



FINANCIAL RESULTS

SUNWAY[®]
REIT

Third Quarter Ended 31 March 2020
(FYE 30 June 2020)

19 May 2020

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FINANCIAL HIGHLIGHTS (3Q2020)



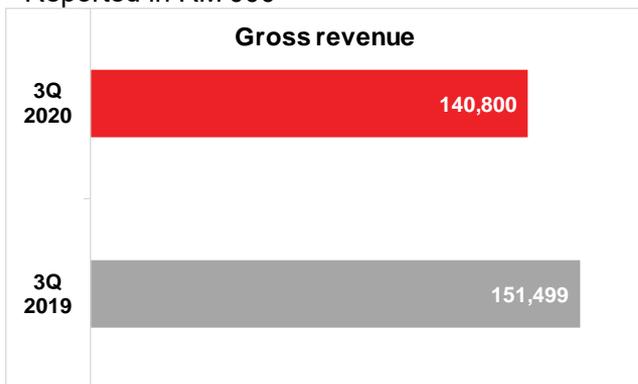
Financial Highlights – 3Q2020

Highlights	3Q 2020	3Q 2019
No. of Properties	17	16
Property Value (RM'billion)	8.098	7.367
Units in Circulation	2,945,078,000	2,945,078,000
Unit Price as at 31 Mar (RM)	1.59	1.80
Market Capitalisation (RM'billion)	4.683	5.301
Net Asset Value ("NAV") Per Unit (RM) (after income distribution)	1.4905 [*]	1.4802
Premium to NAV	6.7%	23.8%
Annualised Distribution Yield (Based on market price as at 31 Mar)	5.9%	5.4%
Management Expense Ratio (After income distribution)	0.89%	0.93%
YTD Total Return	-9.1%	3.1%
Gearing	38.2%	38.4%
% of Fixed Rate Borrowings	43%	48%

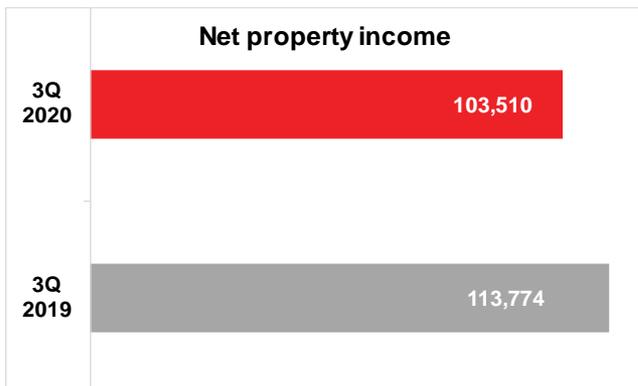
* After distributable income for 3Q2020 of 2.06 sen per unit is assumed for income distribution (3Q2019: interim income distribution of 2.58 sen per unit).

Financial Highlights – 3Q2020 (Cont'd)

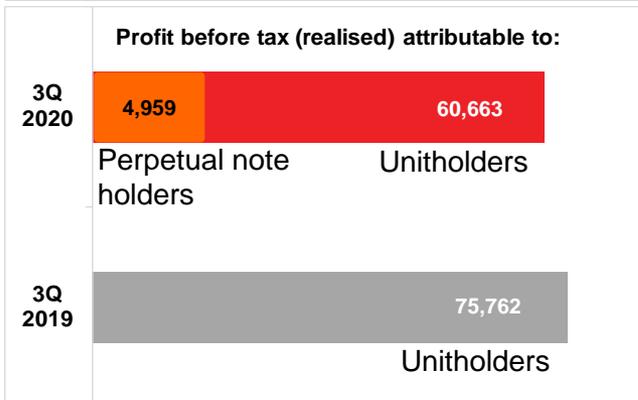
Reported in RM'000



Gross Revenue for 3Q2020 decreased by 7.1% or RM10.7 million compared to 3Q2019 mainly attributable to lower performance from retail and hotel segment resulted from COVID-19 impact, partially offset by contribution from the newly acquired Sunway university & college campus.



Net Property Income for 3Q2020 was lower by 9.0% or RM10.3 million compared to 3Q2019 in line with the decrease in revenue.

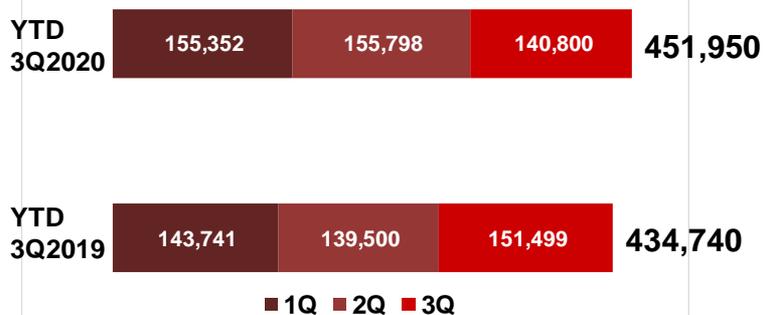


Profit Before Tax (Realised) for 3Q2020 was lower by 13.4% or RM10.1 million compared to 3Q2019 mainly due to lower NPI.

Financial Highlights – YTD 3Q2020

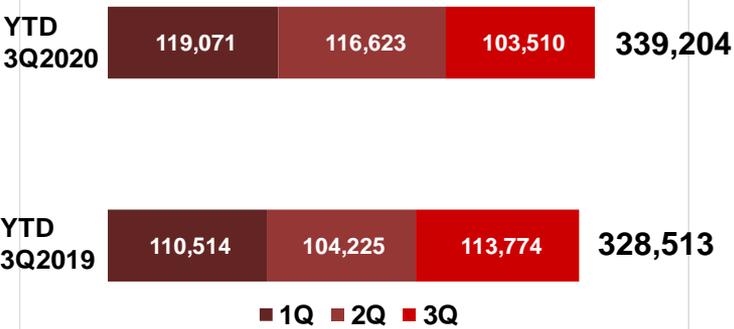
Reported in RM'000

Gross revenue



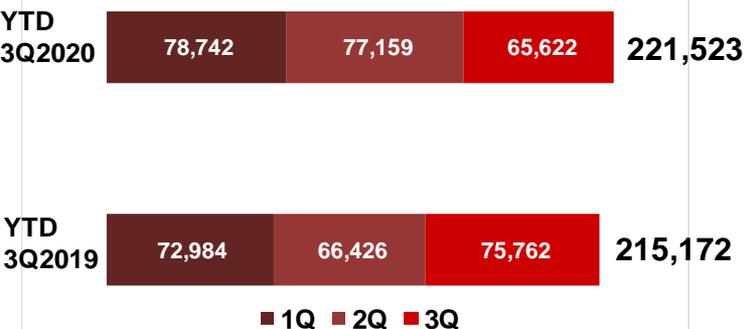
Gross Revenue for YTD 3Q2020 increased by 4.0% or RM17.2 million compared to YTD 3Q2019 mainly contributed by newly acquired Sunway university & college campus partially offset by lower performance from retail and hotel segments.

Net property income



Net Property Income for YTD 3Q2020 increased by 3.3% or RM10.7 million compared to YTD 3Q2019 in line with the increase in revenue.

Profit before tax (realised)



Profit Before Tax (Realised) for YTD 3Q2020 increased by 3.0% or RM6.4 million compared to YTD 3Q2019 mainly due to higher NPI, partially offset by higher manager's fees of RM2.1 million and higher finance costs of RM2.1 million.

FINANCIAL RESULTS (3Q2020)



Statement of Comprehensive Income – Consolidated

	3Q 2020 RM'000	3Q 2019 RM'000	Change %	YTD 2020 RM'000	YTD 2019 RM'000	Change %
Gross revenue	140,800	151,499	-7.1%	451,950	434,740	4.0%
Property operating expenses	(37,290)	(37,725)	-1.2%	(112,746)	(106,227)	6.1%
Net property income	103,510 ¹	113,774	-9.0%	339,204 ¹	328,513	3.3%
Interest income	1,030	681	51.2%	3,764	4,340	-13.3%
Other income	40	59	-32.2%	190	101	88.1%
Manager's fees	(9,296) ²	(8,994)	3.4%	(28,917)	(26,852)	7.7%
Trustee's fees	(167)	(161)	3.7%	(506)	(493)	2.6%
Other trust expenses	(470)	(752)	-37.5%	(2,232) ³	(2,616)	-14.7%
Finance costs	(28,984)	(28,798)	0.6%	(89,814) ⁴	(87,730)	2.4%
Profit before tax	65,663	75,809 ⁵	-13.4%	221,689	215,263	3.0%
Income tax expense	-	(6,895)	N/A	-	(6,895)	N/A
Profit for the period	65,663	68,914	-4.7%	221,689	208,368	6.4%
Profit for the period comprises the following:						
Realised						
- Unitholders	60,663	75,762	-19.9%	206,537	215,172	-4.0%
- Perpetual note holders	4,959 ⁶	-	N/A	14,986	-	N/A
Unrealised	41	(6,848)	->100%	166	(6,804)	->100%
	65,663	68,914	-4.7%	221,689	208,368	6.4%
Units in circulation (million units)	2,945	2,945	0.0%	2,945	2,945	0.0%
Basic EPU (sen):						
Realised	2.06	2.58	-20.2%	7.01	7.31	-4.1%
Unrealised	-	(0.24)	N/A	-	(0.24)	N/A
	2.06	2.34	-12.0%	7.01	7.07	-0.8%
Distributable income	60,663	75,762	-19.9%	206,537	215,172	-4.0%
Proposed/declared income distribution	-	75,983	-100.0%	145,781	215,285	-32.3%
Distributable income per unit (sen)	2.06 ⁷	2.58	-20.2%	7.01	7.31	-4.1%
Proposed/declared DPU (sen)	- ⁸	2.58	-100.0%	4.95	7.31	-32.3%

Statement of Comprehensive Income – Consolidated

- 1 Interest income** for 3Q2020 was higher by RM0.3 million due to higher short term investment compared to 3Q2019. Interest income for YTD 3Q2020 was lower by RM0.6 million mainly due to lower average interest rate for short term investment and placements with financial institutions compared with the preceding year corresponding period.
- 2 Manager's fees** was higher in 3Q2020 attributable to higher assets under management following the completion of the acquisition of Sunway university & college campus in 4Q2019.
- 3 Other trust expenses** YTD 3Q2020 was RM2.2 million, decreased by RM0.4 million compared to YTD3Q2019, mainly due to one-off professional fees in relation to the acquisition of Sunway university & college campus and the establishment of Perpetual Note Programme in the preceding year.
- 4 Finance costs** for YTD 3Q2020 was higher by RM2.1 million mainly due to higher principal loan amount to fund acquisition and capital expenditure, despite lower average interest rate.
- 5 Income tax expense** in 3Q2019 represents additional deferred tax expense on unrealised fair value gain of freehold land component of investment properties which is expected to be recovered through sale, for the increase in RPGT rate pursuant to amendments to the Real Property Gains Tax Act 1976 effective from 1 January 2019.
- 6 Realised profit attributable to perpetual note holders** represents current quarter's amount reserved for distribution to perpetual note holders pursuant to issuance of perpetual note in 4Q2019.
- 7 Distributable income per unit** represents realised income attributable to unitholders and distribution adjustments, if any.
- 8 Proposed/declared DPU** is nil for 3Q2020 as the income distribution payment frequency has been changed from quarterly to semi-annually effective from calendar year 2020. Distribution for 3Q 2020 and 4Q2020 will be declared and paid on a semi-annual basis.

Statement of Financial Position – Consolidated

	31.03.20 (Unaudited) RM'000	30.06.19 (Audited) RM'000		31.03.20 (Unaudited) RM'000	30.06.19 (Audited) RM'000
ASSETS					
Non-current assets			Units in circulation ('000 units)	2,945,078	2,945,078
Investment properties	8,098,015	8,047,410	Net Asset Value ("NAV") attributable to unitholders		
Plant and equipment	12,842	12,517	Before income distribution	4,450,226	4,456,839
	8,110,857	8,059,927	After income distribution	4,389,563	4,389,691
Current assets			NAV per unit attributable to unitholders (RM):		
Trade receivables	19,810	19,380	Before income distribution	1.5111	1.5133
Other receivables	11,479	11,473	After income distribution*	1.4905	1.4905
Short term investment	79,822 ¹	-			
Cash and bank balances	54,948 ²	67,258			
	166,059	98,111			
	8,276,916	8,158,038			
EQUITY AND LIABILITIES					
Equity					
Unitholders' capital	2,727,829	2,727,829			
Undistributed income	1,722,397	1,729,010			
Total Unitholders' funds	4,450,226	4,456,839			
Perpetual note holder's funds	339,717	339,717			
Total equity	4,789,943	4,796,556			
Non-current liabilities					
Long term liabilities	82,430 ³	77,018			
Deferred tax liability	14,841	14,841			
	97,271	91,859			
Current liabilities					
Borrowings	3,157,198 ⁴	3,090,793			
Trade payables	2,840	3,057			
Other payables	194,691	174,640			
Derivatives	34,973 ⁵	1,133			
	3,389,702	3,269,623			
	8,276,916	8,158,038			

* After distributable income for 3Q2020 of 2.06 sen per unit is assumed for income distribution (4Q2019: final income distribution of 2.28 sen per unit).

Statement of Financial Position – Consolidated

- 1 Short-term investment** relates to investment in 1-month commercial paper issued by Sunway Berhad Group, at the nominal value of RM80.0 million less the discount on commercial paper of RM0.2 million.
- 2 Cash and bank balance** was lower by RM12.3 million mainly due to the net cash used in investing activities.
- 3 Long-term liabilities** increased by RM5.4 million mainly due to due to higher tenants' refundable deposits resulting from renewal of tenancies.
- 4 Borrowings** increased by RM66.4 million as at 31 March 2020 mainly from the net issuance of commercial paper of RM100.0 million for capital expenditure, partially reduced by lower foreign currency translation for USD100 million revolving loan (drawn in AUD135 million) by RM33.5 million (AUD/RM 31 March 2020: 2.6506; 30 June 2019: 2.8984)).
- 5 Other payables** increased by RM20.1 million mainly due to higher accrual for loan interest by RM4.5 million and additional amount reserved for distribution to perpetual note holders of RM5.1 million.
- 6 Derivatives** of RM35.0 million is in relation to AUD-MYR CCS contract for the USD100 million revolving loan (drawn in AUD135 million).

Statement of Cash Flows – Consolidated

	Cumulative Quarter ended	
	31.03.2020	31.03.2019
	RM'000	RM'000
OPERATING ACTIVITIES		
Cash receipts from customers	492,008	456,647
Refundable security deposits from customers	1,572	3,099
Cash paid for operating expenses ¹	(171,171)	(181,375)
Net cash from operating activities	322,409	278,371
INVESTING ACTIVITIES		
Acquisition of plant and equipment	(2,011)	(1,162)
Deposit for acquisition of investment property	-	(55,000)
Subsequent expenditure of investment properties	(49,826)	(100,951)
Investment in short term money market instrument	(630,000)	(455,000)
Redemption of short term money market instrument	550,000	585,000
Interest received ²	4,445	3,722
Net cash used in investing activities	(127,392)	(23,391)
FINANCING ACTIVITIES		
Proceeds from issuance of commercial papers	860,000	301,000
Proceeds from issuance of unrated medium term notes	600,000	200,000
Drawdown of revolving loans	13,610,000	12,213,600
Repayment of commercial papers	(760,000)	(301,000)
Repayment of unrated medium term notes	(600,000)	(500,000)
Repayment of revolving loans	(13,610,000)	(11,894,400)
Interest paid	(84,426)	(80,764)
Distribution paid to unitholders	(212,929)	(202,621)
Distribution paid to perpetual note holders ³	(9,972)	-
Net cash used in financing activities	(207,327)	(264,185)
Net decrease in cash and cash equivalents	(12,310)	(9,205)
Cash and cash equivalents at beginning of year	47,258	57,559
Cash and cash equivalents at end of period	34,948	48,354
Cash and bank balances	54,948	48,354
Deposits with licensed financial institutions with maturity of over 3 months	(20,000)	-
Cash and cash equivalents	34,948	48,354
Cash and bank balances at end of period comprise:		
Cash on hand and at banks	34,948	14,854
Deposits placed with licensed financial institutions ⁴	20,000	33,500
Cash and bank balances ⁴	54,948	48,354

1 Net cash from operating activities for YTD 3Q2020 was RM322.4 million, higher by RM44.0 million compared to YTD 3Q2019 mainly contributed by higher collection from lessee and customers of RM26.1 million and RM9.3 million respectively and lower cash paid for operating expenses of RM10.2 million.

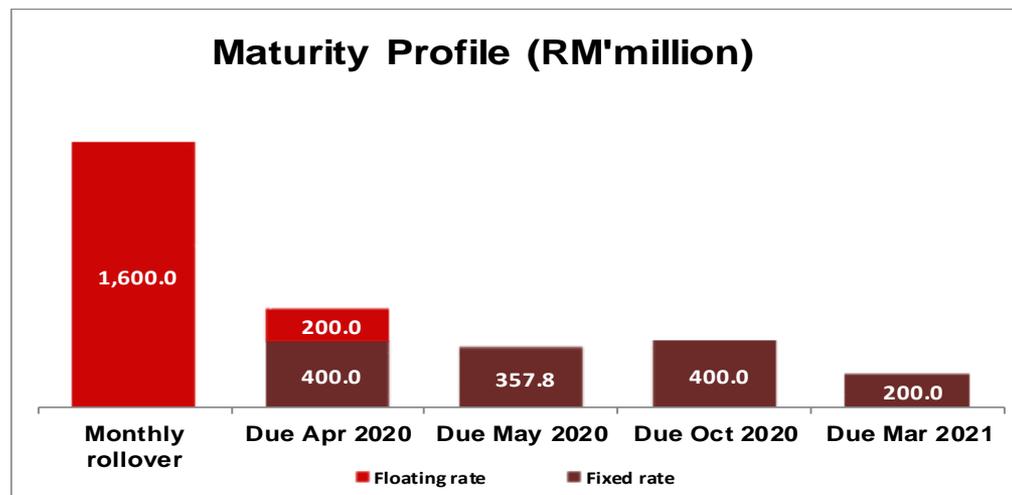
2 Net cash used in investing activities for YTD 3Q2020 was RM127.4 million was mainly due to the investment in money market instrument.

3 Net cash used in financing activities for YTD 3Q2020 of RM207.3 million was mainly contributed by interest paid and income distribution paid to unitholders of RM84.4 million and RM212.9 million respectively, as well as the distribution paid to perpetual note holders of RM10.0 million, partially offset by net proceeds from borrowings amounting to RM100.0 million.

4 Cash and bank balances as at 31 March 2020 and 31 March 2019 stood at RM54.9 million and RM48.4 million respectively. The higher balance at the end of current period was mainly due to higher net cash from operating activities as explained above.

Debt Profile as at 31 Mar 2020

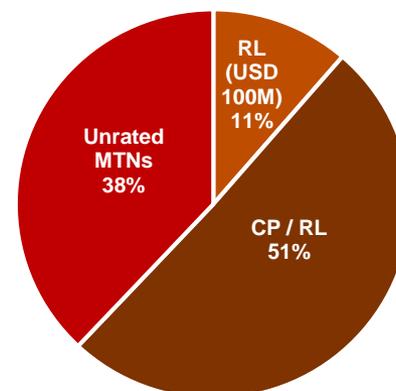
	Facility Limit RM'million	Amount RM'million
Revolving Loan (USD100m)	392.3	357.8
Commercial Papers (CP) / Revolving Loan (RL)	3,000.0	1,600.0
Unrated MTNs	10,000.0	1,200.0
Total Gross Borrowings		3,157.8
Discount on Commercial Paper		(0.2)
Unamortised transaction costs		(0.4)
Total Borrowings at carrying amount		3,157.2



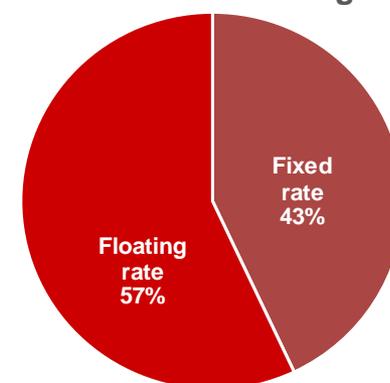
	RM'million
Maturity Profile:	
Current (due within 1 year)	3,157.8
Non-current (due after 1 year)	-
Total Gross Borrowings and Perpetual Note	3,157.8

Average Cost of Debt	3.81%
Average Maturity Period (Year)	0.3
Debt Service Cover Ratio (DSCR)	3.2
Gearing Ratio	38.2%

Sources of Debt



Fixed vs Floating



¹ The amount includes unrealised foreign exchange gain of RM34.5 million. The revolving loan is fully hedged with a 1-year cross currency swap contract until 12 May 2020.

² Underwritten by financial institution for amount up to RM1.5 billion as of 31 March 2020.

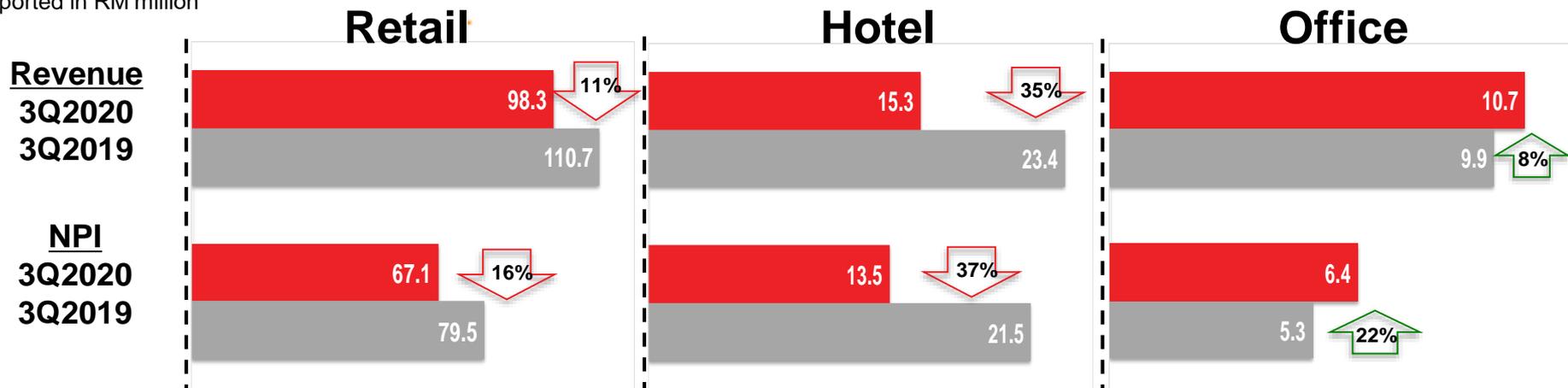
³ Commitment from financial institution to subscribe unrated MTNs of up to RM1.5 billion (30 June 2019: RM1.0 billion) for 5 years with maturity date of any subscription shall not be later than April 2023.

PORTFOLIO PERFORMANCE (3Q2020)



Revenue & NPI growth in 3Q2020

Reported in RM'million



Notes

The retail segment recorded gross revenue of RM98.3 million for the current quarter ended 31 March 2020 (3Q2020), a decrease of 11.2% or RM12.4 million compared to the preceding year corresponding quarter (3Q2019), mainly due to RM13.8 million rental support granted to non-essential retail tenants during the MCO period which commenced on 18 March 2020.

The net property income (NPI) correspondingly recorded a reduction of 15.6% or RM12.4 million compared to 3Q2019.

The hotel segment recorded gross revenue of RM15.3 million for 3Q2020, a decrease of 34.6% or RM8.1 million from 3Q2019, mainly due to impact of COVID-19 which affected global travelling patterns in 3Q2020 as well as the MCO period effected by government. Cancellations of room bookings and corporate events were inevitable during this period.

NPI correspondingly recorded a reduction of 37.0% or RM7.9 million compared to 3Q2019.

The office segment recorded gross revenue of RM10.7 million for 3Q2020, an increase of 8.1% or RM0.8 million compared to 3Q2019, mainly contributed by overall improved performance from all office properties.

The NPI recorded an increase of 22.1% or RM1.2 million compare to 3Q2019 due to vacancy allowance received in 3Q2020 for Sunway Tower while Menara Sunway had incurred higher maintenance expenses in 3Q2019.

Note: Calculation of variance above varies marginally compared to 3Q2020 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

Revenue & NPI growth in 3Q2020 (Cont'd)

Reported in RM'million

Revenue
3Q2020
3Q2019



Industrial & Others



Overall



NPI
3Q2020
3Q2019



Notes

The services segment contributed revenue and NPI of RM14.9 million for 3Q2020, an increase of RM9.0 million compared to 3Q2019, mainly due to full income contribution of Sunway university & college campus for the quarter of RM8.7 million, as well as contribution from Sunway Medical Centre of RM6.2 million to revenue and NPI in 3Q2020, an increase of 3.5% compared to 3Q2019 due to rental reversion in accordance with the master lease agreement.

Sunway REIT Industrial - Shah Alam 1 contributed RM1.5 million to revenue and NPI for 3Q2020, in line with 3Q2019 and in accordance with master lease agreement.

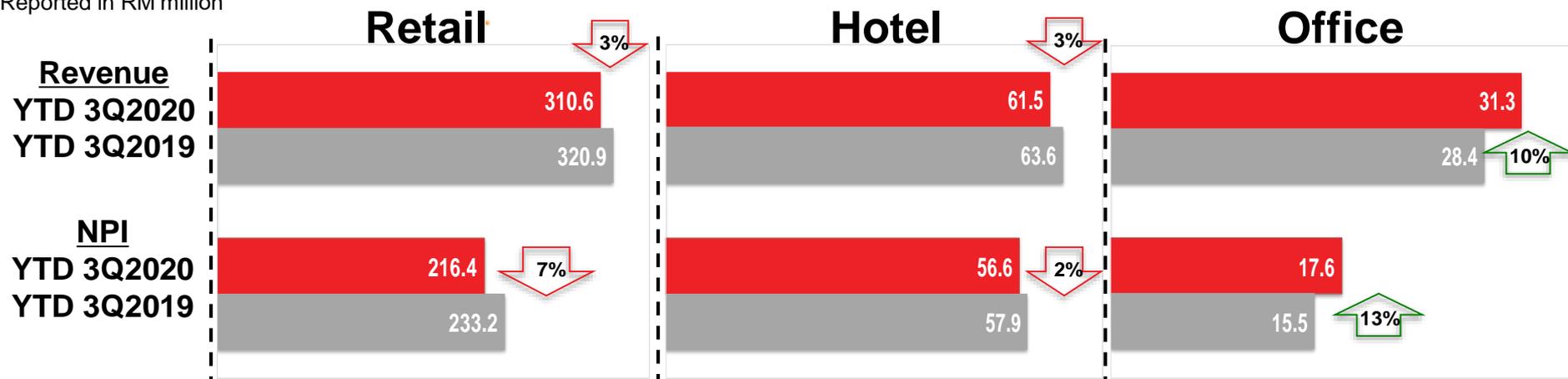
Revenue of the portfolio decreased by 7.1% or RM10.7 million due to the performance of all segments as discussed above.

Correspondingly, NPI also decreased by 9.0% or RM10.3 million due to the performance of all segments as discussed above.

Note: Calculation of variance above varies marginally compared to 3Q2020 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

Revenue & NPI growth in YTD 3Q2020

Reported in RM'million



Notes

The retail segment recorded gross revenue of RM310.6 million for the current period ended 31 March 2020 (YTD 3Q2020), a decrease of 3.2% or RM10.4 million compared to YTD 3Q2019, mainly due to rental support granted to non-essential retail tenants during MCO which commenced on 18 March 2020.

The net property income (NPI) correspondingly recorded a reduction of 7.2% or RM16.8 million compared to YTD 3Q2019 due to adjustments for insurance compensation over-provision and over-accruals of A&P in Sunway Pyramid Mall in YTD3Q2019.

The hotel segment recorded gross revenue of RM61.5 million for YTD 3Q2020, a decrease of 3.3% or RM2.1 million mainly due to impact of COVID-19 which affected global travelling patterns in 3Q2020 as well as the MCO period effected by government. Cancellations of room bookings and corporate events were inevitable during this period.

NPI correspondingly recorded a reduction of 2.3% or RM1.3 million compared to YTD 3Q2019.

The office segment recorded gross revenue of RM31.3 million for YTD 3Q2020, an increase of 10.1% or RM2.9 million compared to YTD 3Q2019, mainly contributed by overall improved performance from all office properties.

The NPI recorded an increase of 13.1% or RM2.0 million due to reasons as explained above.

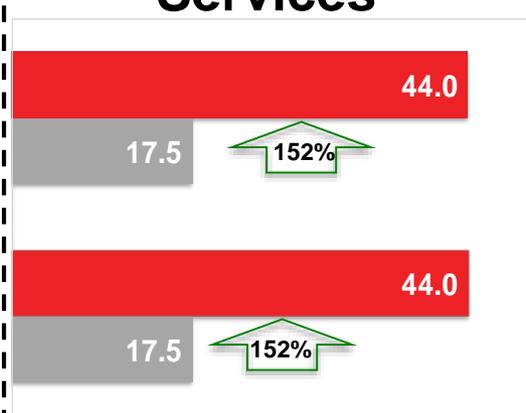
Note: Calculation of variance above varies marginally compared to 3Q2020 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

Revenue & NPI growth in YTD 3Q2020 (Cont'd)

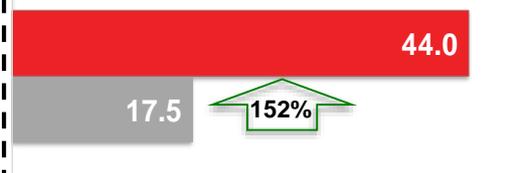
Reported in RM'million

Services

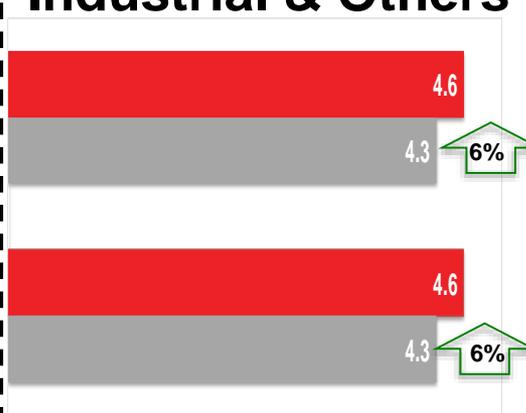
Revenue
YTD 3Q2020
YTD 3Q2019



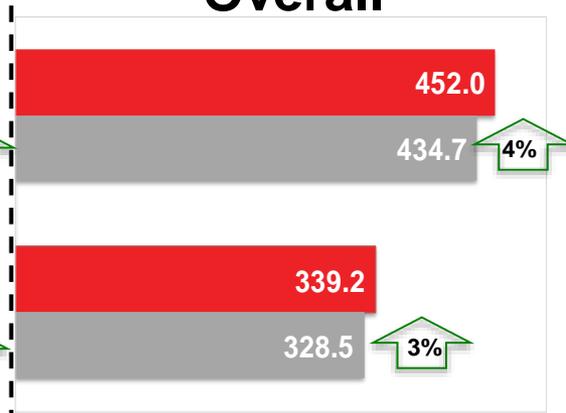
NPI
YTD 3Q2020
YTD 3Q2019



Industrial & Others



Overall



Notes

The services segment contributed revenue and NPI of RM44.0 million for YTD 3Q2020, an increase of RM26.5 million compared to YTD 3Q2019, mainly due to full income contribution of Sunway university & college campus for the quarter of RM25.9 million, as well as contribution from Sunway Medical Centre of RM18.1 million to revenue and NPI in YTD 3Q2020, an increase of 3.5% compared to YTD 3Q2019 due to rental reversion in accordance with the master lease agreement.

Sunway REIT Industrial - Shah Alam 1 contributed RM4.6 million to revenue and NPI for YTD 3Q2020, an increase of 6.5% compared to YTD 3Q2019 due to new cycle of rental reversion in accordance with the master lease agreement.

Revenue of the portfolio increased by 4.0% or RM17.2 million due to the performance of all segments as discussed above.

The corresponding increase in NPI by 3.3% or RM10.7 million was largely due to reasons as mentioned above.

Note: Calculation of variance above varies marginally compared to 3Q2020 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

3Q2020 and YTD 3Q2020 Revenue Contribution (by Property)

By Property	3Q 2020	3Q 2019	Variance	Change	YTD 3Q 2020	YTD 3Q 2019	Variance	Change
	RM'mil	RM'mil	RM'mil	%	RM'mil	RM'mil	RM'mil	%
Sunway Pyramid Mall	76.2	85.6	↓ (9.4)	-10.9%	237.8	246.6	↓ (8.9)	-3.6%
Sunway Carnival Mall	10.7	12.0	↓ (1.4)	-11.3%	34.3	35.3	↓ (1.0)	-2.9%
SunCity Ipoh Hypermarket	1.1	1.1	→ -	0.0%	3.3	3.3	→ -	0.0%
Sunway Putra Mall	10.3	11.9	↓ (1.6)	-13.8%	35.2	35.7	↓ (0.5)	-1.3%
Sunway Resort Hotel & Spa	3.4	8.1	↓ (4.8)	-58.7%	18.2	15.9	↑ 2.3	14.6%
Sunway Pyramid Hotel	1.7	3.4	↓ (1.7)	-49.9%	10.7	12.3	↓ (1.6)	-13.2%
Sunway Hotel Seberang Jaya	0.5	0.6	↓ (0.1)	-18.7%	1.8	2.1	↓ (0.3)	-13.3%
Sunway Putra Hotel	1.3	2.0	↓ (0.7)	-36.6%	7.9	8.5	↓ (0.6)	-6.9%
Sunway Hotel Georgetown	0.4	1.2	↓ (0.8)	-67.0%	2.6	3.9	↓ (1.3)	-33.5%
Sunway Clio Property	8.1	8.0	↑ 0.0	0.5%	20.4	21.0	↓ (0.6)	-2.8%
Menara Sunway	4.6	4.4	↑ 0.1	3.2%	13.6	12.9	↑ 0.7	5.4%
Sunway Tower	1.3	0.8	↑ 0.5	68.5%	3.2	2.2	↑ 1.0	47.1%
Sunway Putra Tower	3.1	3.0	↑ 0.1	4.0%	9.3	8.5	↑ 0.8	9.3%
Wisma Sunway	1.7	1.7	↑ 0.0	0.7%	5.0	4.7	↑ 0.3	7.0%
Sunway Medical Centre	6.2	6.0	↑ 0.2	3.5%	18.1	17.5	↑ 0.6	3.5%
Sunway university & college campus	8.7	-	↑ 8.7	N/A	25.9	-	↑ 25.9	N/A
Sunway REIT Industrial - Shah Alam 1	1.5	1.5	↑ 0.0	0.1%	4.6	4.3	↑ 0.3	6.5%
TOTAL	140.8	151.5	↓ (10.7)	-7.1%	452.0	434.7	↑ 17.2	4.0%

Note: Calculation of variance above varies marginally compared to 3Q2020 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

3Q2020 NPI and NPI Margin Contribution (by Property)

By Property	NPI				NPI Margin		
	3Q 2020 RM'mil	3Q 2019 RM'mil	Variance RM'mil	Change %	3Q 2020 %	3Q 2019 %	Variance %
Sunway Pyramid Mall	55.9	66.1	↓ (10.1)	-15.4%	73.3%	77.2%	↓ -3.8%
Sunway Carnival Mall	5.9	6.9	↓ (1.0)	-14.3%	55.6%	57.6%	↓ -2.0%
SunCity Ipoh Hypermarket	1.0	1.0	↑ 0.0	1.8%	93.2%	91.5%	↑ 1.6%
Sunway Putra Mall	4.2	5.5	↓ (1.3)	-23.9%	40.9%	46.3%	↓ -5.4%
Sunway Resort Hotel & Spa	2.9	7.7	↓ (4.9)	-62.9%	85.0%	94.8%	↓ -9.7%
Sunway Pyramid Hotel	1.5	3.3	↓ (1.7)	-52.6%	90.3%	95.5%	↓ -5.1%
Sunway Hotel Seberang Jaya	0.4	0.6	↓ (0.1)	-20.1%	90.6%	92.2%	↓ -1.6%
Sunway Putra Hotel	0.9	1.7	↓ (0.7)	-44.1%	73.5%	83.4%	↓ -9.9%
Sunway Hotel Georgetown	0.3	1.2	↓ (0.8)	-70.9%	86.0%	97.4%	↓ -11.4%
Sunway Clio Property	7.4	7.1	↑ 0.3	4.3%	92.0%	88.7%	↑ 3.3%
Menara Sunway	3.2	2.7	↑ 0.5	17.4%	69.0%	60.6%	↑ 8.3%
Sunway Tower	0.4	(0.2)	↑ 0.6	>100%	29.7%	-31.3%	↑ 60.9%
Sunway Putra Tower	2.0	1.9	↑ 0.1	3.5%	62.5%	62.8%	↓ -0.3%
Wisma Sunway	0.9	0.9	↓ (0.0)	-0.1%	52.8%	53.3%	↓ -0.4%
Sunway Medical Centre	6.2	6.0	↑ 0.2	3.5%	100.0%	100.0%	→ 0.0%
Sunway university & college campus	8.7	-	↑ 8.7	N/A	100.0%	N/A	→ N/A
Sunway REIT Industrial - Shah Alam 1	1.5	1.5	↑ 0.0	0.1%	100.0%	100.0%	→ 0.0%
TOTAL	103.5	113.8	↓ (10.3)	-9.0%	73.5%	75.1%	↓ -1.6%

Note: Calculation of variance above varies marginally compared to 3Q2020 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

YTD 3Q2020 NPI and NPI Margin Contribution (by Property)

By Property	NPI				NPI Margin		
	2020 RM'mil	2019 RM'mil	Variance RM'mil	Change %	2020 %	2019 %	Variance %
Sunway Pyramid Mall	177.2	192.7	↓ (15.5)	-8.1%	74.5%	78.2%	↓ -3.6%
Sunway Carnival Mall	20.3	20.7	↓ (0.4)	-2.0%	59.2%	58.6%	↑ 0.5%
SunCity Ipoh Hypermarket	3.0	3.1	↓ (0.0)	-1.2%	92.3%	93.4%	↓ -1.1%
Sunway Putra Mall	15.9	16.7	↓ (0.8)	-4.8%	45.1%	46.8%	↓ -1.6%
Sunway Resort Hotel & Spa	16.9	14.7	↑ 2.2	14.9%	92.6%	92.4%	↑ 0.2%
Sunway Pyramid Hotel	10.1	11.7	↓ (1.6)	-13.5%	95.2%	95.5%	↓ -0.3%
Sunway Hotel Seberang Jaya	1.7	2.0	↓ (0.3)	-13.7%	93.2%	93.7%	↓ -0.5%
Sunway Putra Hotel	7.0	7.6	↓ (0.6)	-8.5%	88.2%	89.8%	↓ -1.6%
Sunway Hotel Georgetown	2.5	3.8	↓ (1.3)	-35.2%	94.1%	96.7%	↓ -2.6%
Sunway Clio Property	18.5	18.2	↑ 0.3	1.7%	90.9%	86.8%	↑ 4.1%
Menara Sunway	9.2	8.3	↑ 0.8	10.1%	67.2%	64.3%	↑ 2.9%
Sunway Tower	0.0	(0.5)	↑ 0.5	>100%	0.8%	-22.5%	↑ 23.3%
Sunway Putra Tower	5.7	5.5	↑ 0.3	4.9%	61.5%	64.1%	↓ -2.6%
Wisma Sunway	2.6	2.2	↑ 0.4	18.1%	52.2%	47.3%	↑ 4.9%
Sunway Medical Centre	18.1	17.5	↑ 0.6	3.5%	100.0%	100.0%	↔ 0.0%
Sunway university & college campus	25.9	-	↑ 25.9	N/A	100.0%	N/A	↔ N/A
Sunway REIT Industrial - Shah Alam 1	4.6	4.3	↑ 0.3	6.5%	100.0%	100.0%	↔ 0.0%
TOTAL	339.2	328.5	↑ 10.7	3.3%	75.1%	75.6%	↓ -0.5%

Note: Calculation of variance above varies marginally compared to 3Q2020 Quarterly Announcement Pack in Bursa Malaysia's website due to rounding difference.

Key Performance Indicators – YTD 3Q2020

YTD 3Q	Retail		Hotel		Office		Services		Industrial & Others	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Average Occupancy Rates	96% ↓	97%	66% ↓	69%	78% ↑	71%	100%	100%	100%	100%
NPI Margin	70% ↓	73%	92% ↑	91%	56% ↑	55%	100%	100%	100%	100%

PROPERTY DEVELOPMENT ACTIVITIES & ASSET ENHANCEMENT INITIATIVES (AEI) (3Q2020)



Property Development Activities

Expansion of Sunway Carnival Shopping Mall

Estimated total property development cost (including land)	RM 353.0 million
Cummulative cost incurred from initiation to YTD 3Q 2020	RM 88.4 million
Duration	Approximately 3 years from 3Q 2018
NLA (sq. ft.)	Approximately 350,000 sq ft of additional new space.
Property development activities against enlarged total asset value*	4.1%

* 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 (3Q2020)



General Outlook

- Global growth prospect has taken a turn following the unprecedented health crisis. The Covid-19 pandemic has caused severe disruptions in global supply chain and economic activities. The International Monetary Fund (IMF) adjusted global growth projection to contract acutely by 3.0% year-on-year (y-o-y) in CY2020 (January 2020: +3.3% y-o-y), much worse than the 2008-2009 global financial crisis. The IMF predicts, a baseline scenario, that the pandemic will be contained by second half of CY2020. Supported by global monetary and stimulus policies, global economy is projected to rebound to 5.8% y-o-y in CY2021.
- Being an open economy, Malaysia is not spared from the crisis. The Government had activated movement control order (MCO) as part of the containment measures since 18 March 2020, putting a halt in many businesses. Bank Negara Malaysia (BNM) projected the Malaysia's GDP to be flattish (+0.5% y-o-y) or possibly slip into a recession at -2.0% y-o-y in CY2020, depending on the severity of the crisis. That said, Government's stimulus package accompanied by BNM's financial measures will cushion the burden on households and businesses.
- Continued severe uncertainty on the duration and intensity of the shock will pose both upside and downside risks to the outlook. Downside risk may be intensified by recurring commodity supply disruptions and heightened volatility in financial markets.

General Outlook (cont'd)

- Malaysia's Consumer Price Index (CPI) eased 0.2% y-o-y in March 2020, mainly due to lower fuel prices, however, it was offset by an increase in food & non-alcoholic beverages. Meanwhile, CPI in the 1Q CY2020 increased 0.9% y-o-y. Inflationary pressures is expected to remain subdued amid low global oil prices and weaker demand, to average between -1.5% to 0.5%.
- On 5 May 2020, The Monetary Policy Committee (MPC) of BNM has further reduced the Overnight Policy Rate (OPR) by 50 bps to 2.00%, in line with global easing monetary policy as recent global economic indicators have showed signs of contractions. Following a cumulative 100 bps reduction in OPR, BNM will utilize its policy levers as appropriate to create enabling conditions for a sustainable economic recovery.
- Pursuant to the business disruptions arising from the MCO, the Manager expects DPU for FY2020 to be lower than FY2019, caused by substantial loss of income for the retail and hotel segments. The utmost priority for Sunway REIT in FY2020 is cash conservation, cost containment and re-prioritizing non-essential capital expenditure.
- The Manager has revised its income distribution payout to at least 90% in FY2020, payable on a semi-annual basis. This is a preemptive measure to strengthen Sunway REIT's liquidity position to be ahead of the recovery curve and capitalize on any growth opportunities to deliver long-term sustainable growth.

Retail Segment

- The Retail Group Malaysia (RGM) has revised Malaysia's retail sales, from an initial growth projection of 4.6% y-o-y to a contraction of 5.5% y-o-y in CY2020. Preliminary estimation indicated that retail sales has declined by 18.8% y-o-y in 1Q CY2020, mainly due to slower sales ahead of Chinese New Year, lower tourist arrivals from China, declined footfall since the start of Covid-19 outbreak and MCO.
- Following the MCO, the retail segment was adversely impacted by the restriction in business activities limited to only tenants providing essential goods and services. This has resulted in substantial loss of income for retailers since the imposition of MCO. Under such circumstances, landlords were pressured to provide support to tenants in order to ensure continuity of their businesses over the long-term. The structural impediments may also pose pressure to occupancy rates and rental reversion prospects in the immediate quarters.
- The retail segment is expected to record materially lower revenue in FY2020 on the back of rental support provided to tenants during this difficult period to support the business continuity of tenants. In addition, consumers sentiment are expected to remain soft post-MCO due to recessionary fear, job security and lower disposable income.

Hotel Segment

- The hotel industry's high dependence on the tourism sector placed the industry with high vulnerability to global headwinds. With the looming outlook and global travel restrictions, hotel's occupancy are expected to remain at historical low in the coming quarters.
- To mitigate the adverse loss of income, hotel operators need to urgently revamp its modus operandi by implementing cost containment measures to adjust to the low business volume and brace through the challenging period. In fact, some hotels have announced either temporary or permanent closure due to incapacity to continue to support the cost burden amidst exceptionally low occupancy.
- In view of the potential partial closure of the hotels post-MCO amidst low business activities, this may present opportunities to embark on refurbishment and upgrade dated hotels to re-position the property post the Covid-19 aftermath.

Hotel Segment (cont'd)

- During the MCO period, the restriction from receiving new reservation has presented an opportunity for Sunway Clio Hotel and Sunway Pyramid Hotel to be offered as quarantine centres for returnees to Malaysia. The average occupancy rate has been encouraging thus far for the 2 quarantine centres.
- The Manager expects the hotel segment to register significantly lower revenue in FY2020 for the reasons mentioned above. The expectation has also taken into account of soft business sentiment, weak consumer confidence, continued global travel restrictions and cautious traveling appetite post Covid-19.
- That said, the revenue for the hotel segment will be partially mitigated by the minimum guaranteed rental as stipulated in the Hotel Master Lease (HML) for financial year ending 30 June 2020.
- Going forward, Sunway Resort Hotel & Spa, Sunway Pyramid Hotel and Sunway Hotel Seberang Jaya's HMLs will be renewed with new terms in July 2020.

Office Segment

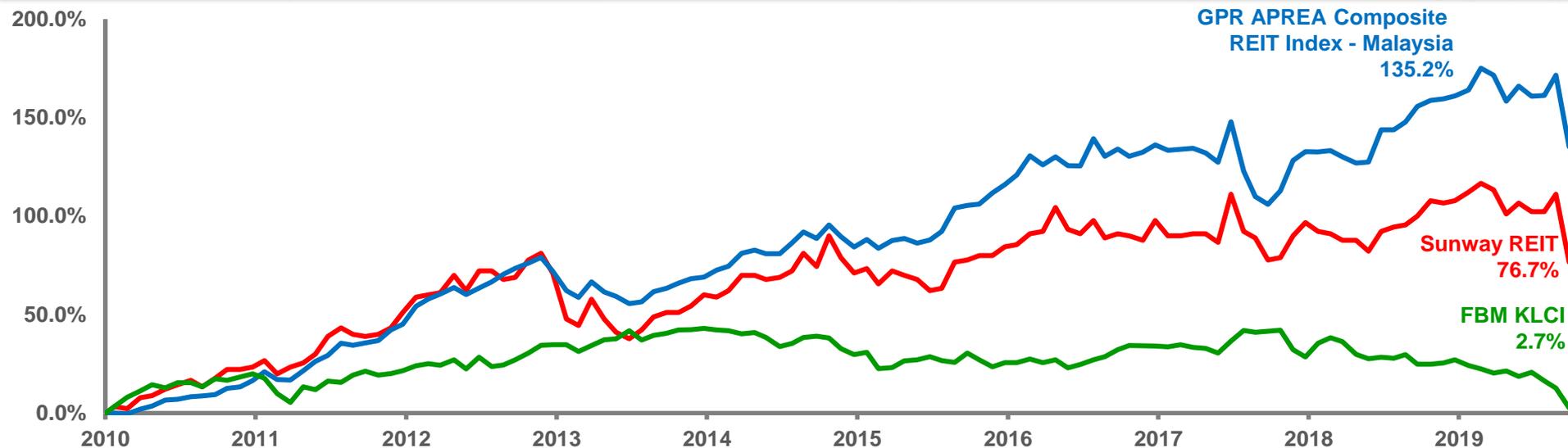
- In the recent Covid-19 pandemic, the office segment is relatively more insulated where the impact at varying degree depending on the nature of business. Acceleration in technology adaptation was exceptionally swift to ensure business continuity. Notably, alternative working arrangement has proven to be feasible since the implementation of MCO where employers may have reservations prior to that.
- As decentralization trend continues, prime offices located in integrated townships and transit-oriented developments (TODs) are well positioned to benefit from this trend. This is in line with tenants' demand for prime offices at affordable rental rates.
- The Manager expects the offices in Sunway REIT's portfolio to be stable in FY2020 in view that these office properties are located in matured integrated township / development, TOD and established locations.

INVESTOR RELATIONS (3Q2020)



Unit Price Performance from IPO to YTD 3Q FY2020

Unit Price Performance of Sunway REIT versus Benchmarks (8 July 2010 – 31 March 2020)



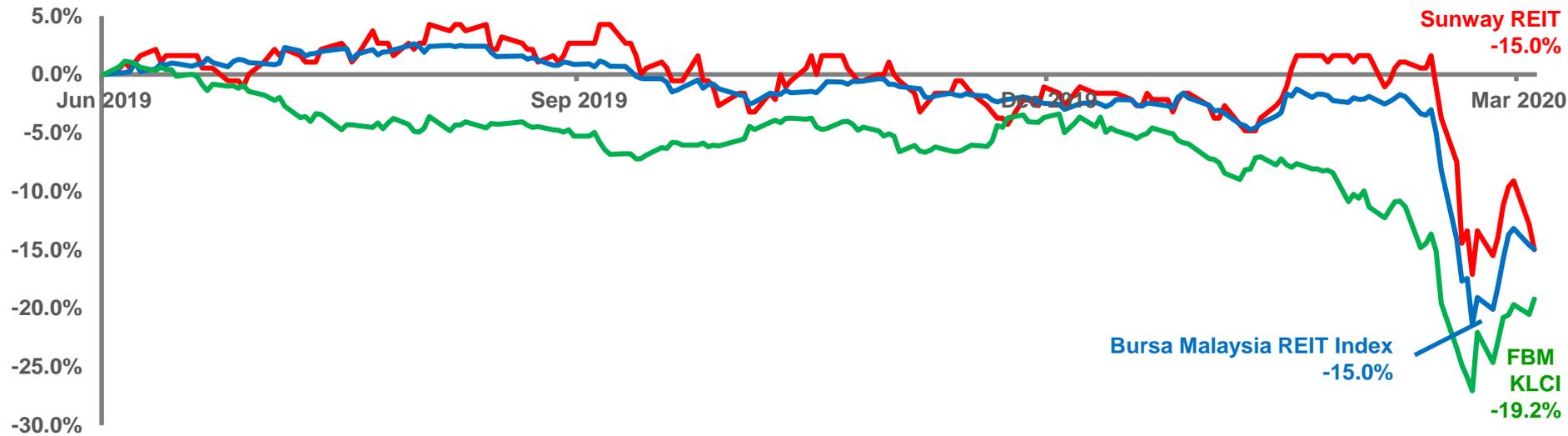
Performance Statistics (8 July 2010 – 31 March 2020)

Price (as at 8 July 2010)	: RM0.90
Closing Price (as at 31 March 2020)	: RM1.59
Highest Price	: RM1.98
Lowest Price	: RM0.88
Daily Average Volume	: 2.07 million units
% Change in Unit Price	: 76.7%
% Change in FBM KLCI	: 2.7%
% Change in GPR APREA Composite REIT Index - Malaysia	: 135.2%

Source: Bloomberg

Unit Price Performance for YTD 3Q FY2020

Unit Price Performance of Sunway REIT versus Benchmarks (1 July 2019 – 31 March 2020)



Performance Statistics (1 July 2019 – 31 March 2020)

Price (as at 30 June 2019)	: RM1.87
Closing Price (as at 31 March 2020)	: RM1.59
Highest Price	: RM1.98
Lowest Price	: RM1.50
Daily Average Volume	: 3.10 million units
% Change in Unit Price	: -15.0%
% Change in FBM KLCI	: -19.2%
% Change in Bursa Malaysia REIT Index	: -15.0%

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



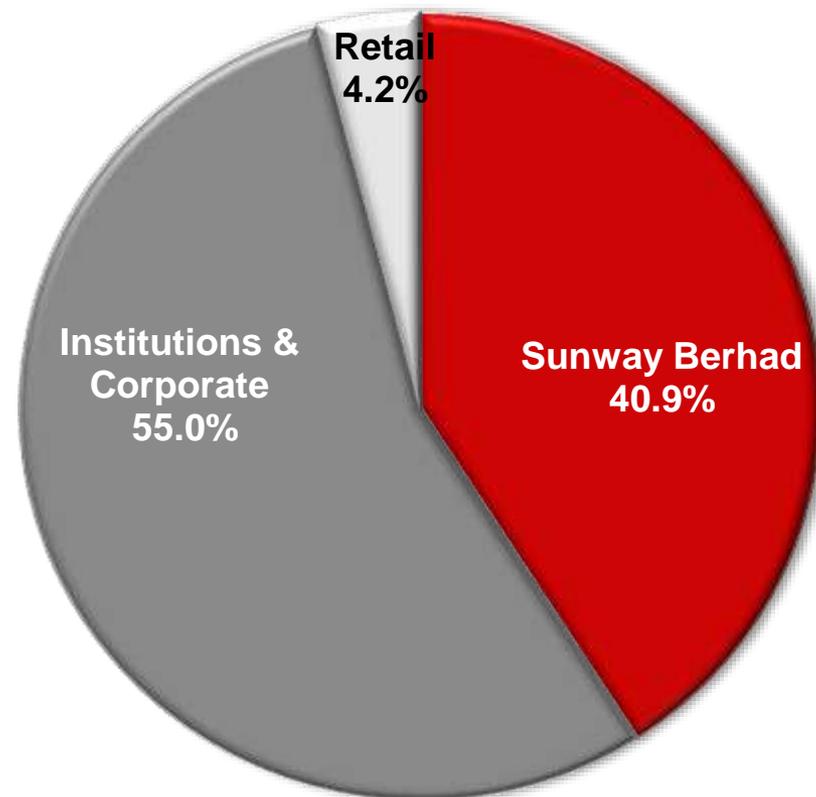
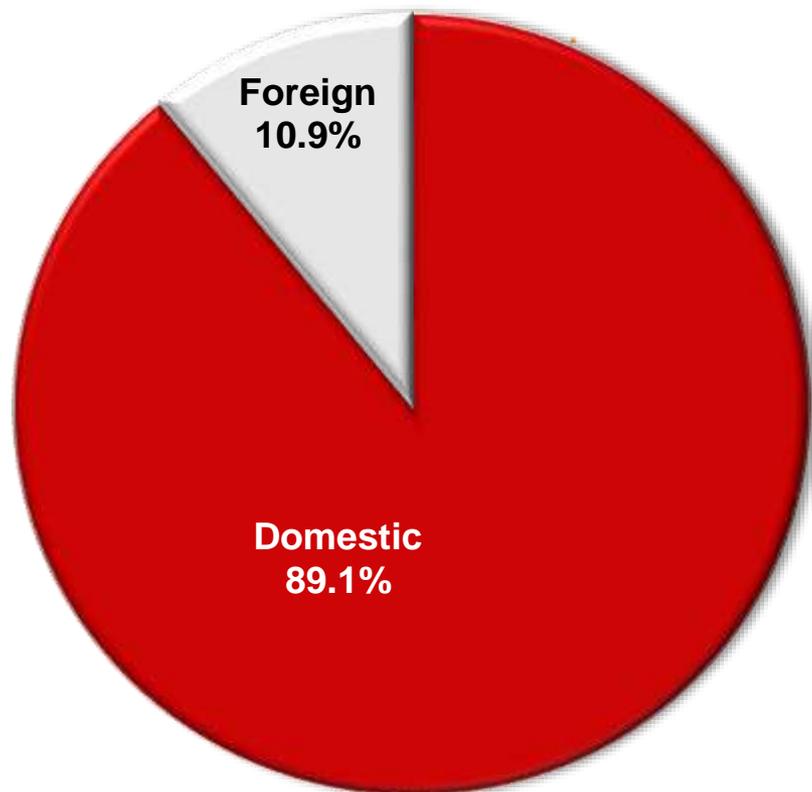
- FTSE EPRA NAREIT Global REIT Index
- FTSE EPRA NAREIT Global Index
- FTSE EPRA NAREIT Asia ex Japan

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



- MSCI Malaysia Small Cap Index

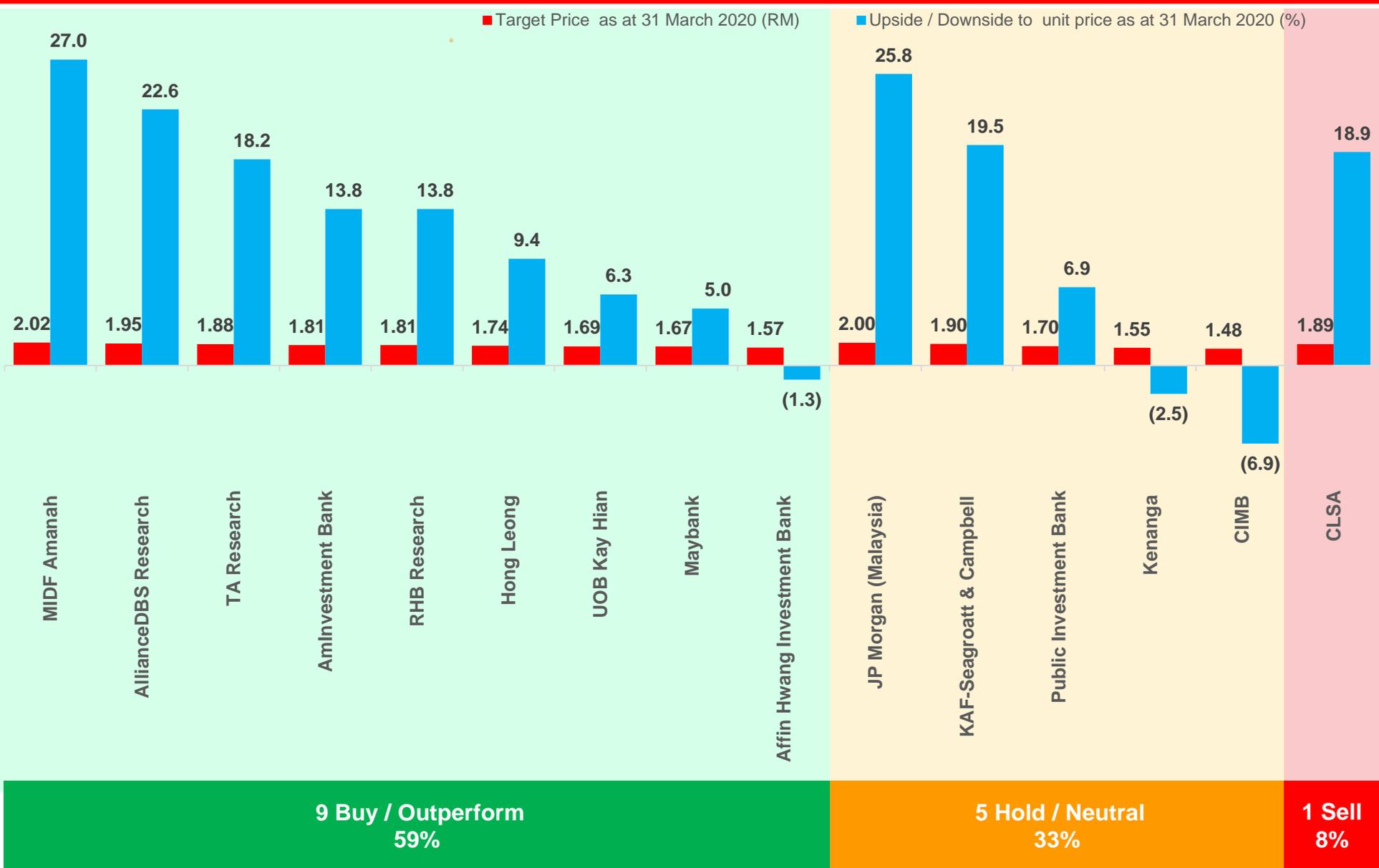
Unitholders' Composition (as at 31 March 2020)



	March 2020	December 2019	Q-o-Q Change
No of unitholders	15,276	15,369	-93 (10.6%)
Retail unitholders	4.2%	6.6%	-2.4%
Foreign unitholders	10.9%	11.5%	-0.6%
Sunway Berhad	40.9%	40.9%	Unchanged

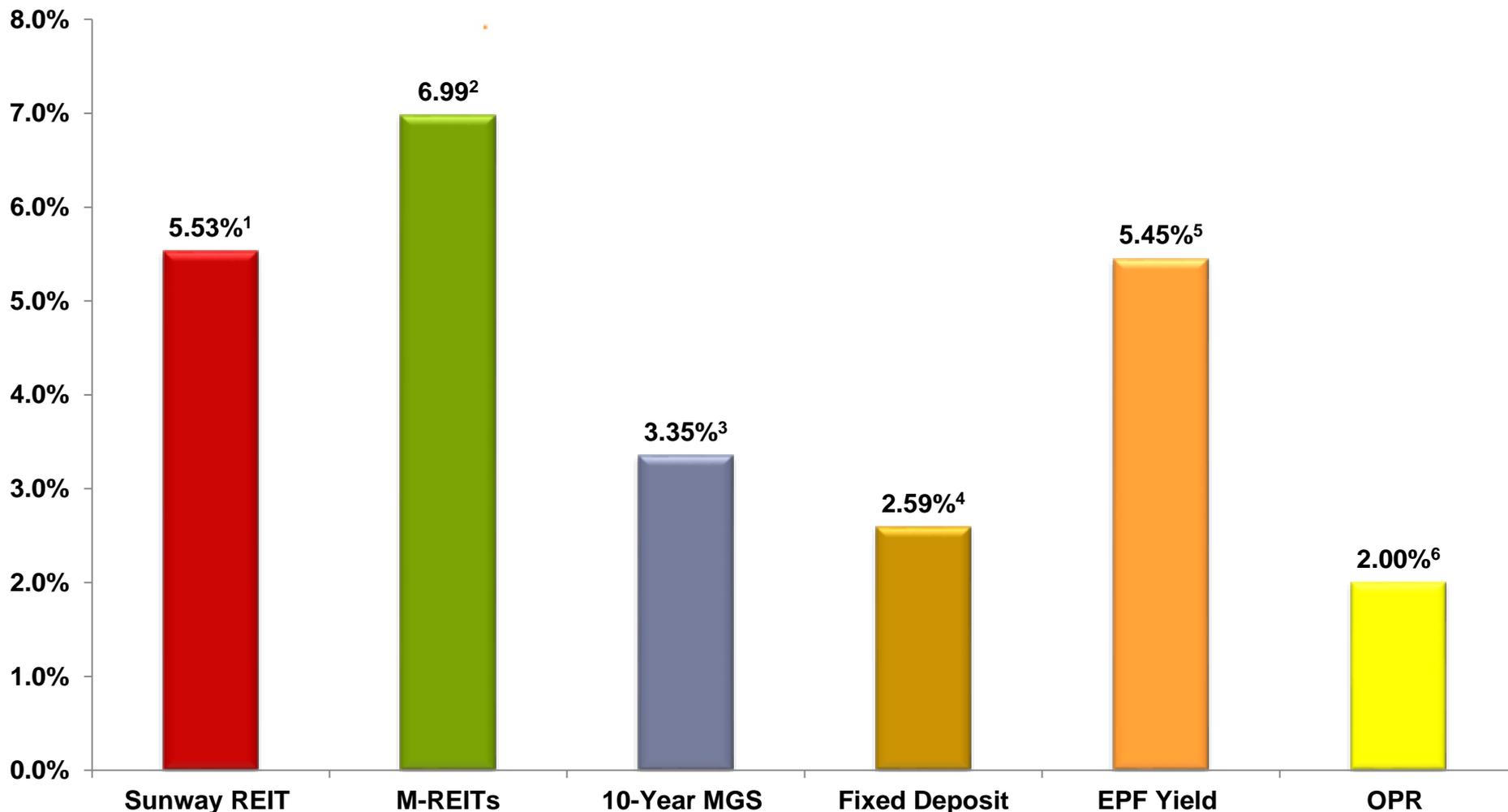
Source: Sunway REIT

Analysts Recommendation (as at 31 March 2020)



Source: Bloomberg

Comparative Yields for Various Assets



Note:

¹ Distribution yield is computed based on consensus FY2020 DPU of 8.80 sen and unit price as at 31 March 2020 (Source: Bloomberg)

² Information based on consensus FY2020 DPU forecast and unit price as at 31 March 2020 (Source: Bloomberg)

³ Information as at 31 March 2020 (Source: Bloomberg)

⁴ 12-Month Fixed Deposit rates offered by commercial banks as at 31 March 2020 (Source: Bank Negara Malaysia)

⁵ Dividend yield declared by Employees Provident Funds for the year 2019 (Source: Employees Provident Fund)

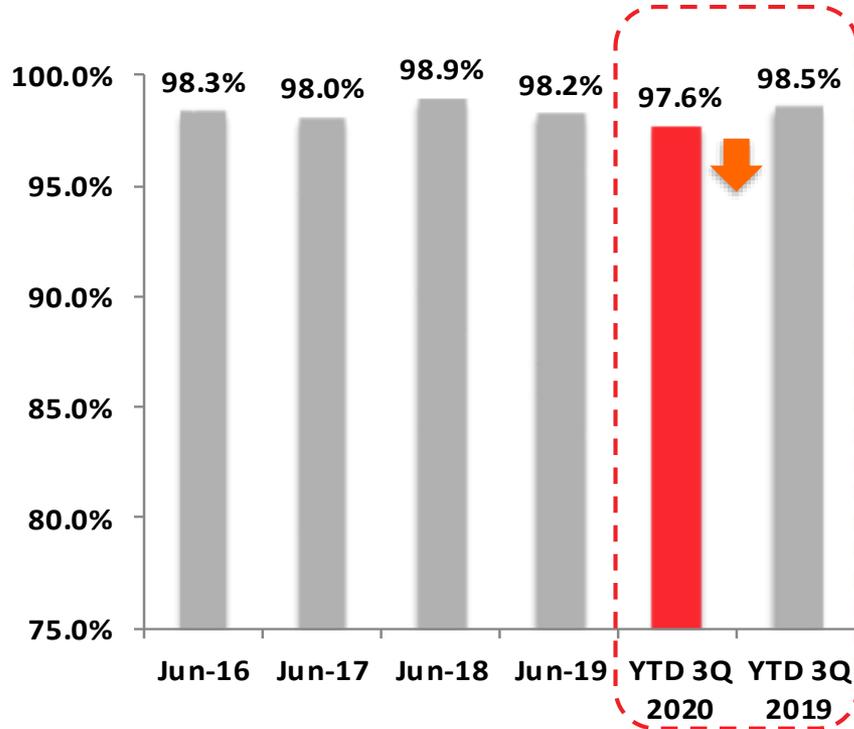
⁶ Overnight Policy Rate as at 5 May 2020 (Source: Bank Negara Malaysia)

APPENDIX: PROPERTY PERFORMANCE (3Q2020)

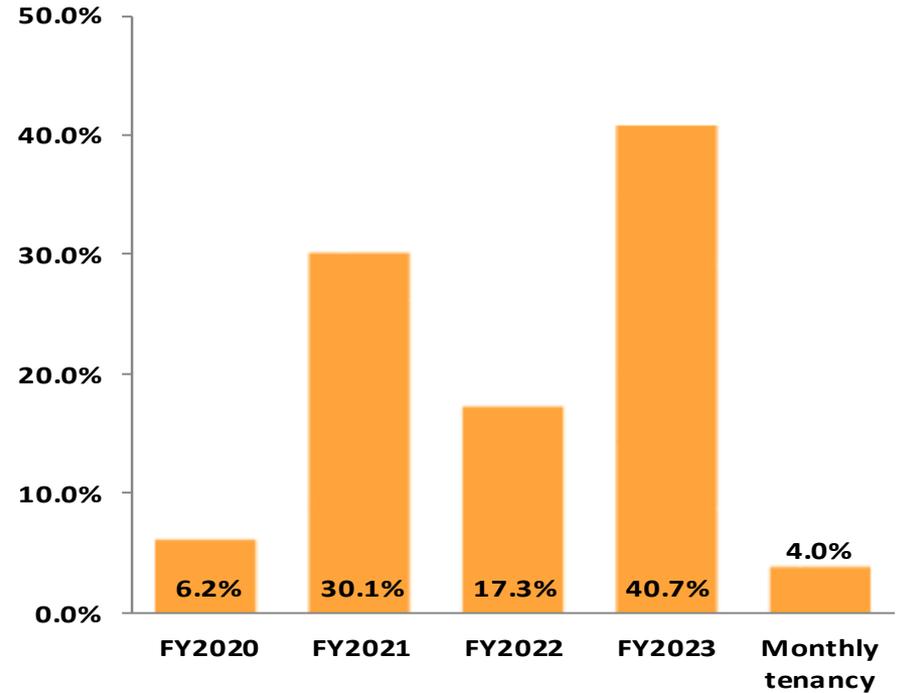


RETAIL PROPERTIES - Sunway Pyramid Shopping Mall

Average occupancy rate



Projected lease expiry schedule

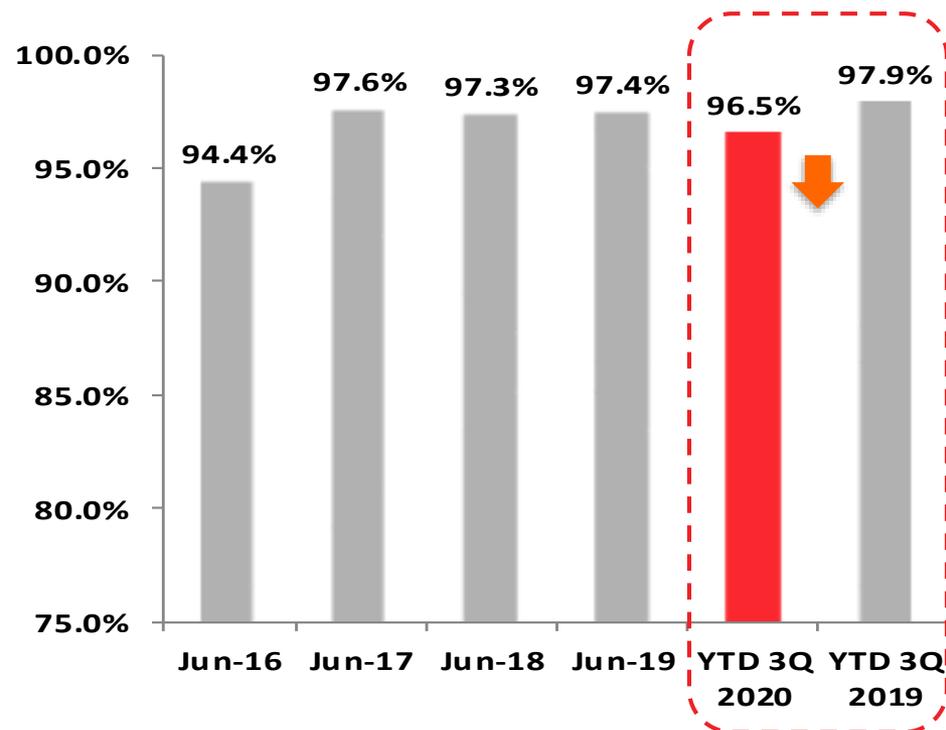


Sunway Pyramid Shopping Mall registered lower gross revenue by RM8.9 million or 3.6% for YTD 3Q2020 mainly due to rental support granted to non-essential retail tenants during the MCO which commenced on 18 March 2020. The average occupancy rate at Sunway Pyramid Shopping Mall was relatively stable at 97.6% for YTD 3Q2020 (YTD 3Q2019: 98.5%), where the marginal reduction was due to fit-out period for new tenants.

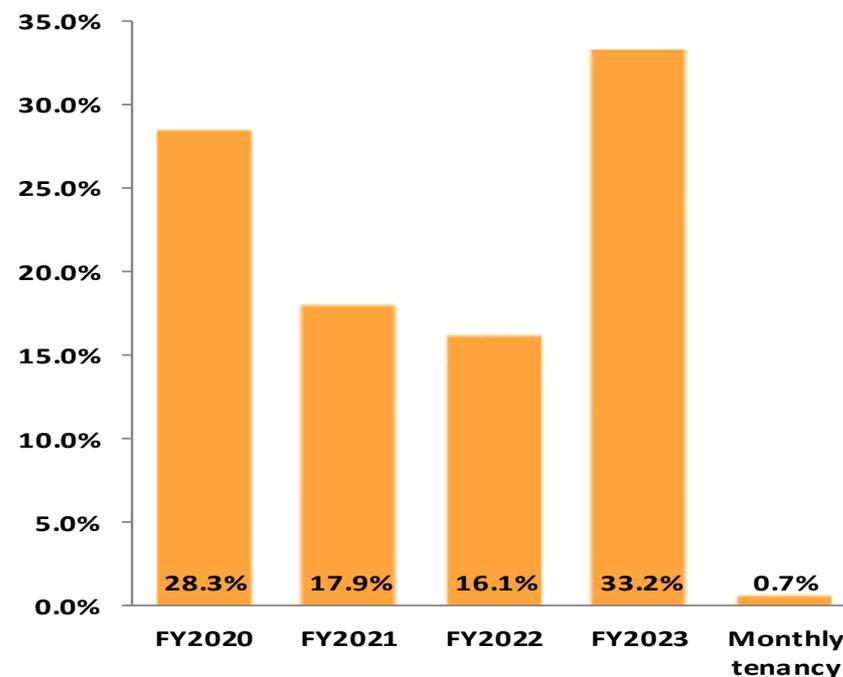
Based on the total net lettable area (NLA) of 959,703 sq.ft. which is due for renewal in FY2020, a total of 757,792 sq.ft. equivalent to 79.0% of total space due for renewal, was renewed or replaced at a positive single-digit rental reversionary rate.

RETAIL PROPERTIES - Sunway Carnival Mall

Average occupancy rate



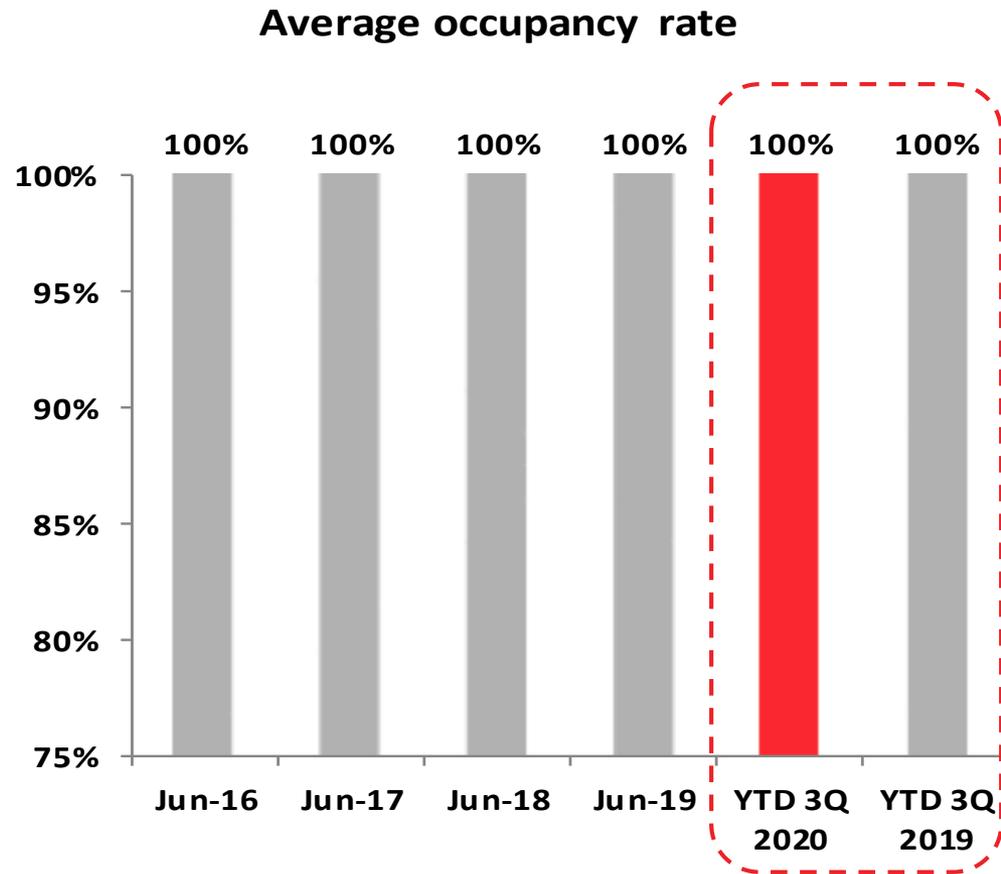
Projected lease expiry schedule



Gross revenue for Sunway Carnival Shopping Mall was lower by RM1.0 million in YTD 3Q2020, mainly due to rental support granted to non-essential retail tenants during the MCO which commenced on 18 March 2020, as well as the 1.4% decline in average occupancy due to prolonged disruption from expansion work of Sunway Carnival Mall.

Based on the total NLA of 353,875 sq.ft. which is due for renewal in FY2020, a total of 206,415 sq.ft. equivalent to 58.3% of total space due for renewal, was renewed or replaced at a positive single-digit rental reversionary rate.

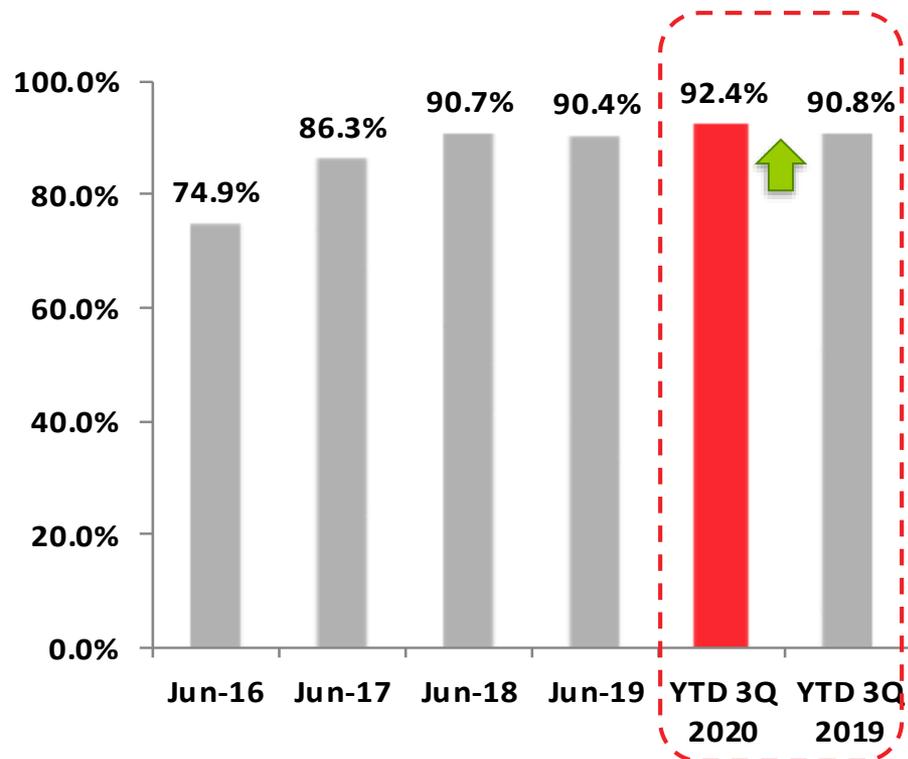
RETAIL PROPERTIES - SunCity Ipoh Hypermarket



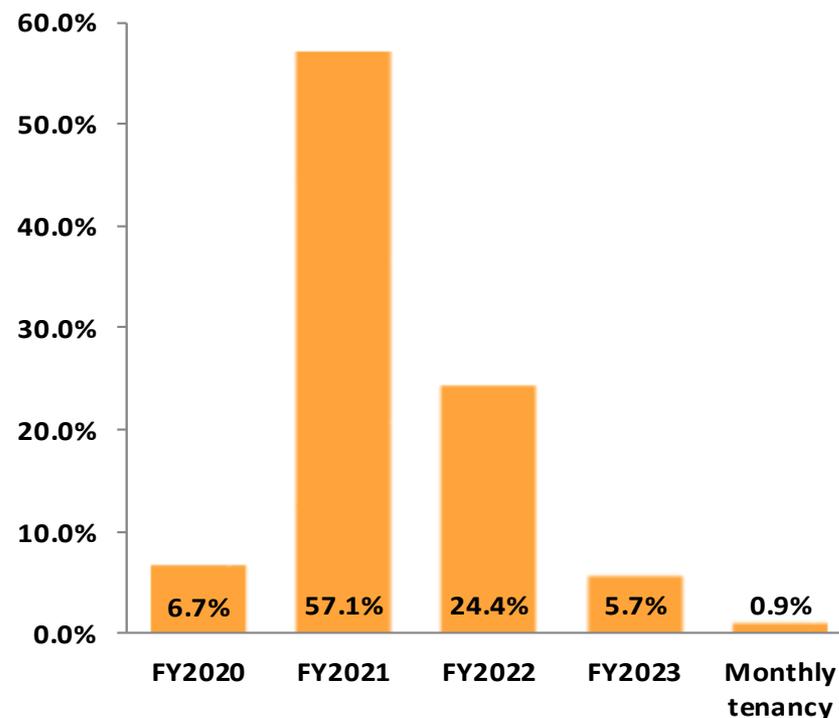
SunCity Ipoh Hypermarket is currently leased to a single tenant, a major hypermarket and retailer chain operating under the “Giant” brand. The tenant has indicated non-renewal for the next term due in April 2020 and a new tenant has been identified to commence in 4Q2020.

RETAIL PROPERTIES - Sunway Putra Mall

Average occupancy rate



Projected lease expiry schedule

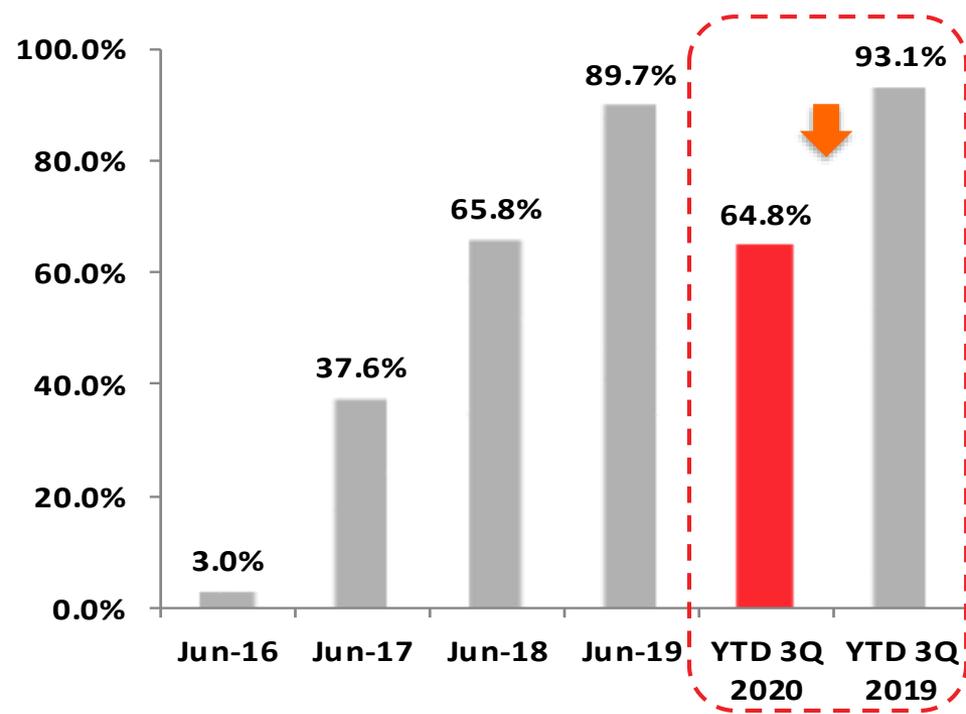


The average occupancy rate at Sunway Putra Mall for YTD 3Q2020 is 1.8% higher compared to YTD3Q2019 with ongoing adjustment in tenant mix and efforts to maintain occupancy levels.

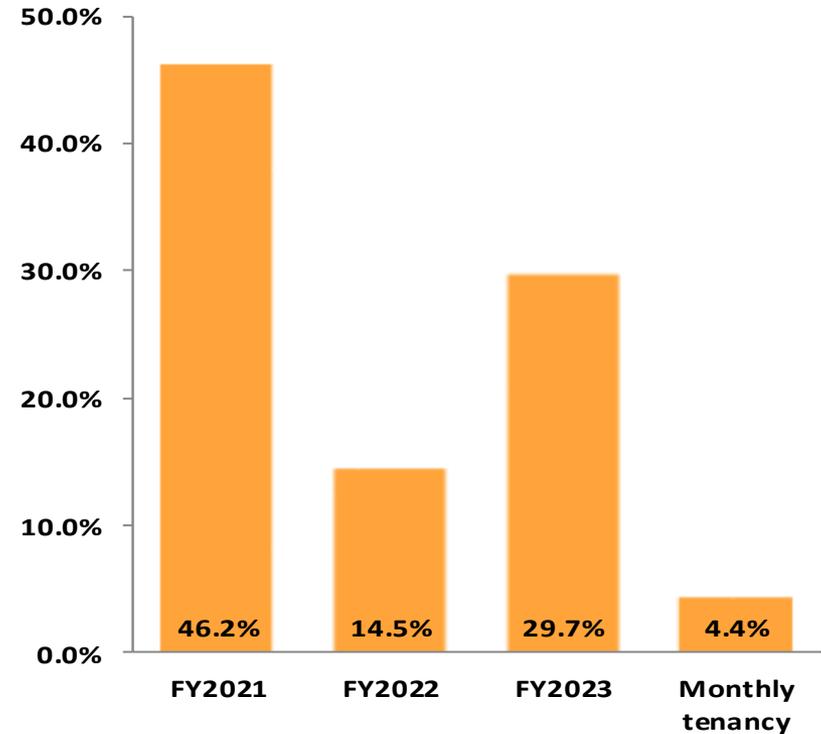
Based on the total NLA of 85,948 sq.ft. which is due for renewal in FY2020, a total of 31,166 sq.ft. equivalent to 36.3% of total space due for renewal, was renewed or replaced with a negative single-digit rental reversionary rate.

RETAIL PROPERTIES - Sunway Clio Retail

Average occupancy rate



Projected lease expiry schedule



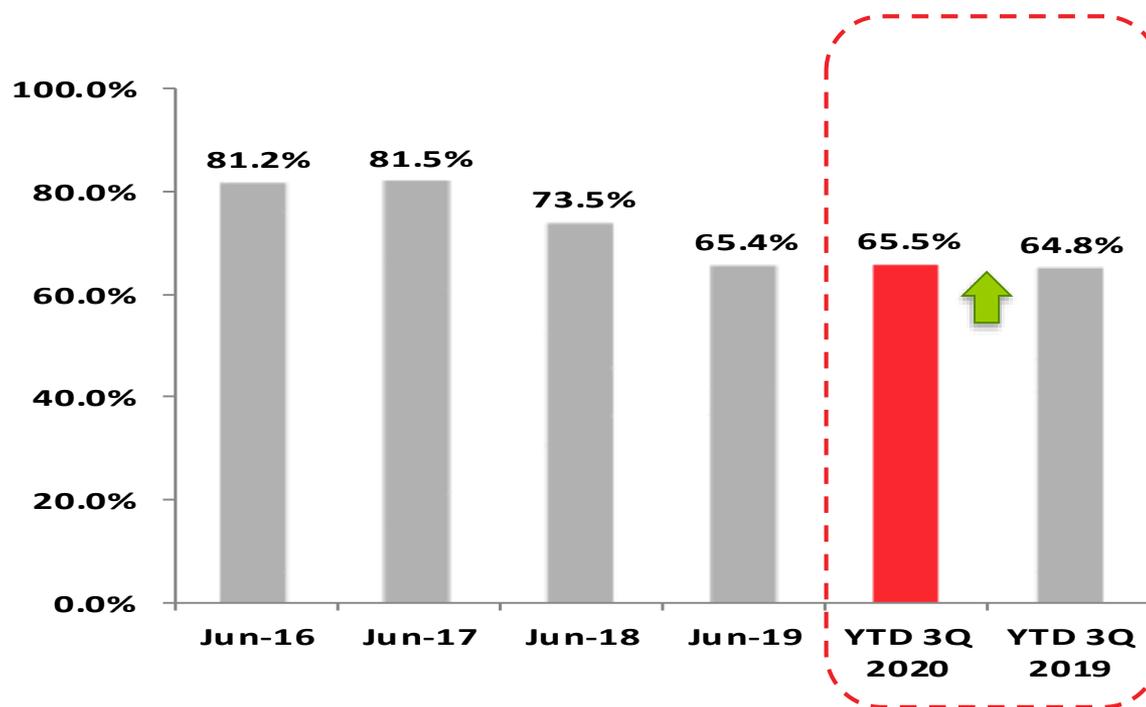
Note : The acquisition was completed on 9 February 2018.

The average occupancy rate for Sunway Clio Retail dropped to 64.8% for YTD 3Q2020, due to termination of a non-performing tenant in April 2019.

Based on the total NLA of 26,736 sq. ft. which is due for renewal in FY2020, 100% of total space was renewed or replaced with a negative double-digit rental reversionary rate.

HOSPITALITY PROPERTIES - Sunway Resort Hotel & Spa

Average occupancy rate



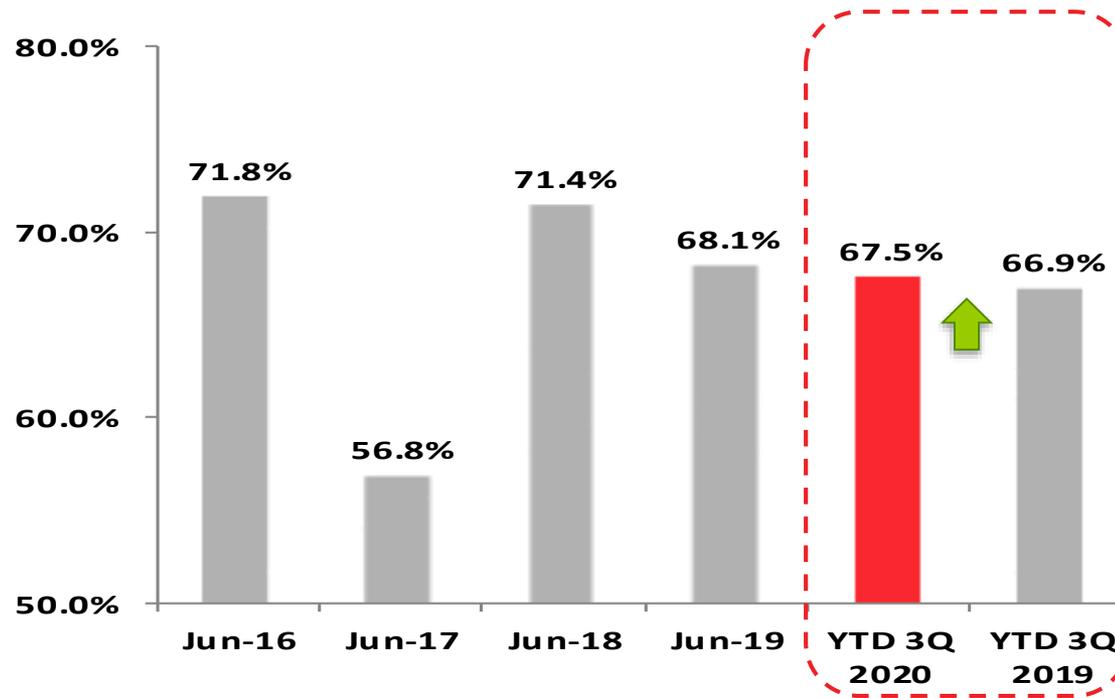
Note 1: The hotel properties are under 10-year master leases. The master lease of Sunway Resort Hotel & Spa is expiring in July 2020.

The cluster hotels in Sunway City, consisting of Sunway Resort Hotel & Spa, Sunway Pyramid Hotel and Sunway Clio Hotel, recorded a combined average occupancy rate of 67% for YTD 3Q2020. The hospitality segment continued to experience challenging market condition worsened by impact of COVID-19 which severely affected global travelling patterns in 3Q2020 as well as the MCO period effected by government. Cancellations of room bookings and corporate events were inevitable during this period.

SRHS recorded marginally higher average occupancy rate in YTD 3Q2020 against the same period last year due to improvements in Middle Eastern FIT market in 1Q and 2Q2020 offset against the impact of COVID-19 and MCO in 3Q2020.

HOSPITALITY PROPERTIES - Sunway Pyramid Hotel

Average occupancy rate

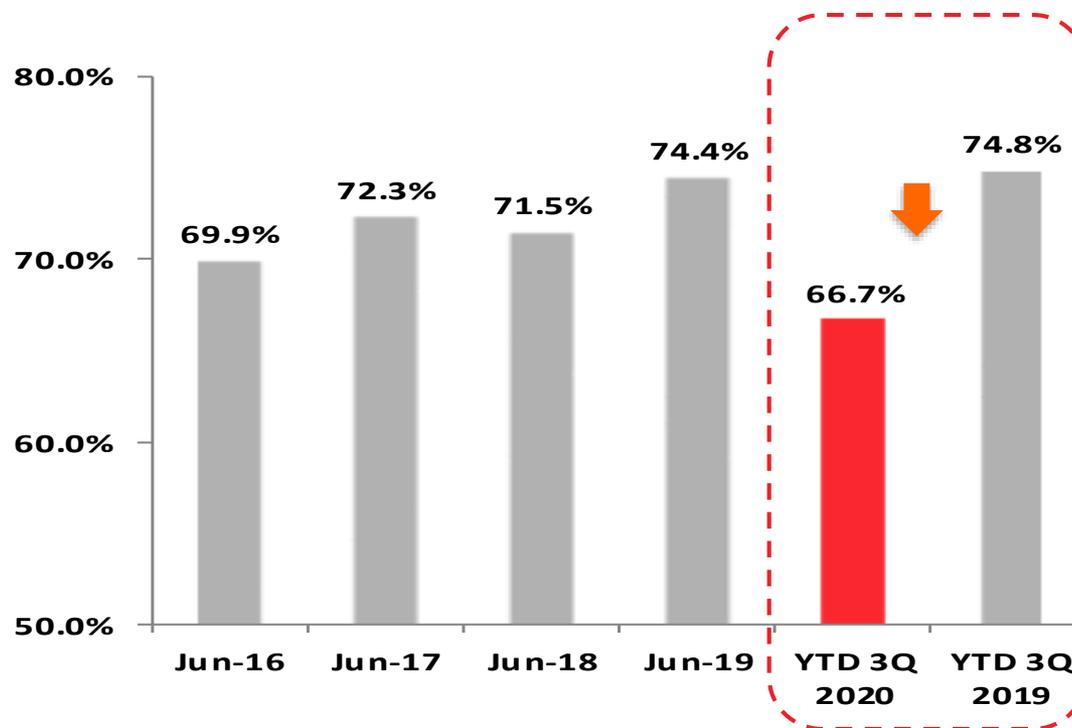


Note 1: The hotel properties are under 10-year master leases. The master lease of Sunway Pyramid Hotel is expiring in July 2020.

SPRH recorded marginally higher average occupancy rate in YTD 3Q2020 against the same period last year due to improvements in Middle Eastern FIT market in 1Q and 2Q2020, offset against negative impact of COVID-19 in 3Q2020 which severely affected global travelling patterns in 3Q2020 as well as the MCO period effected by government.

HOSPITALITY PROPERTIES - Sunway Clio Hotel

Average occupancy rate

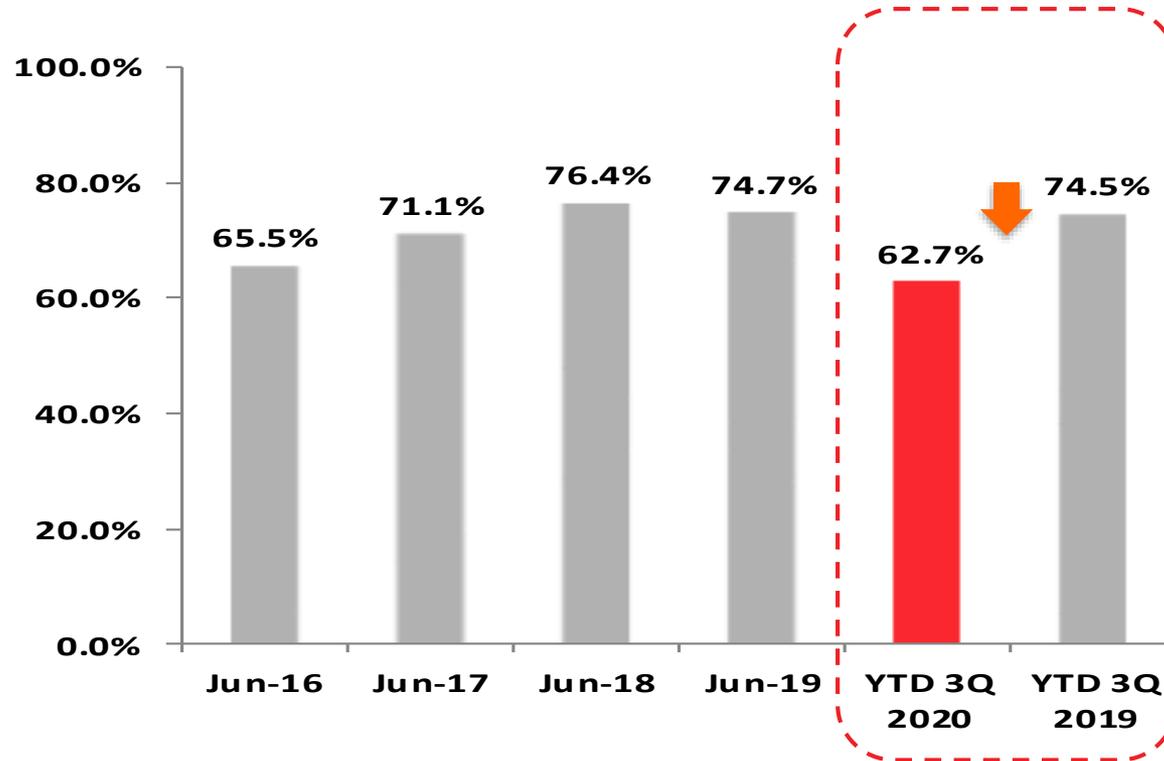


Note 1: The hotel properties are under 10-year master leases. The master lease of Sunway Clio Hotel is expiring in February 2028.

The average occupancy rate for Sunway Clio Hotel decreased 8.1% to 66.7% for YTD 3Q2020 (YTD 3Q2019: 74.8%) mainly due to impact of COVID-19 which severely affected global travelling patterns in 3Q2020 as well as the MCO period effected by government.

HOSPITALITY PROPERTIES - Sunway Hotel Seberang Jaya

Average occupancy rate

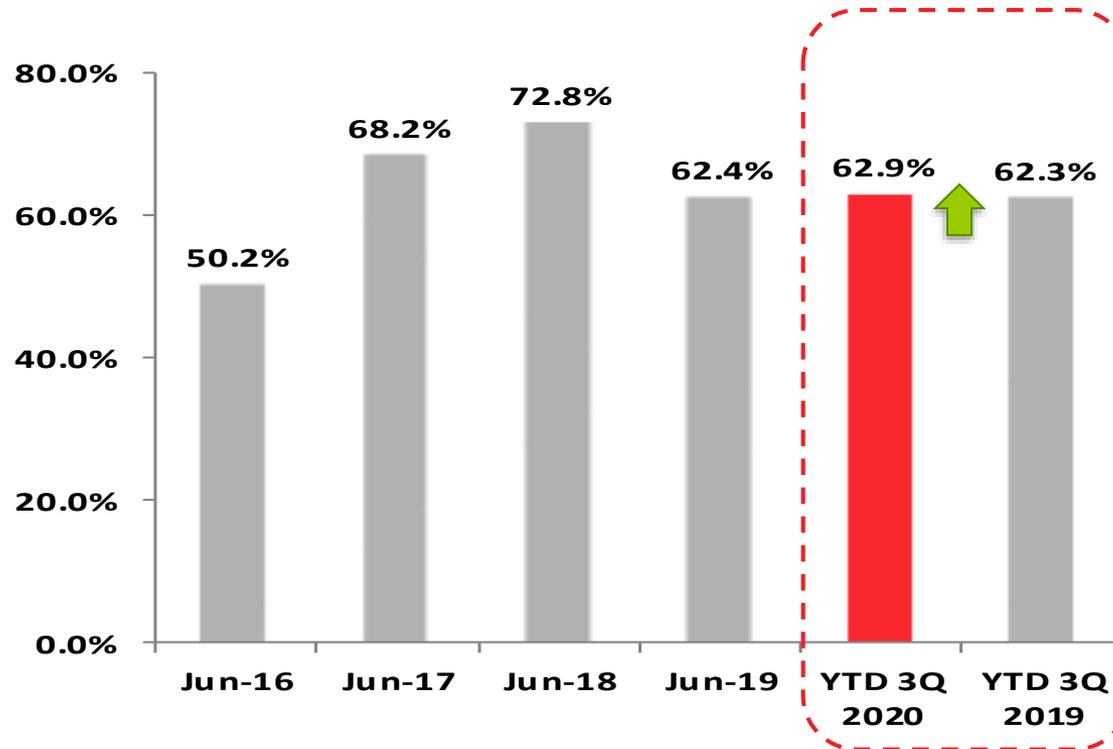


Note 1: The hotel properties are under 10-year master leases. The master lease of Sunway Hotel Seberang Jaya is expiring in July 2020.

The average occupancy rate for Sunway Hotel Seberang Jaya decreased 11.8% to 62.7% for YTD 3Q2020 (YTD 3Q2019: 74.5%) mainly due to impact of COVID-19 which severely affected global travelling patterns in 3Q2020 as well as the MCO period effected by government.

HOSPITALITY PROPERTIES - Sunway Putra Hotel

Average occupancy rate

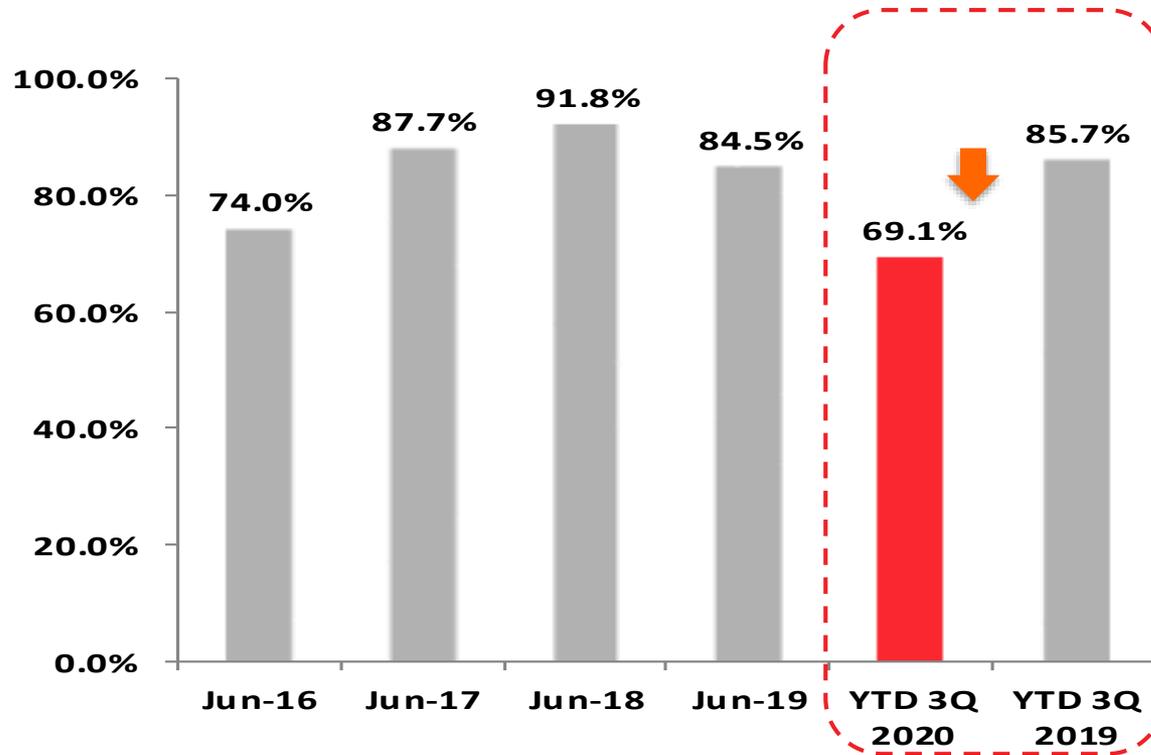


Note 1: The hotel properties are under 10-year master leases. The master lease of Sunway Putra Hotel is expiring in September 2021.

The average occupancy rate at Sunway Putra Hotel increased marginally to 62.9% for YTD 3Q2020 (YTD 3Q2019: 62.3%), mainly contributed by improvements in Group Leisure and Corporate segments in 1Q and 2Q2020, offset against negative impact of COVID-19 in 3Q2020 which severely affected global travelling patterns in 3Q2020 as well as the MCO period effected by government.

HOSPITALITY PROPERTIES - Sunway Hotel Georgetown

Average occupancy rate

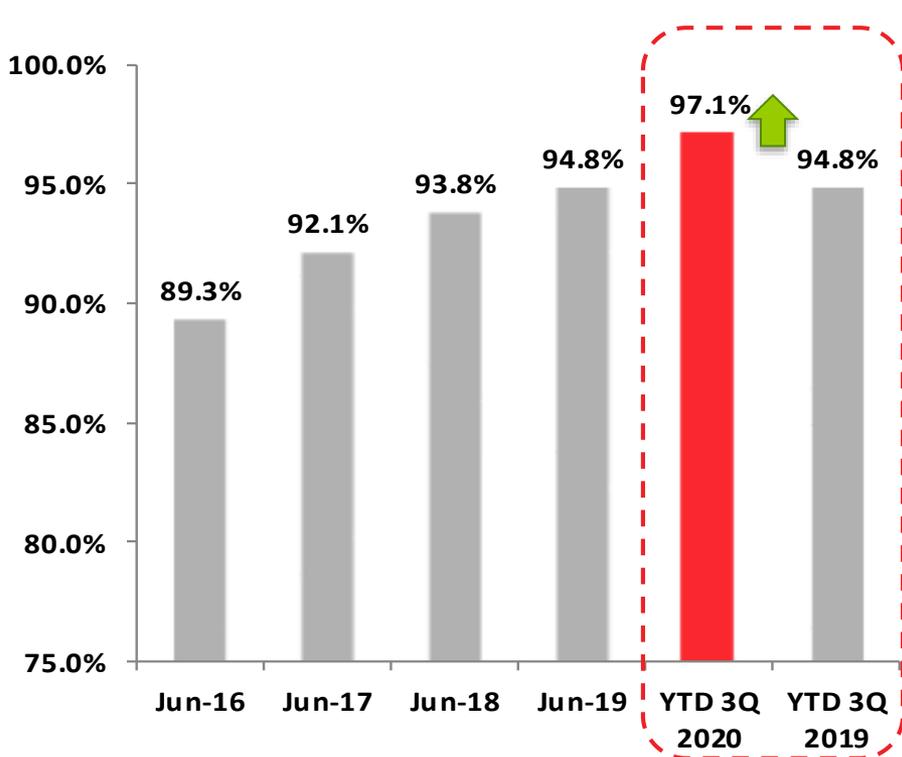


Note 1: The hotel properties are under 10-year master leases. The master lease of Sunway Hotel Georgetown is expiring in January 2025

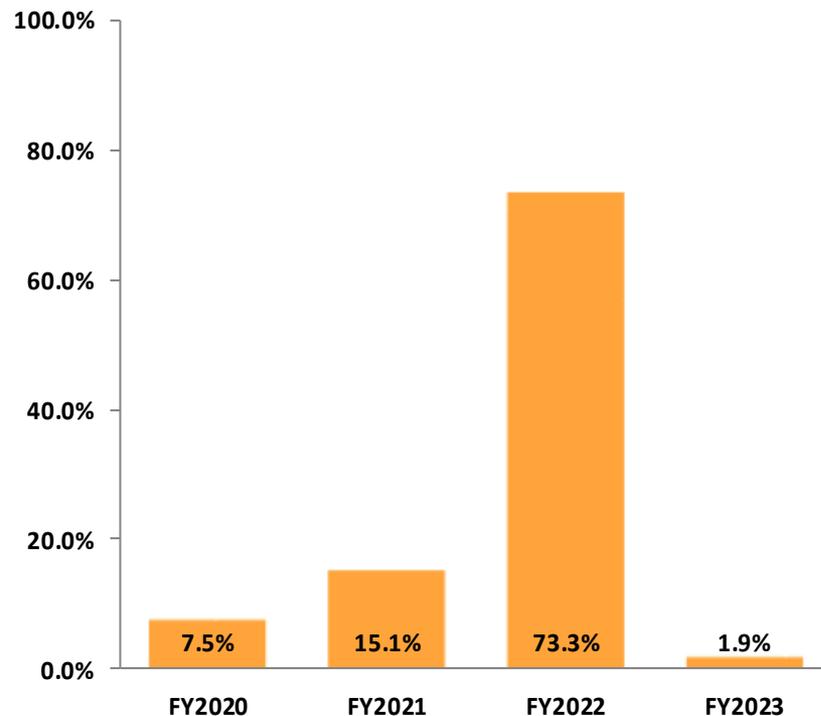
The average occupancy rate at Sunway Hotel Georgetown decreased by 16.6% to 69.1% for YTD 3Q2020 (YTD 3Q2019: 85.7%) mainly due to COVID-19 which severely affected global travelling patterns in 3Q2020 particularly China FIT market.

OFFICE PROPERTIES - Menara Sunway

Average occupancy rate



Projected lease expiry schedule

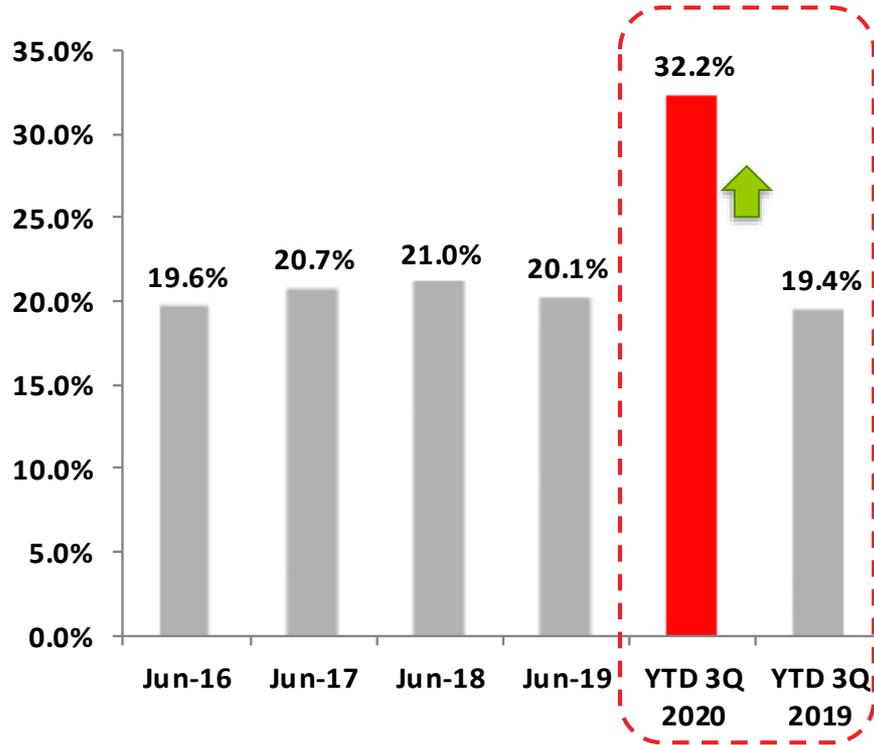


The average occupancy rate at Menara Sunway stood at 97.1% for YTD 3Q2020, with 2.3% increase compared to the preceding year, with the expansion of existing tenant.

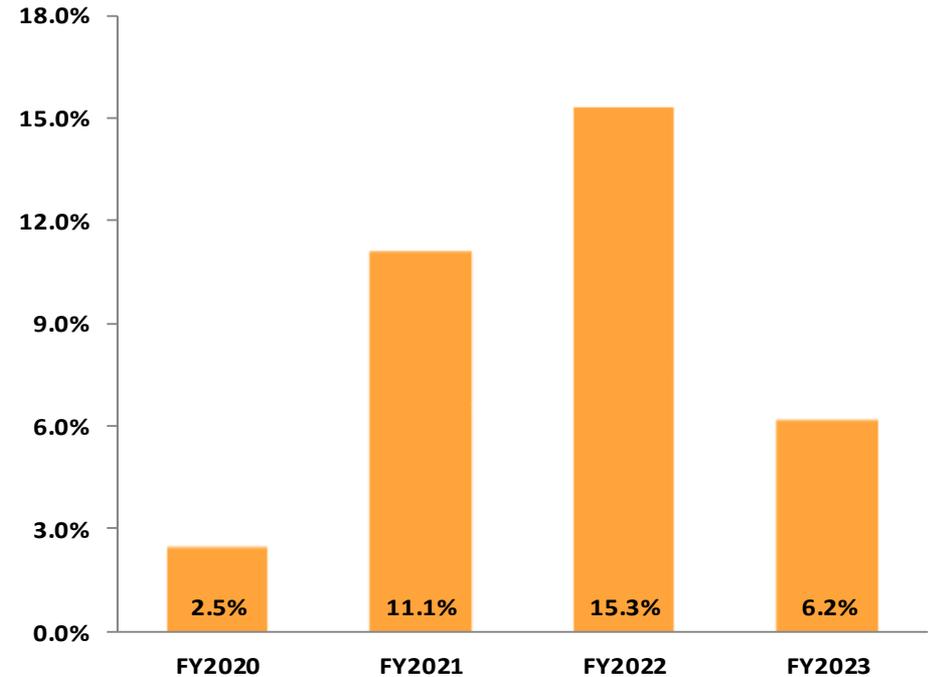
Based on the total NLA of 44,195 sq.ft. which is due for renewal in FY2020, a total of 15,730 sq.ft. equivalent to 35.6% of total space due for renewal, was renewed or replaced with negative single-digit rental reversionary rate.

OFFICE PROPERTIES - Sunway Tower

Average occupancy rate



Projected lease expiry schedule

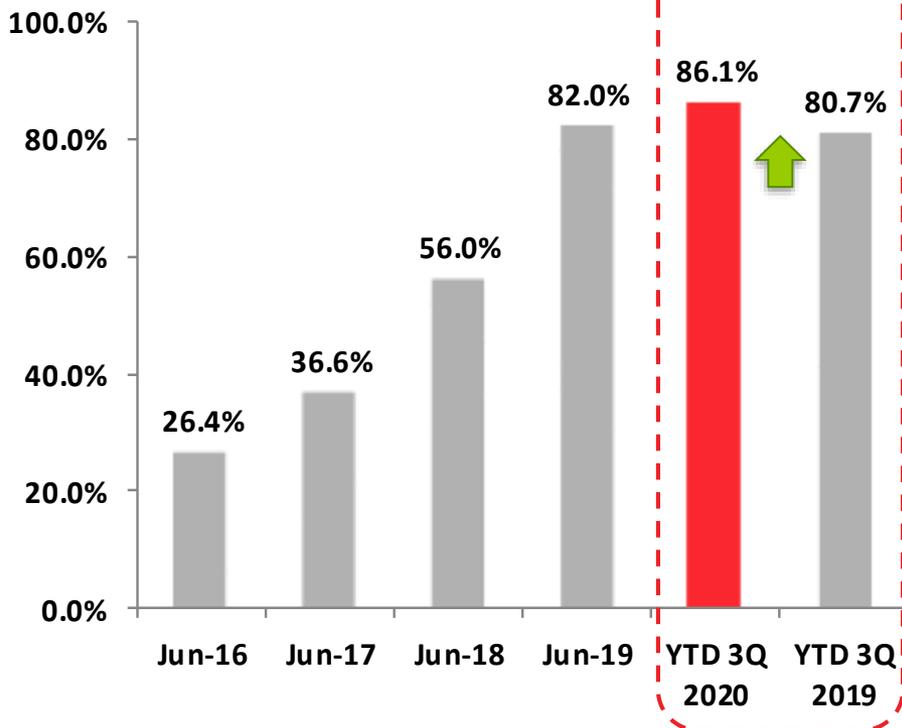


The average occupancy rate for Sunway Tower stood at 32.2% for YTD 3Q2020 (YTD 3Q2019: 19.4%) due to commencement of new tenants.

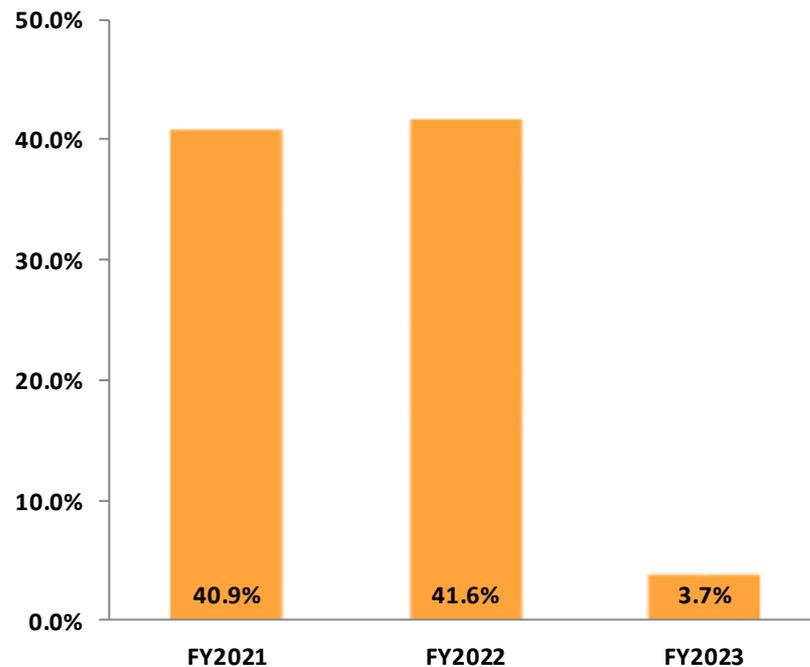
Based on the total NLA of 12,381 sq.ft. which is due for renewal in FY2020, a total of 5,690sq.ft. equivalent to 46.0% of total space due for renewal, was renewed at the same rate.

OFFICE PROPERTIES - Sunway Putra Tower

Average occupancy rate



Projected lease expiry schedule

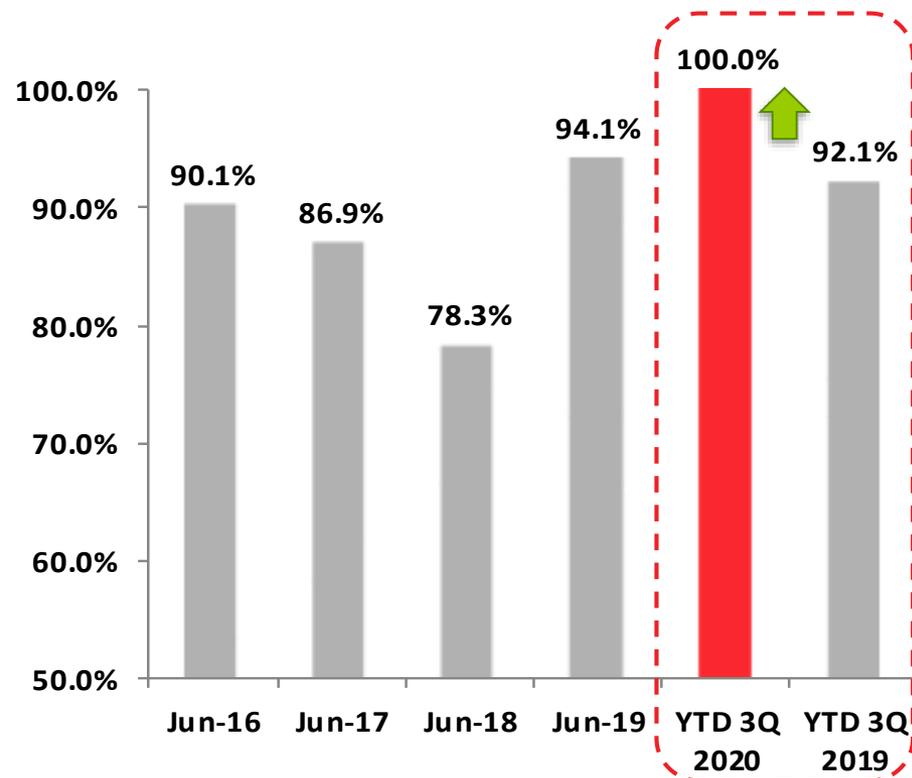


The average occupancy for Sunway Putra Tower improved to 86.1% for YTD 3Q2020 (YTD 3Q2019: 80.7%) following commencement of new tenants.

Based on the total NLA of 66,229 sq.ft. which is due for renewal in FY2020, a total of 64,729 sq.ft. equivalent to 97.7% of total space due for renewal, was renewed or replaced at a positive single-digit rental reversionary rate.

OFFICE PROPERTIES - Wisma Sunway

Average occupancy rate



Projected lease expiry schedule



The average occupancy rate at Wisma Sunway improved to 100% for YTD 3Q2020 (YTD 3Q2019: 92.1%) following an expansion of existing tenant.

Based on the total NLA of 37,175 sq.ft. which is due for renewal in FY2020, 100% of the total space due for renewal was renewed or replaced at a positive single-digit rental reversionary rate.