

NEWS RELEASE

CapitaLand Malaysia Trust expands logistics portfolio with accretive acquisition of its first modern automated logistics property in Selangor for RM180 million

- *Latest acquisition features an automated storage and retrieval system (ASRS) to meet the growing demand for automated warehouses*
- *The property's 10-year lease to a logistics operator will enhance CLMT's stable income*



The strategically located Elmina Logistics Hub is under development and is scheduled to be completed in the first half of 2025.

Kuala Lumpur, 2 December 2024 – CapitaLand Malaysia Trust (CLMT) has signed an agreement to acquire a freehold automated logistics property from PTT Logistics Hub 1 Sdn. Bhd. for RM180.0 million. The property, Elmina Logistics Hub, is located within Elmina Business Park, an established industrial and business park in Selangor. The purchase consideration is in line with the independent market valuation¹ of RM180.5 million commissioned by MTrustee Berhad (the Trustee for CLMT).

¹ The independent valuation by JLL Appraisal & Property Services Sdn. Bhd. indicated that the market value of the property was RM180.5 million as at 15 November 2024.

This acquisition is expected to contribute positively to CLMT's income. Distribution per unit is accretive on a proforma basis. Elmina Logistics Hub is expected to generate an annual gross rent of RM12.3 million, with a first-year gross yield of approximately 6.8%.

The construction of Elmina Logistics Hub is scheduled to be completed in the first half of 2025. Following the signing of the sale and purchase agreement, CLMT will also enter into a lease agreement to fully lease the property to Projek Tetap Teguh Sdn. Bhd., an indirect wholly owned subsidiary of PTT Synergy Group Berhad, a company listed on Bursa Malaysia. The 10-year lease term with built-in rent escalations is expected to provide income stability to CLMT's portfolio.

Elmina Logistics Hub is a 40-metre high, single-storey automated warehouse featuring ASRS. Integral to modern warehouse management, ASRS is a computer-controlled system that employs cranes and robotics to efficiently automate the placement and retrieval of goods. By streamlining logistics operations, ASRS enables optimisation of warehouse space, enhances speed and accuracy, and reduces labour costs and human error. The property features 19 loading bays with hydraulic dock levellers and is capable of handling over 30,000 pallets.

Mr Tan Choon Siang, CEO of CapitaLand Malaysia REIT Management Sdn. Bhd. (CMRM), the Manager of CLMT, said: "The acquisition of our first modern automated logistics property enables CLMT to capitalise on the growing demand for such assets that enable customers to enhance operational efficiency, maximise space utilisation and reduce reliance on manual labour. CLMT's strategic move addresses the current market gap in automated warehouses, providing us with the opportunity to scale in this specialised segment. The long-term lease will also provide stable recurring income and improve the resilience of our portfolio."

"This transaction underscores our commitment to creating value by expanding CLMT's portfolio with high-quality assets that offer stable recurring income. With a long-term lease arrangement, the acquisition strengthens our industrial and logistics tenant base and improves the overall resilience of CLMT portfolio. Stepping up our portfolio rejuvenation efforts, we have announced close to RM330 million investments in industrial and logistics assets since the expansion of CLMT's investment mandate in 2021. We are confident that these acquisitions will further strengthen CLMT's portfolio, positioning it for continued growth," added Mr Tan.

Prime location within an established logistics hub

Elmina Logistics Hub is strategically located within the Elmina Business Park, a 1,500-acre modern industrial and business park. This prime location offers excellent connectivity to key logistics routes in the Klang Valley, including the North-South Expressway, Guthrie Corridor Expressway, North Klang Valley Expressway, Damansara-Shah Alam Elevated Expressway, and Kuala Lumpur-Kuala Selangor Expressway. Its strategic location ensures seamless access to key transportation routes, facilitating efficient logistics and distribution.

Expands logistics portfolio with a high-quality asset

The addition of Elmina Logistics Hub will expand CLMT's portfolio to 11 properties, increasing the proportion of its new economy assets from 3% to 6% of its total portfolio by assets under management. CLMT currently has two fully leased logistics properties – Glenmarie Distribution Centre, located within Hicom-Glenmarie Industrial Park in Shah Alam, and Valdor

Logistics Hub, located in one of Penang's key industrial hubs. CLMT has also announced the acquisition of three freehold industrial factories in Johor's Nusajaya Tech Park².

Financing of the acquisition

CLMT has paid 10% of the purchase consideration upon signing of the Conditional Sale and Purchase Agreement (CSPA). The remaining balance will be paid upon the completion of the property's construction and the issuance of the Certificate of Completion and Compliance according to the terms of CSPA. CLMT intends to finance the acquisition through existing debt facilities. Following the transaction, CLMT's proforma gearing will increase from 42.1% to 44.1%, which remains below the regulatory limit of 50%. The completion of acquisition is expected in the fourth quarter of 2025.

About CapitaLand Malaysia Trust (www.clmt.com.my)

CapitaLand Malaysia Trust (CLMT) is a real estate investment trust (REIT) and was listed on the Main Market of Bursa Malaysia Securities Berhad on 16 July 2010. CLMT's investment objective is to invest, on a long-term basis, in a geographically diversified portfolio of income-producing real estate assets across Malaysia that are used primarily for retail, commercial, office and industrial purposes. As at 30 September 2024, CLMT has a market capitalisation of approximately RM2.0 billion with a total asset value of approximately RM5.2 billion.

CLMT's portfolio of quality assets comprises six retail properties and two logistics properties with a total net lettable area of 4.3 million square feet. Its retail properties are strategically located across three key urban centres: Gurney Plaza and a significant interest in Queensbay Mall in Penang; three in Klang Valley – a majority interest in Sungei Wang Plaza in Kuala Lumpur; 3 Damansara in Petaling Jaya; The Mines in Seri Kembangan; and East Coast Mall in Kuantan, Pahang. CLMT's logistics properties include Valdor Logistics Hub, located in one of Penang's key industrial hubs, and Glenmarie Distribution Centre, located within Hicom-Glenmarie Industrial Park in Shah Alam, Selangor.

CLMT is managed by CapitaLand Malaysia REIT Management Sdn. Bhd., a wholly owned subsidiary of CapitaLand Investment Limited, a leading global real asset manager with a strong Asia foothold.

About CapitaLand Investment Limited (www.capitalandinvest.com)

Headquartered and listed in Singapore, CapitaLand Investment Limited (CLI) is a leading global real asset manager with a strong Asia foothold. As at 30 September 2024, CLI had S\$134 billion of assets under management, as well as S\$102 billion of funds under management (FUM) held via six listed real estate investment trusts and business trusts and a suite of private real asset vehicles that invest in thematic and tactical strategies. Its diversified real estate asset classes include retail, office, lodging, industrial, logistics, business parks, wellness, self-storage, data centres, private credit and special opportunities.

CLI aims to scale its fund management, lodging management and commercial management businesses globally and maintain effective capital management. As the investment management arm of CapitaLand Group, CLI has access to the development capabilities of and pipeline investment opportunities from CapitaLand's development arm.

² On 5 February 2024, CLMT announced the acquisition of three freehold ready built factories in Nusajaya Tech Park, Iskandar Malaysia in Johor for RM27 million.

As a responsible company, CLI places sustainability at the core of what it does and has committed to achieve Net Zero carbon emissions for Scope 1 and 2 by 2050. CLI contributes to the environmental and social well-being of the communities where it operates, as it delivers long-term economic value to its stakeholders.

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