



LIPPO MALLS INDONESIA RETAIL TRUST

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

## ANNOUNCEMENT

### PROPOSED PUT OPTION EXTENSION IN RELATION TO LIPPO MALL KEMANG

#### 1. INTRODUCTION

LMIRT Management Ltd., in its capacity as manager of Lippo Malls Indonesia Retail Trust (“**LMIR Trust**” and as manager of LMIR Trust, the “**Manager**”) refers to the announcement dated 6 October 2015 on the status update in relation to Lippo Mall Kemang (the “**LMK Status Update Announcement**”).

Capitalised terms used herein shall, unless otherwise defined, have the same meanings as defined in the LMK Status Update Announcement.

The Manager wishes to announce that the Manager intends to seek the approval of unitholders of LMIR Trust (the “**Unitholders**”) at an extraordinary general meeting (the “**EGM**”) for an additional six months’ extension of the Strata Title Completion Period (as defined herein) under the Put Option Agreement (as defined herein) and thereby an additional six months’ extension of the Long Stop Date (as defined herein) under the LMK CSPA (as defined herein) (the “**Put Option Extension**”). Further details in respect of the Put Option Extension are set out in paragraph 3 below.

#### 2. LIPPO MALL KEMANG

##### 2.1 Description of Lippo Mall Kemang

Lippo Mall Kemang, a five storey shopping centre (with two basement floors and three mezzanine levels) which is located in South Jakarta, Indonesia, commenced operations in 2012. Lippo Mall Kemang is a fashion and lifestyle mall with a gross floor area (“**GFA**”) of 150,932 sq m, a net lettable area (“**NLA**”) of 59,377 sq m, 2,326 car park lots and 1,311 motorcycle lots. Lippo Mall Kemang is part of the Kemang Village Integrated Development which consists of Lippo Mall Kemang, seven towers of residential apartments, a hotel, a wedding chapel, a school and a country club. As of 30 June 2015, Lippo Mall Kemang has 4 anchor tenants, 12 large tenants and 182 specialty tenants, catering to consumers in Kemang and South Jakarta. The anchor tenants include Debenhams, Hypermart, Cinema XXI, and ACE hardware, while the large tenants include Fitness First, Best Denki, Timezone and Eatery Food Court.

Lippo Mall Kemang also serves as the podium of a proposed J.W. Marriot hotel (which is expected to be completed in 2016), Pelita Harapan school campus (completed in 2010), a planned hospital (which is expected to be completed in 2017) and three condominium towers, namely “The Infinity” (completed in 2011), “The Empire” (completed in 2011) and “The Intercon” (completed in 2013). Being part of the Kemang Village Integrated Development, Lippo Mall Kemang is expected to capture shoppers from the residential apartments, school, the planned hospital and hotel located in close proximity to the mall.

## **2.2 Rationale for the LMK Acquisition and Approval Obtained from Unitholders**

On 22 October 2014, the Manager issued a circular to Unitholders (the “**22 October 2014 Circular**”) setting out the details of, among others, the proposed acquisition of Lippo Mall Kemang (the “**LMK Acquisition**”). As stated in the 22 October 2014 Circular, the Manager believes that the LMK Acquisition will bring, among others, the following key benefits to Unitholders:

- (i) strategic acquisition of a prominent retail mall within an integrated development with sustainable retail traffic;
- (ii) opportunity to increase the size and enhance the earnings of LMIR Trust;
- (iii) increased economies of scale in operations, marketing and financing; and
- (iv) diversification of assets within LMIR Trust’s portfolio to minimise concentration risk.

At an extraordinary general meeting of Unitholders held on 12 November 2014, independent Unitholders passed, among others, a resolution to approve the LMK Acquisition and on 18 December 2014, LMIR Trust took possession of Lippo Mall Kemang, thereby completing the LMK Acquisition.

## **2.3 Put Option Agreement in relation to the LMK Acquisition**

As LMIR Trust acquired Lippo Mall Kemang before the strata title certificates (*Sertifikat Hak Milik Satuan Rumah Susun* or “**Strata Title Certificates**”) relating to Lippo Mall Kemang were issued, HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of LMIR Trust (the “**Trustee**”), KMT1 Holdings Pte. Ltd. (a company incorporated in Singapore and wholly-owned subsidiary of LMIR Trust) (“**KMT1**”), KMT2 Investment Pte. Ltd. (a company incorporated in Singapore and wholly-owned subsidiary of KMT1) (“**KMT2**”), PT Almaron Perkasa (a limited liability company incorporated in Indonesia which is indirectly 92% owned by PT. Lippo Karawaci Tbk, the sponsor of LMIR Trust (the “**Sponsor**”)) (“**PT AP**”) and PT Wisma Jatim Propertindo (a limited liability company incorporated in Indonesia which is a wholly-owned subsidiary of the Sponsor) (“**PT WJP**”) had on 14 September 2014 entered into a put option agreement (as amended, the “**Put Option Agreement**”) which provides that if the Strata Title Certificates relating to Lippo Mall Kemang are not issued in the name of PT Kemang Mall Terpadu (an Indonesian limited liability company and indirect wholly-owned subsidiary of LMIR Trust) (“**IndoCo**”) on the expiry of 12 months from the date of the conditional sale and purchase agreement dated 14 September 2014 (the “**LMK CSPA**”) entered into between KMT1 and PT AP for the LMK Acquisition (the “**Strata Title Completion Period**”), the Trustee will have the put option (the “**Put Option**”) to require PT WJP and/or other entities appointed by PT WJP which are agreeable to the Trustee and LMIR Trust, to purchase the entire shareholder’s equity of IndoCo (the “**Shares Acquisition**”), evaluated at (the “**Put Option Price**”):

- (a) the higher of:
  - (i) Rp.3,600.0 billion, being the purchase consideration for the LMK Acquisition as set out in the LMK CSPA (the “**LMK Purchase Consideration**”); and
  - (ii) the market value of the strata title units of Lippo Mall Kemang as determined by two independent valuers appointed in accordance with Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the “**MAS**”) in relation to real estate investment trusts (the “**Property Funds Appendix**”);
- (b) adjusting for other net assets and liabilities of IndoCo as at the date of completion of the exercise of the Put Option; and
- (c) taking into account all transaction costs incurred directly or indirectly, by LMIR Trust for the acquisition of the strata title units of Lippo Mall Kemang and the exercise of the Put Option (including, but not limited to brokerage, stamp duties, acquisition fees, conveyancing fees, legal fees, tax advisory fees and other professional fees).

Such purchase consideration payable by PT WJP shall be offset by net income generated from the strata title units of Lippo Mall Kemang for the period from the date of the LMK Acquisition until the date of completion of the exercise of the Put Option. The net income refers to rental income and other income in relation to the strata title units of Lippo Mall Kemang, offset by expenses incurred for:

- (a) leasing and operation of the strata title units of Lippo Mall Kemang, which includes, but is not limited to, property management fees, land rental, property operating and maintenance expenses and taxes;
- (b) withholding taxes and other expenses incurred for distribution of cash flow from IndoCo to its parent companies;
- (c) cost of funding and finance expenses for both equity and debt financing incurred by LMIR Trust or any of its subsidiaries in relation to the acquisition and operation of Lippo Mall Kemang, where the cost of equity financing refers to cash dividends, interest on shareholder’s loans and repayment of shareholder’s loans from IndoCo to its parent companies; and
- (d) other additional costs and expenses incurred by the parent companies of IndoCo, LMIR Trust or any of LMIR Trust’s subsidiaries as a result of the LMK Acquisition.

## 2.4 Financial Performance of Lippo Mall Kemang

### 1Q2015 vs 1Q2014

Gross rental income of LMIR Trust for the three-months period ended 31 March 2015 (“**1Q2015**”) was S\$6.6 million (or 23.4%) higher than for the three-months period ended 31 March 2014 (“**1Q2014**”) due to the acquisition of Lippo Mall Kemang, as well as positive rental reversion within the existing malls. Other revenue for 1Q2015 was S\$1.7 million (or 29.4%) higher than for 1Q2014 mainly due to the additional contribution from carpark income from

Lippo Mall Kemang.

#### 2Q2015 vs 2Q2014

Gross rental income of LMIR Trust for the three-months period ended 30 June 2015 (“**2Q2015**”) was S\$5.4 million (or 18.8%) higher than for the three-months period ended 30 June 2014 (“**2Q2014**”) due to the acquisition of Lippo Mall Kemang as well as positive rental reversion within the existing malls, despite the depreciation of the Indonesian Rupiah against the Singapore Dollar when translating income denominated in Indonesian Rupiah to Singapore Dollars. Other revenue for 2Q2015 was S\$2.8 million (or 53.6%) higher than for 2Q2014 mainly due to the additional contribution from carpark income from Lippo Mall Kemang.

### **3. THE PUT OPTION EXTENSION**

#### **3.1 Long Stop Date for issuance of Strata Title Certificates and Notification from PT AP and PT WJP on delay in approval process for the Strata Title Certificates**

Pursuant to the LMK CSPA, PT Almaron Perkasa (“**PT AP**”) is required to, among others, procure the issuance of the strata title certificates (*Sertifikat Hak Milik Satuan Rumah Susun* or “**Strata Title Certificates**”) in relation to Lippo Mall Kemang under the name of PT Kemang Mall Terpadu (“**IndoCo**”) on or prior to 14 September 2015 (the “**Long Stop Date**”). If PT AP failed to do so by the Long Stop Date, the Trustee will, pursuant to the Put Option Agreement, have the put option to require PT WJP and/or any third party appointed by PT WJP which is acceptable to the Trustee and LMIR Trust, to purchase all of the shares of the IndoCo from the shareholders of the IndoCo (the “**Put Option**”), at the Put Option Price. The Put Option Agreement further provides that the Put Option is exercisable within the period commencing one day after the Long Stop Date until 90 (ninety) calendar days thereafter.

On 1 September 2015, PT AP and PT WJP notified the Trustee and the Manager in writing that despite the efforts they have made, they will not be able to procure the issuance of the Strata Title Certificates by the Long Stop Date.

#### **3.2 Reason for the delay in approval process of the Strata Title Certificates**

The Manager has received a clarification letter dated 9 September 2015 (the “**Clarification Letter**”) issued by the notary appointed by PT AP to handle the application for the issuance of the Strata Title Certificates of Lippo Mall Kemang (the “**Notary**”), from PT AP. Based on the Clarification Letter, the Manager understands that the delay in the issuance of the Strata Title Certificates is attributable to non-substantive but administrative matters which includes, among others, the significant internal administrative restructuring in January 2015 of the Building Supervision and Enforcement Agency of DKI Jakarta (the “**Agency**”) which is responsible for processing the Function Feasibility Certificate (*Sertifikat Laik Fungsi* or “**SLF**”). The issuance of the SLF is, in turn, one of the prerequisites for the issuance of the Strata Title Certificates. As a result of the internal administrative restructuring of the Agency, the newly appointed team of the Agency had to revisit the site and conduct a fresh review of the previously issued SLF. The Manager understands that this in turn resulted in a delay in the processing of the application made by PT AP’s appointed notary for the issuance of the Strata Title Certificates of Lippo Mall Kemang.

The Manager also understands from the Notary, based on the Notary's letter dated 21 October 2015, that the minutes of the Coordination Meeting has been sent on 5 October 2015 to the Governor of DKI Jakarta Province to issue the decree for the issuance of the decree (the "**Decree**") required for the issuance of the deed of segregation (*akta pemisahan*) and strata title drawing (*gambar pertelaan*), subsequent to which, the Decree will be submitted to the Land Office of South Jakarta, along with other supporting documents such as the land title and SLF. On the basis of such submission, the Land Office of South Jakarta would issue the Strata Title Certificates for Lippo Mall Kemang. The Manager further understands from the Notary that the issuance of such Decree should be a procedural matter and not a substantive matter.

### 3.3 Rationale for the Put Option Extension

The Manager wishes to seek independent Unitholders' approval at the EGM for an additional six months' extension of the Strata Title Completion Period under the Put Option Agreement, and thereby an additional six months' extension of the Long Stop Date under the LMK CSPA to reflect the proposed amendments of the Put Option Agreement.

If the Strata Title Completion Period is extended by an additional six months, PT AP will be required to, among others, procure the issuance of the Strata Title Certificates in relation to Lippo Mall Kemang under the name of IndoCo on or prior to 14 March 2016 (the "**Amended Long Stop Date**"), instead of on or prior to 14 September 2015. If PT AP fails to do so by the Amended Long Stop Date, the Trustee will have the absolute right to exercise the Put Option to require PT WJP and/or any third party appointed by PT WJP which is acceptable to the Trustee and LMIR Trust, to purchase all of the shares of the IndoCo from the shareholders of the IndoCo, at the Put Option Price. The Put Option will be exercisable within the period commencing one day after the Amended Long Stop Date until 90 (ninety) calendar days thereafter, being 12 June 2016.

The Manager believes that the Put Option Extension will generally be in the best interests of, and beneficial to, LMIR Trust and its Unitholders for the following reasons:

- (i) Since the completion of the acquisition of Lippo Mall Kemang on 18 December 2014, Lippo Mall Kemang has been contributing to LMIR Trust's revenue, net property income and distributable income. The pro forma financial effects of the exercise of the Put Option on (i) LMIR Trust's distribution per Unit ("**DPU**") for the six-months period ended 30 June 2015 ("**6M2015**"), as if LMIR Trust did not acquire Lippo Mall Kemang, and (ii) the net asset value ("**NAV**") per Unit as at 30 June 2015, as if LMIR Trust did not acquire Lippo Mall Kemang, are set out below **FOR ILLUSTRATIVE PURPOSES ONLY**:

	<b>6M2015</b>	
	<b>Actual</b>	<b>Without Lippo Mall Kemang</b>
Distributable Income (S\$'000)	41,376	34,918
Units in issue and to be issued	2,720,934,528	2,474,244,411 <sup>(2)</sup>

DPU (cents)	1.52	1.41
Distribution yield (annualised)	8.33% <sup>(3)</sup>	7.73% <sup>(3)</sup>

**Notes:**

- (1) Based on the unaudited financial statements of LMIR Trust and its subsidiaries for 6M2015 (the "6M2015 Unaudited Financial Statements").
- (2) The number of Units is arrived at after deducting the following units issued in relation to the acquisition of Lippo Mall Kemang:
  - (i) 117,647,000 Units issued on 17 December 2014 pursuant to a private placement in December 2014;
  - (ii) 118,421,052 Units issued on 19 December 2014 as part consideration for the acquisition of Lippo Mall Kemang; and
  - (iii) 10,622,065 Units issued on 27 March 2015 as payment of the acquisition fee to the Manager for the acquisition of Lippo Mall Kemang.
- (3) Based on the DPU divided by the Closing Price on 30 June 2015 of S\$0.365.

	<b>As at 30 June 2015</b>	
	<b>Actual<sup>(1)</sup></b>	<b>Without Lippo Mall Kemang</b>
NAV (S\$'000)	1,068,552	966,540
Units in issue and to be issued	2,720,934,528	2,474,244,411 <sup>(2)</sup>
NAV per Unit (cents)	39.27	39.06

**Notes:**

- (1) Based on the 6M2015 Unaudited Financial Statements.
- (2) The number of Units is arrived at after deducting the following Units that were issued in connection with the acquisition of Lippo Mall Kemang:
  - (i) 117,647,000 Units issued on 17 December 2014 pursuant to a private placement in December 2014;
  - (ii) 118,421,052 Units issued on 19 December 2014 as part consideration for the acquisition of Lippo Mall Kemang; and
  - (iii) 10,622,065 Units issued on 27 March 2015 as payment of the acquisition fee to the Manager for the acquisition of Lippo Mall Kemang.

The pro forma financial effects presented above are **for illustrative purposes only** and were prepared based on the 6M2015 Unaudited Financial Statements, and assuming:

- (a) the cash component for the LMK Acquisition of S\$48.0 million was placed with financial institutions earning interest income of approximately 0.7% per annum; and
- (b) the cash component for the LMK Acquisition of S\$80.0 million was used to acquire bonds issued by Singapore listed entities earning returns of

approximately 3.5% per annum.

- (ii) If the Put Option is exercised now, the Manager might not be able to put the cash (to be received) to a similar yield accretive use. Therefore, the Manager is of the view that the exercise of the Put Option at this point in time may not necessarily benefit the Unitholders.

### 3.4 The Amendment Agreements

In connection with the Put Option Extension, it is proposed that the Trustee, PT WJP, PT AP, KMT1, KMT2 and IndoCo enter into an amendment agreement to the Put Option Agreement to extend the Strata Title Completion Period by an additional six months (the “**Put Option Amendment Agreement**”), and PT AP and IndoCo enter into an amendment agreement to the LMK CSPA to extend the Long Stop Date by an additional six months (the “**LMK CSPA Amendment Agreement**”, and together with the Put Option Amendment Agreement, the “**Amendment Agreements**”) so as to reflect the proposed amendments to the Put Option Agreement. The Amendment Agreements will be subject to and conditional upon, among others, the approval by Unitholders to be given at the EGM for the Put Option Extension.

If the independent Unitholders do not approve the Put Option Extension, the Trustee will exercise the Put Option in accordance with the Put Option Agreement.

### 3.5 Independent Valuations of Lippo Mall Kemang

KJPP Winarta & Rekan (“**Winarta**”) and KJPP Rengganis, Hamid & Rekan (“**RHR**”, together with Winarta, the “**Independent Valuers**”) were commissioned by the Manager and the Trustee respectively to provide two independent desktop valuations of Lippo Mall Kemang. The following table sets out the appraised values and the respective dates of such appraisal:

Property	Appraised Value			
	By Winarta		By RHR	
	as at 30 September 2015 <sup>(1)</sup>		as at 30 September 2015 <sup>(1)</sup>	
	(S\$ million)	(Rp. billion)	(S\$ million)	(Rp. billion)
Lippo Mall Kemang	367.00	3600.00	359.83	3529.63

**Note:**

(1) Based on the rupiah exchange rate of S\$1.00 to Rp. 9,809.24 as at 20 October 2015.

### 3.6 Abstentions from Voting

As at the date of this announcement, the Manager has a direct interest in 111,422,428 Units (comprising 3.99% of the total number of issued Units). The Manager is wholly-owned by Peninsula Investment Limited (“**Peninsula**”), a wholly-owned subsidiary of Jesselton Investment Ltd which is in turn a wholly-owned subsidiary of the Sponsor. The Sponsor directly and/or through its subsidiaries and through its interest in the Manager, has deemed interests of (i) 29.07% in LMIR Trust and (ii) 100% in the Manager, and is therefore regarded

as a “**Controlling Unitholder**”<sup>1</sup> of LMIR Trust and a “**Controlling Shareholder**”<sup>2</sup> of the Manager respectively under both the Listing Manual and the Property Funds Appendix.

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 (other than the Manager) are Bridgewater International Ltd and PT Sentra Dwimandiri.

Given that the parties to the Put Option Amendment Agreement will include, among others, PT WJP (a wholly-owned subsidiary of the Sponsor) and PT AP (a corporation which is indirectly 92% owned by the Sponsor), and the parties to the LMK CSPA Amendment Agreement will include PT AP, the Sponsor and Manager (i) will abstain, and will procure that their associates will abstain, from voting at the EGM on the resolutions on the Put Option Extension and (ii) will procure that their associates will not, accept appointments as proxies in relation to the resolutions on the Put Option Extension unless specific instructions as to voting are given.

#### 4. OTHER INFORMATION

##### 4.1 Interests of Directors and Substantial Unitholders<sup>3</sup>

###### 4.1.1 Interests of Directors of the Manager

As at the date of this announcement, the details of the unitholdings of the Directors are as follows:

Name of Directors	Direct Interest		Deemed Interest		Total no. of Units held	% <sup>(1)</sup>
	No. of Units	% <sup>(1)</sup>	No. of Units	% <sup>(1)</sup>		
Mr Albert Saychuan Cheok	400,000	0.014	-	-	400,000	0.014
Mr Lee Soo Hoon, Phillip	-	-	-	-	-	-
Mr Goh Tiam Lock	-	-	-	-	-	-
Mr Douglas Chew	-	-	-	-	-	-
Ms Viven Gouw Sitiabudi	-	-	-	-	-	-

1 “**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.

2 “**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.

3 “**Substantial Unitholders**” refers to Unitholders with an interest in more than 5.0% of all Units in issue.



Name of Directors	Direct Interest		Deemed Interest		Total no. of Units held	% <sup>(1)</sup>
	No. of Units	% <sup>(1)</sup>	No. of Units	% <sup>(1)</sup>		
Mr Alvin Cheng Yu Dong	-	-	-	-	-	-
Mr Ketut Budi Wijaya	-	-	-	-	-	-

**Note:**

(1) The percentage interest is based on 2,792,798,480 issued Units as at the date of this announcement.

Save as disclosed above and based on information available to the Manager, none of the Directors has an interest, direct or indirect, in the Put Option Extension.

#### 4.1.2 Interests of Substantial Unitholders

As at the date of this announcement, 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	% <sup>(1)</sup>
	No. of Units	% <sup>(1)</sup>	No. of Units	% <sup>(1)</sup>		
Bridgewater International Ltd ("BIL")	700,444,940	25.08	-	-	700,444,940	25.08
PT Sentra Dwimandiri ("PTSD")	-	-	700,444,940	25.08	700,444,940	25.08
The Sponsor	-	-	811,867,368	29.07	811,867,368	29.07
Wealthy Fountain Holdings Inc	202,938,500	7.27	-	-	202,938,500	7.27
Shanghai Summit Pte Ltd	-	-	224,938,500	8.05	224,938,500	8.05
Tong Jinquan	224,938,500	8.05	-	-	224,938,500	8.05

**Note:**

(1) Percentage interest is based on 2,792,798,480 Units in issue as at the date of this announcement.

As at the date of this announcement, the Sponsor, through its indirect wholly-owned subsidiaries BIL and PT SD and through its 100% interest in the Manager, holds an aggregate indirect interest of 29.07% in LMIR Trust and is deemed to be a Controlling Unitholder of LMIR Trust.

#### 4.2 Directors' Service Contracts

No person is proposed to be appointed as a Director in relation to the Put Option Extension or any other transactions contemplated in relation to the Put Option Extension.

#### **4.3 Opinion of the Independent Directors and Independent Financial Adviser**

The Manager has appointed KPMG Corporate Finance Pte. Ltd. as the Independent Financial Adviser (the “**IFA**”) to advise the independent Directors of the Manager (being Mr Albert Saychuan Cheok, Mr Lee Soo Hoon, Phillip, Mr Goh Tiam Lock and Mr Douglas Chew) (collectively, the “**Independent Directors**”) and the Trustee as to whether the Put Option Extension (including the terms of the Amendment Agreements) is (a) on normal commercial terms and (b) prejudicial to the interests of LMIR Trust and its minority Unitholders.

The Independent Directors will form their views on the Put Option Extension after taking into account the opinion of the IFA.

#### **5. DOCUMENTS FOR INSPECTION**

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager at 50 Collyer Quay, #06-07 OUE Bayfront, Singapore 049321<sup>4</sup> from the date of this announcement up to and including the date falling three months after the date of the Unitholders’ Circular seeking approval of the Unitholders for the Put Option Extension:

- (i) the desktop valuation certificate on Lippo Mall Kemang issued by Winarta; and
- (ii) the desktop valuation certificate on Lippo Mall Kemang issued by RHR.

The Trust Deed will also be available for inspection at the registered office of the Manager for so long as LMIR Trust continues to be in existence.

#### **6. FURTHER DETAILS**

The Unitholders’ Circular in relation to the Put Option Extension, together with a notice of the EGM to be convened, will be despatched to Unitholders in due course after the approval has been received from the SGX-ST in relation to the Unitholders’ Circular.

By Order of the Board

LMIRT MANAGEMENT LTD.

(as manager of Lippo Malls Indonesia Retail Trust)

(Company registration number: 200707703M)

Mr Alvin Cheng Yu Dong

Executive Director and Chief Executive Officer

22 October 2015

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<sup>4</sup> Prior appointment with the Manager will be appreciated.

**Important Notice**

The value of Units and the income derived from them may fall as well as rise. The 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.

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

This document 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. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.