

**Summary of key matters discussed at the 9th Annual General Meeting of Tower Real Estate Investment Trust (“Tower REIT”) held fully virtual through live streaming and online remote voting from the online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC – D6A357657) provided by Boardroom Share Registrars Sdn Bhd on Wednesday, 13 October 2021 at 10.00 a.m.**

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- 1. Did GLM REIT Management Sdn Bhd (the “Manager”) implement cost saving measures in its daily operation during the Covid-19 pandemic?**

**How was rental income performing?**

**Is the yearly reward increasing for the unitholders?**

Response:

- The Covid-19 pandemic has adversely affected the daily operations of the 3 commercial buildings owned by Tower REIT. As preventive measures, the Manager has put in place processes and systems to safeguard the health and welfare of its tenants and visitors to the buildings. These processes and systems also complied with the stringent standard operating procedures set by the health authorities. Throughout the implementation of the various Covid-19 Movement Control Orders (MCOs), the Manager has ensured that the 3 commercial buildings continue to incur appropriate maintenance cost necessary for the buildings to be properly maintained despite substantially reduced tenant activity. This is also to ensure that the buildings are in good condition once the Covid-19 MCO restrictions are lifted.
  - Revenue increased to RM31.8 million as compared to RM21.6 million in the previous corresponding year, mainly due to the completion of acquisition of Menara Guoco in August 2020 and higher occupancy in Plaza Zurich. However, the revenue from Menara HLX had declined due to lower occupancy.
  - The income distribution will be dependent on the performance of Tower REIT.
- 2. How much did the Manager spend on this virtual AGM? Please provide e-wallet as a token of appreciation for taking time and interest to participate in the Remote Participation and Electronic Voting (RPEV).**

Response:

The cost of holding this virtual AGM was approximately RM20,000.

Giving away vouchers and gifts is not our normal practice. We believe distribution of cash return by way of income distribution to unitholders is a better way to reward all unitholders, hence we do not consider rewards such as vouchers and gifts for those unitholders who attended the AGM.

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Re: Summary of key matters discussed (9th AGM)

**3. What steps have been taken to improve the very low occupancy rate of Menara HLX?**

Response:

Menara HLX has recently completed its asset enhancement works. The Manager is now embarking on an aggressive marketing of our vacant office premises and approaching all prospective tenants. A dedicated team has been set up to market Menara HLX aggressively as a choice consideration for all prospective tenants. We trust this will bring in more tenants to occupy the offices in Menara HLX.

**4. The high interest payment is probably due the acquisition of Menara Guoco. Is the net earning from this asset sufficient to cover the interest incurred?**

Response:

Yes, the net earning from Menara Guoco is sufficient to cover the interest incurred.

**5. Has management considered lowering rental considerably to attract large quality tenant in view of the many upcoming and existing office spaces instead of leaving them vacant?**

Response:

In this current Covid-19 pandemic challenging time, the Manager is addressing every prospective tenant with bespoke packages that address their specific requirements. Hence, lowering rental is not the only criterion that the Manager takes into consideration to attract prospective tenants.

**6. How is the Environmental, Social and Governance (“ESG”) implemented?**

Response:

Tower REIT has embarked on its ESG journey and the Manager is progressively integrating ESG practices into Tower REIT’s operations. In the years to come, the Manager aims to strengthen Tower REIT’s ESG performance while sustaining positive economic growth and delivering value to Tower REIT’s stakeholders.

Details relating to ESG are set out in the Sustainability Statement section of Annual Report 2021 of Tower REIT.

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Re: Summary of key matters discussed (9th AGM)

- 7. A short presentation of Tower REIT's performance for the financial year 2021 and the outlook for next year will add value to the AGM. Please consider this in future meetings.**

Response:

The request is noted. We will consider this suggestion for the next AGM of Tower REIT.

- 8. What is the rationale for all the proposed resolutions?**

Response:

The rationale for all the proposed resolutions are set out under the Explanatory Notes to the Notice of the Ninth Annual General Meeting on Page 118 and 119 of Annual Report 2021 of Tower REIT.