

Pavilion REIT Records 16% Rise In Q1 PAT To RM105 Million

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Pavilion REIT recognised total gross revenue of RM245.9 million in Q1 2026, an increase of RM17.7 million or 8% as compared to Q1 2025 of RM228.2 million. The increase was mainly contributed by rental income from Banyan Tree Kuala Lumpur and Pavilion Hotel Kuala Lumpur, which were acquired on 20 June 2025, as well as Pavilion Bukit Jalil, driven by sustained occupancy levels and higher advertising revenue generated from the upgraded LED screen at Elite Pavilion Mall.

Total property operating expenses increased marginally by RM1.5 million or 2% as compared to Q1. Electricity expenses were lower following the imposition of the new electricity tariff structure effective 1 July 2025. This was offset by higher maintenance costs, mainly due to scheduled upgrades of security systems, as well as roof and lighting improvements.

These have resulted in higher net property income by RM16.2 million or 11% in Q1 2026 as compared to Q1 2025.

Higher manager's management fee by RM1.0 million was in line with the increased in total assets value and net property income. Other trust expenses increased mainly due to higher costs resulting from the

expanded scope of service tax on financial services imposed by the tax authority.

These have resulted in income before taxation being higher by RM15.4 million or 17% as compared to Q1 2025.

Distributable income for the quarter under review was RM110.3 million or 2.80 sen per unit, consisting of income after tax of RM105.8 million and non-cash adjustments for depreciation of RM0.2 million, amortisation of borrowing transaction cost of RM1.5 million, Manager's management fee payable in units amounting to RM3.0 million and accounting adjustment on deferred income of RM0.2 million.