

KLCC PROPERTY HOLDINGS BERHAD (Co. No. 641576-U)
(Incorporated in Malaysia)

MINUTES OF THE FOURTEENTH ANNUAL GENERAL MEETING (“14TH AGM”) OF KLCC PROPERTY HOLDINGS BERHAD (“KLCCP” OR “COMPANY”) WHICH WAS HELD CONCURRENTLY WITH THE FOURTH ANNUAL GENERAL MEETING (“4TH AGM”) OF KLCC REAL ESTATE INVESTMENT TRUST (“KLCC REIT”) AT THE SAPPHIRE ROOM, LEVEL 1, MANDARIN ORIENTAL KUALA LUMPUR, KUALA LUMPUR CITY CENTRE, 50088 KUALA LUMPUR, MALAYSIA ON THURSDAY, 6 APRIL 2017 AT 10.30. A.M.

1.0 PRESENT AS PER THE ATTENDANCE LISTS:

(i) BOARD OF DIRECTORS (“BOARD”):

Mr Krishnan C K Menon	(Chairman of the Board)
Datuk Hashim bin Wahir	(Chief Executive Officer)
Datuk Manharlal A/L Ratilal	
Mr Augustus Ralph Marshall	
Datuk Ishak bin Imam Abas	
Dato’ Halipah binti Esa	
Datuk Pragasa Moorthi Krishnasamy	
Cik Habibah binti Abdul	

(ii) COMPANY SECRETARIES:

Encik Abd Aziz bin Abd Kadir
Mr Yeap Kok Leong

(iii) MEMBERS/ CORPORATE REPRESENTATIVES/ PROXIES

(iv) REPRESENTING:

- (a) Messrs Ernst & Young
Encik Muhammad Affan Daud
Ms Susanna Lim
Ms Tian Pei Yi
Mr Lim Eng Hoe
- (b) Maybank Trustees Berhad (“Trustee”)
Ms Bernice K M Lau
Ms Cecilia Lau Cher Huang

- (c) CIMB Islamic Bank Berhad
Encik Ahmad Fitri
Encik Ashraf Gomma Ali

2.0 CHAIRMAN OF THE MEETING

- 2.1 Mr Krishnan C K Menon PRESIDED as the Chairman of the Meeting (“Chairman”), welcomed all Members, Corporate Representatives and Proxies to the Meeting.
- 2.2 The Chairman informed the Meeting that the businesses of the 14th AGM of the Company would proceed immediately after dealing with all the businesses of the 4th AGM of KLCC REIT, which was scheduled to be held concurrently, as stated in the Notice of Annual General Meetings of KLCCP and KLCC REIT dated 28 February 2017 (“Notice of AGMs”).

3.0 NOTICE

- 3.1 The Chairman informed that the Notice of the AGMs had been sent to all holders of the stapled securities within the prescribed period. The Notice convening the AGMs (“Notice”) was taken as read.

4.0 QUORUM

- 4.1 The Company Secretary confirmed the presence of the requisite quorum for the purpose of the Meeting pursuant to *Article 62* of the Articles of Association of the Company.
- 4.2 The Meeting noted that a total of 831 valid proxy forms (including Certificates of Appointment) representing 1,636,690,514 of the stapled securities comprising units in KLCC REIT stapled together with the ordinary shares in KLCCP (“Stapled Securities”) were received on the last day and time for depositing the proxy forms.
- 4.3 The Chairman called the Meeting to order at 10.30 a.m.

5.0 MANAGEMENT PRESENTATION

- 5.1 Datuk Hashim bin Wahir, the Chief Executive Officer (“CEO”) of KLCCP as well as the Manager, was invited to deliver a Management’s presentation on the Year in Review of KLCCP Stapled Group (“the Group”) for the financial year ended 31 December 2016 (“FY2016”).
- 5.2 The Management’s presentation by the CEO on the Year in Review of the Group for FY2016 began with the key elements in creating the impetus for competitive advantage and long-term stability for the Group, as follows:

- (i) Driving sustained returns;
 - (ii) Delivering excellence and quality;
 - (iii) Strengthening asset repositioning and services; and
 - (iv) Contributing to environment and social spheres.
- 5.3 The Group continued to transform and build its leadership position to sustain its competitive advantage. Since its listing in May 2013, the Group remains the largest REIT with the only stapled structure in Malaysia and was the 25th largest company by market capitalisation on FTSE Bursa Malaysia Kuala Lumpur Composite Index, improving its position from 28th in 2015. Apart from being the first Malaysian REIT to be included on FTSE4Good Bursa Malaysia Index in 2015, the Group was also one of the only 2 local real estate companies recognised in FTSE4Good Emerging Index, an Index launched by FTSE Russell which covers 23 emerging countries and 457 constituents.
- 5.4 Despite the lacklustre global economic growth in the year under review and anticipated slower domestic growth momentum, the Group maintained a strong balance sheet with a total assets of RM18 billion and possessed a high quality investment portfolio of RM15 billion. Revenue was consistent with that of 2015 at RM1.34 billion though profit for the year (excluding fair value adjustment) dipped marginally by 0.3% to RM827 million.
- 5.5 The Group remained committed to a stable dividend pay-out to the holders of the Stapled Securities. For 2016, the Group distributed 95% of its overall distributable income with a distribution per Stapled Security of 35.65 sen, an increase of 2.9% from 2015. The Stapled Securities traded at a 17% premium to NAV and closed the year at RM8.30, which reflects a capital appreciation of 17.6% from the close of RM7.06 as at 31 December 2015, with a market capitalisation hitting the RM15 billion mark. 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%.
- 5.6 The capital management restructuring which was undertaken for KLCC REIT, Suria KLCC Sdn Bhd (“Suria KLCC”) and Mandarin Oriental Kuala Lumpur Hotel (“MOKL Hotel”) in 2014 and 2015 have put the Group to be in a favourable position to weather the challenges and take advantage of the opportunities in the debt market. As at 31 December 2016, the Group’s capital position remained strong with gearing at 20%, average cost of debt at 4.49% and borrowings on fixed rate at 85%, providing the Group with a solid foundation and a sizeable debt headroom of RM3.5 billion for future growth and stability.
- 5.7 The presentation also highlighted the awards of excellence received from various organisations in recognition of the Group’s strengths and superior assets on governance and transparency, enhancing value to stakeholders, sustainability, management services and hospitality.

- 5.8 The following key highlights were noted from the Management's analysis on the 4 business segments (i.e. office, retail, hotel and management services):
- (a) The office segment remained the major contributor to the Group's revenue with 44% contribution. The 3 portfolio of assets under KLCC REIT contributed 41% whilst the office property under KLCCP contributed 3% to the office segment.
 - (b) The refurbishment of Menara Dayabumi had been completed whereby the atrium space in Menara Dayabumi was converted into approximately 43,000 sq. ft. of additional office area, which was added into the existing Triple Net Lease Agreement with PETRONAS. The refurbishment of Menara Dayabumi, which is part of the asset enhancement initiatives for Kompleks Dayabumi, was to position the building as a prime Grade A office building, increasing the net lettable area from 607,113 sq. ft. to 650,297 sq. ft.
 - (c) Phase 3 redevelopment of the City Point podium progressed with substructure works following its demolition in 2015.
 - (d) The retail segment retained its 35% contribution to the Group's revenue. Suria KLCC contributed 32% of the retail segment with the retail podium at Menara 3 PETRONAS contributing 3%. Suria KLCC saw growth in its customer footfall exceeding 48 million. Albeit the lower occupancy of 96% compared to 98% in 2015 due to tenant remixing exercise, the sales turnover for 2016 was just under RM2.5 billion, the highest ever registered by Suria KLCC.
 - (e) The hotel segment saw a decline in its contribution to 11% from 12% in 2015. MOKL Hotel commenced its master plan refurbishment of the entire hotel in 2011 after almost 18 years of operation. The renovation to the meeting rooms and the recreational facilities had been completed. The final phase of the guestrooms' renovation commenced in June 2016 and would continue throughout 2017 and 2018. With the new concept, Sultan Lounge and Casbah were re-launched as KYO & REN in December 2016 to attract younger crowds.
 - (f) The management services segment increased its contribution to 10% from 9% in 2015 mainly attributable to the expanded provision of facilities management services to cover the properties under the portfolio of KLCC Holdings Sdn Bhd as well as the MITI building in Kuala Lumpur, which is the first property to be managed outside KLCC Group.

- 5.9 It was also reported that the Board Diversity Policy was rolled out to further strengthen the Group's commitment on governance and to support the country's aspiration of 30% representation of women directors on company boards. With people being the cornerstone of the Group's achievements, more than RM1 million was invested in the employees' training and development. The Group also promotes gender diversity and equal opportunity based on merit within the organisation.
- 5.10 KLCCP Stapled Group continued to engage with the communities to foster goodwill and contribute towards their well-being and social development through Corporate Social Responsibility programs and activities during the year. Among others, KLCCP provides maintenance services for the covered walkways and pedestrian tunnels from Kompleks Dayabumi to Masjid Negara and also to the Pasar Seni Light Rail Transit Station.
- 5.11 The CEO concluded that, with uncertainties still expected in 2017, the Group would remain steadfast to navigate the continued challenges and to focus on competencies in key market segments. This would enable the Group to position and adapt itself to the changes in the business environment and to deliver stable returns to the holders of Stapled Securities.
- 5.12 Upon conclusion of the CEO's presentation, the Chairman thanked Datuk Hashim bin Wahir for his presentation and proceeded with the business of the Meeting as set out in the Notice.

6.0 VOTING

- 6.1 The Chairman informed that pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), all resolutions set out in the notice of a general meeting must be voted by poll.
- 6.2 In view thereof, the Chairman declared that all resolutions in the Notice shall be voted by poll.
- 6.3 The poll on all resolutions would be conducted after dealing with all items stated in the Agenda of the Notice.
- 6.4 The Meeting noted that the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor"), acted as the Poll Administrator for the polling process whilst Messrs Deloitte Enterprise Risk Services Sdn Bhd ("Deloitte") was appointed as the Scrutineers to verify the results of the poll accordingly.

6.5 The Meeting also noted that all resolutions required a simple majority vote of more than 50% of the members or proxies or corporate representatives entitled to attend and vote at the AGMs.

6.6 The Chairman then proceeded to the businesses on the Agenda of KLCC REIT and KLCCP.

7.0 BUSINESS OF MEETING

The business of the Meeting as set out in the Notice in relation to the proposed resolutions for the 14th AGM of KLCCP were duly resolved as follows:

A. ORDINARY BUSINESS

7.1 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 OF THE COMPANY AND THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

7.1.1 The Chairman informed that the Audited Financial Statements of the Company were audited by Messrs Ernst & Young (“Independent Auditors”).

7.1.2 The report of the Independent Auditors were provided in pages 274 to 278 of KLCCP Stapled Group’s Annual Report 2016.

7.1.3 The Chairman also informed that the above agenda item was meant for discussion only as the provisions of Sections 248(2) and 340(1) of the Companies Act 2016 did not require a formal approval of the shareholders. Therefore, the said agenda item was not put forward for voting.

7.1.4 The Chairman further informed that KLCCP had replied to the questions raised by the Minority Shareholders Watchdog Group (“MSWG”), vide its letter dated 24 March 2017, relating to strategic and financial performance of KLCCP and KLCC REIT. The replies were shown on the screen and read out by the Chairman at the Meeting. The queries and the corresponding replies were as follows:

Query 1:

A new lease was secured with ExxonMobil Exploration & Production Inc. (“ExxonMobil”) which commenced on 1 February 2017 for a 9 year term expiring on 31 January 2026 with an option to renew for a further 3 successive terms of 3 years each. As a result of the new lease, ExxonMobil would only occupy 60% of Menara ExxonMobil.

Could the Board provide an update to the status of potential new tenants to take up the remaining 40% of the building?

Reply 1:

KLCC REIT had identified a tenant to occupy the remaining 40% of Menara ExxonMobil. Currently, the Manager was in the midst of negotiating on the final terms before executing the agreement with the said potential tenant.

Query 2:

The conversion of the 4 levels of atrium space in Menara Dayabumi into additional office space where 43,184 sq. ft. of net lettable area (“NLA”) had been added to the existing Triple Net Lease Agreement with PETRONAS with effect from September 2016.

How much additional space would be expected to contribute to the revenue and earnings of the office segment in terms of percentage?

Reply 2:

The conversion of the atrium space into additional office space in Menara Dayabumi would contribute about 0.4% to the revenue and earnings of the office segment.

Query 3:

As stated in the Management Discussion and Analysis (“MD&A”), excluding the recognition of compensation received from a tenant, the profit before tax (“PBT”) for Suria KLCC registered a decline of 1.5%, mainly due to a drop in the average occupancy from 98% to 96% as a result of the on-going tenant remixing, particularly on Level 1 of Suria KLCC shopping mall.

- (a) Would the ongoing tenant remixing affect the occupancy level for the financial year ending 31 December 2017 (“FY2017”)?
- (b) What is the expected occupancy level of Suria KLCC shopping mall for FY2017?

Reply 3(a):

The on-going tenant remixing and offerings had been one of Suria KLCC’s strategies in line with its tagline, “Always Something New”. Over the last 13 years, Suria KLCC had remixed more than 400 tenants, effectively changing Suria KLCC shopping mall completely. Despite the lower occupancy at 96% in 2016, the sales turnover registered by Suria KLCC was the highest ever at just under RM2.5 billion. The Board did not anticipate any significant impact on the occupancy levels of Suria KLCC shopping mall for FY2017 as the Group continued to focus on reinvigorating the retail mix throughout 2017.

Reply 3(b):

The Group expected the occupancy of Suria KLCC shopping mall for FY2017 to be maintained at or above 96%, which was above the retail average occupancy of 89.2% reported in Greater KL.

Query 4:

The hotel segment registered a total revenue of RM149.5 million in FY2016, a decline of 4% from 2015 and a loss before tax of RM3.2 million, compared with a PBT of RM4 million in 2015.

What are the measures taken to improve the performance of the hotel segment?

Reply 4:

MOKL Hotel had launched various initiatives in respect of residential packages for the leisure market, with a strong focus on food and beverage promotions to continue delivering a memorable experience to its guests. The hotel would embark on a re-launch campaign of the newly renovated club rooms and suites to create awareness and demand, and would also focus on completing the guestrooms' renovation by 2018.

Query 5:

It was reported that an overseas court had issued an arrest warrant to one of the Directors of the Company.

What would be the impact to the Company and what would be the Board's views on the matter?

Reply 5:

As disclosed in KLCCP Stapled Group's Annual Report 2016, none of the Directors had any conviction for offences (other than traffic offences), received any public sanction or any penalty imposed by the relevant regulatory bodies inside or outside Malaysia within the past 5 years.

7.1.5 MSWG's representative thanked the Board for replying to the queries before the AGMs. The following were additional questions raised by MSWG's representative at the AGM as well as their corresponding replies by the Board:

- (a) In relation to *Query 5* above, MSWG's representative further enquired whether the Nominating and Remuneration Committee ("NRC") and the Board would have taken into consideration of the integrity issue when assessing and recommending the reappointment of the concerned Independent Non-Executive Director, especially if an allegation had been made against the said person.

The Chairman responded in the affirmative.

- (b) MSWG had noted from the key audit matters on valuation of investment properties reported under the Independent Auditors' Report that KLCC Stapled Group had adopted a fair value model for its investment properties, and had engaged an external valuer to determine the fair value of the investment properties at the reporting date. MSWG's representative enquired if the Group did carry out a revaluation of its investment properties every year and if the Group had adopted any revaluation policy.

The Chairman responded that a revaluation of KLCC REIT's investment properties was conducted every year in compliance with REIT Guidelines. Any surplus of revaluation of the investment properties would be transferred to capital reserve, which would only be distributed upon the sale of investment properties.

- 7.1.6 With no further questions from the representative of MSWG, the Chairman then invited questions from the floor in relation to the Audited Financial Statements of KLCCP Stapled Group.

- (a) A holder of Stapled Securities highlighted that, based on the Chairman's Statement in the KLCC Stapled Group's Annual Report 2016, the Chairman stated that KLCC Stapled Group was awarded the highest return on equity ("ROE") over 3 years under the REIT category at The Edge Billion Ringgit Club Corporate Awards 2016. The said holder of Stapled Securities requested for the average ROE of Malaysian REITs for the last 3 years for comparison of performance between KLCC Stapled Group and other Malaysian REITs.

The Chairman replied that the record requested was unavailable. Nevertheless, the Chairman reiterated that generally, dividend yield would drop when share price goes up. Unless there was an acquisition of property, the income from KLCC REIT was very predictable compared with other Malaysian REITs because KLCC REIT had secured a Triple Net Lease Agreement with PETRONAS for a long tenancy term from 5 years to 15 years. Moreover, KLCC REIT had pre-emptive option whereby PETRONAS had the right of first refusal in the event KLCC REIT planned to sell its properties. As a result, KLCC REIT was traded on a yield basis of 4.16%.

The Meeting also noted the retail segment was not under KLCC REIT. Thus, it was difficult to compare KLCC REIT with other Malaysian REITs.

- (b) A holder of Stapled Securities commended the good performance of KLCCP Stapled Group and concurred with the Group's theme of sustaining value.

The said holder of Stapled Securities enquired about the cost of printing and postage of each annual report weighing 1.3 kilograms. Based on the weight of the annual report, he commented that it was not a prudent spending and proposed that the Board should dispatch an abridged version instead of a full version of the annual report to approximately 5,000 holders.

The CEO took note of the comment and explained that the dispatch of the annual report to the holders of Stapled Securities was a requirement under the REIT Guidelines. Nevertheless, Management would take note of the said holder's comment on annual report. The CEO informed that the cost of printing and postage of each KLCCP Stapled Group's Annual Report 2016 was RM70.00.

- (c) A holder of Stapled Securities commended the good presentation given by the CEO, a good performance by KLCCP Stapled Group, and an informative KLCCP Stapled Group's Annual Report 2016.

He commented that the Group had done fairly well across all business segments, except for the hotel segment. Based on the results of all business segments, he suggested that the Group to acquire more properties to increase return of assets employed and to employ an expert to provide advice on how to manage the hotel effectively to improve the occupancy level.

The Chairman responded that the Group had expertise in running the current businesses and was looking into acquiring reliable properties. He then said that the occupancy rate for the hotel segment was 63% and 48% in 2014 and 2015 respectively, whereas the occupancy rate for 2016 was 47% due to renovation works being carried out at MOKL Hotel.

- (d) A holder of Stapled Securities informed that, currently, the price of office building was relatively low. She enquired whether KLCC REIT had any plan to acquire more assets in the future.

The Chairman informed that KLCC REIT was always on the lookout for yield accretive and value enhancing acquisitions to KLCCP Stapled Group. Currently, there are no distressed assets in the property market. A lot of office buildings were completed without occupancy. According to independent reports from valuers and market studies, there would be an oversupply of office space in the market. Thus, it would be pointless to buy buildings without tenants. The Chairman commented that buying assets for the purposes of earning capital gain in the future would be deemed speculative. However, if a property is worth buying, the Board would consider such proposal and would exercise due care when making decision in respect thereof.

- 7.1.7 The Chairman then concluded the discussions on the Audited Financial Statements.
- 7.1.8 Without the need to vote, the Chairman declared that the Audited Financial Statements of KLCCP for the financial year ended 31 December 2016 together with the Reports thereon be received.
- 7.1.9 The Chairman then proceeded to the next Agenda of the Meeting.

7.2 RE-ELECTION OF DIRECTORS WHO RETIRED PURSUANT TO THE ARTICLES OF ASSOCIATION OF THE COMPANY, CONSITUTING PART OF THE CONSTITUTION OF THE COMPANY (“CONSTITUTION”)

7.2.1 The Chairman informed that the following Directors, who would be retiring pursuant to *Article 82* of the Constitution, had offered themselves for re-election:

- (a) Datuk Hashim bin Wahir; and
- (b) Cik Habibah binti Abdul.

7.2.2 Both Directors were then introduced by the Chairman. The Chairman informed that a brief profile of each of the above named Directors was provided on pages 43 and 49 of KLCCP Stapled Group’s Annual Report 2016 respectively.

**7.2.3 RETIREMENT OF DIRECTOR
– MR. KRISHNAN C K MENON**

7.2.3.1 The Chairman informed the Meeting that he would not be seeking re-election at the 14th AGM of the Company.

7.2.3.2 Therefore, he shall retire as a Director and Chairman of the Board of the Company at the conclusion of the Meeting.

**7.2.4 ORDINARY RESOLUTION I
RE-ELECTION OF DATUK HASHIM BIN WAHIR**

7.2.4.1 There were no questions on the above agenda item.

7.2.4.2 After having been proposed and seconded, the Chairman put the following Ordinary Resolution I to the shareholders for voting by poll at the end of the Meeting:

“THAT Datuk Hashim bin Wahir, who would be retiring pursuant to *Article 82* of the Constitution, be re-elected as a Director of the Company.”

**7.2.5 ORDINARY RESOLUTION II
RE-ELECTION OF CIK HABIBAH BINTI ABDUL**

7.2.5.1 There were no questions on the above agenda item.

- 7.2.5.2 After having been proposed and seconded, the Chairman put the following Ordinary Resolution II to the shareholders for voting by poll at the end of the Meeting:

“THAT Cik Habibah binti Abdul, who would be retiring pursuant to *Article 82* of the Constitution, be re-elected as a Director of the Company.”

7.3 **ORDINARY RESOLUTION III
RE-APPOINTMENT OF DATUK ISHAK BIN IMAM ABAS, WHO
RETIREES AT THE CONCLUSION OF THE 14TH AGM OF THE
COMPANY, AS A NON-INDEPENDENT NON-EXECUTIVE DIRECTOR
OF THE COMPANY**

- 7.3.1 The Chairman informed the Meeting that a brief profile of Datuk Ishak bin Imam Abas was provided on page 45 of KLCCP Stapled Group’s Annual Report 2016.

- 7.3.2 There were no questions on the above agenda item.

- 7.3.3 After having been proposed and seconded, the Chairman put the following Ordinary Resolution III to the shareholders for voting by poll at the end of the Meeting:

“THAT Datuk Ishak bin Imam Abas, who would be retiring at the conclusion of the 14th AGM, be re-appointed as a Non-Executive and Non-Independent Director of the Company.”

7.4 **ORDINARY RESOLUTION IV
APPROVAL OF DIRECTORS’ FEES AND BENEFITS OF RM692,000.00
PAYABLE TO NON-EXECUTIVE DIRECTORS IN RESPECT OF
FINANCIAL YEAR ENDED 31 DECEMBER 2016**

- 7.4.1 The Chairman informed that the breakdown of the proposed Directors’ fees and benefits of RM692,000.00 payable to Non-Executive Directors for the financial year ended 31 December 2016 (“2016 Remuneration”) was provided in a table on page 134 of KLCCP Stapled Group’s Annual Report 2016.

- 7.4.2 There were no questions on the above agenda item.

- 7.4.3 After having been proposed and seconded, the Chairman put the following Ordinary Resolution IV to the shareholders for voting by poll at the end of the Meeting:

“THAT the payment of Directors’ fees and benefits of RM692,000.00 payable to Non-Executive Directors for the financial year ended 31 December 2016 be approved.”

7.5 **ORDINARY RESOLUTION V**

APPROVAL OF DIRECTORS' FEES AND BENEFITS OF UP TO RM972,000.00 PAYABLE TO NON-EXECUTIVE DIRECTORS WITH EFFECT FROM 1 JANUARY 2017 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

- 7.5.1 The Chairman informed that Ordinary Resolution V was a new proposal as the Board had been seeking the shareholders' approval on the Directors' fees and benefits for the preceding financial years.
- 7.5.2 In 2017, the Board would like to seek shareholders' approval on the Directors' fees and benefits of up to RM972,000.00 for the period 1 January 2017 until the next AGM of the Company ("2017/2018 Remuneration"). The Chairman explained that 2017/2018 Remuneration was calculated based on the number of scheduled Board and Board Committees' meetings. The 2017/2018 Remuneration was higher than the 2016 Remuneration as the former included the tenure of service of the Directors for a period of additional 4 months from 1 January 2018 to 30 April 2018.
- 7.5.3 With regard to Ordinary Resolution V, a holder of the Stapled Securities said that he understood the rationale of the Board to seek the holders' approval on the Directors' benefits was to comply with the provision of the Companies Act 2016. However, the said holder of Stapled Securities opined that the holders of stapled securities should not give prior approval on the 2017/2018 Remuneration as the Directors had not performed their services. He enquired whether the Board would be able to claw-back the 2017/2018 Remuneration from any non-performing Directors if Ordinary Resolution V was passed.
- 7.5.4 The Chairman explained that without the shareholders' prior approval, a Director who was appointed in February 2017 must wait for approximately 14 to 15 months to receive payment from the Company for his or her services rendered for a period from February 2017 to the next AGM, which would only be held in April 2018.
- 7.5.5 Based on the above, the Chairman opined that it was unfair to the Directors because based on the previous practice, the Company would pay the meeting allowances to the Directors after their attendance of the Board and/or Board Committees' meetings.
- 7.5.6 The Chairman emphasised that with the shareholders' prior approval, the Company would only make payment to the Directors after they have rendered their services and not vice versa.
- 7.5.7 The Chairman also highlighted that, unless an approval had been obtained from the shareholders, any payment made to the Directors shall constitute a debt due by them to the Company.

- 7.5.8 In response to an enquiry by a holder of Stapled Securities on the breakdown of 2017/2018 Remuneration, the Chairman provided the breakdown covering the period 1 January 2017 until the next AGM as follows:

No.	Description of 2017/2018 Remuneration	Amount (RM)
1.	Directors' fees	720,000.00
2.	Board meeting allowances	154,000.00
3.	Board Audit Committee's meeting allowances	63,000.00
4.	NRC's meeting allowances	35,000.00
	Total	972,000.00

- 7.5.9 After having been proposed and seconded, the Chairman put the following Ordinary Resolution V to the shareholders for voting by poll at the end of the Meeting:

“THAT the payment of Directors' fees and benefits of up to RM972,000.00 payable to Non-Executive Directors with effect from 1 January 2017 until the next Annual General Meeting of the Company be approved.”

**7.6 ORDINARY RESOLUTION VI
RE-APPOINTMENT OF AUDITORS**

- 7.6.1 The Chairman informed that the Auditors of the Company, namely Messrs. Ernst & Young, had indicated their willingness to continue office.

- 7.6.2 There were no questions on the above agenda item.

- 7.6.3 After having been proposed and seconded, the Chairman put the following Ordinary Resolution VI to the shareholders for voting by poll at the end of the Meeting:

“THAT Messrs Ernst & Young be re-appointed as the Auditor of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company.”

B. SPECIAL BUSINESS:

7.7 CONTINUING IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTORS

**7.7.1 ORDINARY RESOLUTION VII
RE-APPOINTMENT OF MR. AUGUSTUS RALPH MARSHALL**

7.7.1.1 The Chairman informed the Meeting that the justifications for the proposed re-appointment of Mr Augustus Ralph Marshall were provided on page 127 of KLCCP Stapled Group's Annual Report 2016.

7.7.1.2 A holder of Stapled Securities requested Mr Augustus Ralph Marshall to provide clarification on the news in relation to an Indian Court case which allegedly involved him.

7.7.1.3 Mr Augustus Ralph Marshall responded that there was no case against him as the Indian Court dismissed the charge against him in early 2017.

7.7.1.4 After having been proposed and seconded, the Chairman put the following Ordinary Resolution VII to the shareholders for voting by poll at the end of the Meeting:

“THAT Mr Augustus Ralph Marshall who would have served as an Independent Non-Executive Director of the Company for 12 years on 31 August 2017 be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office until the conclusion of next Annual General Meeting of the Company.”

**7.7.2 ORDINARY RESOLUTION VIII
RE-APPOINTMENT OF DATO' HALIPAH BINTI ESA**

7.7.2.1 The Chairman informed the Meeting that the justifications for the proposed re-appointment of Dato' Halipah binti Esa were provided on page 127 of KLCCP Stapled Group's Annual Report 2016.

7.7.2.2 There were no questions on the subject agenda item.

7.7.2.3 After having been proposed and seconded, the Chairman put the following Ordinary Resolution VIII to the shareholders for voting by poll at the end of the Meeting:

“THAT Dato' Halipah binti Esa who would have served as an Independent Non-Executive Director of the Company for 11 years on 28 February 2018 be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office until the conclusion of next Annual General Meeting of the Company.”

7.8 ORDINARY RESOLUTION IX
AUTHORITY TO ISSUE SHARES OF THE COMPANY PURSUANT TO
SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016

(“PROPOSED KLCCP MANDATE” OR “RESOLUTION IX”)

7.8.1 The Meeting noted that Ordinary Resolution IX was proposed to seek shareholders’ mandate to empower the Directors of the Company to issue new ordinary shares of up to 10% of the total number of issued shares of the Company. Resolution IX would only pass upon the passing of Ordinary Resolution 1 of KLCC REIT.

7.8.2 There were no questions on the Proposed KLCCP Mandate.

7.8.3 After having been proposed and seconded, the Chairman put the following Ordinary Resolution IX to the shareholders for voting by poll at the end of the Meeting:

“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016, Main Market Listing Requirements of Bursa Securities and the approval of the relevant regulatory authorities, where such approval is required and subject to passing of Resolution 1 of KLCC REIT, the Directors of the Company be and are hereby authorised to issue ordinary shares in the capital of the Company (“New Ordinary Shares”) from time to time to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the total number of such New Ordinary Shares to be issued, pursuant to this resolution, when aggregated with the total number of any such ordinary shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares of the Company for the time being (excluding any treasury shares) and provided further that such corresponding number of New Units in KLCC REIT equal to the number of New Ordinary Shares shall be issued and every one New Ordinary Share shall be stapled to one New Unit upon issuance to such persons (“Proposed KLCCP Mandate”) and that the Directors be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such new Stapled Securities on the Main Market of Bursa Securities.”

THAT such approval shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting of the Company held after the approval was given;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or

- (iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier.

THAT the New Ordinary Shares to be issued pursuant to the Proposed KLCCP Mandate shall, upon issue and allotment, *rank pari passu* in all respects with the existing ordinary shares of the Company, except that the New Ordinary Shares will not be entitled to any dividend, right, benefit, entitlement and/or any other distributions, in respect of which the entitlement date is prior to the date of allotment of such New Ordinary Shares.

THAT authority be and is hereby given to the Directors of the Company to give effect to the Proposed KLCCP Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed KLCCP Mandate.”

8.0 ANY OTHER BUSINESS

- 8.1 Upon the request by the Company, the Secretary confirmed that no notice for other business had been received.

9.0 COMMENCEMENT OF POLL VOTING

- 9.1 After dealing with all items on the Agenda of the Notice, the Chairman informed that a poll would be conducted for all resolutions set out in the Notice. He informed that the poll would be administered by Tricor and the scrutineer for the poll was Deloitte.
- 9.2 At the invitation of the Chairman, the representative of Tricor briefed the floor on the poll procedures.
- 9.3 Thereafter, the Chairman informed that the entire poll voting process would take about 40 minutes to complete. To avoid keeping the members waiting for the poll results, the Chairman suggested announcing the poll results on all the resolutions through the announcement to be made to Bursa Securities on the same day after the conclusion of the AGMs (“Motion”).

- 9.4 The Chairman further informed that, based on the valid proxy forms received, the percentage of votes cast in favour of all resolutions represented 83% of the total number of issued Stapled Securities.
- 9.5 The Chairman then requested for a proposer and seconder and put forward the Motion to a vote by a show of hands.
- 9.6 After having been proposed and seconded and with the holders of Stapled Securities consent, the Chairman announced the Motion carried.
- 9.7 The Chairman declared the 4th AGM of KLCC REIT and 14th AGM of KLCCP concluded at 11.55 a.m.
- 9.8 On behalf of the Board, Datuk Manharlal A/L Ratilal expressed appreciation to the Chairman for his contribution and guidance given by him during his tenure of service.
- 9.9 The Meeting then continued with the poll voting process.

10.0 DECLARATION OF POLL RESULTS:

- 10.1 The poll results in respect of Resolution 1 of KLCC REIT and Resolutions I to IX of KLCCP declared by the Chairman via an announcement made to Bursa Securities on the same day after the conclusion of the AGMs were as follows:

(i) Resolutions of KLCCP

	For		Against	
	No. of Shares	%	No. of Shares	%
Resolution I Re-election of Datuk Hashim bin Wahir	1,495,697,351	99.886	1,701,100	0.114
Resolution II Re-election of Cik Habibah binti Abdul	1,496,869,351	99.964	541,000	0.036
Resolution III Re-appointment of Datuk Ishak bin Imam Abas	1,483,883,578	99.814	2,768,973	0.186

	For		Against	
	No. of Shares	%	No. of Shares	%
Resolution IV Directors' fees and benefits of RM692,000.00 payable to Non-Executive Directors for financial year ended 31 December 2016	1,607,571,251	100.00	1,600	0.000
Resolution V Directors' fees and benefits of up to RM972,000.00 payable to Non-Executive Directors with effect from 1 January 2017 until the next Annual General Meeting of the Company	1,523,628,170	96.698	52,020,081	3.302
Resolution VI Re-appointment of Messrs Ernst & Young as Auditors and to authorise the Directors to fix the Auditors' remuneration	1,607,572,851	100.00	0	0.000
Resolution VII Re-appointment of Mar. Augustus Ralph Marshall as Independent Non-Executive Director	1,486,291,080	99.257	11,119,271	0.743
Resolution VIII Re-appointment of Dato' Halipah binti Esa as Independent Non-Executive Director	1,486,298,080	99.258	11,112,171	0.742
Resolution IX Authority to issue shares of the Company pursuant to Sections 75 and 76 of the Companies Act, 2016	1,480,792,051	92.114	126,780,700	7.886

(ii) **Resolution of KLCC REIT**

	For		Against	
	No. of Units	%	No. of Units	%
Resolution 1 Proposed Unit Holders' Mandate to issue New Units of up to 10% of the approved fund size of KLCC REIT pursuant to Clause 14.03 of the Guidelines on Real Estate Investment Trusts issued by the Securities Commission Malaysia.	1,480,792,151	92.114	126,780,700	7.886

SIGNED AS A CORRECT RECORD



CHAIRMAN

Dated: