



20 JAN, 2021

KIP REIT POSTS RM8.66M NET PROFIT

New Straits Times, Malaysia

Q2 PERFORMANCE

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Company declares second interim distribution per unit of 1.59 sen

KUALA LUMPUR

KIP Real Estate Investment Trust (KIP REIT) posted a lower net profit of RM8.66 million for the second quarter ended Dec 31 last year from RM9.22 million in the same period in 2019.

Revenue slipped to RM18.6 million from RM19.7 million previously.

The company said in Bursa Malaysia filing the impact of the Covid-19 pandemic and the Movement Control Order (MCO) would continue to be reflected in KIP REIT's performance in the coming quarters.

It expects consumer confidence to slowly normalise once Covid-19 vaccines become more

readily available to the public.

For the cumulative six-month period, its total gross revenue fell 3.6 per cent to RM36.9 million from RM38.2 million in the same period in 2019.

This was mainly attributed to the amortisation of rental rebates amounting to RM1.2 million that was included in the revenue.

However, the amortisation was cushioned by an improved revenue generated by AEON Mall Kinta City of RM8.4 million, in contrast to RM6.9 million for the cumulative six months the previous year.

KIP REIT managing director Datuk Chew Lak Seong said the company's financial performance in the quarter under re-



KIP Real Estate Investment Trust says it is cautiously optimistic of the economic situation and consumer sentiment. EPA PIC

view was commendable and within the management's expectation.

"We are cautiously optimistic of the economic situation and consumer sentiment. We anticipate that it will take a while before the situation returns to normalcy.

"Going forward, we will continue to take a prudent approach and observe the situation for any softening of the retail market," said Chew.

KIP REIT has declared a second interim distribution per unit (DPU) of 1.59 sen amounting to a total of RM8.03 million for the

second quarter.

This includes a non-taxable portion of approximately 0.72 sen per unit derived from capital allowances and tax-exempt income.

The book closure is fixed for Feb 5 and payment of the DPU will be made on Feb 19.