CAPITALAND MALAYSIA TRUST

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023

CAPITALAND MALAYSIA TRUST
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 31 DECEMBER 2023 (UNAUDITED) RM'000	AS AT 31 DECEMBER 2022 (AUDITED) RM'000
Assets		
Plant and equipment	3,766	3,362
Investment properties	5,008,550	3,892,000
Total non-current assets	5,012,316	3,895,362
Trade and other receivables	26,537	35,954
Cash and cash equivalents	77,952	84,309
Total current assets	104,489	120,263
Total assets	**5,116,805**	**4,015,625**
Equity		
Unitholders' capital	2,534,074	2,274,725
Undistributed profits	213,128	143,366
Total Unitholders' funds	**2,747,202**	**2,418,091**
Liabilities		
Borrowings	1,975,167	1,266,919
Lease liabilities	6,118	-
Tenants' deposits	57,833	35,338
Deferred tax liabilities	3,072	-
Total non-current liabilities	2,042,190	1,302,257
Borrowings	187,388	184,399
Lease liabilities	336	-
Tenants' deposits	49,622	42,995
Trade and other payables	90,067	67,883
Total current liabilities	327,413	295,277
Total liabilities	**2,369,603**	**1,597,534**
Total equity and liabilities	**5,116,805**	**4,015,625**
Number of units in circulation ('000 units)	**2,740,459**	**2,206,935**
Net asset value (NAV)		
- before income distribution	**2,747,202**	**2,418,091**
- after income distribution	**2,685,816**	**2,372,629**
NAV per unit (RM)		
- before income distribution	**1.0025**	**1.0957**
- after income distribution	**0.9801**	**1.0751**

The unaudited condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2022.

CAPITALAND MALAYSIA TRUST
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	CURRENT QUARTER 31 DECEMBER			YEAR TO DATE 31 DECEMBER		
	2023 (UNAUDITED) RM'000	2022 (UNAUDITED) RM'000	Change %	2023 (UNAUDITED) RM'000	2022 (AUDITED) RM'000	Change %
Gross rental income	88,050	54,599	61.3	317,802	220,127	44.4
Car park income	7,312	4,946	47.8	27,132	19,394	39.9
Other revenue	13,148	9,354	40.6	50,456	36,296	39.0
Gross revenue	**108,510**	**68,899**	**57.5**	**395,390**	**275,817**	**43.4**
Maintenance expenses	(16,864)	(9,706)	73.7	(59,139)	(37,628)	57.2
Utilities	(15,912)	(11,970)	32.9	(64,099)	(46,832)	36.9
Other operating expenses[1]	(12,719)	(6,419)	98.1	(54,746)	(38,847)	40.9
Property operating expenses	(45,495)	(28,095)	61.9	(177,984)	(123,307)	44.3
Net property income	**63,015**	**40,804**	**54.4**	**217,406**	**152,510**	**42.6**
Interest income	672	655	2.6	2,762	1,969	40.3
Fair value gain / (loss) on investment properties	63,087	(41,066)	n.m	55,124	(41,066)	n.m
Other non-operating income	2,017	1,625	24.1	3,642	3,250	12.1
Net investment income	**128,791**	**2,018**	**6,282.1**	**278,934**	**116,663**	**139.1**
Manager's management fee	(6,733)	(4,873)	38.2	(24,968)	(18,720)	33.4
Trustee's fee	(111)	(101)	10.0	(420)	(400)	5.0
Auditor's fee	(121)	(70)	72.9	(323)	(220)	46.8
Tax agent's fee	(8)	(10)	(20.0)	(52)	(26)	100.0
Valuation fee	(74)	(77)	(3.9)	(375)	(291)	28.9
Finance costs	(24,132)	(12,571)	92.0	(84,781)	(46,517)	82.3
Other non-operating expenses[1]	(818)	(725)	12.8	(1,683)	(1,803)	(6.7)
	(31,997)	(18,427)	73.6	(112,602)	(67,977)	65.6
Profit / (Loss) before taxation	**96,794**	**(16,409)**	**(689.9)**	**166,332**	**48,686**	**241.6**
Taxation	(6)	-	-	(6)	-	-
Deferred taxation	(2,664)	1,738	n.m	(2,664)	1,738	n.m
Profit / (Loss) and total comprehensive income / (loss) for the quarter/ year	**94,124**	**(14,671)**	**(741.6)**	**163,662**	**50,424**	**224.6**
Distribution adjustments[2]	(61,207)	37,928	n.m	(53,651)	36,891	n.m
Income available for distribution	**32,917**	**23,257**	**41.5**	**110,011**	**87,315**	**26.0**
Distributable income[3]	**32,685**	**23,216**	**40.8**	**109,825**	**87,489**	**25.5**
Realised profit	33,701	24,657	36.7	111,202	89,752	23.9
Unrealised profit / (loss)[4]	60,423	(39,328)	n.m	52,460	(39,328)	n.m
	94,124	(14,671)	n.m	163,662	50,424	224.6

CAPITALAND MALAYSIA TRUST
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

	CURRENT QUARTER 31 DECEMBER			YEAR TO DATE 31 DECEMBER		
	2023 (UNAUDITED)	2022 (UNAUDITED)	Change %	2023 (UNAUDITED)	2022 (AUDITED)	Change %
Earnings per unit (sen)[5]						
- before Manager's management fee	**3.69**	**(0.44)**	**n.m**	**7.23**	**3.20**	**>100.0**
- after Manager's management fee	**3.44**	**(0.67)**	**n.m**	**6.27**	**2.33**	**>100.0**
Distribution per unit (DPU) (sen)	**1.19**	**1.05**	**13.3**	**4.17**	**4.01**	**4.0**
DPU (sen) – annualised	**4.72**	**4.17**	**13.2**	**4.17**	**4.01**	**4.0**

1. Included in the other operating expenses and other non-operating expenses are the followings:

	CURRENT QUARTER 31 DECEMBER			YEAR TO DATE 31 DECEMBER		
	2023 (UNAUDITED) RM'000	2022 (UNAUDITED) RM'000	Change %	2023 (UNAUDITED) RM'000	2022 (AUDITED) RM'000	Change %
Reversal of impairment for trade receivables (net)	817	2,584	(68.4)	1,437	4,874	(70.5)
Foreign exchange loss:						
- Realised	(5)	-	-	(14)	(5)	180.0
	812	2,584	(68.6)	1,423	4,869	(70.8)

2. Included in the distribution adjustments are the followings:

	CURRENT QUARTER 31 DECEMBER			YEAR TO DATE 31 DECEMBER		
	2023 (UNAUDITED) RM'000	2022 (UNAUDITED) RM'000	Change %	2023 (UNAUDITED) RM'000	2022 (AUDITED) RM'000	Change %
Fair value (gain) / loss on investment properties	(63,087)	41,066	n.m	(55,124)	41,066	n.m
Manager's management fee payable in units *	2,493	1,409	76.9	8,313	5,153	61.3
Depreciation	462	339	36.3	1,685	1,391	21.1
Amortisation of transaction costs on borrowings	422	208	>100.0	1,436	919	56.3
Deferred taxation	2,664	(1,738)	n.m	2,664	(1,738)	n.m
Tax and other adjustments	(4,161)	(3,356)	24.0	(12,625)	(9,900)	27.5
	(61,207)	37,928	n.m	(53,651)	36,891	n.m

* This is calculated with reference to the net property income of all properties except for East Coast Mall which is payable in cash.

3. The difference between distributable income and income available for distribution is due to rounding effect of DPU.
4. Unrealised profit / (loss) comprise fair value gain / (loss) on investment properties and deferred taxation.
5. Earnings per unit (EPU) is computed based on profit for the quarter/year divided by the weighted average number of units at the end of the quarter/year. The computation of EPU after Manager's management fee for the current quarter is set out in B12.

n.m Not meaningful

The unaudited condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2022.

CAPITALAND MALAYSIA TRUST
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET VALUE

	UNITHOLDERS' CAPITAL RM'000	UNDISTRIBUTED PROFITS RM'000	TOTAL UNITHOLDERS' FUNDS RM'000
As at 1 January 2022	2,235,447	155,851	2,391,298
Total comprehensive income for the financial year	-	50,424	50,424
Unitholders' transactions			
- Units issued as part satisfaction of the Manager's management fee	4,071	-	4,071
- Units issued under the Distribution Reinvestment Plan (net of issue costs)	35,207	-	35,207
- Distribution paid to Unitholders[1]	-	(62,909)	(62,909)
Increase/(Decrease) in net assets resulting from Unitholders' transactions	39,278	(62,909)	(23,631)
As at 31 December 2022 (Audited)	**2,274,725**	**143,366**	**2,418,091**
As at 1 January 2023	2,274,725	143,366	2,418,091
Total comprehensive income for the financial year	-	163,662	163,662
Unitholders' transactions			
- Units issued as part satisfaction of the Manager's management fee	16,927	-	16,927
- Units issued through equity fund raising (net of issue costs)	225,754	-	225,754
- Units issued under the Distribution Reinvestment Plan (net of issue costs)	16,668	-	16,668
- Distribution paid to Unitholders[2]	-	(93,900)	(93,900)
Increase/(Decrease) in net assets resulting from Unitholders' transactions	**259,349**	**(93,900)**	**165,449**
As at 31 December 2023 (Unaudited)	**2,534,074**	**213,128**	**2,747,202**

1. This refers to the (i) 2021 final income distribution of 0.98 sen per unit for the period from 1 July 2021 to 31 December 2021 paid on 28 March 2022, and (ii) 2022 first income distribution of 1.95 sen per unit for the period from 1 January 2022 to 30 June 2022 paid on 19 September 2022.
2. This refers to the (i) 2022 final income distribution of 2.06 sen per unit for the period from 1 July 2022 to 31 December 2022 paid on 22 February 2023, (ii) advanced income distribution of 0.74 sen per unit for the period from 1 January 2023 to 9 March 2023 paid on 23 March 2023, and (iii) 2023 first income distribution of 1.19 sen per unit for the period from 10 March 2023 to 30 June 2023 paid on 25 September 2023.

The unaudited condensed consolidated statement of changes in net asset value should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2022.

CAPITALAND MALAYSIA TRUST
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2023 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	TWELVE MONTHS ENDED	
	31 DECEMBER 2023 (UNAUDITED) RM'000	31 DECEMBER 2022 (AUDITED) RM'000
Cash Flows From Operating Activities		
Profit before taxation	166,332	48,686
Adjustments for:-		
Manager's management fee paid/ payable in units[1]	8,313	5,153
Depreciation	1,685	1,391
Fair value (gain)/ loss on investment properties	(55,124)	41,066
Finance costs	84,781	46,517
Interest income	(2,762)	(1,969)
Gain on disposal of investment property	(426)	-
Gain on disposal of plant and equipment	-	(1)
Plant and equipment written off	4	-
Reversal of impairment losses for trade receivables (net)	(1,437)	(4,874)
Operating profit before changes in working capital	**201,366**	**135,969**
Changes in working capital:		
Trade and other receivables	11,193	16,787
Trade and other payables	(13,859)	1,255
Tenants' deposits	29,062	1,518
Net cash generated from operations	**227,762**	**155,529**
Tax paid	(11)	-
Tax refunded	7	-
Net cash generated from operating activities	**227,758**	**155,529**
Cash Flows From Investing Activities		
Acquisition of investment properties	(1,023,670)	(79,950)
Acquisition of plant and equipment	(2,126)	(1,006)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	(5,572)	-
Capital expenditure on investment properties	(23,596)	(13,611)
Deposit paid on acquisition of investment property	-	(19,759)
Incidental costs on acquisition of investment properties	(9,516)	(1,883)
Interest received	2,753	1,969
Proceeds from disposal of investment property	50,431	-
Proceeds from disposal of plant and equipment	33	1
Net cash used in investing activities	**(1,011,263)**	**(114,239)**
Cash Flows From Financing Activities		
Distribution paid to Unitholders[2]	(77,057)	(27,424)
Increase in pledged deposits	(1,720)	-
Interest expense and other financing costs paid	(87,814)	(45,009)
Payment of lease liabilities	(474)	-
Proceeds from drawdown of interest bearing borrowings	923,406	157,266
Proceeds from issuance of new CLMT units	227,849	-
Repayment of interest bearing borrowings	(206,504)	(117,785)
Transaction costs related to new CLMT units issued	(2,258)	(205)
Net cash from/ (used in) financing activities	**775,428**	**(33,157)**
Net (decrease)/ increase in cash and cash equivalents	(8,077)	8,133
Cash and cash equivalents at beginning of the year	79,379	71,246
Cash and cash equivalents at end of the year	**71,302**	**79,379**
Cash and cash equivalents at end of the year comprise:		
Deposits placed with licensed banks	60,892	66,267
Cash and bank balances	17,060	18,042
	77,952	84,309
Less: Pledged deposits	(6,650)	(4,930)
	71,302	**79,379**

Non-cash transactions:

[1] A portion of management fees were paid in new CLMT units to the Manager.

[2] A portion of the income distribution was paid in new CLMT units pursuant to the Distribution Reinvestment Plan.

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements and the audited financial statements for the year ended 31 December 2022.

Part A – Explanatory Notes Pursuant to Malaysian Financial Reporting Standards (MFRS) 134 and International Accounting Standards (IAS) 34

A1. Basis of Preparation

The condensed consolidated interim financial statements of the Group as at and for the fourth quarter ended 31 December 2023 comprise CLMT and its subsidiaries. These interim financial statements have been prepared on the historical cost basis except for investment properties which are stated at fair value.

The condensed consolidated interim financial statements have been prepared in compliance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (MASB), IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board, Paragraph 9.44 of the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities), provisions of the Fifth Amended and Restated Trust Deed dated 13 July 2021 (the Trust Deed) and the Securities Commission's Guidelines on Listed Real Estate Investment Trusts (the REITs Guidelines).

The condensed consolidated interim financial statements should be read in conjunction with the accompanying explanatory notes attached to the condensed consolidated interim financial statements and the audited consolidated financial statements of the Group for the financial year ended 31 December 2022.

A2. Changes in Accounting Policies

On 1 January 2023, the Group adopted the following MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023:

Amendments to MFRS 101, Presentation of Financial Statements – Disclosures of Accounting Policies;
Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates;
Amendments to MFRS 112, Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

The adoption of the above MFRSs, interpretations and amendments do not have any significant impact on the financial results of the Group.

A3. Audit Report of Preceding Financial Year

The audit report for the financial year ended 31 December 2022 was not qualified.

A4. Comment on Seasonality or Cyclicality of Operations

The business operations of the Group may be affected by seasonal or cyclical factors, including but not limited to changes in demand and supply of retail properties which depend on market conditions, the economic cycle, financial performance of its tenants, availability of credit facilities and interest rate environment.

A5. Unusual Items Due To Their Nature, Size or Incidence

Nil.

A6. Changes in Estimates Of Amount Reported

Nil.

A7. Debt and Equity Securities

Save as disclosed in A12 and B8, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities in the current year.

A8. Income Distribution Policy

In line with the distribution policy as set out in the Trust Deed, the Manager will distribute at least 90% of its distributable income to its Unitholders in each financial year.

A9. Segmental Reporting

Segmental results for the quarter/year ended 31 December 2023 are as follows:

BUSINESS SEGMENT	4Q 2023 (UNAUDITED) RETAIL RM'000	OTHERS RM'000	TOTAL RM'000	4Q 2022 (UNAUDITED) RETAIL RM'000	OTHERS RM'000	TOTAL RM'000
Gross revenue	106,884	1,626	108,510	68,414	485	68,899
Net property income	62,410	605	63,015	40,727	77	40,804
Interest income			672			655
Other non-operating income			2,017			1,625
Fair value gain/ (loss) on investment properties (net)			63,087			(41,066)
Unallocated expenses			(7,865)			(5,856)
Finance costs			(24,132)			(12,571)
Profit before taxation			**96,794**			**(16,409)**
Taxation			(6)			-
Deferred taxation			(2,664)			1,738
Profit for the quarter			**94,124**			**(14,671)**

BUSINESS SEGMENT	YTD 2023 (UNAUDITED) RETAIL RM'000	OTHERS RM'000	TOTAL RM'000	YTD 2022 (AUDITED) RETAIL RM'000	OTHERS RM'000	TOTAL RM'000
Gross revenue	388,801	6,589	395,390	274,024	1,793	275,817
Net property income	213,796	3,610	217,406	152,687	(177)	152,510
Interest income			2,762			1,969
Other non-operating income			3,642			3,250
Fair value gain/ (loss) on investment properties (net)			55,124			(41,066)
Unallocated expenses			(27,821)			(21,460)
Finance costs			(84,781)			(46,517)
Profit before taxation			**166,332**			**48,686**
Taxation			(6)			-
Deferred taxation			(2,664)			1,738
Profit for the year			**163,662**			**50,424**

A10. Investment Properties

Following the completion of Queensbay Mall and Glenmarie Distribution Centre acquisitions on 21 March 2023 and 29 August 2023 respectively, CLMT has recognised the allocated purchase considerations and related incidental costs as investment properties. Apart from that, CLMT also entered into leasing arrangements with the Management Corporation of Queensbay Mall to lease 3 parcels of common areas for sub-leasing and vehicle parking purposes, resulting in the recognition of right-of-use assets of RM6.7 million and were classified as investment properties accordingly. CLMT has derecognised investment property of RM50.0 million in Q4 2023 following the completion of divestment of 3 Damansara Office Tower on 4 December 2023.

The investment properties are valued annually by independent professional valuers and the differences between the valuation and the carrying values of the respective investment properties are recognised to the profit or loss for the financial year in which they arise. The carrying amount of investment properties as at 31 December 2023 is based on the independent valuations as at 31 December 2023. Net fair value gains arising from the valuations amounted to RM63.1 million and RM 55.1 million were recognised during the quarter and year respectively.

A11. Subsequent Events

Nil.

A12. Changes in Composition of the Trust

	4Q 2023 UNITS
Balance as at 1 January 2023	2,206,935,495
Units issued through equity fund raising	464,997,500
Units issued as part satisfaction of the Manager's management fee payable in units	33,194,087
Units issued under the Distribution Reinvestment Plan	35,332,383
As at 31 December 2023	**2,740,459,465**

A13. Changes in Contingent Liabilities and Contingent Assets

Nil.

A14. Capital Commitments

Capital commitments in relation to capital expenditure are as follows:

	QUARTER ENDED 31 December 2023 (UNAUDITED) RM'000
Contracted but not provided for	30,967

Part B – Additional Information Pursuant to Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of Performance

	4Q 2023 (UNAUDITED) RM'000	4Q 2022 (UNAUDITED) RM'000	Change %	YTD 2023 (UNAUDITED) RM'000	YTD 2022 (AUDITED) RM'000	Change %
Breakdown of Gross Revenue						
Gurney Plaza	39,760	35,417	12.3	153,496	135,717	13.1
Queensbay Mall	29,439	-	-	87,886	-	-
East Coast Mall	16,595	15,841	4.8	66,925	64,148	4.3
Sungei Wang Plaza	5,088	3,932	29.4	18,485	16,674	10.9
3 Damansara Property[1]	5,589	3,252	71.9	21,908	17,435	25.7
The Mines	10,714	10,030	6.8	41,525	41,416	0.3
Valdor Logistics Hub	1,325	427	>100.0	5,165	427	>100.0
Glenmarie Distribution Centre	-	-	-	-	-	-
Total Gross Revenue	**108,510**	**68,899**	**57.5**	**395,390**	**275,817**	**43.4**
Breakdown of Property Operating Expenses						
Gurney Plaza	12,287	9,555	28.6	51,098	40,249	27.0
Queensbay Mall	8,397	-	-	25,793	-	-
East Coast Mall	6,051	4,697	28.8	24,519	20,121	21.9
Sungei Wang Plaza	5,746	4,779	20.2	22,590	20,782	8.7
3 Damansara Property[1]	4,653	3,455	34.7	22,897	19,226	19.1
The Mines	7,678	5,571	37.8	29,981	22,891	31.0
Valdor Logistics Hub	219	38	>100.0	625	38	>100.0
Glenmarie Distribution Centre	464	-	-	481	-	-
Total Property Operating Expenses	**45,495**	**28,095**	**61.9**	**177,984**	**123,307**	**44.3**
Breakdown of Net Property Income/(Loss)						
Gurney Plaza	27,473	25,862	6.2	102,398	95,468	7.3
Queensbay Mall	21,042	-	-	62,093	-	-
East Coast Mall	10,544	11,144	(5.4)	42,406	44,027	(3.7)
Sungei Wang Plaza	(658)	(847)	(22.3)	(4,105)	(4,108)	(0.1)
3 Damansara Property[1]	936	(203)	n.m	(989)	(1,791)	(44.8)
The Mines	3,036	4,459	(31.9)	11,544	18,525	(37.7)
Valdor Logistics Hub	1,106	389	>100.0	4,540	389	>100.0
Glenmarie Distribution Centre	(464)	-	-	(481)	-	-
Total Net Property Income	**63,015**	**40,804**	**54.4**	**217,406**	**152,510**	**42.6**

1. 3 Damansara Property includes the combined results of 3 Damansara Mall and 3 Damansara Office Tower where the latter has been divested as disclosed in B7.

n.m Not meaningful

B1. Review of Performance (cont'd)

Quarter Results (4Q 2023 vs 4Q 2022)

The Group recorded gross revenue of RM108.5 million in 4Q 2023, an increase of RM39.6 million or 57.5% against 4Q 2022. The significant increase in gross revenue was mainly due to contribution from Queensbay Mall (QBM) post completion of its acquisition in 1Q 2023. Most of the other malls within CLMT portfolio reported an improvement in gross revenue as a result of higher occupancy and positive rental reversions.

Property operating expenses for 4Q 2023 were RM45.5 million, an increase of RM17.4 million or 61.9% against 4Q 2022. A significant portion of the increase was due to the addition of QBM post completion of acquisition in 1Q 2023 and the remaining was largely due to higher electricity surcharge of 17 sen effective from 1 July 2023 to 31 December 2023, against 3.7 sen for 4Q 2022 and higher marketing expenses on the back of higher mall activities.

Net property income (NPI) for 4Q 2023 was RM63.0 million, an increase of RM22.2 million or 54.4% against 4Q 2022 of RM40.8 million.

Net fair value gains of RM63.1 million were recognised during the quarter upon the annual revaluation of investment properties.

Other non-operating income of RM2.0 million comprised scheduled compensation income received pursuant to the termination of the previous easement agreement in relation to the car park area between SWP and Bukit Bintang Plaza and gain from divestment of 3 Damansara Office Tower (3DOT).

Finance costs for 4Q 2023 of RM24.1 million was higher than 4Q 2022 as the Group's borrowings have increased by RM768.9 million to part finance the acquisition of QBM. The Group's borrowings were also subjected to higher interest costs as a result of the Overnight Policy Rate (OPR) hikes. The average cost of debt was 4.29% p.a. for this quarter against 4Q 2022 of 3.45% p.a.

Overall, distributable income to Unitholders for 4Q 2023 was RM32.7 million, an increase of RM9.5 million or 40.8% as compared to 4Q 2022 due to the abovementioned factors.

Financial Year-to-date Results (YTD 2023 vs YTD 2022)

The Group recorded gross revenue of RM395.4 million, an increase of RM119.6 million or 43.4% against last year. The increase was mainly due to contribution from QBM which was acquired in March 2023. Most of the other malls within CLMT portfolio reported an improvement in gross revenue as a result of higher occupancy and positive rental reversions.

Property operating expenses for YTD 2023 were RM178.0 million, an increase of RM54.7 million or 44.3% against last year mainly due to (i) operating expenses of QBM (ii) higher electricity surcharge of 20 sen for 1H 2023 and subsequently reduced to 17 sen for 2H 2023 (1 February to 31 December 2022: 3.7 sen), (iii) higher service charges, (iv) higher marketing expenses on the back of higher mall activities and (v) write-back of doubtful debts provision in the previous financial year has also tapered off for the current year.

The NPI for YTD 2023 of RM217.4 million was RM64.9 million or 42.6% higher than YTD 2022 NPI of RM152.5 million.

Net fair value gain of RM55.1 million was recognised during the year upon the annual revaluation of investment properties.

Other non-operating income of RM3.6 million comprised scheduled compensation income received pursuant to the termination of the previous easement agreement in relation to the car park area between SWP and Bukit Bintang Plaza and gain from divestment of 3DOT.

B1. Review of Performance (cont'd)

Financial Year-to-date Results (YTD 2023 vs YTD 2022) (cont'd)

Finance costs for YTD 2023 of RM84.8 million were RM38.3 million or 82.3% higher than YTD 2022 as the Group has obtained additional borrowings to part finance the acquisitions of QBM, Valdor Logistics Hub and Glenmarie Distribution Centre. Floating rate borrowings were subjected to higher interest rate due to the cumulative OPR hikes of 125 basis points since May 2022. Additionally, certain fixed rate loans which were due for refixing during the year were refixed at higher rates, reflecting the effect of OPR hikes. The YTD average costs of debt was 4.07% p.a. (YTD 2022: 3.24% p.a.).

Overall, distributable income to Unitholders for the financial year was RM109.8 million, an increase of RM22.3 million or 25.5% against YTD 2022 due to the abovementioned factors.

B2. Material Changes in Quarter Results

	QUARTER ENDED 31 DECEMBER 2023 (UNAUDITED) RM'000	QUARTER ENDED 30 SEPTEMBER 2023 (UNAUDITED) RM'000	Change %
Profit before taxation	96,794	27,777	248.5
Adjusted for: Fair value gain on investment properties (net)	(63,087)	-	-
Profit before taxation, excluding net fair value gain on investment properties	**33,707**	**27,777**	21.3

The increase for the current quarter was mainly due to overall higher gross revenue by RM4.9 million on the back of higher shopper footfall. 4Q 2023 also has the benefit of the compensation income in respect of SWP as mentioned in Note B1 and the gain from divestment of 3DOT.

B3. Investment Objectives and Strategies

Pursuant to the Fifth Amended and Restated Deed (Trust Deed), CLMT's investment objective and policy is to invest, on a long-term basis, in a portfolio of income producing real estate as deemed fit by the Manager, that are used for retail, commercial, office and industrial purposes or such other non-real estate investments, as may be permitted under the Trust Deed and the REITs Guidelines or by the Securities Commission of Malaysia (SC), with a view to providing Unitholders with long-term and sustainable distributions of income and potential capital growth.

B4. Commentary on Prospects

Malaysia's economy grew 3.3% in 3Q 2023 and 3.9% year-to-date, driven mainly by domestic demand. It is also on track to meet Bank Negara Malaysia (BNM)'s growth target of around 4.0% for 2023. BNM expects Malaysia's gross domestic product (GDP) growth in 2024 to remain resilient between 4.0% to 5.0%, backed by domestic demand expansion and external demand improvement. Inflation was also moderated throughout 2023 and is expected to remain modest in 2024.

The retail sector grew at a slower-than-expected rate amidst weakened spending power due to higher cost of living. Competition amongst shopping malls in Klang Valley is also expected to intensify with the incoming supply of malls. In comparison, the outlook for the industrial sector remains positive. This is supported by the launch of the Government's New Industrial Master Plan 2030 and the continuous growth in the e-commerce market in Malaysia.

Looking ahead, the Manager will continue to advance with its proactive portfolio and asset management strategy, actively seeking opportunities to expand CLMT's portfolio and enhance its income diversification. The Manager will also speed up its asset acquisition efforts, focusing on quality and yield-accretive assets in new economy sectors. This will be supported by its ongoing portfolio reconstitution strategy to recycle capital.

B5. Profit Guarantee

The Group is not involved in any arrangement whereby it provides profit guarantee.

B6. Tax Expense

Pursuant to the amendment of Section 61A of the Income Tax Act, 1967, effective from the Year of Assessment 2007, the total income of a REIT for a year of assessment will be exempted from income tax provided that the REIT distributes 90% or more of its total income for that year of assessment. If the REIT is unable to meet the 90% distribution criterion, the entire taxable income of the REIT for the year would be subject to income tax.

As CLMT intends to distribute at least 90% of its distributable income for the financial year ended 31 December 2023 to its Unitholders, provision for tax has not been made at CLMT level.

B7. Status of Corporate Proposal

On 5 September 2023, CLMT entered into a sale and purchase agreement for the sale of 3DOT for a sale consideration of RM 52.0 million. The divestment reflects CLMT's focus to improve its existing portfolio yield and pursue other acquisition opportunities. The divestment of 3DOT was completed on 4 December 2023.

B8. Borrowings and Debt Securities

	AS AT 31 DECEMBER 2023 (UNAUDITED) RM'000	AS AT 31 DECEMBER 2022 (AUDITED) RM'000
Long term borrowings		
Secured revolving credit	60,923	49,697
Secured term loans	1,620,929	918,430
Unrated medium term notes	300,000	300,000
Less: Unamortised transaction costs	(6,685)	(1,208)
	1,975,167	1,266,919
Short term borrowings		
Secured revolving credits	13,842	25,660
Unsecured revolving credits	173,945	158,950
Less: Unamortised transaction costs	(399)	(211)
	187,388	184,399
Total borrowings	**2,162,555**	**1,451,318**

All the borrowings are denominated in Ringgit Malaysia.

The net increase in total gross borrowings (before deducting unamortised transaction costs) was mainly due to drawdowns of term loan of RM693.0 million and revolving credit facilities (RCF) to finance the acquisition of Queensbay Mall.

On 20 April 2023, CLMT has drawn down a RM60.0 million secured term loan to refinance the bridging loans utilised for the acquisition of Valdor Logistics Hub.

On 20 June 2023, CLMT MTN Berhad, a wholly-owned subsidiary of CLMT has issued 3 tranches of MTN at RM100.0 million (4-TM) each under the existing RM3.0 billion MTN Programme to redeem the outstanding RM300.0 million of 3.5-Year Unrated MTN. Each of the issuance is secured by The Mines and will be maturing on 22 June 2026, 21 June 2027 and 20 June 2028 respectively. The 4-TM bears a coupon rate of approximately 4.41% per annum which is payable semi-annually.

As at 31 December 2023, the fixed and floating ratio of the Group's borrowings stood at 85% and 15% respectively. As of to-date, three out of eight properties of the Group, namely Sungei Wang Plaza, East Coast Mall and Glenmarie Distribution Centre remain unencumbered.

B9. Change in Material Litigation

Nil.

B10. Income Distribution

Distribution to Unitholders is from the following sources:-

	CURRENT QUARTER 31 DECEMBER			YEAR TO DATE 31 DECEMBER		
	2023 (UNAUDITED) RM'000	2022 (UNAUDITED) RM'000	Change %	2023 (UNAUDITED) RM'000	2022 (UNAUDITED) RM'000	Change %
Gross rental income	88,050	54,599	61.3	317,802	220,127	44.4
Car park income	7,312	4,946	47.8	27,132	19,394	39.9
Other revenue	13,148	9,354	40.6	50,456	36,296	39.0
Interest income	672	655	2.6	2,762	1,969	40.3
Other non-operating income	2,017	1,625	24.1	3,642	3,250	12.1
Fair value gain/ (loss) on investment properties (net)	63,087	(41,066)	n.m	55,124	(41,066)	n.m
	174,286	**30,113**	**478.8**	**456,918**	**239,970**	**90.4**
Total property and trust expenses	(77,492)	(46,522)	66.6	(290,586)	(191,284)	51.9
Taxation	(6)	-	-	(6)	-	-
Deferred taxation	(2,664)	1,738	n.m	(2,664)	1,738	n.m
Total comprehensive income/ (loss) for the quarter / year	**94,124**	**(14,671)**	**(741.6)**	**163,662**	**50,424**	**224.6**
Distribution adjustments	(61,207)	37,928	n.m	(53,651)	36,891	n.m
Realised income for the quarter / year	**32,917**	**23,257**	**41.5**	**110,011**	**87,315**	**26.0**
Previous quarter's / year's undistributed income	326	331	(1.5)	372	546	(31.9)
Total realised income available for distribution	**33,243**	**23,588**	**40.9**	**110,383**	**87,861**	**25.6**
Advanced income distribution	-	-	-	(16,331)	-	25.5
Proposed/ declared income distribution	(32,685)	(23,216)	40.8	(93,494)	(87,489)	
Balance undistributed income	**558**	**372**	**50.1**	**558**	**372**	**50.1**
Distribution per unit (DPU) (sen)	**1.19**	**1.05**	**13.3**	**4.17**	**4.01**	**4.0**
DPU (sen) – annualised	**4.72**	**4.17**	**13.2**	**4.17**	**4.01**	**4.0**

n.m Not meaningful

On 25 September 2023, CLMT paid its First Income Distribution of RM32.1 million or 1.19 sen per unit for the period from 10 March 2023 to 30 June 2023. The Distribution Reinvestment Plan (DRP) was applied on the 1H 2023 income distribution, in which a total of 35,332,383 units were issued out of 63,737,836 units eligible under the DRP, this represents a take up rate of 55.43%.

Pursuant to Section 109D(2) of the Income Tax Act, 1967, the applicable final withholding tax on distributions of income which is tax exempt at CLMT level is as follows:

Resident Unitholders:

(a)	Corporate	Tax flow through, no withholding tax
(b)	Other than corporate	Withholding tax at 10%

Non-resident Unitholders:

(c)	Corporate	Withholding tax at 24%
(d)	Institutional investors	Withholding tax at 10%
(e)	Individuals	Withholding tax at 10%

B11. Composition of Investment Portfolio as at 31 December 2023

As at 31 December 2023, CLMT's portfolio comprised the following investment properties:

INVESTMENT PROPERTIES	COST OF INVESTMENT[1]	NET BOOK VALUE[2]	MARKET VALUE	MARKET VALUE AS % of NAV[3]
	RM'000	RM'000	RM'000	%
Gurney Plaza	1,186,900	1,691,510	1,690,000	61.5
Queensbay Mall	1,018,835	1,022,919[4]	1,081,350[5]	39.4
East Coast Mall	420,586	599,612	608,000	22.1
Sungei Wang Plaza	814,439	422,732	430,000	15.7
3 Damansara Mall	548,137	434,255	415,000	15.1
The Mines	612,068	659,555	661,000	24.1
Valdor Logistics Hub	81,936	81,149	82,000	3.0
Glenmarie Distribution Centre	41,694	41,694	41,200	1.5
Total	**4,724,595**	**4,953,426**	**5,008,550**	

The market values of the respective properties were stated at valuations conducted by the following valuers as at 31 December 2023:

VALUER	INVESTMENT PROPERTIES
Savills (Malaysia) Sdn Bhd	Gurney Plaza and Queensbay Mall
PPC International Sdn Bhd	East Coast Mall, The Mines, Sungei Wang Plaza, Valdor Logistics Hub and Glenmarie Distribution Centre
Henry Butcher Malaysia Sdn Bhd	3 Damansara Mall

1 Cost of investment comprises purchase consideration and capital expenditure incurred from inception up to the end of the reporting date.
2 Net book value comprises of market value of the investment properties as at 31 December 2022 and subsequent capital expenditure incurred up to the reporting date.
3 This is computed based on market value of the investment properties over the NAV before income distribution of RM2,747,202,000 as at 31 December 2023. This is calculated in accordance with the REITs Guidelines.
4 The carrying amount of Queensbay Mall's investment property includes right-of-use assets of RM6.7 milion.
5 The market value of RM1.081 billion comprises the valuation for 438 strata titles and includes the valuation for the right-of-use assets.

B12. Changes in NAV, EPU, DPU and Market Price

	QUARTER ENDED 31 December,2023	QUARTER ENDED 30 September,2023
Number of units in circulation (units)	2,740,459,465	2,733,434,465
NAV before income distribution (RM'000)	2,747,202	2,649,692
NAV after income distribution (RM'000)	2,685,816	2,620,991
NAV per unit[1] (RM)	0.9801	0.9589
Total comprehensive income (RM'000)	94,124	27,777
Weighted average number of units in issue (units)	2,734,961,639	2,700,022,320
EPU after Manager's management fee (sen)	3.44	1.03
Distributable income (RM'000)	32,685	28,701
DPU (sen)	1.19	1.05
Market price (RM)	0.560	0.550
DPU yield (%)	2.13	1.91

1 NAV per unit is arrived at by dividing the NAV after income distribution with the number of units in circulation at the end of the quarter.

B13. Soft Commission Received By The Manager and its Delegates

Nil.

B14. Manager's Fees

For the quarter/ year to date ended 31 December 2023, the Manager has accounted for a base fee of 0.29% per annum of the total asset value and a performance fee of 4.75% per annum of net property income and an acquisition fee of 1.00% on the purchase price of Queensbay Mall and Glenmarie Distribution Centre and a divestment fee of 0.5% on the disposal price of 3DOT. Total fees accrued to the Manager were as follows:

	4Q 2023 ACTUAL (UNAUDITED) RM'000	YTD 2023 ACTUAL (UNAUDITED) RM'000
Base management fee	3,740	14,641
Performance fee	2,993	10,327
Total management fees	6,733	24,968
Acquisition fees[1]	-	10,302
Divestment fee[2]	260	260
Total fees	**6,993**	**35,530**

[1] Acquisition fees incurred were capitalised as part of the investment properties.
[2] Divestment fee incurred was netted off against sale consideration from disposal of 3DOT in arriving at gain on disposal of investment property.

Date: 30 January 2024