

# WE WANT TO THrive

## Dear Stakeholders

My first full year as CEO has reinforced one conviction: resilience isn't just about weathering storms but is also about building the capability to thrive through them. In 2025, KLCCP Stapled Group did exactly that, delivering strong financial performance while advancing our sustainability commitments and strengthening our operational foundation.

Since taking the helm just over a year ago, I have been increasingly heartened by the commitment I see, a team united in purpose, disciplined in execution. The collaborative energy and high-performance culture here are exceptional. I feel privileged to be in such a highly energised environment and I take great pride in leading this organisation, as we establish a firmer footing for the journey ahead.

### DREAM, DARE, DELIVER

KLCCP Stapled Group is widely recognised as Malaysia's largest REIT, anchored by a portfolio of iconic assets. But in an increasingly dynamic and competitive environment, scale alone doesn't guarantee sustained leadership. Our pole position must be actively defended and continuously earned through evolution, innovation and relentless focus on fundamentals.

While the Malaysian economy remained robust, cost pressures and shifting market conditions demanded careful and deliberate management. Investor sentiment faced headwinds from an unprecedented wave of US trade tariffs exacerbated by policy transitions and geopolitical tensions. In that context, waiting was not an option. Building resilience was.

Amid these uncertainties, we drew on the inner strength and resourcefulness of the Group with an internal initiative themed *Dream. Dare. Deliver.* Employees were inspired to look beyond our current achievements to a more dynamic future, to have the conviction of their dreams to overcome challenges and in the process to deliver on what we promise. It was not just a morale exercise, it was a strategic imperative. The programme galvanised the organisation, driving cohesion and accountability at every level.

The results speak for themselves. Another year of new records for revenue and profit. But more importantly, we have built organisational muscle, the kind that does not just deliver one strong year but positions us to sustain performance over the long term.

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From the Desk  
of the CEO



**DATUK SR MOHD.SALEM KAILANY**  
Chief Executive Officer

## From the Desk of the CEO

The Group recorded a RM463.9 million fair value gain during the year. This marks a 97.7% year-on-year increase and reflects the strength of our assets and how they are managed.

### Revenue

**RM1.74 billion**

(2024: RM1.71 billion)

### Profit Before Tax

(excluding fair value adjustments)

**RM970.3 million**

(2024: RM967.1 million)

Revenue hit RM1.74 billion while profit before tax, excluding fair value adjustments, reached RM970.3 million, surpassing the previous year's record of RM967.1 million. Excluding the Sukuk Wakalah impact, our PBT exceeded RM1.0 billion, reflecting the strength of our diversified portfolio and consistent performance across all four segments.

### STRENGTH OF OUR RESILIENCE

Entrenching our competitive edge means more than maintaining assets. It means continuously increasing their value through constant rejuvenation, refurbishment and upgrades. We actively engaged our tenants, customers and guests, internalising their feedback to sharpen our product and service propositions. That discipline paid off in 2025. The Group recorded a RM463.9 million fair value gain during the year. This marks a 97.7% year-on-year increase and reflects the strength of our assets and how they are managed. Nevertheless, our focus was not on short-term wins. We are building durable value through operational excellence, customer-centricity and prudent capital management, solid foundations that will stand the test of time.

The Office segment remained the most stable contributor to the Group, supported by long-term leases and high-quality tenants. In a market with significant new supply, we have maintained occupancy and tenant retention by focusing on what we do best, proactive asset management, sustainability upgrades, digital enablement, and responsive tenant service. These investments strengthened asset performance while reinforcing the value proposition that keeps our buildings pristine and competitive.

Suria KLCC continued to lead the retail landscape through its diverse tenant mix and immersive, experience-led offerings. In 2025, we welcomed 30 new tenants including eight first-to-market brands such as Smith & Wollensky Steakhouse, offering the first halal USDA prime meat in the country, British menswear label Charles Tyrwhitt, and Salomon's open-concept store, to name a few. Every tenant is carefully selected to appeal to both Malaysians and international tourists.

Beyond tenants, we curated unique global concepts that can't be experienced anywhere else in Malaysia. The Louis Vuitton Art of Gifting Pop-Up, featuring a train design exclusive to Southeast Asia, brought Parisian luxury craftsmanship to Kuala Lumpur. The Victoria's Secret x Pocket Pickle collaboration, in partnership with MINI, transformed the centre court into an interactive pickleball experience. These exclusive activations reinforced our "Only at Suria KLCC" tagline, strengthening the mall's positioning as a destination where shopping, lifestyle and experiences converge. Together, these efforts drove footfall past 50 million visitors for the year, a 9.3% improvement year-on-year, a clear signal that Suria KLCC remains the destination of choice.

In Hospitality, Mandarin Oriental, Kuala Lumpur intensified its sales and marketing efforts around dining and lifestyle offerings while leveraging its newly renovated pillarless Grand Ballroom to capture event-driven demand. The hotel deepened collaboration with the



Kuala Lumpur Convention Centre and other KLCC Precinct partners, positioning itself as the preferred choice for events of every scale and significance. The ultimate validation came in October, the ASEAN Summit, which brought together 10 ASEAN leaders plus 11 heads of state from Australia, Brazil, Canada, China, Finland, Japan, New Zealand, Russia, South Africa, South Korea and the US. Over three days the Summit tested our event management capabilities at a national scale and we delivered flawlessly. Mandarin Oriental, Kuala Lumpur was the primary beneficiary, which saw its room revenue spiking nearly RM10.0 million from hosting the foreign delegates. More than revenue, the Summit showcased our ability to execute on the world stage.

Management Services, which covers facilities management and car parking management, continues to underpin the operational resilience of the entire portfolio. Challenged by ageing assets and operational risks, the team remained disciplined in carrying out its operations including system upgrades to ensure resilience across the portfolio. Customer focus was a clear priority, with faster issue resolution and more proactive

service delivery. In turn, our customer satisfaction score across our office, hotel and car park customers reached 89%, a testament to the team's commitment to operational excellence.

### DISCIPLINED EXECUTION WITH PURPOSE

While our business segments performed well individually, their true strength lies in integration. As part of a strategically located KLCC ecosystem, office, retail, hospitality and events don't just coexist, they actively amplify each other. Connectivity enables demand spillovers across segments, allowing the Group to navigate volatility while remaining well-positioned to capture opportunities as they arise. At the heart of this ecosystem is the 50-acre KLCC Park, the living, breathing connector that interlinks and energises each asset.

We collaborate continuously with our Precinct partners to develop innovative programmes that leverage the Park to offer unparalleled experiences. Throughout 2025, the Park came alive with a mix of wellness programmes, arts and cultural showcases, as well as national and community celebrations bringing together people from all walks of life. Beyond the ASEAN Summit, we hosted the Kuala Lumpur Fashion Week 2025, KLCC Pulse Festival, our signature Picnic in the Park and even Malaysia's first outdoor festive skating rink during the Christmas season. The year ended with a bang when a record-breaking crowd of approximately 120,000 visitors joined our spectacular New Year celebrations. A powerful reminder that KLCC is not just a business district, it's where people gather, a place of celebration, energy and activity.

At the core of our placemaking events is a desire to offer visitors unique opportunities to connect with the soul of KLCC. A vibrant hub where work, life and leisure come together seamlessly. Whether it's sitting in the Park watching the fountain or the twin towers being lit, these are experiences that go beyond dollars and cents. They are the heartbeat of KLCC The Place.

## From the Desk of the CEO

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### DATA DRIVEN & FUTURE READY

The future belongs to organisations that invest in long-term capability, not short-term fixes. This is not a new lesson for KLCCP Stapled Group, but a principle that has guided us over the years. It has seen us identify our needs and channel our resources accordingly. Our focus in recent years has centred on three key imperatives: accelerating digitalisation, deepening our sustainability platform, and building our people's capabilities.

We have deployed digital dashboards for early issue detection and productivity tools that enable faster, more informed execution across operations. Our 5-year Data & Analytics roadmap will establish AI-driven enterprise-grade data foundations, empowering our managers with self-service analytics and the capability of turning data into decisions at speed. We are also improving our procurement effectiveness and governance via upgrades to our supplier registration portal enabling quicker onboarding, improved data quality, and increased control and compliance. To date, over 300 suppliers have been successfully onboarded, streamlining our supply chain operations.

Technology alone won't future proof the Group. Our people must be equipped to leverage it. Recognising the need to build the digital capabilities of our people so they can fully leverage our digital systems, we provide intense training in identified areas to narrow any skills gaps. In May 2025, we achieved an 80% digital

literacy score in a Digital Proficiency Assessment. Concurrently, employees are provided clear career pathways supported by continuous learning to develop other critical competencies.

While structures and policies matter, it is the everyday connections between our people that truly shape our culture. In this regard, I have made it a personal priority to spend time on the ground, engaging directly with our teams. Over the year, I conducted nine CEO Engagement Series sessions, reaching 84% of our workforce, and met with our emerging talent through the Hello Future platform. I'm happy to share that our efforts to provide a stimulating and cohesive workspace have not just helped in capacity building but also reinforced teamwork and a sense of belonging. In our latest Organisational Culture Survey Pulse 2025, KLCCP Stapled Group recorded a score of 78, at par with the industry average of 79.

Sustainability remains integral to our operations, business planning and risk management. As of 2025, all our offices have achieved at least 3-star Energy Efficiency Rating under Malaysia's Energy

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Efficiency and Conservation Act (EECA) 2024, with PETRONAS Twin Towers and Menara 3 PETRONAS attaining the highest 5-star rating. But we are pushing further. Climate action can't stop at our portfolio, it must extend to our supply chain. We are now actively targeting our supply chain by identifying our Scope 3 emissions, tackling the carbon footprint embedded in our operations and beyond our direct control. We are also moving from mitigation to adaptation, identifying climate risks to our operations and putting in place systems to protect our assets and people. I am very proud of the team's achievements and urge you to read our Sustainability Report for more details on our sustainability performance.

### OUTLOOK

The year 2026 holds significant promise. Visit Malaysia 2026 (VM 2026) is set to drive tourist arrivals, enhancing the country's international visibility. The Group will tap fully into the potential of shifting some of the spotlight onto KLCC Precinct with events that reinforce our role as a premier destination for business, leisure and major gatherings. With the opening of Ombak KLCC, the new art and cultural hub under our holding company, our ecosystem will expand further, creating new touchpoints for Malaysians and visitors alike, and deepening the Precinct's role as a dynamic, integrated destination.

Beyond VM 2026, our focus remains unchanged. Disciplined execution to preserve portfolio value, maintaining the confidence of our investors as well as tenants, while winning the hearts of our guests and customers. We remain committed to accelerating our growth and will assess opportunities as they arise based on alignment with our strategies as well as our disciplined approach to capital management.

KLCCP Stapled Group has demonstrated remarkable resilience over the years, maintaining steady operations and robust performance through changes and challenges that have become the norm. With the support of all our stakeholders, and especially our shareholders, tenants, customers, employees and Boards, I have every confidence that the Group will continue to stand tall in the Malaysian landscape. Robust and resilient, we are set to chart sustainable growth and deliver positive value for many more years to come.



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