



PRESS RELEASE

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KLCCP STAPLED GROUP CLOSES THE YEAR ON A STRONG NOTE. REVENUE SOARED TO RM413.3 MILLION IN QUARTER FOUR, 2022

Kuala Lumpur, 31 January 2023

Highlights of Quarter Four Performance

- The Group's revenue soared 18.7% to RM413.3 million and Profit Before Tax (PBT) increased to RM359.6 million.
- The retail segment maintained its healthy recovery momentum and posted an increase of 4.5% in revenue from RM120.0 million to RM125.4 million contributed by higher retail footfall and stronger tenant sales.
- Significant turnaround in the hotel segment saw revenue increase more than double to RM49.1 million. This was largely due to improved domestic tourism, pick-up in international leisure traffic, and demand for Meetings, Incentives, Conventions and Exhibitions (MICE) which grew average occupancy.
- Management Services segment benefitted from increased parking income mainly due to return of office tenants, higher retail footfall and one-off facilities management works, recording revenue growth of 39.4%, from RM80.5 million in 2021 to RM112.1 million.
- The Group distributed 14.00 sen per stapled security for the quarter, totalling 38.00 sen per stapled security for 2022 which also translates to a dividend yield of 5.66%, the highest recorded since the listing of Stapled Security.

Quarter Four, 2022 vs Quarter Four, 2021 Performance

KLCCP Stapled Group delivered an impressive performance in quarter four, 2022, backed by a strong recovery in its retail and hotel segments. The stable performance of the office segment and the heightened hotel and retail activities, particularly during the festive and holiday season contributed significantly to the Group's revenue, which soared from RM348.2 million to RM413.3 million while PBT rose to RM359.6 million from RM64.0 million for the quarter ended 31 December 2022.

KLCCP Stapled Group declared a dividend of 38.00 sen per stapled security for the year, reflecting a total dividend payment of RM686.0 million, a growth of 13.1% from 2021 and on par with the pre-pandemic payout.

The retail segment, represented by Suria KLCC and the retail podium of Menara 3 PETRONAS delivered a strong performance with an increase in revenue of 4.5% to RM125.4 million while PBT increased 11.0% to RM96.9 million. This was mainly driven by the higher rental revenue and advertising income, improved tenants' sales, surpassing the pre-pandemic levels and lower rental assistance to retail partners.

During the quarter, Suria KLCC received six new tenants, adding to its vibrant mix of much sought-after retail stores. They include F&B outlets namely Royce (the premium chocolate shop), *Kenangan* Coffee, Lavender (the cake house and bakery) and *Bungkus Kaw Kaw* (the traditional F&B café). Suria KLCC achieved a significant milestone during the quarter when it was awarded the Gold Winner for Best Experiential Marketing Awards 2020-2022 by Malaysia Shopping Malls Association (PPKM) in October 2022, for their Corporate Social Responsibility (CSR) initiative, *We Are With You* - a mental health awareness campaign.

Mandarin Oriental, Kuala Lumpur (MOKL Hotel) which represents the hotel segment, recorded a robust performance with a two-fold increase in revenue from RM23.0 million to RM49.1 million. This significant improvement was mainly contributed by higher occupancy rate from the pent-up demand of high-yielding rooms and suites. This strong performance was also driven by the increase in business demand for Food and Beverages (F&B) and banqueting events. All F&B outlets outperformed, especially Mosaic, Mandarin Grill, and Aqua.

The office segment, comprising the PETRONAS Twin Towers, Menara 3 PETRONAS and Menara ExxonMobil remained stable, as the iconic, high-quality assets are backed by Triple Net Lease (TNL) and long-term leases. The segment recorded stable revenue of RM146.0 million, while PBT saw marginal decrease to RM110.5 million due to preservation costs incurred for Kompleks Dayabumi.

The management services segment, comprising facility management and car parking management services, saw higher revenue of RM112.1 million compared to RM80.5 million during the same quarter last year. PBT improved significantly by 30.0% to RM21.5 million. This growth was contributed mainly by the completion of one-off works from the facilities management and increased customer counts in the malls, contributing to higher car parking income.

Year-to-Date, 2022 Performance

The Group closed the year with a strong rebound in its performance for the financial year ended 31 December 2022, recording a revenue growth of 24.6% from RM1.2 billion to RM1.5 billion, and PBT of RM1.0 billion, an increase of 80.1% compared to 2021, demonstrating a healthy recovery from the setbacks of COVID-19 in the previous year. The fair value gain arising from the valuation of investment properties amounting RM128.7 million, compared to a loss of RM144.5 million last year, has also contributed to the improved PBT.

"The Group's positive fourth-quarter results reflect the resilience of our business, particularly in light of the challenging environment. Despite these challenges, our strategic actions have enabled us to continue delivering strong recovery and performance, driven by the robust demand. Our efforts to expand our reach and offerings have yielded positive results. We are now well positioned to capitalise on the recovery momentum as business activities have begun to accelerate, particularly in the retail and hospitality segments, which will further boost our performance going forward", said Md. Shah Mahmood, Chief Executive Officer of KLCC Property Holdings Berhad

Prospects

The Group anticipates that the healthy economic recovery will continue into 2023 but remains cautious as headwinds such as inflationary pressures, rising labour costs, and the lingering pandemic will continue to persist.

Suria KLCC will continue to drive innovative marketing programmes to bring more quality traffic into the mall to drive sales for its retail partners.

MOKL hotel will focus on delivering world class hospitality and enhancing brand value, capitalising on the returns of tourists.

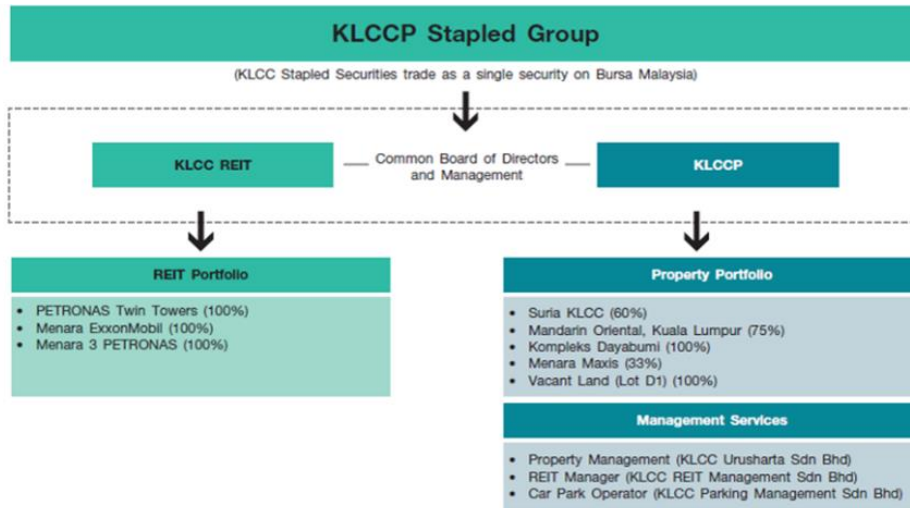
The Group is optimistic that its impressive recovery momentum will further accelerate to deliver stronger results in 2023, supported by the stability of the office segment and the strong footing of its retail and hospitality segments.

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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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