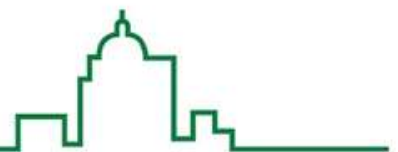




# AXIS REAL ESTATE INVESTMENT TRUST

Results Presentation 1Q2024  
23 April 2024



HIGHLIGHTS

PORTFOLIO  
OVERVIEW

FINANCIAL  
OVERVIEW

STOCK  
INFORMATION

# HIGHLIGHTS

# HIGHLIGHTS



63 properties on portfolio  
49 properties with 100% occupancy



Portfolio Occupancy of 89%\* (as at 31/3/2024)  
Weighted Average Lease Expiry of 5 years



Total Assets Under Management  
RM4.59 billion



Reclassified as Islamic REIT in 2008



Space Under Management  
13.95 million sq ft



Distribution Per Unit 1Q2024  
2.30 sen



Financing Ratio  
35.1%



Market Capitalization (as at 31/3/2024)  
RM3.2 billion



Solid industrial space portfolio



Nationwide presence across Malaysia

*\*Including newly-completed development of Axis Mega Distribution Centre (Phase 2) on 27 March 2024*

# 1Q2024 HIGHLIGHTS

- Investment properties currently stands at RM4.51 billion.
- Traded at a premium of 11.9% to NAV as at 31 March 2024.
- Declared 1<sup>st</sup> interim 2024 income distribution of 2.30 sen.
- Portfolio size increased by 1 to a total of 63 properties.
- Space under management increased by 602,894 sq. ft.
- The Axis Mega Distribution Centre (Phase 2) development project was successfully completed and obtained Certificate of Compliance and Completion on 27 March 2024.
- Completed the acquisition of Axis Hypermarket @ Temerloh, Pahang for RM25,750,000 on 16 January 2024.
- Signed the Sale and Purchase Agreement to acquire a manufacturing facility in Sendayan, Negeri Sembilan for a proposed purchase consideration of RM48,000,000 on 25 October 2023.
- Signed the Sale and Purchase Agreement to acquire a manufacturing facility in Kawasan Perindustrian Bukit Raja, Selangor for a proposed purchase consideration of RM49,000,000 on 23 February 2024.

# 2024 HIGHLIGHTS

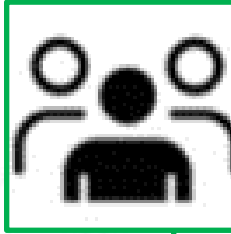
- Signed the Sale and Purchase Agreement to acquire a manufacturing facility in Kawasan Perindustrian Bukit Raja, Selangor for the proposed purchase consideration of RM313,000,000 on 22 April 2024.
- Signed the Sale and Purchase Agreement to acquire a storage yard in Kawasan Perindustrian Bukit Raja, Selangor for the proposed purchase consideration of RM38,800,00 on 22 April 2024.

# SUSTAINABILITY HIGHLIGHTS



## Environment

- ✓ **Efficient energy management:**
  - Replacing conventional lighting with energy efficient lighting
  - Leasing roof space to install solar panels
  - Upgrading air-conditioning systems to environmentally-friendly systems
- ✓ **Green building certification:**
  - DW1 Logistics Warehouse: GBI Certified
  - Axis Facility 2 @ Bukit Raja: GreenRE Silver
  - Bukit Raja Distribution Centre 2: GreenRE Gold
  - Axis Mega Distribution Centre: Provisional GreenRE Silver (Phase 1), Gold (Phase 2)



## Social

- ✓ **Donated an ambulance to SJAM for emergency ambulance services in Kota Kinabalu, Sabah**
- ✓ **Funding physiotherapy and speech therapy for children with disabilities**



## Governance

- ✓ **Best practices:**
  - Complied with 30% female representation on Board with effect from 1 June 2022 in accordance with the SC's requirements.
  - Complied with the independent director tenure limit of 12 years with effect from 30 May 2023 in accordance with the Listed REIT Guidelines.
- ✓ **External validation:**
  - Constituent of FTSE4Good Bursa Malaysia Index
  - Participant member of GRESB



# PORTFOLIO OVERVIEW

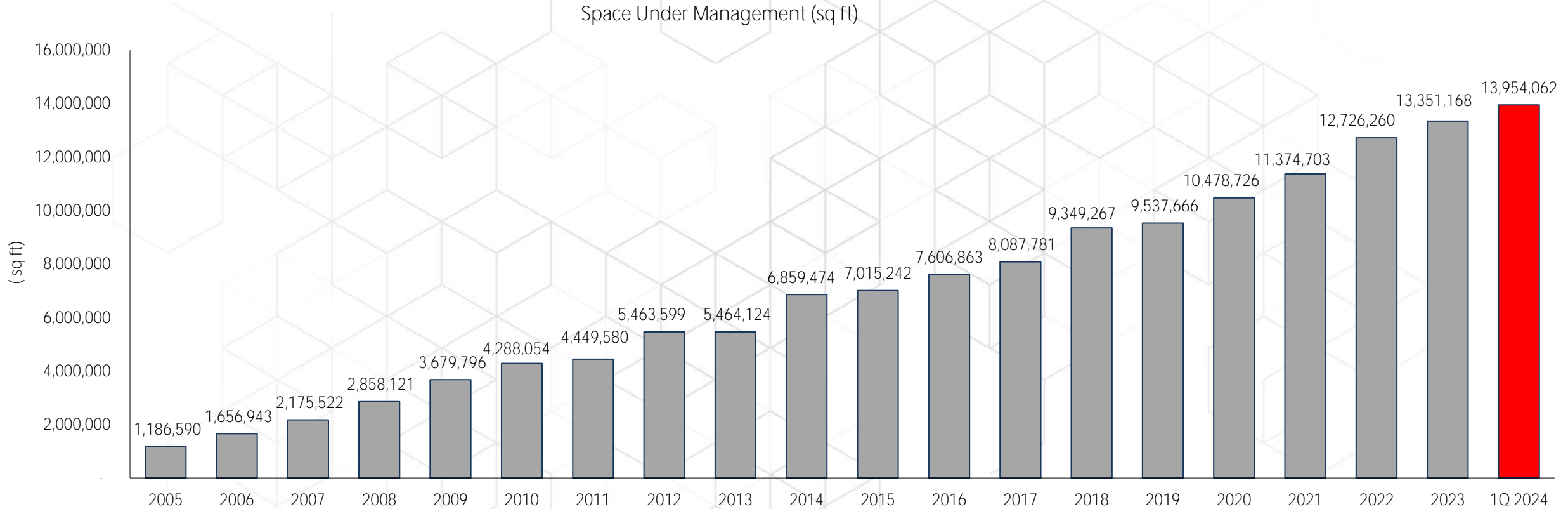


# PORTFOLIO OVERVIEW

As at 31 March 2024, the portfolio has 63 assets comprising 13,954,062 sq. ft. and 172 tenants.

	1Q2024			
No. of Properties	63			
Realised <b>Property Income</b> (RM'000)	75,277			
<b>Property Expenses</b> (RM'000)	11,090			
Realised <b>Net Property Income</b> (RM'000)	64,187			
Occupancy	89%			
Portfolio Efficiency Ratio = YTD Property Expenses / YTD Property Income				
1Q2024	2023	2022	2021	2020
14.73%	15.11%	13.92%	13.79%	15.05%

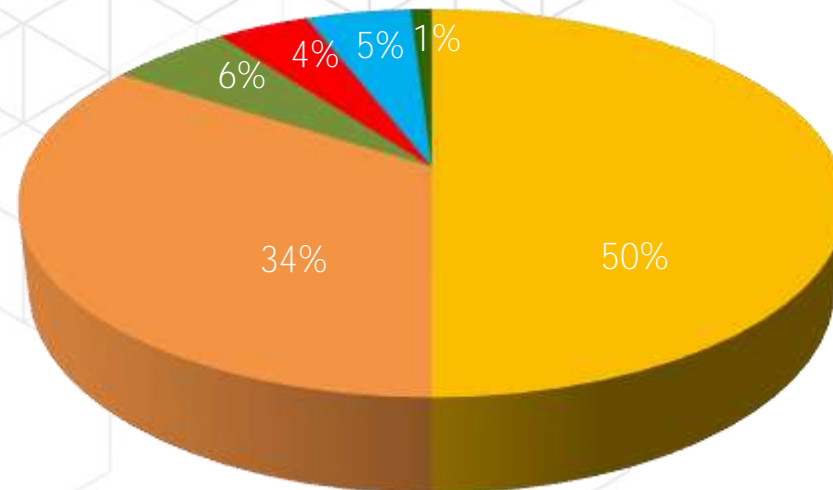
# PORTFOLIO OVERVIEW



# PORTFOLIO OVERVIEW

- ✓ Our 63 properties are strategically located in prime industrial areas such as Klang Valley, Johor, Penang, Pahang, Negeri Sembilan and Kedah.
- ✓ Focus areas for pipeline acquisitions include key industrial hubs of:
  - Selangor
  - Johor
  - Penang
- ✓ 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

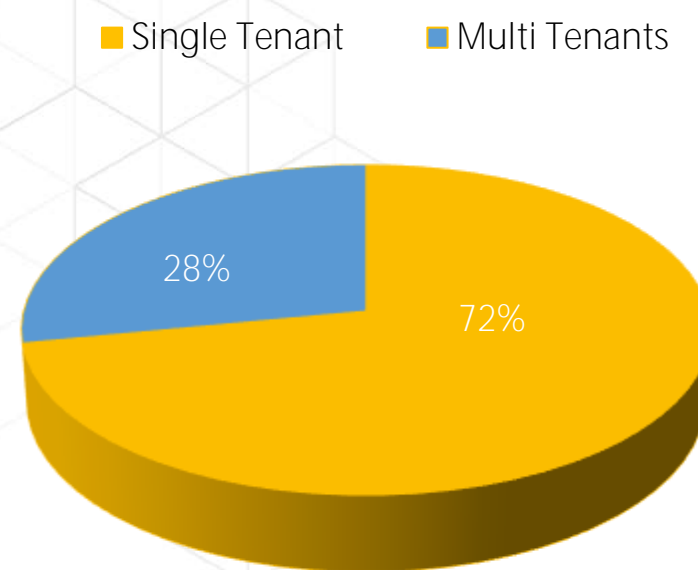
Portfolio Diversification by Industry Sector (on NLA)



Portfolio Diversification by Asset Type (on NLA)

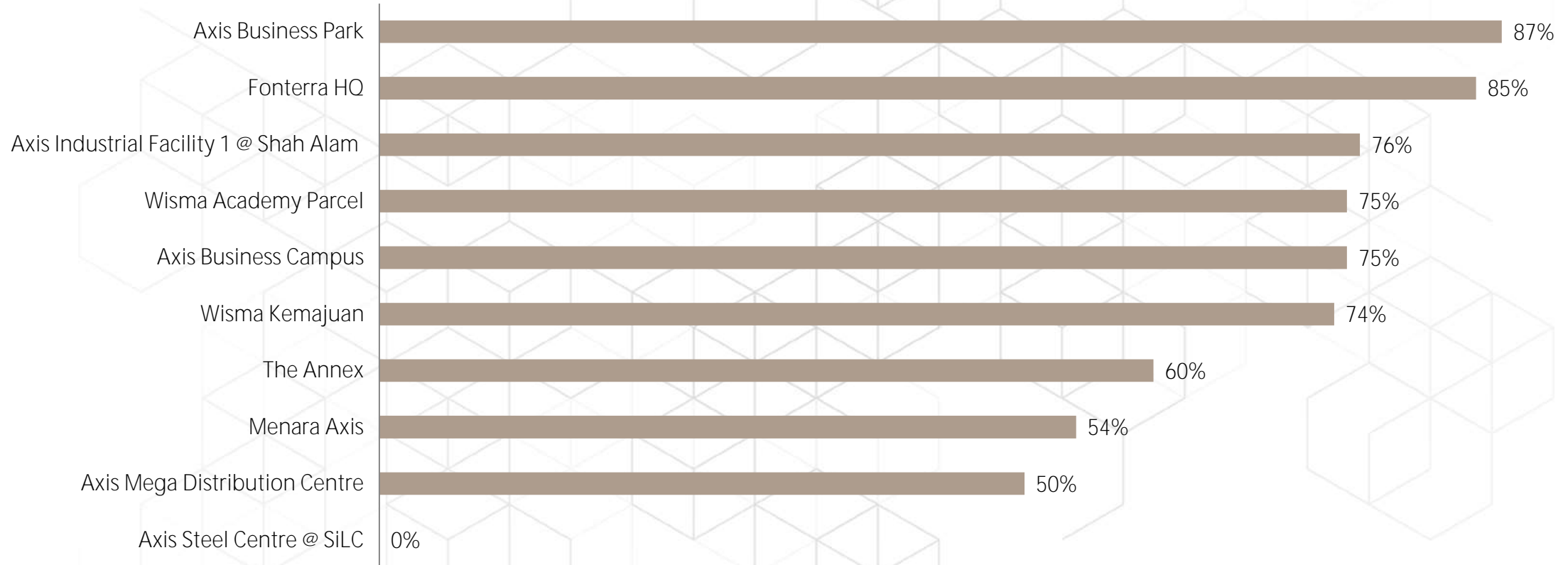


Portfolio Diversification by Occupancy Type (on NLA)



# PORTFOLIO OVERVIEW

*PROPERTIES WITH OCCUPANCY BELOW 90% AS AT 31 March 2024*



Notes:

1. Vacant space in Fonterra HQ is built for their future expansion.
2. Newly completed Axis Mega Distribution Centre (Phase 2) issued with Certificate of Completion and Compliance on 27 March 2024.

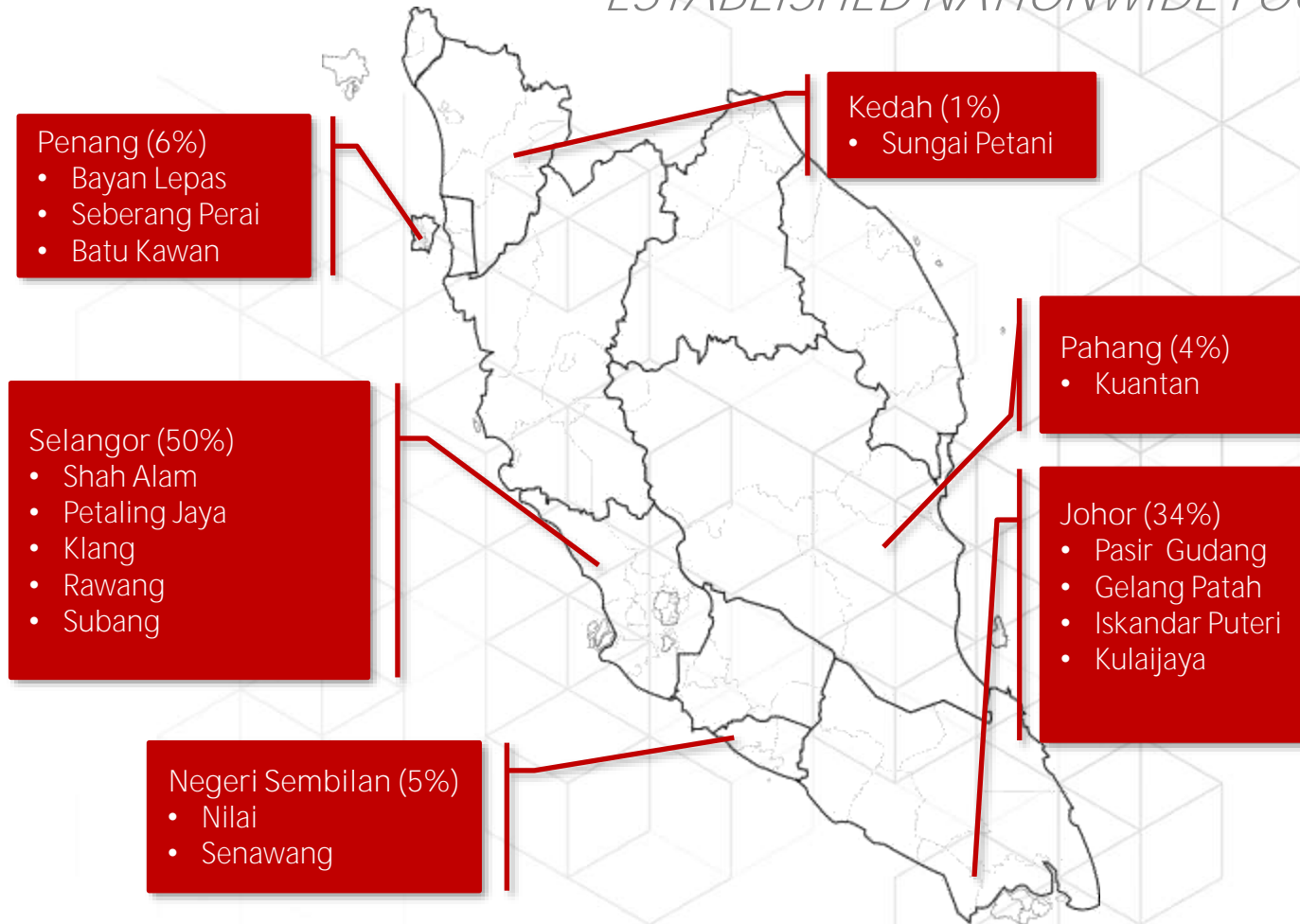
# PORTFOLIO OVERVIEW

Lease Expiry By Location									
Property	Year 2024	% of Total NLA	% of Rental Income/month	Year 2025	% of Total NLA	% of Rental Income/month	Year 2026	% of Total NLA	% of Rental Income/month
Petaling Jaya	588,693	4.22	7.16	719,446	5.16	9.12	344,398	2.47	3.99
Subang	-	-	-	30,250	0.22	0.52	-	-	-
Shah Alam	1,056,195	7.57	7.13	694,813	4.98	4.89	326,310	2.34	2.55
Klang	-	-	-	343,707	2.46	2.05	-	-	-
Johor	843,971	6.05	5.75	736,936	5.28	3.43	171,000	1.23	0.99
Negeri Sembilan	-	-	-	291,642	2.09	1.18	148,011	1.06	0.62
Penang	-	-	-	147,985	1.06	0.84	205,151	1.46	2.06
Kedah	-	-	-	138,000	0.99	1.23	-	-	-
<b>TOTAL</b>	<b>2,488,859</b>	<b>17.84</b>	<b>20.04</b>	<b>3,102,779</b>	<b>22.24</b>	<b>23.26</b>	<b>1,194,870</b>	<b>8.56</b>	<b>10.21</b>
Lease Expiry By Type									
Property	Year 2024	% of Total NLA	% of Rental Income/month	Year 2025	% of Total NLA	% of Rental Income/month	Year 2026	% of Total NLA	% of Rental Income/month
Office	213,059	1.53	3.60	132,517	0.95	2.16	40,438	0.29	0.72
Office Industrial	517,244	3.71	4.82	705,640	5.06	8.28	303,960	2.18	3.27
Logistics Warehouse	1,448,455	10.38	9.31	1,641,965	11.77	9.50	809,411	5.80	5.91
Manufacturing Facilities	310,101	2.22	2.31	484,657	3.47	2.09	41,061	0.29	0.31
Hypermarket	-	-	-	138,000	0.99	1.23	-	-	-
<b>TOTAL</b>	<b>2,488,859</b>	<b>17.84</b>	<b>20.04</b>	<b>3,102,779</b>	<b>22.24</b>	<b>23.26</b>	<b>1,194,870</b>	<b>8.56</b>	<b>10.21</b>

Out of 2.49 million sq. ft. space due for renewal in 2024, 34% tenancies had been renewed. In addition, 7.46% space vacated was re-tenanted.

# PORTFOLIO OVERVIEW

ESTABLISHED NATIONWIDE FOOTPRINT



## Top 10 Tenants

YTD top ten tenants accounted for 49.1% of the monthly revenue

1. Equalbase PTP Sdn Bhd
2. Nestle Products Sdn Bhd
3. LF Logistics Services (M) Sdn Bhd
4. SPX Xpress (Malaysia) Sdn Bhd
5. Schenker Logistics (Malaysia) Sdn Bhd
6. Wasco Costings Malaysia Sdn Bhd
7. Beyonics Precision (Malaysia) Sdn Bhd
8. Upeca Aerotech Sdn Bhd
9. Lotuss Stores (Malaysia) Sdn Bhd
10. Northport (Malaysia) Bhd





# PORTFOLIO OVERVIEW

*COMPLETED DEVELOPMENT*

Axis Mega Distribution Centre (Phase 2)



Lettable Area	: 509,040 sq. ft.
Land Area	: Approx. 20.0 acres
Land Tenure	: Freehold
Development Cost	: Approx. RM180.0 million (incl. land)



CCC  
Obtained  
27 March 2024

# PORTFOLIO OVERVIEW

*COMPLETED ACQUISITION*

Axis Hypermarket @ Temerloh, Pahang



Completion Date	:	16 January 2024
Net Lettable Area	:	Approx. 93,854 sq. ft.
Land Area	:	Approx. 1.85 acres
Land Tenure	:	Freehold
Occupancy	:	100%
Purchase Price	:	RM25.75 million
WALE at Acquisition	:	20 years

# PORTFOLIO OVERVIEW

## *ONGOING ACQUISITION*

Manufacturing Facility in Sendayan, Negeri Sembilan



Target Completion Date :	1H2024
Net Lettable Area :	105,310 sq. ft.
Land Area :	Approx. 14.63 acres
Land Tenure :	Freehold
Occupancy :	100%
Purchase Price :	RM48.0 million
WALE at Acquisition :	Approx. 6 years



# PORTFOLIO OVERVIEW

## *ONGOING ACQUISITION*

Manufacturing Facility in Bukit Raja, Klang



(Front view of Property)



(Rear view of Property)

Target Completion Date :	1H2024
Net Lettable Area :	199,500 sq. ft.
Land Area :	Approx. 7.98 acres
Land Tenure :	Leasehold
Occupancy :	100%
Purchase Price :	RM49.0 million
WALE at Acquisition :	6 years

# PORTFOLIO OVERVIEW

## *ONGOING ACQUISITION*

Manufacturing Facility and Storage Yard in Bukit Raja, Klang



### Property 1

Target Completion Date	:	2H2024
Net Lettable Area	:	Approx. 924,000 sq. ft.
Land Area	:	Approx. 59.96 acres
Land Tenure	:	Leasehold
Occupancy	:	100%
Purchase Price	:	RM313.0 million
WALE at Acquisition	:	6

### Property 2

VP Delivery Date - end 2025, Completion - end 2026
Not applicable (property utilized as storage yard)
Approx. 7.13 acres
Leasehold
Unoccupied
RM38.8 million (deferred payment over 2 years)
-



# PORTFOLIO OVERVIEW

## ONGOING ACQUISITION

Manufacturing Facility and Storage Yard in Bukit Raja, Klang (Cont'd)



(Aerial view of Properties and its vicinity, Source: Google Maps)

# 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 continue to focus on below:

- ✓ Grade A logistics facilities and manufacturing facilities with long leases from tenants with strong covenants;
- ✓ Well-located logistics 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**

**RM200 million**



# FINANCIAL OVERVIEW

# FINANCIAL OVERVIEW

*SNAPSHOT AS AT 31 MARCH 2024*



RM4.59 billion  
Total Assets



RM1.61 billion  
Total Financing



RM2.83 billion  
**Total Unitholder's Funds**



RM1.62  
Net Asset Value Per Unit



35.1%  
Financing Ratio



1Q2024: 2.30 sen  
Distribution per unit

# FINANCIAL OVERVIEW

## INCOME STATEMENT 1Q2024 vs 1Q2023

	1Q2024 (RM'000)	1Q2023 (RM'000)	Changes / Movement
No. of Properties	63	62	+1
Property Income – Note 1	75,277	69,751	+7.9%
Property Income - Property income before lease incentive adjustment	75,178	69,654	+7.9%
- Lease incentive adjustment (non-distributable)	99	97	
Property Expenses – Note 2	(11,090)	(11,538)	-3.9%
Net Property Income	64,187	58,213	+10.3%
- Property income before lease incentive adjustment	64,088	58,116	+10.3%
- Lease incentive adjustment (non-distributable)	99	97	
Profit Income / Other Income	263	422	
Non-Property Expenses – Note 3	(8,486)	(11,702)	-27.5%
Islamic Financing Cost – Note 4	(15,969)	(14,387)	+11.0%
Net Income	39,995	32,546	+22.9%
Property income before lease incentive adjustment	39,896	32,449	+22.9%
- Lease incentive adjustment (non-distributable)	99	97	
DPU (sen)	2.30	2.05	+12.2%
No. of Units in Issuance – Note 5	1,747,492,159	1,741,054,038	+0.4%

\* Note: The above financials exclude unbilled lease income receivable

# FINANCIAL OVERVIEW

## *INCOME STATEMENT 1Q2024 vs 1Q2023 - NOTES*

### Note 1 – Property Income

Property income is higher as compared to preceding year mainly due to:

- Commencement of lease for Bukit Raja Distribution Centre 2. The lease started in August 2023 with a monthly rental of RM1.35 million
- Positive rental reversion recorded in 2023
- Acquisition of Axis Hypermarket @ Temerloh completed on 16 January 2024.

This was partly offset by the loss of rental income from termination of lease agreement at Axis Steel Centre @ SiLC, with vacant possession of the property taken back on 7 June 2023.

### Note 2 – Property Expenses

Lower property expenses due to higher one-off building expenses incurred in 1Q2023.

### Note 3 – Non-Property Expenses

Lower non-property expenses due to lower provision for doubtful debts provided in 1Q2024.

### Note 4 – Islamic Financing Cost

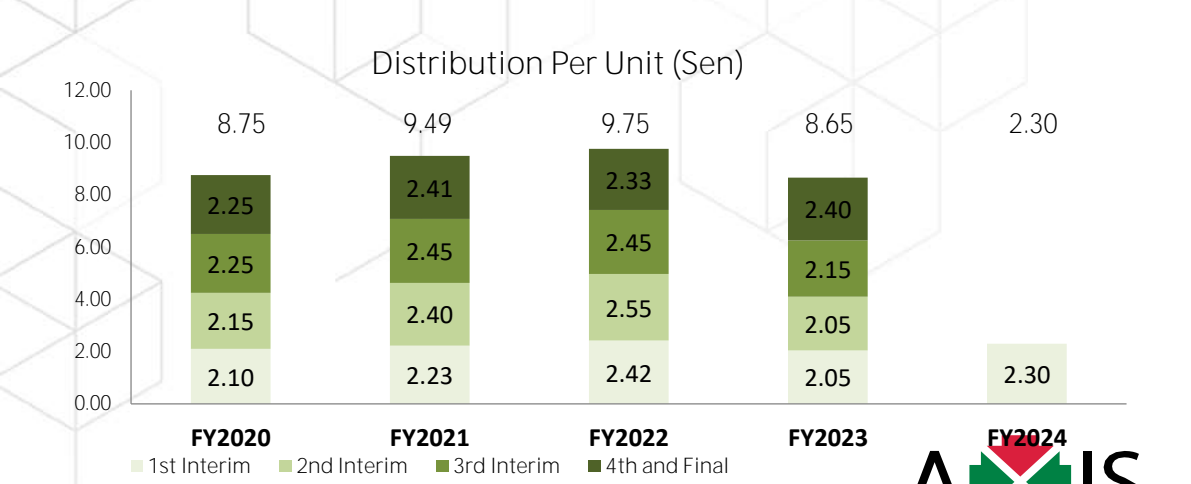
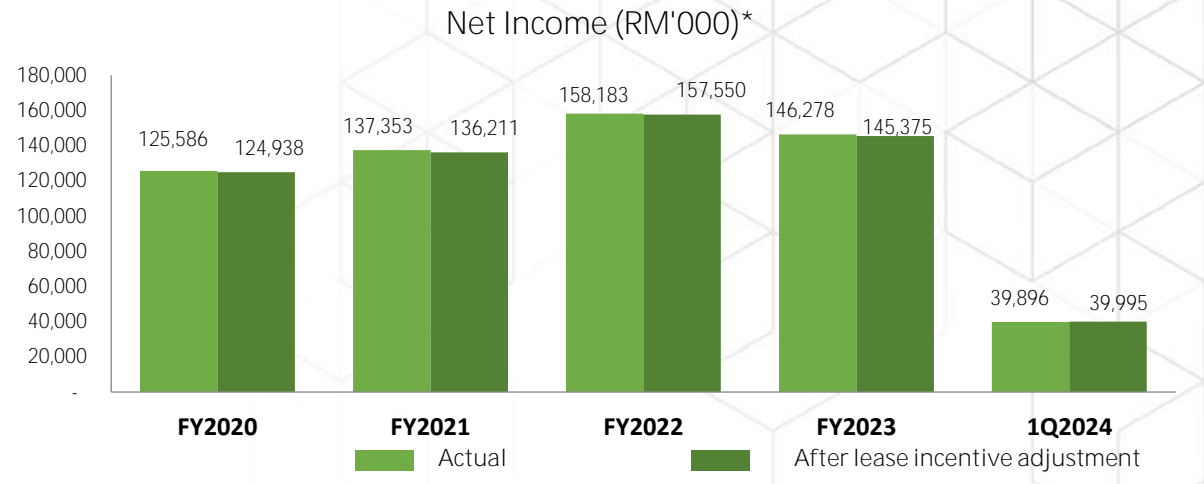
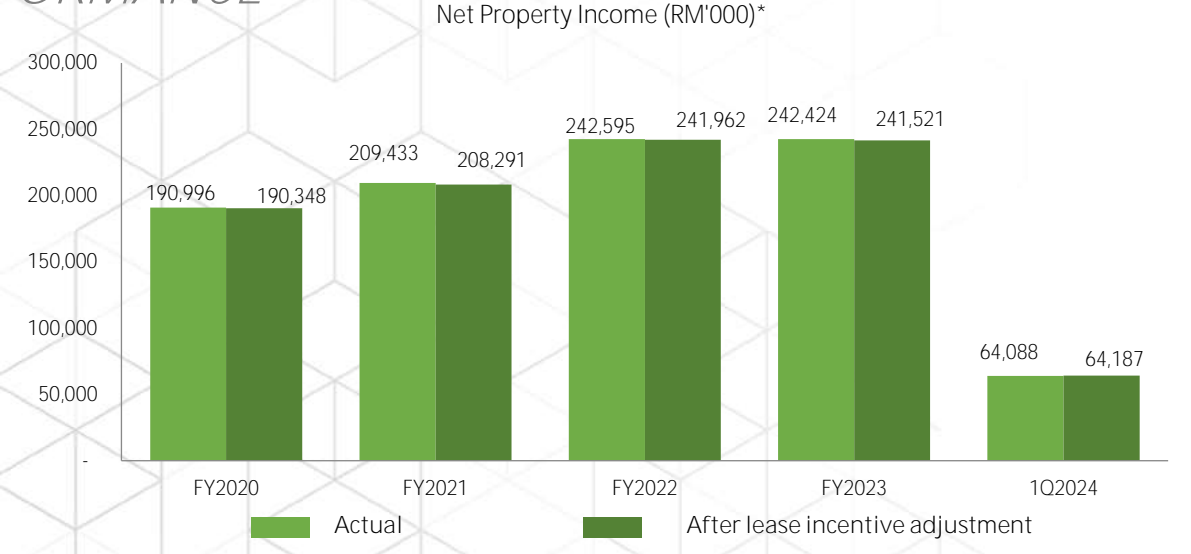
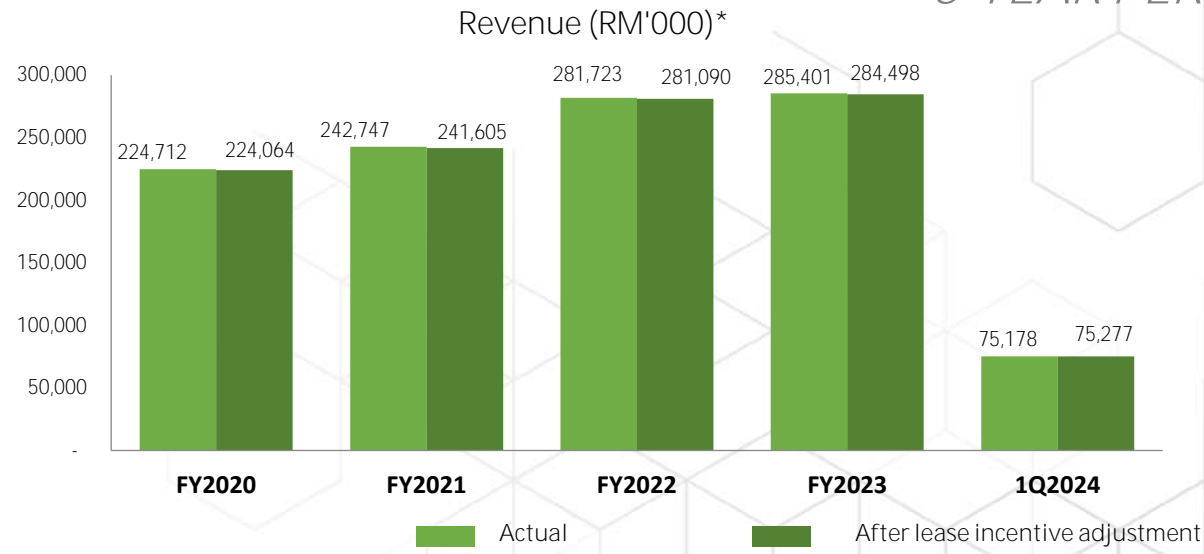
Increase mainly due to the 25 basis points increase in the Overnight Policy Rate (OPR) in May 2023 affecting floating rate financings and capitalisation of financing cost for Bukit Raja Distribution Centre 2 ceased upon completion of the project in August 2023.

### Note 5 – No. of Units in Issuance

The Fund size increased from 1,741,054,038 units to 1,747,492,159 units through completion of IDRPs applicable to the 2023 third interim income distribution on 18 December 2023.

# FINANCIAL OVERVIEW

## 5-YEAR PERFORMANCE



\* Note: The above financials exclude unbilled lease income receivable

# FINANCIAL OVERVIEW

## PORTFOLIO YIELD BY ASSET TYPES

Asset Type	Net Yield (%)	Gross Yield (%)
Office	6.8	9.6
Office Industrial	7.1	9.6
Logistics Warehouse	7.9	8.8
Manufacturing Facilities	7.8	8.7
Hypermarket	8.3	8.9
Average	7.7	9.0

# FINANCIAL OVERVIEW

## FINANCIAL POSITION

	31/3/24 (RM'000)	31/12/23 (RM'000)	Changes (RM'000)
Investment Properties – Note 1	4,508,792	4,444,120	+64,672
Fixed Assets	1,296	1,391	-95
Other Assets – Note 2	81,698	77,382	+4,316
<b>TOTAL ASSETS</b>	<b>4,591,786</b>	<b>4,522,893</b>	<b>+68,893</b>
Financing – Note 3	1,610,101	1,554,974	+55,127
Other Payables	137,050	123,613	+13,437
Deferred Tax Liability	18,304	18,304	-
<b>TOTAL LIABILITIES</b>	<b>1,765,455</b>	<b>1,696,891</b>	<b>+68,564</b>
<b>NET ASSET VALUE (NAV)</b>	<b>2,826,331</b>	<b>2,826,002</b>	<b>+329</b>
Unitholders' Capital	2,129,340	2,129,340	-
Undistributed Distributable Income	29,346	31,290	-1,944
Non-Distributable Reserve	667,645	665,372	+2,273
<b>TOTAL UNITHOLDERS' FUND</b>	<b>2,826,331</b>	<b>2,826,002</b>	<b>+329</b>
FINANCING RATIO	35.06%	34.38%	
NAV/UNIT (RM)	1.6174	1.6172	
No. of units in issuance	1,747,492,159	1,747,492,159	



# FINANCIAL OVERVIEW

## *NOTES - FINANCIAL POSITION*

### Note 1 – Investment Properties

During the period, a total of RM38.4 million was spent on capital expenditure as below:

- RM2.8 million for enhancement of existing properties,
- RM35.6 million for the ongoing development project Axis Mega Distribution Centre (Phase 2).

Acquisition of RM25.75 million for Axis Hypermarket @ Temerloh completed on 16 January 2024.

### Note 2 – Other Assets

The average collection of trade receivables as at 31 March 2024 is 2 days.

# FINANCIAL OVERVIEW

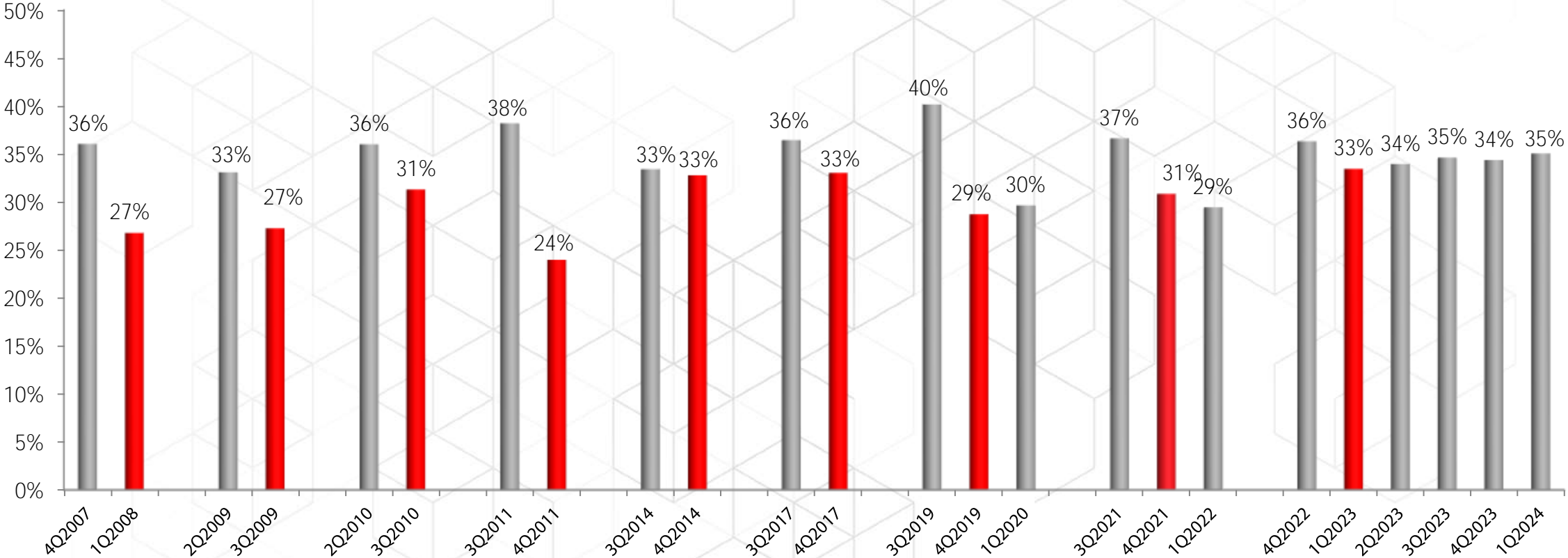
## NOTE 3: 5-YEAR FINANCING PROFILE

	2020	2021	2022	2023	1Q2024
<b>Total Financing (RM'000)</b>	1,112,183	1,184,593	1,546,020	1,554,974	1,610,101
<b>Total Assets (RM'000)</b>	3,364,083	3,838,760	4,255,673	4,522,893	4,591,786
Financing Ratio	33.06%	30.86%	36.33%	34.38%	35.06%
Effective Profit Rate	3.89%	3.63%	3.87%	4.19%	4.27%
Percentage of short term financing-Maturity < 1 Year	55%	47%	53%	52%	58%
Percentage of medium/ long term financing (maturity more than 1 year)	45%	53%	47%	48%	42%
Percentage of floating rate financing	47%	36%	53%	40%	42%
Percentage of fixed rate financing	53%	64%	47%	60%	58%
Total unencumbered assets	25	19	23	22	22
Percentage of unencumbered assets/total assets (value)	44%	29%	42%	36%	34%

# FINANCIAL OVERVIEW

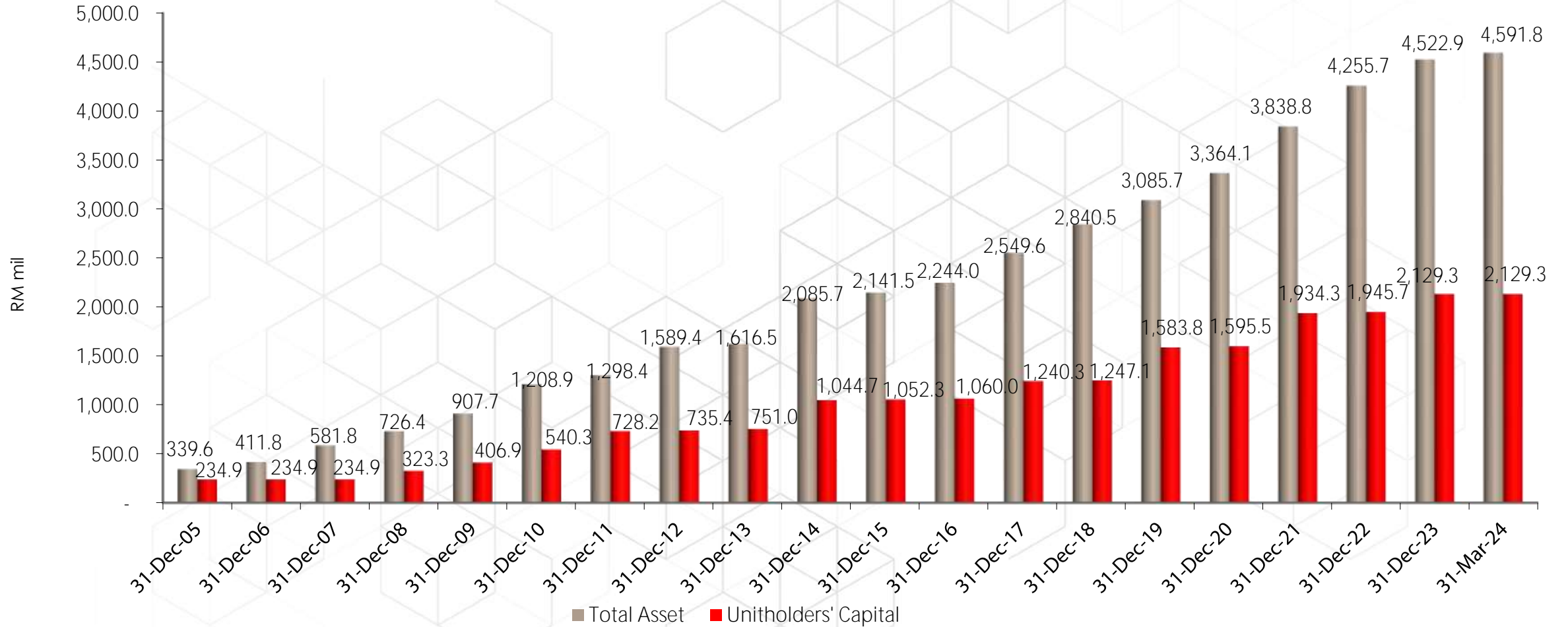
## FINANCING RATIO

Placements Undertaken ■



# FINANCIAL OVERVIEW

## UNITHOLDERS' CAPITAL



# STOCK INFORMATION

# STOCK INFORMATION

## TOP 10 UNITHOLDERS\*

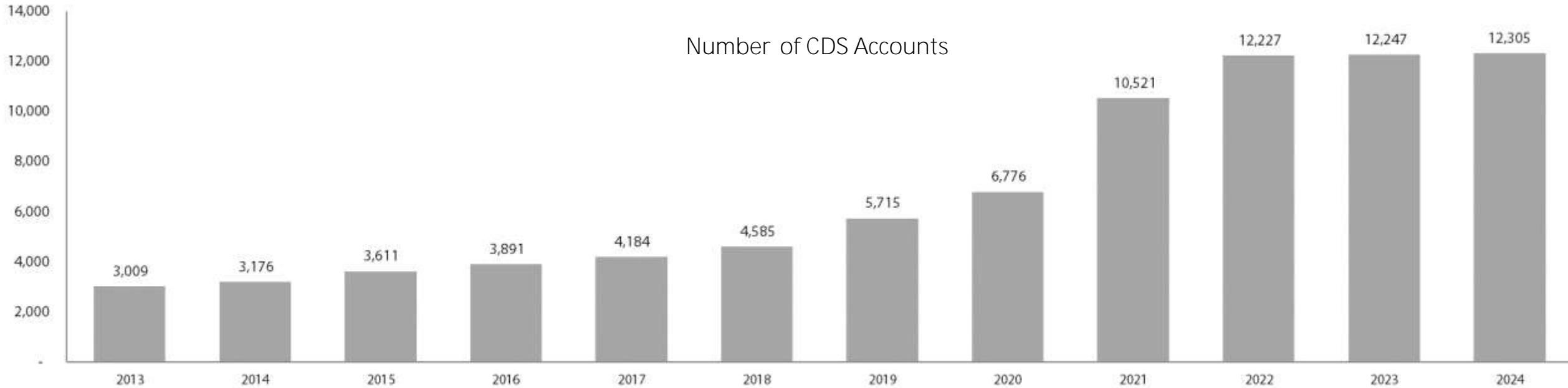
	Name of Unitholder	%
1	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	8.42%
2	EMPLOYEES PROVIDENT FUND BOARD	5.62%
3	LEMBAGA TABUNG HAJI	5.09%
4	AMANAH SAHAM BUMIPUTERA	4.58%
5	PUBLIC ITTIKAL SEQUEL FUND	3.47%
6	TEW PENG HWEE @ TEOH PENG HWEE	3.26%
7	ALEX LEE LAO	3.12%
8	EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	2.76%
9	EMPLOYEES PROVIDENT FUND BOARD (NOMURA)	2.25%
10	EXEMPT AN FOR AIA BHD.	1.91%

Holdings Breakdown	Units Held 1Q2024	Units Held 4Q2023	Movement
Top 5 Unitholders	27.18%	29.00%	-1.82%
Top 10 Unitholders	40.48%	40.46%	0.02%
Unitholders with >2 million unitholdings	85.55%	85.05%	0.50%

\*Based on CDS accounts on non-consolidated basis

# STOCK INFORMATION

Number of CDS Accounts



	Units Held 1Q2024	Units Held 4Q2023	Movement
Total no. of unitholders	12,305	12,247	58
Total foreign holdings	17.54%	17.50%	0.04%
Foreign holdings – related party	5.10%	5.10%	0%
Foreign holdings – non-related party	12.44%	12.40%	0.04%
Promoters	8.98%	8.98%	0%



THANK YOU