



NEWS RELEASE

7 November 2024

Sentral REIT’s YTD 2024 Realised Net Income Increased by 13.9% to RM60.9 mil

Kuala Lumpur, 7 November 2024: 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 and realized earnings per unit (“EPU”) of RM20.5 million and 1.71 sen respectively for the third quarter of 2024 (“3Q 2024”). The realised net income and EPU increased by 12.7% and 1.0% respectively compared to the realised net income and EPU recorded in the preceding quarter.

Correspondingly for the nine months period from 1 January 2024 to 30 September 2024 (“YTD 2024”), SENTRAL recorded a higher realised net income and EPU of RM60.9 million and 5.10 sen respectively, translating to an increase of 13.9% and 2.1% from the corresponding period in 2023. The higher income recorded in YTD 2024 was mainly due to higher net property income achieved with revenue contribution from Menara CelcomDigi and higher revenue contribution from Sentral Building 4 and Platinum Sentral, after deducting higher finance costs, manager's fees, and trustee's fees.

SENTRAL’s unaudited Consolidated Financial Statements for 3Q 2024 and YTD 2024 results are available on its website (<https://sentralreit.com>) and on Bursa Securities’ website (www.bursamalaysia.com).

Summary of SENTRAL’s 3Q 2024 and YTD 2024 Results

	(unaudited) 3Q 2024 (RM'000)	(unaudited) 3Q 2023 (RM'000)	Variance	(unaudited) YTD 2024 (RM'000)	(unaudited) YTD 2023 (RM'000)	Variance
Realised Revenue	47,532	40,173	18.3%	143,771	116,261	23.7%
Net Property Income	37,598	30,124	24.8%	113,657	88,609	28.3%
Realised Net Income	20,502	18,199	12.7%	60,922	53,496	13.9%
Distributable Income*	20,502	18,199	12.7%	60,922	53,496	13.9%
EPU	1.71	1.70	1.0%**	5.10	4.99	2.1%
Distributable Income Per Unit*	1.71	1.70	1.0%**	5.10	4.99	2.1%

* Distributable Income refers to realised income after taxation adjusted for income previously not distributed. Distributable income per unit for the current quarter / period is computed based on the units in circulation of 1,071,783,000 or 1,195,503,000 for 2023 and 2024 respectively.

** Rounding difference.

Tan Sri Saw Choo Boon, Chairman of SRM said: “SENTRAL’s portfolio performance has been resilient throughout the year as reflected in its higher YTD 2024 net property income compared to the corresponding period in 2023. We remain confident in SENTRAL’s ability to sustain a consistent trajectory with the overall office market in Klang Valley demonstrating positive performance, marked by growth in occupancy rates and rents this year.”

Mr. Derek Teh Wan Wei, Chief Executive Officer of SRM said: “SENTRAL has approximately 282,000 sq. ft. or 14% of its total committed net lettable area (“NLA”) due for renewal in 2024, with approximately 180,000 sq. ft or 62% of these NLA due up to 3Q 2024. SENTRAL’s 3Q 2024 tenant retention rate stands at 42% driven down by tenant transitions in its KL Sentral properties in 2Q 2024. SENTRAL’s occupancy rate remained stable at 84% as at 30 September 2024. We are optimistic of the renewal outcomes for tenancies due in the last quarter, which will ensure that SENTRAL’s portfolio occupancy remains robust for the year. Leasing efforts are on-going to lease out the balance of vacant spaces within the portfolio with targeted strategies to address market requirements.”

He added: “SENTRAL’s capital management approach continues to be prudent and disciplined with a weighted average cost of debt of 4.4% p.a. as at 30 September 2024. The risk of interest rate fluctuation is moderated by the expectation that the overnight policy rate will remain steady at 3.00% for the remainder of the year. However, regular evaluations are still undertaken to rebalance SENTRAL’s fixed and floating rate borrowing composition.”

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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:

Sentral REIT Management Sdn Bhd

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The past performance of Sentral REIT is not indicative of the future performance of Sentral REIT. Similarly, the past performance of Sentral REIT’s Manager is not indicative of the future performance of the Sentral REIT’s Manager.

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.