

KLCC PROPERTY HOLDINGS BERHAD
Registration No. 200401003073 (641576-U)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2021

	Second quarter ended		Cumulative 6 months ended	
	30-Jun-21 RM'000	30-Jun-20 RM'000	30-Jun-21 RM'000	30-Jun-20 RM'000
Revenue	280,166	267,245	562,540	621,839
Operating expenses	(89,561)	(84,799)	(177,055)	(189,579)
Operating profit	190,605	182,446	385,485	432,260
Interest/profit income	4,302	5,453	8,421	12,531
Financing costs	(26,356)	(27,560)	(52,894)	(55,636)
Share of profit of an associate	3,532	3,493	6,746	6,944
Profit before taxation	172,083	163,832	347,758	396,099
Taxation	(16,554)	(14,535)	(33,368)	(42,195)
Profit for the period, representing total comprehensive income	155,529	149,297	314,390	353,904
Profit attributable to:				
Equity holders of the Company	34,631	29,489	71,689	92,657
Non-controlling interests relating to KLCC Real Estate Investment Trust (KLCC REIT)	109,383	110,971	218,450	224,683
	144,014	140,460	290,139	317,340
Other non-controlling interests	11,515	8,837	24,251	36,564
	155,529	149,297	314,390	353,904
Dividend/income distribution to stapled security holders:				
<u>Quarter ended 30 June 2021/2020</u>				
Realised distributable income - KLCCP	34,631	29,489	71,689	92,657
Realised distributable income - KLCC REIT	114,209	110,027	228,371	222,524
Total realised distributable income	148,840	139,516	300,060	315,181
Unrealised distributable (loss)/income - KLCC REIT	(4,826)	944	(9,921)	2,159
	144,014	140,460	290,139	317,340
Distribution rate (%) ¹	84.91%	97.05%	84.23%	90.50%
Dividend/income distribution	126,374	135,400	252,748	285,242
Dividend/income distribution per stapled security (sen)	7.00	7.50	14.00	15.80
Earnings per stapled security (sen)				
– Basic	7.98	7.78	16.07	17.58

¹ Rounded to two decimal points.

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.)

KLCC PROPERTY HOLDINGS BERHAD
Registration No. 200401003073 (641576-U)
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	30-Jun-21 RM'000	31-Dec-20 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	620,391	638,267
Investment properties	15,722,393	15,693,205
Right-of-use assets	7,299	9,472
Investment in an associate	273,008	266,262
Deferred tax assets	417	415
Other receivables	415,732	427,863
	<u>17,039,240</u>	<u>17,035,484</u>
Current assets		
Inventories	1,411	1,411
Trade and other receivables	78,207	81,548
Tax recoverable	8,150	5,370
Cash and bank balances	854,783	871,658
	<u>942,551</u>	<u>959,987</u>
TOTAL ASSETS	<u>17,981,791</u>	<u>17,995,471</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the company		
Share capital	1,823,386	1,823,386
Capital reserve	2,905,084	2,905,084
Retained profits	242,513	206,750
	<u>4,970,983</u>	<u>4,935,220</u>
Equity attributable to unit holders of the KLCC REIT	<u>8,085,890</u>	<u>8,078,845</u>
Total equity attributable to equity holders of KLCCP and KLCC REIT	<u>13,056,873</u>	<u>13,014,065</u>
Other non-controlling interests	<u>2,058,078</u>	<u>2,063,894</u>
Total equity	<u>15,114,951</u>	<u>15,077,959</u>
Non-current liabilities		
Deferred revenue	86,072	89,543
Other long term liabilities	141,207	138,494
Financings	2,334,425	1,919,273
Deferred tax liabilities	65,225	65,224
	<u>2,626,929</u>	<u>2,212,534</u>
Current liabilities		
Trade and other payables	202,077	257,725
Financings	29,021	430,171
Taxation	8,813	17,082
	<u>239,911</u>	<u>704,978</u>
Total liabilities	<u>2,866,840</u>	<u>2,917,512</u>
TOTAL EQUITY AND LIABILITIES	<u>17,981,791</u>	<u>17,995,471</u>
Net asset value per stapled security (RM)	7.23	7.21

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.)

KLCC PROPERTY HOLDINGS BERHAD

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2021**

	← Attributable to equity holders of the Company →			Total equity attributable to equity holders of KLCCP RM'000	Equity attributable to unit holders of KLCC REIT ² RM'000	Other non- controlling interests RM'000	Total Equity RM'000
	Share capital RM'000	Retained profits RM'000	Capital reserve ¹ RM'000				
As at 1 January 2020	1,823,386	299,821	3,015,397	5,138,604	8,073,356	2,081,478	15,293,438
Total comprehensive income for the period	–	92,657	–	92,657	224,683	36,564	353,904
Dividends paid/declared	–	(140,997)	–	(140,997)	(218,265)	(27,333)	(386,595)
As at 30 June 2020	1,823,386	251,481	3,015,397	5,090,264	8,079,774	2,090,709	15,260,747
As at 1 January 2021	1,823,386	206,750	2,905,084	4,935,220	8,078,845	2,063,894	15,077,959
Total comprehensive income for the period	–	71,689	–	71,689	218,450	24,251	314,390
Dividends paid/declared	–	(35,926)	–	(35,926)	(211,405)	(30,067)	(277,398)
As at 30 June 2021	1,823,386	242,513	2,905,084	4,970,983	8,085,890	2,058,078	15,114,951

¹ Capital reserve arises from the surplus of revaluation of investment properties that will be distributed upon the sale of investment properties.

² Equity attributable to unit holders of KLCC REIT consists of Unitholders' Fund (RM7,212,684,000), Merger Reserve (RM6,212,000), Capital Reserve (RM387,790,000) and Retained Profit (RM479,204,000).

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.)

KLCC PROPERTY HOLDINGS BERHAD
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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2021

	Cumulative 6 months ended	
	30-Jun-21 RM'000	30-Jun-20 RM'000
Cash flows from operating activities		
Profit before tax	347,758	396,099
Adjustments for:		
Interest/profit income	(8,421)	(12,531)
Financing costs	52,894	55,636
Accrued rental income	8,879	(3,178)
Depreciation	23,097	24,694
Allowance for impairment losses on trade receivables	3,155	-
Write off of receivables	2	-
(Gain)/Loss on disposal of property, plant and equipment	(6)	35
Share of profit of an associate	(6,746)	(6,944)
	<u>72,854</u>	<u>57,712</u>
Operating profit before changes in working capital	420,612	453,811
Changes in working capital:		
Trade and other receivables	(2,110)	(7,899)
Amount due from/to ultimate holding company	2,258	10,155
Amount due from/to immediate holding company	11,133	(13,298)
Amount due from/to related companies	(9,279)	510
Trade and other payables	(58,176)	(23,924)
Inventories	-	168
	<u>(56,174)</u>	<u>(34,288)</u>
Interest/profit income received	8,128	13,271
Tax paid	(44,419)	(22,167)
Net cash generated from operating activities	<u>328,147</u>	<u>410,627</u>
Cash flows from investing activities		
Dividends received	-	5,280
Purchase of property, plant and equipment	(3,056)	(7,979)
Subsequent expenditure on investment properties	(29,063)	(4,022)
Proceeds from disposal of property, plant and equipment	10	2
Net cash used in investing activities	<u>(32,109)</u>	<u>(6,719)</u>
Cash flows from financing activities		
Drawdown of borrowing	22,374	4,983
Repayment of borrowings	(10,000)	(10,000)
Dividends paid to shareholders	(35,926)	(140,997)
Dividends paid to non-controlling interests relating to KLCC REIT	(210,937)	(217,049)
Dividends paid to other non-controlling interests	(30,067)	(27,333)
Interest/profit expense paid	(46,018)	(53,022)
Payment of principal portion of lease liabilities	(2,339)	(2,339)
Increase/(Decrease) in deposits restricted	615	(1,852)
Net cash used in financing activities	<u>(312,298)</u>	<u>(447,609)</u>

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2021

	Cumulative 6 months ended	
	30-Jun-21 RM'000	30-Jun-20 RM'000
Net decrease in cash and cash equivalents	(16,260)	(43,701)
Cash and cash equivalents at the beginning of the year	869,765	881,586
Cash and cash equivalents at the end of period	<u>853,505</u>	<u>837,885</u>
Cash and cash equivalents at the end of period comprises:		
Cash and bank balances	572,934	556,993
Deposits	<u>281,849</u>	<u>285,066</u>
	854,783	842,059
Less: Deposits restricted ¹	<u>(1,278)</u>	<u>(4,174)</u>
	<u>853,505</u>	<u>837,885</u>

¹ *Deposits restricted relate to monies held on behalf of clients in designated accounts which represent cash calls less payments in the course of rendering management services on behalf of clients.*

(The unaudited condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to this interim financial report.)

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NOTES ON THE QUARTERLY REPORT — 30 JUNE 2021

A EXPLANATORY NOTES PURSUANT TO MFRS 134

A1 Corporate information

KLCC Property Holdings Berhad (“KLCCP”) is a public limited liability company incorporated and domiciled in Malaysia. One ordinary share of KLCCP is stapled with one unit of KLCC Real Estate Investment Trust (“KLCC REIT”) to create the stapled securities. These stapled securities are listed on Bursa Malaysia Securities Berhad.

By virtue of KLCCP and KLCC REIT agreeing to combine their business by contract (i.e. Stapling Deed between KLCCP and KLCC REIT even though KLCCP owns no units in KLCC REIT and vice versa), KLCCP is deemed to be the controlling entity (i.e. parent) for accounting purposes as it is identified to be the party with power to govern the financial and operating policies of KLCC REIT. Therefore, the consolidated accounts of KLCCP will reflect 100% non-controlling interest relating to KLCC REIT.

These condensed consolidated interim financial statements were approved by the Board of Directors on 17 August 2021.

A2 Basis of preparation

These condensed consolidated interim financial statements, for the period ended 30 June 2021, are unaudited and have been prepared in compliance with the requirements of paragraph 9.22 and 9.44 of the *Main Market Listing Requirements* of Bursa Malaysia Securities Berhad, MFRS 134 *Interim Financial Reporting* issued by Malaysian Accounting Standards Board (“MASB”) and with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

The consolidated financial statements of the Group for the year ended 31 December 2020 are available upon request from the Company’s registered office at Level 54, Tower 2, PETRONAS Twin Towers, Kuala Lumpur City Centre, 50088 Kuala Lumpur.

A3 Accounting policies

The new and revised MFRSs, Amendments to MFRS and IC Interpretations which are mandatory for companies with financial periods beginning on or after 1 January 2021 did not give rise to any significant effects on the financial statements of the Group and the Company.

A4 Audit Report

The auditors’ report on the financial statements for the year ended 31 December 2020 was not qualified.

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A EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTD.)

A5 Segmental information

	Second quarter ended			Cumulative 6 months ended		
	30-Jun-21			30-Jun-21		
	KLCCP	KLCC	Group	KLCCP	KLCC	Group
	RM'000	REIT RM'000	RM'000	RM'000	REIT RM'000	RM'000
Revenue						
Property investment:						
Office	10,246	134,871	145,117	20,361	269,733	290,094
Retail	77,687	7,799	85,486	160,526	15,361	175,887
Hotel operations	8,544	-	8,544	17,641	-	17,641
Management services	58,962	-	58,962	114,411	-	114,411
	155,439	142,670	298,109	312,939	285,094	598,033
Eliminations			(17,943)			(35,493)
			280,166			562,540
Operating profit						
Property investment:						
Office	8,056	119,264	127,320	16,392	238,822	255,214
Retail	59,834	4,403	64,237	121,876	8,557	130,433
Hotel operations	(14,770)	-	(14,770)	(27,530)	-	(27,530)
Management services	17,271	-	17,271	32,877	-	32,877
	70,391	123,667	194,058	143,615	247,379	390,994
Eliminations			(3,453)			(5,509)
			190,605			385,485
Interest/profit income	3,751	551	4,302	7,395	1,026	8,421
Finance cost	(11,521)	(14,835)	(26,356)	(22,939)	(29,955)	(52,894)
Share of profit of an associate company	3,532	-	3,532	6,746	-	6,746
Taxation	(16,554)	-	(16,554)	(33,368)	-	(33,368)
Profit for the period / Total comprehensive income for the period			155,529			314,390

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NOTES ON THE QUARTERLY REPORT — 30 JUNE 2021

A EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTD.)

A5 Segmental information (Contd.)

	As at 30-Jun-21		Group
	KLCCP	KLCC REIT	
	RM'000	RM'000	RM'000
Total assets			
Property investment — Office	1,039,793	9,155,809	10,195,602
Property investment — Retail	5,826,986	516,392	6,343,378
Hotel operations	588,511	—	588,511
Management services	238,504	—	238,504
	<u>7,693,794</u>	<u>9,672,201</u>	<u>17,365,995</u>
Eliminations and adjustments			<u>615,796</u>
			<u>17,981,791</u>
Total liabilities			
Property investment — Office	16,749	1,570,957	1,587,706
Property investment — Retail	806,722	15,353	822,075
Hotel operations	418,910	—	418,910
Management services	55,905	—	55,905
	<u>1,298,286</u>	<u>1,586,310</u>	<u>2,884,596</u>
Eliminations and adjustments			<u>(17,755)</u>
			<u>2,866,840</u>

A6 Unusual items

During the quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

A7 Changes in estimates

There were no changes in the estimates of amounts reported that have a material effect on the results in the quarter under review.

A8 Changes in statutory tax rate

There were no changes to the corporate tax rate during the quarter under review. However, Section 61A of the Malaysian Income Tax Act 1967 exempts KLCC REIT from the normal corporate tax in a year of assessment ("YA") if KLCC REIT distributes at least 90% of its total taxable income in the same YA.

A9 Seasonal or cyclical factors

The Group's hotel operations were impacted by the seasonal or cyclical factors affecting the occupancy rate and food and beverage business of the hotel.

The other segments are not affected by seasonal or cyclical factors.

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A EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTD.)

A10 Dividends paid

The Board of Directors declared interim dividends comprising 0.99 sen and 6.01 sen relating to KLCCP and KLCC REIT respectively in respect of the three month period ended 31 March 2021 totaling 7.00 sen per stapled security.

The KLCCP dividend of 0.99 sen per share (tax exempt under the single-tier tax system) amounting to RM17.9 million and the KLCC REIT income distribution of 6.01 sen per unit amounting to RM108.5 million were paid on 17 June 2021.

A11 Debt and equity securities

There were no other material events subsequent to the end of the quarter under review that have not been reflected in the interim financial statements.

A12 Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter under review.

A13 Discontinued operations

There were no discontinued operations in the Group during the quarter under review.

A14 Capital commitments

The amount of capital commitments not provided for in the interim financial statements as at 30 June 2021 is as follows:

	RM'000
Approved and contracted for	37,017
Approved but not contracted for	94,974
	<u>131,991</u>

A15 Changes in contingent liabilities and contingent assets

There were no changes in the contingent liabilities or contingent assets of the Group during the quarter under review.

A16 Property development activities

KLCC REIT did not undertake any property development activities during the quarter under review.

A17 Material and subsequent events

There was no other material event subsequent to the end of the quarter under review that has not been reflected in the interim financial statements.

KLCC PROPERTY HOLDINGS BERHAD

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NOTES ON THE QUARTERLY REPORT — 30 JUNE 2021

B EXPLANATORY NOTES PURSUANT TO PART A AND PART D OF APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

The spread of the new Covid-19 variants has led the government to call out for Movement Control Order (MCO) 3.0 in Klang Valley and few other states effective 7 May 2021. The MCO was then expanded to the whole country effective 12 May 2021. As of quarter ended Q2 2021, the Group continues to operate under restrictive measures in support of the government efforts to curb the spread of Covid-19 virus.

Whilst the office segment is secured by the long term-leases, the performance of the hotel and retail segments were highly influenced by the ease on the standard operating procedure (SOP) during the various phases of MCO.

B1 Performance review - Quarterly Results (Q2 2021 vs Q2 2020)

	Second quarter ended			Cumulative 6 months ended		
	30-Jun-21	30-Jun-20	Change	30-Jun-21	30-Jun-20	Change
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue:						
Property investment:						
Office	145,117	149,121	(2.69)	290,094	299,078	(3.00)
Retail	85,486	74,885	14.16	175,887	208,743	(15.74)
Hotel operations	8,544	3,458	>100	17,641	31,539	(44.07)
Management services	58,962	56,907	3.61	114,411	118,682	(3.60)
Eliminations/Adjustments	(17,943)	(17,126)		(35,493)	(36,203)	
	280,166	267,245	4.83	562,540	621,839	(9.54)
Profit before tax ("PBT"):						
Property investment:						
Office *	117,591	121,110	(2.91)	235,105	242,183	(2.92)
Retail	56,495	47,490	18.96	115,000	150,590	(23.63)
Hotel operations	(18,228)	(20,449)	10.86	(34,327)	(29,286)	(17.21)
Management services	17,585	15,840	11.02	33,377	32,906	1.43
Eliminations/Adjustments	(1,360)	(159)		(1,397)	(294)	
	172,083	163,832	5.04	347,758	396,099	(12.20)

* Includes share of profit of an associate.

NOTES ON THE QUARTERLY REPORT — 30 JUNE 2021

B EXPLANATORY NOTES PURSUANT TO PART A AND PART D OF APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTD.)

B1 Performance review (contd.)

Variance analysis by segment

Property investment — Office

Office segment remained stable backed by Triple Net Lease (TNL) and long-term leases.

Revenue and PBT for the quarter under review decreased slightly by 2.7% and 2.9% respectively due to non-cash accounting adjustments following the extension of the TNL agreement for Menara 3 and Petronas Twin Towers in November 2020.

Property investment — Retail

Revenue and PBT increased by 14.2% and 19.0% respectively in Q2 2021 mainly due to lower provision of rental assistance compared to corresponding quarter last year.

As for YTD, the revenue and PBT declined by 15.7% and 23.6% respectively. YTD June 2020 recorded higher revenue and PBT as the Covid-19 impact was partially mitigated by the better results prior to the pandemic, i.e, January and February 2020. Whereas, YTD June 2021 performance depicted retail segment operating in pandemic and MCO conditions.

Hotel operations

The hotel segment recorded higher revenue in Q2 2021 with improved occupancy of 12% (2020:4%) and higher performance in Food & Beverage.

YTD revenue of RM16.7 million and loss before tax of RM33.3 million was attributed to the performance of the hotel in pandemic and MCO conditions.

Management services

Revenue and PBT during the quarter increased by 3.6% and 11.0% respectively mainly from additional services for facilities management.

The YTD revenue recorded a decline by 3.6% mainly due to lower transient parking during the various phases of MCO during the year. This is mitigated by better PBT from facilities management, resulting to slight increase in the PBT by 1.4%.

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B EXPLANATORY NOTES PURSUANT TO PART A AND PART D OF APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTD.)

B2 Variation of results against preceding quarter

	Quarter ended		Change %
	30-Jun-21 RM'000	31-Mar-21 RM'000	
Revenue:			
Property investment:			
Office	145,117	144,977	0.10
Retail	85,486	90,401	(5.44)
Hotel operations	8,544	9,097	(6.08)
Management services	58,962	55,449	6.34
Eliminations/Adjustments	(17,943)	(17,550)	
	280,166	282,374	(0.78)
Profit before tax:			
Property investment:			
Office *	117,591	117,514	0.07
Retail	56,495	58,505	(3.44)
Hotel operations	(18,228)	(16,099)	(13.22)
Management services	17,585	15,792	11.35
Eliminations/Adjustments	(1,360)	(37)	
	172,083	175,675	(2.04)

* Includes share of profit of an associate.

The Group ended the quarter with a marginal decrease in revenue by 0.8% and PBT by 2.0% mainly attributed to the retail and hotel segments following the MCO 3.0.

The performance of the retail segment continues to be affected with rental assistance granted to support the retailers, considering the lower footfalls in the mall following the movement restrictions.

As for the hotel segment, various promotional packages tailoring to its customers' profile were introduced in Q1 during the conditional MCO. However, since all leisure related activities including dine-in was not permitted during the MCO in Q2, hotel segment ended the quarter with a recorded loss before tax of RM18.2 million.

However, this was partially offset by the better performance in management services segment mainly from the additional services in facilities management.

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B EXPLANATORY NOTES PURSUANT TO PART A AND PART D OF APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTD.)

B3 Prospects for financial year 2021

The Directors anticipate the remaining period of the year continue to be challenging due to the Covid-19 pandemic. However, with good progress on the National Covid-19 vaccination programme, the Directors believe that it will enable to prevent the situation from deteriorating further.

The Directors are of the opinion that recovery of hotel and retail segments will be influenced by the ease of movement restrictions. Mandarin Oriental Kuala Lumpur will continue to focus on local and domestic market until the government reopens the border for international arrivals.

Suria KLCC's performance will continue to depend on the restrictions imposed to control the pandemic. Nonetheless, Suria KLCC will continue to leverage on its strategic location. The well-being of the customers and the sustainability of its tenants will continue to be the priorities of Suria KLCC.

The Directors expect the performance of the office segment to remain stable backed by the triple net lease agreements and long-term leases.

B4 Profit forecast

No profit forecast was issued for the financial period.

B5 Taxation

Taxation comprises the following:

	Second quarter ended		Cumulative 6 months ended	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:				
Malaysian income tax	16,555	14,539	33,371	42,204
Deferred tax	(1)	(4)	(3)	(9)
	16,554	14,535	33,368	42,195

Overall effective tax rate of 10% is lower as income from KLCC REIT is not subject to tax in accordance with Section 61A of the Malaysian Income Tax Act 1967.

B6 Sales of unquoted investments and/or properties

There was no disposal of unquoted investments or properties during the quarter under review.

B7 Quoted and marketable securities

There was no purchase or disposal of quoted and marketable securities during the quarter under review.

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B8 Status of corporate proposal announced

There was no corporate proposal announced but not completed as at the date of this report.

B9 Financings

	As at 30-Jun-21		Group RM'000
	KLCCP RM'000	KLCC REIT RM'000	
Short term:			
<u>Secured</u>			
Term loans	12,047	–	12,047
Sukuk Murabahah	–	12,286	12,286
Lease liabilities	4,688	–	4,688
	16,735	12,286	29,021
Long term:			
<u>Secured</u>			
Term loans	376,584	–	376,584
Sukuk Murabahah	600,000	1,355,000	1,955,000
Lease liabilities	2,841	–	2,841
	979,425	1,355,000	2,334,425
	996,160	1,367,286	2,363,446

Repayment schedule:

	Within 1 year RM'000	1–2 years RM'000	2–5 years RM'000	More than 5 years RM'000	Group total RM'000
<u>KLCCP</u>					
Term loans	12,047	10,000	366,584	–	388,631
Sukuk Murabahah	–	–	600,000	–	600,000
Lease liabilities	4,688	2,841	–	–	7,529
	16,735	12,841	966,584	–	996,160
<u>KLCC REIT</u>					
Sukuk Murabahah	12,286	–	455,000	900,000	1,367,286
	29,021	12,841	1,421,584	900,000	2,363,446

B10 Material litigation

The Group has no outstanding material litigation as at the date of this report.

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B11 Dividend/income distribution

The Board of Directors has declared the following dividend/income distribution for the quarter ended 30 June 2021:

	Total stapled securities	Dividend/ income distribution per stapled securities Sen	Total dividend/ income distribution payable RM'000
KLCCP ¹	1,805,333,083	0.99	17,873
KLCC REIT ^{2,3}	1,805,333,083	6.01	108,501
Group		<u>7.00</u>	<u>126,374</u>

The dividend and income distribution for KLCCP and KLCC REIT will be paid on 29 September 2021. The book closure date in respect of both the aforesaid interim dividend and income distribution is 2 September 2021.

¹ Dividend declared under KLCCP is tax exempt under the single-tier system.

² Income distribution to unitholders will be subjected to withholding tax at the following rates:

<u>Unitholders</u>	Withholding tax rate
Individuals and all other non-corporate investors such as institutional investors (resident and non-resident)	10%
Non-resident corporate investors	24%
Resident corporate investors	0%

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B11 Dividend/income distribution (contd.)

³ Distribution by KLCC REIT to unitholders are from the following sources:

	Second quarter ended		Cumulative 6 months ended	
	30-Jun-21 RM'000	30-Jun-20 RM'000	30-Jun-21 RM'000	30-Jun-20 RM'000
Revenue				
Property investment - Office	134,871	139,053	269,733	278,694
Property investment - Retail	7,799	5,732	15,361	14,894
	142,670	144,785	285,094	293,588
Profit income	551	594	1,026	1,199
	143,221	145,379	286,120	294,787
Less: Expenses	(33,838)	(34,408)	(67,670)	(70,104)
Profit for the period	109,383	110,971	218,450	224,683
Less: Non-cash items	4,826	(944)	9,921	(2,159)
Total realised income available for the period	114,209	110,027	228,371	222,524
Add: Brought forward undistributed realised income available for distribution	70,249	48,535	64,588	41,469
Total realised income available for distribution *	184,458	158,562	292,959	263,993
Less: Total income distributed for the period	–	–	(108,501)	(105,431)
Less: Income to be distributed for the quarter	(108,501)	(109,945)	(108,501)	(109,945)
Balance undistributed realised income available for distribution	75,957	48,617	75,957	48,617
Distribution per unit (sen)	6.01	5.84	12.02	5.84

* There are no unrealised losses arising during the period or brought forward from previous year.

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B12 Summary of Net Asset Value ("NAV")

	No. of units listed	NAV RM'000	NAV per unit	
			before distribution RM	after distribution RM
KLCC REIT ¹	1,805,333,083	8,085,890	4.48	4.42
KLCCP Stapled Group	1,805,333,083	13,056,873	7.23	7.16

¹ An analysis of KLCC REIT's performance based on changes in NAV and NAV per unit, after distribution, since 31 December 2020 is as follows:

	As at 30-Jun-21	As at 31-Mar-21	Changes
NAV (after distribution) (RM'000)	7,977,389	7,965,733	11,656
NAV per unit (after distribution) (RM)	4.42	4.41	0.01

B13 Profit for the period

	Second quarter ended		Cumulative 6 months ended	
	30-Jun-21 RM'000	30-Jun-20 RM'000	30-Jun-21 RM'000	30-Jun-20 RM'000
Profit for the period is arrived after charging:				
Depreciation of property, plant and equipment ¹	11,474	12,069	23,097	24,694
Allowance for impairment losses on trade receivables	738	—	3,155	—
Write off of receivables	2	—	2	—
(Gain)/Loss on disposal of property, plant and equipment	(6)	—	(6)	35

¹ Depreciation of property, plant and equipment is inclusive of depreciation resulting from MFRS 16: Leases.

Other than the above, the items listed under Appendix 9B Note 16 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

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B14 Earnings per stapled securities ("EPSS")

	Second quarter ended		Cumulative 6 months ended	
	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
Profit attributable to ordinary equity holders of the Company (RM'000)	34,631	29,489	71,689	92,657
Profit attributable to unitholders of KLCC REIT (RM'000)	109,383	110,971	218,450	224,683
	<u>144,014</u>	<u>140,460</u>	<u>290,139</u>	<u>317,340</u>
Weighted average number of stapled securities in issue ('000 units)	1,805,333	1,805,333	1,805,333	1,805,333
Basic EPSS (Sen)	<u>7.98</u>	<u>7.78</u>	<u>16.07</u>	<u>17.58</u>

B15 Limits or restrictions imposed under the Guidelines on Listed REITs issued by Securities Commission Malaysia ("the Guidelines")

The Group is in compliance with the limits or restrictions imposed under the Guidelines.

BY ORDER OF THE BOARD

Abd Aziz Bin Abd Kadir (LS0001718)
Yeap Kok Leong (MAICSA0862549)
Company Secretaries
Kuala Lumpur