

SUNWAY[®]

REIT



FINANCIAL RESULTS

2nd Quarter ended 30 June 2024

(FYE 31 December 2024)

Date: 15 August 2024



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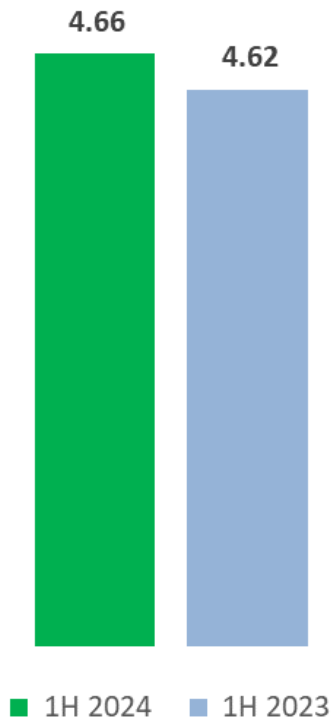
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FINANCIAL HIGHLIGHTS (Q2 2024)



Distribution Per Unit (“DPU”)

DPU (sen)



1H 2024 DPU

0.9% y-o-y

Details of Income Distribution

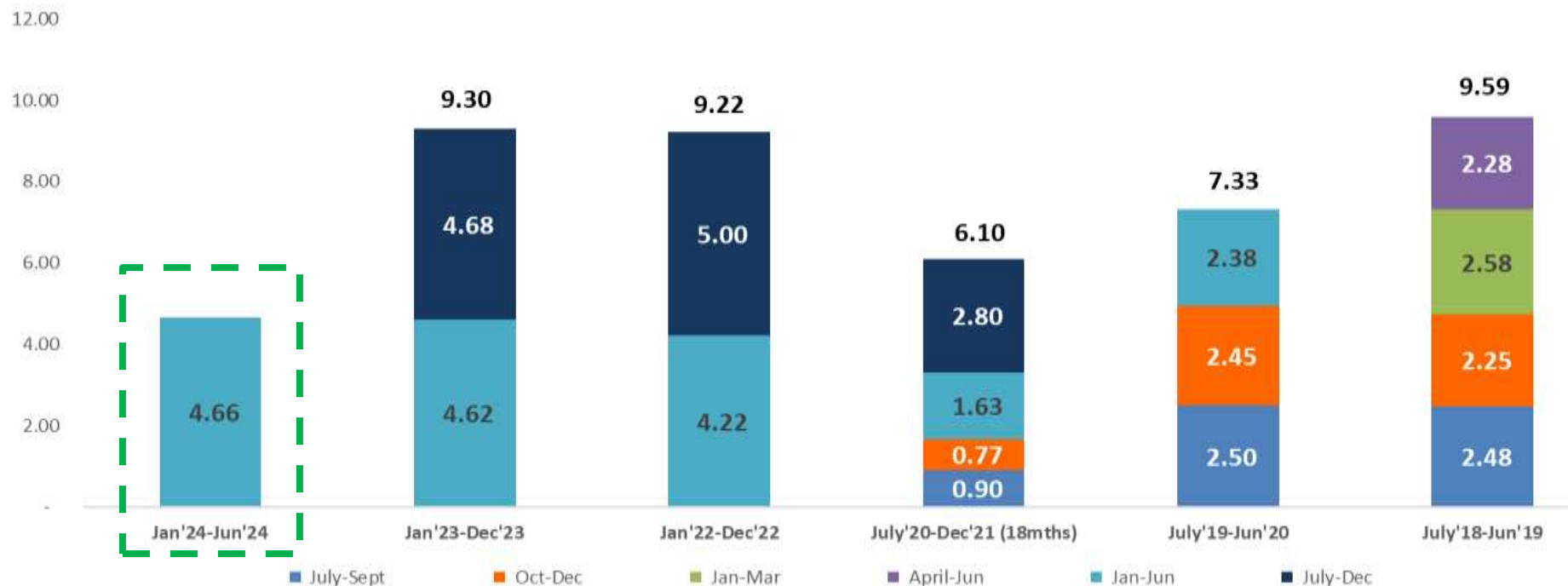
Distribution Period	1 January 2024 - 30 June 2024
Distribution Per Unit (DPU) (sen)	4.66
Notice of Entitlement	15 August 2024
Ex-Dividend Date	5 September 2024
Book Closure Date	6 September 2024
Payment Date	4 October 2024

DPU for 1H 2024 was higher by 0.04 sen / RM1.4 million mainly due to :-

- i) higher revenue from the retail segment supported by rental from the six Sunway REIT Hypermarkets which acquisition was completed on 30 April 2024;
- ii) better performance from Sunway Carnival Mall;
- iii) higher rental from Sunway Resort Hotel;

partially offset by the absence of Sunway Medical Centre (Tower A & B) rental following the completion of its disposal on 30 August 2023.

6-Years DPU



5-Year DPU CAGR

-0.9%

(Based on CY 2019 DPU of 9.81 sen)

Distribution Yield

6.1%

(Based on unit price of RM1.55 as at 28 June 2024 with FY 2024 annualised DPU of 9.39 sen)

Financial Highlights – Q2 2024 vs Q2 2023

Highlights	Q2 2024	Q2 2023
No. of Properties	25	20
Property Value (RM'billion)	9.663	9.165 [@]
Units in Circulation (Units)	3,424,807,700	3,424,807,700
Unit Price as at 30 June 2024/2023 (RM)	1.55	1.56
Market Capitalisation (RM'billion)	5.308	5.343
Net Asset Value ("NAV") Per Unit (RM) (after income distribution)	1.4845 [#]	1.4651 [#]
Premium to NAV	4.4%	6.5%
Distribution Yield	6.1% [^]	6.0%
Management Expense Ratio (after income distribution)	0.98% [~]	0.89%
Total Return	6.7%	12.8%
Gearing	43.7%	38.1%
% of Fixed Rate Borrowings	23%	37%

[@] Including RM430 million in Non-Current Asset Held For Sale on the disposal of Sunway Medical Centre (Tower A & B) which was completed on 30 August 2023.

[#] After proposed interim income distribution of 4.66 sen per unit for 1H 2024 (1H 2023: Interim income distribution of 4.62 sen per unit).

[^] This is derived from annualised distributable income of 9.39 sen per unit (based on distributable income for YTD Q2 2024 of 4.67 sen per unit).

[~] Q2 2024 MER was higher mainly attributed to lower NAV following the redemption of perpetual notes in April 2024.

Financial Highlights Q2 2024 vs Q2 2023 (QTD & YTD)

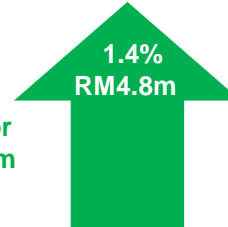
Reported in RM'000

Q2 YoY
Variance

YTD
Variance



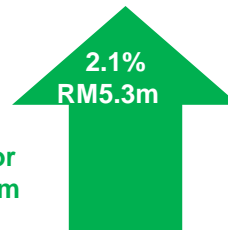
5.4% or
RM9.0m



1.4%
RM4.8m



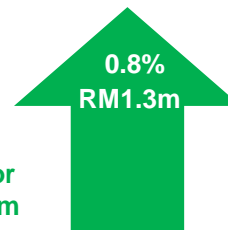
11.3% or
RM13.1m



2.1%
RM5.3m



16.1% or
RM10.8m



0.8%
RM1.3m

YTD Q2 2024 vs YTD Q2 2023

The higher **Revenue** was mainly contributed by the retail segment, partially offset by the absence of rental from SMC (Tower A & B) as explained in the previous slides.

YTD Q2 2024 vs YTD Q2 2023

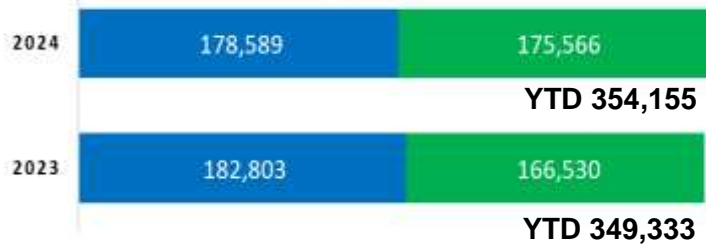
Higher **NPI** in tandem with the increase in revenue as explained above as well as lower A&P expenses.

YTD Q2 2024 vs YTD Q2 2023

In line with the higher NPI, **Profit before tax (realised) attributable to unitholders** increased accordingly, partially offset by the impact of higher average borrowing interest rate of 3.86% compared to 3.69%.

REVENUE

■ Q1 ■ Q2



NET PROPERTY INCOME

■ 1Q ■ 2Q



PROFIT BEFORE TAX (REALISED) ATTRIBUTABLE TO UNITHOLDERS

■ 1Q ■ 2Q



FINANCIAL RESULTS (Q2 2024)



Statement of Comprehensive Income – Consolidated

	Q2 2024 RM'000	Q2 2023 RM'000	Change %	YTD 2024 RM'000	YTD 2023 RM'000	Change %
Revenue	175,566	166,530	5.4%	354,155	349,333	1.4%
Property operating expenses	(46,280)	(50,346)	-8.1%	(94,326)	(94,843)	-0.5%
Net property income	129,286	116,184	11.3%	259,829	254,490	2.1%
Interest income	2,081	1,233	68.8%	8,365 ¹	3,299	>100%
Other income	26	265	-90.2%	74	295	-74.9%
Changes in fair value of IP	66,165 ²	-	>100%	66,165	-	>100%
Manager's fees	(11,281)	(10,539)	7.0%	(22,515)	(21,665)	3.9%
Trustee's fees	(196)	(194)	1.0%	(390)	(384)	1.6%
Other trust expenses	(999)	(746)	33.9%	(1,834)	(1,505)	21.9%
Finance costs	(40,014)	(34,011)	17.7%	(77,646) ³	(65,881)	17.9%
Profit before tax	145,068	72,192	>100%	232,048	168,649	37.6%
Tax expenses	-	-	N/A	-	-	N/A
Profit for the period	145,068	72,192	>100%	232,048	168,649	37.6%
Profit for the period						
Realised						
- Unitholders	78,042	67,198	16.1%	160,022	158,721	0.8%
- Perpetual note holders	817 ⁴	4,959	-83.5%	5,776 ⁴	9,863	-41.4%
Unrealised	66,209 ²	35	>100%	66,250	65	>100%
	145,068	72,192	>100%	232,048	168,649	37.6%
Units (million units)	3,425	3,425	0.0%	3,425	3,425	0.0%
Earnings/unit to unitholders (sen):						
Realised	2.28	1.96	16.3%	4.67	4.63	0.9%
Unrealised	1.93	-	N/A	1.93	-	N/A
	4.21	1.96	>100%	6.60	4.63	42.5%
Distributable income	78,042	67,198	16.1%	160,022	158,721	0.8%
Proposed/declared distribution	159,596	158,226	0.9%	159,596	158,226	0.9%
Distributable income per unit (sen)	2.28	1.96	16.3%	4.67	4.63	0.9%
Proposed/declared DPU (sen)	4.66 ⁶	4.62	0.9%	4.66	4.62	0.9%

- Interest income** for YTD Q2 2024 was higher compared to YTD Q2 2023 contributed by higher cash balance.
- Changes in fair value of investment properties and unrealised gain** was in relation to the acquisition of six Sunway REIT Hypermarkets completed on 30 April 2024.
- Finance costs** for YTD Q2 2024 was higher compared to YTD Q2 2023 mainly due to higher borrowings and higher average borrowing interest rate (3.86% vs 3.69%).
- Amount reserved for distribution to perpetual note holders was lower compared to YTD Q2 2023 as the outstanding perpetual notes has been fully redeemed in April 2024.
- Distributable income per unit** represents realised income attributable to unitholders and distribution adjustments, if any.
- Proposed/declared DPU** was 4.66 sen for 1H 2024.

Statement of Financial Position – Consolidated

	30 June 2024 (Unaudited) RM'000	31 Dec 2023 (Audited) RM'000
Assets		
Non-current assets		
Investment properties	9,603,658 ¹	8,912,360
Investment properties - accrued lease income	59,640 ²	59,640
Plant and equipment	16,908	17,399
Right-of-use asset	682 ³	720
	9,680,888	8,990,119
Current assets		
Trade receivables	23,892 ⁴	19,384
Other receivables	61,390 ⁵	88,799
Derivatives	-	15,016
Cash and bank balances	121,227	425,305
	206,509	548,504
Total assets	9,887,397	9,538,623
Equity and liabilities		
Equity		
Unitholders' capital	3,433,864	3,433,864
Undistributed income	1,810,025	1,742,498
Total unitholders' funds	5,243,889	5,176,362
Perpetual note holders' funds	(283) ⁶	339,717
Total equity	5,243,606	5,516,079
Non-current liabilities		
Borrowings	2,630,000 ⁷	2,000,000
Long term liabilities	96,970	101,697
Deferred tax liability	12,991	12,991
Lease liability	773 ³	773
	2,740,734	2,115,461
Current liabilities		
Borrowings	1,693,605	1,636,985
Trade payables	2,345	1,498
Other payables	203,156 ⁸	268,552
Derivatives	3,927 ⁹	-
Lease liability	24 ³	48
	1,903,057	1,907,083
Total liabilities	4,643,791	4,022,544
Total equity and liabilities	9,887,397	9,538,623

	30 June 2024 (Unaudited) RM'000	31 Dec 2023 (Audited) RM'000
Number of units in circulation ('000)	3,424,808	3,424,808
Net Asset Value ('NAV') attributable to unitholders		
Before income distribution	5,243,889	5,176,362
After income distribution *	5,084,293	5,016,081
NAV per unit attributable to unitholders (RM)		
Before income distribution	1.5311	1.5114
After income distribution *	1.4845	1.4646

* After proposed interim income distribution of 4.66 sen per unit for semi-annual period ended 30 June 2024 (31 December 2023: Final income distribution of 4.68 sen per unit).

- Investment properties** increased by RM691.3 million mainly resulting from the completion of six Sunway REIT Hypermarkets acquisition on 30 April 2024.
- Investment properties – accrued lease income** is in relation to unbilled lease income receivable (MFRS 16).
- Right-of-use asset and Lease liability** is for a 12-year land lease from State Government of Penang for carpark purposes (MFRS 16).
- Trade receivables** was higher by RM4.5 million mainly due timing difference on rental collection for the newly acquired six Sunway REIT Hypermarkets from the Vendor.
- Other receivables** was lower mainly due to reclassification of deposit paid for six Sunway REIT Hypermarkets amounting RM52 million to investment properties upon completion of acquisition.
- The **perpetual note holders' fund** has been fully redeemed on 15 April 2024. The negative amount for the perpetual note holders' fund represents the initial setup cost for the programme.
- Long-term **borrowings** was higher mainly due to refinancing of short-term borrowings.
- Other payables** was lower resulting from ongoing settlement of accrual for capital expenditure.
- Derivatives** of RM3.9 million was in relation to revolving loan USD-MYR CCS contract.

Statement of Cash Flows – Consolidated

	Cumulative Quarter ended	
	30.06.2024	30.06.2023
	RM'000	RM'000
Cash flows from operating activities		
Cash receipts from customers	360,337	363,540
Refundable security deposits from/(to) customers	4,870	(2,032)
Cash paid for operating expenses	(124,670)	(140,742)
Net cash from operating activities ¹	240,537	220,766
Cash flows from investing activities		
Acquisition of plant and equipment	(1,289)	(3,848)
Deposit for acquisition of investment properties	(24,700)	(45,760)
Balance payment for acquisition of investment properties	(468,000)	-
Incidental costs on acquisition of investment properties	(6,490)	-
Subsequent expenditure of investment properties	(172,446)	(77,489)
Net cash flows to licensed financial institutions with maturity of over 3 months	(50,000)	(85,000)
Interest received	9,427	3,947
Net cash used in investing activities ²	(713,498)	(208,150)
Cash flows from financing activities		
Proceeds from issuance of commercial papers	2,210,000	130,000
Proceeds from issuance of unrated medium term notes	870,000	300,000
Drawdown of revolving loan - USD	688,985	200,267
Drawdown of revolving loan	50,000	100,000
Repayment of commercial papers	(2,030,000)	(100,000)
Repayment of unrated medium term notes	(700,000)	(300,000)
Repayment of revolving loan - USD	(331,503)	(292,552)
Repayment of revolving loan	(50,000)	-
Redemption of perpetual note	(340,000)	-
Interest paid	(78,400)	(63,672)
Distribution paid to unitholders	(160,281)	(171,240)
Distribution paid to perpetual note holders	(9,918)	(9,918)
Net cash from/(used in) financing activities ³	118,883	(207,115)
Net increase/(decrease) in cash and cash equivalents	(354,078)	(194,499)
Cash and cash equivalents at beginning of period	425,305	251,238
Cash and cash equivalents at end of period	71,227	56,739
Cash and bank balances	121,227	141,739
Deposits with licensed financial institutions with maturity of over 3 months	(50,000)	(85,000)
Cash and cash equivalents	71,227	56,739
Cash and bank balances at end of period comprise:		
Cash on hand and at banks	46,227	26,739
Deposits placed with licensed financial institutions	75,000	115,000
Cash and bank balances ⁴	121,227	141,739

1 Net cash from operating activities for YTD Q2 2024 of RM240.5 million compared to NPI less trust expense of RM235.1 million mainly comprise of cash receipt from lessees and tenants, partially offset by cash paid for operating expenses.

2 Net cash used in investing activities for YTD Q2 2024 of RM713.5 million was mainly resulting from the balance payment for acquisition of the six Sunway REIT Hypermarkets, earnest deposit paid for the proposed acquisition of 163 Retail Park as well as capital expenditure paid for the refurbishment works at Sunway Pyramid Mall and Sunway Carnival Mall.

3 Net cash from financing activities for YTD Q2 2024 of RM118.9 million being the net drawdown of RM367.5 million mainly to fund capital expenditures as mentioned in Note 2 above, partially offset by income distribution paid to unitholders of RM160.3 million and interest paid of RM78.4 million.

4 Cash and bank balances as at 30 June 2024 and 30 June 2023 stood at RM121.2 million and RM141.7 million respectively. The lower cash and bank balances was mainly resulting from higher cash used in investing activities as mentioned in Note 2 above.

Financing Profile as at 30 June 2024

	Facility Limit RM'mil	Utilised Amount RM'mil
Revolving loan (USD)	350.0	354.0 ¹
Revolving credit (USD)		283.1 ¹
Revolving credit (USD)	330.0	47.2 ¹
Commercial Paper	3,000.0	270.0
Unrated MTNs		310.0 ²
Unrated MTNs	10,000.0	130.0
Unrated MTNs		300.0 ²
Total Current		1,694.3
Revolving Loan (RM)	2,000.0	2,000.0 ³
Unrated MTNs	10,000.0	630.0 ²
Total Non Current		2,630.0
Amortization of CP expenses		(0.1)
Discount on CP issuance		(0.6)
Total Gross Borrowings		4,323.6

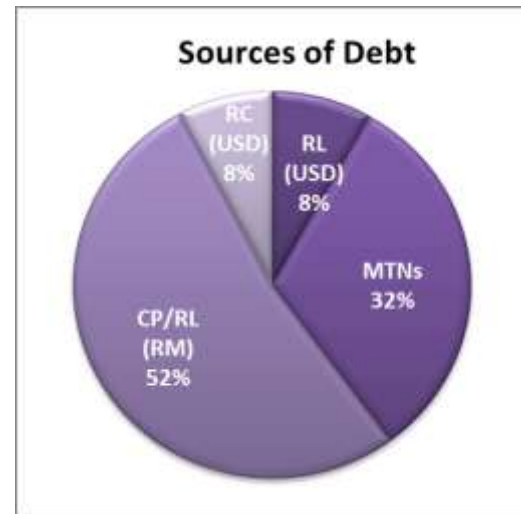
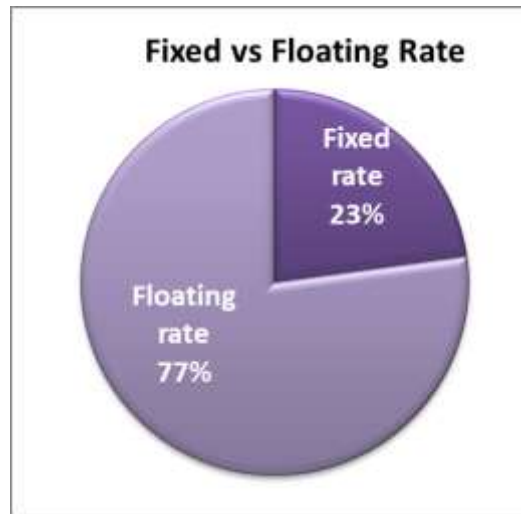
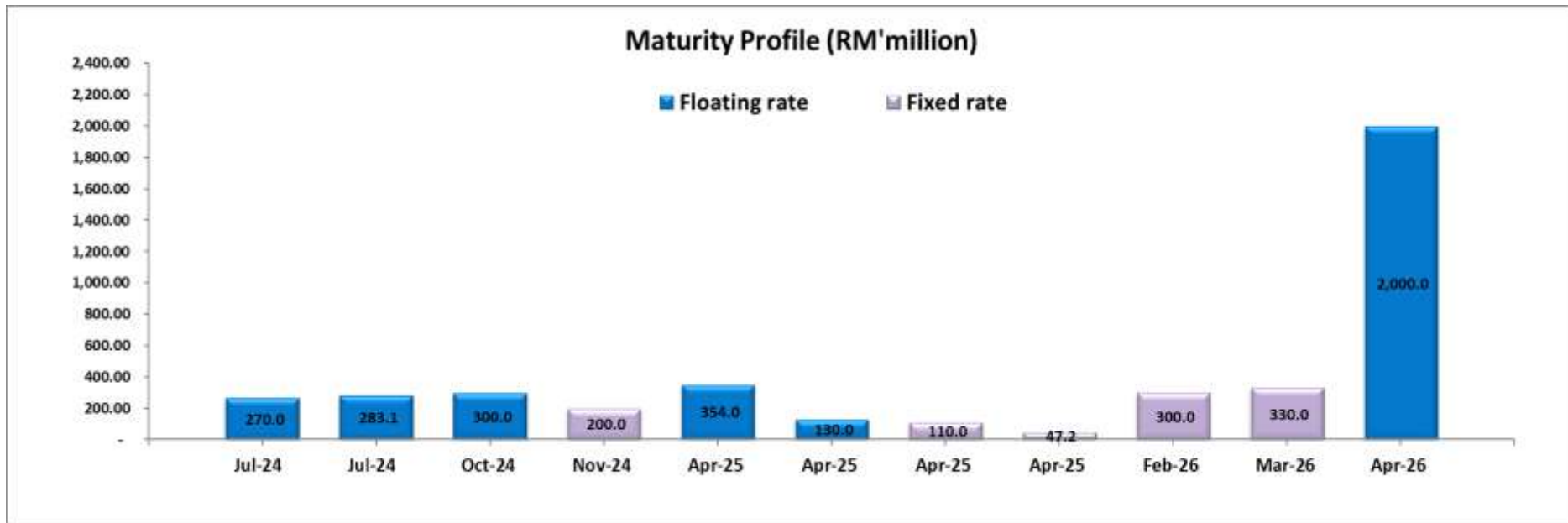
	Financial Covenants	30 June 2024
Average cost of debt		3.86%
Average maturity period (Years)		1.3
Interest Service Cover Ratio (ISCR)	min 1.5 X	3.0 X
Gearing ratio (SC Guidelines)	below 50%	43.7%

¹ Amount outstanding for revolving loan (drawn in USD75.0 million and USD 70.0 million) facility includes unrealised foreign currency translation gain of RM4.6 million. The loan is fully hedged with 3-month and 1-year cross currency swap contract until July 2024 and Apr 2025 respectively.

² The MTN Programme is backed by commitments from financial institutions to subscribe to unrated MTNs of up to RM10.0 billion.

³ The revolving loan is classified as non-current based on the tenor/repayment terms of 7 years due in March 2026. As at 30 July 2024, RM1.2 billion RL (RM) has been converted to 3 to 7 years MTN extending the average debt maturity period from 1.3 years to 2.4 years.

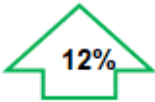
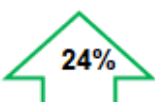
Financing Profile as at 30 June 2024 (Cont'd)



SEGMENTAL FINANCIAL RESULTS (Q2 2024)



Retail Segment : Q2 2024

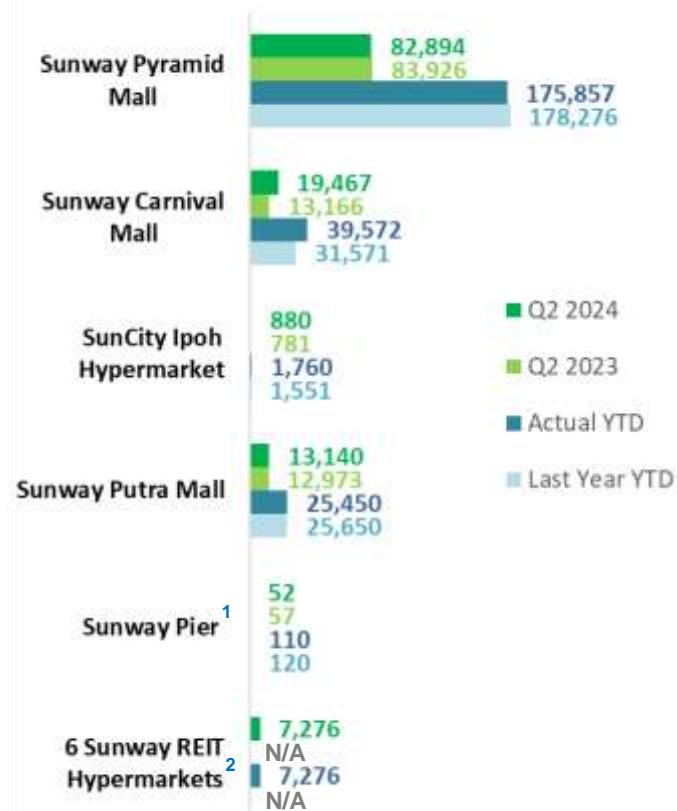
Retail Revenue		Retail NPI	
 12%	RM 123.7 million (Q2 2024) vs RM 110.9 million (Q2 2023) RM 12.8 million Variance	 24%	RM 86.2 million (Q2 2024) vs RM 69.5 million (Q2 2023) RM 16.7 million Variance

The revenue of retail segment for Q2 2024 improved compared to Q2 2023 mainly contributed by

- strong performance from Sunway Carnival Mall despite its ongoing AEI which is expected to be completed in June 2025; and
- inclusion of six Sunway REIT Hypermarkets on 30 April 2024.

Sunway Pyramid Mall's revenue was slightly affected by ongoing AEI at its Oasis section, which is targeted to open in November 2024. At present, there are more than 90% of committed tenants signed up.

Retail Turnover (in RM'000)



¹ Acquired on 17 January 2022. Currently in planning stage for redevelopment into a retail-centric tourist attraction. The property is collecting carpark rental now.


² Acquired on 30 April 2024 and the properties are under triple net lease arrangement.

Retail Segment

	Super-Regional Malls	Regional Malls	Neighbourhood Malls	Big-Box Retail
Target market & net lettable area	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.
Strategic retail asset portfolio	Sunway Pyramid Mall	Sunway Carnival Mall	Sunway Putra Mall Sunway Pier <small>(under development)</small>	Hypermarkets: SunCity Ipoh, Kinrara, USJ, Putra Heights, Ulu Kelang, Klang, Plentong
Geographic footprint across Malaysia	Sunway City Kuala Lumpur	Penang	Kuala Lumpur, Klang	Ipoh, Selangor, Kuala Lumpur, Johor
Sunway's unique strengths & characteristics	Unique, iconic location. Strong management & leasing team	Focus on identifying underserved markets	Resilience from convenience and tenant profile (F&B, Services)	Serving everyday needs of everyday people
Segment's WALE	1 - 3 years	1 - 3 years	1 - 3 years	5 - 10 years

O2 2024	Revenue	RM 82.9 million	RM 19.5 million	RM 13.2 million	RM 8.1 million
	NPI	RM 60.4 million	RM 11.1 million	RM 6.5 million	RM 8.1 million
	Valuation	RM 3,900 million	RM 900 million	RM 558 million	RM 625 million

Hotel Segment : Q2 2024

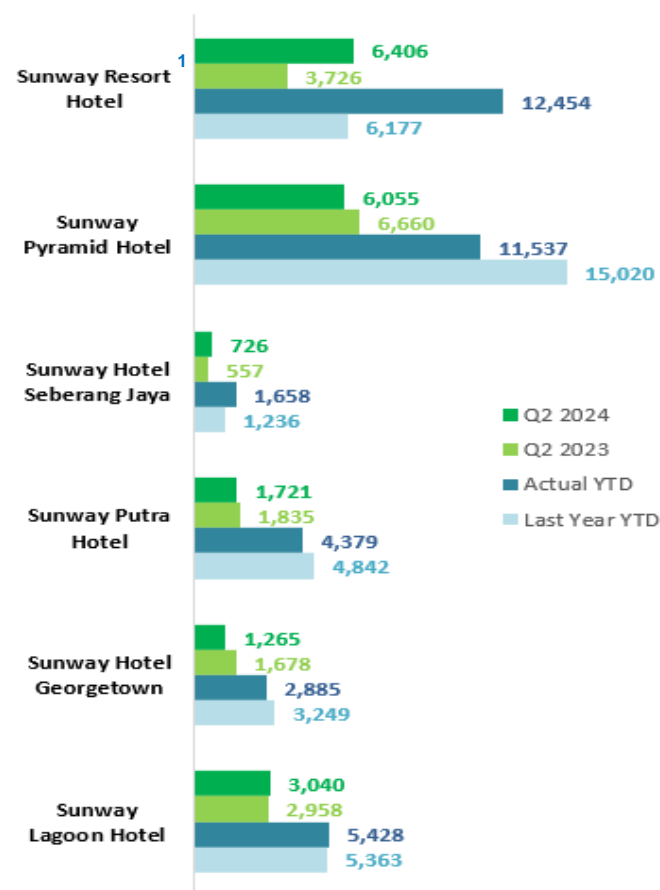
Hotel Revenue		Hotel NPI	
 10%	RM 19.2 million	RM 18.5 million	
	(Q2 2024)	(Q2 2024)	
	vs RM 17.5 million	vs RM 16.5 million	
	RM 1.8 million	RM 2.0 million	
	Variance	Variance	

The Hotel segment's revenue recorded healthy improvement attributable to the overall improvement in tourism activity and the inflow of foreign tourists.

Sunway Resort Hotel saw a two-fold increase in current quarter revenue with its full room inventory since July 2023.


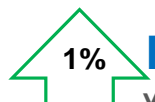
Sunway Hotel Seberang Jaya's improvement in revenue was attributed to the increased demand for corporate long-stay guests.

Hotel Turnover (in RM'000)



¹ Closed for refurbishment from July 2020 and reopened progressively since May 2022 with full room inventory available in July 2023.

Office Segment : Q2 2024

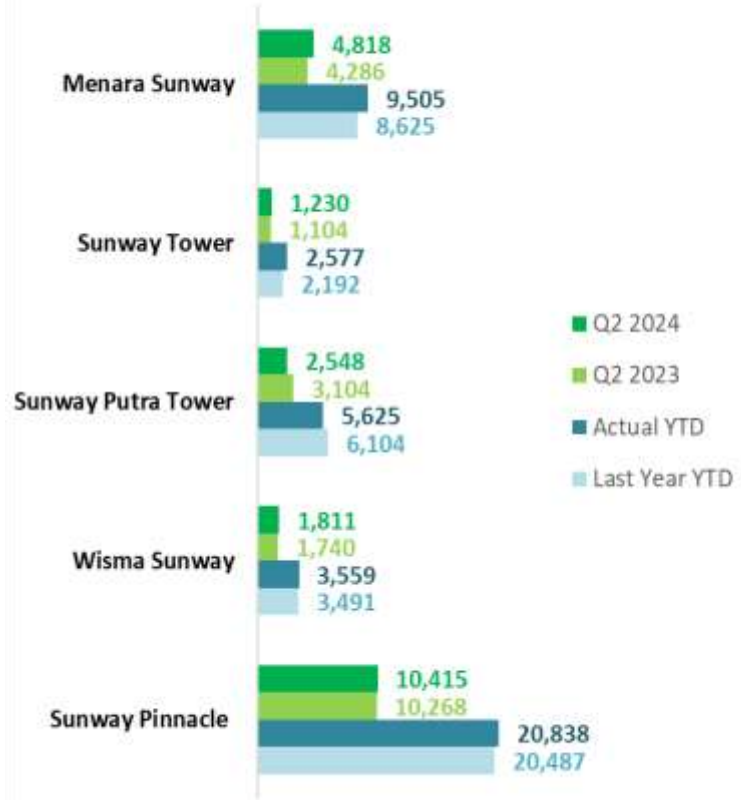
Office Revenue		Office NPI	
 2%	RM 20.8 million vs RM 20.5 million RM 0.3 million	 1%	RM 13.0 million vs RM 12.9 million RM 0.1 million
	(Q2 2024) (Q2 2023) Variance		(Q2 2024) (Q2 2023) Variance

The slight improvement in both revenue and NPI for the office segment was supported by a stable average occupancy rate of 84% in the current quarter.



Menara Sunway's improvement in revenue was attributed to the direct impact of its improved occupancy which is close to 100%.

Sunway Putra Tower recorded a decline in revenue after its major tenants, i.e. CIDB and CREAM relocated to their own office buildings.

Office Turnover (in RM'000)



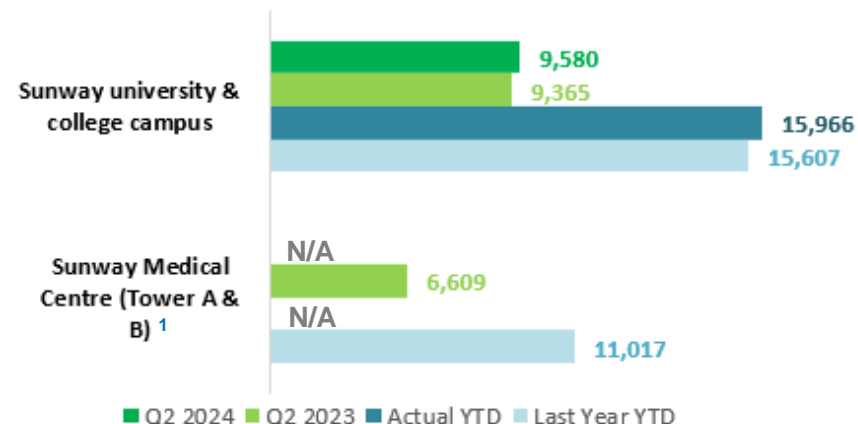
Services Segment : Q2 2024

Services Revenue		Services NPI	
	RM 9.6 million vs RM 16.0 million RM -6.4 million		RM 9.6 million vs RM 16.0 million RM -6.4 million
	(Q2 2024) (Q2 2023) Variance		(Q2 2024) (Q2 2023) Variance

The revenue and NPI for services segment in Q2 2024 were lower by RM6.4 million or 40% due to the disposal of Sunway Medical Centre (Tower A & B) which was completed on 30 August 2023. Accordingly, rental contribution has since ceased.

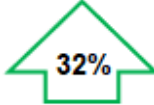
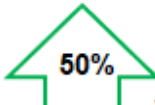
Sunway university & college campus rental contribution increased by 2.3% in accordance to the pre-agreed rate in master lease agreement.

Services Turnover (in RM'000)



¹ Sunway Medical Centre (Tower A & B) disposal was completed on 30 August 2023.

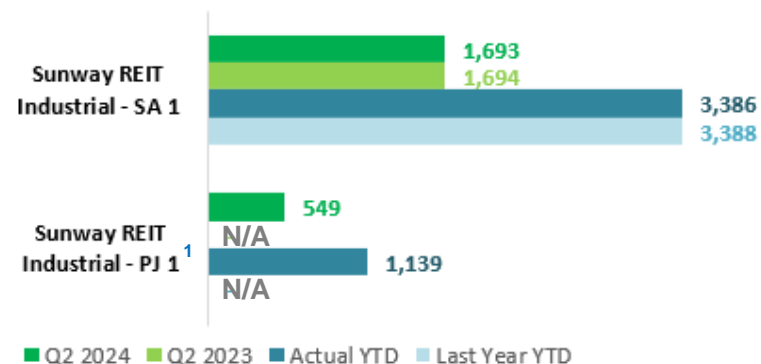
Industrial & Others Segment : Q2 2024

Industrial & Others Revenue	Industrial & Others NPI
 32% RM 2.2 million (Q2 2024) vs RM 1.7 million (Q2 2023) RM 0.5 million Variance	 50% RM 2.0 million (Q2 2024) vs RM 1.3 million (Q2 2023) RM 0.7 million Variance

The Industrial & Others segment recorded a sharp increase in revenue and NPI in Q2 2024, supported by an average occupancy rate of 31% for Sunway REIT Industrial – Petaling Jaya 1 in Q2 2024.

By 2H 2024, the occupancy for Sunway REIT Industrial – Petaling Jaya 1 is anticipated to increase to 52% based on its committed tenancies.

Industrial & Others Turnover (in RM'000)



¹ Acquisition was completed on 10 November 2022.

MARKET OUTLOOK (Q2 2024)



General Outlook – Key Economic Indicators

Indicator	2024 (F)	Q2 2024	Q1 2024	2023	2022	2021
Gross Domestic Product (GDP) (yoy)	4.0% - 5.0% ⁴	5.8% ⁵	4.2%	3.7%	8.7%	3.1%
Consumer Price Index (yoy)	2.1% - 3.6% ⁴	1.9% ²	1.7%	2.5%	3.3%	2.5%
Overnight Policy Rate (OPR)	3.0% ³	3.0% ¹	3.0%	3.0%	2.75%	1.75%

¹ Source: Bank Negara Malaysia

² Source: Department of Statistics Malaysia

³ Source: Bloomberg's economists consensus forecast

⁴ Federal Budget 2024, Ministry of Finance

⁵ Advance GDP as at 19 July 2024 (Source: Department of Statistics Malaysia), actual GDP to be announced on 16 August 2024

General Outlook



General Outlook

Malaysia started 2024 with stronger growth momentum. Advance estimates for Malaysia's GDP accelerated to 5.8% in Q2 2024, up from 4.2% in Q1 2024. The Manager approaches the year ahead with optimism. A more stable domestic political landscape will be favourable for the economy's long-term prospects. In addition, the influx of foreign direct investments indicates positive developments as Malaysia is gaining global visibility and building investor confidence.

Sunway REIT is confident that Malaysia's domestic consumption will continue to be supported by the low unemployment rate and reasonable economic growth. The recent introduction of Account 3 by the Employees Provident Fund (EPF) and the strengthening of Ringgit are positive factors to boost consumer spending further which augur well for the retail sector. Additionally, the Manager believes that stronger tourist arrivals will be another booster to the local economy.

As the US unemployment rate rises and recession fears intensify, market sentiment leans towards potential interest rate cuts by the Federal Reserve before the end of 2024. In Malaysia, it is anticipated that Bank Negara Malaysia ("BNM") will maintain the Overnight Policy Rate ("OPR") as the present monetary policy stance remains supportive of the economy, which is consistent with the current assessment of inflation and growth prospects. The Manager will maintain its dynamic capital management strategy and seek opportunities to capitalise on any change in interest rate direction in managing our borrowing cost.

Segmental Outlook - Retail



Retail Segment

The supply of retail malls in Malaysia will rise further in 2024. While representing new competition, these new retail malls could add depth and breadth to retail offerings and elevate Malaysia's position as a retail destination. The evolution of the retail landscape could attract more internationally renowned brands to have their presence in Malaysia which will benefit the overall retail industry. Therefore, the Manager strongly believes that established regional malls will continue to be well-placed to attract the best tenants.

According to Retail Group Malaysia, the retail industry is projected to grow by 4% in 2024, highlighting that the biggest challenge for the industry will be the rising cost of living. The recent introduction of EPF Account 3 or Flexible Account provides flexibility for short-term financial needs as the savings in this account can be withdrawn at any time, it is anticipated that the scheme may benefit the members and subsequently encourage consumer spending.

On the Asset Enhancement Initiatives ("AEIs") front, Sunway Pyramid Mall is currently undertaking reconfiguration of a previous anchor tenant's area, accounting for approximately 11% of net lettable area of the mall, which is targeted to be completed in FY2024. The Manager has secured tenants for more than 90% of the said area with positive rental reversion (March 2024 : 67%).

In addition, Sunway Carnival Mall is undergoing refurbishment for its existing wing (Phase 2) following the strong performance of the new wing which was completed in June 2022. The Phase 2 refurbishment is slated to be completed in phases between early 2024 to the end of 2025 and we expect an uplift in NPI upon full completion. As of March 2024, the Manager has secured more than 90% of committed tenants for the refurbished existing wing of Sunway Carnival Mall.

On 30 April 2024, Sunway REIT completed the proposed acquisition of six hypermarkets that are strategically located at Klang Valley and Johor. The rental contribution from the said properties has commenced on 30 April 2024.

The growth in Sunway REIT's retail segment is expected to be marginally impacted in FY2024 as a result of the above-mentioned ongoing AEIs in two of its major retail malls, partially cushioned by the new rental contribution from the six hypermarkets.

Segmental Outlook - Hotel



Hotel Segment

Tourism Malaysia projects 2024 tourist arrival to surpass the 2019 pre-pandemic level of 26.1 million foreign visitors, particularly visitors from China and India following the improved flight connectivity and resumption of flights to Northeast Asia destinations. Additionally, the recently granted 30-day visa-free entry, effective 1 December 2023 for visitors from China, India, Saudi Arabia, Qatar and UAE, Bahrain, is expected to further catalyse the tourism industry in Malaysia.

In ASEAN, tourism broadly recovered to 70% of pre-pandemic levels in 2023. For most of the countries, particularly Thailand and Vietnam, the remaining 30% gap was due to a slower-than-expected return of Chinese tourists. In fact, Malaysia led the region in welcoming mainland Chinese tourists in 2023, with a recovery rate of 45% of 2019's level. Malaysia's tourism for the first quarter of 2024 recorded an increase of 32.5% to 5.8 million tourists, from 4.3 million tourists in the same period last year.

Malaysia's strategic positioning in the Muslim-friendly and medical tourism segments bodes well for Sunway REIT's hotels which are in close proximity to Sunway Medical Centre and surrounding medical centres. Given these positive factors, the Manager is confident in a sustainable growth trajectory for the hotel segment in FY2024.

Segmental Outlook - Office



Office Segment

The office sector in Malaysia is anticipated to see a continued increase in incoming supply in 2024. The overhang of vacant office space especially in Klang Valley will adversely affect rental growth prospects. However, Malaysia's relatively cheap rental may entice relocations of more regional offices to Malaysia.

To ensure that Sunway REIT's office properties are included in their list for consideration, the Manager will continuously enhance the properties to meet green building requirements.

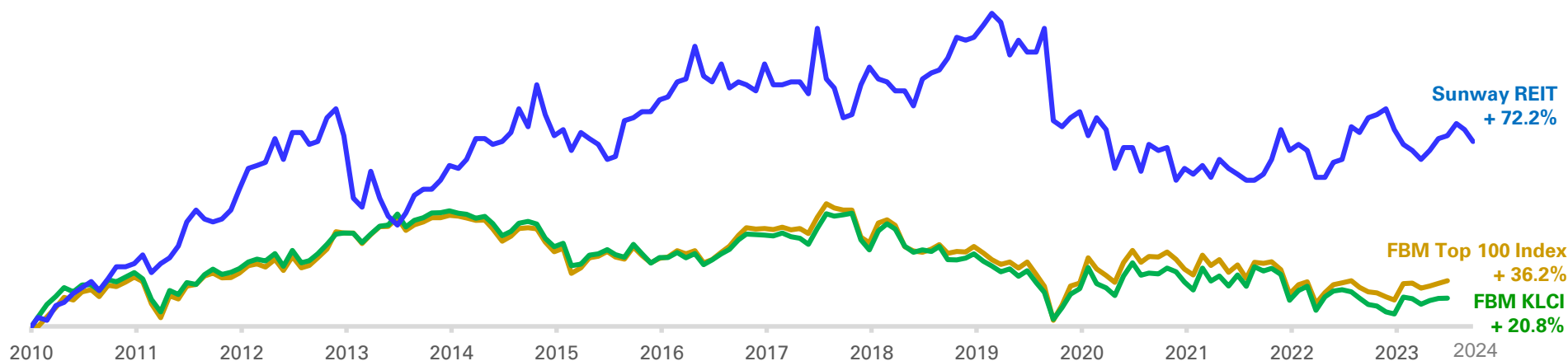
Against the backdrop of the overhang of supply, it is projected that rental rates and occupancy rates for the office segment will remain challenging. Nonetheless, the Manager is confident that the contribution of the Office segment in Sunway REIT's portfolio will remain stable in FY2024.

INVESTOR RELATIONS (Q2 2024)



Unit Price Performance from IPO to Q2 2024

Unit Price Performance of Sunway REIT versus Benchmarks (8 July 2010 – 30 June 2024)

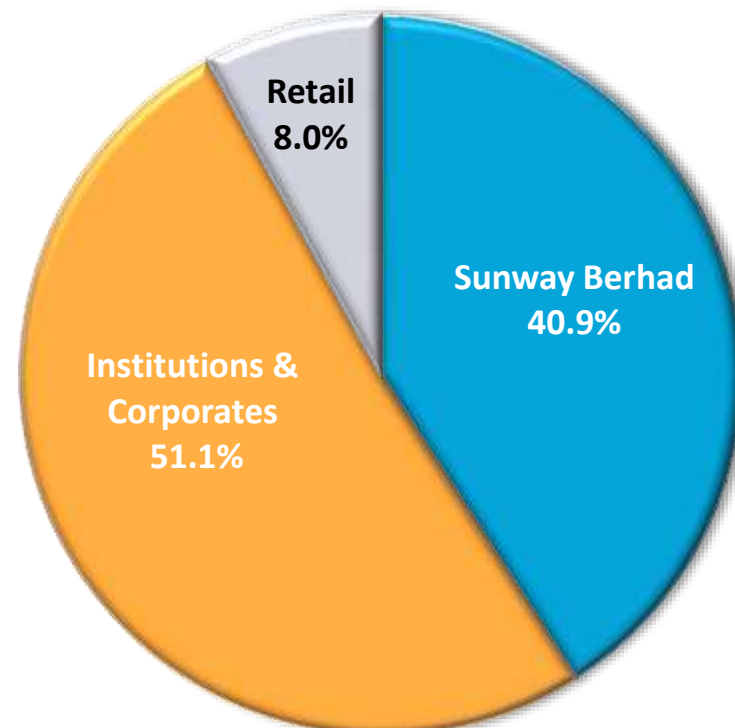
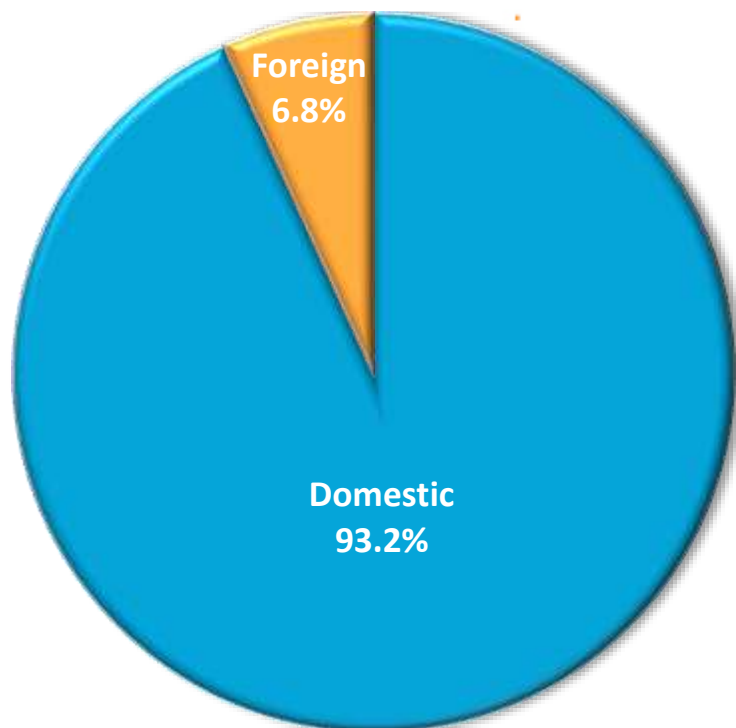


Performance Statistics

	IPO to Q2 2024	YTD Q2 2024
Unit Price (8.7.10 / 31.12.23)	RM0.90	RM1.54
Closing Price (30.6.24)		RM1.55
Highest Price	RM1.98	RM1.64
Lowest Price	RM0.88	RM1.49
Daily Ave Vol (million units)	1.98	1.93
% Change in Unit Price	+ 72.2%	+ 0.6%
% Change in FBM KLCI	+ 20.8%	+ 9.3%
% Change in FBM100 Index	+ 36.2%	+ 12.5%
% Change in M-REIT Index	n/a	+ 5.6%

Source: Bloomberg

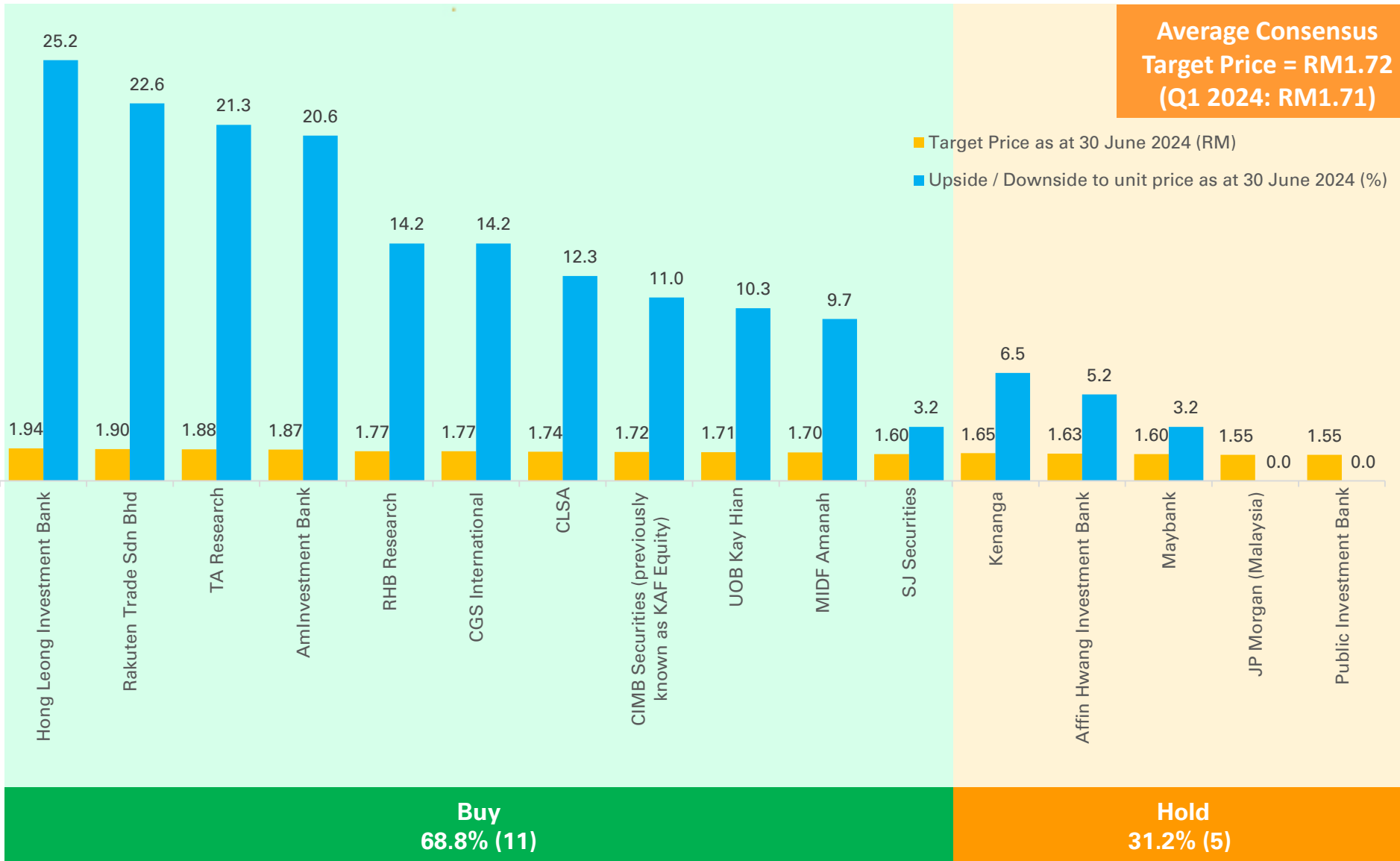
Unitholders' Composition (as at 30 June 2024)



	June 2024	March 2024	Q-o-Q Change
No. of unitholders	33,243	32,892	+ 1.1% (+ 351)
Retail unitholdings	8.0%	7.9%	+ 0.1%
Foreign unitholdings	6.8%	6.8%	Unchanged
Sunway Berhad	40.9%	40.9%	Unchanged

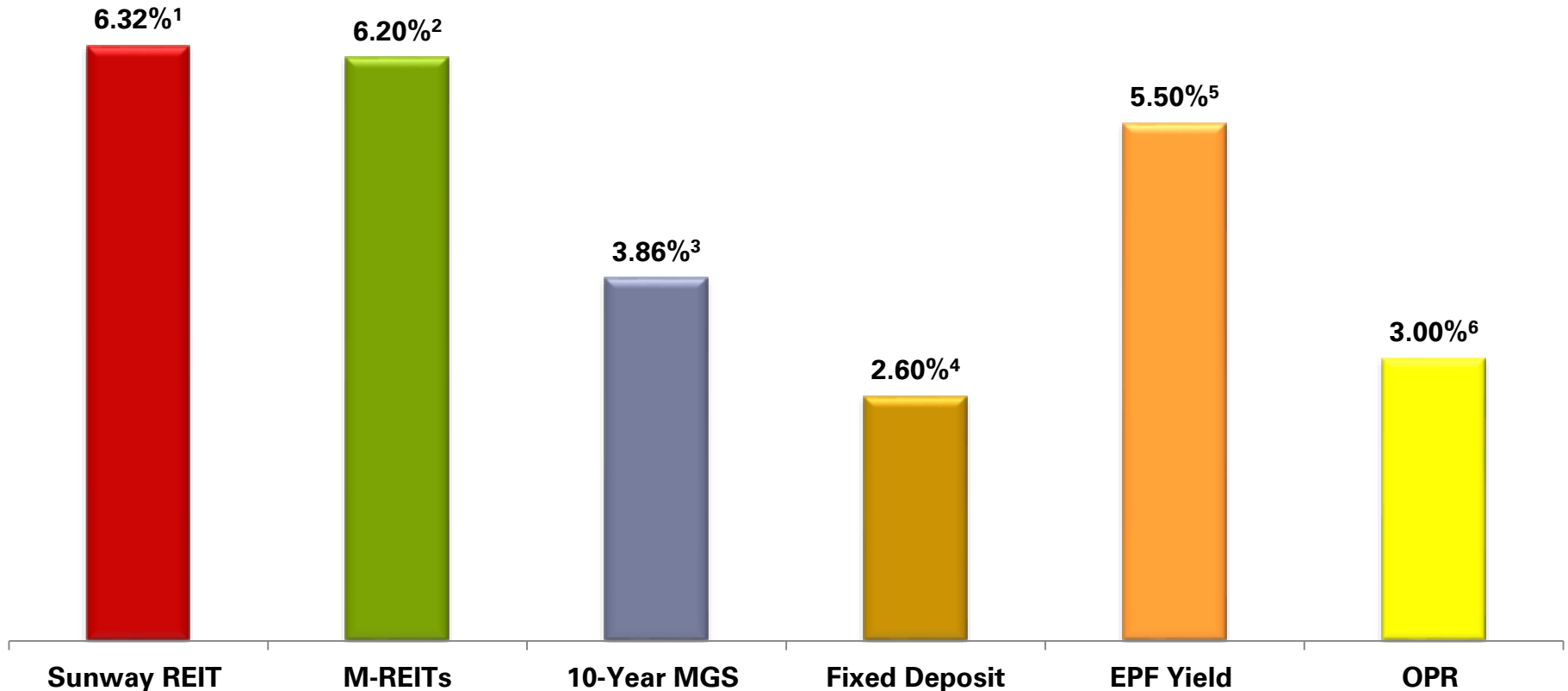
Source: ROD listing by Tricor

Analysts Recommendation (as at 30 June 2024)



Source: Bloomberg and various research firms

Comparative Yields for Various Assets (as at 30 June 2024)



Note:

¹ Distribution yield is computed based on Consensus DPU of 9.80 sen and unit price of RM1.55 as of 30 June 2024 (Source: Sunway REIT)

² Information as of 31 December 2023 (Source: Integrated annual reports, Bloomberg)

³ Information as of 30 June 2024 (Source: Bank Negara Malaysia)

⁴ 12-Month Fixed Deposit rates offered by Maybank as of 30 June 2024 (Source: Maybank)

⁵ Dividend yield declared by Employees Provident Fund for the year 2023 (Source: Employees Provident Fund)

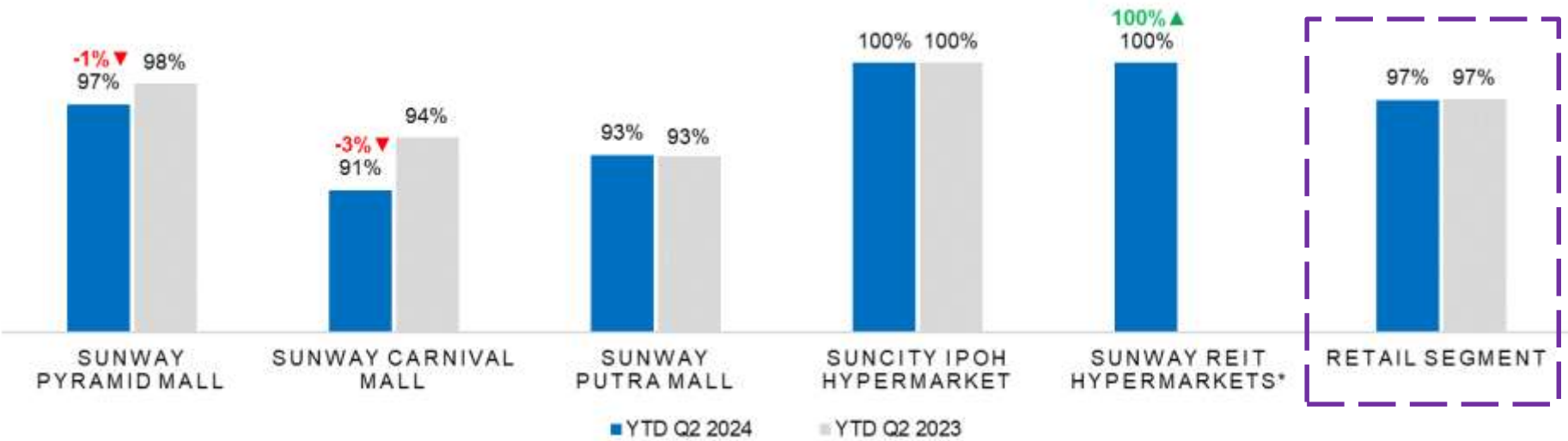
⁶ Overnight Policy Rate as of 11 July 2024 (Source: Bank Negara Malaysia)

APPENDIX I: PROPERTY PERFORMANCE (YTD Q2 2024 YoY Analysis)



Average Occupancy Rate (YTD Q2 2024)

RETAIL



The Retail segment's average occupancy rate remained stable at 97% in YTD Q2 2024, mainly supported by the full occupancy from six Sunway REIT hypermarkets, partially offset by the progressive closure and fit-out period for ongoing refurbishment in the two major malls, Sunway Pyramid Mall and Sunway Carnival Mall.

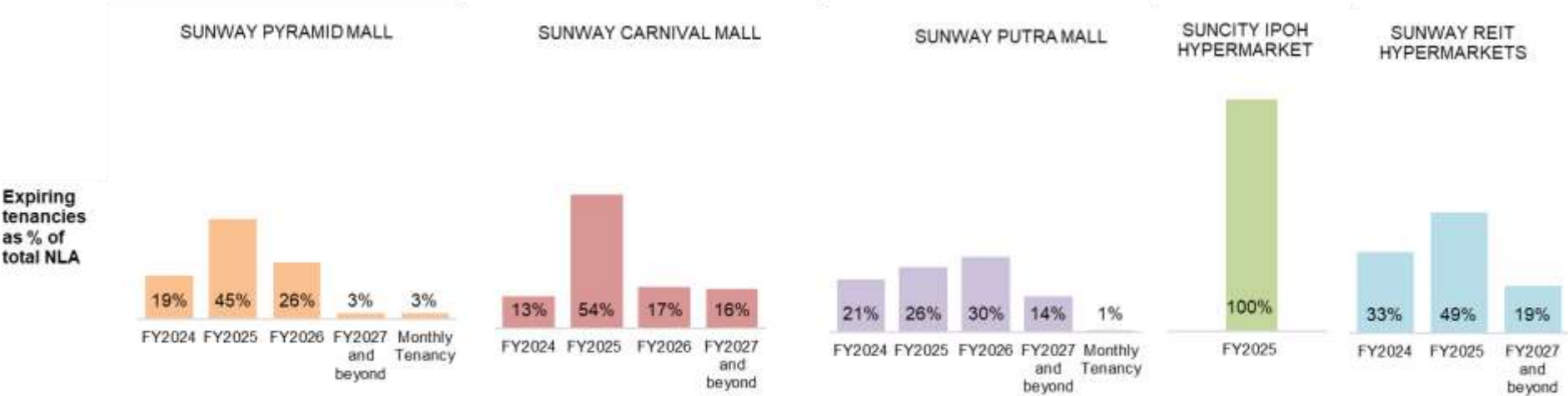
SunCity Ipoh Hypermarket is occupied by single tenant, TF Value-Mart, which commenced business in June 2020.

*Sunway REIT Hypermarkets pertain to the newly-acquired six hypermarkets located at Bandar Kinrara, Putra Heights, USJ 1, Klang, Ulu Kelang and Plentong. The properties are occupied by single tenant, Giant Malaysia.

Projected Lease Expiry Schedule

RETAIL

WALE = 0.83 year



Sunway Pyramid Mall

Based on the total net lettable area (NLA) of 668,554 sq. ft. due for renewal in 2024, a total of 239,861 sq. ft. / 35.9% was renewed or replaced.

Sunway Carnival Mall

Based on the total NLA of 116,464 sq. ft. due for renewal in 2024, a total of 11,130 sq. ft. / 9.6% was renewed or replaced.

Sunway Putra Mall

Based on the total NLA of 237,941 sq. ft. due for renewal in 2024, a total of 103,643 sq. ft. / 43.6% was renewed or replaced.

SunCity Ipoh Hypermarket

Occupied by single tenant, TF Value-Mart, with tenancy expiring June 2025 (2 years term).

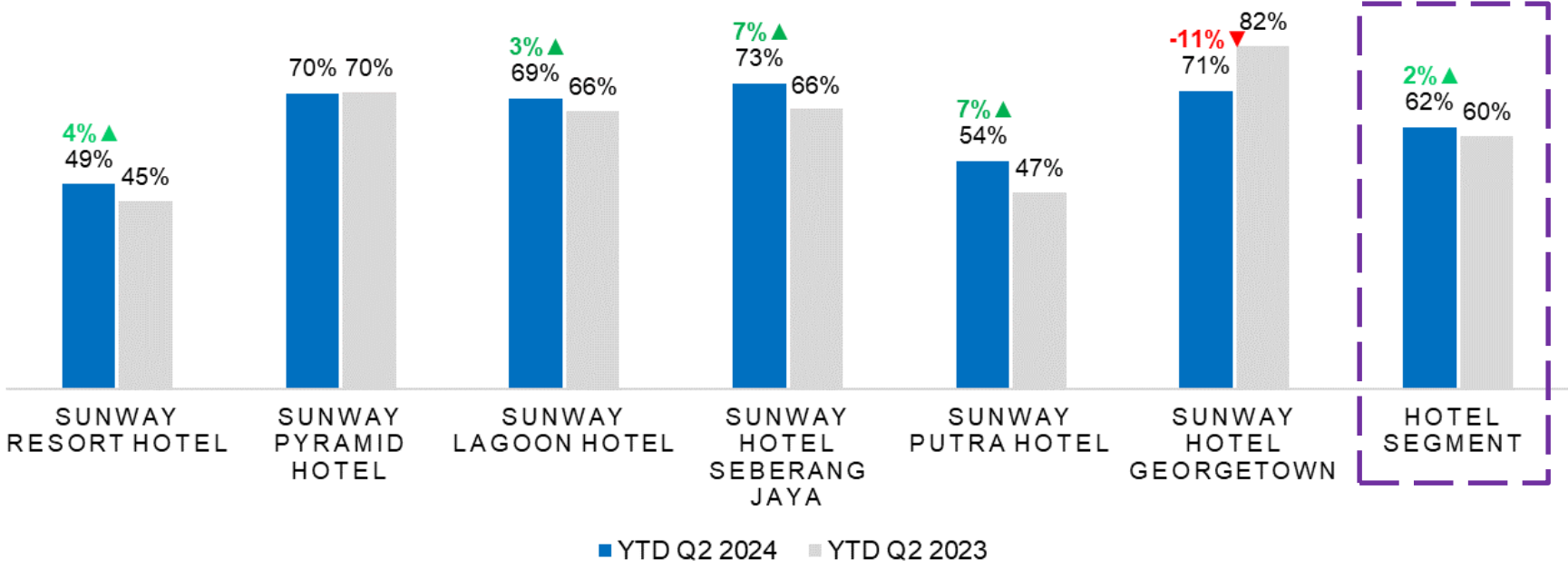
Sunway REIT Hypermarkets

Occupied by single tenant, Giant Malaysia, with tenancies expiring in **Nov'24** - Bandar Kinrara and Putra Heights; **Dec'25** - Klang, Ulu Kelang and Plentong; and **Aug'28** - USJ 1.

Average Occupancy Rate (YTD Q2 2024)

HOTEL

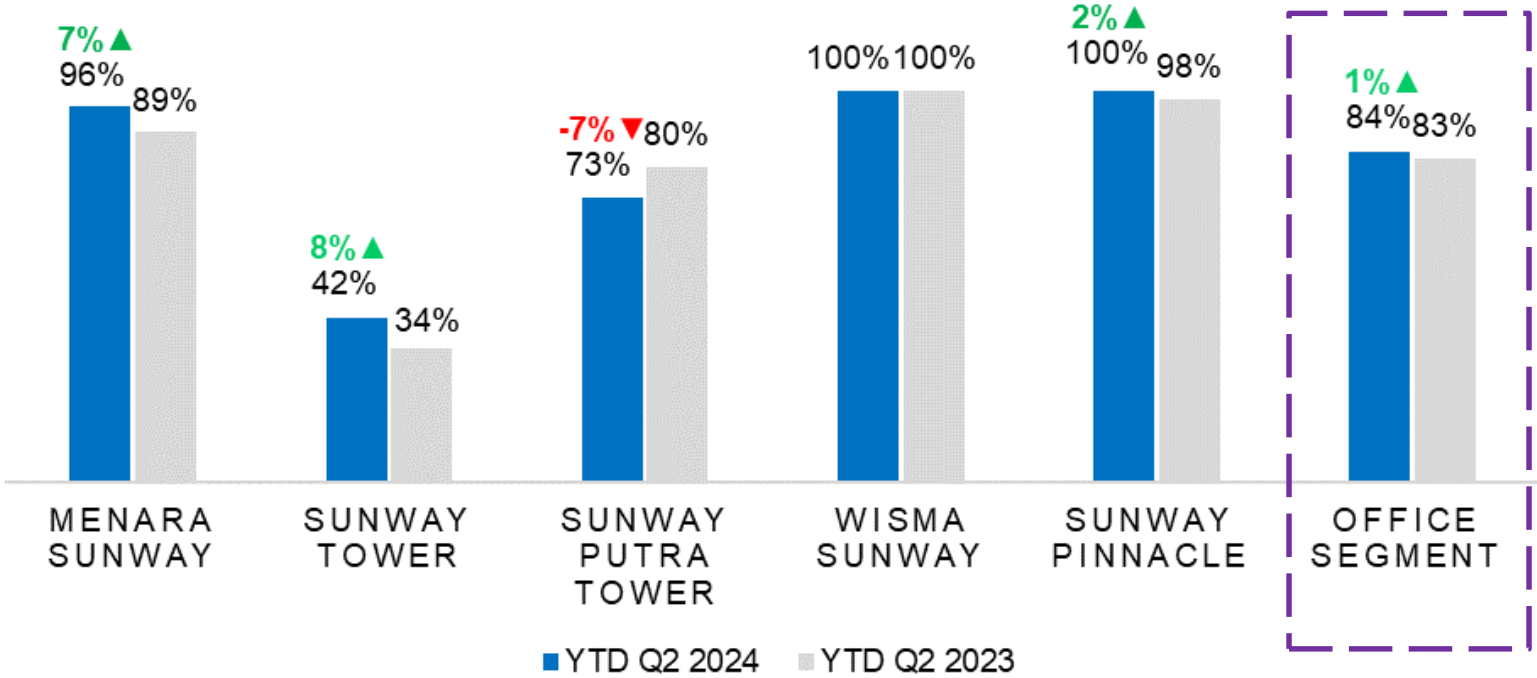
WALE = 5.67 years



The Hotel segment’s average occupancy rate recorded a marginal growth in YTD Q2 2024, mainly driven by the improvement of tourism activity, demand from leisure demand and MICE activities, alongside the arrival of domestic and international tourists.

Average Occupancy Rate (YTD Q2 2024)

OFFICE

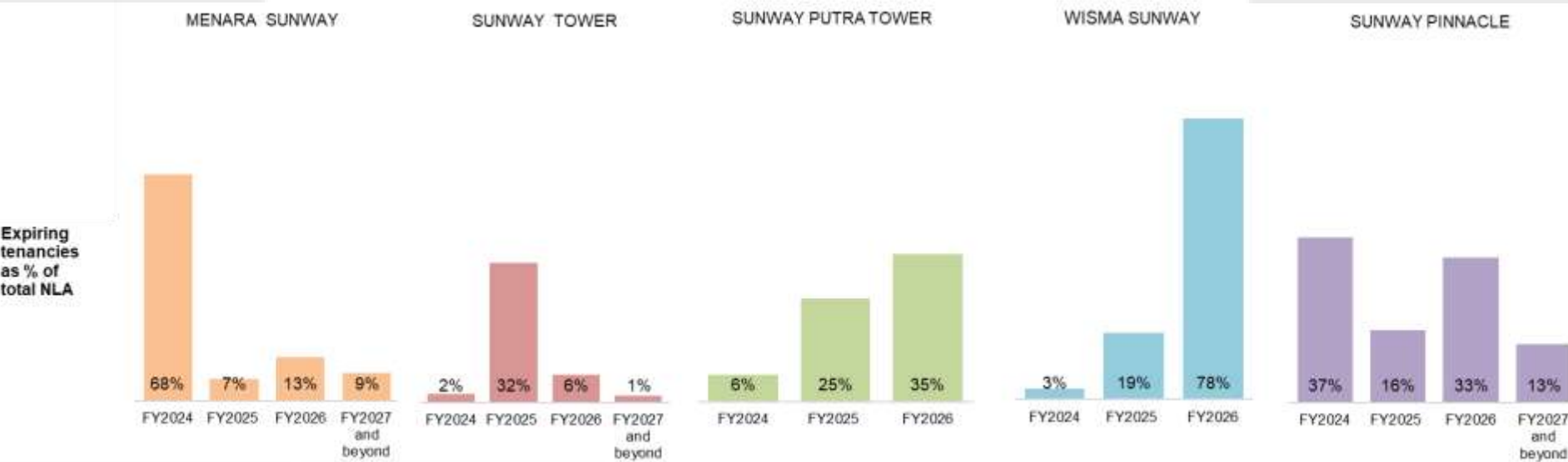


The Office segment recorded a marginal improvement in the average occupancy rate in YTD Q2 2024, primarily supported by the commencement of new tenants across the office properties, partially offset by the termination of tenants at Sunway Putra Tower.

Projected Lease Expiry Schedule

OFFICE

WALE = 1.25 years



Menara Sunway
 Based on total NLA of 227,838 sq. ft. due for renewal in 2024, 28,133 sq.ft. / 12.3% was renewed or replaced.

Sunway Tower
 Based on total NLA of 14,658 sq. ft. due for renewal in 2024, 9,477 sq.ft. / 64.7% was renewed or replaced.

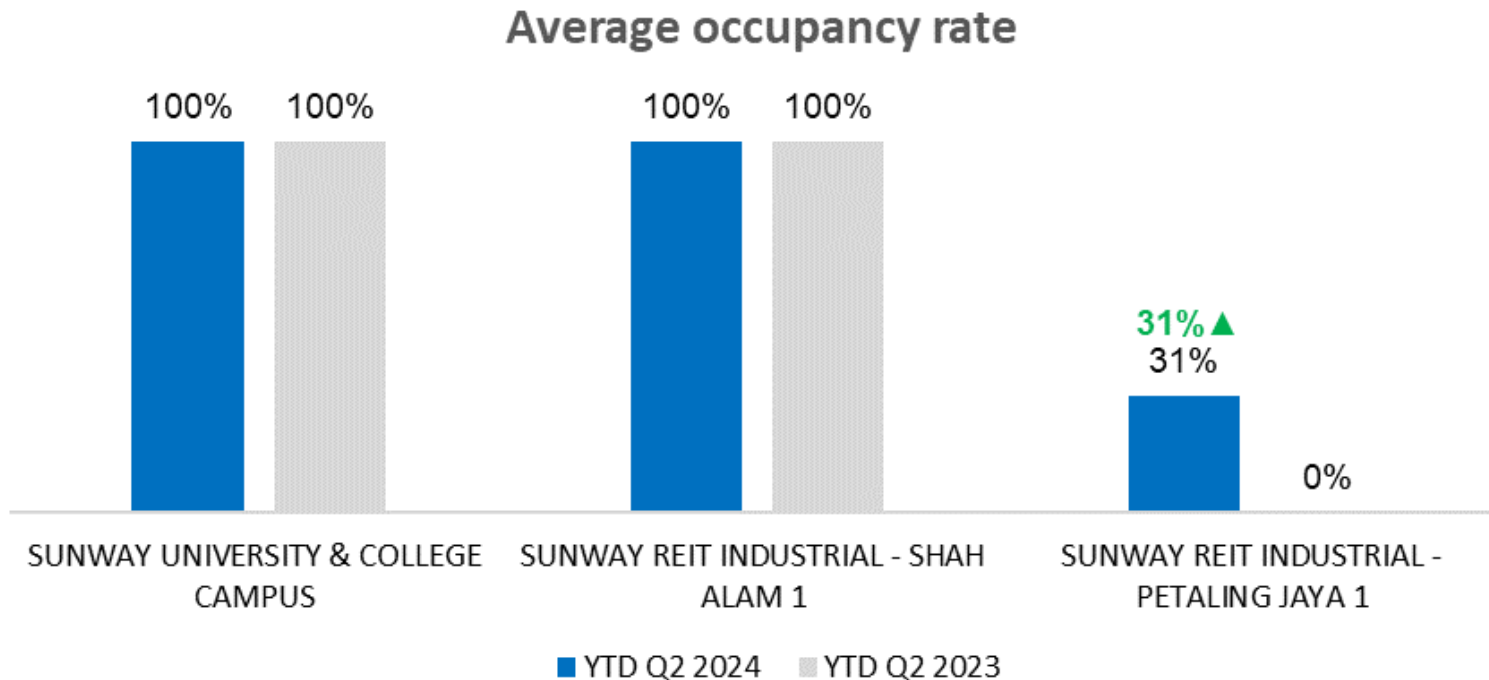
Sunway Putra Tower
 Based on total NLA of 64,783 sq. ft. due for renewal in 2024, no tenancies were due for renewal in Q2 2024.

Wisma Sunway
 Based on total NLA of 5,191 sq. ft. due for renewal in 2024, no tenancies were due for renewal in Q2 2024.

Sunway Pinnacle
 Based on total NLA of 284,550 sq. ft. due for renewal in 2024, 77,398 sq.ft. / 27.2% was renewed or replaced.

Average Occupancy Rate (YTD Q2 2024)

SERVICES, INDUSTRIAL & OTHERS



Sunway university & college campus and Sunway REIT Industrial – Shah Alam 1 are occupied by single tenants, in accordance with triple net lease arrangements.

Sunway REIT Industrial – Petaling Jaya 1 recorded an average occupancy rate of 31% and the Manager is in the advanced stage of negotiations with prospective tenants for the remaining space.

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