TOP STORIES – RETAIL MARKET

CapitaLand Retail to Manage Luxury Mall in Phnom Penh, Cambodia

Will 2018 be remembered as the Year of the Mall?

Circle K opens first store in Cambodia

WB Arena: A new Riverside entertainment complex

Mobile payment apps dethroning cash

Furla partners with CDFG to open new Cambodia store
RETAIL TRENDS 2018

1. COMMUNITY MALLS as a new trend from 2018

2. Growth of CONVENIENCE STORES

3. Continued expansion of FOREIGN RETAILERS

4. Fintech & E-commerce
RETAIL TRENDS 2018 – COMMUNITY MALLS

- Midtown Mall
- The Park
- Downtown 93
- Noromall
- Tropics Mall
RETAIL TRENDS 2018 – CONVENIENCE STORE

• New convenience stores to enter Cambodia;

• Aggressive expansion of existing convenience stores;
RETAIL TRENDS 2018 – CONTINUED EXPANSION OF FOREIGN RETAILERS

• New entrants focusing on F&B and mid-range fashion;

• Continued expansion of foreign retailers within new retail complexes;

Source: CBRE Research, Q1 2018
### RETAIL TRENDS 2018 – FINTECH & E-COMMERCE

#### Key Stats about Cambodia

<table>
<thead>
<tr>
<th>Internet Users</th>
<th>Active Social Media Users</th>
<th>Active Monthly Facebook User</th>
</tr>
</thead>
<tbody>
<tr>
<td>8m</td>
<td>7m</td>
<td>7m</td>
</tr>
<tr>
<td>50% penetration</td>
<td>43% penetration</td>
<td>+43% vs. 2017</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MOBILE SUBSCRIPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>29.20 m</td>
</tr>
</tbody>
</table>

+6% growth per year and 181% vs. total population

<table>
<thead>
<tr>
<th>3G</th>
<th>4G</th>
<th>Wifi</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.4m</td>
<td>660k</td>
<td>440k</td>
</tr>
</tbody>
</table>

### E-commerce

- Facebook
- Instagram
- WeChat
- AliExpress
- eBay
- Mall855

### Fintech

- Pi Pay
- Wing
- DARA Pay
- cryptoasia
- True Money
- Money

Source: We Are Social; Geek in Cambodia
OVERVIEW OF PHNOM PENH RETAIL MARKET

Shopping Mall

Shopping Centers

Community Malls

Retail Podiums

Retail Arcades

Supermarket
RETAIL SUPPLY

Source: CBRE Research, Q1 2018
RETAIL SUPPLY TIMELINE

2003
Sorya Center Point

2008
Sovana Shopping Center

2009
Bayon Supermarket City Mall

2011
Ratana Plaza

2012

2013
Steung Mean Chey Center

2014
Tk Avenue
Vattanac Capital
Aeon Mall

2016
Naga City Walk

2017
Exchange Square Makro

2018
The Park
Aeon Mall 2
MIDTOWN Mall
The Bridge
Downtown 93
The Olympia Mall

2019
Noro Mall
Phnom Penh Megamall

2020
Orkide The Royal
The Peak
PH Diamond Plaza

2021
Eco Mall

Source: CBRE Research, Q1 2018
CURRENT SUPPLY MAP

Makro

Ratana Plaza

Sovanna Mall

Steung Meancheay Center

City Mall

Vattanac Capital

Exchange Square

Sorya Center Point

Naga City Walk

AEON Mall
KEY FUTURE SUPPLY

AEON Mall 2
70,500 sqm
Tropics Mall
7,000 sqm
PP Mega Mall
70,200 sqm
Midtown Mall
5,000 sqm
Orkide the Royal Mall
30,000 sqm
CBRE CAMBODIA

Olympia Plaza
30,000 sqm
The Peak
24,000 sqm
The Bridge
20,000 sqm
Noro Mall
9,300 sqm
The Park
4,000 sqm
Eco Mall
50,000 sqm
PH Diamond Plaza
30,000 sqm
CURRENT VS. FUTURE SUPPLY

Key
- >70,000 sqm
- 50,000 – 69,999 sqm
- 30,000 – 49,999 sqm
- 10,000 – 29,999 sqm
- <9,999 sqm

Existing Supply
Future Supply
RETAIL MARKET REGIONAL BENCHMARKING
### Phnom Penh, Cambodia
- **GDP Growth '17**: 6.9%
- **GNI Per Capita**: US$1,140
- **Population**: 1.9 Million
- **Retail Space (m²)**: 220,000
- **Retail per Capita**: 0.12

### Hanoi, Vietnam
- **GDP Growth '17**: 6.8%
- **GNI Per Capita**: US$2,060
- **Population**: 8.6 million
- **Retail Space (m²)**: 870,000
- **Retail per Capita**: 0.10

### Bangkok, Thailand
- **GDP Growth '17**: 4.2%
- **GNI Per Capita**: US$5,650
- **Population**: 9.8 million
- **Retail Space (m²)**: 7.4 million
- **Retail per Capita**: 0.76

### Yangon, Myanmar
- **GDP Growth '17**: 5.9%
- **GNI Per Capita**: US$1,190
- **Population**: 4.5 million
- **Retail Space (m²)**: 410,000
- **Retail per Capita**: 0.09

### Singapore, Singapore
- **GDP Growth '17**: 3.6%
- **GNI Per Capita**: US$51,880
- **Population**: 3.5 million
- **Retail Space (m²)**: 4.5 million
- **Retail per Capita**: 1.30

### Ho Chi Minh, Vietnam
- **GDP Growth '17**: 6.8%
- **GNI Per Capita**: US$2,060
- **Population**: 7.6 million
- **Retail Space (m²)**: 794,000
- **Retail per Capita**: 0.10

### Vientiane, Laos
- **GDP Growth '17**: 6.7%
- **GNI Per Capita**: US$2,150
- **Population**: 783,000
- **Retail Space (m²)**: 85,000
- **Retail per Capita**: 0.11
RETAIL SUPPLY VS DEMAND

Supply as of Q1'18 | New Supply in 2018 | Occupancy as of Q1'18

Bangkok | +4% | 95% | 95%
Singapore | +2% | 92% | 95%
Ho Chi Minh | +26% | 89% | 89%
Hanoi | +21% | 82% | 82%
Phnom Penh | +95% | 0% | 95%

Source: CBRE Research, Q1 2018
NO. OF NEW RETAIL ENTRANTS IN 2017

Source: CBRE Research, Q4 2017

CBRE CAMBODIA
PHNOM PENH RETAIL RENTS
PHNOM PENH RETAIL RENTS

<table>
<thead>
<tr>
<th>Location</th>
<th>Rental Rate Range</th>
<th>Average Rental Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime Shopping Mall</td>
<td>$31.6</td>
<td>$31.6</td>
</tr>
<tr>
<td>Prime Retail Podium</td>
<td>$30.6</td>
<td>$30.6</td>
</tr>
<tr>
<td>Community Mall</td>
<td>$26.8</td>
<td>$26.8</td>
</tr>
<tr>
<td>Prime High Street</td>
<td></td>
<td>$32.0</td>
</tr>
</tbody>
</table>

Source: CBRE Research, Q1 2018
Note: Rents shall exclude service charge and VAT where applicable and do not include those of anchor tenants.
PRIME RETAIL COMPARISONS

Source: CBRE Research, Q1 2018
Note: Prime retail rents for ground floor and first floor only
FORECAST RETAIL RENTAL GROWTH 2018

Source: CBRE Research, Q4 2017
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