



ATRIUM REAL ESTATE INVESTMENT TRUST

Condensed Financial Statements

Third Quarter Ended 30 September 2024

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ATRIUM REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF FINANCIAL POSITION

	(Unaudited) As at 30.09.2024 RM	(Audited) As at 31.12.2023 RM
ASSETS		
Non-current asset		
Investment properties	633,317,700	583,314,808
Investment properties – accrued lease income	12,385,192	12,385,192
	<u>645,702,892</u>	<u>595,700,000</u>
Current assets		
Trade and other receivables	13,027,693	10,837,980
Deposits with a licensed bank	18,237,390	36,564,571
Bank balances	1,466,149	823,476
	<u>32,731,232</u>	<u>48,226,027</u>
TOTAL ASSETS	<u>678,434,124</u>	<u>643,926,027</u>
LIABILITIES		
Non-current liabilities		
Tenants’ deposits	17,299,505	15,420,567
Borrowings	244,031,130	191,231,130
Deferred tax liability	10,235,744	10,235,744
	<u>271,566,379</u>	<u>216,887,441</u>
Current liabilities		
Trade and other payables	1,364,735	9,599,785
Borrowings	43,718,661	60,602,670
	<u>45,083,396</u>	<u>70,202,455</u>
TOTAL LIABILITIES	<u>316,649,775</u>	<u>287,089,896</u>
NET ASSET VALUE (“NAV”)	<u>361,784,349</u>	<u>356,836,131</u>
FINANCED BY:		
UNITHOLDERS’ FUNDS		
Unitholders’ capital	288,477,719	288,477,719
Undistributed income	73,306,630	68,358,412
TOTAL UNITHOLDERS’ FUNDS	<u>361,784,349</u>	<u>356,836,131</u>
NUMBER OF UNITS IN CIRCULATION	<u>265,550,680</u>	<u>265,550,680</u>
NAV PER UNIT (RM)		
- before income distribution	1.3624	1.3438
- after income distribution (Note 1)	1.3414	1.3268

The Condensed Statement of Financial Position should be read in conjunction with the Audited Financial Report for the year ended 31 December 2023 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 2024 of 2.10 sen per unit, payable on 29 November 2024)

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

	Individual Quarter		Cumulative Quarter	
	Current Year to Quarter	Preceding Year Corresponding Quarter	Current Year to Date	Preceding Year to Date
	30.09.2024 RM	30.09.2023 RM	30.09.2024 RM	30.09.2023 RM
Gross revenue	11,458,117	9,249,203	33,078,283	27,661,238
Unbilled lease income receivable	1,412,934	604,777	3,814,250	1,917,721
	12,871,051	9,853,980	36,892,533	29,578,959
Property operating expenses	(1,483,096)	(797,010)	(3,346,212)	(2,075,189)
Net rental income	11,387,955	9,056,970	33,546,321	27,503,770
Interest income	167,991	376,020	603,837	1,221,461
Other income	550	18,000	1,756	18,827
Total income	11,556,496	9,450,990	34,151,914	28,744,058
Trust expenses				
Manager's fees	(908,881)	(886,411)	(2,686,369)	(2,600,276)
Trustee's fees	(90,888)	(88,641)	(268,637)	(260,028)
Auditors' fees	(11,550)	(11,400)	(35,450)	(34,200)
Tax agent's fees	(2,900)	(2,040)	(8,330)	(8,020)
Finance costs	(3,277,363)	(2,985,707)	(9,292,844)	(8,665,291)
Administrative expenses	(277,805)	(288,188)	(1,462,568)	(1,056,092)
Others	-	(40,685)	(260,000)	(190,685)
Total Expenses	(4,569,387)	(4,303,072)	(14,014,198)	(12,814,592)
Income/(loss) before taxation	6,987,109	5,147,918	20,137,716	15,929,466
Taxation	-	-	-	-
Net income/(loss) for the period	6,987,109	5,147,918	20,137,716	15,929,466

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

	Individual Quarter		Cumulative Quarter	
	Current Year to Quarter 30.09.2024 RM	Preceding Year Corresponding Quarter 30.09.2023 RM	Current Year to Date 30.09.2024 RM	Preceding Year to Date 30.09.2023 RM
Total comprehensive income for the period	6,987,109	5,147,918	20,137,716	15,929,465
Net income for the period is made up as follows:				
-Realised Income	5,574,175	4,543,141	16,323,466	14,011,744
-Unrealised - Unbilled lease income receivable ¹	1,412,934	604,777	3,814,250	1,917,721
	6,987,109	5,147,918	20,137,716	15,929,465

Earnings per unit (including unrealised income) (sen)

- after manager's fees	2.63	1.94	7.58	6.05 [#]
- before manager's fees	2.97	2.27	8.60	7.04 [#]

Earnings per unit (realised) (sen)

- after manager's fees	2.10	1.71	6.15	5.32 [#]
- before manager's fees	2.44	2.04	7.16	6.31 [#]

Distribution per unit (sen)

- Proposed/Declared	2.10	1.70	6.12	5.20
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¹ Recognition of unbilled lease income receivable pursuant to requirements of MFRS 16 whereby, income from operating leases is to be recognized on a straight-line basis, including contractual increase in rental rates over the fixed tenure of the lease.

[#] Based on weighted average number of units in issue after the issuance and listing of 10,000,000 units (Note B19)

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 2023 and the accompanying explanatory notes attached to the financial statements.

ATRIUM REAL ESTATE INVESTMENT TRUST
UNAUDITED CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
For The Period from 01.01.2024 to 30.09.2024

← **Undistributed Income** →

	Unitholders' Capital	Realised	Unrealised	Total
	RM	RM	RM	RM
At 1 January 2024	288,477,719	5,380,935	62,977,477	356,836,131
Operations for the period from				
- 1 January 2024 to 30 September 2024				
Net income for the period	-	16,323,466	3,814,250	20,137,716
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	16,323,466	3,814,250	20,137,716
Unitholders' transactions				
Distributions to unitholders				
- 2023 Final	-	(4,514,362)	-	(4,514,362)
- 2024 First Interim	-	(5,311,014)	-	(5,311,014)
- 2024 Second Interim	-	(5,364,122)	-	(5,364,122)
Decrease in net assets resulting from unitholders' transactions	-	(15,189,498)	-	(15,189,498)
Net assets as at 30 September 2024	288,477,719	6,514,903	66,791,727	361,784,349

ATRIUM REAL ESTATE INVESTMENT TRUST
UNAUDITED CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
For The Period from 01.01.2023 to 30.09.2023

	← Undistributed Income →			
	Unitholders' Capital RM	Realised RM	Unrealised RM	Total RM
At 1 January 2023	274,487,719	5,715,803	55,595,201	335,798,723
Operations for the period from -1 January 2023 to 30 September 2023				
Net income for the period	-	14,011,744	1,917,721	15,929,465
Total comprehensive income	-	14,011,744	1,917,721	15,929,465
Unitholders' transactions				
Issuance of units via Special Issuance	14,000,000	-	-	14,000,000
Distributions to unitholders				
- 2022 Final	-	(4,855,463)	-	(4,855,463)
- 2023 First Interim	-	(4,647,137)	-	(4,647,137)
- 2023 Second Interim	-	(4,647,137)	-	(4,647,137)
Listing Expenses	(10,000)	-	-	(10,000)
Increase/(Decrease) in net assets resulting from unitholders' transactions	13,990,000	(14,149,737)	-	(159,737)
Net assets as at 30 September 2023	288,477,719	5,577,810	57,512,922	351,568,451

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 2023 and the accompanying explanatory notes attached to the financial statements.

ATRIUM REAL ESTATE INVESTMENT TRUST
UNAUDITED CONDENSED STATEMENT OF CASH FLOWS

	Current Period to Date	Preceding Year Corresponding Year to Date
	30.09.2024	30.09.2023
	RM	RM
<u>Cash Flow From Operating Activities</u>		
Income before taxation	20,137,716	15,929,465
Adjustments for:		
Interest income	(603,837)	(1,221,461)
Interest expense	9,292,844	8,665,291
Operating income before working capital changes	28,826,723	23,373,295
Increase in trade and other receivables	(2,189,713)	(5,243,283)
Increase/ (Decrease) in trade and other payables	(6,356,112)	2,680,980
Net cash used in/ generated from operating activities	20,280,898	20,810,992
<u>Cash Flow From Investing Activity</u>		
Acquisition of investment property	(41,000,000)	-
Enhancement of investment property	(9,002,892)	(35,716,641)
Interest income	603,837	1,221,461
Net cash used in investing activity	(49,399,055)	(34,495,180)
<u>Cash Flow From Financing Activities</u>		
Issuance of units via Special Issuance (less listing expenses)	-	13,990,000
Proceeds from Issuance of Medium Term Note (MTN) 4	32,800,000	-
Interest paid	(9,292,844)	(8,665,291)
Distribution to unitholders	(15,189,498)	(14,149,736)
Net cash used in/generated from financing activities	8,317,658	(8,825,027)
Net Decrease in Cash and Cash Equivalents	(20,800,499)	(22,509,216)
Cash and Cash Equivalents at the Beginning of the Period	36,385,377	63,690,100
Cash and Cash Equivalents at the End of the Period	15,584,878	41,180,884
Cash and bank balances	1,466,149	904,391
Deposits with licensed financial institution	18,237,390	40,276,493
Bank overdraft	(4,118,661)	-
	15,584,878	41,180,884

The Condensed Statement of Cash Flows should be read in conjunction with the Audited Financial Report for the year ended 31 December 2023 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 2024

A. 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 Second Restated Deed dated 17 December 2019 and the Securities Commission's Guidelines on Listed Real Estate Investment Trusts.

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 2023.

A2. Audit Report of Preceding Financial Year Ended 31 December 2023

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:

A7. Income Distribution

During the quarter under review, Atrium REIT paid the second income distribution of 2.02 sen per unit, amounting to RM5,364,123.74 in respect of the realised income for the period from 1 April 2024 to 30 June 2024 on 29 August 2024.

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 carrying value of investment properties as at 30 September 2024 is based on the valuation of independent registered valuers from the previous audited financial statements for the financial year ended 31 December 2023 and subsequent capital expenditure incurred up to the reporting date.

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 265,550,680 units.

A12. Changes in Contingent Liabilities

There is no contingent liability to be disclosed.

B. 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 2024	Immediate Preceding Quarter As at 30 June 2024
Net asset value (RM)	361,784,349	360,161,364
Units in circulation (units)	265,550,680	265,550,680
Net asset value per unit (RM)		
- before distribution	1.3624	1.3563
- after distribution	1.3414	1.3361
Market price per unit (RM)	1.20	1.27
Highest traded price per unit during the quarter (RM)	1.28	1.40
Lowest traded price per unit during the quarter (RM)	1.18	1.26

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

There were no significant changes in the Net Assets Value and the Net Asset Value per unit for the quarter under review as compared to the preceding quarter.

Quarter Results

During the quarter under review, Atrium REIT registered a significant rise in gross revenue, rising from RM9.25 million in the previous corresponding quarter to RM11.46 million. This growth is attributed mainly to the rental income generated from the Atrium Shah Alam 4 (“ASA4”) lease and step-up in rental rates for some of the existing leases. However, interest income saw a decline due to reduced deposits with licensed bank. This decline is due to the utilisation of the funds for contractor payments related to the Asset Enhancement Initiative at ASA4 and the settlement of the Atrium Shah Alam 5 property (“ASA5”) acquisition in the preceding quarter.

The property operating expenses were significantly higher for the current quarter due to the scheduled repair and maintenance works carried out for the REIT properties. The trust expenses for the current quarter marked an increase compared to the corresponding preceding quarter.

This increase was primarily driven by higher finance costs resulting from the issuance of Medium-Term Notes -Tranche 4 (“Tranche 4”) in May 2024.

Despite the decrease in other income and an increase in the expenses, the net income (realized) for the quarter saw a 22.69% increase to RM5.57 million, compared to RM4.54 million in the corresponding preceding quarter.

Nine Months Results

For the nine months ended 30 September 2024, Atrium REIT recorded a gross revenue of RM33.08 million, an increase of 19.58% compared to the corresponding preceding period of RM27.66 million. Gross revenue was substantially higher, due to the rental income generated from ASA4 lease and step-up in rental rates for some of the existing leases, as compared to corresponding preceding period. However, interest income saw a decline due to reduced deposits with licensed bank. This decline is due to the utilisation of the funds for contractor payments related to the Asset Enhancement Initiative at ASA4 and the settlement of the ASA 5 acquisition, during the period.

The property operating expenses were significantly higher for the current period due to the scheduled repair and maintenance works carried out for the REIT properties. The trust expenses were higher compared to the corresponding preceding period mainly due to the higher finance costs, administrative and other expenses. The increase in finance costs was attributed to the issuance of Tranche 4 in May 2024 and a 25-basis-point hike in the Overnight Policy Rate in May 2023. The administration expenses were significantly higher compared to the corresponding preceding period mainly due to the subscription fee for Tranche 4 and the extension fee for renewal of a term loan facility, charged by the banks. As for the other expenses, the increase was for the legal fees incurred for the acquisition of Atrium Shah Alam 5, issuance of Tranche 4 and renewal of term loan.

Despite the decrease in other income and an increase in the expenses, the net income (realized) for the period increased by 16.50% to RM16.32 million compared to RM14.01 million in the corresponding preceding period.

B4. Comparison with Preceding Quarter

	Current Quarter 01.07.2024 To 30.09.2024 RM	Preceding Quarter 01.04.2024 To 30.06.2024 RM
Gross revenue	11,458,117	10,723,971
Unbilled lease income receivable	1,412,934	1,448,124
	12,871,051	12,172,095
Property expenses	(1,483,096)	(665,153)
Net property income	11,387,955	11,506,942
Interest income	167,991	191,823
Other income	550	-
	11,556,496	11,698,765
Trust expenses	(4,569,387)	(4,847,309)
Income before taxation	6,987,109	6,851,456
Taxation	-	-

Net income	6,987,109	6,851,456
Net income for the financial quarter is made up as follows:		
-Realised income	5,574,175	5,403,332
-Unrealised income	1,412,934	1,448,124
	6,987,109	6,851,456

Atrium REIT's net income (realised) for the quarter ended 30 September 2024 was slightly higher compared to the preceding quarter. This was due mainly to the increase in gross revenue and a decrease in trust expenses, despite a significant increase in property expenses.

B5. Maintenance Costs and Major Capital Expenditure

A total of RM66,824 capital expenditure was incurred during the quarter under review.

B6 (a) Economic Outlook

On 16 August 2024, Bank Negara Malaysia released the Economic and Financial Developments in Malaysia for the Second quarter of 2024:

Economic and Financial Developments in Malaysia in the Second Quarter of 2024 Strong economic growth of 5.9% in the second quarter

The Malaysian economy advanced by 5.9% in the second quarter of 2024 (1Q 2024: 4.2%). The growth is driven by stronger domestic demand and further expansion in exports. Household spending increased amid sustained positive labour market conditions and larger policy support. Investment activity was underpinned by continued progress in multi-year projects and capacity expansion by firms. Exports improved amid higher external demand and positive spillovers from the global tech upcycle. Most supply-side sectors registered higher growth. The manufacturing sector was supported by broad-based improvement across all clusters, particularly in electrical and electronics (E&E). The services sector recorded strong growth, driven by consumer and business-related subsectors. On a quarter-on-quarter seasonally-adjusted basis, the economy expanded by 2.9% (1Q 2024: 1.5%).

Inflation edged slightly higher to 1.9%

Headline and core inflation averaged 1.8% in the first half of 2024. During the quarter, both headline and core inflation edged higher to 1.9% (1Q 2024: 1.7% and 1.8% respectively). This was largely driven by higher housing and utilities inflation at 3.1% (1Q 2024: 2.6%). The share of Consumer Price Index (CPI) items recording monthly price increases was higher at 49.4% during the quarter (1Q 2024: 44.2%; second quarter average from 2011-2019: 43.9%), reflecting in part the price adjustments during the festive season and several policy measures by the Government during the period.

Ringgit appreciated against the US dollar and on a NEER basis

For the year until 13 August 2024, the ringgit has appreciated by 3.1% against the US dollar. On a nominal effective exchange rate (NEER) basis, the ringgit also appreciated by 5.3%. This was in part due to growing expectations among financial market participants on US policy rate cuts, which has alleviated pressure on regional currencies, including the ringgit.

The coordinated initiatives by the Government and BNM with the Government-Linked Companies (GLCs) and Government-Linked Investment Companies (GLICs) alongside engagements with corporates, exporters and investors continue to provide support to the ringgit. These efforts have resulted in greater and more consistent flows into the foreign exchange market. The daily average foreign exchange (FX) trading volume has risen to USD18.0 billion during the period of 26 February – 13 August 2024 (2 January – 23 February 2024: USD15 billion). The bid-ask spread is also narrower, indicating improved liquidity in the domestic FX market.

Banks continue to lend

Credit growth to the private non-financial sector increased to 5.4% (1Q 2024: 5.2%), following higher growth in outstanding business loans (5.6%; 1Q 2024: 5.1%) and outstanding corporate bonds (3.4%; 1Q 2024: 3.2%). Outstanding business loan growth increased amid higher growth in both investment-related and working capital loans. By sector, the stronger growth was recorded in the construction and manufacturing sectors. For households, outstanding loan growth was sustained across most loan purposes (6.2%; 1Q 2024: 6.2%). Demand for household loans remained forthcoming, particularly for mortgages.

Malaysia's economic growth to be supported by firm domestic demand and further improvement in external demand

Bank Negara Malaysia Governor Dato' Seri Abdul Rasheed Ghaffour says, "Growth in the second half of 2024 will be driven by domestic spending with continued strong support from external demand."

On the domestic front, household spending will be underpinned by continued employment and wage growth as well as policy measures. Investment activities will be driven by progress in multi-year projects across private and public sectors. Catalytic initiatives announced in national master plans and the higher realisation of approved investments are also key drivers for investment activities. Externally, the ongoing global tech upcycle and continued strong demand for non-electrical and electronics goods are expected to lift exports. Improvement in tourist arrivals and spending are expected to continue. Upside risks to growth include greater spillover from the tech upcycle, robust tourism activities, and faster implementation of existing and new investment projects. Downside risks to Malaysia's growth prospects stem from a downturn in external demand, an escalation in geopolitical conflicts and lower-than-expected commodity production.

Inflation to remain within the forecast range in 2024

Headline and core inflation are expected to edge higher in 2H 2024 mainly due to the rationalisation of diesel subsidies. However, the impact will remain manageable given mitigation measures by the Government to minimise cost impact to businesses. For the rest of the year, upside risks to inflation depend on the extent of the spillover effects from further domestic policy measures on subsidies and price controls to broader price trends, as well as global commodity prices and financial market developments. Overall, headline and core inflation for the year are projected to remain within the forecast ranges of 2.0% – 3.5% and 2.0% – 3.0% respectively.

(source: https://www.bnm.gov.my/-/qb24q2_en_pr)

B6 (b) Prospects

As of 30 September 2024, the Trust's property portfolio achieved 100% occupancy rate, except for newly acquired property ASA5. The Manager is in the midst of sourcing for suitable tenant(s) to occupy the property.

The Manager remains cautious owing to the uncertainties surrounding the economic rebound amid the global economic slowdown, inflationary pressures, the on-going wars and geopolitical risks. Despite these uncertainties and the challenging market environment, the Manager is of the view that Atrium REIT's property portfolio will remain resilient and is expected to continue delivering sustainable performance throughout the financial year of 2024.

B7. Portfolio Composition

As at 30 September 2024, the portfolio composition of Atrium REIT is as follows:

Investments in Real Estates

Description of property	Tenure of land	Occupancy rate as at 30 September 2024	Date of Valuation	Cost of Investment	Latest valuation	Net Book Value (A)	Percentage of (A) over Net Assets Value
		%		RM'000	RM'000	RM'000	%
Atrium Shah Alam 1	Freehold	100	27 November, 2023	60,003	100,000	100,000	28%
Atrium Shah Alam 2	Freehold	100	27 November, 2023	64,495	88,300	88,300	24%
Atrium Shah Alam 3	Freehold	100	28 November, 2023	31,544	30,500	30,500	8%
Atrium Shah Alam 4	Leasehold	100	28 November, 2023	125,079	102,300	106,436	29%
Atrium Puchong	Freehold	100	30 November, 2023	39,044	61,700	61,700	17%
Atrium USJ	Freehold	100	27 November, 2023	25,000	40,900	40,900	11%
Atrium Bayan Lepas 1	Leasehold	100	29 November, 2023	50,372	50,000	50,000	14%
Atrium Bayan Lepas 2	Leasehold	100	29 November, 2023	132,440	122,000	126,800	35%
Atrium Shah Alam 5	Leasehold	0	3 October, 2023	41,067	41,000	41,067	11%
				569,044	636,700	645,703	

B8. Utilisation of Proceeds Raised from Issuance of New Units

B8.1 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 31 December 2024
Defray estimated expenses relating to the Rights Issue	1.4	1.4	-	-	-	Completed
Total	59.6	46.9	-	12.7	21.3	

[#]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 31 December 2024.

B8.2 Private Placement and Special Issuance 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	77.7	-	6.7	7.9	[#] 30 September 2025
Defray estimated expenses relating to the Private Placement	0.9	0.9	-	-	-	Completed
Total	85.3	78.6	-	6.7	7.9	

[#]The Board has on 29 October 2024 resolved to extend the deadline for utilization of the funds to 31 December 2024 as the finalization of the final accounts has been completed, and the release of the retention sums by 30 September 2025.

B9. Status of Corporate Proposal

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

B10. Material Litigation

There was no material litigation cases or events that occurred during the quarter under review.

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 2024 RM	As at 30 June 2024 RM
Trade receivables		
Third parties	298,389	2,163
Less: Impairment losses	-	-
Total trade receivables	298,389	2,163
Other receivables, deposits and prepayments	12,729,304	11,528,621
Receivables, Deposits and Prepayments	13,027,693	11,530,784

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	-	-	-	-	-
Non-Related Parties	298,389	6,330	213,482	75,464	3,113
Total	298,389	6,330	213,482	75,464	3,113

B14. Manager's Fees

The Manager received a fee of 1.0% per annum of the NAV of the Trust during the quarter under review.

B15. Trustee's Fees

The Trustee received a fee of 0.1% per annum of the NAV of the Trust during the quarter under review.

B16. Borrowings and Debt Securities

	As at 30 September 2024 RM	As at 30 June 2024 RM
<u>Short Term Financing (secured)</u>		
Short Term Revolving Credit	39,600,000	39,600,000
Overdraft	4,118,661	3,954,035
<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
- Tranche 4	32,800,000	32,800,000
Total	287,749,791	287,585,165

B17. Taxation

Atrium REIT intends to distribute at least 90% of the distributable income (realised) to unitholders for the financial year 2024, 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

For the current quarter ended 30 September 2024, the Manager has declared a third income distribution of 2.10 sen per unit, amounting to RM5,576,564.28. The book closure and payment dates in respect of the third income distribution have been fixed on 14 November 2024 and 29 November 2024 respectively.

Distributions to unitholders are from the following sources:

	Current Year to Quarter 30.09.2024	Preceding Year Corresponding Quarter 30.09.2023	Current Year To Date 30.09.2024	Preceding Year To Date 30.09.2024
	RM	RM	RM	RM
Rental income (realised)	11,458,117	9,249,203	33,078,283	27,661,238
Interest income	167,991	376,020	603,837	1,221,461
Other income	550	18,000	1,756	18,827
Total income	11,626,658	9,643,223	33,683,876	28,901,526
Property operating expenses	(1,483,096)	(797,010)	(3,346,212)	(2,075,190)
Trust expenses	(4,569,387)	(4,303,072)	(14,014,198)	(12,814,592)
Total Expenses	(6,052,483)	(5,100,082)	(17,360,410)	(14,889,782)
Realised income before taxation	5,574,175	4,543,141	16,323,466	14,011,744
Taxation	-	-	-	-
Realised income for the period	5,574,175	4,543,141	16,323,466	14,011,744
Undistributed realised income				
- Previous year's	866,575	860,431	866,575	860,431
- Previous quarter's	74,156	174,330	-	-
Total realised income available for distribution	6,514,906	5,577,902	17,190,041	14,872,175
Declared income distribution	(5,576,564)	(4,514,362)	(16,251,699)	(13,808,635)
Balance undistributed realised income	938,342	1,063,540	938,342	1,063,540
Distribution per unit (sen)	2.10	1.70	6.12	5.20
- Declared				

B.19 Earnings Per Unit

	Current Year Quarter ended 30 September 2024	Corresponding Quarter ended 30 September 2023	Year to Date ended 30 September 2024	Year to Date ended 30 September 2023
Units in circulation (units)	265,550,680	265,550,680	265,550,680	265,550,680
Weighted average units in circulation (units)	265,550,680	265,550,680	265,550,680	263,133,098
Net Income for the period (including unrealised income) (RM)	6,987,109	5,147,918	20,137,716	15,929,465
Net Income for the period (realised) (RM)	5,574,175	4,543,141	16,323,466	14,011,744
Earnings/ per unit (including unrealised income) (sen)				
- after Manager's fees	2.63	1.94	7.58	6.05
- before Manager's fees	2.97	2.27	8.60	7.04
Earnings per unit (realised) (RM)				
- after Manager's fees	2.10	1.71	6.15	5.32
- before Manager's fees	2.44	2.04	7.16	6.31

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 2024 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 29 October 2024.

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: 29 October 2024