

# Quarterly rpt on consolidated results for the financial period ended 31 Mar 2026

## TOWER REAL ESTATE INVESTMENT TRUST

|                                                 |                       |
|-------------------------------------------------|-----------------------|
| Financial Year End                              | 30 Jun 2026           |
| Quarter                                         | 3 Qtr                 |
| Quarterly report for the financial period ended | 31 Mar 2026           |
| The figures                                     | have not been audited |

### Attachments

 [Tower REIT Q3 Results.pdf](#)  
390.0 kB

|                  |                |
|------------------|----------------|
| Default Currency | Other Currency |
|------------------|----------------|

Currency: Malaysian Ringgit (MYR)

### SUMMARY OF KEY FINANCIAL INFORMATION 31 Mar 2026

|                                                                              | INDIVIDUAL PERIOD            |                                      | CUMULATIVE PERIOD                  |                                     |
|------------------------------------------------------------------------------|------------------------------|--------------------------------------|------------------------------------|-------------------------------------|
|                                                                              | CURRENT YEAR QUARTER         | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE               | PRECEDING YEAR CORRESPONDING PERIOD |
|                                                                              | 31 Mar 2026                  | 31 Mar 2025                          | 31 Mar 2026                        | 31 Mar 2025                         |
|                                                                              | MYR'000                      | MYR'000                              | MYR'000                            | MYR'000                             |
| 1 Revenue                                                                    | 10,690                       | 9,100                                | 31,558                             | 29,184                              |
| 2 Profit/(loss) before tax                                                   | 3,423                        | 1,920                                | 8,720                              | 6,241                               |
| 3 Profit/(loss) for the period                                               | 3,423                        | 1,920                                | 8,720                              | 6,241                               |
| 4 Profit/(loss) attributable to ordinary equity holders of the parent        | 3,423                        | 1,920                                | 8,720                              | 6,241                               |
| 5 Basic earnings/(loss) per share (Subunit)                                  | 0.70                         | 0.39                                 | 1.78                               | 1.27                                |
| 6 Proposed/Declared dividend per share (Subunit)                             | 1.30                         | 0.00                                 | 1.30                               | 0.82                                |
|                                                                              | 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 | 1.1739                       |                                      | 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**

|                         |                                    |
|-------------------------|------------------------------------|
| <b>Company Name</b>     | TOWER REAL ESTATE INVESTMENT TRUST |
| <b>Stock Name</b>       | TWRREIT                            |
| <b>Date Announced</b>   | 06 May 2026                        |
| <b>Category</b>         | Financial Results                  |
| <b>Reference Number</b> | FRA-04052026-00001                 |

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**CONDENSED FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED 31 MARCH 2026**

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**CONDENSED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER ENDED 31 MARCH 2026**

The figures have not been audited.

|                                                                             | Individual Quarter                                    |                                                                          | Cumulative Quarter                                |                                                        |
|-----------------------------------------------------------------------------|-------------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------------|
|                                                                             | Current Year<br>Quarter Ended<br>31.03.2026<br>RM'000 | Preceding Year<br>Corresponding<br>Quarter Ended<br>31.03.2025<br>RM'000 | Current Period<br>To Date<br>31.03.2026<br>RM'000 | Preceding<br>period<br>To Date<br>31.03.2025<br>RM'000 |
| <b><u>Income</u></b>                                                        |                                                       |                                                                          |                                                   |                                                        |
| Gross revenue                                                               | 10,690                                                | 9,100                                                                    | 31,558                                            | 29,184                                                 |
| Property operating expenses                                                 | (4,370)                                               | (4,157)                                                                  | (13,365)                                          | (12,599)                                               |
| Net property income                                                         | 6,320                                                 | 4,943                                                                    | 18,193                                            | 16,585                                                 |
| Interest income                                                             | 266                                                   | 88                                                                       | 773                                               | 593                                                    |
| Other income                                                                | 13                                                    | 354                                                                      | 47                                                | 386                                                    |
|                                                                             | <b>6,599</b>                                          | <b>5,385</b>                                                             | <b>19,013</b>                                     | <b>17,564</b>                                          |
| <b><u>Expenses</u></b>                                                      |                                                       |                                                                          |                                                   |                                                        |
| Manager's fees                                                              | (682)                                                 | (589)                                                                    | (1,979)                                           | (1,817)                                                |
| Trustee's fee                                                               | (46)                                                  | (42)                                                                     | (136)                                             | (128)                                                  |
| Administrative expenses                                                     | (78)                                                  | (16)                                                                     | (609)                                             | (742)                                                  |
| Interest expense                                                            | (2,370)                                               | (2,818)                                                                  | (7,569)                                           | (8,636)                                                |
|                                                                             | <b>(3,176)</b>                                        | <b>(3,465)</b>                                                           | <b>(10,293)</b>                                   | <b>(11,323)</b>                                        |
| <b>Net Trust Income</b>                                                     | <b>3,423</b>                                          | <b>1,920</b>                                                             | <b>8,720</b>                                      | <b>6,241</b>                                           |
| Change in fair value of investment properties                               | -                                                     | -                                                                        | -                                                 | -                                                      |
| <b>Income before tax</b>                                                    | <b>3,423</b>                                          | <b>1,920</b>                                                             | <b>8,720</b>                                      | <b>6,241</b>                                           |
| Taxation                                                                    | -                                                     | -                                                                        | -                                                 | -                                                      |
| <b>Income after tax</b>                                                     | <b>3,423</b>                                          | <b>1,920</b>                                                             | <b>8,720</b>                                      | <b>6,241</b>                                           |
| Other comprehensive income                                                  | -                                                     | -                                                                        | -                                                 | -                                                      |
| <b>Total comprehensive income for the period</b>                            | <b>3,423</b>                                          | <b>1,920</b>                                                             | <b>8,720</b>                                      | <b>6,241</b>                                           |
| <b>Total comprehensive income for the period<br/>is made up as follows:</b> |                                                       |                                                                          |                                                   |                                                        |
| - Realised                                                                  | 3,423                                                 | 1,920                                                                    | 8,720                                             | 6,241                                                  |
| - Unrealised                                                                | -                                                     | -                                                                        | -                                                 | -                                                      |
|                                                                             | <b>3,423</b>                                          | <b>1,920</b>                                                             | <b>8,720</b>                                      | <b>6,241</b>                                           |
| <b>BASIC EARNINGS PER UNIT (SEN)</b>                                        |                                                       |                                                                          |                                                   |                                                        |
| - Realised                                                                  | 0.70                                                  | 0.39                                                                     | 1.78                                              | 1.27                                                   |
| - Unrealised                                                                | -                                                     | -                                                                        | -                                                 | -                                                      |
|                                                                             | <b>0.70</b>                                           | <b>0.39</b>                                                              | <b>1.78</b>                                       | <b>1.27</b>                                            |

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 31 MARCH 2026

The figures have not been audited.

|                                               | Unaudited<br>As At<br>31.03.2026<br>RM'000 | Audited<br>As At<br>30.06.2025<br>RM'000 |
|-----------------------------------------------|--------------------------------------------|------------------------------------------|
| <b>ASSETS</b>                                 |                                            |                                          |
| <b><u>Non-current assets</u></b>              |                                            |                                          |
| Plant and equipment                           | 4,781                                      | 4,020                                    |
| Investment properties                         | 806,000                                    | 806,000                                  |
|                                               | 810,781                                    | 810,020                                  |
| <b><u>Current Assets</u></b>                  |                                            |                                          |
| Trade receivables                             | 707                                        | 328                                      |
| Other receivables, deposits and prepayments   | 2,362                                      | 3,413                                    |
| Cash and bank balances                        | 36,263                                     | 26,843                                   |
|                                               | 39,332                                     | 30,584                                   |
| <b>TOTAL ASSETS</b>                           | 850,113                                    | 840,604                                  |
| <b>LIABILITIES</b>                            |                                            |                                          |
| <b><u>Non-current liabilities</u></b>         |                                            |                                          |
| Tenants' deposits                             | 4,641                                      | 8,437                                    |
| Borrowings                                    | 232,578                                    | 232,531                                  |
| Deferred tax liability                        | 17,283                                     | 17,283                                   |
|                                               | 254,502                                    | 258,251                                  |
| <b><u>Current liabilities</u></b>             |                                            |                                          |
| Trade payables                                | 17                                         | 112                                      |
| Other payables and provisions                 | 9,725                                      | 7,410                                    |
| Tenants' deposits                             | 9,635                                      | 5,353                                    |
|                                               | 19,377                                     | 12,875                                   |
| <b>TOTAL LIABILITIES</b>                      | 273,879                                    | 271,126                                  |
| <b>NET ASSET VALUE</b>                        | <b>576,234</b>                             | <b>569,478</b>                           |
| <b><u>REPRESENTED BY :</u></b>                |                                            |                                          |
| Unitholders' capital                          | 350,025                                    | 350,025                                  |
| Undistributed income - unrealised             | 158,090                                    | 158,090                                  |
| Undistributed income - realised               | 68,119                                     | 61,363                                   |
|                                               | <b>576,234</b>                             | <b>569,478</b>                           |
| <b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b> | <b>490,875,000</b>                         | <b>490,875,000</b>                       |
| <b>NET ASSET VALUE PER UNIT (RM)</b>          |                                            |                                          |
| - Before income distribution                  | 1.1739                                     | 1.1601                                   |
| - After income distribution                   | 1.1609                                     | 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.

The figures have not been audited.

|                                                      | Undistributed Income              |                                           |                                     | Total<br>RM'000 |
|------------------------------------------------------|-----------------------------------|-------------------------------------------|-------------------------------------|-----------------|
|                                                      | Unitholders'<br>Capital<br>RM'000 | Non-distributable<br>Unrealised<br>RM'000 | Distributable<br>Realised<br>RM'000 |                 |
| <b><u>Current Period To Date</u></b>                 |                                   |                                           |                                     |                 |
| <b>At 1 July 2025</b>                                | <b>350,025</b>                    | <b>158,090</b>                            | <b>61,363</b>                       | <b>569,478</b>  |
| <b>Operations for the period ended 31 March 2026</b> |                                   |                                           |                                     |                 |
| Net income for the period                            | -                                 | -                                         | 8,720                               | 8,720           |
| Total comprehensive income for the period            | -                                 | -                                         | 8,720                               | 8,720           |
| <b>Unitholders' transactions</b>                     |                                   |                                           |                                     |                 |
| Distribution to unitholders                          |                                   |                                           |                                     |                 |
| - 2025 final (paid on 28 August 2025)                | -                                 | -                                         | (1,964)                             | (1,964)         |
|                                                      | -                                 | -                                         | (1,964)                             | (1,964)         |
| <b>At 31 March 2026</b>                              | <b>350,025</b>                    | <b>158,090</b>                            | <b>68,119</b>                       | <b>576,234</b>  |
| <b><u>Preceding Period To Date</u></b>               |                                   |                                           |                                     |                 |
| <b>At 1 July 2024</b>                                | <b>350,025</b>                    | <b>158,165</b>                            | <b>61,890</b>                       | <b>570,080</b>  |
| <b>Operations for the period ended 31 March 2025</b> |                                   |                                           |                                     |                 |
| Net income for the period                            | -                                 | -                                         | 6,241                               | 6,241           |
| Total comprehensive income for the period            | -                                 | -                                         | 6,241                               | 6,241           |
| <b>Unitholders' transactions</b>                     |                                   |                                           |                                     |                 |
| 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)         |
| <b>At 31 March 2025</b>                              | <b>350,025</b>                    | <b>158,165</b>                            | <b>60,326</b>                       | <b>568,516</b>  |

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 THIRD QUARTER ENDED 31 MARCH 2026**

The figures have not been audited.

|                                                                           | <b>Current<br/>Period<br/>To Date<br/>31.03.2026<br/>RM'000</b> | <b>Preceding<br/>Period<br/>To Date<br/>31.03.2025<br/>RM'000</b> |
|---------------------------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------|
| <b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>                         |                                                                 |                                                                   |
| Income before tax                                                         | 8,720                                                           | 6,241                                                             |
| Adjustments for:                                                          |                                                                 |                                                                   |
| Depreciation                                                              | 682                                                             | 614                                                               |
| Interest expense                                                          | 7,569                                                           | 8,636                                                             |
| Interest income                                                           | (773)                                                           | (593)                                                             |
| Net (reversal)/loss on impairment of trade receivables                    | (105)                                                           | 129                                                               |
| Operating profit before working capital changes                           | <u>16,093</u>                                                   | <u>15,027</u>                                                     |
| Changes in working capital:                                               |                                                                 |                                                                   |
| Trade and other receivables                                               | 777                                                             | (1,435)                                                           |
| Trade and other payables                                                  | 2,650                                                           | 3,645                                                             |
| <b>Net cash generated from operating activities</b>                       | <u>19,520</u>                                                   | <u>17,237</u>                                                     |
| <b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>                        |                                                                 |                                                                   |
| Acquisition of plant and equipment                                        | (1,443)                                                         | (3,867)                                                           |
| Interest received                                                         | 773                                                             | 593                                                               |
| <b>Net cash used in investing activities</b>                              | <u>(670)</u>                                                    | <u>(3,274)</u>                                                    |
| <b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>                        |                                                                 |                                                                   |
| Interest paid                                                             | (7,466)                                                         | (8,472)                                                           |
| Distribution paid to unitholders                                          | (1,964)                                                         | (7,805)                                                           |
| <b>Net cash used in financing activities</b>                              | <u>(9,430)</u>                                                  | <u>(16,277)</u>                                                   |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>               | 9,420                                                           | (2,314)                                                           |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF<br/>THE FINANCIAL PERIOD</b> | <u>26,843</u>                                                   | <u>26,846</u>                                                     |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE<br/>FINANCIAL PERIOD</b>       | <u>36,263</u>                                                   | <u>24,532</u>                                                     |
| Cash and cash equivalents comprise:                                       |                                                                 |                                                                   |
| Short term deposits                                                       | 34,800                                                          | 23,751                                                            |
| Cash and bank balances                                                    | 1,463                                                           | 781                                                               |
|                                                                           | <u>36,263</u>                                                   | <u>24,532</u>                                                     |

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 Cyclicity 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**

No income distribution was paid during the quarter under review.

**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 31 March 2026 are as follows:

|           | <b>RM'000</b>  |
|-----------|----------------|
| Secured   | 232,578        |
| Unsecured | -              |
|           | <u>232,578</u> |

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 Third Quarter/Nine-Month Financial Period

For the quarter ended 31 March 2026 (“Third Quarter”), gross revenue and net trust income improved by RM1.6 million (17.5%) and by RM1.5 million (78.3%) respectively compared to the same quarter last year. The improvement was primarily driven by higher occupancy levels and increased rental rates at Menara HLX and Plaza Zurich. While performance improved, property operating costs rose by 5.1%. This was largely due to higher agency commissions resulting from improved occupancy alongside increased maintenance expenses.

For the nine-month financial period, gross revenue and net trust income improved by RM2.4 million (8.1%) and RM2.5 million (39.7%) respectively compared to the corresponding period of the preceding year. These stronger results were underpinned by higher rental income and a reduction in interest costs.

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

Net trust income for the Third Quarter rose to RM3.4 million, up from RM2.5 million in the immediate preceding quarter. This growth was primarily driven by higher rental income - largely attributable to improved occupancy at Plaza Zurich, alongside savings in interest expenses and reduced administrative costs.

**B3. Changes in State of Affairs**

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

**B4. Changes in Portfolio Composition**

As at 31 March 2026, Tower REIT's composition of investment portfolio was as follows:

| <b>Real Estate</b> | <b>RM'000</b>  | <b>% of Total<br/>Real Estate<br/>Portfolio</b> |
|--------------------|----------------|-------------------------------------------------|
| Menara HLX         | 328,000        | 41                                              |
| Plaza Zurich       | 227,000        | 28                                              |
| Menara Guoco       | 251,000        | 31                                              |
|                    | <u>806,000</u> | <u>100</u>                                      |

**B5. Changes in Net Asset Value**

|                         | <b>As at</b><br><b>31.03.2026</b><br><b>RM'000</b> | <b>As at</b><br><b>31.12.2025</b><br><b>RM'000</b> |
|-------------------------|----------------------------------------------------|----------------------------------------------------|
| Net asset value ('NAV') | 576,234                                            | 572,811                                            |
| NAV per unit (RM)       | 1.1739                                             | 1.1669                                             |

The movement of NAV per unit as at 31 March 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 RM0.270 per unit on 31 March 2026 (RM0.305 as at 31 December 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 31 March 2026, the proceeds were utilized as follows:

| <b>Details of utilization</b>                   | <b>Proposed</b><br><b>Utilization</b><br><b>RM'000</b> | <b>Actual</b><br><b>Utilization</b><br><b>RM'000</b> | <b>Intended timeframe for</b><br><b>Utilization</b> |
|-------------------------------------------------|--------------------------------------------------------|------------------------------------------------------|-----------------------------------------------------|
| Refurbishment of existing properties            | 23,865                                                 | 5,198                                                | 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                                                 | 46,395                                               |                                                     |

**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 be shaped by a "flight-to-quality" trend, with tenant migration increasingly favoring ESG-compliant and premium-grade offices in prime locations. Against this backdrop, the Manager has achieved steady progress over the past 18 months in enhancing the occupancy of Menara HLX. Concurrently, Plaza Zurich and Guoco Tower have maintained healthy occupancy levels, underscoring the resilience of the portfolio's leasing performance.

While the outlook remains contingent upon prevailing market conditions, including broader economic and geopolitical developments - the Manager is cautiously optimistic. The current positive leasing momentum to be sustained over the near to medium term.

**B10. Material Litigation**

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

**B11. Soft Commission**

During the quarter ended 31 March 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 31 March 2026, gross revenue composition of rental income and non-rental income are as follows:

|                           | <b>RM'000</b> |
|---------------------------|---------------|
| Rental income             | 6,299         |
| Service charge            | 3,250         |
| Car park and other income | 1,141         |
| Gross Revenue             | <u>10,690</u> |

**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 31 March 2026 of RM1,300,739 and RM678,157 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 31 March 2026 was RM135,779.

**B15. Taxation**

Taxation of the REIT

|                                            | 3 months ended |            | Period-to-date |            |
|--------------------------------------------|----------------|------------|----------------|------------|
|                                            | 31.03.2026     | 31.03.2025 | 31.03.2026     | 31.03.2025 |
|                                            | RM'000         | RM'000     | RM'000         | RM'000     |
| Current tax expense                        | -              | -          | -              | -          |
| Reconciliation of tax expense              |                |            |                |            |
| Income before tax                          | 3,423          | 1,920      | 8,720          | 6,241      |
| Income tax using Malaysian tax rate of 24% | 822            | 461        | 2,093          | 1,498      |
| Non-deductible expenses                    | 67             | 14         | 260            | 193        |
| Effect of income exempted from tax         | (889)          | (475)      | (2,353)        | (1,691)    |
| <b>Total income tax expense</b>            | <b>-</b>       | <b>-</b>   | <b>-</b>       | <b>-</b>   |

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<br>(Up to YA 2025)                                     | Withholding Tax Rate<br>(From YA 2026 Onwards)                                |
|------------------------------|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| Resident corporate           | No withholding tax<br>(subject to tax at the<br>prevailing income tax rate) | No withholding tax<br>(subject to tax at the prevailing<br>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 an interim income distribution of 1.30 sen per unit, amounting to RM6,381,375, payable on 10 June 2026 to the unitholders registered in the Record of Depositors on 21 May 2026. Tower REIT intends to distribute at least 90% of the taxable total income for the financial year to the unitholders, in accordance with Section 61A of the Income Tax Act 1967.

The interim income distribution ended 31 March 2026 is derived from the following sources: -

The figures have not been audited.

|                                                             | Individual Quarter                                          |                                                                             | Cumulative Quarter                                 |                                                   |
|-------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------|---------------------------------------------------|
|                                                             | Current<br>Year<br>Quarter<br>Ended<br>31.03.2026<br>RM'000 | Preceding<br>Year<br>Corresponding<br>Quarter Ended<br>31.03.2025<br>RM'000 | Current<br>Year To<br>Date<br>31.03.2026<br>RM'000 | Preceding<br>Year To Date<br>31.03.2025<br>RM'000 |
| Rental income                                               | 10,690                                                      | 9,100                                                                       | 31,558                                             | 29,184                                            |
| Interest income                                             | 266                                                         | 88                                                                          | 773                                                | 593                                               |
| Other income                                                | 13                                                          | 354                                                                         | 47                                                 | 386                                               |
|                                                             | <u>10,969</u>                                               | <u>9,542</u>                                                                | <u>32,378</u>                                      | <u>30,163</u>                                     |
| Less:                                                       |                                                             |                                                                             |                                                    |                                                   |
| Expenses                                                    | (7,546)                                                     | (7,622)                                                                     | (23,658)                                           | (23,922)                                          |
| Taxation                                                    | -                                                           | -                                                                           | -                                                  | -                                                 |
| <b>Realised income for the period</b>                       | <b>3,423</b>                                                | <b>1,920</b>                                                                | <b>8,720</b>                                       | <b>6,241</b>                                      |
| Previous quarter/year<br>undistributed realised income      | <u>64,696</u>                                               | <u>58,406</u>                                                               | <u>59,399</u>                                      | <u>58,110</u>                                     |
| <b>Total realised income<br/>available for distribution</b> | <b>68,119</b>                                               | <b>60,326</b>                                                               | <b>68,119</b>                                      | <b>64,351</b>                                     |
| Less: Proposed/declared<br>income distribution              | <u>(6,381)</u>                                              | <u>-</u>                                                                    | <u>(6,381)</u>                                     | <u>(4,025)</u>                                    |
| <b>Balance undistributed<br/>realised income</b>            | <b>61,738</b>                                               | <b>60,326</b>                                                               | <b>61,738</b>                                      | <b>60,326</b>                                     |
| Distribution per unit (sen)                                 | 1.30                                                        | -                                                                           | 1.30                                               | 0.82                                              |

**B17. Units held by Related Parties**

As at 31 March 2026, the Manager did not hold any unit in Tower REIT. The related parties of the Manager held units in Tower REIT as follows:

|                                                                          | <b>Number of<br/>units<br/>'000</b> | <b>Market<br/>Value **<br/>RM'000</b> |
|--------------------------------------------------------------------------|-------------------------------------|---------------------------------------|
| Direct unitholdings in Tower REIT of the related parties of the Manager: |                                     |                                       |
| GLM Equities Sdn Bhd                                                     | 163,548                             | 44,158                                |
| Hong Leong Assurance Berhad                                              | 101,974                             | 27,533                                |
| Asia Fountain Investment Company Limited                                 | 24,500                              | 6,615                                 |
| Associated Land Sendirian Berhad                                         | 41,466                              | 11,196                                |
| Hong Leong Investment Bank Berhad                                        | 10,302                              | 2,782                                 |

\*\* The market value is determined by multiplying the number of units with the market price as at 31 March 2026 of RM0.27 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 31 March 2026 and of its financial performance and cash flows for the period ended 31 March 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**  
**6 May 2026**