

Sunway REIT's 4Q income up 22%, declares DPU of 5.34 sen

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KUALA LUMPUR (Feb 3): Sunway Real Estate Investment Trust's (KL:SUNREIT) net property income (NPI) has increased by 22% to RM165.55 million for the fourth quarter ended Dec 31, 2024 (4QFY2024), from RM135.66 million in the same quarter a year earlier.

The real estate developer said the higher NPI was driven by nine newly acquired properties during the year under review, although it was partially offset by a higher finance cost of RM6.9 million from higher borrowings.

Quarterly revenue rose 15.9% to RM220.85 million, compared with RM190.52 million in 4QFY2023, it said to the stock exchange on Monday.

Sunway REIT declared a final income distribution of 5.34 sen per unit — to be paid on Feb 28 — bringing its total distribution per unit (DPU) for the financial year ended Dec 31, 2024 (FY2024) to 10 sen.

This marks the highest DPU for Sunway REIT since it was listed on the Main Market in July 2010.

The full-year DPU also translates to a distribution yield of 5.4% based on Sunway REIT's unit price of RM1.85 on Dec 31, with total returns of 25.5% to unitholders for FY2024, it said in a statement.

For FY2024, Sunway REIT's NPI increased 8.1% to RM569.7 million, from RM526.9 million in the same period last year. Revenue expanded 7.2% to RM767.15 million against RM715.69 million in FY2023.

Sunway REIT Management Sdn Bhd chief executive officer Clement Chen said the REIT's assets under management have surpassed RM10.4 billion, becoming only the second REIT in Malaysia to surpass the RM10 billion mark.

“The substantial increase was fuelled by the acquisition of nine new properties during the year and fair value gains of more than RM170 million. All the acquisitions are yield accretive to Sunway REIT's portfolio and are expected to enhance its performance and DPU further in 2025,” Chen said.

Additionally, the reconfiguration of Sunway Pyramid Mall's Oasis precinct, which reopened on Nov 1 last year, is set to support the group's growth, he said.

“The outlook for Sunway REIT in FY2025 is bright as we will see a full-year impact of our recent acquisitions and AElS (asset enhancement initiatives),” he projected.

Chen said the group's main sectors of retail and hospitality are expected to benefit from the increase in minimum wages, civil service wage hike and continued rise in tourist arrivals.

“Meanwhile, we will continue to actively monitor the market for acquisition opportunities, especially in the retail, industrial and services segments, to add to the AEON Seri Manjung Mall acquisition, which has been announced recently,” he added.

Sunway REIT units closed down two sen, or 1.06%, at RM1.87 on Monday, valuing the REIT at RM6.4 billion.