TOWERreit
TOWER REAL ESTATE INVESTMENT TRUST

Appendix A

Summary of key matters discussed at the 13th Annual General Meeting of Tower Real Estate Investment Trust ("Tower REIT") held at Wau Bulan Ballroom, Level 2, Sofitel Kuala Lumpur Damansara, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur on Friday, 10 October 2025 at 10.00 a.m.

1. What is the present financial condition of Tower REIT?

Response:

The financial performance of Tower REIT, as indicated on page 19 of the Annual Report, shows a positive trend. Revenue increased from RM37.04 million in financial year ended 2024 to RM38.91 million in financial year ended 2025 ("FY 2025"). The realised distributable income had improved from RM1.78 million in financial year ended 2023 to RM7.28 million in FY2025.

This improvement can be attributed to effective cost control measures and strategic capital management. In the previous year, a rights issue exercise was carried out, and the proceeds were utilised for capital expenditure (CAPEX) enhancements, including the refurbishment of existing properties and the repayment of bank borrowings. The CAPEX enhancements helped reduce energy costs through efficiency upgrades to the buildings' cooling and energy systems. The repayment of bank borrowings also resulted in interest savings.

The office rental market is expected to remain challenging due to the oversupply of office spaces. Nevertheless, occupancy rates are expected to improve, which should lead to higher distributable income and, consequently, a potential increase in the unit price of Tower REIT.

2. What measures can be undertaken to enhance the competitiveness of the buildings in the current market environment?

Response:

To enhance the competitiveness of the buildings, the Manager of Tower REIT will adopt a flexible and tenant-centric approach. This includes offering value added solutions such as fitted units tailored to tenant requirements and bespoked lease packages where appropriate. By prioritising tenant-centric upgrades, the buildings can better meet market demand and improve occupancy rates.

3. Has consideration been given to repurposing the buildings for residential use?

Response:

Repurposing the buildings for residential use is not feasible or suitable, due in part to additional mechanical and electrical (M&E) costs as well as other operational and structural constraints.

4. Is there a possibility of acquiring new assets?

We continue to actively seek quality, yield-accretive assets to strengthen Tower REIT's portfolio. Preference is given to properties located within or adjacent to integrated developments, offering strong amenities and excellent access to public transportation.

5. Why does Tower REIT seek unitholders' approval to renew the mandate to allot and issue new units in Tower REIT ("Proposed Renewal of Authority Mandate")?

Is there a plan for Tower REIT to issue new units?

The Proposed Renewal of Authority Mandate will enable the Directors of the Manager to take swift action in case of, inter-alia, a need for corporate exercises or in the event business opportunities or other circumstances arise which involve the issue of new units, and to avoid delay and cost in convening unitholders' meetings to approve such issue of units. At present, there is no plan for Tower REIT to issue new units. The mandate is therefore a preemptive measure, ensuring that the Directors can respond swiftly if the need arises in the future.