

COMPANIES

CMT's Q3 DPU drops, asset management fees rise

Raffles City Singapore mall's main entrance and interior will be renovated for about S\$54 million

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RETAIL landlord CapitaLand Mall Trust (CMT) will be renovating the main entrance and interior of the Raffles City Singapore mall for about S\$54 million, it said on Friday after its distribution per unit (DPU) for the third quarter took a tumble despite higher net property income.

The real estate investment trust posted a DPU of 2.78 Singapore cents for the quarter, a 6.7 per cent drop from 2.98 Singapore cents in the corresponding period the preceding year, it said in a Singapore Exchange filing on Friday evening. The fall in its DPU came as Q3 distributable income slid 4.7 per cent to S\$98.4 million from the preceding year.

The trust said that distributable income for the quarter had included the "release" of some taxable income retained for the fiscal quarter of January through March 2015, adding that exclud-

ing this release, its distributable income for Q3 would have been 3.3 per cent higher from the previous year. Despite the lower DPU, the fees that the trust manager paid to itself went up. Asset management fees came in at S\$11.2 million for the quarter, S\$1.0 million or 9.6 per cent higher than in the previous year.

Shareholders of the trust had given the green light at an annual general meeting in April this year for the trust to change its manager fee structure to peg it to net property income, according to meeting minutes published online.

For the three months ended Sept 30, gross revenue grew 4.9 per cent to S\$169.7 million from the year-ago period and net property income grew 5.5 per cent year-on-year to S\$119.5 million.

The trust said the expansion in topline was mainly due to a contribution from Bedok Mall, which CMT bought in October 2015, and higher rental revenue from IMM Building, Tampines Mall and Bukit Panjang Plaza after their renovations. Higher occupancy



Raffles City Singapore mall's revamped Level 3 Central Atrium will feature a new centrepiece

rates at Clarke Quay also helped, it added.

It noted that the increase was offset partly by an absence of recurring income after it sold off Rivervale Mall in December 2015, as well as lower gross revenue from the former Funan DigitalLife Mall since the mall closed for redevelopment from July 2016.

The trust reiterated that it expects to finish the redevelopment of the Funan mall in the fourth quarter of 2019. It added that its Raffles City Singapore mall will start interior renovation works costing "about S\$54.0 million" that will refurbish the main entrance and mall interiors, includ-

CapitaLand Mall Trust

	Q3 FY16 (\$ MILLION)	Q3 FY15 (\$ MILLION)	Y-O-Y % CHANGE
Gross revenue	169.66	161.66	4.9
Net property income	119.51	113.28	5.5
Distributable income	98.37	103.21	(4.7)
DPS (c)	2.78	2.98	

ing the Central Atrium at the mall's third level.

Its aggregate leverage stood at 35.4 per cent as at Sept 30. Wilson Tan, chief executive officer of the trust manager, added in a statement that CMT's portfolio occu-

pancy rate was 98.6 per cent as at Sept 30.

CMT units closed a cent lower at S\$2.11 on Friday. Unitholders can expect to receive their DPU for Q3 2016 on Nov 29, the trust said.

Futuristic CEO David Low named EY Entrepreneur of the Year

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FUTURISTIC Store Fixtures chairman and CEO David Low Chor Hoon has been named the overall EY Entrepreneur of the Year 2016 Singapore.

Mr Low - who also scooped up the Entrepreneur of the Year award in manufacturing and supply chain - will go on to compete at the EY World Entrepreneur of the Year competition to be held in Monte Carlo, Monaco in June 2017. He will be vying with more than 60 other country winners for the world title.

This was announced at a star-studded awards gala at The Ritz Carlton, Millenia Singapore on Friday evening, where Lawrence Wong, Minister for National Development and Second Minister for Finance, was the guest of honour.

The chairman of the judging panel, Venture Corporation chairman and CEO Wong Ngit Liong, commented that Mr Low "epitomises the qualities of an outstanding and enduring entrepreneur".

"The retail sector is a highly competitive sector but David has successfully made a mark in this space. Under David's visionary leadership, Futuristic has grown from a startup to a global business, serving leading international retail brands across 56 countries. Far from resting on his laurels, David - in the true spirit of a fine entrepreneur - has set ambitious plans to leverage technological innovations."

Three other awards were also given out to the top entrepreneurs of the various industries.

These include Lawrence Leow, chairman and CEO, Crescendas Group, in the diversified industries sector; Helene Raudaschl, managing director, Indoguna Singapore, in the food-and-beverage distribution sec-

tor; and Lim Yong Guan, chairman of Soo Kee Group, in the lifestyle and retail sector.

The winners were selected from 40 nominations. The key judging criteria were entrepreneurial spirit, financial performance, strategic direction, global or community impact, innovation, and personal influence/integrity.

Besides these factors, it seems that innovation and embracing digital disruption were some of the key qualities shared among the winners. These were also some of the most commonly used buzzwords during the awards.

Max Loh, Singapore and Asean managing partner, Ernst & Young LLP, commented: "The connectivity and reach afforded by digital, big data and analytics are key enablers for entrepreneurs to innovate, iterate and scale - and these, in turn, are essential to securing Singapore's economic future."

Other awards presented at Friday's gala dinner included the EY Asean Entrepreneurial Excellence award, which went to Tony Fernandes, Group CEO of AirAsia, as well as the EY-Barclays Family Business Award of Excellence, which went to Jebson & Jessen (SEA).



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