



**Proposed Acquisition
of
Lippo Mall Puri**

Virtual Dialogue

2 December 2020



Important Notice



This presentation should be read in conjunction with Lippo Malls Indonesia Retail Trust's ("LMIR Trust") previous announcements relating to the proposed acquisition of the strata title units of Lippo Mall Puri on 12 March 2019, 2 September 2019, 1 April 2020, 31 August 2020, 18 September 2020, 23 November 2020.

This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Such forward-looking statements are based on certain assumptions and expectations of future events regarding LMIR Trust's present and future business strategies and the environment in which LMIR Trust will operate in, and must be read together with those assumptions. Although LMIR Management Ltd., the manager of LMIR Trust (the "**Manager**"), believes that such forward-looking statements are based on reasonable assumptions, it can give no assurance that those assumptions and expectations are accurate, projections will be achieved, or that such expectations will be met. 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, governmental and public policy changes and the continued availability of financing in the amounts and on the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements which are based on the Manager's current view of future events. The Manager does not assume any responsibility to amend, modify or revise any forward-looking statements on the basis of subsequent developments, information or events. The information and opinions in this presentation are provided as at the date of this presentation (unless stated otherwise), are subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning LMIR Trust.

This presentation may contain certain information with respect to the trade sectors of LMIR Trust's tenants. The Manager has determined the trade sectors in which LMIR Trust's tenants are primarily involved in based on the Manager's general understanding of the business activities conducted by such tenants. The Manager's knowledge of the business activities of LMIR Trust's tenants is necessarily limited and such tenants may conduct business activities that are in addition to, or different from those shown herein.

This presentation includes market and industry information and data that have been obtained from internal survey, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications and surveys generally state that the information and data they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information and data. While the Manager has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, the Manager has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein. These materials contain a summary only and do not purport to contain all of the information that may be required to evaluate any potential transaction mentioned in this presentation. Investors should conduct their own independent analysis of the Manager and LMIR Trust, including consulting their own independent legal, business, tax and financial advisers and other advisers in order to make an independent determination of the suitability, merits and consequences of an investment in LMIR Trust.

The value of units in LMIR Trust ("**Units**") and the income derived from them, if any, may fall or 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. The past performance of LMIR Trust is not necessarily indicative of the future performance of LMIR Trust. Investors have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that holders of Units may only deal in their Units through trading on the SGX-ST. The listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

This presentation is not for release, publication or distribution, directly or indirectly, in or into the U.S., European Economic Area, the United Kingdom, Canada, Japan or Australia, and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold in the U.S., except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable laws. There will be no public offering of the securities referred to herein in the U.S..

Neither this presentation nor any part thereof may be (a) used or relied upon by any other party or for any other purpose, (b) copied, photocopied, duplicated or otherwise reproduced in any form or by any means, or (c) forwarded, published, redistributed, passed on or otherwise disseminated or quoted, directly or indirectly, to any other person either in the investors' organisations or elsewhere. By reviewing this presentation, you agree to be bound by the terms above.

This presentation has not been reviewed by the Monetary Authority of Singapore.

Questions You May Have In Mind

- ▶ **Where are we today?**
- ▶ **LMIR Trust's Business Strategy**
- ▶ **How is the acquisition in our interest?**
- ▶ **What is so great about Lippo Mall Puri?**
- ▶ **Why acquire Lippo Mall Puri now?**
- ▶ **How are we financing it?**
- ▶ **What is the impact of the Acquisition & Rights Issue?**

A photograph of the Lippo Mall Puri building, a modern multi-story structure with a prominent glass facade. The building is set against a blue sky with scattered white clouds. In the foreground, there are green trees and some pink flowers. The building's signage includes 'LIPPO MALL PURI' in large, metallic letters on the glass facade, and other signs for 'THE FOOD HALL', 'XXI', 'FOOD AVENUE', and 'MR. DICK' on the lower levels. The building is partially framed by a large, stylized teal and white graphic element on the left side of the slide.

**LIPPO MALL
PURI**

Where are we today?

MEDAN

- SUN PLAZA
- PLAZA MEDAN FAIR
- GRAND PALLADIUM UNITS

JAKARTA

- NORTH
 - PLUIT VILLAGE
- SOUTH
 - THE PLAZA SEMANGGI
 - LIPPO MALL KEMANG
 - DEPOK TOWN SQUARE UNITS
- EAST
 - MAL LIPPO CIKARANG
 - LIPPO PLAZA KRAMAT JATI
 - TAMINI SQUARE
 - LIPPO PLAZA EKALOKASARI BOGOR
 - CIBUBUR JUNCTION
- WEST
 - METROPOLIS TOWN SQUARE UNITS
 - MALL WTC MATAHARI UNITS
- CENTRAL
 - GAJAH MADA PLAZA

SULAWESI

- LIPPO PLAZA KENDARI

PALEMBANG

- PALEMBANG ICON
- PALEMBANG SQUARE
- PALEMBANG SQUARE EXTENSION

KEDIRI

- KEDIRI TOWN SQUARE

MALANG

- LIPPO PLAZA BATU
- MALANG TOWN SQUARE UNITS

BANDUNG

- ISTANA PLAZA
- BANDUNG INDAH PLAZA

SEMARANG

- JAVA SUPERMALL UNITS

YOGYAKARTA

- LIPPO PLAZA JOGJA

MADIUN

- PLAZA MADIUN UNITS

BALI

- LIPPO MALL KUTA

- RETAIL MALLS
- RETAIL SPACES



Rp15,716.1b

Portfolio Value



28

Properties



839,907 m²

Net Lettable Area



3,254

Tenants



85.5%

Portfolio Occupancy



168m

Annual Shopper Traffic

Latest available date

Leading Through the Pandemic

Current Reality

- ❑ Unprecedented global environment leading to impact on retail discretionary spending
- ❑ Every Crisis has a beginning, middle and an end. We will get through it
- ❑ The Pandemic affects everyone – Landlords, Tenants, Consumers. This creates opportunities for partners to work together

Solid fundamentals of our quality retail malls **have not changed..** it's about **proactively managing with flexibility** through the changing stages of the Pandemic

Strategic Direction of LMIRT

Strategic Business Drivers

- ❑ Growing Middle Class in Indonesia whose population enjoy shopping!
- ❑ Retail Malls underpinned by well populated trade areas and retail mix
- ❑ Mall acquisitions guided by pre-requisite acquisition criteria, supported by a pipeline of assets from the Sponsor on a right of first refusal basis

Strategic direction remains **unchanged** to **maximise** the **long term asset value** of our high quality well located retail assets that our shoppers regularly enjoy resulting in **regular and stable distributions** to our Unitholders

How is the acquisition in our interest?

- Part of strategic plan since early 2019 to improve our portfolio mix and strengthen ourselves for long-term growth
- Recycle capital to optimise portfolio by **acquiring assets of larger scale**, and divesting smaller mature assets



	Pejaten Village	Binjai Supermall
NLA (sqm)	42,210	23,432
Completion	2008	2007
Tenants	152	111

	Lippo Mall Puri
NLA (sqm)	122,862
Completion	2014
Tenants	333

How is the acquisition in our interest?

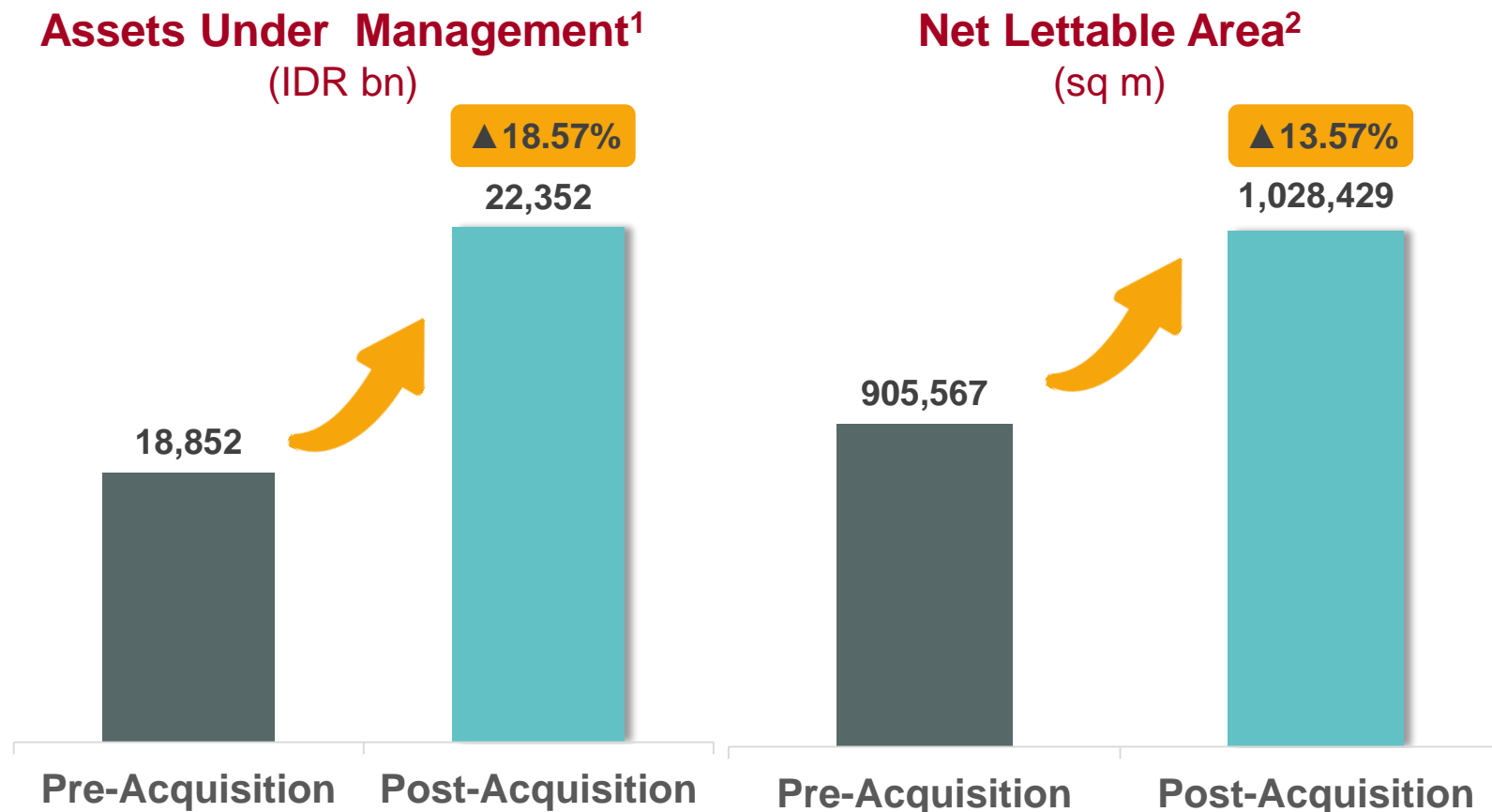


As LMIR Trust's flagship asset, the Property will:

- ✓ **enhance positioning and strengthen stability** of LMIR Trust
- ✓ **improve its portfolio mix** towards a combination of mixed-use developments and retail malls that hold dominant positions in their respective trade areas
- ✓ Provide stable returns to Unitholders with capital growth potential
- ✓ The acquisition of Puri enhances the corporate financial position of the Trust

How is the acquisition in our interest?

Significant growth in AUM and NLA

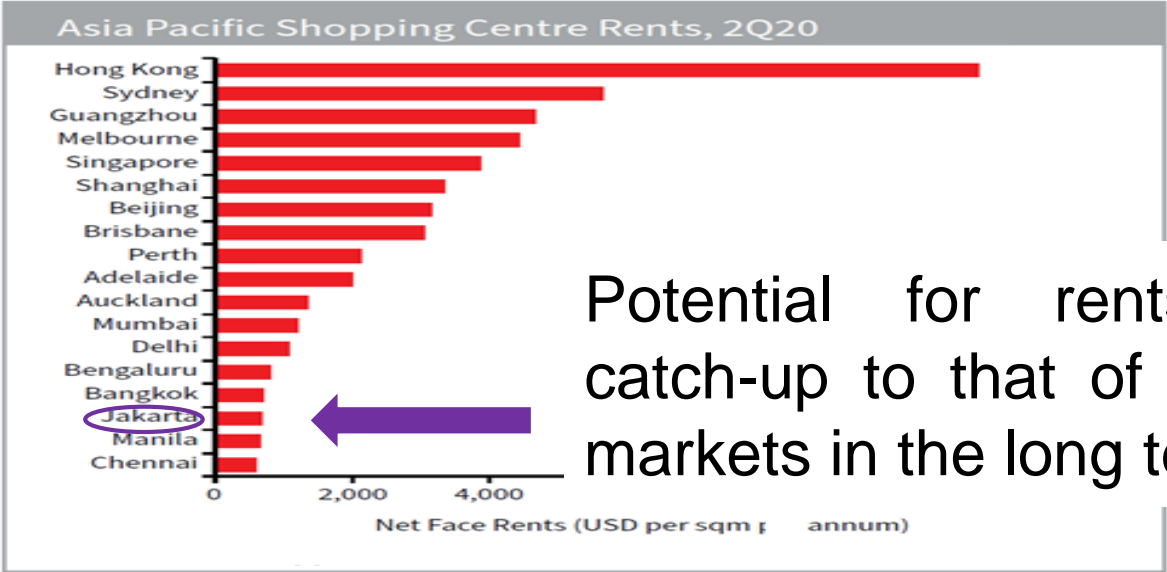
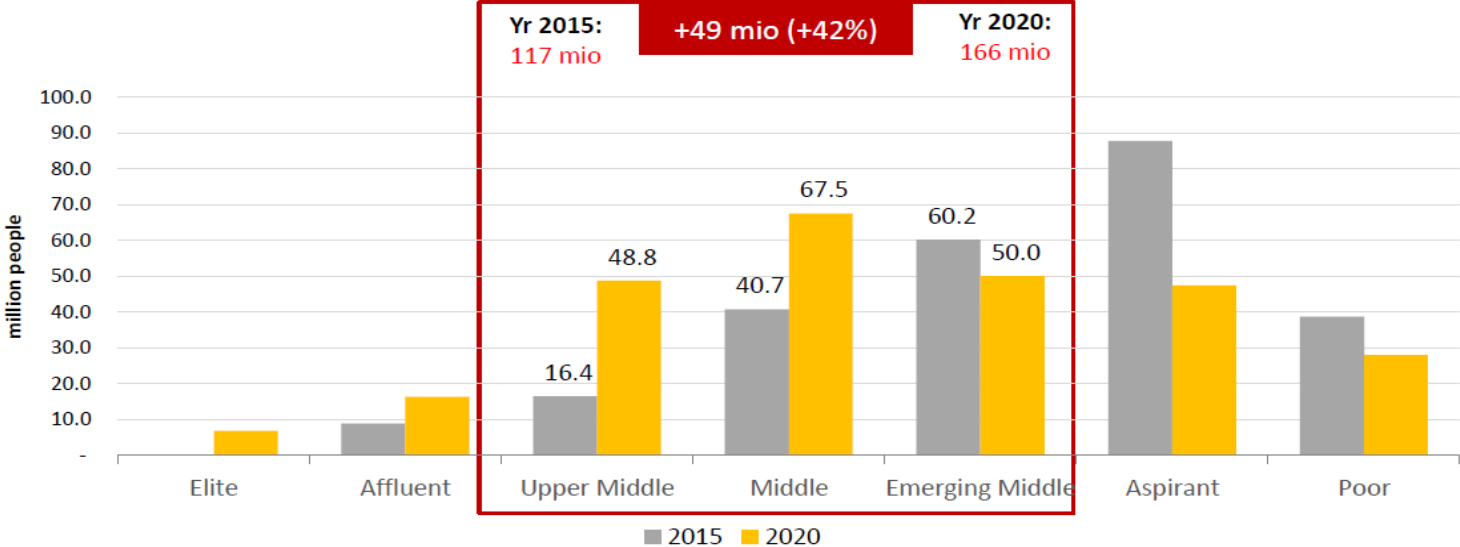


¹ Based on the existing portfolio valuation as at 31 December 2019 and the Purchase Consideration

² Based on the existing portfolio NLA as at 30 June 2020 and the NLA of Lippo Puri Mall (including post restoration of P2 Space)

Favourable Indonesian Retail Outlook

Strong Middle-Income Growth



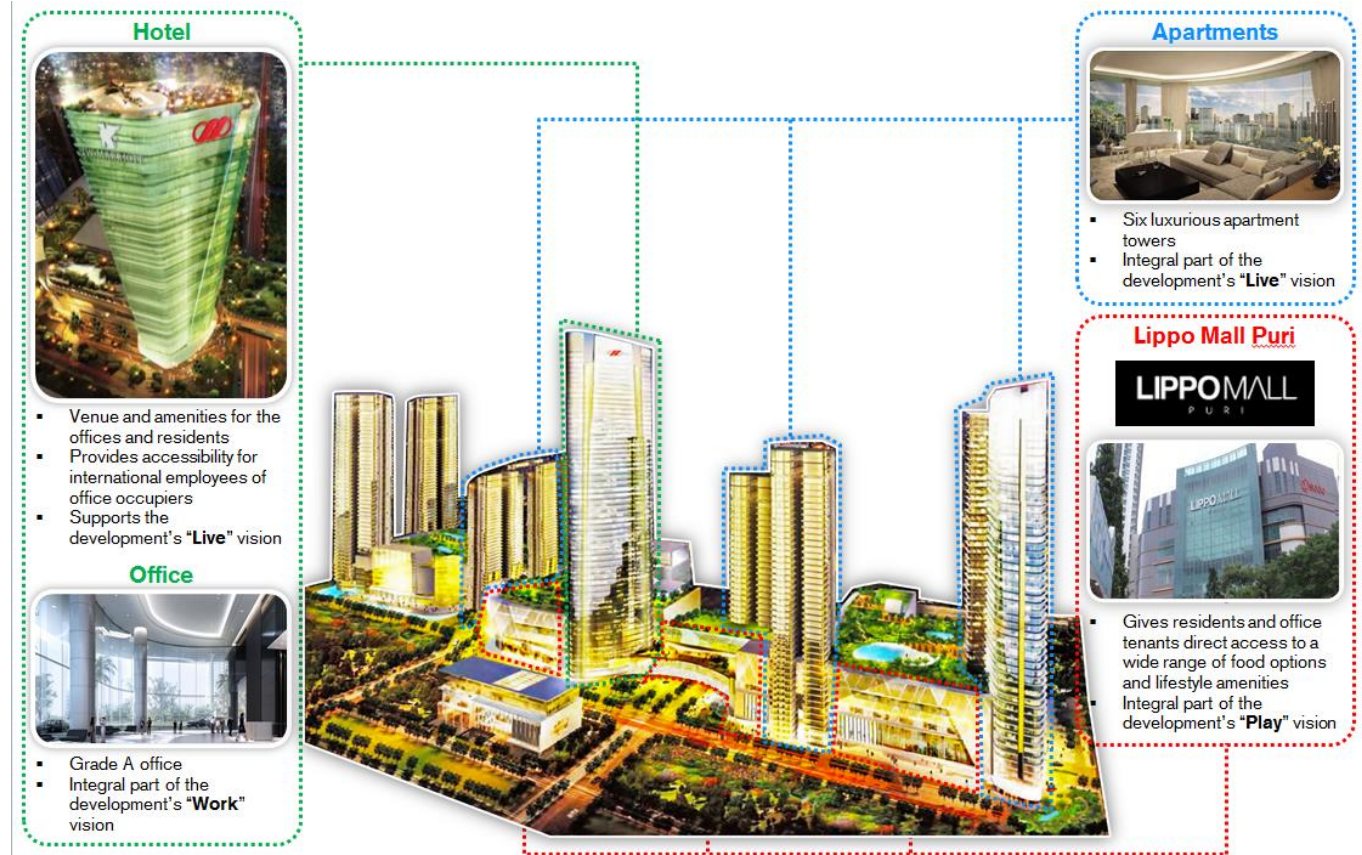
Potential for rents to catch-up to that of other markets in the long term

Source: Markplus Insight, Jones Lang LaSalle, The Retail Index 2Q2020

What is so great about Lippo Mall Puri?

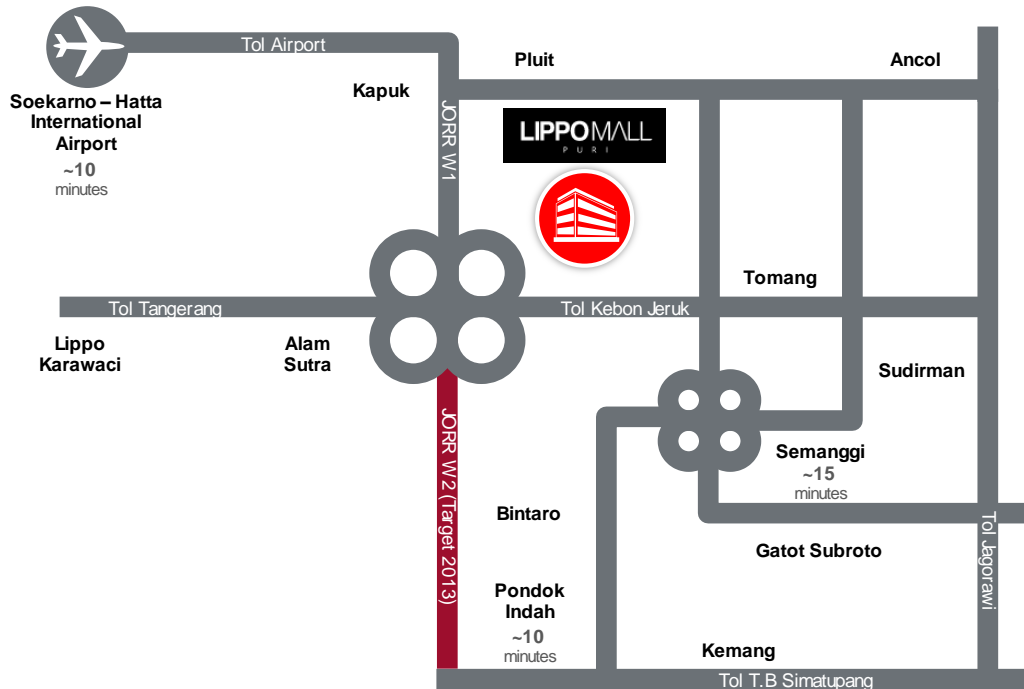
An integrated ecosystem designed for living, working and playing

- ✓ Part of self-contained “live, work and play” ecosystem” in St. Moritz, Jakarta
- ✓ Wide range of **F&B options, lifestyle amenities and entertainment** for residents, office tenants and future hotel guests
- ✓ **More resilient** to Covid-19 pandemic impact due to residential component and close proximity of other residential areas
- ✓ Attracted daily average of 5,524 visitors during the Covid-19 closure from 27 March to 14 June
 - LMIR Trust’s other malls: 2,824 daily average visitors



What is so great about Lippo Mall Puri?

Excellent transportation connectivity



Mixed-use development in West Jakarta that is

Well-connected to three roads, including two major toll roads, providing excellent access to and from:

- ✓ Soekarno-Hatta International Airport
- ✓ Jakarta CBD
- ✓ other parts of Jakarta, Tangerang and Bekasi
- ✓ other residential developments in the surrounding areas

A potential transportation hub for the area

Set to benefit from Indonesia government's ongoing Jakarta infrastructure programme

What is so great about Lippo Mall Puri?

- ✓ Located in West Jakarta, an area with **good supply-demand dynamics**
- ✓ Only mall in the **St. Moritz Jakarta Integrated Development**, the largest mixed-use property in West Jakarta
- ✓ Approximately **1.5 million residents and 650,000 workers** within a 5km radius
- ✓ Still in its **growth phase**
 - good leasing-up opportunities
 - potential positive rental reversion
- ✓ Comes with **Vendor Support** till end-2024



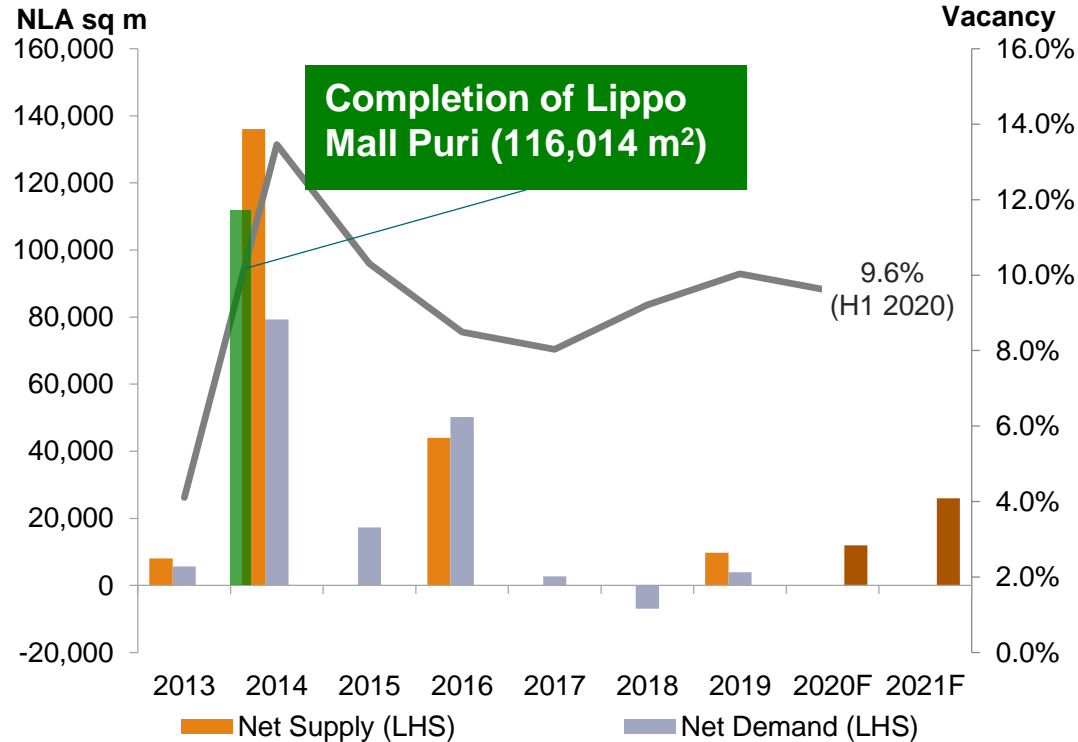
Year of Completion	July 2014		
	Valuer	w/Vendor Support	w/o Vendor Support
Valuation	Cushman ¹	S\$361.7m (Rp3,762b)	S\$343.5m (Rp 3,572b)
	Colliers ²	S\$381.7m (Rp3,970)	S\$353.8m (Rp3,680b)
	Average	S\$371.7m (Rp3,866b)	S\$348.7m (Rp3,626b)
Gross Floor Area (“GFA”) / Net Lettable Area (“NLA”)	175,146 m ² / 116,014 m ² (122,862 m ² with P2 Space)		
Occupancy Rate / No. of Tenants	91.9% (89.9% with P2 Space) @ 30 June 2020 / 333		
Weighted Average Lease Expiry (“WALE”) by NLA	3.4 years		

1 Cushman & Wakefield VHS Pte Ltd

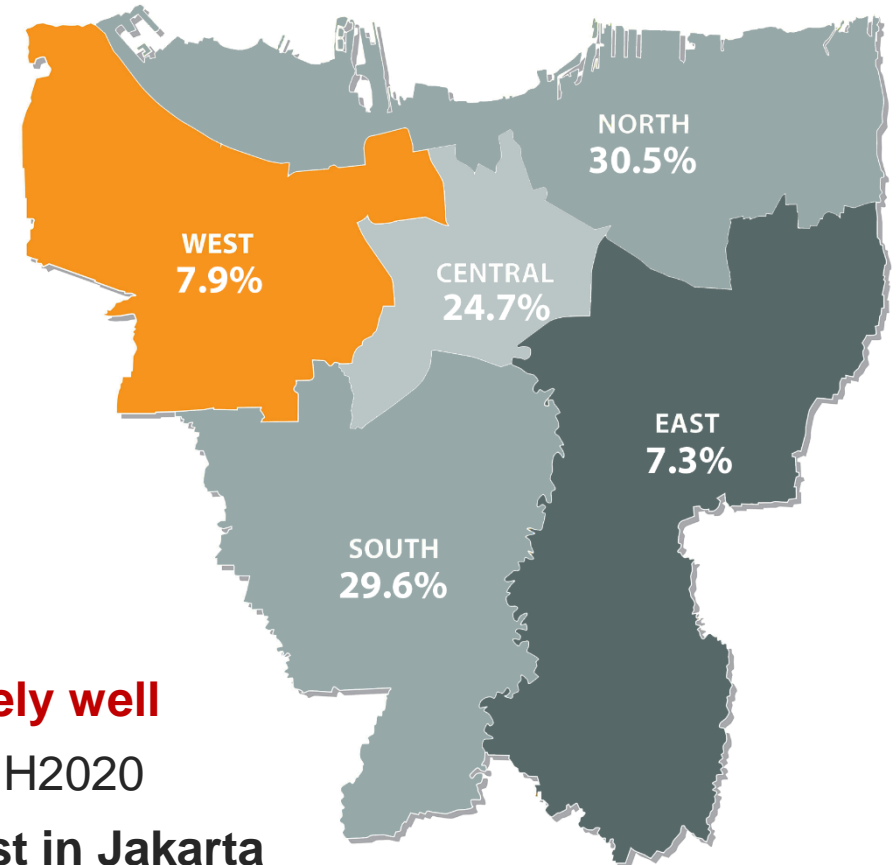
2 Colliers International Consultancy & Valuation (Singapore) Pte Ltd

Why acquire Lippo Mall Puri now?

Favourable supply dynamics in West Jakarta



Jakarta Retail Supply Pipeline (2020-2022)

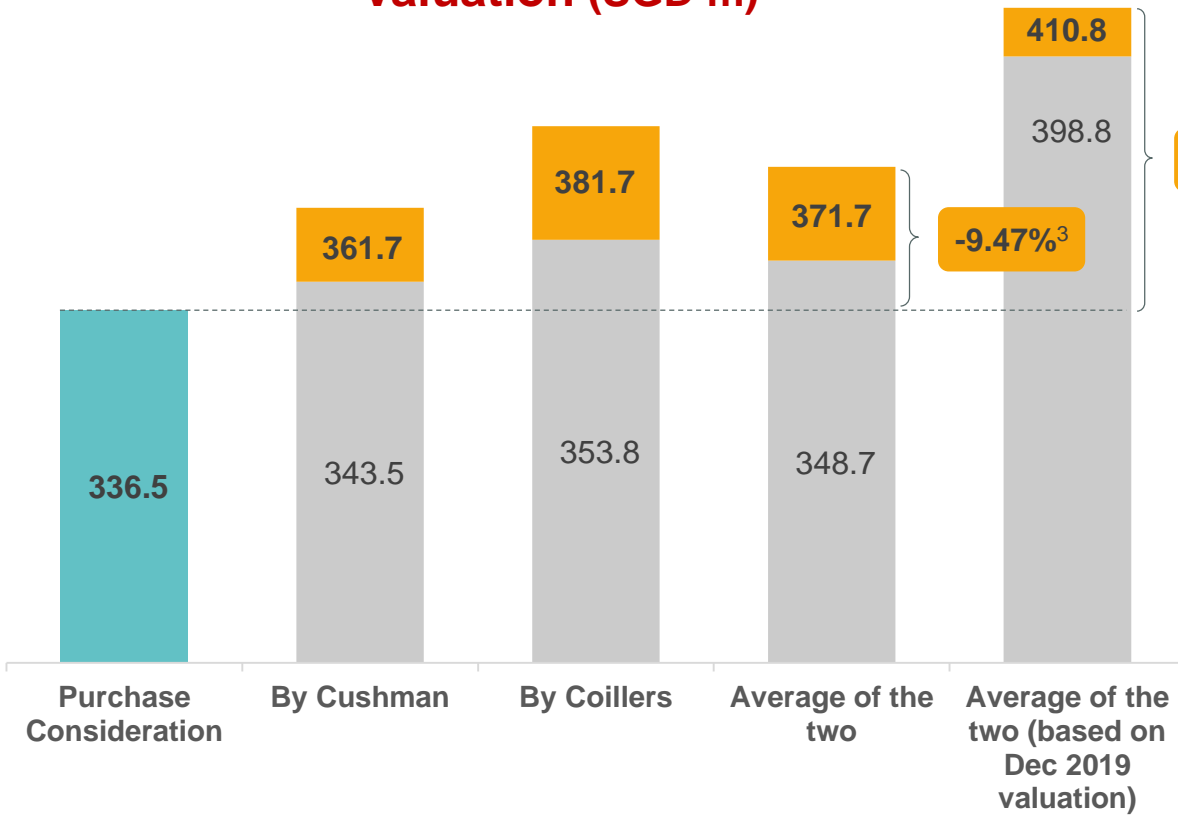


Well-managed malls in West Jakarta expected to hold up relatively well

- ✓ Healthy take-up of retail space with no injection of new supply in 1H2020
- ✓ Retail space per capita of **0.23 sq m** in 1H2020, **one of the lowest in Jakarta** (cf. 0.53 sq m in South Jakarta and 0.51 sq m in Central Jakarta)

Why acquire Lippo Mall Puri now?

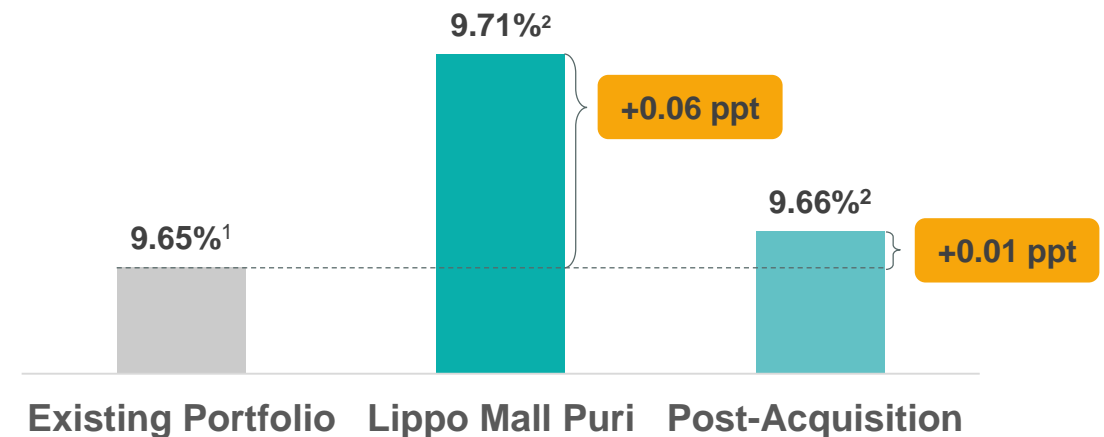
Valuation (SGD m)



- ✓ Valuations, and the Purchase Consideration, have been reduced (compared to the announcement dated 12 March 2019) taking into account the **impact of COVID-19**
- ✓ Purchase Consideration of approx. S\$336.5 million represents a
 - **9.47% discount** to the average of the two Independent Valuations (with Vendor Support)
 - **3.47% discount** to the average of the two Independent Valuations (without Vendor Support)

✓ NPI yield would improve to 9.66% post-Acquisition

NPI Yield



1. Based on FY 2019 Audited Financial Statements
 2. Based on Lippo Mall Puri's NPI for FY2019
 3. Based on IDR terms

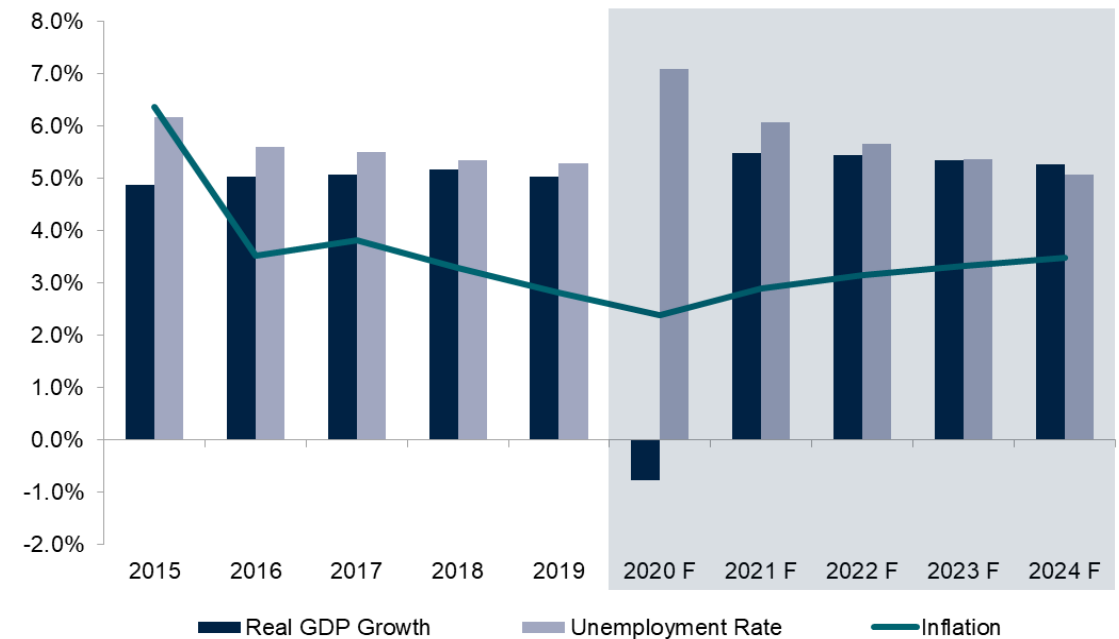
Why acquire Lippo Mall Puri now?

Price of the asset likely to increase in tandem with improvement in operating indicators such as rental, occupancy and footfall increase

According to independent market research from Savills, **Indonesia is poised for recovery in the mid-term:**

- i. strong potency for rebound on basis of well-laid socio-economic foundations
- ii. gradual economic recovery and growth optimism
- iii. resilient retail market and stable retail rent outlook in Jakarta
- iv. positive rental reversions in the market
- v. leasing up opportunities

Indonesia: Real GDP Growth, Unemployment and Inflation



Source: Focus Economics, Savills Research & Consultancy, August 2020

Why acquire Lippo Mall Puri now?

To protect ourselves in the event of further deterioration in sentiments, we have signed a **Vendor Support Agreement**

- ✓ Vendor is committed to lease certain vacant leasable space
- ✓ **Guaranteed NPI of Rp. 340.0 billion per annum** from completion till 31 December 2024
- ✓ Provides **additional stability** and downside protection as Lippo Mall Puri continues to mature
- ✓ **Mitigates short-term uncertainties** arising from the pandemic by providing stable income
- ✓ **Aligns Lippo Mall Puri's income with that of comparable retail malls** in West Jakarta during the Vendor Support Period

Both Independent Valuers are of the view that the estimated NPI will be achievable by the underlying revenue after the expiry of the Vendor Support Period

How are we financing it?

Acquisition Cost of S\$389.2 million¹

Debt Financing

Renounceable Non-Underwritten Rights Issue

S\$120 million comprising:

- ✓ Bank debt
- ✓ Vendor Financing of up to S\$40 million depending on amount of bank debt drawn down

- ✓ Proposed issue of 4,682,872,029 Rights Units
- ✓ To raise gross proceeds of approx. **S\$281.0 million**, of which **S\$269.2 million** to be used to partially fund the Acquisition

Sponsor's irrevocable undertaking in support of LMIR Trust and the Rights Issue

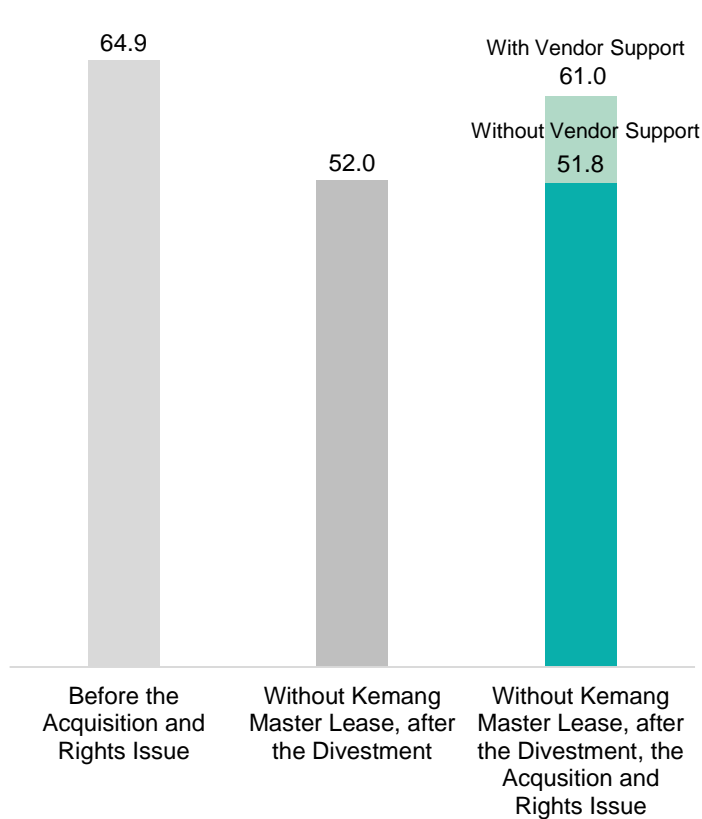
- ✓ To take up its **full pro rata stake** in the rights issue
- ✓ To apply for **all the excess rights units** not taken up by the other unitholders

¹ This refers to cash portion and excludes the Acquisition Fee of approx. S\$1.7 million, which will be paid through the issue of Acquisition Fee Units

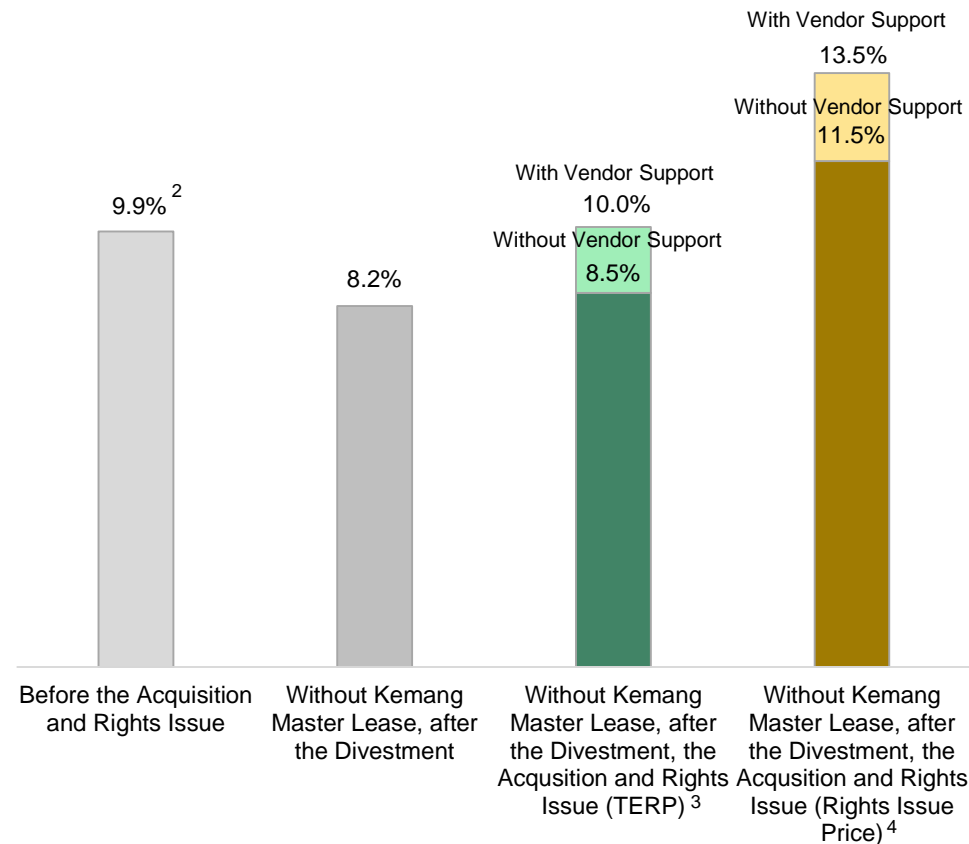
What is the impact of the Acquisition & Rights Issue?

Pro Forma Effects (FY2019)

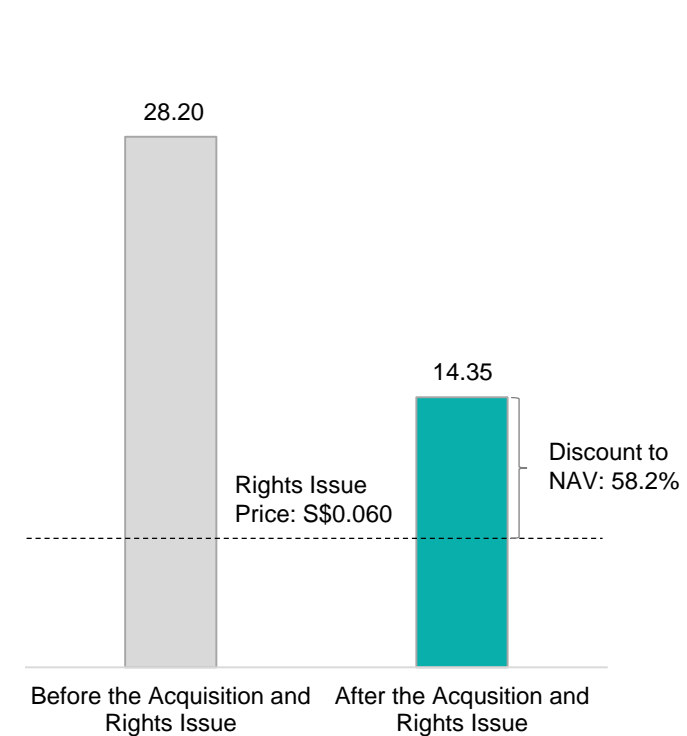
Distributable Income (S\$m)¹



DPU Yield (%)¹



NAV per Unit (cents)⁵



¹ Pro forma effects as if the Acquisition and Rights Issue were completed on 1 January 2019 and LMIRT held and operated the Property through to 31 December 2019

² Based on closing price of S\$0.225 per Unit as at 31 December 2019

³ Based on TERP of S\$0.081 per Unit

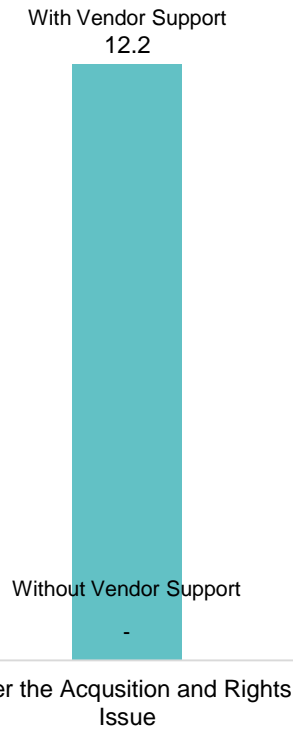
⁴ Based on Rights Issue price of S\$0.060 per Unit

⁵ Pro forma effects on LMIRT as at 31 December 2019, as if the Acquisition and Rights Issue were completed on 31 December 2019, and based on net assets attributable to Unitholders and excluding the net assets attributable to holders of perpetual securities

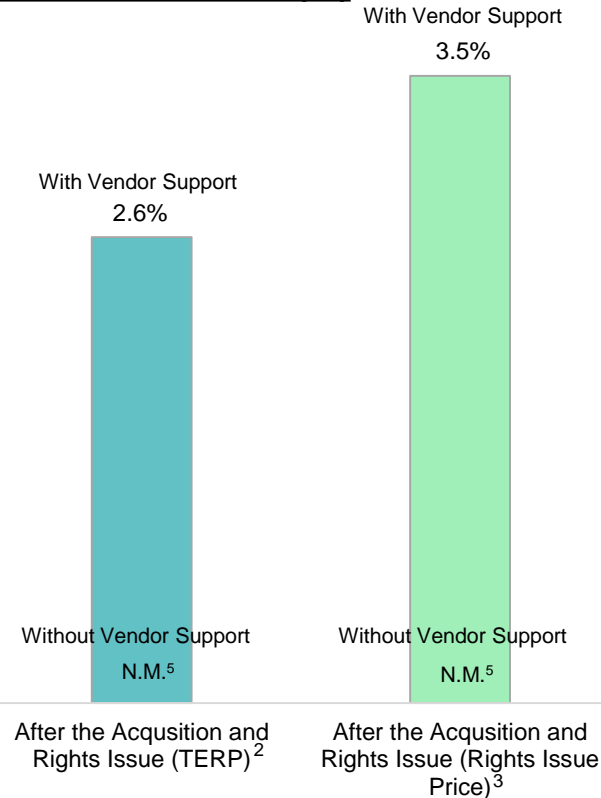
What is the impact of the Acquisition & Rights Issue?

Pro Forma Effects (9M2020)

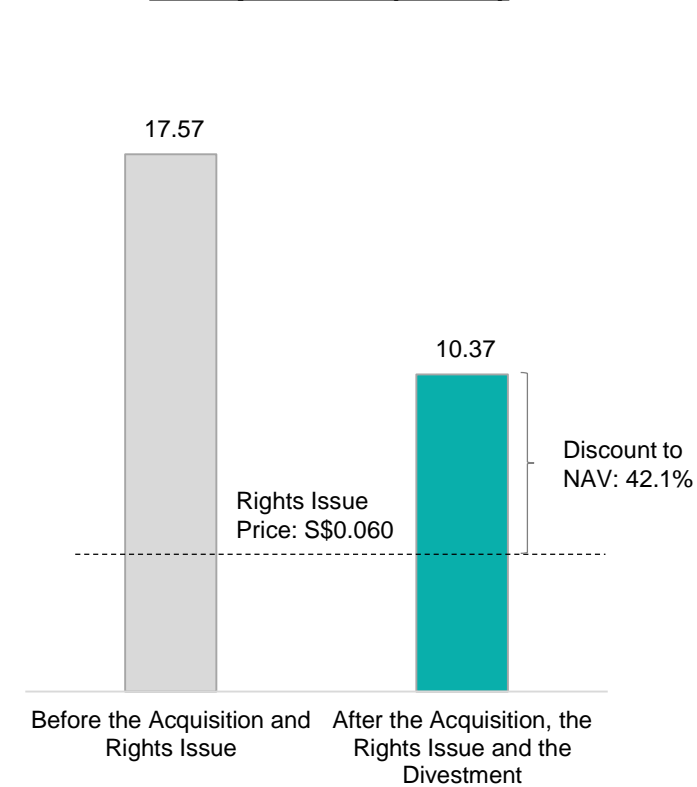
Adjusted Distributable Income (S\$m)¹



Adjusted DPU Yield (%)¹



NAV per Unit (cents)⁴



- LMIR Trust incurred net losses for 9M FY2020.
- The inclusion of Lippo Mall Puri with Vendor Support will allow the Trust to offset the losses and generate positive distributable income.

¹ Pro forma effects as if the Acquisition and Rights Issue were completed on 1 January 2020 and LMIRT held and operated the Property through to 30 September 2020

² Based on TERP of S\$0.081 per Unit

³ Based on Rights Issue price of S\$0.060 per Unit

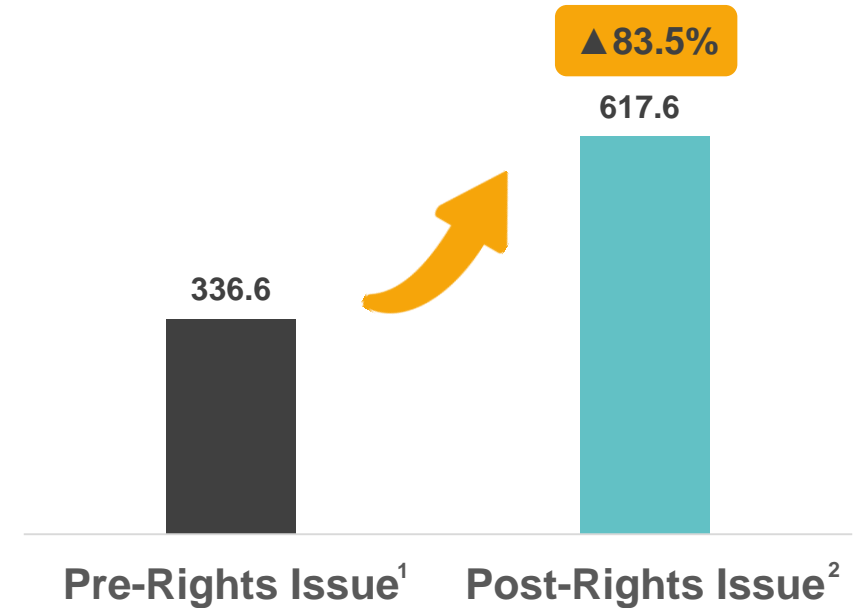
⁴ Pro forma effects on LMIRT as at 30 September 2020, as if the Acquisition and Rights Issue were completed on 30 September 2020, and based on net assets attributable to Unitholders and excluding the net assets attributable to holders of perpetual securities

⁵ After adjusting for net losses in the third quarter of FY2020, no distributable income would be recorded for 9M2020, and the DPU and distribution yield will be non-meaningful (N.M.)

What is the impact of the Acquisition & Rights Issue?

- ✓ **Enlarged market capitalisation**, which may lead to improved trading liquidity of the Units on the SGX-ST
- ✓ **Fall in aggregate leverage** expected to fall to approximately 40.2% post-Acquisition, compared to 42.5% as at 30 September 2020
- ✓ **Strengthen the Trust's balance sheet** position and ability to continue to make sustainable distributions

Market Capitalisation (S\$m)



¹ Pre-Rights Issue market capitalisation calculated based on the Closing Price of S\$0.115 as of 17 September 2020, multiplied by existing Units

² Post-Rights Issue market capitalisation calculated based on TERP of S\$0.081, multiplied by the aggregation of existing Units and the Rights Units

What are the EGM Resolutions?

Ordinary Resolution 1

Proposed acquisition of the majority portion of strata title units within Lippo Mall Puri from an Interested Person

Ordinary Resolution 2

Proposed Rights Issue of up to 4,682,872,029 Rights Units

Ordinary Resolution 3

Whitewash Resolution in relation to the Sponsor and Parties acting in concert with the Sponsor

Ordinary Resolution 4

Proposed Vendor Financing of up to S\$40 million loan facility from the Vendor

▶ Simple majority (>50%) from Unitholders who are voting

▶ The Sponsor and parties acting in concert with the Sponsor to abstain from voting

▶ The Sponsor has provided an irrevocable undertaking to vote in favour

▶ The Sponsor and parties acting in concert with the Sponsor to abstain from voting

▶ The Sponsor and parties acting in concert with the Sponsor to abstain from voting

Resolutions 1, 2 and 4 are conditional upon each other and upon the Whitewash Resolution.

If any of the Resolutions is not approved, none of the Resolutions will be carried → **the Acquisition will not proceed.**



Thank You