



**SENTRAL  
REIT**



# **CORPORATE PRESENTATION**

## 3<sup>rd</sup> Quarter 2021 Financial Results

10 November 2021



# IMPORTANT NOTICE

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*This presentation may contain forward-looking statements that involve 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 limitations) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income and occupancy, changes in operating expenses including employee wages, benefits and training, property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements which are based on the manager's current view of future events.*

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# Financial Results



Quill Building 3 - BMW



# SENTRAL RECORDS 3.0% INCREASE IN 3Q 2021 REALISED NET INCOME

(RM'000)	(Unaudited) 3Q 2021	(Unaudited) 3Q 2020	Variance
Realised Revenue	40,790	42,057	-3.0%
Net Property Income	32,473	32,398	0.23%
Net Income <sup>1</sup>	22,113	21,478	3.0%
Distributable Income <sup>3</sup>	22,113	21,478	3.0%
EPU <sup>2</sup>	2.06 sen	2.00 sen	3.0%
Distributable Income Per Unit	2.06 sen	2.00 sen	3.0%

- 1 Net Income refers to realised income after taxation (exclude gain from re-measurement of derivatives and revaluation surplus)
- 2 EPU refers to Realised Earnings Per Unit
- 3 Distributable Income refers to realised income after taxation adjusted for any Manager's management fee payable in units and income previously not distributed



# SENTRAL RECORDS 8.5% INCREASE IN YTD 2021 REALISED NET INCOME

(RM'000)	(Unaudited) YTD 2021	(Unaudited) YTD 2020	Variance
Realised Revenue	120,029	123,877	-3.2%
Net Property Income	92,922	96,679	-3.9%
Net Income <sup>1</sup>	65,451	60,344	8.5%
Distributable Income <sup>3</sup>	65,451	60,344	8.5%
EPU <sup>2</sup>	6.11 sen	5.63 sen	8.5%
Distributable Income Per Unit	6.11 sen	5.63 sen	8.5%

- 1 Net Income refers to realised income after taxation (exclude gain from re-measurement of derivatives and revaluation surplus)
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- 4 DPU refers to Distribution Per Unit



# TOTAL ASSETS – RM2.17 BILLION

## NAV PER UNIT – RM1.2045

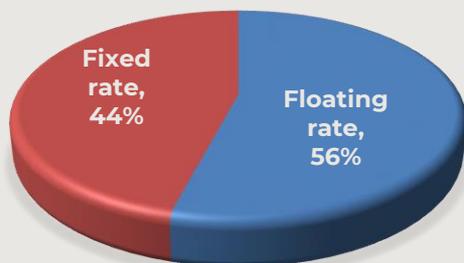
	Audited as at 31 Dec 2020 (RM'000)	Unaudited as at 31 Mar 2021 (RM'000)	Unaudited as at 30 June 2021 (RM'000)	Unaudited as at 30 Sept 2021 (RM'000)
Non Current Assets	2,097,601	2,097,566	2,097,906	2,097,729
Current Assets	90,061	68,688	128,641	73,920
Asset Held for Sale	40,000	40,000	-	-
<b>Total Assets</b>	<b>2,227,662</b>	<b>2,206,254</b>	<b>2,226,547</b>	<b>2,171,649</b>
Current Liabilities	248,276	414,051	412,618	411,771
Non Current Liabilities	655,885	487,127	486,209	446,807
Net Assets before Distribution	1,323,501	1,305,076	1,327,720	1,313,071
Provision for Distribution	(39,120)	(20,695)*	(36,762)	(22,113)
Net Assets after Distribution	1,284,381	1,284,381	1,290,958	1,290,958
No of Units	1,071,783	1,071,783	1,071,783	1,071,783
<b>NAV per Unit (RM)</b>	<b>1.1984</b>	<b>1.1984</b>	<b>1.2045</b>	<b>1.2045</b>

\* Assuming 100% of realised net income is provided for income distribution

# PRUDENT CAPITAL MANAGEMENT

- ✓ Next refinancing due in Dec 2021
- ✓ Stable financial indicators

## Balanced Fixed and Floating Rate Composition

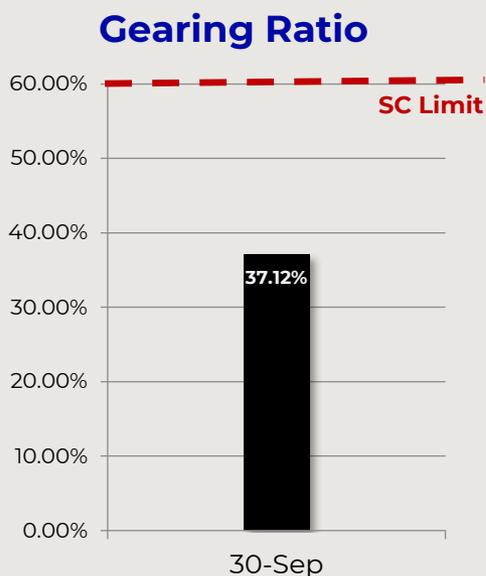


Total Debt: RM806.15 mil  
(2Q 2021: RM845.14 mil)

## Interest Coverage

**3.94<sub>x</sub>**  
(2Q 2021 3.92x)

## Gearing Ratio



Below SC limit of 60%  
**Decrease**  
(2Q 2021 : 37.96%)

## Average Cost of Debt

**3.55%<sub>pa</sub>**

**Stable**  
(2Q 2021 : 3.57% pa)

## Average Debt to Maturity

**1.81 years**

**Decrease**  
(2Q 2021 2.07 years)



# DEBT MATURITY PROFILE

Refinancing Due in December 2021

Average debt to maturity : 1.81 years

RM(mil)

400  
350  
300  
250  
200  
150  
100  
50  
0

2020 2021 2022 2023 2024 2025 2026

32%

CP  
RM240mil  
MTN  
RM20mil

16%

MTN  
RM130 mil

10%

RM40 mil

TL  
RM77 mil

RM40 mil TL  
repaid from the  
QB5 disposal  
proceeds

42%

MTN  
RM341mil

Note;

1. MTN - Medium Term Notes
2. CP - Commercial Papers
3. TL - Term Loan

# Portfolio Update @ 30 Sept 2021



Quill Building 3 - BMW



# PORTFOLIO OF QUALITY ASSETS – 30 SEPT 2021



**Portfolio  
Occupancy  
Rate:  
91%**

**Total NLA:  
1.94 mil sq ft**  
\*Excluding car park  
area



**Weighted  
Average  
Term to  
Expiry:  
4.02 years**

**Market Value  
of  
9 Properties:  
RM2.097 bil<sup>(e)</sup>**

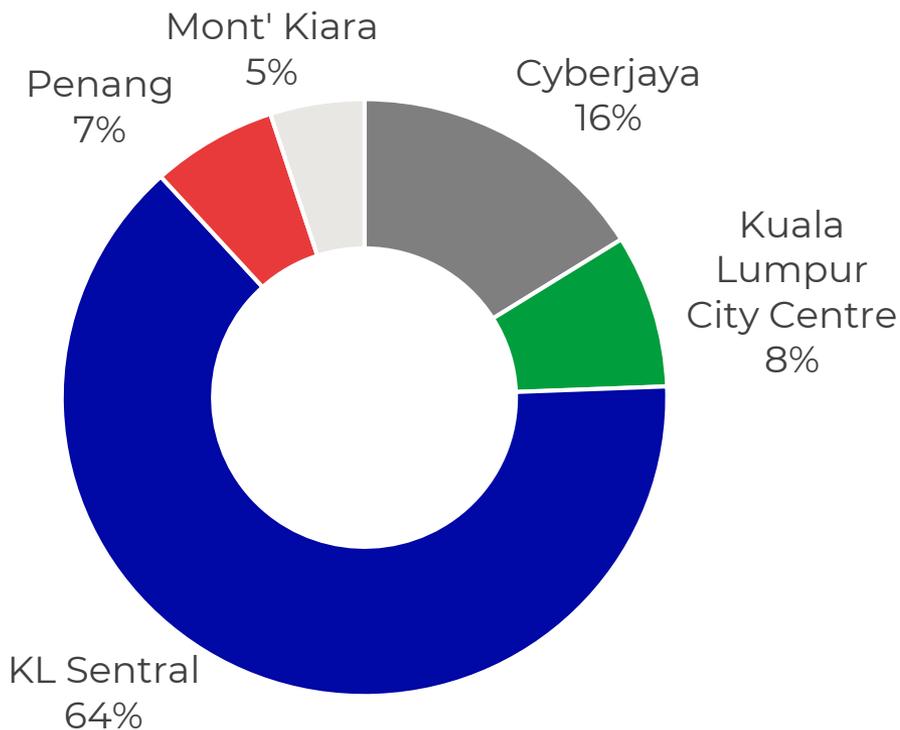


- a) The Properties were valued by Nawawi Tie Leung Property Consultants Sdn. Bhd, an independent firm of professional valuer registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers.
- b) The Properties were valued by CH Williams Talhar & Wong Sdn. Bhd, an independent firm of professional valuer, registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers.
- c) The Properties were valued by Knight Frank Malaysia Sdn. Bhd, an independent firm of professional valuer, registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers.
- d) The Properties were valued by IVPS Property Consultant Sdn. Bhd, an independent firm of professional valuer, registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers.



# GEOGRAPHICAL DIVERSIFICATION

**By Valuation**



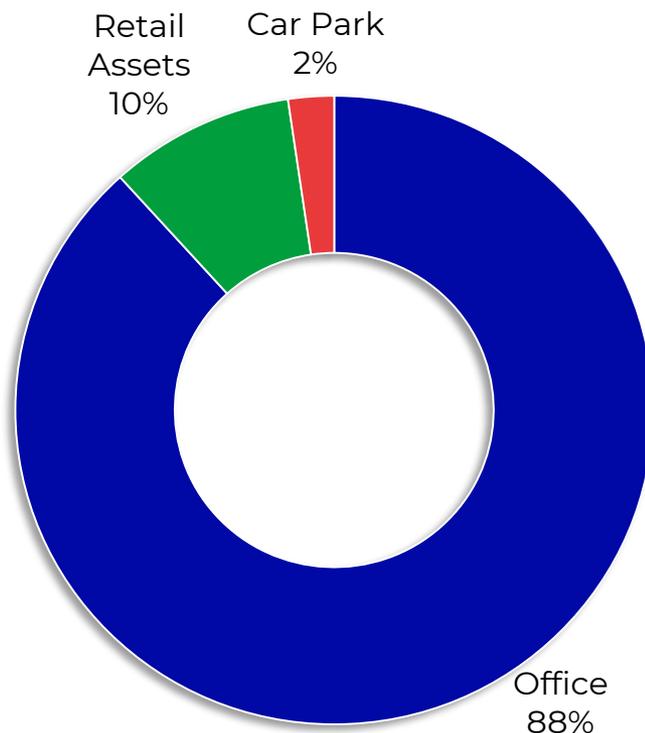
<b>Klang Valley</b>	<b>77%</b>
<b>Cyberjaya</b>	<b>16%</b>
<b>Penang</b>	<b>7%</b>

Notes:

- (1) Other Klang Valley Area refers to Klang Valley generally excluding KL city centre, KL Sentral and Mont' Kiara. Klang Valley refers to Kuala Lumpur and Selangor State excluding Kuala Selangor, Sepang and Sabak Bernam.
- (2) The Properties were valued by Nawawi Tie Leung Property Consultants Sdn Bhd, CH Williams Talhar & Wong Sdn Bhd, Knight Frank Malaysia Sdn Bhd and IVPS Property Consultant Sdn Bhd, independent firm of professional valuers registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers.



# DIVERSIFIED SEGMENTAL CONTRIBUTIONS



**By Valuation**

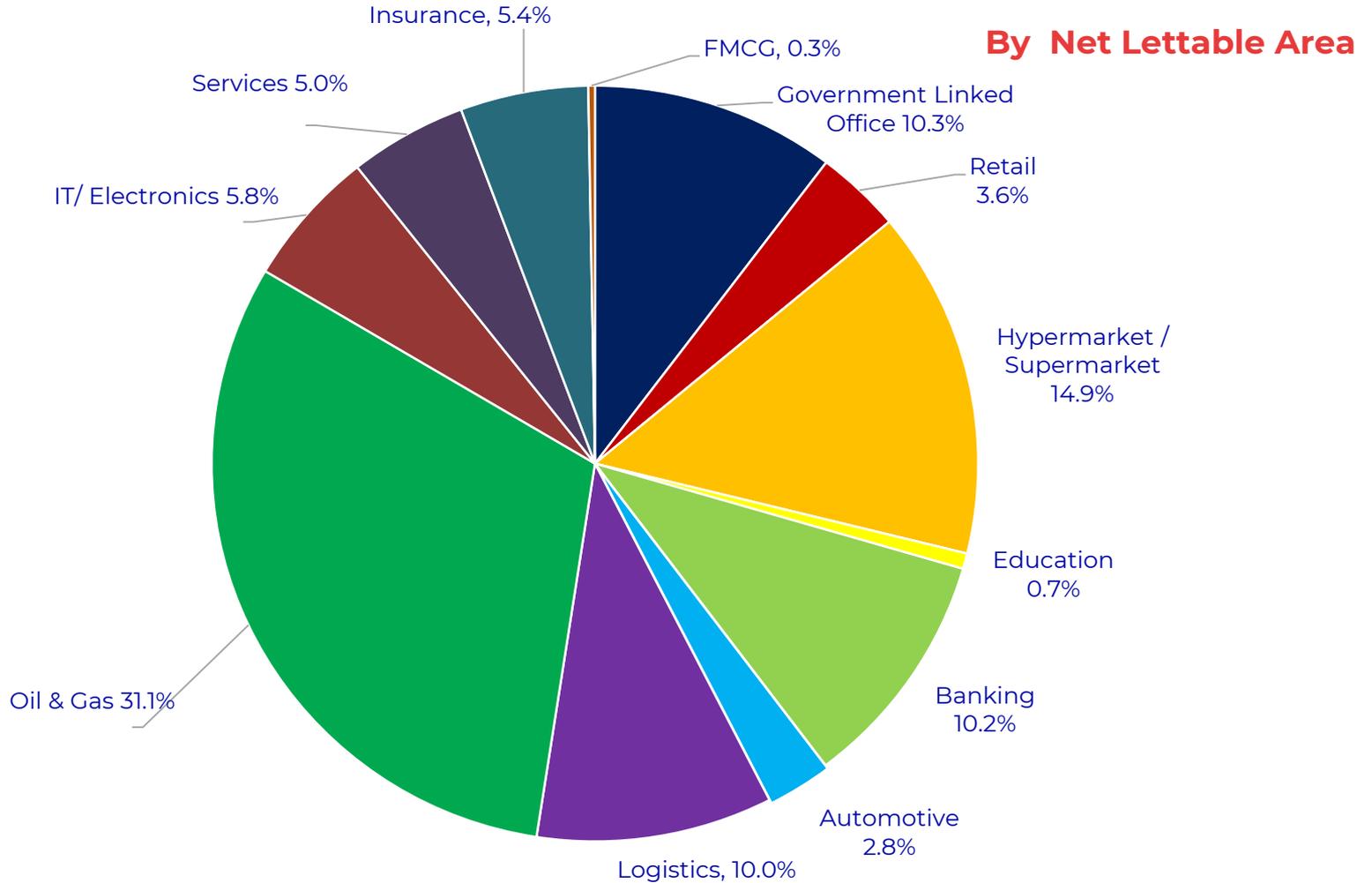
Notes:

- (1) Office comprises Quill Buildings, Platinum Sentral, Wisma Technip and Menara Shell
- (2) Retail refers to retail portion of Plaza Mont' Kiara & TESCO Building Penang
- (3) Car Park refers to car parking bays in Plaza Mont' Kiara
- (4) The Properties were valued by Nawawi Tie Leung Property Consultants Sdn Bhd, CH Williams Talhar & Wong Sdn Bhd; Knight Frank Malaysia Sdn Bhd and IVPS Property Consultant Sdn Bhd, independent firm of professional valuers registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers.



# TENANT MIX

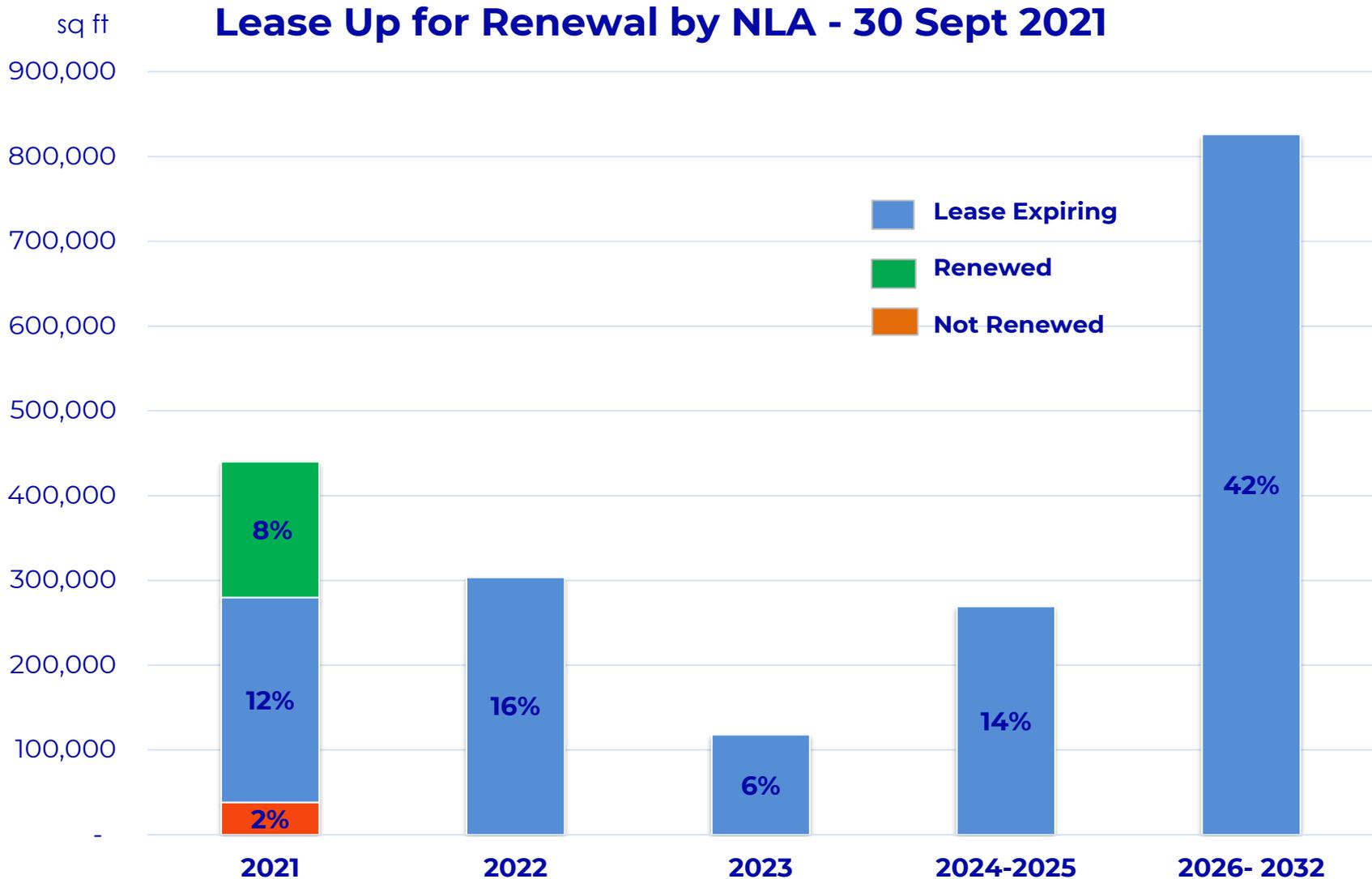
## Well Balanced Tenancy Mix





# LEASE EXPIRY PROFILE

## - 22% of Committed NLA due in 2021



*% of net lettable area that are due for renewal*  
Sentral REIT Presentation \*October 2021\*

# Conclusion





# FY2020 IN SUMMARY

## 3Q 2021 : SENTRAL Records 3.0% Increase in Realised Net Income

- Achieved Realised EPU and Distributable Income Per Unit of 2.06 sen in 3Q 2021, approximately 3.0% higher than 3Q 2020 Realised EPU of 2.00 sen
- As at 3Q 2021, lease negotiations for approximately 198,000 sq ft of leases were concluded with 160,000 sq ft renewed while 38,000 sq ft not renewed. This translates to a renewal rate to 81% as at 3Q 2021
- Sentral REIT's portfolio occupancy rate as at 30 September 2021 was stable at 91%

## Year 2021 Prospects – Ongoing Strategies

- Proactive asset management strategies to focus on tenant relations and continuous building improvements
- Prudent capital management strategies
- Continue to explore yield accretive acquisition opportunities
- Amidst COVID-19 managing cash flow and exercising financial discipline



**SENTRAL  
REIT**



**Thank you**

For enquires, please contact:  
Ms. Joyce Loh  
(General Line: 603-2786 8080)  
(Fax : 603-2780 0098)