



# CAPITALAND MALAYSIA MALL TRUST

1H 2020 Results Presentation

21 July 2020

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# 1H 2020 Overview



# 1H 2020 Updates

## 1H 2020 Results

- Net Property Income: RM58.7 mil (▼ 43.0% YoY)
- Distribution Per Unit: 1.01 sen (▼ 68.6% YoY)
- Shopper Traffic: 14.9 mil (▼ 46.2% YoY)
- As at 30 June 2020:
  - Rental Reversion: -1.2%
  - Portfolio Occupancy: 88.3%

## Proactive Portfolio and Asset Management

### Refreshing Tenant Mix

- A new supermarket operator at The Mines
- A new high-end cosmetics retailer at Gurney Plaza

### Asset Enhancement Initiative

- Creation of contemporary food hall at Gurney Plaza is scheduled to complete by 4Q 2020



# Financial Results

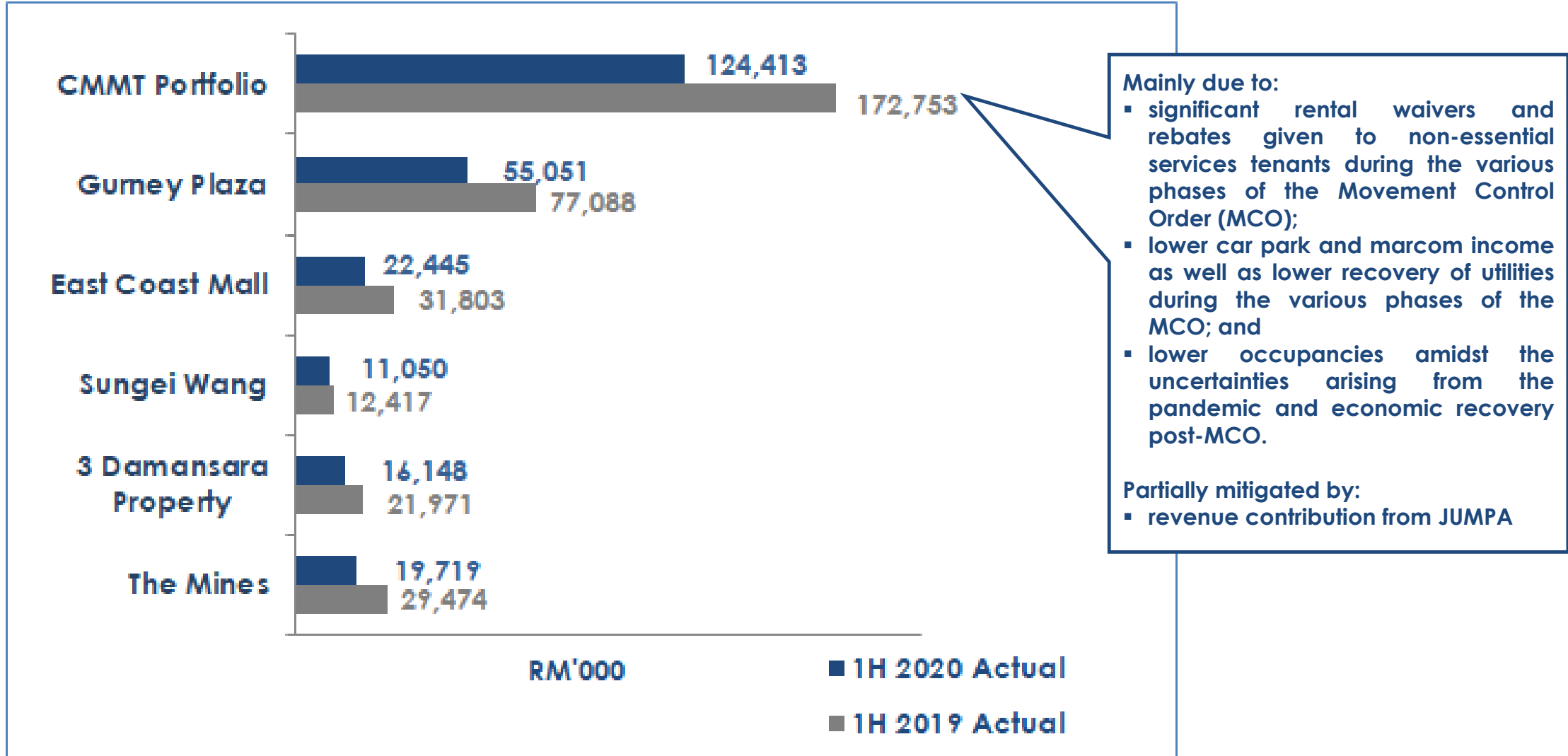


# Distribution Statement

RM'000	2Q 2020 Actual (Unaudited)	2Q 2019 Actual (Unaudited)	Change %	YTD 2020 Actual (Unaudited)	YTD 2019 Actual (Unaudited)	Change %
Gross revenue	49,881	84,848	(41.2)	124,413	172,753	(28.0)
Less: Property operating expenses	(30,520)	(34,519)	(11.6)	(65,692)	(69,673)	(5.7)
<b>Net property income</b>	<b>19,361</b>	<b>50,329</b>	<b>(61.5)</b>	<b>58,721</b>	<b>103,080</b>	<b>(43.0)</b>
Interest income	359	744	(51.7)	986	1,657	(40.5)
Fair value loss of investment properties (net)	-	(30,042)	100.0	-	(30,042)	100.0
<b>Net investment income</b>	<b>19,720</b>	<b>21,031</b>	<b>(6.2)</b>	<b>59,707</b>	<b>74,695</b>	<b>(20.1)</b>
Manager's management fee	(3,900)	(5,377)	(27.5)	(8,747)	(10,859)	(19.4)
Trust and other expenses	(492)	(523)	(5.9)	(1,068)	(1,047)	2.0
Finance costs	(15,136)	(15,532)	(2.5)	(30,430)	(30,710)	(0.9)
<b>Profit/ (Loss) before taxation</b>	<b>192</b>	<b>(401)</b>	<b>&gt;100.0</b>	<b>19,462</b>	<b>32,079</b>	<b>(39.3)</b>
Taxation	-	-	-	-	-	-
Deferred Taxation	-	(9,752)	100.0	-	(9,752)	100.0
<b>Profit/ (Loss) for the period</b>	<b>192</b>	<b>(10,153)</b>	<b>&gt;100.0</b>	<b>19,462</b>	<b>22,327</b>	<b>(12.8)</b>
Distribution adjustments	511	41,132	(98.8)	1,385	43,685	(96.8)
Income available for distribution	703	30,979	(97.7)	20,847	66,012	(68.4)
<b>Distributable income<sup>1</sup></b>	<b>616</b>	<b>30,867</b>	<b>(98.0)</b>	<b>20,759</b>	<b>65,822</b>	<b>(68.5)</b>
<b>DPU (sen)</b>	<b>0.03</b>	<b>1.51</b>	<b>(98.0)</b>	<b>1.01</b>	<b>3.22</b>	<b>(68.6)</b>

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

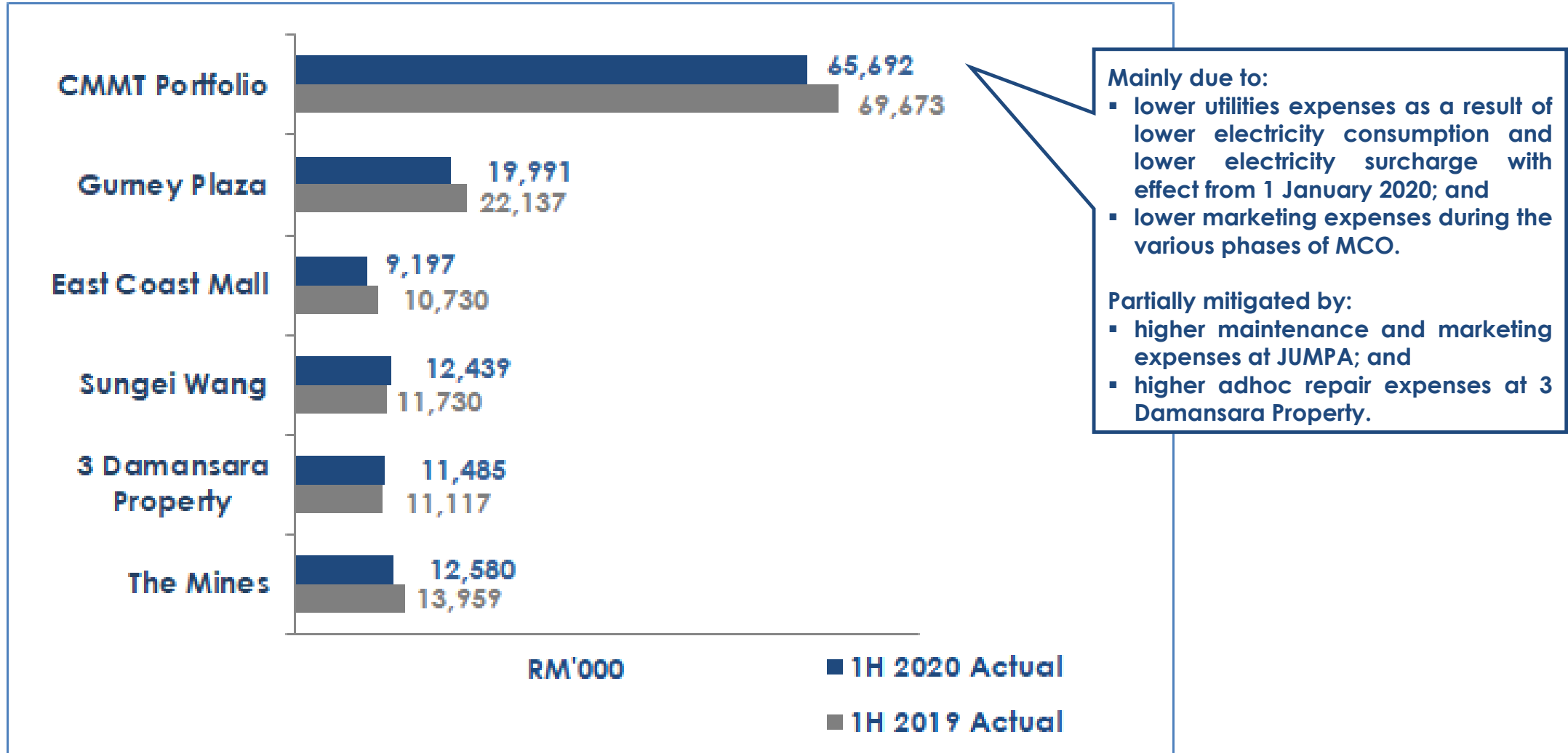
# 1H 2020 Gross Revenue



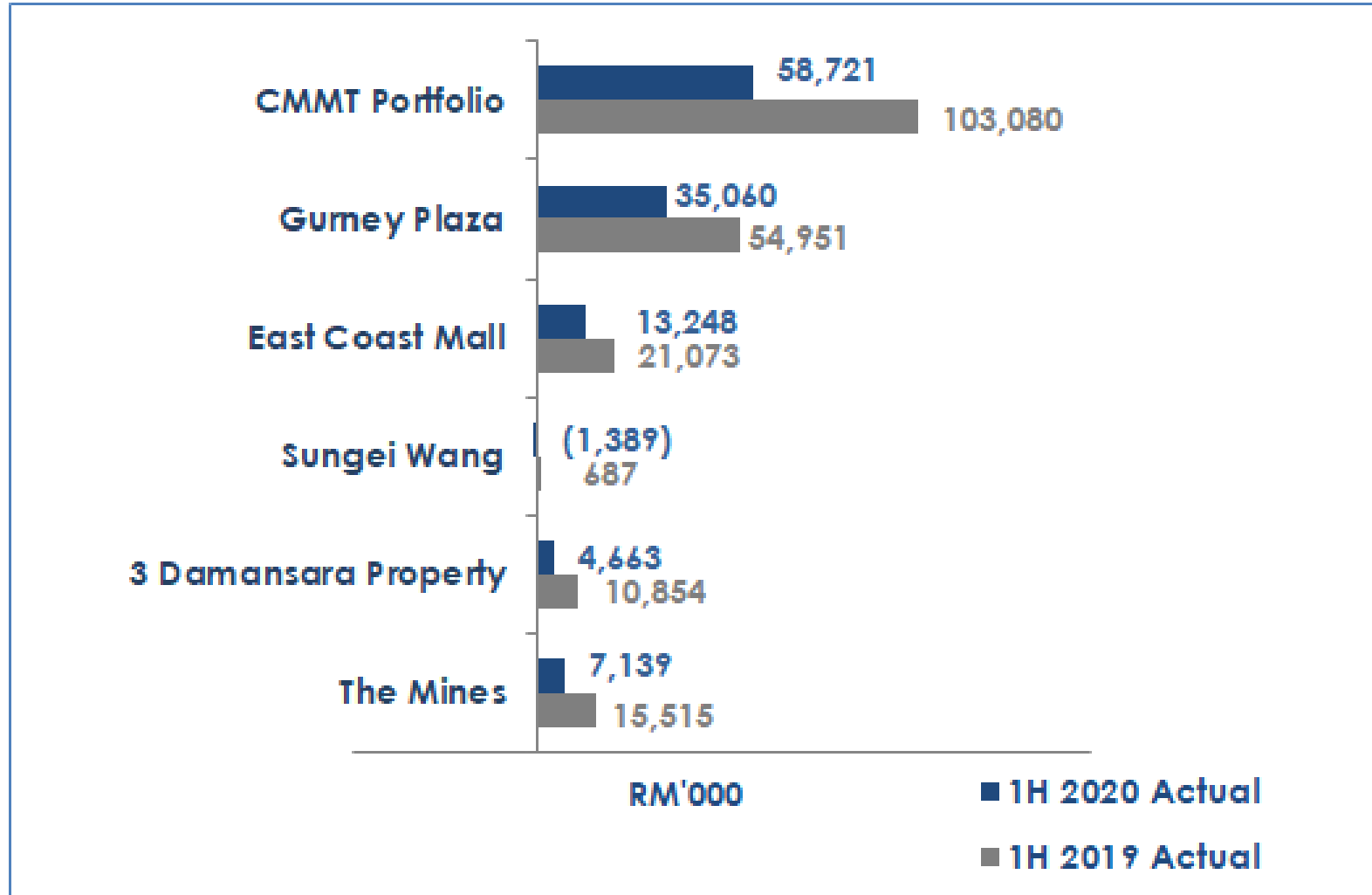
Note: 3 Damansara and Tropicana City Office Tower are collectively known as 3 Damansara Property.



# 1H 2020 Property Operating Expenses



# 1H 2020 Net Property Income





# Distribution Per Unit

	2Q 2020 Actual (Unaudited)	2Q 2019 Actual (Unaudited)	Change %	YTD 2020 Actual (Unaudited)	YTD 2019 Actual (Unaudited)	Change %
<b>Distributable Income (RM'000)</b>	616	30,867	(98.0)	20,759	65,822	(68.5)
<b>DPU (sen)</b>	0.03	1.51	(98.0)	1.01	3.22	(68.6)
<b>DPU (sen) - annualised</b>	0.12	6.06	(98.0)	2.03	6.49	(68.7)
<b>Distribution yield (%)</b>	0.15	5.83	N.M.	2.55	6.24	N.M.
<small>(Based on market price of RM0.795 on 30 June 2020 and RM1.04 on 28 June 2019)</small>						
<b>Distribution yield (%)</b>	0.16	5.72	N.M.	2.74	6.12	N.M.
<small>(Based on market price of RM0.740 on 20 July 2020 and RM1.06 on 24 July 2019)</small>						

N.M. – Not meaningful

# Distribution Reinvestment Plan

## First Income Distribution

- First income distribution of 1.01 sen per CMMT Unit (of which 0.84 sen per CMMT Unit is taxable and 0.17 sen per CMMT Unit is tax exempt in the hands of Unitholders) for the period from 1 January 2020 to 30 June 2020

## Distribution Reinvestment Plan

- Distribution Reinvestment Plan (DRP) shall apply to the First Income Distribution in the following manner:
  - The gross electable portion will be 0.505 sen per Unit (which is taxable in the hands of unitholders) which the Unitholders can elect to reinvest in new Units
  - The remaining 0.505 sen per Unit (of which 0.335 sen per Unit is taxable and 0.17 sen per Unit is tax exempt in the hands of Unitholders) of the income distribution of 1.01 sen per Unit will be paid in cash

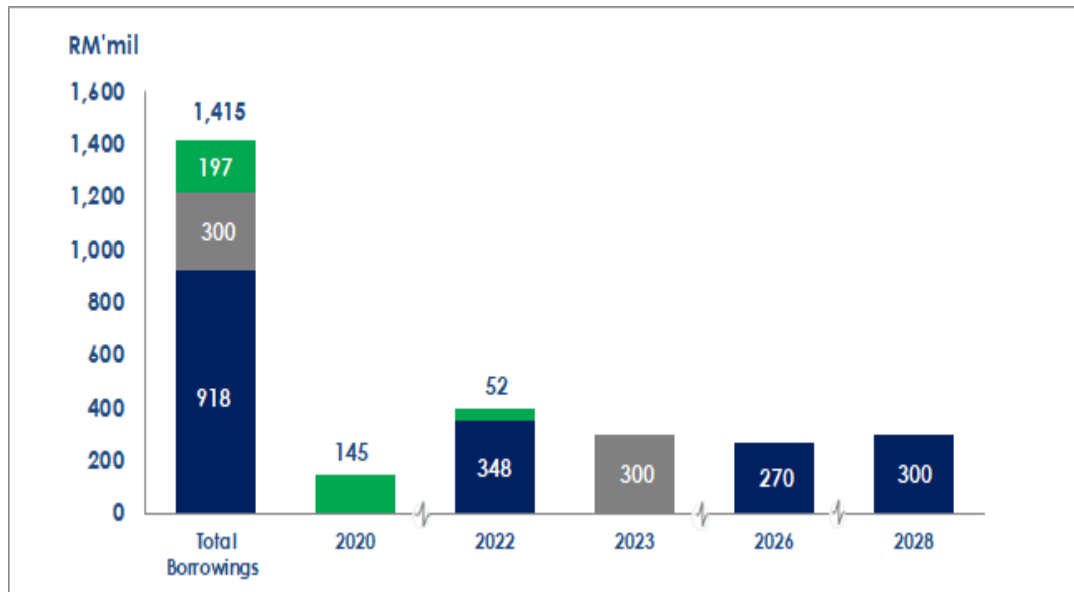
## Bursa Securities' Approval

- The additional listing application (ALA) in relation to the issuance of new CMMT Units pursuant to the DRP will be submitted to Bursa Securities in due course
- The details on the issue price of the new CMMT units, the entitlement date for the First Income Distribution and the DRP as well as the payment date will be announced upon obtaining Bursa Securities' approval in respect of the ALA



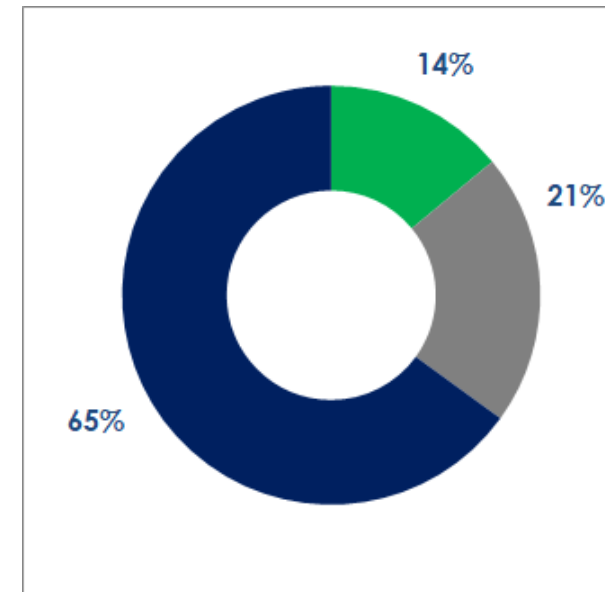
# Debt Profile

## Well-spread Debt Maturity Profile



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

## Diversified Sources of Funding



# Key Financial Indicators

	2Q 2020	1Q 2020
Unencumbered assets as % of total assets	28.7%	28.8%
Gearing ratio	34.2%	34.1%
Average cost of debt	4.30%	4.35%
Fixed:Floating rate debt ratio	81%:19%	81%:19%
Net debt / EBITDA (times)	14.2	10.2
Interest coverage (times)	1.7	2.3
Average term to maturity (years)	3.9	4.2



# Balance Sheet

As at 30 June 2020	RM'mil
Non-current Assets	4,045
Current Assets	87
<b>Total Assets</b>	<b>4,132</b>
Current Liabilities	247
Non-current Liabilities	1,322
<b>Total Liabilities</b>	<b>1,569</b>
<b>Net Assets</b>	<b>2,563</b>
<b>Total Unitholders' Funds</b>	<b>2,563</b>
<b>Number of Units in Circulation (in million units)</b>	<b>2,055</b>

<b>NAV (RM'mil)</b>	
- before income distribution	2,563
<b>- after income distribution</b>	<b>2,542</b>
<b>NAV per unit (RM)</b>	
- before income distribution	1.25
<b>- after income distribution</b>	<b>1.24</b>

# Portfolio Updates





# Rental Reversion

From 1 January 2020 to 30 June 2020 <sup>1</sup>	No. of new leases/renewals	Var. over preceding rental <sup>2, 3, 4</sup> (%)
Gurney Plaza	36	+4.0
East Coast Mall	14	+4.6
Sungei Wang	6	-23.3
3 Damansara	8	-1.1
The Mines	17	-22.6
<b>CMMT Portfolio (Retail)</b>	<b>81</b>	<b>-1.2</b>
Tropicana City Office Tower	-	-
<b>CMMT Portfolio (Retail + Office)</b>	<b>81</b>	<b>-1.2</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.

# Portfolio Lease Expiry (By Year)

As at 30 June 2020	CMMT (Retail)		
	No of Leases <sup>1</sup>	Gross Rental Income RM'000	% of Total Gross Rental Income <sup>2</sup>
2020	484	8,149	38.9%
2021	363	6,004	28.7%
2022	278	5,572	26.6%
Beyond 2022	63	1,212	5.8%

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

1. Based on all committed leases as at 30 June 2020.
2. Based on committed gross rental income for CMMT (Retail) as at 30 June 2020.
3. Based on committed gross rental income for CMMT (Office) as at 30 June 2020.

# Portfolio Lease Expiry Profile for 2020

As at 30 June 2020	No. of Leases <sup>1</sup>	% of Net Lettable Area <sup>1</sup>	% of Goss Rental Income <sup>1</sup>
Gurney Plaza	116	10.7%	14.8%
East Coast Mall	79	9.7%	8.0%
Sungei Wang	93	4.4%	3.1%
3 Damansara	69	8.9%	5.5%
The Mines	127	7.4%	6.5%
<b>CMMT (Retail)</b>	<b>484</b>	<b>41.1%</b>	<b>37.9%</b>
Tropicana City Office Tower	1	1.6%	1.0%
<b>CMMT Portfolio (Retail &amp; Office)</b>	<b>485</b>	<b>42.7%</b>	<b>38.9%</b>

1. Based on committed leases for CMMT Portfolio(Retail + Office) as at 30 June 2020.



# Occupancy Rate

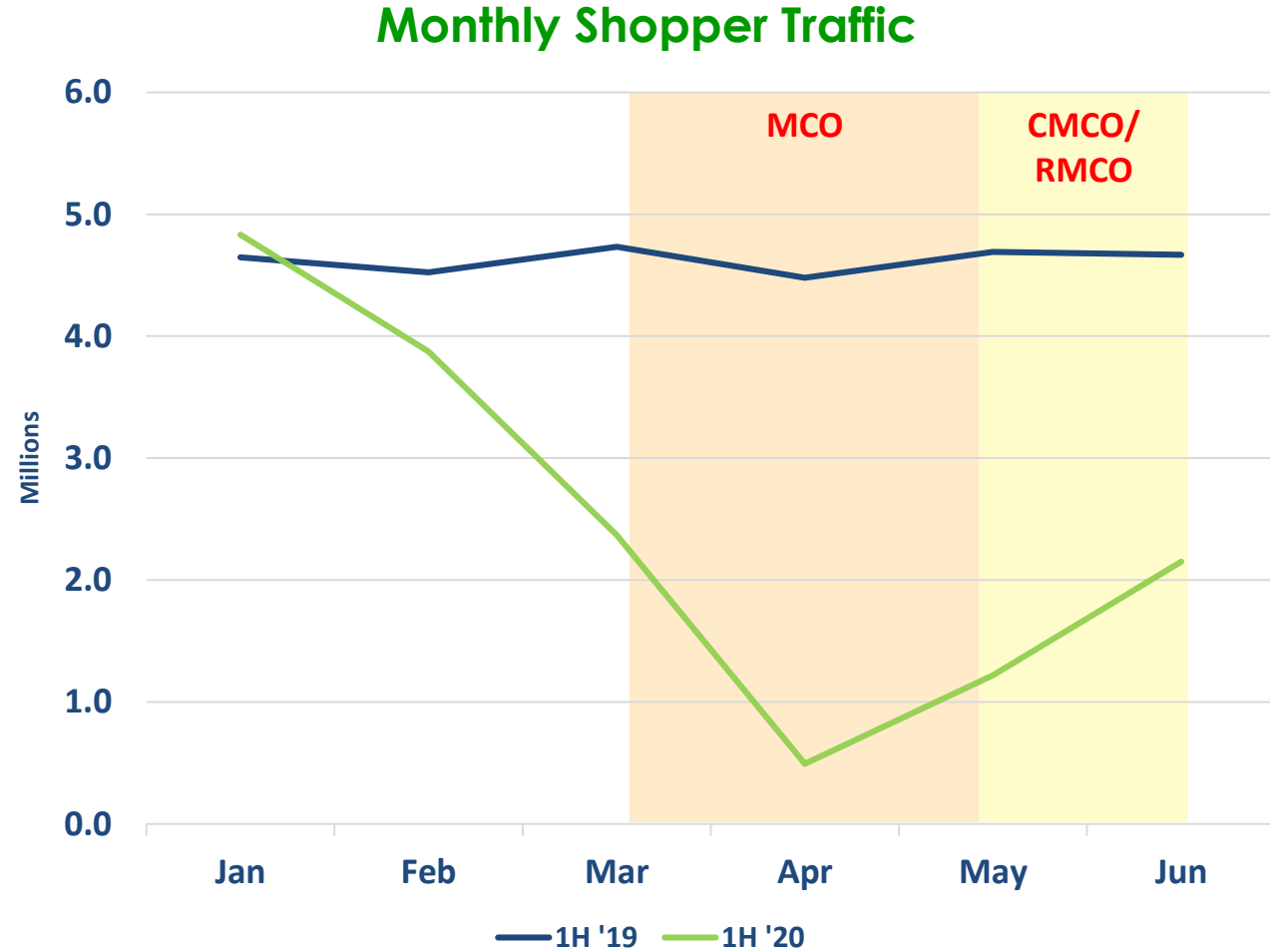
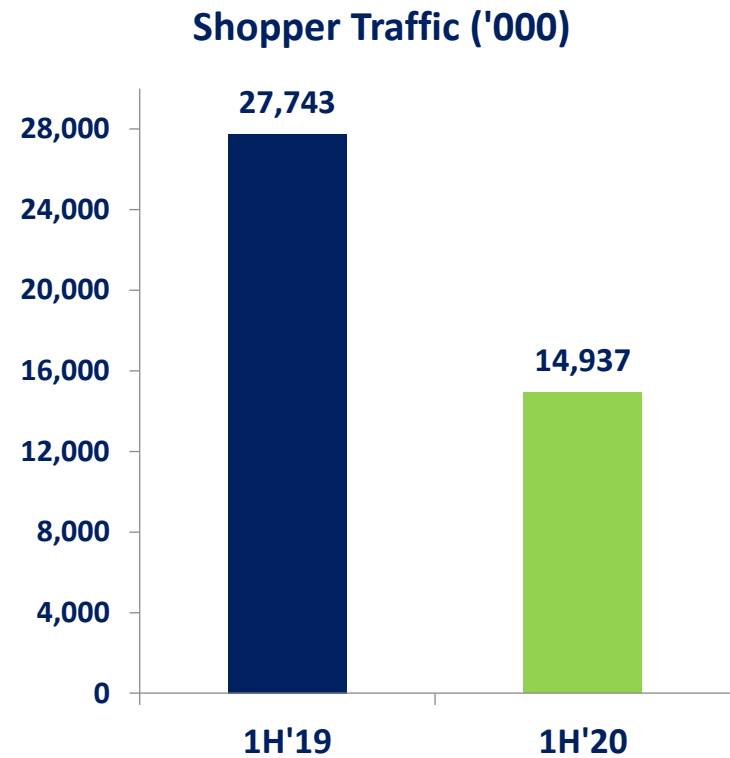
	2Q 2020 30 June 20 <sup>1</sup>	1Q 2020 31 March 20 <sup>1</sup>
Gurney Plaza	97.6%	99.2%
East Coast Mall	94.9%	99.0%
Sungei Wang	71.5%	75.5%
3 Damansara <sup>2</sup>	85.8%	86.7%
The Mines	82.4%	85.8%
<b>CMMT (Retail)</b>	<b>87.9%</b>	<b>90.5%</b>
Tropicana City Office Tower <sup>2</sup>	100.0%	100.0%
<b>CMMT Portfolio (Retail &amp; Office)</b>	<b>88.3%</b>	<b>90.9%</b>

1. Based on committed leases.

2. The occupancy of 3 Damansara Property is 88.3% as at 30 June 2020.

# Shopper Traffic<sup>1</sup>

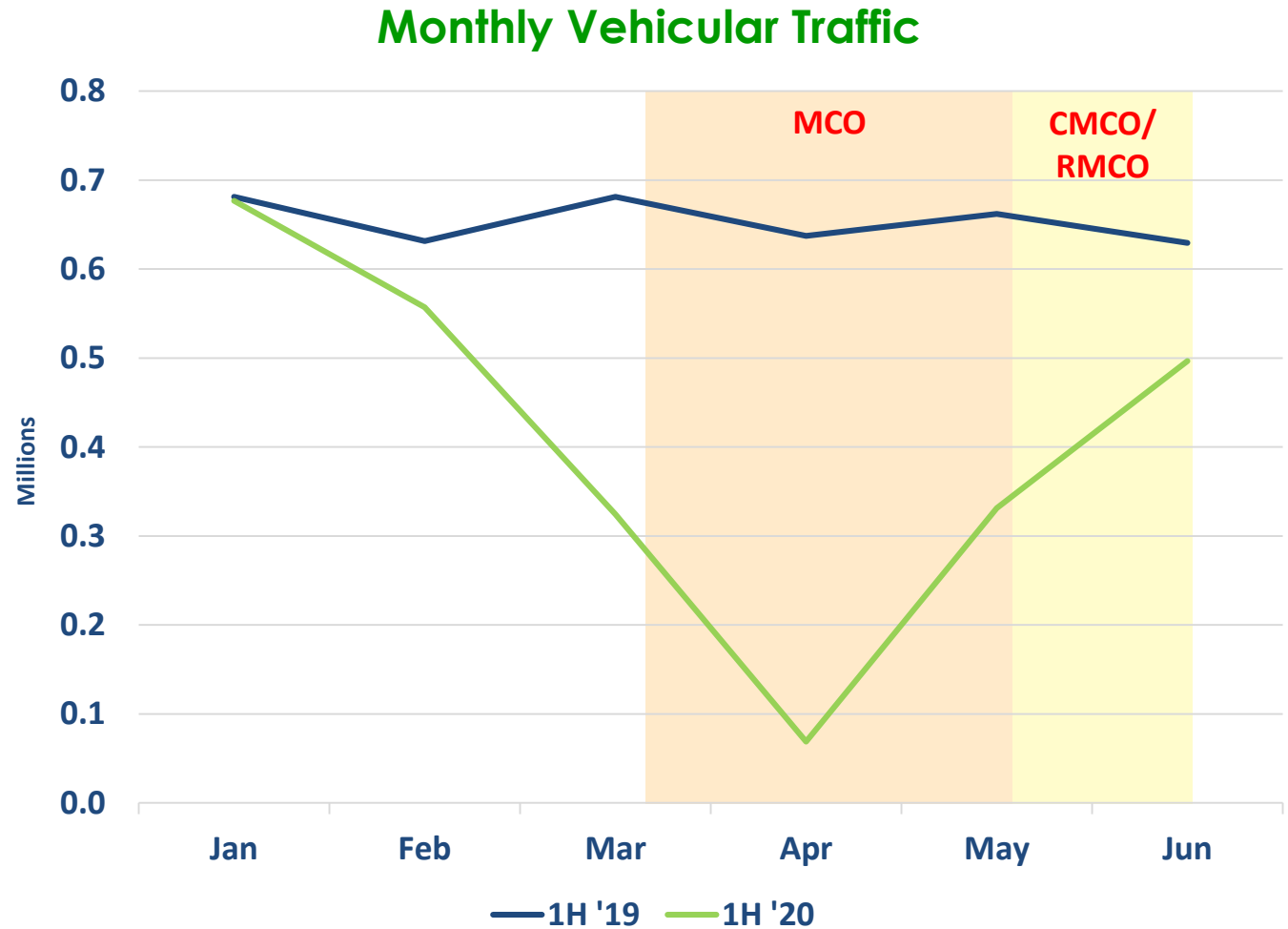
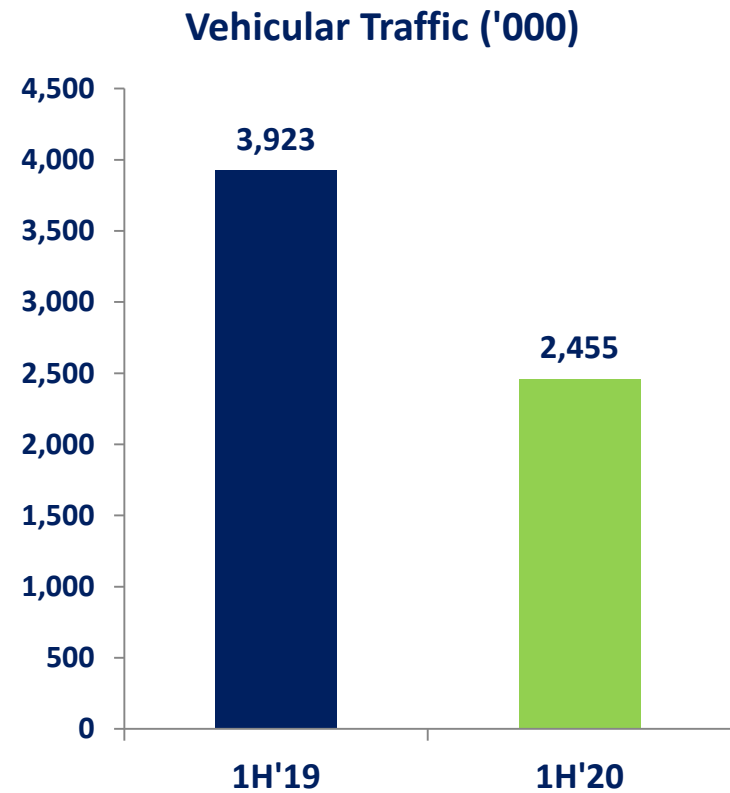
**Shopper Traffic  
46.2% lower than 1H 2019**



1. During 1H 2020, shopper traffic between 18 March to 30 June was impacted by the MCO, Conditional Movement Control Order (CMCO) and Recovery Movement Control Order (RMCO) implemented by the Government to curb the spread of COVID-19.

# Vehicular Traffic<sup>1</sup>

**Vehicular Traffic  
37.4% lower than 1H 2019**



1. During 1H 2020, vehicular traffic between 18 March to 30 June was impacted by the MCO, CMCO and RMCO implemented by the Government to curb the spread of COVID-19.



# New Retail Offerings



GURNEY PLAZA: Tom Ford Beauty's first boutique in the Northern region



3 DAMANSARA: Dr Tan & Partners provides a wide range of healthcare services



THE MINES: Tesco, the first one in CMMT's portfolio, opened in June and will re-anchor the mall's neighbourhood positioning





# Shopper Engagement

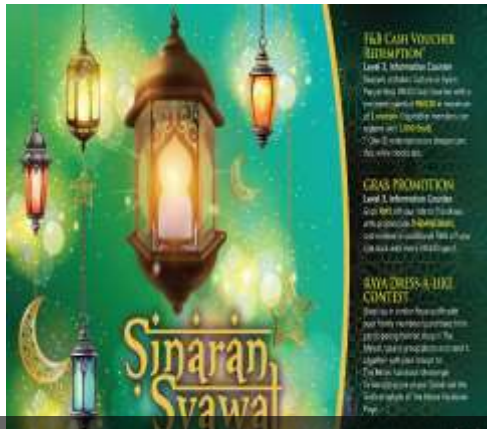
Leveraging CapitaStar with attractive online marketing and promotional campaigns



**THE MINES:** The *Grocery Shopping Bonanza* was organised to boost the awareness and promote sales in conjunction with the opening of Tesco in June



**EAST COAST MALL:** CapitaStar members were rewarded when they took part in the Top Spender contest held during the *Riang Raya* festive celebration



Various social media campaigns were organised throughout the phases of MCO to connect with shoppers



# COVID-19 Developments



# Safe Reopening: Prioritising safety and well-being of tenants and shoppers

Gurney Plaza is the first shopping mall to be certified by the Penang state government's COVID-19 Accreditation Programme for adherence to strict hygiene and safety standards





# Safe Reopening of Cinemas

GSC Cinemas\* (Gurney Plaza and East Coast Mall) and TGV Cinemas (The Mines) have reopened in July in accordance with the necessary precautionary measures in place



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\* GSC Cinemas outlet at 3 Damansara is closed for renovation

# Strengthening CMMT's retail ecosystem

## FY 2020 Performance Update

- Near-term performance under pressure arising from COVID-19 uncertainties
- Signed new leases representing 30% of the net lettable area that is due for renewal in 2020
- More than 90% of our tenants have resumed business under the RMC0 as at 5 July 2020
- Although the recovery of the retail sector remains uncertain due to cautious consumer sentiment, there has been a gradual return in shopper footfall

## Proactive Portfolio and Asset Management

- Focus on stabilising the portfolio during this challenging period
- Timely completion of Gurney Plaza's asset enhancement initiative
- Monitor the situation closely and remain committed to ride out the challenging period with tenants
- Accelerate digital adoption among tenants and reach out to more shoppers through CapitaStar

## Prudent Capital Management

- A healthy and adequate financial position to meet financial and operational obligations
- Cash conserved through the DRP would be utilised for working capital and capital expenditure requirements





# Thank you

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