



PRESS RELEASE

FOR IMMEDIATE RELEASE

**KLCCP STAPLED GROUP'S
FIRST QUARTER 2022 REVENUE JUMPS TO RM321.7 MILLION
ON STRONG REBOUND IN BUSINESS ACTIVITIES**

24 May 2022 – KLCCP Stapled Group reported a 13.9% increase in revenue to RM321.7 million with Profit Before Tax (PBT) increasing 15.3% to RM202.5 million against quarter one, last year, for the first quarter ended March 2022, reflecting a strong rebound in business activities.

The Group declared a dividend of 8.00 sen per stapled security, 14.3% higher, in line with its commitment in creating long-term values and to distribute higher returns that commensurate with the Group's overall performance.

A strong recovery marks the start of the year

With the relaxation in COVID-19 containment measures, The Group registered an improved Year-on-Year (YoY) performance, across all business segments, particularly the retail and hotel segments. The retail segment's PBT rose 36% to RM79.6 million on the back of a 23% increase in revenue, primarily contributed by higher rent revenues, advertising income and percentage rents in Fashion and F&B. Tenant sales for the quarter almost hit pre-pandemic levels at 94% with footfall gaining a steady momentum.

Suria KLCC and the retail podium of Menara 3 PETRONAS which represent the retail segment, welcomed four new tenants during the quarter - Victoria's Secret, Bonia, Boucarad, the luxury watches store and GameStudio, the video games and accessories store. New store, I.T, a multi-brand fashion house from Hong Kong opened on 1 April 2022, while Burger & Lobster is expected to open by third quarter 2022, signaling a more vibrant retail scene.

Mandarin Oriental, Kuala Lumpur also made an excellent start to the year with a surge in revenue to RM20 million compared to RM9.1 million YoY, due to higher occupancy and F&B covers during Chinese New Year, supported by increased group events. Though the post festive season and resurgence of COVID-19 cases in February saw lower take up but the pent-up demand in events and weddings fueled a stronger pick-up in March 2022.

Chief Executive Officer, Md. Shah Mahmood said, "As the country transitions to the endemic phase and the lifting of international border restrictions, Suria KLCC and Mandarin Oriental, Kuala Lumpur, are set to benefit from the heightened economic activities, particularly the resumption of the Meetings, Incentives, Conventions and Exhibitions (MICE) activities."

"From now until December 2022, over 40 high-profile international events, conventions and exhibitions will be hosted at the Kuala Lumpur Convention Centre, which is located within the KLCC Precinct, and the spillover effect from these MICE activities along with tourists' arrivals are expected to further boost the performance of our retail and hotel segments. We are optimistic of a strong recovery given the encouraging performance of these segments and we anticipate the positive trend will continue as seen from the increased tenant sales and the gradual pick up in the hotel's international bookings mainly by guests from Singapore, Australia, the UK and the USA," he said.

The office segment continued to provide a stable income to the Group, recording a revenue of RM145.3 million backed by the long-term leases and Triple Net Lease agreements. The marginal increase in PBT of RM118.8 million was contributed by lower financing cost from the refinancing of KLCC REIT's Sukuk Murabahah in April 2021. The office segment remains the largest contributor to the Group's overall income at 45%.

The management services segment comprising the facilities management and the car parking management services saw a 17% revenue increase to RM63.8 million whilst PBT grew 7.2% to RM16.9 million. This was mainly attributed by higher car park revenue generated from higher car counts at the malls in line with the resumption of economic activities. The car parking management has also secured an additional 1,760 car parking bays in the Putrajaya precinct locations which will contribute to the earnings of the Group.

Prospects

The Group remains positive and is optimistic that the transition to the endemic phase and the reopening of international borders will put the Group in a better position for a rebound to accelerate recovery.

With the positive outlook for the tourism sector and as it gains momentum, the retail and hotel segments are expected to see continued gradual improvement in their performance.

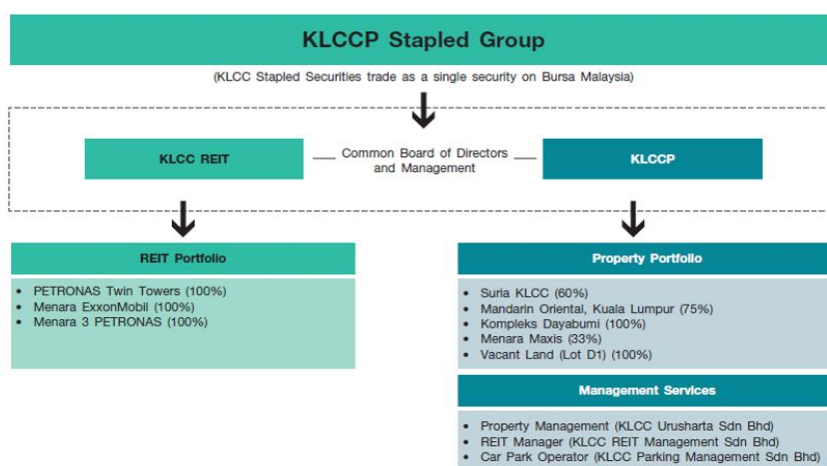
"The Group will continue to remain focused on its recovery efforts and are all set to leverage on the full resumption of economic activities to spur growth to achieve our pre pandemic performance that will enable us to generate greater value and stronger returns for our holders of Stapled Securities," Shah added.

End

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 four 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. KLCCP Stapled Group is also a member of the United Nations Global Compact Malaysia (UNGCmy). For a better insight into the Group’s ESG Profile and Disclosures, please visit ESG World at <https://www.klcc.com.my/sustainability.html>.

Issued by:
Group Strategic Communications & Investor Relations
 24 May 2022

For further enquiries, please contact:
 Yasmin Abdullah - yasmina@klcc.com.my / 03 2783 7584
 Nabila Rasli - nnabila.rasli@klcc.com.my / 03 2783 7405