# Quarterly rpt on consolidated results for the financial period ended 30 Jun 2024

## TOWER REAL ESTATE INVESTMENT TRUST

| | |
|---|---|
| **Financial Year End** | 30 Jun 2024 |
| **Quarter** | 4 Qtr |
| **Quarterly report for the financial period ended** | 30 Jun 2024 |
| **The figures** | have not been audited |

**Attachments**

Tower REIT Q4 Results.pdf
*422.1 kB*

**Default Currency** | Other Currency

Currency: **Malaysian Ringgit (MYR)**

### SUMMARY OF KEY FINANCIAL INFORMATION
### 30 Jun 2024

| | | INDIVIDUAL PERIOD | | CUMULATIVE PERIOD | |
|---|---|---|---|---|---|
| | | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE | PRECEDING YEAR CORRESPONDING PERIOD |
| | | 30 Jun 2024 | 30 Jun 2023 | 30 Jun 2024 | 30 Jun 2023 |
| | | $$'000 | $$'000 | $$'000 | $$'000 |
| 1 | Revenue | 9,704 | 8,651 | 37,036 | 33,871 |
| 2 | Profit/(loss) before tax | 1,623 | -20,858 | 3,319 | -19,753 |
| 3 | Profit/(loss) for the period | 4,035 | -18,705 | 5,731 | -17,600 |
| 4 | Profit/(loss) attributable to ordinary equity holders of the parent | 4,035 | -18,705 | 5,731 | -17,600 |
| 5 | Basic earnings/(loss) per share (Subunit) | 1.35 | -6.67 | 1.92 | -6.28 |
| 6 | Proposed/Declared dividend per share (Subunit) | 0.77 | 0.27 | 1.00 | 0.58 |
| | | 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 ($$) | 1.1614 | | 1.7863 | |

*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** | 05 Aug 2024 |
| **Category** | Financial Results |
| **Reference Number** | FRA-03082024-00001 |

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TOWER REAL ESTATE INVESTMENT TRUST

# CONDENSED FINANCIAL STATEMENTS
# FOR THE FOURTH QUARTER ENDED 30 JUNE 2024

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**TOWER REAL ESTATE INVESTMENT TRUST**
**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE FOURTH QUARTER ENDED 30 JUNE 2024**

**The figures have not been audited.**

| | Individual Quarter | | Cumulative Quarter | |
|---|---|---|---|---|
| | Current Year Quarter Ended 30.06.2024 RM'000 | Preceding Year Corresponding Quarter Ended 30.06.2023 RM'000 | Current Year To Date 30.06.2024 RM'000 | Preceding Year To Date 30.06.2023 RM'000 |
| **Income** | | | | |
| Gross revenue | 9,704 | 8,651 | 37,036 | 33,871 |
| Property operating expenses | (3,707) | (4,094) | (16,960) | (17,254) |
| Net property income | 5,997 | 4,557 | 20,076 | 16,617 |
| Interest income | 89 | 20 | 136 | 64 |
| Other income | 223 | 11 | 325 | 38 |
| | **6,309** | **4,588** | **20,537** | **16,719** |
| **Expenses** | | | | |
| Manager's fees | (633) | (567) | (2,345) | (2,215) |
| Trustee's fee | (39) | (40) | (152) | (156) |
| Administrative expenses | (948) | (91) | (1,469) | (504) |
| Interest expense | (3,188) | (3,215) | (13,374) | (12,064) |
| | **(4,808)** | **(3,913)** | **(17,340)** | **(14,939)** |
| **Net Trust Income** | **1,501** | **675** | **3,197** | **1,780** |
| Change in fair value of investment properties | 122 | (21,533) | 122 | (21,533) |
| **Income/(loss) before tax** | **1,623** | **(20,858)** | **3,319** | **(19,753)** |
| Taxation | 2,412 | 2,153 | 2,412 | 2,153 |
| **Income/(loss) after tax** | **4,035** | **(18,705)** | **5,731** | **(17,600)** |
| Other comprehensive income/(loss) | - | - | - | - |
| **Total comprehensive income/(loss) for the period/year** | **4,035** | **(18,705)** | **5,731** | **(17,600)** |
| **Total comprehensive income/(loss) for the period/year is made up as follows:** | | | | |
| - Realised | 1,501 | 675 | 3,197 | 1,780 |
| - Unrealised | 2,534 | (19,380) | 2,534 | (19,380) |
| | **4,035** | **(18,705)** | **5,731** | **(17,600)** |
| **BASIC EARNINGS PER UNIT (SEN)** | | | | |
| - Realised | 0.50 | 0.24 | 1.07 | 0.63 |
| - Unrealised | 0.85 | (6.91) | 0.85 | (6.91) |
| | 1.35 | (6.67) | 1.92 | (6.28) |

The Condensed Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached.

**TOWER REAL ESTATE INVESTMENT TRUST**
**CONDENSED STATEMENT OF FINANCIAL POSITION**
**AS AT 30 JUNE 2024**

**The figures have not been audited.**

| | Unaudited As At 30.06.2024 RM'000 | Audited As At 30.06.2023 RM'000 |
|---|---|---|
| **ASSETS** | | |
| **Non-current assets** | | |
| Plant and equipment | 4,925 | 7,963 |
| Investment properties | 802,000 | 797,200 |
| | 806,925 | 805,163 |
| **Current Assets** | | |
| Trade receivables | 459 | 487 |
| Other receivables, deposits and prepayments | 3,388 | 1,260 |
| Cash and bank balances | 26,846 | 1,324 |
| | 30,693 | 3,071 |
| **TOTAL ASSETS** | 837,618 | 808,234 |
| **LIABILITIES** | | |
| **Non-current liabilities** | | |
| Tenants' deposits | 8,105 | 9,116 |
| Borrowings | 232,312 | 260,292 |
| Deferred tax liability | 17,291 | 17,279 |
| | 257,708 | 286,687 |
| **Current liabilities** | | |
| Trade payables | 61 | 1,562 |
| Other payables and provisions | 5,049 | 5,584 |
| Tenants' deposits | 4,720 | 2,330 |
| Borrowings | - | 11,000 |
| | 9,830 | 20,476 |
| **TOTAL LIABILITIES** | 267,538 | 307,163 |
| **NET ASSET VALUE** | **570,080** | **501,071** |
| **REPRESENTED BY** : | | |
| Unitholders' capital | 350,025 | 285,345 |
| Undistributed income - unrealised | 158,165 | 155,631 |
| Undistributed income - realised | 61,890 | 60,095 |
| | **570,080** | **501,071** |
| **NUMBER OF UNITS IN CIRCULATION (UNITS)** | **490,875,000** | **280,500,000** |
| **NET ASSET VALUE PER UNIT (RM)** | | |
| - Before income distribution | 1.1614 | 1.7863 |
| - After income distribution | 1.1537 | 1.7836 |

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 and the accompanying explanatory notes attached.

**TOWER REAL ESTATE INVESTMENT TRUST**
**CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE**
**FOR THE FOURTH QUARTER ENDED 30 JUNE 2024**

**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 Year To Date** | | | | |
| **At 1 July 2023** | **285,345** | **155,631** | **60,095** | **501,071** |
| **Operations for the year ended 30 June 2024** | | | | |
| Net income for the year | - | 2,534 | 3,197 | 5,731 |
| Total comprehensive income for the year | - | 2,534 | 3,197 | 5,731 |
| **Unitholders' transactions** | | | | |
| Issuance of Rights Units | 65,216 | - | - | 65,216 |
| Establishment and issuance expenses | (536) | - | - | (536) |
| Distribution to unitholders | | | | |
| - 2023 final (paid on 30 August 2023) | - | - | (757) | (757) |
| - 2024 interim (paid on 28 February 2024) | - | - | (645) | (645) |
| | 64,680 | - | (1,402) | 63,278 |
| **At 30 June 2024** | **350,025** | **158,165** | **61,890** | **570,080** |
| **Preceding Year To Date** | | | | |
| **At 1 July 2022** | **285,345** | **175,011** | **61,008** | **521,364** |
| **Operations for the year ended 30 June 2023** | | | | |
| Net income for the year | - | (19,380) | 1,780 | (17,600) |
| Total comprehensive (loss)/income for the year | - | (19,380) | 1,780 | (17,600) |
| **Unitholders' transactions** | | | | |
| Distribution to unitholders | | | | |
| - 2022 final (paid on 30 August 2022) | - | - | (1,823) | (1,823) |
| - 2023 interim (paid on 28 February 2023) | - | - | (870) | (870) |
| | - | - | (2,693) | (2,693) |
| **At 30 June 2023** | **285,345** | **155,631** | **60,095** | **501,071** |

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 2023 and the accompanying explanatory notes attached.

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**TOWER REAL ESTATE INVESTMENT TRUST**
**CONDENSED STATEMENT OF CASH FLOW**
**FOR THE FOURTH QUARTER ENDED 30 JUNE 2024**

**The figures have not been audited.**

| | Current Year To Date 30.06.2024 RM'000 | Preceding Year To Date 30.06.2023 RM'000 |
|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Income/(loss) before tax | 3,319 | (19,753) |
| Adjustments for: | | |
| Depreciation | 819 | 792 |
| Interest expense | 13,374 | 12,064 |
| Interest income | (136) | (64) |
| Change in fair value of investment properties | (122) | 21,533 |
| Net loss on impairment of trade receivables | 150 | - |
| Operating profit before working capital changes | 17,404 | 14,572 |
| Changes in working capital: | | |
| Trade and other receivables | 174 | (1,112) |
| Trade and other payables | (657) | 1,486 |
| **Net cash generated from operating activities** | 16,921 | 14,946 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Acquisition of plant and equipment | (2,459) | (2,789) |
| Interest income | 136 | 64 |
| **Net cash used in investing activities** | (2,323) | (2,725) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Interest paid | (13,154) | (11,847) |
| Proceeds from issuance of Rights Units | 65,216 | - |
| Establishment and issuance expenses | (536) | - |
| (Repayment)/Drawdown of revolving credit facility | (11,000) | 1,900 |
| Repayment of term loan | (28,200) | - |
| Distribution paid to unitholders | (1,402) | (2,693) |
| **Net cash from/(used in) financing activities** | 10,924 | (12,640) |
| **NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS** | 25,522 | (419) |
| **CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR** | 1,324 | 1,743 |
| **CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR** | 26,846 | 1,324 |
| Cash and cash equivalents at end of year comprise: | | |
| Short term deposits | 26,300 | - |
| Cash and bank balances | 546 | 1,324 |
| | 26,846 | 1,324 |

The Condensed Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023 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 2023.

**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 2023. The initial application of the accounting standards, amendments or interpretations do not have any material financial impact to the current year and prior year financial statements of Tower REIT.

### A2. Audit Report of Preceding Financial Year

The Auditors' Report of the preceding financial year ended 30 June 2023 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

During the quarter under review, 210,375,000 new units in Tower REIT were issued pursuant to the renounceable rights issue of new units in Tower REIT ("Rights Units") on the basis of 3 Rights Units for every 4 existing units in Tower REIT ("Rights Issue"). The 210,375,000 Rights Units issued were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 28 May 2024.

Save for the above, 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

No income distribution was paid during the quarter ended 30 June 2024.

## 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

During the quarter under review, a revaluation exercise was undertaken for the three properties pursuant to Clause 10.02 of the Securities Commission's Listed REIT Guidelines. The revaluation exercise resulted in an aggregate revaluation surplus of RM0.1 million. The revaluation surplus has been incorporated into the financial statements in the Trust for the financial year ended 30 June 2024 as an unrealised gain.

## A10. Borrowing and Debt Securities

Particulars of the Trust's borrowings as at 30 June 2024 are as follows:

| | **RM'000** |
|---|---|
| Secured | 232,312 |
| Unsecured | - |
| | 232,312 |

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

Following the completion of the Rights Issue on 28 May 2024, the latest Unitholders' capital of Tower REIT comprised of 490,875,000 units as at 30 June 2024.

## 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 Fourth Quarter/Twelve-Month Financial Period

Gross revenue for the quarter ended 30 June 2024 ("Fourth Quarter") recorded an increase of 12.2% to RM9.7 million as compared to the corresponding quarter of the preceding year. This was mainly due to higher occupancy achieved. Property operating costs were lower by 9.5% due to assessment rebates received, lower agency commission and electricity expense. Administrative expenses increased by RM0.9 million mainly due to one-off establishment and issuance costs pursuant to the Right Issue exercise. Accordingly, net trust income before change in fair value of investment properties and tax improved by RM0.8 million as compared to the corresponding quarter of the preceding year.

For the twelve-month financial period, gross revenue and net trust income improved by RM3.2 million (9.3%) and RM1.4 million (79.6%) respectively as compared to the corresponding period of the preceding year. The improvement in the results was mainly due to higher rental income partially offset by one-off establishment and issuance expenses pursuant to the Right Issue exercise and higher interest expense.

In June 2024, the Trust undertook an annual valuation of its properties which determined the current aggregate valuation at RM802.0 million, details of which are provided in note B4 – Changes in Portfolio Composition. Measured against its carrying value, a revaluation surplus of RM0.1 million was recorded.

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

Net trust income for the Fourth Quarter of RM1.5 million was RM0.5 million higher compared to RM1.0 million in the immediate preceding quarter. This was mainly due to the improved occupancy and lower property operating expenses in the Fourth Quarter.

### B3. Changes in State of Affairs

There were no material changes in the state of affairs of the Trust for the Fourth Quarter.

### B4. Changes in Portfolio Composition

As at 30 June 2024, Tower REIT's composition of investment portfolio was as follows:

| Real Estate | RM'000 | % of Total Real Estate Portfolio |
|---|---|---|
| Menara HLX | 327,600 | 41 |
| Plaza Zurich | 225,000 | 28 |
| Menara Guoco | 249,400 | 31 |
| | 802,000 | 100 |

## B5. Changes in Net Asset Value

| | As at 30.06.2024 RM'000 | As at 31.03.2024 RM'000 |
|---|---|---|
| Net asset value ('NAV') | 570,080 | 501,366 |
| NAV per unit (RM) | 1.1614 | 1.7874 |

The movement of NAV per unit as at 30 June 2024 compared to the immediate preceding quarter is a result of the increase in total issued units arising from the Rights Issue exercise.

## B6. Changes in Unit Price

Tower REIT's unit price was last traded at RM0.325 per unit on 30 June 2024 (RM0.355 as at 31 March 2024).

## B7. Utilisation of Proceeds Raised from any Issuance of New Units

Tower REIT received a total proceed of RM65.2 million from the Rights Issue exercise. As at 30 June 2024, the total proceeds of RM65.2 million were utilised in the following manner:

| Details of utilisation | Proposed Utilisation RM'000 | Actual Utilisation RM'000 | Intended timeframe for Utilisation |
|---|---|---|---|
| Refurbishment of existing properties | 23,865 | - | 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 | 41,197 | |

## 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 B10 below.

## B9. Prospects

Our Manager has achieved improved occupancies in all its properties within the Tower REIT portfolio in the current financial period. The better result was achieved despite the challenging office rental market particularly in the Klang Valley with more incoming supply of higher-grade offices. Overall, high vacancies, depressed rental rate, rising operating expenses and elevated interest cost continue to persist. However, we see tentative signs that economic activities have started to pick up with more leasing enquiries as business confidence grows. Our Manager continues to pursue refurbishment initiatives to improve building attributes and enhance ESG performance while expanding its leasing pipeline. The foregoing together with diligent cost management remain the strategic imperatives to protect and sustain the competitive position of its portfolio of buildings.

## B10. Material Litigation

The Inland Revenue Board ("IRB") has 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 has issued a notice on tax refund amounting to RM2.4 mil which is recognised as a tax recoverable during the financial year.

## B11. Status of Corporate Proposal

Save as disclosed in Note A6 and A12, there are no other corporate proposals announced but not completed for the current quarter under review.

## B12. Soft Commission

During the quarter ended 30 June 2024, 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.

## B13. Revenue Recognition

### i) Gross Revenue

For the 3-month quarter ended 30 June 2024, gross revenue composition of rental income and non-rental income are as follows:

| | **RM'000** |
|---|---|
| Rental income | 5,957 |
| Service charge | 2,695 |
| Car park and other income | 1,052 |
| Gross Revenue | 9,704 |

### ii) Rental income and service charge

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

### iii) Car park income

Car park income is recognised in profit or loss upon services being rendered.

### iv) Other income

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

### v) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss.

## B14. 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 year ended 30 June 2024 of RM1,617,103 and RM728,261 respectively were 0.20% and 3.35% of the gross asset value and net property income respectively.

## B15. 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 year ended 30 June 2024 is RM152,444.

## B16. Taxation

| | 3 months ended | | Year-to-date | |
|---|---|---|---|---|
| | 30.06.2024 RM'000 | 30.06.2023 RM'000 | 30.06.2024 RM'000 | 30.06.2023 RM'000 |
| Current tax recovery | | | | |
| - RPGT refundable | (2,424) | - | (2,424) | - |
| Deferred tax expense/(income) | | | | |
| - current year | 12 | (2,153) | 12 | (2,153) |
| | 12 | (2,153) | 12 | (2,153) |
| Total taxation | (2,412) | (2,153) | (2,412) | (2,153) |
| **Reconciliation of taxation** | | | | |
| Income/(Loss) before tax | 1,623 | (20,858) | 3,319 | (19,753) |
| Income tax using Malaysian tax rate of 24% | 390 | (5,006) | 797 | (4,741) |
| Difference in tax rate arising from (gain)/loss on investment properties | (17) | 3,015 | (17) | 3,015 |
| Non-deductible expenses | 279 | 75 | 573 | 354 |
| Effect of income exempted from tax | (640) | (237) | (1,341) | (781) |
| RPGT refundable | (2,424) | - | (2,424) | - |
| Total taxation | (2,412) | (2,153) | (2,412) | (2,153) |

Under Section 61A of the Income Tax Act 1967, the undistributed income of a REIT are 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.

## B17. Income Distribution

The Manager of Tower REIT has declared a final income distribution of 0.77 sen per unit, amounting to RM3,779,738 (0.27 sen per unit, amounting to RM757,350 in the previous year corresponding period), representing approximately 92.15% of the realised distributable net income for the year ended 30 June 2024, payable on 30 August 2024 to the unitholders registered in the Record of Depositors on 20 August 2024.

The income distribution to the unitholders ended 30 June 2024 is derived from the following sources: -

**The figures have not been audited.**

| | Individual Quarter | | Cumulative Quarter | |
|---|---|---|---|---|
| | Current Year Quarter Ended 30.06.2024 RM'000 | Preceding Year Corresponding Quarter Ended 30.06.2023 RM'000 | Current Year To Date 30.06.2024 RM'000 | Preceding Year To Date 30.06.2023 RM'000 |
| Rental income | 9,704 | 8,651 | 37,036 | 33,871 |
| Interest income | 89 | 20 | 136 | 64 |
| Other income | 223 | 11 | 325 | 38 |
| | 10,016 | 8,682 | 37,497 | 33,973 |
| Less: | | | | |
| Expenses | (8,515) | (8,007) | (34,300) | (32,193) |
| Taxation | - | - | - | - |
| **Realised income for the period/year** | **1,501** | **675** | **3,197** | **1,780** |
| Previous quarter/year undistributed realised income | 60,389 | 59,420 | 59,338 | 59,185 |
| **Total realised income available for distribution** | **61,890** | **60,095** | **62,535** | **60,965** |
| Less: Proposed/declared income distribution | (3,780) | (757) | (4,425) | (1,627) |
| **Balance undistributed realised income** | **58,110** | **59,338** | **58,110** | **59,338** |
| Distribution per unit (sen) | 0.77 | 0.27 | 1.00 | 0.58 |

## B18. Units held by Related Parties

As at 30 June 2024, 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 | 53,153 |
| Hong Leong Assurance Berhad | 101,974 | 33,142 |
| Asia Fountain Investment Company Limited | 24,500 | 7,963 |
| Associated Land Sendirian Berhad | 41,466 | 13,476 |
| Hong Leong Investment Bank Berhad | 10,302 | 3,348 |

** The market value is determined by multiplying the number of units with the market price as at 30 June 2024 of RM0.325 per unit.

## B19. 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 June 2024 and of its financial performance and cash flows for the year ended 30 June 2024.

**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**
5 August 2024