

Sunway REIT 1Q net profit jumps 188%

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SUNWAY Real Estate Investment Trust's (Sunway REIT) earnings soared by 188% year-on-year (YoY) to RM106.32 million in the first quarter ended on March 31, 2022 (1Q22).

In a filing to Bursa Malaysia yesterday, the property trust stated the higher profit was mainly contributed by higher net property income and lower finance costs, partially mitigated by higher manager's fees.

Revenue for the quarter grew 47.7% YoY to RM154 million contributed by higher net property income from all segments, especially income from Sunway Clio Property (*picture*) and Sunway Hotel Georgetown.

The retail segment's revenue increased by 83% YoY to RM98.4 million in the period due to improved performance across all retail properties, while its hotel segment recorded an increase in revenue of 29% YoY to RM18.5 million on improved occupancy of its hotels following increased domestic leisure and business travel.

The office segment's revenue increased marginally by 1% YoY to RM19.5 million in 1Q22 due to a marginally improved performance from Menara Sunway, Sunway Putra Tower and The Pinnacle Sunway, supported by the commencement of new tenants and stable occupancy rate.

Sunway REIT's service segment contributed stable gross revenue and net property income of RM15.8 million in 1Q22 due to the annual rental reversion of Sunway Medical Centre (Tower A and B) and Sunway University and College campus by the master lease agreements.

The trust' industrial and others segment, comprising Sunway REIT Industrial-Shah Alam 1, delivered stable gross revenue and net property income of RM1.7 million in the quarter.

The group stated the latest rental rates were reviewed in January 2022 and the next rent review will be in January 2025.

Sunway REIT's share price fell by five sen to RM1.45 at market close yesterday.