

SUNWAY®

REIT

SUNWAY REAL ESTATE INVESTMENT TRUST

(Established in Malaysia under a deed dated 20 May 2010, a supplemental deed dated 10 June 2010 and an amended and restated deed dated 18 September 2018 entered into between Sunway REIT Management Sdn Bhd and RHB Trustees Berhad, both companies incorporated in Malaysia)

MINUTES OF THE UNITHOLDERS' MEETING ("MEETING") OF SUNWAY REAL ESTATE INVESTMENT TRUST ("SUNWAY REIT") HELD VIRTUALLY FROM THE BROADCAST VENUE AT THE PENTHOUSE, LEVEL 20, MENARA SUNWAY, JALAN LAGOON TIMUR, BANDAR SUNWAY, 47500 SUBANG JAYA, SELANGOR DARUL EHSAN, MALAYSIA ON THURSDAY, 15 JUNE 2023 AT 3:00 PM.

PRESENT : **Board of Directors of Sunway REIT Management Sdn Bhd ("the Manager")**

Tan Sri Amirsham Bin A Aziz (*Chairman*)

Dato' Ng Tiong Lip

Datuk Christopher Martin Boyd

Ms Sarena Cheah Yean Tih, *S.M.S. - virtually*

Mr Ng Sing Hwa

Tengku Nurul Azian Binti Tengku Shahrman - *virtually*

Madam Yeo Kar Peng

Deputy Chief Executive Officer of the Manager

Mr Chen Kok Peng

Chief Financial Officer of the Manager

Ms Ng Bee Lien

Company Secretary of the Manager

Mr Tan Kim Aun

Invitees

(i) Ms Nur Fatin Hasanah binti Mohd Zuber (*Trustee*) - *virtually*

(ii) Mr Lum Chiew Mun and Ms Amy Lu Yan Fen, BDO PLT (*External Auditors*) – *virtually*

(iii) Ms Chen Poh Ping, RHB Investment Bank Berhad (*Principal Adviser*)

(iv) Mr Adrian Koh Yeow York, Mah-Kamariyah & Philip Koh (*Legal Adviser*)

(v) Mr Keith Ooi, Knight Frank Malaysia Sdn Bhd (*Independent Valuer*)

(vi) Ms Crystal Teh Lay Ling and Ms Audrey Lim Hui Ting, Sunway REIT Management Sdn Bhd (*Investor Relations*)

(vii) Mr Eric Teo You Kiat, Mr Yeoh Ming Jin, Mr Wong Jing Sheng, Mr Wong Jing Quan and Mr Tung Yung Jian, Cygnus Technology Solutions Sdn Bhd (*Independent Scrutineers*)

(viii) Ms Cindy Lim, Mega Corporate Services Sdn Bhd (*Poll Administrator*)

(ix) Mr Mike Yoong Kok Hou, Sunway IT Shared Service Centre (*IT Support*)

UNITHOLDERS AND PROXIES : As per the Summary of Attendance List via the remote participation and voting facility

1. PRELIMINARY

The Chairman, Tan Sri Amirsham Bin A Aziz ("**Tan Sri Chairman**") called the Meeting to order at 3:00 pm and welcomed all those present physically at the broadcast venue and those who logged in virtually.

Tan Sri Chairman informed that the Meeting of Sunway REIT would be conducted virtually through livestreaming and online remote voting from the broadcast venue.

He then proceeded to introduce his fellow colleagues who were present at the broadcast venue:

- i) Dato' Jeffrey Ng Tiong Lip, Chief Executive Officer of the Manager;
- ii) Datuk Christopher Martin Boyd, Senior Independent Non-Executive Director;
- iii) Madam Yeo Kar Peng, Independent Non-Executive Director;
- iv) Mr Ng Sing Hwa, Non-Independent Non-Executive Director;
- v) Mr Clement Chen Kok Peng ("**Mr Clement Chen**"), Deputy Chief Executive Officer;
- vi) Ms Ng Bee Lien, Chief Financial Officer;
- vii) Mr Tan Kim Aun, the Company Secretary ("**Secretary**");
- viii) Ms Chen Poh Ping, representative from RHB Investment Bank Berhad, the Principal Adviser;
- ix) Mr Adrian Koh, representative from Mah-Kamariyah & Philip Koh, the Legal Adviser; and
- x) Mr Keith Ooi, representative from Knight Frank Malaysia Sdn Bhd, the Independent Valuer.

He further introduced the invitees who were present virtually including Tengku Nurul Azian Binti Tengku Shahrman, Independent Non-Executive Director, Ms Sarena Cheah Yean Tih, Non-Independent Non-Executive Director, the representatives from RHB Trustees Berhad, BDO PLT (*External Auditors*), Mega Corporate Services Sdn Bhd (*Poll Administrator*) and Cygnus Technology Solutions Sdn Bhd (*Independent Scrutineer*) to the unitholders and proxies (collectively, referred to as the "**Unitholders**").

2. QUORUM

The requisite quorum being present, Tan Sri Chairman declared the Meeting duly convened.

3. CONFIRMATION OF PROXIES

The Secretary reported that up to 14 June 2023, the Poll Administrator had received a total of 2,843,629,065 units in proxies from the unitholders, equivalent to 83% of the total issued units of Sunway REIT and a total of 413,924,816 units (equivalent to 12% of the total issued units of Sunway REIT) appointed Tan Sri Chairman as proxy for the Meeting.

4. NOTICE OF MEETING AND ONLINE REMOTE VOTING PROCEDURES

The notice dated 31 May 2023 convening the Meeting, which had been duly circulated to all the Unitholders and published within the prescribed period, was tabled and taken

as read.

Tan Sri Chairman highlighted that the Unitholders have the right to submit questions and vote remotely on the only resolution of the Meeting. The Unitholders could submit their questions through the Questions' Pane facility during the Meeting. Nevertheless, questions which have not been responded during the Meeting would be posted in Sunway REIT's website after the Meeting.

Tan Sri Chairman informed the Unitholders that the resolution tabled would be voted by poll by way of e-voting. Sunway REIT had appointed Mega Corporate Services Sdn Bhd as the Poll Administrator to conduct the polling process by way of e-voting and Cygnus Technology Solutions Sdn Bhd as the Independent Scrutineers to verify the poll result of the Meeting.

Tan Sri Chairman then requested the Poll Administrator to show the slide explaining how unitholders could cast their votes online through the livestreaming platform. Thereafter, Tan Sri Chairman announced the commencement of the online voting session. The Unitholders were invited to submit their votes through Digital Ballot Form at any time until the closure of the voting session which he would announce later.

5. AGENDA OF THE MEETING

Tan Sri Chairman informed the Unitholders that the only agenda was to approve the Proposed Acquisition of Six Hypermarkets / Retail Complexes by RHB Trustees Berhad, on behalf of Sunway REIT from a related party, Kwasa Properties Sdn Bhd, a wholly-owned subsidiary of the Employees Provident Fund ("**EPF**") for a total consideration of RM520.0 million. EPF being an interested unitholder in the Proposed Acquisition had abstained from voting on the resolution.

Tan Sri Chairman then invited Ms Chen Poh Ping ("**Ms Chen**"), the representative from RHB Investment Bank Berhad, the Principal Adviser, to present an overview of the Proposal.

6. Q&A Session

The questions raised during the Meeting were displayed on the screen to all the Unitholders and duly addressed by Mr Clement Chen.

All the questions and corresponding responses are attached as Appendix I to the minutes.

7. VOTING SESSION

Tan Sri Chairman then announced that a few minutes would be given for the Unitholders who have yet to cast their votes to submit their votes.

After 5 minutes, Tan Sri Chairman announced the closure of the e-voting session.

8. POLL RESULT

Tan Sri Chairman informed that aside from the questions received during the Q&A

session, all other questions received from the Unitholders have been duly responded.

He then informed that the following result of the poll taken had been verified by the Independent Scrutineer:

Ordinary Resolution	For		Against	
	No. of Units	%	No. of Units	%
Proposed Acquisition	2,059,830,397	99.9951	101,391	0.0049

Tan Sri Chairman then declared that the Ordinary Resolution duly passed as follows:

Ordinary Resolution

Proposed Acquisition of Six Hypermarkets / Retail Complexes by RHB Trustees Berhad, on behalf of Sunway REIT from Kwasa Properties Sdn Bhd for a total cash consideration of RM520.0 Million ("Proposed Acquisition")

"THAT contingent upon the fulfilment of the conditions precedent under the sale and purchase agreement dated 16 March 2023 ("**SPA**") entered into between RHB Trustees Berhad, on behalf of Sunway REIT ("**Trustee**") and Kwasa Properties Sdn Bhd ("**Vendor**"), a wholly-owned subsidiary of the Employees Provident Fund Board, and subject to all approvals being obtained from the relevant authorities and parties (if required), approval be and is hereby given for the Trustee to acquire the following properties from the Vendor for a total cash consideration of RM520.0 million upon such terms and conditions as set out in the SPA:

- (i) a piece of freehold land held under HSD 105861, Lot PT 37328, Mukim and District of Petaling, State of Selangor together with a 2 ½-storey hypermarket / retail complex erected thereon with a total of 774 car parking bays (inclusive of covered and surface car parking bays);
- (ii) a piece of freehold land held under HSD 151035, Lot PT 21523, Mukim Damansara, District of Petaling, State of Selangor together with a 2-storey hypermarket / retail complex with a 1-storey mezzanine floor erected thereon with a total of 423 car parking bays (inclusive of covered and surface car parking bays);
- (iii) a piece of freehold land held under HSM 11317, Lot PT 15216, Pekan Subang Jaya, Mukim Damansara, District of Petaling, State of Selangor together with a 3 ½-storey hypermarket / retail complex erected thereon with a total of 792 car parking bays (inclusive of covered and surface car parking bays);
- (iv) a piece of freehold land held under GRN 128054, Lot 83639, Pekan Pandamaran, District of Klang, State of Selangor together with a 1-storey hypermarket / retail complex with a mezzanine floor erected thereon with a total of 1,100 surface car parking bays;
- (v) two pieces of freehold land held under GRN 269979, Lot 13796 and GRN 269978, Lot 13793, all in Section 1, Bandar Ulu Kelang, District of Gombak, State of Selangor together with a 3-storey hypermarket with a 2-storey retail complex and one level of basement carpark erected on both pieces of land with a total of 165 car parking bays; and
- (vi) three pieces of freehold land held under (a) GRN 428511, Lot 84421 ("**Plentong Land 1**") (b) GRN 73013, Lot 64279 and (c) GRN 430454, Lot 121289, all in Mukim Plentong, District of Johor Bahru, State of Johor together with a 1-storey hypermarket with a mezzanine floor and 3-storey retail complex erected on Plentong Land 1 with a total of 1,239 car parking bays (inclusive of covered, rooftop and surface car parking bays).

THAT the execution by the Trustee of the SPA and the performance of its obligations under the SPA be and is hereby approved and ratified.

AND THAT the Trustee and directors of Sunway REIT Management Sdn Bhd ("**Board**"), being the manager of Sunway REIT, be and are hereby authorised to give full effect to the Proposed

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Minutes of the Unitholders' Meeting held on 15 June 2023

Acquisition with full powers to negotiate, approve, agree and/or assent to any conditions, variations, revaluations, modifications and/or amendments in any manner as may be required/permitted by the relevant authorities or deemed necessary by the Trustee and the Board, and to deal with all matters incidental, ancillary to and/or relating thereto, and to take such steps and to do such acts (including to execute such documents, agreements, undertakings and confirmations as may be required), deeds, things and matters as they may deem necessary or expedient to implement, finalise, to give full effect to and complete the Proposed Acquisition.”

9. CLOSE OF MEETING

There being no other business to be transacted, the Meeting concluded at 3:42 pm with a vote of thanks to Tan Sri Chairman.

CONFIRMED AS A TRUE AND ACCURATE RECORD OF THE PROCEEDINGS THEREOF

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CHAIRMAN

Dated this 30th day of June, 2023



Sunway REIT Unitholders' Meeting

Questions & Answers

15 June 2023

Note: Questions and Answers have been edited for brevity and clarity purposes

Unitholders: Yap Yik Yong, Lim Jit Thin, Lee Chin Guan, Kow Lih Shi, Lew Tuck Wai

1. What is the payback period for this investment?

Based on the initial yield of 8%, it is anticipated that the payback period would be approximately 12 to 13 years.

2. The computation of the annual incremental net distributable income assumed RM20.8 million in Finance Cost based on the assumption that the purchase consideration will be fully financed by borrowings. However, under "Method of Financing for Purchase Consideration", part of the cash proceeds from SMC Disposal could be allocated to partly fund the Balance Purchase Consideration. Appreciate the advisor's explanation on the above.

At the point of the preparation for the Circular, the completion dates for SMC Disposal and the Proposed Acquisition were uncertain and undetermined. Hence, a conservative approach had been taken into consideration, with the assumption that the Manager may incur interest expense on the basis that the Balance Purchase Consideration for the Proposed Acquisition will be fully funded by debt. On the other hand, the interest savings that may potentially be received by the Manager had also been included in the computation of pro forma, with the assumption that the net cash proceeds from the SMC Disposal will be used to repay Sunway REIT's existing borrowings.

3. Sunway REIT had been removed from FTSE4Good Bursa Malaysia Index recently, is there anything to do with this Proposed Acquisition?

In the recent FTSE Bursa Malaysia semi-annual review, Sunway REIT will be excluded from FTSE4Good Bursa Malaysia Index with effective from 19 June 2023. The exclusion from the index is not relevant to Sunway REIT's financials or fundamentals. However, the exclusion is mainly due to the lack of trading liquidity of Sunway REIT's units on Bursa Malaysia, resulting in Sunway REIT being excluded from one of the main indices on Bursa Malaysia, namely FTSE Bursa Malaysia Mid 70 Index, and subsequently being excluded from the FTSE4Good Bursa Malaysia Index.

The Manager is working closely with the Investor Relations team to improve trading liquidity for index re-inclusion. Hence, the Manager would like to reaffirm that the exclusion from FTSE4Good Bursa Malaysia Index is not related to this Proposed Acquisition.

4. Given that this year marks the third year of economic recovery, is the rental income from the Proposed Acquisition better than pre-pandemic?

The rental income from the Proposed Acquisition is based on the existing lease agreements to be novated, hence the rental is fixed throughout the years with built-in rental reversion terms.

5. What could Sunway REIT do to increase dividend payout?

The Manager has reverted to 100% distribution payout policy in Q4 2022. The Manager will maintain the distribution payout of 100% in FY2023.

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