

SUNWAY REAL ESTATE INVESTMENT TRUST

(Established in Malaysia under a deed dated 20 May 2010 and a supplemental deed dated 10 June 2010 entered into between Sunway REIT Management Sdn Bhd (Company No.: 806330-X) and RHB Trustees Berhad (Company No.: 573019-U), both companies incorporated in Malaysia under the Companies Act, 1965)

MINUTES OF THE SECOND ANNUAL GENERAL MEETING OF SUNWAY REAL ESTATE INVESTMENT TRUST (“SUNWAY REIT”) HELD AT GRAND CAYMANS, LEVEL 10, SUNWAY RESORT HOTEL & SPA, PERSIARAN LAGOON, BANDAR SUNWAY, 47500 SUBANG JAYA, SELANGOR DARUL EHSAN ON TUESDAY, 30 SEPTEMBER 2014 AT 3.30 P.M.

PRESENT : **Board of Directors of Sunway REIT Management Sdn Bhd, the manager for Sunway REIT (“Manager”):**

Tan Sri Ahmad Bin Mohd Don (*Chairman*)
Dato’ Ng Tiong Lip
Dato’ Ngeow Voon Yean
Willy Shee Ping Yah @ Shee Ping Yan
Elvin A/L Bertly Luke Fernandez
Ng Sing Hwa

ABSENT WITH APOLOGIES : Tan Sri Dato’ Seri Dr Jeffrey Cheah Fook Ling, AO
Sarena Cheah Yean Tih

**MEMBERS/
PROXIES/GUESTS** : As per Attendance Lists

IN ATTENDANCE : Tan Kim Aun (*Company Secretary of the Manager*)

BY INVITATION : RHB Trustees Berhad
Ernst & Young
Tricor Investor & Issuing House Services Sdn Bhd (*formerly known as Equiniti Services Sdn Bhd*)

OPENING ADDRESS

Tan Sri Ahmad Don called the Meeting to order at 3.30 p.m.. He extended Tan Sri Dato’ Seri Dr Jeffrey Cheah Fook Ling and Ms Sarena Cheah’s apologies for not being able to attend the Meeting due to urgent commitment that could not be avoided. He then welcomed all unitholders present.

CONFIRMATION OF QUORUM

Upon enquiry from Tan Sri Chairman, the Company Secretary confirmed that there was sufficient quorum for the Meeting.

CONFIRMATION OF PROXIES

Upon enquiry from Tan Sri Chairman, the Company Secretary reported that a total of 2,396,801,775 units were represented by proxies.

The Company Secretary informed the unitholders that the Company had received 56 proxy forms from unitholders representing 452,460, 256 units appointing Tan Sri Chairman as proxy.

CONFIRMATION OF NOTICE SENT

Upon enquiry from Tan Sri Chairman, the Company Secretary confirmed that the notice convening the Meeting had been duly sent to all unitholders. Upon the proposal by Tan Sri

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Chairman and with the consent of the unitholders, the notice of the Meeting was taken as read.

1. AS ORDINARY BUSINESS:

Audited Financial Statements, Trustee's and Auditors' Reports for the financial year ended 30 June 2014

The Audited Financial Statements for the financial year ended 30 June 2014 of Sunway REIT together with the Trustee's and Auditors' Reports were laid to the unitholders.

Tan Sri Chairman opened the floor for a question and answer session.

Mr Wan Heng Wah, a unitholder, commended the Board and Management for the increase in distribution per unit ("DPU") from 8.3 sen for the financial year ended 30 June 2013 to 8.36 sen for the financial year ended 30 June 2014 despite the closure of Sunway Putra Mall for major refurbishment. To this, Dato' Jeffrey Ng explained that the loss of income from Sunway Putra Mall was mitigated by rental reversion, assets enhancement initiatives and interest savings from other REIT assets. As a result, the DPU had grown marginally instead of registering a decline.

On Mr Wan's query on the expected date of re-opening of Sunway Putra Mall, Dato' Jeffrey Ng informed that the Mall was anticipated to be completed and opened to public by end of first quarter of 2015. As at to-date, the renovation progress of the Mall was on track.

On Mr Wan's further queries on the negative total annual return, Dato' Jeffrey Ng explained that the market price had corrected significantly due to sell-offs by foreign investors in the emerging market as a result of anticipated tapering of quantitative easing in the United States. In spite of this, the drop in Sunway REIT's unit price was lesser than its peers. Nevertheless, Management was confident that the growth of DPU would improve with the expected re-opening of Sunway Putra Mall. Barring unforeseen circumstances in the stock market, the unit price was expected to improve.

Dato' Jeffrey Ng further informed that Management was currently monitoring its capital management strategies closely in order to respond to the interest rate movement promptly.

In response to queries raised by Mr Wong Chal Khoon, a unitholder, Dato' Jeffrey Ng explained that it was common for all commercial property owners to have lease arrangement with Tenaga National Berhad ("TNB") in respect of TNB's sub-station. He assured that the lease agreement with TNB would not affect the property's rental income or the property's ownership.

On the drop in car park rental income, Dato' Jeffrey Ng clarified that it was due to closure of car parking bays during the renovation of Sunway Putra Mall.

In reply to Mr Wong's further question pertaining to the role of the property manager and whether it was a related party to Sunway REIT, Dato' Jeffrey Ng explained that the appointment of property manager was a mandatory requirement required by the Securities Commission Guidelines on Real Estate Investment Trusts. The property manager provides property management services at a fee. REIT manager would review the appointment of the property manager annually. He added that the role and focus of the property manager is different from that of an asset manager although both were service providers to Sunway REIT. Under Sunway REIT's structure, the asset manager is Sunway Berhad's retail team as shopping mall management required expertise in the said industry. Dato' Jeffrey Ng then emphasised that the property manager was not a related party to Sunway REIT.

After the above explanations, the Audited Financial Statements for the financial year ended 30 June 2014 of Sunway REIT together with the Trustee's and Auditors' Reports were duly received by the unitholders.

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Tan Sri Chairman subsequently informed the unitholders that the voting of the ordinary resolution no.1 would be carried out by way of poll pursuant to Schedule 1 Clause 11(a)(i) of the Trust Deed.

The rules governing the poll were explained by Tan Sri Chairman. He further informed that Tricor Investor & Issuing House Services Sdn Bhd had been appointed as the independent scrutineer for the polling exercise.

The polling of the resolution was carried out and the following result was obtained:-

2. AS SPECIAL BUSINESS:

ORDINARY RESOLUTION 1:

PROPOSED UNITHOLDERS' MANDATE TO ALLOT AND ISSUE NEW UNITS OF UP TO 10% OF THE APPROVED FUND SIZE OF SUNWAY REIT PURSUANT TO CLAUSE 14.03 OF THE GUIDELINES ON REAL ESTATE INVESTMENT TRUSTS ISSUED BY SECURITIES COMMISSION MALAYSIA ("REIT GUIDELINES")

Based on the unitholders and proxies who were present and voted, the resolution was duly passed with 2,041,142,461 units (85.31%) voted for and 351,490,800 units (14.69%) voted against the resolution.

It was subsequently RESOLVED:-

- (a) THAT pursuant to the REIT Guidelines, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approval of the relevant regulatory authorities, where such approval is required, approval be hereby given to the Directors of Sunway REIT Management Sdn Bhd, the Manager for Sunway REIT ("the Manager"), to issue and allot new units in Sunway REIT ("New Units") from time to time to such persons and for such purposes as the Directors of the Manager may in their absolute discretion deem fit and in the best interest of Sunway REIT, provided that the aggregate number of New Units issued, when aggregated with the number of units in Sunway REIT issued during the preceding 12 months must not exceed 10% of the approved fund size of Sunway REIT for the time being comprising 3,650,888,858 units ("Proposed Mandate").**
- (b) THAT such approval shall continue to be in force until:**
 - (i) the conclusion of the next Annual General Meeting of the unitholders at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;**
 - (ii) the expiration of the period within which the next Annual General Meeting of the unitholders is required by law to be held; or**
 - (iii) revoked or varied by resolution passed by the unitholders in a unitholders' meeting, whichever is the earlier.**
- (c) THAT the New Units to be issued pursuant to the Proposed Mandate shall, upon allotment and issue, 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 distribution, right, benefit, entitlement and/or any other distributions that may be**

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declared prior to the date of allotment and issue of such New Units.

- (d) THAT authority be hereby given to the Directors of the Manager and RHB Trustees Berhad (“the Trustee”), acting for and on behalf of Sunway REIT, to give effect to the Proposed Mandate with full powers to assent to any condition, modification, variation and/or amendment as they may deem fit in the best interest of Sunway REIT and/or as may be imposed by the relevant authorities.**

- (e) AND FURTHER THAT the Directors of the Manager and the Trustee, acting for and on behalf of Sunway REIT, be hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds, things in relation to the Proposed Mandate.**

CONCLUSION

The Meeting concluded at 4.20 p.m. with a vote of thanks to the Chair.

Confirmed as a true and correct record:-

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CHAIRMAN

Dated this 30th day of September 2014

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