

SUNWAY[®]
REIT

Sunway REIT Corporate Presentation

August 2024



Section A	Overview of Sunway REIT
Section B	Strategy
Section C	Financial
Section D	Capital Management
Section E	Sustainability
Section F	Key Takeaways

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

Diversified portfolio across strategic locations in Malaysia

1. Penang Island

- Sunway Hotel Georgetown

2. Penang Mainland

- Sunway Hotel Seberang Jaya
- Sunway Carnival Mall

3. Ipoh

- SunCity Ipoh Hypermarket

4. Kuala Lumpur

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

5. Sunway City

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

6. Selangor

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

7. Johor

- Sunway REIT Hypermarket – Plentong



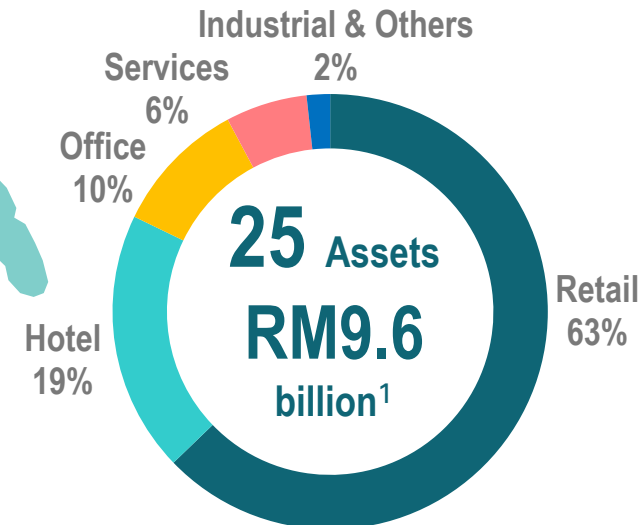
Property Value at IPO
RM3.5 billion

Total Acquisition since IPO¹
RM3.1 billion

Fair Value Gain 1.6b, AEs & Property Development since IPO¹
RM3.0 billion

Proposed acquisitions pending completion:

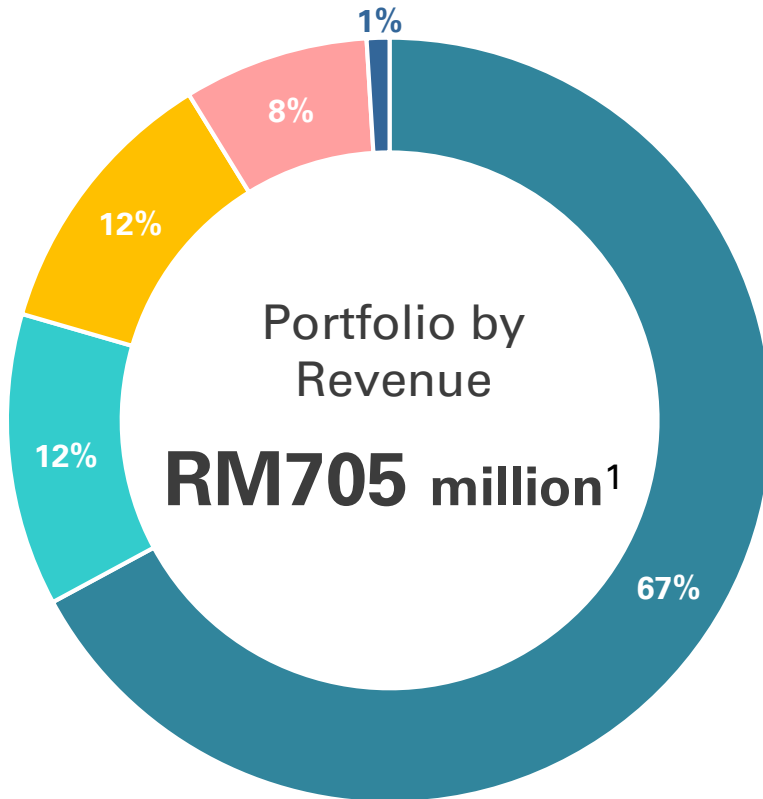
1. An industrial asset located at Prai, Penang
2. 163 Retail Park located at Mont' Kiara, Kuala Lumpur
3. Kluang Mall located at Kluang, Johor



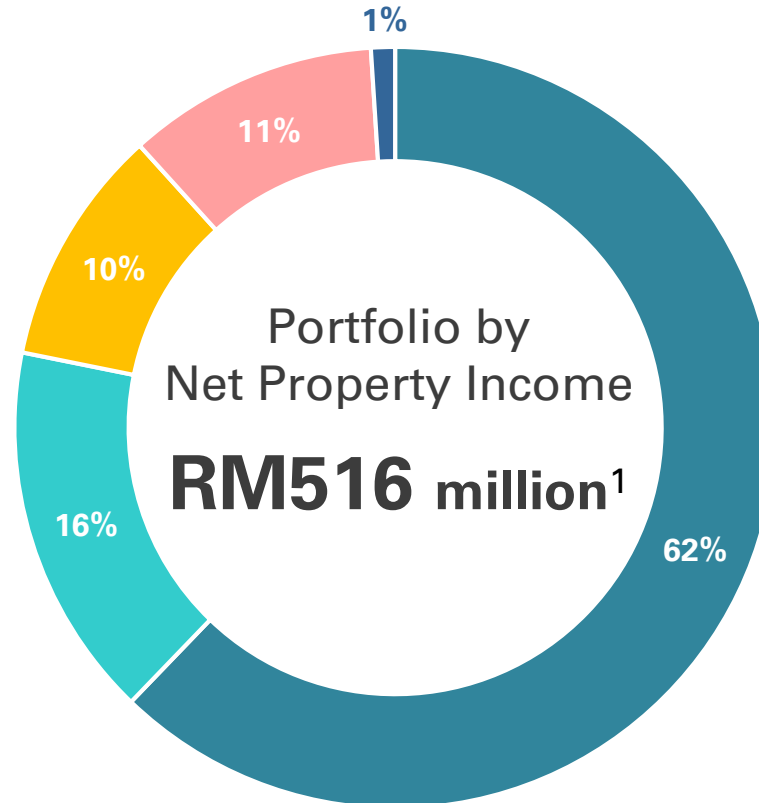
¹ Information as at 30 June 2024

Portfolio At A Glance

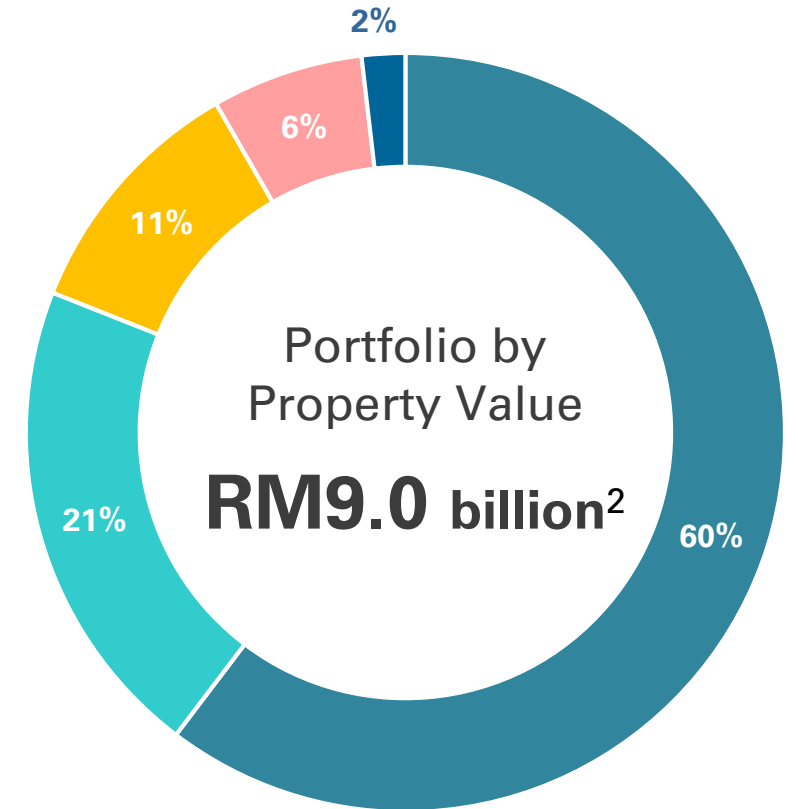
Revenue



Net Property Income



Property Value



■ Retail ■ Hotel ■ Office ■ Services ■ Industrial and Others

¹ Excluded unrealised income in relation to unbilled lease income receivable pursuant to MFRS 16 Leases.

² Based on market valuation as at 31 December 2023

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Key Strategies



Recalibrating Transcend 2027

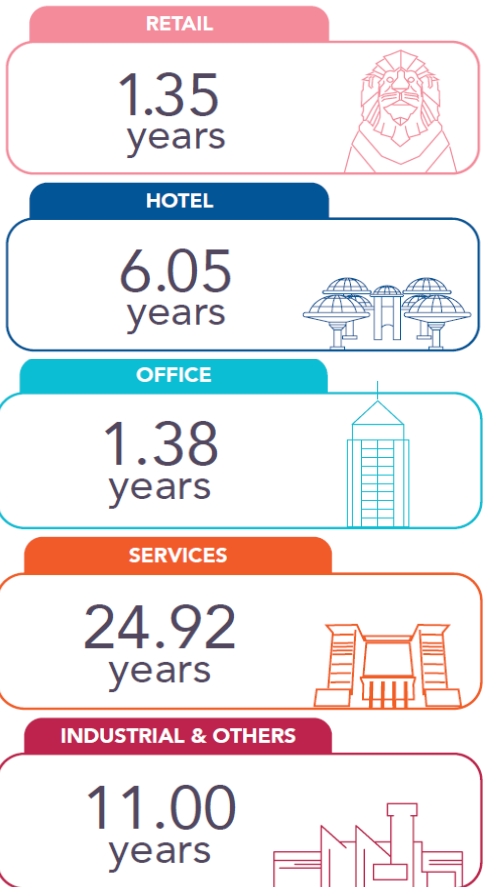


Organic Growth via Rental Reversion & Increasing Occupancy

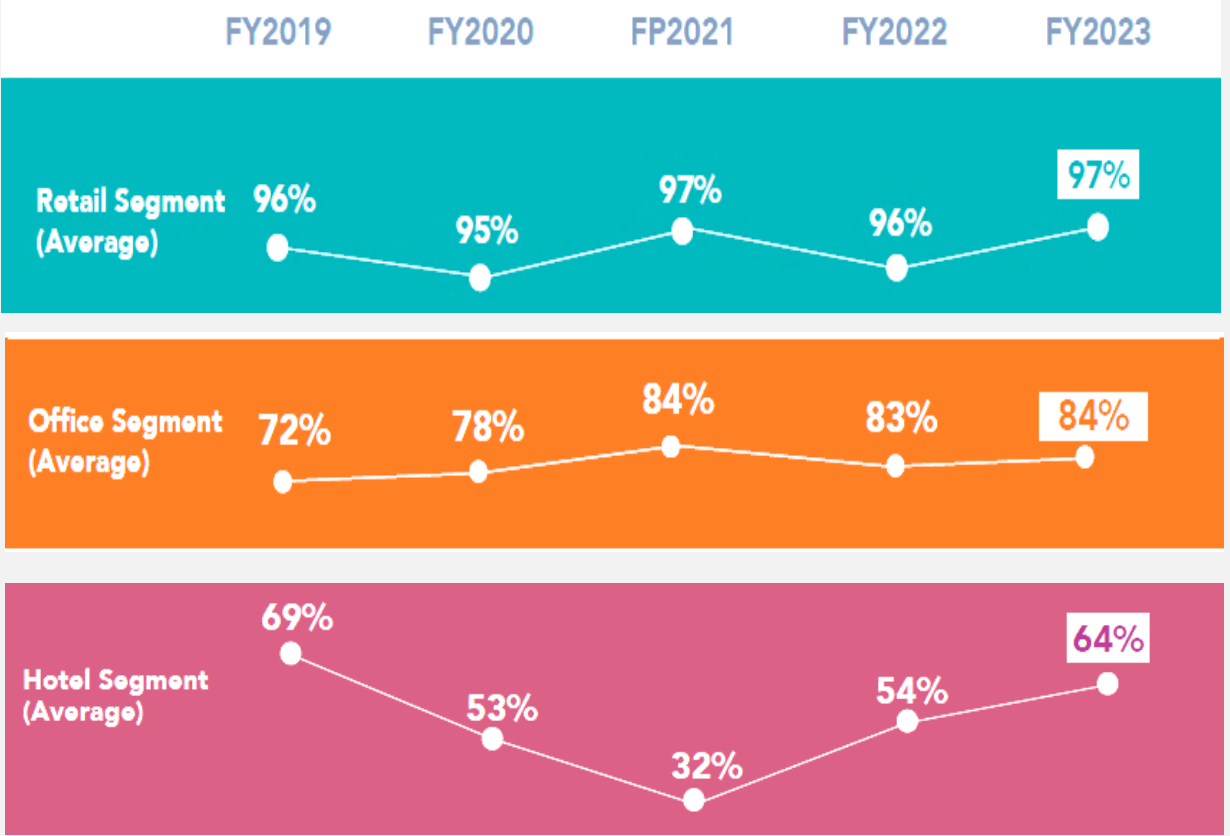
Average Rental Reversion & Weighted Average Lease Expiry (WALE)

Average rental reversion
8.5%¹
 for the portfolio's 2,031,530 sq.ft. of new or renewed tenancies in FY2023
 (FY2022: 4.1%)

WALE:
4.03 years
 (FY2022: 4.43 years)



Average Occupancy Rates



¹ Increase in three years including step-up rent

Enhancing Portfolio's Existing Assets Through AElS (RM0.9 bil since mid-2023)



Sunway Hotel Seberang Jaya

RM17 mil



Sunway Hotel Seberang Jaya

RM460 mil



Sunway Resort Hotel Ballroom and Function Rooms Refurbishment

RM55 mil



Sunway Carnival Mall New Wing

RM440 mil



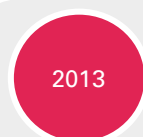
Sunway Resort Hotel Refurbishment

RM260 mil



Sunway Pyramid Mall Oasis

RM190 mil



2013



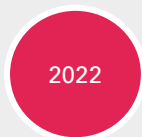
2015



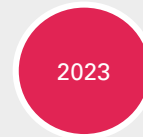
2017



2018



2022



2023



2024



Sunway Pyramid Hotel Refurbishment

RM120 mil



Sunway Pyramid Mall The Link

RM19 mil



Sunway Carnival Mall Existing Wing




RM360 mil



Redevelopment of Sunway Pier

RM370 mil

Enhancing Value Through Active Asset Enhancement Initiatives

Asset Enhancement Initiatives (AEI) / Property Development (PD)	Project period	Capital Expenditure	
	Space Reconfiguration at Sunway Pyramid Mall - Oasis	Q4 2023 – Q4 2024	RM190 million
	Refreshing Sunway Carnival Mall Existing Wing	Q3 2023 – Q3 2025	RM360 million
	Trailblazing Urban Rejuvenation at Sunway Pier	Q1 2024 – Q4 2026	RM370 million
Total Capital Expenditure circa RM 0.9 billion			

AEI success – Transformation and Rebranding for Sunway Resort Hotel



First GreenRE Platinum hotel in Malaysia

ARR per night doubled from RM300 to RM600

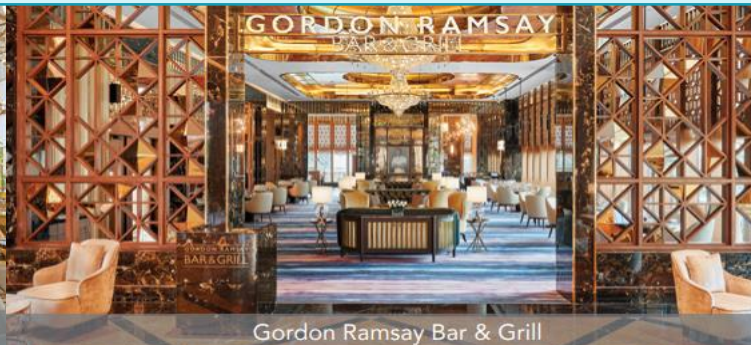
More room options introduced, coupled with world-class facilities

Sustainability-focused: replaced single-used amenities → refillable amenities; plastics bottles → glass bottles; tube toothpaste → chewable toothpaste

New dining experience including internationally-renowned restaurants



Linkway Café



Gordon Ramsay Bar & Grill



Black Tap Craft Burgers & Shakes



Sunset Terrace

Sunway Carnival – Green Field Development Capability Unlocked



New "Oasis" of Income – Optimising a Low-Yielding Precinct



Rental Rate

RM10 - 15 psf

Pre-reconfiguration: ~ RM3 - 8 psf

Completion Date

1 November 2024



Committed Occupancy

> 90%

NLA (After):

260,000 sq.ft.

NLA (Before): 320,000 sq.ft.



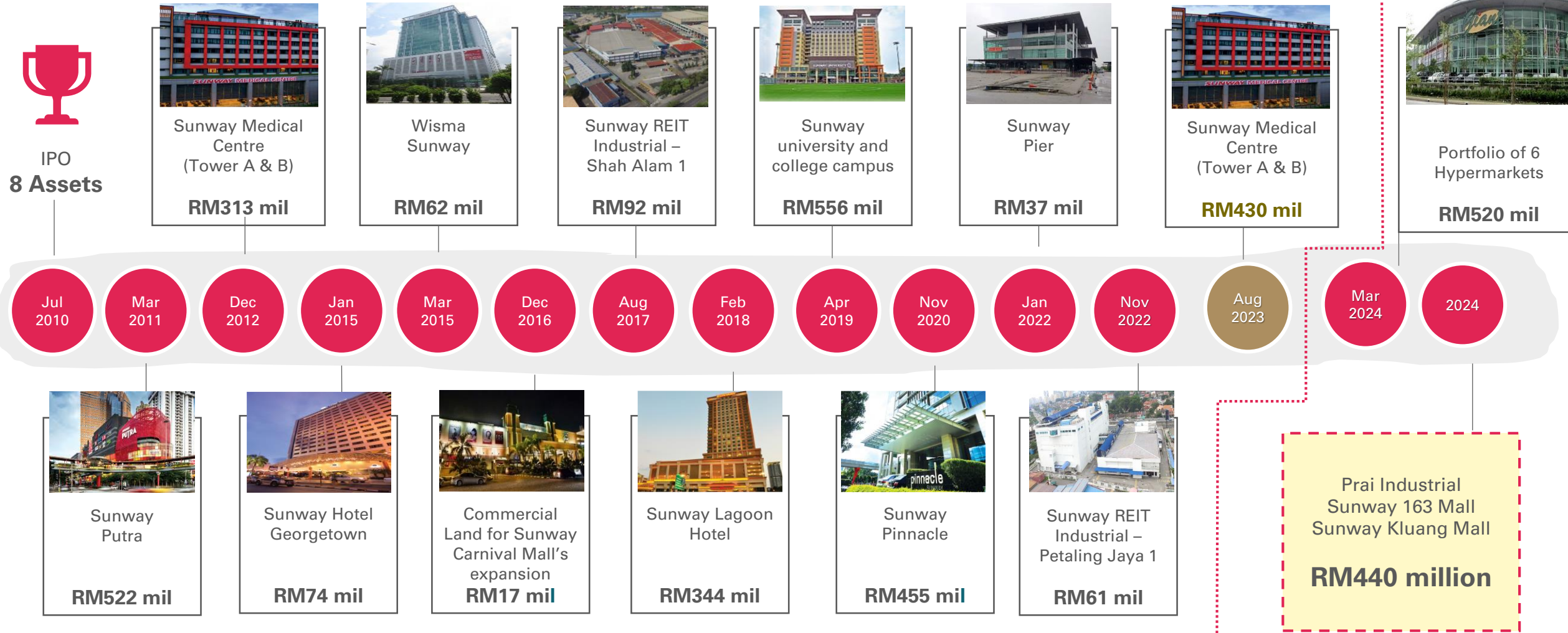
Invigorating Tenancy Mix



Artist's Impression for Oasis precinct at Sunway Pyramid Mall

Accelerating Growth with External Acquisitions (RM1.0 bil since mid-2023)

IPO
8 Assets



Legend

● Acquisition ● Disposal

Pursuing Opportunistic Acquisitions Across Sectors (Proposed Acquisitions)

Prai Industrial



Location	Bukit Tengah Industrial Park, Prai, Penang
Purchase Consideration	RM66.8 million
Land tenure	60-year leasehold, expiring on 22 October 2052
Land area	10.4 acres
Gross floor area	307,487 sq. ft.
NPI Yield	7.0% (after lease extension premium)

Sunway 163 Mall



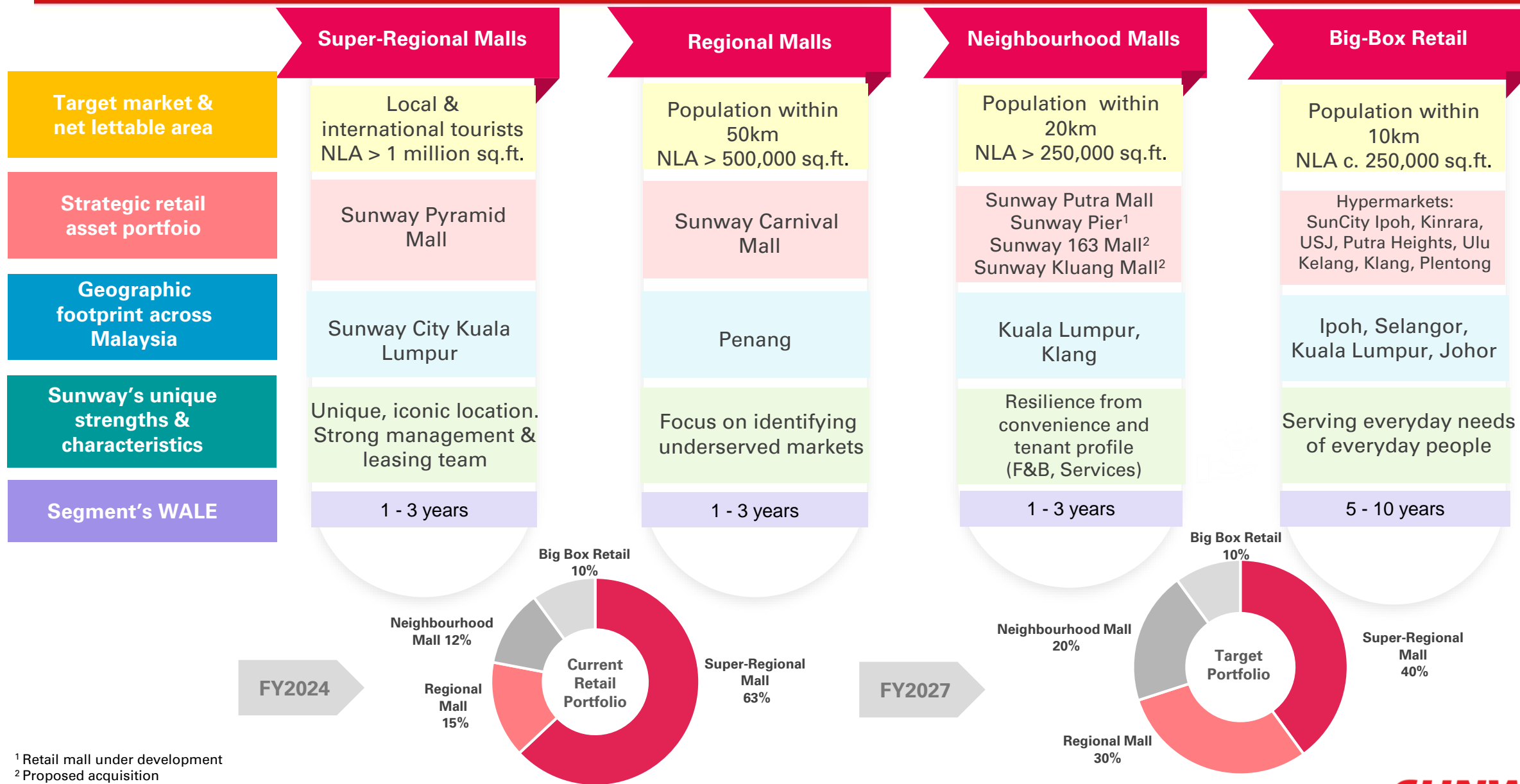
Location	Mont Kiara, Kuala Lumpur
Purchase Consideration	RM215 million
Land tenure	Freehold strata
Net lettable area	252,628 sq.ft.
Gross floor area	798,100 sq.ft.
NPI Yield	6.5%

Sunway Kluang Mall



Location	Kluang, Johor
Purchase Consideration	RM158 million
Land tenure	99-year leasehold, expiring on 7 Feb 2116
Net lettable area	360,989 sq.ft.
Gross floor area	808,240 sq.ft.
NPI Yield	6.8%

Building a Diversified Retail Portfolio with Enhanced Income Resilience

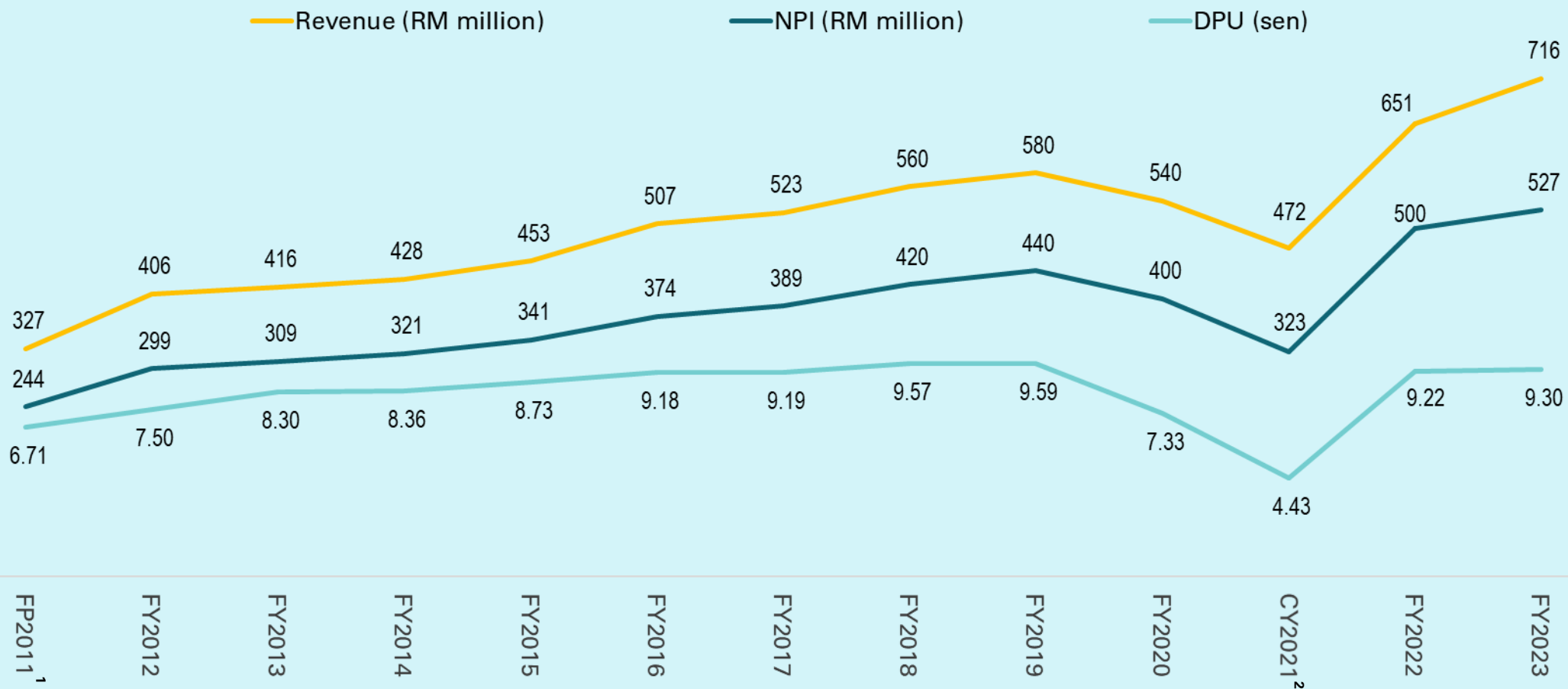


¹ Retail mall under development
² Proposed acquisition

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Portfolio Value Creation - Financial

Historical Performance



↑ 7% CAGR since IPO

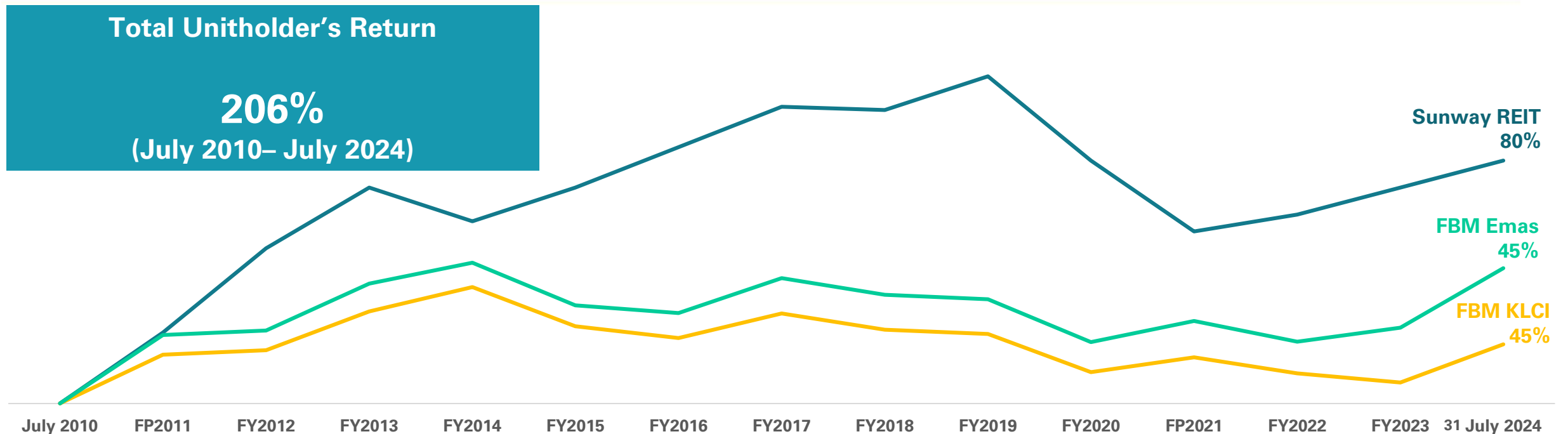
↑ 7% CAGR since IPO

↑ 3% CAGR since IPO

¹ Sunway REIT was established on 20 May 2010 and the acquisition of the initial eight properties was completed on listing date, 8 July 2010. The financial results reported refers to the period from 20 May 2010 to 30 June 2011 (FP 2011)

² For the 12-month period from 1 January 2021 to 31 December 2021

Total Unitholder's Return since IPO



	July 2010	FP2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FP2021	FY2022	FY2023	31 July 2024	Total
Unit Price(RM)	0.90	1.11	1.36	1.54	1.44	1.54	1.66	1.78	1.77	1.87	1.62	1.41	1.46	1.54	1.62	
DPU (sen)		6.58	7.50	8.30	8.36	8.73	9.18	9.19	9.57	9.59	7.33	6.10	9.22	9.30	4.66	113.61
Distribution Yield (%)		5.9	5.5	5.4	5.8	5.7	5.5	5.2	5.4	5.1	4.5	2.9	6.3	6.0	5.8 ¹	
Capital Gains (%)		23.3	22.5	13.2	-6.5	6.9	7.8	7.2	-0.6	5.6	-13.4	-13.0	3.5	5.5	5.2	
Total Return (%)		29.3	28.0	18.6	-0.7	12.6	13.3	12.4	4.8	10.8	-8.8	-8.6	9.9	11.5	11.0	

1) The financial year end for FY2011 – FY2020 was June.

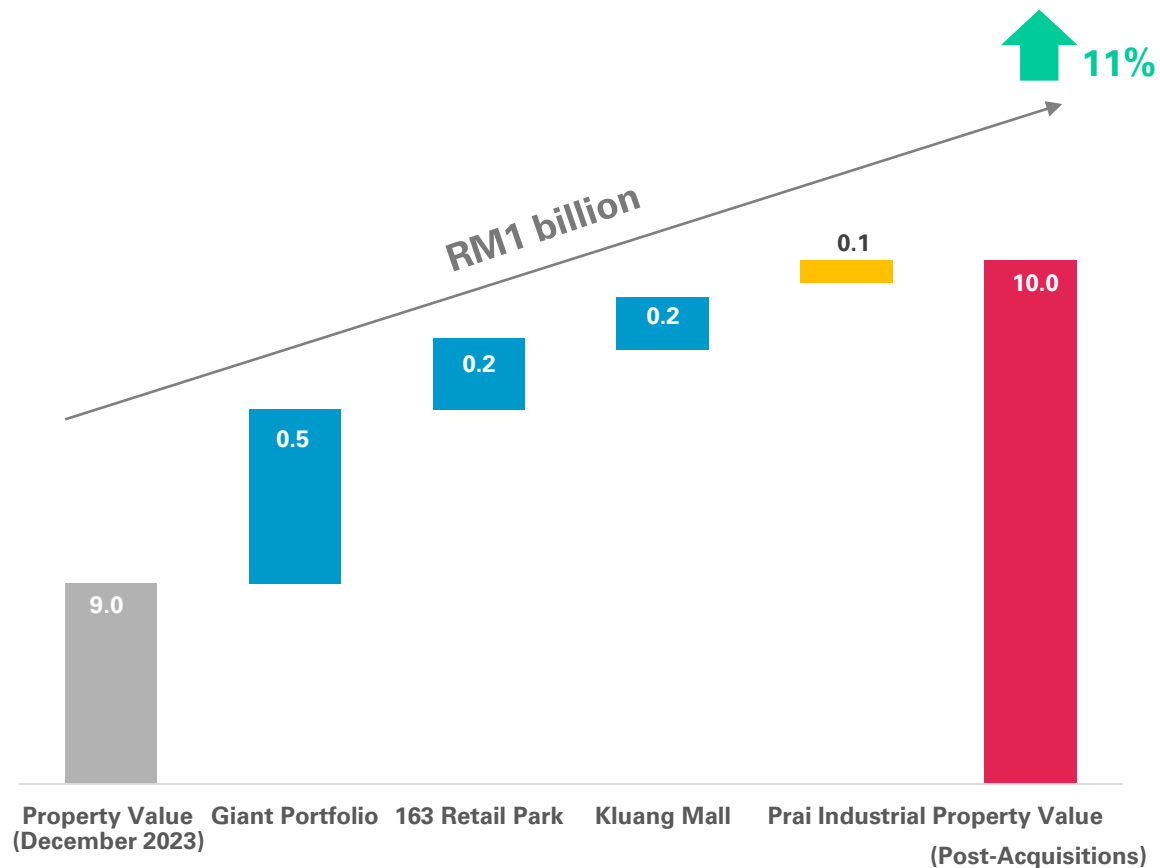
2) FP2021 was a reporting period of 18 months following to the change in the financial year from June to December.

3) The financial year end for FY2022 – FY2023 was December.

¹ Annualised distribution yield for FY2024 based on 1H FY20204 proposed DPU.

Clear Visibility of Earnings Growth

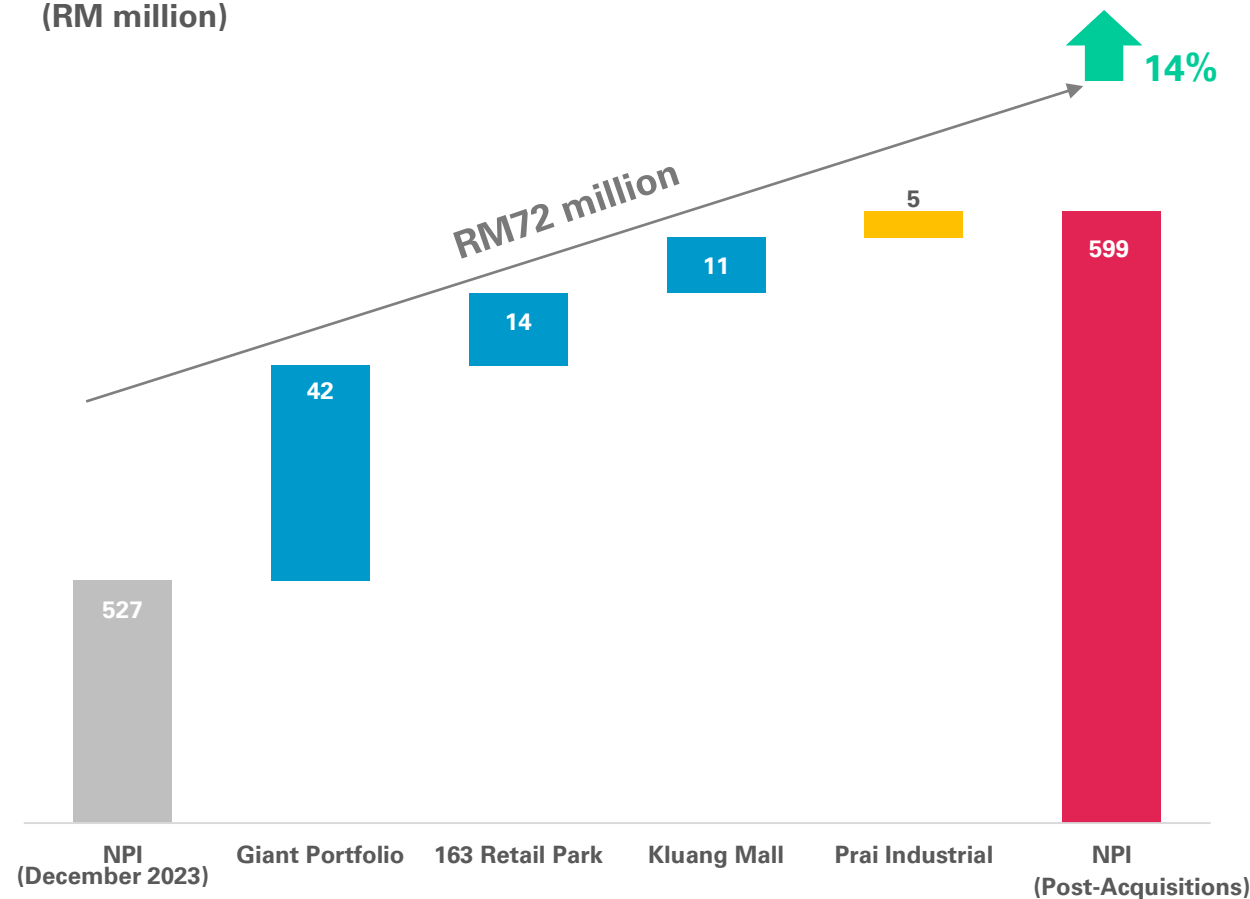
Property Value Accretion
(RM million)



Legend
● Retail asset ● Industrial Asset

Note:
 1) Post acquisitions of Giant Hypermarkets, Sunway 163 Mall, Prai Industrial and Sunway Kluang Mall.

NPI Accretion
(RM million)



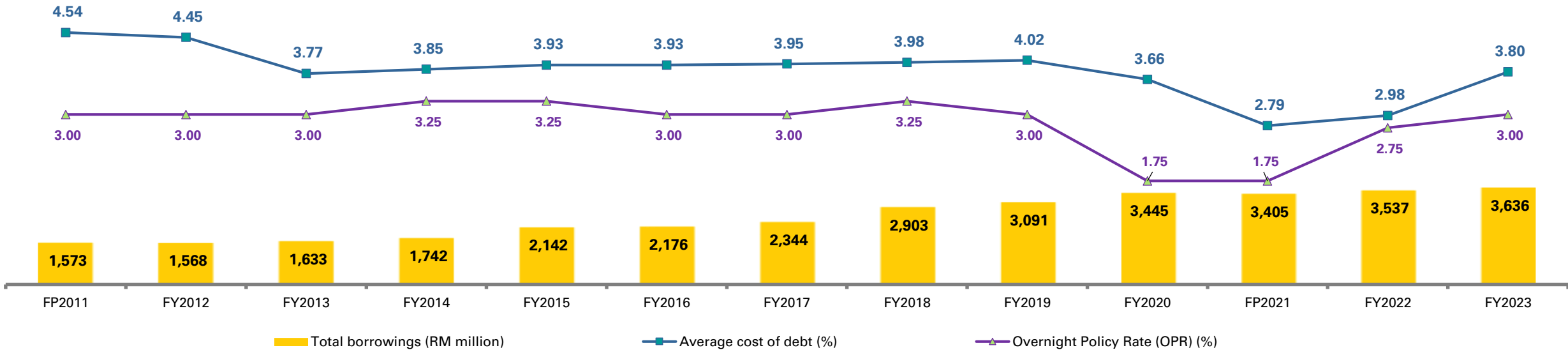
Legend
● Retail asset ● Industrial Asset

Note:
 1) Post acquisitions of Giant Hypermarkets, Sunway 163 Mall, Prai Industrial and Sunway Kluang Mall.
 2) Proforma annual NPI for the new assets based on 2023 NPI.

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Proactive Capital Management

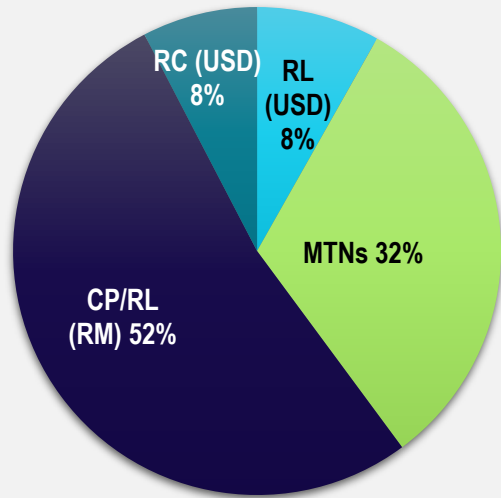
Total Borrowings, Average Cost of Debt and OPR



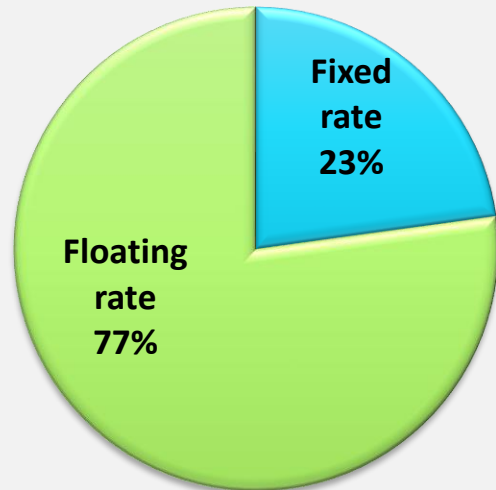
	FP2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FP2021	FY2022	FY2023
Gearing ratio (%)	35.3	33.5	31.0	31.1	33.3	33.3	34.3	38.6	37.9	40.7	37.2	37.6	38.1
Interest service coverage ratio (x)	3.7	3.8	5.0	5.0	3.7	4.9	4.1	3.7	3.4	3.1	2.8	4.5	3.5
Fixed : Floating debt	33 : 67	20 : 80	81 : 19	76 : 24	88 : 12	94 : 6	89 : 11	40 : 60	45 : 55	43 : 57	38 : 62	31 : 69	34 : 66
Average maturity period (years)	3.0	1.0	3.1	2.2	1.7	1.0	0.4	0.6	0.4	0.4	2.3	1.9	1.3

Diversified and Strengthened Financing Profile

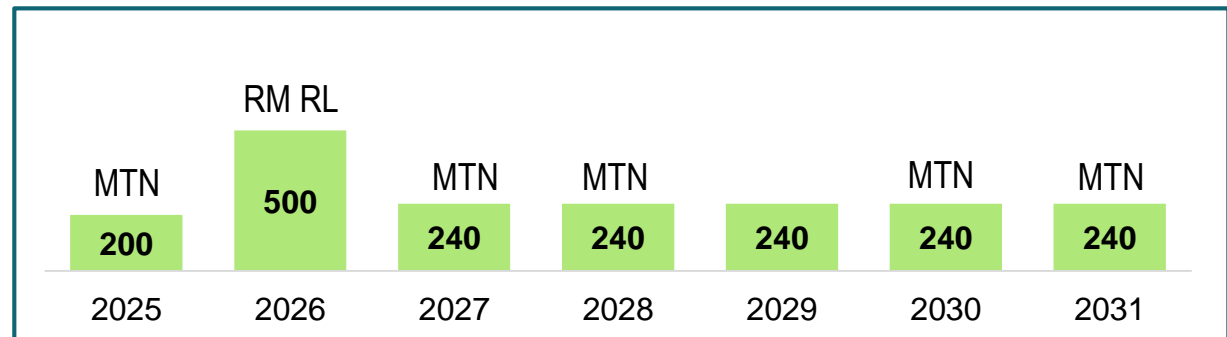
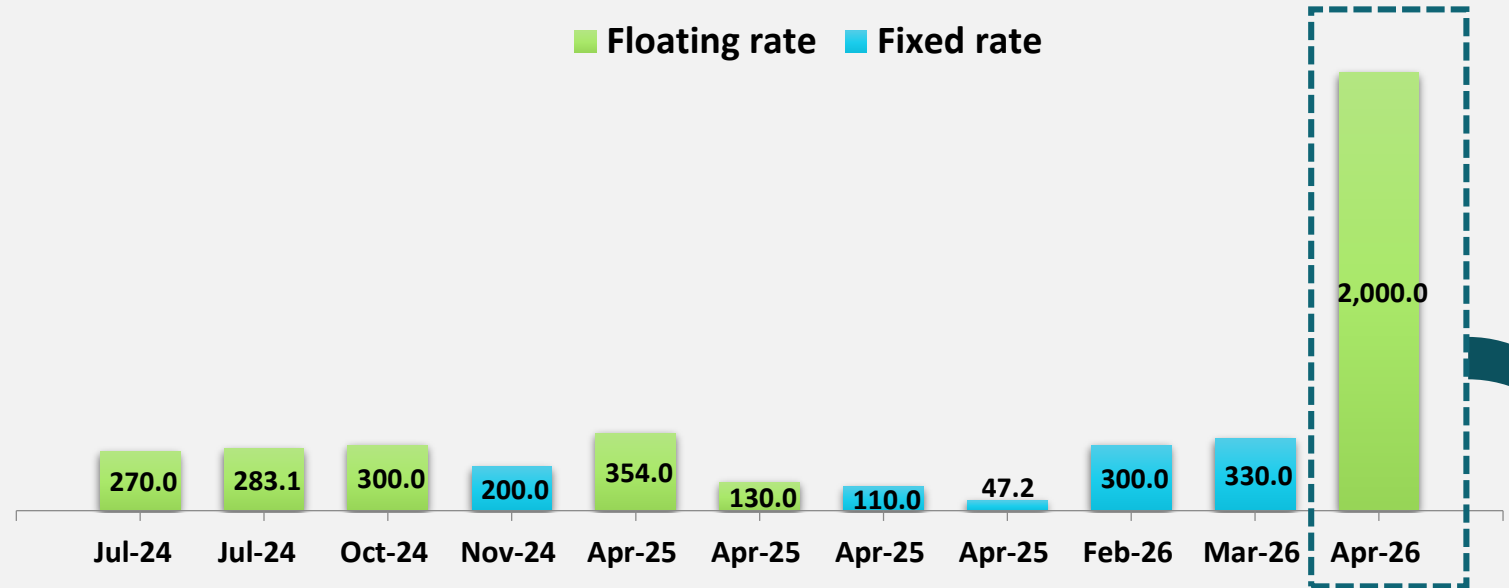
Sources of Debt



Fixed vs Floating Rate

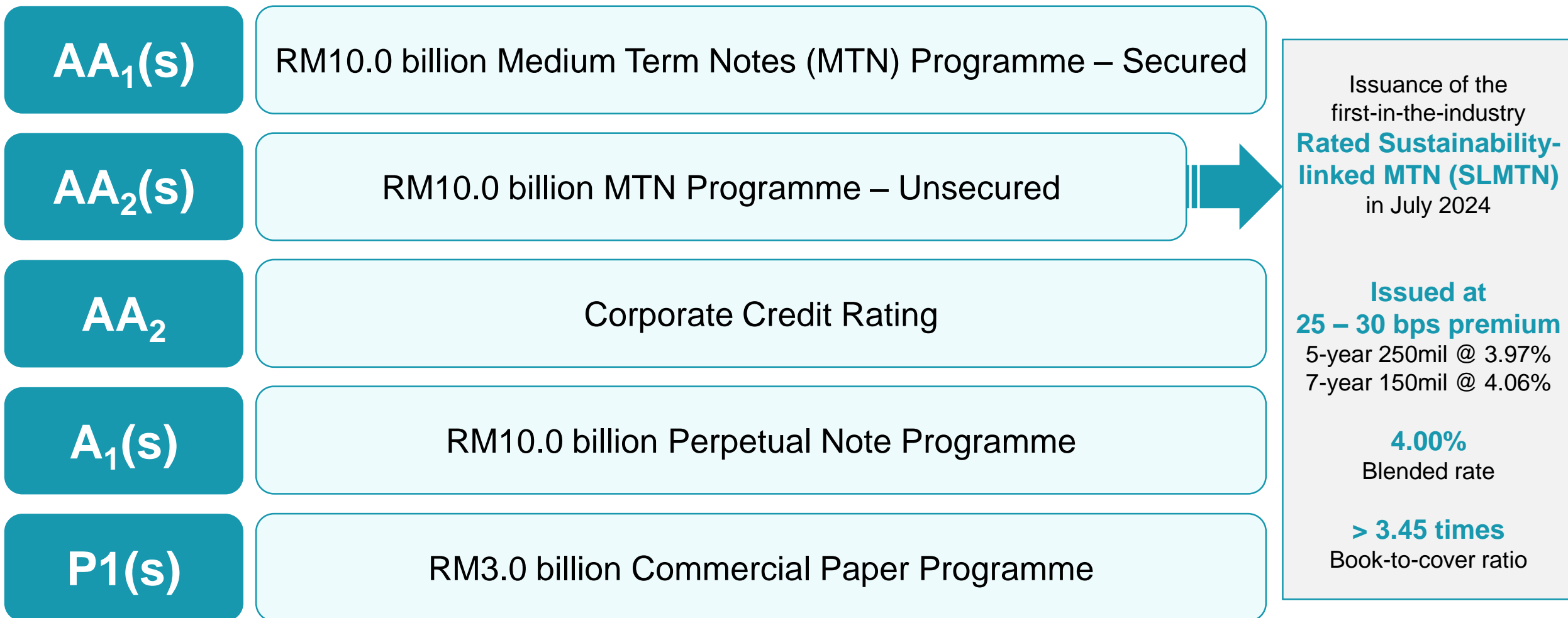


Maturity Profile (RM'million)



Information as at 30 June 2024

Robust Credit Profile backed by Independent Ratings



Ratings assigned by independent rating agencies

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Strong Commitment to Sustainability



Stronger Governance

- Established a **Sustainability Committee** comprising **Board Members**
- Sustainability Committee supported by a **Sustainability Officer** and a **Sustainability Working Group** to embed **sustainability considerations** and practices in **Sunway REIT's daily operations**
- Charted **Sustainability Goals 2030**

Goal 1:
Transforming our portfolios to low-carbon assets

Goal 2:
Advocating a responsible value chain

Goal 3:
Investing in community inclusivity

Goal 4:
Respecting ethical principles



Better Climate Action

- Commitment **Net Zero Carbon Emissions by 2050 target**
 - ✓ **18,629 MWh** renewable energy generated
 - ✓ **Internal Carbon pricing framework** at RM15 per tonne CO₂ emitted
 - ✓ **Building Energy intensity (BEI)** target setting
- Task Force on Climate-Related Financial Disclosures (TCFD)**
- Appointed Jeffrey Sachs Center on Sustainable Development to quantify climate risk: **Value-at-Risk (VaR)**.
- Sustainability-Linked Bond** through collaborations with financial institutions
- Implemented **Green Lease Partnership Programme**


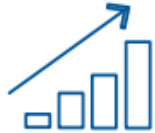








Bigger Social Impact







- Established a **Sustainability Policy and a Donations, Sponsorships and Corporate Responsibility Policy** to guide the execution of sustainability
- Formed an **Occupational, Health, Safety and Environment (OHSE) Committee** at the business segment level.
- We continued **reaching out to the underprivileged and the marginalised** to enrich and empower them through various programmes and initiatives.
- Contribution to combating the COVID-19 pandemic by **offering rental-free spaces as vaccination centres as well as human resources.**
- Universal Accessibility Policy** established

* For more information on Sunway REIT's sustainability initiatives, please refer to Sunway REIT's Sustainability Report 2023 available on Sunway REIT's website

Sustainability Highlights – FY2023

 <p>2 buildings are GreenRE certified (Platinum & Gold)</p>	 <p>More than 97.5% of our borrowings have been structured with sustainable finance mechanism</p>	 <p>RM4.7 billion of our borrowing facilities are secured through sustainable finance commitment</p>	 <p>A from previous BB for MSCI</p>
 <p>Established Sustainable Procurement Policy</p>	 <p>82% tenants participation in Green Lease combined from both Retail and Office</p>	 <p>Expanded GHG Inventory reporting</p>	 <p>35 total learning hours (average per employee)</p>

2023 ACCOLADES AND AWARDS

* For more information on Sunway REIT's sustainability initiatives, please refer to Sunway REIT's Sustainability Report 2023 available on Sunway REIT's website

In Pursuit of Excellence

Awards and Recognition



Australasian Reporting Awards 2024

– Gold Award for Distinguished Achievements in Reporting



Australasian Reporting Awards 2024

– Bronze Award for Distinguished Achievements in Sustainability Reporting



The 8th Annual REITs Asia Pacific Best of The Breeds REITs Awards 2023

– Platinum Award for the Best Diversified REITs in Malaysia



The Edge ESG Awards 2023

– Silver Equity Awards under REIT Category



National Annual Corporate Reporting Awards (NACRA) 2023

– Silver Award for companies with RM2 billion to RM10 billion



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Key Takeaways

1 One of the leading diversified REITs in Malaysia

Market Capitalisation

RM5.3 billion 

Property Value

RM9.7 billion 

Good mix of no. of assets

25

Wide tenant base
with favourable lease profile

2 Strong financials

Revenue

RM354.2 million

NPI

RM259.8 million

DPU

4.66 sen

Cost of debt

3.86%

Distribution Yield

6.1%

Gearing

43.8%

3 Sustainability agenda

MSCI rating of **A** (Improved from BB)

FTSE4Good Bursa Malaysia
ESG Score **3.6**
(Top 22% amongst the companies rated)

GRESB **3-star** rating
and awarded an "A" for public disclosure

5 Green buildings

- **GreenRE Platinum certification**
for Sunway Resort Hotel
- **GreenRE Gold certification**
for Sunway Putra Mall



4 Strong growth trajectory

RM0.9 billion AEI

RM1.0 billion new acquisition

Recovery in hotel segment

5 Strong management

Strong and experienced REIT management and asset management teams

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

**Information as at YTD Q2 2024*

Thank You

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

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Website: <http://www.sunwayreit.com>

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