

## CAPITALAND MALAYSIA TRUST (“CLMT”)

- I. PROPOSED PLACEMENT OF UP TO 435,400,000 NEW UNITS IN CLMT (“UNITS”), REPRESENTING UP TO APPROXIMATELY 14.9% OF THE TOTAL NUMBER OF UNITS-IN-ISSUE, TO RAISE GROSS CASH PROCEEDS OF UP TO RM250.0 MILLION AT AN ISSUE PRICE TO BE DETERMINED LATER BY WAY OF BOOKBUILDING (THE “PROPOSED PLACEMENT”);
  - II. AS PART OF THE PROPOSED PLACEMENT, THE PROPOSED ALLOTMENT OF NEW UNITS TO CMMT INVESTMENT LIMITED (“CIL”) AND MENANG INVESTMENT LIMITED (“MIL”) BASED ON THEIR UNITHOLDINGS IN CLMT (THE “PROPOSED ALLOTMENT TO SPONSORS”); AND
  - III. AS PART OF THE PROPOSED PLACEMENT, THE PROPOSED ALLOTMENT OF NEW UNITS TO EMPLOYEES PROVIDENT FUND BOARD (“EPF”), KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (“KWAP”) AND AMANAH SAHAM BUMIPUTERA (“ASB”).
- 

### 1. INTRODUCTION

On behalf of the Board of Directors of CapitaLand Malaysia REIT Management Sdn Bhd (“**Board**”), the management company of CLMT (“**Manager**”), CIMB Investment Bank Berhad (“**CIMB**”) wishes to announce that the Manager proposes to undertake a placement of up to 435,400,000 new Units (“**Placement Units**”), representing up to approximately 14.9% of the total number of Units-in-issue of 2,921,439,483 Units as at 20 May 2025, being the latest practicable date prior to this Announcement (“**LPD**”).

### 2. DETAILS OF THE PROPOSED PLACEMENT

The Proposed Placement will be undertaken in accordance with the authority granted to the Manager to allot and issue new Units pursuant to Paragraph 6.59(1A) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”) of up to 20.0% of the total number of Units issued from time to time to such persons and for such purposes as the Manager may in its absolute discretion deem fit and in the best interest of CLMT and the unitholders of CLMT (“**Unitholders**”) provided that the aggregate number of new Units issued, when aggregated with the number of Units issued during the preceding 12 months, must not exceed 20.0% of the total number of Units issued in CLMT for the time being (“**Authority**”), the approval of which was obtained from the Unitholders at the Annual General Meeting (“**AGM**”) of CLMT held on 4 April 2025.

The Authority will continue to be in force until:

- (i) the conclusion of the next AGM of the Unitholders at which time the Authority shall lapse, unless by a resolution passed at the meeting, the Authority is renewed;
- (ii) the expiration of the period within which the next AGM of the Unitholders is required by law to be held; or
- (iii) the Authority is revoked or varied by the Unitholders in a Unitholders’ meeting,

whichever occurs first.

In the past 12 months preceding the date of this Announcement and since the Authority was renewed on 4 April 2025, there have been no new Units issued pursuant to the Authority. As a result, the Proposed Placement to be undertaken shall be within the 20.0% of the total number of Units issued granted under the Authority.

## 2.1 Placement size

The Proposed Placement involves the issuance of up to 435,400,000 Placement Units to raise gross cash proceeds of up to RM250.0 million. The number of Placement Units was determined based on an issue price of RM0.5741 per Unit, representing a discount of approximately 10.0% to the volume weighted average market price (“**VWAMP**”) of the Units for the 5 market days up to and including the LPD of RM0.6379.

The actual number of the Placement Units will be determined at a later stage by the Manager in consultation with the placement agent to be appointed for the Proposed Placement (“**Placement Agent**”) on the price-fixing date to be determined and announced later after all the relevant approvals for the Proposed Placement have been obtained and after the completion of the bookbuilding exercise (“**Price-Fixing Date**”).

## 2.2 Proposed Allotment to Sponsors

CIL and MIL (collectively, the “**Sponsors**”) have an aggregate unitholding of 1,168,572,191 Units, equivalent to approximately 40.0% unitholdings in CLMT as at the LPD. The Sponsors are indirect wholly-owned subsidiaries of CapitaLand Mall Asia Limited (“**CMA**”).

As major Unitholders of CLMT, being a person who has an interest or interests in 10.0% or more of the total number of Units issued or 5.0% or more of the total number of Units issued if such person is the largest Unitholder (“**Major Unitholder**”), the Placement Units may only be placed out to the Sponsors subject to compliance with Paragraph 6.06(1) of the Listing Requirements where the Manager is required to seek the approval of the non-interested Unitholders at a Unitholders’ meeting to be convened for the specific allotment to the Sponsors.

As the Sponsors may participate in the bookbuilding exercise in order to support the Proposed Placement, the Manager proposes to seek the approval of the non-interested Unitholders for the proposed allotment of up to 174,200,000 Placement Units to the Sponsors at a Unitholders’ meeting to be convened, in accordance with Paragraph 6.06(1) of the Listing Requirements.

The maximum number of Placement Units under the Proposed Allotment to Sponsors was determined on the basis such that if the Sponsors were to participate in the Proposed Placement, their maximum participation will result in them only retaining their existing unitholding interests in CLMT. The actual number of Placement Units to be allotted and issued under the Proposed Allotment to Sponsors will only be determined at a later stage by the Manager in consultation with the Placement Agent through the bookbuilding exercise, subject to the decision of the Sponsors to participate in the Proposed Placement.

Accounting for the maximum number of the Placement Units proposed to be placed to the Sponsors based on their participation described above, the Proposed Allotment to Sponsors will not result in an increase of unitholdings of the Sponsors by more than 2.0% within a period of 6 months upon the allotment and issuance of the Placement Units. As a result, the mandatory take-over offer obligation under the Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the Securities Commission Malaysia (“**SC**”) (“**Rules**”) is not expected to be triggered.

## 2.3 Proposed Allotment to EPF, KWAP and ASB

As at the LPD, EPF directly holds 449,718,161 Units, equivalent to approximately 15.4% unitholdings in CLMT whilst KWAP directly and indirectly holds an aggregate of 292,285,421 Units, equivalent to approximately 10.0% unitholdings in CLMT. Accordingly, they are both Major Unitholders of CLMT. As EPF and KWAP and/or persons connected with them may participate in the Proposed Placement, the Manager proposes to seek the approvals of the non-interested Unitholders, in accordance with Paragraph 6.06(1) of the Listing Requirements, for the following:

- (a) as part of the Proposed Placement, the proposed allotment of up to 292,143,900 Placement Units to EPF and/or persons connected with it at a Unitholders' meeting to be convened ("**Proposed Allotment to EPF**") ; and
- (b) as part of the Proposed Placement, the proposed allotment of up to 292,143,900 Placement Units to KWAP, fund managers of KWAP and/or persons connected with it at a Unitholders' meeting to be convened ("**Proposed Allotment to KWAP**").

As at the LPD, ASB is the only other substantial Unitholder and directly holds 236,467,200 Units, equivalent to approximately 8.1% unitholdings in CLMT. If ASB is a Major Unitholder immediately prior to the issuance of the Placement Units, any placement to ASB and/or persons connected with it would require approval of the non-interested Unitholders in accordance with Paragraph 6.06(1) of the Listing Requirements. Accordingly, the Manager proposes to seek the approval of the non-interested Unitholders for the proposed allotment of up to 292,143,900 Placement Units to ASB and other funds managed by, Amanah Saham Nasional Berhad ("**ASNB**") or other fund managers of Permodalan Nasional Berhad ("**PNB**"), as part of the Proposed Placement, at a Unitholders' meeting to be convened ("**Proposed Allotment to ASB**").

The maximum number of Placement Units under the Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB was determined with reference to Paragraph 6.59(1A)(b) of the Listing Requirements. However, the actual number of Placement Units to be allotted and issued to them, will only be determined at a later stage by the Manager in consultation with the Placement Agent through the bookbuilding exercise, subject always to their decision to participate in the Proposed Placement in the first place.

The maximum number of the Placement Units under the Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB will not result in an increase of unitholdings of EPF, KWAP and ASB and/or their respective connected persons, to 33.0% or more upon the allotment and issuance of the Placement Units and as such the mandatory take-over offer obligation under the Rules is not expected to be triggered.

## 2.4 Public Spread

As at the LPD, the public unitholding spread of CLMT is approximately 44.1%. The successful allotment and issuance of the Placement Units on the maximum basis under the Proposed Allotment to Sponsors, the Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB will not result in non-compliance with the public unitholding spread requirement under Paragraph 8.02(1) of the Listing Requirements.

## 2.5 Basis and justification for the issue price of the Placement Units

The issue price of the Placement Units ("**Issue Price**") will be determined by the Manager in consultation with the Placement Agent on the Price-Fixing Date and pursuant to Paragraph 6.04(a) of the Listing Requirements, the Issue Price shall not be determined at more than 10.0% discount to the VWAMP of the Units for the 5 market days immediately prior to the Price-Fixing Date.

For avoidance of doubt, in the event that the Sponsors decide to participate in the Proposed Placement, this will not influence the manner in which the book builds for the Proposed Placement nor the determination of the Issue Price. The Sponsors, as price-takers, shall accept the final price for their Placement Units, being the Issue Price, which shall be determined once the bookbuilding exercise is closed and duly announced on Bursa Securities. The Sponsors shall decide on the size of their subscription which in any event shall not exceed such number of Units that would result in an increase in their existing aggregate unitholdings in CLMT.

## 2.6 Use of proceeds

The exact amount of proceeds to be raised from the Proposed Placement is dependent on the Issue Price and actual number of the Placement Units.

For illustrative purposes only, assuming the maximum number of Placement Units are issued at an illustrative Issue Price of RM0.5741 per Unit, representing a discount of approximately 10.0% to the VWAMP of the Units for the 5 market days up to and including the LPD of RM0.6379, the gross proceeds to be raised from the Proposed Placement is approximately RM250.0 million, of which is expected to be utilised by CLMT in the following manner:

Description	Estimated timeframe for use of proceeds from the date of listing of the Placement Units	Amount (RM'million)
Repayment of bank borrowings <sup>(1)</sup>	Within 12 months	246.1
Defray estimated expenses relating to the Proposed Placement <sup>(2)</sup>	Within 2 months	3.9
<b>Total</b>		<b>250.0</b>

### Notes:

(1) As at the LPD, the total bank borrowings of CLMT stood at approximately RM2.2 billion. The Manager expects to use the entire proceeds from the Proposed Placement, after deducting the estimated expenses in connection with the Proposed Placement ("**Net Proceeds**") to partially repay CLMT's existing bank borrowings. Based on the average interest rate of 4.5% per annum for CLMT's existing bank borrowings for the financial year ended ("**FYE**") 31 December 2024, the partial repayment of bank borrowings is expected to result in gross financing cost savings of approximately RM11.1 million per annum.

(2) The estimated expenses relating to the Proposed Placement comprise the following:

	RM'000
(i) Professional fees (i.e. advisers and Placement Agent)	3,430.0
(ii) Fees payable to relevant authorities	10.0
(iii) Other miscellaneous expenses	500.0
<b>Total</b>	<b>3,940.0</b>

Pending the full utilisation of the gross proceeds, the Manager may place the proceeds or the balance thereof in interest-bearing deposit account(s) with licensed financial institution(s) or short-term money market deposits or any other permissible investments allowed under the trust deed of CLMT ("**Deed**"), as it may deem fit in the best interest of CLMT and Unitholders.

## 2.7 Ranking of the Placement Units

The Placement Units shall, upon allotment and issuance, rank equally in all respects with the existing Units, save and except that the Placement Units will not be entitled to the Advance Distribution (as defined in Section 2.10 of this Announcement) and any distributable income, rights, benefits, entitlements and/or any other distributions that may be declared, made or paid, the entitlement date of which is prior to the date of issuance and allotment of the Placement Units.

## 2.8 Listing and quotation of the Placement Units

An additional listing application ("**ALA**") will be made to Bursa Securities for the listing of and quotation for the Placement Units on the Main Market of Bursa Securities.

## 2.9 Placement arrangement

The Proposed Placement will not be implemented in stages. The Placement Units are intended to be placed out in a single placement to investors to be identified later, where such investors shall fall under Schedules 6 and 7 of the Capital Markets and Services Act 2007.

The Placement Units are not intended to be placed to any directors, major shareholders or chief executive officer of the Manager, Major Unitholders and/or persons connected with them save for the Sponsors pursuant to the Proposed Allotment to Sponsors, EPF pursuant to the Proposed Allotment to EPF, KWAP pursuant to the Proposed Allotment to KWAP and ASB pursuant to the Proposed Allotment to ASB (should ASB become a Major Unitholder).

The Placement Units may be offered to local and foreign institutional investors. However, the Proposed Placement has not been, and will not be, registered under the US Securities Act of 1933, as amended (the “**Securities Act**”) or the securities law of any state of the United States (“**U.S.**”). The Placement Units will not be offered for sale in the U.S. or any other jurisdiction where it is unlawful to do so. The Placement Units may be offered and sold outside of the U.S. in reliance on Regulation S under the Securities Act.

The Proposed Placement is expected to be completed within 6 months from the date of approval of the ALA by Bursa Securities or any extended period as may be approved by Bursa Securities. This will provide the Manager with the flexibility to time the equity fundraising based on optimal market conditions.

## 2.10 Advance Distribution

The Manager may distribute the distributable income of CLMT at the quantum and intervals to be determined in its absolute discretion subject to the provisions under the Deed. The Board intends to declare an advance distribution of CLMT's distributable income (“**Advance Distribution**”) for the period from the day immediately after the relevant semi-annual distribution up to such date to be determined by the Board which is before the date on which the Placement Units will be allotted to the identified investors under the Proposed Placement (“**Advance Distribution Period**”).

The Advance Distribution is being proposed as a means to ensure fairness to existing Unitholders and is intended to be implemented to ensure that the distributable income accrued during the Advance Distribution Period is only distributed to the existing Unitholders. As a result, the holders of the Placement Units will not be entitled to the Advance Distribution and hence, the entitlement date for the Advance Distribution will be before the date of allotment of the Placement Units.

The next distribution after the Advance Distribution will comprise CLMT's distributable income for the period from the day immediately after the Advance Distribution Period until the end of the relevant semi-annual period determined by the Board. Semi-annual distributions will resume thereafter.

### 3. RATIONALE FOR THE PROPOSED PLACEMENT

CLMT completed the acquisition of Valdor Logistics Hub in Penang in December 2022 for RM80.0 million and Glenmarie Distribution Centre in Selangor in August 2023 for RM39.7 million, via bank borrowings. Additionally, CLMT expects to complete the acquisition of 3 freehold industrial properties located in Nusajaya Tech Park in Iskandar Puteri, Johor for RM27.0 million, the modern automated logistics property in Sungai Buloh, Selangor for RM180.0 million and 3 freehold industrial properties in Senai Airport City, Johor for RM72.0 million by the second half of 2025. After due consideration of the various funding options available for the funding of the projects and also future acquisitions, the Board is of the view that the Proposed Placement is the most appropriate avenue for fund-raising for the following reasons:

- (i) To date, CLMT has accumulated nearly RM400.0 million in completed and announced acquisitions of industrial and logistics assets, which were primarily funded through debt in the absence of this equity fund raising exercise. The Proposed Placement is aligned with the Manager's prudent capital management strategy to optimise CLMT's financing ratio, providing financial headroom for future acquisitions while maintaining balance sheet flexibility.
- (ii) The Proposed Placement will enable CLMT to raise funds expeditiously to partly repay its existing bank borrowings, of which a portion were undertaken to finance its acquisitions of industrial and logistics properties in 2022 and 2023 and to fund the acquisition costs of its announced proposed acquisitions which are pending completion, with the intention to lower CLMT's gearing level.
- (iii) Industrial and logistics assets are generally smaller in valuation compared to other asset classes, making it less cost-effective to raise equity to finance each individual transaction. The Manager believes that every acquisition should be structured using a combination of equity and debt to ensure an optimal capital structure while supporting sustainable long-term portfolio growth.
- (iv) The size of the Proposed Placement, amounting to up to 14.9% of the total number of Units issued as at the LPD, was determined after considering CLMT's financial headroom post-placement.
- (v) The Proposed Placement will involve the issuance of new Units, which will increase the number of Units in circulation and enhance trading liquidity.

The Proposed Allotment to Sponsors is for the Sponsors to demonstrate their commitment in supporting the Proposed Placement and aligning their interest in CLMT. On this basis, the Board wishes to provide the Sponsors with the opportunity to participate in the Proposed Placement, subject to compliance with Paragraph 6.06(1) of the Listing Requirements.

EPF, KWAP and ASB are key investors in CLMT and they are generally significant investors in the Malaysian equity markets. As such, the Board wishes to provide EPF, KWAP and ASB with the opportunity to participate in the Proposed Placement, subject to compliance with Paragraph 6.06(1) of the Listing Requirements.

Against this background, the Board believes that the Proposed Placement is the most effective approach, offering cost efficiency, access to a broader investor base, and a streamlined implementation process. Furthermore, it enhances CLMT's balance sheet flexibility, enabling it to navigate prevailing market conditions and act swiftly when acquisition opportunities arise.

#### **4. EQUITY FUND RAISING EXERCISES UNDERTAKEN IN THE PAST 12 MONTHS**

CLMT has not undertaken any equity fund raising exercises in the past 12 months prior to this Announcement.

#### **5. INDUSTRY OVERVIEW AND PROSPECTS**

##### **5.1 Overview and outlook of the Malaysian economy**

The Malaysian economy expanded by 4.4% in the first quarter of 2025 (4Q 2024: 4.9%), driven by the steady expansion in domestic demand. Household spending was sustained amid positive labour market conditions and income-related policy measures, including the upward revision of minimum wage and civil servant salary. The steady expansion in investment activities was supported by realisation of new and existing projects. In the external sector, export growth was slower due mainly to lower mining exports. This was partially offset by stronger electrical and electronics (E&E) exports and tourism activity. At the same time, imports growth, although more moderate, continued to be driven by strong demand for capital goods, reflecting continued investment and trade activities.

On the supply side, growth was driven by the services and manufacturing sectors. Services sector was supported by higher Government services while strong E&E production underpinned the performance in the manufacturing sector. However, normalisation in motor vehicle sales and production following strong performances over the last three years affected the growth of services and manufacturing sectors respectively. Overall growth was also weighed down by a contraction in the mining sector amid lower oil and gas production. On a quarter-on-quarter, seasonally-adjusted basis, growth expanded by 0.7% (4Q 2024: -0.2%).

Headline inflation moderated to 1.5% in the first quarter (4Q 2024: 1.8%). The moderation was largely due to lower utilities inflation at 3.0% (4Q 2024: 18.1%). This followed the dissipation of the effects of earlier water tariff adjustments and higher electricity charges for high-usage households in 1Q 2024. Inflation in mobile communication services continued to decline, averaging at -13.5% (4Q 2024: -10%). Core inflation, however, edged higher to 1.9% (4Q 2024: 1.7%). It was driven mainly by rental inflation, which rose to 2.1% (4Q 2024: 1.7%). Inflation pervasiveness, measured by the share of Consumer Price Index (CPI) items recording monthly price increases, experienced an uptick amid seasonal menu price adjustments. Nonetheless, it remained well below the long-term average for the first quarter (43.3%; 4Q 2024: 39.8%; 1Q 2011-2019: 52.2%).

In the first quarter of 2025, the ringgit remained broadly stable. The nominal effective exchange rate (NEER) against the currencies of Malaysia's major trade partners increased marginally by 0.01%. The ringgit also appreciated by 0.8% against the US dollar. This movement was primarily driven by the weakening of the US dollar as growing uncertainties over US trade policy resulted in increased expectations of more subdued US economic growth.

External factors are expected to continue influencing the ringgit exchange rate. Notwithstanding, Malaysia's positive macroeconomic prospects supported by the ongoing implementation of structural reforms will provide medium-term support for the ringgit. Bank Negara Malaysia remains committed to ensuring the orderly functioning of the domestic foreign exchange market.

Credit to the private non-financial sector grew by 5.5% in the first quarter of 2025 (4Q 2024: 5.2%) amid sustained growth in outstanding loans and higher growth in outstanding corporate bonds. Outstanding business loans expanded by 4.8% (4Q 2024: 5.1%), with higher growth in working capital loans. Additionally, demand for financing remained forthcoming, especially among SMEs, with sustained levels of applications across loan purposes. Household loans grew by 6.0% (4Q 2024: 5.9%) amid broadly steady loan growth across most loan purposes.

The rapidly-evolving developments surrounding trade tariffs are expected to affect the global outlook for the rest of the year. According to the Governor of Bank Negara Malaysia, as a small and open economy, Malaysia will inevitably face both direct and indirect impact from these tariffs. Growth of the Malaysian economy is expected to be slightly lower than the earlier forecast of 4.5% - 5.5% in 2025. The high uncertainty surrounding outcomes of trade negotiations and how these will reshape global trade complicates a clear assessment of their impact on growth at this juncture. The new official growth forecast will be released in the near future once there is a greater visibility in these factors.

Notwithstanding the external risks, growth will continue to be anchored primarily by resilient domestic demand. This provides a strong buffer against external headwinds. Household spending is expected to continue expanding, supported by continued wage and employment growth, particularly within domestic-oriented sectors as well as income-related policy measures. Investment activities will be driven by the continued implementation of multi-year projects across private and public sectors, further realisation of approved investments with a larger share by domestic players and the implementation of catalytic initiatives under the national master plans. Additionally, the continued demand for E&E goods, alongside higher tourist receipts will also provide cushion to growth.

In 2025, headline inflation is projected to remain within a moderate range of 2.0 - 3.5%, driven by further moderating global costs and absence of excessive demand. Similar to the economic outlook, any changes to the forecast will be released once there is greater visibility on the external developments. Global commodity prices are expected to be lower, contributing to further downward pressure. The recently introduced wage-related policies will support demand, although the impact on inflation is expected to be limited. In this environment, the overall impact from domestic policy measures is expected to be contained.

*(Source: Economic and Financial Developments in Malaysia in the First Quarter of 2025, Bank Negara Malaysia)*

## **5.2 Overview and prospects of the property sector in Malaysia**

In 2024, Malaysia recorded the highest volume and value of property transactions property transactions in a decade, reaching 420,545 transactions worth RM232.30 billion, recording an increase of 5.4% in volume and 18.0% in value compared to 2023.

Growth was fuelled by robust market activities across all sub-sectors, supported by Malaysia's strong economic performance and the continuous government efforts including the full implementation of the New Industrial Master Plan 2030 (NIMP 2030), the National Energy Transition Roadmap and the Twelfth Malaysia Plan. Nearly all states recorded strong transaction volumes.

Overall, the 2024 property market growth is strongly supported by government initiatives under the MADANI Economy Framework, which drove economic expansion and stimulated nationwide property activity. The initiatives outlined under Budget 2023 and 2024 have served as key catalysts for sustainable market growth.

*(Source: Property Market Report 2024, Valuation and Property Services Department, Ministry of Finance Malaysia)*

According to Knight Frank Malaysia Market Research Report 2<sup>nd</sup> Half 2024, Malaysia's industrial sector has experienced significant growth, underpinned by increasing global demand for manufactured goods, government initiatives promoting industrialisation and the establishment of new industrial parks. This positive trajectory is expected to continue, driven by ongoing investments, technological advancements and a growing emphasis on sustainability, even as the sector navigates a complex global landscape.



## **Klang Valley**

Investor confidence in the Klang Valley remains strong, driven by substantial foreign and domestic investments across high-growth sectors such as green technology, transport and logistics. Nationwide, numerous joint ventures and partnerships are underway, with Selangor emerging as a key player. The state is positioning itself as a leader in semiconductor and advanced manufacturing industries, reflecting its alignment with broader economic and technological trends.

The Klang Valley industrial property market has demonstrated robust performance, characterised by steady growth in transaction volumes and values. This growth is fuelled by businesses prioritising quality infrastructure in strategic locations, which has supported rising transaction values and market stability. However, the emergence of new, large-scale industrial townships is expected to heighten competition in the market. As these projects reach completion, they may exert downward pressure on prices and rental rates in the short term.

Overall, the Klang Valley's industrial real estate market is well-positioned to capitalise on growing demand for logistics, smart technologies and sustainable solutions. Supported by relatively stable asking prices and rental rates, the market reflects strong underlying demand and resilience. While the outlook for the industrial sector is promising, it is crucial to address potential challenges such as global economic uncertainty and geopolitical risks. Effectively navigating these obstacles will enable the market to seize emerging opportunities and sustain long term growth.

## **Johor**

Johor is undergoing a transformative evolution, positioning itself as a hub for sustainable and high-tech industries. With a strong focus on ESG principles and alignment with Malaysia's national energy transition goals, the state is fostering innovative industrial ecosystems powered by renewable energy and cutting-edge technologies.

Strategic locations such as Kulai are emerging as investment hotspots, driven by their focus on high-value industries, including logistics, clean technology and advanced manufacturing. Infrastructure expansions, such as port enhancements and the development of advanced industrial parks, are further solidifying Johor's position as a regional trade and investment hub.

The state's ability to attract significant foreign direct investments and establish an independent data centre ecosystem underscores its growing appeal to global players. These developments highlight Johor's readiness to lead Southeast Asia in sustainable industrial innovation.

Looking ahead, Johor's industrial property market is poised for sustained growth, bolstered by its commitment to sustainability, the development of high-tech ecosystems and strategic infrastructure projects. However, challenges such as high water and energy consumption present opportunities for collaboration between the government and private sector. Addressing these issues could involve incentives for businesses adopting sustainable practices and encouraging the use of alternative water sources to ease local resource strain.

With its emphasis on green initiatives, innovative industrial parks and favourable market dynamics, Johor is well positioned to attract investors and businesses. This strategic focus will further reinforce its role as a leading industrial hub in Malaysia and Southeast Asia.

### 5.3 Prospects of CLMT

#### **Portfolio Overview**

CLMT's diverse portfolio comprises 6 retail properties and 2 logistics assets with a total net lettable area of 4.3 million square feet. Its retail properties are strategically positioned across 3 key urban centers:

- (i) **Penang:** Gurney Plaza and a significant interest in Queensbay Mall
- (ii) **Klang Valley:** A majority interest in Sungei Wang Plaza (Kuala Lumpur), 3 Damansara (Petaling Jaya), and The Mines (Seri Kembangan)
- (iii) **Kuantan (Pahang):** East Coast Mall

CLMT's logistics assets include Valdor Logistics Hub in one of Penang's key industrial hubs and Glenmarie Distribution Centre, located within the Hicom-Glenmarie Industrial Park in Shah Alam, Selangor.

#### **Portfolio Diversification**

- (i) **February 2024:** CLMT entered the industrial asset class with the acquisition of three prime freehold industrial facilities in Nusajaya Tech Park, Iskandar Puteri, Johor, for RM27.0 million.
- (ii) **December 2024:** CLMT expanded its logistics portfolio with the acquisition of a modern freehold automated logistics property in Elmina Business Park for RM180.0 million.
- (iii) **February 2025:** CLMT expanded its industrial portfolio in Johor with the acquisition of three industrial facilities in Senai Airport City for RM72.0 million.

These acquisitions reinforce the Manager's commitment to CLMT's long-term sustainable growth strategy, fostering a sector-diversified portfolio to enhance income resiliency for Unitholders. Post-completion of these transactions, CLMT's enlarged portfolio will comprise 15 properties, with the proportion of industrial and logistics properties increasing from 10.0% as at the LPD to 18.0% of the total portfolio's net lettable area, amounting to approximately 4.7 million square feet. Its industrial and logistics assets under management will increase from 2.8% as at the LPD to 7.9%.

#### **Portfolio Optimization**

In FYE 31 December 2024, CLMT recorded net property income of RM263.9 million, marking its strongest financial year since its initial public offering in 2010. As of 31 December 2024:

- (i) Retail property occupancy remained stable at 92.0%
- (ii) Logistics assets were fully occupied
- (iii) An average rental reversion of 11.3% was achieved

The Manager continuously evaluates CLMT's portfolio to unlock value and optimize asset utilisation through asset enhancement initiatives. Notably, following the completion of a retrofitting exercise, the newly transformed Glenmarie Distribution Centre in Selangor which is now an ambient, temperature-controlled distribution hub for a European luxury fashion tenant has begun contributing income to CLMT in January 2025.

The Manager remains proactive in refreshing and enhancing retail tenant and trade mix for the retail assets to align with evolving shopper preferences, while intensifying marketing efforts to boost footfall through vibrant events and activations.

## **Capital Management**

The Manager's aims to continue to preserve value through prudent capital management and rigorous monitoring of the cash position and borrowings of CLMT and its group of companies to strengthen its capital structure and competitive position. This disciplined approach to capital management has led to lower interest costs through refixing and early refixing of its existing loans as well as early refinancing of its loans when opportunity to do so arises.

The reduced gearing ratio of CLMT as a result of the partial repayment of its bank borrowings through the use of the net proceeds from the Proposed Placement will provide CLMT with greater financial headroom to continue pursuing acquisitions of new properties. This is in line with CLMT's investment objective of providing Unitholders with sustainable income growth through regular and steady distributions, and creating new value through proactive asset management and yield-accretive acquisitions, while maintaining an appropriate capital structure.

## **6. EFFECTS OF THE PROPOSED PLACEMENT**

### **6.1 Unitholders' capital**

The pro forma effect of the Proposed Placement on the Unitholders' capital of CLMT is as follows:

	<b>No. of Units</b>	<b>RM'000</b>
	<b>'000</b>	
As at the LPD	2,921,439	2,636,183
Issuance of Placement Units pursuant to the Proposed Placement	435,400	(1)246,023
<b>Enlarged Unitholders' capital</b>	<b>3,356,839</b>	<b>2,882,206</b>

**Note:**

- (1) Assuming a maximum of 435,400,000 Placement Units, representing up to approximately 14.9% of the total number of Units issued as at the LPD, are issued at an issue price of RM0.5741 per Unit (representing a discount of approximately 10.0% to the VWAMP of the Units for the 5 market days up to and including the LPD of RM0.6379) and after netting off the estimated expenses relating to the Proposed Placement of approximately RM3.9 million.

### **6.2 Distributable income, distributable income per Unit and earnings per Unit**

The Proposed Placement is not expected to have any material effect on CLMT's distributable income policy as determined by the Board. The decision to declare and pay distributable income in the future would depend on the financial performance and cash flow position of CLMT and prevailing economic conditions.

From an earnings per Unit perspective, any issuance of the Placement Units will be dilutive, the quantum of which would depend on the number of Placement Units to be issued.

However, the effect of the Proposed Placement on the earnings of CLMT will depend on the contribution from CLMT's existing real estate properties and properties to be acquired in the future and the finance cost saving arising from the partial repayment of CLMT's existing bank borrowings as highlighted in the proposed use of proceeds detailed in Section 2.6 of this Announcement.

### 6.3 Substantial Unitholders' unitholding

The effect of the Proposed Placement on the substantial Unitholders' unitholding cannot be determined at this juncture as it will depend on the participation of the substantial Unitholders in the Proposed Placement which may increase their unitholdings if they are successful in the bookbuilding exercise.

Assuming the substantial Unitholders do not participate in the Proposed Placement, the pro forma effect of the Proposed Placement on the unitholding of the substantial Unitholders is as follows:

Name	As at the LPD				After the Proposed Placement			
	Direct		Indirect		Direct		Indirect	
	No. of Units ('000)	% <sup>(1)</sup>	No. of Units ('000)	% <sup>(1)</sup>	No. of Units ('000)	% <sup>(2)</sup>	No. of Units ('000)	% <sup>(2)</sup>
CIL	1,031,684	35.3	-	-	1,031,684	30.7	-	-
CLR	-	-	<sup>(4)</sup> 1,168,644	40.0	-	-	<sup>(4)</sup> 1,168,644	34.8
CMA	-	-	<sup>(5)</sup> 1,168,644	40.0	-	-	<sup>(5)</sup> 1,168,644	34.8
CLI <sup>(3)</sup>	-	-	<sup>(6)</sup> 1,182,359	40.5	-	-	<sup>(6)</sup> 1,182,359	35.2
EPF	449,718	15.4	-	-	449,718	13.4	-	-
KWAP	233,969	8.0	58,316	<sup>(7)</sup> 2.0	233,969	7.0	58,316	<sup>(7)</sup> 1.7
ASB <sup>(8)</sup>	236,467	8.1	-	-	236,467	7.0	-	-

#### Notes:

- (1) Computed based on the total Units-in-issue as at the LPD of 2,921,439,483 Units.
- (2) Computed based on the assumption that a total of 435,400,000 Placement Units shall be issued and allotted pursuant to the Proposed Placement resulting in the total of 3,356,839,483 Units-in-issue.
- (3) CapitaLand Investment Limited ("**CLI**") is listed on the Mainboard of the Stock Exchange of Singapore, Singapore Exchange Securities Trading Limited (SGX-ST). Based on CLI's 2024 Annual Report, as at 14 March 2025, CLI's substantial shareholder is CapitaLand Group Pte. Ltd., an indirect wholly-owned subsidiary of Temasek Holdings (Private) Limited ("**Temasek**"). Temasek's sole shareholder is the Singapore Minister for Finance under the Singapore Minister for Finance (Incorporation) Act 1959. The Singapore Minister for Finance is a body corporate.
- (4) CapitaLand Retail (MY) Pte Ltd ("**CLR**") is deemed interested by virtue of its interest in CIL, MIL and CapitaLand Retail Malaysia Sdn Bhd by applying Section 8 of the Companies Act 2016 (the "**Act**").
- (5) Deemed interested by virtue of its interest in CLR by applying Section 8 of the Act.
- (6) Deemed interested by virtue of its direct and indirect (via CapitaLand Business Services Pte. Ltd.) interests in CMA and direct interest in CLI Asset Management Pte Ltd, the sole shareholder of the Manager by applying Section 8 of the Act.
- (7) Deemed interested by virtue of interests held by various fund managers of KWAP.
- (8) ASB is a unit trust fund approved by the SC and managed by ASNB which in turn is wholly-owned by PNB.

As disclosed in Section 2.2 and Section 2.3 of this Announcement, the Manager will seek the approval of the non-interested Unitholders at the Unitholders' Meeting for the Proposed Allotment to Sponsors, the Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB as they may participate in the bookbuilding exercise.

The table below presents for illustrative purposes only, the unitholdings of each of the substantial Unitholders assuming the Sponsors, EPF, KWAP and ASB, each subscribes for the maximum number of Units permitted under the Proposed Placement. For the avoidance of doubt, the respective subscriptions illustrated below are intended to be mutually exclusive:

Name	After the Proposed Placement			
	Direct		Indirect	
	No. of Units (‘000)	% <sup>(1)</sup>	No. of Units (‘000)	% <sup>(1)</sup>
<b>(i) Proposed Allotment to Sponsors</b>				
• CIL	1,205,884	35.9	-	-
• CLR	-	-	1,342,844	40.0
• CMA	-	-	1,342,844	40.0
• CLI	-	-	1,356,559	40.4
<b>(ii) Proposed Allotment to EPF</b>				
• EPF	741,862	22.1	-	-
<b>(iii) Proposed Allotment to KWAP</b>				
• KWAP	526,113	15.7	58,316	1.7
<b>(iv) Proposed Allotment to ASB</b>				
• ASB	528,611	15.7	-	-

**Note:**

(1) Computed based on the assumption that a total of 435,400,000 Placement Units shall be issued and allotted pursuant to the Proposed Placement resulting in the total of 3,356,839,483 Units-in-issue.

#### 6.4 Net asset value (“NAV”) per Unit and gearing

For illustrative purposes only, based on the audited statement of financial position of CLMT as at 31 December 2024 and on the assumption that certain announced proposed acquisitions have taken place and the Proposed Placement had been completed on that date, the pro forma effect of the Proposed Placement on the NAV per Unit and financing ratio of CLMT are as follows:

	Audited as at 31 December 2024	<sup>(1)</sup> After completion of announced proposed acquisitions	After the Proposed Placement
	RM'000	RM'000	RM'000
Unitholders' capital	2,610,849	2,610,849	<sup>(2)</sup> 2,856,872
Undistributed profits	272,007	<sup>(4)</sup> 272,007	272,007
<b>Total Unitholders' fund / NAV</b>	<b>2,882,856</b>	<b>2,882,856</b>	<b>3,128,879</b>

	Audited as at 31 December 2024	<sup>(1)</sup> After completion of announced proposed acquisitions	After the Proposed Placement
	RM'000	RM'000	RM'000
Number of Units in circulation ('000)	2,879,966	2,879,966	<sup>(2)</sup> 3,315,366
NAV per Unit (RM)	<sup>(3)</sup> 1.0010	1.0010	0.9438
Total borrowings	2,176,145	<sup>(4)</sup> 2,438,893	<sup>(5)</sup> 2,192,870
Total assets value	5,267,982	<sup>(6)</sup> 5,530,730	5,530,730
Gearing (%) <sup>(7)</sup>	41.3	44.1	39.6

**Notes:**

- (1) Taking into account the following proposed acquisitions which have been announced and are expected to be completed by the second half of 2025, and where the completion is assumed to be fully debt funded:
- (i) On 5 February 2024, MTrustee Berhad (the "**Trustee**"), had on behalf of CLMT, entered into a conditional sale and purchase agreement for the proposed acquisition of 3 freehold ready built factories in Nusajaya Tech Park, Iskandar Puteri, Johor from Nusajaya Tech Park Sdn. Bhd. for a purchase consideration of RM27.0 million and other acquisition costs of RM0.7 million;
- (ii) On 2 December 2024, the Trustee, had on behalf of CLMT, entered into a conditional sale and purchase agreement for the proposed acquisition of an automated logistics property located in Elmina Business Park, Selangor from PTT Logistics Hub 1 Sdn. Bhd. for a purchase consideration of RM180.0 million and other acquisition costs of RM2.2 million; and
- (iii) On 5 February 2025, the Trustee, had on behalf of CLMT, entered into a conditional sale and purchase agreement for the proposed acquisition of 3 units of single-storey detached factories annexed with double-storey office building together with ancillary buildings located in Senai Airport City, Senai, Johor from Rainbow Entity Sdn Bhd for a purchase consideration of RM72.0 million and other acquisition costs of RM1.5 million.
- (2) Assuming a maximum of 435,400,000 Placement Units, representing up to approximately 14.9% of the total number of Units issued as at the LPD, are issued at an issue price of RM0.5741 per Unit (representing a discount of approximately 10.0% discount to the VWAMP of the Units for the 5 market days up to and including the LPD of RM0.6379) and after netting off the estimated expenses to the Proposed Placement of approximately RM3.9 million.
- (3) Before accounting for the final income distribution of 2.29 sen per Unit which was declared and announced on 22 January 2025.
- (4) Excluding unamortised transaction costs.
- (5) Assuming the entire Net Proceeds are used for the partial repayment of CLMT's existing bank borrowings.
- (6) After incorporating the impact of the total assets based on the total purchase price in the sale and purchase agreements for the three announced proposed acquisitions amounting to RM279.0 million less earnest deposits of RM20.7 million which had been paid and reflected in the total asset value as at 31 December 2024, and other acquisition costs of RM4.5 million.
- (7) Computed based on total borrowings over total assets value.

## 6.5 Convertible securities

As at the LPD, CLMT does not have any convertible securities in issue and the Proposed Placement will not result in the creation of any convertible securities.

## 7. APPROVALS REQUIRED

The Proposed Placement is subject to the following approvals being obtained:

- (i) the approval of the Trustee;
- (ii) Bursa Securities for the listing and quotation of up to 435,400,000 Placement Units on the Main Market of Bursa Securities; and
- (iii) any other relevant authorities and/or parties, if required.

The Proposed Allotment to Sponsors, the Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB will be subject to the approval of the non-interested Unitholders at the Unitholders' meeting to be convened and any other relevant authorities and/or parties, if required.

In the event the Proposed Placement (including the Proposed Allotment to Sponsors, the Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB) is not completed before the Authority lapses, the Proposed Placement (including the Proposed Allotment to Sponsors, the Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB) will be conditional upon the Authority being renewed by a resolution passed by the Unitholders at the AGM of CLMT in 2026.

The Proposed Allotment to Sponsors, the Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB is conditional upon the implementation of the Proposed Placement. The Proposed Placement is not conditional upon the Proposed Allotment to Sponsors, the Proposed Allotment to EPF, the Proposed Allotment to KWAP, nor the Proposed Allotment to ASB. The Proposed Allotment to Sponsors, the Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB are not inter-conditional upon each other.

## 8. INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDER OF THE MANAGER, MAJOR UNITHOLDERS AND/OR PERSONS CONNECTED WITH THEM

Save for the following, none of the directors, major shareholders of the Manager, Major Unitholders and/or persons connected with them have any interest, direct or indirect, in the Proposed Placement.

### 8.1 Interested Directors of the Manager

As at the LPD, Mr Lim Cho Pin Andrew Geoffrey, Ms Goh Gek Hiang (Wu Yuxian), Ms Wong Kar Ling and Ms Yong Su-Lin (who is also the Chief Executive Director of the Manager) ("**Interested Directors**") are nominee directors of CLI on the Board. In view of such interests and the interests described in Section 8.2 below, the Interested Directors are deemed interested in the Proposed Allotment to Sponsors.

As at the LPD, save for Mr Lim Cho Pin Andrew Geoffrey who directly holds 55,325 Units representing approximately 0.002% unitholdings in CLMT, none of the Interested Directors have any unitholdings in CLMT.

Based on the above, the Interested Directors have abstained and will abstain from deliberating and voting on the resolution relating to the Proposed Allotment to Sponsors at the respective Board meeting(s). Since the Sponsors are deemed interested in the outcome of the Proposed Placement by virtue of their possible participation in the Proposed Placement, the Interested Directors have also abstained and will abstain from deliberating and voting on the resolution relating to the Proposed Placement.

The Interested Directors will also abstain from voting on the resolution relating to the Proposed Allotment to Sponsors in respect of their direct/indirect unitholdings in CLMT, at the forthcoming Unitholders' meeting. They have also undertaken to ensure that persons connected with them will also abstain from voting on the resolution for the Proposed Allotment to Sponsors, in respect of their direct/indirect unitholdings in CLMT, at the forthcoming Unitholders' meeting.

## **8.2 Proposed Allotment to Sponsors**

CIL who is a Major Unitholder holding directly 1,031,684,048 Units representing 35.3% unitholdings in CLMT as at the LPD, is deemed interested in the Proposed Allotment to Sponsors.

Pursuant to Paragraph 6.06(2) of the Listing Requirements, CIL and persons connected with it (including MIL which directly holds 136,888,143 Units representing approximately 4.7% unitholdings in CLMT as at the LPD) will be required to abstain from voting on the resolution relating to the Proposed Allotment to Sponsors in respect of their direct/indirect unitholdings in CLMT, at the Unitholders' Meeting to be convened. They are also required to ensure that persons connected with them will also abstain from voting on the resolution for the Proposed Allotment to Sponsors, at the Unitholders' Meeting to be convened.

## **8.3 Proposed Allotment to EPF, KWAP and ASB**

As detailed in Section 2.3 of this Announcement, Placement Units may be allocated to EPF, KWAP and ASB under the bookbuilding exercise of the Proposed Placement. Accordingly, EPF, KWAP, ASB and/or persons connected with them are respectively deemed interested in the Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB.

Based on the above and pursuant to Paragraph 6.06(2) of the Listing Requirements, each of EPF, KWAP and ASB will be required to abstain from voting on the resolutions pertaining to themselves in relation to their respective proposed allotment of Units in respect of their direct/indirect unitholdings in CLMT, at the Unitholders' meeting to be convened. EPF, KWAP and ASB are also required to ensure that persons connected with them will also abstain from voting on the resolutions pertaining to their respective proposed allotment of Units, in respect of their direct and/or indirect unitholdings in CLMT, at the Unitholders' meeting to be convened.

## **8.4 The Manager**

As at the LPD, CLI indirectly holds 100% shareholding in the Manager and the Manager directly holds 13,714,332 Units or approximately 0.5% unitholdings in CLMT. Notwithstanding this, pursuant to Paragraph 13.26 of the Guidelines on Listed Real Estate Investment Trusts issued by the SC, the Manager will not vote on any of the Proposed Allotment to Sponsors, the Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB, with regards to its voting rights.

## **9. DIRECTORS' STATEMENT**

The Board, having considered all aspects of the Proposed Placement (including the Proposed Allotment to Sponsors, the Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB), including, but not limited to the rationale and effects of the Proposed Placement as set out in this Announcement, is of the opinion that the Proposed Placement (including the Proposed Allotment to Sponsors, Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB) is in the best interest of CLMT.

For the avoidance of doubt, the Interested Directors have abstained and will abstain from deliberating and voting on the resolutions relating to the Proposed Placement and the Proposed Allotment to Sponsors at the respective Board meeting(s).



**10. ADVISER**

The Manager has appointed CIMB Investment Bank Berhad as the principal adviser for the Proposed Placement.

**11. ESTIMATED TIMEFRAME**

The application to the relevant authorities in respect of the Proposed Placement (including the Proposed Allotment to Sponsors, the Proposed Allotment to EPF, the Proposed Allotment to KWAP and the Proposed Allotment to ASB) is expected to be made within 2 weeks from the date of this Announcement.

Barring any unforeseen circumstances and subject to all the necessary approvals being obtained, the Proposed Placement is expected to be completed by the third quarter of 2025.

**This Announcement is dated 3 June 2025.**