LMIR TRUST
LIPPO MALLS INDONESIA RETAIL TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 8 August 2007 (as amended))

MANAGED BY
LMIRT MANAGEMENT LTD.
(Company Registration Number: 200707703M)

CIRCULAR TO UNITHOLDERS:

(1) TO APPROVE THE PROPOSED ACQUISITION OF THE MAJORITY PORTION OF STRATA TITLES WITHIN LIPPO MALL PURI FROM AN INTERESTED PERSON (THE ACQUISITION)(ORDINARY RESOLUTION);

(2) TO APPROVE THE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 4,682,872,029 RIGHTS UNITS TO RAISE GROSS PROCEEDS OF APPROXIMATELY S$281.0 MILLION ON A RENOUNCEABLE BASIS TO ELIGIBLE UNITHOLDERS (AS DEFINED HEREIN) ON A PRO RATA BASIS OF 160 RIGHTS UNITS FOR EVERY 100 EXISTING UNITS HELD AS AT THE RIGHTS ISSUE RECORD DATE (AS DEFINED HEREIN)(THE RIGHTS ISSUE)(ORDINARY RESOLUTION);

(3) TO APPROVE THE PROPOSED WAIVER BY UNITHOLDERS OTHER THAN THE RELEVANT ENTITIES (AS DEFINED HEREIN) AND THEIR CONCERT PARTIES OF THEIR RIGHTS TO RECEIVE A GENERAL OFFER FOR THEIR UNITS FROM THE RELEVANT ENTITIES AND THEIR CONCERT PARTIES (THE WHITEWASH RESOLUTION) (ORDINARY RESOLUTION); AND

(4) TO APPROVE THE PROPOSED LOAN FACILITY OF UP TO S$40.0 MILLION FROM AN INTERESTED PERSON (THE VENDOR FINANCING)(ORDINARY RESOLUTION).

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

Singapore Exchange Securities Trading Limited (the "**SGX-ST**") takes no responsibility for the accuracy of any statements or opinions made, or reports contained, in this circular dated 23 November 2020 ("**Circular**"). 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 adviser immediately.

Approval in-principle has been obtained from the SGX-ST for the listing of and quotation for new units in Lippo Malls Indonesia Retail Trust ("**LMIR Trust**") to be issued for the purpose of the Rights Issue (as defined herein)(the "**Rights Units**") on the Main Board of the SGX-ST. The SGX-ST's in-principle approval is not an indication of the merits of the Rights Issue, the Rights Units, LMIR Trust and/or its subsidiaries.

If you have sold or transferred all your units in LMIR Trust ("**Units**"), you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular shall not constitute an offer to sell or a solicitation of an offer to buy Units or other securities, including the Rights Units and Units of LMIR Trust and/or the "nil-paid" provisional allotment of Rights Units to Eligible Unitholders (as defined herein) under the proposed Rights Issue (the "**Rights Entitlements**"). This Circular may not be sent to any person or any jurisdiction in which it would not be permissible to deliver the Rights Units and Rights Entitlements or make an offer of the Rights Units and the Rights Entitlements, and the Rights Units and Rights Entitlements may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction.

This Circular is not for distribution, directly or indirectly, in or into the United States of America (the "**U.S.**") and is not an offer of securities for sale in the U.S. or in any other jurisdiction. The Rights Units and Rights Entitlements have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or under any securities laws of any state or other jurisdiction of the U.S. and may not be offered, sold, resold, allotted, taken up, exercised, pledged, transferred or delivered, directly or indirectly, within the U.S. except pursuant to an applicable exemption from, or a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the U.S. There will be no public offering of the Rights Units and/or Rights Entitlements in the U.S. LMIRT Management Ltd., as manager of LMIR Trust (the "**Manager**"), does not intend to conduct a public offering of any securities of LMIR Trust in the U.S.

YOUR VOTE COUNTS

Please vote by submitting your proxy form

IMPORTANT DATES AND TIMES FOR UNITHOLDERS

Due to the current COVID-19 situation in Singapore, Unitholders will not be allowed to attend the Extraordinary General Meeting ("**EGM**") in person. **The EGM will be convened and held by electronic means.** Unitholders must appoint the Chairman of the EGM as their proxy to attend, speak and vote on their behalf at the EGM.

Virtual Dialogue Session	6.00 p.m. (Singapore Time) on Wednesday, 2 December 2020
Lodgement of Proxy Form	10.00 a.m. (Singapore Time) on Friday, 11 December 2020
Extraordinary General Meeting	10.00 a.m. (Singapore Time) on Monday, 14 December 2020

Independent Financial Adviser to the Independent Directors and the Audit and Risk Committee of the Manager and the Trustee

KPMG

Meanings of the capitalised terms may be found in the Glossary of this Circular

WHAT IS HAPPENING?

LMIRT Management Ltd, the Manager of LMIR Trust, is seeking the approval of Unitholders of LMIR Trust at an Extraordinary General Meeting ("EGM") to be convened and held by way of electronic means at 10.00 a.m. (Singapore Time) on Monday, 14 December 2020 for the following resolutions:

RESOLUTION 1

To approve the proposed acquisition of the majority portion of strata titles within Lippo Mall Puri from an interested person (the Acquisition)(Ordinary Resolution);

RESOLUTION 2

To approve the non-underwritten rights issue of up to 4,682,872,029 Rights Units to raise gross proceeds of approximately S$281.0 million on a renounceable basis to eligible unitholders (as defined herein) on a pro rata basis of 160 Rights Units for every 100 existing units held as at the Rights Issue record date (as defined herein)(the Rights Issue)(Ordinary Resolution);

RESOLUTION 3

To approve the proposed waiver by Unitholders other than the Relevant Entities and their concert parties* of their rights to receive a general offer for their Units from the Relevant Entities and their concert parties (the Whitewash Resolution)(Ordinary Resolution); and

RESOLUTION 4

To approve the proposed loan facility of up to S$40.0 million from an interested person (the Vendor Financing) (Ordinary Resolution).

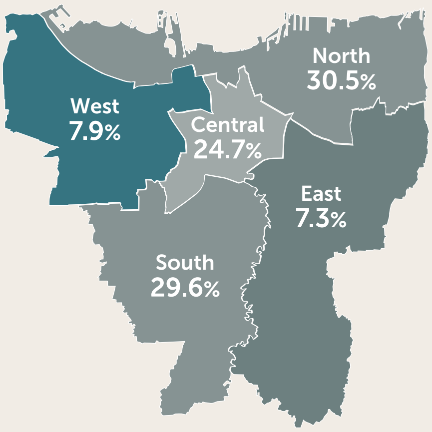
* Being Bridgewater International Limited and the Manager (the "Relevant Entities") and their concert parties (as defined in the Singapore Code on Take-overs and Mergers)

WHY IS MY VOTE IMPORTANT?

ACQUISITION RATIONALE

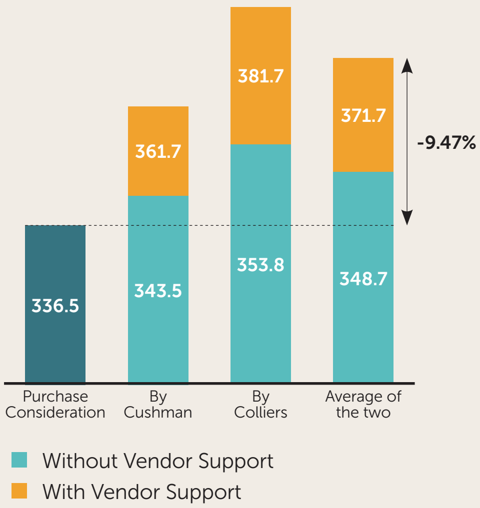
1. Opportunity to acquire a best-in-class retail mall in West Jakarta, an area with favourable demand and supply dynamics

Jakarta Retail Supply Pipeline 2020 - 2022

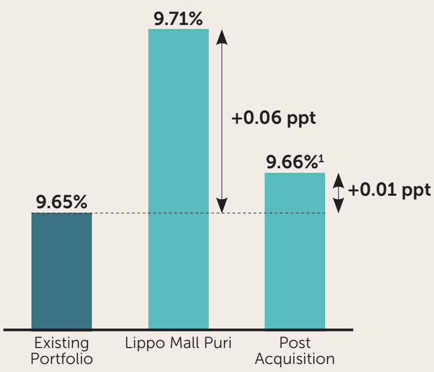


2. Opportunity to acquire a high-quality retail mall at an attractive price and attractive Net Property Income ("NPI") yield with potential for capital appreciation

Purchase price at 9.47% discount to the average of the Independent Valuations

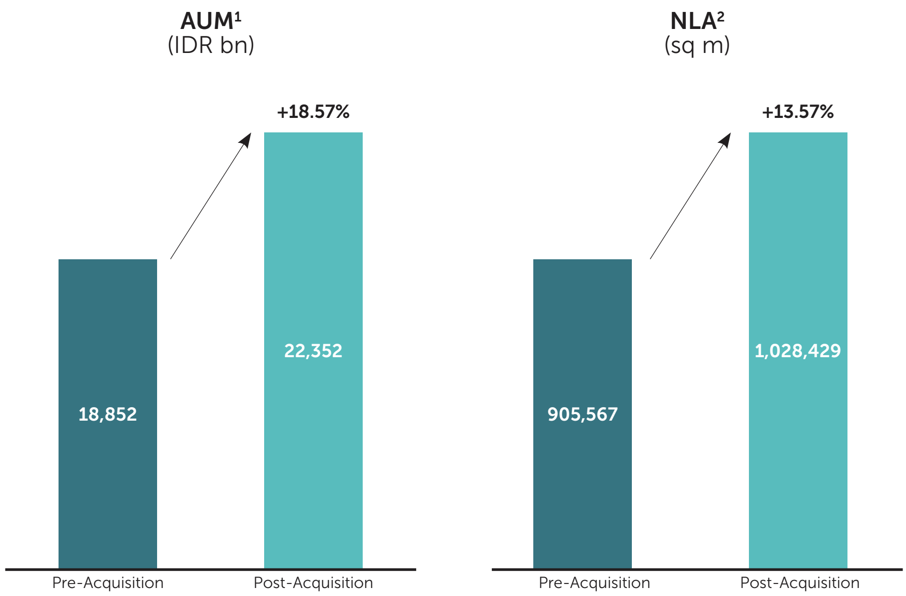


NPI yield improves to 9.66%



1 Based on financial statements for financial year ended 31 December 2019

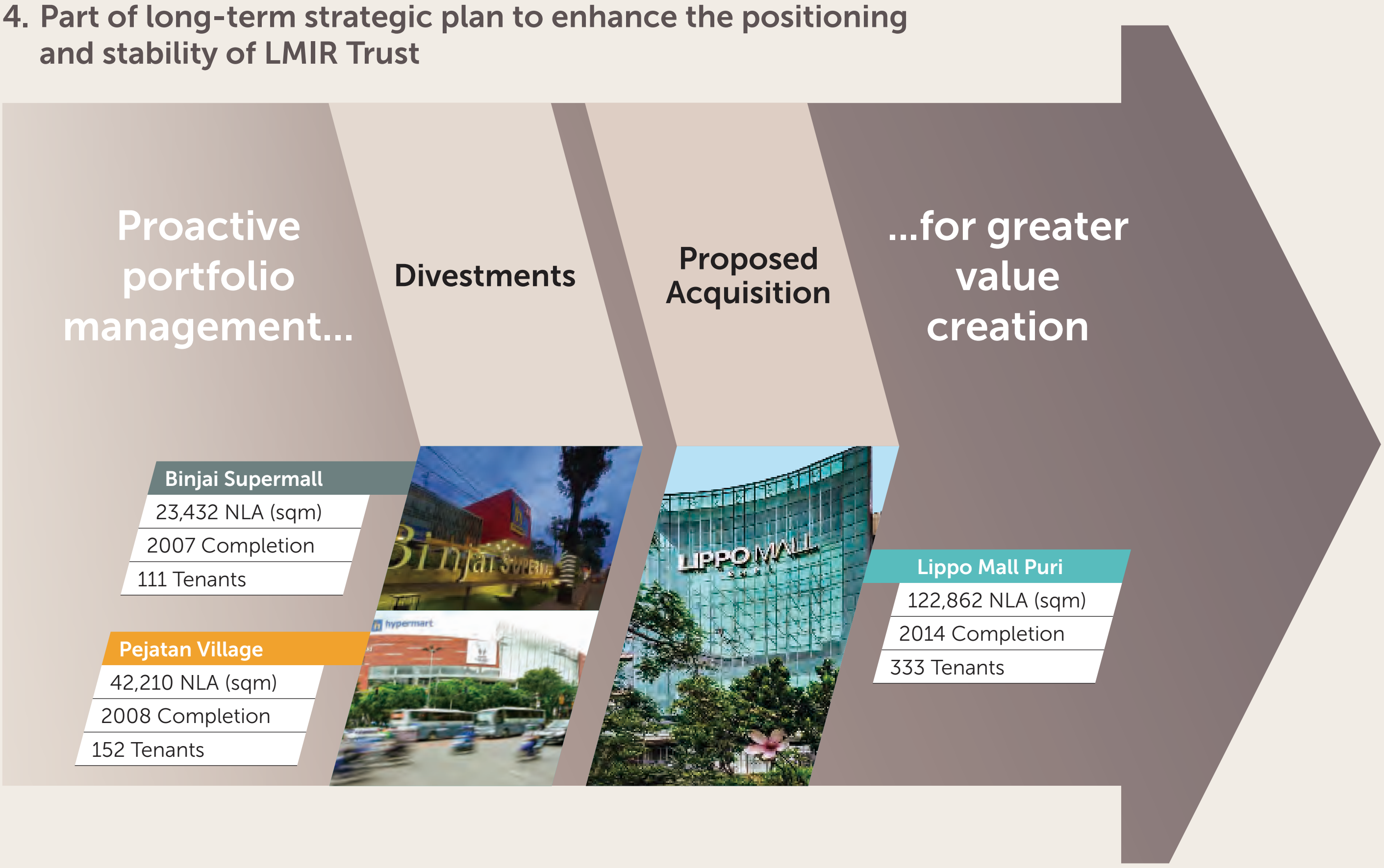
3. Acquisition will result in a significant growth in AUM and NLA



1 Based on the existing portfolio valuation as at 31 December 2019 and the Purchase Consideration

2 Based on the existing portfolio NLA as at 31 December 2019 and the NLA of Lippo Puri Mall (including post restoration of P2 Space)

4. Part of long-term strategic plan to enhance the positioning and stability of LMIR Trust



WHAT ARE THE HIGHLIGHTS OF LIPPO MALL PURI?

One of the most iconic and well-known retail malls strategically located in the Puri Indah CBD in West Jakarta

Excellent transport connectivity to major business hubs, and set to benefit from the government's ongoing infrastructure programme in Jakarta

Located in West Jakarta, where retail space per capita is low compared to the rest of Jakarta, and there was no injection of new supply of retail space in 1H2020

The only retail mall in the St. Moritz Jakarta Integrated Development ("**St. Moritz**"), the largest mixed-use development in West Jakarta, and forms part of a self-contained "live-work-play" ecosystem

Approximately **1.5 million residents** and **more than 670,000 workers** within the Primary Catchment Area

Serves **17.0 million visitors per year** as of 2019, with **333 tenancies** spread across an extensive range of trade sectors

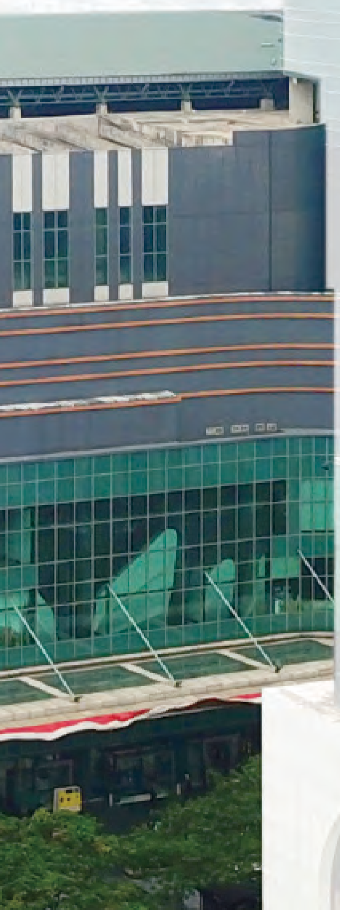
Vendor support will provide a stable level of income in line with comparable retail malls in West Jakarta up to 31 December 2024

Still in its growth phase, with good leasing-up opportunities, flexibility to enhance tenant mix and potential for positive rental reversions in the future

Balanced lease expiry profile with a weighted average lease expiry by NLA of 3.4 years

Strong exposure to the fashion, leisure & entertainment and F&B trade sectors, with potential to further increase the F&B occupancy rate

Potential for the Property to enjoy an appreciation in capital value once the Indonesian economy and the Property recovers from the short-term negative impact of the Covid-19 pandemic



Performance Metrics	Occupancy Rate	Average Monthly Net Passing Rent for Specialty Tenants (Rp. per sq m)
Market Average (Jakarta)	89.7%	508,333
Market Average (West Jakarta)	90.4%	481,250
Key Competitors	83.1% to 99.0%	450,000 to 500,000
Lippo Mall Puri	**91.9%, or 89.9% upon the restoration of the P2 Space**	**423,895**

Source: Independent Market Research Report by Savills Valuation and Professional Services (S) Pte Ltd

THE RIGHTS ISSUE

- Proceeds to **partially finance the Acquisition**.
- **Larger market capitalisation** resulting from the Rights Issue may lead to improved trading liquidity for the Units, and potentially increase its coverage and visibility within the investment community.
- The **Sponsor's undertaking** to subscribe in full for its Allotted Rights Units as well as all remaining unsubscribed Excess Rights Units:
  - reflects the Sponsor's strong support and confidence in the growth prospects and importance of the Acquisition to the Enlarged Portfolio
  - will further align its interests with that of LMIR Trust and its Unitholders

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THE WHITEWASH RESOLUTION

- The Unitholders' approval of the Whitewash Resolution will enable the Sponsor (through its wholly-owned subsidiaries, LMIRT Management Ltd. and Bridgewater International Limited) and their concert parties to subscribe for its Allotted Rights Units and all remaining unsubscribed Excess Rights Units without incurring an obligation to make a mandatory general offer for the LMIR Trust in the event that the Allotted Rights Units and Excess Rights Units issued to them raise their aggregate unitholding to more than 49% of the voting rights of LMIR Trust.

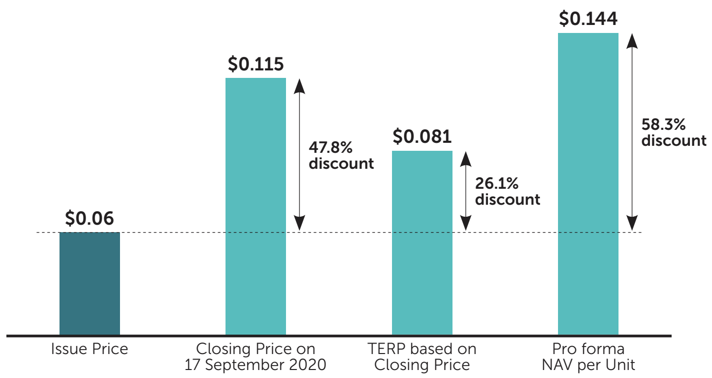
VENDOR FINANCING

- The loan facility of up to S$40.0 million from the Vendor Financing will be used to partially finance the Acquisition.
- The use of Vendor Financing will allow LMIR Trust to:
  - conserve its existing cash balance to buffer against any continued short-term impact on its operations due to the Covid-19 pandemic; and
  - seize on the opportunity to acquire a strategic asset beneficial to LMIR Trust over the long term.
- LMIR Trust will look to repay this Vendor Financing with new longer-tenor borrowings from the banking or debt capital markets when raising further financing from these markets become more conducive.

WHAT ARE THE HIGHLIGHTS OF THE RIGHTS ISSUE?

UPON ITS APPROVAL BY UNITHOLDERS:

- Eligible Unitholders will be entitled to subscribe, on a pro rata basis, for 160 Rights Units for every 100 existing Units that they hold as at the Record Date



- The Sponsor has undertaken to

  i. accept, procure that the Relevant Entities accept, and/or procure one or more of the Sponsor's existing subsidiaries and/or new subsidiaries/ entities set up by the Sponsor to hold Units to accept, subscribe and pay in full, for the Relevant Entities' total provisional allotment of the Rights Units; and

  ii. apply for, and/or procure that the Sponsor's existing subsidiaries and/or new subsidiaries/ entities set up by the Sponsor apply for, subscribe and pay in full for any Excess Rights Units to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess Rights Units,

  such that the total number of the Allotted Rights Units and the Excess Rights Units is up to 100% of the total number of the Rights Units

HOW CAN I LEARN MORE ABOUT THE TRANSACTIONS?

- The Manager will be holding a Virtual Dialogue with Unitholders as follows:

  Date: 2 December 2020
  Time: 6.00 p.m. - 7.00 p.m.

- All are welcome. Registration is necessary for access to the Virtual Dialogue. Please register at **https://sias.org.sg/lmirtrust** by 6.00 p.m. (Singapore Time) on Monday, 30 November 2020.

- Successful registrants will receive a confirmation email from SIAS at least one (1) day before the session.

WHAT MUST HAPPEN FOR THE ACQUISITION TO PROCEED?

FOR THE ACQUISITION TO PROCEED, UNITHOLDERS MUST VOTE IN FAVOUR OF ALL THE RESOLUTIONS 1, 2, 3 AND 4.

Ordinary Resolution 1 to approve the Acquisition	Ordinary Resolution 2 to approve the Rights Issue	Ordinary Resolution 3 to approve the Whitewash Resolution	Ordinary Resolution 4 to approve the Vendor Financing
Ordinary Resolution: A majority being greater than 50.0% of the total number of votes cast for the Resolution			
The Sponsor and its associates (being BIL and the Manager) will abstain from voting	The Sponsor has provided an irrevocable undertaking to vote in favour	The Relevant Entities (being BIL and the Manager) and their concert parties will abstain from voting	The Sponsor and its associates (being BIL and the Manager) will abstain from voting

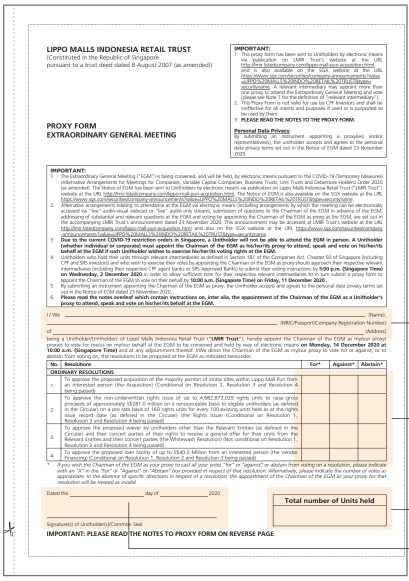
HOW CAN I EXERCISE MY VOTE FOR THE RESOLUTIONS?

- Unitholders will not be able to vote online on the resolutions.
- To exercise your vote, you must submit a Proxy Form appointing the Chairman of the EGM as proxy to vote for or against, or to abstain from voting on the resolutions on your behalf.

Step 1: Locate the Proxy Form

The Proxy Form is enclosed in the Circular that has been despatched to you. It is also available on the LMIR Trust website at **http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html** and the SGX website at **https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname**

Step 2: Complete the Proxy Form



LIPPO MALLS INDONESIA RETAIL TRUST
(Constituted in the Republic of Singapore
pursuant to a trust deed dated 8 August 2007 (as amended))

IMPORTANT:
1. This proxy form has been sent to Unitholders by electronic means via publication on LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html, and is also available on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname. A relevant intermediary may appoint more than one proxy to attend the Extraordinary General Meeting and vote (please see Note 1 for the definition of "relevant intermediary").
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. **PLEASE READ THE NOTES TO THE PROXY FORM.**

Personal Data Privacy
By submitting an instrument appointing a proxy(ies) and/or representatives(s), the unitholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 23 November 2020.

PROXY FORM
EXTRAORDINARY GENERAL MEETING

IMPORTANT:
1. The Extraordinary General Meeting ("EGM") is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended). The Notice of EGM has been sent to Unitholders by electronic means via publication on Lippo Malls Indonesia Retail Trust ("LMIR Trust") website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html. The Notice of EGM is also available on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname.
2. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via "live" audio-visual webcast or "live" audio only stream), submission of questions to the Chairman of the EGM in advance of the EGM, addressing of substantial and relevant questions at the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the accompanying LMIR Trust's announcement dated 23 November 2020. This announcement may be accessed at LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html and also on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname.
3. **Due to the current COVID-19 restriction orders in Singapore, a Unitholder will not be able to attend the EGM in person. A Unitholder (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such Unitholder wishes to exercise his/her/its voting rights at the EGM.**
4. Unitholders who hold their units through relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 of Singapore (including CPF and SRS investors) and who wish to exercise their votes by appointing the Chairman of the EGM as proxy should approach their respective relevant intermediaries (including their respective CPF agent banks or SRS Approved Banks) to submit their voting instructions by **5:00 p.m. (Singapore Time) on Wednesday, 2 December 2020** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by **10:00 a.m. (Singapore Time) on Friday, 11 December 2020 .**
5. By submitting an instrument appointing the Chairman of the EGM as proxy, the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 23 November 2020.
6. **Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the EGM as a Unitholder's proxy to attend, speak and vote on his/her/its behalf at the EGM.**

I / We ______________________________ (Name),
______________________________ (NRIC/Passport/Company Registration Number)
of ______________________________ (Address)
being a Unitholder/Unitholders of Lippo Malls Indonesia Retail Trust ("**LMIR Trust**"), hereby appoint the Chairman of the EGM as my/our proxy/proxies to vote for me/us on my/our behalf at the EGM to be convened and held by way of electronic means **on Monday, 14 December 2020 at 10:00 a.m. (Singapore Time)** and at any adjournment thereof. I/We direct the Chairman of the EGM as my/our proxy to vote for or against, or to abstain from voting on, the resolutions to be proposed at the EGM as indicated hereunder.

No.	Resolutions	For*	Against*	Abstain*
ORDINARY RESOLUTIONS				
1.	To approve the proposed acquisition of the majority portion of strata titles within Lippo Mall Puri from an interested person (the Acquisition) (Conditional on Resolution 2, Resolution 3 and Resolution 4 being passed)			
2.	To approve the non-underwritten rights issue of up to 4,682,872,029 rights units to raise gross proceeds of approximately S$281.0 million on a renounceable basis to eligible unitholders (as defined in the Circular) on a *pro rata* basis of 160 rights units for every 100 existing units held as at the rights issue record date (as defined in the Circular) (the Rights Issue) (Conditional on Resolution 1, Resolution 3 and Resolution 4 being passed)			
3.	To approve the proposed waiver by unitholders other than the Relevant Entities (as defined in the Circular) and their concert parties of their rights to receive a general offer for their units from the Relevant Entities and their concert parties (the Whitewash Resolution) (Not conditional on Resolution 1, Resolution 2 and Resolution 4 being passed)			
4.	To approve the proposed loan facility of up to S$40.0 Million from an interested person (the Vendor Financing) (Conditional on Resolution 1, Resolution 2 and Resolution 3 being passed)			

* *If you wish the Chairman of the EGM as your proxy to cast all your votes "for" or "against" or abstain from voting on a resolution, please indicate with an "X" in the "For" or "Against" or "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of votes as appropriate. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the EGM as your proxy for that resolution will be treated as invalid.*

Dated this __________ day of __________ 2020

____
Signature(s) of Unitholder(s)/Common Seal

Total number of Units held

IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM ON REVERSE PAGE

A Fill in your name and particulars to appoint the Chairman of the EGM as your proxy to attend, speak and vote on your behalf at the EGM.

B Indicate with an "**X**" in the box labelled **FOR, AGAINST** or **ABSTAIN** on how the Chairman of the EGM should cast your votes or abstain from voting for each of the resolutions.

C Indicate the number of Units you hold.

D If you are an individual, you or your attorney **MUST SIGN** and indicate the date on the form.

Step 3: Submit the completed Proxy Form to LMIR Trust's Unit Registrar

BY POST OR BY HAND:
Seal the Proxy Form and drop it in any SingPost mailbox or deliver by hand to:

Unit Registrar c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place, #32-01, Singapore Land Tower,
Singapore 048623

BY EMAIL:
Email to:
lmirtegm2020@boardroomlimited.com

- **The Proxy Form must reach LMIR Trust's Unit Registrar by 10.00 a.m. (Singapore Time) on Friday, 11 December 2020.**
- CPFIS Members or SRS Investors who wish to appoint the Chairman of the EGM as proxy should approach their respective approved CPF agent banks or SRS Approved Banks to submit their votes by 5.00 p.m. (Singapore Time) on Wednesday, 2 December 2020.

WHO CAN I CONTACT FOR ASSISTANCE?

You may email **lmirtegm2020@boardroomlimited.com** or call our hotline at +65 6536 5355 between 9.00 a.m. and 5.00 p.m., Monday to Friday, for assistance.

TABLE OF CONTENTS

CORPORATE INFORMATION

Manager of Lippo Malls Indonesia Retail Trust ("LMIR Trust", and as manager of LMIR Trust, the "Manager)	:	LMIRT Management Ltd. 6 Shenton Way OUE Downtown 2 #12-08 Singapore 068809
Directors of the Manager	:	Mr Murray Dangar Bell (Chairman and Lead Independent Director) Mr Liew Chee Seng James (Executive Director and Chief Executive Officer) Ms Gouw Vi Ven (Non-Executive Director) Mr Mark Leong Kei Wei (Independent Director) Mr Sandip Talukdar (Independent Director)
Trustee of LMIR Trust (the "Trustee")	:	Perpetual (Asia) Limited (in its capacity as trustee of LMIR Trust) 8 Marina Boulevard #05-02 Marina Bay Financial Centre Singapore 018981
Independent Financial Adviser to the Independent Directors and the Audit and Risk Committee of the Manager and the Trustee	:	KPMG Corporate Finance Pte. Ltd. 16 Raffles Quay #22-00 Hong Leong Building Singapore 048581
Legal Adviser to the Manager for the Acquisition and the Rights Issue (each, as defined herein) as to Singapore Law	:	Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
Legal Adviser to the Manager for the Acquisition as to Indonesian Law	:	Melli Darsa & Co., Indonesian member law firm of PwC global network WTC 3 Jl. Jend. Sudirman Kav. 29-31 Jakarta 12920, Indonesia
Legal Adviser to the Trustee (as to Singapore Law)	:	Dentons Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624
Legal Adviser to the Trustee (as to Indonesian Law)	:	Hadiputranto, Hadinoto & Partners Pacific Century Place, Level 35 Sudirman Central Business District Lot 10 Jl. Jendral Sudirman Kav 52-53 Jakarta 12190, Indonesia
Independent Financial Adviser	:	KPMG Corporate Finance Pte. Ltd. 16 Raffles Quay #22-00 Hong Leong Building Singapore 048581

Independent Singapore Tax Adviser	:	EY Corporate Advisors Pte. Ltd. One Raffles Quay North Tower, Level 18 Singapore 048583
Independent Indonesia Accounting and Tax Adviser	:	PB Taxand Menara Imperium 27th Floor Jl. H.R. Rasuna Said Kav. 1 Jakarta 12980 Indonesia
Independent Valuers	:	Cushman & Wakefield VHS Pte Ltd (in collaboration with KJPP Firman Suryantoro Sugeng Suzy Hartomo & Rekan) 3 Church Street #09-03 Singapore 049483 Colliers International Consultancy & Valuation (Singapore) Pte Ltd (in collaboration with KJPP Rinaldi Alberth Baroto & Partners) 1 Raffles Place #45-00, One Raffles Place Singapore 048616
Independent Market Research Consultant	:	Savills Valuation and Professional Services (S) Pte Ltd 30 Cecil Street #20-03, Prudential Tower Singapore 049712
Unit Registrar and Unit Transfer Office	:	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623

SUMMARY

Meanings of defined terms may be found in the Glossary on pages 87 to 96 of this Circular.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

Unless otherwise indicated in this Circular, all conversions from Rupiah amounts into Singapore Dollar amounts in this announcement are based on an illustrative exchange rate of S$1.00 to Rp.10,400.

ABOUT LMIR TRUST

Listed on the Main Board of the SGX-ST on 19 November 2007, LMIR Trust is a Singapore-based real estate investment trust ("**REIT**") with a diversified portfolio of retail properties in Indonesia. LMIR Trust was established with the principal investment objective of owning and investing, on a long-term basis, in a diversified portfolio of income-producing real estate in Indonesia that are primarily used for retail and/or retail-related purposes, and real estate-related assets in connection with the purposes mentioned in the foregoing. As at 30 June 2020, LMIR Trust's existing portfolio (the "**Existing Portfolio**") comprised 23 high-quality retail malls and seven major retail spaces located within other malls with a combined net lettable area ("**NLA**") of 905,567 square metres ("**sq m**") and a valuation of S$1,826.6 million[1] as of 31 December 2019. LMIR Trust has subsequently divested Pejaten Village and Binjai Supermall on 30 July 2020 and 3 August 2020 respectively (the "**Divestments**"). Following the Divestments, LMIR Trust now comprises 21 high-quality retail malls and seven major retail spaces with a combined NLA of 839,907 sq m. Following a desktop valuation of the Existing Portfolio (excluding Pejaten Village and Binjai Supermall) on 31 July 2020, the valuation of the Existing Portfolio (excluding Pejaten Village and Binjai Supermall) is S$1,474.8 million.

SUMMARY OF APPROVALS SOUGHT

In furtherance of LMIR Trust's investment policy, the Manager is seeking the approval of unitholders of LMIR Trust ("**Unitholders**") to carry out the following transactions:

(i) **Resolution 1 (the Acquisition):** the proposed acquisition from PT Mandiri Cipta Gemilang (the "**Vendor**" or "**PT MCG**"), a company incorporated in Indonesia and an indirect wholly-owned subsidiary of PT Lippo Karawaci Tbk, the sponsor of LMIR Trust (the "**Sponsor**"), of the majority portion of strata titles within Lippo Mall Puri having a total area of 175,146.44 sq m held under two Strata Title (*Hak Atas Satuan Rumah Susun*) Certificates No. 419 and No. 420 which were issued on 2 October 2020 and will expire on 15 January 2040 (the "**Property**", and the proposed acquisition of the Property, the "**Acquisition**"). (Ordinary Resolution[2]);

(ii) **Resolution 2 (the Rights Issue):** the proposed non-underwritten rights issue of up to 4,682,872,029 Rights Units to raise gross proceeds of approximately S$281.0 million on a renounceable basis to Eligible Unitholders (as defined herein) and on a *pro rata* basis of 160 Rights Units for every 100 existing Units held as at the time and date on which the transfer books and register of Unitholders will be closed to determine the provisional allotment of the Rights Units to the Eligible Unitholders (the "**Existing**

1 Includes intangible assets of S$5.7 million.

2 "**Ordinary Resolution**" refers to a resolution proposed and passed as such by a majority being more than 50.0% of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the trust deed dated 8 August 2007 constituting LMIR Trust, entered into between the Trustee and the Manager, as amended, varied or supplemented from time to time (the "**Trust Deed**").

Units" and the "**Rights Issue Record Date**" respectively), fractional entitlements to be disregarded (the "**Rights Issue**") (Ordinary Resolution);

(iii) **Resolution 3 (the Whitewash Resolution)**: the proposed waiver by Unitholders other than Bridgewater International Limited ("**BIL**"), the Manager (BIL and the Manager, collectively, the "**Relevant Entities**") and their concert parties (as defined in the Singapore Code on Take-overs and Mergers (the "**Code**")) (the "**Independent Unitholders**") of their rights to receive a general offer for their Units from the Relevant Entities and their concert parties pursuant to Rule 14 of the Code (the "**Whitewash Resolution**") (Ordinary Resolution); and

(iv) **Resolution 4 (the Vendor Financing)**: the proposed entry into a loan facility with the Vendor of up to S$40.0 million to part-finance the Acquisition (the "**Vendor Financing**"). The final amount to be drawn down under the Vendor Financing will be determined at the completion of the Acquisition ("**Completion**") and will depending on, amongst other factors, the final amount of bank debt drawn down by LMIR Trust to finance the Acquisition (Ordinary Resolution).

Unitholders should note that Resolution 1 (the Acquisition), Resolution 2 (the Rights Issue) and Resolution 4 (the Vendor Financing) are conditional upon each other and upon Resolution 3 (the Whitewash Resolution). This means that if any of Resolution 1, Resolution 2, Resolution 3 or Resolution 4 is not approved, none of Resolution 1, Resolution 2 or Resolution 4 will be carried. Resolution 3 is not conditional upon Resolution 1, Resolution 2 or Resolution 4.

RESOLUTION 1: THE ACQUISITION

In furtherance of the Acquisition, LMIR Trust, through its wholly-owned Singapore subsidiaries, owns 100% of the issued and paid up share capital of PT Puri Bintang Terang, an Indonesian limited liability company ("**PT PBT**" or the "**Purchaser**"). On 11 March 2019, PT PBT entered into a conditional sale and purchase agreement with the Vendor for the Acquisition, as amended on 2 September 2019, 31 March 2020 and 28 August 2020 (as amended, the "**Property CSPA**"). The Vendor is an indirect wholly-owned subsidiary of the Sponsor. Upon Completion, LMIR Trust will indirectly hold the Property through PT PBT.

Description of the Property

The Property comprises the retail components of Lippo Mall Puri[3], the flagship shopping mall of the Sponsor located at Jalan Puri Indah Boulevard Block U1, Puri Indah, South Kembangan Sub-District, Kembangan District, West Jakarta City, DKI Jakarta Province, Indonesia, which is part of the St. Moritz Jakarta Integrated Development ("**St. Moritz**")[4].

St. Moritz is a premium integrated development which is the largest mixed-use development[5] in West Jakarta with a total construction floor area of approximately 850,000 sq m. The Vendor is the sole developer and project manager for St. Moritz, and has envisioned a "live, work and play" environment for the development. The Property, which is the only retail mall in

3 Lippo Mall Puri comprises of retail, residential, office, and hotel components. The residential components of Lippo Mall Puri has 1,075 units, of which 1,068 units have been sold. The occupancy rate for the office component is 89.8% as at the Latest Practicable Date. As at the Latest Practicable Date, the hotel component of Lippo Mall Puri has not been completed.

4 St. Moritz is built on two plots of land held under the Right-to-Build (*Hak Guna Bangunan*) certificates No. 05706 issued on 14 November 2019 and No. 05707 issued on 27 November 2019 respectively, both expiring on 15 January 2040 with a total land area of 73,246 sq m.

5 Within St. Moritz, there are some retail units in an adjacent building named PX Pavilion which opened in 2009 (before the opening of the Property), with an NLA of 10,761 sq m and an occupancy rate of approximately 50% as of September 2020. As at the Latest Practicable Date, LMIR Trust has no intention to acquire PX Pavilion as its operations are not core to LMP 1 and LMP 2.

the development, will provide residential, office tenants and hotel guests direct access to a wide range of food options, gym providers, entertainment such as cinema as well as lifestyle amenities.

The Property is distributed over five floors of retail space (lower ground floor, ground floor, upper ground floor and levels 1 and 2) within Lippo Mall Puri's two eight-storey buildings ("**LMP 1**" and "**LMP 2**") with a total gross floor area ("**GFA**") of approximately 175,146 sq m (representing 38.6% of St. Moritz's total GFA) and a total NLA of approximately 116,014 sq m. The Sponsor is in the process of restoring a portion of the second floor on the left wing of the Property previously utilised as car park lots[6] to its original function as leasable retail space[7] (the "**P2 Space**"). The restoration of the P2 Space, which is expected to be completed by March 2021, will add approximately 6,848 sq m of leasable retail space, thereby increasing the total NLA of Lippo Mall Puri to approximately 122,862 sq m. LMP 1 and LMP 2 are connected by an underground and overhead retail walkway (the "**Retail Walkway**")[8]. The Property has access to car parks at the basement floor, lower ground floor, lower ground mezzanine floor, level 5, and certain parts of levels 6 to 8 with 4,285 car park lots (the "**Car Parks**"[9]).

The Vendor has agreed to provide and guarantee reasonable access to the area of Lippo Mall Puri which are not part of the Property, including the Retail Walkway and the Car Parks (the "**Excluded Area**") to PT PBT, the tenants of the Property and visitors to the Property, so that (a) PT PBT and any service operator appointed jointly by PT PBT and the Vendor to provide operation and/or maintenance services in relation to the Property following Completion (the "**Service Operator**") shall be able to operate and manage the Property; (b) the users of the Property and/or PT PBT shall be able to continue to utilise the Property; and/or (c) the tenants, users or visitors of the Property and/or PT PBT will have and continue to have reasonable access to the Property.

The table below sets out a summary of selected information on the Property.

Address/location	Jalan Puri Indah Boulevard Block U1, Puri Indah, South Kembangan Sub-District, Kembangan District, West Jakarta City, DKI Jakarta Province, Indonesia
Description / existing use	Commercial
Car park lots	4,285 car park lots (not part of the Property)
Title	Strata Title (*Hak Atas Satuan Rumah Susun*) Certificates No. 419 and No. 420 issued on 2 October 2020 and expiring on 15 January 2040
Date of completion of building	July 2014
Occupancy rate	91.9% as of 30 June 2020 (89.9% upon restoration of the P2 Space)
Average gross rent(1)	Rp.186,106 per sq m per month as of 30 June 2020
Number of tenants	333
GFA	Approximately 175,146 sq m
NLA	116,014 sq m as at 30 June 2020 (122,862 sq m upon restoration of the P2 Space)
Weighted Average Lease Expiry ("WALE") (By NLA)	3.4 years

Note:
(1) This is computed by taking the average of the gross rent (excluding service charge) for 30 June 2020.

(See paragraph 2.1 of the Circular for further details.)

6 There were previously 263 car park lots in the P2 Space. Following the restoration of the P2 Space, there will be a total of 4,285 car park lots in Lippo Mall Puri.

7 The valuation of the P2 Space by the Independent Valuers (as defined herein) is on the basis that its restoration has been completed and it is accordingly valued as retail space. This is as the Independent Valuers have used the income approach utilising the discounted cash flow method, which projects the future cash flows of the Property including the projected rentals from the P2 Space for the period after it has been restored into retail space.

8 The Retail Walkway has 29 tenants with an NLA of 4,224 sq m and an occupancy rate of 96.1% as at October 2020.

9 For avoidance of doubt, this excludes the P2 Space which is being restored to leasable retail space.

Purchase Consideration and Valuation

The total consideration for the sale and purchase of the Property is Rp.3,500.0 billion (approximately S$336.5 million) (the "**Purchase Consideration**").

The Independent Valuers, Cushman & Wakefield VHS Pte Ltd ("**Cushman**") in collaboration with KJPP Firman Suryantoro Sugeng Suzy Hartomo & Partners ("**FAST**") and Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("**Colliers**") in collaboration with KJPP Rinaldi Alberth Baroto & Partners ("**RAB**"), were appointed by the Trustee and the Manager respectively to value the Property. The average of the valuations of the Property by the Independent Valuers as at 30 June 2020 ("**Independent Valuations**") with Vendor Support is Rp.3,866.0 billion using the income approach utilising the discounted cash flow method.

The following table sets out the appraised values of the Property, the respective dates of such appraisal and the Purchase Consideration:

Property	Appraised Value				Average of two Valuations		Purchase Consideration	
	By Cushman as at 30 June 2020 (1) (2)		By Colliers as at 30 June 2020 (1) (3)					
	(S$ million)	(Rp. billion)	(S$ million)	(Rp. billion)	(S$ million)	(Rp. billion)	(S$ million)	(Rp. billion)
Property (with Vendor Support) (as defined herein)	361.7	3,762.0	381.7	3,970.0	371.7	3,866.0	336.5	3,500.0
Property (without Vendor Support)	343.5	3,572.0	353.8	3,680.0	348.7	3,626.0		

Notes:

(1) Assuming an occupancy rate of 82.0% in Year 1 (due to the impact of the Covid-19 pandemic).

(2) Assuming an occupancy rate of 93.5% in Year 10.

(3) Assuming an occupancy rate of 96.1% in Year 10.

The Purchase Consideration was negotiated on a willing-buyer willing-seller basis, taking into consideration the two Independent Valuations and is lower than the two Independent Valuations, representing a discount of 9.47% and 3.47% to the average of the two Independent Valuations with Vendor Support and without Vendor Support respectively. The Purchase Consideration also represents a 6.96% discount to Rp.3,762.0 billion (approximately S$361.7 million), which is the lower of the two Independent Valuations (taking into account the Vendor Support) of the Property.

The Manager would like to add, for the information of the Unitholders, that should the Vendor Support not be taken into account in the appraised values of the Property by Cushman and Colliers, then their respective valuations as at 30 June 2020 would be Rp.3,572.0 billion (approximately S$343.5 million) and Rp.3,680.0 billion (approximately S$353.8 million), respectively, and the Purchase Consideration would represent a discount of 3.47% to Rp.3,626.0 billion (approximately S$348.7 million), being the average of such valuations.

For the avoidance of doubt, the valuations conducted by the Independent Valuers do not take into account the Retail Walkway as the Acquisition does not include the Retail Walkway. Any future acquisition of the Retail Walkway will be subject to the valuation requirements under Appendix 6 of the Code on Collective Investment Schemes (the "**Property Funds Appendix**"). Similarly, the Car Parks are not part of the Acquisition as they form part of the common areas of St. Moritz.

(See paragraph 2.3 and 2.4 of the Circular for further details on the Purchase Consideration and Valuation and the experience and track record of the Independent Valuers and **APPENDIX B** of this Circular for further details regarding the valuation of the Property by the Independent Valuers. See also paragraph 2.8 of the Circular for further details on the Vendor Support.)

Details of the Land Titles

St. Moritz is constructed on the Land Titles which are two plots of land held under the Right-to-Build (*Hak Guna Bangunan*) ("**HGB**") certificates No. 05706 issued on 14 November 2019 and No. 05707 issued on 27 November 2019 respectively, both expiring on 15 January 2040 with a total land area of 73,246 sq m. In turn, the Property is held under Strata Title (*Hak Atas Satuan Rumah Susun*) Certificates No. 419 and No. 420, which were issued on 2 October 2020 and expire on 15 January 2040. At Completion, the Vendor and PT PBT will execute a deed of sale and purchase before a land deed officer, following which the name recorded in the Strata Title Certificates for the Property will be changed to PT PBT.

The costs involved for the execution of deed of sale and purchase are as follows:

(i) Final Tax on Transfer of Land and Building Titles (Pajak Penghasilan Final atas Pengalihan Hak atas Tanah dan Bangunan) ("**FTTLBT**") of Rp.87.5 billion (being 2.5% of the Purchase Consideration) which is to be paid by the Vendor;

(ii) Duty on Acquisition of Land and Building Titles (*Bea Pengalihan Hak atas Tanah dan Bangunan*) ("**DALBT**") of Rp.175.0 billion (being 5% of the Purchase Consideration) which is to be paid by the Purchaser; and

(iii) Value-added tax (*Pajak Pertambahan Nilai*) ("**VAT**") of Rp.350.0 billion (being 10% of the Purchase Consideration) which is to be paid by the Purchaser.

(See paragraph 2.6 of the Circular for further details.)

Vendor Support

The Property commenced operations in 2014 (with LMP 1 on 19 June 2014 and LMP 2 on 26 March 2015) with occupancy rate building over the years to be at 91.9% (exclusive of P2 Space) as at 30 June 2020. The Property, being a part of the mixed-use development has evolved as other components of the mixed use development have opened since 2014. The hotel currently under construction is targeted to open in 2022 which delivers the completed St. Moritz development.

With 183 out of 333 tenants (representing 68.4% of the total NLA of the Property, exclusive of the P2 Space) still operating under their first lease terms and benefiting from concessionary rental rates, the current average rental rates of the Property are lower compared to the rental rates of Competitor Malls (as defined herein) before the Covid-19 pandemic.

The outbreak of the Covid-19 pandemic has impacted the performance of the retail market in Indonesia due to strict health protocols and transitional social restriction measures, which led to sharp decline in shopper traffic as overall number of visitors are being limited and leisure-related retailers such as cinemas, fitness centres, karaoke bars, children's playgrounds and other types of operators considered higher risk for Covid-19 transmission remained under review for reopening. Consequently, the retail market has experienced a decline in rental rates of retail space as mall owners offer more competitive rental rates to attract or retain tenants or provide rental reliefs to tenants to help them tide over the pandemic. Based on a report by Colliers[10], the asking rent in Jakarta declined by 0.1% quarter-on-quarter in the second quarter of 2020 to Rp.572,518 per sq m per month (from Rp.572,888 per sq m per month in the first quarter of 2020). These measures will likely impact the Property's short-term revenue due to lower growth rates, lower average rental rates and higher vacancy allowances.

10 Information from the Colliers Quarterly report for the second quarter of 2020 by Colliers International dated 8 July 2020. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

The Manager has therefore negotiated for the Vendor to lease certain vacant leasable space within the Property which is not occupied by, or which has not been committed in writing to be leased to a tenant other than the Vendor under an agreement[11] (the "**Uncommitted Space**", and the agreement to lease the Uncommitted Space, the "**Vendor Support Agreement**") on a quarterly basis from the date of Completion to 31 December 2024 (the "**Vendor Support Period**"), for such amount of rent such that the Property will generate an agreed amount of NPI per quarter (the NPI target per quarter, the "**NPI Target**"[12], and the leasing of the Uncommitted Space, the "**Vendor Support**")[13]. Should the actual NPI exceed the NPI Target, 50% of such excess above the NPI Target will be carried forward to the subsequent quarters and used to satisfy any subsequent shortfall between the actual NPI and the NPI Target while the remaining 50% of such excess shall be retained by PT PBT. PT PBT shall also be entitled to retain any cumulative surplus of actual NPI over the NPI Target following the end of the Vendor Support Period on 31 December 2024.

The Vendor Support is expected to allow the Property to provide a stable level of income to mitigate the short-term uncertainties caused by the Covid-19 pandemic, and for the property income to be in line with the income of comparable retail malls in West Jakarta during the Vendor Support Period.

(See paragraph 2.8 of the Circular for further details.)

Estimated Acquisition Cost

The total cost of the Acquisition to LMIR Trust is currently estimated to be approximately S$390.9 million, comprising the following:

(i) the Purchase Consideration of Rp.3,500.0 billion (approximately S$336.5 million);

(ii) the acquisition fee of approximately S$1.7 million payable to the Manager pursuant to the Trust Deed (as defined herein) in connection with the Acquisition, being 0.5% of the Purchase Consideration for the Acquisition (the "**Acquisition Fee**"),

in this regard, to demonstrate its support for the Acquisition, the Manager has voluntarily waived 50.0% of its acquisition fee entitlement under the Trust Deed, which would otherwise have been 1.0% of the Purchase Consideration for the Acquisition (the "**Acquisition Fee Entitlement**");

(iii) VAT (Value Added Tax) of Rp.350.0 billion (approximately S$33.7 million)[14], being 10% of the Purchase Consideration;

(iv) DALBT (Duty on Acquisition of Land and Building Titles) of Rp.175.0 billion (approximately S$16.8 million), being 5% of the Purchase Consideration; and

(v) estimated legal and other professional fees and expenses of approximately S$2.2 million to be incurred by LMIR Trust in connection with the Acquisition,

(collectively, the "**Acquisition Cost**").

The Manager has decided to voluntarily waive 50% of its Acquisition Fee Entitlement. As the Acquisition will constitute an "interested party transaction" under paragraph 5 of the Property Funds Appendix, Acquisition Fee to be paid will be satisfied via the issue of new Units ("**Acquisition Fee Units**") which shall not be sold within one year of the date of issuance. For the avoidance of doubt, Acquisition Fee will only be paid (and the Acquisition Fee Units will only be issued) after Completion.

11 As at 30 June 2020, the Uncommitted Space is 10.1% of the total NLA of the Property.
12 The NPI Target for each year during the Vendor Support Period is Rp.340.0 billion per annum.
13 Service revenue and service charges are excluded for the purpose of calculating the NPI under the Vendor Support.
14 The VAT is refundable.

The Manager is currently exploring the possibility of entering into a partial hedge against the potential appreciation of the Indonesian Rupiah against the Singapore Dollar (the "**Hedging Transaction**") prior to Completion. LMIR Trust will enter into the Hedging Transaction using currency non-deliverable forwards with Singapore based financial institutions. The Manager may procure the entry of LMIR Trust into the Hedging Transaction at any time prior to the date of Completion, subject to market conditions.

(See paragraph 2.13 of the Circular for further details.)

Method of Financing the Acquisition

The Manager intends to finance the Acquisition Cost (save for the Acquisition Fee, which will be paid through the issue of the Acquisition Fee Units) through a combination of debt financing of up to S$120.0 million (comprising S$80.0 million from bank debt and S$40.0 million from the Vendor Financing) and part of the proceeds from the Rights Issue amounting to S$269.2 million.

(See paragraph 2.14 of the Circular for further details.)

Interested Person Transaction[15] and Interested Party Transaction[16]

As at 13 November 2020, the latest practicable date prior to the printing of this Circular (the "**Latest Practicable Date**"), the Sponsor directly and/or through its subsidiaries and through its interest in the Manager, has deemed interests of (i) 32.32% in LMIR Trust, and is therefore regarded as a "**Controlling Unitholder**"[17] of LMIR Trust under both the Listing Manual and the Property Funds Appendix. In addition, the Manager is directly held by Peninsula Investment Limited ("**Peninsula**"), which in turn is directly held by Mainland Real Estate Limited ("**Mainland**") and Jesselton Investment Limited ("**Jesselton**"). Mainland and Jesselton are in turn wholly-owned subsidiaries of the Sponsor and the Sponsor is therefore regarded as a "**Controlling Shareholder**"[18] of the Manager under both the Listing Manual and the Property Funds Appendix.

For the purpose of Chapter 9 of the Listing Manual and the Property Funds Appendix, the Vendor, being an indirect wholly-owned subsidiary of the Sponsor (which in turn is a Controlling Unitholder of LMIR Trust and a Controlling Shareholder of the Manager) is an Interested Person[19] and an Interested Party[20] of LMIR Trust.

As such, the Acquisition (including the Vendor Support Agreement) will constitute an Interested Person Transaction under Chapter 9 of the Listing Manual and also an Interested

15 "**Interested Person Transaction**" means a transaction between an entity at risk and an Interested Person (as defined herein).

16 "**Interested Party Transaction**" has the meaning ascribed to it in paragraph 5 of the Property Funds Appendix.

17 "**Controlling Unitholder**" means a person who:
   (a) holds directly or indirectly 15.0% or more of the nominal amount of all voting units in the property fund. The MAS may determine that such a person is not a controlling unitholder; or
   (b) in fact exercises control over the property fund.

18 "**Controlling Shareholder**" means a person who:
   (a) holds directly or indirectly 15.0% or more of the total number of issued shares excluding treasury shares in the company; or
   (b) in fact exercises control over a company.

19 As defined in the Listing Manual, in the case of a REIT, has the meaning defined in the Code on Collective Investment Schemes issued by the MAS. Therefore this means:
   (a) a director, chief executive officer or Controlling Shareholder of the manager, or the manager, the trustee, or controlling unitholder of the property fund; or
   (b) an associate of any director, chief executive officer or Controlling Shareholder of the manager, or an associate of the manager, the trustee or any controlling unitholder of the property fund.

20 As defined in the Property Funds Appendix, means:
   (a) a director, chief executive officer or Controlling Shareholder of the manager, or the manager, the trustee, or controlling unitholder of the property fund; or
   (b) an associate of any director, chief executive officer or Controlling Shareholder of the manager, or an associate of the manager, the trustee or any controlling unitholder of the property fund.

Party Transaction under paragraph 5 of the Property Funds Appendix for which Unitholders' approval is required. Accordingly, the approval of Unitholders is sought for the Acquisition (including the Vendor Support Agreement).

(See paragraph 2.16 of the Circular for further details.)

Unitholders should note that Resolution 1 (the Acquisition), Resolution 2 (the Rights Issue) and Resolution 4 (the Vendor Financing) are conditional upon each other and upon Resolution 3 (the Whitewash Resolution). This means that if any of Resolution 1, Resolution 2, Resolution 3 or Resolution 4 is not approved, none of Resolution 1, Resolution 2 or Resolution 4 will be carried. Resolution 3 is not conditional upon Resolution 1, Resolution 2 or Resolution 4.

RESOLUTION 2: THE RIGHTS ISSUE

The Manager intends to finance the Acquisition Cost (save for the Acquisition Fee, which will be paid through the issue of the Acquisition Fee Units) through a combination of debt financing of up to S$120.0 million, comprising bank debt and the Vendor Financing and part of the proceeds from the Rights Issue.

The Manager is seeking the approval of Unitholders for the non-underwritten Rights Issue of up to 4,682,872,029 Rights Units (which is equivalent to approximately 160% of the 2,926,795,018 Units in issue as at the Latest Practicable Date) to raise gross proceeds of approximately S$281.0 million on a renounceable basis to Eligible Unitholders and on a *pro rata* basis of 160 Rights Units for every 100 Existing Units held as at the Rights Issue Record Date, at the illustrative Issue Price of S$0.060 per Rights Unit (the "**Issue Price**"), fractional entitlements to be disregarded. The Rights Units will, upon allotment and issue, rank *pari passu* in all respects with the Units in issue as at the date of issue of the Rights Units including the right to any distributions which may accrue prior to the Rights Issue as well as all distributions thereafter.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Rights Issue at its absolute discretion for other purposes, including without limitation, to repay existing indebtedness.

To demonstrate its support for LMIR Trust and the Rights Issue, the Sponsor has, on 28 August 2020 provided an irrevocable undertaking to the Manager that, amongst others:

(i) as at the time and date on which the transfer books and register of the unitholders of LMIR Trust will be closed to determine the provisional allotment of the Rights Units to the eligible Unitholders, the Sponsor will have an interest (either actual or deemed) in not less than 945,863,906 Units credited to securities accounts with the CDP (as defined herein) which are held in the name of Bridgewater International Limited ("**BIL**") and the Manager (collectively, the "**Relevant Entities**") (each with a registered address with CDP in Singapore);

(ii) that subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including the SGX-ST and/or the Securities Industry Council ("**SIC**")), where applicable, the Sponsor will vote and/or procure that its wholly-owned subsidiaries holding Units vote (in respect of all Units beneficially owned by it or its wholly-owned subsidiaries) in favour of the resolution to approve the Rights Issue at the extraordinary general meeting of unitholders of LMIR Trust and such other resolutions necessary or expedient for the purposes of the Rights Issue;

(iii) in accordance with the terms and conditions of the Rights Issue and in any case not later than Closing Date (as defined herein), the Sponsor will accept, and/or procure that the Subscribing Entities (as defined herein) accept, subscribe and pay in full, for the Relevant Entities' total provisional allotment of Rights Units (the "**Allotted Rights Units**");

(iv) in accordance with the terms and conditions of the Rights Issue and in any case not later than the Closing Date, the Sponsor will additionally apply for, and/or procure that the Subscribing Entities apply for, subscribe and pay in full for the Excess Rights Units (as defined herein) such that the total number of Allotted Rights Units and the Excess Rights Units applied for by the Relevant Entities be equivalent to 100.0% of the total number of Rights Units;

(v) unless required by applicable law or regulations or by an order of a court of competent jurisdiction, the Sponsor will not, during the period commencing from the date hereof up to and including the date of the listing of the Rights Units, make any public statement or announcement regarding the Rights Issue containing information that has not otherwise been made publicly available by the Manager prior to or simultaneously with the Sponsor's public statement or announcement, without first obtaining the prior written consent of the Manager (such consent not to be unreasonably withheld or delayed); and

(vi) that the Sponsor will take or cause to be taken, all steps and actions and do, or cause to be done, all such acts and things as may be reasonably required to give effect to the undertakings set out in the Sponsor Irrevocable Undertaking (as defined herein).

(See paragraph 3 of the Circular for further details.)

Unitholders should note that Resolution 1 (the Acquisition), Resolution 2 (the Rights Issue) and Resolution 4 (the Vendor Financing) are conditional upon each other and upon Resolution 3 (the Whitewash Resolution). This means that if any of Resolution 1, Resolution 2, Resolution 3 or Resolution 4 is not approved, none of Resolution 1, Resolution 2 or Resolution 4 will be carried. Resolution 3 is not conditional upon Resolution 1, Resolution 2 or Resolution 4.

RESOLUTION 3: THE WHITEWASH RESOLUTION

The Manager proposes to seek approval from the Independent Unitholders for a waiver of their right to receive a mandatory offer from the Relevant Entities and their concert parties, in the event that they incur an obligation to make a mandatory offer ("**Mandatory Offer**") pursuant to Rule 14 of the Code as a result of the issue of the Allotted Rights Units and the Excess Rights Units to the Relevant Entities and their concert parties.

Upon issue of the Allotted Rights Units and the Excess Rights Units to the Relevant Entities and their concert parties, the Relevant Entities and their concert parties may possibly end up acquiring additional Units which exceeds the threshold pursuant to Rule 14 of the Code. In particular, Rule 14.1(b) of the Code states that the Relevant Entities and their concert parties would be required to make a Mandatory Offer if the Relevant Entities and their concert parties, acquire additional Units which increase their aggregate unitholdings in LMIR Trust by 1.0% or more in any period of 6 months. Unless waived by the SIC, pursuant to Rule 14.1(b) of the Code, the Relevant Entities and their concert parties would then be required to make a Mandatory Offer. On 9 September 2020, the SIC has granted this waiver subject to, *inter alia*, the Whitewash Resolution being approved by Independent Unitholders at an EGM.

Unitholders should note that by voting for the Whitewash Resolution, they are waiving their rights to receive a general offer from the Relevant Entities with it at the highest price paid by the Relevant Entities and their concert parties for Units in the six months preceding the commencement of the general offer.

Unitholders should further note that the issue of the Allotted Rights Units and the Excess Rights Units could result in the aggregated unitholding of the Relevant Entities and their concert parties exceeding 49% of the voting rights of LMIR Trust, and accordingly, the Relevant Entities and their concert parties will be free to acquire further Units without incurring any obligation under Rule 14 of the Code to make a general offer.

(See paragraph 5 of the Circular for further details.)

RESOLUTION 4: THE VENDOR FINANCING

The Manager is seeking the approval of Unitholders for the Vendor Financing under which the Vendor will provide a loan facility of up to S$40.0 million in Vendor Financing. The following table sets out the key terms of the Vendor Financing.

Lender	PT Mandiri Cipta Gemilang
Borrower	Binjaimall Holdings Pte Ltd
Principal Amount	Up to S$40.0 million
Security	The Vendor Financing will be unsecured.
Maturity Date	15 months from the date of drawdown (the "**Drawdown Date**") (the "**Initial Maturity Date**") extendable by a further 12 months up subject to the approval of the Lender (the "**Final Maturity Date**").
Interest and Interest Period; Extension Option Fee	3.65% per annum[21], commencing on the Drawdown Date with a 0.5% extension option fee. The effective interest rate including the applicable withholding tax is 4.05%.
Payment and Repayment	Payment of interest in one lump sum on the Initial Maturity Date and on the Final Maturity Date (if the maturity date is extended to the Final Maturity Date).
Events of Default	(a) If the Borrower neglects, fails and/or for any reason cannot pay and/or fully repay all or part of the outstanding amount under the Vendor Financing; or (b) If the Borrower neglects, fails and/or for any reason cannot fulfil one or more of its obligations under the Vendor Financing.
Tax Gross Up	All payments to be made by the Borrower will be free and clear of all present and future taxes, unless required by law. If any deduction is required, the Borrower will pay an additional amount necessary to ensure that the Lender receives an amount that would otherwise have been received had no such deduction been required.
Assignment and Transfer	The Lender and/or the Borrower, upon giving not less than five Business Days' prior notice to the other party, may assign or transfer by novation its rights, title and interest in respect of the Facility Agreement or its obligations in respect of the commitments in part or whole to any of its associates.
Governing Law	Singapore Law
Dispute Resolution	Arbitration at the SIAC

21 For comparison, LMIR Trust's working capital facilities are currently rolled over on a monthly basis at an interest rate of 3.85%, as described in the IFA letter (as defined herein).

The Vendor Financing will allow LMIR Trust to conserve its existing cash balance to buffer against any continued short term impact on its operations due to the Covid-19 pandemic while seizing on the opportunity to acquire a strategic asset beneficial to LMIR Trust over the long term. Although the Asian banking and debt capital markets have stabilised, they have yet to recover fully to the levels seen before the outbreak of the Covid-19 pandemic. LMIR Trust will look to repay this Vendor Financing, if any, with new longer tenor borrowings from the banking or debt capital markets when raising further financing from these markets become more conducive. The final amount of Vendor Financing will be determined closer to Completion, depending on the final amount of bank debt finance utilised by LMIR Trust to finance the Acquisition.

RATIONALE FOR THE ACQUISITION AND THE RIGHTS ISSUE

The Manager believes that the Acquisition and the Rights Issue will bring the following key benefits to Unitholders:

(i) acquisition of a strategic and iconic retail mall within a premium integrated development located in West Jakarta, an area with favourable demand and supply dynamics;

(ii) acquisition of a high quality retail mall at an attractive price and attractive NPI Yield with potential for capital appreciation;

(iii) the acquisition will result in a significant growth in assets under management ("**AUM**") and NPI terms;

(iv) enhanced product offering;

(v) improving LMIR Trust's portfolio mix and strengthen LMIR Trust for long-term growth in a post Covid-19 environment; and

(vi) larger market capitalisation may lead to improved trading liquidity.

(See paragraph 4 of the Circular for further details.)

INDICATIVE TIMETABLE

The timetable for the events which are scheduled to take place after the EGM is indicative only and is subject to change at the Manager's absolute discretion. Any changes (including any determination of the relevant dates) to the timetable below will be announced.

Event		Date and Time
Last date and time for lodgement of Proxy Forms	:	Friday, 11 December 2020 at 10:00 a.m. (Singapore Time)
Date and time of the EGM	:	Monday, 14 December 2020 at 10:00 a.m. (Singapore Time)
If approvals for the Acquisition and the Rights Issue are obtained at the EGM:		
Target date for Completion	:	January 2021

LMIR TRUST

LIPPO MALLS INDONESIA RETAIL TRUST

(Constituted in the Republic of Singapore pursuant to a trust deed dated 8 August 2007 (as amended))

Directors of the Manager

Mr Murray Dangar Bell (Chairman and Lead Independent Director)

Mr Liew Chee Seng James (Executive Director and Chief Executive Officer)

Ms Gouw Vi Ven (Non-Executive Director)

Mr Mark Leong Kei Wei (Independent Director)

Mr Sandip Talukdar (Independent Director)

Registered Office

6 Shenton Way
OUE Downtown 2 #12-08
Singapore 068809

23 November 2020

To: Unitholders of Lippo Malls Indonesia Retail Trust

Dear Sir/Madam

1. SUMMARY OF APPROVALS SOUGHT

In furtherance of LMIR Trust's investment policy, the Manager is seeking the approval of Unitholders at the extraordinary general meeting of Unitholders to be convened and held by way of electronic means on Monday, 14 December 2020 at 10:00 a.m. (Singapore Time) (the "**EGM**") for the purpose of considering and, if thought fit, passing with or without modifications the following resolutions as described in this Circular:

(i) **Resolution 1**: To approve the proposed acquisition of the majority portion of strata titles within Lippo Mall Puri from an interested person (the Acquisition) (Ordinary Resolution);

(ii) **Resolution 2**: To approve the non-underwritten rights issue of up to 4,682,872,029 rights units to raise gross proceeds of approximately S$281.0 million on a renounceable basis to eligible unitholders (as defined in the Circular) on a *pro rata* basis of 160 rights units for every 100 existing units held as at the rights issue record date (as defined in the Circular) (the Rights Issue) (Ordinary Resolution);

(iii) **Resolution 3**: To approve the proposed waiver by unitholders other than the Relevant Entities (as defined in the Circular) and their concert parties of their rights to receive a general offer for their units from the Relevant Entities and their concert parties (the Whitewash Resolution) (Ordinary Resolution); and

(iv) **Resolution 4**: To approve the proposed loan facility of up to S$40.0 Million from an interested person (the Vendor Financing) (Ordinary Resolution).

Unitholders should note that Resolution 1 (the Acquisition), Resolution 2 (the Rights Issue) and Resolution 4 (the Vendor Financing) are conditional upon each other and upon Resolution 3 (the Whitewash Resolution). This means that if any of Resolution 1, Resolution 2, Resolution 3 or Resolution 4 is not approved, none of Resolution 1, Resolution 2 or Resolution 4 will be carried. Resolution 3 is not conditional upon Resolution 1, Resolution 2 or Resolution 4.

2. RESOLUTION 1: THE ACQUISITION

2.1 Description of the Property

Lippo Mall Puri is a retail mall located at Jalan Puri Indah Boulevard Block U1, Puri Indah, South Kembangan Sub-District, Kembangan District, West Jakarta City, DKI Jakarta Province, Indonesia.

The Property comprises the retail components of Lippo Mall Puri[1] which is the flagship mall of the Sponsor. In turn, Lippo Mall Puri is part of St. Moritz, a premium integrated development which is the largest mixed-use development[2] in West Jakarta with a total construction floor area of approximately 850,000 sq m. St. Moritz comprises Lippo Mall Puri, six apartment towers (The Royal Towers 1 and 2, The Ambassador Towers 1 and 2 and The Presidential Towers 1 and 2) with a total of more than 1,000 units, Hope Academy, a new concept of urban school, and an office-cum-5-star hotel building which is estimated to have approximately 320 rooms . The Vendor is the sole developer and project manager for St. Moritz, and has envisioned a "live, work and play" environment for the development. The Vendor is an indirect wholly-owned subsidiary of the Sponsor of LMIR Trust. The Property, which is the only retail mall in the development, will provide residential, office tenants and hotel guests direct access to a wide range of food options, gym providers, entertainment such as cinema as well as lifestyle amenities.

The Property is distributed over five floors of retail space (lower ground floor, ground floor, upper ground floor and levels 1 and 2) within LMP 1 and LMP 2 with a total GFA of approximately 175,146 sq m (representing 38.6% of St Moritz's total GFA) and a total NLA of approximately 116,014 sq m. The Sponsor is in the process of restoring the P2 Space[3]. The restoration of the P2 Space, which is expected to be completed by March 2021, will add approximately 6,848 sq m of leasable retail space, thereby increasing the total NLA of Lippo Mall Puri to approximately 122,862 sq m. LMP 1 and LMP 2 are connected by the Retail Walkway, which has retail space with a NLA of approximately 4,224 sq m which may be leased to tenants. The Property also has access to the Car Parks with 4,285 car park lots.

For the avoidance of doubt the Property does not include the Retail Walkway and the Car Parks.

1 Lippo Mall Puri comprises of retail, residential, office, and hotel components. The residential components of Lippo Mall Puri has 1,075 units, of which 1,068 units have been sold. The occupancy rate for the office component is 89.8% as at the Latest Practicable Date. As at the Latest Practicable Date, the hotel component of Lippo Mall Puri has not been completed.

2 Within the St. Moritz development, there are some retail units in an adjacent building named PX Pavilion which opened in 2009 (before the opening of the Property), with an NLA of 10,761 sq m and an occupancy rate of approximately 50% as of September 2020. As at the date of issuance of this Circular, LMIR Trust has no intention to acquire PX Pavilion as its operations are not core to LMP 1 and LMP 2.

3 The P2 Space cannot be valued as a car park space given that its restoration is in progress. The valuation of the P2 Space by the Independent Valuers is on the basis that its restoration has been completed and it is accordingly valued as retail space. The Independent Valuers have used the income approach utilising the discounted cash flow method, which projects the future cash flows of the Property including the projected rentals from the P2 Space for the period after it has been restored into retail space.

The table below sets out a summary of selected information on the Property.

Address/location	Jalan Puri Indah Boulevard Block U1, Puri Indah, South Kembangan Sub-District, Kembangan District, West Jakarta City, DKI Jakarta Province, Indonesia
Description / existing use	Commercial
Car park lots	4,285 car park lots (not part of the Property)
Title	Strata Title (*Hak Atas Satuan Rumah Susun*) Certificates No. 419 and No. 420 issued on 2 October 2020 and expiring on 15 January 2040
Date of completion of building	July 2014
Occupancy rate	91.9% as of 30 June 2020 (89.9% upon restoration of the P2 Space)
Average gross rent(1)	Rp.186,106 per sq m per month as of 30 June 2020
Number of tenants	333
GFA	Approximately 175,146 sq m
NLA	116,014 sq m as at 30 June 2020 (122,862 sq m upon restoration of the P2 Space)
WALE (By NLA)	3.4 years

Note:
(1) This is computed by taking the average of the gross rent (excluding service charge) for 30 June 2020.

The common areas of St. Moritz will be managed by a statutory Association of Owners and Occupants (*Perhimpunan Pemilik dan Penghuni Satuan Rumah Susun* or "**PPPSRS**"), representing all the owners of the respective elements of St. Moritz. At such time, the Purchaser, along with the other owners of strata titles within St. Moritz will be required to pay management fees to PPPSRS in proportion to its share of St. Moritz. The management fees payable will be determined when the PPPSRS has been formed, and such management fees are generally recoverable from tenants of the Property.

As at the Latest Practicable Date, the PPPSRS has yet to be formed and the Purchaser and the Vendor will each manage its own respective part of St. Moritz, with the Vendor managing the common areas of St. Moritz. For the avoidance of doubt, no management fees will be paid to the Vendor for the management of the common areas of St. Moritz, pending the formation of the PPPSRS.

Other than the Retail Walkway, the Excluded Area, being the Car Parks, vehicle drop-offs and exterior walkways/ corridors surrounding the Property, is part of the common land, common area, and common property of St. Moritz. The Excluded Area (other than the Retail Walkway) may not be sold individually or by the Vendor as all owners of strata titles in a strata title development have the joint right to decide on matters in relation to the ownership and operational as well as maintenance activities of common land, common area, and common property.

The Vendor has agreed to provide and guarantee reasonable access[4] to the Excluded Area to PT PBT, the tenants of the Property and visitors to the Property so that (a) PT PBT and any Service Operator shall be able to operate and manage the Property; (b) the users of the Property and/or PT PBT shall be able to continue to utilise the Property; and/or (c) the tenants, users or visitors of the Property and/or PT PBT will have and continue to have reasonable access to the Property.

The Retail Walkway is not being acquired by PT PBT due to an outstanding civil case involving the Vendor (as the plaintiff), Government of DKI Jakarta (the DKI Jakarta

4 Reasonable access means the right to enter into the Excluded Area (including, for the avoidance of doubt, the Retail Walkway) without any significant barriers as necessary for PT PBT to run the business and operation of the Property, including to enable the tenants and visitors of Lippo Mall Puri to access the Excluded Area during the operational hours of Lippo Mall Puri.

Governor, as the defendant), West Jakarta Land Office (as the co-defendant I), Regional Government of West Jakarta (the West Jakarta Mayor, as the co-defendant II), and PT Antilope Madju Puri Indah (as the co-defendant III) (the "**Civil Case**"). The West Jakarta District Court had, on 22 May 2019, rendered a decision concerning the Civil Case ("**Decision**"), accepting several claims submitted by the Vendor[5]. Although the West Jakarta District Court has ruled in favour of the Vendor, as part of the application for a Function Feasibility Certificate (*Sertifikat Laik Fungsi*) for Lippo Mall Puri (being one of the critical licenses for the operation of Lippo Mall Puri), the Vendor has submitted a settlement proposal to the DKI Jakarta Government which was followed by the signing by the Vendor and the DKI Jakarta Government (the DKI Jakarta Governor) of an amicable settlement agreement dated 12 May 2020, by which both parties principally agreed to settle the Civil Case amicably and set aside the Decision[6]. This agreement has been put forward to the DKI Jakarta High Court for ruling, which if accepted by the court will bring the Civil Case to an end. Thereafter, a detailed settlement of the issues relating to the Retail Walkway will be discussed and agreed separately between the Vendor and the DKI Jakarta Government. It is expected that this detailed settlement will include an agreement for the Vendor to lease the land under the Retail Walkway which will allow the Vendor to provide and guarantee reasonable access to the Property to PT PBT, the tenants of the Property and visitors to the Property through the Retail Walkway. However, should this detailed settlement between the Vendor and the DKI Jakarta Government fail to include an agreement for the Vendor to lease the land under the Retail Walkway, PT PBT may be entitled to an indemnity under the Property CSPA for any losses suffered due to the failure of the Vendor to perform its undertaking to provide reasonable access to the Excluded Area.

As disclosed in this Circular, the Retail Walkway contains retail spaces. LMP 1 and LMP 2 are connected by the Retail Walkway, which have retail space with a NLA of approximately 4,224 sq m which may be leased, with total of 29 tenants as of September 2020. Following the final adjudication of the Civil Case, LMIR Trust may explore opportunities to acquire the Retail Walkway from the Vendor, with any acquisition of the Retail Walkway from the Vendor remaining subject to Rules 905 and 906 of the Listing Manual.

For the avoidance of doubt, the Retail Walkway is not considered a material portion of the Property and its non-acquisition is not expected to adversely affect the operations of Lippo Mall Puri as there are other entrances and exits to the Property.

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5 The Vendor's claims partially accepted include, amongst others:

(a) a declaration that the Defendant (DKI Jakarta, Government- the DKI Jakarta Governor) has committed a tort (*Perbuatan Melawan Hukum*);

(b) charging the Defendant to revoke the seal and demolition order on (the overpass of) Retail Walkway; and

(c) charging the Defendant to perform its obligations to issue all permits required for the Vendor to operate and utilise the Retail Walkway free from any third-party interference.

6 The Vendor and the DKI Jakarta Government (DKI Jakarta Governor) have entered into an amicable settlement agreement dated 12 May 2020, by which both parties:

(a) Agreed to settle the Civil Case amicably and therefore dismiss the case;

(b) Acknowledged that all legal issues existing between them are resolved;

(c) Agreed to refrain from filing for any legal remedies against the Civil Case;

(d) Agreed to disregard the contents of the Decision; and

(e) Agreed to put forward the agreement to the DKI Jakarta High Court to be pronounced as a Deed of Amicable Settlement (*Penetapan Perdamaian*)/Acta van Dading.

The breakdown of the area of the Property and the Retail Walkway is as follows:

	Total (sq m)	Property (sq m)	Retail Walkway (sq m)
GFA	182,332	175,146	7,186
NLA	120,238(1)	116,014(1)	4,224

Note:

(1) Refers to the NLA as at 30 June 2020. Upon the restoration of the P2 Space to leasable retail space, the Property will have a NLA of 122,862 sq m and the total NLA of the Property including the Retail Walkway will be 127,086 sq m.

(i) Lease Summary and Building Layout

The Property commenced operations in 2014, (LMP 1 on 19 June 2014 and LMP 2 on 26 March 2015), and currently accommodates approximately 333 tenants, providing a full range of retail, dining, entertainment, and leisure options. These include an arcade, a cinema, a department store, a supermarket and over 100 international brands including ZARA, Uniqlo, Forever 21, H&M, Adidas and Nike.

Anchor tenant leases for the Property are generally for terms ranging from four to twenty years and mini-anchor tenant leases are generally ranging from five to ten years terms. The majority of specialty leases are for one to five year terms with all new leases being struck on a gross basis. Existing anchor and major tenants include Sogo, Wanda Kids, Matahari, Cinema XXI, Zara, H&M, Forever 21, LC Waikiki, Uniqlo, Pull & Bear, Bershka, Stradivarius, Marks & Spencer, Cotton On, Muji, OVS, Mr. D. I. Y., The Food Hall, Food Avenue, Foodmart, Electronic City, Best Denki, Fitness First, Rockstar Gym, Time Zone, Aeon Fantasy, Miniapolis, Gramedia, The Duck King, TGIF, JYSK, Sociolla, English First, Books & Beyond, Grebe and Marche.

A table of the anchor tenants of the Property and their respective lease term expiry dates is as follows:

No.	Tenant	NLA (sq m)	% of Property (by NLA)(1)	Lease Expiry Date
1	SOGO	12,286	10.6%	2025
2	Matahari Department Store	11,779	10.2%	2028
3	Cinema XXI	5,300	4.6%	2035
4	Food Hall	4,762	4.1%	2022
5	Wanda Kids	2,624	2.3%	2024
6	Uniqlo	2,296	2.0%	2022
7	Zara	2,292	2.0%	2021
8	LC Waikiki	2,069	1.8%	2022
9	Food Avenue	2,008	1.7%	2024

Note:

(1) The percentages are calculated based on the Property's NLA as at 30 June 2020, which is before the restoration of the P2 Space to leasable retail space. Changes to the percentages following the completion of the Divestments and the restoration of the P2 Space are not expected to be significant.

The tenant mix of the Property by NLA based on the trade category of the tenant as at 30 June 2020 is as follows:

Trade Category of Tenants	% of occupied NLA
Department Store	31.1%
Supermarket / Hypermarket	5.8%
F & B / Food Court	16.6%
Leisure & Entertainment	12.1%
Fashion	18.5%
All other Sectors	15.9%
Total	100.0%

The principal trade categories for each level are:

(a) **Lower Ground:** Supermarket, electronic and IT, books and stationery, entertainment, food and beverages, fashion & accessories, health and beauty, home appliances and furniture, jewellery and watches, shoes and bags, and services.

(b) **Ground:** Department store, fashion & accessories, food and beverages, jewellery and watches, shoes and bags, health and beauty, and services.

(c) **Upper Ground:** Department store, fashion & accessories, home hardware, food and beverages, health and beauty, jewellery and watches, shoes and bags, optic, and services.

(d) **Level 1:** Department store, entertainment, food and beverages, electronic and IT, books and stationery, services, shoes & bags, health and beauty, fashion & accessories, optic, and services.

(e) **Level 2:** Department store, fitness, food and beverages, home appliances and furniture, electronic and IT, health and beauty, and services.

(ii) Locality and Catchment Area

The Property is located in the Puri Indah Central Business District in West Jakarta, a commercial precinct in the Puri Indah residential estate which also houses other commercial developments including Puri Indah Mall, Pondok Indah Hospital Puri Indah, Puri Gardenia Apartment, Windsor Apartment, Puri Indah Auto Center, Puri Indah Financial Tower, West Jakarta Mayor Office and others.

The Property's surroundings within a 5-kilometre radius (the "**Primary Catchment Area**") largely comprise middle upper class residential housing, with pockets of high-rise private residential developments, townhouses, civic amenities, schools, hospitals, hotels, restaurants, offices and shopping centres.

The Trustee and Manager has appointed Savills Valuation and Professional Services (S) Pte Ltd as independent market research consultant (the "**Independent Market Research Consultant**") to perform an independent retail property market review and competitive analysis in connection with the acquisition of the Property. The Independent Market Research Consultant has provided a report titled "Independent Retail Property Review and Competitive

Analysis for Lippo Mall Puri, West Jakarta, Indonesia" dated 26 August 2020 (the "**Independent Market Research Report**").

(See **APPENDIX C** of this Circular for a summary of the Independent Market Research Report[7].)

According to the estimates provided on page 9 of the Independent Market Research Report, approximately 1.5 million residents with a working population of more than 670,000 workers live within the Primary Catchment Area. A survey by the Vendor indicates that 75.0% of the residents in the Primary Catchment Area are middle upper-class families largely employed as entrepreneurs and high-level executives.

A map of the Property is provided below:

Source: The Independent Market Research Report

The Property caters to a large market due to its strategic location, with accessibility to Central, South and North Jakarta and Tangerang via four main toll roads – the Jakarta-Tangerang Toll Road; the Jakarta Outer Ring Road W2; Jakarta Inner City Toll Road; and Jalan Puri Indah Raya. These toll roads provide an excellent linkage and accessibility to the Soekarno-Hatta International Airport, the Jakarta Central Business District and other parts of Jakarta, Tangerang and Bekasi. The Jakarta Central Business District (Semanggi Interchange) and Soekarno-Hatta International Airport are situated approximately 13 kilometres southeast and 20 northwest of the Property, respectively.

(See **APPENDIX A** of this Circular which provides further details about the Property and the Existing Portfolio.)

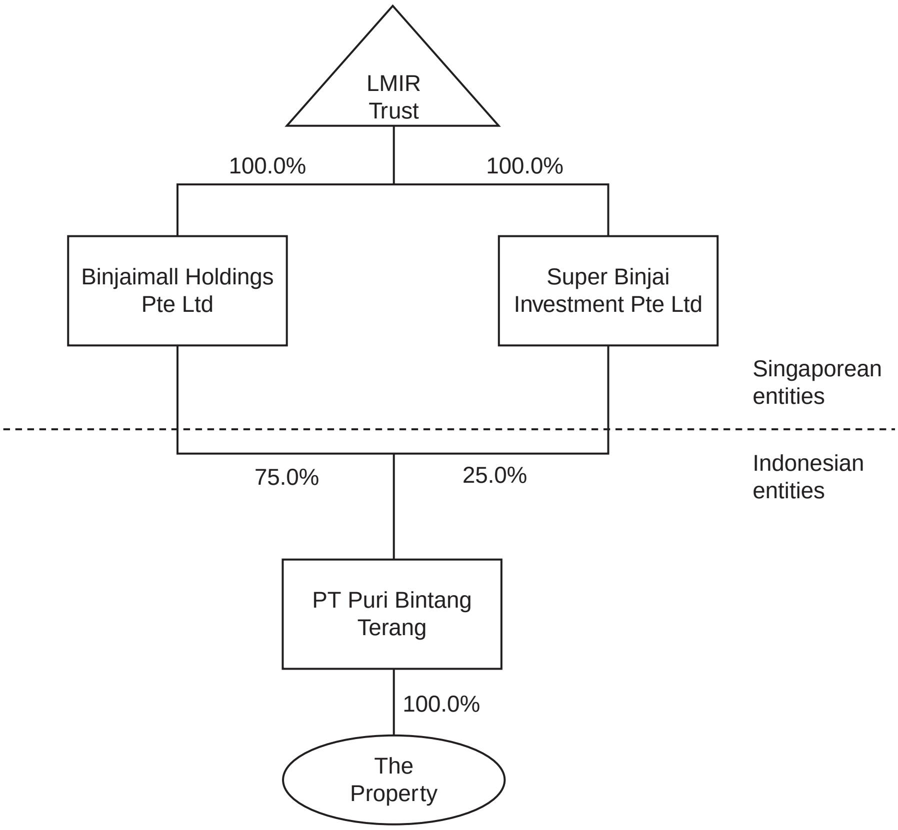
7 The full Independent Market Research Report issued by the Independent Market Research Consultant is available for inspection during normal business hours at the registered office of the Manager at 6 Shenton Way, OUE Downtown 2, #12-08 Singapore 068809 from the date of this Circular up to and including the date falling three months after the date of this Circular.

2.2 Structure of the Acquisition

The Manager is seeking to acquire the Property from the Vendor for the Purchase Consideration of Rp.3,500.0 billion (approximately S$336.5 million).

LMIR Trust, through its wholly-owned Singapore subsidiaries, owns 100% of the issued and paid up share capital of PT PBT. On 11 March 2019, PT PBT entered into the Property CSPA with the Vendor for the Acquisition and further amended the Property CSPA on 2 September 2019, 31 March 2020 and 28 August 2020.

St. Moritz is constructed on two plots of land held under the Land Titles, with the Property in turn being held under Strata Title Certificates. Upon Completion, the Vendor and PT PBT will execute a deed of sale and purchase before a land deed officer, following which the name recorded in the Strata Title Certificates for the Property will be changed to PT PBT. The Property will thereupon be indirectly held by LMIR Trust through PT PBT as set out below.



2.3 Purchase Consideration and Valuation

The Independent Valuers, Cushman and Colliers, have been appointed by the Trustee and the Manager, respectively, to value the Property. As disclosed in the announcement dated 12 March 2019, the average of the two valuations conducted by the two independent valuers of the Property, Cushman and Colliers, which were commissioned by the Trustee and the Manager as at 31 December 2018, was Rp.3,960.5 billion with Vendor Support and Rp.3,753.3 billion without Vendor Support.

Subsequently, the Trustee and the Manager appointed Cushman and Colliers to re-value the Property as at 30 June 2020 for a third consecutive financial year. The Independent Valuations were derived by the Independent Valuers using the income approach utilising the discounted cash flow method. This approach considers each subject property as an income producing property.

The impact of Covid-19 on the business in the mall has been taken into account in the Independent Valuations by assuming that rental reliefs are provided to the tenants as discussed under paragraph 4.2 of this Circular.

The Independent Valuations were based on the actual underlying contractual rents for the areas of the Property that are occupied as at the date of the respective valuations. Following the re-opening of retail malls in June 2020, the Property achieved a rental collections rate of close to 60% in August 2020. Taking into account the disruptions earlier in 2020 due to the Covid-19 pandemic and the need for tenants to stabilise their business, the Manager is of the view that the rental collections rate of the Property for August 2020 is acceptable. While the subsequent imposition of movement restrictions in Jakarta in September 2020 and October 2020 (which, among other measures, prohibited dining-in) and the ongoing Covid-19 pandemic, are expected to adversely affect rental collections rate of the Property in the short-term, the Manager expects the rental collections rate of the Property to improve in the medium-term.

The following table sets out the appraised values, the respective dates of such appraisal and the Purchase Consideration:

	Appraised Value							
	By Cushman as at 30 June 2020		By Colliers as at 30 June 2020		Average of two Valuations		Purchase Consideration	
Property	(S$ million)	(Rp. billion)	(S$ million)	(Rp. billion)	(S$ million)	(Rp. billion)	(S$ million)	(Rp. billion)
Property (with Vendor Support)	361.7	3,762.0	381.7	3,970.0	371.7	3,866.0	336.5	3,500.0
Property (without Vendor Support)	343.5	3,572.0	353.8	3,680.0	348.7	3,626.0		

The Purchase Consideration was negotiated on a willing-buyer willing-seller basis, taking into consideration the two Independent Valuations and is lower than the two Independent Valuations, representing a discount of 9.47% and 3.47% to the average of the two Independent Valuations with Vendor Support and without Vendor Support respectively. The Purchase Consideration also represents a 6.96% discount to Rp.3,762.0 billion (approximately S$361.7 million), which is the lower of the two Independent Valuations (taking into account the Vendor Support) of the Property.

The Manager would like to add, for the information of the Unitholders, that should the Vendor Support not be taken into account in the appraised values of the Property by Cushman and Colliers, then their respective Independent Valuations as at 30 June 2020 would be Rp.3,572.0 billion (approximately S$343.5 million) and Rp.3,680.0 billion (approximately S$353.8 million), respectively, and the Purchase Consideration would represent a discount of 3.47% to Rp.3.626.0 billion (approximately S$348.7 million), being the average of such valuations.

For the avoidance of doubt, as the Retail Walkway is not part of the Acquisition, the valuations conducted by the Independent Valuers do not take into account the Retail Walkway. Any future acquisition of the Retail Walkway will be subject to the valuation requirements under the Property Funds Appendix.

At the date of Independent Valuations, the outbreak of the Covid-19 pandemic, declared by the World Health Organisation as a ‘Global Pandemic’ on the 11 March 2020, is prevalent and has impacted many aspects of daily life and the global economy – with some real estate sectors experiencing lower levels of transactional activity and liquidity. As such, the Independent Valuers have included a special caveat to their valuations due to the uncertainty posed by the Covid-19 pandemic. However, the Independent Valuers have noted that this caveat does not invalidate their respective valuations. Cushman has noted that the inclusion of the significant uncertainty declaration does not mean that the valuation cannot be relied upon, Rather, the declaration has been included to ensure transparency of the fact that, in the current extraordinary circumstances, less certainty can be attached to the valuation that would otherwise be the case" while Colliers has stated that "as of the date of Colliers' Valuation Report, the pandemic is yet to be eased. If the pandemic can be fully controlled in short period, uncertainties will be gradually eliminated, and market condition is anticipated to recover and be in line with the valuation assumptions made as at the valuation date without other adverse influences".

(See **APPENDIX B** of this Circular for further details regarding the valuation of the Property by the Independent Valuers.)

2.4 Experience and track record of the Independent Valuers

The Decree of the Ministry of Finance of the Republic of Indonesia ("**MOF Indonesia**"), No. 101/PMK.01/2014 as amended by Regulation of MOF Indonesia No. 56/PMK.01/2017 on Public Appraisal (the "**MOF Regulation**") regulates the conduct of public appraisal services in Indonesia. Under the MOF Regulation public appraisers are required to obtain a license from MOF Indonesia before they may provide any services. Furthermore, public appraisers may only act through a Public Appraisal Services Office (*Kantor Jasa Penilai Publik*/*KJPP*) which holds a business license from MOF Indonesia. Accordingly, the Independent Valuers must have, in force, a relevant license and must act through a KJPP which holds a business license from MOF Indonesia. To conduct business activities in Indonesia, Foreign Public Appraisal Services Offices (*Kantor Jasa Penilai Publik Asing*/*KJPPA*) may cooperate with a KJPP upon written approval from MOF Indonesia.

Two valuations of the Property were carried out by qualified valuers from Cushman (in collaboration with RAB) and Colliers (in collaboration with FAST), each of whom has undertaken property valuation assignments for other Retail and Commercial REITs listed on the SGX-ST.

(i) Colliers and RAB

Colliers has been providing valuation and advisory services since the 1960's and has been awarded the ISO 9001-2015. Its valuation team has a staff strength of 26 including 19 licensed appraisers with the Inland Revenue Authority of Singapore, of which 13 of them have more than 10 years of valuation experience.

RAB was established in 2013 and its valuation staff are registered members of the Indonesian Appraisers Society (*Masyarakat Profesi Penilai Indonesia* – commonly known as "**MAPPI**").

(ii) Cushman and FAST

Cushman was founded in 1917 whilst its Singapore office was established in 1997. It has an established valuation team with 55 professionals in eight offices within APAC. The key members in the valuation team are licensed appraisers with the Inland Revenue Authority of Singapore and/or member of the Royal Institution of Chartered Surveyors.

FAST was established in 2009 and is a registered property and business valuers with the Indonesian Financial Service Authority (*Otoritas Jasa Keuangan*). All valuers in FAST are registered members of MAPPI.

2.5 Key Terms of the Property CSPA

(i) Conditions Precedent

Completion is conditional upon the fulfilment or waiver by PT PBT and/or the Vendor (as the case may be) of, among others, the following conditions precedent:

(a) PT PBT being satisfied with the results of due diligence (including legal, valuation, financial, and technical due diligence) to be conducted by PT PBT, LMIR Trust and/or its counsels or advisers, which PT PBT and/or LMIR Trust may consider to be relevant;

(b) an opinion from an independent financial adviser in form and substance satisfactory to PT PBT;

(c) the approval of Unitholders to be given at an extraordinary general meeting for the Acquisition and the Rights Issue;

(d) LMIR Trust having secured sufficient financing for the Acquisition;

(e) each party having obtained or submitted, as relevant, all approvals, permissions, notices, reports, consents and/or registrations from, or to, any third party (including governmental or official authorities, courts or other regulatory bodies), as may be required under agreements to which it is a party, to enable it to enter into and perform its obligations under the Transaction Documents (as defined in the Property CSPA) to which it is a party, on terms satisfactory to the other party, and such approvals, permissions, notices, reports, consents and/or registrations remain in full force and effect, including (if required) those of the MAS and the SGX-ST, if required;

(f) there being no law, regulation, decree, judgment or decision issued or enacted by any governmental or official authority or court, which would prohibit or restrict or has a material adverse effect towards the sale and purchase of the Property (pursuant to the Property CSPA) or the operation of the Property;

(g) due execution of the Vendor Support Agreement and in relation thereto, there being no material adverse change to the financial condition of the Vendor that may result in its inability to make payment to PT PBT under such agreement;

(h) the Vendor having obtained and maintained all material licenses required for the operation of the Property as listed in the Property CSPA, in accordance with applicable laws and regulations;

(i) any material damage to the Property, if any, having been repaired and confirmed by the building auditor as specified in the Property CSPA;

(j) the completion of the segregation of the Land Titles as evidenced by the due issuance of the strata title certificates for the Property in the name of the Vendor[8];

(k) the issuance of the land registration confirmation letter (*Surat Keterangan Pendaftaran Tanah*) from the relevant Land Office, stating: (a) the ownership of the strata title certificates by the Vendor; (b) the total area of the Property covered by the strata title certificates; and (c) the validity of the strata title certificates, and the Vendor shall use its

8 The segregation process with respect to the Property was completed on 2 October 2020 and two Strata Title (*Hak Atas Satuan Rumah Susun*) Certificates No. 419 and No. 420 were issued on 2 October 2020 in the name of the Vendor.

best efforts to obtain a statement from the relevant Land Office confirming the absence of any record of mortgage or seizure in the land book kept by the relevant Land Office over the Property; and

(l) the execution of the agreements relating to the Vendor Financing.

(ii) Novation of Tenancy Agreements

Under the Property CSPA, all tenancy agreements are to be novated from the Vendor to PT PBT within one year from Completion. After Completion, if the Vendor receives any income from any tenant, the Vendor shall transfer such income to the Purchaser without any deduction. If there are any remaining tenancies which are still not able to be novated by the end of such one-year period after Completion, the Vendor shall use all reasonable commercial endeavours to pursue payment of all income under such remaining tenancies and transfer the same to PT PBT.

Rentals due from tenants whose tenancies have yet to be novated will first be deposited into the Vendor's accounts pursuant to existing contractual arrangements between the tenants and the Vendor, to be subsequently transferred to the Purchaser's account on a monthly basis.

LMIR Trust's accountants and asset managers will conduct a monthly reconciliation between tenant rent roll and actual rentals received. The failure of the Vendor to promptly remit such rental amounts otherwise due to PT PBT will entitle PT PBT to make a claim for damages against the Vendor.

(iii) Validity and Legality of the Strata Title Certificates

Under the Property CSPA, if certain areas within Lippo Mall Puri which are not part of the Property are included under the Strata Title Certificates, such areas will be further segregated and transferred to the Vendor after Completion subject to applicable laws and regulations and satisfaction of all applicable requirements to effect such segregation and transfer. The Vendor will bear all costs and expenses incurred by the Purchaser in connection with this process, undertake and guarantee that it will not affect the validity and legality of the Strata Title Certificates of the Property and indemnify the Purchaser for or against any losses in connection with the above.

(iv) Effect of Mandatory Closure of the Property

If the Property has to be closed due to lockdown measures imposed by the Indonesian government due to the Covid-19 pandemic, the Vendor will continue to provide Vendor Support at the agreed amount of Rp. 340.0 billion per annum. However, under the Property CSPA, if the Property is required to be closed due to applicable laws and regulations or by relevant authorities for a continuous period of more than six months, PT PBT and the Vendor will discuss in good faith the performance of the Vendor Support in light of the mandatory closure of the Property. If the Property is voluntarily closed by PT PBT, the Rental Support will be suspended during such period of voluntary closure.

(v) Use of and Access to the Excluded Area

Under the Property CSPA, the Vendor has also undertaken, among others, that (i) it will not perform any action in relation to the Excluded Area, which would impair, reduce and/or negatively affect any of the rights of PT PBT over the Property, (ii) it will irrevocably and unconditionally provide and guarantee reasonable access to the Excluded Area to PT PBT, tenants of the Property and visitors to the Property, (iii) it will ensure that the maintenance and/or operation of the Excluded Area by the Vendor will not cause any major disruption to the operations of the Property, save for repair, renovation, replacements and/or other works to keep the Excluded Area in good condition or to repair any defected or damaged part of the Excluded Area, and (iv) it will not close the Excluded Area (or any part thereof) that will cause major disruption to the operation of all or any part of the Property without the prior written approval from PT PBT, unless mandatory closure is required by applicable laws and regulations or by relevant government authorities. Similarly, PT PBT has also provided a reciprocal undertaking to the Vendor in relation to the parts of the Property to provide reasonable access to the Excluded Area, as specified under the Property CSPA.

2.6 Land Titles

St. Moritz is constructed on the Land Titles which are two plots of land held under HGB certificates No. 05706 issued on 14 November 2019 and No. 05707 issued on 27 November 2019 respectively, both expiring on 15 January 2040 with a total land area of 73,246 sq m. In turn, the Property is held under two Strata Title Certificates No. 419 and No. 420, which were issued on 2 October 2020 and expire on 15 January 2040. At Completion, the Vendor and PT PBT will execute a deed of sale and purchase before a land deed officer, following which the name recorded in the Strata Title Certificates for the Property will be changed to PT PBT.

The costs involved for the execution of deed of sale and purchase are as follows:

(i) FTTLB (Final Tax on Transfer of Land and Building Titles) of Rp.87.5 billion (being 2.5% of the Purchase Consideration) which is to be paid by the Vendor;

(ii) DALBT (Duty on Acquisition of Land and Building Titles) of Rp.175.0 billion (being 5% of the Purchase Consideration) which is to be paid by the Purchaser; and

(iii) VAT (Value Added Tax) of Rp.350.0 billion (being 10% of the Purchase Consideration) which is to be paid by the Purchaser.

(i) HGB Titles

In Indonesia, a HGB title is the closest form of land title to the internationally recognised concept of 'leasehold' title and is the highest title which may be obtained by a company incorporated and located in Indonesia, including foreign capital investment companies. A holder of the HGB title has the right to erect, occupy and use buildings on the parcel of land and sell all or part of such parcel. This right is transferable and may be encumbered.

Several properties under the Existing Portfolio are held via HGB titles similar to the Land Titles. Examples include Mal Lippo Cikarang, Sun Plaza, Lippo Plaza Kramat Jati (formerly known as 'Kramat Jati Indah Plaza'), Plaza Madiun, Plaza Madiun Units, Gajah Mada Plaza, Lippo Mall Kemang, Lippo Plaza Batu, Lippo Mall Kuta and Kediri Town Square.

Pursuant to Government Regulation No. 40 of 1996 on the Right to Cultivate, Right to Build and Right to Use the Land ("**GR No. 40/1996**"), a HGB title is granted for a maximum initial term of 30 years. By application to the relevant local land office two years prior to the expiration of this initial term, a HGB title may be extended for an additional term not exceeding 20 years. Under GR No. 40/1996, the application for an extension must be made no later than two years prior to the expiration of the initial term at the National Land Office of the Republic of Indonesia (*Badan Pertanahan Nasional*) (the "**National Land Office**") and the extension process of the local land office may usually take at least six months.

Further, pursuant to the State Minister for Agrarian Affairs/Head of the National land Office Regulation No. 9 of 1999 on the Procedures of Granting and Revocation of Rights over State Land and Right-to-Manage, the extension term of HGB will be effective as of the expiration of the initial term. Generally, if an application to extend the term of an HGB title is submitted to and approved by the relevant land office prior to the expiration of the initial term, the extension term will replace the remaining initial term and the remaining initial term will not be added to the extension term. Upon the expiration of the extension, the land owner may apply for a renewal and a new HGB title may be granted on the same land to the same owner for a maximum period of 30 years by fulfilling certain requirements[9]. The application for the new HGB title should be made no later than two years prior to the expiration of the extension.

The costs for the extension of HGB title will be determined based on certain formulas as stipulated by the National Land Office. The National Land Office has discretion to approve or reject the application for the extension of HGB title. The National Land Office, however, tends to grant an extension of HGB titles when the land is still duly used in accordance with the condition, nature and objective of the granting of such HGB title, all terms and conditions of the granting of such HGB title have been duly fulfilled by the title holder, the title holder is still eligible to hold an HGB title and there has been no change in the zoning policies of the government, abandonment or destruction of land, or revocation of the HGB title due to public interest considerations.

Upon expiration of a HGB title:

(a) in the event that the HGB title is on state-owned land, such land will become state-owned land;

(b) in the event that the HGB title is on "right to manage" (*Hak Pengelolaan*) land, the former HGB holder shall return the land to the holder of the right to manage and shall comply with the agreement for the granting of HGB title entered into between the former HGB holder and the holder of the right to manage; or

(c) in the event that the HGB title is on "right to own" (*Hak Milik*) land, the former HGB holder shall return such land to the holder of the right to own and shall comply with the agreement for the granting of HGB title entered into between the former HGB holder and the holder of the right to own.

The Independent Valuers have performed the valuation of the Property on a perpetuity basis on the assumption that the HGB title would be renewed.

In addition to the above, in the event that the HGB title purchased by the company is a HGB title that was previously held and registered in the name of an eligible Indonesian individual as a result of the "down-grade" of his/her "right to own" (*Hak Milik*) land, such HGB title will become state owned land pursuant to the prevailing regulations.

(ii) Strata Title Certificates and Strata Title Units

Several properties under the Existing Portfolio are strata title units held under strata title certificates. These include, for retail malls (i) Palembang Square,

9 The requirements for the renewal of a HGB title are generally as follows:
(i) the land is still utilised properly in accordance with the condition, nature, and purpose of the granting of HGB title;
(ii) the conditions of the granting of HGB title are still being complied with;
(iii) the applicant is eligible to be the holder of HGB title (HGB title can only be held only by Indonesian citizen or Indonesian legal entity); and
(iv) the land is still within the relevant Zone of the Spatial Planning (*Rencana Tata Ruang Wilayah*).

(ii) Tamini Square, (iii) Lippo Mall Kemang and (iv) Gajah Mada Plaza; and for retail spaces (a) Mall WTC Matahari, (b) Metropolis Town Square, (c) Java Supermall, (d) Malang Town Square (e) Grand Palladium Medan, (f) Depok Town Square and Plaza Madiun.

Similarly, LMIR Trust will, through PT PBT, hold the Property under Strata Title Certificates following the signing of the deed of sale and purchase of the Strata Title Certificates for the Property between the Vendor and PT PBT, and the issuance of Strata Title Certificates evidencing the ownership over the Property in the name of PT PBT.

In Indonesia, the law governing strata title buildings is Law No. 20 of 2011 on Multi-Storeyed Houses (Rumah Susun) ("**Law No. 20/2011**"). Pursuant to Law No. 20/2011, a strata title building (multi-storeyed house) may only be built on (i) right of ownership title (*Hak Milik*), (ii) right to build / HGB title or right to use title (*Hak Pakai* or "**HP**") over a state-owned land, and (iii) HGB or HP over right to manage title (*Hak Pengelolaan*).

Under Law No. 20/2011, an owner of a strata title unit in a strata title building will acquire:

(a) separate title to the strata title unit itself;

(b) an undivided proportionate right on land on which the strata title building is built; and

(c) an undivided proportionate right on the common area and common object of the strata title building (as defined under Law No. 20/2011).

Law No. 5 of 1960 regarding Basic Provisions on Agrarian Affairs (*Undang-Undang No. 5 tahun 1960 tentang Peraturan Dasar Pokok-Pokok Agraria*) provides that only Indonesian nationals or Indonesian legal entities may own any right or title to land with HGB title. This means that generally any strata title unit built on a plot of land with HGB title may not be purchased by non-Indonesians or non-Indonesian legal entities. As Lippo Mall Puri (including the Property) is built on two plots of land held under HGB title, any party who wishes to purchase and own a strata title unit in the Property must also be eligible to own land with HGB title, namely Indonesian nationals or Indonesian legal entities[10].

The owners of strata title units are obliged to establish an Association of Owners and Occupants, (*Perhimpunan Pemilik dan Penghuni Satuan Rumah Susun*, PPPSRS). The members of PPPSRS would consist of owners and authorised occupants of the strata title units. Following the establishment of the PPPSRS, the developer would subsequently handover the management of the common land, common object, and common area to the PPPSRS. As the Property is a commercial *Rumah Susun* (commercial strata title building) in DKI Jakarta Province, pursuant to Article 56 of Law No. 20/2011, the management of the Property (which will include operations, maintenance and repair works of common land, common object, and common area) must be handled by a legal entity registered with and obtained a required business license from the Governor of DKI Jakarta Province.

Although the implementing regulations of Law No. 20/2011 have not been issued, Article 118 of Law No. 20/2011 provides, inter alia, that all implementing regulations of Law No. 16 of 1985 (which has been superseded

10 An exception may be given by the Government of the Republic of Indonesia for the ownership of a strata title unit by non-Indonesians or non-Indonesian legal entities if the strata title unit is located within a Special Economic Zone, Free Trade Zone, Industrial Zone, or other economic zones as determined by the Government of the Republic of Indonesia.

by Law No. 20/2011), remain valid to the extent that they are not in contravention with Law No. 20/2011. One of such implementing regulations is Government Regulation No. 4 of 1988 pertaining to the rules on Multi-Storeyed Houses (*Rumah Susun*) ("**GR No. 4/1988**").

Pursuant to Article 50 of GR No. 4/1988 and its elucidation, the expiration of the land title on which the strata title building is built (in this case, the expiration of the Land Titles) will result in the owners of strata title units losing their respective undivided proportionate rights to the land title. Therefore, in order to avoid losing their respective proportionate rights to the land title, owners, through PPPSRS, should apply for an extension or renewal of such land title (in this case, the Land Titles) prior to its expiration.

2.7 Indemnity in relation to the Acquisition

Under the Property CSPA, PT PBT has been granted an indemnity by the Vendor, pursuant to which the Vendor will, subject to certain conditions, indemnify PT PBT against liabilities or damages suffered by the Trustee arising from the Acquisition, including but not limited to:

(i) losses in connection of:

(a) a breach of any of the representations, warranties, undertakings or covenants made by the Vendor under the Transaction Documents (as defined in the Property CSPA, which includes the Vendor Support Agreement);

(b) if any, as a direct consequence of:

(I) the Strata Title Issuance Conditions (as defined in the Property CSPA), and the recommendations as set out in ANDAL LALIN (as defined in the Property CSPA), which remain unfulfilled, unsettled, unresolved, or unperformed, as applicable, as at the Property Completion Date (as defined in the Property CSPA);

(II) the results of building audit to be conducted by the Department of Human Settlements, Spatial Planning and Land (*Dinas Cipta Karya, Tata Kota, dan Pertanahan*) of DKI Jakarta against any part of the Lippo Mall Puri (including the Property) in accordance with the SLF (as defined in the Property CSPA); and

(III) the Other Civil Cases; and

(c) all actions, arrangements and/or documents in relation to the Property made, prepared, executed, entered into and/or delivered by the Vendor on or prior to Completion; and

(ii) losses which any of PT PBT, LMIR Trust, the Manager or the Trustee may at any time and from time to time sustain, incur or suffer which arises out of or in connection with the Excluded Area and the Extra Area (as defined in the Property CSPA) including but not limited to any development, work or activities undertaken by the Vendor (and/or its appointed party) in the Excluded Area, and a closure (whether entirely or partially) of the Excluded Area due to a limitation or restriction (of any kind) on the operations of the Excluded Area imposed by the government authorities, which adversely and materially affects the operation of the Property or, in relation to the Extra Area, affects the validity or legality of the Strata Title Certificates of the Property.

Such indemnity is subject to, amongst others, the following limitations:

(a) the maximum aggregate liability of the Vendor to PT PBT in respect of all claims (other than a claim in respect of a breach of certain fundamental warranties) shall not exceed, in relation to the Property, 50.0% of the Purchase Consideration, whilst the aggregate liability of the Vendor in respect of all claims for a breach of certain fundamental warranties shall not exceed the Purchase Consideration; and

(b) that no claim shall be brought against the Vendor unless:

(I) written particulars shall have been notified in writing to the Vendor before the expiry of the limitation period as governed under the Property CSPA; and

(II) such claim has already been settled to the reasonable satisfaction of PT PBT or the Trustee or proceedings in respect of the claim are commenced within four months of the expiry of the period mentioned in sub-paragraph (b)(I) above.

In relation to the limitation on the Vendor's indemnity set out in paragraph 2.7(ii)(a) above, given that a breach of fundamental warranties, such as a breach in relation to the strata titles, may expose PT PBT to the potential risk of losing its legal right over the Property, the Vendor is liable to indemnify PT PBT in respect of such claims for the sum of up to 100.0% of the Purchase Consideration. Breaches of non-fundamental warranties are not anticipated to expose PT PBT to such risk, the Vendor's indemnity for such claims is capped at 50.0% of the Purchase Consideration, as commercially negotiated and agreed between the Vendor and PT PBT[11].

2.8 Vendor Support

(i) The Vendor Support

The Property has three main competitors within the Primary Catchment Area – Puri Taman Anggrek Mall, Puri Indah Mall, and Central Park Mall (the "**Competitor Malls**").

Based on the Independent Market Research Report, the typical market rates for specialty tenants of the Competitor Malls are as follows:

Competitor Mall	Mall Taman Anggrek	Central Park	Puri Indah Mall
Rental Rate (Rp/sq m/month)	450,000	500,000	450,000

The Manager understands from the Vendor that the current average rental rates of the Property are lower compared to the rental rates of Competitor Malls before the outbreak of the Covid-19 pandemic as a significant proportion of its leases (183 out of 333 tenants or representing 68.4% of the total NLA of the Property, exclusive of the P2 Space) are still in their first lease term, with tenants benefiting from concessionary rental rates. The original intention is for new leases to be entered into or renewed (when they expire) at prevailing market rental rates.

The current rental rate for specialty tenants at Rp.423,895 per sq m per month is 5.8% lower than the rental rate at Mall Taman Anggrek and Puri Indah Mall at Rp.450,000 per sq m per month, and 15.2% lower than the rental rate at Central Park at Rp.500,000 per sq m per month.

11 For comparison, under the recently announced divestment of Pejaten Village and Binjai Supermall by LMIR Trust to a third party (previously defined as the "**Divestments**"), the indemnity for non-fundamental warranties as agreed between parties was 10.0% of the total consideration.

The outbreak of the Covid-19 pandemic however has impacted the performance of the retail market in Indonesia due to strict health protocols and transitional social restriction measures, which has led to a sharp decline in shopper traffic as the overall number of visitors are being limited and leisure-related retailers such as cinemas, fitness centres, karaoke bars, children's playgrounds (and other types of operators considered higher risk for Covid-19 transmission) remain under review for reopening. Consequently, the retail market has experienced a decline in rental rates of retail space as mall owners offer more competitive rental rates to attract or retain tenants or provide rental reliefs to tenants to help them tide over the Covid-19 pandemic. Based on a report by Colliers[12], the asking rent in Jakarta declined by 0.1% quarter-on-quarter as of the second quarter of 2020.

These measures are likely to impact the Property's short-term revenue due to lower growth rates, lower average rental rates and higher vacancy allowances. In addition, the Property has received notification of early termination of leases from tenants accounting for 12,440.57 sq m of space (approximately 10.1% of the total NLA of the Property, inclusive of the P2 Space) as of September 2020. These tenants include Parkson, a departmental store, which occupied 8,290 sq m of space (approximately 6.7% of the total NLA of the Property, inclusive of the P2 Space). Excluding Parkson, 4,150.79 sq m of tenant space (approximately 3.4% of the total NLA of the Property, inclusive of the P2 Space) has seen its tenants give notification of early termination. Part of the area previously occupied by Parkson has since been leased to Ranch Market (a lifestyle supermarket) (occupying 1,933.8 sq m of space), which will commence operations in the first quarter of 2021, and three food and beverage ("**F&B**") tenants (occupying in aggregate 435 sq m of space). The remaining 6,356 sq m of space will be reconfigured for use by F&B and fashion stores. The reconfiguration exercise, beginning in late October 2020, is expected to complete by March 2021. Notwithstanding the closure of Parkson, the Property's two remaining departmental stores, namely Sogo in LMP 2 and Matahari Departmental Store in LMP 1, remain operational.

The Manager has therefore negotiated the Vendor Support whereby the Vendor will lease Uncommitted Space[13] to generate an agreed amount of NPI per quarter so as to achieve the NPI Target for each year of Rp.340.0 billion per annum during the Vendor Support Period and to mitigate any negative impact caused by the pandemic in the short-term. Based on the NPI Target of Rp.340.0 billion per annum and taking into account the expected actual NPI based on committed leases and the amount of Uncommitted Space from 1 January 2021 to 31 December 2021 under the Vendor Support, the assumed rental rate under the Vendor Support for the abovementioned period is approximately Rp.450,000 per sq m per month which is lower than the current market rental rates of Competitor Malls as listed above.

Should the actual NPI exceed the NPI Target of Rp.340.0 billion per annum, 50% of such excess above the NPI Target will be carried forward to the

12 Information from the Colliers Quarterly report for the second quarter of 2020 by Colliers International dated 8 July 2020.

13 Uncommitted Space refers to certain vacant leasable space within the Property which is not occupied by, or which has not been committed in writing to be leased to a tenant other than the Vendor under an agreement. As at 30 June 2020, the Uncommitted Space is 10.1% of the total NLA of the Property. The Uncommitted Space will be leased by the Vendor under the Vendor Support Agreement, with the rent paid by the Vendor on the Uncommitted Space counting towards the NPI Target for each year. As the Vendor is the same party providing this Vendor Support, LMIR Trust will be relying on the NAV certificate to monitor the financial position of the Vendor. Further, the Property is held under only 2 strata title certificates with the Uncommitted Space distributed across the Property (and may vary from quarter to quarter if the Uncommitted Space from the previous quarter is leased out for the subsequent quarter(s)). Hence, it is not feasible for LMIR Trust to exclude the Uncommitted Space from the Acquisition.

subsequent quarters and used to satisfy any subsequent shortfall between the actual NPI and the NPI Target while the remaining 50% of such excess shall be retained by PT PBT. PT PBT shall be entitled to retain any cumulative surplus of actual NPI over the NPI Target following the end of the Vendor Support Period.

For the avoidance of doubt, the amount of Uncommitted Space that will be leased under the Vendor Support shall be determined from quarter to quarter depending on the amount of any shortfall between the actual NPI and the NPI Target.

The NPI Target for each year during the Vendor Support Period is Rp.340.0 billion (approximately S$32.7 million) per annum from Completion to 31 December 2024.

The Vendor Support is expected to allow the Property to provide a stable level of income to mitigate short-term uncertainties caused by the Covid-19 pandemic as well as to keep in line with the income of comparable retail malls in West Jakarta during the Vendor Support Period.

Under the Property CSPA, if the Property is closed as required by applicable laws and regulations or by the relevant government authorities and such mandatory closure last for a continuous period of more than six months, the parties agree to discuss in good faith on the impact of such mandatory closure to the performance of the Vendor's obligations relating to the Vendor Support and the actions that will be taken by both parties relating thereto. However, if the Property is closed due to the sole decision of the Purchaser after Completion, the Vendor Support will be suspended during such period of voluntary closure.

By approving the Acquisition, Unitholders are deemed to have specifically given approval for the Vendor Support Agreement and the Vendor Support.

(ii) Safeguards to maintain the Vendor Support

To safeguard the Vendor Support, the Vendor will, on a quarterly basis commencing from Completion until the lapse of the Vendor's liability period under the Property CSPA, provide a certification to the Purchaser on its net asset value ("**NAV**") (after taking into account the appraised value of investments and assets of the Vendor based on the latest available property valuations of the Vendor's properties) certified by the external auditors. Should the NAV of the Vendor[14] fall below an amount equal to equal to the Purchase Consideration, the Vendor shall, within 25 (twenty five) Business Days from the occurrence of such event (or such other period as may be mutually agreed between the parties), inform the Purchaser and procure another party, whose identity shall be acceptable to the Trustee, to enter into separate agreement(s) to assume the Vendor's indemnification obligations under the Property CSPA and the Vendor's obligations under the Vendor Support Agreement.

In addition, under the Property CSPA, the Purchaser is, amongst others, indemnified against any and all losses which it may sustain, incur or suffer out of or in connection with a breach of the Vendor's obligations under the Vendor Support Agreement.

14 The main components of the NAV of the Vendor are the market value of the Vendor's investments, the market value of the Vendor's properties based on the latest property valuations provided by the third party valuer, and the book value of all of the Vendor's other assets net of all its liabilities, as certified by auditors. The NAV of the Vendor is derived based on an agreed-upon procedure as agreed with its auditors.

(iii) Opinion of the Independent Valuers

Upon the expiry of the Vendor Support Period, the Independent Valuers are of the view that the NPI Target under the Vendor Support Agreement will be sustainable by the underlying revenue of the Property after the expiry of the Vendor Support Period.

According to Cushman's valuation report, retailers continue to express optimism that business recovery will take place in 2021. Consequently, the Property is likely to see strong rental appreciation over Vendor Support Period and is unlikely to suffer negative market rental reversions upon the expiry of the Vendor Support Period. Colliers is of the view that the proposed Vendor Support levels in Indonesian Rupiah appear to be sustainable and in line with the market level.

The Manager will actively and continuously monitor the progress of the underlying performance of the Property.

The Independent Valuers' projection for the total underlying NPI from the Property as compared to the NPI Target under the Vendor Support Agreement is as follows:

Period	NPI Target under the Vendor Support Agreement (Rp. billion)	Projected NPI (Rp. billion)	
		Cushman	Colliers
1 Jul 2020 to 31 Dec 2020[(1)]	170.0[(1)]	72.9[(1)]	75.3[(1)]
1 Jan 2021 to 31 Dec 2021	340.0	277.6	198.4
1 Jan 2022 to 31 Dec 2022	340.0	303.9	276.6
1 Jan 2023 to 31 Dec 2023	340.0	327.8	318.9
1 Jan 2024 to 31 Dec 2024	340.0	336.6	348.3
1 Jan 2025 to 31 Dec 2025	-	372.9	382.0

Note:
(1) Assuming Completion took place on 1 July 2020.

The lower projected NPI in 2021 by Colliers compared to Cushman is mainly due to the difference in their respective assumptions for the rental reliefs provided to the tenants. Cushman projected that rental reliefs would be provided in 2020 only, whereas Colliers projected that rental reliefs would also be provided in 2021, albeit at a smaller quantum than in 2020. From 2022 onwards, both Independent Valuers assume that no rental reliefs will be provided to the tenants.

The Property is located in West Jakarta with approximately 1.5 million residents within its Primary Catchment Area and a working population of more than 670,000 persons. As foreign tourists are not the main target market of the Property, the slowdown in global tourism is unlikely to materially affect the Property. The Manager understands from the Independent Valuers that their projected NPI does not take into account the slowdown in global tourism.

(iv) Opinion of the Manager

The Sponsor have been and continue to be the master lessee of several properties in the Existing Portfolio. As at the Latest Practicable Date, there have been no defaults by the Sponsor on any payments due under such master leases. For the financial year ended 31 December 2019 ("**FY2019**"), approximately 10.1% of LMIR Trust's gross revenue was contributed by the master leases provided by the Sponsor. Excluding the Lippo Mall Kemang

Master Leases (the "**LMK Master Leases**") which expired on 16 December 2019, the rest of the master leases contributed approximately 3.0% to LMIR Trust's gross revenue. Given the Sponsor's good payment record, the Manager believes that the Vendor and/or Sponsor will be able to provide the Vendor Support throughout the Vendor Support Period.

The Manager understands from the Vendor that the actual NPI of the Property for FY2019 was Rp.222.0 billion, which represents approximately 65.3% of the NPI Target for the first full financial year period under the Vendor Support Period of Rp.340.0 billion per annum.

The Vendor Support allows LMIR Trust to benefit from the additional stability of the guaranteed NPI in light of the uncertainty caused by the Covid-19 pandemic and downside protection during the initial ramping up period as the Property continues to mature. Given the current strong occupancy level, the Manager expects that as the Property matures, its underlying rental rates would appreciate to levels consistent with market rates during the rental resets.

The actual NPI of the Property for FY2019 was at 65.3% of the NPI target as the current average rental rates of the Property are lower compared to the rental rates of Competitor Malls as a significant proportion of its leases (183 out of 333 tenants or representing 68.4% of the total NLA of the Property, exclusive of the P2 Space) are still in their first lease term, with tenants benefiting from concessionary rental rates. It is intended that new leases and renewed leases (upon expiry of the original lease) be entered into at the prevailing market rental rates. Consequently, while the Property enjoys a high occupancy rate of approximately 91.9%, the Property may not be able to enjoy the same average rental rates as the Competitor Malls, which have been in operation for a significantly longer period. It is expected that the average rental rates of the Property (and the actual NPI of the Property) will increase over time as it matures and maintains its high occupancy rate when new leases are entered into, or existing leases renewed at market rates.

The Manager believes that the income from the Property is sustainable after the expiry of the Vendor Support as:

(a) the Property is part of St. Moritz, an integrated mixed-use development which includes six apartment towers and an office-cum-5-star hotel building;

(b) the Property's strategic location with high-rise private residential developments, townhouses, civic amenities, schools, hospitals, hotels, restaurants, offices and shopping centres within a three kilometre radius of the Property. The residents and workers within the said buildings form part of the catchment population of Lippo Mall Puri; and

(c) the view of both Cushman and Colliers that the NPI Target under the Vendor Support Agreement will be sustainable by the underlying revenue of the Property after the expiry of the Vendor Support Period.

(v) Disclosure pursuant to Paragraph 7.1(a) of the Property Funds Appendix

Based on the Existing Portfolio, 93.4% of LMIR Trust's total deposited property is considered income-producing as at 31 December 2019. After Completion, 92.8% of LMIR Trust's total deposited property will be considered income-producing, which satisfies the requirement in paragraph 7.1(a) of the Property Funds Appendix for at least 75% of a property fund's deposited property to be invested in income-producing real estate.

Pursuant to the guidance note to paragraph 7.1(a) of the Property Funds Appendix, a property would be considered income-producing if its yield (without any arrangement which could artificially enhance the yield of the property) is greater than the risk-free rate. For the purposes of paragraph 7.1(a) of the Property Funds Appendix, the yield of the Property (without taking into account the Vendor Support) on a standalone basis is higher than the risk-free rate[15] and is therefore considered income-producing for purposes of the Property Funds Appendix. The actual yield of the Property without the Vendor Support in FY2019 was 6.3% while the risk-free bond yield is 2.06%.

2.9 Related Tenancy Agreements relating to the Property

Upon Completion, and assuming that all of the leases of the Property are novated to PT PBT within one (1) year from Completion[16], LMIR Trust will, through PT PBT, take over all of the tenancy agreements with respect to the Property, including various tenancy agreements entered into by certain associates and subsidiaries of the Sponsor (the "**Related Tenancy Agreements**"). The aggregate rental fees and insurance premiums derived or to be derived from the Related Tenancy Agreements is estimated at Rp.32.2 billion (approximately S$3.1 million).

The rental rates under the Related Tenancy Agreements are comparable to the rental rates paid by tenants of the Property who are not Interested Persons of LMIR Trust, and are also generally comparable with the rental rates of leases signed with other malls within LMIR Trust's Existing Portfolio, after taking into account the differences between each mall such as but not limited to the grade of the mall (premium, middle-upper, middle, etc.), and the location of the tenant within the mall (ground floor, upper ground floor, basement, etc.). Based on the foregoing, the Manager is of the view that the Related Tenancy Agreements are made on normal commercial terms and are not prejudicial to the interests of LMIR Trust and its minority Unitholders.

By approving the Acquisition, Unitholders are deemed to have specifically given approval for LMIR Trust to take over the Related Tenancy Agreements.

(See **APPENDIX G** of the Circular for further details regarding the amount of space taken up and the value of each of the Related Tenancy Agreements and the percentage of net tangible assets ("**NTA**") and NAV accounted for by the Related Tenancy Agreements.)

2.10 Indonesian Currency Law

On 28 June 2011, the Government of the Republic of Indonesia issued Law No. 7 of 2011 concerning Currency ("**Law No. 7/2011**") and on 31 March 2015, Bank Indonesia issued the Bank Indonesia Regulation No. 17/3/PBI/2015 concerning Mandatory Use of Rupiah Currency in Indonesian Territory (*Peraturan Bank Indonesia tentang Kewajiban Penggunaan Rupiah di Wilayah Negara Kesatuan Republik Indonesia*) ("**BI Regulation No. 17/2015**") which implementation is further regulated in Circular Letter of Bank Indonesia No. 17/11/DKSP dated 1 June 2015. Pursuant to Law No. 7/2011 and BI Regulation No.17/2015, the terms and conditions of the transaction documents in connection with the Acquisition will be subject to said law and regulation.

Based on Article 21 paragraph (1) of Law No. 7/2011 and Article 2 paragraph (2) of BI Regulation No. 17/2015, Indonesian Rupiah shall be used in (i) each transaction which purpose is to make payment, (ii) other obligations which should be settled by cash,

15 A property would be considered income-producing if its yield (without any arrangement which could artificially enhance the yield of the property) is greater than the risk-free rate. For this purpose, the risk-free rate will be taken as the highest yield of 5-year Singapore Government Securities for the 12 months preceding the date of the valuation report.

16 Under the Property CSPA, if after the completion of the Acquisition, the Vendor receives any income from any tenant pursuant to any tenancy agreements, the Vendor shall transfer the same to the Purchaser (or any other party appointed in writing by the Purchaser).

and/or (iii) other financial transactions, in each case within the territory of the Republic of Indonesia, with exceptions as set out in Article 21 paragraph (2) of Law No. 7/2011 and Articles 4 and 5 of BI Regulation No.17/2015, which are as follows:

(i) certain transactions in order to implement the State Revenues and Expenditures Budget;

(ii) foreign grants received by an Indonesian citizen from, or granted by an Indonesian citizen to, other countries;

(iii) international trading transactions;

(iv) bank deposits in foreign exchange;

(v) international financing transactions; and

(vi) transactions in foreign currency conducted in accordance with the prevailing laws and regulations (such as any business in foreign currency conducted by banks; transactions in the primary and secondary market on securities issued by the government in foreign currency, and other transactions with foreign currency conducted based on the prevailing laws).

Also, Article 23 of Law No. 7/2011 and Article 10 paragraph (1) of BI Regulation No. 17/2015 provides that:

(a) a party is prohibited from refusing to receive Indonesian Rupiah for payment or obligation settlement which should be settled by Indonesian Rupiah and/or for other financial transactions within the territory of the Republic of Indonesia, unless there is doubt on the authenticity of the Indonesian Rupiah; and

(b) the above paragraph is exempted from payment or obligation settlement in foreign currencies which has been set out in a written agreement.

Article 10 paragraph (3) of the BI Regulation No. 17/2015 further clarifies that the exemption applies only for:

(I) agreements relating to transactions exempted from the mandatory use of Indonesian Rupiah as referred to in Articles 4 and 5 of BI Regulation No. 17/2015 stated above (e.g. international financing transactions, etc.); or

(II) agreements for strategic infrastructure projects which have been approved by Bank Indonesia.

As an exemption, BI Regulation No. 17/2015 also stipulates that any agreement on payment or settlement of obligations in foreign currency which are made prior to 1 July 2015 are still valid until the expiry of the agreements. This exemption applies only for agreements relating to non-cash payment or settlement of obligations. However, the exemption will not be applicable for any extension or amendment of such agreements (particularly any amendments relating to the subject and/or object of the agreements).

Since LMIR Trust is required to receive income from its Existing Portfolio as well as the Property in Indonesian Rupiah, its revenue will be affected by fluctuations in the exchange rates of the Indonesian Rupiah. The impact of future exchange rate fluctuations on LMIR Trust's liabilities and property expenses cannot be accurately predicted and the Indonesian Rupiah may not be readily convertible or exchangeable or may be subject to exchange controls. There is also the risk that movements in the Indonesian Rupiah / Singapore Dollar exchange rate may adversely affect repayments or repatriation of funds from Indonesia to Singapore.

2.11 Insurance

The Property CSPA includes warranties that:

(i) the Property has been insured in the name of the Vendor against such losses and risks and in such amounts that are prudent and in accordance with good commercial practice based on the existing insurance policies;

(ii) nothing has been done or omitted to be done by the Vendor which would make any existing insurance policies void or voidable or enable the insurers of such existing insurance policies to avoid the same and there is no claim outstanding under any such policy and there are no circumstances likely to give rise to such a claim or result in an increased rate or premium of such existing insurance policies;

(iii) in respect of the existing insurance policies, all premiums and any related insurance premium taxes have been duly paid to date and all the policies are in full force and effect and have not expired; and

(iv) the existing insurance policies in the Property CSPA are complete and up-to-date.

Upon Completion, PT PBT will have in place the following insurance policies in relation to the Property:

(a) Property All Risk;

(b) Machinery Breakdown;

(c) Public Liability;

(d) Terrorism and Sabotage; and

(e) Earthquake and Business Interruption.

The Manager believes that the insurance policies taken out in relation to the Property are consistent with industry practice in Indonesia.

For the information of Unitholders, the Manager has explored the possibility of obtaining insurance to cover a business disruption caused by the outbreak of pandemics, such as the Covid-19 pandemic. However, after assessing the terms of such insurance coverage, the Manager is of the opinion that such insurance coverage is not justifiable due to, amongst other factors, the onerous nature of making such claims (which includes proving that an outbreak of the pandemic occurred at the insured location and resulting in the relevant authorities issuing a closure instruction).

2.12 Completion

Completion is expected to take place as soon as practicable after LMIR Trust raises adequate proceeds for the Acquisition and after the conditions precedent set out in the Property CSPA have been fulfilled. Upon Completion and the issuance of Strata Title Certificates evidencing the ownership over the Property in the name of PT PBT, LMIR Trust will indirectly hold the Property through PT PBT.

2.13 Estimated Acquisition Cost

(i) Acquisition Cost

The Acquisition Cost is currently estimated to be approximately S$390.9 million, comprising the following:

(a) the Purchase Consideration of Rp.3,500.0 billion (approximately S$336.5 million);

(b) the Acquisition Fee of approximately S$1.7 million payable to the Manager, following the Manager's decision to waive 50.0% of its Acquisition Fee Entitlement to demonstrate its support for the Acquisition;

(c) VAT of Rp.350.0 billion (approximately S$33.7 million);

(d) DALBT of Rp.175.0 billion (approximately S$16.8 million); and

(e) estimated legal and other professional and other fees and expenses of approximately S$2.2 million to be incurred by LMIR Trust in connection with the Acquisition.

(ii) DALBT

The purchase of the Property from the Vendor by PT PBT is subject to DALBT at the rate of 5.0% of the Purchase Consideration or the tax object sale value[17] ("**NJOP**"), whichever is higher at the time the Property CSPA was entered into. For the Acquisition, the applicable tax will be based on the Purchase Consideration.

(iii) VAT

PT PBT will be charged VAT at the rate of 10.0% on the purchase price of the Property by PT PBT. However, the VAT charged by PT PBT will be treated as input VAT, which can be used to offset the output VAT from rental income of PT PBT.

(iv) Acquisition Fee

To demonstrate its support for the Acquisition, the Manager has decided to voluntarily waive 50% of its Acquisition Fee Entitlement.

As the Acquisition will constitute an "interested party transaction" under paragraph 5 of the Property Funds Appendix, the balance 50% of the Acquisition Fee to be paid will be satisfied via the issue of the Acquisition Fee Units. For the avoidance of doubt, the Acquisition Fee will only be paid (and the Acquisition Fee Units will only be issued) after Completion. In accordance with paragraph 5.7 of the Property Funds Appendix, the Acquisition Fee Units will rank *pari passu* in all respects with the Units in issue and shall not be sold within one year from the date of issuance. As stated in the Trust Deed, the Acquisition Fee Units will be issued at the Market Price[18] at the time of issue of the Acquisition Fee Units.

(v) Hedging Transaction

Due to the volatility of the Indonesian Rupiah, there exists a risk that the amount of financing raised in Singapore Dollars would be insufficient to fund the Acquisition in the event that the Indonesian Rupiah appreciates against the Singapore Dollar between the approval of the Acquisition and Completion.

17 "**Tax object sale value**" refers to the taxable value of the land and the building as pre-determined by the Directorate General of Taxes, Indonesia and reviewed be every 1-3 years.

18 "**Market Price**" as defined in the Trust Deed as:

(a) the volume weighted average price for a Unit (if applicable, of the same Class) for all trades on the SGX-ST or such other recognised stock exchange on which LMIR Trust is listed, in the ordinary course of trading on the SGX-ST or, as the case may be, such other recognised stock exchange, for the period of 10 Market Days (or such other period as may be prescribed by the SGX-ST or the relevant recognised stock exchange) immediately preceding the Market Day on which the Units are issued; or

(b) if the Manager believes that the calculation in (a) does not provide a fair reflection of the market price of a Unit, an amount as determined by the Manager and the Trustee (after consultation with a stockbroker approved by the Trustee), as being the fair market price of a Unit.

The Manager is currently exploring the possibility of entering into the Hedging Transaction to hedge against potential appreciation of the Indonesian Rupiah against the Singapore Dollar prior to Completion. LMIR Trust will enter into the Hedging Transaction using currency non-deliverable forwards with Singapore based financial institutions. The Manager may procure the entry of LMIR Trust into the Hedging Transaction at any time prior to the date of Completion, subject to market conditions.

(See **APPENDIX G** "Indonesian Tax Considerations" of this Circular for further details.)

2.14 Method of Financing the Acquisition

The Manager intends to finance the Acquisition Cost (save for the Acquisition Fee, which will be paid through the issue of the Acquisition Fee Units) through a combination of debt financing of up to S$120.0 million (comprising S$80.0 million from bank debt and S$40.0 million from the Vendor Financing) and part of the net proceeds from the Rights Issue amounting to S$269.2 million.

As at the Latest Practicable Date, LMIR Trust has an aggregate leverage of 42.5%, which is based on the last announced financials as of September 2020.

LMIR Trust's aggregate leverage is expected to remain within the maximum aggregate leverage limit under the Property Funds Appendix[19].

Following Completion LMIR Trust's aggregate leverage will decrease from 42.5% to 40.2%. Please refer to paragraph 7 for further details on the *pro forma* financial effects of the Acquisition, the Rights Issue and the Vendor Financing on LMIR Trust.

2.15 Major Transactions – Chapter 10 of the Listing Manual

(i) Chapter 10 of the Listing Manual governs the acquisition or disposal of assets, including options to acquire or dispose of assets, by LMIR Trust. Such transactions are classified into the following categories:

(a) non-discloseable transactions;

(b) discloseable transactions;

(c) major transactions; and

(d) very substantial acquisitions or reverse takeovers.

(ii) An acquisition by LMIR Trust may fall into any of the categories set out in paragraph 2.15(i) above depending on the size of the relative figures computed on the following bases of comparison:

(a) the net profits attributable to the assets acquired, compared with LMIR Trust's net profits pursuant to Rule 1006(b) of the Listing Manual;

(b) the aggregate value of the consideration given, compared with LMIR Trust's market capitalisation based on the total number of issued Units pursuant to Rule 1006(c) of the Listing Manual; and

(c) the number of Units issued by LMIR Trust as consideration for the acquisition, compared with the number of Units previously in issue pursuant to Rule 1006(d) of the Listing Manual (not applicable).

19 Immediately before 16 April 2020, the regulatory aggregate leverage limit for LMIR Trust under the Property Funds Appendix was 45.0% of its deposited property. Pursuant to the revision of the Property Funds Appendix on 16 April 2020, the regulatory aggregate leverage limit under the Property Funds Appendix has been increased to 50.0% up to (and including) 31 December 2021. On or after 1 January 2022, the aggregate leverage of a property fund should not exceed 45.0%, save that it may exceed 45.0% (up to a maximum of 50.0%) if certain conditions under the Property Funds Appendix are met.

Where any of the relative figures computed on the bases set out above is 20.0% or more, the transaction is classified as a "major transaction" under Rule 1014 of the Listing Manual which would be subject to the approval of Unitholders, unless (i) such transaction is in the ordinary course of LMIR Trust's business or (ii) in the case of an acquisition of profitable assets, the only limit breached is the profit test set out in paragraph 2.16(ii)(a) above.

(iii) The relative figures in relation to the Acquisition using the applicable bases of comparison described in paragraphs 2.15(ii)(a) and 2.15(ii)(b) are set out in the table below.

Comparison of:	The Property	LMIR Trust	Relative Figure
NPI(1)	S$32.9 million	S$176.2 million(2)	18.7%
Purchase Consideration against LMIR Trust's market capitalisation	S$336.5 million	S$339.5 million(3),(4)	99.1%

Notes:

(1) In the case of a REIT, the NPI is a close proxy to the net profits before tax attributable to its assets. NPI refers to property revenue less property operating expenses.

(2) Based on LMIR Trust's audited consolidated financial statements for the FY2019 (the "**FY2019 Audited Consolidated Financial Statements**").

(3) Based on the closing price of S$0.116 per Unit on the SGX-ST on 27 August 2020 being the Market Day preceding the date of the 28 August 2020 amendment of the Property CSPA.

(4) Based on Units in issue as at 27 August 2020, being the Market Day preceding the date of signing of the 28 August 2020 amendment of the Property CSPA.

The Manager is of the view that the Acquisition is in the ordinary course of LMIR Trust's business as it is within the investment mandate of LMIR Trust and the Property is of the same asset class as LMIR Trust's existing properties and within the same geographical markets that LMIR Trust targets. As such, the Acquisition is therefore not subject to Chapter 10 of the Listing Manual. However, the Acquisition will constitute an "interested person transaction" under Chapter 9 of the Listing Manual as well as an "interested party transaction".

2.16 Requirement of Unitholders' Approval for the Acquisition

Based on the FY2019 Audited Consolidated Financial Statements, the NTA of LMIR Trust was S$1,070.3 million and the NAV of LMIR Trust was S$1,075.9 million as at 31 December 2019.

Under Chapter 9 of the Listing Manual, where LMIR Trust proposes to enter into a transaction with an Interested Person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S$100,000 with the same Interested Person during the same financial year) is equal to or exceeds 5.0% of LMIR Trust's latest audited NTA, Unitholders' approval is required in respect of the transaction.

Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by LMIR Trust with an Interested Person is, either in itself or in aggregate with all other earlier transactions (each of a value equal to or greater than S$100,000) entered into with the same Interested Person during the current financial year, equal to or in excess of S$53.5 million, such a transaction would be subject to Unitholders' approval.

Paragraph 5 of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an Interested Party Transaction by LMIR Trust which value exceeds 5.0% of LMIR Trust's latest audited NAV. Based on the FY2019 Audited Consolidated Financial Statements, the NAV of LMIR Trust was S$1,075.9 million as at 31 December 2019. Accordingly, if the value of a transaction which is proposed to be entered into by LMIR Trust with an Interested Party is equal to or greater than S$53.8 million, such a transaction would be subject to Unitholders' approval.

As at the Latest Practicable Date, the Sponsor directly and/or through its subsidiaries and through its interest in the Manager, has deemed interests of 32.32% in LMIR Trust and is therefore regarded as a "Controlling Unitholder" of LMIR Trust under both the Listing Manual and the Property Funds Appendix. In addition, the Manager is wholly-owned by Peninsula, which is in turn directly held by Mainland and Jesselton. Mainland and Jesselton are in turn wholly-owned subsidiaries of the Sponsor and the Sponsor is therefore regarded as a "Controlling Shareholder" of the Manager under both the Listing Manual and the Property Funds Appendix.

For the purposes of Chapter 9 of the Listing Manual and the Property Funds Appendix, the Vendor, being an indirectly wholly-owned subsidiary of the Sponsor (which in turn is a Controlling Unitholder of LMIR Trust and a Controlling Shareholder of the Manager) is an Interested Person and an Interested Party of LMIR Trust.

As such, the Acquisition will constitute an Interested Person Transaction under Chapter 9 of the Listing Manual and an Interested Party Transaction under paragraph 5 of the Property Funds Appendix.

As the value of the Acquisition (comprising the Purchase Consideration and the aggregate value of the Vendor Support) will in aggregate amount to 44.4% of LMIR Trust's latest audited NTA of S$1,070.3 million as at 31 December 2019 and 44.2% of LMIR Trust's latest audited NAV of S$1,075.9 million as at 31 December 2019, and exceed (i) 5.0% of LMIR Trust's latest audited NTA and (ii) 5.0% of LMIR Trust's latest audited NAV. In compliance with the requirements of the Listing Manual and the Property Funds Appendix, the Manager is therefore seeking the approval of Unitholders for the Acquisition (including the Vendor Support Agreement) pursuant to Rule 906(1)(b) of the Listing Manual.

For the information of Unitholders, the value of the Acquisition (comprising the Purchase Consideration and the aggregate value of the Vendor Support) and the Vendor Financing (as described in paragraph 6 below) will in aggregate amount to 48.2% of LMIR Trust's latest audited NTA of S$1,070.3 million as at 31 December 2019 and 47.9% of LMIR Trust's latest audited NAV of S$1,075.9 million as at 31 December 2019, and exceed (i) 5.0% of LMIR Trust's latest audited NTA and (ii) 5.0% of LMIR Trust's latest audited NAV.

2.17 Existing Interested Person Transactions

Prior to the Latest Practicable Date, the total value of Interested Person Transactions between LMIR Trust and the Sponsor and/or its associates, for the current financial year, is approximately S$49.3 million, which is approximately 4.60% of the latest audited NTA of LMIR Trust and 4.58% of the latest audited NAV of LMIR Trust as at 31 December 2019.

(See **APPENDIX H** "Existing Interested Person Transactions" of this Circular for further details.)

2.18 Fees Payable to the Manager

After Completion, the Manager will be entitled under the Trust Deed to receive from LMIR Trust, the Acquisition Fee and management fees attributable the Property comprising a base fee of 0.25% per annum of the value of the Property and a performance fee of 4.0% per annum of the NPI of the Property. The Manager has decided to voluntarily waive 50% of its Acquisition Fee Entitlement, and the balance 50% of the Acquisition Fee to be paid will be satisfied via the issuance of the Acquisition Fee Units.

The Manager will be entitled to the management fees attributable to the Property in the future for so long as the Property continues to form part of the investment portfolio of LMIR Trust.

2.19 Approval by Unitholders for the Acquisition

In approving the Acquisition, Unitholders are deemed to have approved all documents which are required to be executed by the parties in order to give effect to the Acquisition, including the Property CSPA, the Vendor Support Agreement and the Related Tenancy Agreements. These agreements are therefore not subject to Rules 905 and 906 of the Listing Manual (which require LMIR Trust to make an announcement or obtain the approval of Unitholders depending on the materiality of the Interested Person Transactions) insofar as there are no subsequent changes to the terms, rental, rates and/or basis of the fees charged thereunder which will adversely affect LMIR Trust. Future renewal or extension of these agreements will be subject to Rules 905 and 906 of the Listing Manual.

Unitholders should note that Resolution 1 (the Acquisition), Resolution 2 (the Rights Issue) and Resolution 4 (the Vendor Financing) are conditional upon each other and upon Resolution 3 (the Whitewash Resolution). This means that if any of Resolution 1, Resolution 2, Resolution 3 or Resolution 4 is not approved, none of Resolution 1, Resolution 2 or Resolution 4 will be carried. Resolution 3 is not conditional upon Resolution 1, Resolution 2 or Resolution 4.

3. RESOLUTION 2: THE RIGHTS ISSUE

3.1 Rights Issue

The Manager proposes to issue 4,682,872,029 Rights Units (which is equivalent to approximately 160% of the 2,926,795,018 Units in issue as at the Latest Practicable Date) pursuant to the Rights Issue to raise gross proceeds of approximately S$281.0 million by way of a non-underwritten renounceable rights issue to Eligible Unitholders on a *pro rata* basis of 160 Rights Units for every 100 Existing Units held as at the Rights Issue Record Date, fractional entitlements to be disregarded.

Having procured the Sponsor Irrevocable Undertaking (as described in paragraph 3.8), the Manager will not be obtaining an underwriting commitment for the Rights Issue from a financial institution.

Upon the Rights Issue being approved by Unitholders, the Manager will make the appropriate announcement(s) in due course to inform Unitholders of the Rights Issue Record Date.

The actual terms and conditions of the Rights Issue will be set out in the offer information statement in connection with the Rights Issue to be lodged with the MAS and issued to Eligible Unitholders ("**Offer Information Statement**").

The Rights Issue is further conditional upon the lodgement of the Offer Information Statement with the MAS.

3.2 Issue Price

The Rights Issue would provide Unitholders with the opportunity to subscribe for their *pro rata* entitlement to the Rights Units. The actual terms and conditions of the Rights Issue will be set out in the Offer Information Statement. However, the illustrative Issue Price of S$0.060 per Rights Unit, is a discount of:

(i) approximately 47.8% to the closing price of S$0.115 per Unit on the SGX-ST on 17 September 2020, being the last trading day of the Units prior to the announcement of the Rights Issue ("**Closing Price**");

(ii) approximately 26.1% to the theoretical ex-rights price ("**TERP**") of S$0.081 per Unit which is calculated as follows:

$$\text{TERP} = \frac{\text{Market capitalisation of LMIR Trust based on the Closing Price} + \text{Gross proceeds from the Rights Issue}}{\text{Units outstanding after the Rights Issue}}$$

and

(iii) approximately 58.3% discount to the *pro forma* NAV per unit after the completion of the Rights Issue of S$0.144 per Unit.

3.3 Status of the Rights Issue

The Rights Units will, upon allotment and issue, rank *pari passu* in all respects with the Units in issue as at the date of issue of the Rights Units including the right to any distributions which may accrue prior to the Rights Issue as well as all distributions thereafter.

3.4 Receipt of Approval-in-principle

Approval-in-principle was obtained from the SGX-ST on 13 November 2020 for the listing of, dealing and quotation of the Rights Units on the Main Board of the SGX-ST. The SGX-ST's approval in-principle is subject to, among others:

(i) compliance with the SGX-ST's continuing listing requirements;

(ii) Unitholders' approval for the Rights Issue;

(iii) a written undertaking from the Manager that it will comply with Listing Rules 704(30) and 1207(20) in relation to the use of the proceeds from the Rights Issue and where proceeds are to be used for working capital purposes, the Manager will disclose a breakdown with specific details on the use of proceeds for working capital in the Manager's announcements on use of proceeds and in the annual report;

(iv) a written undertaking from the Manager that it will comply with Listing Rule 877(10) with regards to the allotment of any excess Rights Units; and

(v) a written confirmation from financial institution(s) as required under Listing Rule 877(9) that the undertaking Unitholder who have given the irrevocable undertakings have sufficient financial resources to fulfil their obligations under its undertakings.

The SGX-ST's approval in-principle is not to be taken as an indication of the merits of the Acquisition, the Rights Issue, the Vendor Financing, LMIR Trust and/or its subsidiaries.

3.5 Eligible Unitholders

Eligible Unitholders are Unitholders with Units standing to the credit of their Securities Accounts and whose registered addresses with The Central Depository (Pte) Limited ("**CDP**") are in Singapore as at the Rights Issue Record Date or who have, at least two Market Days prior to the Rights Issue Record Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Unitholders located, resident or with a registered address outside of Singapore.

Eligible Unitholders will be at liberty to accept in part or in full, decline or otherwise renounce or trade (during the "nil-paid" rights trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for Excess Rights Units[20].

The procedures for acceptance, excess applications and payment by Eligible Unitholders will be set out in the Offer Information Statement.

For the avoidance of doubt, Eligible Unitholders who hold less than 100 Existing Units as at the Rights Issue Record Date will be provisionally allotted their Rights Entitlements on a *pro rata* basis of 160 Rights Units for every 100 Existing Units, fractional entitlements to be disregarded. Eligible Unitholders who hold odd lots of Units (that is, lots other than board lots of 100 Units) and who wish to trade in odd lots are able to trade odd lots of Units on the SGX-ST's Unit Share Market[21].

3.6 Ineligible Unitholders

No Rights Entitlements will be provisionally allotted to Unitholders who are not Eligible Unitholders ("**Ineligible Unitholders**") and no purported acceptance thereof or application for Excess Rights Units therefore by Ineligible Unitholders will be valid.

The offer, sale and delivery of the Rights Units and the Rights Entitlements may be prohibited or restricted in certain jurisdictions under their relevant securities laws. Thus, for practical reasons and in order to avoid any violation of the securities legislation or other relevant laws applicable in countries (other than in Singapore) where Unitholders may have as their addresses registered with CDP, the Rights Issue will not be extended to Ineligible Unitholders.

If it is practicable to do so, the Manager may, in its absolute discretion, arrange for Rights Entitlements which would otherwise have been allotted to Ineligible Unitholders to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account all expenses to be incurred in relation thereto.

Where such Rights Entitlements are sold "nil-paid" on the SGX-ST, they will be sold at such price or prices as the Manager, may, in its absolute discretion, decide and no Ineligible Unitholder or persons acting for the account or benefit of any such persons, shall have any claim whatsoever against the Manager, the Trustee, CDP or the Central Provident Fund Board ("**CPF Board**") or their respective officers in respect of such sales or the proceeds thereof, the Rights Entitlements or the Rights Units represented by such provisional allotments.

The net proceeds from all such sales, after deducting all expenses therefrom, will be pooled and thereafter distributed to Ineligible Unitholders in proportion to their respective unitholdings in LMIR Trust determined as at the Rights Issue Record Date and sent to them at their own risk by ordinary post, without interest or any share of revenue or other benefit arising therefrom, provided that where the amount of net proceeds to be distributed to any single Ineligible Unitholder is less than S$10.00, the Manager shall be entitled to retain or deal with such net proceeds as the Manager may, in its absolute discretion, deem fit for the sole benefit of LMIR Trust and no Ineligible Unitholder shall have any claim whatsoever against the Manager, the Trustee or CDP and their respective officers in connection herewith.

20 "**Excess Rights Units**" means the Rights Units represented by the provisional allotments (A) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the "nil-paid" rights trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders (as defined herein) which have not been sold during the Rights Entitlements trading period or (B) that have not been validly taken up by the original allottees, renouncees of the Rights Entitlements or the purchasers of Rights Entitlements.

21 "**Unit Share Market**" refers to the ready market of the SGX-ST for trading of odd lots of Units with a minimum size of one Unit.

If such Rights Entitlements cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the Rights Entitlements, the Rights Units represented by such Rights Entitlements will be issued to satisfy applications for Excess Rights Units or dealt with in such manner as the Manager may, in its absolute discretion, deem fit in the interest of LMIR Trust and no Ineligible Unitholder or persons acting for the account or benefit of any such persons, shall have any claim whatsoever against the Manager, the Trustee, CDP or CPF Board and their respective officers in connection therewith.

3.7 Excess Rights Units

The Excess Rights Units will be aggregated and used to satisfy Excess Rights Units applications (if any) or disposed of or otherwise dealt with in such manner as the Manager may, in its absolute discretion, deem fit.

In the allotment of Excess Rights Units, preference will be given to the rounding of odd lots (if any) followed by allotment to Unitholders who are neither Directors nor Substantial Unitholders. Directors and Substantial Unitholders who have control or influence over LMIR Trust or the Manager in connection with the day-to-day affairs of LMIR Trust or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Units. The Manager reserves the right to refuse any application for Excess Rights Units, in whole or in part, without assigning any reason whatsoever therefor. In the event that the number of Excess Rights Units allotted to an Eligible Unitholder is less than the number of Excess Rights Units applied for, the Eligible Unitholder shall be deemed to have accepted the number of Excess Rights Units actually allotted to him.

The Sponsor directly and/or through the Subscribing Entities (as defined below) intends to apply for all the Excess Rights Units. For the avoidance of doubt, such applications by the Sponsor and/or the Subscribing Entities will rank last in priority.

3.8 Commitment by Sponsor

The Sponsor, which through its wholly-owned subsidiaries, BIL and the Manager, has an aggregate interest in 945,863,906 Units ("**Sponsor Initial Units**") (representing approximately 32.32% of the issued Units as at 28 August 2020).

To demonstrate its support for LMIR Trust and the Rights Issue, the Sponsor has, on 28 August 2020, provided an irrevocable undertaking (the "**Sponsor Irrevocable Undertaking**") to the Manager that:

(i) as at the Rights Issue Record Date, the Sponsor will have an interest (either actual or deemed) in not less than the number of Sponsor Initial Units credited to securities accounts with the CDP which are held in the name of the Relevant Entities or, as the case may be, the nominees(s) or custodian(s) of the Relevant Entities (each with registered addresses with CDP in Singapore);

(ii) subject to any prohibitions or restrictions imposed by the relevant regulatory authorities (including SGX-ST and/or the SIC), where applicable, the Sponsor will vote and/or procure that its wholly-owned subsidiaries holding Units vote (in respect of all Units beneficially owned by it or its wholly-owned subsidiaries) in favour of the resolution to approve the Rights Issue at the EGM and such other resolutions necessary or expedient for the purposes of the Rights Issue;

(iii) in accordance with the terms and conditions of the Rights Issue and in any case not later than the latest time and date for acceptance and payment for the Rights Units (the "**Closing Date**"), the Sponsor will accept, procure that the Relevant Entities accept, and/or procure one or more of the Sponsor's existing subsidiaries and/or new subsidiaries/entities set up by the Sponsor to hold Units (together with the Relevant Entities, the "**Subscribing Entities**") to accept, subscribe and pay in full, for the Relevant Entities' total provisional allotment of the Rights Units (the "**Allotted Rights Units**");

(iv) in accordance with the terms and conditions of the Rights Issue and in any case not later than the Closing Date, the Sponsor will additionally apply for, and/or procure that the Subscribing Entities apply for, subscribe and pay in full for any Excess Rights Units to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess Rights Units such that the total number of the Allotted Rights Units and the Excess Rights Units is up to 100% of the total number of the Rights Units;

(v) unless required by applicable law or regulations or by an order of a court of competent jurisdiction, the Sponsor will not, during the period commencing from the date hereof up to and including the date of the listing of the Rights Units, make any public statement or announcement regarding the Rights Issue containing information that has not otherwise been made publicly available by the Manager prior to or simultaneously with the Sponsor's public statement or announcement, without first obtaining the prior written consent of the Manager (such consent not to be unreasonably withheld or delayed); and

(vi) the Sponsor will take or cause to be taken, all steps and actions and do, or cause to be done, all such acts and things as may be reasonably required to give effect to the undertakings set out in the Sponsor Irrevocable Undertaking.

3.9 Use of Proceeds

The Rights Issue is expected to raise gross proceeds of approximately S$281.0 million and net proceeds of approximately S$275.8 million. The Manager intends to use the gross proceeds from the Rights Issue as follows:

(i) approximately S$269.2 million (which is equivalent to 95.8% of the gross proceeds of the Rights Issue) to partially fund the Acquisition Cost;

(ii) approximately S$5.2 million of fees payable to banks and other professional firms in connection with the Rights Issue (for the avoidance of doubt, such fees are not underwriting fees or commissions as the Rights Issue is not underwritten) (which is equivalent to 1.9% of the gross proceeds of the Rights Issue);

(iii) approximately S$3.8 million of fees payables to banks and other professional firms in connection with the debt financing (which is equivalent to 1.3% of the gross proceeds of the Rights Issue); and

(iv) approximately S$2.8 million (which is equivalent to 1.0% of the gross proceeds of the Rights Issue) for general working capital purposes.

Based on the Sponsor Irrevocable Undertaking (as described in paragraph 3.8) the Manager expects that the minimum proceeds raised from the Rights Issue will be sufficient to meet LMIR Trust's present funding requirements for the Acquisition and the Rights Issue as disclosed above.

Notwithstanding its current intention, the Manager may, subject to relevant laws and regulations, use the net proceeds from the Rights Issue at its absolute discretion for other purposes, including without limitation, to repay existing indebtedness.

Pending deployment, the net proceeds from the Rights Issue may be deposited with banks and/or financial institutions, or used for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The Manager will make periodic announcements via SGXNET on the utilisation of the proceeds from the Rights Issue as and when such funds are materially utilised and provide a status report on the use of the proceeds from the Rights Issue in the annual reports of LMIR Trust. Where there is any material deviation from the stated use of proceeds, the Manager will announce the reasons for such deviation.

3.10 Costs of the Rights Issue

If LMIR Trust proceeds with the Rights Issue, the Manager estimates that LMIR Trust will have to bear professional and other fees and expenses, of approximately S$5.2 million.

3.11 Requirement for Unitholders' Approval for the Rights Issue

The Manager is seeking the approval of Unitholders for the proposed issue of 4,682,872,029 Rights Units (representing approximately 160% of the 2,926,795,018 Units in issue as at the Latest Practicable Date) under the Rights Issue pursuant to Rule 805(1) of the Listing Manual. For the avoidance of doubt, the Manager will not be relying on the general mandate that was obtained by the Manager from Unitholders at the annual general meeting of Unitholders held on 16 June 2020 to issue the Rights Units.

Unitholders should note that Resolution 1 (the Acquisition), Resolution 2 (the Rights Issue) and Resolution 4 (the Vendor Financing) are conditional upon each other and upon Resolution 3 (the Whitewash Resolution). This means that if any of Resolution 1, Resolution 2, Resolution 3 or Resolution 4 is not approved, none of Resolution 1, Resolution 2 or Resolution 4 will be carried. Resolution 3 is not conditional upon Resolution 1, Resolution 2 or Resolution 4.

4. RATIONALE FOR THE ACQUISITION AND THE RIGHTS ISSUE

The Trustee and Manager have appointed the Independent Market Research Consultant to perform an independent retail property market review and competitive analysis in connection with the acquisition of the Property. Based on the Independent Market Research Consultant's retail classification, the Property is classified as an upper-grade shopping mall and a summary of the Independent Market Research Report is appended as **Appendix C**[22].

Taking into consideration information and statistics presented in the independent retail property market review and competitive analysis by the Independent Market Research Consultant, the information provided in Cushman's and Colliers' valuation reports as well as analysis of other publicly available information, the Manager believes that the Acquisition and the Rights Issue will bring the following key benefits to Unitholders:

22 The full Independent Market Research Report issued by the Independent Market Research Consultant is available for inspection during normal business hours at the registered office of the Manager at 6 Shenton Way, OUE Downtown 2, #12-08 Singapore 068809 from the date of this Circular up to and including the date falling three months after the date of this Circular.

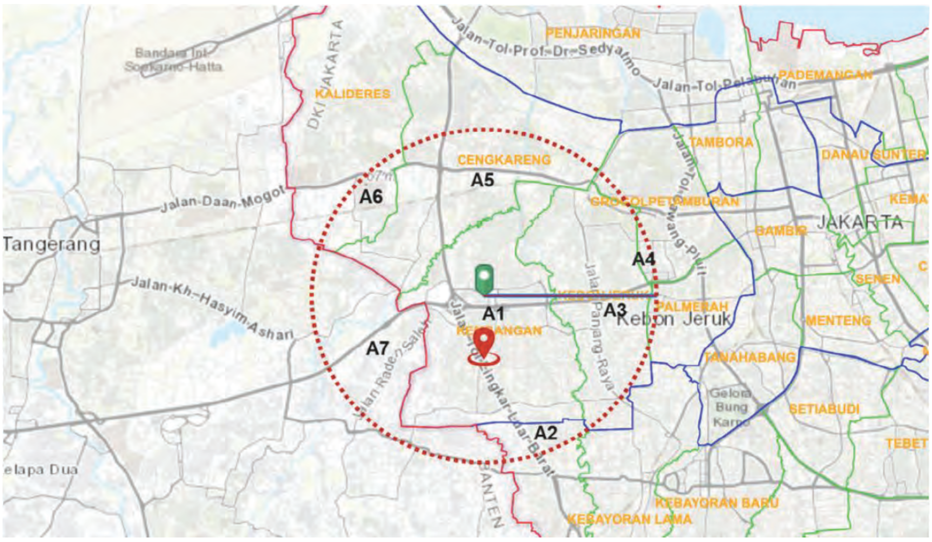
4.1 Acquisition of a strategic and iconic retail mall within a premium integrated development located within West Jakarta, an area with favourable demand and supply dynamics

The Acquisition of the Property, which will become the flagship asset of LMIR Trust, represents an opportunity for LMIR Trust to acquire a best-in-class retail mall in West Jakarta, notwithstanding the dilutive illustrative *pro forma* effects to the DPU of LMIR Trust (see paragraph 7.2 and paragraph 7.3 for more information) Competitive strengths of the Property include:

(i) Irreplaceable, landmark asset in an established residential and commercial precinct

The Property, which is part of St. Moritz – the largest premium integrated development in West Jakarta – is strategically located in Puri Indah CDB, a commercial precinct in the Puri Indah residential estate which facilitates close to 400 businesses. It also houses other commercial developments such as Pondok Indah Hospital Puri Indah, Puri Gardenia Apartment, Windsor Apartment, Puri Indah Auto Center, Puri Indah Financial Tower, West Jakarta Mayor Office and others. According to the estimates provided in the Independent Market Research Report, the Primary Catchment Area of the Property, as shown below, comprises nearly 400,000 households with around 1.5 million residents and an estimated working population of more than 670,000 workers. The catchment area consist largely of middle upper class residential housing, with pockets of high-rise private residential developments, townhouses, civic amenities, schools, hospitals, hotels, restaurants, offices and shopping centres.

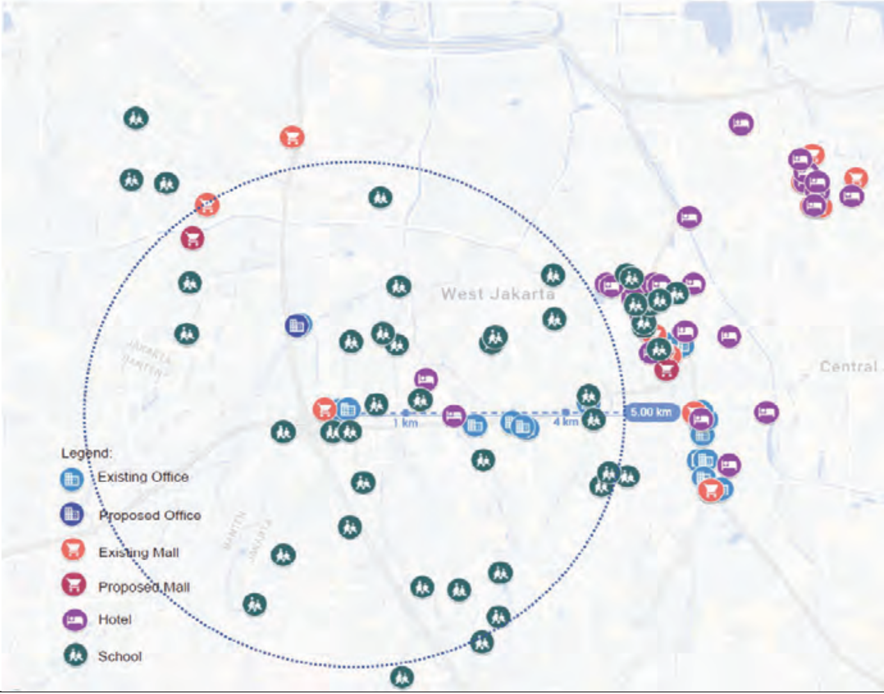
Map of the Property's Primary Catchment Area



Catchment Population			
Area	**Number of Residents**	**Number of Households**	**Working Population**
A1	334,115	89,077	151,852
A2	44,789	11,575	20,181
A3	344,851	91,939	156,732
A4	34,474	9,191	15,668
A5	360,694	96,163	163,932
A6	70,715	18,853	32,139
A7	289,235	76,433	133,471
Total	**1,478,873**	**393,231**	**673,975**

Source: The Independent Market Research Report

Surrounding Developments

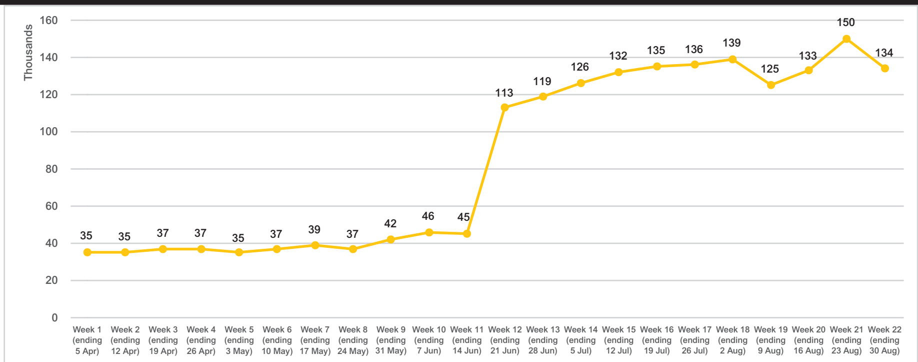


Source: The Independent Market Research Report

Given its strategic location, the Property has established itself as one of the most iconic and well-known retail malls in West Jakarta, and has been able to continuously garner attention through its innovative marketing and publicity efforts which saw the Property making news with awards such as the "Most Kite Batik Display in the Mall" in 2015 and "Mall Parking with Most European Cars" in 2016. The Property is also positioned as Indonesia's first digital mall and a "One Stop Shopping Mall" catering to families, executives and students living in its trade area and is anchored by familiar brands such as Matahari and Sogo and is well complemented by a variety of established food and beverage, fashion and electronic stores, lifestyle and entertainment services. This broad and complementary range of retailers ensures that the mall is able to continuously meet the everyday needs of the target catchment. As at 30 June 2020, the Property accommodates 333 tenancies, spread across a full and extensive range of retail, dining, entertainment and leisure options with household brands including Cinema XXI, Matahari and Time Zone, as well as over 100 renowned international brands such as Adidas, Best Denki, H&M, Marks & Spencer, Uniqlo, and Zara. As of 2019, the Property serves 17.0 million per year and average visitor per month has grown from approximately 176,000 in H2 2014 to 1.42 million in the fourth quarter of 2019, representing a compounded average growth rate of close to 52% across the five years. However, the number of visitors in the second quarter of 2020 dropped 82% to 682,000 from the same period last year as a result of the outbreak of the

Covid-19 pandemic in Indonesia, which led to the announcement of large-scale social restrictions and the consequential temporary closure of the Property from 27 March 2020, with the exception of essential services. The Property re-opened for operations on 15 June 2020 and the Property's shopper traffic has shown a gradual improvement and has now recovered to approximately 45.0% of the levels seen before the outbreak of the Covid-19 pandemic. This improvement occurred despite the continued imposition of social distancing restrictions and measures on the Property including the continued closure of leisure-related retailers such as cinemas, fitness centres, karaoke bars, kid's playgrounds, a 50% capacity limit within the mall as well as a shorter 8 hours of operations (instead of the normal 12 hours).

Improvement in shopper traffic post-opening of the Property



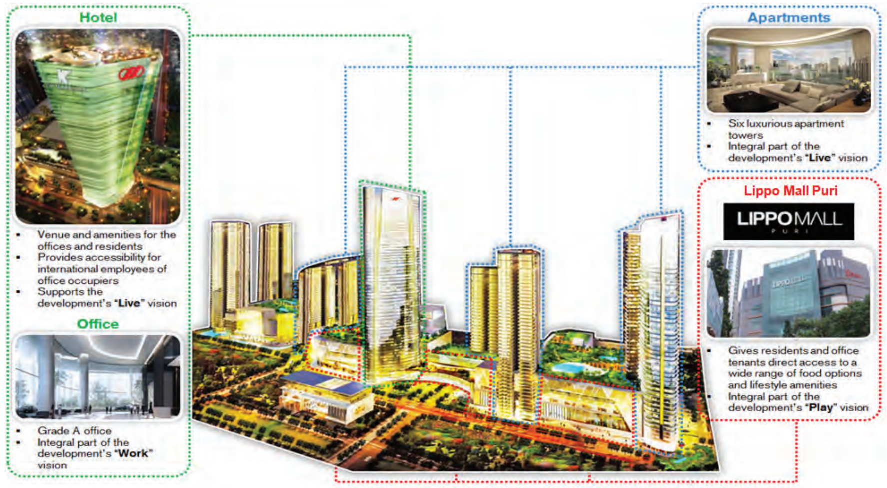
Source: PT Lippo Malls Indonesia

Evident from the strong historical traffic trends as well as the continued improvement post re-opening, the Property remains attractive to shoppers in the region as it is supported by the surrounding large local catchment and strong spending power. According to the Independent Market Research Report, malls located near to large residential catchments are likely to enjoy more stable footfall and sales during the Covid-19 pandemic due to growing preference by shoppers for malls located near their home. Hence, the Property remains well-positioned for growth potential as businesses recover from the Covid-19 pandemic.

(ii) An integrated ecosystem designed for living, working and playing

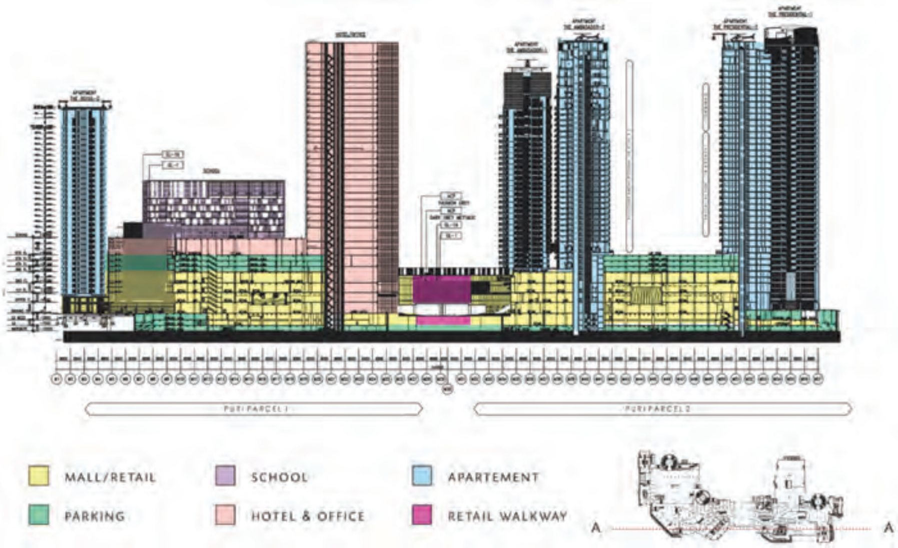
The Property, the retail podium component of St. Moritz with approximately 116,014 sq m of NLA over five levels, is one of the largest purpose-built shopping malls in West Jakarta and is an integral part of the development's "live, work and play" vision. The restoration of the P2 Space by the Sponsor to its original function as leasable space will add approximately 6,848 sq m, of leaseable retail space increasing total NLA to approximately 122,862 sq m. It provides residents, office tenants and future hotel guests direct access to a wide range of food options, lifestyle amenities such as gym providers, and entertainment such as a cinema. The indoor playground in the Property also makes for a family-friendly destination for residents, tenants and future hotel guests alike. Similarly, the hotel component, as well as convention centres located in the same mixed-use development provides convenient event venues and amenities not only for office occupiers, but also for residents. In addition, private schools in and around St. Moritz will cater to the needs of the residents, while also benefiting from the easy access to the retail offerings of the Property.

Layout of the St. Moritz Jakarta Integrated Development



Source: PT Lippo Malls Indonesia

Cross section of St. Moritz Jakarta Integrated Development



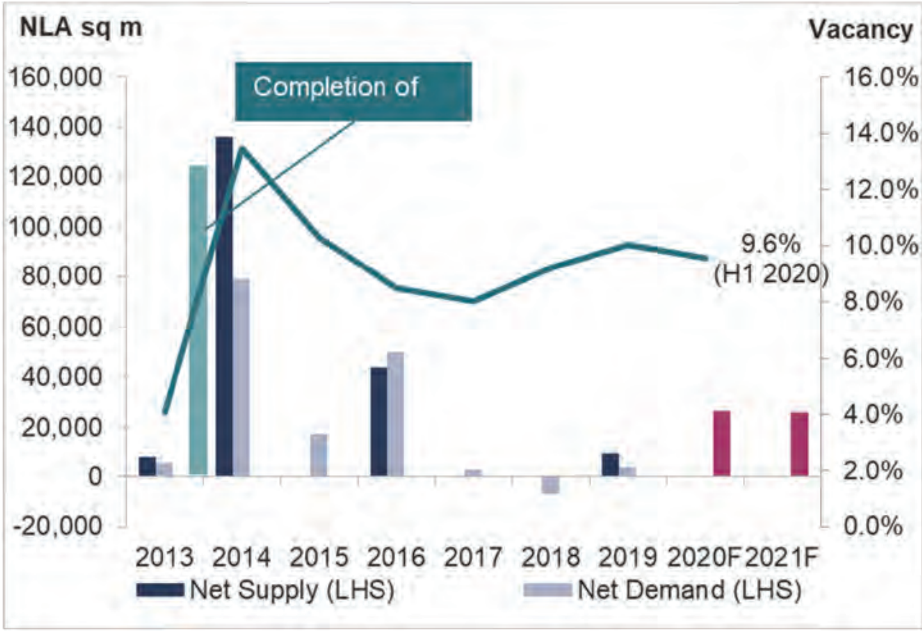
Source: PT Lippo Malls Indonesia

According to the Independent Market Research Report, being a component of an integrated development has enabled the Property to be increasingly relevant during the Covid-19 pandemic where movement is restricted, as retail and other essential amenities are readily available and accessible within walking distance. During the period of closure from 27 March 2020 to 14 June 2020, the Property attracted a daily average of 5,524 visitors compared to a daily average of 2,824 visitors per mall within LMIR Trust's existing retail malls located within the Greater Jakarta region. The presence of residential and commercial components within the integrated development provides a natural visitor catchment for the Property and demand for products/ services.

(iii) Favourable Supply Dynamics in West Jakarta

According to the Independent Market Research Report, the retail supply and leasing market in Jakarta showed signs of improvement in 2019, with several new openings of middle-up malls including Citywalk Gajah Mada (West Jakarta), Lippo Mall Mampang (South Jakarta) and Citra Xperience (Central Jakarta). As at end 2019, total retail stock in Jakarta amounted to nearly 3.2 million sq m. Coupled with a healthy annual net take-up of 74,765 sq m which far surpassed the total new supply of 24,173 sq m in 2019, occupancy rate rose to 89.6%, the highest since 2016. However, the onset of the Covid-19 pandemic caused some developers to postpone their development schedule, as many retailers remained cautious and held back on their expansion plans. Consequently, there was only one new retail property completed in the first half of 2020; Elysee in SCBD complex, an upper-grade mall in South Jakarta.

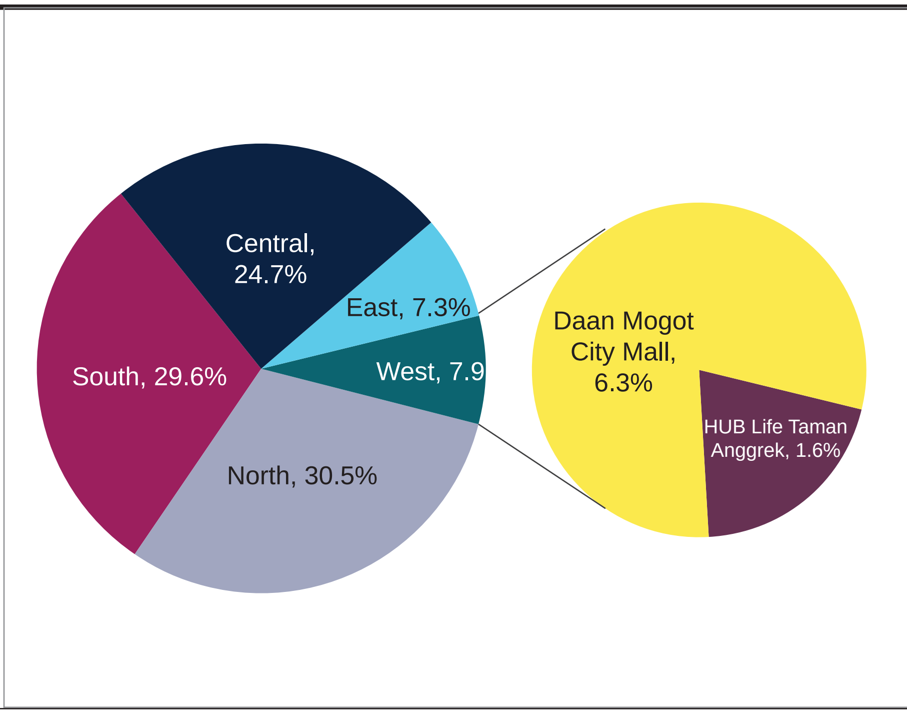
Specifically, within West Jakarta, there was no injection of new supply in the first half of 2020. Hence, take-up in West Jakarta held up relatively well at 2,750 sq m, compared with an annual net demand of 3,915 sq m in 2019. As a result of positive net absorption, vacancy in West Jakarta eased from 10.0% in 2019 (the high level since 2015) to 9.6% in the second quarter of 2020 as shown below. Moreover, owing to the relatively large population and limited retail space available in West Jakarta, retail space per capita remained as one of the lowest at 0.23 sq m, compared with 0.53 sq m in South Jakarta and 0.51 sq m in Central Jakarta. Coupled with the large population and relatively high spending power in West Jakarta, retail occupancy of well-managed malls in the area held up well, despite the ill-effects from the pandemic.



Source: The Independent Market Research Report

In terms of the retail pipeline supply in Jakarta, 57.6% (236,300 sq m) comes from new middle-up shopping malls, while the remaining 42.4% (173,800 sq m) are upper-grade shopping malls. Hence, existing middle-up malls (which account for about 41% of the existing stock) and upper-grade malls (which account for around 33% of the existing stock) are likely to face more intense competition from the upcoming supply, particularly in North, South and Central Jakarta. In geographical terms, future supply is primarily spread across North Jakarta (30.5%; 125,000 sq m), South Jakarta (29.6%; 121,400 sq m) and Central Jakarta (24.7%; 101,200 sq m), with only 7.9% (32,500 sq m) in West Jakarta. New supply in East Jakarta is also relatively limited (7.3%; 30,000 sq m), as the low spending power makes this area less attractive for retail/ shopping mall developments. Therefore, existing malls in West and East Jakarta are expected to see limited impact from the upcoming malls.

Retail Pipeline Supply in Jakarta from 2020 to 2022



Source: The Independent Market Research Report

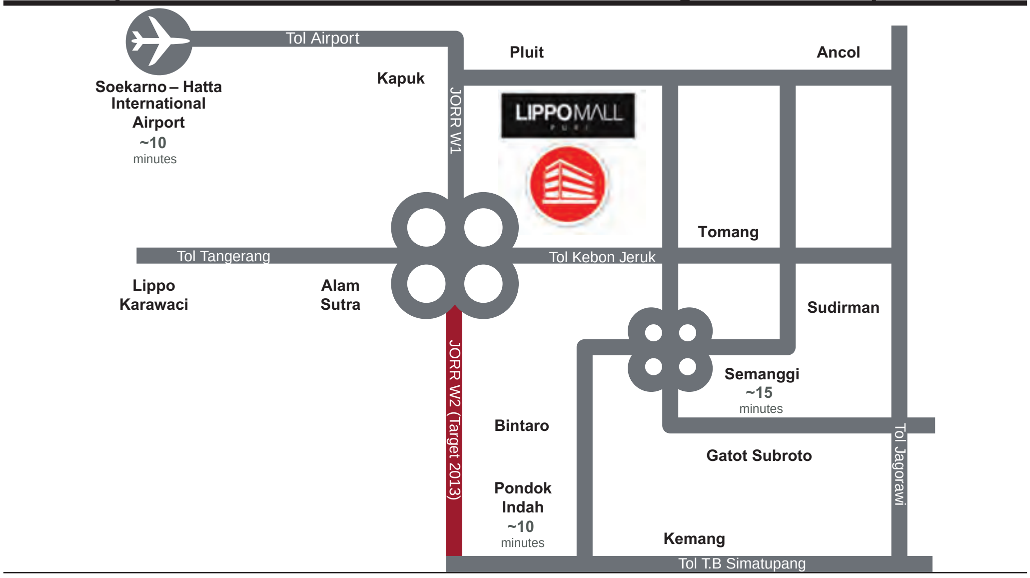
The majority of the future supply in West Jakarta is expected to be provided by the completion of Daan Mogot City Mall (26,000 sq m), the retail component of a mixed-use project which includes apartment towers, educational institutions and other cultural facilities and Hub Life Taman Anggrek (12,000 sq m), a small scale upper-grade mall focused on catering to residents living above the mall. Given the comparatively small sizes of these new malls, the addition of these new malls in 2021 is unlikely to significantly impact the competitive position of the Property.

(iv) Excellent transportation connectivity

The Property enjoys convenient access from three roads adjacent to the Property, including two major toll roads, the Jakarta-Tangerang Toll Road and Jakarta Outer Ring Road W2, which provide excellent accessibility to the Soekarno-Hatta International Airport, the Jakarta Central Business District and other parts of Jakarta, Tangerang and Bekasi. The Jakarta Central Business District and Soekarno-Hatta International Airport are situated approximately 12 kilometres and 20 kilometres to the southeast and northwest of the Property, respectively. There is also a two-way major road, Jalan Puri Indah Raya, beside the mall which connects it to other residential developments in the surrounding areas, the Jakarta Inner City Toll Road and Tangerang. Public transportation services are readily accessible along Jalan Puri Indah Raya.

The location of the Property, with its excellent transport connectivity to major business hubs, is set to benefit from the government's ongoing infrastructure programme in Jakarta, which saw the commencement of many transit oriented development projects – projects to develop mixed-use residential and commercial areas designed to maximise access to public transport – already widely promoted to the public in the area. This emphasises the region's potential to become a transportation hub.

Map of Puri Mall / the St. Moritz Jakarta Integrated Development



Source: PT Lippo Malls Indonesia

4.2 Acquisition of a high-quality retail mall at an attractive price and attractive NPI Yield with potential for capital appreciation

The Acquisition presents an opportunity for LMIR Trust to acquire a strategically located, iconic retail mall at an attractive price. The Purchase Consideration of approximately Rp.3,500 billion (approximately S$336.5 million) represents a 7.0% discount to the valuation of the Property by Cushman of Rp.3,762.0 billion (approximately S$361.7 million), after taking into consideration the Vendor Support.

The NPI Yield of the Acquisition based on the Property's NPI for FY2019 including the Vendor Support is 9.71%. The NPI Yield of the Existing Portfolio at 9.65% as of 31 December 2019. With the Acquisition, the NPI Yield of the Existing Portfolio and the Property (together the "**Enlarged Portfolio**") would be 9.66% on a *pro forma* basis as of 31 December 2019.

	Existing Portfolio	Property	Enlarged Portfolio
NPI (Rp. billion)	1,819.2	340.0(1)	2,159.2
Valuation / Purchase Price (Rp. billion)	18,851.8	3,500.0	22,351.8
NPI Yield (%)	9.65	9.71	9.66

Note:

(1) Property NPI of Rp.340.0 billion comprises of Vendor support of Rp.118.0 billion and the net service income of Rp.13.0 million.

The NPI Yield of the Acquisition based on the Property's NPI for the nine month period ended 30 September 2020 ("**9M2020**") including the Vendor Support is 9.80%. The NPI Yield of the Existing Portfolio at 5.15% as of 30 September 2020. With the Acquisition, the NPI Yield of the Enlarged Portfolio would be 5.95% on a *pro forma* basis as of 30 September 2020. The annualised NPI for 9M2020 is negatively impacted by the Covid-19 pandemic.

	Existing Portfolio(1)	Property	Enlarged Portfolio
NPI (Rp. billion)	651.8	257.3(2)	909.1
Valuation / Purchase Price (Rp. billion)	16,868.7	3,500.0	20,368.7
Annualised NPI Yield (%)	5.15	9.80	5.95

Notes:

(1) Excluding Binjai Super Mall and Pejaten Village which were divested 30 July 2020 and 3 Aug 2020 respectively.

(2) Property NPI of Rp.257.3 billion comprises of Vendor support of Rp.161.3 billion and the net service income of Rp.2.3 billion.

Following the announcement by LMIR Trust on the execution of the initial CSPA on 12 March 2019, the Manager has been closely monitoring the performance of the Property and as part of this continuous due diligence, updated valuations of the Property (without considering any Vendor Support) were conducted by the Independent Valuers for 31 December 2019 and 30 June 2020. The table below illustrates the change in valuation of the Property in Indonesian Rupiah terms from 31 December 2018 to the latest 30 June 2020:

Average of the two Valuations conducted by the Independent Valuers						
Rp. (billions)	**as at 31 December 2018**	**as at 31 December 2019**	**% Change vs 31 Dec 2018**	**as at 30 June 2020**	**% Change vs 31 Dec 2018**	**% Change vs 31 Dec 2019**
Valuation without Vendor Support	3,753.3	4,147.0	10.50	3,626.0	(3.39)	(12.56)

The valuations as at 30 June 2020 reflect the Independent Valuers' assessments on the impact of the Covid-19 pandemic on the Property with differences in key assumptions made in the 31 December 2019 and 30 June 2020 valuations shown in the following table:

	Rental Relief	Rental Growth Rate (%)	Year 1 Occupancy Rate (%)	Year 10 Occupancy Rate (%)	Discount Rate (%)	Terminal Rate (%)
31 December 2019 Valuation	Nil	Year 1 - 3 5 - 8% Long term 5 – 6%	86.5 – 88.8	94.7 – 95.7	12.75 – 12.77	8.00 – 8.50
30 June 2020 Valuation	33 – 50% discount on monthly rental for up to December 2020; up to 25% discount in 2021	Year 1 0% Year 2 0 – 6% Long term 5 – 6%	82.0	93.5 – 96.1	13.11 – 13.73	8.00 – 8.50

Due to the Covid-19 pandemic, the Independent Valuers have assumed a lower growth rate for the first 2 years of projection, whereas the long-term growth rate remains the same as their previous assumption at 5%-6%. As for the discount rate, it has increased mainly due to the higher equity risk premium in the current market. The terminal capitalisation rate, applied at the end of the projection period, however, remains unchanged as the impact of the pandemic is expected to be temporary.

The above clearly indicates the Independent Valuers' assessment that any impact from the Covid-19 pandemic is expected to be of short term in nature. The long-term terminal rates assumed are also largely unchanged over the 31 December 2019 to 30 June 2020 period despite the outbreak of the Covid-19 pandemic which indicates that the outlook and business proposition of retail malls in Indonesia over the long term remains intact. Therefore, there is potential for the Property to benefit from positive rental reversions and experience an appreciation in capital value once the Indonesian economy and the Property recovers from the short-term negative impact of the Covid-19 pandemic.

4.3 The Acquisition will result in a significant growth in AUM and NLA

The Acquisition will increase LMIR Trust's AUM by 18.57% to Rp.22,351.8 billion (from Rp.18,851.8 billion in FY2019). NLA will also increase by 13.57% to 1,028,429 sq m (from 905,567 sq m in FY2019)[23]. Following the Divestments, the Acquisition will increase LMIR Trust's AUM by 19.92% and NLA by 14.63%. This enlarges LMIR Trust's footprint within the Indonesia's retail landscape, and positions LMIR Trust favourably to benefit from Indonesia's resilient retail and consumer market and the upside of the economic recovery post the Covid-19 pandemic.

(i) Gradual economic recovery and growth optimism

According to the World Bank[24], real GDP is expected to contract by 1.6% in 2020, whereas Focus Economics Consensus Forecast[25] panellists expect GDP to contract 0.8% in 2020. In view of the Covid-19 pandemic, private consumption is expected to slow and investment to contract this year with social distancing and the imposition of travel restrictions and the large-scale social restriction. In spite of this, the Independent Market Research Consultant is of the view that Indonesia has stronger resilience to global economic shocks based on its GDP growth as compared to its more developed regional counterparts and continues to possess strong potency for recovery from 2021 onwards. Real GDP is projected to grow by 4.8%[26] in 2021 on recovering private consumption, and by 6.0%[26] in 2022 due to strong investment growth and the low base of previous years.

The Indonesian government has introduced expansionary monetary and fiscal policy to help with the economic fallout associated with the pandemic. The downturn is expected to be temporary and a gradual economic recovery is projected once the infection is contained locally and globally. Predicated on a gradual but steady reopening of the economies in Indonesia and abroad, the baseline growth outlook foresees a recovery spanning the next two years, with private consumption recovering first, followed by private investment.

According to Colliers' valuation report, inflation remains low, which supports economic stability. Going forward, Bank Indonesia consistently maintains price stability and strengthens policy coordination with the Government, both at the central and regional levels, to control inflation remains low in its target of 3.0% ± 1% in 2020 and 2021.

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23 For the reference of Unitholders, the Property's NLA of 122,862 sq m is almost equivalent to the combined retail space of Singapore's Ngee Ann City and Wisma Atria.

24 World Bank East Asia and Pacific Economic Update, October 2020 - From Containment to Recovery. https://openknowledge.worldbank.org/bitstream/handle/10986/34497/9781464816413.pdf. Accessed 9 November 2020. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

25 Based on Independent Market Research Report provided by the Independent Market Research Consultant.

26 World Bank - Indonesia Economic Prospects, July 2020 - The Long Road to Recovery. http://documents1.worldbank.org/curated/en/804791594826869284/pdf/Indonesia-Economic-Prospects-The-Long-Road-to-Recovery.pdf. Accessed 18 November 2020.

(ii) Supportive macro-economic conditions in Indonesia

Based on the Independent Market Research Report, the supportive macro-economic and retail market outlook in the mid-term is expected to provide a favourable window of opportunity for the Acquisition, given the temporary depressed state of the market. It also allows the Property to capitalise on the market growth potential over the next few years, when the Covid-19 pandemic is effectively managed. While overall retail rents are not expected to show an immediate significant upside for the rest of the year, meaningful growth will likely return from late-2021 onwards. In particular, the recovery of shopping malls in West Jakarta is expected to garner momentum more rapidly, given the limited supply pipeline and lack of development sites in the area. This is especially so for malls located near residential estates, amid consumers limit their propensity to travel further distances to their immediate neighbourhoods during the outbreak. Additionally, the rental recovery for upper-grade malls is expected to outperform the overall market in 2022.

(iii) Supportive retail market prospects in the medium-term

While retail sales contracted in April to June 2020, overall consumer spending held up, alongside a shift to online purchases as the pandemic spurred the adoption of e-commerce by both retailers and consumers as they adjusted to the large-scale social restrictions. In an article published in The Jakarta Post on 14 August 2020[27], 57% of respondents in the Consumer Insights Survey 2020 conducted by PricewaterhouseCoopers ("**PwC**") stated that they were likely to continue shopping online even after the social restriction measures imposed to contain the Covid-19 pandemic were removed.

Despite this trend, PwC retail and consumer leader Peter Hohtoulas said that physical stores still had a significant role to play in the Indonesian market as the majority of retail purchases were still made offline with online purchases making up less than 10% of total retail sales. This indicates that consumers still opt to make the less frequent yet higher-value purchases in-store as opposed to online. Indonesian consumers surveyed by PwC reported reasons such as proximity of the store as well as the availability of the items as the reasons to still visit a physical store, while others also cited the experience of physical store shopping as the contributing factor, with 33% of respondents stating that it was "a fun pastime".

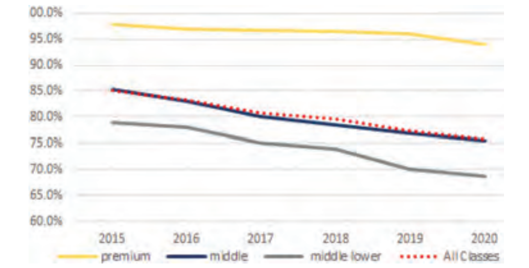
Notwithstanding the benign retail sales growth in Jakarta, there is still potential for a recovery in private consumption expenditure for retail goods at shopping malls. This will likely be driven by the large working population and rapidly growing middle-class consumers in Jakarta, who are becoming increasingly affluent. According to the Independent Market Research Report, the demand and supply dynamics have seen the occupancy for upper-grade malls to be on an uptrend since 2014, climbing over 90.0%. In the second quarter of 2020,

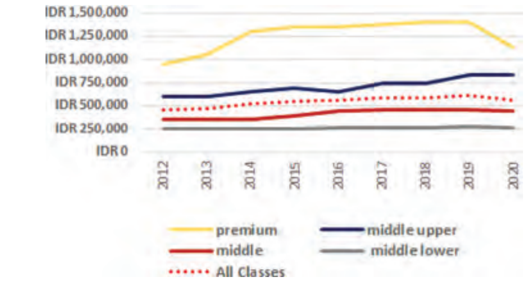
27 The Jakarta Post, 14 August 2020, Retailers embrace consumers' shift to online channels. https://www.thejakartapost.com/news/2020/08/14/retailers-embrace-consumers-shift-to-online-channels.html Accessed 17 August 2020. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

according to Cushman, the average occupancy rate of the overall market was relatively stable at 79.5%[28].

Retail rent and occupancy rate trends in Jakarta

Occupancy rates	Average Asking Base Rents (Rp. per sq m per month)





Source: Cushman

While short-term retail occupancy rate in Jakarta may be affected by the Covid-19 pandemic and mall owners are trying to maintain occupancy by providing incentives or offering more competitive rental rates, retail occupancy of well-managed malls in West Jakarta held up well against the ill-effects from the pandemic thanks to its large population and relatively high spending power in the area.

Furthermore, consumers in Jakarta are fairly resilient and optimistic and it is likely to bounce back following the Covid-19 pandemic due to pent up consumer demand. Before the outbreak of the Covid-19 pandemic, the Property added 73 new tenants, totalling 10,587 sq m (equivalent to approximately 8.6% of the Property's NLA inclusive of the P2 Space) from January 2019 to March 2020. The Manager believes that the Property will continue to maintain occupancy and attract new tenants to the mall as the business gradually recover.

(iv) Positive rental reversions in the market

Given the current pandemic situation in Jakarta, rents are not expected to show an immediate significant upside for the rest of the year. Although rental rates have been affected by the Covid-19 pandemic, it is expected to be stable or grow moderately in the long run as business recovers from the Covid-19 pandemic. Based on the Independent Market Research Report, meaningful growth will likely start to return from late-2021 and the rental recovery for upper-grade malls are expected to outperform other grades in 2022, with an estimated growth of 3% YoY, compared with 2% to 2.5% YoY for other grades.

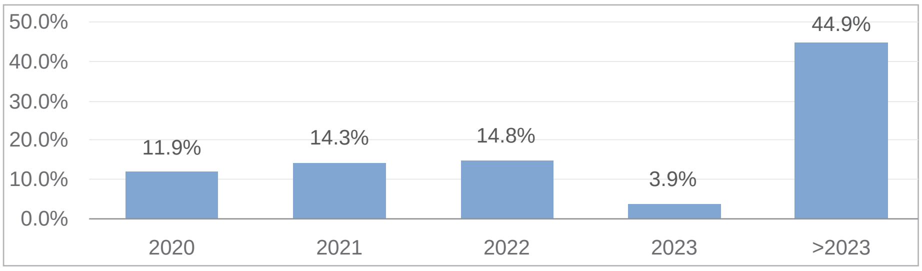
Notwithstanding that the Property's attractiveness is accentuated by being part of a broader "live, work and play" ecosystem, the passing rent for the speciality areas in Property as of June 2020 was approximately Rp.400,000 per sq m per month, which is slightly lower than the comparable retail properties (which are predominantly standalone retail formats) at Rp.450,000 to Rp.500,000 per sq m per month, according to the Independent Market Research Report. While this may be lower than the market average for upper-grade malls in Jakarta, there is an underlying potential for the Property to benefit from positive rental reversions in the future, especially when the COVID-19 pandemic tides over in the mid-term. The Manager believes that this growth potential is further

28 Marketbeat, Jakarta, Retail Q2 2020, A Cushman & Wakefield Research Publication https://www.cushmanwakefield.com/-/media/cw/marketbeat-pdfs/2020/q2/apac-and-gc-q2-2020/indonesia--jakarta--retail-q2-2020-v3.pdf Accessed September 1, 2020. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

accentuated by the Property's current balanced lease expiry profile will be able to position LMIR Trust to benefit from positive rental reversions in a post Covid-19 environment, while providing a measure of income stability to LMIR Trust.

The following graph illustrates the lease expiry profile and passing rents of the Property.

Lease expiry profile by NLA of the Property[(1)] (as of 30 June 2020)



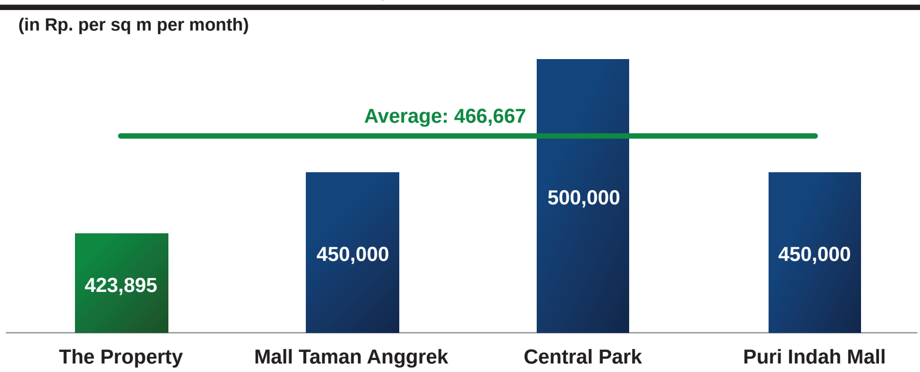
Source: Company information.

Note:

(1) The percentages are calculated based on the Property's NLA as at 30 June 2020, which is before the restoration of the P2 Space to leasable retail space. Changes to the percentages following the restoration of the P2 Space are not expected to be significant.

13,780 sq m (equivalent to 11.2% of the Property's NLA inclusive of the P2 Space) of tenant leases were due to expire in 2020. As of 31 July 2020, 62.4% of such expiring leases (8,593 sq m equivalent to 7.0% of the Property's NLA inclusive of the P2 Space) have been renewed despite the outbreak of the Covid-19 pandemic.

Comparison of rental rates between the Property and Competitor Malls



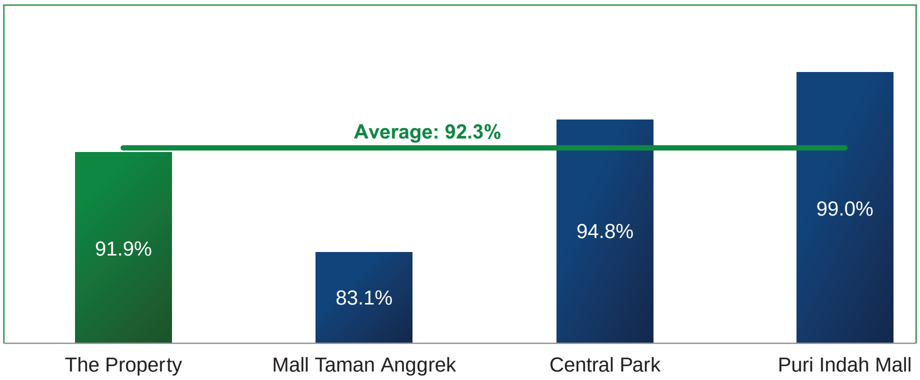
Source: The Independent Market Research Report

Based on recently renewed leases in the Property since June 2020, the renewal rent rates obtained ranged between Rp.300,000 to Rp.500,000 per sq m per month.

(v) Leasing up opportunities

The Property's current occupancy rate as of 30 June 2020 stands at 91.9%. Upon the restoration of the P2 Space to its original function as leasable retail space, the occupancy rate of the Property will decrease slightly to 89.9% due to the additional NLA of the P2 Space (of which 56% of such additional NLA has been committed by new tenants). According to the Independent Market Research Report, the Property remains in its growth phase. Although the occupancy rate is below the average for upper-grade malls in Jakarta and the Competitor Malls, it is higher than the average retail mall occupancy for the whole Jakarta, as well as West Jakarta. Additionally, this also grants the Property with substantial leasing up opportunities and flexibility to enhance its tenant mix, which can potentially lead to future growth in rental income. This is especially pertinent, given the growing importance for shopping malls in Jakarta to evolve alongside the new normal resulting from the proliferation of e-commerce and the Covid-19 pandemic. The following graph compares the occupancy rate of the Property versus comparable retail properties:

Comparison of occupancy rates between the Property and Competitor Malls



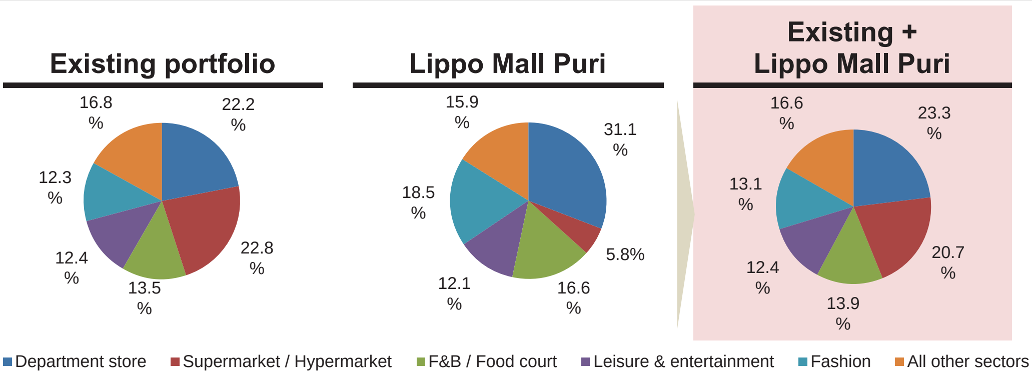
Source: The Independent Market Research Report

4.4 Enhanced product offering

The Acquisition is a strategic addition to the Existing Portfolio as it enhances LMIR Trust's product offering to capitalise on the growing consumerism in Indonesia.

LMIR Trust's Existing Portfolio trade sector mix is predominantly department stores, supermarkets and hypermarkets. The proposed Acquisition will increase the trade sector exposure of LMIR Trust across Fashion, Leisure & Entertainment and F&B trade sectors to 39.4%, from 38.2%. This enhances the quality of LMIR Trust trade sector mix and allows the REIT to capitalise on the growing affluence and consumerism in the country especially among the upper-middle income class consumers.

Tenancy mix by NLA(1)



Source: Company information. **Source:** Company information. **Source:** Company information.

Note:

(1) The tenancy mix of the existing portfolio is calculated based on the total leasable area which amounts to 905,567 sq m as at 30 June 2020 before the completion of the Divestments and the restoration of the P2 Space. The tenancy mix of Lippo Mall Puri is calculated based on the NLA as at 30 June 2020, which is before the restoration of the P2 Space to leasable retail space. Changes to the tenancy mix following the completion of the Divestments and the restoration of the P2 Space are not expected to be significant.

4.5 Improve LMIR Trust's portfolio mix and strengthen its long-term growth in a post Covid-19 environment

As the flagship asset in LMIR Trust's portfolio, the quality of the Property would enhance the positioning and further strengthen the stability of LMIR Trust. Alongside the Divestments, the proposed acquisition forms part of the Manager's long term strategic plan to position LMIR Trust's portfolio to comprise a mix of mixed use developments or retail malls that hold a position of dominance in their trade area. The Manager also expects other benefits to be reaped from the Acquisition including cost savings with suppliers and service providers due to greater bargaining power as well as better economics of scale in operations, marketing and financing activities especially in the West Jakarta area.

4.6 Larger market capitalisation may lead to improved trading liquidity

To part-finance the acquisition, the Manager will issue 4,682,872,029 Rights Units which will constitute 160% of the existing units. The Rights Issue will increase the market capitalisation of LMIR Trust and may facilitate improvement in the trading liquidity of Units on the SGX-ST. Increased market capitalisation and liquidity may potentially give LMIR Trust higher coverage and visibility within the research and investment community.

4.7 Strong support from the Sponsor which has provided an irrevocable undertaking to apply for all the Excess Rights Units in the Rights Issue

Other than the key benefits to Unitholders set out above, through the Acquisition and the Rights Issue, the Sponsor also continues to demonstrate its commitment to LMIR Trust through (1) granting LMIR Trust a right of first refusal over its income-producing real estate used primarily for retail and/or retail-related purposes, as well as (2) its undertaking to take up its full *pro rata* stake in the Rights Issue and apply for all the Excess Rights Units under the Sponsor Irrevocable Undertaking. Should the Sponsor be allocated 72.5% or more of the Excess Rights, LMIR Trust will effectively become a subsidiary of the Sponsor which will own at least 50.1% of LMIR Trust. This commitment by the Sponsor will further align its interests with that of LMIR Trust and its Unitholders and reflects the Sponsor's strong support and confidence in the growth prospects and importance of the Acquisition to the Enlarged Portfolio.

5. RESOLUTION 3: THE WHITEWASH RESOLUTION

5.1 Introduction

As at the Latest Practicable Date, the Relevant Entities and their concert parties hold, in aggregate, 945,863,906 Units representing 32.32% of the voting rights of LMIR Trust. As a result of the Sponsor Irrevocable Undertaking and the issue of the Allotted Rights Units and the Excess Rights Units to the Relevant Entities and their concert parties, the Relevant Entities and their concert parties may acquire additional Units which exceeds the threshold pursuant to Rule 14.1(b) of the Code and thereby incur an obligation to make a Mandatory Offer to Unitholders for their Units.

The Manager proposes to seek approval from the Independent Unitholders for a waiver of their right to receive a Mandatory Offer from the Relevant Entities and their concert parties, in the event that they incur an obligation to make a Mandatory Offer to Unitholders for their Units as a result of the issue of the Allotted Rights Units and the Excess Rights Units to the Relevant Entities and their concert parties.

Unitholders should note that by voting for the Whitewash Resolution, they are waiving their rights to receive a general offer from the Relevant Entities with it at the highest price paid by the Relevant Entities and their concert parties for Units in the six months preceding the commencement of the general offer.

Unitholders should further note that the issue of the Allotted Rights Units and the Excess Rights Units could result in the aggregated unitholding of the Relevant Entities and their concert parties exceeding 49% of the voting rights of

LMIR Trust, and accordingly, the Relevant Entities and their concert parties will be free to acquire further Units without incurring any obligation under Rule 14 of the Code to make a general offer.

5.2 Rule 14.1(b) of the Code

Rule 14.1(b) of the Code states that the Relevant Entities and their concert parties would be required to make a Mandatory Offer if the Relevant Entities and their concert parties acquire additional Units which increase their aggregate unitholdings in LMIR Trust by 1.0% or more in any six month period. Unless waived by the SIC pursuant to Rule 14.1(b) of the Code, the Relevant Entities and their concert parties would then be required to make a Mandatory Offer.

Upon the allotment of the Allotted Rights Units and the Excess Rights Units to the Relevant Entities and their concert parties, the Relevant Entities and their concert parties may possibly end up acquiring additional Units which exceeds the threshold pursuant to Rule 14.1(b) of the Code.

To the best of the knowledge of the Manager as at the Latest Practicable Date, (i) the Relevant Entities and their concert parties hold, in aggregate, 945,863,906 Units representing 32.32% of the voting rights of LMIR Trust, and (ii) the Relevant Entities and their concert parties do not hold any instruments convertible into and/or options in respect of Units.

The maximum possible increase in the unitholdings of the Relevant Entities and their concert parties would occur in the scenario where the Relevant Entities and their concert parties are allotted the entirety of the Excess Rights Units, without breaching the "public" float requirement set out in Rule 723 of the Listing Manual, being up to an aggregate of 76,096,670 Units.

The aggregate unitholding of the Relevant Entities and their concert parties immediately after the issue of Allotted Rights Units and the entirety Excess Rights Units to the Relevant Entities and their concert parties will be 74.04%.

The following table sets out the respective unitholdings of the Relevant Entities and their concert parties with it assuming that the total number of the Allotted Rights Units and the Excess Rights Units allotted to the Relevant Entities and their concert parties is equivalent to 100% of the total number of the Rights Units, being 4,682,872,029 Units.

Unitholdings of the Relevant Entities and their concert parties				
	Before the Rights Issue		Immediately after the issue and allotment of the Allotted Rights Units and the entirety of the Excess Rights Units to the Relevant Entities and their concert parties under the Rights Issue(1)	
	No. of Units	%	No. of Units	%
Units in issue	2,926,795,018	100.0	7,629,533,995	100.0
Units held by the Relevant Entities and their concert parties	945,863,906	32.32	5,648,602,883(1)	74.04
Units held by Unitholders other than the Relevant Entities and their concert parties	1,980,931,112	67.68	1,980,931,112	25.96

Note:

(1) Assuming that the total number of the Allotted Rights Units and the Excess Rights Units allotted to the Relevant Entities and their concert parties is equivalent to 100% of the total number of the Rights Units, being 4,682,872,029 Units.

Under paragraph 2(d)(ii) of Appendix 1 of the Code (Whitewash Guidance Note), a waiver in relation to Rule 14 of the Code will only be granted subject to certain conditions, including the condition that the Relevant Entities and their concert parties did not acquire or are not to acquire any Units or instruments convertible into and options in respect of Units (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Units which have been disclosed in this Circular) in the six months prior to the announcement of the Whitewash Resolution.

In this respect, save for 31,892,391 Units which were issued on 19 March 2020 as payment of the Manager's management fee for FY2019, the Relevant Entities and their concert parties have not acquired Units in the past six months preceding the date of this Circular.

5.3 Application for waiver from Rule 14 of the Code

An application was made to the SIC on 1 September 2020 for the waiver of the obligation of the Relevant Entities and their concert parties to make a Mandatory Offer under Rule 14.1(b) of the Code should the obligation to do so arise as a result of the allotment of the Excess Rights Units to the Sponsor and/or its concert parties. On 9 September 2020, the SIC granted the waiver, subject to, *inter alia*, the satisfaction of the following conditions:

(i) a majority of holders of voting rights of LMIR Trust approve at a general meeting, before the issue of the Allotted Rights Units and the Excess Rights Units, the Whitewash Resolution by way of a poll to waive their rights to receive a general offer from the Relevant Entities and their concert parties;

(ii) the Whitewash Resolution is separate from other resolutions;

(iii) the Relevant Entities and their concert parties abstain from voting on the Whitewash Resolution;

(iv) the Relevant Entities and their concert parties did not acquire or are not to acquire any units or instruments convertible into and options in respect of units in LMIR Trust (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new units which have been disclosed in the Circular):

  (a) during the period between the announcement of the Rights Issue and the date Unitholders' approval is obtained for the Whitewash Resolution; and

  (b) in the six months prior to the announcement of the Rights Issue, but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Manager in relation to the Rights Issue;

(v) LMIR Trust appoints an independent financial adviser to advise the Independent Unitholders on the Whitewash Resolution;

(vi) LMIR Trust sets out clearly in the Circular:

  (a) details of the Rights Issue and the proposed issue of the Allotted Rights Units and the Excess Rights Units to the Relevant Entities and their concert parties;

  (b) the dilution effect to existing Unitholders of voting rights upon the issue of the Allotted Rights Units and the Excess Rights Units to the Relevant Entities and their concert parties;

  (c) the number and percentage of voting rights in LMIR Trust as well as the number of instruments convertible into, rights to subscribe for and options in respect of Units held by the Relevant Entities and their concert parties as at the Latest Practicable Date;

  (d) the number and percentage of voting rights in LMIR Trust to be acquired by the Relevant Entities and their concert parties upon the issue of the Allotted Rights Units and the Excess Rights Units;

  (e) specific and prominent reference to the possibility that the issue of the Allotted Rights Units and the Excess Rights Units could result in the Relevant Entities and their concert parties holding units carrying over 49% of the voting rights of LMIR Trust and to the fact that the Relevant Entities and their concert parties will be free to acquire further units without incurring any obligation under Rule 14 to make a general offer; and

  (f) specific and prominent reference to the fact that the Unitholders, by voting for the Whitewash Resolution, are waiving their rights to a general offer from the Relevant Entities at the highest price paid by the Relevant Entities and their concert parties for the Units in the past six months preceding the commencement of the offer;

(vii) this Circular states that the waiver granted by SIC to the Relevant Entities and their concert parties from the requirement to make a general offer under Rule 14.1(b) of the Code is subject to the conditions set out in sub-paragraphs 5.3(i) to 5.3(vi) above;

(viii) the Manager obtains SIC's approval in advance for those parts of this Circular that refer to the Whitewash Resolution; and

(ix) to rely on the Whitewash Resolution, approval of the Whitewash Resolution must be obtained within three months of the date of the letter granting the waiver and the acquisition of the Allotted Rights Units and the Excess Rights Units by the Relevant Entities and their concert parties must be completed within three months of the date of the approval of the Whitewash Resolution.

In respect of the condition listed under paragraph 5.3(ix), the SIC had, on 20 November 2020, granted an extension to the deadline for the approval of the Whitewash Resolution at the EGM to 31 December 2020.

Unitholders should note that by voting for the Whitewash Resolution, they are waiving their rights to receive a general offer from the Relevant Entities with it at the highest price paid by the Relevant Entities and their concert parties for Units in the six months preceding the commencement of the general offer.

Unitholders should further note that the issue of the Allotted Rights Units and the Excess Rights Units could result in the aggregated unitholding of the Relevant Entities and their concert parties exceeding 49% of the voting rights of LMIR Trust, and accordingly, the Relevant Entities and their concert parties will be free to acquire further Units without incurring any obligation under Rule 14 of the Code to make a general offer.

For the information of Unitholders, immediately after the issue of the Rights Units (assuming that the total number of the Allotted Rights Units and the Excess Rights Units allotted to the Relevant Entities and/or their concert parties is 100% of the total number of the Rights Units) the aggregated unitholding of the Relevant Entities and their concert parties will be 74.04%.

Unitholders should also note that by voting for the Whitewash Resolution, Unitholders could also be forgoing the opportunity to receive a general offer from another person who may be discouraged from making a general offer in view of the potential dilutive effect resulting from the issue of the Allotted Rights Units and the Excess Rights Units by the Relevant Entities and their concert parties.

5.4 Rationale for the Whitewash Resolution

The Whitewash Resolution is to allow the Relevant Entities and/or their concert parties to be allotted and issued the Excess Rights Units. The rationale for allowing the Relevant Entities and/or their concert parties to do so is set out as follows.

The Manager is of the view that allowing the Relevant Entities and/or their concert parties to subscribe to and be issued the Excess Rights Units will demonstrate the long-term commitment of the Manager and the Sponsor to LMIR Trust. It will also further align the interests of the Manager and the Sponsor with Unitholders, incentivising the Manager to raise the performance of LMIR Trust to the benefit of Unitholders.

Accordingly, the Manager has procured the Sponsor Irrevocable Undertaking to have the Subscribing Entities subscribe and pay in full for the Relevant Entities' Allotted Rights Units and Excess Rights Units as part of its strategy to maximise the total amount raised through the Rights Issue while reducing the uncertainty surrounding the total proceeds to be obtained from the Rights Issue.

Unitholders should note that Resolution 1 (the Acquisition), Resolution 2 (the Rights Issue) and Resolution 4 (the Vendor Financing) are conditional upon each other and upon Resolution 3 (the Whitewash Resolution). This means that if any of Resolution 1, Resolution 2, Resolution 3 or Resolution 4 is not approved, none of Resolution 1, Resolution 2 or Resolution 4 will be carried. Resolution 3 is not conditional upon Resolution 1, Resolution 2 or Resolution 4.

6. RESOLUTION 4: THE VENDOR FINANCING

6.1 Introduction

The Manager is seeking the approval of Unitholders for the Vendor Financing under which the Vendor will provide a loan facility of up to S$40.0 million to Binjaimall Holdings Pte. Ltd., a wholly owned subsidiary of LMIR Trust. The following table sets out the key terms of the Vendor Financing.

Lender	PT Mandiri Cipta Gemilang
Borrower	Binjaimall Holdings Pte Ltd
Principal Amount	Up to S$40.0 million
Security	The Vendor Financing will be unsecured.
Maturity Date	15 months from the date of drawdown) the "**Drawdown Date**") (the "**Initial Maturity Date**") extendable by a further 12 months up subject to the approval of the Lender (the "**Final Maturity Date**").
Interest and Interest Period; Extension Option Fee	3.65% per annum[29], commencing on the Drawdown Date with a 0.5% extension option fee. The effective interest rate including the applicable withholding tax is 4.05%
Payment and Repayment	Payment of interest in one lump sum on the Initial Maturity Date and on the Final Maturity Date (if the maturity date is extended to the Final Maturity Date).
Events of Default	(a) If the Borrower neglects, fails and/or for any reason cannot pay and/or fully repay all or part of the outstanding amount under the Vendor Financing; or (b) If the Borrower neglects, fails and/or for any reason cannot fulfil one or more of its obligations under the Vendor Financing.
Tax Gross Up	All payments to be made by the Borrower will be free and clear of all present and future taxes, unless required by law. If any deduction is required, the Borrower will pay an additional amount necessary to ensure that the Lender receives an amount that would otherwise have been received had no such deduction been required.
Assignment and Transfer	The Lender and/or the Borrower, upon giving not less than five Business Days' prior notice to the other party, may assign or transfer by novation its rights, title and interest in respect of the Facility Agreement or its obligations in respect of the commitments in part or whole to any of its associates.
Governing Law	Singapore Law
Dispute Resolution	Arbitration at the SIAC

The final amount of Vendor Financing, will be determined at Completion depending on the final amount of bank debt drawn down by LMIR Trust to finance the acquisition.

29 For comparison, LMIR Trust's working capital facilities are currently rolled over on a monthly basis at an interest rate of 3.85%, as described in the IFA letter.

6.2 Rationale for the Vendor Financing

The Vendor Financing will allow LMIR Trust to conserve its existing cash balance to buffer against any continued short term impact on its operations due to the Covid-19 pandemic while seizing on the opportunity to acquire a strategic asset beneficial to LMIR Trust over the long term. Although the Asian banking and debt capital markets have stabilised, they have yet to recover fully to the levels seen before the outbreak of the Covid-19 pandemic. LMIR Trust will look to repay this Vendor Financing with new longer tenor borrowings from the banking or debt capital markets when raising further financing from these markets become more conducive.

6.3 Requirement of Unitholders' Approval for the Vendor Financing

Based on the FY2019 Audited Consolidated Financial Statements, the NTA of LMIR Trust was S$1,070.3 million and the NAV of LMIR Trust was S$1,075.9 million as at 31 December 2019.

Under Chapter 9 of the Listing Manual, where LMIR Trust proposes to enter into a transaction with an Interested Person and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S$100,000 with the same Interested Person during the same financial year) is equal to or exceeds 5.0% of LMIR Trust's latest audited NTA, Unitholders' approval is required in respect of the transaction.

Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by LMIR Trust with an Interested Person is, either in itself or in aggregate with all other earlier transactions (each of a value equal to or greater than S$100,000) entered into with the same Interested Person during the current financial year, equal to or in excess of S$53.5 million, such a transaction would be subject to Unitholders' approval.

Paragraph 5 of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an Interested Party Transaction by LMIR Trust which value exceeds 5.0% of LMIR Trust's latest audited NAV. Based on the FY2019 Audited Consolidated Financial Statements, the NAV of LMIR Trust was S$1,075.9 million as at 31 December 2019. Accordingly, if the value of a transaction which is proposed to be entered into by LMIR Trust with an Interested Party is equal to or greater than S$53.8 million, such a transaction would be subject to Unitholders' approval.

As at the Latest Practicable Date, the Sponsor directly and/or through its subsidiaries and through its interest in the Manager, has deemed interests of (i) 32.32% in LMIR Trust and is therefore regarded as a "Controlling Unitholder" of LMIR Trust under both the Listing Manual and the Property Funds Appendix. In addition, the Manager is wholly-owned by Peninsula, which is in turn directly held by Mainland and Jesselton. Mainland and Jesselton are in turn wholly-owned subsidiaries of the Sponsor and the Sponsor is therefore regarded as a "Controlling Shareholder" of the Manager under both the Listing Manual and the Property Funds Appendix.

For the purposes of Chapter 9 of the Listing Manual and the Property Funds Appendix, the Vendor, being an indirectly wholly-owned subsidiary of the Sponsor (which in turn is a Controlling Unitholder of LMIR Trust and a Controlling Shareholder of the Manager) is an Interested Person and an Interested Party of LMIR Trust.

As such, the Vendor Financing will constitute an Interested Person Transaction under Chapter 9 of the Listing Manual and an Interested Party Transaction under paragraph 5 of the Property Funds Appendix.

The value of the Vendor Financing will in aggregate amount to 3.7% of LMIR Trust's latest audited NTA of S$1,070.3 million as at 31 December 2019 and 3.7% of LMIR Trust's latest audited NAV of S$1,075.9 million as at 31 December 2019.

However, the value of the Acquisition (comprising the Purchase Consideration and the aggregate value of the Vendor Support) and the Vendor Financing will in aggregate amount to 48.2% of LMIR Trust's latest audited NTA of S$1,070.3 million as at 31 December 2019 and 47.9% of LMIR Trust's latest audited NAV of S$1,075.9 million as at 31 December 2019, and exceed (i) 5.0% of LMIR Trust's latest audited NTA and (ii) 5.0% of LMIR Trust's latest audited NAV. In compliance with the requirements of the Listing Manual and the Property Funds Appendix, the Manager is therefore seeking the approval of Unitholders for the Vendor Financing pursuant to Rule 906(1)(b) of the Listing Manual.

6.4 Existing Interested Person Transactions

Prior to the Latest Practicable Date, the total value of Interested Person Transactions between LMIR Trust and the Sponsor and/or its associates, for the current financial year, is approximately S$48.3 million, which is approximately 4.51% of the latest audited NTA of LMIR Trust and 4.49% of the latest audited NAV of LMIR Trust as at 31 December 2019. (See **APPENDIX H** "Existing Interested Person Transactions" of this Circular for further details.)

Unitholders should note that Resolution 1 (the Acquisition), Resolution 2 (the Rights Issue) and Resolution 4 (the Vendor Financing) are conditional upon each other and upon Resolution 3 (the Whitewash Resolution). This means that if any of Resolution 1, Resolution 2, Resolution 3 or Resolution 4 is not approved, none of Resolution 1, Resolution 2 or Resolution 4 will be carried. Resolution 3 is not conditional upon Resolution 1, Resolution 2 or Resolution 4.

7. *PRO FORMA* FINANCIAL INFORMATION

7.1 *Pro Forma* Financial Effects of the Acquisition and the Rights Issue

FOR ILLUSTRATIVE PURPOSES ONLY:

The *pro forma* financial effects of the Acquisition and the Rights Issue presented below are **strictly for illustrative purposes only** and were prepared based on (with respect to paragraph 7.2) the FY2019 Audited Consolidated Financial Statements or (with respect to paragraph 7.3) the unaudited consolidated financial statements for 9M2020 (the "**9M2020 Unaudited Consolidated Financial Statements**") assuming:

(i) a total Acquisition Cost (including the Acquisition Fee) of S$390.9 million;

(ii) the Acquisition Cost (excluding for the Acquisition Fee, which will be paid through the issue of the Acquisition Fee Units) including related fees of S$389.2 million will be paid by cash;

(iii) the Manager voluntarily waives 50.0% of its Acquisition Fee Entitlement and the Acquisition Fee which is satisfied via the issue of 20,722,812 Acquisition Fee Units which are assumed to be issued a prevailing Market Price of S$0.081 per Unit;

(iv) the Acquisition Cost (excluding for the Acquisition Fee, which will be paid through the issue of the Acquisition Fee Units) of S$389.2 million will be funded by S$269.2 million of equity and S$120.0 million of debt financing facilities comprising bank facilities and the Vendor Financing; and

(v) 4,682,872,029 Rights Units will be issued on a *pro rata* basis of 160 Rights Units for every 100 existing Units at an issue price of S$0.060 per Rights Unit to raise total proceeds of approximately S$281.0 million.

7.2 FY2019

Pro Forma DPU

The *pro forma* financial effects of the Acquisition, the Rights Issue and the Divestments on LMIR Trust's DPU for FY2019 as if the Acquisition, the Rights Issue and the Divestments were completed on 1 January 2019 and LMIR Trust held and operated the Property in FY2019 are as follows:

	FY2019(1)			
	Before the Acquisition and the Rights Issue(2)	**After the Divestments(2)**	**After the Divestments, the Acquisition and Rights Issue(2)(4)(9)**	**After the Divestments, Acquisition and Rights Issue and without Vendor Support(2)(5)(9)**
Distribution to Unitholders (S$'000)	64,850	54,942(3)	73,873(3)	64,618(3)
Units in issue and to be issued	2,894,902,627	2,892,543,850	7,602,099,448	7,600,031,339
DPU (cents)	2.23	1.90	0.97	0.85
Annualised Distribution yield (%)	9.9(6)	8.4(6)	12.0(7)	10.5(7)
DPU Yield (%) based on Rights Issue Price	-	-	16.2(8)	14.2(8)

Notes:
(1) Based on an exchange rate of S$1.00: Rp.10,324.32.
(2) Based on the FY2019 Audited Consolidated Financial Statements.
(3) Including the cost of the Divestments and related tax amounting to S$3.7 million and assuming that the net proceeds of the Divestments are placed into a Rupiah denominated fixed deposits at an interest rate of 5.0% per annum.
(4) Taking into account the issue of 4,709,555,598 Units, being the Rights Units, the Acquisition Fee Units and the performance fee units for the Manager based on *pro forma* financials of LMIR Trust in FY2019.
(5) Taking into account the issue of 4,707,487,489 Units, being the Rights Units, the Acquisition Fee Units and the performance fee units for the Manager based on *pro forma* financials of LMIR Trust in FY2019.
(6) Based on a closing price of S$0.225 per Unit.
(7) Based on a TERP of S$0.081 per Unit.
(8) Based on the illustrative Issue Price of S$0.060 per Unit.
(9) Assuming all debt financing to be funded by banking facilities.

Pro Forma DPU without the LMK Master Leases

The LMK Master Leases, with a gross rental income per annum of Rp.208.0 billion (approximately S$20.0 million), expired on 16 December 2019. The actual underlying income in respect of the areas under the LMK Master Leases is lower than the rental income under the LMK Master Leases.

The *pro forma* financial effects of the Acquisition, the Rights Issue, the Divestments and the Expiry of the LMK Master Leases on LMIR Trust's DPU for FY2019 as if the Acquisition, the Rights Issue and Divestments were completed on 1 January 2019, the LMK Master Leases had expired on 1 January 2019 and LMIR Trust held and operated the Property in FY2019 are as follows:

	FY2019(1)			
	Before the Acquisition and the Rights Issue(2)	**Without Kemang master lease and Before the Acquisition and the Rights Issue(2)**	**Without Kemang master lease and After the Acquisition, the Rights Issue and the Divestments(2)(3)(8)**	**Without Kemang master lease and After the Acquisition, the Rights Issue, the Divestments and without Vendor Support(2)(4)(8)**
Distribution to Unitholders (S$'000)	64,850	51,993	61,016	51,761
Units in issue and to be issued	2,894,902,627	2,829,925,073	7,537,121,894	7,535,053,784
DPU (cents)	2.23	1.84	0.81	0.69
Annualised Distribution yield (%)	9.9(5)	8.2(5)	10.0(6)	8.5(6)
DPU Yield (%) based on Rights Issue Price	-	-	13.5(7)	11.5(7)

Notes:

(1) Based on an exchange rate of S$1.00: Rp.10,324.32.

(2) Based on the FY2019 Audited Consolidated Financial Statements and pro-forma for the expiry of the LMK Master Leases and the *pro forma* for the Divestments. Including the cost of the Divestments and related tax amounting to S$3.7 million and assuming that the net proceeds of the Divestments are placed into a Rupiah denominated fixed deposits at an interest rate of 5.0% per annum.

(3) Taking into account the issue of 4,709,555,598 Units, being the Rights Units, the Acquisition Fee Units and the performance fee units for the Manager based on *pro forma* financials of LMIR Trust in FY2019 and 64,977,554 relating to the performance fee units for the LMK Master Leases.

(4) Taking into account the issue of 4,707,487,489 Units, being the Rights Units, the Acquisition Fee Units and the performance fee units for the Manager based on *pro forma* financials of LMIR Trust in FY2019 and 64,977,554 relating to the performance fee units for the LMK Master Leases.

(5) Based on a closing price of S$0.225 per Unit.

(6) Based on a TERP of S$0.081 per Unit.

(7) Based on the illustrative Issue Price of S$0.060 per Unit.

(8) Assuming all debt financing to be funded by banking facilities.

Pro Forma NAV per Unit

The *pro forma* financial effects of the Acquisition, the Rights Issue and the Divestments on LMIR Trust's NAV per Unit as at 31 December 2019, as if the Acquisition, the Rights Issue and the Divestments were completed on 31 December 2019 are as follows:

	As at 31 December 2019	
	Before the Acquisition and the Rights Issue(1)	**After the Acquisition, the Rights Issue and Divestments(2)**
NAV (S$'000)(3)	816,298	1,090,066
Units in issue and to be issued	2,894,902,627	7,598,497,467
NAV per Unit (cents)	28.20	14.35

Notes:

(1) Based on the FY2019 Audited Consolidated Financial Statements.

(2) Taking into account the issue of 4,703,594,840 Units, being the Rights Units and the Acquisition Fee Units (taking into account the voluntarily waiver of 50.0% of its Acquisition Fee Entitlement by the Manager).
(3) Based on the net assets attributable to Unitholders and excluding the net assets attributable to holders of perpetual securities.

Pro Forma Capitalisation

The *pro forma* capitalisation of LMIR Trust as at 31 December 2019, as if the Acquisition, the Rights Issue and the Divestments were completed on 31 December 2019, is as follows.

	As at 31 December 2019	
	Actual(1)	**As adjusted for the Acquisition and the Rights Issue and Divestments**(2)
	(S$'000)	(S$'000)
Short-term debt:		
Unsecured	75,000	75,000
Total short-term debt	75,000	75,000
Long-term debt:		
Unsecured	646,725	766,725
Total long-term debt	646,725	766,725
Total Debt	721,725	841,725
Unitholders funds	816,298	1,090,066
Perpetual securities	259,647	259,647
Total Capitalisation	1,797,670	2,191,438

Notes:
(1) Based on the FY2019 Audited Consolidated Financial Statements.
(2) Taking into account the issue of 4,703,594,840 Units, being the Rights Units and the Acquisition Fee Units (taking into account the voluntarily waiver of 50.0% of its Acquisition Fee Entitlement by the Manager).

7.3 9M 2020

The Divestments were completed during 9M2020 and the financial impact of the Divestments has been reflected in the 9M2020 Unaudited Consolidated Financial Statements.

Pro Forma DPU

The *pro forma* financial effects of the Acquisition and the Rights Issue on LMIR Trust's DPU for 9M2020 as if the Acquisition and the Rights Issue were completed on 1 January 2020 and LMIR Trust held and operated the Property through to 30 September 2020, are as follows.

	9M2020[(1)]		
	Before the Acquisition and the Rights Issue[(2)]	**After the Acquisition and Rights Issue[(2)(3)(8)]**	**After the Acquisition and Rights Issue and without Vendor Support[(2)(4)(8)]**
Distribution to Unitholders (S$'000)	8,698	12,154[(9)]	8,698[(10)]
Units in issue and to be issued	2,926,795,018	7,640,503,490	7,634,162,523
DPU (cents)	0.30	0.16	0.11
Adjusted Distributable income to Unitholders (S$'000)	-[(5)]	12,154	-[(11)]
Adjusted DPU (cents)	N.M.[(5)]	0.16	N.M.[(11)]
Annualised (Adjusted) Distribution yield (%)	N.M.[(5)]	2.6[(6)]	N.M.[(11)]
Adjusted DPU Yield (%) based on Rights Issue Price	-	3.5[(7)]	N.M.[(11)]

Notes:

(1) Based on an exchange rate of S$1.00: Rp 10,514.34.

(2) Based on the 9M2020 Unaudited Consolidated Financial Statements.

(3) Taking into account the issue of 4,713,708,472 Units, being the Rights Units, the Acquisition Fee Units and the performance fee units for the Manager based on the 9M2020 Unaudited Consolidated Financial Statements.

(4) Taking into account the issue of 4,707,367,505 Units, being the Rights Units, the Acquisition Fee Units and the performance fee units for the Manager based on the 9M2020 Unaudited Consolidated Financial Statements.

(5) LMIR Trust recorded distributable income of S$6.6 million in the first half of FY2020 and incurred net losses of S$6.7 million in the third quarter of FY2020. The net losses were reversed when arriving at distributable income in the reported results for the third quarter of FY2020 as distributable income cannot be a negative number. If the net losses for 9M2020 were taken into consideration in the third quarter of FY2020, LMIR Trust would not have had distributable income for 9M2020 and the DPU and distribution yield would not be meaningful.

(6) Based on a TERP of S$0.081 per Unit.

(7) Based on the illustrative Issue Price of S$0.060 per Unit.

(8) Assuming all debt financing to be funded by banking facilities.

(9) The *pro forma* distribution to Unitholders for 9M2020 after the Acquisition (with Vendor Support) took into account the following:

		Adjustments			
	Before the Acquisition and the Rights Issue	**The Acquisition with Vendor Support**	**Accrual for distribution to holders of perpetual securities[(a)]**	**Others Adjustments[(b)(c)]**	**After the Acquisition and Rights Issue**
Distribution to unitholders (S$'000)	8,698	14,332	(2,105)	(8,771)	12,154

Notes:

(a) The 9M2020 Unaudited Consolidated Financial Statements only reflects the coupon paid to holders of perpetual securities in September 2020 as LMIR Trust was not in a financial position to pay the coupon payable to holders of perpetual securities due in December 2020. Taking into account the Acquisition and the additional distributable income generated by the Property, LMIR Trust would be able to accrue and pay the coupon payable to holders of perpetual securities due in December 2020.

(b) The 9M2020 Unaudited Consolidated Financial Statements reflect a loss of S$6.7 million. Assuming the completion of the Acquisition and the Rights Issue on 1 January 2020 and LMIR Trust held and operated the Property through to 30 September 2020, the distributable income generated from the Property with Vendor Support would have fully offset the losses incurred by LMIR Trust and the balance would have been available for distribution to Unitholders.

(c) Based on the 9M2020 Unaudited Consolidated Financial Statements, LMIR Trust would have had enough distributable income for its distributions from operations and would not utilize the permitted distribution of S$2.0 million under the terms of the USD Notes, assuming the completion of the Acquisition and the Rights Issue on 1 January 2020 and if LMIR Trust held and operated the Property through to 30 September 2020.

(10) The *pro forma* distribution to Unitholders for 9M2020 after the Acquisition (without Vendor Support) took into account the following:

		Adjustments		
	Before the Acquisition and the Rights Issue	**The Acquisition without Vendor Support**	**Other Adjustments[(a)]**	**After the Acquisition and Rights Issue and without Vendor Support[(b)]**
Distribution to unitholders (S$'000)	8,698	1,902	(1,902)	8,698

Notes:

(a) The 9M2020 Unaudited Consolidated Financial Statements reflect a loss of S$6.7 million. Assuming the completion of the Acquisition and the Rights Issue on 1 January 2020 and LMIR Trust held and operated the Property through to 30 September 2020, the distributable income generated from the Property without Vendor Support would have partially offset the S$6.7 million loss incurred by LMIR Trust for 9M2020.

(b) The distribution to Unitholders would remain the same as before the Acquisition (without Vendor Support) and the Rights Issue as the distributable income generated by the Property without Vendor Support would have been insufficient to offset the $6.7 million loss incurred by LMIR Trust for 9M2020.

(11) Adjusted distribution to Unitholders would remain the same as before the Acquisition (without Vendor Support) and the Rights Issue as the distributable income generated by the Property without Vendor Support would have been insufficient to offset the S$6.7 million loss incurred by LMIR Trust for 9M2020.

Pro Forma NAV per Unit

The *pro forma* financial effects of the Acquisition, the Rights Issue and the Divestments on LMIR Trust's NAV per Unit as at 30 September 2020, as if the Acquisition, the Rights Issue and the Divestments were completed on 30 September 2020 are as follows:

	As at 30 September 2020	
	Before the Acquisition and the Rights Issue[(1)]	**After the Acquisition, the Rights Issue and Divestment[(2)]**
NAV (S$'000)[(3)]	514,154	791,611
Units in issue and to be issued	2,926,795,018	7,630,389,858
NAV per Unit (cents)	17.57	10.37

Notes:

(1) Based on the 9M2020 Unaudited Consolidated Financial Statements.

(2) Taking into account the issue of 4,703,594,840 Units, being the Rights Units and the Acquisition Fee Units (taking into account the voluntarily waiver of 50.0% of its Acquisition Fee Entitlement by the Manager).

(3) Based on the net assets attributable to Unitholders and excluding the net assets attributable to holders of perpetual securities.

Pro Forma Capitalisation

The *pro forma* capitalisation of LMIR Trust as at 30 September 2020, as if the Acquisition, the Rights Issue and the Divestments were completed on 30 September 2020, is as follows:

	As at 30 September 2020	
	Actual[(1)]	**As adjusted for the Acquisition, the Rights Issue and the Divestments**[(2)]
	(S$'000)	(S$'000)
Short-term debt:		
Unsecured	219,000	219,000
Total short-term debt	219,000	219,000
Long-term debt:		
Unsecured	477,235	597,235
Total long-term debt	477,235	597,235
Total Debt	696,235	816,235
Unitholders funds	514,154	791,611
Perpetual securities	256,998	256,998
Total Capitalisation	1,467,387	1,864,844

Notes:

(1) Based on the 9M2020 Unaudited Consolidated Financial Statements.

(2) Taking into account the issue of 4,703,594,840 Units, being the Rights Units and the Acquisition Fee Units (taking into account the voluntarily waiver of 50.0% of its Acquisition Fee Entitlement by the Manager).

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL UNITHOLDERS

8.1 Interests of the Directors of the Manager

As at the Latest Practicable Date, none of the Directors has an interest, direct or indirect, in the Units and the Acquisition.

8.2 Interests of the Substantial Unitholders

Based on the Register of Substantial Unitholders as at the Latest Practicable Date, the details of the unitholdings of the Substantial Unitholders are as follows:

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total no. of Units held	%(1)
	No. of Units	%(1)	No. of Units	%(1)		
BIL(2)	857,741,287	29.31	-	-	857,741,287	29.31
Mainland Real Estate Ltd. (“**Mainland**”)(3)	-	-	945,863,906	32.32	945,863,906	32.32
Lippo Karawaci Corporation Pte Ltd. (“**LK Corp**”)(4)	-	-	945,863,906	32.32	945,863,906	32.32
Jesselton Investment Limited (“**Jesselton**”)(5)	-	-	945,863,906	32.32	945,863,906	32.32
PT. Sentra Dwimandiri (“**PTSD**”)(6)	-	-	945,863,906	32.32	945,863,906	32.32
PT. Lippo Karawaci Tbk (“**Sponsor**”)(7)	-	-	945,863,906	32.32	945,863,906	32.32
PT Inti Anugerah Pratama (“**IAP**”)(8)	-	-	945,863,906	32.32	945,863,906	32.32
PT Triyaja Utama Mandiri (“**TUM**”)(9)	-	-	945,863,906	32.32	945,863,906	32.32
James Tjahaja Riady (“**JTR**”)(10)	-	-	945,863,906	32.32	945,863,906	32.32
Fullerton Capital Limited (“**Fullerton**”)(11)	-	-	945,863,906	32.32	945,863,906	32.32
Sinovex Limited (“**Sinovex**”)(12)	-	-	945,863,906	32.32	945,863,906	32.32
Dr Stephen Riady (“**SR**”)(13)	-	-	945,863,906	32.32	945,863,906	32.32

Notes:

(1) Percentage interest is based on 2,926,795,018 Units in issue as at 13 November 2020.

(2) BIL is directly held by PTSD, PT Prudential Development (“**PD**”) and Mainland in the proportion of 47.61%, 0.01% and 52.38% respectively. The Manager is directly held by Peninsula Investment Limited (“**PIL**”), which in turn is directly held by Mainland and Jesselton in the proportion of 51.91% and 49.09% respectively. Mainland is directly held by PTSD, PD, Jesselton and LK Corp in the proportion of 28%, 18%, 27% and 27% respectively.

(3) Mainland is deemed to be interested in Peninsula’s deemed interest in the (i) 88,122,619 Units held by the Manager and the (ii) 857,741,287 Units held by BIL.

(4) LK Corp is deemed to be interested in Mainland’s interest in the (i) 88,122,619 Units held by the Manager and the (ii) 857,741,287 Units held by BIL.

(5) Jesselton is deemed to be interested in Mainland’s interest in the (i) 88,122,619 Units held by the Manager and the (ii) 857,741,287 Units held by BIL.

(6) PTSD is deemed to be interested (i) 857,741,287 Units held by BIL, and the (ii) 88,122,619 Units held by the Manager.

(7) The Sponsor is deemed to be interested in (i) 857,741,287 Units held by its indirect wholly-owned subsidiary, BIL, and the (ii) 88,122,619 Units held by the Manager.

(8) IAP directly holds 59.37% interest in the Sponsor and is therefore deemed to be interested in Sponsor’s interest in 945,863,906 Units.

(9) TUM effectively holds 60% interest in IAP and is therefore deemed to be interested in 945,863,906 Units in which IAP has an interest.

(10) JTR effectively holds 100% interest in TUM and is therefore deemed to be interested in 945,863,906 Units in which IAP has an interest.

(11) Fullerton holds 40% interest in IAP and is therefore deemed to be interested in 945,863,906 Units in which IAP has an interest.

(12) Sinovex holds 99% interest in Fullerton and is therefore deemed to be interested in 945,863,906 Units in which Fullerton has an interest.

(13) SR effectively holds all the shares of Sinovex. Sinovex holds 99% interest and SR holds the remaining 1% interest in Fullerton which in turn holds 40% interest in IAP. Therefore, he is deemed to be interested in 945,863,906 Units in which Fullerton has an interest.

As at the Latest Practicable Date, the Sponsor, through its indirect wholly-owned subsidiaries BIL and the Manager, holds an aggregate indirect interest of 32.32% in LMIR Trust and is deemed to be a Controlling Unitholder of LMIR Trust.

8.3 Directors' Service Contracts

No person is proposed to be appointed as a director of the Manager in relation to the Acquisition or any other transactions contemplated in relation to the Acquisition.

9. ADVICE OF THE INDEPENDENT FINANCIAL ADVISER

9.1 The Acquisition

The Manager has appointed KPMG Corporate Finance Pte. Ltd. as the Independent Financial Adviser ("**IFA**") as required under Listing Rule 921(4) as well as to advise the independent Directors of the Manager (being Mr. Murray Dangar Bell, Mr. Mark Leong Kei Wei and Mr. Sandip Talukdar) (collectively, the "**Independent Directors**"), the audit and risk committee of the Manager (comprising Mr. Murray Dangar Bell, Mr. Mark Leong Kei Wei, and Mr. Sandip Talukdar) (the "**Audit and Risk Committee**") and the Trustee as to whether the Acquisition (including the Vendor Support Agreement) is (a) on normal commercial terms and (b) prejudicial to the interests of LMIR Trust and its minority Unitholders.

Having considered the factors and made the assumptions set out in the letter from the IFA to the Independent Directors, the Audit and Risk Committee and Trustee containing its advice (the "**IFA Letter**"), and based upon the monetary, industry, market, economic and other relevant conditions subsisting on the Latest Practicable Date, the IFA is of the opinion that the Acquisition (including the Vendor Support Agreement) is on normal commercial terms and is not prejudicial to the interests of LMIR Trust and its minority Unitholders.

A copy of the IFA Letter, containing its advice in full, is set out in **APPENDIX D** of this Circular.

9.2 The Whitewash Resolution

The Manager has appointed the IFA to advise the Independent Directors, the Audit and Risk Committee and the Trustee in relation to the Whitewash Resolution.

Having considered the factors and made the assumptions set out in IFA Letter, the IFA is of the opinion that the terms of the Rights Issue, being the subject of the Whitewash Resolution, and the Whitewash Resolution are fair and reasonable and not prejudicial to the interests of the LMIR Trust and the Independent Unitholders.

A copy of the IFA Letter, containing its advice in full, is set out in **APPENDIX D** of this Circular.

9.3 The Vendor Financing

The Manager has appointed the IFA as required under Listing Rule 921(4) as well as to advise the Independent Directors, the Audit and Risk Committee and the Trustee in relation to the Vendor Financing.

Having considered the factors and made the assumptions set out in IFA Letter, the IFA is of the opinion that the Vendor Financing is on normal commercial terms and is not prejudicial to the interests of LMIR Trust and its minority Unitholders.

A copy of the IFA Letter, containing its advice in full, is set out in **APPENDIX D** of this Circular.

10. STATEMENT OF THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee have considered the relevant factors, including:

(i) the opinion of the IFA that the Acquisition (including the Vendor Support) is on normal commercial terms and is not prejudicial to the interests of LMIR Trust and its minority Unitholders;

(ii) the opinion of the IFA that the Vendor Financing is on normal commercial terms and is not prejudicial to the interests of LMIR Trust and its minority Unitholders; and

(iii) the rationale for the Acquisition and the Rights Issue as set out in paragraph 4,

and believe that the Acquisition (including the Vendor Support) and the Vendor Financing is based on normal commercial terms and would not be prejudicial to the interests of LMIR Trust or its minority Unitholders.

11. RECOMMENDATIONS

11.1 The Acquisition

The Independent Directors have considered the relevant factors, including:

(i) the opinion of the IFA that the Acquisition (including the Vendor Support) is on normal commercial terms and is not prejudicial to the interests of LMIR Trust and its minority Unitholders; and

(ii) the rationale for the Acquisition and the Rights Issue as set out in paragraph 4,

and believe that the Acquisition (including the Vendor Support) is based on normal commercial terms and would not be prejudicial to the interests of LMIR Trust or its minority Unitholders.

Accordingly, the Independent Directors recommend that Unitholders vote at the EGM in favour of Resolution 1 (the Acquisition).

11.2 The Rights Issue

Having regard to the rationale for the Acquisition and the Rights Issue set out in paragraph 4, the Manager believes that the Rights Issue would be beneficial to, and is in the interests of, LMIR Trust and its Unitholders.

Accordingly, the Manager recommends that the Unitholders vote at the EGM in favour of Resolution 2 (the Rights Issue).

11.3 The Whitewash Resolution

Having regard to the rationale for the Whitewash Resolution set out in paragraph 5 and the opinion of the IFA that the terms of the Rights Issue, being the subject of the Whitewash Resolution, and the Whitewash Resolution are fair and reasonable and not prejudicial to the interests of LMIR Trust and the Independent Unitholders, the Manager believes that the Whitewash Resolution would be beneficial to, and is in the interests of, LMIR Trust and its Unitholders.

Accordingly, the Manager recommends that the Unitholders vote at the EGM in favour of Resolution 3 (the Whitewash Resolution).

11.4 The Vendor Financing

The Independent Directors have considered the relevant factors, including:

(i) the opinion of the IFA that the Vendor Financing is on normal commercial terms and is not prejudicial to the interests of LMIR Trust and its minority

Unitholders (the IFA's opinion on the Vendor Financing is set out in the IFA Letter in **APPENDIX D** of this Circular); and

(ii) the rationale for the Vendor Financing as set out in paragraph 6,

and believe that the Vendor Financing is based on normal commercial terms and would not be prejudicial to the interests of LMIR Trust or its minority Unitholders.

Accordingly, the Independent Directors recommend that Unitholders vote at the EGM in favour of Resolution 4 (the Vendor Financing).

12. EXTRAORDINARY GENERAL MEETING

12.1 Background on COVID-19

The Manager and the Trustee refer to:

(i) the COVID-19 (Temporary Measures) Act 2020 passed by Parliament on 7 April 2020 which enables the Minister for Law by order to prescribe alternative arrangements for listed entities in Singapore to, inter alia, conduct general meetings, either wholly or partly, by electronic communication, video conferencing, tele-conferencing or other electronic means; and

(ii) the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 which was gazetted on 13 April 2020 (as amended), and which sets out the alternative arrangements in respect of, *inter alia*, general meetings of real estate investment trusts.

12.2 Date, time and conduct of EGM

The EGM will be convened and held by way of electronic means on Monday, 14 December 2020 at 10:00 a.m. (Singapore Time), for the purpose of considering and, if thought fit, passing with or without modification, the resolutions set out in the Notice of Extraordinary General Meeting, which is set out on pages I-1 and I-5 of this Circular. The purpose of this Circular is to provide Unitholders with relevant information about the resolutions.

Approval by way of Ordinary Resolution is required in respect of Resolution 1, Resolution 2, Resolution 3 and Resolution 4.

A Depositor shall not be regarded as a Unitholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Units entered against his name in the Depository Register, as certified by The Central Depository (Pte) Limited ("**CDP**") as at 72 hours before the time fixed for the EGM.

The Manager's Chairman of the Board of Directors, will conduct the proceedings of the EGM. The Manager will endeavour to address all substantial and relevant questions received in advance of the EGM from Unitholders, prior to or during the EGM. The Manager will publish the responses to the substantial and relevant questions which the Manager is unable to address during the EGM, on LMIR Trust's website and on SGXNET prior to the EGM. The Manager will publish the minutes of the EGM on LMIR Trust's website and on SGXNET within one month from the date of the EGM, and the minutes will include the responses to the substantial and relevant questions which are addressed during the EGM.

Unitholders will not be able to ask questions at the EGM "live" during the audio-visual webcast or audio-only stream, and therefore it is important for Unitholders who wish to ask questions to submit their questions in advance of the EGM.

13. ABSTENTIONS FROM VOTING

13.1 Relationship between the Sponsor, the Manager and LMIR Trust

As at the Latest Practicable Date, the Sponsor directly and/or through its subsidiaries and through its interest in the Manager, has deemed interests of (i) 32.32% in LMIR Trust and (ii) 100% in the Manager, and is therefore regarded as a "Controlling Unitholder" of LMIR Trust as well as a "Controlling Shareholder" of the Manager respectively.

13.2 Abstention from Voting

Rule 919 of the Listing Manual prohibits interested persons and their associates (as defined in the Listing Manual) from voting on a resolution in relation to a matter in respect of which such persons are interested. The relevant associates of the Sponsor are BIL and the Manager (in its own capacity).

Given that the Acquisition and the Vendor Financing are Interested Person Transactions under Chapter 9 of the Listing Manual and an Interested Party Transactions under paragraph 5 of the Property Funds Appendix, the Sponsor, BIL and the Manager (i) will abstain, and will procure that their associates will abstain, from voting at the EGM on Resolution 1 (the Acquisition) and Resolution 4 (the Vendor Financing) and (ii) will procure that their associates will not accept appointments as proxies in relation to Resolution 1 (the Acquisition) and Resolution 4 (the Vendor Financing). The Manager will disregard any votes cast on Resolution 1 (the Acquisition) and Resolution 4 (the Vendor Financing) by any person required to abstain from voting under the Listing Rules.

Further, pursuant to the waiver from the SIC granted on 9 September 2020 in relation to the Resolution 3 (the Whitewash Resolution), the Relevant Entities and their concert parties are required to and will abstain from voting on the Resolution 3 (the Whitewash Resolution).

In view of the COVID-19 situation, all Unitholders (whether individual or corporate) who wish to exercise his/her/its voting rights are required to complete the Proxy Form to appoint the Chairman of the Meeting as proxy to attend, speak and vote on his/her/its behalf at the EGM. In appointing the Chairman of the Meeting as proxy, a Unitholder must give specific instructions as to voting, or abstention from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

14. ACTION TO BE TAKEN BY UNITHOLDERS

14.1 Circular, Notice of Extraordinary General Meeting and Proxy Form

The Circular, the Notice of Extraordinary General Meeting and a Proxy Form has been sent to Unitholders by electronic means via publication on LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html, and is also available on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname.

14.2 Alternative arrangements for participation in the Extraordinary General Meeting

Unitholders may participate in the EGM by:

(i) observing and/or listening to the EGM proceedings via live audio-visual webcast or live audio-only stream;

(ii) submitting questions in advance of the EGM; and/or

(iii) appointing the Chairman of the Meeting as proxy to attend, speak and vote on their behalf at the EGM.

A Unitholder (whether individual or corporate) who has Units entered against his/her/its name in (a) the Register of Unitholders; or (b) the Depository Register as at the cut-off time being 72 hours prior to the time of the EGM (being the time at which the name of the Unitholder must appear in the Register of Unitholders or the Depository Register, in order for him/her/it to be considered to have Units entered against his/her/its name in the said Registers), shall be entitled to attend (via electronic means), submit questions in advance and vote by proxy at the EGM.

In view of the COVID-19 situation, all Unitholders (whether individual or corporate) who wish to exercise his/her/its voting rights are requested to complete the Proxy Form in accordance with the instructions therein and submit it to the Manager c/o the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

(a) if submitted electronically, be submitted via email to the Unit Registrar at lmirtegm2020@boardroomlimited.com; or

(b) if submitted by post, be lodged at the office of the Unit Registrar at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623,

in either case, by 10:00 a.m. (Singapore Time) on Friday, 11 December 2020, being 72 hours before the time fixed for the EGM.

All Unitholders (whether individual or corporate) who wish to exercise his/her/its voting rights must appoint the Chairman of the Meeting as proxy to attend, speak and vote on his/her/its behalf at the EGM. In appointing the Chairman of the Meeting as proxy, a Unitholder must give specific instructions as to voting, or abstention from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

14.3 Steps for pre-registration and pre-submission of questions and voting at the EGM

Unitholders will be able to observe and/or listen to the EGM proceedings through a live audio-visual webcast or live audio-only stream by pre-registering, submit questions relating to the resolutions to be tabled for approval at the EGM in advance of the EGM and vote by appointing the Chairman of the Meeting as proxy to attend, speak and vote on their behalf at the EGM.

To do so, they will need to complete the following steps in accordance with the dates / deadlines specified:

Pre-registration		
No.	**Steps**	**Dates/ Deadlines**
1.	Unitholders must pre-register for the live audio-visual webcast or live audio-only stream of the EGM proceedings by 10:00 a.m. (Singapore Time) on Friday, 11 December 2020 to enable the Manager to verify their status as Unitholders.	Pre-registration by 10:00 a.m. (Singapore time) on Friday, 11 December 2020. Unitholders who hold their Units through relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 of Singapore (including CPF and SRS investors) should approach their respective relevant intermediaries (including their respective CPF agent banks or SRS Approved Banks) through which they hold such Units as soon as possible in order to make the necessary arrangements.
2.	Following the verification, authenticated persons will receive an email which will contain user ID and password details, as well as instructions on how to access the live audio-visual webcast and a toll-free telephone number to access the live audio-only stream of the EGM proceedings (the "**Confirmation Email**").	Unitholders who do not receive the Confirmation Email by 10:00 a.m. (Singapore Time) on Sunday, 13 December 2020 but have registered by the deadline at 10:00 a.m. (Singapore Time) on Friday, 11 December 2020 should contact the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at +65 6230 9531 or email at lmirtegm2020@boardroomlimited.com.

Submission of Questions		
No.	**Steps**	**Dates/ Deadlines**
1.	Unitholders (whether individual or corporate) may submit questions relating to the resolutions to be tabled for approval at the EGM in advance of the EGM, in the following manner: (a) if submitted electronically, be submitted: (i) via the pre-registration website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html; or (ii) via email by completing the Submission of Questions Form provided by the Manager on LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html; and on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname and sending the same to LMIR Trust's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at lmirtegm2020@boardroomlimited.com; (b) in hard copy by completing the Submission of Questions Form provided by the Manager on LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html and sending the same by post to the office of LMIR Trust's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, in any case, by 10:00 a.m. (Singapore Time) on Tuesday, 8 December 2020.	All questions must be submitted by 10:00 a.m. (Singapore Time) on Tuesday, 8 December 2020. The Manager will endeavour to address all substantial and relevant questions received in advance of the EGM from Unitholders, prior to or during the EGM. The Manager will publish the responses to the substantial and relevant questions which the Manager is unable to address during the EGM, on LMIR Trust's website and on SGXNET prior to the EGM. The Manager will publish the minutes of the EGM on LMIR Trust's website and on SGXNET within one month from the date of the EGM, and the minutes will include the responses to the substantial and relevant questions which are addressed during the EGM.

Submission of Proxy Form to vote		
No.	**Steps**	**Dates/ Deadlines**
1.	A Unitholder (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such Unitholder wishes to exercise his/her/its voting rights at the EGM. The Proxy Form is available at for download at LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html; and on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname. Where a Unitholder (whether individual or corporate) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.	-
2.	The Proxy Form must be submitted in the following manner: (a) if submitted electronically, be submitted via email to the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at lmirtegm2020@boardroomlimited.com; or (b) if in hard copy submitted by post, be lodged at LMIR Trust's Unit Registrar's office at Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623; in either case not later than 10:00 a.m. (Singapore Time) on Friday, 11 December 2020. A Unitholder who wishes to submit the Proxy Form must first fill in and/or download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.	Proxy Forms to reach the Unit Registrar by 10:00 a.m. (Singapore Time) on Friday, 11 December 2020. Unitholders who hold their Units through relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 of Singapore (including CPF and SRS investors) should approach their respective relevant intermediaries (including their respective CPF agent banks or SRS Approved Banks) through which they hold such Units as soon as possible in order to make the necessary arrangements, including the submission of their voting instructions by 5:00 p.m. (Singapore Time) on Wednesday, 2 December 2020 in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the Chairman of the EGM to vote on their behalf by 10:00 a.m. (Singapore Time) on Friday, 11 December 2020.

14.4 Information relating to SRS Investors

SRS investors who wish to attend the EGM are advised to consult their respective SRS Operators for further information and if they are in any doubt as to the action they should take, SRS investors should seek independent professional advice.

14.5 Important Reminder

Due to the constantly evolving COVID-19 situation in Singapore, the Manager may be required to change the arrangements for the EGM at short notice. Unitholders should check LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html for the latest updates on the EGM.

15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Acquisition, the Rights Issue, the Whitewash Resolution and the Vendor Financing. LMIR Trust and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

16. CONSENTS

The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the IFA Letter, and all references thereto, in the form and context in which they are included in this Circular.

The Independent Market Research Consultant has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the summary of the Independent Market Research Report, and all references thereto, in the form and context in which they are included in this Circular

Each of the Independent Valuers has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the Valuation Summary Reports, and all references thereto and to the full Valuation Reports in the form and context in which they are included in this Circular.

The Independent Singapore Tax Adviser has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, its summary of Singapore tax considerations, and all references thereto, in the form and context in which they are included in this Circular.

The Independent Indonesia Accounting and Tax Adviser has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, its summary of Indonesian tax considerations, and all references thereto, in the form and context in which they are included in this Circular.

17. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager at 6 Shenton Way, OUE Downtown 2, #12-08 Singapore 068809 from the date of this Circular up to and including the date falling three months after the date of this Circular[30]:

(i) the Property CSPA;

(ii) the Vendor Support Agreement;

(iii) the full valuation report on the Property issued by Cushman;

(iv) the full valuation report on the Property issued by Colliers;

(v) the full Independent Market Research Report issued by the Independent Market Research Consultant;

(vi) the IFA Letter issued by the IFA;

(vii) the FY2019 Audited Consolidated Financial Statements; and

(viii) the 9M2020 Unaudited Consolidated Financial Statements.

The Trust Deed will also be available for inspection at the registered office of the Manager and for download from LMIR Trust's website at www.lmir-trust.com for so long as LMIR Trust continues to be in existence.

Yours faithfully

LMIRT MANAGEMENT LTD.
(as manager of Lippo Malls Indonesia Retail Trust)
(Company registration number: 200707703M)

Mr Liew Chee Seng James
Executive Director and Chief Executive Officer

30 Due to the current COVID-19 situation in Singapore, inspection at the registered office of the Manager shall be further subject to any applicable control order or regulatory restriction relating to safe distancing which may be issued by the relevant authorities. Prior appointment with the Manager is required. Please contact the Manager at tel. no. +65 6410 9138 or via email at ir@lmir-trust.com.

IMPORTANT NOTICE

This Circular is not for distribution, directly or indirectly, in or into the U.S. and is not an offer of securities for sale in the U.S. or any other jurisdictions.

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, 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 the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of LMIR Trust is not necessarily indicative of the future performance of LMIR Trust.

This Circular may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses (including employee wages, benefits and training costs), property expenses and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

If you have sold or transferred all your Units, you should immediately forward this Circular, together with the Notice of Extraordinary General Meeting and the accompanying Proxy Form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular shall does not constitute an offer to sell or a solicitation of an offer to buy Units or other securities, including the Rights Units and Rights Entitlements, of LMIR Trust in any jurisdiction nor shall there be any sale of any Units or other securities, including the Rights Units and Rights Entitlements, of LMIR Trust in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. Any offering of Rights Units will only be made in, and accompanied by, the Offer Information Statement.

This Circular is issued to Unitholders solely for the purpose of convening the EGM and seeking their approval for the resolutions to be considered at such meeting. Unitholders are authorised to use this Circular solely for the purpose of considering the approvals sought. Persons to whom a copy of this Circular has been issued shall not circulate to any other person, reproduce or otherwise distribute this Circular or any information herein for any purpose whatsoever nor permit or cause the same to occur.

This Circular may not be sent to anyone in the U.S., or any person or any jurisdiction in which it would not be permissible to deliver the Rights Units and Rights Entitlements or make an offer of the Rights Units and the Rights Entitlements and the Rights Units and Rights Entitlements may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction.

This Circular is not an offer of securities for sale in the U.S. The Rights Units and Rights Entitlements have not been and will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States, and may not be offered, sold, resold, allotted, taken up, exercised, pledged, transferred or delivered, directly or indirectly, within the U.S. except pursuant to an exemption from, or transactions not subject to, the registration requirements of the Securities Act and in compliance with any applicable state securities laws. The Manager does not intend to conduct a public offering of any securities of LMIR Trust in the U.S.

Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore: The Units are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

GLOSSARY

In this Circular, the following definitions apply throughout unless otherwise stated:

%	:	Per centum or percentage.
2019 Audited Consolidated Financial Statements	:	The audited financial statements of LMIR Trust and its subsidiaries for FY2019.
9M2020	:	The nine month period commencing on 1 January 2020 and ending on 30 September 2020.
9M2020 Unaudited Consolidated Financial Statements	:	The unaudited consolidated financial statements of LMIR Trust for 9M2020.
Acquisition	:	The proposed acquisition of the Property.
Acquisition Cost	:	The total cost of the Acquisition to be incurred by LMIR Trust, being approximately S$390.9 million.
Acquisition Fee	:	The acquisition fee payable to the Manager pursuant to the Trust Deed in connection with the Acquisition, taking into account the Manager's waiver of 50.0% of its Acquisition Fee Entitlement.
Acquisition Fee Entitlement	:	The acquisition fee which the Manager is entitled to under the Trust Deed, which would otherwise have been 1.0% of the Purchase Consideration for the Acquisition.
Acquisition Fee Units	:	The Units issued to the Manager as payment of the Acquisition Fee.
Aggregate leverage	:	The total borrowings and deferred payments (if any) for assets of LMIR Trust.
Allotted Rights Units	:	The Relevant Entities' total provisional allotment of the Rights Units.
Audit and Risk Committee	:	The audit and risk committee of the Manager, comprising Mr Mark Leong Kei Wei (Chairman), Mr Murray Dangar Bell (Member), and Sandip Talukdar (Member).
AUM	:	Assets under management.
BI Regulation No. 17/2015	:	Bank Indonesia Regulation No. 17/3/PBI/2015 on Mandatory Use of Rupiah Currency in Indonesian Territory (*Peraturan Bank Indonesia tentang Kewajiban Penggunaan Rupiah di Wilayah Negara Kesatuan Republik Indonesia*) issued by the Bank of Indonesia.
BIL	:	Bridgewater International Ltd.
Car Parks	:	The car parks located at the basement floor, lower ground floor, lower ground mezzanine floor, level 5, and certain parts of levels 6 to 8 of Lippo Mall Puri with approximately 4,285 car park lots.
CDP	:	The Central Depository (Pte) Limited.

Circular	:	This circular to Unitholders dated 23 November 2020.
Civil Case	:	A civil case involving the Vendor (as the plaintiff), Government of DKI Jakarta (the DKI Jakarta Governor, as the defendant), West Jakarta Land Office (as the co-defendant I), Regional Government of West Jakarta (the West Jakarta Mayor, as the co-defendant II), and PT Antilope Madju Puri Indah (as the co-defendant III) based on a civil suit submitted by the Vendor in the District Court of West Jakarta under No. 799/Pdt.G/2017/PN.Jkt.Brt dated 4 December 2017, whereby the main object of such civil lawsuit is the land situated underneath (the overpass of) and on top of (the underpass of) the Retail Walkway which has previously owned by the Vendor but has then been handed over to the Regional Asset and Finance Management Agency of DKI Jakarta Province for the purposes of road infrastructure allotment, in total area of approximately 4,825 sq m.
Closing Date	:	The latest time and date for acceptance and payment for the Rights Units.
Closing Price	:	S$0.115 per Unit.
Code	:	The Singapore Code on Take-overs and Mergers.
Colliers	:	Colliers International Consultancy & Valuation (Singapore) Pte Ltd.
Competitor Malls	:	Taman Anggrek Mall, Puri Indah Mall and Central Park Mall.
Completion	:	The completion of the Acquisition under the Property CSPA.
Confirmation Email	:	The email to registered Unitholders which will contain user ID and password details, as well as instructions on how to access the live audio-visual webcast and a toll-free telephone number to access the live audio-only stream of the EGM proceedings.
Controlling Shareholder	:	A person who: (a) holds directly or indirectly 15.0% or more of the total number of issued shares excluding treasury shares in the company; or (b) in fact exercises control over a company.
Controlling Unitholder	:	A person who: (a) holds directly or indirectly 15.0% or more of the nominal amount of all voting units in the property fund. The MAS may determine that such a person is not a controlling unitholder; or (b) in fact exercises control over the property fund.
CPF Board	:	The Central Provident Fund Board.
Cushman	:	Cushman & Wakefield VHS Pte Ltd.
DALBT	:	Duty on Acquisition of Land and Building Titles (*Bea Pengalihan Hak atas Tanah dan Bangunan*).
Decision	:	The decision rendered by West Jakarta District Court on 22 May 2019 concerning the Civil Case.
Directors	:	The directors of the Manager.
Divestments	:	The divestment of Pejaten Village and Binjai Supermall on 30 July 2020 and 3 August 2020 respectively.

DKI Jakarta	:	The regional government of Jakarta.
DPU	:	Distribution per Unit.
EGM	:	The extraordinary general meeting of Unitholders to be convened and held by way of electronic means on Monday, 14 December 2020 at 10:00 a.m. (Singapore Time), to approve the matters set out in the Notice of Extraordinary General Meeting on pages I-1 to I-5 of this Circular.
Eligible Unitholders	:	Unitholders with Units standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Rights Issue Record Date or who have, at least two Market Days prior to the Rights Issue Record Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude, subject to certain exceptions, Unitholders located, resident or with a registered address outside of Singapore.
Enlarged Portfolio	:	The Existing Portfolio (following the Divestments) and the Property.
Excess Rights Units	:	The Rights Units represented by the provisional allotments (A) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the “nil-paid” rights trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders which have not been sold during the Rights Entitlements trading period or (B) that have not been validly taken up by the original allottees, renouncees of the Rights Entitlements or the purchasers of Rights Entitlements.
Excluded Area	:	The area of Lippo Mall Puri which is not part of the Property, including the Retail Walkway and the common area of the Property, including car parks, vehicle drop-offs and exterior walkways/ corridors surrounding the Property, etc.
Existing Interested Person Transactions	:	Interested person transactions with the Sponsor and associates of the Sponsor during the course of LMIR Trust’s current financial year.
Existing Portfolio	:	The portfolio of properties currently held by LMIR Trust, consisting of: its retail malls, Gajah Mada Plaza, Cibubur Junction, Plaza Semanggi, Mal Lippo Cikarang, Ekalokasari Plaza, Bandung Indah Plaza, Istana Plaza, Sun Plaza, Pluit Village, Plaza Medan Fair, Tamini Square, Lippo Plaza Kramat Jati (formerly known as ‘Kramat Jati Indah Plaza’), Palembang Square, Palembang Square Extension, Lippo Mall Kemang, Lippo Plaza Batu, Palembang Icon, Lippo Mall Kuta, Lippo Plaza Kendari, Lippo Plaza Jogja and Kediri Town Square; and its retail spaces, Mall WTC Matahari Units, Metropolis Town Square Units, Depok Town Square Units, Java Supermall Units, Malang Town Square Units, Plaza Madiun, and Grand Palladium Medan Units.
Existing Units	:	The existing Units held as at the Rights Issue Book Closure Date.
F&B	:	Food and beverage.
FAST	:	KJPP Firman Suryantoro Sugeng Suzy Hartomo & Partners.
Fullerton	:	Fullerton Capital Limited.
FTTLBT	:	Final Tax on Transfer of Land and Building Titles (Pajak Penghasilan Final atas Pengalihan Hak atas Tanah dan Bangunan).

FY2019	:	The financial year ended 31 December 2019.
GFA	:	Gross floor area.
GR No. 4/1988	:	Indonesian Government Regulation No. 4 of 1988 pertaining to the rules on Multi-Storeyed Houses (*Rumah Susun*).
GR No. 40/1996	:	Indonesian Government Regulation No. 40 of 1996 on the Right-to-Cultivate, Right-to-Build, and Right-to-Use the Land.
Hedging Transaction	:	The partial hedge against the appreciation of the Indonesian Rupiah against the Singapore Dollar.
HGB	:	Right-to-Build title (*Hak Guna Bangunan*).
HP	:	Right-to-Use title (*Hak Pakai*).
IAP	:	PT Inti Anugerah Pratama.
IFA	:	KPMG Corporate Finance Pte. Ltd..
IFA Letter	:	The letter from the IFA to the Independent Directors and the Trustee containing its advice as set out in **APPENDIX D** of this Circular.
Independent Directors	:	The independent Directors of the Manager, being Mr Murray Dangar Bell, Mr Mark Leong Kei Wei, and Mr Sandip Talukdar.
Independent Indonesia Accounting and Tax Adviser	:	PB Taxand.
Independent Market Research Consultant	:	Savills Valuation and Professional Services (S) Pte Ltd.
Independent Market Research Report	:	The report produced by the Independent Market Research Consultant titled "Independent Retail Property Review and Competitive Analysis for Lippo Mall Puri, West Jakarta, Indonesia" dated 26 August 2020.
Independent Singapore Tax Adviser	:	EY Corporate Advisors Pte. Ltd..
Independent Unitholders	:	Unitholders other than the Relevant Entities and their concert parties (as defined in Code).
Independent Valuations	:	The valuations of the Property by the Independent Valuers as at 30 June 2020.
Independent Valuers	:	Cushman and Colliers.
Ineligible Unitholders	:	Unitholders other than Eligible Unitholders.
Interested Party	:	As defined in the Property Funds Appendix, means: (a) a director, chief executive officer or Controlling Shareholder of the manager, or the manager, the trustee, or controlling unitholder of the property fund; or

		(b) an associate of any director, chief executive officer or Controlling Shareholder of the manager, or an associate of the manager, the trustee or any controlling unitholder of the property fund.
Interested Party Transaction	:	Has the meaning ascribed to it in paragraph 5 of the Property Funds Appendix.
Interested Person	:	As stated in the Listing Manual, in the case of a REIT, has the meaning defined in the Code on Collective Investment Schemes issued by the MAS. Therefore, interested person means: (a) a director, chief executive officer or Controlling Shareholder of the manager, or the manager, the trustee, or controlling unitholder of the property fund; or (b) an associate of any director, chief executive officer or Controlling Shareholder of the manager, or an associate of the manager, the trustee or any controlling unitholder of the property fund.
Interested Person Transaction	:	A transaction between an entity at risk and an Interested Person.
Issue Price	:	The issue price of a Rights Unit. For the purpose of the Circular, this has been assumed to be at S$0.060 per Rights Unit.
Jesselton	:	Jesselton Investment Ltd, a wholly-owned subsidiary of the Sponsor.
JTR	:	James Tjahaja Riady.
Land Titles	:	HGB certificates No. 05706 issued on 14 November 2019 and No. 05707 issued on 27 November 2019, both expiring on 15 January 2040 with a total land area of 73,246 sq m.
Latest Practicable Date	:	13 November 2020, being the latest practicable date prior to the printing of this Circular.
Law No. 20/2011	:	Law No. 20 of 2011 on Multi-Storeyed Houses (*Rumah Susun*) issued by the Government of the Republic of Indonesia.
Law No. 7/2011	:	Law No. 7 of 2011 on Currency issued by the Government of the Republic of Indonesia.
Listing Manual	:	The Listing Manual of the SGX-ST.
Listing Rules	:	The Listing Rules of the SGX-ST.
LK Corp	:	Lippo Karawaci Corporation Pte Ltd..
LMIR Trust	:	Lippo Malls Indonesia Retail Trust.
LMK Master Leases	:	The master leases concerning Lippo Mall Kemang with a gross rental income per annum of Rp.208.0 billion (approximately S$20.0 million) that expired on 16 December 2019.
LMP 1 and LMP 2	:	The respective eight-storey buildings comprising the Property.
Mainland	:	Mainland Real Estate Ltd..
Manager	:	LMIRT Management Ltd., in its capacity as manager of LMIR Trust.
Mandatory Offer	:	A mandatory offer pursuant to Rule 14.1(b) of the Code.

MAPPI	:	The Indonesian Appraisers Society (*Masyarakat Profesi Penilai Indonesia*).
Market Day	:	Means any day on which the SGX-ST is open for trading in securities.
Market Price	:	(a) The volume weighted average price for a Unit (if applicable, of the same Class) for all trades on the SGX-ST or such other recognised stock exchange on which LMIR Trust is listed, in the ordinary course of trading on the SGX-ST or, as the case may be, such other recognised stock exchange, for the period of 10 Market Days (or such other period as may be prescribed by the SGX-ST or the relevant recognised stock exchange) immediately preceding the Market Day on which Units are issued; or (b) if the Manager believes that the calculation in (a) does not provide a fair reflection of the market price of a Unit, an amount as determined by the Manager and the Trustee (after consultation with a stockbroker approved by the Trustee), as being the fair market price of a Unit.
MAS	:	Monetary Authority of Singapore.
MOF Indonesia	:	Ministry of Finance of the Republic of Indonesia.
MOF Regulation	:	The Regulation of MOF Indonesia No. 101/PMK.01/2014 as amended by Regulation of MOF Indonesia No. 56/PMK.01/2017 on Public Appraisal.
National Land Office	:	The National Land Office of the Republic of Indonesia (*Badan Pertanahan Nasional*).
NAV	:	Net asset value.
NJOP or Tax object sale value	:	The taxable value of the land and the building as pre-determined by the Directorate General of Taxes, Indonesia and reviewed be every 1-3 years.
NLA	:	Net lettable area.
NPI	:	Net property income.
NPI Target	:	The target NPI for each quarter under the Vendor Support Agreement.
NTA	:	Net tangible assets.
Offer Information Statement	:	The offer information statement in connection with the Rights Issue to be lodged with the MAS and issued to Eligible Unitholders.
Ordinary Resolution	:	A resolution proposed and passed as such by a majority being greater than 50.0% of the total number of votes cast for such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed.
Other Civil Cases	:	The following civil cases involving the Vendor: (a) a civil case lawsuit between the Vendor (as the defendant) and PT J.CO Donut and Coffee (as the plaintiff) based on civil lawsuit submitted by PT J.CO Donut and Coffee (as the plaintiff) in the District Court of West Jakarta under

		No. 441/Pdt.G/2019/PN.Jkt.Brt dated 29 May 2019, whereby PT J.CO Donut and Coffee alleged breaches by the Vendor of the tenancy agreement relating to PT J.CO Donut and Coffee's tenancy in Lippo Mall Puri; and (b) a civil case lawsuit between the Vendor (as the defendant) and Angelina Kurnia Jaya, a former tenant in Lippo Mall Puri (as the plaintiff) based on civil lawsuit submitted by the plaintiff in the District Court of West Jakarta under No. 953/Pdt.G/2019/PN.Jkt.Brt dated 28 November 2019, whereby the plaintiff accused the Vendor of committing a tort due to not releasing the plaintiff's security deposit following the early termination of a lease agreement between both parties.
P2 Space	:	Space on the second floor of the left wing of the Property which was originally leaseable retail space before being converted for use as an additional temporary parking area and is currently being restored to its original function as leasable retail space.
Peninsula	:	Peninsula Investment Limited.
PPPSRS	:	The Association of Owners and Occupants of strata title units (*Perhimpunan Pemilik dan Penghuni Satuan Rumah Susun*).
Primary Catchment Area	:	The Property's surroundings within a five kilometre radius.
Property	:	The majority portion of strata titles within Lippo Mall Puri having a total area of 175,146.44 sq m covered under two Strata Title (*Hak atas Satuan Rumah Susun*) Certificates No. 419 and No. 420.
Property CSPA	:	The conditional sale and purchase agreement entered into on 11 March 2019 between PT PBT and the Vendor in relation to the Acquisition (as amended on 2 September 2019, 31 March 2020 and 28 August 2020).
Property Funds Appendix	:	Appendix 6 of the Code on Collective Investment Schemes issued by the MAS in relation to REITs.
PT PBT or **Purchaser**	:	PT Puri Bintang Terang, an Indonesian limited liability company and the special purpose vehicle for the Acquisition.
PTSD	:	PT Sentra Dwimandiri.
Purchase Consideration	:	The purchase consideration for the Property of Rp.3,500.0 billion (approximately S$336.5 million).
PwC	:	PricewaterhouseCoopers.
RAB	:	KJPP Rinaldi Alberth Baroto & Partners.
REIT	:	Real estate investment trust.
Related Tenancy Agreements	:	The tenancy agreements with respect to the Property entered into by certain associates and subsidiaries of the Sponsor, as set out in **APPENDIX G**.
Relevant Entities	:	Collectively, BIL and the Manager.
Retail Malls	:	Gajah Mada Plaza, Cibubur Junction, Plaza Semanggi, Mal Lippo Cikarang, Ekalokasari Plaza, Bandung Indah Plaza, Istana Plaza, Sun Plaza, Pluit Village, Plaza Medan Fair, Tamini Square, Lippo

		Plaza Kramat Jati (formerly known as 'Kramat Jati Indah Plaza'), Palembang Square, Palembang Square Extension, , Lippo Mall Kemang, Lippo Plaza Batu, Palembang Icon, Lippo Mall Kuta, Lippo Plaza Kendari, Lippo Plaza Jogja and Kediri Town Square.
Retail Spaces	:	Mall WTC Matahari Units, Metropolis Town Square Units, Depok Town Square Units, Java Supermall Units, Malang Town Square Units, Plaza Madiun and Grand Palladium Medan Units.
Retail Walkway	:	An underground and overhead retail walkway connecting the two buildings of the Property, LMP 1 and LMP 2.
Rights Entitlements	:	The "nil-paid" provisional allotment of Rights Units to Eligible Unitholders under the Rights Issue.
Rights Issue	:	The proposed allotment and issuance of 4,682,872,029 Rights Units on a renounceable basis to Eligible Unitholders on the basis of 160 Rights Units for every 100 Existing Units held as at the Rights Issue Record Date at the Issue Price, fractional entitlements to be disregarded.
Rights Issue Record Date	:	The time and date on which the transfer books and register of Unitholders will be closed to determine the provisional allotment of the Rights Units to the Eligible Unitholders.
Rights Units	:	The new Units proposed to be issued by way of the Rights Issue.
Rp. or **Indonesian Rupiah**	:	Indonesian Rupiah.
S$ or **Singapore Dollars**	:	Singapore dollars and cents.
Securities Act	:	U.S. Securities Act of 1933, as amended.
Service Operator	:	Any service operator appointed jointly by PT PBT and the Vendor to provide operation and/or maintenance services in relation to the Property following Completion.
SGX-ST	:	Singapore Exchange Securities Trading Limited.
SIC	:	Securities Industry Council.
Sinovex	:	Sinovex Limited.
Sponsor	:	PT Lippo Karawaci Tbk, which is the sponsor of LMIR Trust.
Sponsor Initial Units	:	The 945,863,906 Units (representing approximately 32.32% of the issued Units as at the Latest Practicable Date which the Sponsor, through its wholly-owned subsidiaries, BIL and the Manager, has an interest in.
Sponsor Irrevocable Undertaking	:	The irrevocable undertaking provided by the Sponsor to the Manager pursuant to which, among others, the Sponsor will accept and/or procure that the Subscribing Entities (i) accept, subscribe and pay in full for, the Relevant Entities' Allotted Rights Units, and (ii) apply for, subscribe and pay in full for any Excess Rights Units to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess Rights Units such that the total number of the Allotted Rights Units and the Excess Rights Units is up to 100% of the total number of the Rights Units.
sq m	:	Square metres.
SR	:	Dr Stephen Riady.
St. Moritz	:	The St. Moritz Jakarta Integrated Development.

Strata Title Certificates	:	*Sertifikat Hak Milik Atas Satuan Rumah Susun* or strata title certificates relating to the Property giving title to strata title units comprising the Property.
Subscribing Entities	:	Collectively, the Relevant Entities and the Sponsor's existing subsidiaries and/or new subsidiaries/entities set up by the Sponsor to hold Units.
Substantial Unitholder	:	A Unitholder with an interest in more than 5.0% of all Units in issue.
TERP	:	S$0.081 per Unit.
Trust Deed	:	The trust deed dated 8 August 2007 constituting LMIR Trust, as supplemented by the first supplemental deed dated 18 October 2007 and the second supplemental deed dated 21 July 2010 and as amended by the first amending and restating deed dated 18 March 2016 and as further supplemented by the supplemental deed of retirement and appointment of Trustee dated 1 November 2017, the third supplemental deed dated 19 April 2018, the fourth supplemental deed dated 14 April 2020 and the fifth supplemental deed dated 16 June 2020 entered into between the Trustee and the Manager, as amended, varied, or supplemented from time to time.
Trustee	:	Perpetual (Asia) Limited, in its capacity as trustee of LMIR Trust.
TUM	:	PT Trijaya Utama Mandiri.
U.S.	:	United States of America.
USD Notes	:	The US$250 million 7.25% Guaranteed Senior Notes due 19 June 2024 issued by LMIRT Capital Pte. Ltd., unconditionally and irrevocably guaranteed by the Trustee.
Uncommitted Space	:	Vacant leasable space in the Property which is not occupied by, or which has not been committed in writing to be leased by a Tenant other than the Vendor under the Vendor Support Agreement.
Unit	:	A unit representing an undivided interest in LMIR Trust.
Unit Share Market	:	The ready market of the SGX-ST for trading of odd lots of Units with a minimum size of one Unit.
Unitholders	:	Unitholders of LMIR Trust.
VAT	:	Value-added tax.
Vendor or **PT MCG**	:	PT Mandiri Cipta Gemilang, an indirect wholly-owned subsidiary of the Sponsor.
Vendor Support	:	The arrangements between the Vendor and PT PBT for the Vendor to lease certain Uncommitted Space on a quarterly basis during the Vendor Support Period in respect of the NPI Target of the Property for the Vendor Support Period.
Vendor Support Agreement	:	The Vendor Support Agreement between the Vendor and PT PBT in respect of the provision of the Vendor Support.
Vendor Support Period	:	A period commencing on the date of Completion and ending on 31 December 2024.
WALE	:	Weighted Average Lease Expiry.
Whitewash Resolution	:	The proposed waiver by Independent Unitholders of their rights to receive a general offer for their Units from the Relevant Entities and their concert parties.

The terms "Depositor" and "Depository Register" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

The exchange rates used in this Circular are for reference only. No representation is made that any Indonesian Rupiah amounts could have been or could be converted into Singapore dollar amounts at any of the exchange rates used in this Circular, at any other rate or at all.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place.

DETAILS OF THE PROPERTY, THE EXISTING PORTFOLIO AND THE ENLARGED PORTFOLIO

1. LIPPO MALL PURI

1.1 DESCRIPTION OF THE PROPERTY

The Property, located at Jalan Puri Indah Boulevard Block U1, Puri Indah, South Kembangan, Sub-District, Kembangan District, West Jakarta City, DKI Jakarta Province, Indonesia; comprises the majority portion of strata titles distributed over five floors of retail space within Lippo Mall Puri's two eight-storey buildings (LMP 1 and LMP 2) with a total GFA of approximately 175,146 sq m (excluding the Car Parks and Retail Walkway). It commenced operations in 2014 and as at 30 June 2020, it has 333 tenants with over 100 international brands such as ZARA, Uniqlo, Forever 21, H&M, Adidas and Nike.

The table below sets out a summary of selected information on the Property as at 30 June 2020 (unless otherwise indicated).

Address/location	Jalan Puri Indah Boulevard Block U1, Puri Indah, South Kembangan Sub-District, Kembangan District, West Jakarta City, DKI Jakarta Province, Indonesia
Description / existing use	Commercial
Car park lots	4,285 car park lots (not part of the Property)
Title	Strata Title (*Hak Atas Satuan Rumah Susun*) Certificates No. 419 and No. 420 issued on 2 October 2020 and expiring on 15 January 2040.
Date of completion of building	July 2014
Occupancy rate	91.9% as of 30 June 2020 (89.9% including the P2 Space)
Average gross rent(1)	Rp.186,106 per sq m per month as of 30 June 2020
Number of tenants	333
GFA	Approximately 175,146 sq m
NLA	116,014 sq m as at 30 June 2020 (122,862 sq m upon the restoration of the P2 Space)
Weighted Average Lease Expiry ("WALE") (By NLA)	3.4 years
Valuation by Cushman as at 30 June 2020(2)	With Vendor Support: Rp.3,762.0 billion (approximately S$361.7 million) Without Vendor Support: Rp.3,572.0 billion (approximately S$343.5 million)
Valuation by Colliers as at 30 June 2020(2)	With Vendor Support: Rp.3,970.0 billion (approximately S$381.7 million) Without Vendor Support: Rp.3,680.0 billion (approximately S$353.8 million)

Notes:

(1) This is computed by taking the average of the gross rent (excluding service charge) for 30 June 2020.

(2) At the date of valuation, the outbreak of the Covid-19 pandemic, declared by the World Health Organisation as a 'Global Pandemic' on the 11th March 2020, is prevalent and has impacted many aspects of daily life and the global economy – with some real estate sectors experiencing lower levels of transactional activity and liquidity. As such, the Independent Valuers have included a special caveat to their valuations due to the uncertainty posed by Covid-19, to serve as a precaution but does not invalidate the valuation. If the pandemic can be fully controlled in the short-term, uncertainties will be gradually eliminated and market condition is anticipated to recover and be in line with the valuation assumptions made as at valuation date without other adverse influences. On such premise, the market value of the Property may not suffer substantial changes.

2. THE EXISTING PORTFOLIO

The Existing Portfolio of LMIR Trust as at 30 June 2020 comprises: Gajah Mada Plaza, Cibubur Junction, Plaza Semanggi, Mal Lippo Cikarang, Ekalokasari Plaza, Bandung Indah Plaza, Istana Plaza, Sun Plaza, Pluit Village, Plaza Medan Fair, Tamini Square, Lippo Plaza Kramat Jati (formerly known as 'Kramat Jati Indah Plaza'), Palembang Square, Palembang Square Extension, , Lippo Mall Kemang, Lippo Plaza Batu, Palembang Icon, Lippo Mall Kuta, Lippo Plaza Kendari, Lippo Plaza Jogja and Kediri Town Square (collectively, the "**Retail Malls**"), as well as Mall WTC Matahari Units, Metropolis Town Square Units, Depok Town Square Units, Java Supermall Units, Malang Town Square Units, Plaza Madiun and Grand Palladium Medan Units (collectively, the "**Retail Spaces**"). Pursuant to the Divestments, LMIR Trust has since divested Pejaten Village and Binjai Supermall on 30 July 2020 and 3 August 2020 respectively.

2.1 Summary

The table below sets out the lease expiry profile by NLA in the Existing Portfolio (as at 30 June 2020).

Lease Expiry Profile[(1)] by NLA as at 30 June 2020

	2020	2021	2022	2023 and beyond
Retail Malls and Existing Retail Spaces	13.7%	8.7%	13.7%	45.9%

Note:

(1) The lease expiry profile is based on the percentage of actual running leases expiring per year out of the total leasable area which amounts to 905,567 sq m as at 30 June 2020 prior to the Divestments.

2.2 Description of the Properties in the Existing Portfolio (following the Divestments)

2.2.1 RETAIL MALLS

(i) Gajah Mada Plaza

Gajah Mada Plaza is a shopping centre with seven levels, one basement level and a carpark. The mall is located prominently in the heart of Jakarta's Chinatown, an established and well-known commercial area in the city. Situated along Jalan Gajah Mada, one of the main roads in Jakarta, Gajah Mada Plaza is positioned as a one-stop shopping, dining and entertainment destination for middle to upper income families as well as professional executives and students from the offices and schools within its vicinity. It has a diverse and complementary tenant mix anchored by Matahari Department Store and Hypermart. The mall's strong leisure entertainment component, which includes a cinema, restaurants, family karaoke outlets, video game centres, a fitness centre and a swimming pool, adds to its overall attractiveness.

(ii) Mal Lippo Cikarang

Mal Lippo Cikarang is a two-level retail mall located within the Lippo Cikarang estate, approximately 40 km east of Jakarta and connected to Jakarta via the Jakarta-Cikampek toll road. The estate comprises industrial, commercial and residential components and is home to numerous residents and economic activities. Mal Lippo Cikarang is the main shopping centre in the estate and has limited competition within an approximately 10-km radius. The mall is anchored by Matahari Department Store, ACE Hardware and Hypermart, complemented by a cinema, a bookshop, a video game centre, restaurants and dining outlets, and a list of international and local fashion labels.

(iii) Cibubur Junction

Cibubur Junction is a shopping centre with five levels, a partial roof top level, one basement level and a carpark. It is located strategically in the middle of Cibubur, which is one of the most affluent and upmarket residential areas in Jakarta. The mall is situated 5 km south of Jakarta's Jagorawi toll road and is easily accessible and visible from the main road.

Cibubur Junction is the only mall within its vicinity that offers shoppers a one-stop shopping experience. Its anchor tenants, Hypermart and Matahari Department Store, are well complemented by international and local specialty tenancies which include restaurants, fashion labels, a cinema, bookstores, a video game centre and a fitness centre.

(iv) Plaza Semanggi

The Plaza Semanggi is a modern mixed development comprising a shopping centre with seven levels and two basement levels, 13 levels of offices and a carpark. It is strategically located in the heart of Jakarta's Central Business District within the city's Golden Triangle at the Semanggi interchange, which is a junction channelling north-south and east-west traffic across central Jakarta. The development is situated among many commercial buildings and is adjacent to Atmajaya University, one of Jakarta's most prominent universities. Anchored by Foodmart, its diverse and comprehensive tenant mix offers a suit of choices for all shoppers.

(v) Lippo Plaza Ekalokasari Bogor

Lippo Plaza Ekalokasari Bogor is a six-level retail mall with three basement levels as well as a carpark. It is located approximately 2.0 km south east of the Bogor City Centre on a major road, Jalan Siliwangi, and approximately 3.5 km south or five minutes' drive from the Bogor exit of the Jagorawi toll road which connects Jakarta to Bogor. Bogor is approximately 50.0 km south of Jakarta.

Lippo Plaza Ekalokasari Bogor is positioned as the retail mall of convenience and choice for its population catchment and provides a comprehensive retail mix anchored by Matahari Department Store, Hypermart, bookstores, a children entertainment zone and a concentration of fashion labels and outlets.

(vi) Bandung Indah Plaza

Bandung Indah Plaza is a retail mall with four levels, three basement levels and a carpark. It is located strategically in the heart of the Central Business District of Bandung, the fourth most populous city in Indonesia. The retail mall is easily accessible from Jalan Merdeka, a major road which connects North Bandung to South Bandung, and is surrounded by commercial buildings and middle to upper income residential areas. It is also attached to Aryaduta Hotel, one of the popular hotels in Bandung. Bandung Indah Plaza is anchored by Matahari Department Store, Hypermart, a bookstore, a cinema and supported by other international and local tenants.

(vii) Istana Plaza

Istana Plaza is a retail mall with four levels, two basement levels and a carpark, strategically located in the heart of the Central Business District of Bandung, the fourth most populous city in Indonesia.

Situated at the junction between two busy roads of Jalan Pasir Kaliki and Jalan Pajajaran, it is easily accessible by car and public transport. Anchored by Matahari Department Store and Giant Supermarket, its diverse mix of tenants provide a one-stop shopping experience for the middle to upper income residents within its population catchment. Istana Plaza's many popular international fashion labels have also helped to attract the young and trendy shopper base.

(viii) Sun Plaza

Sun Plaza is the biggest upmarket shopping centre in Medan, the capital of North Sumatra Province and the third most populous city in Indonesia. The mall is located amidst Medan's commercial district with prominent landmarks such as the governor's office, foreign embassies and major banks located within the vicinity.

Anchored by Sogo Department Store and Hypermart, it is also home to various exclusive tenants including international brands such as H&M, Zara, Sushi Tei, Starbucks, Body Shop, Hush Puppies and Pizza Hut. Sun Plaza provides all classes of shoppers in Medan with a one-stop shopping, dining and entertainment destination.

(ix) Pluit Village

Pluit Village is a five-level retail mall located in North Jakarta, in close proximity to and surrounded by affluent residential estates and apartments with a Chinese ethnic majority. Anchored by Matahari Department Store and Carrefour, the mall has a diverse and complementary tenant mix including a list of international and local brand names such as Gramedia Bookstore, J.Co Donut, Body Shop, Starbucks, Best Denki and FJ Square.

(x) Plaza Medan Fair

Plaza Medan Fair is a four-level retail mall with one basement level, strategically located in the shopping and business district of Medan, North Sumatra, which is the third most populous city in Indonesia after Jakarta and Surabaya. It is the second largest retail mall in Medan, with a list of tenants including well-known international and domestic retailers and brand names such as Carrefour, Matahari Department Store, Electronic City, Timezone and Bata. It is also surrounded by residences and is within walking distance to famous hotels in town.

(xi) Tamini Square

Tamini Square is a strata-titled retail mall with four levels and two basement levels, located in the city of Jakarta, within close proximity to one of Jakarta's most popular tourist destinations – Taman Mini Indonesia Indah. Tamini Square is located within a strategic area in East Jakarta and is surrounded by recreational areas. It has good accessibility due to proximity to the toll road gate and is supported by public transportation including the Trans Jakarta Busway.

(xii) Lippo Plaza Kramat Jati (formerly known as 'Kramat Jati Indah Plaza')

Lippo Plaza Kramat Jati is a five-level retail mall with one basement level. It is situated 2.5 km south of Jakarta's Jagorawi toll road and is within easy reach from the main road with good accessibility to passing traffic. In close vicinity to the mall is Taman Mini Indonesia Indah, which is one of the most popular tourist destinations in Jakarta as well as a culture-based recreational area. Anchored by Carrefour and Matahari Department Store, the mall has a diverse and complementary tenant mix including international and local brand names such as Solaria, Bata, Electronic City and Batik Keris.

(xiii) Palembang Square

Palembang Square is a four-level retail mall located in Palembang, South Sumatra. The mall is part of a mixed-use development consisting of a hotel, a proposed hospital and Palembang Square Extension. Anchored by Carrefour, the mall is well complemented by a list of international and local specialty tenants which include Solaria restaurant, fashion labels, a cinema, Gramedia Bookstore, a video game centre and a home furnishing store.

(xiv) Palembang Square Extension

Palembang Square Extension is a retail mall with two levels and a basement level located in Palembang, South Sumatra. It is part of a mixed-use development consisting of a hotel, a proposed hospital and an existing mall, and is directly connected with Palembang Square and the proposed hospital via a bridge. The mall is anchored by Matahari Department Store and Hypermart, complemented by a list of international and local fashion labels such as Giordano, Batik Keris and Levis.

(xv) Lippo Mall Kemang

Lippo Mall Kemang is a mid-sized, fashion and lifestyle mall built to cater to the discerning consumers in Kemang and South Jakarta. It offers an intimate and exclusive shopping experience to shoppers through customer service excellence and attention to details.

The mall has four anchor tenants and numerous specialty tenants in fashion, entertainment, dining and lifestyle. The anchors are Matahari Department Store, Hypermart, Cinema XXI and ACE Hardware. Its other major tenants include First Platinum, Best Denki and Timezone.

(xvi) Lippo Plaza Batu

Lippo Plaza Batu is a retail mall with three levels and one basement level located in Batu City, approximately 20 km northwest of Malang, the second largest city in East Java. Batu city is known mainly for agro and eco-tourism with its numerous apple orchards and strawberry plantations. It also has several natural sights such as caves, waterfalls and nature reserves. The cool temperature and pristine nature makes the city popular for recreational retreats since the Dutch colonial days.

Anchored by Matahari Department Store and Hypermart, the mall has a diverse tenant mix.

(xvii) Palembang Icon

Palembang Icon is a retail development with five levels and a basement level, as well as a sports centre in the city of Palembang, South Sumatra. It is strategically located in a premium location that will be integrated with a convention centre and a five-star hotel. Positioned as a new lifestyle icon in South Sumatra, Palembang Icon provides a complete range of products and services covering daily needs, fashion, entertainment and F&B for families.

Anchored by Cinemaxx, Foodmart Gourmet and Celebrity Fitness, many first-to-market outlets from international and local brands have opened in this sophisticated mall, including Charles & Keith, Donini, Holika Holika, L'Occitane, Starbucks Coffee and Electronic City.

(xviii) Lippo Mall Kuta

Lippo Mall Kuta is a lifestyle mall with three levels and a basement, and is integrated with a premium hotel of approximately 180 rooms. It is strategically located in Bali, a leading tourist destination in Indonesia, famous for its local traditions, culture and nightlife. Tourist arrivals are projected to increase due to improvements in air and sea transport with the establishment of new air routes to China and the Middle East and car-ferry services between Java and Bali.

Lippo Mall Kuta provides a wide range of products and services covering daily needs, fashion, entertainment and F&B for families and tourists as it positions itself as a new lifestyle icon in Bali. Its tenants include a variety of international and local brands, such as Nike, Bata, Quiksilver, Planet Sports, Amazing Kuta, Matahari Department Store and Cinemaxx.

(xix) Lippo Plaza Kendari

Lippo Plaza Kendari is a four-storey family mall with a car park area and it provides a range of products and services for all family needs in one location. It is strategically located in the heart of Kendari, the capital of Southeast Sulawesi. Economic development is growing at a rapid pace in Kendari, where agriculture is the dominant economic activity. The government of Sulawesi has rolled out a series of major infrastructure projects to improve connectivity and spur economic development in Southeast Sulawesi, including a railway network which will connect all major cities in Sulawesi.

The mall's tenants include a variety of well-known retailers such as Matahari Department Store, Hypermart, Pizza Hut, Solaria, Cinemaxx and Timezone.

(xx) Lippo Plaza Jogja

Lippo Plaza Jogja is part of an integrated development that includes an adjoining hospital, Siloam Hospitals Yogyakarta. Strategically located in a densely populated area in Yogyakarta, Lippo Plaza Jogja comprises a 10-storey building including one basement and one mezzanine level on total land area of 13,715 square metres. It also comes with a shared multi-storey parking area and a rooftop helipad. Lippo Plaza Jogja is one of the newest malls in Yogyakarta and its diverse tenant mix is well-placed to serve the people of Yogyakarta and those from the surrounding areas. It has also undergone major refurbishment between 2013 and 2015.

The mall's tenants include a variety of well-known retailers such as Matahari Department Store, Hypermart, Cinemaxx, Celebrity Fitness, BreadTalk and Sports Station.

(xxi) Kediri Town Square

Kediri Town Square is a two-storey retail mall strategically located in Kediri city, East Java. It is well-connected to other parts of East Java and has direct trains to major cities such as Surabaya, Yogyakarta or Bandung.

Completed in 2011, it provides a range of products and services covering daily needs, fashion, entertainment and F&B for families and tourists. Its key tenants include a variety of brands, such as Matahari Department Store, Hypermart, Game Fantasia, Sports Station and OPPO.

2.2.2 RETAIL SPACES

(i) Mall WTC Matahari Units

Mall WTC Matahari is located along Jalan Serpong Raya, Serpong within the administrative area of Tangerang, Banten province and is approximately 18 km west of Jakarta's Central Business District. It is connected to the fast-growing, middle-upper to upper class BSD residential estate, the largest residential estate in Greater Jakarta. Tangerang's physical proximity to Jakarta led to the recent growth of residential estates and satellite cities, housing people who commute to Jakarta for work.

The Mall WTC Matahari Units comprise four strata units on part of the ground floor, upper ground floor, mezzanine and second floor of the building. They are currently utilised as a department store, hypermarket and entertainment and game centre.

(ii) Depok Town Square Units

Depok Town Square is located on Jalan Margonda Raya, adjacent to the south eastern side of the prominent University of Indonesia. The centre has direct access to Pondok Cina Railway Station at its rear entrance, which is connected to Jalan Margonda Raya. Approximately 16 km south of Jakarta's Central Business District, Depok is renowned as the city of students, being home to four large universities. Over the last few years, the commercial area of Depok has been growing rapidly with the emergence of many modern shopping centre developments and commercial buildings.

The Depok Town Square Units comprise four strata units on part of the lower ground floor, first floor and second floor of the building. They are currently utilised as a department store, hypermarket and entertainment and games centre.

(iii) Java Supermall Units

Java Supermall is located within the vicinity of a middle to upper class residential area, easily accessible from most areas in Semarang, the capital city of Central Java and the fifth most populous city in Indonesia. With its location along the northern coast of Java, Semarang is an important trading port for the region.

The Java Supermall Units comprise four strata units on the semi-basement, first floor and second floor of the building. They are currently utilised as a department store and supermarket.

(iv) Malang Town Square Units

Malang Town Square, an international lifestyle mall, is the biggest and most comprehensive mall in Malang. The centre has easy access to public transportation and is surrounded by exclusive residential communities and several universities contributing to a huge student population of over 50,000 students. Malang is the second largest city in the East Java province with a population of approximately 0.8 million. The region has many natural tourist attractions such as Mount Bromo, a cool climate and a rich colonial history.

The Malang Town Square Units comprise three strata units on part of the ground floor, upper ground floor, first floor and second floor of the building. They are currently utilised as a department store, hypermarket and entertainment and games centre.

(v) Plaza Madiun

Plaza Madiun is located within the city of Madiun in the East Java province, closely connected to major cities in Central and East Java. Situated along Jalan Pahlawan, the primary thoroughfare in Madiun, it is in the centre of the commercial and administrative zone, near most of the prominent buildings in Madiun, including the City Hall, Merdeka Hotel, Tentara Hospital and Pasaraya Shopping Centre. Jalan Pahlawan is accessible from Jalan Sudirman, another major thoroughfare in the city.

LMIR Trust owns 100% of Plaza Madiun, which holds two HGB titles, covering the basement, first floor, second floor and third floor. The space is currently occupied by a supermarket and a department store.

(vi) Grand Palladium Units

Grand Palladium Units is conveniently located within the Medan Central Business District and is only 2.5 km from the Polonia International Airport. The mall is located in the centre of Medan, drawing shoppers from all around the city, including the offices and hotels nearby. It is surrounded by government and business offices and the town hall, and therefore benefits from regular crowds of government and business visitors. Medan is the provincial capital of North Sumatra, the largest city in Sumatra and the third most populous city in Indonesia after Jakarta and Surabaya.

The Grand Palladium Units comprise four strata units in part of the basement, lower ground floor, upper ground floor, first floor and third floor of the building. They are currently utilised as a department store, hypermarket and entertainment and games centre.

(vii) Metropolis Town Square Units

Metropolis Town Square is a one-stop shopping mall located within the middle to upper income Kota Modern residential estate in Tangerang city of Banten province, along one of the main roads in Tangerang, with good accessibility to passing traffic. Designed in art deco style, the mall is the only major retail development in the Tangerang Municipality. Tangerang's strategic location between Jakarta and the Soekarno-Hatta International Airport makes it a popular choice for offices and factories.

The Metropolis Town Square Units comprise three strata units on part of the ground floor, first floor and second floor of the building. They are currently utilised as a department store, hypermarket and entertainment and games centre.

The table below sets out selected information about certain properties in the Existing Portfolio as at 30 June 2020.

Property	Bandung Indah Plaza	Cibubur Junction	Lippo Plaza Ekalokasari Bogor	Gajah Mada Plaza	Istana Plaza	Mal Lippo Cikarang	Plaza Semanggi	Sun Plaza	Pluit Village	Plaza Medan Fair
GFA (sq m)(1)	75,868	66,935	58,859	79,830	47,533	39,604	155,122	167,000	150,905	141,866
NLA (sq m) (2)	30,288	34,022	28,645	36,535	27,471	28,869	60,084	69,556	86,591	68,512
No of tenants(2)	217	186	78	147	143	139	376	363	271	419
Valuation (S$ m)(3)	55.6	24.3	30.4	66.3	50.0	65.3	84.8	191.7	63.9	87.9
Occupancy(2)	94.2%	95.6%	82.3%	60.3%	81.7%	93.9%	71.5%	94.1%	89.7%	98.1%

Notes:

(1) The GFA is as at 31 December 2019.

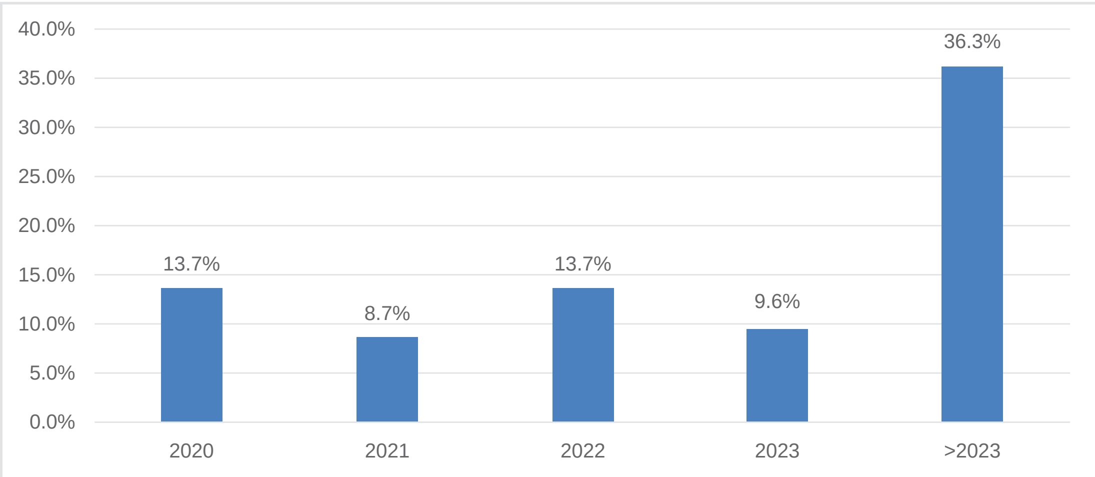
(2) The NLA, number of tenants and occupancy rates are as at 30 June 2020.

(3) The valuations are based on desktop valuation of the Existing Portfolio as at 31 July 2020.

2.3 Lease Expiry for the Existing Portfolio

The graph below illustrates the lease expiry profile of the Existing Portfolio by NLA as at 30 June 2020.

Lease Expiry Profile (by NLA as at 30 June 2020)(1)



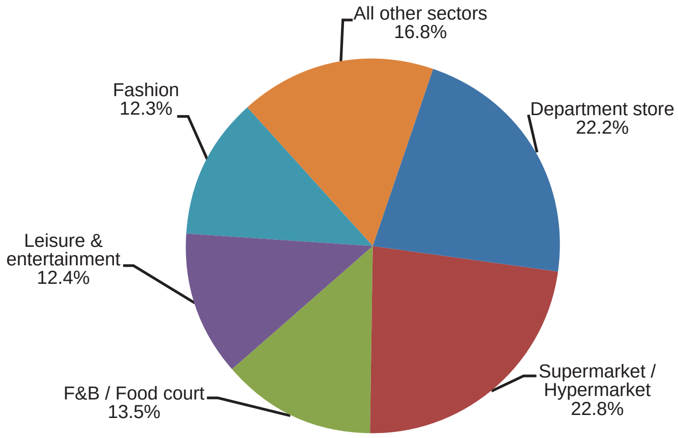
Note:

(1) The lease expiry for the Existing Portfolio is calculated based on the total leasable area as at 30 June 2020 before the completion of the Divestments. The completion of Divestments is not expected to have a significant change to the lease expiry profile of the Existing Portfolio as shown above.

2.4 Major Usage Mix for the Existing Portfolio

The graphs below provide a breakdown of the major usage mix represented in the Existing Portfolio by rental income and NLA as at 30 June 2020.

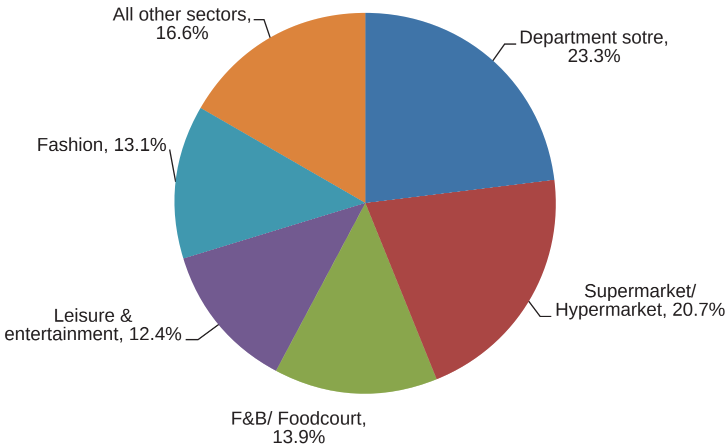
Major Usage Mix (by rental income as at 30 June 2020)(1)



Note:

(1) The major usage mix for the Existing Portfolio is calculated based on the total rental income as at 30 June 2020 before the completion of the Divestments. The completion of Divestments is not expected to have a significant change to the usage mix of the Existing Portfolio as shown above.

Major Usage Mix (by NLA as at 30 June 2020)(1)



Note:

(1) The major usage mix for the Existing Portfolio is calculated based on the total rental income as at 30 June 2020 before the completion of the Divestments. The completion of Divestments is not expected to have a significant change to the usage mix of the Existing Portfolio as shown above.

2.5 Top Ten Tenants of the Existing Portfolio

The table below sets out selected information about the top ten tenants of the Existing Portfolio by rental income (excluding casual leasing) as at 30 June 2020.

No.	Top ten tenants of the Existing Portfolio (by rental income as at 30 June 2020)	Percentage of total revenue[(1)]
1.	Matahari Department Store	9.8%
2.	Hypermart	6.7%
3.	Carrefour	3.6%
4.	Timezone	1.1%
5.	Cinepolis	1.0%
6.	Sport Station	0.7%
7.	Solaria	0.6%
8.	Foodmart	0.6%
9.	Mr D.I.Y.	0.6%
10.	Miniso	0.6%

Note:

(1) The calculation of the top ten tenants of the Existing Portfolio is calculated based on the total rental income as at 30 June 2020 before the completion of the Divestments. The completion of Divestments is not expected to have a significant change to the proportionate rental incomes of the top ten tenants of the Existing Portfolio as shown above.

The table below sets out selected information about the top ten tenants of the Existing Portfolio by NLA as at 30 June 2020.

No.	Top ten tenants of the Existing Portfolio (by NLA as at 30 June 2020)	Percentage of total NLA[(1)]
1.	Matahari Department Store	15.1%
2.	Hypermart	10.8%
3.	Carrefour	6.6%
4.	Cinepolis	3.9%
5.	SOGO Dept. Store	1.6%
6.	Ace Hardware	1.5%
7.	Timezone	1.4%
8.	Mr D.I.Y.	1.0%
9.	Cinemaxx XII	1.0%
10.	Gramedia	0.9%

Note:

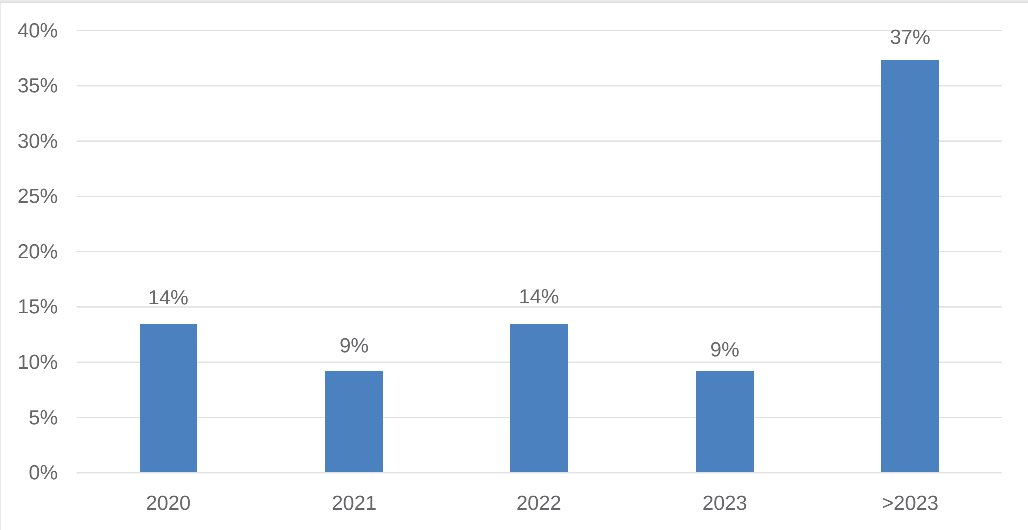
(1) The calculation of the top ten tenants of the Existing Portfolio is calculated based on the net leasable area as at 30 June 2020 before the completion of the Divestments. The completion of Divestments is not expected to have a significant change to the proportionate net leasable area of the top ten tenants of the Existing Portfolio as shown above.

3. ENLARGED PORTFOLIO

3.1 Lease Expiry Profile for the Enlarged Portfolio

The graph below illustrates the lease expiry profile of the Enlarged Portfolio as a percentage of NLA as at 30 June 2020.

Lease Expiry Profile (by NLA as at 30 June 2020)(1)



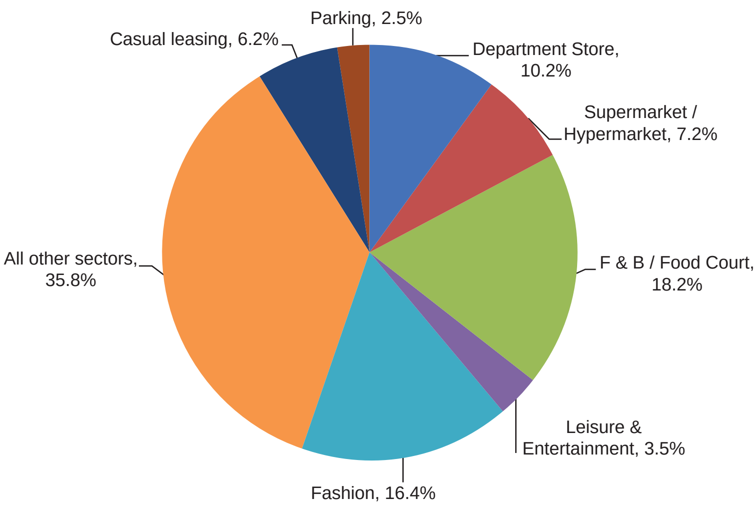
Note:

(1) The lease expiry for the Enlarged Portfolio is calculated based on the total leasable area as at 30 June 2020 before the completion of the Divestments and the restoration of the P2 Space. Changes to the lease expiry profile of the Enlarged Portfolio following the completion of the Divestments and the restoration of the P2 Space are not expected to be significant.

3.2 Major Usage Mix for the Enlarged Portfolio

The graphs below provide a breakdown of the major usage mix represented in the Enlarged Portfolio by rental income and NLA as at 30 June 2020.

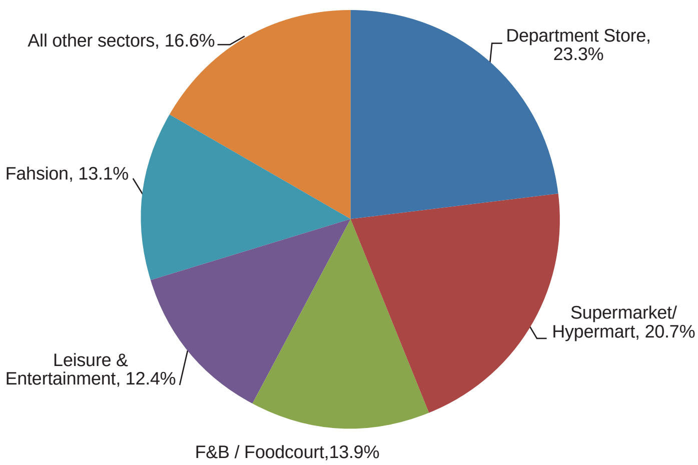
Usage Mix (by rental income as at 30 June 2020)(1)



Note:

(1) The usage mix for the Enlarged Portfolio is calculated based on the total leasable area as at 30 June 2020 before the completion of the Divestments and the restoration of the P2 Space. Changes to the usage mix profile of the Enlarged Portfolio following the completion of the Divestments and the restoration of the P2 Space are not expected to be significant.

Usage Mix (by NLA as at 30 June 2020)[(1)]



Note:

(1) The usage mix for the Enlarged Portfolio is calculated based on the total leasable area as at 30 June 2020 before the completion of the Divestments and the restoration of the P2 Space. Changes to the usage mix profile of the Enlarged Portfolio following the completion of the Divestments and the restoration of the P2 Space are not expected to be significant.

3.3 Top Ten Tenants of the Enlarged Portfolio

The table below sets out selected information about the top ten tenants of the Enlarged Portfolio by rental income (excluding retail turnover rent) as at 30 June 2020.

No.	Top ten tenants of the Enlarged Portfolio (by rental income for as at 30 June 2020)	Percentage of total revenue[(1)]
1.	Matahari Department Store	10.5%
2.	Hypermart	5.9%
3.	Carrefour	3.1%
4.	Timezone	1.3%
5.	Cinepolis	0.9%
6.	Sport Station	0.6%
7.	Solaria	0.8%
8.	Foodmart	0.9%
9.	Mr D.I.Y.	0.9%
10.	Miniso	0.8%

Note:

(1) The calculation of the top ten tenants of the Enlarged Portfolio is calculated based on the total rental income as at 30 June 2020 before the completion of the Divestments and the restoration of the P2 Space. Changes to the proportionate rental incomes of the top ten tenants of the Enlarged Portfolio following the completion of the Divestments and the restoration of the P2 Space are not expected to be significant.

The table below sets out selected information about the top ten tenants of the Enlarged Portfolio by NLA as at 30 June 2020.

No.	Top ten tenants of the Enlarged Portfolio (by NLA as at 30 June 2020)	Percentage of total NLA[(1)]
1.	Matahari Department Store	14.6%
2.	Hypermart	9.6%
3.	Carrefour	5.9%
4.	Cinepolis	3.4%
5.	SOGO Dept. Store	2.6%
6.	Ace Hardware	1.3%
7.	Timezone	1.4%
8.	Mr D.I.Y.	1.0%
9.	Cinemaxx XII	1.4%
10.	Gramedia	0.9%

Note:

(1) The calculation of the top ten tenants of the Existing Portfolio is calculated based on the net leasable area as at 30 June 2020 before the completion of the Divestments and the restoration of the P2 Space. Changes to the proportionate net leasable area of the top ten tenants of the Enlarged Portfolio following the completion of the Divestments and the restoration of the P2 Space are not expected to be significant.

VALUATION SUMMARY LETTERS AND VALUATION CERTIFICATES

CUSHMAN & WAKEFIELD VHS PTE. LTD.

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Company Registration No. 200709839D

20 August 2020

Perpetual (Asia) Limited
(as Trustee of Lippo Malls Indonesia Retail Trust)
8 Marina Boulevard, #05-02
Marina Bay Financial Centre
Singapore 018981

Dear Sirs,

Valuation Summary: Lippo Mall Puri - Jl. Puri Indah Raya Blok U1, RT.3/RW.2, Kembangan Sel., Kembangan, Kota Jakarta Barat, Daerah Khusus Ibukota Jakarta 11610, Indonesia

Instruction

Perpetual (Asia) Limited as Trustee of Lippo Malls Indonesia Retail Trust ('the Client') has instructed Cushman & Wakefield VHS Pte Ltd ('the Valuer') to undertake a valuation of the abovementioned property as at the 30 June 2020.

The client requires the valuation for the purpose of acquisition and the inclusion of the Valuation Certificate & Summary Letter in a circular to be issued by LMIRT Management Ltd (as manager of Lippo Malls Indonesia Retail Trust) in connection with the acquisition.

Cushman & Wakefield VHS Pte Ltd have no pecuniary or other conflict of interest that could reasonably be regarded as being capable of affecting their ability to give an unbiased opinion of the values or that could conflict with a proper valuation of the Property.

This Summary Letter is an extract of the valuation findings from our full valuation report as instructed by the Client.

Basis of Valuation

The valuation and report is has been prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) and International Valuation Standards (IVS) published by the International Valuation Standards Committee (IVSC) the Singapore Institute of Surveyors and Valuers' Valuation Standards and Practice Guidelines (2018 Edition).

The Property has been valued on the basis of Market Value as at the Valuation Date.

International Valuation Standards (IVS) 2017 published by the International Valuation Standards Committee (IVSC) define the basis of market value described as: "The estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

Limitation/ Reservation

The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a 'Global Pandemic' on the 11th March 2020, has impacted many aspects of daily life and the global economy – with some real estate sectors experiencing significantly lower levels of transactional activity and liquidity. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. For the avoidance of doubt, the inclusion of the 'significant uncertainty' declaration above does not mean that the valuation cannot be relied upon. Rather, the declaration has been included to ensure transparency of the fact that – in the current extraordinary circumstances – less certainty can be attached to the valuation than would otherwise be the case. The significant uncertainty clause is to serve as a precaution and does not invalidate the valuation. Given the unknown future impact that COVID-19 might have on the real estate market and the difficulty in differentiating between short term impacts and long-term structural changes, we recommend that you keep the valuation contained within this report under frequent review.

Brief Property Description.

The subject property is the Lippo Mall Puri, the address is Puri Indah Raya Road Blok U1, West Jakarta. Puri Indah Raya Road, and is located within the wider St. Moritz Superblock complex and about 200 m from West Jakarta Mayor's Office.

Lippo Mall Puri is a mix-used building consisting of an area of malls and apartments. The mall building itself is divided into two parts precisely on the Ground Mall floor, which is separated by a road. Each mall building has access.

The retail mall comprises 8 floors + 2 lower ground floors. Strategically located, the mall has been filled with local and international both in the fields of fashion, lifestyle, department stores, food and beverages tenants such as Matahari Department Store, ZARA, Batik Keris and XXI Cinema. The property management provides free shuttle bus service for visitors to certain places.

- Year : 2014

  Floor : 8 floor + 2 lower ground floors (parking spaces are placed on the basement floor and floors 4 – 8)
- NLA : 116,014 sqm (existing NLA), excluding NLA of 1,020 sqm (AOS area) and the new 2nd Floor converted retail area of 6,848 sqm
- Condition : Very good
- Construction : The upper construction is in the form of reinforced concrete with pile drill foundation
- Roof cover : Concrete Dak
- Wall : Reflective glass for exterior walls, light brick plastered and paint, marble on the lift and toilet lobby, wallpaper on the corridor, and ceramic in the pantry
- Ceiling : The combination of gypsum and stainless steel line on the ground floor lobby, gypsum at the lobby lift, corridor, pantry, and toilet
- Floor : Granite on the ground floor lobby and corridors, marble in the toilet, and pantry

The property is multi-tenanted to major and minor anchor tenants and speciality tenants. The net passing income is Rp157,524 psm pm. The weighted average lease expiry ("WALE") by NLA as at date of valuation is 3.4 years by area, with an occupancy status of 91.9% by area (pre-committed).

Valuation Summary: Lippo Mall Puri - Jl. Puri Indah Raya Blok U1, RT.3/RW.2, Kembangan Sel., Kembangan, Kota Jakarta Barat, Daerah Khusus Ibukota Jakarta 11610, Indonesia

Major Tenants within the property include:

SOGO	12,286 sqm NLA
Matahari Department Store	11,779 sqm NLA
Cinema XXI	5,300 sqm NLA
Food Hall	4,762 sqm NLA

Income Support

We note as outlined by the instructing party, we have undertaken an additional valuation scenario to reflect the value of the premises assuming there is income support up to:

2H2020: Rp170.0 billion
FY2021: Rp340 billion
FY2021: Rp340 billion
FY2021: Rp340 billion
FY2021: Rp340 billion

Valuation Rationale

In determining the market value of the subject property we have utilized the Discounted Cash Flow methodology as our primary valuation approach.

The Discounted Cash Flow Method (DCF) of valuation involves an assessment of the long term return that is likely to be derived from a property with a combination of both rental and capital growth over an assumed investment horizon. We have undertaken a DCF analysis over a 10-year investment horizon in which we have assumed that the Property is sold at the after the holding period of the cash flow period, in addition to a wide range of assumptions including target discount rate or internal rate of return, rental growth, vacancy provision, sale price of Property at the end of the investment horizon, costs associated with ownership and disposal of the Property.

Under this approach, we have discounted the estimated annual net operating income at an appropriate discount rate and projected a terminal value to arrive at the market value.

The estimated income takes into account passing rental income and other sustainable incomes, if any. The terminal value is arrived by capitalizing the estimated net operating income after the holding period after allowing for disposal and related expenses, and having regard to the remaining period of the tenure of the Property. It is then discounted to present value and added to the 10-year discounted cash flow to derive the capital value of the Property.

As instructed, we have undertaken two valuation scenarios:

Scenario 1- ‘As Is’

Scenario 2- ‘With Income Support’

Key Assumptions Are:

Assumption	As Is- Without Income Support	With Income Support
Discount Rate	13.25%	13.25%
Terminal Yield	8.50%	8.50%

In assessing these key valuation assumption for the Discount Rate we have derived this from the Weighted Cost of Capital Approach, for the Terminal Yield we have based this off our assessment of the market, broad investment sentiment and general economy and applied back to the subject property making the applicable adjustments.

Valuation Conclusion

Having regard to the foregoing and the present market conditions, we are of the opinion that the value of the Property at Lippo Mall Puri - Jl. Puri Indah Raya Blok U1, RT.3/RW.2, Kembangan Sel., Kembangan, Kota Jakarta Barat, Daerah Khusus Ibukota Jakarta 11610, as at Valuation Date, 30 June 2020, assuming free from encumbrances, is in the region of:-

Market Value (As Is)

Rp 3,572,000,000,000/-

(Indonesian Rupiah Three Trillion Five Hundred and Seventy Two Billion Only)

Market Value (With Income Support)

Rp 3,762,000,000,000/-

(Indonesian Rupiah Three Trillion Seven Hundred and Sixty Two Billion Only)

Yours faithfully

For and on behalf of

Cushman & Wakefield VHS Pte. Ltd.

Chris Carver

Executive Director

Head of Valuations Singapore & South East Asia

Valuation Summary: Lippo Mall Puri - Jl. Puri Indah Raya Blok U1, RT.3/RW.2, Kembangan Sel., Kembangan, Kota Jakarta Barat, Daerah Khusus Ibukota Jakarta 11610, Indonesia

TERMS AND CONDITIONS AS VALUERS

The valuation report is prepared subject to the following terms and conditions: -

1. The valuation report is:

   a. restricted to the use by the client to whom this report is addressed;

   b. for the specific purpose stated therein; and

   c. for the sole purpose for which it was commissioned.

   Any reliance on its contents shall be made within a reasonable time from the date of the valuation report. We disclaim any liability arising from any reliance on the valuation report by any other person or for any other purpose or beyond a reasonable time.

2. Neither the whole nor any part of this valuation report or any reference to it may be included in any document, circular, statement, correspondence nor publication in any way without our prior written approval of the form and context in which it may appear. We bear no responsibility for any unauthorised inclusion or publication.

3. Where it is stated in the report that information has been supplied to us by another party, this information is believed to be reliable and accurate and we disclaim all responsibility if this information should later prove not to be so. Where information is given without being attributed directly to another party, it shall be taken that this information has been obtained by our own search of records and examination of documents, or by our enquiry from Government or quasi-Government departments.

4. The values assessed in this report for the subject property and any allocation of values between parts of the property apply strictly on the terms of and for the purpose of this valuation. The values assessed should not be used in conjunction with any other assessment, as they may prove incorrect if so used.

5. While due care is taken in the course of inspection to note serious defects of the subject property, no structural survey has been made and no guarantee is given that the building is free from rot, termite, pest infestation or other hidden defects. We have also not made any test on the building services such as air-conditioning, fire-fighting systems, lifts, escalators, plumbing and lighting etc. and the services are presumed to be in good working order. We have not carried out any environmental study as this is outside our terms of engagement nor are we aware of any environmental study which may have been carried out on the Property. We will reserve the right to review the valuation if we are subsequently provided with any environmental study that may affect the valuation of the Property.

6. Our valuation assumes that the title(s) is (are) in good order and are marketable, free from any liens, mortgages, encumbrances, restrictions and other legal impediments. We accept no responsibility for investigations into title(s), searches, legal requisitions, legal validity of title or any charges, claims, liabilities registered against the title(s). The client is advised to consult his solicitors on any matter concerning the title(s).

7. Any plans that are included in this report are meant for identification purposes and to assist the client in visualising the subject property. The plans should not be treated as certified true copies of areas or other particulars contained therein. We have not made any survey of the property and assume no responsibility in connection with such matters.

8. We have not taken into account of any plant and machinery in our valuation.

9. We have not made any requisition for the Road Line Plan or for drainage proposal. We have also not made any application for information/document in respect of Building Control Records. Such requisitions/applications will not be made unless specifically instructed by our client.

10. As matters concerning compulsory acquisitions by the Government are confidential, we are unable to provide information relating to Government acquisitions unless the subject property has already been gazette for acquisition.

11. Our valuation assumes that the subject property, as currently used, is in compliance with the existing land use zoning and is not in contravention of any planning rules or regulations.

12. Our valuation assumes that all development charges and maintenance/ service/ conservancy charges, if any, whether outstanding or payable as at the date of valuation, have already been fully paid.

13. Our valuation further assumes that, as at the date of valuation, there are no outstanding liabilities or charges attached to the property (ies).

14. Subject at all times to the provisions in these terms and conditions *and in the letter of engagement,* we shall not be liable to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of our services in respect of:

    a. any direct loss of profit;

    b. any indirect, special or consequential loss whatsoever howsoever caused including without limitation (i) indirect loss of profit; (ii) loss of business; (iii) loss of goodwill; (iv) loss of use of money; (v) loss of opportunity, and the parties agree that the sub-clauses of this clause shall be severable.

15. Subject at all times to the provisions in these terms and conditions and in the letter of engagement, we shall not be liable to you in negligence for pure economic loss arising in connection with the performance or contemplated performance of our services.

16. Where a third party has contributed to the losses, damages, costs, claims or expenses, we shall not be liable to make any contribution in respect of the liability of such third party.

17. Save in respect of third parties directly instructed by us and not on your behalf, we shall not be liable for the services or products provided by other third parties, nor shall we be required to inspect or supervise such third parties, irrespective of the third party services or products being incidental to or necessary for the provision of our services to you.

18. Subject to the provisions in these terms and conditions and in the letter of engagement, our total aggregate liability (including that of our partners and employees) to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of our services shall be limited to (i) an aggregate sum not exceeding the fee paid for each instruction accepted; or (ii) S$500,000.00, whichever is lower.

19. We shall be released from our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond our reasonable control (examples being a strike, act of God or act of terrorism). On becoming aware of any circumstance which gives rise, or which is likely to give rise, to any failure or delay in the performance of our obligations, we will notify you by the most expeditious method then available.

20. Our pricing structure has been established by reference to these limitations on our liability and our level of professional indemnity insurance in respect of the services we provide. If you feel that it is necessary to discuss with us a variation in these levels, then please raise the issue with your client partner who will be able to let you have proposals for a revised pricing structure to reflect the agreed level of our liability and/or professional indemnity cover.

21. Responsibility for our valuation extends only to the party(ies) to whom it is addressed. However, in the event of us being asked by you to re-address our report to another party or other parties or permit reliance upon it

by another party or other parties, we will give consideration to doing so, to named parties, subject to payment of additional fees.

These fees are exclusive of GST & expenses (including the cost of re-addressing the report) and are subject to a minimum fee of S$1,000. Should additional work be involved, over and above that undertaken to provide the initial report, we may make a further charge although we will agree this with you before commencing the work.

22. Where we consent to reliance on our report by another party or other parties, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/they had been a party to the original letter of engagement between us. Where we consent to such reliance, you agree to furnish the addressee with a copy of any reliance letter issued by us and/or a copy of these terms and conditions.

23. Where you provide a copy of and/or permit another party or parties to rely upon our valuation report without obtaining our express written consent (in accordance with clauses 21 and 22 above), you agree to indemnify and us, our affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including reasonable attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the valuation report by any such unauthorised person or entity.

24. Save where we have consented to another party or other parties relying on the valuation report in accordance with clauses 21 and 22, where a valuation report is prepared or where we consent to a valuation report being used for the purpose of a public offering in accordance with any stock exchange listing rules, you agree to indemnify us for any liability whatsoever that we have to any party or parties which exceeds our aggregate cap on liability (referred to in clause 18) which arises from their use and/or reliance on the valuation report.

25. Where reference is made to "Reinstatement Cost for Insurance Values", such insurance value is the value of property on the appropriate basis as defined in the insurance contract or policy.

26. Where reference is made to "Forced Sale Value", such value is the amount that may reasonably be received from the sale of a property under (forced sale) conditions that do not meet all the criteria of a normal market transaction. Such Forced Sale Value is not a representation of the market value.

27. The report is prepared on the basis that we are not required to give testimony or appear in court or any other tribunal or to any government agency by reason of this valuation report or with reference to the property in question unless prior arrangements have been made and we are properly reimbursed.

28.

a. The U.S. Foreign Corrupt Practices Act (the "FCPA") and other laws make it unlawful for us or anyone acting on our behalf to offer, pay, promise or authorize to pay any money, gift or anything of value directly or indirectly to any Public Official with the intent of causing the Public Official to misuse such official's position to obtain or retain business for us or our subsidiaries or affiliates. The term Public Official is broadly defined to include not only traditional government officials and those employed by government agencies, departments, or ministries but also employees of companies which are owned or controlled by the state. The U.K. Bribery Act and other laws also prohibit commercial bribery of any kind.

b. We comply with all applicable anti-bribery and corruption laws, rules, and regulations of the United States, European Union or any member state and any other similar laws in all applicable jurisdictions, including but not limited to the FCPA and U.K. Bribery Act ("Applicable Anti-Bribery Laws and Rules").

c. You acknowledge and confirm your understanding of and agree to comply with all applicable Anti-Bribery Laws and Rules and agree not to take or fail to take any action that might in any way cause us to be in violation of such laws.

d. We must at all times comply with all U.S. sanctions administered by the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury or under any statute, executive order (including, but not limited to, the September 24, 2001, Executive Order 13224 Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) or other governmental action and any applicable international laws and regulations pertaining to the detection, prevention and reporting of potential money laundering and terrorist financing activities (collectively "Applicable Sanctions/AML Rules").

e. You represent and warrant to us that you, and all persons and entities owning (directly or indirectly) an ownership interest in you: (i) are not, and will not become, a person or entity with whom a party is restricted from doing business under Applicable Sanctions/AML Rules; and (ii) are not knowingly engaged in, and will not knowingly engage in, any dealings or transactions or be otherwise associated with such persons or entities described in Clause 28 (e) (i) above.

f. In the event that we believe in good faith, and whether or not we have conducted an investigation, that you have acted in a way that may subject us to liability under Applicable Anti-Bribery Laws and Rules or you (including all persons and entities owning (directly or indirectly) an ownership interest in you) become a target of Applicable Sanctions/AML Rules, we shall have the unilateral right, exercisable immediately upon written notice, to terminate this agreement and shall be entitled to receive payment of the service fees for services rendered pursuant to this agreement together with any and all reasonable additional costs incurred due to such early termination.

VALUATION CERTIFICATE

Address of Property	Lippo Mall Puri - Jl. Puri Indah Raya Blok U1, RT.3/RW.2, Kembangan Sel., Kembangan, Kota Jakarta Barat, Daerah Khusus Ibukota Jakarta 11610, Indonesia
Name of Client	Perpetual (Asia) Limited as Trustee of Lippo Malls Indonesia Retail Trust
Purpose of Valuation	This valuation is for the purpose of acquisition and the inclusion of the Valuation Certificate & Summary Letter in a circular to be issued by LMIRT Management Ltd (as manager of Lippo Malls Indonesia Retail Trust) in connection with the acquisition
Interest	100% Interest
Basis of Valuation	Market Value on 'As Is' Basis. Additionally assessed Market Value with Income Support
Registered Owner	PT Mandiri Cipta Gemilang
Tenure of Property	HGB - expiry January 15, 2040
Master Plan Zoning	Not Applicable
Brief Description	Lippo Mall Puri is a mix-used building consisting of an area of malls and apartments. The mall building itself is divided into two parts precisely on the Ground Mall floor, which is separated by a road. Each mall building has access. The retail mall comprises 8 floors + 2 lower ground floors. Strategically located, the mall has been filled with local and international both in the fields of fashion, lifestyle, department stores, food and beverages tenants such as Matahari Department Store, ZARA, Batik Keris and XXI Cinema. The property management provides free shuttle bus service for visitors to certain places. Cushman & Wakefield VHS Pte Ltd have no pecuniary or other conflict of interest that could reasonably be regarded as being capable of affecting their ability to give an unbiased opinion of the values or that could conflict with a proper valuation of the Property.
Tenancy Profile	The property is multi-tenanted to major and minor anchor tenants and specialty tenants. The net passing income is Rp157,524 psm pm. The weighted average lease expiry ("WALE") by NLA as at date of valuation is 3.4 years by area, with an occupancy status of 91.9% (pre-committed) by area. Major Tenants within the property include: SOGO — 12,286 sqm NLA Matahari Department Store — 11,779 sqm NLA Cinema XXI — 5,300 sqm NLA Food Hall — 4,762 sqm NLA We note as outlined by the instructing party, we have undertaken an additional valuation scenario to reflect the value of the premises assuming there is income support up to: 2H2020: Rp170.0 billion FY2021: Rp340 billion FY2021: Rp340 billion FY2021: Rp340 billion FY2021: Rp340 billion
Gross Floor Area	175,146 sqm

Net Lettable Area	116,014 sqm (existing NLA), excluding NLA of 1,020 sqm (AOS area) and the new 2nd Floor converted retail area of 6,848 sqm
Limitation/ Reservation	The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a 'Global Pandemic' on the 11th March 2020, has impacted many aspects of daily life and the global economy – with some real estate sectors experiencing significantly lower levels of transactional activity and liquidity. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. For the avoidance of doubt, the inclusion of the 'significant uncertainty' declaration above does not mean that the valuation cannot be relied upon. Rather, the declaration has been included to ensure transparency of the fact that – in the current extraordinary circumstances – less certainty can be attached to the valuation than would otherwise be the case. The significant uncertainty clause is to serve as a precaution and does not invalidate the valuation. Given the unknown future impact that COVID-19 might have on the real estate market and the difficulty in differentiating between short term impacts and long-term structural changes, we recommend that you keep the valuation contained within this report under frequent review.
Valuation Approach	Discount Cash Flow Approach
Date of Valuation	30 June 2020
Assessed Value without Income Support	Rp3,572,000,000,000
Assessed Value with Income Support	Rp3,762,000,000,000
Terminal Capitalisation Rate	8.50%
Discount Rate	13.25%
Market Value RP/ PSM NLA (without income support)	Rp28,833,890
Market Value RP/ PSM NLA (with income support)	Rp30,367,608

Cushman & Wakefield VHS Pte. Ltd.

This Valuation Certificate is subject to our full limitations and disclaimers contained within our Full Valuation Report of the subject property.

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Valuation Certificate

Our Reference	2020/C3/0019/MISC
Valuation Prepared For	Perpetual (Asia) Limited (as Trustee of Lippo Malls Indonesia Retail Trust)
Property Address	Lippo Mall Puri, (the "Property") Jalan Puri Indah Blok U1 – Puri Indah CBD Jakarta Barat, Sub-district of Kembangan Selatan, District of Kembangan, City of Jakarta Barat, Province of DKI Jakarta – Indonesia
Instruction	In accordance with our terms of engagement dated 8 June 2020, we provide our valuation of the Property, for acquisition purpose and the inclusion of the valuation certificate/report in a circular to be issued by LMIRT Management Ltd (as manager of Lippo Malls Indonesia Retail Trust) in connection with the acquisition. The valuer has carried out an internal inspection within the Property on 7 July 2020 and made independent investigations as necessary for carrying out this valuation. All information used has been verified as far as is reasonable, and has included information and data provided by you, from government departments, in the public domain, and our own internal database. In the absence of readily available and verifiable information from other sources for valuation purposes, and as agreed, we have relied on the information solely provided by you for the purposes of valuation. We have assumed all such information provided by you to be true and accurate. No structural survey or environmental survey of the Property has been carried out. Services and facilities have not been tested. We have assumed that the lease agreements are current, with good covenants and in line with the general market practice in Indonesia.
Valuer	This valuation has been prepared by Kelvin Ng and Alberth Chen. Kelvin Ng is a Licensed Appraiser under the Inland Revenue Authority of Singapore and Members of the Singapore Institute of Surveyors & Valuers. He is suitably qualified to carry out the valuation of this magnitude and nature and have over 25 years' experience in the real estate industry in Singapore. Alberth is a Member of the Indonesia Society of Appraisers (ISA / MAPPI) and a licensed appraiser. He is suitably qualified to carry out the valuation and has over 12 years' experience in the valuation of properties of this magnitude and nature, especially in Indonesia. Neither the valuer nor Colliers International Consultancy & Valuation (Singapore) Pte Ltd are aware of any pecuniary interest or conflict of interest that could reasonably be regarded as being capable of affecting the ability to give an unbiased and objective opinion of the value of the Property or that could conflict with a proper valuation of the Property.

Valuation Standards	This valuation has been carried out in accordance with the Singapore Institute of Surveyors and Valuers' Valuation Standards and Practice Guidelines. Colliers International Consultancy & Valuation (Singapore) Pte Ltd is also accredited under ISO 9001:2015. Colliers International Consultancy & Valuation (Singapore) Pte Ltd is regulated by the Singapore Institute of Surveyors and Valuers and all necessary investigations, inspections, and other work carried out for the purpose of this valuation have been in accordance with its' valuation standards. The Singapore Institute of Surveyors and Valuers monitors regulated firms under its Conduct and Disciplinary regulations. Colliers International maintains a complaint handling procedure, a copy of which is available on request. KJPP Rinaldi Alberth Baroto and Partners is a valuation firm licensed and operating in Republic of Indonesia, with Valuation Business License No.2.13.0114 dated 25 January 2013 issued by the Ministry of Finance or Republic of Indonesia. The Indonesian valuers are bounded by the Valuer Code of Ethics (Kode Etik Penilai Indonesia/KEPI). Colliers International Consultancy & Valuation (Singapore) Pte Ltd is working in alliance with KJPP Rinaldi Alberth Baroto and Partners in this valuation exercise.
Valuation Basis	Market Value on 'As-Is' Basis. Market Value is defined as "the estimated amount for which an asset should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".
Legal Description	This valuation is subject to the issuance of the strata title certificates ("SHM Sarusun") for the mall only. We have assumed that the issuance of the strata title certificates will be granted by the National Land Authority. We are not in a position to comment on the legal status of the Property and recommend the Client to appoint a legal advisor to verify the relevant land matters of the Property.
Tenure	Expiry Date of the shared land is 15 January 2040 (extendable and renewable).
Registered Proprietor	PT Mandiri Cipta Gemilang
Brief Description	The subject property stands on two land plots, irregular shaped, and separated by a road. The site is enclosed by roads in four directions, i.e. Jalan Puri Elok 1 and Jalan Puri Harum 1 (North), Jalan Puri Indah (East), Jakan Kembang Kerep (South), and Jalan Puri Lingkar Luar (West). The site is visible from the toll road. The ingress to the Subject Property is in six locations around the site. On site stands a 5-storey shopping mall. The site is shared with six (6) towers of St. Moritz Penthouse and Residences, and Lippo Office Tower. Both the apartment and office tower are integrated with Lippo Mall Puri.
Land Area	73,246 sm. (shared land)
Gross Floor Area	175,146 sm (as provided and subject to actual issuance of strata title certificates)
Net Lettable Area	126,209.82 sm comprising 122,862.18 sm of existing retail units (include car park 6,848.26 sm). 1,020 sm of potential retail units in AOS area and 2,327.64 sm of casual leasing (as provided and subject to survey).
Year of Completion	The construction was completed in 2014.

Occupancy	Tenanted by various tenants. The occupancy as at the date of valuation is 91.9% inclusive of committed leases and LOI signed.
Tenancy Profile	Based on the lease provided by the Client, the lease term varies with rental term between 12 months and 240 months. The rental term can be in 12, 24, 34, 36, 48, 49, 58, 59, 60, 120, 132, and 240 months. However, the most common rental term is approximately 60 months (65.8%), followed by approximately 120 months (28.33%), and 36 months (4.06%).
Rental Support	We understand that the acquisition includes a rental support structure in place from 30 June 2020 to FY2024. The Vendor will provide rental support for the difference between actual rental income and expected market rental. The rental guarantee from 30 June 2020 to 31 December 2020 is Rp170 Billion, FY 2021: Rp340 Billion, FY2022: Rp340 Billion, FY2023: Rp340 Billion, and FY2024: Rp340 Billion. We have made the special assumption with regards to rental support based on the structure made known to us and our valuation is subject to this assumption.
Town Planning	According to the building permit, the subject property is zoned for commercial use (apartment and shopping mall).
Valuation Approach	Discounted Cash Flow (DCF) Analysis
Discount Rate	13.73%
Terminal Rate	8.0%
Caveats & Assumptions	This report is subject to and includes our Standard Caveats and Assumptions as set out at Appendix I.
Special Caveat (COVID-19)	It has come to our attention that as at the valuation date, there has been a pandemic due to COVID-19 causing much disruption to economic activities around the world and especially in Indonesia. Such disruption may have a negative impact towards investment sentiment, and hence, any form of required rate of return as well as liquidity of any asset. As of the report date, it is uncertain how long the disruption will last and to what extent it will affect the economy. However, the government is implementing strict measures to control the pandemic and launching easing measures to stabilize the economy. In light of the past experience during SARS period, the COVID-19 may affect economic development in short run and the economy may remain stable and resilient in the medium to long term. If the pandemic can be fully controlled in the short period market conditions will return to normal and be in line with the condition assumptions we made as per the valuation date, the downwards risk towards the achievability of the rental/income projections will be eliminated and the market values of the subject property will not suffer substantial changes. As of the date of the valuation report, the pandemic is yet to be eased. If the pandemic can be fully controlled in short period, uncertainties will be gradually eliminated, and market condition is anticipated to recover and be in line with the valuation assumptions made as at the valuation date without other adverse influences. On such premise, the market value of the Property may not suffer substantial changes. Please note that property values might change over a short period of time and our opinion of value could change at another valuation date due to multiple external and internal factors other than the pandemic.

Date of Valuation	30 June 2020
Market Value	**WITH RENTAL SUPPORT** **Rp3,970,000,000,000/-** **(Indonesian Rupiah Three Trillion Nine Hundred Seventy Billion Only)** **WITHOUT RENTAL SUPPORT** **Rp3,680,000,000,000/-** **(Indonesian Rupiah Three Trillion Six Hundred Eighty Billion Only)**

Yours faithfully,
For and on behalf of

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Kelvin Ng
Licensed Appraiser No. AD041- 2006050A
Senior Director
Valuation & Advisory Department

KJPP Rinaldi Alberth Baroto & Partners

Alberth, ST, MAPPI (Cert.)
Managing Partner
Public Valuer License No. P-1.10-00287
Certified Member of MAPPI No. 08-S-02163

Appendix I

CAVEATS AND ASSUMPTIONS

1. DEFINITIONS

In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:

'Confidential Information' means information that:

(a) Is by its nature confidential.

(b) Is designed by Us as confidential.

(c) You know or ought to know is confidential.

(d) Includes, without limitation: information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.

'Currency Date' means, in relation to any valuation report, the date as at which our professional opinion is stated to be current.

'Fee' means the amount agreed to be paid for the Services as set out in the Quotation.

'**Parties**' means You or Us as the context dictates.

'**Quotation**' means the written quote provided by Us in relation to the Services.

'**Services**' means the valuation services provided pursuant to these Terms and Conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.

'**The Property**' means the assets which are subject of our appointment as your advisor.

'**We**', '**Us**', '**Our**', '**Colliers**' means Colliers International Limited.

'**You**', '**Your**', '**Client**' means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to us even though such instructions were given as agent for another.

'**Professional Property Practice Standards**' refers to RICS Valuation and Appraisal Handbook, or Singapore Institute of Surveyors & Valuers' Valuation Standards and Practice Guidelines.

2. PERFORMANCE OF SERVICES

2.1 We have provided the Services in accordance with:

(a) The Terms and Conditions contained herein; or

(b) As specifically instructed by You for the purpose of the Services; and

(c) Within the current provisions set by the prevailing Professional Property Practice Standards.

3. CONDITION OF THE PROPERTY

3.1 No allowance has been made in our report for any charges, mortgages or amounts owing on any of the properties valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists.

3.2 We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, and authorisations have been obtained, except only where otherwise stated.

3.3 We have assumed that any development sites are in a condition suitable for development; this has not been checked by us.

3.4 We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurements has been taken.

3.5 We have assumed that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.

3.6 An internal inspection has been made, unless otherwise stated.

3.7 While due care is exercised in the course of our inspection to note any serious defects, no structural survey of the Property will or has been undertaken, and We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.

3.8 None of the services have been tested by Us and we are unable therefore to report on their present condition, but will presume them to be in good working order.

3.9 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.

3.10 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property.

4. ENVIRONMENT AND PLANNING

4.1 We have obtained town planning information from the prevailing Master Plan available on URA website. It is your responsibility to check the accuracy of this information under the appropriate planning legislation.

4.2 For obvious reasons, we do not and cannot provide information relating to government acquisitions unless the land has already been gazetted for acquisition.

4.3 No requisition on road, MRT, LRT, drainage and other government proposals has been made by us. Such information will not be tendered unless specifically requested for and we be properly reimbursed.

4.4 We do not hold ourselves to be experts in environmental contamination. Unless otherwise stated, our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show that the site is contaminated, our valuation may require revision.

5. FLOOR/BUILDING AREAS AND LETTABLE AREAS

5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the prevailing Professional Property Practice Standards.

5.2 If you do not provide Us with a survey, We will estimate floor/building and/or lettable areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the prevailing Professional Property Practice Standards.

5.3 Where such a survey is subsequently produced which differs from the areas estimated by us then You will refer the valuation back to Us for comment or, where appropriate, amendment.

6. OTHER ASSUMPTIONS

6.1 Unless otherwise notified by You, We will assume:

(a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the Title.

(b) All licences and permits can be renewed and We have not made any enquires in this regard.

6.2 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural/ dilapidation reports), we will rely upon the apparent expertise of such experts/ specialists. We will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.

6.3 Our services are provided on the basis that the client has provided us with a full and frank disclosure of all information and other facts which may affect the service, including all secrecy clauses and side agreements. We accept no responsibility or liability whatsoever for the valuation unless such a full disclosure has been made.

6.4 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.

6.5 The study of possible alternative development options and the related economics are not within the scope of this report, unless otherwise stated.

6.6 Our opinion about the Market Value of the property is free from any influence and/ or point of views of any other parties.

6.7 All Location Plans are obtained from www.streetdirectory.com. Whilst we do make every endeavor to update the maps as far as it is possible, we do not vouch for the accuracy of the maps and shall not be responsible if it is otherwise.

6.8 Values are reported in Singapore currency unless otherwise stated.

7. ESTIMATED SELLING PRICE

7.1 Where you instruct Us to provide an Estimated Selling Price, You agree that the Services:

(a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.

(b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of Title(s) or other enquiries as to encumbrances, restrictions or impediments on Title(s); or other investigations which would be required for a formal valuation.

(c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.

7.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an Estimated Selling Price.

8. CURRENCY OF VALUATION

8.1 Due to possible changes in market forces and circumstances in relation to the property the Services can only be regarded as relevant as at the Currency Date.

8.2 Where You rely upon Our valuation report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.

8.3 Without limiting the generality of 9.1, You should not rely upon Our valuation:

(a) After the expiry of 3 months from the Currency Date;

(b) Where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation report.

9. MARKET PROJECTIONS

9.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and based on information currently available to us and not representative of what actual values of the property will be as at future date. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.

9.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.

9.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.

9.4 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by you.

10. YOUR OBLIGATIONS

10.1 You warrant that the instructions and subsequent information supplied by You contain a full and frank disclosure of all information that is relevant to Our provision of the Services.

10.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.

10.3 You authorise and license Us to incorporate Your intellectual property within Our report(s).

10.4 You will not release any part of Our valuation report or its substance to any third party without Our written consent. When we consent for You to release Our report or any part of Our report to any third party, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/ they had been a party to the original letter of instruction between us. Where we consent to such reliance, You agree to furnish the addressee with a copy of any reliance letter issued by Us and/ or a copy of these terms and conditions.

10.5 We reserve the right to reconsider or amend the valuation advice, or the Fee set out in Our Quotation to You, if;

(a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or

(b) Where subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services.

(c) The information provided to Us by You prior to the provision of services is in any way incomplete, misleading or wrong.

10.6 If You release any part of the valuation advice or its substance without written consent, You agree to defend, You agree to defend and indemnify Us against claims by a third party who has reviewed the report if We have not, at or subsequent to the time of engagement, provided our specific written consent to such party reviewing and replying on the report. We have no responsibility to any other person even if that person suffers damage as a result of You providing this valuation without Our prior consent.

10.7 You agree that the only remedy for losses or damages relating to the breach of this Agreement shall be limited to three times Our contracted fee for the assignment and no claim shall be made any consequential or punitive damages.

10.8 You agree not to bring any claim for any losses against any director, consultant or any employee of Ours. You hereby agree that Our director, consultant or any employee does not have a personal duty of care to You and any claim for losses must be brought against Colliers International.

10.9 Where any loss is suffered by You for which We and any other person are jointly and severally liable to You the loss recoverable by You from Us shall be limited so as to be in proportion to our relative contribution to the overall fault.

11. CONFIDENTIALITY

11.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose stated in our valuation report, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any purpose unless we have given Our express written consent. Similarly neither the whole nor any part of this report nor any reference there to may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.

11.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.

11.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.

11.4 Unless otherwise directed in writing by Client, Colliers International retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

12. PRIVACY

12.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organisation other than Us.

13. SUBCONTRACTING

13.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these Terms and Conditions, with Your consent.

14. LIMITATION OF COLLIERS LIABILITY

14.1 To the extent permissible under applicable laws, in no event shall Colliers International be liable to Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.

14.2 We shall be released from Our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond Our reasonable control (example being a strike, act of God or act of terrorism). All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Colliers international. Notwithstanding this, Colliers International reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report.

14.3 Neither Colliers nor any employee of Ours shall be required to give testimony or to appear in court or any other tribunal or at any government agency by reason of this valuation report or with reference to the property in question, except by court summons/ judicial notification, and unless prior arrangements have been made and we are properly reimbursed for reasonable time and expenses incurred. The hourly billing pertain to court preparation, waiting and travel time, document review and preparation (excludes valuation report) and all meetings related to court testimony.

14.4 We are free from any possible legal and/ or non-legal issue which may attach to the Property's title documents.

14.5 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to Us by You.

14.6 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error/ offence. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, we are only to held liable for an amount of three times Our contracted fee for the assignment per property.

14.7 Where the agreement is addressed to more than one Client, the above limit of liability applies to the aggregate of all claims by all such Clients and not separately to each Client.

14.8 No third party will be entitled to rely on any part of Our valuation report or its substance or advice except with our written consent. Should any third party rely on Our report without obtaining Our written consent, We are not bound by any liability which arises from the use of or reliance upon Our valuation report by such unauthorized party.

14.9 We will not be liable for any services outside the scope of the services agreed to be performed by Us, and in respect of any consequential losses or loss of profits.

14.10 Responsibility for Our valuation extends only to the party(ies) to whom it is addressed. However in the event of Us being asked by You to re-address Our report to another party or other parties or permit reliance upon it by another party or other parties, We will give consideration to doing so, to named parties, and We reserve the right to charge additional fee for doing so although We will agree such fee with You before commencing the work.

15. ENTIRE AGREEMENT

15.1 No further agreement, amendment or modification of these Terms and Conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorised officers.

15.2 If there is inconsistency between these Terms and Conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.

15.3 Copyright in any reports, documents or other material provided to You by Us shall remain Our property at all times unless otherwise stated

16. ANTI BRIBERY AND CORRUPTION MEASURES

16.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, "Consultant") has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (iii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term "Government Official" in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.

16.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own assets.

Colliers International Consultancy & Valuation (Singapore) Pte Ltd
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Singapore 018961
RCB No. 198105965E

MAIN +65 6223 2323
EMAIL Singapore.Valuation@colliers.com

Summary Letter

Our Reference	2020/C3/0019/MISC
Valuation Prepared For	Perpetual (Asia) Limited (as Trustee of Lippo Malls Indonesia Retail Trust)
Property Address	Lippo Mall Puri, (the "Property") Jalan Puri Indah Blok U1 – Puri Indah CBD Jakarta Barat, Sub-district of Kembangan Selatan, District of Kembangan, City of Jakarta Barat, Province of DKI Jakarta – Indonesia
Purpose of Valuation	For acquisition purpose and the inclusion of the valuation certificate/report in a circular to be issued by LMIRT Management Ltd (as manager of Lippo Malls Indonesia Retail Trust) in connection with the acquisition.
Material Date of Valuation	30 June 2020
Valuation Instructions	An internal inspection of the Property was carried out by Alberth Chen and a formal full valuation report has been instructed and prepared by Kelvin Ng from Colliers International Consultancy & Valuation (Singapore) Pte Ltd and Alberth Chen from KJPP Rinaldi Alberth Baroto & Partners. Neither the valuer nor Colliers International Consultancy & Valuation (Singapore) Pte Ltd are aware of any pecuniary interest or conflict of interest that could reasonably be regarded as being capable of affecting the ability to give an unbiased and objective opinion of the value of the Property or that could conflict with a proper valuation of the Property.
Valuation Basis	Market Value on 'As-Is' Basis. Market Value is defined as "the estimated amount for which an asset should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."
Brief Description	The subject property stands on two land plots, irregular shaped, and separated by a road. The site is enclosed by roads in four directions, i.e. Jalan Puri Elok 1 and Jalan Puri Harum 1 (North), Jalan Puri Indah (East), Jakan Kembang Kerep (South), and Jalan Puri Lingkar Luar (West). The site is visible from the toll road. The ingress to the Subject Property is in six locations around the site. On site stands a 5-storey shopping mall. The site is shared with six (6) towers of St. Moritz Penthouse and Residences, and Lippo Office Tower. Both the apartment and office tower are integrated with Lippo Mall Puri.

Tenure	Expiry Date of the shared land is 15 January 2040 (extendable and renewable).
Land Area	73,246 sm. (shared land)
Gross Floor Area	175,146 sm (as provided and subject to actual issuance of strata title certificates)
Net Lettable Area	126,209.82 sm comprising 122,862.18 sm of existing retail units (include car park 6,848.26 sm). 1,020 sm of potential retail units in AOS area and 2,327.64 sm of casual leasing (as provided and subject to survey).
Tenancy Profile	The anchor tenants are Sogo, Matahari Department Store, Foodhall and Cinema XXI. The current occupancy rate is 91.9% inclusive of committed leases and LOI Signed. Based on the tenancy schedule, the weighted average lease expiry (WALE) is approximately 3.4 years.
Rental Support	We understand that the acquisition includes a rental support structure in place from 30 June 2020 to FY2024. The Vendor will provide rental support for the difference between actual rental income and expected market rental. The rental guarantee from 30 June 2020 to 31 December 2020 is Rp170 Billion, FY 2021: Rp340 Billion, FY2022: Rp340 Billion, FY2023: Rp340 Billion, and FY2024: Rp340 Billion. We have made the special assumption with regards to rental support based on the structure made known to us and our valuation is subject to this assumption.
Valuation Methodology	We have used the Income Approach -Discounted Cash Flow (DCF) Analysis to determine the market value of the property. In the DCF Analysis, the projected cashflow of the property is forecasted over a 10-year investment horizon with an assumed sale at the end of the period. The future estimates adopted for income and expenses are projections only formed based on information currently available to us and are not representations of what the value of the property will be as at a future date. These assumptions are based on the prevailing market conditions and expectations as to the property values, income and yield. The income and expense figures are mathematically extended with adjustments for estimated changes and economic conditions. The results and conclusion of value are considered the best practice estimate and are not to be construed as a prediction or guarantee and are fully dependent upon the accuracy of the assumptions as to income, expenses and market conditions.
Discount Rate	13.73%
Terminal Capitalisation Rate	8.0%

Assumptions	We have assumed that the strata title certificates can be issued. We did not take into account the cost to issue the certificates. We have excluded the retail walkway under the bridge and above the road as we understand that there is a legal lawsuit with regards to this area. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We have assumed the Property can be freely transferred, mortgaged and let in the market without any additional fee. We have assumed that all Information, estimates and opinions furnished to us and contained in this report have been obtained from sources considered reliable and believed to be true and correct, but we can assume no responsibility for their accuracy. We take no responsibility for any events, conditions, or circumstances affecting the market value of the Subject Property that take place subsequent to either the date of valuation or the date of site inspection, whichever occurs first. Any financial forecasts assessment presented in this report are based on an evaluation of the current economic condition, which did not take into account nor make provision for the effect of any sharp rise or decline in future economic conditions (including currency exchange rate). We do not warrant that the forecasts will be attained but they have been prepared on the basis of information obtained during the course of this valuation exercise and are intended to reflect the expectations of typical investors. We have assumed that the Property is free from any environmental problem or hazard. We are not aware of any easements or rights - of - way affecting the property and our valuation assumes that none exists. We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all relevant laws, ordinances and statutory requirements except only where otherwise stated. We have assumed that, for any use of the Property upon which this valuation report is based, any and all required licences, permits, certificates, and authorisation have been obtained, and are capable of renewal without difficulty, except only where otherwise stated. We have assumed the Property is in a good state of repair, management and maintenance and fit for the use to which it is put and will continue to be managed and maintained to this standard in the future. We have assumed that the current tenancies of the Property are of good covenants and will run the full term of their leases at the contracted rental levels. We have made the special assumption with regards to rental support based on the proposed structure made known to us and our valuation is subject to this assumption.

Market Value	**WITH RENTAL SUPPORT** **Rp3,970,000,000,000/-** **(Indonesian Rupiah Three Trillion Nine Hundred Seventy Billion Only)** **WITHOUT RENTAL SUPPORT** **Rp3,680,000,000,000/-** **(Indonesian Rupiah Three Trillion Six Hundred Eighty Billion Only)**
Caveats & Assumptions	This report is subject to and includes our Standard Caveats and Assumptions as set out at Appendix I.
Special Caveat (COVID-19)	It has come to our attention that as at the valuation date, there has been a pandemic due to COVID-19 causing much disruption to economic activities around the world and especially in Indonesia. Such disruption may have a negative impact towards investment sentiment, and hence, any form of required rate of return as well as liquidity of any asset. As of the report date, it is uncertain how long the disruption will last and to what extent it will affect the economy. However, the government is implementing strict measures to control the pandemic and launching easing measures to stabilize the economy. In light of the past experience during SARS period, the COVID-19 may affect economic development in short run and the economy may remain stable and resilient in the medium to long term. If the pandemic can be fully controlled in the short period market conditions will return to normal and be in line with the condition assumptions we made as per the valuation date, the downwards risk towards the achievability of the rental/income projections will be eliminated and the market values of the subject property will not suffer substantial changes. As of the date of the valuation report, the pandemic is yet to be eased. If the pandemic can be fully controlled in short period, uncertainties will be gradually eliminated, and market condition is anticipated to recover and be in line with the valuation assumptions made as at the valuation date without other adverse influences. On such premise, the market value of the Property may not suffer substantial changes. Please note that property values might change over a short period of time and our opinion of value could change at another valuation date due to multiple external and internal factors other than the pandemic.

Yours faithfully,
For and on behalf of

Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Kelvin Ng
Licensed Appraiser No. AD041- 2006050A
Senior Director
Valuation & Advisory Department

KJPP Rinaldi Alberth Baroto & Partners

Alberth, ST, MAPPI (Cert.)
Managing Partner
Public Valuer License No. P-1.10-00287
Certified Member of MAPPI No. 08-S-02163

Appendix I

CAVEATS AND ASSUMPTIONS

1. DEFINITIONS

In these Caveats and Assumptions the following words or phrases shall have the meaning or meanings set out below:

'Confidential Information' means information that:

(a) Is by its nature confidential.

(b) Is designed by Us as confidential.

(c) You know or ought to know is confidential.

(d) Includes, without limitation: information comprised in or relating to any of Our intellectual property in the Services or any reports or certificates provided as part of the Services.

'Currency Date' means, in relation to any valuation report, the date as at which our professional opinion is stated to be current.

'Fee' means the amount agreed to be paid for the Services as set out in the Quotation.

'**Parties**' means You or Us as the context dictates.

'**Quotation**' means the written quote provided by Us in relation to the Services.

'**Services**' means the valuation services provided pursuant to these Terms and Conditions and the Quotation, and includes any documents, reports or certificates provided by Us in connection with the Services.

'**The Property**' means the assets which are subject of our appointment as your advisor.

'**We**', '**Us**', '**Our**', '**Colliers**' means Colliers International Limited.

'**You**', '**Your**', '**Client**' means the person, company, firm or other legal entity by or on whose behalf instructions are given, and any person, firm, company or legal entity who actually gave the instructions to us even though such instructions were given as agent for another.

'**Professional Property Practice Standards**' refers to RICS Valuation and Appraisal Handbook, or Singapore Institute of Surveyors & Valuers' Valuation Standards and Practice Guidelines.

2. PERFORMANCE OF SERVICES

2.1 We have provided the Services in accordance with:

(a) The Terms and Conditions contained herein; or

(b) As specifically instructed by You for the purpose of the Services; and

(c) Within the current provisions set by the prevailing Professional Property Practice Standards.

3. CONDITION OF THE PROPERTY

3.1 No allowance has been made in our report for any charges, mortgages or amounts owing on any of the properties valued nor for any expenses or taxation which may be incurred in effecting a sale. We have assumed that the Property is free from and clear of any and all charges, liens and encumbrances of an onerous nature likely to affect value, whether existing or otherwise, unless otherwise stated. We assume no responsibility for matters legal in nature nor do we render any opinion as to the title which is assumed to be good and marketable. We are not aware of any easements or rights of way affecting the property and our valuation assumes that none exists.

3.2 We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of, all ordinances, except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, and authorisations have been obtained, except only where otherwise stated.

3.3 We have assumed that any development sites are in a condition suitable for development; this has not been checked by us.

3.4 We have not carried out detailed site measurements to verify the correctness of the site areas in respect of the properties but have assumed that the site areas shown on the documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurements has been taken.

3.5 We have assumed that there is no timber infestation, asbestos or any other defect (unless advised otherwise) and that the property is compliant with all relevant environmental laws. It is Your responsibility to provide reports to Us that are relevant to these issues.

3.6 An internal inspection has been made, unless otherwise stated.

3.7 While due care is exercised in the course of our inspection to note any serious defects, no structural survey of the Property will or has been undertaken, and We will not (and are not qualified to) carry out a structural, geotechnical or environmental survey. We will not inspect those parts of the property that are unexposed or inaccessible.

3.8 None of the services have been tested by Us and we are unable therefore to report on their present condition, but will presume them to be in good working order.

3.9 We recommend that You engage appropriately qualified persons to undertake investigations excluded from our Services.

3.10 No responsibility will be accepted either to You or to any third party for loss or damage that may result directly or indirectly from the condition of the property.

4. **ENVIRONMENT AND PLANNING**

4.1 We have obtained town planning information from the prevailing Master Plan available on URA website. It is your responsibility to check the accuracy of this information under the appropriate planning legislation.

4.2 For obvious reasons, we do not and cannot provide information relating to government acquisitions unless the land has already been gazetted for acquisition.

4.3 No requisition on road, MRT, LRT, drainage and other government proposals has been made by us. Such information will not be tendered unless specifically requested for and we be properly reimbursed.

4.4 We do not hold ourselves to be experts in environmental contamination. Unless otherwise stated, our inspection of the site did not reveal any contamination or pollution affectation, and our valuation has been prepared on the assumption that that the land is not contaminated and has not been affected by pollutants of any kind. We would recommend that that this matter be checked by a suitably qualified environmental consultant. Should subsequent investigation show that the site is contaminated, our valuation may require revision.

5. **FLOOR/BUILDING AREAS AND LETTABLE AREAS**

5.1 Where a survey is provided to Us for consideration, We will assume that information contained in the survey is accurate and has been prepared in accordance with the prevailing Professional Property Practice Standards.

5.2 If you do not provide Us with a survey, We will estimate floor/building and/or lettable areas based only upon available secondary information (including but not limited to building plans, deposited plans, and our own measurements). Such estimates do not provide the same degree of accuracy or certainty as would be provided by a survey prepared by an appropriately qualified professional in accordance with the prevailing Professional Property Practice Standards.

5.3 Where such a survey is subsequently produced which differs from the areas estimated by us then You will refer the valuation back to Us for comment or, where appropriate, amendment.

6. **OTHER ASSUMPTIONS**

6.1 Unless otherwise notified by You, We will assume:

(a) There are no easements, mortgages, leases, encumbrances, covenants, caveats, rights of way or encroachments except those shown on the Title.

(b) All licences and permits can be renewed and We have not made any enquires in this regard.

6.2 Where third party expert or specialist information or reports are provided to Us or obtained by Us in connection with Services (including but not limited to surveys, quantity surveyors reports, environmental audits, structural/ dilapidation reports), we will rely upon the apparent expertise of such experts/ specialists. We will not verify the accuracy of this information or reports, and assume no responsibility for their accuracy.

6.3 Our services are provided on the basis that the client has provided us with a full and frank disclosure of all information and other facts which may affect the service, including all secrecy clauses and side agreements. We accept no responsibility or liability whatsoever for the valuation unless such a full disclosure has been made.

6.4 Any plans, sketches or maps included in this report are for identification purposes only and should not be treated as certified copies of areas or other particulars contained therein.

6.5 The study of possible alternative development options and the related economics are not within the scope of this report, unless otherwise stated.

6.6 Our opinion about the Market Value of the property is free from any influence and/ or point of views of any other parties.

6.7 All Location Plans are obtained from www.streetdirectory.com. Whilst we do make every endeavor to update the maps as far as it is possible, we do not vouch for the accuracy of the maps and shall not be responsible if it is otherwise.

6.8 Values are reported in Singapore currency unless otherwise stated.

7. **ESTIMATED SELLING PRICE**

7.1 Where you instruct Us to provide an Estimated Selling Price, You agree that the Services:

(a) Are limited to the provision of an opinion based on Our knowledge of the market and informal enquiries.

(b) We are not required to carry out a full inspection of the property; any inspection of comparable properties; a search of Title(s) or other enquiries as to encumbrances, restrictions or impediments on Title(s); or other investigations which would be required for a formal valuation.

(c) Provide an indicative figure only which is not suitable for use for any purpose other than as general information or guide as to sale expectations. It is not suitable to be relied upon for the purpose of entry into any transaction.

7.2 No responsibility will be accepted either to You or to any third party for loss or damage that may result from the issue of such an Estimated Selling Price.

8. CURRENCY OF VALUATION

8.1 Due to possible changes in market forces and circumstances in relation to the property the Services can only be regarded as relevant as at the Currency Date.

8.2 Where You rely upon Our valuation report after the Currency Date, You accept the risks associated with market movements between the Currency Date and the date of such reliance.

8.3 Without limiting the generality of 9.1, You should not rely upon Our valuation:

(a) After the expiry of 3 months from the Currency Date;

(b) Where circumstances have occurred during that period which may have a material effect on the value of the property or the assumptions or methodology used in the valuation report.

9. MARKET PROJECTIONS

9.1 Any market projections incorporated within our Services including, but not limited to, income, expenditure, associated growth rates, interest rates, incentives, yields and costs are projections only and based on information currently available to us and not representative of what actual values of the property will be as at future date. Accordingly, such market projections should be interpreted as an indicative assessment of potentialities only, as opposed to certainties.

9.2 Where Our Services include market projections such projections require the dependence upon a host of variables that are highly sensitive to varying conditions. Accordingly, variation in any of these conditions may significantly affect these market projections.

9.3 Where market projections form part of Our Services, We draw your attention to the fact that there will be a number of variables within acceptable market parameters that could be pertinent to Our Services and the projections adopted are representative of only one of these acceptable parameters.

9.4 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to us by you.

10. YOUR OBLIGATIONS

10.1 You warrant that the instructions and subsequent information supplied by You contain a full and frank disclosure of all information that is relevant to Our provision of the Services.

10.2 You warrant that all third party expert or specialist reports provided to Us by You for the purpose of Us providing the Services are provided with the authority of the authors of those reports.

10.3 You authorise and license Us to incorporate Your intellectual property within Our report(s).

10.4 You will not release any part of Our valuation report or its substance to any third party without Our written consent. When we consent for You to release Our report or any part of Our report to any third party, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/ they had been a party to the original letter of instruction between us. Where we consent to such reliance, You agree to furnish the addressee with a copy of any reliance letter issued by Us and/ or a copy of these terms and conditions.

10.5 We reserve the right to reconsider or amend the valuation advice, or the Fee set out in Our Quotation to You, if;

(a) Certificates, surveys, leases, side agreements or related documentation that were not provided to Us prior to the provision of the Services are subsequently provided, and contain matters that may affect the value of the advice; or

(b) Where subsequent site inspections made in relation to any of the matters raised in Clause 3 materially affect or may alter the value of the property, the subject of the Services.

(c) The information provided to Us by You prior to the provision of services is in any way incomplete, misleading or wrong.

10.6 If You release any part of the valuation advice or its substance without written consent, You agree to defend, You agree to defend and indemnify Us against claims by a third party who has reviewed the report if We have not, at or subsequent to the time of engagement, provided our specific written consent to such party reviewing and replying on the report. We have no responsibility to any other person even if that person suffers damage as a result of You providing this valuation without Our prior consent.

10.7 You agree that the only remedy for losses or damages relating to the breach of this Agreement shall be limited to three times Our contracted fee for the assignment and no claim shall be made any consequential or punitive damages.

10.8 You agree not to bring any claim for any losses against any director, consultant or any employee of Ours. You hereby agree that Our director, consultant or any employee does not have a personal duty of care to You and any claim for losses must be brought against Colliers International.

10.9 Where any loss is suffered by You for which We and any other person are jointly and severally liable to You the loss recoverable by You from Us shall be limited so as to be in proportion to our relative contribution to the overall fault.

11. CONFIDENTIALITY

11.1 This report and each part of it is prepared and intended for the exclusive use of the Client for the sole purpose stated in our valuation report, and in accepting this report, the Client expressly agrees not to use or rely upon this report or any part of it for any other purpose. No person other than the Client shall use or rely upon this report or any part of it for any purpose unless we have given Our express written consent. Similarly neither the whole nor any part of this report nor any reference there to may be included in any document, circular or statement nor published in any way without our written approval of the form and context in which it may appear.

11.2 If consent to disclose the Confidential Information is provided by Us, You agree to abide by any additional terms and conditions that We may apply to that disclosure.

11.3 You agree that You will indemnify, hold harmless and defend Us from and against any and all loss, liability, costs or expenses (including but not limited to professional or executive time) We may suffer or reasonably incur, directly or indirectly, as a result of a breach of this clause.

11.4 Unless otherwise directed in writing by Client, Colliers International retains the right to include references to the Services in its promotional material. Such references shall not contain confidential material.

12. PRIVACY

12.1 We may obtain personal information about You in the course of performing Our Services. We respect your privacy and advise You that we will only obtain information that is necessary to assist us in the course of performing Our Services. If it is necessary for Us to engage third parties, we will inform these parties that they are not to disclose any personal information about You to any person or organisation other than Us.

13. SUBCONTRACTING

13.1 We may sub-contract or otherwise arrange for another person to perform any part of the Services or to discharge any of Our obligations under any part of these Terms and Conditions, with Your consent.

14. LIMITATION OF COLLIERS LIABILITY

14.1 To the extent permissible under applicable laws, in no event shall Colliers International be liable to Client or anyone claiming by, through or under Client, including insurers, for any lost, delayed, or diminished profits, revenues, production, business, use or opportunities, or any incidental, special, indirect, or economic losses, wasted costs, diminution of value or consequential damages, of any kind or nature whatsoever, however caused.

14.2 We shall be released from Our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond Our reasonable control (example being a strike, act of God or act of terrorism). All the costs and benefits forecasted will, ultimately, be determined by future market conditions. Forecasts of these elements are based on assumptions of certain variable factors, which, in turn, are extremely sensitive to changes in the market and economic contexts. For this reason, the figures mentioned in this report were not computed under any known or guaranteed conditions. Rather, these are forecasts drawn from reliable sources of data and information and made in the best judgment and professional integrity of Colliers international. Notwithstanding this, Colliers International reiterates that it will not accept any responsibilities in the face of damage claims that might result from any error, omission or recommendations, viewpoints, judgments and information provided in this report.

14.3 Neither Colliers nor any employee of Ours shall be required to give testimony or to appear in court or any other tribunal or at any government agency by reason of this valuation report or with reference to the property in question, except by court summons/ judicial notification, and unless prior arrangements have been made and we are properly reimbursed for reasonable time and expenses incurred. The hourly billing pertain to court preparation, waiting and travel time, document review and preparation (excludes valuation report) and all meetings related to court testimony.

14.4 We are free from any possible legal and/ or non-legal issue which may attach to the Property's title documents.

14.5 All statements of fact in the valuation report which are used as the basis of our analyses, opinions, and conclusions will be true and correct to the best of our knowledge and belief. We do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the Property furnished to Us by You.

14.6 Our liability for loss and damage attributable to Our negligence, breach of contract, misrepresentation or otherwise (but not in respect of fraud, fraudulent misrepresentation, death or personal injury) shall be limited to a maximum of three times Our contracted fee for the assignment per property for any single case. A single case of damages is defined as the total sum of all damage claims of all persons entitled to claim, which arise from one and the same professional error/ offence. In the case of damages suffered from several offences brought about by the same technical error within the scope of several coherent services of a similar nature, we are only to held liable for an amount of three times Our contracted fee for the assignment per property.

14.7 Where the agreement is addressed to more than one Client, the above limit of liability applies to the aggregate of all claims by all such Clients and not separately to each Client.

14.8 No third party will be entitled to rely on any part of Our valuation report or its substance or advice except with our written consent. Should any third party rely on Our report without obtaining Our written consent, We are not bound by any liability which arises from the use of or reliance upon Our valuation report by such unauthorized party.

14.9 We will not be liable for any services outside the scope of the services agreed to be performed by Us, and in respect of any consequential losses or loss of profits.

14.10 Responsibility for Our valuation extends only to the party(ies) to whom it is addressed. However in the event of Us being asked by You to re-address Our report to another party or other parties or permit reliance upon it by another party or other parties, We will give consideration to doing so, to named parties, and We reserve the right to charge additional fee for doing so although We will agree such fee with You before commencing the work.

15. ENTIRE AGREEMENT

15.1 No further agreement, amendment or modification of these Terms and Conditions shall be valid or binding unless made in writing and executed on behalf of the Parties by their duly authorised officers.

15.2 If there is inconsistency between these Terms and Conditions and the Quotation, any letter of instruction from You, or other specific request or information shall prevail to the extent of the inconsistency.

15.3 Copyright in any reports, documents or other material provided to You by Us shall remain Our property at all times unless otherwise stated

16. ANTI BRIBERY AND CORRUPTION MEASURES

16.1 We represent, in connection with any services to be provided to You, that neither We nor Our contractors, employees or agents (collectively, "Consultant") has made or will make, either directly or indirectly, any payments (i) to or for the use or benefit of any Government Official (ii) to any other person either for an advance or reimbursement, if Consultant knows or has reason to know that any part of such payment has been or will be given to any Government official or (iii) to any person or entity, the payment of which would violate laws and regulations in Australia, the United States, the United Kingdom or any other government entity having jurisdiction over the activities carried out by Consultant. The term "Government Official" in this paragraph means any officer or employee of a government or any governmental department or agency, or any person acting in an official capacity for or on behalf of any such government or governmental department or agency, including employees of state-owned or controlled entities and candidates for political office.

16.2 We represent that, in connection with any services to be provided to You, We will conduct operations at all times in compliance with applicable financial recordkeeping and reporting requirements, including all applicable money laundering-related laws of any jurisdictions where We conduct business or own assets.

SUMMARY OF THE INDEPENDENT MARKET RESEARCH REPORT

Perpetual (Asia) Limited
(in its capacity as trustee of Lippo Malls Indonesia Retail Trust)
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LMIRT Management Ltd.
(in its capacity as manager of Lippo Malls Indonesia Retail Trust)
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Singapore 068809

26 August 2020

Dear Sir,

Independent Retail Property Review and Competitive Analysis for Lippo Mall Puri, West Jakarta, Indonesia

Thank you for commissioning Savills Valuation and Professional Services (S) Pte Ltd to conduct an independent retail property market review and competitive analysis for Lippo Mall Puri, West Jakarta, Indonesia.

The study includes an overview of socio-economic and relevant retail trends, analyses of supply, demand, as well as rental and capital values for the retail property market in Indonesia, with focus on West Jakarta. It also includes a review of Lippo Mall Puri and its key competitors.

It has been a pleasure working with you and your team and we look forward to working with you again in the future.

Yours faithfully,

Alan Cheong
Executive Director
Research & Consultancy
Savills Valuation and Professional Services (S) Pte Ltd
30 Cecil Street, #20-03, Prudential Tower
Singapore 049712
Tel: 6836 6888

MARKET RESEARCH REPORT

INTRODUCTION

The information and statistics presented in this market research report is independently prepared by Savills Valuation and Professional Services (S) Pte Ltd for use in a circular issued by LMIRT Management Ltd., the manager of Lippo Malls Indonesia Retail Trust, in connection with its proposed acquisition of Lippo Mall Puri (known hereafter as the subject property), located at Jalan Puri Indah Boulevard Block U1, Puri Indah, South Kembangan Sub-district, Kembangan District, West Jakarta City, DKI Jakarta Province, Indonesia. It is classified by Savills as an upper-grade mall. The market research report includes a socio-economic review of Indonesia, major retail industry and property market trends, site, micro-market and competitive analyses of the subject property.

Certain information is based on, or derived or extracted from, among other sources, publications of government authorities and internal organisations, market data providers, communications with other independent third-party sources unless otherwise indicated. We believe that the sources of such information and statistics are appropriate and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information and statistics are false or misleading in any material respect or that any fact has been omitted that would render such information and statistics false or misleading. Savills Valuation and Professional Services (S) Pte Ltd confirms that, after taking reasonable care, they are not aware of any adverse change in market information since the date of this circular which may qualify, contradict or adversely impact the quality of the information in this report.

The forward statements in this report are based on our expectations and forecasts. These statements should be regarded as our assessment of the future, based on certain assumptions on variables which are subject to changing conditions. Changes in any of these variables may significantly affect our expectations and forecasts.

SOCIO-ECONOMIC OVERVIEW

Despite the COVID-19 pandemic, Indonesia is poised for recovery in the mid-term

Pandemic had a significant impact on the global economy, including Indonesia

The COVID-19 pandemic, which was more severe than initially expected, significantly and systematically the global economy. Indonesia has not been spared from the ensuing economic disruption and slew of containment measures at home and abroad. Notwithstanding concerns that weak demand will persist, amid expectations that global demand will remain depressed, consumers and business tightening their spending and a beleaguered tourism industry, Indonesia continues to possess strong potency for recovery from 2021 onwards.

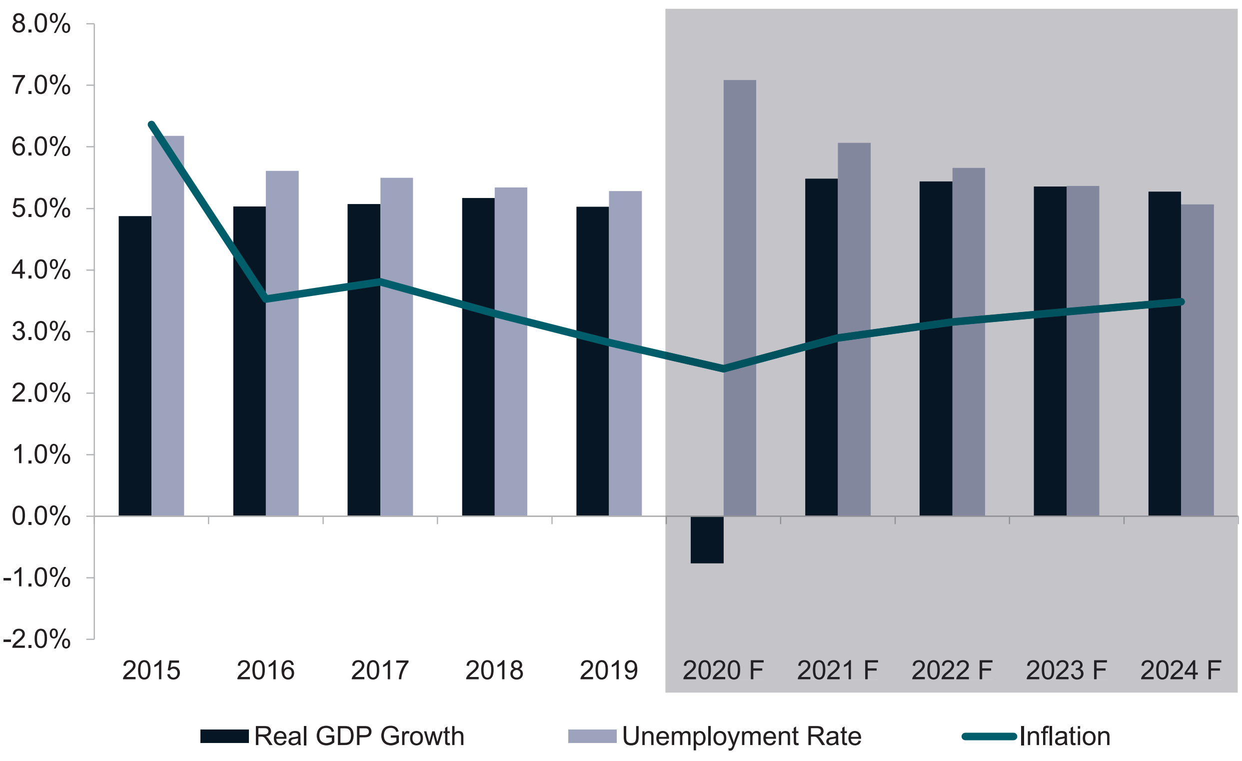
Indonesia possesses strong potency for a rebound in the mid-term

Indonesia's socio-economic foundations have been laid well over the recent years. It enjoys a solid consumer market base, supported by strong domestic economic growth, rapid urbanisation, as well as its large, youthful population and rising middle class. Indonesia has also weathered several global economic challenges and the associated volatility better than many other countries. Moreover, the Indonesia government recently stepped up its efforts to stem the resurgence of the COVID-19 outbreak in the country and at the same time, reaffirmed its commitment to structural reforms including improving confidence and the ease of doing of business e.g., infrastructure enhancements and the Omnibus Law. In addition, there have been signs of improvement in the economy, with nationwide investment realisation increasing by close to 2% year-on-year

(YoY) in H1 2020, fuelled by resilient growth in domestic direct investments and investment relocation by foreign companies from China and other countries. This is expected to help spur job creation, ameliorating the ill-effects the pandemic has had on employment to some extent.

While Indonesia's Gross Domestic Product (GDP) growth is expected at -0.8% in 2020, this is comparatively better than ASEAN's average of -2.5%. From 2021 to 2023, Indonesia's economy is projected grow by 5.4% to 5.5% per annum (Figure 1), falling in the upper bound for ASEAN's projected growth range (5.0% to 5.7%) over the same period. Inflation is expected to remain low in 2020 (2.4%) and 2021 (2.9%), while private consumption is likely to rebound to 5.3% in 2021. With the economy slated to regain growth momentum from 2021 alongside steady population growth, Indonesia is likely to remain an attractive destination for business and leisure, which help drive private consumption. These factors should subsequently help provide some support to the overall growth in the demand for retail space.

Figure 1: Real GDP Growth, Unemployment and Inflation (Indonesia)



Source: Focus Economics, Savills Research & Consultancy, August 2020

RETAIL PROPERTY MARKET

Retail as a viable alternative investment opportunity, despite the temporary fallout

Retail was one of the hardest hit property sectors in Jakarta during the PSBB period

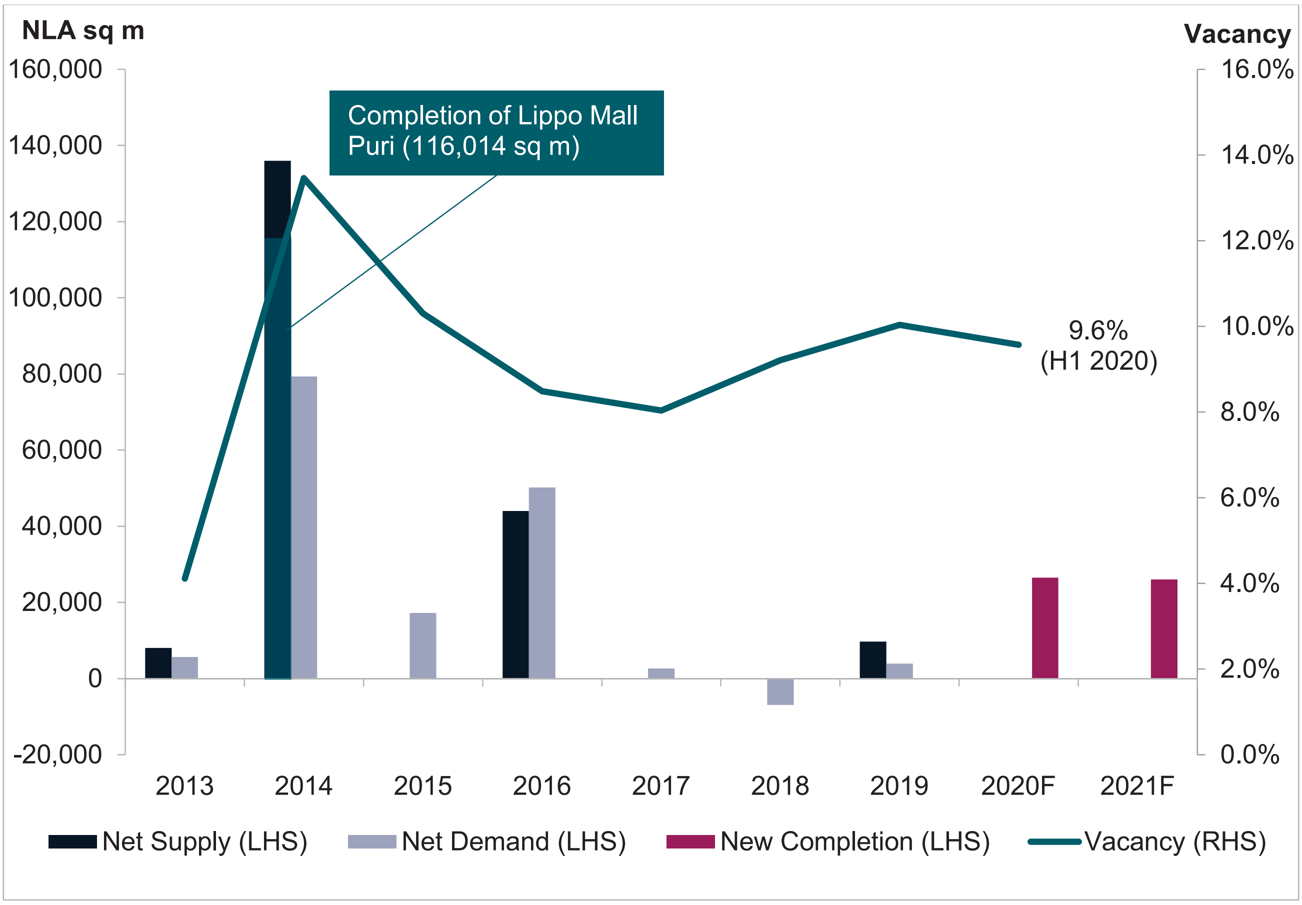
Retail was one of the hardest hit property sectors in Jakarta in H1 2020, amid a significant decline in retail sales and temporary mall closures following to the implementation of large-scale social restrictions

(Pembatasan Sosial Berskala Besar (PSBB)) in April 2020. While most shopping malls and retail spaces have reopened since the relaxation of social distancing measures in June 2020, overall market sentiment remains pessimistic in the short term given the risk of a resurgence of COVID-19 infections in Jakarta, which will likely further dampen demand for retail space. With the pandemic delaying the completion of several major shopping malls, the surge in new supply in 2021 and 2022 will likely feed into higher retail vacancy in Jakarta, weighing down on rental recovery in the near term. Despite the increased market risk and prolonged hiatus before recovery, we do not expect to see a surge of distressed retail assets entering the market, but rather more "priced-to-market" acquisition opportunities, especially for sought-after quality developments in prime locations.

Well-managed malls in West Jakarta expected to hold up relatively well

With no injection of new retail supply in H1 2020, take-up in West Jakarta held up relatively well at 2,750 sq m, compared with an annual net demand of 3,915 sq m in 2019 (Figure 2). As a result of positive net absorption, vacancy in West Jakarta eased from 10.0% in 2019 to 9.6% in Q2/2020. The positive take-up was largely attributed to the new leases committed in Q1/2020, before the leasing market quietened down in Q2/2020 due to the escalation of COVID-19 outbreak in Indonesia. Owing to the relatively large population and limited retail space available in West Jakarta, retail space per capita in the area remained as one of the lowest at 0.23 sq m, compared with 0.53 sq m in South Jakarta and 0.51 sq m in Central Jakarta. Coupled with the relatively high spending power in West Jakarta, retail occupancy of well-managed malls in the area held up well despite the pandemic.

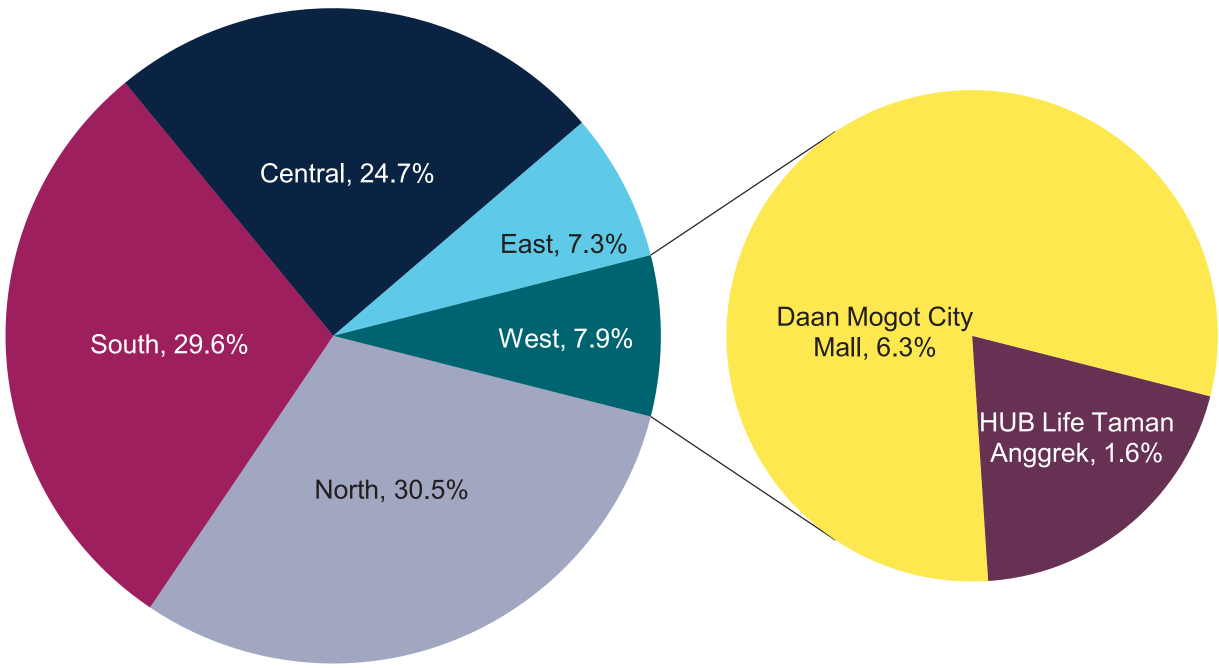
Figure 2: Retail Supply, Demand and Vacancy (West Jakarta)



Source: Savills Research & Consultancy, August 2020

While more new retail supply is expected to enter Jakarta over the next two years, it is primarily concentrated in North Jakarta (30.5%; 125,000 sq m), South Jakarta (29.6%; 121,400 sq m) and Central Jakarta (24.7%; 101,200 sq m), while only 7.9% (32,500 sq m) is in West Jakarta (Figure 3). As such, existing malls in West Jakarta are expected to see limited impact from the supply in the pipeline.

Figure 3: Breakdown of Retail Pipeline Supply from Q4/2020 to 2022 (Jakarta)



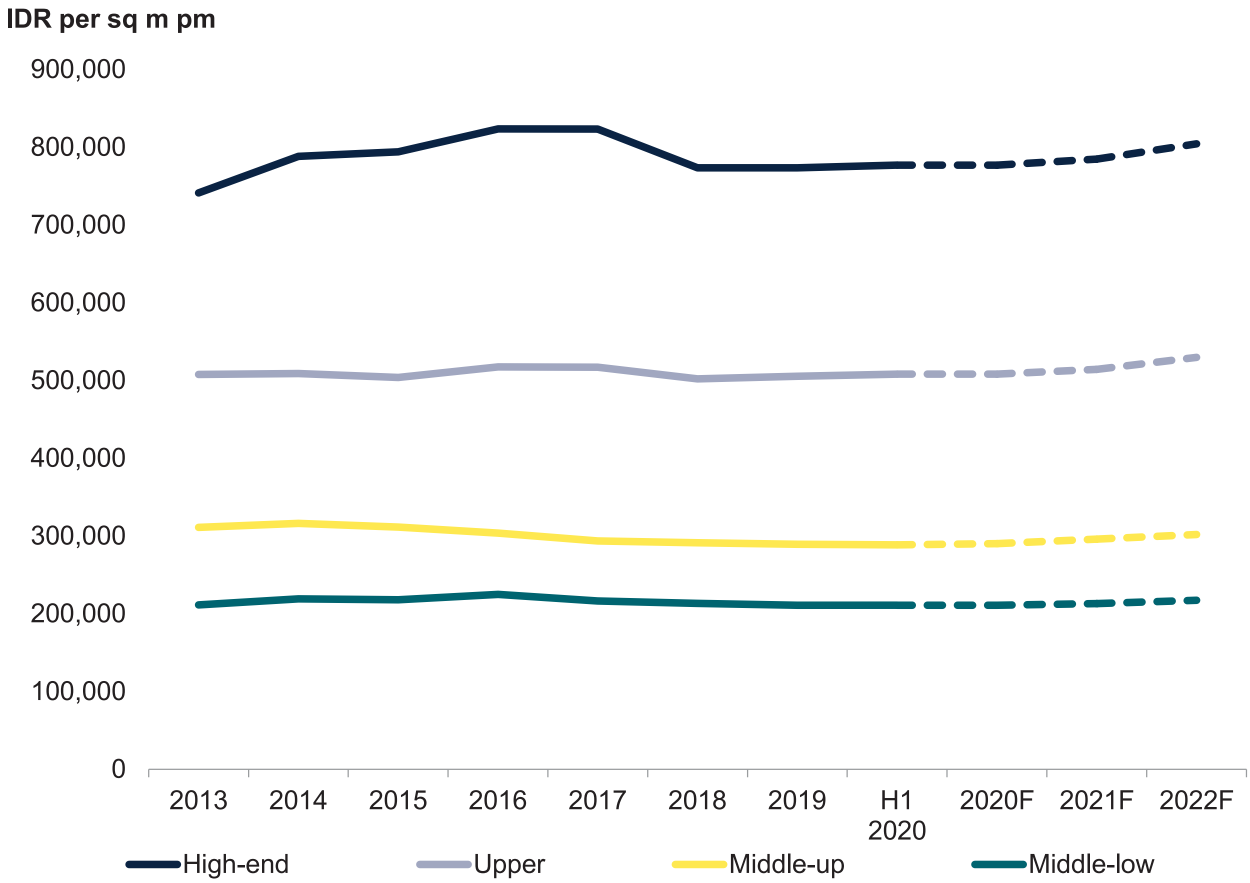
Source: Savills Research & Consultancy, August 2020

Supportive macro-economic and retail market prospects in the mid-term

The supportive macro-economic and retail market outlook in the mid-term is expected to provide a favourable window of opportunity for the acquisition of the subject property in H2 2020, which can likely transpire at an attractive price given the temporary depressed state of the market. Notably, the subject property can capitalise on the market growth potential over the next few years, when the COVID-19 pandemic will likely be effectively managed/ fully controlled.

While overall retail rents are not expected to show an immediate significant upside for the rest of the year, meaningful growth will likely return from late-2021 onwards and rents are likely to see a modest growth of around 1.0% to 3.0% per annum in 2021 and 2022, based on our moderate scenario (Figure 4).

Figure 4: Base Retail Rents for Specialty Retailers (Jakarta)



Source: Savills Research & Consultancy, August 2020

In particular, the recovery of shopping malls in West Jakarta is expected to garner momentum more rapidly, given the limited supply pipeline and lack of development sites in the area. This is especially so for malls located in close proximity to residential estates, amid consumers limit their propensity to travel further distances to their immediate neighbourhoods during the outbreak. Additionally, the rental recovery for upper-grade malls is expected to outperform the overall market in 2022, with an estimated growth of 3.0% YoY, compared with 2.0% to 2.5% YoY for other grades.

COMPETITIVE ANALYSIS

Lippo Mall Puri is a strategic flagship retail asset, with best-in-class attributes

Table 1: Key Property Particulars and Performance Metrics of Lippo Mall Puri

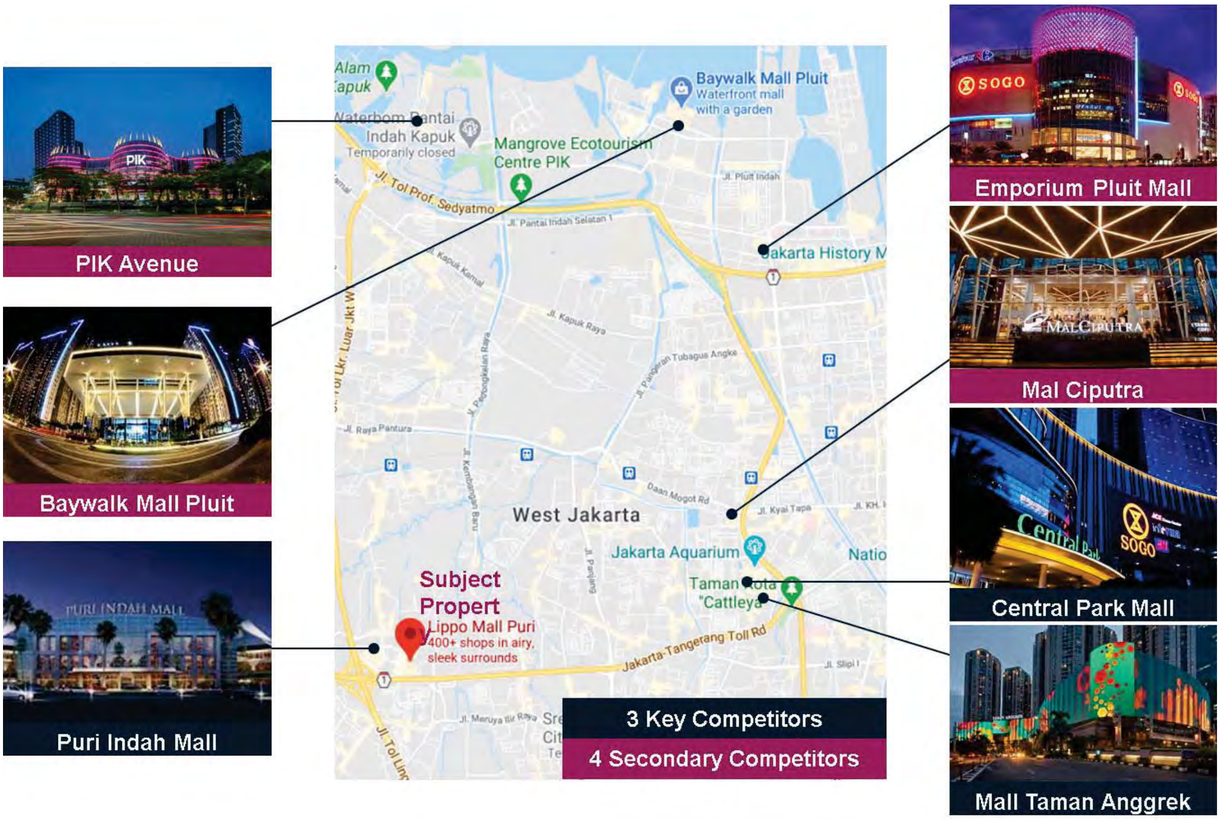
Address	Jalan Puri Indah Boulevard Block U1, Puri Indah, South Kembangan Sub-district, Kembangan District, West Jakarta City, DKI Jakarta Province, Indonesia
Year of Completion	Circa 2012 and commenced operations in July 2014
Registered Owner	PT. Mandiri Cipta Gemilang
Land Title and Area	Hak Guna Bangunan (HGB) HGB certificates No. 05706 and No.05707, covering an area of 73,246 sq m
Land Lease Expiry	15 January 2040
Gross Floor Area (GFA)	175,146 sq m (pending segregation final survey)
Net Lettable Area (NLA)	116,014 sq m
Number of Levels	Five levels
Number of Tenants	333
Anchor Tenants	Matahari Department Store, Zara, Sogo, LC Waikiki, Uniqlo and Cinema XXI
Car Park Lots	4,285
Occupancy Rate	91.9% (including committed tenants)
Average Monthly Net Passing Rent (IDR per sqm)	Overall: 186,106 Anchor Tenants: 84,532 Specialty Tenants: 423,895
Weighted Average Lease Expiry (WALE) by NLA	3.4
Annual Shopper Traffic (in 2019)	16.99 million
Annual Shopper Traffic per NLA (per sq m)	146

Source: LMIRT Management Ltd, August 2020

Lippo Mall Puri possesses a broad range of competitive strengths

Seven competitive malls with respect to the subject property were identified, comprising three key major competitors in West Jakarta and four secondary competitors in West and North Jakarta (Figure 5).

Figure 5: Competitive Malls



Source: Savills Research & Consultancy, August 2020

The subject property possesses many competitive advantages distinguishing itself from these malls:

- An iconic and landmark upper-grade shopping mall in West Jakarta, popular among residents in its primary catchment due to its excellent location, accessibility and significant critical mass. Many of the upcoming malls in Jakarta do not measure up to the scale and diversity of the subject property;

- Excellent transportation connectivity, as the subject property enjoys convenient access from three adjacent roads, including two major toll roads and has the potential to become a transportation hub for the area (Figure 6);

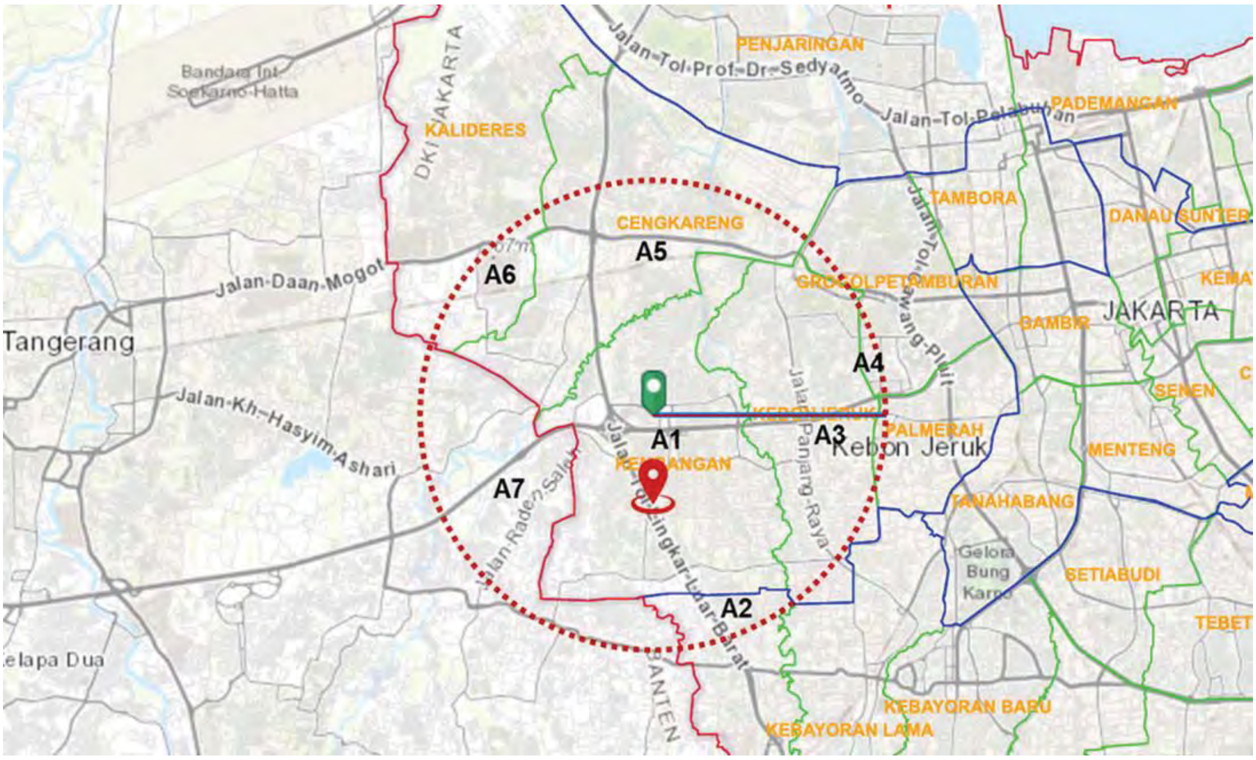
- More accessible on a regular basis than key competitors such as Central Park Mall, which usually experiences a higher level of traffic congestion during its peak hours and rainy seasons;

Figure 6: Location and Accessibility

Source: Savills Research & Consultancy, August 2020

- Large and diversified primary catchment (5-km radius from the subject property) of nearly 400,000 households or around 1.5 million residents. It is also estimated that the primary catchment has a working population of more than 670,000 workers (which may also be part of the resident population) (Figure 7). Residents in the immediate catchment (including Kebon Jeruk, an affluent residential area) are generally known to be relatively well-heeled, as many are business owners, entrepreneurs and high-level executives. Given that the subject property is located in Puri Indah CBD where various large-scale integrated mixed-use projects are situated, West Jakarta's most well-established commercial precinct, its catchment is also relatively diversified with pockets of offices, hotels, hospitals and civic amenities;

Figure 7: Primary Catchment Area

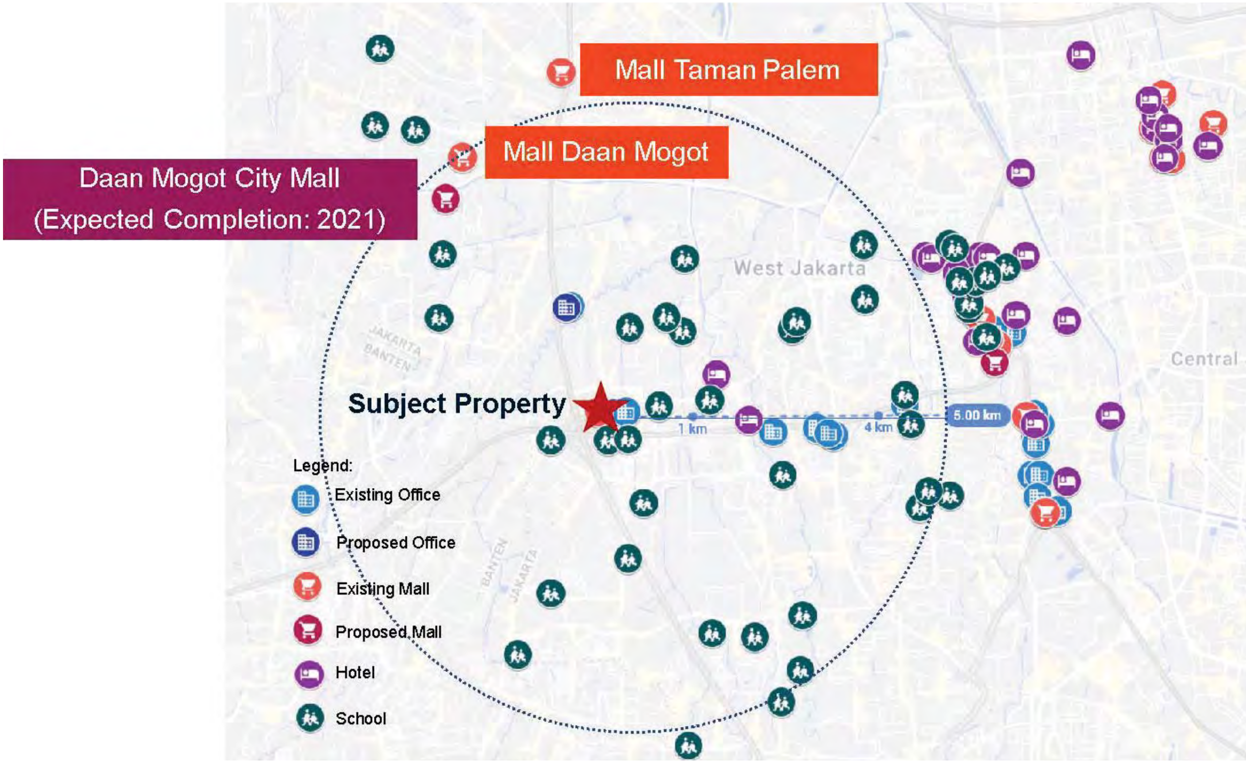


Source: Badan Pusat Statistik DKI Jakarta and Badan Pusat Statistik Banten, Savills Research & Consultancy, August 2020

- Attracts established and affluent families with more stable and higher spending power, compared with Central Park Mall, whose visitors who are relatively younger;

- Enjoys a strong captive market, being the largest and most prominent mall within its primary catchment (Figure 8). It is also one of the most modern and leading retail developments in West Jakarta, and only faces some competition from the likes of similarly-sized and -positioned malls such as Central Park Mall;

Figure 8: Surrounding Developments (Existing and Future)



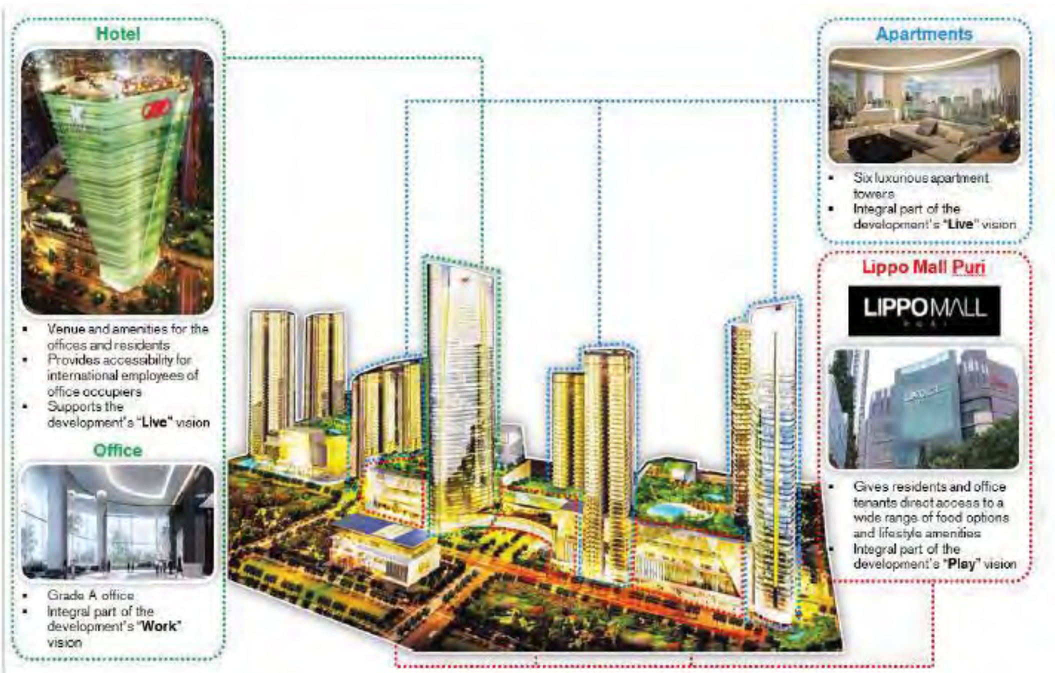
Source: Savills Research & Consultancy, August 2020

- Part of a premium integrated development, St. Moritz Jakarta, the largest mixed-use development in West Jakarta and particularly Puri Indah CBD, a well-established commercial precinct (Figure 9). This allows the subject property to be part of a self-contained "live-work-play" eco-system, which is increasingly relevant during the current COVID-19 pandemic where movement is restricted. While many of the upcoming malls are part of mixed-use integrated projects, they do not measure up to the critical mass St. Moritz Jakarta possesses;

- Well-diversified, yet distinctive positioning (Figure 10), given that the subject property is Indonesia's first digital mall and at the same time, a "One Stop Shopping Mall" with a strong diversity of trades and target markets. This positions the subject property favourably against its competitors; and

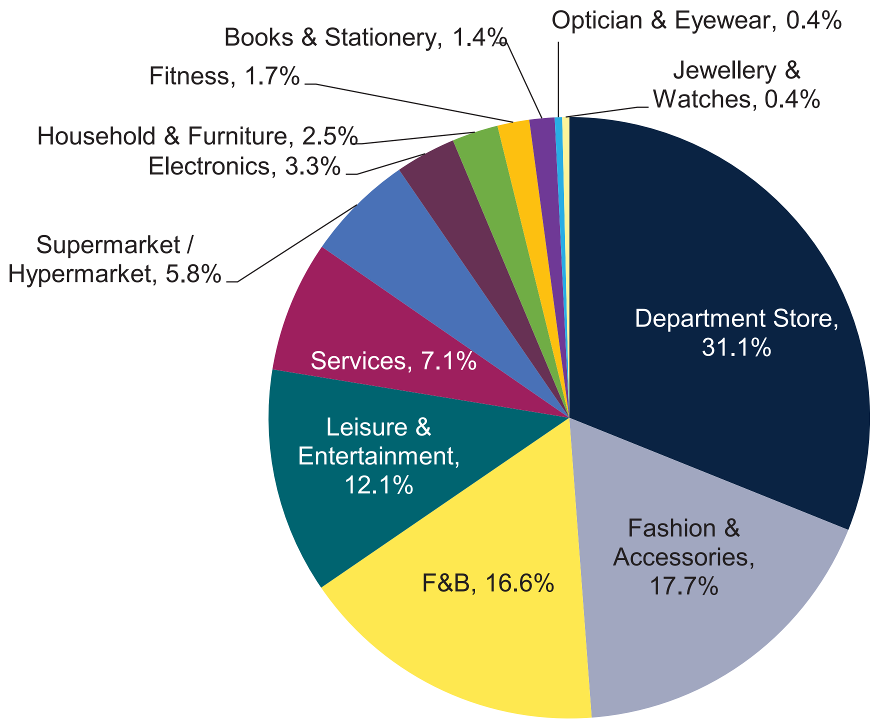
- Active mall management, with a slew of planned asset enhancement initiatives in the near term to further enhance the offerings of the subject property that will increase leasable retail space and introduce new retail, and food and beverage (F&B) concepts. This is despite the subject property being a relatively new mall, compared with some of its major competitors.

Figure 9: St. Moritz Jakarta Integrated Development



Source: LMIRT Management Ltd, August 2020

Figure 10: Trade Mix by NLA



Source: Savills Research & Consultancy, August 2020

Strong potential to scale up in terms of occupancy and rents in the longer term

As a relatively new addition to West Jakarta compared with Puri Indah Mall and Mall Taman Anggrek, the subject property's performance continues to be in its growth phase. Although the subject property's current occupancy of 91.9% (including committed tenants, as at 30 June 2020) is below the average for upper-grade malls in Jakarta (94.0%) and some of its major competitors, it is higher than the average retail mall occupancy for the whole Jakarta (89.7%), as well as West Jakarta (90.4%) (Table 2). Additionally, this also grants the subject property with substantial leasing up opportunities and flexibility to enhance its tenant mix, which can potentially lead to future growth in rental income. This is especially pertinent, given the growing importance for shopping malls in Jakarta to evolve alongside the new normal resulting from the proliferation of e-commerce and COVID-19 pandemic.

Table 2: Lippo Mall Puri's Occupancy and Rents vis-à-vis Market Average and Competitors

Performance Metrics	Occupancy Rate	Average Monthly Net Passing Rent for Specialty Tenants (IDR per sqm)
Market Average (Jakarta)	89.7% (94.0% for upper-grade malls)	508,333
Market Average (West Jakarta)	90.4%	481,250
Key Competitors	83.1% to 99.0%	450,000 to 500,000
Lippo Mall Puri	89.7% (91.9% if including committed tenants)	423,895

Source: LMIRT Management Ltd, Savills Research & Consultancy August 2020

Meanwhile, the average monthly passing rent for specialty tenants in the subject property was IDR423,895 per sq m as at 30 June 2020, lower than the market average for upper-grade malls in Jakarta (IDR508,333 per sq m) and West Jakarta (IDR481,250 per sq m). While this suggests that the subject property is underperforming the market, we believe that this implies the underlying potential for the asset to benefit from positive rental reversions in the future, especially when the COVID-19 pandemic tides over in the mid-term. This growth potential is further accentuated by the subject property's balanced lease expiry profile.

The subject property has a WALE by leased area of 3.4, which is lower than that of Lippo Mall Indonesia Retail Trust's portfolio (3.8, as at 30 June 2020). This further implies the subject property's greater disposition to better achieve positive rental reversions once leases are up for renewal in a post-COVID-19 landscape. Given the scale of the subject property, it offers a good balance of long-term anchor leases and shorter-term leases for non-anchor tenants, which provides both stability and growth potential.

CONCLUSION

While the ongoing pandemic has brought about much uncertainty and a shift by many investors towards a more cautious and prudent stance, there are also many strategic growth opportunities that can be seized during this current crisis. Taking into account the findings from the market and competitive analyses, we view Lippo Mall Puri as a strategic flagship asset primed for sustainable long-term growth.

INDEPENDENT FINANCIAL ADVISER'S LETTER

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The Independent Directors
The Audit and Risk Committee
LMIRT Management Ltd
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6 Shenton Way
OUE Downtown 2 #12-08
Singapore 068809

Perpetual (Asia) Limited
(in its capacity as trustee of Lippo Malls Indonesia Retail Trust) (the "Trustee")
8 Marina Boulevard #05-02
Marina Bay Financial Centre
Singapore 018981

23 November 2020

Dear Independent Directors, Audit and Risk Committee and Trustee

INDEPENDENT FINANCIAL ADVICE IN RELATION TO:

- **THE PROPOSED ACQUISITION OF THE MAJORITY PORTION OF STRATA TITLES WITHIN LIPPO MALL PURI FROM AN INTERESTED PERSON;**
- **THE PROPOSED WAIVER BY UNITHOLDERS OTHER THAN THE RELEVANT ENTITIES AND THEIR CONCERT PARTIES OF THEIR RIGHTS TO RECEIVE A GENERAL OFFER FOR THEIR UNITS FROM THE RELEVANT ENTITIES AND THEIR CONCERT PARTIES; AND**
- **THE PROPOSED LOAN FACILITY OF UP TO S$40.0 MILLION FROM AN INTERESTED PERSON.**

*For the purposes of this letter, capitalised terms not otherwise defined herein shall have the same meaning as given in the circular to the unitholders of Lippo Malls Indonesia Retail Trust ("**LMIR Trust**") (the "**Unitholders**") dated 23 November 2020 (the "**Circular**")*

1. INTRODUCTION

1.1 Overview

The Acquisition

LMIRT Management Ltd in its capacity as manager of LMIR Trust (the "**Manager**") is seeking the approval of Unitholders of LMIR Trust for the proposed acquisition from PT Mandiri Cipta Gemilang (the "**Vendo**r" or "**PT MCG**"), a company incorporated in Indonesia and an indirect wholly-owned subsidiary of PT Lippo Karawaci Tbk, the sponsor of LMIR Trust (the "**Sponsor**"), of the majority portion of strata titles within Lippo Mall Puri having a total area of 175,146.44 sq m held under two Strata Title (*Hak Atas Satuan Rumah Susun*) Certificates No. 419 and No. 420 which were issued on 2 October 2020 and will expire on 15 January 2040 (the "**Property**", and the proposed acquisition of the Property, the "**Acquisition**").

LMIR Trust will acquire the Property through an indirect wholly-owned subsidiary PT Puri Bintang Terang, an Indonesian limited liability company ("**PT PBT**" or the "**Purchaser**"), which has entered into a conditional sale and purchase agreement with PT Mandiri Cipta Gemilang (the "**Vendor**") on 11 March 2019, as amended on 2 September 2019, 31 March 2020 and 28 August 2020, for the Acquisition (the "**Property CSPA**").

The total consideration for the sale and purchase of the Property is Rp.3,500.0 billion (approximately S$336.5 million) (the "**Purchase Consideration**").

The total cost of the Acquisition to LMIR Trust is estimated to be approximately S$390.9 million, comprising the following:

(i) the Purchase Consideration of Rp.3,500.0 billion (approximately S$336.5 million);

(ii) the acquisition fee of approximately S$1.7 million payable to the Manager pursuant to the Trust Deed (as defined in the Circular) in connection with the Acquisition, being 0.5% of the Purchase Consideration for the Acquisition (the "**Acquisition Fee**"),

In this regard, to demonstrate its support for the Acquisition, the Manager has voluntarily waived 50.0% of its acquisition fee entitlement under the Trust Deed, which would otherwise have been 1.0% of the Purchase Consideration for the Acquisition (the "**Acquisition Fee Entitlement**");

(iii) VAT (Value Added Tax) of Rp.350.0 billion (approximately S$33.7 million), being 10.0% of the Purchase Consideration;

(iv) DALBT (Duty on Acquisition of Land and Building Titles) of Rp.175.0 billion (approximately S$16.8 million), being 5.0% of the Purchase Consideration; and

(v) estimated legal and other professional fees and expenses of approximately S$2.2 million to be incurred by LMIR Trust in connection with the Acquisition.

(collectively, the "**Acquisition Cost**").

The Manager intends to finance the Acquisition Cost (save for the Acquisition Fee, which will be paid through the issue of the Acquisition Fee Units) through:

(i) a combination of debt financing of up to S$120.0 million (comprising S$80.0 million from bank debt and S$40.0 million from the Vendor Financing (the "**Vendor Financing**"); and

(ii) part of the proceeds from the Rights Issue amounting to S$269.2 million.

For the purposes of Chapter 9 of the Listing Manual and the Property Funds Appendix, the Vendor, being an indirectly wholly-owned subsidiary of the Sponsor (which in turn is a Controlling Unitholder of LMIR Trust and a Controlling Shareholder of the Manager) is an Interested Person and an Interested Party of LMIR Trust.

As such, the Acquisition (including the Vendor Support Agreement) will constitute an Interested Person Transaction under Chapter 9 of the Listing Manual and also an Interested Party Transaction under paragraph 5 of the Property Funds Appendix. As the value of the Acquisition (comprising the Purchase Consideration and the aggregate value of the Vendor Support) will in aggregate amount to 44.4% of LMIR Trust's latest audited NTA of S$1,070.3 million as at 31 December 2019 and 44.2% of LMIR Trust's latest audited NAV of S$1,075.9 million as at 31 December 2019, and exceed (i) 5.0% of LMIR Trust's latest audited NTA and (ii) 5.0% of LMIR Trust's latest audited NAV. In compliance with the requirements of the Listing Manual and the Property Funds Appendix, the Manager is therefore seeking the approval of Unitholders for the Acquisition (including the Vendor Support Agreement) pursuant to Rule 906(1)(b) of the Listing Manual.

The Vendor Financing

The Manager is seeking the approval of Unitholders for the Vendor Financing under which the Vendor will provide a loan of up to S$40.0 million in Vendor Financing. The following table sets out the key terms of the Vendor Financing.

Lender	PT Mandiri Cipta Gemilang.
Borrower	Binjaimall Holdings Pte Ltd.
Principal Amount	Up to S$40.0 million.
Security	The Vendor Financing will be unsecured.
Maturity Date	15 months from the date of drawdown (the, "**Drawdown Date**") (the "**Initial Maturity Date**") extendable by a further 12 months subject to the approval of the Lender (the "**Final Maturity Date**").

Interest and Interest Period; Extension Option Fee	3.65% per annum[1], commencing on the Drawdown Date with a 0.5% extension option fee ("**Extension Option Fee**"). The effective interest rate including the applicable withholding tax is 4.05%.
Payment and Repayment	Payment of interest in one lump sum on the Initial Maturity Date and on the Final Maturity Date (if the maturity date is extended to the Final Maturity Date).
Events of Default	(a) If the Borrower neglects, fails and/or for any reason cannot pay and/or fully repay all or part of the outstanding amount under the Vendor Financing; or (b) If the Borrower neglects, fails and/or for any reason cannot fulfil one or more of its obligations under the Vendor Financing.
Tax Gross Up	All payments to be made by the Borrower will be free and clear of all present and future taxes, unless required by law. If any deduction is required, the Borrower will pay an additional amount necessary to ensure that the Lender receives an amount that would otherwise have been received had no such deduction been required.
Assignment and Transfer	The Lender and/or the Borrower, upon giving not less than five Business Days' prior notice to the other party, may assign or transfer by novation its rights, title and interest in respect of the Facility Agreement or its obligations in respect of the commitments in part or whole to any of its associates.
Governing Law	Singapore Law
Dispute Resolution	Arbitration at the SIAC

The final amount of Vendor Financing will be determined closer to the completion of the Acquisition under the Property CSPA ("**Completion**"), depending on the final amount of bank debt finance utilised by LMIR Trust to finance the Acquisition.

As with the Acquisition, the Vendor Financing will constitute an Interested Person Transaction under Chapter 9 of the Listing Manual and an Interested Party Transaction under paragraph 5 of the Property Funds Appendix.

[1] For comparison, LMIR Trust's working capital facilities are currently rolled over on a monthly basis at an interest rate of 3.85%, as described herein.

As the value of the Vendor Financing (when aggregated with the Acquisition) will in aggregate exceed (i) 5.0% of LMIR Trust's latest audited NTA and (ii) 5.0% of LMIR Trust's latest audited NAV, the approval of Unitholders is required.

The Whitewash Resolution

The Manager proposes to seek approval from the Independent Unitholders (as defined in the Circular) for a waiver of their right to receive a mandatory offer from the Relevant Entities and their concert parties, in the event that they incur an obligation to make a mandatory offer ("**Mandatory Offer"**) pursuant to Rule 14.1(b) of the Code as a result of the issue of the Allotted Rights Units and the Excess Rights Units to the Relevant Entities (as defined in the Circular) and their concert parties (the "**Whitewash Resolution**").

Upon issue of the Allotted Rights Units and the Excess Rights Units to the Relevant Entities and their concert parties, the Relevant Entities and their concert parties may possibly end up acquiring additional Units which exceeds the threshold pursuant to Rule 14 of the Code. In particular, Rule 14.1(b) of the Code states that the Relevant Entities and their concert parties would be required to make a Mandatory Offer if the Relevant Entities and their concert parties, acquire additional Units which increase their aggregate unitholdings in LMIR Trust by 1.0% or more in any period of 6 months. Unless waived by the Securities Industry Council (the "**SIC**"), pursuant to Rule 14.1(b) of the Code, the Relevant Entities and their concert parties would then be required to make a Mandatory Offer.

On 9 September 2020, the SIC has granted this waiver subject to, inter alia, the Whitewash Resolution being approved by Independent Unitholders at an EGM.

In accordance with the abovementioned requirements, which are more particularly described in sections 2.16, 3.11, 5.2 and 5.3 of the Circular, KPMG Corporate Finance Pte Ltd ("**KPMG Corporate Finance**") has been appointed as the independent financial adviser ("**IFA**"):

(i) The Manager and the Trustee have appointed KPMG Corporate Finance as the IFA as required under Listing Rule 921(4)(a) as well as to advise the independent directors of the Manager (the "**Independent Directors**"), the Audit and Risk Committee of the Manager (the "**Audit and Risk Committee**") and the Trustee as to whether the Acquisition (including the Vendor Support Agreement) is: (a) on normal commercial terms; and (b) prejudicial to the interests of LMIR Trust and its minority Unitholders.

(ii) The Manager and the Trustee have appointed KPMG Corporate Finance as the IFA as required under Listing Rule 921(4)(a) as well as to advise the Independent Directors, the Audit and Risk Committee and the Trustee as to whether the Vendor Financing is: (a) on normal commercial terms; and (b) prejudicial to the interests of LMIR Trust and its minority Unitholders.

(iii) The Manager and the Trustee have appointed KPMG Corporate Finance as the IFA to advise the Independent Directors, the Audit and Risk Committee and the Trustee as to whether the terms of the Rights Issue, being the subject of the Whitewash Resolution, and the Whitewash Resolution are fair and reasonable and prejudicial to the interests of LMIR Trust and the Independent Unitholders.

This letter sets out, *inter alia*, our views and evaluation of the Acquisition (including the Vendor Support Agreement), the Vendor Financing and the terms of the Rights Issue, being the subject of the Whitewash Resolution, and the Whitewash Resolution and our Opinions (as defined beneath) thereon and will form part of the Circular.

2. TERMS OF REFERENCE

Our responsibility is to provide opinions in respect of the Acquisition (including the Vendor Support Agreement), the Vendor Financing and the terms of the Rights Issue, being the subject of the Whitewash Resolution, and the Whitewash Resolution (the "**Opinions**").

Our Opinions are delivered as required under Listing Rule 921 as well as for the use and benefit of the addressees of this letter (as appropriate) (the "**Addressees**") for their deliberations on the Acquisition (including the Vendor Support Agreement), the Vendor Financing and the terms of the Rights Issue, being the subject of the Whitewash Resolution, and the Whitewash Resolution, before arriving at a decision on the merits or demerits thereof, and in making any recommendations by the Independent Directors and/or the Audit and Risk Committee. We were not involved in any aspect of the negotiations pertaining to the Acquisition (including the Vendor Support Agreement), the Vendor Financing and the terms of the Rights Issue, being the subject of the Whitewash Resolution, and the Whitewash Resolution, nor were we involved in the deliberations leading up to the decisions of and recommendations by the Independent Directors and/or the Audit and Risk Committee to proceed with these. The decisions of and recommendations made by the Independent Directors and/or the Audit and Risk Committee shall remain their sole responsibility.

We have not conducted a comprehensive review of the business, operations or financial conditions of LMIR Trust. Our terms of reference also do not require us to evaluate or comment on the merits and/or risk, whether strategic, commercial, financial or otherwise, of the Acquisition (including the Vendor Support Agreement), the Vendor Financing and the terms of the Rights Issue, being the subject of the Whitewash Resolution, and the Whitewash Resolution, or on the future prospects of LMIR Trust and as such, we do not express opinions thereon. Such evaluations or comments remain the sole responsibility of the Independent Directors and/or the Audit and Risk Committee.

It is also not within our terms of reference to compare the relative merits of the Acquisition (including the Vendor Support Agreement), the Vendor Financing and the terms of the Rights Issue, being the subject of the Whitewash Resolution, and the Whitewash Resolution to any alternative transactions previously considered by, or that may have been available to, LMIR Trust or any alternative transactions that may be available in the future. Such evaluations or comments remain the sole responsibility of the Independent Directors and/or the Audit and Risk Committee, although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our Opinions.

In addition, we have not made any independent evaluation or appraisal of the existing or proposed assets or liabilities (including without limitation, real property) of LMIR Trust.

In formulating our Opinions, we have held discussions with the directors of the Manager (the "**Directors**") and its management team. We have considered the information contained in the Circular, publicly available information collated by us as well as information, both written and verbal, provided by the Manager and the professional advisers appointed by the Manager and the Trustee, which may include solicitors, auditors, tax advisers and valuers. We have not independently verified such information, whether written or verbal, and accordingly cannot and do not make any representation or warranty, express or implied, in respect of and do not accept any responsibility for the accuracy, completeness or adequacy of all such information, provided or otherwise made available to us or relied on by us. We have nevertheless made reasonable enquiries and used our judgment in assessing and the reasonable use of such information and have found no reason to doubt the accuracy or reliability of such information.

We have relied upon the representation of the Directors including those who may have delegated detailed supervision of the Circular and the Acquisition (including the Vendor Support Agreement), the Vendor Financing and the terms of the Rights Issue, being the subject of the Whitewash Resolution, and the Whitewash Resolution that they have taken all reasonable care to ensure that all information and facts, both written and verbal, as provided to us by the Manager and the Addressees' professional advisers (which may include solicitors, auditors, tax advisers and valuers) and facts as stated in the Circular are fair and accurate in all material respects and all material information and facts have been disclosed to us, and that no material information and facts have been omitted, the omission of which would render any statement in the Circular, information and facts disclosed to us or our Opinion in this letter to be inaccurate, incomplete or misleading in any material respect. The Directors have jointly and severally accepted responsibility in the "Directors' Responsibility Statement" of the Circular. Accordingly, no representation or warranty, express or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of all such information and facts.

Our Opinion is based upon market, economic, industry, monetary and other conditions (where applicable) in effect on the latest practicable date prior to the printing of the Circular, being 13 November 2020 (the "**Latest Practicable Date**"). Such conditions and information can change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our Opinions in the light of any subsequent changes or developments after the Latest Practicable Date even if it may affect our Opinions contained herein.

In rendering our Opinions, we did not have regard to the general or specific investment objectives, financial situation, risk profiles, tax position or particular needs and constraints of any Unitholder. As different Unitholders would have different investment objectives and profiles, we would advise the Independent Directors and/or the Audit and Risk Committee to recommend that any Unitholder who may require specific advice in relation to his investment portfolio(s) should consult his or their stockbroker, bank manager, accountant or other professional advisers.

The Addressees (as appropriate) have been separately advised by their own professional advisers in the preparation of the Circular (other than this letter). We have no role or involvement and have not and will not provide any advice, financial or otherwise, whatsoever in the preparation, review and verification of the Circular (other than this letter). Accordingly, we take no responsibility for and express no views, expressed or implied, on the contents of the Circular (other than this letter).

Our Opinions should be considered in the context of the entirety of this letter and the Circular.

3. OUR EVALUATION OF THE ACQUISITION

In arriving at our Opinion in relation to the Acquisition, we have considered the following key factors:

3.1 Rationale for the Acquisition

Information in relation to the rationale for the Acquisition is set out in section 4 of the Circular.

We have reviewed the rationale as set out in section 4 of the Circular. We note that:

(i) section 4.6 which relates to larger market capitalisation is largely connected to the issuance of 4,682,872,029 Rights Units and its potential impact on trading liquidity of Units on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"); and

(ii) section 4.7 which relates to strong support from the Sponsor through its irrevocable undertaking to apply for all the Excess Rights Units in the Rights Issue,

are not applicable to the Independent Directors and/or the Audit and Risk Committee in assessing as to why the Acquisition is being contemplated.

We consider the rest of the rationale relevant and reasonable.

3.2 Financial assessment of the Acquisition

In evaluating the reasonableness of the Acquisition, we have considered the following factors:

(a) *Property Valuations*

Cushman & Wakefield VHS Pte Ltd ("**Cushman**") in collaboration with KJPP Firman Suryantoro Sugeng Suzy Hartomo & Partners ("**FAST**") and Colliers International Consultancy & Valuation (Singapore) Pte Ltd ("**Colliers**") in collaboration with KJPP Rinaldi Alberth Baroto & Partners ("**RAB**") (collectively, the "**Independent Valuers**") were appointed by the Trustee and the Manager respectively to value the Property (the "**Property Valuations**").

The Purchase Consideration was negotiated at on a willing-buyer willing-seller basis, taking into consideration the two independent valuations of the Property by the Independent Valuers as at 30 June 2020.

The following table sets out the appraised values of the Property, the respective dates of such appraisal and the Purchase Consideration:

Property	Appraised Value				Average of two Valuations		Purchase Consideration	
	By Cushman as at 30 June 2020 (1)(2)		By Colliers as at 30 June 2020 (1)(3)					
	(S$ million)	(Rp. billion)	(S$ million)	(Rp. billion)	(S$ million)	(Rp. billion)	(S$ million)	(Rp. billion)
Property (with Vendor Support)	361.7	3,762.0	381.7	3,970.0	371.7	3,866.0	336.5	3,500.0
Property (without Vendor Support)	343.5	3,572.0	353.8	3,680.0	348.7	3,626.0		

Notes:

(1) Assuming an occupancy rate of 82.0% in Year 1 (due to the impact of the Covid-19 pandemic).

(2) Assuming an occupancy rate of 93.5% in Year 10.

(3) Assuming an occupancy rate of 96.1% in Year 10.

Summarised versions of the Property Valuation reports dated 30 June 2020 (the "**Property Valuation Reports**") are contained in Appendix B of the Circular.

Our observations in relation to the Property Valuation Reports are as follows:

(i) the Cushman's Property Valuation report states that it has been prepared in accordance with the Royal Institution of Chartered Surveyors and International Valuation Standards published by the International Valuation Standards Committee, and the Singapore Institute of Surveyors and Valuers' Valuation Standards and Practice Guidelines (2018 Edition).

(ii) the Colliers' Property Valuation report states that it has been prepared in accordance with the valuation standards and practice guidelines issued by the Singapore Institute of Surveyors and Valuers and is in line with the Indonesia Valuation Standard (SPI) Edition VII – 2018.

(iii) the Property Valuation Reports assess the appraised value as at 30 June 2020 for the Property.

(iv) the 'market value', as defined in the Cushman's Property Valuation report is the "estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

(v) the ‘market value’, as defined in the Colliers’ Property Valuation report is the “estimated amount for which an asset should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

(vi) in arriving at the appraised value, given the opaque nature of the retail market within Indonesia, the lack of comparable real estate transactions and on the basis that LMP is an income producing property, both Independent Valuers adopted an income approach and utilised a discounted cash flow analysis. Cushman and Colliers made projections over a ten-year investment horizon, respectively. In determining the terminal value or sale price of the Property assuming it will be sold at the end of the ten-year investment horizon, Cushman and Colliers capitalised the net property income (net of various capital adjustments) in the eleventh year, each using a capitalisation rate.

(vii) we note that Cushman and Colliers have capitalised the eleventh year of net property income (net of various capital adjustments) using a capitalisation rate of 8.5% and 8.0% respectively. We observe that the capitalisation rates of 8.5% and 8.0% used by Cushman and Colliers respectively are within the range of capitalisation rates of between 8.0% and 10.0% in LMIR Trust’s annual report as at 31 December 2019 and valuation reports as at 31 July 2020 that: (1) Colliers International Consultancy & Valuation (Singapore) Pte Ltd; (2) Cushman & Wakefield VHS Pte Ltd; (3) KJPP Wilson & Rekan (in association with Knight Frank); (4) KJPP Rengganis, Hamid & Rekan (in association with CBRE); (4) Savills Valuation and Professional Services (S) Pte Ltd; and (5) Jones Lang Lasalle Property Consultants Private Limited, have used for the purposes of valuing the Existing Portfolio held by LMIR Trust.

(viii) we note that Cushman and Colliers have discounted the future cash flows over the ten-year investment horizon and the terminal value of the Property using discount rates of 13.25% and between 13.11% and 13.73% respectively. We observe that the discount rates used by Cushman and Colliers are higher than the range of discount rates of between 12.1% and 12.8% in LMIR Trust’s annual report as at 31 December 2019, and are within the range of discount rates of between 12.9% and 13.6% in LMIR Trust’s valuation reports as at 31 July 2020 that: (1) Colliers International Consultancy & Valuation (Singapore) Pte Ltd; (2) Cushman & Wakefield VHS Pte Ltd; (3) KJPP Wilson & Rekan (in association with Knight Frank); (4) KJPP Rengganis, Hamid & Rekan (in association with CBRE); (5) Savills Valuation and Professional Services (S) Pte Ltd; and (6) Jones Lang Lasalle Property Consultants Private Limited, have used for the purposes of valuing the Existing Portfolio held by LMIR Trust.

(ix) The Independent Valuers have included caveats to their valuations due to the uncertainty posed by the Covid-19 pandemic and these are extracted as follows:

Extract of Cushman’s caveat in relation to the uncertainty posed by the Covid-19 pandemic:

> *"The outbreak of the Novel Coronavirus (COVID-19), declared by the World Health Organisation as a 'Global Pandemic' on the 11th March 2020, has impacted many aspects of daily life and the global economy – with some real estate sectors experiencing significantly lower levels of transactional activity and liquidity. Consequently, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case. For the avoidance of doubt, the inclusion of the 'significant uncertainty' declaration above does not mean that the valuation cannot be relied upon. Rather, the declaration has been included to ensure transparency of the fact that – in the current extraordinary circumstances – less certainty can be attached to the valuation than would otherwise be the case. The significant uncertainty clause is to serve as a precaution and does not invalidate the valuation. Given the unknown future impact that COVID-19 might have on the real estate market and the difficulty in differentiating between short term impacts and long-term structural changes, we recommend that you keep the valuation contained within this report under frequent review."*

Extract of Colliers' caveat in relation to the uncertainty posed by the Covid-19 pandemic:

> *"It has come to our attention that as at the valuation date, there has been a pandemic due to COVID-19 causing much disruption to economic activities around the world and especially in Indonesia. Such disruption may have a negative impact towards investment sentiment, and hence, any form of required rate of return as well as liquidity of any asset.*
>
> *As of the report date, it is uncertain how long the disruption will last and to what extent it will affect the economy. However, the government is implementing strict measures to control the pandemic and launching easing measures to stabilize the economy. In light of the past experience during SARS period, the COVID-19 may affect economic development in short run and the economy may remain stable and resilient in the medium to long term. If the pandemic can be fully controlled in the short period market conditions will return to normal and be in line with the condition assumptions we made as per the valuation date, the downwards risk towards the achievability of the rental/income projections will be eliminated and the market values of the subject property will not suffer substantial changes.*
>
> *As of the date of the valuation report, the pandemic is yet to be eased. If the pandemic can be fully controlled in short period, uncertainties will be gradually eliminated, and market condition is anticipated to recover and be in line with the valuation assumptions made as at the valuation date without other adverse influences. On such premise, the market value of the Property may not suffer substantial changes. Please note that property values might change over a short period of time and our opinion of value could change at another valuation date due to multiple external and internal factors other than the pandemic."*

In addition to the abovementioned caveats, the Independent Valuers have adjusted key assumptions in their valuations on account of the impact of Covid-19 on the Property. A summary of the different key assumptions is extracted from section 4 of the Circular, showing the differences in key assumptions made in the 31 December 2019 and 30 June 2020 independent valuations of the Property:

	Rental Relief	Rental Growth Rate (%)	Year 1 Occupancy Rate (%)	Year 10 Occupancy Rate (%)	Discount Rate (%)	Terminal Rate (%)
31 December 2019 Valuation	Nil	Year 1 – 3 5 – 8% Long term 5 – 6%	86.5 – 88.8	94.7 – 95.7	12.75 – 12.77	8.00 – 8.50
30 June 2020 Valuation	33 – 50% discount on monthly rental for up to December 2020; up to 25% discount in 2021	Year 1 0% Year 2 0 – 6% Long term 5 – 6%	82.0	93.5 – 96.1	13.11 – 13.73	8.00 – 8.50

The table below illustrates the change in valuation of the Property in Indonesian Rupiah terms from 31 December 2019 to the latest 30 June 2020:

Average of the two independent valuations conducted by the Independent Valuers			
	as at 31 December 2019	**as at 30 June 2020**	**% Change vs 31 Dec 2019**
Valuation without Vendor Support	4,147.0	3,626.0	(12.56)

(b) Vendor Support Agreement

The Manager has negotiated for the Vendor to lease certain vacant leasable space within the Property which is not occupied by, or which has not been committed in writing to be leased to a tenant other than the Vendor under an agreement (the "**Uncommitted Space**", and the agreement to lease the Uncommitted Space, the "**Vendor Support Agreement**") on a quarterly basis from the date of Completion to 31 December 2024 (the "**Vendor Support Period**"), for such amount of rent such that the Property will generate an agreed amount of NPI per quarter (the NPI target per quarter, the "**NPI Target**", and the leasing of the Uncommitted Space, the "**Vendor Support**").

Under the Vendor Support arrangement, should the actual NPI exceed the NPI Target, 50% of such excess above the NPI Target will be carried forward to the subsequent quarters and used to satisfy any subsequent shortfall between the actual NPI and the NPI Target while the remaining 50% of such excess shall be retained by PT PBT. PT PBT shall also be entitled to retain any cumulative surplus of actual NPI over the NPI Target following the end of the Vendor Support Period on 31 December 2024.

The NPI Target for each Vendor Support Period is as follows:

Period	NPI Target under the Vendor Support Agreement (Rp. billion)
1 Jul 2020 to 31 Dec 2020[(1)]	170.0[(1)]
1 Jan 2021 to 31 Dec 2021	340.0
1 Jan 2022 to 31 Dec 2022	340.0
1 Jan 2023 to 31 Dec 2023	340.0
1 Jan 2024 to 31 Dec 2024	340.0

Note:

(1) Assuming Completion took place on 1 July 2020.

The Manager has negotiated the Vendor Support from the Vendor for the Property having regard to the following:

(i) LMP commenced operations in 2014 (with LMP 1 on 19 June 2014 and LMP 2 on 26 March 2015) with occupancy rate building over the years to be at 91.9% (exclusive of P2 Space) as at 30 June 2020. The Property, being a part of the mixed-use development has evolved as other components of the mixed-use development have opened since 2014. The hotel currently under construction is targeted to open in 2022 which delivers the completed St. Moritz development;

(ii) the Manager understands from Vendor that with 183 out of 333 tenants (representing 68.4% of the total NLA of the Property, exclusive of the P2 Space) still operating under their first lease terms and benefiting from concessionary rental rates, the current average rental rates of the Property are lower compared to the rental rates of Competitor Malls (as defined in the Circular) before the Covid-19 pandemic;

(iii) the outbreak of the Covid-19 pandemic has impacted the performance of the retail market in Indonesia due to strict health protocols and transitional social restriction measures, which led to sharp decline in shopper traffic as overall number of visitors are being limited and leisure-related retailers such as cinemas, fitness centres, karaoke bars, children's playgrounds and other types of operators considered higher risk for Covid-19 transmission remained under review for reopening. Consequently, the retail market has experienced a decline in rental rates of retail space as mall owners offer more competitive rental rates to attract or retain tenants or provide rental reliefs to tenants to help them tide over the pandemic. Based on a report by Colliers, the asking rent in Jakarta declined by 0.1% quarter-on-quarter in the second quarter of 2020 to Rp.572,518 per sq m per month (from Rp.572,888 per sq m per month in the first quarter of 2020); and

(iv) these measures will likely impact the Property's short-term revenue due to lower growth rates, lower average rental rates and higher vacancy allowances.

The Manager is of the view that the provision of the Vendor Support allows LMIR Trust to benefit from the additional stability of the guaranteed NPI in light of the uncertainty caused by the Covid-19 pandemic and downside protection during the initial ramping up period as the Property continues to mature.

To safeguard the interests of LMIR Trust under the Vendor Support arrangements, the Vendor will, on a quarterly basis, commencing from Completion until the lapse of the Vendor's liability period under the Property CSPA, provide a certification to the Purchaser on its net asset value ("**NAV**") (after taking into account the appraised value of investments and assets of the Vendor based on the latest available property valuations of the Vendor's properties) certified by the external auditors. Should the NAV of the Vendor fall below an amount equal to the Purchase Consideration, the Vendor shall, within 25 (twenty five) Business Days from the occurrence of such event (or such other period as may be mutually agreed between the parties), inform the Purchaser and procure another party, whose identity shall be acceptable to the Trustee, to enter into a separate agreement(s) to assume the Vendor's indemnification obligation under the Property CSPA and the Vendor's obligations under the Vendor Support Agreement. We consider this safeguard prudent in light of Moody's comments regarding the Sponsor's weaker credit profile post Acquisition (rated B1 Outlook Negative by Moody's), as the Sponsor has provided an irrevocable undertaking to apply for all the excess rights units not taken up by the unitholders.

In addition, under the Property CSPA, the Purchaser is, amongst others, indemnified against any and all losses which it may sustain, incur or suffer out of or in connection with a breach of the Vendor's obligations under the Vendor Support Agreement. However, if the Property is closed as required by applicable laws and regulations by the relevant government authorities and such mandatory closure last for a continuous period of more than six months, the parties agree to discuss in good faith on the impact of such mandatory closure to the performance of the Vendor's obligations relating to the Vendor Support and the actions that will be taken by both parties thereto. If the Property is closed due to the sole decision of the Purchaser after Completion, the Vendor Support will be suspended during such period of voluntary closure.

We observe that the appraised values of the Property (with Vendor Support) estimated by Cushman and Colliers as at 30 June 2020 are between Rp.3,762.0 billion (S$361.7 million) and Rp.3,970.0 billion (S$381.7 million), respectively. The Purchase Consideration of Rp.3,500.0 billion (S$336.5 million) represents a discount of 9.47% to the average of the two independent valuations.

We further note that should the Vendor Support not be taken into account in the appraised values of the Property, the respective valuations as estimated by Cushman and Colliers as at 30 June 2020 are between Rp.3,572.0 billion (S$343.5 million) and Rp.3,680.0 billion (S$353.8 million). The Purchase Consideration of Rp.3,500.0 billion (S$336.5 million) represents a discount of 3.47% to the average of the two independent valuations.

Based on projections by the Independent Valuers, the NPI Target under the Vendor Support is higher than the projected NPI that could potentially be achieved for the Vendor Support Period under current operating assumptions. As such, this has the effect of increasing the upfront valuations by Rp.190.0 billion (S$18.2 million) or Rp.290.0 billion (S$27.9 million) and represent approximately 5.3% and 7.9% of the assessed value of the Property, as estimated by Cushman and Colliers, respectively, derived using the projected NPI under current operation assumptions.

In each case, the higher upfront valuation amounts are roughly equal to the present value of the difference between the NPI Target during the Vendor Support Period and the projected NPI estimated under current operating assumptions.

While the Vendor Support is a notable contributor to NPI in the projections prepared by the Independent Valuers for the Vendor Support Period, the Manager believes that the NPI from the Property is sustainable after the expiry of the Vendor Support Period as:

(i) the Property is part of St. Moritz, an integrated mixed-use development which includes six apartment towers and an office-cum-5-star hotel building;

(ii) the Property's strategic location with high-rise private residential developments, townhouses, civic amenities, schools, hospitals, hotels, restaurants, offices and shopping centres within a three kilometres radius of the Property. The residents and workers within the said buildings form part of the catchment population of LMP; and

(iii) the view of both Cushman and Colliers that the NPI Target under the Vendor Support Agreement will be sustainable by the underlying revenue of the Property after the expiry of the Vendor Support Period.

There is no assurance that the underlying NPI and occupancy rates will be sustainable after expiry of the Vendor Support Period. In the event that suitable replacement lessees cannot be secured, the NPI of the Property may be adversely impacted.

3.3 *Pro forma* financial effects of the Acquisition

The *pro forma* financial effects of the Acquisition and the Rights Issue are extracted from section 7 of the Circular and are strictly for illustrative purposes only.

The *pro forma* financial effects of the Acquisition and the Rights Issue were prepared based on the FY2019 Audited Consolidated Financial Statements or the unaudited consolidated financial statements for 9M2020 (the "**9M2020 Unaudited Consolidated Financial Statements**") assuming:

(i) a total Acquisition Cost (including the Acquisition Fee) of S$390.9 million;

(ii) the Acquisition Cost (excluding for the Acquisition Fee, which will be paid through the issue of the Acquisition Fee Units) including related fees of S$389.2 million will be paid by cash;

(iii) the Manager voluntarily waives 50.0% of its Acquisition Fee Entitlement and the Acquisition Fee which is satisfied via the issue of 20,722,812 Acquisition Fee Units which are assumed to be issued a prevailing Market Price of S$0.081 per Unit;

(iv) the Acquisition Cost (excluding for the Acquisition Fee, which will be paid through the issue of the Acquisition Fee Units) of S$389.2 million will be funded by S$269.2 million of equity and S$120.0 million of debt financing facilities comprising bank facilities and the Vendor Financing; and

(v) 4,682,872,029 Rights Units will be issued on a *pro rata* basis of 160 Rights Units for every 100 existing Units at an issue price of S$0.060 per Rights Unit to raise total proceeds of approximately S$281.0 million.

FY2019

(a) Pro Forma DPU

The *pro forma* financial effects of the Acquisition, the Rights Issue and the Divestments on LMIR Trust's DPU for FY2019 as if the Acquisition, the Rights Issue and the Divestments were completed on 1 January 2019 and LMIR Trust held and operated the Property in FY2019 are as follows:

	FY2019(1)			
	Before the Acquisition and the Rights Issue(2)	**After the Divestments(2)**	**After the Divestments, the Acquisition and Rights Issue(2)(4)(9)**	**After the Divestments, Acquisition and Rights Issue and without Vendor Support(2)(5)(9)**
Distribution to Unitholders (S$'000)	64,850	54,942(3)	73,873(3)	64,618(3)
Units in issue and to be issued	2,894,902,627	2,892,543,850	7,602,099,448	7,600,031,339
DPU (cents)	2.23	1.90	0.97	0.85
Annualised Distribution yield (%)	9.9(6)	8.4(6)	12.0(7)	10.5(7)
DPU Yield (%) based on Rights Issue Price	-	-	16.2(8)	14.2(8)

Notes:

(1) Based on an exchange rate of S$1.00: Rp.10,324.32.

(2) Based on the FY2019 Audited Consolidated Financial Statements.

(3) Including the cost of the Divestments and related tax amounting to S$3.7 million and assuming that the net proceeds of the Divestments are placed into a Rupiah denominated fixed deposit at an interest rate of 5.0% per annum.

(4) Taking into account the issue of 4,709,555,598 Units, being the Rights Units, the Acquisition Fee Units and the performance fee units for the Manager based on *pro forma* financials of LMIR Trust in FY2019.

(5) Taking into account the issue of 4,707,487,489 Units, being the Rights Units, the Acquisition Fee Units and the performance fee units for the Manager based on *pro forma* financials of LMIR Trust in FY2019.

(6) Based on a closing price of S$0.225 per Unit.

(7) Based on a TERP of S$0.081 per Unit.

(8) Based on the illustrative Issue Price of S$0.060 per Unit.

(9) Assumed all debt financing to be funded by banking facilities.

Based on the figures above, we note that there would have been a decrease in FY2019 DPU, and an increase in Annualised Distribution yield, attributable to an increase in issued Units arising from the Rights Issue of 160 Rights Units for every 100 existing Units at a significant discount to the closing price of S$0.225 per Unit as at 31 December 2019.

The *pro forma* financial effects of the Acquisition and the Rights Issue on LMIR Trust's DPU for 9M2020 as if the Acquisition and the Rights Issue were completed on 1 January 2020 and LMIR Trust held and operated the Property through to 30 September 2020, are as follows:

	9M2020[(1)]		
	Before the Acquisition and the Rights Issue[(2)]	**After the Acquisition and Rights Issue[(2)(3)(8)]**	**After the Acquisition and Rights Issue and without Vendor Support[(2)(4)(8)]**
Distribution to Unitholders (S$'000)	8,698	12,154[(9)]	8,698[(10)]
Units in issue and to be issued	2,926,795,018	7,640,503,490	7,634,162,523
DPU (cents)	0.30	0.16	0.11
Adjusted Distributable income to Unitholders (S$'000)	-[(5)]	12,154	-[(11)]
Adjusted DPU (cents)	N.M.[(5)]	0.16	N.M.[(11)]
Annualised (Adjusted) Distribution yield (%)	N.M.[(5)]	2.6[(6)]	N.M.[(11)]
Adjusted DPU Yield (%) based on Rights Issue Price	-	3.5[(7)]	N.M.[(11)]

Notes:

(1) Based on an exchange rate of S$1.00: Rp.10,514.34.

(2) Based on the 9M2020 Unaudited Consolidated Financial Statements.

(3) Taking into account the issue of 4,713,708,472 Units, being the Rights Units, the Acquisition Fee Units and the performance fee units for the Manager based on the 9M2020 Unaudited Consolidated Financial Statements.

(4) Taking into account the issue of 4,707,367,505 Units, being the Rights Units, the Acquisition Fee Units and the performance fee units for the Manager based on the 9M2020 Unaudited Consolidated Financial Statements.

(5) LMIR Trust recorded distributable income of S$6.6 million in the first half of FY2020 and incurred net losses of S$6.7 million in the third quarter of FY2020. The net losses were reversed when arriving at distributable income in the reported results

for the third quarter of FY2020 as distributions income cannot be a negative number. If the net losses for 9M2020 were taken into consideration in the third quarter of FY2020, LMIR Trust would not have had distributable income for 9M2020 and the DPU and distribution yield would not be meaningful.

(6) Based on a TERP of S$0.081 per Unit.

(7) Based on the illustrative Issue Price of S$0.060 per Unit.

(8) Assuming all debt financing to be funded by banking facilities.

(9) The *pro forma* distribution to Unitholders for 9M2020 after the Acquisition (with Vendor Support) took into account the following:

		Adjustments			
	Before the Acquisition and the Rights Issue	**The Acquisition with Vendor Support**	**Accrual for distribution to holders of perpetual securities[a]**	**Others Adjustments [b][c]**	**After the Acquisition and Rights Issue**
Distribution to unitholders (S$'000)	8,698	14,332	(2,105)	(8,771)	12,154

Notes:

(a) The 9M2020 Unaudited Consolidated Financial Statements only reflects the coupon paid to holders of perpetual securities in September 2020 as LMIR Trust was not in a financial position to pay the coupon payable to holders of perpetual securities due in December 2020. Taking into account the Acquisition and the additional distributable income generated by the Property, LMIR Trust would be able to accrue and pay the coupon payable to holders of perpetual securities due in December 2020.

(b) The 9M2020 Unaudited Consolidated Financial Statements reflect a loss of S$6.7 million. Assuming the completion of the Acquisition and the Rights Issue on 1 January 2020 and LMIR Trust held and operated the Property through to 30 September 2020, the distributable income generated from the Property with Vendor Support would have fully offset the losses incurred by LMIR Trust and the balance would have been available for distribution to Unitholders.

(c) Based on the 9M2020 Unaudited Consolidated Financial Statements, LMIR Trust would have had enough distributable income for its distributions from operations and would not utilise the permitted distribution of S$2.0 million under the terms of the USD Notes, assuming the completion of the Acquisition and the Rights Issue on 1 January 2020 and if LMIR Trust held and operated the Property through to 30 September 2020.

(10) The *pro forma* distribution to Unitholders for 9M2020 after the Acquisition (without Vendor Support) took into account the following:

		Adjustments		
	Before the Acquisition and the Rights Issue	**The Acquisition without Vendor Support**	**Other Adjustments [a]**	**After the Acquisition and Rights Issue and without Vendor Support[b]**
Distribution to unitholders (S$'000)	8,698	1,902	(1,902)	8,698

Notes:

(a) The 9M2020 Unaudited Consolidated Financial Statements reflect a loss of S$6.7 million. Assuming the completion of the Acquisition and the Rights Issue on 1 January 2020 and LMIR Trust held and operated the Property through to 30 September 2020, the distributable income generated from the Property without Vendor Support would have partially offset the S$6.7 million loss incurred by LMIR Trust for 9M2020.

(b) The distribution to Unitholders would remain the same as before the Acquisition (without Vendor Support) and the Rights

Issue as the distributable income generated by the Property without Vendor Support would have been insufficient to offset the $6.7 million loss incurred by LMIR Trust for 9M2020.

(11) Adjusted distribution to Unitholders would remain the same as before the Acquisition (without Vendor Support) and the Rights Issue as the distributable income generated by the Property without Vendor Support would have been insufficient to offset the S$6.7 million loss incurred by LMIR Trust for 9M2020.

(b) Pro Forma NAV per Unit

The *pro forma* financial effects of the Acquisition, the Rights Issue and the Divestments on LMIR Trust's NAV per Unit as at 31 December 2019, as if the Acquisition, the Rights Issue and the Divestments were completed on 31 December 2019 are as follows:

	As at 31 December 2019	
	Before the Acquisition and the Rights Issue[(1)]	**After the Acquisition, the Rights Issue and Divestment**[(2)]
NAV (S$'000)[(3)]	816,298	1,090,066
Units in issue and to be issued	2,894,902,627	7,598,497,467
NAV per Unit (cents)	28.20	14.35

Notes:

(1) Based on the FY2019 Audited Consolidated Financial Statements.

(2) Taking into account the issue of 4,703,594,840 Units, being the Rights Units and the Acquisition Fee Units (taking into account the voluntarily waiver of 50.0% of its Acquisition Fee Entitlement by the Manager).

(3) Based on the net assets attributable to Unitholders and excluding the net assets attributable to holders of perpetual securities.

Based on the figures above, we note that there would have been a decrease in FY2019 NAV per Unit, primarily attributable to an increase in issued Units arising from the Rights Issue of 160 Rights Units for every 100 existing Units at a significant discount to the NAV per Unit of S$0.282.

The *pro forma* financial effects of the Acquisition, the Rights Issue and the Divestments on LMIR Trust's NAV per Unit as at 30 September 2020, as if the Acquisition, the Rights Issue and the Divestments were completed on 30 September 2020 are as follows:

	As at 30 September 2020	
	Before the Acquisition and the Rights Issue[(1)]	**After the Acquisition, the Rights Issue and Divestment**[(2)]
NAV (S$'000)[(3)]	514,154	791,611
Units in issue and to be issued	2,926,795,018	7,630,389,858

NAV per Unit (cents)	17.57	10.37

Notes:

(1) Based on the 9M2020 Unaudited Consolidated Financial Statements.

(2) Taking into account the issue of 4,703,594,840 Units, being the Rights Units and the Acquisition Fee Units (taking into account the voluntarily waiver of 50.0% of its Acquisition Fee Entitlement by the Manager).

(3) Based on the net assets attributable to Unitholders and excluding the net assets attributable to holders of perpetual securities.

Based on the figures above, we note that there would have been a decrease in 9M2020 NAV per Unit, primarily attributable to an increase in issued Units arising from the Rights Issue of 160 Rights Units for every 100 existing Units at a significant discount to the NAV per Unit of S$0.1757.

While there is a decrease in DPU and NAV per Unit, there should, in theory, be no impact on the proportion of DPU and NAV attributable to the Unitholder provided the Unitholder subscribes fully to their entitlement under the Rights Issue. The proportion of DPU and NAV of the Unitholder who either does not subscribe to the Rights Issue or does so partially will, in theory, be diluted.

NPI Yield

We note in relation to the rationale for the Acquisition set out in section 4.2 of the Circular, that the Acquisition is NPI accretive on a *pro forma* basis as of 31 December 2019 as shown below:

	Existing Portfolio	Property	Enlarged Portfolio
NPI (Rp. billion)	1,819.2	340.0[(1)]	2,159.2
Valuation / Purchase Price (Rp. billion)	18,851.8	3,500.0	22,351.8
NPI Yield (%)	9.65	9.71	9.66

Note:

(1) Property NPI of Rp.340.0 billion comprises of Vendor support of Rp.118.0 billion and the net service income of Rp.13.0 billion.

The NPI Yield of the Acquisition based on the Property's NPI for FY2019 including the Vendor Support is 9.71%. The NPI Yield of the Existing Portfolio is 9.65% as of 31 December 2019. With the Acquisition, the NPI Yield of the Existing Portfolio and the Property (together the "**Enlarged Portfolio**") would be 9.66% on a *pro forma* basis as of 31 December 2019.

	Existing Portfolio[(1)]	Property	Enlarged Portfolio
NPI (Rp. billion)	651.8	257.3[(2)]	909.1
Valuation / Purchase Price (Rp. billion)	16,868.7	3,500.0	20,368.7
Annualised NPI Yield (%)	5.15	9.80	5.95

Notes:

(1) Excluding Binjai Super Mall and Pejaten Village which were divested 30 July 2020 and 3 August 2020 respectively.

(2) Property NPI of Rp.257.3 billion comprises of Vendor support of Rp.161.3 billion and the net service income of Rp.2.3 billion.

The NPI Yield of the Acquisition based on the Property's NPI for the nine-month period ended 30 September 2020 ("**9M2020**") including the Vendor Support is 9.80%. The NPI Yield of the Existing Portfolio is 5.15% as of 30 September 2020. With the Acquisition, the NPI Yield of the Enlarged Portfolio would be 5.95% on a *pro forma* basis as of 30 September 2020. The annualized NPI for 9M2020 is negatively impacted by the Covid-19 pandemic.

3.4 Other relevant considerations in relation to the Acquisition

(a) Related Tenancy Agreements

Upon Completion, and assuming that all of the leases of the Property are novated to PT PBT within one (1) year from Completion, LMIR Trust will, through PT PBT, take over all of the tenancy agreements with respect to the Property, including various tenancy agreements entered into by certain associates and subsidiaries of the Sponsor (the "**Related Tenancy Agreements**"). We note that the aggregate rental fees and insurance premiums derived or to be derived from the Related Tenancy Agreements is estimated at Rp.32.2 billion (approximately S$3.1 million).

We note the following:

(i) the statement of the Manager that the rental rates under the Related Tenancy Agreements are comparable to the rental rates paid by tenants of the Property who are not Interested Persons of LMIR Trust, and are also generally comparable with the rental rates of leases signed with other malls within LMIR Trust's Existing Portfolio, after taking into account the differences between each mall (premium, middle-upper, middle, etc.), and the location of the tenant within the mall (ground floor, upper ground floor, basement, etc.); and

(ii) the Manager is of the view that the Related Tenancy Agreements are made on normal commercial terms and are not prejudicial to the interests of LMIR Trust and its minority Unitholders.

(b) Civil Case

The Vendor has been involved as a plaintiff in a Civil Case against:

(i) the Government of DKI Jakarta – DKI Jakarta Governor (as the defendant);

(ii) West Jakarta Land Office (as the co-defendant I);

(iii) Regional Government of West Jakarta – West Jakarta Mayor (as the co-defendant II); and

(iv) PT Antilope Madju Puri Indah (as the co-defendant III),

the main object of such civil lawsuit is the land situated underneath (the overpass of) and on top of (the underpass of) the Retail Walkway which has previously owned by the Vendor but has then been handed over to the Regional Asset and Finance Management Agency of DKI Jakarta Province for the purposes of road infrastructure allotment, in total area of approximately 4,825 sq m.

We have enquired with the Manager as to the status of the Civil Case and understand that on 22 May 2019, the West Jakarta District Court rendered a decision concerning the Civil Case ("**Decision**") partially accepting several claims in favour of the Vendor which include, *inter alia*: (a) a declaration that the Defendant (DKI Jakarta Government – the DKI Jakarta

Governor) has committed a tort (*Perbuatan Melawan Hukum*); (b) charging the Defendant to revoke the seal and demolition order on (the overpass of) Retail Walkway; and (c) charging the Defendant to perform its obligations to issue all permits required for the Vendor to operate and utilise the Retail Walkway free from any third-party interference.

Although the West Jakarta District Court ruled in favour of the Vendor, as part of the application for a Function Feasibility Certificate (*Sertifikat Laik Fungsi*) for LMP (being one of the critical licenses for the operation of LMP), the Vendor submitted a settlement proposal to the DKI Jakarta Government which was followed by the signing by the Vendor and the DKI Jakarta Government (the DKI Jakarta Governor) of an amicable settlement agreement dated 12 May 2020, by which both parties principally:

(i) agreed to settle the Civil Case amicably and therefore dismiss the case;

(ii) acknowledged that all legal issues existing between them are resolved;

(iii) agreed to refrain from filing for any legal remedies against the Civil Case;

(iv) agreed to disregard the contents of the Decision; and

(v) agreed to put forward the agreement to the DKI Jakarta High Court to be pronounced as a Deed of Amicable Settlement (*Penetapan Perdamaian*)/Acta van Dading.

This amicable settlement agreement has been put forward to the DKI Jakarta High Court for ruling, which if accepted by the court will bring the Civil Case to an end. Thereafter, a detailed settlement of the issues relating to the Retail Walkway will be discussed and agreed separately between the Vendor and the DKI Jakarta Government.

It is expected that this detailed settlement will include an agreement for the Vendor to lease the land under the Retail Walkway which will allow the Vendor to provide and guarantee reasonable access to the Property to PT PBT, the tenants of the Property and visitors to the Property through the Retail Walkway. However, should this detailed settlement between the Vendor and the DKI Jakarta Government fail to include an agreement for the Vendor to lease the land under the Retail Walkway, PT PBT may be entitled to an indemnity under the Property CSPA for any losses suffered due to the failure of the Vendor to perform its undertaking to provide reasonable access to the Excluded Area.

Irrespective of the above status of the Civil Case, we have made enquiries with the Manager regarding the impact that sealing/closure of the Retail Walkway would have on the Property and understand as follows:

(i) The Manager has confirmed that it would not be expected to have any material impact as: (a) both mall buildings are not reliant on the traffic flow from the other building as both malls have their own separate access points from public roads; (b) there are car parking areas at both mall buildings; and (c) both mall buildings are able to attract tenants by virtue of their own diverse tenancy mix; and

(ii) The Manager has confirmed that the Property CSPA provides an overriding indemnity in favour of PT PBT, LMIR Trust, the Manager or the Trustee where a closure (whether entirely or partially) of the Excluded Area due to a limitation or restriction (of any kind) on the operations of the Excluded Area imposed by the government authorities, which adversely and materially affects the operation of the Property.

(c) *Segregation Process*

We understand from the Manager that the segregation process with respect to the Property was completed on 2 October 2020 and two Strata Title (*Hak Atas Satuan Rumah Susun*) Certificates No. 419 and No. 420 were issued on 2 October 2020 in the name of the Vendor. As part of the settlement process, the Vendor and PT PBT will execute a deed of sale and purchase before a land deed officer, following which the name recorded in the Strata Title Certificates for the Property will be changed to PT PBT.

(d) *Lease Novation*

Under the Property CSPA, all tenancy agreements are to be novated from the Vendor to PT PBT within one year from Completion. After Completion, if the Vendor receives any income from any tenant, the Vendor shall transfer such income to the Purchaser without any deduction. If there are any remaining tenancies which are still not able to be novated by the end of such one-year period after Completion, the Vendor shall use all reasonable commercial endeavours to pursue payment of all income under such remaining tenancies and transfer the same to PT PBT.

Rentals due from tenants whose tenancies have yet to be novated will first be deposited into the Vendor's accounts pursuant to existing contractual arrangements between the tenants and the Vendor, to be subsequently transferred to the Purchaser's account on a monthly basis.

LMIR Trust's accountants and asset managers will conduct a monthly reconciliation between tenant rent roll and actual rentals received. The failure of the Vendor to promptly remit such rental amounts otherwise due to PT PBT will entitle PT PBT to make a claim for damages against the Vendor.

(e) *Indemnity in relation to the Acquisition*

Under the Property CSPA, PT PBT has been granted an indemnity by the Vendor, pursuant to which the Vendor will, subject to certain conditions, indemnify PT PBT against liabilities or damages suffered by the Trustee arising from the Acquisition, including but not limited to:

(i) losses in connection of:

(a) a breach of any of the representations, warranties, undertakings or covenants made by the Vendor under the Transaction Documents (as defined in the Property CSPA, which includes the Vendor Support Agreement);

(b) if any, as a direct consequence of:

(i) the Strata Title Issuance Conditions (as defined in the Property CSPA), and the recommendations as set out in ANDAL LALIN (as defined in the Property

CSPA), which remain unfilfilled, unsettled, unresolved, or unperformed, as applicable, as the Property Completion Date;

(ii) the results of building audit to be conducted by the Department of Human Settlement, Spatial Planning and Land (*Dinas Cipta Karya, Tata Kota, dan Pertanahan)* of DKI Jakarta against any part of the LMP (including the Property) in accordance with the SLF (as defined in the Property CSPA);

(iii) the Other Civil Cases (as defined in the Circular); and

(c) all actions, arrangements and/or documents in relation to the Property made, prepared, executed, entered into and/or delivered by the Vendor on or prior to the Completion; and

(ii) losses which any of PT PBT, LMIR Trust, the Manager or the Trustee may at any time and from time to time sustain, incur or suffer which arises out of or in connection with the Excluded Area and the Extra Area (as defined in the Property CSPA) including but not limited to any development, work or activities undertaken by the Vendor (and/or its appointed party) in the Excluded Area, and a closure (whether entirely or partially) of the Excluded Area due to a limitation or restriction (of any kind) on the operations of the Excluded Area imposed by the government authorities, which adversely and materially affects the operation of the Property or, in relation to the Extra Area, affects the validity or legality of the Strata Title Certificates of the Property.

Such indemnity is subject to, amongst others, the following limitations:

(a) the maximum aggregate liability of the Vendor to PT PBT in respect of all claims (other than a claim in respect of a breach of certain fundamental warranties) shall not exceed, in relation to the Property, 50.0% of the Purchase Consideration, whilst the aggregate liability of the Vendor in respect of all claims for a breach of certain fundamental warranties shall not exceed the Purchase Consideration; and

(b) that no claim shall be brought against the Vendor unless:

(i) written particulars shall have been notified in writing to the Vendor before the expiry of the limitation period as governed under the Property CSPA; and

(ii) such claim has already been settled to the reasonable satisfaction of PT PBT or the Trustee or proceedings in respect of the claim are commenced within four months of the expiry of the period mentioned in the sub-paragraph above.

In relation to the limitation on the Vendor's indemnity set out in paragraph (ii)(a) above, given that a breach of fundamental warranties, such as a breach in relation to the strata titles, may expose PT PBT to the potential risk of losing its legal right over the Property, the Vendor is liable to indemnify PT PBT in respect of such claims for the sum of up to 100.0% of the Purchase Consideration. Breaches of non-fundamental warranties are not anticipated to expose PT PBT to such risk, the Vendor's indemnity for such claims is capped at 50.0% of the Purchase Consideration, as commercially negotiated and agreed between the Vendor and PT PBT.

In connection with the above, we have reviewed the unaudited financial standing of Vendor as at 30 June 2020 and note that its net asset value attributable to the Vendor is higher than the Purchase Consideration under the Property CSPA.

4. OUR EVALUATION OF THE VENDOR FINANCING

In arriving at our Opinion in relation to the Vendor Financing, we have considered the following key factors:

4.1 Rationale for the Vendor Financing

Information in relation to the rationale for the Vendor Financing is set out in section 6.2 of the Circular and is extracted as follows:

"The Vendor Financing will allow LMIR Trust to conserve its existing cash balance to buffer against any continued short term impact on its operations due to the Covid-19 pandemic while seizing on the opportunity to acquire a strategic asset beneficial to LMIR Trust over the long term. Although the Asian banking and debt capital markets have stabilised, they have yet to recover fully to the levels seen before the outbreak of the Covid-19 pandemic. LMIR Trust will look to repay this Vendor Financing with new longer tenor borrowings from the banking or debt capital markets when raising further financing from these markets become more conducive."

We consider the rationale relevant and reasonable.

4.2 Comparison of the terms of the Vendor Financing against LMIR Trust's existing borrowings

For the purposes of our evaluation and illustration, we set out below a comparison of the interest rate of the Vendor Financing against LMIR Trust's existing borrowings:

Type of loan	Principal	Term	Maturity	Interest rate (p.a.)
Term loan	S$175.0 million	5 years	August 2021	3.18% – 3.31%[1]
Term loan	S$67.5 million	4 years	November 2022	3.08% – 3.21%[1]
Term loan	S$67.5 million	5 years	November 2023	3.28% – 3.41%[1]
Guarantee Senior Notes	US$250.0 million	5 years	June 2024	6.71%[2]
Revolving credit facility				3.85%
Vendor Financing	**Up to S$40.0 million**	**15 months + 12 months[3]**	**-**	**3.65%**

Source: LMIR Trust's FY2019 Annual Report and FY2020 Q2 Unaudited Financial Statements

Notes:

1. Based on the latest available figures published by Bloomberg L.P. ("**Bloomberg**") as at the Latest Practicable Date, the Singapore swap offer rate ("**SOR**") is denoted as follows: Overnight: 0.03167%; 1-month: 0.10180%; 3-month: 0.17024%; 6-month: 0.16166%.

2. On 19 June 2019, LMIR Trust, through its wholly-owned subsidiary, LMIRT Capital, issued US$250.0 million 7.25% Guarantee Senior Notes due in 2024.

   Cross currency swap agreements were entered pursuant to which the US$250.0 million proceeds of the Notes were swapped into Singapore dollars with a weighted average fixed interest rate of 6.71% per annum payable semi-annually in arrears.

3. Subject to approval of the Lender (being the Vendor).

Based on the above, we observe that the interest rate chargeable by the Vendor under the Vendor Financing is within the range of the interest rates payable under LMIR Trust's existing borrowing arrangements.

In addition to the above, we note that the Vendor Financing is an unsecured loan. We note that this also is in line with the terms of LMIR Trust's existing borrowings.

4.3 Comparable industry information

In assessing whether the interest chargeable by the Vendor under the Vendor Financing is reasonable, we have considered the benchmarking comparison of the interest chargeable with public information available on similar rates charged to selected Real Estate Investment Trusts ("**REITs**") listed on the SGX-ST, which in our view, are broadly comparable to LMIR Trust (the "**Broadly Comparable REITs**").

For the purpose of comparison, we have assessed the reasonableness of the interest chargeable by the Vendor under the Vendor Financing by comparing it against similar rates charged to the Broadly Comparable Trusts.

We wish to highlight that the Broadly Comparable REITs are not exhaustive and there may not be any entity that is directly comparable to LMIR Trust in terms of, *inter alia*, market capitalisation, size of operations, clientele base, composition of business activities, asset base, geographical spread, track record, operating and financial leverage, risk profile, liquidity, accounting policies, future prospects and other relevant criteria. As such, any comparison made with respect to the Broadly Comparable REITs is intended to serve as an illustrative guide only.

The rates charged to the Broadly Comparable REITs set out below are extracted from Capital IQ as at the Latest Practicable Date.

A comparison of the interest charged under the Vendor Financing against similar rates charged to the Broadly Comparable REITs is illustrated below:

No	REIT	Market capitalisation	Average debt [Latest two FY's]	Interest expense [Latest FY]	Effective interest rate[2] for borrowings (%)
1	Starhill Global Real Estate Investment Trust	978.9	1,191.6	39.9	3.35%
2	Keppel Pacific Oak US REIT	889.9	580.2	33.3	5.73%
3	Sasseur Real Estate Investment Trust	959.2	486.0	27.9	5.75%
4	AIMS APAC REIT	833.9	570.2	25.1	4.40%
5	Frasers Hospitality Trust	837.8	873.2	20.6	2.36%
6	ARA LOGOS Logistics Trust	628.4	535.4	21.5	4.02%
7	Soilbuild Business Space REIT	617.5	513.5	19.3	3.76%
8	EC World Real Estate Investment Trust	563.4	566.7	29.2	5.15%
9	IREIT Global	574.0	325.4	5.1	1.57%
10	Sabana Shari'ah Compliant Industrial Real Estate Investment Trust	373.8	358.6	16.2	4.52%
11	First Real Estate Investment Trust	371.3	492.4	21.4	4.35%
12	BHG Retail REIT	265.7	250.9	14.8	5.90%
				MAX	5.90%
				MEDIAN	4.38%
				MEAN	4.24%
				MIN	1.57%
				3RD QUARTILE	5.30%
				1ST QUARTILE	3.66%
	Vendor Financing				**3.65%**

Notes:

1. All figures are expressed in S$ million unless otherwise indicated.

2. Effective interest rates are calculated based on the Broadly Comparable REITs' latest annual interest expense as a percentage of the average total debt, and in the case of Vendor Financing is based on the interest rate as indicated in the Facility Agreement.

Based on the above, we observe that the interest rate chargeable under the Vendor Financing is within the range of the effective interest rates incurred by the Broadly Comparable REITs, and is below the mean and median effective interest rates incurred by the Broadly Comparable REITs.

4.4 Repayment of the Vendor Financing and the Extension Option Fee

Under the terms of the Vendor Financing, the Principal Amount of up to S$40.0 million is repayable 15 months from the date of drawdown (the "**Drawdown Date**") (the "**Initial Maturity Date**") extendable by a further 12 months up subject to the approval of the Lender (the "**Final Maturity Date**") if:

(i) The Borrower issues a notice in writing to the Lender for such extension at least 30 days before the Original Termination Date;

(ii) the Lender consents to the extension of the Termination Date in writing (such consent not to be unreasonably withheld in any manner whatsoever); and

(iii) the Borrower pays the Lender an extension option fee ("**Extension Option Fee**") of 0.50% (percent) of the Loan.

We observe that the interest rate of 4.15% chargeable under the Vendor Financing (including the Extension Option Fee) is:

(i) within the range of the interest rates payable under LMIR Trust's existing borrowing arrangements; and

(ii) within the range of the effective interest rates incurred by the Broadly Comparable REITs, and is below the mean and median effective interest rates incurred by the Broadly Comparable REITs.

We further understand that the interest will be payable in one lump sum on the Initial Maturity Date and on the Final Maturity Date (if the maturity date is extended to the Final Maturity Date). We note from the Management that the interest accrued will not be compounded.

4.5 Tax Gross Up

We note that all payments to be made by the Borrower will be free and clear of all present and future taxes, unless required by law. If any deduction is required, the Borrower will pay an additional amount necessary to ensure that the Lender receives an amount that would otherwise have been received had no such deduction been required.

We have inquired with the Management and understand that the withholding tax if applicable on the interest in connection with the Vendor Financing is approximately 10%, resulting in a potential grossed-up interest rate of approximately 4.05%. We note that this grossed-up interest rate is:

(i) within the range of the interest rates payable under LMIR Trust's existing borrowing arrangements; and

(ii) within the range of the effective interest rates incurred by the Broadly Comparable REITs, and is below the mean and median effective interest rates incurred by the Broadly Comparable REITs.

We further note from the Management that the Extension Option Fee will also be subject to withholding tax.

We observe that the grossed-up interest rate of 4.60% (including the Extension Option Fee together with the corresponding withholding tax) is:

(i) within the range of the interest rates payable under LMIR Trust's existing borrowing arrangements; and

(ii) within the range of the effective interest rates incurred by the Broadly Comparable REITs, and is slightly above the mean and median effective interest rates incurred by the Broadly Comparable REITs.

4.6 Other relevant considerations in relation to the Vendor Financing

(a) Voluntary prepayment

Pursuant to the Facility Agreement, the Borrower may, if it gives the Lender not less than five Business Days' (or such shorter period as the Lender may agree) prior written notice, prepay (without fee, premium or penalty) the whole or any part of the Loan together with the accrued interest on the amount prepaid.

(b) Governing law and submission to jurisdiction

The parties to the Vendor Financing have agreed that disputes shall be governed and construed in accordance with the laws of Singapore and have agreed to submit to the non-exclusive jurisdiction of the Singapore International Arbitration Centre (the "**SIAC**").

5. OUR EVALUATION OF THE WHITEWASH RESOLUTION

In arriving at our Opinion in relation to the terms of the Rights Issue, being the subject of the Whitewash Resolution, and the Whitewash Resolution, we have considered the following key factors:

5.1 Rationale for the Whitewash Resolution

Information in relation to the rationale for the Whitewash Resolution is set out in section 5.4 of the Circular and is extracted as follows:

"The Whitewash Resolution is to allow the Relevant Entities and/or their concert parties to be allotted and issued the Excess Rights Units. The rationale for allowing the Relevant Entities and/or their concert parties to do so is set out as follows.

The Manager is of the view that allowing the Relevant Entities and/or their concert parties to subscribe to and be issued the Excess Rights Units will demonstrate the long-term commitment of the Manager and the Sponsor to LMIR Trust. It will also further align the interests of the Manager and the Sponsor with Unitholders, incentivising the Manager to raise the performance of LMIR Trust to the benefit of Unitholders.

Accordingly, the Manager has procured the Sponsor Irrevocable Undertaking to have the Subscribing Entities subscribe and pay in full for the Relevant Entities' Allotted Rights Units and Excess Rights Units as part of its strategy to maximise the total amount raised through the Rights Issue while reducing the uncertainty surrounding the total proceeds to be obtained from the Rights Issue."

We consider the rationale relevant and reasonable.

5.2 The Rights Units

Rights Units to be issued on a pro rata basis

The Rights Units under Rights Issue will be offered on a pro rata basis. Hence, Independent Unitholders are not prejudiced in the allocation of the Rights Units offered under the Rights Issue.

Pricing of the Rights Units

The actual terms and conditions of the Rights Issue will be set out in the Offer Information Statement (as defined in the Circular). The illustrative Issue Price of S$0.060 per Rights Unit is set out in greater detail in section 3.2 of the Circular. The illustrative Issue Price represents a discount of:

(i) approximately 47.8% to the closing price of S$0.115 per Unit on the SGX-ST on 17 September 2020, being the last trading day of the Units prior to the announcement of the Rights Issue ("**Closing Price**");

(ii) approximately 26.1% to the theoretical ex-rights price ("**TERP**") of S$0.081 per Unit; and

(iii) approximately 58.3% discount to the pro forma NAV per unit after the completion of the Rights Issue of S$0.144 per Unit.

We have considered the historical price performance of the Units and selected precedent rights issues.

The following chart shows the price performance of the Closing Price of the Units for the period 12 months prior to the announcement of the Rights Issue:

No	Date	Announcement
1	07 Nov 2019	Release of 3Q FY2019 financial results
2	30 Dec 2019	Divestment of Pejatan Village and Binjai Supermall
3	19 Feb 2020	Release of FY2019 financial results
4	13 Mar 2020	STI falls to 10-year low over COVID-19 fears
5	30 Apr 2020	Release of Q1 FY2020 financial results
6	15 Jun 2020	Reopening of majority of LMIR Trust's retail malls and retail spaces
		Moody's downgrades LMIR Trust Issuer rating from Ba3 to B1; outlook changed from stable to negative
7	24 Jul 2020	Release of Q2 FY2020 financial results

Source: Capital IQ, company announcements of LMIR Trust on the SGX-ST website.

The volume weighted average prices ("**VWAP**") from various periods beginning up to 12 months prior to the announcement of the Rights Issue are set out below:

Reference period	VWAP (S$)	(Discount) of Offer Price to VWAP (%)	Lowest share price (S$)	Highest share price (S$)	Total volume traded (mm)	Average daily trading volume[1] (mm)	Average daily trading volume (ADTV) as a percentage of free float (%)
Periods prior to the announcement of the Rights Issue, up to and including the last trading day							
One-day prior	0.115	(47.8)%	0.113	0.116	2.686	2.686	0.14%
One-month prior	0.116	(48.1)%	0.111	0.120	51.339	2.232	0.12%
Three-months prior	0.127	(52.6)%	0.111	0.146	231.030	3.667	0.20%
Six-months prior	0.132	(54.6)%	0.102	0.168	1055.673	8.445	0.45%
12-months prior	0.155	(61.3)%	0.102	0.245	1449.154	5.774	0.31%

Source: Capital IQ

During the 12-month period prior to the Latest Practicable Date, the Units had traded within a range of S$0.102 and S$0.245 and the price performance had generally moved downwards. The VWAP of the Units over the reference period was approximately S$0.155.

We note that the illustrative Issue Price represents a discount of approximately 48.1%, 52.6%, 54.6% and 61.3% to the VWAP per Unit for the 1, 3, 6, and 12 months period prior to the announcement of the Rights Issue.

We further note that the illustrative Issue Price represents a discount of approximately 47.8% to the VWAP of the Unit one market day prior to announcement of the Rights Issue.

Comparison of selected precedent rights issues

In assessing the reasonableness of the illustrative Issue Price of S$0.060 per Rights Unit, we have reviewed the salient statistics of completed renounceable rights issues undertaken by entities listed on the SGX-ST announced from 24 February 2017 and up to the announcement of the Rights Issue.

For each completed precedent rights issue, we have considered the discount implied by the issue price to the last traded price prior to the announcement date of the rights issue price and to its respective TERP.

Company	Date of Announcement	Basis of the Rights Issue	Rights issue price	Premium / (Discount) of issue price to last traded share price prior to announcement (%)	Premium / (Discount) of issue price to TERP (%)
Ley Choon Group Holdings Limited	24-Feb-17	1 for 1	S$0.0150	(68.94)	(53.13)
Ascott Residence Trust	6-Mar-17	29 for 100	S$0.9190	(21.45)	(17.50)
Nutryfarm International Limited	30-Mar-17	1 for 2	S$0.1000	(54.55)	(44.44)
Advanced Systems Automation Limited	30-Mar-17	5 for 1	S$0.0009	(82.00)	(43.04)
Pan-United Corporation Ltd	3-May-17	1 for 4	S$0.4300	(41.10)	(33.85)
Maxi-Cash Financial Services Corporation Ltd	16-May-17	1 for 6	S$0.1700	(6.75)	(5.71)
CDL Hospitality Trusts	27-Jun-17	20 for 100	S$1.2800	(23.81)	(20.64)
CFM Holdings Limited	30-Jun-17	6 for 7	S$0.0150	(50.00)	(34.78)
Manulife US Real Estate Investment Trust[(1)]	2-Sep-17	41 for 100	USD 0.6950	(27.98)	(21.56)
Cache Logistics Trust	4-Sep-17	18 for 100	S$0.6320	(28.18)	(24.94)
CapitaLand Commercial Trust	21-Sep-17	166 for 1000	S$1.3630	(19.59)	(17.29)
Maxi-Cash Financial Services Corporation Ltd	9-Nov-17	1 for 10	S$0.1600	(6.32)	(5.38)
Nam Cheong Limited	4-Dec-17	1 for 1	S$0.0140	(30.00)	(17.65)
Progen Holdings Limited	1-Dec-17	1 for 2	S$0.0450	(36.62)	(27.77)
Lifebrandz Ltd	18-Dec-17	2 for 1	S$0.0150	(55.88)	(29.58)
Raffles Education Corporation Limited	18-Dec-17	3 for 10	S$0.1400	(44.00)	(37.78)

JB Foods Limited	20-Dec-17	1 for 3	S$0.2500	(56.90)	(49.75)
SingHaiyi Group Ltd	26-Dec-17	1 for 2	S$0.1000	(16.67)	(11.50)
Global Yellow Pages Limited	14-Feb-18	1 for 5	S$0.2000	25.00	19.76
Rich Capital Holdings Limited (f.k.a. Infinio Group Limited)	14-Feb-18	1 for 1	S$0.0070	(22.22)	(12.50)
Global Dragon Limited (f.n.a. TMC Education Corporation Ltd)	27-Feb-18	3 for 1	S$0.0675	(31.12)	(31.12)
Singapore Medical Group Limited	1-Mar-18	1 for 20	S$0.4800	(14.29)	(13.67)
3Cnergy Limited	2-Mar-18	1 for 1	S$0.0220	(45.00)	(29.03)
Hotel Royal Limited	11-May-18	1 for 5	S$3.0000	(25.00)	(21.74)
Moya Holdings Asia Limited	22-May-18	1 for 2	S$0.0950	0.00	0.00
Hong Leong Asia Ltd	14-Aug-18	1 for 1	S$0.5400	(34.15)	(20.59)
OUE Commercial REIT	10-Sep-18	83 for 100	S$0.4560	(31.43)	(20.00)
OUE Lippo Healthcare Limited	18-Sep-18	1 for 1	S$0.0675	(43.75)	(28.04)
BH Global Corporation Limited	28-Sep-18	3 for 2	S$0.0850	(46.88)	(26.09)
Arion Entertainment Singapore Limited	29-Sep-18	1 for 1	S$0.0080	(20.00)	(11.11)
Keppel-KBS US REIT Management Pte. Ltd.[4]	22-Oct-18	295 for 1000	US$0.5000	(30.07)	(24.92)
Cromwell European REIT[5]	31-Oct-18	38 for 100	€0.373	(31.56)	(25.10)
Manhattan Resources Limited	16-Nov-18	1 for 1	S$0.0245	(69.38)	(53.11)
TEE International Limited	29-Nov-18	38 for 100	S$0.1000	(45.36)	(37.54)
China Star Food Group Limited	10-Dec-18	1 for 1	S$0.0150	(61.54)	(44.44)
Lifebrandz Ltd	14-Dec-18	1 for 2	S$0.0070	(46.15)	(36.36)
Global Dragon Limited (f.n.a. TMC Education Corporation Ltd)	31-Dec-18	1 for 3	S$0.0675	12.50	9.05
Raffles United Holdings Ltd	9-Jan-19	1 for 1	S$0.0500	(39.02)	(27.54)
AsiaMedic Limited	15-May-19	4 for 1	S$0.0120	(7.69)	(1.64)
Chip Eng Seng Corporation Ltd	22-Aug-19	1 for 1	S$0.6300	(7.35)	(5.97)
The Trendlines Group Ltd.	26-Sep-19	1 for 9	S$0.1050	19.32	24.26
Ascendas REIT	1-Nov-19	16 for 100	S$2.6300	(17.03)	(15.04)
Synagie Corporation Ltd	8-Nov-19	3 for 20	S$0.1000	(28.06)	(25.37)

JAPFA Ltd.	18-Dec-19	1 for 10	S$0.5000	(13.04)	(12.28)
Singapore Airlines Limited	26-Mar-20	3 for 2	S$3.0000	(53.85)	(31.82)
Sembcorp Marine Ltd	8-Jun-20	5 for 1	S$0.2000	(72.97)	(31.03)
Max				25.00	24.26
Min				(82.00)	(53.13)
Median				(30.60)	(24.93)
Mean				(31.54)	(22.38)

Company	Illustrative Issue Price	Premium / (Discount) of illustrative Issue Price to last traded price (%)	Premium / (Discount) of Issue Price to TERP (%)
LMIR Trust - Rights Issue	S$0.060	(47.8)	(26.1)

Source: Capital IQ, announcements and/or circulars of the respective companies and KPMG analysis

Based on the illustrative Issue Price of S$0.060 as at the announcement of the Rights Issue and the table above, we note that:

(i) The discount of approximately 47.8% of the illustrative Issue Price to the closing price of S$0.115 on 17 September 2020, is greater than the mean discount of 31.54% and median discount of 30.60% of the selected precedent rights issues.

(ii) The discount of approximately 47.8% of the illustrative Issue Price to the closing price of S$0.115 on 17 September 2020, is within the range of corresponding premia and (discounts) of 25.00% and (82.00)% for the selected precedent rights issues.

(iii) The discount of approximately 26.1% of the illustrative Issue Price to the TERP of S$0.081, is greater than the mean discount of 22.38% and median discount of 24.93% of the selected precedent rights issues; and

(iv) The discount of approximately 26.1% of the illustrative Issue Price to the TERP of S$0.081, is within the range of corresponding premia and discounts of 24.26% and (53.13)% of the selected precedent rights issues.

The Independent Directors and the Audit and Risk Committee should note that certain circumstances and terms relating to the selected precedent rights issues are unique and might not be identical to the Rights Issue, and are largely dependent on the market sentiments prevailing at the time of such precedent rights issues.

The selected companies which had carried out the selected precedent rights issues might be different from LMIR Trust in terms of composition of business activities, scale of operations, risk profile, geographical spread of activities, track record, future prospects and other relevant criteria. In addition, the list of selected precedent rights issues is by no means exhaustive and information relating to the selected companies was compiled from publicly available information.

Consequently, the Independent Directors and the Audit and Risk Committee should note that the above comparison merely is for illustrative purposes and serves as a general guide only.

Offering of the Rights Units on a renounceable basis

As the Rights Issue is made on a renounceable basis, eligible Unitholders will be at liberty to accept in part or in full, decline or otherwise renounce or trade (during the “nil-paid” rights trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for Excess Rights Units (as defined in the Circular).

Nature of the Rights Units

The Rights Units will, upon allotment and issue, rank pari passu in all respects with the Units in issue as at the date of issue of the Rights Units including the right to any distributions which may accrue prior to the Rights Issue as well as all distributions thereafter.

Requirement for Unitholders’ Approval for the Rights Issue

The Manager is seeking the approval of Unitholders for the proposed issue of 4,682,872,029 Rights Units (representing approximately 160% of the 2,926,795,018 Units in issue as at the Latest Practicable Date) under the Rights Issue pursuant to Rule 805(1) of the Listing Manual.

For the avoidance of doubt, the Manager will not be relying on the general mandate that was obtained by the Manager from Unitholders at the annual general meeting of Unitholders held on 16 June 2020 to issue the Rights Units.

5.3 Potential dilution

To the best of the knowledge of the Manager as at the Latest Practicable Date, (i) the Relevant Entities and their concert parties hold, in aggregate, 945,863,906 Units representing 32.32% of the voting rights of LMIR Trust, and (ii) the Relevant Entities and their concert parties do not hold any instruments convertible into and/or options in respect of Units.

The maximum possible increase in the unitholdings of the Relevant Entities and their concert parties would occur in the scenario where the Relevant Entities and their concert parties are allotted the entirety of the Excess Rights Units, without breaching the “public” float requirement set out in Rule 723 of the Listing Manual, being up to an aggregate of 76,096,670 Units.

The aggregate unitholding of the Relevant Entities and their concert parties immediately after the issue of Allotted Rights Units and the entirety of the Excess Rights Units to the Relevant Entities and their concert parties will be 74.04%.

The following table as extracted from Section 5.2 of the Circular sets out the respective unitholdings of the Relevant Entities and their concert parties with it assuming that the total number of the Allotted Rights Units and the Excess Rights Units allotted to the Relevant Entities and their concert parties is equivalent to 100% of the total number of the Rights Units, being 4,682,872,029 Units.

Unitholdings of the Relevant Entities and their concert parties				
	Before the Rights Issue		Immediately after the issue and allotment of the Allotted Rights Units and the entirety of the Excess Rights Units to the Relevant Entities and their concert parties under the Rights Issue(1)	
	No. of Units	%	No. of Units	%
Units in issue	2,926,795,018	100.0	7,629,533,995	100.0
Units held by the Relevant Entities and their concert parties	945,863,906	32.32	5,648,602,883(1)	74.04
Units held by Unitholders other than the Relevant Entities and their concert parties	1,980,931,112	67.68	1,980,931,112	25.96

Note:

(1) Assuming that the total number of the Allotted Rights Units and the Excess Rights Units allotted to the Relevant Entities and their concert parties is equivalent to 100% of the total number of the Rights Units, being 4,682,872,029 Units.

In the event the Whitewash Resolution is passed by a majority of the Independent Unitholders, the Relevant Entities and/or its concert parties may potentially increase their aggregate unitholding in LMIR Trust to 74.04%. Independent Unitholders should note that the Relevant Entities and/or its concert parties will no longer be subject to the obligations under Rule 14 of the Take-over Code to make a general offer if it was to increase its voting rights in LMIR Trust by more than 1.0% in any period of six months.

5.4 Abstention from voting

Pursuant to the SIC Conditions, the Relevant Entities and parties acting in concert with it are required to abstain from voting on the Whitewash Resolution.

6. OUR OPINIONS

Based on the considerations set out above in this letter and subject to the qualifications and assumptions herein, we are of the view that:

(i) The Acquisition (including the Vendor Support Agreement), in accordance with Chapter 9 of the Listing Manual and paragraph 5 of the Property Funds Appendix, is: (a) on normal commercial terms; and (b) not prejudicial to the interests of LMIR Trust and its minority Unitholders.

(ii) The Vendor Financing is: (a) on normal commercial terms; and (b) not prejudicial to the interests of LMIR Trust and its minority Unitholders.

(iii) The terms of the Rights Issue, being the subject of the Whitewash Resolution, and the Whitewash Resolution are fair and reasonable and not prejudicial to the interests of LMIR Trust and the Independent Unitholders.

These Opinions are prepared and delivered pursuant to:

(i) Rule 921(4)(a) of the Listing Manual and the Property Funds Appendix in connection with and for the purpose of the Acquisition (including the Vendor Support Agreement) and Vendor Financing; and

(ii) Rule 14 of the Take-over Code in connection with and for the purpose of Whitewash Resolution,

as well as addressed to the Independent Directors, the Audit and Risk Committee and the Trustee for their consideration. While a copy of this letter may be reproduced in the Circular, no other person may reproduce, disseminate or quote this letter (or any part thereof) for any purpose (other than the intended purpose in relation to the Acquisition, the terms of the Rights Issue, being the subject of the Whitewash Resolution, the Whitewash Resolution and the Vendor Financing) at any time and in any manner without our prior written consent in each specific case. For the avoidance of doubt, nothing in this letter prevents LMIR Trust, the Manager, the Directors, the Trustee or the Unitholders from reproducing, disseminating or quoting this letter without our prior consent for the purpose of any matter relating to the Acquisition, the terms of the Rights Issue, being the subject of the Whitewash Resolution, the Whitewash Resolution and the Vendor Financing.

The recommendations to be made by the Independent Directors and/or Audit and Risk Committee to the Unitholders shall remain their responsibility.

A copy of this letter may be reproduced in the Circular.

These Opinions are governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours truly,

for and on behalf of

KPMG Corporate Finance Pte Ltd

SINGAPORE TAX CONSIDERATIONS

The following summary of certain Singapore income tax considerations to Unitholders in respect of the Acquisition is based upon tax laws, regulations, rulings and decisions now in effect, all of which are subject to change (possibly with retroactive effect). The summary is not a tax advice and does not purport to be a comprehensive description of all the tax considerations that may be relevant to Unitholders. Unitholders should consult their own tax advisers on the tax implications that may apply to their own individual circumstances.

Income derived from LMIR Trust's relevant interest in the Property

The rental income and other related income earned from LMIR Trust's relevant interest in the Property will be received in Singapore by its wholly-owned Singapore subsidiaries (each a "**LMIRT SingCo**" and collectively "**LMIRT SingCos**") respectively in a combination of some or all of the following forms:

(i) dividend income;

(ii) interest income; and

(iii) proceeds from repayment of shareholder's loans.

The dividend income received in Singapore by LMIRT SingCos from PT PBT, the Indonesian company that will own the Property, (the "**Foreign Dividend Income**") will be exempt from tax under Section 13(8) of the Income Tax Act, Chapter 134 of Singapore (the "**Income Tax Act**") provided that each of the LMIRT SingCos is a tax resident of Singapore and the following conditions are met:

(i) in the year the Foreign Dividend Income is received in Singapore, the headline corporate tax rate of the jurisdiction from which it is received is at least 15.0%;

(ii) the Foreign Dividend Income has been subjected to tax in the jurisdiction from which it is received; and

(iii) the Singapore Comptroller of Income Tax is satisfied that the tax exemption would be beneficial to the relevant LMIRT SingCo.

The relevant LMIRT SingCo will seek a confirmation from the Inland Revenue Authority of Singapore ("**IRAS**") that the IRAS is satisfied that the interest income the relevant LMIRT SingCo will receive in Singapore that is paid out of rental income and other related income from PT PBT meets the qualifying conditions for the tax exemption granted to Singapore REITs or their wholly-owned Singapore subsidiaries under Section 13(12) of the Income Tax Act.

This tax exemption is subject to certain conditions, including but not limited to the condition that the Trustee is a tax resident of Singapore.

Cash that cannot be repatriated in the form of dividends may be used to repay the principal amount of shareholder's loans. The proceeds from the repayment of shareholder's loans received in Singapore by the relevant LMIRT SingCo are capital receipts and hence not subject to Singapore income tax.

LMIR Trust will in turn receive dividends or proceeds from the redemption (at cost) of preference shares or a combination of both from the LMIRT SingCos. Provided that each of the LMIRT SingCos is a resident of Singapore for income tax purposes, the dividends received by LMIR Trust will be one-tier (tax-exempt) dividends and hence exempt from Singapore income tax in the hands of LMIR Trust. The proceeds from redemption (at cost) of preference shares received by LMIR Trust are capital receipts and not subject to Singapore income tax.

Distributions to Unitholders

Distributions made by LMIR Trust out of the income or cashflow generated from its relevant interest in the Property may comprise either or both of the following two components:

(i) tax-exempt income component ("**Tax-Exempt Income Distributions**"); and

(ii) capital component ("**Capital Distributions**").

Tax-Exempt Income Distributions refer to distributions made by LMIR Trust out of its tax-exempt income (which comprises mainly the one-tier (tax exempt) dividends that it will receive from LMIRT SingCos). Such distributions are exempt from Singapore income tax in the hands of Unitholders. No tax will be deducted at source on such distributions.

For this purpose, the amount of Tax-Exempt Income Distributions that LMIR Trust can distribute for a distribution period will be to the extent of the amount of tax-exempt income that it has received or is entitled to receive in that distribution period. Any distribution made for a distribution period out of profits or income which LMIR Trust is entitled to receive as its own tax-exempt income after the end of that distribution period will be treated as a capital distribution and the tax treatment described in the next paragraph on "Capital Distributions" will apply. The amount of such tax-exempt income that is subsequently received may be used to frank tax-exempt income distributions for subsequent distribution periods.

Capital Distributions refer, *inter alia*, to distributions made by LMIR Trust out of proceeds received from the redemption of preference shares. Unitholders will not be subject to Singapore income tax on such distributions. These distributions are treated as returns of capital for Singapore income tax purposes and the amount of Capital Distributions will be applied to reduce the cost of Units held by Unitholders. Accordingly, the reduced cost base will be used for the purpose of calculating the amount of taxable trading gains for those Unitholders who hold Units as trading or business assets and are liable to Singapore income tax on gains arising from the disposal of Units. If the amount of Capital Distributions exceeds the cost or the reduced cost, as the case may be, of Units, the excess will be subject to tax as trading income of such Unitholders.

INDONESIAN TAX CONSIDERATIONS

The following is a summary of the principal Indonesia tax consequences relevant to the transaction relating to the Acquisition. The summary below represents a general guide only. The summary does not address any laws other than the prevailing taxation laws of Indonesia and as they are applied in practice as of the date of this Circular.

Tax Implications on the Proposed Lippo Mall Puri Acquisition

A. Tax Implications on the Sale of Lippo Mall Puri by PT Mandiri Cipta Gemilang (PT MCG) to PT Puri Bintang Terang (PT PBT)

- **PT PBT – as Buyer**

  Land and Building Acquisition Duty

  PT PBT should pay duty on the acquisition of land and building rights (BPHTB) at the rate of five percent (5%) of the transaction price or the tax object sale value (NJOP), as determined by the head of the local government, whichever is higher at the time the Sales and Purchase Agreement is made.

- **PT MCG – as Sellers**

  Income Tax on Transfer of Title to Land and/or Building

  PT MCG should pay Income Tax on the transfer of the land and/or building (*PPh Pengalihan Hak atas Tanah dan atau Bangunan*) title, at the rate of two point five percent (2.5%) of the gross value of transfer of the land and/or building title.

  The gross value of the transfer of rights to land and/or building shall be:

  - The value that was actually received, in the event that there is no "special relation" between PT PBT and PT MCG; or
  - The value should be received based on the fair value or market value, in the event that PT PBT has a "special relation" with PT MCG.

  Risk Factor on Related Party Transaction

  - Article 18 Paragraph (1) of Law No. 36 of 2008 on Income Tax stipulates that the Director General of Taxes is authorised to re-determine the amount of income and deduction as well as determine the debt as capital in calculating the amount of taxable income for a taxpayer with **a special relationship with another taxpayer, in accordance with equity** and common business practice that is not influenced by a special relationship by means of the price-ratio method among independent parties, re-sale price method, cost-plus method, or any other methods.
  - Article 18 Paragraph (4) of the same law stipulates that a special relationship is deemed to exist if:

    a. A taxpayer has capital participation, directly or indirectly, of a minimum of twenty five percent (25%) with another taxpayer; there is a relationship between a taxpayer with a minimum participation of twenty five percent (25%) with two taxpayers or more; or there is a relationship between two taxpayers or more as mentioned in the latter;

    b. A taxpayer controls another taxpayer or two or more taxpayers that are under the same ownership, both directly and indirectly; or

    c. There is a family relation, either biologically or by marriage, in vertical and/or horizontal lineage of the first degree.

- In addition, on 30 December 2016, the Minister of Finance (MoF) issued regulation No. 213/PMK.03/2016, which requires Taxpayers who have transactions with related parties, to maintain other documents, including additional documents and information to support the compliance of the transactions to the arm's length principle. The said additional Transfer Pricing documents include master file, local file, and country-by-country report.

  The regulation also specifies the threshold of gross revenue and related party transactions which will require Taxpayers to provide such additional documents. A taxpayer whose gross revenue is more than Rp.50,000,000,000 (Fifty Billion Rupiah) per year; or who has conducted a delivery of tangible products to a related party in the amount of more than Rp.20,000,000,000 (Twenty Billion Rupiah) per year or other related party transactions in the amount of more than Rp.5,000,000,000 (Five Billion Rupiah) per year, such as services, interest payments, usage of intangible products and etc., must provide such additional Transfer Pricing documentation.

In case there is a "special relation" between PT PBT and PT MCG, we advise the company to appoint an independent asset appraiser to determine the market value of the property.

The final tax shall be payable before the sales and purchase agreement is drawn up and signed. In case the PT MCG receives any payment before the sales and purchase agreement is drawn up, the final income tax shall be payable upon receipt of some or all payments from PT PBT, including down payments, interests, levies, and other additional payments.

Value Added Tax

The sale of Lippo Mall Puri is subject to Value Added Tax (VAT) at the rate of ten percent (10%). If PT MCG has been registered as a Taxable Entrepreneur, then PT MCG has to charge the ten percent (10%) VAT to PT PBT. Furthermore, PT PBT can claim the VAT as its prepaid VAT.

B. Tax Implications on Dividend Distributions From PT PBT to the Shareholders

Indonesian tax laws generally require a twenty percent (20%) tax to be withheld upon the payment of dividend from an Indonesian taxpayer to an offshore taxpayer. Under the tax treaty between Singapore and Indonesia, the rate of withholding tax is reduced to ten percent (10%) or fifteen percent (15%), with the following conditions:

- Ten percent (10%) of the gross amount of the dividends, if the recipient is a company, which directly owns at least twenty five percent (25%) of the capital of the company paying the dividends;
- Fifteen percent (15%) of the gross amount of the dividends in all other cases.

Article 2 paragraph (2) of the Director General of Taxes Regulation No.PER-25/PJ/2018 dated 21 November 2018, regarding The Procedures for the Application of Double Taxation Avoidance Agreement, stipulates that the reduced withholding tax rate, as set out on the Singapore-Indonesia tax treaty can be used if the conditions below ("Tax Treaty Relief Conditions") are fulfilled:

a. the income recipient is not an Indonesian tax subject;

b. the income recipient is an individual or an entity constituting a resident tax subject of the tax treaty partner country or of the tax treaty partner jurisdiction;

c. the non-resident taxpayer submits a DGT form which has fulfilled the administrative requirements and other certain requirements;

d. there is no tax treaty abuse by the non-resident taxpayer; and

e. the income recipient is the beneficial owner, as stipulated within the Tax Treaty.

In connection with point (c) of the conditions above, non-tax resident shareholders are considered to have fulfilled the administrative requirements, if they are able to provide PT PBT the original copy of its Certificate of Domicile (Form DGT-1), which must be:

1. in the form prescribed by the DGT;

2. filled in correctly, completely and comprehensively by the non-resident taxpayers;

3. signed or given a mark equivalent to a signature of the non-resident taxpayers in accordance with the common practice in the tax treaty partner country or the tax treaty partner jurisdiction;

4. legalised by the signature or a mark equivalent to a signature of the competent tax authority, in accordance with the common practice in the tax treaty partner country or the tax treaty partner jurisdiction;

5. used for the period set within the DGT form; and

6. submitted by the resident tax withholder and/or collector at the same time as the relevant Monthly Income Tax Return, by no later than the due date of the lodging of the relevant monthly tax return when such income is subject to tax.

In connection with point (d) of the Tax Treaty Relief Conditions, non-tax resident shareholders are considered to have not abused the tax treaty, if:

1. there is an economic substance in the establishment of the entity or the implementation of the transaction;

2. its legal form reflects the economic substance in the establishment of the entity or the implementation of the transaction;

3. it has business activities, which are managed by its own management and the management has an independent discretion;

4. it has sufficient assets to conduct business other aside from assets generating income from Indonesia;

5. it has sufficient and qualified employees in accordance with the business activities of the company; and

6. it has activities or active businesses aside from those only receiving income in the form of dividend, interest and/or royalty originating from Indonesia.

A company covered by the tax treaty is considered to be the beneficial owner as mentioned in point (e) of the Tax Treaty Relief Conditions above, if the corporate non-tax resident is not acting as an Agent, Nominee or Conduit, which must fulfil the following provisions:

1. has control in the use of or benefiting from the funds, assets, or rights which will generate income from Indonesia;

2. not more than 50% of the income shall be used to fulfil obligations of other parties (other than employee remuneration, other common operating cost in carrying its business and dividend distribution);

3. bears the risks of its owned assets, capital or liabilities; and

4. has no written or unwritten obligations to partly or fully distribute its income received from Indonesia to other parties.

Should all of the conditions above be fulfilled by the Singapore Holding Company, then PT PBT as the Tax Withholder, can implement the reduced tax rate based on the Singapore-Indonesia Tax Treaty.

Indonesian tax laws do not regulate when a dividend should be declared. Meanwhile, the time when dividends can be declared and remitted by PT PBT to the Singapore Holding Company should be in accordance with the regulations of Indonesian General Accepted Accounting Principle ("**GAAP**").

Article 26 of the Income Tax Law stipulates that dividends become payable when the dividend distributions are declared or determined in the General Meeting of Shareholders of PT PBT. There is no need for PT PBT to obtain tax clearance in order to declare or remit dividends.

C. Tax Implications on the Vendor Support Agreement

Final Income Tax

Rental of retail space income received by PT PBT is imposed as Final Income Tax at the rate 10% (ten percent).

However, please be aware that the actual rental agreement should be provided at the moment of when the transaction occurred.

Value Added Tax

Rental of retail space is subject to Value Added Tax (VAT) at the rate ten percent (10%). If PT PBT has been registered as a Taxable Entrepreneur, then PT PBT has to charge PT MCG the ten percent (10%) VAT. Furthermore, PT MCG can claim the VAT as its prepaid VAT.

D. Tax Implications on the Profit Distribution Received by Indonesian Unit-holders

Article 4 Paragraph (1) letter g of Law No. 36 of 2008 on Income Tax stipulates that any income, namely any additional economic capacity that is received or earned by a Taxpayer that, originate from either Indonesia and outside Indonesia, which can be used for consumption or to increase the wealth of the Taxpayer concerned, in any name and form whatsoever are referred to as tax objects; including dividend, in any name and form; including dividend from insurance company to policy holder, and sharing of residual business proceeds of cooperatives.

Stipulated further on the explanation part of the Law, included in the definition of dividend shall be sharing of profits both directly and indirectly, in any name and form whatsoever.

In the case of the recipient of the income being an Individual Taxpayer, the tariffs that are applied to the profit distribution shall be as follows:

Level of Taxable Incomes	Tax Tariff
up to Rp50.000.000,00 (fifty million rupiah)	5% (five percent)
above Rp50.000.000,00 (fifty million rupiah) up to Rp250.000.000,00 (two hundred fifty million rupiah)	15% (fifteen percent)
above Rp250.000.000,00 (two hundred fifty million rupiah) up to Rp500.000.000,00 (five hundred million rupiah)	25% (twenty five percent)
above Rp500.000.000,00 (five hundred million rupiah)	30% (thirty percent)

In case the recipient of the income is a Corporate Taxpayer, the profit distribution will include the calculation of Taxable Income at the end of the year and will be imposed a 25% (twenty five percent) Corporate Income Tax.

RELATED TENANCY AGREEMENTS

Assuming that all of the leases of the Property are novated to PT PBT upon completion of the Acquisition, LMIR Trust will, through PT PBT, take over all the Related Tenancy Agreements with respect to the Property. The aggregate rental fees derived or to be derived from the Related Tenancy Agreements is estimated at Rp.32.2 billion (approximately S$3.1 million) and are set out in the following table.

No.	Interested person	Nature of Transaction	NLA (sq m)	Start date	Term (years)	Value of transaction (after 30 June 2020) (Rp.)	Value of transaction (S$)[(1)]	Percentage of NTA[(2)]	Percentage of NAV[(3)]
1	PT. Matahari Graha Fantasi	Time Zone	1,465.66	21 May 2016	5	2,507,610,704	241,116	0.02%	0.02%
2	PT. Matahari Putra Prima, Tbk	Foodmart	1,273.77	1 September 2018	10	20,156,415,662	1,938,117	0.18%	0.18%
3	PT. Gratia Prima Indonesia	Books & Beyond	425.64	12 September 2019	5	3,723,935,937	358,071	0.03%	0.03%
4	PT. Matahari Putra Prima, Tbk	Boston	145.51	1 September 2018	10	722,343,533	69,456	0.01%	0.01%
5	PT. Maxx Coffee Prima	Maxx Coffee	109.24	6 March 2019	3	440,312,022	42,338	0.00%	0.00%
6	PT. Maxx Coffee Prima	Maxx Coffee	31.46	6 March 2019	3	63,402,674	6,096	0.00%	0.00%
7	PT. Maxx Coffee Prima	Maxx Coffee	116.46	27 June 2018	5	179,188,866	17,230	0.00%	0.00%
8	PT. Maxx Coffee Prima	Kopi Alumni	27.85	6 May 2019	3	879,403,808	84,558	0.01%	0.01%
9	PT. Bank National Nobu	Nobu Bank	21.34	4 July 2019	5	102,535,867	9,859	0.00%	0.00%
10	PT. Bank National Nobu	Nobu Bank	2.41	27 July 2020	5	9,978,701	959	0.00%	0.00%
11	PT. Bank National Nobu	Nobu Bank	99.81	11 May 2020	5	403,226,138	38,772	0.00%	0.00%
12	PT. Lippo General Insurance Tbk	Earthquake and Business Interruption	-	1 August 2020	1	1,290,575,000	124,094	0.01%	0.01%
13	PT. Lippo General Insurance Tbk	Terrorism and Sabotage	-	1 August 2020	1	222,350,000	21,380	0.00%	0.00%
14	PT. Lippo General Insurance Tbk	Machinery Breakdown	-	1 August 2020	1	156,025,000	15,002	0.00%	0.00%
15	PT. Lippo General Insurance Tbk	Property All Risk	-	1 August 2020	1	1,258,135,000	120,975	0.01%	0.01%

No.	Interested person	Nature of Transaction	NLA (sq m)	Start date	Term (years)	Value of transaction (after 30 June 2020) (Rp.)	Value of transaction (S$)(1)	Percentage of NTA(2)	Percentage of NAV(3)
16	PT. Lippo General Insurance Tbk	Public Liability Insurance	-	1 August 2020	1	50,050,000	4,813	0.00%	0.00%
					Total:	**32,165,488,912**	**3,092,836**	**0.27%**	**0.27%**

Notes:

(1) Based on the illustrative rupiah exchange rate of S$1.00 is to Rp.10,400.

(2) Based on the NTA of LMIR Trust of S$1,070.3 million as at 31 December 2019.

(3) Based on the NAV of LMIR Trust of S$1,075.9 million as at 31 December 2019.

EXISTING INTERESTED PERSON TRANSACTIONS

No.	Interested person	Nature of Transaction	Value of transaction (Rp.)	Value of transaction (S$)[1]	Percentage of NTA[2]	Percentage of NAV[3]
1	PT Cinemaxx Global Pasifik	Renewal of lease at Lippo Plaza Jogja for a 5 year term	7,526,728,112	729,282	0.07%	0.07%
2	PT Cinemaxx Global Pasifik	Renewal of lease at Lippo Mall Kuta for a 5 year term	5,482,792,101	531,240	0.05%	0.05%
3	PT Cinemaxx Global Pasifik	Renewal of lease at Sun Plaza for a 5 year term	27,751,289,489	2,688,886	0.25%	0.25%
4	PT Cinemaxx Global Pasifik	Renewal of lease at Mal Lippo Cikarang for a 5 year term	8,101,683,401	784,991	0.07%	0.07%
5	PT Cinemaxx Global Pasifik	2 months rental relief for leases at Cinepolis	1,967,986,357	182,170	0.02%	0.02%
6	PT. Matahari Graha Fantasi	Renewal of lease at Bandung Indah Plaza for a 5 year term	6,984,145,688	676,710	0.06%	0.06%
7	PT Matahari Putra Prima	Renewal of lease at Cibubur Junction for a 5 year term	52,527,510,711	5,089,510	0.48%	0.47%
8	PT National Bank Nobu	Renewal of lease at Pluit Village for a 5 year term	3,398,092,884	329,249	0.03%	0.03%
9	PT Sky Parking Utama	Renewal of 1 year operating agreement with Sky Parking at 18 malls with terms at 50% revenue sharing on all parking tariffs	36,649,407,714	3,331,764	0.31%	0.31%
10	PT. Maxx Prima Pasifik	Renewal of lease at Kediri Town Square for a 5 year term	1,799,334,188	163,576	0.02%	0.02%
11	PT Bank National Nobu	1 year contract for all malls	1,349,340,815	127,069	0.01%	0.01%
12	PT Lippo General Insurance	1 year contract for all malls	28,252,258,059	2,715,250	0.25%	0.25%
13	PT Gratia Prima Indonesia	New lease at Mal Lippo Cikarang for a 3 year term	1,144,786,800	110,022	0.01%	0.01%
14	PT Matahari Putra Prima	Renewal of lease at retail spaces for a 3 year term	66,489,836,167	6,529,148	0.61%	0.61%

No.	Interested person	Nature of Transaction	Value of transaction (Rp.)	Value of transaction (S$)[1]	Percentage of NTA[2]	Percentage of NAV[3]
15	PT. Matahari Graha Fantasi	5 months rental relief for leases at Timezone	3,825,174,569	375,623	0.04%	0.03%
16	PT. Matahari Graha Fantasi	Renewal of lease at Malang Town Square for a 3 year term	3,223,212,360	316,512	0.03%	0.03%
17	PT. Matahari Graha Fantasi	Renewal of lease at Cibubur Junction for a 5 year term	9,980,964,555	980,108	0.09%	0.09%
18	PT Mulia Perdasa Pertiwi	7 month lease extension at Bandung Indah Plaza	2,867,748,756	281,606	0.03%	0.03%
19	PT Lippo Malls Indonesia	Extension of Property Management Agreement for 2 months	1,973,757,540	184,342	0.02%	0.02%
20	PT Matahari Putra Prima	7 months rental relief for leases at Hypermart	38,286,947,278	3,529,636	0.33%	0.33%
21	PT. Maxx Coffee Prima	Lease termination of Maxx Coffee at Mal Lippo Cikarang	1,155,387,967	106,949	0.01%	0.01%
22	PT Matahari Putra Prima	Lease termination of Hyfresh at Lippo Plaza Jogja	3,520,196,891	338,480	0.03%	0.03%
23	PT Lippo Malls Indonesia	Extension of Property Management Agreement for 3 years	206,879,552,474	19,149,840	1.79%	1.78%
Total:			**521,138,134,877**	**49,251,962**	**4.60%**	**4.58%**

Notes:

(1) Based on the rupiah exchange rate at the time of transaction.

(2) Based on the NTA of LMIR Trust of S$1,070.3 million as at 31 December 2019.

(3) Based on the NAV of LMIR Trust of S$1,075.9 million as at 31 December 2019.

LMIR TRUST
LIPPO MALLS INDONESIA RETAIL TRUST

(Constituted in the Republic of Singapore
pursuant to a trust deed dated 8 August 2007 (as amended))

NOTICE OF EXTRAORDINARY GENERAL MEETING

LIPPO MALLS INDONESIA RETAIL TRUST

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting ("**EGM**") of the holders of units of Lippo Malls Indonesia Retail Trust ("**LMIR Trust**", and the holders of units of LMIR Trust, "**Unitholders**") will be convened and held by way of electronic means on **Monday, 14 December 2020 at 10:00 a.m. (Singapore Time)** for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions:

ORDINARY RESOLUTIONS

1. **TO APPROVE THE PROPOSED ACQUISITION OF THE MAJORITY PORTION OF STRATA TITLES WITHIN LIPPO MALL PURI FROM AN INTERESTED PERSON (THE ACQUISITION)**

That subject to and contingent upon the passing of Resolution 2, Resolution 3 and Resolution 4:

(a) approval be and is hereby given for the proposed acquisition of the majority portion of strata titles within Lippo Mall Puri (the "**Property**", and the proposed acquisition of the Property, the "**Acquisition**") from PT Mandiri Cipta Gemilang (the "**Vendor**"), based on the terms and conditions as described in the Circular (including the Vendor Support Agreement (as defined in the Circular)), as well as for the payment of all fees and expenses relating to the Acquisition;

(b) approval be and is hereby given for PT Puri Bintang Terang (the "**Purchaser**') to take over the Related Tenancy Agreements (as defined in the Circular) in relation to the Property upon completion of the Acquisition; and

(c) the Manager, any director of the Manager ("**Director**") and Perpetual (Asia) Limited, in its capacity as trustee of LMIR Trust (the "**Trustee**"), be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of LMIR Trust to give effect to the Acquisition (including the Vendor Support Agreement, as defined in the Circular).

2. **TO APPROVE THE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 4,682,872,029 RIGHTS UNITS TO RAISE GROSS PROCEEDS OF APPROXIMATELY S$281.0 MILLION ON A RENOUNCEABLE BASIS TO ELIGIBLE UNITHOLDERS (AS DEFINED IN THE CIRCULAR) ON A *PRO RATA* BASIS OF 160 RIGHTS UNITS FOR EVERY 100 EXISTING UNITS HELD AS AT THE RIGHTS ISSUE RECORD DATE (AS DEFINED IN THE CIRCULAR) (THE RIGHTS ISSUE)**

That subject to and contingent upon the passing of Resolution 1, Resolution 3 and Resolution 4:

(a) approval be and is hereby given for issue of new units in LMIR Trust (the "**Rights Units**") under the non-underwritten renounceable rights issue (the "**Rights Issue**") on a *pro rata* basis of 160 Rights Units for every 100 existing units in LMIR Trust ("**Existing Units**", and the basis of the Rights Issue, the "**Rights Ratio**") held as at the time and date on which the transfer books and register of Unitholders will be closed to determine the provisional allotments of the Rights Units to the Eligible Unitholders (as defined in the Circular), in the manner described in the Circular; and

(b) the Manager and any director of the Manager, and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, such director of the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interests of LMIR Trust to give effect to the issuance of the Rights Units.

3. TO APPROVE THE PROPOSED WAIVER BY UNITHOLDERS OTHER THAN THE RELEVANT ENTITIES AND THEIR CONCERT PARTIES OF THEIR RIGHTS TO RECEIVE A GENERAL OFFER FOR THEIR UNITS FROM THE RELEVANT ENTITIES AND THEIR CONCERT PARTIES (THE WHITEWASH RESOLUTION)

That subject to and contingent upon the conditions in the letter from the Securities Industry Council dated 9 September 2020 being fulfilled, the Unitholders, other than Bridgewater International Limited ("**BIL**"), the Manager (BIL and the Manager, collectively, the "**Relevant Entities**") and their concert parties, hereby (on a poll taken) waive their rights to receive a general offer from the Relevant Entities and their concert parties pursuant to Rule 14 of the Singapore Code on Take-overs and Mergers as a result of the receipt of issue of the Allotted Rights Units and the Excess Rights Units (each as defined in the Circular).

4. TO APPROVE THE PROPOSED LOAN FACILITY OF UP TO S$40.0 MILLION FROM AN INTERESTED PERSON (THE VENDOR FINANCING)

That subject to and contingent upon the passing of Resolution 1, Resolution 2 and Resolution 3:

(a) approval be and is hereby given for the entry into the Vendor Financing on the terms as described in the Circular; and

(b) the Manager and any director of the Manager, and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, such director of the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interests of LMIR Trust to give effect to the Vendor Financing.

Unitholders should note that Resolution 1 (the Acquisition), Resolution 2 (the Rights Issue) and Resolution 4 (the Vendor Financing) are conditional upon each other and upon Resolution 3 (the Whitewash Resolution). This means that if any of Resolution 1, Resolution 2, Resolution 3 or Resolution 4 is not approved, none of Resolution 1, Resolution 2 or Resolution 4 will be carried. Resolution 3 is not conditional upon Resolution 1, Resolution 2 or Resolution 4.

BY ORDER OF THE BOARD
LMIRT Management Ltd.
(as manager of Lippo Malls Indonesia Retail Trust)
(Company Registration No. 200707703M)

Chester Leong
Company Secretary

Singapore
23 November 2020

Important Notice:

(1) The EGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended). This Notice has been sent to Unitholders by electronic means via publication on LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html. This Notice is also available on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname.

(2) Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via "live" audio-visual webcast or "live" audio-only stream), submission of questions to the Chairman of the EGM in advance of the EGM, addressing of substantial and relevant questions at the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the accompanying LMIR Trust's announcement dated 23 November 2020. This announcement may be accessed at LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html and will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname.

A Unitholder who wishes to watch the "live" audio-visual webcast or "live" audio-only stream must pre-register by **10:00 a.m. (Singapore Time) on Friday, 11 December 2020,** at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html to enable the Manager to verify his/her/its status as Unitholders.

Following the verification, authenticated Unitholders will receive an email containing instructions on how to access the "live" audio-visual webcast and "live" audio-only stream of the proceedings of the EGM by **10:00 a.m. (Singapore Time) on Sunday, 13 December 2020** (the "**Confirmation Email**").

Unitholders who do not receive the Confirmation Email by **10:00 a.m. (Singapore Time) on Sunday, 13 December 2020,** but who have registered by **10:00 a.m. (Singapore Time) on Friday, 11 December 2020** deadline, should contact LMIR Trust's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at +65 6230 9531 from **10:00 a.m. to 4:00 p.m. (Singapore Time) on Sunday, 13 December 2020.**

A unitholder who pre-registers to watch the "live" audio-visual webcast or "live" audio-only stream may also submit questions related to the resolutions to be tabled for approval at the EGM. To do so, all questions must be submitted in the following manner:

(a) if submitted electronically, be submitted:

(i) via the pre-registration website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html; or

(ii) via email by completing the Submission of Questions Form provided by the Manager on LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html and on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname and sending the same to LMIR Trust's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at lmirtegm2020@boardroomlimited.com;

(b) if submitted in hard copy, be submitted by completing the Submission of Questions Form provided by the Manager on LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html and also on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname and sending the same by post to the office of LMIR Trust's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623,

in either case not latest than 10:00 a.m. (Singapore Time) on Tuesday, 8 December 2020.

(3) Due to the current COVID-19 restriction orders in Singapore, a Unitholder will not be able to attend the EGM in person. A Unitholder (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such Unitholder wishes to exercise his/her/its voting rights at the EGM. The instrument appointing the Chairman of the EGM as proxy ("**Proxy Form**") is available for download on LMIR Trust's website at URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html and on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname.

Where a Unitholder (whether individual or corporate) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

Unitholders who hold their Units through relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 of Singapore (including CPF and SRS investors) and, who wish to participate in the EGM by (a) observing and/or listening to the EGM proceedings through "live" audio-visual webcast or "live" audio-only stream; (b) submitting questions in advance of the EGM; and/or (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM, should approach their respective relevant intermediaries (including their respective CPF agent banks or SRS Approved Banks) through which they hold such Units as soon as possible in order to make the necessary arrangements for them to participate in the EGM, including the submission of their voting instructions by **5:00 p.m. (Singapore Time) on Wednesday, 2 December 2020** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the Chairman of the EGM to vote on their behalf by **10:00 a.m. (Singapore Time) on Friday, 11 December 2020**.

(4) The Chairman of the EGM, as proxy, need not be a Unitholder of LMIR Trust.

(5) The Proxy Form must be submitted in the following manner:

(a) if submitted electronically, be submitted via email to LMIR Trust's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at lmirtegm2020@boardroomlimited.com; or

(b) if in hard copy submitted by post, be lodged at LMIR Trust's Unit Registrar's office at Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623;

in either case not later than 10:00 a.m. (Singapore Time) on Friday, 11 December 2020.

A Unitholder who wishes to submit the Proxy Form must first fill in and/or download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for Unitholders to submit completed Proxy Forms by post, Unitholders are strongly encouraged to submit completed Proxy Forms electronically via email.

The Proxy Form must be signed by the appointer or his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a notarially certified copy thereof must be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid. A corporation, being a Unitholder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the EGM and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

The Manager shall have the right to reject any Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager (a) may reject any Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his or her name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by CDP to the Manager; and (b) shall be entitled and bound to accept as accurate the number of Units entered against the name of that Unitholder as shown in the Depository Register as at a time not earlier that 72 hours prior to the time of the EGM, supplied by CDP to the Trustee and to accept as the maximum number of votes which in aggregate that Unitholder and his proxy are able to cast on poll a number which is the number of Units entered against the name of that Unitholder as shown in the Depository Register, whether that number is greater or smaller than that specified by the Unitholder or in the Proxy Form.

(6) The Circular has been uploaded on the SGX website on 23 November 2020 at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname and may be accessed at LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html.

(7) Due to the constantly evolving COVID-19 situation in Singapore, the Manager may be required to change the arrangements for the EGM at short notice. Unitholders should check LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html for the latest updates on the EGM.

Personal data privacy:

By submitting an instrument appointing the Chairman of the EGM as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, a Unitholder (i) consents to the collection, use and disclosure of the Unitholder's personal data by LMIR Trust (or its agents) for the purpose of the processing and administration by LMIR Trust (or its agents) of the appointment of the Chairman of the EGM as proxy for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for LMIR Trust (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines.

LIPPO MALLS INDONESIA RETAIL TRUST
(Constituted in the Republic of Singapore
pursuant to a trust deed dated 8 August 2007 (as amended))

IMPORTANT:
1. This proxy form has been sent to Unitholders by electronic means via publication on LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html, and is also available on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname. A relevant intermediary may appoint more than one proxy to attend the Extraordinary General Meeting and vote (please see Note 1 for the definition of "relevant intermediary").
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or is purported to be used by them.
3. **PLEASE READ THE NOTES TO THE PROXY FORM.**

Personal Data Privacy
By submitting an instrument appointing a proxy(ies) and/or representatives(s), the unitholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 23 November 2020.

PROXY FORM
EXTRAORDINARY GENERAL MEETING

IMPORTANT:
1. The Extraordinary General Meeting ("EGM") is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended). The Notice of EGM has been sent to Unitholders by electronic means via publication on Lippo Malls Indonesia Retail Trust ("LMIR Trust") website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html. The Notice of EGM is also available on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname.
2. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the meeting can be electronically accessed via "live" audio-visual webcast or "live" audio only stream), submission of questions to the Chairman of the EGM in advance of the EGM, addressing of substantial and relevant questions at the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the accompanying LMIR Trust's announcement dated 23 November 2020. This announcement may be accessed at LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html and also on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname.
3. **Due to the current COVID-19 restriction orders in Singapore, a Unitholder will not be able to attend the EGM in person. A Unitholder (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such Unitholder wishes to exercise his/her/its voting rights at the EGM.**
4. Unitholders who hold their units through relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 of Singapore (including CPF and SRS investors) and who wish to exercise their votes by appointing the Chairman of the EGM as proxy should approach their respective relevant intermediaries (including their respective CPF agent banks or SRS Approved Banks) to submit their voting instructions by **5:00 p.m. (Singapore Time) on Wednesday, 2 December 2020** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by **10:00 a.m. (Singapore Time) on Friday, 11 December 2020 .**
5. By submitting an instrument appointing the Chairman of the EGM as proxy, the Unitholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 23 November 2020.
6. **Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the EGM as a Unitholder's proxy to attend, speak and vote on his/her/its behalf at the EGM.**

I / We ______________________________ (Name),

______________________________ (NRIC/Passport/Company Registration Number)

of ______________________________ (Address)

being a Unitholder/Unitholders of Lippo Malls Indonesia Retail Trust ("**LMIR Trust**"), hereby appoint the Chairman of the EGM as my/our proxy/proxies to vote for me/us on my/our behalf at the EGM to be convened and held by way of electronic means **on Monday, 14 December 2020 at 10:00 a.m. (Singapore Time)** and at any adjournment thereof. I/We direct the Chairman of the EGM as my/our proxy to vote for or against, or to abstain from voting on, the resolutions to be proposed at the EGM as indicated hereunder.

No.	Resolutions	For*	Against*	Abstain*
ORDINARY RESOLUTIONS				
1.	To approve the proposed acquisition of the majority portion of strata titles within Lippo Mall Puri from an interested person (the Acquisition) (Conditional on Resolution 2, Resolution 3 and Resolution 4 being passed)			
2.	To approve the non-underwritten rights issue of up to 4,682,872,029 rights units to raise gross proceeds of approximately S$281.0 million on a renounceable basis to eligible unitholders (as defined in the Circular) on a *pro rata* basis of 160 rights units for every 100 existing units held as at the rights issue record date (as defined in the Circular) (the Rights Issue) (Conditional on Resolution 1, Resolution 3 and Resolution 4 being passed)			
3.	To approve the proposed waiver by unitholders other than the Relevant Entities (as defined in the Circular) and their concert parties of their rights to receive a general offer for their units from the Relevant Entities and their concert parties (the Whitewash Resolution) (Not conditional on Resolution 1, Resolution 2 and Resolution 4 being passed)			
4.	To approve the proposed loan facility of up to S$40.0 Million from an interested person (the Vendor Financing) (Conditional on Resolution 1, Resolution 2 and Resolution 3 being passed)			

* *If you wish the Chairman of the EGM as your proxy to cast all your votes "for" or "against" or abstain from voting on a resolution, please indicate with an "X" in the "For" or "Against" or "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of votes as appropriate. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the EGM as your proxy for that resolution will be treated as invalid.*

Dated this ____________ day of ____________ 2020

Total number of Units held

____
Signature(s) of Unitholder(s)/Common Seal

IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM ON REVERSE PAGE

1st fold here for sealing

Glue all sides firmly. Do not staple or spot seal.

Notes to the Proxy Form:

1. Due to the current COVID-19 restriction orders in Singapore, a Unitholder will not be able to attend the EGM in person. If a Unitholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. The instrument appointing the Chairman of the EGM as proxy ("Proxy Form") may be accessed at LMIR Trust's website at the URL http://lmir.listedcompany.com/lippo-mall-puri-acquisition.html, and will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements?value=LIPPO%20MALLS%20INDO%20RETAIL%20TRUST&type=securityname. In appointing the Chairman of the EGM as proxy, a Unitholder must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

   Unitholders who hold their Units through relevant intermediaries as defined in Section 181 of the Companies Act, Chapter 50 of Singapore (including CPF and SRS investors) and who wish to exercise their votes by appointing the Chairman of the EGM as proxy should approach their respective relevant intermediaries (including their respective CPF agent banks or SRS Approved Banks) to submit their voting instructions by **5:00 p.m. (Singapore Time) on Wednesday, 2 December 2020** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by **10:00 a.m. (Singapore Time) on Friday, 11 December 2020** .

2. The Chairman of the EGM, as proxy, need not be a Unitholder of LMIR Trust.

3. The Proxy Form must be submitted electronically via email or in hard copy form:

   (a) if submitted electronically, be submitted via email to LMIR Trust's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at lmirtegm2020@boardroomlimited.com; or

   (b) if in hard copy submitted by post, be lodged at LMIR Trust's Unit Registrar's office at Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623;

   in either case not later than **10:00 a.m. (Singapore Time) on Friday, 11 December 2020**.

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Postage will be paid by the addressee. For posting in Singapore only.

Business Reply Service
Permit No. 08564

LMIRT MANAGEMENT LTD.
(The Manager of Lippo Malls Indonesia Retail Trust)
c/o Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

3rd fold here

   Unitholders who wishes to submit the Proxy Form must first fill in and/or download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

   Where the Proxy Form appointing the Chairman of the EGM as proxy is submitted by email, it must be authorised in the following manner:

   (i) by way of the affixation of an electronic signature by the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or

   (ii) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

   In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for Unitholders to submit completed Proxy Forms by post, Unitholders are strongly encouraged to submit completed Proxy Forms electronically via email.

4. A Unitholder should insert the total number of Units held in the Proxy Form. If the Unitholder has Units entered against his or her name in the Depository Register maintained by The Central Depository (Pte) Limited ("**CDP**"), he or she should insert that number of Units. If the Unitholder has Units registered in his or her name in the Register of Unitholders, he or she should insert that number of Units. If the Unitholder has Units entered against his or her name in the said Depository Register and Units registered in his or her name in the Register of Unitholders, he or she should insert the aggregate number of Units entered against his or her name in the Depository Register and registered in his or her name in the Register of Unitholders. If no number is inserted, the Proxy Form will be deemed to relate to all the Units held by the Unitholder.

5. The Proxy Form must be executed under the hand of the appointor or of his or her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a notarially certified copy thereof must be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.

6. A corporation, being a Unitholder, may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the EGM and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

7. The Manager shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Units entered in the Depository Register, the Manager may reject a Proxy Form if the Unitholder, being the appointor, is not shown to have Units entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by CDP to the Manager.

LMIRT MANAGEMENT LTD
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Singapore 068809

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Fax (65) 6509 1824

www.lmir-trust.com