

**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 2024**

	Second quarter ended		Cumulative 6 months ended	
	30-Jun-24 RM'000	30-Jun-23 RM'000	30-Jun-24 RM'000	30-Jun-23 RM'000
Revenue	413,245	394,633	822,146	775,377
Operating expenses	(153,795)	(143,882)	(296,466)	(273,243)
<b>Operating profit</b>	<b>259,450</b>	<b>250,751</b>	<b>525,680</b>	<b>502,134</b>
Interest/profit income	13,966	9,749	24,440	19,050
Financing costs	(45,641)	(27,805)	(73,934)	(55,402)
Share of profit of an associate	3,693	3,719	7,400	7,398
<b>Profit before taxation</b>	<b>231,468</b>	<b>236,414</b>	<b>483,586</b>	<b>473,180</b>
Taxation	(32,967)	(28,323)	(65,056)	(56,486)
<b>Profit for the period, representing total comprehensive income</b>	<b>198,501</b>	<b>208,091</b>	<b>418,530</b>	<b>416,694</b>
<b>Profit attributable to:</b>				
Equity holders of the Company	80,070	68,808	155,389	135,748
Non-controlling interests relating to KLCC Real Estate Investment Trust (KLCC REIT)	110,989	111,996	223,704	225,617
	191,059	180,804	379,093	361,365
Other non-controlling interests	7,442	27,287	39,437	55,329
	198,501	208,091	418,530	416,694
<b>Dividend/income distribution to stapled security holders:</b>				
<u>Quarter ended 30 June 2024/2023</u>				
Realised distributable income - KLCCP	80,070	68,808	155,389	135,748
Realised distributable income - KLCC REIT	127,995	126,449	257,254	254,510
Total realised distributable income	208,065	195,257	412,643	390,258
Unrealised distributable loss - KLCC REIT	(17,006)	(14,453)	(33,550)	(28,893)
	191,059	180,804	379,093	361,365
Distribution rate (%) <sup>1</sup>	79.83%	81.36%	79.63%	80.03%
Dividend/income distribution	166,090	158,869	328,570	312,322
<b>Dividend/income distribution per stapled security (sen)</b>	<b>9.20</b>	<b>8.80</b>	<b>18.20</b>	<b>17.30</b>
<b>Earnings per stapled security (sen)</b>				
– Basic / Diluted	10.58	10.01	21.00	20.02

<sup>1</sup> 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 2023 and the accompanying explanatory notes attached to this interim financial report.)

**KLCC PROPERTY HOLDINGS BERHAD**

Registration No. 200401003073 (641576-U)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**

	30-Jun-24 RM'000	31-Dec-23 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	538,062	547,763
Investment properties	15,956,014	15,953,114
Right-of-use assets	2,354	2,495
Investment in an associate	274,087	266,687
Deferred tax assets	1,515	1,513
Other receivables	239,163	270,954
	<u>17,011,195</u>	<u>17,042,526</u>
<b>Current assets</b>		
Inventories	1,429	1,607
Trade and other receivables	76,974	94,182
Tax recoverable	1,227	3,167
Cash and bank balances	1,207,978	1,192,076
	<u>1,287,608</u>	<u>1,291,032</u>
<b>TOTAL ASSETS</b>	<u>18,298,803</u>	<u>18,333,558</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the company</b>		
Share capital	1,823,386	1,823,386
Capital reserve	3,008,866	3,008,866
Retained profits	477,673	435,883
	<u>5,309,925</u>	<u>5,268,135</u>
<b>Equity attributable to unit holders of the KLCC REIT</b>	<u>8,056,369</u>	<u>8,070,969</u>
<b>Total equity attributable to equity holders of KLCCP and KLCC REIT</b>	<u>13,366,294</u>	<u>13,339,104</u>
<b>Other non-controlling interests</b>	<u>31,778</u>	<u>2,050,350</u>
<b>Total equity</b>	<u>13,398,072</u>	<u>15,389,454</u>
<b>Non-current liabilities</b>		
Deferred revenue	84,694	83,951
Other long term liabilities	164,858	149,515
Financings	3,305,469	1,289,572
Deferred tax liabilities	62,850	62,850
	<u>3,617,871</u>	<u>1,585,888</u>
<b>Current liabilities</b>		
Trade and other payables	231,273	261,158
Financings	1,014,245	1,074,600
Taxation	37,342	22,458
	<u>1,282,860</u>	<u>1,358,216</u>
<b>Total liabilities</b>	<u>4,900,731</u>	<u>2,944,104</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>18,298,803</u>	<u>18,333,558</u>
<b>Net asset value per stapled security (RM)</b>	7.40	7.39

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.)

# KLCC PROPERTY HOLDINGS BERHAD

Registration No. 200401003073 (641576-U)

(Incorporated in Malaysia)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2024

	← 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 <sup>2</sup> RM'000	Other non-controlling interests RM'000	Total Equity RM'000
	Share capital RM'000	Retained profits RM'000	Capital reserve <sup>1</sup> RM'000				
<b>As at 1 January 2023</b>	1,823,386	392,812	2,897,190	<b>5,113,388</b>	8,018,361	2,035,529	<b>15,167,278</b>
Total comprehensive income for the period	–	135,748	–	<b>135,748</b>	225,617	55,329	<b>416,694</b>
Dividends paid	–	(164,285)	–	<b>(164,285)</b>	(241,914)	(58,767)	<b>(464,966)</b>
<b>As at 30 June 2023</b>	<b>1,823,386</b>	<b>364,275</b>	<b>2,897,190</b>	<b>5,084,851</b>	<b>8,002,064</b>	<b>2,032,091</b>	<b>15,119,006</b>
<b>As at 1 January 2024</b>	1,823,386	435,883	3,008,866	<b>5,268,135</b>	8,070,969	2,050,350	<b>15,389,454</b>
Total comprehensive income for the period	–	155,389	–	<b>155,389</b>	223,704	39,437	<b>418,530</b>
Dividends paid	–	(184,144)	–	<b>(184,144)</b>	(238,304)	(31,433)	<b>(453,881)</b>
Acquisition of non-controlling interests	–	70,545	–	<b>70,545</b>	–	(2,026,576)	<b>(1,956,031)</b>
<b>As at 30 June 2024</b>	<b>1,823,386</b>	<b>477,673</b>	<b>3,008,866</b>	<b>5,309,925</b>	<b>8,056,369</b>	<b>31,778</b>	<b>13,398,072</b>

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

<sup>2</sup> Equity attributable to unit holders of KLCC REIT consists of Unitholders' Fund (RM7,212,683,000), Merger Reserve (RM6,212,000), Capital Reserve (RM457,861,000) and Retained Profit (RM379,613,000).

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to this interim financial report.)

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

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 JUNE 2024**

	Cumulative 6 months ended	
	30-Jun-24 RM'000	30-Jun-23 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	483,586	473,180
Adjustments for:		
Interest/profit income	(24,440)	(19,050)
Financing costs	73,915	55,402
Amortisation of attributable transaction cost	21	–
Accrued rental income	27,999	26,583
Depreciation	14,622	17,300
(Reversa)/addition for impairment losses on receivables	(122)	75
Loss/(gain) on disposal of property, plant and equipment	113	(84)
Investment property written off	19	–
Share of profit of an associate	(7,400)	(7,398)
	<u>84,727</u>	<u>72,828</u>
Operating profit before changes in working capital	568,313	546,008
Changes in working capital:		
Trade and other receivables	4,742	2,609
Amount due from/to ultimate holding company	(4,138)	(2,471)
Amount due from/to immediate holding company	13,590	24,689
Amount due from/to related companies	3,632	(4,647)
Trade and other payables	(7,935)	(37,050)
Inventories	178	(18)
	<u>10,069</u>	<u>(16,888)</u>
Interest/profit income received	18,545	19,618
Tax paid	(48,237)	(43,017)
Tax refund received	–	503
<b>Net cash generated from operating activities</b>	<u>548,690</u>	<u>506,224</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(4,468)	(3,673)
Subsequent expenditure on investment properties	(3,471)	(11,861)
Proceeds from disposal of property, plant and equipment	(52)	84
Acquisition of other non-controlling interests	(1,950,000)	–
Cost incidental to acquisition of other non-controlling interests	(6,031)	–
<b>Net cash used in investing activities</b>	<u>(1,964,022)</u>	<u>(15,450)</u>

**KLCC PROPERTY HOLDINGS BERHAD**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 JUNE 2024**

	<b>Cumulative 6 months ended</b>	
	<b>30-Jun-24</b>	<b>30-Jun-23</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from financing activities</b>		
Drawdown of borrowing	2,405,000	–
Repayment of borrowings	(465,000)	(10,000)
Transaction cost incidental to the drawdown of borrowing	(186)	–
Dividends paid to shareholders	(184,144)	(164,285)
Dividends paid to non-controlling interests relating to KLCC REIT	(238,204)	(241,866)
Dividends paid to other non-controlling interests	(31,433)	(58,767)
Interest/profit expense paid	(54,202)	(53,838)
Payment of principal portion of lease liabilities	(597)	(1,014)
Increase/(decrease) in deposits restricted	30	(3,272)
<b>Net cash used in financing activities</b>	<b><u>1,431,264</u></b>	<b><u>(533,042)</u></b>
<b>Net decrease in cash and cash equivalents</b>	<b>15,932</b>	<b>(42,268)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,189,670</b>	<b>1,102,810</b>
<b>Cash and cash equivalents at the end of period</b>	<b><u>1,205,602</u></b>	<b><u>1,060,542</u></b>
<b>Cash and cash equivalents at the end of period comprises:</b>		
Cash and bank balances	312,801	742,656
Deposits	895,177	323,320
	<b><u>1,207,978</u></b>	<b><u>1,065,976</u></b>
Less: Deposits restricted <sup>1</sup>	<b><u>(2,376)</u></b>	<b><u>(5,434)</u></b>
	<b><u>1,205,602</u></b>	<b><u>1,060,542</u></b>

<sup>1</sup> 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 2023 and the accompanying explanatory notes attached to this interim financial report.)

**NOTES ON THE QUARTERLY REPORT — 30 JUNE 2024**

**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 28 August 2024.

**A2 Basis of preparation**

These condensed consolidated interim financial statements, for the year ended 31 December 2023, 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 2023 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 2024 did not give rise to any significant effects on the financial statements of the Group and the Company.

**A4 Audit Report of Preceding Financial Year**

The auditors’ report on the financial statements for the year ended 31 December 2023 was not qualified.

**NOTES ON THE QUARTERLY REPORT — 30 JUNE 2024**

**A EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTD.)**

**A5 Segmental information**

	Second quarter ended			Cumulative 6 months ended		
	30-Jun-24			30-Jun-24		
	KLCCP	KLCC	Group	KLCCP	KLCC	Group
	RM'000	REIT RM'000	RM'000	RM'000	REIT RM'000	RM'000
<b>Revenue</b>						
Property investment:						
Office	10,578	135,690	<b>146,268</b>	21,058	271,364	<b>292,422</b>
Retail	129,928	8,843	<b>138,771</b>	260,624	18,673	<b>279,297</b>
Hotel operations	50,309	-	<b>50,309</b>	108,625	-	<b>108,625</b>
Management services	98,004	-	<b>98,004</b>	180,510	-	<b>180,510</b>
	288,819	144,533	<b>433,352</b>	570,817	290,037	<b>860,854</b>
Eliminations			<b>(20,107)</b>			<b>(38,708)</b>
			<b>413,245</b>			<b>822,146</b>
<b>Operating profit</b>						
Property investment:						
Office	8,637	119,148	<b>127,785</b>	17,421	239,193	<b>256,614</b>
Retail	109,745	5,007	<b>114,752</b>	219,724	10,931	<b>230,655</b>
Hotel operations	3,526	-	<b>3,526</b>	10,434	-	<b>10,434</b>
Management services	19,604	-	<b>19,604</b>	39,025	-	<b>39,025</b>
	141,512	124,155	<b>265,667</b>	286,604	250,124	<b>536,728</b>
Eliminations			<b>(6,217)</b>			<b>(11,048)</b>
			<b>259,450</b>			<b>525,680</b>
Interest/profit income	12,126	1,840	<b>13,966</b>	21,250	3,190	<b>24,440</b>
Finance cost	(30,635)	(15,006)	<b>(45,641)</b>	(44,324)	(29,610)	<b>(73,934)</b>
Share of profit of an associate company	3,693	-	<b>3,693</b>	7,400	-	<b>7,400</b>
Taxation	(32,967)	-	<b>(32,967)</b>	(65,056)	-	<b>(65,056)</b>
<b>Profit for the period / Total comprehensive income for the period</b>			<b>198,501</b>			<b>418,530</b>

**NOTES ON THE QUARTERLY REPORT — 30 JUNE 2024**

**A EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTD.)**

**A5 Segmental information (contd.)**

	As at 30-Jun-24		Group RM'000
	KLCCP RM'000	KLCC REIT RM'000	
<b>Total assets</b>			
Property investment — Office	1,192,369	9,157,286	<b>10,349,655</b>
Property investment — Retail	5,880,134	503,163	<b>6,383,297</b>
Hotel operations	559,370	—	<b>559,370</b>
Management services	284,856	—	<b>284,856</b>
	<u>7,916,729</u>	<u>9,660,449</u>	<u><b>17,577,178</b></u>
Eliminations and adjustments			<u><b>721,625</b></u>
			<u><b>18,298,803</b></u>
<b>Total liabilities</b>			
Property investment — Office	13,558	1,590,232	<b>1,603,790</b>
Property investment — Retail	803,554	13,845	<b>817,399</b>
Hotel operations	432,879	—	<b>432,879</b>
Management services	2,067,433	—	<b>2,067,433</b>
	<u>3,317,424</u>	<u>1,604,077</u>	<u><b>4,921,501</b></u>
Eliminations and adjustments			<u><b>(20,770)</b></u>
			<u><b>4,900,731</b></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**

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.



**NOTES ON THE QUARTERLY REPORT — 30 JUNE 2024**

**A EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTD.)**

**A10 Dividends paid**

The Board of Directors declared interim dividends comprising 2.20 sen and 6.80 sen relating to KLCCP and KLCC REIT respectively in respect of the three month period ended 31 March 2024 totaling 9.00 sen per stapled security.

The KLCCP dividend of 2.20 sen per share (tax exempt under the single-tier tax system) amounting to RM39.7 million and the KLCC REIT income distribution of 6.80 sen per unit amounting to RM122.8 million were paid on 28 June 2024.

**A11 Debt and equity securities**

There is no issuance, repurchases and repayments of debt and equity securities for the current quarter ended 30 June 2024, except as disclosed in Note B9.

**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 2024 is as follows:

	<b>RM'000</b>
Approved and contracted for	15,709
Approved but not contracted for	42,880
	<u>58,589</u>

**A15 Contingent liabilities and contingent assets**

There were no 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.

**NOTES ON THE QUARTERLY REPORT — 30 JUNE 2024**

**A EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTD.)**

**A18 Fair Value Information**

The Group's financial instruments consists of cash and bank balances, trade and other receivables, financings, and trade and other payables.

The carrying amounts of cash and bank balances, trade and other receivables, trade and other payables and short term financings approximate their fair values due to the relatively short term nature of these financial instruments.

The carrying amount of other long term liabilities approximate its fair value amount.

The analysis assumes that all other variables remain constant.

The fair value hierarchy in the valuation technique are as follows:

- Level 1 Quoted market prices in an active market for identical assets or liabilities.
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 30 June 2024</b>				
<u>Financial liabilities</u>				
Sukuk Murabahah	-	1,915,414	-	1,915,414
Sukuk Wakalah	-	1,855,337	-	1,855,337
<hr/>				
<b>At 31 December 2023</b>				
<u>Financial liabilities</u>				
Sukuk Murabahah	-	1,933,265	-	1,933,265
<hr/>				

There has been no transfer between Level 1, 2 and 3 fair values during the financial year.

The Group does not have any financial liabilities that are measured at fair value for the period under review.

**NOTES ON THE QUARTERLY REPORT — 30 JUNE 2024**

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

The Group's results reflect the acquisition of the remaining 40% stake in Suria KLCC, with profit attributable to equity holders ("PATMI") increased by 5.7%, from RM180.8 million to RM191.1 million during the quarter.

The performance in all segments were commendable, especially in the retail and hotel segments. The Group's revenue improved by 4.7% from RM394.6 million to RM413.2 million. Profit before tax (PBT) of RM231.5 million was slightly lower by 2.1% during the quarter due to the inclusion of the financing cost of the acquisition.

Year-to-date revenue and PBT improved by 6.0% and 2.2% respectively, with PATMI standing at RM379.1 million, an increase of 4.9% from RM361.4 million last year.

**B1 Performance review - Quarterly Results (Q2 2024 vs Q2 2023)**

	Second quarter ended			Cumulative 6 months ended		
	30-Jun-24 RM'000	30-Jun-23 RM'000	Change %	30-Jun-24 RM'000	30-Jun-23 RM'000	Change %
Revenue:						
Property investment:						
Office	146,268	145,443	0.57	292,422	291,757	0.23
Retail	138,771	128,472	8.02	279,297	258,246	8.15
Hotel operations	50,309	44,699	12.55	108,625	90,798	19.63
Management services	98,004	95,609	2.50	180,510	173,022	4.33
Eliminations & Others	(20,107)	(19,590)		(38,708)	(38,446)	
	<b>413,245</b>	<b>394,633</b>	4.72	<b>822,146</b>	<b>775,377</b>	6.03
Profit before tax ("PBT"):						
Property investment:						
Office *	119,900	119,627	0.23	240,681	240,252	0.18
Retail	108,001	97,215	11.09	216,942	196,873	10.19
Hotel operations	(1,362)	(2,635)	48.31	400	(4,942)	<100
Management services	20,347	21,381	(4.84)	40,272	40,536	(0.65)
Eliminations & Others	(15,418)	826		(14,709)	461	
	<b>231,468</b>	<b>236,414</b>	(2.09)	<b>483,586</b>	<b>473,180</b>	2.20
Profit attributable to equity holders:	<b>191,059</b>	<b>180,804</b>	5.67	<b>379,093</b>	<b>361,365</b>	4.91

\* Includes share of profit of an associate.

**NOTES ON THE QUARTERLY REPORT — 30 JUNE 2024**

**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 - Quarterly Results (Q2 2024 vs Q2 2023) (contd.)**

**Variance analysis by segment**

**Property investment — Office**

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

**Property investment — Retail**

Retail revenue and profit before tax recorded notable increase of 8.0% and 11.0%, respectively. This achievement underscores the effective retail space management, resulting in upward rental revisions and improved occupancy.

Continuous efforts in curating an attractive tenant mix have bolstered profitability and strengthened our position in the industry despite heightened competition.

Year-to-date, revenue and PBT increased by 8.2% and 10.2% respectively.

**Hotel operations**

Mandarin Oriental KL (MOKL) revenue increased by 12.6% and recorded a lower loss before tax by 48.3% at RM1.4 million. The hotel's improved result was attributed to successful marketing efforts coupled with strong brand presence in the precinct led to higher Average Room Rate (ARR) and occupancy (Q2 2024: 52%; Q2 2023: 48%)

Year-to-date, revenue increased by 19.6%, transitioning from a loss before tax of RM4.9 million to PBT of RM0.4 million.

**Management services**

Revenue increased by 2.5%, driven primarily by improved parking income. However, profit before tax (PBT) decreased by 4.8%, reflecting the higher maintenance activities undertaken during the quarter.

Similarly, management services segment achieved higher revenue by 4.3% and marginally lower PBT by 0.7% during the six months period under review.

**Eliminations & Others**

Eliminations & Others represents the elimination of transactions between segments and includes the cost incurred in investment holding company. The increased in cost was mainly due to the financing cost for Sukuk Wakalah to fund the acquisition of the remaining shares in Suria KLCC.

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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-24 RM'000	31-Mar-24 RM'000	
Revenue:			
Property investment:			
Office	146,268	146,154	0.08
Retail	138,771	140,526	(1.25)
Hotel operations	50,309	58,316	(13.73)
Management services	98,004	82,506	18.78
Eliminations & Others	<b>(20,107)</b>	<b>(18,601)</b>	
	<b>413,245</b>	<b>408,901</b>	1.06
Profit before tax:			
Property investment:			
Office *	119,900	120,781	(0.73)
Retail	108,001	108,941	(0.86)
Hotel operations	(1,362)	1,762	(<100)
Management services	20,347	19,925	2.12
Eliminations & Others	<b>(15,418)</b>	709	
	<b>231,468</b>	<b>252,118</b>	(8.19)
Profit attributable to equity holders:	<b>191,059</b>	<b>188,034</b>	1.61

\* Includes share of profit of an associate.

The Group's revenue of RM413.2 million was stable with a marginal increase of 1.1% compared to Q1 2024, reflecting the Group's resilience amidst competition and seasonal factors. PBT of RM231.5 million noted a decreased of 8.2%, which included the financing cost of the acquisition. However, PATMI was higher by 1.6%.

Retail and hotel segments' performance reflect seasonality whilst the office segment performance was stable. The management services segment achieved higher revenue and PBT due to expanded maintenance activities undertaken during the quarter.

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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 2024**

Retail Group Malaysia (RGM) projects a 2.5% growth in the retail sector for the third quarter and aims for a 3.2% increase in the fourth quarter following last year's subdued performance. Additionally, the sector is expected to benefit from the relaxation of visa regulations for key markets such as China and India until the end of 2024.

Suria KLCC is committed to maintaining its prominent presence in the precinct by prioritizing both consumers and tenants, ensuring sustainable growth. Despite heightened competition, the mall remains steadfast and resilient.

In addition, Mandarin Oriental continues to strengthen its collaboration with the KLCC precinct partners to deliver sustainable performance.

The Directors remain positive on the outlook of the Group's performance, supported by its strategic assets, brand names and continued efforts in cost optimization.

**B4 Profit forecast**

No profit forecast was issued for the financial period.

**B5 Tax expense**

Taxation comprises the following:

	Second quarter ended		Cumulative 6 months ended	
	30-Jun-24 RM'000	30-Jun-23 RM'000	30-Jun-24 RM'000	30-Jun-23 RM'000
In respect of the current period:				
Malaysian income tax	<b>32,968</b>	28,321	<b>65,058</b>	56,483
Deferred tax	<b>(1)</b>	2	<b>(2)</b>	3
	<b>32,967</b>	28,323	<b>65,056</b>	56,486

Overall effective tax rate of 14.24% 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.

**NOTES ON THE QUARTERLY REPORT — 30 JUNE 2024**

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

**B8 Status of corporate proposal announced**

Proposed acquisition of the remaining 40% equity interest in Suria KLCC Sdn Bhd (SKSB) not already owned by KLCCP for a cash consideration of RM1,950,000,000

During the quarter under review, the acquisition of the remaining 136,666,668 ordinary shares, representing 40% of the issued share capital of SKSB from Ocmador (Malaysia) City Retail Centre Sdn. Bhd., Port Moresby Investments Limited and Bold Peak Sdn. Bhd was completed and SKSB has become a wholly owned subsidiary of KLCCP.

The Purchase Consideration was funded through external borrowings and has been finalized, as disclosed in Note B9.

**B9 Financings**

	As at 30-Jun-24		
	KLCCP RM'000	KLCC REIT RM'000	Group RM'000
Short term:			
<u>Secured</u>			
Term loans	390,100	–	<b>390,100</b>
Sukuk Murabahah	600,002	5,052	<b>605,054</b>
Sukuk Wakalah	17,338	–	<b>17,338</b>
Lease liabilities	1,753	–	<b>1,753</b>
	<b>1,009,193</b>	<b>5,052</b>	<b>1,014,245</b>
Long term:			
<u>Secured</u>			
Sukuk Murabahah	–	1,355,000	<b>1,355,000</b>
Sukuk Wakalah	1,949,675	–	<b>1,949,675</b>
Lease liabilities	794	–	<b>794</b>
	<b>1,950,469</b>	<b>1,355,000</b>	<b>3,305,469</b>
	<b>2,959,662</b>	<b>1,360,052</b>	<b>4,319,714</b>

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	390,100	–	–	–	<b>390,100</b>
Sukuk Murabahah	600,002	–	–	–	<b>600,002</b>
Sukuk Wakalah	17,338	–	1,949,675	–	<b>1,967,013</b>
Lease liabilities	1,753	794	–	–	<b>2,547</b>
	<b>1,009,193</b>	<b>794</b>	<b>1,949,675</b>	<b>–</b>	<b>2,959,662</b>
<u>KLCC REIT</u>					
Sukuk Murabahah	5,052	–	500,000	855,000	<b>1,360,052</b>
	<b>1,014,245</b>	<b>794</b>	<b>2,449,675</b>	<b>855,000</b>	<b>4,319,714</b>

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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.)**

**B9 Financings (contd.)**

The first issuance of Sukuk Wakalah was successfully issued on 5 April 2024, amounting to RM1.95 billion to finance the acquisition of 40% equity interest in SKSB.

The RM455 million Sukuk Murabahah, which matured on 25 April 2024 was also successfully refinanced on the same date.

Whilst the RM600 million Sukuk Murabahah will mature on 31 December 2024 and the Group has plans in place for its repayment on the maturity date.

**B10 Material litigation**

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

**B11 Dividend/income distribution**

The Board of Directors has declared the following dividend/income distribution for the quarter ended 30 June 2024:

	<b>Total stapled securities</b>	<b>Dividend/ income distribution per stapled securities Sen</b>	<b>Total dividend/ income distribution payable RM'000</b>
KLCCP <sup>1</sup>	1,805,333,083	2.46	44,411
KLCC REIT <sup>2, 3</sup>	1,805,333,083	6.74	121,679
Group		<u>9.20</u>	<u>166,090</u>

The dividend and income distribution for KLCCP and KLCC REIT will be paid on 30 September 2024. The book closure date in respect of both the aforesaid interim dividend and income distribution is 11 September 2024.

<sup>1</sup> Dividend declared under KLCCP is tax exempt under the single-tier system.

<sup>2</sup> Income distribution to unitholders will be subjected to withholding tax at the following rates:

<u>Unitholders</u>	<b>Withholding tax rate</b>
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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**B EXPLANATORY NOTES PURSUANT TO PART A AND PART D OF APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONTD.)**

**B11 Dividend/income distribution (contd.)**

<sup>3</sup> Distribution by KLCC REIT to unitholders are from the following sources:

	Second quarter ended		Cumulative 6 months ended	
	30-Jun-24 RM'000	30-Jun-23 RM'000	30-Jun-24 RM'000	30-Jun-23 RM'000
<b>Revenue</b>				
Property investment - Office	135,690	134,950	271,364	270,833
Property investment - Retail	8,843	9,981	18,673	20,167
	<b>144,533</b>	144,931	<b>290,037</b>	291,000
Profit income	1,840	1,587	3,190	2,810
	<b>146,373</b>	146,518	<b>293,227</b>	293,810
Expenses	(35,384)	(34,522)	(69,523)	(68,193)
<b>Profit for the period</b>	<b>110,989</b>	111,996	<b>223,704</b>	225,617
Adjustments	17,006	14,453	33,550	28,893
<b>Total realised income available for the period</b>	<b>127,995</b>	126,449	<b>257,254</b>	254,510
Brought forward undistributed realised income available for distribution	125,091	93,381	118,595	93,318
<b>Total realised income available for distribution *</b>	<b>253,086</b>	219,830	<b>375,849</b>	347,828
Income to be distributed for the quarter	(121,679)	(126,373)	(244,442)	(254,371)
<b>Balance undistributed realised income available for distribution</b>	<b>131,407</b>	93,457	<b>131,407</b>	93,457
<b>Distribution per unit (sen)</b>	<b>6.74</b>	7.09	<b>13.54</b>	14.09

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

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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.)**

**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 <sup>1</sup>	1,805,333,083	8,056,369	4.46	4.40
KLCCP Stapled Group	1,805,333,083	13,366,294	7.40	7.31

<sup>1</sup> An analysis of KLCC REIT's performance based on changes in NAV and NAV per unit, after distribution, since 31 March 2024 is as follows:

	As at 30-Jun-24	As at 31-Mar-24	Changes
NAV (after distribution) (RM'000)	<b>7,934,690</b>	7,945,380	(10,690)
NAV per unit (after distribution) (RM)	<b>4.40</b>	4.40	-

**B13 Profit for the period**

	Second quarter ended		Cumulative 6 months ended	
	30-Jun-24 RM'000	30-Jun-23 RM'000	30-Jun-24 RM'000	30-Jun-23 RM'000
Profit for the period is arrived after charging:				
Depreciation of property, plant and equipment <sup>1</sup> (Reversal)/addition for impairment losses on trade receivables	<b>7,221</b>	7,743	<b>14,622</b>	17,300
Loss/(gain) on disposal of property, plant and equipment	<b>(60)</b>	135	<b>(120)</b>	75
Write off of investment properties	<b>100</b>	(30)	<b>113</b>	(84)
	<b>19</b>	-	<b>19</b>	-

<sup>1</sup> 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.

**NOTES ON THE QUARTERLY REPORT — 30 JUNE 2024**

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

**B14 Earnings per stapled securities ("EPSS")**

	Second quarter ended		Cumulative 6 months ended	
	30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
Profit attributable to ordinary equity holders of the Company (RM'000)	80,070	68,808	155,389	135,748
Profit attributable to unitholders of KLCC REIT (RM'000)	110,989	111,996	223,704	225,617
	<u>191,059</u>	<u>180,804</u>	<u>379,093</u>	<u>361,365</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>10.58</u>	<u>10.01</u>	<u>21.00</u>	<u>20.02</u>

**B15 Trade receivables**

	As at 30-Jun-24 RM'000	As at 31-Dec-23 RM'000
Property investment		
- Office	664	495
- Retail	9,634	8,459
Hotel operations	4,244	5,716
Management services	379	626
	<u>14,921</u>	<u>15,296</u>
Less: Allowance for impairment losses	<u>(6,077)</u>	<u>(6,197)</u>
	<u>8,844</u>	<u>9,099</u>

**NOTES ON THE QUARTERLY REPORT — 30 JUNE 2024**

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

**B15 Trade receivables (contd.)**

The ageing of trade receivables as at the reporting date was:

	<b>As at 30-Jun-24 RM'000</b>	<b>As at 31-Dec-23 RM'000</b>
At net:		
Not past due	1,562	5,769
Past due 1 to 30 days	6,035	2,367
Past due 31 to 60 days	905	604
Past due 61 to 90 days	108	104
Past due more than 90 days	6,311	6,452
	<u>13,359</u>	<u>9,527</u>
Allowance for impairment losses	<u>(6,077)</u>	<u>(6,197)</u>
	<u>8,844</u>	<u>9,099</u>

The movement in the allowance account is as follows:

	<b>As at 30-Jun-24 RM'000</b>	<b>As at 31-Dec-23 RM'000</b>
At 1 January	6,197	7,574
Reversal for impairment	(120)	(1,377)
At 30 June/December	<u>6,077</u>	<u>6,197</u>

**B16 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**

Hanida Hanum binti Jamon (SSM PC No. 201908001412) (LS0007099)  
 Company Secretary  
 Kuala Lumpur