



KLCCP Stapled Group



sustaining

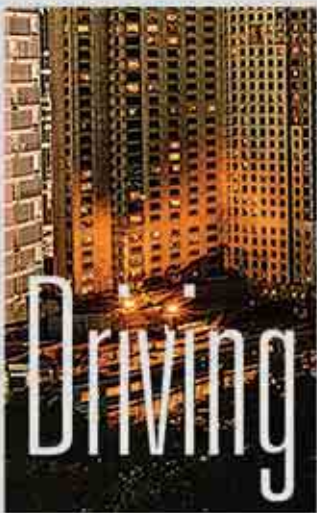
COMPETITIVE ADVANTAGE

KLCC PROPERTY HOLDINGS BERHAD (641576-U)
KLCC REAL ESTATE INVESTMENT TRUST

2016

ANNUAL REPORT







We are proud that KLCCP Stapled Group is continuously recognised for its excellence in the industry which adds to our brand and enhances our commercial reach significantly. Sustaining competitive advantage.



Sustaining Competitive Advantage

Amidst the challenges of an uncertain environment, KLCCP Stapled Group recognised its collective strength and leveraged on its core competencies to sustain competitive edge by

MANAGING COSTS THROUGHOUT THE VALUE CHAIN

CREATING DIFFERENTIATION IN RE-POSITIONING ITS ASSETS TO COMPETE ON POTENTIAL AND QUALITY

ENHANCING DYNAMIC CAPABILITIES IN CREATING A PROACTIVE MANAGEMENT APPROACH TO SUSTAIN RESULTS AND MOMENTUM

KLCCP Stapled Group will continue to transform and build on its leadership position to create the impetus for competitive advantage for future development and long term stability to meet the needs of its stakeholders.

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KLCCP STAPLED GROUP

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KLCC REIT

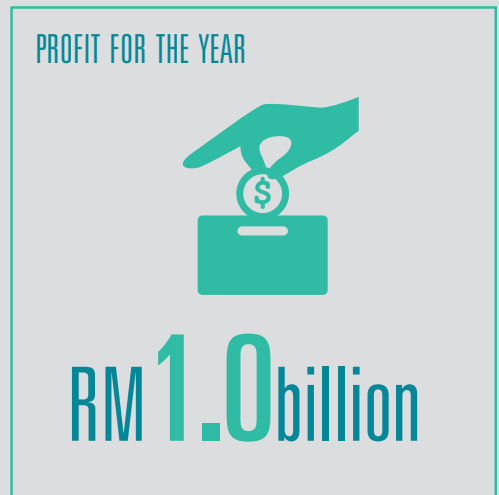
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KLCCP Stapled Group

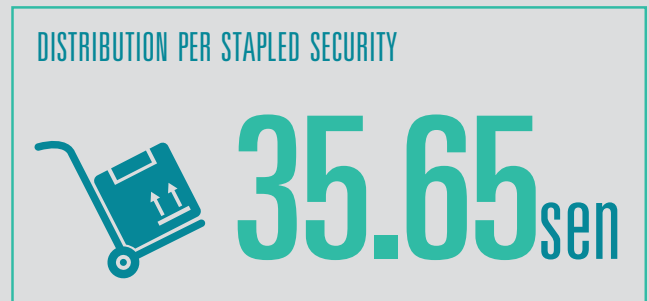
REVENUE



PROFIT FOR THE YEAR



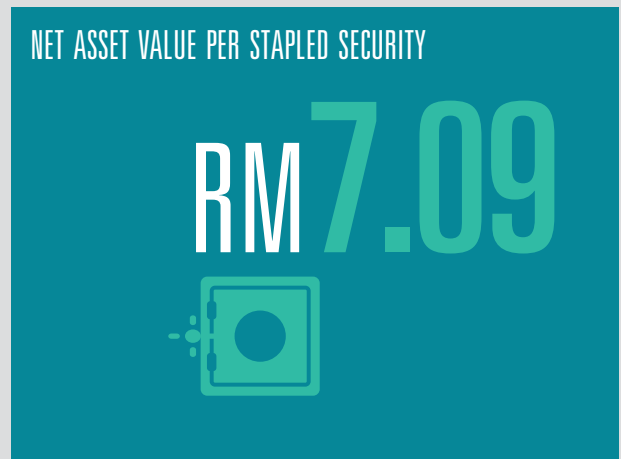
DISTRIBUTION PER STAPLED SECURITY



INVESTMENT PROPERTIES



NET ASSET VALUE PER STAPLED SECURITY



At a **GLAN**
2016 KEY HIGHLIGHTS

REVENUE

RM

591.1
million



DISTRIBUTION PER UNIT
(DPU)



22.78sen

NET PROPERTY INCOME



RM565.0
million

DISTRIBUTION YIELD
(KLCCP STAPLED GROUP)



4.30%

INVESTMENT PROPERTIES



RM9.1
billion

CE

VISION MISSION

To be the leading Real Estate Investment Group of Choice



Maximise Value of Investment and Returns to Holders of Stapled Securities

Committed to Deliver Sustainable Performance and Growth



Build Rounded Capabilities in Real Estate Investment

Our SHARED Values

LOYALTY

Loyalty to Corporation
and Nation

PROFESSIONALISM

Committed, Proactive and Always
Striving for Excellence

INTEGRITY

Honest and
Upright

COHESIVENESS

United in
Purpose and
Fellowship

INNOVATIVE

Trend Setting
Mentality through
Creation of New
Products, Ideas
and Ways
of Doing

KLCCP Stapled Group Corporate Profile

KLCC Property Holdings Berhad (“KLCCP”) was incorporated as a public limited company under the Companies Act 1965 on 7 February 2004 and was listed on the Main Board of Bursa Malaysia Securities Berhad on 18 August 2004.

In 2013, KLCCP undertook a corporate restructuring exercise which involved the restructuring of KLCCP group into a stapled structure known as “KLCCP Stapled Group” where the existing ordinary shares of KLCCP are stapled together with the units in KLCC Real Estate Investment Trust (“KLCC REIT”) forming the resultant KLCCP Stapled Securities.

On 9 May 2013, KLCCP Stapled Securities were listed under the “REITs” sector of the Main Market of Bursa Malaysia Securities Berhad.

Upon completion of the corporate restructuring exercise, the office buildings held by the subsidiaries of KLCCP namely *PETRONAS Twin Towers*, *Menara ExxonMobil* and *Menara 3 PETRONAS* were acquired by KLCC REIT.

Tru

World



Whilst KLCCP still owns a diverse property portfolio largely within the KLCC Development comprising *Suria KLCC* (a leading shopping mall) and *Mandarin Oriental, Kuala Lumpur* (a luxury hotel), KLCCP also has 33% interest in Menara Maxis. Outside the KLCC Development, KLCCP owns Kompleks Dayabumi which is located within the older central commercial area of Kuala Lumpur.

Two of KLCCP's wholly-owned subsidiaries, namely KLCC Urusharta Sdn Bhd and KLCC Parking Management Sdn Bhd, are engaged in providing facility management services and car parking management services respectively.

In addition, KLCC REIT Management Sdn Bhd, a wholly-owned subsidiary of KLCCP, has been appointed to manage and administer the KLCC REIT in accordance with the objectives and investment policy of KLCC REIT.

KLCCP Stapled Group's strength is reflected through its premium assets centred within the KLCC Development, one of the largest integrated real estate developments in the world.

KLCCP Stapled Group, with its niche position in property investment and facility management services, intends to continue to grow its earnings potential by building on the strength of its premium assets, maintaining high standards in its operational performance and exploring prospects for sustainable progress.

Ivy -class

Corporate Information

KLCC PROPERTY HOLDINGS BERHAD (“KLCCP”)

KLCC REAL ESTATE INVESTMENT TRUST (“KLCC REIT”)

MANAGER FOR KLCC REIT

KLCC REIT Management Sdn. Bhd.

BOARDS OF DIRECTORS OF KLCCP AND THE MANAGER

Mr. Krishnan C K Menon
(Independent Non-Executive Director/Chairman)

Datuk Hashim bin Wahir
(Chief Executive Officer)

Datuk Manharial a/l Ratilal
(Non-Independent Non-Executive Director)

Datuk Ishak bin Imam Abas
(Non-Independent Non-Executive Director)

Dato’ Halipah binti Esa
(Independent Non-Executive Director)

Datuk Pragasa Moorthi a/l Krishnasamy
(Non-Independent Non-Executive Director)

Mr. Augustus Ralph Marshall
(Independent Non-Executive Director)

Cik Habibah binti Abdul
(Independent Non-Executive Director)

BOARD AUDIT COMMITTEES OF KLCCP AND THE MANAGER

Mr. Augustus Ralph Marshall (Chairman)
Datuk Manharial a/l Ratilal
Dato’ Halipah binti Esa
Cik Habibah binti Abdul

NOMINATION AND REMUNERATION COMMITTEES OF KLCCP AND THE MANAGER

Dato’ Halipah binti Esa (Chairperson)
Datuk Manharial a/l Ratilal
Cik Habibah binti Abdul

COMPANY SECRETARIES OF KLCCP AND THE MANAGER

En. Abd Aziz bin Abd Kadir (LS0001718)
Levels 33 & 34, Menara Dayabumi
Jalan Sultan Hishamuddin
50050 Kuala Lumpur
Telephone No. : 03-2783 6000
Facsimile No. : 03-2783 7810

Mr. Yeap Kok Leong (MAICSA 0862549)
c/o Tricor Corporate Services Sdn Bhd
Unit 30-01, Level 30, Tower A
Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur
Telephone No. : 03-2783 9191
Facsimile No. : 03-2783 9111

REGISTERED OFFICE OF KLCCP AND THE MANAGER

Level 54, Tower 2
PETRONAS Twin Towers
Kuala Lumpur City Centre
50088 Kuala Lumpur
Telephone No. : 03-2783 6000
Facsimile No. : 03-2783 7231

CORPORATE OFFICE OF KLCCP AND THE MANAGER

Levels 33 & 34
Menara Dayabumi
Jalan Sultan Hishamuddin
50050 Kuala Lumpur
Telephone No. : 03-2783 6000
Facsimile No. : 03-2783 7810

SHARE REGISTRAR FOR KLCCP AND KLCC REIT

Tricor Investor & Issuing House
Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A,
Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur
Telephone No. : 03-2783 9299
Facsimile No. : 03-2783 9222

TRUSTEE FOR KLCC REIT

Maybank Trustees Berhad
8th Floor, Menara Maybank
100, Jalan Tun Perak, 50050 Kuala Lumpur
Telephone No. : 03-2070 8833/2078 8363
Facsimile No. : 03-2070 9387

PROPERTY MANAGER FOR KLCC REIT

Rahim & Co International Sdn Bhd
Level 17, Menara Liberty
1008, Jalan Sultan Ismail
50250 Kuala Lumpur
Telephone No. : 03-2691 9922
Facsimile No. : 03-2691 9992

SHARIAH ADVISER FOR KLCC REIT

CIMB Islamic Bank Berhad
Level 34, Menara Bumiputra Commerce
11, Jalan Raja Laut, 50350 Kuala Lumpur
Telephone No. : 03-2619 1188
Facsimile No. : 03-2619 3657

AUDITORS

Ernst & Young (Firm No. AF 0039)
Level 23A, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
50490 Kuala Lumpur
Telephone No. : 03-7495 8000
Facsimile No. : 03-2095 9076/78

INTERNAL AUDITOR

Group Internal Audit Division
KLCC (Holdings) Sdn Bhd
Levels 33 & 34, Menara Dayabumi
Jalan Sultan Hishamuddin
50050 Kuala Lumpur
Telephone No. : 03-2783 6000
Facsimile No. : 03-2783 7810

PRINCIPAL BANKERS FOR KLCCP AND KLCC REIT

CIMB Islamic Bank Berhad
CIMB Bank Berhad
Malayan Banking Berhad

STOCK EXCHANGE LISTING

Listed on Main Market of Bursa Malaysia
Securities Berhad on 9 May 2013
Stock Code : 5235SS
Stock Name : KLCC

Creates
UNIQUE
 Value



KLCC Real Estate Investment Trust ("KLCC REIT")

Portfolio of Real Estate Properties

- PETRONAS Twin Towers
- Menara 3 PETRONAS
- Menara ExxonMobil



KLCC Property Holdings Berhad ("KLCCP")

Subsidiaries and Associate

- **100%** KLCC REIT Management Sdn Bhd
(Manager of KLCC REIT)
- **100%** Kompleks Dayabumi Sdn Bhd
(Kompleks Dayabumi)
- **100%** Impian Cemerlang Sdn Bhd
(Vacant Land (Lot D1))
- **100%** KLCC Parking Management Sdn Bhd
(Car Park Management)
- **100%** KLCC Urusharta Sdn Bhd
(Facilities Management)
- **100%** Arena Merdu Sdn Bhd
(Inactive)
- **100%** Arena Johan Sdn Bhd
(Inactive)
- **100%** Midciti Resources Sdn Bhd
(Inactive)
- **75%** Asas Klasik Sdn Bhd
(Mandarin Oriental, Kuala Lumpur)
- **60%** Suria KLCC Sdn Bhd
(Suria KLCC)
- **33%** Impian Klasik Sdn Bhd
(Menara Maxis)

Each ordinary share is stapled to each unit ("Stapled Securities")



KLCCP Stapled Group

Chairman's
Statement

EXCEL

“ On behalf of the Boards of Directors of KLCC Property Holdings Berhad (KLCCP) and KLCC REIT Management Sdn Bhd (KLCCRM), it is my pleasure to present the Annual Report of KLCCP Stapled Group comprising KLCCP Group and KLCC REIT (collectively known as the KLCCP Stapled Group) for the financial year ended 31 December 2016.

”

Krishnan C K Menon
Chairman

Delivering
LENCE
and quality

Chairman's Statement

2016 was the backdrop of lacklustre global economic growth underpinned by weak global trade, persistent low energy and commodity prices, political and policy issues which posed uncertainties to the growth prospects. Given the moderate pace of economic growth domestically and the lingering effects of weak consumer sentiment post implementation of Goods and Services Tax (GST), KLCCP Stapled Group leveraged on our core competencies to sustain competitive advantage and deliver a stable performance for the financial year 2016. With continued vigilance to the changes in the external environment throughout the year, we achieved sustained returns with a 95% distribution of our overall distributable income to the holders of Stapled Securities. As at 31 December 2016, KLCCP Stapled Group's portfolio of assets exceeded RM17 billion with market capitalisation hitting the RM15.0 billion mark, accounting for 34% of the Malaysian REIT (MREIT) universe.

RECOGNITION OF INDUSTRY EXCELLENCE

During the year, KLCCP Stapled Group continued to make significant strides and build upon its leadership position with recognition of excellence in the industry.

Testament to our commitment in promoting strong governance and transparency, KLCCP Stapled Group was voted the 7th Most Transparent KLCI constituent in Focus Malaysia's ranking of the top 30 KLCI constituents in Malaysia. This appraised our corporate governance practices and general attitude towards transparency and disclosure of information to stakeholders, namely in respect to quality of Annual Report, disclosure and compliance. At the National Corporate Report Awards (NACRA) 2016, KLCCP Stapled Group received the Certificate of Merit for quality and transparent corporate reporting, further cementing our efforts in accountability and transparency of our Annual Reports.

In our continued pursuit of our strategy aimed at enhancing value to the holders of Stapled Securities, KLCCP Stapled Group was awarded the Highest Return on Equity Over Three Years under the REIT category at The Edge Billion Ringgit Club Corporate Awards 2016. Capital Finance International bestowed the Best Shariah Compliant REIT-Malaysia 2016 upon KLCCP Stapled Group, recognising its best practices and rewarding excellence in our value-add to stakeholders.

KLCCP Stapled Group was also recognised by institutional investors for its performance in financial management and investor relations with three awards, Most Consistent Dividend Policy, Most Organised Investor Relations and Best Senior Management Investor Relations Support at the 6th Annual Southeast Asia's Institutional Investor Awards for Corporates in September 2016.

KLCCP Stapled Group was awarded the

**Highest
Return on
Equity**

Over Three Years under the REIT category at The Edge Billion Ringgit Club Corporate Awards 2016

Chairman's Statement

In upholding our commitment and accomplishment towards our journey of socially responsible and sustainable investment, in December 2016, KLCC Property Holdings Berhad was presented with the Gold Award by The Asset for excellence in Governance, Corporate Social Responsibility (CSR) and Investor Relations Benchmarking.

A CHALLENGING YEAR

2016 was a year replete with challenges amidst a tepid global economy due to uncertainties on the global front with political and monetary policy stance, slower growth in advanced economies, sharp downward adjustment in commodities and devaluation of currency. This was compounded by the continued challenges in the domestic economy which saw contracted demand in office spaces and tenure, cautious spending in the retail sector and reduced patronage in the hospitality business.

The MREIT sector however had a welcome respite in the proposed liberalisation of the REIT Guidelines with the proposal of a Public Consultation Paper by Securities Commission Malaysia. This is expected to bode well for the REIT industry as this will give MREITs an opportunity to invest into a wider range of real estate asset classes and also benefit unitholders. The MREIT sector remained resilient boosted by its defensive nature and further aided by the cut in Overnight Policy Rate (OPR) by Bank Negara Malaysia which led to a widening yield spread between the Malaysian Government Securities (MGS) and REITs.

Despite the myriad of challenges, the resilience of our strong fundamentals, long-term locked-in tenancy structure with quality tenants and premium property location continued to be the key factors for KLCCP Stapled Group in sustaining value and improving returns for the year in review.

For the financial year ended 31 December 2016, KLCCP Stapled Group achieved profit attributable to the holders of Stapled Securities of RM886.0 million. This is inclusive of fair value gain on investment properties of RM171.1 million which did not impact KLCCP Stapled Group's cash flows. Excluding the effect of the fair value gain, profit attributable to the holders of Stapled Securities of KLCCP Stapled Group stood at RM719.0 million, marginally lower from the previous year.

The performance of KLCC REIT was underpinned by the resilience of the PETRONAS Twin Towers, Menara ExxonMobil and Menara 3 PETRONAS. The assets generated total comprehensive income (excluding fair value adjustment) of RM454.3 million, representing 55% of KLCCP Stapled Group's total comprehensive income.

In spite of the challenges for the year and in upholding our continued commitment to a stable dividend payout to the holders of Stapled Securities, the Boards of KLCCP and KLCCRM had approved four interim dividends totaling 35.65 sen per stapled security, exceeding last year's distribution of 34.65 sen. The total payments to the holders of Stapled Securities comprised 12.87 sen from KLCCP and 22.78 sen from KLCC REIT. This translates to a full year dividend payment of RM643.6 million to the holders of Stapled Securities from RM625.5 million in 2015.



The resilience of our strong fundamentals, long-term locked-in tenancy structure with quality tenants and premium property location continued to be the key factors for KLCCP Stapled Group in sustaining value and improving returns for the year in review.



Chairman's Statement

The share price of KLCC Stapled Securities (KLCCSS) sustained momentum and closed the year on a high of RM8.30. This reflects a capital appreciation of 17.6% from the close of RM7.06 as at 31 December 2015 and 8% from the listing of KLCCSS in May 2013. With the said capital appreciation and a dividend yield of 4.3%, the holders of Stapled Securities, received an annual total return contribution of 21.9%, testament to the resilience of KLCCP Stapled Group earnings backed by strong fundamentals.

A culture committed to sustainability drives the organisation to succeed in the longer term and create value for its stakeholders. In aligning ourselves to the Sustainability Guidelines of Bursa Malaysia and towards driving improvement in our sustainability journey, KLCCP Stapled Group established a governance structure to ensure accountability, oversight and review in the identification and management of economic, environment and social risks and opportunities within the organisation. A Sustainability Steering Committee (SSC) comprising key executives from all facets of the organisation was established to manage sustainability matters within the organisation with reporting to CEO and ultimately the Boards.

We are proud to announce that in December 2016, KLCCP Stapled Group was included into the FTSE4Good Emerging Index, a recently launched index by FTSE Russell, covering over 20 emerging countries. KLCCP Stapled Group is the first Malaysian REIT included into the index for demonstrating strong Environmental, Social and Governance (ESG) practices.

THE WAY FORWARD

The future global outlook is expected to gain momentum with stronger recovery in emerging markets amid a plethora of policy and political uncertainties. Domestically, a modest pace of growth is anticipated as commodity prices and global economic growth improves.

With uncertainties still expected in 2017, KLCCP Stapled Group will remain steadfast to navigate the continued challenges and focus on our core competencies in our key market segments to position and adapt

In driving a culture of strong governance, the Boards established a Board Diversity Policy during the year to further strengthen stewardship and management.

CULTURE COMMITTED TO SUSTAINABILITY

Our Boards form the pillars of a robust corporate governance framework. In setting the tone from the top in driving a culture of strong governance, the Boards established a Board Diversity Policy during the year to further strengthen stewardship and management. The optimum mix of skills, knowledge and experience of the Boards will ensure KLCCP Stapled Group retains its competitive advantage in the industry and position itself as a socially responsible citizen in promoting equal opportunity employment within the organisation. The Boards will strive to maintain the country's aspiration of 30% women directors on the board, underpinned by meritocracy.

Chairman's Statement

ourselves to the changes in the business environment and capture value to deliver stable returns to our holders of Stapled Securities.

Whilst the office sector is plagued by impending oversupply with pressures to secure high occupancy rates, we expect our office segment to remain stable on the back of locked-in long term tenancies. We will continue to focus our efforts in engaging and retaining tenants and strengthening our leasing capabilities.

The retail sector is not spared with continued increase of retail supply in Greater KL with expected completion of new malls in 2017 and 2018. This coupled with the external headwinds slowing down the domestic economy may continue to weigh on consumer demand. Nevertheless, accommodative monetary policy and supportive initiatives in the government's carefully calibrated Budget 2017 is expected to largely support sustained consumer spending and expansion of the retail sector. Suria KLCC will continue to evolve its retail mix and secure flagship brands to elevate the shopping experience for its customers and strengthen retail sales growth and occupancy.

Our hotel segment which was significantly impacted in 2016 by the restrictions in corporate travel and entertainment in its key markets of oil and gas, finance and government, is expected to continue operating in challenging environment with the onslaught of intense competition from new hotels and the slower pace of the hospitality industry. Mandarin Oriental, Kuala Lumpur (MOKL Hotel) will leverage on its renovated facilities and capitalise on the launch of its new Suites and Club rooms as they come on line to regain the market leader position.

KLCCP Stapled Group will remain steadfast to navigate the continued challenges and focus on our core competencies in our key market segments to deliver stable returns.

THANK YOU

I would like to extend my heartfelt appreciation to the holders of Stapled Securities for your continued support and trust endowed upon the Boards. We will continue to build upon our strong platform and deliver sustainable earnings and growth.

I would also like to commend the management team and employees for their diligence, commitment and efforts in delivering a stable performance and achievements in operational excellence in spite of the varied market challenges. They continue to be the capital driver for success.

I would like to thank my fellow Board members of KLCCP and KLCCRM for their stewardship, commitment and insights in steering KLCCP Stapled Group's long-term strategy for success. I am confident that KLCCP Stapled Group will remain resilient and continue to transform to create the impetus for competitive advantage.



Krishnan C K Menon

Chairman



CEO's Year in Review



SUS

Driving TAINED Returns

We distributed

95%

of our overall distributable income with a distribution per stapled security of **35.65 sen**, an increase of 2.9% from 2015 and achieved a commendable annual total return.

Datuk Hashim bin Wahir

Chief Executive Officer

CEO's Year in Review

KLCCP Stapled Group posted stable results for the year ended 31 December 2016 which saw a marginal dip in the profit attributable to equity holders amid a consistent top-line revenue. This was mainly driven by the strength and resilience of the office and retail segments which underpinned the sustainability of our earnings.

Our strategy and focus to deliver stable and sustainable returns to the holders of Stapled Securities remained paramount in spite of the tough operating climate during the year. We distributed 95% of our overall distributable income with a distribution per stapled security of 35.65 sen, an increase of 2.9% from 2015 and achieved a commendable annual total return. This is in line with our continued quest in delivering value and growth to the holders of Stapled Securities.

SUSTAINING COMPETITIVE ADVANTAGE

Amidst the adverse operating environment, KLCCP Stapled Group took cognizance of its collective strength and focused on managing our costs in our value chain, creating differentiation by re-positioning our assets and services to compete on our potential and quality as well as enhancing dynamic culture and capabilities of our people in creating a proactive approach to sustain and deliver results.

Managing Costs and Delivering Operational Excellence

Responding to the volatile macro-economic environment was crucial in order to sustain our profit margins whilst preserving our superior service offerings. KLCCP Stapled Group took the initiative to not only provide return on the financials but also enhance operational efficiency and service level improvements in our aim towards sustained health and profitability. This included energy savings initiatives in all our assets and optimization of manpower with job functions which maintained our financial prudence and overheads to mitigate the softer revenue performance.

KLCC Parking Management Sdn. Bhd. (KPM)'s installation of Energy Monitoring System which was completed in 2015, to measure and control the electrical parameter loads in the car parks of the North-West Development within the KLCC Precinct, resulted in a 9.2% reduction in energy consumption.



CEO's Year in Review



Suria KLCC was able to see growth in footfall of over 48 million while sales turnover over the last 12 months was at

RM2.5
billion,

the highest sales ever registered.

With a higher level of prudence in our cost management initiatives, the office and retail segments remained resilient and maintained their overheads in navigating their respective challenging environments. MOKL Hotel, which is a strategic component of our development was significantly impacted by the contraction in the oil and gas sector as a key market segment, resulting in a loss for the year. As a result of this, KLCCP Stapled Group's overall operating margin declined to 74% from 75% in 2015. Excluding the hotel component, the operating margin remained constant at 83%.

In our continued efforts towards operational excellence, KPM's successful attainment of the integrated ISO certifications of ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 during the year, underlines the KLCCP Stapled Group's continued determination and commitment in providing the highest quality in the delivery of services to

customers, in accordance with its commitments under the Quality Management Systems which focuses on leadership and quality. KLCC Urusharta Sdn Bhd (KLCCUH), our facility management company and MOKL Hotel also maintained their ISO and OHSAS certifications respectively, in our continuous efforts and commitment in upholding Health, Safety and Environment standards in the organisation.

Creating Differentiation in Asset Re-positioning and Services

During the year, the asset enhancement initiatives comprising the conversion of the atrium spaces in Menara Dayabumi into additional office area was completed and approximately 43,000 sq. ft. of net lettable area was added into the existing Triple Net Lease Agreement with PETRONAS. This marked the completion of the refurbishment of Menara Dayabumi which enhanced the positioning of this building as a prime Grade-A office building, increasing the net lettable area from 607,113 sq. ft. to 650,297 sq. ft.

Our retail asset prides itself on having a strong leasing and research team who are continuously attuned to the changes in the retail landscape and on-hand in engaging and communicating with its tenants and retailers on the ever changing consumer needs and demands to deliver value. With this focus, Suria KLCC was able to see growth in footfall of over 48 million while sales turnover over the last 12 months was at RM2.5 billion, the highest sales ever registered.

CEO's Year in Review

MOKL Hotel faced its toughest year yet with its performance significantly impacted by the scaled down events of its key market segments and entry of upscale boutique brands. Nevertheless, MOKL Hotel boosted its award winning reputation, bagging 15 awards during the year. With the slower pace in the luxury hotel segment, it was an opportune time for MOKL Hotel to commence the final phase of its master plan renovation in June 2016, addressing the guestrooms and corridors. The renovation is vital to maintain MOKL Hotel's strong standing in the luxury hotel market whilst the reconfiguration of the rooms will cater to the changing needs of its guests. With a competitive product, MOKL Hotel will be placed in good stead to compete with the next wave of competitors and when the luxury hospitality market gains momentum.

In the management services segment, KLCCUH expanded its client base to secure the provision of facilities management services for the Ministry of International Trade and Industry (MITI) building in Kuala Lumpur. This is KLCCUH's foray into managing a building outside the KLCC Group of Companies.

Enhancing Dynamic Culture and Capabilities

In our focus to sustain competitive edge and elevate the organisation's performance to the next level, we looked into having the right culture within the organisation to propel growth and elevate performance. KLCCP Stapled Group rolled out a cultural development programme for management and all our employees, adopting the PETRONAS Cultural Beliefs to instill a high performance culture in delivering results. We developed the KLCCP Stapled Group desired culture and embraced the principles in inculcating a culture of

accountability to drive result oriented performance through focused execution, aimed at encouraging synergistic collaboration and shared success within KLCCP Stapled Group. With our people being the cornerstone of KLCCP Stapled Group's achievements, we continued to invest in our employees and improve their Skill Group functional and technical competencies and leadership development to ensure a superior performance culture is continuously instilled. For 2016, we invested more than RM1.0 million on learning and development for our employees. With this culture shift, KLCCP Stapled Group remains committed in delivering growth and performance and ensuring results matter.

Sustainability presents one of the biggest opportunities for us to be a reliable partner in creating and delivering value to our stakeholders.

SUSTAINABILITY FOR LONG TERM GROWTH

KLCCP Stapled Group recognises that to create lasting value requires clear strategy and fundamentals to set the organisation in momentum to seize the opportunities and mitigate the risks along the way. Sustainability presents one of the biggest opportunities for us to be a reliable partner in creating and delivering value to our stakeholders.

CEO's Year in Review

During the year, KLCCP Stapled Group put in place a governance structure with the establishment of a Sustainability Steering Committee to manage the economic, environmental and social risks and opportunities within the organisation. A Sustainability Framework and a Sustainability Roadmap with targets, over a three year horizon were also developed to gear our people and further strengthen our sustainability culture journey.

Suria KLCC's successful collaboration with The National Autism Society of Malaysia (NASOM) saw the opening of an early intervention centre in Kerteh, Terengganu in May 2016. This centre enables parents with autistic kids from the East Coast of Malaysia to seek assistance from professionally trained teachers and care takers.

At the 8th International Conference on World Class Sustainable Cities, KLCC Park was voted the "The Best Public Space" in Kuala Lumpur, bringing our efforts in managing the park to fruition. This is part of our sustainable enhancement to the community, to be inherited by future citizens of the city.

Creating premium value through our engagement with our stakeholders also bore results when KLCCSS sustained momentum and continued to trade at a 17.1% premium from its net asset value. We received recognition from The Edge Billion Ringgit Club, Alpha Southeast Asia, Capital Finance International and The Asset for our excellence in Governance, CSR and Investor Relations Benchmarking, in our value add to the stakeholders.

Enriching the

RETA





CAPITAL MANAGEMENT

We have maintained a strong balance sheet which provides a conducive business environment for long term stability. The restructurings which we undertook for KLCC REIT, Suria KLCC and MOKL Hotel in 2014 and 2015 have put us in a favourable position to weather the challenges and take advantage of the opportunities in the debt market. Our capital position has remained strong with gearing at 20% and average cost of debt maintained at 4.5%, providing KLCCP Stapled Group a solid foundation and a sizeable debt headroom for future growth and stability. Suria KLCC's restructuring of its Sukuk Murabahah Programme with a combined limit of up to RM600 million retained its AAA rating following the review by RAM Ratings in 2016.

MOVING FORWARD

With external headwinds to remain dominant driving volatility in global markets given the uncertainty surrounding potential monetary and fiscal policies, Malaysia is expecting a mild pick-up in growth underpinned by the rebound in government consumption expenditure, sustained consumer spending growth momentum and roll-out of new major infrastructure and investment projects. In the MREITs sector, strong domestic liquidity seeking yields and continued cautious investing amidst the external headwinds is expected to drive the outperformance of this sector.

experience

Enhancing VALUE



CEO's Year in Review

Our office segment will be primarily anchored by its Triple Net Lease Agreements for the PETRONAS Twin Towers, Menara 3 PETRONAS and Menara Dayabumi. The secured new lease for Menara ExxonMobil post expiry in January 2017 will also provide continued stability in the office segment. As ExxonMobil Exploration & Production Malaysia Inc, the sole tenant of Menara ExxonMobil will be releasing 40% of the office space in Menara ExxonMobil, we anticipate some challenges during the transition period in minimising the downtime. Nevertheless, we have identified potential new tenants to take up the remaining said space to maintain the 100% occupancy of the building. Following the demolition of the City Point podium in 2015, Phase 3 refurbishment of Kompleks Dayabumi which entails the redevelopment of the City Point podium will see the completion of its substructure works. The office segment will also see the revision of rental rate for Menara Dayabumi in January 2017 and the full year impact of the additional office space into the Triple Net Lease Agreement for the same.

The retail segment is expected to remain stable as 2017 could potentially see an uplift in tenant sales on the back of higher tourist arrivals though rental reversions are expected to remain relatively soft. Suria KLCC will continue its tenant remixing exercises and complete the formation of the luxury men's and women's zone on level 1, in enhancing the customer shopping experience. The hospitality segment will continue to operate in a challenging environment though MOKL Hotel will position itself with its superior standards of service and the re-launch of the new phase of the Club Rooms and Suites as it comes on line by mid-2017.

Cost containment for greater cost efficiency and improved earnings, service level improvements and tenant satisfaction will continue to be core initiatives for longer term prospects. Although the prevailing challenging landscape is expected to continue in the year ahead, we remain steadfast to provide the holders of Stapled Securities with regular and stable distributions from sustainable organic and inorganic growth and extracting better yields from our current portfolio of assets.

IN APPRECIATION

I wish to express my deep gratitude to the Boards of Directors of KLCCP and KLCCRM for their invaluable contribution and continued guidance in the stewardship and business performance excellence of KLCCP Stapled Group. I would also like to extend my sincere appreciation to the holders of Stapled Securities for their continued loyalty, support and belief in KLCCP Stapled Group's commitment in creating long term growth and stakeholder value.

Our employees are our pillars of strength in the continued sustainability of our organisation. My utmost appreciation to you for your unparalleled commitment and hard work in sustaining results and achieving our commitment to the holders of Stapled Securities.

Our employees are our

pillars of strength

in the continued sustainability of our organisation



Datuk Hashim bin Wahir

Chief Executive Officer

Our Milestones

- KLCC Property Holdings Berhad listed on Bursa Malaysia.

2004

- KLCC Stapled Securities listed on Bursa Malaysia as the first ever Shariah Compliant Stapled REIT structure in Malaysia.

2013

- KLCC REIT included into the FTSE Bursa Malaysia KLCI & FTSE Global Equity Index Series.
- Established KLCC REIT and Suria KLCC Sukuk Murabahah Programme with combined limit of RM3 billion and RM600 million respectively, rated AAA by RAM Ratings.
- KLCC REIT awarded the BEST Islamic REIT Deal of the Year in Southeast Asia by Alpha Southeast Asia and Real Estate Deal and Country Deal of the Year (Malaysia) by Islamic Financial News.

2014



2016

- 1st Malaysian REIT included as a constituent of the FTSE4Good Emerging Index.
- KLCCP Stapled Group awarded the Best Shariah Compliant REIT – Malaysia by Capital Finance International.
- KLCC Parking Management Sdn Bhd attained the Integrated Management System certification – ISO 9001: 2015 (Quality Management System), ISO 14001: 2015 (Environmental Management System and OHSAS 18001: 2007 (Occupational Health and Safety Management System).
- KLCC Property Holdings Berhad awarded the Most Organised Investor Relations, Best Senior Management Investor Relations Support and Most Consistent Dividend Policy for Malaysia at the Southeast Asia's Institutional Investor-Corporate Awards 2016.

2015

- 1st Malaysian REIT included on FTSE4Good Bursa Malaysia Index.
- KLCC REIT awarded the Best REIT Sukuk by The Asset Asian Awards and RAM Ratings BluePrint Award (New Real Estate Benchmark Deal)
- Attained the Provisional Green Building Index (GBI) Certification under Gold Rating for PETRONAS Twin Towers and Silver Rating for Menara 3 PETRONAS

KLCCP Stapled Group

- **FTSE4Good Emerging Index**
 - A constituent of the FTSE4Good Emerging Index
- **Capital Finance International (CFI.CO) Awards 2016**
 - Best Shariah-Compliant REIT Malaysia 2016
- **National Corporate Report Awards (NACRA) 2016**
 - Certificate of Merit

KLCC Property Holdings Berhad

- **Southeast Asia's Institutional Investor-Corporate Awards 2016 (Malaysia)**
 - Most Organised Investor Relations
 - Best Senior Management Investor Relations Support
 - Most Consistent Dividend Policy
- **The Asset Corporate Awards 2016**
 - Excellence in Governance, CSR & Investor Relations Benchmarking (Gold Award)

KLCC REIT

- **The Edge Billion Ringgit Club Awards 2016**
 - Highest Return on Equity Over Three Years (REIT Category)

KLCC Parking Management Sdn Bhd

- **ISO 9001: 2015**
 - (Quality Management System)
- **ISO 14001: 2015**
 - (Environmental Management System)
- **OHSAS 18001: 2007**
 - (Occupational Health and Safety Management System)
- **Malaysian Occupational Safety and Health Practitioners' Association (MOSHPA), Occupational, Safety and Health (OSH) Excellence Awards 2016**
 - OSH Management on Parking Management Services (Gold Award)



Awards & REC

Mandarin Oriental, Kuala Lumpur

- **World Luxury Hotel Awards 2016**
– Best Hotel in Kuala Lumpur
- **Travel + Leisure’s World’s Best Awards 2016**
– No. 1 Hotel in Kuala Lumpur
- **The World’s Top 100 Hotels 2015/16**
– Awarded by Robb Report
- **Tripadvisor Certificate of Excellence**
– Mandarin Oriental, Kuala Lumpur
– Lai Po Heen
– Lounge on the Park
– Mandarin Grill and Bar
– Mosaic
- **ASEAN Green Hotel Award 2016 – 2018**
- **Destinasian Readers’ Choice Awards 2016**
– Best Hotel in Kuala Lumpur



FTSE4Good

Recognition



19 January

Suria KLCC's tallest Chinese lantern replica entered Malaysia Book of Records for being the tallest in Malaysia. The lantern stood at 72 feet tall and 40 feet wide. It was displayed at the Esplanade, KLCC Park in conjunction with the Chinese New Year celebration, creating a festive atmosphere around KLCC and also as an appreciation to our tenants and customers for their continuous support over the years.

25 February

The KLCC Group of Companies' GCEO Townhall was held with the theme "Ownership in Delivering Growth and Performance". The Group's achievements in 2015 and its aspirations were shared with employees and taking cue from the PETRONAS President's Townhall, KLCC Group was to embark on the journey for change through the implementation of the PETRONAS Cultural Beliefs, as part of business enhancement to further promote sustainable growth and performance.

26 March

More than 600 employees from across the Group attended the KLCC Wellness and Sports Carnival Day organised by the Human Resource Division and the KLCC Young Professional Executive Club (KLCC YPEXC). Held at the PETRONAS Learning Centre in Bangi, the event was aimed at creating awareness on the benefits of sports and wellness thus contributing towards a healthy personal development and organisation's growth and sustainability.



13 April

KLCC REIT 3rd Annual General Meeting (AGM) and KLCC Property Holdings Berhad 13th AGM was held at the Mandarin Oriental, Kuala Lumpur Hotel. The AGM is one of the communication platforms where we engage with our holders of Stapled Securities and obtain feedback on relevant issues that may have potential positive impact to business growth.



Event Highlights

Event Highlights



19 May

Suria KLCC in collaboration with the National Autistic Society of Malaysia (NASOM) set up an early intervention centre for autistic children in Kerteh, Terengganu, providing convenience to parents with autistic children from the East Coast to send them to the nearest centre. This symbolises Suria KLCC's long and fruitful relationship with NASOM and their continued commitment towards creating a lasting impact among the surrounding community.



17 June

KLCCP Stapled Group hosted a *Majlis Berbuka Puasa* for employees of the Group. The event was also attended by orphans from Pertubuhan Kebajikan Anak-Anak Yatim Ummi Selangor, providing KLCCP Stapled Group the opportunity to share the joy of Ramadhan with the less fortunate and inculcating the spirit of giving and sharing among employees.



2 June

The new covered walkway and the refurbished pedestrian tunnel connecting Kompleks Dayabumi to the National Mosque was officially launched and open to the public. The opening of the walkway and pedestrian tunnel provide a convenient building to building connectivity and a safer option to access nearby locations for visitors, tourists and the surrounding community while contributing towards the rejuvenation of the older city centre.

15 August

KLCCP Stapled Group awarded the "Highest Return on Equity over Three Years" (REIT Category) by The Edge Billion Ringgit Club Corporate Awards 2016. The Edge Billion Ringgit Club Corporate Awards is an annual event organised by *The Edge* newspaper to recognise Malaysia's best performing companies with a minimum market capitalisation of RM1.0 billion.



Event Highlights



16 August

The Human Resource (HR) Open Day was held to proactively and effectively engage with KLCC Group employees and provide them the opportunity to interact with relevant government and non-government agencies that offer services such as EPF syariah-scheme conversion, free health screenings and fitness challenges. This platform also allowed the HR Division to promote the Group's initiatives and interact with employees on a less formal setting.

30 August

Celebrating the 59th year of Independence, KLCCP Staped Group hosted the Merdeka celebration with the theme "Detik-Detik Kemerdekaan" at the Esplanade, KLCC Park. The event was the Group's way of sharing the nation's historical day, bringing together the people in a diverse and united atmosphere to celebrate the nation's independence.

1 September

KLCC Property Holdings Berhad received Malaysia's Most Organised Investor Relations, Best Senior Management Investor Relations Support and Most Consistent Dividend Policy awards at the 6th Annual Global Corporate-Institutional Investor Poll For Southeast Asia. The awards were based on tallied votes among 507 investors, pension funds, hedge funds, equity and fixed income brokers and analysts with investment interests in the Southeast Asia region.



8 September

KLCCP Staped Group's team joined 2,000 other runners from the participating public listed companies to "run for others" in the Bursa Malaysia's Bull Charge Run 2016 in support of its objective to raise funds for charitable organisations. KLCCP Staped Group continues to support its business associates, the local authorities and regulatory bodies through its participation in events and initiatives in contributing towards good causes.

Event Highlights

8 September

KLCC Park voted “The Best Public Space” at the 8th International Conference on World Class Sustainable Cities (WCSC) 2016 organised by a tripartite collaboration between the Real Estate Housing Developers’ Association (REHDA) Kuala Lumpur Branch, The Malaysian Institute of Planners (MIP) and the Institute of Architects Malaysia (PAM). The win reflects KLCCP Stapled Group’s efforts and commitment in providing a public space that caters to the needs of people from all walks of life and maintaining its popularity among city dwellers and tourists alike.



25 September

100 runners from KLCCP Stapled Group participated in the Orchid Fun Run & Ride organised by PETRONITA in collaboration with PETRONAS. Echoing the message of “going the distance together”, the event was held to promote a healthy lifestyle and to raise funds for the less fortunate. All funds raised were channeled to four charitable bodies identified by PETRONITA.



14 October

The KLCC Group Annual Dinner and Awards Night 2016 was held at the Kuala Lumpur Convention Centre in celebration and appreciation of employees’ contribution and long service as well as recognising business units who performed with excellence during the year. The event also provided an avenue for employees across the Group to interact with one another, promoting camaraderie and cohesiveness.



18 October

KLCCP Stapled Group hosted a visit to Petrosains and the PETRONAS Twin Towers for students from *Sekolah Bimbingan Jalanan Kasih* (SBJK) Chow Kit in collaboration with Petrosains. The children had an exciting session at the science workshop and a thrilling time visiting the towers and exploring the Petrosains’ exhibits. Targeting a deserving school and underprivileged children for this programme was one of the Group’s efforts in creating awareness among students on the importance of education, emphasising the learning of science in a fun and interactive way.



Event Highlights

9 November

KLCC Parking Management Sdn Bhd (KPM) received certifications under ISO 9001:2015 for Quality Management System, ISO 14001:2015 for Environmental Management System and OHSAS 18001:2007 for Occupational Health and Safety Management System. This achievement underlines KLCCP Stapled Group's continued determination and commitment in delivering quality services to customers as pledged under the Group's quality management system focusing on leadership and quality commitments.



25 November

It was a fun and memorable outing and learning experience for 40 *Orang Asli* students of Sekolah Kebangsaan Bukit Lanjan when they were treated for a half day visit to the PETRONAS Twin Towers and Petrosains. This was one of KLCCP Stapled Group's Corporate Social Responsibility (CSR) programmes focusing on education and addressing the needs of underprivileged children.



26 November

KLCCP Stapled Group's CSR program, Envirocomm 2016 was successfully held at the Endau-Rompin (PETA) Johor National Park focusing on the elements of environmental conservation while supporting the local communities. The programme was organised with the aim of connecting with nature and to create awareness on the importance of conserving nature through outdoor activities such as jungle trekking and water tubing. The highlight of Envirocomm 2016 was the planting of 20 fruit trees at the *Orang Asli* village school.



19 November

KPM was recipient of the Gold Award in OSH Management on Parking Management Services at the MOSHPA OSH Excellence Award 2016. The award is testimony to KPM's commendable achievement in occupational, health and safety management in its car park operations.



Event Highlights



1 December

KLCC Property Holdings Berhad (KLCCP) and KLCC Real Estate Investment Trust (KLCC REIT) were awarded the Certificate of Merit at the National Annual Corporate Report Awards (NACRA) 2016 in recognition of the company's Annual Report having qualified for the final of NACRA 2016. The award is an inspiration for the Group to continue to enhance its reporting and transparency, adding value to the Group and meeting stakeholders' expectations.



11 December

The annual Mandarin Oriental Charity Run 2016 was held at the Taman Botani Kepong, Forest Research Institute, Malaysia (FRIM) in support of the World Wildlife Federation (WWF-Malaysia). About 700 employees and members of the public participated in the run. The run was also part of the hotel's initiatives to raise funds and create awareness on the importance of environment conservation among employees and the community. All funds collected were donated to WWF-Malaysia to support its conservation efforts.



3 December

The KLCC YPEXC Walk A Hunt hosted by the KLCC Young Professional Executive Club was held with the aim of enhancing social interaction among employees and encourage knowledge exploration through the designated mission and tasks. The Hunt was also a platform to revitalize employees' understanding of the Group's Shared Values and the principles of PETRONAS Cultural Belief while raising funds for future CSR activities.



31 December

KLCCP Stapled Group hosted the New Year Countdown event at the Esplanade, KLCC Park themed "Our Story... Our Journey... Its Magical". The event was part of the Group's efforts in showcasing KLCC as a vibrant and exciting venue complementing other attractions within the KLCC Precinct and at the same time promoting harmony and solidarity among the people of this nation.



Meeting

EXPEC

We are focused on meeting customers' expectations through continuous strategic asset re-positioning and differentiation in services to compete on our potential and quality. Sustaining competitive advantage.



KLCCP and KLCC REIT

Board of DIRECTORS



**KLCC PROPERTY HOLDINGS BERHAD
KLCC REIT MANAGEMENT SDN. BHD.**

Sitting from left to right:
Mr. Krishnan C K Menon, Datuk Hashim Bin Wahir

Standing from left to right:
Datuk Ishak Bin Imam Abas, Datuk Pragasa Moorthi A/L Krishnasamy, Mr. Augustus Ralph Marshall, Dato' Halipah Binti Esa,
Datuk Manharlal A/L Ratilal, Cik Habibah Binti Abdul, Mr. Yeap Kok Leong (*Company Secretary*),
En. Abd Aziz Bin Abd Kadir (*Company Secretary*)



Profile of Directors



Krishnan C K Menon

Aged 67, Male, Malaysian

INDEPENDENT NON-EXECUTIVE
DIRECTOR/CHAIRMAN

Krishnan C K Menon was appointed to the Board and Chairman of KLCC Property Holdings Berhad (“KLCCP”) on 25 October 2010.

He was also appointed as Independent Non-Executive Director and Chairman of KLCC REIT Management Sdn Bhd (the Manager of KLCC Real Estate Investment Trust (“KLCC REIT”)) on 5 December 2012.

He is a Fellow of the Institute of Chartered Accountants in England and Wales, a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.

He spent 13 years in public practice with Hanafiah Raslan & Mohamad, 7 years of which he served as a partner. He then joined Public Bank Berhad as General Manager and was subsequently promoted to Executive Vice President. After serving 2 public listed companies, he joined Putrajaya Holdings Sdn Bhd as Chief Operating Officer in 1997 for 3 years before leaving the company in 2000.

Currently, Mr. Menon sits on the boards of Petroliam Nasional Berhad, Scicom (MSC) Berhad, Econpile Holdings Berhad and KLCC (Holdings) Sdn Bhd.

Profile of Directors



Datuk Hashim bin Wahir

Aged 59, Male, Malaysian

CHIEF EXECUTIVE OFFICER

Datuk Hashim bin Wahir was appointed to the Board of KLCC Property Holdings Berhad ("KLCCP") on 1 November 2007 and designated as the Chief Executive Officer.

He was also appointed to the Board of KLCC REIT Management Sdn Bhd (the Manager of KLCC Real Estate Investment Trust ("KLCC REIT")) on 5 December 2012 and designated as Chief Executive Officer. He is also a Director of Midciti Sukuk Berhad.

He graduated from Universiti Teknologi Malaysia with a Bachelor of Engineering (Hons) in Mechanical Engineering. He also attended Executive Development Programmes at Ashridge Management College, United Kingdom and Johnson School of Management, Cornell University, USA in 1993 and 1998, respectively.

Datuk Hashim joined PETRONAS on 16 June 1981 after graduating from Universiti Teknologi Malaysia. Whilst in PETRONAS, he undertook various assignments within the PETRONAS group including exploration and production ("E&P") operations, international E&P and gas asset acquisitions, group strategic planning and corporate development. He also held various senior management positions in PETRONAS such as Senior

Manager, Petroleum Engineering Department of Petronas Carigali Sdn Bhd ("PCSB") from 1995 until 1999, General Manager of Chad/Cameroon JV Project, PCSB from 1999 until 2000, and General Manager of Group Planning & Resource Allocation, PETRONAS from 2000 until 2004. He was appointed as the Chairman for the PETRONAS group of companies in the Republic of Sudan until November 2007.

Datuk Hashim is presently a Director and the Group Chief Executive Officer of KLCC (Holdings) Sdn Bhd ("KLCC"). He also sits on the board of Kuala Lumpur City Park Berhad and PETRONAS Hartabina Sdn Bhd.

His other directorships include KLCC's subsidiaries and associate companies, and subsidiaries of KLCCP.

Profile of Directors



Datuk Manharlal a/l Ratilal

(also known as Datuk George Ratilal)

Aged 57, Male, Malaysian

NON-INDEPENDENT
NON-EXECUTIVE DIRECTOR

Datuk George was appointed to the Board of Directors of KLCC Property Holdings Berhad (“KLCCP”) on 16 June 2004, a member of Audit Committee of KLCCP on 9 July 2004 and a member of the Nomination and Remuneration Committee of KLCCP on 21 August 2013.

He was also appointed as Non-Independent Non-Executive Director of KLCC REIT Management Sdn Bhd (the Manager of KLCC Real Estate Investment Trust (“KLCC REIT”)) (“Manager”) on 5 December 2012. He was appointed as a member of the Audit Committee and Nomination and Remuneration Committee of the Manager on 12 December 2012 and 21 August 2013 respectively.

He obtained Bachelor of Arts (Honours) in Accountancy from Birmingham City University, United Kingdom in 1982 and Master in Business Administration from the University of Aston in Birmingham, United Kingdom in 1984.

Datuk George is Executive Vice President & Group Chief Financial Officer of PETRONAS, and a member of its Board and Executive Leadership Team.

Prior to joining PETRONAS in 2003, he was attached with a local investment bank for 18 years, concentrating on corporate finance where he was involved in advisory work in mergers and acquisitions, equity and debt capital markets. From 1997 to 2002, he served as Managing Director of the investment bank.

He also sits on the boards of KLCC Holdings Sdn Bhd, Cagamas Holdings Berhad, MISC Berhad and other subsidiaries of PETRONAS.

Profile of Directors



Datuk Ishak bin Imam Abas

Aged 71, Male, Malaysian

NON-INDEPENDENT
NON-EXECUTIVE DIRECTOR

Datuk Ishak bin Imam Abas was appointed to the Board of KLCC Property Holdings Berhad (“KLCCP”) on 7 February 2004 and designated as the Chief Executive Officer until his retirement on 1 April 2007 when he was redesignated as Non-Independent Non-Executive Director.

He was also appointed as Non-Independent Non-Executive Director of KLCC REIT Management Sdn Bhd (the Manager of KLCC Real Estate Investment Trust (“KLCC REIT”)) on 5 December 2012.

Datuk Ishak is a Fellow Member of the Chartered Institute of Management Accountants (CIMA) and a member of the Malaysian Institute of Accountants (MIA).

Prior to joining PETRONAS in 1981, he worked as, amongst others, Finance Director of Pfizer (M) Sdn Bhd, Bursar of the University Kebangsaan Malaysia, Finance Director of Western Digital (M) Sdn Bhd and as an accountant in PERNAS International Holding Bhd. He joined PETRONAS in April 1981 and held various senior positions including

Deputy General Manager Commercial of PETRONAS Dagangan Berhad, Senior General Manager (Finance) of PETRONAS, Vice-President (Finance) of PETRONAS, and Senior Vice-President of PETRONAS. He was also a board member of PETRONAS and several of its subsidiaries.

Currently, Datuk Ishak is a Non-Executive and Independent Director on the boards of Deleum Berhad, Standard Chartered Bank Malaysia Berhad, Standard Chartered Saadiq Berhad and Integrated Petroleum Services Sdn Bhd.

He is a Non-Executive Chairman of Putrajaya Holdings Sdn Bhd and a Non-Executive Director of Kuala Lumpur City Park Berhad, both of which are members of the PETRONAS group.

Profile of Directors



Augustus Ralph Marshall

Aged 65, Male, Malaysian

INDEPENDENT
NON-EXECUTIVE DIRECTOR

Augustus Ralph Marshall was appointed as a Board member of KLCC Property Holdings Berhad (“KLCCP”) and also as the Chairman of the Audit Committee of KLCCP on 1 September 2005.

He was appointed as Independent Non-Executive Director of KLCC REIT Management Sdn Bhd (the Manager of KLCC Real Estate Investment Trust (“KLCC REIT”)) (“Manager”) on 5 December 2012. He was also appointed as the Chairman of the Audit Committee of the Manager on 12 December 2012.

He has more than 30 years of experience in financial and general management. He sits on the Board of Astro Malaysia Holdings Berhad, a company listed on Bursa Malaysia Securities Berhad as a Non-Executive Deputy Chairman and also serves as a Non-Executive Director of Johnston Press plc, a company listed on the London Stock Exchange plc.

He is an Associate of the Institute of Chartered Accountants in England and Wales and a member of the Malaysian Institute of Certified Public Accountants.

Profile of Directors



Dato' Halipah binti Esa

Aged 67, Female, Malaysian

INDEPENDENT
NON-EXECUTIVE DIRECTOR

Dato' Halipah binti Esa was appointed to the Board of KLCC Property Holdings Berhad ("KLCCP") and as member of the Audit Committee of KLCCP on 1 March 2007. The Board had on 21 August 2013 appointed her as the Chairperson of the Nomination and Remuneration Committee of KLCCP.

She was also appointed as Independent Non-Executive Director of KLCC REIT Management Sdn Bhd (the Manager of KLCC Real Estate Investment Trust ("KLCC REIT")) ("the Manager") on 5 December 2012. She was also appointed as a member of the Audit Committee and the Chairperson of Nomination and

Remuneration Committee of the Manager on 12 December 2012 and 21 August 2013 respectively.

Dato' Halipah received her Bachelor of Arts (Honours) in Economics and a Master of Economics from the University of Malaya. She also holds a Certificate in Economic Management from the IMF Institute, Washington and the Kiel Institute for World Economics, Germany as well as a Certificate in Advanced Management Programme from Adam Smith Institute, London.

She started her career with the Administrative and Diplomatic Services in 1973 in the Economic Planning Unit ("EPU") of the Prime Minister's Department. During her tenure in EPU, she served in various capacities in the areas of infrastructure, water supply, energy, health, housing, telecommunications, urban services, human resource development, macro economy, international economy, environment, regional development and

distribution. She held various senior positions in the EPU and retired as the Director General in 2006. She had also served in the Ministry of Finance as Deputy Secretary General.

She was previously Chairman of Pengurusan Aset Air Berhad and had also served on the boards of PETRONAS, Employees Provident Fund (EPF), Inland Revenue Board (IRB), Bank Pertanian, Federal Land Development Authority and UDA Holdings Berhad. She was a consultant to the World Bank and United Nations Development Programme (UNDP) in advising the Royal Kingdom of Saudi Arabia on economic planning, and had also provided technical advice to planning agencies in Vietnam, Cambodia, Indonesia and several African countries.

Currently, she serves on the boards of MISC Berhad, Malaysia Marine and Heavy Engineering Holdings Berhad, S P Setia Berhad, Cagamas Berhad and Securities Industry Dispute Resolution Centre.

Profile of Directors



Datuk Pragasa Moorthi a/l Krishnasamy

Aged 70, Male, Malaysian

NON-INDEPENDENT
NON-EXECUTIVE DIRECTOR

Datuk Pragasa Moorthi A/L Krishnasamy was appointed to the Board of KLCC Property Holdings Berhad ("KLCCP") on 9 September 2004.

He was also appointed as Independent Non-Executive Director of KLCC REIT Management Sdn Bhd (the Manager of KLCC Real Estate Investment Trust

("KLCC REIT")) ("Manager") on 5 December 2012.

On 26 January 2015, Datuk Pragasa was re-designated as Non-Independent Non-Executive Director of KLCCP and the Manager.

He graduated as a Quantity Surveyor from Curtin University, West Australia. He worked as a Project Quantity Surveyor for a number of projects in Perth, West Australia from 1971 to 1976. He was then appointed as General Manager/Director of Safuan Group Sdn Bhd from 1977 to 1981 and subsequently, as a Project Director of Sepang Development Sdn Bhd from

1981 to 1983 before he was engaged as a Project Director with WTW Consultant Sdn Bhd.

He joined KLCC Projeks Sdn Bhd in March 1993 as General Manager, a position which he held for 4 years overseeing the management of design, construction and completion of the various building in KLCC such as the PETRONAS Twin Towers, Menara Maxis and Menara ExxonMobil. Subsequently, he was appointed Managing Director of KLCC Projeks Sdn Bhd for another 4 years.

Presently, Datuk Pragasa sits on the board of United Contract Management Sdn Bhd, a private limited company incorporated in Malaysia.

Profile of Directors



Habibah binti Abdul

Aged 61, Female, Malaysian

INDEPENDENT
NON-EXECUTIVE DIRECTOR

Habibah binti Abdul was appointed as a Board member of KLCC Property Holdings Berhad ("KLCCP") and also as a member of Audit Committee of KLCCP on 26 June 2013. The Board had, on 21 August 2013, appointed her as a member of the Nomination and Remuneration Committee of KLCCP.

She was also appointed as an Independent Non-Executive Director of KLCC REIT Management Sdn Bhd (the Manager of KLCC Real Estate Investment Trust ("KLCC REIT")) ("Manager") on 26 June 2013. Subsequently, she was appointed as a

member of the Audit Committee and Nomination and Remuneration Committee of the Manager on 26 June 2013 and 21 August 2013 respectively.

She graduated from University of Malaya with a Bachelor of Economics (Accounting). She is a Member of the Institute of Chartered Accountants of England and Wales and a Member of Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants.

She has about 34 years of experience in providing audit and business advisory services to large public listed, multinational and local corporations. She was a former member of the Securities Commission from 1999 to 2002.

Presently, Cik Habibah sits on the board of PETRONAS Gas Berhad.

None of the Directors have:

- (i) Any family relationship with any Directors of KLCCP, KLCC REIT and/or major Stapled Securities holders of KLCCP and KLCC REIT;
- (ii) Any conflict of interest with KLCCP and KLCC REIT; and
- (iii) Any conviction for offences (other than traffic offences), public sanction or received any penalty imposed by the relevant regulatory bodies inside or outside Malaysia within the past 5 years.

Management Team

KLCC PRO P ERTY

HOLDINGS BERHAD



from left:

Ishak Bin Yahaya (Security Advisor, KLCC Property Holdings Berhad), **Burhanuddin Bin Yahya** (Head, KLCC Parking Management Sdn. Bhd.), **Ho Mei Ling** (Head Department, Group Enterprise Risk Management, KLCC Property Holdings Berhad), **Frank Peter Stoczek** (General Manager, Mandarin Oriental, Kuala Lumpur), **Datin Faudziah Binti Ibrahim** (Head, Development Division, KLCC Property Holdings Berhad), **Datuk Hashim Bin Wahir** (Chief Executive Officer, KLCC Property Holdings Berhad)



Annuar Marzuki Bin Abdul Aziz (Chief Financial Officer/Chief Investment Officer, KLCC Property Holdings Berhad), **Andrew William Brien** (Executive Director/Chief Executive Officer, Suria KLCC Sdn. Bhd.), **Shamsudin Bin Ishak** (Head, KLCC Urusharta Sdn. Bhd.), **Sulaiman Bin Ab Hamid** (Head, Human Resource Division, KLCC Property Holdings Berhad), **Abd Aziz Bin Abd Kadir** (Company Secretary/Head, Legal & Corporate Services Division, KLCC Property Holdings Berhad)

Management Team

KLCC REIT MANAGEMENT SDN BHD



from left:

Datin Sr. Faudziah Binti Ibrahim (Head of Leasing/Asset Manager, KLCC REIT Management Sdn Bhd), **Datuk Hashim Bin Wahir** (Chief Executive Officer, KLCC REIT Management Sdn Bhd), **Annuar Marzuki Bin Abdul Aziz** (Head of Investment/Head of Finance, KLCC REIT Management Sdn Bhd), **Abd Aziz Bin Abd Kadir** (Head of Legal & Compliance, KLCC REIT Management Sdn Bhd)

Profile of Management Teams

Datuk Hashim Bin Wahir

CHIEF EXECUTIVE OFFICER

KLCC PROPERTY HOLDINGS BERHAD
KLCC REIT MANAGEMENT SDN BHD

Aged 59, Male, Malaysian

Datuk Hashim bin Wahir was appointed as the Chief Executive Officer and a Director of KLCC Property Holdings Berhad ("KLCCP") on 1 November 2007.

He was also appointed to the Board of KLCC REIT Management Sdn Bhd (the Manager of KLCC Real Estate Investment Trust ("KLCC REIT")) on 5 December 2012 and designated as Chief Executive Officer. He is also a Director of Midciti Sukuk Berhad.

He graduated from Universiti Teknologi Malaysia with a Bachelor of Engineering (Hons) in Mechanical Engineering. He also attended Executive Development Programmes at Ashridge Management College, United Kingdom and Johnson School of Management, Cornell University, USA in 1993 and 1998, respectively.

Datuk Hashim joined PETRONAS on 16 June 1981 after graduating from Universiti Teknologi Malaysia. Whilst in PETRONAS, he undertook various assignments within the PETRONAS group including exploration and production ("E&P") operations, international E&P and gas asset acquisitions, group strategic planning and corporate development. He also held various senior management positions in PETRONAS such as Senior Manager, Petroleum Engineering Department of Petronas Carigali Sdn Bhd ("PCSB") from 1995 until 1999, General Manager of Chad/Cameroon JV Project, PCSB from 1999 until 2000, and General Manager of Group Planning & Resource Allocation, PETRONAS from 2000 until 2004. He was appointed as the Chairman for the PETRONAS group of companies in the Republic of Sudan until November 2007.

Datuk Hashim is presently a Director and the Group Chief Executive Officer of KLCC (Holdings) Sdn Bhd ("KLCCH"). He also sits on the board of Kuala Lumpur City Park Berhad and PETRONAS Hartabina Sdn Bhd.

His other directorships include KLCCH's subsidiaries and associate companies, and subsidiaries of KLCCP.

Annuar Marzuki Bin Abdul Aziz

CHIEF FINANCIAL OFFICER/CHIEF INVESTMENT OFFICER

KLCC PROPERTY HOLDINGS BERHAD

HEAD OF INVESTMENT/HEAD OF FINANCE

KLCC REIT MANAGEMENT SDN BHD

Aged 46, Male, Malaysian

Annuar Marzuki bin Abdul Aziz was appointed as Chief Financial Officer/Chief Investment Officer of KLCC Property Holdings Berhad ("KLCCP") on 16 December 2013. He was also appointed as the Head of Finance/Head of Investment for KLCC REIT Management Sdn Bhd on 16 December 2013.

He is a Fellow of Certified Practising Accountants, Australia (CPA Australia). He graduated from International Islamic University Malaysia, with Bachelor in Accounting (Hons.) and obtained Masters in Business Administration (Finance) from the same institution.

Encik Annuar Marzuki started his career in the Audit & Business Advisory Services Division of the then Pricewaterhouse, Malaysia. He has more than 20 years' experience covering audit, accounting, treasury, corporate finance, procurement, mergers and acquisition, investor relations and general management with a number of conglomerates namely UMW Corporation Sdn Bhd, Renong Berhad (now known as UEM Sunrise Berhad), Commerce International Merchant Bankers Berhad (now known as CIMB Investment Bank Berhad) and UEM Group Berhad. He was appointed as the Head of Corporate Finance of Renong Berhad in 2001 and the General Manager of Office of the Chief Executive Officer, UEM Group Berhad in 2004. He was appointed as the Chief Financial Officer of PLUS Expressways Berhad in 2006 and as the Group Chief Financial Officer of UEM Group Berhad in 2009 before assuming his current role.

Presently, Encik Annuar Marzuki sits on the boards of several subsidiaries of KLCCP.

Profile of Management Teams

Abd Aziz Bin Abd Kadir

HEAD, LEGAL & CORPORATE SERVICES DIVISION

KLCC PROPERTY HOLDINGS BERHAD

HEAD OF LEGAL & COMPLIANCE

KLCC REIT MANAGEMENT SDN BHD

Aged 52, Male, Malaysian

Abd Aziz bin Abd Kadir was appointed as the Head of Legal & Corporate Services Division, KLCC Property Holdings Berhad ("KLCCP") on 1 October 2009. He was also appointed as the Head of Legal & Compliance, KLCC REIT Management Sdn Bhd on 5 December 2012. Currently, he is the Company Secretary for both companies.

He graduated with a LLB (Honours) from International Islamic University Malaysia. He joined PETRONAS in July 1991 and had held various legal positions within the PETRONAS Group. Prior to his current role, he was the General Manager of Legal and Corporate Secretarial Affairs Division at MISC Berhad.

Presently, Encik Abd Aziz sits on the boards of several subsidiaries of KLCCP and Kuala Lumpur City Park Berhad.

Datin Sr. Faudziah Binti Ibrahim

HEAD, DEVELOPMENT DIVISION

KLCC PROPERTY HOLDINGS BERHAD

HEAD OF LEASING/ASSET MANAGER

KLCC REIT MANAGEMENT SDN BHD

Aged 53, Female, Malaysian

Datin Sr. Faudziah binti Ibrahim was appointed as the Head of Development Division for KLCC Property Holdings Berhad on 1 January 2012. She was also appointed as the Head of Leasing/Asset Manager for KLCC REIT Management Sdn Bhd on 5 December 2012.

She holds a Diploma in Public Venue Management, Institute of Public Venue Management Australia. She obtained both her Bachelor of Science (Honours) in Estate Management and Masters of Science in Construction Management (majoring Project Management) from Heriot-Watt University, Edinburgh, Scotland, and Diploma in Estate Management, Institute Teknologi MARA (now UiTM) in 1984.

She is a Registered Valuer and Registered Estate Agent with the Board of Valuers, Estate Agents and Appraisers Malaysia since 1998, a member of the Royal Institute of Surveyors Malaysia since 1998 and a Fellow since 2014 and a member of Royal Institute of Chartered Surveyors United Kingdom since 2010.

Datin Sr. Faudziah was an Assistant Director, Project Coordination Unit at Kuala Lumpur City Hall from 1988 and Senior Lecturer/Head of Department of Urban Estate Management, Northern Consortium United Kingdom/ITM from 1988 until 1994 and later was a valuer at Rahim & Co, Chartered Surveyors, Kuala Lumpur.

Subsequently, she joined KLCC (Holdings) Sdn Bhd on 13 November 1995 and held various positions with main responsibilities in the Development and Commercial Leasing of KLCC Development before appointed to her current role on 1 January 2012.

Presently, Datin Sr. Faudziah sits on the board of Kuala Lumpur City Park Berhad.

Profile of Management Teams

Sulaiman Bin Ab Hamid

HEAD, HUMAN RESOURCE DIVISION

KLCC PROPERTY HOLDINGS BERHAD

Aged 41, Male, Malaysian

Sulaiman bin Ab Hamid was appointed as the Head of Human Resource Division, KLCC Property Holdings Berhad on 1 January 2015.

He obtained an MBA Degree in Strategic Management from Maastricht School of Management, Netherland, and holds a Bachelor of Science in Business Administration (Major in Accounting & Management Information System) from Northeastern University in Boston, Massachusetts, USA.

Encik Sulaiman started his career as an Accountant at the Hartford Financial Insurance Services in Boston, Massachusetts, USA, and later as a Senior Accountant at AIG Group, Boston. He moved to Fugro-Jason, Abu Dhabi, United Arab Emirates, as a Regional Controller for Middle East and, subsequently, joined Scomi Group Berhad as the Senior Finance Manager. Prior to his current role, he was the Head of Department of Business Performance, KLCC (Holdings) Sdn Bhd.

Ishak Bin Yahaya

SECURITY ADVISOR

KLCC PROPERTY HOLDINGS BERHAD

Aged 66, Male, Malaysian

Ishak bin Yahaya was appointed as the Security Advisor to KLCC Property Holdings Berhad effective 2 January 2008. Prior to this appointment, he was the General Manager of PETRONAS Corporate Security Division.

He is a retired senior police officer of the Royal Malaysia Police who started his career as an infantry officer in the Regiment of VAT69, a commando unit specialises in Counter Terrorist operation. He was trained by the British SAS and involved in combating the communist insurgency in the country.

He has served in various duties and functions in the Royal Malaysia Police before assuming the duties of General Manager of PETRONAS Corporate Security Division.

Ho Mei Ling

HEAD DEPARTMENT,
GROUP ENTERPRISE RISK MANAGEMENT

KLCC PROPERTY HOLDINGS BERHAD

Aged 53, Female, Malaysian

Ho Mei Ling was appointed as the Head of Department for Group Enterprise Risk Management, KLCC Property Holdings Berhad on 28 October 2013.

She holds a Bachelor of Arts (Honours) from York University, Toronto, Canada.

Ho Mei Ling was the Manager of Corporate Recovery at Ernst & Young before joining Putrajaya Holdings Sdn Bhd as a Manager for Business Planning. Throughout the ensuing years, she has assumed various roles in Business Monitoring, Corporate Affairs and Cost Residential & Commercial. Prior to her current role, she was the Head of Customer Relationship Management at Putrajaya Holdings Sdn Bhd.

Profile of Management Teams

Andrew William Brien

EXECUTIVE DIRECTOR/CHIEF EXECUTIVE OFFICER

SURIA KLCC SDN BHD

Aged 53, Male, Australian

Andrew William Brien was appointed as the Chief Executive Officer and later as an Executive Director of Suria KLCC Sdn Bhd on 1 January 2007 and 1 January 2015, respectively.

Mr. Brien holds Bachelor of Commerce, Management Studies (Marketing/Accounting) from University of Wollongong, Australia completed in 1986. He attended and completed Stanford Executive Programme, Stanford University, USA in 2013.

Mr. Brien has 6 years sales and marketing experience with Colgate Palmolive Pty Ltd, Australia in both regional and national roles. His real estate experience spans 24 years' in the disciplines of management, leasing, marketing and development of retail assets commencing with Lend Lease Corporation Ltd, Australia in 1992 and continuing with Westfield Limited, Australia. Mr. Brien was seconded to Suria KLCC Sdn Bhd in 2003 pursuant to the advisory agreement entered into between Suria KLCC Sdn Bhd and Westfield Shopping Centre Management Co. Pty. Ltd. of Australia. In 2006 his secondment concluded with his CEO appointment.

Frank Peter Stocek

GENERAL MANAGER

MANDARIN ORIENTAL, KUALA LUMPUR

Aged 57, Male, Canadian

Frank Peter Stocek, was appointed as the General Manager of Mandarin Oriental Kuala Lumpur on 1 January 2012.

He obtained his First Year Executive MBA Programme at Royal Melbourne Institute of Technology, Australia, in 2001 and have graduated with honours in Hotel and Restaurant Management Programme from British Columbia Institute of Technology, Burnaby, British Columbia, Canada, where he received 2 INSFA Awards for outstanding achievement.

Frank started his career with Mandarin Oriental Hotel, Vancouver, British Columbia, Canada in 1983 and was then appointed as an Assistant Food and Beverage Manager, Mandarin Oriental Hotel, Jakarta, Indonesia, before moving to The Excelsior Hong Kong (a Mandarin Oriental Hotel). He was promoted as the Food and Beverage Manager at The Excelsior Hong Kong and later appointed as the Resident Manager.

Mr. Stocek was the General Manager at Hotel Majapahit, Mandarin Oriental of Surabaya, Indonesia and continued with the same position at Mandarin Oriental Hotel Group, Hong Kong and Macau. Prior to his current role, he was the General Manager at Elbow Beach Bermuda (a Mandarin Oriental Hotel).

Profile of Management Teams

Shamsudin Bin Ishak

HEAD

KLCC URUSHARTA SDN BHD

Aged 60, Male, Malaysian

Shamsudin bin Ishak was appointed as the Head of KLCC Urusharta Sdn Bhd on 1 April 2010.

He holds a Bachelor of Science (Honours) in Mechanical Engineering from University College of Swansea, Wales.

Encik Shamsudin started his career as a Research Officer at Standard and Industrial Research Institute of Malaysia (SIRIM) in 1981 before joining the Malaysian Armed Forces (Royal Engineering Corp) and retired as a Major from the service. He started his civilian work as an Assistant Manager at Tooltronic Sdn Bhd and later as an Operation Manager at Subang Jaya Medical Centre. He joined KLCC Projekts Sdn Bhd in 1993 and was appointed as the General Manager of KLCC Projekts Sdn Bhd in 2000. In 2004, he was appointed as the General Manager of KLCC Urusharta Sdn Bhd and later became the Head of KLCC Urusharta Sdn Bhd in 2010. At the same time, he was also appointed as the Head of KLCC Parking Management Sdn Bhd until 2012.

Presently, Encik Shamsudin sits on the boards of several subsidiaries of KLCCP.

Burhanuddin Bin Yahya

HEAD

KLCC PARKING MANAGEMENT SDN BHD

Aged 57, Male, Malaysian

Burhanuddin bin Yahya was appointed as the Head of KLCC Parking Management Sdn Bhd on 1 May 2013.

He holds a Bachelor of Science in Quantity Surveying from Council of National Academic Award (CNAA), Dundee University, Scotland.

Encik Burhanuddin joined KLCC Property Holdings Berhad in 1991 as a Cost Manager for PETRONAS Twin Towers project. Prior to his current role, he was the Head of Department for TCD, Procurement for Technical Services and Intra & Pre Development (Planning) at Putrajaya Holdings Sdn Bhd.

None of the Key Senior Management have:

- (i) Any family relationship with any Directors of KLCCP, KLCC REIT and/or major Stapled Securities holders of KLCCP and KLCC REIT;
- (ii) Any conflict of interest with KLCCP and KLCC REIT; and
- (iii) Any conviction for offences (other than traffic offences), public sanction or received any penalty imposed by the relevant regulatory bodies inside or outside Malaysia within the past 5 years.

CREATING VALUE THROUGH OUR BUSINESS MODEL

OUR BUSINESS



OUR STRATEGIC PLAY



OUR COMMITMENT AND FOCUS

Own

Own strategic-located investments – quality portfolio of office, retail and hotel

Develop/Invest

Develop own lands or invest strategically to ensure growth and long-term capital appreciation

Manage

Manage assets and invest capital to preserve asset quality for long term prospects and operational efficiency

Connect/Collaborate

Active engagements with key stakeholders in mitigating risks and creating socio-economic value creation

Active Asset Management

Optimise rental, occupancy rates and Net Lettable Area (NLA) of properties to improve returns from property portfolio

Acquisition Growth

Acquire property that fit the investment strategy and criteria to enhance returns to holders of Stapled Securities and capitalise on opportunities for future income and Net Asset Value growth

- Growth from in-built pipeline
- Inorganic Growth from Right of First Refusal and third party acquisition



CORPORATE GOVERNANCE

Upholding transparency in our actions and disclosures, ensuring high standards of governance, business ethics and integrity in our operations



ENVIRONMENTAL STEWARDSHIP

Striving for improved environmental practices and operational sustainability



SECURITY, SAFETY AND HEALTH

Protecting our assets, operating reliably, effectively and efficiently across the Health, Safety & Environment social spheres



OUR PEOPLE

Nurturing a diverse and talented workforce to drive business growth strategies



RELIABLE PARTNER

Strengthening financial position, business competitiveness and spurring socio-economic growth



Underpinned by KLCCP Stapled Group Shared Values



Business Model

WE AIM TO DELIVER



VALUE TO OUR STAKEHOLDERS



OUR ACHIEVEMENT IN 2016



Sustainable Growth



Economic

- Growing distribution per stapled security in delivering stable and sustainable returns

- Increased full year distribution per stapled security by 2.9% and net asset value per stapled security by 2.0%

Highest Return Over Three Years (REIT category) by Edge Billion Ringgit Club

Most Consistent Dividend Policy by Alpha Southeast Asia



Prudent Cost Management



Environment

- Minimise impact of our business on the environment
- Green excellence in our properties

- Reduced energy consumption by 3.2%
- Reduced water consumption by 4.3%
- Implementation of energy efficient features and equipment in PETRONAS Twin Towers and Menara 3 PETRONAS towards achieving full certification of Green Building Index by 2018



Efficient Asset Management



Social

- Re-positioning and asset enhancements, creating differentiation in products and service excellence
- Reward and invest in developing and retaining our people

- Conversion of atrium spaces into additional office spaces, increasing NLA at Menara Dayabumi
- Revitalised retail environment at Suria KLCC, offering 24 new brands and dedicated men's luxury precinct
- Committed RM1.2 million towards maintenance of pedestrian walkways and KLCC Park, benefiting Kuala Lumpur city
- Invested RM0.8 million in employee training and development



Service Level Improvements



Innovative • Cohesiveness • Loyalty • Integrity • Professionalism

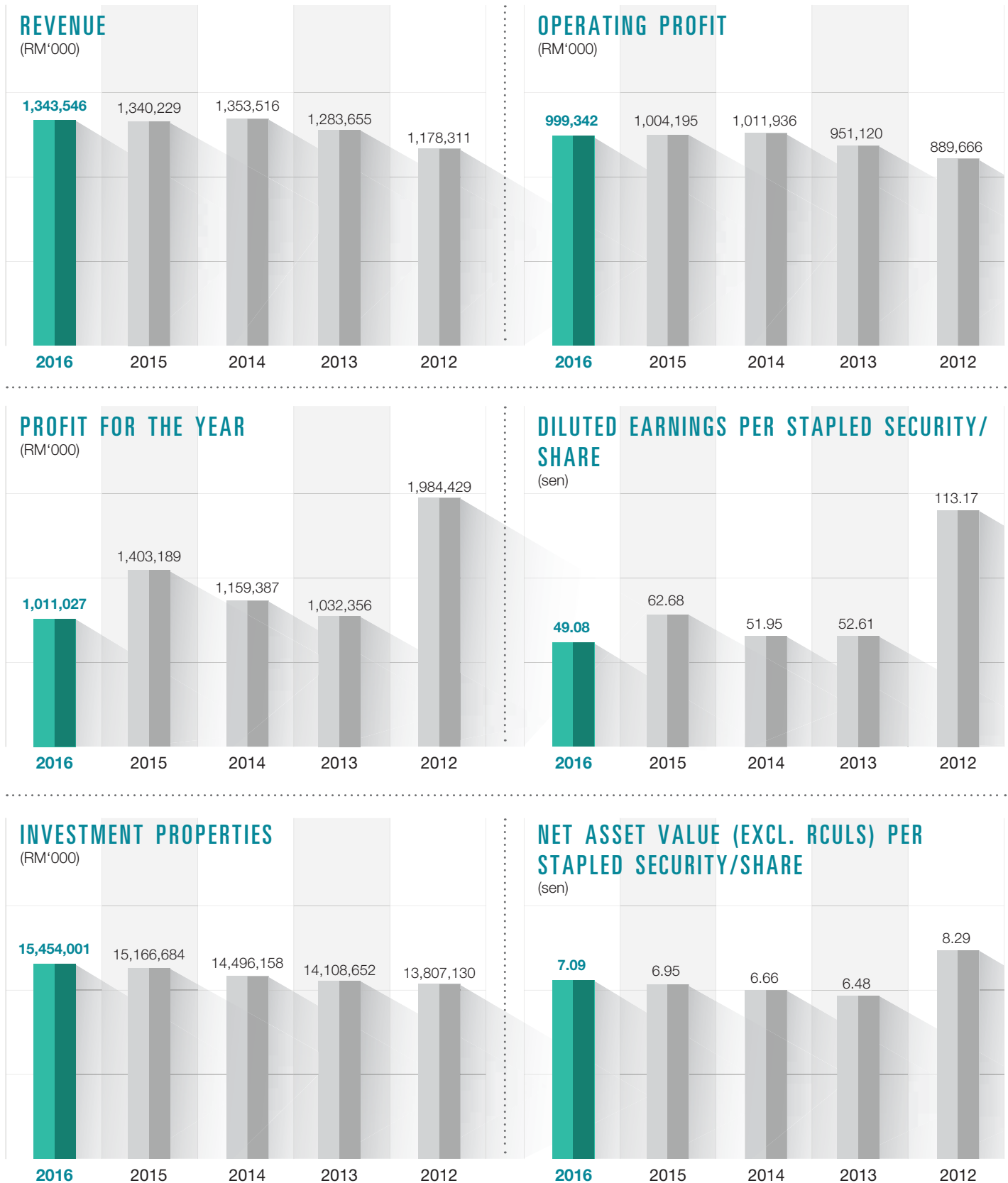
Portfolio at a Glance



Other KLCCP Stapled Group's property:
 Menara Dayabumi - located within the former
 Central Business District of Kuala Lumpur

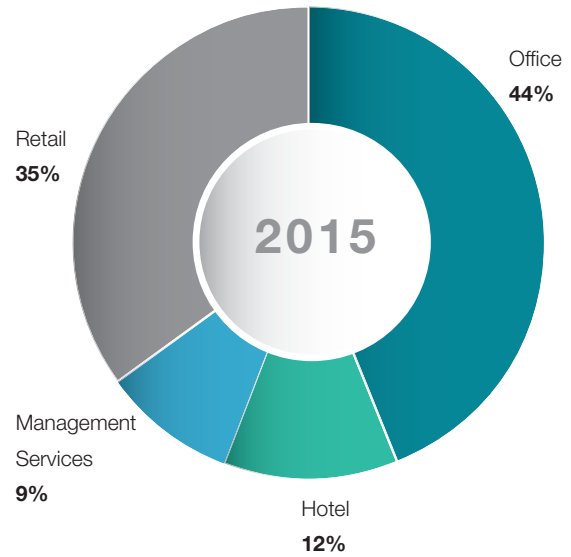
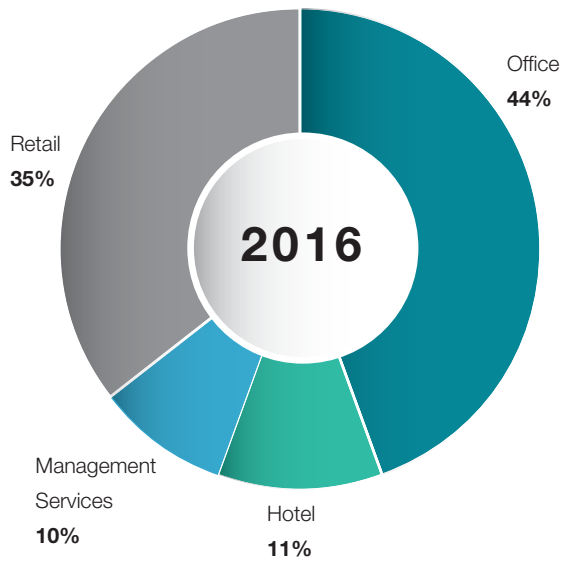
KLCC Development

KLCCP Stapled Group Financial Highlights



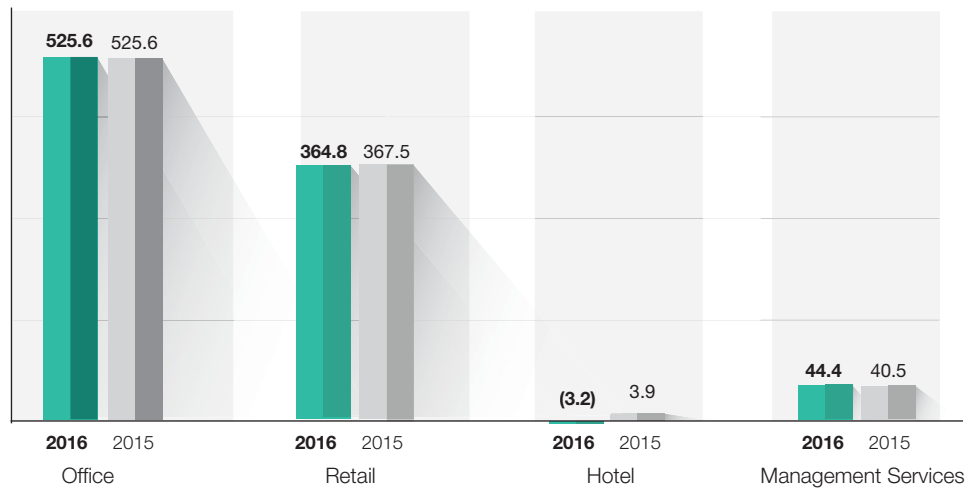
KLCCP Stapled Group Financial Highlights

SEGMENTAL REVENUE



SEGMENTAL PROFIT BEFORE TAX (PBT)

(RM'mil)



KLCCP Stapled Group Value Added Statement

	2016 RM'000	2015 RM'000
Total Turnover	1,343,546	1,340,229
Interest income	42,552	41,280
Operating expenses	(219,425)	(216,899)
Value added by KLCCP Stapled Group	1,166,673	1,164,610
Share of profits of associates	10,881	13,665
Fair value adjustments on investment properties	171,143	578,839
Total Value Added	1,348,697	1,757,114
Reconciliation:		
Profit attributable to holders of Stapled Securities	885,971	1,131,521
Add:		
Depreciation & amortisation	33,146	30,492
Finance costs	121,220	119,624
Staff costs	91,633	88,643
Taxation	91,671	115,166
Minority interest	125,056	271,668
Total Value Added	1,348,697	1,757,114
VALUE DISTRIBUTED		
Employees		
Salaries and other staff costs	91,633	88,643
Government		
Corporate taxation	103,184	108,527
Providers of capital		
Dividends	643,059	606,231
Finance costs	121,220	119,624
Other non-controlling interests	125,056	271,668
Reinvestment and growth		
Depreciation & amortisation	33,146	30,492
Capital reserve*	75,841	293,281
Income retained by KLCCP Stapled Group	155,558	238,648
Total Value Distributed	1,348,697	1,757,114

* Capital reserve represents the fair valuation gain on properties which is only distributable upon disposal of investment property