



NEWS RELEASE

20 January 2022

Sentral REIT records 4.4% increase in FY2021 Realised Net Income **- FY2021 Distribution Per Unit of 7.41 sen Declared**

Kuala Lumpur, 20 January 2022: Sentral REIT Management Sdn Bhd (formerly known as MRCB Quill Management Sdn Bhd) ("SRM"), the Manager of Sentral REIT ("SENTRAL" or "Trust"), a listed real estate investment trust, wishes to announce that SENTRAL achieved a realised net income of RM19.03 million for the fourth quarter of 2021 ("4Q 2021"), which is 7.6% lower compared to the realised net income of RM20.61 million recorded for the fourth quarter of 2020 ("4Q 2020").

For the full year ended 31 December 2021 ("FY2021"), SENTRAL achieved a realised net income and distributable income of RM84.49 million, an increase of 4.4% compared to the realised net income and distributable income of RM80.95 million recorded for the financial year ended 31 December 2020 ("FY2020"). The higher realized net income was mainly attributable to lower finance cost and administrative expenses incurred and the gain on divestment of Quill Building 5. Correspondingly, realised earnings per unit ("EPU") and distributable income per unit of 7.88 sen for FY2021 was achieved.

FY2021 distribution per unit ("DPU") is 7.41 sen, which is 4.7% higher compared to the FY2020 DPU of 7.08 sen. The FY2021 DPU of 7.41 sen translates to a distribution yield of 8.19% based on the closing price of RM0.905 per unit as at 31 December 2021.

FY2021 DPU of 7.41 sen consist of an interim distribution of 3.43 sen which was paid to SENTRAL unitholders on 20 September 2021 and the proposed final distribution of 3.98 sen for the six-month period ended 31 December 2021. The distribution for the six-month period ended 31 December 2021 includes the distribution of gains from the divestment of Quill Building 5 which was completed this year. The proposed final distribution of 3.98 sen is expected to be paid on Monday, 28 February 2021.

SENTRAL's unaudited Consolidated Financial Statements for 4Q 2021 and FY2021 results are available on its website (www.sentralreit.com) and on Bursa Malaysia's website (www.bursamalaysia.com).

Summary of SENTRAL's 4Q 2021 and FY2021 Results

	(Unaudited) 4Q 2021 (RM'000)	(Unaudited) 4Q 2020 (RM'000)	Variance	(Unaudited) FY 2021 (RM'000)	(Audited) FY 2020 (RM'000)	Variance
Realised Revenue	40,616	41,815	-2.9%	160,645	165,692	-3.0%
Net Property Income	29,727	29,442	1.0%	122,649	126,120	-2.8%
Realised Net Income	19,035	20,611	-7.6%	84,486	80,955	4.4%
EPU	1.78	1.92	-7.3%	7.88	7.55	4.4%
Distributable Income	19,035	20,611	-7.6%	84,486	80,955	4.4%
Distributable Income Per Unit (DPU)	1.78	1.92	-7.3%	7.88	7.55	4.4%
Distribution Per Unit (DPU)	-	-	-	7.41	7.08	4.7%

Tan Sri Saw Choo Boon, Chairman of SRM said: "We are pleased to report that SENTRAL has recorded stable financial performance in FY2021 with a 4.4% increase in realised net income, despite the prolonged COVID-19 pandemic. SENTRAL's 2022 performance may continue to be affected by the protracted pandemic with the possibility of further resurgences of the COVID-19 pandemic. That said, SENTRAL will continue to manage our assets proactively and be in the position to take advantage of the eventual recovery."

Ms. Yong Su-Lin, Chief Executive Officer of SRM said: "Leasing activities and tenant retention efforts during the year have been challenging. The unprecedented crisis has compelled tenants to restructure its business operations to embrace the new normal environment. In the wake of this trend, SENTRAL recorded a retention rate of 66% for FY2021. Notwithstanding, SENTRAL achieved a stable weighted average lease expiry ("WALE") of 3.78 years and 90% occupancy rate for its property portfolio as at 31 December 2021. Meanwhile, approximately 511,000 sq. ft. or 28% of its total leased NLA will be up for renewal this year. In line with our on-going marketing strategies, we have initiated early renewal negotiations for some tenancies and planned for asset enhancement initiatives centered on enhancing the quality and physical condition of SENTRAL's properties. While we expect the impact of COVID-19 to be less severe than a year ago, we will continue to provide essential rental assistance to affected retail tenants as part of our tenant retention strategy and with a view to ensure long-term business sustainability."

SENTRAL continues to stay disciplined and prudent in its capital management. SENTRAL's debt maturity profile remains well-distributed with the successful completion of the RM260 million debt refinancing on 17 December 2021. As at 31 December 2021, SENTRAL's average cost of debt remained stable with a competitive weighted average cost of debt of 3.55% p.a. Lower aggregate gearing ratio of 36.95% was also recorded following the early repayment of debt amounting to RM40 million earlier this year.

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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 (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 RM2.081 billion as at 31 December 2021.

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)

For media enquiries, please contact:

Joyce Loh

Tel: 03-2859 7175

Fax: 03-2780 0098

Email: joyce.loh@sentralreit.com

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.