

OTHERS TOWER REAL ESTATE INVESTMENT TRUST ("TOWER REIT") PROPOSED AMENDMENTS

TOWER REAL ESTATE INVESTMENT TRUST

Type	Announcement
Subject	OTHERS
Description	TOWER REAL ESTATE INVESTMENT TRUST ("TOWER REIT") PROPOSED AMENDMENTS

On behalf of the Board of Directors of GLM REIT Management Sdn Bhd ("**Manager**"), Hong Leong Investment Bank Berhad wishes to announce that the Manager proposes to amend and restate the principal deed dated 17 February 2006 entered into between the Manager and MTrustee Berhad constituting Tower REIT (as amended and restated by the restated deed dated 29 May 2014) ("**Proposed Amendments**").

Please refer to the attachment for the full text of the announcement in relation to the Proposed Amendments.

This announcement is dated 25 July 2019.

Please refer attachment below.

Attachments



[Tower REIT - Proposed Amendments.pdf](#)

104.1 kB

Announcement Info

Company Name	TOWER REAL ESTATE INVESTMENT TRUST
Stock Name	TWRREIT
Date Announced	25 Jul 2019
Category	General Announcement for PLC
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TOWER REAL ESTATE INVESTMENT TRUST (“TOWER REIT”)

PROPOSED AMENDMENTS TO THE PRINCIPAL DEED DATED 17 FEBRUARY 2006 ENTERED INTO BETWEEN GLM REIT MANAGEMENT SDN BHD (“MANAGER”) AND MTRUSTEE BERHAD (“TRUSTEE”) CONSTITUTING TOWER REIT (AS AMENDED AND RESTATED BY THE RESTATED DEED DATED 29 MAY 2014) (“DEED”) (“PROPOSED AMENDMENTS”)

1. INTRODUCTION

On behalf of the Board of Directors of the Manager (“**Board**”), Hong Leong Investment Bank Berhad wishes to announce that the Manager proposes to amend and restate the Deed by way of a second restated deed to be entered into between the Manager and the Trustee (“**Second Restated Deed**”).

2. DETAILS OF THE PROPOSED AMENDMENTS

The Manager proposes to amend and restate the Deed in its entirety by way of the Second Restated Deed, which entails the following amendments:

- (i) to align the Deed with the Guidelines on Listed Real Estate Investment Trusts issued by the Securities Commission Malaysia (“**SC**”) (effective 9 April 2018 and updated on 18 June 2019), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (updated as at 3 June 2019) and the Capital Markets and Services Act 2007 (updated as at 5 April 2018) (“**CMSA**”) (collectively, the “**Applicable Requirements**”) (“**Proposed Deed Amendments**”); and
- (ii) to amend the investment objective of Tower REIT to include investment in residential and industrial properties (“**Proposed Objective Amendment**”) as follows:

<u>Existing clause in the Deed</u>	<u>Proposed amendment in the Second Restated Deed</u>
“The objective of the Trust is:- to invest primarily in a portfolio of quality office buildings and commercial properties in order to: (1) provide Unitholders with regular and stable distributions; and (2) achieve medium to long-term growth in the Net Asset Value per Unit.”	“The objective of the Trust is:- to invest primarily in a portfolio of real estate including quality office buildings, and commercial properties, residential properties and industrial properties in order to: (1) provide Unitholders with regular and stable distributions; and (2) achieve medium to long-term growth in the Net Asset Value per Unit.”

3. RATIONALE FOR THE PROPOSED AMENDMENTS

The Proposed Deed Amendments are intended to align the Deed with the Applicable Requirements.

The Proposed Objective Amendment aims to diversify the portfolio of Tower REIT to include residential and industrial properties for its future acquisitions. This is in line with the intention of the Manager to grow the distributable income and enhance returns to the unitholders of Tower REIT by exploring investment opportunities in the residential and industrial property markets with long term growth potential.

4. EFFECTS OF THE PROPOSED AMENDMENTS

The Proposed Amendments will not have any effect on the issued unitholders' capital and major unitholders' unitholdings in Tower REIT.

In addition, the Proposed Amendments will not have any material effect on the net asset value, net asset value per unit, gearing, earnings and earnings per unit of Tower REIT after taking into consideration the estimated expenses in relation to the Proposed Amendments.

5. APPROVALS REQUIRED

The Proposed Deed Amendments are not subject to the approval of the unitholders of Tower REIT as the Proposed Deed Amendments are necessary to comply with the Applicable Requirements. Pursuant to Section 295(4)(b) of the CMSA, the Manager and the Trustee are to issue a written statement each to certify that the Proposed Deed Amendments:

- (i) do not materially prejudice the interests of the unitholders of Tower REIT; and
- (ii) do not operate to release the Manager or the Trustee from any responsibility to the unitholders of Tower REIT.

The Proposed Objective Amendment is subject to approval being obtained from the unitholders of Tower REIT comprising not less than two-thirds (2/3) of all unitholders present at a unitholders' meeting to be convened.

Upon obtaining the approval of the unitholders of Tower REIT for the Proposed Objective Amendment, the Manager and the Trustee will enter into the Second Restated Deed. Thereafter, the Second Restated Deed will be registered and lodged with the SC, and will be deemed effective from the date of registration with the SC.

6. INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS OF THE MANAGER, MAJOR UNITHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the Directors and major shareholders of the Manager, major unitholders of Tower REIT and/or persons connected with them have any interest, directly or indirectly, in the Proposed Amendments.

7. DIRECTORS' STATEMENT

The Board, having considered and deliberated on all aspects of the Proposed Amendments, is of the opinion that the Proposed Amendments are in the best interest of Tower REIT.

8. PRINCIPAL ADVISER

Hong Leong Investment Bank Berhad has been appointed as the Principal Adviser for the Proposed Amendments.

9. ESTIMATED TIME FRAME FOR COMPLETION

Barring any unforeseen circumstances, the Proposed Amendments are expected to be completed by the 4th quarter of 2019.

This announcement is dated 25 July 2019.