

Sunway REIT's Q2 Profit Drops 11% To RM129 Million

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Sunway REIT Management Sdn. Bhd releases its financial results for the second quarter with revenue growing by 20.4% to RM211.4 million in Q2 2025, compared to RM175.6 million in the same quarter last year. NPI rose by 19.8% year-on-year to RM154.9 million from RM129.3 million. Net profit however drops by 11% to RM129 million compared to RM145 million recorded in the previous years quarter for the same period.

For YTD Q2 2025, Sunway REIT achieved a higher revenue of RM430.3 million and NPI of RM312.1 million, underpinned by strong contributions from the Retail and Industrial & Others segments.

In Q2 2025, the Retail segment sustained its strong growth trajectory, with revenue increasing by 29% to RM160.0 million from RM123.7 million in Q2 2024. This performance was driven by higher contributions from retail assets acquired in 2024, alongside improved revenue from Sunway Pyramid Mall following the opening of its Oasis wing on 1 November 2024 and the earlier-than-anticipated full reopening of Sunway Carnival Mall's existing wing on 7 May 2025.

As a result, the segment's NPI surged 32% to RM114.1 million, compared to RM84.2 million in the previous corresponding quarter. The Retail segment is expected to maintain its upward momentum in the coming quarters, supported by the completion of the AEON Mall Seri Manjung asset acquisition on 25 July 2025.

Revenue from the Hotel segment declined by 13% to RM16.7 million in Q2 2025, compared to RM19.2 million in Q2 2024, primarily due to lower occupancy at Klang Valley hotels stemming from fewer one-off events and the temporary closure of several Middle

Eastern airspaces in June 2025. Correspondingly, NPI fell by 16% to RM15.6 million, from RM18.5 million in the same quarter last year. The segment's performance was weighed down by a soft first quarter, impacted by the Ramadan period and subdued demand for Meetings, Incentives, Conferences, and Exhibitions ("MICE"), compounded by the typical mid-year seasonal slowdown. However, occupancy has started to recover, paving the way for a rebound in the second half of the year.

The Office segment registered a slight decline in revenue, easing 2% to RM20.4 million in Q2 2025 from RM20.8 million a year earlier, while NPI dipped 6% to RM12.2 million from RM13.0 million, mainly due to a marginal decrease in occupancy.

The Services segment recorded revenue and NPI of RM9.8 million in Q2 2025, marking a 2.3% increase following the annual rental reversion in line with the master lease agreement for the Sunway university & college campus.

The Industrial & Others segment recorded a near 100% increase in revenue to RM4.5 million in Q2 2025, up from RM2.2 million in the same period last year. NPI rose by 57% to RM3.2 million from RM2.0 million in Q2 2024. The improved performance was driven by rental contributions from new tenants at Sunway REIT Industrial – Petaling Jaya 1, along with the addition of Sunway REIT Industrial – Prai following its acquisition on 24 October 2024.