

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Note	Fourth Quarter ended			Cumulative Quarter ended		
		31.12.2024	31.12.2023	Change	31.12.2024	31.12.2023	Change
		RM'000	RM'000	%	RM'000	RM'000	%
Rental and lease income							
- Realised		205,501	175,506	17.1%	736,238	689,239	6.8%
- Unrealised (in relation to unbilled lease income receivable) <sup>1</sup>		10,278	11,141	-7.7%	10,278	11,141	-7.7%
Other operating income		5,071	3,874	30.9%	20,630	15,309	34.8%
<b>Revenue</b>		<b>220,850</b>	<b>190,521</b>	<b>15.9%</b>	<b>767,146</b>	<b>715,689</b>	<b>7.2%</b>
Quit rent, assessment and insurance		(4,712)	(4,392)	7.3%	(17,161)	(17,464)	-1.7%
Other property operating expenses		(50,584)	(50,472)	0.2%	(180,281)	(171,328)	5.2%
<b>Property operating expenses</b>		<b>(55,296)</b>	<b>(54,864)</b>	<b>0.8%</b>	<b>(197,442)</b>	<b>(188,792)</b>	<b>4.6%</b>
<b>Net property income</b>		<b>165,554</b>	<b>135,657</b>	<b>22.0%</b>	<b>569,704</b>	<b>526,897</b>	<b>8.1%</b>
Interest income		3,178	5,053	-37.1%	13,095	9,894	32.4%
Other income		192	64	> 100%	311	397	-21.7%
Changes in fair value of investment properties							
- As per valuation reports	<b>A13</b>	107,262	505	> 100%	173,427	505	> 100%
- Unbilled lease income receivable <sup>1</sup>		(10,278)	(11,141)	-7.7%	(10,278)	(11,141)	-7.7%
Net investment income		265,908	130,138	> 100%	746,259	526,552	41.7%
Manager's fees	<b>B8</b>	(12,774)	(11,107)	15.0%	(47,208)	(43,934)	7.5%
Trustee's fees	<b>B9</b>	(182)	(186)	-2.2%	(770)	(770)	0.0%
Other trust expenses		(1,042)	(1,349)	-22.8%	(4,010)	(3,343)	20.0%
Finance costs		(45,450)	(38,561)	17.9%	(166,619)	(138,949)	19.9%
		(59,448)	(51,203)	16.1%	(218,607)	(186,996)	16.9%
<b>Profit before tax</b>	<b>A10</b>	<b>206,460</b>	<b>78,935</b>	<b>&gt; 100%</b>	<b>527,652</b>	<b>339,556</b>	<b>55.4%</b>
Tax expenses	<b>A11</b>	(2,900)	(1,365)	> 100%	(2,900)	(1,365)	> 100%
<b>Profit for the period/year</b>		<b>203,560</b>	<b>77,570</b>	<b>&gt; 100%</b>	<b>524,752</b>	<b>338,191</b>	<b>55.2%</b>
Profit for the period/year comprises the following:							
Realised							
- Unitholders		94,707	73,378	29.1%	343,828	319,022	7.8%
- Perpetual note holders		4,439	5,013	-11.5%	10,215	19,889	-48.6%
		99,146	78,391	26.5%	354,043	338,911	4.5%
Unrealised		104,414	(821)	> 100%	170,709	(720)	> 100%
		203,560	77,570	> 100%	524,752	338,191	55.2%
Basic earnings per unit attributable to unitholders (sen):							
Realised		2.76	2.14	29.0%	10.04	9.32	7.7%
Unrealised		3.05	(0.02)	> 100%	4.98	(0.02)	> 100%
		5.81	2.12	> 100%	15.02	9.30	61.5%
<b>Distributable income per unit (sen)<sup>2</sup></b>		<b>2.76</b>	<b>2.14</b>	<b>29.0%</b>	<b>10.04</b>	<b>9.32</b>	<b>7.7%</b>
<b>Distribution per unit (sen)</b>	<b>A12</b>	<b>5.34</b>	<b>4.68</b>	<b>14.1%</b>	<b>10.00</b>	<b>9.30</b>	<b>7.5%</b>

<sup>1</sup> Represents incremental lease income on straight-line basis over the lease period pursuant to MFRS 16 Leases .

<sup>2</sup> Represents realised income attributable to unitholders and distribution adjustments, if any.

The unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these financial statements.

SUNWAY REAL ESTATE INVESTMENT TRUST  
 FOURTH QUARTER ENDED 31 DECEMBER 2024  
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

	Fourth Quarter ended			Cumulative Quarter ended		
	31.12.2024	31.12.2023	Change	31.12.2024	31.12.2023	Change
	RM'000	RM'000	%	RM'000	RM'000	%
<b>Profit for the period/year</b>	<b>203,560</b>	<b>77,570</b>	<b>&gt; 100%</b>	<b>524,752</b>	<b>338,191</b>	<b>55.2%</b>
<b>Other comprehensive income:</b>						
Cash flow hedge - fair value of derivative <sup>1</sup>	65,762	(4,628)	> 100%	(8,482)	17,813	> -100%
Cash flow hedge reserve recycled to profit or loss	(64,384)	4,435	> -100%	9,737	(18,548)	> 100%
<b>Total comprehensive income for the period/year</b>	<b>204,938</b>	<b>77,377</b>	<b>&gt; 100%</b>	<b>526,007</b>	<b>337,456</b>	<b>55.9%</b>

<sup>1</sup> Please refer to Note B16 for further details of the derivatives.

STATEMENT OF INCOME DISTRIBUTION

	Note	Fourth Quarter ended			Cumulative Quarter ended		
		31.12.2024	31.12.2023	Change	31.12.2024	31.12.2023	Change
		RM'000	RM'000	%	RM'000	RM'000	%
Rental and lease income		205,501	175,506	17.1%	736,238	689,239	6.8%
Interest income		3,178	5,053	-37.1%	13,095	9,894	32.4%
Other income <sup>2</sup>		5,211	3,899	33.6%	20,759	15,566	33.4%
		213,890	184,458	16.0%	770,092	714,699	7.8%
Less: Expenses		(114,744)	(106,067)	8.2%	(416,049)	(375,788)	10.7%
Realised income for the period/year		99,146	78,391	26.5%	354,043	338,911	4.5%
Less: Amount reserved for distribution to perpetual note holders		(4,439)	(5,013)	-11.5%	(10,215)	(19,889)	-48.6%
Realised income attributable to unitholders		94,707	73,378	29.1%	343,828	319,022	7.8%
Add: Brought forward undistributed realised income		132,840	130,218	2.0%	43,315	42,800	1.2%
Total income available for distribution		227,547	203,596	11.8%	387,143	361,822	7.0%
Less: Proposed/Declared income distribution to unitholders		(182,885)	(160,281)	14.1%	(342,481)	(318,507)	7.5%
Balance undistributed realised income		44,662	43,315	3.1%	44,662	43,315	3.1%
<b>Distribution per unit (sen)</b>	<b>A12</b>	<b>5.34</b>	<b>4.68</b>	<b>14.1%</b>	<b>10.00</b>	<b>9.30</b>	<b>7.5%</b>

<sup>2</sup> Included other operating income.

The unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these financial statements.

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**FINANCIAL REVIEW FOR CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER**

	Note	Current Quarter ended 31.12.2024	Immediate Preceding Quarter ended 30.09.2024	Change
		RM'000	RM'000	%
Rental and lease income				
- Realised		205,501	186,103	10.4%
- Unrealised (in relation to unbilled lease income receivable) <sup>1</sup>		10,278	-	N/A
Other operating income		5,071	6,038	-16.0%
<b>Revenue</b>		<b>220,850</b>	<b>192,141</b>	<b>14.9%</b>
Quit rent, assessment and insurance		(4,712)	(4,452)	5.8%
Other property operating expenses		(50,584)	(43,368)	16.6%
<b>Property operating expenses</b>		<b>(55,296)</b>	<b>(47,820)</b>	<b>15.6%</b>
<b>Net property income</b>		<b>165,554</b>	<b>144,321</b>	<b>14.7%</b>
Interest income		3,178	1,552	> 100%
Other income		192	45	> 100%
Changes in fair value of investment properties				
- As per valuation reports	A13	107,262	-	N/A
- Unbilled lease income receivable <sup>1</sup>		(10,278)	-	N/A
Net investment income		265,908	145,918	82.2%
Manager's fees	B8	(12,774)	(11,919)	7.2%
Trustee's fees	B9	(182)	(198)	-8.1%
Other trust expenses		(1,042)	(1,134)	-8.1%
Finance costs		(45,450)	(43,523)	4.4%
		(59,448)	(56,774)	4.7%
<b>Profit before tax</b>	A10	<b>206,460</b>	<b>89,144</b>	<b>&gt; 100%</b>
Tax expenses	A11	(2,900)	-	N/A
<b>Profit for the period</b>		<b>203,560</b>	<b>89,144</b>	<b>&gt; 100%</b>
Profit for the period comprises the following:				
Realised				
- Unitholders		94,707	89,099	6.3%
- Perpetual note holders		4,439	-	N/A
		99,146	89,099	11.3%
Unrealised		104,414	45	> 100%
		203,560	89,144	> 100%
Basic earnings per unit attributable to unitholders (sen):				
Realised		2.76	2.61	5.7%
Unrealised		3.05	-	N/A
		5.81	2.61	> 100%
<b>Distributable income per unit (sen) <sup>2</sup></b>		<b>2.76</b>	<b>2.61</b>	<b>5.7%</b>
<b>Distribution per unit (sen)</b>	A12	<b>5.34</b>	<b>-</b>	<b>N/A</b>

N/A - Not applicable

<sup>1</sup> Represents incremental lease income on straight-line basis over the lease period pursuant to MFRS 16 Leases .

<sup>2</sup> Represents realised income attributable to unitholders and distribution adjustments, if any.

The unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these financial statements.

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**FINANCIAL REVIEW FOR CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER (CONT'D)**

	Current	Immediate	Change
	Quarter ended 31.12.2024	Quarter ended 30.09.2024	
	RM'000	RM'000	%
<b>Profit for the period</b>	<b>203,560</b>	<b>89,144</b>	<b>&gt; 100%</b>
<b>Other comprehensive income:</b>			
Cash flow hedge - fair value of derivative <sup>1</sup>	65,762	(55,300)	> 100%
Cash flow hedge reserve recycled to profit or loss	(64,384)	53,641	> -100%
<b>Total comprehensive income for the period</b>	<b>204,938</b>	<b>87,485</b>	<b>&gt; 100%</b>

<sup>1</sup> Please refer to Note B16 for further details of the derivatives.

**STATEMENT OF INCOME DISTRIBUTION**

	Note	Current	Immediate	Change
		Quarter ended 31.12.2024	Quarter ended 30.09.2024	
		RM'000	RM'000	%
Rental and lease income		205,501	186,103	10.4%
Interest income		3,178	1,552	> 100%
Other income <sup>2</sup>		5,211	6,038	-13.7%
		213,890	193,693	10.4%
Less: Expenses		(114,744)	(104,594)	9.7%
Realised income for the period		99,146	89,099	11.3%
Less: Amount reserved for distribution to perpetual note holders		(4,439)	-	N/A
Realised income attributable to unitholders		94,707	89,099	6.3%
Add: Brought forward undistributed realised income		132,840	43,741	> 100%
Total income available for distribution		227,547	132,840	71.3%
Less: Proposed/Declared income distribution to unitholders		(182,885)	-	N/A
Balance undistributed realised income		44,662	132,840	-66.4%
<b>Distribution per unit (sen)</b>	<b>A12</b>	<b>5.34</b>	<b>-</b>	<b>N/A</b>

N/A - Not applicable

<sup>2</sup> Included other operating income.

The unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these financial statements.

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	As At 31.12.2024 (Unaudited)	As At 31.12.2023 (Audited)
		RM'000	RM'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investment properties	A13	10,384,928	8,912,360
Investment properties - accrued lease income	A13	69,918	59,640
Plant and equipment		16,594	17,399
Right-of-use asset		644	720
		<b>10,472,084</b>	<b>8,990,119</b>
<b>Current assets</b>			
Trade receivables	A14	23,835	19,384
Other receivables		16,918	88,799
Derivatives	B16	-	15,016
Cash and bank balances		289,762	425,305
		<b>330,515</b>	<b>548,504</b>
<b>Total assets</b>		<b>10,802,599</b>	<b>9,538,623</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Unitholders' capital		3,433,864	3,433,864
Undistributed income		1,938,413	1,742,498
Total unitholders' funds		5,372,277	5,176,362
Perpetual note holders' funds		499,717	339,717
Total equity		5,871,994	5,516,079
<b>Non-current liabilities</b>			
Borrowings	A15	2,730,000	2,000,000
Long term liabilities		105,499	101,697
Deferred tax liabilities		15,891	12,991
Lease liability		723	773
		<b>2,852,113</b>	<b>2,115,461</b>
<b>Current liabilities</b>			
Borrowings	A15	1,736,749	1,636,985
Trade payables		5,596	1,498
Other payables		321,656	268,552
Derivatives	B16	14,441	-
Lease liability		50	48
		<b>2,078,492</b>	<b>1,907,083</b>
Total liabilities		4,930,605	4,022,544
<b>Total equity and liabilities</b>		<b>10,802,599</b>	<b>9,538,623</b>
Units in circulation ('000 units)		3,424,808	3,424,808
<b>Net Asset Value ("NAV") attributable to unitholders (RM'000):</b>			
Before income distribution		5,372,277	5,176,362
After income distribution <sup>1</sup>		5,189,392	5,016,081
<b>NAV per unit attributable to unitholders (RM):</b>			
Before income distribution		1.5686	1.5114
After income distribution <sup>1</sup>		1.5152	1.4646

<sup>1</sup> After proposed final income distribution of 5.34 sen per unit for semi-annual period ended 31 December 2024 (31 December 2023: Final income distribution of 4.68 sen per unit for semi-annual period ended 31 December 2023).

The unaudited condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to these financial statements.

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET VALUE**

	Unitholders' Capital	Undistributed Income	Total Unitholders' Funds	Perpetual Note Holders' Funds	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 1 January 2024</b>	3,433,864	1,742,498	5,176,362	339,717	5,516,079
<b>Total comprehensive income</b>					
Profit for the year	-	524,752	524,752	-	524,752
Other comprehensive income:					
- Cash flow hedge - fair value of derivative	-	(8,482)	(8,482)	-	(8,482)
- Cash flow hedge reserve recycled to profit or loss	-	9,737	9,737	-	9,737
Total comprehensive income, representing the increase in net assets resulting from operations	-	526,007	526,007	-	526,007
<b>Unitholders' transactions</b>					
Distribution to unitholders:					
- Income distribution declared and paid in current year	-	(159,596)	(159,596)	-	(159,596)
- Income distribution proposed in prior year but paid in current year	-	(160,281)	(160,281)	-	(160,281)
Decrease in net assets resulting from unitholders' transactions	-	(319,877)	(319,877)	-	(319,877)
<b>Perpetual note holders' transactions</b>					
Issuance of perpetual note	-	-	-	500,000	500,000
Amount reserved for distribution to perpetual note holders	-	(10,215)	(10,215)	-	(10,215)
Redemption of perpetual note	-	-	-	(340,000)	(340,000)
Increase in net assets resulting from perpetual note holders' transactions	-	(10,215)	(10,215)	160,000	149,785
<b>As at 31 December 2024 (Unaudited)</b>	<b>3,433,864</b>	<b>1,938,413</b>	<b>5,372,277</b>	<b>499,717</b>	<b>5,871,994</b>

The unaudited condensed consolidated statement of changes in net asset value should be read in conjunction with the accompanying explanatory notes attached to these financial statements.

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET VALUE (CONT'D)**

	Unitholders' Capital	Undistributed Income	Total Unitholders' Funds	Perpetual Note Holders' Funds	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>As at 1 January 2023</b>	3,433,864	1,754,397	5,188,261	339,717	5,527,978
<b>Total comprehensive income</b>					
Profit for the year	-	338,191	338,191	-	338,191
Other comprehensive income:					
- Cash flow hedge - fair value of derivative	-	17,813	17,813	-	17,813
- Cash flow hedge reserve recycled to profit or loss	-	(18,548)	(18,548)	-	(18,548)
Total comprehensive income, representing the increase in net assets resulting from operations	-	337,456	337,456	-	337,456
<b>Unitholders' transactions</b>					
Distribution to unitholders:					
- Income distribution declared and paid in current year	-	(158,226)	(158,226)	-	(158,226)
- Income distribution proposed in prior year but paid in current year	-	(171,240)	(171,240)	-	(171,240)
Decrease in net assets resulting from unitholders' transactions	-	(329,466)	(329,466)	-	(329,466)
<b>Perpetual note holders' transactions</b>					
Amount reserved for distribution to perpetual note holders	-	(19,889)	(19,889)	-	(19,889)
Decrease in net assets resulting from perpetual note holders' transactions	-	(19,889)	(19,889)	-	(19,889)
<b>As at 31 December 2023 (Audited)</b>	<b>3,433,864</b>	<b>1,742,498</b>	<b>5,176,362</b>	<b>339,717</b>	<b>5,516,079</b>

The unaudited condensed consolidated statement of changes in net asset value should be read in conjunction with the accompanying explanatory notes attached to these financial statements.

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	Year ended	
	31.12.2024	31.12.2023
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Cash receipts from customers	770,766	727,248
Refundable security deposits from customers	19,282	1,932
Cash paid for operating expenses	(246,294)	(283,562)
Net cash from operating activities	<u>543,754</u>	<u>445,618</u>
<b>Cash flows from investing activities</b>		
Acquisition of plant and equipment	(2,930)	(5,573)
Deposit for acquisition of investment properties	(37,300)	(56,503)
Balance payment for acquisition of investment properties	(859,747)	-
Balance proceeds from disposal of investment property	-	399,900
Incidental costs on acquisition of investment properties	(11,045)	-
Incidental costs on disposal of investment property	-	(12,925)
Subsequent expenditure of investment properties	(312,930)	(200,070)
Interest received	14,158	10,543
Net cash (used in)/from investing activities	<u>(1,209,794)</u>	<u>135,372</u>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of commercial papers	2,950,000	2,270,000
Proceeds from issuance of medium term notes	3,370,000	800,000
Drawdown of revolving loans - USD	808,985	331,503
Drawdown of revolving loan	50,000	430,000
Proceed from issuance of perpetual note	500,000	-
Repayment of commercial papers	(2,950,000)	(2,180,000)
Repayment of medium term notes	(1,200,000)	(960,000)
Repayment of revolving loans - USD	(618,633)	(292,552)
Repayment of revolving loan	(1,550,000)	(320,000)
Redemption of perpetual note	(340,000)	-
Interest paid	(160,060)	(136,572)
Distribution paid to unitholders	(319,877)	(329,466)
Distribution paid to perpetual note holders	(9,918)	(19,836)
Net cash from/(used in) financing activities	<u>530,497</u>	<u>(406,923)</u>
Net (decrease)/increase in cash and cash equivalents	(135,543)	174,067
Cash and cash equivalents at beginning of year	425,305	251,238
<b>Cash and cash equivalents at end of year</b>	<b><u>289,762</u></b>	<b><u>425,305</u></b>
Cash and bank balances at end of year comprise:		
Cash on hand and at banks	39,762	20,305
Deposits placed with licensed financial institutions	250,000	405,000
Cash and bank balances	<u>289,762</u>	<u>425,305</u>

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.



**SUNWAY REAL ESTATE INVESTMENT TRUST  
FOURTH QUARTER ENDED 31 DECEMBER 2024  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**Part A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standards ("MFRS") 134**

**A1. Corporate Information**

Sunway Real Estate Investment Trust ("Sunway REIT" or the "Fund") is a Malaysia-domiciled real estate investment trust constituted pursuant to a deed dated 20 May 2010, a supplementary deed dated 10 June 2010 and an amended and restated deed dated 18 September 2018 (collectively referred to as the "Deed") between Sunway REIT Management Sdn. Bhd. (the "Manager") and RHB Trustees Berhad (the "Trustee"). The Fund was listed on the Main Market of Bursa Malaysia Securities Berhad on 8 July 2010. The unaudited condensed consolidated financial statements comprise Sunway REIT and its subsidiaries (the "Group").

**A2. Significant Accounting Policies and Basis of Preparation**

The unaudited condensed consolidated financial statements of the Group for the financial year ended 31 December 2024 have been prepared in accordance with MFRS 134: Interim Financial Reporting, paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Deed and the Securities Commission's Guidelines on Listed Real Estate Investment Trusts (the "REIT Guidelines"). These unaudited condensed consolidated financial statements of the Group also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

The unaudited condensed consolidated financial statements of the Group should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to the unaudited condensed consolidated financial statements. The audited financial statements of the Group for the financial year ended 31 December 2023 were prepared under MFRS and are available upon request from the Manager's registered office at Level 16, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan.

The accounting policies adopted by the Group in this unaudited condensed consolidated financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following Standards that are effective for annual periods beginning on or after 1 January 2024:

- Amendments to MFRS 16 *Leases liability in a sale and leaseback*
- Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 101 *Non-current Liabilities with Covenants*

The adoption of the above Standards did not have any material effect on the financial performance or position of the Group.

**A3. Audit Report of Preceding Financial Year**

The auditors have expressed an unqualified opinion on Sunway REIT's financial statements for the preceding financial year ended 31 December 2023.

**A4. Changes in Estimates**

This is not applicable as no estimates were previously reported.

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**Part A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standards ("MFRS") 134**

**A5. Unusual Items**

There were no material unusual items affecting the amounts reported for the current quarter ended 31 December 2024, except for the following:

	<b>Fourth Quarter ended</b>	
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit for the period	203,560	77,570
Less: Fair value changes <sup>1</sup>	(107,314)	(544)
Add: Tax expenses <sup>2</sup>	2,900	1,365
Realised profit for the period	<u>99,146</u>	<u>78,391</u>

<sup>1</sup> Mainly comprise changes in fair value of investment properties. Further details on the valuation of investment properties are disclosed in Note A13.

<sup>2</sup> Relates to deferred tax on unrealised fair value gain of freehold land component within the investment properties which is expected to be recovered through sale.

**A6. Issuance, Repurchases and Repayments of Debt and Equity Securities**

There were no issuance, repurchases and repayments of debt and equity securities for the current quarter ended 31 December 2024, except as disclosed in Note A15.

**A7. Changes in the Composition/Fund Size of the Trust**

There was no change to Sunway REIT's fund size of 3,424.8 million units for the current quarter ended 31 December 2024.

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**A8. Segmental Reporting**

Segmental revenue and results for the fourth quarter ended 31 December 2024 and 31 December 2023 are as follows:

Business segments	Fourth Quarter ended 31.12.2024						Fourth Quarter ended 31.12.2023					
	Retail	Hotel	Office	Services	Industrial & Others	Total	Retail	Hotel	Office	Services	Industrial & Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue and results</b>												
Rental and lease income												
- Realised	149,028	27,878	20,540	9,655	3,471	210,572	123,941	23,274	21,034	9,437	1,694	179,380
- Unrealised (unbilled lease income receivable)	-	-	-	10,278	-	10,278	-	-	-	11,141	-	11,141
Gross revenue	149,028	27,878	20,540	19,933	3,471	220,850	123,941	23,274	21,034	20,578	1,694	190,521
Net property income	103,532	26,793	12,357	19,928	2,944	165,554	79,561	21,439	12,964	20,578	1,115	135,657
Interest income						3,178						5,053
Other income						192						64
Changes in fair value of investment properties *						96,984						(10,636)
Trust and other expenses						(13,998)						(12,642)
Finance costs						(45,450)						(38,561)
Profit before tax						206,460						78,935
Tax expenses						(2,900)						(1,365)
Profit for the period						203,560						77,570

\* After accounting for capital expenditure incurred and includes unbilled lease income receivable.

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**A8. Segmental Reporting (Cont'd)**

Segmental revenue and results for the year ended 31 December 2024 and 31 December 2023 are as follows:

Business segments	Cumulative Quarter ended 31.12.2024						Cumulative Quarter ended 31.12.2023					
	Retail	Hotel	Office	Services	Industrial & Others	Total	Retail	Hotel	Office	Services	Industrial & Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue and results</b>												
Rental and lease income												
- Realised	529,625	95,457	83,135	38,395	10,256	756,868	472,895	87,096	82,625	55,157	6,775	704,548
- Unrealised (unbilled lease income receivable)	-	-	-	10,278	-	10,278	-	-	-	11,141	-	11,141
Gross revenue	529,625	95,457	83,135	48,673	10,256	767,146	472,895	87,096	82,625	66,298	6,775	715,689
Net property income	368,440	91,525	52,171	48,667	8,901	569,704	320,806	82,365	52,172	66,298	5,256	526,897
Interest income						13,095						9,894
Other income						311						397
Changes in fair value of investment properties *						163,149						(10,636)
Trust and other expenses						(51,988)						(48,047)
Finance costs						(166,619)						(138,949)
Profit before tax						527,652						339,556
Tax expenses						(2,900)						(1,365)
Profit for the year						524,752						338,191

\* After accounting for capital expenditure incurred and includes unbilled lease income receivable.

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**A8. Segmental Reporting (Cont'd)**

Segmental assets and liabilities as at 31 December 2024 and 31 December 2023 are as follows:

Business segments	As at 31.12.2024						As at 31.12.2023					
	Retail	Hotel	Office	Services	Industrial & Others	Total	Retail	Hotel	Office	Services	Industrial & Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Assets</b>												
Segment assets	6,845,148	1,879,853	970,972	586,000	241,690	10,523,663	5,455,592	1,865,569	965,926	580,000	167,226	9,034,313
Unallocated assets						278,936						504,310
Total assets						10,802,599						9,538,623
<b>Liabilities</b>												
Segment liabilities	336,480	25,870	27,806	-	2,479	392,635	279,409	32,236	27,762	-	1,385	340,792
Unallocated liabilities						4,537,970						3,681,752
Total liabilities						4,930,605						4,022,544

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**A8. Segmental Reporting (Cont'd)**

Properties	Revenue *				Net Property Income *			
	Fourth Quarter ended				Fourth Quarter ended			
	31.12.2024	31.12.2023	Change	30.09.2024	31.12.2024	31.12.2023	Change	30.09.2024
	RM'000	RM'000	%	RM'000	RM'000	RM'000	%	RM'000
<b>Retail</b>								
Sunway Pyramid Mall <sup>1</sup>	96,742	90,639	6.7%	85,490	70,513	62,378	13.0%	62,286
Sunway Carnival Mall <sup>2</sup>	19,978	19,910	0.3%	20,355	11,195	12,024	-6.9%	11,864
Sunway Putra Mall	13,664	12,430	9.9%	13,000	6,753	6,119	10.4%	6,099
Sunway 163 Mall <sup>3</sup>	6,844	-	N/A	-	3,432	-	N/A	-
Sunway Kluang Mall <sup>4</sup>	-	-	N/A	-	-	-	N/A	-
Sunway Pier <sup>5</sup>	17	52	-67.3%	55	(127)	(1,857)	-93.2%	(115)
SunCity Ipoh Hypermarket	935	910	2.7%	935	918	897	2.3%	919
Sunway REIT Hypermarket- Kinrara <sup>6</sup>	2,538	-	N/A	2,463	2,538	-	N/A	2,463
Sunway REIT Hypermarket- Putra Heights <sup>6</sup>	1,387	-	N/A	1,347	1,387	-	N/A	1,347
Sunway REIT Hypermarket- USJ <sup>6</sup>	2,251	-	N/A	2,252	2,251	-	N/A	2,252
Sunway REIT Hypermarket- Klang <sup>6</sup>	1,146	-	N/A	1,148	1,146	-	N/A	1,148
Sunway REIT Hypermarket- Ulu Kelang <sup>6</sup>	957	-	N/A	957	957	-	N/A	957
Sunway REIT Hypermarket- Plentong <sup>6</sup>	2,569	-	N/A	2,570	2,569	-	N/A	2,570
	149,028	123,941	20.2%	130,572	103,532	79,561	30.1%	91,790
<b>Hotel</b>								
Sunway Resort Hotel <sup>7</sup>	11,544	9,324	23.8%	11,878	11,173	8,685	28.6%	11,501
Sunway Pyramid Hotel <sup>7</sup>	6,769	5,001	35.4%	6,569	6,553	4,700	39.4%	6,343
Sunway Lagoon Hotel	3,285	3,172	3.6%	3,486	3,233	2,727	18.6%	3,412
Sunway Putra Hotel	4,232	3,119	35.7%	4,013	3,891	2,780	40.0%	3,670
Sunway Hotel Seberang Jaya	799	992	-19.5%	965	751	937	-19.9%	907
Sunway Hotel Georgetown	1,249	1,666	-25.0%	2,327	1,192	1,610	-26.0%	2,269
	27,878	23,274	19.8%	29,238	26,793	21,439	25.0%	28,102
<b>Office</b>								
Menara Sunway	4,391	4,286	2.4%	4,148	2,512	2,662	-5.6%	2,766
Sunway Tower	1,317	1,266	4.0%	1,346	(242)	(163)	48.5%	(34)
Sunway Putra Tower	2,560	3,133	-18.3%	2,583	1,336	1,694	-21.1%	1,369
Wisma Sunway	1,762	1,742	1.1%	1,746	903	920	-1.8%	926
Sunway Pinnacle	10,510	10,607	-0.9%	10,668	7,848	7,851	0.0%	7,901
	20,540	21,034	-2.3%	20,491	12,357	12,964	-4.7%	12,928
<b>Services</b>								
Sunway Medical Centre (Tower A & B) <sup>8</sup>	-	-	N/A	-	-	-	N/A	-
Sunway university & college campus	9,655	9,437	2.3%	9,580	9,650	9,437	2.3%	9,580
	9,655	9,437	2.3%	9,580	9,650	9,437	2.3%	9,580
<b>Industrial &amp; Others</b>								
Sunway REIT Industrial-Shah Alam 1	1,695	1,694	0.1%	1,693	1,695	1,692	0.2%	1,693
Sunway REIT Industrial-Petaling Jaya 1 <sup>9</sup>	599	-	N/A	567	173	(577)	> 100%	228
Sunway REIT Industrial - Prai <sup>10</sup>	1,177	-	N/A	-	1,076	-	N/A	-
	3,471	1,694	104.9%	2,260	2,944	1,115	164.0%	1,921
<b>Total Revenue / NPI</b>	<b>210,572</b>	<b>179,380</b>	<b>17.4%</b>	<b>192,141</b>	<b>155,276</b>	<b>124,516</b>	<b>24.7%</b>	<b>144,321</b>

N/A - Not applicable

\* Excluded unrealised lease income (in relation to unbilled lease income receivable)

<sup>1</sup> Refurbishment of Oasis wing commenced in October 2023 and re-opened on 1 November 2024.

<sup>2</sup> Refurbishment of the existing wing commenced in June 2023 with phased completion until June 2025.

<sup>3</sup> Acquired on 9 October 2024.

<sup>4</sup> Acquired on 30 December 2024. Rental contribution for 2 days in year 2024 will be included in year 2025.

<sup>5</sup> Acquired on 17 January 2022. Redevelopment into a retail-centric tourist attraction commenced in October 2024 with targeted completion in early 2027.

<sup>6</sup> Acquired on 30 April 2024. The properties are under triple net lease arrangement.

<sup>7</sup> Both hotels are under a single master lease agreement, with the rent formula of 90% on total hotels' gross operating profit. The comparative figures have been reclassified to conform to the current year's presentation.

<sup>8</sup> Disposed on 30 August 2023.

<sup>9</sup> Acquired on 10 November 2022 with rental commencement from 1 January 2024.

<sup>10</sup> Acquired on 24 October 2024.

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**A8. Segmental Reporting (Cont'd)**

Properties	Revenue *			Net Property Income *		
	Cumulative Quarter ended			Cumulative Quarter ended		
	31.12.2024	31.12.2023	Change	31.12.2024	31.12.2023	Change
	RM'000	RM'000	%	RM'000	RM'000	%
<b>Retail</b>						
Sunway Pyramid Mall <sup>1</sup>	358,089	351,389	1.9%	262,264	258,522	1.4%
Sunway Carnival Mall <sup>2</sup>	79,905	68,039	17.4%	45,749	37,560	21.8%
Sunway Putra Mall	52,114	49,891	4.5%	25,102	23,675	6.0%
Sunway 163 Mall <sup>3</sup>	6,844	-	N/A	3,432	-	N/A
Sunway Kluang Mall <sup>4</sup>	-	-	N/A	-	-	N/A
Sunway Pier <sup>5</sup>	182	235	-22.6%	(537)	(2,250)	-76.1%
SunCity Ipoh Hypermarket	3,630	3,341	8.7%	3,569	3,299	8.2%
Sunway REIT Hypermarket- Kinrara <sup>6</sup>	6,670	-	N/A	6,670	-	N/A
Sunway REIT Hypermarket- Putra Heights <sup>6</sup>	3,647	-	N/A	3,647	-	N/A
Sunway REIT Hypermarket- USJ <sup>6</sup>	6,029	-	N/A	6,029	-	N/A
Sunway REIT Hypermarket- Klang <sup>6</sup>	3,072	-	N/A	3,072	-	N/A
Sunway REIT Hypermarket- Ulu Kelang <sup>6</sup>	2,562	-	N/A	2,562	-	N/A
Sunway REIT Hypermarket- Plentong <sup>6</sup>	6,881	-	N/A	6,881	-	N/A
	529,625	472,895	12.0%	368,440	320,806	14.8%
<b>Hotel</b>						
Sunway Resort Hotel <sup>7</sup>	35,876	29,240	22.7%	34,512	27,773	24.3%
Sunway Pyramid Hotel <sup>7</sup>	24,875	24,956	-0.3%	24,034	24,137	-0.4%
Sunway Lagoon Hotel	12,199	12,138	0.5%	12,296	11,488	7.0%
Sunway Putra Hotel	12,623	11,106	13.7%	11,243	9,749	15.3%
Sunway Hotel Seberang Jaya	3,423	3,033	12.9%	3,210	2,819	13.9%
Sunway Hotel Georgetown	6,461	6,623	-2.4%	6,230	6,399	-2.6%
	95,457	87,096	9.6%	91,525	82,365	11.1%
<b>Office</b>						
Menara Sunway	18,044	17,151	5.2%	11,199	10,454	7.1%
Sunway Tower	5,240	4,689	11.8%	191	(574)	> 100%
Sunway Putra Tower	10,768	12,347	-12.8%	5,841	7,214	-19.0%
Wisma Sunway	7,067	6,980	1.2%	3,731	3,934	-5.2%
Sunway Pinnacle	42,016	41,458	1.3%	31,209	31,144	0.2%
	83,135	82,625	0.6%	52,171	52,172	0.0%
<b>Services</b>						
Sunway Medical Centre (Tower A & B) <sup>8</sup>	-	17,625	-100.0%	-	17,625	-100.0%
Sunway university & college campus	38,395	37,532	2.3%	38,389	37,532	2.3%
	38,395	55,157	-30.4%	38,389	55,157	-30.4%
<b>Industrial &amp; Others</b>						
Sunway REIT Industrial-Shah Alam 1	6,774	6,775	0.0%	6,774	6,722	0.8%
Sunway REIT Industrial-Petaling Jaya 1 <sup>9</sup>	2,305	-	N/A	1,051	(1,466)	> 100%
Sunway REIT Industrial - Prai <sup>10</sup>	1,177	-	N/A	1,076	-	N/A
	10,256	6,775	51.4%	8,901	5,256	69.3%
<b>Total Revenue / NPI</b>	<b>756,868</b>	<b>704,548</b>	<b>7.4%</b>	<b>559,426</b>	<b>515,756</b>	<b>8.5%</b>

N/A - Not applicable

\* Excluded unrealised lease income (in relation to unbilled lease income receivable)

<sup>1</sup> Refurbishment of Oasis wing commenced in October 2023 and re-opened on 1 November 2024.

<sup>2</sup> Refurbishment of the existing wing commenced in June 2023 with phased completion until June 2025.

<sup>3</sup> Acquired on 9 October 2024.

<sup>4</sup> Acquired on 30 December 2024. Rental contribution for 2 days in year 2024 will be included in year 2025.

<sup>5</sup> Acquired on 17 January 2022. Redevelopment into a retail-centric tourist attraction commenced in October 2024 with targeted completion in early 2027.

<sup>6</sup> Acquired on 30 April 2024. The properties are under triple net lease arrangement.

<sup>7</sup> Both hotels are under a single master lease agreement, with the rent formula of 90% on total hotels' gross operating profit. The comparative figures have been reclassified to conform to the current year's presentation.

<sup>8</sup> Disposed on 30 August 2023.

<sup>9</sup> Acquired on 10 November 2022 with rental commencement from 1 January 2024.

<sup>10</sup> Acquired on 24 October 2024.

**SUNWAY REAL ESTATE INVESTMENT TRUST**  
**FOURTH QUARTER ENDED 31 DECEMBER 2024**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

**A8. Segmental Reporting (Cont'd)**

The Group comprises the following major business segments:

- (i) Retail - renting / leasing of retail premises to tenants / lessee
- (ii) Hotel - leasing of hotel premises to hotel operators
- (iii) Office - renting of office premises to tenants
- (iv) Services - leasing of services related premises on long term leases
- (v) Industrial & Others - renting / leasing of industrial and other types of premises

There have been no differences in the basis of segmentation or in the basis of measurement of segment profit or loss as compared to the last audited financial statements.

**a) Review of Fourth Quarter Results**

**Retail segment**

Revenue of Retail segment for fourth quarter ended 31 December 2024 (Q4 2024) was at RM149.0 million, jumped by 20% or RM25.1 million compared to the same quarter of the preceding year (Q4 2023), primarily attributable to new rental contributions from the six Sunway REIT Hypermarkets and Sunway 163 Mall, as well as higher revenue from Sunway Pyramid Mall with the opening of its Oasis wing on 1 November 2024.

NPI of the Retail Segment for Q4 2024 stood at RM103.5 million, increased by 30% or RM24.0 million, mainly due to higher revenue as explained above.

**Hotel segment**

Hotel Segment also registered encouraging revenue growth of 20% or RM4.6 million in Q4 2024, to RM27.9 million, driven by an overall improvement tourism activity and inflow of foreign tourists, further boosted by the festive seasons and year-end holidays.

Correspondingly, NPI of Hotel segment for Q4 2024 increased by 25% or RM5.3 million, to RM26.8 million.

**Office segment**

Revenue for Office Segment recorded a marginal drop of 2% or RM0.5 million in Q4 2024, to RM20.5 million, after two major tenants of Sunway Putra Tower relocated to their own office buildings.

NPI stood at RM12.4 million for Q4 2024, lower by 5% or RM0.6 million, due to the drop in revenue as mentioned above.

**Services segment**

Revenue and NPI of Services segment for Q4 2024 was higher by 2% or RM0.3 million, to RM9.7 million, in accordance with the master lease agreement for Sunway university & college campus.

**Industrial & Others segment**

Revenue and NPI of Industrial & Others segment for Q4 2024 increased by more than doubled compared to Q4 2023, to RM3.5 million and RM2.9 million respectively, supported by new rental contribution from Sunway REIT Industrial - Prai, as well as improved occupancy for Sunway REIT Industrial – Petaling Jaya 1. The property was vacant prior to December 2023.

**Overall**

	<b>Q4 2024</b>	<b>Q4 2023</b>	<b>Change</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	220,850	190,521	30,329	15.9%
NPI	165,554	135,657	29,897	22.0%
Profit for the period, comprise of:				
Realised				
- Unitholders	94,707	73,378	21,329	29.1%
- Perpetual note holders	4,439	5,013	(574)	-11.5%
	<u>99,146</u>	<u>78,391</u>	<u>20,755</u>	<u>26.5%</u>
Unrealised	104,414	(821)	105,235	> 100.0%
	<u>203,560</u>	<u>77,570</u>	<u>125,990</u>	<u>&gt; 100.0%</u>

Sunway REIT registered a realised profit attributable to unitholders of RM94.7 million for Q4 2024, higher by 29% or RM21.3 million compared to Q4 2023. The increase is in line with higher NPI of RM29.9 million primarily contributed by the newly acquired properties during the year and partially offset by higher finance cost of RM6.9 million resulting from higher borrowings.



## A8. Segmental Reporting (Cont'd)

### Overall (Cont'd)

Unrealised profit for Q4 2024 of RM104.4 million was largely in relation to the fair value gain on revaluation of investment properties as at 31 December 2024.

### b) Review of Cumulative Quarter Results

#### Retail segment

Revenue of Retail segment improved by 12% or RM56.7 million, bringing it to RM529.6 million for the cumulative period ended 31 December 2024 (YTD Q4 2024). This increase was largely driven by new rental income from the six Sunway REIT Hypermarkets commencing from 30 April 2024 and Sunway 163 Mall on 9 October 2024, as well as the stronger performance of Sunway Pyramid Mall and Sunway Carnival Mall.

NPI of Retail segment increased by 15%, or RM47.6 million, to RM368.4 million for YTD Q4 2024, in line with the increase in revenue.

#### Hotel segment

Revenue of Hotel segment was higher by 10% or RM8.4 million, to RM95.5 million for YTD Q4 2024 attributable to the overall improvement in tourism activity and the inflow of foreign tourists as evidenced by the increase in average occupancy rate of the Hotel segment from 64% to 65% for YTD Q4 2024.

NPI of Hotel segment has correspondingly increased by 11% or RM9.1 million, to RM91.5 million for YTD Q4 2024.

#### Office segment

Office segment registered revenue of RM83.1 million for YTD Q4 2024, an increase of 1% or RM0.5 million, backed by stable average occupancy rate of above 80%.

NPI of Office segment remained unchanged in YTD Q4 2024, standing at RM52.1 million.

#### Services segment

Services segment contributed revenue and NPI of RM38.4 million for YTD Q4 2024, representing a decrease of 30% or RM16.8 million compared to YTD Q4 2023 following disposal of Sunway Medical Centre (Tower A & B) on 30 August 2023.

#### Industrial & Others segment

The Industrial & Others segment recorded a sharp increase in revenue and NPI of 51% and 69% respectively for YTD Q4 2024. The growth was supported by improved occupancy rate for Sunway REIT Industrial – Petaling Jaya 1 and new rental contribution from Sunway REIT Industrial - Prai.

### Overall

	YTD Q4 2024 RM'000	YTD Q4 2023 RM'000	Change RM'000	%
Revenue	767,146	715,689	51,457	7.2%
NPI	569,704	526,897	42,807	8.1%
Profit for the year, comprise of:				
Realised				
- Unitholders	343,828	319,022	24,806	7.8%
- Perpetual note holders	10,215	19,889	(9,674)	-48.6%
	354,043	338,911	15,132	4.5%
Unrealised	170,709	(720)	171,429	>100%
	524,752	338,191	186,561	55.2%

Realised profit attributable to unitholders of Sunway REIT for YTD Q4 2024 was RM343.8 million, representing an increase of 8%, or RM24.8 million, compared to YTD Q4 2023. The increase was primarily driven by rental contribution from newly acquired properties during the year, partially offset by the absence of rental income from Sunway Medical Centre (Tower A & B) following its disposal on 30 August 2023 and higher finance costs due to increase in total borrowings and higher average interest rate (3.89% vs 3.80%).

Unrealised profit for YTD Q4 2024 of RM170.7 million was largely in relation to the fair value gain on revaluation of investment properties as at 31 December 2024 as well as valuation gain recognised for six Sunway REIT Hypermarkets following the completion of its acquisition on 30 April 2024.

## A9. Seasonality of Operations

The quarterly results were not materially affected by seasonal or cyclical factors.

## A10. Profit Before Tax

Included in the profit before tax are the following items:

	Note	Fourth Quarter ended		Cumulative Quarter ended	
		31.12.2024	31.12.2023	31.12.2024	31.12.2023
		RM'000	RM'000	RM'000	RM'000
Net changes in fair value of long term liabilities	<b>B18</b>	(52)	(39)	(182)	(140)
Realised foreign exchange loss		-	-	1	8
Unrealised foreign exchange loss/(gain) (hedged item)		64,384	(4,435)	(9,737)	18,548
Cash flow hedge reserve recycled to profit or loss		(64,384)	4,435	9,737	(18,548)
Reversal of impairment on trade receivables	<b>A14</b>	(775)	(1,111)	(1,089)	(4,333)
Depreciation of plant and equipment		994	1,026	4,012	3,938
(Gain)/Loss on disposal of plant and equipment		(13)	-	12	51
Write off of plant and equipment		7	23	7	135

## A11. Tax Expenses

### Taxation of the REIT

The tax transparency system under Section 61A of the Malaysian Income Tax Act 1967 exempts the REIT from income tax in a year of assessment if the REIT distributes at least 90% of its total taxable income in the same year of assessment.

Sunway REIT should not incur any tax expense in the current financial year as it will distribute almost 100% of its distributable income which translates to more than 90% of its total taxable income.

### Taxation of the Unitholders

Pursuant to Section 109D of the Malaysian Income Tax Act 1967, where 90% or more of the REIT's total taxable income is distributed by the REIT, distributions to unitholders (other than resident corporate investors) will be subject to tax based on a withholding tax mechanism at the following rates:

Category / Type of unitholders	Withholding tax rate
Individuals and all other non-corporate investors such as institutional investors	10%
Non-resident corporate investors	24%

Resident corporate investors are required to report the distributions in their corporate tax return and subject to the prevailing corporate tax rate of 24%.

## A12. Income Distribution

In accordance with the Deed, the Manager will make regular distributions of all (or such lower percentage as determined by the Manager) of the distributable income of Sunway REIT.

The Manager intends to distribute 100% of the distributable income to the unitholders of Sunway REIT in each financial year on a semi-annual basis, for each six-month period ending 30 June and 31 December, unless varied by the Manager.

Distribution reinvestment scheme ("DRS") of Sunway REIT was established following the approval of the unitholders at the Eighth Annual General Meeting ("AGM") on 2 October 2020 and the renewal of DRS authority granted to the Board has been approved by unitholders at the Eleventh AGM on 25 April 2024. The Manager may, at its absolute discretion, determine whether to pay a particular income distribution declared in cash or to offer the unitholders of Sunway REIT the option to reinvest all or part of their cash income distribution in new units of Sunway REIT.

## A12. Income Distribution (Cont'd)

For the current financial year, the Manager has proposed the following distribution of Sunway REIT:

- i) For the semi-annual period from 1 January 2024 to 30 June 2024, interim income distribution amounting to RM159.6 million or 4.66 sen per unit, comprising taxable and non-taxable/tax-exempt amount of 4.14 sen per unit and 0.52 sen per unit respectively, paid in cash on 4 October 2024.
- ii) For the semi-annual period from 1 July 2024 to 31 December 2024, final income distribution amounting to RM182.9 million or 5.34 sen per unit comprising taxable and non-taxable/tax-exempt amount of 4.02 sen per unit and 1.32 sen per unit respectively, payable in cash on 28 February 2025.

With the proposed final income distribution, the Manager will be distributing almost 100% of the distributable income to the unitholders of Sunway REIT for the financial year ended 31 December 2024.

## A13. Investment Properties

	<b>As at 31.12.2024 RM'000</b>	<b>As at 31.12.2023 RM'000</b>
Investment properties		
- As per valuation reports	10,414,000	8,972,000
- Accrued lease income	<u>(69,918)</u>	<u>(59,640)</u>
	10,344,082	8,912,360
Investment property under construction	<u>40,846</u>	<u>-</u>
	<u>10,384,928</u>	<u>8,912,360</u>

Investment property under construction relates to property development activities for redevelopment of Sunway Pier which includes the land cost transferred from investment properties of RM33.0 million in the current year and the property development costs incurred to-date of RM7.8 million. Demolition works were completed and the piling works are on-going.

Investment properties - accrued lease income is in relation to the 30-year non-cancellable lease agreements for Sunway university & college campus, commencing on 15 April 2019 and expiring on 30 November 2048, with in-built incremental lease rental of 2.3% every year. The lease income has been recognised on a straight-line based over the lease period of 30 years pursuant to MFRS 16 Leases, with a total accrued lease income of RM69.9 million as at 31 December 2024.

### A13. Investment Properties (Cont'd)

Investment properties are valued by independent firms of registered valuers, registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia.

The difference between the valuation and the carrying amounts of the respective investment properties are charged or credited to the profit or loss for the year in which they arise.

Properties	Note	Fair Value		
		As at 31.12.2024 <sup>1</sup>	As at 31.12.2023 <sup>4</sup>	Increase/ (Decrease)
		RM'000	RM'000	RM'000
<b>Retail</b>				
Sunway Pyramid Mall		4,200,000	3,900,000	300,000
Sunway Carnival Mall		980,000	900,000	80,000
Sunway Putra Mall		528,000	525,000	3,000
Sunway 163 Mall	A17	225,000	-	225,000
Sunway Kluang Mall	A17	165,000	-	165,000
Sunway Pier		- <sup>2</sup>	33,000	(33,000)
SunCity Ipoh Hypermarket		55,000	55,000	-
Sunway REIT Hypermarket- Kinrara	A17	143,000 <sup>3</sup>	-	143,000
Sunway REIT Hypermarket- Putra Heights	A17	71,000 <sup>3</sup>	-	71,000
Sunway REIT Hypermarket- USJ	A17	101,000 <sup>3</sup>	-	101,000
Sunway REIT Hypermarket- Klang	A17	74,000 <sup>3</sup>	-	74,000
Sunway REIT Hypermarket- Ulu Kelang	A17	53,000 <sup>3</sup>	-	53,000
Sunway REIT Hypermarket- Plentong	A17	159,000 <sup>3</sup>	-	159,000
		6,754,000	5,413,000	1,341,000
<b>Hotel</b>				
Sunway Resort Hotel		740,000	730,000	10,000
Sunway Pyramid Hotel		345,000	345,000	-
Sunway Lagoon Hotel		310,000	310,000	-
Sunway Putra Hotel		334,000	334,000	-
Sunway Hotel Seberang Jaya		55,000	52,000	3,000
Sunway Hotel Georgetown		86,000	84,000	2,000
		1,870,000	1,855,000	15,000
<b>Office</b>				
Menara Sunway		178,000	178,000	-
Sunway Tower		115,000	115,000	-
Sunway Putra Tower		135,000	135,000	-
Wisma Sunway		60,000	60,000	-
Sunway Pinnacle		471,000	470,000	1,000
		959,000	958,000	1,000
<b>Services</b>				
Sunway university & college campus		586,000	580,000	6,000
		586,000	580,000	6,000
<b>Industrial &amp; Others</b>				
Sunway REIT Industrial - Shah Alam 1		106,000	105,000	1,000
Sunway REIT Industrial - Petaling Jaya 1		71,000	61,000	10,000
Sunway REIT Industrial - Prai	A17	68,000	-	68,000
		245,000	166,000	79,000
<b>Total investment properties - as per valuation reports</b>		<b>10,414,000</b>	<b>8,972,000</b>	<b>1,442,000</b>
Less: Acquisitions during the year	A17			(972,497)
Less: Capital expenditure during the year	B2			(329,076)
Add: Transfer to investment property under construction				33,000
<b>Net fair value gain</b>				<b>173,427</b>

<sup>1</sup> Appraised value based on valuation carried out on 1 December 2024.

<sup>2</sup> Sunway Pier was transferred to investment property under construction and as a result, this property was not subject to annual revaluation.

<sup>3</sup> Appraised value based on valuation carried out on 1 November 2024.

<sup>4</sup> Appraised value based on valuation carried out on 1 December 2023.

#### A14. Trade Receivables

	<b>As at 31.12.2024 RM'000</b>	<b>As at 31.12.2023 RM'000</b>
Third parties	15,239	15,105
Amount due from parties related to the Manager	10,616	7,556
	<u>25,855</u>	<u>22,661</u>
Less: Allowance for impairment	(2,020)	(3,277)
Total trade receivables	<u>23,835</u>	<u>19,384</u>

The ageing analysis of Sunway REIT's trade receivables was as follows:

	<b>As at 31.12.2024 RM'000</b>	<b>As at 31.12.2023 RM'000</b>
Current	11,717	7,863
1 to 30 days	6,485	6,525
31 to 60 days	3,886	1,879
61 to 90 days	781	880
91 to 120 days	1,041	524
More than 120 days	1,945	4,990
	<u>14,138</u>	<u>14,798</u>
Less: Impaired	(2,020)	(3,277)
	<u>23,835</u>	<u>19,384</u>

Trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	<b>Note</b>	<b>As at 31.12.2024 RM'000</b>	<b>As at 31.12.2023 RM'000</b>
At beginning of year		3,277	7,641
Reversal for the year	<b>A10</b>	(1,089)	(4,333)
Written off		(168)	(31)
At end of year		<u>2,020</u>	<u>3,277</u>

#### A15. Borrowings and Debt Securities

	<b>As at 31.12.2024 RM'000</b>	<b>As at 31.12.2023 RM'000</b>
<u>Short term borrowings</u>		
Secured		
- Commercial paper	90,000	90,000
- Revolving loans (USD)	506,966	347,325
- Unrated medium term notes	1,140,000	1,200,000
	<u>1,736,966</u>	<u>1,637,325</u>
Less: Discount on commercial paper	(126)	(176)
Less: Unamortised transaction costs	(91)	(164)
Total short term borrowings	<u>1,736,749</u>	<u>1,636,985</u>
<u>Long term borrowings</u>		
Secured		
- Unrated medium term notes	1,830,000	-
Unsecured		
- Rated medium term notes	400,000	-
- Revolving loan (RM)	500,000	2,000,000
Total long term borrowings	<u>2,730,000</u>	<u>2,000,000</u>
Total borrowings	<u>4,466,749</u>	<u>3,636,985</u>

## A15. Borrowings and Debt Securities (cont'd)

Borrowings of Sunway REIT is denominated in Ringgit Malaysia ("RM"), except for revolving loans (USD) which are denominated in United States Dollar ("USD"). Revolving loans (USD) are fully hedged with USD-MYR cross currency swap ("CCS") contracts as disclosed in Note B16.

Revolving loan (RM) is classified as long term borrowings based on the tenor/repayment terms of 7 years due on 1 April 2026. Part of the revolving loan (RM) amounting to RM1.5 billion has been early settled during the year through issuances of unrated medium term notes.

Total borrowings of Sunway REIT as at 31 December 2024 increased by RM829.8 million compared to 31 December 2023, due to additional borrowings for acquisitions and capital expenditure during the year.

Proportion of borrowings based on fixed and floating interest rates as at 31 December 2024 was 45 : 55 (31 December 2023: 34 : 66). For the financial year ended 31 December 2024, average interest rate of borrowings was 3.89% (31 December 2023: 3.80%).

## A16. Fair Value Hierarchy

The following table provides the fair value hierarchy of the Group's assets and financial instruments:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>At 31 December 2024</b>				
<u>Financial asset</u>				
Investment properties	-	-	10,344,082	10,344,082
<u>Financial liability</u>				
Derivatives	-	14,441	-	14,441
<b>At 31 December 2023</b>				
<u>Financial assets</u>				
Investment properties	-	-	8,912,360	8,912,360
Derivatives	-	15,016	-	15,016

No transfers between any levels of the fair value hierarchy took place during the current financial year and the preceding financial year.

## A17. Material Events since the last Annual Reporting

### Acquisition of hypermarkets / retail complexes for cash consideration of RM520.0 million

On 16 March 2023, Sunway REIT entered into a conditional sale and purchase agreement with Kwasa Properties Sdn. Bhd., a wholly-owned subsidiary of the Employees Provident Fund, to acquire six freehold hypermarkets / retail complexes that are strategically located in Klang Valley and Johor for a total cash consideration of RM520.0 million. The acquisition was completed on 30 April 2024.

### Acquisition of an industrial property in Prai, Penang for cash consideration of RM66.8 million

On 18 December 2023, Sunway REIT entered into a conditional sale and purchase agreement with Best Corridor Venture Sdn. Bhd., to acquire an industrial property that is strategically located in Bukit Tengah Industrial Park, Prai, Penang for a cash consideration of RM66.8 million. The acquisition was completed on 24 October 2024.

### Acquisition of a shopping mall known as "163 Retail Park" in Mont Kiara, Kuala Lumpur for cash consideration of RM215.0 million

On 26 January 2024, Sunway REIT entered into a conditional sale and purchase agreement with D'Kiara Place Sdn. Bhd., to acquire a shopping mall known as "163 Retail Park" that is strategically located in Mont Kiara, Kuala Lumpur for a cash consideration of RM215.0 million. The acquisition was completed on 9 October 2024.

### Acquisition of a shopping mall known as "Kluang Mall" in Kluang, Johor for cash consideration of RM158.0 million

On 8 August 2024, Sunway REIT entered into a conditional sale and purchase agreement with Tenaga Nusantara Sdn. Bhd., to acquire a shopping mall known as "Kluang Mall" that is strategically located in Kluang, Johor for a cash consideration of RM158.0 million. The acquisition was completed on 30 December 2024.

#### A18. Material Event Subsequent to the end of the Current Quarter

##### **Proposed acquisition of a retail asset known as “AEON Mall Seri Manjung” in Manjung, Perak for cash consideration of RM138.0 million**

On 20 January 2025, Sunway REIT entered into a conditional sale and purchase agreement with Kar Sin Berhad and YNH Hospitality Sdn. Bhd, the subsidiaries of YNH Property Berhad, to acquire a retail asset known as “AEON Mall Seri Manjung” that is located in Manjung, Perak for a cash consideration of RM138.0 million.

Barring any unforeseen circumstances, the proposed acquisition is expected to be completed by second quarter of year 2025.

#### A19. Capital Commitments

The amount of commitments for investment properties not provided for in the unaudited condensed consolidated financial statements were as follows:

	<b>As at 31.12.2024 RM'000</b>	<b>As at 31.12.2023 RM'000</b>
Approved and contracted for	678,318	903,527
Approved and not contracted for	114,177	609,177
	<u>792,495</u>	<u>1,512,704</u>

Amount approved and contracted for was largely in regards to the ongoing Phase 2 refurbishment of Sunway Carnival and redevelopment of Sunway Pier.

The balance of the capital commitments was largely in relation to the planned refurbishment of Sunway Hotel Georgetown, which has been deferred to 2027.

#### A20. Contingent Liability and Asset

There was no contingent asset as at 31 December 2024. The contingent liability as at 31 December 2024 was in respect to the material litigation as disclosed in Note B12.

#### A21. Transactions with Parties Related to the Manager

The following table provides information on the transactions which have been entered into with parties related to the Manager during the financial year ended 31 December 2024:

	<b>Cummulative Quarter ended</b>	
	<b>31.12.2024 RM'000</b>	<b>31.12.2023 RM'000</b>
a) Sunway Berhad Group		
- Sales	(157,903)	(164,086)
- Purchases	213,263	314,326
- Disposal of investment property	-	(430,000)
Structured entities controlled by Sunway Berhad Group		
- Distribution to perpetual note holders	5,776	19,889
b) Sunway Technology Sdn. Bhd. Group		
- Sales	(2,430)	(2,474)
- Purchases	890	838

The distribution to perpetual note holders relates to the amount reserved and/or paid for semi-annual distribution to the subscribers of the perpetual notes, which are wholesale funds regarded as structured entities controlled by Sunway Berhad. The perpetual notes have been fully redeemed on 15 April 2024.

## A21. Transactions with Parties Related to the Manager (Cont'd)

The following table provides information on the balances with the parties related to the Manager as at 31 December 2024 and 31 December 2023:

	As at 31.12.2024 RM'000	As at 31.12.2023 RM'000
<u>Amounts owed by parties related to the Manager:</u>		
a) Sunway Berhad Group	11,590	8,897
b) Sunway Technology Sdn. Bhd. Group	-	16
<u>Amount owed to parties related to the Manager:</u>		
a) Sunway Berhad Group	63,747	95,143

## **Part B - Additional Information Pursuant to Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

### **B1. Review of Performance**

#### **a) Statement of Profit or Loss and Other Comprehensive Income**

Explanatory comments are provided in Notes A8a) and A8b) above.

#### **b) Statement of Financial Position**

Investment properties increased by RM1,472.6 million primarily from the acquisitions during the year as disclosed in Note A17, as well as the ongoing capital expenditure for Sunway Carnival Mall and Sunway Pyramid Mall.

Right-of-use asset and lease liability were pursuant to a 12-year land lease (ending July 2033) from State Government of Penang for car park purposes and recognised in accordance to MFRS 16 Leases .

Other receivables was lower by RM71.9 million mainly due to reclassification of deposits paid last year for six Sunway REIT Hypermarkets and Sunway REIT Industrial - Prai to investment properties upon completion of the acquisitions.

Other payables was higher by RM53.1 million resulting from capital expenditure payable for Sunway Pyramid Mall reconfiguration and Sunway Carnival Mall refurbishment.

Derivatives of RM14.4 million was in relation to USD-MYR CCS contracts for the revolving loans (USD). Further details and movement of the derivatives are explained in Notes A16 and B16.

Unitholders' funds increased by RM355.9 million contributed by total comprehensive income for the year of RM526.0 million, partially offset by distribution to unitholders of RM319.9 million. Perpetual note holders' fund increased by RM160.0 million pursuant to new issuance of RM500.0 million on 22 October 2024 net of redemption of RM340.0 million on 15 April 2024.

Net asset value per unit, after income distribution, increased to RM1.5152 as at 31 December 2024 primarily due to net fair value gain on investment properties of RM173.4 million as disclosed in Note A13.

#### **c) Statement of Cash Flows**

Net cash from operating activities for YTD Q4 2024 of RM543.8 million, compared to NPI less trust expenses of RM507.4 million, mainly comprise of cash receipt and refundable deposits from lessees and tenants, partially offset by cash paid for operating expenses.

Net cash used in investing activities for YTD Q4 2024 of RM1.2 billion was mainly for acquisitions of properties detailed in Note A17 and capital expenditure incurred for Sunway Pyramid Mall reconfiguration and Sunway Carnival Mall refurbishment.

Net cash from financing activities for YTD Q4 2024 of RM530.5 million was contributed by net drawdown of borrowings of RM860.4 million and net proceed from issuance of perpetual note of RM160.0 million, partially offset by income distribution paid to unitholders of RM319.9 million and interest paid of RM160.1 million.

Cash and bank balances as at 31 December 2024 and 31 December 2023 stood at RM289.8 million and RM425.3 million respectively. Higher cash and bank balances as at 31 December 2023 was mainly due to net cash from investing activities resulting from the disposal of Sunway Medical Centre (Tower A & B).



## B2. Maintenance Costs and Major Capital Expenditure

There was no unusual nor material maintenance costs during the quarter under review.

Sunway REIT incurred capital expenditure of RM73.7 million for Q4 2024 and RM336.9 million for YTD Q4 2024, mainly for Sunway Carnival Mall refurbishment and Sunway Pyramid Mall reconfiguration.

## B3. Material Changes in Quarterly Results

	Current Quarter ended 31.12.2024 RM'000	Immediate Preceding Quarter ended 30.09.2024 RM'000	Change %
Realised profit	99,146	89,099	11.3%
Unrealised profit	104,414	45	>100%
Profit for the quarter	203,560	89,144	> 100%

Realised profit for current quarter was higher by RM10.1 million or 11% compared to immediate preceding quarter (Q3 2024) mainly due to higher NPI by RM11.0 million in current quarter attributable to higher revenue from Sunway Pyramid Mall following the re-opening of Oasis wing on 1 November 2024, coupled with rental contribution from the newly acquired Sunway 163 Mall on 9 October 2024 and Sunway REIT Industrial - Prai on 24 October 2024.

## B4. Commentary on Prospects

Indicator	2025 (F)	2024	Q4 2024	Q3 2024	Q2 2024	Q1 2024	2023	2022	2021
<b>Gross Domestic Product (GDP) (yoy)</b>	4.5% - 5.5% <sup>4</sup>	5.1% <sup>5</sup>	4.8% <sup>5</sup>	5.3%	5.9%	4.2%	3.7%	8.7%	3.1%
<b>Consumer Price Index (CPI) (yoy)</b>	2.0% - 3.5% <sup>4</sup>	1.8% <sup>2</sup>	1.8% <sup>2</sup>	1.9%	1.9%	1.7%	2.5%	3.3%	2.5%
<b>Overnight Policy Rate (OPR)</b>	3.0% <sup>3</sup>	3.0% <sup>1</sup>	3.0% <sup>1</sup>	3.0%	3.0%	3.0%	3.0%	2.75%	1.75%

<sup>1</sup> Source: Bank Negara Malaysia

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

<sup>3</sup> Source: Bloomberg's economists consensus forecast

<sup>4</sup> Federal Budget 2025, Ministry of Finance

<sup>5</sup> Advance estimate GDP as at 17 January 2025 (Source: Department of Statistics Malaysia), actual GDP to be announced on 14 February 2025

### General outlook

There is a convergence of factors which are pointing towards a favourable year ahead for Sunway REIT. The US Federal Reserve has commenced interest rate cuts in 2024 and is expected to continue in 2025. Bank Negara Malaysia has kept interest rates steady in the past year and we expect little change in this accommodating monetary policy stance in the absence of any heightened inflationary pressure.

From a portfolio management perspective, we will continue with efforts to review our portfolio for asset recycling opportunities and enhance portfolio yield. We are still actively monitoring the market for new acquisition opportunities especially in the retail, logistics and services sectors. Management is committed to meeting the Asset Under Management targets as outlined under our Revised Transcend 2027 in order to maintain our position as one of the leading REITs in Malaysia.

The Malaysian economy has remained resilient in 2024, clocking advance estimate GDP growth of 5.1% despite a challenging global economic environment. Similar growth trend is projected for 2025 underpinned by our government's commitment to structural reforms and initiatives to attract investments which is bearing fruit with increased foreign investments in data centers, artificial intelligence and electronics manufacturing.

#### **B4. Commentary on Prospects (Cont'd)**

##### **Review of retail segment**

Retail Group Malaysia projects a 4.0% growth rate for 2025 as rising cost of living challenges persist compared to a forecast 3.9% growth rate in 2024, with the government expecting the national economy to expand between 4.5% and 5.5%. Consumer spending is expected to increase in line with a growing economy, low unemployment and rising tourist arrivals. We expect consumer purchasing power to remain net positive, boosted by the rise in minimum wage that will offset potential impact from a decline in government subsidies and rise in sales and service tax.

We believe the measures that Sunway REIT has taken in 2024 will provide us a strong foundation to tap onto the expected robust consumer spending. The new retail assets acquisitions in 2024 and Sunway Pyramid Oasis AEI have expanded the diversity of our offerings and geographic footprint, enabling us to serve new pools of consumers. With a greater network of malls, we also have greater leverage with tenants to bring in the best and latest brands to our properties which will further increase footfall. Hence, the prospects for our retail segment looks bright aided by full year contributions from these new initiatives.

##### **Review of hotel segment**

Tourism Malaysia recorded a 26.1% increase in visitors arrival to 22.5 million for the 11 months in 2024 compared to Jan-Nov 2023. However, this was still below the pre-pandemic level of 24.1 million arrivals registered in 2019. China and India tourists registered an increase of 133% and 51% following the visa free entry effective 1 December 2023. The top 3 tourists are from Singapore, Indonesia and China comprising approximately 35%, 15% and 14% respectively.

Tourism Malaysia is targeting a 39.5% increase in tourist arrivals to top 31.4 million in 2025, in anticipation of a stronger market recovery and the ability to capitalise on its strategic initiatives.

Thus, the hotel segment is poised to benefit from a continued recovery in tourist arrivals and increased in connecting flights to our international airports. In terms of contribution to Net Property Income, the hotel segment has already exceeded pre-pandemic levels and we believe ongoing efforts to increase occupancy and MICE activities, especially at our flagship Sunway Resort Hotel, will further enhance the profitability of this segment.

##### **Review of office segment**

The office sector in Malaysia is anticipated to see a continued increase in incoming supply in 2025 of approximately 2.5 million sq.ft. net lettable area (NLA) in 2025 and a further 2.3 million sq.ft. NLA in 2026 in the Klang Valley.

Our office segment was generally able to sustain its performance in 2024 amidst a challenging macro environment and is expected to remain resilient in 2025. Efforts are ongoing to improve the competitiveness of our office properties via asset enhancement initiatives (AEI) like upgrading air conditioning systems, lifts and transformers. Besides providing the occupants with a better experience, these upgrades will generate energy savings and facilitate green building certifications which would enable us to better meet new tenant requirements and increase occupancy.

##### **Review of industrial & others segment**

In line with the growing investments in Malaysia, demand for industrial properties is expected to remain strong. Under the New Industrial Master Plan 2030 (NIMP 2030) and the National Energy Transition Roadmap (NETR), there will be greater emphasis on sustainability and technological advancements in industries leading to increased demand for modern premises. Accordingly, we envisage demand for industrial properties to remain resilient especially in core locations like Shah Alam and Penang.

Separately, while evolving global trade dynamics stemming from geopolitical considerations present risks for Malaysian exporters, there are also opportunities for Malaysian entities to take advantage of supply chain realignments through Malaysia's diversified trade partnerships and participation in RCEP and BRICS. The realignments will create immense opportunities for manufacturers and logistics players to develop new markets and augur well for demand for factories and warehouses.

Based on the above, we remain optimistic of the prospects of our industrial segment which is underpinned by a long WALE and will benefit from further uptrend in demand for industrial space.

#### **B5. Investment Objectives**

The Manager's key investment objective for Sunway REIT is to provide the unitholders with an exposure to a diversified portfolio of authorised investments (pursuant to provisions of the Deed) that will provide stable cash distributions with the potential for sustainable growth of net asset value per unit. The principal investment policy of Sunway REIT is to invest in commercial, office, industrial and other real estate assets, subject to the REIT Guidelines.

The Manager will continue to distribute the income of Sunway REIT on a semi-annual basis and will endeavour to grow the net asset value of Sunway REIT over a longer period of time. There was no change in the investment objective during the year under review.

## B6. Performance Benchmark

Performance indicators	Year ended 31.12.2024	Year ended 31.12.2023
a) Management expense ratio	0.91%	0.90%
b) Total return	25.5%	11.5%
c) Average annual total return (5 years)	5.6%	2.6%
d) Distribution yield	5.4%	6.0%
e) NAV per unit (after income distribution) (RM)	1.5152	1.4646

- a) The ratio of trust expenses in operating Sunway REIT to the NAV of Sunway REIT.
- b) Total return represents the change in unit price from beginning of financial year plus distribution yield for the financial year.
- c) Average annual total return is the sum of the return rates of Sunway REIT over a given number of years divided by that number of years.
- d) Based on DPU of 10.00 sen divided by the closing unit price as at 31 December 2024 of RM1.85 (31 December 2023: DPU of 9.30 sen divided by the closing unit price as at 31 December 2023 of RM1.54).
- e) NAV of Sunway REIT as determined by deducting the value of total liabilities from the total assets as at year end and after proposed final income distribution of 5.34 sen per unit for semi-annual period ended 31 December 2024 (31 December 2023: final income distribution of 4.68 sen per unit), divided by total issued units.

## B7. Strategies and Policies

The Manager's strategies can be broadly categorised as:

- a) active asset management strategy
- b) acquisition growth strategy
- c) capital and risk management strategy
- d) asset enhancement initiatives, including property development activities

There was no change in the strategies and policies employed during the year under review.

## B8. Manager's Fees

Pursuant to the Deed constituting Sunway REIT, the Manager is entitled to receive the following fees from Sunway REIT:

- a) Base fee of 0.3% per annum on the total assets value;
- b) Performance fee of 3% per annum of net property income, but before deduction of fees payable to the Property Manager pursuant to the Property Management Agreement;
- c) Acquisition fee of 1% of the acquisition price of any future Real Estate or a Special Purpose Vehicle acquired by the Trustee for Sunway REIT (pro rated if applicable to the proportion of the interest of Sunway REIT in the Real Estate or Special Purpose Vehicle purchased); and
- d) Divestment fee of 0.5% of the sale price of any future Real Estate or a Special Purpose Vehicle sold or divested by the Trustee (pro rated if applicable to the proportion of the interest of Sunway REIT in the Real Estate or Special Purpose Vehicle sold).

The base fee and performance fee may be in the forms of cash, new units or a combination thereof, such proportion which may be varied at the discretion of the Manager. The Manager's fee is fully paid in cash since FY2017.

The Manager's fees (base and performance) for current quarter stood at RM12.8 million, higher by 15% or RM1.7 million in line with higher NPI.

During the financial year, there were acquisition fees of RM9.6 million to the Manager for the acquisitions of properties disclosed in Note A17, which were accounted for as part of acquisition cost of investment properties.

## B9. Trustee's Fees

Pursuant to the Deed constituting Sunway REIT, the fee payable to the Trustee is up to 0.015% per annum of the net asset value of Sunway REIT, subject to a maximum of RM700,000 per annum and is calculated on a monthly accrual basis based on a year of 12 months.

The trustee of SUNREIT Capital Berhad, PB Trustee Services Berhad, is entitled to receive a predetermined annual fixed fee.

The trustee of SUNREIT Bond Berhad, AmanahRaya Trustees Berhad, is entitled to receive a predetermined annual fixed fee.

The trustee of SUNREIT Perpetual Bond Berhad, Pacific Trustees Berhad, is entitled to receive a predetermined annual fixed fee.

The trustees' fees for current quarter remained the same at RM0.2 million.

## B10. Status of Corporate Proposals

Other than the proposed acquisition disclosed in Note A18, there is no corporate proposal that has been announced but not completed as at the date of this report.

## B11. Status of Utilisation of Proceeds Raised from Corporate Proposal

On 29 December 2022, Sunway REIT entered into a conditional sale and purchase agreement with Sunway Medical Centre Sdn. Bhd., a party controlled by Sunway Berhad, to dispose 2 parcels of leasehold lands held under PN 12549 Lot 38160, Bandar Sunway, Daerah Petaling, Negeri Selangor and PN 12550 Lot 45, Bandar Sunway, Daerah Petaling, Negeri Selangor together with a 7-storey medical centre with a lower ground floor car park, an elevated car park and a convention centre known as "Sunway Medical Centre (Tower A & B)", for a total cash consideration of RM430.0 million.

This disposal was completed on 30 August 2023 upon payment of the balance purchase consideration.

As at 31 December 2024, the status of utilisation of proceeds from the disposal was as follows:

Proposed utilisation	Proposed amount for utilisation	Revised amount for utilisation	Actual utilisation	Balance unutilised	Estimated timeframe for utilisation from 30 August 2023
	RM'million	RM'million	RM'million	RM'million	
New investment(s) / Repayment of borrowings <sup>(1)</sup>	416	417	417	-	12 months
Estimated expenses (including taxes)	14	13	13	-	6 months
<b>Total</b>	<b>430</b>	<b>430</b>	<b>430</b>	<b>-</b>	

<sup>(1)</sup> Net proceeds from the disposal of RM417 million have been fully utilised for the acquisitions during the year as disclosed in Note A17.

## B12. Material Litigation

### **Metroplex Holdings Sdn Bhd ("Metroplex") v RHB Trustees Berhad (as trustees for Sunway REIT) and Sunway REIT Management Sdn Bhd (collectively, the "Defendants")**

On 28 September 2015, Metroplex filed writ of summons and a statement of claim against the Defendants to claim, amongst others, damages for various chattels and movable items (e.g. furniture and office equipment, decorations, cutlery, kitchen equipment, bar equipment, concierge and reception tables, blinds and curtains) ("Chattels and Movable Items") which Metroplex alleged the Chattels and Movable Items were acquired and owned by them and were not removed when the Defendants took possession of the hotel at Sunway Putra on 27 September 2011. Metroplex has in its statement of claim alleged that the Chattels and Movable Items were worth in excess of RM80 million as at September 2011.

On 3 November 2017, the High Court allowed Metroplex's claim on liability in which the damages to be awarded to Metroplex shall be assessed ("High Court's Decision").

## B12. Material Litigation (Cont'd)

Subsequently, the Defendants appealed to the Court of Appeal against the High Court's Decision on 6 November 2017. The Court of Appeal allowed the Defendants' appeal and the High Court's Decision was set aside on 22 January 2019 ("Court of Appeal's Decision").

On 20 February 2019, Metroplex filed motion for leave to appeal to the Federal Court against the Court of Appeal's Decision ("Motion"). The Motion was allowed on 25 November 2019. Subsequently, Metroplex filed notice of appeal to appeal against the Court of Appeal's Decision on 2 December 2019 ("Appeal"). The hearing for the Appeal was fixed on 31 March 2021.

On 31 March 2021, the Federal Court allowed Metroplex's appeal by setting aside the Court of Appeal's Decision, restoring the High Court's Decision and ordered the assessment of damages against the Defendants to proceed before the High Court ("Assessment"). In Metroplex's claim, Metroplex is claiming for the Chattels and Movable Items amounting to approximately RM402 million. The Defendants strenuously objected to the amount claimed as being overly excessive and appointed subject matter experts to dispute the quantum of claim.

The trial for the Assessment was held on 4, 5, 6, 12 and 13 January 2023. Upon conclusion of the trial, the High Court judge directed the Defendants and Metroplex to appear before the High Court for oral submission on 9 and 15 May 2023. After hearing oral submissions by both parties, the Judge then proceeded to fix the date for the decision to be delivered.

On 12 November 2024, the High Court delivered its judgment on the assessment of damages for conversion payable by the Defendants, on behalf of Sunway REIT, to Metroplex, as follows:

1. Operational Chattels amounting to RM1,812,339.72;
2. Antiques amounting to RM434,760.00;
3. Artworks amounting to RM2,585,500.00;
4. Interest at the rate of 5% per annum for items (1) to (3) above from the date of conversion on 27 September 2011 until the date of full and final realisation; and
5. Costs of RM60,000.00,

(collectively, "High Court's Judgement on Assessment").

On 9 December 2024, Metroplex appealed to the Court of Appeal against part of the High Court's Judgement on Assessment which assessed the damages to be paid by the Defendants to Metroplex for the conversion of Metroplex's operational chattels in the sum of RM1,812,339.72.

On 10 December 2024, the Defendants appealed to the Court of Appeal against part of the High Court's Judgement on Assessment which assessed the damages to be paid by the Defendants to Metroplex for the tort of conversion of antiques in the sum of RM434,760.00 and artworks in the sum of RM2,585,500.00.

On 13 December 2024, the Defendants remitted the sum of RM8,087,684.45, which represented the amount payable under the High Court's Judgement on Assessment, to Metroplex. This sum included interest payable on the judgment amount calculated up to 13 December 2024 along with costs and allocatur fee.

## B13. Soft Commission

There was no soft commission received by the Manager and/or its delegate during the year under review from broker or dealer by virtue of transactions conducted for Sunway REIT.

## B14. Summary of EPU, DPU, NAV and Market Price

	Current Quarter ended 31.12.2024	Immediate Preceding Quarter ended 30.09.2024	Change %
Number of units in issue (units)	3,424,807,700	3,424,807,700	0.0%
Realised net income (RM'000)	99,146	89,099	11.3%
Realised earnings per unit (EPU) (sen)	2.76	2.61	5.7%
Income distribution (RM'000) <sup>1</sup>	182,885	-	N/A
Distribution per unit (DPU) (sen) <sup>1</sup>	5.34	-	N/A
Net Asset Value (NAV) attributable to unitholders (After income distribution) (RM'000) <sup>2</sup>	5,189,392	5,082,253	2.1%
NAV per unit (After income distribution)(RM) <sup>2</sup>	1.5152	1.4840	2.1%
Market price per unit (RM)	1.85	1.70	8.8%

**B14. Summary of EPU, DPU, NAV and Market Price (Cont'd)**

- <sup>1</sup> Income distribution of Sunway REIT is on a semi-annual basis, for each six-month period ending 30 June and 31 December.
- <sup>2</sup> After proposed final income distribution of 5.34 sen per unit for semi-annual period ended 31 December 2024 (30 September 2024: after interim income distribution of 4.66 sen per unit for semi-annual period ended 30 June 2024 and distributable income for Q3 2024 of 2.61 sen per unit is assumed for income distribution).

**B15. Income Distribution**

Please refer to Statement of Income Distribution and Note A12 for details.

**B16. Disclosure of Nature of Outstanding Derivative Financial Instruments**

Derivative financial instruments are recognised in the financial statements in accordance with MFRS 9 *Financial Instruments*.

Type of Derivatives	Contract / Notional Value		Fair Value at Reporting Date Derivative Asset/(Liability)	
	As at 31.12.2024	As at 31.12.2023	As at 31.12.2024	As at 31.12.2023
<b>Cross currency swap (CCS)</b>				
- Less than 1 year	521,855	331,503	(14,441)	15,016

Cross currency swap

Sunway REIT entered into CCS contracts to manage its exposure in foreign currency risk arising from borrowings in USD as disclosed Note A15 above. Sunway REIT uses cash flow hedge to mitigate the risk of variability of future cash flows attributable to foreign currency and interest rate fluctuation over the hedging period on the foreign currency borrowings.

**B17. Risks and Policies of Derivatives**

The derivatives of the Group comprises CCS contracts as mentioned in Note B16.

The overall risks and policies relating to the management of derivative financial instrument are similar to those disclosed in the audited financial statements for the financial year ended 31 December 2023.

**B18. Disclosure of Gains / Losses Arising from Fair Value Changes of Financial Liabilities**

Please refer to Note A10 for details.

**B19. Directors' Declaration**

In the opinion of the Manager, this quarterly report has been prepared in accordance with MFRS 134 *Interim Financial Reporting* and Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad so as to give a true and fair view of the financial position of Sunway REIT as at 31 December 2024 and of its financial performance and cash flows for the year ended on that date and duly authorised for release by the Board of the Manager on 3 February 2025.

**BY ORDER OF THE BOARD**  
**Sunway REIT Management Sdn. Bhd.**  
**(As Manager for Sunway Real Estate Investment Trust)**

**Tan Kim Aun**  
**Lee Chun Shian**  
**Company Secretaries**

**Bandar Sunway**  
**Date: 3 February 2025**