

AXIS REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF FINANCIAL POSITION

| | (UNAUDITED) AS AT END OF CURRENT QUARTER 31.3.2019 RM'000 | (AUDITED) AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2018 RM'000 |
|---|--|---|
| ASSETS | | |
| Non-Current Assets | | |
| Investment properties | 2,807,323 | 2,798,500 |
| Equipment | 3,003 | 3,021 |
| Total Non-Current Assets | 2,810,326 | 2,801,521 |
| Current Assets | | |
| Receivables, deposits and prepayments | 20,321 | 20,928 |
| Islamic deposits placed with licensed banks | 26,039 | 9,700 |
| Cash and bank balances | 13,737 | 8,314 |
| Total Current Assets | 60,097 | 38,942 |
| TOTAL ASSETS | 2,870,423 | 2,840,463 |
| LIABILITIES | | |
| Non-Current Liabilities | | |
| Tenants' deposits | 48,255 | 57,706 |
| Deferred tax liability | 4,402 | 4,402 |
| Financing | 485,341 | 245,867 |
| Total Non-Current Liabilities | 537,998 | 307,975 |
| Current Liabilities | | |
| Payables and accruals | 57,445 | 54,907 |
| Financing | 614,618 | 813,500 |
| Total Current Liabilities | 672,063 | 868,407 |
| TOTAL LIABILITIES | 1,210,061 | 1,176,382 |
| <u>FINANCED BY:</u> | | |
| <u>UNITHOLDERS' FUNDS</u> | | |
| Unitholders' capital | 1,247,069 | 1,247,069 |
| Distributable income | 30,735 | 32,192 |
| Non-distributable reserves | 382,558 | 384,820 |
| | 1,660,362 | 1,664,081 |
| TOTAL UNITHOLDERS' FUNDS AND LIABILITIES | 2,870,423 | 2,840,463 |
| NET ASSET VALUE | 1,660,362 | 1,664,081 |
| NUMBER OF UNITS IN CIRCULATION | 1,237,285,288 | 1,237,285,288 |
| NET ASSET VALUE PER UNIT (RM) | | |
| - Before income distribution | 1.3419 | 1.3449 |
| - After income distribution | 1.3184 (Note 1) | 1.3204 |

(The Condensed Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the financial statements.)

Note 1 – Being Net Asset Value Per Unit after reflecting realised income to be distributed as 2019 first interim income distribution of 2.35 sen per unit payable on 31 May 2019.

AXIS REAL ESTATE INVESTMENT TRUST

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(UNAUDITED)

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|-----------------------------------|---|-----------------------------------|-------------------------------------|
| | Current Year Quarter 31.3.2019 | Preceding Year Corresponding Quarter 31.3.2018 | Current Year To date 31.3.2019 | Preceding Year To date 31.3.2018 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| TOTAL TRUST INCOME | 53,769 | 45,087 | 53,769 | 45,087 |
| Property income | 53,557 | 44,948 | 53,557 | 44,948 |
| Unbilled lease income receivable * | 2,808 | 1,245 | 2,808 | 1,245 |
| Less : Assessment | (1,095) | (1,042) | (1,095) | (1,042) |
| Quit rent | (309) | (304) | (309) | (304) |
| Other property operating expenditure | (6,058) | (5,452) | (6,058) | (5,452) |
| Net property income | 48,903 | 39,395 | 48,903 | 39,395 |
| Profit income | 212 | 139 | 212 | 139 |
| Change in fair value of investment properties | - | 7,374 | - | 7,374 |
| Unbilled lease income receivable * | (2,808) | (1,245) | (2,808) | (1,245) |
| Fair value change on derivatives | (404) | 70 | (404) | 70 |
| Net (loss)/gain on financial liabilities measured at amortised cost | (1,858) | 301 | (1,858) | 301 |
| NET PROPERTY AND INVESTMENT INCOME | 44,045 | 46,034 | 44,045 | 46,304 |
| Manager's fees | 4,172 | 3,992 | 4,172 | 3,992 |
| Trustee's fees | 220 | 212 | 220 | 212 |
| Depreciation | 133 | 107 | 133 | 107 |
| Auditors' fees | 30 | 30 | 30 | 30 |
| Tax agent's fee | 5 | 4 | 5 | 4 |
| Reversal of doubtful/bad debts | (195) | - | (195) | - |
| Administrative expenses | 986 | 1,322 | 986 | 1,322 |
| Islamic financing cost ** | 12,100 | 8,937 | 12,100 | 8,937 |
| NON-PROPERTY EXPENSES | 17,451 | 14,604 | 17,451 | 14,604 |
| NET TRUST INCOME | 26,594 | 31,430 | 26,594 | 31,430 |
| NET INCOME FOR THE YEAR | 26,594 | 31,430 | 26,594 | 31,430 |

AXIS REAL ESTATE INVESTMENT TRUST

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(UNAUDITED) CONT'D

| | INDIVIDUAL QUARTER | | CUMMULATIVE QUARTER | |
|--|---|---|---|---|
| | Current Year Quarter 31.3.2019 RM'000 | Preceding Year Corresponding Quarter 31.3.2018 RM'000 | Current Year To date 31.3.2019 RM'000 | Preceding Year To date 31.3.2018 RM'000 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | 26,594 | 31,430 | 26,594 | 31,430 |
| EARNINGS PER UNIT (EPU) (sen) | 2.15 | 2.55 | 2.15 | 2.55 |
| NET INCOME FOR THE YEAR IS MADE UP AS FOLLOWS: | | | | |
| Realised | 28,856 | 23,685 | 28,856 | 23,685 |
| Unrealised - change in fair value of investment properties | - | 7,374 | - | 7,374 |
| Unrealised - Net (loss)/gain on financial liabilities measured at amortised cost | (1,858) | 301 | (1,858) | 301 |
| Unrealised - Fair value change on derivatives | (404) | 70 | (404) | 70 |
| | 26,594 | 31,430 | 26,594 | 31,430 |

(The Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the financial statements)

- * Recognition of unbilled lease income receivable pursuant to requirements of MFRS 117, to recognise income from operating lease on a straight-line basis, including contractual increase in rental rates over the fixed tenure of the lease.
- ** Islamic financing cost is the profit charged by the financier on the Islamic financing facilities taken by Axis-REIT.

AXIS REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE

FROM 1 JANUARY 2018 TO 31 MARCH 2018 (UNAUDITED)

| | Total Unitholders' Capital RM'000 | <i>Distributable</i> Realised Income RM'000 | <i>Non-Distributable</i> Unrealised Income RM'000 | Total Unitholders' Funds RM'000 |
|--|--|---|---|--|
| At 1 January 2018 | 1,240,253 | 7,600 | 343,283 | 1,591,136 |
| Net income for the period | - | 23,685 | 7,745 | 31,430 |
| <i>Total comprehensive income for the period</i> | - | 23,685 | 7,745 | 31,430 |
| Contributions by and distributions to unitholders | | | | |
| Distribution to Unitholders | - | (11,338) | - | (11,338) |
| <i>Total transactions with unitholders</i> | - | (11,338) | - | (11,338) |
| At 31 March 2018 | 1,240,253 | 19,947 | 351,028 | 1,611,228 |

AXIS REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE (CONT'D)

FROM 1 JANUARY 2019 TO 31 MARCH 2019 (UNAUDITED)

| | Total Unitholders' Capital RM'000 | <i>Distributable</i> Realised Income RM'000 | <i>Non-Distributable</i> Unrealised Income RM'000 | Total Unitholders' Funds RM'000 |
|--|--|---|---|--|
| At 1 January 2019 | 1,247,069 | 32,192 | 384,820 | 1,664,081 |
| Net income for the period | - | 28,856 | (2,262) | 26,594 |
| <i>Total comprehensive income for the period</i> | - | 28,856 | (2,262) | 26,594 |
| Contributions by and distributions to unitholders | | | | |
| Distribution to Unitholders # | - | (30,313) | - | (30,313) |
| <i>Total transactions with unitholders</i> | - | (30,313) | - | (30,313) |
| At 31 March 2019 | 1,247,069 | 30,735 | 382,558 | 1,660,362 |

(The Condensed Statement of Changes in Net Asset Value should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the financial statements.)

Includes the payment of final income distribution for financial year 2018 of 2.45 sen per unit which was paid on 28 February 2019.

AXIS REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2019 (UNAUDITED)

| | Current Year To Date 31.3.2019 RM'000 | Preceding Year To Date 31.3.2018 RM'000 |
|--|--|--|
| Cash flows from operating activities | | |
| Net income before taxation | 26,594 | 31,430 |
| Adjustments for :- | | |
| Islamic financing cost | 12,100 | 8,937 |
| Profit income | (212) | (139) |
| Change in fair value of investment properties | - | (7,374) |
| Depreciation of equipment | 133 | 107 |
| Net loss on financial liabilities measured at amortised cost | 1,858 | (301) |
| Reversal of impairment losses on trade receivables | (195) | - |
| Fair value change on Islamic derivatives | 404 | (70) |
| Operating income before changes in working capital | <u>40,682</u> | <u>32,590</u> |
| Changes in working capital | | |
| Receivables, deposits and prepayments | 802 | 8,274 |
| Payables and accruals | 2,134 | (21,909) |
| Tenants' deposits | (11,309) | 1,025 |
| Net cash from operating activities | <u>32,309</u> | <u>19,980</u> |
| Cash flows from investing activities | | |
| Profit income received | 212 | 139 |
| Enhancement of investment properties | (8,823) | (38,535) |
| Acquisition of investment property | - | (35,591) |
| Acquisition of equipment | (115) | (57) |
| Pledged deposits | (11,160) | - |
| Net cash used in investing activities | <u>(19,886)</u> | <u>(74,044)</u> |
| Cash flows from financing activities | | |
| Islamic financing cost paid | (12,100) | (8,937) |
| Proceeds from financing, net | 40,592 | 69,627 |
| Income distribution paid to unitholders | (30,313) | (11,338) |
| Net cash from financing activities | <u>(1,821)</u> | <u>49,352</u> |

AXIS REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2019 (UNAUDITED) (CONT'D)

| | Current Year | Preceding Year |
|---|---------------------|-----------------------|
| | To Date | To Date |
| | 31.3.2019 | 31.3.2018 |
| | RM'000 | RM'000 |
| Net decrease in cash and cash equivalents | 10,602 | (4,712) |
| Cash and cash equivalents at beginning of year | 9,619 | 23,037 |
| Cash and cash equivalents at end of year | 20,221 | 18,325 |
| Cash and cash equivalents | | |
| Cash and bank balances | 13,737 | 9,208 |
| Islamic deposits placed with licensed banks | 26,039 | 20,949 |
| | 39,776 | 30,157 |
| Less: Islamic deposits placed with licensed banks - pledged | (19,555) | (11,832) |
| | 20,221 | 18,325 |

(The Condensed Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the financial statements.)

NOTES TO THE QUARTERLY REPORT

A. DISCLOSURE REQUIREMENTS AS PER MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134

A1. BASIS OF PREPARATION

The quarterly financial report is unaudited and has been prepared in accordance with MFRS 134: Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The accounting policies and methods of computation used in the preparation of the quarterly financial report are consistent with those adopted in the preparation of the audited financial information of Axis Real Estate Investment Trust (“Axis-REIT” or “Trust” or “Fund”) for year ended 31 December 2018.

A2. AUDIT REPORT OF PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2018

The audit report of the financial statements of Axis-REIT for the preceding financial year ended 31 December 2018 was not qualified.

A3. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of Axis-REIT are not affected by material seasonal or cyclical factors.

A4. UNUSUAL ITEMS

There were no unusual items to be disclosed for the quarter under review.

A5. CHANGES IN ESTIMATES

This is not applicable as no estimates were previously reported.

A6. DEBT AND SHARIAH-COMPLIANT EQUITY SECURITIES

There were no issuances, cancellation, repurchase, resale and payment of debt and Shariah-compliant equity securities for the current quarter.

A7. INCOME DISTRIBUTION

During the quarter under review, the 2018 final income distribution of 2.45 sen per unit, totaling RM30,313,000 in respect of the period from 1 October 2018 to 31 December 2018 was paid on 28 February 2019.

A7. INCOME DISTRIBUTION (CONT'D)

Axis REIT Managers Berhad, the management company of Axis-REIT (“Manager”) has proposed to distribute 99.5% from realised income available for distribution generated from operations for the period from 1 January 2019 to 31 March 2019 as the 2019 first interim income distribution of 2.35 sen per unit, which includes a non-taxable portion of approximately 0.51 sen per unit derived from capital allowances, industrial building allowances and tax-exempt profit income which is not subject to tax.

A8. SEGMENTAL REPORTING

No segment information is prepared as Axis-REIT’s activities are in one industry segment in Malaysia.

A9. VALUATIONS OF INVESTMENT PROPERTIES

The investment properties are valued based on valuations performed by independent registered valuers.

A10. MATERIAL EVENTS

There was no material event as at the latest practicable date from the date of the last annual reporting period except for the following:

- a) Axis-REIT had on 10 November 2017 entered into an Agreement to Build and Lease with Upeca Aerotech Sdn Bhd (“Upeca”) for the proposed development of a single-storey manufacturing plant cum office building with a gross built-up area of approximately 178,978.60 sq. ft. inclusive of ancillary buildings and external elements (“Axis Aerotech Centre Project” or “Project”), to be constructed on the Project land and a lease for an initial fixed period of 20 years with 2 renewal terms of 6 years each.

The Project has been completed and its vacant possession delivered to Upeca on 13 February 2019.

A total of RM69,775,000 has been incurred and paid for the Project (including land) as at 31 March 2019.

- b) A letter of offer had been duly accepted for the proposed acquisition by Axis-REIT of an industrial facility located at Bayan Lepas, Penang for a proposed purchase consideration of RM20,500,000. The due diligence exercise for this proposed acquisition is on-going.
- c) Letters of offer had been duly accepted for the proposed acquisitions by Axis-REIT of two industrial facilities located at Nusajaya, Johor for a total proposed purchase consideration of RM55,800,000.

A11. EFFECT OF CHANGES IN THE FUND SIZE OF AXIS-REIT

There was no change in the composition of the fund size of Axis-REIT for the current quarter under review and the fund size stands at 1,237,285,288 units.

A12. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no contingent liabilities or contingent assets to be disclosed.

B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF BURSA SECURITIES MAIN MARKET LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE

The Manager is pleased to report the following financial results:

Quarter Results

For the quarter ended 31 March 2019, Axis-REIT registered a total trust income of RM53,769,000. The realised net income from operations was RM28,856,000 after deducting total expenditure of RM24,913,000, of which RM7,462,000 were attributable to property expenses and RM17,451,000 to non-property expenses.

The Manager has proposed to distribute 99.5% from realised income available for distribution generated from operations for the first quarter of 2019.

The total net asset value stood at RM1,660,362,000 and the net asset value per unit (before income distribution) was RM1.3419.

Maintenance costs & major capital expenditure

During the financial period ended 31 March 2019, a total of RM2,405,000 has been incurred for enhancement of the properties of Axis-REIT and RM6,418,000 has been incurred for the Axis Aerotech Centre Project.

B2. MATERIAL CHANGES IN INCOME BEFORE TAXATION FOR THE QUARTER AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER

| | Current Year Quarter 31.3.2019 RM'000 | Immediate Preceding Quarter 31.12.2018 RM'000 | % |
|--|--|---|-------|
| Property income | 53,875 | 52,900 | 1.8% |
| Less : Property expenses | (7,462) | (6,950) | 7.4% |
| Net property income | 46,413 | 45,950 | 1.0% |
| Profit income | 212 | 182 | 16.5% |
| Less: Non-property expenses | (17,451) | (16,465) | 6.0% |
| Net income before revenue from tenancy contracts | 29,174 | 29,667 | -1.7% |
| Revenue from tenancy contracts, net (Note 1) | (318) | 6,395 | |
| Net income before tax (Realised) | 28,856 | 36,062 | |

Note 1 - Revenue from tenancy contracts amounting to RM6.4 million, which is non-distributable, had been recognised in 4Q2018, pursuant to the requirements of MFRS117 to recognise revenue on a straight line basis and subsequently, the amount of RM0.3 million had been amortised to P&L throughout the tenancy period.

For the current quarter ended 31 March 2019, Axis-REIT's property income was RM53,875,000, 1.8% higher compared to the immediate preceding quarter ("4Q2018") of RM52,900,000, mainly due to full quarter contribution from Axis Aerotech Centre @ Subang compared to half month contribution in 4Q2018.

During the quarter under review, net income before revenue from tenancy contracts was RM29,174,000, 1.7% lower compared to the immediate preceding quarter of RM29,667,000, mainly due to higher non-property expenses.

B3. PROSPECTS

The Manager is optimistic that in view of the current satisfactory performance of Axis-REIT's existing investment portfolio and its growth strategy to actively pursue quality acquisitions, it will be able to maintain its current performance for the financial year ending 31 December 2019.

B4. INVESTMENT OBJECTIVES

The Manager is pleased to report that since the listing of Axis-REIT, the Trust has been successful in achieving the investment objectives where the Trust has set out to provide the unitholders with a stable income distribution and to achieve growth in net asset value per unit of the Trust by acquiring high quality accretive properties with strong recurring rental income. There was no change in the investment objectives of Axis-REIT as at the date of this report.

B5. STRATEGIES AND POLICIES

There was no change in the strategies and policies employed since the 2018 Annual Report of Axis-REIT.

B6. PORTFOLIO COMPOSITION

During the quarter under review, the property portfolio size of Axis-REIT remains at 45 properties as at 31 March 2019.

B7. UTILISATION OF PROCEEDS RAISED FROM ANY ISSUANCE OF NEW UNITS

This is not applicable as there was no issuance of new units by Axis-REIT during the current financial quarter.

B8. TAXATION

Trust Level

Pursuant to the amendment of Section 61A of the Income Tax Act, 1967 under the Finance Act 2006 which was gazetted on 31 December 2006, where in the basis period for a year of assessment, 90% or more of the total income of the trust is distributed to unitholders, the total income of the trust for that year of assessment shall be exempted from tax.

Thus, based on the income distribution for the three-month period to date of approximately 100% of the realised income before tax, Axis-REIT should not incur any tax expense for the financial year.

Unitholders' Level

Pursuant to the amended Section 109D(2) of the Income Tax Act, 1967 under the Finance Act 2009 which was gazetted on 8 January 2009, the following withholding tax rates would be applicable on distribution of income which is tax exempt at Axis-REIT's level:

Resident unitholder:

- | | | |
|----|---|---|
| a) | Resident company: | Tax flow through; thus no withholding tax |
| b) | Unitholder other than a resident company: | Withholding tax at 10% |

Non-resident unitholder:

- | | | |
|----|--|------------------------|
| a) | Non-resident company: | Withholding tax at 24% |
| b) | Non-resident institutional investor | Withholding tax at 10% |
| c) | Non-resident other than company and institutional investors: | Withholding tax at 10% |

B9. STATUS OF CORPORATE PROPOSALS

- a) The unitholders of Axis-REIT had at the Unitholders' Meeting convened and held on 30 April 2013, approved the authority to allot and issue up to 2,000,000 new units for the purpose of the payment of management fee to the Manager in the form of new units ("Payment of Management Fee Authority") and its corresponding increase in fund size of Axis-REIT pursuant to the Payment of Management Fee Authority.

Following the completion of the unit split exercise of Axis-REIT and the partial implementation of the Payment of Management Fee Authority, the number of new units permitted to be issued pursuant to the Payment of Management Fee Authority is up to a maximum of 3,044,000 new units.

Axis-REIT had obtained approval from Bursa Securities on 1 October 2015 for an extension of time to complete the Payment of Management Fee Authority from 4 October 2015 until full issuance of the new units permitted to be issued pursuant to the Payment of Management Fee Authority. There is no issuance pursuant to the Payment of Management Fee Authority during the quarter under review.

- b) Axis-REIT, vide an announcement dated 1 November 2017, proposed to undertake the following:
- (i) lease of the Project Land from Malaysia Airports Holdings Berhad pursuant to the Proposed Land Lease; and
 - (ii) construct a single-storey manufacturing plant cum office building with a gross built-up area of approximately 178,978.60 sq ft inclusive of ancillary buildings and external elements to serve the operation of the manufacturing plant and office for manufacturing, storage and distribution of aerospace parts, on the Project Land for Upeca Aerotech Sdn Bhd ("Proposed Development of Axis Aerotech Centre Project").

Axis-REIT then entered into the Agreement to Build and Lease with Upeca Aerotech Sdn Bhd for the Proposed Development of Axis Aerotech Centre Project on 10 November 2017.

Upon obtaining all requisite approvals, the Proposed Land Lease had been completed on 7 February 2018.

Details of the Proposed Development of Axis Aerotech Centre Project have been disclosed under Note A10(a) above.

- c) Axis-REIT will be seeking the approval for the proposed renewal of the authority to allot and issue new units in Axis-REIT of up to 20% of the issued fund size of Axis-REIT to facilitate a placement exercise from the unitholders at the forthcoming 7th annual general meeting of Axis-REIT to be convened on 30 April 2019.

B10. FINANCING

| | Current Financial Period Ended 31 March 2019 (RM'000) | Preceding Financial Year Ended 31 December 2018 (RM'000) |
|---|--|---|
| Short term financing | | |
| - Secured Islamic revolving credit/ Islamic Medium Term Note/hire purchase denominated in MYR | 614,618 | 813,500 |
| Long term financing | | |
| - Secured Islamic Medium Term Note/hire purchase denominated in MYR | 485,341 | 245,867 |

B11. DERIVATIVES

As at 31 March 2019, the Trust has the following Islamic Profit Rate Swap (“IPRS”) to hedge against the fluctuation of future movement in profit rate on its short term financing. Axis-REIT is currently using the said IPRS to hedge against its other revolving credit financing and the unrealised gain/(loss) of the derivatives had been recognised in the profit or loss:

| | Notional Value RM'000 | Fair Value RM'000 | Maturity |
|------------------------------------|--------------------------|----------------------|-------------------|
| 3-year IPRS – derivative liability | 150,000 | (697) | Less than 3 years |

B12. MATERIAL LITIGATION

There was no pending material litigation as at the latest practicable date from the date of issuance of this report.

B13. SOFT COMMISSION RECEIVED

There was no soft commission received by the Manager or its delegates during the quarter under review.

B14. SUMMARY OF DPU, EPU, NAV AND MARKET PRICE

| | Current Quarter Ended 31.3.2019 | Immediate Preceding Quarter Ended 31.12.2018 |
|---|---------------------------------------|--|
| Number of units in issue (units) | 1,237,285,288 | 1,237,285,288 |
| EPU (realised) (sen) | 2.33 | 2.92 # |
| EPU (include unrealised income) (sen) | 2.15 | 5.43 # |
| Net realised income for the period (RM'000) | 28,856 | 36,062 |
| Distribution per unit (DPU) (sen) | 2.35 | 2.45 |
| Net Asset Value (NAV) (RM'000) | 1,660,362 | 1,664,081 |
| NAV Per Unit (RM) | 1.3419 | 1.3449 |
| Market Value Per Unit (RM) | 1.80 | 1.56 |

Revenue from tenancy contracts amounting to RM6.4 mil (approximately 0.51 sen), which is non-distributable, had been recognised in 4Q2018, pursuant to the requirements of MFRS117 to recognise revenue on a straight line basis. This revenue will be amortised to P&L throughout the tenancy period.

B15. RESPONSIBILITY STATEMENT

In the opinion of the Directors of the Manager, this quarterly report has been prepared in accordance with MFRS 134: Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of Bursa Securities so as to give a true and fair view of the financial position of Axis-REIT as at 31 March 2019 and of its financial performance and cash flows for the quarter/period ended on that date and duly authorised for release by the Board of the Manager on 29 April 2019.

BY ORDER OF THE BOARD

REBECCA LEONG SIEW KWAN

Company Secretary

AXIS REIT MANAGERS BERHAD (649450-W)

(As the Manager of AXIS REAL ESTATE INVESTMENT TRUST)

Kuala Lumpur

29 April 2019