



(Formerly known as MRCB-Quill REIT)

NEWS RELEASE

6 May 2021

Sentral REIT Realised Net Income Increased 4.6% to RM20.7 million in 1Q 2021

Sentral REIT Management Sdn Bhd (formerly known as MRCB Quill Management Sdn Bhd) (“SRM”), the manager of Sentral REIT (formerly known as MRCB-Quill REIT) (“SENTRAL” or “Trust”), a listed real estate investment trust, wishes to announce that SENTRAL achieved a realised net income of RM20.7 million for the first quarter of 2021 (“1Q 2021”). This is an increase of approximately 4.6% from the realised net income of RM19.8 million recorded for the first quarter of 2020 (“1Q 2020”). The higher realised income for the quarter was attributable to lower finance cost incurred.

Correspondingly, SENTRAL recorded a realised earnings per unit (“EPU”) and distributable income per unit of 1.93 sen which is approximately 4.6% higher than the EPU and distributable income per unit of 1.85 sen recorded in 1Q 2020.

SENTRAL’s unaudited Consolidated Financial Statements for 1Q 2021 is available on its website (www.sentralreit.com) and on Bursa Malaysia’s website (www.bursamalaysia.com).

Summary of SENTRAL’s 1Q 2021 Results

	(Unaudited) 1Q 2021 (RM’000)	(Unaudited) 1Q 2020 (RM’000)	Variance %
Realised Gross Revenue	41,043	41,712	-1.6
Net Property Income	31,409	32,796	-4.2
Realised Net Income	20,695	19,785	4.6
Distributable Income	20,695	19,785	4.6
EPU	1.93 sen	1.85 sen	4.6
Distributable Income Per Unit	1.93 sen	1.85 sen	4.6

Tan Sri Saw Choo Boon, Chairman of SRM said: “The effects of the unprecedented COVID-19 pandemic on the property sector continues to persist in 2021. The recent spike in new COVID-19 cases in the country has prompted the Government to reinstate the Movement Control Order in Selangor and Wilayah Persekutuan. To this end, we are committed to weather through this challenging period, provide support where necessary to our stakeholders and prioritizing the health and safety of our stakeholders. We remain cautious and vigilant, as expectation of full recovery continues to be uncertain.”

Ms. Yong Su-Lin, Chief Executive Officer of SRM said: “In 1Q 2021, SENTRAL continued to register stable performance backed by its stable portfolio and prudent cashflow management. SENTRAL’s average occupancy rate as at 31 March 2021 stood at a stable 89%. In terms of lease renewal, SENTRAL has approximately 440,000 sq. ft. (22% of its total leased net lettable area) due for renewal in 2021 with the bulk of these leases due in the second half of 2021. Approximately 52,000 sq. ft. or 96% of leases due in 1Q 2021 have been successfully renewed. We will continue with a proactive approach in addressing the needs of our tenants in the tenancy renewal process with the aim of maintaining a stable portfolio and healthy retention rate.”

She added: “As at 31 March 2021, SENTRAL’s gearing ratio stood at 38.3%, below the 60% threshold prescribed under Securities Commission’s Listed REIT Guidelines. In respect of SENTRAL’s RM220 million borrowing due in December 2021, we intend to commence negotiations with the financiers by second half of 2021. Our proactive capital management approach to SENTRAL’s debt maturity profile will focus on issuing debts with longer tenures at competitive interest rates by leveraging on the current low interest rate environment. We anticipate that Malaysia’s monetary policy will continue to remain supportive of economic recovery with room for further easing if needed amid the current economic environment.”

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About Sentral REIT (formerly known as MRCB-Quill 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 (formerly known as MRCB Quill Management Sdn Bhd) (“SRM”), the main thrust of Sentral REIT’s activities include 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 9 buildings comprising four in Cyberjaya, four in Kuala Lumpur, and one in Penang, valued at RM2.097 billion as at 31 December 2020.

SRM is owned by Malaysian Resources Corporation Berhad (41%), Quill Resources Holding Sdn Bhd (39%); and Global Jejaka Sdn Bhd (20%).

Issued by:

Sentral REIT Management Sdn Bhd
(formerly known as MRCB Quill Management Sdn Bhd)

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IMPORTANT NOTICE

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.