

Unless otherwise stated, all abbreviations and defined terms contained in this Abridged Prospectus are defined in the "Definitions" section of this Abridged Prospectus.

No securities will be allotted or issued based on this Abridged Prospectus after 6 months from the date of this Abridged Prospectus.

THIS ABRIDGED PROSPECTUS IS IMPORTANT. INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF IN DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.

All enquiries concerning the Rights Issue, which is the subject matter of this Abridged Prospectus, should be addressed to our Registrar, Hong Leong Share Registration Services Sdn Bhd at Level 25, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur.

This Abridged Prospectus has been registered by the SC. The registration of this Abridged Prospectus should not be taken to indicate that the SC recommends the Rights Issue or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Abridged Prospectus. The SC has not, in any way, considered the merits of this Rights Issue.

The approval from our Unitholders for the Rights Issue was obtained at our Unitholders' Meeting held on 22 March 2024. Approval has been obtained from Bursa Securities via its letter dated 23 February 2024 for the listing of and quotation for all the new securities arising from this Rights Issue. Admission to the Official List of Bursa Securities and quotation of the new securities are not to be taken as an indication of the merits of the Rights Issue. Bursa Securities does not take any responsibility for the correctness of statements made or opinions expressed in this Abridged Prospectus. The listing and quotation of all the said new securities will commence after, amongst others, the receipt of confirmation from Bursa Depository that all the CDS Accounts of our successful Entitled Unitholders and/or their renouncee(s)/transferee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

This Abridged Prospectus, together with the NPA and RSF (collectively, the "Documents"), are only despatched to the Entitled Unitholders whose names appear in our Record of Depositors and who have provided our Registrar with a registered address in Malaysia not later than 5.00 p.m. on Tuesday, 30 April 2024. The Documents are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue complies with the laws of any countries or jurisdiction other than the laws of Malaysia. Entitled Unitholders and/or their renouncee(s)/transferee(s) (if applicable) who are residents in countries or jurisdictions other than Malaysia should therefore immediately consult their legal advisers and/or other professional advisers as to whether the acceptance and/or renunciation (as the case may be) of all or any part of their entitlements to the Rights Units would result in the contravention of any laws of such countries or jurisdictions. Such Entitled Unitholders and/or their renouncee(s)/transferee(s) (if applicable) should note the additional terms and restrictions as set out in **Section 10.11** of this Abridged Prospectus. Neither we, HLIB nor any other professional advisers shall accept any responsibility or liability in the event that any acceptance and/or renunciation (as the case may be) of entitlements to the Rights Units made by the Entitled Unitholders and/or their renouncee(s)/transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions.

The SC is not liable for any non-disclosure on the part of the Manager responsible for the fund and takes no responsibility for the contents of this Abridged Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Abridged Prospectus.

FOR INFORMATION CONCERNING RISK FACTORS WHICH YOU SHOULD CONSIDER, PLEASE REFER TO SECTION 6 OF THIS ABRIDGED PROSPECTUS.



Tower Real Estate Investment Trust

(Constituted under the trust deed dated 17 February 2006 (as amended and restated by the restated deed dated 29 May 2014 and the second restated deed dated 23 October 2019) entered into between GLM REIT Management Sdn Bhd and MTrustee Berhad)

RENOUNCEABLE RIGHTS ISSUE OF 210,375,000 NEW UNITS IN TOWER REAL ESTATE INVESTMENT TRUST ("TOWER REIT") ("RIGHTS UNIT(S)") ON THE BASIS OF 3 RIGHTS UNITS FOR EVERY 4 EXISTING UNITS IN TOWER REIT HELD AS AT 5.00 P.M. ON TUESDAY, 30 APRIL 2024 AT AN ISSUE PRICE OF RM0.31 PER RIGHTS UNIT

Manager



(Registration No. 200401020808 (659312-H))
A Member of the Hong Leong Group
(The Manager of Tower Real Estate Investment Trust)

Trustee



(Registration No. 198701004362 (163032-V))

Principal Adviser



Hong Leong Investment Bank Berhad
(Registration No. 197001000928 (10209-W))

(A Participating Organisation of Bursa Malaysia Securities Berhad)
(A Trading Participant of Bursa Malaysia Derivatives Berhad)

IMPORTANT RELEVANT DATES AND TIMES:

Entitlement Date	:	Tuesday, 30 April 2024 at 5.00 p.m.
Last date and time for sale of Provisional Rights Units	:	Wednesday, 8 May 2024 at 5.00 p.m.
Last date and time for transfer of Provisional Rights Units	:	Friday, 10 May 2024 at 4.30 p.m.
Last date and time for acceptance and payment for the Provisional Rights Units	:	Thursday, 16 May 2024 at 5.00 p.m.
Last date and time for Excess Applications and payment for the Excess Rights Units	:	Thursday, 16 May 2024 at 5.00 p.m.

This Abridged Prospectus is dated 30 April 2024

ALL ABBREVIATIONS AND DEFINED TERMS CONTAINED IN THIS ABRIDGED PROSPECTUS ARE DEFINED IN THE "DEFINITIONS" SECTION OF THIS ABRIDGED PROSPECTUS UNLESS STATED OTHERWISE.

RESPONSIBILITY STATEMENTS

THE DIRECTORS HAVE SEEN AND APPROVED ALL THE DOCUMENTATION RELATING TO THE RIGHTS ISSUE. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THERE IS NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS ABRIDGED PROSPECTUS FALSE OR MISLEADING.

HLIB, BEING THE PRINCIPAL ADVISER FOR THE RIGHTS ISSUE, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS ABRIDGED PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE RIGHTS ISSUE.

STATEMENT OF DISCLAIMER

YOU SHOULD NOTE THAT YOU MAY SEEK RECOURSE UNDER THE CMSA FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN THIS ABRIDGED PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION; OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THE ABRIDGED PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO THE FUND.

SECURITIES LISTED ON BURSA SECURITIES ARE OFFERED TO THE PUBLIC ON THE PREMISE OF FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE, FOR WHICH ANY PERSON SET OUT IN SECTION 236 OF THE CMSA, IS RESPONSIBLE.

THE DISTRIBUTION OF THE DOCUMENTS IS SUBJECT TO THE LAWS OF MALAYSIA. WE AND OUR ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF OUR SECURITIES BASED ON THE DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. THE DOCUMENTS MAY NOT BE USED FOR AN OFFER TO SELL OR AN INVITATION TO BUY OUR SECURITIES IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA. WE AND OUR ADVISERS REQUIRE YOU TO INFORM YOURSELF OF AND TO OBSERVE SUCH RESTRICTIONS.

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THE DOCUMENTS.

DEFINITIONS

In this Abridged Prospectus, unless otherwise indicated, the following words and abbreviations shall have the following meanings:

5D-VWAMP	:	5-day volume weighted average market price
Abridged Prospectus	:	This abridged prospectus dated 30 April 2024 in relation to the Rights Issue
Act	:	Companies Act 2016
Additional Undertaking	:	Additional irrevocable undertaking dated 15 April 2024 from GLME to subscribe for Rights Units not subscribed for by other Entitled Unitholders for an amount of up to RM47,969,842
AFIC	:	Asia Fountain Investment Company Limited, a company incorporated in Hong Kong and a PAC of GLME and GuocoLand in relation to the Exemption pursuant to paragraph 216(3)(a) of the CMSA
ALSB	:	Associated Land Sendirian Berhad, a PAC of GLME and GuocoLand in relation to the Exemption pursuant to paragraph 216(2)(b) of the CMSA
ALSB Undertaking	:	Irrevocable and unconditional undertaking dated 15 April 2024 from ALSB to subscribe their Rights Units entitlement for the amount of approximately RM3,117,662
Bloomberg	:	Bloomberg Finance Singapore L.P. and its affiliates
Board	:	Board of directors of our Manager
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd
Bursa Securities	:	Bursa Malaysia Securities Berhad
CDS	:	Central Depository System, the system established and operated by Bursa Depository for the central handling of securities deposited with Bursa Depository
CDS Account(s)	:	Securities account established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits of securities and dealings in such securities by the depositor
Closing Date	:	Thursday, 16 May 2024 at 5.00 p.m., being the last date and time for the acceptance of and application and payment for the Rights Units and the Excess Rights Units
CMSA	:	Capital Markets and Services Act 2007
Code	:	Malaysian Code on Take-overs and Mergers 2016

DEFINITIONS (CONT'D)

Corporate Exercises	:	Collectively, the Rights Issue and Exemption
Director(s)	:	Director(s) of the Manager and shall have the same meaning given in Section 2(1) of the Act
Documents	:	Collectively, this Abridged Prospectus together with the NPA and RSF
DPU	:	Distribution per Unit
e-Subscription	:	Electronic Subscription
Electronic Subscription	:	Electronic subscription for the Provisional Rights Units and/or the Excess Rights Units in relation to the Rights Issue
Entitled Unitholder(s)	:	Our Unitholders whose names appear in our Record of Depositors as at the close of business on the Entitlement Date
Entitlement Date	:	Tuesday, 30 April 2024, at 5.00 p.m., being the date and time on which the names of our Unitholders must appear in our Record of Depositors in order to be entitled to participate in the Rights Issue
ESG	:	Environmental, social and corporate governance
Excess Rights Units	:	Such Rights Units not taken up or not validly taken up by the Entitled Unitholders and/or their renouncee(s)/transferee(s) by the Closing Date
Exemption	:	Exemption under subparagraph 4.08(1)(b) of the Rules granted by SC to GLME and GuocoLand together with their PAC(s) from the obligation to undertake a MGO for all the remaining Units not already owned by them due to the implementation of GLME's Additional Undertaking pursuant to the Rights Issue
Foreign-Addressed Unitholders	:	Unitholders who have not provided an address in Malaysia for the service of documents which will be issued in connection with the Rights Issue
FPE	:	Financial period ending or ended, as the case may be
FYE	:	Financial year ending or ended, as the case may be
GLME	:	GLM Equities Sdn Bhd, a major unitholder of Tower REIT
GLME Undertakings	:	Irrevocable and unconditional undertakings dated 15 April 2024 from GLME to subscribe their Rights Units entitlement for the amount of RM14,128,746 and to subscribe for Rights Units not subscribed for by other Entitled Unitholders for an amount of up to RM47,969,842 pursuant to its Additional Undertaking
GuocoLand	:	GuocoLand (Malaysia) Berhad

DEFINITIONS (CONT'D)

HLA	:	Hong Leong Assurance Berhad, a PAC of GLME and GuocoLand in relation to the Exemption pursuant to paragraph 216(2)(b) of the CMSA
HLCM	:	Hong Leong Company (Malaysia) Berhad
HLIB or Principal Adviser	:	Hong Leong Investment Bank Berhad, a PAC of GLME and GuocoLand in relation to the Exemption pursuant to paragraph 216(2)(b) of the CMSA
HLSRS Online	:	Registrar's propriety owned application to facilitate Unitholders to subscribe for the Rights Units provisionally allotted and to apply for Excess Rights Units electronically
HVAC	:	Heating, ventilation and air conditioning
Interested Directors	:	Collectively, Mr. Tang Hong Cheong, Mr. Cheng Hsing Yao (Zheng Xinyao), Puan Noorbaizura Binti Hermeyney and Ms. Lim Tau Kien
KPMG	:	KPMG PLT (LLP0010081-LCA & AF 0758)
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities
LPD	:	5 April 2024, being the latest practicable date prior to the registration of this Abridged Prospectus
Manager	:	GLM REIT Management Sdn Bhd, the management company of Tower REIT
Market Day(s)	:	Any day on which Bursa Securities is open for trading in securities
MGO	:	Mandatory general offer
NAV	:	Net assets value
NPA	:	Notice of provisional allotment in relation to the Rights Issue
PAC(s)	:	Person(s) acting in concert with GLME and GuocoLand in relation to the Corporate Exercises pursuant to paragraphs 216(2)(b), 216(3)(a) and 216(3)(b) of the CMSA as at the LPD, namely ALSB, HLA, HLIB, AFIC and VST respectively
Price-Fixing Date	:	Monday, 15 April 2024, being the date on which the issue price of the Rights Units was fixed by the Board
Provisional Rights Units	:	Rights Units provisionally allotted to the Entitled Unitholders pursuant to the Rights Issue

DEFINITIONS (CONT'D)

Public Spread Requirement	:	The requirement under paragraph 8.02(1) of the Listing Requirements, which states that a listed issuer must ensure that at least 25% of its total Units are held by public Unitholders to ensure its continued listing on the Main Market of Bursa Securities
Record of Depositors	:	A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
Registrar	:	Hong Leong Share Registration Services Sdn Bhd
Rights Issue	:	Renounceable rights issue of 210,375,000 Rights Units at the issue price of RM0.31 per Rights Unit on the basis of 3 Rights Units for every 4 existing Units held as at the Entitlement Date
Rights Unit(s)	:	210,375,000 new Units to be issued by Tower REIT pursuant to the Rights Issue
RSF	:	Rights subscription form in relation to the Rights Issue
Rules	:	Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC
Rules of Bursa Depository	:	Rules of Bursa Depository as issued pursuant to SICDA
SC	:	Securities Commission Malaysia
Scenario 1	:	Full subscription level of Rights Units based on the following: <ul style="list-style-type: none">▪ GLME to subscribe in full for 45,576,600 Rights Units entitlement amounting to RM14,128,746 and further subscribe for up to 154,741,425 Rights Units not subscribed for by other Entitled Unitholders amounting up to RM47,969,842 pursuant to its Additional Undertaking;▪ ALSB to subscribe in full for its 10,056,975 Rights Units entitlement amounting to approximately RM3,117,662; and▪ Assuming none of the other Entitled Unitholders subscribes for their respective entitlements under the Rights Issue
Scenario 2	:	Full subscription level of Rights Units assuming all of the Entitled Unitholders subscribe for their respective entitlements under the Rights Issue
Scenarios 1 and 2	:	Collectively, Scenario 1 and Scenario 2
SICDA	:	Securities Industry (Central Depositories) Act, 1991
TERP	:	Theoretical ex-rights price
Tower REIT	:	Tower Real Estate Investment Trust

DEFINITIONS (CONT'D)

Trustee	:	MTrustee Berhad, the trustee of Tower REIT
Undertakings	:	Collectively, the ALSB Undertaking and GLME Undertakings
Unitholder(s)	:	Unitholder(s) of Tower REIT
Unitholders' Meeting	:	General meeting of unitholders of Tower REIT held on 22 March 2024
Units	:	Units in Tower REIT
VST	:	Vun Shu Tong @ Christopher, being a PAC of GLME in respect of the Exemption pursuant to paragraph 216(3)(b) of the CMSA

CURRENCIES

RM and sen	:	Ringgit Malaysia and sen
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All references to “**Tower REIT**” in this Abridged Prospectus are made to Tower Real Estate Investment Trust. All references to “**we**”, “**us**”, “**our**” and “**ourselves**” are made to Tower REIT. All references to “**you**” and “**your**” in this Abridged Prospectus are to our Entitled Unitholders and/or, where the context otherwise requires, their renounee(s)/transferee(s) (if applicable).

Words referring to the singular shall, where applicable, include the plural and *vice versa*. Words incorporating the masculine gender shall where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include corporations, unless otherwise specified.

Any reference to any act, rule, written law, ordinance, enactment or guideline in this Abridged Prospectus is a reference to that act, rule, written law, ordinance, enactment or guideline as amended or re-enacted from time to time.

Any reference to a time of day in this Abridged Prospectus shall be a reference to Malaysian time, unless otherwise stated.

Certain amounts and percentage figures included in this Abridged Prospectus have been subject to rounding adjustments. Any discrepancy in the figures included in this Abridged Prospectus between the amounts stated and the totals thereof are due to rounding.

Certain statements in this Abridged Prospectus may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due reasonable enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. All statements other than statements of historical facts included in this Abridged Prospectus, including, without limitation, those regarding our prospects and plans for future operations, are forward-looking statements. There is no assurance that such forward-looking statements will materialise, be fulfilled or be achieved.

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ADVISERS' DIRECTORY

- PRINCIPAL ADVISER** : Hong Leong Investment Bank Berhad
Level 28, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
- Tel. No.: +603 2083 1800
Fax. No.: +603 2083 1761
- SOLICITORS** : Mah-Kamariyah & Philip Koh
3A07, Block B, Phileo Damansara II
15 Jalan 16/11, Off Jalan Damansara
46350 Petaling Jaya
Selangor Darul Ehsan
- Tel. No.: +603 7956 8686
Fax. No.: +603 7956 2208
- COMPANY SECRETARY** : Chin Min Yann (MAICSA 7034011)
(SSM PC No. 202008002583)
Level 32, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
- Tel. No.: +603 2088 8818
Fax. No.: +603 2088 8968
- REGISTRAR** : Hong Leong Share Registration Services Sdn Bhd
Level 25, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
- Tel. No.: +603 2088 8818
Fax. No.: +603 2088 8990
- TRUSTEE** : MTrustee Berhad
Level 15, Menara AmFIRST
No. 1, Jalan 19/3
46300 Petaling Jaya
Selangor Darul Ehsan
- Tel. No.: +603 7954 6862
Fax. No.: +603 7954 3712
- STOCK EXCHANGE LISTING** : Main Market of Bursa Securities

SUMMARY OF THE RIGHTS ISSUE

THIS SUMMARY OF THE RIGHTS ISSUE ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS ABRIDGED PROSPECTUS. IT DOES NOT CONTAIN ALL THE INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE OF THIS ABRIDGED PROSPECTUS.

Information	Summary
Basis of allotment and number of Rights Units to be issued pursuant to the Rights Issue	<p>The Rights Issue entails the issuance of 210,375,000 at an issue price of RM0.31 per Rights Unit on the basis of 3 Rights Units for every 4 existing Units held by our Entitled Unitholders, whose names appear in our Record of Depositors as at the close of business on the Entitlement Date.</p> <p>Further details are set out in Section 2.1 of this Abridged Prospectus.</p>
Issue price of the Rights Units	<p>The Board has fixed the issue price at RM0.31 per Rights Unit.</p> <p>Further details are set out in Section 2.4 of this Abridged Prospectus.</p>
Subscription level and Unitholders' Undertakings	<p>On 15 April 2024, ALSB had provided an irrevocable and unconditional undertaking to subscribe for its Rights Units entitlement for the amount of approximately RM3,117,662.</p> <p>On 15 April 2024, GLME had provided irrevocable and unconditional undertakings to subscribe for its Rights Units entitlement for the amount of RM14,128,746 and to subscribe for Rights Units not subscribed for by other Entitled Unitholders of an amount of up to RM47,969,842 pursuant to its Additional Undertaking.</p> <p>In view of the Undertakings, the Rights Issue is to be implemented on a full subscription basis to raise approximately RM65.22 million in gross proceeds.</p> <p>Further details are set out in Section 2.2 of this Abridged Prospectus.</p>
Use of proceeds and timeframe for utilisation	<p>The gross proceeds to be raised from the Rights Issue will be utilised in the following manner:</p>

Details of utilisation	Estimated timeframe for utilisation from completion of the Rights Issue	Gross proceeds to be raised under Scenarios 1 and 2	
		RM'000	%
Refurbishment of existing properties	Within 18 to 24 months	23,865	36.60
Repayment of bank borrowings	Within 12 months	40,000	61.33
Estimated expenses in relation to the Corporate Exercises	Within 1 month	1,351	2.07
Total		65,216	100.00

Further details are set out in **Section 3** of this Abridged Prospectus.

SUMMARY OF THE RIGHTS ISSUE (CONT'D)

Information	Summary
Risk factors	<p>You should consider the following risk factors before subscribing for or investing in the Rights Issue:</p> <p><u>Risks relating to the performance of our business</u></p> <ul style="list-style-type: none">(i) The loss of tenants of our portfolio properties;(ii) Our properties have tenancy cycles in which a substantial number of the tenancies expire in certain years;(iii) Competition from other properties;(iv) Increase in property and operating expenses; and(v) Our properties may be revalued downwards. <p><u>Risks relating to the property industry</u></p> <ul style="list-style-type: none">(i) Political, regulatory and economic risks;(ii) We are subject to changes to the laws, regulations and accounting standards affecting REITs; and(iii) Compulsory acquisition. <p><u>Risks relating to the Rights Issue</u></p> <ul style="list-style-type: none">(i) Investment and market risks;(ii) Delay in or abortion of the Rights Issue;(iii) Potential dilution; and(iv) Forward-looking statements. <p>Further details are set out in Section 6 of this Abridged Prospectus.</p>
Procedures for application for the Rights Issue and Excess Rights Units	<p>Acceptance of and payment for the Rights Units provisionally allotted to you as an Entitled Unitholder and/or your renounce(s)/transferee(s) (if applicable) must be made by way of the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF.</p> <p>The last day, date and time for acceptance of and payment for the Provisional Rights Units and Excess Rights Units is on Thursday, 16 May 2024 at 5.00 p.m.</p> <p>Further details are set out in Section 10 of this Abridged Prospectus for further details on instructions on acceptance, payment, sale/transfer and excess application for the Rights Issue.</p>

Registered Office

Level 32, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur

30 April 2024

Board of Directors of our Manager:

Mr. Tang Hong Cheong	<i>(Chairman; Non-Executive / Non-Independent)</i>
Mr. Cheng Hsing Yao (Zheng Xinyao)	<i>(Non-Executive / Non-Independent)</i>
Puan Noorbaizura Binti Hermeyney	<i>(Executive / Non-Independent)</i>
YBhg Dato' Tan Ang Meng	<i>(Non-Executive / Independent)</i>
Ms. Lim Tau Kien	<i>(Non-Executive / Independent)</i>

To: Our Entitled Unitholders

Dear Sir / Madam,

RENOUNCEABLE RIGHTS ISSUE OF 210,375,000 RIGHTS UNITS IN TOWER REIT ON THE BASIS OF 3 RIGHTS UNITS FOR EVERY 4 EXISTING UNITS IN TOWER REIT HELD AS AT 5.00 P.M. ON TUESDAY, 30 APRIL 2024 AT AN ISSUE PRICE OF RM0.31 PER RIGHTS UNIT**1. INTRODUCTION**

On 13 December 2023, on behalf of the Board, HLIB announced that our Manager proposes to undertake the Corporate Exercises.

On 26 February 2024, on behalf of the Board, HLIB announced that Bursa Securities had, vide its letter dated 23 February 2024, resolved to approve the listing and quotation of up to 210,375,000 Rights Units to be issued pursuant to the Rights Issue on the Main Market of Bursa Securities, subject to the following conditions:

No.	Conditions	Status of compliance
(i)	Tower REIT and HLIB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Rights Issue;	To be complied within the course of implementation of the Rights Issue
(ii)	HLIB to inform Bursa Securities upon the completion of the Rights Issue;	To be complied upon the completion of the Rights Issue
(iii)	Tower REIT and HLIB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue is completed;	To be complied upon the completion of the Rights Issue
(iv)	HLIB to furnish Bursa Securities a certified true copy of the resolution passed by the Unitholders approving the Rights Issue; and	Complied
(v)	Tower REIT and HLIB must observe and ensure full compliance with paragraph 8.02 of the Listing Requirements at all times.	To be complied within the course of implementation of the Rights Issue

On 15 April 2024, HLIB had, on behalf of the Board, announced the following:

- (i) on 22 March 2024, the Unitholders have approved the Rights Issue and the non-interested Unitholders have also approved the Exemption at the Unitholders' Meeting;
- (ii) on 27 March 2024, the SC has approved the Exemption to GLME, GuocoLand and their PACs under subparagraph 4.08(1)(b) of the Rules;
- (iii) on 15 April 2024, ALSB has provided an irrevocable and unconditional undertaking to subscribe for its Rights Units entitlement for the amount of approximately RM3,117,662 and GLME has also provided the irrevocable and unconditional undertakings to subscribe for its Rights Units entitlement for the amount of RM14,128,746 and to subscribe for the Rights Units not subscribed for by other Entitled Unitholders for an amount of up to RM47,969,842 pursuant to its Additional Undertaking;
- (iv) in view of the Undertakings, the Rights Issue will be implemented on a full subscription basis;
- (v) the issue price of the Rights Units has been fixed at RM0.31 per Rights Unit at the entitlement basis of 3 Rights Units for every 4 existing Units held by the Entitled Unitholders;
- (vi) the issue price of RM0.31 per Rights Unit represents a discount of approximately 6.93% to the TERP of RM0.3331, calculated based on the 5D-VWAMP of the Units up to and including 12 April 2024, being the last Market Day immediately preceding the Price-Fixing Date of RM0.3504 per Unit; and
- (vii) the Rights Issue will involve the issuance of 210,375,000 Rights Units, raising gross proceeds of approximately RM65.22 million.

No person is authorised to give any information or make any representation not contained in this Abridged Prospectus in connection with the Rights Issue and if given or made, such information or representation must not be relied upon as having been authorised by us or HLIB.

YOU ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

2. PARTICULARS OF THE RIGHTS ISSUE

2.1 Details of the Rights Issue

The Rights Issue entails the issuance of Rights Units at an issue price of RM0.31 per Rights Unit on the basis of 3 Rights Units for every 4 existing Units held by our Entitled Unitholders, whose names appear in our Record of Depositors as at 5.00 p.m., being the close of business on the Entitlement Date.

As at the LPD, we have an issued Unitholders' capital of RM285,345,000 comprising of 280,500,000 Units. In view of the Undertakings, the Rights Issue will be undertaken on a full subscription basis to raise gross proceeds of approximately RM65.22 million, which will be channelled towards the utilisation of proceeds set out in **Section 3** of this Abridged Prospectus.

In determining our Unitholders' entitlement to the Rights Units, fractional entitlements, if any, will be disregarded and dealt with in such manner as the Board in its sole and absolute discretion deems fit and expedient, and in our best interest.

The Rights Issue is renounceable in full or in part. Accordingly, our Entitled Unitholders can subscribe for and/or renounce their entitlements to the Rights Units in full or in part.

Any Rights Units which are not subscribed or validly subscribed will be made available for subscription by other Entitled Unitholders and/or their renounee(s) and/or transferee(s) (if applicable) under the application for Excess Rights Units. The Board intends to allocate the Excess Rights Units in a fair and equitable manner on such basis set out in **Section 10.9.1** of this Abridged Prospectus. All excess applications, including those that may be applied by GLME and/or its PACs (if any), will be allocated in a similar order of priority. Any remaining Rights Units not subscribed for by other Entitled Unitholders will be fully subscribed by GLME pursuant to the Additional Undertaking, further details of which are set out in **Section 2.2** below.

2.2 Subscription level and Unitholders' Undertakings

On 15 April 2024, ALSB had provided an irrevocable and unconditional undertaking to subscribe for its Rights Units entitlements for the amount of approximately RM3,117,662.

On 15 April 2024, GLME had provided the irrevocable and unconditional undertakings to subscribe for its Rights Units entitlement for the amount of RM14,128,746 and to subscribe for Rights Units not subscribed for by other Entitled Unitholders for an amount of up to RM47,969,842 pursuant to its Additional Undertaking.

In view of the Undertakings, the Rights Issue is to be implemented on a full subscription basis to raise approximately RM65.22 million in gross proceeds.

For illustration purposes, the effects of the Rights Issue are presented based on the following assumptions and scenarios:

- Scenario 1** : Full subscription level of Rights Units based on the following:
- GLME to subscribe in full for its 45,576,600 Rights Units entitlement amounting to RM14,128,746 and further subscribe for up to 154,741,425 Rights Units not subscribed for by other Entitled Unitholders amounting up to RM47,969,842;
 - ALSB to subscribe in full for its 10,056,975 Rights Units entitlement amounting to approximately RM3,117,662; and
 - Assuming none of the other Entitled Unitholders subscribes for their respective entitlements under the Rights Issue.
- Scenario 2** : Full subscription level of Rights Units assuming all of the Entitled Unitholders subscribe for their respective entitlements under the Rights Issue.

Paragraph 8.02(1) of the Listing Requirements stipulates that at least 25% of the total Units must be in the hands of public security holders. As at the LPD, the public unitholding spread of Tower REIT is approximately 45.68%. Upon completion of the Rights Issue, Tower REIT will continue to be in compliance with the Public Spread Requirement, as the proforma public unitholding spread of Tower REIT:

- (i) will be approximately 26.10% under Scenario 1; and
- (ii) will remain unchanged at approximately 45.68% under Scenario 2.

Scenario 1

For illustration purposes, assuming ALSB and GLME subscribe for the Rights Units based on their Undertakings, the pro forma effects of the Rights Issue on their respective direct unitholdings in Tower REIT will be as follows:

Undertaking Unitholders	Rights Units to be subscribed under the					
	As at the LPD		Rights Units Entitlement Undertakings		Additional Undertaking	
	No. of Units	(1)%	No. of Units	'000	No. of Units	No. of Units
GLME	60,769	21.66	45,577	154,741	261,087	53.19
ALSB	13,409	4.78	10,057	-	23,466	4.78
Total			55,634	154,741		

Gross proceeds to be raised
(3)RM'000
65,216

Notes:

- (1) Based on the total Unitholders' capital of 280,500,000 Units as at the LPD.
- (2) Based on the illustrative enlarged total Unitholders' capital of 490,875,000 Units after the Rights Issue under Scenario 1.
- (3) Calculated based on the issue price of RM0.31 per Rights Unit.

Scenario 2

Assuming all the Entitled Unitholders fully subscribe for their respective entitlements under the Rights Issue, there would be no change in terms of percentage unitholdings of each Entitled Unitholder.

In view that the Rights Issue will be implemented on a full subscription basis pursuant to the Undertakings, ALSB and GLME have confirmed that they have sufficient financial resources to fulfil their Undertakings and such confirmations have been verified by HLIB, being the Principal Adviser for the Rights Issue.

2.3 Mandatory general offer implications

The direct unitholdings of GLME, GuocoLand and their PACs in Tower REIT as at the LPD and the pro forma of their direct unitholdings in Tower REIT based on Scenarios 1 and 2 are illustrated as follows:

	No. of direct Units as at the LPD		After the Rights Issue			
			Scenario 1		Scenario 2	
		⁽¹⁾ %	No. of Units	⁽²⁾ %	No. of Units	⁽²⁾ %
GuocoLand ⁽³⁾	-	-	-	-	-	-
GLME	60,768,800	21.66	261,086,825	53.19	106,345,400	21.66
PACs:						
▪ AFIC ⁽⁴⁾	14,000,000	4.99	14,000,000	2.85	24,500,000	4.99
▪ ALSB ⁽⁵⁾	13,409,300	4.78	23,466,275	4.78	23,466,275	4.78
▪ HLA ⁽⁶⁾	58,271,000	20.77	58,271,000	11.87	101,974,250	20.77
▪ HLIB ⁽⁷⁾	5,887,000	2.10	5,887,000	1.20	10,302,250	2.10
▪ VST ⁽⁸⁾	400	*	400	*	700	*
Total	152,336,500	54.30	362,711,500	73.89	266,588,875	54.30

Notes:

- (1) Calculated based on the total Unitholders' capital of 280,500,000 Units as at the LPD.
- (2) Calculated based on the illustrative enlarged total Unitholders' capital of 490,875,000 Units after the Rights Issue based on Scenarios 1 and 2.
- (3) GuocoLand is the holding company of GLME.
- (4) AFIC is a PAC of GLME and GuocoLand pursuant to section 216(3)(a) of the CMSA by virtue of Guoco Group Limited's indirect shareholding in GuocoLand, GLME and AFIC. Guoco Group Limited is the holding company of GuocoLand, GLME and AFIC.
- (5) ALSB is a PAC of GLME and GuocoLand pursuant to section 216(2)(b) of the CMSA, and such parties are deemed to act jointly or severally for the purpose of exercising control over Tower REIT.
- (6) HLA is a PAC of GLME and GuocoLand pursuant to section 216(2)(b) of the CMSA, and such parties are deemed to act jointly or severally for the purpose of exercising control over Tower REIT.
- (7) HLIB is a PAC of GLME and GuocoLand pursuant to section 216(2)(b) of the CMSA, and such parties are deemed to act jointly or severally for the purpose of exercising control over Tower REIT.
- (8) VST is the spouse of Choo Soo Nee, a director of GLME as at the LPD who has ceased to be a director of GLME subsequent to the LPD (and who is accordingly no longer a director of GLME as at the date of this Abridged Prospectus).

* Negligible.

As at the LPD, save for the Undertakings, AFIC, HLA, HLIB and VST have not given any undertaking to subscribe for Rights Units.

Under Scenario 1, the unitholding of GLME in Tower REIT will increase from 21.66% to 53.19% upon the completion of the Rights Issue arising from GLME's subscription of Rights Units pursuant to its Additional Undertaking, which will exceed the 33% MGO threshold and hence GLME, on an individual basis, would thereby trigger the MGO obligation under the CMSA, the Code and the Rules.

However, as it is not the intention of GLME, GuocoLand and their PACs to undertake a MGO as a result of GLME's subscription of Rights Units pursuant to its Additional Undertaking in connection with the Rights Issue, Tower REIT had sought and obtained approval for the Exemption from non-interested Unitholders during the Unitholders' Meeting and subsequently submitted a whitewash application to the SC to obtain the Exemption. The SC had, vide its letter dated 27 March 2024, approved the Exemption and hence GLME, GuocoLand and their PACs have been exempted from undertaking a MGO in connection with their subscription of Rights Units.

2.4 Basis of determining the issue price of the Rights Units

The issue price of RM0.31 per Rights Unit was determined and fixed by the Board after taking into consideration, amongst others, the following:

- (i) the gross proceeds of approximately RM65.22 million to be raised from the Rights Issue based on the issue price of RM0.31 per Rights Unit;
- (ii) the TERP of the Units based on the 5D-VWAMP of the Units immediately preceding the Price-Fixing Date; and
- (iii) the then prevailing market conditions on the Price-Fixing Date.

The issue price of RM0.31 per Rights Unit represents a discount of approximately 6.93% to the TERP of the Units of RM0.3331, calculated based on the 5D-VWAMP of the Units up to and including 12 April 2024, being the last Market Day immediately preceding the Price-Fixing Date, of RM0.3504 per Unit.

2.5 Ranking of the Rights Units

The Rights Units shall, upon allotment and issuance, and full payment of the issue price of the Rights Units, rank equally in all respects with the existing Units save and except that the Rights Units shall not be entitled to any income distribution, rights, allotments and/or other distributions in respect of which the Entitlement Date of which is before the date of allotment of the Rights Units.

3. UTILISATION OF PROCEEDS

Based on the issue price of RM0.31 per Rights Unit, the Rights Issue is expected to raise total gross proceeds of approximately RM65.22 million based on the Scenarios 1 and 2, respectively. The gross proceeds to be raised from the Rights Issue will be utilised in the following manner:

Details of utilisation	Estimated timeframe for utilisation from completion of the Rights Issue	Gross proceeds to be raised under Scenarios 1 and 2	
		RM'000	%
Refurbishment of existing properties ⁽¹⁾	Within 18 to 24 months	23,865	36.60
Repayment of bank borrowings ⁽²⁾	Within 12 months	40,000	61.33
Estimated expenses in relation to the Corporate Exercises ⁽³⁾	Within 1 month	1,351	2.07
Total		65,216	100.00

Notes:

- (1) Under Scenarios 1 and 2, the refurbishment of Plaza Zurich, Menara HLX and Guoco Tower will include, amongst others, the following:
- (i) upgrade and replacement of power transformer;
 - (ii) upgrade work for the lifts;
 - (iii) upgrade work for the HVAC system;
 - (iv) upgrade and replacement of air handling unit; and
 - (v) upgrade of building management system.

The refurbishment above is to improve the occupancy rate and leasing pipeline. As at the LPD, the occupancy rates of Plaza Zurich, Menara HLX and Guoco Tower are 73%, 32% and 95% respectively. The refurbishment has started in the FYE 30 June 2024 and is expected to be completed in the FYE 30 June 2026. The allocation of the refurbishment cost for Plaza Zurich, Menara HLX and Guoco Tower are approximately RM13.00 million, RM14.00 million and RM1.00 million respectively, representing a total estimated refurbishment cost of approximately RM28.00 million. Under Scenarios 1 and 2, the shortfall of the amount allocated for refurbishment of existing properties will be funded via internally generated funds.

The upgrade and replacement of power transformer, upgrade work for the lifts and upgrade work for the HVAC system are expected to enhance the ESG performance. As at the LPD, Plaza Zurich and Menara HLX have been earmarked for the upgrade and replacement of power transformer. In addition, Plaza Zurich has been earmarked for upgrade work for the lifts and Menara HLX has been earmarked for the upgrade work for the HVAC system.

- (2) As at the LPD, our total borrowings which comprise term loans and revolving credit, is approximately RM272.20 million. In an effort to reduce the gearing ratio and interest expense, our Manager intends to repay up to RM40.00 million of its existing term loans and/or revolving credit. The potential interest savings from such repayment of bank borrowings are set out below:

Financier	Type of banking facility	Effective interest rate per annum	Proposed allocation of proceeds for repayment of banking facility	Estimated yearly interest cost savings arising from the repayment
		%	RM'000	RM'000
Public Bank Berhad	Term loans and/or revolving credit	4.30	40,000	1,720

The purpose of the term loan was mainly used to fund the acquisition of Guoco Tower, while the revolving credit was used for working capital purposes.

- (3) The proceeds earmarked for the estimated expenses in relation to the Corporate Exercises will be utilised as follows:

	RM'000
Professional fees*	1,064
Regulatory fees	48
Other incidental expenses in relation to the Corporate Exercises	239
Total	<u>1,351</u>

Note:

- * Comprising the professional fees of Principal Adviser, Solicitors, Reporting Accountants, Registrar and independent adviser (who advised the non-interested Directors and non-interested Unitholders on the Exemption).

Any variation in the actual amount of the expenses will be adjusted in the portion of the proceeds for refurbishment of existing properties.

Pending utilisation of the proceeds from the Rights Issue for the above purposes, the proceeds will be placed in interest-bearing deposits with licensed financial institutions and/or short-term money market instruments. The interest income generated from such deposits and/or any gains arising from such short-term money market instruments will be used as our working capital.

4. DETAILS OF THE EXEMPTION

As at the LPD, GLME holds 60,768,800 Units, representing approximately 21.66% of the total Units issued in Tower REIT.

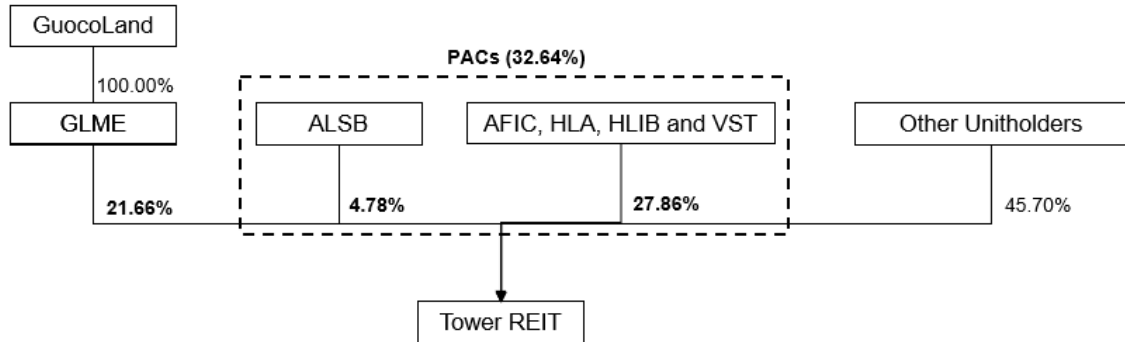
GLME may trigger an MGO obligation under the CMSA, the Code and the Rules arising from GLME subscribing for Rights Units pursuant to its Additional Undertaking, which may potentially result in the unitholdings of GLME in Tower REIT to exceed the 33% MGO threshold.

As it is not the intention of GLME, GuocoLand and their PACs to undertake the MGO as a result of GLME subscribing for Rights Units pursuant to its Additional Undertaking, approvals from the non-interested Unitholders and the SC have been sought for the Exemption. The non-interested Unitholders have approved the Exemption at the Unitholders' Meeting, whereas the SC has, vide its letter dated 27 March 2024, approved the Exemption.

4.1 Maximum potential holdings of GLME, GuocoLand and their PACs pursuant to the Rights Issue

Our unitholding structure illustrating the maximum potential holdings of GLME, GuocoLand and their PACs before and after the Rights Issue based on direct unitholdings as at the LPD is set out in the following diagrams:

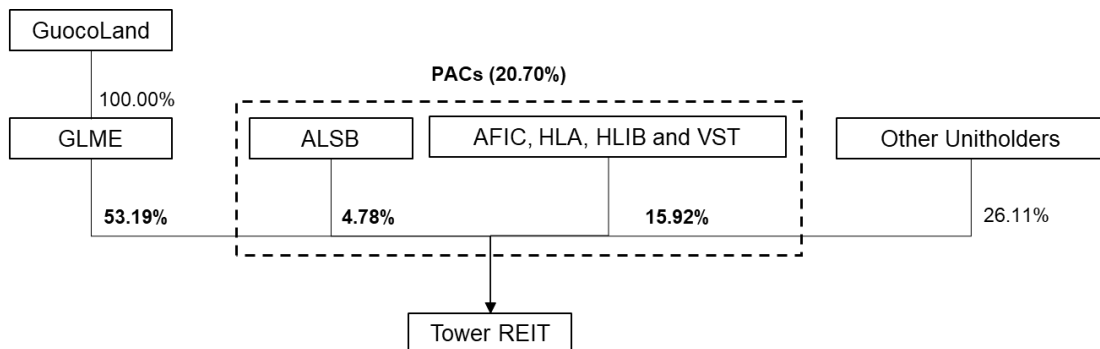
Before the Rights Issue



GLME and PACs' total unitholdings: 54.30%

Scenario 1

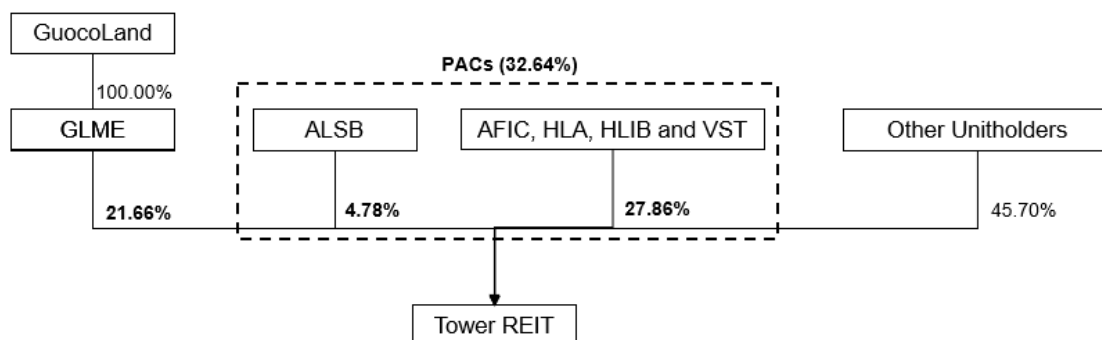
Upon subscription of the Rights Units pursuant to ALSB Undertaking and GLME Undertakings



GLME and PACs' total unitholdings: 73.89%

Scenario 2

Assuming all of our Entitled Unitholders fully subscribe for their respective entitlements under the Rights Issue



GLME and PACs' total unitholdings: 54.30%

5. RATIONALE FOR THE RIGHTS ISSUE

The Board is of the view that the Rights Issue is the most appropriate avenue to raise our required funds after taking into consideration the following:

- (i) the gross proceeds to be raised from the Rights Issue will be used to repay the bank borrowings, which allows us to enjoy potential interest savings of RM1.72 million per annum under Scenarios 1 and 2, as illustrated in **Section 3** of this Abridged Prospectus;
- (ii) the Rights Issue will strengthen our financial position by increasing our capital base from approximately RM285.35 million as at the LPD to approximately RM349.95 million, representing an increase by RM64.60 million or 22.64% under Scenarios 1 and 2;
- (iii) the Rights Issue will enable us to raise funds for our business and operational purposes under Scenarios 1 and 2. In particular, approximately RM23.87 million of gross proceeds raised will be utilised for the refurbishment of Plaza Zurich, Menara HLX and Guoco Tower to improve occupancy rate, leasing pipeline and enhance its ESG performance as illustrated in **Section 3** of this Abridged Prospectus; and
- (iv) the Rights Issue will provide all Entitled Unitholders with an opportunity to participate further in our potential future growth on a pro-rata basis.

6. RISK FACTORS

In addition to the other information contained in this Abridged Prospectus, you and/or your renounee(s)/transferee(s), where applicable, should carefully consider the following risk factors which may have an impact on the future performance of our business before subscribing for or investing in the Rights Units.

6.1 Risks relating to the performance of our business

6.1.1 The loss of tenants of our portfolio properties

A downturn in the businesses, bankruptcy or insolvency of our tenants for our portfolio properties or any breach by our tenants of their obligations under their respective tenancy agreements may have a material adverse effect our financial conditions and results of operations.

The net lettable area for our portfolio properties are as follows:

Our portfolio properties	Net lettable area
	square feet
Menara HLX	382,606
Plaza Zurich	351,289
Guoco Tower	232,133
Total	966,028

The table below provides the breakdown of the different trade sectors of our portfolio properties and the percentage of total net lettable area occupied by our tenants as at the LPD:

Trade sectors	Percentage of total net lettable area occupied as at the LPD
Financial services	21.4%
Others [^]	24.9%
Manufacturing	16.2%
Advertising	10.1%
Information Technology	10.2%
Property	6.4%
Consultancy	4.5%
Oil & Gas	3.5%
Trading	2.8%
Total	100.0%

Note:

[^] Others refer to tenants such as embassy, companies involved in research, recruitment and other retail businesses.

Accordingly, our financial condition and results of operations and ability to declare income distributions may be adversely affected if any of the tenants are unable to pay their rent or breach their obligations under the tenancy agreements, experience bankruptcy, insolvency or downturn in their businesses, or decision by any of these tenants not to renew their tenancy or new replacement tenants cannot be secured based on similar terms of tenancy.

Factors that may affect the ability of such tenants to meet their obligations include, but are not limited to:

- (i) general economic conditions;
- (ii) their operating results; and
- (iii) the local economies in which they have business operations.

6.1.2 Our properties have tenancy cycles in which a substantial number of the tenancies expire in certain years

A substantial number of tenancies of our portfolio properties are for terms of 3 years, which expose us to significant rates of tenancy expiries for each tenancy cycle.

The lease expiry profile of our portfolio properties as at the LPD are as follows:

Lease expiry profile	Tenancies occupied by net lettable area expiring by ⁽¹⁾							
	2024		2025		2026		2027	
	No. of tenants	% of net lettable area	No. of tenants	% of net lettable area	No. of tenants	% of net lettable area	No. of tenants	% of net lettable area
Menara HLX	1	0.27%	13	17.22%	11	8.90%	4	6.05%
Plaza Zurich	6	18.43%	15	37.14%	11	11.04%	7	6.61%
Guoco Tower	1	0.08%	3	9.59%	9	47.41%	5	38.75%
Total	8		31		31		16	

Note:

- (1) Based on the assumption that there is no early termination of any of the tenancies for our portfolio properties.

The concentration of tenancy expiries exposes us to the typical risks associated with tenancy expiries, including the risk of vacancies due to non-renewal, early termination of tenancies, incidents of tenants absconding with or without overdue rents or non-replacement of tenancies, reduced occupancy rates and lower gross rental income.

If key tenants or a large number of tenants decide not to renew their tenancies or terminate their respective tenancies before they expire or even abscond without payment of overdue rent, and in the event that new tenants are unable to be secured or are secured after a long vacancy period or are agreed at less favourable terms than the existing tenancies, our income distributions to Unitholders will be adversely affected.

6.1.3 Competition from other properties

Our portfolio properties are located in areas where other competing office buildings are present and new office buildings may be developed which may compete with our properties in attracting office tenants. Such competing office buildings include those located within the developments of Damansara Heights, Tun Razak Exchange, Bukit Bintang City Centre and Menara Warisan Merdeka 118. The appeal and attractiveness of our properties may deteriorate in the future, especially if new office buildings are built and/or existing office buildings undergo upgrading and our properties fail to keep pace and become outdated.

In order for our properties to remain competitive, our Manager recognises that refurbishment work needs to be carried out such as to upgrade the lifts, power transformer, air handling unit, HVAC system and building management system of its existing properties. Additionally, our Manager is also engaging with real estate agents to assist with marketing initiatives to promote our office spaces for lease.

The income generated from our properties will be dependent on our ability to compete against other office buildings for tenants. If, in the future, competing office buildings are more successful in attracting and retaining tenants taking into consideration the threats of large impending supply and upcoming new developments, the income generated from our properties may be reduced and may adversely affect our business, financial condition, results of operations and prospects as well as the funds available for distribution to our Unitholders.

6.1.4 Increase in property and operating expenses

Our ability to make distributions to Unitholders may be affected if operating and other expenses increase without a corresponding increase in revenue or tenant reimbursements of operating and other costs. Factors which could potentially increase the operating and other costs include increases in service provider costs, insurance premiums, building assessment, utility charges and other statutory charges, property management cost and management fees, compliance cost, major repairs and capital expenditures.

6.1.5 Our properties may be revalued downwards

Our properties namely Menara HLX, Plaza Zurich and Guoco Tower will be revalued once during the financial year from the date of last valuation. Hence, there is no assurance that our properties will not be subject to any downward revaluations in the future arising from factors such as decrease in market rental and occupancy rates or fall in the net property income earned from our properties. Although any downward revaluations could impact our gearing ratio, it will not trigger the breach of the loan covenants and/or impact our ability to refinance our existing bank borrowings or our capability to secure additional borrowings.

6.2 Risks relating to the property industry

6.2.1 Political, regulatory and economic risks

Our operations are closely linked to the economic performance of Malaysia which is susceptible to global economic conditions and trade. Any adverse developments in the political and economic environment and uncertainties in Malaysia which include, amongst others, changes in the general economic, business and credit conditions, government legislations and policies affecting real estate and unfavourable political or social developments could materially and adversely affect our financial performance, causing:

- (i) a negative impact on the ability of our tenants to pay their rents in a timely manner or to continue their tenancies, thus reducing our rental income and/or cashflows;
- (ii) downward pressure or revision of rental rates;
- (iii) cost pressures such as rising electricity, labour and financing costs arising from changes in government policies, including policies relating to tariffs and the overnight policy rate; and
- (iv) an increase in counterparty risk involving parties such as, but not limited to, tenants, insurers, lenders as well as contractors and suppliers (in terms of any warranties provided).

6.2.2 We are subject to changes to the laws, regulations and accounting standards affecting REITs

We may be affected by the introduction of new or revised legislation, regulations, or accounting standards. Accounting standards in Malaysia are subject to change as they are further aligned with international accounting standards. Our financial statements may be affected by the introduction of such revised accounting standards. The extent and timing of these changes in accounting standards are unknown and subject to confirmation by the relevant authorities.

There is no assurance that these changes will not:

- (i) have a significant impact on our presentation of financial statements;
- (ii) have a significant impact on our results of operations;
- (iii) have an adverse effect on our ability to declare or pay income distributions to Unitholders;
- (iv) have an adverse effect on the ability of our Manager to carry out our investment strategy; and/or
- (v) have an adverse effect on our operations and financial condition.

We may also be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs. There is no assurance that new or revised legislation, regulations, guidelines or directives will not adversely affect REITs in general or us specifically and hence have a corresponding adverse effect on Unitholders.

6.2.3 Compulsory acquisition

The Government of Malaysia has the power to compulsorily acquire any land in Malaysia pursuant to the provisions of applicable legislation including the Land Acquisition Act 1960 for certain purposes. In the event of any compulsory acquisition of property in Malaysia, the amount of compensation to be awarded is based on the fair market value of a property and is assessed on the basis prescribed in the Land Acquisition Act 1960 and other relevant laws or regulations. If any of the properties are compulsorily acquired by the Malaysian Government at a point in time when the market values of the properties (where applicable) have decreased, the level of compensation paid to us may be less than the purchase price of the properties (where applicable). This may have an adverse effect on the price of the Units.

In the event of any compulsory acquisition, we will seek to minimise any potential losses from such transaction, including invoking the relevant provisions of the Land Acquisition Act 1960 in relation to its rights to submit an objection in respect of the compensation, where necessary.

6.3 Risks relating to the Rights Issue

6.3.1 Investment and market risks

The market price of our Units as traded on Bursa Securities is influenced by, among others, the prevailing market sentiment, volatility of the equity markets, liquidity of the Units, interest rates movements, the outlook of the industries in which we operate in as well as our financial performance. In view of this, there can be no assurance that our Units will trade at or above the issue price of the Rights Units upon or subsequent to the listing and quotation of the Rights Units on the Main Market of Bursa Securities.

Accordingly, there can be no assurance that the market price of the Rights Units will be at a level that meets the specific investment objectives or targets of any holders of the Rights Units.

6.3.2 Delay in or abortion of the Rights Issue

The Rights Issue is exposed to the risk that it may be delayed or terminated on the circumstances such as acts of Government, natural disasters including without limitation the occurrence of a tsunami and/or earthquakes, acts of terrorism, strikes, national disorder, declaration of a state of war or emergency, any change in law, regulation, policy or ruling, which are beyond the control of our Manager, arising prior to the completion of the Rights Issue. In addition, our Manager has procured the Undertakings from ALSB and GLME in order to undertake the Rights Issue on a full subscription basis. The successful implementation of the Rights Issue on a full subscription basis is dependent on the fulfillment of the Undertakings by ALSB and GLME. There can be no assurance that the abovementioned events or factors will not cause a delay or failure to implement the Rights Issue.

In the event that the Rights Issue is aborted, all proceeds received from the Rights Issue will be refunded without interest to the subscribers of the Rights Units. If such monies are not repaid within 14 days after our Manager so becomes liable to do so, our Manager will repay such monies with interest at the rate of 10% per annum or such other rate as may be prescribed by the SC in accordance with subsection 243(2) of the CMSA.

6.3.3 Potential dilution

The Entitled Unitholders who do not or are unable to subscribe fully for their entitlement under the Rights Issue will have their proportionate percentage of unitholdings and voting interest in our business reduced accordingly following the completion of the Rights Issue. Consequently, their proportionate entitlement to any future distribution rights and/or, allotment that we may make after completion of the Rights Issue will correspondingly be diluted.

6.3.4 Forward-looking statements

Certain statements in this Abridged Prospectus are based on historical information which may not be reflective of the future results, whilst others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements contained in this Abridged Prospectus are based on assumptions made by our Manager, unless stated otherwise. The statements are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied by such forward-looking statements.

Such factors include, *inter-alia*, the risk factors as set out in this section of this Abridged Prospectus. In view of these uncertainties, the inclusion of any forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Manager that our plans and objectives will be achieved.

7. INDUSTRY OVERVIEW AND PROSPECTS

7.1 Overview and outlook for the Malaysian economy

7.1.1 Overview

The Malaysian economy continued to expand in 2023 despite external headwinds: The Malaysian economy grew by 3.7% despite facing challenges stemming from weak external demand, disruptions in commodity production and higher cost of living. Growth was mainly supported by resilient domestic demand and recovery in tourism activities. On the external front, exports declined due to subdued global demand, lower commodity prices and shifts towards services spending. Additionally, improving labour market conditions coupled with supportive policy measures helped household spending, especially among the vulnerable households affected by higher cost of living. Private sector capital spending drove overall investment activity, particularly in information technology and electrical and electronics (E&E). In tandem with

external trade performance, export-oriented industries saw some moderation in growth. Nonetheless, all sectors continued to expand in 2023.

Headline inflation moderated in 2023 to an average of 2.5% (2022: 3.3%), largely on account of lower food, non-alcoholic beverages and fuel inflation. Some subsidy rationalisation measures were introduced, namely through the revision of electricity tariffs and removal of price ceilings for chicken. The impact on Consumer Price Index (CPI) inflation was rather muted given the relatively smaller weights of these items in the CPI basket. In addition, upward pressure on import prices from the sustained strength of the US dollar against the ringgit was offset by the moderating global cost environment. Existing price controls and subsidies on key expenditure items as well as the relatively stable firms' pricing behaviour also partially mitigated exchange rate pass-through effects. Meanwhile, core inflation averaged at 3% (2022: 3%). The more gradual disinflation pace was partly due to persistent demand pressure, particularly in the first half of 2023. Core inflation steadily converged to its long-term average in the second half. Overall, price pressures were generally less pervasive in 2023. The share of CPI items recording monthly price increases trended lower, approaching their respective long-term average levels.

(Source: Economic and Monetary Review 2023 issued by Bank Negara Malaysia on 20 March 2024)

7.1.2 Outlook

The Malaysian economy is projected to grow between 4% - 5% in 2024, underpinned by continued expansion in domestic demand and improvement in external demand: Growth will be driven by resilient domestic expenditure, with additional support from the expected recovery in exports. Tourism is expected to improve further, while the implementation of new and ongoing multi-year projects by both the private and public sectors would support investment activity. Nevertheless, domestic growth remains subject to downside risks from both external and domestic factors. External factors include a weaker-than-expected global growth and further escalation of geopolitical conflict. Domestically, more severe shocks on commodity production and the implementation of subsidy rationalisation could also weigh on the growth outlook, although this could be partially offset by targeted cash assistance from the Government. Greater spillover from the tech upcycle, stronger-than-expected tourism activity, and faster implementation of existing and new investment projects would provide upside risks to the domestic growth.

Headline inflation is expected to remain moderate amid contained cost pressures from easing global supply conditions. Price pressures from tax changes and utility tariffs are assessed to have a marginal impact on headline inflation. Additionally, the impact of exchange rate depreciation on inflation will be contained by administered prices and relatively stable from pricing behaviour. Core inflation is also expected to moderate, but remaining above its long-term average. Limited demand pressures, stable near-term sentiments on economic conditions and wage growth that is in line with productivity increases, will likely contain upward pressure to underlying inflation. Inflation outlook remains highly subject to upside risks due to potential price adjustments on food and energy items, as well as external pressures from exchange rate and global commodity price developments. Of note, the inflation forecast range has incorporated some potential upside from the implementation of fuel subsidy rationalisation. The direct impact on headline inflation will likely dissipate within a year, but there are upside risks from knock-on effects and wage-price dynamics. Nevertheless, the short-term impact will depend on the size, timing and scope of targeted assistance. On the other hand, downside risks to inflation outlook emanate from weaker global growth weighing on commodity prices and cost pressures.

(Source: Economic and Monetary Review 2023 issued by Bank Negara Malaysia on 20 March 2024)

7.2 Overview and outlook of the office sector in Kuala Lumpur

7.2.1 Overview

Despite a challenging global financial and economic environment, the property market stayed resilient in 2023 supported by positive performance in all sub-sectors except agriculture compared to the previous year. In 2023, total transactions volume and value increased by 2.5% and 9.9% respectively to 399,008 transactions worth RM196.83 billion (2022: 389,107 transactions; RM179.07 billion; 2021: 300,497 transactions; RM144.87 billion).

In 2023, 28 office building transactions with an accumulated worth RM1.63 billion were recorded. 9 had its sale and purchase agreements dated in 2021 and 2022 but concluded in 2023.

The overall performance of office segment was stable in the review period as the overall occupancy rate remained 78.5% as recorded in previous year. The private office buildings recorded average occupancy rate at 71.9%, a slight up from 71.7% in 2022.

There were 13 new completions offering a total office space of nearly 0.40 million square meter (“s.m.”) as compared to 2022 (10 new completions; 0.42 million s.m.). As at end-2023, there was a total of 24.88 million s.m. existing office space from 2,601 buildings, while another 1.25 million s.m. (40 buildings) in the incoming supply and nearly 0.95 million s.m. (31 buildings) in the planned supply. WP Kuala Lumpur dominated all three categories of supplies, contributing 41.1% of the total existing office spaces and 57.3% of the total incoming supply spaces.

Prices of stratified office lot was generally stable across the states with several exceptions. In WP Kuala Lumpur, prices for office space also recorded stable, Phileo Promenade recorded an increase of 18.5% with price transacted at RM5,800 per square meter (“per s.m.”) to RM5,900 per s.m. Bangsar South also saw a slight increase of 7.3% with price transacted at RM10,900 per s.m. However, Boulevard experienced a price decrease of 17.7% to RM10,000 per s.m. (2022: RM11,600 per s.m.). In Selangor, Dataran Sunway, Petaling and Melawati Corporate Centre, Gombak also registered a slight increase of 4.1% and 3.6% with price ranging at RM11,228 per s.m. and RM8,044 per s.m. - RM8,383 per s.m. respectively.

The office space rental market was stable with mixed movements recorded in selected buildings. In Kuala Lumpur, office space at Menara Perak, UBN Tower, UOA Centre and Menara Mara experienced a rental decrease of 11.8%, 10.6%, 10.7% and 11.6% respectively with rental ranging from RM41.00 per s.m. to RM77.50 per s.m. A higher rental was seen at Menara Maxis ranging between RM91.60 per s.m. to 138.96 per s.m. In Selangor, most office space rental rates remained stable with mixed performance showed in a few office buildings. Office space in Damansara Uptown 1 witnessed a marginal increase of 2.1% to 5.0% with monthly rental ranging from RM48.00 per s.m. to RM138.89 per s.m. Similarly, office space at Level 4, Kompleks MAIS Klang experienced a significant increase of 16.0% with monthly rental of RM18.00 per s.m. whilst Ground to 5th Floor, Crystal Plaza, Petaling Jaya were tenanted at monthly rental of RM49.51 per s.m., down by 6.1%.

7.2.2 Outlook

Malaysia’s economy is expected to grow moderately with the projected growth between 4% to 5% in 2024, driven by domestic demand, sustained and diversified economic structure and coupled with ongoing policy support including the National Energy Transition Roadmap and the New Industrial Master Plan 2030. Bank Negara Malaysia also anticipated resilient domestic expenditure and improvement in external demand will drive Malaysia’s growth.

The expansion of the e-commerce sector and various initiatives outlined by the government under 2024 budget such as New Industrial Master Plan 2030 and the Pelan Induk Industri Halal 2030 are expected to promote the performance of industrial property market. As the national economy is projected to remain in the range of 4.0% to 5.0% in 2024 which supported by resilient domestic growth prospects, the property market performance is expected to remain cautiously optimistic given the unpredictable external environment. The accommodative policies, continuous government support, well-executed measures outlined in Budget 2024, and the proper

implementation of strategies and initiatives under RMK-12 are expected to continue supporting growth in the property sector.

(Source: Property Market Report 2023, National Property Information Centre, Valuation and Property Services Department, Ministry of Finance Malaysia)

7.3 Prospects of our business

The Board believes that the office rental market remains challenging particularly in the Klang Valley, with high vacancies, depressed rental rates, higher operating cost and rising interest cost. Despite the difficult operating environment, our Manager has achieved an improved occupancy in all its properties within the Tower REIT portfolio over the past 12 months, while recognising that more refurbishment work needs to be carried out. The occupancy rates for Menara HLX, Plaza Zurich and Guoco Tower as at 30 June 2022, 30 June 2023 and the LPD are as follows:

	Occupancy rates as at 30 June		Occupancy rates as at the LPD
	2022	2023	
Menara HLX	26%	31%	32%
Plaza Zurich	66%	67%	73%
Guoco Tower	88%	89%	95%

At this juncture, we are unable to ascertain the percentage of improvement of the occupancy rates for the abovementioned properties as our refurbishment plan is expected to complete in the FYE 30 June 2026. However, we are hopeful that upon completion of refurbishment plan, it will help to improve the overall occupancy rates and strengthen our competitiveness. Our Manager will continue to take a proactive stance, diligently working to enhance its offering to cater to the target market, to contain costs and to ensure a sustainable and competitive position.

(Source: Management of our Manager)

8. EFFECTS OF THE RIGHTS ISSUE

The pro forma effects of the Rights Issue on the Unitholders' capital, NAV per Unit and gearing ratio, earnings and distributable income, and the substantial Unitholders' unitholdings are illustrated based on Scenarios 1 and 2 as set out in **Section 2.2** of this Abridged Prospectus. Scenario 1 assumes that GLME and ALSB subscribe for the Rights Units pursuant to the Undertakings, while Scenario 2 assumes that all of the Entitled Unitholders fully subscribe for their respective entitlements under the Rights Issue.

8.1 Unitholders' capital

Based on the Scenarios 1 and 2, the pro forma effects of the Rights Issue on the Unitholders' capital of Tower REIT are as follows:

	No. of Units	RM
As at the LPD	280,500,000	285,345,000
To be issued pursuant to the Rights Issue	210,375,000	⁽¹⁾ ⁽²⁾ 64,611,751
Enlarged Unitholders' capital	490,875,000	349,956,751

Notes:

- (1) Calculated based on the issue price of RM0.31 per Rights Unit.
- (2) After taking into consideration the estimated expenses for the Rights Issue which are allowed under Malaysian Financial Reporting Standards 132 to be capitalised from Unitholders' capital amounting to RM604,499. The estimated expenses to be capitalised are professional fees, regulatory fees and other incidental expenses in relation to the Rights Issue.

8.2 NAV and gearing

For illustration purposes only, the pro forma effects of the Rights Issue on the NAV per Unit and gearing ratio based on the latest unaudited statement of financial position of Tower REIT as at 31 December 2023 are as follows:

	Unaudited as at 31 December 2023	<u>Scenarios 1 and 2</u> After the Rights Issue
	RM'000	RM'000
Unitholders' capital	285,345	⁽¹⁾ 349,957
Undistributed income - realised	60,038	⁽²⁾⁽³⁾⁽⁴⁾ 58,646
Undistributed income - unrealised	155,631	155,631
Total Unitholders' Fund / NAV	501,014	564,234
No. of Units in circulation ('000)	280,500	490,875
NAV per Unit*		
- Before income distribution (RM)	1.79	1.15
- After income distribution (RM)	⁽³⁾ 1.78	⁽³⁾ 1.15
Total assets (RM'000)	810,315	⁽³⁾⁽⁵⁾ 833,535
Total borrowings (RM'000)	272,202	⁽⁶⁾ 232,202
Gearing ratio# (times)	0.34	0.28

Notes:

- (1) After taking into consideration the issue price of RM0.31 per Rights Unit and part of the estimated expenses of approximately RM0.60 million under the Scenarios 1 and 2 will be capitalised against the Unitholders' capital.
- (2) The total estimated expenses are approximately RM1.35 million in relation to the Corporate Exercises, of which the expenses directly attributable to the issuance of the Rights Units of approximately RM0.747 million will be charged to realised undistributed income under Scenarios 1 and 2.
- (3) After taking into consideration the interim income distribution of 0.23 sen per Unit, amounting to approximately RM0.65 million which was paid on 28 February 2024.
- (4) The undistributed realised income did not take into consideration the interest savings of approximately RM1.72 million per annum calculated based on the average interest rate of the bank borrowings of 4.30% per annum (assuming the same interest rate based on the FYE 30 June 2023) as a result of the partial repayment of bank borrowings amounting to RM40.00 million under Scenarios 1 and 2.
- (5) The amount of approximately RM23.87 million earmarked for refurbishment of Plaza Zurich, Menara HLX and Guoco Tower is recognised under cash and bank balances.
- (6) After taking into consideration the partial repayment of bank borrowings of RM40.00 million under Scenarios 1 and 2.

* Calculated based on NAV divided by the number of Units in circulation.

Calculated based on total borrowings divided by total assets.

8.3 Earnings and distributable income

The issuance of new Rights Units pursuant to the Rights Issue is expected to enlarge the number of Units in circulation. For illustration purposes, the pro forma effects of the Rights Issue on the DPU based on the audited statement of comprehensive income for the FYE 30 June 2023 and assuming the Rights Issue was effected on 1 July 2022 is as follows:

	Audited for the FYE 30 June 2023	Scenarios 1 and 2 After the Rights Issue
	RM'000	RM'000
Net (loss) for the year	(17,600)	^(a) (16,627)
Income distribution	1,627	^(a) 2,600
No. of Units in circulation ('000)	280,500	490,875
(Loss) per Unit (sen)	^(b) (6.27)	^(c) (3.39)
DPU (sen)	^(d) 0.58	^(e) 0.53

Notes:

- (a) After taking into consideration the following:
- (i) interest saving of approximately RM1.72 million per annum calculated based on the average interest rate of the bank borrowings of 4.30% per annum (assuming the same interest rate based on the FYE 30 June 2023) as a result of the partial repayment of bank borrowings amounting to RM40.00 million under Scenarios 1 and 2; and
 - (ii) the estimated expenses of approximately RM0.747 million in connection with the Corporate Exercises, which will be charged as expenses under the Scenarios 1 and 2.
- (b) Calculated based on net loss for the year divided by 280,500,000 Units in circulation.
- (c) Calculated based on adjusted net loss for the year divided by 490,875,000 enlarged Units in circulation after the Rights Issue.
- (d) Calculated based on income distribution divided by 280,500,000 in circulation.
- (e) Calculated based on income distribution divided by 490,875,000 enlarged Units in circulation after the Rights Issue.

Our Manager had declared and paid a total income distribution of 0.58 sen per Unit for the FYE 30 June 2023. For the period from 1 July 2023 up to the LPD, our Manager had also declared and paid an income distribution of 0.23 sen per Unit.

Barring unforeseen circumstances, our Manager intends to distribute at least 90% of the distributable and realised income of Tower REIT for each year or such other intervals as determined by our Manager at its discretion. The Rights Issue is not expected to have any material effect on our distribution policy.

8.4 Substantial Unitholders' unitholdings

Based on the Record of Depositors of Tower REIT as at the LPD, the effects of the Rights Issue on the substantial Unitholders' unitholdings are as follows:

Scenario 1

	As at the LPD				After the Rights Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Units	(1)%	No. of Units	(1)%	No. of Units	(2)%	No. of Units	(2)%
	'000		'000		'000		'000	
GLME	60,769	21.66	-	-	261,087	53.19	-	-
HLA	58,271	20.77	-	-	58,271	11.87	-	-
HLA Holdings Sdn Bhd	-	-	58,271	#20.77	-	-	58,271	#11.87
Mitsui Sumitomo Insurance Company, Limited	-	-	58,271	#20.77	-	-	58,271	#11.87
Hong Leong Financial Group Berhad	-	-	64,158	*22.87	-	-	64,158	*13.07
GuocoLand	-	-	60,769	**21.66	-	-	261,087	**53.19
GLL (Malaysia) Pte Ltd	-	-	60,769	**21.66	-	-	261,087	**53.19
GuocoLand Limited	-	-	60,769	**21.66	-	-	261,087	**53.19
GuocoLand Assets Pte Ltd	-	-	60,769	**21.66	-	-	261,087	**53.19
Guoco Group Limited	-	-	138,927	^49.53	-	-	339,245	^69.11
GuoLine Overseas Limited	-	-	138,927	^49.53	-	-	339,245	^69.11
GuoLine Capital Assets Limited	-	-	138,927	^49.53	-	-	339,245	^69.11
HLCM	-	-	77,567	*27.65	-	-	87,624	*17.85
HL Holdings Sdn Bhd	-	-	77,567	~27.65	-	-	87,624	~17.85
Tan Sri Quek Leng Chan	-	-	152,336	^54.31	-	-	362,711	^73.89
Kwek Leng Beng	-	-	152,336	^54.31	-	-	362,711	^73.89
Kwek Holdings Pte Ltd	-	-	152,336	^54.31	-	-	362,711	^73.89
Hong Realty (Private) Limited	-	-	152,336	^54.31	-	-	362,711	^73.89
Hong Leong Investment Holdings Pte Ltd	-	-	152,336	^54.31	-	-	362,711	^73.89
Kwek Leng Kee	-	-	152,336	^54.31	-	-	362,711	^73.89
Davos Investment Holdings Private Limited	-	-	152,336	^54.31	-	-	362,711	^73.89
Quek Leng Chye	-	-	152,336	^54.31	-	-	362,711	^73.89

Notes:

- (1) Based on the total Unitholders' capital of 280,500,000 Units as at the LPD.
- (2) Based on the enlarged total Unitholders' capital of 490,875,000 Units after the Rights Issue.
- # Held through HLA.
- * Held through subsidiaries.
- ** Held through GLME.
- ^ Held through subsidiaries and companies in which the major Unitholder has an interest.
- ~ Held through HLCM.

Scenario 2

	As at the LPD				After the Rights Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Units	(1)%	No. of Units	(1)%	No. of Units	(2)%	No. of Units	(2)%
	'000		'000		'000		'000	
GLME	60,769	21.66	-	-	106,345	21.66	-	-
HLA	58,271	20.77	-	-	101,974	20.77	-	-
HLA Holdings Sdn Bhd	-	-	58,271	#20.77	-	-	101,974	#20.77
Mitsui Sumitomo Insurance Company, Limited	-	-	58,271	#20.77	-	-	101,974	#20.77
Hong Leong Financial Group Berhad	-	-	64,158	*22.87	-	-	112,277	*22.87
GuocoLand	-	-	60,769	**21.66	-	-	106,345	**21.66
GLL (Malaysia) Pte Ltd	-	-	60,769	**21.66	-	-	106,345	**21.66
GuocoLand Limited	-	-	60,769	**21.66	-	-	106,345	**21.66
GuocoLand Assets Pte Ltd	-	-	60,769	**21.66	-	-	106,345	**21.66
Guoco Group Limited	-	-	138,927	^49.53	-	-	243,122	^49.53
GuoLine Overseas Limited	-	-	138,927	^49.53	-	-	243,122	^49.53
GuoLine Capital Assets Limited	-	-	138,927	^49.53	-	-	243,122	^49.53
HLCM	-	-	77,567	*27.65	-	-	135,743	*27.65
HL Holdings Sdn Bhd	-	-	77,567	~27.65	-	-	135,743	~27.65
Tan Sri Quek Leng Chan	-	-	152,336	^54.31	-	-	266,588	^54.31
Kwek Leng Beng	-	-	152,336	^54.31	-	-	266,588	^54.31
Kwek Holdings Pte Ltd	-	-	152,336	^54.31	-	-	266,588	^54.31
Hong Realty (Private) Limited	-	-	152,336	^54.31	-	-	266,588	^54.31
Hong Leong Investment Holdings Pte Ltd	-	-	152,336	^54.31	-	-	266,588	^54.31
Kwek Leng Kee	-	-	152,336	^54.31	-	-	266,588	^54.31
Davos Investment Holdings Private Limited	-	-	152,336	^54.31	-	-	266,588	^54.31
Quek Leng Chye	-	-	152,336	^54.31	-	-	266,588	^54.31

Notes:

- (1) Based on the total Unitholders' capital of 280,500,000 Units as at the LPD.
- (2) Based on the enlarged total Unitholders' capital of 490,875,000 Units after the Rights Issue.
- # Held through HLA.
- * Held through subsidiaries.
- ** Held through GLME.
- ^ Held through subsidiaries and companies in which the major Unitholder has an interest.
- ~ Held through HLCM.

9. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES AND MATERIAL COMMITMENTS

9.1 Working capital and sources of liquidity

The Board is of the view that Tower REIT will have sufficient working capital for a period of 12 months from the date of this Abridged Prospectus after taking into consideration the proceeds to be raised from the Rights Issue, funds generated from Tower REIT's operations and the banking facilities available to Tower REIT.

9.2 Borrowings

As at the LPD, we have a total outstanding borrowing of approximately RM272.20, all of which are interest bearing denominated in RM, obtained from local financial institutions, details of which are as follows:

Borrowings	Interest rate	Outstanding amount
	%	RM'000
Non-current		
Term loan	4.85	260,402
Current		
Revolving credit	4.35	11,800
Total borrowings		272,202

As at the LPD, we do not have any non-interest-bearing borrowings from local or foreign financial institutions.

There has not been any default on payments of either interest and/or principal sums in respect of any borrowings during the FYE 30 June 2023 and the subsequent financial period up to the LPD.

9.3 Contingent liabilities

As at the LPD, the Board confirms that there are no contingent liabilities incurred or known to be incurred, which upon becoming enforceable, may have a material impact on our financial results or financial position.

9.4 Material commitments

As at the LPD, the Board confirms that there are no material commitments incurred or known to be incurred by Tower REIT which may have a material impact on the financial results or position of Tower REIT.

9.5 Material transactions

Since 30 June 2023, being the date of our latest available audited financial statements and up to the LPD, save for the Rights Issue, we have not entered into any transaction which may have a material effect on our operations, financial position and results.

10. INSTRUCTIONS FOR ACCEPTANCE AND PAYMENT, EXCESS APPLICATION AND SALE OR TRANSFER OF PROVISIONAL RIGHTS UNITS

FULL INSTRUCTIONS FOR THE ACCEPTANCE OF AND PAYMENT FOR THE PROVISIONAL RIGHTS UNITS AS WELL AS EXCESS RIGHTS UNITS APPLICATIONS AND THE PROCEDURES TO BE FOLLOWED SHOULD YOU AND/OR YOUR RENOUNCEE(S)/TRANSFeree(S) (IF APPLICABLE) WISH TO SELL OR TRANSFER ALL OR ANY PART OF YOUR/HIS RIGHTS ENTITLEMENT ARE SET OUT IN THIS ABRIDGED PROSPECTUS AND THE RSF. YOU AND/OR YOUR RENOUNCEE(S)/TRANSFeree(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE RSF AND THE NOTES AND INSTRUCTIONS PRINTED THEREIN CAREFULLY. IN ACCORDANCE WITH SUBSECTION 232(2) OF THE CMSA, THE RSF MUST NOT BE CIRCULATED UNLESS ACCOMPANIED BY THIS ABRIDGED PROSPECTUS.

ACCEPTANCE OF AND/OR PAYMENT FOR THE PROVISIONAL RIGHTS UNITS WHICH DO NOT CONFORM STRICTLY TO THE TERMS OF THIS ABRIDGED PROSPECTUS, THE RSF OR THE NOTES AND INSTRUCTIONS PRINTED THEREIN OR WHICH ARE ILLEGIBLE MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF THE BOARD.

10.1 General

As you are an Entitled Unitholder, your CDS Account will be duly credited with the number of Provisional Rights Units that you are entitled to subscribe for in full or in part under the terms of the Rights Issue. You will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such securities into your CDS Account and the RSF to enable you to subscribe for the Provisional Rights Units, as well as to apply for Excess Rights Units if you choose to do so.

This Abridged Prospectus and the RSF are also available at the registered office of our Manager, our Registrar or on Bursa Securities' website at <https://www.bursamalaysia.com>.

10.2 NPA

The Provisional Rights Units are prescribed securities pursuant to Section 14(5) of the SICDA and therefore, all dealings in the Provisional Rights Units will be by book entries through the CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. As an Entitled Unitholder, you and/or your renounee(s)/transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making the applications.

10.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Rights Units and the Excess Rights Units application is on **Thursday, 16 May 2024 at 5.00 p.m.**, being the Closing Date.

We shall make an announcement on Bursa Securities in relation to the outcome of the Rights Issue after the Closing Date.

10.4 Methods of acceptance and application

You may subscribe for the Provisional Rights Units as well as apply for Excess Rights Units, if you choose to do so, using either of the following methods:

Method	Category of Entitled Unitholders
RSF	All Entitled Unitholders
e-Subscription	All Entitled Unitholders

10.5 Procedures for full acceptance and payment

YOU AND/OR YOUR RENOUNCEE(S)/TRANSFEREE(S) (IF APPLICABLE) ARE ADVISED TO READ THIS ABRIDGED PROSPECTUS, THE ACCOMPANYING RSF AND THE NOTES AND INSTRUCTIONS THEREIN CAREFULLY.

10.5.1 By way of RSF

Acceptance of and payment for the Provisional Rights Units must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances and/or payments which do not strictly conform to the terms of this Abridged Prospectus, the NPA and RSF or the notes and instructions contained therein or which are illegible may not be accepted at the absolute discretion of the Board.

If you and/or your renounee(s)/transferee(s) (if applicable) wish to accept either in full or in part of the Provisional Rights Units of entitlement, please complete Part I(A) and Part II of the RSF in accordance with the notes and instructions contained in the RSF. Each RSF that is completed and signed together with the relevant payment must be sent to our Registrar using the reply envelope provided (at your own risk) by **ORDINARY POST, COURIER** or **DELIVERED BY HAND** to the address stated below:

Hong Leong Share Registration Services Sdn. Bhd.

Level 25, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel No.: +603 - 2088 8818
Fax No.: +603 - 2088 8990

The completed and signed RSF together with the accompanying subscription monies must arrive not later than 5.00 p.m. on the Closing Date.

If you and/or your renounee(s)/transferee(s) (if applicable) lose, misplace or for any other reasons require another copy of the RSF, you and/or your renounee(s)/transferee(s) (if applicable) may obtain additional copies from one of the following:

- (i) all Malaysian stockbroking companies;
- (ii) our Manager's registered office at:
Level 32, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
- (iii) our Registrar at:
Level 25, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
- (iv) Bursa Securities' website (<https://www.bursamalaysia.com>)

1 RSF can only be used for acceptance of Provisional Rights Units standing to the credit of 1 CDS Account. Separate RSF(s) must be used for the acceptance of Provisional Rights Units standing to the credit of more than 1 CDS Account(s). If successful, the Rights Units subscribed for will be credited into the respective CDS Account(s) as stated in the completed RSF(s).

A reply envelope is enclosed with this Abridged Prospectus. To facilitate the processing of the RSF(s) by our Registrar by the Closing Date, you are advised to use 1 reply envelope for each completed RSF.

The minimum number of Rights Units that can be subscribed for or accepted is 1 Rights Unit. However, you and/or your renouncee(s)/transferee(s) (if applicable) should take note that a trading board lot for the Rights Units comprises 100 Rights Units. Fractions of Rights Units, if any, shall be disregarded, and dealt with in such manner as the Board shall in their absolute discretion deem fit and expedient, and to be in the best interest of Tower REIT.

Each completed RSF must be accompanied by the appropriate remittance in RM for the full amount payable for the Provisional Rights Units accepted in the form of banker's drafts or cashier's orders or money orders or postal orders drawn on a bank or post office in Malaysia and must be made payable to "**TOWER REIT RIGHTS ISSUE ACCOUNT**", crossed "**A/C PAYEE ONLY**" and endorsed on the reverse side with your name and address in block letters, your contact number and your CDS Account Number.

The payment must be made for the full and exact amount payable to the Provisional Rights Units accepted. Any acceptance accompanied by excess or insufficient payment or payment in the manner other than prescribed in the Abridged Prospectus may or may not be accepted at the absolute discretion of the Board.

If acceptance of and payment for the Provisional Rights Units allotted to you and/or your renouncee(s)/transferee(s) (if applicable) are not received by our Registrar by the **Closing Date**, you and/or your renouncee(s)/transferee(s) (if applicable) will be deemed to have declined the Provisional Rights Units and it will be cancelled.

In the event that the Provisional Rights Units are not fully taken up by such applicants, the Board will then have the right to allot such Rights Units to the applicants who have applied for the Excess Rights Units in the manner as set out in **Section 10.9.1** of this Abridged Prospectus. The Board reserves the right to accept any application in full or in part only without assigning any reason.

ALL RSF LODGED WITH OUR REGISTRAR ARE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

PROOF OF TIME OF POSTAGE WILL NOT CONSTITUTE PROOF OF TIME OF RECEIPT BY OUR REGISTRAR. NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE RSF OR THE ACCOMPANYING SUBSCRIPTION MONIES FOR YOUR ACCEPTANCE OF THE PROVISIONAL RIGHTS UNITS.

Acceptances of the Provisional Rights Units will not be deemed to have been accepted by reason of the remittance being presented for payment. The Board reserves the right not to accept any acceptance of the Provisional Rights Units, in full or in part, without assigning any reason.

Notification on the outcome of your acceptance of the Provisional Rights Units will be despatched to you by ordinary post to the address as shown on Bursa Depository's record at your own risk within the timelines as follows:

- (i) successful application – a notice of allotment will be despatched within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities; or
- (ii) unsuccessful/partial successful application – the full amount or the surplus subscription monies, as the case may be, will be refunded without interest within 15 Market Days from the Closing Date.

Stamp duty

Pursuant to Section 4(1) of the Stamp Act 1949, the RSF is deemed to be an agreement and an instrument chargeable with stamp duty. In the event that you wish to accept the Provisional Rights Unit that you are entitled to, you are required to comply with the requirement of paying the appropriate stamp duty imposed on the RSF, which is RM10.00.

However, effective from 1 January 2024, the Inland Revenue Board of Malaysia (“**IRBM**”) has terminated the usage of revenue stamp as a stamping method at all IRBM stamping duty counters and district stamping offices.

In connection thereto, you may now pay the stamp duty using the following options:

- (i) accept the Provisional Rights Units using RSF in which, you are required to pay the stamp duty via IRBM system namely Stamp Duty Assessment and Payment System (“**STAMPS**”) at <https://stamps.hasil.gov.my>. The payment of stamp duty must be made via the same link. The Stamp Certificate / Official Receipt will be issued via STAMPS as a proof of payment of stamp duty. Thereafter, submit the STAMP CERTIFICATE together with the physical RSF to our Registrar. Please refer to **Section 10.5.1** of this Abridged Prospectus for the instructions and terms and conditions for the RSF subscription; or
- (ii) accept the Provisional Rights Unit through e-Subscription via HLSRS Online at <https://www.hlsrs.com.my> whereby the stamp duty payable is paid to HLSRS Online together with the payment of Provisional Rights Units electronically via the same website. Under this option, you are not required to submit the physical RSF to the Registrar. Please refer to **Section 10.5.2** of this Abridged Prospectus for the instructions and terms and conditions for the e-Subscription via HLSRS Online.

10.5.2 By way of e-Subscription via HLSRS Online

The e-Subscription is available to you upon your login to the Registrar’s HLSRS Online at <https://www.hlsrs.com.my>. You are advised to read the instructions as well as the terms and conditions of the e-Subscription. The e-Subscription is applicable to all Entitled Unitholders.

Registered Entitled Unitholders who wish to subscribe for the Provisional Rights Units and apply for the Excess Rights Units by way of e-Subscription shall take note of the following:

- (i) any e-Subscription received by our Registrar after the Closing Date shall be regarded as null and void or at the absolute discretion of the Board;
- (ii) the e-Subscription made must be in accordance with the procedures of submitting e-Subscription using HLSRS Online, the terms and conditions of e-Subscription of this Abridged Prospectus and the notes and conditions contained in the RSF. Any incomplete e-Subscription submitted via HLSRS Online may or may not be accepted at the absolute discretion of the Board;
- (iii) the number of Rights Units you are entitled to under the Rights Issue is set out in the e-Subscription. You are required to indicate the number of Rights Units you wish to accept and number of Excess Rights Units you wish to apply in the e-Subscription;
- (iv) each subscription of e-Subscription must be accompanied by the remittance in RM which is made through the online payment gateway or telegraphic transfer; and
- (v) a handling fee of RM5.00 together with stamp duty of RM10.00 per e-Subscription are to be paid.

(i) Procedures to apply via e-Subscription

Sign up as a user of HLSRS Online

- (a) Access HLSRS Online at <https://www.hlsrs.com.my>;
- (b) User registration
 - Click <Login/Register> followed by <Register New User> to register as a new user;
 - Complete the registration by filling up the information required and upload a clear copy of your MyKAD (both front and back page) or passport;
 - Read and agree to the terms and conditions and thereafter submit your registration;
 - Please enter a valid email address in order for you to receive the verification email from the HLSRS Online portal;
 - Please verify your email address before the link expires within 2 hours from your registration.

Your registration will be verified and approved by the HLSRS Online portal within 1 Market Day. Once approved, an email notification will be sent to you.

If you have already registered an account with HLSRS Online portal, you are not required to register again.

(ii) Procedures to subscribe via e-Subscription

Sign in to HLSRS Online at <https://www.hlsrs.com.my>

- (a) Login with your user ID and password for e-Subscription before the Closing Date;
- (b) Click **"MY RIGHTS ISSUE"**;
- (c) Select **"TOWER REAL ESTATE INVESTMENT TRUST"** from the dropdown selection and click the relevant Corporate Exercise event name TOWER REIT RIGHTS ISSUE;
- (d) Key in the CDS account number that you wish to submit and input the number of Rights Units to subscribe and number of excess Rights Units to apply for (if you wish to do so);
- (e) Ensure all information in the e-RSF is accurate before submitting the e-RSF;
- (f) Arrange to pay via online banking to the respective bank accounts:

Acceptance of Rights Units

Name of Account : **TOWER REIT RIGHTS ISSUE ACCOUNT**
Name of Bank : **HONG LEONG BANK BERHAD**
Account Number : **00100949779**

Excess Application of Rights Units

Name of Account : **TOWER REIT EXCESS RIGHTS APPLICATION ACCOUNT**
Name of Bank : **HONG LEONG BANK BERHAD**
Account Number : **00100949786**

- (g) Arrange to pay stamp duty of RM10.00 and handling fee of RM5.00 for each e-Subscription to the Registrar's bank account as follows:

Name of Account : **HONG LEONG SHARE REGISTRATION SERVICES SDN BHD**
Name of Bank : **HONG LEONG BANK BERHAD**
Account Number : **00100077232**

- (h) Indicate the Unitholder name and last 9 digits of the CDS Account Number as payment details; and
- (i) Upload the proof of payment(s) for the subscription and click "confirm" button to submit the e-Subscription.

If you encounter any problems during the registration or submission, please email to the Registrar at hlsrs@hongleong.com or call at 03-2088 8818 for assistance.

(iii) Terms and conditions of e-Subscription

The e-Subscription shall be made on, and subject to, the terms of this Abridged Prospectus, as well as the terms and conditions of the Participating Financial Institutions and those appearing therein:

- (a) You are required to confirm the following statements and undertake that the following information given are true to contract:
- (aa) You have attained 18 years of age as at the Closing Date;
 - (bb) You have read the Abridged Prospectus and understood and agreed with the terms and conditions of the application; and
 - (cc) You give consent to our Manager and/or the Board, Bursa Depository, our Registrar, the relevant Participating Financial Institutions, their respective agents and any third party involved in facilitating the application/ refunds, to disclose information pertaining to yourself and your account with the Participating Financial Institutions and Bursa Depository to the relevant authorities and any person as may be necessary or expedient to facilitate the making of the application/refund.

Your application will not be successfully completed and cannot be recorded as a completed transaction unless you complete all the steps required by the Participating Financial Institutions. By doing so, you shall have confirmed each of the above statements as well as giving consent in accordance with the relevant laws of Malaysia including Section 134(1)(a) of Financial Services Act, 2013 and Section 45(1)(a) of the SICDA, to the disclosures as described above.

- (b) You confirm that you are not applying for the Provisional Rights Units as a nominee of any other person and that any e-Subscription that you make is made by you as the beneficial owner.

- (c) You agree and undertake to subscribe and to accept the number of Provisional Rights Units applied for as stated on the Transaction Record in respect of your e-Subscription. Your confirmation (by your action of pressing the predesignated keys (or buttons)) of the number of Provisional Rights Units applied for shall signify, and shall be treated as, your acceptance of the number of Provisional Rights Units that may be allotted to you.

Should you encounter any problems in your e-Subscription, please refer to the Participating Financial Institutions.

- (d) By making and completing your e-Subscription, you, if successful, request and authorise our Manager and/or the Board to credit the Provisional Rights Units allotted to you into your CDS Account.
- (e) You acknowledge that your e-Subscription is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond the control of our Manager and/or the Board, our Registrar, the Participating Financial Institutions or Bursa Depository and you irrevocably agree that if:
- (aa) Our Manager and/or the Board, our Registrar or Bursa Depository does not receive your e-Subscription; or
- (bb) Data relating to your e-Subscription is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Manager and/or the Board, our Registrar or Bursa Depository,

you shall be deemed not to have made an e-Subscription and you shall not make any claim whatsoever against our Manager and/or the Board, our Registrar, the Participating Financial Institutions or Bursa Depository for the Provisional Rights Units applied for or for any compensation, loss or damage relating to the application for the Provisional Rights Units.

- (f) All of your particulars, including your nationality and place of residence, in the records of the relevant Participating Financial Institutions at the time you make your e-Subscription shall be true and correct, and our Manager and/or the Board, our Registrar, the relevant Participating Financial Institutions and Bursa Depository shall be entitled to rely on the accuracy thereof.
- (g) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institutions are correct and identical. Otherwise, your e-Subscription will be rejected. You must inform Bursa Depository promptly of any change in address failing which the notification letter of successful allocation will be sent to your correspondence address last maintained with Bursa Depository.
- (h) By making and completing an e-Subscription, you agree that:
- (aa) In consideration of our Manager and/or the Board agreeing to allow and accept your application for the Provisional Rights Units via the e-Subscription facility established by the Participating Financial Institutions at their financial services websites, your e-Subscription is irrevocable and cannot be subsequently withdrawn;
- (bb) Our Manager and/or the Board, the Participating Financial Institutions, Bursa Depository and our Registrar shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your e-Subscription due to a breakdown or failure of transmission or communication facilities or any cause beyond control;

- (cc) Notwithstanding the receipt of any payment by or on behalf of our Manager and/or the Board, the notice of successful allocation for the Provisional Rights Units for which your e-Subscription has been successfully completed is the only confirmation for the acceptance of this offer to subscribe for and purchase the said Provisional Rights Units; and
- (dd) You agree that in relation to any legal action, proceedings or dispute arising out of or in relation to the e-Subscription and/or any terms herein, all rights, obligations and liabilities shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.
- (i) Our Registrar, on the authority of the Board, reserves the right to reject applications which do not conform to the terms of this Abridged Prospectus.
- (j) Notification on the outcome of your application for the Rights Units will be despatched to you by ordinary post to the correspondence address as show on Bursa Depository's record at your own risk within the timelines as follows:
 - (aa) Successful application – a notice of allotment will be despatched within 8 Market Days from the Closing Date or such other period as may be prescribed or allowed by Bursa Securities; or
 - (bb) Unsuccessful/partial successful application – the full amount or the surplus subscription monies, as the case may be, will be refunded without interest within 15 Market Days from the Closing Date.

The refund will be credited directly into your bank account if you have provided such bank account information to Bursa Depository.

If the crediting of the refund into your bank account is unsuccessful, the refund will then be made via cheque which will be despatched to you by ordinary post to the correspondence address as shown on Bursa Depository's record at your own risk.

10.6 Procedures for part acceptance by Entitled Unitholders

You are entitled to accept part of your Provisional Rights Units provided always that the minimum number of Rights Units that can be subscribed for or accepted is 1 Rights Unit. Fractions of a Rights Unit arising from the Rights Issue, if any, shall be disregarded and dealt with in a fair and equitable manner as the Board deems fit and expedient and in the best interests of Tower REIT.

You must complete both Parts I(A) and II of the RSF by specifying the number of Rights Units which you are accepting and deliver the completed and signed RSF together with the relevant payment to our Registrar in the manner set out in **Section 10.5** of this Abridged Prospectus.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED THEREIN.

The portion of the Provisional Rights Units that have not been accepted will be made available to the applicants of the Excess Units application.

10.7 Procedures for sale or transfer of Provisional Rights Units

The Provisional Rights Units are renounceable. If you wish to sell or transfer all or part of your entitlement to the Provisional Rights Units to 1 or more persons, you may do so through your stockbrokers without first having to request for a split of the Provisional Rights Units standing to the credit in your CDS Account.

You may sell such entitlement on Bursa Securities or transfer such entitlement to such persons as may be allowed under the Rules of Bursa Depository for the period up to the last day and time for the sale or transfer of the Provisional Rights Units (as the case may be) in accordance with the Rules of Bursa Depository.

IN SELLING OR TRANSFERRING ALL OR PART OF YOUR PROVISIONAL RIGHTS UNITS, YOU NEED NOT DELIVER ANY DOCUMENT (INCLUDING THE RSF) TO YOUR STOCKBROKER IN RESPECT OF THE PORTION OF THE PROVISIONAL RIGHTS UNITS SOLD OR TRANSFERRED. HOWEVER, YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF, AND ENSURE THAT YOU MUST HAVE SUFFICIENT NUMBER OF PROVISIONAL RIGHTS UNITS STANDING TO THE CREDIT IN YOUR CDS ACCOUNT BEFORE SUCH SALE OR TRANSFER.

Purchaser(s) or transferee(s) of the Provisional Rights Units may obtain a copy of this Abridged Prospectus and the RSF from their stockbrokers or from our Registrar or at our Manager's registered office. This Abridged Prospectus and RSF are also available on the website of Bursa Securities at <https://www.bursamalaysia.com>.

If you have sold or transferred only part of your Provisional Rights Units, you may still accept the balance of the Provisional Rights Units by completing Part I(A) and Part II of the RSF. Please refer to **Sections 10.5 and 10.6** of this Abridged Prospectus for the procedure for acceptance and payment.

10.8 Procedures for acceptance by renouncee(s)/transferee(s)

Renouncee(s)/transferee(s) (if applicable) who wish to accept the Provisional Rights Units must obtain a copy of the RSF from their stockbrokers or our Registrar, or at our Manager's Registered Office or from Bursa Securities' website at <https://www.bursamalaysia.com>. Please complete the RSF and submit the same together with the remittance to our Registrar at the address as set out in **Section 10.5.1** of this Abridged Prospectus in accordance with the notes and instructions printed therein.

The procedure for acceptance and payment applicable to the Entitled Unitholders as set out in **Sections 10.5 and 10.6** of this Abridged Prospectus also applies to renouncee(s)/transferee(s) (if applicable) who wish to accept the Provisional Rights Units.

RENOUNCEE(S)/TRANSFEREE(S) ARE ADVISED TO READ, UNDERSTAND AND CONSIDER CAREFULLY THE CONTENTS OF THIS ABRIDGED PROSPECTUS AND ADHERE TO THE NOTES AND INSTRUCTIONS CONTAINED IN THIS ABRIDGED PROSPECTUS AND THE RSF.

10.9 Procedures for application for Excess Rights Units

THE PAYMENT MUST BE MADE FOR THE EXACT AMOUNT PAYABLE FOR THE EXCESS RIGHTS UNITS APPLIED FOR. ANY EXCESS OR INSUFFICIENT PAYMENT MAY BE REJECTED AT THE ABSOLUTE DISCRETION OF THE BOARD.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR EXCESS APPLICATION MONIES WILL BE ISSUED BY THE BOARD OR OUR REGISTRAR IN RESPECT OF THE EXCESS RIGHTS UNITS. HOWEVER, IF YOUR EXCESS APPLICATION IS SUCCESSFUL, THE RIGHTS UNITS WILL BE CREDITED INTO YOUR CDS ACCOUNT AND A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT

YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED OR ALLOWED BY BURSA SECURITIES. APPLICATION FOR THE EXCESS RIGHTS UNITS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. THE BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY SUCH APPLICATION OR TO ACCEPT ANY SUCH APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREOF.

10.9.1 Basis of allocation of the Excess Rights Units

It is the intention of the Board to allocate the Excess Rights Units, if any, in a fair and equitable manner to our Entitled Unitholders and their renounees and transferees (if applicable) who have applied for Excess Rights Units in the following priority:

- (i) firstly, to minimise the incidence of odd lots;
- (ii) secondly, for allocation to Entitled Unitholders other than GLME (“**Other Entitled Unitholders**”) who have applied for Excess Rights Units, on a pro-rata basis and in board lots, calculated based on their respective unitholdings in Tower REIT as at the Entitlement Date;
- (iii) thirdly, for allocation to Other Entitled Unitholders who have applied for Excess Rights Units, on a pro-rata basis and in board lots, calculated based on quantum of their respective Excess Rights Units applied for; and
- (iv) fourthly, for allocation to renounee(s) and transferee(s) other than GLME who have applied for Excess Rights Units (if applicable), on a pro-rata basis and in board lots, calculated based on quantum of their respective Excess Rights Units applied for.

In the event of there being any balance Excess Rights Units which remain unallocated after steps (i), (ii), (iii) and (iv) are completed, steps (ii), (iii) and (iv) shall be repeated in the same sequence to allocate such remaining balance of the Excess Rights Units to the Excess Rights Units applicants other than GLME until all the Excess Rights Units applied for by Other Entitled Unitholders and any renounee(s) and transferee(s) are fully allocated. In the event of there being any balance Rights Units which are unsubscribed after the completion of the aforesaid Excess Rights Unit allocation process (“**Balance Unsubscribed Rights Units**”), such Balance Unsubscribed Rights Units shall be allocated to GLME’s Excess Rights Units application pursuant to its Additional Undertaking.

Nevertheless, the Board reserves the right to allot any Excess Rights Units applied for in such manner as it deems fit, expedient and in the best interests of Tower REIT subject always to such allocation being made on a fair and equitable basis, and that the intention of the Board as set out in steps (i) to (iv) above is achieved.

10.9.2 By way of RSF

If you, your renounee(s)/transferee(s) (if applicable) wish to apply for additional Rights Units in excess of your entitlement, you may also do so by completing Part I(B) of the RSF (in addition to Part I(A) and Part II) in accordance with the notes and instructions contained in the RSF. Send each completed and signed RSF together with a **separate remittance in RM** for the full and exact amount payable for the Excess Rights Units applied in the reply enveloped enclosed with this Abridged Prospectus, by mode of despatch of your choice (at your own risk) to our Registrar.

The completed and signed RSF, together with the accompanying application monies, must arrive not later than **5.00 p.m.** on the Closing Date.

The minimum number of Excess Rights Units that can be applied for is 1 Rights Unit. However, you should note that a trading board lot comprises of 100 Rights Units.

Payment for the Excess Rights Units applied for must be made in the same manner described in **Section 10.5** of this Abridged Prospectus, except that the banker’s drafts or cashier’s orders or money orders or postal orders drawn on a bank or post office in Malaysia must be made payable to “**TOWER REIT EXCESS RIGHTS APPLICATION ACCOUNT**”, crossed “**A/C PAYEE ONLY**” and endorsed on the reverse side with your name and address in block letters, contact number and your CDS Account Number.

The payment must be made for the full and exact amount payable for the Excess Rights Units applied. Any application accompanied by excess or insufficient payment or payment other than in the manner prescribed in this Abridged Prospectus may or may not be accepted at the absolute discretion of the Board.

YOU SHOULD NOTE THAT ALL RSF LODGED WITH OUR REGISTRAR ARE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN.

PROOF OF TIME OF POSTAGE WILL NOT CONSTITUTE PROOF OF TIME OF RECEIPT BY OUR REGISTRAR. NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE RSF OR THE ACCOMPANYING APPLICATION MONIES FOR THE EXCESS RIGHTS UNITS.

WHERE AN APPLICATION FOR THE EXCESS RIGHTS UNITS IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.

10.9.3 By way of e-Subscription

You and/or your renounee(s)/transferee(s) (if applicable), may apply for the Excess Rights Units via e-Subscription in addition to your Provisional Rights Units. If you wish to do so, you may apply for the Excess Rights Units by following the same steps as set out in **Section 10.5.2** of this Abridged Prospectus.

The e-Subscription for excess Rights Units will be made on, and subject to, the same terms and conditions appearing in **Section 10.5.2** of this Abridged Prospectus. It is the intention of the Board to allocate the Excess Rights Units, if any, on a fair and equitable basis and in the priority and basis as detailed in **Section 10.9.1** of this Abridged Prospectus.

WHERE AN APPLICATION FOR THE EXCESS RIGHTS UNITS IS NOT ACCEPTED OR IS ACCEPTED IN PART ONLY, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE CREDITED INTO YOUR BANK ACCOUNT IF YOU HAVE PROVIDED SUCH BANK ACCOUNT INFORMATION TO BURSA DEPOSITORY. IF YOU HAVE NOT PROVIDED SUCH BANK ACCOUNT INFORMATION TO BURSA DEPOSITORY THE REFUND WILL BE BY ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.

10.10 Form of issuance

Bursa Securities has already prescribed the securities of Tower REIT listed on the Main Market of Bursa Securities and to be deposited with Bursa Depository. Accordingly, the Provisional Rights Units and Rights Units are prescribed securities and as such, all dealings in the Provisional Rights Units and Rights Units will be by book entries through CDS Accounts and will be subject to the SICDA and the Rules of Bursa Depository.

Failure to comply with the specific instructions for application or inaccuracy in the CDS Account number may result in your application being rejected.

Your subscription for the Rights Units shall signify your consent to receiving such Rights Units as deposited securities that will be credited directly into your CDS Account. No physical Units certificates will be issued to you under the Rights Issue. All Excess Rights Units allotted shall also be credited directly into the CDS Account of successful applicants.

10.11 Foreign-Addressed Unitholders

The Documents have not been (and will not be) made to comply with the laws of any foreign country or jurisdiction other than Malaysia, and have not been (and will not be) lodged, registered or approved under any legislation (or with or by any regulatory authorities or other relevant bodies) of any foreign country or jurisdiction. The Rights Issue will not be made or offered for subscription in any foreign country or jurisdiction other than Malaysia.

The distribution of this Abridged Prospectus, the NPA and the RSF, as well as the acceptance of the Provisional Rights Units and the subscription for or the acquisition of the Rights Units may be restricted or prohibited (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain countries or jurisdiction under the relevant laws of those countries or jurisdictions.

This Abridged Prospectus, the NPA and the RSF are not intended to be (and will not be) issued, circulated or distributed and the Rights Issue will not be made or offered or deemed made or offered for acquisition or subscription of any Rights Units, in any country or jurisdiction other than Malaysia or to persons who are or may be subject to the laws of any country or jurisdiction other than the laws of Malaysia. The Rights Issue to which this Abridged Prospectus relates is only available to Entitled Unitholders receiving this Abridged Prospectus, the NPA and the RSF electronically or otherwise within Malaysia.

As a result, this Abridged Prospectus, the NPA and the RSF have not been (and will not be) sent to Foreign-Addressed Unitholders. However, Foreign-Addressed Unitholders may collect this Abridged Prospectus, the NPA and the RSF from our Registrar, who will be entitled to request such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting this Abridged Prospectus, the NPA and the RSF.

Our Manager and/or the Board will not make or be bound to make any enquiry as to whether you have a registered address in Malaysia or an address for service in Malaysia if not otherwise stated on the Record of Depositors as at the Entitlement Date and will not accept or be deemed to accept any liability whether or not any enquiry or investigation is made in connection therewith. Our Manager and/or the Board will assume that the Rights Issue and the acceptance thereof by you would be in compliance with the terms and conditions of the Rights Issue and would not be in breach of the laws of any jurisdiction. Our Manager and/or the Board will further assume that you had accepted the Rights Issue in Malaysia and will at all applicable times be subject to the laws of Malaysia.

A Foreign-Addressed Unitholder and/or his renounee(s)/transferee(s) (if applicable) may only accept or renounce all or any part of his/their entitlements and exercise any other rights in respect of the Rights Issue only to the extent that it would be lawful to do so, and our Manager and/or the Board as well as the officers, HLIB and/or the advisers named herein ("**Parties**") would not, in connection with the Rights Issue, be in breach of the laws of any country or jurisdiction to which the Foreign-Addressed Unitholder and/or his renounee(s)/transferee(s) (if applicable) is or might be subject to.

The Foreign-Addressed Unitholder and/or his renounee(s)/transferee(s) (if applicable) shall be solely responsible to seek advice from his/their legal and/or professional advisers as to whether the acceptance or renunciation in any manner whatsoever of his entitlement under the Rights Issue would result in the contravention of the laws of the countries or jurisdictions to which he/they is/are or might be subject to. The Parties shall not accept any responsibility or liability in the event any acceptance or renunciation made by any Foreign-Addressed Unitholder and/or his renounee(s)/transferee(s) (if applicable) is or shall become unlawful, unenforceable, voidable or void in any such country or jurisdiction. The Foreign-Addressed Unitholder and/or his renounee(s)/transferee(s) (if applicable) will also have no claims whatsoever against the Parties in respect of his/their entitlements or to any net proceeds thereof.

The Board reserves the right, in its absolute discretion, to treat any acceptances as invalid, if we believe that such acceptance may violate applicable legal or regulatory requirements. The Provisional Rights Units relating to any acceptance which is treated as invalid will be included in the pool of Rights Units available for excess application by other Entitled Unitholders and/or their renounee(s)/transferee(s).

Each person, by accepting the delivery of this Abridged Prospectus, the NPA and the RSF, or by accepting any Provisional Rights Units by signing any of the forms accompanying this Abridged Prospectus or subscribing for or acquiring the Rights Units, will be deemed to have represented, warranted, acknowledged and agreed in favour of (and which representations, warranties, acknowledgements and agreements will be relied upon by) the Parties as follows:

- (i) the Parties would not, by acting on the acceptance or renunciation in connection with the Rights Issue, be in breach of the laws of any jurisdiction to which the Foreign-Addressed Unitholder and/or his renounee(s)/transferee(s) (if applicable) is/are or might be subject to;
- (ii) the Foreign-Addressed Unitholder and/or his renounee(s)/transferee(s) (if applicable) has/have complied with the laws to which the Foreign-Addressed Unitholder and/or his renounee(s)/transferee(s) is/are or might be subject to in connection with the acceptance or renunciation of the Provisional Rights Units;
- (iii) the Foreign-Addressed Unitholder and/or his renounee(s)/transferee(s) (if applicable) is/are not a nominee or agent of a person in respect of whom the Parties would, by acting on the acceptance or renunciation of the Provisional Rights Units, be in breach of the laws of any jurisdiction to which that person is or might be subject to;
- (iv) the Foreign-Addressed Unitholder and/or his renounee(s)/transferee(s) (if applicable) is/are aware that the Rights Units can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged or dealt with in any other way in accordance with all applicable laws in Malaysia;
- (v) the Foreign-Addressed Unitholder and/or his renounee(s)/transferee(s) (if applicable) has/have obtained a copy of this Abridged Prospectus and has/have read and understood the contents of this Abridged Prospectus, has/have had access to such financial and other information and has/have been provided the opportunity to ask such questions to the representatives of the Parties and receive answers thereto as the Foreign-Addressed Unitholder and/or his renounee(s)/transferee(s) deem(s) necessary in connection with the Foreign-Addressed Unitholder and/or his transferee and/or his renounee's decision to subscribe for or purchase the Rights Units; and
- (vi) the Foreign-Addressed Unitholder and/or his renounee(s)/transferee(s) (if applicable) has/have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Units, and is/are and will be able, and is/are prepared to bear the economic and financial risks of investing in and holding the Rights Units.

NOTWITHSTANDING ANYTHING HEREIN, THE FOREIGN-ADDRESSED UNITHOLDERS AND ANY OTHER PERSON HAVING POSSESSION OF THIS ABRIDGED PROSPECTUS AND/OR ITS ACCOMPANYING DOCUMENTS ARE ADVISED TO INFORM THEMSELVES OF AND TO OBSERVE ANY LEGAL REQUIREMENTS APPLICABLE TO THEM. NO PERSON IN ANY TERRITORY OUTSIDE OF MALAYSIA RECEIVING THIS ABRIDGED PROSPECTUS AND/OR ITS ACCOMPANYING DOCUMENTS MAY TREAT THE SAME AS AN OFFER, INVITATION OR SOLICITATION TO SUBSCRIBE FOR OR ACQUIRE ANY RIGHTS UNITS UNLESS SUCH OFFER, INVITATION OR SOLICITATION COULD LAWFULLY BE MADE WITHOUT COMPLIANCE WITH ANY REGISTRATION OR OTHER REGULATORY OR LEGAL REQUIREMENTS ON SUCH TERRITORY.

THE BOARD RESERVES THE RIGHT, IN THEIR ABSOLUTE DISCRETION, TO TREAT ANY ACCEPTANCE AS INVALID IF THEY BELIEVE THAT SUCH ACCEPTANCE MAY VIOLATE APPLICABLE LEGAL OR REGULATORY REQUIREMENTS. THE PROVISIONAL RIGHTS UNITS RELATING TO ANY ACCEPTANCE WHICH IS TREATED AS INVALID WILL BE INCLUDED IN THE POOL OF EXCESS RIGHTS UNITS AVAILABLE FOR EXCESS APPLICATION BY THE OTHER ENTITLED UNITHOLDERS AND THEIR RENOUNCESS AND TRANSFEREES (IF APPLICABLE). YOU AND YOUR RENOUNCESS AND TRANSFEREES (IF APPLICABLE) WILL ALSO HAVE NO CLAIMS WHATSOEVER AGAINST THE PARTIES IN RESPECT OF YOUR AND YOUR RENOUNCESS' AND TRANSFEREES' (IF APPLICABLE) ENTITLEMENTS UNDER THE RIGHTS ISSUE OR TO ANY NET PROCEEDS THEREOF.

11. TERMS AND CONDITIONS

The issuance of the Rights Units pursuant to the Rights Issue is governed by the terms and conditions as set out in this Abridged Prospectus, the NPA and RSF enclosed herewith.

12. FURTHER INFORMATION

You are requested to refer to the enclosed appendices in this Abridged Prospectus for further information.

Yours faithfully,
For and on behalf of the Board of
GLM REIT MANAGEMENT SDN BHD
(The Manager of Tower Real Estate Investment Trust)


NOORBAIZURA BINTI HERMEYNEY
Executive Director

INFORMATION ON TOWER REIT

1. BOARD OF DIRECTORS

The details of the Board as at the LPD are set out in the table below:

Name	Designation	Nationality
Tang Hong Cheong	Chairman; Non-Executive Director / Non-Independent	Malaysian
Cheng Hsing Yao (Zheng Xinyao)	Non-Executive Director / Non-Independent	Singaporean
Noorbaizura binti Hermeyney	Executive Director / Non-Independent	Malaysian
YBhg Dato' Tan Ang Meng	Non-Executive Director / Independent	Malaysian
Lim Tau Kien	Non-Executive Director / Independent	Malaysian

2. UNITHOLDERS' CAPITAL

As at the LPD, the issued unitholders' capital of Tower REIT is RM285,345,000 comprising of 280,500,000 Units.

3. UNITHOLDINGS OF THE SUBSTANTIAL UNITHOLDERS OF TOWER REIT

The details of the Substantial Unitholders of Tower REIT and the proforma effects of the Rights Issue on the Substantial Unitholders' unitholdings based on the Record Depositors of Tower REIT as at the LPD are set out in **Section 8.4** of this Abridged Prospectus.

4. UNITHOLDINGS OF SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY PERSONNEL OF OUR MANAGER

Save as disclosed below, none of the substantial shareholders, Directors and key personnel of our Manager have any direct and/or indirect unitholdings in Tower REIT as at the LPD. The pro forma effects of the Rights Issue on the unitholdings of a Director and the substantial shareholders of our Manager in Tower REIT based on Scenarios 1 and 2 are as follows:

INFORMATION ON TOWER REIT (CONT'D)

Scenario 1

	As at the LPD				After the Rights Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Units	(1)%	No. of Units	(1)%	No. of Units	(2)%	No. of Units	(2)%
	'000		'000		'000		'000	
Director of our Manager								
YBhg Dato' Tan Ang Meng	33	0.01	-	-	33	0.01	-	-
Substantial shareholders of our Manager								
GuocoLand	-	-	60,769	*21.66	-	-	261,087	*53.19
GuoLine Capital Assets Limited	-	-	138,927	**49.53	-	-	339,245	**69.11
GuoLine Overseas Limited	-	-	138,927	**49.53	-	-	339,245	**69.11
Guoco Group Limited	-	-	138,927	**49.53	-	-	339,245	**69.11
GuocoLand Assets Pte Ltd	-	-	60,769	*21.66	-	-	261,087	*53.19
GuocoLand Limited	-	-	60,769	*21.66	-	-	261,087	*53.19
GLL (Malaysia) Pte Ltd	-	-	60,769	*21.66	-	-	261,087	*53.19
Tan Sri Quek Leng Chan	-	-	152,336	**54.31	-	-	362,711	**73.89
Kwek Leng Beng	-	-	152,336	**54.31	-	-	362,711	**73.89
Kwek Holdings Pte Ltd	-	-	152,336	**54.31	-	-	362,711	**73.89
Hong Realty (Private) Limited	-	-	152,336	**54.31	-	-	362,711	**73.89
Hong Leong Investment Holdings Pte Ltd	-	-	152,336	**54.31	-	-	362,711	**73.89
Kwek Leng Kee	-	-	152,336	**54.31	-	-	362,711	**73.89
Davos Investment Holdings Private Limited	-	-	152,336	**54.31	-	-	362,711	**73.89
Quek Leng Chye	-	-	152,336	**54.31	-	-	362,711	**73.89

Notes:

(1) Based on the total Unitholders' capital of 280,500,000 Units as at the LPD.

(2) Based on the enlarged total Unitholders' capital of 490,875,000 Units after the Rights Issue.

* Held through GLME.

** Held through subsidiaries and companies in which the substantial shareholder of our Manager has an interest.

INFORMATION ON TOWER REIT (CONT'D)

Scenario 2

	As at the LPD				After the Rights Issue			
	Direct		Indirect		Direct		Indirect	
	No. of Units	(1)%	No. of Units	(1)%	No. of Units	(2)%	No. of Units	(2)%
	'000		'000		'000		'000	
Director of our Manager								
YBhg Dato' Tan Ang Meng	33	0.01	-	-	58	0.01	-	-
Substantial shareholders of our Manager								
GuocoLand	-	-	60,769	*21.66	-	-	106,345	*21.66
GuoLine Capital Assets Limited	-	-	138,927	**49.53	-	-	243,122	**49.53
GuoLine Overseas Limited	-	-	138,927	**49.53	-	-	243,122	**49.53
Guoco Group Limited	-	-	138,927	**49.53	-	-	243,122	**49.53
GuocoLand Assets Pte Ltd	-	-	60,769	*21.66	-	-	106,345	*21.66
GuocoLand Limited	-	-	60,769	*21.66	-	-	106,345	*21.66
GLL (Malaysia) Pte Ltd	-	-	60,769	*21.66	-	-	106,345	*21.66
Tan Sri Quek Leng Chan	-	-	152,336	**54.31	-	-	266,588	**54.31
Kwek Leng Beng	-	-	152,336	**54.31	-	-	266,588	**54.31
Kwek Holdings Pte Ltd	-	-	152,336	**54.31	-	-	266,588	**54.31
Hong Realty (Private) Limited	-	-	152,336	**54.31	-	-	266,588	**54.31
Hong Leong Investment Holdings Pte Ltd	-	-	152,336	**54.31	-	-	266,588	**54.31
Kwek Leng Kee	-	-	152,336	**54.31	-	-	266,588	**54.31
Davos Investment Holdings Private Limited	-	-	152,336	**54.31	-	-	266,588	**54.31
Quek Leng Chye	-	-	152,336	**54.31	-	-	266,588	**54.31

Notes:

(1) Based on the total Unitholders' capital of 280,500,000 Units as at the LPD.

(2) Based on the enlarged total Unitholders' capital of 490,875,000 Units after the Rights Issue.

* Held through GLME.

** Held through subsidiaries and companies in which the substantial shareholder of our Manager has an interest.

INFORMATION ON TOWER REIT (CONT'D)

5. HISTORICAL FINANCIAL INFORMATION

Our audited financial statements for the past 3 FYEs 30 June 2021, 30 June 2022 and 30 June 2023 and our latest published unaudited interim financial statements for 6-month FPE 31 December 2023 together with the relevant notes are disclosed in the following documents which have been published on the website of Bursa Securities (www.bursamalaysia.com):

	<u>Pages</u>
Our annual report for the FYE 30 June 2021:	
Statement of financial position	66 to 67
Statement of comprehensive income	68
Statement of changes in net asset value	69
Statement of cash flows	70 to 71
Notes to the financial statements	72 to 105
Our annual report for the FYE 30 June 2022:	
Statement of financial position	68 to 69
Statement of comprehensive income	70
Statement of changes in net asset value	71
Statement of cash flows	72 to 73
Notes to the financial statements	74 to 106
Our annual report for the FYE 30 June 2023:	
Statement of financial position	71 to 72
Statement of comprehensive income	73
Statement of changes in net asset value	74
Statement of cash flows	75 to 76
Notes to the financial statements	77 to 108
Our condensed financial statements for the second quarter ended 31 December 2023:	
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 to 13

Each of the abovementioned financial statements are incorporated by reference to this Abridged Prospectus and forms part of this Abridged Prospectus.

INFORMATION ON TOWER REIT (CONT'D)

Financial commentaries:**FYE 30 June 2022 compared to FYE 30 June 2021**

In the FYE 30 June 2022, our gross revenue increased to RM32.61 million from RM31.85 million in the FYE 30 June 2021, representing an increase of approximately 2.4%. This was mainly due to the full recognition of the revenue generated from Guoco Tower during the FYE 30 June 2022, partially offset by the lower occupancy and rental rates from Plaza Zurich.

However, we recorded a lower realised income after taxation of RM5.71 million as compared to RM6.20 million in the FYE 30 June 2021, representing a decrease of approximately 7.9%. This was mainly due to an increase in interest expenses as a result of the full year's loan interest incurred arising from the acquisition of Guoco Tower and the increase in interest rate.

Our total asset value and NAV before income distribution as at 30 June 2022 both decreased marginally as compared to 30 June 2021, from RM827.13 million to RM827.08 million and from RM522.11 million to RM521.36 million respectively.

FYE 30 June 2023 compared to the FYE 30 June 2022

In the FYE 30 June 2023, we recorded a gross revenue of RM33.87 million, representing an increase of approximately 3.9%. This was mainly due to higher occupancy rates in Menara HLX and Plaza Zurich.

However, we recorded a significantly lower realised income after taxation of RM1.78 million, representing a decrease of approximately 68.8%. This was due to higher property operating expenses arising from higher electricity cost following the tariff hike, higher housekeeping cost with the increase in minimum wages and higher commission paid reflecting the increased occupancy achieved. Furthermore, we experienced an increase in interest expense from RM9.54 million during the preceding financial year to RM12.06 million due to the increase in the interest rate.

The investment properties recorded a revaluation deficit of RM21.5 million compared to a revaluation surplus of RM0.2 million in the FYE 30 June 2022. This has contributed to a total comprehensive loss of RM17.6 million compared to a gain in comprehensive income of RM5.9 million in the FYE 30 June 2022.

Following the above, the total asset value declined from RM827.08 million as at 30 June 2022 to RM808.23 million as at 30 June 2023. In addition, the NAV before income distribution also declined from RM521.36 million as at 30 June 2022 to RM501.07 million as at 30 June 2023.

6-month for the FPE 31 December 2023 compared to 6-month for the FPE 31 December 2022

We recorded a gross revenue of RM18.14 million for the 6-month FPE 31 December 2023, representing an increase of 9.2% as compared to the previous corresponding period of RM16.61 million. This was mainly due to higher occupancy rates achieved in Guoco Tower, Plaza Zurich and Menara HLX.

However, we recorded income before tax of RM0.70 million for the 6-month FPE 31 December 2023 as compared to RM0.96 million during the previous corresponding period, representing a decrease of approximately 27.08%. This was mainly due to the increase in property operating expenses arising from the higher electricity tariff and the increase in interest expense arising from the hike in interest rate.

INFORMATION ON TOWER REIT (CONT'D)

6. HISTORICAL UNIT PRICES

The monthly highest and lowest transacted market prices of the Units on Bursa Securities for the past 12 months from April 2023 to March 2024 are as follows:

	<u>High</u>	<u>Low</u>
	RM	RM
<u>2023</u>		
April	0.48	0.43
May	0.44	0.43
June	0.445	0.41
July	0.445	0.415
August	0.445	0.395
September	0.415	0.395
October	0.415	0.39
November	0.40	0.375
December	0.385	0.36
<u>2024</u>		
January	0.37	0.35
February	0.375	0.35
March	0.37	0.34

The last transacted market price of the Units on 12 December 2023, being the last market day immediately prior to the announcement of the Corporate Exercises (**RM**)

0.375

The last transacted market price of the Units on 26 April 2024, being the last market day immediately prior to the ex-date for the Rights Issue (**RM**)

0.315

The last transacted market price of the Units as at the LPD (**RM**)

0.35

(Source: Bloomberg)

7. OPTION TO SUBSCRIBE FOR UNITS

As at the LPD, save for the Provisional Allotments and Excess Rights Units, no option to subscribe for the Units has been granted or is entitled to be granted to any person.

8. MATERIAL CONTRACTS

The Trustee, on behalf of Tower REIT, has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within 2 years immediately preceding the date of this Abridged Prospectus.

INFORMATION ON TOWER REIT (CONT'D)

9. MATERIAL LITIGATION

9.1 Tower REIT

Save as disclosed below, as at the LPD, there are no material litigation, claims or arbitration, either as plaintiff or defendant, which has a material and adverse effect on the financial position of Tower REIT, and the Board confirms that there are no proceedings pending or threatened against Tower REIT, or of any facts likely to give rise to any proceedings which has or would have a material and adverse effect on the financial position of Tower REIT.

Kuala Lumpur Court of Appeal Suit No.: W-01(A)-727-12/2021

Ketua Pengarah Hasil Dalam Negeri / IRBM (as the appellant) v Tower REIT (as the respondent)

On 19 November 2021, the High Court delivered its decision in favour of Tower REIT and dismissed the appeal by the IRBM against the Special Commissioners of Income Tax's decision on the assessment of real property gains tax ("RPGT") in relation to the disposal of Menara ING in year 2014. The amount of claim (or RPGT involved) is RM2.4 million.

The IRBM has on 7 December 2021, appealed to the Court of Appeal against the decision of the High Court. The IRBM has subsequently on 5 March 2024 withdrawn the appeal against the decision of the High Court.

9.2 The Manager

As at the LPD, there are no material litigation, claims and/or arbitration, either as plaintiff or defendant, which has a material adverse effect on the financial position or the business of our Manager, and the Board confirms that there are no proceedings pending or threatened against our Manager, nor any facts likely to give rise to any proceedings, which may materially or adversely affect the financial position or business of the Manager.

9.3 The Trustee

Save as disclosed below, as at the LPD, there are no material litigation, claims or arbitration, either as plaintiff or defendant, which has a material and adverse effect on the financial position or business of the Trustee, and the Board confirms that there are no proceedings pending or threatened against the Trustee, nor any facts likely to give rise to any proceedings, which may materially or adversely affect the financial position or business of the Trustee:

Kuala Lumpur High Court Suit No. WA-22NCvC-156-03/2022

Ling Ngong Hiang (as the plaintiff) v MTrustee Berhad (as the defendant)

On 21 March 2022, Ling Ngong Hiang had filed an action on behalf of himself and a group of investors against the Trustee, claiming for damages of approximately RM357,870,098.00. The claim is in respect of an alleged breach of trust by the Trustee in connection with the Golden Palm Growers Scheme, an interest scheme for which the Trustee was the appointed trustee.

On 22 December 2022, the High Court allowed the application of the Trustee to strike out the plaintiff's claim with costs of RM15,000.00, subject to payment of the allocator fee. The plaintiff appealed against the decision of the High Court and on 27 October 2023, the Court of Appeal allowed the plaintiff's appeal with costs of RM25,000.00, subject to payment of the allocator fee. The Court of Appeal remitted the matter to the High Court.

The matter is fixed for trial on 28, 29 and 30 October 2024.

INFORMATION ON TOWER REIT (CONT'D)

Kuala Lumpur High Court Suit No.: WA-22NCvC-771-10/2023**Lee Wee Kwan & Anor (as plaintiffs) v Golden Palm Growers Berhad & 9 Ors (as defendants)**

On 2 August 2023, Lee Wee Kwan and Suganthan a/l Sumelingam had filed an action on behalf of themselves and a group of investors against, amongst others, the Trustee, claiming for damages, exemplary damages and/or aggravated damages to be assessed by the Court. The claim is in respect of an alleged breach of trust by the Trustee in connection with the Golden Palm Growers Scheme, an interest scheme for which the Trustee was the appointed trustee.

The Trustee had filed its defence on 3 October 2023. On 13 December 2023, the Trustee filed an application to strike out the plaintiffs' claim on the grounds that the plaintiffs' claim, amongst others, is barred by limitation and is an abuse of the Court's process. All other defendants have also filed their respective applications to strike out the claim against them. The striking out application of the Trustee is fixed for hearing on 13 May 2024.

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ADDITIONAL INFORMATION

1. CONSENTS

The written consents of our Principal Adviser, Solicitors, Company Secretary, Registrar and Trustee for the inclusion in this Abridged Prospectus of their names and all references thereto in the form and context in which they appear have been given before the issuance of this Abridged Prospectus and have not been subsequently withdrawn.

The written consent of Bloomberg for the inclusion in this Abridged Prospectus of its name and citation of the market data made available to its subscribers in the form and context in which such name and market data appear has been given before the issuance of this Abridged Prospectus and has not been subsequently withdrawn.

2. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Registered Office of our Manager at Level 32, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur during normal office hours from Mondays to Fridays (except public holidays) for a period of 6 months from the date of this Abridged Prospectus:

- (i) the letters of consent as set out in **Section 1** of this **Appendix II**;
- (ii) the Undertakings as defined in the definitions section of this Abridged Prospectus; and
- (iii) the cause papers for the material litigation as set out in **Section 9 of Appendix I**.

3. RESPONSIBILITY STATEMENT

The Board has seen and approved this Abridged Prospectus, together with the NPA and RSF, and they collectively and individually accept full responsibility for the completeness and accuracy of the information contained therein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make any statement in these documents false or misleading.

HLIB, being the Principal Adviser for the Rights Issue, acknowledges that, based on all available information and to the best of its knowledge and belief, this Abridged Prospectus constitutes full and true disclosure of all material facts concerning the Rights Issue.

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