

Pavilion REIT's 2Q net property income up 21%, declares 0.76 sen DPU

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- Its distributable income rose 17.03% to RM66.97 million from RM57.23 million.

KUALA LUMPUR (July 27): Pavilion Real Estate Investment Trust (Pavilion REIT) said its net property income (NPI) for the second quarter ended June 30, 2023 (2QFY2023) rose 21.54% to RM101.01 million, up from RM83.11 million a year ago, on the back of higher revenue.

Revenue grew 17% to RM159.97 million from RM136.71 million, supported by income from the REIT's new property, Pavilion Bukit Jalil, in addition to higher occupancy rate in and higher revenue rent from existing retail malls.

Net profit grew 14.4% to RM62.89 million from RM54.98 million in 2QFY2022, according to Pavilion REIT's bourse filing.

Its distributable income rose 17.03% to RM66.97 million from RM57.23 million.

NPI for the six months ended June 30 increased 14.69% to RM203.11 million, from RM177.1 million in the previous corresponding period, while revenue rose 16.62% to RM316.38 million from RM271.29 million.

Pavilion REIT has declared an interim income distribution per unit (DPU) of 0.76 sen for 2QFY2023 — comprising 0.73 sen taxable and 0.03 sen non-taxable — payable on Sept 4.

On prospects, the REIT expects its retail sales to undergo a normalisation path for the remainder of the year due to moderation in spending after a strong recovery in 2022, besides concerns of higher cost of living.

"Other than supporting tenants as a continuous marketing strategy, building loyalty and pro-actively organising captivating events and activities remain key priority to drive shoppers and visitors to Pavilion REIT malls," it said.

Pavilion REIT's price closed one sen or 0.81% lower at RM1.22 on Thursday (July 27), valuing the REIT at RM4.45 billion.