

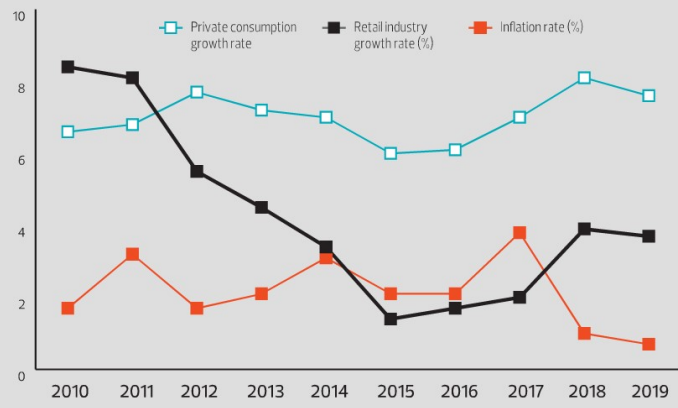


RETAIL PERFORMANCE OVER THE YEARS AND DURING A CRISIS

Retail sales — which exclude big-ticket items such as cars and houses — have been growing every year since 1997, with the exception of 1998 when sales contracted 20%. That year, gross domestic product dipped 7.4%. Malaysia's retail sales growth has generally followed the growth in the GDP. However, since 2013, the annual retail growth rate has been lagging behind GDP mainly due to the rising cost of living. A typical Malaysian family spend

28% of their disposable income on retail goods. Shoppers in the Klang Valley account for 65% of the country's market share. Retail Group Malaysia — which tabulates retail data on behalf of the Malaysia Retailers Association — says that based on data collected over 20 years, the impact on Malaysia's retail consumption was greater from economic crises around the world than from an event such as a disease outbreak.

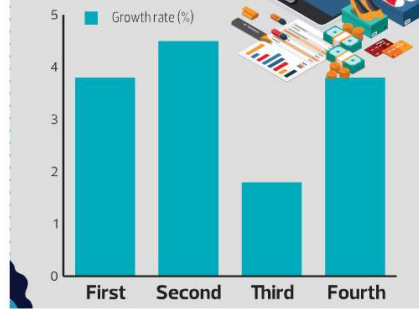
Annual growth rate of Malaysia's retail industry, 2010–2019



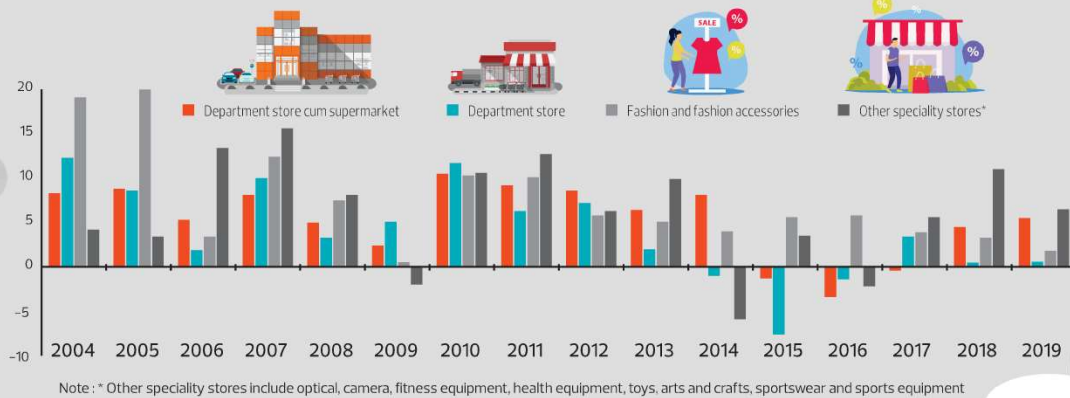
Annual growth rate of Malaysia's retail industry, 1997–2019



Quarterly sales growth, 2019

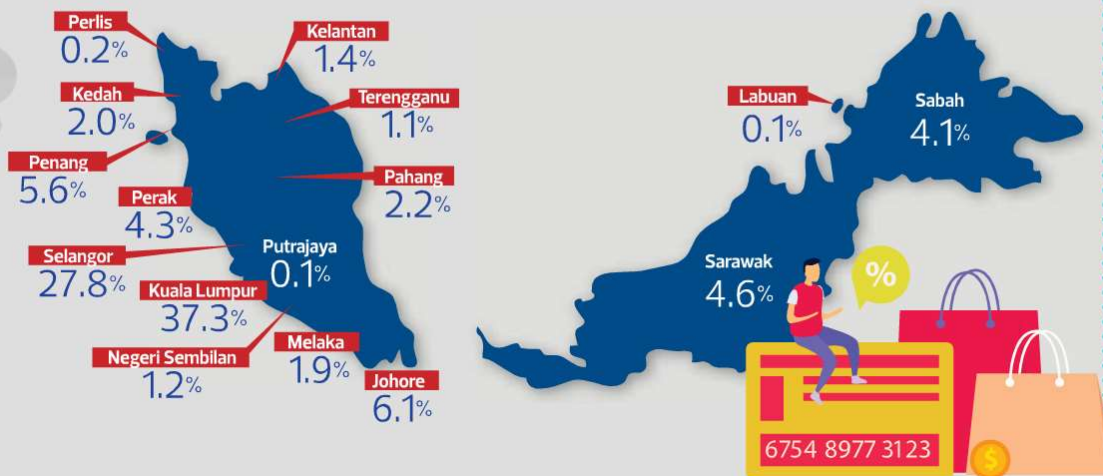


Annual growth rate by retail sub-sector, Malaysia, 2004–2019



Malaysia's retail industry sales by state

Retail sales contribution (%)

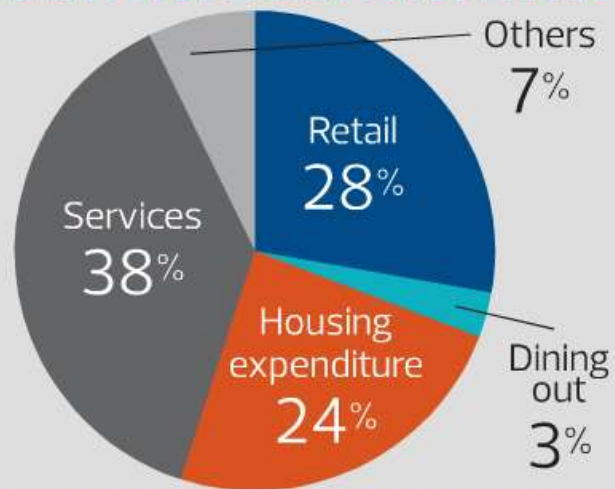


2018 2019



2019 full-year growth: 3.7%

Household consumption expenditure, Malaysia



CRISIS	YEAR	RETAIL GROWTH RATE (%)
Asian financial crisis	1998	-20
Nipah virus	1999	7.4
dotcom bubble burst	2001	1.7
SARS	2003	3.6
US housing crisis	2008	5
MERS-CoV	2008	5
H1N1	2009	0.8

Impact of disease outbreaks and economic crises on Malaysia

Source: The Edge Malaysia March 30, 2020