

PRESS RELEASE

For Immediate Release

KENANGA WHOLESALE CITY ON TRACK TO OPEN 2ND HALF OF 2011
Completion of structural works means Malaysia's 1st Fashion Wholesale Mall
will soon bring fashion wholesale shopping to everyone

Kuala Lumpur, Thursday, 27 January 2011

At a top-up ceremony held today at the construction site of Kenanga Wholesale City (KWC) signaled the completion all structural work. This milestone, arrived at within the planned deadline indicates that the project is on target to open in the second half of 2011. Construction of the building began in late 2008.

Thanking the project's main contractor Binastra Construction (M) Sdn Bhd, architects ZLG Design & AR Mastor, as well as other contractors, architects and consultants, Mr. Bernard Bong, Managing Director of Kenanga Wholesale City Sdn Bhd says, "I am proud to announce that due to the steady progress of our contractors, the Kenanga Wholesale City project is on track for all our targeted deadlines. I am confident that if we continue to work hard and dedicate our focus to this project, come August 2011, Kenanga Wholesale City will be open for business to everyone!"

Officially endorsed by the Ministry of Tourism as a KL Tourist Attraction, KWC is set to completely change fashion wholesale shopping in Malaysia. Although long well known as a fashion wholesale hub, the Jalan Kenanga area in downtown Kuala Lumpur is popular with commercial buyers shopping for their fashion businesses. However, once open, KWC will pave the way for the shopping masses and tourists to the concept of buying fashionable items at wholesale prices. This trend is already popular in countries

such as Thailand, Korea, Indonesia and China where fashion wholesale malls such as Platinum Mall in Bangkok, Dongdaemun and Nongdaemun in Seoul, Mangga Dua in Jakarta and numerous fashion wholesale malls in Humen, Guangzhou are a resounding success.

The opening of KWC is highly anticipated and has already received very positive response, with all its sale units 100% sold out before groundbreaking began. It is currently in its leasing campaign and is already about 70% taken up to date.

Tenants so far range from established fashion wholesale names to well-known F&B outlets including FOS (Factory Outlet Store), Big Mart Retail & Office Depo Sdn Bhd (authorised distributor of Disney stationery), The Gadgets Shop Sdn Bhd (telco products and services under one roof), The Chicken Rice Shop, Wong Kok Char Chan Teng, Old Town White Coffee, Big Apple Donuts, Ayam Penyet, Buddy U-Tiao, RHB Bank and fashion wholesalers such as Fate Fashion, H&J Fashion, Hot & Roll and NAC Collection.

Adds Mr. Bong, “The response to Kenanga Wholesale City has been extremely positive and we are looking at a very realistic, almost full occupancy rate when we open. And when we do, we are one step closer to contributing to the advancement of the Malaysian fashion wholesale industry, especially in the area of export, now that we have a more organized and effective platform to market ourselves to international customers, whether as buyers in the industry or tourists to the country.”

KWC promises the ultimate convenience for the shopper. As a one-stop centre, it will contain businesses offering a comprehensive mix of merchandise under one roof. That includes garments for women, men and children, traditional apparel, footwear, accessories, costume jewelry, bags, leather goods, premium gifts and plenty more - all at prices, up-to-date trends and variety that only wholesale can offer. There is also an

area called Little Masjid India Bazaar, a kiosk-based area targeted at wholesalers of traditional Muslim and Indian wear, accessories and textiles.

KWC has 500,000 sq ft in net lettable retail space, totaling 800 lots spread throughout its zoned shopping floors. It is set in 3.2 acres of land, rising 22 storeys and its iconic design is instantly recognizable in the Kuala Lumpur skyline. It has wide walkways, numerous F&B, banking and logistic outlets, 20 loading bays, 8 cargo lifts, a sizeable convention area, 24-hour CCTV security surveillance and brings approximately 1,800 parking bays to the area.

Lease unit sizes range from 300 – 2500 square feet in size and prices range from RM5 to RM30 per square feet. The wide range of sizes and accompanying pricing make it a competitive option for large and established businesses and new entrants to the market alike.

KWC has a Gross Development of Value of RM1 billion and when it opens for business, it is expected to boost the Jalan Kenanga area's collective revenue from the current estimated figure of RM1 billion per annum to RM2.5billion per annum.

Kenanga Wholesale City Sdn Bhd is a part of the Kha Seng Group, a conglomerate of companies that include in its portfolio Central Market and Viva Home, Malaysia's first one-stop centre for homes. Says Bernard Bong, Founder of the Group, "As a developer of niche retail properties, the Kha Seng Group is always on the lookout to play a role in bettering the retail industry of our country, answering the demands of consumers, acknowledging the needs of retailers and stimulating businesses."

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About Kenanga Wholesale City

Kenanga Wholesale City is Malaysia's first one-stop fashion wholesale shopping centre that brings together a large and comprehensive directory of businesses - fashion, accessories, shoes, gifts, stationery and other lifestyle products, all under one roof.

With more than 800 lots and 500,000 sq ft of net lettable retail space, Kenanga Wholesale City offers an exciting variety of merchandise. Whilst dedicated to wholesale businesses only, Kenanga Wholesale City functions as a shopping mall with full amenities catering to business convenience with F&B outlets, event spaces, banking and a host of other business services.

About the Developer

The Kha Seng Group Of Companies

The Force Behind Kenanga Wholesale City

The developer, Kenanga Wholesale City Sdn Bhd, is a part of the Kha Seng Group, a fast-growing conglomerate with a strength and proven track record in conceptualizing, developing and managing niche retail property development.

The Group's retail projects in Kuala Lumpur include the award-winning Central Market, an art deco heritage building that has been transformed into a cultural market and the redevelopment of Viva Home, a home, lifestyle and entertainment shopping centre located in the heart of Kuala Lumpur.

For more details, please contact:

Candice Foong

Group PR & Communications

Kenanga Wholesale City Sdn Bhd

13th Floor, Block D, Menara Uncang Emas (UE3)

85 Jalan Loke Yew

55200 Kuala Lumpur

Tel: +603 9281 3888, Mobile: +6012 205156, Fax: +60392818993

Email: candicefoong@kenangacity.com.my