Quarterly rpt on consolidated results for the financial period ended 30 Sep 2025

TOWER REAL ESTATE INVESTMENT TRUST

Financial Year End	30 Jun 2026
Quarter	1 Qtr
Quarterly report for the financial period ended	30 Sep 2025
The figures	have not been audited

Attachments

Tower REIT Q1 Results.pdf
384.5 kB

Default Currency | Other Currency

Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION
30 Sep 2025

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024
		MYR'000	MYR'000	MYR'000	MYR'000
1	Revenue	10,389	10,058	10,389	10,058
2	Profit/(loss) before tax	2,763	1,979	2,763	1,979
3	Profit/(loss) for the period	2,763	1,979	2,763	1,979
4	Profit/(loss) attributable to ordinary equity holders of the parent	2,763	1,979	2,763	1,979
5	Basic earnings/(loss) per share (Subunit)	0.56	0.40	0.56	0.40
6	Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share attributable to ordinary equity holders of the parent	1.1618		1.1601	

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Announcement Info

Company Name	TOWER REAL ESTATE INVESTMENT TRUST
Stock Name	TWRREIT
Date Announced	06 Nov 2025
Category	Financial Results
Reference Number	FRA-05112025-00008

TOWERreit

TOWER REAL ESTATE INVESTMENT TRUST

CONDENSED FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2025

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TOWER REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2025

The figures have not been audited.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30.09.2025 RM'000	Preceding Year Corresponding Quarter Ended 30.09.2024 RM'000	Current Period To Date 30.09.2025 RM'000	Preceding period To Date 30.09.2024 RM'000
Income				
Gross revenue	10,389	10,058	10,389	10,058
Property operating expenses	(4,854)	(4,313)	(4,854)	(4,313)
Net property income	5,535	5,745	5,535	5,745
Interest income	128	276	128	276
Other income	10	17	10	17
	5,673	**6,038**	**5,673**	**6,038**
Expenses				
Manager's fees	(602)	(616)	(602)	(616)
Trustee's fee	(43)	(44)	(43)	(44)
Administrative expenses	39	(468)	39	(468)
Interest expense	(2,304)	(2,931)	(2,304)	(2,931)
	(2,910)	**(4,059)**	**(2,910)**	**(4,059)**
Net Trust Income	**2,763**	**1,979**	**2,763**	**1,979**
Change in fair value of investment properties	-	-	-	-
Income before tax	**2,763**	**1,979**	**2,763**	**1,979**
Taxation	-	-	-	-
Income after tax	**2,763**	**1,979**	**2,763**	**1,979**
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	**2,763**	**1,979**	**2,763**	**1,979**
Total comprehensive income for the period is made up as follows:				
- Realised	2,763	1,979	2,763	1,979
- Unrealised	-	-	-	-
	2,763	**1,979**	**2,763**	**1,979**
BASIC EARNINGS PER UNIT (SEN)				
- Realised	0.56	0.40	0.56	0.40
- Unrealised	-	-	-	-
	0.56	0.40	0.56	0.40

The Condensed Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached.

TOWER REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025

The figures have not been audited.

	Unaudited As At 30.09.2025 RM'000	Audited As At 30.06.2025 RM'000
ASSETS		
Non-current assets		
Plant and equipment	4,805	4,020
Investment properties	806,000	806,000
	810,805	810,020
Current Assets		
Trade receivables	1,079	328
Other receivables, deposits and prepayments	4,503	3,413
Cash and bank balances	25,985	26,843
	31,567	30,584
TOTAL ASSETS	842,372	840,604
LIABILITIES		
Non-current liabilities		
Tenants' deposits	6,377	8,437
Borrowings	232,585	232,531
Deferred tax liability	17,283	17,283
	256,245	258,251
Current liabilities		
Trade payables	16	112
Other payables and provisions	7,992	7,410
Tenants' deposits	7,842	5,353
	15,850	12,875
TOTAL LIABILITIES	272,095	271,126
NET ASSET VALUE	**570,277**	**569,478**
REPRESENTED BY :		
Unitholders' capital	350,025	350,025
Undistributed income - unrealised	158,090	158,090
Undistributed income - realised	62,162	61,363
	570,277	**569,478**
NUMBER OF UNITS IN CIRCULATION (UNITS)	**490,875,000**	**490,875,000**
NET ASSET VALUE PER UNIT (RM)		
- Before income distribution	1.1618	1.1601
- After income distribution	1.1618	1.1561

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached.

TOWER REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2025

The figures have not been audited.

		Undistributed Income		
	Unitholders' Capital RM'000	Non-distributable Unrealised RM'000	Distributable Realised RM'000	Total RM'000
Current Period To Date				
At 1 July 2025	**350,025**	**158,090**	**61,363**	**569,478**
Operations for the period ended 30 September 2025				
Net income for the period	-	-	2,763	2,763
Total comprehensive income for the period	-	-	2,763	2,763
Unitholders' transactions				
Distribution to unitholders				
- 2025 final (paid on 28 August 2025)	-	-	(1,964)	(1,964)
	-	-	(1,964)	(1,964)
At 30 September 2025	**350,025**	**158,090**	**62,162**	**570,277**
Preceding Period To Date				
At 1 July 2024	**350,025**	**158,165**	**61,890**	**570,080**
Operations for the period ended 30 September 2024				
Net income for the period	-	-	1,979	1,979
Total comprehensive income for the period	-	-	1,979	1,979
Unitholders' transactions				
Distribution to unitholders				
- 2024 final (paid on 30 August 2024)	-	-	(3,780)	(3,780)
	-	-	(3,780)	(3,780)
At 30 September 2024	**350,025**	**158,165**	**60,089**	**568,279**

The Condensed Statement of Changes in Net Asset Value should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached.

TOWER REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF CASH FLOW
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2025

The figures have not been audited.

	Current Period To Date 30.09.2025 RM'000	Preceding Period To Date 30.09.2024 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Income before tax	2,763	1,979
Adjustments for:		
Depreciation	214	205
Interest expense	2,304	2,931
Interest income	(128)	(276)
Net (gain)/loss on impairment of trade receivables	(236)	168
Operating profit before working capital changes	4,917	5,007
Changes in working capital:		
Trade and other receivables	(1,605)	(1,468)
Trade and other payables	900	679
Net cash generated from operating activities	4,212	4,218
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of plant and equipment	(999)	(436)
Interest income	128	276
Net cash used in investing activities	(871)	(160)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(2,235)	(2,876)
Distribution paid to unitholders	(1,964)	(3,780)
Net cash used in financing activities	(4,199)	(6,656)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(858)	(2,598)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	26,843	26,846
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	25,985	24,248
Cash and cash equivalents comprise:		
Short term deposits	23,700	24,000
Cash and bank balances	2,285	248
	25,985	24,248

The Condensed Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached.

A. Explanatory Notes pursuant to the Malaysian Financial Reporting Standard ("MFRS") 134

A1. Basis of preparation

The quarterly financial report is unaudited and prepared in accordance with MFRS 134: Interim Financial Reporting, IAS 34: Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. It does not include all the information required for full annual financial statements and should be read in conjunction with the audited financial statements of Tower Real Estate Investment Trust ("Tower REIT" or "Trust") for the financial year ended 30 June 2025.

Changes in Accounting Policies

The accounting policies and methods of computation used in the preparation of the quarterly financial statements are consistent with those adopted in the preparation of the audited financial statements of Tower REIT for the financial year ended 30 June 2025. The initial application of the accounting standards, amendments or interpretations do not have any material financial impact to the current year and prior year's financial statements of Tower REIT.

A2. Audit Report of Preceding Financial Year

The Auditors' Report of the preceding financial year ended 30 June 2025 was not subject to any qualification.

A3. Seasonality or Cyclicality of Operations

The business operations of the Trust were not affected by any seasonal or cyclical factors for the quarter under review.

A4. Unusual Items

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

A5. Changes in Estimates of Amounts Reported in Prior Interim Periods of the Current Financial year or in Prior Financial years

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or prior financial years that have had a material impact in the current financial year.

A6. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and the financial year to-date.

A7. Income Distribution Paid During the Current Quarter

The Trust had, on 28 August 2025 paid a final income distribution of 0.40 sen per unit, amounting to RM1,963,500 for the financial year ended 30 June 2025.

A8. Segmental Reporting

No operating segment information has been prepared as the Trust has only one reportable segment and its assets are located in Malaysia.

A9. Valuation of Investment Properties

The valuation of Menara HLX, Plaza Zurich and Menara Guoco had been brought forward without any amendments from the previous audited financial statements

A10. Borrowing and Debt Securities

Particulars of the Trust's borrowings as at 30 September 2025 are as follows:

	RM'000
Secured	232,585
Unsecured	-
	232,585

The above borrowing is denominated in Ringgit Malaysia.

A11. Material Events

There were no material events subsequent to the current period under review up to the date of this quarterly report that required disclosure.

A12. Changes in the Composition of the Trust

There was no change in the composition of the Trust during the current quarter, and the fund comprised 490,875,000 units.

A13. Contingent Liabilities and Contingent Assets

There were no contingent liabilities or contingent assets to be disclosed.

B. Additional Information pursuant to Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

B1. Review of Performance

Performance of the First Quarter/Three-Month Financial Period

For the quarter ended 30 September 2025 ("First Quarter"), gross revenue rose by 3% to RM10.4 million, as compared to the corresponding quarter of the previous year. The increase was primarily attributed to higher occupancy at Menara HLX and better rental rates at Plaza Zurich. Property operating costs increased by 13% mainly due to higher agency commission (as a result of better occupancy) and maintenance costs. Administrative expenses declined by RM0.5 million mainly due to recovery of a doubtful debt. Interest costs fell by 21% mainly due to the reduction of Overnight Policy Rate in July 2025.

As a result, net trust income before changes in fair value of investment properties and tax improved by RM0.8 million compared to the same quarter in the preceding year.

B2. Material Change in Income before Tax for the First Quarter Compared with Immediate Preceding Quarter

Net trust income for the First Quarter stood at RM2.8 million, as compared to RM 1.0 million in the immediate preceding quarter. Higher rental income, lower interest and administrative costs contributed to the improved results.

B3. Changes in State of Affairs

There was no material change in the state of affairs of the Trust for the First Quarter.

B4. Changes in Portfolio Composition

As at 30 September 2025, Tower REIT's composition of investment portfolio was as follows:

Real Estate	RM'000	% of Total Real Estate Portfolio
Menara HLX	328,000	41
Plaza Zurich	227,000	28
Menara Guoco	251,000	31
	806,000	100

B5. Changes in Net Asset Value

	As at 30.09.2025 RM'000	As at 30.06.2025 RM'000
Net asset value ('NAV')	570,277	569,478
NAV per unit (RM)	1.1618	1.1601

The movement of NAV per unit as at 30 September 2025 compared to the immediate preceding quarter was the result of net income earned in the period.

B6. Changes in Unit Price

Tower REIT's unit price was last traded at RM0.29 per unit on 30 September 2025 (RM0.29 as at 30 June 2025).

B7. Utilization of Proceeds Raised from any Issuance of New Units

Tower REIT received total proceeds of RM65.2 million from the Rights Issue exercise. As at 30 September 2025, the proceeds were utilized as follows:

Details of utilization	Proposed Utilization RM'000	Actual Utilization RM'000	Intended timeframe for Utilization
Refurbishment of existing properties	23,865	4,932	Within 18 to 24 months
Repayment of bank borrowings	40,000	40,000	Within 12 months
Expenses in relation to the Corporate Exercises	1,351	1,197	Within 1 month
Total	65,216	46,129	

B8. Circumstances Affecting Interest of the Unitholders

There were no unusual circumstances that had materially affected the interest of the unitholders for the current quarter save and except for the circumstances mentioned in Note B10.

B9. Prospects

The Manager has achieved improved revenue for the First Quarter despite the ongoing challenging office rental market. The top priority of the Manager is to drive occupancy of Menara HLX, judicious management of refurbishment initiatives and operating costs and enhanced ESG performance.

B10. Material Litigation

The Inland Revenue Board ("IRB") had on 7 December 2021, appealed to the Court of Appeal against the decision of the High Court, which was in favour of Tower REIT on the assessment of real property gains tax ("RPGT") of RM2.4 million in relation to the disposal of Menara ING in year 2014. The IRB has subsequently on 5 March 2024 withdrawn the appeal against the decision of the High Court. On 23 April 2024, the IRB issued a notice on tax refund amounting to RM2.4 million which had been recognised as a tax recoverable in preceding financial year. The refund is currently pending receipt from IRB.

B11. Soft Commission

During the quarter ended 30 September 2025, the Manager did not receive any soft commission (i.e. goods and services) from its brokers or dealers by virtue of transaction conducted by the Trust.

B12. Revenue Recognition

i) Gross Revenue

For the 3-month quarter ended 30 September 2025, gross revenue composition of rental income and non-rental income are as follows:

	RM'000
Rental income	6,039
Service charge	3,033
Car park and other income	1,317
Gross Revenue	10,389

ii) Rental income and service charge

Rental income and service charge from investment property are recognized over the term of the lease unless collectability is in doubt, in which case, are recognized on a receipt basis.

iii) Car park income

Car park income is recognized upon services being rendered.

iv) Other income

Other income consists of income from signage rental, compensation charges and other associated income. Other income is recognized when services are rendered.

v) Interest income

Interest income is recognized as it accrues using the effective interest method.

B13. Manager's Fees

Pursuant to the Deed constituting Tower REIT, the Manager's fees (excluding taxes) shall consist of:-

(1) a base fee of up to 0.75% per annum of the gross asset value;

(2) a performance fee of up to 4.00% per annum of the net property income, but before deduction of property management fees payable;

(3) an acquisition fee of 1.00% of the acquisition price of any assets acquired; and

(4) a divestment fee of 0.50% of the sale price of any asset sold or divested.

The total base fee and performance fee for the period ended 30 September 2025 of RM413,956 and RM188,536 respectively were 0.20% and 3.35% of the gross asset value and net property income respectively.

B14. Trustee's Fee

Pursuant to the Deed constituting Tower REIT, the Trustee is entitled to receive a fee of up to 0.03% per annum of the audited net asset value of Tower REIT with a cap of RM200,000. The total Trustee's fee for the period ended 30 September 2025 is RM43,166.

B15. Taxation

	3 months ended	
	30.09.2025	**30.09.2024**
	RM'000	**RM'000**
Current tax expense	-	-
Reconciliation of tax expense		
Income before tax	2,763	1,979
Income tax using Malaysian tax rate of 24%	663	475
Non-deductible expenses	77	136
Effect of income exempted from tax	(740)	(611)
Total income tax expense	-	-

Under Section 61A of the Income Tax Act 1967, the undistributed income of a REIT is exempted from income tax provided that the REIT distributes 90% or more of its total income for the year. If the REIT is unable to meet the 90% distribution criteria, the entire taxable income of the REIT for the year would be subject to income tax.

As Tower REIT intends to distribute at least 90% of its total income for the year to its unitholders, no provision for tax has been made in the current quarter.

B16. Income Distribution

No income distribution had been declared for the current quarter.

B17. Units held by Related Parties

As at 30 September 2025, the Manager did not hold any unit in Tower REIT. The related parties of the Manager held units in Tower REIT as follows:

	Number of units '000	Market Value ** RM'000
Direct unitholdings in Tower REIT of the related parties of the Manager:		
GLM Equities Sdn Bhd	163,548	47,429
Hong Leong Assurance Berhad	101,974	29,572
Asia Fountain Investment Company Limited	24,500	7,105
Associated Land Sendirian Berhad	41,466	12,025
Hong Leong Investment Bank Berhad	10,302	2,988

** The market value is determined by multiplying the number of units with the market price as at 30 September 2025 of RM0.29 per unit.

B18. Statement by the Directors of the Manager

In the opinion of the Directors of the Manager, the quarterly financial report gives a true and fair view of the financial position of Tower REIT as at 30 September 2025 and of its financial performance and cash flows for the period ended 30 September 2025.

By Order of the Board
GLM REIT Management Sdn Bhd
(as the Manager of Tower Real Estate Investment Trust)

CHIN MIN YANN
Secretary

Kuala Lumpur
6 November 2025