Quarterly rpt on consolidated results for the financial period ended 30 Sep 2026

TOWER REAL ESTATE INVESTMENT TRUST

Financial Year End	30 Jun 2027
Quarter	1 Qtr
Quarterly report for the financial period ended	30 Sep 2026
The figures	have not been audited

Attachments

Tower REIT Q1 Results.pdf
360.9 kB

Default Currency | Other Currency

Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION
30 Sep 2026

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		30 Sep 2026	30 Sep 2025	30 Sep 2026	30 Sep 2025
		MYR'000	MYR'000	MYR'000	MYR'000
1	Revenue	10,591	10,389	10,591	10,389
2	Profit/(loss) before tax	3,213	2,763	3,213	2,763
3	Profit/(loss) for the period	3,213	2,763	3,213	2,763
4	Profit/(loss) attributable to ordinary equity holders of the parent	3,213	2,763	3,213	2,763
5	Basic earnings/(loss) per share (Subunit)	0.65	0.56	0.65	0.56
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	1.1691		1.1685	

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	27 Oct 2026
Category	Financial Results
Reference Number	FRA-26102026-00007

TOWERreit

TOWER REAL ESTATE INVESTMENT TRUST

CONDENSED FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2026

Contents **Page**

Condensed Statement of Comprehensive Income	**1**
Condensed Statement of Financial Position	**2**
Condensed Statement of Changes In Net Asset Value	**3**
Condensed Statement of Cash Flow	**4**
Notes to the Financial Statements	**5 - 11**

TOWERreit

TOWER REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2026

The figures have not been audited.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30.09.2026 RM'000	Preceding Year Corresponding Quarter Ended 30.09.2025 RM'000	Current Period To Date 30.09.2026 RM'000	Preceding Period To Date 30.09.2025 RM'000
Income				
Gross revenue	10,591	10,389	10,591	10,389
Property operating expenses	(4,344)	(4,854)	(4,344)	(4,854)
Net property income	6,247	5,535	6,247	5,535
Interest income	202	128	202	128
Other income	33	10	33	10
	6,482	**5,673**	**6,482**	**5,673**
Expenses				
Manager's fees	(681)	(602)	(681)	(602)
Trustee's fee	(47)	(43)	(47)	(43)
Administrative expenses	(96)	39	(96)	39
Interest expense	(2,445)	(2,304)	(2,445)	(2,304)
	(3,269)	**(2,910)**	**(3,269)**	**(2,910)**
Net Trust Income	**3,213**	**2,763**	**3,213**	**2,763**
Change in fair value of investment properties	-	-	-	-
Income before tax	**3,213**	**2,763**	**3,213**	**2,763**
Taxation	-	-	-	-
Income after tax	**3,213**	**2,763**	**3,213**	**2,763**
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	**3,213**	**2,763**	**3,213**	**2,763**
Total comprehensive income for the period is made up as follows:				
- Realised	3,213	2,763	3,213	2,763
- Unrealised	-	-	-	-
	3,213	**2,763**	**3,213**	**2,763**
BASIC EARNINGS PER UNIT (SEN)				
- Realised	0.65	0.56	0.65	0.56
- Unrealised	-	-	-	-
	0.65	0.56	0.65	0.56

The Condensed Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2026 and the accompanying explanatory notes attached.

TOWERreit

TOWER REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPT 2026

The figures have not been audited.

	Unaudited As At 30.09.2026 RM'000	Audited As At 30.06.2026 RM'000
ASSETS		
Non-current assets		
Plant and equipment	5,064	5,201
Investment properties	807,000	807,000
	812,064	812,201
Current Assets		
Trade receivables	535	517
Other receivables, deposits and prepayments	2,032	1,213
Cash and bank balances	31,346	31,793
	33,913	33,523
TOTAL ASSETS	845,977	845,724
LIABILITIES		
Non-current liabilities		
Tenants' deposits	6,219	6,769
Borrowings	232,609	232,593
Deferred tax liability	17,328	17,328
	256,156	256,690
Current liabilities		
Trade payables	18	230
Other payables and provisions	7,041	6,974
Tenants' deposits	8,898	8,234
	15,957	15,438
TOTAL LIABILITIES	272,113	272,128
NET ASSET VALUE	**573,864**	**573,596**
REPRESENTED BY :		
Unitholders' capital	350,025	350,025
Undistributed income - unrealised	158,493	158,493
Undistributed income - realised	65,346	65,078
	573,864	**573,596**
NUMBER OF UNITS IN CIRCULATION (UNITS)	**490,875,000**	**490,875,000**
NET ASSET VALUE PER UNIT (RM)		
- Before income distribution	1.1691	1.1685
- After income distribution	1.1691	1.1625

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 June 2026 and the accompanying explanatory notes attached.

TOWERreit

TOWER REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2026

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 2026	**350,025**	**158,493**	**65,078**	**573,596**
Operations for the period ended 30 September 2026				
Net income for the period	-	-	3,213	3,213
Total comprehensive income for the period	-	-	3,213	3,213
Unitholders' transactions				
Distribution to unitholders				
- 2026 final (paid on 28 August 2026)	-	-	(2,945)	(2,945)
	-	-	(2,945)	(2,945)
At 30 September 2026	**350,025**	**158,493**	**65,346**	**573,864**
Preceding 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**

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 2026 and the accompanying explanatory notes attached.

TOWERreit

TOWER REAL ESTATE INVESTMENT TRUST
CONDENSED STATEMENT OF CASH FLOW
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2026

The figures have not been audited.

	Current Period To Date 30.09.2026 RM'000	Preceding Period To Date 30.09.2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before tax	3,213	2,763
Adjustments for:		
Depreciation	250	214
Interest expense	2,445	2,304
Interest income	(202)	(128)
Net gain on impairment of trade receivables	(38)	(236)
Operating profit before working capital changes	5,668	4,917
Changes in working capital:		
Trade and other receivables	(799)	(1,605)
Trade and other payables	(31)	900
Net cash generated from operating activities	4,838	4,212
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of plant and equipment	(113)	(999)
Interest received	202	128
Net cash generated /(used) in investing activities	89	(871)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(2,429)	(2,235)
Distribution paid to unitholders	(2,945)	(1,964)
Net cash used in financing activities	(5,374)	(4,199)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(447)	(858)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	31,793	26,843
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	31,346	25,985
Cash and cash equivalents comprise:		
Short term deposits	29,700	23,700
Cash and bank balances	1,646	2,285
	31,346	25,985

The Condensed Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 30 June 2026 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 ("Bursa Malaysia"). 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 2026.

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 2026. 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 2026 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 2026 paid a final income distribution of 0.60 sen per unit, amounting to RM2,945,250 for the financial year ended 30 June 2026.

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 2026 are as follows:

	RM'000
Secured	232,609
Unsecured	-
	232,609

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 2026 ("First Quarter"), gross revenue rose by 1.9% to RM10.6 million compared to the corresponding quarter of the previous year. The increase was mainly driven by higher occupancy at Plaza Zurich. Property operating expenses decreased by 10.5% mainly due to lower spending in building repairs and maintenance expenses and agency fee commission.

As a result, net trust income before changes in fair value of investment properties and tax improved by RM0.5 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 RM3.2 million is comparable to RM 3.3 million in the immediate preceding quarter.

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 2026, 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	228,000	28
Menara Guoco	251,000	31
	807,000	100

B5. Changes in Net Asset Value

	As at 30.09.2026 RM'000	As at 30.06.2026 RM'000
Net asset value ('NAV')	573,864	573,596
NAV per unit (RM)	1.1691	1.1685

The movement of NAV per unit as at 30 September 2026 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 RM0.31 per unit on 30 September 2026 (RM0.30 as at 30 June 2026).

B7. Utilisation 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 2026, the proceeds were utilised as follows:

Details of utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended timeframe for Utilisation
Refurbishment of existing properties	23,865	5,409	Within 48 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	46,606	

As announced via Bursa Malaysia on 6 May 2026, the utilisation period for Rights Issue proceeds has been extended to 28 May 2028.

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.

B9. Prospects

The Klang Valley office market continues to demonstrate positive leasing momentum with demand increasingly gravitating towards premium-grade, ESG-compliant and well-connected office buildings, while prime rental levels remain resilient. The flight-to-quality trend is expected to continue as occupiers increasingly favour newer and higher-quality buildings, widening the performance gap with older office stock. Nevertheless, competition remains intense, reflecting elevated vacancy levels and new supply entering the market.

Over the coming months, the Manager expects some near-term volatility arising from lease reversions and tenant downsizing. The Manager will continue to focus on tenant retention and proactive leasing initiatives to sustain and improve occupancy levels.

B10. Material Litigation

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

B11. Soft Commission

During the quarter ended 30 September 2026, 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 2026, gross revenue composition of rental income and non-rental income are as follows:

	RM'000
Rental income	6,151
Service charge	3,250
Car park and other income	1,190
Gross Revenue	10,591

ii) Rental income and service charge

Rental income and service charge from investment property are recognised 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 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.

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 2026 of RM 448,289 and RM 232,927 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 2026 was RM46,921.

B15. Taxation

Taxation of the REIT

	3 months ended	
	30.09.2026	**30.09.2025**
	RM'000	**RM'000**
Current tax expenses	-	-
Reconciliation of tax expense		
Income before tax	3,213	2,763
Income tax using Malaysian tax rate of 24%	771	663
Non-deductible expenses	94	77
Effect of income exempted from tax	(865)	(740)
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 taxable total income for the financial year. If the REIT is unable to meet the 90% distribution criteria, the entire taxable income of the REIT for the financial year would be subject to income tax.

As Tower REIT intends to distribute at least 90% of its taxable total income for the financial 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 2026, 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	50,700
Hong Leong Assurance Berhad	101,974	31,612
Asia Fountain Investment Company Limited	24,500	7,595
Associated Land Sendirian Berhad	42,066	13,040
Hong Leong Investment Bank Berhad	10,302	3,194

** The market value is determined by multiplying the number of units with the market price as at 30 September 2026 of RM0.31 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 2026 and of its financial performance and cash flows for the period ended 30 September 2026.

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
27 October 2026