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Mix of retailers to replace Parkson KLCC



The space vacated by retail brand Parkson in Suria KLCC will be replaced by a mix of smaller and diversified retailers, targeted at achieving a better rental yield, the mall's major shareholder confirmed yesterday.

KLCC Property Holdings Bhd (KLCCP) CEO Datuk Hashim Wahir said the rate secured when a big space is rented out to a single retailer is typically lower, compared to leasing out the same space to a mix of retailers.

"We hope and believe — as the mall management promised us — that with smaller outlets, we will get a better rental," he told reporters on the sidelines of Invest Malaysia 2019 yesterday.

He said the new retailers will comprise food and beverage and speciality outlets, while a portion of the freed up space will also be used to expand Suria KLCC's Signatures Food Court.

Hashim said the 126,000 sq ft space is expected to be fully occupied by year-end.

The *Malaysian Reserve (TMR)* first reported earlier this month that the retail space vacated by Parkson will be occupied by a mix of different retailers instead of a single anchor tenant.

TMR also revealed that the management of Suria KLCC is in talks with several potential tenants to occupy the three-level departmental store with the aim of boosting footfall in the mall.

“Today, Suria KLCC is actively engaging with the retailers and we are quite sure they have lined up retailers to ensure that the new retail shoplots will be fully occupied,” Hashim said.

He said Parkson’s exit is an opportunity for KLCCP to redefine the mall and convert the space into a strip mall concept.

“This give us the opportunity to bring in new and exciting brands under this environment where a lot of new products are being brought in by start-ups,” he said.

“(It is also) an opportunity to transform our Signatures Food Court into a more exciting and enlarged food court that will serve the footfall.”

He said this is to cater to the high traffic volume seen during the peak lunch hours from 11am to 3pm.

Parkson Malaysia, which is owned by Parkson Holdings Bhd, saw its lease expire at the end of last month which ended a more than 20-years partnership in Suria KLCC. The retailer was one of the anchor tenants that first signed on when the luxury mall opened in May 1998.

KLCCP owns a 60% stake in Suria KLCC which is located at the heart of the Kuala Lumpur city centre and connected to the Petronas Twin Towers.

The property investment company and KLCC Real Estate Investment Trust (REIT) are collectively known as KLCCP Stapled Group — the largest listed REIT in Malaysia.

KLCC REIT wholly owns Petronas Twin Towers, Menara ExxonMobil and Menara 3 Petronas, while KLCCP holds the majority interests in Suria KLCC and Mandarin Oriental.

(Source: <https://themalaysianreserve.com/2019/03/21/mix-of-retailers-to-replace-parkson-klcc/>)