

YNH to sell AEON Mall Seri Manjung to Sunway REIT for RM138m

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KUALA LUMPUR (Jan 21): YNH Property Bhd (KL:YNHPROP) is disposing of a two-storey shopping centre, AEON Mall Seri Manjung in Perak, to Sunway Real Estate Investment Trust (KL:SUNREIT) for RM138 million.

A sale and purchase agreement was inked between YNH Property's wholly owned units Kar Sin Bhd and YNH Hospitality Sdn Bhd, with RHB Trustees Bhd, the trustee of Sunway REIT, for the asset sale, according to the property developer in a bourse filing on Tuesday.

The property is 100% leased to supermarket chain operator AEON Co (M) Bhd (KL:AEON), whose lease will last another 13 years until Dec 3, 2037.

For the financial year ended June 30, 2024, AEON Mall Seri Manjung logged a gross property revenue of RM10.4 million.

Kar Sin, the land's registered owner, obtained AEON Co's conditional waiver of the first option to purchase on Jan 10, the filing read.

The sale is expected to be completed within six months.

YNH Property said the disposal represents an opportunity for the group to unlock the property's value, noting it expects to record a pro forma net gain of RM12.03 million from the RM138 million disposal consideration, against the property's net book value of RM125.97 million.

Additionally, the group noted that the RM138 million proceeds will go towards repayment of an outstanding loan and working capital.

Meanwhile, Sunway REIT said the property is expected to generate an initial net property income yield of 6.5% and average 7% yield over AEON Co's remaining tenure on its lease.

"Upon completion of the proposed acquisition, Sunway REIT's assets under management (AUM) will increase to RM10.8 billion, solidifying its position as the second largest listed REIT in Malaysia, measured by AUM," Sunway REIT said in a statement.

Shares in YNH Property ended 1.5 sen or 3.06% higher at 50.5 sen on Tuesday, giving the group a market capitalisation of RM267.14 million.

Sunway REIT units closed one sen or 0.54% higher at RM1.86, valuing the trust at RM6.37 billion.