

CAPITALAND MALAYSIA MALL TRUST
CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2019

CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2019 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT 31 MARCH 2019 (UNAUDITED) RM'000	AS AT 31 DECEMBER 2018 (AUDITED) RM'000
Assets		
Plant and equipment	1,361	1,429
Investment properties	4,033,432	4,019,000
Total non-current assets	<u>4,034,793</u>	<u>4,020,429</u>
Trade and other receivables	23,175	21,154
Cash and cash equivalents	107,712	101,380
Total current assets	<u>130,887</u>	<u>122,534</u>
Total assets	<u>4,165,680</u>	<u>4,142,963</u>
Equity		
Unitholders' capital	2,181,132	2,181,132
Undistributed profit	438,600	485,434
Total unitholders' funds	<u>2,619,732</u>	<u>2,666,566</u>
Liabilities		
Borrowings	981,445	949,131
Tenants' deposits	41,887	41,817
Total non-current liabilities	<u>1,023,332</u>	<u>990,948</u>
Borrowings	414,033	369,928
Tenants' deposits	46,952	47,480
Trade and other payables	61,631	68,041
Total current liabilities	<u>522,616</u>	<u>485,449</u>
Total liabilities	<u>1,545,948</u>	<u>1,476,397</u>
Total equity and liabilities	<u>4,165,680</u>	<u>4,142,963</u>
Number of units in circulation ('000 units)	2,044,176	2,044,176
Net asset value (NAV)		
- before income distribution	2,619,732	2,666,566
- after income distribution	2,584,777	2,587,252
NAV per unit (RM)		
- before income distribution	1.2816	1.3045
- after income distribution	1.2645	1.2657

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 2018.

CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2019 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	CURRENT QUARTER			YEAR TO DATE		
	31 MARCH		Change	31 MARCH		Change
	2019 (UNAUDITED) RM'000	2018 (UNAUDITED) RM'000		2019 (UNAUDITED) RM'000	2018 (UNAUDITED) RM'000	
		%			%	
Gross rental income	68,780	69,395	(0.9)	68,780	69,395	(0.9)
Car park income	6,034	6,357	(5.1)	6,034	6,357	(5.1)
Other revenue	13,091	13,981	(6.4)	13,091	13,981	(6.4)
Gross revenue	87,905	89,733	(2.0)	87,905	89,733	(2.0)
Maintenance expenses	(8,542)	(7,140)	19.6	(8,542)	(7,140)	19.6
Utilities	(13,387)	(12,400)	8.0	(13,387)	(12,400)	8.0
Other operating expenses ¹	(13,225)	(13,148)	0.6	(13,225)	(13,148)	0.6
Property operating expenses	(35,154)	(32,688)	7.5	(35,154)	(32,688)	7.5
Net property income	52,751	57,045	(7.5)	52,751	57,045	(7.5)
Interest income	913	1,292	(29.3)	913	1,292	(29.3)
Net investment income	53,664	58,337	(8.0)	53,664	58,337	(8.0)
Manager's management fee	(5,482)	(5,664)	(3.2)	(5,482)	(5,664)	(3.2)
Trustee's fee	(99)	(99)	-	(99)	(99)	-
Auditor's fee	(61)	(53)	15.1	(61)	(53)	15.1
Tax agent's fee	(8)	(7)	14.3	(8)	(7)	14.3
Valuation fee	(82)	(82)	-	(82)	(82)	-
Finance costs	(15,178)	(14,958)	1.5	(15,178)	(14,958)	1.5
Other non-operating expenses ¹	(274)	(221)	24.0	(274)	(221)	24.0
	(21,184)	(21,084)	0.5	(21,184)	(21,084)	0.5
Profit before taxation	32,480	37,253	(12.8)	32,480	37,253	(12.8)
Taxation	-	-	-	-	-	-
Profit for the period	32,480	37,253	(12.8)	32,480	37,253	(12.8)
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	32,480	37,253	(12.8)	32,480	37,253	(12.8)
Distribution adjustments ²	2,553	4,110	(37.9)	2,553	4,110	(37.9)
Income available for distribution	35,033	41,363	(15.3)	35,033	41,363	(15.3)
Distributable income³	34,955	41,221	(15.2)	34,955	41,221	(15.2)
Realised	32,480	37,253	(12.8)	32,480	37,253	(12.8)
Unrealised ⁴	*	*	*	*	*	*
	32,480	37,253	(12.8)	32,480	37,253	(12.8)

* less than RM1,000

CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2019 (UNAUDITED)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(CONTINUED)

	CURRENT QUARTER 31 MARCH			YEAR TO DATE 31 MARCH		
	2019 (UNAUDITED) RM'000	2018 (UNAUDITED) RM'000	Change %	2019 (UNAUDITED) RM'000	2018 (UNAUDITED) RM'000	Change %
Earnings per unit (sen)⁵						
- before Manager's management fee	1.86	2.11	(11.8)	1.86	2.11	(11.8)
- after Manager's management fee	1.59	1.83	(13.1)	1.59	1.83	(13.1)
Distribution per unit (DPU) (sen)	1.71	2.02	(15.3)	1.71	2.02	(15.3)
DPU (sen) – annualised	6.94	8.19	(15.3)	6.94	8.19	(15.3)

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 2018.

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

	CURRENT QUARTER 31 MARCH			YEAR TO DATE 31 MARCH		
	2019 (UNAUDITED) RM'000	2018 (UNAUDITED) RM'000	Change %	2019 (UNAUDITED) RM'000	2018 (UNAUDITED) RM'000	Change %
Allowance for impairment losses of trade receivables	(484)	(291)	66.3	(484)	(291)	66.3
Foreign exchange gain/(loss):						
- Unrealised	*	*	>100.0	*	*	>100.0
- Realised	-	(1)	(100.0)	-	(1)	(100.0)

* less than RM1,000

**CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2019 (UNAUDITED)**

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

2. Included in the distribution adjustments are the following:

	CURRENT QUARTER			YEAR TO DATE		
	31 MARCH		Change	31 MARCH		Change
	2019 (UNAUDITED) RM'000	2018 (UNAUDITED) RM'000		2019 (UNAUDITED) RM'000	2018 (UNAUDITED) RM'000	
Manager's management fee payable in units *	2,011	2,271	(11.4)	2,011	2,271	(11.4)
Depreciation	233	315	(26.0)	233	315	(26.0)
Amortisation of transaction costs on borrowings	212	229	(7.4)	212	229	(7.4)
Tax and other adjustments	97	1,295	(92.5)	97	1,295	(92.5)
	<u>2,553</u>	<u>4,110</u>	<u>(37.9)</u>	<u>2,553</u>	<u>4,110</u>	<u>(37.9)</u>

* 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 rollover adjustment for 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 2019 (UNAUDITED)**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET VALUE

	Unitholders' Capital RM'000	Undistributed Profit		Total Unitholders' Funds RM'000
		Realised RM'000	Unrealised RM'000	
As at 1 January 2018	2,172,216	4,365	510,615	2,687,196
Total comprehensive income for the financial period	-	37,253	-	37,253
Unitholders' transactions				
- Units issued as part satisfaction of the Manager's management fee	4,620	-	-	4,620
- Distribution paid to unitholders ¹	-	(83,140)	-	(83,140)
Increase/(Decrease) in net assets resulting from unitholders' transactions	4,620	(83,140)	-	(78,520)
As at 31 March 2018 (Unaudited)	2,176,836	(41,522)	510,615	2,645,929
As at 1 January 2019	2,181,132	(26,290)	511,724	2,666,566
Total comprehensive income for the financial period	-	32,480	-	32,480
Unitholders' transactions				
- Units issued as part satisfaction of the Manager's management fee	-	-	-	-
- Distribution paid to unitholders ²	-	(79,314)	-	(79,314)
Increase/(Decrease) in net assets resulting from unitholders' transactions	-	(79,314)	-	(79,314)
As at 31 March 2019 (Unaudited)	2,181,132	(73,124)	511,724	2,619,732

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 2018.

1. This refers to the 2017 final income distribution of 4.08 sen per unit for the period from 1 July 2017 to 31 December 2017 paid on 28 February 2018.
2. This refers to the 2018 final income distribution of 3.88 sen per unit for the period from 1 July 2018 to 31 December 2018 paid on 8 March 2019.

**CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2019 (UNAUDITED)**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	THREE MONTHS ENDED	
	31 MARCH 2019	31 MARCH 2018
	(UNAUDITED)	(UNAUDITED)
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before taxation	32,480	37,253
Adjustments for:-		
Manager's management fee payable in units	2,011	2,271
Depreciation	233	315
Finance costs	15,178	14,958
Interest income	(913)	(1,292)
Operating profit before changes in working capital	48,989	53,505
Changes in working capital:		
Trade and other receivables	(2,021)	(535)
Trade and other payables	(2,164)	(1,473)
Tenants' deposits	(458)	(1,801)
Net cash generated from operating activities	44,346	49,696
Cash Flows From Investing Activities		
Acquisition of plant and equipment	(165)	(117)
Capital expenditure on investment properties	(24,116)	(6,194)
Interest received	913	1,292
Net cash used in investing activities	(23,368)	(5,019)
Cash Flows From Financing Activities		
Distribution paid to unitholders	(79,314)	(83,140)
Interest paid	(11,507)	(11,504)
Payment of financing expenses	(32)	(6)
Proceeds from interest bearing borrowings	80,207	4,550
Repayment of interest bearing borrowings	(4,000)	-
Net cash used in financing activities	(14,646)	(90,100)
Net increase/ (decrease) in cash and cash equivalents	6,332	(45,423)
Cash and cash equivalents at beginning of the period	94,897	179,840
Cash and cash equivalents at end of the period	101,229	134,417
Cash and cash equivalents at end of the period comprise :		
Deposits placed with licensed banks	79,730	100,891
Cash and bank balances	27,982	40,009
	107,712	140,900
Less: Pledged deposits	(6,483)	(6,483)
	101,229	134,417

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 2018.

CAPITALAND MALAYSIA MALL TRUST

FOR THE FIRST QUARTER ENDED 31 MARCH 2019 (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 2019 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) and with 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 5 October 2018 (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 2018.

A2. Changes in Accounting Policies

On 1 January 2019, the Group and CMMT adopted the following MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019:

MFRS 16, Leases

IC Interpretation 23, Uncertainty over Income Tax Treatments

Amendments to MFRS 3, Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)

Amendments to MFRS 9, Financial Instruments – Prepayment Features with Negative Compensation

Amendments to MFRS 112, Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)

Amendments to MFRS 119, Employee Benefits – Plan Amendment, Curtailment or Settlement

Amendments to MFRS 123, Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)

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 2018 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, 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.

A7. Debt and Equity Securities

Save as disclosed in B8, 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 2019 (UNAUDITED)**

A8. Income Distribution Policy

In line with the distribution policy as set out in the Trust Deed, the Manager will distribute at least 90.0% of its distributable income to its unitholders in each financial year. CMMT will make distributions to its unitholders on a semi-annual basis for each six-month period ending 30 June and 31 December of each year.

A9. Segmental Reporting

Segmental results for the period ended 31 March 2019 are as follows:

Business Segment	1Q /YTD 2019			1Q /YTD 2018		
	Retail RM'000	Office RM'000	Total RM'000	Retail RM'000	Office RM'000	Total RM'000
Gross revenue	86,250	1,655	87,905	88,407	1,326	89,733
Net property income	51,662	1,089	52,751	56,283	762	57,045
Interest income			913			1,292
Unallocated expenses			(6,006)			(6,126)
Finance costs			(15,178)			(14,958)
Profit before taxation			32,480			37,253
Taxation			-			-
Profit for the period			32,480			37,253

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 charged or credited to the profit or loss for the period in which they arise.

There was no valuation performed during the current quarter.

A11. Subsequent Events

Nil.

A12. Changes in Composition of the Trust

Nil.

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

RM'000

27,432

CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2019 (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 2019 (Unaudited) RM'000	1Q/YTD 2018 (Unaudited) RM'000	Change %
(a) Breakdown of Gross Revenue			
Gurney Plaza	39,104	37,230	5.0
East Coast Mall	15,652	14,151	10.6
Sungei Wang	6,370	8,708	(26.8)
3 Damansara Property ¹	11,243	11,635	(3.4)
The Mines	15,536	18,009	(13.7)
Total Gross Revenue	87,905	89,733	(2.0)
(b) Breakdown of Property Operating Expenses			
Gurney Plaza	11,407	11,196	1.9
East Coast Mall	5,233	4,926	6.2
Sungei Wang	5,598	4,300	30.2
3 Damansara Property	5,928	5,441	9.0
The Mines	6,988	6,825	2.4
Total Property Operating Expenses	35,154	32,688	7.5
(c) Breakdown of Net Property Income			
Gurney Plaza	27,697	26,034	6.4
East Coast Mall	10,419	9,225	12.9
Sungei Wang	772	4,408	(82.5)
3 Damansara Property	5,315	6,194	(14.2)
The Mines	8,548	11,184	(23.6)
Total Net Property Income	52,751	57,045	(7.5)

¹ 3 Damansara (formerly Tropicana City Mall) and Tropicana City Office Tower (collectively known as 3 Damansara Property (formerly Tropicana City Property)).

CAPITALAND MALAYSIA MALL TRUST

FOR THE FIRST QUARTER ENDED 31 MARCH 2019 (UNAUDITED)

B1. Review of Performance (cont'd)

Quarter Results (1Q 2019 vs 1Q 2018)

The Group recorded gross revenue of RM87.9 million in 1Q 2019, a decrease of RM1.8 million or 2.0% against 1Q 2018. The decrease is mainly due to lower occupancy at Sungei Wang (SW), The Mines (TM) and 3 Damansara (3D), lower rental rates and downtime from asset enhancement works at SW and TM as well as the absence of a one-off forfeiture of deposit and compensation of premature termination of a mini anchor tenant at SW. The decrease was mitigated by better performance from Gurney Plaza (GP) and East Coast Mall (ECM) on the back of higher rental rates and full occupancy at Tropicana City Office Tower.

Property operating expenses for 1Q 2019 were RM35.2 million, an increase of 7.5% against 1Q 2018. This is mainly due to the absence of a one-off service charge rebate at SW, higher utilities consumption and reimbursable staff cost. The increase was, however, offset by a one-off prior year property assessment fees at GP.

The net property income for 1Q 2019 of RM52.8 million was 7.5% lower than 1Q 2018.

Finance costs for 1Q 2019 of RM15.2 million were 1.5% higher than 1Q 2018. The increase was mainly due to additional revolving credit facilities drawn down for capital expenditure works and higher average cost of debt for 1Q 2019 at 4.47% p.a. (1Q 2018: 4.44% p.a.).

CMMT has incurred RM14.4 million of capital expenditure during the quarter. This is mainly attributed to Jumpa retail layout design and reconfiguration works at SW, enhancement works of the food and beverage area on Level 2 at TM and tenancy works at ECM.

Overall, distributable income to unitholders for 1Q 2019 was RM35.0 million, a decrease of RM6.3 million or 15.2% against 1Q 2018.

Financial Year-to-date Results (YTD 2019 vs YTD 2018)

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

B2. Material Changes in Quarter Results

	Quarter ended 31 March 2019 RM'000	Quarter ended 31 December 2018 RM'000	Change %
Profit before taxation	32,480	34,626	(6.2)
Add/(Less) : Fair value gain of investment properties (net)	-	(2,354)	(100.0)
Profit before taxation, excluding net fair value gain of investment properties	32,480	32,272	0.6

Other than the net fair value gain of RM2.4 million resulting from the valuation as at 31 December 2018, there is no material change in the financial results of 1Q 2019 as compared to 4Q 2018.

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.

**CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2019 (UNAUDITED)**

B4. Commentary on Prospects

Malaysia's economy expanded at a moderate pace of 4.7% in 2018, anchored by growth in domestic demand and supported by private investment. Despite challenging global headwinds, the economy is expected to sustain its growth momentum and expand between 4.3% to 4.8% in 2019 (source: Bank Negara Malaysia Annual Report 2018).

Against a backdrop of uncertainties in the global and domestic economies, we foresee business and consumer sentiments in Malaysia to remain challenging in 2019, owing to persistent concerns about rising costs of living. The coming on stream of new retail mall supply is expected to intensify competition among shopping malls, particularly those in the Klang Valley area.

Comprising a quality mix of neighbourhood malls located in key urban centres across Malaysia, CMMT's portfolio is largely focused on day-to-day necessity shopping, a market segment that has proven resilient through different economic cycles and is expected to continue being so. To enhance the appeal of CMMT's malls, the Manager continually refreshes its assets through enhancement initiatives, improvement of trade mix and marketing initiatives. The Manager remains committed to ensure that CMMT is well positioned to sustain its performance and deliver sustainable income distributions to unitholders in the long term.

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 90.0% or more of its total income for that year of assessment. If the REIT is unable to meet the 90.0% 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 90.0% of its distributable income for the financial year ended 31 December 2019 to its unitholders, no provision for tax has been made for the current quarter.

B7. Status of Corporate Proposals

Nil

B8. Borrowings and Debt Securities

	As at 31 March 2019 (Unaudited) RM'000	As at 31 December 2018 (Audited) RM'000
Long term borrowings		
Secured revolving credit	65,100	32,943
Secured term loans	918,430	918,430
Less: Unamortised transaction costs	<u>(2,085)</u>	<u>(2,242)</u>
	<u>981,445</u>	<u>949,131</u>
Short term borrowings		
Unsecured revolving credit	114,610	70,560
Unrated medium term notes	300,000	300,000
Less: Unamortised transaction costs	<u>(577)</u>	<u>(632)</u>
	<u>414,033</u>	<u>369,928</u>
Total borrowings	<u>1,395,478</u>	<u>1,319,059</u>

All the borrowings are denominated in Ringgit Malaysia.

**CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2019 (UNAUDITED)**

B8. Borrowings and Debt Securities (cont'd)

During the quarter, the net increase in total gross borrowings (before deducting unamortised transaction costs) by RM76.2 million was mainly due to additional revolving credit facilities ("RCF") of RM80.2 million drawn down to reimburse the cash balances (from the revenue accounts) for purposes of capital expenditure paid in prior year using internal generated funds, offset by the partial repayment of RCF totalling RM4.0 million.

As of to date, two out of five properties of the Group, namely Sungei Wang and East Coast Mall, remain unencumbered. The interest rate profile of the fixed and floating rate borrowings stood at 82% and 18% respectively.

B9. Change in Material Litigation

Nil.

B10. Income Distribution

On 8 March 2019, CMMT paid its final income distribution of RM79.3 million or 3.88 sen per unit for the period from 1 July 2018 to 31 December 2018.

No income distribution was proposed for the current quarter as CMMT's distribution of income is paid on a half yearly basis.

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 10.0%

Non-resident unitholders:

(c) Corporate	Withholding tax at 24.0%
(d) Institutional investors	Withholding tax at 10.0%
(e) Individuals	Withholding tax at 10.0%

B11. Composition of Investment Portfolio as at 31 March 2019

As at 31 March 2019, CMMT's portfolio comprised the following investment properties:

Investment properties	Cost of Investment¹ RM'000	Net Book Value² RM'000	Market Value RM'000	Market Value as % of NAV³ %
Gurney Plaza	1,139,990	1,635,297	1,635,000	62.4
East Coast Mall	405,578	555,457	555,000	21.2
Sungei Wang	791,489	556,164	545,000	20.8
3 Damansara Property	588,392	556,914	556,000	21.2
The Mines	596,259	729,600	728,000	27.8
Total	3,521,708	4,033,432	4,019,000	

The market value of Sungei Wang, The Mines and East Coast Mall were stated at valuations conducted by PPC International Sdn. Bhd. as at 31 December 2018. The market value of Gurney Plaza and 3 Damansara Property were stated at valuations performed by Savills (Malaysia) Sdn. Bhd. and Henry Butcher Malaysia Sdn Bhd respectively as at 31 December 2018.

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 (NBV) comprises of market value of the investment properties as at 31 December 2018 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 RM2,619,732,000 as at 31 March 2019. This is calculated in accordance with the REITs Guidelines.

**CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2019 (UNAUDITED)**

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

	Quarter ended 31 March 2019	Quarter ended 31 December 2018
Number of units in circulation (units)	2,044,176,200	2,044,176,200
NAV before income distribution (RM'000)	2,619,732	2,666,566
NAV after income distribution (RM'000)	2,584,777	2,587,252
NAV per unit ¹ (RM)	1.2645	1.2657
Total comprehensive income (RM'000)	32,480	34,626
Weighted average number of units in issue (units)	2,044,176,200	2,044,176,200
EPU after manager's management fee (sen)	1.59	1.69
Distributable income (RM'000)	34,955	40,475
DPU (sen)	1.71	1.98
Market price (RM)	1.11	1.01
DPU yield (%)	1.54	1.96

¹ NAV per unit is arrived at by dividing the NAV after income distribution/distributable income with the number of units in circulation at the end of the period.

B13. Soft Commission Received By The Manager And Its Delegates

Nil.

B14. Manager's Fees

For the financial period ended 31 March 2019, 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:

	1Q/YTD 2019 Actual (Unaudited) RM'000
Base management fee	2,977
Performance fee	2,505
Total fees	<u>5,482</u>

**CAPITALAND MALAYSIA MALL TRUST
FOR THE FIRST QUARTER ENDED 31 MARCH 2019 (UNAUDITED)**

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

	No of units	Percentage of Unitholdings ⁴	Market value ³ at 29 March 2019
	units	%	RM
CMMT Investment Limited ¹	710,973,600	34.78	789,180,696
Menang Investment Limited ¹	40,255,700	1.97	44,683,827
Direct unitholdings of the Directors of the Manager:			
Ms Low Peck Chen	12,000	N.M.	13,320
Ms Tan Siew Bee ⁵	100,000	N.M.	111,000
Dr Peter Tay Buan Huat ^{2,5}	100,000	N.M.	111,000
Mr. Lim Cho Pin Andrew Geoffrey ²	47,000	N.M.	52,170
	751,488,300	36.75	834,152,013

N.M. - Not meaningful

¹ An indirect wholly-owned subsidiary of CapitaLand Mall Asia Limited.

² Units held through nominees.

³ The market value of the units is computed based on the closing price of RM1.11 per unit as at 29 March 2019.

⁴ Approximation.

⁵ Resigned as director with effect from 1 April 2019.

B16. Responsibility Statement and Statement by the Directors of the Manager

In the opinion of the Directors of the Manager, the quarterly condensed consolidated interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting and with IAS 34: Interim Financial Reporting, Paragraph 9.44 of the Listing Requirements of Bursa Securities, provisions of the Trust Deed and the REITs Guidelines so as to give a true and fair view of the financial position of the Group and of CMMT as at 31 March 2019 and of their financial performance and cash flows for the quarter ended on that date and duly authorised for release by the Board of Directors of the Manager on 23 April 2019.

BY ORDER OF THE BOARD

KHOO MING SIANG
COMPANY SECRETARY (MAICSA No. 7034037)
CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (819351-H)
(As Manager of CapitaLand Malaysia Mall Trust)
Kuala Lumpur

Date: 23 April 2019