

Sunway REIT posts RM72.66mil realised income in Q6 2021

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By [Azanis Shahila Aman](#) - January 28, 2022 @ 7:20pm

KUALA LUMPUR: Sunway Real Estate Investment Trust (Sunway REIT) posted RM72.66 million realised income on RM157.8 million revenue for the sixth quarter (Q6) ended December 31, 2021 (FY21).

This was contributed by higher gross revenue from all segments and recognition of unrealised unbilled lease income receivable of RM19.6 million under Malaysian Financial Reporting Standard (MFRS) 16 Leases.

For the 18 months ended December 31 2021, Sunway REIT posted gross revenue of RM675.6 million and net property income (NPI) of RM457.1 million, its manager Sunway REIT Management Sdn Bhd said.

This was attributed to soft performance from retail and hotel segments amid various phases of Movement Control Order and National Recovery Plan, international border closures, as well as temporary closure of Sunway Resort Hotel for refurbishment.

This was partially cushioned by higher revenue from office, services and Industrial and others segments.

Given Sunway REIT change in the financial year ending from June 30, 2021 to December 31, 2021, no comparative financial information was available for the previous 18 months.

For the quarter under review, gross revenue for the retail segment rose 62.7 per cent to RM92.4 million, compared to RM56.8 million in Q2 2021.

The improved financial performance was attributed to encouraging recovery in the retail footfall and retail sales pursuant to the easing of movement restrictions compared to operating under the conditional movement control order in the same period last year.

The company said its retail footfall and retail sales had returned to normalcy compared to pre-Covid-19 towards the end of Q6 2021.

NPI jumped almost two-fold to RM65.8 million in 6Q FP2021 compared to RM33.9 million in the same period last year, it said.

Sunway REIT said the hotel segment recorded gross revenue RM9.8 million in Q6 2021, an increase of 24.0 per cent compared to the corresponding quarter in the preceding year.

"The better performance was attributed to the lifting of inter-state travelling and gradual resumption of meetings, incentives, conferences and exhibitions (MICE).

"NPI for the hotel segment rose 28.3 per cent to RM8.5 million in Q6 2021, from RM6.6 million in the same quarter last year," it said.

As for the office segment, the company's gross revenue surged 31.4 per cent to RM19.1 million in Q6 2021, from RM14.5 million in the corresponding period in the preceding year.

For the quarter under review, gross revenue and NPI for the services segment edged up 2.3 per cent to RM15.3 million compared to Q2 2021, attributed to annual rental reversion of Sunway Medical Centre (Tower A & B) and Sunway University & College campus.

Gross revenue and NPI for the industrial and others segment remained stable at RM1.5 million in 6Q FP2021.

For the quarter ended December 31, 2021, Sunway REIT proposed distribution per unit of 2.80 sen, representing semi-annual income distribution as compared to 0.77 sen declared in the same period in the preceding year.

Chief executive officer of the manager Datuk Jeffrey Ng said Sunway REIT expected the business performance to improve in FY22, supported by reopening of all economic sectors and the healthy economic growth.

Ng said positive progress in booster vaccination rate, re-opening of Sunway Resort Hotel and new income contribution from the completed expansion of Sunway Carnival Shopping Mall would also help to improve the company's performance.

"Sunway REIT is well positioned to capitalise on acquisition opportunities that may present to expand its asset portfolio in line with the medium-term growth plan," he said.