

Pavilion REIT's 3Q net property income rises 34.5% with the newly-acquired Pavilion Bukit Jalil

By SL Chng / theedgemalaysia.com

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KUALA LUMPUR (Oct 26): Pavilion Real Estate Investment Trust's (Pavilion REIT) net property income (NPI) for the third quarter ended Sept 30, 2023 (3QFY2023) rose 34.5% to RM121.35 million, from RM90.22 million a year earlier, following the inclusion of income from newly-acquired Pavilion Bukit Jalil.

Quarterly revenue gained 43.4% to RM199.21 million from RM138.94 million, mainly due to income from Pavilion Bukit Jalil, which was acquired in June.

It also experienced higher occupancy rates and revenue rent from its existing retail malls, as well as increased income from advertising and marketing events.

Distributable income for 3QFY2023 stood at RM78.31 million, up 23.4% from RM63.46 million a year ago, while distribution per unit (DPU) grew to 2.15 sen from 2.08 sen, according to Pavilion REIT's filing with Bursa Malaysia on Thursday.

For the cumulative nine months (9MFY2023), the REIT's NPI increased 21.4% to RM324.47 million from RM267.32 million a year ago. Revenue for the period was 25.7% higher at RM515.59 million compared with RM410.22 million.

Distributable income for 9MFY2023 climbed 15.6% to RM217.71 million from RM188.25 million in the prior year, while DPU rose to 6.56 sen from 6.16 sen.

On prospects, the REIT expects retail sales to normalise moving forward due to moderation in spending after a robust recovery in 2022 as well as concerns of higher cost of living.

"Pavilion REIT malls will continue to elevate retail mix, create immersive experiences and encourage shoppers' interaction with targeted campaigns," it said.

Pavilion REIT units closed unchanged at RM1.20, with a market capitalisation of RM4.38 billion.

Edited By Isabelle Francis

