



## **ATRIUM REAL ESTATE INVESTMENT TRUST**

# **Condensed Financial Statements**

## **First Quarter Ended 31 March 2021**

### **Contents**

Condensed Statement of Financial Position	1
Condensed Statement of Profit or Loss and Other Comprehensive Income	2 to 3
Condensed Statement of Changes in Net Asset Value	4 to 5
Condensed Statement of Cash Flows	6
Notes to the Financial Statements	7 to 15

**ATRIUM REAL ESTATE INVESTMENT TRUST**  
**CONDENSED STATEMENT OF FINANCIAL POSITION**

	(Unaudited) As at 31.03.2021 RM	(Audited) As at 31.12.2020 RM
<b>ASSETS</b>		
<b>Non-current asset</b>		
Investment properties	505,376,753	460,376,753
Investment properties - accrued lease income	3,323,247	3,323,247
	<u>508,700,000</u>	<u>463,700,000</u>
<b>Current assets</b>		
Trade and other receivables	8,523,617	9,630,507
Deposits with licensed financial institution	23,632,669	30,385,550
Bank balance	2,115,148	861,407
	<u>34,271,434</u>	<u>40,877,464</u>
<b>TOTAL ASSETS</b>	<u>542,971,434</u>	<u>504,577,464</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Trade and other payables	11,950,855	9,225,474
Borrowings	211,231,130	175,231,130
Deferred tax	7,392,942	7,392,942
	<u>230,574,927</u>	<u>191,849,546</u>
<b>Current liabilities</b>		
Trade and other payables	6,646,812	7,371,682
Borrowings	39,600,000	39,600,000
	<u>46,246,812</u>	<u>46,971,682</u>
<b>TOTAL LIABILITIES</b>	<u>276,821,739</u>	<u>238,821,228</u>
<b>NET ASSET VALUE ("NAV")</b>	<u>266,149,695</u>	<u>265,756,236</u>
<b>FINANCED BY:</b>		
<b>UNITHOLDERS' FUNDS</b>		
Unitholders' capital	204,129,835	204,129,835
Undistributed income	62,019,860	61,626,401
<b>TOTAL UNITHOLDERS' FUNDS</b>	<u>266,149,695</u>	<u>265,756,236</u>
<b>NUMBERS OF UNITS IN CIRCULATION (UNITS)</b>	<u>204,625,680</u>	<u>204,625,680</u>
<b>NAV PER UNIT (RM)</b>		
- before proposed distribution	1.3007	1.2987
- after proposed distribution (Note 1)	1.2757	1.2687

The Condensed Statement of Financial Position should be read in conjunction with the Audited Financial Report for the year ended 31 December 2020 and the accompanying explanatory notes attached to the financial statements.

*(Note 1 - Being Net Asset Value Per Unit after reflecting realised income to be distributed as first interim income distribution for 2021 of 2.50 sen per unit payable on 2 June 2021.)*

**ATRIUM REAL ESTATE INVESTMENT TRUST  
CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME (UNAUDITED)**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2021 RM	Preceding Year Corresponding Quarter 31.03.2020 RM	Current Year to Date 31.03.2021 RM	Preceding Year to Date 31.03.2020 RM
Gross revenue	8,821,842	7,609,658	8,821,842	7,609,658
Unbilled lease income receivable <sup>1</sup>	826,048	641,191	826,048	641,191
Property operating expenses	9,647,890 (554,107)	8,250,849 (592,214)	9,647,890 (554,107)	8,250,849 (592,214)
<b>Net rental income</b>	9,093,783	7,658,635	9,093,783	7,658,635
Interest income	105,168	290,004	105,168	290,004
Other income	200,000	-	200,000	
<b>Total income</b>	9,398,951	7,948,639	9,398,951	7,948,639
<b>Trust expenses</b>				
Manager's fees	(521,050)	(518,779)	(521,050)	(518,779)
Trustee's fees	(52,105)	(51,878)	(52,105)	(51,878)
Auditors' fees	(9,000)	(10,001)	(9,000)	(10,001)
Tax agent's fees	(1,370)	(1,560)	(1,370)	(1,560)
Finance costs	(1,643,763)	(1,755,905)	(1,643,763)	(1,755,905)
Administrative expenses	(550,534)	(352,193)	(550,534)	(352,193)
Others	(88,900)	(94,375)	(88,900)	(94,375)
<b>Total Expenses</b>	(2,866,722)	(2,784,691)	(2,866,722)	(2,784,691)
<b>Income before taxation</b>	6,532,229	5,163,948	6,532,229	5,163,948
Taxation	-	-	-	-
<b>Net income for the period</b>	6,532,229	5,163,948	6,532,229	5,163,948

**ATRIUM REAL ESTATE INVESTMENT TRUST**  
**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**(UNAUDITED) CONT'D**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>Current Year Quarter 31.03.2021 RM</b>	<b>Preceding Year Corresponding Quarter 31.03.2020 RM</b>	<b>Current Year to Date 31.03.2021 RM</b>	<b>Preceding Year to Date 31.03.2020 RM</b>
<b>Total comprehensive income for the period</b>	6,532,229	5,163,948	6,532,229	5,163,948
<b>Net income for the period is made up as follows:</b>				
-Realised Income	5,706,181	4,522,757	5,706,181	4,522,757
-Unrealised - Unbilled lease income receivable <sup>1</sup>	826,048	641,191	826,048	641,191
	6,532,229	5,163,948	6,532,229	5,163,948
<b>Earnings per unit (including unrealised income) (sen)</b>				
- after manager's fees	3.19	2.52	3.19	2.52
- before manager's fees	3.45	2.78	3.45	2.78
<b>Earnings per unit (realised) (sen)</b>				
- after manager's fees	2.79	2.21	2.79	2.21
- before manager's fees	3.04	2.46	3.04	2.46
<b>Distribution per unit (sen)</b>				
- Proposed/Declared	2.50	2.00	2.50	2.00

The Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Report for the year ended 31 December 2020 and the accompanying explanatory notes attached to the financial statements.

<sup>1</sup> Recognition of unbilled lease income receivable pursuant to requirements of MFRS 16 whereby, income from operating leases are to be recognized on a straight-line basis, including contractual increase in rental rates over the fixed tenure of the lease.

**ATRIUM REAL ESTATE INVESTMENT TRUST**

**CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE (UNAUDITED)**

**For The Period from 01.01.2021 to 31.03.2021**

	Unitholders' Capital RM	← Undistributed Income →		Total RM
		Realised RM	Unrealised RM	
<b>At 1 January 2021</b>	204,129,835	6,985,759	54,640,642	265,756,236
<b>Operations for the period from - 1 January 2021 to 31 March 2021</b>				
Net income for the period	-	5,706,181	826,048	6,532,229
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	5,706,181	826,048	6,532,229
<b>Unitholders' transactions</b>				
Distributions to unitholders - 2020 final	-	(6,138,770)	-	(6,138,770)
Decrease in net assets resulting from unitholders' transactions	-	(6,138,770)	-	(6,138,770)
<b>Net assets as at 31 March 2021</b>	<u>204,129,835</u>	<u>6,553,170</u>	<u>55,466,690</u>	<u>266,149,695</u>

**ATRIUM REAL ESTATE INVESTMENT TRUST**  
**CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE (AUDITED)**  
**For The Period from 01.01.2020 to 31.03.2020**

	← Undistributed Income →			
	Unitholders' Capital RM	Realised RM	Unrealised RM	Total RM
<b>At 1 January 2020</b>	204,129,835	5,033,063	52,475,827	261,638,725
<b>Operations for the period from - 1 January 2020 to 31 March 2020</b>				
Net income for the period	-	4,522,757	641,191	5,163,948
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	4,522,757	641,191	5,163,948
<b>Unitholders' transactions</b>				
Distributions to unitholders - 2019 final	-	(4,563,152)	-	(4,563,152)
Decrease in net assets resulting from unitholders' transactions	-	(4,563,152)	-	(4,563,152)
<b>Net assets as at 31 March 2020</b>	<u>204,129,835</u>	<u>4,992,668</u>	<u>53,117,018</u>	<u>262,239,521</u>

The Condensed Statement of Changes in Net Asset Value should be read in conjunction with the Audited Financial Report for the year ended 31 December 2020 and the accompanying explanatory notes attached to the financial statements.

**ATRIUM REAL ESTATE INVESTMENT TRUST**  
**CONDENSED STATEMENT OF CASH FLOWS**  
**For The Period from 01.01.2021 to 31.03.2021**

	<b>(Unaudited)</b> <b>01.01.2021 to</b> <b>31.03.2021</b> <b>RM</b>	<b>(Audited)</b> <b>01.01.2020 to</b> <b>31.12.2020</b> <b>RM</b>
<b><u>Cash Flow From Operating Activities</u></b>		
Income before taxation	6,532,229	21,111,032
Adjustments for:		
Changes in fair value of investment properties	-	399,642
Interest income	(105,168)	(766,047)
Interest expense	1,643,763	7,122,889
Operating income before working capital changes	8,070,824	27,867,516
Decrease in trade and other receivables	1,106,890	554,197
Increase/(Decrease) in trade and other payables	2,000,511	(1,809,849)
Net cash generated from operating activities	11,178,225	26,611,864
<b><u>Cash Flow From Investing Activity</u></b>		
Acquisition of investment property	(9,000,000)	(10,371,707)
Enhancement of investment property	-	(104,688)
Interest income	105,168	737,133
Net cash from/(used in) investing activity	(8,894,832)	(9,739,262)
<b><u>Cash Flow From Financing Activities</u></b>		
Interest paid	(1,643,763)	(6,976,045)
Distribution to unitholders	(6,138,770)	(16,840,692)
Net cash (used)/generated from financing activities	(7,782,533)	(23,816,737)
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	<b>(5,499,140)</b>	<b>(6,944,135)</b>
<b>Cash and Cash Equivalents at the Beginning of the Period</b>	<b>31,246,957</b>	<b>38,191,092</b>
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>25,747,817</b>	<b>31,246,957</b>
<b><u>Cash and Cash Equivalents</u></b>		
Cash and bank balances	2,115,148	861,407
Deposits with licensed financial institution	23,632,669	30,385,550
Bank Overdraft	-	-
	<u>25,747,817</u>	<u>31,246,957</u>

The Condensed Statement of Cash Flows should be read in conjunction with the Audited Financial Report for the year ended 31 December 2020 and the accompanying explanatory notes attached to the financial statements.

**ATRIUM REAL ESTATE INVESTMENT TRUST**  
**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**  
**For the Quarter Ended 31 March 2021**

**Disclosure requirements as per Malaysian Financial Reporting Standards (“MFRS”) 134**

**A1. Basis of Preparation**

The quarterly financial report comprises 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 Atrium REIT

The quarterly financial report is unaudited and has been prepared in accordance with the requirements of Malaysian Financial Reporting Standard (MFRS) 134: Interim Financial Reporting and paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

The accounting policies and methods of computation used in the preparation of the quarterly financial report are consistent with those adopted in the preparation of the audited financial information of the Atrium Real Estate Investment Trust (“Atrium REIT” or “Trust”) for the year ended 31 December 2020.

**A2. Audit Report of Preceding Financial Year Ended 31 December 2020**

The Auditors Report on the financial statements of the preceding financial year was not qualified.

**A3. Seasonality or Cyclicity of Operations**

The business operations of Atrium REIT are not materially affected by any seasonal or cyclical factor.

**A4. Exceptional or Unusual Items**

There were no unusual items to be disclosed for the quarter under review.

**A5. Changes in Estimates of Amounts Reported**

This is not applicable as no estimates were previously reported.

**A6. Changes in Debt and Equity Securities**

There was no issuance, cancellation, repurchase, resale and repayment of equity securities during the current financial quarter except for the following:

During the financial quarter under review, Atrium REIT Capital issued RM36 million of unrated Medium Term Notes - Tranche 3, which were fully subscribed by Public Bank Berhad.

**A7. Income Distribution**

During the quarter under review, Atrium REIT paid an interim distribution of 3.00 sen per unit, amounting to RM6,138,770.40 in respect of the realised income for the period from 1 October 2020 to 31 December 2020 on 26 February 2021.

Based on the first quarter’s results ended 31 March 2021, there will be an interim distribution of 2.50 sen per unit, amounting to RM5,115,642.00, to be payable on 2 June 2021.

## **A8. Segment Reporting**

No segment information is prepared as Atrium REIT's activities are predominantly in one industry segment and occur predominantly in Malaysia.

## **A9. Valuation of Property, Plant & Equipment**

The investment properties are valued based on valuations performed by independent registered valuers.

## **A10. Material Events**

There was no material event as at the latest practicable date from the date of this report.

## **A11. Effect of Changes in the Fund Size of Atrium REIT**

During the quarter under review, there was no change to Atrium REIT's fund size of 204,625,680 units.

## **A12. Changes in Contingent Liabilities**

There is no contingent liability to be disclosed.

## **Additional disclosure requirement as per paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

### **B1. Manager's Investment Objectives**

The Manager's investment objectives are to maximise profits in order to reward Unitholders with a stable distribution of income and to acquire quality assets to achieve long term growth in the Net Asset Value ("NAV") per unit. The Manager has achieved its objective of rewarding Unitholders with stable and attractive return through consistent distribution of income since the listing of the Atrium REIT on 2 April 2007. There was no change in the investment objectives of the Atrium REIT as at the date of this report.

### **B2. Strategies and Policies**

There was no change in strategies and policies employed since the preceding financial year.

### **B3. Review of Performance**

	<b>Current Quarter As at 31 March 2021</b>	<b>Immediate Preceding Quarter As at 31 December 2020</b>
Net asset value (RM)	266,149,695	265,756,236
Units in circulation (units)	204,625,680	204,625,680
Net asset value per unit (RM)		
- before distribution	1.3007	1.2987
- after distribution	1.2757	1.2687
Market price per unit (RM)	1.34	1.15
Highest traded price per unit during the quarter (RM)	1.36	1.16
Lowest traded price per unit during the quarter (RM)	1.14	1.07

## Analysis of Changes in Net Asset Value and Net Asset Value/Unit

There were no significant changes in the Net Asset Value and the Net Asset Value per unit for the quarter under review.

### Quarter Results

For the quarter under review, Atrium REIT's gross revenue increased to RM8.82 million compared to the last corresponding quarter of RM7.61 million. Income before taxation (realised) for the quarter increased by 26.2% to RM5.71 million due mainly to the higher gross revenue. The increase in gross revenue was due to the rental income from Atrium Bayan Lepas 1 ("ABL1") which commenced in October 2020.

Interest income was substantially lower as a result of lower funds and lower interest rates. Other income of RM200,000 was from the settlement amount received from a defaulted trade debtor following a consent judgement reached on 19.1.2021. Finance costs decreased due to the lower interest rates as a result of Bank Negara's cumulative reduction of the Overnight Policy Rate by 1.25% in 2020. The administrative expenses were higher compared with the last corresponding quarter due mainly to the amortization of the consent fees for Atrium Bayan Lepas 1 lease with Lumileds Malaysia Sdn Bhd.

#### **B4. Comparison with Preceding Quarter**

	<b>Current Quarter 01.01.2021 To 31.03.2021 RM</b>	<b>Preceding Quarter 01.10.2020 To 31.12.2020 RM</b>
Gross revenue	8,821,842	8,848,346
Unbilled lease income receivable	826,048	786,665
	<hr/> 9,647,890	<hr/> 9,635,101
Property expenses	(554,107)	(330,598)
<b>Net property income</b>	<hr/> 9,093,783	<hr/> 9,304,503
Interest income	105,168	129,829
Changes in fair value of investment properties	-	(399,642)
Other income	200,000	170
<b>Total income</b>	<hr/> 9,398,951	<hr/> 9,034,860
Trust expenses	(2,866,722)	(3,029,830)
<b>Income before taxation</b>	<hr/> 6,532,229	<hr/> 6,005,030
Taxation	-	(152,829)
<b>Net (loss)/ income</b>	<hr/> 6,532,229	<hr/> 5,852,201
<b>Net income/(loss) for the financial quarter is made up as follows:</b>		
-Realised income	5,706,181	5,618,007
-Unrealised income	826,048	234,194
	<hr/> 6,532,229	<hr/> 5,852,201

Atrium REIT's net income (realised) for the quarter ended 31 March 2021 was slightly higher compared to the preceding quarter due mainly to the increase in other income and a decrease in trust expenses even though the property expenses increased. Other income of RM200,000 was from the settlement amount received from a defaulted trade debtor following a consent judgement reached on 19.1.2021.

## **B5. Maintenance Costs and Major Capital Expenditure**

No capital expenditure was recognized/incurred during the quarter under review.

### **B6(a). Economic Outlook**

At the January World Economic Outlook update, the IMF revised its projection of global growth in 2020 to -3.5% (October projection: -4.4%). This upward revision was primarily due to better-than-expected growth outturns in the third quarter of 2020 across both advanced and emerging market economies. For 2021, the IMF projects the global economy to grow by 5.5% (October projection: 5.2%). The outlook is underpinned by the ‘vaccine-virus race’, that is, the interplay between the ongoing rollout of mass inoculation against COVID-19 and the resurgence in cases. The vaccine is expected to facilitate the eventual resumption of economic activity. However, in the near term, resurgences may still necessitate the reintroduction of containment measures. Consequently, a key downside risk is a re-escalation of the pandemic before coverage rates required for population immunity are reached, particularly if there are delays in the production and distribution of vaccines.

For Malaysia, the momentum in economic recovery was affected by the resurgence in COVID-19 cases and the introduction of targeted containment measures in several states in the fourth quarter. While there were minimal restrictions on production capacity, the movement restrictions implemented in selected states partly affected domestic demand during the quarter. For 2021, while near-term growth will be affected by the re-introduction of stricter containment measures, the impact, however, will be less severe than that experienced in 2020. The growth trajectory is projected to improve from the second quarter onwards. The improvement will be driven by the recovery in global demand, turnaround in public and private sector expenditure amid continued support from policy measures including PENJANA, KITA PRIHATIN, 2021 Budget and PERMAI, and higher production from existing and new facilities in the manufacturing and mining sectors. The vaccine rollout from February onwards is also expected to lift sentiments. The balance of risks remains tilted to the downside, stemming mainly from ongoing uncertainties surrounding the dynamics of the pandemic and potential challenges that might affect the rollout of vaccines both globally and domestically.

*(Source: Bank Negara Malaysia)*

### **B6(b). Prospects**

#### Atrium Shah Alam 1

Marelli Motori Asia, the current lessee, has informed the Manager that they will be vacating the premises upon expiry of the lease agreement on 31 May 2021. The Manager has secured a new lessee, Ninja Logistics to take over the premises upon expiry of the existing lease agreement. The new lease will be for a period of 6 years and is expected to commence on 1 June 2021.

#### Atrium USJ-Block B (AUSJ-B)

The current tenant for Block A, Rohlig Malaysia Sdn Bhd (“Rohlig”), had taken over the tenancy for AUSJ-B following the non-renewal of the expired tenancy with CJ Century Logistics on 31 December 2020. The new tenancy will be for a period of 3 years commencing on 16 February 2021.

The Manager remains cautious due to the uncertainties surrounding the economic recovery as a result of the current Covid-19 pandemic. Despite the uncertainties and the challenging market conditions, Atrium REIT's portfolio of properties remain resilient and is expected to continue delivering sustainable performance for the rest of the financial year ending 31 December 2021.

The occupancy rate for the Trust's portfolio of properties as at 31 March 2021 was 100% save and except Atrium Shah Alam 4 ("ASA4"), the acquisition of which was completed during the current quarter.

## B7. Portfolio Composition

As at 31 March 2021, the portfolio composition of Atrium REIT is as follows:

### Investments in Real Estates

Description of property	Tenure of land	Occupancy rate as at 31.03.2021 %	Date of Valuation	Cost of Investment RM'000	Latest valuation RM'000	Net Book Value (A) RM'000	Percentage of (A) over Net Assets Value %
Atrium Shah Alam 1	Freehold	100	26.11.2020	60,004	91,300	91,300	34.3%
Atrium Shah Alam 2	Freehold	100	26.11.2020	64,491	78,700	78,700	29.6%
Atrium Shah Alam 3	Freehold	100	23.11.2020	31,156	29,600	29,600	11.1%
Atrium Shah Alam 4	Leasehold	0	01.08.2019	45,000	45,800	45,000	16.9%
Atrium Puchong	Freehold	100	27.11.2020	39,044	53,400	53,400	20.1%
Atrium USJ	Freehold	100	25.11.2020	25,000	38,200	38,200	14.4%
Atrium Bayan Lepas 1	Leasehold	100	15.12.2020	50,371	51,000	51,000	19.2%
Atrium Bayan Lepas 2	Leasehold	100	15.12.2020	131,240	121,500	121,500	45.7%
				446,306		508,700	

## B8. Utilisation of Proceeds Raised from Issuance of New Units

### 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 (from date of listing)
				RM (million)	%	
Part finance proposed acquisition of Lumileds properties and its related expenses	58.2	36.1	-	22.1	38.0	Within 21 months <sup>#</sup>
Defray estimated expenses relating to the Rights Issue	1.4	1.4	-	-	-	Within 1 month
<b>Total</b>	<b>59.6</b>	<b>37.5</b>	<b>-</b>	<b>22.1</b>	<b>37.1</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 Atrium Bayan Lepas 1 & 2. The extension process for the said land leases are ongoing and is only expected to be completed by June 2021. In view of this, the Board has resolved to extend the timeframe for the utilisation of proceeds for an additional 6 months to 30 June 2021.

## B9. Status of Corporate Proposal

There was no corporate proposal announced during the current financial quarter.

## B10. Material Litigation

There was no material litigation as at the latest practicable date from the date of this report.

## B11. Soft Commission

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

## B12. Revenue Recognition

Rental and interest income are recognized on an accrual basis.

## B13. Trade Receivables

	As at 31 March 2021 RM	As at 31 December 2020 RM
<b>Trade receivables</b>		
Third parties	3,748,611	2,885,531
Less: Impairment losses	(1,190,344)	(1,390,344)
Total trade receivables	<u>2,558,267</u>	<u>1,495,187</u>
<b>Other receivables, deposits and prepayments</b>	<u>5,965,350</u>	<u>8,135,320</u>
<b>Trade and Other Receivables</b>	<u><u>8,523,617</u></u>	<u><u>9,630,507</u></u>

The impairment losses related to a debtor that has defaulted in rental payments. The Manager has made full provision for impairment of trade receivable for the long outstanding amount owing by the said debtor in compliance with the latest accounting standards. A consent judgment was successfully recorded between the parties on 19.1.2021 based on a settlement sum of RM750,000.00 payable in 8 installments.

#### Ageing analysis of trade receivables

	Total Due (RM)	0 – 15 days (RM)	16 – 30 days (RM)	31 – 45 days (RM)	> 45 days (RM)
Related Parties	0	0	0	0	0
Non-Related Parties	3,748,611	0	951,716	39,578	2,757,316
TOTAL	3,748,611	0	951,716	39,578	2,757,316

#### B14. Manager’s Fees

Pursuant to the Second Restated Deed dated 17 December 2019, the Manager is entitled to receive a fee of up to 1.0% per annum of the Net Asset Value (“NAV”) of the Trust. For the quarter ended 31 March 2021, the Manager received a fee of 0.8% per annum of the NAV of the Trust.

#### B15. Trustee’s Fees

For the quarter ended 31 March 2021, the Trustee received a fee of 0.08% per annum of the NAV of the Trust.

#### B16. Borrowings and Debt Securities

	As at 31 March 2021 RM	As at 31 December 2020 RM
<u>Short Term Financing (secured)</u>		
Short Term Revolving Credit	39,600,000	39,600,000
Overdraft	-	-
<u>Long Term Financing (secured)</u>		
Term Loan	20,000,000	20,000,000
Term Loan 2	10,765,288	10,765,288
Term Loan 3	18,400,000	18,400,000
Term Loan 4	4,065,842	4,065,842
Medium Term Notes		
- Tranche 1	35,000,000	35,000,000
- Tranche 2	87,000,000	87,000,000
- Tranche 3	36,000,000	-
	<u>250,831,130</u>	<u>214,831,130</u>

#### B17. Taxation

Atrium REIT intends to distribute at least 90% of the distributable income (realised) to unitholders for the financial year 2021, which is exempt from tax pursuant to Section 61A(1) of Income Tax Act, 1967 under the Finance Act, 2006. Thus, Atrium REIT is not expected to incur any tax expenses for the financial year and as such, has not provided any tax expense for this current financial quarter.

## B18. Distribution to Unitholders

Distributions to unitholders are from the following sources:

	<b>Current Quarter RM</b>	<b>Corresponding Quarter RM</b>	<b>Current Year to Date RM</b>	<b>Corresponding Year to Date RM</b>
Rental income (realised)	8,821,842	7,609,658	8,821,842	7,609,658
Interest income	105,168	290,004	105,168	290,004
Other income	200,000	-	200,000	-
<b>Total income</b>	<b>9,127,010</b>	<b>7,899,662</b>	<b>9,127,010</b>	<b>7,899,662</b>
Property operating expenses	(554,107)	(592,214)	(554,107)	(592,214)
Trust expenses	(2,866,722)	(2,784,691)	(2,866,722)	(2,784,691)
<b>Total Expenses</b>	<b>(3,420,829)</b>	<b>(3,376,905)</b>	<b>(3,420,829)</b>	<b>(3,376,905)</b>
<b>Realised income before taxation</b>	<b>5,706,181</b>	<b>4,522,757</b>	<b>5,706,181</b>	<b>4,522,757</b>
Taxation	-	-	-	-
<b>Realised income for the period</b>	<b>5,706,181</b>	<b>4,522,757</b>	<b>5,706,181</b>	<b>4,522,757</b>
<b>Undistributed realised income</b>				
- Previous year's	846,989	469,910	846,989	469,910
- Previous quarter's	-	-	-	-
<b>Total realised income available for distribution</b>	<b>6,553,170</b>	<b>4,992,667</b>	<b>6,553,170</b>	<b>4,992,667</b>
<b>Proposed/declared income distribution</b>	<b>(5,115,642)</b>	<b>(4,092,513)</b>	<b>(5,115,642)</b>	<b>(4,092,513)</b>
Balance undistributed realised income	1,437,528	900,154	1,437,528	900,154
<b>Distribution per unit (sen)</b>				
- Declared	2.50	2.00	2.50	2.00

## B.19 Earnings Per Unit

	<b>Current Quarter ended 31 March 2021</b>	<b>Corresponding Quarter ended 31 March 2020</b>
Units in circulation (units)	204,625,680	204,625,680
Net Income for the period (including unrealised income) (RM)	6,532,229	5,163,948
Net Income for the period (realised) (RM)	5,706,181	4,522,757
<b>Earnings per unit (including unrealised income) (sen)</b>		
- after manager's fees	3.19	2.52
- before manager's fees	3.45	2.78
<b>Earnings per unit (realised) (RM)</b>		
- after Manager's fees	2.79	2.21
- before Manager's fees	3.04	2.46

## **B20. Responsibility Statement**

In the opinion of the Directors of the Manager, this quarterly report has been prepared in accordance with MFRS 134: Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad so as to give a true and fair view of the financial position of Atrium REIT as at 31 March 2021 and of its financial performance and cash flows for the quarter/ period ended on that date and duly authorised for release by the Board of the Manager on 27 April 2021.

By Order of the Board

WONG SUI EE

Executive Director

**Atrium REIT Managers Sdn Bhd**

Registration No: 200501028391 (710526-V)

(As the Manager of Atrium Real Estate Investment Trust)

Kuala Lumpur

Dated: 27 April 2021