

KLCCP Stapled Group

KLCC PROPERTY HOLDINGS BERHAD

16th ANNUAL GENERAL MEETING

KLCC REAL ESTATE INVESTMENT TRUST

6th ANNUAL GENERAL MEETING

Financial year ended 31 December 2018

3 April 2019, Wednesday

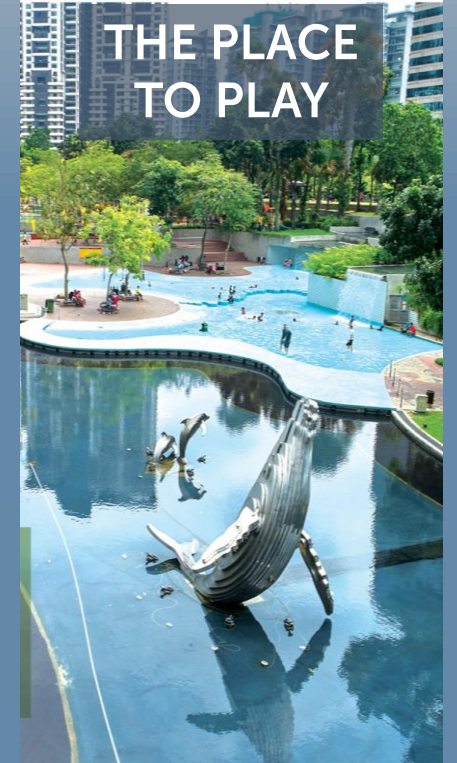
An aerial view of a city skyline, likely Toronto, with the CN Tower visible on the left. A large white circle with a thin grey border is centered in the upper half of the image, containing the number '01' in a dark blue, sans-serif font.

01

A horizontal white pill-shaped button with rounded ends, containing the text 'THE PLACE' in a dark blue, sans-serif font.

THE PLACE

WE CREATE PLACES PEOPLE LOOK FORWARD TO, CONVERGING CULTURAL DIVERSITY, COMMERCIAL VIBRANCY AND SUSTAINABLE LIVING



THE PLACE TO WORK



“Grade A offices, equipped with state-of-the-art security, building management system and multi-faceted work spaces that promote collaboration and interaction”



THE PLACE TO SHOP

“Suria KLCC introduced a new level of style to the city with its stunning array of retail splendor, exclusive services and differentiation providing shoppers with a seamless yet exciting retail experience and more”



THE PLACE TO DINE

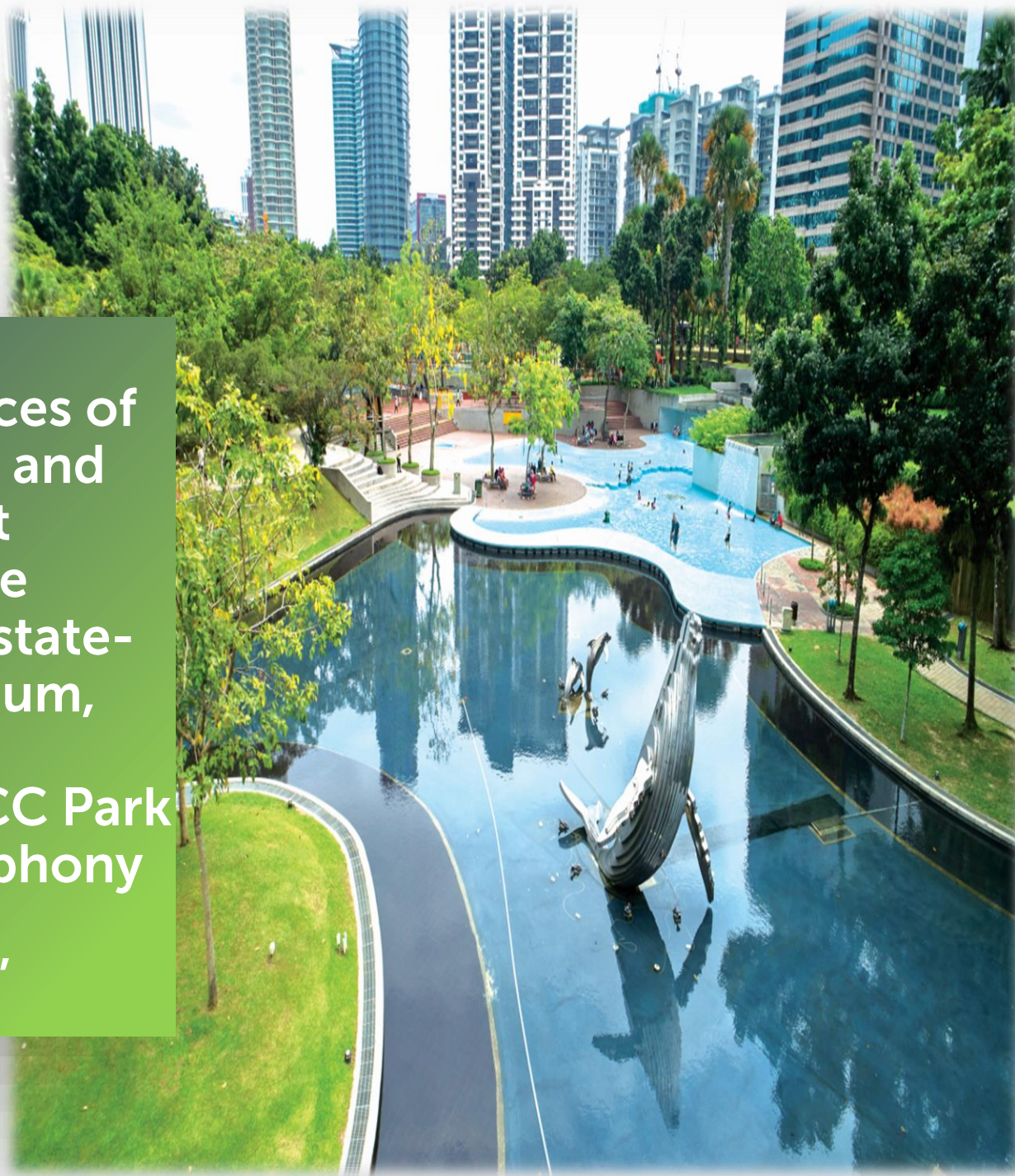
“Well regarded for its wide array of tantalising local delicacies and international cuisines, it is indeed a place worth exploring”

THE PLACE TO STAY

“Elevating the hotel experience which transcends accommodation, MOKL Hotel’s legendary quality service provides a tailor-made stay



“Wholesome choices of attractions to visit and enjoy, from the art gallery, the science discovery centre, state-of-the-art oceanarium, the Malaysian Philharmonic, KLCC Park and the Lake Symphony Fountains, it is an endless discovery”



THE PLACE
TO PLAY

An aerial photograph of the Kuala Lumpur skyline, featuring the Petronas Twin Towers prominently on the right side. The city is densely packed with various high-rise buildings and skyscrapers. The sky is a clear, pale blue with some light clouds on the horizon. In the center of the image, there is a large, semi-transparent white circle with a dark brown number '02' inside it. At the bottom, there is a white rounded rectangular banner with the text '2018 AT A GLANCE' in dark brown capital letters.

02

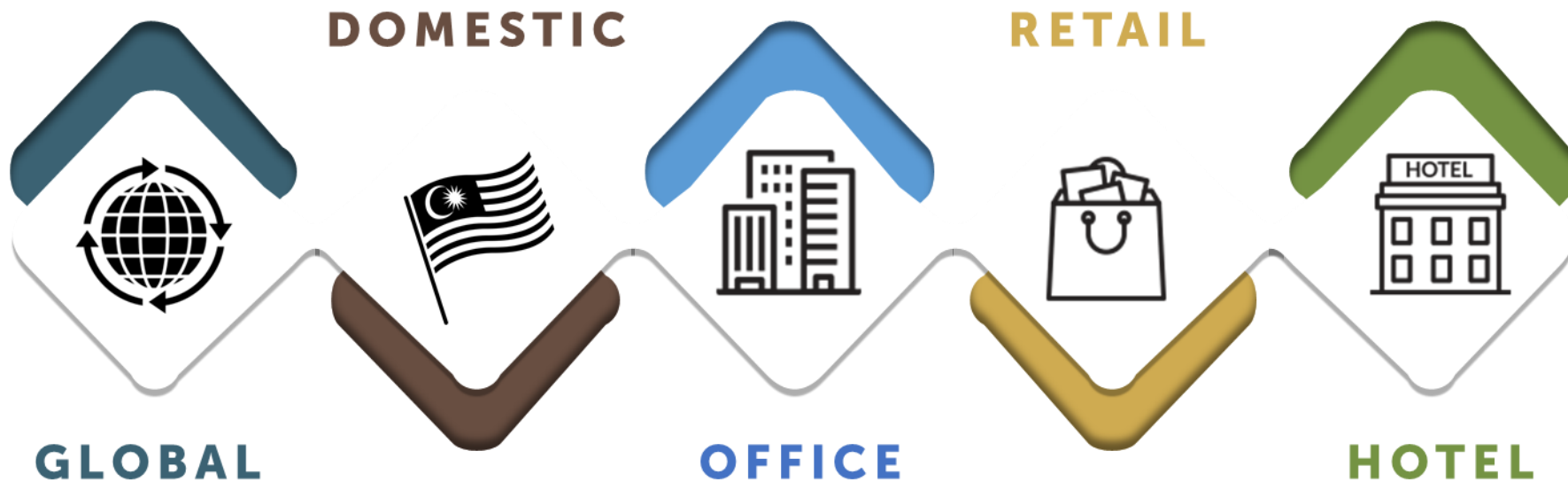
2018 AT A GLANCE

A year filled with intense challenges globally and domestically

- **Trade tensions** between the US and China
- Tighter **monetary conditons**

- **Supply** outstripping **demand** affecting rental and occupancy
- **Demand for flexible** and more collaborative workspaces and amenity oriented

- **Heightened competition** from newer hotels
- Slower **growth of tourist** arrivals in the country

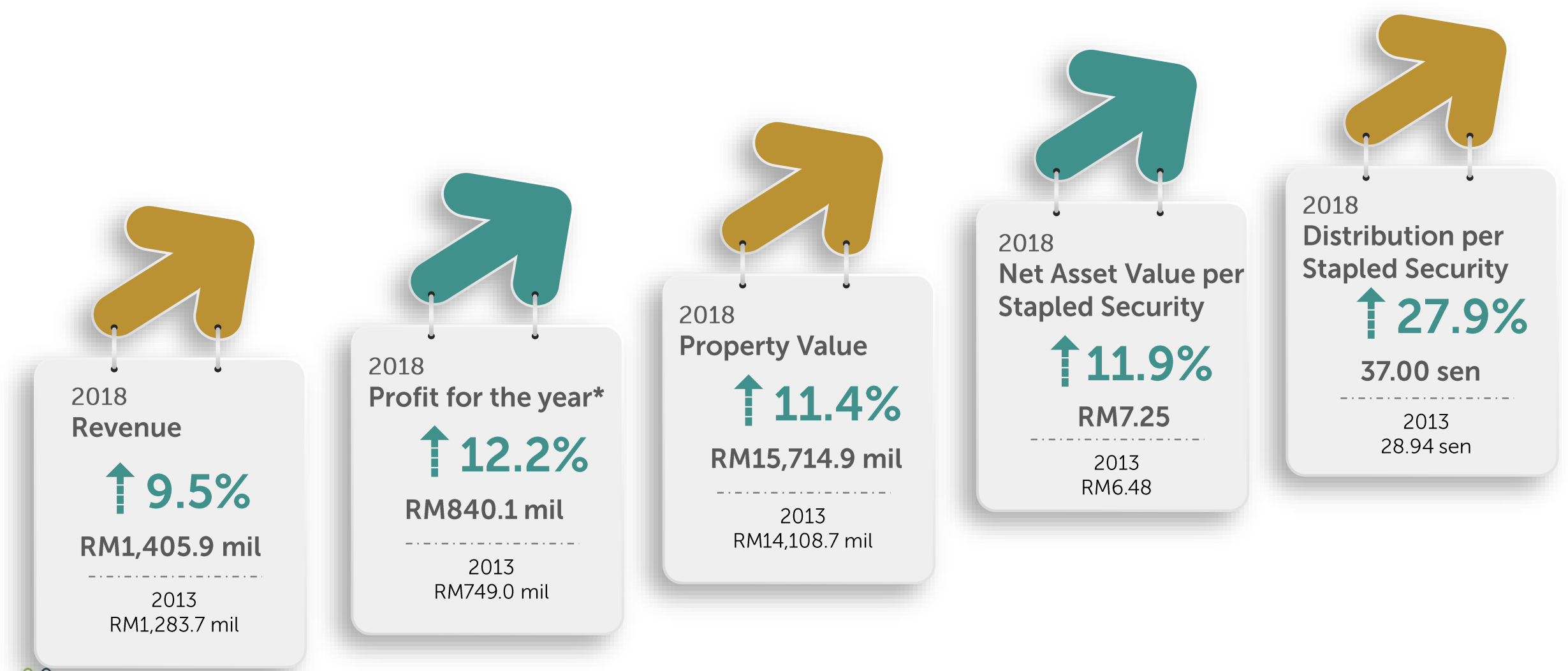


- **Softer consumer** sentiment in light of market volatility
- **Changes in Government** policies

- **Evolution of social media** and **technology development** (online shopping)
- Influx of **in-coming supply**
- Responding to **changing customer lifestyle**

FY2018 At a Glance

Credible performance in challenging markets, underpinned by our strong fundamentals



Delivering value beyond numbers across our business

An aerial photograph of Kuala Lumpur, Malaysia, showing a dense urban landscape with numerous skyscrapers. The Petronas Twin Towers are prominent on the right side of the image. The KLCC Precinct is visible in the center, surrounded by other high-rise buildings. The background shows a hazy view of the city and distant hills under a blue sky with some clouds.

Catalyst for Surrounding Development

Spurred surrounding commercial and residential development

Social Development

Bridge people together - work, shop, place, meet, stay, visit and dine

Nation Building

Malaysia's landmark and game changer for Kuala Lumpur

Customer Experience

Powerful offerings of best hotels, restaurants, retail and entertainment experience

Connectivity

Provides building-to-building connectivity within and surrounding the KLCC Precinct

Sustainable Development

Balance between commercial, public space and natural greenery

Leading operational excellence with continued industry recognition



National Annual Corporate Report Awards 2018 (NACRA)

Industry Excellence Award for REITs and Investment Funds



The Edge Billion Ringgit Club Corporate Awards 2018

Highest Return on Equity Over 3 years (REIT category) (2018, 2017 & 2016)



Asia Pacific Best of the Breeds Awards 2018

Best of the Breeds REIT in Office and Retail for Malaysia (2018 & 2017)



The Asset Corporate Awards 2018

Excellence in Environmental, Social and Corporate Governance (2018, 2017 & 2016)



TheEdge Property.com Malaysia's Best Managed Property Awards & Editor's Choice 2018

Gold Award for Above 10 Years Specialised Category & Exemplary Contribution to the Nation (KLCC Park)



Nation Branding 2017-2018

BrandLaureate in recognition of National ICONS (PETRONAS Twin Towers)



MOSHPA OSH Excellence Awards 2018

Silver Platinum Premier Award for OSH Management in Car Parking



Defining transparent and strong sustainability practices across our business



10.1%
Reduction on
GHG Emission
(from 2014)

28.5%
Reduction in Water
Use (from 2014)

37.5%
Women on Board

RM7.1mil
Staff Learning and
Development spent
on our employees
(from 2015)

RM7.4mil
Contributed to
the Community
(from 2015)



Constituents of FTSE4Good
Emerging Index & FTSE4Good
ASEAN 5 Index



Gold Award for Excellence
in Environmental, Social &
Governance
(2018, 2017 & 2016)



Winner of
“Best Workforce”
at Sustainable
Business Awards
Malaysia 2018
in recognition of our
commendable
approach on
employee engagement
and
diversity

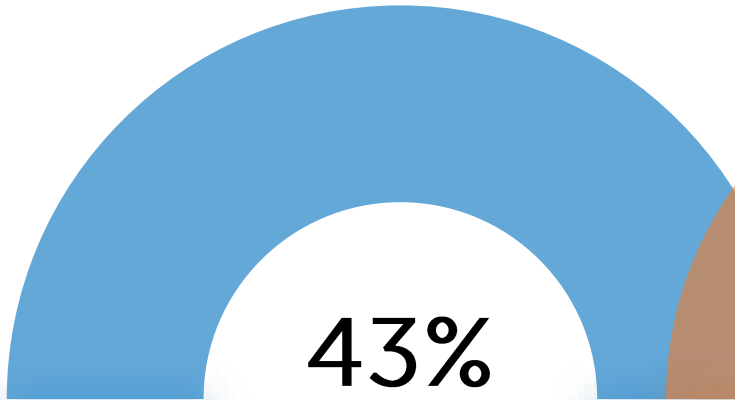


03

STRATEGIC FOCUS & INITIATIVES

Office segment remains the major contributor to the Stapled Group revenue

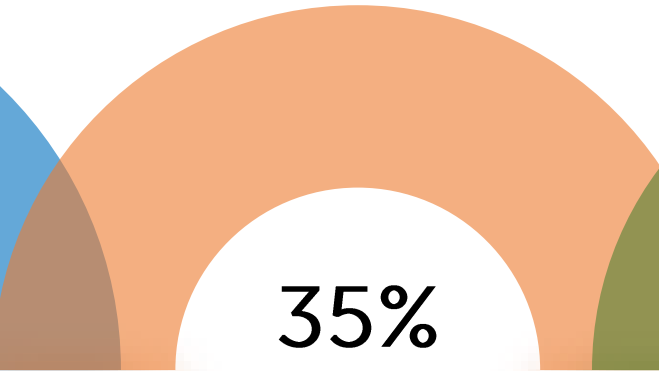
OFFICE



43%

Stable and steady growth underpinned by full occupancy

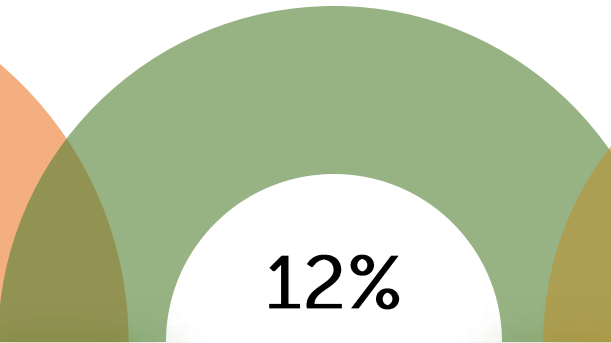
RETAIL



35%

Improved occupancy and higher rental rates from new tenants and rent reviews becoming effective during the year

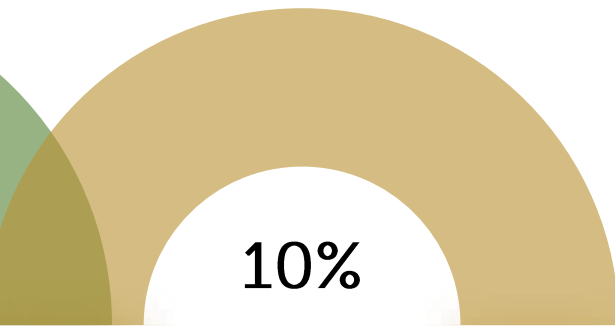
HOTEL



12%

Higher occupancy from its newly renovated guestrooms and improved RevPar

MANAGEMENT SERVICES



10%

New contract under facilities management and from the Workplace for Tomorrow project



Office - Improving tenant experiences in being THE PLACE to work



2018 Focus



Key Events



Ongoing for all office buildings with **52%** completed, on track for full completion by end 2019



Continued enhancements towards **full GBI certification**

PETRONAS Twin Towers – Provisional Gold GBI Certification

Menara 3 PETRONAS – Provisional Silver GBI Certification



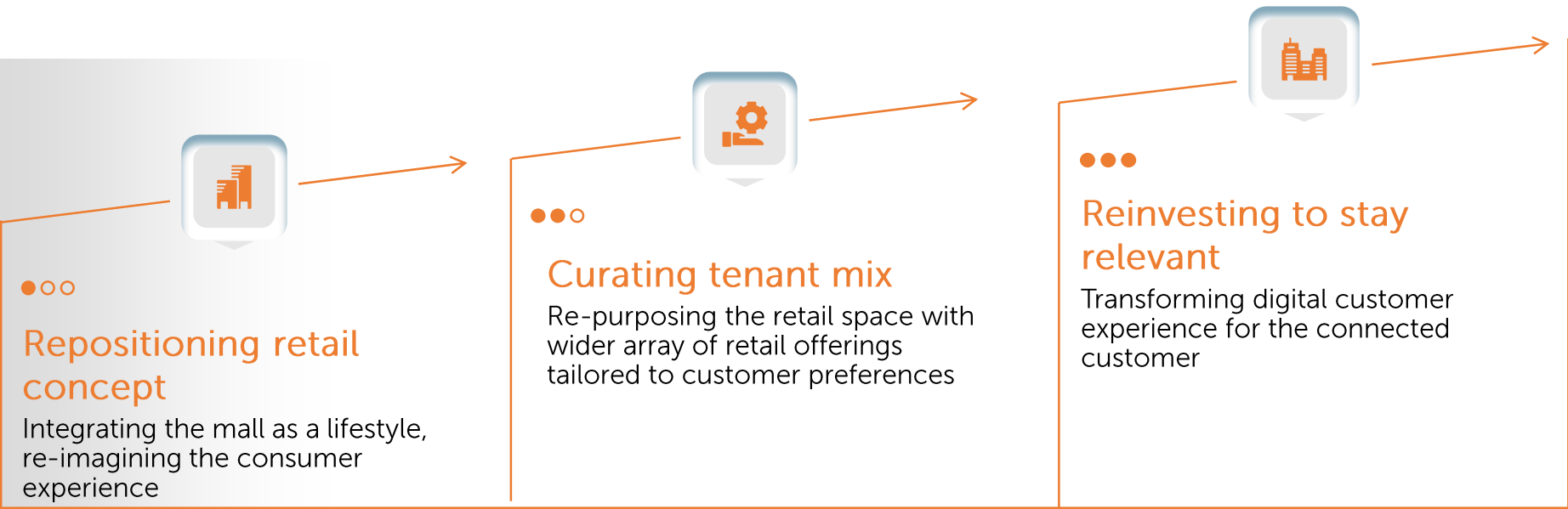
Phase 3 Redevelopment of City Point podium

- Actively securing an anchor tenant

Retail - Reinventing store experience for the connected customers



2018 Focus



Key Events

-  Brought **1st to market** tenants with exclusive service offerings & differentiation
- Creation of **duplex stores** to deliver a unique customer experience
-  Introduced **first of its kind dedicated Men's Precinct** at level 1, bringing the latest fashion & grooming
- Expansion of food offerings** and exciting F&B concepts
-  Installed the **largest rotating double-sided LED screen in the world**
- Cashless transactions** via **eWallet** – Alipay, with support from 80% of retailers

Hotel - Offering guests a resolutely new hotel experience which transcends accommodation



2018 Focus

...

Capitalise on re-launch of renovated guestrooms

Refreshed product to compete with new hotels entering the market



...

Leveraging Brand Expressions

Legendary quality service with distinguishing attributes



...

Embracing digital marketing

Improving online conversion through e-commerce (MO.com) and Social Media platform



Key Events



- Successfully reconfigured the original mix of rooms and suites to match the current/future demand
- Increased guest satisfaction score to **92%** (2017: 87%)



- New **educational wellness programs** and unique treatments at MO Spa
- Innovative launch of **on-line gourmet shop** with home delivery
- New **mobile electronic** frequent dining program



- Introduced **Fans of MO**, loyalty program, improve online conversion from **MO.com** platform
- Setting up a **MOKL's WeChat** platform to further cater to the China market

Management Services - Elevating quality of service and operational efficiency



2018 Focus



Delivering premium facilities management services

To maintain buildings in pristine condition for longer term tenancy prospects



Efficiency and comfort of car parking experiences

Continued operational efficiency towards exceptional customer service experience



Embracing new systems and technology

Maintaining a secured network for data storage and transfer aligned to Business Continuity Plan



Key Events



- Established **Energy Audit Committee** to address management of **energy efficiency**
- Extending delivery of services to **PETRONAS** facilities



- Introduced **cashless** payment -integrated **credit/debit card & Touch 'n Go readers** at entry and exit terminals
- Mobile application** for easy payment will be launched in due course



- Implemented **first-ever virtual Parking Management System** in Malaysia utilising a private cloud

A nighttime cityscape of Kuala Lumpur, Malaysia, featuring the Petronas Twin Towers and other skyscrapers illuminated with lights. The sky is filled with colorful fireworks exploding in various patterns. In the foreground, there are silhouettes of palm trees and other vegetation. The overall scene is festive and celebratory.

04

OUTLOOK & EXPECTATIONS

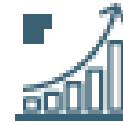
Continued quest in delivering value and growth premised on our strategic priorities

Maximising value of our **existing investments** in ensuring our revenue generating potential **remains sustainable** amidst the subdued market conditions

01



Maximising value of investments



02

Resilience in soft market conditions

Business agility to respond and adapt to the **new pace of change** and **strengthening** our competencies to amplify our skillsets to match the specialisation and mindset required

Championing sustainability development premised on our strategies and initiatives to drive our sustainable goals economically, environmentally and socially, **across all our business operations**

Creating value through sustainability

03



Embracing digital for business enhancement



04

“Rethink, Redefine and Redesign the Future” of KLCC Group through a digital transformation

Staying ahead of the curve with competitive differentiators



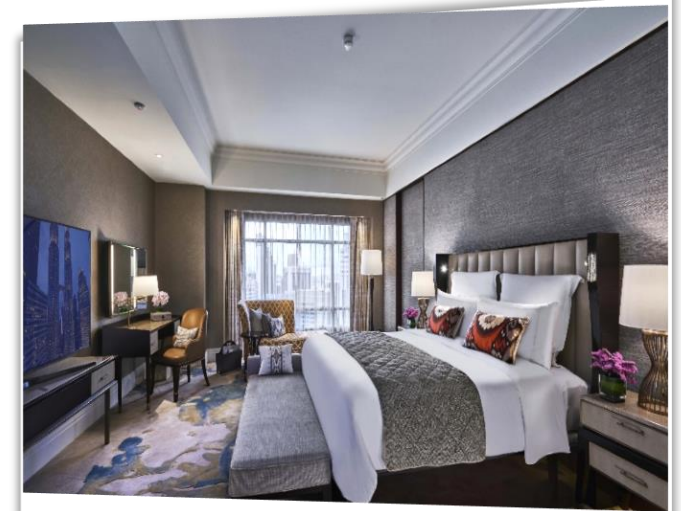
RETAIL

- **Re-imagining** and **re-purposing** the retail space, creating a sense of novelty to the mall offerings
- Re-defining customer expectations through **digital experience**



OFFICE

- **Personalising** tenant experience that engage the **"Connected Tenant"**
- Leveraging **technology, amenities** and **community – smart buildings**



HOTEL

- **Personalised offerings** with **superlative guest experience** which transcends accommodation
- Intensifying **digital marketing** to broaden network and capture market share

THANK YOU

