



Results Presentation 4Q2020

20 January 2021

AGENDA

2020
HIGHLIGHTS

PORTFOLIO
OVERVIEW

FINANCIAL
OVERVIEW

STOCK
INFORMATION

2020 HIGHLIGHTS



HIGHLIGHTS

PORTFOLIO SUMMARY



53 properties on portfolio
41 properties with 100% occupancy



Total Assets Under Management
RM3.36 billion



Space Under Management
10.5million sq ft



Financing Ratio
33%



Solid industrial space portfolio
92% of properties on industrial titles



Portfolio Occupancy of 91% (as at 31/12/2020)
Weighted Average Lease Expiry of 5.7 years



Reclassified as Islamic REIT in 2008



Total Distribution Per Unit YTD2020
8.75 sen



Market Capitalization (as at 31/12/2020)
RM2.93 billion



Nationwide presence across Malaysia

PORTFOLIO HIGHLIGHTS

1Q 2020

- ✓ Completed the acquisition of Axis Facility 2 @ Nilai for RM50.0 million on 28 February 2020.
- ✓ The Axis Facility @ Batu Kawan development project was successfully handed over to Federal Express Services (M) Sdn Bhd and rental commenced on 1 March 2020.
- ✓ Completed the acquisition of Axis Facility 2 @ Bukit Raja for RM37.0 million on 17 March 2020.

2Q2020

- ✓ Completed the acquisition of D37c Logistics Warehouse for RM65.0 million on 9 June 2020.

4Q2020

- ✓ Completed the acquisition of Axis Shah Alam Distribution Centre 5 for RM95.0 million on 10 November 2020.
- ✓ Completed the acquisition of Axis Industrial Facility @ Shah Alam for RM11.87 million on 3 December 2020.

PORTFOLIO HIGHLIGHTS

4Q2020

- ✓ Signed the Sale & Purchase Agreements to acquire three units of 1 ½ storey detached factories for RM28.2 million, located in Kawasan Perindustrian i-Park in Mukim Kulai, Johor on 19 November 2020. One of the properties was completed on 12 January 2021 and the property is now known as Indahpura Facility 2.
- ✓ Acceptance of Letter of Offer to acquire a manufacturing facility for RM120.0 million, located in Kawasan Perindustrian Bukit Raja Selatan, Shah Alam, Selangor.
- ✓ Acceptance of Letter of Offer to acquire a warehouse for RM75.0 million, located in Mukim Plentong, Johor Bahru.
- ✓ Close to 1.37 million sq. ft. of space locked in through tenancy renewals and new tenants secured.
- ✓ Achieved 5.6 % positive rental reversion for the year from tenancy renewals and contracted step-ups.

FINANCIAL HIGHLIGHTS

- ✓ Declared the DPU of 8.75 sen for 2020.
- ✓ Total of RM19.0 million revaluation gain recorded for 2020.
- ✓ Investment properties currently stands at RM3.28 billion.
- ✓ Net property income increased by 3.6% for 2020 as compared to 2019.
- ✓ Realised net income increased by 8.5% for 2020 as compared to 2019.
- ✓ Announced the implementation of the Income Distribution Reinvestment Plan (“IDRP”) in conjunction with the payment of 2020 final income distribution.
- ✓ Traded at a premium of 38% to NAV on 31 December 2020.
- ✓ Number of unitholders increased to 6,776 in 4Q2020 as compared to 5,913 in 3Q2020.

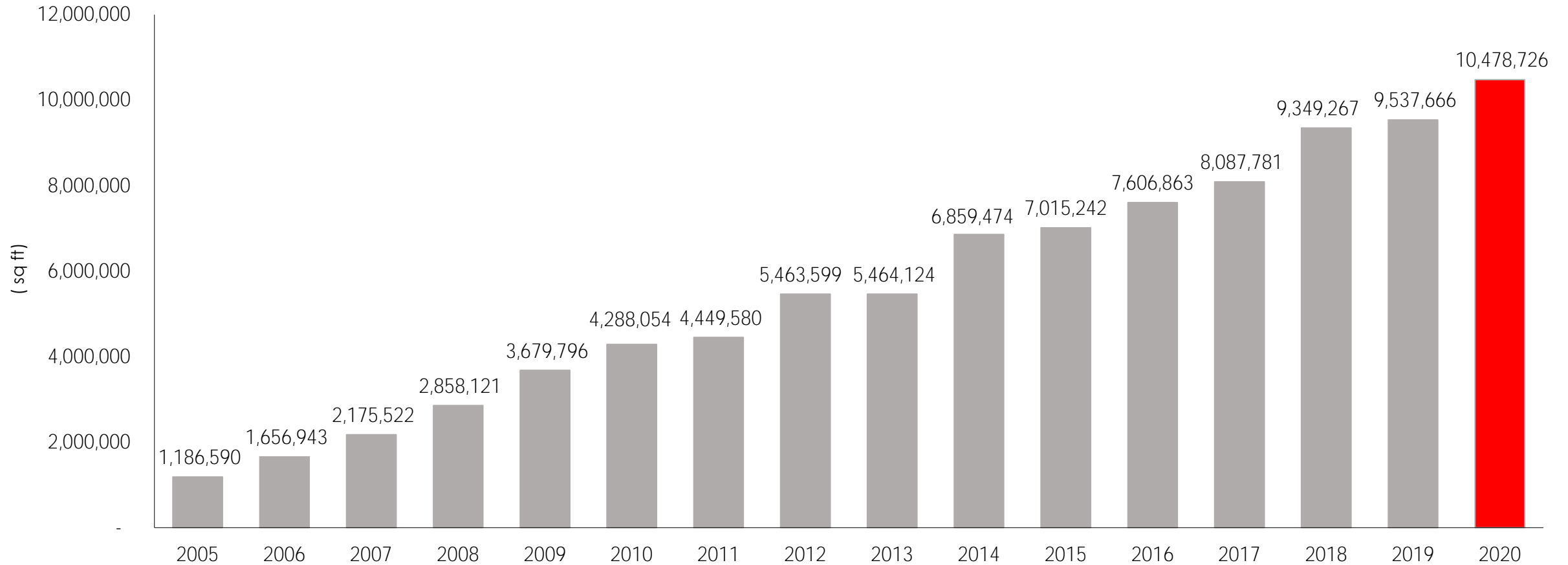
PORTFOLIO OVERVIEW



PORTFOLIO OVERVIEW

DIVERSIFIED AND EXPANDING PORTFOLIO

Space Under Management (sq ft)

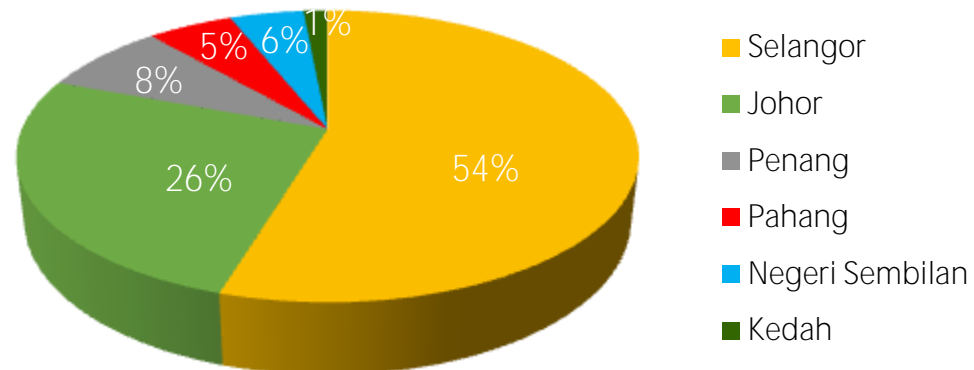


PORTFOLIO OVERVIEW

DIVERSIFIED AND EXPANDING PORTFOLIO

- ✓ Our 53 properties are strategically located in prime industrial areas such as Klang Valley, Johor, Penang, Pahang, Negeri Sembilan and Kedah.
- ✓ Pipeline acquisitions include additions in key industrial hubs in:
 - Penang
 - Selangor
 - Johor
- ✓ This geographical diversification is aimed at capturing the rapid growth of current and future regional industrial hubs.

Portfolio Diversification by Location (on NLA)

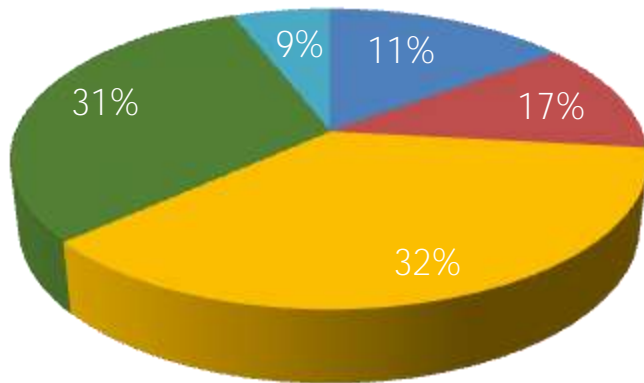


PORTFOLIO OVERVIEW

DIVERSIFIED AND EXPANDING PORTFOLIO

Portfolio Diversification by **Tenant's Industry** (on NLA)

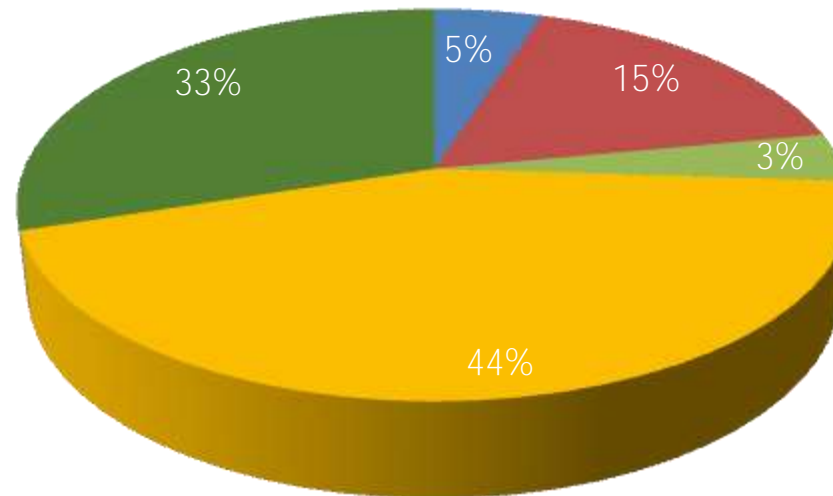
- Services
- Logistics
- Vacant
- Consumer Products
- Manufacturing



Portfolio Diversification by Asset Type (on NLA)

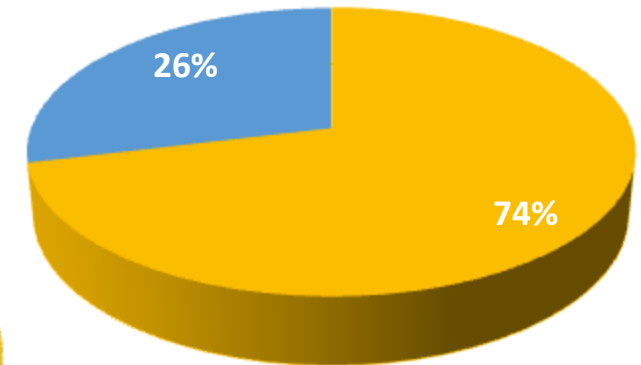
**Industrial title properties*

- Office
- Hypermarkets
- Manufacturing Facilities
- Office/Industrial
- Warehouse Logistics



Portfolio Diversification by Occupancy Type (on NLA)

- Single Tenant
- Multi Tenants



PORTFOLIO OVERVIEW

HIGH OCCUPANCY RATE WITH INCOME VISIBILITY

As at 31 December 2020, the portfolio has 53 assets comprising 10,478,726 sq. ft. and 150 tenants.

	2020
No. of Properties	53
Property Income (RM'000)	224,064
Property Expenses (RM'000)	33,716
Net Property Income (RM'000)	190,348
Occupancy	91%

Portfolio Efficiency Ratio = YTD Property Expenses / YTD Property Income

2020	2019	2018	2017	2016
15.05%	14.31%	13.66%	15.80%	16.23%

PORTFOLIO OVERVIEW

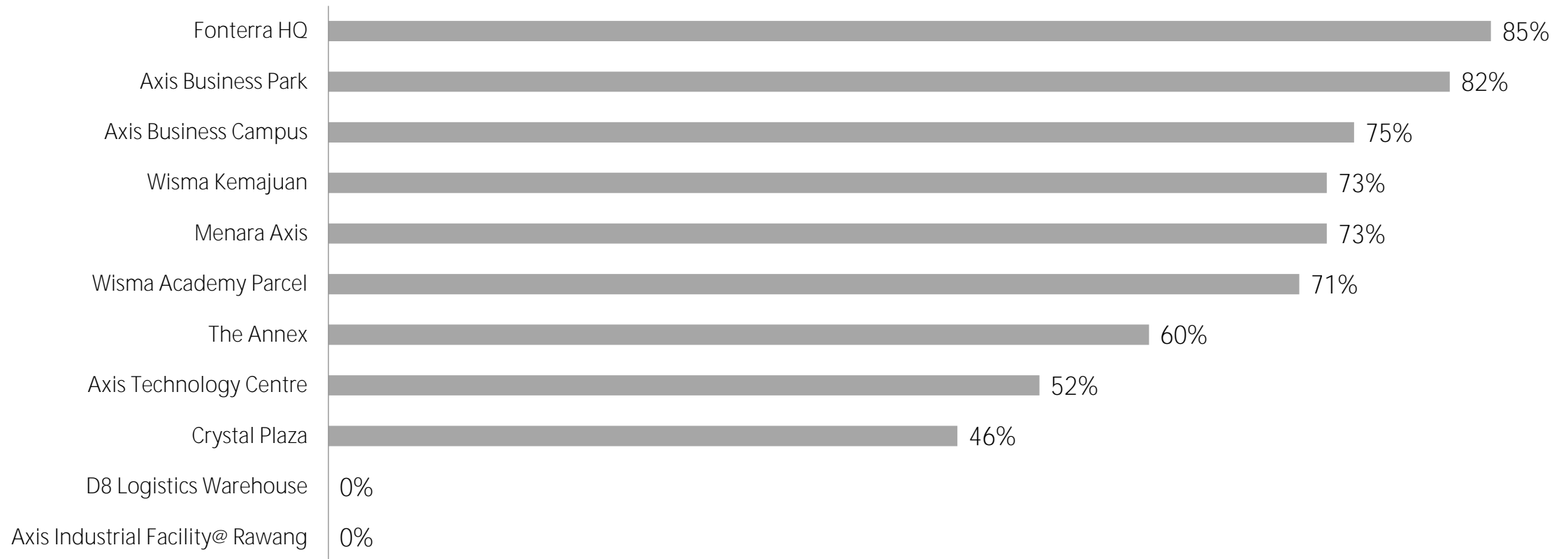
HIGH OCCUPANCY RATE WITH INCOME VISIBILITY

Property	Year 2020	% of Total NLA	% of Rental Income/month	Year 2021	% of Total NLA	% of Rental Income/month	Year 2022	% of Total NLA	% of Rental Income/month
Petaling Jaya	625,591	5.96	9.92	563,707	5.38	9.68	493,891	4.71	8.12
Shah Alam	412,015	3.93	3.86	612,547	5.85	5.79	105,550	1.01	1.23
Klang	-	-	-	-	-	-	149,605	1.43	1.19
Johor	468,936	4.48	2.97	772,475	7.37	5.08	216,988	2.07	1.98
Nilai	-	-	-	-	-	-	291,642	2.78	1.41
Penang	205,151	1.96	2.37	-	-	-	395,225	3.77	2.96
TOTAL	1,711,693	16.33	19.12	1,948,729	18.60	20.55	1,652,901	15.77	16.89
Lease Expiry By Type									
Property	Year 2020	% of Total NLA	% of Rental Income/month	Year 2021	% of Total NLA	% of Rental Income/month	Year 2022	% of Total NLA	% of Rental Income/month
Office	137,864	1.32	3.12	134,059	1.28	3.46	113,742	1.09	2.42
Office Industrial	487,727	4.65	6.80	429,648	4.10	6.23	410,399	3.92	6.30
Warehouse Logistics	1,086,102	10.36	9.20	1,087,123	10.38	8.17	645,445	6.15	5.07
Manufacturing Facilities	-	-	-	297,899	2.84	2.69	483,315	4.61	3.10
Hypermarket	-	-	-	-	-	-	-	-	-
TOTAL	1,711,693	16.33	19.12	1,948,729	18.60	20.55	1,652,901	15.77	16.89

Out of 1.7 million square feet of space expiring in 2020, 77% of this space was renewed and 3% was secured by new tenants.

PORTFOLIO OVERVIEW

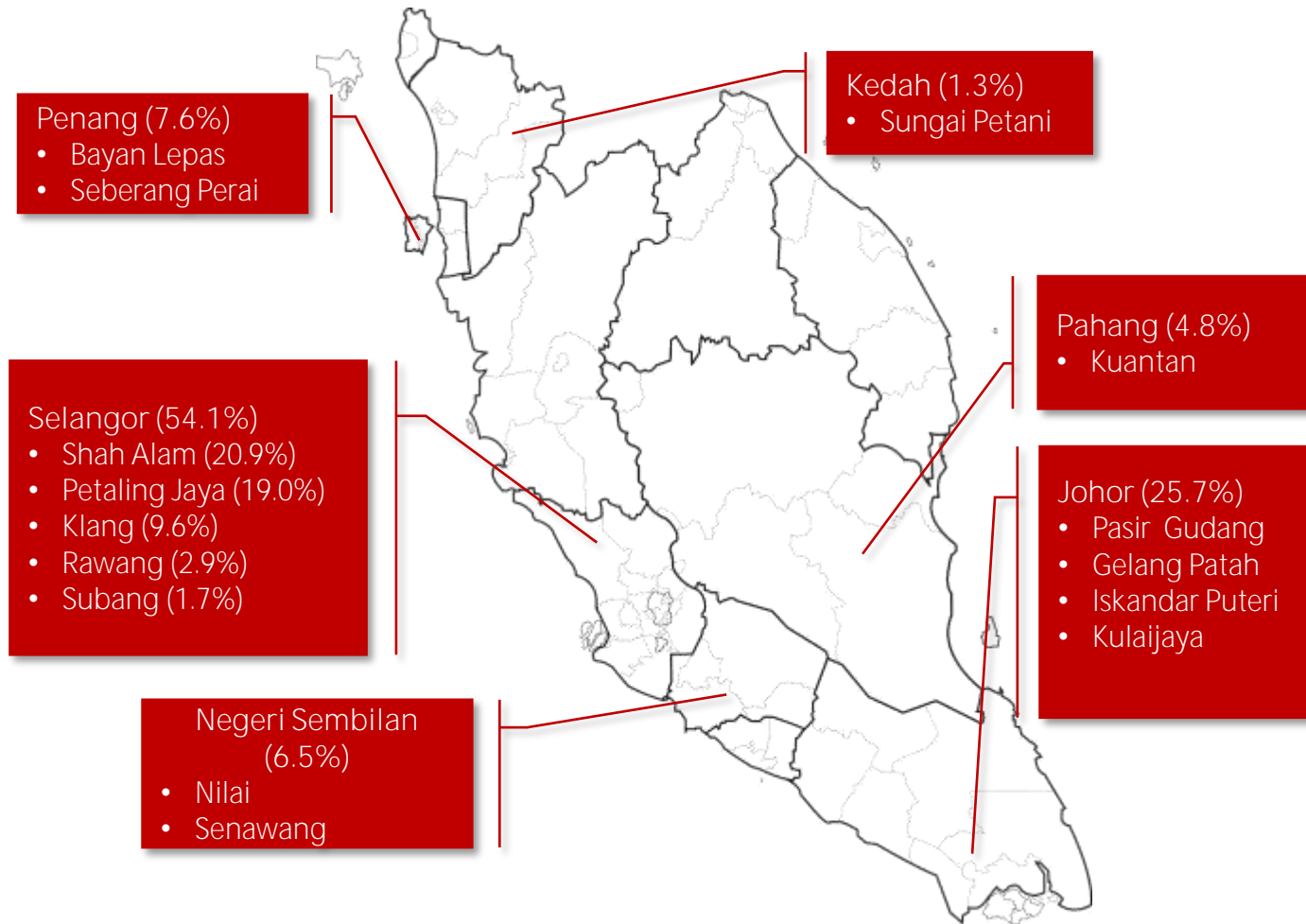
PROPERTIES WITH OCCUPANCY BELOW 90% AS AT 31 DECEMBER 2020



Note: Vacant space in Fonterra HQ is built for their future expansion

PORTFOLIO OVERVIEW

ESTABLISHED NATIONWIDE FOOTPRINT



Top 10 Tenants

YTD top ten tenants account for 46.75% of the total revenue

1. Nestle Products Sdn Bhd
2. LF Logistics Services (M) Sdn Bhd
3. Yongnam Engineering Sdn Bhd
4. Wasco Coatings Malaysia Sdn Bhd
5. Schenker Logistics (Malaysia) Sdn Bhd
6. Upeca Aerotech Sdn Bhd
7. POS Logistics Berhad
8. Tesco Stores (Malaysia) Sdn Bhd
9. Teraju Sinar Sdn Bhd
10. Northport (Malaysia) Berhad



PORTFOLIO OVERVIEW

ASSET ENHANCEMENT INITIATIVES AND MAJOR REPAIRS

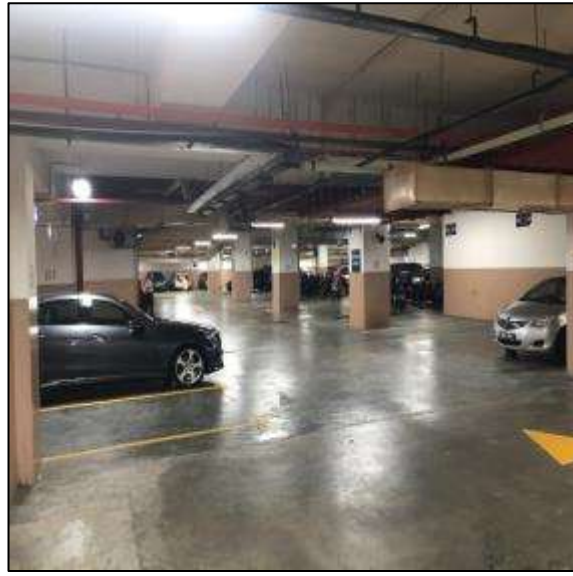
Crystal Plaza, Petaling Jaya: Upgrade of air conditioning system



PORTFOLIO OVERVIEW

ASSET ENHANCEMENT INITIATIVES AND MAJOR REPAIRS

Crystal Plaza & Menara Axis, Petaling Jaya: Upgrade of car park lighting system with LED and sensor for better energy savings and CCTV system with higher resolution and bigger memory capacity



PORTFOLIO OVERVIEW

ASSET ENHANCEMENT INITIATIVES AND MAJOR REPAIRS

Axis Vista, Petaling Jaya: Repair of driveway caused by collapsed Sungai Penchala retaining wall



PORTFOLIO OVERVIEW

ASSET ENHANCEMENT INITIATIVES AND MAJOR REPAIRS

Infinite Centre & Axis Business Campus, Petaling Jaya: Building façade improvement works



PORTFOLIO OVERVIEW

COMPLETED DEVELOPMENT

Axis Facility @ Batu Kawan



Net Lettable Area	:	44,000 sq. ft.
Land Area	:	Approx. 2.5 acres
Land Tenure	:	Leasehold
Tenant	:	Federal Express Services (M) Sdn Bhd
Occupancy	:	100%
WALE	:	10 years
Construction Time	:	5 months
Lease Commencement	:	1 March 2020
Development Value	:	RM14.6million
Market Value	:	RM18.95million
(as at 31 Dec 2020)		

PORTFOLIO OVERVIEW

COMPLETED ACQUISITIONS

1. Axis Facility 2 @ Nilai, Negeri Sembilan



Completion Date	:	28 February 2020
Net Lettable Area	:	246,500 sq. ft.
Land Area	:	Approx. 8.75 acres
Land Tenure	:	Leasehold
Occupancy	:	100%
Purchase Price	:	RM50.0 million
WALE	:	10 years

2. Axis Facility 2 @ Bukit Raja, Klang



Completion Date	:	17 March 2020
Net Lettable Area	:	199,890 sq. ft.
Land Area	:	Approx. 5.57 acres
Land Tenure	:	Leasehold
Occupancy	:	100%
Purchase Price	:	RM37.0 million
WALE	:	Approx. 2.5 years

PORTFOLIO OVERVIEW

COMPLETED ACQUISITIONS

3. D37c Logistics Warehouse, PTP Johor



Completion Date	:	9 June 2020
Net Lettable Area	:	222,723 sq. ft.
Land Area	:	Approx. 8.2 acres
Land Tenure	:	Sublease
Occupancy	:	100%
Purchase Price	:	RM65.0 million
WALE	:	Approx. 8 years

4. Axis Shah Alam Distribution Centre 5, Selangor



Completion Date	:	5 November 2020
Net Lettable Area	:	285,249 sq. ft.
Land Area	:	Approx. 10.4 acres
Land Tenure	:	Leasehold
Occupancy	:	100%
Purchase Price	:	RM 95.0 million
WALE	:	Approx. 3 years

PORTFOLIO OVERVIEW

COMPLETED ACQUISITIONS

5. Axis Industrial Facility @ Shah Alam, Selangor



Completion Date	:	3 December 2020
Net Lettable Area	:	41,061 sq. ft.
Land Area	:	Approx. 2.2 acres
Land Tenure	:	Leasehold
Occupancy	:	100%
Purchase Price	:	RM11.87 million
WALE	:	Approx. 3 years

6. Indahpura Facility 2, Johor



Completion Date	:	12 January 2021
Net Lettable Area	:	35,339 sq. ft.
Land Area	:	Approx. 1.2 acres
Land Tenure	:	Freehold
Occupancy	:	100%
Purchase Price	:	RM8.54 million
WALE	:	Approx. 3 years

PORTFOLIO OVERVIEW

ONGOING ACQUISITIONS

1. Bayan Lepas Industrial Facility 1, Penang



2. Manufacturing Facility 1, iPark @ Indahpura



Target Completion Date :	1H2021
Net Lettable Area :	78,024 sq. ft.
Land Area :	Approx. 2.1 acres
Land Tenure :	Leasehold
Occupancy :	100%
Purchase Price :	RM20.5 million
WALE :	Vendor is negotiating with Tenant on the renewal

Target Completion Date :	1H2021
Net Lettable Area :	24,949 sq. ft.
Land Area :	Approx. 1.25 acres
Land Tenure :	Freehold
Occupancy :	100%
Purchase Price :	RM6.68 million
WALE :	Approx. 4 years

PORTFOLIO OVERVIEW

ONGOING ACQUISITIONS

3. Manufacturing Facility 3, iPark @ Indahpura



Target Completion Date :	1H2021
Net Lettable Area :	57,545 sq. ft.
Land Area :	Approx. 2.1 acres
Land Tenure :	Freehold
Occupancy :	100%
Purchase Price :	RM12.98 million
WALE :	Approx. 6 years

4. Manufacturing Facility @ Bukit Raja, Klang



Target Completion Date :	1H2021
Gross Floor Area :	326,231 sq. ft.
Land Area :	Approx. 20.75 acres
Land Tenure :	Freehold
Occupancy :	100%
Purchase Price :	RM120.0 million
WALE :	Approx. 1 year

PORTFOLIO OVERVIEW

ONGOING ACQUISITIONS

5. Warehouse @ Pasir Gudang, Johor



Target Completion Date :	1H2021
Net Lettable Area :	398,060 sq. ft.
Land Area :	Approx.16.23 acres
Land Tenure :	Leasehold
Occupancy :	100%
Purchase Price :	RM75.0 million
WALE :	Approx. 10 years

PORTFOLIO OVERVIEW

ACQUISITIONS STRATEGY

The Manager continues to aggressively source and evaluate potential acquisition targets that are deemed investable by Axis-REIT. The selection of properties will continue to focus on:

- ✓ Grade A logistics facilities and manufacturing facilities with long leases from tenants with strong covenants;
- ✓ Well-located retail warehousing in locations ideal for last-mile distribution; and
- ✓ Office, business parks and industrial properties with potential for future enhancement.

**Total Estimated Value of Acquisition Targets
RM135 million**

FINANCIAL OVERVIEW



FINANCIAL OVERVIEW

SNAPSHOT AS AT 31 DECEMBER 2020



RM3.36 bn
Total Assets



RM1.11 bn
Total Financings



RM2.12 bn
Total Unitholder's Funds



RM1.47
Net Asset Value Per Unit



33%
Financing Ratio

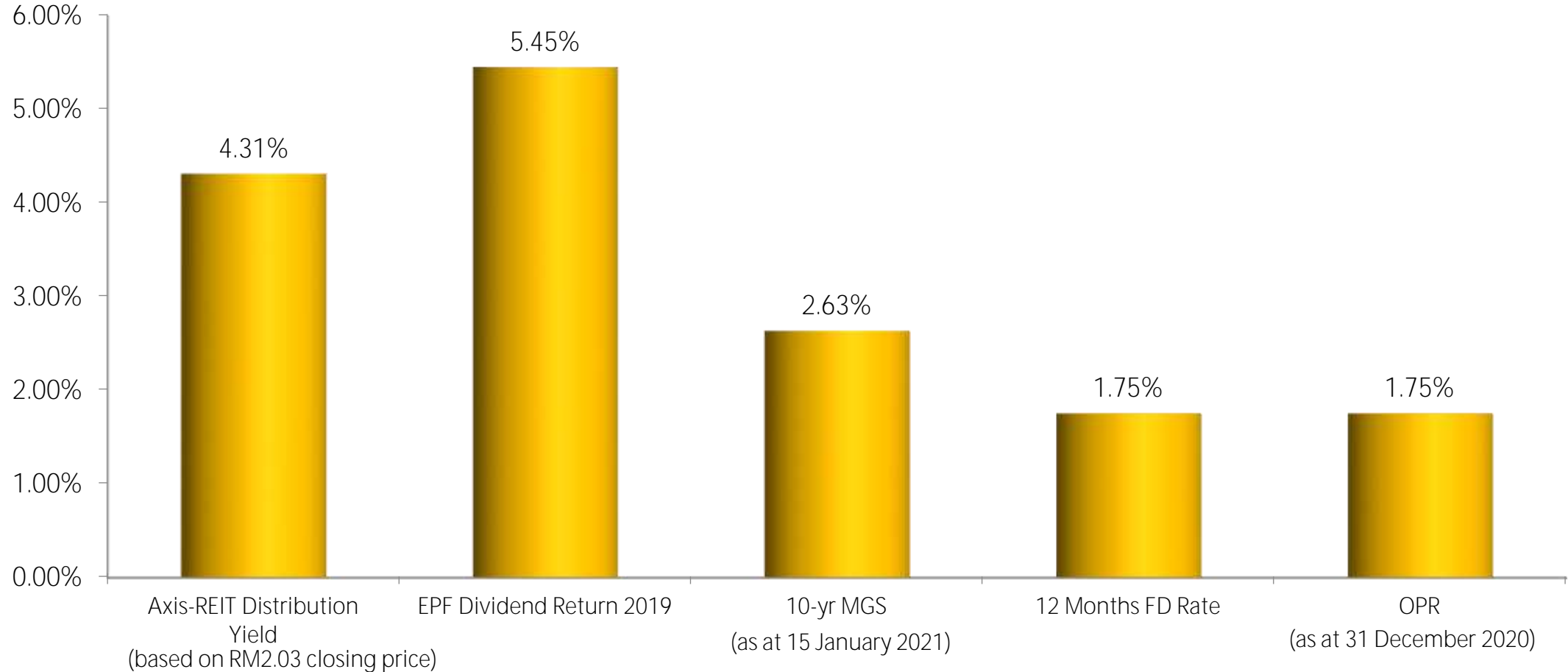


FY2020: 8.75 sen
Distribution Per Unit

4Q2020: 2.25 sen
3Q2020: 2.25 sen
2Q2020: 2.15 sen
1Q2020: 2.10 sen
Distribution Per Unit

FINANCIAL OVERVIEW

RETURN COMPARATIVES



FINANCIAL OVERVIEW

INCOME STATEMENT 4Q2020 vs 4Q2019

	4Q2020 (RM'000)	4Q2019 (RM'000)	Changes / Movement
No. of Properties	53	48	+5
Property Income	57,373	54,023	
- Property income before lease incentive adjustment	57,566	54,407	+5.8%
- Lease incentive adjustment (non-distributable)	(193)	(384)	
Property Expenses	(8,645)	(8,183)	+5.6%
Net Property Income	48,728	45,840	
- Property income before lease incentive adjustment	48,921	46,224	+5.8%
- Lease incentive adjustment (non-distributable)	(193)	(384)	
Profit Income / Other Income	141	559	
Non-Property Expenses	(6,466)	(5,265)	+22.8%
Islamic Financing Cost	(10,257)	(11,750)	-12.7%
Net Income	32,146	29,384	
Property income before lease incentive adjustment	32,339	29,768	+8.6%
- Lease incentive adjustment (non-distributable)	(193)	(384)	
DPU (sen)	2.25	2.20	+2.3%
No. of Units in Issuance	1,442,331,296	1,435,250,288	+0.5%

* Note: The above financials exclude unbilled lease income receivable

FINANCIAL OVERVIEW

INCOME STATEMENT YTD 2020 vs YTD 2019

	YTD 2020 (RM'000)	YTD 2019 (RM'000)	Changes / Movement
No. of Properties	53	48	+5
Property Income – NOTE 1	224,064	214,975	
- Property income before lease incentive adjustment	224,712	216,005	+4.0%
- Lease incentive adjustment (non-distributable)	(648)	(1,030)	
Property Expenses – NOTE 2	(33,716)	(30,756)	+9.6%
Net Property Income	190,348	184,219	
- Property income before lease incentive adjustment	190,996	185,249	+3.1%
- Lease incentive adjustment (non-distributable)	(648)	(1,030)	
Profit Income / Other Income	875	1,434	
Non-Property Expenses	(26,772)	(22,114)	+21.1%
Islamic Financing Cost – NOTE 3	(39,513)	(48,360)	-18.3%
Net Income	124,938	115,179	
Property income before lease incentive adjustment	125,586	116,209	+8.1%
- Lease incentive adjustment (non-distributable)	(648)	(1,030)	
DPU (sen) – NOTE 4	8.75	9.26	-5.5%
No. of Units in Issuance	1,442,331,296	1,435,250,288	+0.5%

* Note: The above financials exclude unbilled lease income receivable

FINANCIAL OVERVIEW

INCOME STATEMENT YTD 2020 vs YTD 2019 - NOTES

Note 1 – Property Income

Increase in property income as compared to preceding year corresponding period was mainly due to the commencement of lease on Axis Facility @ Batu Kawan on 1 March 2020 and rental from newly acquired properties. This has offset the rental loss from Axis Industrial Facility @ Rawang as the tenant redelivered vacant possession in July 2019 and the expiry of tenancy of D8 Logistics Warehouse since end October 2020. During the Movement Control Order (“MCO”), Axis-REIT has also registered lower seasonal and visitor carpark income during the year.

Note 2 – Property Expenses

The increase in property expenses is due to the enlarged size of the portfolio and also building maintenance expenses which was caused by the collapse of a retaining wall along Sungai Penchala that damaged the driveway at Axis Vista and Axis Technology Centre. A total of RM945,000 has been incurred to repair the collapsed retaining wall.

Note 3 – Islamic Financing Cost

Decrease in financing cost was mainly due to reduced gearing from the equity placement exercise in 4Q2019 and four times of OPR cuts so far for this year, with a cumulative reduction of 125 basis points.

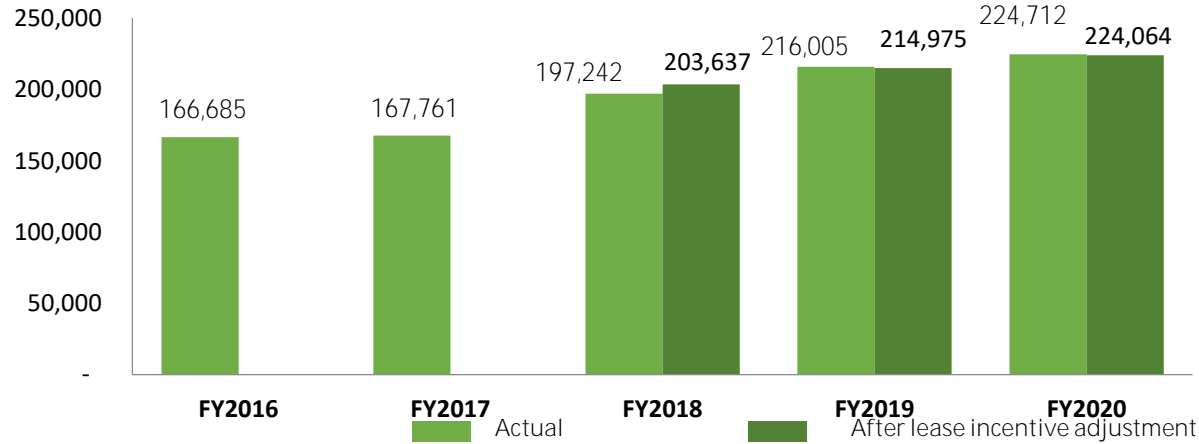
Note 4 – DPU

The DPU of 8.75 sen is lower than YTD 2019 of 9.26 sen due to issuance of new units from the equity placement exercise completed in 4Q 2019 and also the IDRPs completed in March 2020.

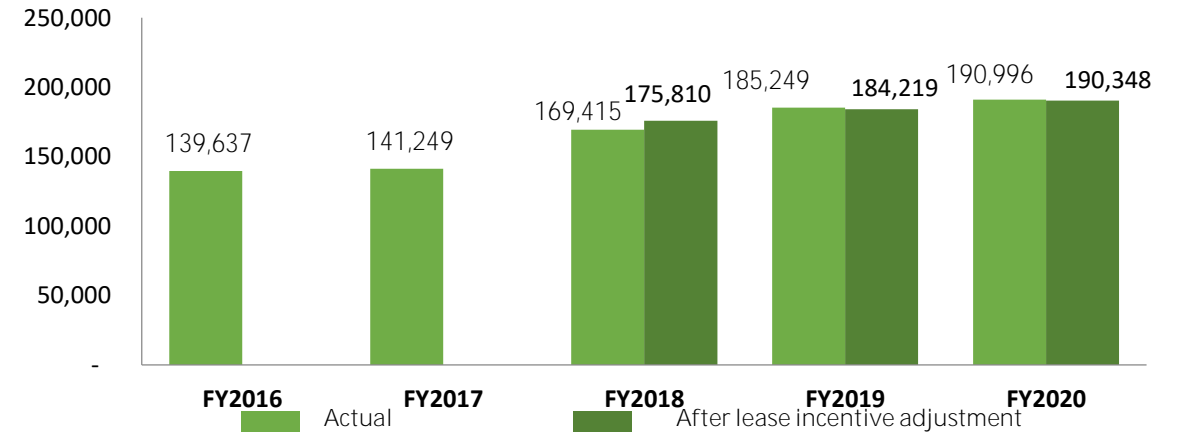
FINANCIAL OVERVIEW

5-YEAR PERFORMANCE

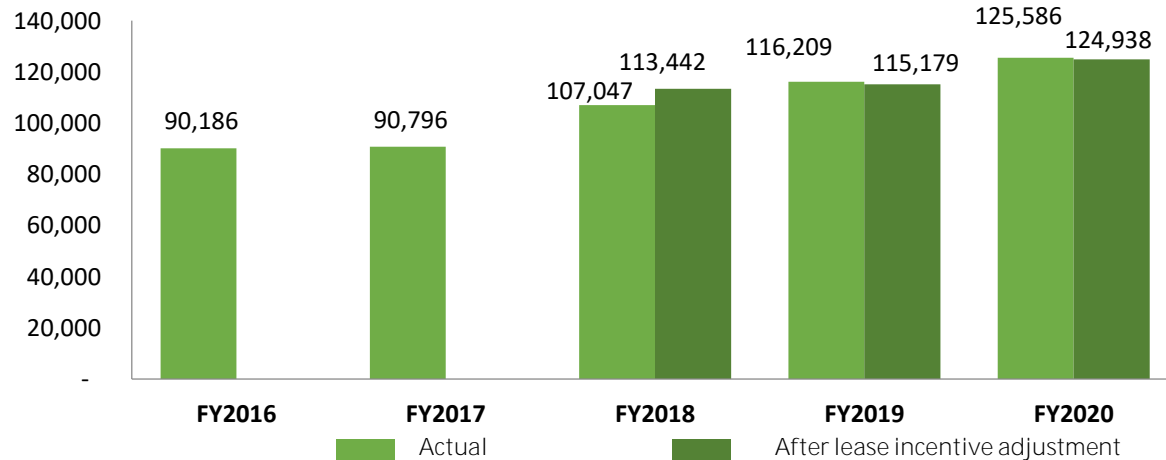
Revenue (RM'000)*



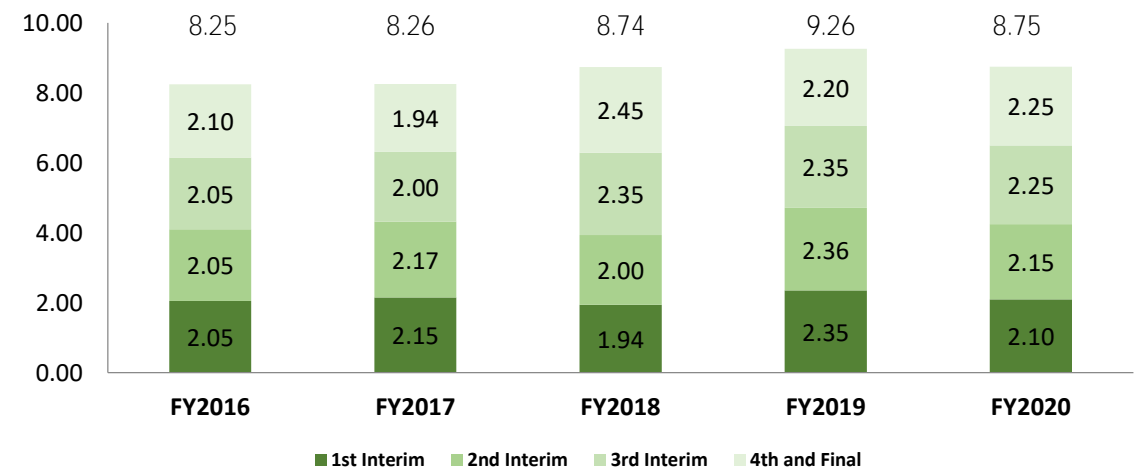
Net Property Income (RM'000)*



Net Income (RM'000)*



Distribution Per Unit (Sen)



FINANCIAL OVERVIEW

PORTFOLIO YIELD BY ASSET TYPES

Asset Type	Net Yield (%)	Gross Yield (%)
Office	6.3	8.9
Office Industrial	6.4	9.1
Warehouse Logistics	8.3	9.1
Manufacturing Facilities	7.4	8.3
Hypermarket	8.2	8.8
Average	7.5	8.8

FINANCIAL OVERVIEW

FINANCIAL POSITION

	31/12/20 (RM'000)	31/12/19 (RM'000)	Changes (RM'000)
Investment Properties – Note 1	3,280,240	2,990,610	+289,630
Fixed Assets	2,870	3,201	-331
Other Assets – Note 2	80,973	91,870	-10,897
TOTAL ASSETS	3,364,083	3,085,681	+278,402
Borrowings	1,112,183	885,859	+226,324
Other Payables	119,774	112,443	+7,331
Deferred Tax Liability	9,122	8,615	+507
TOTAL LIABILITIES	1,241,079	1,006,917	+234,162
NET ASSET VALUE (NAV)	2,123,004	2,078,764	+44,240
Unitholders' Capital – Note 3	1,595,506	1,583,791	+11,715
Undistributed Distributable Income	31,493	16,094	+15,399
Non-Distributable Reserve	496,005	478,879	+17,126
TOTAL UNITHOLDERS' FUND	2,123,004	2,078,764	+44,240
GEARING	33.06%	28.71%	
NAV/UNIT (RM)	1.4719	1.4484	
No. of units in issuance	1,442,331,296	1,435,250,288	

FINANCIAL OVERVIEW

NOTES - FINANCIAL POSITION

Note 1 – Investment Properties

During the year, a total of RM7.4 million was spent on enhancement works on the portfolio and RM19.0 million revaluation gain was recognised for 2020.

Acquisition completed during the financial year is as follows :

Property	Purchase Consideration (RM mil)	Completion Date
Axis Facility 2 @ Nilai	50.0	28-Feb-20
Axis Facility 2 @ Bukit Raja	37.0	17-Mar-20
D37c Logistics Warehouse	65.0	9-Jun-20
Axis Shah Alam Distribution Centre 5	95.0	10-Nov-20
Axis Industrial Facility @ Shah Alam	11.87	3-Dec-20
Total	258.87	

FINANCIAL OVERVIEW

NOTES - FINANCIAL POSITION

Note 2 – Other Assets

The average collection of trade receivables as at 31 December 2020 was 14 days. The fund has collected almost 100% of rental for 4Q2020.

Note 3 – Unitholders' Capital

A total of net proceeds of RM11.7 million raised from 7,081,008 new issued units pursuant to the IDRP applicable to the 2019 final income distribution completed on 10 March 2020.

The fund size has increased from 1,435,250,288 units to 1,442,331,296 units post IDRP.

FINANCIAL OVERVIEW

NOTE 3 - 5-YEAR DEBT PROFILE

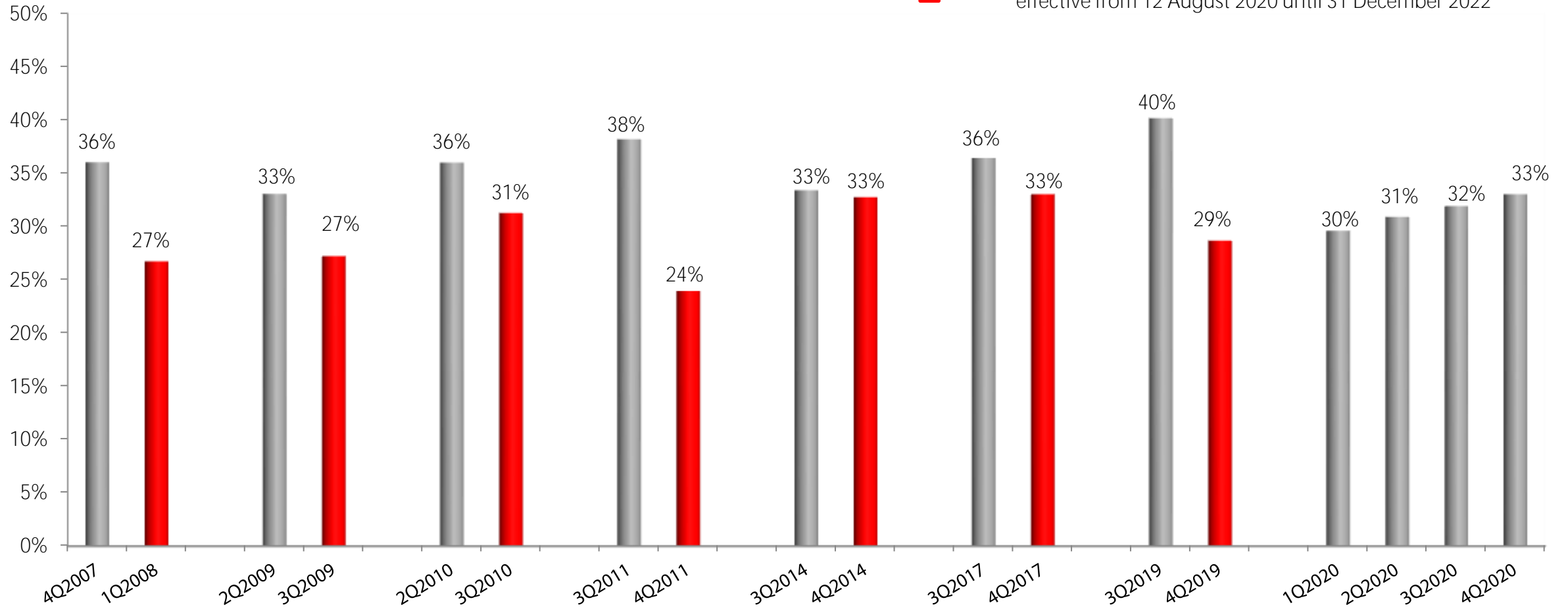
	2016	2017	2018	2019	2020
Total Financing (RM'000)	780,665	842,594	1,059,367	885,859	1,112,183
Total Assets (RM'000)	2,244,274	2,549,609	2,840,463	3,085,681	3,364,083
Gearing	34.78%	33.05%	37.30%	28.71%	33.06%
Effective Profit Rate	4.25%	4.21%	4.32%	4.37%	3.89%
Percentage of short term financing- Maturity < 1 Year	58%	71%	77%	43%	55%
Percentage of medium/ long term financing (maturity more than 1 year)	42%	29%	23%	57%	45%
Percentage of floating rate financing	53%	63%	69%	21%	47%
Percentage of fixed rate financing	47%	37%	31%	79%	53%
Total unencumbered assets	15	15	19	16	25
Percentage of unencumbered assets/total assets (value)	30%	27%	28%	27%	44%

FINANCIAL OVERVIEW

GEARING LEVELS

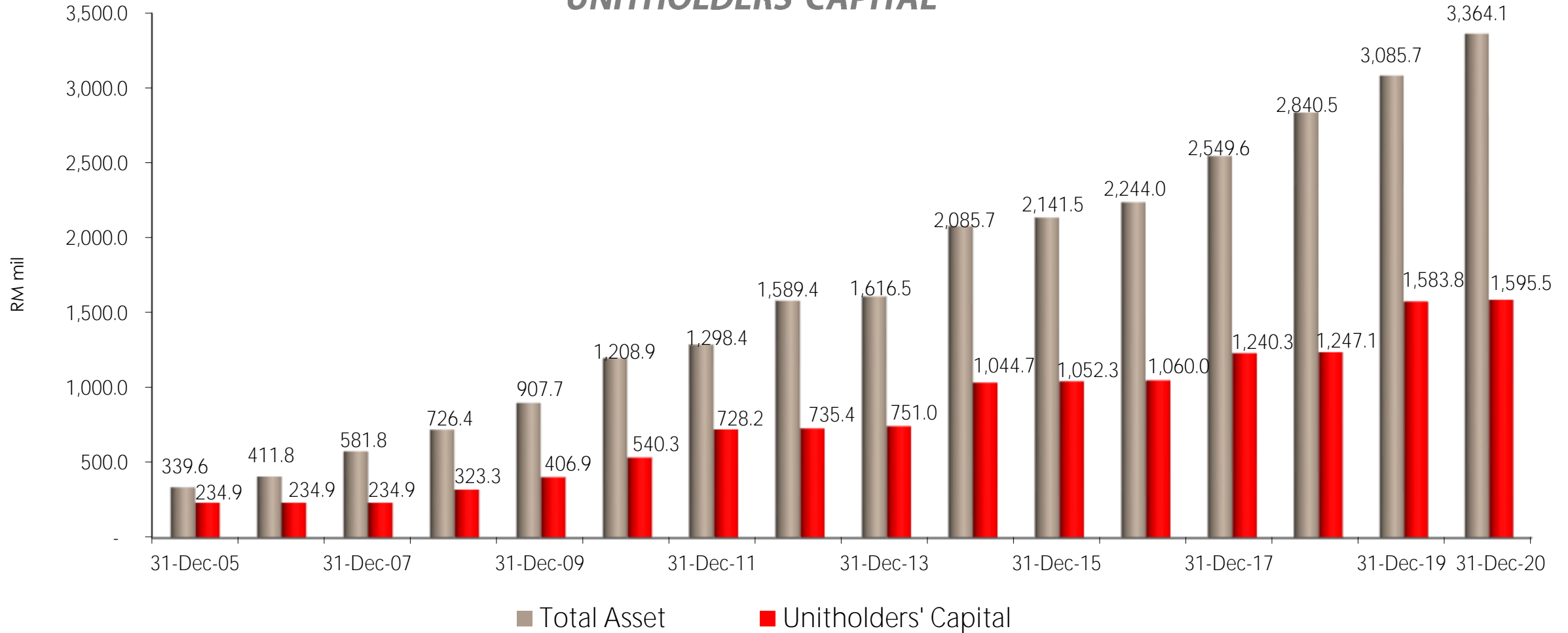
Placements Undertaken ■

Allowable threshold of 50% has been increased to 60% effective from 12 August 2020 until 31 December 2022



FINANCIAL OVERVIEW

UNITHOLDERS' CAPITAL



STOCK INFORMATION



STOCK INFORMATION

TOP 10 UNITHOLDERS*

	Name of Unitholder	%
1	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	9.86%
2	EMPLOYEES PROVIDENT FUND BOARD	8.31%
3	LEMBAGA TABUNG HAJI	4.83%
4	TEW PENG HWEE @ TEOH PENG HWEE	3.92%
5	EXEMPT AN FOR AIA BHD.	3.81%
6	ALEX LEE LAO	3.72%
7	AMANAH SAHAM BUMIPUTERA	2.77%
8	PUBLIC ITTIKAL SEQUEL FUND	2.12%
9	PUBLIC SMALLCAP FUND	1.91%
10	EMPLOYEES PROVIDENT FUND BOARD (AMUNDI)	1.78%

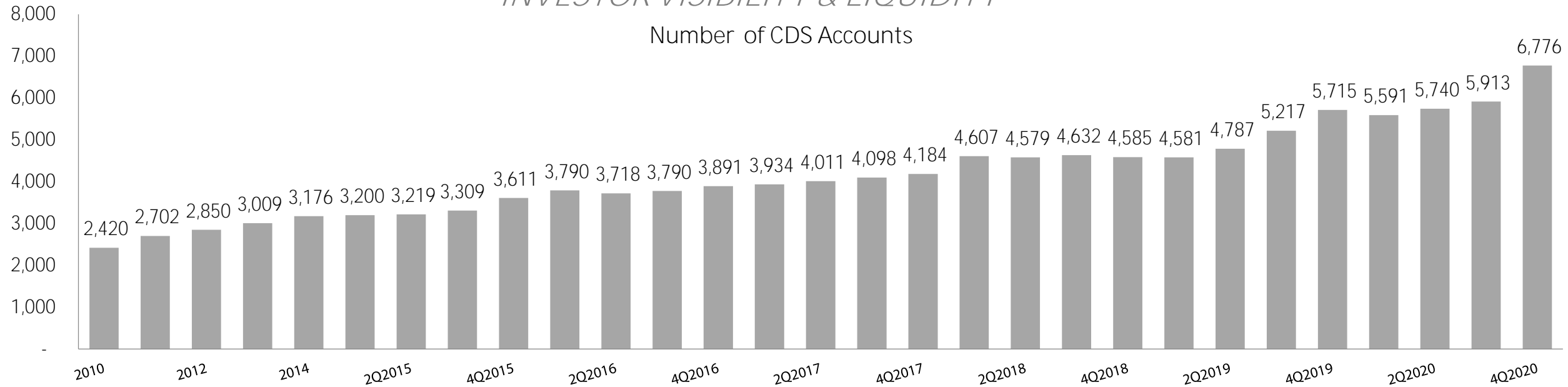
Holdings Breakdown	Units Held 4Q2020	Units Held 3Q2020	Movement
Top 5 Unitholders	30.73%	30.70%	0.03%
Top 10 Unitholders	43.03%	43.55%	-0.52%
Unitholders with >2 million unitholdings	84.40%	84.31%	0.09%

*Based on CDS accounts on non-consolidated basis

STOCK INFORMATION

INVESTOR VISIBILITY & LIQUIDITY

Number of CDS Accounts



	Units Held 4Q2020	Units Held 3Q2020	Movement
Total no. of unitholders	6,776	5,913	863
Total foreign holdings	14.40%	14.15%	0.25%
Foreign holdings – related-party	6.31%	6.31%	0%
Foreign holdings – non-related-party	8.09%	7.84%	0.25%
Promoters	10.95%	10.95%	0%

THANK YOU



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