



NEWS RELEASE

8 May 2024

Sentral REIT's 1Q 2024 Realised Net Income Increased by 12.6% to RM19.9 million on the Back of Higher Revenue

Sentral REIT Management Sdn Bhd ("SRM"), the manager of Sentral REIT ("SENTRAL"), a listed real estate investment trust, wishes to announce that SENTRAL achieved a realised net income of RM19.9 million for the first quarter of 2024 ("1Q 2024"). This is an increase of approximately 12.6% from the realised net income of RM17.77 million recorded for the first quarter of 2023 ("1Q 2023"). The higher realised income for the quarter was mainly due to higher realised revenue from Sentral Building 4, Platinum Sentral and Sentral Building 3 – BMW as well as revenue contribution from Menara CelcomDigi for the full quarter, net of higher property expenses and finance cost.

Correspondingly, SENTRAL recorded a realised earnings per unit ("EPU") and distributable income per unit of 1.66 sen which is approximately 1.0%* higher than the EPU and distributable income per unit of 1.65 sen recorded in 1Q 2023.

SENTRAL's unaudited Consolidated Financial Statements for 1Q 2024 is available on its website (<http://sentralreit.com>) and on Bursa Malaysia's website (www.bursamalaysia.com).

Summary of SENTRAL's 1Q 2024 Results

	(Unaudited) 1Q 2024 (RM'000)	(Unaudited) 1Q 2023 (RM'000)	Variance %
Realised Revenue	48,117	37,714	27.6%
Net Property Income	38,148	29,278	30.3%
Realised Net Income	19,895	17,664	12.63%
Distributable Income	19,895	17,664	12.63%
EPU	1.66 sen	1.65 sen	1.0%*
Distributable Income Per Unit	1.66 sen	1.65 sen	1.0%*

Note:

* Rounding difference

Tan Sri Saw Choo Boon, Chairman of SRM said: "SENTRAL continues to record satisfactory financial performance with healthy growth in its realised net income for the quarter. This demonstrates SENTRAL's resilience and operational efficacy in the face of external headwinds, such as rising utility, interest rate cost and other inflationary pressures. We remain firmly committed to providing long-term value to our stakeholders through disciplined execution of our ongoing strategy to drive organic growth within the existing portfolio, while actively exploring accretive investments."

Mr. Derek Teh Wan Wei, Chief Executive Officer of SRM said: "SENTRAL has approximately 282,000 sq. ft. or 14% of its total committed lettable space scheduled for renewal in 2024, with 46,000 sq. ft. of these leases expiring in the 1Q 2024. SENTRAL successfully renewed 83% of these leases due in 1Q 2024 and consequently, its average occupancy rate was secured at 88%. In alignment with SENTRAL's ongoing tenant retention strategies, we have initiated early negotiations for some leases expiring in the remaining quarters of 2024. Simultaneously, advanced marketing efforts have commenced to lease out vacant spaces coming on stream, with the aim to sustain the portfolio's occupancy rate this year."

He added: "SENTRAL's debt maturity profile is well-diversified, with the next debt maturing in 2025. The average cost of debt for SENTRAL was recorded at 4.45% p.a. this quarter, a slight increase compared to the previous quarter of 4.40% p.a. since the stabilisation of the Overnight Policy Rate (OPR) in May 2023. As 75% of SENTRAL's debt is on floating rate, regular assessments will still be conducted to strike an optimal balance between fixed and floating rate borrowings, where feasible."

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About Sentral REIT

Sentral REIT is a commercial Real Estate Investment Trust (REIT), established through the restated trust deed dated 2 December 2019 and the supplemental deed dated 24 December 2020. Managed by Sentral REIT Management Sdn Bhd (“SRM”), the main thrust of Sentral REIT’s activities includes acquiring and investing in commercial properties in Malaysia to provide unitholders with long-term and sustainable distribution of income and to achieve long-term growth in the net asset value per Unit. To-date, Sentral REIT owns 10 buildings comprising four in Cyberjaya, four in Kuala Lumpur, one in Petaling Jaya and one in Penang, valued at RM2.52 billion as at 31 December 2023.

Issued by:

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The value of units in Sentral REIT (“Sentral REIT Units”) and the income derived from them may fall as well as rise. The Sentral REIT Units are not obligations of, deposits in, or guaranteed by, the Sentral REIT Manager. An investment in the Sentral REIT Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Sentral REIT Manager redeem or purchase their Sentral REIT Units while the Sentral REIT Units are listed. It is intended that holders of the Sentral REIT Units may only deal in their Sentral REIT Units through trading on Bursa Malaysia Securities Berhad (“Bursa Malaysia”). Listing of the Sentral REIT Units on the Bursa Malaysia does not guarantee a liquid market for the Sentral REIT Units.

This release may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of the Sentral REIT Manager on future events.