

# Lippo Malls Indonesia Retail Trust

4Q 2019 Results Presentation  
19 February 2020



# Disclaimer

Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. These forward-looking statements reflect our current views with respect to future events and financial performance and are subject to certain risks and uncertainties, which could cause actual results to differ materially from historical results or those anticipated.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in the Indonesian retail industry including those factors which may affect our ability to attract and retain suitable tenants, our ability to manage our operations, reduced demand for retail spaces, our ability to successfully complete and integrate potential acquisitions, liability for damages on our property portfolios, the success of the retail malls and retail spaces we currently own, withdrawal of tax incentives, political instability, and legal restrictions on raising capital or acquiring real property in Indonesia. In addition to the foregoing factors, a description of certain other risks and uncertainties which could cause actual results to differ materially can be found in the section captioned "Risk Factors" in our preliminary prospectus lodged with the Monetary Authority of Singapore on 19 October 2007. Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be attained.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events. We undertake no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise. The value of units in LMIRT ("Units") and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, LMIRT Management Ltd, as manager of LMIR Trust (the "Manager") or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of LMIRT is not necessarily indicative of the future performance of LMIRT.



# **Financial Highlights**

Portfolio Performance

# Key Highlights

S\$'000	4Q 2019	4Q 2018	% Change	FY 2019	FY 2018	% Change
<b>Gross Rental Income (GRI)</b>	39,527	36,560	8.1	155,259	155,215	-
<b>Total Gross Revenue<sup>1</sup></b>	69,573	63,695	9.2	273,001	230,299	18.5
<b>Net Property Income (NPI)</b>	47,596	38,402	23.9	176,205	164,967	6.8
<b>Income Available for Distribution to Unitholders</b>	16,694	8,685	92.2	68,250	58,415	16.8
<b>Distribution to Unitholders<sup>2,3</sup></b>	15,094	8,685	73.8	64,850	58,415	11.0
<b>DPU (Singapore cents)</b>	0.52	0.30	73.3	2.23	2.05	8.8

- GRI grew 8.1% YoY on positive rental reversion of 4.4% and improved exchange rate of IDR vs SGD of 2.4%
- Total gross revenue climbed 9.2% YoY with first full year of internalisation of service and utilities recovery charges and better reversion in 4Q 2019
- NPI rose 23.9% on lower total property operating expenses through more efficient cost management and lower allowance for doubtful debt

1. Total Gross Revenue includes Gross Rental Income, Carpark Income, Service Charge and Utilities Recovery and Other Rental Income
2. The master leases in Lippo Mall Kemang ("LMK") expired on 16 December 2019. Consequently the net property income attributed to LMK reduced by approximately S\$0.6 million from the period 17 December 2019 to 31 December 2019, after taking into consideration of the loss in revenue, savings on property management fee and the income tax for the period without master leases
3. S\$1.6 million retained in 4Q 2019 from the Income Available for Distribution to Unitholders for capital management and ensuring overall stability of distributions

# Key Financial Performance

	S\$'000		% Change	Rp'million		% Change
	4Q 2019	4Q 2018		4Q 2019	4Q 2018	
Gross Rental Income	39,527	36,560	8.1	401,527	400,525	0.3
Carpark Income	4,307	4,417	(2.5)	43,679	48,435	(9.8)
Other Rental Income	1,008	367	n.m.	10,270	4,344	n.m.
Service Charge and Utilities Recovery	24,731	22,351	10.6	251,283	239,812	4.8
<b>Total Gross Revenue</b>	<b>69,573</b>	<b>63,695</b>	<b>9.2</b>	<b>706,759</b>	<b>693,116</b>	<b>2.0</b>
Property Management Fee	(1,989)	(1,956)	(1.7)	(20,204)	(21,365)	5.4
Property Operating and Maintenance Expenses	(19,450)	(20,931)	7.1	(197,345)	(224,224)	12.0
Other Property Operating Expenses	(538)	(2,406)	77.6	(5,106)	(26,596)	80.8
<b>Total Property Operating Expenses</b>	<b>(21,977)</b>	<b>(25,293)</b>	<b>13.1</b>	<b>(222,655)</b>	<b>(272,185)</b>	<b>18.2</b>
<b>Net Property Income</b>	<b>47,596</b>	<b>38,402</b>	<b>23.9</b>	<b>484,104</b>	<b>420,931</b>	<b>15.0</b>
<b>Income Available for Distribution to Unitholders</b>	<b>16,694</b>	<b>8,685</b>	<b>92.2</b>			
<b>Distribution to Unitholders</b>	<b>15,094</b>	<b>8,685</b>	<b>73.8</b>			
<b>Distribution Per Unit (cents)<sup>1</sup></b>	<b>0.52</b>	<b>0.30</b>	<b>73.3</b>			
Annualised Distribution Yield <sup>2</sup>	<b>9.9%</b>					

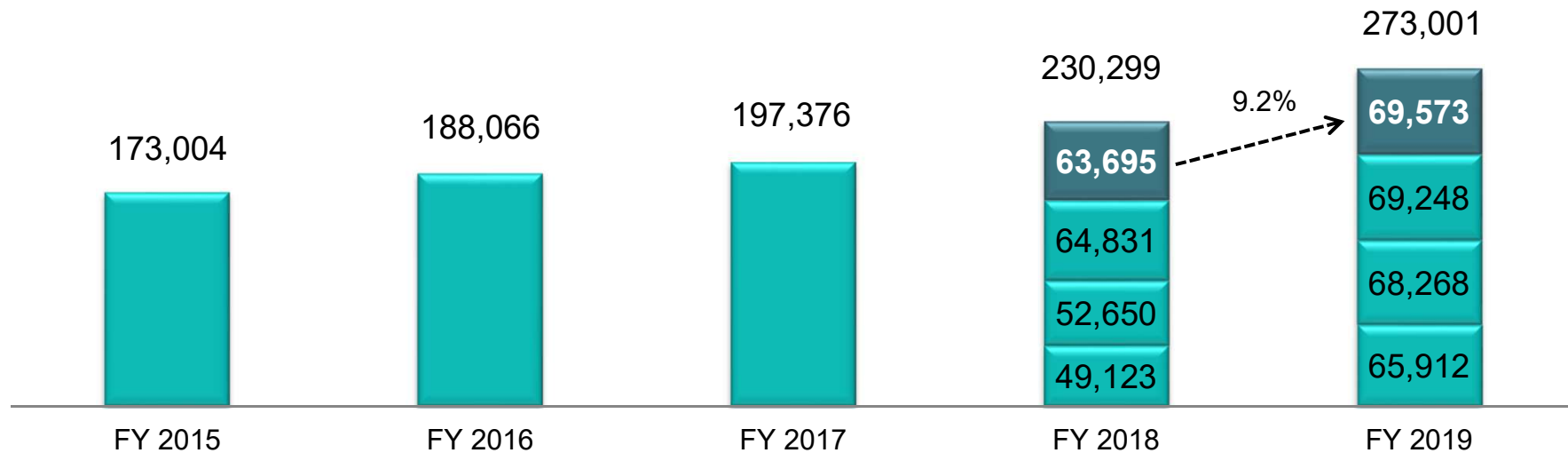
*Notes:*

1. Based on 2.895 billion units in issue as at 31 December 2019
2. Based on a closing price of S\$0.225 as at 31 December 2019

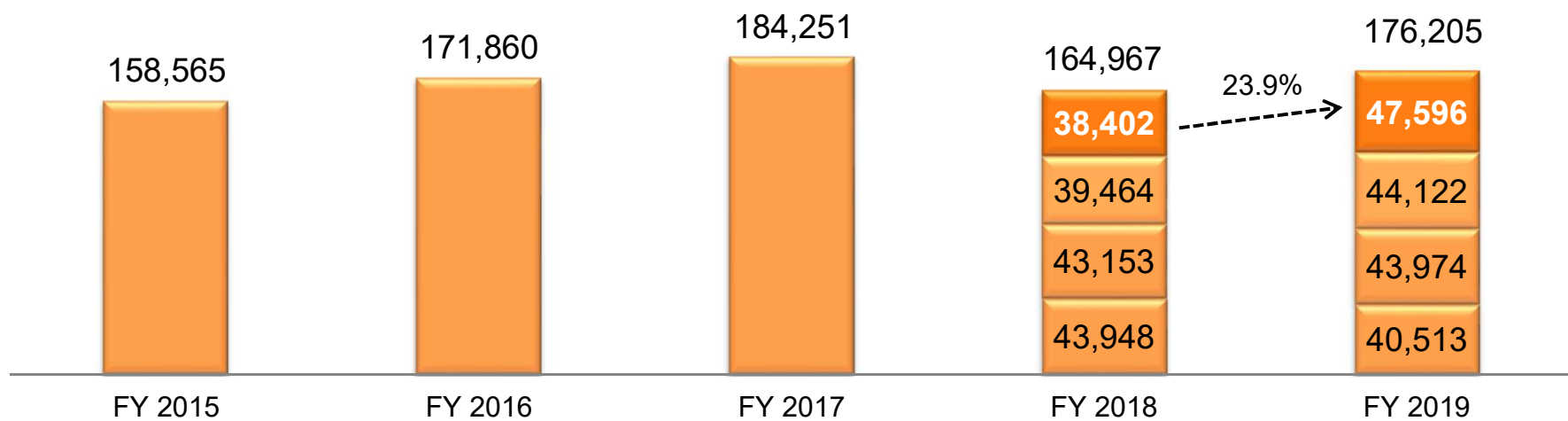


# Gross Revenue and NPI

## Gross Revenue (S\$'000)

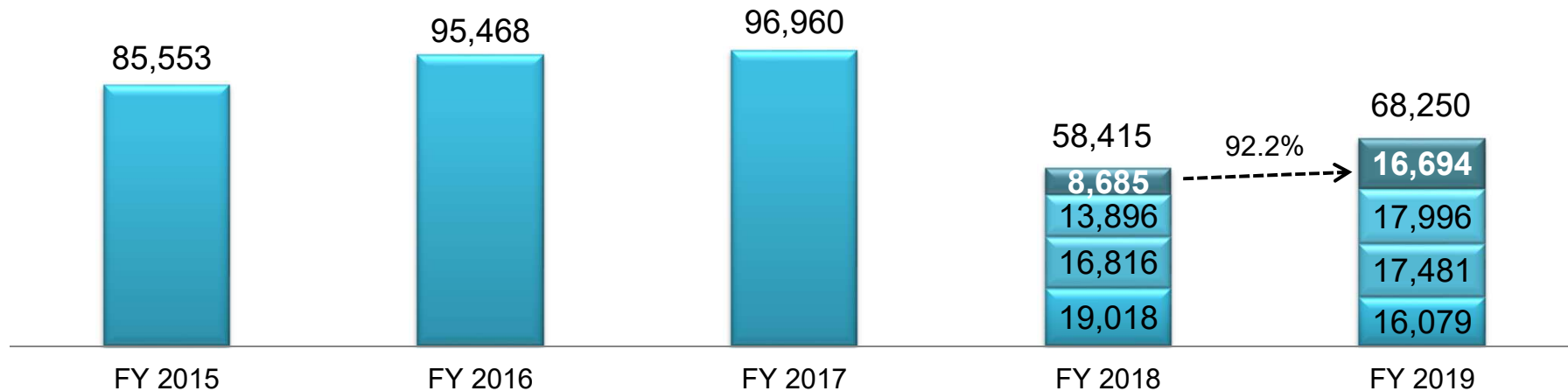


## Net Property Income (S\$'000)



# Distribution

## Income Available for Distribution to Unitholders (S\$'000)



## DPU (Singapore Cents)



Based on closing price of S\$0.225 as at 31 December 2019, annualised distribution yield was 9.9%

# Balance Sheet

	31 December 2019 S\$'million	31 December 2018 S\$'million
Non Current Assets <sup>1</sup>	1,712.8	1,851.0
Current Assets <sup>2</sup>	300.2	115.1
Total Debt	721.7	680.0
Other Liabilities	215.4	206.9
Total Equity <sup>3</sup>	1,075.9	1,079.2
Gearing Ratio	35.9%	34.6%
Total Units In Issue (million)	2,894.9	2,859.9
Net Asset Value per unit (in cents) <sup>4</sup>	28.20	28.66

*Notes:*

1. Included in the Non Current Assets are the Investment properties of S\$1,696.8 million as at 31 December 2019 and S\$1,831.6 million as at 31 December 2018. The carrying values of the properties are stated based on the independent valuation as at 31 December 2019. The valuations and property enhancements figures are recorded in the financial statements in Indonesian Rupiah and translated into Singapore Dollar using the respective exchange rate as at the end of each period.
2. The Current Assets included the Investment Properties held for divestment of S\$124.1 million as at 31 December 2019. On 30 December 2019, the Trust has entered into conditional sale and purchase agreement (“**CSPA**”) to divest Pejaten Village and Binjai Supermall for a total consideration of Rp1,280.7 billion (approximately S\$124.1 million).
3. Total equity is represented by Unitholder’s funds of Unitholder’s funds of S\$816.3 million and Perpetual Securities of S\$259.6 million as at 31 December 2019 and S\$819.6 million and Perpetual Securities of S\$259.6 million as at 31 December 2018.
4. Net Asset Value per unit is calculated as Unitholder’s funds over the units issued at the end of the period.



# Distribution Details

**Period: 1 October 2019 to 31 December 2019**

<b>Total DPU</b>	<b>0.52 cents</b>
<i>- Tax-Exempt</i>	<i>0.39 cents</i>
<i>- Capital</i>	<i>0.13 cents</i>
<b>Books Closure Date</b>	<b>28 February 2020</b>

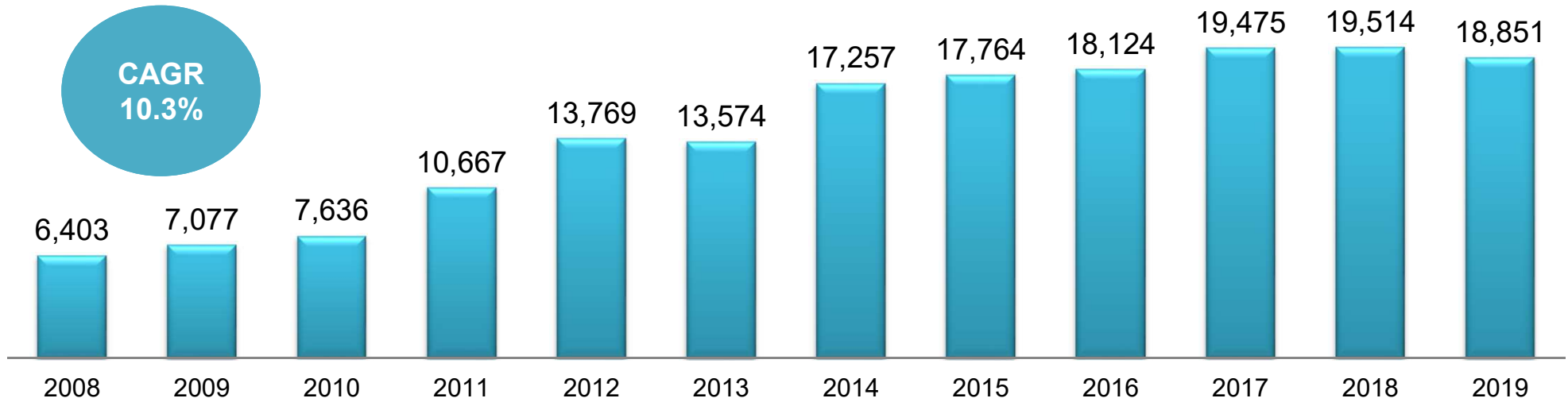
**Distribution Payment Date: 26 March 2020**



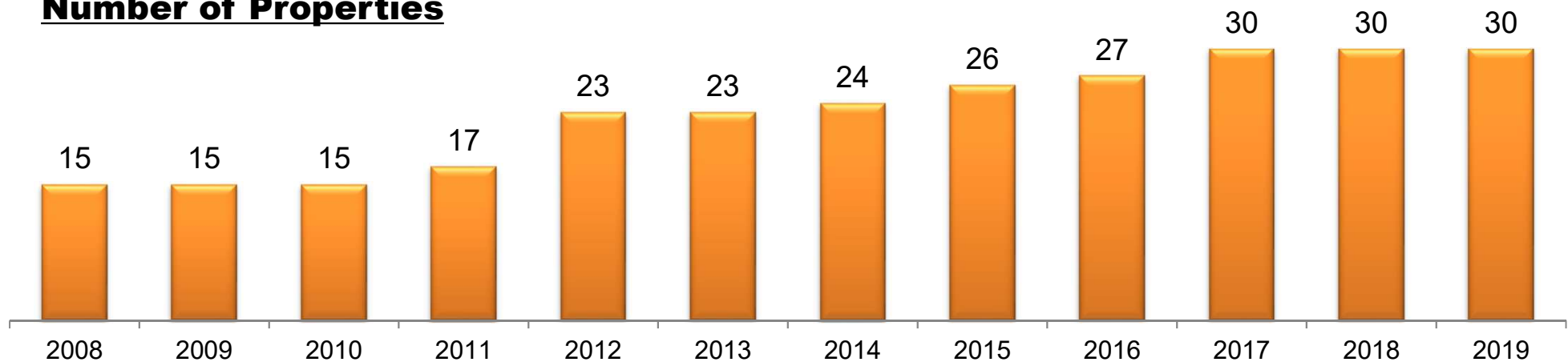
Financial Highlights  
**Portfolio  
Performance**

# A Growing Portfolio

## Portfolio Valuation (Rp'billion)



## Number of Properties



# Strategically Located Portfolio



# Portfolio Valuation Since IPO (Rp'billion)

Property	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 <sup>1</sup>	%
Bandung Indah Plaza	673.7	796.2	825.0	885.0	910.0	832.0	801.5	801.5	797.8	756.2	764.7	711.3	3.8
Cibubur Junction	468.3	491.1	502.0	534.0	546.0	507.0	492.5	485.3	451.2	430.9	375.0	319.6	1.7
Lippo Ekalokasari Plaza	289.2	343.5	373.0	367.0	409.0	388.0	409.0	375.8	410.3	396.8	381.7	357.2	1.9
Gajah Mada Plaza	612.1	669.2	745.0	762.0	803.0	744.0	752.8	751.4	780.9	799.0	798.9	800.1	4.2
Istana Plaza	690.7	642.8	733.0	787.0	809.0	742.0	730.7	737.6	713.0	664.2	644.2	606.4	3.2
Mal Lippo Cikarang	397.6	443.5	478.0	490.0	529.0	523.0	565.0	561.3	609.1	643.9	689.1	752.2	4.0
The Plaza Semanggi	1,052.9	1,238.5	1,367.0	1,330.0	1,454.0	1,385.0	1,342.2	1,232.2	1,173.7	1,148.8	1,069.0	1,016.0	5.4
Depok Town Square Units	148.9	172.4	180.3	187.0	196.2	204.1	207.1	208.1	169.7	163.0	155.5	157.9	0.8
Grand Palladium Units	151.4	162.2	177.9	178.0	187.3	192.8	188.0	173.5	156.6	118.7	99.8	95.0	0.5
Java Supermall Units	151.6	175.9	177.5	184.0	193.6	186.1	192.5	193.7	153.6	143.3	148.4	139.6	0.7
Malang Town Square Units	148.7	177.1	179.7	186.0	195.4	192.4	207.8	213.5	172.6	162.0	170.0	172.2	0.9
Mall WTC Matahari Units	146.0	169.8	176.3	177.0	173.7	175.7	169.7	165.1	146.0	124.0	113.0	115.9	0.6
Metropolis Town Square Units	193.8	226.1	237.4	238.0	249.9	271.3	256.6	230.6	186.4	163.7	140.8	144.7	0.8
Plaza Madiun Units	194.9	193.4	215.7	222.0	240.5	231.8	242.4	250.7	226.9	199.3	211.5	230.7	1.2
Sun Plaza	1,082.9	1,175.2	1,268.0	1,371.0	1,470.0	1,613.0	1,680.4	1,693.7	1,826.1	1,967.1	2,156.6	2,261.0	11.9
Plaza Medan Fair				1,100.4	1,115.3	1,102.0	1,140.6	1,087.1	1,083.2	1,103.0	1,008.2	1,030.0	5.4
Pluit Village				1,668.2	1,537.7	1,405.0	1,305.1	1,146.0	1,026.8	953.0	846.2	815.2	4.3
Lippo Plaza Kramat Jati					549.0	565.1	573.7	565.0	573.8	595.3	647.0	660.6	3.5
Palembang Square Extension					242.0	236.1	256.1	248.1	258.0	276.3	288.0	294.0	1.6
Tamini Square					236.0	247.0	236.3	242.9	243.0	269.7	276.0	281.0	1.5
Palembang Square					603.0	627.0	641.4	642.6	649.5	689.5	719.0	738.0	3.9
Pejaten Village <sup>2</sup>					866.0	939.2	958.4	970.0	973.7	1,073.4	1,157.0	997.4	5.5
Binjai Supermall <sup>2</sup>					253.0	264.0	266.6	263.9	266.9	282.1	302.0	283.3	1.7
Lippo Mall Kemang							3,640.6	3,477.9	3,235.0	3,193.0	3,143.1	2,669.0	14.1
Lippo Plaza Batu								272.0	260.7	274.1	251.0	265.2	1.4
Palembang Icon								774.7	774.9	770.0	770.0	772.0	4.1
Lippo Mall Kuta									805.0	835.7	836.1	807.8	4.3
Lippo Plaza Kendari										316.0	354.8	358.0	1.9
Lippo Plaza Jogja										599.3	601.3	582.2	3.1
Kediri Town Square										363.7	396.2	418.3	2.2
<b>Grand Total</b>	<b>6,402.7</b>	<b>7,076.9</b>	<b>7,635.8</b>	<b>10,666.6</b>	<b>13,768.6</b>	<b>13,573.7</b>	<b>17,257.3</b>	<b>17,764.3</b>	<b>18,124.4</b>	<b>19,475.4</b>	<b>19,514.1</b>	<b>18,851.8</b>	<b>100.0</b>

1. Based on valuation conducted by Savills Valuation and Professional Services (S) Pte Ltd, Cushman & Wakefield VHS Pte Ltd, Colliers International Consultancy & Valuation (Singapore) Pte Ltd, KJPP Rengganis, Hamid dan Rekan (in association with CBRE), Jones Lang LaSalle Property Consultants Pte Ltd and KJPP Wilson & Rekan (in association with Knight Frank) as at 31 December 2019

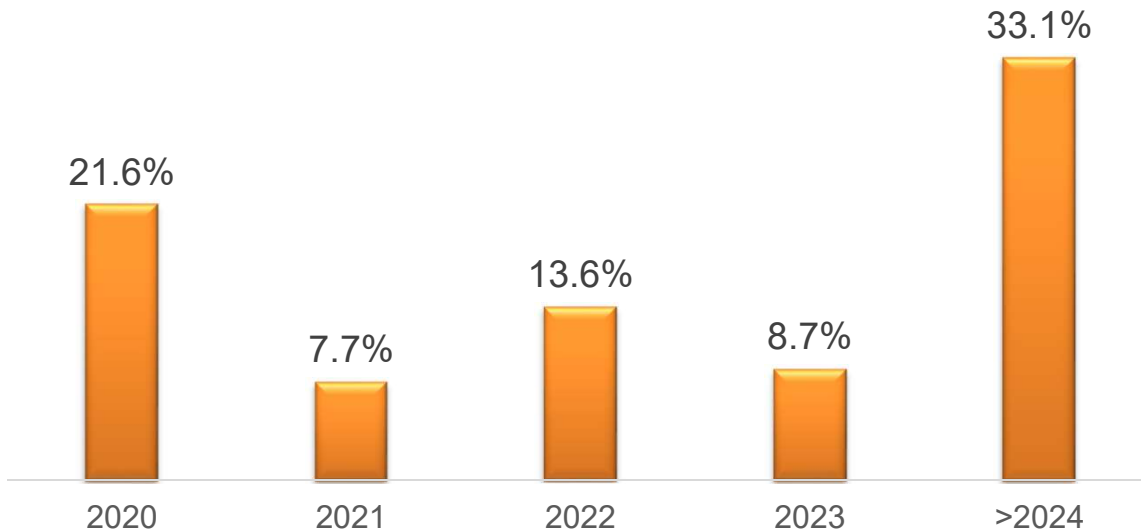
2. For Binjai Supermall and Pejaten Village, the stated values are the sale consideration for the divestment of the two assets, as per the announcement on 30 December 2019. The valuation was conducted as at 30 June 2019 in accordance with the Code of Collective Investment Scheme at Rp 309.0 billion for Binjai Supermall and Rp 1,040.0 billion for Pejaten Village

# Occupancy Rate and Lease Profile

## High Occupancy Rate



## Long Lease Profile

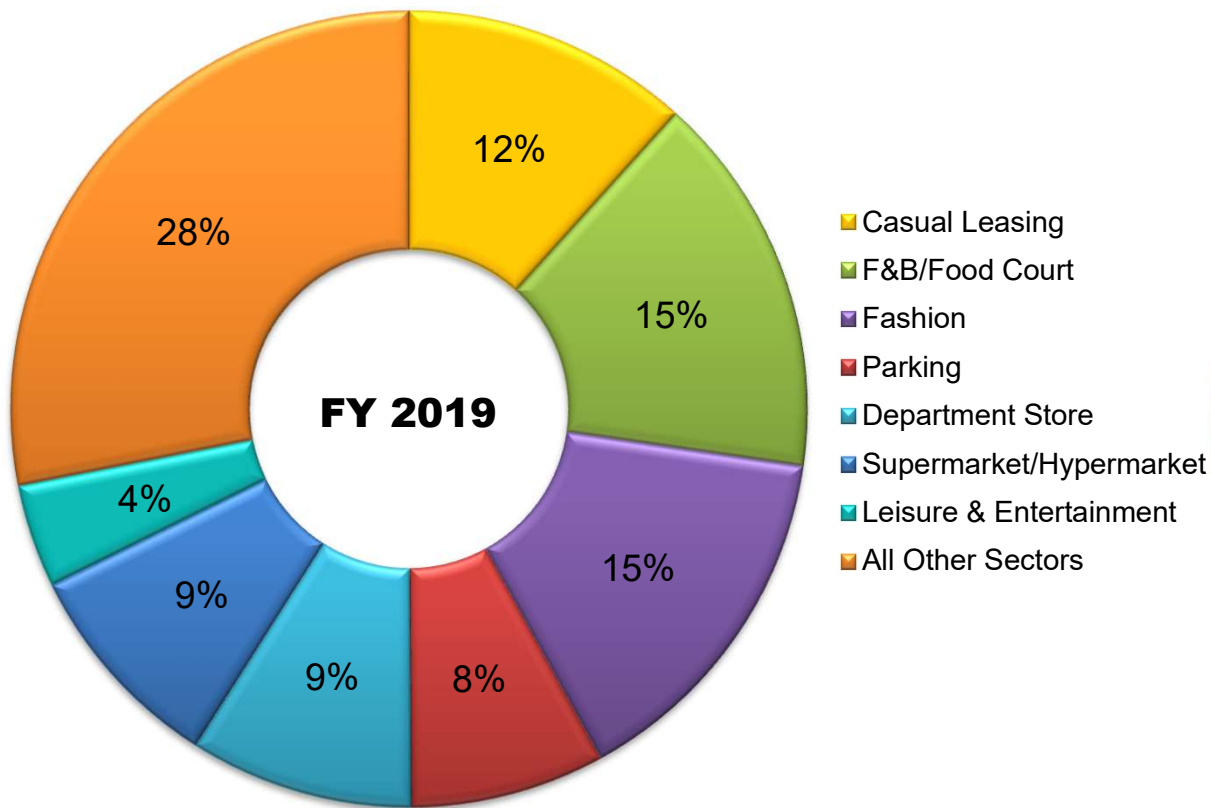


- Weighted Average Lease Expiry (by NLA) as at 31 December 2019: **4.0 years**
- Balanced mix of long-term anchor leases and shorter-term leases for non-anchor tenants provide both stability and growth potential
- Average rental reversion YTD December: **4.4%**

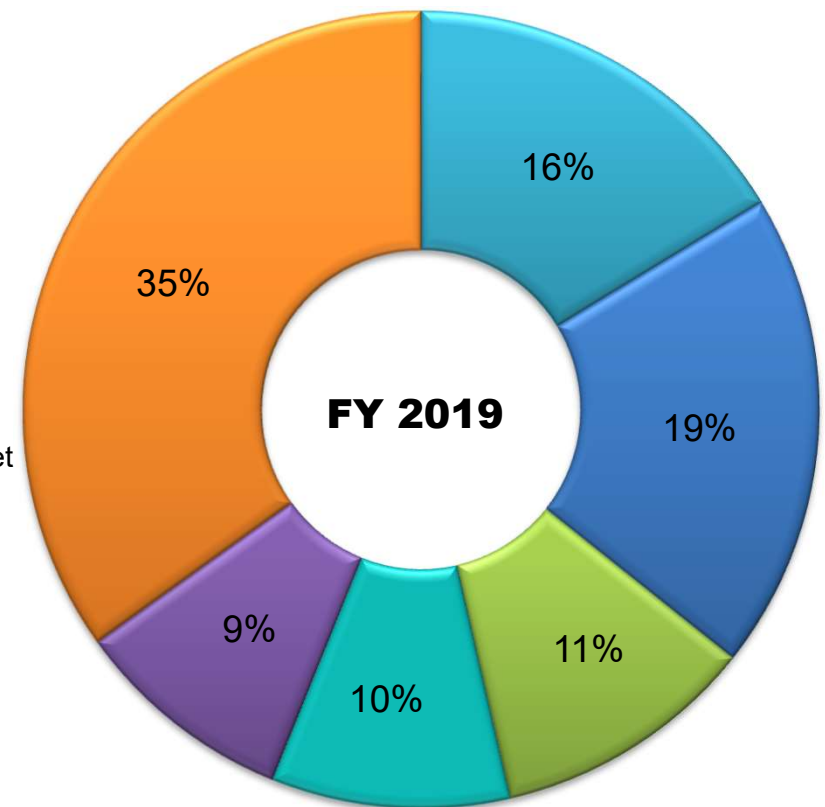


# Diversified Quality Tenants

**Trade Sector Breakdown by Gross Revenue\***



**Trade Sector Breakdown by Net Lettable Area**

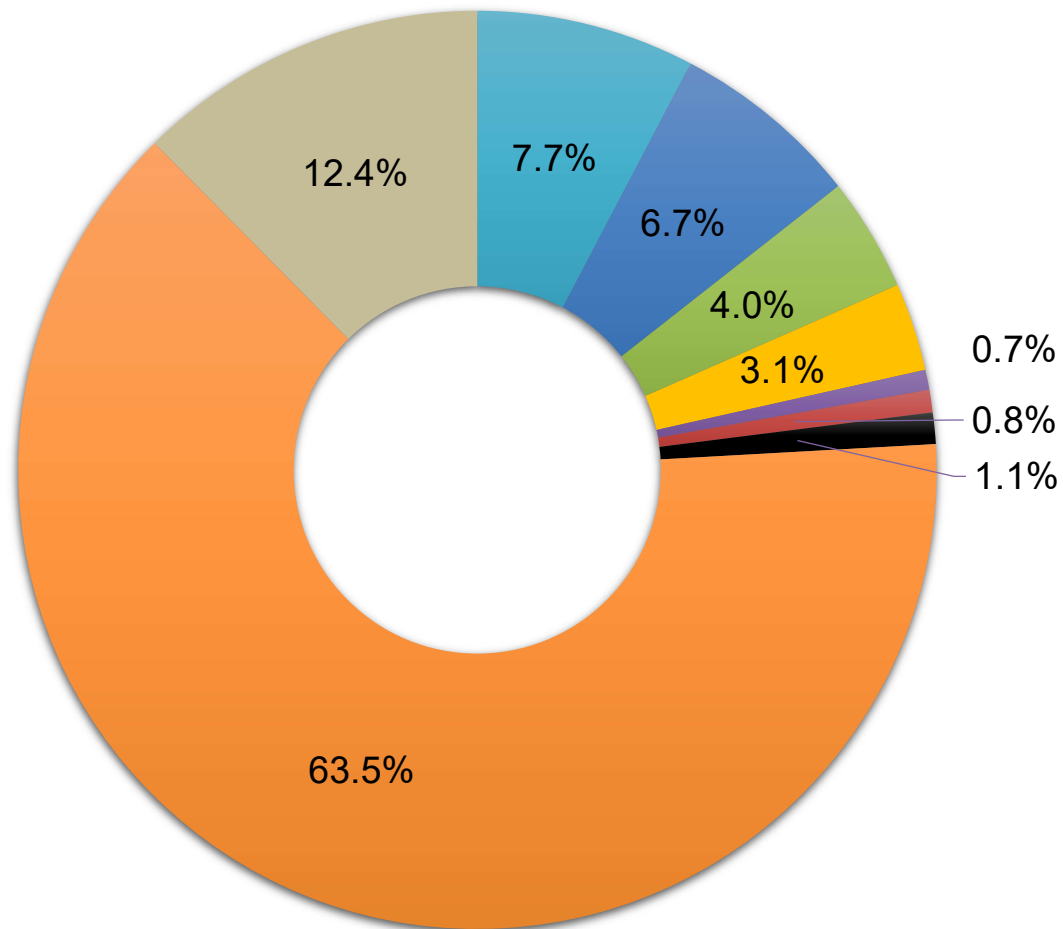


\* Exclude other rental income and utilities recovery

# Diversified Tenant Mix

## Contribution of Tenants to Gross Revenue

– No single party contributes more than 10% of gross revenue



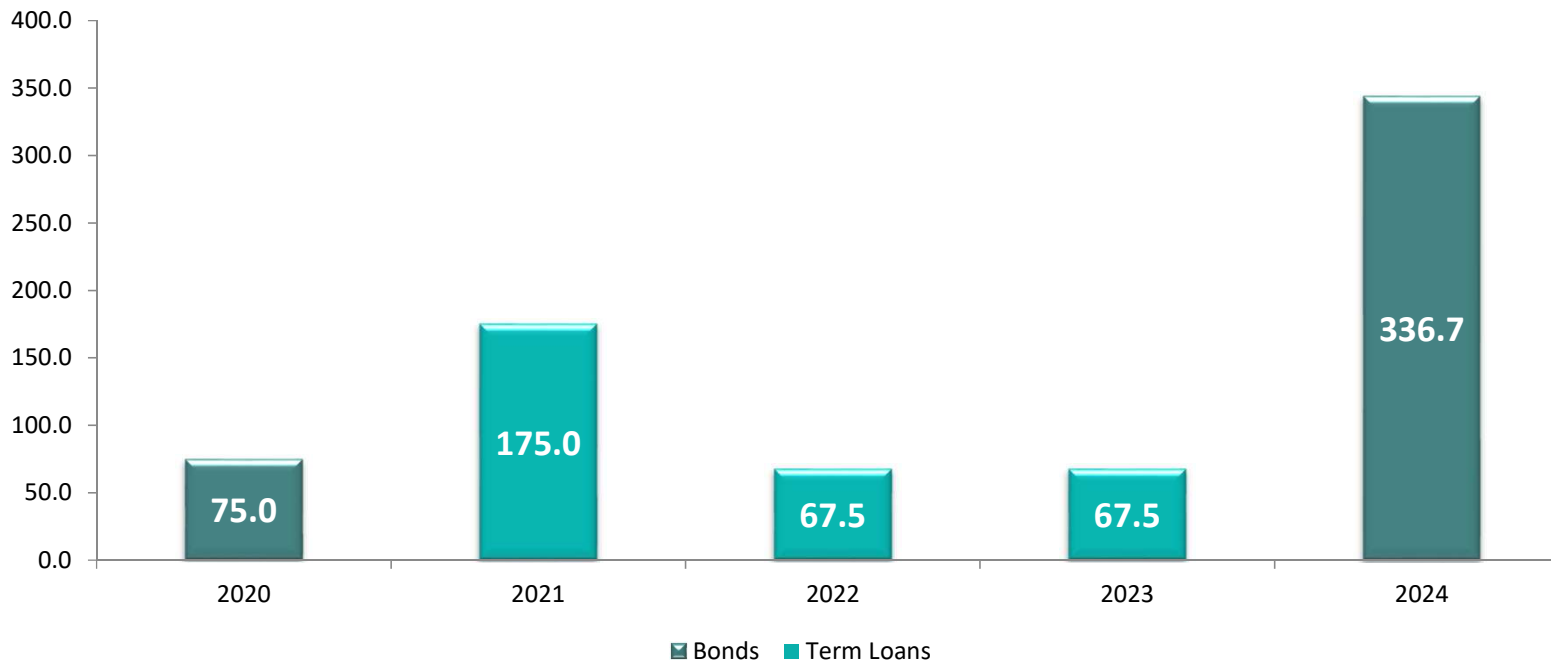
■ LK Master Leases      ■ Matahari      ■ Hypermart  
■ Sky Parking      ■ Cinemaxx      ■ Timezone  
■ Other Related-Party Tenants      ■ Non-Related Party Tenants      ■ Utilities Income

- For YTD 31 December 2019, revenue from related-party tenants, including Lippo Karawaci, Matahari, Hypermart, Cinemaxx etc accounted for 24.1% but none accounted for more than 10%
- Non-related party tenants comprising international and local brands accounted for 63.5%

# Debt Maturity Profile

Total Debt	Gearing	Interest Cover (Excluding Perpetuals)	Fixed Rate Debt Ratio	Weighted Ave. Maturity of Debt	All-in cost (Excluding Perpetuals)	All-in cost (Including Perpetuals)
<b>S\$721.7 m</b>	<b>35.9%</b>	<b>4.1 times</b>	<b>100%</b>	<b>3.2 years</b>	<b>6.14%</b>	<b>6.32%</b>

As at 31 December 2019



**All existing debt facilities are on unsecured basis**

## Notes:

1. S\$75.0 million 4.10% bond due 22 June 2020
2. S\$175.0 million 3.15% + SOR term loan due 21 August 2021
3. S\$67.5 million 3.05% + SOR term loan due 9 November 2022
4. S\$67.5 million 3.25% + SOR term loan due 9 November 2023
5. US\$250.0 million 7.25% bond, swapped to SGD at 6.71% due 19 June 2024

Perpetual: S\$140.0 million 7.0% Subordinated Perpetual Securities was issued on 27 September 2016

Perpetual: S\$120.0 million 6.6% Subordinated Perpetual Securities was issued on 19 June 2017

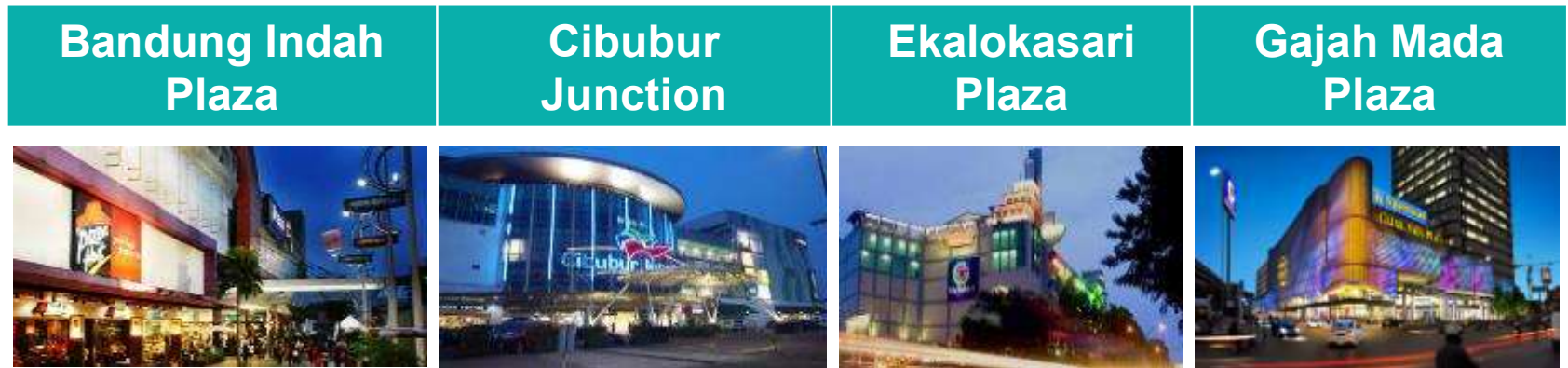


**Thank You**



**Appendix**

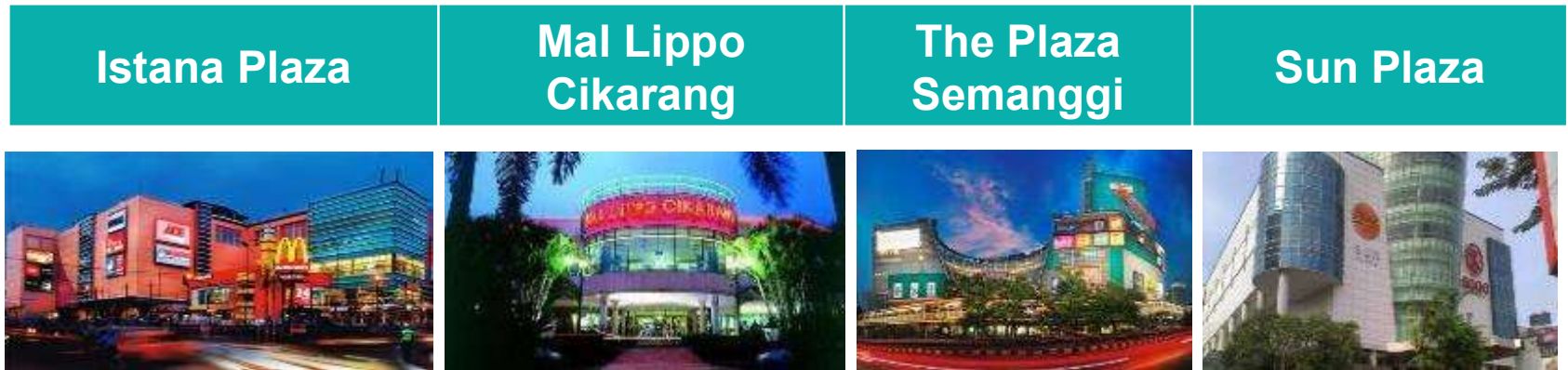
# Property Overview : Retail Malls



Valuation	Rp 711.3 billion	Rp 319.6 billion	Rp 357.2 billion	Rp 800.1 billion
Location	Jalan Merdeka, Bandung, West Java	Jalan Jambore, Cibubur, East Jakarta	Jalan Siliwangi 123, Bogor, West Java	Jalan Gajah Mada, Central Jakarta
GFA	75,868 sqm	66,935 sqm	58,859 sqm	79,830 sqm
NLA	30,288 sqm	34,023 sqm	28,637 sqm	36,535 sqm
Occupancy rate	99.5%	98.1%	89.6%	67.5%
Number of Tenants	250	195	94	165



# Property Overview : Retail Malls



Valuation	Rp 606.4 billion	Rp 752.2 billion	Rp 1,016.0 billion	Rp 2,261.0 billion
Location	Jalan Pasir Kaliki, Bandung, West Java	Jalan MH Thamrin, Lippo Cikarang, West Java	Jalan Jenderal Sudirman, South Jakarta	Jalan Haji Zainul Arifin Medan, North Sumatera
GFA	47,533 sqm	39,604 sqm	155,122 sqm	167,000 sqm
NLA	27,454 sqm	28,627 sqm	60,084 sqm	69,783 sqm
Occupancy rate	82.3%	91.8%	74.5%	96.5%
Number of Tenants	163	137	391	378

# Property Overview : Retail Malls

	Plaza Medan Fair	Pluit Village	Lippo Plaza Kramat Jati	Palembang Square Extension
				
Valuation	Rp 1,030.0 billion	Rp 815.2 billion	Rp 660.6 billion	Rp 294.0 billion
Location	Jalan Jenderal Gatot Subroto No.30, Medan Petisah, Medan, North Sumatera	Jalan Pluit Indah Raya, Penjaringan, North Jakarta	Jalan Raya Bogor Km 19, Kramat Jati, East Jakarta	Jalan Angkatan 45/POM IX, Palembang, South Sumatera
GFA	141,866 sqm	150,905 sqm	65,446 sqm	23,825 sqm
NLA	67,968 sqm	86,591 sqm	32,951 sqm	18,036 sqm
Occupancy rate	99.3%	95.4%	97.6%	98.0%
Number of Tenants	442	304	112	30

# Property Overview : Retail Malls



	Tamini Square	Palembang Square	Pejaten Village <sup>1</sup>	Binjai Supermall <sup>1</sup>
Valuation	Rp 281.0 billion	Rp 738.0 billion	Rp 997.4 billion	Rp 283.3 billion
Location	Jalan Raya Taman Mini, East Jakarta	Jalan Angkatan 45/POM IX, Palembang, South Sumatera	Jalan Warung Jati Barat, South Jakarta	Jalan Soekamo, Hatta No.14, Binjai, North Sumatera
GFA	18,963 sqm	50,000 sqm	91,749 sqm	44,153 sqm
NLA	17,475 sqm	30,510 sqm	42,210 sqm	23,432 sqm
Occupancy rate	100.0%	97.6%	96.3%	98.0%
Number of Tenants	13	137	152	111

**Notes:**

- For Binjai Supermall and Pejaten Village, the stated values are the sale consideration for the divestment of the two assets, as per the announcement on 30 December 2019. The valuation was conducted as at 30 June 2019 in accordance with the Code of Collective Investment Scheme at Rp 309.0 billion for Binjai Supermall and Rp 1,040.0 billion for Pejaten Village

# Property Overview : Retail Malls



Valuation	Rp 2,669.0 billion	Rp 265.2 billion	Rp 772.0 billion	Rp 807.8 billion
Location	Jalan Kemang VI, South Jakarta	Jalan Diponegoro No. RT 07RW05, Batu City, East Java	Jalan POM IX, Palembang, South Sumatera	Jalan Kartika Plaza, District of Kuta, Badung, Bali
GFA	150,932 sqm	34,340 sqm	50,889 sqm	48,467 sqm
NLA	58,393 sqm	18,569 sqm	36,348 sqm	20,350 sqm
Occupancy rate	93.4%	76.9%	98.5%	94.0%
Number of Tenants	217	51	179	64

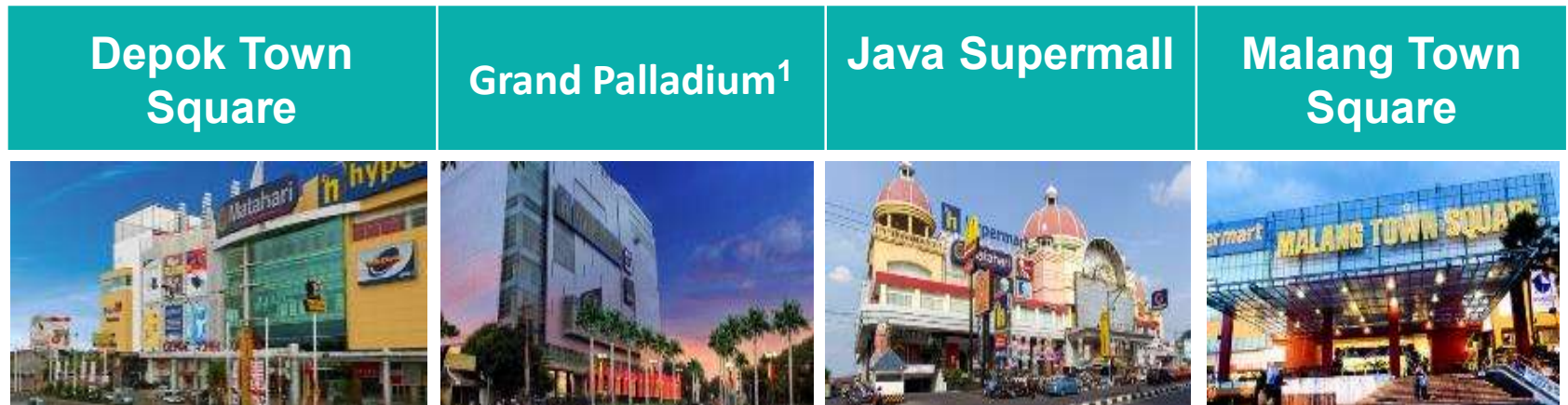
# Property Overview : Retail Malls



Valuation	Rp 358.0 billion	Rp 582.2 billion	Rp 418.3 billion
Location	Jalan MT Haryono No.61-63, Kendari, South East Sulawesi	Jalan Laksda Adi Sucipto No. 32 – 34, Yogyakarta	Jalan Hasanudin No. 2, RT/22 RW/06, Balowerti Subdistrict, Kediri, East Java
GFA	34,784 sqm	66,098 sqm	28,688 sqm
NLA	20,202 sqm	24,363 sqm	16,899 sqm
Occupancy rate	99.6%	96.9%	92.6%
Number of Tenants	44	38	67



# Property Overview : Retail Spaces



Valuation	Rp 157.9 billion	Rp 95.0 billion	Rp 139.6 billion	Rp 172.2 billion
Location	Jalan Margonda Raya, Depok, West Java	Jalan Kapt, Maulana Lubis, Medan, North Sumatera	Jalan MT Haryono, Semarang, Central Java	Jalan Veteran, Malang, East Java
GFA	13,045 sqm	13,730 sqm	11,082 sqm	11,065 sqm
NLA	12,824 sqm	12,305 sqm	11,082 sqm	11,065 sqm
Occupancy rate	99.5%	0.0%	98.8%	100.0%
Number of Tenants	3	0	1	3

**Notes:**

1. Grand Palladium: The Business Association of the malls is in the midst of consolidating all the strata title holders to refurbish the mall



# Property Overview : Retail Spaces

## Mall WTC Matahari



## Metropolis Town Square



## Plaza Madiun



Valuation	Rp 115.9 billion	Rp 144.7 billion	Rp 230.7 billion
Location	Jalan Raya Serpong, Tangerang, Banten Greater Jakarta	Jalan Hartono Raya, Tangerang, Banten Great Jakarta	Jalan Pahlawan, Madiun, East Java
GFA	11,184 sqm	15,248 sqm	16,094 sqm
NLA	10,753 sqm	14,861 sqm	11,340 sqm
Occupancy rate	80.3%	87.2%	99.8%
Number of Tenants	3	4	19

# Favourable Indonesian Retail Outlook

**Strong  
Middle-  
Income  
Growth**

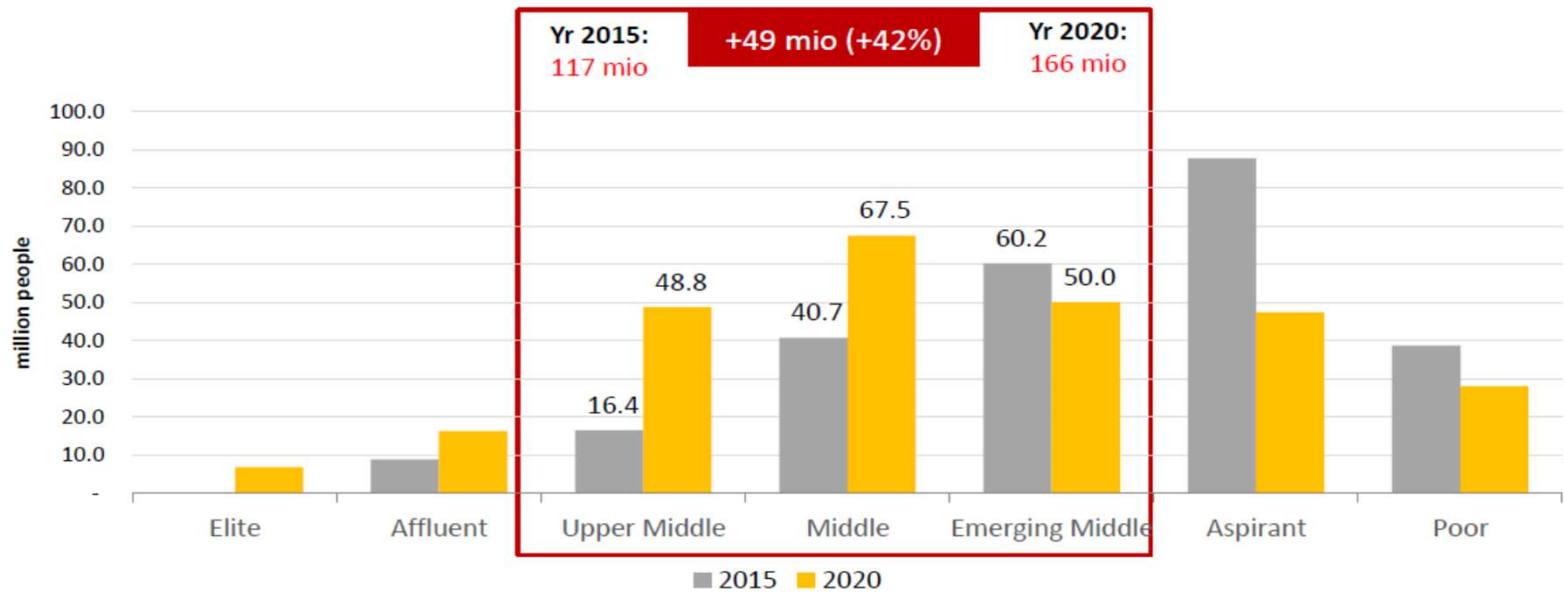
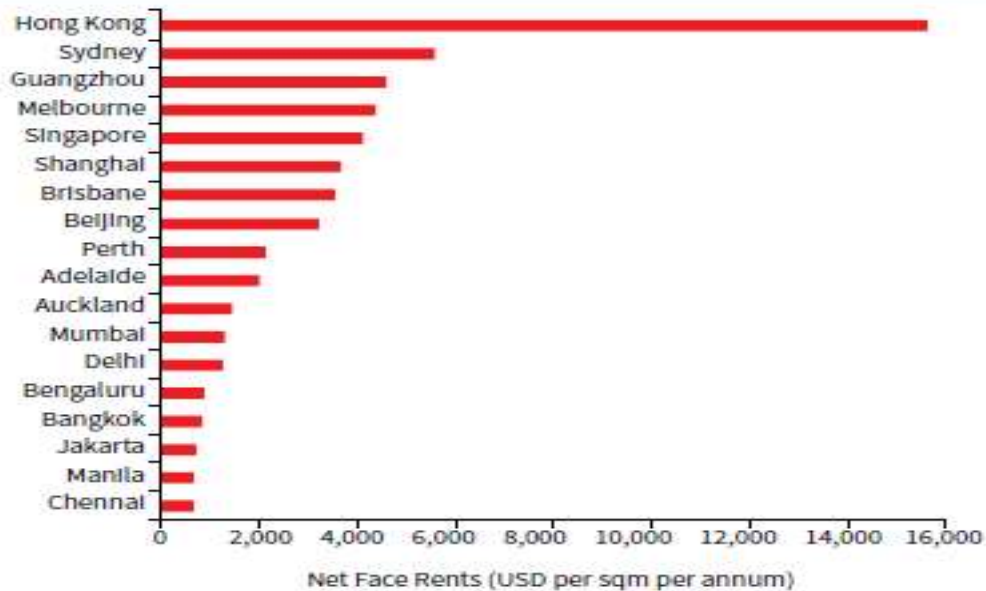


Figure 1: Asia Pacific Shopping Centre Rents, 3Q19



**Potential for rents to  
catch-up to that of  
other markets in the  
long term**

# Trust Structure

