



[KSK, Kempinski Hotels sign management agreement for 8 Conlay project](#)

Extract from The Star (19/11/2014)

KUALA LUMPUR: KSK Group Bhd has agreed to a management deal with Kempinski Hotels for the 8 Conlay, a branded luxury residential, retail and hotel development in Kuala Lumpur.

“We had based this decision on the gaps we see in Malaysia for a branded luxury residence. We want our residence to be based on quality, we want that key differentiation factor.

“In fact, our family had stayed in Kempinski Hotel (Bangkok) in the past and it was memorable, hence our choice,” KSK Group chief executive officer and KSK Land managing director Joanne Kua told StarBiz before the signing ceremony on Tuesday.

KSK Group has two general insurance operations in Indonesia and Thailand.

Under its property development arm, KSK Land Sdn Bhd, the company ventured into property development last year after selling its core insurance business, Kurnia Insurans (M) Bhd to AmG Insurance Bhd for RM1.7bil in September 2012.

The 3.95-acre (1.599 ha) 8 Conlay project, which has a gross development value of RM4bil and land cost of RM568mil, comprises two towers of serviced apartments – with 55 and 62 floors, respectively – an eight-storey retail podium and the five-star Kempinski Hotel, all of which are slated for completion in 2020.

The Kempinski Hotel and Residences will have about 260 and 403 units, respectively, in the hotel tower.

They will be linked to the 1,092 units of 8 Conlay Residences – ranging between 682 sq ft and 1,297 sq ft – via a central retail podium.

The sales gallery located on the 8 Conlay site will be ready by May 2015. It was reported earlier that the gross development cost for the project, including land acquisition, would be RM2.37bil.

“Buying the land at that price was (a) calculated risk that made sense to us because of the prime location.

“Land value doesn’t matter much to us in view of the branded development planned,” Kua said, adding that KSK did not have listing plans for the time being.

“For now, the majority of our group contribution will come from our insurance business but eventually it would be a balanced contribution from both streams,” Kua said.

KSK will leverage on the expertise of design studio YOO for the interior design of the first residential tower, RSP Architects to master plan the development as well as Kempinski, which will operate and service all three components of the 8 Conlay project.

Kua said this would be YOO’s first branded residence project in Malaysia, which would add to KSK’s branding exercise given the designer’s unique style, space optimisation skills and wide international repertoire.

Meanwhile, award-winning architect Hud Bakar, RSP Architects principal, will focus his design on local context, while taking visual cues from the Chinese philosophy of Yin and Yang.

The 117-year-old Kempinski Hotels Group is Europe’s oldest luxury hotel group. It operates 103 five-star hotels in 36 countries, which includes Bangkok, Thailand; Jakarta, Indonesia and Nay Pyi Taw in Myanmar.

Kempinski public relations vice president Maria Kuhn said Kempinski Hotels was looking to strengthen its presence in Asian countries such as India and China as well as expand further in South-East Asia.