

# PAVILION

REAL ESTATE INVESTMENT TRUST

## 2021 Q4 Business Overview & Year End Review

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27 January 2022

PRIVATE AND CONFIDENTIAL



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# 1. Overview

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# Asset Portfolio

- Pavilion REIT consists of :
  - Pavilion Kuala Lumpur Mall, a 7-storey retail podium, together with a 3-storey retail office block and a 4-storey entertainment annex located at Jalan Bukit Bintang, Kuala Lumpur
  - Elite Pavilion Mall, a 10-storey retail mall seamlessly connected to Pavilion Kuala Lumpur Mall
  - Intermark Mall, a 6 level retail with rooftop at intersection of Jalan Tun Razak and Jalan Ampang, Kuala Lumpur
  - DA MEN Mall, a 5-storey retail mall with a lower ground floor located in USJ Subang Jaya
  - Pavilion Tower, a 20-storey office block located adjacent to Pavilion Kuala Lumpur Mall

In the M-REIT market, Pavilion REIT

- has the largest retail mall, by valuation
- within the top 4 in terms of market capitalization
- reviewed by MSCI ESG Research LLC

Sector	Retail	Office
<b>Total Asset Value as at 31 Dec 2021</b>	RM6,108m	RM131m
<i>(31 Dec 2020)</i>	<i>(RM6,108m)</i>	<i>(RM134m)</i>
<b>Weightage</b>	97.9%	2.1%

## 2. Financial Results

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## Highlights from Statement of Comprehensive Income – Current Year Quarter against Same Quarter Last Year

	Current Quarter ended 31 December		
	Current Year (unaudited)	Last Year (unaudited)	Favourable / (Adverse)
	RM'000	RM'000	%
<b>Gross Revenue</b>	124,276	130,794	(5.0)
<b>Property Operating Expenses</b>	41,588	62,334	33.3
<b>Net Property Income</b>	82,688	68,460	20.8
<b>Income before Taxation</b> (excl revaluation deficit / gain)	54,193	40,039	35.4
<b>Distributable Income</b>	56,555	42,380	33.4
<b>Earnings per unit (sen)</b> (excl revaluation deficit / gain)	1.78	1.31	35.9
<b>Proposed / Declared DPU</b> (sen)	1.85	1.39	33.1

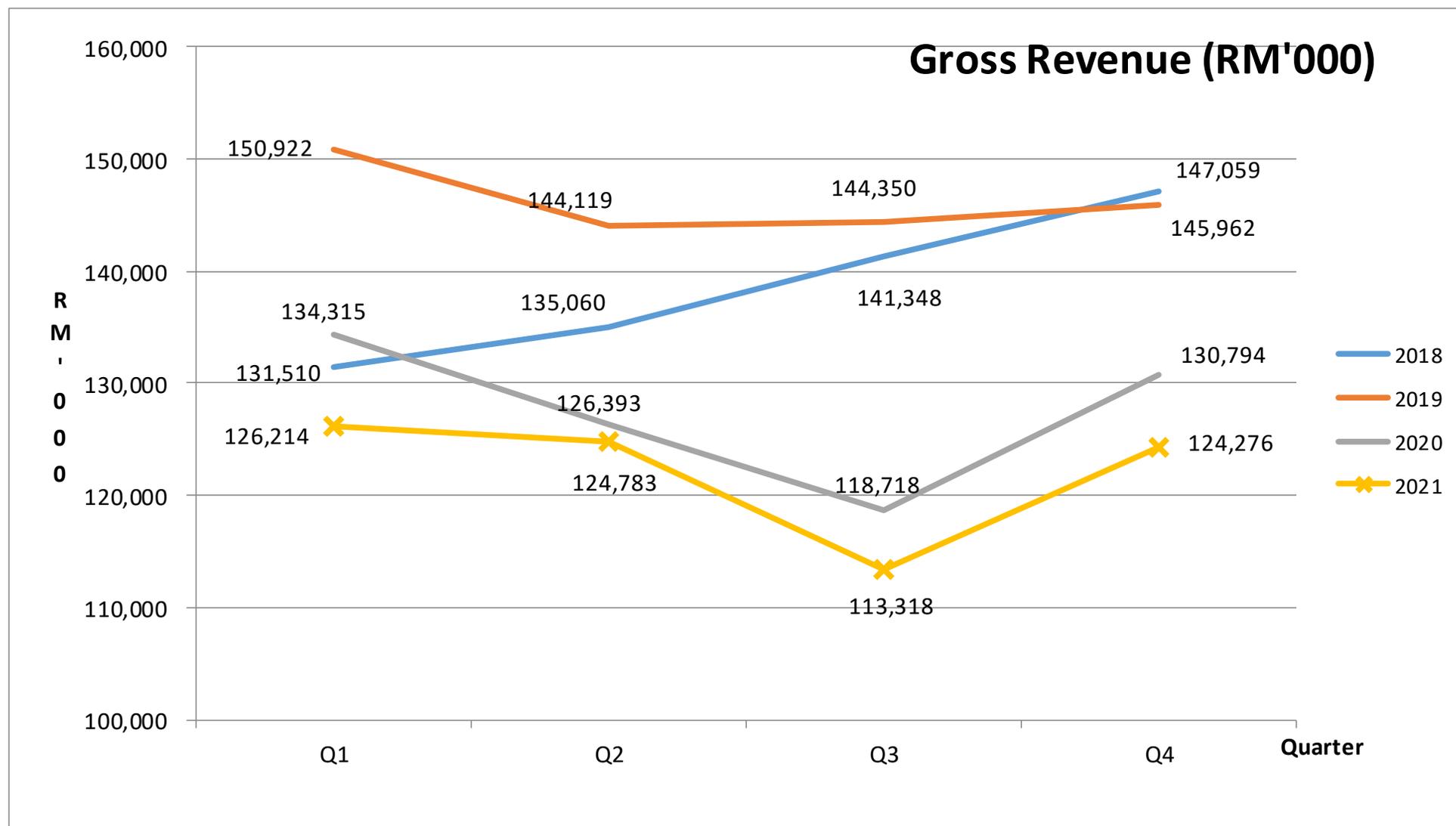
# Highlights from Statement of Comprehensive Income – Year to Date

	Year to Date ended 31 December		
	Current Year (unaudited)	Last Year (unaudited)	Favourable / (Adverse)
	RM'000	RM'000	%
<b>Gross Revenue</b>	488,591	510,220	(4.2)
<b>Property Operating Expenses</b>	251,969	276,696	8.9
<b>Net Property Income</b>	236,622	233,524	1.3
<b>Income before Taxation</b> (excl revaluation deficit / gain)	125,867	116,666	7.9
<b>Distributable Income</b>	134,662	125,842	7.0
<b>Earnings per unit (sen)</b> (excl revaluation deficit / gain)	4.13	3.83	7.8
<b>Proposed / Declared DPU</b> (sen)	4.41	4.13	6.8

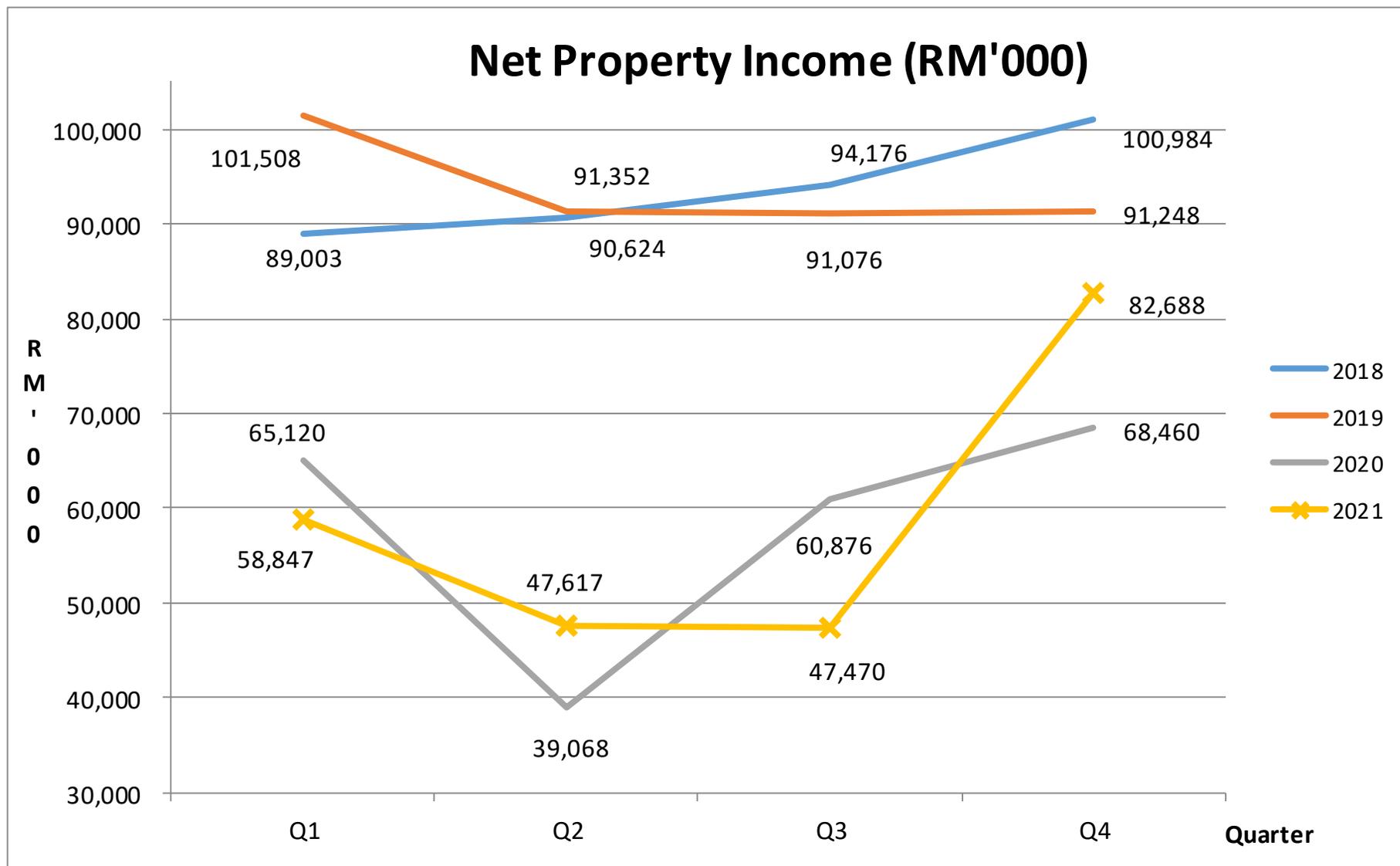
## Highlights from Statement of Comprehensive Income – Current Year Quarter against Last Preceding Quarter

	Quarter ended		
	31 Dec 2021 (unaudited)	30 Sept 2021 (unaudited)	Favourable / (Adverse)
	RM'000	RM'000	%
<b>Gross Revenue</b>	124,276	113,318	9.7
<b>Property Operating Expenses</b>	41,588	65,848	36.8
<b>Net Property Income</b>	82,688	47,470	74.2
<b>Income before Taxation</b> (excl revaluation deficit / gain)	54,193	20,007	170.9
<b>Distributable Income</b>	56,555	22,083	156.1
<b>Earnings per unit (sen)</b> (excl revaluation deficit / gain)	1.78	0.65	173.8
<b>Proposed / Declared DPU</b> (sen)	1.85	0.73	153.4

# Pavilion REIT's Gross Revenue (RM'000)

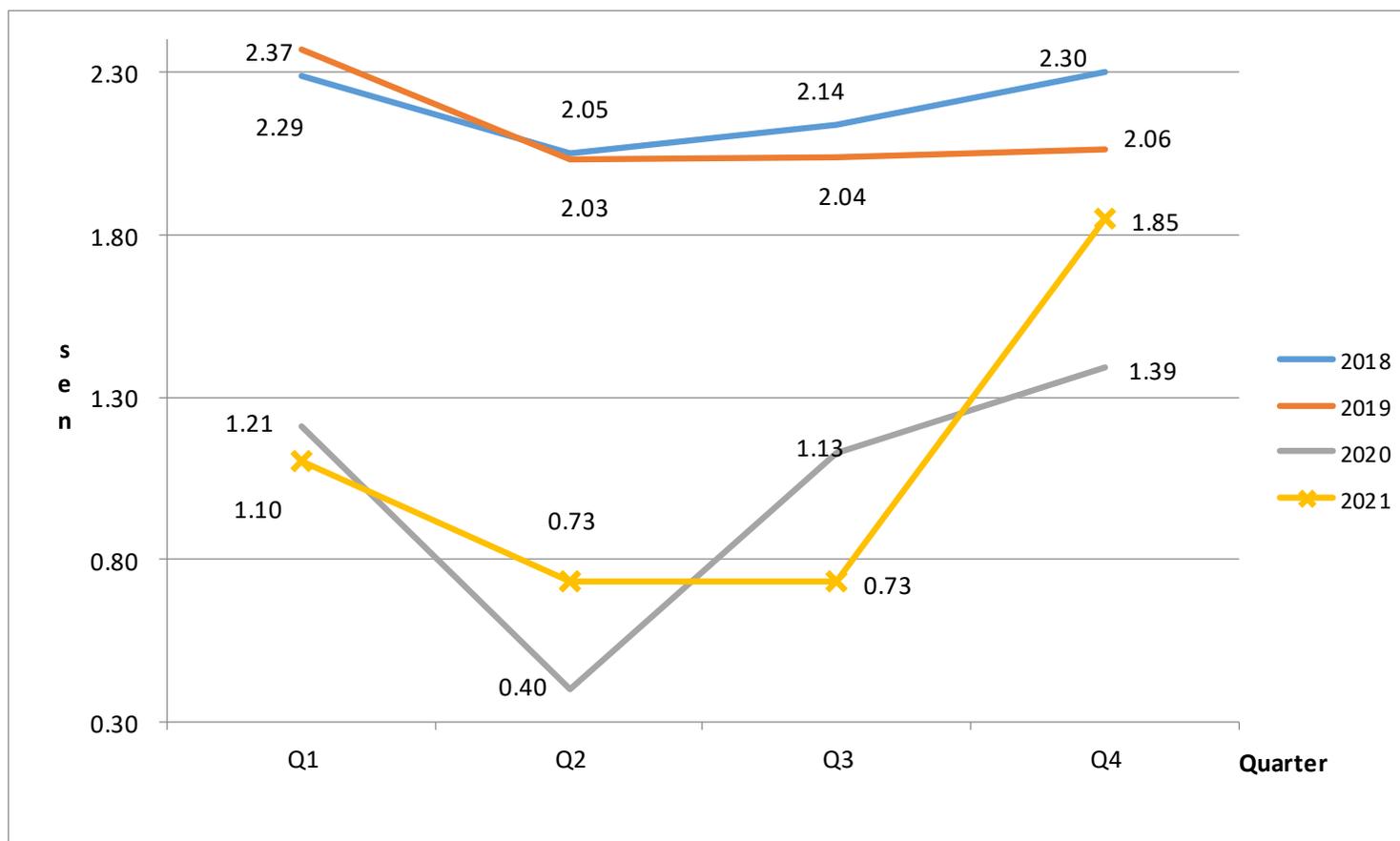


# Pavilion REIT's Net Property Income (RM'000)



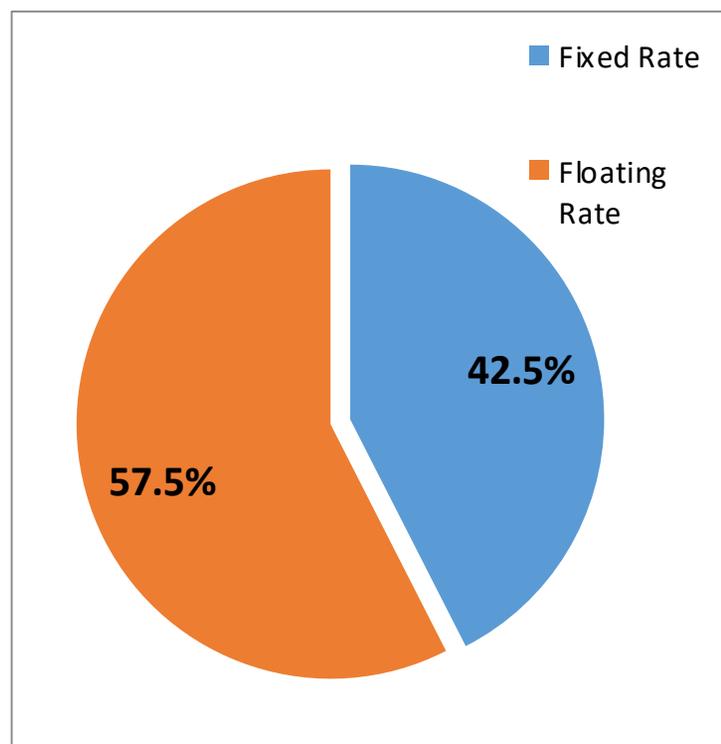
# Pavilion REIT's Distribution (sen)

Year	Jan to June (sen)	July to Dec (sen)	Total (sen)	Change
2018	4.34	4.44	8.78	6.6%
2019	4.40	4.10	8.50	(3.2%)
2020	1.61	2.52	4.13	(51.4)%
2021	1.83	2.58	4.41	6.8%



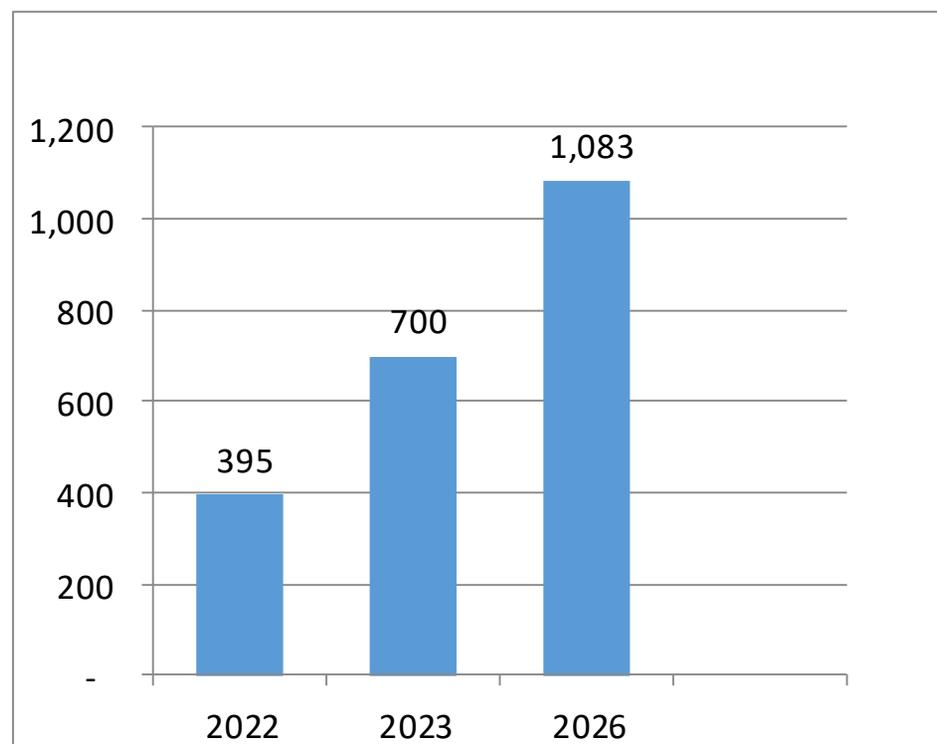
# Pavilion REIT Debt as at 31 December 2021

Fixed vs Floating Rate



Average Interest Cost : 4.0%

Debt Maturity Profile (RM million)

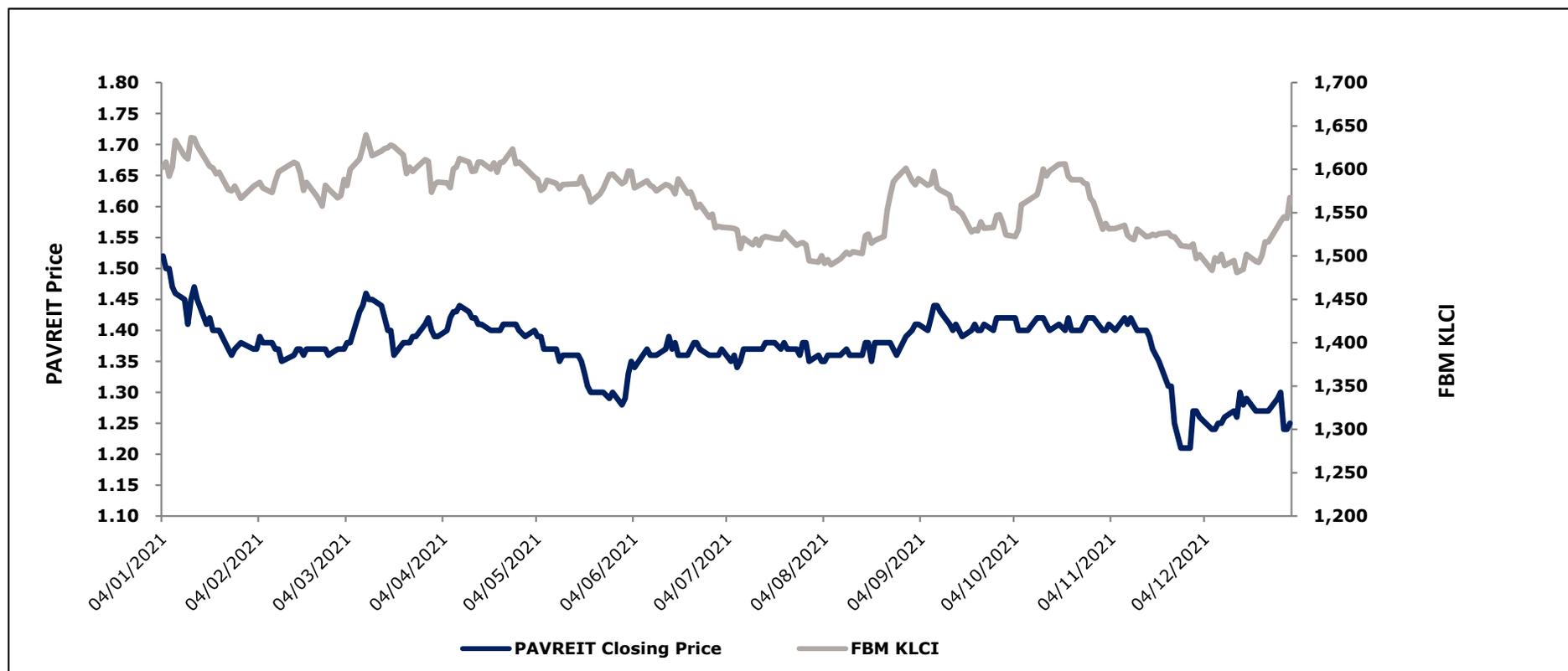


Gearing : 34.8%

## 3. Investors Relation

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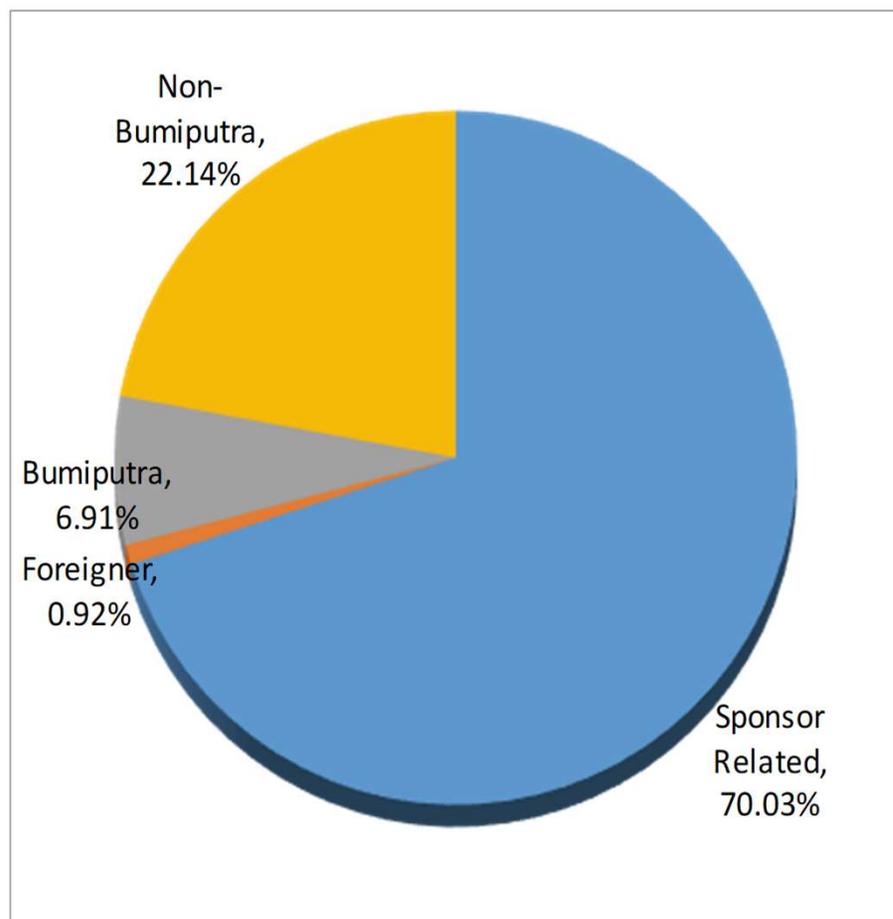
# Capital appreciation of 38.9% since listing, 7 Dec 2011



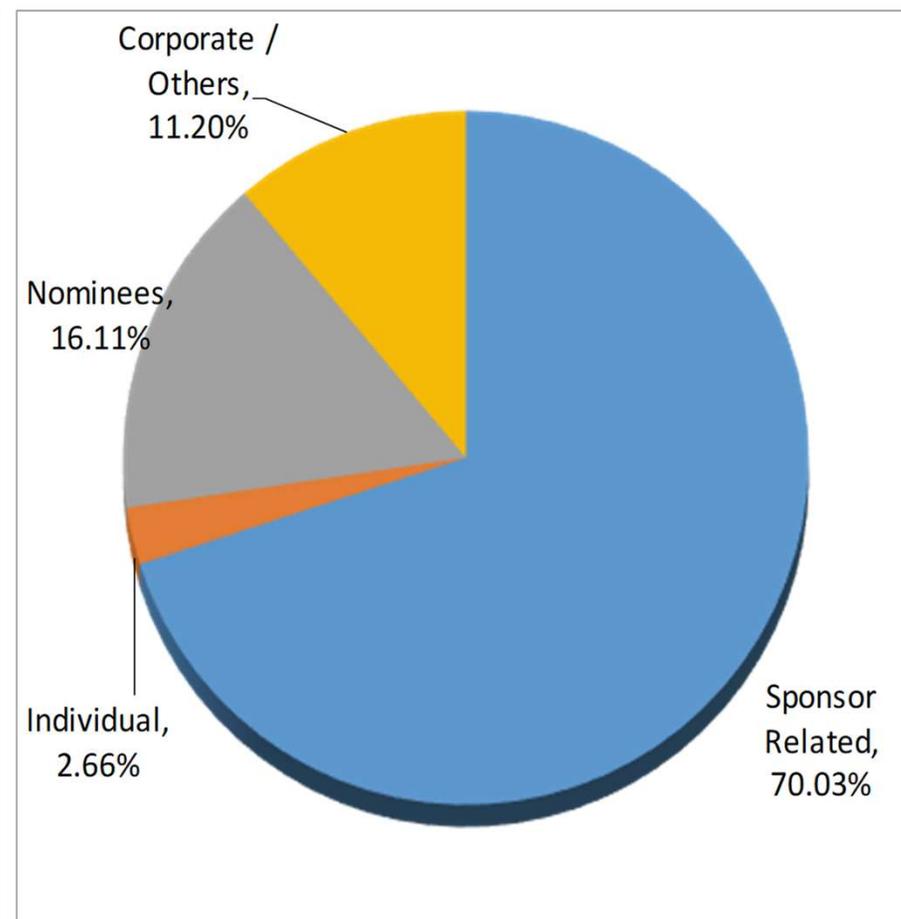
Trading Performance	31 Dec 2020	31 Dec 2021
Closing unit price as at 31 December 2020 / 31 December 2021	RM1.50	RM1.25
Highest traded price during the year	RM1.82	RM1.53
Lowest traded price during the year	RM1.35	RM1.19
Capital appreciation (closing price on institutional IPO price of RM0.90)	66.7%	38.9%
Market capitalization (RM'000) as at 31 Dec 2020 / 31 Dec 2021	4,567,961	3,812,574

# Unitholders' Composition based on Unitholdings as at 31 December 2021

Type of Holders



Category of Holders



Total number of unitholders as at 31 Dec 2021 : 10,474 (6,475 as at 31 Dec 2020)

# Top 10 Unitholders' as at 31 December 2021

No	Name	%
1	HSBC Nominees (Asing) Sdn Bhd CS (Switz) for Qatar Holding LLC	33.08
2	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account – CIMB Investment Bank Berhad for Lim Siew Choon (UCDSB-SSCA)	22.63
3	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account – CIMB Investment Bank Berhad for Tan Kewi Yong (UCDSB-SSCA)	9.24
4	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	7.37
5	Kumpulan Wang Persaraan (Diperbadankan)	5.60
6	UOBM Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Siew Choon	5.08
7	Amanah Trustees Berhad Amanah Saham Bumiputera	2.33
8	Permodalan Nasional Berhad	1.13
9	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Nomura)	0.93
10	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Affin-HWG)	0.85

## 4. Pavilion Kuala Lumpur Mall

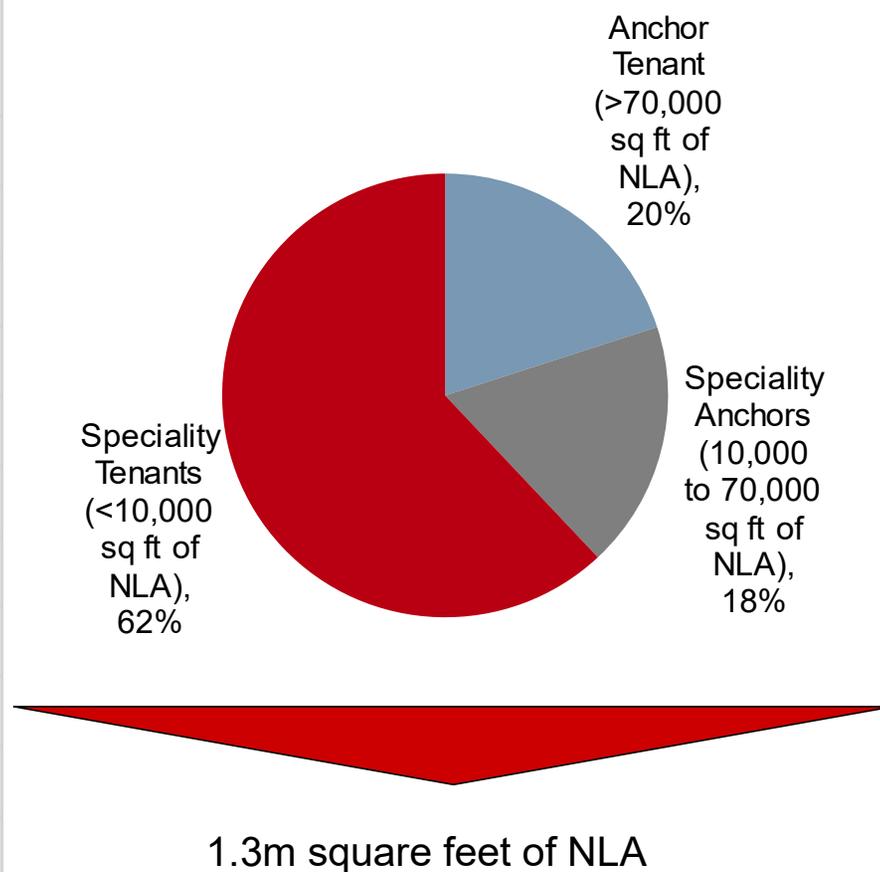
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# Pavilion Kuala Lumpur Mall – Tenancy Status

## Top 10 retail tenants by Gross Rent

Name	Trade sector	% of occupied NLA
Parkson Elite	Departmental Store	19.8%
Dadi Cinema	Urban Leisure	4.6%
Padini Concept Store	Fashion	1.7%
Zara	Fashion	1.4%
Adidas	Fashion	1.2%
Food Republic	Food & Beverage	1.0%
Hermes	Fashion	0.6%
Cartier	Timepiece	0.5%
Polo Ralph Lauren	Fashion	0.4%
Richard Mille	Timepiece	0.3%
<b>Total</b>		<b>31.5%</b>

## Tenant Mix by NLA

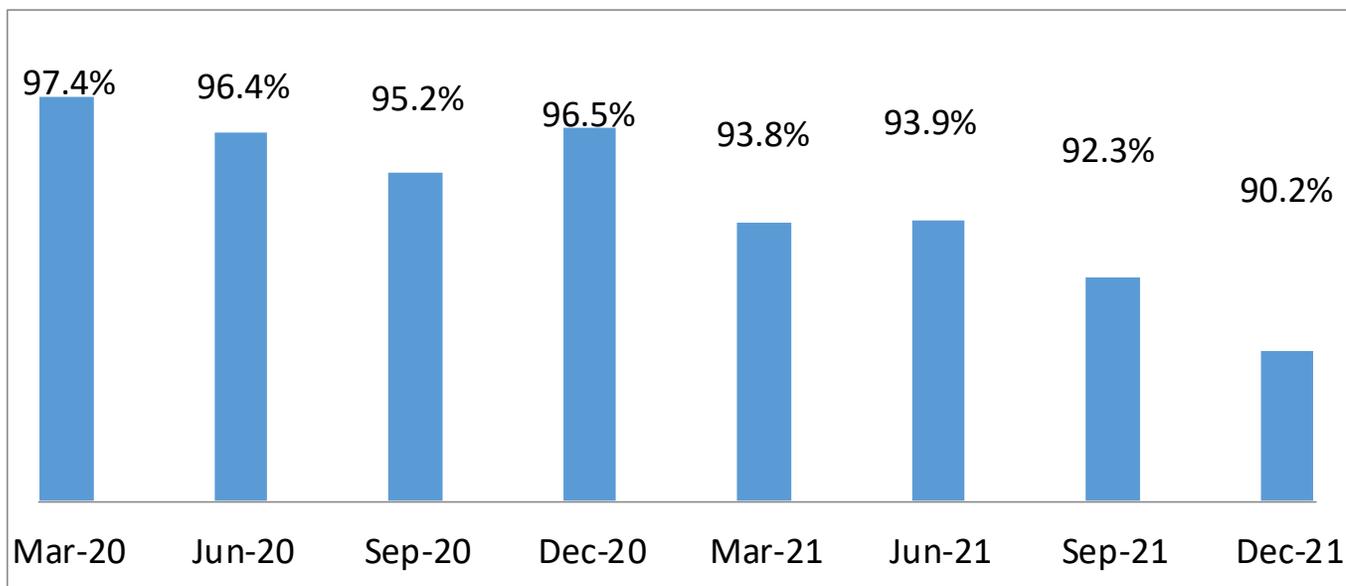


**Top 10 retail tenants contributes 19.3% of Gross Rent    High proportion of speciality tenants**

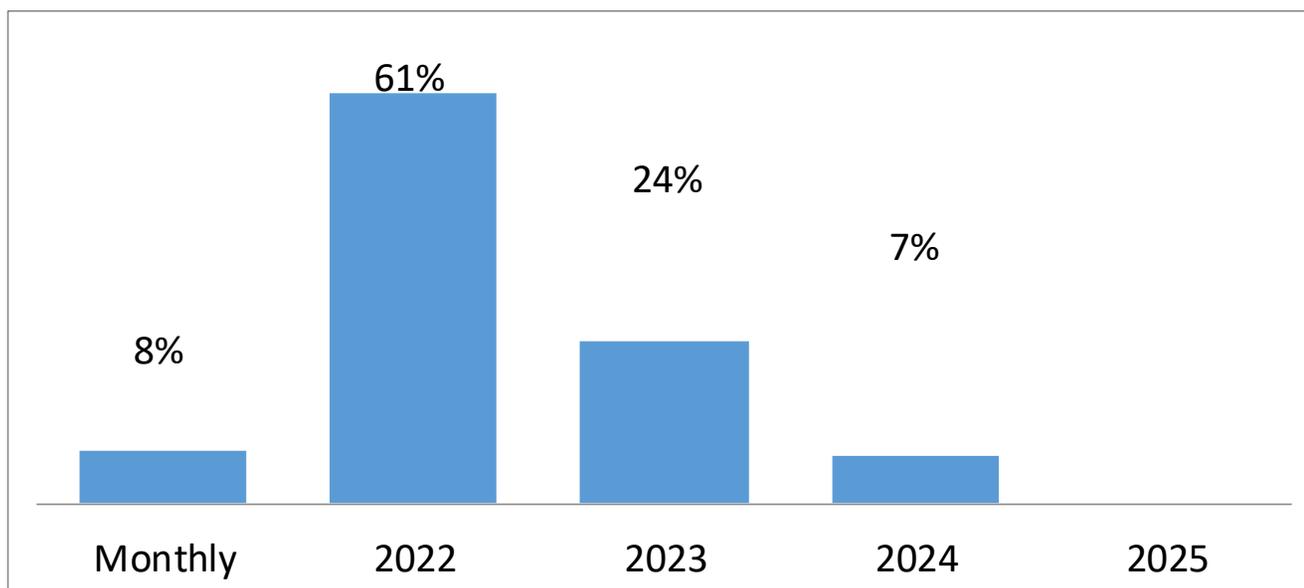
**Pavilion Kuala Lumpur mall enjoys a diverse and unique tenant base along with rising rental rates and consistently high occupancy rates**

# Pavilion Kuala Lumpur Mall – Tenancy Status

Occupancy rate at the end of quarter

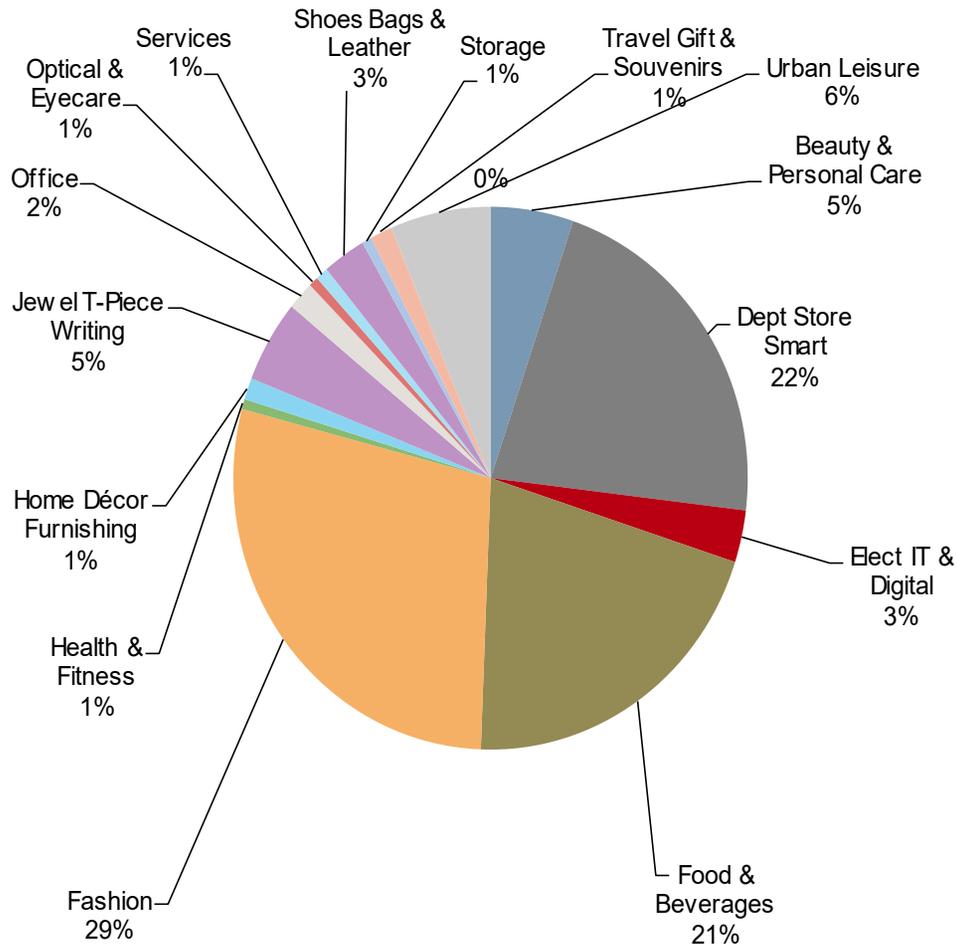


Tenancy expiry schedule on NLA

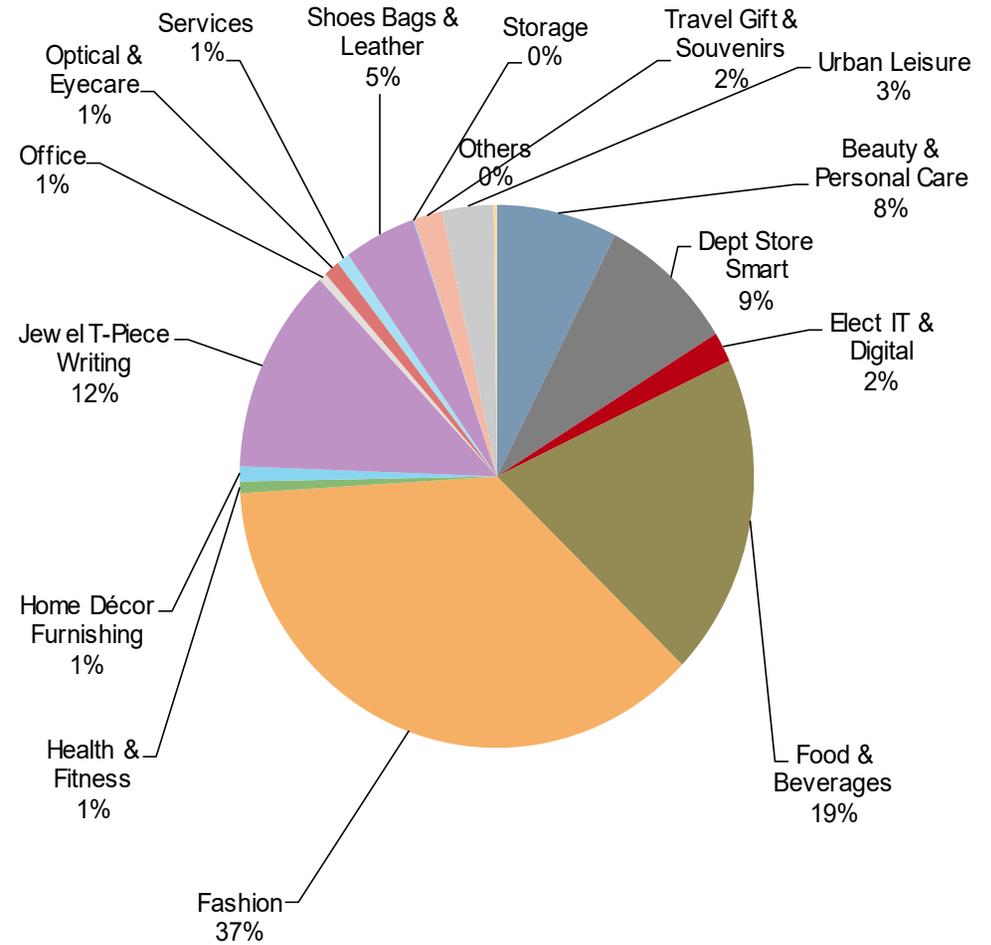


# Pavilion Kuala Lumpur Mall – Tenancy Status

Trade sector analysis based on NLA



Trade sector analysis based on Gross Rental



## 5. Intermark Mall

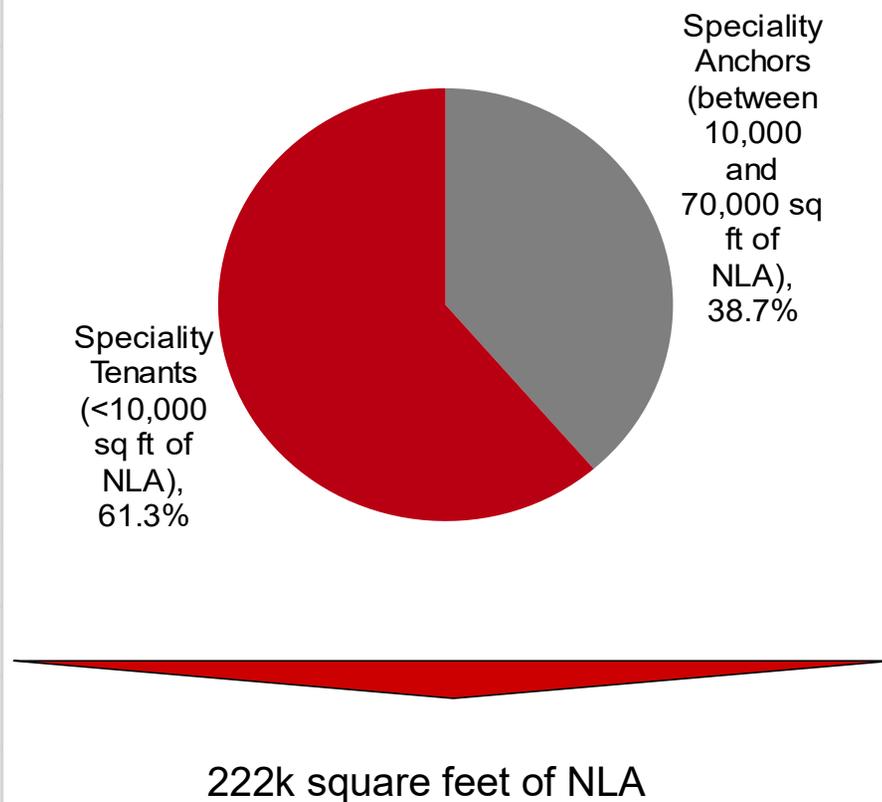
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# Intermark Mall – Tenancy Status

## Top 10 retail tenants by Gross Rent

Name	Trade sector	% of occupied NLA
Jaya Grocer	Supermarket	17.0%
Hua Wei	IT	8.1%
Primrose Hill Active Learnin	Edutainment	7.6%
MST Golf	Sports	5.9%
Sports Direct	Sports	5.0%
Sketchers	Sports	2.1%
Oriental Landmark	Food & Beverage	3.5%
McDonald's	Food & Beverage	3.0%
Hanare	Food & Beverage	2.1%
In-Colonial	Food & Beverage	3.2%
<b>Total</b>		<b>57.5%</b>

## Tenant Mix by NLA

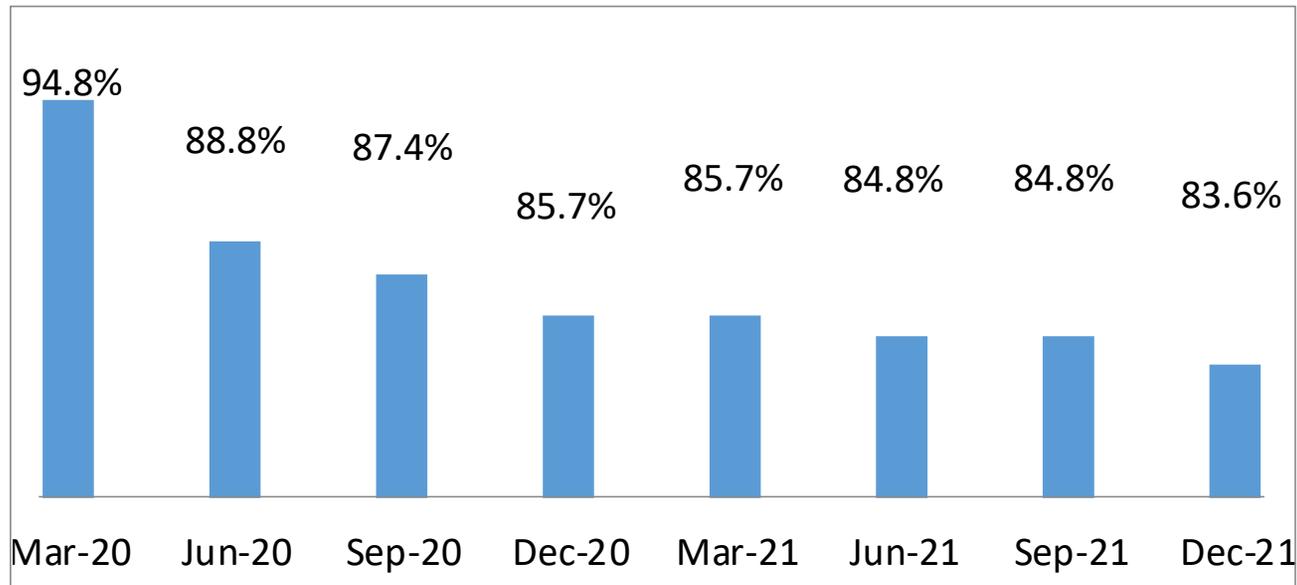


**Top 10 retail tenants contributes 48.2% of Gross Rent**

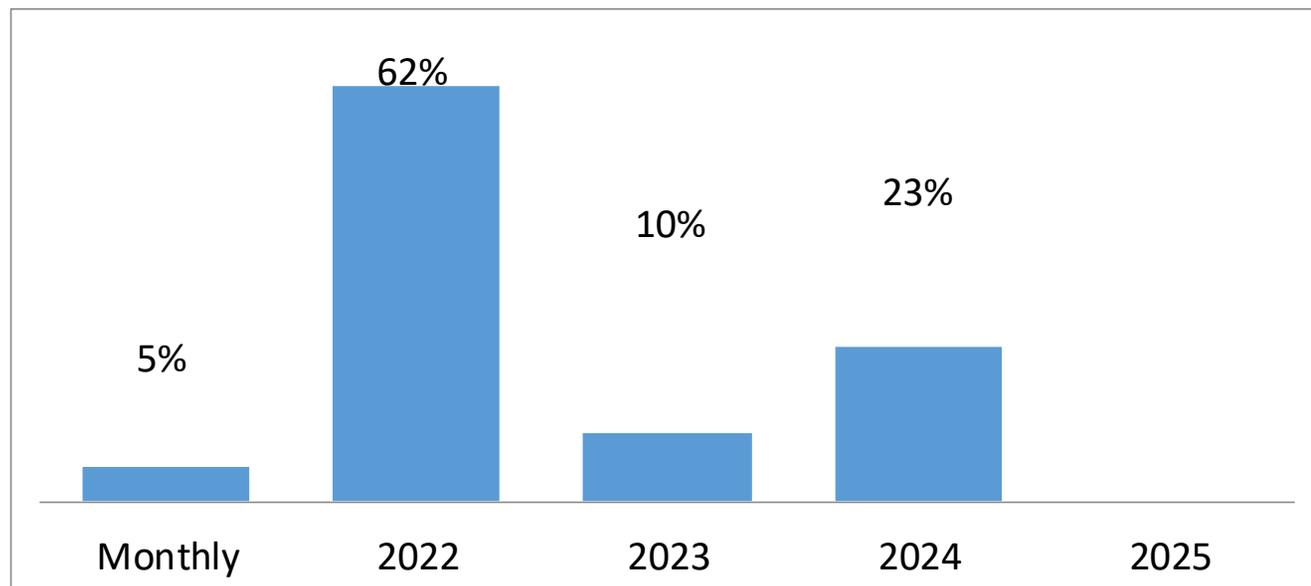
**Intermark Mall being positioned to cater to middle income professionals, expatriate and family conveniences**

# Intermark Mall – Tenancy Status

Occupancy rate at the end of quarter

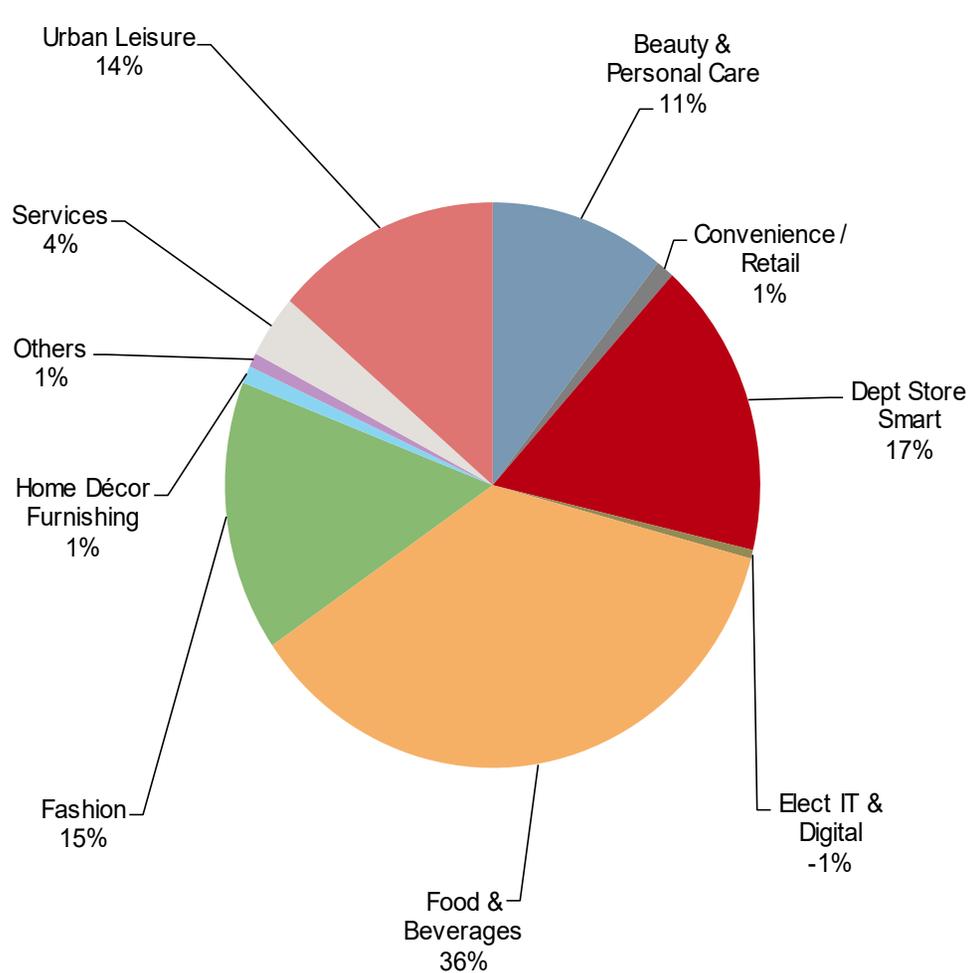


Tenancy expiry schedule on NLA

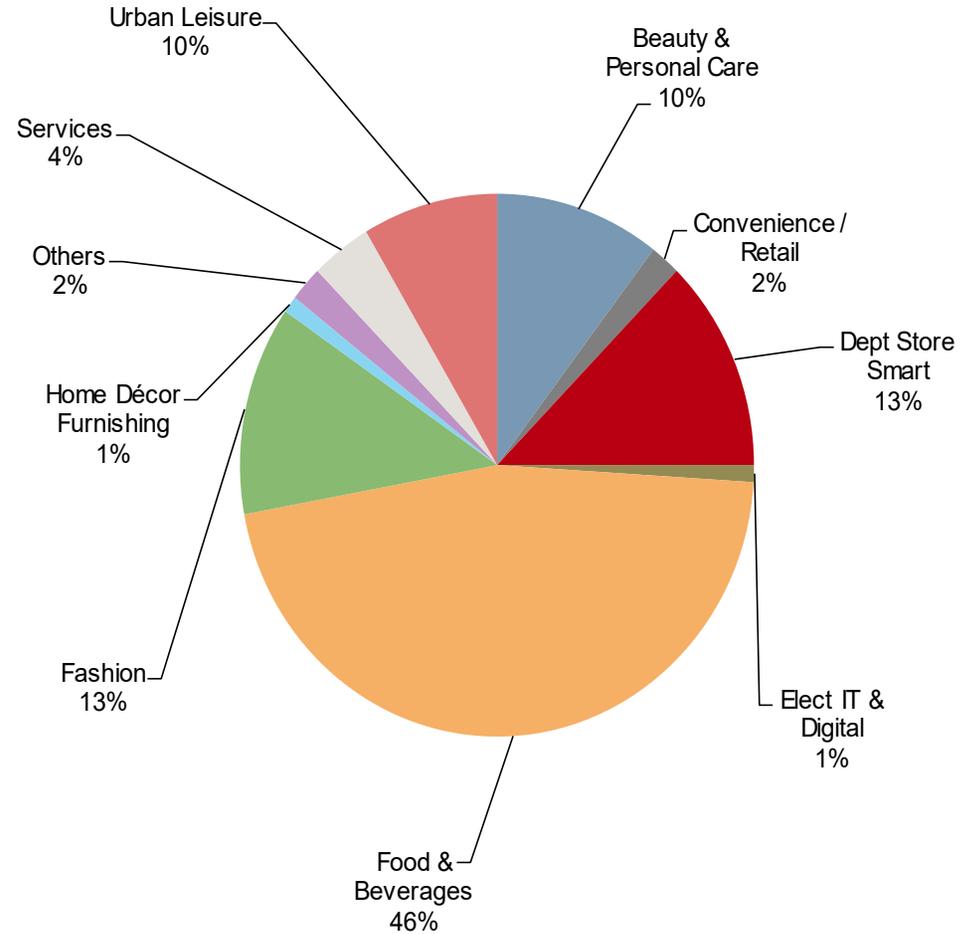


# Intermark Mall – Tenancy Status

Trade sector analysis based on NLA



Trade sector analysis based on Gross Rental



## 6. DA MEN Mall

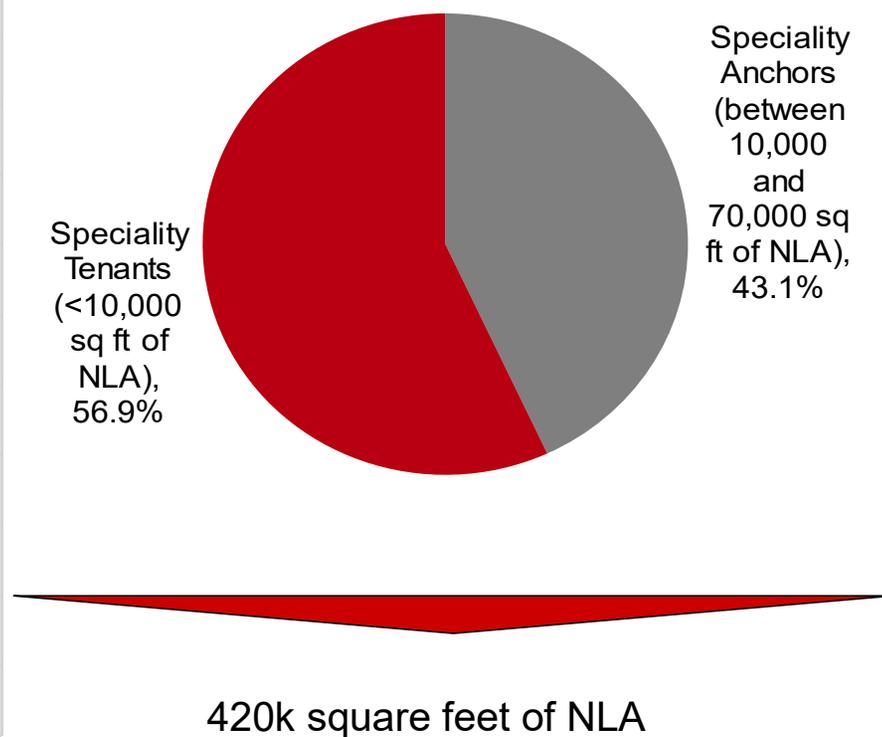
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# DA MEN Mall – Tenancy Status

## Top 10 retail tenants by Gross Rent

Name	Trade sector	% of occupied NLA
Dadi Cinema	Urban Leisure	11.8%
Jaya Grocer	Supermarket	10.2%
Grand Harbour Restaurant	Food & Beverage	4.9%
Chi-X Fitness	Urban Leisure	4.0%
Music Box	Urban Leisure	3.9%
Mr DIY	Home Furnishing	3.7%
Nam Heong Ipoh	Food & Beverage	2.5%
Bookxcess	Food & Beverage	1.7%
Home's Harmony	Home Furnishing	1.3%
Swensen's	Food & Beverage	0.8%
<b>Total</b>		<b>44.8%</b>

## Tenant Mix by NLA

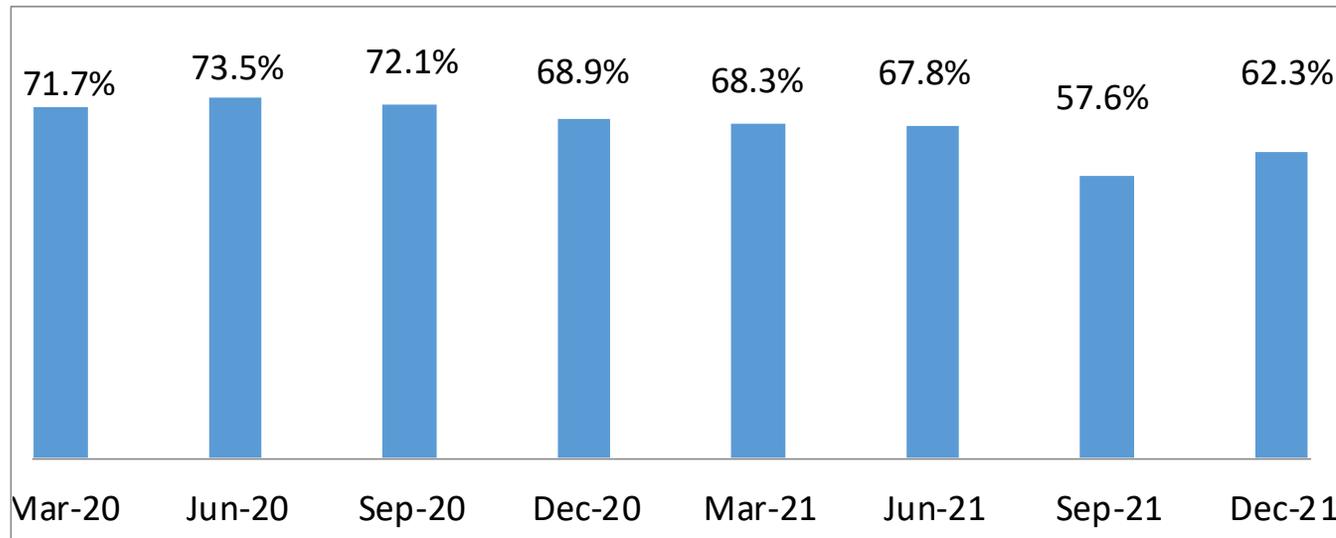


**Top 10 retail tenants contributes 49.3% of Gross Rent**

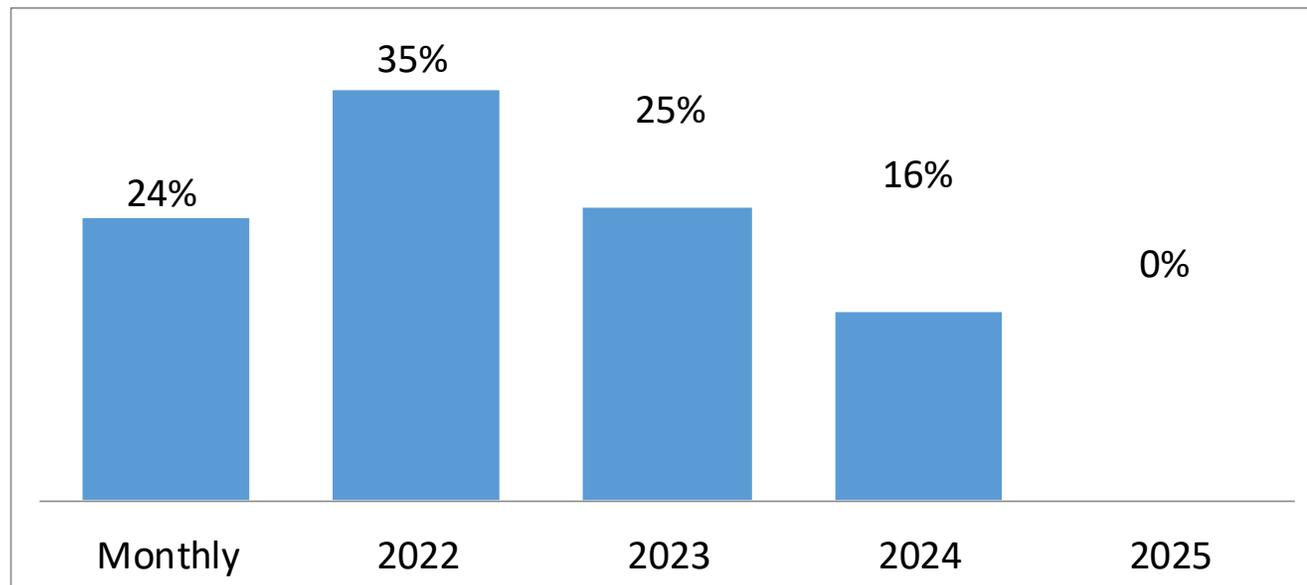
**Da men Mall targets to be a holistic community friendly mall that continuously champion inclusivity**

# DA MEN Mall – Tenancy Status

Occupancy rate at the end of quarter

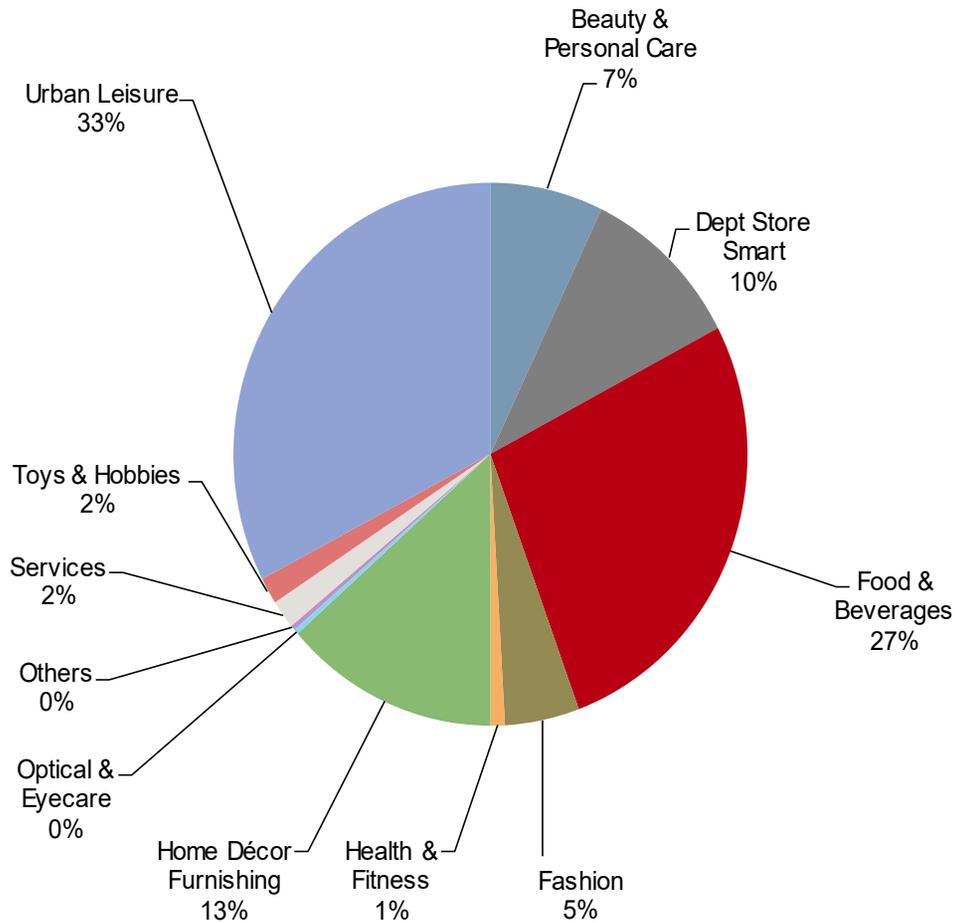


Tenancy expiry schedule on NLA

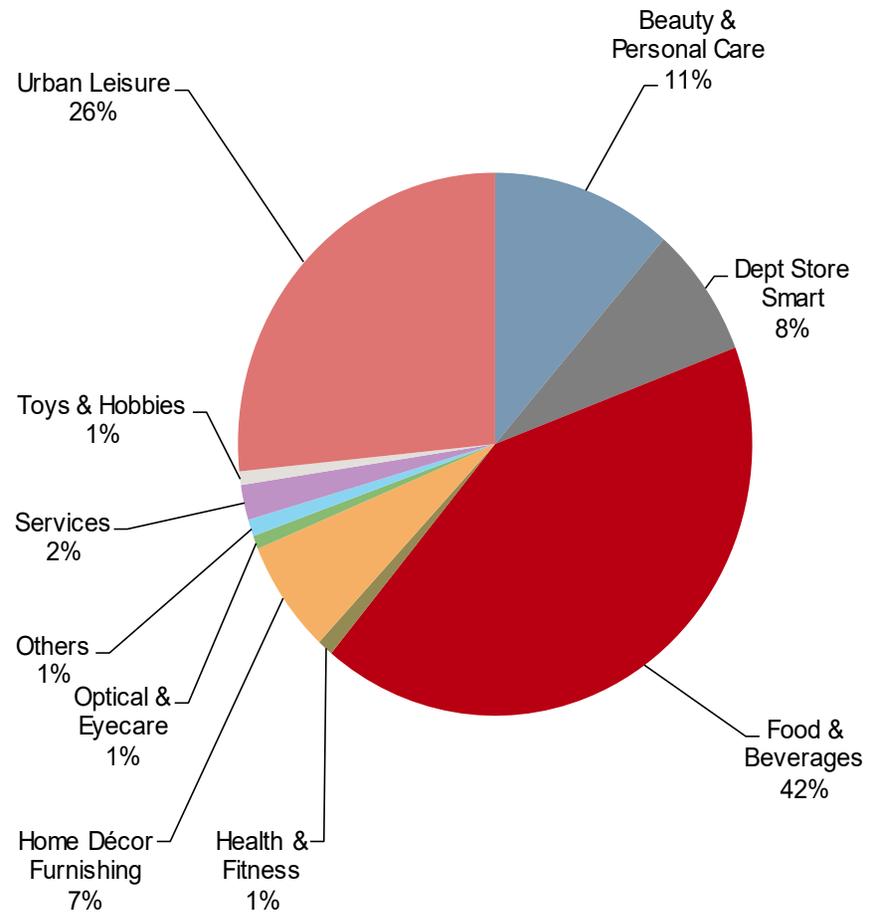


# DA MEN Mall – Tenancy Status

Trade sector analysis based on NLA



Trade sector analysis based on Gross Rental



## 7. Elite Pavilion Mall

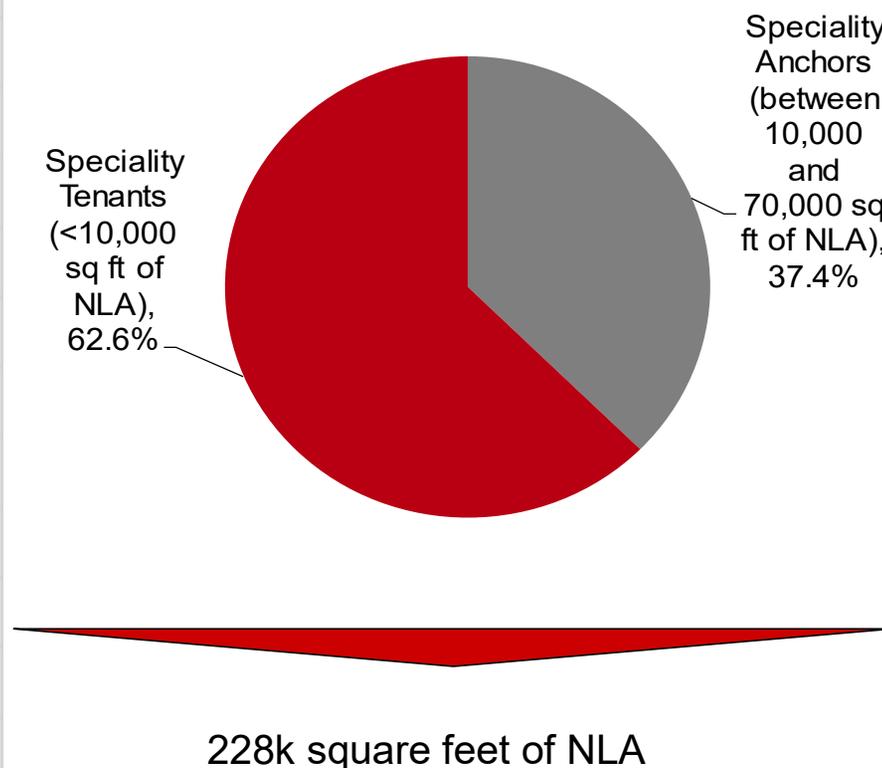
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# Elite Pavilion Mall – Tenancy Status

## Top 10 retail tenants by Gross Rent

Name	Trade sector	% of occupied NLA
JD Sports, King of Trainer	Fashion	7.0%
Muji	Fashion	6.5%
Red Box Plus	Urban Leisure	6.3%
Cotton On	Fashion	6.2%
Haidilao Hot Pot	Food & Beverage	5.2%
COS	Fashion	3.6%
Coach	Fashion	3.0%
Lululemon	Fashion	2.0%
MAC	Beauty & Personal Care	1.1%
LukFook Jewellery	Jewellery Timepiece	1.0%
<b>Total</b>		<b>41.9%</b>

## Tenant Mix by NLA

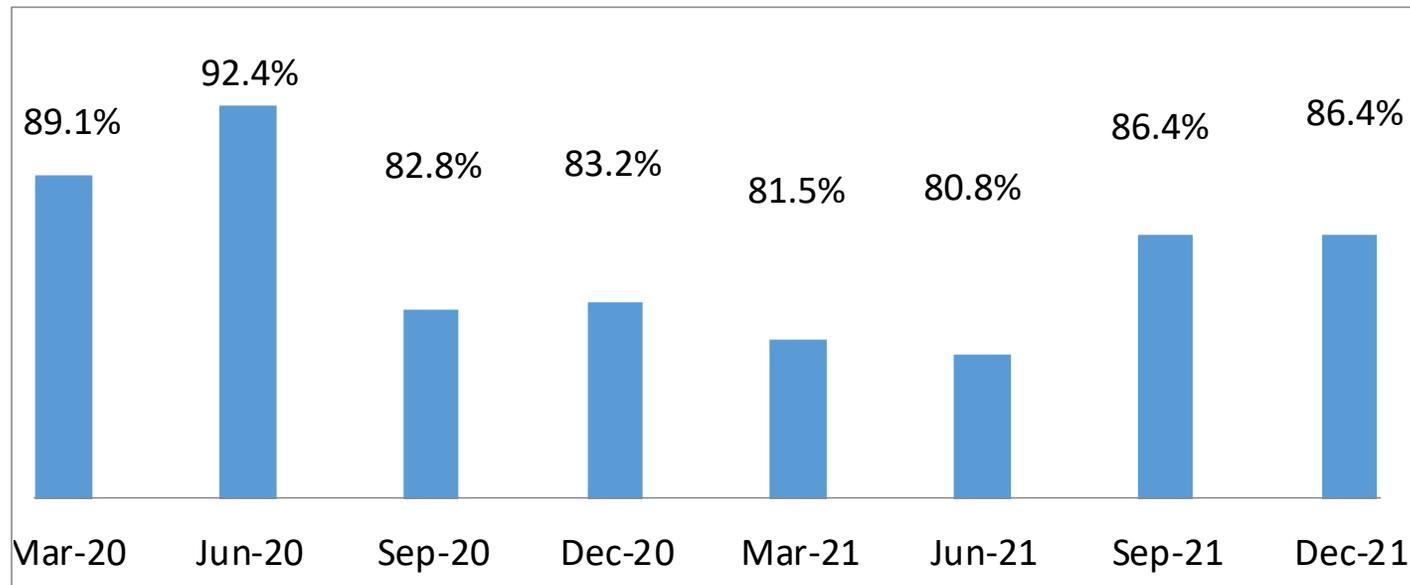


**Top 10 retail tenants contributes 49.7% of Gross Rent**

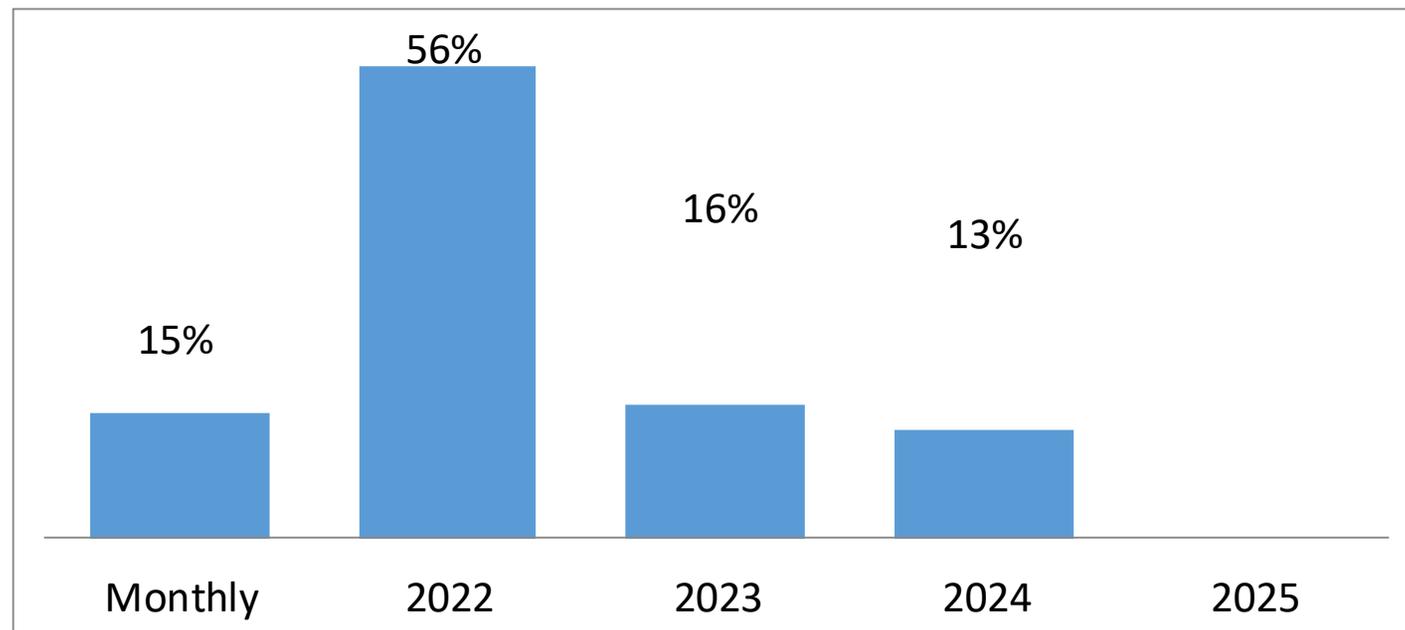
**An extension to Pavilion Kuala Lumpur mall, it offers additional variety of shopping options**

# Elite Pavilion Mall – Tenancy Status

Occupancy rate at the end of quarter

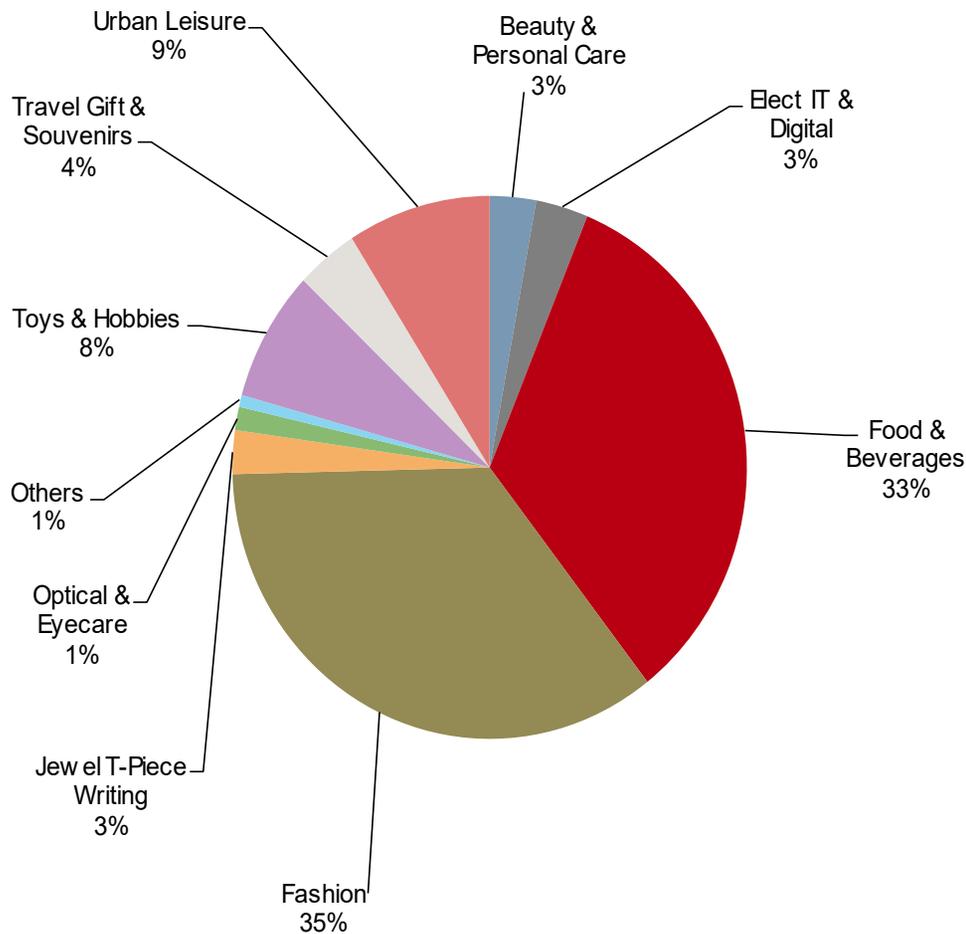


Tenancy expiry schedule on NLA

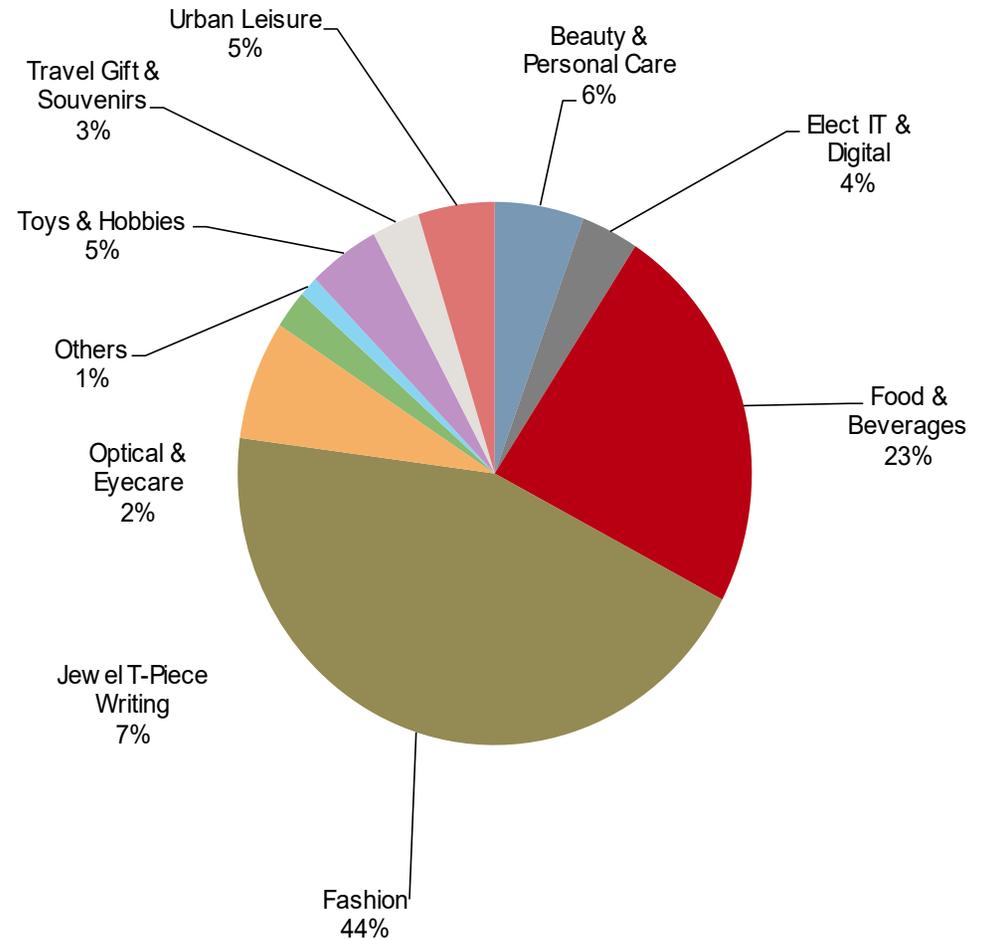


# Elite Pavilion Mall – Tenancy Status

Trade sector analysis based on NLA



Trade sector analysis based on Gross Rental



## 8. Pavilion Tower

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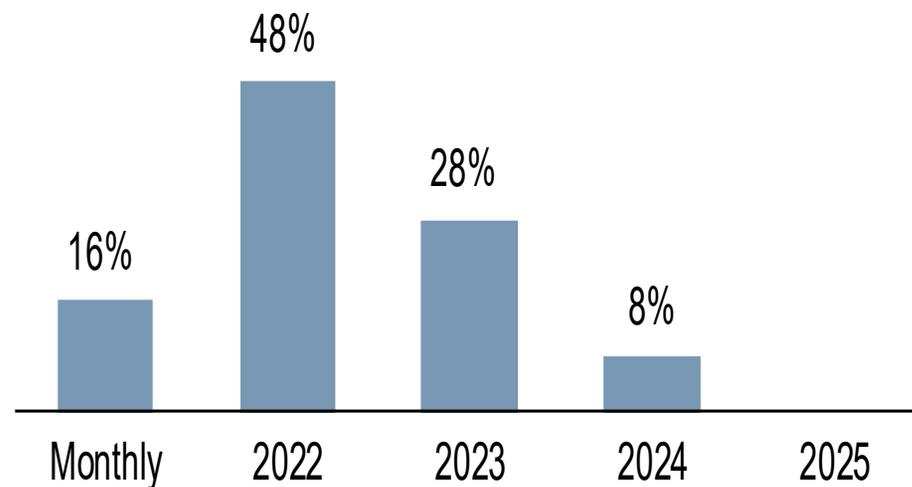
# Pavilion Tower

One of Kuala Lumpur's premier business addresses



79% space occupied

## Projected expiry schedule on NLA

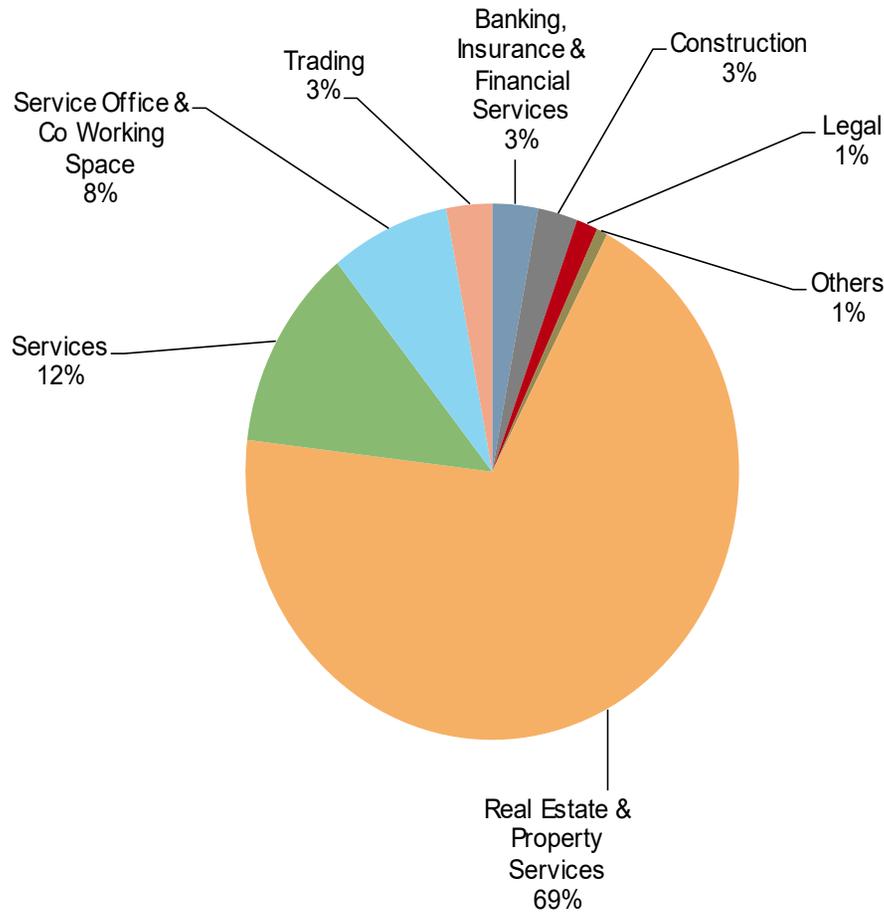


## Benefits of Pavilion Tower

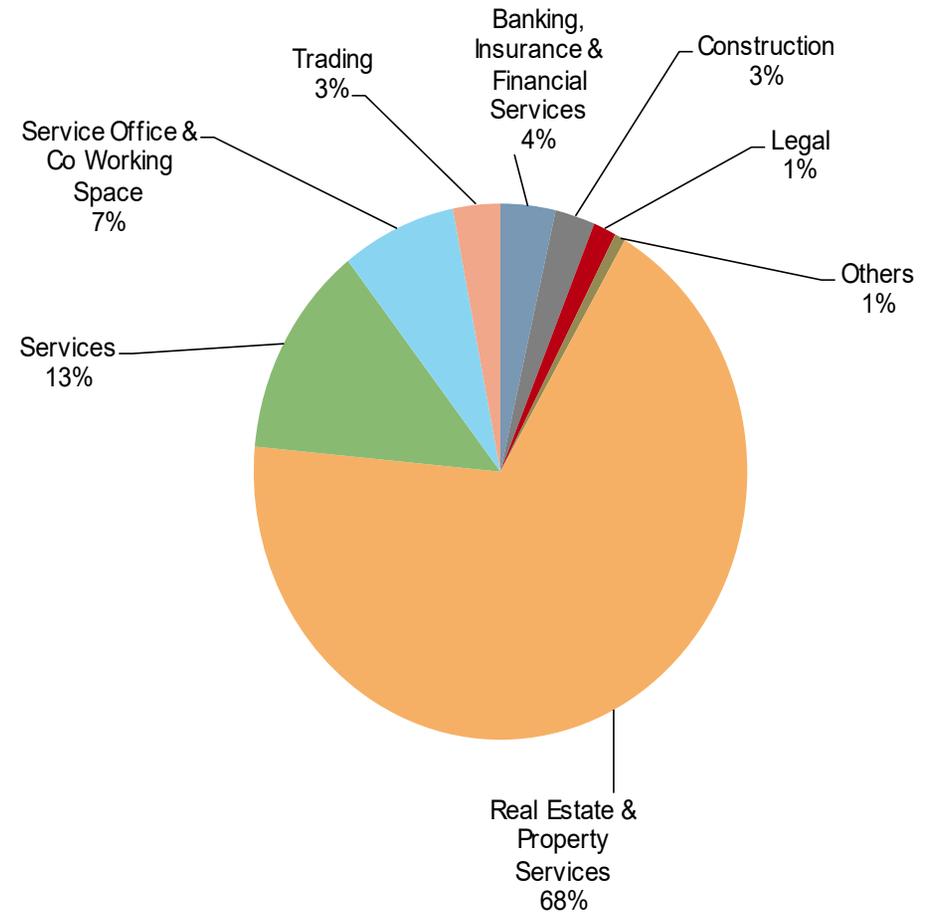
- Connected to Pavilion Kuala Lumpur Mall
- Tenants across multiple trade sectors, including property development, construction, retail, service office and others
- Major tenants include Malton Group, Mrail International, arcc service office and KL Metro

# Pavilion Tower Office – Tenancy Status

Trade sector analysis based on NLA



Trade sector analysis based on Gross Rental



## **9. Investment Opportunities / Growth Strategies**

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# Opportunities for future growth

## Potential for acquisition growth : Rights of First Refusal



### The fahrenheit88 ROFR

- Granted by Makna Mujur Sdn Bhd
- Located in Bukit Bintang opposite Pavilion Kuala Lumpur Mall
- Awaiting for intention to sell



### The General ROFR

- Granted by Urusharta Cemerlang Sdn Bhd
- Future retail developments of the Sponsor
- Covers the whole of Malaysia

Pavilion REIT benefits from several ROFRs which place it in a strong position to grow its NLA in the future

# *Thank You*

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