

# Pavilion REIT's Q3 PAT Up Marginally As Rental Income Improved

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Editor

October 24, 2024



Pavilion REIT recognised total gross revenue of RM207.3 million in Q3 2024, an increase of RM8 million or 4% as compared to Q3 2023 of RM199.2 million. The increase it said was mainly contributed by higher rental income and income from marketing event and exhibition centre from Pavilion Bukit Jalil. Profit after tax was higher at RM79 million compared to RM70 million recorded in the previous year's quarter.

Total property operating expenses were lower by RM2.5 million or 3% as compared to Q3 2023 which PavReit said was mainly due to reversal of doubtful debts provision offset by higher maintenance cost from Pavilion Bukit Jalil after the defect liability period. Higher utilities cost was also mainly due to additional consumption as a result of the hot weather and subscription of green electricity tariff from Tenaga Nasional Berhad.

These had resulted in higher net property income by RM10.5 million or 9% in Q3 2024 as compared to Q3 2023. Higher manager's management fee by RM0.3 million was in line with the increased in total asset value and net property income. Borrowing cost increased by RM2.8 million due to the drawdown of additional borrowings for acquisition of investment property.

These have resulted in income before taxation being higher by RM8.4 million or 12% as compared to Q3 2023.

Distributable income for the quarter under review was RM86.9 million or 2.38 sen per unit, consisting of income after tax of RM78.9 million and non-cash adjustments for depreciation of RM0.2 million, amortisation of borrowing transaction cost of RM0.6 million, Manager's management fee payable in units amounting to RM2.7 million and present value adjustment on deferred acquisition payments of RM4.5 million