

**CAPITALAND MALAYSIA MALL TRUST**  
**CONDENSED CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2021**

**CAPITALAND MALAYSIA MALL TRUST  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>AS AT 31 MARCH 2021 (UNAUDITED) RM'000</b>	<b>AS AT 31 DECEMBER 2020 (AUDITED) RM'000</b>
<b>Assets</b>		
Plant and equipment	3,606	3,491
Investment properties	3,895,283	3,895,000
Total non-current assets	<u>3,898,889</u>	<u>3,898,491</u>
Trade and other receivables	26,551	29,047
Cash and cash equivalents	75,005	71,876
Total current assets	<u>101,556</u>	<u>100,923</u>
<b>Total assets</b>	<b><u>4,000,445</u></b>	<b><u>3,999,414</u></b>
<b>Equity</b>		
Unitholders' capital	2,221,161	2,198,446
Undistributed profits	212,080	245,466
Total unitholders' funds	<u>2,433,241</u>	<u>2,443,912</u>
<b>Liabilities</b>		
Borrowings	1,275,357	1,269,053
Tenants' deposits	34,954	33,256
Deferred tax liabilities	7,228	7,228
Total non-current liabilities	<u>1,317,539</u>	<u>1,309,537</u>
Borrowings	149,260	140,760
Tenants' deposits	46,700	50,295
Trade and other payables	53,705	54,910
Total current liabilities	<u>249,665</u>	<u>245,965</u>
Total liabilities	<u>1,567,204</u>	<u>1,555,502</u>
<b>Total equity and liabilities</b>	<b><u>4,000,445</u></b>	<b><u>3,999,414</u></b>
<b>Number of units in circulation ('000 units)</b>	<b>2,106,161</b>	<b>2,063,846</b>
<b>Net asset value (NAV)</b>		
- before income distribution	2,433,241	2,443,912
- after income distribution	2,425,659	2,402,841
<b>NAV per unit (RM)</b>		
- before income distribution	1.1553	1.1842
- after income distribution	1.1517	1.1643

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 2020.

**CAPITALAND MALAYSIA MALL TRUST**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	CURRENT QUARTER			YEAR TO DATE		
	31 MARCH		Change	31 MARCH		Change
	2021	2020		2021	2020	
(UNAUDITED)	(UNAUDITED)	%	(UNAUDITED)	(UNAUDITED)	%	
	RM'000	RM'000		RM'000	RM'000	
Gross rental income	46,325	58,263	(20.5)	46,325	58,263	(20.5)
Car park income	3,622	5,071	(28.6)	3,622	5,071	(28.6)
Other revenue	6,709	11,198	(40.1)	6,709	11,198	(40.1)
<b>Gross revenue</b>	<b>56,656</b>	<b>74,532</b>	<b>(24.0)</b>	<b>56,656</b>	<b>74,532</b>	<b>(24.0)</b>
Maintenance expenses	(9,209)	(9,652)	(4.6)	(9,209)	(9,652)	(4.6)
Utilities	(8,782)	(11,694)	(24.9)	(8,782)	(11,694)	(24.9)
Other operating expenses <sup>1</sup>	(13,750)	(13,826)	(0.5)	(13,750)	(13,826)	(0.5)
Property operating expenses	(31,741)	(35,172)	(9.8)	(31,741)	(35,172)	(9.8)
<b>Net property income</b>	<b>24,915</b>	<b>39,360</b>	<b>(36.7)</b>	<b>24,915</b>	<b>39,360</b>	<b>(36.7)</b>
Interest income	286	627	(54.4)	286	627	(54.4)
<b>Net investment income</b>	<b>25,201</b>	<b>39,987</b>	<b>(37.0)</b>	<b>25,201</b>	<b>39,987</b>	<b>(37.0)</b>
Manager's management fee	(4,042)	(4,847)	(16.6)	(4,042)	(4,847)	(16.6)
Trustee's fee	(99)	(99)	-	(99)	(99)	-
Auditor's fee	(60)	(59)	1.7	(60)	(59)	1.7
Tax agent's fee	(8)	(7)	14.3	(8)	(7)	14.3
Valuation fee	(80)	(77)	3.9	(80)	(77)	3.9
Finance costs	(12,899)	(15,294)	(15.7)	(12,899)	(15,294)	(15.7)
Other non-operating expenses <sup>1</sup>	(328)	(334)	(1.8)	(328)	(334)	(1.8)
	(17,516)	(20,717)	(15.5)	(17,516)	(20,717)	(15.5)
<b>Profit before taxation</b>	<b>7,685</b>	<b>19,270</b>	<b>(60.1)</b>	<b>7,685</b>	<b>19,270</b>	<b>(60.1)</b>
Taxation	-	-	-	-	-	-
<b>Profit for the quarter/ period</b>	<b>7,685</b>	<b>19,270</b>	<b>(60.1)</b>	<b>7,685</b>	<b>19,270</b>	<b>(60.1)</b>
Other comprehensive income, net of tax	-	-	-	-	-	-
<b>Total comprehensive income for the quarter/ period</b>	<b>7,685</b>	<b>19,270</b>	<b>(60.1)</b>	<b>7,685</b>	<b>19,270</b>	<b>(60.1)</b>
Distribution adjustments <sup>2</sup>	(14)	874	(>100.0)	(14)	874	(>100.0)
<b>Income available for distribution</b>	<b>7,671</b>	<b>20,144</b>	<b>(61.9)</b>	<b>7,671</b>	<b>20,144</b>	<b>(61.9)</b>
<b>Distributable income<sup>3</sup></b>	<b>7,582</b>	<b>20,143</b>	<b>(62.4)</b>	<b>7,582</b>	<b>20,143</b>	<b>(62.4)</b>
Realised	7,685	19,270	(60.1)	7,685	19,270	(60.1)
Unrealised <sup>4</sup>	-	-	-	-	-	-
	7,685	19,270	(60.1)	7,685	19,270	(60.1)

**CAPITALAND MALAYSIA MALL TRUST  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
(CONTINUED)**

	CURRENT QUARTER			YEAR TO DATE		
	31 MARCH		Change %	31 MARCH		Change %
	2021 (UNAUDITED)	2020 (UNAUDITED)		2021 (UNAUDITED)	2020 (UNAUDITED)	
<b>Earnings per unit (sen)<sup>5</sup></b>						
- before Manager's management fee	0.57	1.18	(51.7)	0.57	1.18	(51.7)
- after Manager's management fee	0.37	0.94	(60.6)	0.37	0.94	(60.6)
<b>Distribution per unit (DPU) (sen)</b>	0.36	0.98	(63.3)	0.36	0.98	(63.3)
<b>DPU (sen) – annualised</b>	1.46	3.94	(62.9)	1.46	3.94	(62.9)

The unaudited condensed consolidated statement of 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 2020.

**CAPITALAND MALAYSIA MALL TRUST  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
(CONTINUED)**

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

	CURRENT QUARTER 31 MARCH			YEAR TO DATE 31 MARCH		
	2021	2020	Change	2021	2020	Change
	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%
Impairment losses for trade receivables (net)	(2,567)	(320)	>100.0	(2,567)	(320)	>100.0
Foreign exchange gain/(loss):						
- Unrealised	-	-	-	-	-	-
- Realised	*	*	-	*	*	-
	(2,567)	(320)	>100.0	(2,567)	(320)	>100.0

\* less than RM1,000

2. Included in the distribution adjustments are the following:

	CURRENT QUARTER 31 MARCH			YEAR TO DATE 31 MARCH		
	2021	2020	Change	2021	2020	Change
	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%	(UNAUDITED) RM'000	(UNAUDITED) RM'000	%
Manager's management fee payable in units *	860	1,403	(38.7)	860	1,403	(38.7)
Depreciation	331	318	4.1	331	318	4.1
Amortisation of transaction costs on borrowings	205	207	(1.0)	205	207	(1.0)
Tax and other adjustments	(1,410)	(1,054)	33.8	(1,410)	(1,054)	33.8
	(14)	874	(>100.0)	(14)	874	(>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. This refers to unrealised profit, if any, which is not available for income distribution.  
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.

**CAPITALAND MALAYSIA MALL TRUST  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET VALUE**

	UNITHOLDERS' CAPITAL RM'000	UNDISTRIBUTED PROFITS RM'000	TOTAL UNITHOLDERS' FUNDS RM'000
<b>As at 1 January 2020</b>	2,189,028	412,898	2,601,926
Total comprehensive income for the financial period	-	19,270	19,270
<b>Unitholders' transactions</b>			
- Units issued as part satisfaction of the Manager's management fee	3,688	-	3,688
- Distribution paid to unitholders <sup>1</sup>	-	(62,169)	(62,169)
<b>Increase/(Decrease) in net assets resulting from unitholders' transactions</b>	<b>3,688</b>	<b>(62,169)</b>	<b>(58,481)</b>
<b>As at 31 March 2020 (Unaudited)</b>	<b>2,192,716</b>	<b>369,999</b>	<b>2,562,715</b>
<b>As at 1 January 2021</b>	2,198,446	245,466	2,443,912
Total comprehensive income for the financial period	-	7,685	7,685
<b>Unitholders' transactions</b>			
- Units issued under Distribution Reinvestment Plan (net of transaction costs)	22,715	-	22,715
- Distribution paid to unitholders <sup>2</sup>	-	(41,071)	(41,071)
<b>Increase/(Decrease) in net assets resulting from unitholders' transactions</b>	<b>22,715</b>	<b>(41,071)</b>	<b>(18,356)</b>
<b>As at 31 March 2021 (Unaudited)</b>	<b>2,221,161</b>	<b>212,080</b>	<b>2,433,241</b>

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 2020.

1. This refers to the 2019 final income distribution of 3.03 sen per unit for the period from 1 July 2019 to 31 December 2019 paid on 28 February 2020.
2. This refers to the 2020 final income distribution of 1.99 sen per unit for the period from 1 July 2020 to 31 December 2020 paid on 23 March 2021.

**CAPITALAND MALAYSIA MALL TRUST  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (UNAUDITED)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>THREE MONTHS ENDED</b>	
	<b>31 MARCH</b>	<b>31 MARCH</b>
	<b>2021</b>	<b>2020</b>
	<b>(UNAUDITED)</b>	<b>(UNAUDITED)</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	7,685	19,270
Adjustments for:-		
Manager's management fee paid/ payable in units	860	1,403
Depreciation	331	318
Finance costs	12,899	15,294
Interest income	(286)	(627)
Impairment losses for trade receivables (net)	2,567	320
<b>Operating profit before changes in working capital</b>	<b>24,056</b>	<b>35,978</b>
Changes in working capital:		
Trade and other receivables	(72)	(1,102)
Trade and other payables	(5,548)	5,592
Tenants' deposits	(1,905)	(354)
<b>Net cash generated from operating activities</b>	<b>16,531</b>	<b>40,114</b>
<b>Cash Flows From Investing Activities</b>		
Acquisition of plant and equipment	(446)	(449)
Capital expenditure on investment properties	(1,185)	(6,838)
Interest received	286	627
<b>Net cash used in investing activities</b>	<b>(1,345)</b>	<b>(6,660)</b>
<b>Cash Flows From Financing Activities</b>		
Distribution paid to unitholders <sup>1</sup>	(16,288)	(62,169)
Interest paid	(10,296)	(12,087)
Payment of financing expenses	-	(104)
Payment of transaction costs related to Distribution Reinvestment Plan	(72)	-
Proceeds from interest bearing borrowings	20,099	49,022
Repayment of interest bearing borrowings	(5,500)	(15,500)
<b>Net cash used in financing activities</b>	<b>(12,057)</b>	<b>(40,838)</b>
Net increase/(decrease) in cash and cash equivalents	3,129	(7,384)
Cash and cash equivalents at beginning of the period	65,646	78,354
<b>Cash and cash equivalents at end of the period</b>	<b>68,775</b>	<b>70,970</b>
<b>Cash and cash equivalents at end of the period comprise:</b>		
Deposits placed with licensed banks	58,409	55,606
Cash and bank balances	16,596	21,594
	75,005	77,200
Less: Pledged deposits	(6,230)	(6,230)
	<b>68,775</b>	<b>70,970</b>

<sup>1</sup>Non-cash transaction

A portion of the income distribution was paid in new units in CMMT pursuant to the Distribution Reinvestment Plan (Note B10).

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 2020.

# CAPITALAND MALAYSIA MALL TRUST

## FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (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 first quarter ended 31 March 2021 comprise CMMT and its subsidiary. 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 (MASB), IAS 34: Interim Financial Reporting, Paragraph 9.44 of the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities), provisions of the amended and restated trust deed dated 28 October 2020 (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 year ended 31 December 2020.

#### **A2. Changes in Accounting Policies**

On 1 January 2021, the Group and CMMT adopted the following MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 June 2020 and 1 January 2021:

##### **Effective for annual periods beginning on or after 1 June 2020**

Amendments to MFRS 16, Leases – Covid-19 – Related Rent Concessions.

##### **Effective for annual periods beginning on or after 1 January 2021**

Amendments to MFRS 9, Financial Instruments, MFRS 139, Financial Instruments: Recognition and Measurement, MFRS 7, Financial Instruments: Disclosures, and MFRS 16, Leases – Interest Rate Benchmark Reform – Phase 2.

The adoption of the above MFRSs, Interpretation and amendments do not have significant impact on the financial results of the Group and of CMMT.

#### **A3. Audit Report of Preceding Financial Year**

The audit report for the financial year ended 31 December 2020 was not qualified.

#### **A4. Comment on Seasonality or Cyclicity of Operations**

The business operations of the Group and of CMMT 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, the financial performance of its tenants, the availability of credit facilities and the interest rate environment.

#### **A5. Unusual Items Due To Their Nature, Size or Incidence**

There were no material unusual items except for the effects of COVID-19 global pandemic and the various phases of Movement Control Order (MCO), Conditional Movement Control Order (CMCO) and Recovery Movement Control Order (RMCO) implemented in Malaysia as explained in Note B1.

#### **A6. Changes in Estimates Of Amount Reported**

Nil.

#### **A7. Debt and Equity Securities**

Save as disclosed in B8 and B10, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities in the current quarter.

**CAPITALAND MALAYSIA MALL TRUST  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (UNAUDITED)**

**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/period ended 31 March 2021 are as follows:

BUSINESS SEGMENT	1Q/YTD 2021 (UNAUDITED)			1Q/YTD 2020 (UNAUDITED)		
	RETAIL RM'000	OFFICE RM'000	TOTAL RM'000	RETAIL RM'000	OFFICE RM'000	TOTAL RM'000
Gross revenue	55,662	994	56,656	72,778	1,754	74,532
Net property income	24,439	476	24,915	38,148	1,212	39,360
Interest income			286			627
Unallocated expenses			(4,617)			(5,423)
Finance costs			(12,899)			(15,294)
<b>Profit before taxation</b>			<b>7,685</b>			<b>19,270</b>
Taxation			-			-
<b>Profit for the quarter / period</b>			<b>7,685</b>			<b>19,270</b>

**A10. Valuation of Investment Properties**

The investment properties are valued 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 period in which they arise. The carrying amount of investment properties as at 31 March 2021 is based on the independent valuations as at 31 December 2020 and subsequent capital expenditure incurred up to the reporting date. As further explained in Note B4, the COVID-19 situation remains fluid and is evolving. Therefore the valuation of investment properties may be subject to significant estimation uncertainties.

**A11. Subsequent Events**

Nil.

**A12. Changes in Composition of the Trust**

	<b>UNITS</b>
Balance at beginning of period	2,063,846,364
Units issued under the Distribution Reinvestment Plan	42,314,470
<b>Total Units in Issue</b>	<b>2,106,160,834</b>

**A13. Changes in Contingent Liabilities and Contingent Assets**

Nil.

**A14. Capital Commitments**

Capital commitments in relation to capital expenditure are as follows:

Contracted but not provided for	<b>RM'000</b> 355
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**CAPITALAND MALAYSIA MALL TRUST  
FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (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**

	1Q/YTD 2021 (UNAUDITED) RM'000	1Q/YTD 2020 (UNAUDITED) RM'000	Change %
<b>Breakdown of Gross Revenue</b>			
Gurney Plaza	26,465	34,074	(22.3)
East Coast Mall	11,284	13,904	(18.8)
Sungei Wang Plaza	4,317	6,171	(30.0)
3 Damansara Property	5,699	9,177	(37.9)
The Mines	8,891	11,206	(20.7)
<b>Total Gross Revenue</b>	<b>56,656</b>	<b>74,532</b>	<b>(24.0)</b>
<b>Breakdown of Property Operating Expenses</b>			
Gurney Plaza	10,842	10,792	0.5
East Coast Mall	4,483	5,054	(11.3)
Sungei Wang Plaza	5,776	6,501	(11.2)
3 Damansara Property	5,073	5,952	(14.8)
The Mines	5,567	6,873	(19.0)
<b>Total Property Operating Expenses</b>	<b>31,741</b>	<b>35,172</b>	<b>(9.8)</b>
<b>Breakdown of Net Property Income</b>			
Gurney Plaza	15,623	23,282	(32.9)
East Coast Mall	6,801	8,850	(23.2)
Sungei Wang Plaza	(1,459)	(330)	>100.0
3 Damansara Property	626	3,225	(80.6)
The Mines	3,324	4,333	(23.3)
<b>Total Net Property Income</b>	<b>24,915</b>	<b>39,360</b>	<b>(36.7)</b>

# CAPITALAND MALAYSIA MALL TRUST

## FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (UNAUDITED)

### B1. Review of Performance (cont'd)

#### Quarter Results (1Q 2021 vs 1Q 2020)

The Group recorded gross revenue of RM56.7 million in 1Q 2021, a decrease of RM17.9 million or 24.0% against 1Q 2020. The resurgence of COVID-19 cases has led to the re-imposition of MCO-2 which coincided with the Chinese New Year festive season, and in turn impacted shopper traffic as well as tenants' business recovery adversely. To alleviate the burden of affected tenants from the impact of MCO-2, targeted rental rebates was provided in 1Q 2021.

The MCO-2 (from 13 January to 4 March 2021) has attributed to lower gross turnover revenue, carpark and marcom income whereas the first MCO was implemented in the second half of 1Q 2020 and crossed the subsequent quarter (from 18 March to 3 May 2020). Gross rental income was lower year-on-year largely due to: (i) the effort of re-balancing occupancy and rental reversions; and (ii) the effect of the pandemic crisis and movement controls only started from 2Q 2020. This was, however, mitigated by the contribution of Gurney Food Hall.

Property operating expenses for 1Q 2021 was RM31.7 million, a decrease of 9.8% against 1Q 2020 mainly due to lower utility expenses as a result of lower electricity consumption and a 10% discount on electricity consumption as announced by the Government for the the period from 1 January 2021 until 31 March 2021, lower marketing expenses due to cost containment effort during the pandemic, and lower reimbursable staff costs.

The net property income for 1Q 2021 of RM24.9 million was RM14.5 million or 36.7% lower than 1Q 2020.

Finance costs for 1Q 2021 of RM12.9 million was RM2.4 million or 15.7% lower than 1Q 2020. The savings was contributed by the interest rate re-fixing exercises in early August 2020 and early March 2021, which successfully lowered the average cost of debt to 3.63% p.a. (1Q 2020: 4.35% p.a.).

Capital expenditure incurred for investment properties in 1Q 2021 was RM0.3 million since non-critical capital expenditure was deferred.

Overall, distributable income to Unitholders for 1Q 2021 was RM7.6 million, a decrease of RM12.6 million or 62.4% against 1Q 2020 mainly due to the abovementioned.

#### Financial Year-to-date Results (YTD 2021 vs YTD 2020)

Review of financial year-to-date results is the same as above.

### B2. Material Changes in Quarter Results

	QUARTER ENDED 31 MARCH 2021 (UNAUDITED) RM'000	QUARTER ENDED 31 DECEMBER 2020 (UNAUDITED) RM'000	Change  %
Profit / (Loss) before taxation	7,685	(142,459)	(>100.0)
Adjusted for: Fair value loss on investment properties (net)	-	157,850	(100.0)
<b>Profit before taxation, excluding net fair value loss on investment properties</b>	<b>7,685</b>	<b>15,391</b>	<b>(50.1)</b>

Other than the net fair value loss of RM157.9 million resulting from the revaluation of investment properties as at 31 December 2020, the change in the financial results of 1Q 2021 as compared to 4Q 2020 was mainly due to lower net property income as disclosed in B1.

## CAPITALAND MALAYSIA MALL TRUST FOR THE FIRST QUARTER ENDED 31 MARCH 2021 (UNAUDITED)

### **B3. Investment Objectives and Strategies**

The investment objectives and strategies of the Group remain unchanged, i.e. to invest on a long term basis, in a portfolio of income-producing real estate primarily used for retail purposes and located primarily in Malaysia or such other non-real estate investments as may be permitted under the Trust Deed, the REITs Guidelines or by the Securities Commission of Malaysia, with a view to providing Unitholders with long-term and sustainable distribution of income and potential capital growth.

### **B4. Commentary on Prospects**

Malaysia's economy contracted 5.6% for the full year of 2020 against a pandemic-driven backdrop of challenging global operating environment and domestic containment measures. In view of expected improvements in global and domestic demand with the easing of containment measures and mass vaccination rollout, Bank Negara Malaysia expects the country's economy to rebound in 2021.

To control the spread of COVID-19, a nationwide state of emergency and movement restriction orders were in place in January 2021 to curb infections. This year's movement restriction orders are less stringent on businesses than 2020 with earlier than expected easing of restriction conditions. Although restrictions on interstate travel remain in place, there are currently no limitations on dine-in and almost all trades in the retail sector have been allowed to resume operations.

As Malaysia's national vaccination plan is being rolled out progressively until 1Q 2022, there remains uncertainty on the reopening of travel borders. As such, we expect COVID-19 will continue to impact retail recovery in 2021. With the ongoing issue of retail space oversupply, particularly in Klang Valley, the combined challenges have resulted in a subdued retailer sentiment that is not expected to turnaround immediately.

Given that the operating challenges and top line pressure are expected to persist in the near-term, we expect 2021 to remain subdued in particular for 1H 2021. Barring any unforeseen circumstances and subject to a successful vaccination roll-out nationwide, we envisage a gradual improvement in the bottom line for 2H 2021. We remain focused on operational recovery and prioritising the safety and well-being of our employees, tenants and shoppers. As the potential impact of COVID-19 remains fluid, we will continue to be proactive and flexible to support our stakeholders in navigating the unprecedented challenges, in line with the long-term interests of Unitholders.

### **B5. Profit Guarantee(s)**

CMMT is not involved in any arrangement whereby it provides profit guarantee(s).

### **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 CMMT intends to distribute at least 90% of its distributable income for the financial year ending 31 December 2021 to its Unitholders, no provision for tax has been made for the current quarter.

### **B7. Status of Corporate Proposals**

Nil.

**CAPITALAND MALAYSIA MALL TRUST  
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**B8. Borrowings and Debt Securities**

	<b>AS AT 31 MARCH 2021 (UNAUDITED) RM'000</b>	<b>AS AT 31 DECEMBER 2020 (AUDITED) RM'000</b>
<b>Long term borrowings</b>		
Secured revolving credit	58,476	52,377
Secured term loans	918,430	918,430
Unrated medium term notes	300,000	300,000
Less: Unamortised transaction costs	(1,549)	(1,754)
	<u>1,275,357</u>	<u>1,269,053</u>
<b>Short term borrowings</b>		
Secured revolving credit	25,600	25,600
Unsecured revolving credit	123,660	115,160
	<u>149,260</u>	<u>140,760</u>
<b>Total borrowings</b>	<u><b>1,424,617</b></u>	<u><b>1,409,813</b></u>

All the borrowings are denominated in Ringgit Malaysia.

During the quarter, the net increase in total gross borrowings (before deducting unamortised transaction costs) of RM14.6 million was mainly due to additional revolving credit facilities (RCF) of RM20.1 million being drawn down, offset by the partial repayment of RCF totalling RM5.5 million. A portion of the secured RCF facilities was also successfully extended for another 6 years to 2028.

As of to date, two out of five properties of the Group, namely Sungei Wang Plaza and East Coast Mall remain unencumbered. The interest rate profile of the fixed and floating rate borrowings stood at 81% and 19% respectively.

**B9. Change in Material Litigation**

Nil.

**CAPITALAND MALAYSIA MALL TRUST  
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**B10. Income Distribution**

Distribution to Unitholders is from the following sources:-

	<b>CURRENT QUARTER /YEAR TO DATE 31 MARCH</b>		
	<b>2021</b>	<b>2020</b>	<b>Change</b>
	<b>(UNAUDITED)</b>	<b>(UNAUDITED)</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Gross rental income	46,325	58,263	(20.5)
Car park income	3,622	5,071	(28.6)
Other revenue	6,709	11,198	(40.1)
Interest income	286	627	(54.4)
	<b>56,942</b>	<b>75,159</b>	<b>(24.2)</b>
Total property and trust expenses	(49,257)	(55,889)	(11.9)
<b>Total comprehensive income for the quarter / period</b>	<b>7,685</b>	<b>19,270</b>	<b>(60.1)</b>
Distribution adjustments	(14)	874	(>100.0)
<b>Realised income for the quarter / period</b>	<b>7,671</b>	<b>20,144</b>	<b>(61.9)</b>
Previous quarter / period's undistributed income	449	541	(17.0)
<b>Total realised income available for distribution</b>	<b>8,120</b>	<b>20,685</b>	<b>(60.7)</b>
Proposed/ declared income distribution	(7,582)	(20,143)	(62.4)
<b>Balance undistributed income</b>	<b>538</b>	<b>542</b>	<b>(0.7)</b>
<b>Distribution per unit (DPU) (sen)</b>	<b>0.36</b>	<b>0.98</b>	<b>(63.3)</b>
<b>DPU (sen) – annualised</b>	<b>1.46</b>	<b>3.94</b>	<b>(62.9)</b>

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**B10. Income Distribution (cont'd)**

On 23 March 2021, CMMT paid its Final Income Distribution of RM41.1 million or 1.99 sen (of which 1.76 sen per unit is taxable and 0.23 sen per unit is tax exempt), for the period from 1 July 2020 to 31 December 2020. The Distribution Reinvestment Plan was applied to this income distribution, in which a total of 42,314,470 new units was issued out of 72,485,900 eligible under the Distribution Reinvestment Plan, this represented a take up rate of 58.4%.

Pursuant to Section 109D(2) of the Income Tax Act, 1967, the applicable final withholding tax on distributions of income which is tax exempt at CMMT 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%

**B11. Composition of Investment Portfolio as at 31 March 2021**

As at 31 March 2021, CMMT's portfolio comprised the following investment properties:

INVESTMENT PROPERTIES	COST OF	NET BOOK	MARKET	MARKET VALUE
	INVESTMENT <sup>1</sup>	VALUE <sup>2</sup>	VALUE	AS % of NAV <sup>3</sup>
	RM'000	RM'000	RM'000	%
Gurney Plaza	1,158,358	1,665,212	1,665,000	68.4
East Coast Mall	405,850	579,000	579,000	23.8
Sungei Wang Plaza	813,004	475,064	475,000	19.5
3 Damansara Property	592,642	496,007	496,000	20.4
The Mines	602,254	680,000	680,000	27.9
<b>Total</b>	<b>3,572,108</b>	<b>3,895,283</b>	<b>3,895,000</b>	

The market values of Gurney Plaza, Sungei Wang Plaza, and The Mines were stated at valuations conducted by Nawawi Tie Leung Property Consultants Sdn Bhd as at 31 December 2020. The market values of 3 Damansara Property and East Coast Mall were stated at valuations performed by PPC International Sdn Bhd and Savills (Malaysia) Sdn Bhd respectively as at 31 December 2020.

<sup>1</sup> Cost of investment comprises purchase consideration and capital expenditure incurred from inception up to the end of the reporting date.

<sup>2</sup> Net book value (NBV) comprises of market value of the investment properties as at 31 December 2020 and subsequent capital expenditure incurred up to the reporting date.

<sup>3</sup> This is computed based on market value of the investment properties over the NAV before income distribution of RM2,433,241,000 as at 31 March 2021. This is calculated in accordance with the REITs Guidelines.

**CAPITALAND MALAYSIA MALL TRUST  
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**B12. Changes in NAV, EPU, DPU and Market Price**

	<b>QUARTER ENDED 31 MARCH</b>	<b>QUARTER ENDED 31 DECEMBER</b>
Number of units in circulation (units)	2,106,160,834	2,063,846,364
NAV before income distribution (RM'000)	2,433,241	2,443,912
NAV after income distribution (RM'000)	2,425,659	2,402,841
NAV per unit <sup>1</sup> (RM)	1.1517	1.1643
Total comprehensive income / (loss) (RM'000)	7,685	(130,192)
Weighted average number of units in issue (units)	2,067,607,650	2,061,487,758
EPU after manager's management fee (sen)	0.37	(6.32)
Distributable income (RM'000)	7,582	17,845
DPU (sen)	0.36	0.86
Market price (RM)	0.660	0.625
DPU yield (%)	0.55	1.38

<sup>1</sup> 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.

**B13. Soft Commission Received By The Manager And Its Delegates**

Nil.

**B14. Manager's Fees**

For the quarter ended 31 March 2021, 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:

	<b>1Q/YTD 2021 ACTUAL (UNAUDITED) RM'000</b>
Base management fee	2,859
Performance fee	1,183
<b>Total fees</b>	<b><u>4,042</u></b>

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**B15. Unitholdings of the Manager and Parties Related to the Manager**

	NO OF UNITS	PERCENTAGE OF UNITHOLDINGS <sup>3</sup>	MARKET VALUE <sup>4</sup> AT 31 MARCH 2021
	UNITS	%	RM
CMMT Investment Limited <sup>1</sup>	742,754,521	35.3	490,217,984
Menang Investment Limited <sup>1</sup>	56,018,455	2.6	36,972,180
Direct unitholdings of the Directors of the Manager:			
Ms Low Peck Chen	12,486	N.M.	8,241
Mr Lim Cho Pin Andrew Geoffrey <sup>2</sup>	48,909	N.M.	32,280
Mohd Yusof bin Hussian	62,402	N.M.	41,185
	<b>798,896,773</b>	<b>37.9</b>	<b>527,271,870</b>

N.M. - Not meaningful

<sup>1</sup> An indirect wholly-owned subsidiary of CapitaLand Limited.

<sup>2</sup> Units held through nominees.

<sup>3</sup> Approximation.

<sup>4</sup> The market value of the units is computed based on the closing price of RM0.66 per unit as at 31 March 2021.

**BY ORDER OF THE BOARD**

**KHOO MING SIANG**

**COMPANY SECRETARY (MAICSA No. 7034037)**

**CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (200801018055 (819351-H))**

**(As Manager of CapitaLand Malaysia Mall Trust)**

**Kuala Lumpur**

**Date: 16 April 2021**