

THE BUSINESS MODEL: TRANSCEND 2027 RECALIBRATED

TRANSCEND 2027 serves as the basis of Sunway REIT's approach to driving value creation, segmented into several strategic pillars or focus areas. TRANSCEND 2027 enables the development of robust business and operational strategies designed to address the Trust's requirements across the six capitals. It also leads the identification of material financial and non-financial material matters, risks and opportunities and the setting of clear performance targets and goals for financial and non-financial objectives.

The business model is designed to solidify Sunway REIT's position as a market leader and innovator, to ensure resilience

and sustained growth and the ability to remain adept and agile in tandem with market forces.

By focusing on its core strengths and remaining responsive to market trends, Sunway REIT is committed to delivering sustainable value to its unitholders through targeted strategic initiatives.

4 STRATEGIC PILLARS



A Leading M-REIT

Top 2 M-REIT

- Market capitalisation
- Property value



Growing Portfolio Size

Growing property value to RM14 – RM15 billion

- Yield-accretive acquisitions
- Value-enhancing AEs



Focused Growth

Core Sector Focus:

- Refocusing on the core sectors
- Leveraging on retail strength

Opportunistic Expansion:

- Pursuing strategic opportunities in upcoming segments i.e. logistics, services, data centres, etc.



Targets

Primary Targets:

- Annual Total Return
- Premium-to-NAV

Secondary Targets:

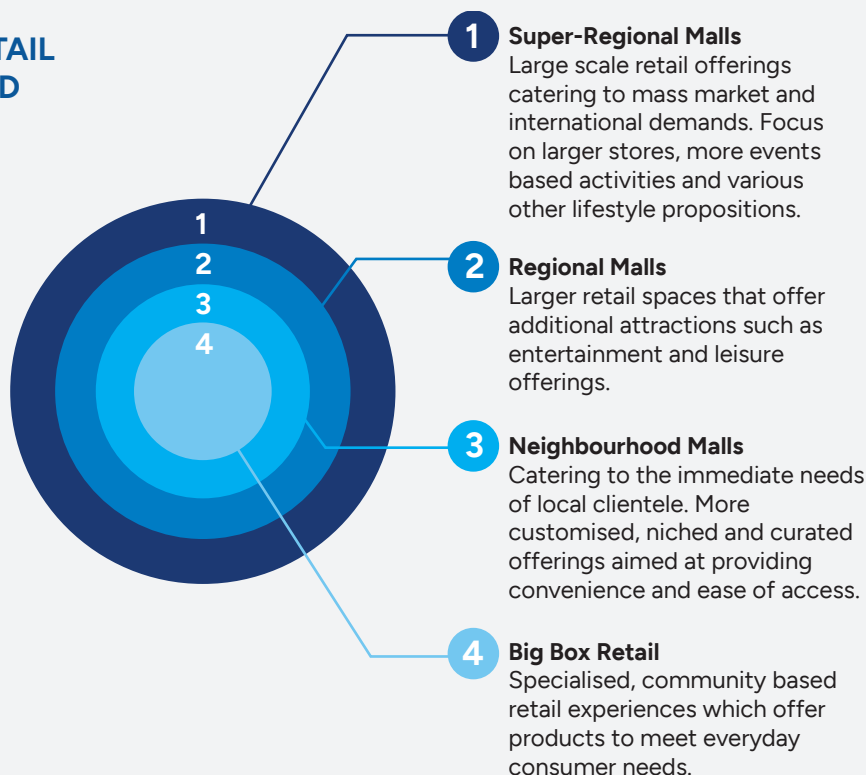
- 5-year average total return
- DPU CAGR (2019 as the base year)

Benchmarked against M-REITs peer performance annually

BUILDING A DIVERSIFIED RETAIL PORTFOLIO WITH ENHANCED INCOME RESILIENCE

The Core Sector Focus goal (under the pillar of Focused Growth) is aimed at developing a robust and comprehensive retail portfolio based on the four identified subsectors. These are super-regional, regional and neighbourhood malls as well as big-box retail.

This approach expands and extends Sunway REIT's reach towards capturing a wider and larger consumer demographic nationwide. This is in line with the objective of driving greater growth and value accretive opportunities within Malaysia.




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	Super-Regional Malls	Regional Malls	Neighbourhood Malls	Big Box Retail
Target market & net lettable area	Local & International tourists NLA > 1 million sq.ft	Population within 50km NLA > 500,000 sq.ft	Population within 20km NLA > 250,000 sq.ft	Population within 10km NLA c. 250,000 sq.ft
Strategic retail asset portfolio	Sunway Pyramid Mall	Sunway Carnival Mall	Sunway Putra Mall Sunway Pier ¹ Sunway 163 Mall Sunway Kluang Mall	Hypermarkets: SunCity Ipoh, Kinrara, USJ, Putra Heights, Ulu Kelang, Kluang, Plentong
Geographical footprint across Malaysia	Sunway City Kuala Lumpur	Penang	Kuala Lumpur, Klang, Johor	Ipoh, Selangor, Kuala Lumpur, Johor
Sunway's unique strengths & characteristic	Unique and iconic location; Strong management and leasing expertise	Focus on identifying underserved markets	Resilience through a diverse tenant mix of F&B and essential services	Serving everyday needs of everyday people
Segment's WALE	1 - 3 years	1 - 3 years	1 - 3 years	5 - 10 years

¹ Retail mall under development

Specific information on each pillar is provided within the Capitals section of IAR 2024. Following is Sunway REIT's 2024 performance in tandem with its Transcend 2027 pillars:

TRANSCEND 2027 PROGRESS REPORT

Strategic Pillars	2027 Targets	2024 Results
A Leading M-REIT	Become Top 2 M-REIT by property value	RM10.5 billion Ranked 2 nd amongst M-REITs 
	Become Top 2 M-REIT by market capitalisation	RM6.3 billion Ranked 3 rd amongst M-REITs 
Growing Portfolio Size	Grow property value to RM14-15 billion	RM10.5 billion (FY2023: RM9.0 billion)
Focused Growth	Core sector focus	Acquired eight new retail assets: six Giant hypermarkets, Sunway 163 Mall and Sunway Kluang Mall Total: 13 retail assets, 6 hotels and 5 offices
	Opportunistic expansion	Acquired a new industrial property Total: 1 education property, 3 industrial assets
Targets	Primary Targets <ul style="list-style-type: none"> Annual total return Premium-to-NAV 	Annual total return: 25.5% Premium-to-NAV: 22.1%
	Secondary Targets <ul style="list-style-type: none"> 5-year average total return DPU CAGR (2019 as the base year) 	5-year average total return: 5.6% DPU CAGR (2019 as the base year): 0.8%