

KLCC PROPERTY HOLDINGS BERHAD

Registration No. 200401003073 (641576-U)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

	Third quarter ended		Cumulative 9 months ended	
	30-Sep-24 RM'000	30-Sep-23 RM'000	30-Sep-24 RM'000	30-Sep-23 RM'000
Revenue	429,618	401,156	1,251,764	1,176,533
Operating expenses	(156,630)	(143,212)	(453,096)	(416,455)
Operating profit	272,988	257,944	798,668	760,078
Interest/profit income	11,453	10,083	35,893	29,133
Financing costs	(46,824)	(27,915)	(120,758)	(83,317)
Share of profit of an associate	3,793	3,745	11,193	11,143
Profit before taxation	241,410	243,857	724,996	717,037
Taxation	(33,345)	(28,674)	(98,401)	(85,160)
Profit for the period, representing total comprehensive income	208,065	215,183	626,595	631,877
Profit attributable to:				
Equity holders of the Company	94,758	73,478	250,147	209,226
Non-controlling interests relating to KLCC Real Estate Investment Trust (KLCC REIT)	111,773	111,858	335,477	337,475
	206,531	185,336	585,624	546,701
Other non-controlling interests	1,534	29,847	40,971	85,176
	208,065	215,183	626,595	631,877
Dividend/income distribution to stapled security holders:				
<u>Quarter ended 30 September 2024/2023</u>				
Realised distributable income - KLCCP	94,758	73,478	250,147	209,226
Realised distributable income - KLCC REIT	129,025	126,360	386,279	380,870
Total realised distributable income	223,783	199,838	636,426	590,096
Unrealised distributable loss - KLCC REIT	(17,252)	(14,502)	(50,802)	(43,395)
	206,531	185,336	585,624	546,701
Distribution rate (%) ¹	74.22%	79.50%	77.72%	79.85%
Dividend/income distribution	166,091	158,869	494,661	471,191
Dividend/income distribution per stapled security (sen)	9.20	8.80	27.40	26.10
Earnings per stapled security (sen)				
– Basic / Diluted	11.44	10.27	32.44	30.28

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 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 SEPTEMBER 2024**

	30-Sep-24 RM'000	31-Dec-23 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	535,455	547,763
Investment properties	15,957,524	15,953,114
Right-of-use assets	2,095	2,495
Investment in an associate	277,880	266,687
Deferred tax assets	1,517	1,513
Other receivables	222,549	270,954
	<u>16,997,020</u>	<u>17,042,526</u>
Current assets		
Inventories	1,542	1,607
Trade and other receivables	73,006	94,182
Tax recoverable	2,411	3,167
Cash and bank balances	1,304,827	1,192,076
	<u>1,381,786</u>	<u>1,291,032</u>
TOTAL ASSETS	<u>18,378,806</u>	<u>18,333,558</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the company		
Share capital	1,823,386	1,823,386
Capital reserve	3,008,866	3,008,866
Retained profits	528,020	435,883
	<u>5,360,272</u>	<u>5,268,135</u>
Equity attributable to unit holders of the KLCC REIT	<u>8,046,463</u>	<u>8,070,969</u>
Total equity attributable to equity holders of KLCCP and KLCC REIT	<u>13,406,735</u>	<u>13,339,104</u>
Other non-controlling interests	<u>33,312</u>	<u>2,050,350</u>
Total equity	<u>13,440,047</u>	<u>15,389,454</u>
Non-current liabilities		
Deferred revenue	82,486	83,951
Other long term liabilities	161,686	149,515
Financings	3,305,206	1,289,572
Deferred tax liabilities	62,850	62,850
	<u>3,612,228</u>	<u>1,585,888</u>
Current liabilities		
Trade and other payables	243,226	261,158
Financings	1,054,487	1,074,600
Taxation	28,818	22,458
	<u>1,326,531</u>	<u>1,358,216</u>
Total liabilities	<u>4,938,759</u>	<u>2,944,104</u>
TOTAL EQUITY AND LIABILITIES	<u>18,378,806</u>	<u>18,333,558</u>
Net asset value per stapled security (RM)	7.43	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)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 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 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 2023	1,823,386	392,812	2,897,190	5,113,388	8,018,361	2,035,529	15,167,278
Total comprehensive income for the period	–	209,226	–	209,226	337,475	85,176	631,877
Dividends paid	–	(196,781)	–	(196,781)	(368,288)	(84,733)	(649,802)
As at 30 September 2023	1,823,386	405,257	2,897,190	5,125,833	7,987,548	2,035,972	15,149,353
As at 1 January 2024	1,823,386	435,883	3,008,866	5,268,135	8,070,969	2,050,350	15,389,454
Total comprehensive income for the period	–	250,147	–	250,147	335,477	40,971	626,595
Dividends paid	–	(228,555)	–	(228,555)	(359,983)	(31,433)	(619,971)
Acquisition of non-controlling interests	–	70,545	–	70,545	–	(2,026,576)	(1,956,031)
As at 30 September 2024	1,823,386	528,020	3,008,866	5,360,272	8,046,463	33,312	13,440,047

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 (RM7,212,682,000), Merger Reserve (RM6,212,000), Capital Reserve (RM457,861,000) and Retained Profit (RM369,708,000).

(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 SEPTEMBER 2024

	Cumulative 9 months ended	
	30-Sep-24 RM'000	30-Sep-23 RM'000
Cash flows from operating activities		
Profit before tax	724,996	717,037
Adjustments for:		
Interest/profit income	(35,893)	(29,133)
Financing costs	120,722	83,319
Amortisation of attributable transaction cost	42	–
Accrued rental income	42,872	38,775
Depreciation	22,169	25,351
Reversal for impairment losses on receivables	(197)	(105)
Loss/(gain) on disposal of property, plant and equipment	197	(37)
Investment property written off	19	–
Share of profit of an associate	(11,193)	(11,143)
	<u>138,738</u>	<u>107,027</u>
Operating profit before changes in working capital	863,734	824,064
Changes in working capital:		
Trade and other receivables	6,990	3,297
Amount due from/to ultimate holding company	(516)	74
Amount due from/to immediate holding company	15,628	26,714
Amount due from/to related companies	822	4,152
Trade and other payables	(3,964)	(41,598)
Inventories	65	172
	<u>19,025</u>	<u>(7,189)</u>
Interest/profit income received	32,190	29,672
Tax paid	(91,290)	(76,841)
Tax refund received	–	503
Net cash generated from operating activities	<u>823,659</u>	<u>770,209</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,328)	(5,039)
Subsequent expenditure on investment properties	(4,981)	(12,357)
Proceeds from disposal of property, plant and equipment	43	104
Acquisition of other non-controlling interests	(1,950,000)	–
Cost incidental to acquisition of other non-controlling interests	(6,031)	–
Net cash used in investing activities	<u>(1,970,297)</u>	<u>(17,292)</u>

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

	Cumulative 9 months ended	
	30-Sep-24 RM'000	30-Sep-23 RM'000
Cash flows from financing activities		
Drawdown of borrowing	2,405,000	–
Repayment of borrowings	(465,000)	(10,000)
Transaction cost incidental to the drawdown of borrowing	(431)	–
Dividends paid to shareholders	(228,555)	(196,781)
Dividends paid to non-controlling interests relating to KLCC REIT	(359,937)	(368,264)
Dividends paid to other non-controlling interests	(31,433)	(84,733)
Interest/profit expense paid	(59,359)	(59,101)
Payment of principal portion of lease liabilities	(896)	(1,080)
Decrease in deposits restricted	(284)	(2,408)
Net cash used in financing activities	<u>1,259,105</u>	<u>(722,367)</u>
Net decrease in cash and cash equivalents	112,467	30,550
Cash and cash equivalents at the beginning of the year	1,189,670	1,102,810
Cash and cash equivalents at the end of period	<u>1,302,137</u>	<u>1,133,360</u>
Cash and cash equivalents at the end of period comprises:		
Cash and bank balances	783,034	763,147
Deposits	521,793	374,783
	<u>1,304,827</u>	<u>1,137,930</u>
Less: Deposits restricted ¹	<u>(2,690)</u>	<u>(4,570)</u>
	<u>1,302,137</u>	<u>1,133,360</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 2023 and the accompanying explanatory notes attached to this interim financial report.)

NOTES ON THE QUARTERLY REPORT — 30 SEPTEMBER 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 25 November 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 SEPTEMBER 2024

A EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTD.)

A5 Segmental information

	Third quarter ended			Cumulative 9 months ended		
	30-Sep-24			30-Sep-24		
	KLCCP	KLCC	Group	KLCCP	KLCC	Group
	REIT	REIT		REIT	REIT	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
Property investment:						
Office	10,610	135,726	146,336	31,668	407,090	438,758
Retail	135,862	8,745	144,607	396,486	27,418	423,904
Hotel operations	63,307	-	63,307	171,932	-	171,932
Management services	97,717	-	97,717	278,227	-	278,227
	307,496	144,471	451,967	878,313	434,508	1,312,821
Eliminations			(22,349)			(61,057)
			429,618			1,251,764
Operating profit						
Property investment:						
Office	8,088	119,996	128,084	25,509	359,189	384,698
Retail	115,572	4,905	120,477	335,296	15,836	351,132
Hotel operations	10,967	-	10,967	21,401	-	21,401
Management services	19,792	-	19,792	58,817	-	58,817
	154,419	124,901	279,320	441,023	375,025	816,048
Eliminations			(6,332)			(17,380)
			272,988			798,668
Interest/profit income	9,534	1,919	11,453	30,784	5,109	35,893
Finance cost	(31,777)	(15,047)	(46,824)	(76,101)	(44,657)	(120,758)
Share of profit of an associate company	3,793	-	3,793	11,193	-	11,193
Taxation	(33,345)	-	(33,345)	(98,401)	-	(98,401)
Profit for the period / Total comprehensive income for the period			208,065			626,595

NOTES ON THE QUARTERLY REPORT — 30 SEPTEMBER 2024

A EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTD.)

A5 Segmental information (contd.)

	As at 30-Sep-24		Group RM'000
	KLCCP RM'000	KLCC REIT RM'000	
Total assets			
Property investment — Office	1,199,047	9,158,510	10,357,557
Property investment — Retail	5,917,947	503,605	6,421,552
Hotel operations	572,336	–	572,336
Management services	271,105	–	271,105
	<u>7,960,435</u>	<u>9,662,115</u>	<u>17,622,550</u>
Eliminations and adjustments			<u>756,256</u>
			<u>18,378,806</u>
Total liabilities			
Property investment — Office	13,330	1,601,601	1,614,931
Property investment — Retail	801,971	14,048	816,019
Hotel operations	439,710	–	439,710
Management services	2,089,120	–	2,089,120
	<u>3,344,131</u>	<u>1,615,649</u>	<u>4,959,780</u>
Eliminations and adjustments			<u>(21,021)</u>
			<u>4,938,759</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 SEPTEMBER 2024

A EXPLANATORY NOTES PURSUANT TO MFRS 134 (CONTD.)

A10 Dividends paid

The Board of Directors declared interim dividends comprising 2.46 sen and 6.74 sen relating to KLCCP and KLCC REIT respectively in respect of the three month period ended 30 June 2024 totaling 9.20 sen per stapled security.

The KLCCP dividend of 2.46 sen per share (tax exempt under the single-tier tax system) amounting to RM44.4 million and the KLCC REIT income distribution of 6.74 sen per unit amounting to RM121.7 million were paid on 30 September 2024.

A11 Debt and equity securities

There is no issuance, repurchases and repayments of debt and equity securities for the current quarter ended 30 September 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 September 2024 is as follows:

	RM'000
Approved and contracted for	21,660
Approved but not contracted for	41,200
	<u>62,860</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 SEPTEMBER 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.

	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
At 30 September 2024				
<u>Financial liabilities</u>				
Sukuk Murabahah	-	1,939,598	-	1,939,598
Sukuk Wakalah	-	1,876,327	-	1,876,327
<hr/>				
At 31 December 2023				
<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 SEPTEMBER 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 11.4%, from RM185.3 million to RM206.5 million during the quarter.

The performance in all segments was commendable, especially in the retail and hotel segments. The Group's revenue improved by 7.1% from RM401.2 million to RM429.6 million. Profit before tax (PBT) of RM241.4 million was slightly lower by 1.0% during the quarter due to the inclusion of the financing cost of the acquisition.

Year-to-date revenue and PBT improved by 6.4% and 1.1% respectively, with PATMI standing at RM585.6 million, an increase of 7.1% from RM546.7 million last year.

B1 Performance review - Quarterly Results (Q3 2024 vs Q3 2023)

	Third quarter ended			Cumulative 9 months ended		
	30-Sep-24 RM'000	30-Sep-23 RM'000	Change %	30-Sep-24 RM'000	30-Sep-23 RM'000	Change %
Revenue:						
Property investment:						
Office	146,336	145,624	0.49	438,758	437,381	0.31
Retail	144,607	133,292	8.49	423,904	391,538	8.27
Hotel operations	63,307	54,961	15.19	171,932	145,759	17.96
Management services	97,717	86,071	13.53	278,227	259,093	7.38
Eliminations & Others	(22,349)	(18,792)		(61,057)	(57,238)	
	429,618	401,156	7.09	1,251,764	1,176,533	6.39
Profit before tax ("PBT"):						
Property investment:						
Office *	120,391	118,985	1.18	361,072	359,237	0.51
Retail	114,203	101,713	12.28	331,145	298,586	10.90
Hotel operations	6,135	1,712	>100	6,535	(3,230)	>100
Management services	20,626	19,994	3.16	60,898	60,530	0.61
Eliminations & Others	(19,945)	1,453		(34,654)	1,914	
	241,410	243,857	(1.00)	724,996	717,037	1.11
Profit attributable to equity holders:	206,531	185,336	11.44	585,624	546,701	7.12

* Includes share of profit of an associate.

NOTES ON THE QUARTERLY REPORT — 30 SEPTEMBER 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 (Q3 2024 vs Q3 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 increases of 8.5% and 12.3%, respectively. This continuous achievement underscores our effective retail space management, which has led to improved occupancy.

Our efforts in curating an attractive tenant mix, along with staging multifaceted events ranging from exclusive fashion showcase and holiday-themed festivities to wellness-focused initiatives, have noticeably increased customer footfall. These efforts have further strengthened our position in the industry despite heightened competition.

Year-to-date, revenue and PBT increased by 8.3% and 10.9% respectively.

Hotel operations

Mandarin Oriental KL (MOKL) reported 15.2% increase in revenue and a significant rise in profit before tax (PBT), reaching RM6.1 million. This improvement is attributed to effective marketing strategies and strong brand presence in the precinct, which led to higher Average Room Rate (ARR) and occupancy rates (Q3 2024: 63%; Q3 2023: 58%).

Year-to-date, the hotel transitioned from a loss before tax of RM3.2 million to a PBT of RM6.5 million.

Management services

Revenue & PBT increase by 13.5% and 3.2% respectively driven primarily by higher maintenance service activities undertaken during the quarter.

Similarly, management services segment achieved higher revenue & PBT by 7.4% and 0.6% respectively during the nine 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 increase in cost was mainly due to the financing cost for Sukuk Wakalah to fund the acquisition of the remaining shares in Suria KLCC.

NOTES ON THE QUARTERLY REPORT — 30 SEPTEMBER 2024

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		
	30-Sep-24	30-Jun-24	Change
	RM'000	RM'000	%
Revenue:			
Property investment:			
Office	146,336	146,268	0.05
Retail	144,607	138,771	4.21
Hotel operations	63,307	50,309	25.84
Management services	97,717	98,004	(0.29)
Eliminations & Others	<u>(22,349)</u>	<u>(20,107)</u>	
	<u>429,618</u>	<u>413,245</u>	3.96
Profit before tax:			
Property investment:			
Office *	120,391	119,900	0.41
Retail	114,203	108,001	5.74
Hotel operations	6,135	(1,362)	>100
Management services	20,626	20,347	1.37
Eliminations & Others	<u>(19,945)</u>	<u>(15,418)</u>	
	<u>241,410</u>	<u>231,468</u>	4.30
Profit attributable to equity holders:	<u>206,531</u>	<u>191,059</u>	8.10

* Includes share of profit of an associate.

The Group's performance was stable with an increase of 4.0% & 4.3% respectively in revenue and PBT compared to Q2 2024, reflecting the Group's resilience amidst competition and seasonal factors.

Retail and hotel segments reflected strong performance whilst the office and management services segment remained stable.

NOTES ON THE QUARTERLY REPORT — 30 SEPTEMBER 2024

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) anticipates a 3.2% growth in retail sector for the fourth quarter of 2024. The growth is expected to be driven by increased consumer spending and the relaxation of visa regulations for key markets such as China and India until the end of the year. This positive outlook reflects the sector's resilience and adaptability in the face of ongoing economic challenges.

Suria KLCC is committed to maintaining its prominent presence by prioritizing both consumers and tenants, ensuring sustainable growth. Despite heightened competition, the mall remains vibrant and resilient by continuously adapting to market demands and enhancing customer experiences.

In addition, Mandarin Oriental continues to strengthen its collaboration with the KLCC precinct partners to deliver sustainable performance. Leveraging its renowned brand, Mandarin Oriental remains steadfast to its commitment to delivering exceptional guest experience, solidifying its reputation as the premier venue for stays and events.

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:

	Third quarter ended		Cumulative 9 months ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:				
Malaysian income tax	33,347	28,674	98,405	85,157
Deferred tax	(2)	–	(4)	3
	33,345	28,674	98,401	85,160

Overall effective tax rate of 13.81% 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 SEPTEMBER 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

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

B9 Financings

	As at 30-Sep-24		Group RM'000
	KLCCP RM'000	KLCC REIT RM'000	
Short term:			
<u>Secured</u>			
Term loans	390,080	–	390,080
Sukuk Murabahah	607,310	19,348	626,658
Sukuk Wakalah	35,977	–	35,977
Lease liabilities	1,772	–	1,772
	<u>1,035,139</u>	<u>19,348</u>	<u>1,054,487</u>
Long term:			
<u>Secured</u>			
Sukuk Murabahah	–	1,355,000	1,355,000
Sukuk Wakalah	1,949,696	–	1,949,696
Lease liabilities	510	–	510
	<u>1,950,206</u>	<u>1,355,000</u>	<u>3,305,206</u>
	<u>2,985,345</u>	<u>1,374,348</u>	<u>4,359,693</u>

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	390,080	–	–	–	390,080
Sukuk Murabahah	607,310	–	–	–	607,310
Sukuk Wakalah	35,977	–	1,949,696	–	1,985,673
Lease liabilities	1,772	510	–	–	2,282
	<u>1,035,139</u>	<u>510</u>	<u>1,949,696</u>	<u>–</u>	<u>2,985,345</u>
<u>KLCC REIT</u>					
Sukuk Murabahah	19,348	500,000	–	855,000	1,374,348
	<u>1,054,487</u>	<u>500,510</u>	<u>1,949,696</u>	<u>855,000</u>	<u>4,359,693</u>

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.

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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.)

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 September 2024:

	Total stapled securities	Dividend/ income distribution per stapled securities Sen	Total dividend/ income distribution payable RM'000
KLCCP ¹	1,805,333,083	2.41	43,509
KLCC REIT ^{2, 3}	1,805,333,083	6.79	122,582
Group		<u>9.20</u>	<u>166,091</u>

The dividend and income distribution for KLCCP and KLCC REIT will be paid on 30 December 2024. The book closure date in respect of both the aforesaid interim dividend and income distribution is 9 December 2024.

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%

NOTES ON THE QUARTERLY REPORT — 30 SEPTEMBER 2024

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.)

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

	Third quarter ended		Cumulative 9 months ended	
	30-Sep-24 RM'000	30-Sep-23 RM'000	30-Sep-24 RM'000	30-Sep-23 RM'000
Revenue				
Property investment - Office	135,726	135,138	407,090	405,971
Property investment - Retail	8,745	10,090	27,418	30,257
	144,471	145,228	434,508	436,228
Profit income	1,919	1,654	5,109	4,464
	146,390	146,882	439,617	440,692
Expenses	(34,617)	(35,024)	(104,140)	(103,217)
Profit for the period	111,773	111,858	335,477	337,475
Adjustments	17,252	14,502	50,802	43,395
Total realised income available for the period	129,025	126,360	386,279	380,870
Brought forward undistributed realised income available for distribution	131,407	93,457	118,595	93,318
Total realised income available for distribution *	260,432	219,817	504,874	474,188
Income to be distributed for the quarter	(122,582)	(113,736)	(367,024)	(368,107)
Balance undistributed realised income available for distribution	137,850	106,081	137,850	106,081
Distribution per unit (sen)	6.79	6.30	20.33	20.39

* 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 ¹	1,805,333,083	8,046,463	4.46	4.39
KLCCP Stapled Group	1,805,333,083	13,406,735	7.43	7.33

¹ An analysis of KLCC REIT's performance based on changes in NAV and NAV per unit, after distribution, since 30 June 2024 is as follows:

	As at 30-Sep-24	As at 30-Jun-24	Changes
NAV (after distribution) (RM'000)	7,923,881	7,934,690	(10,809)
NAV per unit (after distribution) (RM)	4.39	4.40	(0.01)

B13 Profit for the period

	Third quarter ended		Cumulative 9 months ended	
	30-Sep-24 RM'000	30-Sep-23 RM'000	30-Sep-24 RM'000	30-Sep-23 RM'000
Profit for the period is arrived after charging:				
Depreciation of property, plant and equipment ¹	7,547	8,051	22,169	25,351
Reversal for impairment losses on trade receivables	(75)	(180)	(195)	(105)
Loss/(gain) on disposal of property, plant and equipment	84	47	197	(37)
Write off of investment properties	—	—	19	—

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.

NOTES ON THE QUARTERLY REPORT — 30 SEPTEMBER 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")

	Third quarter ended		Cumulative 9 months ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
Profit attributable to ordinary equity holders of the Company (RM'000)	94,758	73,478	250,147	209,226
Profit attributable to unitholders of KLCC REIT (RM'000)	111,773	111,858	335,477	337,475
	<u>206,531</u>	<u>185,336</u>	<u>585,624</u>	<u>546,701</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>11.44</u>	<u>10.27</u>	<u>32.44</u>	<u>30.28</u>

B15 Trade receivables

	As at 30-Sep-24 RM'000	As at 31-Dec-23 RM'000
Property investment		
- Office	354	495
- Retail	8,076	8,459
Hotel operations	3,470	5,716
Management services	210	626
	<u>12,110</u>	<u>15,296</u>
Less: Allowance for impairment losses	<u>(6,002)</u>	<u>(6,197)</u>
	<u>6,108</u>	<u>9,099</u>

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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.)

B15 Trade receivables (contd.)

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

	As at 30-Sep-24 RM'000	As at 31-Dec-23 RM'000
At net:		
Not past due	392	5,769
Past due 1 to 30 days	4,194	2,367
Past due 31 to 60 days	1,031	604
Past due 61 to 90 days	115	104
Past due more than 90 days	6,378	6,452
	<u>11,718</u>	<u>9,527</u>
Allowance for impairment losses	<u>(6,002)</u>	<u>(6,197)</u>
	<u>6,108</u>	<u>9,099</u>

The movement in the allowance account is as follows:

	As at 30-Sep-24 RM'000	As at 31-Dec-23 RM'000
At 1 January	6,197	7,574
Reversal for impairment	(195)	(1,377)
At 30 September/31 December	<u>6,002</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