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

TOWER REAL ESTATE INVESTMENT TRUST

Financial Year End	30 Jun 2026
Quarter	4 Qtr
Quarterly report for the financial period ended	30 Jun 2026
The figures	have not been audited

Attachments

Tower REIT Q4 results.pdf
383.5 kB

Default Currency | Other Currency

Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION
30 Jun 2026

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		30 Jun 2026	30 Jun 2025	30 Jun 2026	30 Jun 2025
		MYR'000	MYR'000	MYR'000	MYR'000
1	Revenue	10,442	9,728	42,000	38,912
2	Profit/(loss) before tax	3,788	954	12,508	7,195
3	Profit/(loss) for the period	3,743	962	12,463	7,203
4	Profit/(loss) attributable to ordinary equity holders of the parent	3,743	962	12,463	7,203
5	Basic earnings/(loss) per share (Subunit)	0.76	0.20	2.54	1.47
6	Proposed/Declared dividend per share (Subunit)	0.60	0.40	1.90	1.22
		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		1.1685		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	03 Aug 2026
Category	Financial Results
Reference Number	FRA-31072026-00006

TOWERreit
TOWER REAL ESTATE INVESTMENT TRUST

CONDENSED FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER ENDED 30 JUNE 2026

Contents | **Page**

TOWERreit

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

The figures have not been audited.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30.06.2026 RM'000	Preceding Year Corresponding Quarter Ended 30.06.2025 RM'000	Current Year To Date 30.06.2026 RM'000	Preceding Year To Date 30.06.2025 RM'000
Income				
Gross revenue	10,442	9,728	42,000	38,912
Property operating expenses	(4,698)	(4,652)	(18,063)	(17,251)
Net property income	5,744	5,076	23,937	21,661
Interest income	332	398	1,105	991
Other income	1,234	546	1,281	932
	7,310	**6,020**	**26,323**	**23,584**
Expenses				
Manager's fees	(671)	(601)	(2,650)	(2,418)
Trustee's fee	(46)	(43)	(182)	(171)
Administrative expenses	(567)	(509)	(1,176)	(1,251)
Interest expense	(2,686)	(3,830)	(10,255)	(12,466)
	(3,970)	**(4,983)**	**(14,263)**	**(16,306)**
Net Trust Income	**3,340**	**1,037**	**12,060**	**7,278**
Change in fair value of investment properties	448	(83)	448	(83)
Income before tax	**3,788**	**954**	**12,508**	**7,195**
Taxation	(45)	8	(45)	8
Income after tax	**3,743**	**962**	**12,463**	**7,203**
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	**3,743**	**962**	**12,463**	**7,203**
Total comprehensive income for the period is made up as follows:				
- Realised	3,340	1,037	12,060	7,278
- Unrealised	403	(75)	403	(75)
	3,743	**962**	**12,463**	**7,203**
BASIC EARNINGS PER UNIT (SEN)				
- Realised	0.68	0.21	2.46	1.48
- Unrealised	0.08	(0.01)	0.08	(0.01)
	0.76	0.20	2.54	1.47

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.

TOWERreit

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

The figures have not been audited.

	Unaudited As At 30.06.2026 RM'000	Audited As At 30.06.2025 RM'000
ASSETS		
Non-current assets		
Plant and equipment	5,201	4,020
Investment properties	807,000	806,000
	812,201	810,020
Current Assets		
Trade receivables	517	328
Other receivables, deposits and prepayments	1,213	3,413
Cash and bank balances	31,793	26,843
	33,523	30,584
TOTAL ASSETS	845,724	840,604
LIABILITIES		
Non-current liabilities		
Tenants' deposits	6,769	8,437
Borrowings	232,593	232,531
Deferred tax liability	17,328	17,283
	256,690	258,251
Current liabilities		
Trade payables	230	112
Other payables and provisions	6,974	7,410
Tenants' deposits	8,234	5,353
	15,438	12,875
TOTAL LIABILITIES	272,128	271,126
NET ASSET VALUE	**573,596**	**569,478**
REPRESENTED BY :		
Unitholders' capital	350,025	350,025
Undistributed income - unrealised	158,493	158,090
Undistributed income - realised	65,078	61,363
	573,596	**569,478**
NUMBER OF UNITS IN CIRCULATION (UNITS)	**490,875,000**	**490,875,000**
NET ASSET VALUE PER UNIT (RM)		
- Before income distribution	1.1685	1.1601
- After income distribution	1.1625	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.

CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FOURTH QUARTER ENDED 30 JUNE 2026

The figures have not been audited.

	Unitholders' Capital RM'000	Undistributed Income Non-distributable Unrealised RM'000	Undistributed Income Distributable Realised RM'000	Total RM'000
Current Year To Date				
At 1 July 2025	**350,025**	**158,090**	**61,363**	**569,478**
Operations for the year ended 30 June 2026				
Net income for the year	-	403	12,060	12,463
Total comprehensive income for the year	-	403	12,060	12,463
Unitholders' transactions				
Distribution to unitholders				
- 2025 final (paid on 28 August 2025)	-	-	(1,964)	(1,964)
- 2026 interim (paid on 10 June 2026)	-	-	(6,381)	(6,381)
	-	-	(8,345)	(8,345)
At 30 June 2026	**350,025**	**158,493**	**65,078**	**573,596**
Preceding Year To Date				
At 1 July 2024	**350,025**	**158,165**	**61,890**	**570,080**
Operations for the year ended 30 June 2025				
Net income for the year	-	(75)	7,278	7,203
Total comprehensive income for the year	-	(75)	7,278	7,203
Unitholders' transactions				
Distribution to unitholders				
- 2024 final (paid on 30 August 2024)	-	-	(3,780)	(3,780)
- 2025 interim (paid on 28 February 2025)	-	-	(4,025)	(4,025)
	-	-	(7,805)	(7,805)
At 30 June 2025	**350,025**	**158,090**	**61,363**	**569,478**

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 FOURTH QUARTER ENDED 30 JUNE 2026

The figures have not been audited.

	Current Year To Date 30.06.2026 RM'000	Preceding Year To Date 30.06.2025 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before tax	12,508	7,195
Adjustments for:		
Depreciation	949	820
Interest expense	10,008	12,466
Interest income	(1,105)	(991)
Change in present value of tenants' deposits	247	(496)
Change in fair value of investment properties	(448)	83
Net (reversal)/loss on impairment of trade receivables	(214)	481
Operating profit before working capital changes	21,945	19,558
Changes in working capital:		
Trade and other receivables	2,225	(375)
Trade and other payables	1,107	2,762
Net cash generated from operating activities	25,277	21,945
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of plant and equipment	(3,141)	(3,998)
Interest received	1,105	991
Net cash used in investing activities	(2,036)	(3,007)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(9,946)	(11,136)
Distribution paid to unitholders	(8,345)	(7,805)
Net cash used in financing activities	(18,291)	(18,941)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	4,950	(3)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	26,843	26,846
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	31,793	26,843
Cash and cash equivalents comprise:		
Short term deposits	31,400	26,090
Cash and bank balances	393	753
	31,793	26,843

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 ("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 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 10 June 2026 paid an interim income distribution of 1.30 sen per unit, amounting to RM6,381,375 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

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 increase in fair value of RM0.4 million. The fair value gain has been incorporated into the financial statements in the Trust for the financial year ended 30 June 2026 as an unrealised gain.

A10. Borrowing and Debt Securities

Particulars of the Trust's borrowings as at 30 June 2026 are as follows:

	RM'000
Secured	232,593
Unsecured	-
	232,593

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 Fourth Quarter/Full Financial Year

For the quarter ended 30 June 2026 ("Fourth Quarter"), gross revenue and net trust income improved by RM0.7 million (7.3%) and by RM2.3 million (222.1%) respectively compared to the same quarter last year. The improvement was mainly driven by higher occupancy across Tower REIT's portfolio, increased rental rates at Menara HLX and Guoco Tower, alongside a reduction in interest expense.

For the full financial year, gross revenue and net trust income improved by RM3.1 million (7.9%) and RM4.8 million (65.7%) respectively compared to the preceding year. The stronger performance was underpinned by higher rental contributions and lower interest expense.

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

Net trust income for the Fourth Quarter of RM3.3 million was comparable to that of 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 Fourth Quarter.

B4. Changes in Portfolio Composition

As at 30 June 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 30.06.2026 RM'000	As at 31.03.2026 RM'000
Net asset value ('NAV')	573,596	576,234
NAV per unit (RM)	1.1685	1.1739

NAV per unit as at 30 June 2026 was comparable with the immediate preceding quarter.

B6. Changes in Unit Price

Tower REIT's unit price was last traded at RM0.30 per unit on 30 June 2026 (RM0.27 as at 31 March 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 June 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	5,249	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	46,446	

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 in 1H 2026, with demand gravitated towards premium-grade, ESG-compliant and well-connected office buildings as rental levels improved modestly. This flight-to-quality trend is expected to continue with ongoing displacement of occupancy of older buildings towards quality with competition remaining intense. This situation persists as supply of new office buildings in the past years continues to outstrip demand.

Despite these market trends, the Manager expects further improvement in occupancy of its buildings.

B10. Material Litigation

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

B11. Soft Commission

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

	RM'000
Rental income	5,984
Service charge	3,251
Car park and other income	1,207
Gross Revenue	10,442

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 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 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 June 2026 of RM1,744,946 and RM905,062 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 June 2026 was RM182,429.

B15. Taxation

Taxation of the REIT

	3 months ended		**Year-to-date**	
	30.06.2026 RM'000	**30.06.2025 RM'000**	**30.06.2026 RM'000**	**30.06.2025 RM'000**
Deferred tax expense/(income)				
- Current year	45	(8)	45	(8)
Total Taxation	45	(8)	45	(8)
Reconciliation of tax expense				
Income before tax	3,788	954	12,508	7,195
Income tax using Malaysian tax rate of 24%	909	229	3,002	1,727
Difference in tax rate arising from				
(gain)/loss on investment properties	(63)	12	(63)	12
(Non-taxable income)/Non-deductible expenses	(25)	352	235	545
Effect of income exempted from tax	(776)	(601)	(3,129)	(2,292)
Total income tax expense/(credit)	45	(8)	45	(8)

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.

Taxation of the Unitholders

Income distribution from the REIT is taxable on the unitholders, based on the following:

Category/Type of unitholders	Withholding Tax Rate (Up to YA 2025)	Withholding Tax Rate (From YA 2026 Onwards)
Resident corporate	No withholding tax (subject to tax at the prevailing income tax rate)	No withholding tax (subject to tax at the prevailing income tax rate) *
Resident non-corporate	10%	
Non-resident individual	10%	
Non-resident institutional	10%	
Non-resident corporate	24%	24%

* Unitholders are responsible for declaring the income distribution received in their respective tax returns, in accordance with the current tax regulations.

B16. Income Distribution

The Manager of Tower REIT has declared a final income distribution of 0.60 sen per unit, amounting to RM2,945,250, representing approximately 97.4% of the taxable total income for the year ended 30 June 2026, payable on 28 August 2026 to the unitholders registered in the Record of Depositors on 18 August 2026.

The final income distribution ended 30 June 2026 is derived from the following sources: -

The figures have not been audited.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter Ended 30.06.2026 RM'000	**Preceding Year Corresponding Quarter Ended 30.06.2025 RM'000**	**Current Year To Date 30.06.2026 RM'000**	**Preceding Year To Date 30.06.2025 RM'000**
Rental income	10,442	9,728	42,000	38,912
Interest income	332	398	1,105	991
Other income	1,234	546	1,281	932
	12,008	10,672	44,386	40,835
Less:				
Expenses	(8,668)	(9,635)	(32,326)	(33,557)
Taxation	-	-	-	-
Realised income for the period/year	**3,340**	**1,037**	**12,060**	**7,278**
Previous quarter/year undistributed realised income	61,738	60,326	59,399	58,110
Total realised income available for distribution	**65,078**	**61,363**	**71,459**	**65,388**
Less: Proposed/declared income distribution	(2,945)	(1,964)	(9,326)	(5,989)
Balance undistributed realised income	**62,133**	**59,399**	**62,133**	**59,399**
Distribution per unit (sen)	0.60	0.40	1.90	1.22

B17. Units held by Related Parties

As at 30 June 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	49,064
Hong Leong Assurance Berhad	101,974	30,592
Asia Fountain Investment Company Limited	24,500	7,350
Associated Land Sendirian Berhad	41,929	12,579
Hong Leong Investment Bank Berhad	10,302	3,091

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