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**AXIS-REIT TO ACQUIRE LAND WITH INDUSTRIAL  
WAREHOUSE IN SHAH ALAM**

*The property is valued at RM12.8 million*

**PETALING JAYA 3 SEPTEMBER 2020** – Axis Real Estate Investment Trust’s (“Axis-REIT”) trustee, RHB Trustees Berhad has entered into a sale and purchase agreement (“SPA”) to acquire a property located within Seksyen 15, Shah Alam (“Property”) from Melewar Steel Services Sdn Bhd (“Melewar”) for RM11.87 million. The Property comprises of a leasehold land, which will expire in 2078, with a single-storey warehouse erected on it. It has a land area of 8,732 square metres and a net lettable area of 41,061 square feet.

The market value of the Property is RM12.8 million, as appraised by Rahim & Co International Sdn Bhd in the valuation report dated 1 July 2020. The acquisition will be funded by bank financing, which will increase Axis-REIT’s gearing ratio to 29.0% of its audited total assets as at 31 December 2019. The acquisition is expected to contribute positively to Axis-REIT’s earnings upon the completion of the acquisition exercise.

The acquisition is conditional upon Melewar and/or Axis-REIT securing a tenant to lease the Property for a minimum term of 3 years within 6 months from the date of the SPA.

Axis REIT Managers Berhad Chief Executive Officer/Executive Director, Leong Kit May says, “We like the property because of its location. Seksyen 15 (Shah Alam) is an established industrial zone which is close to Port Klang and has good infrastructure in place. The area remains attractive for warehousing. The current Covid-19 pandemic has pushed the demand for warehouses due to the upsurge in e-commerce activities.”

**About Axis Real Estate Investment Trust**

Axis Real Estate Investment Trust (“Axis-REIT”), Malaysia’s first real estate investment trust, was listed on Bursa Securities on 3 August 2005. Having been reclassified as an Islamic REIT on 11 December 2008, all acquisitions by Axis-REIT are Shariah compliant. It currently has a diverse portfolio of 51 properties strategically located in the Klang Valley, Johor, Penang, Pahang, Negeri Sembilan and Kedah. Axis REIT Managers Berhad is the Manager of Axis-REIT while RHB Trustees Berhad is the latter’s trustee.

Axis-REIT has a solid industrial space portfolio where 92% of the properties are on industrial titles. As at 30 June 2020, the occupancy rate of Axis-REIT’s portfolio stood at 92.3% with a weighted average lease expiry period of 5.7 years, based on rental. The space under management is over 10.2 million sq ft and the total asset value amounted to RM3.3 billion.

For more information, please log on to <http://www.axis-reit.com.my>

**Issued by Imej Jiwa Communications Sdn Bhd on behalf of Axis-REIT.**

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