



PRESS RELEASE

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KLCCP STAPLED GROUP'S REVENUE STRENGTHENS, BOOSTED BY HOTEL SEGMENT IN QUARTER 3, 2023

28 November 2023 – KLCCP Stapled Group delivered a resilient performance in quarter three, 2023 which saw its revenue grow 7.3% to RM401.2 million, compared to RM374.0 million in the same quarter last year. Profit Before Tax (PBT) increased to RM243.9 million, compared to RM237.6 million. This steady performance was attributed to the strong contribution from both the hotel and retail segments.

For the cumulative nine months, the Group recorded PBT of RM717.0 million from RM659.3 million on the back of a 12.5% increase in revenue to RM1.18 billion.

The Group declared a dividend of 8.80 sen per stapled security for the quarter, bringing the total for the cumulative nine months of 2023 to 26.10 sen.

A resilient and robust performance across all sectors

The Group marked a resilient and robust performance across all business segments, particularly for hotel and retail. The hotel segment, which is represented by Mandarin Oriental, Kuala Lumpur (MOKL Hotel) recorded its best quarter to-date with an impressive RM55.0 million in revenue, 20.1% growth from RM45.8 million in third quarter 2022. MOKL Hotel's encouraging turnaround saw it record a profitable quarter with PBT of RM1.7 million, capitalising on the surge in demand for corporate, group and Meetings, Incentives, Conventions and Exhibitions (MICE) events, driving higher occupancy and a 63.1% increase in RevPar year-on-year.

"KLCCP Stapled Group's strong performance in quarter three, 2023 reflects continued growth momentum across all our business segments. MOKL Hotel delivered an exceptionally impressive performance, capitalising on the return of corporate, group and MICE events and boosted by the high leisure demands. The Group's encouraging performance gives us great confidence that this growth trend will likely continue towards year-end", said Datuk Md. Shah Mahmood, Chief Executive Officer, KLCC Property Holdings Berhad.

Suria KLCC and the retail podium of Menara 3 PETRONAS which represent the retail segment, remained solidly resilient with its unique customer experiences driving strong MAT-tenant sales with higher occupancy and growing footfall. Excluding the reversal adjustment on rental rebate in quarter 3 2022, the retail segment recorded revenue of RM126.5 million and PBT of RM100.7 million, surpassing last year's performance by 5.4% and 1.0% respectively.

Eight new tenants came onboard, with three first to market brands and exclusive to Suria KLCC namely Bacha Coffee, Lojel (travel store) and Hoka (sportswear). Other stores included Columbia Sportswear, Cili Kampung restaurant, and Healthland Family Wellness Centre. Suria KLCC added another feather to its cap through its unique promotional activities and customers loyalty programme, when it was awarded the Platinum Award for Best Experiential Marketing from the Malaysia Shopping Mall Association for its "Picnic in the Park" event.

The office segment comprising the PETRONAS Twin Towers, Menara 3 PETRONAS, Menara Exxonmobil, and Menara Dayabumi, continued to be the primary contributor to the Group's revenue, backed by the long-term tenancies and the Triple Net Lease (TNL) of PETRONAS Twin Towers and Menara 3 PETRONAS. The segment recorded an increase in PBT of 2.0% to RM119.0 million on the back of revenue of RM145.6 million.

The management services segment saw its revenue and PBT increase by 25.8% and 14.7% respectively, compared to third quarter last year. This was mainly due to the transformation of workspaces to the "Workplace For Tomorrow" concept for its office building tenants. The management services segment comprises the Group's facilities and car parking management.

Prospects

The Group anticipates the economy to continue to improve, supported by healthy domestic demand. However, the market landscape is likely to remain challenging due to inflationary pressure, and cautious consumer spending.

MOKL Hotel is expected to sustain its recovery momentum backed by the growing international tourism and increasing corporate demand. Meanwhile, the retail segment will continue to benefit from the upcoming festive and holiday season coupled with the increase in international and domestic footfalls that is expected to further boost tenant sales.

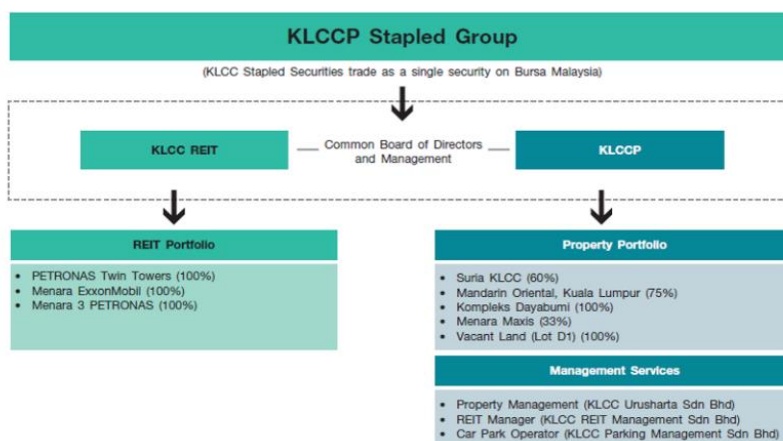
Amid this challenging landscape, the Group will continue to capitalise on its iconic assets and resilient business portfolio whilst ensuring cost management discipline to deliver a stronger performance in the next quarter.

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About KLCCP Stapled Group

KLCC Property Holdings Berhad (KLCCP) and KLCC REIT, collectively known as KLCCP Stapled Group is Malaysia's largest self-managed stapled security that invests, develops, owns and manages a stable of iconic and quality assets. KLCCP Stapled Group became the first ever Shariah compliant stapled structure in Malaysia upon the listing of KLCC Stapled Securities (KLCCSS) on 9 May 2013 and trades under the REIT sector of the Index as a single price quotation.

With KLCCP Stapled Group's core business in property investment and development, the Group has a diverse property portfolio largely located within the Kuala Lumpur City Centre comprising prime Grade A office buildings, a premier retail mall and a luxury hotel. The stabilised and wholly owned assets namely PETRONAS Twin Towers, Menara ExxonMobil and Menara 3 PETRONAS are under KLCC REIT and the non-wholly owned assets and assets with development and redevelopment potential, Suria KLCC, Mandarin Oriental, Kuala Lumpur hotel and a vacant land (Lot D1) are in KLCCP. KLCCP also has a 33% stake in Menara Maxis.



Two of KLCCP's wholly owned subsidiaries, namely KLCC Urusharta Sdn. Bhd. and KLCC Parking Management Sdn. Bhd. are engaged in providing facility management services and car parking management services respectively. The REIT Manager who is engaged to manage and administer KLCC REIT is internal and resides within KLCCP as a 100% owned subsidiary.

KLCCP Stapled Group is continuously recognised for its excellence in the industry for demonstrating strong environmental, social and governance practices. In pursuing its sustainability journey, the Group aligns its reporting to the United Nation's 2030 Agenda across five critical dimensions - Prosperity, Planet, People, Partnership and Peace, in line with its commitment to contribute towards the five prioritised United Nation's Sustainable Development Goals. For a better insight into the Group's ESG Profile and Disclosures, please visit ESG World at <https://www.klcc.com.my/sustainability.php>.

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