



# **KLCC Stapled Group** **Financial Results**

**1st Quarter ended 31 March 2023**

29 May 2023



**THE PLACE TO WORK**



**THE PLACE TO SHOP**



**THE PLACE TO STAY**

# Disclaimer



These materials contain historical information of KLCC Property Holdings Berhad and KLCC Real Estate Investment Trust (collectively known as KLCCP Stapled Group) which should not be regarded as an indication of future performance or results.

These materials also contain forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements reflect the KLCCP Stapled Group's current views with respect to future events and are not a guarantee of future performance or results. Actual results, performance or achievements of KLCCP Stapled Group may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding KLCCP Stapled Group's present and future business strategies and the environment in which KLCCP Stapled Group will operate in the future, and must be read together with such assumptions.

No part of these materials shall form the basis of, or be relied upon in connection with, any investment decision whatsoever.

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# MALAYSIA'S LARGEST REIT AND ONLY STAPLED SECURITY IN THE COUNTRY

## STATEMENT OF PURPOSE

A Progressive Energy and Solutions Partner Enriching Lives for a Sustainable Future



## WHO WE ARE

Malaysia's largest REIT and only Stapled Security in the country, comprising KLCCP and KLCC REIT. KLCC REIT focuses on active asset management and acquisition growth strategies, whilst KLCCP is the development arm of the Stapled Group. At the forefront of Malaysia's real estate industry, our unique structure allows us to maximise the value we create for all our stakeholders.

## WHAT WE DO

We own, manage, develop and invest in a portfolio of premium assets comprising office, retail and hotel properties in the heart of Kuala Lumpur. This is complemented by our award-winning asset management services provided by KLCC Urusharta Sdn Bhd (KLCCUH) and KLCC Parking Management Sdn Bhd (KPM). This synergy of property investment and asset management strengthens the earning potential of our stable of iconic properties.

## HOW WE DO IT

We are committed to creating a progressive lifestyle experience within The KLCC Precinct while enhancing the value of our property portfolio. We are focused on optimising sustainable value creation through a strategic approach that capitalises on our unique Stapled Group structure and our competitive differentiators, well positioned for the future.



**Kompleks Dayabumi**

(located outside the KLCC Precinct)

**Menara 3 PETRONAS**

**Mandarin Oriental, Kuala Lumpur**

**SURIA KLCC**

**PETRONAS Twin Towers**

**Menara Maxis\***

\*KLCCP owns a 33% stake in Menara Maxis

**Menara ExxonMobil**

# Content



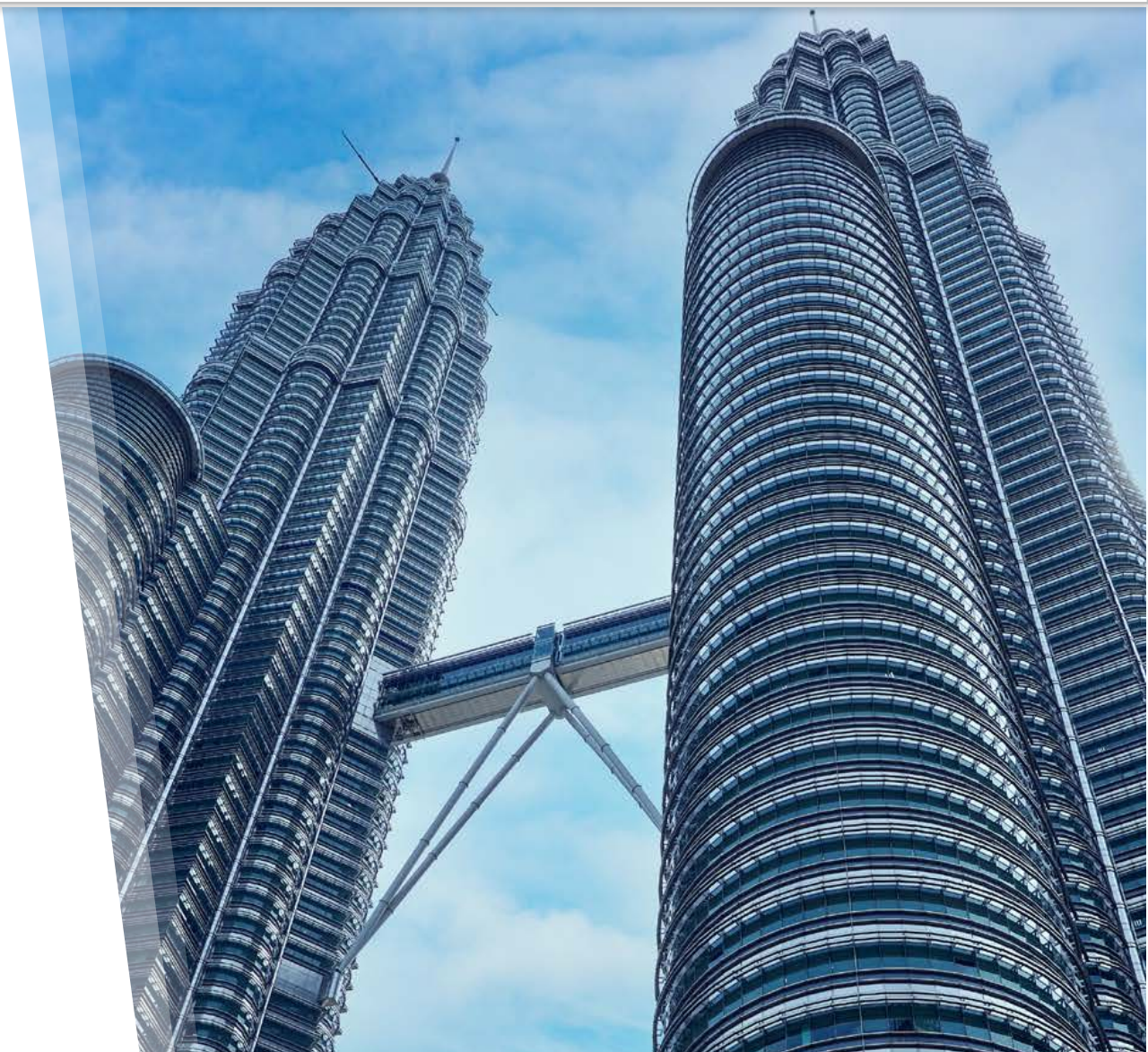
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# Resilient performance with continued growth in all segments



## OFFICE

Stable, fortified by the exceptional asset quality and solid lease arrangements



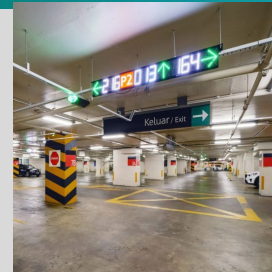
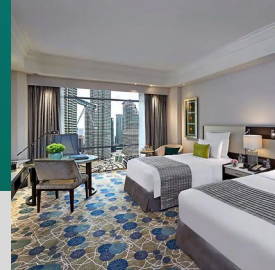
## RETAIL

Positive outlook supported by robust retail spending and steady traction in footfall



## HOTEL

Steady recovery as demand progressively returns, propelled by corporate demand and a resurgence of MICE events



## MANAGEMENT SERVICES

Robust growth from new parking lots secured and one-off facility management works

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# 1Q FY2023 Highlights

## Strong start for the quarter as business regains normalcy



### Revenue

**RM380.7 mil**

(1Q FY22: RM321.7 mil)

▲ **18.3%**

### Profit before Tax

**RM236.8 mil**

(1Q FY22: RM202.5 mil)

▲ **16.9%**

### Profit attributable to equity holders

**RM180.6 mil**

(1Q FY22: RM161.4 mil)

▲ **11.8%**

### Dividend per stapled security

**8.50 sen**

(1Q FY22: 8.00 sen)

▲ **6.3%**



# 1Q FY2023 Segmental Results

## Positive momentum across all segments



### MANAGEMENT SERVICES

Contributed by higher car park income and of one-off facility management works

### HOTEL

Improved performance from higher occupancy & F&B covers

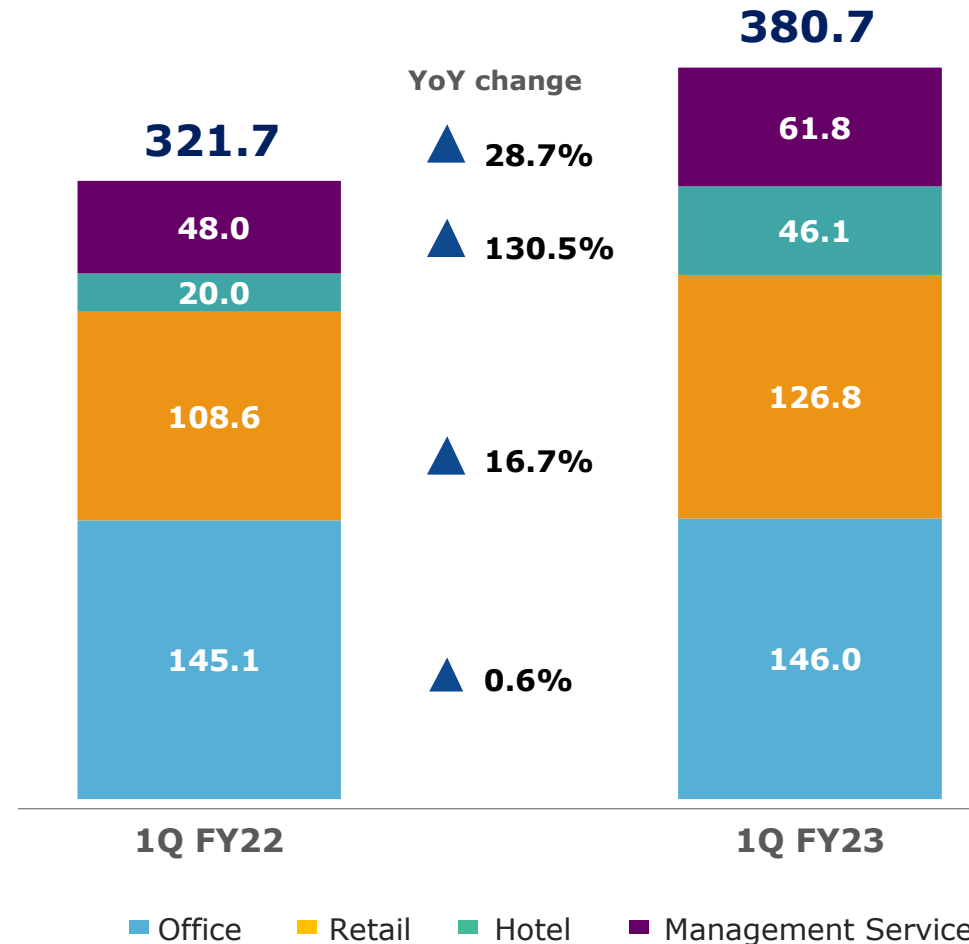
### RETAIL

Increased tenant sales & improved footfall during the quarter

### OFFICE

Stable and steady, underpinned by locked-in tenancies

### Segmental Revenue (RM mil)



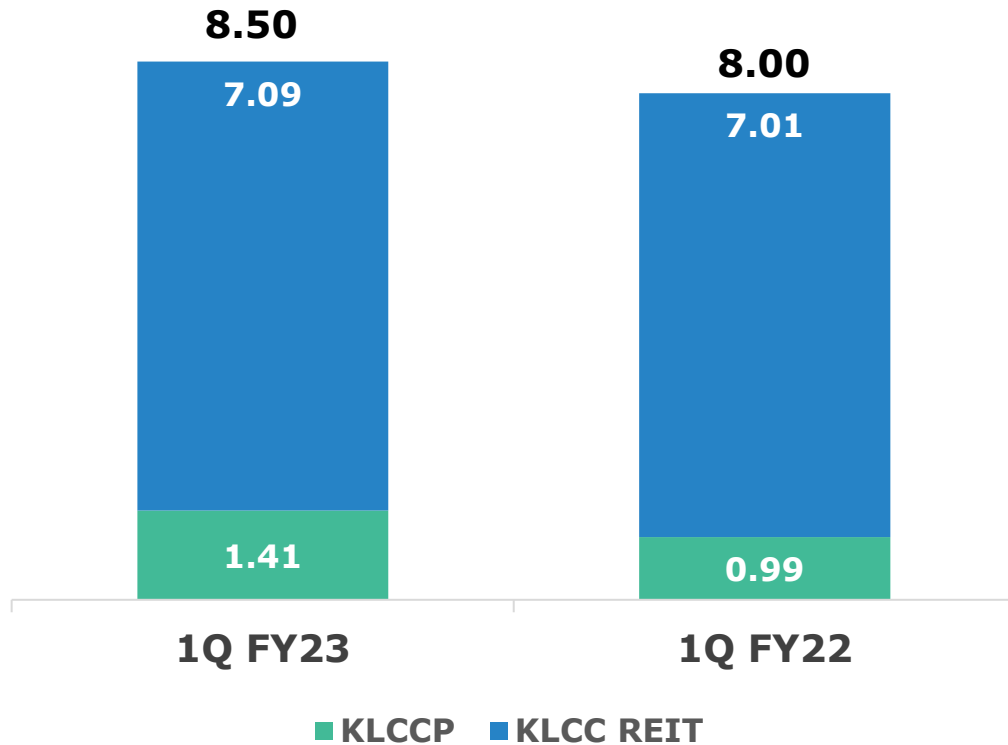
1Q FY2023 - Composition to total KLCCP Stapled Group revenue (%)



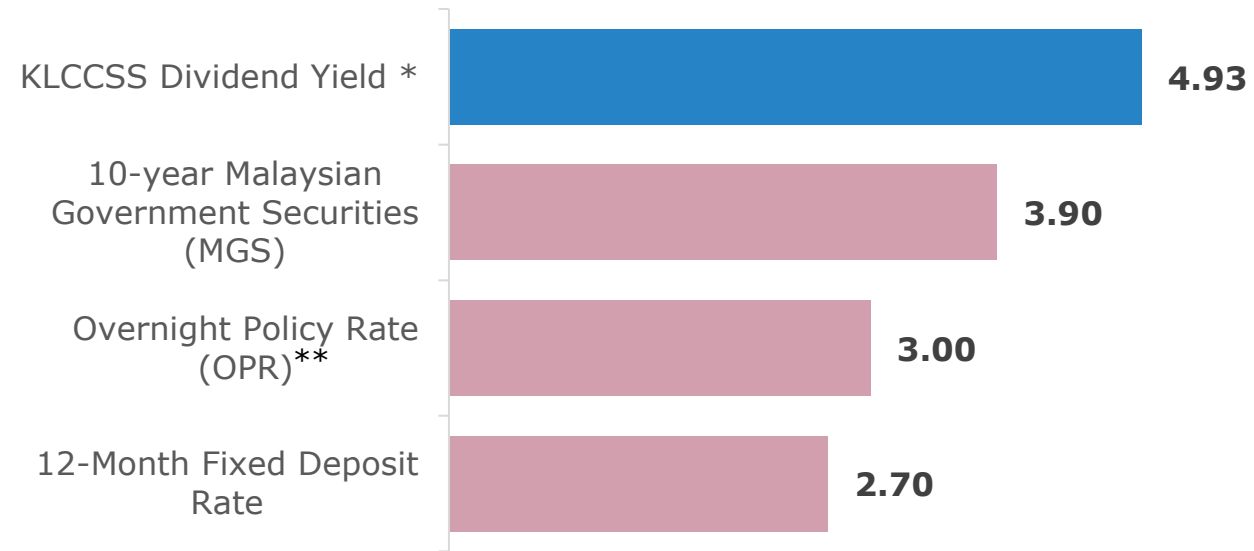
# 6.3% higher dividend distribution, focused on creating long-term sustainable returns for our investors



## Distribution per Stapled Security (DPS) - sen



## Comparative yields as at 31 March 2023 (%)



Source: Bank Negara Malaysia

\* Calculated based on annualised dividend and KLCCSS closing share price as at 31 March 2023

\*\* As at 3 May 2023

# Solid capital position with 83% borrowings on fixed cost, outweighs impact caused by rising interest rates

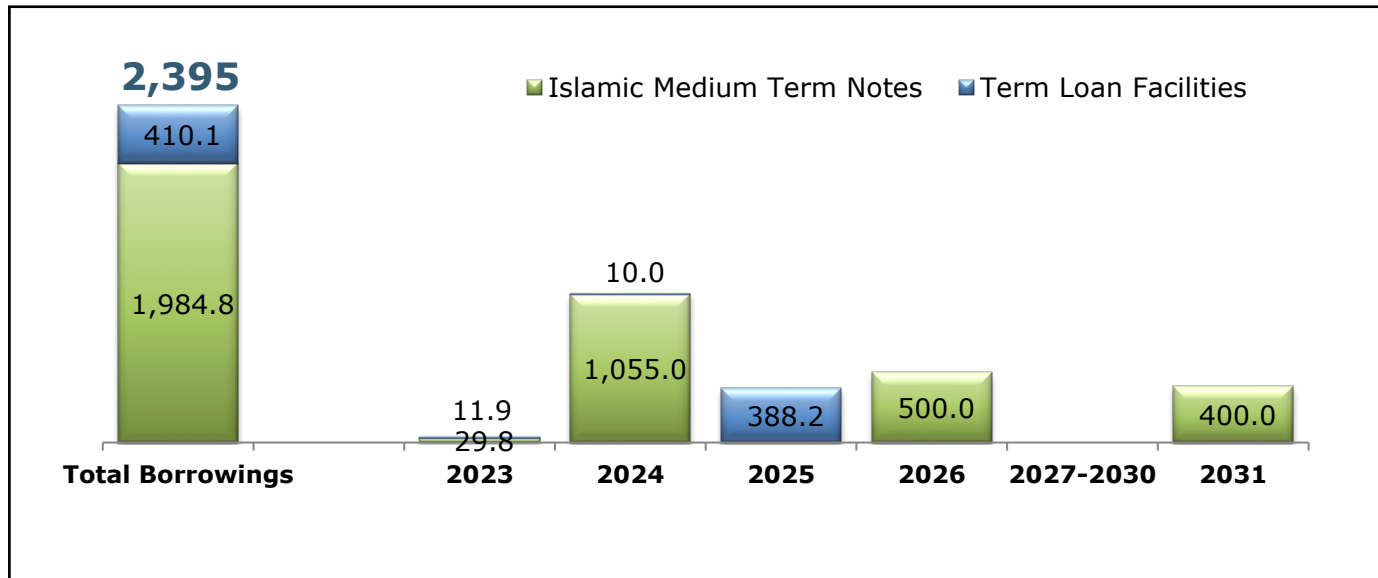


- **Minimal** impact from OPR increase as **83%** of the Group's borrowings are on **Fixed Cost**.
- **Next** major refinancing is in **2024**.

## Key Debt Metrics as of 31 Mar 2023

<b>Total Borrowings</b>	<b>RM2,395 mil</b> [FY2022: RM2,375 mil]
<b>Gearing Ratio</b>	<b>18.3%</b> [FY2022: 18.1%]
<b>Borrowings on Fixed Cost</b>	<b>83%</b> [FY2022: 83%]
<b>Average Maturity Period</b>	<b>3.04 years</b> [FY2022: 3.3 years]
<b>Average Cost of Debt</b>	<b>4.7%</b> [FY2022: 4.6%]

## Debt Maturity Profile as of 31 Mar 2023 (RM'mil)



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# Office – Stable, fortified by the exceptional asset quality and solid lease arrangements

## Revenue

**RM146.0m** ↑ 0.6%  
YoY  
1Q FY2022: RM145.1m

## Profit before tax

**RM133.7m** ↑ 1.6%  
YoY  
1Q FY2022: RM131.5m

## Occupancy

**100%**

- **Stable** revenue and PBT underpinned by **strong portfolio occupancy**, benefitting from triple net lease arrangement and long-term leases.

### KLCC REIT



### KLCC PROPERTY



# Retail – Positive outlook supported by robust retail spending and increasing footfall

## Revenue

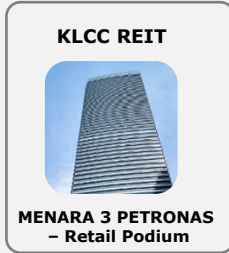
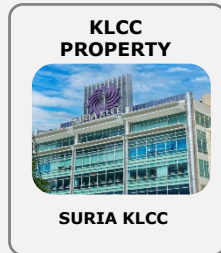
**RM126.8m** ↑ 16.7%  
YoY  
1Q FY2022: RM108.6m

## Profit before tax

**RM97.4m** ↑ 24.7%  
YoY  
1Q FY2022: RM78.1m

## Occupancy

**96%** ↑ 4.3%  
YoY  
1Q FY2022 – 92%



- **17%** and **25% YoY** increase in revenue and PBT, respectively driven by robust tenant sales and increased customer counts
- Performance **Highlights** for 1Q FY2023:
  - **MAT-tenant sales** continue to **surpass** pre-Covid levels by **17%**, mainly contributed from **Fashion & Food and Beverage (F&B)**.
  - Footfall recovered to **85% pre-Covid**, supported by the mall's reward programme to boost retail activities as well as ongoing return of workers to the office.
  - **4 new tenants** came on board during the quarter enhancing customer experience.
  - New reconfigured F&B space at Level 4 - **Pak John Steamboat & BBQ, TGI Fridays** and **Tien** have commenced operations whilst Cili Kampung is expected to open in 2Q'2023.

# New tenants at Suria KLCC in 1Q 2023



**Nitori** - Japan's largest furniture and home furnishing brand



**Pak John Steamboat & BBQ** - Steamboat, barbeque, waffle



**Montigo** - Drinkware, water bottle

**Cosmic Cookware** - Pan, cookware



**Childhood** - Childhood candy, beverages etc.

# Hotel – Recovery momentum remains steady from strong international demand and events

## Revenue

**RM46.1m** ↑ **130.5%**  
YoY  
1Q FY2022: RM20.0m

## Loss before tax (LBT)

**RM2.3m** ↓ **82.1%**  
YoY  
1Q FY2022: RM12.8m

## Occupancy

**49.5%** ↑ **133.5%**  
YoY  
1Q FY2022: 21.2%

- Performance continues to improve steadily, bolstered by the **resurgence** of **corporate groups** and the **resumption of MICE events**.
- Performance **Highlights** for 1Q FY2023:
  - 49.5%** occupancy (vs 21.1% in 1Q'22), led by **Suite** rooms occupancy at 67.0% (vs 28.1% in 1Q'22).
  - Twofold** increase in **Revenue per available room** (RevPar) on the back of significant improvement in occupancy and pent-up demand from high-yielding rooms.
  - Strong business recovery from all F&B covers from successful Chinese New Year promotion in **Lai Po Heen**, **Mosaic** and the **Lounge on The Park**, with positive online orders via **Mandarin Online Shop**.





# Management Services – Steady growth from new parking lots secured and one-off facility management works

## Revenue

**RM61.8m** ↑ **28.7%**  
YoY  
1Q FY2022: RM48.0m

## Profit before tax

**RM8.0m** ↑ **40.4%**  
YoY  
1Q FY2022: RM5.7m

## No of facilities managed

**25**

FY2022: 25

## No of car parking managed

**15,249**

FY2022: 14,971

- **29% and 40% YoY increase** in revenue & PBT, respectively, mainly due to additional **car parking income** and the **ongoing reinstatement of works for Workplace for Tomorrow (WFT)**.
- Performance **Highlights** for 1Q FY2023:
  - **23%** YoY increase in transient **car count** due to more exhibitions, concerts and events being held within the KLCC precinct throughout the school holiday season and long weekends.
  - KPM successfully secured **278** car parking bays in Putrajaya.

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# Aligning goals and strategy towards future-proofing the Group's business resilience




## 3-Pronged Growth Strategy

**Maximising  
Cash Generator**

**Expanding Core  
Business**

**Stepping Out**




**Sweating our assets and building a solid foundation for growth**



**Growing our property investments and enhancing our integrated business model**



**Building our capabilities and resources to better position ourselves for business sustainability**



**Charting Net Zero Carbon Emission Pathway, aspiring to achieve a 25% reduction in 2030**

**Commencement of TCFD Assessment for the Stapled Group, to manage financial impact resulted from climate risks**



**THANK YOU**

For more information, visit [www.klcc.com.my](http://www.klcc.com.my) or contact:

Ms Bindu Menon, Head of Group Strategic  
Communications & Investor Relations  
Email: [bindu@klcc.com.my](mailto:bindu@klcc.com.my)

Ms Intan Liana Mohd Pilus, Head of Investor Relations  
Email: [liana.pilus@klcc.com.my](mailto:liana.pilus@klcc.com.my)