

THIS CIRCULAR TO THE UNITHOLDERS OF ATRIUM REAL ESTATE INVESTMENT TRUST (“ATRIUM REIT”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, solicitor, accountant, bank manager or other professional adviser immediately.

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ATRIUM REAL ESTATE INVESTMENT TRUST
(a real estate investment trust constituted under the laws of Malaysia)

CIRCULAR TO UNITHOLDERS

IN RELATION TO THE

PROPOSED SPECIAL ISSUANCE OF UP TO 20,000,000 UNITS IN ATRIUM REIT (“PLACEMENT UNIT(S)”) TO CHAN KAM TUCK, A MAJOR UNITHOLDER OF ATRIUM REIT, AT AN ISSUE PRICE OF RM1.40 PER PLACEMENT UNIT

AND

NOTICE OF GENERAL MEETING OF UNITHOLDERS

Adviser

UOBKayHian

UOB KAY HIAN SECURITIES (M) SDN BHD

(Registration No. 199001003423 (194990-K))

(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Notice of the General Meeting of unitholders of Atrium REIT (“**Unitholders’ Meeting**”) will be conducted on a virtual basis through live streaming and online remote voting using Remote Participation and Voting facilities (“**RPV**”) from the broadcast venue at Tricor Business Centre, Manuka 2 & 3, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Thursday, 27 October 2022 at 11.00 a.m., or any adjournment thereof, together with the accompanying Form of Proxy are enclosed herein.

You are encouraged to participate, speak (in the form of real time submission of typed texts) and vote remotely at the Unitholders’ Meeting using the RPV. A unitholder entitled to attend, speak and vote at the Unitholders’ Meeting is entitled to appoint a proxy or proxies to attend and to vote on his/her behalf. In such event, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited at the office of Atrium REIT Managers Sdn Bhd (being the manager of Atrium REIT) at No. 36-2, Jalan 5/101C, Off Jalan Kaskas, Jalan Cheras, 56100 Kuala Lumpur not less than forty-eight (48) hours before the time stipulated for holding the Unitholders’ Meeting as indicated below, otherwise the instrument of proxy should not be treated as valid. The lodging of the Form of Proxy will not preclude you from participating and voting remotely at the Unitholders’ Meeting should you subsequently wish to do so.

Last date and time for lodging the Form of Proxy : Tuesday, 25 October 2022 at 11.00 a.m.
Date and time of the Unitholders’ Meeting : Thursday, 27 October 2022 at 11.00 a.m.

This Circular is dated 29 September 2022

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

“AEI”	: Asset enhancement initiatives
“Atrium REIT”	: Atrium Real Estate Investment Trust, a real estate investment trust established under the Deed
“Atrium REIT Units(s)” or “Unit(s)”	: An undivided interest in Atrium REIT as constituted by the Deed
“Atrium Shah Alam 4”	: An existing single storey factory with a single storey office-cum-canteen building located at Lot 7, Persiaran Raja Muda, Seksyen 16, 40200 Shah Alam, Selangor, which is owned by Atrium REIT
“Board”	: The Board of Directors of the Manager
“Bursa Depository”	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
“Bursa Securities”	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
“Circular”	: This circular to the Unitholders dated 29 September 2022
“CKT”	: Chan Kam Tuck, a major unitholder of Atrium REIT
“Deed”	: The Second Restated Deed dated 17 December 2019 entered into between the Trustee and the Manager, constituting Atrium REIT
“Director(s)”	: The director(s) of the Manager having the meaning given in Section 2(1) of the Capital Markets and Services Act, 2007
“DPU”	: Distribution per Unit
“EPU”	: Earnings per Unit
“FYE”	: Financial year ended/ending, as the case may be
“General Mandate”	: General mandate approved by the Unitholders at the 10 th annual general meeting of Atrium REIT held on 27 April 2022 to renew the authority to issue and allot new Atrium REIT Units of up to 20.0% of the total number of issued Atrium REIT Units for the time being
“Listing Requirements”	: Main Market Listing Requirements of Bursa Securities
“LPD”	: 19 September 2022, being the latest practicable date prior to the printing and despatch of this Circular
“Manager”	: Atrium REIT Managers Sdn Bhd (Registration No. 200501028391 (710526-V)), being the manager for Atrium REIT
“NAV”	: Net asset value
“PAT”	: Profit after tax

DEFINITIONS (Cont'd)

“Placement Unit(s)”	:	The new Atrium REIT Units to be issued under the Proposed Special Issuance
“Private Placement”	:	Private placement of 40,925,000 new Atrium REIT Units under the General Mandate, representing approximately 20.0% of the total number of Atrium REIT Units which was completed on 17 August 2022
“Proposed Special Issuance”	:	Proposed special issuance of up to 20,000,000 Placement Units to CKT at an issue price of RM1.40 per Placement Unit
“Record of Depositors”	:	A record of depositors established by Bursa Depository under the rules of Bursa Depository as issued pursuant to the Securities Industry (Central Depositories) Act 1991, as amended from time to time
“RM” and “sen”	:	Ringgit Malaysia and sen, respectively
“sq ft”	:	Square feet
“Trustee”	:	Pacific Trustees Berhad (Registration No. 199401031319 (317001-A)), being the trustee of Atrium REIT
“Unitholder(s)”	:	The holders of the Atrium REIT Units
“Unitholders’ Meeting”	:	General meeting of the Unitholders
“UOBKH” or the “Adviser”	:	UOB Kay Hian Securities (M) Sdn Bhd (Registration No. 199001003423 (194990-K))
“VWAP”	:	Volume weighted average market price

All references to “we”, “us”, “our” and “ourselves” are to Atrium REIT or the Manager. All references to “you” in this Circular are to the Unitholders of Atrium REIT. Words incorporating the singular shall, where applicable, include the plural and vice versa. Words incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise specified. Any discrepancies in the tables included in this Circular between the amounts listed, actual figures and the totals thereof are due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our plans and objectives will be achieved.

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ATRIUM REIT MANAGERS SDN BHD

(Registration No. 200501028391 (710526-V))
(Incorporated in Malaysia)

Registered Office

Unit 30-01, Level 30, Tower A
Vertical Business Suite, Avenue 3
Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur

29 September 2022

Board of Directors

Dato' Dr Ir Mohamad Khir Bin Harun	(Chairman and Non-Independent Non-Executive Director)
Wong Sui Ee	(Executive Director)
Foong Wai Leng	(Executive Director)
Chan Wan Seong	(Independent Non-Executive Director)
Chng Boon Huat	(Independent Non-Executive Director)
How Hu Son	(Independent Non-Executive Director)
Soong Kwong Heng	(Independent Non-Executive Director)
Tor Peng Sie	(Independent Non-Executive Director)

To: The Unitholders of Atrium REIT

Dear Sir/Madam,

PROPOSED SPECIAL ISSUANCE

1. INTRODUCTION

On 8 July 2022, UOBKH had, on behalf of the Board, announced that the Manager proposed to undertake the following fund raising exercises for Atrium REIT's AEI on Atrium Shah Alam 4:-

- (i) Private Placement of up to 20.0% of the total number of issued units in Atrium REIT to third party investor(s) under the General Mandate; and
- (ii) Proposed Special Issuance of up to 20,000,000 Placement Units to CKT, a major unitholder of Atrium REIT, at an issue price of RM1.40 per Placement Unit, which is subject to Unitholders' approval at the forthcoming Unitholders' Meeting.

On 25 July 2022, UOBKH had, on behalf of the Board, announced that Bursa Securities had vide its letter dated 22 July 2022, approved the listing of and quotation for the new Atrium REIT Units issued under the Private Placement. The Private Placement was subsequently completed on 17 August 2022 and had raised a total gross proceeds of approximately RM57.30 million. Further details of the Private Placement are set out in **Section 2.5** of this Circular.

On 15 September 2022, UOBKH had, on behalf of the Board, announced that Bursa Securities had vide its letter dated 14 September 2022, approved the listing of and quotation for up to 20,000,000 Placement Units on the Main Market of Bursa Securities, subject to the conditions as set out in **Section 8** of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED SPECIAL ISSUANCE AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED SPECIAL ISSUANCE TO BE TABLED AT THE FORTHCOMING UNITHOLDERS' MEETING. THE NOTICE OF THE FORTHCOMING UNITHOLDERS' MEETING AND THE FORM OF PROXY ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDIX CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SPECIAL ISSUANCE TO BE TABLED AT THE FORTHCOMING UNITHOLDERS' MEETING.

2. DETAILS OF THE PROPOSED SPECIAL ISSUANCE

In accordance with Paragraph 6.06(1) of the Listing Requirements, the Manager intends to seek the approval of the non-interested Unitholders for the placement of up to 20,000,000 Placement Units to CKT (being the major unitholder who holds 43,542,360 Atrium REIT Units as at the LPD, representing approximately 17.73% of the total number of issued Atrium REIT Units as at the LPD).

2.1 Placement Size

As at the LPD, Atrium REIT has an unitholders' capital of RM260,487,719 comprising a total issued 245,550,680 Atrium REIT Units. The Proposed Special Issuance involves an issuance of up to 20,000,000 Placement Units to CKT, representing up to approximately 8.14% of the total number of issued Atrium REIT Units as at the LPD, at an issue price of RM1.40 per Placement Unit.

The specific allocation to CKT will be determined at a later date at the sole discretion of the Manager, and in any event, shall not exceed 20,000,000 Placement Units.

2.2 Basis of determining and justification for the issue price of the Placement Units

The issue price of the Placement Units under the Proposed Special Issuance shall be fixed at RM1.40 per Placement Unit, which is equivalent to the issue price of new Atrium REIT Units issued under the Private Placement as per the announcement made on 8 August 2022 on Bursa Securities. The issue price of the Private Placement of RM1.40 per Atrium REIT Unit was determined and fixed through a book building exercise, which was completed on 7 August 2022. The issue price of the Placement Units for the Proposed Special Issuance is RM1.40, being the 5-day VWAP of Atrium REIT Units up to and including the LPD.

2.3 Ranking of the Placement Units

The Placement Units shall, upon allotment and issuance, rank equally in all respects with the existing Atrium REIT Units, save and except that the holders of the Placement Units will not be entitled to any distribution income, rights, entitlement and/or any other distributions that may be declared, made or paid where the entitlement date precedes the date of allotment and issuance of the Placement Units.

2.4 Listing of and quotation for the Placement Units

Bursa Securities had, vide its letter dated 14 September 2022, approved the listing of and quotation for up to 20,000,000 Placement Units to be issued pursuant to the Proposed Special Issuance on the Main Market of Bursa Securities, subject to the conditions set out in **Section 8** of this Circular.

2.5 Details of other fund raising exercises undertaken by the Manager for the past 12 months

The Manager had on 8 July 2022 announced the Private Placement of up to 20.0% of the total number of issued units in Atrium REIT to third party investor(s) under the General Mandate. The Manager have placed out 40,925,000 Atrium REIT Units at an issue price of RM1.40 per Unit, raising total gross proceeds of approximately RM57.30 million. The Private Placement was completed on 17 August 2022. Please refer to the announcement of Atrium REIT dated 8 July 2022 for further details of the Private Placement.

The status of the utilisation of the said gross proceeds from the Private Placement as at the LPD is set out below:-

Details of utilisation	Timeframe for utilisation of proceeds	Proposed utilisation (RM'000)	Amount utilised as at the LPD (RM'000)
(i) AEI for Atrium Shah Alam 4	Within 9 months from the receipt of funds	56,195	18,282
(ii) Estimated expenses in relation to the Private Placement	Within 1 month from the receipt of funds	1,100	1,100
Total		57,295	19,382

As at the LPD, the Manager has deposited the balance proceeds of approximately RM37.91 million (which are currently pending utilisation) with Public Bank Berhad under short term money market deposits. Save for the Private Placement and the Proposed Special Issuance, the Manager has not undertaken any other fund raising exercises in the past 12 months up to the LPD.

3. UTILISATION OF PROCEEDS

The Proposed Special Issuance is expected to raise gross proceeds of up to approximately RM28.00 million based on the issue price of RM1.40 per Placement Unit. The gross proceeds to be raised from the Proposed Special Issuance are expected to be utilised in the following manner:-

Details of utilisation	Timeframe for utilisation of proceeds	RM'000	%
(i) AEI for Atrium Shah Alam 4	Within 9 months from the receipt of funds	24,805	88.59
(ii) Working capital	Within 12 months from the receipt of funds	3,095	11.05
(iii) Estimated expenses in relation to the Proposed Special Issuance	Within 1 month from the receipt of funds	100	0.36
Total		28,000	100.00

Notes:-

(i) AEI for Atrium Shah Alam 4

Atrium Shah Alam 4 is an existing single storey factory with a single storey office-cum-canteen building located at Lot 7, Persiaran Raja Muda, Seksyen 16, 40200 Shah Alam, Selangor. Atrium Shah Alam 4 was acquired by Atrium REIT from Permodalan Nasional Berhad for RM45.00 million in February 2021.

Based on the current construction estimates, the Manager has earmarked up to approximately RM24.81 million of the proceeds from the Proposed Special Issuance to fund its AEI to construct and upgrade the Atrium Shah Alam 4 into a Grade-A two-storey ramped-up logistics warehouse, with an estimated total project cost of approximately RM81.00 million. It is pertinent to note that the Private Placement, which was completed on 17 August 2022, had raised gross proceeds of approximately RM57.30 million (of which the total net proceeds of approximately RM56.20 million will be channeled towards the AEI of Atrium Shah Alam 4).

The AEI will be implemented in 2 phases with:-

- (a) the first phase of the AEI, which commenced in December 2021 involving piling works and sub-structural works on the basement parking was completed in May 2022; and
- (b) the second phase of the AEI, which commenced in May 2022 involving the main building works is currently ongoing.

The entire AEI process is expected to be completed by 1st quarter of 2023 and upon completion, will increase the total gross built up area of Atrium Shah Alam 4 by approximately 196,473 sq ft, from 179,553 sq ft to 376,026 sq ft. As at the LPD, Atrium REIT has secured a tenant to rent the ground floor and partial designated area of the mezzanine floor of Atrium Shah Alam 4 with a total floor space of 187,272 sq ft for a tenancy period of 36 months upon the completion of the AEI. The Manager is also currently finalising the tenancy agreement with another tenant for the remaining floor space of Atrium Shah Alam 4 (i.e. the first floor and balance mezzanine warehouse space) of 153,374 sq ft.

The proceeds raised from the Proposed Special Issuance of up to approximately RM24.81 million shall potentially be channeled towards, amongst others, payments to contractors and consultants, purchase of plant and equipment, fixtures and fittings, and payments to the relevant authorities for the permits as well as approvals required. The breakdown of such payments has not been determined at this juncture and will be dependent on the funding requirements at the time of utilisation. Any shortfall required to fund the AEI will be financed through Atrium REIT's internally generated funds and/or bank borrowings, the breakdown of which shall be determined by the Manager at the time of requirement.

(ii) Working capital

The proceeds of up to approximately RM3.10 million will be earmarked for working capital requirements of Atrium REIT, which includes, amongst others, administrative expenses, repair and maintenance of properties and interest servicing on borrowings. The proceeds to be utilised for each component of the working capital are subject to the operating requirements of Atrium REIT at the time of utilisation.

(iii) Estimated expenses in relation to the Proposed Special Issuance

The proceeds earmarked for estimated expenses in relation to the Proposed Special Issuance will be utilised as set out below:-

	RM'000
Professional fees (i.e. adviser, solicitors and placement agent)	70
Regulatory fees	20
Contingencies and other incidental expenses in relation to the Proposed Special Issuance	10
Total	100

The actual gross proceeds to be raised from the Proposed Special Issuance is dependent on the actual number of Placement Units to be issued. In the event the actual proceeds raised from the Proposed Special Issuance is less than RM28.00 million, the shortfall between the actual expenditure to be incurred and total gross proceeds raised will be funded via internally generated funds and/or bank borrowings from financial institution(s).

Conversely, in the event the actual total project cost to be incurred for the AEI is lower than expected, the additional proceeds raised will be channelled towards working capital purposes set out in Note (ii) above.

Pending the utilisation of such proceeds from the Proposed Special Issuance for the above purposes, the proceeds (together with interest earned) will be placed as deposits with licensed financial institutions or short-term money market instruments.

4. RATIONALE AND JUSTIFICATIONS OF THE PROPOSED SPECIAL ISSUANCE

The Proposed Special Issuance will enable Atrium REIT to raise the requisite funds to meet its AEI as set out in **Section 3** of this Circular. After due consideration of the various options available, our Board is of the view that the Proposed Special Issuance is the most appropriate avenue to raise funds for Atrium REIT as the Proposed Special Issuance would enable Atrium REIT to raise additional funds without incurring interest costs as compared to conventional bank borrowings.

The Proposed Special Issuance also provide Atrium REIT an expeditious way of raising funds from the capital market as opposed to other forms of fund raising such as rights issue. Upon completion of the Proposed Special Issuance, Atrium REIT's number of Units in circulation will increase which may potentially widen its Unitholders' base and enhances the liquidity and trading of its Units.

In addition, the subscription of Placement Units by CKT, being the major unitholder of Atrium REIT under the Proposed Special Issuance indicates his commitment and confidence by making further investments into Atrium REIT to support its expansion and growth plan.

For unitholders' information, the Manager is currently finalising the tenancy terms with a tenant to take up the first floor and balance mezzanine warehouse space in Atrium Shah Alam 4 and will make the relevant disclosure and/or announcements in due course.

5. INDUSTRY OVERVIEW AND PROSPECTS

5.1 Overview and outlook of the Malaysian economy

The Malaysian economy registered a strong growth of 8.9% in the second quarter of 2022 (1Q 2022: 5.0%). While growth was lifted to some extent by the low base from the Full Movement Control Order in June 2021, growth in April and May 2022 was particularly robust, underpinned by the continued recovery in labour market conditions and policy support. The improvement also reflected normalising economic activity as the country moved towards endemicity and reopened international borders. Exports remain supported by strong demand for Electrical and Electronics ("**E&E**") products. In terms of economic activity, the services and manufacturing sectors continued to drive growth. On a quarter-on-quarter seasonally-adjusted basis, the economy increased by 3.5% (1Q 2022: 3.8%).

During the quarter, domestic demand registered a higher growth of 13.0% (1Q 2022: 4.4%). This was mainly supported by a robust growth in private expenditure amid further normalisation of economic activity, as well as improving labour market conditions. On the external front, demand for Malaysia's exports, particularly for E&E products, remained strong.

The manufacturing sector expanded by 9.2% (1Q 2022: 6.6%), supported by both the export and domestic-oriented industries. The effect of global supply disruptions was partly mitigated, as manufacturers were able to implement proactive measures to cushion the impact such as building inventory buffers through advance bookings and using alternative modes of transportation. The E&E cluster continued to record double-digit growth driven by global demand for semiconductors. The consumer cluster grew at a faster pace, supported by strong domestic spending activities. In particular, the motor vehicle and transport equipment segment ramped up production to meet order backlogs and fulfil demand as orders accelerated ahead of the expiration of Sales and Services Tax exemption on 30 June 2022. However, growth in the primary-related cluster moderated as the production of selected pandemic-induced products such as rubber gloves continued to normalise.

Labour market conditions continued to improve in the second quarter of 2022. The unemployment rate declined further to 3.9% (1Q 2022: 4.1%). This was driven by a robust increase in employment (+126 thousand persons, 1Q 2022: +134 thousand persons), alongside a continued strong expansion of the labour force (+97 thousand persons, 1Q 2022: +111 thousand persons). As a result, the labour force participation rate increased to 69.2% of the working-age population, above the pre-pandemic level (1Q 2022: 69.0%; 4Q 2019: 69.1%). Meanwhile, the population outside the labour force declined further, to 7.26 million persons (1Q 2022: 7.29 million persons), indicating continued entries of workers into the labour force amid stronger economic activity. The underemployment rate further declined to 1.3% of the labour force (1Q 2022: 1.5%).

(Source: Quarterly Bulletin 2Q 2022, Bank Negara Malaysia)

5.2 Overview and outlook of the property industry in Malaysia

The property market performance showed a slight improvement in 2021 but has yet to surpass the pre-pandemic level recorded prior to 2020. More than 300,000 transactions worth nearly RM145 billion were recorded, indicating an increase of 1.5% in volume and 21.7% in value compared to last year.

The industrial sub-sector recorded 5,595 transactions worth RM16.96 billion in 2021. Compared to 2020, the market activity increased by 17.6% in volume and 32.9% in value. Selangor continued to dominate the market, with 34.9% of the nation's volume, followed by Johor and Perak, each with 14.5% and 9.0% market share.

The industrial overhang remained manageable. The overhang volume decreased to 1,130 units worth RM1.58 billion, down by 18.1% volume and 27.5% in value against 2020. Likewise, the unsold under construction and not constructed decreased to 654 units and 22 units, down by 7.8% and 69.4% respectively.

Prices of industrial property showed a more stable trend across the states with few exceptions. In Selangor, single storey terraced in Subang International Light Ind. Park 1 and Taman Taming Jaya declined by 7.7% and 5.9% to RM600,000 and RM800,000 respectively. On the contrary, vacant industrial plots in Kawasan Perusahaan Ringan PKNS Batu 17 in Gombak and Kawasan Perindustrian Sungai Rambai in Kuala Langat were transacted at RM883 per square metre and RM431 per square metre, increased by 9.8% and 3.7% respectively. The increase could probably be attributed to growing demand for warehouse due to expansion of e-commerce.

(Source: Property Market Report 2021, Valuation and Property Services Department, Ministry of Finance Malaysia)

5.3 Prospects of Atrium Shah Alam 4

Atrium Shah Alam 4 is strategically located within the established industrial estate of Seksyen 16, Shah Alam, Selangor Darul Ehsan. Shah Alam is mainly an industrial area where industrial properties located in Seksyen 15, Seksyen 16, Seksyen 22 and Seksyen 23 are highly sought after and in demand in view of their strategic location and easy accessibility to the major highways such as North-South Expressway Central Link, Federal Highway and New Klang Valley Expressway.

Furthermore, our Board has noted that the industrial property market in Malaysia has seen a steady growth in recent years, primary driven by higher e-commerce penetration rate to the market resulting from high demand of additional warehousing/logistics space to meet the surge in last-mile delivery process. Last-mile delivery refers to the critical step and last stage of the delivery process when a parcel is moved from a transportation hub to its final delivery destination.

Premised on the above, our Board expects that the strategically located Atrium Shah Alam 4 (after the completion of the AEI with an enlarged built space of 376,026 sq ft from the previous 179,553 sq ft (pre-AEI)) will contribute positively to the earnings, EPU and DPU of Atrium REIT moving forward.

6. EFFECTS OF THE PROPOSED SPECIAL ISSUANCE

6.1 Unitholders' capital

The pro forma effects of the Proposed Special Issuance on the issued unit capital of Atrium REIT are as follows:-

	No. of Units	RM
Unitholders' capital of Atrium REIT as at the LPD	245,550,680	260,487,719
Placement Units to be issued pursuant to the Proposed Special Issuance	20,000,000	⁽¹⁾ 28,000,000
Enlarged Unitholders' capital	265,550,680	288,487,719

Note:-

(1) Based on the issue price of RM1.40 per Placement Unit.

6.2 NAV, NAV per Unit and gearing

For illustration purposes, the pro forma effects of the Proposed Special Issuance on the NAV, NAV per Unit and gearing of Atrium REIT based on the audited consolidated statement of financial position of Atrium REIT as at 31 December 2021 are set out below:-

	Audited as at 31 December 2021 (RM'000)	⁽²⁾ Subsequent adjustments up to the LPD (RM'000)	Pro forma I After the Proposed Special Issuance (RM'000)
Unitholders' capital	204,130	260,488	⁽³⁾⁽⁴⁾ 288,388
Undistributed income	58,960	58,960	58,960
Total Unitholders' funds/NAV	263,090	319,448	347,348
No. of Units in circulation ('000)	204,625	245,550	265,550
NAV per Unit (RM)	1.29	1.30	1.31
Total borrowings (RM'000)	255,046	255,046	255,046
Total asset value (RM'000)	540,543	596,901	⁽⁴⁾⁽⁵⁾ 624,801
Gearing (%)⁽¹⁾	47.18	42.73	40.82

Notes:-

(1) Computed based on total borrowings divided by total asset value.

(2) After adjusting for the issuance of 40,925,000 new Atrium REIT Units at an issue price of RM1.40 per Unit pursuant to the Private Placement which was completed on 17 August 2022.

(3) Based on the issue price of RM1.40 per Placement Unit.

(4) After deducting estimated expenses of approximately RM0.10 million in relation to the Proposed Special Issuance.

(5) After taking into consideration the proceeds of up to approximately RM28.00 million from the Proposed Special Issuance.

6.3 Earnings, EPU and DPU

The Proposed Special Issuance is expected to dilute the EPU and DPU of Atrium REIT for the FYE 31 December 2022, the dilution of which would depend on the actual number of Placement Units to be issued.

For illustrative purposes only, the pro forma effects of the Proposed Special Issuance on the earnings, EPU and DPU based on the audited consolidated statement of financial position of Atrium REIT for the FYE 31 December 2021 are set out below:-

	Audited as at 31 December 2021 (RM'000)	⁽¹⁾Subsequent adjustments up to the LPD (RM'000)	Pro forma I After the Proposed Special Issuance (RM'000)
PAT	18,205	18,205	⁽³⁾ 23,692
Realised profit	19,974	19,974	25,461
Unrealised loss	(1,769)	(1,769)	(1,769)
Income distribution	19,951	19,951	25,432
No. of Units in circulation ('000)	204,625	245,550	265,550
EPU (sen)	8.90	7.41	8.92
EPU (realised) (sen) ⁽²⁾	9.76	8.13	9.59
DPU (sen)	9.75	8.13	9.58

Notes:-

- (1) *After adjusting for the issuance of 40,925,000 new Atrium REIT Units at an issue price of RM1.40 per Unit pursuant to the Private Placement which was completed on 17 August 2022.*
- (2) *Computed based on the realised profit of Atrium REIT divided by the total number of Atrium REIT Units.*
- (3) *Assumes that Atrium REIT will receive an indicative full year rental income generated from Atrium Shah Alam 4 (after the completion of the AEI).*

The new tenancies for Atrium Shah Alam 4 will commence upon the completion of the AEI, and are expected to contribute positively to the earnings, EPU and DPU of Atrium REIT.

6.4 Convertible securities

As at the LPD, Atrium REIT does not have any outstanding convertible securities.

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6.5 Substantial Unitholders' unitholdings

The pro forma effects of the Proposed Special Issuance on the substantial Unitholders' unitholdings in Atrium REIT as at the LPD are set out below:-

	As at the LPD				Pro forma I			
	Direct		Indirect		Direct		Indirect	
	No. of Units ('000)	(5)(%)	No. of Units ('000)	(5)(%)	No. of Units ('000)	(6)(%)	No. of Units ('000)	(6)(%)
CKT	43,542	17.73	-	-	(7)63,542	23.93	-	-
Hong Leong Assurance Berhad	20,872	8.50	-	-	20,872	7.86	-	-
HLA Holdings Sdn Bhd ⁽¹⁾	-	-	20,872	8.50	-	-	20,872	7.86
Mitsui Sumitomo Insurance Company, Limited ⁽¹⁾	-	-	20,872	8.50	-	-	20,872	7.86
Hong Leong Financial Group Berhad ⁽²⁾	-	-	20,872	8.50	-	-	20,872	7.86
Guoco Group Limited ⁽³⁾	-	-	20,872	8.50	-	-	20,872	7.86
GuoLine Overseas Limited ⁽³⁾	-	-	20,872	8.50	-	-	20,872	7.86
GuoLine Capital Assets Limited ⁽³⁾	-	-	20,872	8.50	-	-	20,872	7.86
Hong Leong Company (Malaysia) Berhad ⁽³⁾	-	-	20,872	8.50	-	-	20,872	7.86
Tan Sri Quek Leng Chan ⁽⁴⁾	-	-	20,872	8.50	-	-	20,872	7.86
HL Holdings Sdn Bhd ⁽⁴⁾	-	-	20,872	8.50	-	-	20,872	7.86
Hong Leong Investment Holdings Pte Ltd ⁽⁴⁾	-	-	20,872	8.50	-	-	20,872	7.86
Hong Realty (Private) Limited ⁽⁴⁾	-	-	20,872	8.50	-	-	20,872	7.86
Kwek Holdings Pte Ltd ⁽⁴⁾	-	-	20,872	8.50	-	-	20,872	7.86
Kwek Leng Beng ⁽⁴⁾	-	-	20,872	8.50	-	-	20,872	7.86
Davos Investment Holdings Private Limited ⁽⁴⁾	-	-	20,872	8.50	-	-	20,872	7.86
Kwek Leng Kee ⁽⁴⁾	-	-	20,872	8.50	-	-	20,872	7.86
Glory Blitz Industries Sdn Bhd	14,411	5.87	-	-	14,411	5.43	-	-

Notes:-

- (1) Deemed interest by virtue of their interest in Hong Leong Assurance Berhad.
- (2) Deemed interest by virtue of their interest in HLA Holdings Sdn Bhd.
- (3) Deemed interest by virtue of their interest in Hong Leong Financial Group Berhad.
- (4) Deemed interest by virtue of their interest in Hong Leong Company (Malaysia) Berhad.
- (5) Based on the existing issued unit capital comprising of 245,550,680 Units as at the LPD.
- (6) Based on the enlarged issued unit capital comprising of 265,550,680 Units after the completion of the Proposed Special Issuance.
- (7) Assuming up to 20,000,000 Placement Units are placed to CKT under the Proposed Special Issuance.

6.6 Public unitholding spread

Pursuant to Paragraph 8.02(1) of the Listing Requirements, the Manager will ensure that 25% of the total listed Atrium REIT Units are in the hands of a minimum of 1,000 public Unitholders holding not less than 100 Atrium REIT Units. As at the LPD, the public unitholding spread of Atrium REIT is at 66.81% comprising of 4,051 Unitholders. Upon completion of the Proposed Special Issuance, Atrium REIT will remain in compliance with the minimum public spread requirements as the proforma public unitholding spread of Atrium REIT will be at 61.78% comprising of 4,051 Unitholders.

7. HISTORICAL UNIT PRICES

The monthly highest and lowest transacted market prices of Atrium REIT Units traded on Bursa Securities for the past 12 months preceding the date of this Circular from September 2021 to August 2022 are as follows:-

	High (RM)	Low (RM)
<u>2021</u>		
September	1.37	1.33
October	1.39	1.33
November	1.44	1.37
December	1.43	1.39
<u>2022</u>		
January	1.43	1.39
February	1.46	1.42
March	1.45	1.40
April	1.46	1.41
May	1.46	1.43
June	1.46	1.42
July	1.46	1.41
August	1.46	1.40
Last transacted market price of Atrium REIT Units as at 7 July 2022, being the last trading date prior to the announcement of the Proposed Special Issuance		1.44
Last transacted market price of Atrium REIT Units as at the LPD		1.41

(Source: Bloomberg)

8. APPROVALS REQUIRED/OBTAINED AND CONDITIONALITY

The Proposed Special Issuance is subject to the following approvals being obtained:-

- (i) Bursa Securities, for the listing of and quotation for up to 20,000,000 Placement Units on the Main Market of Bursa Securities.

The approval of Bursa Securities was obtained vide its letter dated 14 September 2022 and subject to the following conditions:-

Condition(s)		Status of compliance
(i)	confirmation by UOBKH on the compliance of at least 25% of the public unitholding spread requirements pursuant to Paragraph 8.02(1) of the Listing Requirements upon the listing and quotation of the Placement Units;	To be complied
(ii)	Atrium REIT and UOBKH must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Special Issuance;	To be complied
(iii)	UOBKH to furnish Bursa Securities with the certified true copy of the resolutions passed by the Unitholders at general meeting approving the Proposed Special Issuance;	To be complied
(iv)	UOBKH to inform Bursa Securities upon the completion of the Proposed Special Issuance; and	To be complied
(v)	UOBKH to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Special Issuance is completed.	To be complied

- (ii) Unitholders of Atrium REIT for the Proposed Special Issuance at the forthcoming Unitholders' Meeting; and
- (iii) any other relevant authorities, if required.

The Proposed Special Issuance is not conditional upon any other corporate proposals undertaken or to be undertaken by Atrium REIT.

9. CORPORATE PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Special Issuance (being the subject matter of this Circular), there are no other outstanding proposals announced by Atrium REIT but have yet to be completed before the printing of this Circular.

10. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE OF THE MANAGER, MAJOR UNITHOLDERS OF ATRIUM REIT AND/OR PERSONS CONNECTED WITH THEM

Save for CKT, being the major unitholder of Atrium REIT (with 17.73% direct unitholding in Atrium REIT), none of the directors, major shareholders and chief executive of the Manager, major unitholders of Atrium REIT and/or persons connected with them have any interest, whether direct or indirect, to the Proposed Special Issuance.

Accordingly, CKT is deemed interested in the Proposed Special Issuance, by virtue of the specific allotment and issuance of Placement Units to CKT under the Proposed Special Issuance. As such, CKT will abstain from voting in respect of his direct and/or indirect unitholdings in Atrium REIT on the resolution pertaining to the Proposed Special Issuance to be tabled at the forthcoming Unitholders' Meeting.

In addition, CKT will also undertake to ensure that all persons connected to him will abstain from voting in respect of their direct and/or indirect interest, if any, on the resolution pertaining to the Proposed Special Issuance to be tabled at the forthcoming Unitholders' Meeting.

11. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all relevant approvals being obtained, the Proposed Special Issuance is expected to be completed by the fourth quarter of 2022.

12. DIRECTORS' RECOMMENDATION

Our Board, after due deliberation and having considered all aspects of the Proposed Special Issuance, including the rationale and effects of the Proposed Special Issuance as set out in **Section 4** and **Section 6** of this Circular respectively, is of the opinion that the Proposed Special Issuance is in the best interest of Atrium REIT and recommends that the Unitholders vote in favour of the resolution pertaining to the Proposed Special Issuance to be tabled at the forthcoming Unitholders' Meeting.

13. UNITHOLDERS' MEETING

The Unitholders' Meeting, the notice of which is enclosed with this Circular, will be conducted on a virtual basis through live streaming and online voting using the Remote Participation and Voting facilities from the broadcast venue at Tricor Business Centre, Manuka 2 & 3, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Thursday, 27 October 2022 at 11.00 a.m., or any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modification, the resolution to give effect to the Proposed Special Issuance.

If the Unitholders are unable to participate and vote at the Unitholders' Meeting, the Unitholders are requested to complete, sign and return the enclosed Form of Proxy in accordance with the instructions contained therein, to be deposited at the Manager's office at No. 36-2, Jalan 5/101C, Off Jalan Kaskas, Jalan Cheras, 56100 Kuala Lumpur not less than forty-eight (48) hours before the time for holding the Unitholders' Meeting or adjourned meeting, otherwise the instrument of proxy should not be treated as valid. The Form of Proxy should be completed strictly in accordance with the instruction contained therein. The lodging of the Form of Proxy shall not preclude the Unitholders of Atrium REIT from participating and voting remotely at the Unitholders' Meeting should the Unitholders subsequently wish to do so.

14. FURTHER INFORMATION

Unitholders are advised to refer to the appendix set out in this Circular for further information.

Yours faithfully,
For and on behalf of the Board of
ATRIUM REIT MANAGERS SDN BHD

DATO' DR IR MOHAMAD KHIR BIN HARUN
Chairman and Non-Independent Non-Executive Director

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board, and they individually and collectively accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statements or information herein false or misleading.

2. CONSENT

UOBKH, being the Adviser for the Proposed Special Issuance, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

3. DECLARATION OF CONFLICT OF INTEREST

UOBKH has given its written confirmation that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Adviser to Atrium REIT for the Proposed Special Issuance.

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

Saved as disclosed below, as at the LPD, Atrium REIT is not engaged in any other material litigation, claims or arbitration, either as a plaintiff or defendant, which has a material effect on the financial position of Atrium REIT, and our Board does not have any knowledge or any proceeding pending or threatened against Atrium REIT, or of any facts likely to give rise to any proceeding, which may materially or adversely affect the financial position of Atrium REIT:-

Shah Alam Sessions Court : BA-B52NCvC-160-06/2021 / B-04(IM)(NCvC)-108-
Writ Summons No. / Court of 04/2022
Appeal Civil Appeal No.

Plaintiff / Respondent : Marelli Asia Pacific Sdn Bhd

Defendant / Appellant : Trustee, on behalf of Atrium REIT

The Trustee, on behalf of Atrium REIT (as defendant) was served with a Writ of Summons and Statement of Claim on 23 June 2021, and the judgment on 14 July 2021 by Marelli Asia Pacific Sdn Bhd (as plaintiff), a former tenant of Atrium REIT through its solicitors, Messrs Lum Kok Kiong & Co. ("**Plaintiff's Claim**"). The Plaintiff's Claim is in respect of a dispute on the refund of deposits by Atrium REIT to the plaintiff upon expiration of the lease agreement between the parties. Pursuant to the judgment dated 7 July 2021, Atrium REIT is liable to pay the plaintiff the following:-

- (a) the sum of RM562,493.46;
- (b) the interest at the rate of 8% per annum on the sum of RM562,493.46, calculated on a daily basis from 15 June 2021 until the date of full settlement; and
- (c) the costs of RM1,276.00 together with interest thereon at the rate of 5% per annum from the date of judgment until the date of full settlement.

FURTHER INFORMATION (Cont'd)

The Trustee has engaged a legal counsel on the recommendation of the Manager to take the necessary legal actions to defend Atrium REIT's position.

On 27 October 2021, the application filed by the Trustee to set aside the judgment dated 7 July 2021 was dismissed by the Shah Alam Sessions Court ("**Sessions Court**") with costs of RM1,000.00.

The Trustee made an application for the stay of execution of judgment pending appeal to the Sessions Court as well as for an appeal to the Shah Alam High Court ("**High Court**").

On 3 January 2022, the High Court has given the following directions during case management in regard to our appeal:-

1. Written Submission to be filed on 19 January 2022;
2. Submission in Reply to be filed on 9 February 2022; and
3. Hearing date is fixed on 16 February 2022.

On 6 January 2022, the Sessions Court Judge has further granted a conditional stay of the execution of the judgment, on the condition that the judgment sum is paid to the plaintiff's solicitors as stakeholder pending the High Court appeal. The Sessions Court further ordered that the judgment sum be paid into the Plaintiff's solicitors' clients' account within 2 weeks from the date thereof, and fixed the matter for further case management on 28 January 2022.

On 16 February 2022, the hearing of our appeal application at the High Court was adjourned to 11 March 2022 for the High Court to deliver its decision. The High Court subsequently dismissed the appeal with costs of RM4,000.00.

The Trustee has filed for an appeal at the Court of Appeal, and the appeal was fixed for case management via e-review on 23 May 2022. The appeal has been fixed for case management on 25 August 2022 and for further case management on 5 October 2022 pending the filing of the additional appeal record.

The Manager is of the view that the outcome of this claim is not expected to have a material financial or operational impact on Atrium REIT for the FYE 31 December 2022.

5. MATERIAL COMMITMENTS

Save as disclosed below, as at the LPD, our Board, after making all reasonable enquiries, is not aware of any material commitments incurred or known to be incurred by Atrium REIT, which upon becoming enforceable, may have a material impact on the financial results or position of Atrium REIT:-

	RM'000
Approved and contracted for:-	
Capital expenditure in respect of the AEI*	79,355

Note:-

- * Only relates to the awarded contracted sum and excludes other miscellaneous construction related payments (such as payments to the relevant authorities for the approvals, permits and licenses in relation to the AEI).

FURTHER INFORMATION (Cont'd)

6. CONTINGENT LIABILITIES

As at the LPD, our Board is not aware of any contingent liabilities incurred or known to be incurred, which upon becoming enforceable, may have a material impact on the financial results or position of Atrium REIT.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Manager at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia during the normal business hours from Mondays to Fridays (except public holidays) from the date of this Circular up to and including the date of the forthcoming Unitholders' Meeting:-

- (i) the Deed;
- (ii) the audited consolidated financial statements of Atrium REIT for the past 2 financial years up to FYE 31 December 2021;
- (iii) the unaudited results of Atrium REIT for the 6-month financial period ended 30 June 2022;
- (iv) the letter of consent and declaration of conflict of interest referred to in **Section 2** and **Section 3** of this **Appendix I**; and
- (v) the relevant cause papers referred to in **Section 4** of this **Appendix I**.

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ATRIUM REAL ESTATE INVESTMENT TRUST
(a real estate investment trust constituted under the laws of Malaysia)

NOTICE OF GENERAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN THAT the General Meeting of Unitholders (“**Unitholders’ Meeting**”) of Atrium Real Estate Investment Trust (“**Atrium REIT**”) will be conducted on a virtual basis through live streaming and online remote voting using Remote Participation and Voting (“**RPV**”) facilities from the broadcast venue at Tricor Business Centre, Manuka 2 & 3, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Thursday, 27 October 2022 at 11.00 a.m., or any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the following resolution:-

ORDINARY RESOLUTION

PROPOSED SPECIAL ISSUANCE OF UP TO 20,000,000 UNITS IN ATRIUM REIT (“ATRIUM REIT UNIT(S)” OR “UNIT(S)”) (“PLACEMENT UNIT(S)”) TO CHAN KAM TUCK (“CKT”), A MAJOR UNITHOLDER OF ATRIUM REIT, AT AN ISSUE PRICE OF RM1.40 PER PLACEMENT UNIT (“PROPOSED SPECIAL ISSUANCE”)

“**THAT**, subject to the approvals of all relevant authorities and/or parties (if required) being obtained for the Proposed Special Issuance:-

- (i) approval be and is hereby given to Atrium REIT Managers Sdn Bhd (“**Manager**”) to place, and pursuant thereto for the board of directors of the Manager (“**Board**”) to allot and issue up to 20,000,000 Placement Units to CKT, representing up to approximately 8.14% of the total number of issued Atrium REIT Units as at 19 September 2022, at an issue price of RM1.40 per Placement Unit. The actual allocation of the Placement Units pursuant to the Proposed Special Issuance shall be at the Manager’s absolute discretion provided that the aggregate number of Placement Units to be issued to CKT shall not exceed 20,000,000 Placement Units;
- (ii) the Placement Units shall, upon allotment and issuance, rank equally in all respects with the existing Atrium REIT Units, save and except that the holders of the Placement Units will not be entitled to any distribution income, rights, entitlement and/or any other distributions that may be declared, made or paid where the entitlement date precedes the date of allotment and issuance of the Placement Units; and
- (iii) approval and authority be and are given to the Board and Pacific Trustees Berhad (“**Trustee**”) (acting for and on behalf of Atrium REIT) to do all such acts and things as they may consider necessary or expedient in the best interests of Atrium REIT with full power to assent to any condition, modification, variation and/or amendment that may be required, or that may be imposed by any regulatory authority, and to issue and execute all declarations, confirmations, agreements, instruments and such other documents and arrangements as may be necessary or expedient to give full effect to, implement and complete the Proposed Special Issuance.”

By order of the Board,
ATRIUM REIT MANAGERS SDN BHD (Registration No. 200501028391 (710526-V))
(as the Manager of Atrium Real Estate Investment Trust)

WONG WAI FOONG (MAICSA 7001358) (SSM PC No. 202008001472)
FONG SEAH LIH (MAICSA 7062297) (SSM PC No. 202008000973)
Company Secretaries

Kuala Lumpur
29 September 2022

Notes:-

1. IMPORTANT NOTICE

The Broadcast Venue is strictly for the purpose of complying with Paragraphs 13.20 and 13.21 of the Guidelines on Listed Real Estate Investment Trusts.

Unitholders **will not be allowed** to attend this Unitholders' Meeting in person at the Broadcast Venue on the day of the Unitholders' Meeting.

Unitholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "**participate**") remotely at this Unitholders' Meeting via the Remote Participation and Voting facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**") via its **TIIH Online** website at <https://tiih.online>.

Please read these Notes carefully and follow the procedures in the Administrative Guide for the Unitholders' Meeting which will be made available on Atrium REIT's website at <http://ir2.chartnexus.com/atriumreit/aqm.php> in order to participate remotely via RPV.

2. For the purpose of determining who shall be entitled to participate in this Unitholders' Meeting via RPV, Atrium REIT shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to Atrium REIT, the **Record of Depositors as at 19 October 2022**. Only a unitholder whose name appears on this Record of Depositors shall be entitled to participate in this Unitholders' Meeting via RPV.
3. A unitholder who is entitled to participate in this Unitholders' Meeting via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a unitholder of Atrium REIT.
4. A unitholder of Atrium REIT who is entitled to attend and vote at the Unitholders' Meeting may appoint not more than two (2) proxies to participate instead of the unitholder at the Unitholders' Meeting.
5. Where a unitholder of Atrium REIT is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("**Central Depositories Act**"), it may appoint at least one (1) proxy in respect of each securities account it holds in ordinary units of Atrium REIT standing to the credit of the said securities account.
6. Where a unitholder of Atrium REIT is an exempt authorised nominee which holds ordinary units in Atrium REIT for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a unitholder appoints more than one (1) proxy, the proportion of unitholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. A unitholder who has appointed a proxy or attorney or authorised representative to participate at the Unitholders' Meeting via RPV **must request his/her proxy or attorney or authorised representative to register himself/herself for RPV** via TIIH Online website at <https://tiih.online>. Procedures for RPV can be found in the Administrative Guide for the Unitholders' Meeting.
9. The appointment of a proxy may be made in a hard copy form and the Form of Proxy form must be deposited at the office of the Manager at No. 36-2, Jalan 5/101C, Off Jalan Kaskas, Jalan Cheras, 56100 Kuala Lumpur. All Form of Proxy submitted must be received by Atrium REIT not less than forty-eight (48) hours before the time appointed for holding the Unitholders' Meeting or adjourned general meeting at which the person named in the appointment proposes to vote.
10. Please ensure ALL the particulars as required in the Form of Proxy are completed, signed and dated accordingly.
11. Last date and time for lodging the Form of Proxy is **25 October 2022 at 11.00 a.m.**
12. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited the office of the Manager at No. 36-2, Jalan 5/101C, Off Jalan Kaskas, Jalan Cheras, 56100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the Unitholders' Meeting or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/ or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
13. For a corporate unitholder who has appointed an authorised representative, please deposit the ORIGINAL certificate of appointment of authorised representative at the office of the Manager at No. 36-2, Jalan 5/101C, Off Jalan Kaskas, Jalan Cheras, 56100 Kuala Lumpur. The certificate of appointment of authorised representative should be executed in the following manner:
 - (i) If the corporate unitholder has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate unitholder.
 - (ii) If the corporate unitholder does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate unitholder (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

ATRIUM REIT

ATRIUM REAL ESTATE INVESTMENT TRUST (a real estate investment trust constituted under the laws of Malaysia)

FORM OF PROXY

No. of units held	CDS Account No.

Contact No. (During office hour) _____

I/We.....(name of unitholder as per NRIC/Company Registration Form, in capital letters) being a unitholder/unitholders of **ATRIUM REAL ESTATE INVESTMENT TRUST** ("**Atrium REIT**") hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Unitholdings	
		No. of Units	%
Address			

and (if more than one (1) proxy)

Full Name (in Block)	NRIC/Passport No.	Proportion of Unitholdings	
		No. of Units	%
Address			

or failing *him/*her/*them, the Chairman of the Meeting as *my/our *proxy/proxies to attend for *me/us on *my/our behalf at the General Meeting of Unitholders of Atrium REIT which will be conducted entirely through live streaming from the broadcast venue at Tricor Business Centre, Manuka 2 & 3, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur on Thursday, 27 October 2022 at 11.00 a.m., and at any adjournment thereof, and to vote as indicated below:-

No.	Ordinary Resolution	FOR	AGAINST
1.	PROPOSED SPECIAL ISSUANCE		

* Delete if not applicable

Dated this day of 2022

.....
Signature of Unitholder/Common Seal

* Manner of execution:

- (a) If you are an individual unitholder, please sign where indicated.
- (b) If you are a corporate unitholder which has a common seal, this Form of Proxy should be executed under seal in accordance with the constitution of your corporation.
- (c) If you are a corporate unitholder which does not have a common seal, this Form of Proxy should be affixed with the rubber stamp of your company (if any) and executed by:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.



Notes:-

1. IMPORTANT NOTICE

The Broadcast Venue is strictly for the purpose of complying with Paragraphs 13.20 and 13.21 of the Guidelines on Listed Real Estate Investment Trusts.

Unitholders **will not be allowed** to attend this Unitholders' Meeting in person at the Broadcast Venue on the day of the Unitholders' Meeting.

Unitholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, "**participate**") remotely at this Unitholders' Meeting via the Remote Participation and Voting facilities ("**RPV**") provided by Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**") via its **TIH Online** website at <https://tiih.online>.

Please read these Notes carefully and follow the procedures in the Administrative Guide for the Unitholders' Meeting which will be made available on Atrium REIT's website at <http://ir2.chartnexus.com/atriumreit/agm.php> in order to participate remotely via RPV.

2. For the purpose of determining who shall be entitled to participate in this Unitholders' Meeting via RPV, Atrium REIT shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to Atrium REIT, the **Record of Depositors as at 19 October 2022**. Only a unitholder whose name appears on this Record of Depositors shall be entitled to participate in this Unitholders' Meeting via RPV.
3. A unitholder who is entitled to participate in this Unitholders' Meeting via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a unitholder of Atrium REIT.
4. A unitholder of Atrium REIT who is entitled to attend and vote at the Unitholders' Meeting may appoint not more than two (2) proxies to participate instead of the unitholder at the Unitholders' Meeting.
5. Where a unitholder of Atrium REIT is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("**Central Depositories Act**"), it may appoint at least one (1) proxy in respect of each securities account it holds in ordinary units of Atrium REIT standing to the credit of the said securities account.
6. Where a unitholder of Atrium REIT is an exempt authorised nominee which holds ordinary units in Atrium REIT for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a unitholder appoints more than one (1) proxy, the proportion of unitholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. A unitholder who has appointed a proxy or attorney or authorised representative to participate at the Unitholders' Meeting via RPV **must request his/her proxy or attorney or authorised representative to register himself/herself for RPV** via TIH Online website at <https://tiih.online>. Procedures for RPV can be found in the Administrative Guide for the Unitholders' Meeting.
9. The appointment of a proxy may be made in a hard copy form and the Form of Proxy form must be deposited at the office of the Manager at No. 36-2, Jalan 5/101C, Off Jalan Kaskas, Jalan Cheras, 56100 Kuala Lumpur. All Form of Proxy submitted must be received by Atrium REIT not less than forty-eight (48) hours before the time appointed for holding the Unitholders' Meeting or adjourned general meeting at which the person named in the appointment proposes to vote.
10. Please ensure ALL the particulars as required in the Form of Proxy are completed, signed and dated accordingly.
11. Last date and time for lodging the Form of Proxy is **25 October 2022 at 11.00 a.m.**
12. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited the office of the Manager at No. 36-2, Jalan 5/101C, Off Jalan Kaskas, Jalan Cheras, 56100 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the Unitholders' Meeting or adjourned general meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/ or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
13. For a corporate unitholder who has appointed an authorised representative, please deposit the ORIGINAL certificate of appointment of authorised representative at the office of the Manager at No. 36-2, Jalan 5/101C, Off Jalan Kaskas, Jalan Cheras, 56100 Kuala Lumpur. The certificate of appointment of authorised representative should be executed in the following manner:
 - (i) If the corporate unitholder has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate unitholder.
 - (ii) If the corporate unitholder does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate unitholder (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

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AFFIX
STAMP

The Manager of
ATRIUM REAL ESTATE INVESTMENT TRUST
No. 36-2, Jalan 5/101C
Off Jalan Kaskas, Jalan Cheras
56100 Kuala Lumpur

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