

# New Mall Delivers For Pavilion REIT, Q2 Earnings Up 26% To RM201 Million

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Editor

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Pavilion REIT recognised total gross revenue of RM201.3 million in Q2 2024, an increase of RM41.3 million or 26% as compared to Q2 2023 of RM160.0 million. The increase it said was mainly contributed by income from new property, Pavilion Bukit Jalil that was acquired on 1 June 2023 and Pavilion Kuala Lumpur Mall, offset by loss of advertising income from Elite Pavilion Mall due to upgrading of the LED screen.

Profit for the period stood at RM67 million a slight increase from the previous year's quarter of RM62 million.

Total property operating expenses for the group was also higher by RM22.3 million or 38% as compared to Q2 2023 mainly due to operating expenses incurred for the new property and replacement of obsolete or aging parts/upkeeps in properties. Higher utilities cost was mainly due to subscription of green electricity tariff from Tenaga Nasional Berhad.

These have resulted in higher net property income by RM19.0 million or 19% in Q2 2024 as compared to Q2 2023. Higher manager's management fee by RM2.0 million was in line with the increased in total asset value and net property income. Borrowing cost increased by RM13.8 million due to the drawdown of additional borrowings for acquisition of investment property. RM4.3 million was also recognised in borrowing cost as present value adjustment to deferred acquisition payments.

These have resulted in income before taxation being higher by RM4.2 million or 7% as compared to Q2 2023.

