

# **SUNWAY**<sup>®</sup>

**REIT**

## **FINANCIAL RESULTS**

**Second Quarter Ended 30 June 2022**

**(FYE 31 December 2022)**

**Date: 18 August 2022**



# Table of Contents

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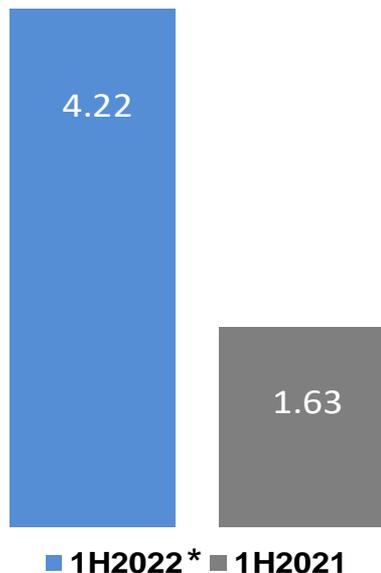
1. Financial Highlights (2Q2022)
  2. Financial Results (2Q2022)
  3. Segmental Financial Results (2Q2022 & YTD 2Q2022)
  4. Property Development Activities
  5. Market Outlook
  6. Investor Relations
- Appendix I - Property Performance (YTD 2Q2022)

# FINANCIAL HIGHLIGHTS (2Q2022)



# Distribution Per Unit (“DPU”)

## DPU (sen)



## 1H2022 DPU



>100% y-o-y

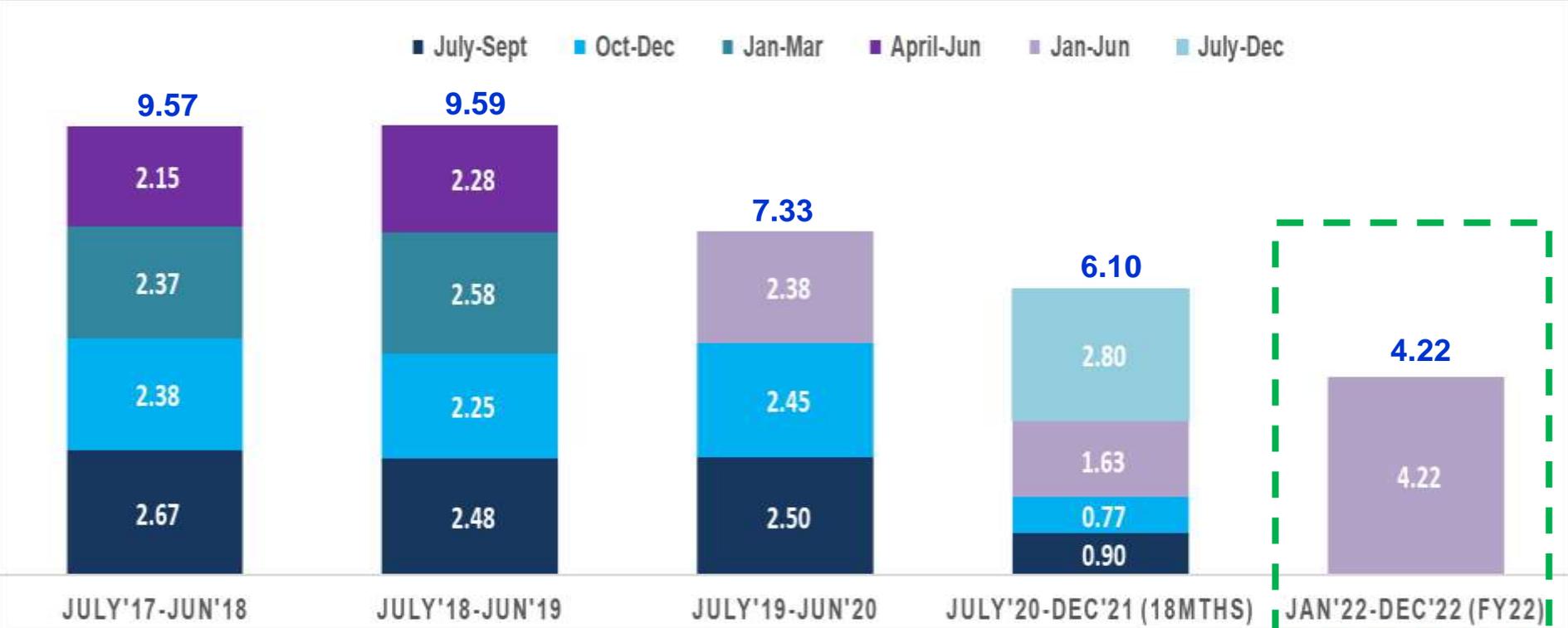
## Details of Income Distribution

Distribution Period	1 Jan 2022 - 30 June 2022
Distribution Per Unit (DPU) (sen)	4.22
Notice of Entitlement	18 August 2022
Ex-Dividend Date	2 September 2022
Book Closure Date	5 September 2022
Payment Date	15 September 2022

DPU for 1H2022 was higher by 2.59 sen mainly contributed by the retail segment benefitting from pent-up demand and festive season which boosted the recovery of retail footfall to pre-pandemic level as well as marginal rental support compared to 1H2021. In addition, distribution payout ratio increased from 92.5% in 1H2021 to 95% in 1H2022.

\* 1H2022 represents the period from Jan 2022 to June 2022 and 1H2021 represents the period from Jan 2021 to June 2021 for comparison purposes.

# 5-Year DPU



**5-Year DPU CAGR**  
**-0.4%**

**Distribution Yield**  
**6.0%<sup>^</sup>**  
 (Based on unit price of RM1.49 as at 30 June 2022)

<sup>^</sup> This is derived from annualised distributable income of 8.99 sen per unit (based on distributable income for YTD 2Q2022 of 4.46 sen per unit).

# Financial Highlights – 2Q2022

Highlights	2Q2022	2Q2021 *
No. of Properties	19	18
Property Value (RM'billion)	8.959	8.718
Units in Circulation	3,424,807,700	3,424,807,700
Unit Price as at 30 June 2022/2021 (RM)	1.49	1.43
Market Capitalisation (RM'billion)	5.103	4.897
Net Asset Value ("NAV") Per Unit (RM) (after income distribution)	1.4759 <sup>#</sup>	1.4825 <sup>#</sup>
Premium to NAV	1.0%	-3.5%
Distribution Yield	6.0% <sup>^</sup>	2.3%
Management Expense Ratio (after income distribution)	0.82%	0.72%
Total Return	11.7%	-9.4%
Gearing	36.8%	36.9%
% of Fixed Rate Borrowings	32%	38%

\* 2Q2021 represents the period from April 2021 to June 2021 for comparison to current reporting quarter of 2Q2022 (April 2022 – June 2022). The information is as presented previously in April 2021 – June 2021 quarter presentation deck.

# After proposed income distribution of 4.22 sen per unit for 1H2022 (30 June 2021: Interim income distribution of 1.63 sen per unit).

^ This is derived from annualised distributable income of 8.99 sen per unit (based on distributable income for YTD 2Q2022 of 4.46 sen per unit).

# Financial Highlights – 1H2022

Reported in RM'000



Higher **Revenue** mainly contributed by the retail segment benefitting from pent-up demand, festive season and opening of borders which boosted the recovery of retail footfall to pre-pandemic level as well as marginal rental support compared to preceding year corresponding period.

Higher **Net Property Income** in line with higher revenue and recovery of doubtful debts resulted from improved rental collection from the retail segment.

**Profit Before Tax (Realised) attributable to unitholders** was significantly higher in line with higher NPI partially offset by higher manager's fees resulting from better performance.

# FINANCIAL RESULTS (2Q2022)



# Statement of Comprehensive Income – Consolidated

	2Q2022 RM'000	2Q2021 RM'000	Change %	YTD 2022 RM'000	YTD 2021 RM'000	Change %
Revenue	144,509	103,394	39.8%	298,479	207,660	43.7%
Property operating expenses	(37,619)	(41,046)	-8.3%	(72,669)	(78,295)	-7.2%
<b>Net property income</b>	<b>106,890</b>	<b>62,348</b>	<b>71.4%</b>	<b>225,810</b>	<b>129,365</b>	<b>74.6%</b>
Interest income	1,042 <sup>1</sup>	1,978	-47.3%	2,310	3,982	-42.0%
Other income	24	45	-46.7%	42	72	-41.7%
Changes in fair value of investment properties	-	-	N/A	18,268 <sup>2</sup>	-	N/A
Manager's fees	(10,087)	(8,728)	15.6%	(20,450) <sup>3</sup>	(17,517)	16.7%
Trustee's fees	(194)	(192)	1.0%	(384)	(381)	0.8%
Other trust expenses	(401)	(624)	-35.7%	(1,133)	(1,034)	9.6%
Finance costs	(22,766) <sup>4</sup>	(21,306)	6.9%	(43,637) <sup>4</sup>	(44,149)	-1.2%
<b>Profit before tax</b>	<b>74,508</b>	<b>33,521</b>	<b>&gt;100%</b>	<b>180,826</b>	<b>70,338</b>	<b>&gt;100%</b>
Taxation	-	-	N/A	-	-	N/A
<b>Profit for the period</b>	<b>74,508</b>	<b>33,521</b>	<b>&gt;100%</b>	<b>180,826</b>	<b>70,338</b>	<b>&gt;100%</b>
Profit for the period comprises the following:						
Realised						
- Unitholders	69,525	28,537	>100%	152,653	60,423	>100%
- Perpetual note holders	4,959	4,959	0.0%	9,863	9,863	0.0%
Unrealised	24	25	-4.0%	18,310	52	>100%
	74,508	33,521	>100%	180,826	70,338	>100%
Units in circulation (million units)	3,425	3,425	0.0%	3,425	3,425	0.0%
Basic earnings per unit attributable to unitholders (sen):						
Realised	2.03	0.77	>100%	4.46	1.71	>100%
Unrealised	-	-	N/A	0.53	-	N/A
	2.03	0.77	>100%	4.99	1.71	>100%
<b>Distributable income</b>	<b>69,525</b>	<b>28,537</b>	<b>&gt;100%</b>	<b>152,653</b>	<b>60,423</b>	<b>&gt;100%</b>
<b>Proposed/declared income distribution</b>	<b>144,527</b>	<b>55,824</b>	<b>&gt;100%</b>	<b>144,527</b>	<b>55,824</b>	<b>&gt;100%</b>
<b>Distributable income per unit (sen)</b>	<b>2.03<sup>5</sup></b>	<b>0.83</b>	<b>&gt;100%</b>	<b>4.46</b>	<b>1.76</b>	<b>&gt;100%</b>
<b>Proposed/declared DPU (sen)</b>	<b>4.22<sup>6</sup></b>	<b>1.63</b>	<b>&gt;100%</b>	<b>4.22</b>	<b>1.63</b>	<b>&gt;100%</b>

# Statement of Comprehensive Income – Consolidated (Cont'd)

1. **Interest income** for 2Q2022 was lower compared to 2Q2021 due to lower deposits with financial institutions as progress payments were made for the refurbishment at Sunway Resort (formerly known as Sunway Resort Hotel) and expansion works at Sunway Carnival Mall.
2. **Changes in fair value of investment properties and Unrealised gain** was in relation to the fair value gain recognised pursuant to the completion of the acquisition of Sunway Pier (formerly known as Kompleks Dato' Shaari Jihin) on 26 January 2022.
3. **Manager's fees** was higher in 2Q2022 resulting from higher net property income for the quarter.
4. **Finance costs** for 2Q2022 was higher by RM1.5 million compared to 2Q2021 mainly due to higher average interest rate (2.77% vs 2.66%).
5. **Distributable income per unit** represents realised income attributable to unitholders and distribution adjustments, if any.
6. **Proposed/declared DPU** was 4.22 sen for 1H2022.

# Statement of Financial Position – Consolidated

	30.06.2022 (Unaudited) RM'000	31.12.2021 (Audited) RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment properties	8,922,515 <sup>1</sup>	8,701,745
Investment properties - accrued lease income	36,514 <sup>2</sup>	36,514
Plant and equipment	12,467	11,556
Right-of-use asset	833 <sup>3</sup>	871
	8,972,329	8,750,686
<b>Current assets</b>		
Trade receivables	25,129 <sup>4</sup>	39,788
Other receivables	17,500 <sup>5</sup>	8,277
Derivatives	1,024 <sup>6</sup>	11,188
Short term investment	79,954 <sup>7</sup>	49,991
Cash and bank balances	122,645 <sup>8</sup>	290,543
	246,252	399,787
<b>Total assets</b>	<b>9,218,581</b>	<b>9,150,473</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Unitholders' capital	3,433,864	3,433,864
Undistributed income	1,765,413	1,691,629
Total Unitholders' funds	5,199,277	5,125,493
Perpetual note holder's funds	339,717	339,717
Total equity	5,538,994	5,465,210
<b>Non-current liabilities</b>		
Borrowings	1,700,000	1,810,000
Long term liabilities	58,581	57,072
Deferred tax liability	13,091	13,091
Lease liability	861 <sup>3</sup>	861
	1,772,533	1,881,024
<b>Current liabilities</b>		
Borrowings	1,694,083	1,595,366
Trade payables	6,908	5,150
Other payables	206,048	203,693
Lease liability	15 <sup>3</sup>	30
	1,907,054	1,804,239
Total liabilities	3,679,587	3,685,263
<b>Total equity and liabilities</b>	<b>9,218,581</b>	<b>9,150,473</b>

	30.06.2022 (Unaudited) RM'000	31.12.2021 (Audited) RM'000
<b>Units in circulation ('000 units)</b>	<b>3,424,808</b>	<b>3,424,808</b>
<b>Net Asset Value ("NAV") attributable to unitholders</b>		
Before income distribution	5,199,277	5,125,493
After income distribution *	5,054,750	5,029,598
<b>NAV per unit attributable to unitholders (RM):</b>		
Before income distribution	1.5181	1.4966
After income distribution *	1.4759	1.4686

\* After proposed interim income distribution of 4.22 sen per unit for 1H2022 (31 Dec 2021: Final income distribution of 2.80 sen per unit).

# Statement of Financial Position – Consolidated (Cont'd)

1. **Investment properties** increased by RM220.8 million pursuant to the completion of the acquisition of Sunway Pier on 26 January 2022 as well as on-going capital expenditure mainly for the expansion of Sunway Carnival Mall and Sunway Resort refurbishment.
2. **Investment properties – accrued lease income** was in relation to unbilled lease income receivable which was recognised on a straight-line basis over the lease period pursuant to MFRS 16 Leases.
3. **Right-of-use asset and Lease liability** were pursuant to a 12-year land lease from State Government of Penang for carpark purposes and recognised in accordance to MFRS 16 Leases.
4. **Trade receivables** was lower by RM14.7 million mainly due to improved rental collection from the retail segment.
5. **Other receivables** was higher primarily due to the earnest deposit paid for the proposed acquisition of an industrial property.
6. **Derivatives** of RM1.0 million was in relation to 1-year AUD-MYR CCS contract for the revolving loan (AUD).
7. **Short term investment** relates to investment in 1-month commercial paper issued by Sunway Berhad Group, at the nominal value of RM80.0 million.
8. The decrease in **cash and bank balances** was mainly due to progressive CAPEX payments for the expansion of Sunway Carnival Mall and Sunway Resort refurbishment. Status of utilisation of the gross proceeds is disclosed in Note B11 of 2Q2022 Financial Report in Bursa Malaysia's website.

# Statement of Cash Flows – Consolidated

	Cumulative Quarter ended	
	30.06.2022	30.06.2021*
	RM'000	RM'000
<b>OPERATING ACTIVITIES</b>		
Cash receipts from customers	307,169	238,854
Refundable security deposits from customers	5,736	(2,029)
Cash paid for operating expenses <sup>1</sup>	(99,901)	(79,469)
Net cash from operating activities <sup>1</sup>	213,004	157,356
<b>INVESTING ACTIVITIES</b>		
Acquisition of plant and equipment	(2,141)	(777)
Deposit for acquisition of investment property	(6,005)	(3,410)
Balance payment for acquisition of investment property	(30,690)	-
Incidental costs on acquisition of investment property	(2,632)	500
Subsequent expenditure of investment properties	(159,740)	(152,263)
Investment in short term money market instrument	(330,000)	-
Redemption of short term money market instrument	300,000	-
Interest received	2,777	4,148
Net cash used in investing activities <sup>2</sup>	(228,431)	(151,802)
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of commercial papers	190,000	-
Proceeds from issuance of unrated medium term notes	700,000	800,000
Drawdown of revolving loan - USD	292,552	384,893
Drawdown of revolving loan	90,000	-
Repayment of commercial papers	(90,000)	-
Repayment of unrated medium term notes	(800,000)	(800,000)
Repayment of revolving loan - USD	(384,893)	(373,680)
Interest paid	(44,317)	(46,458)
Payment of unit issuance expenses	-	(88)
Distribution paid to unitholders	(95,895)	(26,371)
Distribution paid to perpetual note holders	(9,918)	(9,918)
Net cash used in financing activities <sup>3</sup>	(152,471)	(71,622)
Net decrease in cash and cash equivalents	(167,898)	(66,068)
Cash and cash equivalents at beginning of year	290,543	444,502
Cash and cash equivalents at end of period	122,645	378,434
Cash and bank balances	122,645	378,434
Deposits with licensed financial institutions with maturity of over 3 months	-	-
Cash and cash equivalents	122,645	378,434
Cash and bank balances at end of period comprise:		
Cash on hand and at banks	43,645	32,434
Deposits placed with licensed financial institutions	79,000	346,000
Cash and bank balances <sup>4</sup>	122,645	378,434

**1 Net cash from operating activities** for YTD 2Q2022 of RM213.0 million mainly comprise of cash receipt from lessees and tenants as well as refundable deposits partially net off by cash paid for operating expenses.

**2 Net cash used in investing activities** for YTD 2Q2022 of RM228.4 million was mainly for the acquisition of Sunway Pier, deposit paid for the proposed acquisition of an industrial property, progress payments for refurbishment works at Sunway Resort and expansion works at Sunway Carnival Mall as well as the net investment is short term money market.

**3 Net cash used in financing activities** for YTD 2Q2022 of RM152.5 million was mainly for the income distribution paid to unitholders of RM95.9 million and interest paid of RM44.3 million.

**4 Cash and bank balances** as at 30 June 2022 and 30 June 2021 stood at RM122.6 million and RM378.4 million respectively. The decrease in cash and bank balances was mainly resulting from cash used in investing activities as mentioned in Note 2 above.

\* Cumulative quarter ended 30.06.2021 represents cashflow for the period from January 2021 – June 2021 for comparison to cumulative quarter ended 30.06.2022 (January 2022 – June 2022).

# Financing Profile as at 30 June 2022

	Facility Limit RM'mil	Utilised Amt RM'mil
Revolving Loan (USD)	USD 75	294.5
Commercial Paper	3,000	100.0
Unrated MTNs	10,000	1,300.0
<b>Total Current</b>		<b>1,694.5</b>
Revolving Loan (RM)	2,000	1,690.0
Unrated MTNs	10,000	10.0
<b>Total Non Current</b>		<b>1,700.0</b>
<b>Total Gross Borrowings</b>		<b>3,394.5</b>
Discount on commercial paper		(0.1)
Unamortised loan expenses		(0.3)
<b>Total Borrowings</b>		<b>3,394.1</b>

	Financial Covenants	30 June 2022
Average cost of debt	-	2.71%
Average maturity period (Years)	-	2.1
Interest Service Cover Ratio (ISCR)	min 1.5 X	4.3
Gearing ratio (per SC Guidelines)	below 50%	36.8%

<sup>1</sup> Amount outstanding for revolving loan (drawn in AUD97.0 million) facility includes unrealised foreign currency translation loss of RM1.9 million. The loan is fully hedged with 1-year cross currency swap contract until 16 February 2023.

<sup>2</sup> The CP programme is underwritten by financial institution for amount up to RM1.5 billion as at 30 June 2022.

<sup>3</sup> Commitment from financial institution to subscribe to unrated MTNs of up to RM1.5 billion for a period of not more than 5 years with maturity date of any subscription shall not be later than 8 April 2026.

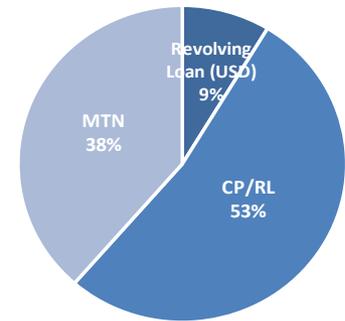
<sup>4</sup> The revolving loan is classified as non-current based on the tenor/repayment terms of 7 years due in March 2026.

# Financing Profile as at 30 June 2022 (Cont'd)

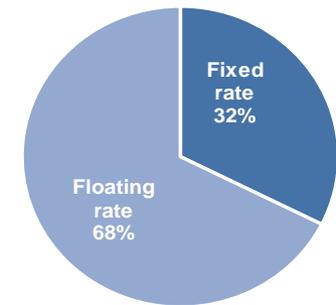
Maturity Profile (RM'million)



Sources of Debt



Fixed vs Floating



# SEGMENTAL FINANCIAL RESULTS (2Q2022 & YTD 2Q2022)

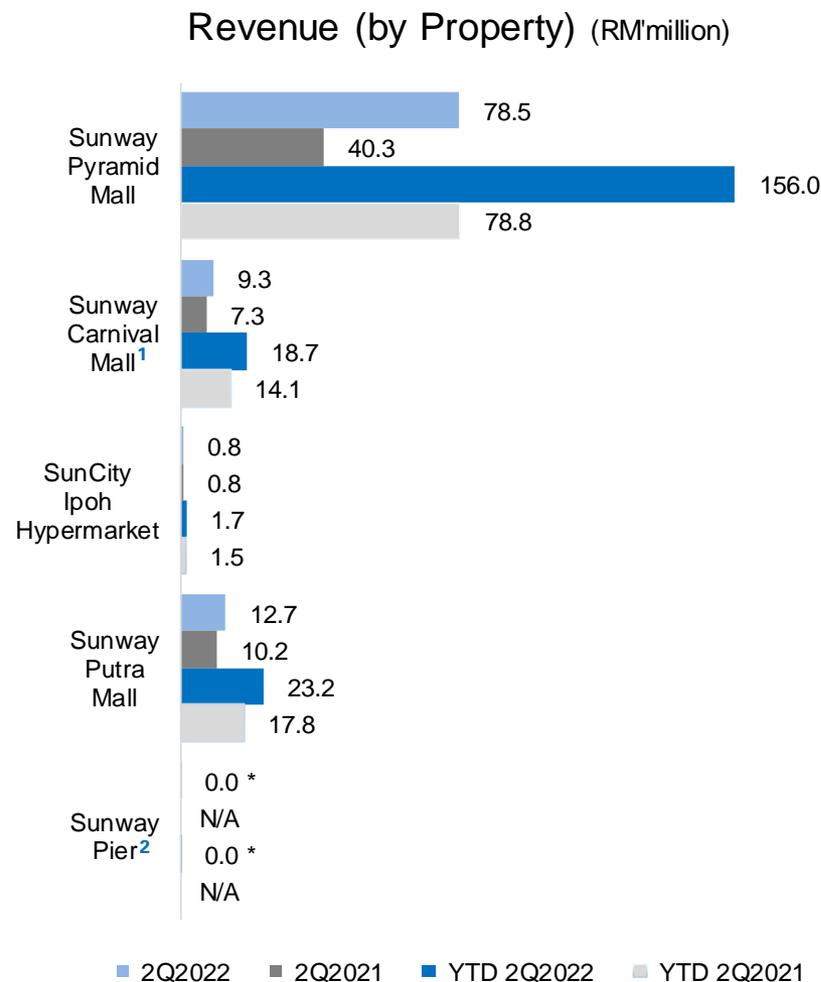


# Segmental Revenue in 2Q2022 and YTD 2Q2022 – Realised



2Q2022 revenue of retail segment was higher by RM42.8 million due to the overall improved performance across retail properties, primarily from the increase of Sunway Pyramid Mall by RM38.2 million.

YTD 2Q2022 revenue of retail segment improved by RM87.5 million supported by the encouraging tenant sales due to strong pent-up demand and festive spending, coupled with the increased retail footfall resulting from the relaxation of COVID-19 safety measures in YTD 2Q2022. Hence, marginal rental support was granted as compared to YTD 2Q2021.



<sup>1</sup> New wing of Sunway Carnival Mall was opened on 24 June 2022

<sup>2</sup> Acquired on 26 January 2022, formerly known as Kompleks Dato' Shaari Jihin. The property is currently in the planning stage for the redevelopment into a retail-centric tourist attraction.

\* Less than RM0.05million

Note: Calculation of variance above varies marginally to 2Q2022 Financial Report in Bursa Malaysia's website due to rounding difference.

# Segmental Revenue in 2Q2022 and YTD 2Q2022 – Realised (Cont'd)

## Total Hotel Revenue

**-31%**  
**RM 6.0 million** (2Q2022)  
 vs RM 8.7 million (2Q2021)

**6%**  
**RM 24.5 million** (YTD 2Q2022)  
 vs RM 23.1 million (YTD 2Q2021)

2Q2022 revenue of hotel segment decreased by RM2.7 million mainly due to the recognition of minimum guaranteed rent for Sunway Putra Hotel in 2Q2021 which has since ceased. However, with the exception of Sunway Putra Hotel, the other hotels presented better performance for the current quarter.

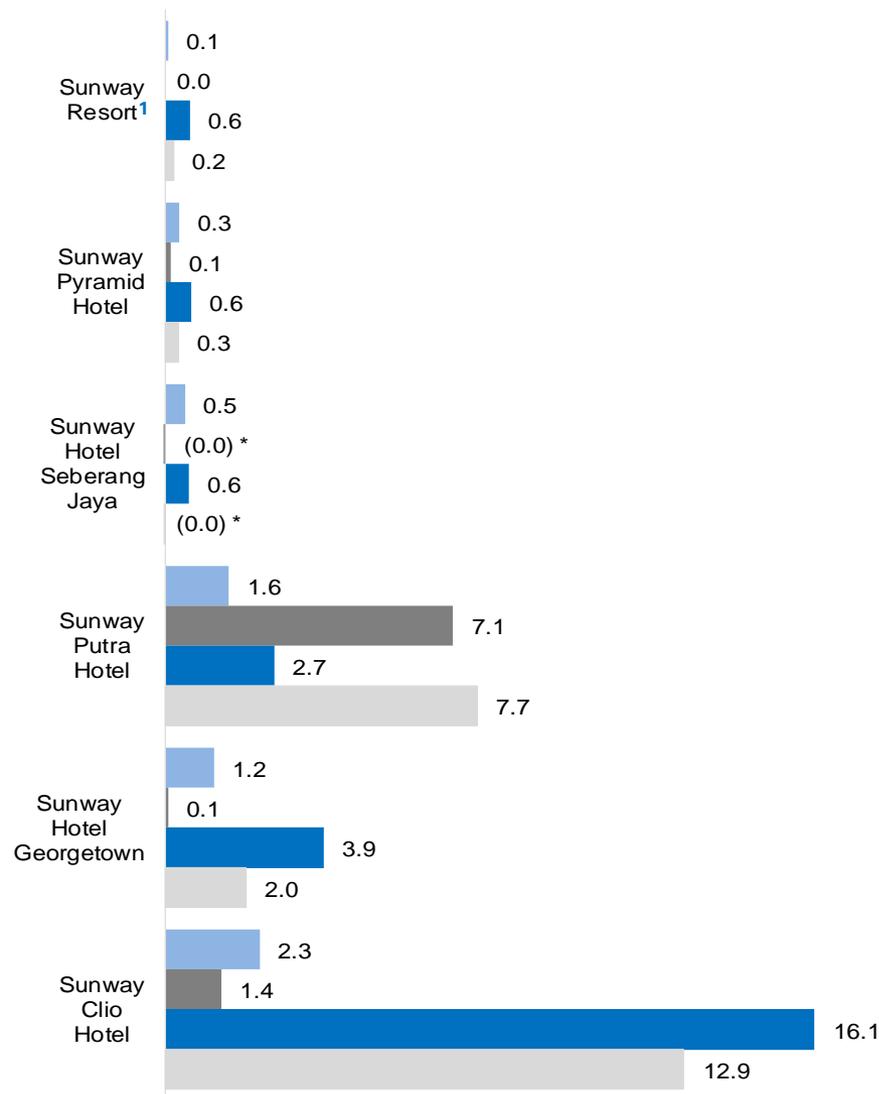
YTD 2Q2022 revenue of hotel segment increased by RM1.4million with an overall improved occupancy contributed by the increased domestic leisure, business travel and MICE activities during NRP Phase 4 and the Transition to Endemic Phase from 1 April 2022, in comparison to the implementation of MCO2.0 and MCO3.0 in YTD 2Q2021.

<sup>1</sup> Closed for refurbishment from July 2020 and reopened progressively since May 2022.

\* Less than RM0.05million

Note: Calculation of variance above varies marginally to 2Q2022 Financial Report in Bursa Malaysia's website due to rounding difference.

Revenue (by Property) (RM'million)

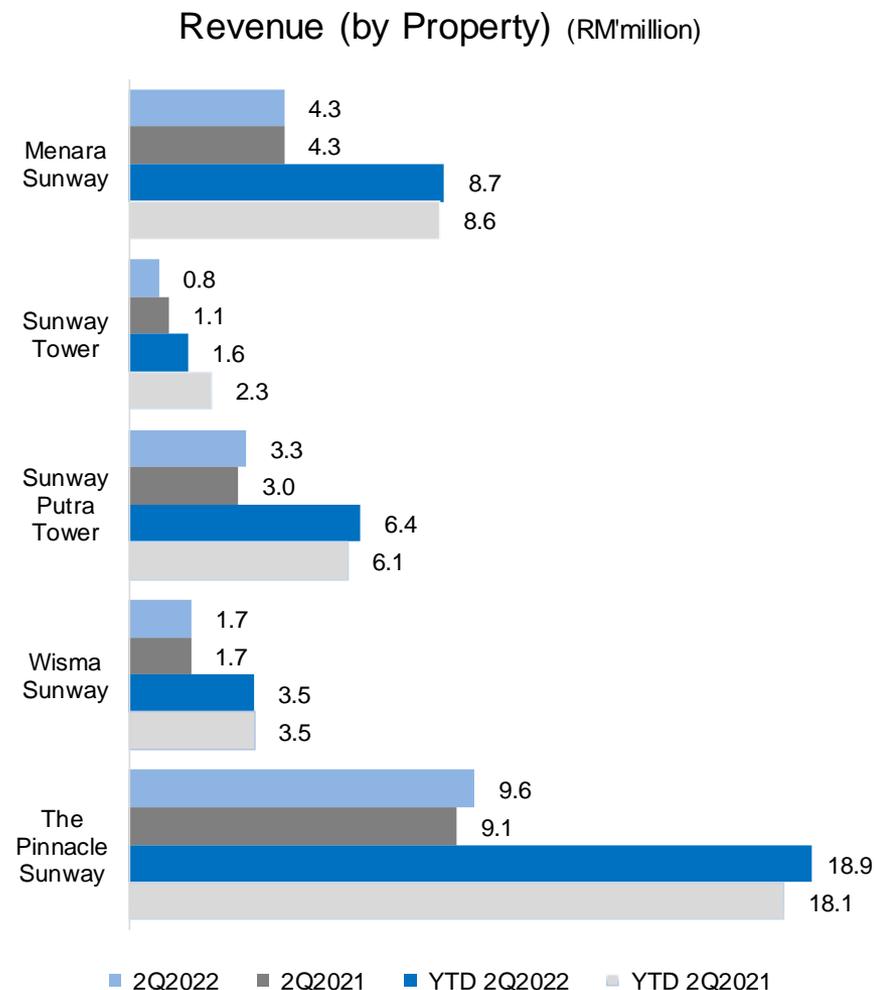


■ 2Q2022 ■ 2Q2021 ■ YTD 2Q2022 ■ YTD 2Q2021

# Segmental Revenue in 2Q2022 and YTD 2Q2022 – Realised (Cont'd)



2Q2022 and YTD 2Q2022 revenue of office segment improved marginally by RM0.4 million and RM0.6 million respectively. The improvement was mainly contributed by stable occupancy rate for office segment.



Note: Calculation of variance above varies marginally to 2Q2022 Financial Report in Bursa Malaysia's website due to rounding difference.

# Segmental Revenue in 2Q2022 and YTD 2Q2022 – Realised (Cont'd)

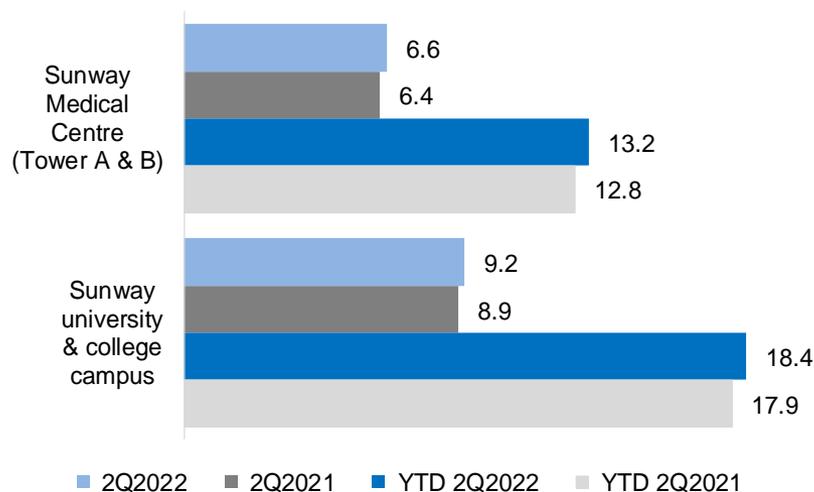
## Total Services Revenue


**RM 15.8 million** (2Q2022)  
 vs RM 15.3 million (2Q2021)


**RM 31.6 million** (YTD 2Q2022)  
 vs RM 30.7 million (YTD 2Q2021)

2Q2022 and YTD 2Q2022 revenue of services segment increased by 3% due to annual rental reversion for Sunway Medical Centre (Tower A & B) and Sunway university & college campus in accordance with master lease agreement.

Revenue (by Property) (RM'million)



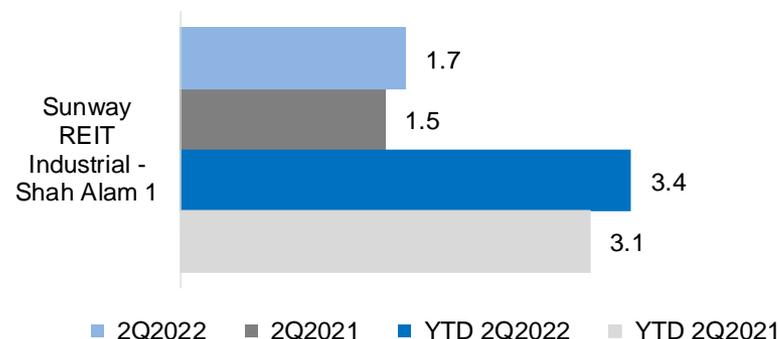
## Total Industrial & Others Revenue


**RM 1.7 million** (2Q2022)  
 vs RM 1.5 million (2Q2021)


**RM 3.4 million** (YTD 2Q2022)  
 vs RM 3.1 million (YTD 2Q2021)

2Q2022 and YTD 2Q2022 revenue of industrial & others segment increased by 10% in accordance with master lease agreement where rent review will be conducted every three years, with the last review on 1 January 2022.

Revenue (by Property) (RM'million)



Note: Calculation of variance above varies marginally to 2Q2022 Financial Report in Bursa Malaysia's website due to rounding difference.

# Segmental NPI and NPI Margin in 2Q2022 and YTD 2Q2022 – Realised

## Total Retail NPI

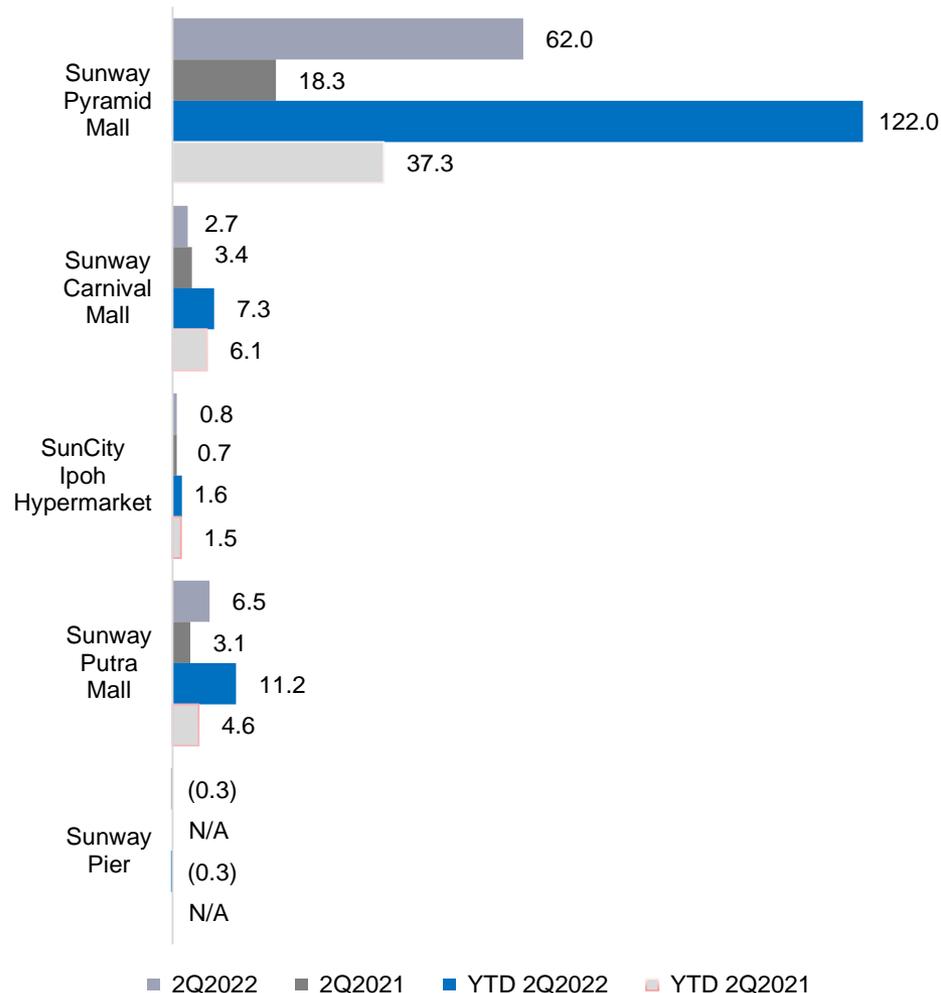
**181%** **RM 71.6 million** (2Q2022)  
vs **RM 25.5 million** (2Q2021)

**187%** **RM 141.9 million** (YTD 2Q2022)  
vs **RM 49.5 million** (YTD 2Q2021)

2Q2022 and YTD 2Q 2022 NPI of retail segment increased by RM46.1 million and RM92.4 million respectively. This was mainly contributed by the overall improved performance across retail properties and lower operating expenses due to adjustment in doubtful debts provision arising from the improvement in rental collection. However, it is partially offset by the higher operating expenses from Sunway Carnival Mall arising from the opening of new wing in 2Q2022.

By Property	NPI Margin (%)			
	2Q2022	2Q2021	YTD 2Q2022	YTD 2Q2021
Sunway Pyramid Mall	79%	45%	78%	47%
Sunway Carnival Mall	29%	46%	39%	43%
SunCity Ipoh Hypermarket	97%	96%	97%	96%
Sunway Putra Mall	51%	31%	48%	26%
Sunway Pier	>-100%	N/A	>-100%	N/A
Retail Segment	71%	44%	71%	44%

## NPI (by Property) (RM'million)



Note: Calculation of variance above varies marginally to 2Q2022 Financial Report in Bursa Malaysia's website due to rounding difference.

# Segmental NPI and NPI Margin in 2Q2022 and YTD 2Q2022 – Realised (Cont'd)

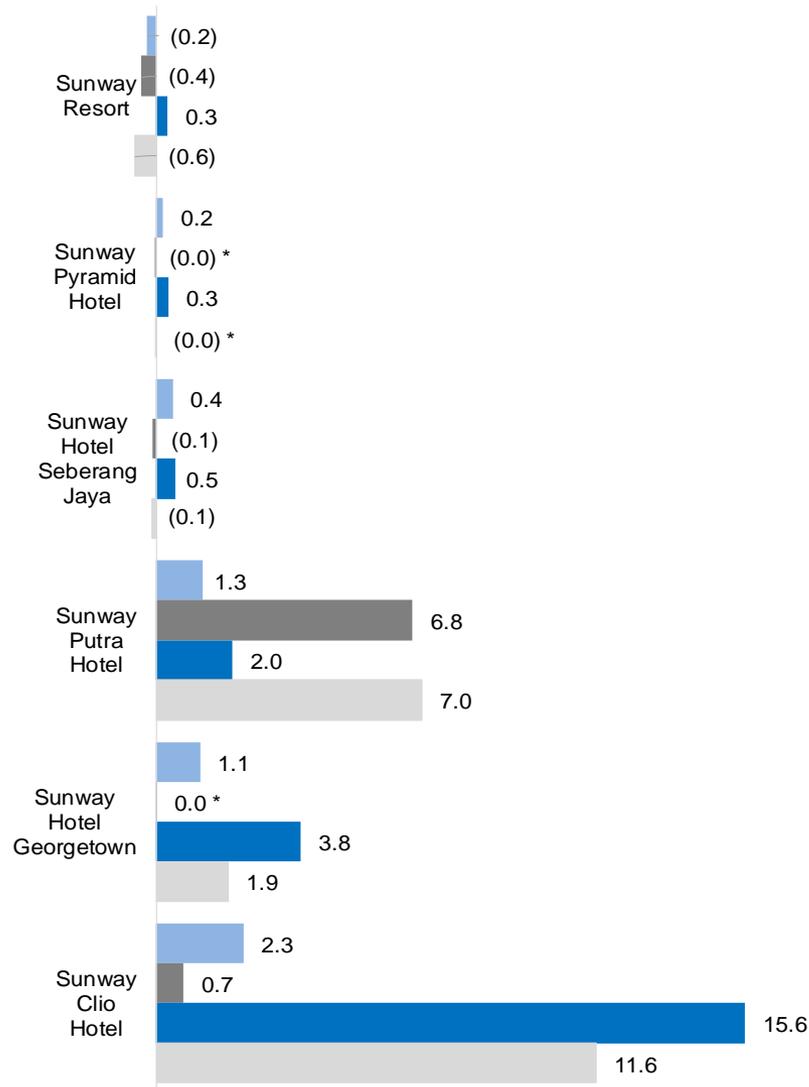


2Q2022 NPI of hotel segment decreased by RM1.9 million mainly due to lower revenue for the quarter.

However, YTD 2Q2022 NPI of hotel segment increased by RM2.7 million largely contributed by the overall improved occupancy across hotel properties, corresponding to the increase in YTD 2Q2022 revenue.

By Property	NPI Margin (%)			
	2Q2022	2Q2021	YTD 2Q2022	YTD 2Q2021
Sunway Resort	>-100%	>-100%	49%	>-100%
Sunway Pyramid Hotel	51%	-27%	50%	-6%
Sunway Hotel Seberang Jaya	89%	>-100%	84%	>-100%
Sunway Putra Hotel	78%	95%	75%	91%
Sunway Hotel Georgetown	96%	22%	97%	95%
Sunway Lagoon Hotel	99%	52%	97%	90%
Hotel Segment	84%	81%	92%	86%

NPI (by Property) (RM'million)



\* Less than RM0.05million

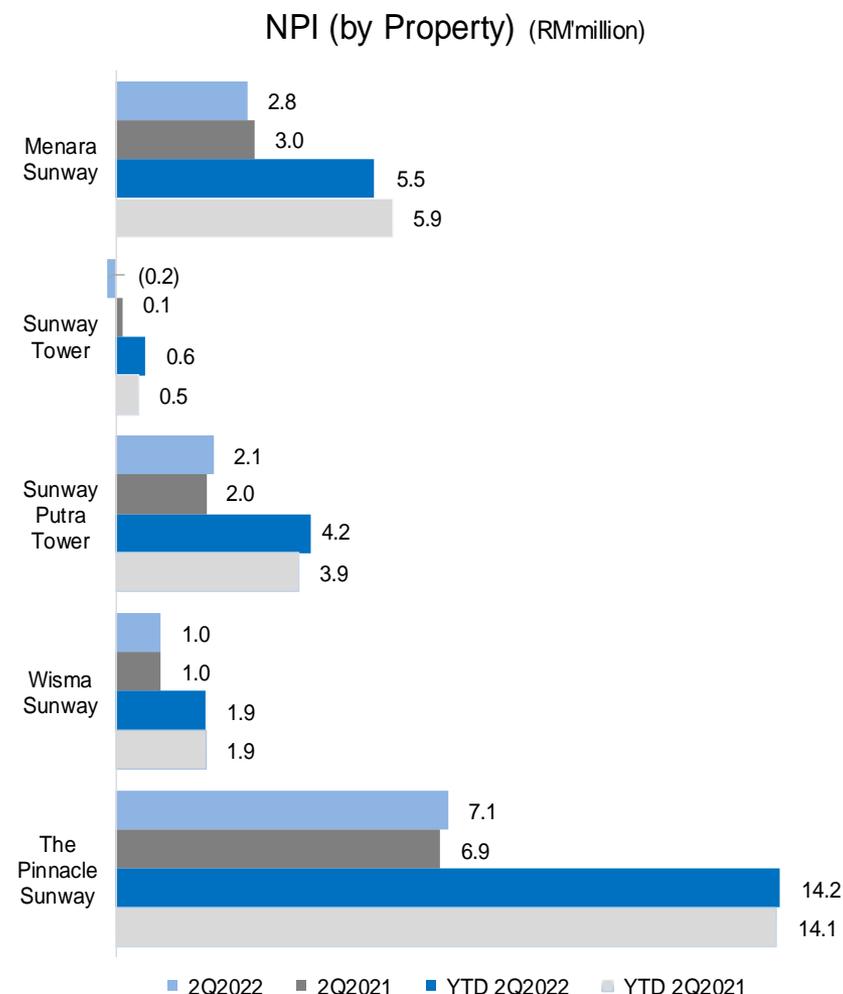
Note: Calculation of variance above varies marginally to 2Q2022 Financial Report in Bursa Malaysia's website due to rounding difference.

# Segmental NPI and NPI Margin in 2Q2022 and YTD 2Q2022 – Realised (Cont'd)



2Q2022 and YTD 2Q2022 NPI of office segment decreased by RM0.2 million and increased by RM0.1 million respectively, mainly due to the higher utilities and maintenance expenses offsetting the higher revenue.

By Property	NPI Margin (%)			
	2Q2022	2Q2021	YTD 2Q2022	YTD 2Q2021
Menara Sunway	65%	69%	63%	69%
Sunway Tower	-22%	12%	39%	21%
Sunway Putra Tower	64%	64%	65%	64%
Wisma Sunway	56%	56%	55%	55%
The Pinnacle Sunway	74%	76%	75%	78%
Office Segment	65%	67%	67%	68%



Note: Calculation of variance above varies marginally to 2Q2022 Financial Report in Bursa Malaysia's website due to rounding difference.

# Segmental NPI and NPI Margin in 2Q2022 and YTD 2Q2022 – Realised (Cont'd)

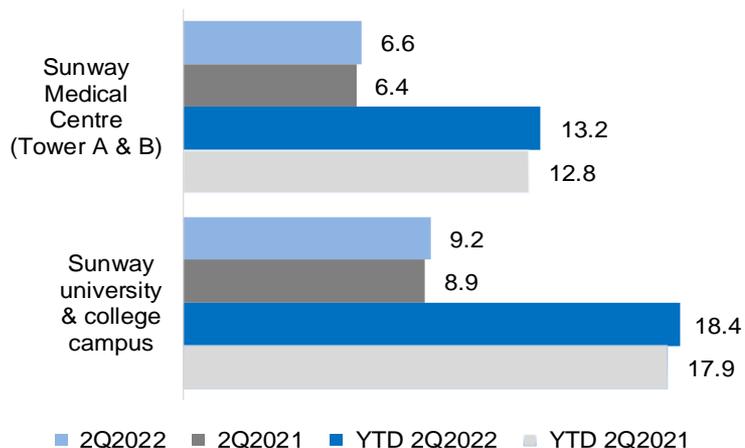
## Total Services NPI

 **RM 15.8 million** (2Q2022)  
vs RM 15.3 million (2Q2021)

 **RM 31.6 million** (YTD 2Q2022)  
vs RM 30.7 million (YTD 2Q2021)

2Q2022 and YTD 2Q2022 NPI of services segment increased by 3% in line with the increase in the revenue as the properties are under triple-net master lease.

NPI (by Property) (RM'million)



By Property	NPI Margin (%)			
	2Q2022	2Q2021	YTD 2Q2022	YTD 2Q2021
Sunway Medical Centre (Tower A & B)	100%	100%	100%	100%
Sunway university & college campus	100%	100%	100%	100%
Services Segment	100%	100%	100%	100%

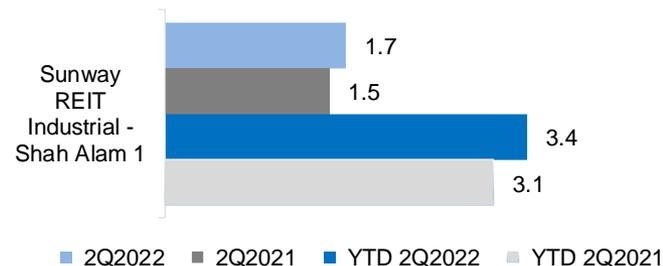
## Total Industrial & Others NPI

 **RM 1.7 million** (2Q2022)  
vs RM 1.5 million (2Q2021)

 **RM 3.4 million** (YTD 2Q2022)  
vs RM 3.1 million (YTD 2Q2021)

2Q2022 and YTD 2Q2022 NPI of industrial & others segment increased by 10% in line with the increase in the revenue as the property is under triple-net master lease.

NPI (by Property) (RM'million)



By Property	NPI Margin (%)			
	2Q2022	2Q2021	YTD 2Q2022	YTD 2Q2021
Sunway REIT Industrial - Shah Alam 1	100%	100%	100%	100%
Industrial & Others Segment	100%	100%	100%	100%

Note: Calculation of variance above varies marginally to 2Q2022 Financial Report in Bursa Malaysia's website due to rounding difference.

# PROPERTY DEVELOPMENT ACTIVITIES (2Q2022)



# Property Development Activities

	Sunway Resort Refurbishment
Estimated total property development cost	RM261.0 million
Cumulative cost incurred from initiation to 2Q2022	RM180.7 million
Expected completion	3Q2022
NLA (sq. ft.) / Room	Additional 20 new guest rooms
Property development activities against enlarged total asset value*	2.8%

\* As per paragraph 8.17 of SC Guidelines on Listed REITs, the aggregate investments in property development activities and real estate under construction must not exceed 15% of the REIT's total asset value.

# MARKET OUTLOOK (2Q2022)



# General Outlook

Indicator	2022 (F)	2Q2022 (A)	1Q2022 (A)	2021 (A)
<b>Gross Domestic Product (GDP) (y-o-y)</b>	5.3% - 6.3%	8.9% <sup>1</sup>	5.0%	3.1%
<b>Consumer Price Index (y-oy)</b>	2.2% - 3.2%	2.8% <sup>2</sup>	2.2%	2.5%
<b>Overnight Policy Rate (OPR)</b>	2.50% <sup>4</sup>	2.25% <sup>3</sup>	1.75%	1.75%

<sup>1</sup> GDP growth in 2Q2022 (Source: Bank Negara Malaysia)

<sup>2</sup> Source: Department of Statistics Malaysia

<sup>3</sup> OPR announced on 6 July 2022 (Source: Bank Negara Malaysia)

<sup>4</sup> Bloomberg's economists consensus forecast



## General Outlook

- Sunway REIT maintains an optimistic outlook for FY2022, underpinned by strong growth in the retail segment on the back of low base in the preceding year and significant decline in rental support. The outlook is further supported by gradual recovery in the hotel segment, new income contribution from the new wing of Sunway Carnival Mall and resumption of income contribution from phased re-opening of Sunway Resort.
- The Manager proactively optimises its capital management strategy by managing a balanced composition of fixed and floating debts to minimise the impact of higher interest rate. The Manager expects improved NPI in FY2022 to substantially mitigate the impact of the higher interest costs.

# Segmental Outlook



## Retail Segment

- The outlook for retail segment remains positive, underpinned by strong improvement in retail footfall and retail sales which have recovered to pre-pandemic level in 2019. The outlook is further supported by healthy economic growth, sustained domestic consumption, gradual pick up in international travelling and new income contribution from the new wing of Sunway Carnival Mall following its launch in June 2022.
- The Manager expects rental rebate to continue to trend lower amidst improvement in tenants sales.



## Hotel Segment

- The Manager expects the occupancy rates for the hotel segment to gradually improve in 2H2022, predominantly supported by domestic leisure, corporate and MICE businesses. In addition, the reopening of international border augurs well to welcome international tourists to Malaysia.
- Sunway Resort has re-opened its refurbished rooms progressively since May 2022 which is expected to contribute positively to the hotel segment. The Manager targets to complete the refurbishment of Sunway Resort in 2H 2022.

# Segmental Outlook (cont'd)



## Office Segment

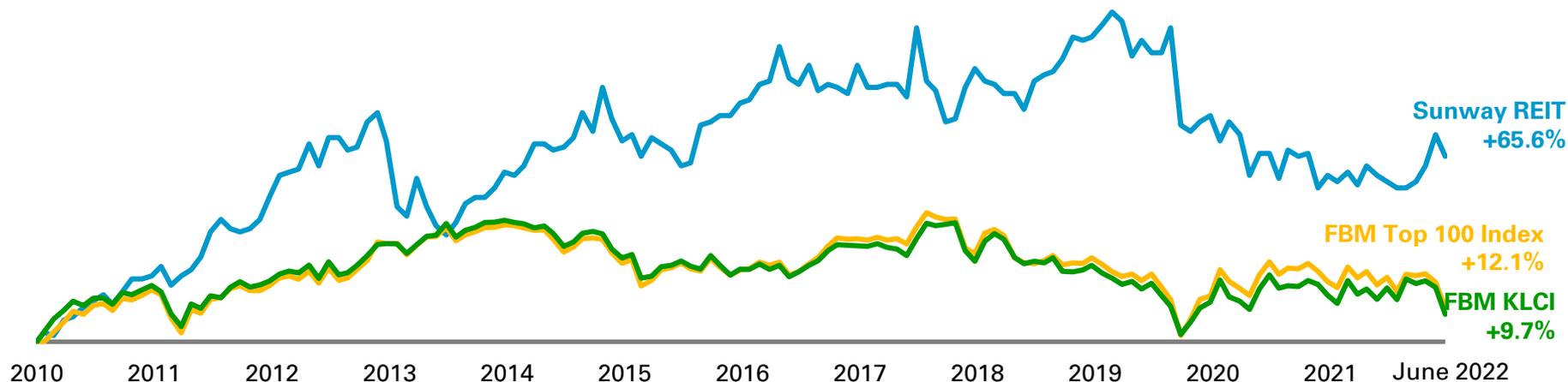
- The Manager expects the office segment to remain resilient as businesses are operating at full capacity in the endemic phase. The Corporate Suite@19, an 30,000 sq.ft. of newly completed office space at Sunway Resort, will further strengthen the income base of the office segment.
- The demand for office space in strategic location with captive market and transit-oriented developments (TODs) are expected to remain stable. The Manager is closely monitoring trends which may impact the demand office space in the medium to long term and execute asset management initiatives accordingly in managing attrition risk.

# INVESTOR RELATIONS (2Q2022)



# Unit Price Performance from IPO to 2Q FY2022

## Unit Price Performance of Sunway REIT versus Benchmarks (8 July 2010 – 30 June 2022)



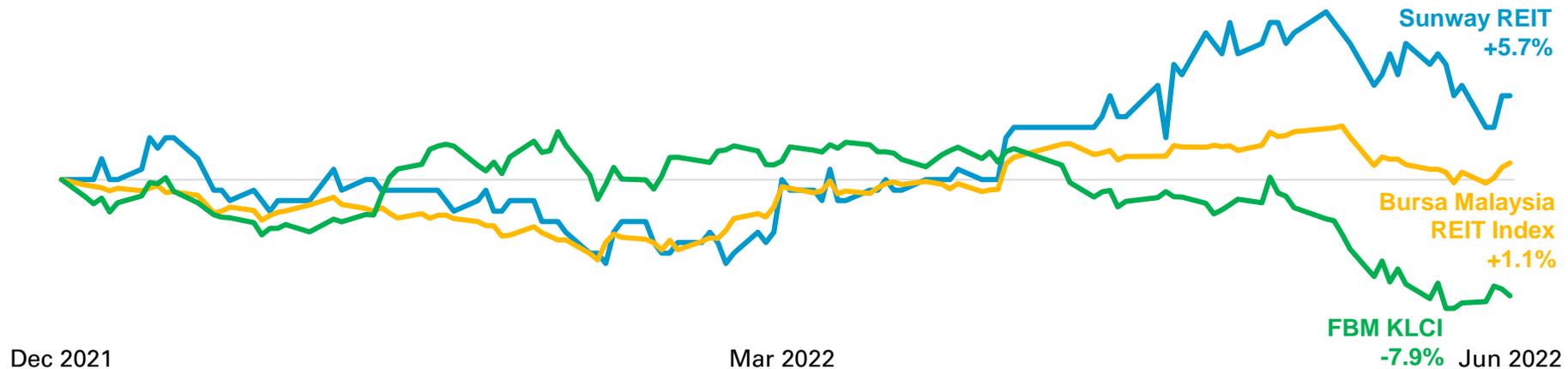
## Performance Statistics (8 July 2010 – 30 June 2022)

Unit Price (as at 8 July 2010)	: RM0.90
Closing Price (as at 30 June 2022)	: RM1.49
Highest Price	: RM1.98
Lowest Price	: RM0.88
Daily Average Volume	: 2.04 million units
% Change in Unit Price	: +65.6%
% Change in FBM KLCI	: +9.7%
% Change in FBM Top 100 Index	: +12.1%

Source: Bloomberg

# Unit Price YTD Performance for FY2022

## Unit Price Performance of Sunway REIT versus Benchmarks (1 Jan 2022 – 30 June 2022)



## Performance Statistics (1 Jan 2022 – 30 June 2022)

Unit Price (as at 1 Jan 2022)	: RM1.41
Closing Price (as at 30 June 2022)	: RM1.49
Highest Price	: RM1.58
Lowest Price	: RM1.32
Daily Average Volume	: 2.11 million units
% Change in Unit Price	: +5.7%
% Change in FBM KLCI	: -7.9%
% Change in Bursa Malaysia REIT Index	: +1.1%

Source: Bloomberg

# Indices Representation



- FTSE Bursa Malaysia Mid 70 Index
- FTSE Bursa Malaysia Top 100 Index

- FTSE Bursa Malaysia Emas Index
- Bursa Malaysia REIT Index



- FTSE ASEAN All-Share Index
- FTSE ASEAN All-Share ex Developed Index

- FTSE ASEAN Malaysia Index



FTSE4Good

- FTSE4Good Bursa Malaysia Index



- GPR APREA Composite REIT Index – Malaysia



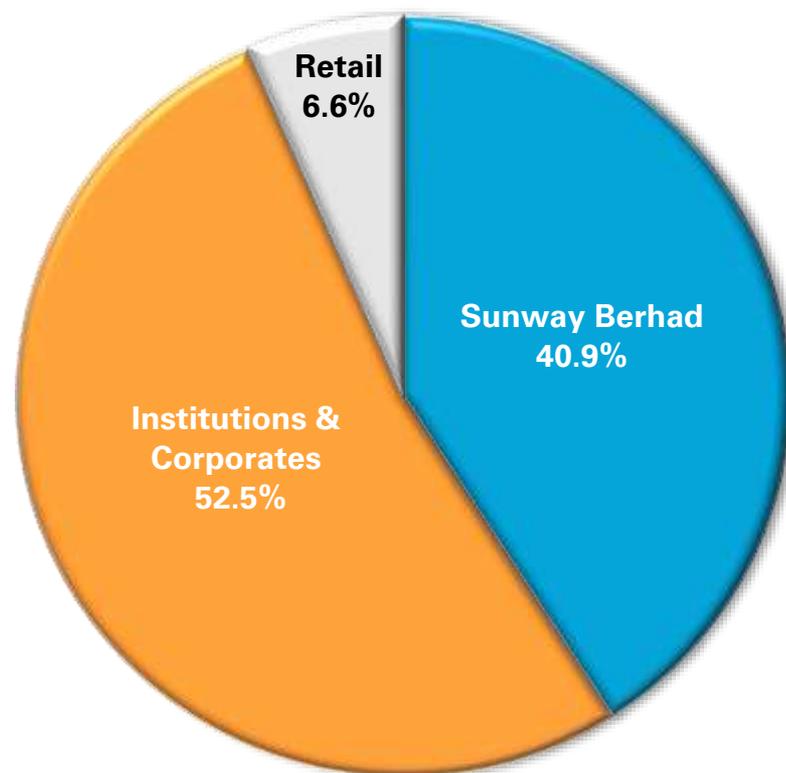
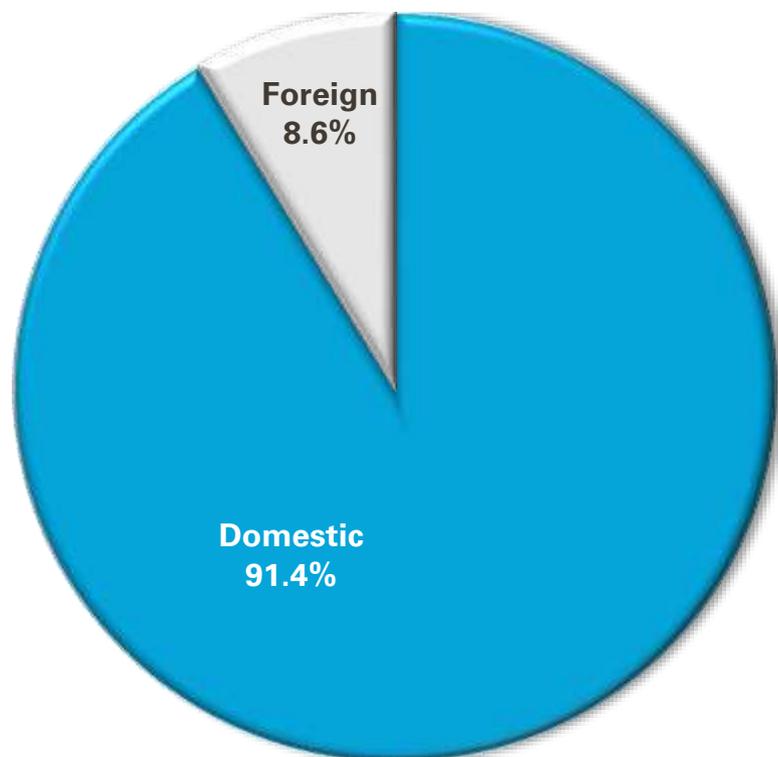
- FTSE EPRA NAREIT Global REIT Index
- FTSE EPRA NAREIT Global Index
- FTSE EPRA NAREIT Asia ex Japan

- FTSE EPRA NAREIT Asia Pacific Index
- FTSE EPRA NAREIT Emerging REIT Index



- MSCI Malaysia Small Cap Index

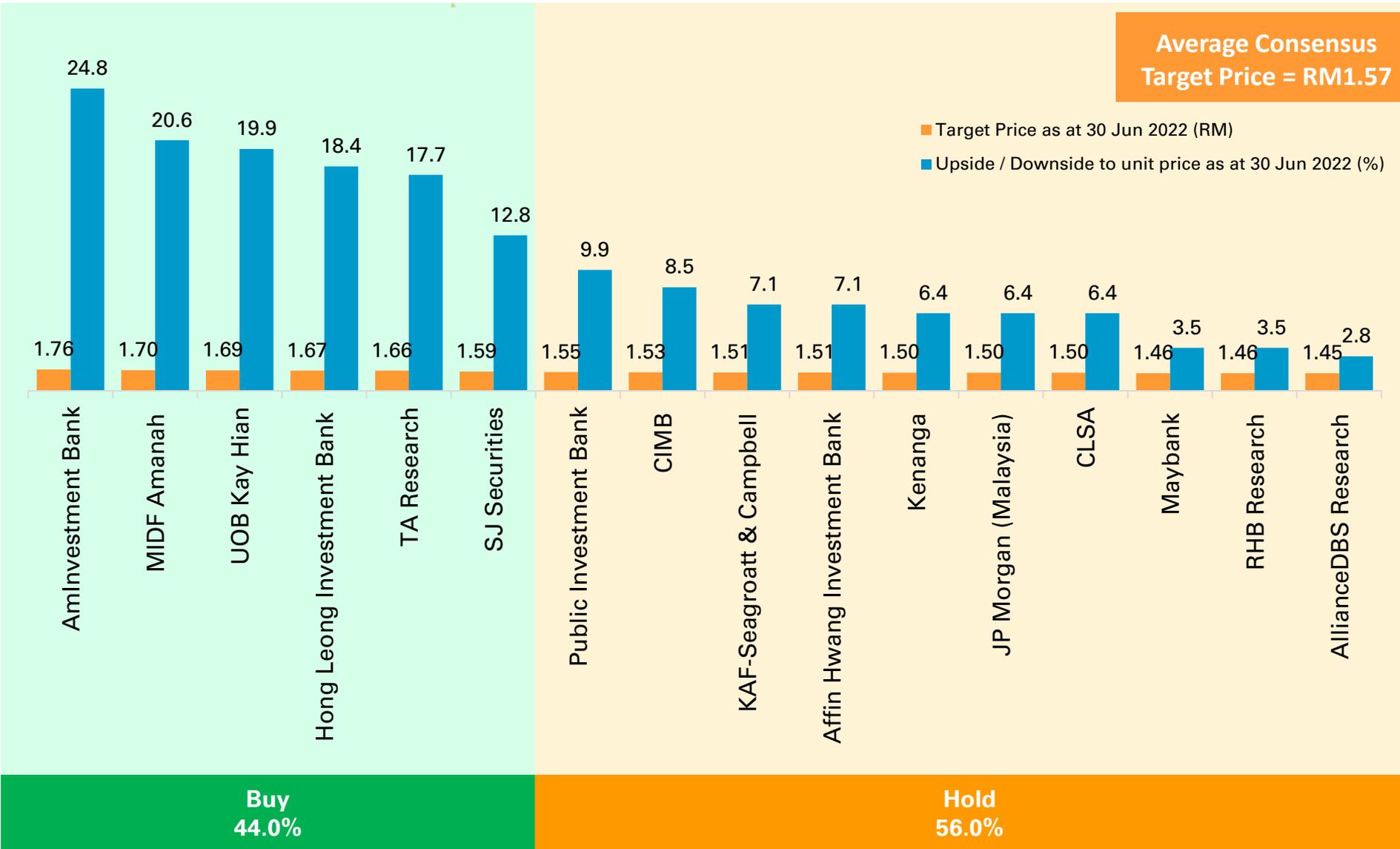
# Unitholders' Composition (as at 30 June 2022)



	June 2022	March 2022	Q-o-Q Change
No of unitholders	29,116	30,043	-927 (-3.1%)
Retail unitholders	6.6%	6.8%	-0.2%
Foreign unitholders	8.6%	7.5%	+1.1%
Sunway Berhad	40.9%	40.9%	Unchanged

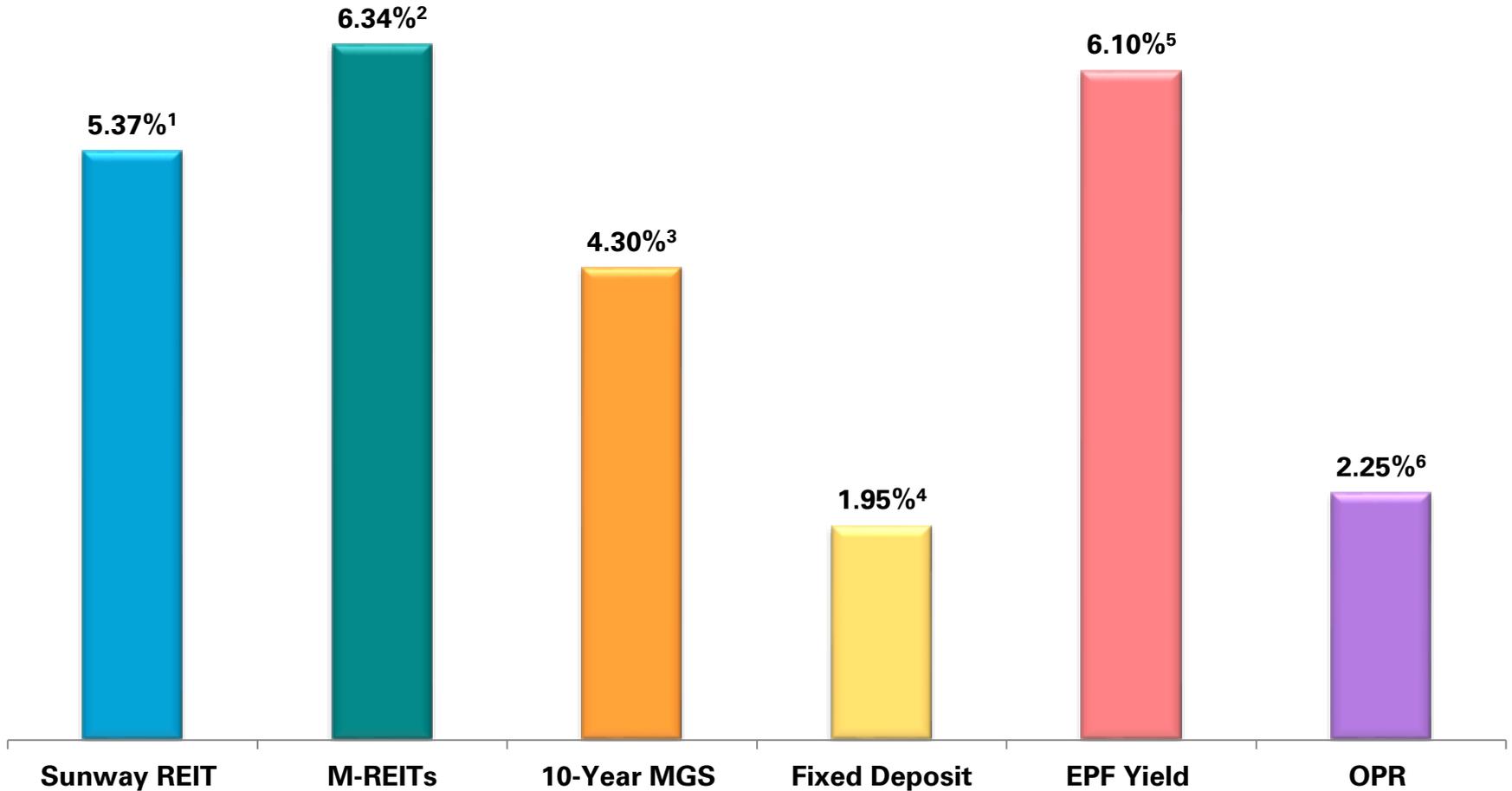
Source: Sunway REIT

# Analysts Recommendation (as at 30 June 2022)



Source: Bloomberg and various research firms

# Comparative Yields for Various Assets (as at 30 June 2022)



Note:

<sup>1</sup> Distribution yield is computed based on consensus FY2022 DPU of 8.00 sen and unit price of RM1.49 as at 30 June 2022 (Source: Bloomberg)

<sup>2</sup> Information based on consensus FY2022 DPU forecast and unit prices of M-REITs as at 30 June 2022 (Source: Bloomberg)

<sup>3</sup> Information as at 30 June 2022 (Source: Bloomberg)

<sup>4</sup> 12-Month Fixed Deposit rates offered by commercial banks as at 31 May 2022 (Source: Bank Negara Malaysia)

<sup>5</sup> Dividend yield declared by Employees Provident Fund for the year 2021 (Source: Employees Provident Fund)

<sup>6</sup> Overnight Policy Rate as at 6 July 2022 (Source: Bank Negara Malaysia)

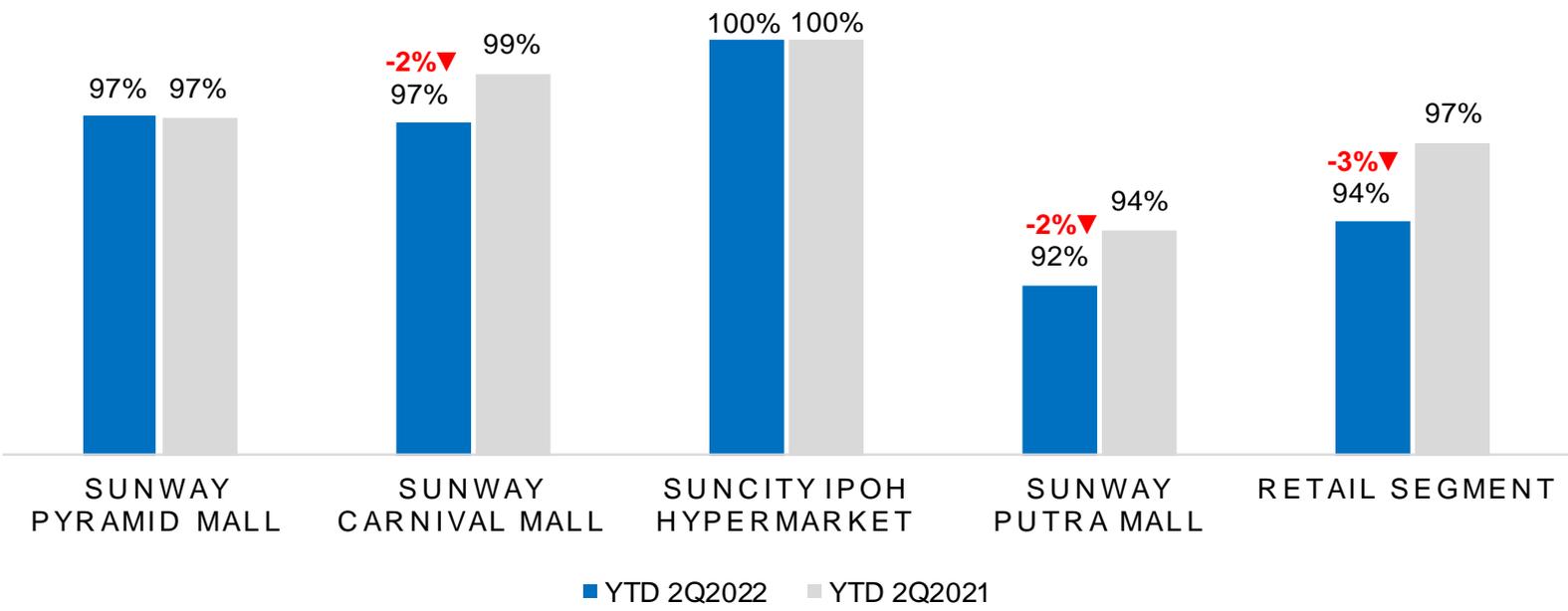
# APPENDIX I: PROPERTY PERFORMANCE (YTD 2Q2022 YoY Analysis)



# Average Occupancy Rate (YTD 2Q2022)

**RETAIL**

**WALE = 1.0 year**



The Retail segment recorded a drop in average occupancy rate to 94% in YTD 2Q2022, mainly due to Sunway Carnival Mall added additional NLA at the interface section to the new wing and relocation of few tenants to the new wing as well as the downsizing and relocation of existing tenant in Sunway Putra Mall.

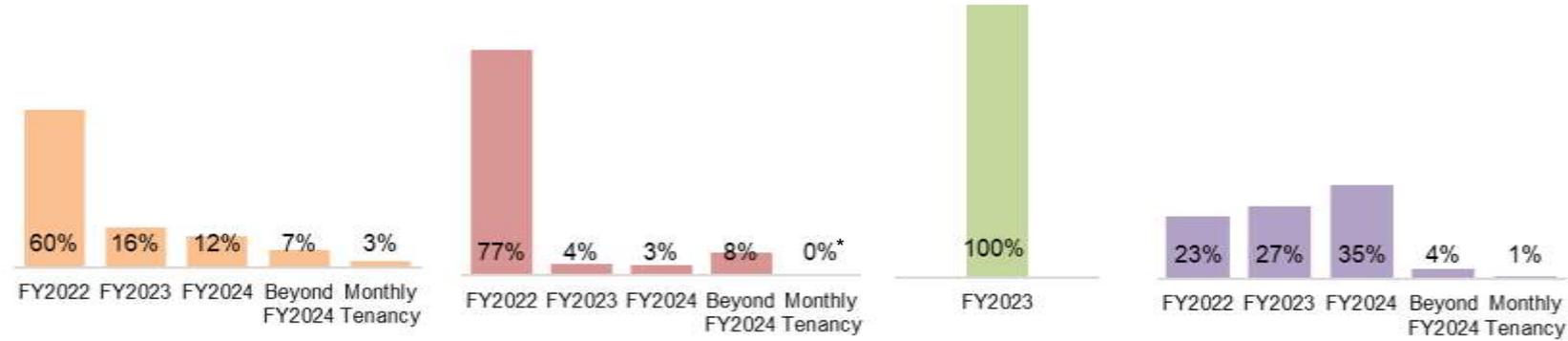
SunCity Ipoh Hypermarket is occupied by single tenant, TF Value-Mart, which commenced business in June 2020.

# Projected Lease Expiry Schedule

## RETAIL

SUNWAY PYRAMID MALL      SUNWAY CARNIVAL MALL      SUNCITY IPOH HYPERMARKET      SUNWAY PUTRA MALL

Expiring tenancies as % of total NLA



### Sunway Pyramid Mall

Based on the total net lettable area (NLA) of 1,404,081 sq. ft. due for renewal in 2022, a total of 178,501 sq. ft. equivalent to 12.7% of total space due for renewal, was renewed or replaced in YTD 2Q2022.

### Sunway Carnival Mall

Based on the total NLA of 411,585 sq. ft. due for renewal in 2022, a total of 25,475 sq. ft. equivalent to 6.2% of total space due for renewal, was renewed or replaced in YTD 2Q2022.

### SunCity Ipoh Hypermarket

Occupied by single tenant, TF Value-Mart, with the first tenancy term expiring in June 2023.

### Sunway Putra Mall

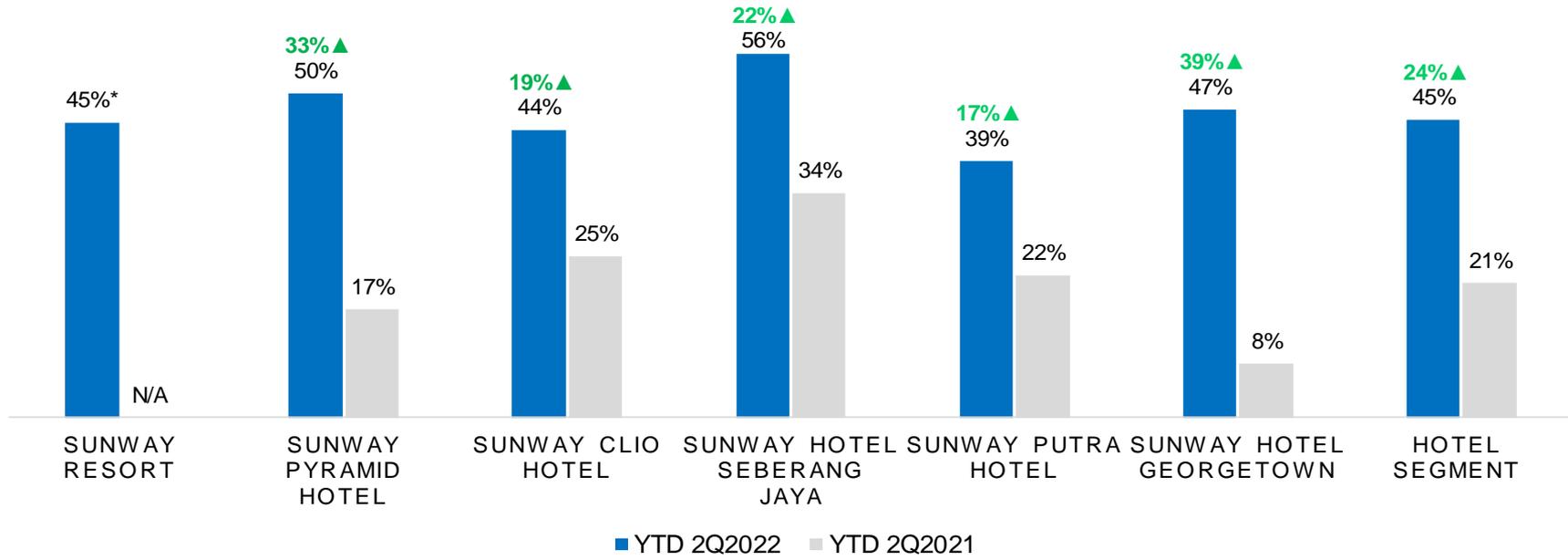
Based on the total NLA of 197,105 sq. ft. due for renewal in 2022, a total of 55,140 sq. ft. equivalent to 28% of total space due for renewal, was renewed or replaced in YTD 2Q2022.

\* Less than 0.5%

# Average Occupancy Rate (YTD 2Q2022)

**HOTEL**

**WALE = 7.8 years**



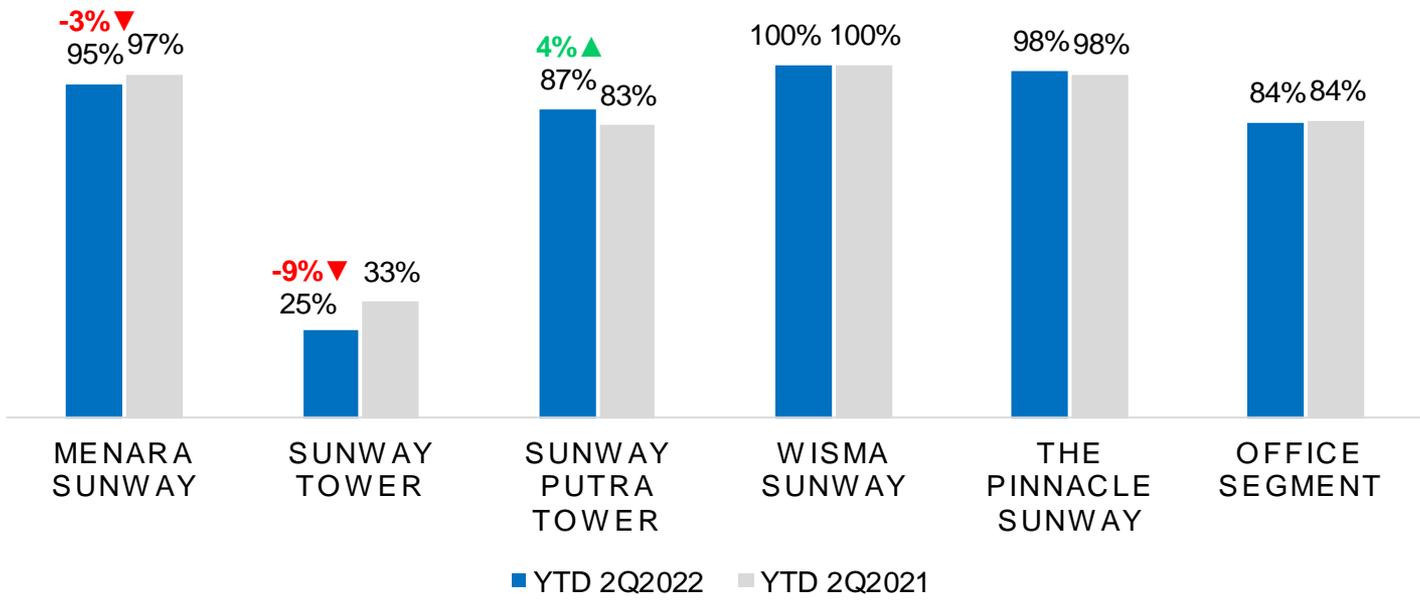
The Hotel segment recorded an overall growth in YTD 2Q2022 average occupancy rate of 24% as compared to the YTD 2Q2021 average occupancy rate which excluded Sunway Resort due to refurbishment from July 2020. The growth in average occupancy rate is mainly due to relaxation of restrictions on interstate, district and inbound travel, group and corporate events under NRP Phase 4 and "Transition to Endemic" phase of COVID-19, compared to MCO2.0 and MCO3.0 in KL, Selangor and Penang for YTD 2Q2021.

\* Based on available rooms from the phased reopening

# Average Occupancy Rate (YTD 2Q2022)

**OFFICE**

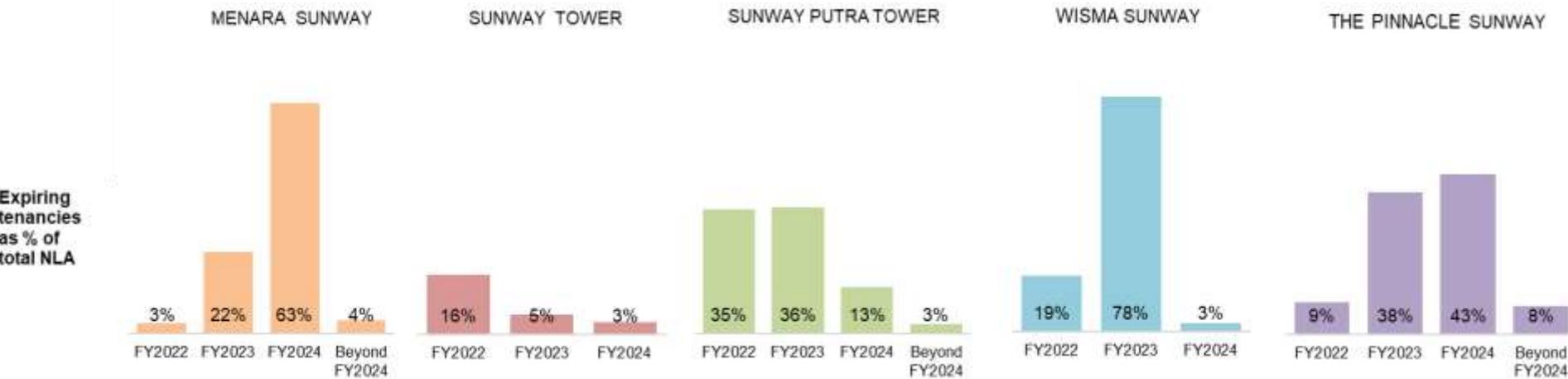
**WALE = 1.4 years**



The Office segment recorded a stable occupancy rate of 84% in YTD 2Q2022, supported by the commencement of new tenants in Sunway Putra Tower, offset by the termination of tenants in Menara Sunway and Sunway Tower.

# Projected Lease Expiry Schedule

## OFFICE



**Menara Sunway**  
 Based on the total NLA of 34,024 sq. ft. due for renewal in 2022, a total of 11,141 sq. ft. equivalent to 32.7% of total space due for renewal, was renewed or replaced in YTD 2Q2022.

**Sunway Tower**  
 Based on the total NLA of 43,058 sq. ft. due for renewal in 2022, no tenancies were due for renewal or replacement YTD 2Q2022.

**Sunway Putra Tower**  
 Based on the total NLA of 112,144 sq. ft. due for renewal in 2022, a total of 34,353 sq. ft. equivalent to 30.6% of total space due for renewal, was renewed or replaced in YTD 2Q2022.

**Wisma Sunway**  
 Based on the total NLA of 31,984 sq. ft. due for renewal in 2022, no tenancies were due for renewal or replacement YTD 2Q2022.

**The Pinnacle Sunway**  
 Based on the total NLA of 99,379 sq. ft. due for renewal in 2022, a total of 41,651 sq. ft. equivalent to 41.9% of total space due for renewal, was renewed or replaced in YTD 2Q2022.

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