



YOUR  
*Business Space*  
PARTNER

ANNUAL REPORT 2018



## AXIS-REIT FYE2018 FACTS AT A GLANCE

### MARKET CAPITALISATION



**RM1,930,165,000**

### TOTAL ASSETS UNDER MANAGEMENT



**RM2,840,463,000**

Total Space Under Management

**9,349,267**

SQ. FT.



Fair Value Gain on Investment Properties for 2018

**RM42,558,000**



### LATEST UPDATES

In the filing to Bursa Malaysia, Axis-REIT recorded a significant increase in income for FYE2018, with realised net income after

taxation recording a 25% increase to RM113.4 million, while DPU increased by 6% to 8.74 sen per unit.

Total Acquisitions for 2018

**RM160.1**  
MILLION



### UNITHOLDER BASE



**1,237,285,288**

total number of units in issue



**RM1.56**

Unit Price as at  
31 Dec 2018

Weighted Average Lease  
Expiry (based on rental)

**5.57** YEARS



Distribution Per Unit for 2018

**8.74** SEN



# WHAT'S INSIDE

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Central Region

Northern Region

Southern Region

OUR PORTFOLIO  
**CENTRAL  
REGION**



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## CENTRAL REGION IN OUR PORTFOLIO



1

### Axis Business Campus ◀ Office/Industrial

**RM80million**

Carrying value based on latest valuation

Lot 13A & 13B, Jalan 225  
Section 51A  
46100 Petaling Jaya  
Selangor

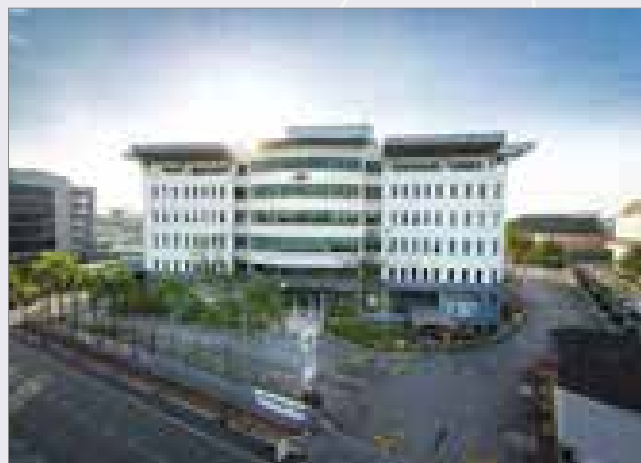
2

### Axis Business Park ▶ Office/Industrial

**RM120.6million**

Carrying value based on latest valuation

No. 10, Jalan Bersatu 13/4  
Section 13  
46200 Petaling Jaya  
Selangor



3

### Axis Technology Centre ◀ Office/Industrial

**RM55million**

Carrying value based on latest valuation

No. 13, Jalan 225  
Section 51A  
46100 Petaling Jaya  
Selangor

# WHAT'S INSIDE

## AXIS-REIT ANNUAL REPORT 2018



4

### Axis Vista ◀ Office/Industrial

## RM57.3million

Carrying value based on latest valuation

No. 11, Jalan 219  
Section 51A  
46100 Petaling Jaya  
Selangor

5

### Crystal Plaza ▶ Office

## RM113.5million

Carrying value based on latest valuation

No. 4, Jalan 51A/223  
Section 51A  
46100 Petaling Jaya  
Selangor



6

### Infinite Centre ◀ Office/Industrial

## RM42.5million

Carrying value based on latest valuation

Lot 1, Jalan 13/6  
Section 13  
46200 Petaling Jaya  
Selangor



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## CENTRAL REGION IN OUR PORTFOLIO



**7** Menara Axis ◀  
Office

**RM110million**

Carrying value based on latest valuation

No. 2, Jalan 51A/223  
Section 51A  
46100 Petaling Jaya  
Selangor

**8** Quattro West ▶  
Office

**RM56million**

Carrying value based on latest valuation

No. 4 Lorong Persiaran Barat  
46100 Petaling Jaya  
Selangor



**9** Strategq Data Centre ◀  
Office/Industrial

**RM57million**

Carrying value based on latest valuation

No. 12 Jalan Bersatu 13/4  
Section 13  
46200 Petaling Jaya  
Selangor

Total

**9**

SQ

In the  
Axis  
inc  
with

# WHAT'S INSIDE

## AXIS-REIT ANNUAL REPORT 2018



10

### The Annex ◀ Office/Industrial

## RM20million

Carrying value based on latest valuation

No. 4, Jalan 19/1  
Section 19  
46300 Petaling Jaya  
Selangor

11

### Wisma Academy Parcel ▶ Office/Industrial

## RM73million

Carrying value based on latest valuation

No. 4A, Jalan 19/1  
Section 19  
46300 Petaling Jaya  
Selangor



12

### Wisma Kemajuan ◀ Office/Industrial

## RM65.4million

Carrying value based on latest valuation

No. 2, Jalan 19/1B  
Section 19  
46300 Petaling Jaya  
Selangor



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## CENTRAL REGION IN OUR PORTFOLIO



**13** **Axis Aerotech  
Centre @ Subang ◀**  
Manufacturing Facility

**RM64.7million**

Carrying value based on  
latest valuation

Jalan Aeroangkasa 4  
Seksyen U3  
40150 Shah Alam  
Selangor

**14** **Axis Mega  
Distribution Centre ▶**  
Warehouse Logistics

**RM300million**

Carrying value based on  
latest valuation

Lot 7316 (PT 3609)  
Persiaran Sijangkang Utama  
42500 Telok Panglima Garang  
Selangor



**15** **Axis MRO Hub ◀**  
Manufacturing Facility

**RM53.3million**

Carrying value based on  
latest valuation

No. 3, Jalan Keluli 15/16  
Section 15  
40200 Shah Alam  
Selangor



# WHAT'S INSIDE

## AXIS-REIT ANNUAL REPORT 2018

16

### Axis Shah Alam Distribution Centre 1 ▶ Manufacturing Facility

**RM32.7million**

Carrying value based on  
latest valuation

Lots 2-22,2-24,2-26,2-28  
Jalan SU 6A  
Taman Perindustrian Subang  
(Lion Industrial Park)  
Section 22  
40300 Shah Alam  
Selangor



17

### Axis Shah Alam Distribution Centre 2 ◀ Warehouse Logistics

**RM47.2million**

Carrying value based on  
latest valuation

Lot No. 10 & 12, Jalan Pahat 16/8A  
Lot No. 11 & 13, Jalan Gudang 16/9  
Section 16  
40200 Shah Alam  
Selangor



18

### Axis Shah Alam Distribution Centre 3 ▶ Warehouse Logistics

**RM185.5million**

Carrying value based on  
latest valuation

Lot No. 22202  
Jalan Gambus 33/4  
Off Jalan Bukit Kemuning, Batu 8.5  
40400 Shah Alam  
Selangor



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## CENTRAL REGION IN OUR PORTFOLIO



**19** **Axis Shah Alam  
Distribution Centre 4** ◀  
Warehouse Logistics

**RM83million**

Carrying value based on  
latest valuation

Lot PT 5038-5041  
Jalan Teluk Datuk 28/40  
Off Persiaran Sepang  
Seksyen 28  
40400 Shah Alam  
Selangor

**20** **Axis Steel Centre** ▶  
Warehouse Logistics

**RM78million**

Carrying value based on  
latest valuation

Lot 19, Lebuhr Hishamuddin 1  
Selat Klang Utara  
42000 Pelabuhan Klang  
Selangor



**21** **Bukit Raja  
Distribution Centre** ◀  
Warehouse Logistics

**RM105million**

Carrying value based on  
latest valuation

No. 43 & 44, Lengkok Keluli 1  
Kawasan Perindustrian  
Bukit Raja Selatan  
Seksyen 7  
40000 Shah Alam  
Selangor

# WHAT'S INSIDE

## AXIS-REIT ANNUAL REPORT 2018

22

### Fonterra HQ ▶ Office/Industrial

**RM19million**

Carrying value based on latest valuation

No. 23, Jalan Delima 1/1  
Subang Hi-Tech Industrial Park  
Batu Tiga  
40000 Shah Alam  
Selangor



23

### Scomi Facility @ Rawang ◀ Manufacturing Facility

**RM44million**

Carrying value based on latest valuation

Lot 795 & 796 Jalan Monorail  
Kawasan Industri Sungai Choh  
48000 Sungai Choh Rawang  
Selangor



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## CENTRAL REGION IN OUR PORTFOLIO

24

### Emerson Industrial Facility Nilai ▶ Manufacturing Facility

## RM32.8million

Carrying value based on  
latest valuation

Lot 13111 & Lot 13112,  
Mukim Labu  
Kawasan Perindustrian Nilai 1  
71800 Nilai  
Negeri Sembilan



25

### Senawang Industrial Facility ◀ Warehouse Logistics

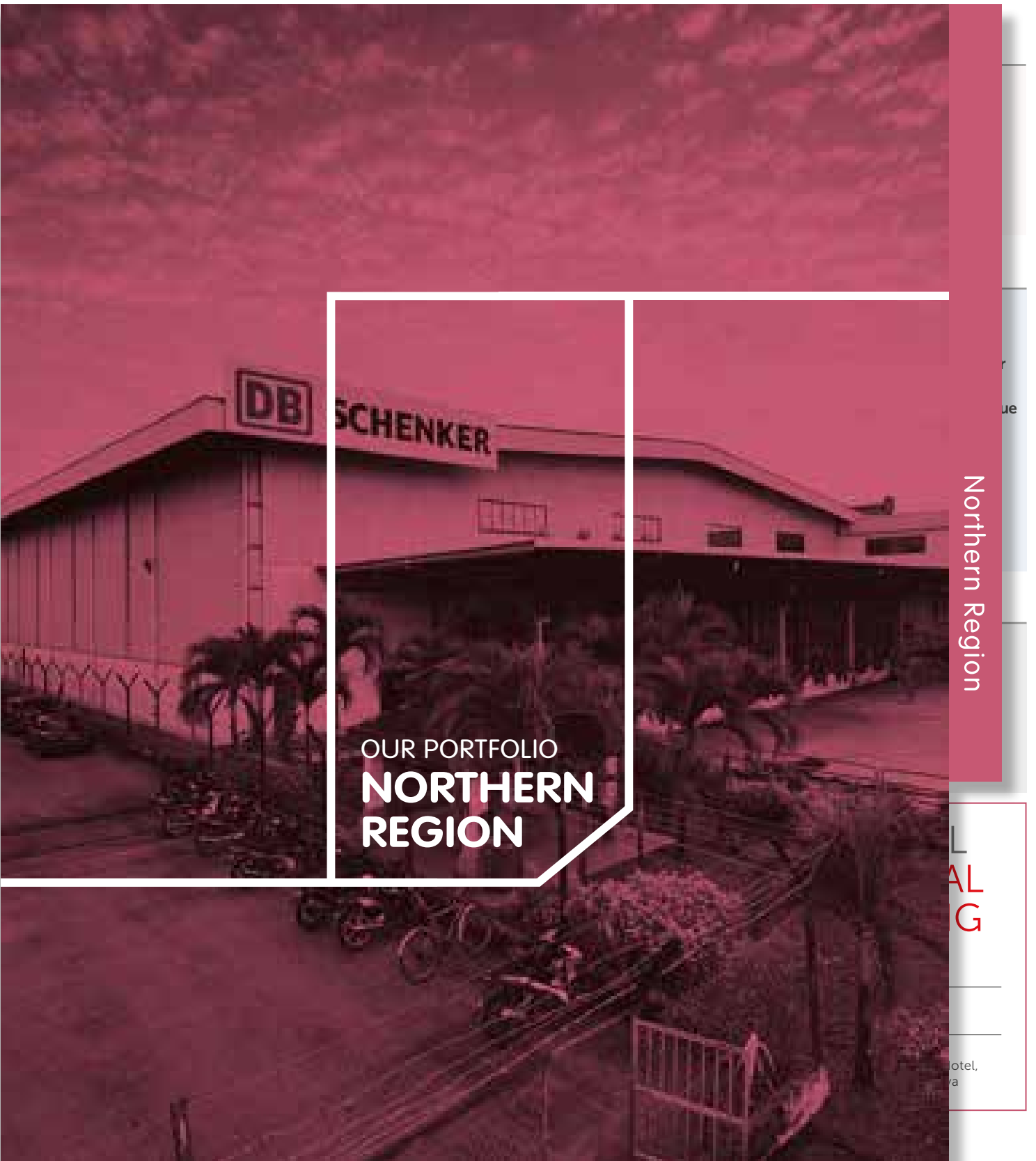
## RM21million

Carrying value based on  
latest valuation

Lot 73 & 74, Persiaran Bunga Tanjung 1  
Senawang Industrial Park  
70400 Seremban  
Negeri Sembilan

# WHAT'S INSIDE

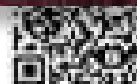
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Northern Region

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## NORTHERN REGION IN OUR PORTFOLIO

26

### Bayan Lepas Distribution Centre ▶

Warehouse Logistics

**RM60million**

Carrying value based on latest valuation

88A, Lintang Bayan 9  
Lintang Bayan Lepas Industrial Park  
Phase IV 11900 Bayan Lepas  
Penang



27

### Giant Hypermarket ◀

Hypermarket

**RM49million**

Carrying value based on latest valuation

Jalan Lencongan Barat  
08000 Sungai Petani  
Kedah

28

### Seberang Prai Logistics Warehouse 1 ▶

Warehouse Logistics

**RM20.5million**

Carrying value based on latest valuation

Plot 24, Tingkat Perusahaan 6  
Kawasan Perusahaan Prai Phase 4  
13600 Seberang Prai Tengah  
Penang



# WHAT'S INSIDE

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## 29 Seberang Prai Logistics Warehouse 2 ◀

Warehouse Logistics

**RM8.2million**

Carrying value based on latest valuation

Plot 23, Tingkat Perusahaan 6  
Kawasan Perusahaan Prai Phase 4  
13600 Seberang Prai Tengah  
Penang

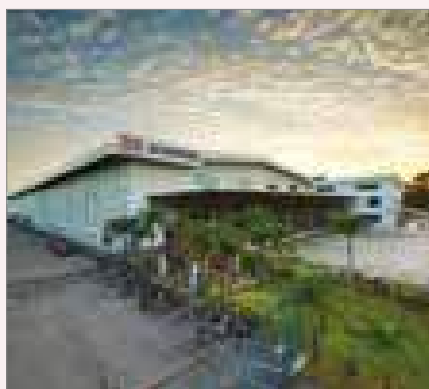
## 30 Seberang Prai Logistics Warehouse 3 ▶

Warehouse Logistics

**RM67million**

Carrying value based on latest valuation

No. 74, Lorong Perusahaan Utama 4  
Bukit Tengah Industrial Park  
14000 Bukit Mertajam  
Penang



## East Coast Region



## 31 Wasco Facility @ Kuantan ◀

Manufacturing Facility

**RM155million**

Carrying value based on latest valuation

Sub Lot 2,  
Kawasan Perindustrian MIEL  
Gebeng, KM25  
Jalan Kuantan-Kemaman  
PO Box 240, 25720 Kuantan  
Pahang



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OUR PORTFOLIO  
**SOUTHERN  
REGION**



# WHAT'S INSIDE

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**32** **Axis Steel Centre @ SiLC ▶**  
Manufacturing Facility

**RM163million**

Carrying value based on latest valuation

No. 27, Jalan SiLC 1/5  
Kawasan Perindustrian SiLC  
79200 Nusajaya  
Johor



**33** **Beyonics i-Park  
Campus Block A ◀**  
Manufacturing Facility

**RM16million**

Carrying value based on latest valuation

No. 95, Jalan i-Park 1/10  
Kawasan Perindustrian i-Park  
81000 Bandar Indahpura, Kulaijaya  
Johor

**34** **Beyonics i-Park  
Campus Block B ▶**  
Manufacturing Facility

**RM14.5million**

Carrying value based on latest valuation

No. 96, Jalan i-Park 1/10  
Kawasan Perindustrian i-Park  
81000 Bandar Indahpura, Kulaijaya  
Johor



Southern Region



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SOUTHERN REGION IN OUR PORTFOLIO



35

**Beyonics i-Park  
Campus Block C** ◀  
Manufacturing Facility

**RM13million**

Carrying value based on  
latest valuation

No. 97, Jalan i-Park 1/10  
Kawasan Perindustrian i-Park  
81000 Bandar Indahpura, Kulaijaya  
Johor

36

**Beyonics i-Park  
Campus Block D** ▶  
Manufacturing Facility

**RM23.8million**

Carrying value based on  
latest valuation

No. 98, Jalan i-Park 1/10,  
Kawasan Perindustrian i-Park  
81000 Bandar Indahpura, Kulaijaya  
Johor



37

**Beyonics i-Park Campus  
Block E** ◀  
Manufacturing Facility

**RM32million**

Carrying value based on  
latest valuation

No. 93, Jalan i-Park 1/10  
Kawasan Perindustrian i-Park  
81000 Bandar Indahpura, Kulaijaya  
Johor



# WHAT'S INSIDE

AXIS-REIT ANNUAL REPORT 2018

## 38 D8 Logistics Warehouse ▶ Warehouse Logistics

### RM33million

Carrying value based on latest valuation

Lot D8, Jalan Tanjung A/4, Distripark A  
Port of Tanjung Pelepas  
81560 Gelang Patah  
Johor



## 39 D21 Logistics Warehouse ◀ Warehouse Logistics

### RM29million

Carrying value based on latest valuation

Lot D21, Jalan Tanjung A/3  
Distripark A, Port of Tanjung  
Pelepas  
81560 Gelang Patah  
Johor



## 40 FCI Senai ▶ Manufacturing Facility

### RM22million

Carrying value based on latest valuation

PLO 205, Jalan Cyber 14  
Kawasan Perindustrian Senai IV  
81400 Johor



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## SOUTHERN REGION IN OUR PORTFOLIO



### 41 Indahpura Facility 1 ◀ Manufacturing Facility

**RM8million**

Carrying value based on latest valuation

No.69, Jalan i-Park 1/7  
Kawasan Perindustrian i-Park  
81000 Bandar Indahpura, Kulaijaya  
Johor



### 42 Kerry Warehouse ◀ Warehouse Logistics

**RM34million**

Carrying value based on latest valuation

PLO 731, Jalan Nikel 2  
Kawasan Perindustrian Pasir Gudang  
81700 Pasir Gudang  
Johor

### 43 Niro Warehouse ▶ Warehouse Logistics

**RM20million**

Carrying value based on latest valuation

PLO 419-421, Jalan Emas 2  
Pasir Gudang Industrial Estate  
81700 Pasir Gudang  
Johor



# WHAT'S INSIDE

AXIS-REIT ANNUAL REPORT 2018



44

## Pasir Gudang Logistics Warehouse 1 ◀

Warehouse Logistics

### RM17million

Carrying value based on  
latest valuation

PLO 563, Jalan Keluli 8  
Pasir Gudang Industrial Estate  
81700 Pasir Gudang  
Johor

45

## Tesco Bukit Indah ▶

Hypermarket

### RM97million

Carrying value based on  
latest valuation

No. 1, Jalan Bukit Indah 15  
81200 Johor



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[www.axis-reit.com.my](http://www.axis-reit.com.my)

Prepared by:  
**AXIS REIT MANAGERS BERHAD (649450-W)**  
As the Manager of Axis-REIT

Penthouse Menara Axis, No. 2 Jalan 51A/223, 46100 Petaling Jaya, Selangor, Malaysia  
Tel : +603 7958 4882 Fax : +603 7957 6881  
E-mail : [info@axis-reit.com.my](mailto:info@axis-reit.com.my)

# WHAT'S INSIDE

01

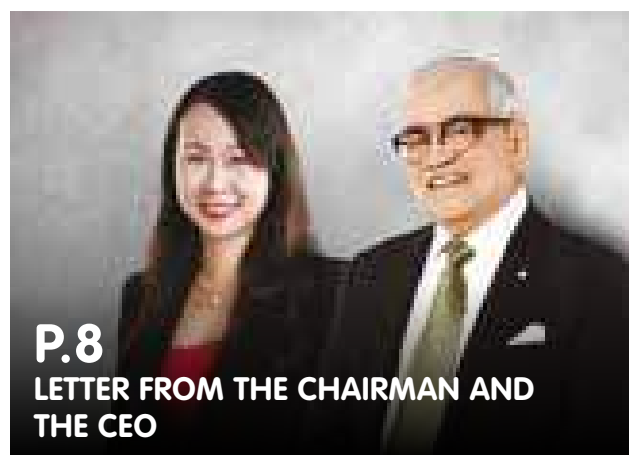
## ABOUT AXIS-REIT

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## SUSTAINABILITY

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## 7<sup>TH</sup> ANNUAL GENERAL MEETING

### DATE

Tuesday, 30 April 2019

### TIME

10.00 a.m.

### VENUE

Ballroom 1, Sheraton Petaling Jaya Hotel,  
Jalan Utara C, 46200 Petaling Jaya



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# ABOUT AXIS-REIT



TO SUCCESSFULLY BENCHMARK  
AXIS-REIT AGAINST THE WORLD'S  
MOST SUCCESSFUL REITS IN  
TERMS OF TOTAL RETURNS TO  
UNITHOLDERS, AND BE THE REIT  
OF CHOICE FOR SHARIAH AND  
NON-SHARIAH INVESTORS.



TO PROVIDE CONSISTENT  
DISTRIBUTIONS TO  
UNITHOLDERS THROUGH  
GROWING THE PROPERTY  
PORTFOLIO, DISPLAYING  
THE HIGHEST LEVEL OF  
CORPORATE GOVERNANCE,  
EXCELLENT CAPITAL AND  
RISK MANAGEMENT, AND  
PRESERVING CAPITAL VALUES.







## || SIX PRINCIPLES OF MANAGEMENT ||

The Manager is committed to deliver long-term sustainable distributions and capital stability through its six principles of management:

Prudent capital and risk management	Maintaining the highest levels of corporate governance	Proactive asset and tenant management
Excellent investor relations	Yield-accretive asset purchases	Development of human capital

### ABOUT US

Axis Real Estate Investment Trust is Malaysia's first REIT, listed on Bursa Securities on 3 August 2005. It has a diverse portfolio of 45 properties that are located in the Klang Valley, Johor, Penang, Pahang, Negeri Sembilan and Kedah.

The Fund was constituted by a Deed and is principally regulated by applicable securities laws, the SC's Guidelines on Listed REITs, the Listing Requirements of Bursa Securities, the rules of the depository and relevant taxation laws and rulings.

On 15 June 2005, the Deed constituting Axis-REIT was executed between Axis REIT Managers Berhad as the Manager of Axis-REIT, and RHB Trustees Berhad as the Trustee of Axis-REIT. The Deed was registered with the SC on 16 June 2005, which marked the establishment of Axis-REIT in Malaysia. Axis-REIT was thereafter reclassified as an Islamic REIT on 11 December 2008.

The duration of Axis-REIT shall be the earlier of the occurrence of any circumstance as stated in the Deed, or 999 years from the establishment of Axis-REIT.

Axis-REIT was formed to own and invest primarily in industrial and office real estate. The primary objectives of the Fund are:

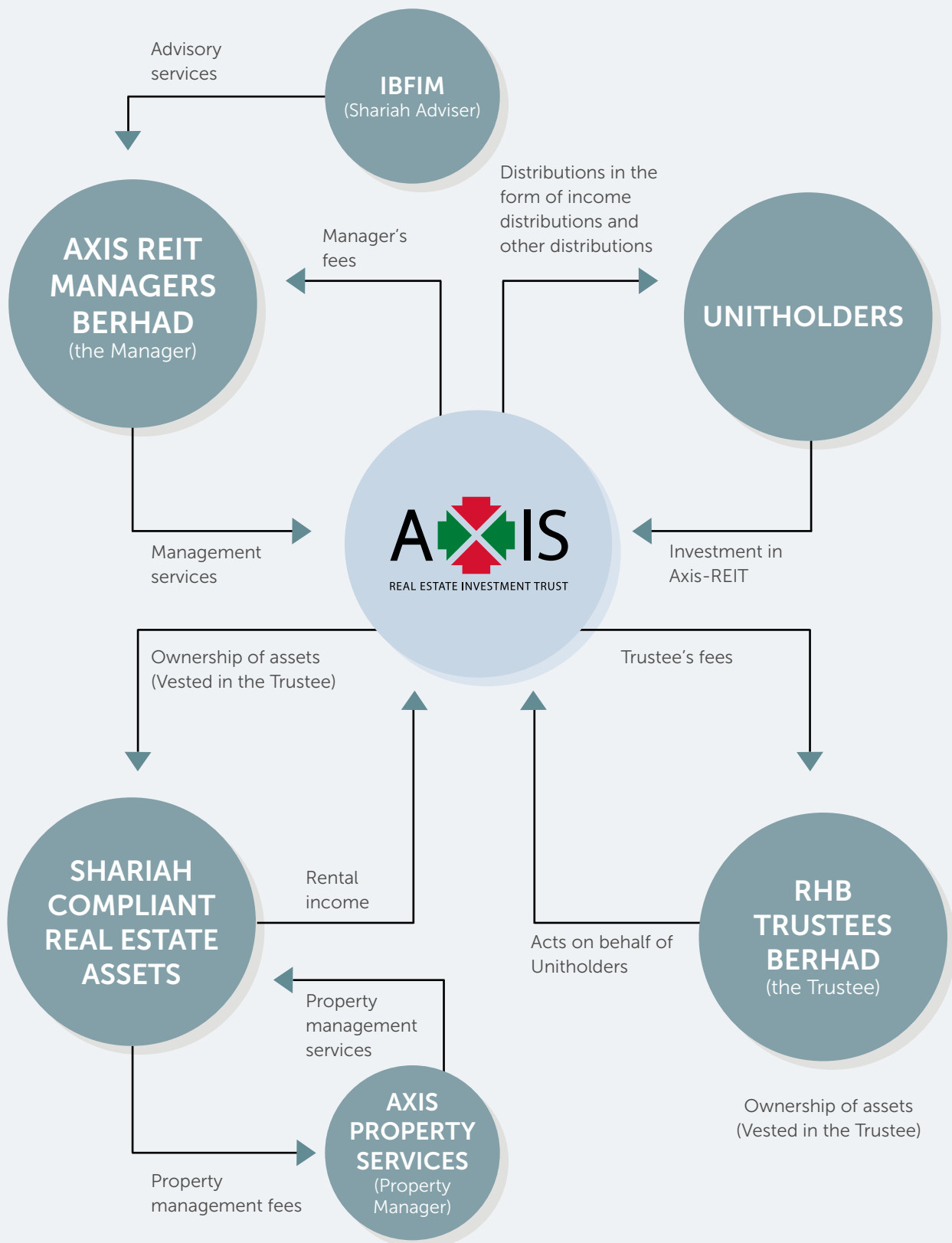
- (a) To provide Unitholders with a stable and growing distribution of income; and
- (b) To achieve long-term growth in the net asset value per Unit of the Fund.

Axis REIT Managers Berhad is the Manager of Axis-REIT and is licensed as an Islamic Fund Manager to manage a REIT.

# SALIENT FEATURES OF AXIS-REIT

<b>Fund Category</b>	Real Estate Investment Trust
<b>Fund Type</b>	Income and growth
<b>Vision of the Fund</b>	To successfully benchmark Axis-REIT against the world's most successful REITs in terms of total returns to Unitholders and be the REIT of choice for Shariah and non-Shariah investors
<b>Mission of the Fund</b>	To provide consistent distributions to Unitholders through growing the property portfolio, displaying the highest level of corporate governance, excellent capital and risk management, and preserving capital values
<b>Issued Fund Size</b>	1,237,285,288 Units
<b>Market Capitalisation</b>	RM1,930,165,000
<b>Assets Under Management</b>	RM2,840,463,000
<b>Authorised Investments</b>	At least 75% of the Fund's total asset value must be invested in real estate that generates recurrent rental income at all times
<b>Initial Public Offering Retail Price</b>	RM0.625 per Unit (equivalent to RM1.25 per Unit prior to the Unit Split)
<b>Financial Year End</b>	31 December
<b>Distribution Policy</b>	<p>Quarterly income distribution:</p> <p>1st to 3rd quarter – at least 95% of the current year-to-date distributable income</p> <p>4th quarter – at least 99% of the current year-to-date distributable income</p>
<b>Financing Limitations</b>	Not exceeding 50% of the total asset value of the Fund
<b>Revaluation Policy</b>	The investment properties shall be revalued at least once a financial year by independent registered valuers
<b>Minimum Initial Investment</b>	100 Units
<b>Quotation</b>	Main Market of Bursa Securities
<b>Bursa Securities Stock Number</b>	AXREIT 5106

# AXIS-REIT STRUCTURE



# CORPORATE INFORMATION



## BOARD OF DIRECTORS OF THE MANAGER

**YAM Tunku Dato' Seri  
Shahabuddin Bin Tunku  
Besar Burhanuddin**  
*Independent  
Non-Executive Chairman*

**Dato' Abas Carl  
Gunnar Bin Abdullah**  
*Executive Deputy Chairman*

**Leong Kit May**  
*Chief Executive Officer/  
Executive Director*

**Stephen Tew Peng Hwee  
@ Teoh Peng Hwee**  
*Non-Independent  
Non-Executive Director*

**Datuk Seri Fateh Iskandar  
Bin Tan Sri Dato' Mohamed  
Mansor**  
*Independent  
Non-Executive Director*

**Alex Lee Lao**  
*Alternate Director to Dato' Abas  
Carl Gunnar Bin Abdullah*

**Mohd Sharif Bin Hj Yusof**  
*Senior Independent  
Non-Executive Director*

**Jancis Anne Que Lao**  
*Alternate Director to  
Alvin Dim Lao*

**Alvin Dim Lao**  
*Non-Independent  
Non-Executive Director*

## AUDIT COMMITTEE OF THE MANAGER

Mohd Sharif Bin Hj Yusof (Chairman)  
YAM Tunku Dato' Seri Shahabuddin  
Bin Tunku Besar Burhanuddin  
Alvin Dim Lao

## EXECUTIVE COMMITTEE OF THE MANAGER

Dato' Abas Carl Gunnar  
Bin Abdullah (Chairman)  
Stephen Tew Peng Hwee @  
Teoh Peng Hwee  
Leong Kit May

## REMUNERATION COMMITTEE OF THE MANAGER

Datuk Seri Fateh  
Iskandar Bin Tan Sri  
Dato' Mohamed Mansor  
(Chairman)  
Dato' Abas Carl Gunnar  
Bin Abdullah  
Stephen Tew Peng Hwee @  
Teoh Peng Hwee

## NOMINATION COMMITTEE OF THE MANAGER

Mohd Sharif Bin Hj Yusof (Chairman)  
YAM Tunku Dato' Seri  
Shahabuddin Bin Tunku  
Besar Burhanuddin  
Datuk Seri Fateh  
Iskandar Bin Tan Sri  
Dato' Mohamed Mansor

## CORPORATE INFORMATION

**MANAGER OF AXIS-REIT**  
**Axis REIT Managers Berhad**
**MANAGER'S PRINCIPAL  
PLACE OF BUSINESS**

Penthouse, Menara Axis  
No. 2, Jalan 51A/223  
46100 Petaling Jaya  
Selangor Darul Ehsan  
Tel No : 603-7958 4882  
Fax No : 603-7957 6881

**MANAGER'S REGISTERED OFFICE**

Level 7, Menara Milenium  
Jalan Damanlela  
Pusat Bandar Damansara  
Damansara Heights  
50490 Kuala Lumpur  
Tel No : 603-2084 9000  
Fax No : 603-2094 9940

**COMPANY SECRETARY  
OF THE MANAGER**

Rebecca Leong Siew Kwan  
(MAICSA 7045547)

**TRUSTEE OF AXIS-REIT**

**RHB Trustees Berhad**  
Level 10 Tower One, RHB Centre  
Jalan Tun Razak  
50400 Kuala Lumpur  
Tel No : 603-9280 5950  
Fax No : 603-9280 5947  
Website: [www.rhbgroup.com](http://www.rhbgroup.com)

**SHARIAH ADVISER OF AXIS-REIT**  
**IBFIM**

Suite 13.03, 13<sup>th</sup> Floor  
Menara Tan & Tan  
207 Jalan Tun Razak  
50400 Kuala Lumpur  
Tel No : 603-2164 0206  
Fax No : 603-2164 0207  
Website: [www.ibfim.com](http://www.ibfim.com)

**REGISTRARS OF AXIS-REIT**  
**Boardroom Share Registrars**  
**Sdn Bhd (formerly known as**  
**Symphony Share Registrars**  
**Sdn Bhd)**

Level 6, Symphony House  
Pusat Dagangan Dana 1  
Jalan PJU 1A/46  
47301 Petaling Jaya  
Selangor Darul Ehsan  
Tel No : 603-7849 0777  
Fax No : 603-7841 8151/8152  
Website : [www.boardroomlimited.com](http://www.boardroomlimited.com)

**PROPERTY MANAGER  
OF AXIS-REIT**

**Axis Property Services**  
Suite 6.04, Penthouse  
Wisma Academy  
No. 4A, Jalan 19/1  
46300 Petaling Jaya  
Selangor Darul Ehsan

**AUDITORS OF AXIS-REIT**  
**KPMG PLT**

Level 10, KPMG Tower  
8, First Avenue Bandar Utama  
47800 Petaling Jaya  
Selangor Darul Ehsan

**INTERNAL AUDITORS  
OF AXIS-REIT**

**Baker Tilly Monteiro Heng**  
**Governance Sdn Bhd**  
Baker Tilly Tower, Level 10  
Tower 1 Avenue 5  
Bangsar South City  
59200 Kuala Lumpur

**TAX AGENTS OF AXIS-REIT**

**PricewaterhouseCoopers**  
**Taxation Services Sdn Bhd**  
Level 10, 1 Sentral, Jalan Rakyat  
Kuala Lumpur Sentral  
P.O. Box 10192  
50706 Kuala Lumpur

**PRINCIPAL BANKERS  
OF AXIS-REIT**

Maybank Islamic Berhad  
CIMB Islamic Bank Berhad  
HSBC Amanah Bank Malaysia Berhad  
Public Islamic Bank Berhad

**RETAINER SOLICITORS**

**Lee Hishammuddin Allen & Gledhill**  
Level 6, Menara 1 Dutamas  
Solaris Dutamas  
No. 1, Jalan Dutamas 1  
50480 Kuala Lumpur

**STOCK NAME AND STOCK CODE**

AXREIT 5106

**INVESTOR RELATIONS**

To find out more about  
Axis-REIT, please contact:

**Leong Kit May**

Chief Executive Officer/  
Executive Director

Or

**Chan Tze Wee**

Manager, Investments and  
Investor Relations

**CONTACT DETAILS**

Penthouse, Menara Axis  
No. 2, Jalan 51A/223  
46100 Petaling Jaya  
Selangor Darul Ehsan  
Tel No : 603-7958 4882  
Fax No : 603-7957 6881  
Email : [info@axis-reit.com.my](mailto:info@axis-reit.com.my)

**WEBSITE**

[www.axis-reit.com.my](http://www.axis-reit.com.my)

# LETTER FROM THE CHAIRMAN AND THE CEO



Dear Unitholders,

**On behalf of the Board of Directors ("Board") of Axis REIT Managers Berhad ("ARMB" or "Manager"), we are pleased to note that Axis Real Estate Investment Trust ("Axis-REIT" or "Fund") delivered another solid operational and financial performance during the Financial Year Ended 31 December 2018 ("FYE2018"). The results are the outcome of our continued focus on Axis-REIT's aim of building a portfolio of high-quality industrial assets that generate sustainable, long-term returns to our Unitholders.**

Notwithstanding the cautious business outlook in the run up to Malaysia's 14th General Election ("GE14") and the stunning results that followed, there was no let-up in our focus and execution of the Fund's strategy in 2018. During the year,

we added five properties to Axis-REIT's portfolio, bringing the total count to 45 properties valued at RM2.8 billion, with a cumulative net lettable area ("NLA") of over 9.3 million sq. ft.. These, alongside property acquisitions completed in 2017, and

the commencement of the lease term at the Fund's maiden development project, were the key drivers of the Fund's bottom line growth in FYE2018.

We recorded strong operating metrics in FYE2018, having successfully raised the occupancy rate of our property portfolio to 94% as at 31 December 2018, while achieving a 5% positive rental reversion during the year. The Leasing Team renewed tenancies for 74% of the 1.4 million sq. ft. of space that was due for renewal in 2018, and in total, secured tenancies (including renewals and new tenancies) for 1.6 million sq. ft. of space during the year. The portfolio's weighted average lease expiry ("WALE") remained stable, at 5.57 years as at 31 December 2018.

## LETTER FROM THE CHAIRMAN AND THE CEO

Axis-REIT's financial results reflect these operational achievements, with net property income rising 25% to RM182.8 million in FYE2018, bringing income available for distribution to RM107.8 million as at 31 December 2018. The Fund declared a distribution per Unit ("DPU") of 8.74 sen for FYE2018, up 6% from the preceding year. This translates to a commendable distribution yield of 5.6% per unit, based on Axis-REIT's closing unit price of RM1.56 as at 31 December 2018. The Fund also successfully completed its 2018 Income Distribution Reinvestment Plan ("IDRP"), which garnered a 55% reinvestment rate, with the issuance of 4.9 million new Units pursuant to the exercise. The 2018 IDRP generated net proceeds of RM6.8 million that were deployed towards asset enhancement initiatives of the property portfolio.

Over the years, we have prudently maintained Axis-REIT's gearing level below the regulatory limit of 50% for Malaysian REITs and will continue doing so moving forward. As at

31 December 2018, Axis-REIT's gearing stood at 37%, up from 33%, following the drawdown of financing facilities to fund its asset acquisitions and property development ventures. We are comfortable that at this level, the Fund has sufficient headroom to pursue acquisitive and development opportunities.

During FYE2018, Axis-REIT's 5-year Sukuk, amounting to RM85 million, matured and was fully-redeemed, using existing credit facilities. Following the redemption of the 5-year Sukuk, Axis-REIT had RM180 million in outstanding Sukuk facilities as at 31 December 2018.

In January 2019, the Fund concluded its third Sukuk issuance, which saw the Fund issue RM240.0 million in unrated, 7-year Sukuk. The proceeds were mainly applied to refinance existing short term credit facilities as part of our strategy to further strengthen the Fund's debt maturity profile.

## Axis-REIT's operational and financial highlights of FYE2018:

Completed five acquisitions located in Subang, Shah Alam, Senawang and Johor

Successfully implemented the 2018 IDRP in conjunction with the payment of Axis-REIT's 2018 third interim income distribution

The commencement of Nestlé Products Sdn Bhd's 10-year lease at the newly-completed Axis Mega Distribution Centre (Phase 1)

Secured tenancies for 1.6 million sq. ft. of space, raising the portfolio occupancy rate to 94% as at 31 December 2018, and keeping the WALE stable at 5.57 years

Grew the Fund's net property income by 25% vs the previous financial year

Substantially completed the development of Axis Aerotech Centre @ Subang

Increased the Fund's DPU by 6% to 8.74 sen (from 8.26 sen in FYE2017)

	31 December 2005	31 December 2018	Growth
Assets Under Management	RM340 million	RM2.84 billion	735%
Net Lettable Area	1,186,590 sq. ft.	9,349,267 sq. ft.	688%
Number of Properties	6	45	650%
Market Capitalisation	RM356 million	RM1.93 billion	442%
Distribution per Unit ("DPU") (sen)	5.64*	8.74	55%
Number of Tenants	78	152	95%
Fund Size	RM278 million	RM1.66 billion	497%
Accumulative Revaluation Gain	RM42.6 million	RM373.7 million	777%

\* Annualised DPU for FYE2005, restated from 11.28 sen to reflect the Unit Split.

## LETTER FROM THE CHAIRMAN AND THE CEO

### Macroeconomic Outlook / Prospects

The unprecedented results of GE14 saw a change in Malaysia's political leadership for the first time since the country's independence in 1957. The results of the elections and the orderly, peaceful transition in leadership were widely lauded, demonstrating a matured democracy and the ability of Malaysians to move forward as a nation.

Despite some initial uncertainties over the new government's policies as well as some external macroeconomic headwinds, the country's Gross Domestic Product ("GDP") recorded commendable growth of 4.7% in 2018, driven by resilient private sector spending, an uptick in net exports and continued expansion in the services and manufacturing sectors.

Looking ahead, analysts and economists are expecting stable economic growth for Malaysia in 2019. Government official forecasts, published in November last year, had pegged GDP growth at 4.9% for 2019, while the World Bank estimated the country's GDP growth at 4.7% in 2019.

### 2019 Outlook: Staying the course as the leading business and industrial space partner

We are confident that Axis-REIT's portfolio is well-positioned for growth in the coming years. Our strategy of building a solid business and industrial space portfolio has and continues to pay off – demand for properties within these segments has been relatively resilient amid growth in the e-commerce and manufacturing sectors. Our properties, which are located in the country's key industrial hubs and in strategic urban locations, offer seamless access to transport networks and are well-positioned to benefit from this demand.

Our recent investments have strengthened our position in the industrial space segment – all five acquisitions completed in FYE2018, including the land lease of Axis Aerotech Centre @ Subang, were in the industrial property

category. With these additions, industrial properties now account for 91% of Axis-REIT's portfolio.

While our portfolio focus remains very much in the industrial property segment, we also continue to grow our portfolio beyond the central / Klang Valley region. Our recent acquisitions included additions to our presence in the rapidly-growing key industrial hubs of Penang and Johor (Iskandar Malaysia). This geographical diversification is aimed at capturing the rapid growth of these burgeoning regional industrial hubs.

### Axis-REIT's acquisitions completed in 2018

Properties	Purchase Consideration (RM'mil)	Completion Date
Axis Aerotech Centre @ Subang (land lease)	19.9	7 February 2018
Axis Shah Alam Distribution Centre 4	83.0	4 June 2018
Beyonics i-Park Campus Block E	31.5	9 August 2018
Indahpura Facility 1	7.2	9 August 2018
Senawang Industrial Facility	18.5	5 December 2018

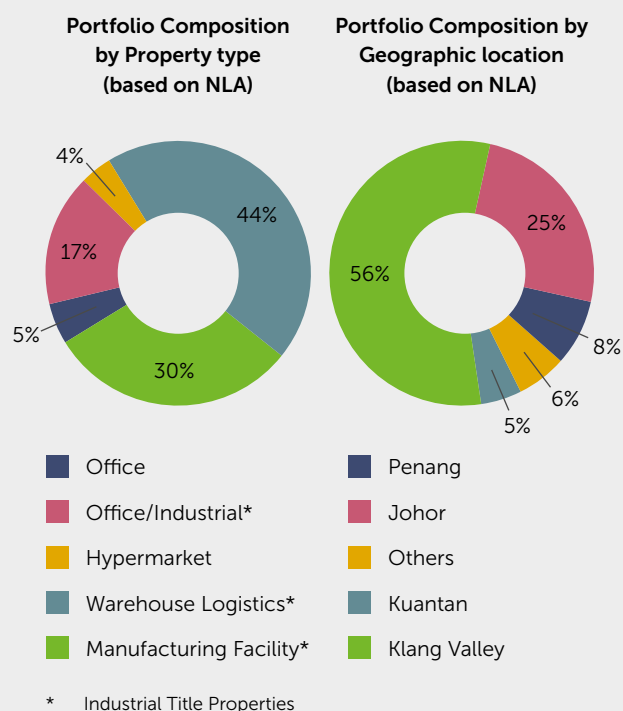
### Portfolio Outlook

Looking ahead, we have executed a letter of offer to acquire another industrial property, located in Bayan Lepas, Penang, for a total consideration of RM20.5 million. The acquisition is currently underway, and is expected to be completed in FYE2019. Beyond this, we expect a robust pipeline of investment opportunities in 2019.



## LETTER FROM THE CHAIRMAN AND THE CEO

## Axis-REIT's portfolio composition by type and geographical location (based on NLA)



We continually review our property portfolio, leveraging on our industry insights to re-assess and re-evaluate the portfolio, to ensure it remains well-positioned to meet the future needs of our tenants and the broader market. We believe that industrial properties will continue to generate stable, sustainable returns for our Unitholders, and while we remain cautious over the outlook of the office segment, we note sustained demand for well-located, Grade A office space.

We also continue to work closely with our existing and new tenants to deliver real estate solutions to match their growing needs, as demonstrated in the development of the Nestlé Distribution Centre at Axis Mega Distribution Centre, and Axis Aerotech Centre @ Subang. We believe the success of the Fund's first two property development projects sends a strong message of our capabilities as a property developer and a business space partner.

## Risk Management

Navigating and managing Axis-REIT's evolving business risks are embedded in our day to day operations. Management has in place a Risk Register, to help identify, evaluate and mitigate risks and potential risks.

Through consultation with the Audit Committee, Internal Auditors and the Board, we continuously review and update the Risk Register to ensure it remains relevant and current to Axis-REIT's operations. During FYE2018, updates to the Risk Register included revisions to processes and procedures to ensure compliance with the revamped Main Market Listing Requirements of Bursa Malaysia Securities Berhad, as well as the Securities Commission's new Guidelines on Listed Real Estate Investment Trusts, that came into effect on 9 April 2018.

## Sustainability and CSR

Axis-REIT is committed to being a responsible corporate citizen, and we remain mindful of the environment in which we operate, as well as the needs of the various stakeholders we serve and the community around us.

We continuously strive to improve our environmental sustainability performance, which includes reducing our carbon footprint through improving energy efficiencies throughout our portfolio of properties, and adopting environmentally sustainable practices throughout our operations.

We also invest in programmes to benefit the communities around us via our Corporate Social Responsibility ("CSR") initiatives, that are aimed at educating and improving the welfare of vulnerable groups, while concurrently fostering good ties with various stakeholders. Our CSR programmes in FYE2018 included donating back-to-school sets to underprivileged students, organising a charity bazaar, collaborating with the Royal Institution of Surveyors Malaysia in organising a charity run, working with the National Blood Bank on two blood donation drives, and sponsorship of the Axis O2FC Football Team.

## LETTER FROM THE CHAIRMAN AND THE CEO

Details of these programmes can be found in the Fund's 2018 Sustainability Report, which we are pleased to note, is Axis-REIT's inaugural Integrated Sustainability Report. The report is presented on pages 130 to 158 of this Annual Report.

### Awards & Acknowledgements

At the heart of what we do are our people, who continue to take Axis-REIT from strength to strength, with their tireless efforts in conceiving, planning and executing the Fund's strategies and plans effectively and efficiently. On behalf of the Board, we acknowledge and thank the team for their vision, commitment and diligence that has been instrumental in the Fund's success. The results of the Team's efforts are clearly demonstrated in the Fund's solid operational and financial results.

We are also proud to note acknowledgements of the Team's efforts from the broader industry, with Axis-REIT being named as the winner of the 2018 Asia Pacific Best of the Breeds REITs Awards in the Industrial REIT (Malaysia) and Islamic REIT (Malaysia) categories. The Fund was also a Merit Award recipient for the National Annual Corporate Report Awards ("NACRA") for its 2017 Annual Report.

We also express our gratitude to our tenants and business partners for continuing to work with us as your business space partner, our Unitholders and the investment community, for your confidence in our ability to deliver results, and members of the media, real estate agents and members of the community for your continued support. With a strong portfolio, sound financial position and exciting pipeline of opportunities, we are optimistic that Axis-REIT is well-positioned for sustainable growth in the years to come.

**YAM Tunku Dato' Seri Shahabuddin**  
**Bin Tunku Besar Burhanuddin**  
Chairman

14 February 2019

**Leong Kit May**  
Chief Executive Officer/Executive Director  
14 February 2019

**Industrial properties accounted for 91% of Axis-REIT's NLA as at 31 December 2018**



**Lease commitments for a total of 1,612,009 sq. ft. of space were secured during the year**



**Portfolio occupancy improved to 94% as at 31 December 2018**



Handover Ceremony of Axis Aerotech Centre @ Subang on 13 February 2019

# DIRECTORS' PROFILE



Age  
83

## Date first appointed to the Board

10 August 2007

## Board Committee Membership(s)

- Member of the Audit Committee
- Member of the Nomination Committee

## Academic/Professional Qualifications

- Bachelor of Science (Economics), Queen's University Belfast

## Working Experience/Occupation

Tunku Shahabuddin started his career as an economist with Esso (M) Ltd, before moving into the finance industry as a manager of a finance company within the Malayan Banking Group. Tunku Shahabuddin then started his own businesses, which spanned the manufacturing, production, trading, construction, financial services and information technology sectors, among others.

He currently serves as the Executive Chairman of Strateq Group and Strateq Systems Sdn Bhd.

## Present Directorships in public companies and/or listed issuers

None

## Other Memberships/Appointments/Involvements

- Former inaugural member of the National Institute of Scientific Industrial Research (now known as SIRIM)
- Former Chairman of the Selangor Turf Club
- Presently the International Relations Chairman of the Selangor Turf Club
- Honorary Life Chairman of the Malaysia Australia Business Council
- Former President of the Asia-Pacific Region of the Alliance Internationale de Tourisme
- Former Honorary Consul General of Austria

## Awards received

- Darjah Kerabat Terengganu Yang Amat Mulia Darjah Yang Pertama (D.K.) (Terengganu)
- Darjah Seri Paduka Tuanku Ja'afar Yang Amat Terpuji (S.P.T.J.) (Negeri Sembilan)
- Honorary Officer (AO) in the General Division of the Order of Australia Award
- Austrade International Business Person of the Year Award 2000

## DIRECTORS' PROFILE

Age  
59**Date first appointed to the Board**

15 March 2005

**Board Committee Membership(s)**

- Chairman of the Executive Committee
- Member of the Remuneration Committee

**Academic/Professional Qualifications**

- Diploma in Chemistry, University of Gothenburg, Sweden
- Diploma in Marketing, University of Oslo, Norway

**Working Experience/Occupation**

Dato' Abas Carl Gunnar was the Managing Director of Jotun Powder Coatings (M) Sdn Bhd from 1985 to 1993. In 1989, he embarked on a build and lease project with the multinational APV Hills & Mills. In 1992, he teamed up with Stephen Tew Peng Hwee and other investors to build Crystal Plaza. This was followed by the development of Axis Business Park, Axis Plaza and Menara Axis, which collectively formed the core property portfolio of Axis-REIT during its initial public offering.

Dato' Abas Carl Gunnar is also a director and shareholder of a number of private companies that are involved in property development and property investment.

**Present Directorships in public companies and/or listed issuers**

None

**Other Memberships/Appointments/Involvements**

None

## DIRECTORS' PROFILE



**LEONG KIT MAY**  
Chief Executive Officer/  
Executive Director



Age  
42

#### Date first appointed to the Board

15 November 2011

#### Board Committee Membership(s)

Member of the Executive Committee

#### Academic/Professional Qualifications

- Bachelor of Business (Accountancy), Royal Melbourne Institute of Technology University, Australia
- Certified Practising Accountant, Australia
- Chartered Accountant, Malaysian Institute of Accountants
- Certificate in Real Estate Investment Finance, Asia Pacific Real Estate Association Institute

#### Working Experience/Occupation

Kit May started her career in the audit industry with Ernst & Young, where she gained audit and accounting experience. In 2001, she joined the UOA group of companies and was involved in various areas of the group's property operations such as development, construction and investment. She was also involved in the successful listing of UOA REIT in 2005.

In 2006, Kit May joined ARMB and was promoted to Chief Financial Officer in 2008. In the same year, she

spearheaded the project of converting Axis-REIT into the first Islamic Office/Industrial REIT in Malaysia. She continued to assume greater management responsibilities, and in November 2011, was appointed to the Board of the Manager as an Executive Director. As part of the Board's succession plans, Kit May was groomed to become Chief Executive Officer ("CEO") of ARMB. In preparation for this, she took on the position of Chief Operating Officer of ARMB in 2015, before assuming the role of CEO on 1 January 2016.

Kit May continues to lead Axis-REIT to new heights. Recent notable milestones include the REIT's successful foray into property development, with the commencement and completion of the Nestlé Distribution Centre at Axis Mega Distribution Centre, as well as the development of Axis Aerotech Centre @ Subang.

#### Present Directorships in public companies and/or listed issuers

- Axis REIT Sukuk Berhad

#### Other Memberships/Appointments/Involvements

Vice Chairman of the Malaysian REIT Managers Association

## DIRECTORS' PROFILE

Age  
57**Date first appointed to the Board**

25 October 2004

**Board Committee Membership(s)**

- Member of the Executive Committee
- Member of the Remuneration Committee

**Academic/Professional Qualifications**

Diploma from the Institute of Marketing, United Kingdom

**Working Experience/Occupation**

Stephen started his career as a real estate agent in 1982, and today owns real estate agency, Hectares & Stratas. Over the years, Stephen has been involved in the development of many purpose-built buildings for investment income, and these buildings have housed numerous multinational companies. In 1992, he teamed up with Dato' Abas Carl Gunnar Bin Abdullah and other investors to build Crystal Plaza. This was followed by the development of Axis Business Park, Axis Plaza and Menara Axis, which collectively formed the core property portfolio of Axis-REIT during its initial public offering.

Stephen is also a director and shareholder of a number of private companies that are principally involved in investment holding.

**Present Directorships in public companies and/or listed issuers**

- Axis REIT Sukuk Berhad

**Other Memberships/Appointments/Involvements**

- Past President of the Malaysian Institute of Estate Agents ("MIEA")
- Former board member of the Board of Valuers, Appraisers and Estate Agents (1998-2004)

**Awards received**

- Lifetime Achievement Award by MIEA (2015)

## DIRECTORS' PROFILE

Age  
50**Date first appointed to the Board**

20 November 2006

**Board Committee Membership(s)**

- Chairman of the Remuneration Committee
- Member of the Nomination Committee

**Academic/Professional Qualifications**

- Bachelor of Commerce/LLB (Hons), University of Queensland, Australia
- Master of Business Administration, University of Queensland, Australia

**Working Experience/Occupation**

Datuk Seri Fateh Iskandar, better known as Datuk Seri FD Iskandar, is the Group Managing Director/Chief Executive Officer of Glomac Berhad ("Glomac"), a property company listed on the Main Market of Bursa Securities. Prior to joining Glomac, he practised law in Australia before returning to Malaysia to join Kumpulan Perangsang Selangor Berhad ("KPS") as its Corporate Manager. He left KPS to join Glomac in 1992 as the General Manager for Business Development, and was subsequently appointed to the Board of Glomac in February 1997, before taking on his current role as Managing Director/Chief Executive Officer in June 2000.

**Present Directorships in public companies and/or listed issuers**

- Glomac Berhad

**Other Memberships/Appointments/Involvements**

- City Advisory Board Member for Dewan Bandaraya Kuala Lumpur

- Board Member of the Construction Industry Development Board Malaysia (CIDB)
- Immediate Past President of the Real Estate & Housing Developers' Association ("REHDA") Malaysia
- Committee Member of REHDA's Selangor Branch
- Chairman of GreenRE Sdn Bhd
- Former Deputy Chairman of the Malaysia Australia Business Council
- Co-Chair of the Special Taskforce to Facilitate Business (PEMUDAH) on legal matters and services
- Founding Director of Malaysia Property Incorporated

**Awards received**

- Malaysian Business Award in Property 2012
- Property Excellence Award by the ASEAN Business Council (2013)
- Entrepreneurship Award – Property & Real Estate by Asia Pacific Entrepreneurship Malaysia (2013)
- Global Leadership Awards 2014 – Commercial Property Development by The Leaders International
- The Brand Laureate Corporate Leader Brand Icon Award by Asia Pacific Brands Foundation
- Global Leadership Awards 2015 – Masterclass Developer of the Year by The Leaders International
- World Leader Business Person and World Business Leader Award by The Bizz 2016
- Asia Pacific Entrepreneurship Awards 2017 Malaysia by APEA
- EdgeProp: Malaysia's Exemplary Real Estate Industry Leader
- Property Insight Awards 2018: Industry Excellence Award
- TEPEA2018 Top Property Developers Awards (by EdgeProp)

## DIRECTORS' PROFILE



**ALVIN DIM LAO**  
Non-Independent  
Non-Executive Director



Age  
47

**Date first appointed to the Board**  
30 December 2011

**Board Committee Membership(s)**

- Member of the Audit Committee

**Academic/Professional Qualifications**

- Degree in Information Technology and Statistics, University of Western Australia
- Master of Business Administration, Sloan School of Management at the Massachusetts Institute of Technology

**Working Experience/Occupation**

Alvin is the President and Chief Executive Officer of D&L Industries Inc. ("D&L"), a Philippine Stock Exchange-listed company that is involved in product customisation and specialisation for the food, plastics and aerosol industries. He previously served as D&L's Chief Financial Officer and Executive Vice-President, before assuming his current roles in August 2016.

Alvin is also the Chief Financial Officer of LBL Prime Properties Incorporated ("LBL"), a multi-faceted property development company with industrial, hospitality and commercial projects in the Philippines.

He also sits on the board of Xurpas, Inc., another public company listed on the Philippine Stock Exchange, as an independent director.

Before joining D&L and its group of companies, Alvin worked for the Singapore National Computer Board, where he was seconded to the Computer Information Services Department of the Supreme Court of Singapore. He helped manage the computer networking requirements of the High Court and also assisted in initiating the implementation of the Technology Court of Singapore.

**Present Directorships in public companies and/or listed issuers**

None

**Other Memberships/Appointments/Involvements**

- Former President and current Member of the Philippine Chapter of Entrepreneurs' Organization
- Current Member of the Wallace Business Forum and The Technology Club of the Philippines (Massachusetts Institute of Technology Alumni in the Philippines)



## DIRECTORS' PROFILE



**MOHD SHARIF BIN  
HJ YUSOF**

Senior Independent  
Non-Executive Director



Age  
79

**Date first appointed to the Board**

10 August 2007

**Board Committee Membership(s)**

- Chairman of the Audit Committee
- Chairman of the Nomination Committee

**Academic/Professional Qualifications**

- Fellow of the Institute of Chartered Accountants in England and Wales
- Chartered Accountant, Malaysian Institute of Accountants

**Working Experience/Occupation**

Mohd Sharif served the Selangor State Government from 1967 to 1971. He then became the Senior Accountant of Anglo Oriental Sdn Bhd from 1972 to 1973, and subsequently moved on to be the Corporate Finance Officer of Bumiputera Merchant Bankers Berhad from 1973 until 1977. This was followed by a 12-year career

as Senior Vice-President and Company Secretary of Manulife Insurance Malaysia Berhad (formerly known as British American Life & General Insurance Company Berhad).

Mohd Sharif is currently a Director of Setia Raya Sdn Bhd, a family-owned company. He has held the post since 1989.

**Present Directorships in public companies and/or listed issuers**

- Ireka Corporation Berhad
- Atlan Holdings Berhad
- AYS Ventures Berhad

**Other Memberships/Appointments/Involvements**

None

## DIRECTORS' PROFILE

**ALEX LEE LAO**

Alternate Director to Dato' Abas  
Carl Gunnar Bin Abdullah



Age  
73

**Date first appointed to the Board**

22 March 2005

**Board Committee Membership(s)**

Not applicable

**Academic/Professional Qualifications**

Bachelor of Science in Chemical Engineering,  
Polytechnic Colleges of the Philippines

**Working Experience/Occupation**

Alex Lee Lao is currently a Director of D&L Industries Inc., a Philippine Stock Exchange-listed company that is involved in product customisation and specialisation for the food, plastics and aerosol industries. He has had over 40 years of experience in manufacturing, marketing and distribution in industries such as colours, chemicals, adhesive, aerosol, paint, ink, paper, textiles, rubber, powder coating, detergent, plastics, allied products and food and beverages.

Alex is also a director of a number of private companies which are involved in property development and property investment.

**Present Directorships in public companies and/or listed issuers**

None

**Other Memberships/Appointments/Involvements**

None

## DIRECTORS' PROFILE

Age  
42**Date first appointed to the Board**

20 October 2014

**Board Committee Membership(s)**

Not applicable

**Academic/Professional Qualifications**

- Bachelor of Commerce, Curtin University of Technology, Perth, Western Australia
- Bachelor of Fine Arts (*Magna cum Laude*), Fashion Institute of Technology, New York, USA
- Postgraduate Diploma in Real Estate Investment Finance, Oxford Brookes University
- Finance for Executives Programme, INSEAD, Singapore

**Working Experience/Occupation**

Jancis is currently the Project Development Director of LBL Prime Properties Incorporated ("LBL"), a multi-faceted property development company with industrial, hospitality and commercial projects in the Philippines.

Prior to joining LBL, Jancis was based in New York and worked with Davis Brody Bond, an architectural firm specialising in institutional and commercial projects. She then moved to Saks Fifth Avenue where she was involved in the leasing and project management for luxury retail brands.

**Present Directorships in public companies and/or listed issuers**

None

**Other Memberships/Appointments/Involvements**

Current Member of the Philippine Chapter of Entrepreneurs' Organization

**Other Disclosures**

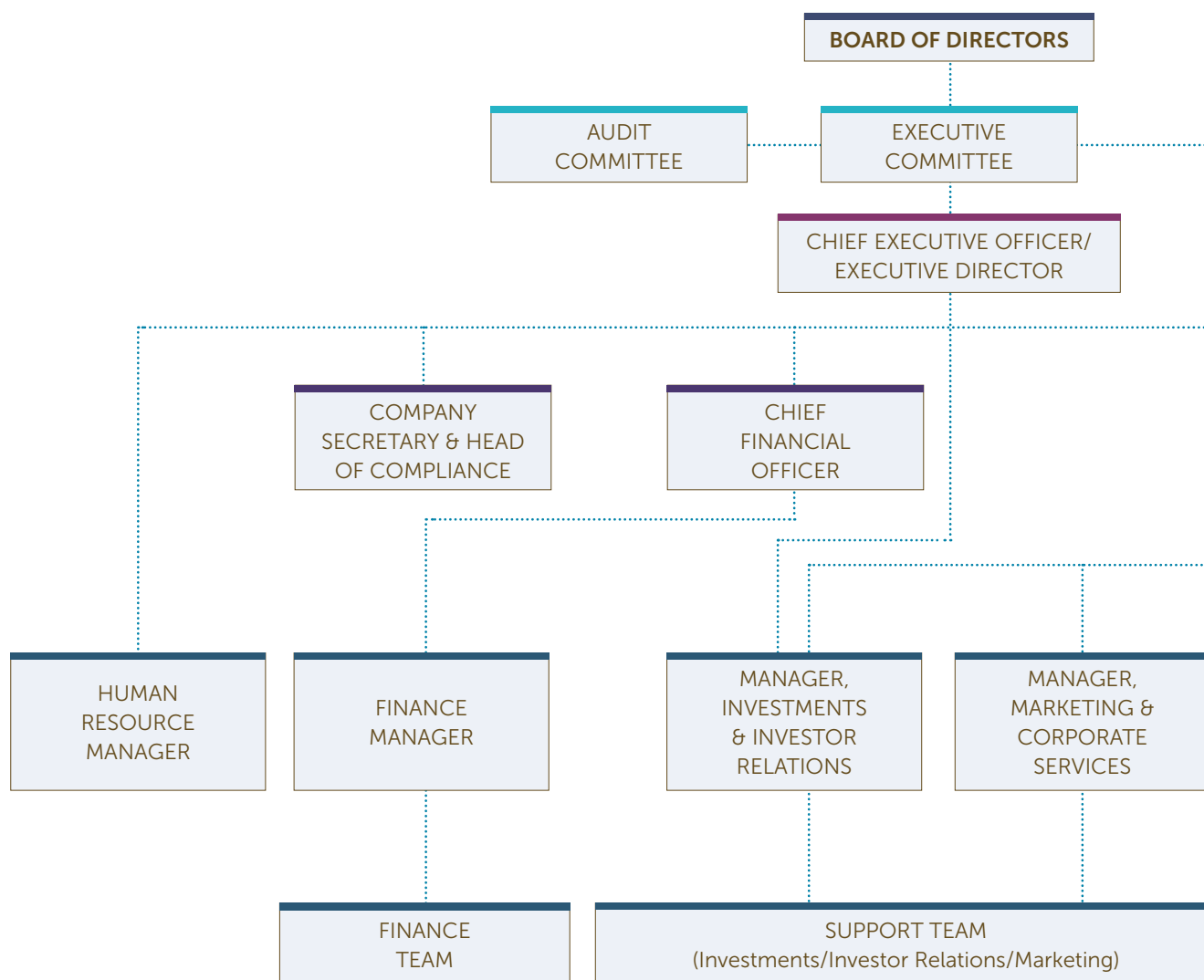
1. Alvin Dim Lao is the representative of Alex Lee Lao, who is an ultimate major shareholder of ARMB, on the board of ARMB. He is a nephew of Alex Lee Lao. Alvin's alternate director is Jancis Anne Que Lao, who is a daughter of Alex Lee Lao.

Except as disclosed above, none of the Directors of ARMB has any family relationship with any Director of ARMB and/or major shareholder of ARMB, and/or major unitholder of Axis-REIT.

2. None of the Directors of ARMB has any conflict of interest with ARMB and/or Axis-REIT.
3. None of the Directors of ARMB has been convicted of any offence (other than traffic offences) within the past 5 years.
4. None of the Directors of ARMB has any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2018.
5. The details of the attendance of each Director of ARMB at Board meetings held in the financial year 2018 are contained in the Corporate Governance Overview Statement of this Annual Report.
6. The details of the unitholdings held by each Director of ARMB in Axis-REIT are contained in the Unitholders' Statistics of this Annual Report.

# THE AXIS TEAM'S ORGANISATIONAL STRUCTURE

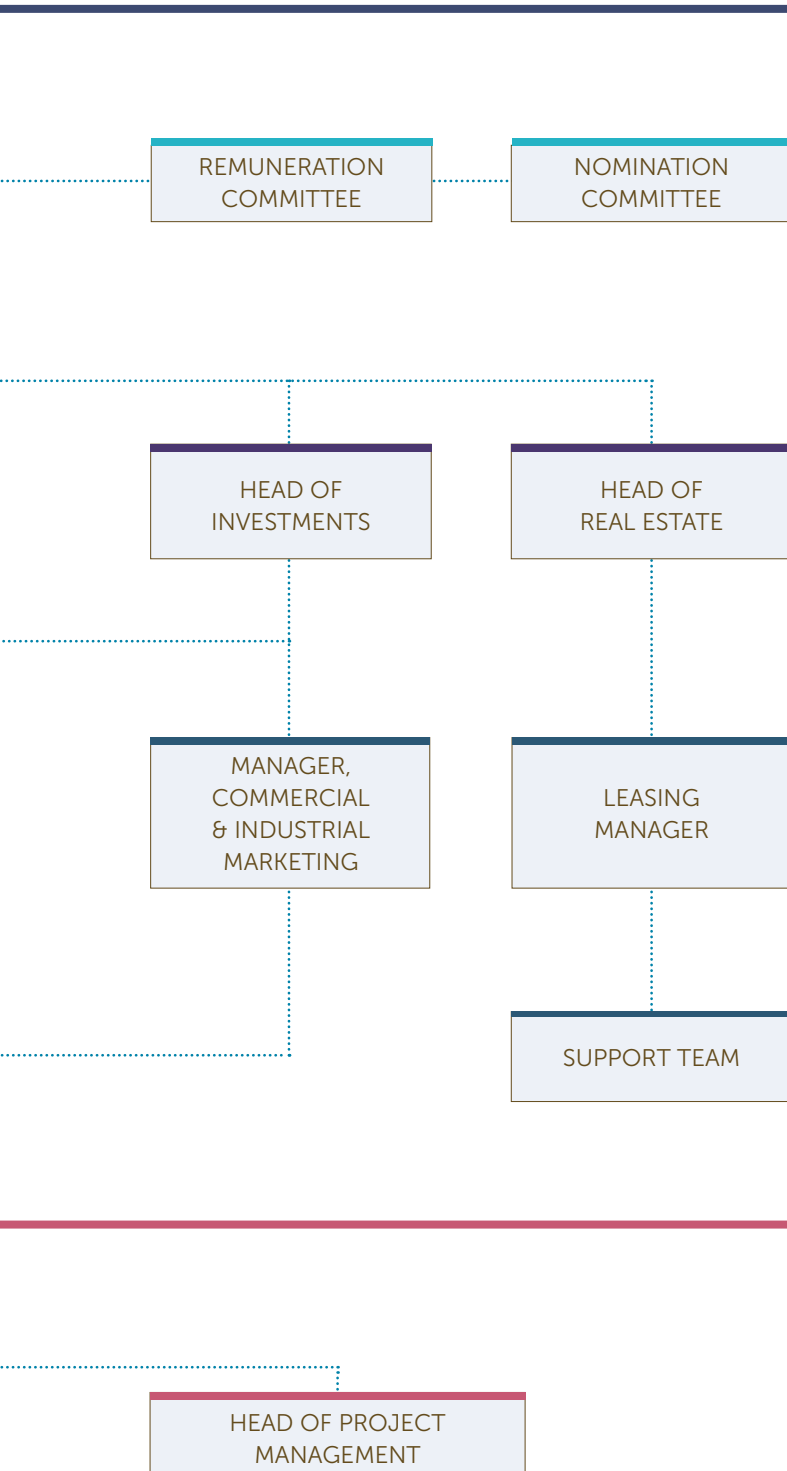
## CORPORATE DIVISION



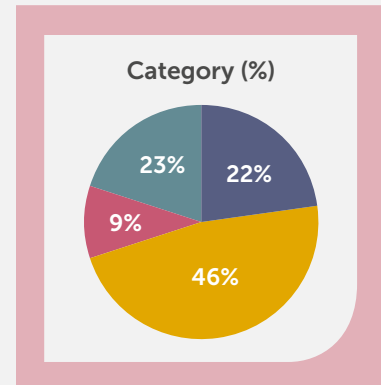
## PROPERTY MANAGEMENT DIVISION



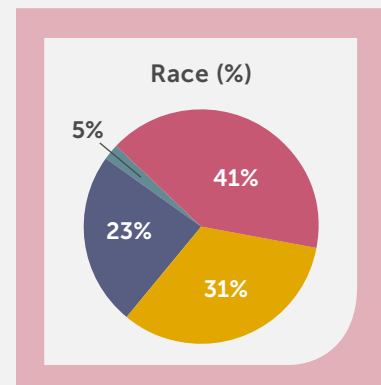
## THE AXIS TEAM'S ORGANISATIONAL STRUCTURE



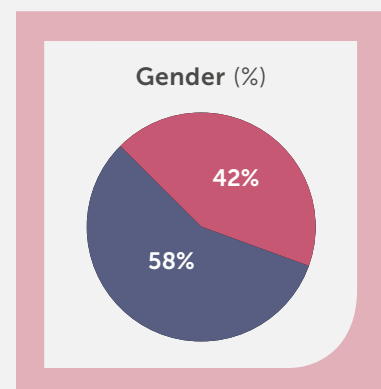
## ORGANISATION CHARACTERISTICS



- Non-Executive
- Executive
- Middle Management
- Senior Management & Directors

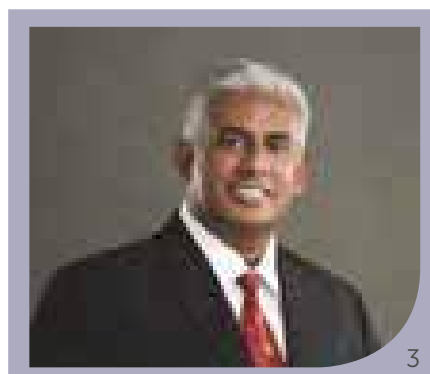


- Malay
- Chinese
- Indian
- Others



- Male
- Female

## THE AXIS TEAM PROFILE



1. LEONG KIT MAY
2. NIKKI NG
3. SIVA SHANKER
4. REBECCA LEONG
5. JACKIE LAW

6. CHAN TZE WEE
7. LOW AY KEEAN
8. SELINA KHOR
9. SIVA SHANKAR PALANY
10. LOH YEN FERN

## THE AXIS TEAM PROFILE

**1 LEONG KIT MAY**

Chief Executive Officer/  
Executive Director

Age: 42  
Gender: Female  
Nationality: Malaysian  
Date first appointed to the Board:  
15 November 2011

**Academic/Professional Qualifications**

- Bachelor of Business (Accountancy), Royal Melbourne Institute of Technology University, Australia
- Certified Practising Accountant, Australia
- Chartered Accountant, Malaysian Institute of Accountants
- Certificate in Real Estate Investment Finance, Asia Pacific Real Estate Association Institute

**Working Experience**

Kit May is the Chief Executive Officer/ Executive Director of ARMB. Details of her work experience are available in the Directors' Profile section of this report.

**Present Directorships in other public companies and/or listed issuers**

Axis REIT Sukuk Berhad

**Other Memberships/Appointments/ Involvements**

Vice Chairman of the Malaysian REIT Managers Association

**2 NIKKI NG**

Chief Financial Officer

Age: 41  
Gender: Female  
Nationality: Malaysian  
Date first appointed as key senior management personnel: 1 June 2012

**Academic/Professional Qualifications**

- Certificate in Real Estate Investment Finance, Asia Pacific Real Estate Association Institute
- Bachelor of Accountancy (Hons), Oxford Brookes University, United Kingdom
- MIA Qualifying Examination (QE)
- Member of the Malaysian Institute of Accountants

**Working Experience**

Nikki joined ARMB as an Accountant, and was subsequently re-designated as the Head of Credit Control in 2012. She was promoted to the position of Acting Financial Controller in 2015, and thereafter to Financial Controller in the following year. She assumed her current position as the Chief Financial Officer of ARMB on 18 January 2017.

Nikki oversees all the day-to-day operations in the finance department of ARMB, including financial analysis, management reporting, credit control, as well as budgetary control. She works closely with the Chief Executive Officer on matters related to corporate finance, capital management, regulatory compliance and treasury functions.

Before joining ARMB, Nikki was the Finance Manager at Paxelent Corporation Berhad, where she gained exposure in financial management and corporate planning. Prior to that, she was attached to IGB Corporation Berhad for 6 years.

**Present Directorships in public companies and/or listed issuers**

None

**3 SIVA SHANKER**

Head of Investments

Age: 56  
Gender: Male  
Nationality: Malaysian  
Date first appointed as key senior management personnel: 1 January 2016

**Academic/Professional Qualifications**

- Diploma in Estate Agency, Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia
- Registered Estate Agent and Property Manager with the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia
- Fellow of the Malaysian Institute of Estate Agents Malaysia
- Member of the Royal Institution of Surveyors Malaysia
- Member of the International Real Estate Federation (FIABCI) Malaysian Chapter
- Member of the Association of Valuers, Property Managers, Estate Agents & Property Consultants in the Private Sector (PEPS)

**Working Experience**

Siva is responsible for the investment strategies and property portfolio planning of Axis-REIT. He also oversees the marketing activities of ARMB.

He has over 35 years of experience in the property industry, having worked in both large international property consultancies as well as small local outfits. Siva continues to play an active role in the Malaysian Institute of Estate Agents, having served as its President for the 2013/2015 term.

Siva is also an accomplished speaker and real estate trainer who speaks at many property seminars and conventions. He contributed a weekly column to the New Straits Times during the years 2017 to 2018, and is regularly sought after by the press for his views, opinions and analysis of the real estate market.

**Present Directorships in public companies and/or listed issuers**

None

## THE AXIS TEAM PROFILE

**4 REBECCA LEONG**

Company Secretary & Head of Compliance

Age: 40  
Gender: Female  
Nationality: Malaysian  
Date first appointed as key senior management personnel: 1 November 2016

**Academic/Professional Qualifications**

- Associate of The Institute of Chartered Secretaries & Administrators
- Practising Certificate Holder of the Malaysian Institute of Chartered Secretaries & Administrators

**Working Experience**

Rebecca joined ARMB in 2016 as its Company Secretary and Head of Compliance. She is responsible for the corporate compliance matters of ARMB and Axis-REIT. Prior to this, she had already served as ARMB's external Company Secretary since 20 April 2006, when she was employed by corporate secretarial firm, Archer Corporate Services Sdn Bhd ("Archer"). During her 12-year tenure with Archer, she handled the corporate secretarial matters for a portfolio of public and private companies where her scope of work ranged from corporate advisory, corporate governance and administration, to corporate compliance with statutory and regulatory requirements, as well as listing obligations.

Prior to joining Archer, Rebecca was attached to Signet & Co Sdn Bhd, also a corporate secretarial firm, where she gained her initial exposure and experience in corporate secretarial practice.

**Present Directorships in public companies and/or listed issuers**

None

**5 JACKIE LAW**

Head of Real Estate

Age: 54  
Gender: Female  
Nationality: Malaysian  
Date first appointed as key senior management personnel: 1 December 2012

**Academic/Professional Qualifications**

- Master of Science in Facilities Management, Heriot-Watt University, United Kingdom
- Certificate in Real Estate Investment Finance, Asia Pacific Real Estate Association Institute

**Working Experience**

Jackie is responsible for the real estate management strategies and operations of Axis-REIT's property portfolio. As the Head of Real Estate, she leads the REIT's portfolio management and leasing functions, including overseeing the REIT's property management functions, covering tenant care, retention, loyalty and satisfaction. She also assists the Chief Executive Officer in the evaluation of potential acquisitions.

Jackie has extensive experience in various areas of real estate management and operations, including marketing, lease management, project management and facilities management. She has served in several administrative roles within the Axis group of companies since 1994, in the areas of property development and management.

**Present Directorships in public companies and/or listed issuers**

None

**6 CHAN TZE WEE**

Manager, Investments & Investor Relations

Age: 39  
Gender: Female  
Nationality: Malaysian  
Date first appointed as key senior management personnel: 1 January 2016

**Academic/Professional Qualifications**

- Law (LLB), University of Manchester
- Master's Degree in Marketing, University of Manchester, United Kingdom

**Working Experience**

Tze Wee joined ARMB in July 2014. As part of the Investments team that sources for potential asset acquisitions for Axis-REIT, her key responsibilities include the identification, evaluation and completion of asset acquisitions through engagement with prospective parties such as real estate consultants, property developers, business councils, as well as industry associations. She also heads the Investor Relations department of ARMB, where she is responsible for the investor relations activities of Axis-REIT.

Tze Wee began her career in the advertising industry, working at Saatchi & Saatchi and the Ogilvy Group. Subsequently, she joined Malaysia Property Incorporated as Vice President of Investment Promotions, where she led the formation of the market intelligence division and headed the business development agenda for China and new markets. Before joining ARMB, she spent two years setting up and running the Shanghai office of Workflow International Limited - a cloud computing software start-up.

**Present Directorships in public companies and/or listed issuers**

None



## THE AXIS TEAM PROFILE

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**LOW AY KEEAN**

Human Resource Manager

Age: 44

Gender: Female

Nationality: Malaysian

Date first appointed as key senior management personnel: 1 December 2015

**Academic/Professional Qualifications**

- Bachelor's Degree in Economics, Universiti Putra Malaysia
- Professional Diploma in Human Resource Management, Malaysian Institute of Human Resource Management

**Working Experience**

Ay Kean is responsible for the full spectrum of human resource and administrative functions in ARMB, which encompass manpower, recruitment and selection, compensation and benefits, training, employee welfare, industrial relations matters and general office administration.

Prior to her employment with ARMB, she had served in the human resource departments of several organisations, including Malaysian Bulk Carriers Berhad, Zelan Berhad, Kurihara and Cybervision Sdn Bhd.

**Present Directorships in public companies and/or listed issuers**

None

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**SELINA KHOR**

Property Manager of Axis Real Estate Investment Trust

Age: 60

Gender: Female

Nationality: Malaysian

**Academic/Professional Qualifications**

- Associate Diploma in Valuation, Royal Melbourne Institute of Technology, Australia
- Registered Valuer, Estate Agent and Property Manager with the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia

**Working Experience**

Selina is the registered owner of Axis Property Services, the appointed Property Manager of Axis-REIT since 1 January 2007. She is responsible for the management of all properties in Axis-REIT's portfolio, and works closely with Axis Facilities Management Sdn Bhd in the provision of property management services to Axis-REIT. These range from property maintenance and management, fit-out projects and enhancement initiatives.

Selina has more than 25 years' experience in the property industry, having been attached to Rahim & Co Chartered Surveyors Sdn Bhd, where she held various roles including registered valuer, estate agent and property manager.

**Present Directorships in public companies and/or listed issuers**

None

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**SIVA SHANKAR PALANY**

Head of Facilities Management, Axis Facilities Management Sdn Bhd

Age: 46

Gender: Male

Nationality: Malaysian

**Academic/Professional Qualifications**

- Bachelor of Real Estate Management, Kuala Lumpur Infrastructure University College
- Graduate Member, Royal Institution of Surveyors Malaysia
- Certified International Project Manager, International Academy of Project Management
- Registered Property Manager with the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia

**Working Experience**

Siva Shankar is the Head of Facilities Management at Axis Facilities Management Sdn Bhd ("AFM"), where he is responsible for the facilities management and operations of all properties in Axis-REIT's portfolio. He has had over 20 years' experience in real estate professional services in Malaysia and Brunei, including property management, project management, property due diligence and building code compliance.

Prior to joining AFM in 2011, Siva Shankar was attached to Jones Lang Wootton Malaysia as a Senior Property Manager, and with Jerudong Park Medical Centre, Brunei, as a Real Estate Manager.

**Present Directorships in public companies and/or listed issuers**

None

## THE AXIS TEAM PROFILE

### 10 LOH YEN FERN

Head of Project Management, Axis  
Facilities Management Sdn Bhd

Age: 47

Gender: Female

Nationality: Malaysian

#### Academic/Professional Qualifications

- Bachelor of Construction Economics, Royal Melbourne Institute of Technology University, Australia
- Certificate in Real Estate Investment Finance, Asia Pacific Real Estate Association Institute

#### Working Experience

Yen Fern is responsible for project management, planning, costing and enhancement work for the properties in Axis-REIT's portfolio. She has more than 20 years' experience in the construction and building industry in Malaysia, where she has specialised in project planning, management, and facilities management.

Prior to joining Axis Facilities Management Sdn Bhd, Yen Fern was attached to Syarikat Pembinaan Woh Heng Sdn Bhd as a Quantity Surveyor, and FSBM Holdings Berhad, where she progressed from being a Business Analyst to become the Head of Business Unit (Properties).

#### Present Directorships in public companies and/or listed issuers

None

#### Other Disclosures

None of the key senior management personnel of ARMB has:

1. any family relationship with any Director of ARMB and/or major shareholder of ARMB, and/or major unitholder of Axis-REIT
2. any conflict of interest with ARMB and/or Axis-REIT
3. been convicted of any offence (other than traffic offences) within the past 5 years
4. any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2018