with for the preparation of the financial statements.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The AC scrutinised and reviewed the quarterly financial results with Management to ensure the appropriateness of the accounting treatment and the accuracy of the reported figures. The CFO highlighted the material transactions, accounting adjustments and provisions made.

Having reviewed the quarterly unaudited financial results of Sunway REIT, the AC was satisfied that the unaudited financial results had been prepared in accordance with the relevant financial reporting standards, Bursa Listing Requirements, the Listed REIT Guidelines and the provisions of the Deed so as to give a true and fair view of the financial position of the Company and of its financial performance and cashflows for each quarter. The AC subsequently recommended the same be presented to the Board for approval at each subsequent Board meeting for release to Bursa Securities.

### (b) Accounting standards and other relevant regulatory requirements

The AC was briefed on the amendments to the relevant legislations, accounting standards and other relevant regulatory requirements that could have financial effect on Sunway REIT.

On 14 August 2024, the AC was updated on the following:

- International Financial Reporting Standards ("IFRS") S1 *General Requirements for Disclosure of Sustainability-related Financial Information*.
- IFRS S2 *Climate-related Disclosures*.
- key amendments introduced by Unclaimed Moneys (Amendment) Act 2024.

The External Auditors also tabled its annual Transparency Report which was prepared pursuant to the requirement of the Audit Oversight Board and International Standard on Quality Management.

### (c) Audited Financial Statements

On 5 February 2024, the AC, together with the External Auditors and Management, deliberated on the audited financial statements for the financial year ended 31 December 2023 ("AFS2023"). The AC was briefed on the audit status, significant audit findings, key audit matters, review of internal controls and audit opinion.

Based on the significant audit findings, the AC endorsed the inclusion of the following key audit matter in the external auditors' report:

"Valuation of Investment Properties ("IP"): There were significant judgements and estimates involved in relation to the valuation of Sunway REIT's IP including allowance for void, term yield rates, reversionary yield rates, capitalisation rate and discount rates."

The External Auditors and Management confirmed that the Audited Financial Statements were prepared in accordance with the relevant accounting standards and statutory requirements. On the recommendation of the AC, the Board subsequently approved the release of the AFS2023 to Bursa Securities.

## B. External and Internal Audit Reports

### (i) External Auditors

The AC had met up with the External Auditors, BDO PLT, on the following dates:

- (a) On 5 February 2024, the AC reviewed and deliberated with Management and the External Auditors on the Audit Report in relation to their audit of the financial statements for FY2023.

The External Auditors confirmed their professional independence in respect to the audit engagement. They reported on audit status, significant audit findings, key audit matters and financial reporting updates. They were not aware of any non-compliance of laws and regulations, including the corporate liability provision involving commercial organisation under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018), which was enforced on 1 June 2020. They had reviewed the internal auditor's reports and performed required procedures in accordance with ISA610 *Using the Work of Internal Auditors*.

The AC and Management had also confirmed to the External Auditors that they were not aware of any non-compliance with laws and regulations or any significant fraud-related matters.

- (b) On 14 August 2024, the AC was briefed by the External Auditors on the Audit Planning Memorandum ("APM") for FY2024. The APM outlined the External Auditors' engagement and reporting responsibilities, their audit approach, materiality and performance materiality, areas of significant auditor attention, engagement team, reporting, deliverables and independence including audit fees and non-audit fees.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The AC was also briefed on the following matters:

- the establishment of a system of quality management that complied with International Standard on Quality Management 1 ("ISQM 1").
- updates on the International Sustainability Standards Board ("ISSB") in relation to:
  - o International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards S1 *General Requirements for Disclosure of Sustainability-related Financial Information*; and
  - o IFRS Sustainability Disclosure Standards S2 *Climate-related Disclosures*.
- amendments introduced by the Unclaimed Moneys (Amendment) Act 2024.
- Transparency Report pursuant to the requirement of the Audit Oversight Board and ISQM 1. The Transparency Report provided a summary of the legal and governance structure, audit quality measures, audit quality indicators and Public Interest Entities audit clients.

The AC reviewed the audit and non-audit fees of the External Auditors for FY2024. The proposed increase in audit fees was attributed to the acquisition of 8 new investment properties by Sunway REIT, which led to an expansion in Sunway REIT's operations.

After considering the nature, scope and amount of the non-audit fees, the AC was satisfied that there was no conflict of interest and that the independence of the External Auditors remained unaffected. The audit and non-audit fees were subsequently approved by the AC.

- (c) The AC conducted 2 private sessions with the External Auditors on 5 February 2024 and 14 August 2024, without the presence of the Executive Director and Management. During these sessions, the External Auditors were given the opportunity to raise any concerns arising from their audit work. In both sessions, the External Auditors confirmed that they had no major concerns hindering their audit work. They had received full cooperation from the Management and had unrestricted access to the Manager and Sunway REIT's records.

- (d) An annual assessment of the performance and effectiveness of the external auditors were performed by the AC in respect to their statutory audit services and non-audit services for FY2024. The assessments were based on a set of measurable and objective criteria. The AC was satisfied with the scope of audit work, adequacy of audit resources and quality of audit services rendered as well as the leadership of the audit engagement partner and fieldwork leaders. Potential issues were brought to Management's attention in sufficient time for them to be addressed without delaying the audit process.

The independence and objectivity of the External Auditors were evaluated in accordance with the Policy on Selection of External Auditors. The audit engagement partner had also confirmed that pursuant to the By-Laws (On Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("MIA") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accounts, they were, and have been, independent for the purpose of the audit in accordance with the terms of relevant professional and regulatory requirements and were not aware of any matters that might impair their professional independence.

The AC recommended to the Trustee the re-appointment of BDO PLT as the External Auditors of Sunway REIT for FY2024.

## (ii) Internal Audit

- (a) On 5 February 2024, the AC reviewed and approved the Internal Audit Department ("IAD")'s internal audit plan for FY2024 ("IA Plan FY2024"). The IA Plan FY2024 was prepared to state the overall internal audit strategies and priorities to be carried out by IAD. IAD continued to adopt a risk-based audit approach in developing the IA Plan FY2024. The audit planning process was based on the review of audit universe, input from Management and an assessment of risk and exposures affecting Sunway REIT.

The IA Plan FY2024 had been prepared in accordance with the best practices of the International Professional Practices Framework ("IPPF") promulgated by the Institute of Internal Auditors ("IIA"). The IPPF contains the new Global Internal Audit Standards and the IIA Code of Ethics.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The AC reviewed and approved the IA Plan FY2024 which mainly covered the following focus areas:

- i. Assurance: the adequacy and effectiveness of the internal controls system over key business processes at major properties;
- ii. Cybersecurity and IT Controls: the readiness of compliance with Guidelines on Technology Risk Management issued by SC as well as compliance with ISO27001 Information Security Management System;
- iii. Governance and Compliance: the compliance and requirements from SC and Bursa Securities, including disclosure of COI and Sustainability Reporting; and
- iv. Risk Management: the adequacy of Enterprise Risk Management process and integration into business operation process as well as risk monitoring and reporting.

The IAD provided reasonable assurance to the Board and Management on the adequacy and integrity of the internal controls, risk management, governance processes and management information systems of Sunway REIT, including systems for compliance with applicable laws, regulations, rules, directives and guidelines which were consistent with the Audit Charter of IAD and best practices.

The audit assignments carried out by IAD in FY2024 focused on the following areas:

- Sunway REIT and the Manager
  - o Sustainability Reporting Review
    - Internal controls over data collections and reporting, and alignment with ESG Reporting Framework.
  - o IT Controls
    - Information Securities Management System ("ISMS") internal audit review for annual reaccreditation of ISO/IEC27001:2013 Information Security Management System implemented by IT service provider.
  - o Compliance
    - Performed annual assessment of the conflict of interest policy, including its processes and controls are in line with Bursa Securities' enhanced disclosure requirements.

- Retail properties
  - o Tenancy management
    - Reviewed internal controls for new tenant leasing, tenancy renewals, and tenancy administration.
  - o Credit Control Function
    - Assessed internal controls over billing, collection and credit management.
  - o Procurement, contract management and property enhancement initiatives
    - Evaluated compliance with SOPs for procurement, tender process and contract management.
- Hotel properties
  - o Key operational processes
    - Reviewed internal controls over front office, procurement, contract management and payment processes.
  - o Cybersecurity
    - Review of adequacy of policies and procedures and the controls in Managing Cybersecurity Risk.

(b) The AC reviewed the audit engagements carried out by IAD at the AC meetings held on 5 February 2024, 15 May 2024, 14 August 2024 and 13 November 2024. Discussions were focused on audit findings, recommendations, management responses and corrective actions taken. IAD also updated the AC on the results of ad-hoc assignments including audit investigations.

(c) The AC monitored and reviewed the Audit Plan FY2024 on a quarterly basis to ensure adequate audit coverage of the key risk areas taking into account developments which would impact the audit coverage.

(d) The AC reviewed the IA KPIs for FY2024 on 15 May 2024. IAD's KPIs were established in compliance with the requirements of 2024 Global Internal Audit Standards and consists of Key Results Areas for department and individual at varying weightage. The AC subsequently approved the revised KPIs of IAD on 14 August 2024.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

- (e) On 15 May 2024, the Head of IAD affirmed to the AC that all internal auditors had attested to their independence, objectivity, and free from any relationships or conflicts of interest that might compromise their objectivity and independence. Additionally, the internal auditors also declared that they were in compliance with the Code of Conduct and Business Ethics, as well as its Conflict of Interest Policies of the Manager, and IIA's Code of Ethics while carrying out their duties as internal auditors.
- (f) The AC had on 5 February 2024 and 14 August 2024 met up with the internal auditors, without the presence of the Executive Director and Management, to facilitate discussion of any matter in relation to audit issues and internal control weaknesses noted during its audit. There were no major shortcomings or impediments highlighted by the IAD in relation to the execution of their audit assignments.
- (g) The AC reviewed the IA Function Evaluation Report on 13 November 2024. Based on the results of the assessment, the AC was satisfied with the performance of the IAD and believed IAD possessed adequate manpower, budget and competencies to fulfil its responsibilities and implement the approved audit plan. The AC concluded that the IAD was adequate and effective and was able to function independently. The IAD consistently provide Directors and Senior Management with pertinent information regarding potential weaknesses in the system of internal controls and offering Management with constructive input and ideas for remedial action.
- (b) The External Auditors reported to the AC that based on the audit work performed, there were no significant deficiency in Sunway REIT's internal controls system in respect of their audit on Sunway REIT. The External Auditors inspected the system and walked through the framework to ensure the system was in order and in compliance with professional standards.
- (c) The AC had also received assurances from the CEO and the CFO that Sunway REIT's risk management and internal controls system were operating adequately and effectively, in all material aspects.

**D. Reviewing RPTs**

- (a) The AC reviewed on a quarterly basis the recurrent RPTs of revenue or trading nature entered by Sunway REIT at its meetings held on 29 January 2024, 15 May 2024, 14 August 2024 and 13 November 2024. The CFO confirmed to the AC that all recurrent RPTs were entered into in accordance with the terms and conditions of the unitholders' recurrent RPT mandate.
- (b) On 5 February 2024, the AC reviewed the circular to unitholders in relation to the proposed renewal of existing unitholders' mandate and proposed new unitholders' mandate for recurrent RPTs of a revenue or trading nature before recommending the same to the Board for approval.

With the assistance of the IAD, the AC in its review was satisfied that the monitoring processes and procedures were in place to ensure that all recurrent RPTs would be undertaken in a fair and on an arm's length basis, and on normal commercial terms which would not be more favourable to the related parties than those generally available to the public and in the best interest of unitholders.

**C. Internal Controls System**

- (a) The AC reviewed, together with Management and the IAD, Sunway REIT's internal controls system and was reasonably assured that the same were operating adequately and effectively.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### E. CONFLICT OF INTEREST

In alignment with Bursa Securities' enhanced conflict of interest ("COI") disclosure requirements, an external consultant had been engaged to review the existing COI Policy. The AC deliberated the revision of COI Policy and endorsed it for Board's approval on 14 August 2024.

Following the revision of COI Policy, the AC reviewed COI situations that arose or might arise during the financial year as well as persisting COI from previous financial years, on quarterly basis. A summary of the Directors' declaration of COI or potential COI situation reviewed by the AC and the measures taken to resolve, eliminate or mitigate such conflicts is summarised as below:

Name of Directors	Nature of COI and Measures Taken
Tan Sri Amirsham Bin A Aziz	<p>Tan Sri Amirsham Bin A Aziz was appointed as the Chairman of the board of Alliance Bank Malaysia Berhad ("Alliance Bank") with effect from 1 October 2024. A potential conflict of interest may arise if:</p> <ul style="list-style-type: none"> <li>(i) Alliance Bank provides funding facilities or any financial services to Sunway REIT;</li> <li>(ii) there are other potential transactions between Sunway REIT and Alliance Bank, such as asset acquisition, office space tenancy or property management arrangement etc.</li> </ul> <p><b>To mitigate these potential conflicts of interest, he will abstain from all board deliberations and decisions related to the above arrangements or transactions should they arise or be brought to the Board for decision.</b></p>
Datin Paduka Sarena Cheah Yean Tih, S.M.S.	<p><b>A. Sunway Berhad Group</b> Datin Paduka Sarena Cheah Yean Tih, S.M.S. is a substantial shareholder of Sunway Berhad by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd and parents. The business activities of Sunway Berhad and its subsidiaries comprise leasing of properties and properties investment. There will be potential conflict of interest if Sunway Berhad is involved in property transactions that could affect Sunway REIT, such as buying or selling properties, leasing agreements or property developments.</p> <p><b>B. Sunway Technology Group</b> Datin Paduka Sarena Cheah Yean Tih, S.M.S. is a substantial shareholder of Sunway Technology Sdn Bhd by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd and parents. The business activities of Sunway Technology Sdn Bhd and its subsidiaries comprise information technology solutions providers, computer products, software development, support, maintenance and consultancy services for information technology software and hardware. The potential conflict of interest is as follows:</p> <ul style="list-style-type: none"> <li>(i) if Sunway REIT needs to make decisions regarding the technological infrastructure of its properties, such as implementing smart building technologies or upgrading IT systems.</li> <li>(ii) when negotiating lease agreements, rental rates or lease term if Sunway Technology Sdn Bhd or its subsidiaries intends to be a tenant of properties owned by Sunway REIT.</li> <li>(iii) if Sunway REIT consider investment in properties with specific technology-related requirements or opportunities, such as data centres.</li> <li>(iv) if Sunway REIT engages vendors for IT-related services.</li> </ul> <p><b>C. United Overseas Bank (Malaysia) Berhad</b> Datin Paduka Sarena Cheah Yean Tih, S.M.S. was appointed as the Director of United Overseas Bank (Malaysia) Berhad ("UOB") with effect from 1 January 2025. A potential conflict of interest may arise if:</p> <ul style="list-style-type: none"> <li>(i) UOB provides funding facilities or any financial services to Sunway REIT;</li> <li>(ii) there are other potential transactions between Sunway REIT and UOB, such as asset acquisition, office space tenancy or property management arrangement etc.</li> </ul> <p><b>To mitigate these potential conflicts of interest, she will refrain and abstain from any involvement in deliberations and decision making related to the above matters.</b></p>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Name of Directors	Nature of COI and Measures Taken
Ng Sing Hwa	<p>A. Mr Ng Sing Hwa is a Director of Millennium Pavilion Sdn Bhd, a joint venture company of the Manager of Sunway REIT. The potential conflict of interest may arise if Mr Ng's decision in one capacity could potentially favour the interests of one company over the other.</p> <p>B. Mr Ng's second daughter serves as the Chief Executive Officer of United Overseas Bank (Malaysia) Berhad ("UOB"). The potential conflicts of interest may arise if:</p> <ul style="list-style-type: none"> <li>(i) UOB provides funding or any financial services to Sunway REIT;</li> <li>(ii) there are other potential transactions between Sunway REIT and UOB, including asset acquisitions, office space leasing, property management arrangements, etc.</li> </ul> <p>C. Mr Ng's younger daughter holds a senior management position at L'Oréal Malaysia and Singapore (collectively "L'Oréal"). A potential conflict of interest may arise if L'Oréal seeks to negotiate for a retail space within Sunway Malls. In such an event, Mr. Ng will refrain from any direct or indirect involvement in, or influence over, the retail mall management's decisions regarding this matter. As this matter does not require a board decision by the Manager of Sunway REIT, the potential conflict of interest is unlikely to materialise.</p> <p><b>To mitigate these potential conflicts of interest, he will abstain from any involvement in deliberations and decision making processes related to the above matters.</b></p>
Puan Farah Suhanah Binti Ahmad Sarji  (Appointed on 1 November 2024)	<p>Puan Farah Suhanah Binti Ahmad Sarji is an Independent Non-Executive Director for both Sunway REIT and Anglo-Eastern Plantation Plc ("Anglo"). Genton International Limited ("Genton") is the controlling shareholder of Anglo. Metroplex Holdings Sdn Bhd ("Metroplex") is a related company of the Estate of Madam Lim Siew Kim ("Estate of Madam Lim") and therefore is a related company of Genton. The Estate of Madam Lim is the plaintiff in the Metroplex's chattels case ("Metroplex's Case"). Pursuant to the High Court's judgment on the assessment of damages for the conversion payable by Sunway REIT on 12 November 2024 totalling RM8.1 million, the assessment of damages for the Metroplex's Case has been brought to the Court of Appeal. A potential conflict of interest may arise if Sunway REIT needs to make decisions regarding the appeal for the Metroplex's Case.</p> <p><b>To mitigate any perceived conflict of interest, she will abstain from all deliberations and decision-making processes related to the above matter.</b></p>
Datuk Christopher Martin Boyd	<p>Datuk Christopher Martin Boyd is a partner in Cool Paradise Sdn Bhd, which holds a 5% interest in Cornerside Development Sdn Bhd ("Cornerside Development"), the owner of Giant Hypermarket Kota Damansara. He also serves as the Chairman of Cornerside Development. A potential conflict of interest may arise if:</p> <ul style="list-style-type: none"> <li>(i) Sunway REIT considers acquiring Giant Hypermarket Kota Damansara; or</li> <li>(ii) Sunway REIT engages in any business transaction with Cornerside Development.</li> </ul> <p><b>To mitigate this potential conflict, he will abstain from all discussions, deliberations and decision-making processes related to any proposed acquisition of Giant Hypermarket Kota Damansara by Sunway REIT or any business dealings between Sunway REIT and Cornerside Development.</b></p>

Save as disclosed above, the following Directors confirmed that there are no conflicts of interest, potential conflicts of interest or unresolved conflicts in any competing business between themselves and the Company or its subsidiaries:

1. Mr Clement Chen Kok Peng
2. Madam Yeo Kar Peng

At the quarterly reporting in AC meetings, save as disclosed below, none of the other key senior management has any conflict of interest, potential conflict of interest or unresolved conflict in any competing business between themselves and the Company or its subsidiaries.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Name of Senior Management
Adrian Cheah Yean Sun Senior Manager, Corporate and Business Development
Nature of COI and Measures Taken
<p>A. <u>Sunway Berhad Group</u>            Mr Adrian Cheah, a major unitholder of Sunway REIT, is also a major shareholder of Sunway Berhad by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd and parents. He is a brother of Datin Paduka Sarena Cheah, a Non-Independent Non-executive Director and major unitholder of Sunway REIT, who is also the Deputy Executive Chairman and a major shareholder of Sunway Berhad. Mr Adrian Cheah is a son of Tan Sri Sir Dr Jeffrey Cheah, a major unitholder of Sunway REIT, who is also the Executive Chairman and major shareholder of Sunway Berhad. The business activities of Sunway Berhad and its subsidiaries comprise leasing of properties and properties investment.</p> <p>B. <u>Sunway Technology Group</u>            Mr Adrian Cheah is a substantial shareholder of Sunway Technology Sdn Bhd by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd and parents. The business activities of Sunway Technology Sdn Bhd and its subsidiaries comprise information technology solutions providers, computer products, software development, support, maintenance and consultancy services for information technology software and hardware.</p> <p><b>Mr Adrian Cheah is not involved in any decision-making processes in relation to Sunway REIT's transactions with Sunway Berhad Group and Sunway Technology Group. As such, he does not have any influence over Sunway REIT's decisions concerning these related party transactions ("RPTs").</b></p> <p><b>In the event that unitholders' approval is required for any RPTs, he will abstain from all deliberations and decision-making processes. He will also ensure the persons connected to him will abstain from voting on the RPTs.</b></p> <p><b>All RPTs are subject to review by the Audit Committee to ensure that they are conducted at arm's length. Additionally, all employees, including Key Senior Management, are required to strictly comply with the COI Policy, which outlined clear processes and procedures for identifying, assessing and managing actual and potential COI in a fair and transparent manner.</b></p>

### F. OTHER MATTERS

- (a) The AC had regularly assessed regulatory and legal compliance of the Manager and Sunway REIT with the Bursa Listing Requirements, Companies Act 2016, Listed REIT Guidelines, Capital Markets and Services Act 2007 as well as with the Deed. Consequently, the AC was pleased that there were no non-compliances with the applicable laws as reported by the Compliance Officer at the quarterly meetings during the financial year.

The AC was advised by the Company Secretary that there were no breaches of the Bursa Listing Requirements at each quarterly meeting held during the financial year under review.

- (b) On 5 February 2024, the AC reviewed and recommended for the Board's approval, the Corporate Governance Overview Statement and Corporate Governance Report. The AC also scrutinized the Statement on Risk Management and Internal Control, which had been independently reviewed by the External Auditors. It also endorsed the AC Report for inclusion in the Integrated Annual Report 2023 of Sunway REIT.

The AC had also reviewed and recommended for the Board's approval the Integrated Annual Report 2023 of Sunway REIT.

- (c) The AC was updated by the Company Secretary on the following developments in regulations and laws:

- (i) Companies (Amendment) Bill 2023 to strengthen corporate rehabilitation framework as well as enhanced corporate transparency;
- (ii) Amendments to Bursa Listing Requirements in relation to periodic reporting framework for listed REITs;
- (iii) mandatory requirement of holding hybrid or physical general meetings by all public listed companies starting from 1 March 2025; and
- (iv) revision of fee structure for REIT Managers by SC.

- (d) During the financial year, the AC members attended various workshops, webinars, conferences, seminars and courses organised by the relevant regulatory authorities and professional bodies.

Please refer to the Board of Directors section of the Manager on Sunway REIT's website at <https://www.sunwayreit.com> for the details of the continuing education program that the Directors have attended for FY2024.

### 6. INTERNAL AUDIT FUNCTION

The internal audit function is performed in-house and undertaken by the Manager's IAD. The main role of the internal audit function is to provide the AC with independent and objective evaluation of the adequacy and effectiveness of the system of internal controls, risk management and governance framework of Sunway REIT. The IAD has undertaken regular and systematic reviews of the risk management and internal controls system so as to provide reasonable assurance that risk management and

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

internal control systems continue to operate adequately and effectively at Sunway REIT.

To uphold the independence and objectivity of the internal audit function, the IAD reports functionally to the AC and administratively to the CEO. The AC has explicit authority to communicate directly with the IAD and vice versa. The IAD also has direct, unrestricted access to the AC to highlight any issues of concern at any time. In addition, the IAD has unfettered access to the Manager and Sunway REIT's documents, records, properties and personnel.

The IAD is a member of the Malaysian Chapter of the IIA and adopts the International Standards for the Professional Practices of Internal Auditing ("IIA Standards") laid down in the International Professional Practices Framework issued by the IIA. The IAD successfully completed its External Quality Assessment Review ("EQAR") by KPMG in 2022 and it was concluded that the IAD continues to meet or exceed the IIA Standards in all key aspects. The next EQAR was planned to be carried out in the year 2027.

To ensure that the responsibilities of the IAD and the internal audit function were fully discharged, the AC had reviewed the IA Plan FY2024, the adequacy of the scope and resources of the internal audit function as well as the performance of the IAD in undertaking its internal audit function during the financial year under review.

Internal audit reports, encompassing audit findings and recommendations, were presented to the AC on a quarterly basis. The IAD and Management were responsible for ensuring that corrective action plans were effectively carried out within the agreed timeframe, with regular follow-up audits conducted to verify that management actions had been properly implemented.

The IAD is headed by Ms Khong Shiyi who has more than 17 years of internal audit experience and reports directly to the AC to ensure impartiality and independence. She is a Certified Internal Auditor (CIA) by Institute of Internal Auditors Malaysia. She holds a Bachelor of Commerce Degree majoring in Accounting from University of Melbourne and is a member of the CPA Australia and Chartered Accountant registered with the MIA.

The IAD comprises 4 internal auditors, all of them have relevant tertiary and/or professional qualifications. The IAD provides independent and objective assessment on the adequacy and effectiveness of the internal controls, risk management and governance framework of Sunway REIT.

To ensure the organisational independence of the IAD, the Head of IAD and all the internal auditors have signed the Annual Declaration that they were free from any relationships or conflict of interest, which would impair their objectivity and independence in their audit activities for the FY2024.

The internal audit activities undertaken by the IAD during the financial year under review were as follows:

1. Prepared and presented the risk-based IA Plan FY2024 which sets out the audit strategy, risk-based audit approach, scope of work, key areas of audit emphasis and resource plans, to the AC for deliberation and approval;
2. Performed planned audit engagements which covered reviews of sustainability reporting, IT controls, compliance, tenancy management, credit control function, procurement processes, key strategic and operational processes and cybersecurity;
3. Updated the AC on the IA Plan FY2024 implementation progress;
4. Briefed the AC Chairman in advance of the internal audit reports prior to presentation of the same to the AC;
5. Presented the internal audit reports to the AC and Management which covered the results of the assessments of internal controls, identifying key areas of concerns, highlighting recommendations for improvements and appropriate action plans;
6. Carried out follow-up audits on all major areas of concern and recurring issues to ensure that the corrective action plans were effectively implemented to enhance the governance, risk management and internal control processes within Sunway REIT;
7. Reported to the AC on review of the adequacy, appropriateness and compliance with procedures established to monitor recurrent RPTs;
8. Acted on suggestions and recommendations made by the AC and/or Management on concerns over operations and internal controls pertinent to the assets of Sunway REIT;
9. Performed investigative audits on allegations of mismanagement or improper acts reported through the whistleblowing procedures and / or other channels;
10. Ascertained the level of operational of Sunway REIT compliance with established policies, procedures and statutory requirements;
11. Provided the Board, through the AC, reasonable assurance of the effectiveness of Sunway REIT's risk management, internal controls and governance framework, including the Internal Audit Assurance Statements for Sustainability Report 2023; and
12. Reviewed the AC Report and the Statement on Risk Management and Internal Control published in the Integrated Annual Report 2023 of Sunway REIT, as well as the Corporate Governance Report and Sustainability Report of Sunway REIT for FY2023.

The total costs incurred by IAD for the internal audit function of Sunway REIT for FY2024 amounted to RM831,578 as compared to RM762,373 in FY2023.

This AC Report was approved by the Board on 20 March 2025.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### COMMUNICATION WITH STAKEHOLDERS

Aligned with Sunway REIT's vision of enhancing stakeholder value through sustainable growth, environmental stewardship, and community engagement, the Manager is committed to fostering strong relationships with stakeholders. Hence, the sustained emphasis on strategic stakeholder management which includes regular and timely engagement with a wide range of stakeholders via various communication channels. This includes ensuring timely, accurate, clear, and transparent disclosure of all material information about Sunway REIT.

The management approach to stakeholder engagement and communication is driven by Sunway REIT's Corporate Disclosure Policy. The Corporate Disclosure Policy provides clarity on the disclosure and communication practices expected from the Board, Management, and employees pertaining to the dissemination of material corporate information, notably in ensuring compliance with mandatory disclosure and engagement as stipulated by regulatory authorities and the Bursa Listing Requirements.

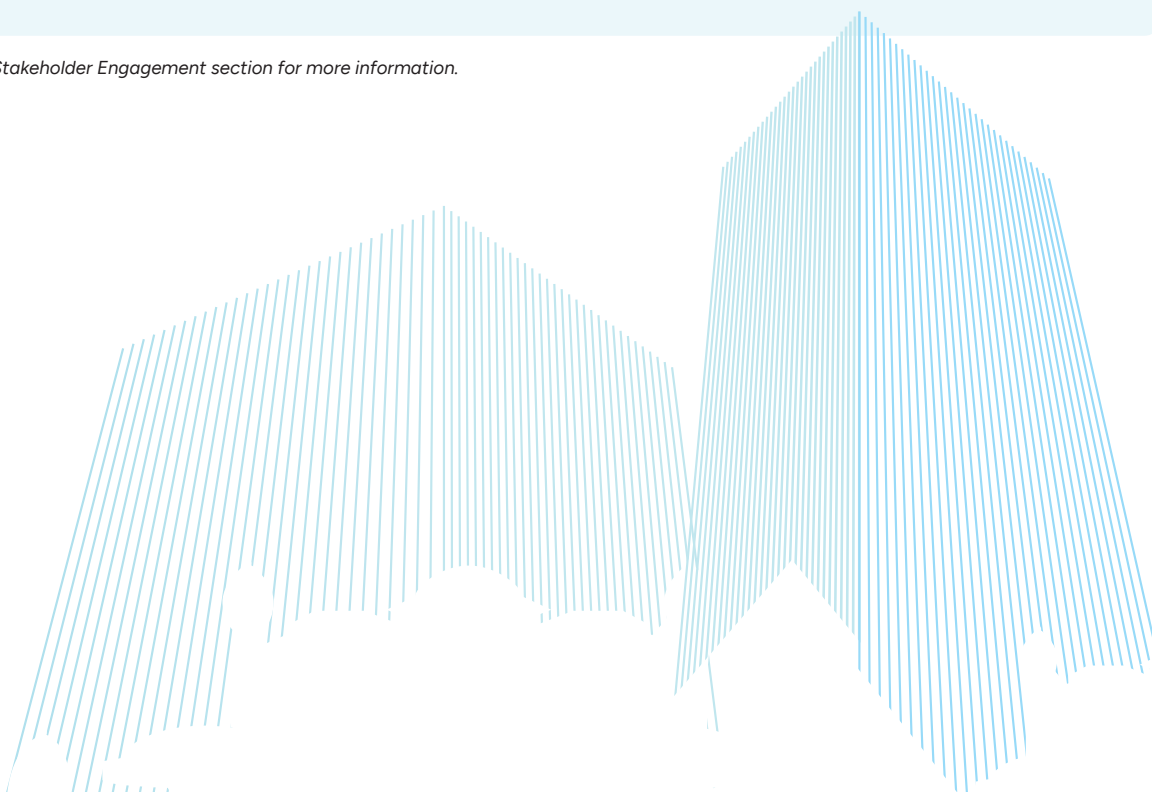
Regular and timely communication with shareholders, financiers and investors as well as research analysts and fund managers is undertaken by Sunway REIT's Investor Relations team. Details of the investor relations activities are available in the "Stakeholder Engagement" section of the IAR 2024.

The Manager also ensures regular updates to Sunway REIT's corporate website at [www.sunwayreit.com](http://www.sunwayreit.com). This includes financial information, announcements released to Bursa Securities, general meetings materials, investor presentations, corporate governance matters, distribution details, press releases and investor centre resources. Furthermore, the Manager announces the targeted release date for financial results at least 2 weeks in advance of each Board meeting, keeping unitholders and public investors informed.

For any investor-related inquiries, stakeholders are encouraged to contact the Investor Relations team:

Investor Relations  
Tel No: (603) 5639 9645  
Email: [irsunwayreit@sunway.com.my](mailto:irsunwayreit@sunway.com.my)

 Kindly refer to Stakeholder Engagement section for more information.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

## CONDUCT OF GENERAL MEETING

Unitholders are encouraged to attend and participate in the AGM and other meetings of Sunway REIT where relevant. These meetings offer unitholders the opportunity to engage with the Board, gain insights into Sunway REIT's operational activities and financial standing, raise questions or concerns and discuss matter of significant import with the Management and the Board.

The Manager adheres to the requirement to provide a minimum 21-day notice as stipulated in the Deed and the Bursa Listing Requirements, while also observing the MCCG recommendation of at least 28 days notice. Notably, for the 11<sup>th</sup> AGM, a 55-day notice was provided, allowing unitholders ample time to make arrangements to attend, participate, and vote in person, by corporate representative, proxy, or attorney, ensuring they could exercise their ownership rights effectively and in an informed manner.

The Notice of the 11<sup>th</sup> AGM was disseminated via multiple channels, including an announcement through Bursa LINK on Bursa Securities' website, publication in both local and English-language daily newspapers, and posting on the Investor Relations section of Sunway REIT's website at [www.sunwayreit.com](http://www.sunwayreit.com).

Additionally, email notifications were sent to unitholders with registered email addresses, while Notification Cards were mailed to those without email access. These notifications included details about the 11<sup>th</sup> AGM and a link for pre-

registration. As part of Sunway REIT's sustainability initiatives, the practice of mailing printed copies of the Integrated Annual Report and its related documents has been discontinued. Instead, unitholders were provided with a website link and QR code to access and download the documents.

During the 11<sup>th</sup> AGM, the Chairman of the AGM, which was the Chairman of the Board of Sunway REIT, ensured sufficient time and opportunity for a comprehensive Question and Answer ("Q&A") session. Unitholders were encouraged to submit their questions in advance via email or the online platform.

All Directors of the Manager, along with the CEO, CFO, Trustee, Management Team, and both internal and external auditors, were present to address queries and provide clarifications. Suggestions and comments from unitholders during the Q&A session were duly considered and all pre-submitted questions were addressed by the Management and Board.

All resolutions outlined in the 11<sup>th</sup> AGM notice were voted remotely via poll, in compliance with Paragraph 8.29A of Bursa Listing Requirements. Cygnus Technology Solutions Sdn Bhd, an independent scrutineer, was engaged to validate the voting process, while Mega Corporate Services Sdn Bhd acted as the Polling Administrator.

The Minutes of the 11<sup>th</sup> AGM, which include key discussions and resolutions, are accessible on Sunway REIT's website at [www.sunwayreit.com](http://www.sunwayreit.com).

ANNOUNCEMENT  
OF QUARTERLY  
RESULTS

## 16 MAY 2024

Announcement of the unaudited results for the first quarter ended 31 March 2024

## 14 NOVEMBER 2024

Announcement of the unaudited results for the third quarter ended 30 September 2024

## 15 AUGUST 2024

Announcement of the unaudited results for the second quarter ended 30 June 2024

## 3 FEBRUARY 2025

Announcement of the unaudited results for the fourth quarter ended 31 December 2024

INCOME  
DISTRIBUTION

For the semi-annual period ended 30 June 2024: 4.66 sen per unit (of which 4.14 sen per unit was taxable and 0.09 sen per unit was non-taxable and 0.43 sen per unit was tax exempt)

- Announcement of the notice of entitlement and payment: 15 August 2024
- Date of entitlement: 6 September 2024
- Date of payment: 4 October 2024

For the semi-annual period ended 31 December 2024: 5.34 sen per unit (of which 4.02 sen per unit was taxable and 1.18 sen per unit was non-taxable and 0.14 sen per unit was tax exempt)

- Announcement of the notice of entitlement and payment: 3 February 2025
- Date of entitlement: 19 February 2025
- Date of payment: 28 February 2025

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of the Manager is pleased to present this Statement on Risk Management and Internal Control, which highlights the key components of the risk management and internal control framework of the Manager for Sunway REIT. This Statement is prepared pursuant to Paragraph 15.26(b) of the Bursa Listing Requirements and Principle B of the Malaysian Code on Corporate Governance 2021, with guidance from the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("Guidelines").

## BOARD RESPONSIBILITY

The Board holds the ultimate responsibility for overseeing the Manager's internal control and risk management systems and in ensuring their effectiveness in managing Sunway REIT. The Board plays a crucial role in setting the acceptable risk appetite and fostering a culture of proactive risk management and mitigation. The Board continually reviews the adequacy and effectiveness in identifying, assessing, and responding to key risks of Sunway REIT, with the support of its Board Committees.

The Risk Management Committee ("RMC") aids the Board in overseeing the risk management framework and policies while the Audit Committee ("AC") assists in reviewing the adequacy and effectiveness of internal controls, including soliciting feedback from the internal auditors and the independent external auditors. The RMC and AC continue to keep the Board informed on the key discussions in relation to risk and internal control matters through periodic reports.

The risk management and internal controls system of the Manager is designed to manage and reduce risks that could significantly affect the achievement of Sunway REIT's business objectives. The system is intended to provide reasonable assurance against material misstatements, financial losses, or fraud and does not provide a guarantee of complete risk avoidance or elimination, arising from operating trends, developments, impacts or other factors beyond the control of the Manager. Given the evolving business environment, the framework is consistently reviewed to ensure it remains effective.

## MANAGEMENT RESPONSIBILITY

The Management is responsible for implementing the risk management framework and policies approved by the Board. It actively identifies, evaluates, mitigates, monitors, and reports on the key risks that impact Sunway REIT's objectives and strategies throughout the financial year. The Management ensures that appropriate internal controls and mitigation plans are in place to minimise the impact of identified risks.

Furthermore, the Management emphasises the importance of ethical conduct by setting a strong example to encourage adherence to the highest standards. This is achieved by a firm adherence to desired corporate behaviour as set out by the code of conduct, through the development and implementation of relevant policies and reinforcement through constant communication channels and engagements.

## RISK MANAGEMENT FRAMEWORK

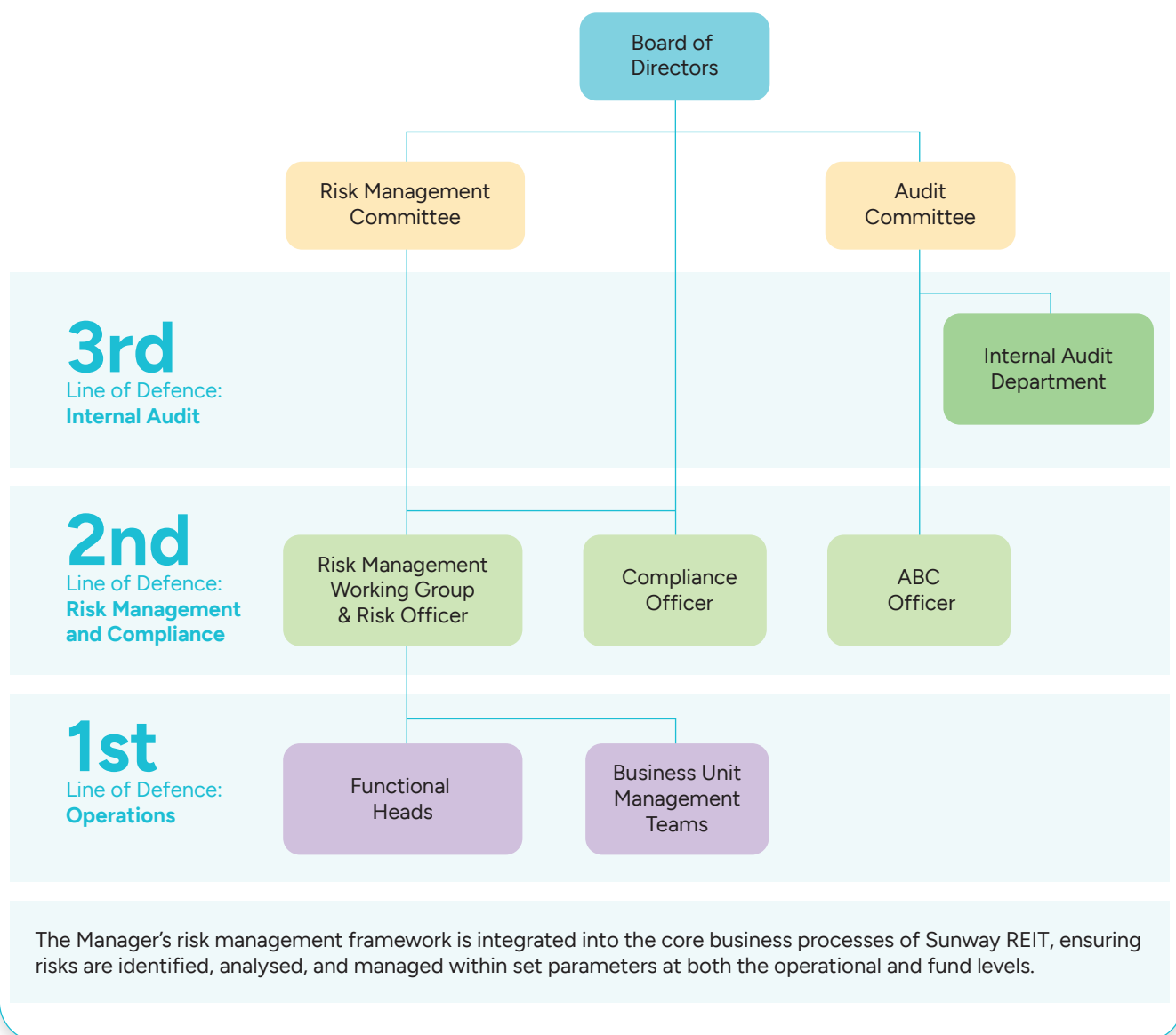
The Manager's risk management framework is benchmarked and adapted as reasonably practicable from ISO 31000:2018 Risk Management Guidelines and aims to establish an ongoing process for identifying, evaluating, and addressing risks at both operational and fund levels of Sunway REIT. All identified risks are logged in the Risk Register, enabling systematic reviews, the development of mitigation plans, and continuous monitoring. While risks can be mitigated and / or exposure reduced, risks by nature cannot be fully eliminated, especially systemic risks.

The framework primarily:

- establishes a clear governance structure with defined roles and responsibilities for risk management;
- defines the risk appetite for key business risks that could impact Sunway REIT's strategy, performance, and reputation;
- aligns risk policies with the Manager's risk appetite;
- promotes strong risk management practices; and
- ensures the availability of necessary skills, resources, and infrastructure for effective risk management.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The diagram below provides an overview of the governance structure of the Manager:



The table below provides the key risk assessment activities of Sunway REIT:

 <p><b>Strategic</b></p> <ul style="list-style-type: none"> <li>Annual business plan</li> <li>Strategy paper</li> <li>Setting risk appetite, tolerance, limit and threshold</li> </ul>	 <p><b>Enterprise-wide (Function and Business Unit)</b></p> <ul style="list-style-type: none"> <li>Half-yearly risk reports</li> <li>Updating risk assessment and rating, status of control measures and mitigation action plans</li> </ul>	 <p><b>Major Investment Proposals</b></p> <ul style="list-style-type: none"> <li>Proposal papers for acquisition and asset enhancement initiatives</li> <li>Identifying and assessing key risks and recommendation to manage the risks</li> </ul>
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The responsibility of day-to-day risk management resides with the business unit management teams and functional heads at the head office, as the risk owners.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### RISK APPETITE STATEMENT

The Board has approved the following revised risk appetite statements that reflect Sunway REIT's strategic objectives:

- Sunway REIT will continue to focus on yield-accretive investments in the existing principal market in Malaysia, together with value-enhancing asset enhancement initiatives to maintain quality assets in its portfolio.
- Sunway REIT will develop a robust and comprehensive diversified portfolio across asset classes and geographies.
- Sunway REIT will maintain sufficient liquidity to support intended cash outflows for investments.
- Sunway REIT will continue to uphold a zero-tolerance position on bribery and corruption and will strive to maintain good corporate governance principles and practices.
- Sunway REIT will uphold good ESG practices and will strive to go beyond meeting minimum regulatory compliance through persistent sustainability efforts.

The risk appetite statements are reviewed annually by the RMC in continuously balancing the risks and achievement of the business objectives of Sunway REIT.

 Risk appetite for each key risk identified are discussed in Key Business Risks section.

### Risk Management Working Group and Risk Officer

The Risk Officer communicates risk policies and procedures of the Manager to the risk champions of each business unit and is responsible for ensuring all identified risks are recorded in the risk management register to facilitate systematic review and monitoring and proper reporting to Risk Management Working Group ("RMWG") and RMC.

The RMWG comprises the CEO, CFO, Risk Officer, Compliance Officer and business unit management heads. RMWG is chaired by the CEO who holds ultimate responsibility for the implementation of the risk management practices in Sunway REIT. The CEO actively communicates the Board's expectations to the business unit management teams at the monthly management meetings and half-yearly RMWG meetings.

### Risk Management Committee

The RMC oversees the risk management framework and policies, ensuring a robust risk culture is embedded throughout the organization. The RMC is responsible for evaluating the risks the Board is willing to accept in achieving Sunway REIT's strategic objectives.

The RMC comprises four members, all of whom are Non-Executive Directors.

The composition of the RMC is as follows:

**1. Ng Sing Hwa – Chairman of RMC**  
(Non-Independent Non-Executive Director)

**2. Datuk Christopher Martin Boyd**  
(Senior Independent Non-Executive Director)

**3. Yeo Kar Peng**  
(Independent Non-Executive Director)

**4. Farah Suhanah Binti Ahmad Sarji**  
(Independent Non-Executive Director)

The scope of responsibilities of the RMC is outlined in its terms of reference, as approved by the Board.



Please refer to Sunway REIT's corporate website for terms of reference of the RMC.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The RMC, with the assistance of the RMWG and Risk Officer:

- evaluates and determines the nature and extent of the risks the Board is ready to endorse in pursuit of Sunway REIT's strategic objectives;
- ensures an appropriate and effective risk management framework is established and maintained; and
- reviews periodic reports on risk identification, evaluation and mitigation efforts.

The risk assessment is reported to the RMC on a half-yearly basis for deliberation. The Chairman of the RMC reports the matters arising from each committee meeting to the Board and highlights key risks that warrant the Board's attention.

Following the preliminary benchmarking against the Securities Commission Malaysia's Guidelines on Technology Risk Management presented to the RMC last year, Sunway Group Cybersecurity department has completed the following during the financial year:

- risk assessment outcome and risk treatment plan; and
- IT general control policy for adoption by the Board.



The Securities Commission Malaysia's Guidelines on Technology Risk Management was issued on 1 August 2023 and revised on 19 August 2024. The Guidelines is aimed to promote robust and sound technology risk assessment practices among capital market entities.

For the financial year, two (2) RMC meetings were held to deliberate on the following matters:

- i. the half-yearly risk reports which covered key risks identified at fund level and operation level of the main business segments of Sunway REIT, the corresponding rating for each risk and its control measures and mitigation action plans;
- ii. the revised risk parameters of Sunway REIT for impact rating in line with audit materiality and defined mobilisation team;
- iii. the risk matrix methodology in the market; and
- iv. the Statement on Risk Management and Internal Control for inclusion in the 2024 Integrated Annual Report of Sunway REIT, including the revised risk appetite statement in accordance with the recalibrated TRANSCEND 2027.

 Key risks identified are discussed in Key Business Risks section.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### KEY ELEMENTS OF THE MANAGER'S SYSTEM OF INTERNAL CONTROLS

The current system of internal controls has within it the following key elements:

- A clear vision, mission, and strategic direction, communicated to all employees.
- Comprehensive policies and procedures manuals covering various operational aspects.
- Annual business plans approved by the Board, with regular performance reviews.
- A dedicated internal audit function that provides periodic reports to the Audit Committee.
- A compliance officer ensuring adherence to regulatory requirements.

### Compliance Officer

The Manager has a designated Compliance Officer to ensure compliance with the Deed and all applicable guidelines issued by Securities Commission Malaysia and securities laws relating to Sunway REIT. The Compliance Officer monitors compliance based on the framework within the policy manual and compliance guidelines, procedures, guidance and assessment questionnaires that are in place for compliance with the Deed, Listed REIT Guidelines, Securities Commission Licensing Handbook, Capital Markets and Services Act 2007 and Bursa Listing Requirements.

### Audit Committee and Internal Audit Department

The AC, with the support of the internal audit department, is tasked by the Board with the duty of reviewing and monitoring the adequacy and effectiveness of the system of internal controls, risk management, and governance processes.

In discharging its duties, the AC relies significantly on the support of the internal audit function, which carries out internal audits based on a risk-based audit plan approved annually by the AC. Based on these audits, the AC is provided with periodic reports highlighting observations, recommendations and management action plans in order to assist AC in the effective discharge of their roles and responsibilities. In addition, the AC reviews and deliberates on any matters relating to internal controls highlighted by the external auditors in the course of their statutory audit of the financial statements.

### ASSURANCE FROM MANAGEMENT

The CEO and CFO have assured the Board that the Manager's risk management and internal controls system is operating adequately and effectively, in all material aspects, based on the risk management framework adopted by the Manager.

### REVIEW BY EXTERNAL AUDITORS

This Statement on Risk Management and Internal Control ("Statement") has been reviewed by external auditors as required by Paragraph 15.23 of Bursa Listing Requirements. The external auditors have performed limited assurance procedures on the Statement in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Integrated Annual Report*.

Based on the limited assurance procedures performed, the external auditors have reported to the Board that nothing has come to their attention which causes them to believe this Statement is not prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Guidelines, nor is factually inaccurate.

### BOARD CONCLUSION

The Board concludes that the risk management and internal controls system effectively supports the objectives of Sunway REIT. There was no material control failure or weakness during the year under review that would have material adverse effect on the results of Sunway REIT.

The Board is satisfied that the risk management and internal controls system in place, for the financial year and up to the date of approval of this Statement, is adequate and effective.

**This Statement on Risk Management and Internal Control was approved by the Board on 20 March 2025.**

## KEY BUSINESS RISKS

The Board of the Manager is committed to upholding strong risk management practices through a comprehensive risk management framework. This framework enables top-down risk oversight and bottom-up risk reporting management that facilitates risk identification, monitoring and mitigation to be implemented swiftly at the source or origin of the risk event. At Sunway REIT, risk management is integrated into the core activities and business processes to ensure that all key risks are effectively addressed to achieve financial, business and operational objectives and targets within the Board's risk appetites.

The Board is supported by the Risk Management Committee and the Risk Management Working Group. A dedicated Risk Officer collaborates with risk owners across all functional departments and business operations to ensure that all identified risks are captured in the Risk Register for systematic review and monitoring. The Risk Register is periodically updated to ensure all key risks are managed to an acceptable level.

➡ Further details on the risk management framework and risk governance structure are provided in the Statement on Risk Management and Internal Control section.

### LINKING TO MATERIAL ISSUES

Key business risks are mapped to our prioritised materials issues to ensure we understand and address stakeholders' concerns and interests, as illustrated in the diagram below:

#### Material Issues

	Risk management & regulatory compliance	Business performance	Business resilience	Occupational safety & health	Tenant satisfaction	Energy management
Business / Market	•	•	•			
Inflation	•	•	•			
Interest rate	•	•	•			
Reputational	•	•	•			
Climate change	•	•	•			•
Financing and refinancing	•	•	•			•
Liquidity / Collection	•	•	•			
Acquisition and investment	•	•	•			
Valuation	•	•	•			
Tenancy renewal	•	•	•		•	
Tenant concentration	•	•	•		•	
Property development	•	•	•	•	•	•
Cybersecurity	•		•		•	
Safety and health	•		•	•	•	
Succession and employee retention	•	•	•			
Compliance and regulatory	•		•	•		
Bribery and corruption	•		•			
Money laundering, financing terrorism, proliferation financing	•		•			
Litigation	•	•	•			

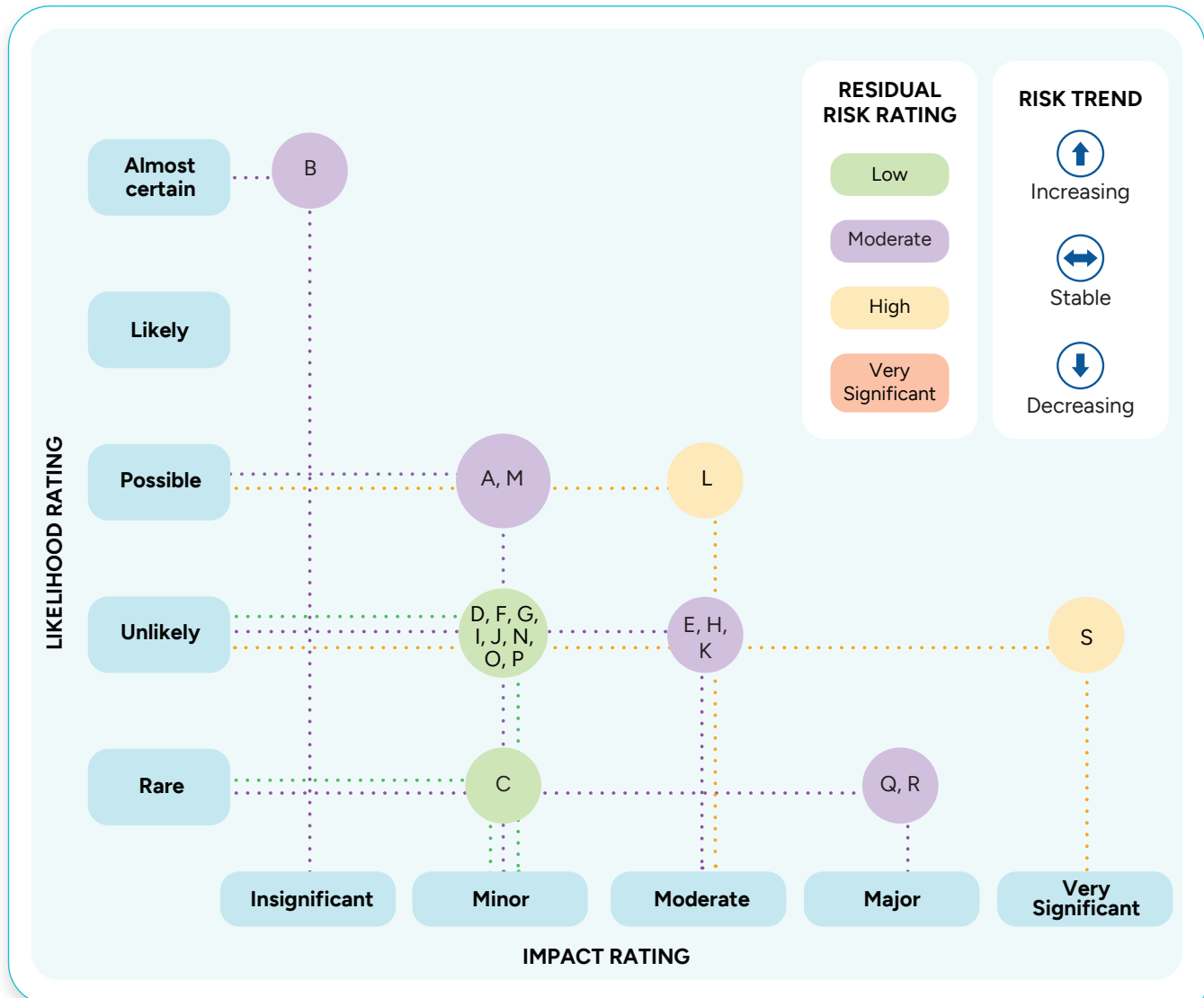
Risk Management tops the material issues for FY2024 based on the materiality assessment conducted with internal and external stakeholders of Sunway REIT. This suggests increasing awareness of the critical need for robust governance framework to mitigate risks in creating sustainable value for all stakeholders in the short, medium and long term.

In 2024, Sunway REIT continues to strengthen risk disclosures in accordance with the disclosure requirements of the National Sustainability Reporting Framework, launched in September 2024. This includes revamped risk disclosures based on the progressive alignment to the IFRS S1 and IFRS S2 global reporting standards. Sunway REIT has adopted a climate first approach with physical and transition climate risks disclosures covered in SR 2024.

## KEY BUSINESS RISKS

### RISK PROFILE

The table below summarises the key risks identified by Sunway REIT using the perspectives of likelihood of occurrence and severity of impact of the risk event.



No	Risk	
A	Business / Market	↔
B	Inflation	↔
C	Interest rate	↓
D	Reputational	↔
E	Climate change	↔
F	Financing and refinancing	↔
G	Liquidity / Collection	↔
H	Acquisition and investment	↔
I	Valuation	↓
J	Tenancy renewal	↓

No	Risk	
K	Tenant concentration	New
L	Property development	↔
M	Cybersecurity	↔
N	Safety and health	↔
O	Succession and employee retention	↓
P	Compliance and regulatory	↔
Q	Bribery and corruption	↔
R	Money laundering, financing terrorism, proliferation financing	New
S	Litigation	↔

## KEY BUSINESS RISKS

Most of the key risks remained stable during the financial year except for interest rate risk, valuation risk, tenancy renewal risk and succession and employee retention risk.

Bank Negara Malaysia ("BNM") has maintained the OPR at 3.00% throughout 2024, a level held since the OPR was raised from 2.75% to 3.00% back in May 2023. BNM suggests that the monetary policy stance remains supportive of the economy with the current assessment of inflation and growth prospects. Interest rate risk has therefore turned benign.

Valuation risk trended lower with the improvement in business performance coupled with the approval for extension of leasehold period to 99 years for two of Sunway REIT's properties, namely Sunway Carnival Mall and Sunway Hotel Seberang Jaya.

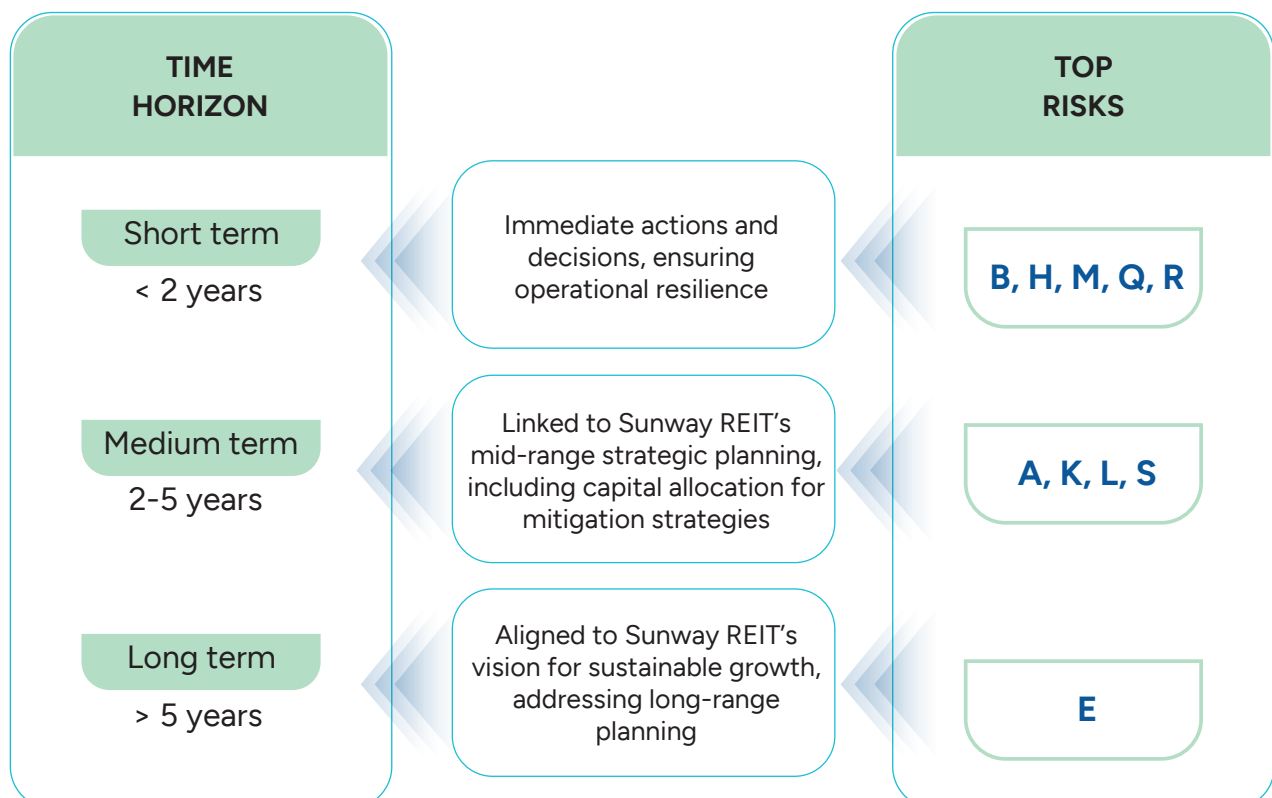
Sunway REIT continued to record tenancy renewal of above 90% in FY2024, reducing the risk of non-renewal. Clustering strategy has been implemented to ensure sufficient human resources to manage the operation of newly acquired properties.

Two new risks were identified during the financial year, namely tenant concentration risk and money laundering, financing terrorism and proliferation financing risk. Tenant concentration risk arose from the acquisition of six Sunway REIT Hypermarkets in April 2024 with the rental contribution of 5% on overall Sunway REIT's revenue. In June 2024, Securities Commission revised the Guidelines on the Prevention of Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing, and Targeted Financial Sanctions for Reporting Institutions in the Capital Market, requiring persons carrying on regulated activities or registered under the Capital Markets and Services Act 2007 to perform risk-based approach assessments.

## TOP RISKS

The Board prioritises the top business risks (ranging from High to Moderate residual risk rating) for monitoring over the expected time horizon in line with the Board's risk appetites.

Sunway REIT applies three time horizons in monitoring of the top risks, which are short term, medium term and long term horizons.



## KEY BUSINESS RISKS

### Property Development Risk

The risk of higher completion costs and financial loss due to delay in completion.

#### Risk Appetite

Property development activities and asset enhancement initiatives are undertaken to ensure long-term sustainability and relevancy of the properties of Sunway REIT.

#### Risk Level

High

#### Time Horizon

Medium term

#### Risk Trend



#### Risk Owner

- Chief Executive Officer
- Head of Contracts & Project Management
- Heads of Business Units

#### Opportunities


Enhancing the properties through latest offerings and digital innovation to stay ahead of the competition.

#### Mitigation

- Experienced and qualified team of project managers, contractors and consultants.
- Periodic status meetings between project managers, contractors, consultants, operation team and tenants.
- Award of major projects based on tenders.
- Early tender and/or award.
- Value engineering during design and tender stage

### Highlights in 2024

- The redevelopment of Sunway Pier into a retail-centric tourist attraction has commenced in October 2024 with target completion in 2027.
- The refurbishment of Oasis wing of Sunway Pyramid Mall was completed on time on 1 November 2024.
- Phase 2 refurbishment of Sunway Carnival Mall is ongoing with phased completion between early 2024 to June 2025.

 For more information on the planned property development activity and asset enhancement initiatives, please refer to Retail Segment section.

## KEY BUSINESS RISKS

**Litigation Risk****The risk of loss of assets and financial impacts due to litigation.****Risk Appetite**

Sound legal advice and legal representation by reputable legal counsel to ensure the unitholders' interests and assets are safeguarded.

**Risk Level**

High

**Time Horizon**

Medium term

**Risk Trend****Risk Owner**

- Chief Executive Officer
- Compliance Officer

**Opportunities**


Protecting the assets that are rightfully and legally belonged to Sunway REIT.

**Mitigation**

- Experienced team of litigation lawyers and independent experts.
- Appropriate strategy led by the Senior Management Team.
- Proper storage of documentation and evidence that supported the case in terms of quantity, identity and value of items claimed.
- Periodic status meetings were held with lawyers, experts and internal teams to discuss new findings and re-evaluate the appropriateness of the strategy and evidence.

**Highlights in  
2024**

- The High Court delivered its judgment on the assessment of damages for conversion payable by Sunway REIT on 12 November 2024 totalling RM8.1 million ("Judgment Sum"). The Judgment Sum was paid by Sunway REIT on 13 December 2024. The case has subsequently been brought to the Court of Appeal.

 For more information on material litigation, please refer to Note 33 of the Audited Financial Statements section.

## KEY BUSINESS RISKS

### Business / Market Risk

The risk of decline in performance and profit due to pandemic outbreaks, competition, geographical concentration and political and economic uncertainties.

#### Risk Appetite

The Manager continuously seek to innovate, diversify and keep the business of Sunway REIT relevant.

#### Risk Level

Moderate

#### Time Horizon

Medium term

#### Risk Trend



#### Risk Owner

- Chief Executive Officer
- Heads of Business Units

#### Opportunities


Embarking on a diversified portfolio of asset classes and asset enhancement initiatives to maintain the stability of the income base and to capture the emerging trends and sectors.

#### Mitigation

- Diversified property portfolio to mitigate the risks of weaker performance in certain property subsectors.
- Collaboration with the Sponsor to leverage and maximise the operational and business synergies with the surrounding developments within the townships that are master-planned and developed by the Sponsor.
- Continuous assessment of potential asset enhancement initiatives to refresh the properties and maintain their competitiveness.
- Recalibrated TRANSCEND 2027 strategy with renewed emphasis on domestic opportunities and focused growth in retail segment.

### Highlights in 2024

- Malaysia's economy expanded by 5.1% in 2024, surpassing the Government's initial forecast range of 4% to 5% announced in Budget 2024.
- Retail Group Malaysia reported a full year growth in retail sales of 3.8% for 2024, supported by the increase in consumer spending in line with a growing economy and low unemployment rate.
- According to the Ministry of Tourism, Arts and Culture, Malaysia welcomed approximately 25.0 million tourists during 2024, reflecting a 24.4% increase compared to 2023. China and India tourists registered a strong recovery supported by visa exemption and direct charter flights.
- Office sector in Malaysia is anticipated to see a continued increase in incoming supply, focusing on green certified buildings.
- The Board has recalibrated TRANSCEND 2027 strategy in view of the rapidly changing environment post pandemic.

 For more information on the market overview of the core segments of Sunway REIT, please refer to the Property Market Insights section.

## KEY BUSINESS RISKS

**Inflation Risk**

The risk of increase in the cost of doing business with the rising food, energy and commodity prices.

**Risk Appetite**

The Manager anticipates foreseeable events based on statistical data, federal budget and estimates in order to reduce inflation impacts where possible, recognizing these as external forces which are non-controllable.

**Risk Level**

Moderate

**Time Horizon**

Short term

**Risk Trend****Risk Owner**

- Chief Executive Officer
- Heads of Business Units

**Opportunities**


- Providing alternative choices at a lower cost.
- Optimising the energy consumption and converting to solar energy where possible.

**Mitigation**

- Adopt different procurement methodologies based on price submission for cost savings.
- Study and use of alternatives materials and substitutes.
- Expand pool of suppliers to ensure cost competitiveness.
- Combined volume across all malls and offices for better cost efficiency via consolidation lock rate or contract consolidation.
- Adopt value engineering to optimise project costs.

**Highlights in  
2024**

- The Consumer Price Index for 2024 recorded an annual inflation rate of 1.8%, moderating from 2.5% in 2023.
- Inflation in 2025 is expected to remain manageable at a range between 2.0% and 3.5%, due to upcoming domestic policy changes as announced in the Budget 2025 including targeted RON95 subsidies, expanded scope of the Sales and Service Tax and potential increase in base electricity tariff for Peninsular Malaysia by 14.2% starting 1 July 2025.

 For more information on the economic outlook, please refer to Macroeconomic Highlights section.

## KEY BUSINESS RISKS

### Climate Change Risk

- **Physical risk:** The risks of climate events (e.g. sea level rise, flash / riverine flooding and direct rainfall damage) that will physically damage Sunway REIT's properties and operations.
- **Transition risk:** Financial and operational challenges from the shift to a low-carbon economy, driving by evolving policies, technologies, market and stakeholder expectations.

#### Risk Appetite

The Manager conducts due diligence on new investments and monitors the exposure to existing properties. Sunway REIT remains committed to advancing sustainability agenda and are guided by Sunway REIT's overarching Net Zero Carbon Emissions 2050 roadmap to transition towards low-carbon economy.

#### Risk Level

Moderate

#### Time Horizon

Long term

#### Risk Trend



#### Risk Owner

- Chief Executive Officer
- Heads of Business Units
- Head of Sustainability

#### Opportunities

- Reduction in operating costs by improving efficiency in energy, water, waste and materials management.
- Acquire properties that have low physical risk or have adequately mitigated potential physical risk.

#### Mitigation

- Established 2030 sustainability goals with annual scorecard, which includes Goal 1: Transforming Our Portfolio to Low-Carbon Assets.
- Established 10-year Green Building Roadmap.
- Incorporated sustainability key performance indicators into the performance evaluation of senior management.
- Implemented Sunway Green Lease Partnership Programme, an initiative to reduce environmental impact.
- Retrofit properties with more efficient systems to improve efficiency and reduce wastage.
- Perform climate risk assessment as part of acquisition due diligence.

### Highlights in 2024

- Sunway REIT has achieved its targets set for both solar energy generation and building energy intensity for 2024.
- A total of 8 green buildings or 37% of total gross floor area under management are green-certified.
- More than 90% of Retail and Office tenants participated in the Green Lease Partnership Programme.
- BDO PLT was appointed to provide limited assurance in connection with validation of greenhouse gas ("GHG") emissions in line with National Sustainability Reporting Framework launched on 24 September 2024.

➡ For more information on on-going initiatives, target and achievement of sustainability targets, please refer to SR 2024.

## KEY BUSINESS RISKS

**Acquisition and Investment Risk**

The risk of properties being not yield-accretive and distorting the existing portfolio yield.

**Risk Appetite**

Acquisition and investment proposals are reviewed in accordance to the investment framework to ensure all proposals are yield accretive.

**Risk Level**

Moderate

**Time Horizon**

Short term

**Risk Trend****Risk Owner**

- Chief Executive Officer
- Head of Business Development

**Opportunities**


Developing a robust and comprehensive diversified portfolio across asset classes and geographies.

**Mitigation**

- Evaluation of proposals against a set of approved investment criteria to ensure the acquisition or investment is both yield- and DPU-accretive.
- The Investment Appraisal Working Group to review the proposals prior to recommendation to the Board and the Trustee.
- Due diligence by business development team, advisers and/or consultants prior to acquisition or investment.
- Risk assessment on operations, leasing, funding and compliance, where applicable, for major investment proposals.

**Highlights in  
2024**

- On 30 April 2024, Sunway REIT completed the acquisition of six hypermarkets/retail complexes for a cash consideration of RM520 million with initial yield of 8.0%.
- On 9 October 2024, Sunway REIT completed the acquisition of Sunway 163 Mall for a cash consideration of RM215 million with initial yield of 6.5%.
- On 24 October 2024, Sunway REIT completed the acquisition of Sunway REIT Industrial – Prai for a cash consideration of RM66.8 million with initial yield of 7.0%.
- On 30 December 2024, Sunway REIT completed the acquisition of Sunway Kluang Mall for a cash consideration of RM158 million with initial yield of 6.8%.

 For more information on the acquisitions, please refer to Retail Segment section and Services, Industrial & Others Segment section.

## KEY BUSINESS RISKS

### Tenant Concentration Risk

The risk of key tenants not renewing resulting in significant income loss and low occupancy.

#### Risk Appetite

Sunway REIT aim to diversify the tenant mix and reduce tenancy concentration of the properties of Sunway REIT.

#### Risk Level

Moderate

#### Time Horizon

Medium term

New  
Risk

#### Risk Owner

- Heads of Business Units
- Heads of Leasing

#### Opportunities


Enhancing the tenancy mix in line with market trends and latest retail developments.

#### Mitigation

- Experienced Business Unit Management Teams with periodic meetings to address issues highlighted at property level.
- Proactive interaction with tenants and lessees on their operational needs and support to grow their business, as well as obtaining feedback on building specifications and services.
- Early engagement with tenants and lessees on renewal of tenancies.
- Leverage on the positive attributes of the hypermarkets / retail complexes as well as the Manager's track record in mall management to secure new tenants.

### Highlights in 2024

- The lessee for Sunway REIT Hypermarkets has extended the lease for a further 15 years to 2039 for Kinrara Property and Putra Heights Property.
- As for Klang Property, Ulu Kelang Property and Plentong Property, the break options are waived and hence, the leases have been extended to December 2030.
- On USJ Property, the lessee has given commitment to continue the lease until August 2028. Preliminary plans for this property include managing the hypermarket with expertise from the retail team or divesting the hypermarket to Sponsor for potential redevelopment.

 For more information on top 10 tenants, please refer to Segmental Highlights section.

## KEY BUSINESS RISKS

**Cybersecurity Risk**

**The risk of operational disruptions and loss of confidential data due to cyberattacks on the IT system.**

**Risk Appetite**

Sunway REIT employs IT heavily in operations for efficiency. Cybersecurity is vital to ensure no disruption to business operation and loss of assets of Sunway REIT.

**Risk Level**

Moderate

**Risk Owner**

- Chief Executive Officer
- Heads of Business Units
- Sunway Group Chief Information Security Officer

**Opportunities**

- Embracing innovation through new technologies in operation.
- Increased dependence on IT systems and management of information are inevitable as data is collected to predict behaviours and trends.

**Time Horizon**

Short term

**Mitigation**

- Maintained an IT security framework that addressed evolving IT security threats such as hackers, intelligent malware and advanced viruses.
- Maintained a dedicated team of IT experts to keep abreast of the latest developments, innovations and threats in technology and to assess their impacts and risks.
- Conducted training, including annual compliance and assessment exercises, to educate users and heighten their awareness to cyber threats.
- Maintained a cyber threat incident response protocol and a disaster recovery plan with annual testing.

**Risk Trend****Highlights in  
2024**

- IT practices were reviewed and audited by the external auditors, Internal Audit Department ("IAD") and SIRIM, during the financial year.
- SC had, on 19 August 2024, revised the Guidelines on Technology Risk Management. Sunway REIT's Technology Risk Management Committee was set up to execute all requirements and corrective actions under the guidelines. IAD has performed review on Sunway REIT's compliance to the Guidelines on Technology Risk Management.
- A new IT general control policy was approved in November 2024 to protect Sunway REIT's information and systems from unauthorised access, use, disclosure, disruption, modification or destruction.

⇒ For more information on cybersecurity measures undertaken for Sunway REIT, please refer to Securing Digital Landscape section in SR 2024.

## KEY BUSINESS RISKS

### Bribery and Corruption Risk

The risk of bribery and corruption by employees of the Manager, Business Unit Management Teams and business partners.

#### Risk Appetite

Sunway REIT has a zero tolerance on bribery and corruption.

#### Risk Level

Moderate

#### Risk Owner

- Chief Executive Officer
- Anti-Bribery and Corruption Officer
- Heads of Business Units

#### Opportunities

- Reduces extravagant cost spending out of market norms.
- Transparent and fair business conduct.

#### Mitigation

- The Anti-Bribery and Corruption ("ABC") Policy was approved on 19 May 2020. The policy is applicable to all Sunway REIT's business associates and employees of the Manager, covering gifts, entertainment and hospitality benefits, donations, sponsorships, corporate responsibilities, facilitation payments and kickbacks.
- Set the tone from the top – zero tolerance for bribery and corruption.
- All employees of the Manager are required to complete mandatory e-training programmes on the Anti-Bribery and Corruption Policy and the Code of Conduct and Business Ethics and declaration of conflict of interest.
- Annual anti-bribery and corruption review included in the audit plan of the Internal Audit Department to ensure compliance.
- Annual ABC compliance monitoring by Sunway Group Risk and Compliance Department, benchmarked against the Guidance on Good Practice and the Checklist for Adequate Procedure issued by Transparency International Malaysia.
- ABC declaration and questionnaire included as part of the due diligence review of business partners.

#### Time Horizon

Short term

#### Risk Trend



### Highlights in 2024

- The ABC compliance monitoring for the Manager and business units at properties' level were completed by the Anti-Bribery and Corruption Officer during the financial year.
- In 2024, there were zero reported cases of bribery and corruption.

## KEY BUSINESS RISKS

**Money Laundering, Financing Terrorism and Proliferation Financing Risk**

The risk of Sunway REIT's businesses from being used as a conduit for money laundering, terrorism financing or proliferation financing activities.

**Risk Appetite**

Sunway REIT strongly objects to all practices related to money laundering, including dealing in the proceeds of criminal activities, terrorism financing and proliferation financing.

**Risk Level**

Moderate

**Risk Owner**

- Chief Executive Officer
- Heads of Business Units

**Opportunities**

- Strengthen money laundering governance.
- Transparent and fair business conduct.

**Time Horizon**

Short term

**Mitigation**

- The Money Laundering, Countering Financing of Terrorism and Countering Proliferation Financing Policy (revised and renamed from Anti-Money Laundering Policy) was approved on 15 August 2024. The policy is applicable to all Sunway REIT's employees of the Manager and Business Units.
- Quarterly compliance reporting by Compliance Officer.
- All employees of the Manager and Business Units undergo training on the Money Laundering, Countering Financing of Terrorism and Countering Proliferation Financing Policy.
- Due diligence is performed on potential or new customers, on existing customers during renewal of tenancies / leases and when in doubt.
- The compliance is subject to periodic review by the Internal Audit Department.

New  
Risk

**Highlights in  
2024**

- The Anti-Money Laundering Policy was revised and renamed during the financial year in accordance with revised Securities Commission's Guidelines on Prevention of Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing and Targeted Financial Sanctions for Reporting Institutions in the Capital Market.
- AML/CFT/CPF Compliance Officer was appointed for business units with application of risk-based approach risk assessment on money laundering.

# 5 | SOCIAL & RELATIONSHIP CAPITAL



Social & Relationship Capital comprises the enduring relationships cultivated with Sunway REIT's stakeholders, fostering trust with the investors, communities, business partners and stakeholders. It is rooted in Sunway REIT's shared values and behaviours, underpinning its social license to operate. The strategy for managing Social & Relationship Capital is centred on proactive engagement with stakeholders and investors through transparent, timely and effective communication and disclosure.

Investments into Social & Relationship Capital include marketing and branding activities, stakeholder engagements as well as high-impact social related projects and programmes including corporate social responsibility ("CSR") activities. The values generated include brand equity (and other brand values), stronger social relationships with key stakeholders including governmental / regulatory stakeholders and providers of capital.

Specifically, Sunway REIT has looked to focus on tenant acquisition and retention strategies designed to deliver tenant confidence and satisfaction. At the heart of the tenant management approach is tenant screening, selection and the development of individualised profiles to cater to the specific requirements of Grade A tenants. The outcome of this strategic approach is the continued achievement of high occupancy rates across all properties.

**SUNREIT**  
**Stock code: 5176**





Unit Price<sup>1</sup>  
**RM1.85**

**20.1% y-o-y**

Market Capitalisation<sup>1</sup>  
**RM6.3 billion**

<sup>1</sup> As at 31 December 2024

Premium-to-NAV	<b>22.1%</b>
Unitholders	<b>&gt; 32,000</b>
Research Coverage	<b>15</b>
One-on-one and Group meetings	<b>26</b>
Analyst briefings, investor conferences and property tours	<b>8</b>

 <p>Comprising the diverse network of relationships and engagements with various stakeholders that impact social license to operate. The strategy for managing Social &amp; Relationship Capital is centred on proactive engagement with stakeholders and investors through transparent, timely and effective communication and disclosure.</p>			
<b>Significance To Business Model</b>	Social & Relationship Capital is vital for supporting and enhancing brand equity (and other brand values), in developing an improved understanding of stakeholders and ensuring alignment with their requirements, needs and aspirations.		
<b>Dependence</b>	<b>Inputs Required</b>	<b>Outputs Generated</b>	<b>Actions Taken To Enhance This Capital</b>
  	<p><b>34</b> investor-related engagements</p> <p><b>1 Investor Day</b> in December 2024</p> <p><b>1 townhall</b> for fixed income investors for issuance of sustainability-linked MTN in June 2024</p> <p><b>1</b> REIT-level CSR activity</p> <p>Various stakeholder engagement strategies</p> <p>Building strong and trust-based relationships with tenants</p> <p>Adherence to social regulatory compliance</p> <p>Participation and contribution to CSR activities</p> <p>Green Lease Partnership Programme</p>	<p>Unit price improved <b>20.1%</b> y-o-y</p> <p>Highest amongst M-REITs: <b>15</b> research coverage</p> <p><b>87%</b> Buy calls from analysts</p> <p>Increased unitholders to <b>&gt;32,000</b></p> <p>Attracted strong interest from over <b>15 fixed-income investors</b> for the rated SLMTN and SLPN, with book-to-cover ratios of <b>3.5 times</b> and <b>1.4 times</b> respectively</p> <p><b>1,657</b> tenancies</p> <p><b>91%</b> tenancy renewal rate</p> <p><b>Zero</b> fines for social / labour non-compliance</p> <p>Green lease participation rate:</p> <ul style="list-style-type: none"> <li>• Retail: <b>91%</b></li> <li>• Hotel: <b>100%</b></li> <li>• Office: <b>91%</b></li> <li>• Industrial and Others: <b>40%</b></li> </ul>	<p>Provide timely and transparent updates on the progress of the TRANSCEND 2027 strategy, ensuring stakeholders are informed about the Trust's medium-term vision and achievements.</p> <p>Report on the successful achievement of sustainability performance targets, demonstrating the Trust's commitment to responsible ESG practices.</p> <p>Maintain a high level of corporate governance, upholding integrity, transparency and ethical business practices across all operations.</p> <p>Implement and enforce Anti-Money Laundering, Counter Terrorism Financing and Counter Proliferation Financing Policy as well as Sustainability Procurement Policy, strengthening trust with stakeholders and reinforcing a commitment to ethical business conduct.</p> <p>➡ Kindly refer to the Stakeholder Engagement section for more information.</p>

Legend:



Financial



Portfolio



Human



Intellectual



Social &amp; relationship



Natural

Wide tenant base with

**1,657**  
tenancies

**100%**

suppliers completed supplier  
risk assessment form

**87%**

Buy calls from the analysts

Extension of REIT's annual report submission  
deadline from 2 months to

**4 months**

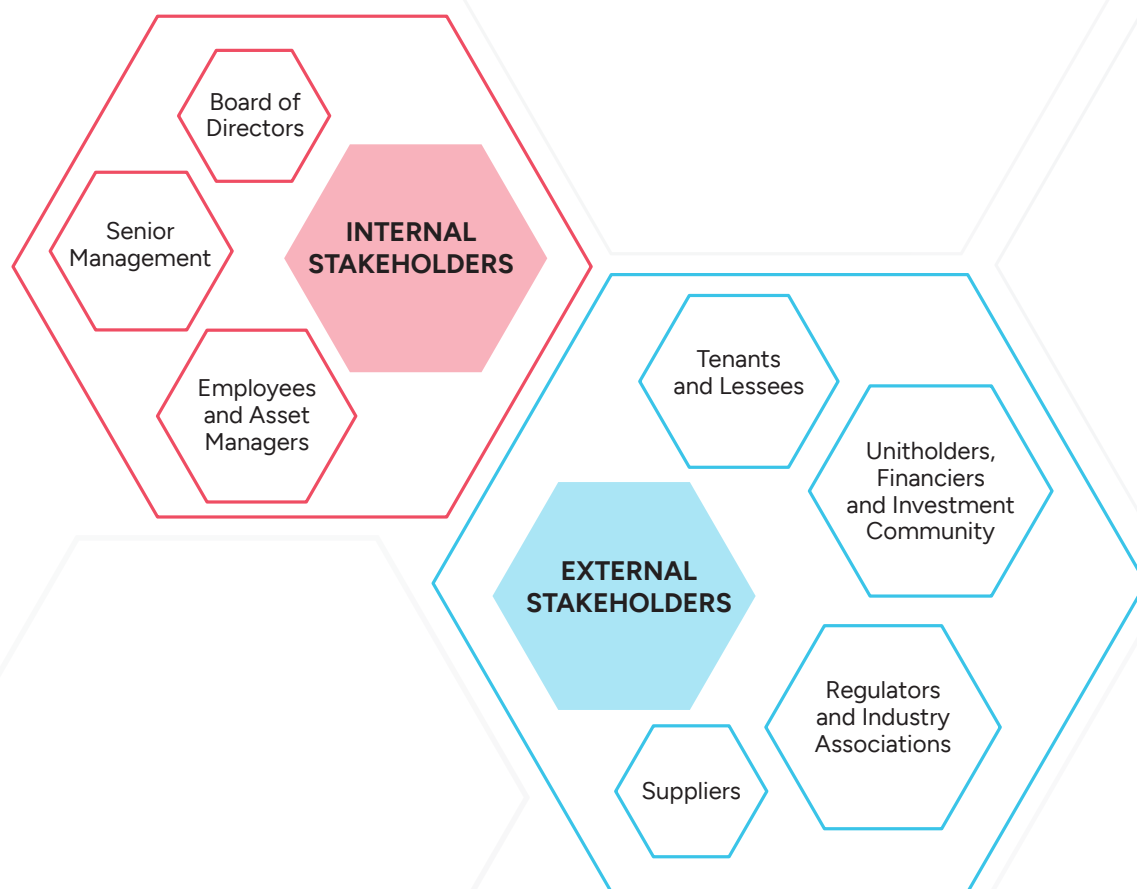
after its financial year end, granted by Securities  
Commission Malaysia in February 2024

## STAKEHOLDER ENGAGEMENT

A fundamental aspect of Sunway REIT's approach to value creation is the management of stakeholders, both internal and external, towards leveraging their perspectives and insights and where relevant, their expertise and capabilities to realise the set goals and objectives.

While stakeholder engagement is customarily undertaken by organisations from a compliance or risk management perspective, Sunway REIT views the opportunity for engagement as a proactive strategy for meaningful communication and dialogues towards leveraging the unique knowledge of each stakeholder group in the development of financial, business and operational strategies.

In essence, each of the identified stakeholder groups contributes to Sunway REIT's Social & Relationship capital, enabling effective risk mitigation and providing a wide range of business centric opportunities that include increasing brand awareness and appeal, enhancing market traction, developing stronger tenant insights and profiles, ensuring a continued high level of regulatory compliance and in optimising the inherent talents, capabilities and insights of internal stakeholders.



Apart from the seven identified stakeholders as above-mentioned, Sunway REIT proactively engaged the Media by leveraging the resources and expertise of the Sponsor's Group Brand Marketing and Communications department. This collaboration enabled Sunway REIT to enhance its visibility and strengthen its brand presence across various media platforms. By working closely with the department, Sunway REIT was able to strategically craft compelling narratives, generate media coverage and

effectively communicate key initiatives, developments and performance to a broader audience, fostering a positive public perception and reinforcing its market position.

As part of the strategic approach to stakeholder management, Sunway REIT has developed distinctive engagement strategies and focus areas for each stakeholder group. This includes identification of stakeholders' concerns and relevant material topics as well as engagement channels.

## STAKEHOLDER ENGAGEMENT

## Legend:

Frequency of Engagement



Quarterly



Annually









Ongoing



As required

**Board of  
Directors****Objectives**

As the highest decision-making body of Sunway REIT, the Board must be informed and empowered through regular engagement mechanisms that enable effective governance and stewardship. Engagement through meetings and the provision of strategic information facilitates the Board's fiduciary role as provided for in its Board Charter and the respective Terms of Reference of Board Committees. In essence, an informed and empowered Board ensures alignment between the Trust's strategy and its long-term goals.

Stakeholder Expectations	Engagement Platforms	Outcomes / Values Created
<ul style="list-style-type: none"> <li>• Business performance</li> <li>• Strategy implementation</li> <li>• Robust corporate governance</li> <li>• Sustainability-related initiatives</li> </ul>	<ul style="list-style-type: none"> <li> Board meetings</li> <li> TRANSCEND 2027 strategy monitoring</li> <li> Annual General Meeting</li> <li> Unitholders' Meeting</li> <li> Regular Board of Directors trainings</li> </ul>	<ul style="list-style-type: none"> <li>• Proliferation and strengthening of governance mechanisms, oversight of risks and enabling greater independence in decision making. This includes oversight of sustainability risks and opportunities</li> <li>• Enhanced financial oversight including audit and assurance matters</li> <li>• Safeguarding of unitholders and minority interest</li> <li>• Driving long-term sustainable growth and enhancing unitholders' value</li> <li>• Continuous development of the Board's skills and capabilities in tandem with the evolving external operating environment</li> <li>• TRANSCEND 2027 was revised as a result of ongoing monitoring and was adopted by the Board on 15 August 2024</li> </ul>
Key Metrics	Material Issues	
<b>Female representation on Board</b> FY2024: <b>43%</b> (FY2023: 43%)	<ul style="list-style-type: none"> <li>• Business performance</li> <li>• Corporate governance &amp; transparency</li> <li>• Business resilience</li> </ul>	
<b>Awards and recognitions for corporate governance and sustainability</b> FY2024: <b>9 awards</b> (FY2023: 5 awards)	 For further information on material matters, kindly refer to SR 2024.	

## STAKEHOLDER ENGAGEMENT



### Senior Management

#### OBJECTIVES

Specific engagement plans are implemented throughout the financial year to ensure Senior Management is abreast of strategic goals and targets and are provided the resources and support to achieve financial, business and operational objectives. Senior Management develops and executes business plans and hence is integral to the value creation process and the effective management of Sunway REIT.

Stakeholder Expectations	Engagement Platforms	Outcomes / Values Created
<ul style="list-style-type: none"> <li>• Business performance</li> <li>• Strategy implementation</li> <li>• Robust corporate governance</li> <li>• Sustainability-related initiatives</li> <li>• Talent management and development</li> <li>• Employee satisfaction</li> </ul>	<ul style="list-style-type: none"> <li> Management monthly meetings</li> <li> TRANSCEND 2027 strategy monitoring</li> <li> Training and development</li> </ul>	<ul style="list-style-type: none"> <li>• Setting the Trust's direction, monitoring performance and facilitating collaboration across the Trust to ensure continuous improvement and achievement of strategic goals.</li> <li>• Achievement of financial and non-financial outputs and outcomes</li> </ul> <p> For more information, kindly refer to the Value Creation model section in IAR 2024.</p>
Key Metrics	Material Issues	
<b>NPI</b> FY2024: <b>RM570 million</b> (FY2023: RM527 million)	<ul style="list-style-type: none"> <li>• Corporate governance &amp; transparency</li> <li>• Business performance</li> <li>• Risk management &amp; regulatory compliance</li> </ul> <p> For further information on material matters, kindly refer to SR 2024.</p>	
<b>DPU</b> FY2024: <b>10.0 sen</b> (FY2023: 9.3 sen)		







## STAKEHOLDER ENGAGEMENT



## Employees and Asset Managers

### OBJECTIVES

Employees are responsible for the effective execution of business and operational plans. Engagement is essential in strengthening staff morale, in providing clear direction on job roles and responsibilities, including desired outcomes and in improving the ability to hire and retain the workforce. Engagement also provides opportunities to better ascertain various talent related issues and challenges and ultimately, effective resolution.

Stakeholder Expectations	Engagement Platforms	Outcomes / Values Created
<ul style="list-style-type: none"> <li>• Career development and progression</li> <li>• Fair remuneration</li> <li>• Work-life balance</li> <li>• Safe and conducive workplace</li> </ul>	<ul style="list-style-type: none"> <li> Performance planning and review</li> <li> Employee engagement survey</li> <li> Team building</li> <li> Group and one-on-one engagement sessions</li> <li> Training sessions</li> </ul>	<ul style="list-style-type: none"> <li>• Provide annual performance reviews for all employees in a fair manner</li> <li>• Promote employee health and well-being, understand and act on employees' needs and well-being</li> <li>• Upskill and reskill employees through investment in learning and development</li> <li>• Establish Occupational Health, Safety and Environmental ("OHSE") Policy to provide a safe and healthy work environment</li> </ul>
Key Metrics	Material Issues	
<p><b>Employee retention rate</b> FY2024: <b>83%</b> (FY2023: 74%)</p> <p><b>No. of learning hours per employee</b> FY2024: <b>38 hours</b> (FY2023: 35 hours)</p>	<ul style="list-style-type: none"> <li>• Corporate governance &amp; transparency</li> <li>• Talent development &amp; retention</li> <li>• Waste &amp; pollution management</li> </ul> <p> For further information on material matters, kindly refer to SR 2024.</p>	





## STAKEHOLDER ENGAGEMENT



### Tenants and Lessees

#### OBJECTIVES

Engagement is part of the strategy in driving tenants and lessees' satisfaction and thus retention. This goes towards supporting rental yields, notably in the medium and long-term horizons. Understanding tenants and lessees' requirements also ensures that all assets continue to be relevant in tandem with market shifts and preferences.

Stakeholder Expectations	Engagement Platforms	Outcomes / Values Created
<ul style="list-style-type: none"> <li>Regular maintenance schedules</li> <li>Sustainability-related initiatives</li> <li>High-quality facilities</li> <li>Provide responsive customer service</li> <li>Address maintenance concerns promptly</li> </ul>	<ul style="list-style-type: none"> <li> Tenant satisfaction survey</li> <li> One-on-one engagement sessions</li> <li> Newsletters and regular updates</li> <li> Community engagement activities</li> </ul>	<ul style="list-style-type: none"> <li>Regular property maintenance and management</li> <li>Collaborative efforts with tenants on sustainable practices</li> <li>Incorporated green lease clauses in tenancy agreements</li> <li>Upgrading properties to achieve green building certifications</li> <li>Creating a healthier and more sustainable environment for tenants and their customers</li> </ul>

Key Metrics	Material Issues
<p><b>Average occupancy rate</b> FY2024: <b>Retail 98% Hotel 65% Office 83%</b> (FY2023: Retail 97% Hotel 64% Office 84%)</p> <p><b>No. of tenancies</b> FY2024: <b>1,657 tenancies</b> (FY2023: 1,344 tenancies)</p>	<ul style="list-style-type: none"> <li>Tenant satisfaction</li> <li>Business performance</li> <li>Risk management &amp; regulatory compliance</li> </ul> <p>➡ For further information on material matters, kindly refer to SR 2024.</p>

## STAKEHOLDER ENGAGEMENT











### Unitholders, Financiers and Investment Community

#### OBJECTIVES

Unitholders have a vested interest in Sunway REIT as they are investors who have contributed their financial capital for returns. Hence, engagement is essential in enabling unitholders to stay updated on the strategic decisions made to enhance all six capitals and to sustain and enhance financial and non-financial values.

Engaging the financiers and investment community is vital towards providing clearer perspectives on Sunway REIT's performance for the financial year as well as its funding requirements or strategy plans going forward. Such engagement instils market and investor confidence and generates positive impressions among investors, research analysts and more.

Stakeholder Expectations	Engagement Platforms	Outcomes / Values Created
<ul style="list-style-type: none"><li>Financial performance</li><li>High standards of corporate governance</li><li>Sustainability performance</li><li>Return on investment</li><li>Strategic direction to drive long-term growth</li><li>Achievements on sustainability performance targets</li></ul>	<div><div></div><div>Analyst briefings</div></div> <div><div></div><div>Media releases</div></div> <div><div></div><div>Integrated annual report and sustainability report</div></div> <div><div></div><div>Corporate website</div></div> <div><div></div><div>Investor Day, townhalls and property tour</div></div> <div><div></div><div>Annual General Meeting</div></div> <div><div></div><div>Unitholders’ Meeting</div></div>	<ul style="list-style-type: none"><li>Strong research coverage from 15 research houses with 13 Buy calls</li><li>Enlarged unitholders base to more than 32,000 unitholders</li><li>Provide status updates on TRANSCEND 2027 strategy</li><li>Report on the achievements of sustainability performance targets</li><li>Structured 98% of the borrowings with sustainable finance mechanism</li></ul>
Key Metrics		Material Issues
<p><b>Total return</b> FY2024: <b>25.5%</b> (FY2023: 11.5%)</p> <p><b>No. of unitholders</b> FY2024: <b>32,320 unitholders</b> (FY2023: 31,554 unitholders)</p>		<ul style="list-style-type: none"><li>Corporate governance &amp; transparency</li><li>Business resilience</li><li>Business performance</li></ul> <p> For further information on material matters, kindly refer to SR 2024.</p>





## STAKEHOLDER ENGAGEMENT



### Regulators and Industry Associations

#### OBJECTIVES

Engagement enables an improved understanding of existing and new regulatory requirements which goes towards ensuring continued compliance. Regular collaboration with industry associations provides opportunities for collective industry lobbying as well as the ability to influence industry positioning on a wide range of matters and to advance industry issues or causes that will support the growth of the REIT industry in Malaysia.

Stakeholder Expectations	Engagement Platforms	Outcomes / Values Created
<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> <li>Corporate governance</li> <li>Anti-Money Laundering, Counter Terrorism Financing and Counter Proliferation Financing</li> <li>Sustainability-related guidance</li> </ul>	<ul style="list-style-type: none"> <li> Consultation papers</li> <li> One-on-one or group engagement sessions</li> <li> Conferences and webinars</li> </ul>	<ul style="list-style-type: none"> <li>Maintain a high level of corporate governance</li> <li>Implemented Anti-Money Laundering, Counter Terrorism Financing and Counter Proliferation Financing Policy</li> <li>Contribute viewpoints as a member of the Malaysian REIT Managers Association ("MRMA")</li> <li>Proactively participating in industry forums and discussions on regulatory changes</li> <li>High regulatory compliance achieved across all 28 assets</li> </ul>
Key Metrics	Material Issues	
<p><b>Number of non-compliance cases with environmental, social and economic laws and regulations</b> FY2024: Nil (FY2023: Nil)</p> <p>One of the significant engagements: <b>Extension of REIT's annual report submission deadline from 2 months to 4 months after its financial year end, granted by Securities Commission Malaysia in February 2024</b></p>	<ul style="list-style-type: none"> <li>Corporate governance &amp; transparency</li> <li>Interest rate</li> <li>Crisis management</li> </ul> <p> For further information on material matters, kindly refer to SR 2024.</p>	

STAKEHOLDER ENGAGEMENT



OBJECTIVES

Suppliers are an integral aspect of the supply chain through the provision of various products and services. Engagement promotes a reliable, compliant and progressively green or sustainable supply chain that ensures optimised procurement expenditure, minimal disruption to services and reliability and stability that strengthens Sunway REIT’s ability to execute its business model and to create value.

Stakeholder Expectations	Engagement Platforms	Outcomes / Values Created
<ul style="list-style-type: none"><li>Fair and transparent tender process</li><li>Occupational health and safety</li></ul>	<div><div>R</div>Tender interview</div> <div><div>O</div>Supplier briefing and training</div> <div><div>R</div>Supplier risk assessment form</div> <div><div>R</div>One-on-one or group engagement sessions</div>	<ul style="list-style-type: none"><li>Implemented Sustainable Procurement Policy for responsible sourcing</li><li>Collaborated closely with suppliers to ensure a clear understanding of expectations and deliverables</li><li>Conducted progress meetings with suppliers</li><li>None of the suppliers were known to have any significant actual and potential negative environmental and social impacts</li></ul>
Key Metrics	Material Issues	
<p><b>% of suppliers completed the supplier risk assessment form</b> FY2024: <b>100%</b> (FY2023: 100%)</p> <p><b>% of locally sourced suppliers</b> FY2024: <b>100%</b> (FY2023: 100%)</p>	<ul style="list-style-type: none"><li>Occupational health and safety</li><li>Risk management &amp; regulatory compliance</li><li>Materials management</li></ul> <div> For further information on material matters, kindly refer to SR 2024.</div>	

# 6 | NATURAL CAPITAL



**Natural Capital consists of the inherent resources impacted or utilised by Sunway REIT's business operations. Sunway REIT is dedicated to the efficient utilisation of land, water, and energy, while responsibly managing its environmental impacts, both direct and indirect. Sunway REIT makes conscious efforts in contributing to energy savings and reducing carbon emissions, with the ultimate goal of achieving Net Zero Carbon Emissions by 2050.**

The trade-off is the potential erosion of Natural Capital and the generation of negative values such as emissions, waste and pollution. Typically, Sunway REIT's operations do not cause scarcity of Natural Capitals, such as the usage of potable water, which reduces the overall availability of such supply to local communities.

Sunway REIT continues to take strategic action to address its environmental impacts, which include pursuing decarbonisation, focusing on waste recycling based on a circular economy model, transitioning to the implementation of more eco-friendly methods of operations and continued efforts to raise internal and societal awareness on managing its environmental footprint.

⇒ Kindly refer to SR 2024 for more information about Natural Capital.

## GREEN BUILDING CERTIFICATIONS

### RETAIL

#### Sunway Putra Mall

GOLD

GreenRE (Final)

#### Sunway Carnival Mall (New Wing)

GOLD

GreenRE (Provisional)

GOLD PLUS

Green Mark (Provisional)

#### Sunway Pier

SILVER

GreenRE (Provisional) **NEW!**

### HOTEL

#### Sunway Resort Hotel

PLATINUM

GreenRE (Final)

#### Sunway Putra Hotel

GOLD

GreenRE (Final) **NEW!**

#### Sunway Lagoon Hotel

GOLD

Green Mark (Provisional)

CERTIFIED

GBI (Provisional)

### OFFICE

#### Sunway Pinnacle

GOLD

Green Mark (Renewal)

CERTIFIED

GBI (Renewal)

### SERVICES

#### Sunway University

PLATINUM

GreenRE (Final) **NEW!**



The pursuit of resource efficiency in the consumption of natural resources and materials required in the Trust's operations. Responsibly managed the utilisation of renewable and non-renewable environmental resources including energy, water, building materials and land.

#### Significance To Business Model

Sunway REIT is dedicated to the efficient utilisation of land, water and energy, while responsibly managing its environmental impacts, both direct and indirect. Sunway REIT makes conscious efforts in contributing to energy savings and reducing carbon emissions, with the ultimate goal of achieving Net Zero Carbon Emissions by 2050.

#### Dependence

#### Inputs Required

#### Outputs Generated

#### Actions Taken To Enhance This Capital



- **217,869 MWh** energy sourced from the grid

- **12 tonnes Co<sub>2</sub>e** Scope 1 emissions



- **4,075 MWh** solar energy generation

- **59,523 tonnes Co<sub>2</sub>e** Scope 2 emissions



- **2,517,036 m<sup>3</sup>** of water consumption

- **119,989 tonnes Co<sub>2</sub>e** Scope 3 emissions



- **13,701 tonnes** of waste produced (excluding construction waste)

- **91% waste** directed to disposal



- Continued efforts to reduce environmental footprint

- **9% waste** diverted from disposal

- Identification and mitigation of climate risks

- **8 Green buildings**

Energy Management: Implement energy-efficient technologies and promote the use of solar energy to reduce energy consumption sourced from the grid; Conduct energy audits to identify areas for improvement and implement energy-saving measures.

Water Management: Diversify water sources and implement water recycling and rainwater harvesting systems to minimise freshwater usage.

Waste and Pollution Management: Implement six-level waste management hierarchy and prioritise waste prevention and reduction.

Green Building: Committed to achieving green building certifications for all properties by 2034.

Carbon Footprint Monitoring: Regularly measure and report the carbon footprint of operations and implement strategies to reduce emissions.

Value at Risk Assessment: Conduct climate risk assessment to identify vulnerabilities and develop mitigation strategies.

➡ Further information on the preservation and consumption of Natural Capital is provided in the SR 2024.

#### Legend:



Financial



Portfolio



Human



Intellectual



Social &amp; relationship



Natural

## SUSTAINABILITY GOALS 2030

## SUSTAINABILITY

GOAL  
1

## TRANSFORMING OUR PORTFOLIO TO LOW-CARBON ASSETS



Building Energy Intensity ("BEI") should **stay below the annual target set** for the respective business divisions starting from 2022



At least **40%** of electricity from renewable energy sources by 2030 (**5%** locally generated, **35%** purchased from green sources / solar farms)



**40%** waste diverted from landfills by 2030



Certify **100%** of Sunway REIT's properties as **green buildings** by 2034

## Capitals:



Natural Capital



Portfolio Capital



Social &amp; Relationship Capital

GOAL  
2

## ADVOCATING A RESPONSIBLE VALUE CHAIN



Achieve and maintain **100%** tenant participation in Sunway Green Lease Partnership Programme

## Capitals:



Natural Capital



Social &amp; Relationship Capital



## SUSTAINABILITY GOALS 2030

## GOALS 2030

GOAL  
3

## INVESTING IN COMMUNITY INCLUSIVITY



To reach out and support  
**1 million**  
beneficiaries

(Contributing to Sunway Berhad)

## Capitals:



Human Capital



Social & Relationship  
Capital

GOAL  
4

## RESPECTING ETHICAL PRINCIPLES

**MSCI**  
ESG RATINGS

CCC B BB BBB **A** AA AAA

To achieve and/or maintain  
MSCI ESG Rating of **A and  
above** by 2030



To achieve and maintain  
FTSE4GOOD Bursa Malaysia  
ESG **rating higher than country  
average (Malaysia)** by 2030



To achieve and  
maintain **GRESB** Real  
Estate Assessment  
Rating of **5-star**  
by 2030

## Capitals:



Social & Relationship  
Capital



Intellectual  
Capital



# OPERATING LANDSCAPE

- Macroeconomic Highlights
- Property Market Insights



# MACROECONOMIC HIGHLIGHTS



## Gross Domestic Product ("GDP")

In 2024, Malaysia's economy, as reported by the Ministry of Finance, expanded by 5.1% (2023: 3.6%), surpassing the Government's initial forecast range of 4% to 5% announced in Budget 2024. The growth was driven by improvements in domestic consumption, strength in investment activity, and sustained household spending. The sectors that experienced the most growth were Services, Manufacturing, and Construction. These encouraging signs highlight investors' confidence in Malaysia's strong fundamentals and resiliency. Bank Negara Malaysia credits this positive outlook to robust domestic spending driven by rising employment and income such as the increase in the minimum wage.

For 2025, the Government projects economic growth of between 4.5% and 5.5%, driven by key infrastructure projects, tourism activities, and technology. On the infrastructure front, projects such as the Rapid Transit System (RTS) Link between Johor Bahru and Singapore, as well as the East Coast Rail Link (ECRL) to name a few will greatly benefit the construction sector and subsectors. With visa-free exemptions, the 2025 ASEAN Chairmanship, and preparation for Visit Malaysia Year 2026, the tourism sector is expected to continue its robust growth.

Additionally, the federal government announced the New Investment Incentive Framework in Budget 2025, in hopes to propel Malaysia towards a high-income nation by prioritising high value sectors, mainly in digitalisation and artificial intelligence (AI). This encompasses a strategic investment fund worth RM1 billion, as well as tax incentives related to research and development on AI and talent upskilling to boost the digital economy of Malaysia.



## Unemployment Rate

The Malaysia's Department of Statistics reported that the country's unemployment rate in December 2024 was at 3.1% (2023: 3.4%), the lowest in nearly 10 years. The labour force increased to 17.32 million persons from 17.03 million in the year prior. This resulted in a growth in the labour force participation rate ("LFPR") of 70.6% in December 2024, up from 70.2% in the corresponding month a year earlier. These improvements have led to a substantial reduction in the unemployed persons to 544,300 in December 2024 from 580,700 a year earlier. The improved labour market in 2024 was driven by the strong economic growth. Sustained labour demand was seen across various sectors, particularly in the private sector which saw an increase in job opportunities.



## Consumer Price Index ("CPI")

The Consumer Price Index ("CPI") for 2024 recorded an annual inflation rate of 1.8%, moderating from 2.5% in 2023. According to Bank Negara Malaysia, lower inflation was observed for mobile communication services and RON97 petrol which was partially offset by higher inflation in food-related items, such as fresh vegetables and seafood.

Inflation in 2025 is expected to trend up at a range between 2.0% and 3.5%, due to upcoming domestic policy changes as announced in the Budget 2025, including targeted RON95 subsidies and expanded scope of the Sales and Service Tax ("SST").



## Overnight Policy Rate ("OPR")

Bank Negara Malaysia ("BNM") has maintained the OPR at 3.00% throughout 2024, a level held since they raised from 2.75% to 3.00% back in May 2023. The rate remained unchanged in March 2025 for the 11<sup>th</sup> consecutive meeting as BNM suggests that the monetary policy stance remains supportive of the economy in view of current assessment of inflation and growth prospects.

Several banks anticipate that BNM may maintain the current level of OPR throughout 2025 to align with its balanced approach of supporting economic growth while managing inflationary risks and financial stability. The central bank will continue to assess macroeconomic conditions and adjust its policy stance as necessary.

## PROPERTY MARKET INSIGHTS



### RETAIL MARKET OVERVIEW

For the entire year in 2024, Malaysia retail sales rose 3.8% year-on-year ("y-o-y"). Malaysia retail sales grew 3.5% in Q4 2024 and was weaker than the 3.8% y-o-y gain in Q3 2024, partly due to rising costs of living.

In 2025, consumers are bracing for the impact of rising living costs, including planned subsidy reductions for RON95 petrol and higher excise duties on sugar-sweetened beverages. Food-and-beverage operators in Malaysia will also be affected with the increase in operations costs as well as the weak ringgit that raises prices of raw materials and ingredients.

Retail Group Malaysia forecasts retail sales growth of 4.3% in 2025.

Source: Retail Group Malaysia, The Edge

### SUPPLY OF RETAIL SPACES

#### KLANG VALLEY

As of Q4 2024, the overall supply of shopping malls in Klang Valley increased to 80.7 million sq.ft. of retail space (Q4 2023: 79.6 million sq.ft.).

In 2024, Kuala Lumpur accounts for approximately 46% of the retail space (and Selangor with 54%) in Klang Valley.

Cumulative Supply of Retail Space in Klang Valley, 2019 - 2024



Source: NAPIC

Upcoming retail developments in Kuala Lumpur, including 8 Conlay Lifestyle Quarter, 118 Mall @ Merdeka 118 Tower, and Pavillion Damansara Heights (Phase 2) are expected to add 1.6 million sq.ft. of new retail space to the total retail supply in Klang Valley. Notably, there is no new retail supply expected in Selangor for 2025.

## PROPERTY MARKET INSIGHTS

**Future Supply of Purpose-Built Retail Space in Klang Valley:**

Retail Development	Location	Expected Completion	Estimated NLA (sq.ft.)
118 Mall (Merdeka 118 Tower)	Jalan Hang Jebat	2025	900,000
8 Conlay Lifestyle Quarter	Jalan Conlay	2025	188,000
Pavilion Damansara Heights (Phase 2)	Pusat Bandar Damansara	2025	529,000

Source: CBRE | WTW Research and Consulting

**PENANG**

As of Q4 2024, Penang's total existing supply of shopping malls recorded a moderate growth of 4.0%, rising from 20.1 million sq.ft. in Q2 2024 to 20.9 million sq.ft. The increase was largely attributed to the completion of Sunshine Mall in Air Itam, which added 820,000 sq.ft. of NLA to the market. Of this total, Penang Island accounts for 58% (circa 12.2 million sq.ft. NLA) of the total existing supply of shopping malls in Penang, while Mainland Penang accounts for the remaining 42% (circa 8.7 million sq.ft. NLA).

On the horizon, The Waterfront Shoppes Phase 1 is slated for completion in H2 2025 on Penang Island. With an NLA of 680,000 sq.ft., this shopping mall is part of The Light City, a prominent mixed-use development in Gelugor. This addition is expected to further diversify Penang's retail offerings and enhance the shopping landscape within the region.

**Future Supply of Retail Developments in Penang**

Retail Development	Location	Expected Completion	Estimated NLA (sq.ft.)
The Waterfront Shoppes (Phase 1) @ The Light City	Jelutong	H2 2025	680,000

Source: Knight Frank Research

Phase 2 of The Waterfront Shoppes (340,000 sq.ft. NLA) in Gelugor is anticipated to be completed by Q1 2026. After 2026, a few shopping malls currently under planning are expected to join Penang's retail market, such as Mitsui Outlet in Bayan Lepas (near Penang International Airport) and GEM Megamall in Seberang Jaya.

**JOHOR**

As of Q4 2024, the total cumulative shopping malls supply has reached 26.4 million sq.ft. NLA. Other incoming malls include Medini Lakeside Mall, Horizon Mall, and the Gem @ Coronation Square JBCC, which will have about 1.5 million sq.ft. of retail space in the next two years.

**Future Supply of Retail Developments in Iskandar Malaysia**

Retail Development	Location	Expected Completion	Estimated NLA (sq.ft.)
Medini Lakeside Mall	Iskandar Puteri	Completed; Opening 2025	176,455
Horizon Mall @ Horizon Hills	Iskandar Puteri	2026	150,000
The Gem @ Coronation Square	Johor Bahru City Centre	TBC	1,200,000

Abbreviation: NLA – net lettable area; sq.ft. – square feet; TBC – to be confirmed

Source: CBRE | WTW Research & Consulting

## PROPERTY MARKET INSIGHTS

## DEMAND IN RETAIL SPACE

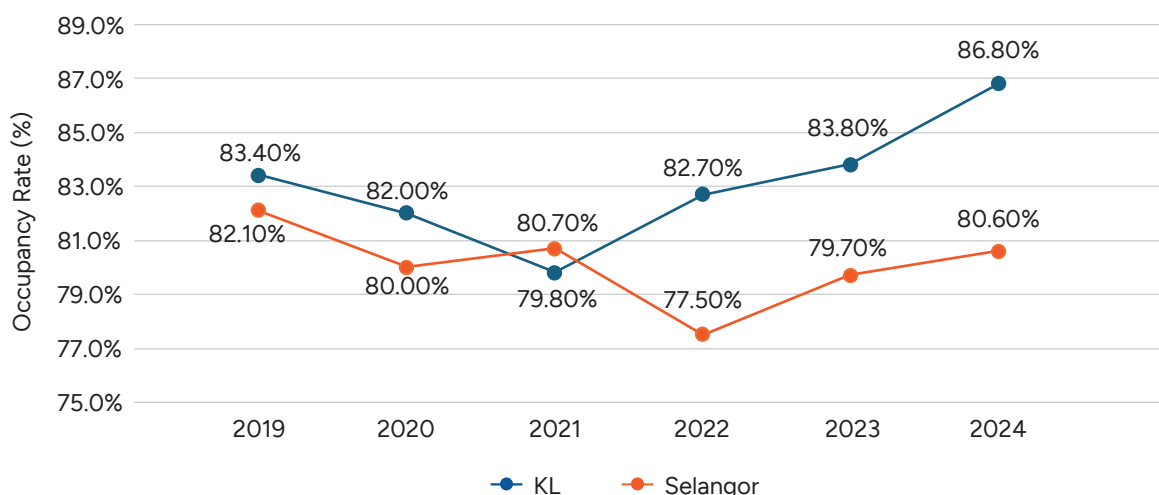
## KLANG VALLEY

Retail space occupancy rates in Kuala Lumpur have shown steady improvement post-pandemic, reaching 86.8% in 2024. This represents a 3% increase from 2023. Prime retail malls in the area posed positive occupancies, supported by domestic and international tourists.

Kuala Lumpur's positive occupancy rates recorded positive net absorption with approximately 1.4 million sq.ft., driven by steady demand for retail space, particularly from new retail entrants in the F&B and fashion and accessories categories.

In 2024, Selangor recorded an occupancy rate of 80.6%, which is a 0.9% increase y-o-y. This steady performance reflects sustained retail demand across the region. Prime retail malls in these areas continued to maintain strong occupancies, driven by demand from domestic shoppers. The state recorded a positive net absorption of approximately 1,000,000 sq.ft., primarily attributed to the opening of Elmina Lakeside Mall.

Occupancy Rates of Retail Spaces in Klang Valley (2019 - 2024)



Source: NAPIC

Klang Valley's rental performance has remained stable over the first half of 2024, with single-digit fluctuations compared to the previous year. According to the data published by the National Property Information Centre ("NAPIC"), with the rental rates of ground floor retail space as the rental performance indicator, Suria KLCC continued to fetch among the highest rental rates in Klang Valley at the range of RM44.10-RM127.00 per sq.ft./month, albeit a slight drop in the rental rate ceiling in the preceding year (RM44.10-RM154.35 per sq.ft./month in 2023). Meanwhile, stable rental rates for the ground floor retail space in other retail malls are observed and have remained unchanged as at H1 2024.

## PROPERTY MARKET INSIGHTS

## Rental Rates of Retail Space in Selected Kuala Lumpur and Selangor Shopping Centres (2023 – H1 2024)

Retail Mall	Location	Floor Level	Rental Range (RM per sq.ft./Month)	
			2023	H1 2024
Kuala Lumpur				
Suria KLCC	Jalan Ampang	LG	35.00 – 206.85	35.00 – 206.85
		G	44.10 – 154.35	44.10 – 127.00
		1	95.40 – 116.10	95.40 – 114.50
		2	36.30 – 103.15	38.00 – 103.15
		3	42.00 – 100.20	42.00 – 100.20
		4	37.75 – 59.30	38.00 – 56.25
Mid Valley Megamall	Mid Valley City	LG	25.00 – 36.00	25.00 – 36.00
		G	45.00 – 80.00	45.00 – 80.00
		1	33.50 – 38.00	33.50 – 38.00
		2	23.35 – 25.00	23.35 – 25.00
		3	15.00 – 22.00	15.00 – 22.00
The Gardens Mall	Mid Valley City	LG	27.00 – 40.00	27.00 – 40.00
		G	33.00 – 37.50	33.00 – 37.50
		1	23.50 – 30.00	23.50 – 30.00
		2	18.50 – 21.15	18.50 – 21.15
		3	17.50 – 18.00	17.50 – 18.00
Selangor				
Sunway Pyramid Mall	Bandar Sunway	LG2	16.80 – 35.80	16.80 – 35.80
		LG1	13.60 – 45.30	13.60 – 45.30
		G	22.60 – 43.79	22.60 – 43.79
		1	17.50 – 58.62	17.50 – 58.62
1 Utama	Bandar Utama	LG	12.00 – 46.12	12.00 – 46.12
		G	12.50 – 35.00	12.50 – 35.00
		1	12.50 – 38.00	12.50 – 38.00
		2	10.50 – 30.00	10.50 – 30.00
The Curve	Mutiara Damansara	G	9.75 – 38.85	9.75 – 38.85
		1	8.70 – 16.80	8.70 – 16.80
		2	2.20 – 10.68	2.20 – 10.68

Source: NAPIC, CBRE | WTW Research and Consulting

## PROPERTY MARKET INSIGHTS

### PENANG

The overall occupancy rate declined to 72.3% in Q4 2024 (Q4 2023: 73.3%). However, in George Town, the overall occupancy improved by 1.9% y-o-y reaching 80.8% (Q4 2023: 78.9%), suggesting relatively stronger demand within the city's core retail areas.

The monthly gross rental rates for ground-floor retail spaces in select prime shopping malls within George Town have remained stable, generally ranging from RM1.80 per sq.ft. to RM36.98 per sq.ft. These variations are influenced by factors such as the mall's profile, strategic location and the size of individual retail units.

#### Rental Rates of Retail Space in Selected Penang Shopping Centres (2023 – H1 2024)

Retail Mall	Floor Level	Size Range (sq.ft.)		Rental Range (RM per sq.ft./Month)	
		Min	Max	2023	H1 2024
Penang Island					
Gurney Paragon	LG	269	20,236	2.92 – 18.80	2.92 – 18.80
	1	807	23,099	5.28 – 38.42	5.28 – 38.42
	2	721	18,202	3.43 – 28.40	3.43 – 28.40
	3	291	16,576	1.88 – 24.00	1.88 – 24.00
1st Avenue	LG	280	21,808	1.80 – 13.10	1.80 – 13.10
	G	226	9,322	2.98 – 36.98	2.98 – 36.98
	1	850	9,192	1.57 – 15.98	1.57 – 15.98
	2	667	9,009	3.00 – 11.52	3.00 – 11.52
Queensbay Mall	LG	388	1,001	10.00 – 18.32	10.00 – 18.32
	G	700	1,421	10.00 – 12.40	10.00 – 12.40
	1	614	3,315	11.18 – 18.36	11.18 – 18.36
	2	344	1,701	9.58 – 20.33	9.58 – 20.33
	3	280	409	13.90 – 14.75	13.90 – 14.75
Penang Mainland					
Design Village	G	721	2,142	3.97 – 10.37	3.97 – 8.40
	G	140	2,077	5.11 – 13.76	5.11 – 13.76
	G	2,077	6,867	3.50 – 8.00	3.50 – 8.00
	G	2,207	2,239	9.30 – 10.00	8.10 – 9.39
	G	21,162		2.80	2.80

Source: NAPIC, Knight Frank Research

The retail market in Penang is expected to remain stable in 2025, supported by factors such as higher retail spending, the introduction of new brands, increased flight routes and frequencies, and growth in tourism activities. However, the recent launch of Sunshine Mall in October 2024 and the upcoming completion of Phase 1 of The Waterfront Shoppes in the second half of 2025 are likely to increase competition in the state's retail sector, especially on Penang Island.

## PROPERTY MARKET INSIGHTS

## JOHOR

As of Q4 2024, Johor's average occupancy rate for shopping malls sits at 72.8%. However, the occupancy rate for well-positioned malls such as Mid Valley Southkey, Paradigm Mall, and Johor Bahru City Square averaged 90%. Newer malls such as Sunway Big Box, R&F Mall, and Toppen Shopping Centre have also seen improved foot traffic and occupancy rates as more retailers expand into these locations.

Key retail destinations such as Sutera Mall, Paradigm Mall, and AEON Tebrau City Mall continue to attract a mix of established and emerging brands, including Oriental Kopi, HeyTea, Huawei, KKV, and Watsons. There is also a growing trend of integrating entertainment and retail to provide a comprehensive lifestyle experience to appeal to both local and international consumers, with the example of Paradigm Mall having key tenants such as KKV, China's leading lifestyle retail store and Escape Challenge Park. Similarly, Sunway Big Box offers family-friendly amenities such as Jungle Gym and Laser Tag, reinforcing Johor Bahru's evolution into a lifestyle-centric retail hub.

The completion of the Johor Bahru-Singapore Rapid Transit System ("RTS") is also expected to further boost consumer traffic and business activities, thereby fuelling the continued growth and vibrancy of the retail sector.

Source: NAPIC, CBRE/WTW Research & Consulting, Knight Frank Research

## RETAIL MARKET TRENDS

**Consumer's Purchasing Power is Projected to Improve and Benefit Retail Market**

Consumers' purchasing power is projected to improve, driven by the anticipated increase in the remuneration for civil servants of up to 15%, which will be implemented in two phases (December 2024 and January 2026). The proposed increase in the minimum wage rate from RM1,500 to RM1,700, provided under Budget 2025, is also expected to significantly boost disposable income, leading to greater consumer spending.

**Rise in Retailers' Operating Expenses**

Retailers' operating expenses may rise, following the increase in minimum wage, mandatory EPF contribution for foreign workers and progressive expansion of the SST, which includes commercial services, non-essential goods and premium imports.

In an effort to reduce the public's sugar consumption to tackle diabetes, the increase of excise duty on sugar-sweetened beverages ("SSB") by 40 sen per litre is expected to also raise operational costs, leading to price adjustments and subsequently impacting the consumers' demand for sugary beverages

**Rising Demand for Community-Related Retail Experiences**

With the ever-evolving retail landscape, retailers and mall operators are increasingly re-configuring their spaces and embarking on asset enhancement initiatives. Many have also incorporated ESG principles in their business strategies. Besides promoting experiential retail, thematic stores, and promotional events, these efforts aim to differentiate from a saturated market, while also distinguishing the shopping experience from online retail and lure consumers to physical stores.

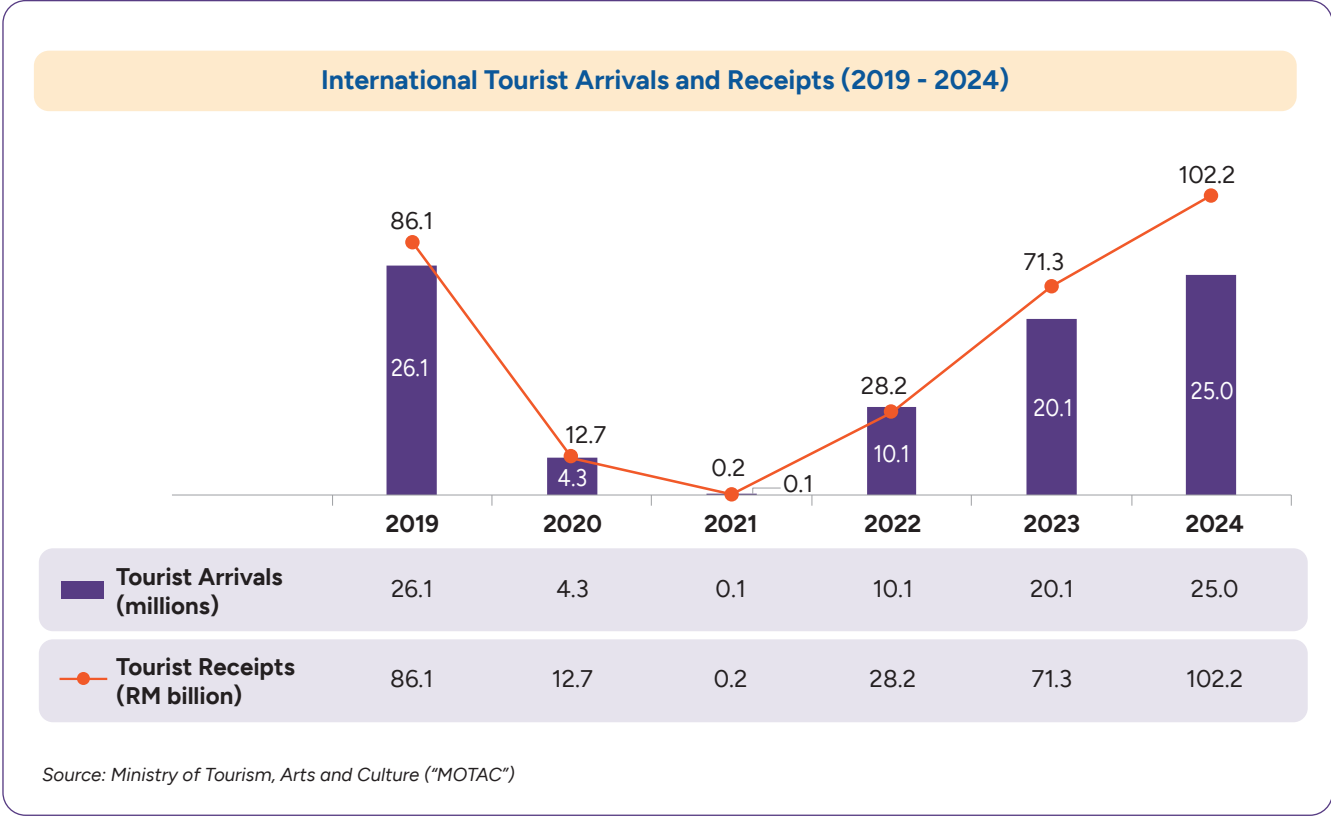
PROPERTY MARKET INSIGHTS



# HOSPITALITY MARKET OVERVIEW

The resurgence of international tourists travelling to Malaysia, particularly from China and India, contributed to the strong recovery in the hospitality industry. Strategic infrastructure upgrades, improved global connectivity, and the introduction of new internationally recognised hotels are enhancing Malaysia's appeal as a top regional destination. Additional factors such as ramping up promotional campaigns in anticipation of the ASEAN Chairmanship and Visit Malaysia Year 2026, as well as growing demand for medical tourism are boosting the hospitality sector's growth prospects, positioning Malaysia as a key tourism player in the region.

According to the Ministry of Tourism, Arts and Culture ("MOTAC"), Malaysia welcomed approximately 25.0 million tourists during 2024, reflecting a 24.4% increase compared to the 20.1 million arrivals during the same period in 2023. This growth displayed the strong recovery momentum in Malaysia's tourism sector, consistent with the rebound in international arrivals reported across Southeast Asia by UN Tourism. Notably, data from MOTAC suggests that Malaysia welcomed approximately 3.3 million tourists from China in 2024, representing a 123.0% increase compared to last year. Similarly, Malaysia saw a 1.1 million Indian tourists in 2024, rising by 68.7% from the year prior. The surge in both Chinese and Indian tourists were supported by the 30-day visa exemption and the expanded direct charter flights, enabling more accessibility to visitors.



## PROPERTY MARKET INSIGHTS

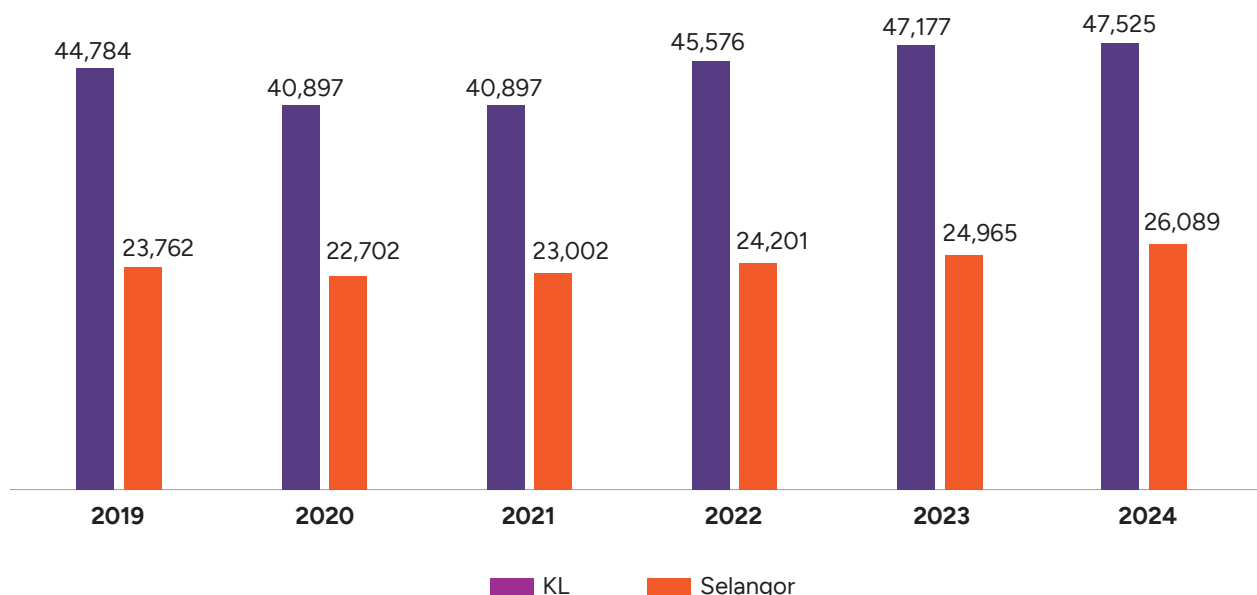
## SUPPLY OF HOSPITALITY SPACE

## KLANG VALLEY

The total supply of hospitality accommodations in the Klang Valley region continues to grow. Notably, Selangor saw a 4.5% year-over-year increase in the number of hotel rooms, reaching 26,089 rooms in 2024 versus 24,965 in 2023. In contrast, Kuala Lumpur saw a slower growth from 47,177 rooms in 2023 to 47,525 in 2024, representing an increment of 0.7% as per NAPIC's data. The introduction of new international brands and the expansion of existing brands in the region are contributing to the increase in supply.

Notable hotel openings in 2024 include Marriott International's first Moxy in Malaysia, the Moxy Putrajaya, Courtyard by Marriott Kuala Lumpur South, Imperial Lexis KL, ibis Styles Sepang KLIA by Accor, Lloyd's Inn Kuala Lumpur, and Crowne Plaza Hotel to name a few. Most new hotel openings and completions in 2024 were standalone, mid-scale, full-service properties with capacities exceeding 200 rooms – a trend consistent from prior years to cater towards business and leisure travellers.

Number of Hotel Rooms in Selangor and Kuala Lumpur (2019 - 2024)



Source: National Property Information Centre ("NAPIC")

Looking ahead to 2025, Klang Valley is set to welcome several new luxury and upscale international hotel brands. Renowned names such as Waldorf Astoria, Kempinski Hotels, and Park Hyatt are expected to open their doors, driving growth in the supply of upscale hotel rooms in the region and increasing competition for existing hotel names. CBRE noted that by the end of 2025, KL is expected to see the addition of 9 hotels with approximately 2,869 new hotel rooms of which mostly comprises of 4 to 5-star hotel rooms.

With a healthy growth in supply for hotel rooms at various price ranges, Klang Valley can cater towards diverse traveller preferences, enhancing its reputation as a preferred hospitality destination for international tourism and business in the region. While this development increases competition amongst existing hotel names, it also creates an opportunity for operators to improve the quality of their services and continue to innovate offerings in order to attract customers, fostering a healthy competitive environment.

## PROPERTY MARKET INSIGHTS

### Selected Future Supply of Hotel Rooms in Klang Valley

Hotel Development	Location	Expected Completion	No. of Rooms
<b>KUALA LUMPUR</b>			
SO Sofitel KL @ Oxley Tower	Jalan Ampang	2025	226
Park Hyatt @ Merdeka 118	Jalan Hang Jebat	2025	252
Kempinski @ 8 Conlay	Jalan Conlay	2025	260
Regent KL	Jalan Tun Razak	2025	259
Kimpton KL @ TRX	Jalan Tun Razak	2025	471
Waldorf Astoria Hotels & Resorts	Jalan Raja Chulan	2025	279
Hyatt Regency @ KL Metropolis	KL Midtown	2025	450
Moxy Chinatown	Jalan Hang Lekiu	2025	320
Marriott Executive Apartment	Jalan Kia Peng	2025	352

Source: CBRE / WTW Research

### PENANG

As of Q4 2024, Penang State recorded a total of 250 hotels with 25,389 rooms, marking a 2.5% increase in the number of hotels and a 5.6% rise in total room supply compared to Q4 2023, which had 244 hotels and 24,034 rooms as per NAPIC. With the addition of new international hotels and a resurgence in tourism, the outlook for Penang's tourism sector is bright.

In 2024, newly completed hotels include the Crowne Plaza by Straits City, Lyf Georgetown, Citadines Connect Cecil, and the Penang Marriott Complex, which comprises three properties: the Penang Marriott Hotel, Marriott Executive Apartments, and the Marriott Residences Penang.

According to Knight Frank Research, the development pipeline in 2025 includes around 10 hotels with over 2,800 rooms currently under construction and potentially another 11 hotels with a total of 1,480 rooms that have received planning approval. These projects are anticipated to collectively add a significant number of rooms to the market.

### Selected Future Supply of Hotel Development in Penang, 2025

Hotel Development	Location	Expected Completion	No. of Rooms
The Millen	George Town	2025	146
Capri by Frasers Hotel	George Town	2025	255
JdV by Hyatt	Gelugor	2025	156
Hotel Equatorial Penang	Bukit Jambul	2025	662
InterContinental Penang Resort	Teluk Bahang	2025	355
Fifth Avenue Hotel	George Town	2025	241
Galaxy Minyoun Penang The Light City Hotel	Gelugor	2025	303
M Social Resort Penang	Tanjung Bungah	2025	318
Harris Sunshine Penang	Ayer Itam	2025	289
Citadines Tanjung Tokong Penang	Tanjung Tokong	2025	132

Source: Knight Frank Research

## PROPERTY MARKET INSIGHTS

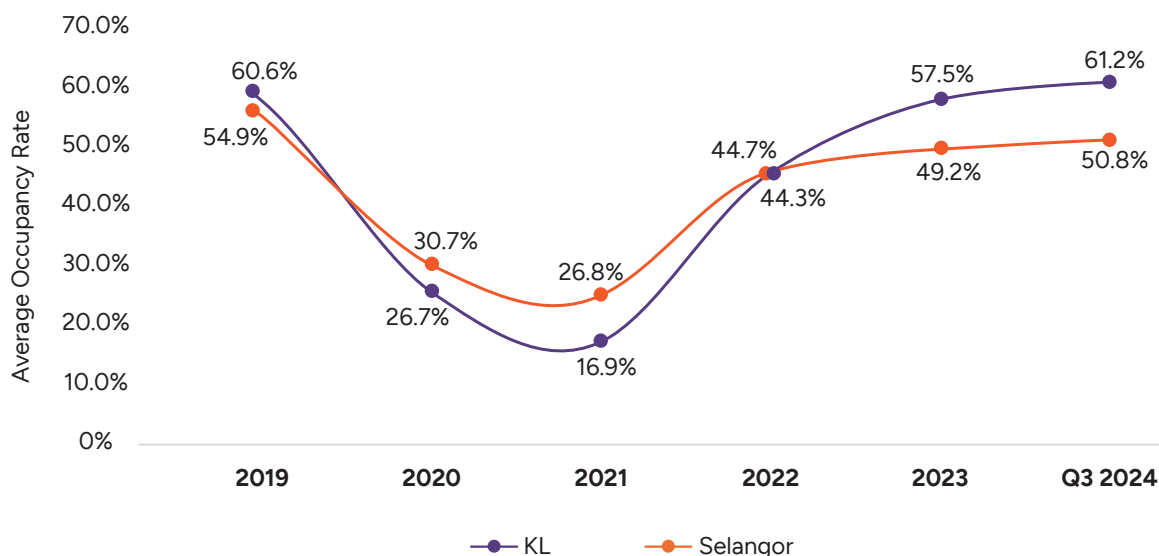
## DEMAND FOR HOSPITALITY SPACE

## KLANG VALLEY

According to Tourism Malaysia, demand for hospitality in Klang Valley has shown continuous improvement in the first three quarters of 2024, as proven by the increase in the Average Occupancy Rate ("AOR") of hotels in the region. In the first nine months of the year, Kuala Lumpur hotels reported an AOR of 61.2%, up from 57.5% during the same period in 2023. The improvement in occupancy rate reflects a positive trend in demand for hotel rooms in the city, surpassing pre-pandemic levels (60.6% in 2019). As for Selangor, the AOR of hotels reached 50.8%, reflecting a marginal increase year-on-year (49.2% in 2023), during the first nine months of 2024. While still falling short of pre-pandemic levels (54.9% in 2019), the trajectory for demand in the hospitality space in Selangor is still encouraging. The rise in AOR for both Kuala Lumpur and Selangor indicate a growing demand for hotel rooms in Klang Valley, in-line with the growth seen in tourist arrivals during the year.

The rise in occupancy rates can be credited to key factors such as the implementation of visa exemption policies and enhanced airline connectivity, with new additions like Shanghai Airlines, AirAsia Cambodia, and 9Air per CBRE. These developments have collectively increased passenger traffic and fuel the hospitality sector's growth.

Average Hotel Occupancy Rates in Klang Valley (2019 - Q3 2024)



Source: Tourism Malaysia

Per Tourism Malaysia, the Average Room Rate ("ARR") for hotels in Kuala Lumpur recorded a modest 7.3% gain, improving from RM326.90 per night in 2023 to RM350.80 per night as at Q3 2024. As for Selangor, the ADR improved by 10.6% from RM240.70 per night in 2023 to RM266.20 per night as at Q3 2024.

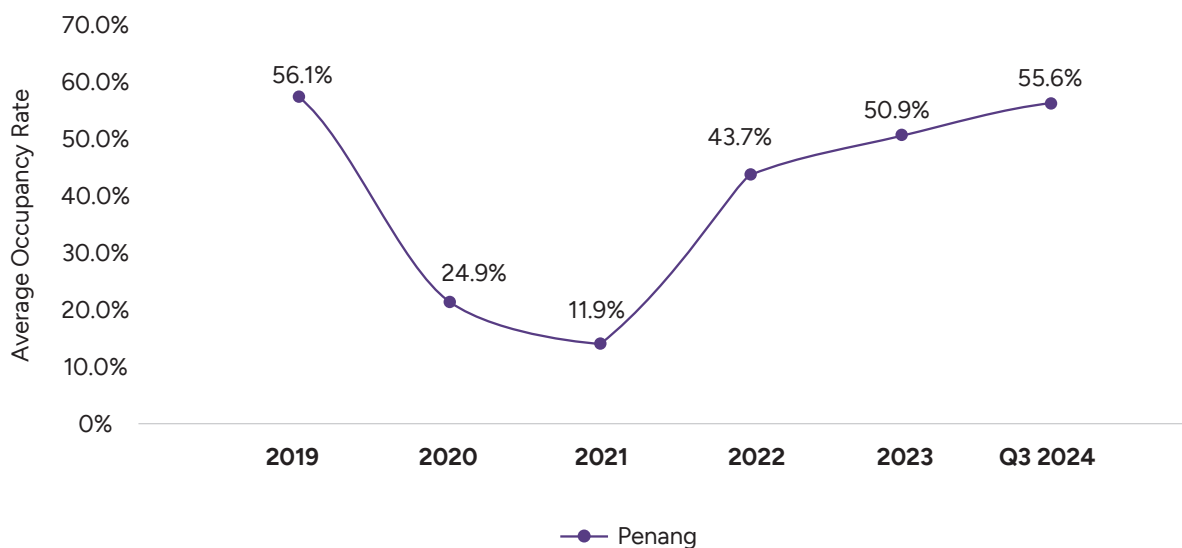
CBRE suggests that the rise in ADR was partially driven by the increase in the SST, from 6% to 8% effective March 2024, as well as rising staffing and supplies-related costs. To adapt to the revised tax rate and rising operational costs, hotel operators adapted by carefully adjusting their rates to maintain service quality and operational efficiency. With the continued increase in demand for travel and higher operating cost environment, hotel room rates are expected to rise in the year ahead.

## PROPERTY MARKET INSIGHTS

## PENANG

Occupancy rates in Penang experienced strong growth in 2024, while room rates also saw a modest increase. According to Tourism Malaysia, the average occupancy rate (AOR) in Penang rose to 55.6% at Q3 2024 from 50.9% in the year prior. The average daily rate ("ADR") increased by 27.1% from RM223.50 per night in 2023 to RM284.10 as at Q3 2024. Improvements in both the occupancy and rates signify the hospitality sector's growing demand and recovery in Penang.

Average Hotel Occupancy Rates in Penang (2019 - Q3 2024)



Source: Tourism Malaysia

Growth prospects for Penang's hospitality sector in 2025 look favourable as new flight connectivity and hotel developments are set to boost tourist arrivals to the State. The expansion of local direct and international flights from key cities such as Hong Kong, Guangzhou, Bangkok, Jakarta, Taipei, Ho Chi Minh City, Shanghai and Singapore to name a few, are expected to enhance Penang's connectivity and strengthen its appeal to international travellers. Additionally, new hotel developments such as Capri by Fraser, Hotel @ The Light Waterfront, Citadines (Georgetown and Tanjung Tokong), and Iconic Marjorie Hotel, will provide tourists with more optionality.

One other catalyst that is set to boost the hospitality market in Penang is medical tourism. The State continues to attract many international patients from Indonesia and China. According to Knight Frank Research, Penang contributed approximately 45% of the nation's medical tourism revenue in 2024 as the State's reputation for affordable treatment, high-quality services, advance medical technology, and multilingual medical personnel attracted international patients. As flight connectivity continues to expand alongside extended visa options, Penang will continue to be the preferred destination for medical tourists, contributing to the continued growth in the hospitality industry.

## PROPERTY MARKET INSIGHTS

## HOTEL MARKET TRENDS

**Government Policies and Incentive**

The Budget 2025 has allocated RM550 million to enhance tourism promotion and activities, emphasising on significant initiatives such as upgrading entry port facilities and systems to accommodate large-scale MICE (Meetings, Incentives, Conference, and Exhibitions) events, such as the 2025 ASEAN Chairmanship and Visit Malaysia Year 2026. Improved flight access through the addition of new routes, airline partnerships and airport upgrades will continue to enhance the international air links and connectivity.

Furthermore, tourist-friendly initiatives such as the introduction of visa-free policies for Chinese and Indian tourists has been a key driver for the momentum experienced in the hospitality sector. Notably, China extended its visa exemption for Malaysia citizens until 2025, while Malaysia will continue granting visa exemptions to Chinese visitors through 2026. Improved flight access and increasing tourist arrivals, along with Malaysia hosting numerous international and regional events, are expected to greatly benefit the hospitality market.

**Healthcare Tourism**

The Malaysia Healthcare Travel Council ("MHTC") continues to expand the healthcare tourism industry, focusing on markets such as China, India and Indonesia. As per Knight Frank Research, the medical tourism revenue in 2023 reached RM2.25 billion, nearly four times the 2021 figure. As of November 2024, over 80 medical facilities are listed on the MHTC website, with approximately 65% located in Klang Valley.

Additionally, as one of the top destinations for medical tourism in the country, the outlook for Penang continues to be highly encouraging, continuing its appeal to patients from Indonesia and China. With a globally recognised healthcare system, extensive medical expertise and Muslim-friendly facilities, Malaysia has positioned itself as a hub for medical tourism. Strategic policies, including relaxed visa restrictions and investments in healthcare infrastructure, further strengthen Malaysia's position as a top destination for medical tourists.

## PROPERTY MARKET INSIGHTS



## OFFICE MARKET OVERVIEW

Office tenants continue to prioritise factors such as affordability, favourable lease terms, and amenities towards guiding their relocation decisions. However, in recent years, tenants have become increasingly aware of environmental, social and governance (ESG) features and values, driving demand for green buildings.

With Bursa Malaysia's mandatory sustainability disclosures, demand for new and high-quality green buildings in prime locations are increasing and will continue steady as organisations assess their office footprint. As a result, vacancy in older office buildings are increasing as tenants relocate, underscoring the need for landlords of older buildings to upgrade or repurpose.

According to CBRE, 77% of the new office developments in the Klang Valley area from 2025 to 2027 will be green-certified. High-grade green buildings will continue to drive office demand and leasing activity.

## SUPPLY OF OFFICE SPACE

## KLANG VALLEY

According to CBRE, the total office supply in Klang Valley reached approximately 125.5 million sq.ft., boosted by the completion of Atwater Corporate Towers, Merdeka 118, Pavillion Damansara Heights Corporate Tower 1 and Menara Felcra. With 72% of the supply located in KL and 28% outside KL, the new openings are expected to increase competition and sustain market interest, offering premium amenities and strategic locations.

Located in Petaling Jaya, the recent completion of the Atwater Corporate Towers developed by Paramount Property Development Sdn. Bhd. in the second half of 2024 is the first addition to the Selangor submarket since 2022 with both of its office towers being green-certified, reflecting a focus on sustainability and modern business needs.

2025 is set to see the completion of several new office developments in the Klang Valley area with approximately 2.5 million sq.ft. of new supply as per CBRE. To name a few, the projects include The Exchange TRX Office by Lendlease and Oxley Tower in Kuala Lumpur City, TNB Gold Bangsar in the KL Fringe and Sunway Square Corporate Tower 2 in Selangor. A large portion of these developments will be green-certified buildings that will cater towards the evolving preferences of multinationals and businesses seeking modern and eco-friendly office buildings.

## Selected Upcoming Purpose-Built Office Developments in 2025

Hotel Development	Location	Expected Completion
<b>KUALA LUMPUR</b>		
PNB 1194	KL City Centre	2025
Oxley Tower @ KLCC	KL City Centre	2025
TNB Gold	Bangsar	2025
Pavilion Damansara Heights CT10	Bukit Damansara	2025
Multibay	KL City Centre	2025
<b>SELANGOR</b>		
Finas Tower @ PJ Sentral	Petaling Jaya	2025
Sunway Square Corporate Towers	Sunway City	2025
Citadines Tanjung Tokong Penang	Tanjung Tokong	2025

## PROPERTY MARKET INSIGHTS

## DEMAND FOR OFFICE SPACE

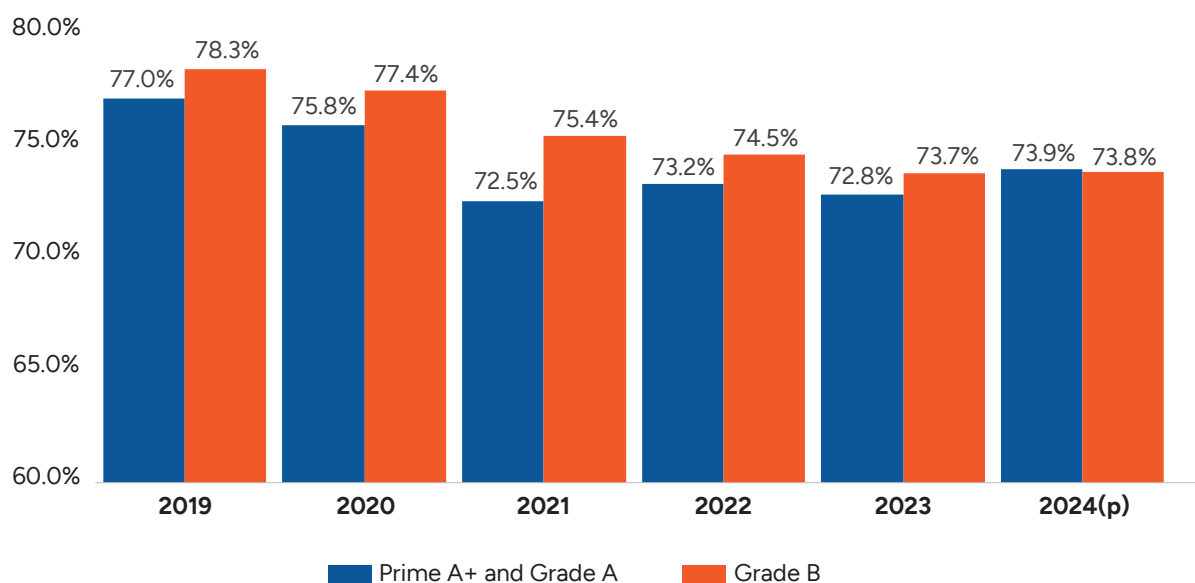
## KLANG VALLEY

Occupancy rates in Klang Valley showed mixed performance between KL and Selangor, with preliminary data from Knight Frank Research showing improvements in the KL region, while Selangor experienced a slight decline in occupancy.

In the second half of 2024, KL City and KL Fringe saw improvements in occupancy rate, rising to approximately 67.5% and 87.2% respectively, compared to 65.7% and 85.6% in the first half of 2024 as per Knight Frank Research. The increase in these submarkets was likely driven by tenant relocation to prime spaces, renewed leasing activity, and business expansion, spurred by improving business sentiment and demand for high-specification office buildings.

In contrast, the data shows that Selangor experienced a slight decline in occupancy, moderating to approximately 74.4% in H2 2024 from 75.5% in H1 2024. Knight Frank Research noted that the decreases may be attributed to the addition of a new supply, temporarily increasing vacancies, as the market absorbed the new inventory such as the new Atwater Corporate Towers. Overall, the Klang Valley area saw occupancy rates for Prime and Non-Prime Purpose-Built Offices improving year-over-year to approximately 73.9% for Prime A+ and Grade A buildings and 73.8% for Grade B. The occupancy rate for quality office spaces in Klang Valley has been relatively sustainable and will continue through 2025. This trend highlights the perennial demand for quality office environments even as businesses adapt to evolving work practices.

## Occupancy Rate for Prime and Non-Prime Purpose-Built Offices, Klang Valley (2019 – 2024)



Source: Knight Frank Research

## PROPERTY MARKET INSIGHTS

### Rental Rates of Office Space in Selected Purpose-Built Offices in Klang Valley, H2 2024

Building Name	Gross Asking Rental (RM per sq.ft. / month)
<b>KL City</b>	
<b>New CBD</b>	
The Exchange 106	13.00 - 15.00
Integra Tower	9.80 - 11.00
The Exchange 106	13.00 - 15.00
Integra Tower	9.80 - 11.00
Menara Maxis	8.80 - 12.00
Menara Prudential @ TRX	8.50
Menara Binjai	7.50 - 7.80
Menara TCM	7.50
Plaza Conlay	7.50 - 8.50
NAZA Tower	7.00 - 8.00
G Tower	6.50
<b>Old CBD</b>	
Menara AIA Cap Square	6.00 - 7.00
JKG Tower	5.50 - 6.50
Menara Great Eastern 2	5.00
<b>KL Fringe</b>	
Menara Shell	8.50 - 9.00
Menara Southpoint	8.50
The Gardens North & South Towers	8.00
Mercu 2	7.50
NU Tower 2	7.00
Menara Etiqa	7.00 - 8.00
Menara Ken @ TTDI	6.50
UOA Corporate Tower A	6.20 - 7.60

Source: Knight Frank Research

## PROPERTY MARKET INSIGHTS

## Rental Rates of Office Space in Selected Purpose-Built Offices in Klang Valley, H2 2024

Building Name	Gross Asking Rental (RM per sq.ft. / month)
<b>Selangor</b>	
1 First Avenue	7.00
Imazium @ Uptown	6.50 – 7.00
1 Powerhouse	6.50 – 7.00
Plaza 33	6.50 – 7.50
Sunway Pinnacle	6.30
Surian Tower	5.80
The Bousteador	5.70
The Ascent @ Paradigm	5.50 – 5.80

Source: Knight Frank Research

## OFFICE MARKET TRENDS

## Co-working Spaces

Co-working spaces are becoming increasingly popular among companies seeking flexibility. According to CBRE, there are over 70 co-working centres operating within office buildings in Kuala Lumpur, with the majority located in prime office buildings. WORQ, a co-working operator, expanded its Menara UOA Bangsar outlet in partnership with UOA Asset Management Sdn Bhd. The expansion created a 32,000 sq.ft. co-working space, more than doubling the previous 15,000 sq.ft. space and achieved 100% occupancy a month prior to the expansion launch. Another well-known co-working operator, International Workplace Group ("IWG"), has established a strong footprint in Malaysia, expanding its network to around 45 centres across the country, offering a variety of spaces for customers to select from.

In addition, governmental programmes such as the DE Rantau Nomad Pass by the Malaysia Digital Economy Corporate ("MDEC") has approved around 2,000 applications in 2024 for digital nomads. This programme positions Malaysia as a promising hub for digital nomads who tend to utilise co-working space such as WORQ and IWG.

## PROPERTY MARKET INSIGHTS



# INDUSTRIAL MARKET OVERVIEW

In H1 2024, Malaysia attracted RM160 billion in capital investments, an 18% increase from the RM136 billion recorded in the same period last year. Both domestic and foreign investments grew, with domestic investments reaching RM85.4 billion (+19%) and foreign investments totalling RM74.6 billion (+17%).

This positive trend highlights Malaysia's strong and competitive investment environment, supporting a positive economic outlook.

## SUPPLY OF INDUSTRIAL SPACE

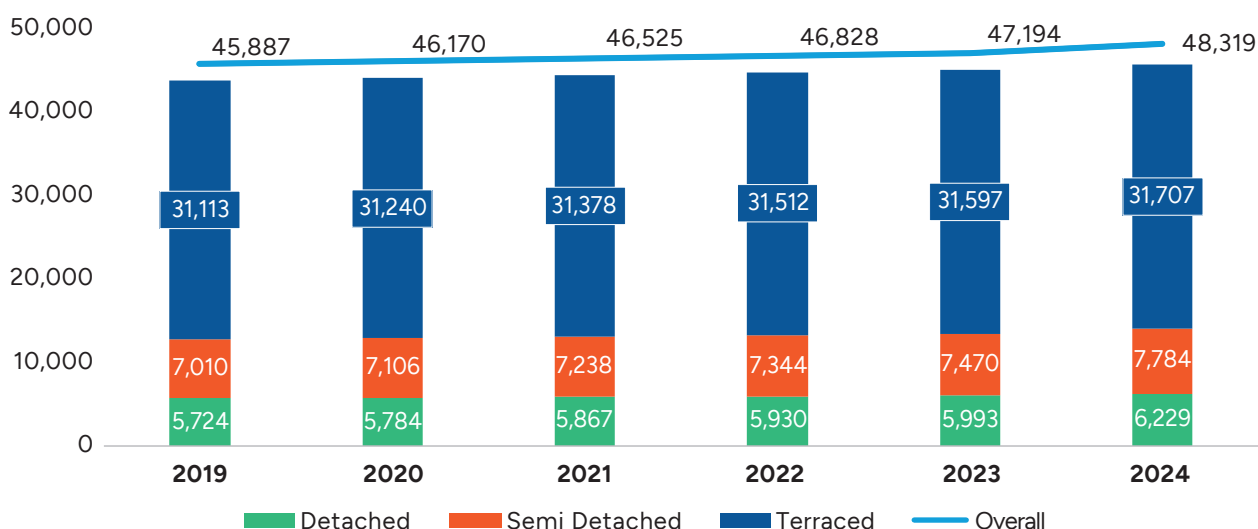
### KLANG VALLEY

As of Q4 2024, the total supply of industrial properties stands at 48,319 units. Terraced factory units make up the largest category at 31,707 units, followed by semi-detached factory units with 7,784 units and detached factory units at 6,229 units.

Notable newly completed industrial developments include:

- Eco Business Park V – West Gate that offers terraced, cluster, semi-detached, and detached factories
- The Signature Collection Twin Factories at Elmina Business Park Stage 2 that offers semi-detached factories

#### Cumulative Industrial Supply in Klang Valley (2019 - 2024)



Note: Based on supply in Kuala Lumpur, Putrajaya, and Selangor  
Source: NAPIC

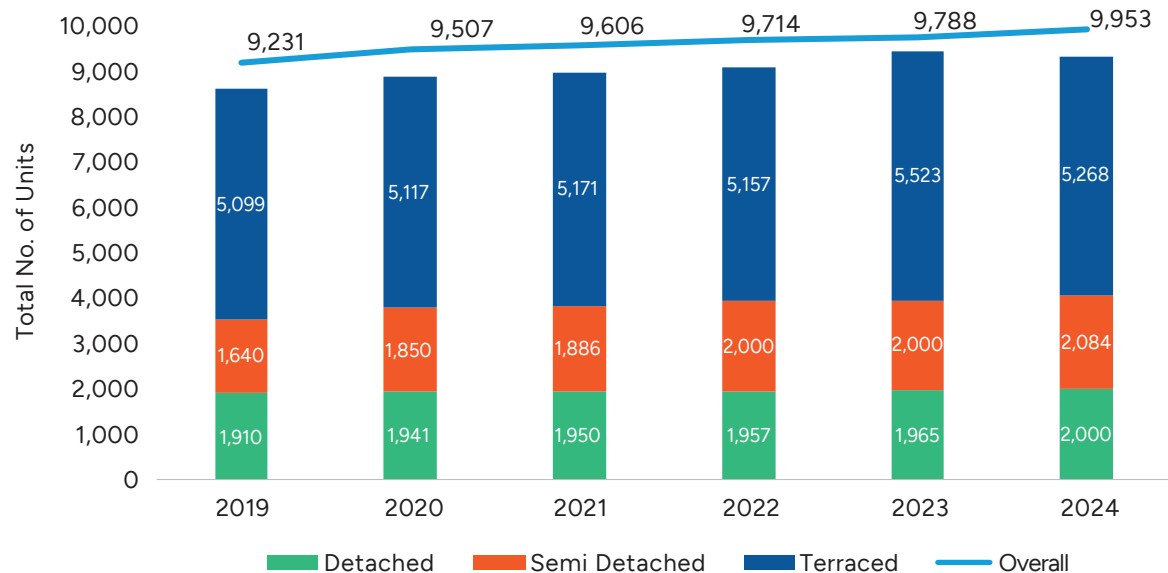
### PENANG

According to NAPIC, the supply of industrial units in Penang increased from 9,788 units in Q4 2023 to 9,953 units as of Q4 2024.

In terms of upcoming new supply in the Penang market, the Penang Development Corporation ("PDC") has reopened the tender for Batu Kawan Industrial Park Phase 2 in Byram, Seberang Perai Selatan. Reclamation of Silicon Island, formerly Penang South Island, is ongoing, with construction set to begin in 2026 and the first factory expected by 2027. These upcoming industrial parks are expected to sustain the vibrancy of Penang's industrial market.

## PROPERTY MARKET INSIGHTS

## Cumulative Industrial Supply in Penang (2019 - 2024)



Source: NAPIC

## DEMAND OF INDUSTRIAL SPACE

## KLANG VALLEY

Transaction activity in the industrial property sector remained robust in Q3 2024, reflecting strong demand and growing investor interest. The transaction volume increased by 9% to 2,208 units, compared to the same period last year, while the total transaction volume rose by 26% to reach RM10.8 billion.

Source: CBRE|WTW Research &amp; Consulting

## PENANG

Penang recorded total approved manufacturing investments of RM5 billion in H1 2024, encompassing 88 projects, which have increased in number from RM4.3 billion in H1 2023. From this total, foreign direct investments ("FDI") accounted for RM3.7 billion, while domestic sources contributed RM1.3 billion.

Source: CBRE|WTW Research &amp; Consulting

## INDUSTRIAL MARKET TRENDS

## Industrial Parks Evolve with High-Tech Facilities and Green Certifications

Demand for industrial spaces is shifting towards managed parks and high-tech facilities, AI integration, and GreenRE and LEED certifications. This shift aligns with the goals of the New Industrial Master Plan 2030 (NIMP 2030) and the National Energy Transition Roadmap (NETR), fostering sustainable and technologically advanced development.

## Accelerated Data Centre Growth

As the demand for data storage and processing increases, Malaysia is fast consolidating itself as a key regional data centre hub as investors are continuing to expand in the Klang Valley and Johor, due to Malaysia's cheaper land and operational costs compared to neighbouring countries.

One prime example is the Singapore-based real estate group Equalbase Pte Ltd's acquisition of 64 acres in Sunway City Iskandar Puteri (SCIP) from Sunway Group for data centres development. Valued at over RM380 million, this acquisition complements their earlier joint venture of the 135-acre Equalbase Sunway 103°, also at SCIP, with a GDV of RM8 billion. The introduction of the Data Centre Planning Guidelines is likely to foster steady growth in data centres by streamlining and standardising the application and approval process for new developments.

# FINANCIALS & ADDITIONAL INFORMATION

- Audited Financial Statements
- Additional Compliance Information
- Corporate Information
- Analysis of Unitholdings
- Notice of Twelfth Annual General Meeting
- Proxy Form



# DIRECTORS' RESPONSIBILITY STATEMENT FOR THE AUDITED FINANCIAL STATEMENTS

The Directors of Sunway REIT Management Sdn Bhd (the **"Manager"**), the Manager for Sunway Real Estate Investment Trust (**"Sunway REIT"**) are responsible for the preparation of the financial statements of Sunway REIT and its subsidiaries (the **"Group"**) for each financial year which have been made out in accordance with the applicable Malaysian Financial Reporting Standards, the IFRS Accounting Standards, the provisions of the deed dated 20 May 2010, a supplemental deed dated 10 June 2010 and an amended and restated deed dated 18 September 2018 entered into between the Manager and RHB Trustees Berhad, the Guidelines on Listed Real Estate Investment Trusts by Securities Commission Malaysia, and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and to present it before the unitholders of Sunway REIT at its annual general meeting.

The Directors are responsible to ensure that the financial statements give a true and fair view of the financial position of the Group and of Sunway REIT as at 31 December 2024, and of the financial performance and cash flows of the Group and of Sunway REIT for the financial year ended 31 December 2024.

In preparing the financial statements, the Directors have:

- adopted appropriate accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- ensure that all applicable accounting standards have been followed; and
- prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and Sunway REIT keep accounting records which disclose the financial position of the Group and of Sunway REIT with reasonable accuracy, enabling them to ensure that the financial statements comply with the relevant statutory requirements.

The Directors are also responsible for taking such steps as are reasonably available to them to safeguard the assets of Sunway REIT and to detect and prevent fraud and other irregularities.



## MANAGER'S REPORT

Sunway REIT Management Sdn. Bhd., the Manager for Sunway Real Estate Investment Trust ("Sunway REIT" or the "Fund"), has pleasure in presenting its report together with the audited financial statements of the Group and of the Fund for the financial year ended 31 December 2024.

Sunway REIT is a Malaysia-domiciled real estate investment trust constituted pursuant to a deed dated 20 May 2010, a supplemental deed dated 10 June 2010 and an amended and restated deed dated 18 September 2018 (collectively referred to as the "Deed") between the Manager and RHB Trustees Berhad (the "Trustee"). The Fund was listed on the Main Market of Bursa Malaysia Securities Berhad on 8 July 2010.

Sunway REIT's key objective is to provide unitholders with exposure to a diverse portfolio of authorised investments (pursuant to provisions of the Deed) that will provide stable cash distributions with the potential for sustainable growth in net asset value ("NAV") per unit.

Sunway REIT seeks to achieve its investment objective via the following broad strategies:

- (a) active asset management strategy;
- (b) acquisition growth strategy;
- (c) capital and risk management strategy; and
- (d) asset enhancement initiatives, including property development activities.

The Manager is of the view that it has achieved the investment objective for the financial year ended 31 December 2024. There was no change in the strategies and policies employed during the financial year.

### DIRECTORS

The Directors of the Manager who have held office during the financial year until the date of this report are as follows:

Tan Sri Amirsham Bin A Aziz  
 Chen Kok Peng  
 Datuk Christopher Martin Boyd  
 Datin Paduka Sarena Cheah Yean Tih, S.M.S.  
 Ng Sing Hwa  
 Tengku Nurul Azian Binti Tengku Shahriman (Retired on 28 February 2025)  
 Yeo Kar Peng  
 Farah Suhanah Binti Ahmad Sarji (Appointed on 1 November 2024)

### DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Manager was a party, whereby the Directors of the Manager might acquire benefits by means of the acquisition of units in or debentures of Sunway REIT.

Since the end of the previous financial year, no Director of the Manager has received or become entitled to receive any benefit, by reason of a contract made by the Manager or a related corporation with any Director of the Manager or with a firm of which the Director of the Manager is a member of, or with a company in which the Director of the Manager has substantial financial interest.

## MANAGER'S REPORT

## DIRECTORS' INTERESTS

According to the register of depository of Sunway Real Estate Investment Trust, the unitholdings of the Directors of the Manager in office at the end of the financial year in units in Sunway REIT during the financial year were as follows:

	Number of units		
	As at		As at
	1.1.2024	Acquired	31.12.2024
	Unit '000	Unit '000	Unit '000

**Indirect interest:**

Datin Paduka Sarena Cheah Yean Tih, S.M.S. *	1,400,297	-	-	1,400,297
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\* Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn. Bhd., Sungei Way Corporation Sdn. Bhd., Sunway Berhad, Sunway City Sdn. Bhd., Sunway REIT Holdings Sdn. Bhd. and spouse.

The other Directors of the Manager in office at the end of the financial year did not have any interests in units in Sunway REIT during the financial year.

## SOFT COMMISSION

There was no soft commission received by the Manager during the financial year from any broker or dealer by virtue of transactions conducted for Sunway REIT.

## OTHER INFORMATION

- (a) Before the financial statements of the Group and of the Fund were prepared, the Manager took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
  - (ii) to ensure that any current assets other than debts, which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to their estimated realisable values.
- (b) At the date of this report, the Manager is not aware of any circumstances which would:
  - (i) render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Fund inadequate to any substantial extent; and
  - (ii) render the values attributed to the current assets in the financial statements of the Group and of the Fund misleading.
- (c) At the date of this report, the Manager is not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Fund misleading or inappropriate.
- (d) At the date of this report, the Manager is not aware of any circumstances not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Fund misleading.
- (e) As at the date of this report, there does not exist:
  - (i) any charge on the assets of the Group and of the Fund which has arisen since the end of the financial year which secures the liabilities of any other person; and
  - (ii) any contingent liability of the Group or of the Fund which has arisen since the end of the financial year.

## MANAGER'S REPORT

### OTHER INFORMATION (CONT'D.)

- (f) In the opinion of the Manager:
- (i) the results of the operations of the Group and of the Fund during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature;
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Fund for the financial year in which this report is made; and
  - (iii) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months (12) after the end of the financial year which would or may affect the ability of the Group or of the Fund to meet their obligations when they fall due.

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

- (a) Acquisition of hypermarkets/retail complexes for cash consideration of RM520.0 million

On 16 March 2023, Sunway REIT entered into a conditional sale and purchase agreement ("SPA") with Kwasa Properties Sdn. Bhd. ("Kwasa"), a wholly-owned subsidiary of the Employees Provident Fund, to acquire six freehold hypermarkets/retail complexes that are strategically located in Klang Valley and Johor for a total cash consideration of RM520.0 million. The acquisition was completed on 30 April 2024.

- (b) Acquisition of an industrial property in Prai, Penang for cash consideration of RM66.8 million

On 18 December 2023, Sunway REIT entered into a conditional sale and purchase agreement with Best Corridor Venture Sdn. Bhd., to acquire an industrial property that is strategically located in Bukit Tengah Industrial Park, Prai, Penang for a cash consideration of RM66.8 million. The acquisition was completed on 24 October 2024.

- (c) Acquisition of a shopping mall known as "163 Retail Park" in Mont Kiara, Kuala Lumpur for cash consideration of RM215.0 million

On 26 January 2024, Sunway REIT entered into a conditional sale and purchase agreement with D'Kiara Place Sdn. Bhd., to acquire a shopping mall known as "163 Retail Park" that is strategically located in Mont Kiara, Kuala Lumpur for a cash consideration of RM215.0 million. The acquisition was completed on 9 October 2024.

- (d) Acquisition of a shopping mall known as "Kluang Mall" in Kluang, Johor for cash consideration of RM158.0 million

On 8 August 2024, Sunway REIT entered into a conditional sale and purchase agreement with Tenaga Nusantara Sdn. Bhd., to acquire a shopping mall known as "Kluang Mall" that is strategically located in Kluang, Johor for a cash consideration of RM158.0 million. The acquisition was completed on 30 December 2024.

- (e) Proposed acquisition of a retail asset known as "AEON Mall Seri Manjung" in Manjung, Perak for cash consideration of RM138.0 million

On 20 January 2025, Sunway REIT entered into a conditional sale and purchase agreement with Kar Sin Bhd. and YNH Hospitality Sdn. Bhd., the subsidiaries of YNH Property Berhad, to acquire a retail asset that is strategically located in Manjung, Perak for a cash consideration of RM138.0 million.

Barring any unforeseen circumstances, the Proposed Acquisition is expected to be completed in Q2 2025.

## MANAGER'S REPORT

## MATERIAL LITIGATION

Metroplex Holdings Sdn. Bhd. ("Metroplex") v RHB Trustees Berhad (as trustees for Sunway REIT) and Sunway REIT Management Sdn. Bhd. (collectively, the "Defendants")

Metroplex is claiming for various chattels and movable items which were allegedly acquired and owned by Metroplex but not removed by Metroplex when the Defendants took possession of the hotel at Sunway Putra on 27 September 2011.

Since then, this case has proceeded through the High Court (which allowed Metroplex's claim on liability), the Court of Appeal (which allowed the Defendants' appeal and set aside the High Court's decision), and then the Federal Court, which on 31 March 2021 overturned the Court of Appeal's Decision and reinstated the High Court's Decision in favour of Metroplex.

On 12 November 2024, the High Court delivered its judgment on the assessment of damages for conversion payable by the Defendants, on behalf of Sunway REIT, to Metroplex. However, on 9 December 2024, Metroplex appealed to the Court of Appeal against part of the High Court's Judgment on Assessment, which assessed the damages to be paid by the Defendants to Metroplex for the conversion of Metroplex's operational chattels. On 10 December 2024, the Defendants appealed to the Court of Appeal against part of the High Court's Judgment on Assessment, which assessed the damages to be paid by the Defendants to Metroplex for the tort of conversion of antiques and artworks. On 13 December 2024, the Defendants remitted the sum of RM8,087,684.45, which represented the amount payable under the High Court's Judgment on Assessment on 12 November 2024, to Metroplex. This sum included interest payable on the judgment amount calculated up to 13 December 2024 along with costs and allocatur fee.

Further details of the material litigation is disclosed in Note 33 to the financial statements.

## AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF0206), have expressed their willingness to continue in office.

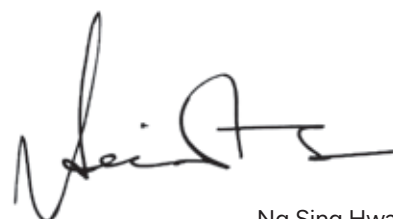
Auditors' remuneration of the Group and of the Fund for the financial year ended 31 December 2024 were as follows:

	Group RM'000	Fund RM'000
Statutory audit	146	140
Other services	28	28
	174	168

Signed on behalf of the Board of the Manager in accordance with a resolution of the Directors of the Manager dated 20 March 2025.



Chen Kok Peng



Ng Sing Hwa

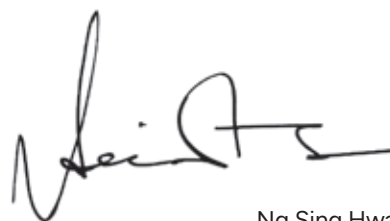
## STATEMENT BY THE MANAGER

The Manager acknowledges its responsibilities for the preparation and fair presentation of the financial statements of Sunway Real Estate Investment Trust. In the opinion of the Manager, the financial statements set out on pages 219 to 279 are drawn up in accordance with the provisions of the deed dated 20 May 2010, a supplemental deed dated 10 June 2010 and an amended and restated deed dated 18 September 2018 (collectively referred to as the "Deed"), the Securities Commission's Guidelines on Listed Real Estate Investment Trusts in Malaysia, Malaysian Financial Reporting Standards and IFRS Accounting Standards so as to give a true and fair view of the financial position of the Group and of the Fund as at 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of the Manager in accordance with a resolution of the Directors of the Manager dated 20 March 2025.



Chen Kok Peng



Ng Sing Hwa

## STATUTORY DECLARATION

I, Ng Bee Lien (CA 13890), being the officer primarily responsible for the financial management of Sunway Real Estate Investment Trust, do solemnly and sincerely declare that the accompanying financial statements set out on pages 219 to 279 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by  
the abovenamed Ng Bee Lien  
at Petaling Jaya in the State of  
Selangor Darul Ehsan on 20 March 2025



Ng Bee Lien

Before me,



No. 71-1, Jalan SS21/37  
Damansara Utama (Up Town)  
47400 Petaling Jaya, Selangor.

## TRUSTEE'S REPORT TO THE UNITHOLDERS OF SUNWAY REAL ESTATE INVESTMENT TRUST

We have acted as Trustee of Sunway Real Estate Investment Trust ("Sunway REIT" or the "Fund") for the financial year ended 31 December 2024. In our opinion and to the best of our knowledge, Sunway REIT Management Sdn. Bhd. (the "Manager") has managed Sunway REIT during the period covered by these financial statements, set out on pages 219 to 279, in accordance with the limitations imposed on the investment powers of the Manager, the provisions of the deed dated 20 May 2010, a supplemental deed dated 10 June 2010 and an amended and restated deed dated 18 September 2018 (collectively referred to as the "Deed"), the Securities Commission's Guidelines on Listed Real Estate Investment Trusts in Malaysia and the applicable securities laws.

We have ensured that valuation has been carried out on all the properties of Sunway REIT in accordance with the Deed and any other regulatory requirements.

We also confirm that the income distributions declared and paid during the financial year ended 31 December 2024 are in line with and are reflective of the objective of Sunway REIT.

For and on behalf of the Trustee,  
**RHB TRUSTEES BERHAD (AS TRUSTEE FOR SUNWAY REIT)**



**MOHD SOFIAN BIN KAMARUDDIN**  
Vice President



**LIM BEE FANG**  
Assistant Vice President

Kuala Lumpur, Malaysia  
20 March 2025

# INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF SUNWAY REAL ESTATE INVESTMENT TRUST

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### OPINION

We have audited the financial statements of Sunway Real Estate Investment Trust ("Sunway REIT" or the "Fund"), which comprise the statements of financial position as at 31 December 2024 of the Group and of the Fund, and the statements of profit or loss and other comprehensive income, statements of changes in net asset value and statements of cash flows of the Group and of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 219 to 279.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Fund as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Securities Commission's Guidelines on Listed Real Estate Investment Trusts in Malaysia.

### BASIS FOR OPINION

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### INDEPENDENCE AND OTHER ETHICAL RESPONSIBILITIES

We are independent of the Group and of the Fund in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Fund for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Fund as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### VALUATION OF INVESTMENT PROPERTIES

As disclosed in Note 14 to the financial statements, the Group's and the Fund's investment properties measured at fair value stood at RM10,344,082,000 as at 31 December 2024.

There were significant judgements and estimates involved in relation to the valuation of the Group's and Fund's investment properties including allowance for void, term yield rates, reversionary yield rates, capitalisation rates and discount rates.

Our audit procedures included the following:

- (a) Assessed the objectivity, competency and independence of management's experts;
- (b) Discussed with management's experts to understand the methodology and assumptions used in the valuation;
- (c) Tested the accuracy of data used by management's experts to the underlying lease agreements; and
- (d) Benchmarked and assessed the key assumptions in the valuation reports to external industry data and comparable property transactions, in particular the allowance for void, term yield rates, reversionary yield rates, capitalisation rate and discount rate with the involvement of auditors' experts.

## INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF SUNWAY REAL ESTATE INVESTMENT TRUST

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Manager of the Fund is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF MANAGER AND TRUSTEE FOR THE FINANCIAL STATEMENTS

The Manager of the Fund is responsible for the preparation of financial statements of the Group and of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the Securities Commission's Guidelines on Listed Real Estate Investment Trusts in Malaysia. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Group and of the Fund that are free from material misstatement, whether due to fraud or error. The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

In preparing the financial statements of the Group and of the Fund, the Manager is responsible for assessing the ability of the Group and of the Fund to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intend to liquidate the Group or the Fund or to cease operations, or have no realistic alternative but to do so.

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Fund.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

## INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF SUNWAY REAL ESTATE INVESTMENT TRUST

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (cont'd.)

- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Fund to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Fund, including the disclosures, and whether the financial statements of the Group and of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.


We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Fund for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

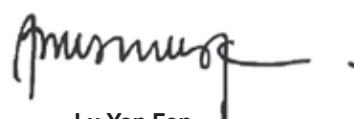
### OTHER MATTERS

This report is made solely to the unitholders of the Fund in accordance with the trust deed of the Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.



**BDO PLT**  
201906000013 (LLP0018825-LCA) & AF0206  
Chartered Accountants

Kuala Lumpur  
20 March 2025



**Lu Yan Fen**  
03803/11/2025 J  
Chartered Accountant

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group		Fund	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Revenue</b>	6				
- Realised		756,868	704,548	756,868	704,548
- Unrealised (in relation to unbilled lease income receivable)		10,278	11,141	10,278	11,141
		767,146	715,689	767,146	715,689
Property operating expenses	7	(197,442)	(188,792)	(197,442)	(188,792)
<b>Net property income</b>		569,704	526,897	569,704	526,897
Interest income	8	13,095	9,894	13,095	9,894
Other income		311	397	311	397
Changes in fair value of investment properties	14				
- As per valuation reports		173,427	505	173,427	505
- Unbilled lease income receivable		(10,278)	(11,141)	(10,278)	(11,141)
<b>Net investment income</b>		746,259	526,552	746,259	526,552
Manager's fees	9	(47,208)	(43,934)	(47,208)	(43,934)
Trustee's fees		(770)	(770)	(700)	(700)
Auditors' remuneration:					
- Statutory audit		(146)	(139)	(140)	(133)
- Other services		(28)	(3)	(28)	(3)
Tax agent's fee		(32)	(41)	(26)	(35)
Valuation fees		(811)	(677)	(811)	(677)
Other trust expenses		(2,993)	(2,483)	(3,147)	(2,638)
Finance costs	10	(166,619)	(138,949)	(176,762)	(158,765)
Total expenses		(218,607)	(186,996)	(228,822)	(206,885)
<b>Profit before tax</b>		527,652	339,556	517,437	319,667
Tax expense	11	(2,900)	(1,365)	(2,900)	(1,365)
<b>Profit for the financial year</b>		524,752	338,191	514,537	318,302
<b>Profit for the financial year comprises the following:</b>					
Realised					
- Unitholders		343,828	319,022	343,828	319,022
- Perpetual note holders		10,215	19,889	-	-
		354,043	338,911	343,828	319,022
Unrealised		170,709	(720)	170,709	(720)
		524,752	338,191	514,537	318,302
<b>Basic earnings per unit attributable to unitholders (sen):</b>	12				
Realised		10.04	9.32	10.04	9.32
Unrealised		4.98	(0.02)	4.98	(0.02)
		15.02	9.30	15.02	9.30
<b>Distribution per unit (sen)</b>	13	10.00	9.30	10.00	9.30

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Group		Fund	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit for the financial year	524,752	338,191	514,537	318,302
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods*:</b>				
Cash flow hedge - fair value (loss)/gain on derivative	(8,482)	17,813	(8,482)	17,813
Cash flow hedge reserve recycled to profit or loss	9,737	(18,548)	9,737	(18,548)
<b>Total comprehensive income for the financial year</b>	<b>526,007</b>	<b>337,456</b>	<b>515,792</b>	<b>317,567</b>
Realised profit for the financial year is arrived at as follows:				
Profit for the financial year	524,752	338,191	514,537	318,302
Add: Changes in fair value of investment properties	(163,149)	10,636	(163,149)	10,636
Less: Unbilled lease income receivable	(10,278)	(11,141)	(10,278)	(11,141)
Add: Deferred tax expense on fair value gain of investment properties	2,900	1,365	2,900	1,365
Add: Unrealised foreign exchange (gain)/loss (hedged item)	(9,737)	18,548	(9,737)	18,548
Less: Cash flow hedge reserve recycled to profit or loss	9,737	(18,548)	9,737	(18,548)
Less: Others	(182)	(140)	(182)	(140)
Realised profit for the financial year	354,043	338,911	343,828	319,022
Less: Amount reserved for distribution to perpetual note holders	(10,215)	(19,889)	-	-
Realised profit attributable to unitholders	343,828	319,022	343,828	319,022

\* There is no tax effect arising from each of the components of the other comprehensive income.

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### INCOME DISTRIBUTION TO UNITHOLDERS

	Group/Fund	
	2024 RM'000	2023 RM'000
Realised profit for the financial year, representing income available for distribution for the financial year	<b>343,828</b>	319,022
Brought forward undistributed income available for distribution	<b>43,315</b>	42,800
Total income available for distribution	<b>387,143</b>	361,822
Distribution to unitholders during the year:		
Distribution of 4.62 sen per unit for period from 1 January 2023 to 30 June 2023	-	(158,226)
Final income distribution of 4.68 sen per unit for period from 1 July 2023 to 31 December 2023	-	(160,281)
Distribution of 4.66 sen per unit for period from 1 January 2024 to 30 June 2024	<b>(159,596)</b>	-
Proposed final income distribution of 5.34 sen per unit for period from 1 July 2024 to 31 December 2024 <sup>1</sup>	<b>(182,885)</b>	-
Balance undistributed income	<b>44,662</b>	43,315

<sup>1</sup> The proposed final income distribution will be recognised and paid in the financial year ending 31 December 2025.

*The accompanying notes form an integral part of the financial statements.*

## STATEMENTS OF FINANCIAL POSITION

### AS AT 31 DECEMBER 2024

		Group	
	Note	2024 RM'000	2023 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investment properties	14	10,384,928	8,912,360
Investment properties - accrued lease income	18	69,918	59,640
Plant and equipment	15	16,594	17,399
Right-of-use asset		644	720
		10,472,084	8,990,119
<b>Current assets</b>			
Trade receivables	17	23,835	19,384
Other receivables	18	16,918	88,799
Derivatives	20	-	15,016
Cash and bank balances	19	289,762	425,305
		330,515	548,504
<b>Total assets</b>		10,802,599	9,538,623
<b>Equity and liabilities</b>			
<b>Equity</b>			
Unitholders' capital	21	3,433,864	3,433,864
Undistributed income		1,938,413	1,742,498
Total Unitholders' funds		5,372,277	5,176,362
Perpetual note holders' funds	22	499,717	339,717
<b>Total equity</b>		5,871,994	5,516,079
<b>Non-current liabilities</b>			
Borrowings	23	2,730,000	2,000,000
Long term liabilities	25	105,499	101,697
Deferred tax liabilities	26	15,891	12,991
Lease liability		723	773
		2,852,113	2,115,461
<b>Current liabilities</b>			
Borrowings	23	1,736,749	1,636,985
Trade payables	27	5,596	1,498
Other payables	28	321,656	268,552
Derivatives	20	14,441	-
Lease liability		50	48
		2,078,492	1,907,083
<b>Total liabilities</b>		4,930,605	4,022,544
<b>Total equity and liabilities</b>		10,802,599	9,538,623

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Group	
	Note	2024 RM'000	2023 RM'000
Units in circulation ('000)	21	3,424,808	3,424,808
<b>Net asset value ("NAV") attributable to unitholders:</b>			
Before income distribution		5,372,277	5,176,362
After income distribution		5,189,392	5,016,081
<b>NAV per unit attributable to unitholders (RM):</b>			
Before income distribution <sup>1</sup>		1.5686	1.5114
After income distribution <sup>2</sup>		1.5152	1.4646

<sup>1</sup> Before the proposed final income distribution of 5.34 sen per unit (2023: 4.68 sen per unit)

<sup>2</sup> After the proposed final income distribution of 5.34 sen per unit (2023: 4.68 sen per unit)

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Fund	
	Note	2024 RM'000	2023 RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investment properties	14	10,384,928	8,912,360
Investment properties - accrued lease income	18	69,918	59,640
Plant and equipment	15	16,594	17,399
Right-of-use asset		644	720
Investments in subsidiaries	16	100	100
		10,472,184	8,990,219
<b>Current assets</b>			
Trade receivables	17	23,835	19,384
Other receivables	18	16,705	88,799
Derivatives	20	-	15,016
Cash and bank balances	19	289,428	425,144
		329,968	548,343
<b>Total assets</b>		10,802,152	9,538,562
<b>Equity and liabilities</b>			
<b>Equity</b>			
Unitholders' capital	21	3,433,864	3,433,864
Undistributed income		1,938,416	1,742,501
Total Unitholders' funds		5,372,280	5,176,365
<b>Non-current liabilities</b>			
Borrowings	23	500,000	2,000,000
Amounts due to subsidiaries	24	2,729,909	-
Long term liabilities	25	105,499	101,697
Deferred tax liabilities	26	15,891	12,991
Lease liability		723	773
		3,352,022	2,115,461
<b>Current liabilities</b>			
Borrowings	23	506,966	347,325
Trade payables	27	5,596	1,498
Other payables	28	298,106	257,437
Amounts due to subsidiaries	24	1,252,691	1,640,428
Derivatives	20	14,441	-
Lease liability		50	48
		2,077,850	2,246,736
<b>Total liabilities</b>		5,429,872	4,362,197
<b>Total equity and liabilities</b>		10,802,152	9,538,562

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Fund	
	Note	2024 RM'000	2023 RM'000
Units in circulation ('000)	21	3,424,808	3,424,808
<b>Net asset value ("NAV") attributable to unitholders:</b>			
Before income distribution		5,372,280	5,176,365
After income distribution		5,189,395	5,016,084
<b>NAV per unit attributable to unitholders (RM):</b>			
Before income distribution <sup>1</sup>		1.5686	1.5114
After income distribution <sup>2</sup>		1.5152	1.4646

<sup>1</sup> Before the proposed final income distribution of 5.34 sen per unit (2023: 4.68 sen per unit)

<sup>2</sup> After the proposed final income distribution of 5.34 sen per unit (2023: 4.68 sen per unit)

*The accompanying notes form an integral part of the financial statements.*

# STATEMENTS OF CHANGES IN NET ASSET VALUE

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### GROUP

	Unitholders' Capital RM'000	Undistributed Income RM'000	Total Unitholders' Funds RM'000	Perpetual Note Holders' Funds RM'000	Total Equity RM'000
<b>At 1 January 2024</b>	<b>3,433,864</b>	<b>1,742,498</b>	<b>5,176,362</b>	<b>339,717</b>	<b>5,516,079</b>
<b>Total comprehensive income</b>					
Profit for the financial year	-	524,752	524,752	-	524,752
Other comprehensive income:					
- Cash flow hedge - fair value loss on derivative	-	(8,482)	(8,482)	-	(8,482)
- Cash flow hedge reserve recycled to profit or loss	-	9,737	9,737	-	9,737
Total comprehensive income, representing the increase in net assets resulting from operations	-	526,007	526,007	-	526,007
<b>Unitholders' transactions</b>					
Distribution to unitholders:					
- Income distribution declared and paid in current year (Note 13)	-	(159,596)	(159,596)	-	(159,596)
- Income distribution proposed in prior year but paid in current year	-	(160,281)	(160,281)	-	(160,281)
Decrease in net assets resulting from unitholders' transactions	-	(319,877)	(319,877)	-	(319,877)
<b>Perpetual Note Holders' transactions</b>					
Issuance of perpetual note (net of transaction costs)	-	-	-	500,000	500,000
Amount reserved for distribution to perpetual note holders	-	(10,215)	(10,215)	-	(10,215)
Redemption of perpetual note	-	-	-	(340,000)	(340,000)
Increase in net assets resulting from perpetual note holders' transactions	-	(10,215)	(10,215)	160,000	149,785
<b>At 31 December 2024</b>	<b>3,433,864</b>	<b>1,938,413</b>	<b>5,372,277</b>	<b>499,717</b>	<b>5,871,994</b>

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CHANGES IN NET ASSET VALUE

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### GROUP (CONT'D.)

	Unitholders' Capital RM'000	Undistributed Income RM'000	Total Unitholders' Funds RM'000	Perpetual Note Holders' Funds RM'000	Total Equity RM'000
<b>At 1 January 2023</b>	3,433,864	1,754,397	5,188,261	339,717	5,527,978
<b>Total comprehensive income</b>					
Profit for the financial year	-	338,191	338,191	-	338,191
Other comprehensive income:					
- Cash flow hedge - fair value gain on derivative	-	17,813	17,813	-	17,813
- Cash flow hedge reserve recycled to profit or loss	-	(18,548)	(18,548)	-	(18,548)
Total comprehensive income, representing the increase in net assets resulting from operations	-	337,456	337,456	-	337,456
<b>Unitholders' transactions</b>					
Distribution to unitholders:					
- Income distribution declared and paid in current year (Note 13)	-	(158,226)	(158,226)	-	(158,226)
- Income distribution proposed in prior year but paid in current year	-	(171,240)	(171,240)	-	(171,240)
Decrease in net assets resulting from unitholders' transactions	-	(329,466)	(329,466)	-	(329,466)
<b>Perpetual Note Holders' transactions</b>					
Amount reserved for distribution to perpetual note holders	-	(19,889)	(19,889)	-	(19,889)
Decrease in net assets resulting from perpetual note holders' transactions	-	(19,889)	(19,889)	-	(19,889)
<b>At 31 December 2023</b>	3,433,864	1,742,498	5,176,362	339,717	5,516,079

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CHANGES IN NET ASSET VALUE

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### FUND

	Unitholders' Capital RM'000	Undistributed Income RM'000	Total Unitholders' Funds RM'000
<b>At 1 January 2024</b>	<b>3,433,864</b>	<b>1,742,501</b>	<b>5,176,365</b>
<b>Total comprehensive income</b>			
Profit for the financial year	-	514,537	514,537
Other comprehensive income:			
- Cash flow hedge - fair value loss on derivative	-	(8,482)	(8,482)
- Cash flow hedge reserve recycled to profit or loss	-	9,737	9,737
Total comprehensive income, representing the increase in net assets resulting from operations	-	515,792	515,792
<b>Unitholders' transactions</b>			
Distribution to unitholders:			
- Income distribution declared and paid in current year (Note 13)	-	(159,596)	(159,596)
- Income distribution proposed in prior year but paid in current year	-	(160,281)	(160,281)
Decrease in net assets resulting from unitholders' transactions	-	(319,877)	(319,877)
<b>At 31 December 2024</b>	<b>3,433,864</b>	<b>1,938,416</b>	<b>5,372,280</b>

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CHANGES IN NET ASSET VALUE

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### FUND (CONT'D.)

	Unitholders' Capital RM'000	Undistributed Income RM'000	Total Unitholders' Funds RM'000
<b>At 1 January 2023</b>	3,433,864	1,754,400	5,188,264
<b>Total comprehensive income</b>			
Profit for the financial year	-	318,302	318,302
Other comprehensive income:			
- Cash flow hedge - fair value gain on derivative	-	17,813	17,813
- Cash flow hedge reserve recycled to profit or loss	-	(18,548)	(18,548)
Total comprehensive income, representing the increase in net assets resulting from operations	-	317,567	317,567
<b>Unitholders' transactions</b>			
Distribution to unitholders:			
- Income distribution declared and paid in current year (Note 13)	-	(158,226)	(158,226)
- Income distribution proposed in prior year but paid in current year	-	(171,240)	(171,240)
Decrease in net assets resulting from unitholders' transactions	-	(329,466)	(329,466)
<b>At 31 December 2023</b>	3,433,864	1,742,501	5,176,365

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CASH FLOWS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Fund	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities					
Cash receipts from customers		770,766	727,248	770,766	727,248
Refundable security deposits from customers		19,282	1,932	19,282	1,932
Cash paid for operating expenses		(246,294)	(283,562)	(246,294)	(283,562)
Net cash from operating activities		543,754	445,618	543,754	445,618
Cash flows from investing activities					
Acquisition of plant and equipment	Note a	(2,930)	(5,573)	(2,930)	(5,573)
Deposit for acquisition of investment properties		(37,300)	(56,503)	(37,300)	(56,503)
Balance payment for acquisition of investment properties		(859,747)	-	(859,747)	-
Balance proceed for disposal of investment property		-	399,900	-	399,900
Incidental costs on acquisition of investment properties		(11,045)	-	(11,045)	-
Incidental costs on disposal of investment property		-	(12,925)	-	(12,925)
Subsequent expenditure of investment properties	Note b	(312,930)	(200,070)	(312,930)	(200,070)
Interest received		14,158	10,543	14,158	10,543
Net cash (used in)/from investing activities		(1,209,794)	135,372	(1,209,794)	135,372
Cash flows from financing activities					
Proceeds from issuance of commercial papers		2,950,000	2,270,000	-	-
Proceeds from issuance of medium term notes		3,370,000	800,000	-	-
Drawdown of revolving loan - USD		808,985	331,503	808,985	331,503
Drawdown of revolving loan		50,000	430,000	50,000	430,000
Repayment of commercial papers		(2,950,000)	(2,180,000)	-	-
Repayment of medium term notes		(1,200,000)	(960,000)	-	-
Repayment of revolving loan - USD		(618,633)	(292,552)	(618,633)	(292,552)
Repayment of revolving loan		(1,550,000)	(320,000)	(1,550,000)	(320,000)
Redemption of perpetual note		(340,000)	-	-	-
Interest paid		(160,060)	(136,572)	(160,060)	(136,572)
Net change in inter-company balances		-	-	2,329,827	(69,998)
Distribution paid to unitholders		(319,877)	(329,466)	(319,877)	(329,466)
Distribution paid to perpetual note holders		(9,918)	(19,836)	(9,918)	(19,836)
Proceeds from issuance of perpetual note		500,000	-	-	-
Net cash from/(used in) financing activities		530,497	(406,923)	530,324	(406,921)
Net (decrease)/increase in cash and cash equivalents		(135,543)	174,067	(135,716)	174,069
Cash and cash equivalents at beginning of financial year		425,305	251,238	425,144	251,075
Cash and cash equivalents at end of financial year		19	289,762	425,305	289,428
					425,144

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CASH FLOWS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group		Fund	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Note a:					
Additions of plant and equipment	15	3,151	5,613	3,151	5,613
Additions via deferred payment		(296)	(269)	(296)	(269)
Payment of plant and equipment purchased via deferred payment in prior years		75	229	75	229
Cash outflow for acquisition of plant and equipment		2,930	5,573	2,930	5,573
Note b:					
Subsequent expenditure of investment properties	14	336,922	300,495	336,922	300,495
Interest capitalised		(61)	-	(61)	-
Additions via deferred payment		(104,373)	(116,325)	(104,373)	(116,325)
Payment of subsequent expenditure of investment properties incurred via deferred payment in prior years		80,442	15,900	80,442	15,900
Cash outflow for subsequent expenditure of investment properties		312,930	200,070	312,930	200,070

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CASH FLOWS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Note c: Reconciliation of liabilities arising from financing activities

	Commercial papers (Note 23)		Unrated medium term notes (Note 23)		Rated medium term notes (Note 23)		Revolving loan - USD (Note 23)		Revolving loan (Note 23)	
	Group	Fund	Group	Fund	Group	Fund	Group	Fund	Group	Fund
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2024</b>	<b>89,660</b>	<b>-</b>	<b>1,200,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>347,325</b>	<b>347,325</b>	<b>2,000,000</b>	<b>2,000,000</b>
Cash flows	-	-	1,770,000	-	400,000	-	190,352	190,352	(1,500,000)	(1,500,000)
Non-cash flows:										
- Effect of foreign exchange	-	-	-	-	-	-	(30,711)	(30,711)	-	-
- Discount on commercial papers	50	-	-	-	-	-	-	-	-	-
- Unamortised transaction costs	73	-	-	-	-	-	-	-	-	-
<b>At 31 December 2024</b>	<b>89,783</b>	<b>-</b>	<b>2,970,000</b>	<b>-</b>	<b>400,000</b>	<b>-</b>	<b>506,966</b>	<b>506,966</b>	<b>500,000</b>	<b>500,000</b>
<b>At 1 January 2023</b>	<b>(236)</b>	<b>-</b>	<b>1,360,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>287,013</b>	<b>287,013</b>	<b>1,890,000</b>	<b>1,890,000</b>
Cash flows	90,000	-	(160,000)	-	-	-	38,951	38,951	110,000	110,000
Non-cash flows:										
- Effect of foreign exchange	-	-	-	-	-	-	21,361	21,361	-	-
- Discount on commercial papers	(176)	-	-	-	-	-	-	-	-	-
- Unamortised transaction costs	72	-	-	-	-	-	-	-	-	-
<b>At 31 December 2023</b>	<b>89,660</b>	<b>-</b>	<b>1,200,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>347,325</b>	<b>347,325</b>	<b>2,000,000</b>	<b>2,000,000</b>

The accompanying notes form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 1. FUND INFORMATION

Sunway Real Estate Investment Trust ("Sunway REIT" or the "Fund") is a Malaysia-domiciled real estate investment trust constituted pursuant to a deed dated 20 May 2010, a supplemental deed dated 10 June 2010 and an amended and restated deed dated 18 September 2018 (collectively referred to as the "Deed") between Sunway REIT Management Sdn. Bhd. (the "Manager") and RHB Trustees Berhad (the "Trustee"). The Fund was listed on the Main Market of Bursa Malaysia Securities Berhad on 8 July 2010.

The registered office of the Manager is located at Level 16, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan.

The principal place of business is located at Level 15, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan.

Sunway REIT is an income and growth fund with the key investment objective to provide unitholders with exposure to a diverse portfolio of authorised investments (pursuant to provisions of the Deed) that will provide stable cash distributions with the potential for sustainable growth in net asset value ("NAV") per unit. The principal investment policy of Sunway REIT is to invest in retail, hospitality, office and other real estate assets, subject to the Securities Commission's Guidelines on Listed Real Estate Investment Trusts ("Listed REIT Guidelines"). The principal activities of the subsidiaries are set out in Note 16 to the financial statements.

There has been no significant change in the nature of the principal activity during the financial year.

The consolidated financial statements comprise the Fund and its subsidiaries (the "Group").

The financial statements for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution by the Board of Directors of the Manager on 20 March 2025.

Sunway REIT has entered into several service agreements in relation to the management of the Fund and its property operations. The fee structures of these services are as follows:

#### 1.1 Manager's fees

Pursuant to the Deed, the Manager of Sunway REIT is entitled to receive the following fees from Sunway REIT:

- (a) Base fee of 0.3% per annum of the total asset value;
- (b) Performance fee of 3% per annum of net property income, but before deduction of fees payable to the Property Manager;
- (c) Acquisition fee of 1% of the acquisition price of any Asset of Sunway REIT being Real Estate or a Special Purpose Vehicle acquired by the Trustee for Sunway REIT (pro rated if applicable to the proportion of the interest in Real Estate or Special Purpose Vehicle purchased by the Trustee for Sunway REIT); and
- (d) Divestment fee of 0.5% of the sale price of any Asset of Sunway REIT being Real Estate or a Special Purpose Vehicle sold or divested by the Trustee (pro rated if applicable to the proportion of the interest of Sunway REIT in the Asset of Sunway REIT sold).

The Manager's fee shall be net of all applicable taxes, duties and levies imposed by the relevant authorities in Malaysia. The Manager shall be paid the base fee and performance fee which may be in the form of cash, new units or a combination thereof, which may be varied at the discretion of the Manager. The Manager's fees are payable monthly in arrears.

#### 1.2 Property management fees

The Property Manager, Zerin Properties Urus Harta Sdn. Bhd. ("Zerin"), is entitled to receive a fixed fee for managing the retail and office properties owned by Sunway REIT. Zerin and/or its service providers shall be reimbursed in full for the property expenses which include the employment and remuneration costs of the centralised team of employees of Zerin and/or its service providers as provided in the Property Management Agreement dated 20 October 2023. The property management fees and reimbursements are payable monthly in arrears.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 1. FUND INFORMATION (CONT'D.)

### 1.3 Trustee's fees

Pursuant to the Deed, the Trustee of Sunway REIT is entitled to receive a fee of up to 0.03% per annum of the net asset value of Sunway REIT, net of all applicable taxes, duties and levies imposed by the relevant authorities in Malaysia, calculated on a monthly accrual basis, based on a year of 12 months and is payable monthly in arrears.

For calendar year 2018 and onwards, the fee has been revised from 0.03% to 0.015% per annum of net asset value of Sunway REIT and the fee is subject to a maximum of RM700,000 per annum.

The trustee of SUNREIT Capital Berhad, PB Trustee Services Berhad, is entitled to receive a predetermined annual fixed fee.

The trustee of SUNREIT Bond Berhad, AmanahRaya Trustees Berhad, is entitled to receive a predetermined annual fixed fee.

The trustee of SUNREIT Perpetual Bond Berhad, Pacific Trustees Berhad, is entitled to receive a predetermined annual fixed fee.

## 2. BASIS OF PREPARATION

The financial statements of the Group and of the Fund have been prepared in accordance with the provisions of the Deed, the Listed REIT Guidelines in Malaysia, Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards.

The financial statements of the Group and of the Fund have been prepared under the historical cost convention, except as otherwise stated in the financial statements and on a going concern basis.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") unless when otherwise stated.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 35(a) to the financial statements.

## 3. BASIS OF ACCOUNTING

The Group and the Fund have net current liabilities (excluding derivatives at fair value) of RM1,733,536,000 and RM1,733,441,000 respectively as at 31 December 2024.

The following matters have been considered by the Manager in determining the appropriateness of the going concern basis in the preparation of the financial statements of the Group and of the Fund:

- (a) RM143,837,000 relates to accrual for subsequent expenditure of investment properties of which will be funded by the existing debt facilities of the Group and of the Fund. The Group (held through its subsidiaries) has sufficient debt facilities limit available to be utilised within the gearing allowed under the Listed REIT Guidelines for the next twelve months;
- (b) RM4,466,749,000 relates to borrowings of the Group, of which RM3,566,749,000 are secured by the investment properties as disclosed in Note 14 to the financial statements and borrowings as at 31 December 2024 (included secured and non-secured) are likely to be refinanced with the existing debt programme underpinned by the strength of the underlying assets and adequate liquidity in the debt market; and
- (c) the Group and the Fund generated net operating cash inflows of RM543,754,000 for the financial year ended 31 December 2024. The Manager projects continued profitability and operating cash inflows for the Group and the Fund in the next twelve months.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 4. SEGMENT INFORMATION

##### (a) Reporting format

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the product and services produced. Secondary information is reported geographically. The investment properties are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

##### (b) Business segments

The Group comprises the following main business segments:

- |       |                     |   |   |
|-------|---------------------|---|---|
| (i)   | Retail              | - | renting of retail premises to tenants                               |
| (ii)  | Hotel               | - | leasing of hotel premises to hotel operators on long term leases    |
| (iii) | Office              | - | renting of office premises to tenants                               |
| (iv)  | Services            | - | leasing of services related premises on long term leases            |
| (v)   | Industrial & Others | - | leasing of industrial and other types of premises to tenants/lessee |

##### (c) Geographical segments

The Group's geographical segments are based on the location of the Group's assets. The Group's five main business segments operate in five main geographical areas:

- |       |              |   |   |
|-------|--------------|---|---|
| (i)   | Selangor     | - | the operations in this area are principally renting of retail and office premises, leasing of hotel premises to a hotel operator, leasing of a purpose-built campus to lessees, leasing of industrial premises to lessee/tenants. |
| (ii)  | Kuala Lumpur | - | the operations in this area are principally renting of retail and office premises and leasing of a hotel premises to a hotel operator.  |
| (iii) | Penang       | - | the operations in this area are principally renting of a retail premises, leasing of hotel premises to hotel operators and leasing of an industrial premise to lessees.   |
| (iv)  | Perak        | - | the operation in this area is principally renting of a retail premises.   |
| (v)   | Johor        | - | the operation in this area is principally renting of retail premises.   |

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 4. SEGMENT INFORMATION (CONT'D.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segments:

##### Business segments

	----- 31.12.2024 -----					
	Retail	Hotel	Office	Services	Industrial & Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
Rental income	475,955	-	78,908	-	3,419	558,282
Master lease income	-	92,843	-	38,395	6,774	138,012
Car park rental income	33,280	2,614	3,987	-	63	39,944
Other operating income	20,390	-	240	-	-	20,630
Gross revenue	529,625	95,457	83,135	38,395	10,256	756,868
Unbilled lease income receivable	-	-	-	10,278	-	10,278
	529,625	95,457	83,135	48,673	10,256	767,146
Segment net property income	368,440	91,525	52,171	48,667	8,901	569,704
Interest income						13,095
Other income						311
Changes in fair value of investment properties						
- As per valuation reports	183,170	(10,774)	(3,128)	3,517	642	173,427
- Unbilled lease income receivable	-	-	-	(10,278)	-	(10,278)
	183,170	(10,774)	(3,128)	(6,761)	642	163,149
Total expenses (excluding finance costs)						(51,988)
Finance costs						(166,619)
Profit before tax						527,652
Tax expense						(2,900)
<b>Profit for the financial year</b>						<b>524,752</b>

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 4. SEGMENT INFORMATION (CONT'D.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segments: (cont'd.)

##### Business segments (cont'd.)

	----- 31.12.2024 -----						
	Retail RM'000	Hotel RM'000	Office RM'000	Services RM'000	Industrial & Others RM'000	Total RM'000	Note
<b>Assets</b>							
Segment assets	6,845,148	1,879,853	970,972	586,000	241,690	10,523,663	
Unallocated assets						278,936	
Total assets						10,802,599	
<b>Liabilities</b>							
Segment liabilities	336,480	25,870	27,806	-	2,479	392,635	
Unallocated liabilities						4,537,970	
Total liabilities						4,930,605	
<b>Other segment information</b>							
Capital expenditure	297,073	25,774	4,301	2,483	10,442	340,073	A
Depreciation	2,839	-	1,097	-	-	3,936	
Other significant non-cash income/ (expenses)	171,077	(10,774)	(3,124)	3,517	642	161,338	
Unallocated						182	
						161,520	B

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 4. SEGMENT INFORMATION (CONT'D.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segments: (cont'd.)

##### Business segments (cont'd.)

	----- 31.12.2023 -----					
	Retail	Hotel	Office	Services	Industrial & Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
Rental income	425,706	-	78,538	-	-	504,244
Master lease income	-	83,892	-	55,157	6,775	145,824
Car park rental income	31,041	3,204	3,726	-	-	37,971
Other operating income	16,148	-	361	-	-	16,509
Gross revenue	472,895	87,096	82,625	55,157	6,775	704,548
Unbilled lease income receivable	-	-	-	11,141	-	11,141
	472,895	87,096	82,625	66,298	6,775	715,689
Segment net property income	320,806	82,365	52,172	66,298	5,256	526,897
Interest income						9,894
Other income						397
Changes in fair value of investment properties						
- As per valuation reports	12,450	(23,351)	4,501	3,611	3,294	505
- Unbilled lease income receivable	-	-	-	(11,141)	-	(11,141)
	12,450	(23,351)	4,501	(7,530)	3,294	(10,636)
Total expenses (excluding finance costs)						(48,047)
Finance costs						(138,949)
Profit before tax						339,556
Tax expense						(1,365)
<b>Profit for the financial year</b>						<b>338,191</b>

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 4. SEGMENT INFORMATION (CONT'D.)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segments: (cont'd.)

##### Business segments (cont'd.)

	31.12.2023						
	Retail RM'000	Hotel RM'000	Office RM'000	Services RM'000	Industrial & Others RM'000	Total RM'000	Note
<b>Assets</b>							
Segment assets	5,455,592	1,865,569	965,926	580,000	167,226	9,034,313	
Unallocated assets						504,310	
Total assets						9,538,623	
<b>Liabilities</b>							
Segment liabilities	279,409	32,236	27,762	-	1,385	340,792	
Unallocated liabilities						3,681,752	
Total liabilities						4,022,544	
<b>Other segment information</b>							
Capital expenditure	227,945	66,245	8,823	1,389	1,706	306,108	A
Depreciation	2,881	(2)	984	-	-	3,863	
Other significant non-cash income/ (expenses)	16,186	(23,811)	4,493	(7,530)	2,994	(7,668)	
Unallocated						140	
						(7,528)	B

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 4. SEGMENT INFORMATION (CONT'D.)

The following table provides an analysis of the Group's revenue, net property income, capital expenditure and assets by geographical segments:

##### Geographical segments

	31.12.2024					
	Selangor	Kuala Lumpur	Penang	Perak	Johor	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Gross revenue	575,517	90,152	90,966	3,630	6,881	767,146
Segment net property income	454,618	48,371	56,266	3,568	6,881	569,704
Capital expenditure	207,499	24,134	108,426	-	14	340,073
Segment assets	7,534,160	1,409,795	1,200,713	54,995	324,000	10,523,663
Unallocated assets						278,936
						10,802,599

	31.12.2023					
	Selangor	Kuala Lumpur	Penang	Perak	Johor	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Gross revenue	556,620	78,034	77,694	3,341	-	715,689
Segment net property income	436,757	40,062	46,779	3,299	-	526,897
Capital expenditure	101,187	15,098	189,823	-	-	306,108
Segment assets	6,806,047	1,121,047	1,052,188	55,031	-	9,034,313
Unallocated assets						504,310
						9,538,623

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 4. SEGMENT INFORMATION (CONT'D.)

**Note** Nature of eliminations to arrive at amounts reported in the consolidated financial statements.

A Capital expenditures consist of:

	Group/Fund	
	2024	2023
	RM'000	RM'000
Investment properties (Note 14)	329,076	300,495
Investment property under construction (Note 14)	7,846	-
Plant and equipment (Note 15)	3,151	5,613
	<b>340,073</b>	<b>306,108</b>

B Other significant non-cash income/(expenses) consist of the following items as presented in the respective notes:

	Group/Fund	
	2024	2023
	RM'000	RM'000
Fair value gain/(loss) on investment properties (Note 14)	163,149	(10,636)
Deferred tax expense on fair value gain on investment properties (Note 26)	(2,900)	(1,365)
Unrealised foreign exchange gain/(loss) (hedged item)	9,737	(18,548)
Cash flow hedge reserve recycled to profit or loss	(9,737)	18,548
Reversal of impairment on trade receivables (Note 7)	1,089	4,333
Other income	182	140
	<b>161,520</b>	<b>(7,528)</b>

#### 5. CAPITAL AND FINANCIAL RISK MANAGEMENT

##### (a) Capital management

The primary objective of the Manager's capital management is to optimise capital structure and cost of capital of the Group and to adopt active interest rate management strategy to manage the risks associated with changes in interest rates. No changes were made in the objectives, policies or processes during the financial year ended 31 December 2024.

The Manager monitors capital using a gearing ratio, which is total gross borrowings divided by total asset value of the Group pursuant to Securities Commission's Guidelines on Listed Real Estate Investment Trusts. The Group's policy is to keep the gearing ratio below 50%.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 5. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D.)

##### (a) Capital management (cont'd.)

Sunway REIT's capital is represented by its unitholders' fund in the Statements of Financial Position.

	Group	
	2024	2023
	RM'000	RM'000
Non-current assets	10,472,084	8,990,119
Current assets	330,515	548,504
Total asset value	10,802,599	9,538,623
Total gross borrowings (Note 23)	4,466,966	3,637,325
Gearing ratio	41.4%	38.1%

The Group is not subject to any other externally imposed capital requirement.

##### (b) Financial risk management objectives and policies

The Manager proactively reviews the capital management of the Group and of the Fund to ensure that adequate financial resources are available for the working capital requirements, growing the Group's and the Fund's businesses and for income distributions whilst managing its interest rate risks (both fair value and cash flow), liquidity risk, foreign currency risk and credit risk. The Manager reviews and agrees policies for managing each of these risks and they are summarised below.

##### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Fund's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Fund's interest rate risk arises primarily from borrowings at floating rates. All of the Group's and the Fund's borrowings at floating rates are contractually re-priced monthly and quarterly.

The Manager manages the Group's and the Fund's interest rate exposure by monitoring a mix of fixed and floating rate borrowings. At the end of the reporting period, the Group's and the Fund's cross currency swap contracts are not affected by any interest rate benchmarks reforms. Approximately 45% (2023: 34%) of the Group's and 17% (2023: 15%) of the Fund's borrowings are at fixed rates of interest.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 19 and 23 to the financial statements.

##### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rate.

The Group and the Fund are not significantly exposed to foreign currency risk as the majority of the Group's and of the Fund's transactions, assets and liabilities are denominated in Ringgit Malaysia ("RM") except for the Revolving Loans which are denominated in United States Dollar ("Revolving Loans (USD)") as disclosed in Note 23(c) to the financial statements.

The Revolving Loans (USD) are hedged with cross currency swap contract. As such, fluctuation in USD is not expected to have any material effects to the financial performance and position of the Group and of the Fund.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 5. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONT'D.)

##### (b) Financial risk management objectives and policies (cont'd.)

###### Liquidity risk

The Manager manages the Group's and the Fund's debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group and the Fund maintain sufficient levels of cash or cash convertible investments to meet their working capital requirements. In addition, the Manager strives to ensure that the Group and the Fund maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group and the Fund raise committed funding from both capital markets and financial institutions and balances their portfolio with some short term funding so as to achieve overall cost effectiveness.

At the end of the reporting period, RM1,736,966,000 (2023: RM1,637,325,000) of the Group's and RM506,966,000 (2023: RM347,325,000) of the Fund's gross borrowings will be maturing in the next twelve months based on the carrying amount reflected in the financial statements. There will be no repayment risk for the maturing borrowings as the borrowings could be refinanced with the existing facilities backed by commitments from financial institutions.

The analysis of financial instruments by remaining contractual maturities has been disclosed in Notes 23, 24, 25, 27 and 28 to the financial statements.

###### Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Fund's exposure to credit risk arises primarily from trade receivables. For other financial assets (including cash and bank balances and derivatives), the Group and the Fund minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's and the Fund's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group and the Fund trade only with recognised and creditworthy third parties. It is the Group's and the Fund's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's and the Fund's exposure to bad debts is not significant.

The credit risk concentration profiles have been disclosed in Notes 17 and 18 to the financial statements.

#### 6. REVENUE

	Group/Fund	
	2024	2023
	RM'000	RM'000
<b>Realised</b>		
Rental income	558,282	504,244
Master lease income	138,012	145,824
Car park rental income	39,944	37,971
Other operating income	20,630	16,509
	<b>756,868</b>	<b>704,548</b>
<b>Unrealised</b>		
Unbilled lease income receivable	10,278	11,141
	<b>767,146</b>	<b>715,689</b>

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 6. REVENUE (CONT'D.)

##### (a) Rental income

Rental income is derived from renting of retail and office properties to tenants and includes base rent, turnover rent and service and promotion charges from tenants. Base rent and service and promotion charges are recognised in profit or loss on a straight-line basis over the term of lease. Contingent rent such as turnover rent is recognised as income in the profit or loss on an accrual basis unless recoverability is in doubt, in which case, it is recognised on receipt basis.

##### (b) Hotel master lease income

Hotel master lease income is derived from leasing of hotel properties to hotel operators for a 10-year lease term and is recognised on accrual basis unless recoverability is in doubt, in which case, it is recognised on receipt basis.

The hotel master lease income for Sunway Lagoon Hotel and Sunway Hotel Georgetown (up to 31 December 2024) is derived based on the following rent formula:

Total rent = The higher of variable rent or guaranteed rent

Variable rent = Base rent plus 70% of (hotel's gross operating profit less master lease expenses)

- (i) Base rent: 20% of the hotel's gross operating revenue.
- (ii) Gross operating profit: Hotel's gross operating revenue less operating expenses.
- (iii) Master lease expenses: Base rent, reserve for furniture, fittings and equipment and hotel management fees.

The hotel master lease agreement for Sunway Resort Hotel, Sunway Pyramid Hotel and Sunway Hotel Seberang Jaya has been renewed on 7 July 2020 for another term of 10 years, commencing from 8 July 2020, with the rent formula of 90% of hotel's gross operating profit (after accounting for reserve for furniture, fittings and equipment). Similarly, Sunway Putra Hotel and Sunway Hotel Georgetown has renewed its hotel master lease agreement on 30 August 2021 and 18 December 2024 respectively for another term of 10 years, commencing from 28 September 2021 and 1 January 2025 respectively, with the rent formula of 90% of hotel's gross operating profit (after accounting for reserve for furniture, fittings and equipment).

##### (c) Industrial rental income

Industrial rental income comprises master lease income and rental income.

The industrial master lease income is derived from leasing of an industrial premises to a lessee based on a triple net basis whereby all the property operating expenses, quit rent, assessment and insurance will be borne by the lessee, with initial term of approximately 17 years expiring on 31 December 2034 and is recognised on a straight-line basis over the term of lease unless recoverability is in doubt, in which case, it is recognised on receipt basis.

The industrial rental income is derived from renting of industrial premises to tenants and are recognised in profit or loss on a straight-line basis over the term of lease.

##### (d) Education master lease income

Education master lease income is derived from leasing of an education premises to lessees with initial term of 30 years expiring on 30 November 2048 at a predetermined annual rental with a 2.3% annual rental increase and is recognised on a straight-line basis over the term of lease unless recoverability is in doubt, in which case, it is recognised on receipt basis.

##### (e) Car park rental income

Car park rental income is derived from renting of the investment properties' car park space to car park operators and is recognised on accrual basis unless recoverability is in doubt, in which case, it is recognised on receipt basis. The car park rental income is derived based on the following variable rent formula:

Variable rent = Base rent plus 95% of car park's gross operating profit

- (i) Base rent: 20% of the car park's gross operating revenue.
- (ii) Gross operating profit: Car park's gross operating revenue less base rent and operating expenses.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 6. REVENUE (CONT'D.)

##### (f) Other operating income

Other operating income mainly comprises rental from common area of the retail properties for promotional events and is recognised on the accrual basis unless recoverability is in doubt, in which case, it is recognised on receipt basis.

##### (g) Unbilled lease income receivable

Unbilled lease income receivable is recognised on a straight-line basis over the lease term pursuant to the requirements of MFRS 16 *Leases*.

#### 7. PROPERTY OPERATING EXPENSES

	Group/Fund	
	2024	2023
	RM'000	RM'000
Quit rent, assessment and insurance	17,161	17,464
Property management fees and reimbursements	61,184	56,073
Utilities	43,832	44,233
Service contracts and maintenance	38,589	39,988
Advertising and promotion	23,097	19,656
Reversal of impairment on trade receivables (Note 17)	(1,089)	(4,333)
Depreciation of plant and equipment (Note 15)	3,936	3,863
Administrative and other operating expenses	10,732	11,848
	<b>197,442</b>	<b>188,792</b>

#### 8. INTEREST INCOME

	Group/Fund	
	2024	2023
	RM'000	RM'000
Interest income from deposits with licensed financial institutions	13,095	9,894

Interest income is recognised on the accrual basis, using the effective interest method, unless recoverability is in doubt, in which case, it is recognised on receipt basis.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 9. MANAGER'S FEES

	Group/Fund	
	2024	2023
	RM'000	RM'000
Base fee	30,422	28,458
Performance fee	16,786	15,476
	47,208	43,934
Acquisition fee <sup>1</sup>	9,598	-
Divestment fee <sup>2</sup>	-	2,150

<sup>1</sup> The acquisition fee was capitalised as part of the acquisition cost of investment properties.

<sup>2</sup> The divestment fee was accounted for as part of cost of disposal of investment property.

#### 10. FINANCE COSTS

	Group		Fund	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest paid/payable:				
- subsidiaries	-	-	103,568	76,736
- revolving loans and interest rate swap	72,463	78,879	72,463	78,879
- commercial papers	9,474	7,369	-	-
- medium term notes	83,879	49,478	-	-
Amortisation of transaction costs	860	3,223	788	3,150
Others	4	-	4	-
	166,680	138,949	176,823	158,765
Less: Interest expense capitalised in investment properties (Note 14)	(61)	-	(61)	-
	166,619	138,949	176,762	158,765

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 11. TAX EXPENSE

	Group/Fund	
	2024	2023
	RM'000	RM'000
Deferred tax (Note 26):		
Relating to origination or reversal of temporary differences	2,900	1,360
Real property gains tax arising from disposal of investment property	-	5
	2,900	1,365

#### Taxation of the Real Estate Investment Trust ("REIT")

The tax transparency system under Section 61A of the Malaysian Income Tax Act 1967, exempts the REIT from income tax in a year of assessment if the REIT distributes at least 90% of its total taxable income in the same year of assessment.

Sunway REIT will not incur any tax expense during the financial year as it will distribute at least 90% of its total taxable income for the financial year ended 31 December 2024.

Reconciliation of the tax expense is as follows:

	Group		Fund	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit before tax	527,652	339,556	517,437	319,667
Income tax at Malaysian statutory tax rate of 24% (2023: 24%)	126,636	81,493	124,185	76,720
Fair value gain on investment properties not deductible	(41,622)	(121)	(41,622)	(121)
Income not subject to tax	(89,840)	(86,220)	(87,389)	(81,447)
Expenses not deductible for tax purposes	7,726	6,213	7,726	6,213
Tax expense	2,900	1,365	2,900	1,365

#### Taxation of the Unitholders

Pursuant to Section 109D(2) of the Malaysian Income Tax Act 1967, where 90% or more of the REIT's total taxable income is distributed by the REIT, distributions to unitholders (other than resident corporate investors) will be subject to tax based on a withholding tax mechanism at the following rates:

Unitholders	Tax rate
Individuals and all other non-corporate investors such as institutional investors	10%
Non-resident corporate investors	24%

Resident corporate investors are required to report the distributions in their normal corporate tax return and subject to the normal corporate tax rate of 24%.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 12. BASIC EARNINGS PER UNIT ATTRIBUTABLE TO UNITHOLDERS

Basic earnings per unit amounts are calculated by dividing realised/unrealised total profit/(loss) for the financial year attributable to unitholders of the Fund by the weighted average number of units in issue during the financial year.

	Fund	
	2024	2023
	Unit '000	Unit '000
Weighted average number of units in issue	3,424,808	3,424,808

	Group/Fund	
	2024	2023
	RM'000	RM'000
<b>Realised</b>		
Total realised profit for the year attributable to unitholders of the Fund	343,828	319,022
Realised basic earnings per unit (sen)	10.04	9.32
<b>Unrealised</b>		
Total unrealised profit/(loss) for the year attributable to unitholders of the Fund	170,709	(720)
Unrealised basic earnings/(loss) per unit (sen)	4.98	(0.02)

Diluted earnings per unit equals basic earnings per unit as there were no potential dilutive unit in issue as at 31 December 2024 and 31 December 2023.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 13. DISTRIBUTION PER UNIT

Distribution to unitholders is from the following sources:

	Group		Fund	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net property income	569,704	526,897	569,704	526,897
Interest income	13,095	9,894	13,095	9,894
Other income	311	397	311	397
Changes in fair value of investment properties (Note 14)	163,149	(10,636)	163,149	(10,636)
Net investment income	746,259	526,552	746,259	526,552
Less: Expenses	(218,607)	(186,996)	(228,822)	(206,885)
Less: Taxation	(2,900)	(1,365)	(2,900)	(1,365)
Profit for the financial year	524,752	338,191	514,537	318,302
Add: Unrealised (income)/loss	(170,709)	720	(170,709)	720
Less: Amount reserved for distribution to perpetual note holders	(10,215)	(19,889)	-	-
Add: Brought forward undistributed income available for distribution	43,315	42,800	43,315	42,800
Total income available for distribution	387,143	361,822	387,143	361,822
Less: Income distributed	(159,596)	(158,226)	(159,596)	(158,226)
Less: Proposed final income distribution (Note 29)	(182,885)	(160,281)	(182,885)	(160,281)
Balance undistributed income	44,662	43,315	44,662	43,315
Distribution per unit (sen)	10.00	9.30	10.00	9.30

#### 14. INVESTMENT PROPERTIES

	Group/Fund	
	2024 RM'000	2023 RM'000
Investment properties		
- As per valuation reports	10,414,000	8,972,000
- Accrued lease income (Note 18)	(69,918)	(59,640)
	10,344,082	8,912,360
Investment property under construction	40,846	-
	10,384,928	8,912,360

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 14. INVESTMENT PROPERTIES (CONT'D.)

	Group/Fund 2024 RM'000	2023 RM'000
<b>At valuation</b>		
At beginning of financial year	8,912,360	8,622,501
Additions from acquisition	959,790	-
Incidental costs on acquisition	12,707	-
Additions from subsequent expenditure (Note 4)	329,076	300,495
Transfer to investment property under construction	(33,000)	-
Changes in fair value (Note 4)		
- As per valuation reports, net of write-offs	173,427	505
- Unbilled lease income receivable	(10,278)	(11,141)
At end of financial year	10,344,082	8,912,360

During the financial year, Sunway REIT acquired nine investment properties, namely six Sunway REIT Hypermarkets (Kinrara, Putra Heights, USJ, Klang, Ulu Kelang and Plentong), Sunway 163 Mall, Sunway REIT Industrial - Prai and Sunway Kluang Mall for a purchase consideration of RM520,000,000, RM215,000,000, RM66,790,000 and RM158,000,000 respectively, which were financed through proceeds from disposal of Sunway Medical Centre (Tower A & B) completed on 30 August 2023 and drawdown of borrowings.

Investment properties of the Group and of the Fund amounting to RM9,956,000,000 (2023: RM8,878,000,000) are pledged as securities for borrowings as disclosed in Note 23 to the financial statements.

#### Investment property under construction

	Group/Fund 2024 RM'000	2023 RM'000
<b>At cost</b>		
At beginning of financial year	-	-
Transfer from investment properties	33,000	-
Additions from subsequent expenditure (Note 4)	7,846	-
At end of financial year	40,846	-

The investment property under construction consists of the following:

	Group/Fund 2024 RM'000	2023 RM'000
Long term leasehold land	33,000	-
Building	7,846	-
	40,846	-

Long term leasehold land represent right-of-use assets arising from lease arrangements that meet the definition of investment property.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

14. INVESTMENT PROPERTIES (CONT'D.)

Included in the subsequent expenditure of investment properties are the borrowing costs capitalised for certain capital work-in-progress which satisfied the recognition criteria of MFRS 123 *Borrowing Costs* as disclosed in Note 10 to the financial statements:

	Group/Fund	
	2024	2023
	RM'000	RM'000
Investment properties	61	-

The following are recognised in profit or loss in respect of investment properties:

	Group/Fund	
	2024	2023
	RM'000	RM'000
Revenue (Note 6)	767,146	715,689
Property operating expenses (Note 7)	(197,442)	(188,792)
Net property income	569,704	526,897

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 14. INVESTMENT PROPERTIES (CONT'D.)

Details of the investment properties are as follows:

Description of property	Location	Date of acquisition	Tenure of land	Term of lease	Remaining term of lease	Cost of investment <sup>1</sup> as at 31.12.2024 RM'000	Carrying value as at 31.12.2024 RM'000	Fair value as at 31.12.2024 RM'000	Percentage of net asset value attributable to unitholders as at 31.12.2024 %
Sunway Pyramid Mall	Selangor	8 July 2010	Leasehold	99 years	73/78/81 years	2,467,113	4,200,000	4,200,000	78.2
Sunway Carnival Mall	Penang	8 July 2010	Leasehold	99 years	68 years	878,087	980,000	980,000	18.2
SunCity Ipoh Hypermarket	Perak	8 July 2010	Leasehold	99 years	76 years	46,348	55,000	55,000	1.0
Sunway Putra Mall	Kuala Lumpur	19 April 2011	Freehold	-	-	492,251	528,000	528,000	9.8
Sunway REIT Hypermarket - Kinrara	Selangor	30 April 2024	Freehold	-	-	132,935	143,000	143,000	2.7
Sunway REIT Hypermarket - Putra Heights	Selangor	30 April 2024	Freehold	-	-	60,610	71,000	71,000	1.3
Sunway REIT Hypermarket - USJ	Selangor	30 April 2024	Freehold	-	-	80,800	101,000	101,000	1.9
Sunway REIT Hypermarket - Klang	Selangor	30 April 2024	Freehold	-	-	65,650	74,000	74,000	1.4
Sunway REIT Hypermarket - Ulu Kelang	Kuala Lumpur	30 April 2024	Freehold	-	-	45,460	53,000	53,000	1.0
Sunway REIT Hypermarket - Plentong	Johor	30 April 2024	Freehold	-	-	141,414	159,000	159,000	3.0
Sunway 163 Mall	Kuala Lumpur	9 October 2024	Freehold	-	-	217,548	225,000	225,000	4.2
Sunway Kluang Mall	Johor	30 December 2024	Leasehold	99 years	92 years	160,199	165,000	165,000	3.1
<b>Total Retail</b>						<b>4,788,415</b>	<b>6,754,000</b>	<b>6,754,000</b>	<b>125.8</b>
Sunway Resort Hotel	Selangor	8 July 2010	Leasehold	99 years	73 years	851,179	740,000	740,000	13.8
Sunway Pyramid Hotel	Selangor	8 July 2010	Leasehold	99 years	78 years	334,426	345,000	345,000	6.4
Sunway Hotel Seberang Jaya	Penang	8 July 2010	Leasehold	99 years	68 years	66,360	55,000	55,000	1.0
Sunway Putra Hotel	Kuala Lumpur	19 April 2011	Freehold	-	-	360,116	334,000	334,000	6.2
Sunway Hotel Georgetown	Penang	28 January 2015	Freehold	-	-	78,215	86,000	86,000	1.6
Sunway Lagoon Hotel	Selangor	9 February 2018	Leasehold	99 years	84 years	345,597	310,000	310,000	5.8
<b>Total Hotel</b>						<b>2,035,893</b>	<b>1,870,000</b>	<b>1,870,000</b>	<b>34.8</b>

<sup>1</sup> Cost of investment comprises purchase consideration and capital expenditure incurred and accrued from inception date up to the end of the reporting date.

\* Based on valuation carried out by an independent professional valuer, CBRE WTW Valuation & Advisory Sdn. Bhd. on 1 December 2024

\*\* Based on valuation carried out by an independent professional valuer, Knight Frank Malaysia Sdn. Bhd. on 1 December 2024

\*\*\* Based on valuation carried out by an independent professional valuer, Knight Frank Malaysia Sdn. Bhd. on 1 November 2024

^ Based on valuation carried out by an independent professional valuer, Savills (Malaysia) Sdn. Bhd. on 1 December 2024

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 14. INVESTMENT PROPERTIES (CONT'D.)

Details of the investment properties are as follows: (cont'd.)

Description of property	Location	Date of acquisition	Tenure of land	Term of lease	Remaining term of lease	Cost of investment <sup>1</sup> as at 31.12.2024 RM'000	Carrying value as at 31.12.2024 RM'000	Fair value as at 31.12.2024 RM'000	Percentage of net asset value attributable to unitholders as at 31.12.2024 %
Menara Sunway	Selangor	8 July 2010	Leasehold	99 years	73 years	156,148	178,000	178,000 <sup>^^</sup>	3.3
Sunway Tower	Kuala Lumpur	8 July 2010	Freehold	-	-	177,311	115,000	115,000 <sup>^^^</sup>	2.1
Sunway Putra Tower	Kuala Lumpur	19 April 2011	Freehold	-	-	109,510	135,000	135,000 <sup>**</sup>	2.5
Wisma Sunway	Selangor	23 March 2015	Leasehold	99 years	70 years	63,290	60,000	60,000 <sup>^^^</sup>	1.1
Sunway Pinnacle	Selangor	20 November 2020	Leasehold	99 years	73 years	458,745	471,000	471,000 <sup>^^</sup>	8.8
<b>Total Office</b>						<b>965,004</b>	<b>959,000</b>	<b>959,000</b>	<b>17.8</b>
Sunway university & college campus	Selangor	15 April 2019	Leasehold	99 years	73 years	565,984	516,082 <sup>2</sup>	586,000 <sup>^^</sup>	10.9
<b>Total Services</b>						<b>565,984</b>	<b>516,082</b>	<b>586,000</b>	<b>10.9</b>
Sunway REIT Industrial - Shah Alam 1	Selangor	1 August 2017	Leasehold	99 years	74 years	93,043	106,000	106,000 <sup>^</sup>	2.0
Sunway REIT Industrial - Petaling Jaya 1	Selangor	10 November 2022	Freehold	-	-	72,337	71,000	71,000 <sup>*</sup>	1.3
Sunway REIT Industrial - Prai	Penang	24 October 2024	Leasehold	60 years	28 years	67,916	68,000	68,000 <sup>^</sup>	1.3
<b>Total Industrial &amp; Others</b>						<b>233,296</b>	<b>245,000</b>	<b>245,000</b>	<b>4.6</b>
<b>Total Investment Properties</b>						<b>8,588,592</b>	<b>10,344,082</b>	<b>10,414,000</b>	<b>193.9</b>

<sup>1</sup> Cost of investment comprises purchase consideration and capital expenditure incurred and accrued from inception date up to the end of the reporting date.

<sup>2</sup> After accounting for cumulative unbilled lease income receivable of RM69,918,000.

<sup>\*</sup> Based on valuation carried out by an independent professional valuer, CBRE WTW Valuation & Advisory Sdn. Bhd. on 1 December 2024

<sup>\*\*</sup> Based on valuation carried out by an independent professional valuer, Knight Frank Malaysia Sdn. Bhd. on 1 December 2024

<sup>^</sup> Based on valuation carried out by an independent professional valuer, Savills (Malaysia) Sdn. Bhd. on 1 December 2024

<sup>^^</sup> Based on valuation carried out by an independent professional valuer, Jones Lang Wootton on 1 December 2024

<sup>^^^</sup> Based on valuation carried out by an independent professional valuer, VPC Alliance (KL) Sdn. Bhd. on 1 December 2024

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 14. INVESTMENT PROPERTIES (CONT'D.)

Details of the investment properties are as follows: (cont'd.)

Description of property	Location	Date of acquisition	Tenure of land	Term of lease	Remaining term of lease	Cost of investment <sup>1</sup> as at 31.12.2023 RM'000	Carrying value as at 31.12.2023 RM'000	Fair value as at 31.12.2023 RM'000	Percentage of net asset value attributable to unitholders as at 31.12.2023 %
Sunway Pyramid Mall	Selangor	8 July 2010	Leasehold	99 years	74/79/82 years	2,292,823	3,900,000	3,900,000 *	75.3
Sunway Carnival Mall	Penang	8 July 2010	Leasehold	99 years	69 years	781,376	900,000	900,000 **	17.4
SunCity Ipoh Hypermarket	Perak	8 July 2010	Leasehold	99 years	77 years	46,348	55,000	55,000 **	1.1
Sunway Putra Mall	Kuala Lumpur	19 April 2011	Freehold	-	-	486,319	525,000	525,000 ***	10.1
Sunway Pier	Selangor	17 January 2022	Leasehold	99 years	85 years	40,344	33,000	33,000 **	0.6
<b>Total Retail</b>						3,647,210	5,413,000	5,413,000	104.5
Sunway Resort Hotel	Selangor	8 July 2010	Leasehold	99 years	74 years	841,517	730,000	730,000 *	14.1
Sunway Pyramid Hotel	Selangor	8 July 2010	Leasehold	99 years	79 years	334,398	345,000	345,000 *	6.7
Sunway Hotel Seberang Jaya	Penang	8 July 2010	Leasehold	99 years	69 years	65,653	52,000	52,000 **	1.0
Sunway Putra Hotel	Kuala Lumpur	19 April 2011	Freehold	-	-	345,763	334,000	334,000 ***	6.5
Sunway Hotel Georgetown	Penang	28 January 2015	Freehold	-	-	77,202	84,000	84,000 **	1.6
Sunway Lagoon Hotel	Selangor	9 February 2018	Leasehold	99 years	85 years	345,587	310,000	310,000 *	6.0
<b>Total Hotel</b>						2,010,120	1,855,000	1,855,000	35.9
Menara Sunway	Selangor	8 July 2010	Leasehold	99 years	74 years	155,691	178,000	178,000 ^	3.4
Sunway Tower	Kuala Lumpur	8 July 2010	Freehold	-	-	177,232	115,000	115,000 ^^	2.2
Sunway Putra Tower	Kuala Lumpur	19 April 2011	Freehold	-	-	105,951	135,000	135,000 ***	2.6
Wisma Sunway	Selangor	23 March 2015	Leasehold	99 years	71 years	63,151	60,000	60,000 ^^	1.2
Sunway Pinnacle	Selangor	20 November 2020	Leasehold	99 years	74 years	458,850	470,000	470,000 ^	9.1
<b>Total Office</b>						960,875	958,000	958,000	18.5
Sunway university & college campus	Selangor	15 April 2019	Leasehold	99 years	74 years	563,501	520,360 <sup>2</sup>	580,000 ^	11.2
<b>Total Services</b>						563,501	520,360	580,000	11.2
Sunway REIT Industrial - Shah Alam 1	Selangor	1 August 2017	Leasehold	99 years	75 years	92,891	105,000	105,000 ***	2.0
Sunway REIT Industrial - Petaling Jaya 1	Selangor	10 November 2022	Freehold	-	-	62,048	61,000	61,000 *	1.2
<b>Total Industrial &amp; Others</b>						154,939	166,000	166,000	3.2
<b>Total Investment Properties</b>						7,336,645	8,912,360	8,972,000	173.3

<sup>1</sup> Cost of investment comprises purchase consideration and capital expenditure incurred and accrued from inception date up to the end of the reporting date.

<sup>2</sup> After accounting for cumulative unbilled lease income receivable of RM59,640,000.

\* Based on valuation carried out by an independent professional valuer, CBRE WTW Valuation & Advisory Sdn. Bhd. on 1 December 2023

\*\*\* Based on valuation carried out by an independent professional valuer, Knight Frank Malaysia Sdn. Bhd. on 1 December 2023

\*\*\*\* Based on valuation carried out by an independent professional valuer, Savills (Malaysia) Sdn. Bhd. on 1 December 2023

^ Based on valuation carried out by an independent professional valuer, Jones Lang Wootton on 1 December 2023

^^ Based on valuation carried out by an independent professional valuer, VPC Alliance (KL) Sdn. Bhd. on 1 December 2023

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 14. INVESTMENT PROPERTIES (CONT'D.)

- (a) Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the end of the reporting period. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

If the Group and the Fund determine that the fair value of an investment property under construction is not reliably determinable but expects the fair value of the property to be reliably determinable when construction is complete, the Group and the Fund shall measure that investment property under construction at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier). Once the Group and the Fund are able to measure reliably the fair value of an investment property under construction that has previously been measured at cost, the Group and the Fund shall measure that property at its fair value.

- (b) Fair value is determined in accordance with the Deed, the Listed REIT Guidelines and the Guidelines on Asset Valuation issued by the Securities Commission which require the investment properties to be valued by independent qualified valuers, having appropriate recognised professional qualifications and recent experience in the location and category of investment properties being valued, on annual basis. In determining the fair value, the valuers used valuation techniques which involve certain estimates. In relying on the valuation reports, the Manager has exercised its judgement and is satisfied that the valuation methods and estimates reflect the current market conditions.
- (c) The Group and the Fund measure fair values using the fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair values of investment properties of the Group and of the Fund are categorised as Level 3. Level 3 fair value is estimated using unobservable inputs for the investment properties. Changes in Level 3 fair value are assessed by the Manager annually after obtaining the valuation reports from the independent professional valuers. There is no transfer between levels in the fair value hierarchy during the financial year.

The following table shows a reconciliation of Level 3 fair value:

	Group/Fund	
	2024	2023
	RM'000	RM'000
At beginning of financial year	8,912,360	8,622,501
Additions	1,301,573	300,495
Transfer to investment property under construction	(33,000)	-
Changes in fair value		
- As per valuation reports, net of write-offs	173,427	505
- Unbilled lease income receivable	(10,278)	(11,141)
At end of financial year	10,344,082	8,912,360

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 14. INVESTMENT PROPERTIES (CONT'D.)

- (d) The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Income approach by Investment method (refer below)	- Allowance for void of 1.50% to 10.00% (2023: 1.50% to 10.00%)	Higher allowance for void, lower fair value
	- Term yield rates ranging from 6.00% to 10.00% (2023: 6.00% to 9.25%)	Higher term yield rates, lower fair value
	- Reversionary yield rates ranging from 6.25% to 7.00% (2023: 6.25% to 7.00%)	Higher reversionary yield rates, lower fair value
Income approach by Discounted Cash Flow (DCF) method (refer below)	- Average room rates during holding period ranging from RM215 per room to RM795 per room (2023: RM210 per room to RM716 per room)	Higher average room rates, higher fair value
	- Average occupancy rates during holding year ranging from 56.00% to 81.00% (2023: 50.00% to 83.00%)	Higher average occupancy rates, higher fair value
	- Capitalisation rate ranging from 6.50% to 7.00% (2023: 6.50% to 7.00%)	Higher capitalisation rate, lower fair value
	- Discount rate of 8.50% to 9.00% over 5-10 years holding year (2023: 8.50% to 9.00% over 5-10 years holding year)	Higher discount rate, lower fair value

(e) Methods of valuation

The income approach by Investment method involves capitalisation of the net annual income stream that is expected to be received from the property after deducting the annual outgoings and other operating expenses incidental to the property with allowance for void by using an appropriate market derived capitalisation rate.

The income approach by DCF method incorporates the estimation of future annual cash flows over an investment horizon (5-10 years) from the valuation date by reference to expected revenue growth rates, operating expenses and terminal value. The present value of future cash flow is then determined by the application of an appropriate discount rate to derive a net present value of the property as at the valuation date. It is assumed that the property is sold at the commencement of the terminal year of the cash flow at the expected rate of return of similar asset classes.

In undertaking the analysis, the valuers have used a wide range of assumptions for the properties including the growth of average room rates (for hotels)/gross rental revenue (for retail mall) and other potential revenues during the holding year, projected occupancy, expense ratios/expected property expenses and other related expenses.

As the investment properties are commercial and income generating properties, the valuers have adopted the market value as derived from the Income Approach as a more appropriate method supported by the market value as derived from the Comparison Approach.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 15. PLANT AND EQUIPMENT

##### At 31 December 2024

Group/Fund	Office/ computer equipment RM'000	Furniture and fittings RM'000	Total RM'000
<b>Cost</b>			
At beginning of financial year	19,468	16,459	35,927
Additions (Note 4)	2,024	1,127	3,151
Disposal	(48)	(8)	(56)
At end of financial year	21,444	17,578	39,022
<b>Accumulated depreciation</b>			
At beginning of financial year	11,177	7,351	18,528
Depreciation charge for the year (Note 7)	1,857	2,079	3,936
Disposal	(29)	(7)	(36)
At end of financial year	13,005	9,423	22,428
<b>Net carrying amount</b>	<b>8,439</b>	<b>8,155</b>	<b>16,594</b>

##### At 31 December 2023

Group/Fund	Office/ computer equipment RM'000	Furniture and fittings RM'000	Total RM'000
<b>Cost</b>			
At beginning of financial year	18,039	13,021	31,060
Additions (Note 4)	2,102	3,511	5,613
Disposal	(673)	(73)	(746)
At end of financial year	19,468	16,459	35,927
<b>Accumulated depreciation</b>			
At beginning of financial year	9,847	5,432	15,279
Depreciation charge for the year (Note 7)	1,887	1,976	3,863
Disposal	(557)	(57)	(614)
At end of financial year	11,177	7,351	18,528
<b>Net carrying amount</b>	<b>8,291</b>	<b>9,108</b>	<b>17,399</b>

(a) All items of plant and equipment are initially recorded at cost.

Subsequent to initial recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of plant and equipment are required to be replaced in intervals, the Group and the Fund recognise such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 15. PLANT AND EQUIPMENT (CONT'D.)

(a) (cont'd.)

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Office/computer equipment	10% - 20%
Furniture and fittings	10%

The useful lives and residual values of plant and equipment are estimated based on common life expectancies and commercial factors applied in the various respective industries.

Changes in expected level of usage, occupancy rates and economic development could impact the economic useful lives and the residual values of these assets, and hence future depreciation charges on such assets could be revised.

#### 16. INVESTMENTS IN SUBSIDIARIES

	Fund 2024 RM'000	2023 RM'000
<b>At cost</b>		
Unquoted ordinary shares	100	100

Details of the subsidiaries are as follows:

Name of company	Country of incorporation	Principal activity	2024 %	2023 %
SUNREIT Capital Berhad	Malaysia	To undertake the issuance of commercial papers pursuant to the commercial papers programme ("CP Programme") and/or medium term notes programme ("MTN Programme") (collectively referred to as "CP/MTN Programme") and all matters relating to the CP/MTN Programme	100	100
SUNREIT Bond Berhad	Malaysia	To undertake the issuance of medium term notes ("MTNs") under a medium term note programme ("MTN Programme") and all matters relating to the MTNs under the MTN Programme	100	100
SUNREIT Perpetual Bond Berhad	Malaysia	To undertake the issuance of perpetual notes under a perpetual note programme and all matters pertaining to the perpetual notes under the perpetual note programme	100	100
SUNREIT Hartanah Sdn. Bhd.	Malaysia	Property investment	100	100

SUNREIT Capital Berhad, SUNREIT Bond Berhad and SUNREIT Perpetual Bond Berhad are intended as Special Purpose Vehicle ("SPV") to undertake the issuance of the commercial papers, medium term notes and perpetual notes for Sunway REIT.

SUNREIT Hartanah Sdn. Bhd. is intended as a property investment company for Sunway REIT.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 17. TRADE RECEIVABLES

	Group/Fund	
	2024	2023
	RM'000	RM'000
Third parties	15,239	15,105
Amounts due from parties related to the Manager	10,616	7,556
	25,855	22,661
Less: Allowance for impairment	(2,020)	(3,277)
Total trade receivables	23,835	19,384

(a) Total trade receivables are classified as financial assets measured at amortised cost.

(b) Included in trade receivables is the following amounts due from parties related to the Manager:

	Group/Fund	
	2024	2023
	RM'000	RM'000
Sunway Berhad Group	10,616	7,540
Sunway Technology Sdn. Bhd. Group	-	16

The amounts due from parties related to the Manager are unsecured and bear fixed interest rates ranging from 8% to 18% per annum (2023: 8% to 18% per annum) and the credit period ranges from 7 days to 30 days (2023: 7 days to 30 days). The relationship with the parties related to the Manager is as disclosed in Note 32 to the financial statements.

(c) The Group's and the Fund's primary exposure to credit risk arises through its trade receivables. The Group's and the Fund's trading terms with its customers are mainly on credit. The credit period ranges from 7 days to 30 days (2023: 7 days to 30 days). The Group and the Fund seek to maintain strict control over its outstanding receivables and have a credit control department to minimise credit risk. Overdue balances are reviewed regularly by the Manager. In view of the aforementioned and the fact that the Group's and the Fund's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables that exceed credit terms will bear fixed interest rates ranging from 8% to 18% per annum (2023: 8% to 18% per annum).

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 17. TRADE RECEIVABLES (CONT'D.)

- (d) Impairment for trade receivables are recognised based on the simplified approach using the lifetime expected credit losses.

The Group and the Fund consider credit loss experience and observable data such as current changes and future forecasts in economic conditions by market segment of the Group and of the Fund as identified in Note 4 to the financial statements to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

During this process, the probability of non-payment by the trade receivables is adjusted by forward looking information and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. The Group and the Fund have identified the Gross Domestic Product, unemployment rate, inflation rate, labour force participation rate and consumer price index as the key macroeconomic factors of the forward looking information. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within the statements of profit or loss and other comprehensive income. On confirmation that the probability of collections is adversely affected, the gross carrying value of the asset would be written off against the associated impairment.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward looking information.

The reconciliation of movements in allowance for impairment accounts in trade receivables is as follows:

	Group/Fund Credit impaired	
	2024	2023
	RM'000	RM'000
<b>At 1 January</b>	<b>3,277</b>	7,641
Reversal for the year (Note 7)	(1,089)	(4,333)
Written off	(168)	(31)
<b>At 31 December</b>	<b>2,020</b>	3,277

Trade receivables that are individually determined to be credit impaired at the financial year end relate to trade receivables who are in significant financial difficulties and have defaulted on payments.

At the end of the reporting period, the credit risks exposures relating to trade receivables of the Group and of the Fund are RM23,835,000 (2023: RM19,384,000) and they are collateralised with cash deposits received from tenants amounting to RM96,378,000 (2023: RM83,857,000). Hence, there is no exposure to credit risk.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 17. TRADE RECEIVABLES (CONT'D.)

(e) Ageing analysis of the trade receivables is as follows:

	Group/Fund 2024		
	Gross RM'000	Impaired RM'000	Total RM'000
Current	11,717	158	11,559
1 to 30 days	6,485	207	6,278
31 to 60 days	3,886	247	3,639
61 to 90 days	781	141	640
91 to 120 days	1,041	201	840
More than 120 days	1,945	1,066	879
	14,138	1,862	12,276
	25,855	2,020	23,835

	Group/Fund 2023		
	Gross RM'000	Impaired RM'000	Total RM'000
Current	7,863	112	7,751
1 to 30 days	6,525	282	6,243
31 to 60 days	1,879	172	1,707
61 to 90 days	880	132	748
91 to 120 days	524	107	417
More than 120 days	4,990	2,472	2,518
	14,798	3,165	11,633
	22,661	3,277	19,384

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 17. TRADE RECEIVABLES (CONT'D.)

- (f) The Manager determines concentrations of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's and the Fund's trade receivables by segment at the end of the reporting period are as follows:

**By segment:**

	Group/Fund			
	2024		2023	
	RM'000	%	RM'000	%
Retail	12,487	52.4	9,449	48.7
Hotel	9,791	41.1	7,202	37.2
Office	1,335	5.6	2,644	13.6
Industrial & Others	222	0.9	89	0.5
	23,835	100.0	19,384	100.0

Exposure to credit risk

Concentration of credit risk relating to trade receivables is limited due to the Group's and the Fund's varied customers. These customers are dispersed, engaged in a wide spectrum of activities and sell in a variety of end markets. The Manager's experience in the collection of accounts receivable falls within the recorded allowances. Due to these factors, the Manager believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's and the Fund's trade receivables.

- (g) At the end of the reporting period, the interest rate profile of the interest-bearing trade receivables is as follows:

	Group/Fund	
	2024	2023
	RM'000	RM'000
Fixed rate	14,138	14,798

Sensitivity analysis for fixed rate trade receivables at the end of the reporting period is not presented as it is not affected by changes in interest rates.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 18. OTHER RECEIVABLES

	Group		Fund	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Non-current</b>				
Investment properties - accrued lease income (Note 14)	69,918	59,640	69,918	59,640
<b>Current</b>				
Deposits	5,881	68,616	5,881	68,616
Prepayments	5,213	7,806	5,170	7,806
Sundry receivables	5,824	12,377	5,654	12,377
Total other receivables	16,918	88,799	16,705	88,799

- (a) Included in other receivables is the following amounts due from parties related to the Manager:

	Group/Fund	
	2024	2023
	RM'000	RM'000
Sunway Berhad Group	974	1,357

The amounts due from parties related to the Manager are unsecured, non-interest bearing and are repayable on demand. The relationship with the parties related to the Manager is as disclosed in Note 32 to the financial statements.

- (b) Total other receivables, net of prepayments are classified as financial assets measured at amortised cost.
- (c) The Group and the Fund have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.
- (d) Impairment for other receivables are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. At the end of the reporting period, the Group and the Fund assess whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group and the Fund defined significant increase in credit risk based on operating performance of the receivables, changes to contractual terms, payment trends and past due information.

The probability of non-payment other receivables is adjusted by forward looking information and multiplied by the amount of the expected loss arising from default to determine the twelve month or lifetime expected credit loss for the other receivables. The Group and the Fund have identified the Gross Domestic Product, unemployment rate, inflation rate, labour force participation rate and consumer price index as the key macroeconomic factors of the forward looking information.

It requires management to exercise significant judgement in determining the probability of default by other receivables, appropriate forward looking information and significant increase in credit risk.

Upon assessment on the estimated impact, no expected credit loss from other receivables is recognised during the year as it is not material.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 18. OTHER RECEIVABLES (CONT'D.)

- (e) Accrued lease income is recognised on a straight-line basis over the lease term pursuant to the requirements of MFRS 16 *Leases*.

#### 19. CASH AND BANK BALANCES

	Group		Fund	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash on hand and at banks	39,762	20,305	39,428	20,144
Deposits with licensed financial institutions	250,000	405,000	250,000	405,000
	289,762	425,305	289,428	425,144

- (a) Cash at banks earn interest rates ranging from 2.85% to 3.50% per annum (2023: 2.65% to 2.90% per annum).

The weighted average interest rate and range of maturities of deposits with licensed financial institutions of the Group and of the Fund in current financial year are 3.99% per annum (2023: 3.77% per annum) and between 32 to 94 days (2023: 10 to 122 days) respectively.

- (b) At the end of the reporting period, the interest rate profile of the cash and bank balances was:

	Group		Fund	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed rate	263,644	405,000	263,644	405,000
Variable rate	26,041	20,238	25,707	20,077

Sensitivity analysis for fixed and variable rate cash and bank balances at the end of the reporting period is not presented as change in interest rates would not have material impact to the profit or loss.

- (c) Cash and bank balances are classified as financial assets measured at amortised cost.
- (d) No expected credit losses were recognised arising from cash at banks and deposits with licensed financial institutions because the probability of default by these financial institutions is unlikely.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 20. DERIVATIVES

	Note	Group/Fund		
		Contract/ Notional amount RM'000	Asset RM'000	Liability RM'000
At 31 December 2024				
Current				
Cross currency swap	(b)(i)	521,855	-	14,441
		521,855	-	14,441
At 31 December 2023				
Current				
Cross currency swap	(b)(i)	331,503	15,016	-
		331,503	15,016	-

- (a) Derivatives are classified at fair value through profit or loss and subsequently remeasured to fair value with changes in fair value being recognised in profit or loss except for derivatives that are designated as effective hedging instruments.

- (b) The Group has derivative contracts as follows:

- (i) Cross currency swap

During the financial year, Sunway REIT has entered into a cross currency swap contract to manage its exposure to foreign currency risk arising from foreign currency borrowings, which was entered into to minimise the interest cost. The Group and the Fund use cash flow hedge to mitigate the risk of variability of future cash flows attributable to foreign currency and interest rate fluctuation over the hedging period on the foreign currency borrowings. Where a cash flow hedge qualifies for hedge accounting, the effective portion of gains or losses on remeasuring the fair value of the hedging instrument are recognised directly in other comprehensive income in the cash flow hedge reserve until such time as the hedged item affects profit or loss, then the gains or losses are transferred to the profit or loss. Gains or losses on any portion of the hedge determined to be ineffective are recognised immediately in the profit or loss. The application of hedge accounting will create some volatility in equity reserve balances.

Where a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or losses existing in equity at that time remain in equity and are recognised when the forecast transaction is ultimately recognised in the profit or loss. Where a forecast transaction is no longer expected to occur, the cumulative gains or losses that were reported in equity are immediately transferred to the profit or loss.

The fair value of the cross currency swap contract is determined by using the mark to market values at the end of the reporting period and changes in the fair value is recognised in equity due to the application of hedge accounting.

- (c) Cross currency swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include swap models, using present value calculations. The models incorporate various inputs including the credit quality of counter parties and interest rate curves.
- (d) The fair value of the derivatives are categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 21. UNITHOLDERS' CAPITAL

	Group/Fund			
	2024 Unit '000	2023 Unit '000	2024 RM'000	2023 RM'000
<b>Issued and fully paid</b>				
At beginning of financial year	3,424,808	3,424,808	3,505,372	3,505,372
Manager's fees paid in units	-	-	-	-
Total issued and fully paid	3,424,808	3,424,808	3,505,372	3,505,372
Less: Unit issuance expenses	-	-	(71,508)	(71,508)
At end of financial year	3,424,808	3,424,808	3,433,864	3,433,864

As at 31 December 2024, the Manager did not hold any units in Sunway REIT. However, the parties related to the Manager held units in Sunway REIT are as follows:

	Group/Fund			
	Number of units		Market value	
	2024 Unit '000	2023 Unit '000	2024 RM'000	2023 RM'000
<b>Direct unitholdings of parties related to the Manager:</b>				
Sunway REIT Holdings Sdn. Bhd.	1,400,294	1,400,294	2,590,544	2,156,453
<b>Indirect unitholdings of parties related to the Manager:</b>				
Sunway Berhad ^	1,400,294	1,400,294	2,590,544	2,156,453

^ Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Sunway City Sdn. Bhd. and Sunway REIT Holdings Sdn. Bhd..

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 22. PERPETUAL NOTE HOLDERS' FUNDS

SUNREIT Perpetual Bond Berhad ("SUNREIT Perpetual"), a wholly-owned subsidiary of Sunway REIT had, on 21 March 2019, established a perpetual note programme of RM10.0 billion in nominal value ("Perpetual Note Programme"). The Perpetual Note Programme has been accorded a rating of A1(s) by RAM Rating Services Berhad.

The net proceeds raised from the issuance of perpetual notes are used as advances to Sunway REIT in the course of Sunway REIT's business for the purposes of financing investment activities, refinancing of existing and/or future borrowings and/or working capital requirements.

The perpetual note is a financial instrument which has the following features:

- (i) A perpetual tenure that does not have a fixed maturity date;
- (ii) Deferred coupon payments, if any, are non-cumulative and SUNREIT Perpetual is not under any obligation to pay that or any other distributions that have been paid in whole or in part;
- (iii) Redeemable at the option of SUNREIT Perpetual subject to the terms of the Perpetual Note Programme; and
- (iv) Direct, unsecured and subordinated obligations of SUNREIT Perpetual and shall rank pari passu without any preference amongst themselves.

Solely to be in compliance with Paragraph 16 of MFRS 132 *Financial Instruments: Presentation*, the perpetual note is classified as equity because the payment of any distribution or redemption is at the discretion of SUNREIT Perpetual.

In April 2019, SUNREIT Perpetual made its first issuance of an unrated perpetual note of RM340,000,000 pursuant to the Perpetual Note Programme ("First Perpetual Note"). The First Perpetual Note was subscribed by wholesale funds, which are regarded as structured entities controlled by Sunway Berhad. The distribution to the perpetual note holders is a related party transaction as disclosed in Note 32 to the financial statements. The First Perpetual Note has been fully redeemed during the financial year.

In October 2024, SUNREIT Perpetual issued rated sustainability-linked perpetual notes amounting to RM500,000,000 under the Perpetual Note Programme in accordance with sustainability-linked financing framework of Sunway REIT. The sustainability-linked financing framework is assigned a Gold Sustainable Finance Rating and viewed to have an Aligned disclosure level by RAM Sustainability Sdn. Bhd..

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 23. BORROWINGS

	Note	Group		Fund	
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
<b>Short term borrowings</b>					
Secured:					
Commercial papers	(a)	90,000	90,000	-	-
Revolving loan - USD	(c)	506,966	347,325	506,966	347,325
Unrated medium term notes	(d)	1,140,000	1,200,000	-	-
		1,736,966	1,637,325	506,966	347,325
Less: Unamortised transaction costs	(a)	(91)	(164)	-	-
Discount on commercial papers		(126)	(176)	-	-
		1,736,749	1,636,985	506,966	347,325
<b>Long term borrowings</b>					
Secured:					
Unrated medium term notes	(d)	1,830,000	-	-	-
Unsecured:					
Rated medium term notes	(d)	400,000	-	-	-
Revolving loan - RM	(b)	500,000	2,000,000	500,000	2,000,000
		2,730,000	2,000,000	500,000	2,000,000
<b>Total borrowings</b>		<b>4,466,749</b>	<b>3,636,985</b>	<b>1,006,966</b>	<b>2,347,325</b>

### (a) Commercial papers

SUNREIT Capital Berhad ("SUNREIT Capital"), a wholly-owned subsidiary of Sunway REIT had, on 1 April 2019, issued its first commercial papers ("CPs") at a discount to face value under a new 7-year commercial paper programme of up to RM3.0 billion in nominal value ("CP Programme"). The CP Programme has been accorded a rating of P1(s) by RAM Rating Services Berhad.

The CPs can be issued for tenures ranging from 1, 2, 3, 6, 9, 12 months or any other tenures not exceeding 12 months as SUNREIT Capital may elect. Any amount that has been issued may be reissued or rolled over within the limit and the tenure of the CP Programme. In view that the tenures of the CPs are less than 12 months, the outstanding CPs will be classified as current liabilities.

The CP Programme may be partly or fully underwritten by underwriter(s). Currently, the CP Programme is not underwritten.

The unamortised transaction costs in relation to the establishment of the CP Programme of RM91,000 (2023: RM164,000) are amortised throughout the duration of the CP Programme.

### (b) Revolving loan

Sunway REIT had, on 26 April 2019, obtained a revolving loan facility of RM1.5 billion ("RL Facility") from a financial institution. The purpose of the RL Facility is to partly or fully repay the outstanding CPs by SUNREIT Capital under the CP Programme during the tenure of the RL Facility. The limit of the RL Facility ("RL Limit") shall correspond with the underwriting commitment availed by the financial institution to SUNREIT Capital.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 23. BORROWINGS (CONT'D.)

##### (b) Revolving loan (cont'd.)

Subsequently, Sunway REIT obtained additional revolving loan facilities of RM0.25 billion on 17 September 2019 and another RM0.25 billion on 4 July 2022 respectively (collectively, referred to as "Additional RL Facilities") from the same institution. With the Additional RL Facilities, total limit from the financial institution shall be RM2.0 billion.

The RL Facility and the Additional RL Facilities incorporated a sustainability-linked mechanism throughout the tenor of the facilities and are classified as non-current based on the tenor/repayment terms of 7 years due in March 2026.

During the financial year, the RL Facility has been early settled through issuances of unrated medium term notes. Following full settlement of the RL Facility, total limit of revolving loan facilities from the financial institution shall be RM0.5 billion.

##### (c) Revolving loans (USD)

Sunway REIT had, in February 2018, obtained a revolving financing-i facility of USD100 million from a financial institution. The USD RL Facility was subsequently supplemented with the option for drawdown in multicurrency and the limit was revised to USD75 million ("USD RL Facility 1").

In January 2023, Sunway REIT obtained a sustainability-linked revolving credit facility of USD70 million from another financial institution ("USD RL Facility 2"). USD RL Facility 1 and USD Facility 2 are collectively referred to as Revolving Loans (USD).

The Revolving Loans (USD) are available for utilisation up to a period of 12 months and can be renewed for up to another 12 months, subject to annual review of the financial institutions and are to be repaid by way of bullet repayment at maturity.

The Revolving Loans (USD) are hedged with cross currency swap ("CCS") contracts to mitigate the risk of variability of future cash flows attributable to foreign currency and interest rate fluctuation over the loan tenure.

##### (d) Medium term notes

SUNREIT Bond Berhad ("SUNREIT Bond"), a wholly-owned subsidiary of Sunway REIT had, on 9 October 2012, issued its first unrated medium term notes under a 15-year medium term note programme of up to RM1.0 billion in nominal value. On 30 June 2017, SUNREIT Bond extended and upsized the existing 15-year RM1.0 billion medium term note programme to a 35-year RM10.0 billion medium term note programme ("MTN Programme"). RAM Rating Services Berhad has assigned a rating of AA1(s) for the secured medium term notes (MTNs) and AA2(s) for the unsecured MTNs.

SUNREIT Bond may from time to time issue rated or unrated, secured or unsecured MTNs, provided that the aggregate outstanding nominal value of MTNs shall not exceed RM10.0 billion in nominal value at any one time. The medium term notes can be issued for tenures of more than one (1) year and up to the expiry of the MTN Programme.

SUNREIT Bond had established its sustainability-linked medium term note framework and the framework has an Aligned to Strong level of disclosure as opined by RAM Sustainability Sdn. Bhd..

##### (e) The secured borrowings of the Group and of the Fund are secured by legal charges on investment properties of the Group and of the Fund amounting to RM9,956,000,000 (2023: RM8,878,000,000) as disclosed in Note 14 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 23. BORROWINGS (CONT'D.)

- (f) The weighted average interest rates per annum of borrowings that were effective at the end of the reporting period were as follows:

	Group		Fund	
	2024	2023	2024	2023
	%	%	%	%
Commercial papers	3.65	3.75	-	-
Revolving loans	3.76	3.84	3.76	3.84
Unrated medium term notes	3.97	3.98	-	-
Rated medium term notes	4.00	-	-	-

- (g) At the reporting period, the interest rate profile of the gross borrowings was:

	Group		Fund	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Fixed rate	2,008,866	1,247,325	168,866	347,325
Variable rate	2,458,100	2,390,000	838,100	2,000,000

Sensitivity analysis for fixed rate borrowings at the end of the reporting period is not presented as changes in interest rates would not affect profit or loss.

An increase/(decrease) of 25 basis points in interest rates for the unhedged variable rate instruments, assuming all other variables remained constant, at the end of the reporting period would result in the profit for the financial year of the Group and of the Fund to be (lower)/higher by RM6,145,000 (2023: RM5,975,000) and RM2,095,000 (2023: RM5,000,000) respectively.

- (h) Maturity of the gross borrowings is as follows:

	Group		Fund	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Not later than 1 year	1,736,966	1,637,325	506,966	347,325
Later than 1 year and not later than 2 years	1,130,000	-	500,000	-
Later than 2 years and not later than 3 years	240,000	2,000,000	-	2,000,000
Later than 3 years and not later than 4 years	240,000	-	-	-
Later than 4 years and not later than 5 years	490,000	-	-	-
Later than 5 years	630,000	-	-	-
	4,466,966	3,637,325	1,006,966	2,347,325

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 23. BORROWINGS (CONT'D.)

- (i) The maturity profile of the Group's and the Fund's borrowings at the end of the reporting period based on contractual undiscounted repayment obligations is summarised in the table below:

	On demand or within one year RM'000	One to five years RM'000	Over five years RM'000	Total RM'000
<b>Group</b>				
<b>As at 31 December 2024</b>	<b>1,773,266</b>	<b>2,303,784</b>	<b>790,252</b>	<b>4,867,302</b>
As at 31 December 2023	1,662,499	2,171,510	-	3,834,009
<b>Fund</b>				
<b>As at 31 December 2024</b>	<b>512,542</b>	<b>522,873</b>	<b>-</b>	<b>1,035,415</b>
As at 31 December 2023	349,907	2,171,510	-	2,521,417

- (j) The carrying amounts of the borrowings of the Group and of the Fund at the end of the reporting period were as follows:

	<b>Group</b>		<b>Fund</b>	
	Carrying amount RM'000	Fair value at Level 3 RM'000	Carrying amount RM'000	Fair value at Level 3 RM'000
<b>Borrowings</b>				
<b>As at 31 December 2024</b>	<b>4,466,749</b>	<b>4,444,539</b>	<b>1,006,966</b>	<b>1,007,052</b>
As at 31 December 2023	3,636,985	3,636,581	2,347,325	2,347,235

- (k) There is no transfer between levels in the hierarchy during the financial year.

#### 24. AMOUNTS DUE TO SUBSIDIARIES

- (a) The amounts due to subsidiaries (non-current) are as per below:

- (i) RM500,000,000 (2023: nil) relates to an amount which is unsecured, bore interest rate of 4.63% per annum and had no fixed term of repayment.
- (ii) RM400,000,000 (2023: nil) relates to an amount which are unsecured, bore an average interest rate of 4.00% and was repayable within 7 years.
- (iii) RM1,830,000,000 (2023: nil) relates to an amount which are secured, bore an average interest rate of 4.09% and was repayable within 7 years.

- (b) The amounts due to subsidiaries (current) are as per below:

- (i) Unsecured, non-interest bearing and are repayable on demand.
- (ii) RM1,230,000,000 (2023: RM1,290,000,000) relates to an amount which is secured, bear an average interest rate of 3.77% (2023: 3.97%) per annum and are repayable within 1 year.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 25. LONG TERM LIABILITIES

- (a) Long term liabilities are in respect of refundable deposits received from tenants for tenancy contracts with tenure of two to twenty-five years. The long term liabilities are unsecured and non-interest bearing.
- (b) The carrying amounts of the long term liabilities of the Group and of the Fund at the end of the reporting period were as follows:

	Group/Fund	
	Carrying amount RM'000	Fair value at Level 3 RM'000
<b>Long term liabilities</b>		
<b>As at 31 December 2024</b>	<b>105,499</b>	<b>81,438</b>
As at 31 December 2023	101,697	79,519

There is no transfer between levels in the hierarchy during the financial year.

- (c) The maturity profile of the Group's and Fund's long term liabilities at the end of the reporting period based on contractual undiscounted repayment obligations is summarised in the table below:

	One to five years RM'000	Over five years RM'000	Total RM'000
<b>Group/Fund</b>			
<b>As at 31 December 2024</b>	<b>98,779</b>	<b>6,720</b>	<b>105,499</b>
As at 31 December 2023	94,922	6,775	101,697

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 26. DEFERRED TAX LIABILITIES

	Group/Fund	
	2024	2023
	RM'000	RM'000
<b>Non-current</b>		
At beginning of financial year	12,991	11,631
Recognised in profit or loss (Note 11)	2,900	1,360
At end of financial year	15,891	12,991
<b>Current</b>		
At beginning of financial year	-	10,777
Recognised in profit or loss (Note 11)	-	5
Reversal upon payment	-	(10,782)
At end of financial year	-	-

The deferred tax liability relates to fair value changes of freehold land component within the investment properties which is expected to be recovered through sale.

Where investment properties are carried at fair value as disclosed in Note 14 to the financial statements, the amount of deferred tax recognised is measured using the tax rates that would apply on the sale of those assets at their carrying values at the end of the reporting period unless the property is held with the objective to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 27. TRADE PAYABLES

	Group/Fund	
	2024	2023
	RM'000	RM'000
Total trade payables	5,596	1,498

(a) Included in trade payables is the following amounts due to parties related to the Manager:

	Group/Fund	
	2024	2023
	RM'000	RM'000
Sunway Berhad Group	454	87

The amounts due to parties related to the Manager are unsecured, non-interest bearing and are repayable on demand. The relationship with the parties related to the Manager is as disclosed in Note 32 to the financial statements.

- (b) The normal trade credit terms granted to the Group and the Fund range from 1 day to 90 days (2023: 1 day to 90 days).
- (c) The maturity profile of the Group's and of the Fund's trade payables at the end of the reporting period based on contractual undiscounted repayment obligations is repayable on demand or within one year.
- (d) Trade payables are classified as financial liabilities measured at amortised cost.

#### 28. OTHER PAYABLES

	Group		Fund	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Sundry payables	21,309	14,972	21,090	14,927
Accruals	227,399	199,661	204,068	188,591
Deferred income	554	1,378	554	1,378
Refundable deposits	72,394	52,541	72,394	52,541
	321,656	268,552	298,106	257,437

(a) Included in other payables is the following amounts due to parties related to the Manager:

	Group/Fund	
	2024	2023
	RM'000	RM'000
Sunway Berhad Group	63,293	95,056

The amounts due to parties related to the Manager are unsecured, non-interest bearing and are repayable on demand. The relationship with the parties related to the Manager is as disclosed in Note 32 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 28. OTHER PAYABLES (CONT'D.)

- (b) The maturity profile of the Group's and of the Fund's other payables (excluding deferred income) at the end of the reporting period based on contractual undiscounted repayment obligations is repayable on demand or within one year.
- (c) Other payables are classified as financial liabilities measured at amortised cost.

#### 29. MANAGEMENT EXPENSE RATIO

	Group 2024 RM'000	2023 RM'000
Total trust expenses	51,988	48,047
Net asset value at end of financial year	5,871,994	5,516,079
Less: Proposed final income distribution (Note 13)	(182,885)	(160,281)
Net asset value at end of financial year, after proposed final income distribution	5,689,109	5,355,798
Annualised Management Expense Ratio ("MER")	0.91%	0.90%

The calculation of MER is based on the total fees and expenses incurred by the Group in the financial year, including Manager's fees, Trustee's fees, auditors' remuneration, tax agent's fee, valuation fees and other trust expenses to the net asset value (after proposed final income distribution) at end of financial year.

Since the basis of calculating MER can vary among real estate investment trusts, comparison of the Group's MER with other real estate investment trusts which use a different basis of calculation may not be an accurate comparison.

#### 30. OPERATING LEASE AGREEMENTS

##### The Group and the Fund as lessor

The Group and the Fund lease out their investment properties. Non-cancellable operating lease rentals receivable are as follows:

	Group/Fund 2024 RM'000	2023 RM'000
Not later than 1 year	511,650	414,055
Later than 1 year and not later than 5 years	774,536	576,553
Later than 5 years	1,277,075	1,062,243
	2,563,261	2,052,851

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 31. CAPITAL COMMITMENTS

	Group/Fund	
	2024	2023
	RM'000	RM'000
<b>Capital expenditure</b>		
Subsequent expenditure of investment properties:		
Approved and contracted for	678,318	903,527
Approved but not contracted for	114,177	609,177
	<b>792,495</b>	1,512,704

#### 32. SIGNIFICANT TRANSACTIONS WITH PARTIES RELATED TO THE MANAGER

During the financial year, other than those disclosed elsewhere in the financial statements, the Group and the Fund transacted with certain parties related to the Manager as follows:

		Group/Fund	
		2024	2023
Name of companies related to the Manager	Nature of transactions	RM'000	RM'000
(a) Sunway Berhad	Rental income and utilities charges	157,903	164,086
Group *	Disposal of investment property	-	430,000
	Property management and related services	(56,806)	(46,084)
	Construction and related services	(121,455)	(233,355)
	Others	(35,002)	(34,887)
Structured entities controlled by Sunway Berhad Group ^	Distribution to perpetual note holders	(5,776)	(19,889)
(b) Sunway Technology			
Sdn. Bhd. Group	Rental income and utilities charges	2,430	2,474
("STSB Group") #	Others	(890)	(838)

The above transactions have been entered into in the normal course of business and have been established based on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 32. SIGNIFICANT TRANSACTIONS WITH PARTIES RELATED TO THE MANAGER (CONT'D.)

The above parties are deemed related to the Manager as follows:

- \* Sunway Berhad Group are deemed parties related to the Manager by virtue of Datin Paduka Sarena Cheah Yean Tih's interests in Sunway Berhad Group and the Group. Tan Sri Sir Dr Jeffrey Cheah Fook Ling and Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng, being the parents of Datin Paduka Sarena Cheah Yean Tih, have interests in Sunway Berhad Group and the Group. Datin Paduka Sarena Cheah Yean Tih, is a Director of Sunway Berhad, the Manager and the Group as well as Director and alternate Director in several subsidiaries of Sunway Berhad. Evan Cheah Yean Shin, the child of Tan Sri Sir Dr Jeffrey Cheah Fook Ling, is a Director in several subsidiaries of Sunway Berhad Group and STSB Group. Adrian Cheah Yean Sun, the child of Tan Sri Sir Dr Jeffrey Cheah Fook Ling, is a Director in several subsidiaries of Sunway Berhad Group and a key management personnel of the Manager. Evan Cheah Yean Shin and Adrian Cheah Yean Sun have interests in Sunway Berhad and the Group.
- ^ Relates to wholesale funds controlled by Sunway Berhad Group.
- # STSB Group are deemed parties related to the Manager by virtue of Datin Paduka Sarena Cheah Yean Tih's interests in STSB Group and the Group. Tan Sri Sir Dr Jeffrey Cheah Fook Ling and Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng, being the parents of Datin Paduka Sarena Cheah Yean Tih, also has deemed interests in STSB Group and the Group. Evan Cheah Yean Shin and Adrian Cheah Yean Sun, being the children of Tan Sri Sir Dr Jeffrey Cheah Fook Ling, have deemed interests in STSB Group and the Group. Evan Cheah Yean Shin is a Director of STSB Group.

Information regarding outstanding balances arising from transactions with parties related to the Manager as at 31 December 2024 are disclosed in Notes 17, 18, 27 and 28 to the financial statements.

### 33. MATERIAL LITIGATION

#### **Metroplex Holdings Sdn. Bhd. ("Metroplex") v RHB Trustees Berhad (as trustees for Sunway REIT) and Sunway REIT Management Sdn. Bhd. (collectively, the "Defendants")**

On 28 September 2015, Metroplex filed writ of summons and a statement of claim against the Defendants to claim, amongst others, damages for various chattels and movable items (e.g. furniture and office equipment, decorations, cutlery, kitchen equipment, bar equipment, concierge and reception tables, blinds and curtains) ("Chattels and Movable Items") which Metroplex alleged the Chattels and Movable Items were acquired and owned by them and were not removed when the Defendants took possession of the hotel at Sunway Putra on 27 September 2011. Metroplex has in its statement of claim alleged that the Chattels and Movable Items were worth in excess of RM80 million as at September 2011.

On 3 November 2017, the High Court allowed Metroplex's claim on liability in which the damages to be awarded to Metroplex shall be assessed ("High Court's Decision").

Subsequently, the Defendants appealed to the Court of Appeal against the High Court's Decision on 6 November 2017. The Court of Appeal allowed the Defendants' appeal and the High Court's Decision was set aside on 22 January 2019 ("Court of Appeal's Decision").

On 20 February 2019, Metroplex filed motion for leave to appeal to the Federal Court against the Court of Appeal's Decision ("Motion"). The Motion was allowed on 25 November 2019. Subsequently, Metroplex filed notice of appeal to appeal against the Court of Appeal's Decision on 2 December 2019 ("Appeal"). The hearing for the Appeal was fixed on 31 March 2021.

On 31 March 2021, the Federal Court allowed Metroplex's appeal by setting aside the Court of Appeal's Decision, restoring the High Court's Decision and ordered the assessment of damages against the Defendants to proceed before the High Court ("Assessment"). In Metroplex's claim, Metroplex is claiming for the Chattels and Movable Items amounting to approximately RM402 million. The Defendants strenuously objected to the amount claimed as being overly excessive and have appointed subject matter experts to dispute the quantum of claim.

The trial for the Assessment was held on 4, 5, 6, 12 and 13 January 2023. Upon conclusion of the trial, the High Court judge directed the Defendants and Metroplex to appear before the High Court for oral submission on 9 and 15 May 2023. After hearing oral submissions by both parties, the Judge then proceeded to fix the date for the decision to be delivered.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 33. MATERIAL LITIGATION (CONT'D.)

On 12 November 2024, the High Court delivered its judgment on the assessment of damages for conversion payable by the Defendants, on behalf of Sunway REIT, to Metroplex, as follows:

1. Operational Chattels amounting to RM1,812,339.72;
  2. Antiques amounting to RM434,760.00;
  3. Artworks amounting to RM2,585,500.00;
  4. Interest at the rate of 5% per annum for items (1) to (3) above from the date of conversion on 27 September 2011 until the date of full and final realisation; and
  5. Costs of RM60,000.00.
- (collectively, "High Court's Judgment on Assessment")

On 9 December 2024, Metroplex appealed to the Court of Appeal against part of the High Court's Judgment on Assessment, which assessed the damages to be paid by the Defendants to Metroplex for the conversion of Metroplex's operational chattels in the sum of RM1,812,339.72.

On 10 December 2024, the Defendants appealed to the Court of Appeal against part of the High Court's Judgment on Assessment, which assessed the damages to be paid by the Defendants to Metroplex for the tort of conversion of antiques in the sum of RM434,760.00 and artworks in the sum of RM2,585,500.00.

On 13 December 2024, the Defendants remitted the sum of RM8,087,684.45, which represented the amount payable under the High Court's Judgment on Assessment on 12 November 2024, to Metroplex. This sum included interest payable on the judgment amount calculated up to 13 December 2024 along with costs and allocatur fee.

Pursuant to the case management on 10 March 2025, both the abovementioned appeals have been fixed for hearing before the Court of Appeal on 12 February 2026.

#### 34. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE END OF THE REPORTING PERIOD

##### (a) Acquisition of hypermarkets/retail complexes for cash consideration of RM520.0 million

On 16 March 2023, Sunway REIT entered into a conditional sale and purchase agreement ("SPA") with Kwasa Properties Sdn. Bhd. ("Kwasa"), a wholly-owned subsidiary of the Employees Provident Fund, to acquire six freehold hypermarkets/retail complexes that are strategically located in Klang Valley and Johor for a total cash consideration of RM520.0 million. The acquisition was completed on 30 April 2024.

##### (b) Acquisition of an industrial property in Prai, Penang for cash consideration of RM66.8 million

On 18 December 2023, Sunway REIT entered into a conditional sale and purchase agreement with Best Corridor Venture Sdn. Bhd., to acquire an industrial property that is strategically located in Bukit Tengah Industrial Park, Prai, Penang for a cash consideration of RM66.8 million. The acquisition was completed on 24 October 2024.

##### (c) Acquisition of a shopping mall known as "163 Retail Park" in Mont Kiara, Kuala Lumpur for cash consideration of RM215.0 million

On 26 January 2024, Sunway REIT entered into a conditional sale and purchase agreement with D'Kiara Place Sdn. Bhd., to acquire a shopping mall known as "163 Retail Park" that is strategically located in Mont Kiara, Kuala Lumpur for a cash consideration of RM215.0 million. The acquisition was completed on 9 October 2024.

##### (d) Acquisition of a shopping mall known as "Kluang Mall" in Kluang, Johor for cash consideration of RM158.0 million

On 8 August 2024, Sunway REIT entered into a conditional sale and purchase agreement with Tenaga Nusantara Sdn. Bhd., to acquire a shopping mall known as "Kluang Mall" that is strategically located in Kluang, Johor for a cash consideration of RM158.0 million. The acquisition was completed on 30 December 2024.

##### (e) Proposed acquisition of a retail asset known as "AEON Mall Seri Manjung" in Manjung, Perak for cash consideration of RM138.0 million

On 20 January 2025, Sunway REIT entered into a conditional sale and purchase agreement with Kar Sin Bhd. and YNH Hospitality Sdn. Bhd., the subsidiaries of YNH Property Berhad, to acquire a retail asset that is strategically located in Manjung, Perak for a cash consideration of RM138.0 million.

Barring any unforeseen circumstances, the Proposed Acquisition is expected to be completed in Q2 2025.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 35. ADOPTION OF MFRSs AND AMENDMENTS TO MFRSs

##### (a) New MFRSs adopted during the financial year

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2024, the Group and the Fund adopted the following Standards that are mandatory for annual financial periods beginning on or after 1 January 2024.

Title	Effective date
Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 <i>Leases</i> )	1 January 2024
Classification of Liabilities as Current or Non-Current (Amendments to MFRS 101 <i>Presentation of Financial Statements</i> )	1 January 2024
Non-Current Liabilities with Covenants (Amendments to MFRS 101 <i>Presentation of Financial Statements</i> )	1 January 2024

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group and of the Fund.

##### (b) New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

The Standards that are issued but not yet effective up to the date of issuance of financial statements of the Group and of the Fund are disclosed below. The Group and the Fund intend to adopt these Standards, if applicable, when they become effective.

Title	Effective date
Lack of Exchangeability (Amendment to MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates</i> )	1 January 2025
Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures</i> )	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Fund are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

## ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Main Market Listing Requirements and the Guidelines on Listed REITs issued by Securities Commission Malaysia:

### 1. SANCTIONS OR PENALTIES

There was no public sanction or penalty imposed on the Manager by the relevant regulatory bodies during the financial year ended 31 December 2024.

### 2. STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

On 29 December 2022, Sunway REIT announced a proposal to dispose Sunway Medical Centre (Tower A & B) for a cash consideration of RM430.0 million ("Proposed Disposal").

The Proposed Disposal was completed on 30 August 2023 with total gross proceeds received of RM430.0 million.

The gross proceeds from the Proposed Disposal were fully utilised to defray the expenses (including taxes) incurred in connection with the Proposed Disposal and the acquisition of properties during the financial year, as disclosed in Note 14 of the Notes to the Financial Statements.

### 3. AUDIT AND NON-AUDIT FEES

Total audit and non-audit fees paid and payable to the external auditors, BDO PLT, for services rendered to the Group for the financial year ended 31 December 2024 were RM146,000 and RM59,750 respectively.

### 4. RECURRENT RELATED PARTY TRANSACTIONS

The details of significant recurrent related party transactions are disclosed in Note 32 of the Notes to the Financial Statements.

For more information, please refer to the Financial Statements section.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS OF THE MANAGER

### **Chairman, Independent Non-Executive Director**

Tan Sri Amirsham Bin A Aziz

### **Chief Executive Officer, Non-Independent Executive Director**

Clement Chen Kok Peng

### **Senior Independent Non-Executive Director**

Datuk Christopher Martin Boyd

### **Independent Non-Executive Directors**

Farah Suhanah Binti Ahmad Sarji  
Yeo Kar Peng

### **Non-Independent Non-Executive Directors**

Datin Paduka Sarena Cheah  
Yean Tih, S.M.S.  
Ng Sing Hwa

## AUDIT COMMITTEE

Datuk Christopher Martin Boyd  
(Chairman)  
Farah Suhanah Binti Ahmad Sarji  
Yeo Kar Peng

## NOMINATION AND REMUNERATION COMMITTEE

Farah Suhanah Binti Ahmad Sarji  
(Chairperson)  
Datuk Christopher Martin Boyd  
Yeo Kar Peng

## SUSTAINABILITY COMMITTEE

Yeo Kar Peng (Chairperson)  
Clement Chen Kok Peng  
Datin Paduka Sarena Cheah Yean  
Tih, S.M.S.

## RISK MANAGEMENT COMMITTEE

Ng Sing Hwa (Chairman)  
Datuk Christopher Martin Boyd  
Farah Suhanah Binti Ahmad Sarji  
Yeo Kar Peng

## INVESTMENT APPRAISAL WORKING GROUP

Clement Chen Kok Peng  
(Chairman)  
Datin Paduka Sarena Cheah  
Yean Tih, S.M.S.  
(Alternate: Ryan Quek Chun Yan)  
Ng Bee Lien  
Adrian Cheah Yean Sun

## RISK MANAGEMENT WORKING GROUP

Clement Chen Kok Peng  
(Chairman)  
Datin Paduka Sarena Cheah  
Yean Tih, S.M.S.  
(Alternate: Kington Koh Keng Guan)  
Ng Bee Lien  
Lim Sze-Yin  
Chan Hoi Choy  
(Alternate: Allan Tay Tiong Kiat)  
Alex Castaldi  
Goh Hai Thun  
Cheng Shiao Ling (Risk Officer)

## SUSTAINABILITY WORKING GROUP

Clement Chen Kok Peng  
(Chairman)  
Ng Bee Lien  
Chong Sau Min  
Chan Hoi Choy  
Alex Castaldi  
Angeline Sie Ing Swan  
(Head of Sustainability)

## MANAGER

Sunway REIT Management Sdn. Bhd.  
(Registration No. 200801005046  
(806330-X))

## PRINCIPAL PLACE OF BUSINESS OF THE MANAGER

Level 15, Menara Sunway,  
Jalan Lagoon Timur,  
Bandar Sunway,  
47500 Subang Jaya,  
Selangor Darul Ehsan  
Tel No: +603 5639 8889

## REGISTERED OFFICE OF THE MANAGER

Level 16, Menara Sunway,  
Jalan Lagoon Timur,  
Bandar Sunway,  
47500 Subang Jaya,  
Selangor Darul Ehsan  
Contact No: +603 5639 8889  
Fax No: +603 5639 9507

## TRUSTEE

RHB Trustees Berhad  
(Registration No. 200201005356  
(573019-U))  
Level 10, Tower One, RHB Centre,  
Jalan Tun Razak,  
50400 Kuala Lumpur  
Tel No: +603 9280 5933  
Email: rhbt.reits@rhbgroup.com

## REGISTRAR

Tricor Investor & Issuing House  
Services Sdn. Bhd.  
(Registration No. 197101000970  
(11324-H))  
Unit 32-01, Level 32, Tower A,  
Vertical Business Suite, Avenue 3,  
Bangsar South,  
No. 8, Jalan Kerinchi,  
59200 Kuala Lumpur  
Tel No: +603 2783 9299  
Fax No: +603 2783 9222

## PROPERTY MANAGER

Zerin Properties Urus Harta  
Sdn. Bhd.  
(Registration No. 202001007312  
(1363632-D))  
Level 1, Block B,  
Damansara Office Complex,  
Jalan Dungun,  
Damansara Heights,  
50490 Kuala Lumpur  
Tel No: +603 2092 2008

## AUDITOR

Messrs. BDO PLT  
(LLP0018825-LCA & AF 0206)  
Level 8, BDO @ Menara CenTARa,  
360 Jalan Tuanku Abdul Rahman,  
50100 Kuala Lumpur  
Tel No: +603 2616 2888

## STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia  
Securities Berhad  
Stock Name: SUNREIT  
Stock Code: 5176

## COMPANY SECRETARIES OF THE MANAGER

Tan Kim Aun (MAICSA 7002988)  
(SSM PC No. 202008001249)  
Lee Chun Shian (MAICSA 7064123)  
(SSM PC No. 202108000401)

## ANTI-BRIBERY AND CORRUPTION OFFICER OF THE MANAGER

Kington Koh Keng Guan

## COMPLIANCE OFFICER OF THE MANAGER

Lim Sze-Yin

## INVESTOR RELATIONS

Crystal Teh Lay Ling /  
Rachel Soo Wei Hong  
Tel No: +603 5639 9645  
Email: irsunreit@sunway.com.my

## WEBSITE

www.sunwayreit.com

## ANALYSIS OF UNITHOLDINGS

### 17 MARCH 2025

Total number of units issued : 3,424,807,700 units

Voting rights : One vote per unit

Number of unitholders : 32,427

#### DISTRIBUTION OF UNITHOLDINGS

Unitholdings	No. of		No. of	
	Unitholders	%	Units Held	%
Less than 100	129	0.40	2,965	0
100 – 1,000	9,333	28.78	5,547,946	0.16
1,001 – 10,000	16,716	51.55	74,243,895	2.17
10,001 – 100,000	5,542	17.09	161,776,645	4.72
100,001 to less than 5% of the total number of units issued	702	2.16	1,592,898,134	46.51
5% and above of the total number of units issued	5	0.02	1,590,338,115	46.44
	<b>32,427</b>	<b>100.00</b>	<b>3,424,807,700</b>	<b>100.00</b>

#### THIRTY LARGEST UNITHOLDERS AS PER RECORD OF DEPOSITORS

No.	Name of Unitholders	No. of	
		Units Held	%
1.	Citigroup Nominees (Tempatan) Sdn Bhd -Employees Provident Fund Board	438,649,050	12.81
2.	HLB Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Sunway REIT Holdings Sdn Bhd (PJCAC)	362,000,000	10.57
3.	RHB Nominees (Tempatan) Sdn Bhd - Malaysian Trustees Berhad Pledged Securities Account for Sunway REIT Holdings Sdn Bhd (T10)	283,000,000	8.26
4.	Sunway REIT Holdings Sdn. Bhd.	245,694,765	7.17
5.	Kumpulan Wang Persaraan (Diperbadankan)	176,494,300	5.15
6.	Amanahraya Trustees Berhad - Amanah Saham Bumiputera	138,000,000	4.03
7.	Pacific Trustees Berhad - Exempt An for Sunlight Rewards Sdn Bhd	123,412,100	3.60
8.	RHB Nominees (Tempatan) Sdn Bhd - Industrial and Commercial Bank of China (Malaysia) Berhad Pledged Securities Account for Sunway REIT Holdings Sdn Bhd	108,100,000	3.16
9.	RHB Nominees (Tempatan) Sdn Bhd - Malaysian Trustees Berhad Pledged Securities Account for Sunway REIT Holdings Sdn Bhd-T16	98,000,000	2.86
10.	UOBM Nominees (Tempatan) Sdn Bhd - United Overseas Bank Ltd (Labuan Branch) for Sunway REIT Holdings Sdn. Bhd.	89,000,000	2.60

## ANALYSIS OF UNITHOLDINGS

17 MARCH 2025

### THIRTY LARGEST UNITHOLDERS AS PER RECORD OF DEPOSITORS (CONT'D.)

No.	Name of Unitholders	No. of Units Held	%
11.	Sunway REIT Holdings Sdn. Bhd.	84,500,000	2.47
12.	Citigroup Nominees (Tempatan) Sdn Bhd - Great Eastern Life Assurance (Malaysia) Berhad (Par 1)	65,013,700	1.90
13.	Citigroup Nominees (Tempatan) Sdn Bhd - Employees Provident Fund Board (AHAM AM)	60,086,900	1.75
14.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account-Sumitomo Mitsui Banking Corporation Malaysia Berhad for Sunway REIT Holdings Sdn Bhd	60,000,000	1.75
15.	RHB Nominees (Tempatan) Sdn Bhd - Malaysian Trustees Berhad Pledged Securities Account for Sunway REIT Holdings Sdn Bhd (T18)	40,000,000	1.17
16.	Permodalan Nasional Berhad	32,370,500	0.95
17.	DB (Malaysia) Nominee (Asing) Sdn Bhd - Exempt An for State Street Bank & Trust Company (West CLT OD67)	30,406,600	0.89
18.	Amanahraya Trustees Berhad - Amanah Saham Malaysia	30,000,000	0.88
19.	RHB Nominees (Tempatan) Sdn Bhd - Malaysian Trustees Berhad Pledged Securities Account for Sunway REIT Holdings Sdn Bhd (T22)	30,000,000	0.88
20.	Citigroup Nominees (Tempatan) Sdn Bhd - Employees Provident Fund Board (F Templeton)	25,632,200	0.75
21.	Amanahraya Trustees Berhad - Amanah Saham Malaysia 2 - Wawasan	24,272,400	0.71
22.	HSBC Nominees (Tempatan) Sdn Bhd - HSBC (M) Trustee Bhd For Zurich Life Insurance Malaysia Berhad (NP-Other-REITs)	20,820,400	0.61
23.	Amanahraya Trustees Berhad - Amanah Saham Malaysia 3	19,435,000	0.57
24.	Citigroup Nominees (Tempatan) Sdn Bhd – Exempt An for AIA Bhd.	15,836,600	0.46
25.	Cartaban Nominees (Tempatan) Sdn Bhd - PAMB for Prulink Equity Fund	15,322,400	0.45
26.	Cartaban Nominees (Tempatan) Sdn Bhd – Prudential Assurance Malaysia Berhad for Prulink Strategic Fund	14,075,600	0.41
27.	Citigroup Nominees (Tempatan) Sdn Bhd – Employees Provident Fund Board (CIMB Prin)	14,034,500	0.41
28.	Amanahraya Trustees Berhad – Public Dividend Select Fund	13,734,200	0.40
29.	Citigroup Nominees (Tempatan) Sdn Bhd – Kumpulan Wang Persaraan (Diperbadankan) (AHAM AM EQ)	13,654,600	0.40
30.	HSBC Nominees (Tempatan) Sdn Bhd – HSBC (M) Trustee Bhd for Zurich Life Insurance Malaysia Berhad (Life Par)	13,509,300	0.39

## ANALYSIS OF UNITHOLDINGS

### 17 MARCH 2025

#### SUBSTANTIAL UNITHOLDERS ACCORDING TO THE REGISTER OF SUBSTANTIAL UNITHOLDERS AS AT 17 MARCH 2025

Name of Unitholder	Direct		Indirect	
	No. of Units Held	%	No. of Units Held	%
Sunway REIT Holdings Sdn Bhd	1,400,294,765	40.89	-	-
Employees Provident Fund Board	549,891,850	16.06	-	-
Kumpulan Wang Persaraan (Diperbadankan)	177,212,300	5.17	26,130,200	0.76
Tan Sri Sir Dr Jeffrey Cheah Fook Ling KBE AO	-	-	1,400,294,765 <sup>(1)</sup>	40.89
Puan Sri Datin Seri (Dr) Susan Cheah Seok Cheng	-	-	1,400,294,765 <sup>(2)</sup>	40.89
Datin Paduka Sarena Cheah Yean Tih, S.M.S.	-	-	1,400,297,765 <sup>(3)</sup>	40.89
Evan Cheah Yean Shin	-	-	1,400,294,765 <sup>(1)</sup>	40.89
Adrian Cheah Yean Sun	-	-	1,400,294,765 <sup>(1)</sup>	40.89
Active Equity Sdn Bhd	-	-	1,400,294,765 <sup>(4)</sup>	40.89
Sungei Way Corporation Sdn Bhd	-	-	1,400,294,765 <sup>(5)</sup>	40.89
Sunway Berhad	-	-	1,400,294,765 <sup>(6)</sup>	40.89
Sunway City Sdn Bhd	-	-	1,400,294,765 <sup>(7)</sup>	40.89

**Notes:**

- <sup>(1)</sup> Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd, Sunway Berhad, Sunway City Sdn Bhd and Sunway REIT Holdings Sdn Bhd.
- <sup>(2)</sup> Deemed interest held through spouse.
- <sup>(3)</sup> Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd, Sunway Berhad, Sunway City Sdn Bhd, Sunway REIT Holdings Sdn Bhd and spouse.
- <sup>(4)</sup> Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Sungei Way Corporation Sdn Bhd, Sunway Berhad, Sunway City Sdn Bhd and Sunway REIT Holdings Sdn Bhd.
- <sup>(5)</sup> Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Sunway Berhad, Sunway City Sdn Bhd and Sunway REIT Holdings Sdn Bhd.
- <sup>(6)</sup> Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Sunway City Sdn Bhd and Sunway REIT Holdings Sdn Bhd.
- <sup>(7)</sup> Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Sunway REIT Holdings Sdn Bhd.

#### UNITHOLDING OF DIRECTOR

Name of Unitholder	Direct		Indirect	
	No. of Units Held	%	No. of Units Held	%
Datin Paduka Sarena Cheah Yean Tih, S.M.S.	-	-	1,400,297,765 <sup>(a)</sup>	40.89

**Notes:**

- <sup>(a)</sup> Deemed interest by virtue of Section 8 of the Companies Act 2016 held through Active Equity Sdn Bhd, Sungei Way Corporation Sdn Bhd, Sunway Berhad, Sunway City Sdn Bhd, Sunway REIT Holdings Sdn Bhd and spouse.

# NOTICE OF TWELFTH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twelfth Annual General Meeting ("**12<sup>th</sup> AGM**") of Sunway Real Estate Investment Trust ("**Sunway REIT**") will be held at Grand Congress, Level 12, Sunway Resort Hotel, Persiaran Lagoon, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia ("**Meeting Venue**") on Thursday, 29 May 2025 at 3:00 p.m., or at any adjournment thereof, to consider and, if thought fit, to pass the following resolutions with or without any modifications:

## AS ORDINARY BUSINESS:

1. To receive the Integrated Annual Report 2024 comprising the Audited Financial Statements for the financial year ended 31 December 2024 of Sunway REIT together with the Reports of Manager, Trustee and Auditors thereon.

## AS SPECIAL BUSINESS:

To consider and if thought fit, to pass the following as Ordinary Resolutions:

2. **Proposed Authority to Allot and Issue New Units of up to 20% of the Total Number of Issued Units of Sunway REIT (Ordinary Resolution 1)**

**"THAT** subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Deed dated 20 May 2010, the Supplemental Deed dated 10 June 2010 and the Amended and Restated Deed dated 18 September 2018 entered into between Sunway REIT Management Sdn Bhd, being the manager of Sunway REIT ("**Manager**") and RHB Trustees Berhad ("**Trustee**") constituting Sunway REIT, and the approvals of the relevant regulatory authorities being obtained, authority be and is hereby given to the Directors of the Manager ("**Board**") to allot and issue units in Sunway REIT ("**New Units**") at any time at such price to any such persons and upon such terms and conditions as the Board may in its absolute discretion, deem fit and expedient in the best interest of Sunway REIT, provided that the aggregate number of New Units to be issued, when aggregated with the total number of units issued during the preceding 12 months, does not exceed 20% of the total number of issued units of Sunway REIT for the time being comprising 3,424,807,700 units ("**Proposed Authority**");

**THAT** such authority shall continue to be in force until:

- (i) the conclusion of the next annual general meeting ("**AGM**") of Sunway REIT at which time this Proposed Authority will lapse, unless by a resolution passed at the next AGM, the authority is renewed;
- (ii) the expiration of the period within which the next AGM of Sunway REIT is required by law to be held; or
- (iii) the Proposed Authority is revoked or varied by a resolution passed by the unitholders in a general meeting of Sunway REIT,

whichever is the earlier;

**THAT** such New Units to be issued pursuant to the Proposed Authority shall, upon allotment and issuance, rank pari passu in all respects with the existing units of Sunway REIT, except that the New Units will not be entitled to any income distributions, rights, benefits, entitlements and/or any other distributions that may be declared prior to the date of allotment and issuance of such New Units;

**THAT** authority be and is hereby given to the Board and the Trustee, acting for and on behalf of Sunway REIT, to give effect to the Proposed Authority including but not limited to the creation of the requisite New Units and with full powers to assent to any conditions, modifications, variations, arrangements and/or amendments as they may deem fit in the best interest of Sunway REIT and/or as may be imposed by the relevant regulatory authorities;

**AND THAT** the Board and the Trustee, acting for and on behalf of Sunway REIT, be and are hereby authorised to implement, finalise, complete and do all acts, deeds and things (including executing such documents as may be required) in relation to the Proposed Authority."

3. **Proposed Renewal of Unitholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (Ordinary Resolution 2)**

**"THAT** approval be and is hereby given for Sunway REIT to enter into recurrent related party transactions of a revenue or trading nature with the related parties ("**Recurrent Related Party Transactions**" or "**RRPT**") as set out in Section 2.3 of the Circular to Unitholders dated 28 April 2025, subject to the following ("**Proposed RRPT Mandate**");

- (a) the Recurrent Related Party Transactions are entered into in the ordinary course of business which are necessary for day-to-day operations and are on Sunway REIT's normal commercial terms which are not more favourable to the related parties than those generally available to the public, and the Recurrent Related Party Transactions are undertaken on an arm's length basis which are not detrimental to the minority unitholders of Sunway REIT; and

## NOTICE OF TWELFTH ANNUAL GENERAL MEETING

- (b) the unitholders' mandate is subject to annual renewal and this Proposed RRPT Mandate shall only continue to be in force until:
- (i) the conclusion of the next AGM of Sunway REIT at which time this Proposed RRPT Mandate will lapse, unless by a resolution passed at the next AGM, the unitholders' mandate is renewed;
  - (ii) the expiration of the period within which the next AGM of Sunway REIT is required by law to be held; or
  - (iii) the Proposed RRPT Mandate is revoked or varied by a resolution passed by the unitholders in a general meeting of Sunway REIT,
- whichever is the earlier;

**AND THAT** the Board and the Trustee be and are hereby authorised to do all acts, deeds and things and execute all necessary documents as they may consider necessary or expedient in the best interest of Sunway REIT with full power to assent to any conditions, variations, modifications, arrangements and/or amendments in any manner as may be required or permitted under relevant regulatory authorities and to deal with all matters in relation thereto and to take such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Recurrent Related Party Transactions contemplated and/or authorised by this ordinary resolution."

**4. Proposed Renewal of the Authority to Allot and Issue New Units in relation to the Distribution Reinvestment Scheme that Provides the Unitholders of Sunway REIT with the Option to Reinvest their Income Distribution in New Units in Sunway REIT (Ordinary Resolution 3)**

"**THAT** pursuant to the distribution reinvestment scheme of Sunway REIT ("**DRS**") approved at the AGM held on 2 October 2020, and subject to the approvals of the relevant regulatory authorities being obtained, authority be and is hereby given to the Board to allot and issue New Units ("**DRS New Units**") from time to time as may be required to be allotted and issued pursuant to the DRS until the conclusion of the next AGM of Sunway REIT, upon the terms and conditions and to such persons as the Board may, in its absolute discretion, deem fit or expedient and in the best interest of Sunway REIT ("**Issuance of DRS New Units**"), provided that the issue price of the DRS New Units, which will be determined by the Board on the price-fixing date to be determined and announced ("**DRS Price-Fixing Date**"), shall be at an issue price of not more than a 10% discount to the 5-day volume weighted average market price of Sunway REIT before the DRS Price-Fixing Date ("**Proposed Renewal of DRS Authority**");

**AND THAT** the Board be and is hereby authorised to do all such acts and enter into such transactions, arrangements and agreements and to execute, sign and deliver, for and on behalf of Sunway REIT, all such documents and impose such terms and conditions or delegate any part of its powers as may be necessary or expedient in order to give full effect to the Issuance of DRS New Units, with full powers to assent to any conditions, modifications, variations and/or amendments including pursuant to any amendment, modification, suspension and termination of the DRS or the Issuance of DRS New Units as the Board may, in its absolute discretion, deem fit and in the best interest of Sunway REIT and/or as may be imposed or agreed to by any relevant regulatory authorities."

**By Order of the Board of**

**SUNWAY REIT MANAGEMENT SDN BHD**

(Registration No: 200801005046 (806330-X))

(Manager for Sunway REIT)

**TAN KIM AUN (MAICSA 7002988) (SSM PC NO. 202008001249)**

**LEE CHUN SHIAN (MAICSA 7064123) (SSM PC NO. 202108000401)**

Company Secretaries

Bandar Sunway

28 April 2025

## NOTICE OF TWELFTH ANNUAL GENERAL MEETING

**Notes:**

- (1) For the purpose of determining a unitholder who shall be entitled to participate and vote at the 12<sup>th</sup> AGM, Sunway REIT shall be requesting the Record of Depositors as at 22 May 2025. Only a depositor whose name appears on the Record of Depositors as at 22 May 2025 shall be entitled to participate in the 12<sup>th</sup> AGM or appoint proxies to participate and vote on his/her behalf. A proxy may but need not be a unitholder.
- (2) A unitholder may appoint up to 2 proxies to participate and vote at the same meeting.
- (3) Where a unitholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), it may appoint at least 1 proxy but not more than 2 proxies in respect of each securities account it holds with units of Sunway REIT standing to the credit of the said securities account.
- (4) Where a unitholder is an exempt authorised nominee as defined under the SICDA, who holds units in Sunway REIT for multiple beneficial owners in one securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds with units standing to the credit of the said Omnibus Account.
- (5) Where a unitholder or the authorised nominee appoints 2 proxies, or where an exempt authorised nominee appoints 2 or more proxies, the appointment shall be invalid unless he/she or it specifies the proportion of his/her or its holdings to be represented by each proxy.
- (6) If a unitholder has appointed a proxy or proxies (not more than 2 proxies) to participate in the 12<sup>th</sup> AGM and subsequently he/she participates in the 12<sup>th</sup> AGM, the appointment of such proxy shall be null and void, and his/her proxy shall not be entitled to participate in the 12<sup>th</sup> AGM.
- (7) The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be executed under its Common Seal or under the hand of an officer or attorney of the corporation duly authorised.
- (8) The instrument appointing a proxy and/or representative ("**Proxy Form**") and the power of attorney (if any) under which it is signed or authorised certified copy thereof must be deposited to Boardroom Share Registrars Sdn Bhd ("**Boardroom**") at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, either by hand, by post or via email to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com). Alternatively, you may submit the Proxy Form electronically through the "Boardroom Smart Investor Portal" at <http://investor.boardroomlimited.com> ("**e-Proxy Lodgement**"). The Proxy Form must be received by Boardroom no later than Wednesday, 28 May 2025 at 3:00 p.m., being 24 hours prior to the scheduled date and time of the 12<sup>th</sup> AGM, or any adjournment thereof. The lodging of the Proxy Form does not preclude you from attending and voting at the 12<sup>th</sup> AGM, should you decide to participate in person. Please refer to the Administrative Notes for the 12<sup>th</sup> AGM for detailed instructions on e-Proxy Lodgement.
- (9) Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly. If no name is inserted in the space for the name of your proxy, the Chairman of the 12<sup>th</sup> AGM will act as your proxy.

**Integrated Annual Report 2024 comprising the Audited Financial Statements for the financial year ended 31 December 2024 of Sunway REIT together with the Reports of Manager, Trustee and Auditors thereon**

- (10) The Integrated Annual Report 2024 comprising the Audited Financial Statements under Agenda 1 is laid before the unitholders for discussion only and does not require a formal approval of the unitholders pursuant to Paragraph 13.18(b) of the Guidelines on Listed Real Estate Investment Trusts issued by the Securities Commission Malaysia.

## NOTICE OF TWELFTH ANNUAL GENERAL MEETING

### EXPLANATORY NOTES ON SPECIAL BUSINESSES

#### (11) Ordinary Resolution 1 - Proposed Authority

The proposed Ordinary Resolution 1, if passed, will give a mandate to the Board to allot and issue New Units from time to time provided that the aggregate number of the New Units to be issued, when aggregated with the total number of units issued during the preceding 12 months, does not exceed 20% of the total number of issued units of Sunway REIT for the time being comprising 3,424,807,700 units. The Proposed Authority, unless revoked or varied by a resolution passed by the unitholders in a general meeting of Sunway REIT, will expire at the conclusion of the next AGM of Sunway REIT.

As at the date of this notice, Sunway REIT has not issued any units under the mandate which was approved at the 11<sup>th</sup> AGM held on 25 April 2024 and which will lapse at the conclusion of the 12<sup>th</sup> AGM.

With this Proposed Authority, Sunway REIT will have the flexibility to allot and issue New Units to raise funds to finance future investments, acquisitions and capital expenditure project(s) to enhance the value of Sunway REIT and/or to refinance existing debt as well as for working capital purposes without convening a general meeting, which may delay the capital raising initiatives and incur relevant costs in organising the required general meeting.

#### (12) Ordinary Resolution 2 – Proposed RRPT Mandate

The interested Director as indicated in Section 7 of the Circular to Unitholders dated 28 April 2025 and her Persons Connected will abstain from voting on Ordinary Resolution 2.

The details on the Proposed RRPT Mandate are set out in the Circular to Unitholders dated 28 April 2025, which is available on Sunway REIT's website at <https://www.sunwayreit.com/investor-relations/annual-general-meetings>.

#### (13) Ordinary Resolution 3 - Proposed Renewal of DRS Authority

The proposed Ordinary Resolution 3, if passed, will give authority to the Board to allot and issue DRS New Units in respect of income distribution to be declared, if any, under the DRS, until the conclusion of the next AGM of Sunway REIT.

### PERSONAL DATA PRIVACY

(14) By lodging of a completed Proxy Form to the Manager of Sunway REIT for appointing a proxy(ies) and/or representative(s) to participate and vote at the 12<sup>th</sup> AGM and any adjournment thereof, a unitholder is hereby:

- (i) consenting to the collection, use and disclosure of the unitholder's personal data by Sunway REIT (or its agents) for the purpose of the processing and administration by Sunway REIT (or its agents) of proxies and representatives appointed for the 12<sup>th</sup> AGM (including any adjournment thereof) and the preparation and compilation of the attendance list, minutes and other documents relating to the 12<sup>th</sup> AGM (including any adjournment thereof), and in order for Sunway REIT (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warranting that where the unitholder discloses the personal data of the unitholder's proxy(ies) and/or representative(s) to Sunway REIT (or its agents), the unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by Sunway REIT (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes ("**Warranty**"); and
- (iii) agreeing that the unitholder will indemnify Sunway REIT in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the unitholder's breach of the Warranty.

For the purposes of this paragraph, "personal data" shall have the same meaning given in section 4 of the Personal Data Protection Act 2010.

# SUNWAY REIT

## SUNWAY REAL ESTATE INVESTMENT TRUST

(Established in Malaysia under a deed dated 20 May 2010, a supplemental deed dated 10 June 2010, and an amended and restated deed dated 18 September 2018 entered into between Sunway REIT Management Sdn Bhd and RHB Trustees Berhad, both companies incorporated in Malaysia)

### PROXY FORM

#### 12<sup>TH</sup> ANNUAL GENERAL MEETING

Number of units held	
CDS Account No.	

#### SUNWAY REIT MANAGEMENT SDN BHD

Registration No. 200801005046 (806330-X)

Manager for Sunway Real Estate Investment Trust

Registered Office:

Level 16, Menara Sunway, Jalan Lagoon Timur

Bandar Sunway, 47500 Subang Jaya

Selangor Darul Ehsan, Malaysia

Tel No: +603 5639 8889

Fax No: +603 5639 9507

\*I/We ..... \*NRIC/Passport/Registration No.\* .....  
(Full name in block)

of .....  
(Address)

with email address ..... mobile phone no. ....

being a unitholder of Sunway Real Estate Investment Trust ("**Sunway REIT**") and entitled to vote hereby appoint:

#### 1<sup>ST</sup> PROXY 'A'

Full Name (in Block)	NRIC/Passport No.	Proportion of unitholdings	
		No. of Units	%
Address			
Email Address			
Mobile Phone No.			

and/or failing \*him/her,

#### 2<sup>ND</sup> PROXY 'B'

Full Name (in Block)	NRIC/Passport No.	Proportion of unitholdings	
		No. of Units	%
Address			
Email Address			
Mobile Phone No.			

or failing \*him/her, the Chairman of the Twelfth Annual General Meeting of Sunway REIT ("**12<sup>th</sup> AGM**") as \*my/our proxy/proxies to participate and vote for \*me/us and on \*my/our behalf at the 12<sup>th</sup> AGM to be held at Grand Congress, Level 12, Sunway Resort Hotel, Persiaran Lagoon, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia ("**Meeting Venue**") on Thursday, 29 May 2025 at 3:00 p.m. or at any adjournment thereof.

\*My/our proxy/proxies shall vote as follows:

Please indicate with an "X" in the appropriate spaces how you wish your votes to be casted. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting on the resolutions at his/her/their discretion.

ORDINARY RESOLUTION		FIRST PROXY		SECOND PROXY	
		FOR	AGAINST	FOR	AGAINST
1.	Proposed Authority to Allot and Issue New Units of up to 20% of the Total Number of Issued Units of Sunway REIT				
2.	Proposed Renewal of Unitholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature				
3.	Proposed Renewal of the Authority to Allot and Issue New Units in relation to the Distribution Reinvestment Scheme that Provides the Unitholders of Sunway REIT with the Option to Reinvest their Income Distribution in New Units in Sunway REIT				

Dated this ..... day of ..... 2025

Signature of Unitholder(s) / Common Seal

## Notes:

1. For the purpose of determining a unitholder who shall be entitled to participate and vote at the 12<sup>th</sup> AGM, Sunway REIT shall be requesting the Record of Depositors as at 22 May 2025. Only a depositor whose name appears on the Record of Depositors as at 22 May 2025 shall be entitled to participate in the 12<sup>th</sup> AGM or appoint proxies to participate and vote on his/her behalf. A proxy may but need not be a unitholder.
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3. Where a unitholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), it may appoint at least 1 proxy but not more than 2 proxies in respect of each securities account it holds with units of Sunway REIT standing to the credit of the said securities account.
4. Where a unitholder is an exempt authorised nominee as defined under the SICDA, who holds units in Sunway REIT for multiple beneficial owners in one securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds with units standing to the credit of the said Omnibus Account.
5. Where a unitholder or the authorised nominee appoints 2 proxies, or where an exempt authorised nominee appoints 2 or more proxies, the appointments shall be invalid unless he/she or it specifies the proportions of his/her or its holdings to be represented by each proxy.
6. If a unitholder has appointed a proxy or proxies (not more than 2 proxies) to participate in the 12<sup>th</sup> AGM and subsequently he/she participates in the 12<sup>th</sup> AGM, the appointment of such proxy shall be null and void, and his/her proxy shall not be entitled to participate in the 12<sup>th</sup> AGM.
7. The instrument appointing a proxy, in the case of an individual, shall be signed by the appointer or by his attorney duly authorised in writing, and in the case of a corporation, shall be executed under its Common Seal or under the hand of an officer or attorney of the corporation duly authorised.
8. The instrument appointing a proxy and/or representative ("**Proxy Form**") and the power of attorney (if any) under which it is signed or authorised certified copy thereof must be deposited to Boardroom Share Registrars Sdn Bhd ("**Boardroom**") at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, either by hand, by post or via email to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com). Alternatively, you may submit the Proxy Form electronically through the "Boardroom Smart Investor Portal" at <http://investor.boardroomlimited.com> ("**e-Proxy Lodgement**"). The Proxy Form must be received by Boardroom no later than Wednesday, 28 May 2025 at 3:00 p.m., being 24 hours prior to the scheduled date and time of the 12<sup>th</sup> AGM, or any adjournment thereof. The lodging of the Proxy Form does not preclude you from attending and voting at the 12<sup>th</sup> AGM, should you decide to participate in person. Please refer to the Administrative Notes for the 12<sup>th</sup> AGM for detailed instructions on e-Proxy Lodgement.
9. Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly. If no name is inserted in the space for the name of your proxy, the Chairman of the 12<sup>th</sup> AGM will act as your proxy.

## Personal Data Privacy

By lodging of a completed Proxy Form to the Manager of Sunway REIT for appointing a proxy(ies) and/or representative(s) to participate and vote at the 12<sup>th</sup> AGM and any adjournment thereof, a unitholder is hereby:

- (i) consenting to the collection, use and disclosure of the unitholder's personal data by Sunway REIT (or its agents) for the purpose of the processing and administration by Sunway REIT (or its agents) of proxies and representatives appointed for the 12<sup>th</sup> AGM (including any adjournment thereof) and the preparation and compilation of the attendance list, minutes and other documents relating to the 12<sup>th</sup> AGM (including any adjournment thereof), and in order for Sunway REIT (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warranting that where the unitholder discloses the personal data of the unitholder's proxy(ies) and/or representative(s) to Sunway REIT (or its agents), the unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by Sunway REIT (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes ("**Warranty**"); and
- (iii) agreeing that the unitholder will indemnify Sunway REIT in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the unitholder's breach of the Warranty.

For the purposes of this paragraph, "personal data" shall have the same meaning given in section 4 of the Personal Data Protection Act 2010.

PLEASE FOLD HERE

AFFIX  
STAMP

Poll Administrator  
**SUNWAY REAL ESTATE INVESTMENT TRUST**  
c/o Boardroom Share Registrars Sdn Bhd  
11th Floor, Menara Symphony,  
No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13,  
46200 Petaling Jaya, Selangor Darul Ehsan,  
Malaysia

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Printed with **eco ink** made with higher percentage of vegetable oil to reduce the emission of volatile organic compounds (VOCs). Contain low levels of chemicals, thus reducing environmental pollution throughout the printing process.



The total carbon footprint for one copy of the Sunway REIT Integrated Annual Report 2024 is **10.4 kgCO<sub>2</sub>e** per book. We are committed to reducing the environmental impact of our Integrated Annual Report 2024 and will continue working to reduce the amount of greenhouse gases (GHG) emitted throughout the entire design and printing process.



Paper and printing **waste is responsibly handled** through recycling and upcycling materials in order to reduce the burden on landfills.



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**FORWARD-LOOKING STATEMENTS:** This Integrated Annual Report 2024 may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed or implied in forward-looking statements as a result of a number of risks, uncertainties and assumptions. 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.

Readers are advised to not rely solely on IAR 2024 but to also undertake their own due diligence and research prior to arriving at any conclusions or in making any financial or investment decisions pertaining to Sunway REIT.

Past performance is not necessarily indicative of its future performance and that unit price and investment returns may fluctuate. Sunway REIT will not be held responsible for any financial or non-financial losses incurred as a result of actual outcomes or developments differing from those mentioned in IAR 2024.

# **SUNWAY**

## **REIT**

Sunway REIT Management Sdn. Bhd.  
(Registration No. 200801005046 (806330-X))

Manager for Sunway REIT  
Level 16, Menara Sunway,  
Jalan Lagoon Timur, Bandar Sunway,  
47500 Subang Jaya,  
Selangor Darul Ehsan, Malaysia  
Tel : +603 5639 8889  
Website : [www.sunwayreit.com](http://www.sunwayreit.com)  
E-mail : [irsunreit@sunway.com.my](mailto:irsunreit@sunway.com.my)



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