

PAVILION

REAL ESTATE INVESTMENT TRUST

Business Overview 2022 Q2



28 July 2022

PRIVATE AND CONFIDENTIAL

PAVILION
REAL ESTATE INVESTMENT TRUST



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1. Overview

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
Total Asset Value as at 30 June 2022	RM6,161m	RM132m
<i>(31 Dec 2021)</i>	<i>(RM6,108m)</i>	<i>(RM131m)</i>
Weightage	97.9%	2.1%

2. Financial Results

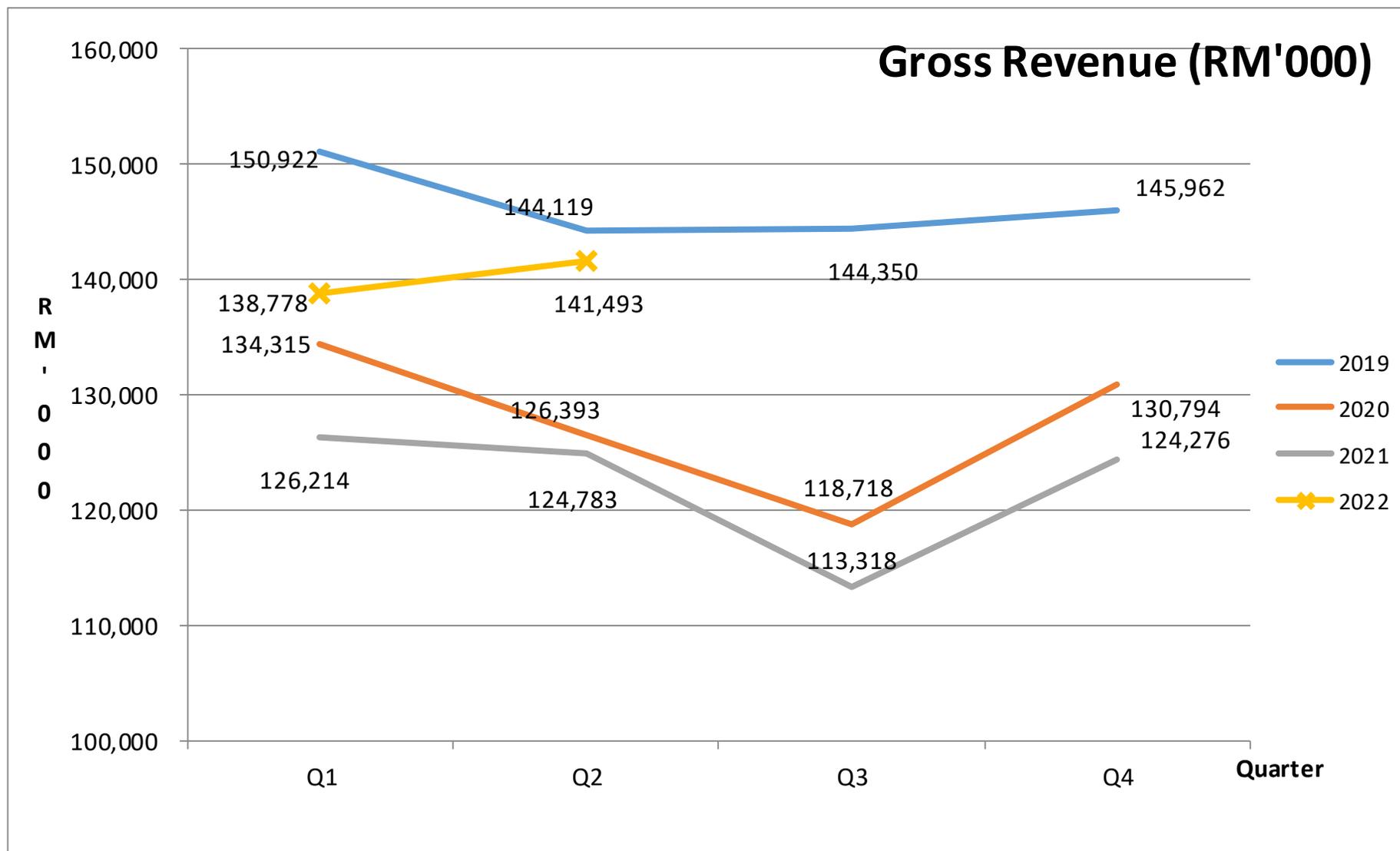
Highlights from Statement of Comprehensive Income – Current Year Quarter against Same Quarter Last Year

	Current Quarter ended 30 June		
	Current Year (unaudited)	Last Year (unaudited)	Favourable / (Adverse)
	RM'000	RM'000	%
Gross Revenue	141,493	124,783	13.4
Property Operating Expenses	58,384	77,166	24.3
Net Property Income	83,109	47,617	74.5
Income before Taxation (excl revaluation deficit / gain)	54,976	20,409	169.4
Distributable Income	57,226	22,483	154.5
Earnings per unit (sen) (excl revaluation deficit / gain)	1.80	0.67	168.7
Achieved / Declared DPU (sen)	1.87	0.73	156.2

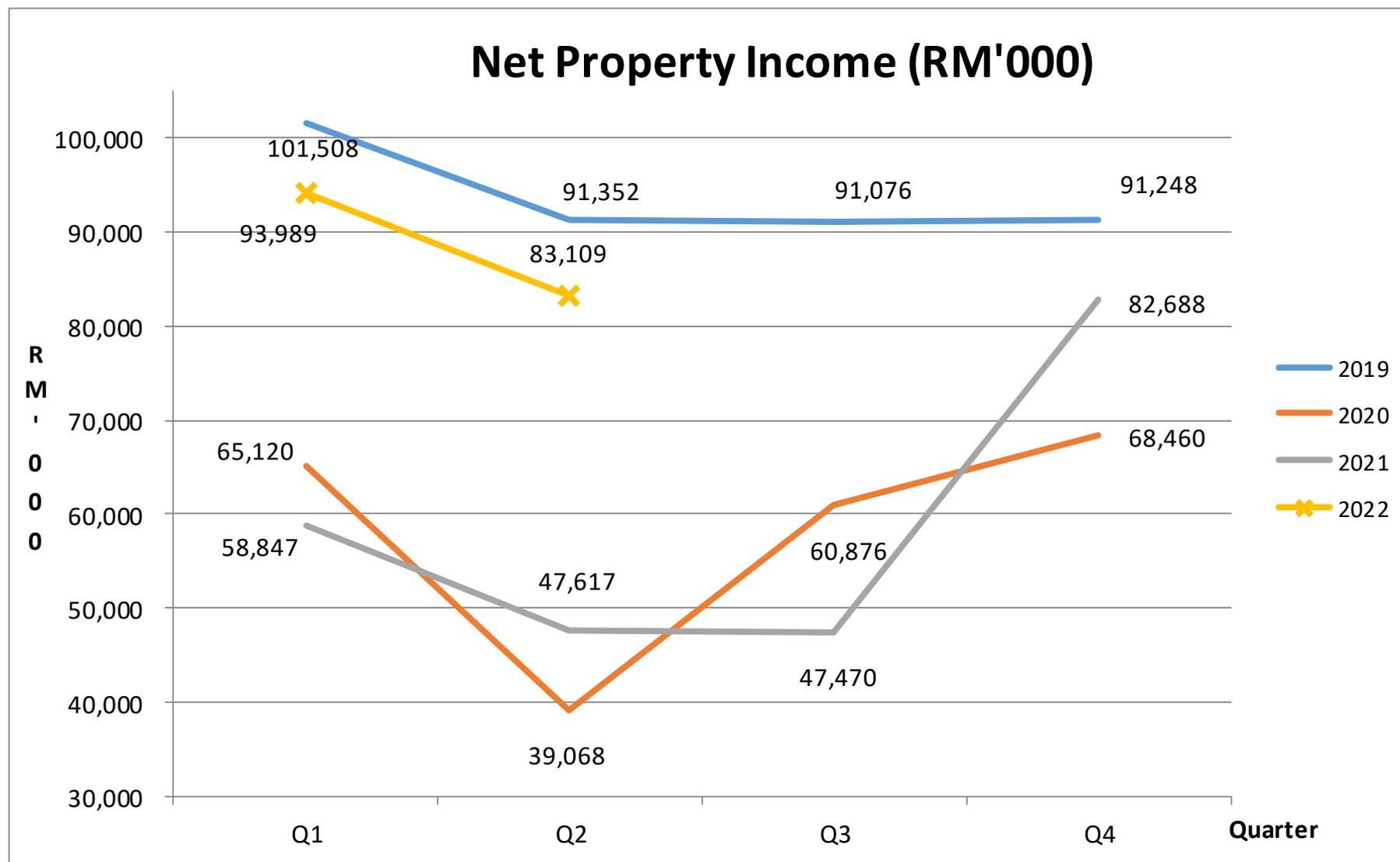
Highlights from Statement of Comprehensive Income – Current Year Quarter against Last Preceding Quarter

	Quarter ended		
	30 June 2022 (unaudited)	31 Mar 2022 (unaudited)	Favourable / (Adverse)
	RM'000	RM'000	%
Gross Revenue	141,493	138,778	2.0
Property Operating Expenses	58,384	44,789	30.4
Net Property Income	83,109	93,989	(11.6)
Income before Taxation (excl revaluation deficit / gain)	54,976	65,242	(15.7)
Distributable Income	57,226	67,561	(15.3)
Earnings per unit (sen) (excl revaluation deficit / gain)	1.80	2.14	(15.9)
Achieved / Declared DPU (sen)	1.87	2.21	(15.4)

Pavilion REIT's Gross Revenue (RM'000)

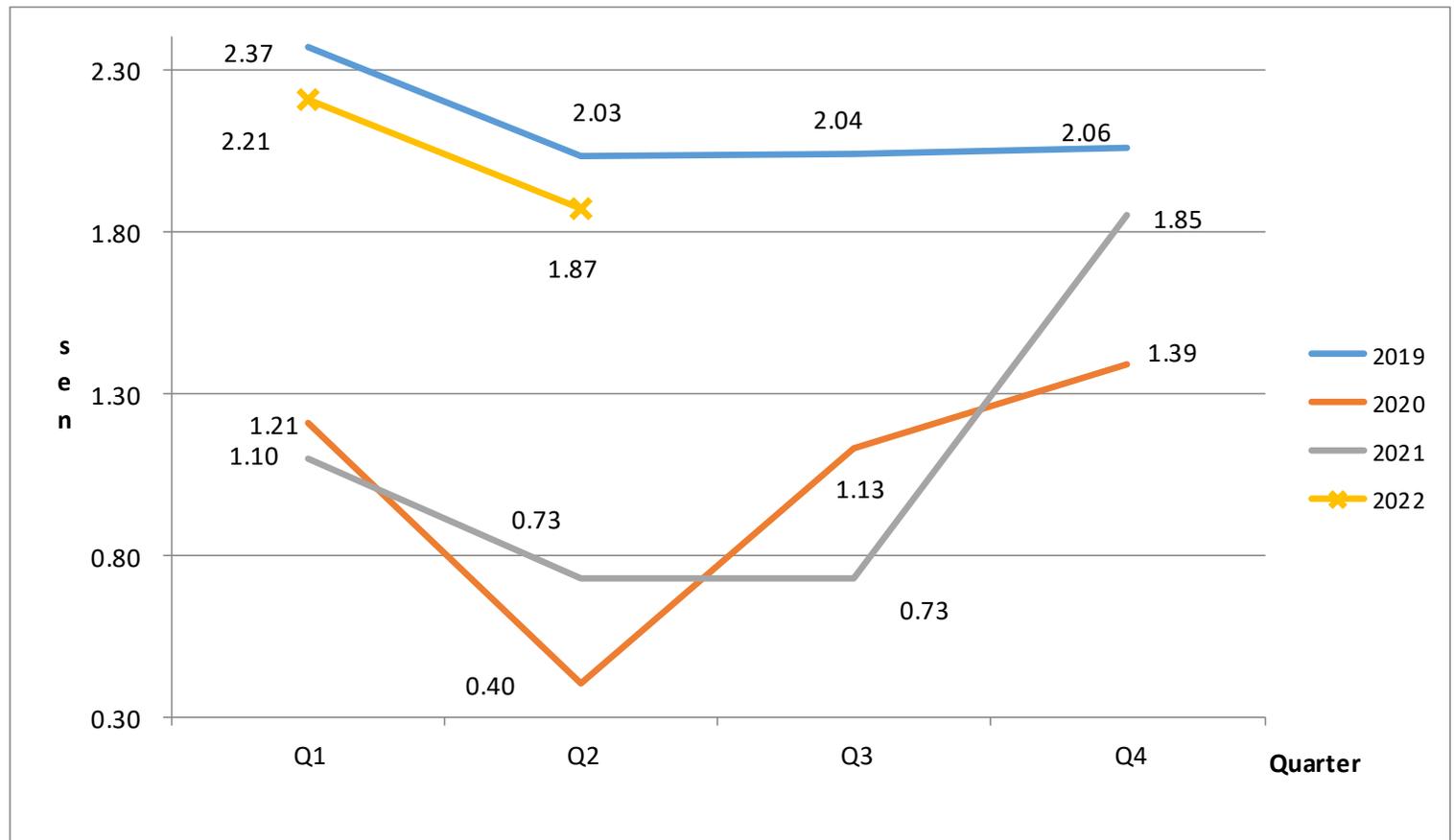


Pavilion REIT's Net Property Income (RM'000)



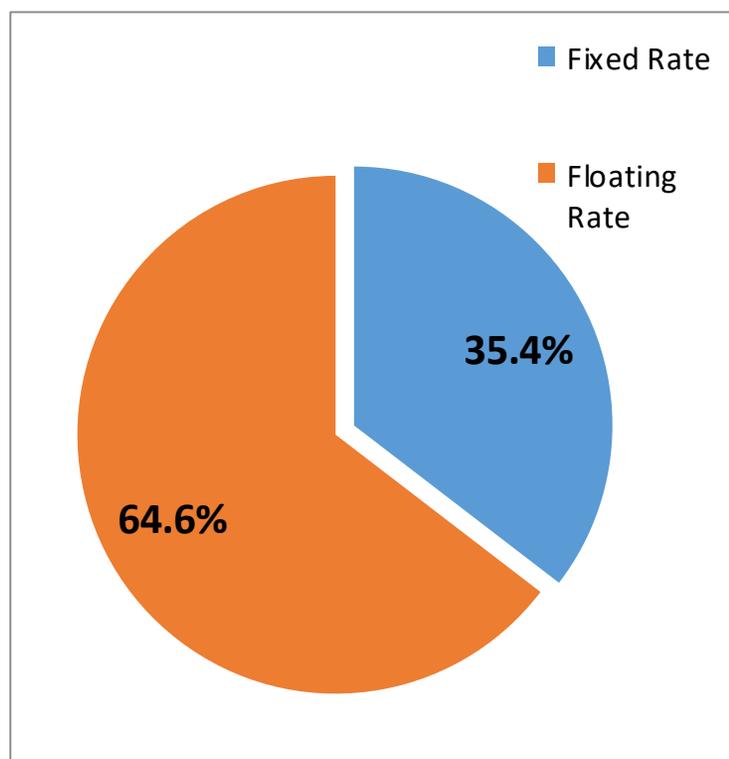
Pavilion REIT's Distribution (sen)

Year	Jan to June (sen)	July to Dec (sen)	Total (sen)	Change
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%
2022	4.08			



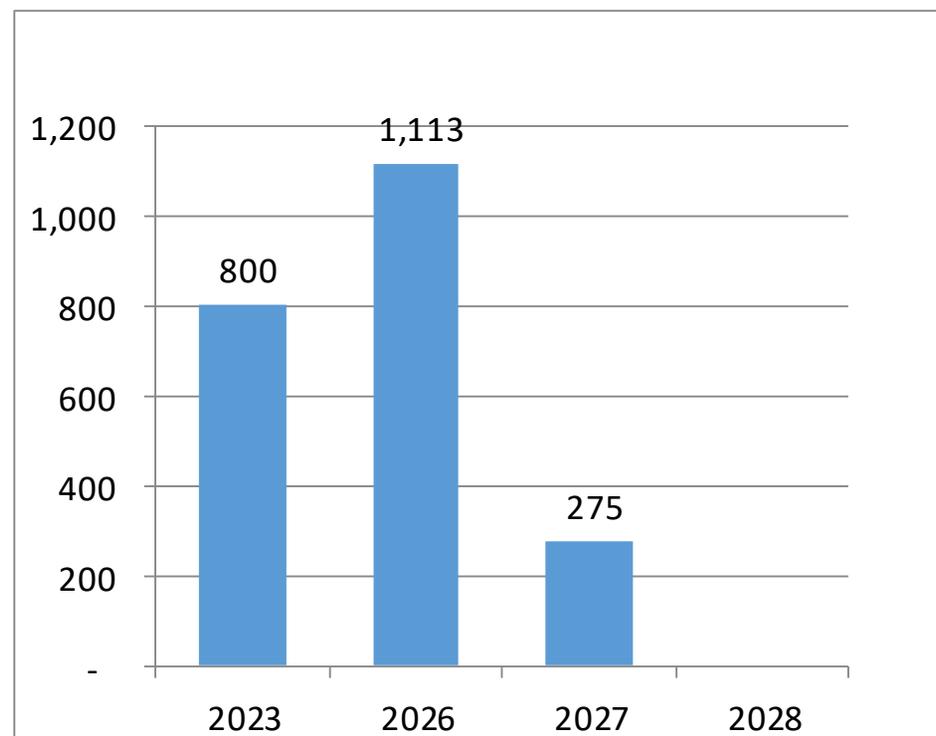
Pavilion REIT Debt as at 30 June 2022

Fixed vs Floating Rate



Average Interest Cost : 3.9%

Debt Maturity Profile (RM million)

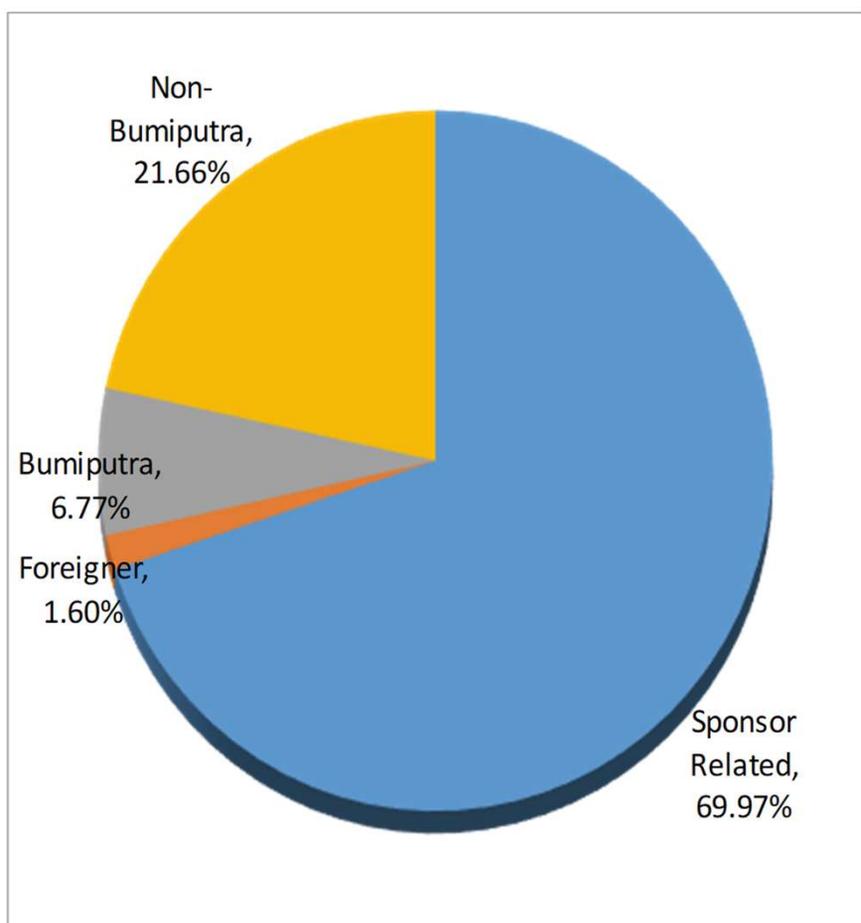


Gearing : 34.7%

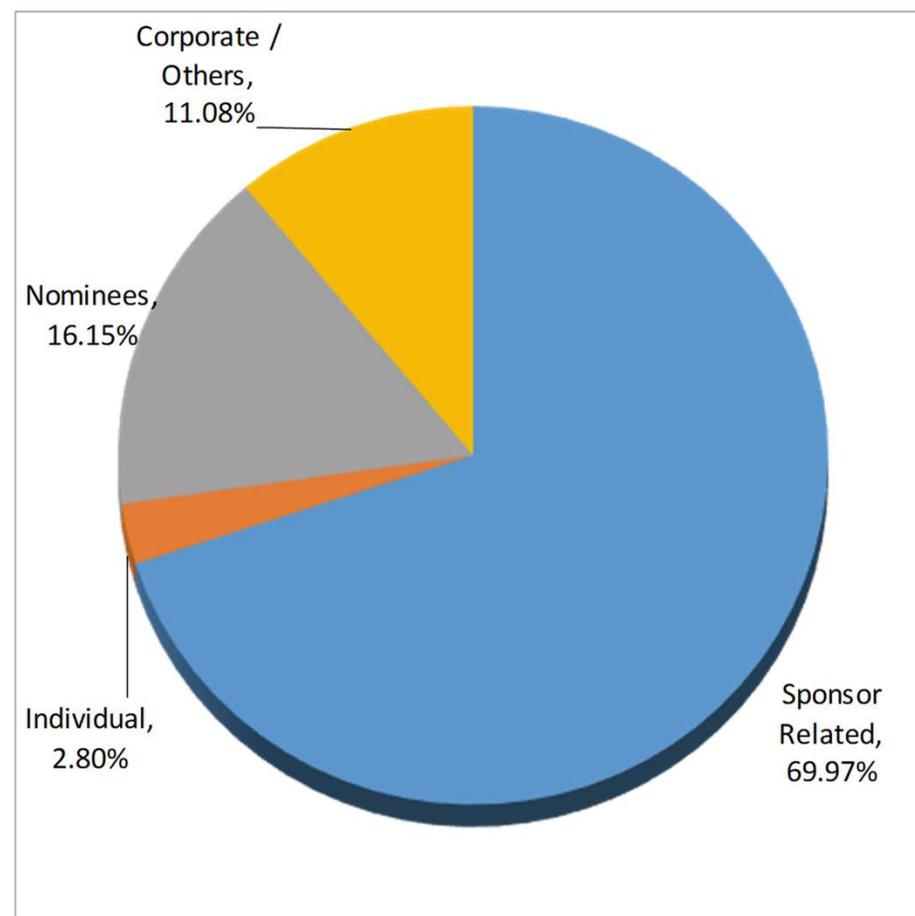
3. Investors Relation

Unitholders' Composition based on Unitholdings as at 30 June 2022

Type of Holders



Category of Holders



Total number of unitholders as at 30 June 2022 : 10,745 (10,474 as at 31 Dec 2021)

Top 10 Unitholders' as at 30 June 2022

No	Name	%
1	HSBC Nominees (Asing) Sdn Bhd CS (Switz) for Qatar Holding LLC	33.05
2	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account – CIMB Investment Bank Berhad for Lim Siew Choon (UCDSB-SSCA)	22.61
3	CIMB Group Nominees (Tempatan) Sdn Bhd Pledged Securities Account – CIMB Investment Bank Berhad for Tan Kewi Yong (UCDSB-SSCA)	9.23
4	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	7.41
5	Kumpulan Wang Persaraan (Diperbadankan)	6.00
6	UOBM Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Siew Choon	5.08
7	Amanah Trustees Berhad Amanah Saham Bumiputera	2.40
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

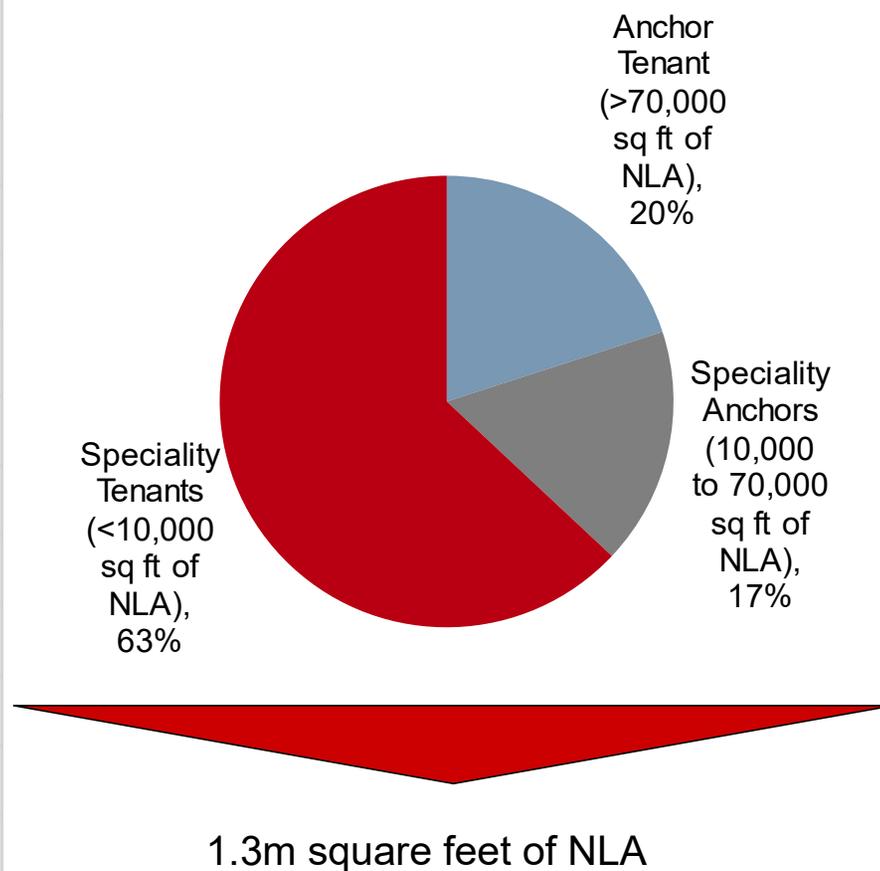
4. Pavilion Kuala Lumpur Mall

Pavilion Kuala Lumpur Mall – Tenancy Status

Top 10 retail tenants by Gross Rent

Name	Trade sector	% of occupied NLA
Parkson Elite	Departmental Store	19.9%
Dadi Cinema	Urban Leisure	4.7%
Forever 21	Fashion	1.9%
Padini Concept Store	Fashion	1.7%
Food Republic	Food & Beverage	1.0%
Cartier	Timepiece	0.5%
Hermes	Fashion	0.4%
Polo Ralph Lauren	Fashion	0.4%
Richard Mille	Timepiece	0.3%
Zara	Fashion	0.3%
Total		31.1%

Tenant Mix by NLA

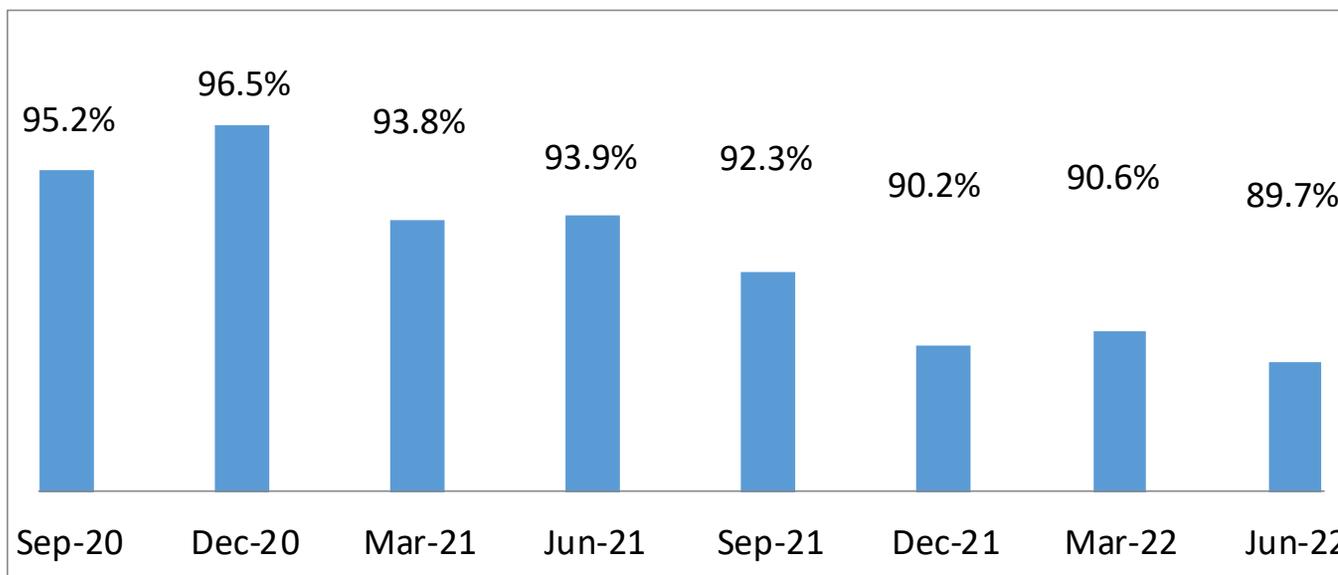


Top 10 retail tenants contributes 19.7% of Gross Rent High proportion of speciality tenants

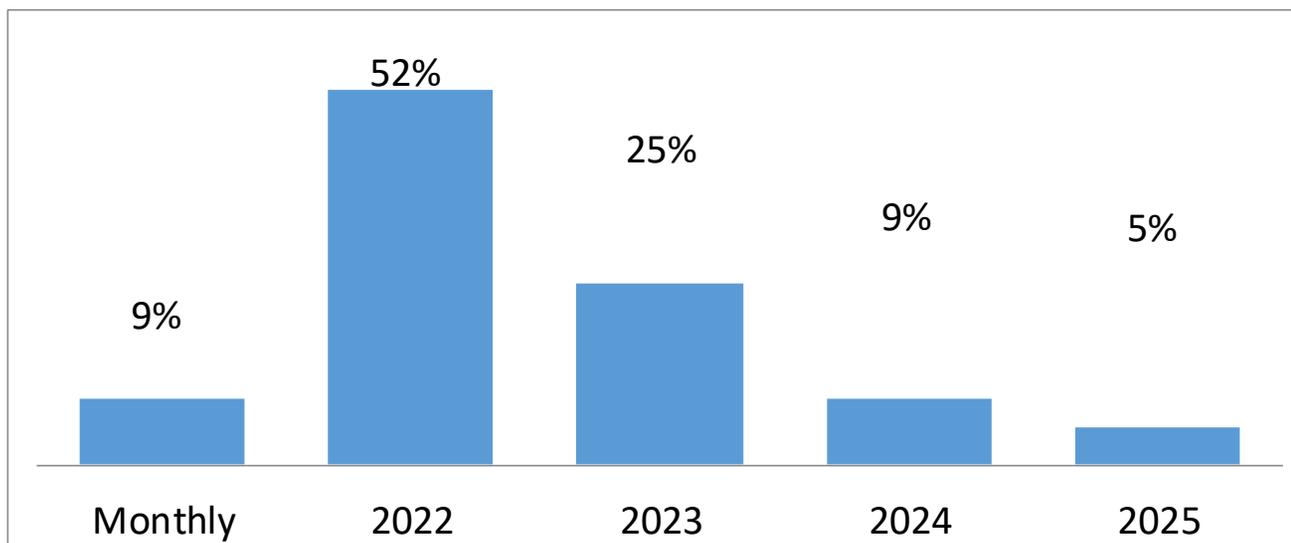
Pavilion Kuala Lumpur mall enjoys a diverse and unique tenant base along with rising rental rates and consistently high occupancy rates

Pavilion Kuala Lumpur Mall – Tenancy Status

Occupancy rate at the end of quarter

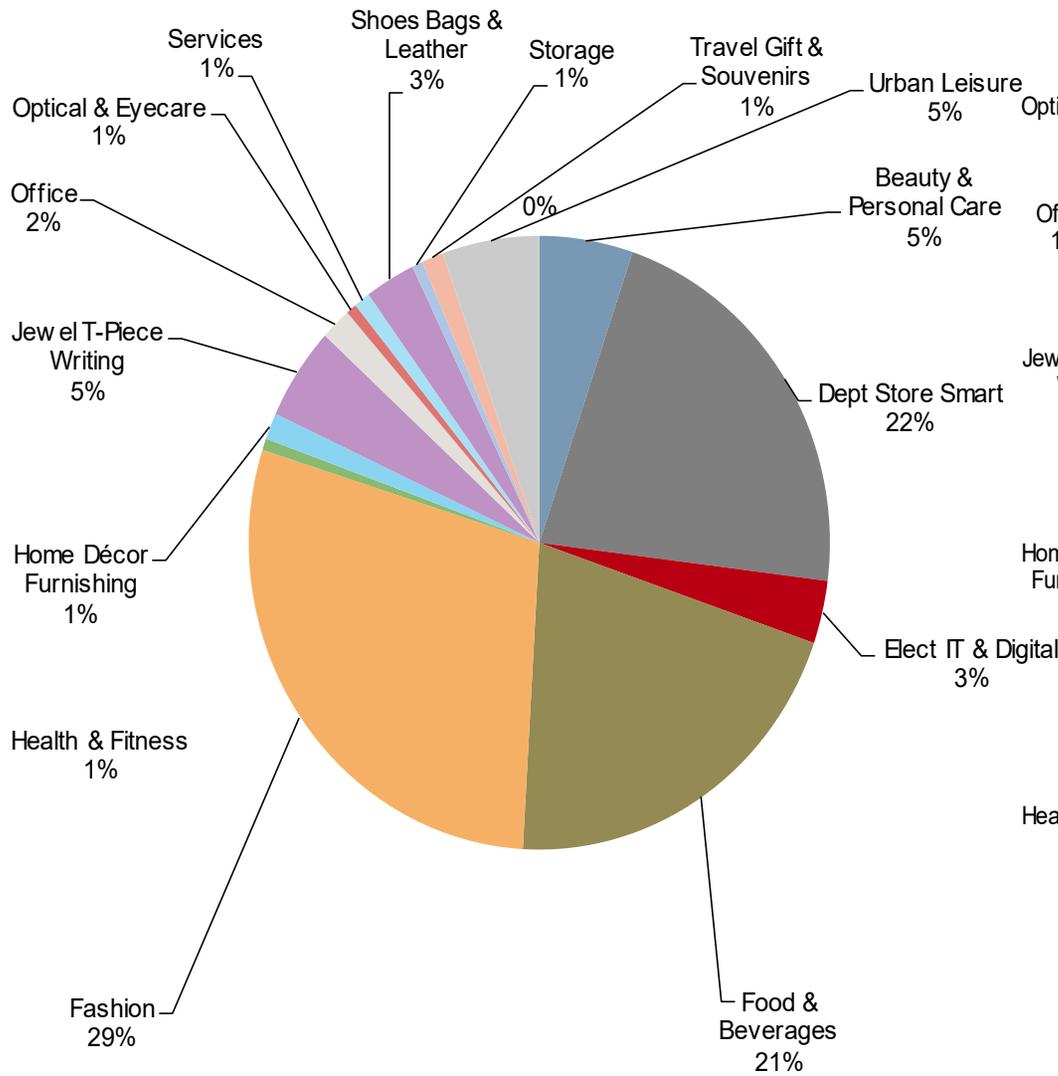


Tenancy expiry schedule on NLA

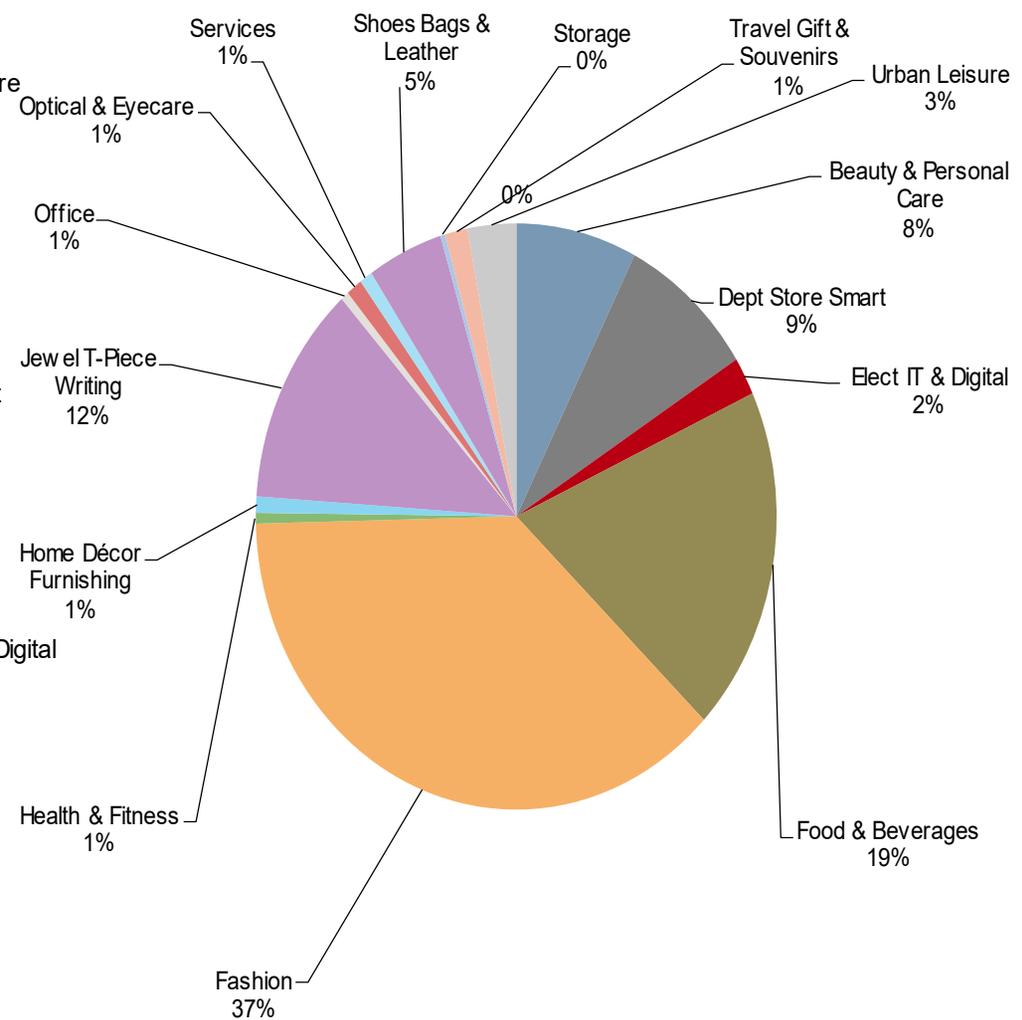


Pavilion Kuala Lumpur Mall – Tenancy Status

Trade sector analysis based on NLA



Trade sector analysis based on Gross Rental



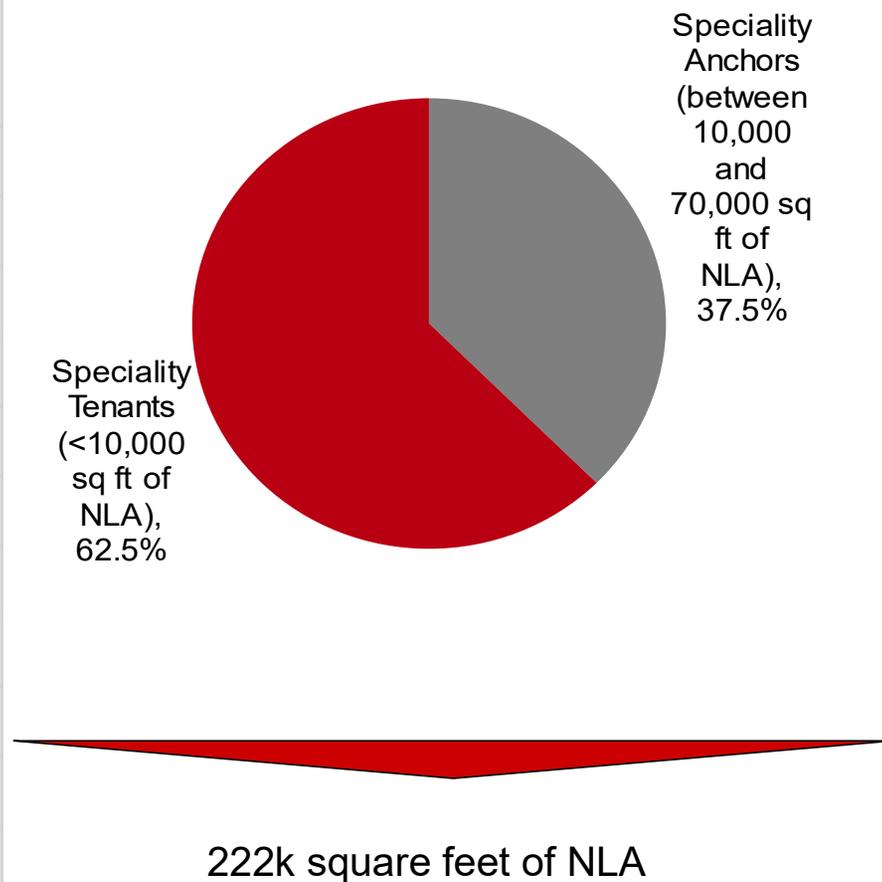
5. Intermark Mall

Intermark Mall – Tenancy Status

Top 10 retail tenants by Gross Rent

Name	Trade sector	% of occupied NLA
Jaya Grocer	Supermarket	16.5%
Hua Wei	IT	7.9%
Primrose Hill Active Learnin	Edutainment	7.3%
MST Golf	Sports	5.8%
Sports Direct	Sports	4.9%
Sketchers	Sports	3.4%
Oriental Landmark	Food & Beverage	3.1%
McDonald's	Food & Beverage	2.9%
Hanare	Food & Beverage	2.0%
In-Colonial	Food & Beverage	2.0%
Total		55.8%

Tenant Mix by NLA

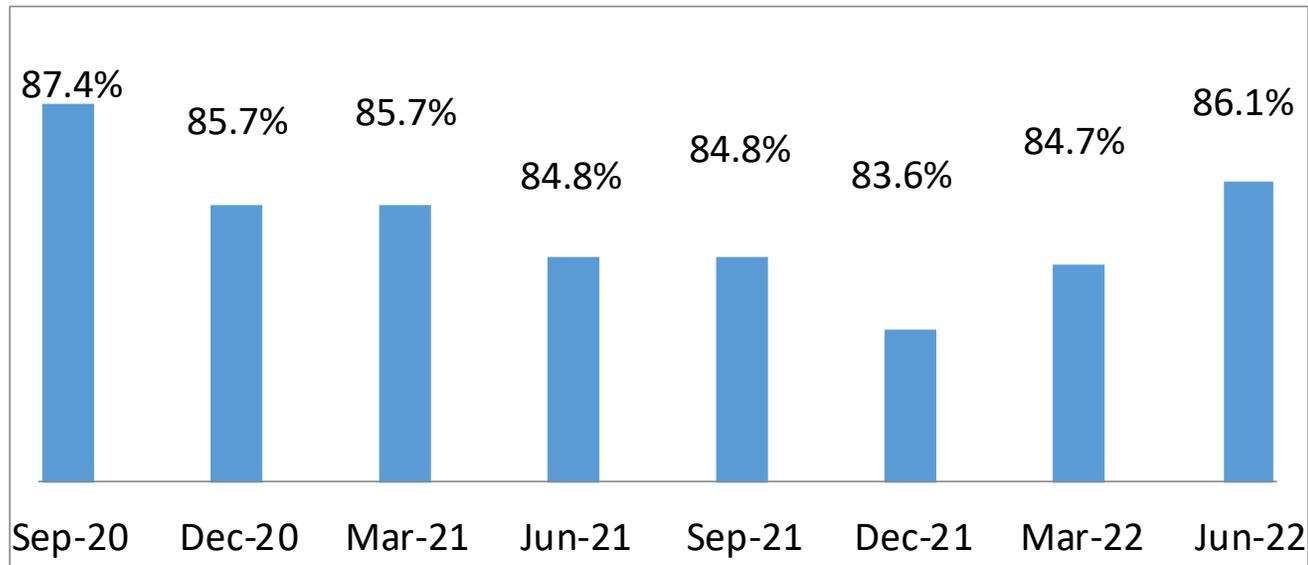


Top 10 retail tenants contributes 46.6% of Gross Rent

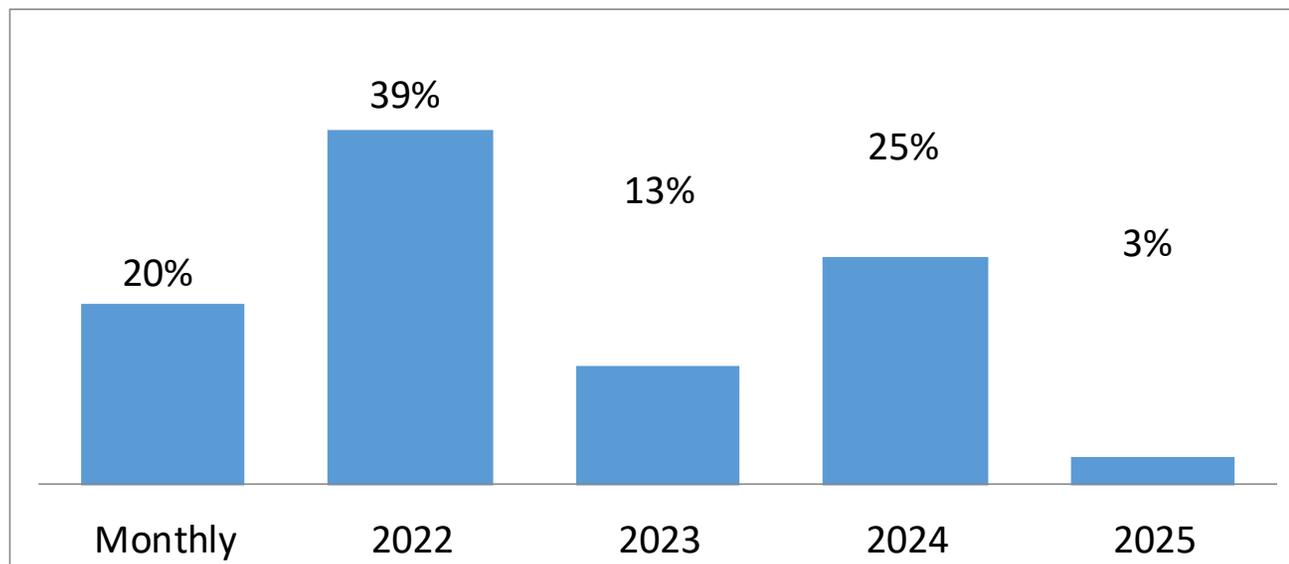
Intermark Mall being positioned to cater to middle income professionals, expatriate and family conveniences

Intermark Mall – Tenancy Status

Occupancy rate at the end of quarter

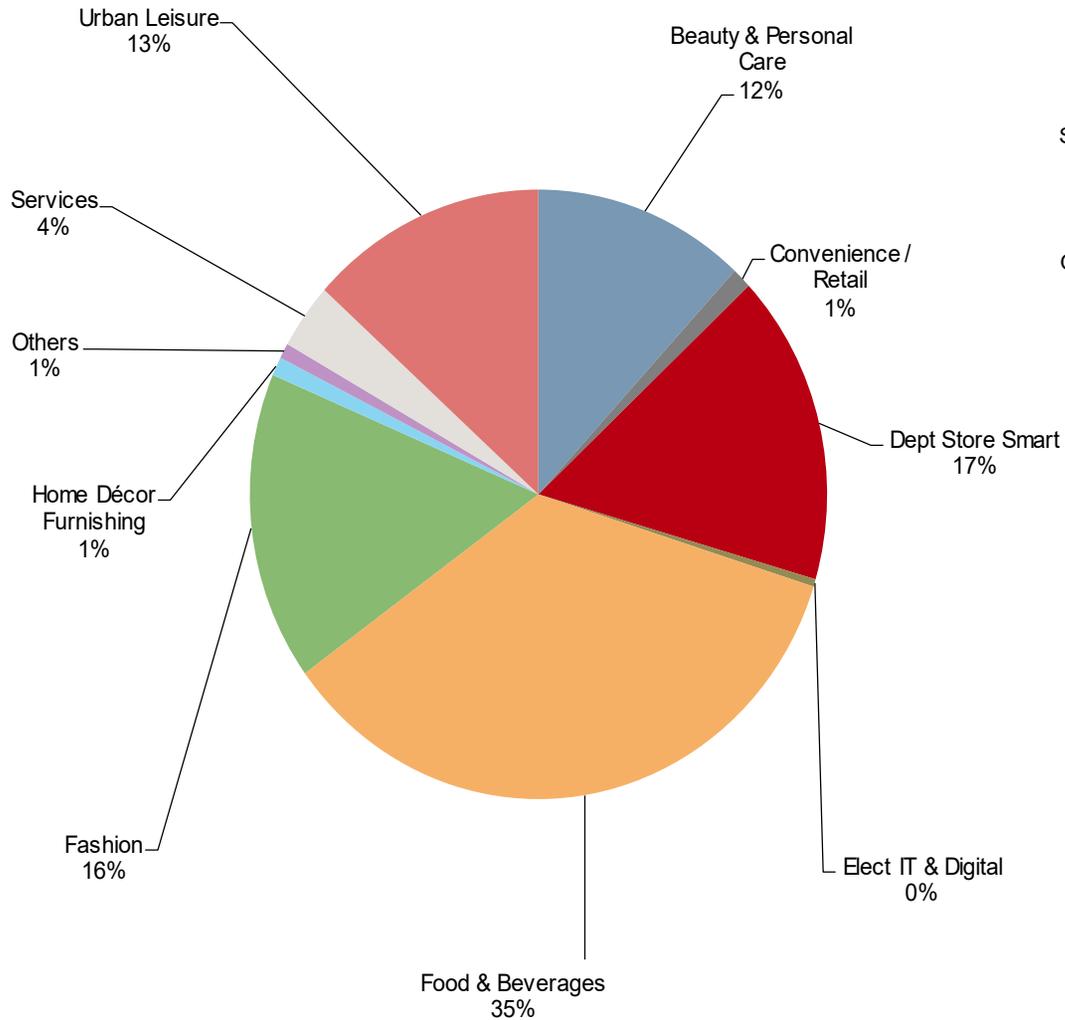


Tenancy expiry schedule on NLA

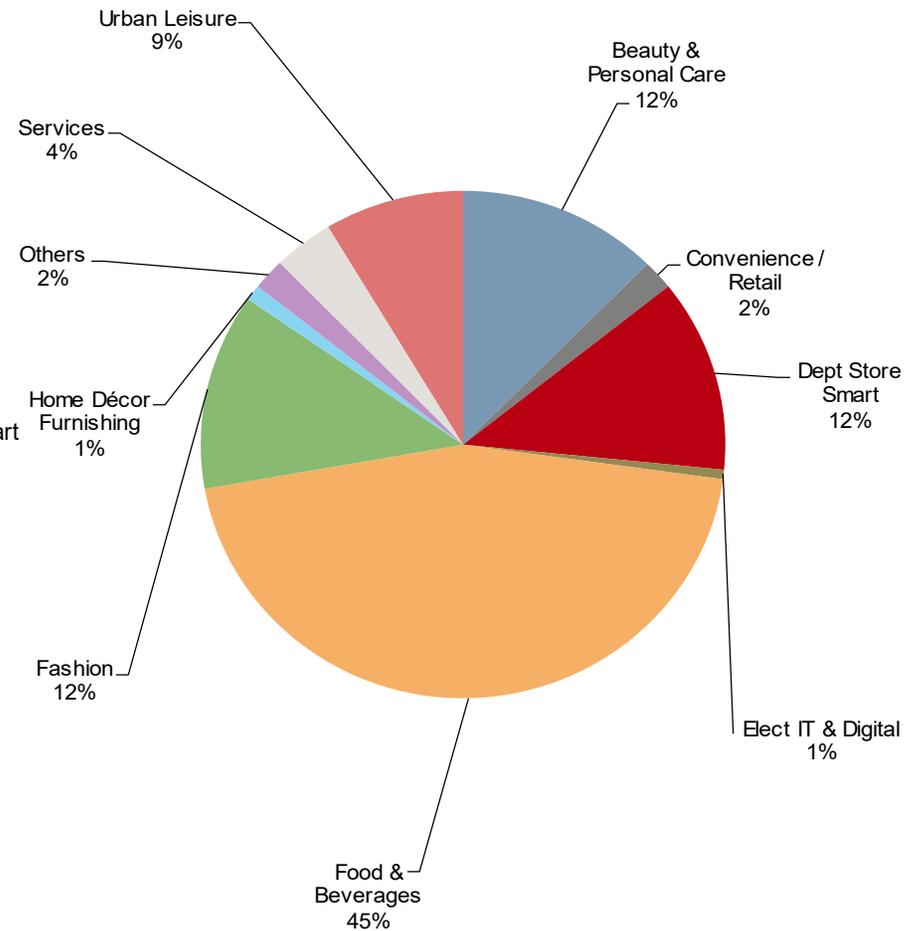


Intermark Mall – Tenancy Status

Trade sector analysis based on NLA



Trade sector analysis based on Gross Rental



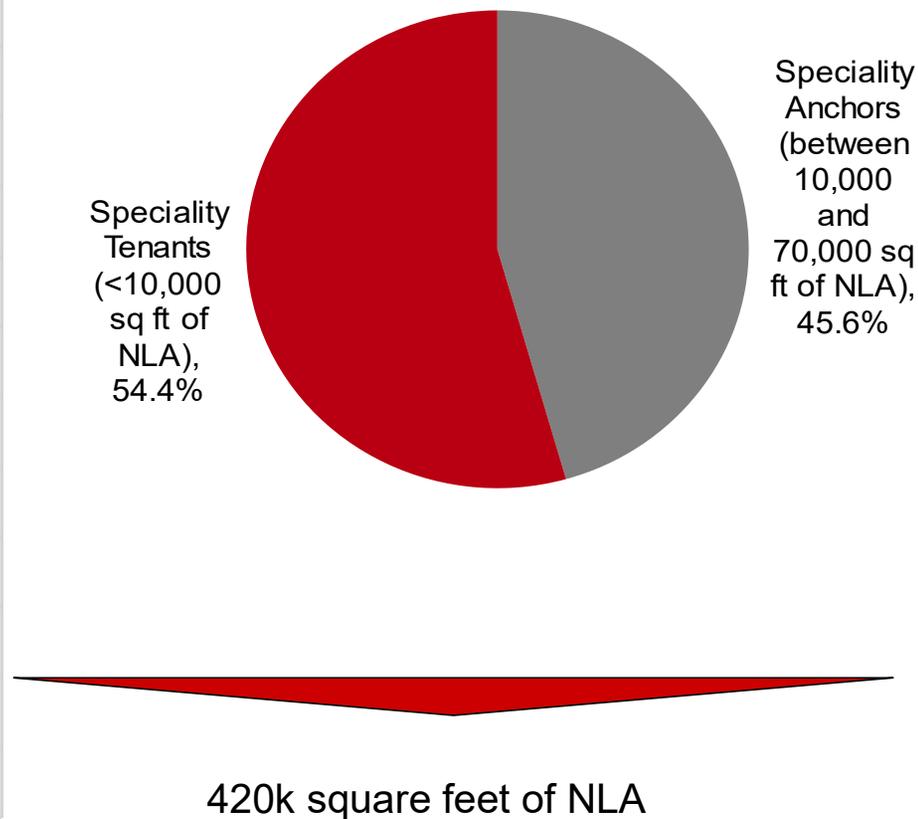
6. DA MEN Mall

DA MEN Mall – Tenancy Status

Top 10 retail tenants by Gross Rent

Name	Trade sector	% of occupied NLA
Dadi Cinema	Urban Leisure	12.5%
Jaya Grocer	Supermarket	10.8%
Grand Harbour Restaurant	Food & Beverage	5.2%
Bookxcess	Food & Beverage	4.4%
Music Box	Urban Leisure	4.2%
Chi-X Fitness	Urban Leisure	4.1%
Mr DIY	Home Furnishing	3.9%
Nam Heong Ipoh	Food & Beverage	1.8%
Home's Harmony	Home Furnishing	2.6%
Swensen's	Food & Beverage	0.9%
Total		50.4%

Tenant Mix by NLA

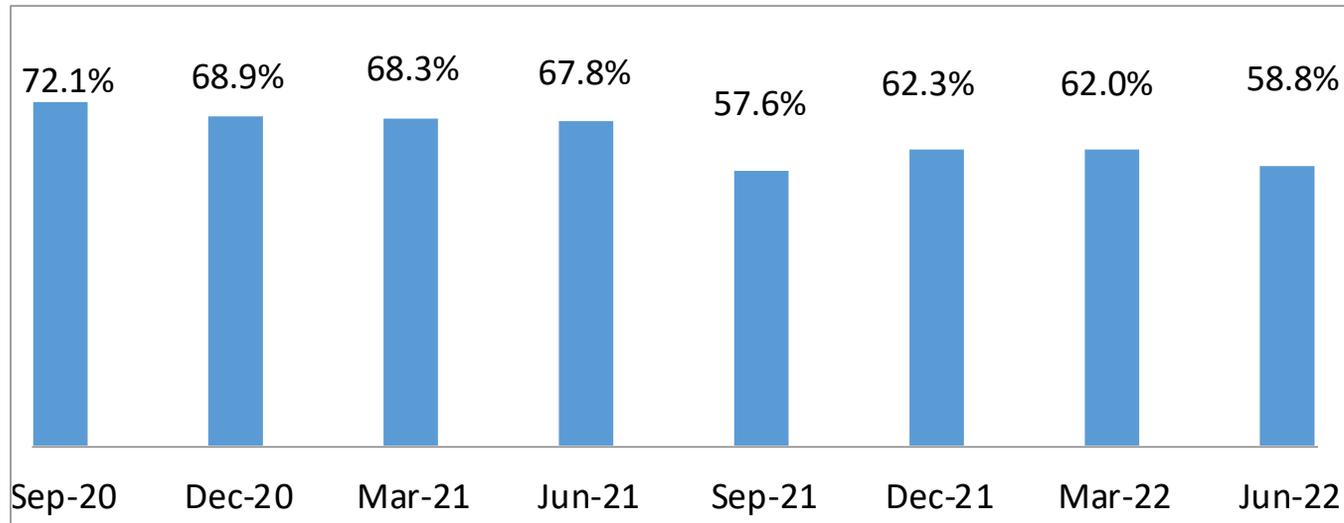


Top 10 retail tenants contributes 52.3% of Gross Rent

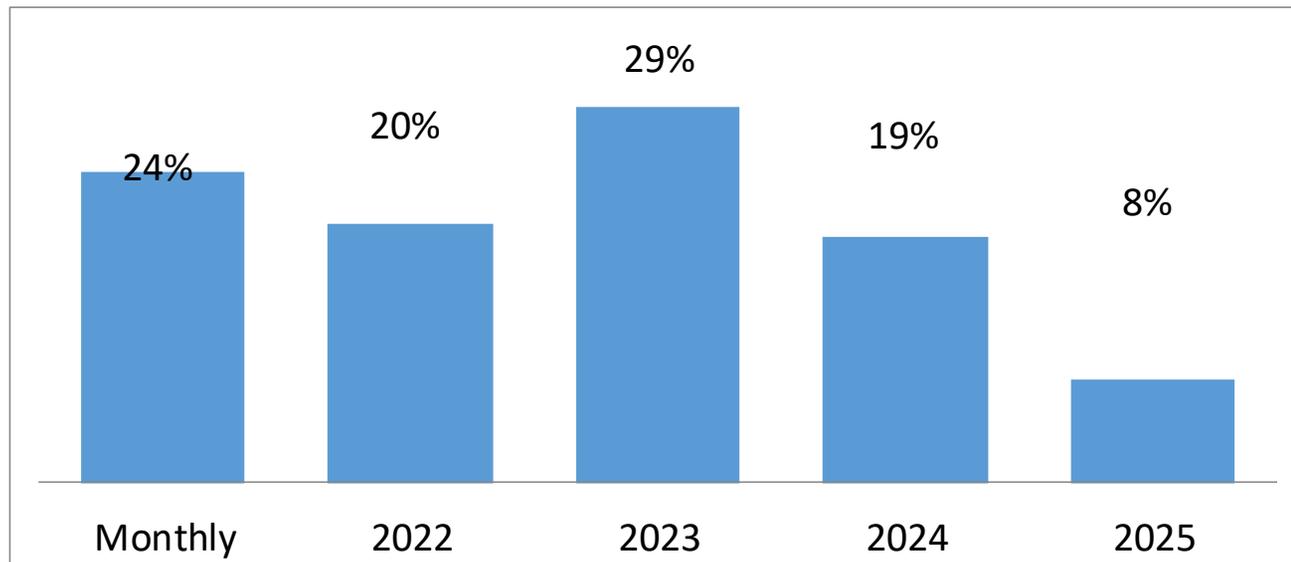
Da men Mall targets to be a holistic community friendly mall that continuously champion inclusivity

DA MEN Mall – Tenancy Status

Occupancy rate at the end of quarter

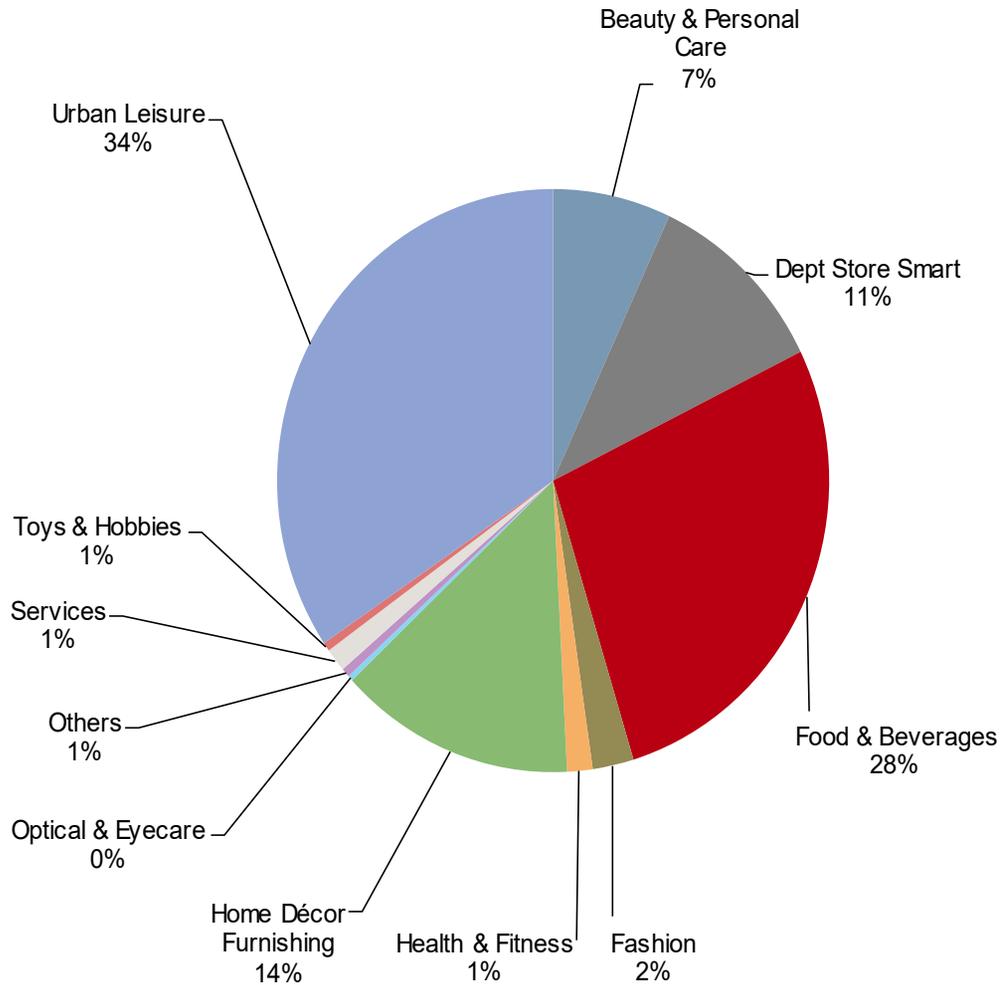


Tenancy expiry schedule on NLA

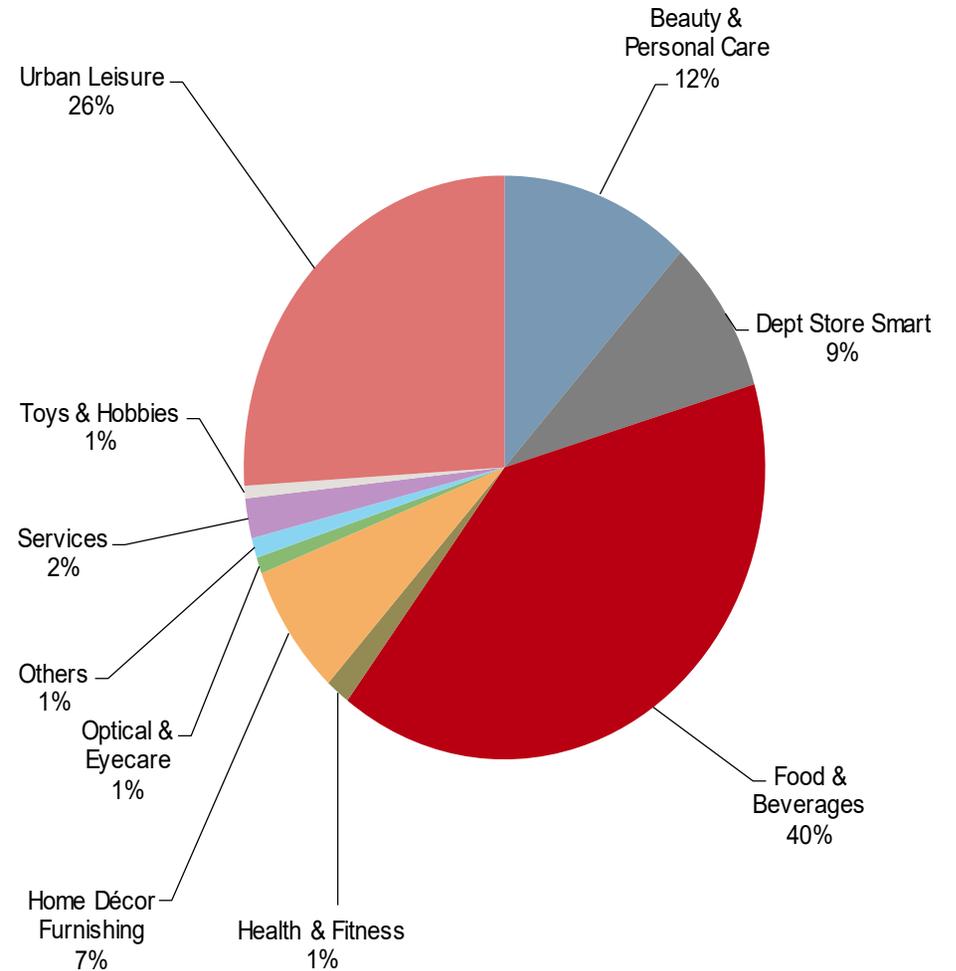


DA MEN Mall – Tenancy Status

Trade sector analysis based on NLA



Trade sector analysis based on Gross Rental



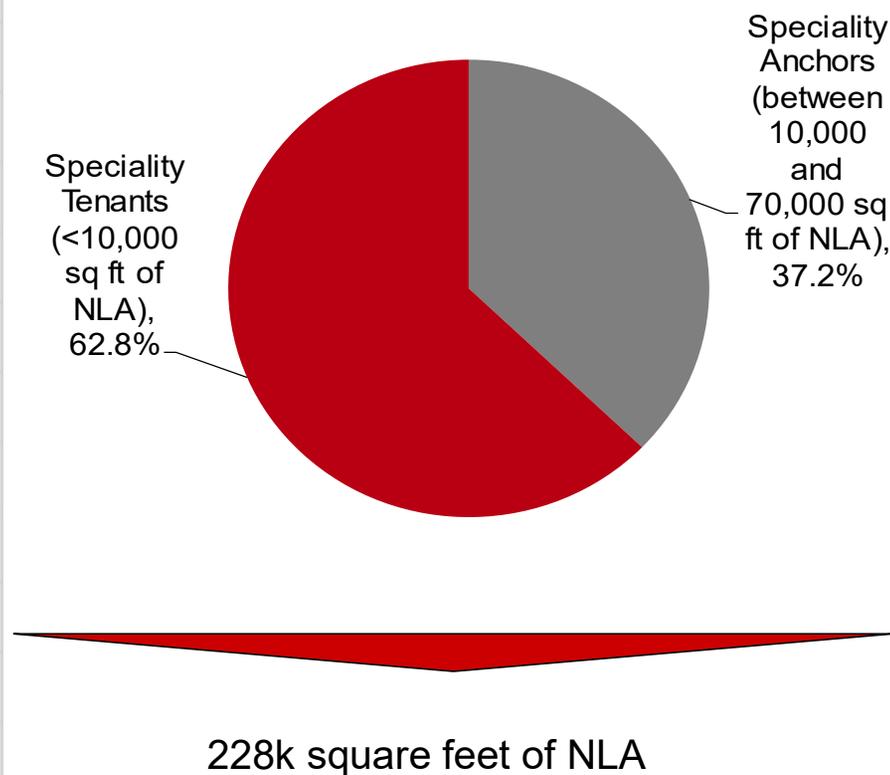
7. Elite Pavilion Mall

Elite Pavilion Mall – Tenancy Status

Top 10 retail tenants by Gross Rent

Name	Trade sector	% of occupied NLA
JD Sports, King of Trainer	Fashion	6.9%
Muji	Fashion	6.5%
Red Box Plus	Urban Leisure	6.2%
Cotton On	Fashion	6.2%
Haidilao Hot Pot	Food & Beverage	5.2%
COS	Fashion	3.6%
Coach	Fashion	2.9%
Lululemon	Fashion	2.0%
MAC	Beauty & Personal Care	1.1%
LukFook Jewellery	Jewellery Timepiece	1.0%
Total		41.6%

Tenant Mix by NLA

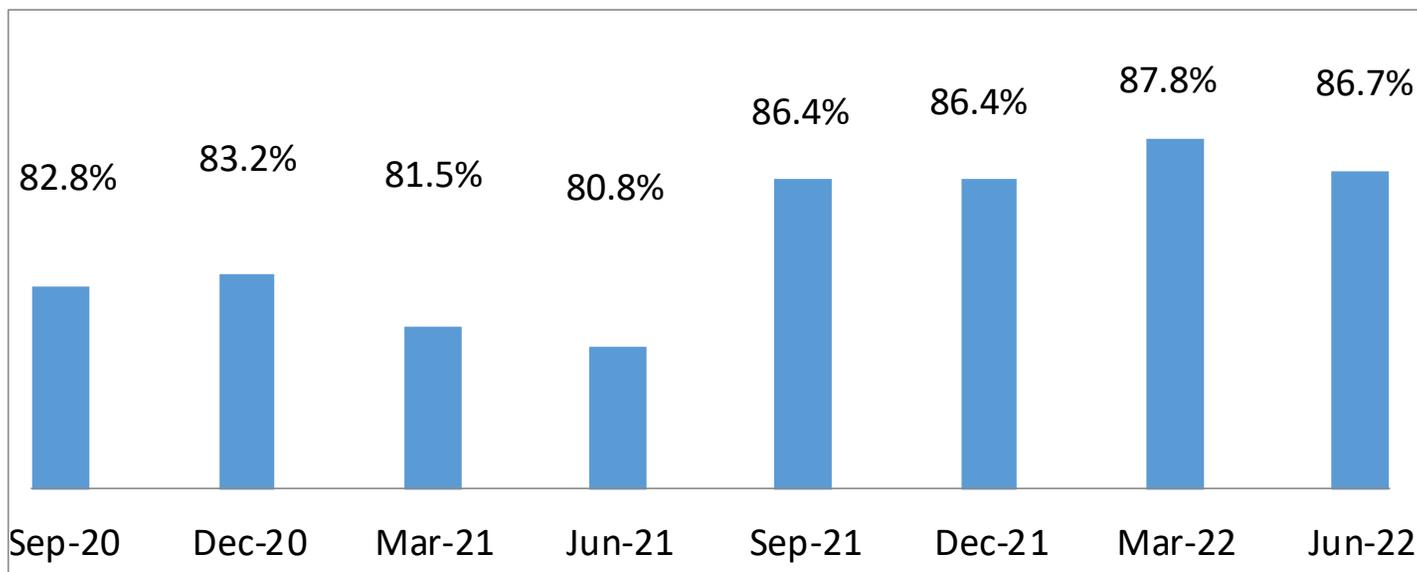


Top 10 retail tenants contributes 48.8% of Gross Rent

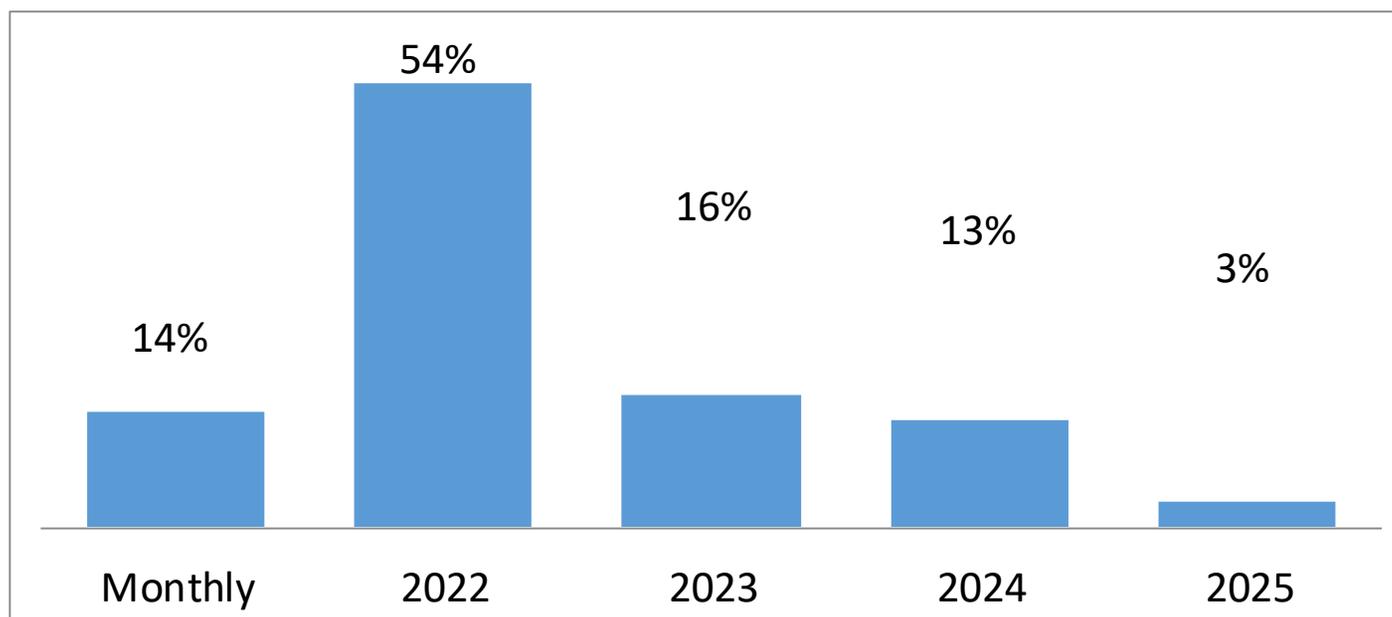
An extension to Pavilion Kuala Lumpur mall, it offers additional variety of shopping options

Elite Pavilion Mall – Tenancy Status

Occupancy rate at the end of quarter

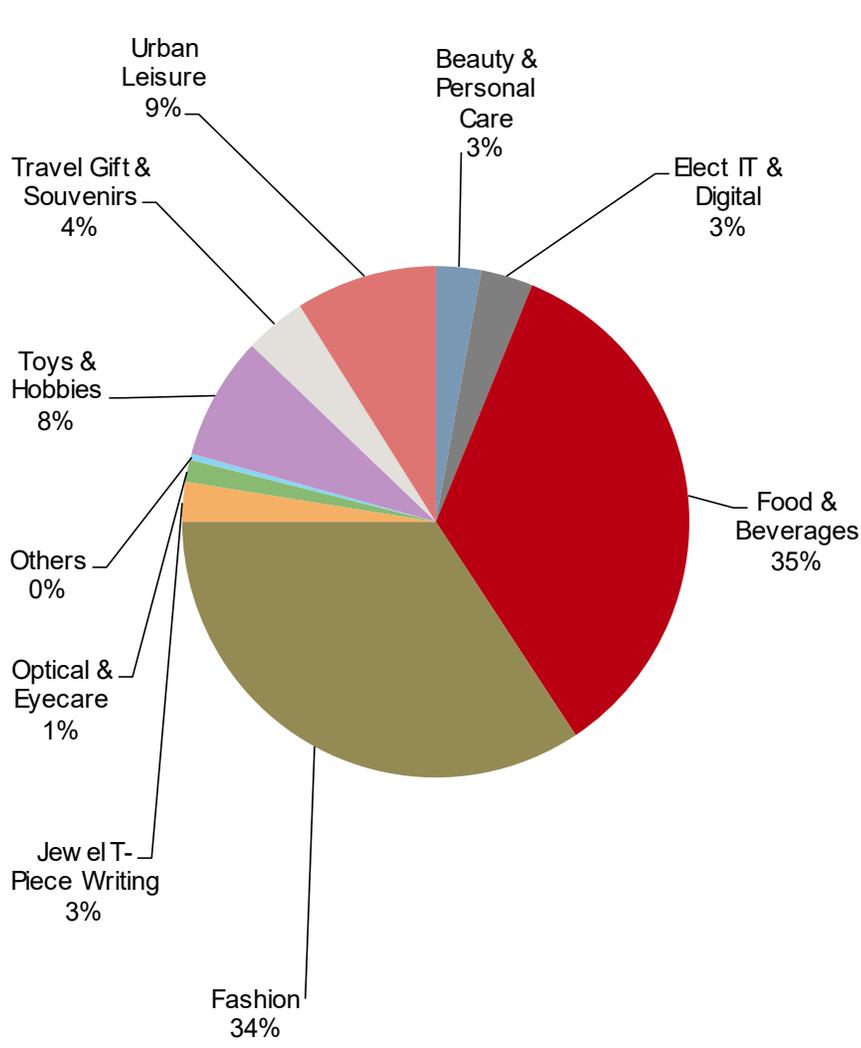


Tenancy expiry schedule on NLA

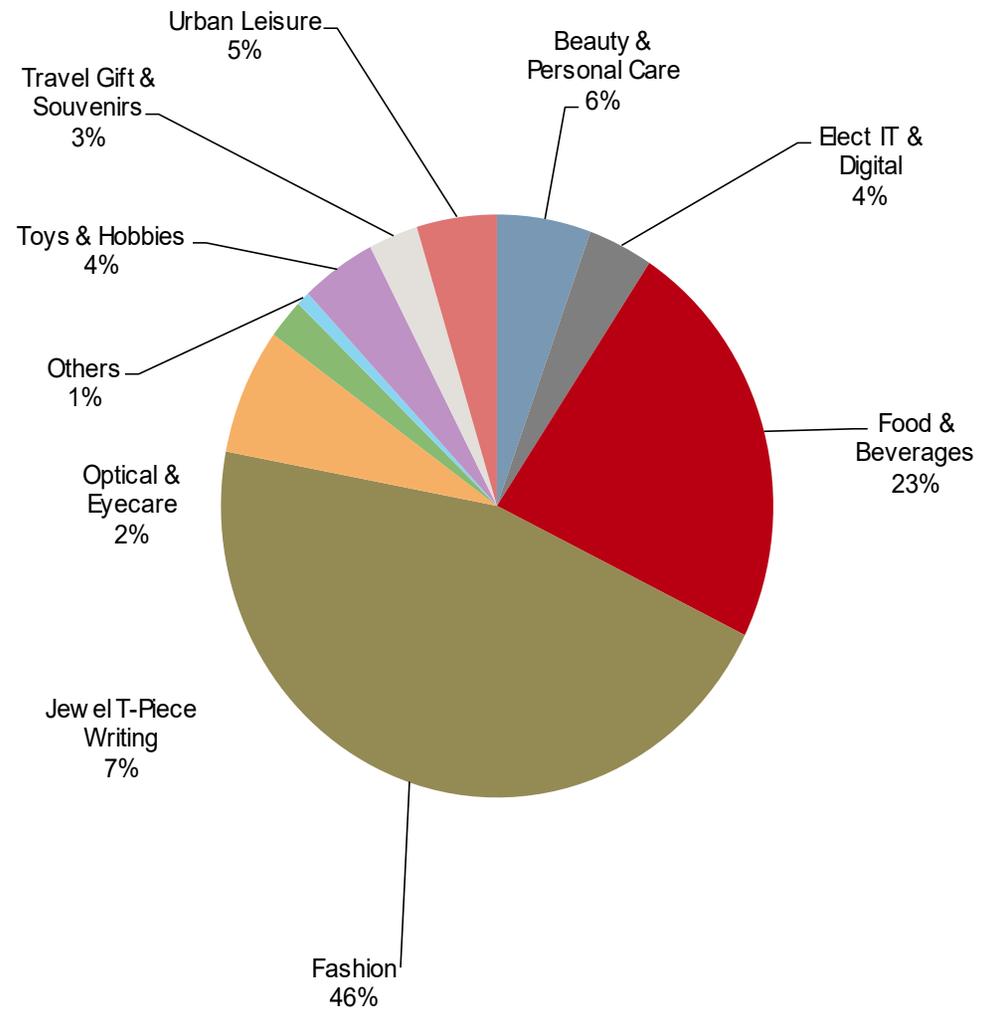


Elite Pavilion Mall – Tenancy Status

Trade sector analysis based on NLA



Trade sector analysis based on Gross Rental



8. Pavilion Tower

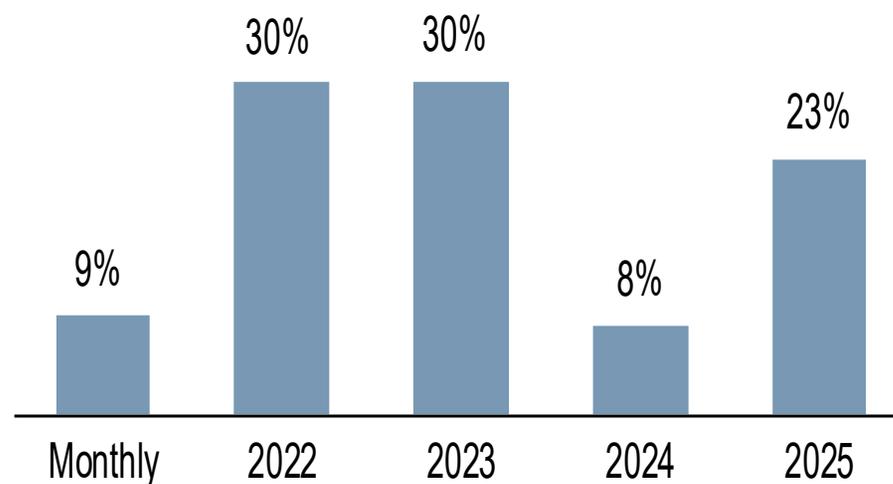
Pavilion Tower

One of Kuala Lumpur's premier business addresses



74% space occupied

Projected expiry schedule on NLA

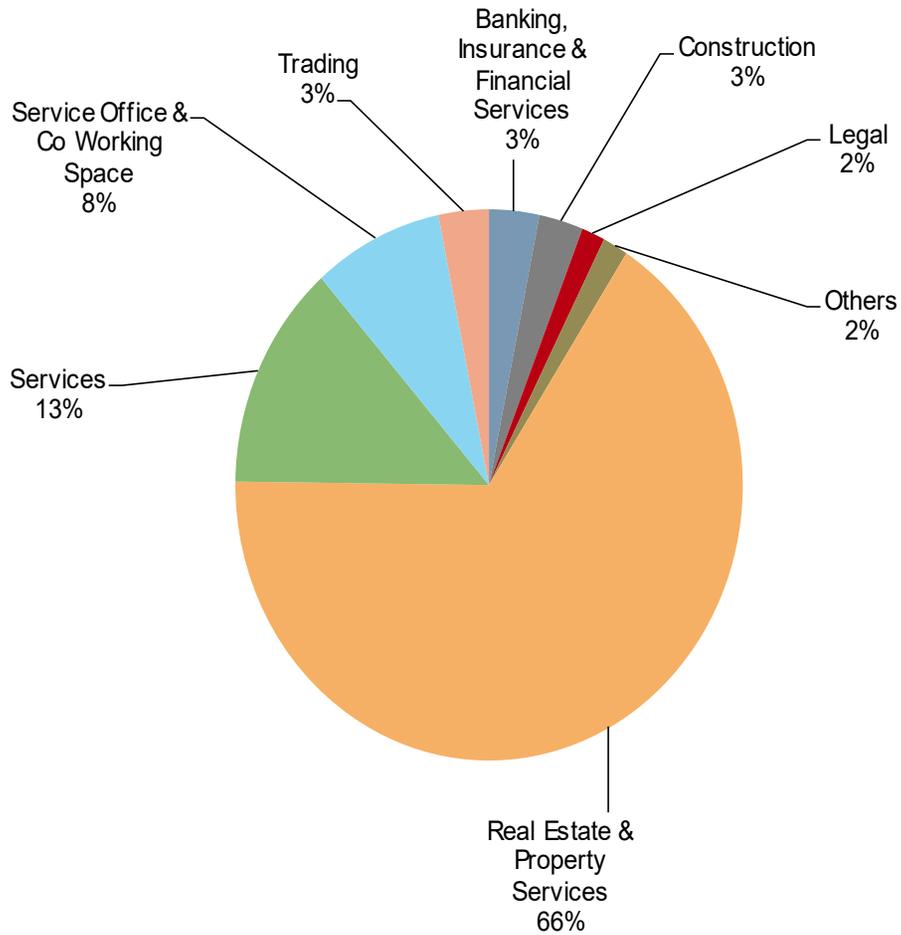


Benefits of Pavilion Tower

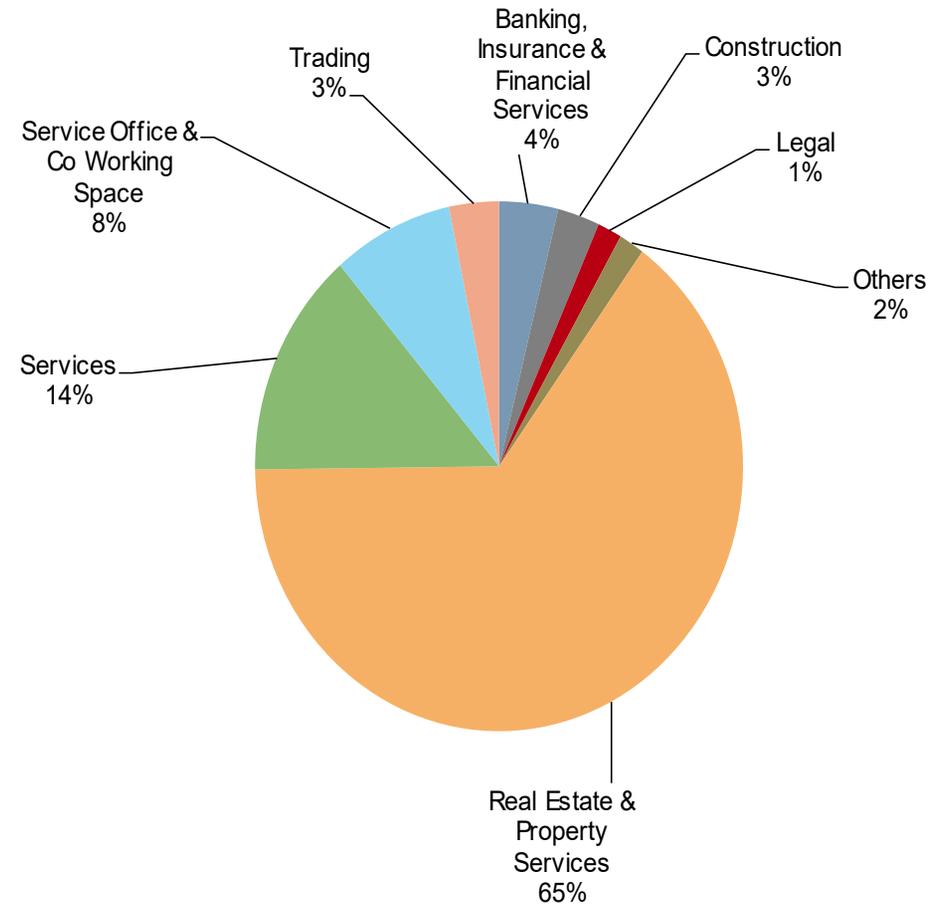
- Connected to Pavilion Kuala Lumpur Mall
- Tenants across multiple trade sectors, including property development, construction, retail, service office and others
- Major tenants include Malton Group, arcc service office and KL Metro Group

Pavilion Tower Office – Tenancy Status

Trade sector analysis based on NLA



Trade sector analysis based on Gross Rental



9. ESG

ESG Performance Highlights

ENVIRONMENTAL



- Pavilion KL Mall has secured approximately 20% of renewable energy from Tenaga Nasional Berhad as of to date
- Pavilion KL Mall's cooling tower plants are being upgraded which will improve operational productivity besides increasing energy efficiency

SOCIAL



- Increased minimum wage to RM1,500 (from RM1,200) effective May 1 and this also extend to our service providers to ensure they comply with the minimum wages
- We required our service providers to ensure that every accommodation provided for employees complies with minimum standards and that decent and adequate amenities are provided

GOVERNANCE



- Established Sustainability Committee¹ and Risk Management Committee in May 2022
- The Board's independence and gender diversity will be updated by end of 2024 to comply with the recommendation under the latest Malaysian Code of Corporate Governance.

Note:

1. The Sustainability Committee is a committee of the Board of Directors ("Board") established to assist the Board in fulfilling its oversight responsibilities in relation to Pavilion REIT's sustainability strategy and initiatives covering environmental, social and economic aspect as well as embedding sustainability practices into Pavilion REIT properties.

ESG Highlights: Engaging Stakeholders

#LoveEarth Exhibition



Showcasing brands that are taking an initiative to make a positive environmental impact in April 2022 at Pavilion KL Mall

WWF Green Awareness Campaign



Increase environmental awareness and raise funds at Intermark Mall

Raffles College Earth Hour Exhibition



Creative works encompassing sustainability in conjunction with Earth Hour in March 2022.

Ramadhan Bubur Lambuk Distribution



Ramadhan Bubur Lambuk Distribution

Donation to Flood Victims



Donation to Flood Victims

PAVILION REAL ESTATE INVESTMENT TRUST WCT MALTON
 TO: TABUNG IKHTIAR SELANGOR BANGKIT SIRI KE-2
 MALAYSIAN RED CRESCENT SOCIETY
 MERCY MALAYSIA
 AMOUNT: **RM2,000,000** IN CASH AND KIND

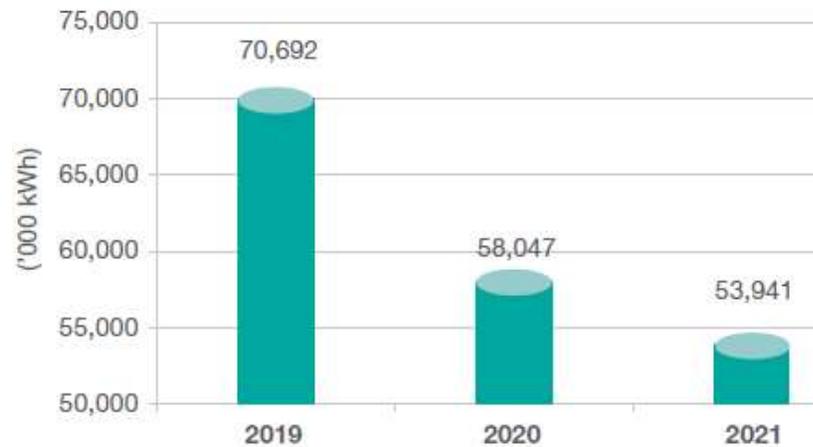
In support of White Flag Movement



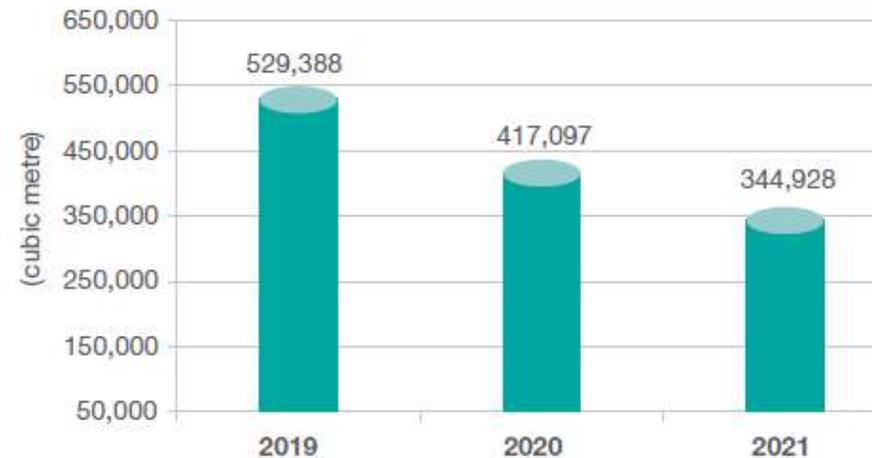
In support of White Flag Movement

Sustainability Measures : Environmental

Pavilion Kuala Lumpur Mall
Electricity Consumption



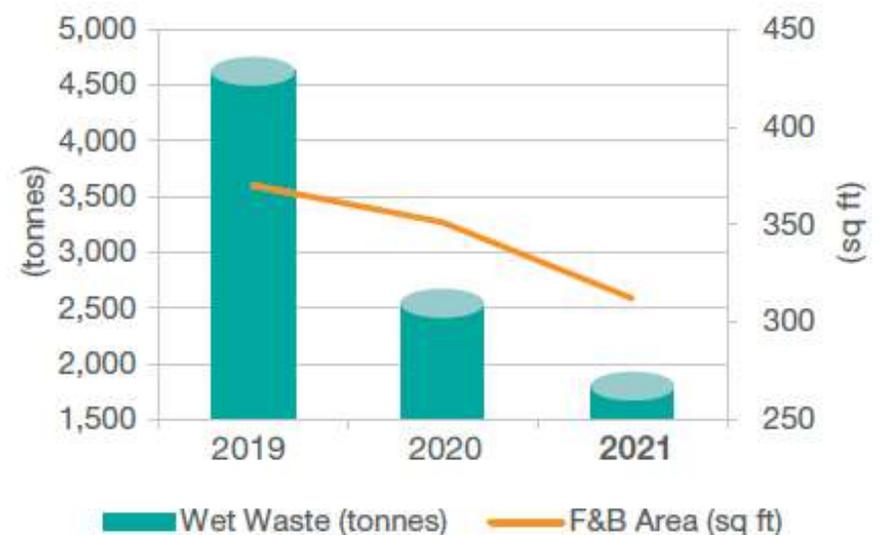
Pavilion Kuala Lumpur Mall
Water Consumption



Pavilion Malls
Dry Waste Generated

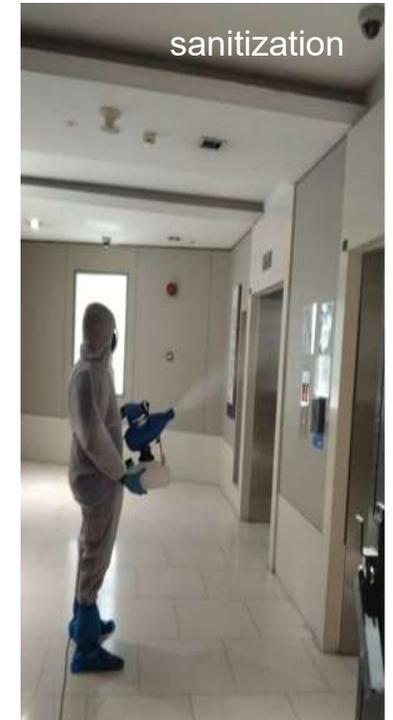
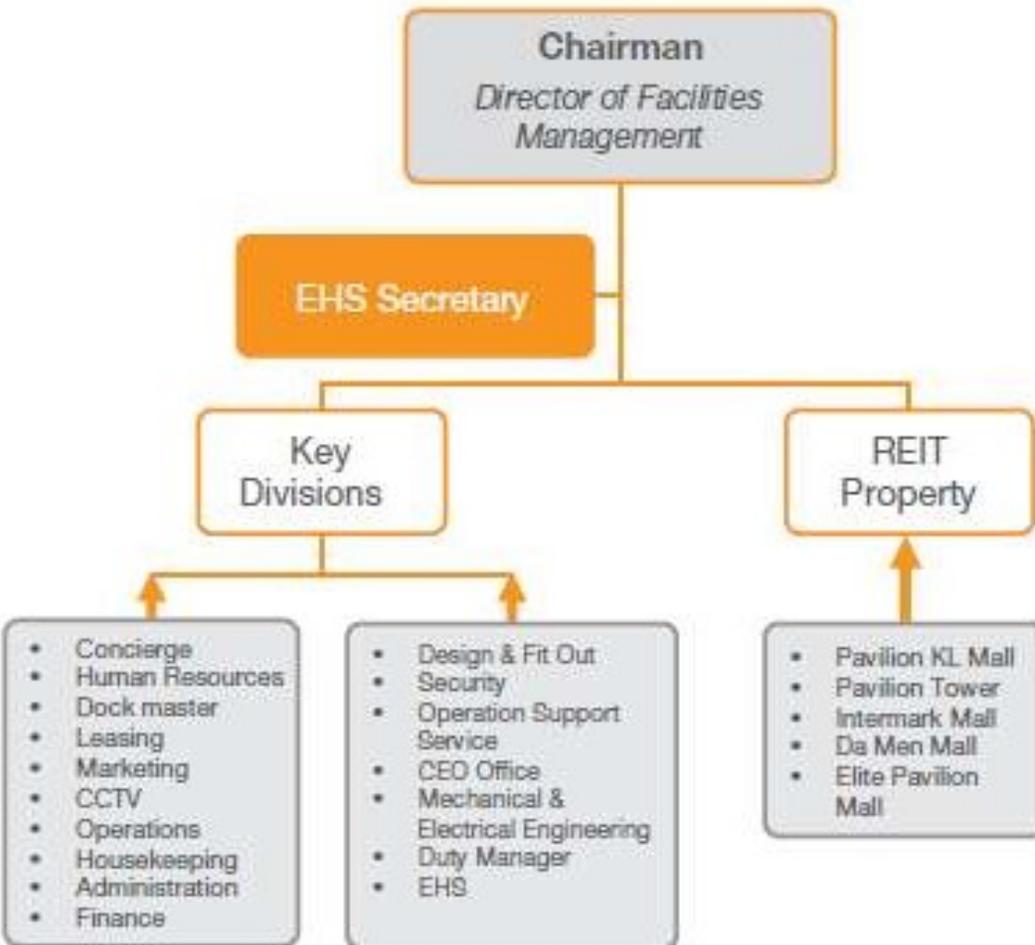


Pavilion Malls
Wet Waste Generated



Sustainability Measures : Health & Safety

Environment, Health and Safety Organisation Chart



10. Investment Opportunities / Growth Strategies

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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