



# 2024

Annual Report



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# OUR Mission

To maximise income in order to reward Unitholders with a competitive rate of return for their investment through regular and stable distributions and achieving long-term growth in distributions and Net Asset Value per Unit.





## PROFILE OF

# Atrium Real Estate Investment Trust

**Atrium REIT** is an industrial asset focused real estate investment trust constituted by a Trust Deed entered into on 20 November 2006, amended by the First Supplementary Deed dated 25 November 2008 and the Restated Deed dated 24 March 2016 between CIMB Commerce Trustee Berhad (*formerly known as BHLB Trustee Berhad*) as the Trustee and Atrium REIT Managers Sdn Bhd as the Manager (*collective known as "First Deed"*).

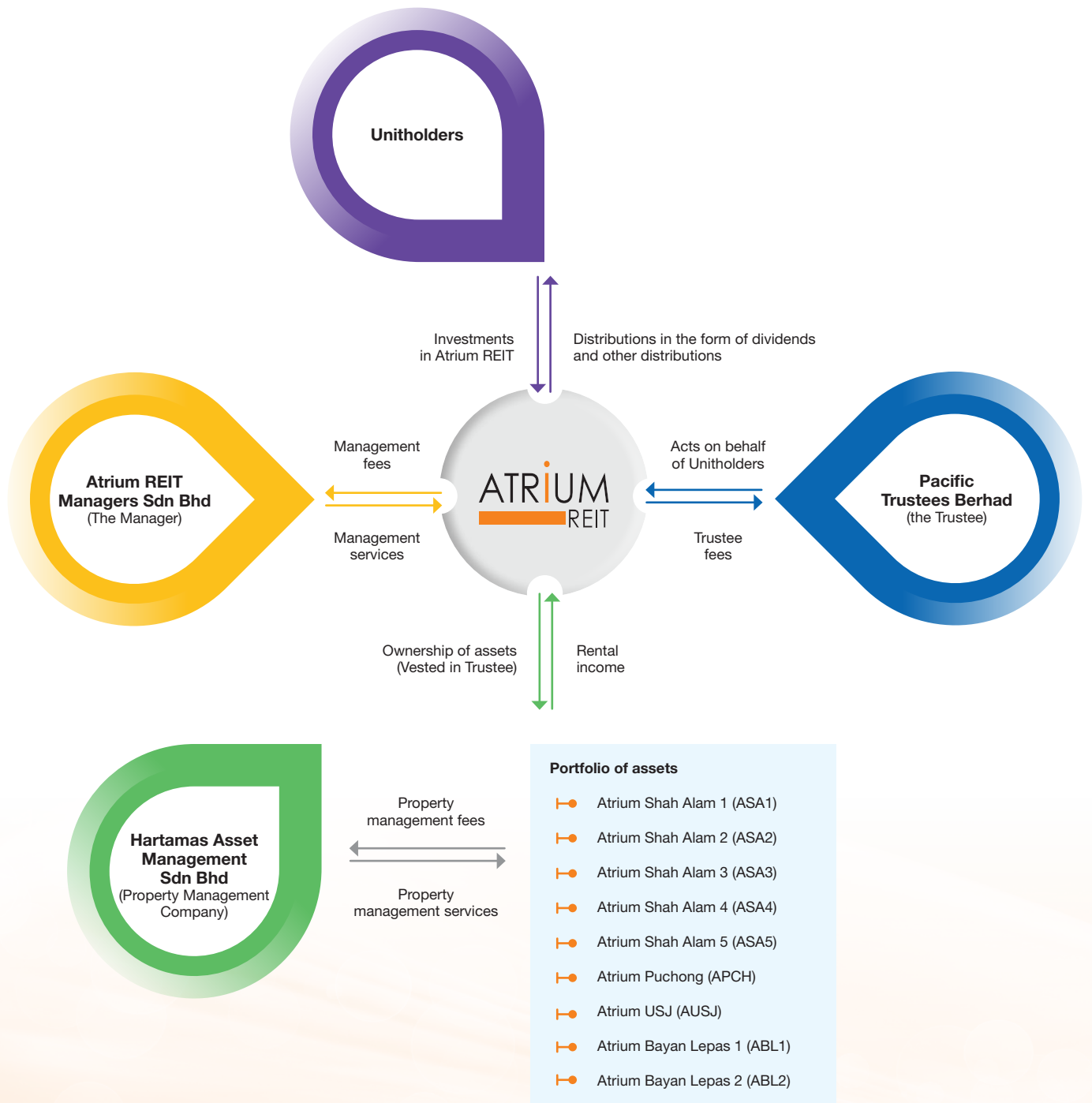
On 21 April 2016, the Manager, CIMB Commerce Trustee Berhad (*"Retiring Trustee"*) and Pacific Trustees Berhad (*"New Trustee"*) entered into a Second Supplementary Deed to effect the change of trustee of Atrium REIT from the Retiring Trustee to the New Trustee. The First Deed and the Second Supplementary Deed were further amended by a Second Restated Deed dated 17 December 2019 entered into between the Manager and Pacific Trustees Berhad, as the Trustee of Atrium REIT.

Atrium REIT was listed on Main Board of Bursa Malaysia Securities Berhad on 2 April 2007.

Atrium REIT's property portfolio consists of nine industrial properties located in prime locations in the Klang Valley and Penang, namely, Atrium Shah Alam 1, Atrium Shah Alam 2, Atrium Shah Alam 3, Atrium Shah Alam 4, Atrium Shah Alam 5, Atrium Puchong, Atrium USJ, Atrium Bayan Lepas 1 and Atrium Bayan Lepas 2.



# STRUCTURE OF ATRIUM REAL ESTATE INVESTMENT TRUST



## PROFILE OF THE MANAGER

Atrium REIT Managers Sdn Bhd is the Manager for Atrium REIT and is responsible for the administration and management of Atrium REIT. The Manager is also responsible for the implementation of the REIT's investment and business strategies. The Manager was incorporated in Malaysia on 22 September 2005 and is a subsidiary of Glory Blitz Industries Sdn Bhd.

### Salient Features of the Fund

<b>Name of fund</b>	: Atrium REIT
<b>Fund category</b>	: Real Estate
<b>Fund type</b>	: Growth and income
<b>Investment objectives</b>	: To maximise income in order to reward unitholders with annual stable distributions of income and to acquire quality assets to achieve long-term growth in the Net Asset Value per unit of the Fund.
<b>Fund investment strategy</b>	: Aim to achieve the primary objectives of the Fund by implementing investment and growth strategies such as organic growth strategies, acquisition strategies and financing strategies.
<b>Term of the Trust</b>	: Atrium REIT will continue its operation until such time as determined by the Trustee and the Manager as provided under the provision of the Clause 19 of the Second Restated Deed dated 17 December 2019.
<b>Size of Fund</b>	: 265,550,680 units
<b>Authorised investments</b>	: Invest in real estate, non-real estate-related assets and cash, deposits and money market instruments. At least 75% of Atrium REIT's total assets must be invested in real estate that generates recurrent rental income at all times.
<b>Financial year end</b>	: 31 December
<b>Distribution policy</b>	: At least 90% of the distributable income of Atrium REIT shall be distributed semi-annually or at such other intervals as determined by the Manager in its absolute discretion; in arrears.
<b>Borrowing limitations</b>	: Up to 50% of the total asset value of the Fund at the time the borrowing is incurred.
<b>Revaluation policy</b>	: The properties will be revalued annually pursuant to Malaysian Financial Reporting Standard 140 and Clause 10.02(b)(i) of the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts.
<b>Redemption policy</b>	: Unitholders have no right to request the Fund to repurchase their units while the units are listed.
<b>Minimum initial investment</b>	: Minimum of 100 units
<b>Minimum additional investments</b>	: Multiples of 100 units
<b>Investor profile</b>	: Suitable for investors who understand the risks related to the real estate industry and expect to benefit from the periodic distribution of income and long-term growth of the Fund.
<b>Quotation</b>	: Main Market of Bursa Malaysia Securities Berhad
<b>Bursa Malaysia Stock Number</b>	: ATRIUM 5130

## FINANCIAL HIGHLIGHTS

Dividend Yield Per Annum

6.93%<sup>1</sup>

Occupancy

96.34%<sup>2</sup>

Management Expenses Ratio

1.72%

Distribution Per Unit Per Annum

8.52 sen

Gearing level

41.64%

Net Asset Value Per Unit

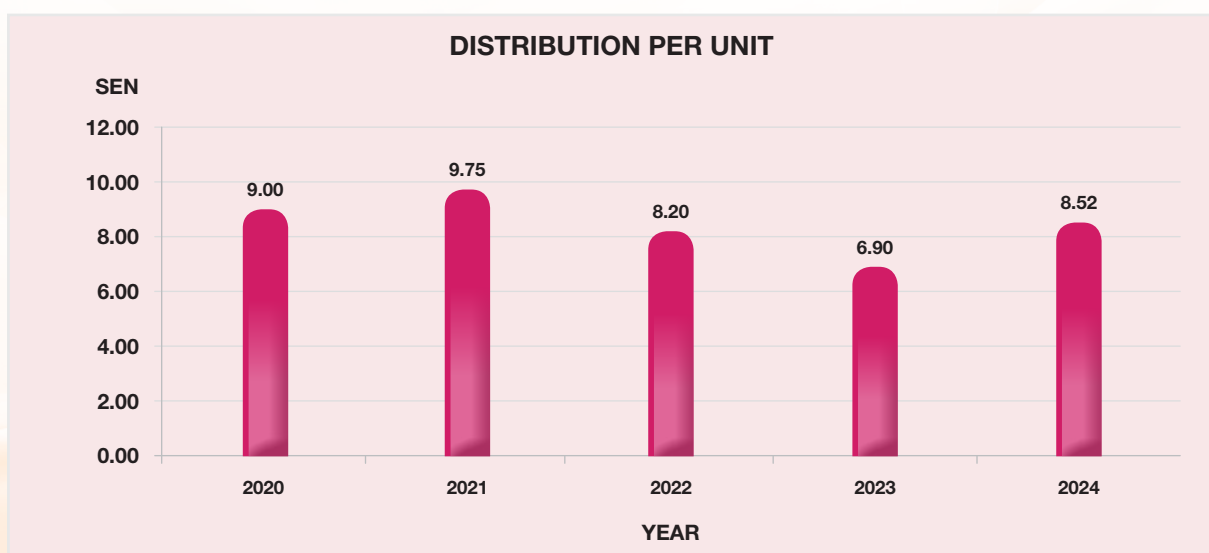
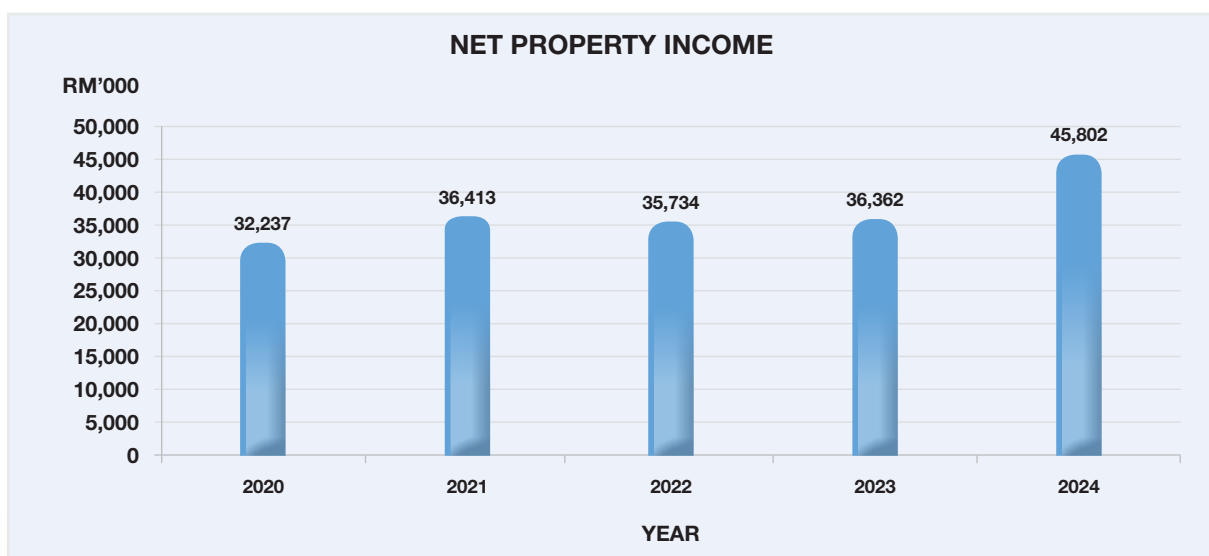
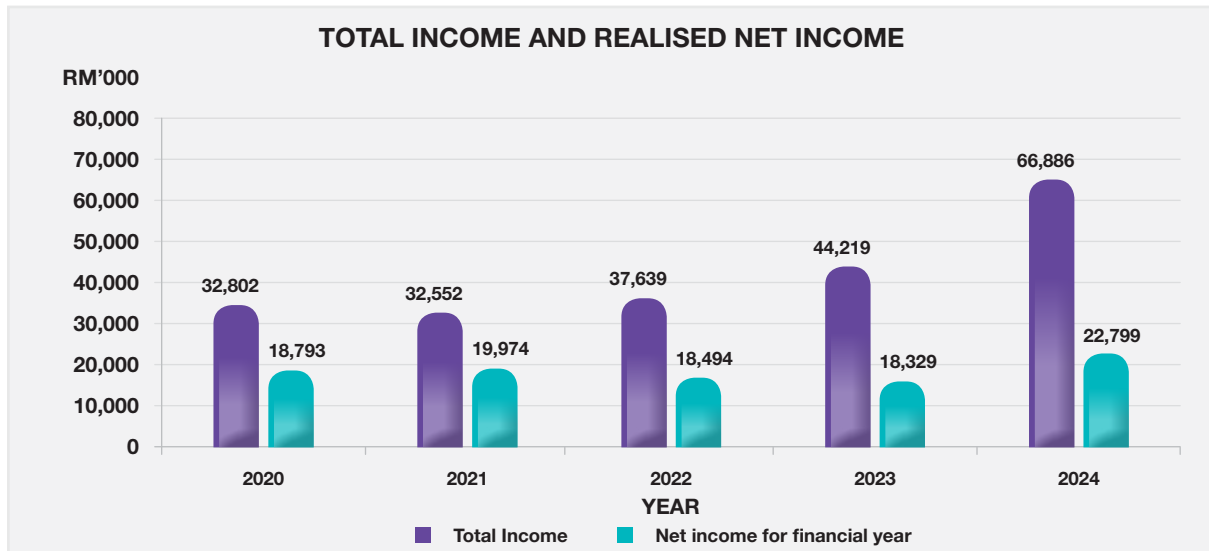
RM 1.43<sup>3</sup>

<sup>1</sup> Based on closing market price on 31 December 2024 of RM1.23 per unit

<sup>2</sup> All properties are fully tenanted except for Atrium Shah Alam 5 ("ASA5") which will be undergoing an Asset Enhancement Initiative ("AEI"). A tenant has been secured to fully take up ASA5 upon completion of the AEI.

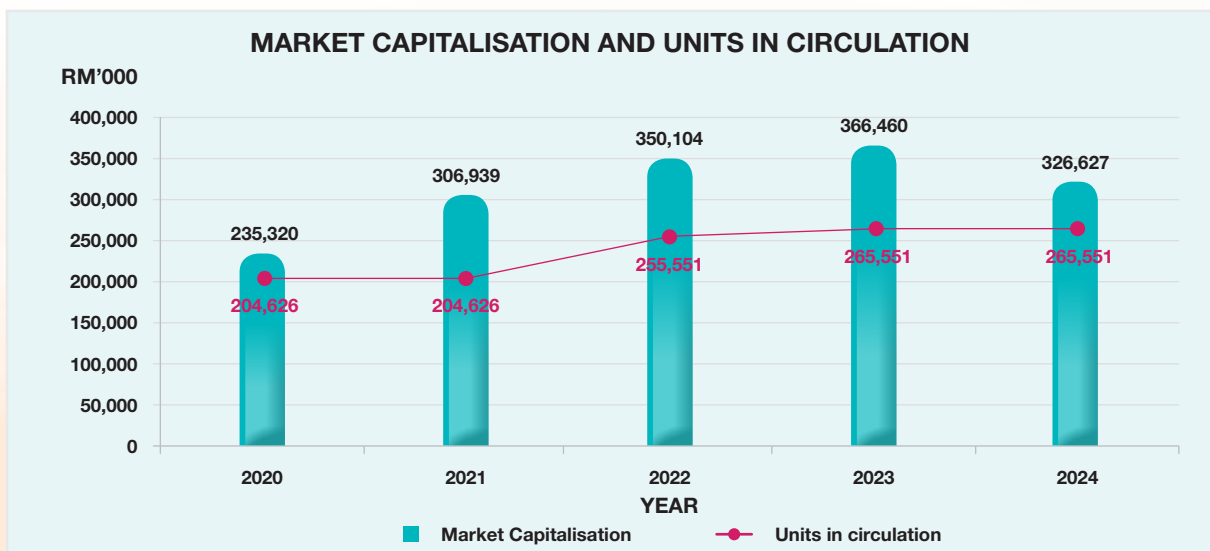
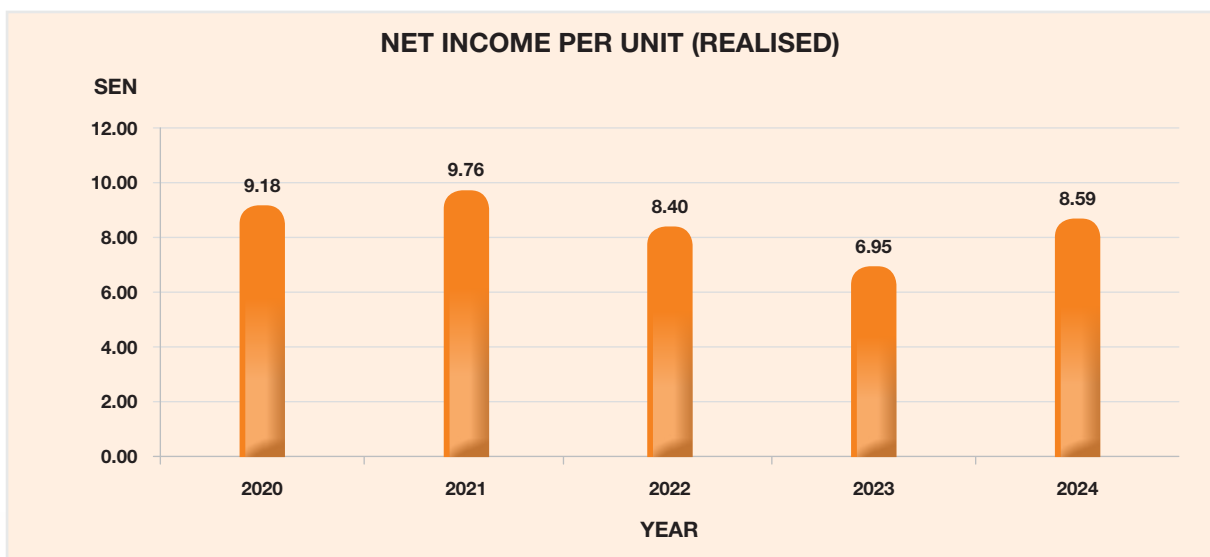
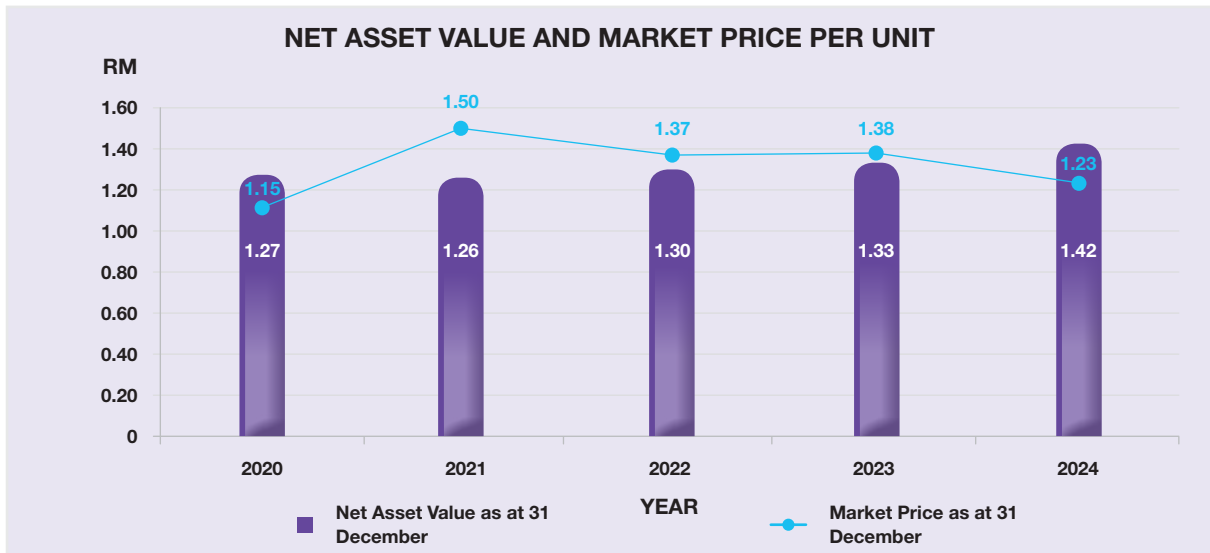
<sup>3</sup> After the final income distribution of 0.90 sen per unit declared on 24 January 2025 for the financial year ended 31 December 2024 (2023: 1.70 sen per unit)

## FINANCIAL HIGHLIGHTS (CONT'D)

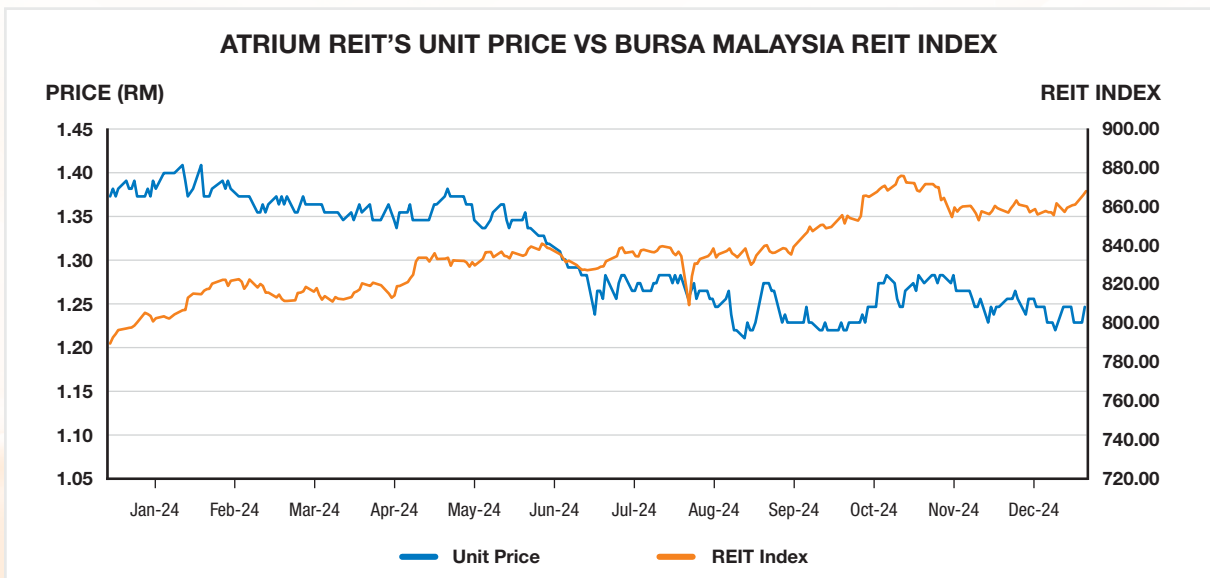
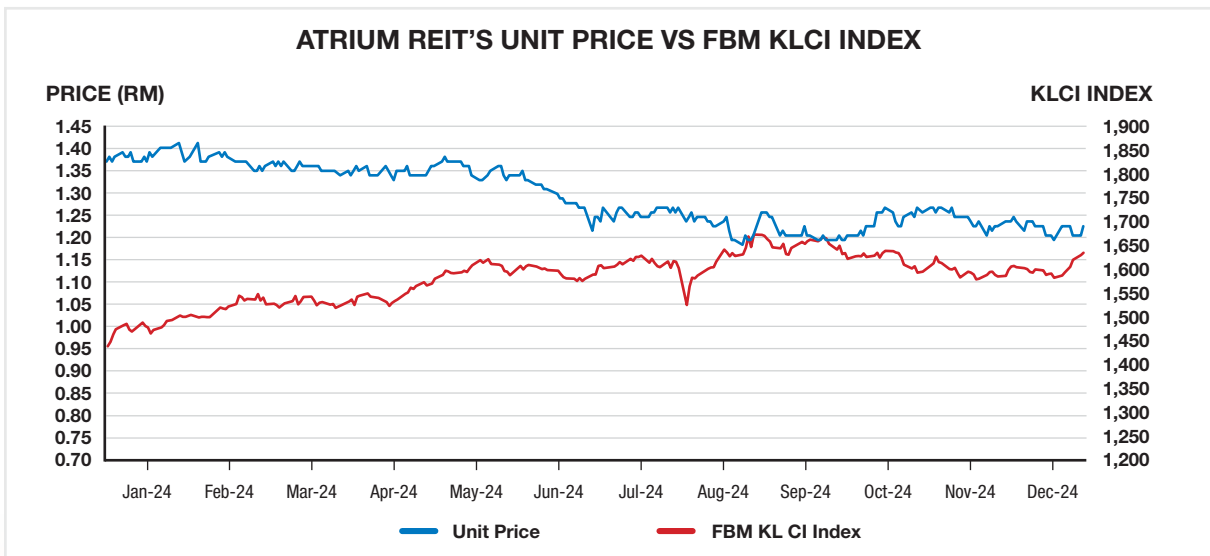




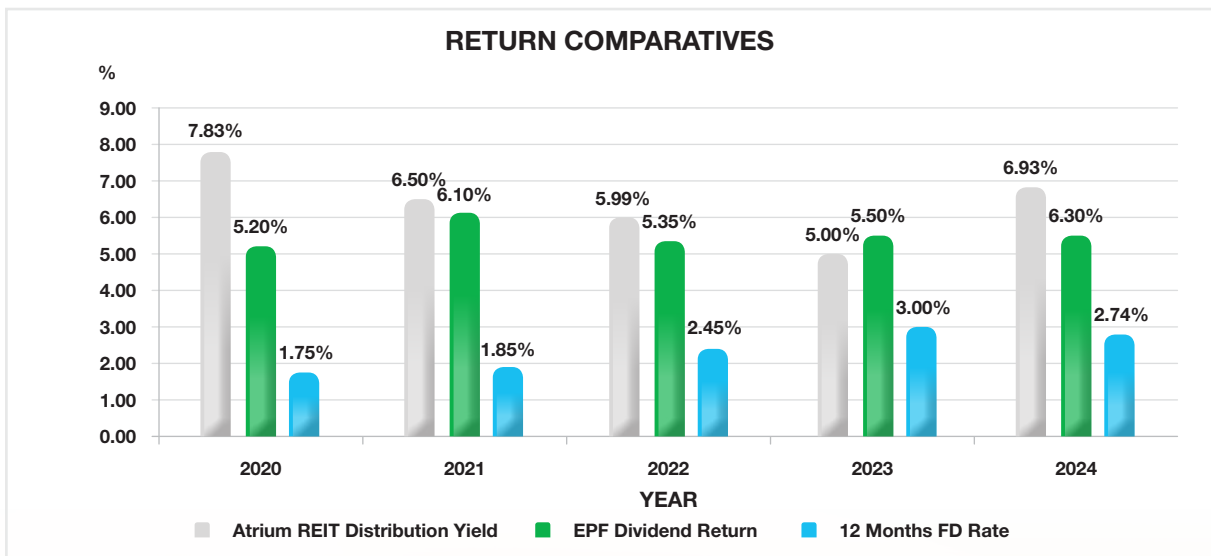
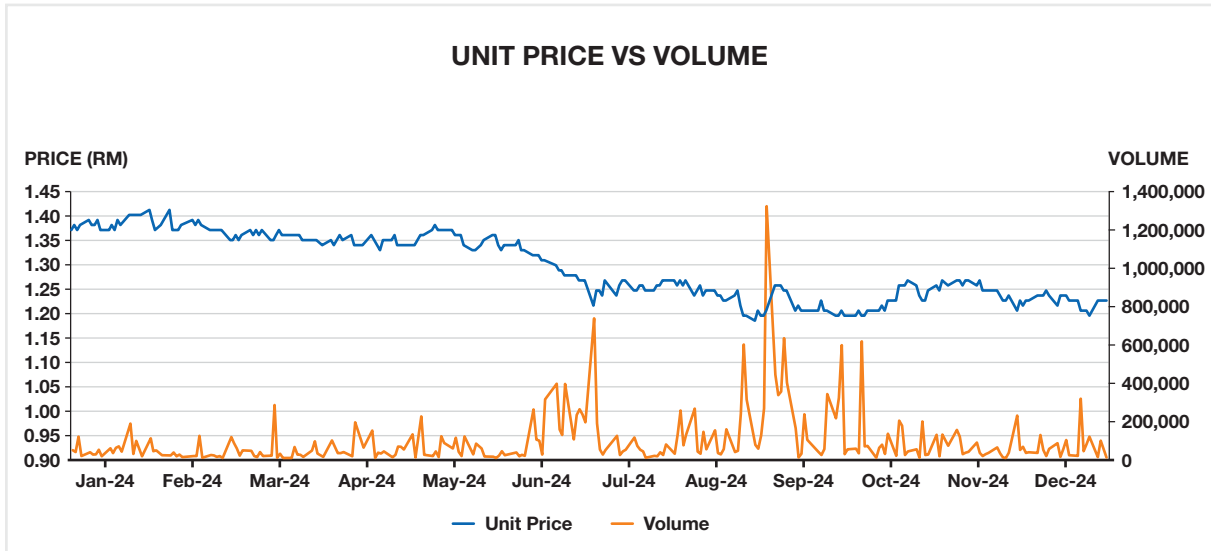
## FINANCIAL HIGHLIGHTS (CONT'D)



## FINANCIAL HIGHLIGHTS (CONT'D)



## FINANCIAL HIGHLIGHTS (CONT'D)





## PERFORMANCE DATA

### I) PORTFOLIO COMPOSITION OF THE TRUST

	2020 %	2021 %	2022 %	2023 %	2024 %
Atrium Shah Alam 1	18.48	17.24	16.28	15.82	15.81
Atrium Shah Alam 2	15.93	14.82	14.13	13.97	12.90
Atrium Shah Alam 3	5.99	5.56	5.11	4.82	4.68
Atrium Shah Alam 4	–	8.51	10.58	16.18	15.49
Atrium Shah Alam 5	–	–	–	–	6.07
Atrium Bayan Lepas 1	10.32	9.58	8.46	7.91	7.23
Atrium Bayan Lepas 2	24.59	22.82	20.65	19.30	19.58
Atrium Puchong	10.81	10.03	9.95	9.76	9.28
Atrium USJ	7.73	7.17	6.70	6.47	5.97
Sub-total	93.85	95.73	91.88	94.22	97.01
Deposits with financial institution	6.15	4.27	8.12	5.78	2.99
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

### II) SUMMARY OF PERFORMANCE

	2020	2021	2022	2023	2024
Gross revenue (RM'000)	34,405	39,056	38,123	39,565	49,981
Net property income (RM'000)	32,237	36,413	35,734	36,362	45,802
Net income/(loss) for financial year (RM'000)					
- Realised	18,793	19,974	18,494	18,329	22,799
- Unrealised	2,165	(1,769)	2,723	7,383	23,811
Distribution per unit (sen)	9.00	9.75	8.20	6.90	8.52
Distribution yield (%)					
- based on market price as at 31 December	7.83	6.50	5.99	5.00	6.93
Annual total return (%)	16.32	34.71	(2.06)	5.00	(3.94)
- Capital return (%)	8.49	28.21	(8.05)	0.00	(10.87)
- Distribution yield (%)	7.83	6.50	5.99	5.00	6.93
Management Expense Ratio (MER) (%)	1.73	2.17	1.78	1.60	1.72

- **Capital Return** is computed based on the net change in market price at the beginning and end of the financial year over the market price at the beginning of the respective financial year.
- **Distribution Yield** is computed based on the total income distribution declared for the financial year over the market price at the end of the respective financial year.
- **Total Return** is the total of Capital Return and Distribution Yield.
- The calculation of **MER**, which have been verified by the auditors, is based on total fees of Atrium REIT incurred, including the Manager's fees, Trustee's fees, audit fees, tax agent's fees, administrative and other expenses, to the average net asset value of Atrium REIT for the financial year calculated on a daily basis.

## PERFORMANCE DATA (CONT'D)

### III) ASSET VALUE, UNIT AND MARKET PRICE INFORMATION

	2020	2021	2022	2023	2024
Asset under management (RM'000)	463,700	509,700	542,800	595,700	671,300
Total asset value (RM'000)	504,577	540,543	612,600	643,926	702,392
Net asset value (NAV) (RM'000)					
- Before proposed final distribution	265,756	263,090	335,800	356,836	378,698
- After proposed final distribution	259,617	257,872	330,943	352,322	376,308
Total borrowings (RM'000)	214,831	255,046	250,831	251,834	292,488
Gearing (%)	42.58	47.18	40.95	39.11	41.64
Units in circulation ('000)	204,626	204,626	255,551	265,551	265,551
NAV per unit – after proposed distribution					
- As at 31 December (RM)	1.27	1.26	1.30	1.33	1.42
- Highest NAV for the year (RM)	1.31	1.33	1.37	1.37	1.43
- Lowest NAV for the year (RM)	1.27	1.26	1.27	1.30	1.34
Market price per unit					
- as at 31 December (RM)	1.15	1.50	1.37	1.38	1.23
- Highest traded for the year (RM)	1.16	1.58	1.51	1.41	1.41
- Lowest traded for the year (RM)	0.81	1.14	1.32	1.36	1.18
Market Capitalisation (RM'000)	235,320	306,939	350,104	366,460	326,627

## PERFORMANCE DATA (CONT'D)

### IV) DISTRIBUTION FOR LAST 5 YEARS

	Distribution		Net Asset Value Per Unit (RM)	
	Per Unit (Sen)	Date	Before Distribution	After Distribution
<b>2020</b>				
1st Quarter	2.00	30 Jun 20	1.28	1.26
2nd Quarter	2.00	15 Sep 20	1.29	1.27
3rd Quarter	2.00	30 Nov 20	1.29	1.27
4th Quarter	3.00	26 Feb 21	1.30	1.27
	<b>9.00</b>			
<b>2021</b>				
1st Quarter	2.50	2 Jun 21	1.30	1.28
2nd Quarter	2.20	30 Aug 21	1.30	1.28
3rd Quarter	2.50	30 Nov 21	1.31	1.29
4th Quarter	2.55	28 Feb 22	1.29	1.26
	<b>9.75</b>			
<b>2022</b>				
1st Quarter	2.20	2 Jun 22	1.29	1.27
2nd Quarter	2.25	30 Aug 22	1.29	1.27
3rd Quarter	1.85	30 Nov 22	1.31	1.29
4th Quarter	1.90	28 Feb 23	1.31	1.30
	<b>8.20</b>			
<b>2023</b>				
1st Quarter	1.75	31 May 23	1.32	1.30
2nd Quarter	1.75	4 Sep 23	1.32	1.30
3rd Quarter	1.70	30 Nov 23	1.32	1.31
4th Quarter	1.70	29 Feb 24	1.34	1.33
	<b>6.90</b>			
<b>2024</b>				
1st Quarter	2.00	4 Jun 24	1.35	1.33
2nd Quarter	2.02	29 Aug 24	1.36	1.34
3rd Quarter	2.10	29 Nov 24	1.36	1.34
4th Quarter	2.40	26 Feb 25	1.43	1.42
	<b>8.52</b>			



## PERFORMANCE DATA (CONT'D)

### V) AVERAGE ANNUAL RETURN FOR ATRIUM REIT

	%
One year	(3.94)
Three years	(0.33)
Five years	10.01

**Note:**

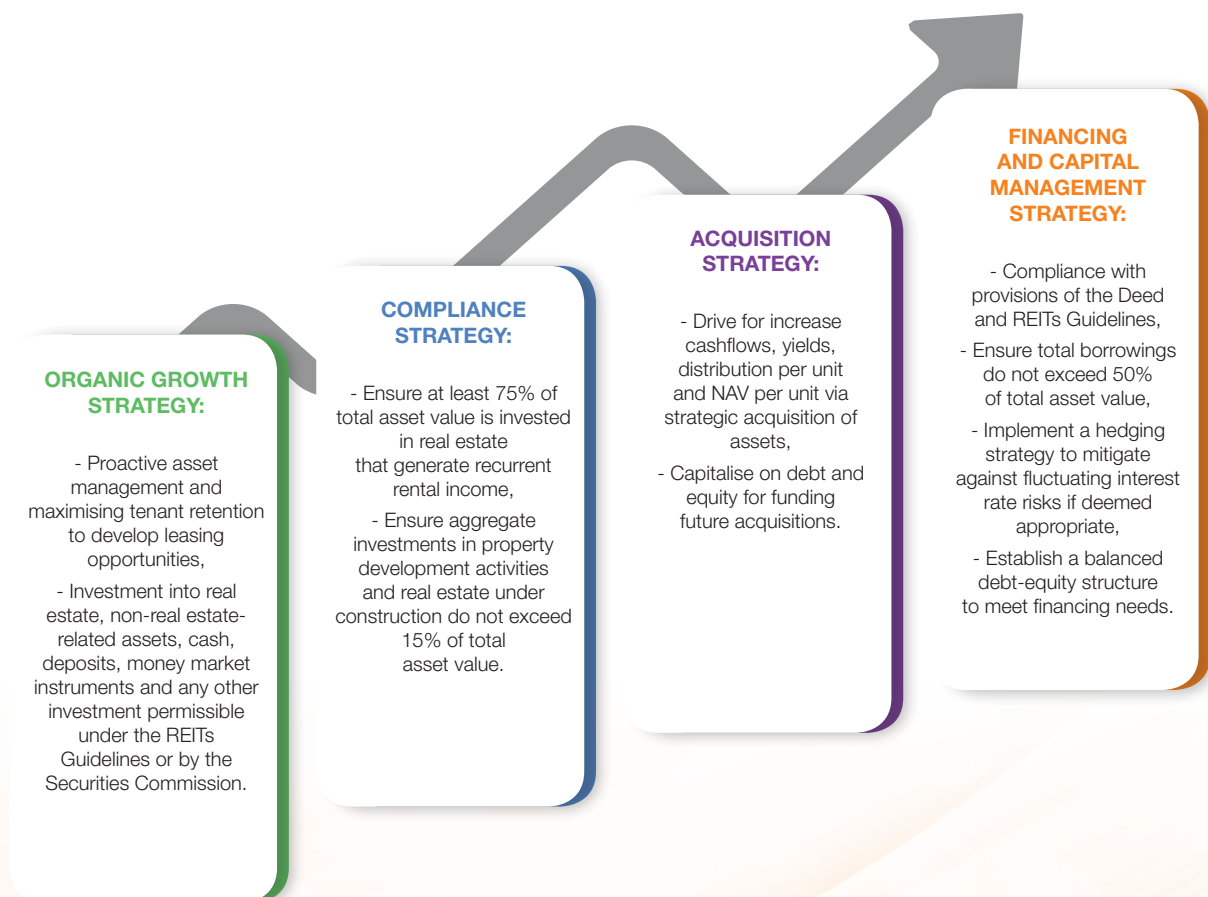
Average Annual Return is computed based on the Total Return per unit for the period, averaged over the number of years. **Past performance is not necessarily indicative of future performance and that unit prices and investment returns may fluctuate.**

## MANAGEMENT DISCUSSION & ANALYSIS

### INVESTMENT OBJECTIVES

Atrium REIT is an industrial asset focused Real Estate Investment Trust (REIT) with a portfolio of nine (9) properties - seven (7) in Selangor and two (2) in Penang. In line with its investment policies and REIT guidelines, Atrium REIT focuses its investments on real estate, non-real estate assets, cash, deposits, money market instruments and any other investments allowed under the Securities Commission Guidelines on Listed Real Estate Investment Trusts (“REITs Guidelines”) or authorized by the Securities Commission.

The Manager’s investment objective is to maximize income in order to reward Unitholders with a competitive rate of return for their investments through regular and stable distributions while achieving long-term growth in distributions and Net Asset Value (“NAV”) per unit via a four-pronged strategy of organic growth, compliance, acquisition as well as financing and capital management.

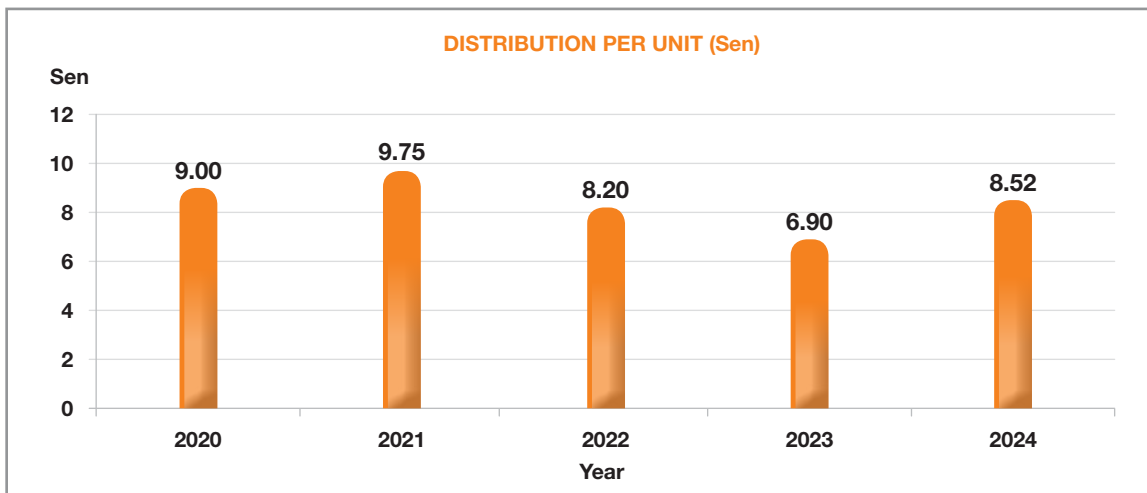


# MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

## OVERVIEW OF BUSINESS AND OPERATIONAL PERFORMANCE

### 1. Distribution Per Unit

Atrium REIT has consistently provided stable and attractive returns to unitholders through regular quarterly income distributions since its listing in April 2007.



### 2. Investment Portfolio Composition and Performance

#### Location of Properties

Atrium REIT’s properties, all strategically located in prime industrial areas, have led to a stable and robust demand for the REIT’s portfolio. As a result, the REIT’s portfolio, save and except for Atrium Shah Alam 5 which will be undergoing an Asset Enhancement Initiative in early 2025 to meet the tenant’s requirements, is targeted to achieve an occupancy rate of 100% at the end of FY2025.

The Manager is guided by the following investment criteria:





## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### OVERVIEW OF BUSINESS AND OPERATIONAL PERFORMANCE (CONT'D)

#### 2. Investment Portfolio Composition and Performance (Cont'd)

##### Portfolio of Investment

Atrium REIT's total investment listing as at 31 December 2024 is as follows:

Property Portfolio	Market Value (RM'000)	%
Atrium Shah Alam 1 (ASA1)	109,400	15.81
Atrium Shah Alam 2 (ASA2)	89,300	12.90
Atrium Shah Alam 3 (ASA3)	32,400	4.68
Atrium Shah Alam 4 (ASA4)	107,200	15.49
Atrium Shah Alam 5 (ASA5)	42,000	6.07
Atrium Bayan Lepas 1 (ABL1)	50,000	7.23
Atrium Bayan Lepas 2 (ABL2)	135,500	19.58
Atrium Puchong (APCH)	64,200	9.28
Atrium USJ (AUSJ)	41,300	5.97
Sub-total	671,300	97.01
Deposit with Financial Institution	20,710	2.99
<b>TOTAL</b>	<b>692,010</b>	<b>100.00</b>

##### Revaluation of Investment Properties

In accordance with Paragraph 10.02(b)(i) of the Guidelines on Listed REITs and the Malaysian Financial Reporting Standard 140, a revaluation of investment properties of a REIT must be carried out by an independent valuer at least once in a financial year.

A summary of valuation of each investment property as at 31 December 2024 is as follows:

Property Portfolio	Net Book Value Before Revaluation (RM'000)	Fair Value As At 31 December 2024 (RM'000)	Revaluation Gain/ (Loss) (RM'000)
Atrium Shah Alam 1	99,953	109,400	9,447
Atrium Shah Alam 2	88,370	89,300	930
Atrium Shah Alam 3	30,517	32,400	1,883
Atrium Shah Alam 4	109,876	107,200	(2,676)
Atrium Shah Alam 5	41,067	42,000	933
Atrium Bayan Lepas 1	50,642	50,000	(642)
Atrium Bayan Lepas 2	127,945	135,500	7,555
Atrium Puchong	61,700	64,200	2,500
Atrium USJ	40,900	41,300	400
<b>TOTAL</b>	<b>650,970</b>	<b>671,300</b>	<b>20,330</b>

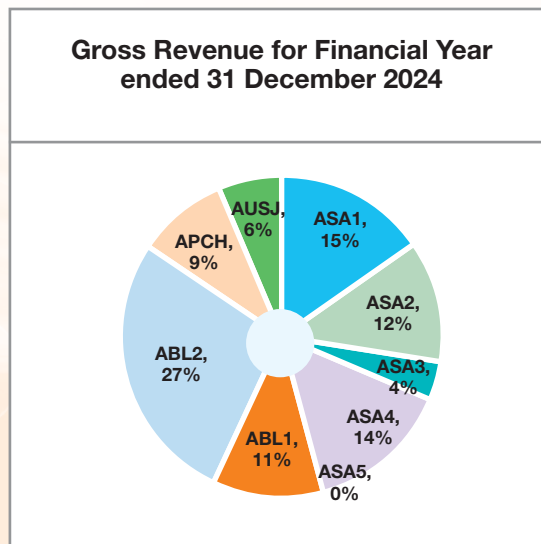
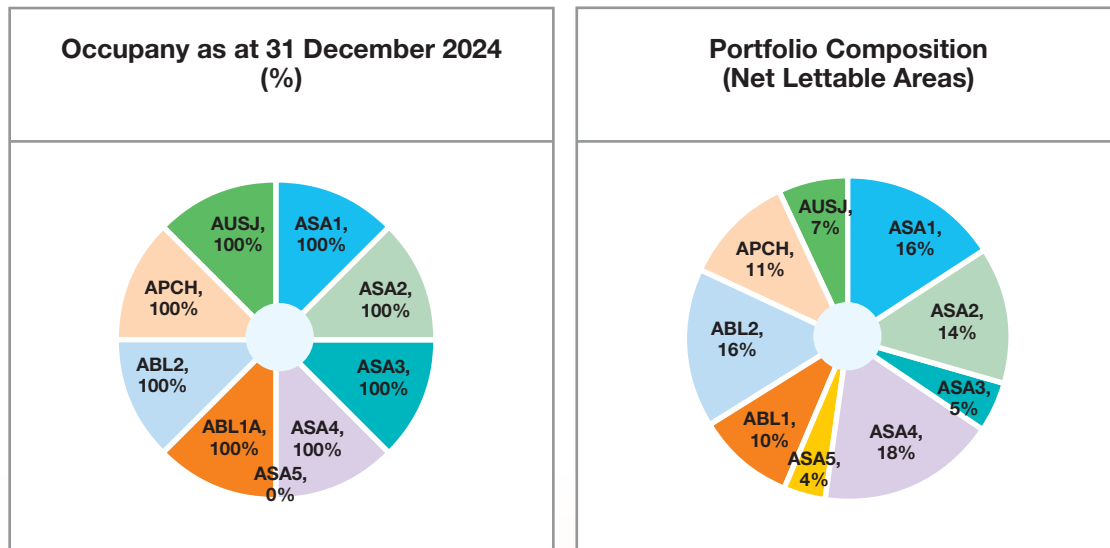
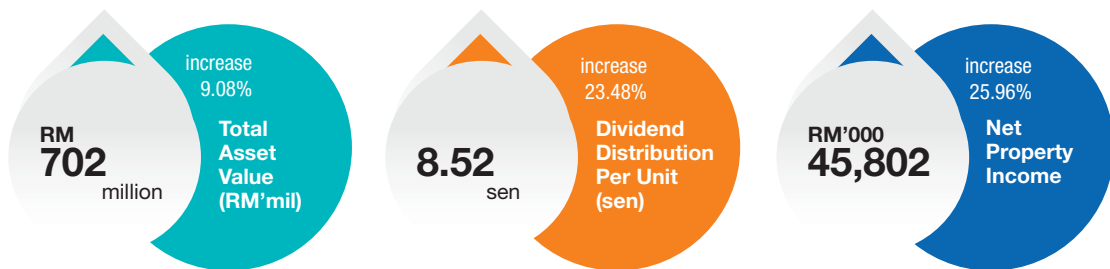
# MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

## OVERVIEW OF BUSINESS AND OPERATIONAL PERFORMANCE (CONT'D)

### 2. Investment Portfolio Composition and Performance (Cont'd)

#### Revaluation of Investment Properties (Cont'd)

Investment properties are typically held for long-term but the Manager may opt to divest the properties and reinvest in new real estate producing better yields and attractive growth potential or may opt to distribute part of the proceeds to unitholders.



## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### OVERVIEW OF BUSINESS AND OPERATIONAL PERFORMANCE (CONT'D)

#### 2. Investment Portfolio Composition and Performance (Cont'd)

##### Tenancy/Lease Management for 2024

During the year, there were no changes in all tenancies/leases except for the following:

- a. ASA2 – The existing tenant, Samsung SDS Malaysia Sdn Bhd, has renewed its tenancy for another 2 years with a positive rental reversion.
- b. AUSJ - Block B – The existing tenant, Rohlig Malaysia Sdn Bhd renewed its tenancy for another 3 years with a positive rental reversion, as per the renewal option.

The Manager expects full occupancy for all the REIT's properties for financial year 2025 upon completion of the Assets Enhancement Initiative for ASA5.

##### Asset Enhancement Initiatives ("AEI") And Property Acquisition

The Manager is responsible for continually evaluating Atrium REIT's property portfolio to identify potential AEIs. These initiatives aim to improve asset performance and competitiveness, leading to increased rental returns. This involves managing occupancy levels, strengthening the operational environment for tenants and enhancing both the condition and value of the properties.

On 6 May 2024, the Manager has successfully completed the acquisition of ASA5 from Amazing Blitz Sdn. Bhd., a party related to Mr Chan Kam Tuck, a major unitholder of Atrium REIT and Atrium REIT Managers Sdn. Bhd., for a purchase consideration of RM41.0 million. This acquisition was funded partly by debt and partly by internal funds, as part of the financing and capital management strategy to optimise a balanced debt-equity structure and at the same time maximise returns to unitholders. The Manager is now in the progress of carrying out AEI to meet the tenant's requirements, which is expected to be completed by the final quarter of 2025.

We are confident that this strategic acquisition and the AEI to be carried out will strengthen our revenue streams and create long-term value for our unitholders. Moving forward, we remain committed to identifying and pursuing new opportunities that will enhance unitholder value and drive sustainable growth.

#### 3. Financial Performance

Despite the challenges of 2024, Atrium REIT continued to deliver strong financial results for financial year ended 31 December 2024 ("FY2024"). Following the successful completion of its AEI, ASA4 lease commenced, strengthening portfolio performance and supporting revenue growth. Meanwhile, ASA5 acquisition was completed in May 2024, with a tenant secured in 2025 on a three-year tenancy. The tenancy will commence once the AEI is completed, which is scheduled for Q4 2025.

Despite the significant increase in the property expenses and finance costs, Atrium REIT's financial results were creditable with improvements in revenue and earnings which translated to higher income distribution per unit. The Manager expects the gross revenue for year 2025 to improve following the commencement of ASA5 tenancy in Q4 2025.

As of 31 December 2024, market capitalisation stood at RM326,627,336.40, representing a 10.87% decrease compared to the previous financial year. Based on the unit price of RM1.23, the units were traded at a 13.20% discount to NAV as at 31 December 2024. (FY 2023: Trading price premium of 4.01%)

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### OVERVIEW OF BUSINESS AND OPERATIONAL PERFORMANCE (CONT'D)

#### 3. Financial Performance (Cont'd)

	FY2024 (RM'000)	FY2023 (RM'000)	%
<b>GROSS REVENUE</b>	49,981	39,565	26.32
Less Property Expenses	(4,178)	(3,203)	30.44
Net Property Income	45,803	36,362	25.96
Interest and Other Income	754	1,655	(54.42)
Total Income	46,557	38,017	22.46
Change in Fair Value of Investment Properties	20,330	6,201	227.85
Trust Expenses	(6,228)	(5,588)	11.45
Finance Costs	(12,539)	(11,639)	7.73
Taxation	(1,509)	(1,280)	17.89
Profit for the Financial Year	46,611	25,712	81.28
Profit for the Financial Year is made up as follows:			
- Realised Profit	22,799	18,329	24.39
- Unrealised Profit	23,812	7,383	222.52
Income Distribution	22,625	18,323	23.48
Distribution per unit (sen)	8.52	6.90	23.48
Annual Total Return	(3.94%)	5.00%	(178.80)
Capital Return	(10.87%)	0.00%	∞
Distribution Yield	6.93%	5.00%	38.60
Management Expenses Ratio ("MER")	1.72%	1.60%	7.50

#### GROSS REVENUE

Gross revenue consists of rental income generated from Atrium REIT's investment properties. For the FY2024, Atrium REIT reported a gross revenue of RM49.98 million, reflecting a significant increase from FY2023. This growth was primarily driven by rental income from the lease at ASA4, which commenced at the beginning of 2024. Additionally, the increase in gross revenue was supported by step-up rental rates for existing leases/tenancies during the year. Gross revenue also includes RM4.99 million in rental income recognized on a straight-line basis over the lease term, in accordance with the requirements of MFRS 16.



## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### PROPERTY EXPENSES

Maintaining the REITs' properties in optimal condition while addressing tenant requirements promptly and efficiently remain a key priority. Conducting routine building inspections and implementing preventive maintenance are essential in preserving asset quality and ensuring minimal disruption to tenant operations. In FY2024, property expenses saw an increase from RM3.20 million to RM4.18 million, marking a 30.44% rise from FY2023.

These expenses were essential to uphold the high-quality standards of Atrium REIT's investment properties and meet the stringent expectations of our tenants. This approach aligns with Atrium REIT's business strategies, emphasizing the preservation of property value to sustain competitive rental rates.

### NET PROPERTY INCOME

For FY 2024, Atrium REIT achieved a net property income of RM45.80 million, a significant increase of 25.96% as compared to RM36.36 million in the previous financial year. The increase was mainly due to the rental income generated from the commencement of the lease at ASA4 and supported by step-up rental rates in the existing leases/tenancies.

### CHANGES IN FAIR VALUE

The changes in fair value of investment properties were due to revaluation gains after adjusting for accrued lease income receivables, as required under MFRS 16.

### TRUST EXPENSES

Trust expenses for FY2024 amounted to RM6.23 million, marking a 11.44% increase compared to the previous financial year. This was mainly due to higher Manager's fees, Trustee's fees, administrative expenses and other expenses. The increase in Manager's fees and Trustees' fees was a consequence of a higher Net Asset Value, resulting from fair value gains arising from the revaluation exercise. The administrative expenses were higher compared to FY2023 mainly due to the subscription fee for Medium-Term Notes - Tranche 4 ("Tranche 4") and the extension fee for renewal of a term loan facility charged by the banks. Other expenses increased due to the legal fees incurred for the acquisition of Atrium Shah Alam 5, issuance of Tranche 4 and the renewal of term loan.

### FINANCE COSTS

Finance costs for FY2024 amounted to RM12.54 million, an increase of 7.73% as compared to RM11.64 million in FY2023. The increase in finance costs was due to the issuance of Tranche 4 in May 2024 and a 25-basis-point hike in the Overnight Policy Rate in May 2023.

### PROFIT FOR THE CURRENT FINANCIAL YEAR

For FY2024, Atrium REIT recorded a net profit of RM46.61 million, representing a 81.28% increase compared to RM25.71 million in FY2023. The unrealised portion rose mainly due to a fair value gain on investment properties amounting to RM20.33 million, compared to RM6.20 million in the previous financial year. Meanwhile, the realised profit for FY2024 grew by 24.39% to RM22.80 million from RM18.33 million in FY2023, primarily due to higher net property income.

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### INCOME DISTRIBUTION

Atrium REIT had paid a fourth interim income distribution of 1.50 sen per unit for the period from 1 October 2024 to 30 November 2024, on 31 December 2024. The Board of Directors of the Manager has further declared a fifth and final income distribution of 0.90 sen per unit for the period from 1 December 2024 to 31 December 2024, paid on 26 February 2025. The final income distribution together with the interim income distributions of 7.62 sen per unit, represents a total distribution per unit of 8.52 sen for FY2024 (FY2023: 6.90 sen).

### ANNUAL TOTAL RETURN

The decline in Annual Total Return was primarily caused by a decrease in Capital Return, which resulted from a drop in the unit price of Atrium REIT from RM1.38 as of 31 December 2023 to RM1.23 per unit as of 31 December 2024.

### MANAGEMENT EXPENSES RATIO ("MER")

The increase in MER was primarily due to the increase in the trust expenses as explained above.

### REVIEW OF FINANCIAL POSITION

Financial Indicators	FY2024 (RM'000)	FY2023 (RM'000)	%
Asset under Management	671,300	595,700	12.69
Trade and Other Receivables	8,703	10,838	(19.70)
Deposits with a Licensed Bank	20,710	36,565	(43.36)
Bank Balances	1,679	823	104.01
Total Assets	702,392	643,926	9.08
Total Borrowings	292,488	251,834	16.14
Trade and Other Payables	19,462	25,020	(22.21)
Net Asset Value	378,698	356,836	6.13
Gearing (%)	41.64	39.11	6.48
Units in Circulation ('000)	265,551	265,551	0.00
Market Capitalisation	326,628	366,460	(10.87)
Net Asset Value per unit (RM)			
- Before Income Distribution	1.4261	1.3438	6.12
- After Income Distribution	1.4171	1.3268	6.81
Market Price as at 31 December (RM)	1.23	1.38	(10.87)

### ASSET UNDER MANAGEMENT

The Asset under Management rose by 12.69% to reach RM671 million, primarily attributed to the acquisition of ASA5 and the net gain from the revaluation exercise carried out for FY2024.

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### TRADE AND OTHER RECEIVABLES

The drop in trade and other receivables was primarily attributed to the reclassification of the deposits paid for the acquisition of ASA5 to investment properties, following the completion of the acquisition in May 2024.

### MATERIAL LITIGATION

Atrium REIT has no material litigations during the FY2024.

### BORROWINGS

The Manager is committed to ensuring that the gearing ratio does not exceed the approved limit established by the Securities Commission Malaysia. The current robust cash position and balanced balance sheet empower Atrium REIT to fulfil its debt obligations while sustaining ample cash flow to address working capital requirements. This prudent financial management positions Atrium REIT well to navigate its commitments and maintain financial stability.

Indicators	FY2024 (RM'000)	FY2023 (RM'000)	FY2022 (RM'000)	FY2021 (RM'000)	FY2020 (RM'000)
Total Borrowings	292,488	251,834	250,831	255,046	214,831
Current					
- STRC	39,600	39,600	39,600	39,600	39,600
- OD	8,857	1,003	-	4,215	-
Non-Current					
- TL	-	-	-	-	-
- TL 2	10,765	10,765	10,765	10,765	10,765
- TL 3	18,400	18,400	18,400	18,400	18,400
- TL 4	4,066	4,066	4,066	4,066	4,066
- TL (II)	20,000	20,000	20,000	20,000	20,000
- MTN – Tranche 1	35,000	35,000	35,000	35,000	35,000
- MTN – Tranche 2	87,000	87,000	87,000	87,000	87,000
- MTN – Tranche 3	36,000	36,000	36,000	36,000	-
- MTN – Tranche 4	32,800	-	-	-	-
Total Asset	702,392	643,926	612,600	540,543	504,577
Gearing (%)	41.64%	39.11%	40.95%	47.18%	42.58%
Interest Rate (%)	4.24% to 4.76%	3.93% to 4.93%	2.93% to 4.60%	2.90% to 3.51%	2.90% to 3.51%

### TRADE AND OTHER PAYABLES

Included in trade and other payables are the security, utility and earnest deposits received from the tenants and prospective tenant, amounted to RM17.69 million (2023: RM17.4 million).

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### NET ASSET VALUE (“NAV”)

As of 31 December 2024, NAV and NAV per unit increased by 6.13% and 6.81% to RM379 million and RM1.4171 per unit as compared to RM357 million and RM1.3268 per unit respectively as at 31 December 2023. The increase was mainly due to the net gain in fair value of investment properties carried out at the end of the year.

### UNITHOLDERS CAPITAL

#### Rights Issue of 58,464,480 units

Purpose	Proposed Utilisation (RM million)	Actual Utilisation (RM million)	Deviation (RM million)	Balance		Intended Time Frame for Utilisation
				(RM million)	%	
Part finance proposed acquisition of ABL1 & ABL2 and its related expenses	58.2	45.5	–	12.7	21.8	#By 30 June 2025
Defray estimated expenses relating to the Rights Issue	1.4	1.4	–	–	–	Completed
<b>Total</b>	<b>59.6</b>	<b>46.9</b>	<b>–</b>	<b>12.7</b>	<b>21.3</b>	

# The Board of the Manager has resolved to utilize the balance of the proceeds for the extension of the tenure of land leases for ABL 1. The extension process for ABL 1 is still ongoing, despite the Manager's diligent effort to complete the extension by 30 June 2024. Due to the lengthy administrative and procedural requirements of Pejabat Tanah dan Galian Pulau Pinang, the Board has on 30 July 2024 resolved to extend the utilization of the funds to 30 June 2025.

#### Private Placement and Special Issuance of 60,925,000 units

Purpose	Proposed Utilisation (RM million)	Actual Utilisation (RM million)	Deviation (RM million)	Balance		Intended Time Frame for Utilisation
				(RM million)	%	
Part finance proposed AEI of ASA4@Sek 16, Shah Alam and its related expenses	84.4	77.9	–	6.5	7.7	#30 September 2025
Defray estimated expenses relating to the Private Placement	0.9	0.9	–	–	–	Completed
<b>Total</b>	<b>85.3</b>	<b>78.8</b>	<b>–</b>	<b>6.5</b>	<b>7.6</b>	

# The Board has on 29 October 2024 resolved to extend the deadline for utilization of the funds, including the retention sum to 30 September 2025.



## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### UNIT PRICE AND MARKET CAPITALISATION

As of 31 December 2024, the market capitalisation stood at RM326,627,336, reflecting a year-on-year decline of 10.87%. Based on a unit price of RM1.23, the units were traded at a 13.20% discount to NAV, compared to a 4.01% premium to NAV as at 31 December 2023.

### STRENGTHENING CORPORATE GOVERNANCE

Atrium REIT acknowledges the significance of corporate governance as the framework that delineates the business relationships among company shareholders, management teams, the Board and other crucial stakeholders. The paramount importance of corporate governance is emphasized and pertinent policies are instituted to foster ethical business conduct and best practices. *(Please refer to Sustainability Statement for details.)*

To further strengthen the corporate governance of the Manager and promoting transparency and accountability, the Manager established and updated the following policies and procedures which were subsequently reviewed and endorsed by the Board during the year:

- a) Reviewed and updated Board Charter, and
- b) Reviewed and updated Whistleblowing Policy.

Additionally, in compliance with the Guidelines on Technology Risk Management set by the Securities Commission Malaysia, the Manager has implemented the Technology Risk Management Framework and Cybersecurity Policy to further enhance technology and cybersecurity risks management to build a resilient, secure and ethical technological landscape for Atrium REIT.

### INDEPENDENT MARKET OVERVIEW

#### GLOBAL OUTLOOK

Global growth is projected at 3.3 percent both in 2025 and 2026, below the historical (2000–19) average of 3.7 percent. The forecast for 2025 is broadly unchanged from that in the October 2024 World Economic Outlook (WEO), primarily on account of an upward revision in the United States offsetting downward revisions in other major economies. Global headline inflation is expected to decline to 4.2 percent in 2025 and to 3.5 percent in 2026, converging back to target earlier in advanced economies than in emerging market and developing economies.

Medium-term risks to the baseline are tilted to the downside, while the near-term outlook is characterized by divergent risks. Upside risks could lift already-robust growth in the United States in the short run, whereas risks in other countries are on the downside amid elevated policy uncertainty. Policy-generated disruptions to the ongoing disinflation process could interrupt the pivot to easing monetary policy, with implications for fiscal sustainability and financial stability. Managing these risks requires a keen policy focus on balancing trade-offs between inflation and real activity, rebuilding buffers and lifting medium-term growth prospects through stepped-up structural reforms as well as stronger multilateral rules and cooperation.

	ESTIMATE	PROJECTIONS	
Real GDP annual percent change	2024	2025	2026
<b>Advanced Economies</b>	1.7	1.9	1.8
United States	2.8	2.7	2.1
Euro Area	0.8	1.0	1.4
Germany	-0.2	0.3	1.1
France	1.1	0.8	1.1
Italy	0.6	0.7	0.9
Spain	3.1	2.3	1.8
Japan	-0.2	1.1	0.8
United Kingdom	0.9	1.6	1.3
Canada	1.3	2.0	2.0
<b>Other Advanced Economies</b>	2.0	2.1	2.3
<b>Emerging Market and Developing Economies</b>	4.2	4.2	4.2
<b>Emerging and Developing Asia</b>	5.2	5.1	5.1
China	4.8	4.6	4.5
India	6.5	6.5	6.5
<b>Emerging and Developing Europe</b>	3.2	2.2	2.4
Russia	3.8	1.4	1.2
<b>Latin America and the Caribbean</b>	2.4	2.5	2.7
Brazil	3.7	2.2	2.2
Mexico	1.8	1.4	2.0
<b>Middle East and Central Asia</b>	2.4	3.6	3.9
South Africa	1.4	3.3	4.1
Sub-Saharan Africa	2.8	4.2	4.2
Nigeria	3.1	3.2	3.0
South Africa	0.9	1.5	1.6
<b>Memorandum</b>			
<b>Emerging Market and Middle-Income Economies</b>	4.2	4.2	4.2
<b>Low-Income Developing Countries</b>	4.1	4.6	5.4

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>)

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### MALAYSIA ECONOMIC OUTLOOK

#### Sustained expansion in domestic demand and improvement in external demand to support growth

Going forward, growth of the Malaysian economy is expected to be driven by robust expansion in investment activity, strong exports and resilient household spending. Investment activities will be driven by continued progress of multi-year projects in both the private and public sectors, higher realisation of approved investments and the implementation of catalytic initiatives under the national master plans. Higher spillover from global tech upcycles and continued strength in demand for non-E&E goods will lift exports, while tourist spending is expected to improve further. Employment and wage growth, as well as policy measures would remain supportive of household spending. The growth outlook faces downside risks from slower-than-expected external demand, further escalations in geopolitical tensions and protectionist measures as well as weaker-than-expected commodity production. Nevertheless, greater spillovers from the tech upcycle, faster implementation of investment projects and more robust tourism activities, provide upsidest to Malaysia's economic outlook.

#### **Inflation in 2025 is expected to remain manageable. Nevertheless, the inflation outlook remains subject to the implementation of announced domestic policy measures.**

Year to date, both headline and core inflation averaged 1.8%. Spillovers from the diesel price adjustment to broader prices have been contained, given effective mitigation and enforcement measures, minimising the impact on business costs and limiting pass-through to retail prices. The inflation outlook remains subject to the implementation of further domestic policy measures, global commodity prices and financial market developments.

Heading into 2025, inflation is expected to remain manageable amid continued easing in the external cost environment.<sup>1</sup> The outlook will partly depend on the timing of new policy measures and the dissipating impact of those introduced in 2024 (e.g. subsidy rationalisation, increment in SST rates). Upcoming demand-stimulating measures<sup>2</sup> could provide additional support to demand, though the impact on inflation is expected to remain manageable.

(Source: [https://www.bnm.gov.my/documents/20124/16258910/qb24q3\\_en\\_ch5.pdf](https://www.bnm.gov.my/documents/20124/16258910/qb24q3_en_ch5.pdf))

### PROPERTY SECTOR OUTLOOK

#### Asia Pacific Overview

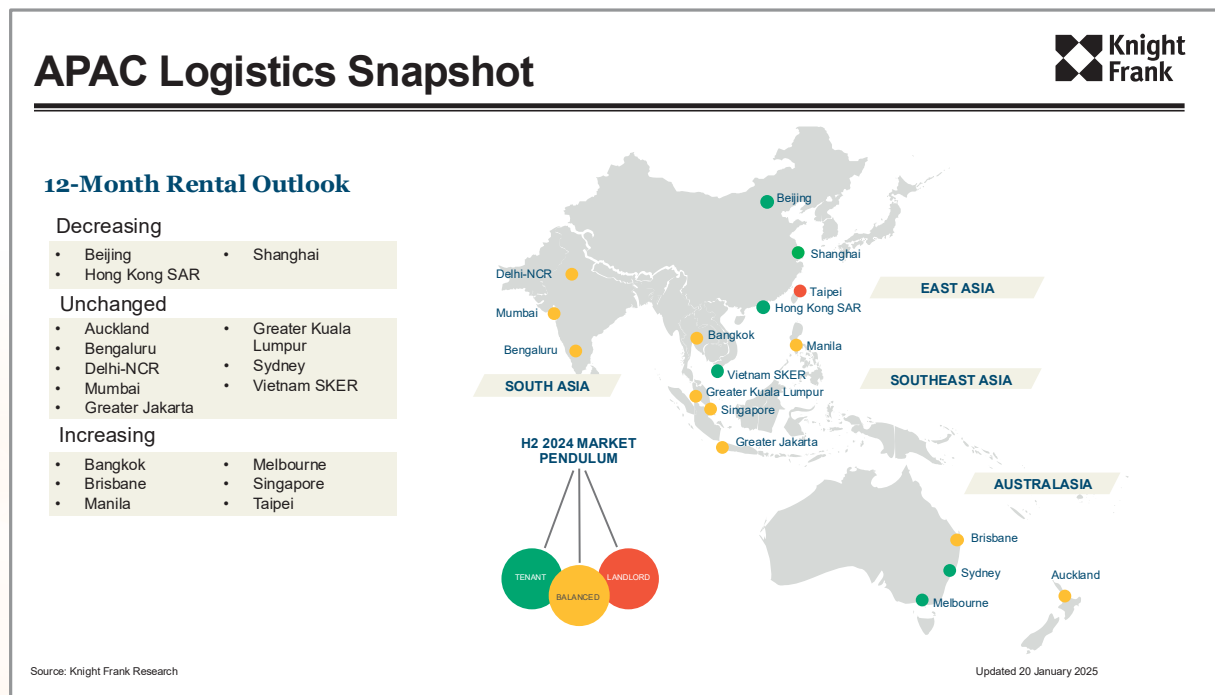
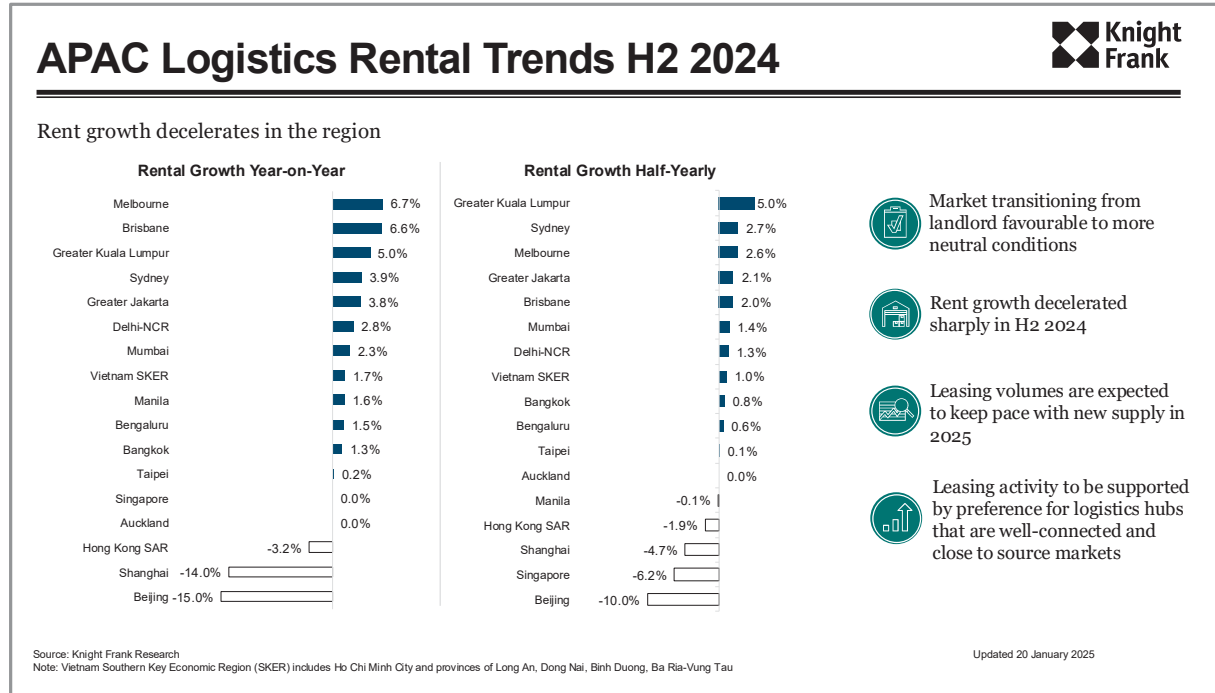
Rents for logistics spaces in the region registered an average of 0.2% growth in 2024, a considerable deceleration from the 7.0% clocked in 2023 and down from the 2.0% increase from six months ago. Those in Beijing and Shanghai plunged by 14-15%, hit by a substantial development pipeline, which reached over 1.5 million sqm in 2024, as well as weak demand. Melbourne's market led the region in terms of rental growth which rose 6.7% in 2024. Rental growth was observed to be highest in the established East and Southeast precincts of the city, where the lack of development land has limited the delivery of new supply. Cost management and supply chain strategies will remain key considerations for occupiers in 2025. Realignment of global supply chains, both within the Asia-Pacific region and between other regions, is likely to intensify in response to Trump's planned tariff increases. Proximity to manufacturing sites will be valued, while well connected logistic hubs will be best positioned to manage and respond to supply chain disruptions. A mix of occupiers working through excess capacity and exploring options to optimise footprints will keep demand-supply dynamics in the region on an even keel. Underlying demand for prime logistics spaces is expected to remain healthy, with leasing volumes expected to keep pace with new supply. The average vacancy rate in the region will remain largely stable, with moderate rent growth of under 2%.

(Source: *Asia-Pacific H2 2024 Logistics Highlights Knight Frank Asia-Pacific Logistics Markets*)

# MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

## PROPERTY SECTOR OUTLOOK (CONT'D)

### Asia Pacific Overview (Cont'd)



# MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

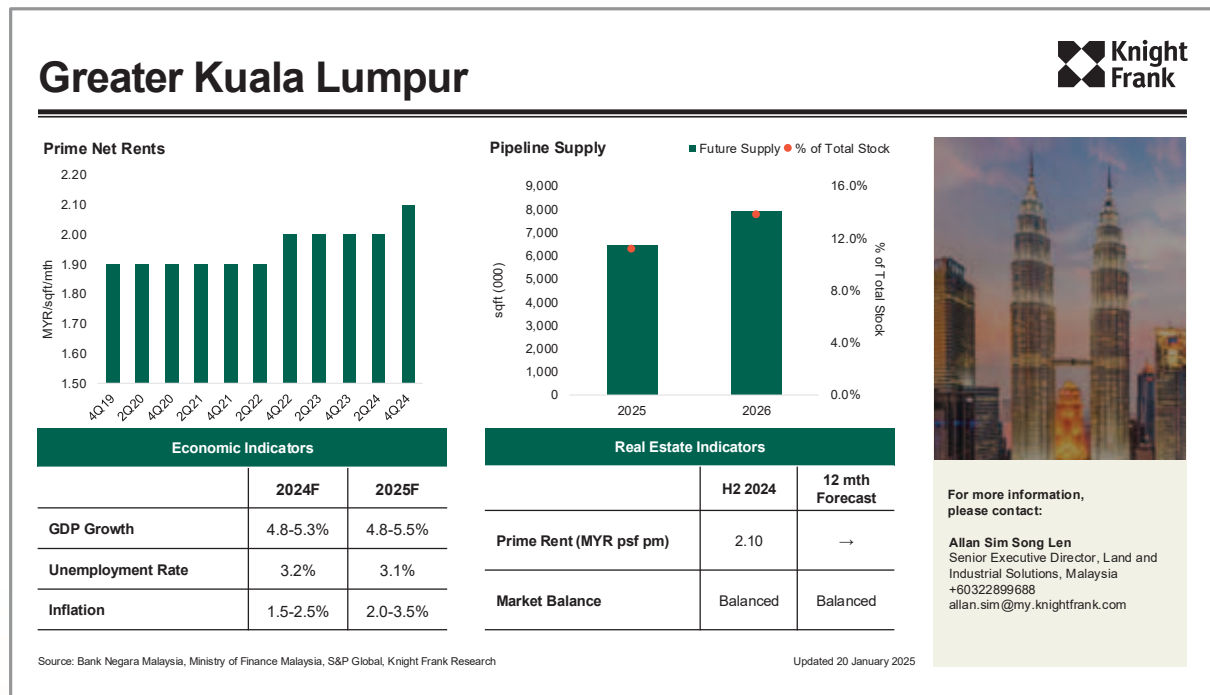
## PROPERTY SECTOR OUTLOOK (CONT'D)

### Southeast Asia

Logistics rents across Southeast Asia rose 1.1% on average from a year ago, driven by increases in Greater Kuala Lumpur, which exhibited the strongest momentum in the latter half of 2024 as the completion of higher-quality industrial properties lifted rents by 5%, albeit from a low base. However, the emergence of new large-scale industrial townships is expected to intensify competition in Kuala Lumpur, which should keep rents stable in 2025.

Aside from e-commerce growth, rising demand from EV-related industries, 3PL providers and FMCG sectors drove Jakarta's rents to a 3.8% annual increase. Vietnam's Southern Key Economic Region (SKER) also continued to benefit from infrastructure development as well as e-commerce growth and manufacturing expansion. However, rental growth slowed significantly in the latter half of the year, as more modern warehouses at lower rents delivering in Dong Nai and Long An capped growth.

(Source: Knight Frank - "The Week That Was" 24 Feb 2025 to 2 Mar 2025)



### Malaysia's Property Market in 2024

Malaysia leads Southeast Asia in logistics rental growth despite a global slowdown.

- Greater Kuala Lumpur records the highest half-yearly rental growth of 5% in H2 2024.
- E-commerce and high-quality industrial developments drive Malaysia's logistics market resilience.
- Regional growth slows to 0.2% in 2024, down from 7.0% in 2023.

The Asia-Pacific logistics sector faces a challenging yet promising 2025, with leasing activity aligning with new supply and rent growth expected to stay moderate at up to 2%. Knight Frank Malaysia expects continued investment in logistics, driven by digitalisation, e-commerce growth and high-value manufacturing. Despite global uncertainties, the sector is set to grow in the year ahead.

(Source: Knight Frank: Asia Pacific H2 2024 Logistics Highlights: Knight Frank Asia Pacific Logistics Markets)



## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### INDUSTRIAL PROPERTY SUB-SECTOR OUTLOOK

#### Malaysia's Industrial Property Market 2024: A Year of Growth and Opportunity

In 2024, Malaysia's industrial property market is heating up, fuelled by strategic investments, infrastructure developments and a thriving manufacturing sector. As foreign capital pours in and domestic demand surges, this dynamic sector presents a golden opportunity for investors.

#### A Strong Start to the Year

The first quarter of 2024 saw a remarkable surge in the Klang Valley's industrial property market. Transaction volume and value skyrocketed, driven by strong demand for industrial spaces in key economic zones. The manufacturing sector's robust performance, as indicated by the Industrial Production Index ("IPI"), further solidified the market's resilience.

#### A Record-Breaking Second Quarter

The second quarter of 2024 was a period of unprecedented growth. Transaction Values nearly tripled year-on-year, propelled by heightened activity in data centres and semiconductor industries. The increasing demand for digital infrastructure and technological advancements, coupled with a surge in township land demand, contributed to this remarkable performance.

#### Sustained Momentum in the Third Quarter

While the third quarter witnessed a slight moderation in total transaction volume, investor interest remained strong. Prime industrial assets, including well-located land and facilities, continued to attract significant demand. This reflects the enduring confidence in Malaysia's Industrial Sector, driven by both domestic and international investors. Several factors are driving the growth of Malaysia's industrial property market:

- **Strategic Foreign Investments:** High-profile foreign direct investments (FDI), such as Google's \$2 billion investment in a data centre and cloud hub, are fuelling growth and job creation.
- **Infrastructure Developments:** Ongoing infrastructure projects, like the new port in Port Dickson, are enhancing Malaysia's logistics capabilities and attracting more investment.
- **Government Initiatives:** Supportive government policies, including the National Energy Transition Roadmap and the New Industrial Master Plan 2030, are fostering sustainable growth and innovation.

Looking ahead, Malaysia's industrial property market is poised for continued expansion. The strong performance of the manufacturing sector, coupled with significant foreign investments and favourable government policies, positions Malaysia as a leading industrial hub in Southeast Asia.



Malaysia's Industrial Property Market 2024: A Year Of Growth And Opportunity

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### INDUSTRIAL PROPERTY SUB-SECTOR OUTLOOK (CONT'D)

#### Conclusion

2024 is shaping up to be a pivotal year for **Malaysia's industrial property market**. With robust economic growth, strategic investments and infrastructure developments, the market is primed for sustained growth. The Klang Valley's strong performance, combined with key government initiatives, makes Malaysia an attractive destination for industrial investment.

(Source: <https://myindustrialspecialist.com/malaysia-industrial-property-market-2024-key-growth-drivers-and-investment-insights/>)

### KLANG VALLEY, PROPERTY MARKET, KLANG VALLEY PROPERTY PRICES TO RISE 4% IN 2025, INDUSTRIAL SECTOR EMERGES AS STAR PERFORMER

**Kuala Lumpur, 06th Jan 2025, 11.20am** – The prices of double-storey residential houses in the Klang Valley, particularly in high-demand areas of Kuala Lumpur (KL) and Petaling Jaya (PJ), are forecast to rise by 3% to 4% this year, according to property influencer and YouTuber Sean Tan.

In hotspots such as Desa ParkCity, Bangsar and Mont' Kiara, the demand for residential properties remains strong, driving up prices. Tan highlighted that landed homes, especially those in gated and guarded communities, are performing exceptionally well as buyers prioritize safety and security.

This upward trend reflects the growing preference for well-located and secure landed properties in urban hubs, making them a solid investment choice for prospective homebuyers.

Malaysia's property market is poised for notable shifts in 2025, with industrial properties and well-located residential developments leading the charge, according to property influencer Sean Tan.

Speaking on Bernama TV's The Nation, Tan highlighted that high-demand areas like Desa ParkCity are already experiencing skyrocketing prices due to limited supply and exceptional living quality. However, he cautioned that older neighborhoods such as SS2 and Kepong might hit a price ceiling due to affordability constraints and competition from newer, more secure developments.

Tan identified industrial properties as the year's star performers, particularly in Johor and the Klang Valley, with hotspots emerging in areas like Jelutong, Penang and Lagong, Selangor. These areas are attracting multinational companies due to competitive land prices and new infrastructure developments.

"The completion of infrastructure projects like the East Coast Rail Link and the Light Rail Transit in Penang will boost property demand in areas along these routes," Tan explained. He added that regions like Pahang, Kelantan and Puncak Alam are becoming promising growth areas, driven by industrial expansion and highway projects like the West Coast Expressway.

For buyers, Tan advised a strategic approach: "First-time homebuyers should focus on affordability and needs, while investors should target properties with strong rental yields, limited supply and future growth potential."

As infrastructure development continues to shape Malaysia's real estate landscape, Tan emphasized the importance of data-driven decision-making to identify the best opportunities in this evolving market.

(Source: <https://www.metproperty.com/news/klang-valley-property-prices-to-rise-4-in-2025-industrial-sector-emerges-as-star-performer/#:~:text=More-,Klang%20Valley%20Property%20Prices%20to%20Rise%204%25%20in%202025%2C%20Industrial,investment%20choice%20for%20prospective%20homebuyers>)

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### KLANG VALLEY, PROPERTY MARKET, KLANG VALLEY PROPERTY PRICES TO RISE 4% IN 2025, INDUSTRIAL SECTOR EMERGES AS STAR PERFORMER (CONT'D)

The property market performed reasonably well, with transaction volumes and values up 5.9% and 12.6% year on year (y-o-y) respectively as at 9M2024. The residential sector showed improvement, with reduced overhang properties and higher transactions, reflecting growing buyer confidence. Recent land-banking activities by developers also further signal optimism.

The southern region of Peninsular Malaysia recorded the highest transaction volumes, contributing 26.2% of Malaysia's total transaction volumes.

The industrial sector remains strong in demand. While there is demand for high-quality properties in commercial office spaces, the older ones continue to face competition, with the overall occupancy rate dipping slightly. The retail sector is improving, especially premium and neighbourhood malls, though incoming supply may apply pressure. The hotel sector is [seeing occupancy rates] nearing pre-pandemic levels, supported by rising tourism. Overall, the market shows encouraging progress, with diverse opportunities across sectors.

The Malaysian property market in 2025 is expected to show steady growth, driven by favourable economic conditions, government initiatives and improving infrastructure and connectivity. While affordability and supply pressures remain challenging in some areas, increased tourism, cross-border activities and strategic developments such as special economic zones and infrastructure upgrades are set to support demand across various property segments.

Strong fundamentals, including demand for upgraded amenities, enhanced logistics infrastructure and the rise of flexible workspaces, will further bolster market performance. Growth will be supported by opportunities in tourism, industrial expansion and government-backed initiatives, positioning Malaysia for sustainable progress despite foreseeable sector-specific challenges.

The residential market in Malaysia is presenting significant opportunities, driven by trends towards sustainability, government initiatives and strategic development efforts. Growing demand is supported by tax relief, affordable housing schemes and the introduction of green-certified and tech-enabled residential projects that align with buyers' preferences for environmentally friendly and modern living spaces.

To further strengthen Malaysia's property market, it requires addressing the supply-demand imbalance through comprehensive market research for new developments. This will better align projects with actual demand, focusing on affordability and location to reduce oversupply and create a balanced market. Standardising processes across government agencies, as outlined in Budget 2025, can streamline approvals, simplify procedures and boost investor confidence.

Easing financing for first-time buyers and upgraders (for owner-occupation) as well as affordable-home buyers will make homeownership more accessible, while targeted incentives for affordable housing can drive sustainable growth and address critical needs. These measures will strengthen the market's resilience and appeal to both buyers and investors.

(Source: <https://theedgemalaysia.com/node/740579>)

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### PENANG INDUSTRIAL PROPERTY MARKET OUTLOOK

Penang's industrial sector has witnessed strong growth, with total approved manufacturing investments of RM5 billion in the first half of 2024 (1H2024), up from RM4.3 billion recorded in 1H2023.

"A new industrial park is set to be launched in Seberang Prai Tengah by AME Elite Consortium Bhd (KL:AME) at Northern TechValley @ BKE with a gross development value of RM1 billion. There are also small-scale, ready-built small and medium industry factories launched in Bukit Mertajam," said CBRE | WTW (Penang) director Tan Chean Hwa.

He added that there is a strong demand for office spaces from multinational corporations and global business services.

Projects such as the Penang Silicon Island and the upcoming Penang LRT Mutiara Line project are expected to sustain the growth momentum of the Penang property sector.

"The reclamation of Silicon Island is ongoing, with construction set to begin in 2026. The island will also host the LRT depot. Hence, Penang is poised to maintain its status as a top investment destination, thanks to its robust manufacturing ecosystem, business-friendly environment and skilled talent pool," said Chean Hwa.

(Source: <https://theedgemalaysia.com/node/741299>)

### Malaysia's Industrial Real Estate Trends and Opportunities: 2024 Market Analysis Impact of Geopolitical Tensions on Malaysia's Manufacturing Sector

The ongoing trade tensions between China and the US have driven global companies to diversify their manufacturing locations, often referred to as the "China Plus One" strategy. Malaysia has become a key beneficiary of this trend. Since 2021, the country has witnessed substantial foreign direct investment (FDI) in the technology sector, with companies like Intel and Infineon Technologies committing billions of dollars to expand operations.

Penang and Kulim, in particular, are benefiting from this shift. The industrial real estate markets in these areas are experiencing a surge in demand for factory rentals as more technology companies move their manufacturing operations out of China.

#### Penang and Kulim: Unlikely Beneficiaries of Trade Tensions

DataSense reports indicate that Batu Kawan Industrial Park in Penang saw an 86.3% increase in demand for factory rentals in March 2024. The average rental price per square foot has risen steadily since 2021, as more global manufacturers set up shop in the region. Boston Scientific Corporation and Western Digital are just a few examples of multinational companies expanding their footprint in Penang's thriving industrial zones.

Similarly, Kulim has seen a 13.5% month-on-month increase in demand as of March 2024. The median rent per square foot in Kulim rose from RM1.50 in 2023 to RM1.67 in March 2024, demonstrating the area's growing importance as a strategic location for industrial activities.



## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### PENANG INDUSTRIAL PROPERTY MARKET OUTLOOK (CONT'D)

#### Penang and Kulim: Unlikely Beneficiaries of Trade Tensions (Cont'd)

#### Supply Index and Demand Index Trend for Factory to Rent in Batu Kawan



(Source: DataSense by PropertyGuru For Business)

#### Demand Median Rent Per Square Foot



(Source: DataSense by PropertyGuru For Business)

#### Supply Index and Demand Index Trend for Factory to Rent in Kulim



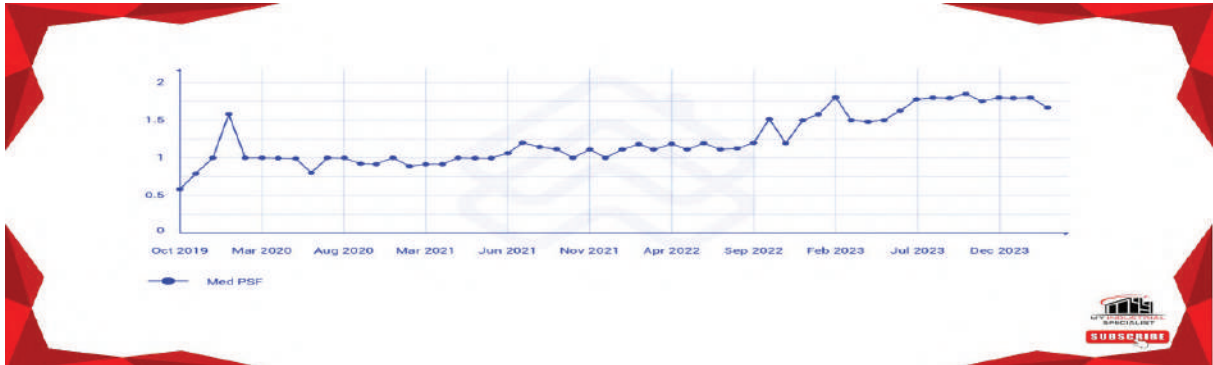
(Source: DataSense by PropertyGuru For Business)

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### PENANG INDUSTRIAL PROPERTY MARKET OUTLOOK (CONT'D)

#### Penang and Kulim: Unlikely Beneficiaries of Trade Tensions (Cont'd)

##### Demand Median Rent Per Square Foot



(Source: *DataSense by PropertyGuru For Business*)

#### The Future of Malaysia's Industrial Real Estate

As global manufacturing shifts, Malaysia's industrial hubs—especially in Penang and Kulim—are poised to play a critical role in bridging gaps in the global supply chain. With heightened geopolitical tensions driving companies to diversify their operations, Malaysia is emerging as a key destination for foreign direct investment in the manufacturing sector.

Investors looking to capitalise on these trends should pay close attention to the continued growth of industrial parks and factory rental demand in Malaysia. The robust demand for industrial real estate, coupled with favourable government policies and infrastructure developments, makes the country a hotspot for industrial property investments.

#### Conclusion

The growth in Malaysia's manufacturing sector and the rise of industrial parks in areas like Puchong, Shah Alam, Penang and Kulim offer a wealth of opportunities for investors. With global companies seeking to diversify their supply chains and mitigate risks, Malaysia's industrial real estate market is set for continued growth.

(Source: extracted: <https://myindustrialspecialist.com/2024-malaysia-industrial-real-estate-market-analysis/>)

## MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

### PROSPECTS

In 2024, the industrial sector, particularly warehousing and factories, continued to demonstrate strong performance within Malaysia's REIT market. This growth was driven by robust demand for logistics facilities and industrial spaces, underpinned by the expanding e-commerce sector and increased manufacturing activities. Stable occupancy rates and long-term lease agreements contributed to consistent income streams and enhanced asset values, solidifying the sector's resilience amidst economic fluctuations.

As of 31 December 2024, the Trust's property portfolio maintained a 100% occupancy rate save and except for ASA5. For the newly acquired property, ASA5, the Manager has successfully secured a prospective tenant for a three-year tenancy with an option to renew for an additional three plus three years. To accommodate the tenant's specific requirements, an Asset Enhancement Initiative (AEI) will be undertaken with completion targeted for Q42025. The AEI will be funded through bank borrowings, in line with the Manager's strategic approach, while ensuring that the Trust maintains a prudent and manageable gearing level post-borrowing.

Looking ahead to 2025, the industrial REIT market is expected to remain stable, supported by Malaysia's strategic positioning as a regional logistics hub through several strategic initiatives:

- Johor-Singapore Special Economic Zone (JS-SEZ):** On January 7, 2025, Malaysia and Singapore formalized an agreement to develop the JS-SEZ, aiming to attract high-value investments in sectors such as manufacturing, logistics, tourism and energy transition. This initiative is expected to create 20,000 skilled jobs within the first five years.  
*Source: [edb.gov.sg](http://edb.gov.sg)*
- Infrastructure Enhancements:** The Malaysian government has allocated RM107 million to upgrade the Pulau Indah Ring Road and North Port as part of Budget 2025, aiming to bolster the maritime and logistics landscape.  
*Source: [malaymail.com](http://malaymail.com)*
- Private Sector Engagement:** Increased private investment in logistical infrastructure and hubs is being encouraged to drive the growth of Malaysia's logistics ecosystem.  
*Source: [thestar.com.my](http://thestar.com.my)*
- Logistics Innovation:** Collaborations between the Malaysian Investment Development Authority (MIDA) and industry players are promoting the integration of smart technologies into logistics, reinforcing Malaysia's position as a global logistics hub.  
*Source: [mida.gov.my](http://mida.gov.my)*

The increasing focus on sustainability and automation in industrial properties will further elevate demand for modern, energy-efficient facilities. These trends present opportunities for REITs to enhance their portfolios with high-quality assets, driving value creation for unitholders.

The Manager remains optimistic about leveraging these market dynamics to sustain growth and deliver stable returns while exploring opportunities for asset enhancement and acquisitions to meet evolving market needs.

# PROPERTY PORTFOLIO

## CENTRAL REGION - SELANGOR

### WAREHOUSES AND OFFICES

#### ATRIUM SHAH ALAM 1



#### Property :

Atrium Shah Alam 1

#### Address :

Lot 1-8, Persiaran Jubli Perak, Seksyen 22, 40300 Shah Alam, Selangor, Malaysia

#### Title details :

GRN 177482 for Lot No. 38264, Pekan Baru Hicom, Daerah Petaling, Negeri Selangor

#### Property type :

Industrial

#### Description :

A single storey warehouse annexed with a four-storey office building.

#### Year of completion :

2005

#### Land details :

Freehold and measuring approximately 573,124 sq. ft.

#### Net Lettable Area (Sq. ft.) :

311,736

#### Existing use :

Warehouse and office

#### Parking spaces :

191 car bays  
105 motorcycle bays  
30 lorry bays

#### Date of acquisition :

2 April 2007

#### Cost of acquisition (RM) :

57,200,000

#### Lessee :

Ninja Logistics Sdn Bhd

#### Occupancy :

100%

#### Lease/ Tenancy Period :

6 years

#### Major Capital Expenditure during the year :

Nil

#### Encumbrances :

The property is charged to a financial institution to secure a Short-Term Revolving Credit facility of RM39,600,000.

#### Date of revaluation :

6 November 2024

#### Net Book Value (RM) :

99,953,154

#### Fair Value Adjustment (RM) :

9,446,846

#### Latest Valuation (RM) :

109,400,000

#### Valuer :

Raine & Horne International Zaki + Partners Sdn Bhd



## PROPERTY PORTFOLIO (CONT'D)

### CENTRAL REGION - SELANGOR

#### WAREHOUSES AND OFFICES

#### ATRIUM SHAH ALAM 2



##### Property :

Atrium Shah Alam 2

##### Address :

Lot 7A, Persiaran Jubli Perak, Seksyen 22, 40300 Shah Alam, Selangor, Malaysia

##### Title details :

Lot No. P.T. 90 held under H.S. (D) No. 188265, Pekan Baru Hicom, Daerah Petaling, Negeri Selangor

##### Property type :

Industrial

##### Description :

A single storey warehouse annexed with a double storey office building.

##### Year of completion :

2004

##### Land details :

Freehold land measuring approximately 522,706 sq. ft.

##### Net Lettable Area (Sq. ft.) :

259,933

##### Existing use :

Warehouse and office

##### Parking spaces :

125 car bays  
129 motorcycle bays  
20 lorry bays

##### Date of acquisition :

2 April 2007

##### Cost of acquisition (RM) :

49,100,000

##### Tenant :

Samsung SDS Malaysia Sdn Bhd

##### Occupancy :

100%

##### Lease/ Tenancy Period :

2 Years

##### Major Capital Expenditure during the year :

Nil

##### Encumbrances :

The property is charged to a financial institution to secure a Term Loan, Bank Guarantee and Overdraft facilities of RM41,065,288.

##### Date of revaluation :

6 November 2024

##### Net Book Value (RM) :

88,370,182

##### Fair Value Adjustment (RM) :

929,818

##### Latest Valuation (RM) :

89,300,000

##### Valuer :

Raine & Horne International Zaki + Partners Sdn Bhd

## PROPERTY PORTFOLIO (CONT'D)

### CENTRAL REGION - SELANGOR

#### WAREHOUSES AND OFFICES

#### ATRIUM SHAH ALAM 3



##### Property :

Atrium Shah Alam 3

##### Address :

No. 10, Persiaran Sabak Bernam, Seksyen 26, Shah Alam Industrial Estate, 40000 Shah Alam, Selangor Darul Ehsan

##### Title details :

H.S. (D) 63508, PT503, Mukim Damansara, Daerah Petaling, Negeri Selangor

##### Property type :

Industrial

##### Description :

A single storey warehouse annexed with a double storey office.

##### Year of completion :

1990  
2018 (Asset Enhancement Initiative)

##### Land details :

Freehold land measuring approximately 140,078 sq. ft.

##### Net Lettable Area (Sq. ft.) :

90,670

##### Existing use :

Warehouse and office

##### Parking spaces :

64 car bays  
32 motorcycle bays  
8 lorry bays

##### Date of acquisition :

16 March 2017

##### Cost of acquisition (RM) :

21,698,113

##### Tenant :

DSV Solutions (DC) Sdn Bhd

##### Occupancy :

100%

##### Lease/ Tenancy Period :

3 years

##### Major Capital Expenditure during the year :

Nil

##### Encumbrances :

The property is charged to a financial institution to secure a Term Loan and Bank Guarantee facility of RM22,765,843.

##### Date of revaluation :

5 November 2024

##### Net Book Value (RM) :

30,516,623

##### Fair Value Adjustment (RM) :

1,883,377

##### Latest Valuation (RM) :

32,400,000

##### Valuer :

Raine & Horne International Zaki + Partners Sdn Bhd

## PROPERTY PORTFOLIO (CONT'D)

### CENTRAL REGION - SELANGOR

#### WAREHOUSES AND OFFICES

#### ATRIUM SHAH ALAM 4



##### Property :

Atrium Shah Alam 4

##### Address :

Lot 7, Persiaran Raja Muda, Seksyen 16,  
40200 Shah Alam, Selangor Darul Ehsan

##### Title details :

HSD 325041, P.T. 845 Seksyen 16,  
Mukim Bandar Shah Alam, Daerah  
Petaling, Negeri Selangor

##### Property type :

Industrial

##### Description :

A double storey warehouse with a  
mezzanine office and a sub-basement  
carpark.

##### Year of completion :

1990  
2023 (Asset Enhancement Initiative)

##### Land details :

Leasehold land expiring 1 February 2073,  
measuring approximately 302,337 sq. ft.

##### Net Lettable Area (Sq. ft.) :

338,417

##### Existing use :

Warehouse and office

##### Parking spaces :

165 car bays  
158 motorcycle bays

##### Date of acquisition :

24 February 2021

##### Cost of acquisition (RM) :

45,000,000

##### Lessee :

DHL Properties (Malaysia) Sdn Bhd

##### Occupancy :

100%

##### Lease/ Tenancy Period :

6 years

##### Major Capital Expenditure during the year :

RM4,412,907

##### Encumbrances :

The property is charged to a financial  
institution to secure a Medium-Term Note  
facility of RM36,000,000.

##### Date of revaluation :

5 November 2024

##### Net Book Value (RM) :

109,875,752

##### Fair Value Adjustment (RM) :

(2,675,752)

##### Latest Valuation (RM) :

107,200,000

##### Valuer :

Raine & Horne International Zaki +  
Partners Sdn Bhd



## PROPERTY PORTFOLIO (CONT'D)

### CENTRAL REGION - SELANGOR

#### WAREHOUSES AND OFFICES

#### ATRIUM SHAH ALAM 5


**Property :**

Atrium Shah Alam 5

**Address :**

Lot 5, Persiaran Raja Muda, Seksyen 16, 40200 Shah Alam, Selangor Darul Ehsan

**Title details :**

HS(D) 324738, PT -, Tempat of Industrial Site at Batu Tiga, Mukim of Damansara, Daerah Petaling, Negeri Selangor

**Property type :**

Industrial

**Description :**

A single storey factory/ warehouse cum three (3) storey office building.

**Year of completion :**

2018

**Land details :**

HSD 324738 – 99 years leasehold land expiring on 13 November 2068; measuring approximately 261,511 sq. ft.

**Net Lettable Area (Sq. ft.) :**

n/a (Note 1)

**Existing use :**

Factory/ Warehouse/Office

**Parking spaces :**

-

**Date of acquisition :**

6 May 2024

**Cost of acquisition (RM) :**

41,000,000

**Tenant :**

n/a (Note 2)

**Occupancy :**

n/a (Note 2)

**Lease/ Tenancy Period :**

n/a (Note 2)

**Major Capital Expenditures during the year (Note 1) :**

Nil

**Encumbrances :**

The property is charged to a financial institution to secure a Medium-Term Note facility of RM32,800,000.

**Date of revaluation :**

5 November 2024

**Net Book Value (RM) :**

41,066,824

**Fair Value Adjustment (RM) :**

933,176

**Latest Valuation (RM) :**

42,000,000

**Valuer :**

Raine & Horne International Zaki + Partners Sdn Bhd

Note 1: The Manager is planning an Asset Enhancement Initiative for ASA5 in 2025 to meet the new tenant's requirements.

Note 2: A tenant has been secured to fully take up ASA5 upon the completion of the planned AEI.



## PROPERTY PORTFOLIO (CONT'D)

### CENTRAL REGION - SELANGOR

#### WAREHOUSES AND OFFICES

#### ATRIUM PUCHONG



##### Property :

Atrium Puchong

##### Address :

No. 2 Jalan PPU 1, Taman Perindustrian Puchong Utama, Batu 12 ½ Jalan Puchong, 47100 Puchong, Selangor Darul Ehsan

##### Title details :

Lot No. 65108 held under Geran No. 44178, Pekan Puchong Perdana, Daerah Petaling, Negeri Selangor

##### Property type :

Industrial

##### Description :

A single storey warehouse annexed with a four storey office building.

##### Year of completion :

2002

##### Land details :

Freehold land measuring approximately 292,234 sq. ft.

##### Net Lettable Area (Sq. ft.) :

203,994

##### Existing use :

Warehouse and office

##### Parking spaces :

129 car bays  
110 motorcycle bays  
30 lorry bays

##### Date of acquisition :

2 April 2007

##### Cost of acquisition (RM) :

38,500,000

##### Tenant :

Lazada Express (Malaysia) Sdn Bhd

##### Occupancy :

100%

##### Tenancy Period :

3 years

##### Major Capital Expenditure during the year :

Nil

##### Encumbrances :

Nil

##### Date of revaluation :

5 November 2024

##### Net Book Value (RM) :

61,700,000

##### Fair Value Adjustment (RM) :

2,500,000

##### Latest Valuation (RM) :

64,200,000

##### Valuer :

Raine & Horne International Zaki + Partners Sdn Bhd

## PROPERTY PORTFOLIO (CONT'D)

### CENTRAL REGION - SELANGOR

#### WAREHOUSES AND OFFICES

#### ATRIUM USJ



#### Property :

Atrium USJ

#### Address :

No. 16, Jalan TP 6, Taman Perindustrian UEP, 47620 Subang Jaya, Selangor Darul Ehsan

#### Title details :

Geran 75650 Lot 46914 Mukim Damansara, Daerah Petaling, Negeri Selangor

#### Property type :

Industrial

#### Description :

A single storey warehouse with annexed double storey office building (Block A), a single storey warehouse (Block B) and a single storey warehouse with annexed double storey office building (Block C).

#### Year of completion :

2008

#### Land details :

Freehold land measuring approximately 219,422 sq. ft.

#### Net Lettable Area (Sq. ft.) :

128,086

#### Existing use :

Warehouse and office

#### Parking spaces :

122 car bays  
39 motorcycle bays  
5 lorry bays

#### Date of acquisition :

22 December 2011

#### Cost of acquisition (RM) :

25,000,000

#### Tenant :

Rohlig Malaysia Sdn. Bhd.

#### Occupancy :

100%

#### Tenancy Period :

Block A: 2 years 4 months  
Block B: 3 years,  
Block C: 3 years

#### Major Capital Expenditure during the year :

Nil

#### Encumbrances :

The property is charged to a financial institution to secure a Term Loan and Bank Guarantee Facilities of RM21,000,000.

#### Date of revaluation :

6 November 2024

#### Net Book Value (RM) :

40,900,000

#### Fair Value Adjustment (RM) :

400,000

#### Latest Valuation (RM) :

41,300,000

#### Valuer :

Raine & Horne International Zaki + Partners Sdn Bhd

## PROPERTY PORTFOLIO (CONT'D)

### NORTHERN REGION – PENANG

#### FACTORIES AND OFFICES

#### ATRIUM BAYAN LEPAS 1



##### Property :

Atrium Bayan Lepas 1

##### Address :

150F, Block A, Jalan Kampung Jawa, Taman Perindustrian Bayan Lepas, 11900 Bayan Lepas, Penang

##### Title details :

Lot No. 2027 and Plot No. 203, Mukim 12, Daerah Barat Daya, Pulau Pinang held under Pajakan Negeri 2820 and H.S. (D) 14852 respectively.

##### Property type :

Industrial

##### Description :

A single storey factory annexed with a double storey office and other ancillary buildings.

##### Year of completion :

1972

##### Land details :

Lot No. 2027 – 60 years leasehold land expiring on 7 March 2036, measuring approximately 174,354 sq. ft.  
Plot No. 203 – 60 years leasehold land expiring on 3 March 2042, measuring approximately 157,861 sq. ft.

##### Net Lettable Area (Sq. ft.) :

189,932

##### Existing use :

Factory and office

##### Parking spaces :

192 car bays  
106 motorcycle bays

##### Date of acquisition :

22 October 2020

##### Cost of acquisition (RM) :

50,371,707

##### Lessee/ Sub-Lessee :

Lumileds Malaysia Sdn Bhd

##### Occupancy :

100%

##### Lease Period :

15 years

##### Major Capital Expenditure during the year :

Nil

##### Encumbrances :

The property is charged to a financial institution to secure a Medium-Term Note facility of RM35 million.

##### Date of revaluation :

25 November 2024

##### Net Book Value (RM) :

50,642,283

##### Fair Value Adjustment (RM) :

(642,283)

##### Latest Valuation (RM) :

50,000,000

##### Valuer :

First Pacific Valuers Property Consultants Sdn Bhd



## PROPERTY PORTFOLIO (CONT'D)

### NORTHERN REGION – PENANG

#### FACTORIES AND OFFICES

#### ATRIUM BAYAN LEPAS 2



#### Property :

Atrium Bayan Lepas 2

#### Address :

Plot 401, Lintang Bayan Lepas 8,  
Kawasan Perindustrian Bayan Lepas  
Fasa 4, Mukim 12, 11900, Penang

#### Title details :

Lot 70812 held under Title No. PN  
9036, Mukim 12, Daerah Barat Daya,  
Pulau Pinang

#### Property type :

Industrial

#### Description :

A double storey factory building and other  
ancillary buildings.

#### Year of completion :

2012

#### Land details :

60 years lease expiring 7 May 2072,  
measuring approximately 514,730 Sq. ft.

#### Net Lettable Area (Sq. ft.) :

298,569

#### Existing use :

Factory and office

#### Parking spaces :

527 car bays  
366 motorcycle bays  
6 lorry bays

#### Date of acquisition :

7 October 2019

#### Cost of acquisition (RM) :

131,240,048

#### Lessee/ Sub-Lessee :

Lumileds Malaysia Sdn Bhd

#### Occupancy :

100%

#### Lease Period :

15 years

#### Major Capital Expenditure during the year :

Nil

#### Encumbrances :

The property is charged to a financial  
institution to secure a Medium-Term Note  
facility of RM87 million.

#### Date of revaluation :

25 November 2024

#### Net Book Value (RM) :

127,945,110

#### Fair Value Adjustment (RM) :

7,554,890

#### Latest Valuation (RM) :

135,500,000

#### Valuer :

First Pacific Valuers Property Consultants  
Sdn Bhd



## BOARD OF DIRECTORS AND MANAGEMENT OF THE MANAGER

<b>Board of Directors</b>	<i>Chairman and Non-Independent Non-Executive Director</i>	<b>Dato' Dr Ir Mohamad Khir Bin Harun</b>
	<i>Executive Directors</i>	<b>Wong Sui Ee Foong Wai Leng</b>
	<i>Independent Non-Executive Directors</i>	<b>Chan Wan Seong Chng Boon Huat Ho Hock Heng</b>

### AUDIT COMMITTEE

**Chng Boon Huat** (*Chairman*)  
**Chan Wan Seong**  
**Ho Hock Heng**

### NOMINATING COMMITTEE

**Chan Wan Seong** (*Chairman*)  
**Chng Boon Huat**  
**Ho Hock Heng**

### MANAGEMENT

**Wong Sui Ee**  
*Executive Director/  
Head of Investment*

**Foong Wai Leng**  
*Executive Director/  
Head of Risk and Compliance*

**Chan Kum Chong**  
*(retired on 31 August 2024)  
Chief Executive Officer*

**Lee Hooi Hoong**  
*(appointed on 1 September 2024)  
Acting Chief Executive Officer*

**Ng Bee Eng**  
*Chief Operations Officer*

**Lee Hooi Hoong**  
*Chief Financial Officer*

### Corporate Directory

#### MANAGER

**Atrium REIT Managers Sdn Bhd**  
(200501028391) (710526-V)  
Principal place of business:  
34-2, Jalan 5/101C, Off Jalan Kaskas  
Jalan Cheras, 56100 Kuala Lumpur  
Tel : 03-9132 2810  
03-9132 9810  
Website : [www.atriumreit.com.my](http://www.atriumreit.com.my)

Registered office:  
Unit 30-01, Level 30, Tower A  
Vertical Business Suite, Avenue 3  
Bangsar South, No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Wilayah Persekutuan, Malaysia  
Tel : 603-2783 9191  
Fax : 603-2783 9111

#### COMPANY SECRETARY

**Wong Wai Foong** (MAICSA 7001358)  
*(resigned on 20 February 2024)*

**Kuan Hui Fang** (MIA 16876)  
*(appointed on 16 April 2024)  
(resigned on 10 December 2024)*

**Tham Yin Tong** (MAICSA 7049718)  
*(appointed on 10 December 2024)*

**Fong Seah Lih** (MAICSA 7062297)

#### TRUSTEE

**Pacific Trustees Berhad**  
(199401031319) (317001-A)  
Principal place of business:  
Unit A-9-8, 9th Floor, Megan Avenue 1,  
No. 189, Jalan Tun Razak,  
Off Persiaran Hampshire,  
50400 Kuala Lumpur, Malaysia  
Tel : 03-2166 8830  
Fax : 03-2166 3830

#### REGISTRAR

**Tricor Investor &  
Issuing House Services Sdn Bhd**  
(197101000970) (11324-H)  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite, Avenue 3  
Bangsar South, No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Wilayah Persekutuan, Malaysia  
Tel : 603-2783 9299  
Fax : 603-2783 9222

#### AUDITORS

**BDO PLT**  
201906000013  
(LLP0018825-LCA & AF 0206)  
Chartered Accountants

#### PROPERTY MANAGEMENT COMPANY

**Hartamas Asset Management Sdn Bhd**  
(201001021285) (905055-U)  
Level 13, Block A, Menara Prima,  
Jalan PJU 1/37, Dataran Prima,  
47301 Petaling Jaya, Selangor  
Tel : 03-7839 5555  
Fax : 03-7839 5566

#### PRINCIPAL BANKERS

**Malayan Banking Berhad  
Public Bank Berhad**

#### BURSA MALAYSIA STOCK NAME AND CODE

**ATRIUM 5130**

## PROFILE OF DIRECTORS

### DATO' DR IR MOHAMAD KHIR BIN HARUN

#### Non-Independent and Non-Executive Director Chairman

- Age: **74**
- Gender: **Male**
- Nationality: **Malaysian**
- Date Appointed: **5 October 2009**

**Dato' Dr Ir Mohamad Khir** obtained his BSc (Hons) in Electrical Engineering from Brighton Polytechnic in 1973, MSc in Communications Engineering from Brunel University, London in 1978 and PhD in Electrical Engineering from University of Manchester, United Kingdom in 1982.

He has accumulated a vast pool of knowledge on the communications and information industry. Starting his career as a young engineer way back in 1973, Dato' Dr Khir had successfully made the transition to a business-savvy technocrat when the Telecom Department was corporatised in 1987. He had risen quickly in his career, taking on

wide-ranging responsibilities and was holding the position of Chief, Group business restructuring, the second highest position in Telekom Malaysia or TM, prior to his retirement. He was President of the Senior Officer associations of Telekom Malaysia from 1985 to 1996 where he has initiated programs on executive development and health awareness which were later adopted by the company. He was active in sports having held positions as vice and deputy presidents of the company's sport club from 1982 to 1995. His other experiences in the industry include 5 years in the regulatory bodies as Advisor to the Minister of Energy, Telecommunications and Posts from 1983 to 1985 and then as Advisor to the Chairman of the Malaysian Communications and Multimedia Commission from 2006 to 2008.

### WONG SUI EE

#### Executive Director/ Head of Investment

- Age: **55**
- Gender: **Female**
- Nationality: **Malaysian**
- Date Appointed: **22 September 2005**

**Ms. Wong** graduated with a Bachelor of Arts majoring in Accounting and Finance from Middlesex University, London, in 1991. She was admitted as an Associate member of the Institute of Chartered Accountants in England and Wales (ICAEW) in 1994.

She began her career in KPMG, United Kingdom in 1991 as an Auditor. In 1996, she joined Perdana Merchant Bank Berhad as Assistant Vice President for two (2) years. She then joined Glory Blitz Industries Sdn Bhd ("GBISB") and its related companies in 1998. During her 8-year tenure with GBISB and its group of companies, she formed the team to develop built-to-suit industrial properties in the

Klang Valley for the group's multinational clients including CEVA Logistics (formerly known as TNT Logistics), Exel Logistics (now part of the DHL Group), Danzasmal (now part of the DHL Group), Unilever Malaysia, Silverstone Tyres and others.

Currently, she is also on the Board of Directors of Alpha Netrise (M) Sdn Bhd, Ample Cosmos Sdn Bhd and Kilat Idam Sdn Bhd.

## PROFILE OF DIRECTORS (CONT'D)

### FOONG WAI LENG

Executive Director/  
Head of Risk and Compliance

- Age: **55**
- Gender: **Female**
- Nationality: **Malaysian**
- Date Appointed: **28 June 2022**

**Ms. Foong** earned her degree from the Business Faculty at the University of Technology, Sydney, Australia and obtained her accounting professional degree from CPA Australia in 2006. She holds a chartered membership (CA) with the Malaysian Institute of Accountants (MIA), a Fellow chartered accountant membership (FCPA) with CPA Australia and a chartered membership (CMIIA) with the Institute of Internal Auditors Malaysia (IIAM) and a member of the Institute of Corporate Directors Malaysia (ICDM).

With over 30 years of experience, she worked in accounting, internal and financial auditing and advisory roles across various sectors, including property and asset management, construction, hotel management, retail and manufacturing. Her accounting career began in 1989 and she transitioned to internal auditing in 2000 after completing her business degree. In 2003, she joined IGB Corporation Bhd. Group of Companies as a Group Senior Internal Audit Manager. Her role involved evaluating and reporting on the effectiveness and efficiency of operational functions across the Group and its subsidiaries.

Before her tenure at Atrium REIT Managers, she served as a consultant at a medium-sized auditing and consulting firm. There, she assessed enterprise risk management, operational efficiency and effectiveness, as well as financial and strategic risks for a mix of public listed and private entities across various industries.

### CHAN WAN SEONG

Independent Non-Executive Director  
Chairman of Nominating Committee and  
Member of Audit Committee

- Age: **70**
- Gender: **Male**
- Nationality: **Malaysian**
- Date Appointed: **26 October 2016**

**Mr. Chan** graduated with a Degree in Bachelor of Economics (Hons), majoring in Business Administration from Universiti Malaya in 1977.

Mr. Chan's career and working experience in the banking and finance sector spanned over a period of close to 40 years. Mr. Chan started his career with Malaysian International Merchant Bankers Berhad (Malaysia's first international merchant bank) in 1977 as a Corporate Finance Officer. Subsequently, he joined the then emerging leasing and credit finance industry. He gained further exposure in the banking sector as the Head of the Corporate Banking unit in the Malaysian Head Office of a Singapore banking group. Mr. Chan resumed his career in merchant banking by joining the then Arab-Malaysian Merchant Bank Berhad ("AMMB") (later known as AmMerchant Bank Berhad and currently known as AmInvestment Bank Berhad) in 1989. He was initially responsible for managing and supervising the expansion of AMMB's regional merchant bank business in East and West Malaysia. In his career with the AmBank Group, Mr. Chan had held various senior positions spanning a wide spectrum of banking services as General Manager, Senior Director and Executive Vice-President in Corporate Banking, Investment Banking and Wholesale Banking. His job scope encompassed large fund-raising exercises in syndicating conventional loans, as well as Bonds and Equity for public-listed corporations and large private client groups. He also gained all-round exposure in the areas of credit evaluation, loan structuring, risk management, corporate advisory and high-level merger and acquisition negotiations. His core strengths are derived from his wide business networking, relationship management skills and multi-product knowledge in the corporate and investment banking space. Upon reaching the age of 62 years, Mr. Chan retired from the AmBank Group in the first quarter of 2016 after enjoying a distinguished career with them for more than 27 years.

Currently, he is also the Independent Non-Executive Chairman of the Board of Directors of Wegmans Holdings Berhad.

## PROFILE OF DIRECTORS (CONT'D)

### CHNG BOON HUAT

*Independent Non-Executive Director  
Chairman of Audit Committee and Member of  
Nominating Committee*

- Age: **65**
- Gender: **Male**
- Nationality: **Malaysian**
- Date Appointed: **1 September 2018**

Bursa including equity market supervision, research and development studies, compliance, investigation and enforcement of Listing Requirements, as well as advocating good corporate governance practices such as risks management and internal control systems to companies listed on Bursa Malaysia Securities Berhad. While in Bursa, he represented Bursa to serve as member of various working groups of Malaysia Accounting Standards Board, MIA and Companies Commission of Malaysia. He left Bursa in 2013 to join Tricor Corporate Services Sdn Bhd as Director of Corporate Advisory, a position he holds to date.

He also served as a member of the Adjudication Committee of the National Annual Corporate Report Awards (NACRA) from 2006 to 2013 and is currently the adviser to the Adjudication Committee of NACRA, a position he held since 2014.

Currently, he is also an Independent Non-Executive Director of Gagasan Nadi Cergas Berhad, a company listed on Bursa Malaysia Securities Berhad and a director of Christian Dior Fashion (Malaysia) Sdn. Bhd.

**Mr. Chng** is a Fellow Member of The Association of Chartered Certified Accountants, United Kingdom, a Chartered Accountant of the Malaysian Institute of Accountants (MIA) and a Fellow Member of Institute of Corporate Directors Malaysia (ICDM).

He started his auditing and accounting career in 1983 with Messrs Hew & Co (now known as Mazars PLT) before joining Perlis Plantation Berhad (now known as PPB Group Berhad) in 1987. In 1988, he joined The Kuala Lumpur Stock Exchange (now known as Bursa Malaysia Berhad) ("Bursa") and had held several positions during his 25-year tenure at Bursa, culminating to become the Head of Corporate Surveillance in 2009. He has gained vast experience at

### HO HOCK HENG

*Independent Non-Executive Director  
Member of Audit Committee and Nominating  
Committee*

- Age: **58**
- Gender: **Male**
- Nationality: **Malaysian**
- Date Appointed: **15 May 2023**

**Mr. Ho** completed his degree with The Association of International Accountants in 1991. Mr. Ho has more than 32 years' experience in the real estate industry. He started his career in real estate industry in 1989 as a marketing executive in Golden Triangle Real Estate Agents Sdn. Bhd. In 1992 he joined Hectares & Strata Real Estate Agents as Head of Commercial Department for 7 years. Subsequently he was the Head of Commercial and Industrial Department for Pacific Landmark Real Estate Agents from 1999 to mid-2022. Presently he is with 5A Realty Sdn. Bhd. as Probationary Estate Agents.



## PROFILE OF DIRECTORS (CONT'D)

### Notes:

#### Material Sanction and/or Penalty

There was no public sanction and/or penalty imposed on the Directors of the Manager by the relevant regulatory bodies during the financial year ended 31 December 2024.

#### Family Relationship with any Director and/or Major Unitholder

None of the Directors of the Manager has any family relationship with any other Directors or Major Unitholders.

#### Conflict of Interest

Save for the Directors of the Manager's interest in Atrium REIT (as disclosed under Directors' Interest in the Manager's Report), no conflict of interest has arisen during the financial year under review.

#### Convictions for Offences

None of the Directors of the Manager have been convicted for offences (except traffic offences) within the past 5 years.

#### Material Contracts

There were no material contracts entered by Atrium REIT that involved the Directors of the Manager of Atrium REIT during the financial year under review.

## PROFILE OF CHIEF EXECUTIVE OFFICER AND KEY SENIOR MANAGEMENT

### LEE HOOI HOONG

#### Acting Chief Executive Officer and Chief Financial Officer

- Age: **57**
- Gender: **Male**
- Nationality: **Malaysian**
- Date Appointed: **1 October 2007**
- Date Appointed as Acting CEO: **1 September 2024**

**Lee Hooi Hoong** is a graduate of The Chartered Association of Certified Accountants, United Kingdom and was admitted as a Fellow of the Association on 1 November 2002.

He has more than 30 years of experience in the areas of financial accounting and management. He commenced his career in the auditing profession in 1992. In 1994, he joined Lion Suzuki Motor Sdn Bhd as an Assistant Accountant and rapidly moved up the rank to Assistant General Manager where in the course of 13 years he oversaw the finance and administration, marketing operations, parts and service, human resources and IT department of the company.

As CFO of the Company, Mr. Lee has contributed to Atrium REIT's financial stability and supported its strategic growth initiatives. In his new role as Acting CEO, Mr. Lee is focused on Atrium REIT achieving its long-term goals and creating value for its stakeholders by delivering sustainable returns and growth in Net Asset Value.

#### **Other Directorship of Public Companies**

Mr. Lee has no other directorship with any public companies.

#### **Family Relationship with Director and/or Major Unitholder**

Mr. Lee does not have any family relationship with any director and/or major unitholder of the Atrium REIT.

#### **Conflict of Interest**

Save for Mr. Lee's unitholding in Atrium REIT of 7,000 units (2023: 7,000 units), no conflict of interest has arisen during the financial year under review.

#### **Conviction of Offences**

Mr. Lee has not been convicted of offences (except traffic offences) within the past 5 years.

## PROFILE OF CHIEF EXECUTIVE OFFICER AND KEY SENIOR MANAGEMENT (CONT'D)

### NG BEE ENG

#### Chief Operations Officer

- Age: **47**
- Gender: **Female**
- Nationality: **Malaysian**
- Date Appointed: **1 August 2021**

**Ms. Ng** graduated from University of Hertfordshire, United Kingdom in 2000 with a Bachelor of Arts in Business Administration majoring in Finance.

She began her career in 2001. Earlier in her career, she worked as the financial controller and she has more than 8 years executive operational experience which includes management of financial, accounting and human resources matter. In 2012, Ms. Ng joined Plus Asijaya (Perak) Sdn Bhd and Plus Asijaya (Pahang) Sdn Bhd as Project Director. She is since appointed to the Board of Plus

Asijaya Island Sdn. Bhd. when Plus Asijaya Pahang Sdn Bhd joined venture with Ikkhasas Group on 27 July 2017. She is experienced in overseeing all aspects of design and planning, environmental compliance, regulatory approvals, architecture, civil & structural, mechanical engineering, interior design to collaborative marketing planning. She is also overseeing all aspects of construction, field supervision, contractors, sub-contractors and vendors to assure the construction schedule and the cost parameters are maintained. Prior to joining Plus Asijaya Group, she was appointed as Head of Project Department in Fuji Technology Sdn. Bhd. Her role was to direct team of engineers to provide solution, design and support for multi air conditioning system for Building. She was also responsible for assessment and management of air conditioning industry in west Malaysia.

#### **Other Directorship of Public Companies**

Ms. Ng has no other directorship with any public companies.

#### **Family Relationship with Director and/or Major Unitholder**

Ms. Ng does not have any family relationship with any director and/or major unitholder of the Atrium REIT.

#### **Conflict of Interest**

No conflict of interest has arisen during the financial year under review.

#### **Conviction of Offences**

Ms. Ng has not been convicted of offences (except traffic offences) within the past 5 years.

# SUSTAINABILITY STATEMENT

## ABOUT ATRIUM REIT

Atrium REIT is an industrial asset focused real estate investment trust constituted by a Trust Deed entered into on 20 November 2006, amended by the First Supplementary Deed dated 25 November 2008 and the Restated Deed dated 24 March 2016 between CIMB Commerce Trustee Berhad (formerly known as BHLB Trustee Berhad) as the Trustee and Atrium REIT Managers Sdn Bhd as the Manager (collectively known as “First Deed”).

On 21 April 2016, the Manager, CIMB Commerce Trustee Berhad (“Retiring Trustee”) and Pacific Trustees Berhad (“New Trustee”) entered into a Second Supplementary Deed to effect the change of trustee of Atrium REIT from the Retiring Trustee to the New Trustee. The First Deed and the Second Supplementary Deed were further amended by a Second Restated Deed dated 17 December 2019 entered into between the Manager and Pacific Trustees Berhad, as the Trustee of Atrium REIT. The Manager is mainly responsible for the overall management and administration of the Trust, including the asset enhancement and capital management initiatives. The Manager’s office is located in Cheras, Kuala Lumpur.

Atrium REIT’s property portfolio consists of nine industrial properties located in prime locations in the Klang Valley and Penang, namely, Atrium Shah Alam 1, Atrium Shah Alam 2, Atrium Shah Alam 3, Atrium Shah Alam 4, Atrium Shah Alam 5, Atrium Puchong, Atrium USJ, Atrium Bayan Lepas 1 and Atrium Bayan Lepas 2.

## ABOUT SUSTAINABILITY STATEMENT

The Manager is responsible for assessing, overseeing and managing sustainability issues, ensuring they are disclosed to stakeholders in compliance with Bursa Malaysia Securities Berhad (“Bursa Malaysia”)’s Main Market Listing Requirements. This Sustainability Statement provides an overview of the sustainability performance for the financial year ending 31 December 2024 (“FY2024”).

In addition to improving Environmental, Social and Governance (“ESG”) performance across its operations, Atrium REIT is committed to cultivating a sustainability-focused organizational culture. This includes extending sustainability efforts throughout its value chain, engaging suppliers and collaborating with business partners.

Looking forward, the Manager plans to further integrate non-financial considerations into its business strategies, recognizing the increasing significance of these factors to Atrium REIT’s overall performance and their potential for long-term value creation.

### Frameworks Applied

This Statement has been prepared in accordance with the following frameworks:

- Bursa Malaysia’s Sustainability Reporting Guide, 3<sup>rd</sup> edition (and its supporting toolkits);
- Bursa Malaysia’s Main Market Listing Requirements; and
- Global Reporting Initiative (“GRI”) Standards 2021, where relevant.



## SUSTAINABILITY STATEMENT (CONT'D)

### BOUNDARY AND REPORT QUALITY

This Report covers the full financial year of 1 January to 31 December 2024 and is prepared in accordance with the Bursa Malaysia's Main Market Listing Requirements and its Sustainability Reporting Guide and Toolkits.

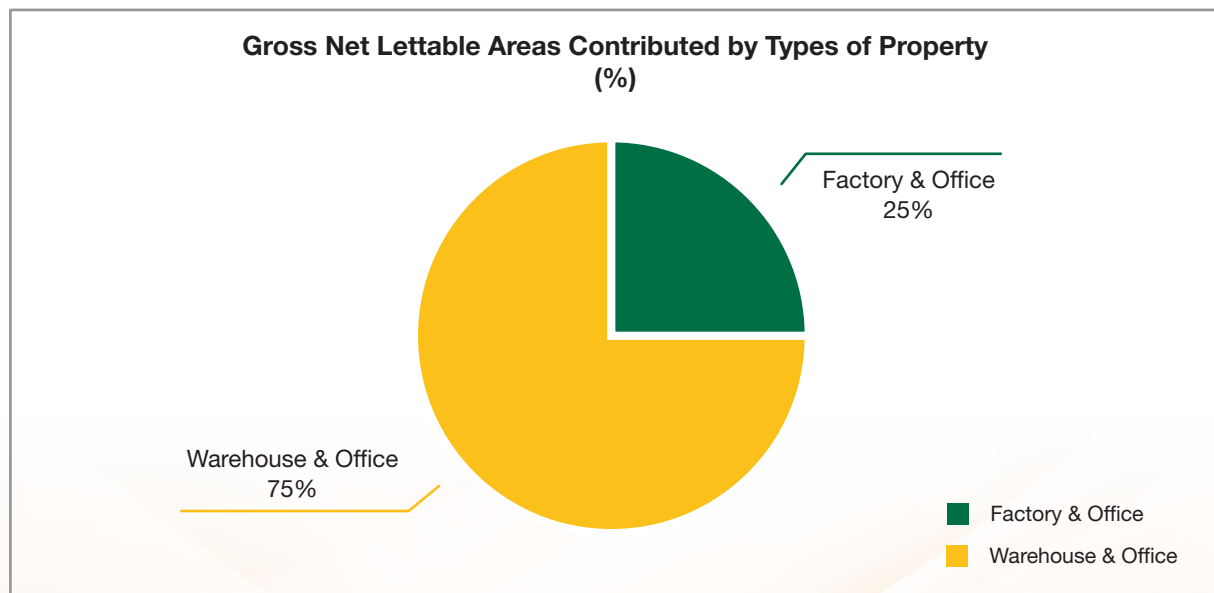
#### Methodology

This Statement is based on Atrium REIT's ability to collect relevant data from its property portfolio. The data collection process follows GRI principles, ensuring accuracy, balance, clarity, comparability, reliability and timeliness of information.

In preparing this Statement, the Manager has taken into account various stakeholder perspectives, internal assessments of key concerns and risks and emerging trends and opportunities in the operating environment. The Manager recognizes ongoing challenges in gathering data from tenants but remains committed to establishing thorough and timely data collection mechanisms by maintaining regular engagement with all stakeholders and continuously improving disclosure practices.

#### Scope

The Sustainability Statement covers all properties which are based in Malaysia, unless stated otherwise. These properties comprise of factories and warehouses which are managed by the Manager summarised as follows:



As for the performance indicators on page 74 to 75, the scope falls under the Manager's portfolio.

#### Feedback

Atrium REIT is cognisant of the value of stakeholder engagement in driving for continuous improvement and welcomes feedback, comments and suggestions to be sent to: [marklee@atriumreit.com.my](mailto:marklee@atriumreit.com.my)

## SUSTAINABILITY STATEMENT (CONT'D)

### OUR APPROACH TO SUSTAINABILITY

#### Sustainability Framework

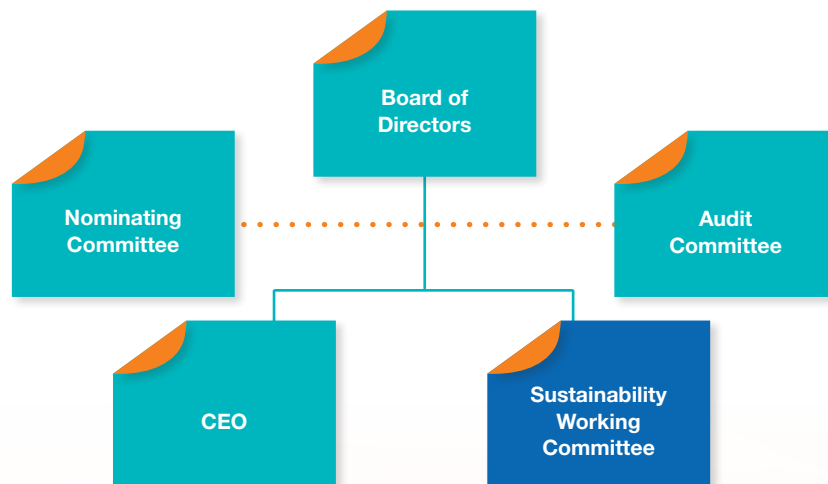
The Manager has developed a Sustainability Framework (“The Framework”) that integrates sustainability principles into its operations, decision-making processes and engagement with stakeholders. This structured approach aims to address social, environmental and economic concerns, allowing Atrium REIT to identify and manage risks and opportunities related to sustainability matters.

The main objectives of implementing the Framework are to achieve the following, among others:

- Aligning organisational goals with sustainability principles,
- Improving stakeholders’ engagement,
- Enhancing risk management,
- Improving operational efficiency, and
- Supporting long-term value creation.

#### Sustainability Governance Structure

Atrium REIT adopts a three-tier reporting structure with regards to sustainability governance. With the Board of Directors (“Board”) at the helm, sustainability strategies and initiatives of Atrium REIT are championed by the Acting Chief Executive Officer (“CEO”) and supported by the Sustainability Working Committee (“SWC”).



\*The SWC comprises the following members:

Designation	Name
Acting Chief Executive Officer	Lee Hooi Hoong
Chief Financial Officer	Lee Hooi Hoong
Chief Operations Officer	Ng Bee Eng
Head of Risk and Compliance	Foong Wai Leng

## SUSTAINABILITY STATEMENT (CONT'D)

### OUR APPROACH TO SUSTAINABILITY (CONT'D)

#### Sustainability Governance Structure (Cont'd)

The roles and responsibilities of each tier of the governance structure is as follows:

Roles	Responsibilities
Board of Directors	<ul style="list-style-type: none"> <li>Responsible for managing sustainable matters of Atrium REIT;</li> <li>Setting Atrium REIT's sustainability strategies, priorities and targets that are aligned with its investment's objectives and strategies;</li> <li>Review and oversee climate-related risks and opportunities;</li> <li>Review and approve the sustainability matters identified;</li> <li>Review, deliberate and approve sustainability initiatives and activities as proposed by SWC;</li> <li>Monitor overall achievement of sustainability strategies and targets; and</li> <li>Ensure sustainability strategies, priorities and targets as well as performance are communicated to internal and external stakeholders.</li> </ul>
Nominating Committee	<ul style="list-style-type: none"> <li>Review performance of the Board and Senior Management in addressing Atrium REIT's material sustainability risks and opportunities.</li> </ul>
Audit Committee	<ul style="list-style-type: none"> <li>Identify, assess and manage climate-related risks and ensure that such risks are integrated into Atrium REIT's overall risk management.</li> </ul>
Sustainability Working Committee ("SWC")	<ul style="list-style-type: none"> <li>Engage stakeholders to obtain feedback and views on material sustainability matters, in order to refine Atrium REIT's sustainability strategies, priorities and initiatives.</li> <li>Assess material sustainability matters, initiatives and activities to manage governance, environmental and social risks and opportunities for approval of the Board;</li> <li>Implement sustainability initiatives, activities and method of implementation as approved by the Board;</li> <li>Work closely with Audit Committee in identifying potential climate-related risks and opportunities;</li> <li>Carry-out Materiality Assessment based on the data collected for monitoring and managing economic, environmental and social risks and opportunities;</li> <li>Responsible for the day-to-day implementation of sustainability-related plans, initiatives and activities;</li> <li>CEO to update the Board on a regular basis on the progress and achievements in relation to Atrium REIT's sustainability-related plans and initiatives; and</li> <li>Prepare Sustainability Statement for inclusion in the Annual Report.</li> </ul>

#### Stakeholder Engagement

The Manager acknowledges the crucial role stakeholders play in shaping the future, including driving progress in sustainability, influencing future business strategies and policies and determining key sustainability priorities.

To ensure effective stakeholder engagement, we are committed to maintaining open, transparent and regular communication with all relevant parties. This involves actively seeking stakeholder input through various channels, including surveys, meetings, consultations and integrating their feedback into our decision-making processes. By fostering strong relationships with our stakeholders, we aim to address their concerns, align our sustainability and business strategies with their expectations and drive mutual long-term value. Our focus on proactive engagement ensures that we remain responsive to emerging trends, challenges and opportunities within our operating environment.

## SUSTAINABILITY STATEMENT (CONT'D)

### OUR APPROACH TO SUSTAINABILITY (CONT'D)

#### Stakeholder Engagement (Cont'd)

Atrium defines stakeholders as follows:

1. Unitholders and investors;
2. Trustee;
3. Tenants;
4. Suppliers, contractors, bankers, service providers;
5. Board of Directors and management;
6. Regulatory and authorities; and
7. Community and society.

No.	Stakeholders	Engagement Platforms	Concerns/ Expectations	Engagement channel
a.	<ul style="list-style-type: none"> <li>• Unitholders</li> <li>• Investors</li> <li>• Community and society</li> </ul>	<p><u>Annually:</u></p> <ul style="list-style-type: none"> <li>• General meeting</li> <li>• Annual Report</li> </ul> <p><u>Quarterly:</u></p> <ul style="list-style-type: none"> <li>• financial report and announcements</li> </ul> <p><u>As needed:</u></p> <ul style="list-style-type: none"> <li>• announcement on specific event</li> </ul>	<ul style="list-style-type: none"> <li>• Income distribution</li> <li>• Adopt good corporate governance practices</li> </ul>	<ul style="list-style-type: none"> <li>• Annual general meeting,</li> <li>• Annual report, interim financial announcement,</li> <li>• Corporate announcement,</li> <li>• Meeting with analysts, fund managers and investors,</li> <li>• Website.</li> </ul>
b.	Trustee	<p><u>Annually:</u></p> <ul style="list-style-type: none"> <li>• General meeting</li> <li>• Annual Report</li> </ul> <p><u>Quarterly:</u></p> <ul style="list-style-type: none"> <li>• financial report and announcements</li> </ul> <p><u>As needed:</u></p> <ul style="list-style-type: none"> <li>• notification and seeking approval on required business transactions</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable growth and fund stability</li> </ul>	<ul style="list-style-type: none"> <li>• Annual general meeting,</li> <li>• Extraordinary general meeting,</li> <li>• Website.</li> </ul>
c.	Tenants	<p><u>Annually:</u></p> <ul style="list-style-type: none"> <li>• Tenant Satisfaction survey</li> </ul> <p><u>Quarterly:</u></p> <ul style="list-style-type: none"> <li>• Building inspection</li> </ul> <p><u>As needed:</u></p> <p>Meeting with facility team</p>	<ul style="list-style-type: none"> <li>• Business sustainability and growth</li> <li>• Health and safety environment</li> <li>• Sensitive to tenant's needs</li> </ul>	<ul style="list-style-type: none"> <li>• Contract agreements,</li> <li>• Regular meetings,</li> <li>• Direct and immediate communication via email and electronic channels,</li> <li>• Joint inspection with property managers,</li> <li>• Receive regular / annual feedbacks.</li> <li>• Perform Tenant's Satisfaction Survey (Annually)</li> </ul>



## SUSTAINABILITY STATEMENT (CONT'D)

### OUR APPROACH TO SUSTAINABILITY (CONT'D)

#### Stakeholder Engagement (Cont'd)

No.	Stakeholders	Engagement Platforms	Concerns/ Expectations	Engagement channel
d.	<ul style="list-style-type: none"> <li>Suppliers</li> <li>Contractors</li> <li>Service Providers</li> </ul>	<u>As needed:</u> Meetings	<ul style="list-style-type: none"> <li>Fair and transparent procurement process</li> </ul>	<ul style="list-style-type: none"> <li>Contract agreements</li> <li>One-on-one meetings</li> <li>Direct and immediate communication via email and electronic channels</li> </ul>
e.	<ul style="list-style-type: none"> <li>Board of Directors</li> <li>Management</li> </ul>	<u>Annually:</u> <ul style="list-style-type: none"> <li>Annual event</li> </ul> <u>Quarterly:</u> <ul style="list-style-type: none"> <li>Board meeting</li> <li>Training</li> <li>Corporate announcement</li> </ul> <u>On-going:</u> <ul style="list-style-type: none"> <li>Meetings</li> <li>emails</li> </ul>	<ul style="list-style-type: none"> <li>Good corporate governance practices</li> <li>Avail to business opportunities</li> <li>Meeting investment objectives</li> <li>Fair remuneration</li> <li>Managing sustainability risks and opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Training and development opportunities</li> <li>Job appraisal</li> <li>Benefits package</li> <li>Company interest</li> </ul>
f.	Regulatory Authorities	<u>As needed:</u> <ul style="list-style-type: none"> <li>Training, workshop, conference</li> <li>Emails</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with all regulatory requirements</li> <li>Managing ESG risks</li> </ul>	<ul style="list-style-type: none"> <li>Attending talks and conferences organised by regulators</li> <li>Implementing policies instituted by the regulators</li> </ul>

#### Engagement with Tenants

Engaging with tenants is critical for fostering strong relationships and ensuring the long-term success of a REIT. Regular communication helps the Manager understand tenant needs, address concerns and enhance satisfaction, ultimately leading to higher retention rates and occupancy levels.

Tenant engagement also provides valuable feedback that can guide property enhancements, operational improvements and service quality. By building trust and collaboration, the Manager can create a positive tenant experience, which supports stable income streams, strengthens the REIT's reputation and ensures sustainable growth.

In addition to periodic building inspection carried out with respective tenants, the Manager took the initiative to work closely with tenants and ensure the tenants' needs are met.

## SUSTAINABILITY STATEMENT (CONT'D)

### OUR APPROACH TO SUSTAINABILITY (CONT'D)

#### Grand Launching for Lazada Logistics KLP Sortation Centre

Being in real estate investment trust industry, it is always our privileged to work with tenants to understand their needs and attentive to their business plan and sustainable business strategy. Lazada Logistics has been with us for almost 5 (five) years and we are glad that their business performance has proven to climb a greater height. We are thrilled to be invited to attend the grand launching of Lazada logistic's upgraded sortation centre, a significant milestone in their journey of growth and innovation in the logistics industry. The new facility marks their commitment to enhancing their logistics network and delivering exceptional service to their clients across the region.

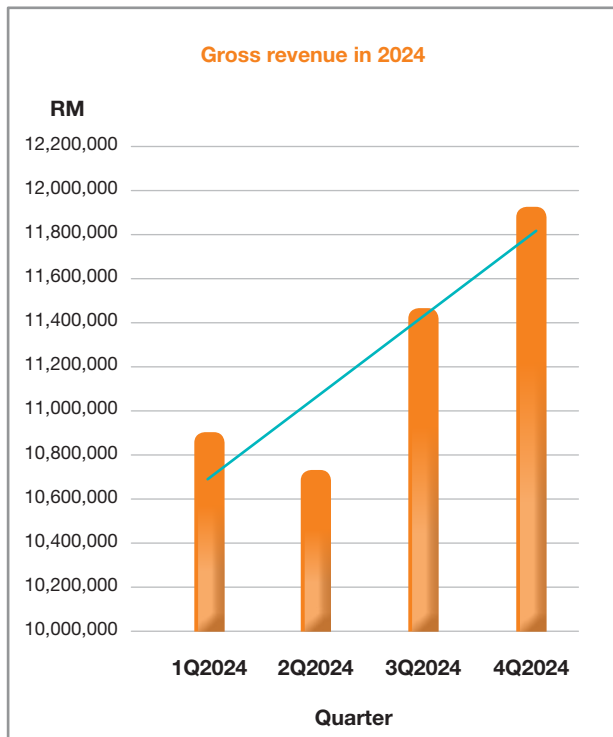
Equipped with advanced technology and designed for operational efficiency, this sortation centre will enable faster and more accurate handling of shipments, ensuring that packages are delivered promptly and reliably. As they expand their capabilities, their mission remains to provide seamless and efficient logistics solutions, empowering businesses and individuals to thrive in an increasingly connected world. We are privileged to celebrate and able to share their joys of this exciting expansion and look forward to shaping the future of logistics together.



## SUSTAINABILITY STATEMENT (CONT'D)

### OUR APPROACH TO SUSTAINABILITY (CONT'D)

#### Snapshots of 2024



#### 1Q2024

- Celebrated Chinese New Year with our tenants to further strengthen relationship. The Manager held a simple luncheon, providing an opportunity to share festive joy and foster goodwill. This gesture reflects our appreciation for our tenants and our commitment to creating a positive and collaborative community.
- The Manager held discussions with tenants regarding available tenable spaces and renewal terms to address their business needs and ensure mutually beneficial agreements. These engagements focused on optimizing space utilization, maintaining occupancy rates and fostering long-term partnerships with tenants.
- The Manager convened a meeting with legal counsel to review and deliberate on a specific legal case. The discussion focused on assessing the case's merits, understanding potential implications and strategizing appropriate actions to safeguard the interests of the REIT.

#### 2Q2024

- The Manager worked with tenant who undertook renovation works on a property to accommodate the business expansion of a tenant and align with their operational needs and expectations. The enhancements were designed to improve the functionality and efficiency of the space, ensuring it supports the tenant's growth while strengthening the long-term partnership.
- The Manager conducted a courtesy visit to the property site occupied by the tenant to strengthen relationships, understand their operational requirements and ensure the property continues to meet their business needs. Such visits reflect the Manager's commitment to fostering open communication and providing excellent tenant support.
- Grand Launching for Lazada Logistics KLP Sortation Centre (details as mentioned above)

#### 3Q2024

- The Manager undertook significant repair and maintenance works on 2 properties to address wear and tear in building structures and road conditions. These efforts were necessary to ensure the safety, functionality and long-term value of the assets while maintaining a conducive environment for tenants' operations.

#### 4Q2024

- As part of our commitment to fostering strong tenant relationships, the Manager contributed lucky draw prizes to support a tenant's annual dinner event. This gesture reflects our appreciation for their continued partnership and underscores our dedication to building a positive and collaborative tenant community.

# SUSTAINABILITY STATEMENT (CONT'D)

## OUR APPROACH TO SUSTAINABILITY (CONT'D)

### Materiality Assessment

Building strong relationships with stakeholders is of utmost importance for Atrium REIT to ensure that our sustainability efforts align with the Manager's strategies and objectives. As a result, Atrium REIT has established a five-step process for identifying and prioritizing materiality. This approach ensures that the selected material concerns genuinely encompass the broader issues and impacts experienced or generated by our business activities.

#### Identify Stakeholders

- Identification of key stakeholders and relevant stakeholders groups

#### Determine material sustainability matters

- Engage stakeholders to determine material concerns based on stakeholders inputs and feedback

#### Categorising and prioritise

- Prioritise material concerns in terms of ESG impact in relation to Atrium REIT's business

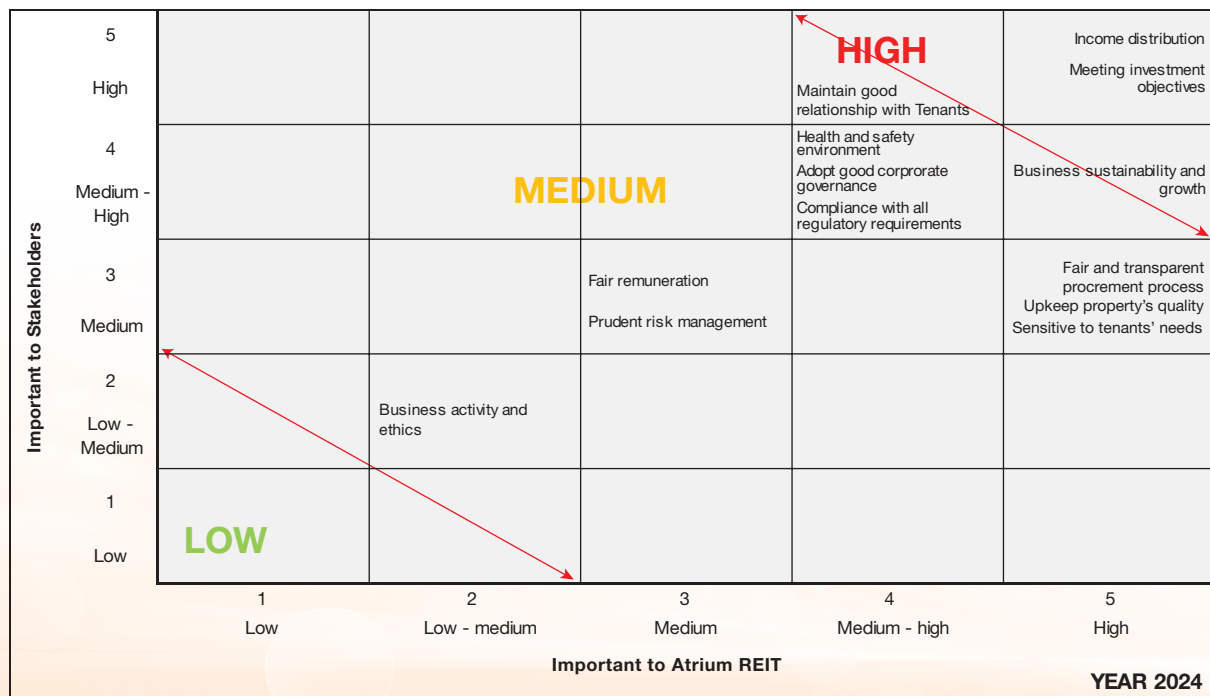
#### Implementation of Action Plans

- Monitoring material concerns and develop action plans

#### Review Processes

- Continuous review of processes and action plans to address material concerns

The Manager recognizes that our material concerns can substantially impact our ability to create long-term value for our stakeholders, directly and indirectly. To address their concerns, the Manager has conducted a materiality assessment with our key internal and external stakeholders. The outcomes are illustrated in the graph below:





## SUSTAINABILITY STATEMENT (CONT'D)

### OUR APPROACH TO SUSTAINABILITY (CONT'D)

#### Materiality Assessment (Cont'd)

No.	Sustainability Matters	Governance	Environment	Social
1.	Income distribution	✓		
2.	Meeting investment objectives	✓		
3.	Business sustainability and growth		✓	
4.	Fair and transparent procurement process	✓		
5.	Upkeep property's quality		✓	
6.	Sensitive to Tenants' needs			✓
7.	Maintain good relationship with tenants			✓
8.	Health and safety environment		✓	✓
9.	Adopt good corporate governance	✓		
10.	Compliance with all regulatory requirements	✓		

The Manager identified and assessed the stakeholders and the areas of concerns accordingly. The management strives to ensure these concerns are attended to and mitigated its negative impacts. The ranking of the areas of concerns are depicted as above. It can be briefly categorised as follows:

No.	Sustainability Matters	Manager's Priorities
1.	Income distribution	Ensuring alignment between Atrium REIT's investments and the objectives while delivering rewarding outcomes to unitholders is of paramount importance.
2.	Meeting investment objectives	Consistent and timely communication of business developments to these unitholders, alongside other stakeholders, should be upheld. These communication channels encompass quarterly reporting, media announcements, general meetings and various other means.
3.	Business sustainability and growth	<p>Creating a sustainable and continually growing business strategy is essential. Before making any decisions, it's crucial to thoroughly and diligently evaluate any potential investment opportunities.</p> <p>While rental rates are appraised to align with market standards, it's equally important to evaluate the viability of prospective tenants' businesses. Beyond conducting due diligence exercises, the Manager will consider various factors affecting the sustainability of tenants' ventures, including industry type, credibility, business profile and other pertinent indicators. Staying updated on any news or developments that could potentially impact the concerned industries is imperative for the Manager.</p>
4.	Fair and transparent procurement process	<p>Implementing fair and transparent procurement processes is a sound corporate practice. Adherence to authorized policies and procedures is paramount, ensuring compliance among relevant management personnel. The Manager ensures thorough vetting and screening of all contracts before their execution. Diligent evaluations of potential vendors and suppliers are conducted to verify their capability in fulfilling contracted obligations.</p> <p>Regular meetings and effective communication channels, including emails, are utilized to ensure the effective execution of procurement processes.</p>

## SUSTAINABILITY STATEMENT (CONT'D)

### OUR APPROACH TO SUSTAINABILITY (CONT'D)

#### Materiality Assessment (Cont'd)

No.	Sustainability Matters	Manager's Priorities
5.	Upkeep of Property's quality	We believe in fostering a collaborative relationship with our tenants to maintain the quality and value of our properties. As part of this commitment, we encourage open communication and proactive participation in property upkeep. Tenants are expected to report any maintenance issues promptly and adhere to the agreed-upon guidelines for property care. By working together, we can ensure a safe, clean and welcoming environment for all.
6.	Sensitive to tenants' needs	The Manager highly regards feedback from tenants, particularly constructive responses received through the annual Tenants' Satisfaction Survey. Additionally, the Manager actively seeks input from tenants regarding areas where further improvements are needed. By garnering feedback and collaboration from tenants, the Manager aims to identify potential growth opportunities for the REIT and support tenants in sustaining their business ventures.
7.	Maintain good relationship with tenants	We are committed to maintaining a positive and respectful relationship with our tenants. The Managers strive to be responsive, transparent and fair in all interactions. We value open communication and mutual trust, ensuring that tenants feel heard and supported. In addition, we obtain feedbacks and survey from tenants to ensure our services met their expectations.
8.	Health and safety environment	<p>As part of corporate responsibility, ensuring the safety and health of both employees and the public is a priority. Tenant hiring processes and the appointment of employees and truck drivers, whether internal or outsourced, hold significant importance. Tenants are responsible for ensuring that their hired truck drivers receive adequate training to assurance road safety while delivering goods. Moreover, they must emphasize safety awareness within warehouse areas during goods handling. It's essential to maintain the structural integrity and condition of buildings.</p> <p>Engagement with tenants occurs through meetings, tenant satisfaction surveys, periodic property inspections, among other means. The Manager has not received any feedback from tenants regarding accidents caused by mishandling goods or traffic incidents resulting from driver misconduct concerning road safety.</p>
9.	Adopt good corporate governance	<p>To foster transparency, uphold ethical business practices and ensure integrity, it's crucial to establish rigorous yet feasible operational policies and procedures for senior management and the Board of Directors. These standards should encompass stakeholders, including tenants, business associates, contractors and others.</p> <p>Implementing a comprehensive employee retention program is instrumental in both attracting and retaining key personnel while curbing staff turnover. Continuous training and motivation are provided to employees to stay updated on emerging industrial practices. Employee performance is evaluated against industry standards, ensuring suitable recognition and rewards.</p>
10.	Compliance with all regulatory requirements	The Manager, being a licensed holder of CMSL (Capital Market Services License) is obligated to comply with requirements being imposed by Bursa Malaysia and Securities Commission, among others. Therefore, the Manager will ensure Atrium REIT complies with all the regulatory requirements at all times. Relevant conferences and forums organised by the regulators and statutory bodies are attended by the Manager on a regular basis.

## SUSTAINABILITY STATEMENT (CONT'D)

### GOVERNANCE

A good governance is always a pivotal point for a Company to strive for a better growth and at the same time, it does not compromise with the quality of its performance and values to the stakeholders. Throughout the year, the Manager with the support from the Board of Directors and its committees, has reviewed and implemented pertinent policies and procedures in order to comply with the current requirements and practices.

#### 1. Policies and Procedures

The following reviews and updates of the policies and procedures are summarised as follows:

Types of Policies and Procedures	Description
<p>a. Whistleblowing Policy</p>	<p>A whistleblowing policy in the REIT industry is a framework designed to encourage employees, tenants and stakeholders to report any unethical, illegal, or improper conduct within the organization. This policy ensures that concerns such as fraud, corruption, conflicts of interest, or breaches of governance are raised confidentially and without fear of retaliation.</p> <p>The policy typically outlines the procedures for reporting misconduct, safeguards for whistleblowers and the steps for investigating reported issues. By fostering a culture of accountability and transparency, the whistleblowing policy strengthens trust among stakeholders and supports the REIT's commitment to maintaining high ethical and governance standards.</p> <p>The updates include the reporting procedures and flowcharting the process and procedures, among others.</p>
<p>b. Board Charter</p>	<p>The Board Charter primarily sets out the roles and responsibilities and process of the Board, individual directors and management. It also sets out the delegation of authority by the Board to various Board committees in order to assist the Board members in performing their responsibilities more effectively on behalf of the Manager for the benefit of Atrium REIT and its stakeholders.</p> <p>The Manager has reviewed and updated the Board Charter to further enhance their responsibilities particularly relating the financial and risk management.</p>
<p>c. IT Security Policy</p>	<p>Pursuant to the requirement set out by Securities Commission Malaysia ("SC"), the Manager is responsible to have in place a clear and comprehensive cyber policy and procedures which commensurate with its risk profile, including the requirement to report cyber incidents to the SC, if it occurs.</p> <p>This policy is established to provide guidelines in responding to any cyber incident. The guidelines comprise of timely, effective identification of cyber incidents, to manage and minimise damage from cyber incidents and to recover and learn from such incidents.</p>

## SUSTAINABILITY STATEMENT (CONT'D)

### GOVERNANCE (CONT'D)

#### 1. Policies and Procedures (Cont'd)

The policies and standard operating procedures are constantly reviewed by the Senior Management to ensure they are up to-date and relevant under the current working environment.

In order to ensure that current practices are in line with the Manager's sustainability policies and procedures, the Nominating Committee also reviews the performance of the Board and Senior Management in addressing the Manager's material sustainability risks and opportunities on an annual basis.

#### 2. Tenant's Satisfactory Survey

The Manager acknowledges that Atrium REIT's success is strongly tied to building strong relationships with its valued tenants, understanding their needs and responding effectively. To this end, the Manager conducted a simple survey to collect meaningful feedback from tenants, focusing on three key areas outlined below:

Areas of concerns	Description
A. Repairs and Maintenance	<ul style="list-style-type: none"> <li>- The channel of request for repair/ maintenance</li> <li>- The efficiency and proper of repair/ maintenance work done</li> <li>- The quality of work done</li> <li>- The competency of appointed contractors</li> </ul>
B. Condition of the Property, and	<ul style="list-style-type: none"> <li>- Satisfactory of the condition of the properties</li> <li>- Satisfactory of the condition of the fittings and fixtures</li> </ul>
C. Communication with Landlord	<ul style="list-style-type: none"> <li>- Effectiveness and efficiency of the communication channel with Landlord</li> <li>- Competency of the person liaison appointed by the Landlord</li> </ul>

The tenant satisfaction survey was conducted through questionnaires and the majority of the feedback was positive and the Manager greatly appreciated the tenants' cooperation and support extended to the maintenance team throughout the year. Nonetheless, we remain dedicated to continually improving and striving for higher standards in delivering exceptional service to our valued tenants.



## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL

The Manager is committed to fostering sustainability and environmental responsibility across our properties, supporting tenants in their efforts to implement meaningful green initiatives. These initiatives address key environmental concerns, such as energy management, flood prevention, water management and greenhouse gas (GHG) emission reductions and contribute to a more sustainable operational framework.

#### Tenants Initiatives

##### 1. Energy Management

Some of the tenants have undertaken significant measures and are encouraged to optimize energy usage and reduce their carbon footprint. These include:

- Installing energy-efficient lighting systems, such as LED lights, to minimize electricity consumption.
- Deploying solar panels on rooftops to harness renewable energy and reduce reliance on conventional energy sources.
- Implementing energy monitoring systems to track and manage energy consumption in real time, ensuring operational efficiency.
- Upgrading equipment and machinery to energy-efficient models to further reduce energy usage.

##### 2. Flood Prevention

To mitigate the risk of flooding and ensure business continuity, tenants are encouraged to implement appropriate preventive measures. This includes adopting sustainable landscaping practices, such as planting trees that absorb rainwater and reduce runoff.

Meanwhile, the Manager has undertaken the following structural flood prevention measures on the affected properties:

- a. Installing flood barriers and backflow prevention systems to protect properties and assets during heavy rainfall.
- b. Installing floodgates and/or raising perimeter walls in flood-prone areas.

##### 3. Water Management

Recognizing the importance of water conservation, tenants are encouraged to implement innovative water management practices, including:

- a. Installing water-efficient fixtures, such as low-flow faucets and dual-flush toilets, to minimize water consumption.
- b. Conducting regular water audits to identify inefficiencies and implement corrective measures.
- c. Educating employees on water conservation strategies to foster a culture of sustainability within their organizations.

Additionally, the Manager has introduced initiatives to support tenants in reducing water consumption by implementing rainwater harvesting systems for non-potable uses, such as landscaping and cleaning.

## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL (CONT'D)

#### Tenants Initiatives (Cont'd)

#### 4. Greenhouse Gas (GHG) Emission Reductions

Tenants are actively working to reduce GHG emissions associated with their operations through initiatives like:

- Transitioning to cleaner energy sources, including renewable energy options such as solar power.
- Optimizing logistics operations by adopting more efficient routes and reducing vehicle idling to minimize fuel consumption.
- Investing in electric or hybrid vehicles for business operations to decrease dependence on fossil fuels.
- Implementing waste reduction and recycling programs to limit landfill contributions and lower methane emissions.

These initiatives not only enhance the environmental performance of the tenants but also align with the broader sustainability goals of the Manager and the REIT. The Manager remains dedicated to collaborating with tenants to support and encourage further environmental innovations, demonstrating our shared commitment to reducing environmental impact and contributing to a greener future.

#### Energy and Water Consumption Statistics

Below are the recorded figures indicating the electricity and water consumption at each property for the fiscal year from January to December 2022 (base year) to 2024:

#### Electricity (kWh)

No.	Properties	2022	2023	2024	(Decrease) / Increase 2024 v 2023 %
1.	ABL1	20,530,382	18,865,146	22,326,522	18.3%
2.	ABL2	39,826,764	40,641,980	44,985,612	10.7%
3.	ASA1	1,882,030	2,631,445	2,941,425	11.8%
4.	ASA2	1,037,580	784,370	664,540	(15.3%)
5.	ASA3	927,350	1,081,720	940,560	(13.0%)
6.	ASA4	–	–	88,653	[Note 1]
7.	AUSJ	284,813	215,593	217,511	0.9%
8.	APCH	653,325	642,846	645,831	0.5%
	<b>Total</b>	<b>65,142,244</b>	<b>64,863,100</b>	<b>72,810,654</b>	<b>12.3%</b>

## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL (CONT'D)

#### Energy and Water Consumption Statistics (Cont'd)

##### Water (m<sup>3</sup>)

No.	Properties	2022	2023	2024	(Decrease) / Increase 2024 v 2023 %
1.	ABL1	166,664	158,760	158,457	(0.2%)
2.	ABL2	312,709	309,655	344,753	11.3%
3.	ASA1	40,352	31,036	36,503	17.6%
4.	ASA2	12,084	10,953	8,132	(25.8%)
5.	ASA3	1,613	1,567	1,705	8.8%
6.	ASA4	–	–	705	[Note 1]
7.	AUSJ	7,931	4,224	2,843	(32.7%)
8.	APCH	30,142	30,506	11,852	(61.1%)
	<b>Total</b>	<b>404,831</b>	<b>387,941</b>	<b>406,493</b>	<b>4.8%</b>

Note 1: being 1st year of tenancy

[The above calculation and % changes are purely based on the comparison of utilities consumption and did not include any other factors into the calculation.]

According to tenant reports, particularly for ABL1, ABL2 and ASA1, the rise in electricity consumption is primarily attributed to increased production volumes and the expansion of business operations. However, as for water consumption for ABL2, there was water leakages since April 2024 due to underground pipe leakage which has been subsequently repaired in December 2024.

The Manager will continuously encourage tenants to actively participate in environmental protection initiatives and programs focused on combating global warming and reducing greenhouse gas emissions, while also ensuring compliance with regulatory requirements.

### SOCIAL

The social dimension focuses on a company's impact on society, including its interactions with employees, communities and broader societal issues. It reflects the company's dedication to social responsibility and its positive contributions to societal well-being.

This includes initiatives such as social events, employee development programs for learning and skill enhancement and efforts to promote diversity, equity and inclusion within the workplace. The Manager's commitment to fostering a fair and inclusive culture is evident through these measures. Additionally, it highlights employee welfare programs within the Manager's operations and supply chain, as well as charitable initiatives that support local communities. These efforts address key social challenges such as education, healthcare and poverty alleviation, reinforcing the Manager's role as a socially responsible organization.

## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

#### 1. Appreciation Lunch Honouring Our Retiring CEO with the Board of Directors



*From left to right: 1st row: Mr. Chan Wan Seong (Independent Director), Chan Kum Chong (retiring Chief Executive Officer), Dato' Dr. Ir. Mohamad Khir Bin Harun (Non-Independent Non-Executive Director), Mr. Chng Boon Huat (Independent Director); 2nd row: Mr. Patrick Ho Hock Heng (Independent Director), Ms Shirley Fong (Company Secretary), Ms. Ng Bee Eng (Chief Operating Officer), Mr. Mark Lee Hooi Hoong (Acting Chief Executive Officer cum Chief Financial Officer), Ms. Wong Sui Ee (Executive Director), Ms. Foong Wai Leng (Executive Director), Ms. Chan Hui Lien (Company Secretary Assistant) and Ms. Lim Evon (Company Secretary Assistant).*

We gathered for a heartfelt Appreciation Lunch to honour the outstanding leadership and unwavering dedication of our retiring Chief Executive Officer (“CEO”) with the Board of Directors (“the Board”).

Under the stewardship of our retiring CEO and the support of the Board, we have navigated challenges, achieved remarkable milestones and set a strong foundation for future success. His strategic insight, commitment and passion have been instrumental in shaping the growth and stability of Atrium REIT.

As we celebrate his immense contributions, we express our deepest gratitude for his years of service and the legacy he left behind. We wish him continued success and fulfilment in his future endeavours and look forward to building upon the strong framework he has established.

#### 2. Contribution to Food Bank



*From left to right: En. Izzul Nordin/ Program and CSR Manager of Food Aid Foundation (“FAF”), Ms Lydia Foong/ Executive Director & Head of Risk and Compliance, Mr. Mark Lee/ Acting Chief Executive Officer/ Chief Financial Officer.*

As part of our commitment to corporate social responsibility and community support, we actively contributed to the vital efforts of the Food Aid Foundation (“FAF”). Established in 2013, FAF operates as a food bank in Malaysia, facilitating donations of unused or surplus food from manufacturers, distributors, retailers, companies and individuals. These donations are distributed to charitable and welfare homes, volunteer organizations, refugee communities, underprivileged families and soup kitchens. The FAF is supporting 149 welfare organizations in the Klang Valley and provide daily meals for 500 to 1,000 individuals.

The Manager supported this initiative by donating 200 kg of rice and other staple foods to help alleviate hunger and food insecurity among vulnerable groups.

We remain dedicated to making a positive impact on society and look forward to continuing our efforts to create a more compassionate and inclusive community. Together, we can inspire expressive change and build a brighter future for all.



## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

#### 3. Appreciation Luncheon with Management



*From left to right: Mr Mark Lee Hooi Hoong (Acting Chief Executive Officer / Chief Financial Officer), Ms Lydia Foong (Executive Director/ Head of Risk and Compliance), Ms Ng Bee Eng (Chief Operations Officer), Ms. Chin Suet Fan (Accounts Executive) and Ms Wong Sui Ee (Executive Director/ Head of Investment).*

As the year 2024 comes to a close, the Manager hosted an appreciation lunch to honour the hard work, dedication and contributions of the management team throughout the year. This gathering provided an opportunity to reflect on the achievements, milestones and challenges triumphed as a team.

The event served as a platform to express gratitude for the unwavering commitment and collaborative efforts that have driven the organization's success. It was also a chance to foster camaraderie and strengthen team spirit, setting a positive tone for the year ahead.

Looking forward, the Manager remains committed to building on the accomplishments of 2024 and striving for continued excellence in 2025.

#### 4. Training and Development



*From left to right: Dr. Andrew Chiew, Ms. Lydia Foong (ED/ Head of Risk and Compliance), Ms. Ng Bee Eng (Chief Operations Officer), Mr. Mark Lee (Acting Chief Executive Officer/ Chief Financial Officer), Ms. Wong Sui Ee (ED/ Head of Investment) and Ms. Chin Suet Fan (Accounts Executive).*

The Manager believes that training and development are integral to fostering a skilled and motivated workforce. Recognizing employees as valuable human assets, the Manager prioritizes their continuous growth and aligns their capabilities with business objectives.

To ensure the team remains competitive, the Manager has implemented structured training programs tailored to enhance key management and employee expertise. These initiatives focus on leadership development, technical competencies and industry-specific knowledge according to their respective portfolios. Regular workshops, seminars and industry conferences keep employees abreast of market trends and regulatory developments, ensuring they can contribute effectively to the organization's success. By investing in the professional development of its people, the Manager reinforces its commitment to maintaining a high-performing, future-ready workforce while driving sustainable growth.

On 15 August 2024, the Manager arranged a training session conducted by Dr. Andrew Chiew (a medical doctor who has helped more than 1,000 diabetics to regain the freedom of health by removing their medications, insulin and supplements). This training session covered on ergonomic and stress management, focusing on promoting overall well-being and a healthier work environment. The training emphasized the importance of proper rest and sleep, maintaining correct sitting positions and postures and adopting a balanced diet. Additionally, practical tips on simple body exercises were shared to help employees alleviate stress and improve physical health. This initiative reflects the Manager's commitment to enhancing employee wellness, fostering productivity and reducing workplace-related health risks.

## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

#### 4. Training and Development (Cont'd)

Other training courses attended by the employees during FYE 2024 are summarised as follows:

No.	Course Title	Organiser	Strategic Management	Professional Development	Attended by:	Cumulative Hours by Participants CPE/ CPD
1.	Decoding TCFD Reporting Framework	MIA		✓	SM	2
2.	Economics Corporate Day	Bursa Malaysia	✓		SM	4
3.	Digital Month: Exploring IT Audit: Empowering Auditors for The Digital Era	MIA		✓	SM	3
4.	The Auditor's responses to Assessed Risks	MIA		✓	SM	8
5.	Artificial Intelligence and Intelligent Auditing	IIAM		✓	SM	3
6.	Town Hall 2023/2024	MIA		✓	SM	2
7.	MAP II: Leading for Impact (LIP)	ICDM	✓		SM	32
8.	Malaysia's Economic and Financial Growth: Insights and Analysis	CHK Consulting	✓		SM	10
9.	Investing in Tomorrow: AI's Impact on: Wealth Management and Global Economy	CHK Consulting	✓		SM	10
10.	Harnessing Artificial Intelligence (AI) for Business Strategies and Applications	CHK	✓		SM	10
11.	Digital Leadership for Sustainable Business in Industry 4.0	CHK	✓		SM	10
12.	ESG Audit for Internal Auditors – How to ascertain methods of scoping for ESG Performance Audits	MIA		✓	SM	4
13.	Ergonomics and Stress Management	Training Asia	✓		SM	16
					E	4

## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

#### 4. Training and Development (Cont'd)

No.	Course Title	Organiser	Strategic Management	Professional Development	Attended by:	Cumulative Hours by Participants CPE/ CPD
14.	Accounting and Invoicing Knowledge and Skills under e-invoice Requirements	MIA		✓	SM	8
15.	MRMA Forum 2024 – M-REITS Reconfigured: Growth Markets, Prospects and Alternative Asset Classes	MRMA	✓	✓	SM	8
16.	Building Sustainability Credibility: Assurance, Greenwashing and The Rise of Green-Hushing	Bursa Malaysia	✓	✓	SM	4
17.	Conflict of Interest (COI) and governance of COI	Bursa Malaysia		✓	SM	8
18.	The Role of Internal Audit in Whistleblowing: Practical Considerations.	IIAM		✓	SM	1
19.	Financial Forum 2024	Maybank Berhad	✓		SM	6
20.	IFRS Sustainability Disclosure Standards – S1 and S2	Bursa Malaysia		✓	SM	4
21.	MCMC – Social Media and the responsibility of Digital Citizens	MIA		✓	SM	2
22.	SME e-invoicing & Autocount highlights	Various Software providers: AutoCount, MYOB.		✓	E	21
	<b>Total</b>					<b>180</b>

*Acronym:*

*E : Executive*

*ESG : Environmental, Social and Governance*

*IFRS : International Financial Reporting Standards*

*IIAM : The Institute of Internal Auditors Malaysia*

*MAP : Mandatory Accreditation Programme*

*MCMC : Malaysian Communications and Multimedia Commission*

*MRMA : Malaysian REIT Managers Association*

*MIA : Malaysian Institute of Accountants*

*SC : Securities Commission Malaysia*

*SM : Senior Management*

*TCFD : Task Force on Climate-related Financial Disclosures*

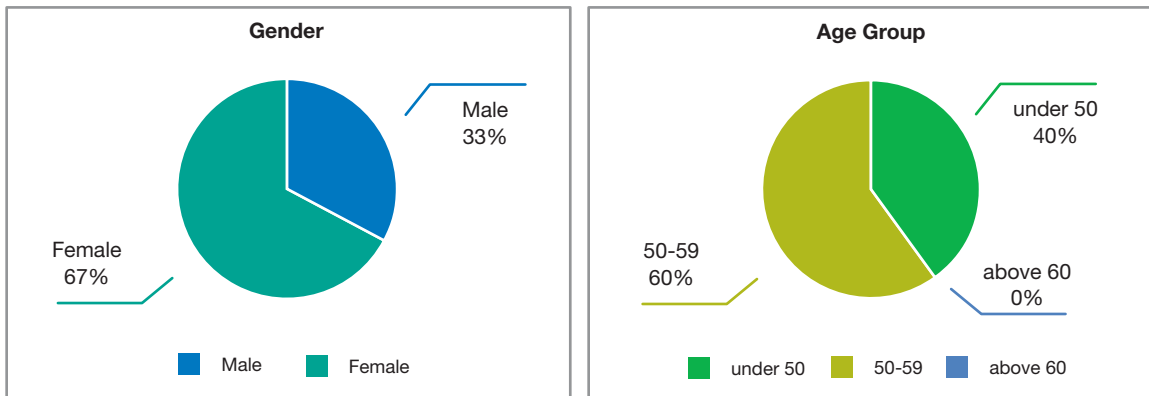
# SUSTAINABILITY STATEMENT (CONT'D)

## SOCIAL (CONT'D)

### 5. Diversity

#### Employees

Percentage of employees by gender and age group

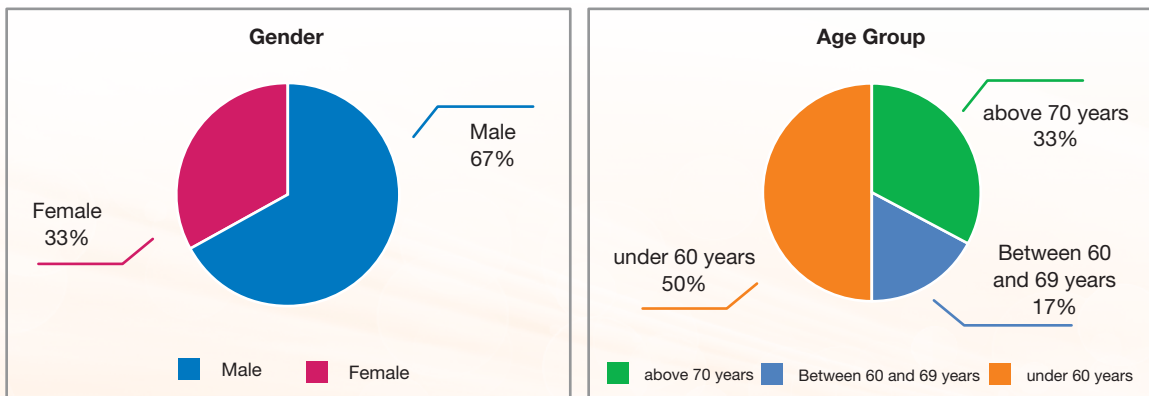


There was no staff turnover during the financial year of 2024. Therefore, the Manager achieved 100% retention ratio (2023: 100%).

#### Directors

Percentage of directors by gender and age group

Gender	%	Age Group	%
Male	67	Above 70 years	33
Female	33	Between 60 and 69	17
		Under 60	50



In line with the best corporate governance practices, the Board of Directors has conducted an annual assessment on all the Directors evaluating their professionalism, discipline and relevant experiences. This assessment serves to reinforce the organization’s commitment to strong leadership and effective decision-making.



## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

#### 5. Diversity (Cont'd)

##### 1. Professionalism

The Directors have consistently demonstrated high standards of professionalism, maintaining integrity and ethical conduct in all engagements. Their commitment to fostering transparent governance practices has significantly contributed to the organization's strategic growth and reputation.

##### 2. Discipline

The Directors exhibit exemplary discipline in fulfilling their duties, attending meetings punctually and preparing thoroughly for board discussions. Their ability to focus on organizational priorities, while upholding the company's core values, has ensured consistent progress toward achieving strategic objectives.

##### 3. Experience

The Board comprises a diverse group of directors with extensive expertise in areas such as finance, legal compliance, real estate, operations and strategic planning. Their collective experience has provided valuable insights, enabling the organization to navigate challenges and capitalize on opportunities effectively.

During the year, the Directors demonstrated their commitment to ensure the Company aligns with the organization's vision and goals, thereby promoting sustained leadership excellence for the upcoming year. The Board, in collaboration with the Nominating Committee, has diligently assessed the competency and skillsets of the existing Board members and the outcome of the assessment was satisfactory.

This Sustainability Statement was made in accordance with the approval of the Board on 21 March 2025.

## SUSTAINABILITY STATEMENT (CONT'D)

### Performance Indicators – Target and Achievements

Indicator	Measurement Unit	2022	2023	2024
<b>Bursa (Anti-corruption)</b>				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management	Percentage	100.00	100.00	100.00
Executive	Percentage	100.00	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	-	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
<b>Bursa (Community/Society)</b>				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	-	1,001.00	1,009.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	-	139	149
<b>Bursa (Diversity)</b>				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Senior Management Under 50	Percentage	33.00	33.00	40.00
Senior Management Between 59-50	Percentage	50.00	50.00	60.00
Senior Management Above 60	Percentage	17.00	17.00	0.00
Executive Under 50	Percentage	100.00	100.00	100.00
Executive Between 59-50	Percentage	0.00	0.00	0.00
Executive Above 60	Percentage	0.00	0.00	0.00
Gender Group by Employee Category				
Senior Management Male	Percentage	50.00	50.00	40.00
Senior Management Female	Percentage	50.00	50.00	60.00
Executive Male	Percentage	0.00	0.00	0.00
Executive Female	Percentage	100.00	100.00	100.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	75.00	67.00	67.00
Female	Percentage	25.00	33.00	33.00
Under 60	Percentage	25.00	50.00	33.00
Between 69-60	Percentage	37.00	33.00	33.00
Above 70	Percentage	38.00	17.00	33.00
<b>Bursa (Energy management)</b>				
Bursa C4(a) Total energy consumption	Megawatt	-	20.82	17.25
<b>Bursa (Health and safety)</b>				
Bursa C5(a) Number of work-related fatalities	Number	-	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	-	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	-	0	5

## SUSTAINABILITY STATEMENT (CONT'D)

### Performance Indicators – Target and Achievements (Cont'd)

Indicator	Measurement Unit	2022	2023	2024
<b>Bursa (Labour practices and standards)</b>				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	98	119	155
Executive	Hours	7	14	25
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00	0.00	0.00
Bursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	0	0	0
Executive	Number	0	0	0
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
<b>Bursa (Supply chain management)</b>				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	-	94.00	99.00
<b>Bursa (Data privacy and security)</b>				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
<b>Bursa (Water)</b>				
Bursa C9(a) Total volume of water used	Megalitres	-	0.150000	0.079000
<b>Bursa (Waste management)</b>				
Bursa C10(a) Total waste generated	Metric tonnes	-	-	0.17
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	-	0.02
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	-	0.15
<b>Bursa (Emissions management)</b>				
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	-	-	0.00
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	-	-	0.00
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	13.59
Internal assurance	External assurance	No assurance	(*)Restated	

\* Bursa C4(a) Total Energy Consumption in Megawatt was obtained by dividing total kWh by 1,000.

\* Bursa C9(a) Total volume of water used in Megalitres was obtained by dividing 151 m<sup>3</sup> by 1,000.

### Statement of Assurance

In preparing this Statement, we ensure that all statistical indicators and information are communicated clearly and presented in a balanced and meaningful perspective. The Statement has not been reviewed by our Internal Auditor or independently assured but has been reviewed by the Management and the Audit Committee and approved by our Board of Directors. We remain committed to enhance the accuracy and quality of our disclosures to further strengthen the credibility of this Statement. To achieve this, we may consider this Statement to be independently assured in the near future.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Atrium REIT Managers Sdn Bhd (“the Manager”), which manages Atrium Real Estate Investment Trust (“Atrium REIT”), is pleased to provide an overview of its Corporate Governance Statement for stakeholders in line with the Malaysia Code on Corporate Governance (“MCCG”). This Statement outlines the application of the principles and practices as recommended under the MCCG and is presented in accordance with paragraph 15.25(3) of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The Manager acknowledges the importance of strong corporate governance in enhancing Atrium REIT’s performance and in delivering sustainable value to its stakeholders. It is committed to fulfilling its fiduciary duties and leadership responsibilities in the best interests of Atrium REIT.

In implementing corporate governance principles and practices, the Manager adheres to the governance standards outlined in the Securities Commission Malaysia’s Guidelines on Listed Real Estate Investment Trusts (“REITs Guidelines”), the MCCG and the Listing Requirements of Bursa Securities.

The Board has taken initiatives to adopt the key thrusts summarized as follows:

1. To strengthen board leadership for agility and accountability,
2. To engage and foster strong relationship with stakeholders,
3. To leverage on digital technology to enhance corporate governance transparency.

### **PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENES**

#### **Manager of Atrium REIT**

The Manager has general powers of management over the assets of Atrium REIT. The Manager’s main responsibility is to manage Atrium REIT’s assets and liabilities in the best interest of the unitholders and protect the interest of stakeholders.

The primary role of the Manager is to set strategic direction of Atrium REIT and to provide recommendations to Pacific Trustees Berhad as Trustee of Atrium REIT (“Trustee”), on any acquisition, divestment or enhancement initiatives of investment properties for Atrium REIT in accordance with its stated investment strategy.

Amongst others, the general functions, duties and responsibilities of the Manager include the following:

- (a) to carry out the activities in relation to the management of Atrium REIT and its portfolio of assets in accordance with the provisions of the Second Restated Deed dated 17 December 2019 (“Deed”);
- (b) to use its best endeavours to ensure that the business of Atrium REIT is carried out and conducted in a proper and efficient manner, and all transactions are to be undertaken on an arm’s length basis and on normal commercial terms;
- (c) to issue the annual report of Atrium REIT to the unitholders within four (4) months from its financial year end;
- (d) to attend to all enquiries from the unitholders, tenants, media, government bodies, etc;
- (e) to supervise the Property Manager which provides property management services in relation to Atrium REIT’s properties pursuant to the property management services agreement; and
- (f) to ensure Atrium REIT is in compliance with the applicable provisions of the REITs Guidelines by Securities Commission Malaysia, Listing Requirements of Bursa Malaysia and any other applicable laws.

Atrium REIT is managed by the Manager and accordingly, it has no personnel of its own. The Manager appoints experienced and well-qualified management personnel to handle the day-to-day operations.

Atrium REIT Managers Sdn. Bhd. is the appointed Manager of Atrium REIT in accordance with the terms of the Deed.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENES (CONT'D)

#### Directors of the Manager (“the Board”)

The Board is responsible to oversee the performance of the management and promote good corporate governance culture of the Manager while establishing goals for the management and monitoring the achievement of these goals. The Board is also responsible to ensure that the strategic plan of the Manager supports the long-term value creation of Atrium REIT and has adopted the primary responsibilities as well as the roles and duties set out in the REIT Guidelines, which facilitate the discharge of the Board’s stewardship responsibilities.

To further strengthen the corporate governance of the Manager and promoting transparency and accountability, the Manager established and updated the following policies and procedures which were subsequently reviewed and endorsed by the Board during the year:

- a) Technology Risk Management Framework and Cyber Security,
- b) Whistleblowing Policy and
- c) Board Charter.

The issuance of the above policies and procedures would further strengthen the corporate governance and enhance the efficiency and effectiveness of the Manager’s operating processes.

#### Roles and Responsibilities

1. The Board has the overall responsibility for the long-term success of Atrium REIT and delivery of sustainable value to its stakeholders. In discharging its fiduciary duties and responsibilities, the Board assumed the following corporate governance guidelines: -
  - a) together with management, promoting good corporate governance culture which reinforces ethical, prudent and professional behaviour;
  - b) reviewing and setting strategic plans for the Manager to ensure that the strategic plan supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
  - c) reviewing, challenging and deciding on management’s proposals, and monitoring its implementation by management;
  - d) overseeing the conduct of business to ensure it is properly managed, including supervising and assessing corporate behaviour and conduct of the business;
  - e) identifying principal risks and ensuring implementation of appropriate internal controls and mitigation measures to achieve a proper balance between risks tolerance and potential returns to the unitholders;
  - f) reviewing risk management and internal control system and to ensure its effectiveness;
  - g) ensuring there is an orderly succession of senior management positions who are of high caliber and have the necessary skills and experience. The Board delegates to the Nominating Committee (“NC”) to review succession plans for the Board as well as the Manager’s policies and procedures of the Manager. The Board also ensures that there are appropriate policies for training, appointment and performance monitoring of management positions;
  - h) developing and implementing an investor relations programme or unitholders’ communications policy for the Manager to enable effective communication with stakeholders;
  - i) ensure that all Directors are able to understand financial statements and form a view on the financial information presented;
  - j) reviewing and approving financial statements;
  - k) set risk appetite within which the Board expects the management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
  - l) reviewing and approving the reports of Audit Committee (“AC”) and NC at the end of each financial year;
  - m) reviewing and approving Atrium REIT’s annual report;
  - n) ensuring the integrity of Atrium REIT’s financial and non-financial reporting; and
  - o) undertaking a formal and objective annual evaluation to determine the effectiveness of the Board, the Board Committees and each individual Director.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENES (CONT'D)

#### Roles and Responsibilities (Cont'd)

2. The Board reserves a formal schedule of matters for the Board's deliberation and approval. This includes, among others, the following matters: -
  - a) Strategic issues and planning, including sustainability;
  - b) Budget and performance reviews;
  - c) Quarterly financial results and audited financial statements;
  - d) Dividend policy or declaration of dividends;
  - e) Capital expenditures;
  - f) Material borrowings;
  - g) Material litigations;
  - h) Treasury policies;
  - i) Key human resources issues;
  - j) Material acquisitions and disposals of undertakings and properties;
  - k) Proposed appointment of external auditors and their audit fees;
  - l) New venture; and
  - m) Related party transactions ("RPT"), recurrent RPT and conflict of interest situations and any other transaction, procedures or course of conduct that raises question on management integrity and any recommendations relating thereto as set out in paragraphs 9.10 and 9.11 of the Terms of Reference of the AC.
3. The Board has to ensure that the Manager and its Directors adhere to the following: -
  - a) The Management and the Directors must provide the Board with any information requested by the Board to enable the Board to oversee the performance of the Trust effectively, including assessing non-financial performance of the Trust;
  - b) The Management and the Directors must ensure that the accounting and other records are maintained to: -
    - I. sufficiently explain its business, transactions and financial position;
    - II. enable the preparation of true and fair financial statements; and
    - III. enable the accounting and other records to be conveniently and properly audited.
  - c) The Management and the Directors must provide the Trust with all information and records necessary to enable the preparation of the consolidated financial statements in accordance with the approved accounting standard.

The information and records required under 3 (b) and (c) shall be kept for not less than seven (7) years from the completion off transactions or operations to which the entries or records relate.
4. In relation to financial reporting, the Board is responsible to present an accurate and reliable financial result through the annual financial statements and quarterly financial reports. The Board is assisted by the AC to oversee the Trust's financial reporting process and the integrity of the financial information.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENES (CONT'D)

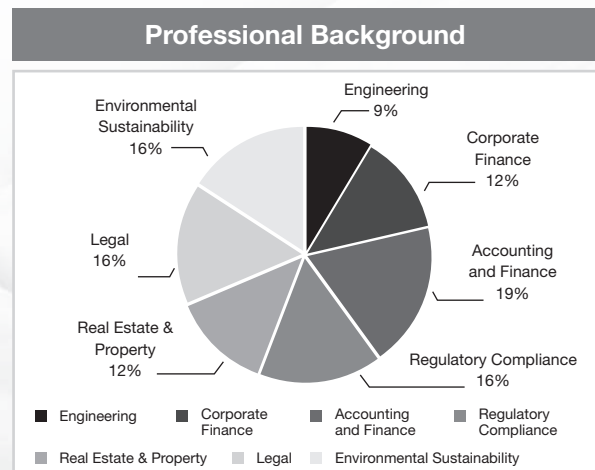
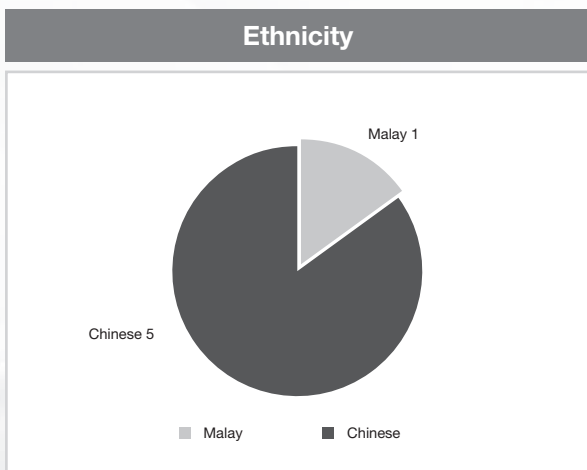
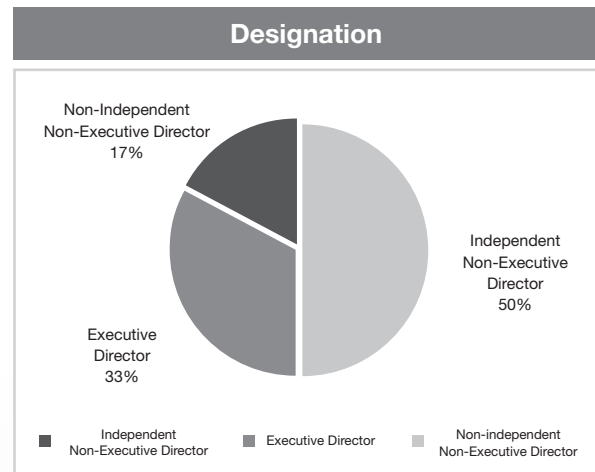
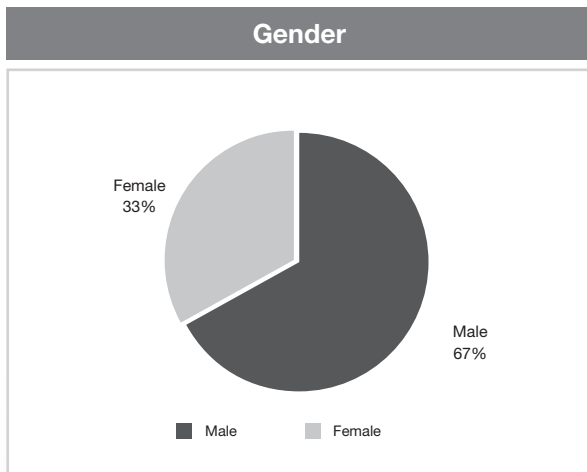
#### Board Composition

The Board presently consists of six (6) members comprising one (1) Non-Independent Non-Executive Director, two (2) Executive Directors and three (3) Independent Non-Executive Directors. The current Board which comprises half of independent directors has also met the minimum requirement of 30% women directors under the “Guidelines on Corporate Governance for Capital Market Intermediaries” issued by the Securities Commission Malaysia. The Board’s composition which comprises 30% women directors also complied with the recommendation of the MCCG, and that the tenure of all our independent directors have not exceeded the 12 years limit.

The Board recognizes the importance of refreshing its composition to maintain independence, diversity, and effectiveness. In line with best governance practices, Board members are required to step down or be re-designated upon reaching 12 years of service. This will ensure a balanced mix of fresh perspectives and continuity in leadership, supporting the Board’s ability to oversee the organization effectively.

The Board members bring a wide range of skills, experiences, and valuable perspectives, drawing from diverse backgrounds in fields such as engineering, finance, real estate, and management. None of the directors are affiliated with political parties or are active politicians. Detailed profiles of the Board members can be found on pages 46 to 49 of the Annual Report.

The Board diversity in terms of gender, ethnicity, professional background and experience are illustrated below:



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENES (CONT'D)

#### Board Composition (Cont'd)

The Board believes that its current composition includes the right individuals with a well-balanced mix of skills, knowledge, experience, and core competencies, with a size suitable for Atrium REIT's operations given its nature, scale and scope.

The Chairman of the Board is responsible for guiding Board proceedings, ensuring discussions are inclusive and that all perspectives are considered thoroughly before decisions are reached. The Executive Directors and Chief Executive Officer, along with the management team, handle daily business operations, organizational efficiency, and the implementation of the Board's policies, strategies, and decisions in line with the Deed and REIT Guidelines. This distinct separation of responsibilities between the Chairman and the CEO fosters a healthy, independent and professional relationship between the Board and Management.

The Board focuses mainly on strategy, financial performance and critical business issues, among others, such as: -



Independent Non-Executive Directors are responsible for reviewing and critically assessing the strategic and corporate plans proposed by Management before they are approved by the Board. In doing so, they consider the long-term interests of Atrium REIT—not only for the benefit of unitholders but also for employees, customers, suppliers, and other stakeholders involved in Atrium REIT's business operations.

#### Directors' Training

The Board ensures that all Directors participate in relevant training programs on an ongoing basis, in line with Paragraph 15.08(2) of the Listing Requirements, to stay updated on the latest industry developments. During the financial year, Directors attended a variety of courses, seminars, and briefings related to their roles and industry trends, with details disclosed under "Other Compliance Information" in this Annual Report.

#### Board Meetings

Board meetings are scheduled at least four (4) times per annum to review the operations of Atrium REIT and to approve the quarterly and annual financial statements of Atrium REIT. Additional meetings are held as and when urgent issues and important decisions need to be taken between the scheduled meetings.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENES (CONT'D)

#### Board Meetings

The Board met four (4) times during the financial year ended 31 December 2024. The number of meetings attended by each Director is as follows:

Directors	Designation	Attendance
Dato' Dr Ir Mohamad Khir Bin Harun	Non-Independent Non-Executive Chairman	4/4
Wong Sui Ee	Executive Director	4/4
Foong Wai Leng	Executive Director	4/4
Chan Wan Seong	Independent Non-Executive Director	4/4
Chng Boon Huat	Independent Non-Executive Director	4/4
Ho Hock Heng	Independent Non-Executive Director	4/4

#### Access to and Supply of Information and Advice

All Board members are supplied with information on a timely manner in order to discharge their responsibilities. The agenda together with the full set of Board papers containing information relevant to the Board meeting are circulated to the Directors at least five (5) business days in advance of Board meetings, which is sufficient time for the Directors to review and seek clarification where necessary prior to the meeting being held and this process enables the Directors to make better and informed decisions.

There is a schedule of matters reserved specifically for the Board, including the approval of strategic plans and budgets for Atrium REIT, acquisition and disposal of major assets or investments, and key policies and procedures, and authority limits.

All Directors have access to the advice and services of the Company Secretary and has the right to seek independent professional advice, when necessary, in discharging their duties.

#### Board and Directors Evaluation

During the year, the Board carried out a formal annual evaluation to determine the effectiveness of the Board and individual Directors by way of questionnaires assessments while the performance of the AC was assessed by non-AC Board members to ensure objectivity and unbiasedness in its results. The questionnaires were completed by all the Directors and facilitated by the Acting Chief Executive Office ("CEO") who acted as an independent party to compile all results of the assessments.

On 21 March 2025, the Acting CEO presented the results of the annual assessments of the Board, individual Directors and the AC to the NC and thereafter, to the Board for deliberations. The assessments concluded that the Board was effective and responsive, and the AC had been effective in discharging its duties and responsibilities in accordance with its Terms of Reference.

#### Board Appointment

##### Resignation and Appointment of Directors

During the financial year, the NC reviewed the effectiveness of the Board in terms of its optimum size and diversity in gender, ethnicity, skills and experience. The Management presented the results during the NC meeting held on 21 March 2025. The matters that were being discussed are as follows:

1. Reviewed the Performance Evaluation Results of the Board of Directors and Audit Committee for year 2024.
2. Assessed the "independence" of the Independent Non-Executive Directors.
3. Reviewed and assessed the contribution and effectiveness of the Chief Executive Officer of the Company.

There was no movement of directors during the financial year.



## **CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)**

### **PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**

#### **Remuneration Policy**

The remuneration for the Directors and all employees of the Manager is paid by the Manager, not by Atrium REIT. The Board acknowledges that the remuneration package is designed to attract, retain, and motivate Directors and senior management to fulfill the Manager's and Atrium REIT's strategies and objectives, serving the best interests of unitholders and other stakeholders. The Board believes that the current remuneration package aligns with the level of responsibility held by its Directors and Senior Management in managing the Manager's operations and advancing its long-term goals. However, the Board will review the package periodically to ensure it remains competitive and in line with industry standards.

### **PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT**

#### **Financial Reporting**

The Board is responsible for ensuring that the financial statements give a true and fair view of the financial position of Atrium REIT as at 31 December 2024 and of its financial performance, the changes in net asset value and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

#### **Audit Committee**

The Board has established an effective Audit Committee ("AC") comprises three (3) Independent Non-Executive Directors and the Chairman of the AC is not the Chairman of the Board. None of the AC members were former audit partners who are required to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC. With the present Board structure and discipline, the AC is able to objectively review Atrium REIT's financial statements, the Manager's internal control system and risk management framework, and report its findings and recommendations to the Board.

The Manager, supported by the AC, has established an External Auditor Policy to provide guidance on the assessment of the suitability, objectivity and independence of the external auditor including the appointment and re-appointment of external auditor.

During the financial year, the AC has assessed and reviewed the performance and independence of the external auditor, BDO PLT and was satisfied that the external auditor has been independent throughout the conduct of the audit process and the audit services rendered have met the quality expected by AC and the Management. The performance evaluation on the external auditor was presented to the Board 24 January 2025 for its notation.

#### **Risk Management and Internal Control**

The Board acknowledges its responsibility for maintaining a sound risk management and internal control system, to safeguard the investments of the unitholders and the assets of Atrium REIT. The Board has delegated to the AC to review the effectiveness of the Manager's risk management and internal control framework which include among others, the finance functions, operational risks and regulatory compliances.

The Board has also received assurances from the Acting Chief Executive Officer cum Chief Financial Officer that the risk management framework and internal control system of Atrium REIT are operating adequately and effectively to manage any significant risks.

The Statement of Risk Management and Internal Control furnished on pages 84 to 87 of the Annual Report provides an overview on the state of internal controls implemented by the Manager.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### **PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS**

#### **Communication with Unitholders and Stakeholders**

The Board acknowledges and appreciates the importance of regular communications with unitholders and investors to ensure that they are well informed of the activities and performance of Atrium REIT. The communication channels are via annual reports, quarterly financial reports and the various disclosures and announcements on the Bursa Securities' website.

Another principal avenue of communication with its unitholders is Atrium REIT's Annual General Meeting ("AGM"), which provides a useful platform for the unitholders to engage directly with the Board, the senior management of the Manager, the Trustee and the External Auditors.

#### **Conduct of General Meetings**

At the last AGM, the Notice of Twelfth AGM was given to the unitholders more than twenty-eight (28) days prior to the general meeting and all the Board members attended the said AGM.

The Manager leveraged on technology to facilitate remote unitholders' participation and remote electronic voting by unitholders (i.e., voting in absentia) in conducting its Twelfth AGM. The Board also ensured that the conduct of the virtual AGM would support meaningful engagement between the Board, senior management and unitholders.

During the AGM, the engagement with unitholders was interactive and include robust discussions on among others, Atrium REIT's financial and non-financial performance as well as its long-term strategies and business opportunities. The Chairman provided sufficient time and opportunities for the unitholders to pose questions during the AGM and the questions were meaningfully responded either by the Chairman, Board members or the senior management.

There was only one (1) resolution tabled at the AGM and the poll administrator and scrutineer were Tricor Investor & Issuing House Services Sdn. Bhd. and Scrutineer Solutions Sdn. Bhd. respectively. The scrutineer verified and announced the poll results for the resolution, which include votes in favour and against, upon which the Chairman declared that the resolution was carried. The poll results were announced via Bursa LINK on the same day for the benefit of all unitholders. The minutes of the AGM was also published on Atrium REIT's corporate website within 30 business days after the general meeting.

Atrium REIT has also established a corporate website, [www.atriumreit.com.my](http://www.atriumreit.com.my), for the unitholders and stakeholders to access its corporate information, announcements and business activities.

This Corporate Governance Overview Statement was approved by the Board on 21 March 2025.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL





The Board of Directors (“the Board”) of Atrium REIT Managers Sdn Bhd, the Manager (“the Manager”) of Atrium Real Estate Investment Trust (“Atrium REIT”), has delegated the responsibility of the risk management and internal control framework to the Audit Committee (“AC”). However, the Board retains overall responsibility and oversight of the Manager’s risk management framework and internal control systems. The Board acknowledges that this system is designed to address anticipated and calculated risks, not to eliminate all risks related to non-compliance with the Manager’s policies and business objectives, and within the risk tolerance established by both the Board and the Manager. Therefore, the system provides reasonable, though not absolute, assurance against major misstatements, losses, fraudulent actions, or regulatory violations.

To assess the Manager’s governance, risk management framework, and internal controls, the Board has appointed an external independent firm (“Internal Auditor”) to evaluate these areas. The Internal Auditor is tasked with conducting assurance engagements and reporting their findings to the AC for review, monitoring, and oversight of the implementation of the Manager’s policies and procedures related to risk management and internal controls. The AC will then present these findings to the Board for acknowledgment or, if necessary, for further consideration and approval.

### INTERNAL CONTROL

The Board acknowledges its responsibility to establish a robust and effective internal control framework that aligns with the Manager’s business objectives. These objectives include achieving Atrium REIT’s mission, maximizing income to deliver unitholders a fair return on their investments through steady and reliable distributions, and pursuing long-term growth in both income distributions and Net Asset Value per unit.

The key features of the Internal Control System established by the Manager are as follows:

			
<p><b>Organisation Structure and Authorisation Procedures</b></p>	<p><b>Policies and Procedures</b></p>	<p><b>Financial and Operational Review</b></p>	<p><b>Business Planning and Budgeting Review</b></p>
<p>The organization’s structure is designed to clearly define roles, responsibilities, and reporting lines, promoting accountability and efficient decision-making process across all levels. Authorization procedures are in place to establish approval limits for various financial and operational activities, ensuring that actions are reviewed and approved by the appropriate level of management.</p> <p>This structured approach supports an effective internal control, risk management, and alignment with the organization’s objectives.</p>	<p>The organization has established documented policies and procedures to guide consistent and efficient operations. These documents outline standard practices, compliance requirements and guidelines for decision-making process, to ensure alignment with organizational goals and regulatory standards. Regularly reviewed and updated, these policies and procedures support an effective risk management and help to maintain operational integrity.</p>	<p>The financial and operational review process provides ongoing assessment of the organization’s financial performance and operational efficiency.</p> <p>Regular reviews compare actual results against budgets and performance targets, enabling prompt identification of variances and facilitate timely corrective actions. This approach ensures resource optimization, supports informed decision-making, and promotes alignment with strategic objectives.</p>	<p>The business planning and budgeting review ensures alignment between strategic goals and financial resources. Annually, the organization develops a business plan with clear objectives and a supporting budget. Regular reviews by the Board and Senior Management monitor the progress, address challenges, and adjust the plans as necessary, to ensure effective resource allocation and sustainable growth.</p>

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

### RISK MANAGEMENT

The Board has established a risk management framework aimed at identifying, assessing, tracking, and reporting on potential risks. Part of the Board's responsibilities includes reviewing this framework to ensure that risks are controlled and reduced to acceptable levels. The AC is assigned the responsibility of overseeing this review process on behalf of the Board.

The Manager is responsible for identifying and evaluating risks relevant to Atrium REIT and for pursuing its objectives and strategies within the risk tolerance set by both the Board and the Manager. Each year, the AC reviews the effectiveness of the risk management framework, ensuring that any significant deficiencies or weaknesses identified during the review are addressed or are in the process of being addressed. In assessing business risks, the AC also considers economic, environmental, and social factors, incorporating both financial and non-financial aspects related to the property investment industry.

The risk management process follows the general principles of an internationally recognized framework. Based on the identified key risks, measures and actions are implemented to reduce both the likelihood and impact of these risks.

The Risk Management process adopted by the Manager is as follows:



The Manager has identified potential risks which are pertinent to Atrium REIT and its investment properties. The AC has assessed and reviewed these risks at least annually, to ensure that it is managed on a timely basis. These risks and its mitigating factors can be summarised as follow:

Ref	Risk	Mitigating Factors
1.	Capital and Liquidity Risk	<ul style="list-style-type: none"> <li>To monitor and manage cash flows on a timely manner.</li> <li>To keep abreast of financial updates on financing rates and requirements.</li> <li>To review loan covenants to ensure continuous compliance.</li> <li>To maintain good bankers and investors relationship.</li> </ul>
2.	Credit Risk	<ul style="list-style-type: none"> <li>To implement credit control measures such as close follow-up on rental arrears with tenants and maintaining good tenant relations to ensure timely rental collections.</li> <li>To perform due diligence to assess prospective tenants' credentials prior to commit the tenancies.</li> <li>To strictly adhere to the policy of collecting sufficient security deposits from all tenants which act as collateral.</li> </ul>
3.	Acquisition and Investment Risk	<ul style="list-style-type: none"> <li>To evaluate potential acquisitions against the approved investment criteria.</li> <li>To conduct comprehensive due diligence exercise prior to any acquisition.</li> </ul>
4.	Valuation Risk	<ul style="list-style-type: none"> <li>To use investment approach and, cost and comparison approach for checking and reference purposes.</li> <li>To ensure that the valuation of properties is sustainable so that the Trust's asset value, profitability and gearing will not be affected.</li> <li>To build strong relationship with tenants and increase tenant mix.</li> </ul>
5.	Market Risk	<ul style="list-style-type: none"> <li>To upgrade service level and property facilities to meet tenants' requirements.</li> </ul>

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

### RISK MANAGEMENT (CONT'D)

Ref	Risk	Mitigating Factors
6.	Operation Risk	<ul style="list-style-type: none"> <li>To monitor the condition of the building structure, mechanical and electrical installation and fire-fighting system with the assistance from property manager periodically through half-yearly inspection,</li> <li>To make sure tenants conduct proper planned maintenance,</li> <li>To make provision for sinking funds for maintenance and replacement of mechanical and electrical installation due to normal wear and tear.</li> </ul>
7.	Regulatory and Compliance Risk	<ul style="list-style-type: none"> <li>To keep abreast of new developments on listing rules and other regulatory requirements as set by the relevant statutory bodies and regulators.</li> </ul>
8.	Cyber Risk	<ol style="list-style-type: none"> <li>To increase size of the local server,</li> <li>To attend cyber security awareness courses,</li> <li>To ensure the outsourced IT service providers are competent to safeguard and protect all information and documents at all times.</li> <li>To implement tight security measures, including password, firewalls and anti-virus software.</li> <li>To educate employee on anti-phishing safety tips on electronic mail ("email") transmissions.</li> </ol>
9.	Bribery and Corruption	<ul style="list-style-type: none"> <li>To ensure continuous awareness of the Anti-bribery and Corruption Policy, the Manager has posted the Policy on the Company's website for easy access by employees and business associates.</li> <li>To conduct a systematic review on the implementation of the Adequate Procedures once in every two (2) years.</li> </ul>
10.	Environmental, Social and Governance ("ESG") Related Risk	<p><u>Climate related risk:</u></p> <p>A. <u>Flood</u></p> <ul style="list-style-type: none"> <li>To ensure the drainage surrounding the premises are cleared at all times. Tenants must inform local authority in the event of clogged drains.</li> <li>To encourage tenants to insure their goods and assets to minimize unnecessary damages caused by flood.</li> <li>To increase sum insured and coverage on insurance pertaining to flood/ natural disaster.</li> <li>To install floodgate and/ or raise parameter wall on flood prone properties.</li> </ul> <p>B. <u>Water Scarcity</u></p> <ul style="list-style-type: none"> <li>Report to local authorities and seek their cooperation to solve any water disruption issues should it happens frequently.</li> <li>To salvage water by installing rainwater harvest system in the property.</li> <li>To encourage tenants to raise awareness among their staff about water usage.</li> </ul> <p><u>ESG compliance risk:</u></p> <ul style="list-style-type: none"> <li>To ensure ESG Key Performance Index ("KPI") are set realistically and managed in a timely manner.</li> <li>To review and update ESG KPI factors on renewal of financing agreements.</li> <li>To quantify potential additional cash outflows if ESG KPIs are not likely to meet on renewal of any financing agreements.</li> </ul>



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

### INTERNAL AUDIT FUNCTION

The internal audit function provides independent and objective assurance on the adequacy and effectiveness of the organization's risk management, internal controls, and governance processes. It identifies areas for improvement, ensures compliance with policies and regulations, and supports the organization in achieving its objectives. Regular audit findings and its audit recommendations are reviewed by the AC and reported to the Board.

The costs of the internal audit function which was outsourced to Sterling Business Alignment Consulting Sdn Bhd ("Internal Auditor") amounted to RM33,000, excluding Services Tax and disbursements (2023: RM16,500, excluding Services Tax and disbursements).

The scope of the internal audit function for FY2024 comprised the following compliance reviews:

- a) Review of Compliance with Policies and Procedures,
- b) Review of Investment Department,
- c) Review of Key Operational Areas,
- d) Review of Leasing and Tenancy Management, and
- e) Review of Compliance with Guidelines on Listed Real Estate Investment Trust.

Based on the internal audit assessment conducted by the Internal Auditor, the internal control environment was considered adequate, and the Internal Auditor has not detected any significant control weaknesses, non-compliances and/or fraudulent activities.

### CONCLUSION

The Board affirms that, in their assessment up to the approval of this Statement, the Manager's internal controls and risk management for the financial year are adequate and effective. The Board acknowledges that proper internal controls and risk management serve to protect the assets of Atrium REIT, the investments of Unitholders, and the interests of customers, regulators, employees and other stakeholders.

Furthermore, the Board has obtained assurance from the Acting Chief Executive Officer that, to the best of their knowledge, the Manager's internal control system and risk management framework are effectively and sufficiently operating in all material aspects. This assessment is based on the framework adopted by the Manager relating to the management of Atrium REIT's operations.

### REVIEWED BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Main Market Listing Requirements, the external auditors, BDO PLT have reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report of Atrium REIT for the financial year ended 31 December 2024. Their review was conducted in accordance with *Assurance Practice Guide 3 ("AAPG 3") Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants (Revised November 2022)*.

AAPG 3 does not require the external auditors to, and they did not, consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of Atrium REIT's risk management and internal control system. AAPG 3 also does not require the external auditors to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

Based on their procedures performed, the external auditors have reported to the Board that nothing has come to their attention which causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

This Statement on Risk Management and Internal Control was made in accordance with the approval of the Board on 21 March 2025.

## AUDIT COMMITTEE REPORT

The Board of Directors of the Manager is pleased to present the Audit Committee Report for the financial year ended 31 December 2024 ("FY2024").

The Audit Committee ("AC") was established to assist the Board of Directors ("the Board") of the Manager in overseeing Atrium REIT's financial reporting processes, risk management and internal control framework, governance, independence of external auditors and the effectiveness of the internal audit function. However, the ultimate responsibility of the Atrium REIT's financial reporting process still rests with the Board.

### COMPOSITION

The AC comprises three (3) members, all of whom are Independent Non-Executive Directors. The AC members of the Manager as at the date of this report are as follows:

**Chng Boon Huat**  
Chairman

**Chan Wan Seong**  
Member

**Ho Hock Heng**  
Member

The Board believes that the Audit Committee ("AC") members possess the necessary knowledge, skills, and experience to fulfil their responsibilities effectively. The AC operates under a written Terms of Reference outlining its authority and duties.

### TERMS OF REFERENCE

The AC is governed by the Terms of Reference which is available in the Manager's corporate website at [http://ir2.chartnexus.com/atriumreit/docs/corp\\_governance/Terms-of-Reference-Audit-Committee.pdf](http://ir2.chartnexus.com/atriumreit/docs/corp_governance/Terms-of-Reference-Audit-Committee.pdf)

### MEETINGS

The Audit Committee ("AC") meets quarterly or as determined by the AC Chairman. A quorum of two (2) members is required for conducting AC business. During the FY2024, the AC held four (4) meetings without the presence of other Directors or employees, except by invitation. The Chief Financial Officer ("CFO") and Head of Risk and Compliance ("HRC") were invited to the meetings to facilitate communication and provide clarifications on matters related to financial statements and business operations.

The attendance of the AC members for the meetings held for FY2024 was as follows: -

Member	Designation	Number of AC Meeting	Attendance	Percentage of Attendance (%)
Chng Boon Huat	Independent Non-Executive Director	4	4	100
Chan Wan Seong	Independent Non-Executive Director	4	4	100
Ho Hock Heng	Independent Non-Executive Director	4	4	100

## AUDIT COMMITTEE REPORT (CONT'D)

### SUMMARY OF ACTIVITIES

The AC's activities for FY2024 comprised the following: -

- (a) During the AC meeting held on 26 January 2024, the matters that had been discussed and resolved are as follows:
- (1) The Manager confirmed that subsequent to the training on Conflict of Interest conducted by the Chairman of AC on 16 November 2023, the Conflict-of-Interest Policy has been issued and disseminated to all employees.
  - (2) BDO PLT ("BDO"), the External Auditor, Ms. Shahira Binti Shahar and her team presented Audit Completion Report for the financial year ended 31 December 2023 to the AC. The areas covered in the presentation included the following:
    - (i) The valuation of Investment Properties;
    - (ii) Recoverability of receivables;
    - (iii) Classification of borrowings;
    - (iv) Revenue recognition
    - (v) Computer Assisted Auditing Techniques;
    - (vi) Critical accounting estimates and judgements;
    - (vii) Taxation; and
    - (viii) Management override of controls.

The external auditor reported that no material nor significant findings were noted during the audit.

- (3) The Management informed the AC of a material litigation case raised by a prospective tenant, S. L. Ng Trading Agency Sdn Bhd. The potential damages could not be assessed due to the preliminary nature of the suit. However, SL Ng filed a Notice of Discontinuation on 29 February 2024. There was no significant financial impact on the financial position of Atrium REIT.
- (4) BDO, the External Auditor and the Manager reported that they were not aware of any actual, suspected or alleged fraud affecting Atrium REIT, and no material misstatement was noted.
- (5) BDO opined that the accompanying financial statement gave a true and fair view of the financial position of Atrium REIT.

The AC was satisfied with the above reviews, and its recommendations on the draft audited financial statements for the financial year ended 31 December 2023, and presented to the Board for approval at its meeting on 29 January 2024. The audited financial statements which were included in the Annual Report, were issued to the Unitholders on 6 March 2024.

- (6) The AC reviewed and approved the following reports inclusion in the annual report of 2023:
  - (i) Corporate Governance Overview Statement
  - (ii) Statement of Risk Management and Internal Control
  - (iii) Audit Committee Report, and
  - (iv) Sustainability Statement.

## AUDIT COMMITTEE REPORT (CONT'D)

### SUMMARY OF ACTIVITIES (CONT'D)

- (b) On 19 April 2024, the AC reviewed the scope of work and internal audit plan proposed by Sterling Business Alignment Consultants Sdn Bhd, the outsourced Internal Auditor for the internal audit function (“Internal Auditor”) and decided that the scope of work for the internal audit function for FY2024. The areas which were audited and reported in July 2024 and October 2024 are as follows:
- (i) Reported in July 2024:
    - Review of Compliance with Operational Policies and Procedures;
    - Review of Investment Division;
    - Asset Management.
  - (ii) Reported in October 2024:
    - Key Operational Areas;
    - Leasing and Tenancy Management;
    - Review of Compliance with the Guidelines on Listed Real Estate Investment Trust.
- (c) On 29 July 2024, the Internal Auditor presented the audit findings. The areas covered were the formalisation of the form to be used for declaration of actual, potential and perceived Conflict of Interest situations by all employees and directors, and housekeeping of insured parties of insurance policies for the investment properties. The overall assessment was considered average. The audit findings and its recommendations, together with management responses were deliberated by the AC and reported to the Board.
- (d) The Management informed the AC that the Risk Register, which the AC had reviewed and endorsed in 2023, remains unchanged and continues to comprehensively address all relevant risks. These include risks related to Investment, Sustainability, Financial matters, and Environmental, Social, and Governance (“ESG”) considerations. The measures outlined in the Risk Register are aimed to mitigate identified risks and minimize the likelihood of occurrence.
- (e) During the AC meeting held on 28 October 2024, the Internal Auditor, presented the findings from an internal audit conducted in October 2024 on the areas mentioned above. The audit findings comprised of the performance evaluation of the Property Manager and contractors. The overall assessment was deemed adequate and satisfactory. Subsequently, AC reported the audit findings and recommendations, along with management responses to the Board.

The Internal Auditor proposed the internal audit plan for the upcoming financial year 2025 which is under review by AC.

- (f) On 28 October 2024, the AC reviewed and discussed with our External Auditor on the Audit Planning for FY2024, in respect of the following areas:
- (i) Valuation of investment properties (“IP”),
  - (ii) Recoverability of receivables;
  - (iii) Classification of Borrowings; and
  - (iv) Revenue recognition.

The AC having satisfied with the above review, recommended the draft audited financial statements for FY2024 to the Board for approval at its meeting on 24 January 2025. The audited financial statements which were included in the Annual Report, were issued to the Unitholders on 27 March 2025.

BDO, the External Auditor, confirmed their adherence to independence regulations by affirming that their partners and staff involved in the audit had no direct or indirect interest in Atrium REIT. Additionally, they were not affiliated with Atrium REIT in any manner that could compromise their independence.

## AUDIT COMMITTEE REPORT (CONT'D)

### SUMMARY OF ACTIVITIES (CONT'D)

- (g) The AC had one (1) private session with the External Auditor on 24 January 2025 without the presence of the Executive Directors and Management, to discuss audit issues and concerns that the External Auditor might wish to highlight to the AC. The AC was also informed by the External Auditor that they had received good cooperation from the Management and they were able to access all the necessary information to carry out their functions effectively.
- (h) The AC reviewed the quarterly financial reports and income distribution of Atrium REIT for the fourth quarter of 2023 at its meeting on 26 January 2024. The AC has also on 19 April 2024, 29 July 2024 and 28 October 2024 reviewed the first, second and third quarterly financial reports and income distributions respectively, to ensure that the quarterly reports were in compliance with the Malaysia Financial Reporting Standards (MFRS) 134 Interim Financial Reporting, Part A and Part D of Appendix 9B of the Listing Requirements and the relevant approved accounting standards so as to give a true and fair view of the quarterly results.

The AC subsequently presented its recommendations to the Board for approvals before announcing the quarterly reports and income distributions to Bursa Securities.

- (i) During the quarterly AC meetings, the AC consistently reviewed and discussed any actual, potential, or perceived conflicts of interest involving the Management and/or Directors. The Management provided updates and confirmed if such conflicts were experienced and/ or identified during the year. These discussions reinforce the commitment to maintaining transparency, integrity, and compliance with governance standards.
- (j) During the quarterly meetings, the Management informed the AC that only Manager's fee would trigger related party transactions entered into by Atrium REIT. The total Manager's fee charged to Atrium REIT was RM3,608,575 (2023: RM3,492,804)

### INTERNAL AUDIT FUNCTION

The Manager's internal audit function is outsourced to an external independent firm, Sterling Business Alignment Consulting Sdn Bhd, which reports directly to the AC. To ensure compliance with the International Standards for the Professional Practice of Internal Auditing, the AC thoroughly reviews the audit plan, scope of work, resource allocation, and the qualifications and expertise of the internal auditors. This ensures the internal audit function remains effective and independent.

Audit findings together with its recommendations and the Manager's action plans, are presented and discussed during AC meetings. Once approved by the AC, the recommendations are implemented by the Manager. The Board is kept informed of the internal audit review results related to the Manager's internal control system through updates from the AC.

Details of internal audit activities are provided in the Statement on Risk Management and Internal Control.



## OTHER COMPLIANCE INFORMATION

### AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid or payable (excluding government taxes and out of pocket expenses) to the External Auditor for the financial year ended 31 December 2024 were as follows: -

	<b>RM</b>
Audit	51,000
Non audit	5,500

### DIRECTORS' TRAINING

All Directors must participate in briefings or training programs to stay informed about industry developments and regulatory updates. Throughout the financial year, all Directors have attended multiple briefings and seminars on compliance matters and current trends impacting the listed real estate industry. A summary of the Directors' training is provided below.:

<b>Director</b>	<b>Date</b>	<b>Courses</b>
<b>Dato' Dr Ir Mohamad Khir Bin Harun</b>		
	13 – 14 November 2024	ICDM – MAPII: Leading for Impact (LIP) (Mandatory Accreditation Programme Part II)
<b>Wong Sui Ee</b>		
	6 July 2024	CHK Consulting: Malaysia's Economic and Financial Growth: Insights and Analysis
	11 July 2024	CHK Consulting: Investing in Tomorrow: AI's Impact on: Wealth Management and Global Economy
	15 August 2024	Training Asia – Ergonomics and Stress Management
	26 – 27 August 2024	ICDM – MAPII: Leading for Impact (LIP) (Mandatory Accreditation Programme Part II)
	17 October 2024	Bursa – Conflict of Interest (COI) and governance of COI
<b>Foong Wai Leng</b>		
	14 March 2024	Decoding TCFD Reporting Framework
	21 March 2024	Bursa – Economics Corporate Day
	18 April 2024	MIA – Digital Month: Exploring IT Audit: Empowering Auditors for The Digital Era
	16 May 2024	MIA – The Auditor's responses to Assessed Risks
	23 May 2024	IIAM – Artificial Intelligence and Intelligent Auditing
	23 May 2024	MIA – Town Hall 2023/2024
	24 – 25 June 2024	ICDM – MAPII: Leading for Impact (LIP) (Mandatory Accreditation Programme Part II)
	14 August 2024	MIA – ESG Audit for Internal Auditors – How to ascertain methods of scoping for ESG Performance Audits

## OTHER COMPLIANCE INFORMATION (CONT'D)

### DIRECTORS' TRAINING (CONT'D)

Director	Date	Courses
Foong Wai Leng (Cont'd)		
	15 August 2024	Training Asia – Ergonomics and Stress Management
	9 September 2024	MIA – Accounting and Invoicing Knowledge and Skills under e-invoice Requirements
	10 September 2024	MRMA (Malaysian REIT Managers Association) Forum 2024 – M-REITS Reconfigured: Growth Markets, Prospects and Alternative Asset Classes
	24 September 2024	Bursa – Building Sustainability Credibility: Assurance, Greenwashing and The Rise of Green-Hushing
	17 October 2024	Bursa – Conflict of Interest (COI) and governance of COI
	24 October 2024	IIAM – The Role of Internal Audit in Whistleblowing: Practical Considerations.
	7 November 2024	IFRS Sustainability Disclosure Standards – S1 and S2
Chng Boon Huat		
	3 April 2024	Focus Group Discussion with Non-Listed Companies for the Proposed National Sustainability Reporting Framework
	10 May 2024	ICDM PowerTalk: Being Sued as an INED - A Personal Journey
	24 – 25 June 2024	ICDM – Mandatory Accreditation Programme Part II: Leading for Impact
	10 September 2024	National Climate Governance Summit
	19 November 2024	SC's Audit Oversight Board Conversation with Audit Committees
Chan Wan Seong		
	4 – 5 September 2024	ICDM – MAPII: Leading for Impact (LIP) (Mandatory Accreditation Programme Part II)
	19 November 2024	Malaysia's Audit Oversight Board Conversation with Audit Committees
Ho Hock Heng		
	26 – 27 August 2024	ICDM – MAPII: Leading for Impact (LIP) (Mandatory Accreditation Programme Part II)

### MATERIAL CONTRACT

On 6 February 2024, Atrium REIT has obtained the approval of its unitholders to acquire a leasehold land held under title no. H.S.(D) 324738, PT -, Tempat Industrial Site at Batu Tiga, Mukim Damansara, Daerah Petaling, Negeri Selangor Darul Ehsan measuring 24,295.208 square metres together with all the buildings and structures erected thereon from Amazing Blitz Sdn Bhd, a related party, for a total cash consideration of RM41.00 million. The Trust financed the said acquisition through the issuance of Medium Term Note - Tranche 4 for the amount of RM32.8 million with the remaining amount funded internally. The acquisition of the said property was completed on 6 May 2024.

## MANAGER'S REPORT

Atrium REIT Managers Sdn Bhd, the Manager of Atrium Real Estate Investment Trust ("Atrium REIT" or "Trust"), is pleased to present the Manager's Report together with the audited financial statements of Atrium REIT for the financial year ended 31 December 2024 ("FY2024").

### ABOUT THE MANAGER

Atrium REIT Managers Sdn Bhd ("Manager") was established in 2005 and is a subsidiary of Glory Blitz Industries Sdn Bhd. The Manager's Board of Directors and key personnel comprise experienced individuals in their respective fields of expertise.

### PRINCIPAL ACTIVITY OF THE MANAGER

The principal activity of the Manager is the management of real estate investment trusts. There has been no significant change in the nature of this activity during the financial year.

### THE TRUST AND ITS PRINCIPAL ACTIVITY

Atrium REIT is an industrial asset focused real estate investment trust constituted by a Trust Deed entered into on 20 November 2006, amended by the First Supplementary Deed dated 25 November 2008 and the Restated Deed dated 24 March 2016 between CIMB Commerce Trustee Berhad (formerly known as BHLB Trustee Berhad) as the Trustee and Atrium REIT Managers Sdn Bhd as the Manager (collective known as "First Deed").

On 21 April 2016, the Manager, CIMB Commerce Trustee Berhad ("Retiring Trustee") and Pacific Trustees Berhad ("New Trustee") entered into a Second Supplementary Deed to effect the change of trustee of Atrium REIT from the Retiring Trustee to the New Trustee. The First Deed and the Second Supplementary Deed was further amended by a Second Restated Deed dated 17 December 2019 ("Second Deed") entered into between the Manager and Pacific Trustees Berhad, as the Trustee of Atrium REIT

Atrium REIT was listed on Main Board of Bursa Malaysia Securities Berhad on 2 April 2007

The principal activity of Atrium REIT is to own and invest in real estate and real estate-related assets, whether directly or indirectly through the ownership of single-purpose companies whose principal assets comprise real estate. The investment portfolio of Atrium REIT as at 31 December 2024 comprise Atrium Shah Alam 1, Atrium Shah Alam 2, Atrium Shah Alam 3, Atrium Shah Alam 4, Atrium Shah Alam 5, Atrium Bayan Lepas 1, Atrium Bayan Lepas 2, Atrium Puchong and Atrium USJ (collectively called the "Properties"). These Properties are located at prime industrial sites in the Klang Valley and Penang and are tenanted by multinational companies.

### MANAGER'S FEES AND COMMISSION

Pursuant to the Second Deed, for the financial year ended 31 December 2024, the Manager received a fee of 1.0% per annum of the Net Asset Value of the Trust.

During the year, the Manager did not receive any soft commission (i.e. goods and services) from brokers or agents by virtue of transactions conducted by Atrium REIT.

## MANAGER'S REPORT (CONT'D)

### DIRECTORS OF THE MANAGER

The names of the Directors of the Manager who served on the Board since the date of last report are:

Dato' Dr Ir Mohamad Khir Bin Harun (Chairman)  
Wong Sui Ee  
Foong Wai Leng  
Chan Wan Seong  
Chng Boon Huat  
Ho Hock Heng

### DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangement subsisted to which the Manager is a party with the object or objects of enabling the Directors to acquire benefits by means of acquisition of units in or debentures of Atrium REIT or any other body corporate.

Since the establishment of the Trust, no Director has received or become entitled to receive any benefits by reason of a contract made by the Manager for Atrium REIT or a related corporation with any Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in the notes to the financial statements.

### DIRECTORS' INTERESTS

According to the register of Directors' unitholdings in the Atrium REIT, the interests of Directors of the Manager in office at the end of the financial year ended 31 December 2024 are as follows:

	At 1 January 2024	Bought	Sold	At 31 December 2024
<b>Direct Interest</b>				
Dato' Dr Ir Mohamad Khir Bin Harun	-	-	-	-
Wong Sui Ee	522,200	-	-	522,200
Foong Wai Leng	-	-	-	-
Chan Wan Seong	500,000	-	-	500,000
Chng Boon Huat	-	-	-	-
Ho Hock Heng	-	-	-	-

### OTHER STATUTORY INFORMATION

Before the financial statements of the Trust were made out, the Manager took reasonable steps:

- (i) to ascertain that proper action has been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that there are no known bad debts to be written off and that adequate provision had been made for doubtful debts; and
- (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business have been written down to an amount which they might be expected so to realise.

## MANAGER'S REPORT (CONT'D)

### OTHER STATUTORY INFORMATION (CONT'D)

From the end of the financial year to the date of this report, the Manager is not aware of any circumstances:

- (i) which would necessitate the writing off of bad debts or render the amount of provision for doubtful debts in the financial statements of the Trust inadequate to any substantial extent;
- (ii) which would render the values attributed to current assets in the financial statements of the Trust misleading; and
- (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Trust misleading or inappropriate.

In the opinion of the Manager:

- (i) there has not arisen any item, transaction or event of a material and unusual nature which is likely to affect substantially the results of operations of the Trust for the financial year in which this report is made; and
- (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of 12 months after the end of the financial year which would or may affect the ability of the Trust to meet its obligations as and when they fall due.

As at the date of this report:

- (i) There are no charges on the assets of the Trust which have arisen since the end of the financial year to secure the liabilities of any other person.
- (ii) There are no contingent liabilities of the Trust which have arisen since the end of the financial year.

Signed on behalf of the Board in accordance with a resolution of the Directors of the Manager.



Wong Sui Ee



Dato' Dr. Ir. Mohamad Khir bin Harun

Kuala Lumpur, Malaysia  
Date: 21 March 2025



## STATEMENT BY DIRECTORS OF THE MANAGER

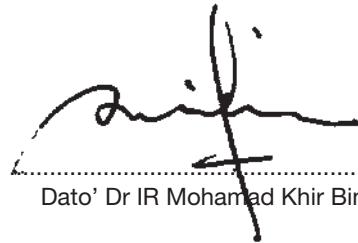
In the opinion of the Directors of Atrium REIT Managers Sdn. Bhd. (“the Manager”), the financial statements set out on pages 102 to 132 have been drawn up in accordance with the provisions of the Second Restated Deed dated 17 December 2019, the Securities Commission’s Guidelines on Real Estate Investment Trusts, applicable securities laws, Malaysian Financial Reporting Standards and IFRS Accounting Standards so as to give a true and fair view of the financial position of Atrium Real Estate Investment Trust as at 31 December 2024 and of the financial performance and cash flows for the financial year then ended.

On behalf of the Manager,

Atrium REIT Managers Sdn. Bhd.  
in accordance with a resolution of the Directors of the Manager



.....  
Wong Sui Ee



.....  
Dato' Dr IR Mohamad Khir Bin Harun

Kuala Lumpur  
21 March 2025

## STATUTORY DECLARATION

I, Wong Sui Ee, being the Director of the Manager, Atrium REIT Managers Sdn. Bhd. primarily responsible for the financial management of Atrium Real Estate Investment Trust, do solemnly and sincerely declare that the financial statements set out on pages 102 to 132 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly )  
declared by the abovenamed at )  
Kuala Lumpur in the Federal )  
Territory this )  
21 March 2025 )



.....  
Wong Sui Ee

Before me:

Commissioner for Oaths



SUITE 9.03, TINGKAT 9  
MENARA RAJA LAUT  
NO. 288 JALAN RAJA LAUT  
50350 KUALA LUMPUR

## TRUSTEE'S REPORT

We, Pacific Trustees Berhad, have acted as Trustee of Atrium Real Estate Investment Trust ("Atrium REIT") for the financial year ended 31 December 2024. In our opinion and to the best of our knowledge:

- a) Atrium REIT Managers Sdn. Bhd. ("the Manager") has managed Atrium REIT in accordance with the limitations imposed on the investment powers of the Manager and the Trustee under the Second Restated Deed dated 17 December 2019 ("the Deed"), the Securities Commission's Guidelines on Real Estate Investment Trusts, the Capital Markets and Services Act 2007 (as amended from time to time) and other applicable laws for the financial year ended 31 December 2024; and
- b) the procedures and processes employed by the Manager to value and price the units of Atrium REIT are adequate and that such valuation/pricing is carried out in accordance with the Deed and other regulatory requirements.

We also confirm that the income distributions declared and paid during the financial year ended 31 December 2024 are in line with and are reflective of the objectives of Atrium REIT. Distributions that have been paid for the financial year ended 31 December 2024 are as follows:

- 1) First interim income distribution of 2.00 sen paid on 4 June 2024
- 2) Second interim income distribution of 2.02 sen paid on 29 August 2024
- 3) Third interim income distribution of 2.10 sen paid on 29 November 2024
- 4) Fourth income distribution of 1.50 sen paid on 31 December 2024
- 5) Fifth and final income distribution of 0.90 sen paid on 26 February 2025

For and on behalf of the Trustee,  
Pacific Trustees Berhad (Registration No. 199401031319 (317001-A))



Razak Bin Ahmad  
Chief Executive Officer

Kuala Lumpur, Malaysia  
21 March 2025

# INDEPENDENT AUDITORS' REPORT

## TO THE UNITHOLDERS OF ATRIUM REAL ESTATE INVESTMENT TRUST

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial statements of Atrium Real Estate Investment Trust ("Atrium REIT"), which comprise the statement of financial position as at 31 December 2024, and statement of profit or loss and other comprehensive income, statement of changes in net asset value and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 102 to 132.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Atrium REIT as at 31 December 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs") and IFRS Accounting Standards.

#### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

We are independent of Atrium REIT in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for *Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of Atrium REIT for the current year. These matters were addressed in the context of our audit of the financial statements of Atrium REIT as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### *Valuation of investment properties*

With reference to Note 4 of the financial statements, Atrium REIT's investment properties were carried at RM653,924,612 as at 31 December 2024.

The investment properties are stated at their fair values, which are estimated by the Manager of Atrium REIT with the assistance of independent external valuers.

There were significant judgements and estimates used in relation to the valuation of Atrium REIT's investment properties including allowance for void, term yield rates, reversionary yield rates, discount rates, difference in location, size, tenure and market conditions.

#### *Audit response*

Our audit procedures included the following:

- (i) assessed and discussed with management of their process for reviewing the work of the independent valuers;
- (ii) assessed the competency, independence and integrity of the independent valuers;
- (iii) obtained the independent valuation reports and discussed with the independent valuers the results of their work;
- (iv) tested the accuracy of rental income data applied in the valuation by comparing them with lease agreements and challenged significant key inputs and assumptions adopted;
- (v) challenged the key assumptions used to arrive at a common basis for comparison to external industry data, in particular the difference in location, size, facilities and market conditions; and
- (vi) benchmarked and challenged the key assumptions to external industry data and comparable property transactions, in particular the allowance for void, term yield rates, reversionary yield rates and discount rates.

## INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ATRIUM REAL ESTATE INVESTMENT TRUST (CONT'D)

### Information Other than the Financial Statements and Auditors' Report Thereon

The Manager of Atrium REIT is responsible for the other information. The other information comprises of all information included in the Annual Report, but does not include the financial statements of Atrium REIT and our auditors' report thereon.

Our opinion on the financial statements of Atrium REIT does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of Atrium REIT, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of Atrium REIT or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibility of the Directors of the Manager and Trustee for the Financial Statements

The Directors of the Manager are responsible for the preparation of financial statements of Atrium REIT that give a true and fair view in accordance with MFRSs, IFRS Accounting Standards and the Securities Commission's Guidelines on Real Estate Investment Trusts. The Directors of the Manager are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of Atrium REIT that are free from material misstatement, whether due to fraud or error. The Trustee is responsible for ensuring that the Directors of the Manager maintain proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

In preparing the financial statements of Atrium REIT, the Directors of the Manager are responsible for assessing the ability of Atrium REIT to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors of the Manager either intend to liquidate Atrium REIT or to cease operations, or have no realistic alternative but to do so.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of Atrium REIT as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of Atrium REIT, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Atrium REIT.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors of the Manager.

## INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF ATRIUM REAL ESTATE INVESTMENT TRUST (CONT'D)

### Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (Cont'd)

- (d) Conclude on the appropriateness of the Directors of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Atrium REIT to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of Atrium REIT or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Atrium REIT to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of Atrium REIT, including the disclosures, and whether the financial statements of Atrium REIT represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Atrium REIT to express an opinion on the financial statements of Atrium REIT. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.


We communicate with the Directors of the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors of the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable actions taken to eliminate threats or safeguards applied.


From the matters communicated with the Directors of the Manager, we determine those matters that were of most significance in the audit of the financial statements of Atrium REIT for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### OTHER MATTERS

This report is made solely to the Unitholders of Atrium REIT in accordance with the Securities Commission's Guidelines on Real Estate Investment Trusts in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

  
**BDO PLT**  
201906000013 (LLP0018825-LCA) & AF 0206  
Chartered Accountants

Kuala Lumpur  
21 March 2025

  
**Shahira Binti Shahar**  
03646/03/2026 J  
Chartered Accountant



## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	2024 RM	2023 RM
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	4	653,924,612	583,314,808
Investment properties - accrued lease income	5	17,375,388	12,385,192
		671,300,000	595,700,000
<b>Current assets</b>			
Trade and other receivables	5	8,702,936	10,837,980
Deposits with a licensed bank	6	20,709,727	36,564,571
Bank balances	6	1,678,857	823,476
		31,091,520	48,226,027
<b>TOTAL ASSETS</b>		<b>702,391,520</b>	<b>643,926,027</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Trade and other payables	7	16,664,145	15,420,567
Borrowings	8	244,031,130	191,231,130
Deferred tax liability	9	11,744,702	10,235,744
		272,439,977	216,887,441
<b>Current liabilities</b>			
Trade and other payables	7	2,797,546	9,599,785
Borrowings	8	48,456,391	60,602,670
		51,253,937	70,202,455
<b>TOTAL LIABILITIES</b>		<b>323,693,914</b>	<b>287,089,896</b>
<b>NET ASSET VALUE ("NAV")</b>		<b>378,697,606</b>	<b>356,836,131</b>

**STATEMENT OF  
FINANCIAL POSITION  
AS AT 31 DECEMBER 2024 (CONT'D)**

	Note	2024 RM	2023 RM
<b>FINANCED BY:</b>			
<b>UNITHOLDERS' FUNDS</b>			
Unitholders' capital	10	288,477,719	288,477,719
Undistributed income		90,219,887	68,358,412
<b>TOTAL UNITHOLDERS' FUNDS</b>		<b>378,697,606</b>	<b>356,836,131</b>
<b>NUMBER OF UNITS IN CIRCULATION</b>	10	265,550,680	265,550,680
<b>NET ASSET VALUE ("NAV")</b>			
Before income distribution		378,697,606	356,836,131
After income distribution		376,307,650	352,321,770
<b>NAV PER UNIT (RM)</b>			
Before income distribution <sup>1</sup>		1.4261	1.3438
After income distribution <sup>2</sup>		1.4171	1.3268

<sup>1</sup> Before the proposed final income distribution of 0.90 sen per unit (2023: 1.70 sen per unit)

<sup>2</sup> After the proposed final income distribution of 0.90 sen per unit (2023: 1.70 sen per unit)

**STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Note	2024 RM	2023 RM
Gross revenue	13	49,980,565	39,565,303
Property operating expenses	14	(4,178,440)	(3,203,277)
<b>Net property income</b>		<b>45,802,125</b>	<b>36,362,026</b>
Interest income		751,665	1,560,303
Other income		2,606	95,403
<b>Total income</b>		<b>46,556,396</b>	<b>38,017,732</b>
Manager's fees	15	(3,608,575)	(3,492,804)
Trustee's fees	16	(360,858)	(349,280)
Auditors' fee		(51,000)	(46,500)
Tax agent's fees		(11,500)	(10,100)
Finance costs	17	(12,539,169)	(11,639,260)
Valuation fees		(109,815)	(124,789)
Administrative expenses		(1,795,796)	(1,442,398)
Others		(290,000)	(122,500)
Changes in fair value of investment properties	4	20,330,073	6,201,405
<b>Total expenses</b>		<b>1,563,360</b>	<b>(11,026,226)</b>
<b>Profit before tax</b>		<b>48,119,756</b>	<b>26,991,506</b>
Tax expense	18	(1,508,958)	(1,280,000)
<b>Profit for the financial year</b>		<b>46,610,798</b>	<b>25,711,506</b>
<b>Other comprehensive income for the financial year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the financial year</b>		<b>46,610,798</b>	<b>25,711,506</b>
<b>Profit for the financial year is made up as follows:</b>			
Realised		22,799,487	18,329,230
Unrealised - changes in fair value of investment properties, deferred tax expense and lease receivables		23,811,311	7,382,276
		46,610,798	25,711,506
<b>Basic and diluted earnings per unit (sen)</b>			
Before Manager's fees	19	18.91	11.07
After Manager's fees	19	17.55	9.75

**STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

	Note	2024 RM	2023 RM
<b>Net income distributions*</b>			
First interim income distribution of 2.00 sen paid on 4 June 2024 (2023: 1.75 sen paid on 31 May 2023)		5,311,014	4,647,137
Second interim income distribution of 2.02 sen paid on 28 August 2024 (2023: 1.75 sen paid on 4 September 2023)		5,364,124	4,647,137
Third interim income distribution of 2.10 sen paid on 29 November 2024 (2023: 1.70 sen paid on 30 November 2023)		5,576,564	4,514,361
Fourth interim income distribution of 1.50 sen paid on 31 December 2024		3,983,260	–
Proposed fourth and final income distribution of 1.70 sen paid on 29 February 2024		–	4,514,361
Proposed fifth and final income distribution of 0.90 sen payable on 26 February 2025		2,389,956	–
		<b>22,624,918</b>	<b>18,322,996</b>
<b>Income distribution per unit*</b>			
First interim income distribution		2.00	1.75
Second interim income distribution		2.02	1.75
Third interim income distribution		2.10	1.70
Fourth interim income distribution		1.50	–
Fourth and final income distribution		–	1.70
Fifth and final income distribution		0.90	–
		<b>8.52</b>	<b>6.90</b>

\* Withholding tax will be deducted for distributions made to the following categories of unitholders:

	Withholding tax rate 2024	2023
Resident corporate	Nil <sup>^</sup>	Nil <sup>^</sup>
Resident non-corporate	10%	10%
Non-resident individual	10%	10%
Non-resident corporate	24%	24%
Non-resident institutional	10%	10%

<sup>^</sup> No withholding tax; tax at prevailing tax rate

## STATEMENT OF CHANGES IN NET ASSET VALUE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Unitholders' capital RM	--- Undistributed income ---		Unitholders' fund RM
		Realised RM	Unrealised RM	
<b>At 1 January 2024</b>	288,477,719	5,380,935	62,977,477	356,836,131
<b>Total comprehensive income</b>				
Profit for the financial year	–	22,799,487	23,811,311	46,610,798
Other comprehensive income, net of tax	–	–	–	–
Total comprehensive income, representing the increase in net assets resulting from operations	–	22,799,487	23,811,311	46,610,798
<b>Unitholders' transactions</b>				
Distributions to unitholders:				
- 2024 interim	–	(20,234,962)	–	(20,234,962)
- 2023 final	–	(4,514,361)	–	(4,514,361)
Decrease in net assets resulting from unitholders' transactions	–	(24,749,323)	–	(24,749,323)
<b>At 31 December 2024</b>	288,477,719	3,431,099	86,788,788	378,697,606

	Note	Unitholders' capital RM	--- Undistributed income ---		Unitholders' fund RM
			Realised RM	Unrealised RM	
<b>At 1 January 2023</b>		274,487,719	5,715,803	55,595,201	335,798,723
<b>Total comprehensive income</b>					
Profit for the financial year		–	18,329,230	7,382,276	25,711,506
Other comprehensive income, net of tax		–	–	–	–
Total comprehensive income, representing the increase in net assets resulting from operations		–	18,329,230	7,382,276	25,711,506
<b>Unitholders' transactions</b>					
Units issued pursuant to:					
- Placement	10	14,000,000	–	–	14,000,000
- Shares issued expenses	10	(10,000)	–	–	(10,000)
Distributions to unitholders:					
- 2023 interim		–	(13,808,635)	–	(13,808,635)
- 2022 final		–	(4,855,463)	–	(4,855,463)
Increase/(Decrease) in net assets resulting from unitholders' transactions		13,990,000	(18,664,098)	–	(4,674,098)
<b>At 31 December 2023</b>		288,477,719	5,380,935	62,977,477	356,836,131

The accompanying notes form an integral part of the financial statements.



## STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 RM	2023 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		48,119,756	26,991,506
Adjustments for:			
Changes in fair value of investment properties	4	(20,330,073)	(6,201,405)
Finance costs	17	12,539,169	11,639,260
Interest income		(751,665)	(1,560,303)
Operating income before changes in working capital		39,577,187	30,869,058
Increase in trade and other receivables		(2,901,363)	(7,143,094)
(Decrease)/Increase in trade and other payables		(5,562,290)	8,002,033
Cash generated from operations, representing net cash from operating activities		31,113,534	31,727,997
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of an investment property	4	(41,000,000)	–
Enhancement of investment properties	4	(9,279,731)	(44,237,724)
Interest received		797,876	1,514,307
Net cash used in investing activities		(49,481,855)	(42,723,417)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Distributions paid to unitholders:			
- Current year		(20,234,962)	(13,808,635)
- Previous year		(4,514,361)	(4,855,463)
Drawdown of Medium Term Note		32,800,000	–
Issuance of new units	10	–	13,990,000
Interest paid		(12,535,540)	(11,635,205)
Net cash used in financing activities		(4,484,863)	(16,309,303)
Net decrease in cash and cash equivalents		(22,853,184)	(27,304,723)
Cash and cash equivalents at beginning of financial year		36,385,377	63,690,100
Cash and cash equivalents at end of financial year		13,532,193	36,385,377

## STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)

	Note	2024 RM	2023 RM
<b>CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the statement of financial position:			
Deposits with licensed banks (not more than three months)	6	20,709,727	36,564,571
- Bank balances	6	1,678,857	823,476
- Bank overdraft	8	(8,856,391)	(1,002,670)
		13,532,193	36,385,377

### RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Short Term Revolving Credit (Note 8) RM	Term Loan (Note 8) RM	Medium Term Note (Note 8) RM	Total RM
At 1 January 2023	39,600,000	53,231,130	158,000,000	250,831,130
Cash flow:				
- Interest paid	(1,622,602)	(2,403,434)	(7,504,254)	(11,530,290)
Non-cash flows:				
- Accruals	(7,985)	3,930	-	(4,055)
- Interest expense	1,630,587	2,399,504	7,504,254	11,534,345
At 31 December 2023/1 January 2024	39,600,000	53,231,130	158,000,000	250,831,130
Cash flows:				
- Drawdown of Medium Term Note	-	-	32,800,000	32,800,000
- Interest paid	(1,680,524)	(2,403,608)	(8,313,116)	(12,397,248)
Non-cash flows:				
- Accruals	(7,118)	3,489	-	(3,629)
- Interest expense	1,687,642	2,400,119	8,313,116	12,400,877
At 31 December 2024	39,600,000	53,231,130	190,800,000	283,631,130

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

### 1. GENERAL INFORMATION

Atrium Real Estate Investment Trust (“Atrium REIT”) is a Malaysia-domiciled real estate investment trust constituted pursuant to the Trust Deed dated 20 November 2006 and the Supplementary Trust Deed dated 25 November 2008 and the Restated Deed dated 24 March 2016 between CIMB Commerce Trustee Berhad as the Trustee and Atrium REIT Managers Sdn. Bhd. as the Manager. Atrium REIT is listed on the Main Market of Bursa Malaysia Securities Berhad.

On 21 April 2016, the Manager, CIMB Commerce Trustee Berhad and Pacific Trustees Berhad entered into a Supplementary Deed to effect the change of trustee of Atrium REIT from CIMB Commerce Trustee Berhad to Pacific Trustees Berhad (“the Trustee”). The change of trustee was effected on 6 May 2016 upon the registration and lodgement of the Supplementary Deed with the Securities Commission on 6 May 2016 and 11 May 2016 respectively.

On 17 December 2019, the Manager and the Trustee signed their Second Restated Deed which replaced all of the provisions in the previous deed. The Second Restated Deed was effected on 6 March 2020 upon the registration and lodgement with the Securities Commission on 6 March 2020 and 10 March 2020 respectively.

During the financial year, the principal place of business of Atrium REIT had change from 36-2, Jalan 5/101C, Off Jalan Kaskas, Jalan Cheras, 56100 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia to 34-2 Jalan 5/101C, Off Jalan Kaskas, Jalan Cheras, 56100 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia.

The principal activity of Atrium REIT is investment in real estate and real estate-related assets whether directly or indirectly through the ownership of single-purpose companies which wholly own real estate. There has been no significant change in the nature of the principal activity during the financial year.

The financial statements as at and for the financial year ended 31 December 2024 comprise Atrium REIT and its wholly-owned special purpose company, Atrium REIT Capital Sdn. Bhd., a company incorporated in Malaysia, of which the principal activity is to raise financing for and on behalf of a Atrium REIT.

The financial statements for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution by the Board of Directors of the Manager on 21 March 2025.

### 2. TERM OF THE TRUST

Atrium REIT will continue its operations until such time as determined by the Trustee and the Manager as provided under the provisions of Clause 19 of the Second Restated Deed dated 17 December 2019.

### 3. BASIS OF PREPARATION

The financial statements of Atrium REIT have been prepared in accordance with the provisions of the Deed, the Securities Commission’s Guidelines on Real Estate Investment Trusts in Malaysia, Malaysian Financial Reporting Standards (“MFRSs”) and IFRS Accounting Standards.

The financial statements of Atrium REIT have been prepared under the historical cost convention, except as otherwise stated in the financial statements and on the basis of accounting principle applicable to a going concern.

As at 31 December 2024, Atrium REIT’s current liabilities exceeded its current assets by RM20,162,417.

Atrium REIT carried out monthly cash flows review for the next twelve (12) months to ensure that the business operations have sufficient funds available to meet its obligations as and when they fall due. Historical results of the treasury management show that Atrium REIT has the ability to meet its obligations as and when they fall due and Atrium REIT has not defaulted on any obligations due or payable to financial institutions or creditors.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (CONT'D)

#### 3. BASIS OF PREPARATION (CONT'D)

The Directors are confident that Atrium REIT will continue to generate sufficient cash flows from its operations for the next twelve (12) months from the reporting date to meet its obligations as and when they fall due. In addition, Atrium REIT has obtained approval for the extension of the existing term loan during the financial year and the renewal of short term revolving credit facility subsequent to the financial year end as disclosed in Notes 8(e) and 8(g) to the financial statements respectively. Based on these factors, the Directors believe it is appropriate to prepare the financial statements of Atrium REIT on a going concern basis.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of Atrium REIT.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 27.1 to the financial statements.

#### 4. INVESTMENT PROPERTIES

	2024 RM	2023 RM
<b>At valuation</b>		
As at 1 January	583,314,808	532,875,679
Enhancement of investment properties	9,279,731	44,237,724
Acquisition of an investment property	41,000,000	–
Changes in fair value:		
- As per valuation reports	37,705,461	18,586,597
- Accrued lease income receivable	(17,375,388)	(12,385,192)
	20,330,073	6,201,405
As at 31 December	653,924,612	583,314,808

- (a) Investment properties are properties which are held to earn rental yields or for capital appreciation or for both and are not occupied by Atrium REIT. Investment properties are initially measured at cost, which includes transaction costs. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at reporting date. Fair value is arrived at and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in fair value of investment properties are included in profit or loss in the year which they arise.
- (b) The carrying value of the investment properties is based on market value determined based on valuations, adjusted with accrued lease income as required by MFRS 140 *Investment Properties* as follows:

	Note	2024 RM	2023 RM
<b>Investment properties - fair value</b>			
Freehold land and buildings		336,600,000	321,400,000
Leasehold land		151,212,847	119,771,860
Leasehold building		183,487,153	154,528,140
		671,300,000	595,700,000
Investment properties - accrued lease income	5	(17,375,388)	(12,385,192)
		653,924,612	583,314,808

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024 (CONT'D)

### 4. INVESTMENT PROPERTIES (CONT'D)

- (c) Investment properties with an aggregate carrying amount of RM607,100,000 (2023: RM534,000,000) are charged to a financial institution for banking facilities granted to Atrium REIT as disclosed in Note 8 to the financial statements.
- (d) Fair value information

Fair value of investment properties is determined in accordance with the Second Restated Deed dated 17 December 2019 and the Securities Commission's Guidelines on Real Estate Investment Trusts which require the investment properties to be valued by independent qualified valuers. In determining the fair value, the valuers used valuation techniques which involve certain estimates.

The fair values of investment properties of Atrium REIT are categorised as Level 3. Level 3 fair values of land and buildings were determined by external and independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The property valuers provide the fair value of the investment properties portfolios of Atrium REIT annually. Changes in Level 3 fair value are assessed by the Manager annually after obtaining the valuation reports from the independent valuers.

The valuation techniques and significant unobservable inputs used in determining the fair value measurement of Level 3 financial instruments as well as the relationship between significant unobservable inputs and fair value, is detailed in the table below:

Valuation technique used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Investment method involves capitalisation of the net annual income stream that is expected to be received from the property after deducting the annual outgoing and other operating expenses incidental to the property with allowance for void by using an appropriate market derived discount rate.	<ul style="list-style-type: none"> <li>- Allowance for void of 5.00% to 10.00% (2023: 5.00%)</li> <li>- Term yield rate of 6.00% to 7.50% (2023: 6.00% to 7.50%)</li> <li>- Reversionary yield rate of 4.00% to 8.00% (2023: 6.50% to 8.00%)</li> </ul>	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> <li>- Allowance for void was lower/(higher)</li> <li>- Term yield rate was higher/(lower)</li> <li>- Reversionary yield rate was higher/(lower)</li> </ul>

During the financial year, Atrium REIT adopted comparison method for Atrium Shah Alam 5 as follows:

Valuation technique used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Comparison method involved determining the market value by directly comparing the property under valuation with similar properties which have been sold, finding its value from these transactions. Adjustments were then made for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis for comparison.	<ul style="list-style-type: none"> <li>- Differences in location, size, tenure and condition of -12.00% to 20.00%</li> </ul>	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> <li>- Differential rate in location, size, tenure and condition was lower/higher</li> </ul>

Direct operating expenses arising from investment properties generating rental income during the financial year are as disclosed in Note 14 to the financial statements.



## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024 (CONT'D)

### 4. INVESTMENT PROPERTIES (CONT'D)

(d) Fair value information (Cont'd)

2024	Occupancy rate as at 31.12.2024 %		Date of valuation		Cost of investment as at 31.12.2024 RM		Carrying value as at 31.12.2024 RM		Fair value as at 31.12.2024 RM		Percentage of fair value over NAV as at 31.12.2024 %	
Description of properties	Tenure of land	Location										
<u>Industrial building</u>												
Atrium Shah Alam 1*	Freehold	Shah Alam	100	06.11.2024	60,003,432	108,724,571	109,400,000 <sup>#</sup>					28.9%
Atrium Shah Alam 2*	Freehold	Shah Alam	100	06.11.2024	64,495,221	89,229,818	89,300,000 <sup>#</sup>					23.6%
Atrium Shah Alam 3*	Freehold	Shah Alam	100	05.11.2024	31,543,603	32,348,000	32,400,000 <sup>#</sup>					8.6%
Atrium Shah Alam 4*	Leasehold <sup>1</sup>	Shah Alam	100	05.11.2024	124,349,396	104,037,155	107,200,000 <sup>#</sup>					28.3%
Atrium Shah Alam 5*	Leasehold <sup>1</sup>	Shah Alam	-	05.11.2024	41,066,824	42,000,000	42,000,000 <sup>§</sup>					11.1%
Atrium Puchong	Freehold	Puchong	100	05.11.2024	39,043,905	64,200,000	64,200,000 <sup>#</sup>					17.0%
Atrium USJ*	Freehold	Subang	100	05.11.2024	25,000,000	41,300,000	41,300,000 <sup>#</sup>					10.9%
Atrium Bayan Lepas 2*	Leasehold <sup>§</sup>	Bayan Lepas	100	25.11.2024	137,240,048	125,724,195	135,500,000 <sup>^</sup>					35.8%
Atrium Bayan Lepas 1*	Leasehold <sup>§</sup>	Bayan Lepas	100	25.11.2024	50,371,707	46,360,873	50,000,000 <sup>^</sup>					13.2%
						573,114,136	653,924,612	671,300,000				

\* The properties are charged to financial institutions for banking facilities granted to Atrium REIT.

<sup>1</sup> As at 31 December 2024, the remaining lease terms for Atrium Shah Alam 4 and Atrium Shah Alam 5 are 49 years, which expires in year 2073 and 44 years, which expires in year 2068 respectively.

<sup>#</sup> Based on valuation carried out by an independent professional valuer, Raine & Horne International Zaki + Partners Sdn. Bhd., using investment method of valuation.

<sup>§</sup> Based on valuation carried out by an independent professional valuer, Raine & Horne International Zaki + Partners Sdn. Bhd., using comparison method of valuation.

<sup>^</sup> Based on valuation carried out by an independent professional valuer, First Pacific Valuers Property Consultant Sdn. Bhd., using investment method of valuation.  
<sup>§</sup> As at 31 December 2024, the remaining lease terms for Atrium Bayan Lepas 1 are 11 years and 17 years, and Atrium Bayan Lepas 2 has a remaining lease term of 26 years. The Manager is in process of applying for land extension of these lease terms subject to the consent of State Authority. On 19 January 2024, the consent from the State Authority had been obtained to grant additional 10 years lease term for Atrium Bayan Lepas 2, which expires in year 2051. The application for Atrium Bayan Lepas 1 is still on-going.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024 (CONT'D)

#### 4. INVESTMENT PROPERTIES (CONT'D)

(d) Fair value information (Cont'd)

2023	Tenure of land	Location	Occupancy rate as at 31.12.2023 %	Date of valuation	Cost of investment as at 31.12.2023 RM	Carrying value as at 31.12.2023 RM	Fair value as at 31.12.2023 RM	Percentage of fair value over NAV as at 31.12.2023 %
<b>Industrial building</b>								
Atrium Shah Alam 1*	Freehold	Shah Alam	100	27.11.2023	60,003,432	99,277,725	100,000,000 <sup>^</sup>	28.0%
Atrium Shah Alam 2*	Freehold	Shah Alam	100	27.11.2023	64,495,221	88,300,000	88,300,000 <sup>^</sup>	24.7%
Atrium Shah Alam 3*	Freehold	Shah Alam	100	28.11.2023	31,543,603	30,646,623	30,500,000 <sup>^</sup>	8.5%
Atrium Shah Alam 4*	Leasehold <sup>^</sup>	Shah Alam	100	28.11.2023	119,936,489	102,300,000	102,300,000 <sup>^</sup>	28.7%
Atrium Puchong	Freehold	Puchong	100	30.11.2023	39,043,905	61,700,000	61,700,000 <sup>^</sup>	17.3%
Atrium USJ*	Freehold	Subang	100	27.11.2023	25,000,000	40,900,000	40,900,000 <sup>^</sup>	11.5%
Atrium Bayan Lepas 2*	Leasehold <sup>\$</sup>	Bayan Lepas	100	29.11.2023	132,440,048	113,369,305	122,000,000 <sup>#</sup>	34.2%
Atrium Bayan Lepas 1*	Leasehold <sup>\$</sup>	Bayan Lepas	100	29.11.2023	50,371,707	47,003,155	50,000,000 <sup>#</sup>	14.0%
					522,834,405	583,314,808	595,700,000	

\* The properties are charged to financial institutions for banking facilities granted to Atrium REIT.

/ As at 31 December 2023, the remaining lease term for Atrium Shah Alam 4 is 50 years, which expires in year 2073.

<sup>^</sup> Based on valuation carried out by an independent professional valuer, Raine & Horne International Zaki + Partners Sdn. Bhd., using investment method of valuation.

<sup>#</sup> Based on valuation carried out by an independent professional valuer, First Pacific Valuers Property Consultant Sdn. Bhd., using investment method of valuation.

<sup>\$</sup> As at 31 December 2023, the remaining lease terms for Atrium Bayan Lepas 1 are 12 years and 18 years, and Atrium Bayan Lepas 2 has a remaining lease term of 17 years. The Manager is in process of applying for extension of these lease terms subject to the consent of State Authority. On 5 July 2021, Penang Development Council ("PDC") had granted an additional 10 years lease term for Atrium Bayan Lepas 2, subject to the consent of State Authority. The consent is still pending as at the date of authorisation of the financial statements. The application for Atrium Bayan Lepas 1 is still on-going.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (CONT'D)

#### 5. TRADE AND OTHER RECEIVABLES

	Note	2024 RM	2023 RM
<b>Non-current assets</b>			
Accrued lease income	4	17,375,388	12,385,192
<b>Current assets</b>			
<b>Trade receivables</b>			
Third parties		84,489	3,226
<b>Other receivables</b>			
Other receivables		27,924	74,135
Prepayments		6,654,711	5,549,304
Deposits		1,935,812	5,211,315
		8,618,447	10,834,754
		8,702,936	10,837,980
Total trade and other receivables		26,078,324	23,223,172
Less: Prepayments		(6,654,711)	(5,549,304)
Total receivables		19,423,613	17,673,868

- (a) Total receivables are classified as financial assets measured at amortised cost.
- (b) Trade receivables are non-interest bearing and the normal trade credit terms granted by Atrium REIT is 30 days (2023: 30 days). They are recognised at their original invoices amounts, which represent their fair values on initial recognition.
- (c) The ageing analysis of trade receivables of Atrium REIT is as follows:

	Gross carrying amount RM	Total allowance RM	Net carrying amount RM
<b>2024</b>			
Current	–	–	–
Past due:			
1 to 30 days	3,162	*	3,162
31 to 60 days	2,750	*	2,750
61 to 90 days	–	–	–
More than 90 days	78,577	*	78,577
	84,489	*	84,489
	84,489	*	84,489

\* Negligible

**NOTES TO  
THE FINANCIAL STATEMENTS**  
31 DECEMBER 2024 (CONT'D)

**5. TRADE AND OTHER RECEIVABLES (CONT'D)**

(c) The ageing analysis of trade receivables of Atrium REIT is as follows: (Cont'd)

	<b>Gross carrying amount RM</b>	<b>Total allowance RM</b>	<b>Net carrying amount RM</b>
<b>2023</b>			
Current	-	-	-
Past due:			
1 to 30 days	2,563	*	2,563
31 to 60 days	-	-	-
61 to 90 days	663	*	663
More than 90 days	-	-	-
	3,226	*	3,226
	3,226	*	3,226

\* *Negligible*

(d) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

During this process, the probability of non-payment by the trade receivables is adjusted by forward looking information and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within trust expenses in the statement of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment. Estimated cash flows recoverable in worst-case scenarios are based on the fair value of the collateral.

It requires management to exercise its judgement in determining the probability of default by trade receivables, appropriate forward-looking information, and estimated cash flows recoverable in worst-case scenarios.

Lifetime ECL is negligible as the management is in view that the losses, if any can be offset against the rental deposits received from tenants as disclosed in Note 7 to the financial statements.

Trade receivables are secured by collateral as disclosed in Note 5(f) to the financial statements.

Atrium REIT have no significant concentration of credit risk that may arise from exposure to a single clearing participant or counterparty.

(e) Trade and other receivables are denominated in RM.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (CONT'D)

#### 5. TRADE AND OTHER RECEIVABLES (CONT'D)

- (f) As at the end reporting period, the credit risks exposures and concentration relating to trade receivables of Atrium REIT are summarised in the table below:

	2024 RM	2023 RM
Maximum exposure, net of impairment	84,489	3,226
Collateral obtained	7,090,800	2,842,703
Net exposure to credit risk	–	–

The above collaterals are rental deposits received from tenants.

- (g) No expected credit loss is recognised arising from other receivables as it is negligible.
- (h) Accrued lease income recognised pursuant to requirements of MFRS 16 Leases, recognised on a straight-line basis over the lease term.

#### 6. BANK BALANCES AND DEPOSITS WITH A LICENSED BANK

	2024 RM	2023 RM
Bank balances	1,678,857	823,476
Deposits with a licensed bank (not more than three months)	20,709,727	36,564,571
	22,388,584	37,388,047

- (a) Deposits with a licensed bank of Atrium REIT have an average maturity period of 14 days (2023: 43 days).
- (b) The deposits are placed with a licensed bank at weighted average interest rate of 3.50% (2023: 3.46%) per annum.
- (c) The Directors of the Manager monitors and maintains a level of cash and cash equivalents and bank facilities deemed adequate to finance Atrium REIT's operations and to mitigate the effects of fluctuations in cash flows. In addition, the Manager also monitors and observes the Securities Commission Guidelines on Real Estate Investment Trusts concerning limits on total borrowings.
- (d) The bank balances and deposits with a licensed bank are denominated RM.
- (e) No sensitivity analysis is presented as the Directors of the Managers are of view that given the interest earning financial assets are fixed rate and these financial assets are measured at amortised cost, volatility of interest rate risk will have minimal impact to Atrium REIT.
- (f) No expected credit losses were recognised arising from the deposits with financial institutions because the probability of default by these financial institutions were negligible.



**NOTES TO  
THE FINANCIAL STATEMENTS**  
31 DECEMBER 2024 (CONT'D)

**7. TRADE AND OTHER PAYABLES**

	2024 RM	2023 RM
<b>Non-current liabilities</b>		
Tenants' deposits	16,664,145	15,420,567
<b>Current liabilities</b>		
Trade payables	–	5,927,082
Other payables and accrued expenses	1,775,286	1,351,457
Tenants' deposits	1,022,260	2,321,246
	2,797,546	9,599,785
	19,461,691	25,020,352

- (a) Trade and other payables are classified as financial liabilities measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to Atrium REIT is 30 days (2023: 30 days).
- (c) Included in other payables and accrued expenses is an amount owing to the Manager of RM322,193 (2023: RM304,225) which is unsecured, interest-free and payable monthly in arrears.
- (d) Trade and other payables are denominated in RM.
- (e) The table below summarises the maturity profile of Atrium REIT's trade and other payables at the end of each reporting period based on contractual undiscounted repayment obligations:

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
<b>2024</b>				
<b>Financial liabilities</b>				
Trade and other payables	1,775,286	–	–	1,775,286
Tenants' deposits	1,022,260	9,334,596	7,329,549	17,686,405
<b>2023</b>				
<b>Financial liabilities</b>				
Trade and other payables	7,278,539	–	–	7,278,539
Tenants' deposits	2,321,246	4,751,119	10,669,448	17,741,813

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (CONT'D)

#### 8. BORROWINGS

	2024 RM	2023 RM
<b>Short Term Financing</b>		
Short Term Revolving Credit ("STRC")	39,600,000	39,600,000
Maybank Term Loan	–	20,000,000
Bank Overdraft	8,856,391	1,002,670
	48,456,391	60,602,670
<b>Long Term Financing</b>		
Term Loan II	10,765,288	10,765,288
Term Loan III	18,400,000	18,400,000
Term Loan IV	4,065,842	4,065,842
Maybank Term Loan	20,000,000	–
Medium Term Note ("MTN") - Tranche 1	35,000,000	35,000,000
Medium Term Note ("MTN") - Tranche 2	87,000,000	87,000,000
Medium Term Note ("MTN") - Tranche 3	36,000,000	36,000,000
Medium Term Note ("MTN") - Tranche 4	32,800,000	–
	244,031,130	191,231,130
	292,487,521	251,833,800

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) The fair values of borrowings are estimated by discounting future contractual cash flows at the current market interest rates available to Atrium REIT for similar financial instruments. The borrowings are categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.
- (c) The STRC facility is secured by a first party legal charge over an investment property, Atrium Shah Alam 1 as disclosed in Note 4 to the financial statements. This financing facility is renewable on a yearly basis and subject to the bank's review.
- The STRC facility bears interest at 4.26% (2023: 4.33%) per annum during the financial year.
- (d) The bank overdraft facility is secured by a first party legal charge over an investment property, Atrium Shah Alam 2 as disclosed in Note 4 to the financial statements. This financing facility is subject to the bank's review.
- The bank overdraft facility bears interest at 5.22% (2023: 5.22%) per annum during the financial year.
- (e) The Term Loan II bears interest rate at cost of funds plus 0.725% (2023: cost of funds plus 0.725%) per annum and is repayable in one lump sum in 2027.
- The Term Loan II is secured by a first party legal charge over an investment property, Atrium Shah Alam, as disclosed in Note 4 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024 (CONT'D)

### 8. BORROWINGS (CONT'D)

(e) (Cont'd)

The Term Loan III bears interest rate at cost of funds plus 0.725% (2023: cost of funds plus 0.725%) per annum and is repayable in one lump sum in 2027.

The Term Loan III is secured by a first party legal charge over an investment property, Atrium Shah Alam 3, as disclosed in Note 4 to the financial statements.

The Term Loan IV bears interest rate at cost of funds plus 0.725% (2023: cost of funds plus 0.725%) per annum and is repayable in one lump sum in 2027.

The Term Loan IV is secured by a first party legal charge over an investment property, Atrium Shah Alam 3, as disclosed in Note 4 to the financial statements.

In the previous financial year, the Maybank term loan bore interest rate at cost of funds plus 0.80% per annum and was repayable in one lump sum in 2024. During the financial year, the lender has approved the extension of the existing term loan maturity date for another five (5) years to 22 April 2029, which bears interest rate at cost of funds plus 0.80% per annum.

The Maybank term loan is secured by a first and second party legal charge over investment properties, Atrium USJ and Atrium Shah Alam 1, as disclosed in Note 4 to the financial statements.

(f) In the previous financial years, the Manager announced on the Main Market of Bursa Securities that Atrium REIT Capital Sdn Bhd ("Atrium REIT Capital"), a special purpose vehicle wholly-owned by Atrium REIT via Pacific Trustees Berhad (acting in its capacity as trustee for Atrium REIT), had lodged a MTN Programme with the Securities Commission pursuant to the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the Securities Commission. The MTN Programme has a maximum tenure of thirty (30) years from the date of issuance of MTN under the MTN Programme.

On 7 October 2019, Atrium REIT Capital issued the first tranche MTN ("MTN - Tranche 2") amounting to RM87.0 million which was advanced to Atrium REIT to part finance their purchase of Atrium Bayan Lepas 2 in Penang. The MTN - Tranche 2 has a tenure of 10 years ("Legal Maturity") effective from 7 October 2019. The MTN - Tranche 2 bears interest rate at cost of funds plus 0.80% per annum and is repayable in one lump sum in 2029.

On 22 October 2020, Atrium REIT Capital issued the second tranche MTN ("MTN - Tranche 1") amounting to RM35.0 million which was advanced to Atrium REIT to part finance their purchase of Atrium Bayan Lepas 1 in Penang. The MTN - Tranche 1 has a tenure of 10 years ("Legal Maturity") effective from 22 October 2020. The MTN - Tranche 1 bears interest rate at cost of funds plus 0.80% per annum and is repayable in one lump sum in 2030.

On 22 March 2021, Atrium REIT Capital issued the third tranche MTN ("MTN - Tranche 3") amounting to RM36.0 million which was advanced to Atrium REIT to part finance their purchase of Atrium Shah Alam 4. The MTN - Tranche 3 has a tenure of 7 years ("Legal Maturity") effective from 22 March 2021. The MTN - Tranche 3 bears interest rate at cost of funds plus 0.80% per annum and is repayable in one lump sum in 2028.

On 6 May 2024, Atrium REIT Capital issued the fourth tranche MTN ("MTN - Tranche 4") amounting to RM32.8 million which was advanced to Atrium REIT to part finance their purchase of Atrium Shah Alam 5 in Shah Alam. The MTN - Tranche 4 has a tenure of 7 years ("Legal Maturity") effective from 6 May 2024. The MTN - Tranche 4 bears interest rate at cost of funds plus 0.75% per annum and is repayable in one lump sum in 2031.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (CONT'D)

#### 8. BORROWINGS (CONT'D)

(f) (Cont'd)

The MTN - Tranche 2, MTN - Tranche 1, MTN - Tranche 3 and MTN - Tranche 4 are secured against, among others, the following:

- (i) Third party (1st) legal charge under the provisions of the National Land Code 1965 over the sub-lease (expiring on 10 February 2041) ("Atrium Bayan Lepas 2") registered in the name of Pacific Trustees Berhad for Atrium REIT ("Chargor") and granted by Penang Development Corporation ("Lessor") over the land held under issue document of title Pajakan Negeri 9036, Lot 70812, Mukim 12, Daerah Barat Daya, Negeri Pulau Pinang together with a 2 storey detached factory and annexed 2 storey office erected thereon and bearing assessment address Plot 401, Lintang Bayan Lepas, Penang and registered in the name of Penang State Government.
- (ii) Third party (1st) legal charge under the provisions of the National Land Code 1965 over two pieces of leasehold land held under issue documents of title Pajakan Negeri 2850, Lot No.2027 (expiring on 7 March 2036) and H.S.(D) 14852, Plot No. 203 (expiring on 3 March 2042). Both situated in Mukim 12, Daerah Barat Daya, Negeri Pulau Pinang together with a single storey detached factory and 2 storey office erected thereon and bearing assessment address 150F, Blok A, Jalan Kampung Jawa, Taman Perindustrian Bayan Lepas, 11900 Bayan Lepas, Penang ("Atrium Bayan Lepas 1") registered in the name of Pacific Trustee Berhad for Atrium REIT ("Chargor").
- (iii) Third party (1st) legal charge under the provisions of the National Land Code 1965 over two pieces of leasehold land held under issue documents of title H.S.(D) 172494, PT-, Bandar Shah Alam (expiring on 5 September 2073) and H.S.(D) 167421, PT-, Mukim Damansara (expiring on 7 November 2067). Both situated in Daerah Petaling, Negeri Selangor together with a single storey detached factory and a single story office cum canteen, a TNB substation and a guard house erected thereon and bearing postal address Lot 7, Persiaran Raja Muda, Seksyen 16, 40200 Shah Alam, Selangor Darul Ehsan ("Atrium Shah Alam 4") registered / to be registered in the name of REIT Trustee for Atrium REIT ("Chargor").
- (iv) Third party (1st) legal charge over a parcel of leasehold land held under issue documents of title H.S.(D) 324738, PT-, Mukim Damansara, Daerah Petaling, Negeri Selangor (expiring on 13 November 2068) together with all other buildings and structures erected thereon and bearing postal address Lot 5, Persiaran Raja Muda, Seksyen 16, 40200 Shah Alam, Selangor Darul Ehsan ("Atrium Shah Alam 5") registered/to be registered in the name of REIT Trustee for Atrium REIT ("Chargor").
- (v) A third (3rd) party Deed of Assignment to be executed by the Chargor in favour of the Public Investment Bank Berhad ("PIVB") assigning all of its rights and title, interests and benefits under the sale and purchase agreement and the sale and purchase agreement in respect of the Atrium Bayan Lepas 2. The form and substance of the sale and purchase agreement and the lease agreement must be acceptable to the Public Bank Berhad ("Bank") and PIVB.
- (vi) An irrevocable Power of Attorney from the Chargor to enable PIVB to deal with Atrium Bayan Lepas 2 and whereas necessary, including the power to sign and register as Attorney and to apply for the consent of the relevant State Authorities to charge the Atrium Bayan Lepas 2 in the favour of PIVB.
- (vii) Third party legal assignment of lease/tenancy agreement entered between the Chargor and the tenant and/or any other future tenant(s) as maybe agreed by the Bank in respect of the Atrium Bayan Lepas 2 and Atrium Bayan Lepas 1.
- (viii) A third (3rd) party legal Assignment and Charge to be executed by the Chargor in favour of PIVB charging by way of a first fixed charge the rental proceeds account and all monies standing to the credit of the rental proceeds account and assigning all the rights and title, interests and benefits to the rental proceeds account as well as to monies standing to the credit of the rental proceeds account.

The Chargor shall credit and/or cause to credit into the rental proceeds account all rental proceeds and deposit monies derived from the Atrium Bayan Lepas 2, Atrium Bayan Lepas 1 and Atrium Shah Alam 4.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024 (CONT'D)

### 8. BORROWINGS (CONT'D)

(f) (Cont'd)

The MTN - Tranche 2, MTN - Tranche 1, MTN - Tranche 3 and MTN - Tranche 4 are secured against, among others, the following: (Cont'd)

The rental proceeds account(s) is/are to be opened by the Chargor with the Bank and operated by the Chargor in the case where no event of default has occurred and is subsisting or by the Security Agent in the case where event of default has occurred and is subsisting.

Third party legal assignment of the rights, interest, titles and benefits in all relevant insurance policies/takaful contracts in respect of Atrium Bayan Lepas 2, Atrium Bayan Lepas 1, Atrium Shah Alam 4 and Atrium Shah Alam 5.

(ix) Letter of Undertaking from each of Chargor and REIT Manager:

- In respect of Atrium Bayan Lepas 2, to obtain approval for sub-lease extension within (12) months from the Completion of the acquisition of Atrium Bayan Lepas 2 in accordance with Securities Commissions Malaysia's approval/waiver of compliance with Section 8.10 (d) of the Guidelines on Listed Real Estate Investment Trust; and
- In respect of Atrium Bayan Lepas 1, to apply for lease extension of not less than ten (10) years with relevant authorities within five (5) years from the date of first issuance of Tranche 1 and to obtain approval for the said lease extension within one (1) year from the date of submission of application.

(x) First party legal assignment by the Issuer over the Financing agreement entered/to be entered between the Issuer and Chargor in relation to the advances to be made by the Issuer to Atrium REIT, which advances are funded by the proceeds arising from the issuance of Tranche 2, Tranche 1, Tranche 3 and Tranche 4.

(xi) Third (3rd) party legal assignment and charge by the REIT Trustee for Atrium REIT in favour of the Security Agent whereby the Atrium REIT assigns and charges all its rights, interest, title and benefits to the rental proceeds account and all monies standing to the credit of the rental proceeds account.

A third (3rd) party legal Assignment by the Atrium REIT for in favour of the Security Agent whereby the Atrium REIT assigns all its rights, interest, title and benefits to the rental proceeds account and security and utility deposit monies generated by Atrium Shah Alam 5.

The Atrium REIT shall credit and/or cause to credit into the rental proceeds account all rental proceeds and deposit monies derived from the Atrium Shah Alam 5.

The rental proceeds account is to be opened by the Assignor with the Bank and operated by the REIT Manager for so long the case where no event of default has occurred and is subsisting or by the Security Agent in the case where event of default has occurred and is subsisting.

(g) At the end of the reporting period, RM39.6 million (2023: RM39.6 million) of the STRC would be maturing in the next twelve months based on the carrying amount reflected in the financial statements. The STRC was renewed on 13 February 2024 by the lender for another year maturing on 12 February 2025 and subsequently renewed on 10 February 2025 by the lender for another year maturing on 9 February 2026.

(h) All borrowings are denominated in RM.



## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (CONT'D)

#### 8. BORROWINGS (CONT'D)

- (i) The table below summarises the maturity profile of the borrowings of Atrium REIT at the end of each reporting period based on contractual undiscounted repayment obligations:

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
<b>2024</b>				
<b>Financial liabilities</b>				
Bank Overdraft	9,318,695	–	–	9,318,695
Term Loans	2,355,771	61,751,942	–	64,107,713
Medium Term Note	8,645,920	154,065,180	70,965,067	233,676,167
Short Term Revolving Credit	41,286,960	–	–	41,286,960
	61,607,346	215,817,122	70,965,067	348,389,535
<b>2023</b>				
<b>Financial liabilities</b>				
Bank Overdraft	1,055,009	–	–	1,055,009
Term Loans	22,605,037	39,755,979	–	62,361,016
Medium Term Note	7,503,400	30,013,600	178,212,433	215,729,433
Short Term Revolving Credit	41,314,680	–	–	41,314,680
	72,478,126	69,769,579	178,212,433	320,460,138

- (j) The following table sets out the carrying amounts as at the end of each reporting period and the remaining maturities of the borrowings of Atrium REIT that are exposed to interest rate risk:

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
<b>2024</b>				
<b>Floating rates</b>				
Bank Overdraft	8,856,391	–	–	8,856,391
Term loans	–	53,231,130	–	53,231,130
Medium Term Note	–	123,000,000	67,800,000	190,800,000
Short Term Revolving Credit	39,600,000	–	–	39,600,000
	48,456,391	176,231,130	67,800,000	292,487,521
<b>2023</b>				
<b>Floating rates</b>				
Bank Overdraft	1,002,670	–	–	1,002,670
Term loans	20,000,000	33,231,130	–	53,231,130
Medium Term Note	–	36,000,000	122,000,000	158,000,000
Short Term Revolving Credit	39,600,000	–	–	39,600,000
	60,602,670	69,231,130	122,000,000	251,833,800

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024 (CONT'D)

### 8. BORROWINGS (CONT'D)

(k) Sensitivity analysis for interest rate risk

As at 31 December 2024, if interest rates at the date had been 10 basis points lower or higher with all other variables held constant, post-tax net income for the financial year would have been RM222,291 (2023: RM191,394) higher or lower, arising mainly as a result of lower or higher interest expense on variable borrowings and interest income from deposits. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

### 9. DEFERRED TAX LIABILITY

	Note	2024 RM	2023 RM
Balance as at 1 January		10,235,744	8,955,744
Recognised in profit and loss	18	1,508,958	1,280,000
Balance as at 31 December		11,744,702	10,235,744

The deferred tax liability relates to fair value gain of freehold land and buildings component within the investment properties which is expected to be recovered through sale.

Where investment properties are carried at fair value as disclosed in Note 4 to the financial statements, the amount of deferred tax recognised is measured using the tax rates that would apply on the sale of those assets at their carrying values at the reporting date unless the property is held with the objective to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

### 10. UNITHOLDERS' CAPITAL

	Number of units	2024 RM	Number of units	2023 RM
<b>Issued and fully paid-up</b>				
Balance as at 1 January	265,550,680	288,477,719	255,550,680	274,487,719
Issuance of units pursuant to:				
- Placements	-	-	10,000,000	14,000,000
- Share issued expenses	-	-	-	(10,000)
Balance as at 31 December	265,550,680	288,477,719	265,550,680	288,477,719

(a) In the previous financial year, the special issuance for the remaining 10,000,000 units at RM1.40 per unit in Atrium REIT to Chan Kam Tuck, has been completed on 8 March 2023.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (CONT'D)

#### 11. UNITHOLDINGS OF DIRECTORS AND RELATED PARTIES

- (a) As at the end of each reporting period, the Manager, Directors of the Manager and related parties who held units in Atrium REIT are as follows:

	Number of unit held	Percentage of total units %	Market value RM
<b>2024</b>			
<b>Direct unitholdings in Atrium REIT</b>			
Atrium REIT Manager Sdn. Bhd.	1,585,500	0.55	1,950,165
Directors of the Manager:			
Wong Sui Ee	522,200	0.20	642,306
Chang Wan Seong	500,000	0.19	615,000
Related parties of the Manager:			
Glory Blitz Industries Sdn. Bhd.	14,479,920	5.45	17,810,302
Sparkle Skyline Sdn. Bhd.	5,962,460	2.25	7,333,826
Chan Kam Tuck (i)	63,020,160	23.73	77,513,567
Lee Hooi Hoong	7,000	0.003	8,610
<b>2023</b>			
<b>Direct unitholdings in Atrium REIT</b>			
Atrium REIT Manager Sdn. Bhd.	1,470,800	0.55	2,029,704
Directors of the Manager:			
Wong Sui Ee	522,200	0.20	720,636
Chang Wan Seong	500,000	0.19	690,000
Related parties of the Manager:			
Glory Blitz Industries Sdn. Bhd.	14,479,920	5.45	19,982,290
Sparkle Skyline Sdn. Bhd.	5,962,460	2.25	8,228,195
Chan Kam Tuck (i)	62,465,200	23.52	86,210,976
Chan Kum Chong	70,000	0.03	96,000

- (i) Unitholdings under Chan Kam Tuck is made up of his individual holding of 56,019,160 (2023: 55,465,200) units and his holding of 7,001,000 (2023: 7,000,000) units under a trust where he is a beneficiary.

- (b) The market value is determined by using the closing market price of Atrium REIT as at 31 December 2024 of RM1.23 (2023: RM1.38).

#### 12. INVESTMENT IN A SUBSIDIARY

- (a) Investment in a subsidiary, which is eliminated on consolidation, is stated at cost less impairment losses, if any.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024 (CONT'D)

### 12. INVESTMENT IN A SUBSIDIARY (CONT'D)

(b) The details of the subsidiary, which is incorporated in Malaysia, are as follows:

Name of company	Effective interest in equity		Principal activities
	2024	2023	
Atrium REIT Capital Sdn. Bhd. ("Atrium REIT Capital")	100%	100%	To carry out the function of a special purpose vehicle to obtain and/or procure financing for and on behalf of Atrium Real Estate Investment Trust, a real estate investment trust listed on the Main Market of Bursa Malaysia Securities Berhad.

The equity of the subsidiary, representing 1 share issued of RM1.00 is held by Pacific Trustee Berhad. The key personnel of Atrium REIT Capital is the same as Atrium REIT. All the administration and operating expenses are borne by Atrium REIT.

### 13. GROSS REVENUE

Gross rental revenue represents rental income received from the rental of investment properties. Rental income is accounted for on a straight-line basis over the lease term of an ongoing lease. The aggregate cost of incentives provided to the lessee is recognised as reduction of rental income over the lease term on a straight-line basis.

### 14. PROPERTY OPERATING EXPENSES

	2024 RM	2023 RM
Property management fees	628,436	527,108
Assessment and quit rent	957,667	785,079
Repair and maintenance	2,134,074	1,520,742
Insurance	474,882	372,578
Other operating expenses	(16,619)	(2,230)
	4,178,440	3,203,277

Property management fees are recognised on an accrual basis.

### 15. MANAGER'S FEES

- (a) The Manager's fees are recognised on an accrual basis using the applicable formula.
- (b) Pursuant to the Deed, the Manager is entitled to receive a fee of up to a maximum of 1.0% per annum of the Net Asset Value of Atrium REIT. The Manager's fee is payable in arrears, calculated and accrued daily.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (CONT'D)

#### 16. TRUSTEE'S FEES

- (a) The Trustee's fees are recognised on an accrual basis using the applicable formula.
- (b) Pursuant to the Deed, the Trustee is entitled to receive a fee of up to a maximum of 0.4% per annum of the Net Asset Value of Atrium REIT, subject to a minimum fee of RM40,000 per annum. The Trustee's fee is payable in arrears, calculated and accrued daily. However, the Trustee has only been charging its fees at the rate of 0.10% (2023: 0.10%) per annum of the Net Asset Value.

#### 17. FINANCE COSTS

	2024 RM	2023 RM
Interest expense on:		
- short term revolving credit facility	1,687,642	1,630,587
- term loans	2,400,119	2,399,504
- bank overdraft	138,292	104,915
- medium term note	8,313,116	7,504,254
	12,539,169	11,639,260

#### 18. TAX EXPENSE

	Note	2024 RM	2023 RM
Deferred tax:			
Relating to origination of temporary differences	9	1,508,958	1,280,000

- (a) The Malaysian income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated taxable profit for the fiscal year.
- (b) The numerical reconciliation between the tax expense and the product of accounting profit multiplied by the applicable tax rate of Atrium REIT is as follows:

	2024 RM	2023 RM
Profit before tax	48,119,756	26,991,506
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	11,548,741	6,477,961
Tax effects in respect of:		
Non-deductible expenses	1,115,237	996,287
Effect of income exempted from tax	(12,663,978)	(7,474,248)
Deferred real property gains tax on investment properties	1,508,958	1,280,000
	1,508,958	1,280,000



## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024 (CONT'D)

### 18. TAX EXPENSE (CONT'D)

(b) (Cont'd)

Pursuant to Section 61A(1) of Income Tax Act, 1967 under the Finance Act, 2006, provided that 90% or more of the total income of Atrium REIT is distributed to its unitholders in the basis period for a year of assessment, the total income of Atrium REIT for that year of assessment shall be exempted from tax.

Atrium REIT will not incur any tax expense during the financial year as it will distribute approximately 100% (2023: 100%) of its realised income available for distribution for the financial year ended 31 December 2024 which translates to more than 90% of its total taxable income.

(c) Taxation of Unitholders

Pursuant to Section 109D(2) of Malaysian Income Tax Act 1967, where 90% or more of Atrium REIT's total taxable income is distributed by Atrium REIT, distributions to unitholders (other than resident corporate investors) will be subject to tax based on a withholding tax mechanism at the following rates:

Unitholders	Tax rate	
	2024	2023
Individuals and all other non-corporate investors such as institutional investors	10%	10%
Non-resident corporate investors	24%	24%

Resident corporate investors are required to report the distributions in their normal corporate tax return and subject to the normal corporate tax rate of 24%.

### 19. BASIC AND DILUTED EARNINGS PER UNIT

- (a) The earnings per unit before Manager's fee of 18.91 sen (2023: 11.07 sen) is calculated by dividing the profit after tax but before deduction of manager's fees for the financial year of RM50,219,373 (2023: RM29,204,310) and by the weighted average number of units in circulation during the financial year of 265,550,680 (2023: 263,742,461).
- (b) The earnings per unit after Manager's fee of 17.55 sen (2023: 9.75 sen) has been calculated based on profit after tax of RM46,610,798 (2023: RM25,711,506) for the financial year and on the weighted average number of units in circulation during the financial year of 265,550,680 (2023: 263,742,461).
- (c) Diluted earnings per unit equals basic earnings per unit as there were no potential dilutive unit in issue as at 31 December 2024 and 31 December 2023.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (CONT'D)

#### 20. NET INCOME DISTRIBUTIONS

Distributions to unitholders are from the following sources:

	2024 RM	2023 RM
Net rental income	40,811,929	33,901,156
Interest income	751,665	1,560,303
Other income	2,606	95,403
	41,566,200	35,556,862
Less: Expenses	(18,766,713)	(17,227,632)
Net income before tax	22,799,487	18,329,230
Tax expense	-	-
Net income after tax	22,799,487	18,329,230
Add: Brought forward undistributed income available for distribution	866,574	860,340
Less: Income distributed	(20,234,962)	(13,808,635)
Less: Proposed final income distribution	(2,389,956)	(4,514,361)
Balance undistributed income	1,041,143	866,574
Distribution per unit (sen)	8.52	6.90

All distributions of income are from realised distributable income.

#### 21. TRANSACTION WITH BROKER/DEALERS

There was no transaction made with brokers/dealers during the financial year.

#### 22. PORTFOLIO TURNOVER RATIO

	2024	2023
Portfolio Turnover Ratio ("PTR") (times)	0.11	-

PTR is the ratio of the average of total acquisitions and total disposals of investments in Atrium REIT for the financial year ended 31 December 2024 to the average net asset value of Atrium REIT for the financial year calculated on a daily basis.

In the previous financial year, Atrium REIT change the basis of calculating the PTR by excluding the total enhancements in arriving the average of total acquisitions and total disposals of investments, resulting in a Nil PTR.

Since the basis of calculating PTR may vary among real estate investment trusts, comparison of PTR of Atrium REIT with other real estate investment trusts may not be an accurate comparison.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024 (CONT'D)

### 23. MANAGEMENT EXPENSE RATIO

	2024	2023
Management expense ratio ("MER") (%)	1.72	1.60

MER is calculated based on total fees of Atrium REIT incurred, including the Manager's fees, Trustee's fees, audit fees, tax agent's fees, administrative and other expenses, to the average net asset value of Atrium REIT for the financial year calculated on a daily basis.

Since the basis of calculating MER may vary among real estate investment trusts, comparison of MER of Atrium REIT with other real estate investment trusts may not be an accurate comparison.

### 24. OPERATING SEGMENT

As the principal activity of Atrium REIT is to invest in properties, which all are located in Malaysia with the primary objective to derive rental income, there are no risk and returns distinguishable between business and geographical segments.

The Directors of the Manager assesses the performance of the operating segments based on various factors, including but not limited to, a measure of profit or loss before tax.

The following are major customers with revenue equal or more than ten percent (10%) of Atrium REIT's revenue:

	2024 RM	2023 RM
Customer A	6,842,608	6,655,564
Customer B	5,611,884	5,136,000
Customer C	17,206,655	16,705,490
Customer D	–	3,977,883
Customer E	6,311,477	–

### 25. COMMITMENTS

- (a) Operating lease commitments

#### Atrium REIT as lessor

Atrium REIT leases out its investment properties under operating leases. The aggregate future minimum lease receivables under non-cancellable lease arrangements as at the end of each reporting period are as follows:

	2024 RM	2023 RM
Not later than one (1) year	48,077,384	33,495,397
Later than one (1) year and not later than five (5) years	118,684,366	103,674,643
Later than five (5) years	110,560,015	130,011,608
	277,321,765	267,181,648

## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (CONT'D)

#### 25. COMMITMENTS (CONT'D)

(b) Capital commitments

	2024 RM	2023 RM
Capital expenditure in respect of addition of investment properties:		
- Approved and contracted for	–	36,900,000

#### 26. FINANCIAL INSTRUMENTS

(a) Capital management

The primary objective of the Directors of the Manager is to ensure that Atrium REIT would be able to continue as a going concern while maximising the returns to unitholders through a balance of issuance of new units and loan financing. The overall strategy of the Manager remains unchanged from that in the previous financial year.

The Manager manages the capital structure of Atrium REIT and makes adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Manager may adjust the income distribution to unitholders or issue new units. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2024 and 31 December 2023.

The Directors of the Manager would also comply with the provisions of the Deed and all applicable rules and guidelines prescribed by the Securities Commission relating to the financing of Atrium REIT.

The Directors of the Manager monitors capital using a gearing ratio, which is total borrowings divided by total assets of Atrium REIT pursuant to Securities Commission's Guidelines on Real Estate Investment Trusts.

	2024 RM	2023 RM
Total borrowings	292,487,521	251,833,800
Total assets	702,391,520	643,926,027
Gearing ratio	41.64%	39.11%

(b) Methods and assumptions used to estimate fair value

The carrying amounts of financial assets and liabilities that are not carried at fair values, such as trade and other receivables, trade and other payables and borrowings are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of each reporting period.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024 (CONT'D)

### 26. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value hierarchy

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Fair value of non-derivative financial liabilities, which are determined for disclosure purposes, are calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period. For other borrowings, the market rate of interest is determined by reference to similar borrowing arrangements.

Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There is no transfer between levels in the hierarchy during the financial year.

(d) Financial risk management

Atrium REIT's overall financial risk management objective is to optimise its shareholder's value and not to engage in speculative transaction.

Atrium REIT is exposed mainly to credit risk, liquidity and cash flow risk and interest rate risk. Information on the management of the related exposures is detailed below:

(i) Credit risk

Exposure to credit risk arises mainly from sales made on credit term, which requires the loss to be recognised if a counter party fails to perform as contracted. It is the policy of Atrium REIT to monitor the financial standing of these counterparties on an ongoing basis to ensure that Atrium REIT is exposed to minimal credit risk.

Information regarding exposure to concentration of credit risk are disclosed in Note 5 to the financial statements.

(ii) Liquidity and cash flow risk

Liquidity and cash flow risk is the risk that the Atrium REIT will encounter difficulty in meeting its financial obligation due to shortage of funds.

Atrium REIT actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, Atrium REIT measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of Atrium REIT.

The analysis of financial statements by remaining contractual maturities has been disclosed in Notes 7 and 8 to the financial statements.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of Atrium REIT will fluctuate because of changes in market interest rates. The exposure of Atrium REIT to risk for changes in interest rates relates primarily to borrowings. These financial instruments are floating rate instruments, and Atrium REIT does not use derivative financial instruments to hedge these risks.

Sensitivity analysis of interest rate risk is not presented as Atrium REIT views the impact of interest rate risk to be insignificant considering its interest-bearing financial assets and liabilities carries the same interest rates and tenures.



## NOTES TO THE FINANCIAL STATEMENTS

### 31 DECEMBER 2024 (CONT'D)

#### 27. ADOPTION OF NEW MFRSS AND AMENDMENTS TO MFRSS

##### 27.1 New MFRSSs adopted during the financial year

Atrium REIT adopted the following Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standards Board (“MASB”) during the financial year:

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 <i>Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements</i>	1 January 2024

Adoption of the above Amendments did not have any material effect on the financial performance or position of Atrium REIT.

##### 27.2 New MFRSSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

The following are Standards and Amendments of the MFRS Framework that have been issued by the MASB but have not been early adopted by Atrium REIT:

<b>Title</b>	<b>Effective Date</b>
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
<i>Annual Improvements to MFRS Accounting Standards Volume 11</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

Atrium REIT is in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable for the future financial years.

## ANALYSIS OF UNITHOLDINGS AS AT 12 FEBRUARY 2025

### ANALYSIS BY SIZE OF HOLDINGS AS AT 12 FEBRUARY 2025

SIZE OF HOLDINGS	NO. OF HOLDERS	%	NO. OF UNITS	%
1 - 99	43	1.076	1,295	0.000
100 - 1,000	876	21.921	548,265	0.206
1,001 - 10,000	1,855	46.421	8,971,420	3.378
10,001 - 100,000	1,007	25.200	33,144,000	12.481
100,001 - 13,277,533(*)	214	5.355	169,885,700	63.974
13,277,534 AND ABOVE (**)	1	0.025	53,000,000	19.958
<b>TOTAL :</b>	<b>3,996</b>	<b>100.000</b>	<b>265,550,680</b>	<b>100.000</b>

REMARK : \* - LESS THAN 5% OF ISSUED UNITS  
 \*\* - 5% AND ABOVE OF ISSUED UNITS

### THIRTY (30) LARGEST UNITHOLDERS AS AT 12 FEBRUARY 2025

Name	No. of units	%
1) PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEGGED SECURITIES ACCOUNT FOR CHAN KAM TUCK (TCS)	53,000,000	19.958
2) PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEGGED SECURITIES ACCOUNT FOR GLORY BLITZ INDUSTRIES SDN BHD (TCS)	12,740,000	4.797
3) CIMSEC NOMINEES (ASING) SDN BHD CIMB FOR CHEUNG SIU WA (PB)	10,070,000	3.792
4) CIMB GROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR CIMB COMMERCE TRUSTEE BERHAD (BTR2031)	7,000,000	2.636
5) HONG LEONG ASSURANCE BERHAD AS BENEFICIAL OWNER (LIFE PAR)	6,772,280	2.550
6) CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) (LGF)	6,228,720	2.345
7) SPARKLE SKYLINE SDN BHD	5,962,460	2.245
8) SOH KING NENG & SONS SDN BHD	5,156,466	1.941
9) APEX NOMINEES (TEMPATAN) SDN. BHD. PLEGGED SECURITIES ACCOUNT FOR PARAMJIT SINGH GILL (MARGIN)	5,000,000	1.882
10) CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR CHONG YOON ON (PB)	4,500,000	1.694
11) SOH KAM ENG	3,734,814	1.406
12) HONG LEONG ASSURANCE BERHAD AS BENEFICIAL OWNER (UNITLINKED BCF)	3,680,000	1.385

## ANALYSIS OF UNITHOLDINGS

AS AT 12 FEBRUARY 2025 (CONT'D)

### THIRTY (30) LARGEST UNITHOLDERS AS AT 12 FEBRUARY 2025 (CONT'D)

	Name	No. of units	%
13)	CHOY YOKE CHUN	3,567,200	1.343
14)	HONG GIAP SENDIRIAN BERHAD	3,433,540	1.292
15)	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEGDED SECURITIES ACCOUNT FOR LAW HOCK HUA	3,061,400	1.152
16)	NAREN ANAND GILL	3,002,600	1.130
17)	HONG LEONG ASSURANCE BERHAD AS BENEFICIAL OWNER (UNITLINKED MF)	2,660,000	1.001
18)	CIMSEC NOMINEES (ASING) SDN BHD CIMB FOR KWOK CHIU NAM (PB)	2,630,000	0.990
19)	HLIB NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT FOR CHAN KAM TUCK	2,515,200	0.947
20)	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GENERALI LIFE INSURANCE MALAYSIA BERHAD FOR ACTIVE BALANCED FUND	2,271,700	0.855
21)	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD EXEMPT AN FOR AHAM ASSET MANAGEMENT BERHAD (TSTAC/CLNTT)	2,155,700	0.811
22)	SHARIKAT BERUNTONG SDN.BHD.	2,000,000	0.753
23)	STEPHEN EDWARD BLACKBURN	2,000,000	0.753
24)	LIAN MONG YEE @ LIAN MUNG YEE	1,623,800	0.611
25)	GLORY BLITZ INDUSTRIES SDN BHD	1,623,720	0.611
26)	ATRIUM REIT MANAGERS SDN BHD	1,585,500	0.597
27)	TASEC NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR TA INVESTMENT MANAGEMENT BERHAD (CLIENTS)	1,555,100	0.585
28)	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD AHAM ASSET MGT BHD FOR TOKIO MARINE LIFE INSURANCE MALAYSIA BHD (TOMARHCT)	1,413,500	0.532
29)	LAW HOCK EIN	1,361,300	0.512
30)	CHRISTINA CHONG YOKE LENG	1,331,000	0.501
		163,636,000	61.621

## ANALYSIS OF UNITHOLDINGS AS AT 12 FEBRUARY 2025 (CONT'D)

### LIST OF SUBSTANTIAL UNITHOLDERS (5% AND ABOVE) AS AT 12 FEBRUARY 2025

	Name	Direct Interest	No. of units		%
			%	Deemed Interest	
1.	CHAN KAM TUCK	63,020,160	23.73	–	–
2.	HONG LEONG ASSURANCE BERHAD	14,872,280	5.60	–	–
3.	HLA HOLDINGS SDN BHD <sup>(1)</sup>	–	–	14,872,280	5.60
4.	MITSUI SUMITOMO INSURANCE COMPANY, LIMITED <sup>(1)</sup>	–	–	14,872,280	5.60
5.	QUEK LENG CHYE <sup>(1)</sup>	–	–	14,872,280	5.60
6.	HONG LEONG FINANCIAL GROUP BERHAD <sup>(2)</sup>	–	–	14,872,280	5.60
7.	GUOCO GROUP LIMITED <sup>(3)</sup>	–	–	14,872,280	5.60
8.	GUOLINE OVERSEAS LIMITED <sup>(3)</sup>	–	–	14,872,280	5.60
9.	GUOLINE CAPITAL ASSETS LIMITED <sup>(3)</sup>	–	–	14,872,280	5.60
10.	HONG LEONG COMPANY (MALAYSIA) BERHAD <sup>(3)</sup>	–	–	14,872,280	5.60
11.	TAN SRI QUEK LENG CHAN <sup>(4)</sup>	–	–	14,872,280	5.60
12.	HL HOLDINGS SDN BHD <sup>(4)</sup>	–	–	14,872,280	5.60
13.	HONG LEONG INVESTMENT HOLDINGS PTE. LTD. <sup>(4)</sup>	–	–	14,872,280	5.60
14.	HONG REALTY (PRIVATE) LIMITED <sup>(4)</sup>	–	–	14,872,280	5.60
15.	KWEK HOLDINGS PTE LTD <sup>(4)</sup>	–	–	14,872,280	5.60
16.	KWEK LENG BENG <sup>(4)</sup>	–	–	14,872,280	5.60
17.	DAVOS INVESTMENT HOLDINGS PRIVATE LIMITED <sup>(4)</sup>	–	–	14,872,280	5.60
18.	KWEK LENG KEE <sup>(4)</sup>	–	–	14,872,280	5.60
19.	GLORY BLITZ INDUSTRIES SDN BHD	14,479,920	5.45	–	–

<sup>(1)</sup> Deemed interest by virtue of their interest in Hong Leong Assurance Berhad.

<sup>(2)</sup> Deemed interest by virtue of their interest in HLA Holdings Sdn Bhd.

<sup>(3)</sup> Deemed interest by virtue of their interest in Hong Leong Financial Group Berhad.

<sup>(4)</sup> Deemed interest by virtue of their interest in Hong Leong Company (Malaysia) Berhad.

## NOTICE OF THE THIRTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirteenth Annual General Meeting (“13th AGM”) of Atrium Real Estate Investment Trust (“Atrium REIT”) will be held at Cahaya Room, 4th Floor, Flamingo Hotel, 5, Tasik Ampang, Jalan Hulu Kelang, 68000 Ampang, Selangor Darul Ehsan on Tuesday, 29 April 2025 at 10.00 a.m. for the following purpose:-

### A. ORDINARY BUSINESS

1. To receive the Audited Financial Statements of Atrium REIT for the financial year ended 31 December 2024 together with the Trustee’s Report issued by Pacific Trustee Berhad, as Trustee of Atrium REIT and the Manager’s Report issued by Atrium REIT Managers Sdn. Bhd., as the Manager of Atrium REIT and the Auditors’ Report thereon.

(Please see Note 2)

### B. SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without modifications, the following Ordinary Resolution:-

2. **PROPOSED UNITHOLDERS’ MANDATE TO ISSUE AND ALLOT NEW UNITS OF UP TO 20% OF ITS TOTAL NUMBER OF UNITS ISSUED OF ATRIUM REIT**

(Ordinary Resolution 1)

“THAT pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and subject to the approvals from all relevant regulatory authorities and/or parties, where required, the Directors of Atrium REIT Managers Sdn. Bhd., the Manager of Atrium REIT (“the Manager”), be and are hereby authorised to issue and allot new units in Atrium REIT (“New Units”) from time to time to such persons and for such purposes as the Directors of the Manager may in their absolute discretion deem fit and in the best interest of Atrium REIT, provided that the aggregate number of New Units to be issued pursuant to this resolution, when aggregated with the number of units in Atrium REIT issued during the preceding 12 months, does not exceed 20% of its total number of units issued of Atrium REIT for the time being (“Proposed Mandate”).

THAT such approval shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting of the unitholders at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (ii) the expiration of the period within which the next Annual General Meeting of the unitholders is required by law to be held; or
- (iii) revoked or varied by resolution passed by the unitholders in a unitholders’ meeting, whichever is the earlier.

THAT the New Units to be issued pursuant to the Proposed Mandate shall, upon issuance and allotment, rank pari passu in all respects with the existing units of Atrium REIT, except that the New Units will not be entitled to any income distribution, right, benefit, entitlement and/or any other distributions that may be declared prior to the date of allotment of such New Units.

THAT the Directors of the Manager and Pacific Trustees Berhad (“the Trustee”), acting for and on behalf of Atrium REIT, be and are hereby authorised to give effect to the Proposed Mandate with full powers to assent to any condition, modification, variation and/or amendment as they may deem fit in the best interest of Atrium REIT and/or as may be imposed by the relevant authorities.



## NOTICE OF THE THIRTEENTH ANNUAL GENERAL MEETING (CONT'D)

AND THAT the Directors of the Manager and the Trustee, acting for and on behalf of Atrium REIT, be and are hereby authorised to take all necessary steps and do all such acts, deeds and things as they may deem necessary or expedient to implement, finalise and to give full effect to the Proposed Mandate.”

By Order of the Board  
**ATRIUM REIT MANAGERS SDN. BHD. (200501028391) (710526-V)**  
(as the Manager of Atrium Real Estate Investment Trust)

**FONG SEAH LIH (MAICSA 7062297) (SSM PC No. 202008000973)**  
**THAM YIN TONG (MAICSA 7049718) (SSM PC No. 202008001314)**

Company Secretary

Kuala Lumpur  
27 March 2025

### NOTES:-

#### 1. APPOINTMENT OF PROXY

1. For the purpose of determining who shall be entitled to attend and vote at this AGM, Atrium REIT shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to Atrium REIT, the Record of Depositors as at 21 April 2025. Only a unitholder whose name appears on this Record of Depositors shall be entitled to vote at this AGM.
2. A unitholder of Atrium REIT who is entitled to attend and vote at a general meeting of Atrium REIT may appoint not more than two (2) proxies to participate instead of the unitholder at the AGM.
3. If two (2) proxies are appointed, the appointment will be invalid unless the unitholder specifies the proportions of his/her holdings to be represented by each proxy.
4. 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.
5. 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.
6. The appointment of a proxy may be made in a hard copy form and the proxy form must be deposited at the office of the Manager at No. 34-2, Jalan 5/101C, Off Jalan Kaskas, Jalan Cheras, 56100 Kuala Lumpur. All proxy form submitted must be received by Atrium REIT not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote.
7. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.

## NOTICE OF THE THIRTEENTH ANNUAL GENERAL MEETING (CONT'D)

### NOTES:- (CONT'D)

#### 1. APPOINTMENT OF PROXY (Cont'd)

8. Last date and time for lodging the proxy form is on **Sunday, 27 April 2025 at 10.00 a.m.**
9. 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. 34-2, 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 AGM 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.
10. 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. 34-2, 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.

#### 2. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The Audited Financial Statements is meant for discussion only as the approval of the unitholders is not required pursuant to Paragraph 13.18(b) of the Guidelines on Listed Real Estate Investment Trusts issued by the Securities Commission Malaysia. Hence, this Agenda is not put forward for voting by the unitholders of Atrium REIT.

#### 3. Explanatory Notes on Special Business

##### Ordinary Resolution 1 - Proposed Mandate

The proposed Ordinary Resolution 1 is a renewal of a general mandate obtained from the unitholders of Atrium REIT at the previous Annual General Meeting and, if passed, will empower the Manager of Atrium REIT to issue New Units of Atrium REIT from time to time provided that the aggregate number of the New Units to be issued, when aggregated with the number of units issued during the preceding 12 months does not exceed 20% of its total number of units issued of Atrium REIT for the time being.

The Proposed Mandate, unless revoked or varied at a Unitholders' Meeting, will expire at the conclusion of the next Annual General Meeting of Atrium REIT.

As at the date of this Notice, no New Units in Atrium REIT were issued pursuant to the general mandate which was approved at the Twelfth Annual General Meeting of Atrium REIT held on 30 April 2024 and which will lapse at the conclusion of the Thirteenth AGM.

The Proposed Mandate will allow the Manager the flexibility to issue and allot New Units to raise funds to finance future investments, acquisitions and capital expenditure to enhance the value of Atrium REIT and/or to refinance existing debt as well as for working capital purposes, subject to the relevant laws and regulations. With the Proposed Mandate, delays and further costs involved in convening separate general meetings to approve such issue of units to raise funds can be avoided.

## ADMINISTRATIVE GUIDE

### FOR THE THIRTEENTH ANNUAL GENERAL MEETING (“13TH AGM”)

**Day & Date** : Tuesday, 29 April 2025  
**Time** : 10.00 a.m.  
**Meeting Venue** : Cahaya Room, 4<sup>th</sup> Floor, Flamingo Hotel, 5, Tasik Ampang, Jalan Hulu Kelang, 68000 Ampang, Selangor Darul Ehsan

#### REGISTRATION

The registration counter will be open at 9.00 a.m. on Tuesday, 29 April 2025 and will remain open until the conclusion of the 13<sup>th</sup> AGM or such time as may be determined by the Chairman of the meeting. Unitholders or proxies are requested to present their original MyKAD or Passport (for non-Malaysians) to the registration staff for verification purposes. Please ensure the original MyKAD or Passport is returned to you thereafter.

Please take note that no person will be allowed to register on behalf of another person, even with the original MyKAD or Passport of that person. Upon verification, unitholders or proxies are required to write their names and sign on the Attendance List placed on the registration table. Unitholders or proxies will also be given the identification wristbands for voting purposes. No person will be allowed to enter the meeting hall without the identification wristband. There will be no replacement for the identification wristband if it is lost or misplaced.

#### APPOINTMENT OF PROXY OR ATTORNEY OR CORPORATE REPRESENTATIVE

- a. Unitholders who appoint proxy(ies) or attorney to attend and vote at the 13<sup>th</sup> AGM, must ensure that the duly executed proxy forms are deposited at the office of the Manager at No. 34-2, 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 13<sup>th</sup> AGM or any adjournment thereof, otherwise the proxy form shall not be treated as valid.
- b. Corporate members who wish to appoint corporate representatives instead of a proxy, must deposit their original or duly certified certificate of appointment of corporate representative to office of the Manager at No. 34-2, Jalan 5/101C, Off Jalan Kaskas, Jalan Cheras, 56100 Kuala Lumpur on or before the 13<sup>th</sup> AGM.

#### RECORD OF DEPOSITORS

Please note that only unitholders whose name appears in the Record of Depositors as at **21 April 2025** shall be entitled to attend or appoint proxies to attend and/or vote on his/her behalf at the 13<sup>th</sup> AGM.

Kindly check the Company’s website or announcements from time to time for the latest updates on the status or changes to the 13<sup>th</sup> AGM arrangement.

#### POLL VOTING

- a. The Voting at the 13<sup>th</sup> AGM will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor as Poll Administrator to conduct the polling process.
- b. During the 13<sup>th</sup> AGM, the Chairman will invite the Poll Administrator to brief on the Voting procedures. The voting session will commence as soon as the Chairman calls for the poll to be opened.
- c. Upon completion of the voting session for the 13<sup>th</sup> AGM, the Scrutineers will verify and announce the poll results followed by the Chairman’s declaration whether the resolutions are duly passed.

#### RECORDING OR PHOTOGRAPHY

Strictly **NO** unauthorised recording or photography of the 13<sup>th</sup> AGM proceedings is allowed.

## ADMINISTRATIVE GUIDE

### FOR THE THIRTEENTH ANNUAL GENERAL MEETING (“13TH AGM”)(CONT’D)

#### ENQUIRY

If you have any enquiries on the above, please contact the following persons during office hours on Monday to Friday from 8.30 a.m. to 5.30 p.m. (except on public holidays):

#### **Tricor Investor & Issuing House Services Sdn Bhd**

General Line : +6 (03) 2783 9299  
Fax Number : +6 (03) 2783 9222  
Email : [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com)

Contact Person : Puan Nor Faeayzah +6 (03) 2783 9274 / [nor.faeayzah@vistra.com](mailto:nor.faeayzah@vistra.com)  
Cik Nur Damia Insyirah +6 (03) 2783 7962 / [damia.insyirah@vistra.com](mailto:damia.insyirah@vistra.com)

# ATRIUM REIT

## ATRIUM REAL ESTATE INVESTMENT TRUST

(Established in Malaysia)

(Managed by Atrium REIT Managers Sdn. Bhd. (200501028391) (710526-V))

### 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/or\* (\*delete as appropriate)

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 Thirteenth Annual General Meeting of the Atrium REIT which will be held at Cahaya Room, 4th Floor, Flamingo Hotel, 5, Tasik Ampang, Jalan Hulu Kelang, 68000 Ampang, Selangor Darul Ehsan on Tuesday, 29 April 2025 at 10.00 a.m., and at any adjournment thereof, and to vote as indicated below:-

<b>Special Business</b>	<b>FOR</b>	<b>AGAINST</b>		
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;"><b>Ordinary Resolution 1</b></td> <td>Proposed Unitholders' Mandate to issue and allot new units of up to 20% of its total number of units issued of Atrium REIT</td> </tr> </table>	<b>Ordinary Resolution 1</b>	Proposed Unitholders' Mandate to issue and allot new units of up to 20% of its total number of units issued of Atrium REIT		
<b>Ordinary Resolution 1</b>	Proposed Unitholders' Mandate to issue and allot new units of up to 20% of its total number of units issued of Atrium REIT			

\* *Delete if not applicable*

Dated this ..... day of ..... 2025

.....  
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 proxy form 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 proxy form 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:-

### APPOINTMENT OF PROXY

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    - (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.

*Fold this flap for sealing*

*Then fold here*

AFFIX  
STAMP

The Manager of  
**ATRIUM REAL ESTATE INVESTMENT TRUST**  
No. 34-2, Jalan 5/101C  
Off Jalan Kaskas, Jalan Cheras  
56100 Kuala Lumpur

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**ATRIUM REAL ESTATE INVESTMENT TRUST**

(Established in Malaysia)

[Managed by Atrium REIT Managers Sdn. Bhd. 200501028391 (710526-V)]