PRESS RELEASE
FOR IMMEDIATE RELEASE

KIP REIT TAKES DELIVERY OF SOLAR PHOTOVOLTAIC SYSTEMS

Kuala Lumpur, 3 April 2019 – KIP Real Estate Investment Trust ("KIP REIT") today held the handover ceremony of the Solar Photovoltaic Systems by **Pekat Solar Sdn Bhd** to KIP REIT's trustee, **Pacific Trustees Bhd**.

The ceremony, held at the KIP Hotel, Kuala Lumpur, was officiated by **Mr. Wong Tin Song,** Setiausaha Bahagian Sektor Tenaga (Tenaga Lestari), Ministry of Energy, Science, Technology, Environment and Climate Change; Sustainable Energy Development Authority Malaysia ("SEDA") CEO **Ir. Dr. Sanjayan Velautham** and SEDA Chief Corporate Officer **Ts. Dr. Chen Wei Nee**.

"KIP (REIT) is always mindful of doing more than our share in protecting the earth and keeping it green. Based on the amount of electricity this system can generate over a period of 25 years, it is equivalent to a savings of over 12 tonnes of coal from being combusted if a conventional electricity generating system were to be used instead. We are doing our part in keeping the air pollution down. Apart from pollution, KIP will save about RM1.2 million in electricity cost per year by using this system," KIP REIT Managing Director Dato' Chew Lak Seong explained.

He added, "We are honoured to be partnering Pekat as they guarantee consistent electricity production performance. Pekat is also willing to share the investment risk with KIP through its (20%) interest in the JV."

KIP REIT is also pleased to announce that the RM208 million acquisition of Aeon Mall Kinta City in Ipoh was approved by unitholders during the Unitholders' Meeting today. The market value of the said asset, which measures approximately 648,310 sq ft is RM220 million, based on C H Williams Talhar & Wong Sdn Bhd's valuations on 18 December 2018.

The property has a gross yield of 7.8% per annum and is **100% leased** by a master tenant, AEON Co. (M) Bhd until 2025, with an option to renew the lease. The lease agreement also has a rent escalation mechanism built into it. The property is anticipated to contribute positively to the earnings per unit and yield of KIP REIT in future years.

The acquisition, which is KIP REIT's first asset purchased since its listing in February 2017, is the largest in terms of net lettable area and market value. KIP REIT is set to see an increase in total net lettable area by 36% to approximately 1.48 million sq ft, whereas the total asset value will also increase by 26% to RM843 million.

From Left to Right:

1. Mr George Cheah Ken Lee, Director of Pacific Trustees Bhd
2. Mr. Alex Chew Kheng Kai, Non-Executive Director of KIP REIT
3. Ms. Valerie Ong Pui Shan, Non-Executive Director of KIP REIT
4. Yang Berbahagia Datuk Mohamed Arsad Bin Sehan, Non-Executive Director of KIP REIT
5. Yang Berbahagia Dato' Eric Ong Kook Liong, Executive Director of KIP REIT
6. Yang Berusaha Mr Wong Tin Song, Setiausaha Bahagian Sektor Tenaga (Tenaga Lestari), Ministry of Energy, Science, Technology, Environment and Climate Change
7. Yang Berusaha Ir Dr Sanjayan Velautham, CEO of Sustainable Energy Development Authority (SEDA) Malaysia
8. Mr Chin Soo Mau, Managing Director of Pekat Group of Companies
9. Mr Wee Chek Aik, Managing Director of Pekat Solar Sdn Bhd
10. Yang Berbahagia Dato' Dr. Syed Hussain Bin Syed Husman, Chairman of KIP REIT
11. Yang Berbahagia Dato' Chew Lak Seong, Managing Director of KIP REIT

From Left to Right:

1. Ms Hii Wei Bing, CFO of KIP REIT
2. Mr Chan Heng Wah, CEO of KIP REIT
3. Yang Berbahagia Dato' Chew Lak Seong, Managing Director of KIP REIT
4. Yang Berbahagia Dato' Dr. Syed Hussain Bin Syed Husman, Chairman of KIP REIT
5. Mr Chin Soo Mau, Managing Director of Pekat Group of Companies
6. Mr Wee Chek Aik, Managing Director of Pekat Solar Sdn Bhd
7. Yang Berbahagia Dato' Eric Ong Kook Liong, Executive Director of KIP REIT

About KIP REIT

KIP Real Estate Investment Trust ("KIP REIT") was listed on the Main Board of Bursa Malaysia Securities Berhad on 6 February 2017 with its principal activity being in investing in a portfolio of retail real estate properties. All properties are strategically located in the suburbs and concentrated in residential, commercial and industrial areas within a five-kilometre radius of catchment areas.

KIP REIT's portfolio now comprised of one KIP shopping mall located in Bangi and five KIP Mart properties and local community-based retail centres in Tampoi, Kota Tinggi, Masai, Senawang and Melaka. It has a net lettable area of over 946,000 square feet. The total asset value amounted to RM623 million as at 31 December 2018.

For more information about KIP REIT, please visit http://www.kipreit.com.my/

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Issued by: Imej Jiwa Communications Sdn Bhd on behalf of KIP REIT.

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