



# CAPITALAND MALAYSIA MALL TRUST

Capitaland Group Corporate Day, Bangkok

14 August 2019

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# Introduction



# CapitaLand Malaysia Mall Trust

**Strong Sponsor – CapitaLand, one of Asia’s largest diversified real estate groups**

**Malaysia’s shopping mall-focused REIT with an income and geographically-diversified portfolio**

- RM4.0 billion<sup>1</sup> in investment properties
- RM2.1 billion<sup>2</sup> in market capitalisation

**Access to Sponsor’s unique integrated retail and capital management platform**

1. Based on valuations for CMMT portfolio (as at 30 June 2019), commissioned by Mtrustee Berhad, trustee of CMMT.

2. As at 30 June 2019.

# Investment Strategies

1

Enhancing value through proactive asset management and asset enhancement initiatives

2

Actively pursuing acquisition opportunities

3

Leveraging CapitaLand's extensive retailer network

4

Optimising capital management

# Integrated Retail and Capital Management Platform



- 1 Pan-Asian retail mall management platform and delivery capabilities
- 2 Strategic partnerships and extensive international network of brand name retailers
- 3 Professional management to drive shopper traffic and retail sales
- 4 Professional design team to create attractive shopping ambiance
- 5 One of the few REITs in Asia to have an internalised lease and design management function

Ability to tap on Sponsor's strong retail network in Asia

# Portfolio Overview

5 quality shopping malls and 1 complementary office tower

Strategically located in 4 major cities with sizable population catchment

- ~1,200 leases<sup>1</sup>
- 2.9m sq ft NLA<sup>1</sup>

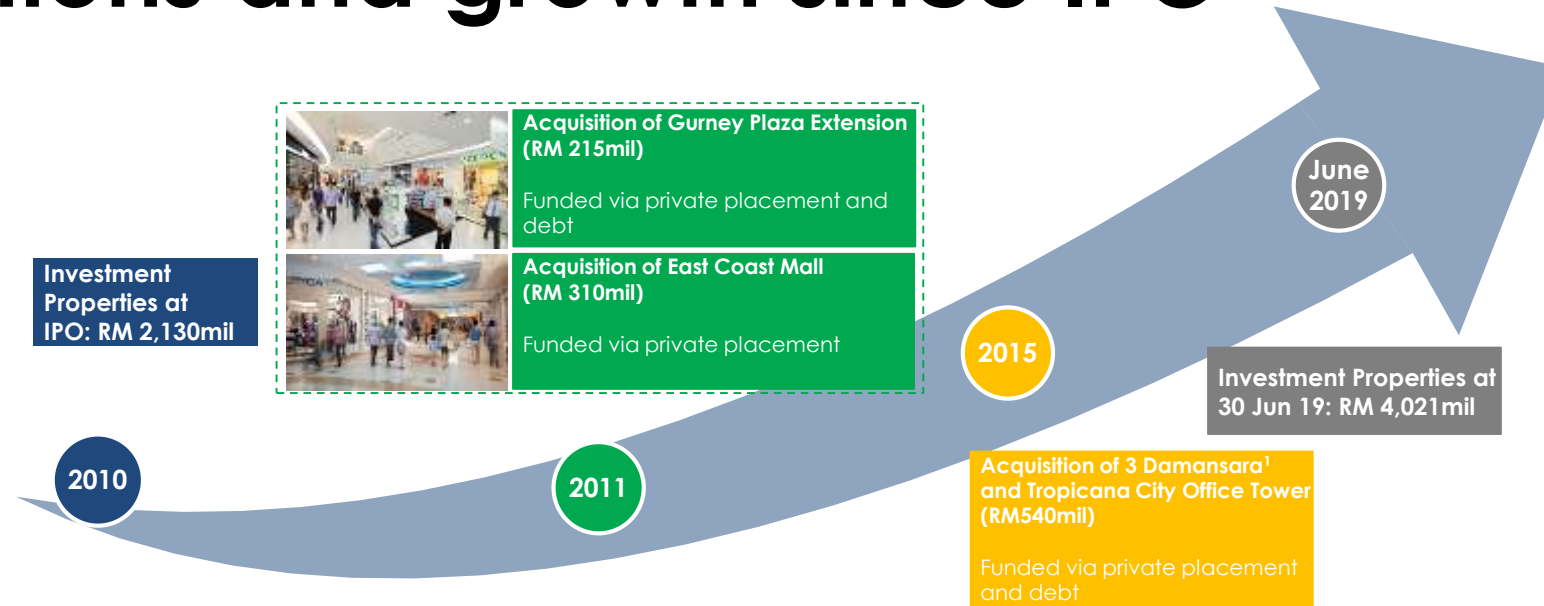
57.5m in shopper traffic<sup>2</sup>



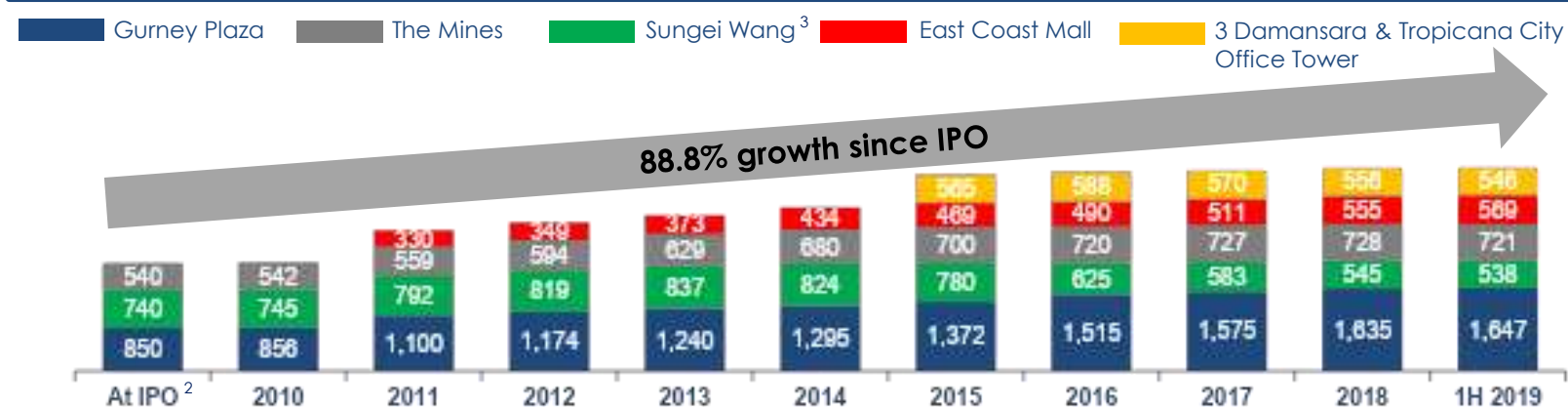
1. As at 30 June 2019.  
 2. Annual shopper traffic for 2018.  
 3. 3 Damansara Property comprises 3 Damansara and Tropicana City Office Tower.



# Acquisitions and growth since IPO

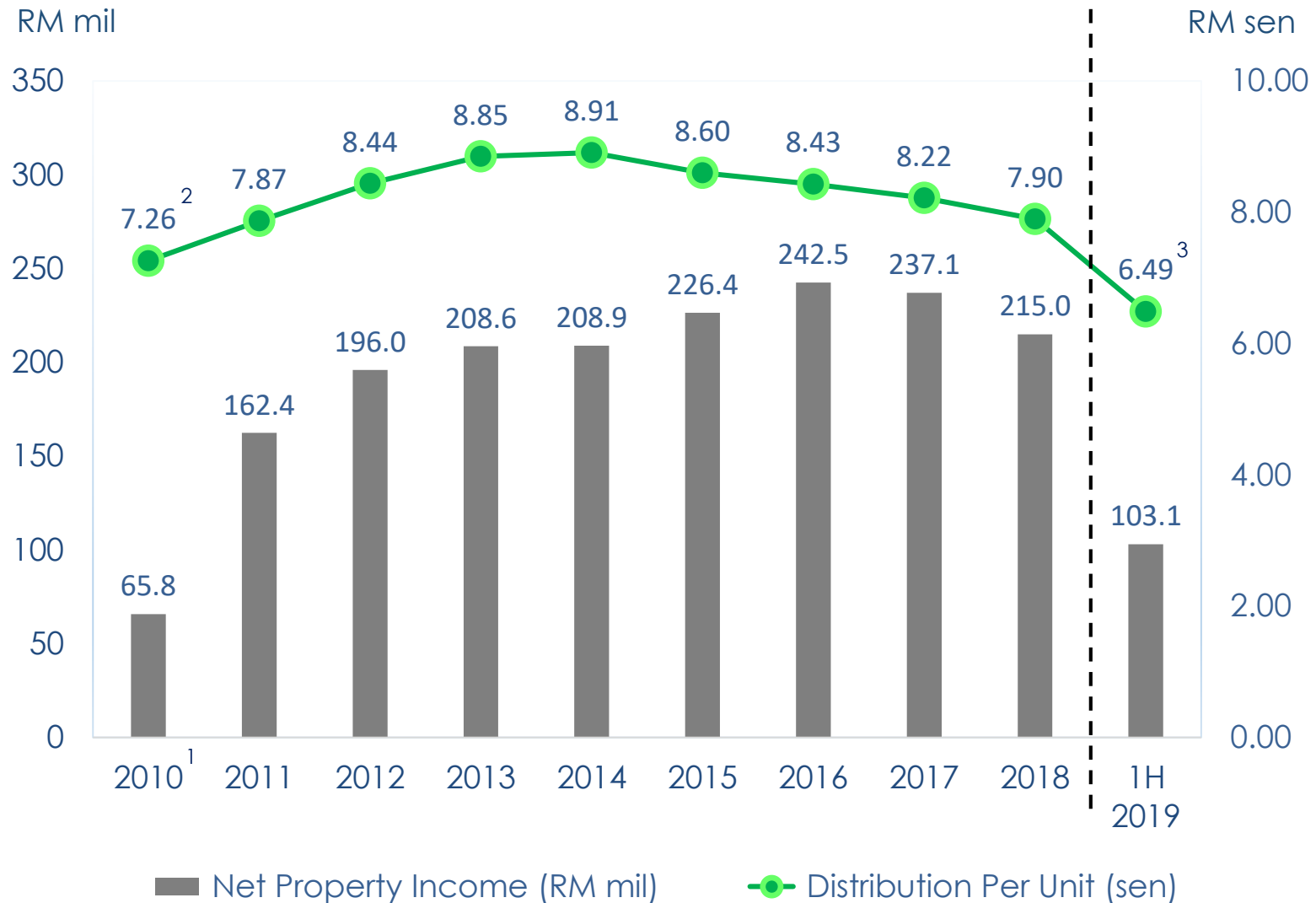


## Assets under Management (RM mil)



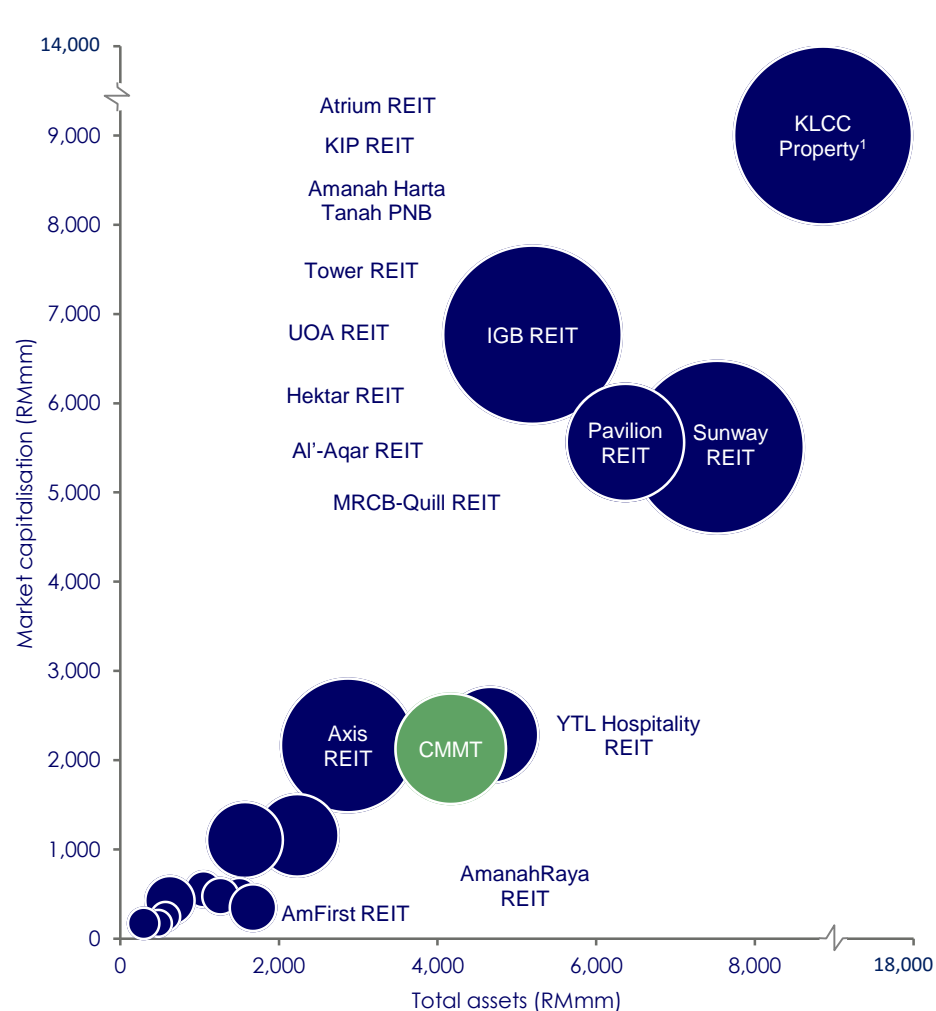
1. Formerly Tropicana City Mall.  
 2. Listed on the Main Market of Bursa Malaysia on 16 July 2010.  
 3. CMMT's interest in Sungei Wang comprises (i) 205 strata parcels within the mall which represents approximately 61.9% of the aggregate retail floor area of Sungei Wang, and (ii) 100.0% of the car park bays in Sungei Wang.

# CMMT's Track Record Since IPO



1. For the financial period from 14 July 2010 to 31 December 2010.  
 2. Based on annualised DPU for the financial period from 14 July 2010 to 31 December 2010.  
 3. Based on annualised DPU for 1H 2019.

# CMMT is the most income and geographically diversified retail REIT



Malaysian REITs	M.Cap (RMmm)	Total Assets (RMmm)	Free Float <sup>2</sup>		CY19E Yield <sup>3</sup> (%)
			(%)	(RMmm)	
<b>CMMT</b>	<b>2,126</b>	<b>4,131</b>	<b>63.2%</b>	<b>1,344</b>	<b>6.7%</b>
KLCC Property	14,027	17,888	24.5%	3,441	4.8%
IGB REIT	6,767	5,197	51.1%	3,456	4.8%
Pavilion REIT	5,561	6,368	27.3%	1,517	4.9%
Sunway REIT	5,507	7,525	59.1%	3,256	5.2%
YTL Hospitality REIT	2,284	4,663	45.0%	1,028	5.9%
Axis REIT	2,165	2,870	90.6%	1,962	5.2%
MRCB-Quill REIT	1,158	2,231	66.4%	768	7.2%
Al'-Aqar REIT	1,104	1,573	58.9%	650	4.9%
UOA REIT	554	1,049	28.4%	157	N/A
AmanahRaya REIT	482	1,501	32.0%	154	7.0%
Hektar REIT	476	1,264	34.2%	163	N/A
KIP REIT	424	625	66.8%	284	N/A
AmFirst REIT	347	1,672	73.3%	254	N/A
Tower REIT	247	568	44.0%	109	N/A
Amanah Harta Tanah PNB	172	479	53.9%	93	N/A
Atrium REIT	171	297	70.8%	121	N/A
<b>Average</b>	<b>2,563</b>	<b>3,524</b>	<b>52.3%</b>	<b>1,103</b>	<b>5.7%</b>
<b>Median</b>	<b>1,104</b>	<b>1,672</b>	<b>53.9%</b>	<b>650</b>	<b>5.2%</b>
<b>Total</b>	<b>43,572</b>				

Source: Company filings, Bloomberg and FactSet as of 28 Jun 2019.

Note: Size of bubble represents value of free float of each M-REIT.

1. KLCC Property is a stapled structure and has been adjusted within the bubble chart due to huge market cap and total asset figures.

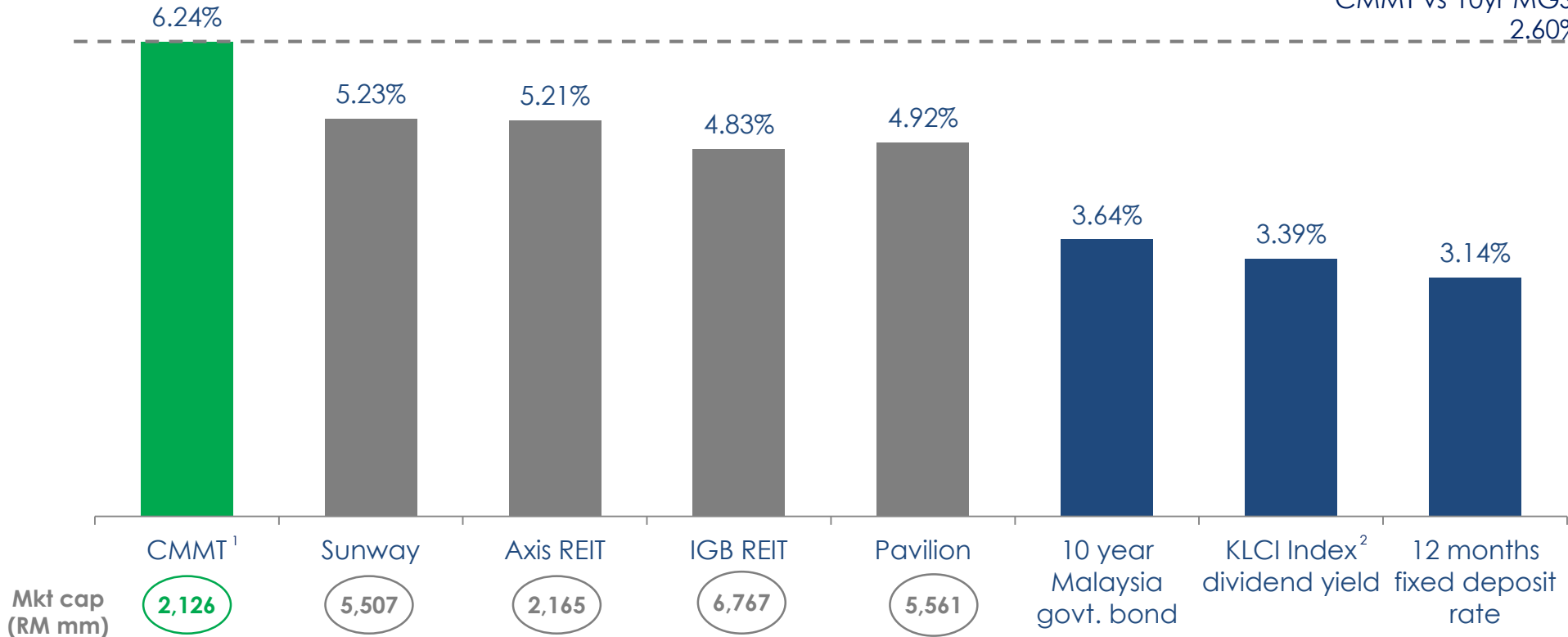
2. According to Bloomberg, excludes sponsor/vendor shares.

3. Calendarised DPU estimates from FactSet.

# Stable Performance in a Volatile Market

## Overview of Available Yield Instruments in Malaysia

Spread between  
CMMT vs 10yr MGS:  
2.60%



Source: Bloomberg, FactSet as at 28 Jun 2019.

Note: 1H 2019 distribution yield shown for CMMT and one year fwd yield shown for its retail M-REIT peers.

1. Based on annualised DPU of 6.49 sen for 1H 2019 and the unit closing price of RM1.04 on 28 Jun 2019.

2. KLCI Index refers to FTSE Bursa Malaysia Kuala Lumpur Composite Index.

# Tax Treatment – Extended till 2019

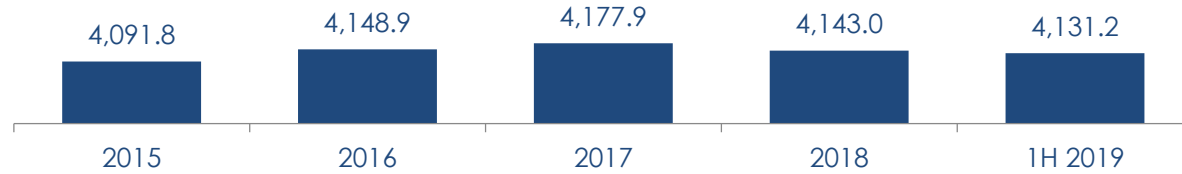
Type of Investor	Withholding Tax
<b>Resident</b>	
a) Corporate	Tax flow through, no withholding tax
b) Other than corporate	10%
<b>Non-resident</b>	
c) Corporate	24%
d) Institutional investors	10%
e) Individuals	10%

# Key Highlights

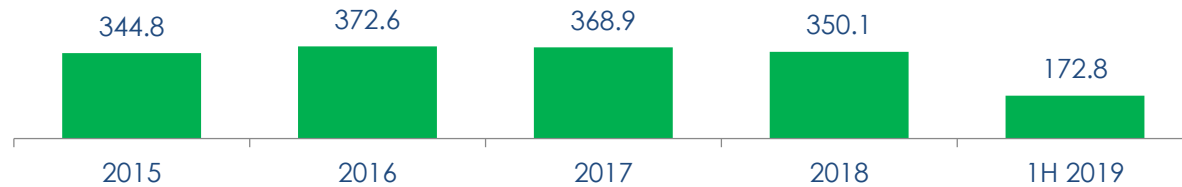


# Financial Highlights

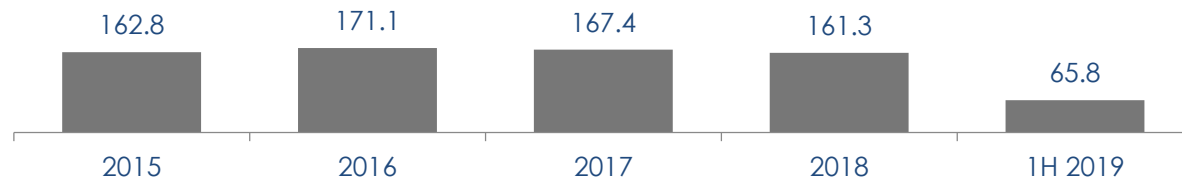
**Total Assets  
(RM mil)**



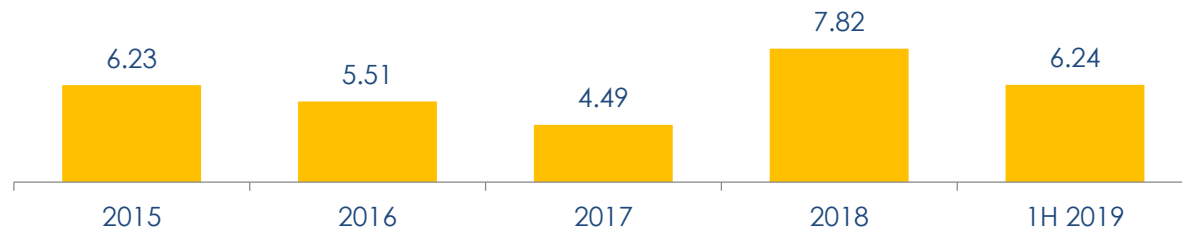
**Gross Revenue  
(RM mil)**



**Distributable Income  
(RM mil)**



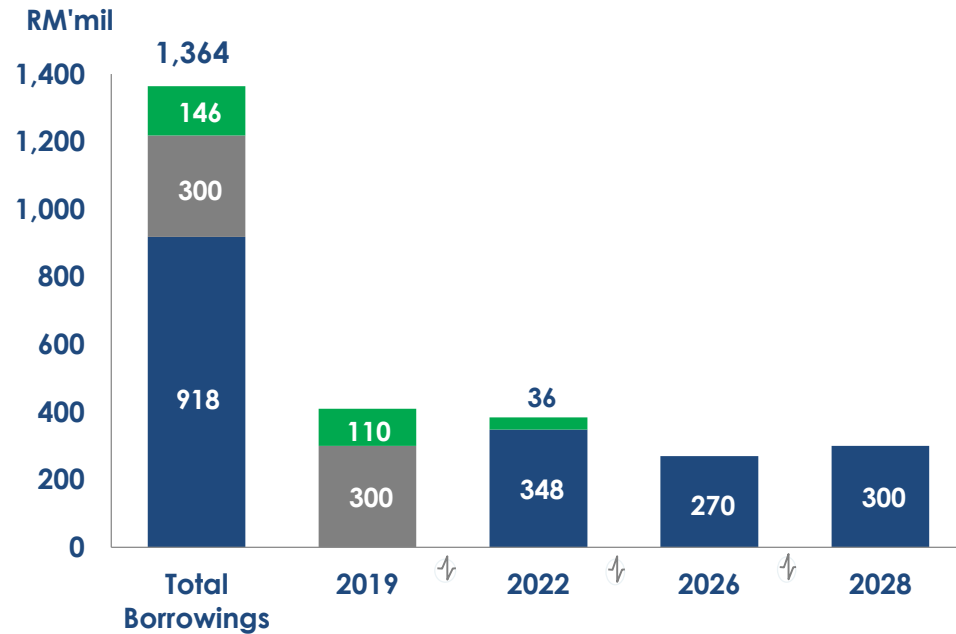
**Distribution Yield<sup>1</sup>  
(%)**



1. Based on closing unit price of RM1.38 on 31 December 2015, RM1.53 on 30 December 2016, RM1.83 on 29 December 2017, RM1.01 on 31 December 2018 and RM1.04 on 30 June 2019.

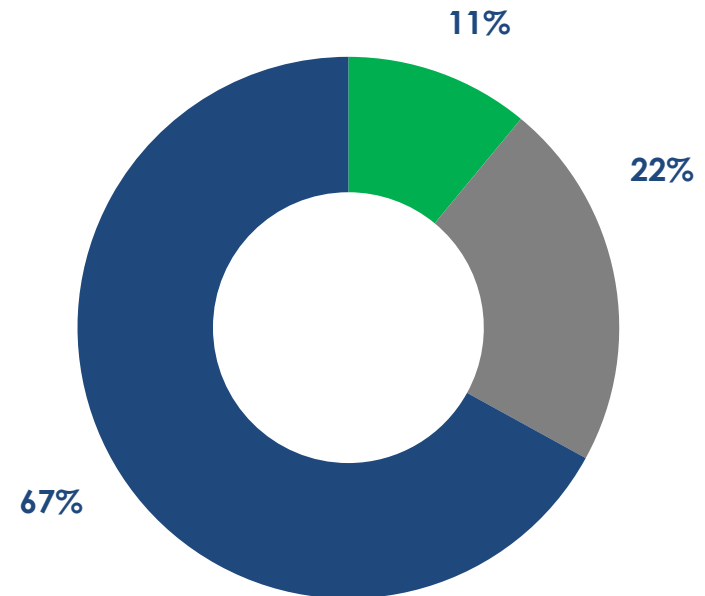
# Debt Profile

## Well-spread Debt Maturity Profile



- Term Loan facilities
- Unrated Medium Term Notes
- Revolving Credit facilities

## Diversified Sources of Funding





# Key Financial Indicators

	2Q 2019	1Q 2019
Unencumbered assets as % of total assets	28.3%	29.1%
Gearing ratio	33.6%	33.8%
Average cost of debt	4.46%	4.47%
Fixed:Floating rate debt ratio	84%:16%	82%:18%
Net debt / EBITDA (times)	7.4	7.4
Interest coverage (times)	3.0	3.1
Average term to maturity (years)	4.2	4.4

# Balance Sheet

As at 30 June 2019	RM'mil
Non-current Assets	4,023
Current Assets	108
<b>Total Assets</b>	<b>4,131</b>
Current Liabilities	519
Non-current Liabilities	1,003
<b>Total Liabilities</b>	<b>1,522</b>
<b>Net Assets</b>	<b>2,609</b>
<b>Total Unitholders' Funds</b>	<b>2,609</b>
<b>Number of Units in Circulation (in million units)</b>	<b>2,044</b>

<b>NAV (RM'mil)</b>	
- before income distribution	2,609
<b>- after income distribution</b>	<b>2,544</b>
<b>NAV per unit (RM)</b>	
- before income distribution	1.28
<b>- after income distribution</b>	<b>1.24</b>

# Valuation of Portfolio

	Previous Valuation 31-Dec-18 RM 'mil	Current Valuation 30-Jun-19 RM 'mil	Change (%)	Property yield 30-Jun-19 (%)	Current Valuation (per sf of NLA) RM
Gurney Plaza	1,635	1,647	0.7	6.7	1,835
East Coast Mall	555	569	2.5	7.5	1,210
Sungei Wang	545	538	(1.3)	0.3	1,145
3 Damansara Property	556	546	(1.8)	4.0	960
The Mines	728	721	(1.0)	4.3	984
<b>Total</b>	<b>4,019</b>	<b>4,021</b>	<b>&lt; 0.1</b>	<b>5.2</b>	<b>1,281</b>

# Portfolio Update



# Diversified NPI Across Assets and Geographical Location

## Gurney Plaza, Penang

- Penang's premier lifestyle mall
- Located at Gurney Drive
- Large middle/upper income catchment population
- Includes a 9-storey retail extension block



NLA (sq ft) <sup>2</sup>	: 897,845
Valuation (RM mm) <sup>1</sup>	: 1,647.0
Occupancy (%) <sup>2</sup>	: 98.7

## Sungei Wang<sup>3</sup>, Kuala Lumpur

- Unique shopping mall with wide range of products and services
- Strategically located within KL's CBD
- Easily accessible via SMART tunnel and monorail



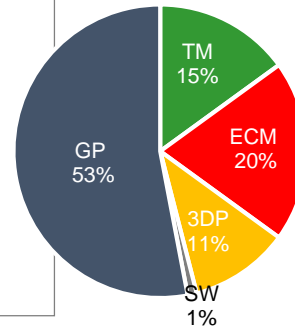
NLA (sq ft) <sup>2, 4</sup>	: 300,169
Valuation (RM mm) <sup>1</sup>	: 538.0
Occupancy (%) <sup>2</sup>	: 75.0

## 3 Damansara & Tropicana City Office Tower, Petaling Jaya

- Part of an integrated development
- Modern family lifestyle mall
- Strategically located at the intersection of 2 major highways



	Mall	Office
NLA (sq ft) <sup>2</sup>	: 468,792	101,258
Valuation (RM mm) <sup>1</sup>	: 546.0	
Occupancy (%) <sup>2</sup>	: 92.6	100.0



1H 2019 NPI: RM103.1 million

## Portfolio Overview

NLA <sup>2</sup> ('000 sq ft)	2,942
Portfolio property valuation <sup>1</sup> (RM'mil)	4,021.0
Number of leases <sup>2</sup>	1,266
Occupancy <sup>2</sup> (%)	90.9

## The Mines, Selangor

- Suburban shopping mall with Venetian-like canal
- Part of Mines Resort City, an integrated retail, entertainment and business destination
- Accessible via highways and public transport



NLA (sq ft) <sup>2, 4</sup>	: 707,811
Valuation (RM mm) <sup>1</sup>	: 721.0
Occupancy (%) <sup>2</sup>	: 80.1

## East Coast Mall, Kuantan

- Modern family lifestyle mall
- Located in the heart of Kuantan city centre
- Part of Putra Square development, which also comprises Zenith Hotel and Sultan Ahmad Shah International Convention Centre



NLA (sq ft) <sup>2</sup>	: 466,523
Valuation (RM mm) <sup>1</sup>	: 569.0
Occupancy (%) <sup>2</sup>	: 99.1

1. Based on valuations as at 30 Jun 2019.
2. As at 30 Jun 2019.
3. CMMT's interest in Sungei Wang consists of approximately 61.9% of the aggregate retail floor area of Sungei Wang and 100% of the car park lots in Sungei Wang. All information in this presentation pertains solely to CMMT's strata area.
4. Area under asset enhancement initiatives is removed from computation.

# Top 10 Tenants

Tenant	Trade sector	% of Gross Rental Income <sup>1</sup>
Parkson	Departmental Store	4.4
AEON Big	Supermarket / Hypermarket	2.0
Giant	Supermarket / Hypermarket	1.8
Golden Screen Cinemas	Leisure & Entertainment / Sports & Fitness	1.3
Padini Concept Store	Fashion / Accessories	1.2
Tropicana Golf and Country Resort Berhad	Others	1.0
Nando's	Food & Beverages	0.9
CIMB Investment Bank Berhad	Others	0.9
Uniqlo	Fashion / Accessories	0.9
F.O.S	Fashion / Accessories	0.8
<b>Total</b>		<b>15.2</b>

1. Based on total gross rental income as at 31 December 2018.

# Well-diversified Trade Mix

Trade sector	% of Gross Rental Income <sup>1</sup>	% of Net Lettable Area <sup>1</sup>
Fashion / Accessories	30.6	20.8
Food & Beverages	20.1	14.1
Beauty / Health	12.6	8.9
Services	4.8	3.6
Departmental Store	4.9	10.8
Leisure & Entertainment / Sports & Fitness	6.6	11.3
Electronics / I.T.	7.2	4.9
Supermarket / Hypermarket	4.7	10.7
Gifts / Specialty / Books / Hobbies / Toys / Lifestyle	3.9	4.2
Houseware / Furnishings	2.8	6.1
Others	1.8	4.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

1. Based on total gross rental income and net lettable area as at 31 December 2018.

# Rental Reversion

From 1 January 2019 to 30 June 2019 <sup>1</sup>	No. of new leases/renewals	Var. over preceding rental <sup>2, 3, 4</sup> (%)
Gurney Plaza	46	+3.3
East Coast Mall	18	-7.0 <sup>5</sup>
Sungei Wang	26	-14.1
3 Damansara	23	-5.6
The Mines	42	-14.9
<b>CMMT Portfolio (Retail)</b>	<b>155</b>	<b>-6.4</b>
Tropicana City Office Tower	1	-3.6
<b>CMMT Portfolio (Retail + Office)</b>	<b>156</b>	<b>-6.3</b>

1. Excluding newly created and reconfigured units.
2. Excluding gross turnover rent component.
3. Majority of leases have rental escalation clause.
4. The % is computed based on the increase in the 1<sup>st</sup> year rental of the renewed term over last year rental of the preceding term.
5. The negative rental reversion was largely due to amalgamation of two units for a tenant.



# Portfolio Lease Expiry (By Year)

As at 30 June 2019	CMMT (Retail)		
	No of Leases <sup>1</sup>	Gross Rental Income RM'000	% of Total Gross Rental Income <sup>2</sup>
2019	440	6,239	29.4%
2020	424	8,201	38.6%
2021	278	5,113	24.0%
Beyond 2021	115	1,699	8.0%

As at 30 June 2019	CMMT (Office)		
	No of Leases <sup>1</sup>	Gross Rental Income RM'000	% of Total Gross Rental Income <sup>3</sup>
2019	1	17	3.2%
2020	1	226	42.3%
2021	5	200	37.2%
Beyond 2021	1	92	17.3%

1. Based on all committed leases as at 30 June 2019.

2. Based on committed gross rental income for CMMT (Retail) as at 30 June 2019.

3. Based on committed gross rental income for CMMT (Office) as at 30 June 2019.

# Portfolio Lease Expiry Profile for 2019

As at 30 June 2019	No. of Leases	Net Lettable Area (NLA)		Gross Rental Income (GRI)	
		Sq ft	% of Total NLA <sup>1</sup>	RM'000	% of Total GRI <sup>1</sup>
<b>Gurney Plaza</b>	113	381,747	14.3%	2,991	13.7%
<b>East Coast Mall</b>	61	63,505	2.4%	922	4.2%
<b>Sungei Wang</b>	77	74,784	2.8%	405	1.9%
<b>3 Damansara</b>	76	132,112	4.9%	697	3.2%
<b>The Mines</b>	113	185,236	6.9%	1,224	5.6%
<b>CMMT (Retail)</b>	440	837,384	31.3%	6,239	28.6%
<b>Tropicana City Office Tower</b>	1	3,800	0.1%	17	0.1%
<b>CMMT Portfolio (Retail &amp; Office)</b>	<b>441</b>	<b>841,184</b>	<b>31.4%</b>	<b>6,256</b>	<b>28.7%</b>

1. Based on committed leases for CMMT Portfolio(Retail + Office) as at 30 June 2019.

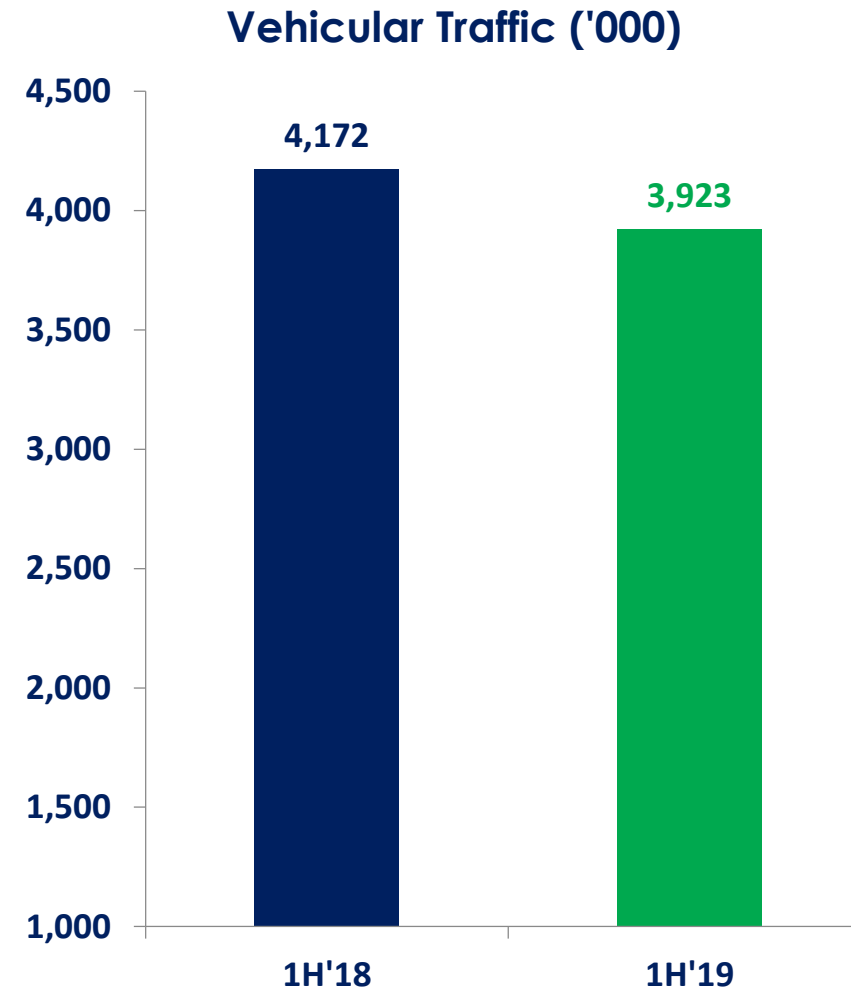
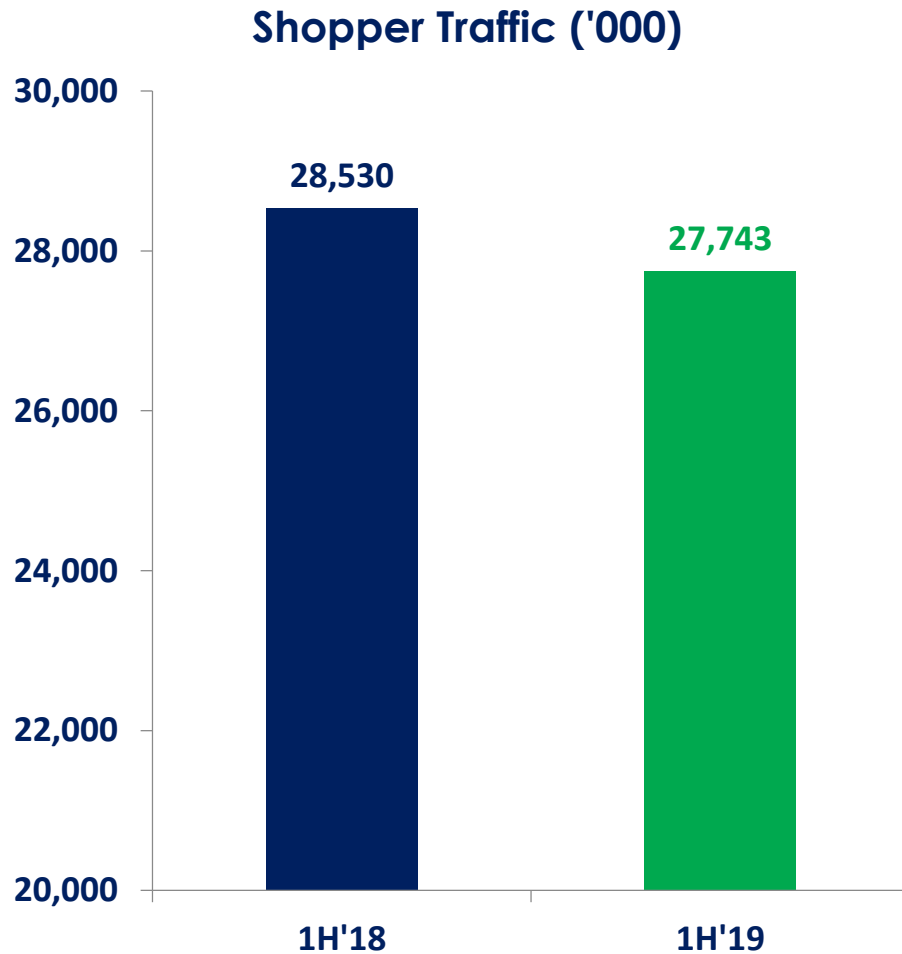
# Occupancy Rate

	1Q 2019 31 March 19 <sup>1</sup>	2Q 2019 30 June 19 <sup>1</sup>
Gurney Plaza	98.5%	98.7%
East Coast Mall	99.0%	99.1%
Sungei Wang	76.0%	75.0%
3 Damansara <sup>2</sup>	90.0%	92.6%
The Mines	88.2%	80.1%
CMMT (Retail)	92.2%	90.6%
Tropicana City Office Tower <sup>2</sup>	100.0%	100.0%
<b>CMMT Portfolio (Retail &amp; Office)</b>	<b>92.5%</b>	<b>90.9%</b>

1. Based on committed leases.

2. The occupancy of 3 Damansara Property is 93.9% as at 30 June 2019.

# Shopper and Vehicular Traffic



# New Initiatives



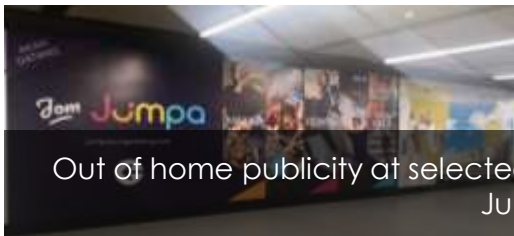
# More than 85 Fresh Brands Introduced to CMMT in 2018

Food & Beverage	
Fashion & Accessories	
Beauty & Health	
Services	
Electricals & IT	
Others	

# Jumpa @ Sungei Wang



## Selected Committed Tenants



Out of home publicity at selected transportation nodes surrounding Jumpa

## Jumpa Progress Update

Net Lettable Area: ~ 112,000 sq ft

Leasing progress: About **65%**

Target opening: **End-September 2019**

# Cashless Parking

All CMMT malls have implemented cashless parking system for shoppers' convenience





# Marcom & Sustainability



# Shopper-centric Initiatives



# Earth Hour Initiatives



Recycling workshop at East Coast Mall



Recycle, Reuse and Reduce campaign



Recycling tie-up with tenant at Gurney Plaza



Lights off hour performance at The Mines





# Thank you

For enquiries, please contact: Ms Jasmine Loo (Investor Relations)

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