

Sunway REIT Sees Gross Revenue Increase 17% As Sectors Under Portfolio Recover

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Sunway REIT a massive property investment manager which owns a portfolio of 18 assets comprising 4 retail malls, 6 hotels, 5 offices, a medical centre, an industrial property and an education asset with a combined property value of RM8.7 billion has just released its fourth quarter and full year financial results.

For the 12 month, gross realised revenue stood at RM410 million for 2021 in comparison to RM539 million for 2020 this is a 23% drop. Note: Sunway REIT has also changed its financial year end from 30th June to 31st December, therefore the current period will be for 18 months from July 1st 2020 to December 31st 2021.

As for the quarter ending December 2021, it registered a realised gross revenue of RM103.4 million and realised net property income (NPI) of RM62.3 million this was in comparison RM88.0 million and RM60.7 million achieved respectively in the same quarter last year a 17.5% and 2.8% year-on-year rise of on the back of higher contribution across the segments.

Retail segment increased by 8.3% contributed by improved tenants' sales and lower rental support granted to affected tenants. The hotel segment also saw an increase of 23.6% generating RM8.7 million for the quarter under review, from RM7.0 million. However, its the office segment that reported a stronger set of financial performance attributed to new income contribution from The Pinnacle Sunway and stable occupancy rates from all office properties. Realised gross revenue surged by 84.7%!

Other sectors also showed improvement this year, mainly from Sunway Medical Centre and Sunway university & college campus.

Dato' Jeffrey Ng, Chief Executive Officer of the Manager, commented, "Sunway REIT continues to exercise prudent measures and remain agile in managing its asset portfolio in view of the persisting market uncertainty.

To support its tenants in the malls, the Retail business management team facilitated up to RM200 million in working capital through financing facilities for retailers' business recovery. And to drive the re-opening of the retail and hotel segments, Dato' Jeffrey assured that efforts to vaccinate employees and the entire front-facing operation workforce will provide a safe environment for shoppers, tenants, guests and employees in the premises.

Sunway REIT has also recently collaborated with OCBC Bank (Malaysia) Berhad for a proposed sustainability-link bond issuance under its existing RM10 billion Medium Term Note (MTN) Programme, being the first REIT in Malaysia to venture into the sustainable financing sphere.