

SUNWAY REAL ESTATE INVESTMENT TRUST
 FOURTH QUARTER ENDED 31 DECEMBER 2025
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Note	Fourth Quarter ended			Cumulative Quarter ended			
	31.12.2025	31.12.2024	Change	31.12.2025	31.12.2024	Change	
	RM'000	RM'000	%	RM'000	RM'000	%	
Rental and lease income	217,796	205,501	6.0%	868,930	736,238	18.0%	
- Unrealised (in relation to unbilled lease income receivable) ¹	-	10,278	-100.0%	-	10,278	-100.0%	
Other operating income	9,842	5,071	94.1%	25,400	20,630	23.1%	
Revenue	227,638	220,850	3.1%	894,330	767,146	16.6%	
Quit rent, assessment and insurance	(5,703)	(4,712)	21.0%	(22,086)	(17,161)	28.7%	
Other property operating expenses	(56,978)	(50,584)	12.6%	(214,286)	(180,281)	18.9%	
Property operating expenses	(62,681)	(55,296)	13.4%	(236,372)	(197,442)	19.7%	
Net property income	164,957	165,554	-0.4%	657,958	569,704	15.5%	
Interest income	3,699	3,178	16.4%	16,512	13,095	26.1%	
Other income	55	192	-71.4%	256	311	-17.7%	
Gain on disposal of investment property ²	-	-	N/A	25,603	-	N/A	
Changes in fair value of investment properties							
- As per valuation reports	A13	59,332	107,262	-44.7%	64,551	173,427	-62.8%
- As per SPA for non-current asset held for sale	A13	4,017	-	N/A	4,017	-	N/A
- Unbilled lease income receivable ¹		-	(10,278)	-100.0%	-	(10,278)	-100.0%
Net investment income	232,060	265,908	-12.7%	768,897	746,259	3.0%	
Manager's fees	B8	(12,994)	(12,774)	1.7%	(52,661)	(47,208)	11.6%
Trustee's fees	B9	(109)	(182)	-40.1%	(770)	(770)	0.0%
Other trust expenses		(928)	(1,042)	-10.9%	(2,883)	(4,010)	-28.1%
Finance costs		(36,229)	(45,450)	-20.3%	(164,857)	(166,619)	-1.1%
		(50,260)	(59,448)	-15.5%	(221,171)	(218,607)	1.2%
Profit before tax	A10	181,800	206,460	-11.9%	547,726	527,652	3.8%
Tax expenses	A11						
- RPGT on disposal of investment property ²		-	-	N/A	(4,568)	-	N/A
- Deferred tax		(3,800)	(2,900)	31.0%	(3,800)	(2,900)	31.0%
Profit for the period/year		178,000	203,560	-12.6%	539,358	524,752	2.8%
Profit for the period/year comprises the following:							
Realised							
- Unitholders		112,570	94,707	18.9%	451,224	343,828	31.2%
- Perpetual note holders		5,833	4,439	31.4%	23,144	10,215	> 100.0%
Unrealised		118,403	99,146	19.4%	474,368	354,043	34.0%
		59,597	104,414	-42.9%	64,990	170,709	-61.9%
		178,000	203,560	-12.6%	539,358	524,752	2.8%
Basic earnings per unit attributable to unitholders (sen):							
Realised		3.29	2.76	19.2%	13.18	10.04	31.3%
Unrealised		1.74	3.05	-43.0%	1.90	4.98	-61.8%
		5.03	5.81	-13.4%	15.08	15.02	0.4%
Distributable income per unit (sen) ³		3.29	2.76	19.2%	13.18	10.04	31.3%
Distribution per unit (sen)	A12	8.80	5.34	64.8%	14.48	10.00	44.8%

N/A - Not applicable

¹ Represents incremental lease income on straight-line basis over the lease period pursuant to MFRS 16 *Leases*.

² Represents net gain on disposal of Sunway university & college campus, which was completed on 30 September 2025.

³ 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 2025
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (UNAUDITED)

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

	Fourth Quarter ended			Cumulative Quarter ended		
	31.12.2025	31.12.2024	Change	31.12.2025	31.12.2024	Change
Profit for the period/year	RM'000	RM'000	%	RM'000	RM'000	%
Profit for the period/year	178,000	203,560	-12.6%	539,358	524,752	2.8%
Other comprehensive income:						
Cash flow hedge - fair value of derivative ¹	(17,997)	65,762	> -100.0%	(56,659)	(8,482)	> 100.0%
Cash flow hedge reserve recycled to profit or loss	18,070	(64,384)	> 100.0%	56,384	9,737	> 100.0%
Total comprehensive income for the period/year	178,073	204,938	-13.1%	539,083	526,007	2.5%

¹ Please refer to Note B17 for further details of the derivatives.

STATEMENT OF INCOME DISTRIBUTION

Note	Fourth Quarter ended			Cumulative Quarter ended		
	31.12.2025	31.12.2024	Change	31.12.2025	31.12.2024	Change
	RM'000	RM'000	%	RM'000	RM'000	%
Rental and lease income	217,796	205,501	6.0%	868,930	736,238	18.0%
Interest income	3,699	3,178	16.4%	16,512	13,095	26.1%
Net gain on disposal of investment property ¹	-	-	N/A	21,035	-	N/A
Other income ²	9,849	5,211	89.0%	25,434	20,759	22.5%
Less: Expenses	231,344	213,890	8.2%	931,911	770,092	21.0%
Less: Expenses	(112,941)	(114,744)	-1.6%	(457,543)	(416,049)	10.0%
Realised income for the period/year	118,403	99,146	19.4%	474,368	354,043	34.0%
Less: Amount reserved for distribution to perpetual note holders	(5,833)	(4,439)	31.4%	(23,144)	(10,215)	> 100.0%
Realised income attributable to unitholders	112,570	94,707	18.9%	451,224	343,828	31.2%
Add: Realisation of prior years' unrealised fair value gain of investment property ¹	-	-	N/A	20,016	-	N/A
Add: Brought forward undistributed realised income	208,803	132,840	57.2%	44,662	43,315	3.1%
Total income available for distribution	321,373	227,547	41.2%	515,902	387,143	33.3%
Less: Proposed/Declared income distribution to unitholders	(301,383)	(182,885)	64.8%	(495,912)	(342,481)	44.8%
Balance undistributed realised income	19,990	44,662	-55.2%	19,990	44,662	-55.2%
Distribution per unit (sen) ³	A12	8.80	5.34	64.8%	14.48	10.00
Distribution per unit (sen) ³						44.8%

N/A - Not applicable

¹ Represents total realised gains of RM41.0 million from the disposal of Sunway university & college campus that is available for distribution to the unitholders.

² Included other operating income.

³ Comprises interim distribution of 3.98 sen per unit paid in cash on 24 December 2025 and a proposed final income distribution of 4.82 sen per unit payable in cash on 27 February 2026.

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 2025
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (UNAUDITED)

FINANCIAL REVIEW FOR CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER

Note	Current Quarter ended 31.12.2025	Preceding Quarter ended 30.9.2025	Immediate Change		
			RM'000	RM'000	%
Rental and lease income	217,796	232,967	-6.5%		
Other operating income	9,842	3,465	>100.0%		
Revenue	227,638	236,432	-3.7%		
Quit rent, assessment and insurance	(5,703)	(5,600)	1.8%		
Other property operating expenses	(56,978)	(49,930)	14.1%		
Property operating expenses	(62,681)	(55,530)	12.9%		
Net property income	164,957	180,902	-8.8%		
Interest income	3,699	4,645	-20.4%		
Other income	55	64	-14.1%		
Gain on disposal of investment property ¹	-	25,603	-100.0%		
Changes in fair value of investment properties					
- As per valuation reports	A13	59,332	5,219	>100.0%	
- As per SPA for non-current asset held for sale	A13	4,017	(27,000)	>100.0%	
Net investment income		232,060	189,433	22.5%	
Manager's fees	B8	(12,994)	(13,974)	-7.0%	
Trustee's fees	B9	(109)	(204)	-46.6%	
Other trust expenses		(928)	(720)	28.9%	
Finance costs		(36,229)	(42,283)	-14.3%	
		(50,260)	(57,181)	-12.1%	
Profit before tax	A10	181,800	132,252	37.5%	
Tax expenses	A11				
- RPGT on disposal of investment property ¹		-	(4,568)	-100.0%	
- Deferred tax		(3,800)	-	N/A	
Profit for the period		178,000	127,684	39.4%	
Profit for the period comprises the following:					
Realised					
- Unitholders		112,570	143,568	-21.6%	
- Perpetual note holders		5,833	5,833	0.0%	
Unrealised		118,403	149,401	-20.7%	
		59,597	(21,717)	>100.0%	
		178,000	127,684	39.4%	
Basic earnings per unit attributable to unitholders (sen):					
Realised		3.29	4.19	-21.5%	
Unrealised		1.74	(0.63)	>100.0%	
		5.03	3.56	41.3%	
Distributable income per unit (sen) ²		3.29	4.19	-21.5%	
Distribution per unit (sen)	A12	8.80	-	N/A	

N/A - Not applicable

¹ Represents net gain on disposal of Sunway university & college campus, which was completed on 30 September 2025.

² 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 2025
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (UNAUDITED)

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

	Current Quarter ended	Immediate Preceding Quarter ended		Change
		31.12.2025	30.9.2025	
RM'000	RM'000			%
Profit for the period	178,000	127,684	39.4%	
Other comprehensive income:				
Cash flow hedge - fair value of derivative ¹	(17,997)	720	> -100.0%	
Cash flow hedge reserve recycled to profit or loss	18,070	(204)	> 100.0%	
Total comprehensive income for the period	178,073	128,200	38.9%	

¹ Please refer to Note B17 for further details of the derivatives.

STATEMENT OF INCOME DISTRIBUTION

Note	Current Quarter ended	Immediate Preceding Quarter ended		Change
		31.12.2025	30.9.2025	
RM'000	RM'000			%
Rental and lease income	217,796	232,967	-6.5%	
Interest income	3,699	4,645	-20.4%	
Net gain on disposal of investment property ¹	-	21,035	-100.0%	
Other income ²	9,849	3,465	> 100.0%	
Less: Expenses	231,344	262,112	-11.7%	
Realised income for the period	(112,941)	(112,711)	0.2%	
Less: Amount reserved for distribution to perpetual note holders	118,403	149,401	-20.7%	
Realised income attributable to unitholders	(5,833)	(5,833)	0.0%	
Add: Realisation of prior years' unrealised fair value gain of investment property ¹	-	20,016	-100.0%	
Add: Brought forward undistributed realised income	208,803	45,219	> 100.0%	
Total income available for distribution	321,373	208,803	53.9%	
Less: Proposed/Declared income distribution to unitholders	(301,383)	-	N/A	
Balance undistributed realised income	19,990	208,803	-90.4%	
Distribution per unit (sen) ³	A12	8.80	-	N/A

N/A - Not applicable

¹ Represents total realised gains of RM41.0 million from the disposal of Sunway university & college campus that is available for distribution to the unitholders.

² Included other operating income.

³ Comprises interim distribution of 3.98 sen per unit paid in cash on 24 December 2025 and a proposed final income distribution of 4.82 sen per unit payable in cash on 27 February 2026.

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 2025
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As At 31.12.2025 (Unaudited)	As At 31.12.2024 (Audited)
Assets		RM'000	RM'000
Non-current assets			
Investment properties	A13	10,185,943	10,384,928
Investment properties - accrued lease income	A13	-	69,918
Plant and equipment		16,939	16,594
Right-of-use asset		569	644
		10,203,451	10,472,084
Current assets			
Trade receivables	A14	21,372	23,835
Other receivables		17,224	16,918
Cash and bank balances		360,947	289,762
		399,543	330,515
Non-current asset held for sale	A17	60,000	-
Total assets		10,662,994	10,802,599
Equity and liabilities			
Equity			
Unitholders' capital		3,433,864	3,433,864
Undistributed income		1,940,631	1,938,413
Total unitholders' funds		5,374,495	5,372,277
Perpetual note holders' funds		499,717	499,717
Total equity		5,874,212	5,871,994
Non-current liabilities			
Borrowings	A15	1,600,000	2,730,000
Long term liabilities		131,424	105,499
Deferred tax liabilities		19,691	15,891
Lease liability		661	723
		1,751,776	2,852,113
Current liabilities			
Borrowings	A15	2,597,577	1,736,749
Trade payables		6,801	5,596
Other payables		384,160	321,656
Derivatives	B17	48,406	14,441
Lease liability		62	50
		3,037,006	2,078,492
Total liabilities		4,788,782	4,930,605
Total equity and liabilities		10,662,994	10,802,599
Units in circulation ('000 units)		3,424,808	3,424,808
Net Asset Value ("NAV") attributable to unitholders (RM'000):			
Before income distribution		5,374,495	5,372,277
After income distribution ¹		5,209,419	5,189,392
NAV per unit attributable to unitholders (RM):			
Before income distribution		1.5693	1.5686
After income distribution ¹		1.5211	1.5152

¹ After proposed final income distribution of 4.82 sen per unit for period from 1 October 2025 to 31 December 2025 (31 December 2024: After final income distribution of 5.34 sen per unit for semi-annual period ended 31 December 2024).

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 2025
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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
As at 1 January 2025	3,433,864	1,938,413	5,372,277	499,717	5,871,994
Total comprehensive income					
Profit for the year	-	539,358	539,358	-	539,358
Other comprehensive income:					
- Cash flow hedge - fair value of derivative	-	(56,659)	(56,659)	-	(56,659)
- Cash flow hedge reserve recycled to profit or loss	-	56,384	56,384	-	56,384
Total comprehensive income, representing the increase in net assets resulting from operations	-	539,083	539,083	-	539,083
Unitholders' transactions					
Distribution to unitholders:					
- Income distribution declared and paid in current year	-	(330,836)	(330,836)	-	(330,836)
- Income distribution proposed in prior year but paid in current year	-	(182,885)	(182,885)	-	(182,885)
Decrease in net assets resulting from unitholders' transactions	-	(513,721)	(513,721)	-	(513,721)
Perpetual note holders' transactions					
Amount reserved for distribution to perpetual note holders	-	(23,144)	(23,144)	-	(23,144)
Decrease in net assets resulting from perpetual note holders' transactions	-	(23,144)	(23,144)	-	(23,144)
As at 31 December 2025 (Unaudited)	3,433,864	1,940,631	5,374,495	499,717	5,874,212

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 2025
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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
As at 1 January 2024	3,433,864	1,742,498	5,176,362	339,717	5,516,079
Total comprehensive income					
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
Unitholders' transactions					
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)
Perpetual note holders' transactions					
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
As at 31 December 2024 (Audited)	3,433,864	1,938,413	5,372,277	499,717	5,871,994

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 2025
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended	
	31.12.2025	31.12.2024
	RM'000	RM'000
Cash flows from operating activities		
Cash receipts from customers	1,041,435	770,766
Refundable security deposits from customers	28,721	19,282
Cash paid for operating expenses	(349,024)	(246,294)
Net cash from operating activities	721,132	543,754
Cash flows from investing activities		
Acquisition of plant and equipment	(4,051)	(2,930)
Deposit for acquisition of investment properties	(13,800)	(37,300)
Deposit received for disposal of investment property	45,910	-
Balance payment for acquisition of investment properties	(125,900)	(859,747)
Balance proceeds from disposal of investment property	570,090	-
Incidental costs on acquisition of investment properties	(2,159)	(11,045)
Incidental costs on disposal of investment property	(7,633)	-
Subsequent expenditure of investment properties	(181,210)	(312,930)
Net cash flows to licensed financial institutions with maturity of over 3 months	(100,000)	-
Interest received	9,111	14,158
Net cash from/(used in) investing activities	190,358	(1,209,794)
Cash flows from financing activities		
Proceeds from issuance of commercial papers	900,000	2,950,000
Proceeds from issuance of medium term notes	920,000	3,370,000
Drawdown of revolving loans - USD	596,700	808,985
Drawdown of revolving loan - RM	-	50,000
Proceed from issuance of perpetual note	-	500,000
Repayment of commercial papers	(820,000)	(2,950,000)
Repayment of medium term notes	(1,140,000)	(1,200,000)
Repayment of revolving loans - USD	(521,855)	(618,633)
Repayment of revolving loan - RM	(170,000)	(1,550,000)
Redemption of perpetual note	-	(340,000)
Interest paid	(172,757)	(160,060)
Distribution paid to unitholders	(509,249)	(319,877)
Distribution paid to perpetual note holders	(23,144)	(9,918)
Net cash (used in)/from financing activities	(940,305)	530,497
Net decrease in cash and cash equivalents	(28,815)	(135,543)
Cash and cash equivalents at beginning of year	289,762	425,305
Cash and cash equivalents at end of year	260,947	289,762
Cash and bank balances	360,947	289,762
Deposits with licensed financial institutions with maturity of over 3 months	(100,000)	-
Cash and cash equivalents	260,947	289,762
Cash and bank balances at end of year comprise:		
Cash on hand and at banks	38,947	39,762
Deposits placed with licensed financial institutions	322,000	250,000
Cash and bank balances	360,947	289,762

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 2025
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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, an amended and restated deed dated 18 September 2018 and second amended and restated deed dated 7 April 2025 (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 2025 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 2024 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 2024 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 2024, except for the adoption of the following Standards that are effective for annual periods beginning on or after 1 January 2025:

- Amendment to MFRS 121 *Lack of Exchangeability*

Adoption of the above Standard 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 2024.

A4. Changes in Estimates

This is not applicable as no estimates were previously reported.

SUNWAY REAL ESTATE INVESTMENT TRUST
FOURTH QUARTER ENDED 31 DECEMBER 2025
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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 2025, except the following:

	Fourth Quarter ended	
	31.12.2025	31.12.2024
	RM'000	RM'000
Profit for the period	178,000	203,560
Less : Fair value changes ¹	(63,397)	(107,314)
Add: Tax expenses ²	3,800	2,900
Realised profit for the period	<u>118,403</u>	<u>99,146</u>

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

² 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 2025, 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 2025.

SUNWAY REAL ESTATE INVESTMENT TRUST
 FOURTH QUARTER ENDED 31 DECEMBER 2025
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A8. Segmental Reporting

Segmental revenue and results for the fourth quarter ended 31 December 2025 and 31 December 2024 are as follows:

Business segments	Fourth Quarter ended 31.12.2025						Fourth Quarter ended 31.12.2024					
	Retail	Hotel	Office	Services	Industrial & Others	Total	Retail	Hotel	Office	Services	Industrial & Others	Total
Revenue and results	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Rental and lease income												
- Realised	173,134	29,895	19,926	-	4,683	227,638	149,028	27,878	20,540	9,655	3,471	210,572
- Unrealised (unbilled lease income receivable)	-	-	-	-	-	-	-	-	-	10,278	-	10,278
Gross revenue	173,134	29,895	19,926	-	4,683	227,638	149,028	27,878	20,540	19,933	3,471	220,850
Net property income	121,164	28,740	11,516	-	3,537	164,957	103,532	26,793	12,357	19,928	2,944	165,554
Interest income						3,699						3,178
Other income						55						192
Changes in fair value of investment properties *						63,349						96,984
Trust and other expenses						(14,031)						(13,998)
Finance costs						(36,229)						(45,450)
Profit before tax						181,800						206,460
Tax expenses						(3,800)						(2,900)
Profit for the period						178,000						203,560

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

SUNWAY REAL ESTATE INVESTMENT TRUST
 FOURTH QUARTER ENDED 31 DECEMBER 2025
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (UNAUDITED)

A8. Segmental Reporting (Cont'd)

Segmental revenue and results for the year ended 31 December 2025 and 31 December 2024 are as follows:

Business segments	Cumulative Quarter ended 31.12.2025						Cumulative Quarter ended 31.12.2024					
	Retail	Hotel	Office	Services	Industrial & Others	Total	Retail	Hotel	Office	Services	Industrial & Others	Total
Revenue and results	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Rental and lease income												
- Realised	668,764	97,755	80,818	29,294	17,699	894,330	529,625	95,457	83,135	38,395	10,256	756,868
- Unrealised (unbilled lease income receivable)	-	-	-	-	-	-	-	-	-	10,278	-	10,278
Gross revenue	668,764	97,755	80,818	29,294	17,699	894,330	529,625	95,457	83,135	48,673	10,256	767,146
Net property income	474,006	93,178	47,939	29,294	13,541	657,958	368,440	91,525	52,171	48,667	8,901	569,704
Interest income						16,512						13,095
Other income						256						311
Gain on disposal of investment property						25,603						-
Changes in fair value of investment properties *						68,568						163,149
Trust and other expenses						(56,314)						(51,988)
Finance costs						(164,857)						(166,619)
Profit before tax						547,726						527,652
Tax expenses						(8,368)						(2,900)
Profit for the year						539,358						524,752

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

SUNWAY REAL ESTATE INVESTMENT TRUST
 FOURTH QUARTER ENDED 31 DECEMBER 2025
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (UNAUDITED)

A8. Segmental Reporting (Cont'd)

Segmental assets and liabilities as at 31 December 2025 and 31 December 2024 are as follows:

Business segments	As at 31.12.2025						As at 31.12.2024					
	Retail	Hotel	Office	Services	Industrial & Others	Total	Retail	Hotel	Office	Services	Industrial & Others	Total
Assets	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment assets	7,210,107	1,890,514	969,943	-	247,970	10,318,534 344,460	6,845,148	1,879,853	970,972	586,000	241,690	10,523,663 278,936
Unallocated assets						10,662,994						10,802,599
Total assets												
Liabilities	396,462	47,947	34,160	-	4,623	483,192 4,305,590 4,788,782	336,480	25,870	27,806	-	2,479	392,635 4,537,970 4,930,605
Segment liabilities												
Unallocated liabilities												
Total liabilities												

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A8. Segmental Reporting (Cont'd)

Properties	Revenue *				Net Property Income *			
	Fourth Quarter ended				Fourth Quarter ended			
	31.12.2025	31.12.2024	Change	30.9.2025	31.12.2025	31.12.2024	Change	30.9.2025
	RM'000	RM'000	%	RM'000	RM'000	RM'000	%	RM'000
Retail								
Sunway Pyramid Mall ¹	102,941	96,742	6.4%	100,595	76,031	70,513	7.8%	77,848
Sunway Carnival Mall ²	27,704	19,978	38.7%	25,346	17,060	11,195	52.4%	16,056
Sunway Putra Mall	13,344	13,664	-2.3%	12,699	6,305	6,753	-6.6%	6,323
Sunway 163 Mall ³	8,305	6,844	21.3%	8,687	4,963	3,432	44.6%	5,138
Sunway Kluang Mall ⁴	6,301	-	N/A	6,121	2,663	-	N/A	3,069
Sunway Pier ⁵	-	17	-100.0%	-	(105)	(127)	-17.3%	(125)
SunCity Ipoh Hypermarket	960	935	2.7%	963	944	918	2.8%	946
Sunway REIT Hypermarket- Kinrara ⁶	2,684	2,538	5.8%	2,685	2,684	2,538	5.8%	2,685
Sunway REIT Hypermarket- Putra Heights ⁶	1,470	1,387	6.0%	1,467	1,470	1,387	6.0%	1,466
Sunway REIT Hypermarket- USJ ⁶	2,084	2,251	-7.4%	2,079	2,084	2,251	-7.4%	2,079
Sunway REIT Hypermarket- Klang ⁶	1,162	1,146	1.4%	1,149	1,162	1,146	1.4%	1,149
Sunway REIT Hypermarket- Ulu Kelang ⁶	971	957	1.5%	957	971	957	1.5%	956
Sunway REIT Hypermarket- Plentong ⁶	2,608	2,569	1.5%	2,571	2,608	2,569	1.5%	2,571
AEON Mall Seri Manjung ⁷	2,600	-	N/A	1,930	2,324	-	N/A	1,742
	173,134	149,028	16.2%	167,249	121,164	103,532	17.0%	121,903
Hotel								
Sunway Resort Hotel	12,706	11,544	10.1%	15,758	12,276	11,173	9.9%	15,381
Sunway Pyramid Hotel	7,232	6,769	6.8%	8,247	7,008	6,553	6.9%	8,020
Sunway Lagoon Hotel	2,954	3,285	-10.1%	3,873	2,885	3,233	-10.8%	3,806
Sunway Putra Hotel	4,492	4,232	6.1%	4,417	4,157	3,891	6.8%	4,086
Sunway Hotel Seberang Jaya	1,155	799	44.6%	1,056	1,116	751	48.6%	999
Sunway Hotel Georgetown	1,356	1,249	8.6%	1,659	1,298	1,192	8.9%	1,599
	29,895	27,878	7.2%	35,010	28,740	26,793	7.3%	33,891
Office								
Menara Sunway	4,313	4,391	-1.8%	4,396	2,359	2,512	-6.1%	2,513
Sunway Tower	1,159	1,317	-12.0%	1,135	(315)	(242)	30.2%	(450)
Sunway Putra Tower	2,632	2,560	2.8%	2,632	1,185	1,336	-11.3%	1,348
Wisma Sunway	1,389	1,762	-21.2%	1,479	677	903	-25.0%	669
Sunway Pinnacle	10,433	10,510	-0.7%	10,469	7,610	7,848	-3.0%	7,753
	19,926	20,540	-3.0%	20,111	11,516	12,357	-6.8%	11,833
Services								
Sunway university & college campus ⁸	-	9,655	-100.0%	9,692	-	9,650	-100.0%	9,697
	-	9,655	-100.0%	9,692	-	9,650	-100.0%	9,697
Industrial & Others								
Sunway REIT Industrial - Shah Alam 1	1,750	1,695	3.2%	1,778	1,749	1,695	3.2%	1,778
Sunway REIT Industrial - Petaling Jaya 1	1,336	599	> 100.0%	1,000	628	173	> 100.0%	528
Sunway REIT Industrial - Prai ⁹	1,597	1,177	35.7%	1,592	1,160	1,076	7.8%	1,272
	4,683	3,471	34.9%	4,370	3,537	2,944	20.1%	3,578
Total Revenue / NPI	227,638	210,572	8.1%	236,432	164,957	155,276	6.2%	180,902

N/A - Not applicable

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

¹ Refurbishment of Sunway Pyramid Mall Oasis Precinct commenced in October 2023 and re-opened on 1 November 2024.

² Refurbishment of Sunway Carnival Mall existing wing commenced in June 2023 and fully completed in May 2025.

³ Sunway 163 Mall was acquired on 9 October 2024. On 29 July 2025, Sunway REIT acquired a small office versatile office (SoVo) unit at Kiara 163 as the mall administration office of Sunway 163 Mall.

⁴ Sunway Kluang Mall was acquired on 30 December 2024. Rental for 2 days in 2024 has been included in Q1 2025.

⁵ Redevelopment of Sunway Pier into a retail-centric tourist attraction commenced in October 2024 with targeted completion in H2 2028.

⁶ Sunway REIT Hypermarkets were acquired on 30 April 2024. The properties are under triple net lease arrangement.

⁷ AEON Mall Seri Manjung was acquired on 25 July 2025.

⁸ Sunway university & college campus was disposed on 30 September 2025.

⁹ Sunway REIT Industrial - Prai was acquired on 24 October 2024.

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A8. Segmental Reporting (Cont'd)

Properties	Revenue *			Net Property Income *		
	Cumulative Quarter ended			Cumulative Quarter ended		
	31.12.2025	31.12.2024	Change	31.12.2025	31.12.2024	Change
	RM'000	RM'000	%	RM'000	RM'000	%
Retail						
Sunway Pyramid Mall ¹	408,497	358,089	14.1%	305,674	262,264	16.6%
Sunway Carnival Mall ²	97,526	79,905	22.1%	59,750	45,749	30.6%
Sunway Putra Mall	52,630	52,114	1.0%	26,064	25,102	3.8%
Sunway 163 Mall ³	33,404	6,844	> 100.0%	20,158	3,432	> 100.0%
Sunway Kluang Mall ⁴	24,733	-	N/A	11,403	-	N/A
Sunway Pier ⁵	-	182	-100.0%	(484)	(537)	-9.9%
SunCity Ipoh Hypermarket	3,798	3,630	4.6%	3,730	3,569	4.5%
Sunway REIT Hypermarket- Kinrara ⁶	10,739	6,670	61.0%	10,739	6,670	61.0%
Sunway REIT Hypermarket- Putra Heights ⁶	5,871	3,647	61.0%	5,871	3,647	61.0%
Sunway REIT Hypermarket- USJ ⁶	8,264	6,029	37.1%	8,264	6,029	37.1%
Sunway REIT Hypermarket- Klang ⁶	4,609	3,072	50.0%	4,609	3,072	50.0%
Sunway REIT Hypermarket- Ulu Kelang ⁶	3,842	2,562	50.0%	3,841	2,562	49.9%
Sunway REIT Hypermarket- Plentong ⁶	10,321	6,881	50.0%	10,321	6,881	50.0%
AEON Mall Seri Manjung ⁷	4,530	-	N/A	4,066	-	N/A
	668,764	529,625	26.3%	474,006	368,440	28.7%
Hotel						
Sunway Resort Hotel	39,781	35,876	10.9%	38,201	34,512	10.7%
Sunway Pyramid Hotel	25,380	24,875	2.0%	24,470	24,034	1.8%
Sunway Lagoon Hotel	11,940	12,199	-2.1%	11,666	12,296	-5.1%
Sunway Putra Hotel	11,599	12,623	-8.1%	10,244	11,243	-8.9%
Sunway Hotel Seberang Jaya	3,487	3,423	1.9%	3,267	3,210	1.8%
Sunway Hotel Georgetown	5,568	6,461	-13.8%	5,330	6,230	-14.4%
	97,755	95,457	2.4%	93,178	91,525	1.8%
Office						
Menara Sunway	17,639	18,044	-2.2%	10,473	11,199	-6.5%
Sunway Tower	4,616	5,240	-11.9%	(1,532)	191	> -100.0%
Sunway Putra Tower	10,428	10,768	-3.2%	5,095	5,841	-12.8%
Wisma Sunway	6,388	7,067	-9.6%	3,140	3,731	-15.8%
Sunway Pinnacle	41,747	42,016	-0.6%	30,763	31,209	-1.4%
	80,818	83,135	-2.8%	47,939	52,171	-8.1%
Services						
Sunway university & college campus ⁸	29,294	38,395	-23.7%	29,294	38,389	-23.7%
	29,294	38,395	-23.7%	29,294	38,389	-23.7%
Industrial & Others						
Sunway REIT Industrial-Shah Alam 1	7,254	6,774	7.1%	6,918	6,774	2.1%
Sunway REIT Industrial-Petaling Jaya 1	4,130	2,305	79.2%	1,757	1,051	67.2%
Sunway REIT Industrial - Prai ⁹	6,315	1,177	> 100.0%	4,866	1,076	> 100.0%
	17,699	10,256	72.6%	13,541	8,901	52.1%
Total Revenue / NPI	894,330	756,868	18.2%	657,958	559,426	17.6%

N/A - Not applicable

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

¹ Refurbishment of Sunway Pyramid Mall Oasis Precinct commenced in October 2023 and re-opened on 1 November 2024.

² Refurbishment of Sunway Carnival Mall existing wing commenced in June 2023 and fully completed in May 2025.

³ Sunway 163 Mall was acquired on 9 October 2024. On 29 July 2025, Sunway REIT acquired a small office versatile office (SoVo) unit at Kiara 163 as the mall administration office of Sunway 163 Mall.

⁴ Sunway Kluang Mall was acquired on 30 December 2024. Rental for 2 days in 2024 has been included in Q1 2025.

⁵ Redevelopment of Sunway Pier into a retail-centric tourist attraction commenced in October 2024 with targeted completion in H2 2028.

⁶ Sunway REIT Hypermarkets were acquired on 30 April 2024. The properties are under triple net lease arrangement.

⁷ AEON Mall Seri Manjung was acquired on 25 July 2025.

⁸ Sunway university & college campus was disposed on 30 September 2025.

⁹ Sunway REIT Industrial - Prai was acquired on 24 October 2024.

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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 service related premise on long term lease
- (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 the fourth quarter ended 31 December 2025 (Q4 2025) stood at RM173.1 million, representing an increase of 16% or RM24.1 million compared to the corresponding quarter in the preceding year (Q4 2024). The strong performance was largely driven by new income contributions from Sunway Kluang Mall and AEON Mall Seri Manjung, which were acquired in December 2024 and July 2025 respectively. The growth was further supported by the full completion of the phased refurbishment of Sunway Carnival Mall's existing wing in May 2025 and the refurbishment of the Oasis precinct at Sunway Pyramid Mall in November 2024.

NPI of Retail segment for Q4 2025 stood at RM121.2 million, representing an increase of 17% or RM17.7 million compared to Q4 2024. The improvement was mainly attributed to the higher revenue, as explained above.

Hotel segment

Hotel segment recorded revenue of RM29.9 million in Q4 2025, an increase of 7% or RM2.0 million compared to Q4 2024, mainly contributed by improvement tourism activity, particularly during festive season and year-end holidays.

Correspondingly, NPI of Hotel segment for Q4 2025 increased by 7% or RM1.9 million, to RM28.7 million.

Office segment

Revenue for Office segment in Q4 2025 declined marginally by 3% or RM0.6 million to RM19.9 million, following the drop in occupancy rate from 83% in Q4 2024 to 82% in Q4 2025, largely attributed to non-renewal of a tenant in Wisma Sunway in June 2025.

NPI of Office segment stood at RM11.5 million in Q4 2025, lower by 7% or RM0.9 million, mainly due to lower revenue as explained above and higher maintenance costs during the quarter.

Services Segment

There was no revenue and NPI in Q4 2025 for Services segment following the disposal of Sunway university & college campus on 30 September 2025.

Industrial & Others segment

Revenue and NPI for Industrial & Others segment for Q4 2025 surged 35% and 20%, to RM4.7 million and RM3.5 million respectively. The growth was mainly contributed by improved occupancy at Sunway REIT Industrial - Petaling Jaya 1 and new rental contribution from Sunway REIT Industrial – Prai acquired in October 2024.

Overall

	Q4 2025 RM'000	Q4 2024 RM'000	Change RM'000	%
Revenue	227,638	220,850	6,788	3.1%
NPI	164,957	165,554	(597)	-0.4%
Profit for the period, comprise of:				
Realised				
- Unitholders	112,570	94,707	17,863	18.9%
- Perpetual note holders	5,833	4,439	1,394	31.4%
Unrealised	118,403	99,146	19,257	19.4%
	59,597	104,414	(44,817)	-42.9%
	178,000	203,560	(25,560)	-12.6%

A8. Segmental Reporting (Cont'd)

Review of Fourth Quarter Results (Cont'd)

Overall (Cont'd)

Sunway REIT registered a realised profit attributable to unitholders of RM112.6 million in Q4 2025, representing an increase of 18.9% or RM17.9 million compared to Q4 2024. The higher realised profit was mainly driven by stronger revenue from Retail segment, partially offset by lower revenue from Services segment following the disposal of Sunway university & college campus on 30 September 2025.

An unrealised profit of RM59.2 million was recorded in Q4 2025, primarily due to the fair value gain from the revaluation of investment properties as at 31 December 2025.

b) Review of Cumulative Quarter Results

Retail segment

Revenue of Retail segment improved by 26% or RM139.1 million, bringing it to RM668.8 million for the financial year ended 31 December 2025 (YTD Q4 2025), as compared to the corresponding financial year (YTD Q4 2024). The growth was mainly driven by new rental contributions from six Sunway REIT Hypermarkets commencing from 30 April 2024, Sunway 163 Mall on 9 October 2024, Sunway Kluang Mall on 30 December 2024 and AEON Mall Seri Manjung on 25 July 2025. In addition, both Sunway Pyramid Mall and Sunway Carnival Mall recorded stronger performance for YTD Q4 2025, following the re-opening of Oasis Precinct in November 2024 and the full opening of Carnival Mall existing wing in May 2025 respectively.

NPI of Retail segment increased by 29% or RM105.6 million, to RM474.0 million for YTD Q4 2025, in line with the increase in revenue.

Hotel segment

Revenue of Hotel segment improved marginally to RM97.8 million for YTD Q4 2025, from RM95.5 million in YTD Q4 2024. Despite a softer performance in H1 2025, Hotel segment has rebounded strongly in H2 2025 with the average occupancy rate increasing from 60% in H1 2025 to 65% in Q4 2025, supported by robust demand for MICE events and increased leisure stays.

Accordingly, NPI of Hotel segment increased to RM93.2 million for YTD Q4 2025, from RM91.5 million in YTD Q4 2024, mainly due to the increase in revenue as explained above.

Office segment

Office segment registered revenue of RM80.8 million for YTD Q4 2025, a decrease of 3% or RM2.3 million due to a lower average occupancy rate of 82% in YTD Q4 2025 compared to 83% for YTD Q4 2024.

NPI of Office segment declined by 8% or RM4.2 million to RM47.9 million for YTD Q4 2025, in line with lower revenue and higher assessment in current year.

Services segment

Services segment contributed revenue and NPI of RM29.3 million for YTD Q4 2025, representing a decrease of 24% or RM9.1 million compared to YTD Q4 2024. This decline was primarily due to the absence of revenue from Sunway University and College campus following by the completion of the disposal on 30 September 2025.

Industrial & Others segment

The Industrial & Others segment recorded a sharp increase in revenue and NPI of 73% and 52% respectively for YTD Q4 2025. The growth was supported by new rental contribution from Sunway REIT Industrial - Prai and improved occupancy rate for Sunway REIT Industrial – Petaling Jaya 1.

Overall

	YTD Q4 2025 RM'000	YTD Q4 2024 RM'000	Change RM'000	%
Revenue	894,330	767,146	127,184	16.6%
NPI	657,958	569,704	88,254	15.5%
Profit for the year, comprise of:				
Realised				
- Unitholders	451,224	343,828	107,396	31.2%
- Perpetual note holders	23,144	10,215	12,929	> 100.0%
	474,368	354,043	120,325	34.0%
Unrealised	64,990	170,709	(105,719)	-61.9%
	539,358	524,752	14,606	2.8%

A8. Segmental Reporting (Cont'd)

b) Review of Cumulative Quarter Results (Cont'd)

Overall (Cont'd)

Realised profit attributable to unitholders of Sunway REIT for YTD Q4 2025 stood at RM451.2 million, an increase of 31% or RM107.4 million compared to YTD Q4 2024. The increase was primarily driven by higher NPI of RM88.3 million, underpinned by stronger revenue contributions from Retail and Industrial & Other segments.

Unrealised profit for YTD Q4 2025 amounted to RM65.0 million, primarily due to the fair value gain from the revaluation of investment properties as at 31 December 2025, as well as fair value gain of RM4.0 million recognised for Sunway Hotel Seberang Jaya in accordance with the sale and purchase agreement as disclosed in Note A17.

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	
		31.12.2025 RM'000	31.12.2024 RM'000	31.12.2025 RM'000	31.12.2024 RM'000
Net changes in fair value of long term liabilities	B19	(48)	(52)	(222)	(182)
Realised foreign exchange loss		-	-	-	1
Unrealised foreign exchange (gain) / loss (hedged item)		(18,070)	64,384	(56,384)	(9,737)
Cash flow hedge reserve recycled to profit or loss		18,070	(64,384)	56,384	9,737
Allowance/(Reversal) of impairment on trade receivables	A14	713	(775)	2,456	(1,089)
Depreciation of plant and equipment		1,042	994	4,025	4,012
Loss/(gain) on disposal of plant and equipment		4	(13)	4	12
Gain on disposal of investment property		-	-	(25,603)	-
Write off of plant and equipment		7	7	65	7

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.

Where investment properties are carried at fair value as disclosed in Note A13, the amount of deferred tax recognised is measured using the tax rates that would apply on the sale of those properties at their carrying values at the reporting date, unless the property is held with the objective to consume substantially all the economic benefits embodied in the property over time.

Taxation of the Unitholders

Income distribution from the REIT exempted from tax under Section 61A of the ITA is taxable on the unitholders, based on the following:

Category / Type of unitholders	Tax rate (Up to YA 2025)	Tax rate (From YA 2026 Onwards)
Individuals and all other non-corporate investors such as institutional investors	Withholding tax (WHT) of 10%*	No WHT [#]
Resident corporate investors	Corporate tax of 24%	Corporate tax of 24%
Non-resident corporate investors	WHT of 24%	WHT of 24%

* The WHT concession has ended on 31 December 2025 and was not extended, in accordance with the Finance Act 2025.

Subject to tax at prevailing tax rate, depending on profile of respective investor. Unitholders are responsible for declaring the income distribution received in their respective tax returns, in accordance with the current tax regulations.

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 Twelfth AGM on 29 May 2025. 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.

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

- i) For the semi-annual period from 1 January 2025 to 30 June 2025, interim income distribution amounting to RM194.5 million or 5.68 sen per unit, comprising taxable and tax-exempt amount of 5.45 sen per unit and 0.23 sen per unit respectively, paid in cash on 10 September 2025.
- ii) For the period from 1 July 2025 to 30 September 2025, interim income distribution amounting to RM136.3 million or 3.98 sen per unit comprising taxable and tax-exempt amount of 3.85 sen per unit and 0.13 sen per unit respectively, paid in cash on 24 December 2025.
- iii) For the period from 1 October 2025 to 31 December 2025, final income distribution amounting to RM165.1 million or 4.82 sen per unit comprising taxable and tax-exempt amount of 4.08 sen per unit and 0.74 sen per unit respectively, payable in cash on 27 February 2026.

With the proposed final income distribution, the Manager will be distributing more than of the distributable income for the financial year ended 31 December 2025 of 13.18 sen per unit mainly due to crystallisation of prior years' unrealised fair value gains upon the disposal of Sunway university & college campus.

A13. Investment Properties

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
Investment properties		
- As per valuation reports	10,102,700	10,414,000
- Accrued lease income	-	(69,918)
	<hr/>	<hr/>
Investment property under construction	10,102,700	10,344,082
	83,243	40,846
	<hr/>	<hr/>
	10,185,943	10,384,928

During the financial year, Sunway REIT acquired two investment properties, namely AEON Mall Seri Manjung and a SoVo unit at Kiara 163, for a purchase consideration of RM138,000,000 and RM1,700,000 respectively, which were financed through drawdown of borrowings. In addition, the disposal of Sunway university & college campus was completed on 30 September 2025 for a cash consideration of RM613,000,000.

Investment properties - accrued lease income is in relation to the 30-year lease agreements for Sunway university & college campus, commencing on 15 April 2019, with in-built annual rental revision of 2.3%. In accordance with MFRS 16 Leases, the lease income has been recognised on a straight-line basis over the 30-year lease term. The total accrued lease income of RM69.9 million has been derecognised following the disposal of Sunway university & college campus on 30 September 2025.

Investment property under construction ("IPUC") refers to Sunway Pier redevelopment commenced in October 2024, which consists of land cost transferred from investment properties of RM33.0 million and property development costs incurred to-date of RM49.0 million and new Sunway Hotel Seberang Jaya, the new development atop of Sunway Carnival Mall, commenced in October 2025 with property development costs incurred to-date of RM1.2 million.

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.

			Fair Value	
		As at 31.12.2025 ¹ RM'000	As at 31.12.2024 ² RM'000	Increase / (Decrease) RM'000
Retail				
Sunway Pyramid Mall		4,200,000	4,200,000	-
Sunway Carnival Mall		1,090,000	980,000	110,000
Sunway Putra Mall		528,000	528,000	-
Sunway 163 Mall		261,700	225,000	36,700
Sunway Kluang Mall		165,000	165,000	-
SunCity Ipoh Hypermarket		55,000	55,000	-
Sunway REIT Hypermarket- Kinrara		152,000	143,000	9,000
Sunway REIT Hypermarket- Putra Heights		76,000	71,000	5,000
Sunway REIT Hypermarket- USJ		100,000	101,000	(1,000)
Sunway REIT Hypermarket- Klang		75,000	74,000	1,000
Sunway REIT Hypermarket- Ulu Kelang		53,000	53,000	-
Sunway REIT Hypermarket- Plentong		162,000	159,000	3,000
AEON Mall Seri Manjung ³	A17	146,000	-	146,000
		<u>7,063,700</u>	<u>6,754,000</u>	<u>309,700</u>
Hotel				
Sunway Resort Hotel		740,000	740,000	-
Sunway Pyramid Hotel		353,000	345,000	8,000
Sunway Lagoon Hotel		315,000	310,000	5,000
Sunway Putra Hotel		334,000	334,000	-
Sunway Hotel Seberang Jaya	A17	60,000 ⁴	55,000	5,000
Sunway Hotel Georgetown		87,000	86,000	1,000
		<u>1,889,000</u>	<u>1,870,000</u>	<u>19,000</u>
Office				
Menara Sunway		178,000	178,000	-
Sunway Tower		115,000	115,000	-
Sunway Putra Tower		139,000	135,000	4,000
Wisma Sunway		60,000	60,000	-
Sunway Pinnacle		472,000	471,000	1,000
		<u>964,000</u>	<u>959,000</u>	<u>5,000</u>
Services				
Sunway university & college campus ⁵	A17	-	586,000	(586,000)
		<u>-</u>	<u>586,000</u>	<u>(586,000)</u>
Industrial & Others				
Sunway REIT Industrial - Shah Alam 1		107,000	106,000	1,000
Sunway REIT Industrial - Petaling Jaya 1		71,000	71,000	-
Sunway REIT Industrial - Prai		68,000	68,000	-
		<u>246,000</u>	<u>245,000</u>	<u>1,000</u>
Total			10,162,700	10,414,000
Less: Transfer to non-current asset held for sale	A17		(60,000)	-
Total investment properties - as per valuation reports	A13		<u>10,102,700</u>	<u>10,414,000</u>
Less: Acquisitions during the year ⁶				(141,859)
Less: Capital expenditure during the year				(124,273)
Add: Disposal during the year ⁵				586,000
Net fair value gain				<u>68,568</u>

¹ Appraised value based on valuation carried out on 1 December 2025.

² Appraised value based on valuation carried out on 1 November 2024 / 1 December 2024.

³ Acquired on 25 July 2025

⁴ Fair value based on sale and purchase agreement dated 28 October 2025

⁵ Disposed on 30 September 2025

⁶ Acquisition cost comprises purchase consideration and incidental costs of acquisition ie. acquisition fee, legal fee and valuation fee.

A14. Trade Receivables

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
Third parties	24,800	15,239
Amount due from parties related to the Manager	710	10,616
	<hr/>	<hr/>
Less: Allowance for impairment	25,510	25,855
Total trade receivables	(4,138)	(2,020)
	<hr/>	<hr/>
	21,372	23,835
	<hr/>	<hr/>

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

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
Current	6,031	11,717
1 to 30 days	8,505	6,485
31 to 60 days	3,919	3,886
61 to 90 days	1,783	781
91 to 120 days	1,285	1,041
More than 120 days	3,987	1,945
	<hr/>	<hr/>
Less: Impaired	19,479	14,138
	(4,138)	(2,020)
	<hr/>	<hr/>
	21,372	23,835
	<hr/>	<hr/>

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

	Note	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
At beginning of year		2,020	3,277
Allowance/(Reversal) for the year	A10	2,456	(1,089)
Written off		(338)	(168)
At end of year		<hr/>	<hr/>
		4,138	2,020
		<hr/>	<hr/>

A15. Borrowings and Debt Securities

		As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
<u>Short term borrowings</u>			
Secured			
- Commercial paper		170,000	90,000
- Revolving loans (USD)		548,118	506,966
- Unrated medium term notes		<hr/>	<hr/>
		1,550,000	1,140,000
		<hr/>	<hr/>
		2,268,118	1,736,966
Unsecured			
- Revolving loan (RM)		<hr/>	<hr/>
		330,000	-
		<hr/>	<hr/>
Less: Discount on commercial paper		2,598,118	1,736,966
Less: Unamortised transaction costs		(541)	(126)
Total short term borrowings		<hr/>	<hr/>
		(91)	(91)
		<hr/>	<hr/>
		2,597,577	1,736,749
		<hr/>	<hr/>

Long term borrowings

Secured			
- Unrated medium term notes		1,200,000	1,830,000
Unsecured			
- Rated medium term notes		400,000	400,000
- Revolving loan (RM)		-	500,000
Total long term borrowings		<hr/>	<hr/>
		1,600,000	2,730,000
Total borrowings		<hr/>	<hr/>
		4,197,577	4,466,749
		<hr/>	<hr/>

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 B17.

Total borrowings of Sunway REIT as at 31 December 2025 decreased by RM269.2 million compared to 31 December 2024, primarily due to the repayment of matured borrowings using proceeds from the disposal of Sunway university & college campus.

Proportion of borrowings based of fixed and floating interest rates as at 31 December 2025 was 56 : 44 (31 December 2024: 45 : 55). For the financial year ended 31 December 2025, average cost of debt was 3.79% (31 December 2024: 3.89%).

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
At 31 December 2025				
Financial asset				
Investment properties	-	-	10,102,700	10,102,700
Financial liability				
Derivatives	-	48,406	-	48,406
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
At 31 December 2024				
Financial asset				
Investment properties	-	-	10,414,000	10,414,000
Financial liability				
Derivatives	-	14,441	-	14,441

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

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 ("SPA") 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. On 18 April 2025, the parties to the SPA entered into a supplemental agreement to the SPA to extend the conditional period to 20 August 2025. The acquisition was completed on 25 July 2025.

Proposed disposal of Sunway university & college campus for cash consideration of RM613.0 million

On 2 May 2025, Sunway REIT entered into a conditional sale and purchase agreement with Sunway College (KL) Sdn Bhd, a wholly-owned subsidiary of Sunway Education Group Sdn Bhd, to dispose Sunway university & college campus for a cash consideration of RM613.0 million. The disposal was completed on 30 September 2025.

Sunway university & college campus was classified as a non-current asset held for sale in Q2 2025, with a fair value gain of RM27.0 million recognised in the same quarter based on the disposal price. The unrealised fair value gain was subsequently released in Q3 2025 upon completion of the disposal.

Proposed disposal of Sunway Hotel Seberang Jaya for cash consideration of RM60.0 million

On 28 October 2025, Sunway REIT entered into a conditional sale and purchase agreement with Sunway Medical Centre Penang Sdn Bhd, a wholly-owned subsidiary of Sunway Healthcare Holdings Berhad, which is a 84%-owned subsidiary of Sunway City Sdn Bhd, which in turn is a wholly-owned subsidiary of Sunway Berhad, to dispose Sunway Seberang Jaya Hotel for a cash consideration of RM60.0 million. Barring any unforeseen circumstances, the proposed disposal is expected to be completed in the fourth quarter of 2027.

Sunway Hotel Seberang Jaya has been classified as a non-current asset held for sale as at 31 December 2025, with a fair value gain of RM4.0 million recognised in Q4 2025 based on the disposal price.

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

There was no material event subsequent to the current quarter ended 31 December 2025.

A19. Capital Commitments

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
Approved and contracted for	596,611	678,318
Approved and not contracted for	113,478	114,177
	710,089	792,495

Amount approved and contracted for was largely in regards to Sunway Pier redevelopment and development of new Sunway Hotel Seberang Jaya. Further details on the property development activities are disclosed in Note B11.

Amount approved and not contracted for was mainly in relation to 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 2025. The contingent liability as at 31 December 2025 was in respect to the material litigation as disclosed in Note B13.

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 2025:

	Cumulative Quarter ended	
	31.12.2025 RM'000	31.12.2024 RM'000
a) Sunway Berhad Group		
- Sales	(239,303)	(157,903)
- Purchases	192,397	213,263
Structured entities controlled by Sunway Berhad Group		
- Distribution to perpetual note holders		5,776
b) Sunway Technology Sdn. Bhd. Group		
- Sales	(2,742)	(2,430)
- Purchases	1,855	890

The following table provides information on the balances with the parties related to the Manager as at 31 December 2025 and 31 December 2024:

	As at 31.12.2025 RM'000	As at 31.12.2024 RM'000
<u>Amounts owed by parties related to the Manager:</u>		
a) Sunway Berhad Group	2,114	11,590
<u>Amount owed to parties related to the Manager:</u>		
a) Sunway Berhad Group	115,032	63,747

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 decreased by RM199.0 million primarily due the disposal of Sunway university & college campus of RM613.0 million, partially offset by the acquisition of AEON Mall Seri Manjung which was valued at RM146 million, capital expenditure for Sunway Carnival Mall existing wing and ongoing Sunway Pier redevelopment.

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 payables was higher by RM62.5 million, primarily due advance rental income received from tenants and lessees.

Derivatives of RM48.4 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 A15 and B17.

Net asset value remained largely unchanged at RM5.9 billion as at 31 December 2025, comprised of unitholders' funds of RM5.4 billion and perpetual note holders' funds of RM0.5 billion. Unitholders' funds increased marginally by RM2.2 million contributed by total comprehensive income for the financial year of RM539.1 million, partially offset by distribution to unitholders of RM513.7 million and amount reserved for distribution to perpetual note holders of RM23.1 million. There was no movement in the perpetual note holders' funds during the financial year.

Net asset value per unit, after income distribution, was maintained at approximately RM1.52 as at 31 December 2025 and as at 31 December 2024.

c) Statement of Cash Flows

Higher net cash from operating activities for YTD Q4 2025 of RM721.1 million, compared to NPI less trust expenses of RM601.6 million, was mainly contributed by advance rental received from tenants and lessees, as well as refundable security deposits collected from Sunway Kluang Mall.

Net cash used from investing activities YTD Q4 FY2025 of RM190.4 million was primarily contributed by proceeds received from disposal of Sunway university & college campus of RM613.0 million, partially offset by acquisition of AEON Mall Seri Manjung at RM138.0 million, progress payments for Sunway Carnival Mall refurbishment and Sunway Pier redevelopment, as well as placement with licensed financial institutions.

Net cash used in financing activities for YTD Q4 2025 of RM940.3 million was attributed to income distribution paid to unitholders and perpetual noteholders amounting to RM532.4 million, interest paid of RM172.8 million and net repayment of borrowings of RM235.2 million.

Cash and bank balances as at 31 December 2025 and 31 December 2024 stood at RM360.9 million and RM289.8 million respectively. The higher balance was mainly attributable to net cash from operating activities as mentioned above.

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 RM124.3 million for YTD Q4 2025, mainly for Sunway Carnival Mall existing wing refurbishment and Sunway Pier redevelopment.

B3. Material Changes in Quarterly Results

	Current Quarter ended 31.12.2025 RM'000	Preceding Quarter ended 30.9.2025 RM'000	Immediate Change %
Realised profit	118,403	149,401	-20.7%
Unrealised profit / (loss)	59,597	(21,717)	> 100.0%
Profit for the quarter	178,000	127,684	39.4%

B3. Material Changes in Quarterly Results (Cont'd)

Realised profit for Q4 2025 decreased by RM31.0 million or 20.7% compared to immediate preceding quarter (Q3 2025) primarily due to net gain on disposal of Sunway university & college campus of RM21.0 million in Q3 2025 and lower NPI in Q4 2025 mainly due to no revenue from Sunway university & college campus, following the completion of its disposal on 30 September 2025.

Unrealised profit for Q4 2025 was primarily due to the fair value gain from the revaluation of investment properties as at 31 December 2025.

B4. Commentary on Prospects

Indicators	2026 (F)	2025	Q4 2025	Q3 2025	Q2 2025	Q1 2025	2024	2023	2022
Gross Domestic Product (GDP) (YoY)	4.0% - 4.5% ⁵	4.9% ³	5.7% ³	5.2%	4.4%	4.4%	5.1%	3.7%	8.7%
Consumer Price Index (CPI) (YoY)	1.3% to 2.0% ⁵	1.4% ²	1.6% ²	1.5%	1.3%	1.5%	1.8%	2.5%	3.3%
Overnight Policy Rate (OPR)	2.75% ⁴	2.75% ¹	2.75% ¹	2.75%	2.75%	3.0%	3.0%	3.0%	2.75%

¹ Source: Bank Negara Malaysia on 6 November 2025

² Source: Department of Statistics Malaysia on 20 January 2026

³ Source: Department of Statistics Malaysia (Advance GDP on 16 January 2026, actual GDP to be announced on 13 February 2026)

⁴ Source: Bloomberg's economists consensus forecast

⁵ Source: Federal Budget 2026 on 10 October 2025, Ministry of Finance

General outlook

Even though Malaysia's economic growth is forecast to moderate, it will still remain resilient, growing at 4-4.5% in 2026 aided by robust domestic consumption, ongoing infrastructure activities, and strong tourist arrival spurred by Visit Malaysia 2026. This will continue to sustain demand for logistic and industrial space, and high retail and hotel occupancy rates. Despite pockets of office oversupply, the recent refinements to the SST framework, including the reduction in the service tax rate on rental income from 8% to 6% are expected to provide some cost relief to tenants and support occupancy.

We therefore expect Malaysian REITs (M-REITs) to deliver stable to modestly positive performance in 2026, boosting sentiment despite some uncertainties arising from the expiry of the 10% withholding tax concession on income distribution from M-REITs on 31 December 2025. A stable interest-rate environment, will also help buoy interest in M-REITs as a defensive income asset play in 2026.

Against this operating environment, Sunway REIT remains cautiously optimistic on the outlook for 2026, underpinned by a solid foundation following the acquisitions in 2024 and 2025, and the continued execution of asset enhancement initiatives. The REIT will continue to advance its transition towards green energy in alignment with its 2030 sustainability goals. In parallel, management will closely monitor market conditions and remain opportunistic in pursuing acquisitions and portfolio diversification.

Review of retail segment

Malaysia's retail sales for Q3 2025 was better than expected, clocking in a 4.9% year-on-year growth. This was significantly higher than the projected growth rate of 2.6%, a result of several government policy initiatives introduced in Q3 which helped boost consumer purchasing power and behavior. In particular, the reduced overnight policy rate (OPR) from 3% to 2.75% in July 2025 and a one-off RM100 credit under the SARA programme. Q4 2025 growth is now projected to touch 5% thereby raising full year 2025 forecast to 3.6% from 2.7% previously.

Positive consumer sentiment aside, Sunway REIT's strong Retail segment performance in 2025 was also boosted by contributions from new retail assets acquisitions, and the completion of Oasis precinct in Sunway Pyramid Mall and upgrading of old wing in Sunway Carnival Mall.

For 2026, Retail Group Malaysia has forecasted retail sales growth of approximately 4.0%, supported by improving global confidence in Malaysia as an investment destination and the anticipated increase in tourist arrivals under Visit Malaysia 2026. Against this backdrop, Sunway REIT remains positive on the prospects of its Retail segment in 2026, backed by high mall occupancies and positive rental reversions.

Review of hotel segment

Tourism Malaysia reported a 8.1% y-o-y increase in tourist arrivals during the first eight months in 2025, driven by accommodating policies and enhanced air connectivity which have supported the growth of the tourism sector.

Notwithstanding a softer H1 2025, Hotel segment performance rebounded strongly in H2, driven by increased MICE activities and year-end holidays. Thus, overall performance of our Hotel segment in 2025 was comparable to 2024 results.

Federal Budget 2026 provides a supportive backdrop for the hospitality industry with about RM700 million allocated to tourism, including RM500 million for Visit Malaysia 2026, alongside tax relief of up to RM1,000 for local travel. These measures are anticipated to lift hotel occupancies.

We remain cautiously optimistic in the outlook for Hotel segment, underpinned by positive trends in tourist arrivals as the country gears up for Visit Malaysia 2026 with expanding air connectivity, broader promotional campaign and enhanced tourism offering. We continue to adopt a more proactive pricing policy, strengthen targeted marketing efforts and place greater emphasis on MICE events to enhance performance of our Hotel segment.

Review of office segment

Between H2 2025 and 2026, approximately 4.41 million sq. ft. of new office supply was projected for the Klang Valley (1.3 million sq. ft. in H2 2025 and 3.1 million sq. ft. in 2026). Nonetheless, strong take up was reported with absorption in the first 9 months of 2025 exceeding 2024.

Demand is primarily focused on newer, high-quality Grade-A office spaces, particularly those with good public transport accessibility. Key drivers include technology, finance, and professional services sectors. While new supply is being absorbed, the continuous delivery of new space is putting pressure on older buildings.

We believe the stable occupancy of our Office segment in FY2025 was driven by our continuous efforts to enhance competitiveness through ongoing asset enhancement initiatives (AEI), including the upgrading of air conditioning systems, lifts, transformers and general amenities area for tenants. These improvements are in line with our energy efficiency and green certification strategies for the office portfolio and aligned with Federal Budget 2026, promoting the development of digital and ESG-compliant workspaces.

Our Office segment is expected to remain resilient in 2026, supported by committed tenancies. We will continue to pursue green certification initiatives and offer flexible leasing solutions to enhance tenant retention and attract new occupants.

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.

Malaysia's diversified trade ties and involvement in RCEP and BRICS position it well to capitalise on global supply chain realignments. While geopolitical risks persist – particularly from Trump's trade stance and ongoing US-China tensions – these shifts offer opportunities for local manufacturers and logistics players to access new markets and bodes well for demand for factories and warehouses. Domestic demand is also expected to continue supporting domestic-oriented industries amid sustained local activity. With the US tariff rate set at 19%, on par with other ASEAN countries, Malaysia's exports remain competitive, making it an attractive destination for industrial and manufacturing investments.

Based on the above, we remain optimistic of the prospects of our Industrial segment, underpinned by a long WALE, a stable tenant base and the continued 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 31.12.2025	Year ended 31.12.2024
a) Management expense ratio	0.99%	0.91%
b) Total return	31.2%	25.5%
c) Average annual total return (5 years)	13.6%	5.6%
d) Distribution yield	6.3%	5.4%
e) NAV per unit (after income distribution) (RM)	1.5211	1.5152

- 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 14.48 sen divided by the closing unit price as at 31 December 2025 of RM2.31 (31 December 2024: DPU of 10.00 sen divided by the closing unit price as at 31 December 2024 of RM1.85).
- 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 4.82 sen per unit (31 December 2024: After final income distribution of 5.34 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 Manager's fees (base and performance) for Q4 2025 stood at RM13.0 million, an increase of 2% or RM0.2 million compared to Q4 2024. The increase was mainly attributable to higher NPI.

During the financial year, there were acquisition fees amounting to RM1.4 million paid to the Manager for the acquisitions of AEON Mall Seri Manjung and SoVo unit at Kiara 163, which were capitalised as part of acquisition cost of investment properties. Additionally, a divestment fee of RM3.1 million was payable to the Manager for the disposal of Sunway university & college campus, which was accounted for as part of the cost of disposal of the investment property.

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.

Trustees' fees for YTD Q4 2025 remained largely the same at RM0.7 million.

B10. Status of Corporate Proposals

Other than the proposed disposal of Sunway Hotel Seberang Jaya disclosed in Note A17, there is no corporate proposal that has been announced but not completed as at the date of this report.

B11. Property Development Activities

As at 31 December 2025, Sunway REIT has undertaken the following property development activities:

1. Redevelopment of Sunway Pier in Port Klang, Selangor into a seafront, retail-centric tourist destination with an estimated development cost of up to RM462.0 million, targeted for completion in H2 2028; and
2. Development of new Sunway Hotel Seberang Jaya atop Sunway Carnival Mall in Seberang Jaya, Penang with an estimated development cost of up to RM140.0 million, targeted for completion in Q4 2027.

The total estimated development cost of approximately RM602.0 million represents 5.6% of Sunway REIT's total asset value based on the latest audited financial statements as at 31 December 2024.

B12. Status of Utilisation of Proceeds Raised from Corporate Proposal

Sunway REIT has completed the disposal of Sunway university & college campus, as disclosed in Note A17, upon receipt of the balance disposal consideration on 30 September 2025.

As at 31 December 2025, the status of utilisation of proceeds from the disposal was as follows:

Proposed utilisation	Proposed amount for utilisation	Actual utilisation	Balance unutilised	Estimated timeframe for utilisation from 30 September 2025
New investment(s) / AEI / Repayment of borrowings ⁽¹⁾	RM'million	RM'million	RM'million	12 months
Estimated expenses (including taxes)	605	605	-	6 months
Total	8	8	-	
	613	613	-	

¹ Net proceeds from the disposal will be redeployed for new investment(s) and/or AEI within the next twelve (12) months, failing which the proceeds will be utilised to repay the borrowings of Sunway REIT.

B13. 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").

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.

B13. Material Litigation (Cont'd)

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

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.

Pursuant to the case management on 10 March 2025, both the abovementioned appeals have been fixed for hearing before the Court of Appeal on 12 February 2026.

B14. 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.

B15. Summary of EPU, DPU, NAV and Market Price

	Current Quarter ended 31.12.2025	Immediate Preceding Quarter ended 30.9.2025	Change %
Number of units in issue (units)	3,424,807,700	3,424,807,700	0.0%
Realised net income (RM'000)	118,403	149,401	-20.7%
Realised earnings per unit (EPU) (sen)	3.29	4.19	-21.5%
Income distribution (RM'000) ¹	301,383	-	N/A
Distribution per unit (DPU) (sen) ¹	8.80	-	N/A
Net Asset Value (NAV) attributable to unitholders (After income distribution) (RM'000) ²	5,209,419	5,194,994	0.3%
NAV per unit (After income distribution)(RM) ²	1.5211	1.5169	0.3%
Market price per unit (RM)	2.31	2.10	10.0%

¹ Income distribution of Sunway REIT is on a semi-annual basis, for each six-month period ending 30 June and 31 December. For the six-month period ended 31 December 2025, Sunway REIT has declared an interim income distribution for Q3 2025 of 3.98 sen per unit paid on 24 December 2025 and proposed final income distribution for Q4 2025 of 4.82 sen per unit payable on 27 February 2026.

² After proposed final income distribution of 4.82 sen per unit (30 September 2025: After distributable income of 4.19 sen per unit for Q3 2025 is assumed for income distribution).

B16. Income Distribution

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

B17. 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 Liability	
	As at 31.12.2025	As at 31.12.2024	As at 31.12.2025	As at 31.12.2024
Cross currency swap (CCS)				
- Less than 1 year	596,700	521,855	(48,406)	(14,441)

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.

B18. Risks and Policies of Derivatives

The derivatives of the Group comprises CCS contracts as mentioned in Note B17.

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 2024.

B19. Disclosure of Gains / Losses Arising from Fair Value Changes of Financial Liabilities

Please refer to Note A10 for details.

B20. 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 2025 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 29 January 2026.

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: 29 January 2026