
Extraordinary General Meeting held on 14 June 2021

Responses to Substantial and Relevant Questions

The Manager of CapitaLand Malaysia Mall Trust ("**CMMT**") would like to thank all Unitholders who submitted their questions in conjunction with the Extraordinary General Meeting ("**EGM**") held fully virtually via online utilising Boardroom's Lumi AGM platform at 11:00 am on Monday, 14 June 2021.

Please refer to our responses to these substantial and relevant questions in the following pages. Due to the high volume and overlaps in questions sent to us, we apologise that we are unable to respond to all of them.

Following the conclusion of the EGM, the voting results of the EGM has been uploaded on Bursa Malaysia and made available on CMMT's website. The minutes of the EGM will be published on CMMT's website within 30 days from the EGM.

We have grouped the most asked questions into the topics below.

1. Business Strategies
2. Others

By Order of the Board

CAPITALAND MALAYSIA MALL REIT MANAGEMENT SDN. BHD.

(Registration No. 200801018055 (819351-H))

As manager of CapitaLand Malaysia Mall Trust

Khoo Ming Siang (SSM PC No.: 201908001873)(MAICSA No. 7034037)

Teo Mee Hui (SSM PC No.: 202008001081)(MAICSA No. 7050642)

Company Secretaries

Kuala Lumpur, Malaysia

15 June 2021

Important Notice

The past performance of CapitaLand Malaysia Mall Trust (CMMT) is not indicative of future performance. The listing of the units in the CMMT (Units) on the Main Market of Bursa Malaysia Securities Berhad (the Bursa Malaysia) does not guarantee a liquid market for the Units. The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed on the Bursa Malaysia. It is intended that holders of Units may only deal in their Units through trading on the Bursa Malaysia.

This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units.

A: Business Strategies	
1.	What is the rationale for the Proposed Mandate Expansion?
	<p>The Proposed Mandate Expansion is expected to provide the following key benefits of enabling CMMT:</p> <ul style="list-style-type: none"> (i) To expand investment opportunities; (ii) To possess sector, revenue stream, asset and tenant diversification; and (iii) To enhance ability to deliver stable and sustainable distribution to Unitholders. <p>With the Proposed Mandate Expansion, CMMT will be better positioned for growth as it leverages on CapitaLand's expertise and will gain exposure to expanded asset classes. This will enhance the Manager's ability to provide sustainable returns to the Unitholders in the long term.</p>
2.	Why is the Proposed Mandate Expansion necessary? Is this a normal practice in the M-REIT industry?
	<p>The effect of the Proposed Mandate Expansion is not new to the M-REIT industry.</p> <p>The Proposed Mandate Expansion will enable CMMT to explore other asset classes and pivot itself into new economy sectors beyond the retail sector and to diversify its revenue stream. We believe that a geographical- and sector-diversified portfolio will benefit CMMT in the long term as the portfolio will be more resilient and less susceptible to adverse changes caused by unforeseeable external-led events and factors.</p>
3.	With the Proposed Mandate Expansion, does the Sponsor – CapitaLand, have any assets that can be potentially acquired by CMMT? If there are, please provide some information about the assets.
	<p>We will pursue inorganic growth through acquisitions of properties in the existing and new asset classes, with financial discipline. We will also explore opportunities from both our sponsor CapitaLand and third parties.</p> <p>In Malaysia, CapitaLand owns Queensbay Mall in Penang and is the joint-owner of Melawati Mall in the Klang Valley. The Sponsor is also the co-developer of Nusajaya Tech Park – a 210-hectare business park located in Iskandar Malaysia, Johor. When fully completed, Nusajaya Tech Park will provide 9 million square feet of business space for 200 enterprises, with lifestyle amenities supporting a vibrant business community.</p> <p>Once we obtained the approvals from Unitholders and authorities, CapitaLand Malaysia Trust (CLMT) will be the dedicated Malaysia-listed REIT for CapitaLand Group's non-lodging Malaysia business.</p>
4.	(a) Can you provide some details on future plans and the type of assets you will prioritise in your investment decision? What is the targeted rental return? (b) What is the ideal portfolio mix between retail and non-retail properties for the long term growth of the fund?
	<p>(a) With the Proposed Mandate Expansion, we will continue to strengthen the performance of the existing portfolio whilst pursuing inorganic growth via acquisitions of properties in existing and new asset classes, with financial discipline.</p> <p>As indicated in the Proposed Mandate Expansion, CMMT is seeking expansion in asset classes beyond retail and this includes commercial, office and industrial assets. We will exercise investment discipline to ensure the acquisitions we make are beneficial to</p>

	<p>Unitholders and one that will allow us to strengthen our portfolio, before considering it. In line with our strategy, our key acquisition criteria will include, property yield and DPU accretion, asset quality and strategic location.</p> <p>(b) We target to grow the CMMT's portfolio inorganically through acquisitions in both retail and non-retail assets. The targeted portfolio mix, in the short and medium term, would possibly comprise a majority of retail assets.</p>
5.	<p>Has the Manager been in discussion or target to acquire any non-retail real estate once the investment mandate to diversify has been obtained?</p>
	<p>The Manager seeks Unitholders' support for the Proposed Mandate Expansion and with your approval, we will then pursue acquisition opportunities proactively, from both our Sponsor CapitaLand and third parties, to acquire any of the assets in the expanded classes of assets.</p> <p>The Proposed Mandate Expansion, once approved, also serves to notify the market (including property owners) of CMMT's interest in the targeted asset classes which will include commercial, office and industrial properties. Any targets identified for acquisition will be announced accordingly once the acquisition agreement is entered into.</p>
6.	<p>Most REITs will fund future investment/acquisition either by borrowings or issuance of new units or a combination of both. Based on CMMT's 1Q 2021 results, the net gearing stood at 35.7%. Based on CMMT's latest closing unit price of RM0.625, it is trading at a huge discount about 45% to Net Asset Value (NAV) of RM1.1517. Can the Board assure Unitholders that it will not propose to issue new CMMT units at huge discount to NAV to fund future acquisition as this will have a negative impact on the earnings per unit of minority Unitholders?</p>
	<p>Should there be an acquisition target, CMMT will evaluate all available funding options and determine the most optimal capital structure in order to deliver an accretive acquisition. Debt funded acquisition will be considered provided the post-acquisition gearing is manageable under our stress test.</p>
7.	<p>Do you have the necessary skillset to identify, acquire and manage other class of properties such as industrial and logistics related which may require specific expertise to maximise the long term value of such type of properties?</p>
	<p>With the acquisition of the Ascendas-Singbridge group in 2019, the expanded CapitaLand Group now includes business parks, logistics and data centres in its portfolio, allowing CMMT access to an expanded depth of talent pool within these new economy asset classes with the Sponsor's support.</p> <p>CapitaLand now provides a full spectrum of real estate capabilities and resources managed by a local ground team with in-depth market knowledge in Malaysia. Similar to CMMT's retail assets, CMMT will leverage on CapitaLand's strong support, regional network and operational expertise to enter into and manage the new economy assets.</p>

8.	<p>(a) What is the dividend payout ratio for FY 2021?</p> <p>(b) Any plan/strategy to get new business or additional income to sustain the current business should the MCO prolong? Can CMMT overcome the crisis?</p> <p>(c) Will there be an increase in DPU for FY 2021? How much improvement does Management expect from the Proposed Mandate Expansion in improving returns?</p>
	<p>(a) As per the distribution policy stated in CMMT's Trust Deed, we intend to distribute at least 90% of CMMT's distributable income on a half-yearly basis.</p> <p>(b) The COVID-19 pandemic has impacted the retail sector in unprecedented ways, placing a strain on the performance of CMMT properties. That said, we will continue to preserve cashflow and liquidity via cost containment measures and prudent capital management. We will continue to strengthen the performance of the existing portfolio whilst pursuing inorganic growth via acquisitions of properties in the existing and new asset classes.</p> <p>(c) With the Proposed Mandate Expansion, CMMT will be better positioned for growth and this will enhance our ability to provide sustainable returns to the Unitholders in the long term.</p>
9.	<p>The outlook for retail remains grim with various restrictions under Movement Control Order. Please share a short business update on latest shopper traffic to the malls as well as tenancy renewals.</p>
	<p>Following the shopper traffic recovery in March 2021 due to the relaxation of Standard Operating Procedures and reopening of all trades, shopper traffic had eased in April with the resurgence of COVID-19 daily cases. In addition, the fasting month of Ramadhan began from mid-April. Shopper traffic continued to decline in May as the COVID-19 daily cases continued to climb and the Full Movement Control Order (FMCO) was implemented.</p> <p>For the retail sector, operating conditions remain challenging under the current FMCO which has been extended until 28 June 2021. We will continue to strike a balance between rental reversions and occupancy to ensure portfolio stability, and prioritise cost containment measures and preserve financial flexibility to prime for the eventual economic recovery.</p> <p>We will be disclosing CMMT's 2Q 2021 results performance in July. Please refer to our results announcement on Bursa Malaysia or CMMT's website in due course.</p>
10.	<p>What are the plans to mitigate non-renewals and pre-term risks?</p>
	<p>We will continue to keep pulse on the evolving situation and closely engage with our tenants. Our leasing strategies are aimed to strike a balance between reversion and occupancy to stabilise the portfolio. We are also exploring flexible rental structures to stay competitive and retain good retailers.</p>

11.	What are your plans to improve Sungei Wang Plaza (SWP)'s rental? Is there any plan to turn SWP around such as conversion into other mixed used asset?
	<p>SWP is an established asset located in the prime shopping district of Bukit Bintang, well connected by strategic transportation nodes. However, the mall is adversely affected by the travel ban, be it international or interstate, as well as the work-from-home arrangements as its pre-COVID-19 shopper profile largely comprised tourists and the surrounding office community.</p> <p>Notwithstanding these challenges, we are working on revitalising SWP by way of supporting Sungei Wang Plaza Management Corporation's effort in upgrading the mall façade, and to continue strengthening Jumpa's offerings.</p> <p>Other than this, we also roll out flexible leasing strategies to attract good retailers and explore suitable non-retail trades as part of a long term plan for the mall.</p>
B. Others	
1.	<p>(a) Why did the Manager decide to hold an EGM instead of obtaining Unitholders' approval for this resolution in the previous AGM?</p> <p>(b) How much was spent on the EGM and what is the number of attendees today?</p>
	<p>(a) The Manager and the Board of Directors have proactively reviewed and deliberated on the long term sustainable strategies and growth plans of CMMT on numerous occasions. While the rationale for the Proposed Mandate Expansion remains valid, it has been reinforced by the impact of COVID-19. Therefore, we decided to call for an EGM to seek Unitholders' approval.</p> <p>The recent AGM was meant to focus on the operational and financial review for the financial year 2020 and to share the Manager's insight about financial year 2021 amidst the pandemic crisis.</p> <p>(b) The total cost of the EGM amounted to approximately RM70,000 and more than 350 pax attended the meeting.</p>
2.	Would the Manager be giving out CapitaStar vouchers as a token to Unitholders? Can the Manager consider extending the validity of the previous CapitaStar vouchers that were given during the previous AGM in view of the MCO restrictions?
	<p>As a form of appreciation to those who participated in the EGM, we are pleased to give out CapitaStar's digital voucher (STARVoucher) which can be used at various participating tenants from the Capitaland malls.</p> <p>The CapitaStar STARVouchers are valid until 31 October 2021. The validity of the STARVouchers that were given at the recent AGM in March 2021 has also been automatically extended to the same date.</p>
3.	Is this expansion related to Temasek Holdings Limited's acquiring a stake in Gdex Malaysia?
	No, it does not.