

Sunway REIT upbeat on outlook as 2Q property income jumps 20% on new assets, enhancements

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Sunway Real Estate Investment Trust expects these new assets, coupled with the completion of Sunway Pyramid Mall's Oasis Wing and Sunway Carnival Mall's Old Wing, will help it offset the impact from a potentially weaker retail market. (Photo by Patrick Goh/The Edge)

KUALA LUMPUR (Aug 12): Sunway Real Estate Investment Trust (KL:[SUNREIT](#)) is upbeat on its outlook, as it reported a near 20% jump in its second quarter (2Q) net property income (NPI) on Tuesday, thanks to the contribution of newly acquired assets and the completion of asset enhancement efforts.

The group, which added six hypermarkets and two new malls to its retail portfolio last year, expects these new assets, coupled with the completion of Sunway Pyramid Mall's Oasis Wing and Sunway Carnival Mall's Old Wing, will help it offset the impact from a potentially weaker retail market.

"Hence, the prospects of our retail segment look bright, aided by full-year contributions from these new initiatives," it said in a bourse filing on Tuesday, even as Retail Group Malaysia downgraded its retail sales growth forecast for 2025 to 3.1%, from 4.3% previously.

The REIT also announced a distribution per unit (DPU) of 5.68 sen, up from 4.66 sen in the same quarter last year, payable on Sept 10.

Its net property income grew 19.8% to RM154.9 million for the second quarter ended June 30, 2025 (2QFY2025), from RM129.3 million in 2QFY2024. Besides the new acquisitions and asset enhancement efforts, the group's property income was lifted by improved contributions from its industrial and others segment.

Revenue grew 20.4% to RM211.4 million from RM175.6 million, with the retail segment contributing RM160 million, up 29.4% from RM123.7 million. The segment contributed 75.7% of the group's 2QFY2025 revenue. Major assets under its retail portfolio include Sunway Pyramid Mall, Sunway Carnival Mall and Sunway Putra Mall. The two malls it acquired last year were Sunway 163 Mall and Sunway Kluang Mall.

For the six months ended June 30, the REIT's NPI rose 20.1% to RM312.1 million from RM259.8 million, with revenue climbing 21.5% to RM430.3 million from RM354.2 million.

“The strong contributions from newly acquired assets and active asset enhancement efforts have enabled us to deliver robust growth,” said Sunway REIT Management Sdn Bhd acting chief executive officer and chief financial officer Ng Bee Lien in a statement on Tuesday.

Beyond its retail segment, Sunway REIT said it will remain cautious, in view of the disruptive tariff barrier imposed by the US that has been eroding business confidence and leading to cautious consumer spending.

“However, the recent policy developments, such as the reduction in Malaysia’s overnight policy rate [OPR], fuel subsidy rationalisation and electricity tariff restructuring and targeted cash assistance could have a positive impact on consumer sentiment.

“We will continue to monitor the market closely in response and will intensify efforts to diversify our tenant mix and to increase focus on domestic and regional travellers,” Sunway REIT added.

Sunway REIT's units ended four sen or 1.83% lower at RM2.15 on Tuesday, valuing the investment trust at RM7.36 billion.

Edited By Tan Choe Choe