

KLCC Stapled Group looking to acquire two multi-billion ringgit assets from KLCC Holdings

KUALA LUMPUR, April 16 — KLCC Stapled Group, which comprises KLCC Property Holdings Bhd and KLCC Real Estate Investment Trust (REIT), is looking to acquire two multi-billion ringgit assets from parent company, KLCC Holdings SdnBhd, over the next three to five years.

The properties are mixed development projects code-named Lot 185 and Lot 91 and sprawled over 4.5 million sqft and 1.5 million sqft, respectively.

“We are not only eyeing the projects but have the first right of refusal on the said properties, as well as, any other development projects owned by KLCC Holdings,” KLCC Stapled Group Chief Executive Officer Datuk Hashim Wahir told reporters after the company’s annual general meeting here today.

The property at Lot 185 is a 50:50 joint-venture (JV) with Qatari DiarREIT, that is slated to have mixed developments of a 56-storey and 77-storey office towers and, a 700-room Fairmont Raffles Hotels International.

Hashim declined to reveal the gross development value for the project at Lot 185 but said that it was a billion-ringgit project expected to be completed in 2020.

On Lot 91 project, he said, it is a 50:50 JV with Sapura Resources Bhd, which involved the construction of a new office tower and due for completion in 2018.

Petronas owns 75.47 per cent in KLCC REIT, under which the Petronas Twin Towers, Menara ExxonMobil and Menara 3 Petronas, are parked.

It was reported that these properties had a combined value of RM8.76 billion in 2013.

Hashim said the next tenancy for ExxonMobil would expire in 2017 and the company was in talks with the tenant for long-term tenancy beyond 2017.

KLCC Stapled chairman C.K. Menon said office space was likely to be the main contributor with 93 per cent to the group's revenue in 2015 to come from KLCC Tower 1, Tower 2, Tower 3 and the ExxonMobil Tower.

On the retail and office space of Lot D1 in the KL City Centre area, Menon said the group was still looking for an anchor tenant.

For the re-development of Menara Dayabumi, which included a 550-room luxury hotel, the group was looking at about 10 per cent or more yield, he said. — Bernama