

IGB COMMERCIAL REIT

2Q2022 Results Overview - 27 July 2022



Sections



1. Financial Overview	3-5
2. Distribution Statement	6-9
3. Debt Profile	10-11
4. Balance Sheet	12-13
5. Portfolio	14-31

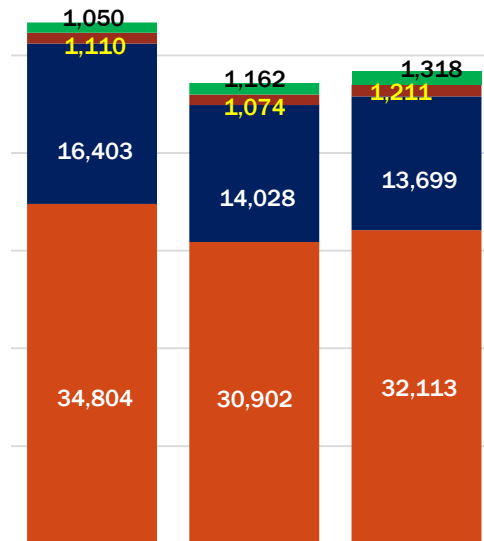
Section 1 : Financial Overview

Financial Summary : 1 April to 30 June 2022

Revenue

(RM'000)

53,367	47,166	48,341
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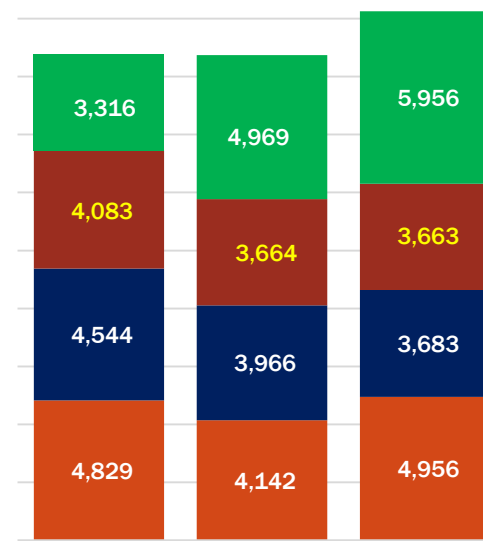


- Rent Related and Other Income
- Carpark Income
- Service Charges
- Gross Rental Income

Operating Expenses

(RM'000)

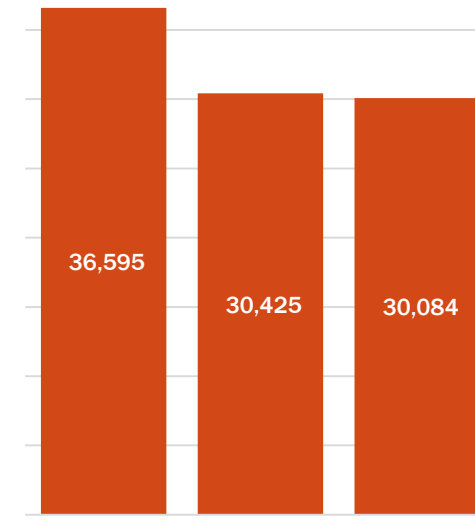
16,772	16,741	18,258
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- Reimbursement Costs and Operating Expenses
- Assessment and Quit Rent
- Maintenance
- Utilities

Net Property Income

(RM'000)



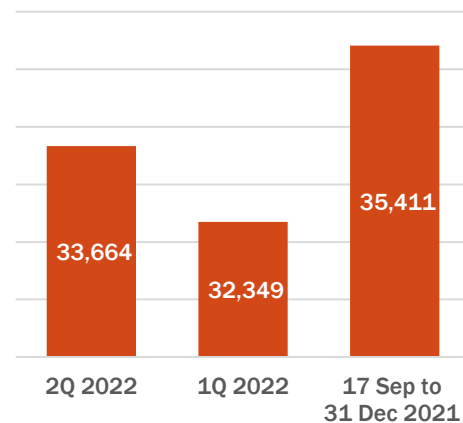
- Net Property Income

Segmental Financial Overview

Mid Valley City

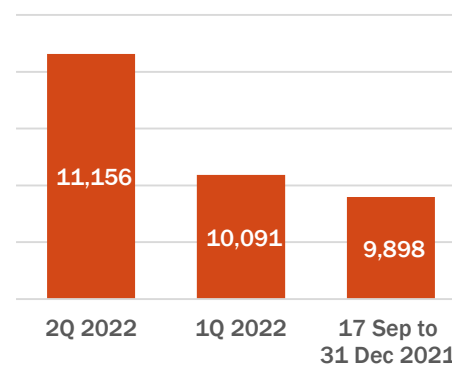
Revenue

(RM'000)



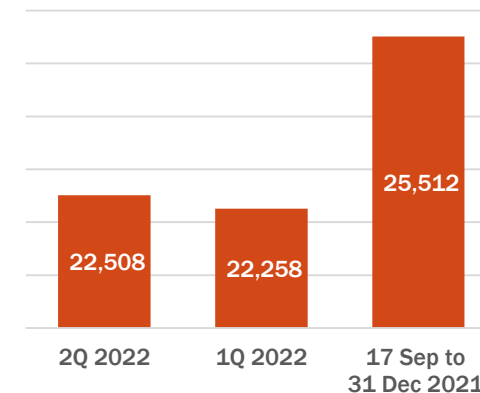
Operating Expenses

(RM'000)



Net Property Income

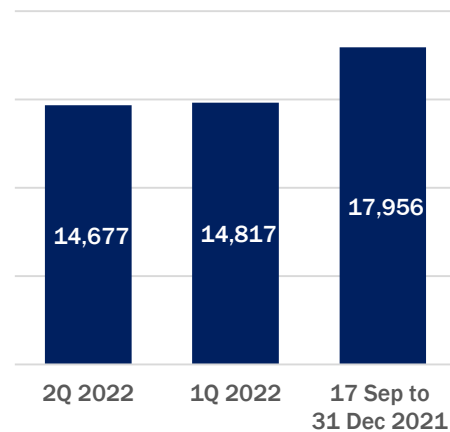
(RM'000)



KL City

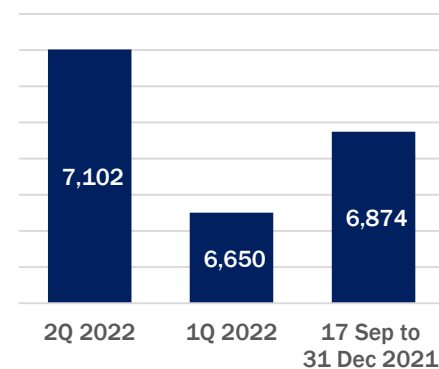
Revenue

(RM'000)



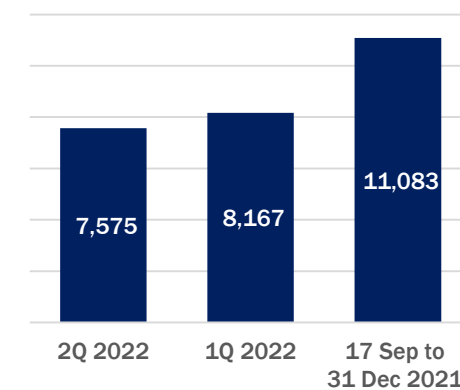
Operating Expenses

(RM'000)



Net Property Income

(RM'000)



Section 2 : Distribution Statement

Consolidated Statements of Comprehensive Income as at 30 June 2022

Consolidated Statements of Comprehensive Income and Profit Forecast as at 30 June 2022			
	2Q 2022	1Q 2022	17 Sep to 31 Dec 2021
	(RM'000)	(RM'000)	(RM'000)
Gross rental income	32,113	30,902	34,804
Revenue from contracts with customers	16,229	16,264	18,563
Total Revenue	48,342	47,166	53,367
Assessment and quit rent	(3,663)	(3,664)	(4,083)
Utilities expenses	(4,956)	(4,142)	(4,829)
Maintenance expenses	(3,683)	(3,966)	(4,938)
Reimbursement costs and other property operating expenses	(5,956)	(4,969)	(2,922)
Property Operating Expenses	(18,258)	(16,741)	(16,772)
NPI	30,084	30,425	36,595
Changes in fair value on investment properties ⁽¹⁾	-	-	500
Interest Income	487	385	235
Net investment income / (Net investment loss)	30,571	30,810	37,330
Management Fees	(3,953)	(3,930)	(4,669)
Trustee's fee	(117)	(114)	(135)
Other trust expenses	(93)	(284)	(984)
Finance costs	(8,317)	(8,185)	(9,531)
Profit before taxation / (Loss before taxation)	18,091	18,297	22,011
Taxation	-	-	-
Total comprehensive income / (loss) attributable to unitholders	18,091	18,297	22,011
Distribution Adjustments	4,214	4,189	4,472
Distributable Income	22,305	22,486	26,483

For the financial period ended 31 December 2021, a distribution of 100% of IGB Commercial REIT's distributable income amounting to RM26.483 million or 1.147 sen per Unit taxable, was paid on 25 February 2022 to every Unitholder entitled to receive such distribution on 14 February 2022.

Occupancy Rates as at 30 June 2022

	OCCUPANCY RATE				
Subject Properties	FYE 2019	FYE 2020	FYE 2021	1Q2022	2Q2022
	(%)	(%)	(%)	(%)	(%)
Mid Valley City					
Southpoint Properties	39.9	48.8	83.1	79.4	79.4
Menara IGB & IGB Annexe	73.9	69.3	68.0	69.3	77.1
Centrepont South	97.6	87.0	82.4	81.3	81.1
Centrepont North	92.8	91.0	77.8	83.3	86.5
Gardens South Tower	92.4	89.2	80.2	80.8	80.7
Gardens North Tower	82.3	79.5	72.5	69.8	67.4
Boulevard Properties	92.6	92.0	68.6	68.6	66.6
KL City					
Hampshire Place Office	67.5	63.4	61.0	56.9	54.4
Menara Tan Tan	70.5	73.0	70.1	67.6	61.9
GTower	78.1	85.5	62.7	60.3	63.0

Rental Rates as at 30 June 2022

Average Rental Rate by Location

	AVERAGE RENTAL RATE (RM PER SQ.FT.)				
Subject Properties	FYE 2019	FYE 2020	FYE 2021	1Q2022	2Q2022
Mid Valley City (7 Subject Properties)	6.48	6.45	6.49	6.51	6.51
KL City (3 Subject Properties)	5.44	6.12	5.87	5.72	5.76

Section 3 : Debt Profile

Gearing Profile of IGB Commercial REIT

	As at 30 Jun 2022	As at 31 Mar 2022	As at 31 Dec 2021
	(RM '000)	(RM '000)	(RM '000)
Medium term notes	848,808	848,648	848,520
Revolving credit facility	3,134	2,997	2,911
Total borrowings	851,942	851,645	851,431
Cash and cash equivalent	(105,948)	(80,427)	(93,454)
Total net borrowings	745,994	771,218	757,977
Total unitholders fund	2,342,872	2,320,852	2,298,545
Net gearing (%)	32	33	33
Loan-to-total asset value (%)	26	26	26

Section 4 : Balance Sheet

Balance Sheet as at 30 June 2022

	As at 30 Jun 2022 Unaudited (RM'000)	As at 31 Mar 2022 Unaudited (RM'000)	As at 31 Dec 2021 Unaudited (RM'000)
Non-current assets	3,178,684	3,161,000	3,161,016
Current assets	110,741	105,016	114,188
TOTAL ASSETS	3,289,425	3,266,016	3,275,204
Non-current liabilities	847,494	847,345	847,196
Current liabilities	143,849	97,819	129,463
TOTAL LIABILITIES	991,343	945,164	976,659
TOTAL UNITHOLDERS' FUNDS AND LIABILITIES	3,289,425	3,266,016	3,275,204
NAV (RM'000) ⁽³⁾	2,342,939	2,320,852	2,325,029
No. of Units in issue ('000)	2,321,161	2,314,772	2,308,198
NAV per Unit (RM) ⁽⁴⁾	1.0094	1.0026	1.0073

Notes

- (1) NAV represents the value of the Group's assets less all liabilities.
- (2) NAV per unit is computed based on NAV divided by number of Units issued by IGB Commercial REIT.

Section 5 : Portfolio

Snapshot of IGB Commercial REIT

Existing Portfolio of Quality Assets

Market Value ⁽¹⁾:
RM3.2 bil

Total NLA⁽¹⁾:
3.4 mil sq ft

**Occupancy
Rate⁽¹⁾: 71.3%**

WALE:
1.8 years

**Number Of
Tenants⁽¹⁾ :**
296



Menara IGB & IGB Annexe
Value: RM189 mil



Centrepoint South
Value: RM192 mil



Centrepoint North
Value: RM196 mil



Boulevard Properties
Value: RM80 mil



Gardens South Tower
Value: RM394 mil



Gardens North Tower
Value: RM386 mil



Southpoint Properties
Value: RM572 mil



Menara Tan & Tan
Value: RM240 mil



GTower
Value: RM733 mil



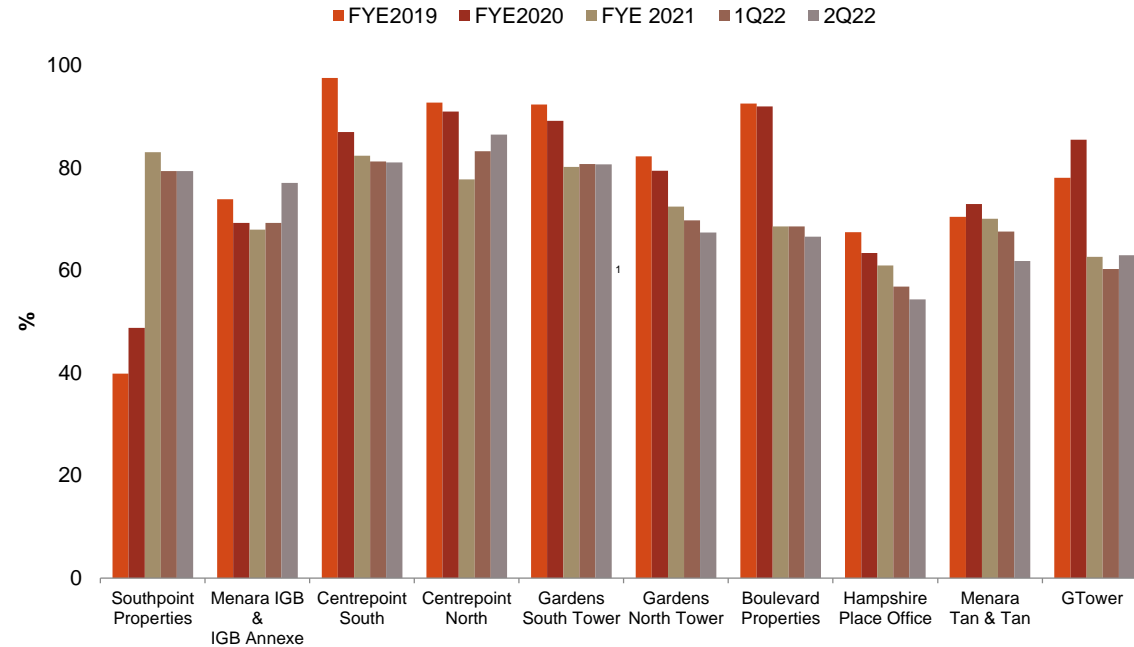
Hampshire Place Office
Value: RM179 mil

Note:
¹⁾ As at 30 June 2022

Resilient and Well Balanced Portfolio

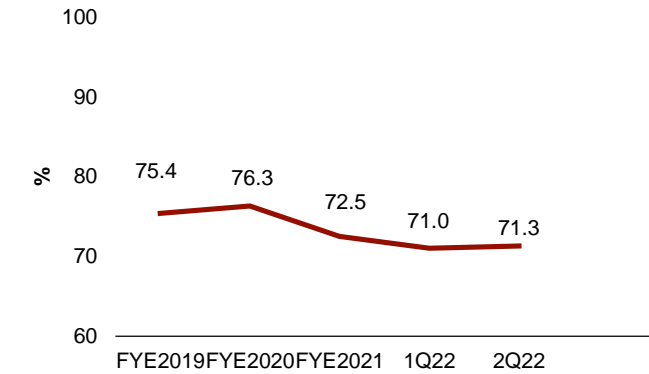
Resilient Occupancy Rate

Historical Occupancy Rates of the Subject Properties



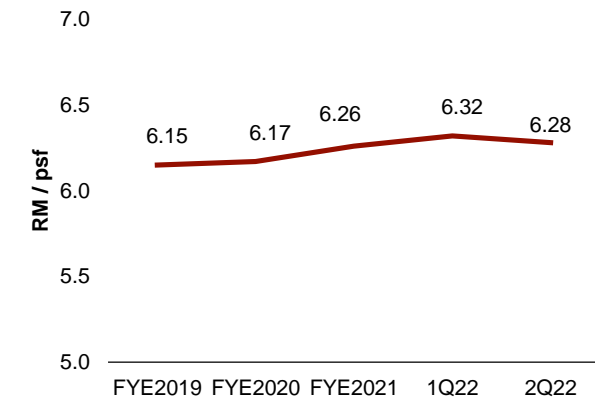
Portfolio Occupancy Rate Trend

Portfolio Occupancy Rate



Portfolio Rental Rate Trend

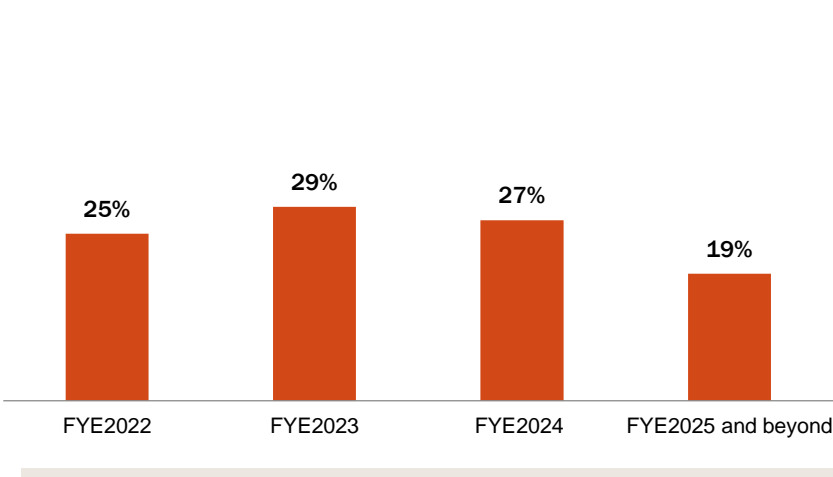
Portfolio Rental Rate



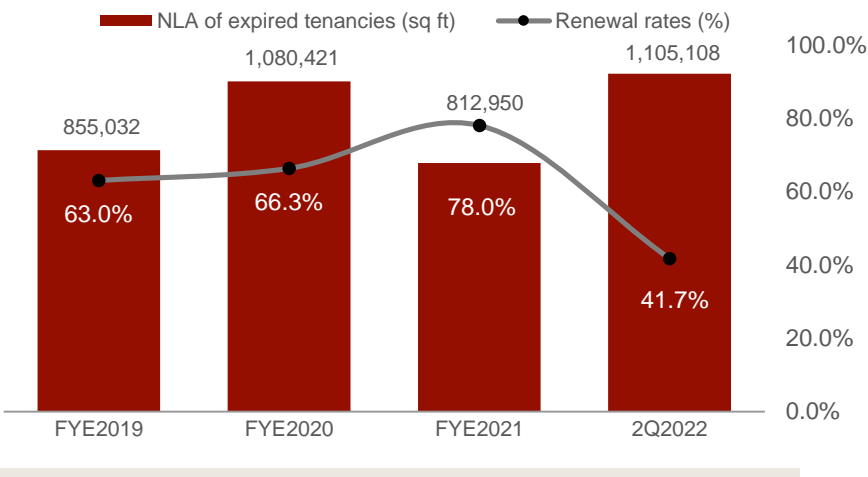
Resilient and Well Balanced Portfolio

Visible and Well-Spread Tenancy Terms providing Stable Cash Flows

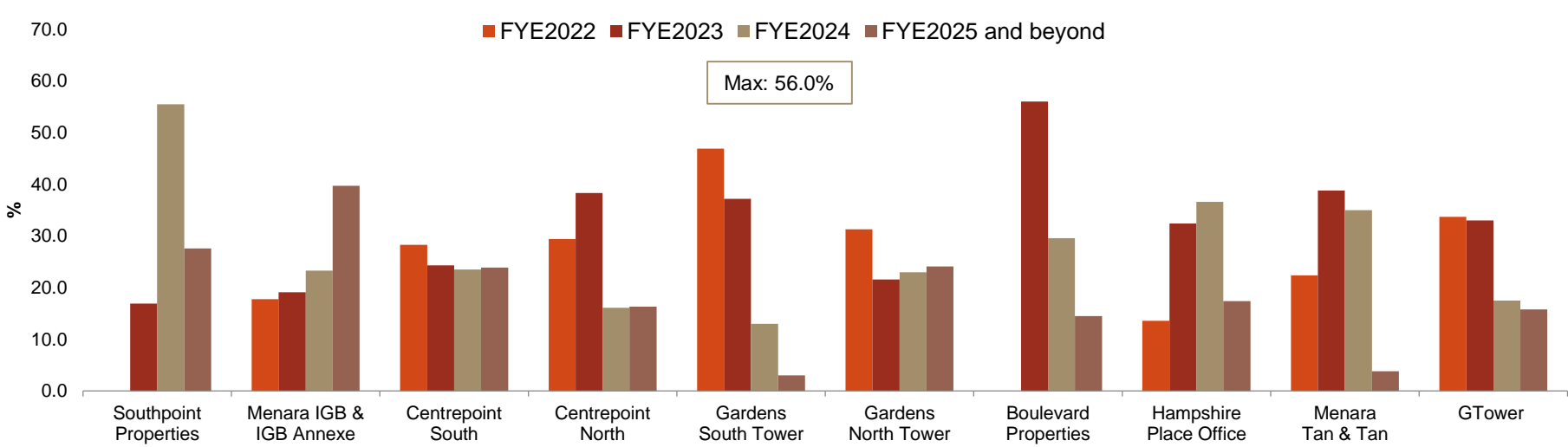
Tenancy expiry profile as at 30 June 2022



Expired tenancies and renewal rates



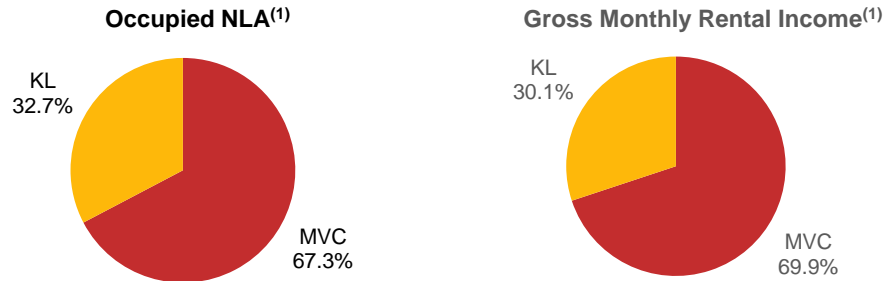
Tenancy expiry profile as at 30 June 2022



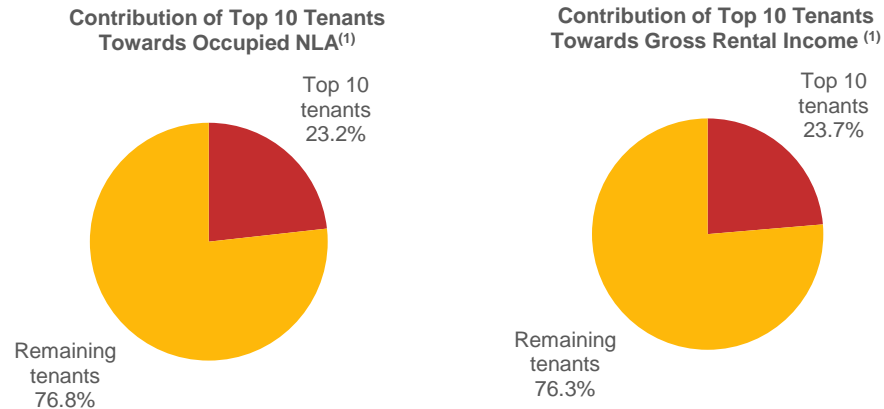
Resilient and Well Balanced Portfolio

Diversified Income Stream

Geographical Diversification

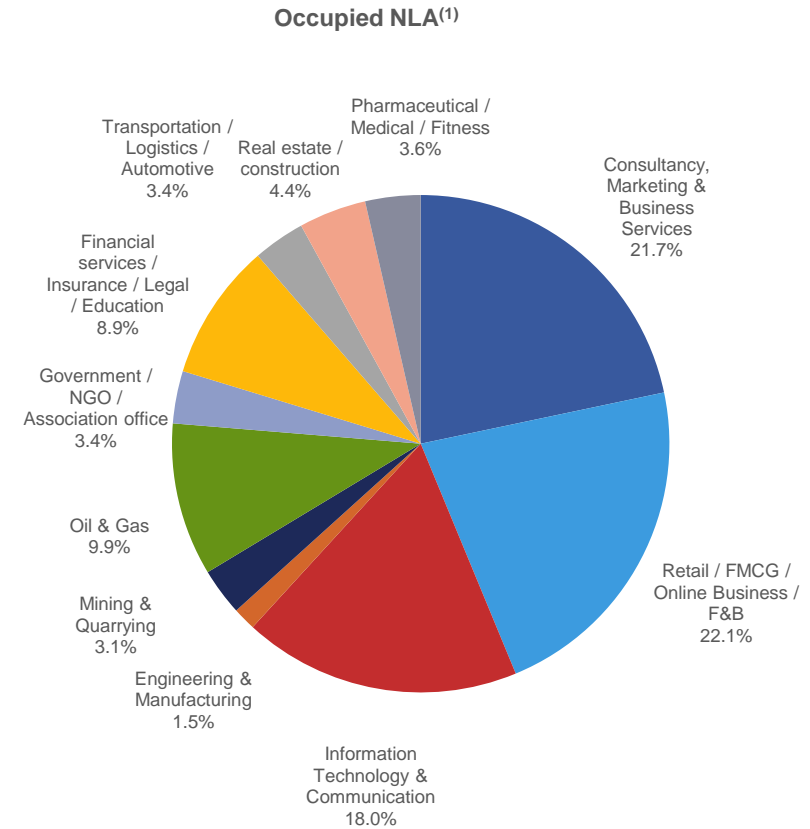


Limited Concentration Risk in Tenants



Spread across a large tenant base comprising 296 tenants

Trade Sector Diversification



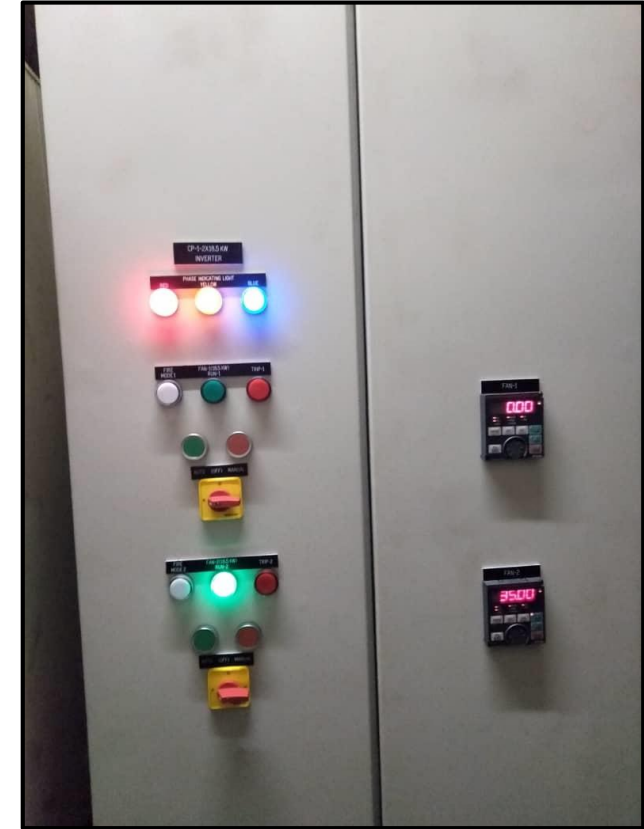
Low single trade sector exposure of not more than 22.1%

Note: As at 30 June 2022

Menara Tan & Tan

Installation of New VSD Panel for Exhaust Fan at Basement 1 and Basement 2

- Completed in April 2022



Menara Tan & Tan

Asset Improvement Works – Painting of car park internal wall, perimeter fencing and gate, and exhaust fans

– Completed in June 2022



Menara Tan & Tan

Replacement, minimization and rearrangement of LED Downlights at all Common Lifts

Lobby areas from Level Ground Floor to Level Penthouse

– Completed in June 2022



Menara Tan & Tan

Upgrading of Plaster Ceiling at Female Toilet Level 12 and Level 15

– In Progress



BEFORE



AFTER

GTower

Installation of 5 Additional Lifts

- In Progress



Casting of lift shaft (beams, columns, and slabs) in progress

GTower

Replacement of Advertisement Board Fluorescent Lightings to LED

- Completed in April 2022



Previous Arrangement
12 Fluorescent Lights
Total 324W per panel

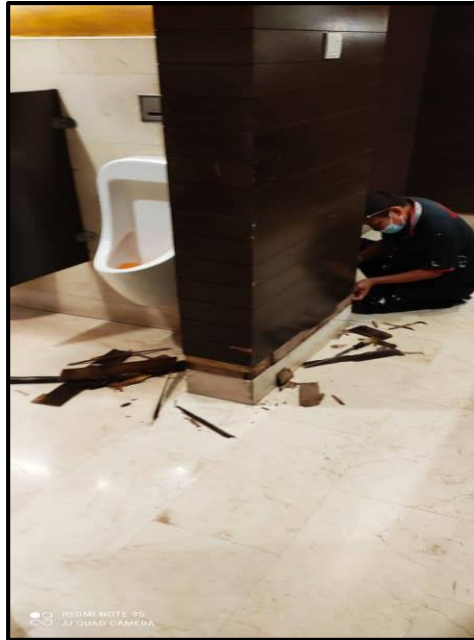


New Arrangement
8 LED Lights
Total 104W per panel

GTower

Improvement of Wooden Wall Panel at Level LG & GF Toilets

- Completed in April 2022



In Progress



After

GTower

Replacement & Rearrangement of Lift Lobby Lightings at Level 14 and 16 - Completed in June 2022



Before
2 LED Downlights
 $16W \times 2 = 32W$



54 Lux



After
1 LED Downlight = 10W



112 Lux

GTower

Upgrading Visual System at Function Rooms

- Completed in April 2022



The original visual system upgraded from VGA system to HDMI system for enhanced visual quality

Mid Valley City Properties

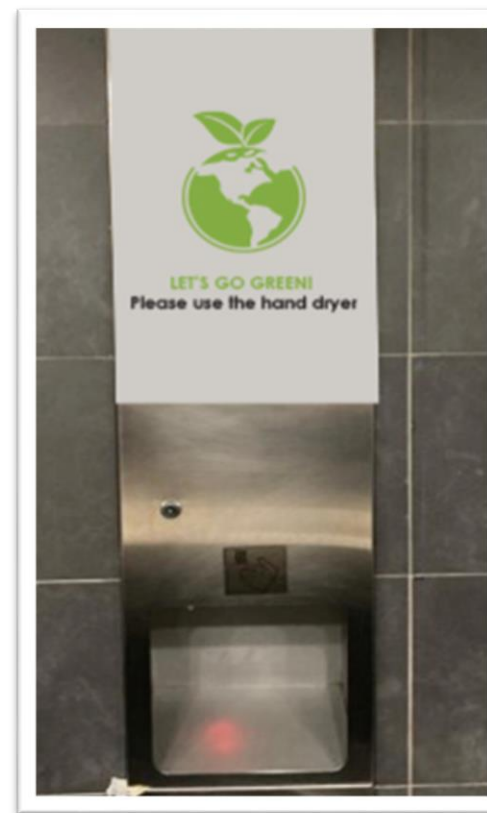
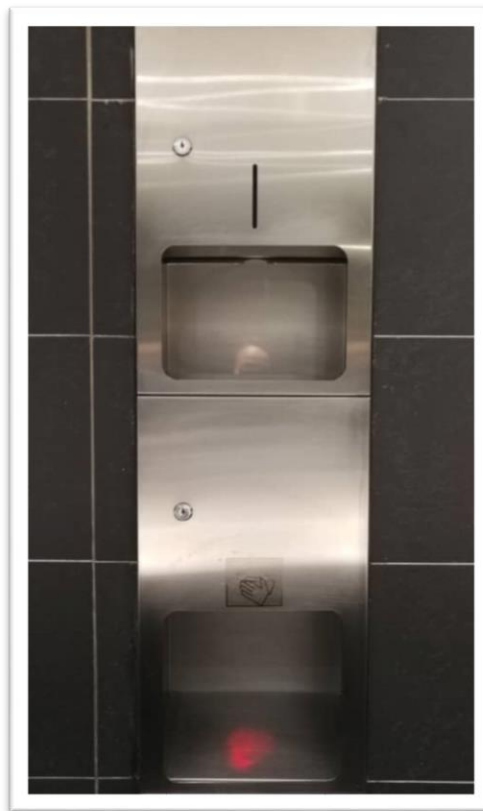
Installation of new signages – Completed in April 2022



Centrepont South & North Towers
Hand Dryer upgraded in Male and Female washroom
- Completed in June 2022



BEFORE

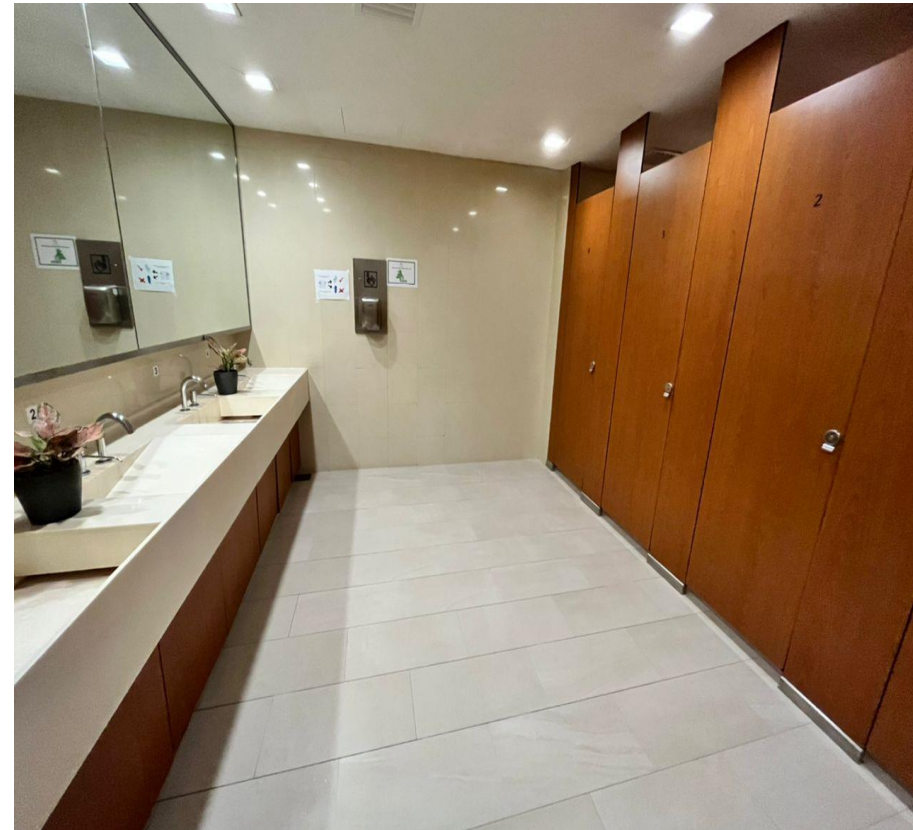


AFTER

The Gardens North Tower Floor Tiles Replacement For Common Toilets - In Progress



BEFORE

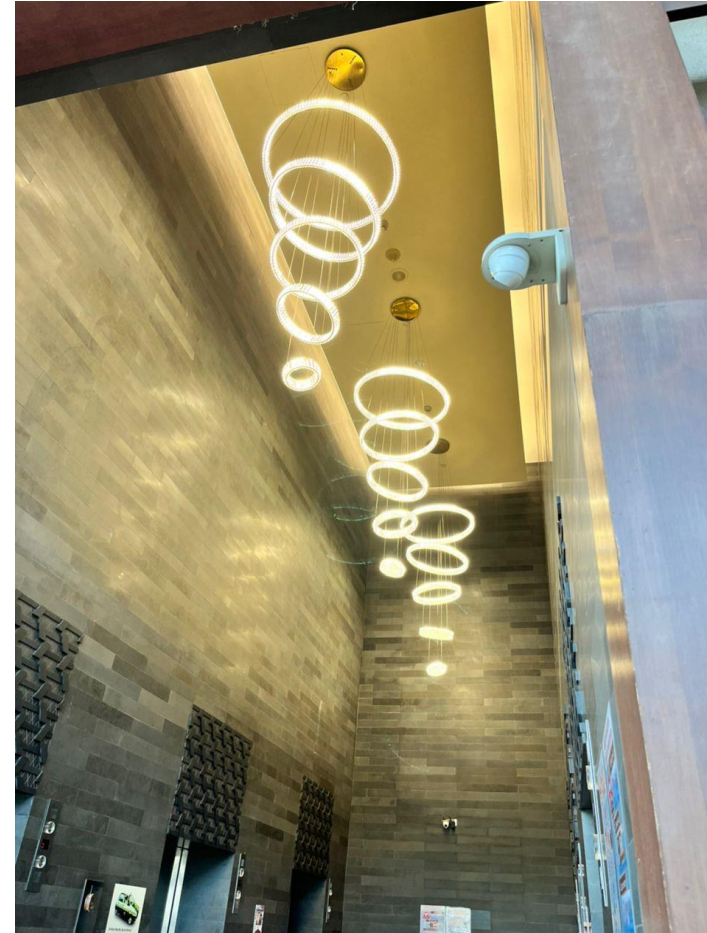


AFTER

**The Gardens North Tower
New Chandeliers At Lift Lobby
- Completed in June 2022**



BEFORE



AFTER

