ENTERPRISE RISK MANAGEMENT

CMMT Group takes a proactive approach to risk management, making it an integral part of CMMT Group's business – both strategically and operationally. Our objective is not risk minimisation, but rather the optimisation of opportunities with the known and agreed risk appetite levels set by our Board of Directors. In short, we take measured risk in a prudent manner for justifiable business reasons.

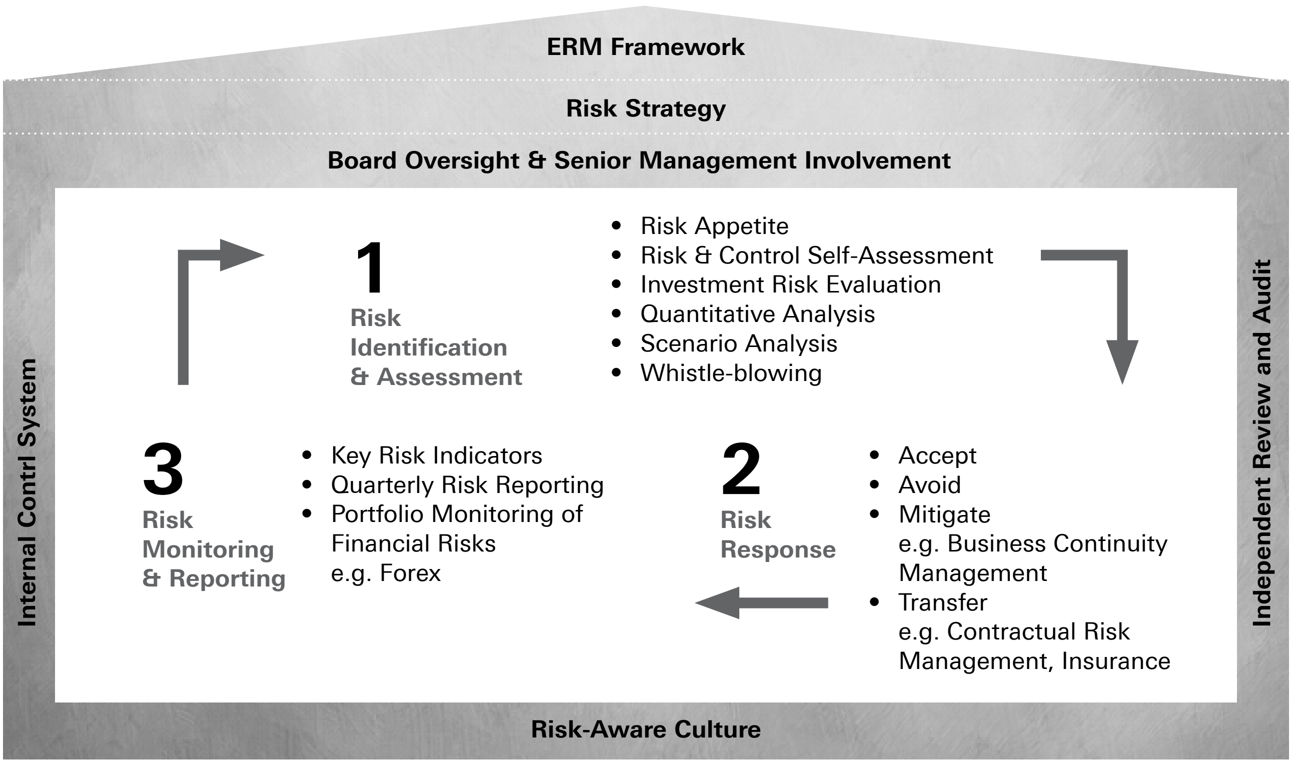
GOVERNANCE

The Board is responsible for the governance of risk across CMMT Group. It falls to them to determine CMMT Group's risk appetite; oversee the Manager's Enterprise Risk Management (ERM) Framework, regularly review CMMT Group's risk profile, material risks and mitigation strategies; and ensure the adequacy and effectiveness of the risk management framework and policies. For these purposes, it is assisted by the EXCO and AC which provide dedicated oversight of risk management at the Board level.

The EXCO is made up of three non-independent Board members while the AC comprises of three independent Board members and one non-independent Board member. Both the EXCO and AC meet on a quarterly basis. The EXCO and AC meetings are attended by the CEO as well as other key management staff of the Manager.

The Board approves CMMT Group's risk appetite, which determines the nature and extent of material risks that the Manager is willing to take to achieve CMMT Group's strategic and business objectives. CMMT Group's Risk Appetite Statement (RAS) is expressed via formal, high level and overarching statements and accompanying risk limits which determine that the specific risk boundaries established at an operational level, are monitored on a quarterly basis. Taking the interests of key stakeholders into consideration, the RAS sets out explicit and forward-looking views of CMMT Group's desired risk profile and ensures it is aligned with CMMT Group's strategy and business plans.

Enterprise Risk Management Framework



The Manager's ERM Framework is adapted from the International Organization for Standardization Organisation (ISO) 31000 International Risk Management Standards. It is also guided by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control-Integrated Framework and the other relevant best practices and guidelines. It specifies the required environmental and organisational components needed to manage risks in an integrated, systematic and consistent manner. The ERM framework and related risk management policies are reviewed annually.

A robust internal control system and an effective, independent review and audit process underpin the Manager's ERM Framework. While the line management is responsible for the design and implementation of effective internal controls using a risk-based approach, the outsourced IA function from CapitaLand reviews such design and implementation to provide reasonable assurance to the AC on the adequacy and effectiveness of the risk management and internal control systems.

CMMT Group's successful ERM program is based on fostering the right risk culture. The Manager works closely with CapitaLand's Risk Assessment Group (RAG) to conduct regular workshops for all levels and functions to enhance risk management knowledge and promote a Group culture of risk awareness. Risk management principles are embedded in all our decision-making and business processes. Once a year, the Manager coordinates a CMMT Group Risk and Control Self-Assesment (RCSA) exercise. This requires that the respective risk and control owners identify, assess and document material risks along with their key controls and mitigating measures. Material risks and their associated controls are consolidated and reviewed by the Manager before they are presented to the EXCO, AC and the Board.

MANAGING MATERIAL RISKS

The Manager takes a comprehensive iterative approach in identifying, managing, monitoring and reporting material risks across CMMT Group. These material risks include:

Business Interruption Risk

CMMT Group is exposed to business interruption risk arising from sudden and major disaster events such as fire, prolonged power outages or other major infrastructure failures which may significantly disrupt operations at our malls or data centres. Such risks are managed through proactive facilities management (for example, routine inspection and scheduled maintenance) and having crisis management procedures at each property. In addition, the outsourced Information Technology (IT) team from CapitaLand has a defined disaster recovery plan which is reviewed and tested annually.

Competition Risk

Facing keen competition from established players, online businesses and new market entrants, CMMT Group strengthens its competitive position by differentiating ourselves in the marketplace through ongoing brand building. A constant stream of customer-centric initiatives and shopper loyalty programmes also help set us apart. Our in-house team of analysts keeps us on top of latest market trends. And, regular scheduled innovation workshops help us brainstorm ideas to ensure we remain competitive in the market.

Economic Risk

CMMT Group is exposed to event risks in major economies as well as in key financial and property markets. These event risks may reduce revenue, increase costs and result in downward revaluation of our assets. Market illiquidity during a financial crisis makes asset investment and/or divestment challenging and can affect CMMT Group's investment and strategic objectives. The Manager manages these economic risks through a disciplined approach to financial management and well-balanced portfolio across Malaysia with majority of its malls being focused on necessity shopping.

ENTERPRISE RISK MANAGEMENT

Financial Risk
CMMT Group is exposed to financial risks involving liquidity, foreign currency and interest rates. The Manager proactively reviews the capital management of the Group to ensure that adequate financial resources are available for the working capital requirements and income distributions. We continue to focus on instilling financial discipline, deploying capital to earn optimal risk-adjusted returns and maintaining a strong balance sheet to invest in suitable opportunities. For more information on CMMT Group's Financial Risk Management, please refer to the "Financial Risk Management" section set out on pages 143 to 148 of this Annual Report.

Information Technology Risk
With increased reliance on IT as a business enabler, the outsourced IT team from CapitaLand has in place Group-wide policies and procedures which set out the governance and control of IT risks, including cyber risks. Appropriate measures are in place to ensure the confidentiality, integrity and availability of CapitaLand's information assets. This includes implementing access controls, enhancing data security and raising employees' IT security awareness through phishing campaigns and other activities. In addition, an IT disaster recovery exercise is conducted annually to ensure business recovery objectives are met.

Investment & Divestment Risk
The main sources of growth for CMMT Group are asset enhancement initiatives and acquisition of properties. The risks involved in such investment activities are managed through a rigorous set of investment criteria which includes potential for growth in yield, rental sustainability and potential for value creation. All major investments and divestments are approved by the Board. The Manager conducts due diligence reviews in relation to any investment or divestment proposals. Key financial assumptions are reviewed, and sensitivity analyses are performed on key variables. Potential risks associated with proposed projects and the issues that may prevent their smooth implementation or attainment of projected outcomes are identified at the evaluation stage. This is to enable the Manager to devise action plans to mitigate such risks as early as possible.

Leasing Risk
Strong competition, poor economic and market conditions are some of the key factors that could result in key tenants not renewing their leases, and adversely affecting the leasing performance of CMMT Group's properties. The Manager establishes a diversified tenant base and sustainable trade mix and has in place proactive tenant management strategies which are in line with the malls' positioning. It is also the Manager's priority to closely monitor tenants' sales performance and maintain positive relationships and rapport with retailers to build their loyalty to CMMT Group's malls.

Regulatory & Compliance Risk
CMMT Group's operations are subject to the applicable laws and regulations in the market we operate, such as the CMSA, Listing Requirements, REITs Guidelines and the tax rulings issued by the Inland Revenue Board of Malaysia. The Manager has in place a framework that proactively identifies applicable laws and regulatory obligations, embedding compliance into the day-to-day operations.

INVESTOR & MEDIA RELATIONS

We believe consistent communication is crucial especially during challenging market conditions to facilitate investors to make informed investment decision. CMMT's investment proposition and performance is communicated in a timely manner through various mechanisms, such as news releases, its website, media and analyst briefings, one-on-one meetings, conferences, roadshows, site visits and email alerts. Briefing sessions are conducted for analysts and investors on a quarterly basis following the release of quarterly results, and on an ad hoc basis for material transactions and developments relating to CMMT. Mall tours are conducted occasionally for analysts and investors who are keen to visit CMMT's properties to further deepen their understanding of the respective mall's market positioning, tenant mix and operations, as well as of any past or planned AEIs.

During the year, the senior management of the Manager participated in roadshows in Bangkok, Singapore and Kuala Lumpur. It also reached out to engage retail investors through small group meetings to keep stakeholders abreast of CMMT's latest developments.

On 29 March 2018, CMMT held its annual general meeting (AGM) at Hotel Istana Kuala Lumpur, a venue conveniently accessible through public transportation, which gave the Board and the Manager an opportunity to interact with the Unitholders. CMMT conducted its poll electronically and results of the AGM were published on Bursa Securities. The minutes of the AGM is also made available on CMMT's website for greater transparency.

Information on CMMT including announcements, press releases, presentations, circulars and annual reports are uploaded to both CMMT's and Bursa Securities' websites. CMMT's unit price performance information is also available on CMMT's website with 15-minutes lag time. Investors and the general public can also post queries to CMMT via a dedicated 'Ask Us' email address and queries are answered promptly. CMMT is currently covered by ten research houses and is a member of the Malaysian Investor Relations Association (MIRA) as well as member of Malaysian REIT Managers Association (MRMA).

Investor and Media Relations Calendar 2018	
1st Quarter	Full year 2017 Results Press Release and Media and Analysts' Results Briefing/Conference Call
	Engagement with institutional investors (Non Deal Roadshow in Kuala Lumpur and Singapore)
	Annual General Meeting
2nd Quarter	1Q 2018 Results Press Release and Analysts' Results Briefing/Conference Call
	Renaming of Tropicana City Mall to 3 Damansara Press Release
3rd Quarter	1H 2018 Results Press Release and Media and Analysts' Results Briefing/Conference Call
	Engagement with institutional investors (Non Deal Roadshow in Bangkok)
4th Quarter	3Q 2018 Results Press Release and Analysts' Results Briefing/Conference Call
	CapitaLand Volunteer Day in Malaysia and My Schoolbag Event Press Release

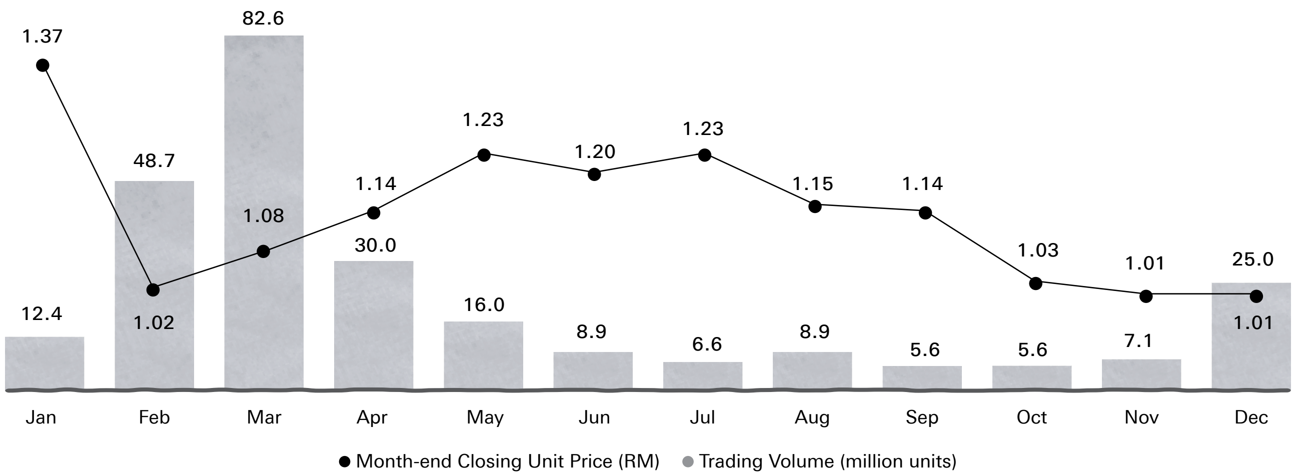
UNITHOLDER AND MEDIA ENQUIRIES

If you have any enquiries or would like to find out more about CMMT, please contact:

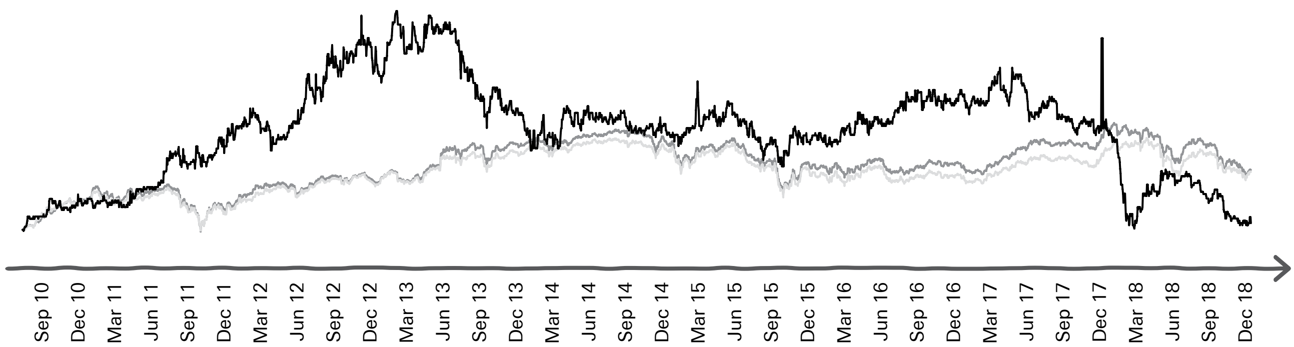
Jasmine Loo
Investor Relations and Corporate Communications
Tel: +60 3 2279 9888
Fax: +60 3 2279 9889
E-mail: ask-us@cmmt.com.my
Website: www.cmmt.com.my

UNIT PRICE PERFORMANCE

CMMT's Monthly Trading Performance for 2018



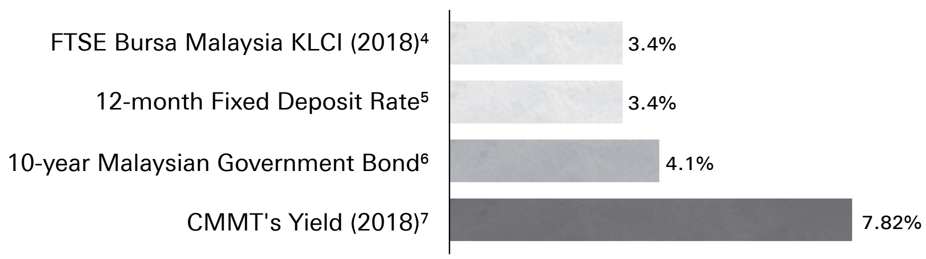
CMMT's Unit Price versus Performance Benchmarks



CMMT’s Unit Price +3.1% since CMMT’s listing (-44.8% for FY 2018)[1]
FTSE Bursa Malaysia Emas Index +27.4% since CMMT’s listing (-10.9% for FY 2018)[2]
FTSE Bursa Malaysia KLCI +26.5% since CMMT’s listing (-5.9% for FY 2018)[3]

1 Based on the opening unit prices of RM0.98 on 16 July 2010 and RM1.83 on 2 January 2018 and the closing unit price of RM1.01 on 31 December 2018.
2 Based on the opening index values of 9,020 on 16 July 2010 and 12,943 on 2 January 2018 and the closing index value of 11,528 on 31 December 2018.
3 Based on the opening index values of 1,334 on 16 July 2010 and 1,797 on 2 January 2018 and the closing index value of 1,691 on 31 December 2018.

Comparative Yields



4 Dividend Yield of FTSE Bursa Malaysia KLCI as at 31 December 2018 (Source: Bloomberg).
5 Average 12-month Fixed Deposit Rate (RM) as at 31 December 2018 (Source: Bloomberg).
6 10-year Malaysian Government Bond as at 31 December 2018 (Source: Bloomberg).
7 Based on the DPU of 7.90 sen for FY 2018 and the closing price of RM1.01 on 31 December 2018.

SUSTAINABILITY MANAGEMENT

SUSTAINABILITY COMMITMENT

As an externally managed real estate investment trust, CapitaLand Malaysia Mall Trust (CMMT) is managed by CapitaLand Malaysia Mall REIT Management Sdn Bhd (CMRM or the Manager), a 70% indirect subsidiary of CapitaLand Group (CapitaLand or the Group). CMMT's portfolio of shopping malls are managed by Knight Frank Property Management Sdn. Bhd.[1] and Zaharin Nexcap Property Management Sdn. Bhd.[2] (collectively known as Property Managers). The Manager and Property Managers oversee the daily property operations of CMMT's portfolio of malls and abide by CapitaLand's sustainability framework, policies, guidelines, as well as ethics and code of business conduct.

CMMT's sustainability strategies and objectives are aligned to CapitaLand's credo of 'Building People. Building Communities.'. The Group is committed to improving the economic and social well-being of its stakeholders through the execution of development projects and management of its operations. In a rapidly changing business landscape, it actively embraces innovation to ensure commercial viability without compromising the environment for future generations.

The Group upholds high standards of corporate governance and transparency to safeguard shareholders' interests. It has in place an adequate and effective Enterprise Risk Management framework to enhance our business resilience and agility. The Group's proactive approach towards environmental, health and safety (EHS) management, which incorporates universal design into its developments, ensures that its properties are sustainable and future-proof. Policies and guidelines are put in place to ensure the efficient use of energy, water and other resources.

The Group's integrated human capital strategy aims to recruit, develop and motivate employees to drive growth. Community development is an important component of the Group's commitment to sustainability. It focuses on providing support to enhance the lives of underprivileged children and vulnerable elderly, through corporate philanthropy and employee volunteerism.

CapitaDNA
(Vision, Mission, Credo and Core Values)

Respect at all levels

Pursue **Excellence**

People (Staff)	Develop a high performance culture that embraces diversity and teamwork
Investors (Including business partners)	Deliver sustainable shareholder returns
Customers (tenants, shoppers, home owners, residents)	Contribute positively to the economic, environmental and social development of communities
Communities (suppliers/contractors government agencies/ NGOs, environment, community)	Contribute positively to the economic, environmental and social development of communities

Integrity at all levels

Creativity to enhance value

CapitaLand was one of the first companies in Singapore to voluntarily publish an annual Global Sustainability Report and externally assure the entire report. Benchmarking against an international standard and framework that is externally validated helps the Group to overcome the challenges in sustainability reporting that arise from its diversified asset types and geographical presence. CapitaLand is also a signatory to the United Nations (UN) Global Compact and its Global Sustainability Report serves as its Communication on Progress, which will be made available at www.unglobalcompact.org when published.

For its efforts, CapitaLand is listed in the Sustainability Yearbook, Global 100 Most Sustainable Corporations, Dow Jones Sustainability World Index and Asia Pacific Index, Global Real Estate Sustainability Benchmark (Regional Sector Leader for Asia, Diversified), FTSE4Good Index Series, MSCI Global Sustainability Indexes, Euronext VigeoEiris Indices World 120, STOXX® Global ESG Leaders Indices.

1 Knight Frank Property Management is the property manager for Gurney Plaza, 3 Damansara and Tropicana City Office Tower, The Mines and East Coast Mall.
2 Zaharin Nexcap Property Management manages CMMT's majority interest in Sungei Wang.

SUSTAINABILITY MANAGEMENT

CapitaLand Global Sustainability Report 2018 will be published by 31 May 2019 and will continue to be prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. We will also continue to apply the Guiding Principles of the International Integrated Reporting Framework and ISO 26000:2010 Guidance on Social Responsibility and reference the UN Sustainable Development Goals and the Taskforce on Climate Related Financial Disclosure. It will cover the Group's global portfolio and employees, including its listed Real Estate Investment Trusts (REITs) CapitaLand Mall Trust, CapitaLand Commercial Trust, Ascott Residence Trust, CapitaLand Retail China Trust and CapitaLand Malaysia Mall Trust, unless otherwise indicated. Lastly, the report will be externally assured to AA1000 Assurance Standard.

This sustainability chapter references selected GRI Standards[1] to report specific information. It covers CMMT's properties from 1 January to 31 December 2018 unless otherwise stated. The teams behind the Manager and Property Managers responsible for property and portfolio operations are identified as employees of CMMT.

BOARD STATEMENT

CMMT is committed to sustainability and incorporates the key principles of environment, social and governance (ESG) in setting our business strategies and operations.

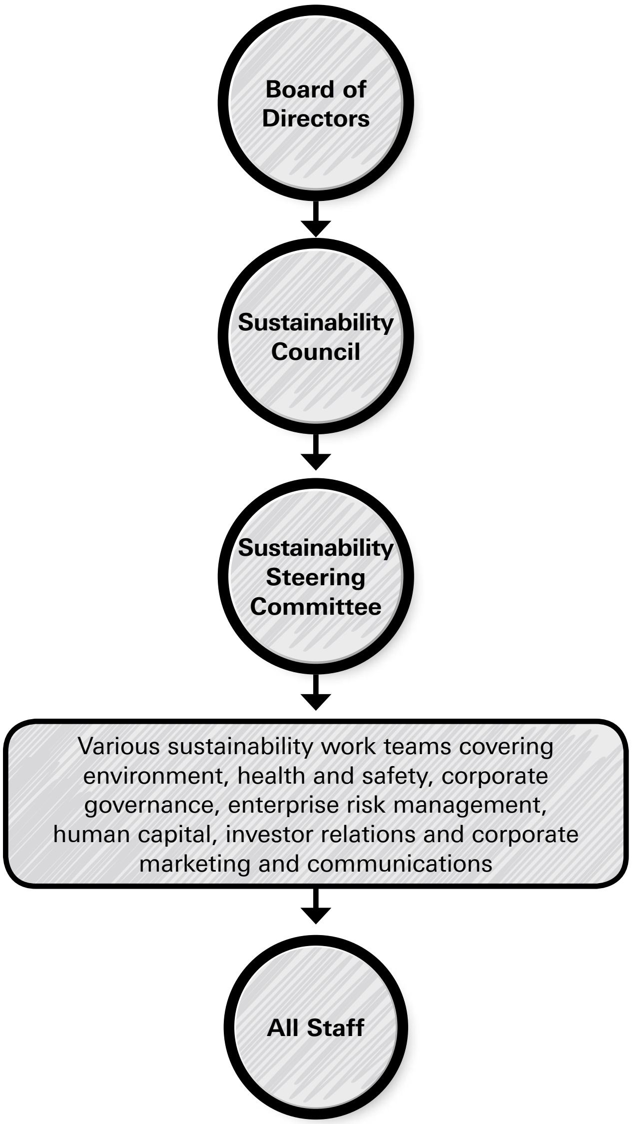
The Board sets CMMT's risk appetite, which determines the nature and extent of material risks that CMMT is willing to take to achieve our strategic and business objectives. The risk appetite incorporates ESG factors such as fraud, corruption and bribery, environment, health and safety.

The Board also approves the executive compensation framework based on the principle of linking pay to performance. CMMT's business plans are translated to both quantitative and qualitative performance targets, including sustainable corporate practices and are cascaded throughout the organisation.

TOP MANAGEMENT COMMITMENT AND STAFF INVOLVEMENT

The Group's sustainability management comes under the purview of its Sustainability Council, comprising the Group's top management. It is supported by a Sustainability Steering Committee which oversees various work teams to ensure the Group's continued progress and improvement in the areas of ESG. The Sustainability Steering Committee comprises the CEOs of the business units and REITs, and the work teams comprise representatives from all business units. CapitaLand Board of Directors is updated regularly through the Risk Committee and Audit Committee on matters relating to sustainability risks and business malpractice incidents. The CapitaLand Board is also updated on the sustainability management performance of the Group, key material issues identified by stakeholders and the planned follow up measures.

Sustainability Management Structure



1 This material references Disclosure 302-1 from GRI 302: Energy 2017, Disclosure 303-1 from GRI 303: Water 2017, Disclosure 305-1 and Disclosure 305-2 from GRI 305: Emissions 2017, Disclosure 205-1 and Disclosure 205-2 from GRI 205: Anti-Corruption 2017, Disclosure 403-1 from GRI 403: Occupational health & injury 2017 and Disclosure 405-1 from GRI 405: Diversity 2017.

MATERIALITY

The Group has a regular review, assessment and feedback process in relation to ESG topics. Key to this is an annual Group-wide Risk and Control Self-Assessment exercise which entails the identification, assessment and documentation of material risks and corresponding internal controls. These material risks include fraud and corruption, environmental, health and safety, and human capital risks which are ESG-relevant. Other existing channels for feedback to ensure relevance of issues include:

Environment	› Regular dialogue/feedback sessions with government agencies (e.g. Building and Construction Authority, National Environment Agency) › Active participation in Singapore Green Building Council › Participate in engagement sessions with key sustainability indices
Social	› Regular dialogue with government agencies and unions › Active participation in Singapore Workplace Safety and Health Council › Regular employee engagement survey › Participate in engagement sessions with key sustainability indices
Governance	› Engagement with Securities Investors Association (Singapore) (SIAS) periodically and for our annual Corporate Governance Conference › Engagement where appropriate with Singapore Exchange and Monetary Authority of Singapore › Participate in engagement sessions with key sustainability indices

The Group identified and reviewed material issues that are most relevant and significant to the Group and its stakeholders. These are prioritised based on the likelihood and potential impact of issues affecting business continuity and development. For external stakeholders, priority is given to issues important to the society and applicable to the Group. For more information on stakeholder engagement, please refer to the Social and Relationship Capital, Human Capital and Environmental Capital chapters in the upcoming CapitaLand Global Sustainability Report 2018. The report covers our international portfolio in over 20 countries unless otherwise indicated.

Prioritisation of ESG Material Issues		
Environment	**Social/Labour Practices**	**Governance**
Critical		
› Energy efficiency › Climate change and emissions reduction › Water management	› Occupational health & safety › Employment › Stakeholder engagement › Supply chain management	› Compliance › Business ethics › Product and services*
Moderate and emerging		
› Building materials › Construction and operational waste › Biodiversity	› Diversity › Human rights	

* This includes customer health and safety.

SUSTAINABILITY MANAGEMENT

STAKEHOLDER ENGAGEMENT

Stakeholders are groups that the Manager's business has a significant impact on, and those with a vested interest in its operations. Key stakeholders include employees, customers, business associates, builders and suppliers, and the local community. Other groups include regulators and key government agencies, non-governmental organisations (NGOs), representatives of the capital market and the media. They are mapped into groups based on their impact on the Group.

Through the various engagement channels, the Manager seeks to understand its stakeholders' views, communicate effectively with them and respond to their concerns.

Stakeholder	Engagement Channel	Issues	Sustainability Report*
Customers – tenants, shoppers	› Tenants: Biz+ event to share the latest trends and insights on e-payment and market intelligence › Shoppers: CapitaStar, shopping redemptions, contests, on-ground activities, workshops and online-to-offline engagements	› Customer experience	Social and Relationship Capital, Environmental Capital
Investors, analysts and media	› Annual general meetings › Quarterly financial results announcements › Media releases and interviews › Annual reports › Company website › Regular analyst and investor meetings › Responses to sustainability surveys	› Operational efficiency, monetary savings, cost avoidance › Return on equity, earnings, business strategy, market outlook, ESG risks and opportunities	Financial Capital, Social and Relationship Capital
Employees	› Regular dialogue sessions with senior management › Regular employee engagement survey › Volunteer programmes › Recreational team building sessions › Training	› Work-life balance › Remuneration and benefits › Employee welfare	Human Capital, Social and Relationship Capital
Supply Chain – main contractors, vendors, suppliers	› CapitaLand Supply Chain Code of Conduct › Environmental, Health and Safety (EHS) › Policy and quarterly EHS monitoring › Vendor evaluation, including events, meetings and trainings	› Design and quality › Occupational health and safety practices › Workers welfare and well-being › Environmental compliance	Human Capital, Social and Relationship Capital, Environmental Capital
Government/national agencies/community and non-governmental organisations (NGOs)	› Regulatory readiness to the Government's commitment to manage carbon emissions › Longstanding partner of various national programmes › Sustainability reports › Participation in external conferences/forums › Corporate advertisements › Consultation and sharing with academics, NGOs and business associations	› Sustainable building developments › Stakeholder programmes to advocate sustainable tenant/customer behaviours › Advocating best practices	Social and Relationship Capital

* For more information on key stakeholders' issues of interest, please refer to CapitaLand Global Sustainability Report 2018 – to be published by 31 May 2019.

CREATING VALUE AND ALIGNMENT TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS[3])

The Group referenced the Guiding Principles of the International Integrated Reporting Council (IIRC) Framework and grouped its material ESG issues into six Capitals – Financial, Organisational, Manufactured, Environmental, Human, and Social and Relationship. This is also mapped against some of the Group's key efforts and programmes in relation to the key UN SDGs. For more information, please refer to CapitaLand Global Sustainability Report 2018 which will be published by 31 May 2019.

Capitals	What We Do	CMMT Performance 2018 Value Created	UN SGDs Supported
Financial › Earnings › Equity › Investments › Assets	› Combination of operating income from investment properties and trading properties, disciplined capital recycling and growth of fee income. › Calibrated balance across product platforms and geographies.	› Financial Review, page 78-80 CMMT Annual Report 2018.	
Organisational › Leadership & culture › Corporate governance › Risk management	› CapitaLand adopts a strong stance against bribery and corruption. › All employees are required to make an annual declaration to uphold CapitaLand's core values and to not engage in any corrupt or unethical practices. › Requires certain agreements with third-party service providers and vendors to incorporate anti-bribery and anti-corruption provisions. › Require main contractor to ensure no child labour and forced labour at CapitaLand project sites. › Supply Chain Code of Conduct to influence our supply chain to operate responsibly in the areas of anti-corruption, human rights, health and safety, as well as environmental management. › CapitaLand is a signatory to UN Global Compact.	› Refer to Corporate Governance, page 30-54, CMMT Annual Report 2018. › No reported incident relating to discrimination, child labour or forced labour in CMMT.	16

3 The UN SDGs call on companies everywhere to advance sustainable development through the investments they make, the solutions they develop, and the business practices they adopt. In doing so, the goals encourage companies to reduce their negative impacts while enhancing their positive contribution to the sustainable development agenda.

SUSTAINABILITY MANAGEMENT

Capitals	What We Do	CMMT Performance 2018 Value Created	UN SGDs Supported
Environmental › Carbon emissions › Energy management › Water stewardship › Waste and resource management	CapitaLand is committed to: › Reduce energy consumption through energy efficiency and encourage renewable energy sources. › Reduce water consumption, reuse water and prevent water pollution, especially in countries where the availability of clean water and sanitation are of concern. › Green our operational portfolio by 2030. › Actively embrace innovation to ensure commercial viability without compromising the environment for future generations. › Future-proof our developments by addressing the risks of climate change right from the design stage. › Preserve the biodiversity of our sites as well as the wider area where possible. › Occupational health and safety is of utmost importance to CapitaLand, including all of our employees, tenants, contractors, suppliers and the communities who use our properties. CapitaLand EHS Management System is externally audited to receive the International Organization for Standardization (ISO) 14001 and Occupational Health and Safety Assessment Series (OHSAS) 18001 certification across 15 countries. CapitaLand continues to participate in the CDP (Carbon Disclosure Project). Our footprint is calculated in accordance with the Greenhouse Gas (GHG) Protocol.	› 73% of CMMT portfolio has achieved green rating. › Reduction in energy and water usage, and carbon intensity: For 2018, CMMT's reduction in energy usage in kWh/m2 was 17.7% and reduction in water usage in m3/m2 was 22.1% from the 2009 baseline. CMMT's reduction in carbon intensity (kg/m2) was 18.4% from the 2009 baseline. Using a 'Business as Usual' approach, it is estimated that CMMT avoided costs of more than RM17.07 million for utilities since 2009. We will continue to implement energy and water conservation measures to ensure efficient operations and minimise resource wastage. › Retained ISO14001 certification. All CMMT malls has no environmental non-compliance. › All 5 CMMT shopping malls participated in the Earth Hour initiative. › All 5 CMMT malls participated in the recycling of waste programme.	3, 6, 7, 9, 11, 13, 15
Human › Health and safety › Job creation and security › Learning and development › Benefits and remuneration	CapitaLand believes that regardless of ethnicity, age or gender, employees can make a significant contribution based on their talent, expertise and experience. We adopt consistent, equitable, and fair labour policies and practices in rewarding as well as developing employees under the direct hire of CapitaLand. CapitaLand is a signatory to the UN Global Compact. CapitaLand aims to provide a work environment that is safe and contributes to the general well-being of our employees.	› CMMT workforce o multi-racial workforce working within the Group o almost equal proportion of males and females, at a ratio of 51:49 o 63% of CMMT's workforce was aged between 30 and 50 › About 61% of senior and middle management were women › Over 30 training hours per staff › Zero incident resulting in staff permanent disability or fatality	3, 8, 10

Capitals	What We Do	CMMT Performance 2018 Value Created	UN SGDs Supported
Social and relationship › Stakeholder relations › Social license to operate › Community development	CapitaLand Hope Foundation (CHF), CapitaLand's philanthropic arm, believes in investing in the fundamental needs of education, healthcare and shelter of underprivileged children to relieve them of hardship and help them to eventually break the poverty cycle. The Foundation also strives to improve the quality of life for the vulnerable elderly in Singapore through healthcare, deeper social integration and better living conditions.	› Invested more than RM240,000 through CHF to benefit 386 children from low income households with basic school necessities. Facilitated four primary schools in Kuala Lumpur, Selangor, Kuantan and Penang with new books, refurbished classrooms, libraries and computer labs to support learning development. › More than 150 employees volunteered for a total of about 1,000 hours	1, 2, 4

OPERATIONS REVIEW

LEASE RENEWALS AND NEW LEASES

For leases that expired in 2018, the rental of the first year of the renewed/new lease term decreased by 2.9% on a portfolio basis compared to the preceding rate, i.e. the last year's rental of the preceding term. The lower rental reversion was mainly due to the lower performance from Klang Valley malls which have been affected by increased competition in the vicinity, opening of new shopping malls and increasing popularity of e-commerce, as well as downtime from the ongoing asset enhancement works at Sungei Wang and The Mines.

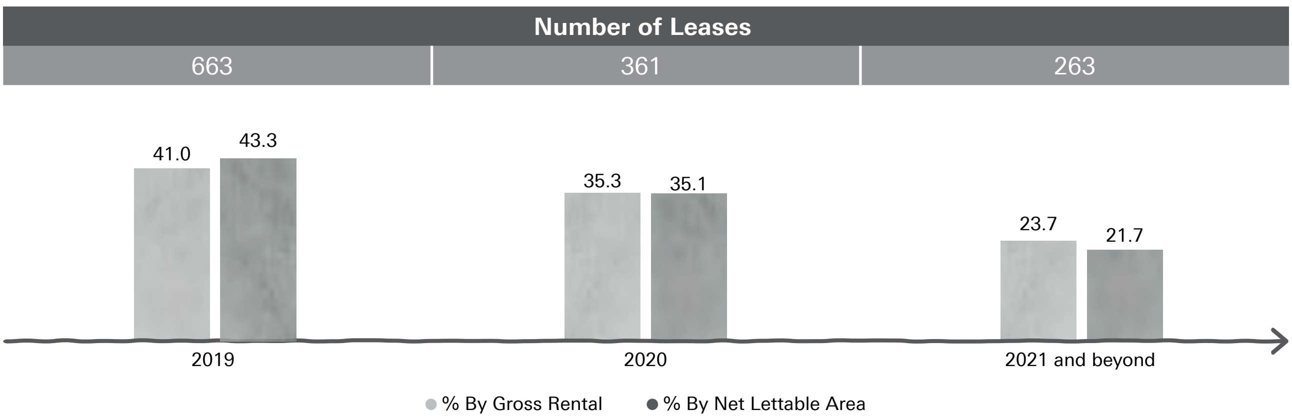
Summary of Renewals/New Leases
(as at 31 December 2018) (excluding newly created and reconfigured units)

Property	Number of Renewals/New Leases	Net Lettable Area (sq ft)	Percentage of Mall (%)	Change in Rental Rates[1] (%)
Gurney Plaza	142	897,847	19.7	4.2
East Coast Mall	48	464,849	20.2	2.8
Sungei Wang	31	300,819	12.7	-13.3
3 Damansara & Tropicana City Office Tower	47	567,966	29.8	-6.7
The Mines	75	707,811	19.9	-16.9
Total	**343**	**2,939,292**	**21.1**	**-2.9**

PORTFOLIO LEASE EXPIRY PROFILE

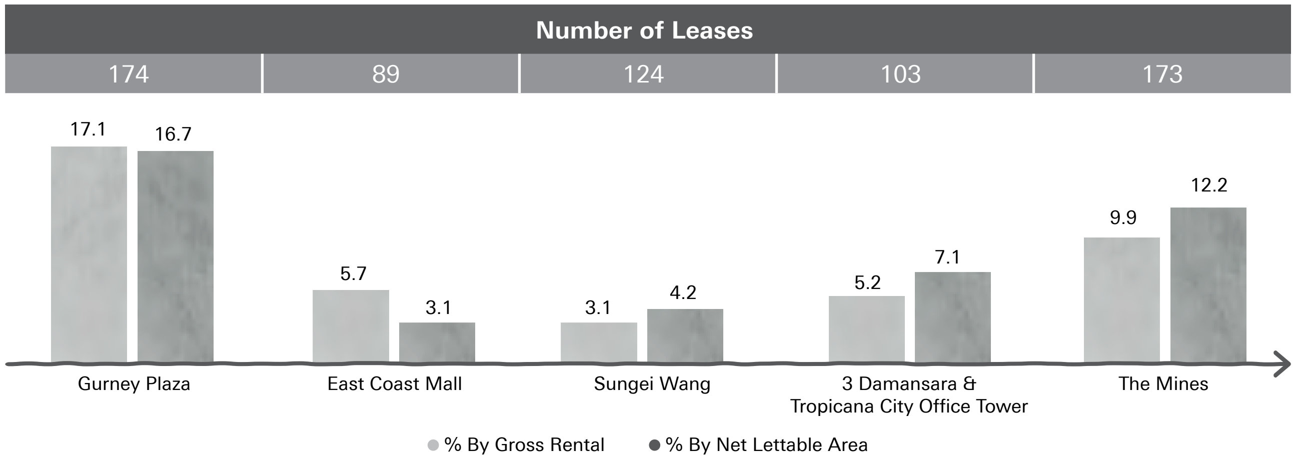
CMMT tenants typically have three-year lease terms. The portfolio lease expiry remained spread out as at 31 December 2018, with 41.0% and 35.3% of the leases by gross rental income due for renewal in 2019 and 2020 respectively, with the balance expiring from 2021 onwards. About 663 leases are due to expire in 2019. For the portfolio lease expiry profile as at 31 December 2018 by gross rental income, 8.7% is made up by the lease expiry cases of anchor tenants.

Portfolio Lease Expiry Profile
(as at 31 December 2018)



1 Change in the current rental rates versus the preceding rental rates.

Portfolio Lease Expiry Profile for 2019
(as at 31 December 2018)



TOP 10 TENANTS

CMMT's gross rental income is well distributed within its portfolio of over 1,292 leases. Collectively, the 10 largest tenants accounted for about 15.2% of the total gross rental income.

10 Largest Tenants by Total Gross Rental Income
(as at 31 December 2018)

Tenant	Trade Sector	By Gross Rental Income (%)	Expiry Date[1]
Parkson	Departmental Store	4.4	02 Aug 2019 to 19 Jun 2020
AEON Big	Supermarket/Hypermarket	2.0	23 May 2020 to 31 Dec 2020
Giant	Supermarket/Hypermarket	1.8	31 Jan 2019 to 15 Oct 2020
Golden Screen Cinemas	Leisure & Entertainment/ Sports & Fitness	1.3	31 Jan 2019 to 11 Nov 2021
Padini Concept Store	Fashion/Accessories	1.2	30 Apr 2020 to 31 Dec 2020
Tropicana Golf and Country Resort Berhad	Others	1.0	09 Jul 2020
Nando's	Food & Beverages	0.9	04 Nov 2019 to 14 Jun 2021
CIMB Investment Bank Berhad	Others	0.9	02 Jun 2019 to 05 Jul 2021
Uniqlo	Fashion/Accessories	0.9	18 Mar 2019 to 10 Jul 2020
F.O.S	Fashion/Accessories	0.8	29 Feb 2020 to 15 May 2021

1 In cases where leases have more than one expiry date (i.e. the tenants have several leases in more than one mall), lease expiry dates are shown as a range.

OPERATIONS REVIEW

TRADE SECTOR ANALYSIS

CMMT's portfolio is well-diversified and relies on various different trade sectors for rental income. As at 31 December 2018, fashion/accessories remained the largest contributor to gross rental income at 30.6% of the total portfolio. The food and beverages trade remained the second largest contributor to gross rental income at 20.1% and occupied 14.1% of the total net lettable area.

Portfolio Trade Sector Analysis
(as at 31 December 2018)

Trade Sector	By Gross Rental Income (%)	By Net Lettable Area (%)
Fashion/Accessories	30.6	20.8
Food & Beverages	20.1	14.1
Beauty/Health	12.6	8.9
Services	4.8	3.6
Departmental Store	4.9	10.8
Leisure & Entertainment/Sports & Fitness	6.6	11.3
Electronics/I.T.	7.2	4.9
Supermarket/Hypermarket	4.7	10.7
Gifts/Specialty/Books/Hobbies/Toys/Lifestyle	3.9	4.2
Houseware/Furnishings	2.8	6.1
Others	1.8	4.6

OCCUPANCY RATE

As a result of active mall management, proactive leasing strategy and access to CapitaLand's extensive network of local and international retailers, CMMT's occupancy rate remained stable. The portfolio occupancy rate was 93.2% as at 31 December 2018.

SHOPPER AND VEHICULAR TRAFFIC

Shopper traffic for the portfolio stood at 57.5 million while vehicular traffic recorded at 8.3 million in 2018. Several events which took place in 2018 such as Malaysia's 14th General Election, zerorisation of Goods and Services Tax followed by reintroduction of Sales and Services Tax affected consumer sentiments, which indirectly lead to slower traffic to shopping malls. For CMMT, the anchor tenants at Gurney Plaza and East Coast Mall were undergoing renovation works while the closure of the annex block at Sungei Wang for AEI too affected shopper traffic.

ASSET ENHANCEMENT INITIATIVES

With increasing competition in the market and rising popularity of e-commerce, it is vital for CMMT to constantly look for creative ways to enhance the value of our assets and deliver growth. With this in mind, asset enhancement initiatives (AEI) continued to be one of CMMT's growth drivers by raising the attractiveness of the shopping malls. During the year under review, CMMT invested about RM51.9 million in capital expenditure to refresh and revitalise our portfolio of shopping malls to stay ahead of competition.

In 2018, Gurney Plaza embarked on an AEI on Level 4 where a void was slabbed over to create additional kiosks and reconfiguration of the retail lots in this area. This initiative was carried out to improve the layout and traffic flow to this area which had previously suffered from poor visibility. Costing approximately RM1.9 million, the AEI has increased the mall's net lettable area by approximately 1,000 sq ft and is expected to contribute positively to CMMT's performance going forward. Now known as Lifestyle Avenue targeting the millennials and young-at-heart shoppers, several homegrown brands were successfully incubated. The exterior façade repainting of the mall was also completed while the alfresco area too has been revitalised with a fresh coat of paint, replacement of ceiling, lighting and canopies as part of the ongoing efforts to further elevate the mall positioning. New exciting brands opened in 2018 which include Hugo Boss, Furla, La Mer, Aesop, Innisfree, JD Sports Flagship Store, Puma and Owndays while new F&B offerings such as Ippudo Ramen + Bar, Hoshino Coffee, San Francisco Coffee and Quickie by Chin Chin delighted shoppers.

Following the commencement of MRT in 2017, the shopper traffic to Sungei Wang has seen gradual improvements. When anchor tenant Parkson department store moved out in March 2018, we saw the opportunity to revitalise the mall and announced a RM54.5 million AEI plan which is expected to complete by 2Q 2019. The 170,000 sq ft annex block, branded as Jumpa, is seamlessly connected and is an easily accessible extension block of Sungei Wang which promotes interactive activities of shop, eat and play among the urbanities, tourists and office workers. A showsuite had been set up to support the leasing efforts and the new concept has already attracted the interest of both local and international retailers. We remain positive about Sungei Wang's longer term prospects as it is an established asset located in the prime shopping district of Bukit Bintang, well connected by strategic transportation nodes.

To mitigate the challenging operating environment at The Mines, we embarked on two AEIs during the year to improve the trade mix and quality of the retail space by reconfiguring existing retail space within the mall. At Level 2's south zone, a 40,000 sq ft area has been reconfigured into a fun and active zone with lifestyle offerings. We are also in the midst of expanding the food and beverages options with the reconfiguration of the former food court at the west court on Level 2. Scheduled for completion in 1Q 2019, it is envisioned as the new chill out place with lifestyle F&B outlets. There is a home furnishing cluster on Level 4 south zone with SSF Concept Store occupying approximately 25,000 sq ft offering a wide variety of furniture and decorative items. The first KK Mart concept store that is characterised by variety of imported titbits, pastries and cafe opened in July 2018 while Family Mart opened in September 2018. Meanwhile, Celllora, touted as Malaysia's first tissue engineering for aesthetic industry, opened its first saloon at The Mines in December 2018. Other newly opened tenants include Olympic Kids Club which offers young talent development in sports and dance, Ayam Penyet Best, The Couch Potato, Liang Sandwich Bar, Boost Juice, YOGU Frozen Yogurt and Chatime.

At East Coast Mall, several initiatives were carried out to improve the mall offerings. We completed an AEI on Level 1 which involved a 47,000 sq ft area following the right–sizing of anchor tenant Aeon Big. The AEI involved reconfiguration of the space into smaller, higher yielding units by bringing in new brands to create an international fashion cluster which now offers Max, COCO, Navy & Navy, Common Sense and Baby Shop. Additionally, a set of new escalators were also installed to further improve shopper traffic circulation as well as kiosks reconfiguration on the ground floor. Costing approximately RM11.9 million, this initiative is expected to contribute positively to CMMT's performance going forward. Also on the ground floor, we carried out space reconfiguration works at a 12,500 sq ft area to cater for international fashion and sports brands such as HLA, JD Sports and Puma.

This year, Tropicana City Mall was rebranded as 3 Damansara and our vision for 3 Damansara is to be the preferred dining and gourmet destination, serving as a hub for the local community to meet, dine, drink and shop under one roof. Aside popular home improvement stores Ace Hardware and Mr. D.I.Y, other new brands at 3 Damansara include Huawei, Sport Planet and a greater variety of food options were brought in during the year under review. We also spent RM6.2 million to upgrade the restrooms to improve shoppers' experience.

FINANCIAL REVIEW

Gross Revenue

Gross revenue for FY 2018 of RM350.1 million was RM18.8 million or 5.1% lower than FY 2017. The decrease was mainly due to lower occupancy at Sungei Wang[1] (SW), The Mines (TM) and 3 Damansara (3D), downtime from asset enhancement works at SW and TM, lower rental rates at SW and TM as well as tenant renovation downtime at Tropicana City Office Tower in 1H 2018. The decrease was mitigated by better performance from Gurney Plaza (GP), higher rental contribution from the completed asset enhancement works at East Coast Mall (ECM) and the one-off compensation and forfeiture of rental deposit for premature termination of a mini anchor tenant at SW.

Gross Revenue by Property

	FY 2018 RM'000	FY 2017 RM'000	Change %
Gurney Plaza	148,130	145,669	1.7
East Coast Mall	60,432	59,452	1.6
Sungei Wang	28,418	37,888	(25.0)
3 Damansara and Tropicana City Office Tower	45,739	50,310	(9.1)
The Mines	67,427	75,615	(10.8)
Total	**350,146**	**368,934**	**(5.1)**

Net Property Income

Net property income (NPI) for FY 2018 of RM215.0 million was RM22.2 million or 9.4% lower than FY 2017. The decrease was a result of the abovementioned decrease in gross revenue as well as the increase in property operating expenses by RM3.4 million or 2.6% to RM135.2 million. The increase in property operating expenses was largely attributed to a one-off additional property assessment fees for prior years in GP, an increase in the current year's assessment fees at GP and 3D, higher quit rent at 3D, a one-off marketing expenses incurred for the renaming exercise at 3D, higher property maintenance and higher reimbursable staff costs. The increase was offset by a one-off service charge rebate at SW. Overall GP and ECM turned in stronger performance with higher NPI contribution by 0.7% and 2.4% respectively, which partially mitigated the lower NPI contribution from the Klang Valley[2] shopping malls and the office tower.

Net Property Income by Property

	FY 2018 RM'000	FY 2017 RM'000	Change %
Gurney Plaza	105,310	104,601	0.7
East Coast Mall	40,293	39,351	2.4
Sungei Wang	7,788	16,477	(52.7)
3 Damansara and Tropicana City Office Tower	21,869	29,057	(24.7)
The Mines	39,709	47,660	(16.7)
Total	**214,969**	**237,146**	**(9.4)**

1 CMMT's interest in Sungei Wang comprises (i) 205 strata parcels within the mall which represents approximately 61.9% of the aggregate retail floor area of Sungei Wang, and (ii) 100.0% of the car park bays in Sungei Wang.
2 Made up of Sungei Wang, 3 Damansara and The Mines.

Distributions

For FY 2018, CMMT declared a distribution per unit (DPU) of 7.90 sen. During the financial year, CMMT made two income distributions to Unitholders, totaling RM165.2 million or 8.10 sen per unit, which comprised (i) a final income distribution for FY 2017 of 4.08 sen per unit for the period from 1 July 2017 to 31 December 2017, which was paid on 28 February 2018 and (ii) the first income distribution for FY 2018 of 4.02 sen per unit for the period from 1 January 2018 to 30 June 2018, which was paid on 30 August 2018. CMMT's final income distribution for FY 2018 of 3.88 sen per unit for the period from 1 July 2018 to 31 December 2018 will be distributed to its Unitholders on 8 March 2019. This represents a payout of approximately 100.0% of CMMT's FY 2018 distributable income of RM161.3 million.

CMMT's DPU fell 3.9% year-on-year, from 8.22 sen in FY 2017 to 7.90 sen in FY 2018. The lower DPU was mainly due to lower NPI contribution from the Klang Valley shopping malls and the office tower, partially mitigated by higher NPI contribution from GP and ECM.

Distribution History

Period Start	Period End	DPU sen	Distributions RM'000
FY 2014			
01-Jan-14	30-Jun-14	4.53	80,456
01-Jul-14	31-Dec-14	4.38	77,919
Total		**8.91**	**158,375**
FY 2015			
01-Jan-15	8-Jul-15	4.61	82,011
09-Jul-15	31-Dec-15	3.99	80,789
Total		**8.60**	**162,800**
FY 2016			
01-Jan-16	30-Jun-16	4.20	85,189
01-Jul-16	31-Dec-16	4.23	85,931
Total		**8.43**	**171,120**
FY 2017			
01-Jan-17	30-Jun-17	4.14	84,234
01-Jul-17	31-Dec-17	4.08	83,140
Total		**8.22**	**167,374**
FY 2018			
01-Jan-18	30-Jun-18	4.02	82,034
01-Jul-18	31-Dec-18	3.88	79,314
Total		**7.90**	**161,348**

FINANCIAL REVIEW

Financial Position

The total assets for CMMT Group were RM4,143.0 million as at 31 December 2018 compared to RM4,177.9 million as at 31 December 2017. The decrease of RM34.9 million was mainly due to lower cash and cash equivalent arising from proactive cash management efforts offset by the fair value gain on investment properties of RM1.1 million and the capitalisation of capital expenditure of RM51.9 million. The capital expenditure incurred during the year includes enhancement works on Level 4 and building works at GP, enhancement works of an anchor space on Level 1 and new escalator installations on the Ground Floor at ECM, Jumpa retail layout design and reconfiguration works at SW, enhancement works of the mini anchor space and the food and beverages area on Level 2 at TM, the restroom upgrading works and the replacement of the directional signages with new mall logo at 3D.

Total borrowings decreased by RM18.2 million to RM1,319.1 million in FY 2018. This was mainly due to repayment of revolving credit facilities. For further details, please refer to Capital Management section on page 81 to 82.

Unitholders' funds for CMMT Group as at 31 December 2018 was RM2,666.6 million, a decrease of RM20.6 million from 31 December 2017. The decrease in Unitholders' funds was mainly a result of the FY 2018 profit contribution, the issuance of CMMT units to the Manager as part payment of management fee and after deducting distributions paid to Unitholders during the year.

Valuations and Property Yields

	Valuation[1] RM million (RM psf NLA)[2]			Property Yield (%)[3]		Capitalisation Rate (%)[4]	
CMMT Portfolio	**31 Dec 2018**	**31 Dec 2017**	**Increase/ (Decrease)**	**FY2018**	**FY2017**	**31 Dec 2018**	**31 Dec 2017**
Gurney Plaza	1,635.0 1,821 psf	1,575.0 1,756 psf	60.0	6.4	6.6	6.75	6.75
East Coast Mall	555.0 1,184 psf	511.0 1,053 psf	44.0	7.3	7.7	7.25	7.25
Sungei Wang	545.0 1,188 psf	583.0 1,285 psf	(38.0)	1.4	2.8	7.00	7.00
3 Damansara and Tropicana City Office Tower	556.0 979 psf	570.0 1,004 psf	(14.0)	3.9	5.1	6.50	6.50
The Mines	728.0 1,006 psf	727.0 989 psf	1.0	5.5	6.6	7.00	7.00
CMMT Portfolio	**4,019.0** 1,290 psf	**3,966.0** 1,264 psf	**53.0**	**5.3**	**6.0**	–	–
Less: additions[5]			(51.9)				
FY 2018 Net Fair Value Gain			**1.1**				

Unitholders are advised that past performance is not necessarily indicative of future performance and unit prices and investment returns may fluctuate.

1 Based on the independent valuations of Gurney Plaza, an interest in Sungei Wang, 3 Damansara and Tropicana City Office Tower, The Mines and East Coast Mall as at 31 December 2018 and 31 December 2017, commissioned by the Trustee.
2 RM per square foot of net lettable area.
3 Property yield is calculated by dividing the NPI or annualised NPI for the year by the independent valuation of the property.
4 Capitalisation rate refers to the reversionary capitalisation rate adopted by the independent valuers to derive the market values of each property.
5 Additions refer to capital expenditure incurred across the portfolio during the financial year.

CAPITAL MANAGEMENT

The Manager continues to rigorously monitor the cash position and borrowings of CMMT Group with the view of strengthening its capital structure and competitive position.

Borrowings

The Manager's capital management strategy involves adopting and maintaining an appropriate prudent leverage level to ensure optimal returns to Unitholders, while maintaining flexibility in respect of future capital expenditure or acquisitions.

In March 2018, CMMT Group re-fixed the interest rate for part of the existing fixed rate secured term loan for three years. In addition, CMMT Group converted part of the floating rate secured term loan to fixed rate secured term loan for three years. The interest rate risk management initiative paved the way for CMMT to limit the adverse impact on the cost of debt in the event of an increase in market interest rate and banks' cost of funds. As at 31 December 2018, CMMT Group locked 86.9% of its total borrowings at fixed rates.

In September 2018, CMMT Group obtained additional unsecured revolving credit facility of RM50.0 million. This facility provides a new source of funding to support future acquisition of properties, capital expenditure and asset enhancement initiatives.

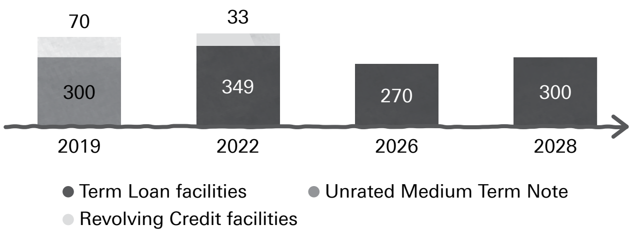
As at 31 December 2018, CMMT Group had available banking credit facilities of RM1,309.4 million and an unutilised interest rate swap line of up to RM90.0 million. CMMT Group had utilised RM1,030.7 million, of which RM918.4 million pertained to secured term loan facilities, RM103.5 million pertained to both secured and unsecured revolving credit facilities used for the funding of capital expenditure and the balance of RM8.8 million pertained to bank guarantee facilities for utilities, leaving unutilised banking credit facilities of RM278.7 million.

The total borrowings of CMMT Group as at 31 December 2018 were RM1,321.9 million, which equates to a healthy gearing level at 32.5% and provides the Group with a permissible debt headroom of RM1.4 billion for future acquisitions of properties and/or asset enhancement initiatives. The increase in Bank Negara Malaysia's Overnight Policy Rate (OPR) from 3.00% to 3.25% in January 2018 had minimal impact on CMMT's average cost of debt for FY 2018 as majority of Group's borrowings are at fixed interest rates. The average cost of debt for CMMT Group for FY 2018 was at approximately 4.5% per annum (FY 2017: 4.4% per annum) and the average term to maturity for outstanding debts was 4.8 years. Of the five properties in the portfolio, Sungei Wang[1] and East Coast Mall remain unencumbered, providing CMMT with further financial flexibility.

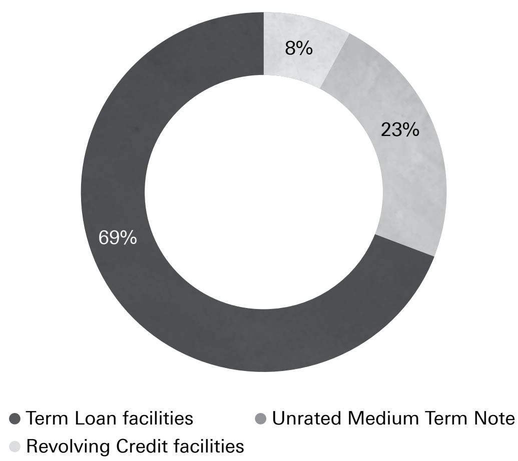
Debt Profile

The debt maturity and diversified sources of funding profile for CMMT Group as at 31 December 2018 were as follows:

Debt Maturity Profile
(RM million)



Diversified Sources of Funding



1 CMMT's interest in Sungei Wang comprises (i) 205 strata parcels within the mall which represents approximately 61.9% of the aggregate retail floor area of Sungei Wang, and (ii) 100.0% of the car park bays in Sungei Wang.

CAPITAL MANAGEMENT

Cash Flows and Liquidity

The Manager proactively monitors its cash and liquid reserves to ensure that adequate funding is available for distribution to the Unitholders as well as to meet any short-term liabilities.

Cash and Cash Equivalents

As at 31 December 2018, the cash and cash equivalents of CMMT Group stood at RM101.4 million, a decrease of RM84.9 million compared to FY 2017. The decrease was mainly the result of the cash outflow of RM31.5 million and RM244.3 million from investing and financing activities respectively and offset by the cash inflows of RM190.9 million from operating activities.

Operating Activities

CMMT Group's operating net cash inflow for FY 2018 was RM190.9 million, a decrease of RM24.3 million over the preceding year. The decrease was mainly due to lower net property income.

Investing Activities

In 2018, CMMT Group incurred RM0.6 million on plant and equipment and RM51.9 million on AEI works and capital expenditure, which resulted in a cash outflow of RM35.7 million, including payments for previous years' capital expenditure. The impact of this cash outflow was partly mitigated by interest income of RM4.8 million as a result of active cash management.

Financing Activities

During the year, CMMT Group distributed RM165.2 million to its Unitholders, paid RM59.8 million in interest expenses and partial repayment of revolving credit facilities (RCF) totalling RM39.7 million. In addition, an amount of RM20.6 million was drawn down from RCF to finance capital expenditure works during the year.

In 2018, CMMT Group had repaid RM39.7 million of the RCF to banks and paid RM21.1 million for capital expenditure works from internally generated funds to reduce financing costs. CMMT Group will drawdown the available RCF up to the internally generated funds utilised to improve liquidity position and to meet operational requirements.

Accounting Policies

The financial statements have been prepared in accordance with the provisions of the Deed, the REITs Guidelines, Malaysian Financial Reporting Standards and International Financial Reporting Standards. These financial statements also comply with the applicable disclosure provisions of the Listing Requirements.

INDEPENDENT RETAIL MARKET OVERVIEW

Prepared by: Savills (Malaysia) Sdn Bhd
Date: 13 February 2019

MACROECONOMIC AND DEMOGRAPHIC OVERVIEW

ASEAN Secretariat Database estimated for the overall ASEAN's economy to grow at 5.2% in 2018[1], supported by improved trade and solid expansion in investment, particularly on public infrastructure. However, the region's economic growth momentum in the immediate future is at risk of being challenged due to the increasing trade tension, tightening of monetary policy in advanced economies, and volatile fuel prices.

Meanwhile, Malaysia continues to see its economy grow at a steady path despite facing several economic risks, especially after experiencing the first change of its federal government since independence during the country's 14th General Elections. Malaysia's real GDP registered a growth of 4.8% in the third quarter of 2018, influencing minor downward revision of Bank Negara Malaysia's GDP growth projection for 2018 from 5.5%-6.0% to 5.0%. This is mainly due to the disruption in oil and gas production, and a lower production in the agriculture sector.

The new Pakatan Harapan government has implemented important policies since its formation of the new Cabinet, all aimed at reducing government spending and cost of living of the people. This is expected to positively impact discretionary spending and the general retail market. The Goods and Services Tax (GST) has been replaced by Sales and Services Tax (SST) in September 2018, and is levied at 6% for provision of services, and 5% to 10% for sales of goods. Household essential items such as groceries are under exempted from the SST regime and is expected to benefit households. While certain categories of items are likely to increase in price compared to the GST era, Kenanga Research analysts suggest that the tax collection difference between the two systems is anticipated to still allow RM20 billion[2] of liquidity inflow to the market.

Malaysia's labour market improved as unemployment rate[3] dropped to 3.3% as of November 2018 from 3.4% in full-year 2017. According to the Ministry of Finance, Malaysia (MOF), private consumption grew by 8.0% in 2Q 2018 quarter-on-quarter, attributed by a steady labour market and low inflation rate. Food and non-alcoholic beverages segment, housing, water, electricity, gas and other fuels segments, and communication segments were the key segments that recorded higher consumer spending. During the same period, private investment grew by 6.1%, largely spurred by growth in services sector, particularly in wholesale and retail, health, education and utilities subsectors. Private consumption in Malaysia has grown by a compounded annual growth rate (CAGR) of 10.7% for the last 10 years up to 2017, primarily fueled by a growing economy and a young population. Although the 2008/09 global financial crisis slowed growth down to 1.1% in 2009, recovery was immediate with a CAGR of 9.5% from 2009 to 2017.

In January 2018, Bank Negara announced an increase of 25 basis points to the Overnight Policy Rate (OPR), which now stands at 3.25%, in order to reduce risks linked to the uncertain economic climate and financial imbalances that could affect the longer term growth of the country. The OPR has remained the same since then.

Cumulative tourist arrivals for January-September 2018 reached 19.4 million, down marginally by 0.3% from the same period in 2017. Almost half of these arrivals were from Singapore, followed by Indonesia, China, Thailand and Brunei. The tourism performance has been indicating signs of recovery since 2016, which was attributed to improved flight accessibility, travel facilitation and the weakening Malaysian exchange rate. Tourist receipts registered at RM82.2 billion in 2017, a slight increase from RM82.1 billion in 2016. According to data released in October 2018 by Department of Statistics Malaysia, the Gross Value Added of Tourism Industries (GVATI) to GDP was 14.9% (RM201.4 billion) in 2017 compared with 14.8% (RM182.6 billion) in the preceding year.

Going forward, Malaysia's economic outlook remains promising, supported by strong domestic demand and promising export performance. The first budget proposed by the new government (Budget 2019) announced in October 2018 was crafted to improve the country's fiscal position, while maintaining allocations for infrastructures, education, small and medium enterprises (SMEs), tourism, green technology and "Industry 4.0" that will provide a conducive environment to attract investors and flourish businesses.

1 ASEAN.org publication dated 12 November 2018; Future of ASEAN 50 Success Stories of Digitalisation of ASEAN MSMEs.
2 New Straits Times' article dated 14 May 2018; How the Government can meet GST revenue shortfall from SST reintroduction.
3 Department of Statistics Malaysia

INDEPENDENT RETAIL MARKET OVERVIEW

Main Economic Indicators, Malaysia

	2013	2014	2015	2016	2017	2018[f]
GDP at Constant 2010 Prices (RM billion)[1 #]						
Malaysia	955.1	1,012.5	1,062.8	1,108.2	1,174.3	*1,226.9*
Kuala Lumpur[2]	140.6	152.4	160.4	170.0	182.8	-
Selangor	212.8	227.1	240.0	251.6	269.7	-
Penang	61.3	66.2	69.8	73.7	77.6	-
Pahang	42.2	44.0	45.9	46.8	50.4	-
Real GDP Growth (%)[1 #]						
Malaysia	4.7%	6.0%	5.0%	4.2%	5.9%	*5.0%*
Kuala Lumpur[2]	6.9%	8.0%	5.3%	5.9%	7.4%	-
Selangor	5.9%	6.7%	5.7%	4.8%	7.1%	-
Penang	5.0%	8.0%	5.5%	5.6%	5.3%	-
Pahang	5.3%	4.1%	4.4%	2.0%	7.8%	-
GDP at Current Prices (RM billion) [1 #]						
Malaysia	1,018.8	1,106.5	1,157.1	1,232.6	1,353.4	*1447.*8
GDP per Capita at Current Prices (RM) [#]						
Malaysia	33,721	36,031	37,104	38,887	42,228	-
Kuala Lumpur[2]	82,262	90,464	94,722	101,420	111,321	-
Selangor	38,082	40,536	42,611	44,616	48,091	-
Penang	38,472	42,130	44,847	47,322	49,873	-
Pahang	27,912	29,341	30,343	32,244	35,352	-
Mean Monthly Household Income[3]						
Malaysia	5,375	6,141	6,546	6,958	7,417	-
Kuala Lumpur	9,967	10,629	11,458	11,692	12,651	-
Selangor	7,417	8,252	8,648	9,463	9,974	-
Penang	5,292	5,993	6,317	6,771	7,137	-
Pahang	3,915	4,343	4,604	5,012	5,278	-
Domestic Aggregate Demand in Current Prices (RM billion)[4]						
Private Consumption	527.8	580.0	626.2	674.8	748.9	610.4
Private Investment	162.8	184.0	198.6	211.3	234.8	197.6
Public Consumption	139.7	147.4	152.0	154.7	164.7	116.6
Public Investment	106.9	103.5	104.1	105.5	107.4	*671.7*
Malaysia Retail Trade (RM billion)[5]	309.5	343.7	371.6	403.8	450.3	*455.3*
Malaysia Retail Sales Index (2010=100)	123.4	136.8	143.7	151.2	163.0	*182.4*

\# 2013-2016 data is based on based on Department of Statistic's report published in September 2017 : "GDP by States, National Accounts" while 2017 data is based on data published on Department of Statistic website dated 14 November 2018.
f forecast
1 Bank Negara Malaysia: 2018's figures are as of BNM's revised growth projection from 5.5-6.0%.
2 Includes WP Putrajaya
3 Department of Statistics Malaysia: Household Income Survey (HIS) 2012, 2014 & 2016, other years are calculated by Savills Research based on the compound annual growth rates. Data for HIS 2018 is yet to be published by DOSM.
4 Bank Negara Malaysia: 2018's figures are based on 9-months data, as at 3Q 2018.
5 Department of Statistics Malaysia: 2018's figures are based on 11-months data, up to November 2018.

	2013	2014	2015	2016	2017	2018[f]
Consumer Price Index (Average Prices)[1] (2010=100)						
Malaysia	107.1	110.5	112.8	115.2	119.5	120.7
Peninsular Malaysia	107.1	110.7	113.2	115.4	120.3	
Core Inflation[1]	2.1%	3.2%	2.1%	2.1%	2.2%	*2%-3%*
Consumer Sentiment Index[2]	104.3	94.5	69.6	73.7	82.6	107.5
Growth Rate	-10.5%	-9.4%	-26.3%	5.9%	12.1%	30.1%
Population ('000)[3]						
Malaysia	29,915	30,710	31,190	31,738	32,020	*32,380*
Kuala Lumpur	1,717	1,740	1,780	1,790	1,790	1,800
Selangor	5,900	6,050	6,180	6,300	6,380	6,470
Penang	1,660	1,680	1,700	1,720	1,740	1,770
Pahang	1,564	1,590	1,610	1,630	1,650	1,670
Urbanisation Rate[3]						
Malaysia	71.0%	-	-	-	-	-
Kuala Lumpur	100.0%	-	-	-	-	-
Selangor	91.4%	-	-	-	-	-
Penang	90.8%	-	-	-	-	-
Pahang	50.5%	-	-	-	-	-
Unemployment Rate[4]	3.1%	2.9%	3.1%	3.4%	3.4%	3.3%
Overnight Policy Rate[5]	3.0%	3.3%	3.3%	3.0%	3.0%	3.3%
Base Lending Rate[6]	6.5%	6.7%	6.8%	6.7%	6.7%	6.9%
Base Rate[6]	-	-	3.8%	3.7%	3.6%	3.9%
Tourist Arrivals[7] (million persons)	25.7	27.4	25.7	26.8	26.0	*26.1*
Tourist Receipts[7] (RM billion)	65.4	72.0	69.1	82.1	82.2	*84.1*

1 Bank Negara Malaysia, 2018's figure is as at December 2018.
2 Malaysian Institute of Economic Research, 2017 Data is based on the index published in 4Q of the respective years while 2018's figure is as at 3Q 2018 (the latest available data).
3 Based on latest data available: Urbanisation rate is as per the 2010 Population and Housing Census.
4 Ministry of Finance Malaysia: 2018's figure is as at October 2018.
5 Bank Negara Malaysia: In January 2018, the OPR has been increased by 25 basis points. Rate is as of November 2018.
6 Bank Negara Malaysia: Effective 2 January 2015, the Base Rate will replace the Base Lending Rate (BLR) as the main reference rate.
7 Ministry of Tourism & Culture Malaysia: 2018's targets provided by Ministry of Tourism & Culture Malaysia.

INDEPENDENT RETAIL MARKET OVERVIEW

RETAIL MARKET OVERVIEW

The retail industry has experienced major disruptions from e-commerce businesses such as Alibaba and Amazon in recent years. Despite common views that physical retail such as shopping malls are on the decline, shopping malls are adapting to new consumer trends by tweaking their trade mix to provide more food and beverages (F&B) and entertainment outlets. It is highly documented that the digital savvy millennials perceive shopping in malls as a means of socializing with friends and family. Hence, malls have evolved from being just marketplaces to social interaction venues.

Retailers are also evolving with the convergence of offline and online retail spaces. Consumers are already engaged with retailers in the offline and online realms with classic examples such as fitting out a garment shop with its online shopping website. Amazon embraced this potential to expand by actively acquiring companies that operate in various industries ranging from online pharmacy, security to digital payments app, such as Whole Foods, PillPack, Ring, More, Tapzo and Sqrrl.

As the offline and online retail blend more closely together, both developers and retailers need to adapt quickly to this trend with the elevation of experiential retail by providing good in-store customer experiences instead of being a mere point-of-sale in their physical stores. In turn, this will also benefit the consumers in receiving customized marketing programs from shopping malls and personalized services in physical stores, as their online shopping preferences are gathered and analyzed by shopping malls and retailers.

Consequently, the F&B sector is the one subsector in the retail industry that is clearly thriving while the other subsectors experience challenges from the emergence of online retail. This has led to strong interests shown by professionals and investors such as Ekuinas and Navis Capital, with their funding and the sprouting of new concepts, thus spurring a wider selection of chain retailers with the ability to grow, as opposed to the mom-and-pop operators. This has also spawned a new generation of creative concepts such as third wave coffee bars, ice cream parlours and speakeasy bars.

Meanwhile, mega-sized regional shopping malls with strategic locations, good connectivity, a diverse trade mix, high occupancies and footfalls will continue to dominate within their region while neighborhood malls particularly in Greater KL will face stiff competition from existing and upcoming new malls within their catchment areas.

Retail space per capita[1] in Greater KL was expected to reach 9.0 sq ft per capita in 2018, compared with just 6.5 sq ft per capita in 2010. Meanwhile, the CAGR of retail supply has grown over 6.0% in 8 years, outpacing population growth of 2.0% within the same period. This reflects the intense competition experienced by the retail market, resulting in the cannibalisation of retailers, as well as competing for the same population within nearby branches. Comparatively, Penang and Iskandar Malaysia retail space per capita in 2018 achieved 6.8 sq ft per capita and 9.3 sq ft per capita respectively, which is expected to increase in the next three years. Consequently, this would result in high occupancy risks as retailers relocate to malls with high and resilient footfalls. Beyond the near-term, malls with a strong track record coupled with continuous upgrading programmes will be able to withstand the competition and changes in the retail industry.

RETAIL SUPPLY AND DEMAND

Existing & Future Supply

The total retail stock, according to the Valuation and Property Services Department, Ministry of Finance, Malaysia (JPPH), which includes shopping centres, arcades, and hypermarkets, in Malaysia stands at 171.9 million sq ft as of 3Q 2018, an increase of 4.8% from 3Q 2017.

Kuala Lumpur and Selangor together contribute 41.6% to the total national retail stock while Penang and Pahang stand at 10.9% and 2.4% respectively. A large percentage of the retail space is located within shopping centres, averaged at 74%. The retail space per capita in the nation increased from 5.1 sq ft (2017) to 5.3 sq ft (2018). The large impending supply of retail space presents a more competitive retail environment in the coming years especially in the major cities of Malaysia. Total future retail supply in the country is estimated to be 31.9 million sq ft.

1 Based on Savills database

Shopping Centre Stock in Malaysia as at 3Q 2018

State	No. of Properties	Total Space (sq ft)	% of Total Space in Malaysia
WP Kuala Lumpur	69	27,345,763	21.5%
WP Putrajaya	1	621,981	0.5%
WP Labuan	1	280,540	0.2%
Selangor	82	28,307,184	22.3%
Johor	63	15,937,988	12.5%
Penang	40	12,160,376	9.6%
Perak	36	5,943,341	4.7%
Negeri Sembilan	29	3,073,147	2.4%
Melaka	21	4,250,083	3.3%
Kedah	36	4,836,339	3.8%
Pahang	25	3,935,002	3.1%
Terengganu	10	870,950	0.7%
Kelantan	8	1,886,040	1.5%
Perlis	4	237,990	0.2%
Sabah	39	7,833,816	6.2%
Sarawak	64	9,607,491	7.5%
Malaysia	**528**	**127,128,031**	**100%**

Source: Valuation and Property Services Department (JPPH), Ministry of Finance.

Per Capita Retail Stock and Shopping Centre Stock in Malaysia and Selected States

	Malaysia	Kuala Lumpur	Selangor	Penang	Pahang
Retail Stock (sq. ft.)[1]	171,880,216	33,491,875	38,031,657	18,717,453	4,135,706
Shopping Centre Stock (sq. ft.)[1]	127,128,031	27,345,763	28,307,184	12,160,376	3,935,002
Shopping Centre Stock as a % of Retail Stock	74.0%	81.6%	74.4%	65.0%	95.1%
Retail Stock per capita (sq. ft.)	5.3	18.6	5.9	10.6	2.5
Shopping Centre Stock per capita (sq. ft.)	3.9	15.2	4.4	6.9	2.4

Source: Valuation and Property Services Department (JPPH), Ministry of Finance

1 Data as at 3Q 2018

INDEPENDENT RETAIL MARKET OVERVIEW

Greater Kuala Lumpur

In 2018, seven new malls opened in Greater Kuala Lumpur, with 2,090,384 sq ft of total retail space. Comparatively, the completions in 2018 were individually smaller compared to 2017 as four new malls opened in 2017 with retail space of 2,175,600 sq ft. The new completions are Shoppes at Four Seasons Place, Kiara 163 Shopping Mall, KL Eco City Retail Podium, GM Robertson, EVO Mall, EkoCheras, and M Square Shopping Centre. Greater KL continues to be the leading the pack in the Malaysia retail industry, and more new malls are in the pipeline amid soft market sentiment. We estimate approximately 7,934,256 sq ft and 12,455,000 sq ft of new retail space will be added to the existing stock of Kuala Lumpur and Selangor respectively by 2021. Significant future malls are the Pavilion Bukit Jalil (1,800,000 sq ft) and The Exchange Mall @ TRX (1,300,000 sq ft) are scheduled for completion by the end of 2020 and 2021 respectively. The official opening of Empire City Mall (2,500,000 sq ft) was scheduled at the end of 2018 has been further delayed to 2019. Other retail developments that are expected to be completed by the end of 2019 are Star Boulevard retail (130,000 sq ft), Retail @ Pacific Star (350,000 sq ft), CentralPlaza Mall (940,000), KiP Mall Sungai Buloh (200,000 sq ft), KL East Gallery (348,000 sq ft), Tropicana Gardens Mall (1,000,000 sq ft), Bangi Gateway Mall 2 (700,000 sq ft), Retail Podium @ Datum Jelatek (317,000 sq ft), Setia City Mall Phase II, (700,000 sq ft), and KSL City Mall Phase 1 (650,000 sq ft).

Penang

Recent completions in Penang include Penang Sentral Phase 1 which was completed in November 2018 after much anticipated wait and City Mall at Tanjung Tokong, Penang Island. The construction of IKEA Batu Kawan is on track for its estimated completion by 1Q 2019. Other retail developments in the pipeline are Phase 3 and Phase 4 of Penang Times Square (341,971 sq ft) scheduled for completion by the end of 2020. Retail developments that are still under planning include Sunshine Central (900,000 sq ft), Southbay Plaza Mall (750,000 sq ft), The Light Waterfront Mall (866,871 sq ft), The Light Mixed Commercial Mall (497,400 sq ft), Sunway Valley City (NLA not available), and Penang World City (NLA not available) in Penang Island; Gem Megamall (1,000,000 sq ft), Phase 2 of Penang Sentral (500,000 sq ft) and Sunway Carnival Mall New Wing (300,000 sq ft) in the mainland.

Pahang

No new completion in Kuantan in 2018, with the Complex KWRC Phase 1 that was slated for completion in 2018 delayed to 2019. Other future malls that are expected to be completed in the next three years are KIP Mart Indera Mahkota and AEON Mall in Kuantan.

Future Supply of Retail Space in Shopping Centres in Selected States

Location	Future Shopping Centre Stock ('000 sq ft)[1] 2019-2021	Future Shopping Centre Supply
Kuala Lumpur	7,934	2019: Star Boulevard Signature Retail 2020: Pavilion Bukit Jalil, Merdeka PNB 118, Retail Podium @ 8 Conlay 2021: The Exchange Mall @ TRX, Pavilion Damansara Heights, Redevelopment of BB Plaza, Mitsui Shopping Park LaLaport, KLCC Lot 185, 167, & K, Mall @ Maju KL, and rain3rain @ The Era Duta North
Selangor	12,455	2019: Empire City Mall, Retail @ Pacific Star, Central Plaza Mall, KiP Mall Sungai Buloh, KL East Gallery, Tropicana Gardens Mall, Bangi Gateway Mall 2, Retail Podium @ Datum Jelatek, Setia City Mall Phase II, and KSL City Mall – Phase 1 2020: Horizon Village Outlet, KSL City Mall – Phase 2, Paragon@KL, Northgate Mall, and Quayside @ Twentyfive7 2021: IOI City Mall 2, Mitsui Outlet Park KLIA Phase 3
Penang	2,072	2019: IKEA Batu Kawan 2020: Penang Times Square 4 and Sunway Carnival Mall New Wing 2021: Gem Megamall
Pahang	1,077	2019: Complex KWRC Phase 1 and KIP Mart Indera Mahkota 2020: AEON Mall

Source: Savills Research

1 Shopping centre stock indicates the net lettable area (NLA) of malls.

Stock & Occupancy

Total available retail space and occupied retail space in Malaysia increased by 4.8% and 2.1%, respectively in 3Q 2018, compared to the same period last year. The nation-wide occupancy rate of retail space decreased to 79.1% in 3Q 2018 from 79.9% in 2017. Moving forward, occupancy rates are expected to decline as the market would be seeing an influx of supply. Existing malls will face challenges as they compete with the new malls. However, favourable demographics and stable economic growth has attracted the entry of many new international brands which will continue to be the most positive factor for the sustainability of Malaysia retail market.

Occupancy Rates of Retail Space in Malaysia as at 3Q 2018

State	Total Space[1] (sq ft)	Occupied Space (sq ft)	Occupancy Rate
WP Kuala Lumpur	33,491,875	27,638,251	82.5%
WP Putrajaya	657,567	543,469	82.6%
WP Labuan	306,018	294,285	96.2%
Selangor	38,031,657	32,153,922	84.5%
Johor	22,324,974	16,587,062	74.3%
Penang	18,717,453	13,553,472	72.4%
Perak	10,294,917	8,662,356	84.1%
Negeri Sembilan	5,852,010	4,201,043	71.8%
Melaka	6,416,038	4,503,939	70.2%
Kedah	6,250,381	4,946,981	79.1%
Pahang	4,135,706	2,761,586	66.8%
Terengganu	1,777,335	1,295,758	72.9%
Kelantan	3,604,615	3,316,358	92.0%
Perlis	601,379	601,379	100.0%
Sabah	9,156,742	6,590,521	72.0%
Sarawak	10,261,549	8,316,189	81.0%
Malaysia	**171,880,216**	**135,966,571**	**79.1%**

Source: Valuation and Property Services Department (JPPH), Ministry of Finance

1 Retail stock includes shopping centres, arcades and hypermarkets.

INDEPENDENT RETAIL MARKET OVERVIEW

CAPITAL VALUES

The Malaysia retail investment market has been less buoyant recently due to the weak market sentiment and intensifying competition in retail industry. After a rather active 2017 (over RM1.2 billion worth of investments), the retail investment market only recorded RM0.4 billion worth of investment value in 2018. Based on historical mall transactions, the capital values and yields have varied widely primarily due to location factors.

SHOPPING CENTRE OWNERSHIP

In terms of ownership, the retail market in Malaysia is extremely fragmented. The vast majority of retail assets are independently owned (either by developers or funds), with only a few larger national players having portfolios of multiple assets.

Capital Values from Shopping Centre Transactions from 2013 to 2018 (5 years)

Property	Year	NLA (sq ft)	Transaction Price (RM mil)	Capital Value (RM psf)	Purchaser
Setapak Central (previously known as KL Festival City)	2014	450,000	349.0	775	Festival Mall Sdn Bhd & AsiaMalls Sdn Bhd
Mydin Hypermall Bukit Mertajam	2015	536,507	250.0	466	AmFirst REIT
Tropicana City Mall and Office Tower[1]	2015	549,494	540.0	983	CMMT
Mydin Seremban 2	2015	430,595	240.0	557	Amanah Harta Tanah PNB
da:men[2]	2015	420,290	488.0	1,159	Pavilion REIT
The Intermark Mall[3]	2015	225,014	160.0	711	Pavilion REIT
1Segamat Shopping Complex[4]	2016	223,439	104.0	465	Hektar REIT
AEON Mall Seremban 2	2016	372,807	215.0	577	AEON REIT Investment Corp.
Empire Shopping Gallery[5]	2017	350,000	570.0	1,629	Pelaburan Hartanah Berhad
Aeon Mahkota Cheras Shopping Centre	2017	211,405	87.8	415	Foremost Wealth Management Sdn Bhd
Elite Pavilion Mall[6]	2017	241,929	580.0	2,397	Pavilion REIT
SSTwo Mall (vacant)	2018	460,000	180.0	391	DK-MY Properties Sdn Bhd
AEON Kinta City[7]	2018	530,181	208.0	392	KIP REIT

Source: Savills Research, REIT prospectuses and annual reports, and published news source.

1 The purchase includes a four (4) storey shopping mall (448,248 sq ft NLA) and the car park (comprising 1,759 car park bays) and a twelve (12) storey Tropicana City Office Tower (101,246 sq ft NLA).
2 The purchase includes a five (5) storey shopping mall of approximately 420,920 sq ft of NLA and two (2) levels of basement car park with 1,672 bays.
3 The purchase includes a six (6) storey shopping mall of approximately 225,014 sq ft of NLA and five (5) levels of basement car park with 367 bays.
4 The purchase includes a three (3) storey shopping mall of approximately 223,439 sq ft NLA and the car park rights to operate and maintain a car park operation on Lot 236.
5 The purchase includes a call option to buy back the shopping mall after five years from the date of purchase, and the seller has the first refusal to buy the mall should PHB decide to dispose of it within five years.
6 The purchase includes Elite Pavilion Mall (229,609 sq ft of NLA), extension-connections (9,380 sq ft of NLA), subway linkage (2,940 sq ft of NLA) and 50 car park bays located at Level B3 to Level 2 of the said building.
7 Proposed acquisition in August 2018 is subject to the approval from the unitholders of KIP REIT and the Perak state authority. The proposed acquisition is targeted to be completed in 1Q 2019.

MARKETING AND PROMOTIONS

PORTFOLIO-WIDE ACTIVITIES

In 2018, CMMT's portfolio-wide marketing activities continued to focus on building shopper and tenant loyalty through customer-centric experiences and rewards through CapitaStar platform. Through these activities, we aim to further increase our shopper traffic and enhance tenants' sales.

CapitaStar

CapitaStar is CapitaLand's multi-store, multi-mall loyalty initiative that offers shoppers with additional benefits over and above existing credit card and store rewards. Participating CMMT malls in this card-less loyalty programme are Gurney Plaza, 3 Damansara, The Mines and East Coast Mall.

In conjunction with the STAR$ expiry campaign in June 2018, 20 CapitaStar members that completed the most redemption transactions at participating malls each won a 2-day, 1-night staycation inclusive of breakfast for two pax at Somerset Puteri Harbour Iskandar Puteri or Somerset Medini Iskandar Puteri as well as exclusive discount vouchers from popular attractions Thomas Town and Sanrio Hello Kitty Town.

In conjunction with CapitaStar's anniversary celebration, the mobile applications for Android and iOS were launched in September 2018. New members were also rewarded with additional 30 STAR$ with specific promo code upon signing up. During the campaign period from 28 September – 31 October 2018, six members won DJI Mavic Air Fly More Combo and 600 members walked away with exclusive CapitaStar two-way canvas bags. On-ground engagement at all participating malls included customised Sticky candy redemption with 1 STAR$ and token entry to play "Catch the STAR$" Game with 1 STAR$ for a chance to win up to 1,000 STAR$.

Tapping on the year-end festive shopping, CapitaStar members that shopped and scanned the first valid receipt during the campaign period from 17 December 2018 – 28 February 2019, will be rewarded with additional 100 STAR$ over and above the existing rewards.

GURNEY PLAZA

Fashion Redefined

Fashion Redefined this year celebrated the grand opening of Furla, the first flagship store in the Northern Region followed by runway shows from participating tenants including TSL, Uniqlo, Dorothy Perkins, Warehouse, Miss Selfridge and other homegrown labels featuring the latest spring summer collection of 2018.

Disney Lifestyle Pop Up Store

Popular Disney merchandise such as Mickey Mouse and Winnie the Pooh ranging from apparels to stationeries were featured at the Disney Lifestyle Pop Up Store. There were also activities like Mug Customisation and Photo Booth Kiosk with favourite Disney characters. CapitaStar members also enjoyed additional privileges and rebates just by flashing the mobile app.

FIFA 2018 Live Screening Quarter Finals

This year, Gurney Plaza partnered with Astro for the live screening of World Cup Quarter Finals for Sweden vs England and Uruguay vs France matches at the alfresco area. In conjunction with the live telecast, there were also experiential activities such as RC Car Football, Interactive Goal Scoring and FIFA World Cup merchandise giveaways and redemptions.

Christmas Secret Garden

Christmas was celebrated by taking on an enthralling journey to the heart of the Secret Garden at Gurney Plaza. Shoppers were able to experience a unique 360-degree, spherical projection where they will be swept away to different secret dimensions.

MARKETING AND PROMOTIONS

3 DAMANSARA

3 Damansara Renaming
On 26 June 2018, Tropicana City Mall was renamed as 3 Damansara and this exercise was aimed to create a more exciting seamless shopping experience at 3 Damansara. To celebrate the revamp and rebranding of 3 Damansara, an event was held to unveil its new "kinetic rainbow" logo. Activities on ground included hand percussions, live band by 'Crinkle Cut' and also performance by fame local magician, JC Yeo.

Da Hong Hua Tea Fair 2018
The annual Da Hong Hua tea fair was a showcase of more than 50 tea exhibitors featuring new teas, tea wares, brewing accessories and premium tea products. There were also various tea brewing sessions held throughout the nine-day expo.

World Cup 2018 Live Telecast
The event was hosted at the Piazza and aimed to offer a comfortable avenue for football fans to spend their time catching up with their favourite teams while indulging in delectable food choices. CapitaStar members were entitled to earn additional 3X STAR$ when they spent at participating outlets.

OktoberFest 2018
OktoberFest was a colourful affair at the Piazza with food and drinks galore. Several tenants operated food kiosks which offered their signature dishes at the Piazza. A series of activities were also lined up such as live band, dances, fun games and photo booth to create a lively atmosphere for shoppers.

Petting Zoo 2018
In conjunction with the school holidays, a mini petting zoo was set up to create a fun and edutaining experience for the whole family. Kids had a chance to feed and play with the animals such as rabbit, guinea pig, goose, dove, chameleons, and the Ayam Serama at the mini petting zoo.

THE MINES

Malaysia's 1st IT Recycled Fashion Competition
In collaboration with IT Comp and LimKokWing University of Creative Technology, The Mines organised Malaysia's first I.T. recycled fashion competition. About 11 finalists from LimKokWing University showcased their fashion garments made from used I.T. gadgets and items provided by retail partner IT Comp and supported by ACER, Canon, Epson, Lenovo, Logitech, Power Shoot, Sony, MSI and mobile payment partner FAVE. During the campaign, CapitaStar members were also rewarded with additional 1,000 STAR$ with a minimum spend of RM1,000 in a maximum of 2 combined receipts of the same day at any I.T. outlets.

Foodtopia Rewards Bonanza and Dining Privileges
Foodtopia returned this year in July-August with rewards bonanza and special dining privileges from participating F&B tenants namely DubuYo, Sepiring, The Chicken Rice Shop, Fish & Co., Go Noodle House, Esquire Kitchen, Little Fat Duck and many more. A total of 634 shoppers collected stamps with minimum spend to be in the running to win Rewards Bonanza draw prizes featuring Dreamland king size mattress, OPPO watches, Fitbit trackers and F&B cash vouchers worth up to RM45,000.

SuperMom Competition & Wonder Woman Movie Tie-Up
In conjunction with Mother's Day campaign, an Amazing Race-like competition called SuperMom was organised in partnership with participating tenants Oliver Gourmet, NHF, Fun Factory, Mr. D.I.Y, Giant, Beauty Secret and Starbucks. A total of 11 teams consisting of a mother and child duo took part in the competition.

EAST COAST MALL

Meet & Greet sessions with popular local movie stars

In 2018, the mall collaborated with Golden Screen Cinemas to organise several meet-and-greet sessions with popular local movie artistes appearances. Shoppers were excited to meet popular movie artistes from "Makrifat Cinta" such as Puteri Balqis, Sabrina Ali and Shiha Zikir; "Langsuir" stars Syafiq Kyle, Hannah Delisha, Firdaus Nadxaman, Julia Farhana Marin, Daaim Jailani, Shahkimin, Nazri Johan and Halim Radzi as well as "Paskal" actors Hairul Azreen, Ammar Alfian, Hafizul Kamal and Theebaan G.

Peter Rabbit Movie Tie-Up

In conjunction with the release of 'Peter Rabbit' movie during school holidays, East Coast Mall collaborated with Sony Pictures for a campaign that rewarded shoppers with movie tickets redemption exclusively for CapitaStar members to boost the mall's popularity and visibility.

Fashionista 2018

In October 2018, East Coast Mall held a fashion show – Fashionista in collaboration with the newly completed reconfigured fashion cluster at Level 1. Participating tenants of the fashion show included Max Fashion, COCO Store, Navy & Navy, and Common Sense, as well as popular local and international brands Calvin Klein Watches & Jewelry, KicKers, Garmin, HLA, GUESS, Habib, Bonia, Carlo Rino, Sembonia, Hi-Style and High Cultured. Shoppers were treated to a fashion showcase of the respective brands' latest collections and special promotions at the participating outlets. CapitaStar members were also entitled to exclusive fashion voucher redemptions. In conjunction with CapitaStar mobile applications launch, a special personalised photo booth and games corner were set up at the main entrance of the mall exclusively to recruit and reward members.

SUNGEI WANG

Let's JUMPA Retailers' Gathering 2018

More than 50 specialty retailers were invited to the Let's JUMPA Retailers' Gathering 2018 held in September to enable them to obtain a better understanding of the Jumpa @ Sungei Wang asset enhancement initiative. During the session, the retailers were able to network as well as receive first-hand information on Jumpa while several Jumpa tenants also shared their testimonies.

PROPERTY SUMMARY

Portfolio - Key Information

	Gurney Plaza	Sungei Wang	3 Damansara Property: 3 Damansara	3 Damansara Property: Tropicana City Office Tower	The Mines	East Coast Mall
Gross Floor Area (sq ft)	1,253,325	511,103[1]	639,477	129,630	1,150,798	1,033,848[2]
Net Lettable Area (sq ft) (as at 31 Dec 2018)	897,847	300,819[3]	466,708	101,258	707,811[3]	464,849
Number of Committed Leases (as at 31 Dec 2018)	431	180	165	8	304	204
Committed Occupancy (%) (as at 31 Dec 2018)	99.9	75.3	90.6	100.0	89.1	99.0
Car Park Lots	1,836	1,298	1,759		1,282	1,101
Year of Completion	2001[4]	1977	2008	2009	1997	2008
Acquisition Price (RM mil)	1,015[5]	724	540		530	310
Market Value / Net Book Value[6] (RM mil) (as at 31 Dec 2018)	1,635	545	556		728	555
Gross Revenue (RM mil) (for FY 2018)	148.1	28.4	39.9	5.9	67.4	60.4
Net Property Income (RM mil) (for FY 2018)	105.3	7.8	18.1	3.8	39.7	40.3
Shopper Traffic in 2018 (mil)	17.0	12.8	7.4	–	10.2	10.1
Key Tenants	Parkson Elite, Golden Screen Cinemas, Marks & Spencer, JD Sports, Uniqlo, Padini Concept Store, Cold Storage, Popular, MPH, Peak Fitness, Red Box, Rolex, Omega, Bell & Ross, Montblanc, Tag Heuer, Hugo Boss, Furla, Coach, AIX Armani Exchange, Sacoor Brothers, Swarovski, Topshop Topman, British India, Ippudo Ramen + Bar, Canton-i, Dragon-i and Din Tai Fung.	Giant, Mr. D.I.Y, F.O.S, CMY Audio, Daiso, KFC and Esquire Kitchen.	AEON Big, Oliver Gourmet, Golden Screen Cinemas, Nulnu Lifestyle Mall, Jatomi Fitness, Ace Hardware, TBM, Uniqlo, Cotton On, Kingdom Palace Restaurant, Mr. D.I.Y, Sport Planet and Huawei.	Tropicana Golf and Country Resort Berhad, Star Media Radio Group Sdn. Bhd, CIMB Investment Bank Berhad and Osram (Malaysia) Sdn. Bhd.	Giant, Oliver Gourmet, TGV Cinemas, Celebrity Fitness, Uniqlo, LOL, YFS, Dees, Starbucks, Secret Recipe, Haagen Dazs, Nando's, SAKAE Sushi, SSF, Mr. D.I.Y, Ace Hardware, Sen Q, Tewah, Daiso, Mines Cruise and Olympic Kids Club.	Parkson, AEON Big, Golden Screen Cinemas, Uniqlo, Padini Concept Store, Guess, M.A.C, Pandora, Birkenstock, L'Occitane, Daiso, Secret Recipe, Starbucks, Manhattan Fish Market, Seoul Garden HotPot, Switch, JD Sports, HLA, Max Fashion, Navy & Navy, Laneige, Baby Shop and COCO.

1 Equal to 47,483 square metres, representing approximately 61.9% of the aggregate retail floor area of Sungei Wang.
2 Includes the car park area as gross floor area is defined by the requisite authorities in Kuantan to be inclusive of the car park area.
3 Area under asset enhancement initiatives is removed from computation.
4 Gurney Plaza was completed in 2001 and Gurney Plaza Extension in 2008.
5 Equal to RM800.0 million for Gurney Plaza and RM215.0 million for Gurney Plaza Extension.
6 Equal to carrying value.

PORTFOLIO DETAILS

GURNEY PLAZA

Strategically located along the popular Gurney Drive promenade in Penang, Gurney Plaza is situated in one of the prime real estate areas in the island. Opened in July 2001, Gurney Plaza has undergone regular asset upgrading initiatives and today, it is widely recogised as the leading premier lifestyle shopping mall in Northern Region and the preferred destination for shopping, dining and entertainment under-one roof catering to both locals and tourists.

Gurney Plaza is a nine-storey shopping mall with nine floors of retail space, two basement levels and five levels of multi-storey car park spaces. As it is Penang's premier shopping mall, it houses various well-known brands for shopping, dining and entertainment.

Anchored by the first Parkson Elite in Northern Region, Gurney Plaza also carries a wide range of well-established international brands including Rolex, Omega, Rado, Montblanc, Bell & Ross, Tissot, Thomas Sabo, Pandora, Swarovski, Hugo Boss, Furla, Coach, AIX Armani Exchange, Sacoor Brothers, CK Jeans, SuperDry, Warehouse, Miss Selfridge, JD Sports, HLA, Fossil, Chanel, Christian Dior, La Mer, Jo Malone, Bobbi Brown, Aesop, Shu Uemura, Laura Mercier, Innisfree, Les Nereides France, Marks & Spencer and Peak Fitness.

Popular award winning restaurants such as Din Tai Fung, Ippudo Ramen + Bar, Hoshino Coffee Japan, DRAGON-I, London Duck, Quickie by Chin Chin opened their first outlets in Penang at Gurney Plaza.

Centre Management	
Peter Chan	Centre Management
Wong Shu Ying	Marketing Communications
Mandy Leong	Leasing
Loi Kai Horng	Operations

Contact details:
Centre Management Office
Location: Lot No. 170-06-01, Level 6
Persiaran Gurney
10250 Penang, Malaysia
Tel: +60 4 222 8222
Fax: +60 4 228 6666
www.gurneyplaza.com.my

Gurney Plaza - Property Information	
Title	HS(D) 17259 Lot 5626 Seksyen 1, Bandar George Town, Daerah Timor Laut, Negeri Pulau Pinang and Geran 130393 Lot 5628 Seksyen 1, Bandar George Town, Daerah Timor Laut, Negeri Pulau Pinang
Net Lettable Area (sq ft) (as at 31 December 2018)	897,847
Number of Committed Leases (as at 31 December 2018)	431
Committed Occupancy (%) (as at 31 December 2018)	99.9
Car Park Lots	1,836
Market Valuation (RM mil) **Conducted by Savills (Malaysia) Sdn. Bhd.** (as at 31 December 2018)	1,635
Gross Revenue (RM mil) (for FY 2018)	148.1
Net Property Income (RM mil) (for FY 2018)	105.3
Shopper Traffic in 2018 (mil)	17.0
Key Tenants	Parkson Elite, Golden Screen Cinemas, Marks & Spencer, JD Sports, Uniqlo, Padini Concept Store, Cold Storage, Popular, MPH, Peak Fitness, Red Box, Rolex, Omega, Bell & Ross, Montblanc, Tag Heuer, Hugo Boss, Furla, Coach, AIX Armani Exchange, Sacoor Brothers, Swarovski, Topshop Topman, British India, Ippudo Ramen + Bar, Canton-i, Dragon-i and Din Tai Fung.

PORTFOLIO DETAILS

Gurney Plaza - Lease Expiry Profile
(as at 31 December 2018)

Year	By Gross Rental Income (%)	By Net Lettable Area (%)
2019	38.3	50.9
2020	34.1	29.2
2021 and beyond	27.6	19.9

Trade Sector Analysis – Retail Only
(as at 31 December 2018)

Trade Sector	By Gross Rental Income (%)	By Net Lettable Area (%)
Fashion/Accessories	33.6	20.3
Food & Beverages	18.3	13.6
Beauty/Health	13.5	9.5
Services	3.5	1.9
Departmental Store	7.7	20.2
Leisure & Entertainment/Sports & Fitness	7.6	12.8
Electronics/I.T.	4.9	4.7
Supermarket/Hypermarket	1.3	2.6
Gifts/Specialty/Books/Hobbies/Toys/Lifestyle	5.7	7.4
Houseware/Furnishings	3.2	5.8
Others	0.7	1.2

Gurney Plaza - Title Particulars	
Title[1]	HS(D) 17259 Lot 5626 Seksyen 1, Bandar George Town, Daerah Timor Laut, Negeri Pulau Pinang and Geran 130393 Lot 5628 Seksyen 1, Bandar George Town Daerah Timor Laut, Negeri Pulau Pinang
Tenure	Freehold
Restrictions-in-Interest	Nil
Express Conditions	The land comprised in the title: › shall not be affected by any provision of the National Land Code (Code) limiting the compensation payable on the exercise by the State Authority of a right of access or use conferred by Chapter 3 of Part Three of the Code or on the creation of a Land Administrator's right of way; and › subject to the implied condition that land is liable to be re-entered if it is abandoned for more than three years shall revert to the State only if the proprietor for the time being dies without heirs; and › the title shall confer the absolute right to all forest produce and to all oil, mineral and other natural deposits on or below the surface of the land (including the right to work or extract any such produce or deposit and remove it beyond the boundaries of the land).
Encumbrances[2]	There was a lease of part of the land in favour of Parkson Corporation Sdn. Bhd. registered on 13 October 2004 via presentation no. 0799SC2004029845 for a period of fifteen (15) years commencing from 3 August 2001 to 2 August 2016 that remains endorsed on the title. There is a charge on the land in favour of Public Bank Berhad vide presentation no. 0799SC2011034916 registered on 5 October 2011.
Endorsements	Transfer of ownership by Gurney Plaza Sdn Bhd (Company No. 141240-K) to AmTrustee Berhad (Company No. 163032-V) registered on 5 October 2011 vide presentation no. 0799SC2011034910. An easement in favour of Gurney Plaza over the vehicle ramp of G Hotel to enable, among other things, the visitors of Gurney Plaza to use the vehicle ramp for the purpose of accessing Basements 1 and 2 of Gurney Plaza. An easement in favour of Gurney Plaza over part of Basement 2 of G Hotel to enable the owner of Gurney Plaza access to the exhaust fan room located on Basement 2 of G Hotel. An easement in favour of G Hotel over part of Basement 2 of Gurney Plaza to enable G Hotel access to its car parks on Basement 2 of Gurney Plaza. An easement in favour of G Hotel over part of the al-fresco area located between Gurney Plaza and G Hotel. An easement in favour of Gurney Plaza in respect of the roadway along the main entrance of G Hotel fronting Gurney Drive. An easement in favour of G Hotel in respect of the roadway along the main entrance of Gurney Plaza fronting Gurney Drive. An easement in favour of G Hotel over part of the landscape park to allow the use of buggies, carts, trishaws or similar conveyances through over and along part of the landscape park for the purpose of ferrying guests, employees, luggage, baggage and the like to and from G Hotel. An easement in favour of the landscape park over the driveway of Pine and Maple Towers for the purpose of access to and from the landscape park.

1 The title HS(D) 17259 Lot 5626 is one of the sub-divided titles resulting from a sub-division application for the master title Geran 97112, Lot 2903 and the financing documentation for Gurney Plaza makes reference to this master title. The adjacent landscape park is on another subdivided title which was HS(D) 17261 Lot 5628 which is now under a final title Geran 130393 Lot 5628.

2 The encumbrances pertain to the title HS(D) 17259 Lot 5626. The title Geran 130393 Lot 5628 is unencumbered.

PORTFOLIO DETAILS

SUNGEI WANG

Sungei Wang, which translates as 'the river of gold', opened in 1977. It is one of the most popular shopping centres in Kuala Lumpur's prime shopping and commercial precinct – the 'Golden Triangle' – an area that comprises three bordering streets, namely Jalan Bukit Bintang, Jalan Sultan Ismail and Jalan Imbi.

A one-stop shopping centre 'for all kinds of everything', Sungei Wang is also well-known for its unique blend of specialty stores and entertainment outlets that appeals to the mass market. Being strategically located in the Bukit Bintang shopping precinct, it also commands strong patronage from local and international tourists. Currently, the mall is temporarily impacted by the redevelopment of adjoining Bukit Bintang Plaza.

Sungei Wang is an 11-storey retail shopping centre with two basement levels and two elevated levels of car park. The mall's elevated car parks are not operational as the entrance via Jalan Bulan is closed due to the redevelopment of Bukit Bintang Plaza. The mall is currently undergoing a RM54.5 million asset enhancement initiative to reconfigure the annex space into a vibrant and energetic lifestyle zone. Known as Jumpa, shoppers can look forward to an exciting line-up of more than 80 speciality shops offering fashion, food and beverages, family entertainment and athleisure when it opens in 2H 2019.

Centre Management	
Elise Lim	Centre Management
Ivy Chew	Leasing
Rachel Lee	Marketing Communications
Khalid Johan	Operations

Contact details:
Centre Management Office[1]
Location: Lot No. 6F-111, Level 6 (SWP Box No. 129)
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
Tel: +60 3 2117 0288
Fax: +60 3 2117 0388
www.sungeiwang.com

Sungei Wang - Property Information[2]	
Title	205 parcels, each with individual strata title, in the building erected on land held under master title GRN 11043, Lot 1197 Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur[3].
Net Lettable Area (sq ft) (as at 31 December 2018)	300,819[4]
Number of Committed Leases (as at 31 December 2018)	180
Committed Occupancy (%) (as at 31 December 2018)	75.3
Car Park Lots	1,298
Market Valuation (RM mil) **Conducted by PPC International Sdn. Bhd.** (as at 31 December 2018)	545
Gross Revenue (RM mil) (for FY 2018)	28.4
Net Property Income (RM mil) (for FY 2018)	7.8
Shopper Traffic in 2018 (mil)	12.8
Key Tenants	Giant, Mr. D.I.Y, F.O.S, CMY Audio, Daiso, KFC and Esquire Kitchen.

1 Centre Management Office for CMMT's 205 strata parcels only.
2 All information in this table and pertaining to the lease expiry profile, top 10 tenants and trade sector analysis pertain to CMMT's interest in Sungei Wang. The strata titles to Sungei Wang have been issued and the management corporation, Sungei Wang Plaza Management Corporation, is responsible for the maintenance and management of common areas within Sungei Wang, as well as mall- specific marketing and events.
3 The total share units allocated to the 205 strata titles owned by CMMT represent approximately 62.8% of the voting rights in Sungei Wang Plaza Management Corporation. These 205 strata parcels consist of retail space with an aggregate floor area of approximately 511,103 sq ft (representing approximately 61.9% of the aggregate retail floor area of Sungei Wang) and approximately 1,298 car park bays with an aggregate floor area of approximately 435,411 sq ft, (which comprises 100.0% of the car park bays in Sungei Wang).
4 Area under asset enhancement initiatives is removed from computation.

Sungei Wang - Lease Expiry Profile
(as at 31 December 2018)

Year	By Gross Rental Income (%)	By Net Lettable Area (%)
2019	43.8	50.1
2020	36.1	28.4
2021 and beyond	20.1	21.5

Trade Sector Analysis – Retail Only
(as at 31 December 2018)

Trade Sector	By Gross Rental Income (%)	By Net Lettable Area (%)
Fashion/Accessories	28.5	21.1
Food & Beverages	25.5	18.3
Beauty/Health	12.3	8.5
Services	6.0	16.1
Leisure & Entertainment/Sports & Fitness	1.2	1.0
Electronics/I.T.	2.2	2.9
Supermarket/Hypermarket	10.7	9.9
Gifts/Specialty/Books/Hobbies/Toys/Lifestyle	5.2	6.1
Houseware/Furnishings	1.7	4.3
Others	6.7	11.8

PORTFOLIO DETAILS

Sungei Wang – Title Particulars	
Title	205 parcels, each with individual strata title[1], in the building erected on land held under master title GRN 11043, Lot 1197 Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur[2].
Tenure	Freehold
Restrictions-in-Interest	Nil
Express Conditions	The land must be used for commercial building only. Development on the land must comply with the development order issued by the Datuk Bandar, Kuala Lumpur.
Encumbrances	There is a lease of part of the land to Tenaga Nasional Berhad registered on 31 December 1993 vide presentation no. 21493/1993 for a period of 30 years commencing from 15 March 1993 to 14 March 2023[3]. Strata title bearing Geran 11043/M1/3/312 is subject to a lease of land in favour of Premier Honour Sdn Bhd registered on 26 March 2012 vide Presentation No. 9564/2012 for 30 years starting 31 August 2008 to 31 August 2038. Strata title bearing Geran 11043/M1/6/673 is subject to a private caveat registered in favour of Capitaland Malaysia Mall REIT Management Sdn Bhd (Company No. 819351-H) on 17 May 2018 vide presentation no. PDB5942/2018.
Endorsements[4]	Easements between Sungei Wang Plaza and Bukit Bintang Plaza vide presentation nos. 15174/2001 and 15175/2001 pursuant to two easement agreements made between the owner of Bukit Bintang Plaza, UDA Holdings Berhad (UDA) and the developer of Sungei Wang Plaza, Sungei Wang Plaza Sdn. Bhd. (SWPSB). These easements relate to two easement agreements between UDA and SWPSB whereby UDA agreed to grant to SWPSB a right of way from the entrance of Basement 1 and over the ramps of Bukit Bintang Plaza to access Levels 4 and 5 of Sungei Wang Plaza (which form part of CMMT's interest in Sungei Wang Plaza) and SWPSB in turn agreed to grant to UDA the right of way over part of Basement 2 of Sungei Wang Plaza[5]. Registration of Sungei Wang Plaza Management Corporation (SWPMC) on 21 November 2008 vide presentation no. 1183/2008. Revision of quit rent from RM70,696.00 to RM81,301.00 according to Section 101 of the National Land Code starting 1 January 2006. Issuance of duplicate issue document of title pursuant to Section 175 (1) (a)/(b) or Section 187B(1)(a)/(b) of the National Land Code 1965 vide presentation no. PDC3138/2018 registered on 22 November 2018. None of the 205 Individual Strata Titles are subject to any endorsements.

1 The strata title held under Geran 11043/M1/3/312 is subject to a lease registered in favour of Premier Honour Sdn. Bhd. on 26 March 2012 vide presentation no. 9564/2012. The said lease is for a period of 30 years starting from 31 August 2008 to 30 August 2038.
2 The total share units allocated to the 205 strata titles owned by CMMT represent approximately 62.8% of the voting rights in SWPMC.
3 This lease of part of the land to Tenaga Nasional Berhad is endorsed on the master title to Sungei Wang Plaza.
4 The endorsements are stated on the master title to Sungei Wang Plaza, which is registered in the name of SWPMC.
5 UDA has vide the Deed of Easement dated 8 June 2010 granted to Vast Winners Sdn. Bhd. (VWSB) easement rights over the ramps of Bukit Bintang Plaza to access Levels 4 and 5 of Sungei Wang Plaza and part of Basement 1 and 2 of Bukit Bintang Plaza pursuant to which the contractual rights were subsequently assigned by VWSB to MTrustee Berhad as trustee for CMMT on 14 June 2010. Concurrently, VWSB granted to UDA easement rights over part of Basement 1 and 2 of Sungei Wang Plaza pursuant to another Deed of Easement dated 8 June 2010 which was then assigned also to MTrustee Berhad as trustee for CMMT.

3 DAMANSARA & TROPICANA CITY OFFICE TOWER

3 Damansara and Tropicana City Office Tower are part of an integrated commercial development which is strategically located at the intersection of two major highways, making it easily accessible from Kuala Lumpur and various parts of Petaling Jaya.

With its positioning as the preferred dining, education-entertainment and gourmet shopping destination, 3 Damansara is a four-storey mall that offers a good selection of food and beverages tenants, established retailers and a hypermarket, which appeals to the residents from the surrounding established and affluent residential estates as well as workers from the neighbouring office catchment.

Tropicana City Office Tower is a 12-storey office block and is seamlessly connected to the retail mall via an overhead covered link bridge.

3 Damansara is anchored by an established mix of local and international retailers including AEON Big, Oliver Gourmet, Golden Screen Cinemas, Nulnu Lifestyle Mall, Jatomi Fitness, Ace Hardware, TBM, Uniqlo, Cotton On and Kingdom Palace Restaurant.

Centre Management	
Elena Lee	Centre Management
Eliza Kow	Marketing Communications
Carmen Liew	Leasing
Anandan Perumal	Operations

Contact details:
Centre Management Office
Location: Lot B3-01, Basement B3
No. 3, Jalan SS20/27
47400 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel: +60 3 7663 2888
Fax: +60 3 7663 2899
www.threedamansara.com/en/

Property Information	3 Damansara	Tropicana City Office Tower
Title	2 parcels; Geran 54431/M1/B4/2 and Geran 54431/M1/B4/1, each with individual strata titles for the mall and office building respectively, erected on land held under Master Title Geran 54431, Lot 45821, Seksyen 39, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor. There is also a provisional strata title for the provisional block held under Geran 54431/P1, Lot 45821, Seksyen 39, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor.	
Net Lettable Area (sq ft) (as at 31 December 2018)	466,708	101,258
Number of Committed Leases (as at 31 December 2018)	165	8
Committed Occupancy (%) (as at 31 December 2018)	90.6	100.0
Car Park Lots	1,759	
Market Valuation (RM mil) Conducted by Henry Butcher Malaysia Sdn. Bhd. (as at 31 December 2018)	556	
Gross Revenue (RM mil) (for FY 2018)	39.9	5.9
Net Property Income (RM mil) (for FY 2018)	18.1	3.8
Shopper Traffic in 2018 (mil)	7.4	–
Key Tenants	AEON Big, Oliver Gourmet, Golden Screen Cinemas, Nulnu Lifestyle Mall, Jatomi Fitness, Ace Hardware, TBM, Uniqlo, Cotton On, Kingdom Palace Restaurant, Huawei, Sport Planet and Mr. D.I.Y	Tropicana Golf and Country Resort Berhad, Star Media Radio Group Sdn. Bhd., CIMB Investment Bank Berhad and Osram (Malaysia) Sdn. Bhd.

PORTFOLIO DETAILS

Lease Expiry Profile - By Committed Gross Rental Income
(as at 31 December 2018)

Year	Retail (%)	Office (%)
2019	45.1	20.4
2020	34.0	42.3
2021 and beyond	20.9	37.3

Lease Expiry Profile - By Net Lettable Area
(as at 31 December 2018)

Year	Retail (%)	Office (%)
2019	41.8	18.6
2020	38.4	42.6
2021 and beyond	19.8	38.8

Trade Sector Analysis – Retail Only
(as at 31 December 2018)

Trade Sector	By Gross Rental Income (%)	By Net Lettable Area (%)
Fashion/Accessories	11.1	7.4
Food & Beverages	30.0	20.0
Beauty/Health	16.4	13.4
Services	7.6	4.3
Leisure & Entertainment/Sports & Fitness	5.5	10.9
Electronics/I.T.	4.8	3.9
Supermarket/Hypermarket	15.9	27.6
Gifts/Specialty/Books/Hobbies/Toys/Lifestyle	1.4	1.1
Houseware/Furnishings	3.7	6.1
Others	3.6	5.3

3 Damansara & Tropicana City Office Tower – Title Particulars	
Title	2 parcels; Geran 54431/M1/B4/2 and Geran 54431/M1/B4/1, each with individual strata titles for the mall and office building respectively, erected on land held under Master Title Geran 54431, Lot 45821, Seksyen 39, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor. There is also a provisional strata title for the provisional block held under Geran 54431/P1, Lot 45821, Seksyen 39, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor.
Tenure	Freehold
Restrictions-in-Interest	Nil
Express Conditions	Commercial
Encumbrances	There is a lease of part of the land in favour of Tenaga Nasional Berhad (Company No. 200866-W) registered on 5 May 2017 vide presentation no. 35763/2017 for a period of 30 years from 8 March 2017 and ending on 7 March 2047.[1] The strata title bearing Geran 55431/M1/B4/2, Lot 45821 Seksyen 39, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor is subject to a charge secured for a principal sum registered in favour of CIMB Bank Berhad (Company No. 13491-P) on 21 November 2018 vide presentation no. 57229/2018. The strata title bearing Geran 55431/M1/B4/1, Lot 45821 Seksyen 39, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor is subject to a charge secured for a principal sum registered in favour of CIMB Bank Berhad (Company No. 13491-P) on 21 November 2018 vide presentation no. 57229/2018.
Endorsements	Registration of registrar's caveat on 14 February 2007 vide presentation no. 5542/2007.[2] Registration of registrar's caveat on 29 October 2007 vide presentation no. 44744/2007.[2] Registration of registrar's caveat on 16 April 2008 vide presentation no. 15783/2008.[2] Registration of registrar’s caveat on 30 July 2008 vide presentation no. 34848/2008.[2] Registration of registrar’s caveat on 5 June 2009 vide presentation no. 24209/2009.[2] Revision of quit rent registered on 9 April 2016 vide presentation no. 81180/2016.[2] Revision of quit rent from RM113,116 to RM121,060 according to Section 101 of the National Land Code starting 1 January 2017.[2] Registration of 3 Damansara Management Corporation and the opening of the book of strata register no. 7307 vide presentation no. 3218/2018 registered on 11 May 2018.[2] Amendment made pursuant to Section 380 of the National Land Code 1965 vide presentation no. 923/2018.[2] Amendment made pursuant to Section 380 of the National Land Code 1965 vide presentation no. 2337/2018.[3] Amendment made pursuant to Section 380 of the National Land Code 1965 vide presentation no. 2340/2018.[4]

1 This lease of part of the land to Tenaga Nasional Berhad is endorsed on the master title to 3 Damansara & Tropicana City Office Tower.
2 Endorsements relate to Master Title Geran 54431, Lot 45821, Seksyen 39, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor. Note: Under section 321(1) of the National Land Code, the registrar's caveats are considered endorsements (rather than encumbrances).
3 Endorsement relates to Geran 54431/M1/B4/2, Lot 45821, Seksyen 39, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor. Note: Under section 321(1) of the National Land Code, the registrar's caveats are considered endorsements (rather than encumbrances).
4 Endorsement relates to Geran 54431/M1/B4/1, Lot 45821, Seksyen 39, Bandar Petaling Jaya, Daerah Petaling, Negeri Selangor. Note: Under section 321(1) of the National Land Code, the registrar's caveats are considered endorsements (rather than encumbrances).

PORTFOLIO DETAILS

THE MINES

The Mines is located at the south of the federal district of Kuala Lumpur in Seri Kembangan town centre. It is a lifestyle suburban family mall targeted at residents residing and working in the southern region of Kuala Lumpur and Selangor.

The Mines has five levels of retail and car park area and is well-known for its Venetian-like internal water canal. It is linked to the Mines International Exhibition & Convention Centre, Philea Mines Beach Resort and The Mines Resort & Golf Club.

The Mines underwent a massive asset enhancement exercise in 2008-2009, transforming it into a modern and lifestyle suburban mall with extensive retail offerings catering to all market segments. Key tenants include Oliver Gourmet, TGV Cinemas, Celebrity Fitness, Uniqlo, LOL, YFS, Dees, Starbucks, Secret Recipe, Haagen Dazs, Nando's, SAKAE Sushi, SSF, Mr. D.I.Y, ACE Hardware, Sen Q, Olympic Kids Club and Mines Cruise.

Centre Management	
Trish Ang	Centre Management
Chua Sang Wei	Marketing Communications
Bernard Ng	Leasing
Anandan Perumal	Operations

Contact details:
Centre Management Office
Box No. 228, Level 4 Centre Management Office
The Mines
Jalan Dulang, MINES Resort City
43300 Seri Kembangan
Selangor Darul Ehsan, Malaysia
Tel: +60 3 8949 6288
Fax: +60 3 8949 6388
www.the-mines.com.my

The Mines - Property Information	
Title	H.S.(D) 59894, No. PT. 16722, Mukim Petaling, Daerah Petaling, Negeri Selangor Darul Ehsan
Net Lettable Area (sq ft) (as at 31 December 2018)	707,811[1]
Number of Committed Leases (as at 31 December 2018)	304
Committed Occupancy (%) (as at 31 December 2018)	89.1
Car Park Lots	1,282
Market Valuation (RM mil) **Conducted by PPC International Sdn. Bhd.** (as at 31 December 2018)	728
Gross Revenue (RM mil) (for FY 2018)	67.4
Net Property Income (RM mil) (for FY 2018)	39.7
Shopper Traffic in 2018 (mil)	10.2
Key Tenants	Giant, Oliver Gourmet, TGV Cinemas, Celebrity Fitness, Uniqlo, LOL, YFS, Dees, Starbucks, Secret Recipe, Haagen Dazs, Nando's, SAKAE Sushi, SSF, Mr. D.I.Y, ACE Hardware, Sen Q, Olympic Kids Club and Mines Cruise.

1 Area under asset enhancement initatives is removed from computation.

The Mines - Lease Expiry Profile
(as at 31 December 2018)

Year	By Gross Rental Income (%)	By Net Lettable Area (%)
2019	55.1	52.9
2020	29.3	25.8
2021 and beyond	15.6	21.3

Trade Sector Analysis – Retail Only
(as at 31 December 2018)

Trade Sector	By Gross Rental Income (%)	By Net Lettable Area (%)
Fashion/Accessories	24.2	24.7
Food & Beverages	18.6	11.1
Beauty/Health	11.9	8.5
Services	6.2	2.7
Leisure & Entertainment/Sports & Fitness	6.3	12.3
Electronics/I.T.	18.6	8.6
Supermarket/Hypermarket	5.9	10.9
Gifts/Specialty/Books/Hobbies/Toys/Lifestyle	1.6	1.4
Houseware/Furnishings	4.1	11.4
Others	2.6	8.4

The Mines – Title Particulars	
Title	H.S.(D) 59894, No. PT. 16722, Mukim Petaling, Daerah Petaling, Negeri Selangor Darul Ehsan
Tenure	Leasehold interest for 99 years expiring on 20 March 2091
Restrictions-in-Interest	The land cannot be transferred, leased or charged without the prior consent of the State Authority.
Express Conditions	Commercial building
Encumbrances	There is a charge in favour of Malaysian Trustees Berhad, registered vide presentation no. 117870/2016 on 30 December 2016.
Endorsements	Transfer of ownership by Mutual Streams Sdn Bhd (Company No. 79107-P) to MTrustee Berhad (Company No. 163032-V) registered on 23 September 2010 vide presentation no. 98339/2010. An easement between The Mines and Mines International Exhibition and Convention Centre registered vide presentation no. 117530/2009 on 15 December 2009 pursuant to an easement agreement made between Mutual Streams Sdn. Bhd. and the owner of Mines International Exhibition and Convention Centre. Revision of quit rent registered on 26 May 2016 vide presentation no. 461192/2016. Revision of quit rent from RM84,975 to RM84,975 according to Section 101 of the National Land Code starting 1 January 2017.

PORTFOLIO DETAILS

EAST COAST MALL

East Coast Mall is strategically located in the heart of Kuantan's city centre in Pahang, which is the third largest state in Malaysia by geographical size. It is a modern family lifestyle mall and is part of the Putra Square development, which also comprises Zenith Hotel, Menara Zenith as well as the Sultan Ahmad Shah International Convention Centre. It is also walking distance from other local attractions and amenities such as Darul Makmur Stadium and Urban Transformation Centre, Kuantan.

East Coast Mall is a four-storey shopping mall with one level of basement and car parks located on the rooftop, third floor, ground and basement levels. With an established mix of domestic and international retailers, East Coast Mall is the market leader in Kuantan. Besides local patronage, the mall also attracts shoppers from towns within the neighbouring states of Terengganu and Kelantan, and tourists visiting the east coast of Peninsular Malaysia.

East Coast Mall is anchored by departmental store Parkson and AEON Big, while other key tenants include Golden Screen Cinemas, Uniqlo, Padini Concept Store, Guess, M.A.C, Pandora, Birkenstock, L'Occitane, Daiso, Starbucks, Manhattan Fish Market, Seoul Garden HotPot, Switch, JD Sports, HLA, Max Fashion, Navy & Navy, Laneige, Secret Recipe, Baby Shop and COCO.

Centre Management	
Dato' Ronnie Francis	Centre Management
Goh Heau Min	Marketing Communications
Amelia Phung	Leasing
Mohd Hisham Fazlee Sudin	Operations

Contact details:
Centre Management Office
Location: Lot L3-01A, Level 3
Jalan Putra Square 6, Putra Square
25200 Kuantan
Pahang Darul Makmur, Malaysia
Tel: +60 9 565 8688
Fax: +60 9 565 8699
www.eastcoastmall.com.my

East Coast Mall - Property Information	
Title	H.S.(D) 28468, No. PT. 92050, Bandar Kuantan, Daerah Kuantan, Negeri Pahang Darul Makmur
Net Lettable Area (sq ft) (as at 31 December 2018)	464,849
Number of Committed Leases (as at 31 December 2018)	204
Committed Occupancy (%) (as at 31 December 2018)	99.0
Car Park Lots	1,101
Market Valuation (RM mil) **Conducted by PPC International Sdn. Bhd.** (as at 31 December 2018)	555
Gross Revenue (RM mil) (for FY 2018)	60.4
Net Property Income (RM mil) (for FY 2018)	40.3
Shopper Traffic in 2018 (mil)	10.1
Key Tenants	Parkson, AEON Big, Golden Screen Cinemas, Uniqlo, Padini Concept Store, Guess, M.A.C, Pandora, Birkenstock, L'Occitane, Daiso, Starbucks, Manhattan Fish Market, Seoul Garden HotPot, Switch, JD Sports, HLA, Max Fashion, Navy & Navy, Laneige, Secret Recipe, Baby Shop and COCO.

East Coast Mall - Lease Expiry Profile
(as at 31 December 2018)

Year	By Gross Rental Income (%)	By Net Lettable Area (%)
2019	32.8	18.5
2020	43.8	57.8
2021 and beyond	23.4	23.7

East Coast Mall - Trade Sector Analysis
(as at 31 December 2018)

Trade Sector	By Gross Rental Income (%)	By Net Lettable Area (%)
Fashion/Accessories	42.6	28.5
Food & Beverages	17.8	12.0
Beauty/Health	9.0	4.5
Services	4.4	1.5
Departmental Store	8.0	22.7
Leisure & Entertainment/Sports & Fitness	7.2	12.2
Electronics/I.T.	4.2	2.2
Supermarket/Hypermarket	2.5	10.7
Gifts/Specialty/Hobbies/Toys/Lifestyle	3.1	3.6
Houseware/Furnishings	0.2	0.1
Others	1.0	2.0

East Coast Mall – Title Particulars	
Title	H.S.(D) 28468, No. PT. 92050, Bandar Kuantan, Daerah Kuantan, Negeri Pahang Darul Makmur
Tenure	Leasehold interest for 99 years expiring on 18 December 2106.
Restrictions-in-Interest	This land shall not be transferred, leased or charged save with the prior written approval of the State Authority.
Express Conditions	This land shall be used as a commercial building only.
Encumbrances	Nil
Endorsements	Transfer of land by Pasdec Corporation Sdn Bhd (Company No. 55031-P) to MTrustee Berhad (Company No. 163032-V) registered on 25 October 2011 vide presentation no. 9818/2011.

FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2018

	Note	Group 2018 RM'000	Group 2017 RM'000	Trust 2018 RM'000	Trust 2017 RM'000
Assets					
Plant and equipment	3	1,429	2,039	1,429	2,039
Investment properties	4	4,019,000	3,966,000	4,019,000	3,966,000
Investment in subsidiary	5	-	-	*	*
Total non-current assets		4,020,429	3,968,039	4,020,429	3,968,039
Trade and other receivables	6	21,154	23,512	21,080	23,384
Amount due from subsidiary	7	-	-	6,818	7,048
Cash and cash equivalents	8	101,380	186,323	94,843	179,837
Total current assets		122,534	209,835	122,741	210,269
Total assets		4,142,963	4,177,874	4,143,170	4,178,308
Equity					
Unitholders' capital	9	2,181,132	2,172,216	2,181,132	2,172,216
Undistributed profit		485,434	514,980	485,449	514,995
Total unitholders' funds		2,666,566	2,687,196	2,666,581	2,687,211
Liabilities					
Borrowings	10	949,131	1,279,081	949,131	979,934
Tenants' deposits		41,817	38,381	41,817	38,381
Amount due to subsidiary	7	-	-	-	300,000
Total non-current liabilities		990,948	1,317,462	990,948	1,318,315
Borrowings	10	369,928	58,200	70,560	58,200
Tenants' deposits		47,480	54,944	47,480	54,944
Trade and other payables	11	68,041	60,072	67,601	59,638
Amount due to subsidiary	7	-	-	300,000	-
Total current liabilities		485,449	173,216	485,641	172,782
Total liabilities		1,476,397	1,490,678	1,476,589	1,491,097
Total equity and liabilities		4,142,963	4,177,874	4,143,170	4,178,308
Net assets value (NAV)					
- before income distribution		2,666,566	2,687,196	2,666,581	2,687,211
- after income distribution		2,587,252	2,604,056	2,587,267	2,604,071
Units in circulation ('000)	9	2,044,176	2,037,753	2,044,176	2,037,753
NAV per unit (RM)					
- before income distribution		1.3045	1.3187	1.3045	1.3187
- after income distribution		1.2657	1.2779	1.2657	1.2779

* Denotes RM2 issued and paid-up share capital in CMMT MTN Berhad.

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year Ended 31 December 2018

	Note	Group 2018 RM'000	Group 2017 RM'000	Trust 2018 RM'000	Trust 2017 RM'000
Gross rental income		271,165	289,437	271,165	289,437
Car park income		24,247	24,531	24,247	24,531
Other revenue		54,734	54,966	54,734	54,966
Gross revenue		350,146	368,934	350,146	368,934
Maintenance expenses		(33,025)	(32,917)	(33,025)	(32,917)
Utilities		(51,522)	(51,805)	(51,522)	(51,805)
Other operating expenses	12	(50,630)	(47,066)	(50,630)	(47,066)
Property operating expenses		(135,177)	(131,788)	(135,177)	(131,788)
Net property income		214,969	237,146	214,969	237,146
Interest income		4,770	5,420	4,770	5,420
Fair value gain of investment properties (net)		1,109	4,243	1,109	4,243
Net investment income		220,848	246,809	220,848	246,809
Manager's management fee	13	(22,217)	(23,253)	(22,217)	(23,253)
Trustee's fee	14	(400)	(400)	(400)	(400)
Auditor's fee		(206)	(205)	(198)	(199)
Tax agent's fee		(26)	(15)	(23)	(12)
Valuation fee		(293)	(201)	(293)	(201)
Finance costs	15	(61,116)	(59,690)	(61,116)	(59,690)
Other non-operating expenses		(962)	(945)	(973)	(954)
Total non-operating and trust expenses		(85,220)	(84,709)	(85,220)	(84,709)
Profit before taxation		135,628	162,100	135,628	162,100
Tax expense	16	-	-	-	-
Profit for the financial year		135,628	162,100	135,628	162,100
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the financial year		135,628	162,100	135,628	162,100
Distribution adjustments	A	25,720	5,290	25,720	5,290
Income available for distribution		161,348	167,390	161,348	167,390
Distributable income[1]	18	161,348	167,374	161,348	167,374

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year Ended 31 December 2018

	Note	Group 2018 RM'000	Group 2017 RM'000	Trust 2018 RM'000	Trust 2017 RM'000
Total comprehensive income for the financial year is made up as follows:					
Realised		134,519	157,857	134,519	157,857
Unrealised		1,109	4,243	1,109	4,243
		135,628	162,100	135,628	162,100
Earnings per unit (sen)	17				
- before Manager's management fee		7.73	9.11	7.73	9.11
- after Manager's management fee		6.64	7.97	6.64	7.97
Distribution per unit (DPU) (sen)					
- for the financial year	18	7.90	8.22	7.90	8.22
Income distribution[2]					
Distribution of 4.14 sen per unit from 1.1.2017 to 30.6.2017				-	84,234
Distribution of 4.08 sen per unit from 1.7.2017 to 31.12.2017[3]				-	83,140
Distribution of 4.02 sen per unit from 1.1.2018 to 30.6.2018				82,034	-
Declared distribution of 3.88 sen per unit from 1.7.2018 to 31.12.2018[3]	27			79,314	-
				161,348	167,374

[1] The difference between income available for distribution and distributable income is due to the rollover adjustment for the rounding effect of DPU.

[2] Income distributable to resident individuals, non-resident individuals, resident institutional investors, non-resident institutional investors and non-resident companies are subject to withholding tax.

[3] The declared final income distribution will be recognised in the immediate subsequent financial year.

	Note	Group 2018 RM'000	Group 2017 RM'000	Trust 2018 RM'000	Trust 2017 RM'000
Note A					
Distribution adjustments comprise:					
Fair value gain of investment properties (net)	4	(1,109)	(4,243)	(1,109)	(4,243)
Manager's management fee payable in units		8,297	9,395	8,297	9,395
Depreciation	3	1,162	1,341	1,162	1,341
Amortisation of transaction costs on borrowings	15	875	1,173	654	949
Tax and other adjustments		16,495	(2,376)	16,716	(2,152)
		25,720	5,290	25,720	5,290

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN NET ASSET VALUE

For the Financial Year Ended 31 December 2018

	Unitholders' capital RM'000	Undistributed profit Realised RM'000	Undistributed profit Unrealised RM'000	Total unitholders' funds RM'000
Group				
At 1 January 2017	2,162,544	16,673	506,372	2,685,589
Total comprehensive income for the financial year	-	157,857	4,243	162,100
Unitholders' transactions				
- Units issued as part satisfaction of the Manager's management fee	9,672	-	-	9,672
- Distribution paid to unitholders	-	(170,165)	-	(170,165)
Increase/(Decrease) in net assets resulting from unitholders' transactions	9,672	(170,165)	-	(160,493)
At 31 December 2017/1 January 2018	2,172,216	4,365	510,615	2,687,196
Total comprehensive income for the financial year	-	134,519	1,109	135,628
Unitholders' transactions				
- Units issued as part satisfaction of the Manager's management fee	8,916	-	-	8,916
- Distribution paid to unitholders	-	(165,174)	-	(165,174)
Increase/(Decrease) in net assets resulting from unitholders' transactions	8,916	(165,174)	-	(156,258)
At 31 December 2018	2,181,132	(26,290)	511,724	2,666,566
	Note 9			
Trust				
At 1 January 2017	2,162,544	16,688	506,372	2,685,604
Total comprehensive income for the financial year	-	157,857	4,243	162,100
Unitholders' transactions				
- Units issued as part satisfaction of the Manager's management fee	9,672	-	-	9,672
- Distribution paid to unitholders	-	(170,165)	-	(170,165)
Increase/(Decrease) in net assets resulting from unitholders' transactions	9,672	(170,165)	-	(160,493)
At 31 December 2017/1 January 2018	2,172,216	4,380	510,615	2,687,211
Total comprehensive income for the financial year	-	134,519	1,109	135,628
Unitholders' transactions				
- Units issued as part satisfaction of the Manager's management fee	8,916	-	-	8,916
- Distribution paid to unitholders	-	(165,174)	-	(165,174)
Increase/(Decrease) in net assets resulting from unitholders' transactions	8,916	(165,174)	-	(156,258)
At 31 December 2018	2,181,132	(26,275)	511,724	2,666,581
	Note 9			

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2018

	Note	Group 2018 RM'000	Group 2017 RM'000	Trust 2018 RM'000	Trust 2017 RM'000
Cash flows from operating activities					
Profit before taxation		135,628	162,100	135,628	162,100
Adjustments for:					
Manager's management fee paid/payable in units		8,297	9,395	8,297	9,395
Depreciation	3	1,162	1,341	1,162	1,341
Fair value gain of investment properties (net)	4	(1,109)	(4,243)	(1,109)	(4,243)
Finance costs	15	61,116	59,690	61,116	59,690
Interest income		(4,770)	(5,420)	(4,770)	(5,420)
Plant and equipment written off		2	3	2	3
Operating profit before changes in working capital		200,326	222,866	200,326	222,866
Changes in working capital:					
Trade and other receivables		2,358	(7,477)	2,304	(7,396)
Trade and other payables		(7,744)	861	(7,748)	1,100
Tenants' deposits		(4,028)	(1,021)	(4,028)	(1,021)
Amount due to subsidiary		-	-	(12,863)	(16,432)
Net cash generated from operating activities		190,912	215,229	177,991	199,117
Cash flows from investing activities					
Acquisition of plant and equipment	3	(554)	(624)	(554)	(624)
Capital expenditure on investment properties		(35,717)	(21,678)	(35,717)	(21,678)
Interest received		4,770	5,420	4,770	5,420
Net cash used in investing activities		(31,501)	(16,882)	(31,501)	(16,882)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2018

	Note	Group 2018 RM'000	Group 2017 RM'000	Trust 2018 RM'000	Trust 2017 RM'000
Cash flows from financing activities					
Interest paid		(59,780)	(57,955)	(46,910)	(45,085)
Distribution paid to unitholders		(165,174)	(170,165)	(165,174)	(170,165)
Payment of financing expenses		(303)	(301)	(303)	(301)
Placement of pledged deposits with a licensed bank		-	(3,243)	-	-
Proceeds from interest-bearing borrowings		20,600	24,300	20,600	24,300
Repayment of interest-bearing borrowings		(39,697)	-	(39,697)	-
Net cash used in financing activities		(244,354)	(207,364)	(231,484)	(191,251)
Net decrease in cash and cash equivalents		(84,943)	(9,017)	(84,994)	(9,016)
Cash and cash equivalents at 1 January		179,840	188,857	179,837	188,853
Cash and cash equivalents at 31 December		94,897	179,840	94,843	179,837
Cash and cash equivalents at end of the financial year comprise:					
Deposits placed with licensed banks		81,855	151,946	75,325	145,466
Cash and bank balances		19,525	34,377	19,518	34,371
	8	101,380	186,323	94,843	179,837
Less: Pledged deposits		(6,483)	(6,483)	-	-
		94,897	179,840	94,843	179,837

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

CapitaLand Malaysia Mall Trust (CMMT or the Trust) is a Malaysia domiciled real estate investment trust (REIT) constituted by a deed dated 7 June 2010 (which was amended and restated on 5 October 2018) (the Deed) entered into between CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (the Manager) and MTrustee Berhad (the REIT Trustee). The Deed was registered with Securities Commission Malaysia (SC) on 7 December 2018 and is regulated by the SC, the SC's Guidelines on Listed Real Estate Investment Trusts (REITs Guidelines), the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities) and other relevant laws and requirements.

CMMT is listed on the Main Market of Bursa Securities.

The consolidated financial statements reported for the financial year ended 31 December 2018 relates to the Trust and its subsidiary (the Group).

The principal activity of CMMT is 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 Deed, the REITs Guidelines or by the SC, with a view of providing unitholders with long term and sustainable distribution of income and potential capital growth. The principal activity of the subsidiary is as disclosed in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

The immediate and ultimate holding corporations during the financial year are CapitaLand Mall Asia Limited and CapitaLand Limited (CL) respectively. Both corporations are incorporated in the Republic of Singapore.

The principal activity of the Manager is to manage and administer CMMT. The Manager, incorporated in Malaysia, is a subsidiary of CapitaLand Financial Limited which is incorporated in the Republic of Singapore and is a wholly-owned subsidiary of CL.

The Manager's registered office and principal place of business are as follows:

Unit No.1-27, Level 27, Capital Tower
No.10, Persiaran KLCC
50088 Kuala Lumpur

The financial statements were approved by the Manager's Board of Directors on 13 February 2019.

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements of the Group and of the Trust have been prepared in accordance with the provisions of the Deed, the REITs Guidelines, Malaysian Financial Reporting Standards (MFRSs) and International Financial Reporting Standards.

The following are accounting standards, amendments and interpretations of the MFRSs that have been issued by the Malaysian Accounting Standards Board (MASB) but have not been adopted by the Group and the Trust:

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 11, *Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)**
- 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)*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures**

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2020

- Amendments to MFRS 3, *Business Combinations – Definition of a Business*
- Amendments to MFRS 101, *Presentation of Financial Statements* and MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- MFRS 17, *Insurance Contracts*

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

The Group and the Trust plan to apply the abovementioned accounting standards, amendments and interpretations:

- from the annual period beginning on 1 January 2019 for those accounting standard, amendments and interpretation that are effective for annual periods beginning on or after 1 January 2019, except for "*" which are not applicable to the Group and the Trust.

- from the annual period beginning on 1 January 2020 for those amendments that are effective for annual periods beginning on or after 1 January 2020.

The Group and the Trust do not plan to apply MFRS 17, *Insurance Contracts* that is effective for annual periods beginning on 1 January 2021 as it is not applicable to the Group and the Trust.

The initial application of the accounting standards, amendments or interpretations are not expected to have any material financial impact to the current and prior period financial statements of the Group and of the Trust except as mentioned below:

(i) MFRS 16, *Leases*

MFRS 16 replaces the guidance in MFRS 117, *Leases*, IC Interpretation 4, *Determining whether an Arrangement contains a Lease*, IC Interpretation 115, *Operating Leases – Incentives* and IC Interpretation 127, *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

MFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

The financial impact that may arise from the adoption of MFRS 16 is not expected to be material to the Group and the Trust.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for investment properties as disclosed in Note 2(d) and financial instruments as disclosed in Note 2(f), and on a going concern basis.

The Group and the Trust have net current liabilities of RM362,915,000 and RM362,900,000 respectively as at 31 December 2018 mainly due to the reclassification of a three-year unrated and secured medium term note (MTN) of RM300 million from non-current liabilities to current liabilities as it will mature on 20 December 2019 as disclosed in Note 10. The refinancing process for the RM300 million MTN has commenced and the Manager is confident that the MTN will be refinanced upon maturity. The Manager also expects the Group and the Trust will continue to generate operating cash inflows in the next twelve months.

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION (CONTINUED)

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (RM), which is the Group's and the Trust's functional currency. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgement in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than valuation of investment properties as disclosed in Note 4.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, and have been applied consistently by Group entities, unless otherwise stated.

Arising from the adoption of MFRS 15, *Revenue from Contracts with Customers* and MFRS 9, *Financial Instruments*, there are changes to the accounting policies of:

i) financial instruments;
ii) revenue recognition; and
iii) impairment losses of financial instruments

as compared to those adopted in previous financial statements. There was no material impact arising from the adoption of MFRS 15 and MFRS 9 on the Group's and the Trust's financial statements.

(a) Basis of consolidation

Subsidiary

Subsidiary is an entity controlled by the Trust. The financial statements of the subsidiary are included in the consolidated financial statements from the date of which control commences until the date on which control ceases.

The Trust controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investment in subsidiary is measured in the Trust's statement of financial position at cost less any impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (continued)

Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Foreign currencies

Transactions in foreign currencies are translated to the functional currency of the Group and of the Trust at exchange rates at the dates of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

(c) Plant and equipment

(i) Recognition and measurement

Items of plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

The gain and loss on disposal of an item of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and is recognised net within "other operating income" and "other operating expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group or the Trust and its cost can be measured reliably. The carrying amount of the replaced part is derecognised and is charged to profit or loss. The costs of the day-to-day servicing of equipment are recognised in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Plant and equipment (continued)

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant parts of individual assets are assessed, and if a part has a useful life that is different from the remainder of that asset, then that part is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

Computer	2 - 3 years
Office equipment	3 - 5 years

Depreciation methods, useful lives and residual values are reassessed at the end of the reporting period, and adjusted as appropriate.

(d) Investment properties

Investment properties are properties which are owned or held under leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured initially at cost and subsequently at fair value with any changes therein recognised in profit or loss for the period in which they arise. Cost includes expenditure that is directly attributable to the acquisition of the investment properties.

Fair value is determined in accordance with the Deed and the REITs Guidelines which requires the investment properties to be valued by independent professional valuers. In determining the fair value, the valuers used valuation techniques which involve certain estimates. In relying on the valuation reports, the Manager has exercised its judgement and is satisfied that the valuation methods and estimates reflect the current market conditions. The fair value is determined once every six months based on internal valuation or independent professional valuation.

When an investment property is disposed of, the resulting gain or loss is recognised in profit or loss in the year in which the item is derecognised.

Investment properties are not depreciated. The properties are subject to continued maintenance and are regularly revalued on the basis mentioned above. For taxation purposes, the Group or CMMT may claim capital allowances on assets that qualify as plant and machinery under the Income Tax Act, 1967.

(e) Leases

Lessees of an operating lease

Leases, where the Group and the Trust does not assume substantially all the risks and rewards of ownership are classified as operating leases. Payments made under the operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense over the term of the lease. Contingent rents are charged to profit or loss in the reporting period in which they are incurred.

Lessors of an operating lease

Assets of the Group and of the Trust subject to operating leases are included in investment properties and are stated at fair value and not depreciated.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments

Current financial year

Unless specifically disclosed below, the Group and the Trust generally applied the following accounting policies retrospectively. Nevertheless, as permitted by MFRS 9, *Financial Instruments*, the Group and the Trust have elected not to restate the comparatives.

(i) Recognition and measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Trust becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, in the case for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Financial instrument categories and subsequent measurement

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Trust changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2(g)(i)) where the effective interest rate is applied to the amortised cost.

All financial assets are subject to impairment assessment (see Note 2(g)(i)).

Financial liabilities

The financial liabilities at initial recognition of the Group and of the Trust are classified as amortised cost. Financial liabilities are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (continued)

Current financial year (continued)

(iii) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Previous financial year

In the previous financial year, financial assets and financial liabilities of the Group and of the Trust were classified and measured under MFRS 139, *Financial Instruments: Recognition and Measurement* as follows:

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, borrowings and trade and other payables.

(i) Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less impairment losses, if any.

(ii) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs directly attributable to the issue of the instrument. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Financial instruments (continued)

Previous financial year (continued)

Non-derivative financial instruments (continued)

(iii) Trade and other payables

Trade and other payables, including tenants' deposits, are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost.

A financial instrument is recognised in the statement of financial position when, and only when, the Group or the Trust becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when, and only when, the Group's and the Trust's contractual rights to the cash flows from the financial assets expire or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss. A financial liability is derecognised when, and only when the Group's and the Trust's obligations specified in the contract expire or are discharged or cancelled. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(g) Impairment

(i) Financial assets

Current financial year

Unless specifically disclosed below, the Group and the Trust generally applied the following accounting policies retrospectively. Nevertheless, as permitted by MFRS 9, *Financial Instruments*, the Group and the Trust elected not to restate the comparatives.

The Group and the Trust recognise loss allowances for expected credit losses on financial assets measured at amortised cost. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Trust measure loss allowances at an amount equal to lifetime expected credit loss, except for cash and bank balance for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Trust consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Trust are exposed to credit risk.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Impairment (continued)

(i) Financial assets (continued)

Current financial year (continued)

The Group and the Trust estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

At each reporting date, the Group and the Trust assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group or the Trust determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's or the Trust's procedures for recovery amounts due.

Previous financial year

All financial assets (except for investment in subsidiary) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the assets. Losses expected as a result of future events, no matter how likely, are not recognised. If any such objective evidence exists, then the impairment loss of the financial asset is estimated.

An impairment loss in respect of a financial asset measured at amortised cost is recognised in profit or loss and is measured as the difference between its carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss. An impairment loss is reversed, to the extent that the asset's carrying amount does not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment is reversed, if the reversal can be objectively related to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Impairment (continued)

(ii) Other assets

The carrying amounts of other assets, other than investment properties, are reviewed at the end of each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amounts of assets in the cash-generating unit on a pro-rata basis.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(h) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances and deposits placed with licensed banks. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of pledged deposits.

(i) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently. Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(j) Provisions

A provision is recognised if, as a result of a past event, the Group and the Trust have a present legal or constructive obligation that can be estimated reliably, and is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance costs.

(k) Revenue recognition

(i) Rental income

Rental income from leasing out of shopping mall shops and space is recognised in profit or loss on a straight-line basis over the term of the lease and such revenue includes base rent, service charges and advertising and promotion fee. Contingent rents, which include gross turnover rent, are recognised as income in the financial year in which they are earned. No contingent rents are recognised if there are uncertainties due to the possible return of amounts received.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Revenue recognition (continued)

(ii) Car park income

Car park income is recognised as income in the financial year in which they are earned.

(iii) Other revenue

Other revenue consists of recovery of utilities charges from tenants, kiosk rental, advertising and other miscellaneous income. These are recognised as income in the financial year in which they are earned.

(l) Interest income

Interest income is recognised as it accrues, using the effective interest method in profit or loss.

(m) Expenses

(i) Property operating expenses

Property operating expenses consist of quit rent, assessment, utilities, property management fee, property management reimbursement, advertising and promotion, maintenance and other property outgoings in relation to investment properties where such expenses are the responsibility of CMMT and are recognised on an accrual basis in the year in which they are incurred.

(ii) Manager's management fee

Manager's management fee is recognised on an accrual basis using the applicable formula as set out in Note 13.

(iii) Trustee's fee

Trustee's fee is recognised on an accrual basis using the applicable formula as set out in Note 14.

(iv) Finance costs

Finance costs comprise interest expense on borrowings and amortisation of transaction costs on borrowings which are expensed in profit or loss using the effective interest method over the tenure of borrowings.

(n) Tax expense

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable or receivable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Tax expense (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Where investment properties are carried at fair value in accordance with the accounting policy set out in Note 2(d), the amount of deferred tax recognised is measured using the tax rates that would apply on the sale of those assets at their carrying values at the reporting date unless the property is depreciable and is held with the objective to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

(o) Earnings per unit

The Group and the Trust present basic and diluted earnings per unit. Basic earnings per unit is calculated by dividing the total return by the weighted-average number of units outstanding during the year. Diluted earnings per unit is determined by adjusting the total return and the weighted-average number of ordinary units outstanding, for the effects of all dilutive potential units.

(p) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' results are reviewed and used by the Group's Chief Operating Decision Makers for strategic decision making and resources allocation.

(q) Fair value measurements

Fair value of an asset or a liability, except for lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between the levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

NOTES TO THE FINANCIAL STATEMENTS

3. PLANT AND EQUIPMENT

Group and the Trust	Computer RM'000	Office equipment RM'000	Total RM'000
Cost			
At 1 January 2017	3,232	5,559	8,791
Additions	190	434	624
Write-off	(50)	(11)	(61)
At 31 December 2017/1 January 2018	3,372	5,982	9,354
Additions	246	308	554
Write-off	(187)	(9)	(196)
At 31 December 2018	3,431	6,281	9,712
Accumulated depreciation			
At 1 January 2017	2,631	3,401	6,032
Depreciation for the year	350	991	1,341
Write-off	(50)	(8)	(58)
At 31 December 2017/1 January 2018	2,931	4,384	7,315
Depreciation for the year	240	922	1,162
Write-off	(185)	(9)	(194)
At 31 December 2018	2,986	5,297	8,283
Carrying amounts			
At 1 January 2017	601	2,158	2,759
At 31 December 2017/1 January 2018	441	1,598	2,039
At 31 December 2018	445	984	1,429

NOTES TO THE FINANCIAL STATEMENTS

4. INVESTMENT PROPERTIES

Group and the Trust	2018 RM'000	2017 RM'000
At 1 January	3,966,000	3,938,000
Capital expenditure capitalised	51,891	23,757
Fair value gain (net)	1,109	4,243
At 31 December	4,019,000	3,966,000

Investment properties refer to shopping malls and office block which primarily generate rental income from leasing out retail shops and space to third parties via lease or licence agreements. CMMT's lease agreements generally contain an initial non-cancellable period of three years and subsequent renewals are negotiated with the lessee. The rental rates are negotiated based on prevailing market rates and are pre-agreed over the lease tenure. Gross turnover rent of RM12,853,000 (2017 : RM13,396,000), which represents CMMT's contingent rent, was recognised as income in the financial year.

Gurney Plaza, The Mines and 3 Damansara Property[6], collectively valued at RM2,919,000,000 (2017 : RM2,872,000,000), are pledged as securities for borrowings as disclosed in Note 10. East Coast Mall and CMMT's 205 strata titles in Sungei Wang are unencumbered as at the reporting date.

Details of the investment properties are as follows:

	Date of acquisition	Location	Tenure	Fair value at 31 December 2018[1] RM'000	Fair value at 31 December 2017[2] RM'000	% of fair value to NAV at 31 December 2018[3] %	% of fair value to NAV at 31 December 2017[3] %
Gurney Plaza	14 Jul 2010 & 28 Mar 2011	Penang	Freehold	1,635,000	1,575,000	61.3	58.6
East Coast Mall	14 Nov 2011	Pahang	Leasehold[5]	555,000	511,000	20.8	19.0
Sungei Wang[4]	14 Jul 2010	Kuala Lumpur	Freehold	545,000	583,000	20.4	21.7
3 Damansara Property[6]	10 Jul 2015	Selangor	Freehold	556,000	570,000	20.9	21.2
The Mines	14 Jul 2010	Selangor	Leasehold[5]	728,000	727,000	27.3	27.1
				4,019,000	3,966,000		

1 Based on valuation carried out on 31 December 2018.
2 Based on valuation carried out on 31 December 2017.
3 This is computed based on market value of the investment properties over the NAV before income distribution as at 31 December 2018 and 31 December 2017. This is calculated in accordance with the REITs Guidelines.
4 CMMT's interest in Sungei Wang comprises (i) 205 strata parcels within the mall represents approximately 61.9% of the aggregate retail floor area of Sungei Wang, and (ii) 100.0% of the car park bays in Sungei Wang.
5 The leases have unexpired lease periods of more than 50 years.
6 3 Damansara Property (formerly known as Tropicana City Property).

NOTES TO THE FINANCIAL STATEMENTS

4. INVESTMENT PROPERTIES (CONTINUED)

All land/strata titles have been transferred and registered in the name of the Trustee.

The following are recognised in profit or loss in respect of investment properties:

Group and the Trust	2018 RM'000	2017 RM'000
Gross revenue	350,146	368,934
Less: Property operating expenses	(135,177)	(131,788)
Net property income	214,969	237,146

(a) Fair value information

The fair value of investment properties of the Group and of the Trust are categorised as Level 3. The properties are valued by independent external valuers using the income capitalisation approach, also known as investment approach. This valuation approach takes into account of the gross revenue and outgoings to estimate the net income for the properties. Capitalisation rates are then applied to the net income of the investment properties to determine the market value of the investment properties.

The significant unobservable input is the reversionary capitalisation rate used in the approach adopted above. The estimated fair value would increase (decrease) if the capitalisation rate was lower (higher). Reversionary capitalisation rates for the investment properties range from 6.5% to 7.3% (2017: 6.5% to 7.3%).

(b) Valuation processes applied to the Group and the Trust for Level 3 fair value

The fair value of investment properties is determined by independent external valuers having appropriate recognised professional qualifications and recent experience in the location and category of the investment properties being valued. The external valuers provide the fair value of the Group's and of the Trust's investment property portfolio every six months. The resultant fair value gain or loss arising from the change in valuation is assessed by the Manager after obtaining the valuation reports from the external valuers.

(c) Highest and best use

The Group's and the Trust's investment properties are currently valued at their highest and best use. The investment properties are situated within sizeable catchment populations with strong demand for shopping mall and office space.

NOTES TO THE FINANCIAL STATEMENTS

5. INVESTMENT IN SUBSIDIARY

Trust	2018 RM'000	2017 RM'000
At cost		
Unquoted shares	*	*

* Denotes RM2

CMMT holds 100.0% equity interest in CMMT MTN Berhad, a special purpose vehicle incorporated in Malaysia. Its principal activity is to raise financing on behalf of and on-lending to CMMT through the issuance of rated/unrated secured Medium Term Notes under the Medium Term Notes Programme as set out in Note 10(b).

6. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Trade				
Trade receivables	10,906	13,580	10,906	13,580
Less : Allowance for impairment losses	(2,587)	(2,104)	(2,587)	(2,104)
	8,319	11,476	8,319	11,476
Non-trade				
Deposits	937	1,004	937	1,004
Interest receivables	149	266	138	259
Prepayments	1,181	2,144	1,134	2,023
Other receivables	10,568	8,622	10,552	8,622
	12,835	12,036	12,761	11,908
	21,154	23,512	21,080	23,384

The following table provides information about the exposure to credit risk and expected credit losses for trade receivables as at 31 December 2018.

Group and the Trust	Gross carrying amount RM'000	Allowance for impairment losses RM'000	Net balance RM'000
2018			
Not past due	23	-	23
Past due 1 - 30 days	5,059	(80)	4,979
Past due 31 - 90 days	1,609	(37)	1,572
Past due more than 90 days	4,215	(2,470)	1,745
	10,906	(2,587)	8,319

NOTES TO THE FINANCIAL STATEMENTS

6. TRADE AND OTHER RECEIVABLES (CONTINUED)

The movement in allowance for impairment losses of trade receivables during the financial year is as follows:

Group and the Trust	2018 Credit impaired RM'000
Balance at 1 January as per MFRS 139/9	2,104
Amounts written off	(210)
Net remeasurement of loss allowance	693
Balance at 31 December	2,587

The Manager of CMMT believes that no additional allowance for impairment losses is necessary in respect of past due receivables as these receivables are mainly arising from tenants that have good payment records and sufficient security deposits held as collateral.

Comparative information under MFRS 139, *Financial Instruments: Recognition and Measurement*

The aging of trade receivables as at 31 December 2017 was as follows:

Group and the Trust	Gross amount RM'000	Allowance for impairment losses RM'000	Carrying amount RM'000
2017			
Not past due	41	-	41
Past due 1 - 30 days	5,049	(316)	4,733
Past due 31 - 90 days	3,496	(171)	3,325
Past due more than 90 days	4,994	(1,617)	3,377
	13,580	(2,104)	11,476

The movement in allowance for impairment losses of trade receivables during the financial year was as follows:

Group and the Trust	2017 RM'000
At 1 January	1,313
Impairment losses recognised	992
Write-off against allowance for impairment losses	(201)
At 31 December	2,104

7. AMOUNT DUE FROM/(TO) SUBSIDIARY

The amount due from subsidiary of RM6,818,000 (2017 : RM7,048,000) is non-trade in nature, unsecured, and is repayable on demand. Included in the amount due from subsidiary is an interest-bearing loan from CMMT of RM6,530,000 (2017 : RM6,450,000) where the average interest rate of 3.7% (2017 : 3.4%) per annum is based on the prevailing deposit rates of licensed banks.

The amount due to subsidiary of RM300,000,000 (2017 : RM300,000,000) is pursuant to the REIT Trustee Financing Agreement (RTFA) entered into by the Trustee on behalf of CMMT and the subsidiary on 6 December 2016 where the funds raised from the unrated and secured MTN, as detailed in Note 10(b), were advanced to CMMT. The amount due to subsidiary is secured, subject to interest at approximately 4.3% (2017 : 4.3%) per annum which is payable semi-annually and the principal is repayable in 2019.

NOTES TO THE FINANCIAL STATEMENTS

8. CASH AND CASH EQUIVALENTS

	Group		Trust	
	2018	**2017**	**2018**	**2017**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Deposits placed with licensed banks	81,855	151,946	75,325	145,466
Cash and bank balances	19,525	34,377	19,518	34,371
	101,380	186,323	94,843	179,837

Gurney Plaza maintains separate designated revenue account while The Mines and 3 Damansara Property maintain separate designated revenue and operating accounts with a licensed bank as mentioned in Note 10. This forms part of the financing covenants and the usage of funds in these designated revenue and operating accounts are not restricted as long as no event of default has occurred on the borrowings. The balance of the designated revenue and operating accounts at the end of the financial year that is included in the cash and cash equivalents is RM56,539,000 (2017 : RM105,325,000).

Included in the Group's cash and cash equivalents are pledged deposits of RM6,483,000 (2017 : RM6,483,000). This is in relation to a separate debt service reserves account and trustee reimbursement account assigned by the subsidiary to the security trustee pursuant to the unrated and secured MTN, as set out in Note 10(b). The deposits are maintained with licensed banks and the funds are restricted in use.

9. UNITHOLDERS' CAPITAL

Trust	**Amount 2018 RM'000**	**Number of units 2018 '000**	**Amount 2017 RM'000**	**Number of units 2017 '000**
Issued and fully paid:				
At 1 January	2,172,216	2,037,753	2,162,544	2,031,458
Units issued as part satisfaction of the Manager's management fee	8,916	6,423	9,672	6,295
At 31 December	2,181,132	2,044,176	2,172,216	2,037,753

NOTES TO THE FINANCIAL STATEMENTS

9. UNITHOLDERS' CAPITAL (CONTINUED)

Unitholdings of the Manager and parties related to the Manager

As at 31 December 2018, the Manager has no direct unitholdings in CMMT. However, the Directors of the Manager and parties related to the Manager held units in CMMT and the details are as follows:

2018	Number of units '000	Percentage of unitholdings %	Market value[3] RM'000
Direct unitholdings of parties related to the Manager			
CMMT Investment Limited	710,973	34.78	718,083
Menang Investment Limited	40,256	1.97	40,658
Direct unitholdings of the Directors of the Manager who held office at 31 December 2018			
Ms Low Peck Chen	12	N.M.	12
Ms Tan Siew Bee	100	N.M.	101
Dr Peter Tay Buan Huat[1]	100	N.M.	101
Mr Lim Cho Pin Andrew Geoffrey[1]	47	N.M.	47
2017			
Direct unitholdings of parties related to the Manager			
CMMT Investment Limited	710,973	34.89	1,301,081
Menang Investment Limited	33,832	1.66	61,913
Direct unitholdings of the Directors of the Manager who held office at 31 December 2017			
Mr Ng Kok Siong[1]	100	N.M.	183
Ms Low Peck Chen	12	N.M.	22
Ms Tan Siew Bee	100	N.M.	183
Dr Peter Tay Buan Huat[1]	100	N.M.	183
Mr Lee Hui Yeow[2]	23	N.M.	42

N.M. – Not meaningful

1 Units held through nominees.
2 Alternate director to Mr. Ng Kok Siong
3 The market value of the units for respective year is computed based on the closing market price of RM1.01 per unit as at 31 December 2018 and RM1.83 per unit as at 29 December 2017.

CMMT Investment Limited and Menang Investment Limited are indirect wholly-owned subsidiaries of CL who in turn is the ultimate holding corporation of the Manager.

NOTES TO THE FINANCIAL STATEMENTS

10. BORROWINGS

	Group		Trust	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Non-current				
Secured term loans				
- Fixed rate	848,680	778,680	848,680	778,680
- Floating rate	69,750	139,750	69,750	139,750
Secured revolving credit	32,943	64,400	32,943	64,400
Unrated and secured MTN	-	300,000	-	-
Less: Unamortised transaction costs	(2,242)	(3,749)	(2,242)	(2,896)
	949,131	1,279,081	949,131	979,934
Current				
Unsecured revolving credit	70,560	58,200	70,560	58,200
Unrated and secured MTN	300,000	-	-	-
Less: Unamortised transaction costs	(632)	-	-	-
	369,928	58,200	70,560	58,200
	1,319,059	1,337,281	1,019,691	1,038,134

(a) Secured term loans and revolving credit

CMMT had entered into three separate secured facility agreements with two licensed banks on 10 June 2010 (Secured Facility 1), 17 March 2011 (Secured Facility 2) and 26 June 2015 (Secured Facility 3).

Secured Facility 1 comprises fixed and floating rate term loan facility of RM500.0 million and revolving credit facility of RM61.0 million. Secured Facility 2 comprises fixed and floating rate term loan facility of RM69.7 million and revolving credit facility of RM20.0 million. Both Secured Facilities 1 and 2 will mature between 2022 and 2028.

Secured Facility 3, comprises fixed rate term loan facility of RM348.7 million, revolving credit facility of RM100.0 million and bank guarantee facility of RM10.0 million. The term loan under the Secured Facility 3 will mature in 2022.

As at 31 December 2018, the principal amounts utilised under the Secured Facilities 1, 2 and 3 were RM527.5 million (2017 : RM552.2 million), RM75.2 million (2017 : RM81.9 million) and RM348.7 million (2017 : RM348.7 million) respectively, of which total secured revolving credit utilised under these facilities was RM32.9 million (2017 : RM64.4 million).

The average effective interest rate for the Secured Facilities 1, 2 and 3 was approximately 4.6% (2017 : 4.5%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

10. BORROWINGS (CONTINUED)

(b) Secured Medium Term Notes Programme

The Group has a secured Medium Term Notes Programme of up to RM3.0 billion in nominal value (MTN Programme) under CMMT MTN Berhad (the Issuer), pursuant to which rated/unrated notes in series or tranches may be issued from time to time in Ringgit Malaysia. The MTN Programme has a tenure of twenty years from the date of first issuance of MTN, which was on 20 December 2012. The net proceeds from the issue of the MTN (after deducting issue expenses) will be on-lent to CMMT, which in turn will utilise such proceeds to refinance its existing and/or future borrowings and/or to finance investments, capital expenditure, asset enhancement initiatives and/or working capital of CMMT. The Issuer will also be allowed to use the proceeds to refinance maturing MTN on the respective maturity dates. The security trustee of the MTN Programme is Malaysian Trustees Berhad.

On 20 December 2012, the Issuer issued a RM300.0 million four-year unrated and secured MTN (1-TM) which matured on 20 December 2016. The net proceeds were on-lent to CMMT, via a back-to-back RTFA entered into by the REIT Trustee and the Issuer, for the purpose of refinancing part of the Secured Facility 1. 1-TM bore a coupon rate of approximately 4.5% per annum which is payable semi-annually.

On 20 December 2016, the Issuer issued a RM300.0 million three-year unrated and secured MTN (2-TM) which will be maturing on 20 December 2019. The proceeds were used to redeem the outstanding 1-TM. 2-TM bears a coupon rate of approximately 4.3% per annum which is payable semi-annually. The refinancing process for the RM300.0 million MTN has commenced and the Manager is confident that the MTN will be refinanced upon maturity.

(c) Unsecured revolving credit

On 4 January 2012, CMMT obtained an unsecured revolving credit facility (RCF 1) of RM100.0 million with Alliance Bank Malaysia Berhad, a related company of a substantial unitholder and of the Manager, for the purpose of working capital and is subject to annual review. The interest rate of RCF 1 was approximately of 4.4% (2017 : 4.1%) per annum, which is payable on a monthly basis.

CMMT obtained an unsecured revolving credit facility of RM50.0 million on 6 April 2016 and an additional unsecured revolving credit facility of RM50.0 million in September 2018 from a licensed bank. The unsecured revolving credit facility is subject to annual review.

As at 31 December 2018, the outstanding unsecured revolving credit was RM70.6 million (2017 : RM58.2 million) at an average effective interest rate of approximately 4.2% (2017 : 3.9%) per annum.

The secured borrowings are secured by charges on investment properties as disclosed in Note 4 with an amount of RM2,919,000,000 (2017 : RM2,872,000,000).

NOTES TO THE FINANCIAL STATEMENTS

11. TRADE AND OTHER PAYABLES

	Group		Trust	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Current				
Trade				
Trade payables	2,247	2,736	2,247	2,736
Amount due to related parties	7,780	8,546	7,780	8,546
	10,027	11,282	10,027	11,282
Non-trade				
Interest payables	5,121	4,994	4,698	4,571
Accruals	46,152	36,931	46,135	36,920
Other payables	1,416	2,951	1,416	2,951
Advances	5,325	3,914	5,325	3,914
	58,014	48,790	57,574	48,356
	68,041	60,072	67,601	59,638

Included in the amount due to related parties are an amount due to the Manager of RM7,642,000 (2017 : RM8,503,000) of which RM4,001,000 (2017 : RM4,620,000) is payable in units of CMMT as payment for the performance component of management fee for the period from 1 July 2018 to 31 December 2018 (2017: for the period from 1 July 2017 to 31 December 2017), Trustee's fee of RM101,000 (2017 : RM34,000) and amount due to a related party of RM37,000 (2017:RM9,000) for the project management fees for asset enhancement works. The relationship and transactions of the above are further disclosed in Note 25.

12. OTHER OPERATING EXPENSES

Group and the Trust	2018 RM'000	2017 RM'000
Property management fee and reimbursement	23,683	22,840
Marketing expenses	9,451	9,640
Quit rent and assessment	12,133	8,748
General and administrative expenses	5,363	5,838
	50,630	47,066

The property management fee is payable to the property managers, namely (1) Knight Frank Property Management Sdn. Bhd. for all CMMT's properties for the full year under review except for Sungei Wang; and (2) Zaharin Nexcap Property Management Sdn. Bhd., the property manager for CMMT's interest in Sungei Wang. Property management reimbursement includes reimbursable staff costs and other reimbursement for managing the investment properties.

The 2018 property management fee for Gurney Plaza, The Mines, East Coast Mall and 3 Damansara Property is based on a monthly fee of RM75,000 (2017 : RM75,000) as stipulated in the property management agreement dated 17 March 2016. Property management fee for CMMT's interest in Sungei Wang is based on a monthly fee of RM19,000 (2017: RM18,000 from 1 January 2017 till 31 March 2017 and RM19,000 from 1 April 2017 till 31 December 2017) as stipulated in the property management agreement dated 1 April 2017.

NOTES TO THE FINANCIAL STATEMENTS

13. MANAGER'S MANAGEMENT FEE

Group and the Trust	2018 RM'000	2017 RM'000
Base management fee	12,006	11,989
Performance fee	10,211	11,264
	22,217	23,253

Pursuant to the Deed, the Manager is entitled to a base fee of up to 1.0% per annum of the total asset value and a performance fee of up to 5.0% per annum of net property income. For the financial year ended 31 December 2018, the Manager has accounted for a base fee of 0.29% (2017 : 0.29%) per annum of the total asset value, payable quarterly in arrears, and a performance fee of 4.75% (2017 : 4.75%) per annum of net property income, payable semi-annually in units after distribution to unitholders, except for the performance fee related to East Coast Mall which was payable in cash.

In addition to the above, the Manager is also entitled to an acquisition fee of up to 1.0% of the purchase price and a divestment fee of up to 0.5% of the sale price of any authorised investment/divestment.

During the financial year ended 31 December 2018, the Manager was paid 6,423,500 units (2017 : 6,294,600 units) in CMMT or equivalent to RM8,916,000 (2017 : RM9,672,000), as part settlement of its management fee for the period from 1 July 2017 to 30 June 2018. The Manager disposed 2,882,300 and 3,541,200 units (2017 : 3,177,100 and 3,117,500 units) in CMMT at cost to a related party, Menang Investment Limited, on 21 June 2018 and 20 September 2018 respectively (2017 : 15 March 2017 and 19 September 2017).

There were no other fees or soft commission paid to the Manager during the financial year other than as disclosed above.

14. TRUSTEE'S FEE

Pursuant to the Deed, the Trustee is entitled to a fee of 0.02% per annum of the total asset value for the first RM2.0 billion and a 0.01% per annum of the total asset value thereafter, payable monthly in arrears.

Trustee's fee was at RM400,000 (2017 : RM400,000) per annum for the financial year ended 31 December 2018.

15. FINANCE COSTS

	Group		Trust	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Interest expense on secured term loans	41,795	41,123	41,795	41,123
Interest expense on unrated and secured MTN	12,870	12,870	-	-
Interest expense on RTFA with subsidiary	-	-	12,870	12,870
Interest expense on secured and unsecured revolving credits	5,492	4,423	5,492	4,423
Amortisation of transaction costs on borrowings	875	1,173	654	949
Others	84	101	305	325
	61,116	59,690	61,116	59,690

NOTES TO THE FINANCIAL STATEMENTS

16. 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 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 criteria, the entire taxable income of the REIT for the year would be subject to income tax.

As CMMT will distribute approximately 100.0% of its distributable income for the financial year ended 31 December 2018 to its unitholders, no provision for tax expense has been made for the current year.

Reconciliation of tax expense is as follows:

Group and the Trust	2018 RM'000	2017 RM'000
Profit before taxation	135,628	162,100
Income tax at Malaysian statutory tax rate of 24.0%	32,551	38,904
Effect of net fair value gain of investment properties not subject to tax	(266)	(1,018)
Effect of income not subject to tax	(34,029)	(39,142)
Expenses not deductible for tax purposes	1,744	1,256
Tax expense for the financial year	-	-

17. EARNINGS PER UNIT

Basic and diluted earnings per unit

The calculation of earnings per unit is based on the weighted average number of units during the year and profit for the year.

Group and the Trust	2018 RM'000	2017 RM'000
Profit for the financial year	135,628	162,100
Add: Manager's management fee	22,217	23,253
Profit for the financial year before Manager's management fee	157,845	185,353

	2018 '000	2017 '000
Issued units at the beginning of the year	2,037,753	2,031,458
Weighted average number of units issued as part satisfaction of the Manager's management fee	3,308	3,534
Weighted average number of units at the end of the year	2,041,061	2,034,992
Earnings per unit (sen)		
- before Manager's management fee	7.73	9.11
- after Manager's management fee	6.64	7.97

Diluted earnings per unit equals to Basic earnings per unit as there are no potential dilutive units in issue.

NOTES TO THE FINANCIAL STATEMENTS

18. DISTRIBUTIONS TO UNITHOLDERS

Group and the Trust	2018 RM'000	2017 RM'000
Distributions to unitholders are from the following sources:		
Gross rental income	271,165	289,437
Interest income	4,770	5,420
Other income	78,981	79,497
Less: Expenses	(193,568)	(206,964)
Less: Rollover adjustment for rounding difference	-	(16)
Distributable income	161,348	167,374
Distribution per unit (sen) of which:		
- taxable distribution of income (sen)	6.72	7.76
- tax exempt distribution of income (sen)	1.18	0.46
	7.90	8.22

Pursuant to the 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%

19. PORTFOLIO TURNOVER RATIO

There were neither acquisitions nor disposals of investments during the financial year. The Group portfolio turnover ratio (PTR) for the financial year is nil (2017 : nil).

The calculation of the PTR is based on the average of total acquisitions and total disposals of investments in CMMT for the year to the average net asset value during the financial year.

Since the basis of calculating the PTR can vary among the REITs, there is no sound basis for providing an accurate comparison of CMMT against other REITs.

NOTES TO THE FINANCIAL STATEMENTS

20. MANAGEMENT EXPENSE RATIO

Group	2018	2017
Management expense ratio (MER) (%)	0.9	0.9

MER is calculated based on the total fees of CMMT, including Manager's management fee, Trustee's fee and other trust expenses, to the average net asset value during the financial year.

Comparison of the MER of CMMT with other REITs which may use different basis of calculation may not be an accurate comparison.

21. CAPITAL COMMITMENTS

Capital commitments in relation to capital expenditure of the existing portfolio of CMMT are as follows:

Group and the Trust	2018 RM'000	2017 RM'000
Contracted but not provided for	33,681	3,754

22. OPERATING LEASE

The Group and the Trust have the following commitments at the end of the financial year:

(a) Operating lease rental payable

Future minimum lease payments of the Group and of the Trust on non-cancellable operating leases are as follows:

Group and the Trust	2018 RM'000	2017 RM'000
Less than one year	82	71
Between one and five years	112	108
	194	179

The Group and the Trust lease photocopiers under operating leases. The leases run for a period of between three and five years with an option to renew the leases upon expiry.

NOTES TO THE FINANCIAL STATEMENTS

22. OPERATING LEASE (CONTINUED)

(b) Operating lease rental receivable

Future minimum lease rental receivable of the Group and of the Trust on non-cancellable operating leases from investment properties are as follows:

Group and the Trust	2018 RM'000	2017 RM'000
Less than one year	197,631	193,795
Between one and five years	142,979	165,755
More than five years	7,663	8,185
	348,273	367,735

23. FINANCIAL INSTRUMENTS

23.1 Categories of financial instruments

The financial instruments of the Group and of the Trust are categorised as follows:

	Carrying amount	
	Group 2018 RM'000	Trust 2018 RM'000
Financial assets categorised as amortised cost:		
Trade and other receivables	19,973	19,946
Amount due from subsidiary	-	6,818
Cash and cash equivalents	101,380	94,843
	121,353	121,607
Financial liabilities categorised as amortised cost:		
Borrowings	1,319,059	1,019,691
Tenants' deposits	89,297	89,297
Amount due to subsidiary	-	300,000
Trade and other payables	62,716	62,276
	1,471,072	1,471,264

	Carrying amount	
	Group 2017 RM'000	Trust 2017 RM'000
Financial assets categorised as loans and receivables:		
Trade and other receivables	21,368	21,361
Amount due from subsidiary	-	7,048
Cash and cash equivalents	186,323	179,837
	207,691	208,246
Financial liabilities measured at amortised cost:		
Borrowings	1,337,281	1,038,134
Tenants' deposits	93,325	93,325
Amount due to subsidiary	-	300,000
Trade and other payables	56,158	55,724
	1,486,764	1,487,183

NOTES TO THE FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.2 Net gains and losses arising from financial instruments

Group and the Trust	2018 RM'000	2017 RM'000
Net gains/(losses) on:		
Financial assets at amortised cost		
- Allowance for impairment losses on trade receivables	(693)	-
- Interest income	4,770	-
	4,077	-
Loans and receivables		
- Allowance for impairment losses on trade receivables	-	(992)
- Interest income	-	5,420
	-	4,428
Financial liabilities at amortised cost		
- Finance costs	(61,116)	(59,690)
- Realised foreign exchange loss	(1)	(7)
- Unrealised foreign exchange loss	*	*
	(61,117)	(59,697)

* less than RM1,000

23.3 Financial risk management

Financial risk management is integral to the whole business of the Group and the Trust. The Group and the Trust adopt an integrated approach to manage the financial risks arising in the normal course of business.

The Group and the Trust have identified the following financial risk exposure from its use of financial instruments:

- Liquidity risk
- Credit risk
- Market risk

The Group and the Trust have implemented risk management policies and guidelines which set its tolerance of risk and its general risk management philosophy.

23.4 Liquidity risk

Liquidity risk is defined as the risk that the Group and the Trust will not be able to meet its financial obligations as they fall due.

The Group's and the Trust's exposures to liquidity risk arises primarily from various payables and borrowings. The Group and the Trust maintain sufficient liquid reserves in terms of cash and credit facilities to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due. In addition, the Manager diligently monitors and observes financing covenants to ensure compliance.

The health and sentiments of the debt markets in Malaysia directly affects the liquidity position of the Group and Trust as external sources of funding are needed to fund new acquisitions or asset enhancement initiatives besides the need to refinance the existing borrowings when they mature.

At the reporting date, RM70,560,000 (2017: RM58,200,000) of revolving credit will be subject to annual review within the next twelve months and the unrated and secured MTN of RM300 million will mature on 20 December 2019. The refinancing process for the RM300 million MTN has commenced and the Manager is confident that the MTN will be refinanced upon maturity. Other than that, there is no immediate refinancing need as the tranches of the Group's and Trust's borrowings have remaining tenures ranging from about 4 to 10 years. The Group and Trust will continue to manage their capital structure proactively by spreading out its debt maturity to a manageable size and maintaining an optimal gearing level.

NOTES TO THE FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.4 Liquidity risk (continued)

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Maturity analysis

The table below summarises the maturity profile of the Group's and of the Trust's financial liabilities as at the end of the financial year based on undiscounted contractual payments:

2018	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	0 - 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
Group							
Non-derivative financial liabilities							
Bank borrowings (excluding unamortised transaction costs)	1,021,933	4.1 - 4.6	1,271,835	114,167	45,069	484,978	627,621
Unrated and secured MTN (excluding unamortised transaction costs)	300,000	4.3	312,870	312,870	-	-	-
Tenants' deposits	89,297	-	89,297	47,480	25,766	15,929	122
Trade and other payables	62,716	-	53,594	53,594	-	-	-
	1,473,946		1,727,596	528,111	70,835	500,907	627,743
Trust							
Non-derivative financial liabilities							
Bank borrowings (excluding unamortised transaction costs)	1,021,933	4.1 - 4.6	1,271,835	114,167	45,069	484,978	627,621
Tenants' deposits	89,297	-	89,297	47,480	25,766	15,929	122
Amount due to subsidiary	300,000	4.3	312,870	312,870	-	-	-
Trade and other payables	62,276	-	53,577	53,577	-	-	-
	1,473,506		1,727,579	528,094	70,835	500,907	627,743

NOTES TO THE FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.4 Liquidity risk (continued)

Maturity analysis (continued)

2017	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	0 - 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
Group							
Non-derivative financial liabilities							
Bank borrowings (excluding unamortised transaction costs)	1,041,030	4.1 - 4.6	1,364,632	102,153	44,735	537,454	680,290
Unrated and secured MTN (excluding unamortised transaction costs)	300,000	4.3	325,740	12,870	312,870	-	-
Tenants' deposits	93,325	-	93,325	54,944	21,999	16,260	122
Trade and other payables	56,158	-	46,544	46,544	-	-	-
	1,490,513		1,830,241	216,511	379,604	553,714	680,412
Trust							
Non-derivative financial liabilities							
Bank borrowings (excluding unamortised transaction costs)	1,041,030	4.1 - 4.6	1,364,632	102,153	44,735	537,454	680,290
Tenants' deposits	93,325	-	93,325	54,944	21,999	16,260	122
Amount due to subsidiary	300,000	4.3	325,740	12,870	312,870	-	-
Trade and other payables	55,724	-	46,533	46,533	-	-	-
	1,490,079		1,830,230	216,500	379,604	553,714	680,412

NOTES TO THE FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.4 Liquidity risk (continued)

Maturity analysis (continued)

Included in the carrying amount of trade and other payables are as follows:

For the Group:

(a) an amount of RM5,121,000 (2017 : RM4,994,000) for interest payable on the borrowings, was incorporated in the contractual cash flows of the bank borrowings and unrated and secured MTN; and

(b) an amount of RM4,001,000 (2017 : RM4,620,000) for Manager's performance fee payable in units was not incorporated in the contractual cash flows.

For the Trust:

(a) an amount of RM4,698,000 (2017 : RM4,571,000), for interest payable on the borrowings, was incorporated in the contractual cash flows of the bank borrowings; and

(b) an amount of RM4,001,000 (2017 : RM4,620,000) for Manager's performance fee payable in units was not incorporated in the contractual cash flows.

23.5 Credit risk

Credit risk is defined as the risk of a financial loss to the Group and to the Trust if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Trust's exposures to credit risk arises primarily from its trade and other receivables.

Credit risk is controlled by credit verification procedures before lease agreements are entered into with tenants and ongoing balance monitoring to ensure minimum credit risk exposure. In addition, there is a stringent collection policy in place to ensure that credit risk is minimised. Other than the collection of security deposits, which typically amounts to an average of three months' rent in the form of cash or bankers' guarantee, the Group and Trust also have vigilant monitoring and debt collection procedures. Debt turnover of CMMT Group as at 31 December 2018 was approximately 16 days (2017 : 14 days).

For other financial assets, the Group and the Trust minimise credit risk by dealing with restricted counterparties that meet the appropriate credit criteria and of high credit standing.

The Manager establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main component of this allowance is a specific loss component that relates to the individually significant exposure. The allowance account in respect of trade and other receivables is used to record impairment losses unless the Manager is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

At the end of financial year, there was no significant concentration of credit risk.

Cash and bank balances are placed with financial institutions which are regulated.

23.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's and the Trust's financial positions or cash flows.

NOTES TO THE FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.6 Market risk (continued)

23.6.1 Interest rate risk

The Group's and the Trust's investments in financial products and its fixed rate borrowings are exposed to a risk of change in the fair values of the instruments due to changes in interest rates. The Group's and the Trust's floating rate borrowings are exposed to a risk of change in cash flows due to changes in interest rate. Short term receivables and payables are not significantly exposed to interest rate risk. Of these instruments, the primary interest rate risk exposure of the Group and the Trust relates to interest-bearing borrowings.

In line with the Group's overall enterprise risk management framework, the Manager adopts a proactive interest rate management policy to manage the risk associated with changes in interest rates on the Group's and the Trust's loan facilities and also seeking to ensure a competitive level of ongoing cost of debt. Interest rate risk is managed on an ongoing basis with the primary objective of limiting the extent to which interest expense could be affected by adverse movements in interest rates.

To mitigate the Group's exposure to fluctuation in interest rates, the Manager has locked in a proportion of the Group's and the Trust's borrowings at fixed interest rates. As at 31 December 2018, the Group's and the Trust's borrowings at fixed rates are 86.9% (2017 : 80.4%) and 83.0% (2017 : 74.8%) respectively while the balance is on a floating rate basis.

The investments in financial products are mainly short term in nature and not held for trading or speculative purposes but are mainly placed in as deposits with licensed banks which yield better returns than cash at bank.

Exposure to interest rate risk

The interest rate profile of the Group's and of the Trust's significant interest-bearing financial instruments, based on carrying amounts as at end of the financial year, is as follows:

	Group		Trust	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Financial assets				
Fixed rate instruments				
Deposits placed with licensed banks	81,855	151,946	75,325	145,466
Amount due from subsidiary	-	-	6,530	6,450
	81,855	151,946	81,855	151,916
Financial liabilities				
Fixed rate instruments				
Secured term loans	848,680	778,680	848,680	778,680
Unrated and secured MTN	300,000	300,000	-	-
Amount due to subsidiary	-	-	300,000	300,000
	1,148,680	1,078,680	1,148,680	1,078,680
Floating rate instruments				
Secured term loans	69,750	139,750	69,750	139,750
Secured and unsecured revolving credit	103,503	122,600	103,503	122,600
	1,321,933	1,341,030	1,321,933	1,341,030

NOTES TO THE FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.6 Market risk (continued)

23.6.1 Interest rate risk (continued)

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Trust do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the financial year would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

An increase of 100 basis points (bp) in interest rate at the reporting date would have increased the finance costs by RM1,733,000 (2017 : RM2,624,000) per annum. A decrease in 100 bp in interest rate would have an equal but opposite effect. This analysis assumes that all other variables remain constant.

23.6.2 Currency risk

As the assets of the Group are currently based in Malaysia, there is little or no foreign exchange exposure from operations. The Group borrows in Malaysian Ringgit from domestic banks and debt capital market hence creating a perfect currency match for the Group's and the Trust's assets and liabilities. At the end of the financial year, the Group and the Trust are not exposed to any significant foreign currency risk.

23.7 Fair value information

The carrying amounts of cash and cash equivalents, trade and other receivables, amount due from subsidiary and trade and other payables approximate their fair values due to the relatively short term nature of these financial instruments.

The fair value of the floating rate borrowings approximates its carrying amount as it reprices to market interest rates for liabilities with similar risk profiles.

The fair value of the fixed rate borrowings at initial recognition approximates its carrying amount as its effective interest rate is considered to be the market rate.

NOTES TO THE FINANCIAL STATEMENTS

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.7 Fair value information (continued)

The fair values of the non-derivative financial liabilities, together with the carrying amounts shown in the statements of financial position, are as follows:

Group	Carrying amount 2018 RM'000	Fair value 2018 RM'000	Carrying amount 2017 RM'000	Fair value 2017 RM'000
Tenants' deposits	89,297	86,719	93,325	91,085
Fixed rate secured term loans	848,680	844,783	778,680	772,897
Unrated and secured MTN	300,000	300,000	300,000	297,114
Trust				
Tenants' deposits	89,297	86,719	93,325	91,085
Fixed rate secured term loans	848,680	844,783	778,680	772,897
Amount due to subsidiary	300,000	300,000	300,000	297,114

The fair values of the non-derivative financial liabilities are categorised as Level 2.

The above fair values, which are determined for disclosure purposes, are calculated based on the present value of future cash flows discounted at the market rate of interest at the end of the financial year. Interest rates used to determine fair values are as follows:

	2018	2017
Tenants' deposits	3.4%	3.1%
Fixed rate secured term loans	4.8%	4.8%
Unrated and secured MTN	4.8%	4.8%
Amount due to subsidiary	4.8%	4.8%

24. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to maintain a strong capital base so as to maintain investor, creditor and market confidence and to ensure optimal returns to unitholders, while maintaining flexibility in respect of future capital expenditure and acquisitions. The Manager continues to rigorously monitor the cash position and borrowings of the Group with the view of strengthening their capital structure and competitive position.

NOTES TO THE FINANCIAL STATEMENTS

24. CAPITAL MANAGEMENT (CONTINUED)

The Manager maintains an optimal gearing ratio, which is defined as total borrowings divided by total asset value, that complies with regulatory requirements and financing covenants. Under the SC's REITs Guidelines, gearing ratio of the Group should not exceed 50.0% at the time the borrowings or financing facilities or deferred payment arrangements are incurred. The Group has complied with the SC's requirement during the financial year. The gearing level of the Group stood at 32.5% (2017 : 32.8%).

Group	Note	2018 RM'000	2017 RM'000
Total asset value (after income distribution)		4,063,649	4,094,734
Total borrowings (excluding unamortised transaction costs)	10	1,321,933	1,341,030
Gearing ratio (%)		32.5	32.8

There was no change in the Group's approach to capital management during the year.

25. RELATED PARTIES

Identity of and transactions with related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Trust has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Trust and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

During the financial year, other than those disclosed elsewhere in the financial statements, the following related party transactions were carried out in the normal course of business under normal commercial terms:

	Group		Trust	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
The Manager				
CapitaLand Malaysia Mall REIT Management Sdn. Bhd.				
- Management fee (Note 13)	22,217	23,253	22,217	23,253
The Trustee				
MTrustee Berhad				
- Trustee's fee (Note 14)	400	400	400	400

NOTES TO THE FINANCIAL STATEMENTS

25. RELATED PARTIES (CONTINUED)

Identity of and transactions with related parties (continued)

	Group		Trust	
	2018 RM'000	**2017 RM'000**	**2018 RM'000**	**2017 RM'000**
Related company of a material unitholder and of the Manager				
Malayan Banking Berhad				
- Interest income earned from bank accounts	*	881	*	881
- Rental income from leasing of space	40	56	40	56
- Bank charges	*	1	*	1
Maybank Investment Bank Berhad				
- Annual facility agent fee for the MTN Programme	*	50	*	-
CapitaLand Retail Malaysia Sdn. Bhd.				
- Project management fee for asset enhancement works	1,437	272	1,437	272
Alliance Bank Malaysia Berhad				
- Drawdown of revolving credit	*	5,400	*	5,400
- Interest paid/payable on revolving credit	*	610	*	610
- Commitment fees	*	26	*	26
- Rental income from leasing of space	19	26	19	26
Storhub Self Storage (SWP) Sdn. Bhd.				
- Pre-termination/ Rental income from leasing of space	727	759	727	759
SP Setia Project Management Sdn. Bhd.				
- Rental income from leasing of space	-	94	-	94
U Mobile Sdn. Bhd.				
- Rental income from leasing of space	183	252	183	252

* In accordance with the amendments made to the Main Market Listing Requirements which took effect on 9 April 2018 in relation to Collective Investment Scheme, pursuant to Paragraph 10.08(11)(e), transactions relating to the provision or receipt of financial assistance or services, upon normal commercial terms and in the ordinary course of business, from a corporation whose activities are regulated by any written law relating to banking, finance corporations or insurance and are subject to supervision by Bank Negara Malaysia are not normally regarded as related party transactions.

26. OPERATING SEGMENTS

The Group has two reportable segments, Retail and Office. For each of the segment, the Group's Chief Operating Decision Makers (CODM) review internal/management reports for the assessment of segment performance.

Segment revenue comprises mainly income generated from its tenants. Segment net property income represents the income earned by each segment after allocating property operating expenses. Segment performance is measured based on the segment net property income.

NOTES TO THE FINANCIAL STATEMENTS

26. OPERATING SEGMENTS (CONTINUED)

Segment result include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated expenses comprise mainly non-operating and trust expenses.

Group	Retail RM'000	Office RM'000	Total RM'000
Segment profit for the year ended 31 December 2018			
Gross revenue	344,232	5,914	350,146
Net property income	211,230	3,739	214,969
Interest income			4,770
Fair value gain of investment properties (net)			1,109
Unallocated expenses			(24,104)
Finance costs			(61,116)
Profit before taxation			135,628
Taxation			-
Profit for the year			135,628

Group	Retail RM'000	Office RM'000	Total RM'000
Segment profit for the year ended 31 December 2017			
Gross revenue	362,468	6,466	368,934
Net property income	233,075	4,071	237,146
Interest income			5,420
Fair value gain of investment properties (net)			4,243
Unallocated expenses			(25,019)
Finance costs			(59,690)
Profit before taxation			162,100
Taxation			-
Profit for the year			162,100

No segment assets and liabilities information is prepared as the Group's CODM assess the segment performance based on the segment's net property income.

Geographical information

No geographical segment information is prepared as the Group's properties are all located in Malaysia.

27. SUBSEQUENT EVENTS

The Manager declared a final income distribution of approximately RM79,314,000 or 3.88 sen per unit on 29 January 2019, for the period from 1 July 2018 to 31 December 2018. This final income distribution will be paid on 8 March 2019. In total, CMMT will be paying approximately RM161,348,000, which is approximately 100.0% of its distributable income, to its unitholders for the financial year ended 31 December 2018. The book closure date for the final income distribution will be on 15 February 2019.

The declared final income distribution will be recognised in the immediate subsequent financial year.

MANAGER'S REPORT

CapitaLand Malaysia Mall REIT Management Sdn. Bhd., the Manager for CapitaLand Malaysia Mall Trust (CMMT or the Trust), has pleasure in presenting its report together with the audited financial statements of the Group and of the Trust for the financial year ended 31 December 2018.

CMMT is a Malaysia domiciled real estate investment trust (REIT) constituted by a deed dated 7 June 2010 (which was amended and restated on 5 October 2018) (the Deed) entered into between CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (the Manager) and MTrustee Berhad (the REIT Trustee). The Deed was registered with Securities Commission Malaysia (SC) on 7 December 2018 and is regulated by the SC, the SC's Guidelines on Listed Real Estate Investment Trusts (REITs Guidelines), the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities) and other relevant laws and requirements.

The principal activity of CMMT is 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 Deed, the REITs Guidelines or by the SC, with a view of providing unitholders with long term and sustainable distribution of income and potential capital growth.

The Manager is of the view that it has achieved the investment objective for the financial year ended 31 December 2018. There was no change in the strategies and policies employed during the financial year.

Directors

The Directors of the Manager who have held office during the financial year until the date of this report are as follows:

David Wong Chin Huat
Low Peck Chen
Tan Siew Bee
Peter Tay Buan Huat
Tuan Haji Rosli bin Abdullah
Ng Chih Kaye
Ronald Tay Boon Hwee
Lim Cho Pin Andrew Geoffrey (appointed on 15 April 2018)
Ng Kok Siong (resigned on 15 April 2018)
Lee Hui Yeow (resigned as alternate Director to Ng Kok Siong and appointed as alternate Director to Lim Cho Pin Andrew Geoffrey on 15 April 2018, resigned as alternate Director to Lim Cho Pin Andrew Geoffrey on 31 August 2018)
Foo Wei Hoong (resigned on 25 October 2018)

Directors' Benefits

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Manager was a party, whereby the Directors of the Manager might acquire benefits by means of the acquisition of units in or debentures of CMMT.

MANAGER'S REPORT

Directors' Benefits (continued)

Since the end of the previous financial year, no Director of the Manager has received or become entitled to receive any benefit, by reason of a contract made by the Manager or a related corporation with any Director of the Manager or with a firm of which the Director of the Manager is a member of, or with a company in which the Director of the Manager has substantial financial interest.

Directors' Interests

According to the register of Directors' shareholdings kept by the Manager under Section 59 of the Companies Act 2016 in Malaysia, the interests of Directors of the Manager in office at the end of the financial year in units in CMMT during the financial year were as follows:

	At 1.1.2018 Unit	Acquired Unit	Sold Unit	At 31.12.2018 Unit
Low Peck Chen	12,000	-	-	12,000
Tan Siew Bee	100,000	-	-	100,000
Peter Tay Buan Huat[1]	100,000	-	-	100,000
Lim Cho Pin Andrew Geoffrey[1]	-	47,000	-	47,000

1 Units held through nominees.

The other Directors of the Manager in office at the end of the financial year did not have any interests in units in CMMT during the financial year.

Soft commission

There was no soft commission received by the Manager during the financial year from any broker or dealer by virtue of transactions conducted for CMMT.

Other information

(a) Before the financial statements of the Group and of the Trust were made out, the Manager took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts; and
- (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which the current assets might be expected so to realise.

(b) At the date of this report, the Manager is not aware of any circumstances:
- (i) that would render it necessary to write off any bad debts or provide for any doubtful debts, or
- (ii) that would render the values attributed to the current assets in the financial statements of the Group and of the Trust misleading, or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Trust misleading or inappropriate, or
- (iv) not otherwise dealt with in this report or financial statements that would render any amount stated in the financial statements of the Group and of the Trust misleading.

MANAGER'S REPORT

(c) As at the date of this report, there does not exist:
   (i) any charge on the assets of the Group and of the Trust that has arisen since the end of the financial year end which secures the liabilities of any other person; and
   (ii) any contingent liability of the Group or of the Trust that has arisen since the end of the financial year.

(d) In the opinion of the Manager:
   (i) the results of the operations of the Group and of the Trust during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature; and
   (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Trust for the financial year in which this report is made; and
   (iii) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Trust to meet their obligations as and when they fall due, except as disclosed in Note 10.

Other significant events

There are no significant events during the financial year and up to the date of this report.

Changes in material litigation

The Manager is not aware of any pending litigation which is material since 31 December 2018 up to the date of this report.

Auditors

The auditors, KPMG PLT, have expressed their willingness to continue in office.

Signed on behalf of the Directors of the Manager in accordance with a resolution of the Board of Directors dated 13 February 2019.

David Wong Chin Huat
Chairman

Low Peck Chen
Chief Executive Officer

Kuala Lumpur, Wilayah Persekutuan

Date: 13 February 2019

STATEMENT BY THE MANAGER

The Manager acknowledges its responsibility for the preparation of the annual financial statements of CapitaLand Malaysia Mall Trust and its subsidiary (the Group). In the opinion of the Directors of the Manager, CapitaLand Malaysia Mall REIT Management Sdn. Bhd., the financial statements set out on pages 109 to 152 are drawn up in accordance with the provisions of the Deed dated 7 June 2010 (which was amended and restated on 5 October 2018), the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts, Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Trust as at 31 December 2018 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Directors of the Manager in accordance with a resolution of the Board of Directors dated 13 February 2019.

David Wong Chin Huat
Chairman

Low Peck Chen
Chief Executive Officer

Kuala Lumpur, Wilayah Persekutuan

Date: 13 February 2019

STATUTORY DECLARATION

I, **Jacqueline Kua Ai-Lian**, the officer of CapitaLand Malaysia Mall REIT Management Sdn. Bhd., primarily responsible for the financial management of CapitaLand Malaysia Mall Trust, do solemnly and sincerely declare that the financial statements set out on pages 109 to 152, are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Jacqueline Kua Ai-Lian, MIA CA10917, at Kuala Lumpur, Wilayah Persekutuan on 13 February 2019.

Jacqueline Kua Ai-Lian

Before me:

TRUSTEE'S REPORT

to the Unitholders of CapitaLand Malaysia Mall Trust
(Established in Malaysia)

We have acted as Trustee of CapitaLand Malaysia Mall Trust (CMMT) for the financial year ended 31 December 2018. In our opinion and to the best of our knowledge, CapitaLand Malaysia Mall REIT Management Sdn. Bhd., the Manager of CMMT, has managed CMMT in accordance with the limitations imposed on the investment powers of the Manager and the Trustee under the Deed dated 7 June 2010 (which was amended and restated on 5 October 2018) (the Deed), the Capital Markets and Services Act, 2007, Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts and other applicable laws during the financial year then ended.

We have ensured that the procedures and processes employed by the Manager to value/price the units of CMMT are adequate and that such valuation/pricing is carried out in accordance with the Deed and other regulatory requirements.

We also confirm that the income distributions declared and paid during the financial year ended 31 December 2018 are in line with and are reflective of the objectives of CMMT.

For and on behalf of the Trustee,
MTrustee Berhad

Nurizan Binti Jalil
Chief Executive Officer

Date: 13 February 2019

INDEPENDENT AUDITORS' REPORT

to the Unitholders of CapitaLand Malaysia Mall Trust
(Established in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of CapitaLand Malaysia Mall Trust (CMMT), which comprise the statements of financial position as at 31 December 2018 of the Group and of CMMT, and the statements of profit or loss and other comprehensive income, statements of changes in net asset value and statements of cash flows of the Group and of CMMT for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 109 to 152.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of CMMT as at 31 December 2018, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of CMMT in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants (By-Laws) and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of CMMT for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of CMMT as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties
Refer to Note 2(d) - Significant accounting policy: Investment properties and Note 4 - Investment properties.

The key audit matter

The Group owns a portfolio of investment properties comprising shopping malls and an office block located in Malaysia. Investment properties represent the single largest category of assets on the statements of financial position, at RM4,019,000,000 as at 31 December 2018.

These investment properties are stated at their fair values based on independent external valuations.

The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The valuations are highly sensitive to key assumptions applied in deriving at the capitalisation rates i.e. a small change in the assumptions can have a significant impact to the valuation.

INDEPENDENT AUDITORS' REPORT

to the Unitholders of CapitaLand Malaysia Mall Trust
(Established in Malaysia)

How the matter was addressed in our audit

We performed the following audit procedures, among others:

We assessed the Manager's processes for the selection of the external valuers, the determination of the scope of work of the valuers, and the review and acceptance of the valuations reported by the external valuers.

We considered the qualifications and competence of the external valuers vis-à-vis the expert's qualifications, membership of a professional body or industry association, and license to practice.

We considered the valuation methodologies used against those applied by other valuers for similar property types. We also considered other alternative valuation methods commonly used by external valuers. We tested the integrity of inputs of the projected cash flows used in the valuation to supporting leases agreements and other documents.

We challenged the capitalisation rates used in the valuation by comparing them against historical rates and available industry data, taking into consideration comparability and market factors. Where the rates were outside the expected range, we undertook further procedures to understand the effect of additional factors and, when necessary, held further discussions with the valuers.

We also considered the adequacy of the disclosures in the financial statements, in describing the inherent degree of subjectivity and key assumptions in the estimates. This includes the relationships between the key unobservable inputs and fair values, in conveying the uncertainties.

Information Other than the Financial Statements and Auditors' Report Thereon

CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (Manager) is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of CMMT and our auditors' report thereon.

Our opinion on the financial statements of the Group and of CMMT does not cover the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of CMMT, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of CMMT or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the Financial Statements

The Manager is responsible for the preparation of the financial statements of the Group and of CMMT that give a true and fair view in accordance with the Deed dated 7 June 2010 (which was amended and restated on 5 October 2018), the Capital Markets and Services Act, 2007, Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts, Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Group and of CMMT that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of CMMT, the Manager is responsible for assessing the ability of the Group and of CMMT to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Group or CMMT or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT

to the Unitholders of CapitaLand Malaysia Mall Trust
(Established in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of CMMT as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of CMMT, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Manager's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of CMMT to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of the Group and of CMMT or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or CMMT to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of CMMT, including the disclosures, and whether the financial statements of the Group and of CMMT represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

INDEPENDENT AUDITORS' REPORT

to the Unitholders of CapitaLand Malaysia Mall Trust
(Established in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the Group and of CMMT for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

This report is made solely to the unitholders of CMMT and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Ow Peng Li
Approval Number: 02666/09/2019 J
Chartered Accountant

Petaling Jaya,

Date: 13 February 2019

STATISTICS OF UNITHOLDERS

as at 31 December 2018

Issued and Fully Paid Units	2,044,176,200 units (voting rights: 1 vote per unit)
Public Spread	As at 31 December 2018, the public shareholding spread of CMMT was 63.24[1]

[1] The figures were derived at after excluding unitholdings held by CMMT Investment Limited, Menang Investment Limited and Directors of the Manager, pursuant to the definition of "public" under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

ANALYSIS BY SIZE OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	% of Unitholders	No. of Units	% of Units
Less than 100	148	2.21	1,642	0.00
100 - 1,000	1,173	17.48	810,993	0.04
1,001 - 10,000	3,518	52.42	18,439,530	0.90
10,001 - 100,000	1,580	23.54	51,773,710	2.53
100,001 - less than 5% of approved fund size	288	4.29	682,402,025	33.40
5% and above the approved fund size	4	0.06	1,290,748,300	63.14
Total	**6,711**	**100.00**	**2,044,176,200**	**100.00**

THIRTY (30) LARGEST UNITHOLDERS AS PER RECORD OF DEPOSITORS

No	Name of Unitholder	Holdings	%
1	CMMT Investment Limited	710,973,600	34.78
2	Amanahraya Trustees Berhad Amanah Saham Bumiputera	244,467,200	11.96
3	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	179,987,900	8.80
4	Kumpulan Wang Persaraan (Diperbadankan)	155,319,600	7.60
5	Valuecap Sdn Bhd	87,105,400	4.26
6	Amanahraya Trustees Berhad Amanah Saham Malaysia 2 - Wawasan	45,000,000	2.20
7	Cartaban Nominees (Asing) Sdn Bhd GIC Private Limited For Government Of Singapore (C)	44,763,200	2.19
8	Menang Investment Limited	40,255,700	1.97
9	Amanahraya Trustees Berhad Amanah Saham Malaysia	40,117,000	1.96
10	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (AFFIN-HWG)	39,243,700	1.92
11	Malaysia Nominees (Tempatan) Sendirian Berhad Great Eastern Life Assurance (Malaysia) Berhad (Par 1)	33,872,100	1.66

STATISTICS OF UNITHOLDERS

as at 31 December 2018

THIRTY (30) LARGEST UNITHOLDERS AS PER RECORD OF DEPOSITORS (CONTINUED)

No	Name of Unitholder	Holdings	%
12	Permodalan Nasional Berhad	25,000,000	1.22
13	Citigroup Nominees (Tempatan) Sdn Bhd Exempt AN For AIA Bhd	23,158,500	1.13
14	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd For Zurich Life Insurance Malaysia Berhad (Life Par)	21,971,500	1.07
15	Amanahraya Trustees Berhad Amanah Saham Malaysia 3	19,952,900	0.98
16	Cartaban Nominees (Tempatan) Sdn Bhd PAMB For Prulink Equity Fund	18,639,200	0.91
17	Malaysia Nominees (Tempatan) Sendirian Berhad Great Eastern Life Assurance (Malaysia) Berhad (Par 3)	16,204,200	0.79
18	Amanahraya Trustees Berhad Public Smallcap Fund	14,150,000	0.69
19	Amanahraya Trustees Berhad ASN Umbrella For Asn Equity 3	13,843,900	0.68
20	Citigroup Nominees (Asing) Sdn Bhd CBNY For DFA International Real Estate Securities Portfolio Of DFA Investment Dimensions Group Inc	12,896,000	0.63
21	Amanahraya Trustees Berhad Amanah Saham Bumiputera 2	11,465,000	0.56
22	Malaysia Nominees (Tempatan) Sendirian Berhad Great Eastern Life Assurance (Malaysia) Berhad (Par 4)	9,161,700	0.45
23	Cartaban Nominees (Asing) Sdn Bhd BCSL Client AC PB Cayman Clients	7,593,800	0.37
24	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (VCAM Equity FD)	7,022,100	0.34
25	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Aberdeen)	6,778,900	0.33
26	Cartaban Nominees (Asing) Sdn Bhd GIC Private Limited For Monetary Authority Of Singapore (H)	5,913,100	0.29
27	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (Affin AM A EQ)	5,698,700	0.28
28	Amanahraya Trustees Berhad Asn Imbang (Mixed Asset Balanced) 1	5,479,800	0.27
29	Malaysia Nominees (Tempatan) Sendirian Berhad Great Eastern Life Assurance (Malaysia) Berhad (Leef)	4,643,800	0.24
30	Amanahraya Trustees Berhad ASN Umbrella For ASN Imbang (Mixed Asset Balanced) 2	4,617,800	0.23
	Total	**1,855,296,300**	**90.76**

STATISTICS OF UNITHOLDERS

as at 31 December 2018

LIST OF DIRECTORS' INTEREST

Name	Designation	Nationality	No. of Units Held Through Own Name	No. of Units Held Through Nominees	Total Unitholdings
Mr David Wong Chin Huat	Chairman / Non-Executive Independent Director	Singaporean	-	-	-
Ms Low Peck Chen	Executive Non-Independent Director	Malaysian	12,000	-	12,000
Ms Tan Siew Bee	Non-Executive Independent Director	Malaysian	100,000	-	100,000
Dr Peter Tay Buan Huat	Non-Executive Independent Director	Singaporean	-	100,000	100,000
Mr Lim Cho Pin Andrew Geoffrey	Non-Executive Non-Independent Director	Singaporean	-	47,000	47,000
Tuan Haji Rosli bin Abdullah	Non-Executive Independent Director	Malaysian	-	-	-
Mr Ng Chih Kaye	Non-Executive Independent Director	Malaysian	-	-	-
Mr Ronald Tay Boon Hwee	Non-Executive Non-Independent Director	Singaporean	-	-	-
Total			**112,000**	**147,000**	**259,000**

STATISTICS OF UNITHOLDERS

as at 31 December 2018

SUBSTANTIAL UNITHOLDERS

No.	Name	No. of Units Held Through Own Name	No. of Units Held Through Nominees	Total Unitholdings	%
1	CMMT Investment Limited	710,973,600	-	710,973,600	34.78
2	Employees Provident Fund Board	-	179,987,900	226,010,500	11.06
	Employees Provident FD BD (ABERDEEN)	-	6,778,900		
	Employees Provident FD BD (AFFIN HWG)		39,243,700		
	Registered with: *Citigroup Nominees (Tempatan) Sdn. Bhd.*				
3	Amanah Saham Bumiputera Registered with: *AmanahRaya Trustees Berhad*	-	244,467,200	244,467,200	11.96
4	Kumpulan Wang Persaraan (Diperbadankan)	155,319,600	-	171,371,400	8.38
	Kumpulan Wang Persaraan (Diperbadankan) (VCAM Equity FD)	-	7,022,100		
	Kumpulan Wang Persaraan (Diperbadankan) (Aberdeen)	-	3,331,000		
	Kumpulan Wang Persaraan (Diperbadankan) (AFFIN AM A EQ)	-	5,698,700		
	Registered with: *Citigroup Nominees (Tempatan) Sdn. Bhd.*				
	Total	**866,293,200**	**486,529,500**	**1,352,822,700**	**66.18**

NOTICE OF ANNUAL GENERAL MEETING

CAPITALAND MALAYSIA MALL TRUST
(Established in Malaysia under the trust deed dated 7 June 2010 (as amended and restated on 5 October 2018) entered into between CapitaLand Malaysia Mall REIT Management Sdn. Bhd (819351-H) and MTrustee Berhad (163032-V))

NOTICE IS HEREBY GIVEN that the Annual General Meeting (**AGM**) of the holders of units (**Units**) (**Unitholders**) of CapitaLand Malaysia Mall Trust (**CMMT**) will be held on Thursday, 28 March 2019 at 10.00 a.m. at Diamond Ballroom, Level 1, EQ, Equatorial Plaza, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia to transact the following businesses:

ORDINARY BUSINESS

1. To receive the report of MTrustee Berhad, as trustee of CMMT (the **Trustee**), the report by CapitaLand Malaysia Mall REIT Management Sdn. Bhd., as manager of CMMT (the **Manager**), and the Audited Financial Statements of CMMT for the financial year ended 31 December 2018 and the Auditors' Report attached thereon.

SPECIAL BUSINESS
To consider and, if thought fit, to pass with or without any modification, the following resolutions:

2. **PROPOSED AUTHORITY TO ISSUE AND ALLOT NEW UNITS OF UP TO 20% OF THE TOTAL NUMBER OF ISSUED UNITS (PROPOSED AUTHORITY)** **Ordinary Resolution 1**

"**THAT** subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (**Bursa Securities**), provisions of the trust deed dated 7 June 2010 (as amended and restated on 5 October 2018) and the approval of the relevant regulatory authorities, where such approval is required, authority be and is hereby given to the Manager to allot and issue new units in CapitaLand Malaysia Mall Trust ("**CMMT**") (**New Units**) from time to time to such persons and for such purposes as the Manager may in its absolute discretion deem fit and in the best interest of CMMT, provided that the number of New Units to be allotted and issued pursuant to this resolution must not exceed 408,835,240 Units, representing 20% of the total number of units issued of CMMT;

AND THAT the Proposed Authority shall be effective and continue to be in force from the date of receipt of all relevant authorities' approval or the date the Unitholders pass this resolution, whichever may be the later, until:

(a) the conclusion of the next AGM of the Unitholders at which time it shall lapse, unless by a resolution passed at the meeting, the authority is renewed; or

(b) the expiration of the period within which the next AGM of the Unitholders is required by law to be held; or

(c) the Proposed Authority is revoked or varied by the Unitholders in a Unitholders' meeting,

whichever occurs first (**Validity Period**);

AND THAT the New Units to be issued pursuant to the Proposed Authority shall, upon allotment and issuance, rank pari passu in all respects with the existing Units except that the New Units will not be entitled to any distributable income, right, benefit, entitlement and/or any other distributions that may be declared before the date of allotment and issuance of such New Units;

NOTICE OF ANNUAL GENERAL MEETING

AND THAT authority be and is hereby given to the Manager and the Trustee, acting for and on behalf of CMMT, to give effect to the aforesaid Proposed Authority with full powers to assent to any condition, variation, modification and/or amendment in any manner as the Manager and the Trustee may deem fit and in the best interest of CMMT and/or as may be imposed by the relevant authorities, and to deal with all matters relating thereto;

AND FURTHER THAT authority be and is hereby given to the Manager and the Trustee, acting for and on behalf of CMMT, to take all such steps and do all acts, deeds and things in any manner (including execute such documents as may be required) as they may deem necessary or expedient to implement, finalise, complete and give full effect to the Proposed Authority."

(Please see Explanatory Note 1)

3. **PROPOSED UNIT BUY-BACK AUTHORITY TO REPURCHASE UP TO TEN PERCENT (10%) OF THE TOTAL NUMBER OF UNITS ISSUED ("PROPOSED UNIT BUY-BACK MANDATE")** **Ordinary Resolution 2**

"**THAT** subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**"), provisions of the trust deed dated 7 June 2010 (as amended and restated on 5 October 2018), and any prevailing laws, guidelines, rules and regulations issued by the relevant authorities, the Board of the Manager shall be authorised to repurchase the units in CapitaLand Malaysia Mall Trust ("**CMMT**") ("**Units**") for and on behalf of CMMT through Bursa Securities, subject to the following:

(a) the aggregate number of Units in CMMT which may be repurchased shall not exceed ten percent (10%) of the total number of Units issued at the time of purchase and the compliance with the public unitholding spread requirements as stipulated under the Listing Requirements;

(b) the maximum funds to be allocated by CMMT for the purpose of repurchasing the Units shall not exceed the aggregate of the retained profits of CMMT based on the latest audited financial statements of CMMT available at the time of purchase;

(c) the authority conferred by this resolution shall be effective and continue to be in force from the date the Unitholders pass this resolution, whichever may be the later, until:

(i) the conclusion of the next AGM of the Unitholders at which time it shall lapse, unless by a resolution passed at the meeting, the authority is renewed; or

(ii) the expiration of the period within which the next AGM of the Unitholders is required by law to be held; or

(iii) the authority is revoked or varied by the Unitholders in a Unitholders' general meeting,

whichever occurs first;

THAT where the Manager has repurchased the Units, the Board shall cancel the Units so repurchased immediately.

NOTICE OF ANNUAL GENERAL MEETING

AND THAT authority be and is hereby given to the Board of the Manager, for and on behalf of CMMT, to sign and execute all documents, and do all acts and things as may be required for or in connection with and to give effect to, and to implement the Proposed Unit Buy-Back with full power to do all such acts as they may consider necessary or expedient in the best interest of CMMT so as to give full effect to the same with further power to assent to any condition, modification, variation and/or amendment as may be required or imposed by the relevant authorities."

(Please see Explanatory Note 2)

BY ORDER OF THE BOARD

CAPITALAND MALAYSIA MALL REIT MANAGEMENT SDN. BHD.
(Company No. 819351-H)
as manager of CapitaLand Malaysia Mall Trust

Khoo Ming Siang (MAICSA No. 7034037)
Teo Mee Hui (MAICSA No. 7050642)
Company Secretaries
Kuala Lumpur
28 February 2019

Enclosures :

1. **Explanatory Notes**
2. **Proxy Form**

cc : MTrustee Berhad

Securities Commission Malaysia

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. *Only Unitholders whose names appear in the Record of Depositors on 21 March 2019 are entitled to attend, speak and vote at the AGM.*

2. *A Unitholder may attend the AGM in person or appoint up to two proxies to attend the AGM and vote in the Unitholder's place. A Unitholder holding 10,000 Units or less shall be entitled to appoint one proxy (whether a Unitholder or not). A Unitholder holding more than 10,000 Units shall be entitled to appoint maximum of two proxies (whether a Unitholder or not).*

3. *On a poll, every Unitholder who is present in person or by proxy/proxies has one vote for every Unit held by him.*

4. *Where the Unitholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one proxy for each securities account that holds 10,000 Units or less standing to the credit for the said securities account and up to two proxies for each securities account that has more than 10,000 Units standing to the credit for the said securities account.*

5. *Where a Unitholder appoints two proxies in accordance with such provision, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.*

6. *Any appointment of a proxy shall be in writing in the Proxy Form attached herewith under the hand of the Unitholder or of his duly appointed attorney or, if the Unitholder is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.*

7. *The Proxy Form appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised certified copy of that power or authority, must be deposited with the Manager at CapitaLand Malaysia Mall REIT Management Sdn. Bhd., Unit No. 1-27, Level 27, Capital Tower, No. 10, Persiaran KLCC, 50088 Kuala Lumpur, Malaysia, not less than 24 hours before the time appointed for holding the meeting or any adjournment thereof, by hand or post; in default of this provision, the Proxy Form shall not be treated as valid.*

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager and the Trustee (or their agents) for the purpose of processing and administering the proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Manager and the Trustee (or their agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the Purposes), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to the Manager and the Trustee (or their agents), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Manager and the Trustee (or their agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

1. **Ordinary Resolution 1 – Proposed Authority**

   At the conclusion of the forthcoming AGM to be held on 28 March 2019, the authority for the Manager to allot and issue up to 20% of CMMT's total number of units issued approved by Unitholders at CMMT's sixth AGM on 29 March 2018 will lapse (**Existing Authority**). CMMT has not issued any new Units under the Existing Authority.

   Ordinary Resolution 1 is a new authority for the Manager to allot and issue up to 408,835,240 Units, representing 20% of the total number of units issued of CMMT during the Validity Period.

   The Proposed Authority will allow the Manager the flexibility to allot and issue New Units to raise funds to finance future investments, acquisitions and capital expenditure to enhance the value of CMMT and/or to refinance existing debt as well as for working capital purposes, subject to the relevant laws and regulations. With the Proposed Authority, delays and further costs involved in convening separate general meetings to approve such issue of New Units to raise funds can be avoided.

   The Manager may, subject to relevant laws and regulations, use the net proceeds from the issuance of New Units under the Proposed Authority at its absolute discretion for other purposes.

   Any allotment and issuance of New Units pursuant to the Proposed Authority will be subject to the relevant approvals of Bursa Securities.

2. **Ordinary Resolution 2 – Proposed Unit Buy-Back Mandate**

   Unitholders are advised to refer to the Statement to Unitholders dated 28 February 2019, which is available on CMMT website at www.cmmt.com.my for further information.

CAPITALAND MALAYSIA MALL TRUST
(Established in Malaysia under the trust deed dated 7 June 2010 (as amended and restated on 5 October 2018) entered into between CapitaLand Malaysia Mall REIT Management Sdn. Bhd. (819351-H) and MTrustee Berhad (163032-V))

PROXY FORM
ANNUAL GENERAL MEETING

IMPORTANT:
Personal Data Privacy
By submitting an instrument appointing proxy(ies) and/or representative(s), the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 28 February 2019.

I/We, ____(Name(s) and NRIC no./Passport no./Company Registration no.) of ____ (Address)

being a unitholder/unitholders of CapitaLand Malaysia Mall Trust (CMMT), hereby appoint:

Name :	**NRIC/Passport No.:**	**Proportion of Unitholdings**	
		No. of Units	**%**
Address :			

and/or (delete as appropriate)

Name :	**NRIC/Passport No.:**	**Proportion of Unitholdings**	
		No. of Units	**%**
Address :			

or, failing whom, the Chairman of the Annual General Meeting, as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting of CMMT to be held on Thursday, 28 March 2019 at Diamond Ballroom, Level 1, EQ, Equatorial Plaza, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia at 10.00 a.m., and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Annual General Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the Annual General Meeting.

No.	**Ordinary Resolution:**	**For***	**Against***
SPECIAL BUSINESS			
1	Proposed Authority		
2	Proposed Unit Buy-Back Mandate		

* *If you wish to exercise all your votes "For" or "Against", please tick [√] within the box provided. Alternatively, please indicate the number of votes as appropriate.*

Dated this ____________ day of ______________ 2019

Total number of Units held

____
Signature(s) of unitholder(s) / Common Seal ^

^ *Where the Proxy Form is executed by a corporation, it shall be either under its Common Seal or under the hand of an attorney or an officer on behalf of the corporation duly authorised, and a certified true copy (by the Company Secretary) of the power of attorney or of the board resolution of that corporation appointing such officer, shall be deposited with the Manager together with the Proxy Form.*

IMPORTANT: PLEASE READ NOTES TO PROXY FORM ON REVERSE PAGE

3rd fold here, glue along dotted line and fold flap

Affix
postage
stamp

CapitaLand Malaysia Mall REIT Management Sdn. Bhd.
(Company No. 819351-H)
(as manager of CapitaLand Malaysia Mall Trust)

Unit No. 1-27, Level 27, Capital Tower
No. 10, Persiaran KLCC
50088 Kuala Lumpur

2nd fold here

IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW

Notes to Proxy Form:

1. Only unitholders of CMMT (Unitholders) whose names appear in the Record of Depositors on 21 March 2019 are entitled to attend, speak and vote at the AGM.

2. A Unitholder may attend the AGM in person or appoint up to two proxies to attend the AGM and vote in the Unitholder's place. A Unitholder holding 10,000 Units or less shall be entitled to appoint one proxy (whether a Unitholder or not). A Unitholder holding more than 10,000 Units shall be entitled to appoint up to two proxies (whether a Unitholder or not).

3. On a poll, every Unitholder who is present in person or by proxy/proxies has one vote for every Unit held by him.

4. Where a Unitholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one proxy for each securities account that holds 10,000 Units or less standing to the credit for the said securities account and up to two proxies for each securities account that has more than 10,000 Units standing to the credit for the said securities account.

5. Where a Unitholder appoints two proxies in accordance with such provision, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

6. Any appointment of a proxy shall be in writing in the Proxy Form attached herewith under the hand of the Unitholder or of his duly appointed attorney or, if the Unitholder is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.

7. The Proxy Form appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited with the Manager at CapitaLand Malaysia Mall REIT Management Sdn. Bhd., Unit No. 1-27, Level 27, Capital Tower, No. 10, Persiaran KLCC, 50088 Kuala Lumpur, Malaysia, not less than 24 hours before the time appointed for holding the meeting or any adjournment thereof by hand or post; in default of this provision, the Proxy Form shall not be treated as valid.

1st fold here

General

The Manager shall be entitled to reject any Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the Proxy Form submitted. The Manager may reject any Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his/her name in the Record of Depositors on 21 March 2019.

CORPORATE INFORMATION

CAPITALAND MALAYSIA MALL TRUST

REGISTERED ADDRESS

MTrustee Berhad
(Company Number: 163032-V)
B-2-9 (2nd Floor), Pusat Perdagangan Kuchai
No. 2, Jalan 1/127
Off Jalan Kuchai Lama
58200 Kuala Lumpur
Telephone No.: +60 3 7983 1088
Facsimile No.: +60 3 7984 9612

Stock Exchange Listing
Main Market of Bursa Malaysia Securities Berhad
Stock Name: CMMT
Stock Code: 5180

TRUSTEE

MTrustee Berhad
(Company Number: 163032-V)
Business Address
Level 15, Menara AmFirst
No. 1, Jalan 19/3
46300 Petaling Jaya
Selangor Darul Ehsan
Telephone No.: +60 3 7954 6862
Facsimile No.: +60 3 7954 3712

MANAGER

CapitaLand Malaysia Mall REIT Management Sdn. Bhd.
(Company Number: 819351-H)
Manager's Registered Office / Principal Place of Business
Unit No. 1-27, Level 27, Capital Tower,
No. 10, Persiaran KLCC
50088 Kuala Lumpur
Telephone No.: +60 3 2279 9888
Facsimile No.: +60 3 2279 9889

Website
www.cmmt.com.my

BOARD OF DIRECTORS OF THE MANAGER

Mr David Wong Chin Huat
Chairman and Non-Executive Independent Director
Ms Low Peck Chen
Chief Executive Officer and
Executive Non-Independent Director
Ms Tan Siew Bee
Non-Executive Independent Director
Dr Peter Tay Buan Huat
Non-Executive Independent Director
Tuan Haji Rosli bin Abdullah
Non-Executive Independent Director
Mr Ng Chih Kaye
Non-Executive Independent Director
Mr Ronald Tay Boon Hwee
Non-Executive Non-Independent Director
Mr Lim Cho Pin Andrew Geoffrey
Non-Executive Non-Independent Director

Executive Committee
Mr Ronald Tay Boon Hwee (Chairman)
Mr Lim Cho Pin Andrew Geoffrey
Ms Low Peck Chen

Audit Committee
Tuan Haji Rosli bin Abdullah (Chairman)
Mr Ng Chih Kaye
Mr Lim Cho Pin Andrew Geoffrey
Ms Tan Siew Bee

Corporate Disclosure Committee
Mr David Wong Chin Huat (Chairman)
Mr Ronald Tay Boon Hwee
Mr Lim Cho Pin Andrew Geoffrey

COMPANY SECRETARIES OF THE MANAGER

Khoo Ming Siang
(MAICSA 7034037)
Unit No. 1-27, Level 27, Capital Tower,
No. 10, Persiaran KLCC
50088 Kuala Lumpur

Teo Mee Hui
(MAICSA 7050642)
10th Floor, Menara Hap Seng
No. 1 & 3, Jalan P. Ramlee
50250 Kuala Lumpur

AUDITORS

KPMG PLT
(Firm No: LLP0010081-LCA & AF 0758)
Chartered Accountants
Level 10, KPMG Tower
8, First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
Telephone No.: +60 3 7721 3388
Facsimile No.: +60 3 7721 3399
Partner-In-Charge: Ms Ow Peng Li

UNIT REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.
(Company Number: 11324-H)
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8 Jalan Kerinchi
59200 Kuala Lumpur, Malaysia
Telephone No.: +60 3 2783 9299
Facsimile No.: +60 3 2783 9222

PROPERTY MANAGERS

Knight Frank Property Management Sdn. Bhd.
(Company Number: 1211775-H)
Suite 10.01, 10th Floor
Centrepoint South, Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Telephone No.: +60 3 2289 9688
Facsimile No.: +60 3 2289 9788

Zaharin Nexcap Property Management Sdn. Bhd.
(Company Number: 1144744-X)
Suite 23-5, Oval Tower Damansara
Menara Permata Damansara
No. 685, Jalan Damansara
60000 Kuala Lumpur
Telephone No.: +60 3 7733 2122
Facsimile No.: +60 3 7733 2103

PRINCIPAL BANKERS

Alliance Bank Malaysia Berhad
CIMB Bank Berhad
HSBC Bank Malaysia Berhad
Malayan Banking Berhad
Public Bank Berhad
RHB Bank Berhad
United Overseas Bank (Malaysia) Bhd

CapitaLand Malaysia Mall REIT Management Sdn. Bhd.
(Company Reg. No.: 819351-H)
As Manager of CapitaLand Malaysia Mall Trust

Unit No. 1-27, Level 27, Capital Tower,
No.10, Persiaran KLCC,
50088 Kuala Lumpur
Tel: +60 3 2279 9888
Fax: +60 3 2279 9889
Email: ask-us@cmmt.com.my

www.cmmt.com.my