

CAPITALAND MALAYSIA TRUST

CONDENSED CONSOLIDATED

FINANCIAL STATEMENTS

FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024

**CAPITALAND MALAYSIA TRUST
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 30 SEPTEMBER 2024 (UNAUDITED) RM'000	AS AT 31 DECEMBER 2023 (AUDITED) RM'000
Assets		
Plant and equipment	3,021	3,766
Investment properties	5,039,831	5,008,550
Total non-current assets	<u>5,042,852</u>	<u>5,012,316</u>
Trade and other receivables	33,804	26,537
Cash and cash equivalents	75,667	77,952
Total current assets	<u>109,471</u>	<u>104,489</u>
Total assets	<u>5,152,323</u>	<u>5,116,805</u>
Equity		
Unitholders' capital	2,605,736	2,534,074
Undistributed profits	182,034	213,128
Total Unitholders' funds	<u>2,787,770</u>	<u>2,747,202</u>
Liabilities		
Borrowings	1,958,663	1,975,167
Lease liabilities	5,856	6,118
Tenants' deposits	59,087	57,833
Deferred tax liabilities	3,072	3,072
Total non-current liabilities	<u>2,026,678</u>	<u>2,042,190</u>
Borrowings	202,475	187,388
Lease liabilities	347	336
Tenants' deposits	54,867	49,622
Trade and other payables	80,186	90,067
Total current liabilities	<u>337,875</u>	<u>327,413</u>
Total liabilities	<u>2,364,553</u>	<u>2,369,603</u>
Total equity and liabilities	<u>5,152,323</u>	<u>5,116,805</u>
Number of units in circulation ('000 units)	2,872,381	2,740,459
Net asset value ("NAV")		
- before income distribution	2,787,770	2,747,202
- after income distribution	2,757,036	2,685,815
NAV per unit (RM)		
- before income distribution	0.9705	1.0025
- after income distribution	0.9598	0.9801

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 2023.

CAPITALAND MALAYSIA TRUST
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	CURRENT QUARTER 30 SEPTEMBER			YEAR TO DATE 30 SEPTEMBER		
	2024	2023	Change	2024	2023	Change
	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%
Gross rental income	87,858	83,427	5.3	266,203	229,752	15.9
Car park income	7,691	7,211	6.7	23,733	19,820	19.7
Other revenue	13,691	12,998	5.3	44,840	37,308	20.2
Gross Revenue	109,240	103,636	5.4	334,776	286,880	16.7
Maintenance expenses	(15,709)	(15,390)	2.1	(47,960)	(42,275)	13.4
Utilities	(15,638)	(16,161)	(3.2)	(47,132)	(48,187)	(2.2)
Other operating expenses ¹	(15,902)	(13,763)	15.5	(48,245)	(42,027)	14.8
Property operating expenses	(47,249)	(45,314)	4.3	(143,337)	(132,489)	8.2
Net property income	61,991	58,322	6.3	191,439	154,391	24.0
Interest income	687	626	9.7	1,695	2,090	(18.9)
Fair value loss on investment property	-	-	-	-	(7,963)	(100.0)
Other non-operating income	-	-	-	-	1,625	(100.0)
Net investment income	62,678	58,948	6.3	193,134	150,143	28.6
Manager's management fee	(6,695)	(6,457)	3.7	(20,242)	(18,235)	11.0
Trustee's fee	(110)	(111)	(0.9)	(329)	(309)	6.5
Auditor's fee	(53)	(72)	(26.4)	(150)	(202)	(25.7)
Tax agent's fee	(14)	(17)	(17.6)	(44)	(44)	-
Valuation fee	(104)	(106)	(1.9)	(314)	(301)	4.3
Finance costs	(25,368)	(24,282)	4.5	(73,993)	(60,649)	22.0
Other non-operating expenses ¹	(101)	(126)	(19.8)	(861)	(865)	(0.5)
	(32,445)	(31,171)	4.1	(95,933)	(80,605)	19.0
Profit before taxation	30,233	27,777	8.8	97,201	69,538	39.8
Taxation	(6)	-	>100.0	(19)	-	>100.0
Profit and total comprehensive income for the quarter/ period	30,227	27,777	8.8	97,182	69,538	39.8
Distribution adjustments ²	(7)	195	(>100.0)	(61)	7,556	(>100.0)
Income available for distribution	30,220	27,972	8.0	97,121	77,094	26.0
Distributable income³	30,734	28,701	7.1	97,623	77,140	26.6
Realised profit	30,227	27,777	8.8	97,182	77,501	25.4
Unrealised loss ⁴	-	-	-	-	(7,963)	(100.0)
	30,227	27,777	8.8	97,182	69,538	39.8

**CAPITALAND MALAYSIA TRUST
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)**

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

	CURRENT QUARTER 30 SEPTEMBER			YEAR TO DATE 30 SEPTEMBER		
	2024	2023	Change	2024	2023	Change
	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%
Earnings per unit (sen)⁵						
- before Manager's management fee	1.30	1.27	2.4	4.19	3.42	22.5
- after Manager's management fee	1.07	1.03	3.9	3.47	2.71	28.0
Distribution per unit (DPU) (sen)	1.07	1.05	1.9	3.43	2.98	15.1
DPU (sen) - annualised	4.26	4.17	2.2	4.58	3.98	15.1

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

	CURRENT QUARTER 30 SEPTEMBER			YEAR TO DATE 30 SEPTEMBER		
	2024	2023	Change	2024	2023	Change
	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%
(Impairment) /reversal of impairment for trade receivables (net)	(281)	712	(>100.0)	(260)	621	(>100.0)
Foreign exchange loss: - Realised	-	(7)	(100.0)	(4)	(9)	(55.6)
	(281)	705	(>100.0)	(264)	612	(>100.0)

2. Included in the distribution adjustments are the followings:

	CURRENT QUARTER 30 SEPTEMBER			YEAR TO DATE 30 SEPTEMBER		
	2024	2023	Change	2024	2023	Change
	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%
Fair value loss on investment property	-	-	-	-	7,963	(100.0)
Manager's management fee payable in units *	2,422	2,309	4.9	7,531	5,820	29.4
Depreciation	395	430	(8.1)	1,302	1,223	6.5
Amortisation of transaction costs on borrowings	934	346	>100.0	1,814	1,014	78.9
Tax and other adjustments	(3,758)	(2,890)	30.0	(10,708)	(8,464)	26.5
	(7)	195	(>100.0)	(61)	7,556	(>100.0)

* 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 loss comprises fair value loss on investment property.
5. Earnings per unit (EPU) is computed based on profit for the quarter/period divided by the weighted average number of units at the end of the quarter/period. The computation of EPU after Manager's management fee for the current quarter is set out in B12.

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 2023.

**CAPITALAND MALAYSIA TRUST
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 (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 2023	2,274,725	143,366	2,418,091
Total comprehensive income for the financial period	-	69,538	69,538
Unitholders' transactions			
- Units issued as part satisfaction of the Manager's management fee	13,416	-	13,416
- 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)	16,793	-	16,793
- Distribution paid to Unitholders ¹	-	(93,900)	(93,900)
Increase/(Decrease) in net assets resulting from Unitholders' transactions	255,963	(93,900)	162,063
As at 30 September 2023 (Unaudited)	2,530,688	119,004	2,649,692
As at 1 January 2024	2,534,074	213,128	2,747,202
Total comprehensive income for the financial period	-	97,182	97,182
Unitholders' transactions			
- Units issued as part satisfaction of the Manager's management fee	4,801	-	4,801
- Units issued under the Distribution Reinvestment Plan (net of issue costs)	66,861	-	66,861
- Distribution paid to Unitholders ²	-	(128,276)	(128,276)
Increase/(Decrease) in net assets resulting from Unitholders' transactions	71,662	(128,276)	(56,614)
As at 30 September 2024 (Unaudited)	2,605,736	182,034	2,787,770

- 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.
- This refers to the (i) 2023 final income distribution of 2.24 sen per unit for the period from 1 July 2023 to 31 December 2023 paid on 26 March 2024, and (ii) 2024 first income distribution of 2.36 sen per unit for the period from 1 January 2024 to 30 June 2024 paid on 20 September 2024.

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 2023.

**CAPITALAND MALAYSIA TRUST
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	NINE MONTHS ENDED	
	30 SEPTEMBER 2024 (UNAUDITED) RM'000	30 SEPTEMBER 2023 (UNAUDITED) RM'000
Cash Flows From Operating Activities		
Profit before taxation	97,201	69,538
Adjustments for:-		
Manager's management fee payable in units ¹	7,531	5,820
Depreciation	1,302	1,223
Fair value loss on investment property	-	7,963
Finance costs	73,993	60,649
Impairment / (reversal of impairment) for trade receivables (net)	260	(621)
Interest income	(1,695)	(2,090)
Plant and equipment written off	367	4
Operating profit before changes in working capital	178,959	142,486
Changes in working capital:		
Trade and other receivables	(4,559)	(70)
Trade and other payables	(26,325)	(4,768)
Tenants' deposits	6,499	28,555
Net cash generated from operations	154,574	166,203
Tax paid	(26)	-
Tax refunded	15	-
Net cash generated from operating activities	154,563	166,203
Cash Flows From Investing Activities		
Acquisition of investment properties	-	(1,024,170)
Addition of plant and equipment	(556)	(1,005)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	-	(5,572)
Capital expenditure on investment properties	(17,852)	(11,939)
Deposit paid on acquisition of investment property	(2,700)	-
Deposit received on disposal of investment property	-	5,200
Incidental costs on acquisition of investment properties	-	(8,703)
Interest received	1,418	2,090
Net cash used in investing activities	(19,690)	(1,044,099)
Cash Flows From Financing Activities		
Distribution paid to Unitholders ¹	(61,074)	(75,338)
Increase in pledged deposits	-	(1,740)
Interest expense and other financing costs paid	(72,057)	(53,482)
Payment of lease liabilities	(456)	(322)
Payment of facility fees and other related costs for new borrowings	(2,243)	(6,850)
Payment of transaction costs related to issuance of new CLMT units	(340)	(2,132)
Proceeds from drawdown of interest bearing borrowings	387,370	894,226
Proceeds from issuance of new CLMT units	-	227,849
Repayment of interest bearing borrowings	(388,358)	(117,450)
Net cash (used in)/from financing activities	(137,158)	864,761
Net decrease in cash and cash equivalents	(2,285)	(13,135)
Cash and cash equivalents at beginning of the period	71,302	79,379
Cash and cash equivalents at end of the period	69,017	66,244
Cash and cash equivalents at end of the period comprise:		
Deposits placed with licensed banks	67,218	65,695
Cash and bank balances	8,449	7,219
	75,667	72,914
Less: Pledged deposits	(6,650)	(6,670)
	69,017	66,244

Non-cash transactions:

¹ A portion of the income distribution was paid in new CLMT units pursuant to the Distribution Reinvestment Plan and a portion of management fees were paid in new CLMT units to the Manager.

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 2023.

CAPITALAND MALAYSIA TRUST

FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)

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 third quarter ended 30 September 2024 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, 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 2023.

A2. Changes in Accounting Policies

On 1 January 2024, the Group adopted the following MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024:

Amendment to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*

Amendment to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*

Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments: Disclosures – Supplier Finance Arrangements*

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 2023 was not qualified.

A4. Comment on Seasonality or Cyclicity 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.

CAPITALAND MALAYSIA TRUST FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)

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 period.

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 ended 30 September 2024 are as follows:

BUSINESS SEGMENT	3Q 2024 (UNAUDITED)			3Q 2023 (UNAUDITED)		
	RETAIL RM'000	OTHERS RM'000	TOTAL RM'000	RETAIL RM'000	OTHERS RM'000	TOTAL RM'000
Gross revenue	107,676	1,564	109,240	102,132	1,504	103,636
Net property income	60,574	1,417	61,991	57,462	860	58,322
Interest income			687			626
Unallocated expenses			(7,077)			(6,889)
Finance costs			(25,368)			(24,282)
Profit before taxation			30,233			27,777
Taxation			(6)			-
Profit for the quarter			30,227			27,777

BUSINESS SEGMENT	YTD 2024 (UNAUDITED)			YTD 2023 (UNAUDITED)		
	RETAIL RM'000	OTHERS RM'000	TOTAL RM'000	RETAIL RM'000	OTHERS RM'000	TOTAL RM'000
Gross revenue	329,880	4,896	334,776	281,917	4,963	286,880
Net property income	187,008	4,431	191,439	151,386	3,005	154,391
Interest income			1,695			2,090
Other non-operating income			-			1,625
Fair value loss on investment property			-			(7,963)
Unallocated expenses			(21,940)			(19,956)
Finance costs			(73,993)			(60,649)
Profit before taxation			97,201			69,538
Taxation			(19)			-
Profit for the period			97,182			69,538

A10. Investment Properties

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 30 September 2024 is based on the independent valuations as at 31 December 2023 and subsequent capital expenditure incurred up to the reporting date. The valuation of investment properties may be subject to estimation uncertainties.

A11. Subsequent Events

Nil.

**CAPITALAND MALAYSIA TRUST
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)**

A12. Changes in Composition of the Trust

	3Q 2024 UNITS
Balance as at 1 January 2024	2,740,459,465
Units issued under the Distribution Reinvestment Plan	123,236,150
Units issued as part satisfaction of the Manager's management fee payable in units	8,685,500
Balance as at 30 September 2024	<u>2,872,381,115</u>

A13. Changes in Contingent Liabilities and Contingent Assets

Nil.

A14. Capital Commitments

Capital commitments in relation to capital expenditure are as follows:

	QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED) RM'000
Contracted but not provided for	<u>24,516</u>

CAPITALAND MALAYSIA TRUST
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)

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

B1. Review of Performance

	3Q 2024 (UNAUDITED) RM'000	3Q 2023 (UNAUDITED) RM'000	Change %	YTD 2024 (UNAUDITED) RM'000	YTD 2023 (UNAUDITED) RM'000	Change %
Breakdown of Gross Revenue						
Gurney Plaza	39,596	37,948	4.3	119,745	113,736	5.3
Queensbay Mall	29,383	27,928	5.2	88,892	58,447	52.1
East Coast Mall	17,258	15,629	10.4	52,183	50,330	3.7
Sungei Wang Plaza	5,934	4,765	24.5	17,736	13,397	32.4
3 Damansara Property ¹	5,424	5,355	1.3	19,884	16,319	21.8
The Mines	10,081	10,731	(6.1)	31,440	30,811	2.0
Valdor Logistics Hub	1,564	1,280	22.2	4,896	3,840	27.5
Glenmarie Distribution Centre	-	-	-	-	-	-
Total Gross Revenue	109,240	103,636	5.4	334,776	286,880	16.7
Breakdown of Property Operating Expenses						
Gurney Plaza	12,536	12,621	(0.7)	38,706	38,811	(0.3)
Queensbay Mall	8,098	8,309	(2.5)	24,236	17,396	39.3
East Coast Mall	6,263	5,918	5.8	19,298	18,468	4.5
Sungei Wang Plaza	6,760	5,621	20.3	19,414	16,844	15.3
3 Damansara Property ¹	5,973	5,036	18.6	17,579	18,244	(3.6)
The Mines	7,472	7,639	(2.2)	23,639	22,303	6.0
Valdor Logistics Hub	111	153	(27.5)	371	406	(8.6)
Glenmarie Distribution Centre	36	17	>100.0	94	17	>100.0
Total Property Operating Expenses	47,249	45,314	4.3	143,337	132,489	8.2
Breakdown of Net Property Income/(Loss)						
Gurney Plaza	27,060	25,327	6.8	81,039	74,925	8.2
Queensbay Mall	21,285	19,619	8.5	64,656	41,051	57.5
East Coast Mall	10,995	9,711	13.2	32,885	31,862	3.2
Sungei Wang Plaza	(826)	(856)	3.5	(1,678)	(3,447)	51.3
3 Damansara Property ¹	(549)	319	(>100.0)	2,305	(1,925)	>100.0
The Mines	2,609	3,092	(15.6)	7,801	8,508	(8.3)
Valdor Logistics Hub	1,453	1,127	28.9	4,525	3,434	31.8
Glenmarie Distribution Centre	(36)	(17)	(>100.0)	(94)	(17)	(>100.0)
Total Net Property Income	61,991	58,322	6.3	191,439	154,391	24.0

1. 3 Damansara Property includes the combined results of 3 Damansara Mall and 3 Damansara Office Tower where the latter has been divested on 4 December 2023.

CAPITALAND MALAYSIA TRUST FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)

B1. Review of Performance (cont'd)

Quarter Results (3Q 2024 vs 3Q 2023)

The Group recorded gross revenue of RM109.2 million in 3Q 2024, an increase of RM5.6 million or 5.4% against 3Q 2023. The increase in gross revenue was mainly due to higher revenue recorded by most of the properties within CLMT portfolio as a result of positive rental reversions and higher occupancies.

Property operating expenses for 3Q 2024 were RM47.2 million, an increase of RM1.9 million or 4.3% against 3Q 2023 mainly due to higher manpower costs. The current quarter has also recorded lower write-back of provision for doubtful debts against the same quarter in the previous year.

Net property income for 3Q 2024 was RM62.0 million, an increase of RM3.7 million or 6.3% against 3Q 2023 of RM58.3 million.

Finance costs for 3Q 2024 of RM25.4 million were higher than 3Q 2023 due to certain fixed rate loans which were due for refixing were refixed at higher rates. The average cost of debt was 4.56% p.a. for this quarter against 3Q 2023 of 4.29% p.a.

Overall, distributable income to Unitholders for 3Q 2024 was RM30.7 million, an increase of RM2.0 million or 7.1% as compared to 3Q 2023 due to the abovementioned factors.

Financial Year-to-date Results (YTD 2024 vs YTD 2023)

The Group recorded gross revenue of RM334.8 million, an increase of RM47.9 million or 16.7% against the same period last year. The increase was mainly due to contribution from Queensbay Mall (QBM) post completion of its acquisition towards end of 1Q 2023. In addition, all the other malls within CLMT portfolio also reported an improvement in gross revenue as a result of positive rental reversions and higher occupancies. The compensation income received amounting to RM3.0 million due to early termination of a lease contract also contributed to higher gross revenue.

Property operating expenses for YTD 2024 were RM143.3 million, an increase of RM10.8 million or 8.2% against the previous financial period mainly due to the addition of QBM as well as higher maintenance expenses and manpower costs. The current period has also recorded lower write-back of provision for doubtful debts against the same period in the previous year.

The net property income for YTD 2024 of RM191.4 million was RM37.0 million or 24.0% higher than YTD 2023 net property income of RM154.4 million.

Fair value loss of RM8.0 million was recognised in the previous period post acquisition of QBM as the capitalised investment property and incidental costs exceeded the independent external valuation of RM1 billion. The fair value loss represents the write-off on a portion of incidental costs incurred.

Other non-operating income of RM1.6 million recognised in the previous period was due to the scheduled compensation income received pursuant to the termination of the previous easement agreement in relation to the car park area between Sungei Wang Plaza and Bukit Bintang Plaza.

Finance costs for YTD 2024 of RM74.0 million were RM13.3 million or 22.0% higher than YTD 2023 as the Group has obtained additional borrowings to part finance the acquisitions of QBM and Glenmarie Distribution Centre. Floating rate borrowings were subjected to higher interest rates due to the OPR hike in May 2023. Additionally, certain fixed rate loans which were due for refixing were refixed at higher rates, reflecting the effect of OPR hikes. The YTD average costs of debt was 4.52% p.a. (YTD 2023: 3.98% p.a.).

Overall, distributable income to Unitholders for the financial period was RM97.6 million, an increase of RM20.5 million or 26.6% against YTD 2023 due to the abovementioned factors.

**CAPITALAND MALAYSIA TRUST
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B2. Material Changes in Quarter Results

	QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED) RM'000	QUARTER ENDED 30 JUNE 2024 (UNAUDITED) RM'000	Change %
Profit before taxation	30,233	33,477	(9.7)

The decline for the current quarter was mainly due to the absence of compensation income in 3Q 2024 vs 2Q 2024 amounting to RM3.0 million as explained in note B1.

B3. Investment Objectives and Strategies

Pursuant to the Trust Deed, CLMT's investment objective and policy is to invest, on a long-term basis, in a geographically diversified portfolio of income-producing real estate across Malaysia 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 distribution of income and potential capital growth.

B4. Commentary on Prospects

Bank Negara Malaysia has reported a 5.9% expansion in Malaysia's economy for 2Q 2024, notching its highest growth since 2023. This robust performance is driven by increased domestic spending and a growing exports market. In the recently announced Budget 2025, the Ministry of Finance has revised its economic growth projection for 2024 to a range between 4.8% to 5.3%, up from its earlier estimate of 4.0% to 5.0%, supported by the same drivers.

Despite these positive indicators, Retail Group Malaysia reported a significant slowdown in retail sales, with growth at 0.6% year-on-year in 2Q 2024 compared to 7.8% in 1Q 2024. This occurred despite the favourable Ringgit and a surge in tourist arrivals, as rising costs continued to weigh on consumer spending. Several initiatives are expected to boost retail spending in the second half of the year. These include the introduction of Employees' Provident Fund Account 3 and new fiscal measures starting from December 2024, such as a 13% increase in civil servant remuneration – the highest in twelve years. In addition, efforts to attract more foreign tourists are expected to further stimulate the retail sector.

The Manager expects CLMT's retail portfolio to remain resilient. Gurney Plaza is currently undergoing several asset enhancement initiatives (AEIs), including the introduction of new retail concepts, which are set to be completed by the end of this year. Furthermore, 3 Damansara will undergo an AEI in 4Q 2024 to rejuvenate its ground floor, featuring an expanded and refreshed alfresco dining area. On the industrial segment, the retrofitting exercise at Glenmarie Distribution Centre is slated for completion in 4Q 2024 and income commencement in 2025. Looking ahead, the Manager will maintain a proactive approach to portfolio and asset management, prioritising the acquisition of high quality, yield-accretive assets to consistently deliver sustainable value to Unitholders.

B5. Profit Guarantee

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

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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 ending 31 December 2024 to its Unitholders, provision for tax has not been made at CLMT level.

B7. Status of Corporate Proposal

On 5 February 2024, CLMT entered into a conditional sale and purchase agreement with Nusajaya Tech Park Sdn. Bhd. for the proposed acquisitions of two semi-detached factories with mezzanine office and with guard posts and one detached factory with mezzanine office with a guard post in Taman Teknologi Nusajaya, Iskandar Puteri, Johor for a total purchase consideration of RM27,000,000 ("Proposed Acquisition"). The Proposed Acquisition will be funded by bank borrowings. As at 30 September 2024, the Proposed Acquisition is pending completion.

B8. Borrowings and Debt Securities

	AS AT 30 SEPTEMBER 2024 (UNAUDITED) RM'000	AS AT 31 DECEMBER 2023 (AUDITED) RM'000
Long-term borrowings		
Secured revolving credit	48,440	60,923
Secured term loans	1,617,714	1,620,929
Unrated medium term notes	300,000	300,000
Less: Unamortised transaction costs	(7,491)	(6,685)
	1,958,663	1,975,167
Short-term borrowings		
Secured revolving credit	-	13,842
Secured term loan	1,799	-
Unsecured revolving credits	200,698	173,945
Less: Unamortised transaction costs	(22)	(399)
	202,475	187,388
Total borrowings	2,161,138	2,162,555

All the borrowings are denominated in Ringgit Malaysia.

The net decrease in total gross borrowings (before deducting unamortised transaction costs) was mainly due to partial repayment of revolving credit facilities ("RCF") and term loan of RM89.0 million and RM299.4 million respectively offset by RM89.4 million of RCF and RM298.0 million of term loan drawn during the current period.

As at 30 September 2024, 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.

CAPITALAND MALAYSIA TRUST FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)

B10. Income Distribution

Distribution to Unitholders is from the following sources:-

	CURRENT QUARTER 30 SEPTEMBER			YEAR TO DATE 30 SEPTEMBER		
	2024	2023	Change	2024	2023	Change
	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%
Gross rental income	87,858	83,427	5.3	266,203	229,752	15.9
Car park income	7,691	7,211	6.7	23,733	19,820	19.7
Other revenue	13,691	12,998	5.3	44,840	37,308	20.2
Interest income	687	626	9.7	1,695	2,090	(18.9)
Other non-operating income	-	-	-	-	1,625	(100.0)
Fair value loss on investment property	-	-	-	-	(7,963)	(100.0)
	109,927	104,262	5.4	336,471	282,632	19.0
Total property and trust expenses	(79,694)	(76,485)	4.2	(239,270)	(213,094)	12.3
Taxation	(6)	-	>100.0	(19)	-	>100.0
Total comprehensive income for the quarter / period	30,227	27,777	8.8	97,182	69,538	39.8
Distribution adjustments	(7)	195	(>100.0)	(61)	7,556	(>100.0)
Realised income available for distribution for the quarter / period	30,220	27,972	8.0	97,121	77,094	26.0
Previous quarter's / period's undistributed income	570	1,055	(46.0)	558	372	50.0
Total realised income available for distribution	30,790	29,027	6.1	97,679	77,466	26.1
Advanced income distribution	-	-	-	-	(16,331)	(100.0)
Proposed/declared income distribution	(30,734)	(28,701)	7.1	(97,623)	(60,809)	60.5
Balance undistributed income	56	326	(82.8)	56	326	(82.8)
Distribution per unit (DPU) (sen)	1.07	1.05	1.9	3.43	2.98	15.1
DPU (sen) – annualised	4.26	4.17	2.2	4.58	3.98	15.1

On 20 September 2024, CLMT paid the 1H 2024 Income Distribution of RM66.9 million or 2.36 sen per unit for the period from 1 January 2024 to 30 June 2024. The Distribution Reinvestment Plan ("DRP") was applied on the 1H 2024 income distribution, in which a total of 38,113,249 units were issued out of 107,751,777 units eligible under the DRP, this represents a take up rate of 35.37%.

Pursuant to Section 109D(2) of the Income Tax Act, 1967, the applicable final withholding tax on distribution 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% |

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B11. Composition of Investment Portfolio as at 30 September 2024

As at 30 September 2024, CLMT's portfolio comprised the following investment properties:

INVESTMENT PROPERTIES	COST OF	NET BOOK	MARKET	MARKET VALUE
	INVESTMENT ¹	VALUE ²	VALUE	AS % of NAV ³
	RM'000	RM'000	RM'000	%
Gurney Plaza	1,194,879	1,697,979	1,690,000	60.6
Queensbay Mall	1,019,486	1,082,002 ⁴	1,081,350 ⁵	38.8
East Coast Mall	421,969	609,384	608,000	21.8
Sungei Wang Plaza	814,465	430,025	430,000	15.4
3 Damansara Mall	549,054	415,917	415,000	14.9
The Mines	616,135	665,067	661,000	23.7
Valdor Logistics Hub	84,314	84,378	82,000	2.9
Glenmarie Distribution Centre	55,572	55,079	41,200	1.5
Total	4,755,874	5,039,831	5,008,550	

The market value of the respective properties was stated at valuation 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 market value of the investment properties as at 31 December 2023 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 RM2,787,770,000 as at 30 September 2024. 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 RM6.4 million.
- ⁵ The market value of RM1.081 billion comprises the valuation for 438 strata titles and right-of-use assets.

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

	QUARTER ENDED 30 September, 2024	QUARTER ENDED 30 June, 2024
Number of units in circulation (units)	2,872,381,115	2,834,267,866
NAV before income distribution (RM'000)	2,787,770	2,802,183
NAV after income distribution (RM'000)	2,757,036	2,735,294
NAV per unit ¹ (RM)	0.9598	0.9651
Total comprehensive income (RM'000)	30,227	33,470
Weighted average number of units in issue (units)	2,837,582,062	2,830,640,954
EPU after Manager's management fee (sen)	1.07	1.18
Distributable income (RM'000)	30,734	33,265
DPU (sen)	1.07	1.17
Market price (RM)	0.680	0.675
DPU yield (%)	1.57	1.73

- 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.

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B13. Soft Commission Received By The Manager and its Delegates

Nil.

B14. Manager's Fees

For the quarter to date ended 30 September 2024, 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. Total fees accrued to the Manager were as follows:

	3Q 2024 ACTUAL (UNAUDITED) RM'000	YTD 2024 ACTUAL (UNAUDITED) RM'000
Base management fee	3,751	11,149
Performance fee	<u>2,944</u>	<u>9,093</u>
Total fees	<u>6,695</u>	<u>20,242</u>

Date: 24 October 2024