



CAPITALAND MALAYSIA MALL TRUST

1Q 2020 Results Presentation

21 May 2020

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1Q 2020 Overview



1Q 2020 Updates

1Q 2020 Results

- Net Property Income: RM39.4 mil (▼ 25.4% YoY)
- Distribution Per Unit: 0.98 sen (▼ 42.7% YoY)
- Shopper Traffic: 11.1 mil (▼ 20.4% YoY)
- As at 31 March 2020:
 - Rental Reversion: -1.1% as at 31 March 2020
 - Portfolio Occupancy: 90.9% as at 31 March 2020

Other Updates

Managing COVID-19 pandemic

- Rental relief of up to RM35.0 mil to support Affected Tenants¹
 - 14-day rental waiver from 18 to 31 March 2020 during the first phase of Movement Control Order (MCO)
 - Second tranche of support in the form of rental relief² in staggered manner

1. Shopping mall tenants providing non-essential services or supplies that are mandated to close during the MCO and the Conditional Movement Control Order (CMCO)

2. Subject to terms and conditions

Financial Results

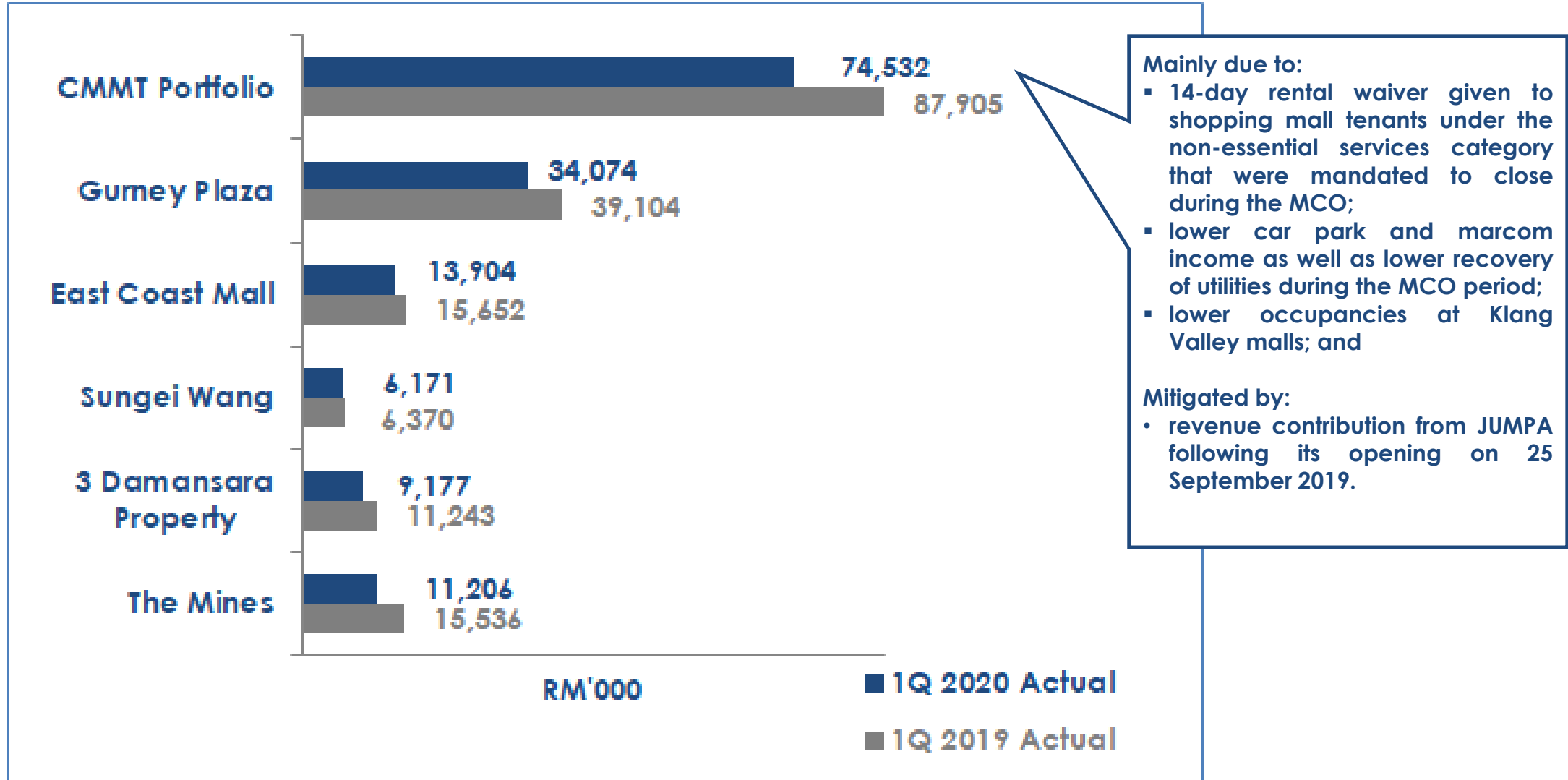
Distribution Statement

RM'000	1Q 2020 Actual (Unaudited)	1Q 2019 Actual (Unaudited)	Change %
Gross revenue	74,532	87,905	(15.2)
Less: Property operating expenses	(35,172)	(35,154)	0.1
Net property income	39,360	52,751	(25.4)
Interest income	627	913	(31.3)
Net investment income	39,987	53,664	(25.5)
Manager's management fee	(4,847)	(5,482)	(11.6)
Trust and other expenses	(576)	(524)	9.9
Finance costs	(15,294)	(15,178)	0.8
Profit before taxation	19,270	32,480	(40.7)
Taxation	-	-	-
Profit for the period	19,270	32,480	(40.7)
Distribution adjustments	874	2,553	(65.8)
Income available for distribution	20,144	35,033	(42.5)
Distributable income¹	20,143	34,955	(42.4)
DPU (sen)	0.98	1.71	(42.7)

1. The difference between distributable income and income available for distribution is due to rounding effect of DPU.

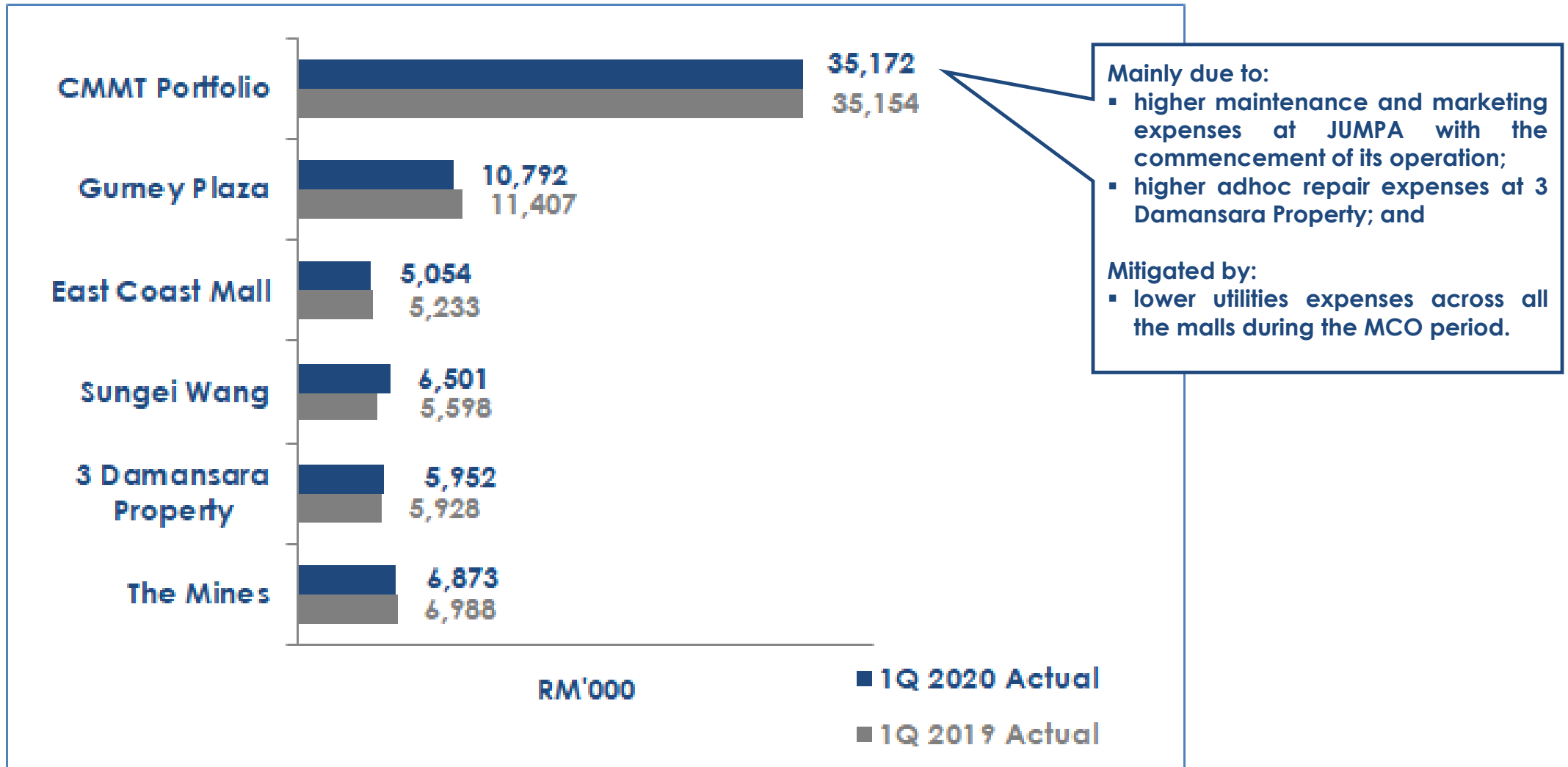
N.M. – Not meaningful

1Q 2020 Gross Revenue

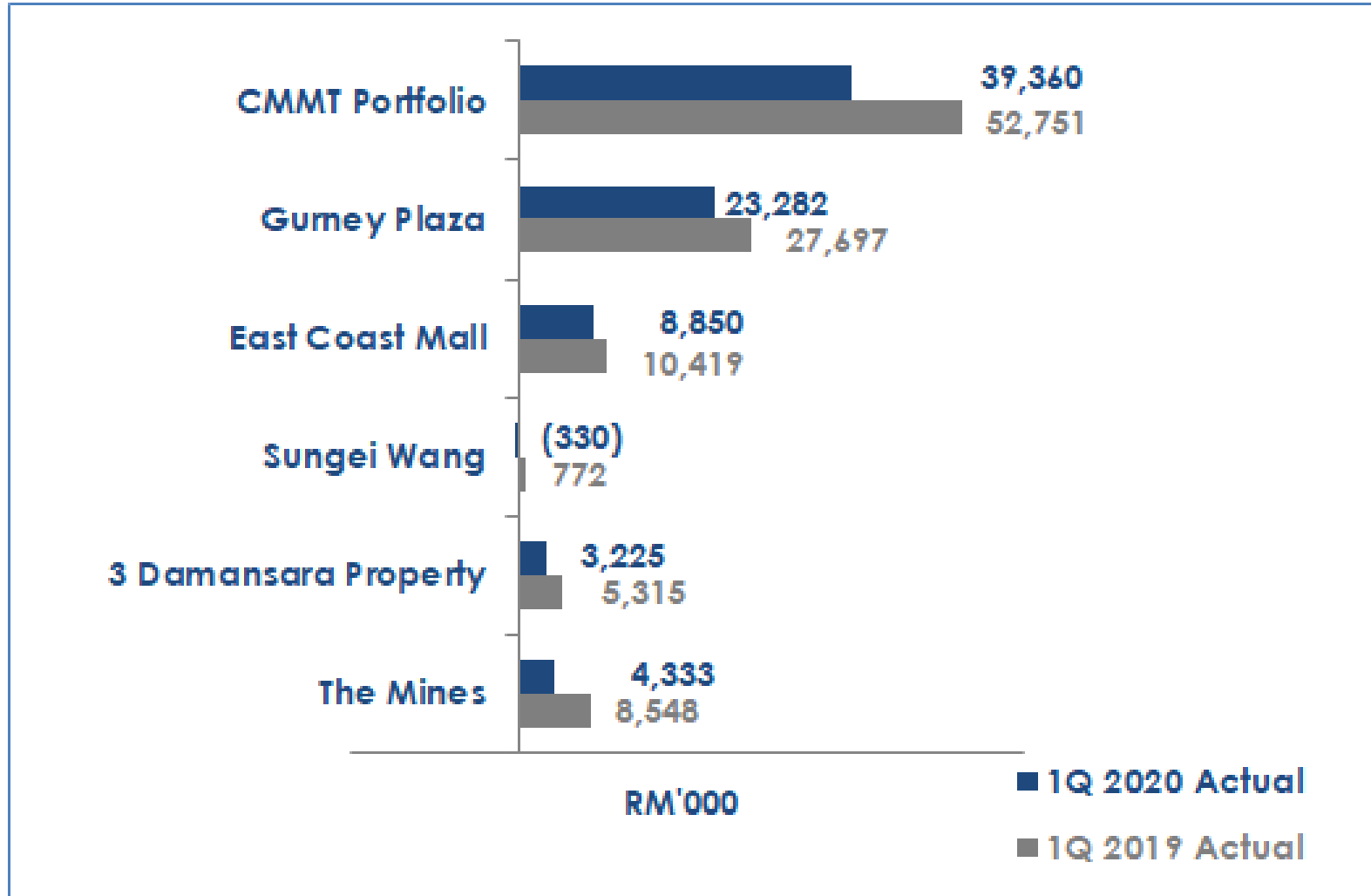


Note: 3 Damansara and Tropicana City Office Tower are collectively known as 3 Damansara Property.

1Q 2020 Property Operating Expenses



1Q 2020 Net Property Income



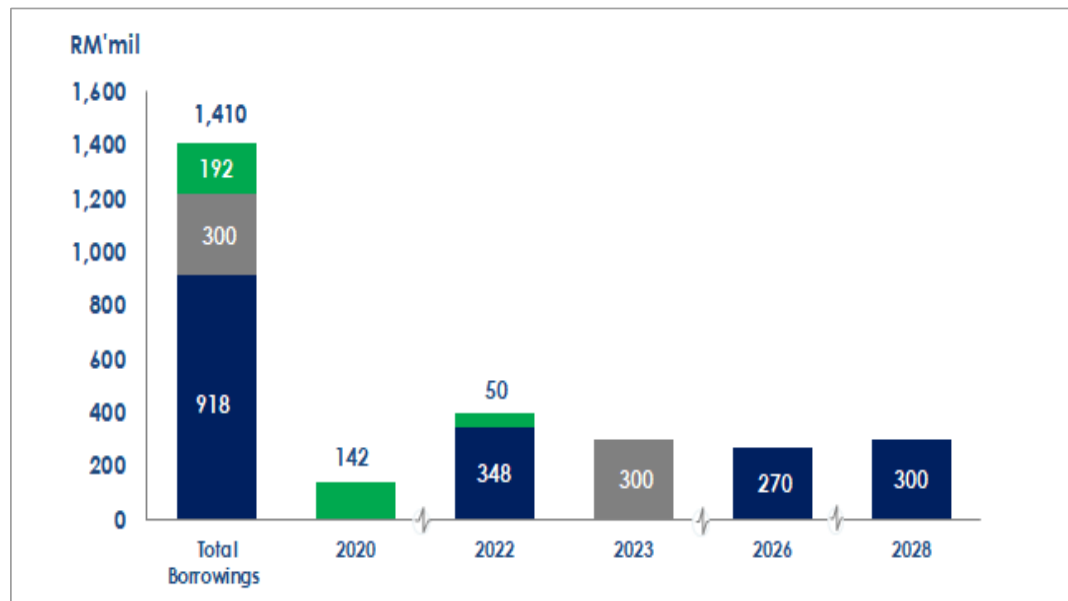
1Q 2020 Distribution Per Unit

	1Q 2020 Actual (Unaudited)	1Q 2019 Actual (Unaudited)	Change %
Distributable Income (RM'000)	20,143	34,955	(42.4)
DPU (sen)	0.98	1.71	(42.7)
DPU (sen) - annualised	3.94	6.94	(43.2)
Distribution yield (%)	4.33	6.25	N.M.
<small>(Based on market price of RM0.91 on 31 March 2020 and RM1.11 on 29 March 2019)</small>			
Distribution yield (%)	4.89	6.25	N.M.
<small>(Based on market price of RM0.805 on 20 May 2020 and RM1.11 on 22 April 2019)</small>			

N.M. – Not meaningful

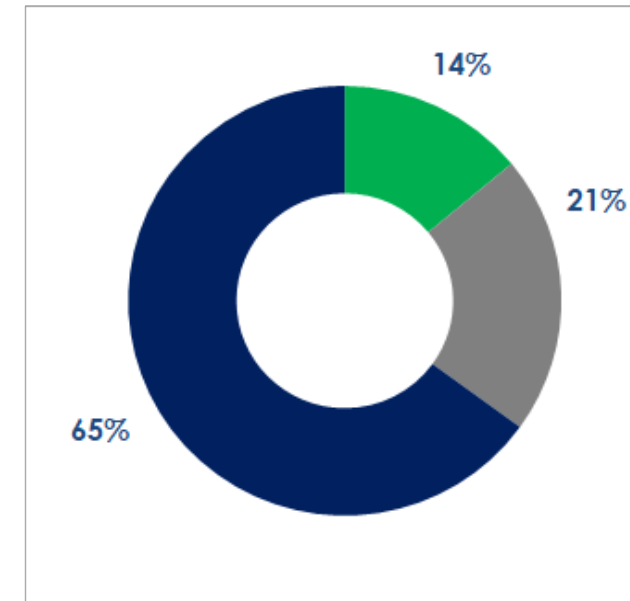
Debt Profile

Well-spread Debt Maturity Profile



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

Diversified Sources of Funding



Key Financial Indicators

	1Q 2020	4Q 2019
Unencumbered assets as % of total assets	28.8%	28.3%
Gearing ratio (before income distribution) ¹	34.1%	33.2%
Gearing ratio (after income distribution)	34.3%	33.7%
Average cost of debt	4.35%	4.44%
Fixed:Floating rate debt ratio	81%:19%	83%:17%
Net debt / EBITDA (times)	10.2	7.5
Interest coverage (times)	2.3	3.0
Average term to maturity (years)	4.2	4.4

1. In order to align with market practices of other major retail REITs in Malaysia, CMMT has revised the gearing ratio computation from gross borrowings over total assets adjusted for distributable income to gross borrowings over total assets.

Balance Sheet

As at 31 March 2020	RM'mil
Non-current Assets	4,041
Current Assets	99
Total Assets	4,140
Current Liabilities	254
Non-current Liabilities	1,323
Total Liabilities	1,577
Net Assets	2,563
Total Unitholders' Funds	2,563
Number of Units in Circulation (in million units)	2,055

NAV (RM'mil)	
- before income distribution	2,563
- after income distribution	2,543
NAV per unit (RM)	
- before income distribution	1.25
- after income distribution	1.24

Portfolio Updates



Rental Reversion

From 1 January 2020 to 31 March 2020 ¹	No. of new leases/renewals	Var. over preceding rental ^{2, 3, 4} (%)
Gurney Plaza	29	+4.2
East Coast Mall	10	+4.6
Sungei Wang	13	-17.7
3 Damansara	5	0.0
The Mines	15	-19.6
CMMT Portfolio (Retail)	72	-1.1
Tropicana City Office Tower	-	-
CMMT Portfolio (Retail + Office)	72	-1.1

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 1st year rental of the renewed term over last year rental of the preceding term.

Portfolio Lease Expiry (By Year)

As at 31 March 2020	CMMT (Retail)		
	No of Leases ¹	Gross Rental Income RM'000	% of Total Gross Rental Income ²
2020	567	9,020	42.2%
2021	354	5,993	28.0%
2022	272	5,540	25.9%
Beyond 2022	54	829	3.9%

As at 31 March 2020	CMMT (Office)		
	No of Leases ¹	Gross Rental Income RM'000	% of Total Gross Rental Income ³
2020	1	226	42.0%
2021	7	260	48.4%
Beyond 2021	1	52	9.6%

1. Based on all committed leases as at 31 March 2020.
2. Based on committed gross rental income for CMMT (Retail) as at 31 March 2020.
3. Based on committed gross rental income for CMMT (Office) as at 31 March 2020.

Portfolio Lease Expiry Profile for 2020

As at 31 March 2020	No. of Leases ¹	% of Net Lettable Area ¹	% of Goss Rental Income ¹
Gurney Plaza	144	11.70%	16.60%
East Coast Mall	93	10.10%	9.00%
Sungei Wang	108	4.90%	3.40%
3 Damansara	77	9.20%	5.60%
The Mines	145	9.30%	6.60%
CMMT (Retail)	567	45.20%	41.20%
Tropicana City Office Tower	1	1.60%	1.00%
CMMT Portfolio (Retail & Office)	568	46.80%	42.20%

1. Based on committed leases for CMMT Portfolio(Retail + Office) as at 31 March 2020.

Occupancy Rate

	1Q 2020 31 March 20 ¹	4Q 2019 31 December 19 ¹
Gurney Plaza	99.2%	99.8%
East Coast Mall	99.0%	99.5%
Sungei Wang	75.5%	82.0%
3 Damansara ²	86.7%	91.3%
The Mines	85.8%	90.5%
CMMT (Retail)	90.5%	93.6%
Tropicana City Office Tower ²	100.0%	100.0%
CMMT Portfolio (Retail & Office)	90.9%	93.8%

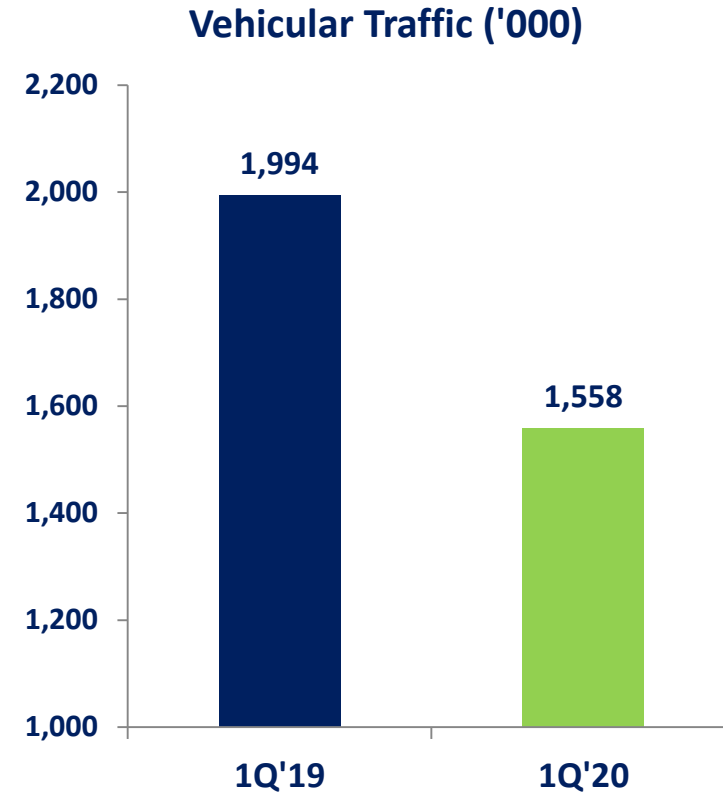
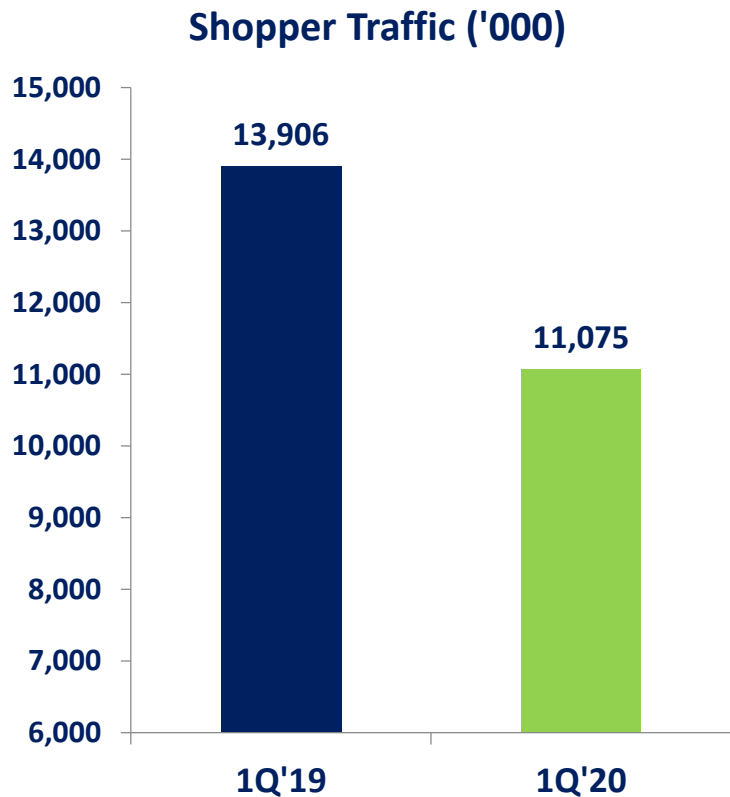
1. Based on committed leases.

2. The occupancy of 3 Damansara Property is 89.0% as at 31 March 2020.

Shopper and Vehicular Traffic¹

Shopper Traffic
20.4% lower than 1Q 2019

Vehicular Traffic
21.8% lower than 1Q 2019



1. During the quarter, shopper and vehicular traffic between 18 to 31 March were impacted by the Movement Control Order implemented by the Government to curb the spread of COVID-19.

New Retail Offerings in Gurney Plaza



Stuart Weitzman's first boutique in the Northern region; new and exciting cosmetic and fashion offerings



The first Starbucks Reserve outlet in Penang; a variety of new dining options

CMMT Malls

East Coast Mall



Lady.K



Promax

Sungei Wang



VPro Carwash



Big Apple

3 Damansara



Mile Creation



MQ Alterations

The Mines



Funscape by Cobay



Nokia

COVID-19 Developments



Timeline of events

Date	Key event
25-Jan	First COVID-19 case detected in Malaysia
30-Jan	The World Health Organisation declares the new coronavirus outbreak a Public Health Emergency of International Concern
6-Feb	First local COVID-19 infection
27-Feb	RM20bil economic stimulus package announced
2-Mar	CapitaLand and CMMT introduced support measures for retailers
11-Mar	The World Health Organisation declared the COVID-19 outbreak a global pandemic
16-Mar	MCO announced to be enforced from 18 to 31 March
25-Mar	Government announced extension of the MCO by additional two weeks to 14 April
26-Mar	CapitaLand and CMMT announced 14-day rental waiver for Affected Tenants
27-Mar	RM250bil economic stimulus package announced
6-Apr	Additional allocation of RM10bil for Small and Medium-sized Enterprises
10-Apr	Government announced further extension of the MCO by additional two weeks to 28 April
30-Apr	CMMT committed up to RM35.0 million of rental relief support for Affected Tenants
1-May	Government announced CMCO starting from 4 May to 12 May
10-May	Government announced extension of CMCO until 9 June

Government Economic Stimulus Packages

Three stimulus packages totalling RM260 billion to mitigate impact of COVID-19

REIT-relates measures	What did CMMT do?
<ul style="list-style-type: none"> 15% discount in monthly electricity bills to hotels, travel agencies, airlines, shopping malls, conventions and exhibition centres from April to September 2020 	<ul style="list-style-type: none"> Pass through of discount to eligible tenants
<ul style="list-style-type: none"> Employees with a salary below RM4,000 a month will benefit from the Wage Subsidy Programme 	<ul style="list-style-type: none"> Application has been made for the Wage Subsidy Programme

Support for Tenants to ride out COVID-19

RM35.0 mil Rental Relief

- First tranche in the form of 14-day rental waiver from 18 to 31 March 2020 for Affected Tenants
- Second tranche in the form of rental relief in staggered manner for Affected Tenants

Govt measure

- 15% electricity discount from April to September 2020, as announced by the Government, to be fully passed to eligible tenants

Other Support Initiatives

- Flexible payment arrangement from May to December
- Flexible operating hours throughout MCO/CMCO
- Free parking from 26 March to 26 May
- 3-hour free parking from 27 May to 30 June
- Marketing assistance efforts, where applicable, taking into consideration the evolving COVID-19 situation

Operation during COVID-19

	During MCO 18 March to 3 May	During CMCO 4 May onwards
• Stores opened (% of total portfolio)	12%	76% (as at 17 May 2020)
• Mall Operation Hours	• Shortened operation hours from 10 am to 8 pm in accordance with authorities' guidelines	• Resume normal operation hours from 10 am to 10 pm
• Engagement via social media	• Keeping audiences updated regularly with mall announcements and essential services' tenants' operating hours	• Keeping audiences updated regularly with mall announcements and tenants' promotions



Tenants and shoppers' safety and well-being

CMMT has put in place precautionary measures at its properties since January 2020 in line with the health authorities' guidelines



Supporting the underprivileged communities

CapitaLand and CMMT distribute COVID-19 care packages worth RM212,000 to affected communities in Malaysia

Beneficiaries include about 4,000 underprivileged children from 80 orphanages in the Klang Valley, Kuantan and Penang as well as 300 needy families in Johor. They will receive surgical masks, hand sanitisers as well as groceries. The donation is made possible with funding from CapitaLand Hope Foundation, CapitaLand's philanthropic arm.



The guardian and children from Rapha Children's Home



The children from Pertubuhan Kebajikan Yesuvin Mahligai (YM) Selangor

Cautious outlook in the near term

Strengthening CMMT's retail ecosystem and ensure long-term viability

- Retail Environment**
 - Highly uncertain and challenged as CMCO remain in force
 - Shopper traffic and tenants' sales expected to remain weak amidst uncertainty
 - Pressure on rental reversion due to cautious retailer sentiment
 - About 20% of the expiring leases have been renewed as at April 2020
- Operational Focus**
 - Enhance operational efficiencies
 - Deferred all non-essential operating and capital expenditures
 - Defer asset enhancement initiatives work except for the creation of contemporary food hall at Gurney Plaza
 - Commit to ride out the challenges ahead with tenants
 - Maintain regular and constructive communication with tenants
 - Proactive lease management to support tenants' operations and sustain healthy occupancy levels
 - Render additional support to tenants or marketing assistance efforts, where applicable and taking into consideration the evolving COVID-19 situation
- Capital Management**
 - Proposed Distribution Reinvestment Plan allows unitholders to reinvest their income distribution into new CMMT units
 - No long-term debt maturing until 2022
 - RM300mil Medium Term Notes (MTN) refinanced in December 2019
 - Well-supported by banks and MTN programme in place
 - Bank facilities in place for working capital and capital expenditure requirements



Thank you

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