



ATRIUM REAL ESTATE INVESTMENT TRUST

Condensed Financial Statements

Third Quarter Ended 30 September 2021

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ATRIUM REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF FINANCIAL POSITION

	(Unaudited) As at 30.09.2021 RM	(Audited) As at 31.12.2020 RM
ASSETS		
Non-current asset		
Investment properties	508,561,670	460,376,753
Investment properties - accrued lease income	3,323,247	3,323,247
	<u>511,884,917</u>	<u>463,700,000</u>
Current assets		
Receivables, deposits and prepayments	9,258,354	9,630,507
Deposits with licensed financial institution	22,652,852	30,385,550
Bank balance	2,792,284	861,407
	<u>34,703,490</u>	<u>40,877,464</u>
TOTAL ASSETS	<u>546,588,407</u>	<u>504,577,464</u>
LIABILITIES		
Non-current liabilities		
Tenants' deposits	12,177,729	9,225,474
Borrowings	211,231,130	175,231,130
Deferred tax	7,392,942	7,392,942
	<u>230,801,801</u>	<u>191,849,546</u>
Current liabilities		
Tenants' deposits	1,407,298	5,989,921
Payables and accruals	1,325,486	1,381,761
Borrowings	44,482,555	39,600,000
	<u>47,215,339</u>	<u>46,971,682</u>
TOTAL LIABILITIES	<u>278,017,140</u>	<u>238,821,228</u>
NET ASSET VALUE ("NAV")	<u>268,571,267</u>	<u>265,756,236</u>
FINANCED BY:		
UNITHOLDERS' FUNDS		
Unitholders' capital	204,129,835	204,129,835
Undistributed income	64,441,432	61,626,401
TOTAL UNITHOLDERS' FUNDS	<u>268,571,267</u>	<u>265,756,236</u>
NUMBERS OF UNITS IN CIRCULATION (UNITS)	<u>204,625,680</u>	<u>204,625,680</u>
NAV PER UNIT (RM)		
- before proposed distribution	1.3125	1.2987
- after proposed distribution (Note 1)	1.2875	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 third interim income distribution for 2021 of 2.50 sen per unit payable on 30 November 2021)

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2021 RM	Preceding Year Corresponding Quarter 30.09.2020 RM	Current Year to Date 30.09.2021 RM	Preceding Year to Date 30.09.2020 RM
Gross revenue	8,876,002	7,619,526	26,561,377	22,838,843
Unbilled lease income receivable ¹	954,409	648,238	2,651,554	1,930,621
	9,830,411	8,267,764	29,212,931	24,769,464
Property operating expenses	(626,961)	(555,603)	(1,872,295)	(1,836,526)
Net rental income	9,203,450	7,712,161	27,340,636	22,932,938
Interest income	109,012	126,598	321,114	636,218
Other income	250,000	197,563	750,000	197,563
Total income	9,562,462	8,036,322	28,411,750	23,766,719
Trust expenses				
Manager's fees	(626,202)	(530,795)	(1,674,335)	(1,572,832)
Trustee's fees	(62,620)	(53,079)	(167,434)	(157,283)
Auditors' fees	(9,000)	(8,001)	(27,000)	(26,003)
Tax agent's fees	(1,410)	(8,190)	(5,740)	(11,220)
Finance costs	(1,801,641)	(1,746,377)	(5,605,804)	(5,309,536)
Administrative expenses	(383,339)	(791,538)	(2,185,578)	(1,343,990)
Others	(45,750)	(50,433)	(174,650)	(239,852)
Total Expenses	(2,929,962)	(3,188,413)	(9,840,541)	(8,660,716)
Income before taxation	6,632,500	4,847,909	18,571,209	15,106,003
Taxation	-	-	-	-
Net income for the period	6,632,500	4,847,909	18,571,209	15,106,003

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2021 RM	Preceding Year Corresponding Quarter 30.09.2020 RM	Current Year to Date 30.09.2021 RM	Preceding Year to Date 30.09.2020 RM
Total comprehensive income for the period	6,632,500	4,847,909	18,571,209	15,106,003
Net income for the period is made up as follows:				
-Realised Income	5,678,091	4,199,671	15,919,655	13,175,382
-Unrealised - Unbilled lease income receivable ¹	954,409	648,238	2,651,554	1,930,621
	6,632,500	4,847,909	18,571,209	15,106,003

Earnings per unit (including unrealised income) (sen)

- after manager's fees	3.24	2.37	9.08	7.38
- before manager's fees	3.55	2.63	9.89	8.15

Earnings per unit (realised) (sen)

- after manager's fees	2.77	2.05	7.78	6.44
- before manager's fees	3.08	2.31	8.60	7.21

Distribution per unit (sen)

- Proposed/Declared	2.50	2.00	7.20	6.00
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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.

¹ 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
UNAUDITED CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
For The Period from 01.01.2021 to 30.09.2021

	← Undistributed Income →			
	Unitholders' Capital RM	Realised RM	Unrealised RM	Total RM
At 1 January 2021	204,129,835	6,985,759	54,640,642	265,756,236
Operations for the period from - 1 January 2021 to 30 September 2021				
Net income for the period	-	15,919,655	2,651,554	18,571,209
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	15,919,655	2,651,554	18,571,209
Unitholders' transactions				
Distributions to unitholders				
- 2020 final	-	(6,138,770)	-	(6,138,770)
- 2021 interim	-	(9,617,408)	-	(9,617,408)
Decrease in net assets resulting from unitholders' transactions	-	(15,756,178)	-	(15,756,178)
Net assets as at 30 September 2021	<u>204,129,835</u>	<u>7,149,236</u>	<u>57,292,196</u>	<u>268,571,267</u>

ATRIUM REAL ESTATE INVESTMENT TRUST
UNAUDITED CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
For The Period from 01.01.2020 to 30.09.2020

	← Undistributed Income →			
	Unitholders' Capital RM	Realised RM	Unrealised RM	Total RM
At 1 January 2020	204,129,835	5,033,063	52,475,827	261,638,725
Operations for the period from - 1 January 2020 to 30 September 2020				
Net income for the period	-	13,175,382	1,930,621	15,106,003
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	13,175,382	1,930,621	15,106,003
Unitholders' transactions				
Distributions to unitholders				
- 2019 final	-	(4,563,153)	-	(4,563,153)
- 2020 interim	-	(8,185,027)	-	(8,185,027)
Decrease in net assets resulting from unitholders' transactions	-	(12,748,180)	-	(12,748,180)
Net assets as at 30 September 2020	<u>204,129,835</u>	<u>5,460,265</u>	<u>54,406,448</u>	<u>263,996,548</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
UNAUDITED CONDENSED STATEMENT OF CASH FLOWS

	Current Year to Date 30.09.2021 RM	Preceding Year to Date 30.09.2020 RM
<u>Cash Flow From Operating Activities</u>		
Income before taxation	18,571,209	15,106,003
Adjustments for:		
Interest income	(321,114)	(636,218)
Interest expense	5,605,804	5,309,536
Operating income before working capital changes	23,855,899	19,779,321
Decrease/(increase) in trade and other receivables	372,153	(14,408,092)
(Decrease)/Increase in trade and other payables	(1,686,643)	1,217,209
Net cash generated from/(used in) operating activities	22,541,409	6,588,438
<u>Cash Flow From Investing Activity</u>		
Acquisition of investment property	(9,000,000)	-
Enhancement of investment property	(3,184,917)	-
Interest income	321,114	636,218
Net cash (used in)/generated from investing activity	(11,863,803)	636,218
<u>Cash Flow From Financing Activities</u>		
Interest paid	(5,605,804)	(5,309,536)
Distribution to unitholders	(15,756,178)	(12,748,180)
Net cash used in financing activities	(21,361,982)	(18,057,716)
Net Decrease in Cash and Cash Equivalents	(10,684,376)	(10,833,060)
Cash and Cash Equivalents at the Beginning of the Period	31,246,957	38,191,092
Cash and Cash Equivalents at the End of the Period	20,562,581	27,358,032
<u>Cash and Cash Equivalents</u>		
Cash and bank balances	2,792,284	1,001,578
Deposits with licensed financial institution	22,652,852	27,854,395
Bank Overdraft	(4,882,555)	(1,497,941)
	<u>20,562,581</u>	<u>27,358,032</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 30 September 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.

A7. Income Distribution

During the quarter under review, Atrium REIT paid an interim distribution of 2.20 sen per unit, amounting to RM4,501,765 in respect of the realised income for the period from 1 April 2021 to 30 June 2021 on 30 August 2021.

Based on the 3rd quarter’s results ended 30 September 2021, there will be an interim distribution of 2.50 sen per unit, amounting to RM5,115,642, to be payable on 30 November 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

	Current Quarter As at 30 September 2021	Immediate Preceding Quarter As at 30 June 2021
Net asset value (RM)	268,571,267	266,440,532
Units in circulation (units)	204,625,680	204,625,680
Net asset value per unit (RM)		
- before distribution	1.3125	1.3021
- after distribution	1.2875	1.2801
Market price per unit (RM)	1.46	1.50
Highest traded price per unit during the quarter (RM)	1.50	1.58
Lowest traded price per unit during the quarter (RM)	1.42	1.34

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 RM8.88 million compared to the corresponding quarter of RM7.62 million. Net income (realised) for the quarter increased by 35.20% to RM5.68 million due mainly to the higher gross revenue. The increase in gross revenue was mainly due to the rental income from Atrium Bayan Lepas 1 ("ABL1") which commenced in October 2020.

The Managers' fees and Trustees' fees for the current quarter were higher as a result of an increase in both the fees with effect from 1 August 2021. The administrative expenses were significantly lower compared with the corresponding quarter due to the absence of Memorandum of Transfer stamp duty ("MOT") and one-off payment of the real estate agents' fee which were incurred in the corresponding quarter.

Nine Months Results

For the nine months ended 30 September 2021, Atrium REIT recorded a gross revenue of RM26.56 million, an increase of 16.29% compared to the corresponding period of RM22.84 million. Net income (realised) for the period increased by 20.83% as compared to the corresponding period. The increase was due mainly to the higher gross revenue and other income. The increased in gross revenue was mainly due to the rental income from ABL 1 which commenced in October 2020 whilst the other income was the settlement amount received from an outstanding trade debtor following a consent judgement reached on 19 January 2021.

Interest income was significantly lower as a result of lower funds and lower interest rates. The trust expenses were higher compared to the corresponding period mainly due to the higher administrative expenses. The significantly higher administrative expenses for the current period as compared to the corresponding period, was due mainly to the one-off payment of the real estate agents' fees and the amortization of consent fees for ABL 1 lease with Lumileds Malaysia Sdn Bhd. The real estate agents' fees were for the securing of a new lessee and tenant for ASA 1 and AUSJ-Block B respectively.

B4. Comparison with Preceding Quarter

	Current Quarter 01.07.2021 To 30.09.2021 RM	Preceding Quarter 01.04.2021 To 30.06.2021 RM
Gross revenue	8,876,002	8,863,533
Unbilled lease income receivable	954,409	871,097
	<hr/> 9,830,411	<hr/> 9,734,630
Property expenses	(626,961)	(691,227)
Net property income	<hr/> 9,203,450	<hr/> 9,043,403
Interest income	109,012	106,933
Other income	250,000	300,000
Total income	<hr/> 9,562,462	<hr/> 9,450,336
Trust expenses	(2,929,962)	(4,043,857)
Income before taxation	<hr/> 6,632,500	<hr/> 5,406,479
Taxation	-	-
Net income	<hr/> 6,632,500	<hr/> 5,406,479

Net income for the financial quarter is made up as follows:

-Realised income	5,678,091	4,535,382
-Unrealised income	954,409	871,097
	<u>6,632,500</u>	<u>5,406,479</u>

Atrium REIT's net income (realised) for the quarter ended 30 September 2021 was significantly higher compared to the preceding quarter due mainly to the decrease in trust expenses. Trust expenses decreased significantly due mainly to the absence of the one-off payment of the real estate agents' fees incurred in the preceding quarter.

B5. Maintenance Costs and Major Capital Expenditure

A total of RM3,184,917 capital expenditure was incurred for the enhancement of the properties of Atrium REIT during the quarter under review.

B6(a). Economic Outlook

In their July World Economic Outlook, the IMF kept its projection of global growth in 2021 unchanged, compared to the April World Economic Outlook, at 6.0%. While the overall global growth outlook remained unchanged, there were offsetting revisions between advanced economies ("AEs"), which were revised upwards, and emerging market economies ("EMEs") which were revised downwards. This reflects pandemic developments especially with regards to vaccination rates, differences in the extent of policy support and availability of policy space. With higher vaccination rates, AEs are expected to be able to manage resurgences in COVID-19 infections with relatively lighter containment measures. This, along with improvement in domestic demand, will support the recovery momentum for AEs in the second half of 2021.

For EMEs, the risk of disruptions in domestic activity due to containment measures amidst COVID-19 resurgences is higher, due to the slower rate of vaccination. In addition, there is less policy space in EMEs, which will limit the degree of accommodation from policy to offset any shocks due to a resurgence of COVID-19. The balance of risk remains tilted to the downside, with COVID-19 related risks remaining the key source of downside risk. The key risk concerns the spread of new variants of concern that could lead to the resumption of containment measures to preserve healthcare capacity, amid lower effectiveness of vaccines against newer variants. Nevertheless, upside risks to growth could come from faster-than expected vaccination progress in EMEs and further fiscal stimulus, particularly in AEs.

The Malaysian economy was on track for a broad recovery in 2021 as compared to last year. However, the resurgence of COVID-19 cases has necessitated the re-imposition of nationwide containment measures, which would weigh on growth. Nevertheless, the impact will be partially mitigated by continued allowances for essential economic sectors to operate, higher adaptability to remote work, as well as increased automation and digitalisation. Growth will continue to be supported by policy measures, which will provide cash flow support, particularly for affected households and businesses. Going forward, the economic recovery will be underpinned by higher external demand and gradual improvement in domestic demand. The rapid progress of the nationwide vaccination programme will allow economic sectors to be gradually reopened and provide some lift to household and business sentiments. Against this backdrop, for 2021, the Malaysian economy is projected to expand within the range of 3.0% – 4.0%, although the pace of recovery will be uneven across sectors. The recovery is expected to accelerate going into 2022, supported by normalisation of economic activities as well as the positive spillovers from continued improvement in external demand. The balance of risks remains tilted to the downside, arising mainly from pandemic-related factors, such as delay in the easing of

containment measures or imposition of tighter containment measures, and a weaker-than-expected global growth recovery.

(Source: Bank Negara Malaysia)

B6(b). Prospects

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 30 September 2021 was 100% save and except Atrium Shah Alam 4 ("ASA4"), which is untenanted as the Manager is undertaking a major Asset Enhancement Initiative to upgrade the existing factory building to a grade A warehouse facility ("AEI"). The AEI is targeted to commence in the 4th quarter of 2021 once all approvals from the authorities are obtained

B7. Portfolio Composition

As at 30 September 2021, the portfolio composition of Atrium REIT is as follows:

Investments in Real Estates

Description of property	Tenure of land	Occupancy rate as at 30.09.2021 %	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	34.0%
Atrium Shah Alam 2	Freehold	100	26.11.2020	64,491	78,700	78,700	29.3%
Atrium Shah Alam 3	Freehold	100	23.11.2020	31,516	29,600	29,600	11.0%
Atrium Shah Alam 4	Leasehold	0	01.08.2019	46,985	45,800	46,985	17.5%
Atrium Puchong	Freehold	100	27.11.2020	39,044	53,400	53,400	19.9%
Atrium USJ	Freehold	100	25.11.2020	25,000	38,200	38,200	14.2%
Atrium Bayan Lepas 1	Leasehold	100	15.12.2020	50,371	51,000	51,000	19.0%
Atrium Bayan Lepas 2	Leasehold	100	15.12.2020	132,440	121,500	122,700	45.7%
				449,851	508,700	511,885	

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	37.3	-	20.9	35.9	Within 27 months [#]
Defray estimated expenses relating to the Rights Issue	1.4	1.4	-	-	-	Within 1 month
Total	59.6	38.7	-	20.9	35.1	

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 which were expected to be completed by June 2021 were further delayed as a result of the imposition of MCO 3.0. In view of this, the Board has resolved to extend the timeframe for the utilisation of proceeds for an additional 6 months to 31 December 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 save and except the following:

Shah Alam Sessions Court
Suit No: BA-B52NCvC-160-06/2021

Marelli Asia Pacific Sdn Bhd ...Plaintiff

Pacific Trustees Berhad ...Defendant
(acting as Trustee on behalf of Atrium REIT)

The Trustee was served with a Writ of Summons and Statement of Claim on 23 June 2021, and the Judgement on 14 July 2021 by Marelli Asia Pacific Sdn Bhd, a former tenant of Atrium REIT through its Solicitors, Messrs Lum Kok Kiong & Co. ("Plaintiff's Claim").

The Plaintiff's Claim is in respect of a dispute on the refund of deposits by Atrium REIT to the Plaintiff upon expiration of the lease agreement between the parties.

Pursuant to the Judgement dated 7 July 2021, Atrium REIT is liable to pay the Plaintiff the following:-

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

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

On 27 October 2021 the application filed by the Trustees to set aside Judgment dated 7 July 2021 was dismissed by the Shah Alam Sessions Court with costs of RM1,000.00. The Manager is currently seeking further advice from its legal counsel on the next course of action.

The Manager is of the view that the outcome of this claim is not expected to have a material financial or operational impact on Atrium REIT for the financial year ending 31 December 2021.

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. Receivables, Deposits and Prepayments

	As at 30 September 2021 RM	As at 30 June 2021 RM
Trade receivables		
Third parties	162,006	1,882,965
Less: Impairment losses	-	(890,344)
Total trade receivables	162,006	992,621
Other receivables, deposits and prepayments	9,096,348	7,419,942
Receivables, Deposits and Prepayments	9,258,354	8,412,563

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	162,006	0	0	0	162,006
TOTAL	162,006	0	0	0	162,006

The balance of the settlement sum of RM750,000.00 received from the debtor who defaulted in rental payment have been fully recognized and cleared in the quarter under review.

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. The Manager received a fee of 1.0% per annum of the NAV of the Trust with effect from 1 August 2021, as compared to 0.8% previously.

B15. Trustee’s Fees

The Trustee received a fee of 0.1% per annum of the NAV of the Trust with effect from 1 August 2021, as compared to 0.08% previously.

B16. Borrowings and Debt Securities

	As at 30 September 2021 RM	As at 30 June 2021 RM
<u>Short Term Financing (secured)</u>		
Short Term Revolving Credit	39,600,000	39,600,000
Overdraft	4,882,555	1,351,512
<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	36,000,000
	255,713,685	252,182,642
	255,713,685	252,182,642

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:

	Current Year Quarter 30.09.21 RM	Preceding Year Corresponding Quarter 30.09.20 RM	Current Year to Date 30.09.21 RM	Preceding Year to Date 30.09.20 RM
Rental income (realised)	8,876,002	7,619,526	26,561,377	22,838,843
Interest income	109,012	126,598	321,114	636,218
Other income	250,000	197,563	750,000	197,563
Total income	9,235,014	7,943,687	27,632,491	23,672,624
Property operating expenses	(626,961)	(555,603)	(1,872,295)	(1,836,526)
Trust expenses	(2,929,962)	(3,188,413)	(9,840,541)	(8,660,716)
Total Expenses	(3,556,923)	(3,744,016)	(11,712,836)	(10,497,242)
Realised income before taxation	5,678,091	4,199,671	15,919,655	13,175,382
Taxation	-	-	-	-
Realised income for the period	5,678,091	4,199,671	15,919,655	13,175,382
Undistributed realised income				
- Previous year's	846,989	469,910	846,989	469,910
- Previous quarter's	624,156	790,685	-	-
Total realised income available for distribution	7,149,236	5,460,266	16,766,644	13,645,292
Proposed/declared income distribution	(5,115,642)	(4,092,514)	(14,733,050)	(12,277,540)
Balance undistributed realised income	2,033,594	1,367,752	2,033,594	1,367,752
Distribution per unit (sen)				
- Proposed/Declared	2.50	2.00	7.20	6.00

B.19 Earnings Per Unit

	Current Quarter ended 30 September 2021	Corresponding Quarter ended 30 September 2020
Units in circulation (units)	204,625,680	204,625,680
Net Income for the period (including unrealised income) (RM)	6,632,500	4,847,909
Net Income for the period (realised) (RM)	5,678,091	4,199,671
Earnings per unit (including unrealised income) (sen)		
- after manager's fees	3.24	2.37
- before manager's fees	3.55	2.63
Earnings per unit (realised) (RM)		
- after Manager's fees	2.77	2.05
- before Manager's fees	3.08	2.31

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 30 September 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 28 October 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: 28 October 2021