


Sunway Reit's net profit eases, revenue up in Q2

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Ashiqin Ariffin

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By [Ashiqin Ariffin](#) - August 17, 2023 @ 8:40pm



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KUALA LUMPUR: Sunway Real Estate Investment Trust's (Sunway Reit) posted a marginally lower net profit by 3.1 per cent to RM72.19 million for its second quarter (Q2) ended June 30, 2023 from RM74.51 million a year ago.

Sunway Reit's revenue grew 15.2 per cent of RM166.53 million from RM144.51 million previously.

It posted slightly lower earnings per share of 1.96 sen from 2.03 sen a year ago.

Cumulatively, the company reported a slightly lower net profit of RM168.65 million for the six months from RM180.83 million from the previous year.

The revenue increased 17 per cent to RM349.33 million from RM298.48 million a year ago.

On a segmental basis, Sunway Reit reported that the revenue for retail segment increased by nine per cent compared to Q2 last year, which was attributable to overall improved performance across its retail properties.

Revenue of hotel segment for the current quarter improved by nearly three-fold underpinned by the overall improved average occupancy rate and the full-quarter contribution from Sunway Resort Hotel which reopened in phases since May 2022.

"The revenue of office segment for Q2 2023 improved marginally by RM0.8 million or four per cent compared to Q2 2022 supported by positive rental reversion and stable average occupancy rate of the office segment," it said in Bursa Malaysia filing.

The service segment's revenue increased marginally 1.0 per cent, mainly attributed to the annual rental reversion of Sunway university and college campus in accordance with the master lease agreement.

The company is cautiously optimistic about the outlook for FY2023 driven by a stable gross domestic product (GDP) growth projection of 4.0 per cent to 5.0 per cent.

"The outlook is further supported by the expectation of sustained growth momentum of the retail segment, further recovery in the hotel segment, full-year income contribution from new wing of Sunway Carnival Mall (Phase 1) and Sunway Resort Hotel upon full completion of refurbishment (full room inventory was handed over in July 2023)," it said.