



04 SEP, 2020

## Axis-REIT to acquire property for RM11.87mil

The Star, Malaysia

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**PETALING JAYA:** Axis Real Estate Investment Trust (Axis REIT) has proposed to acquire a leasehold industrial property in Shah Alam for RM11.87mil from Melewar Industrial Group Bhd.

Axis REIT Managers Bhd, the management company of Axis-REIT, yesterday said the property involved a parcel of industrial land with a single-storey detached warehouse building and other ancillary buildings.

The property, with a net lettable area of 41,061 sq ft, came with a 99-year leasehold interest expiring on April 8, 2078.

As at June 30, 2019, the property had a net book value of RM12.5mil.

The proposed acquisition was expected to strengthen Axis-REIT's portfolio of industrial properties and is expected to benefit the fund in the long term as a result of economies of scale.

The proposed acquisition of the property would be funded by existing bank financing of Axis-REIT. It would not assume any liability pursuant to the proposed acquisition of the property.

"The proposed acquisition of the property is in line with the fund's investment objectives and its growth strategy to provide unitholders with stable income distribution and to achieve growth in the net asset value per unit of Axis-REIT, by acquiring high quality, earnings accretive properties with strong recurring rental income," it said.

"The proposed acquisition of the property will be accretive to Axis-REIT's distributable income," it added.

Axis-REIT gained two sen to close at RM2.14 yesterday.



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### SUMMARIES

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