

KLCC Stapled gains solid 43 sen on Bursa relisting

KUALA LUMPUR: KLCC Property Real Estate Investment Trust (KLCC Stapled), Malaysia's biggest REIT, was among the top gainers in its relisting on Bursa Malaysia yesterday.

KLCC Stapled, the country's first stapled securities, rose as much as seven per cent to RM7.75 before closing at RM7.68, or 43 sen higher than its RM7.25 initial reference price.

A total of 3.04 million shares were traded.

Speaking at its relisting ceremony, chief executive officer Hashim Wahir said he is confident KLCCP Stapled will receive overwhelming response from investors.

"The commitment of the stapled group to pay more than 90 per cent of distributable income will attract investors who are looking for a stable counter and distributable income," he said.

KLCC Stapled bundles Petronas Twin Towers, Menara ExxonMobil and Menara 3 Petronas with units of KLCC REIT to form a stapled REIT with some RM15 billion of assets.

Hashim said the REIT will focus on fuelling internal organic growth and is interested in injecting Suria KLCC and Mandarin Oriental Hotel into it.

There are a lot of opportunities that KLCC Stapled can look at, especially involving the redevelopment of the iconic Kompleks Dayabumi in Kuala Lumpur.

"We are repositioning (Kompleks Dayabumi) by adding office spaces and potentially hotel development. Once we have fully developed it as a stable asset, we can fully transfer it to the REIT," he said.

The redevelopment will take four years to complete, Hashim noted.

Works to be done include demolition of City Point podium to add an additional one million square feet of space, as well as enhancing corporate lobby and other facilities to improve rental yields.

On the development of Lot D1, he declined to give details but said the plan will be clearer once an anchor tenant is secured.

"We are currently talking to one or two (parties)," Hashim said.

Lot D1 is an undeveloped parcel of land located in the vicinity of Kuala Lumpur City Centre (KLCC) undertaken by KLCC Property Holdings Bhd.

The 0.5ha site will boast office and retail units on 1.4 million square feet of gross floor areas.



KLCC Stapled CEO Hashim Wahir (right), chairman Harry K. Menon (left) and other officials during KLCC Property Real Estate Investment Trust relisting yesterday. Pic by Azmaidi Abidin