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

ANNOUNCEMENT
RESPONSE TO SGX-ST QUERY

LMIRT Management Ltd., in its capacity as manager of Lippo Malls Indonesia Retail Trust ("**LMIR Trust**", as manager of LMIR Trust, the "**Manager**"), sets out its response to the queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 5 November 2021 in relation to LMIR Trust's unaudited financial statements for the third quarter ("**3Q 2021**") and nine months ended 30 September 2021 ("**YTD 2021**") dated 26 October 2021 (the "**Results Announcement**"):

Question 1:

The Trust expects a steady stream of income and cashflow from the completion of the acquisition of Lippo Mall Puri and the Net Property Income ("NPI") guarantee extended by the vendor until 2024, please disclose if the Lippo Mall Puri is still profitable after excluding the NPI guaranteed by the vendor and disclose the breakdown accordingly.

Manager's Response to Question 1:

Despite the temporary mall closures that resulted from the imposition of Emergency Public Activity Restrictions (Pemberlakuan Pembatasan Kegiatan Masyarakat "PPKM" Darurat) during the period from July 2021 to mid August 2021, as well as various restrictions on the mall operations during the rest of YTD 2021, which resulted in rental waivers, rental relief and discounts on service charges being granted to tenants, Lippo Mall Puri still reported an operating profit during 3Q 2021 and YTD 2021.

Lippo Mall Puri contributed $8.0 million and $21.6 million to the Group's NPI for 3Q 2021 and YTD 2021, respectively. Excluding the NPI guaranteed from the vendor, Lippo Mall Puri's contribution to the Group's NPI amounted to $0.9 million and $7.6 million for 3Q 2021 and YTD 2021, respectively.

Question 2:

The Trust made allowance for impairment for 3Q FY2021 amounting to $8.82 million. Please explain the reason for the significant impairment allowance for trade receivables and whether any of these impairments were for trade receivables were due from related parties.

Manager's Response to Question 2:

Due to the prolonged outbreak of Covid-19 ("**Outbreak**") in 2021, the Trust's tenants, related and non-related parties, continued to be impacted by the reduction in retail sales. Although the Manager observed certain improvements in the rental collection in 3Q 2021, there are still some delays in rental payment by tenants, including from cinema and kids' entertainment operators, education centers and food and beverage businesses, that were most affected by the Outbreak, especially during periods of mall closures. The Manager together with the property manager, has been actively engaging with tenants for rental collection since the Outbreak, including offering deferred payment schemes, instalment schemes or discounts on early payment. For tenants who remain unresponsive, the property manager will issue warning letters prior to turning off the tenant's electricity supply with legal action taken as a last resort to recover such unpaid dues.

Allowance for impairment for trade receivables were made based on the lifetime expected credit losses ("ECL") model adopted by the Manager in accordance with FRS 109 Financial Instruments. Lifetime ECL are expected credit losses that result from all possible default events over the expected life of the trade receivables. ECL are the weighted average credit losses with the probability of default as the weight. An ECL matrix was set up based on the historical observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. The Manager has also assessed the specific tenants' receivables based on their credit profile and made provisions when collectability of certain receivables is in doubt.

The Manager wish to clarify that the allowance for impairment for trade receivables amounted to $8.8 million as at 30 September 2021 is the cumulative balance and not the allowances made in 3Q 2021. Out of the total allowance for impairment for trade receivables, only $0.3 million were attributable to related parties with $0.1 million allowance being made in YTD 2021.

Question 3:

Please disclose the underlying transactions of the trade receivables which are over 61 days past due amounting to $22.6 million and the plans to recover these owed amount. Please disclose if any of these amounts are due from related/interested persons and the maximum period where these debts have been outstanding. Please also provide the Board's assessment of the recoverability of these long outstanding trade receivables, the nature of these transactions and the reasons for the delay in collection.

Manager's Response to Question 3:

The trade receivables which are over 61 days past due amounted to $22.6 million as at 30 September 2021 comprised mainly rentals, service charges and utilities recovery invoiced to tenants (both non-related and related parties).

Breakdown of these trade receivables is as follows:

Trade receivables over 61 days past due	**Balance as at 30 September 2021**	**Allowance for impairment as at 30 September 2021**
	$'000	$'000
Non-related parties	19,251	8,097
Related parties	3,305	270
Total	**22,556**	**8,367**

Out of the above $3.3 million outstanding related party trade receivables, $0.2 million are attributable to trade receivables between 2017 to 2019, $1.8 million attributable to 2020 and $1.3 million attributable to 2021. These balances are mainly due to related party tenants operating in the cinema, kids entertainment and education sectors that are most severely impacted by operating restrictions imposed since the Covid-19 outbreak in early 2020. As mentioned in the Manager's response to Question 2 above, the Manager together with the property manager, have been actively engaging with tenants in such trade sectors (related or non-related) for rental collection.

In the assessment of recoverability of these balances, the Board has considered the security deposits and the advance rental from these tenants whose trade receivables are over 61 days past due as at 30 September 2021 which may be utilised for the settlement of outstanding account receivables, the actions plan and various initiatives adopted, as well as the ECL assessment by the Management. Based on these considerations, although there is no 100% guarantee of recoverability of outstanding trade receivables (related and non-related) due to the prolong financial impact of Covid-19 on business viability, the Board is of the opinion that any non-recoverability, should it occur, would not have a material impact on the financial position of the Trust and that the level of trade and receivables provisioning made is adequate to cover any such losses.

Question 4:

Please disclose the identities of the subsidiaries which the loans are owing to and the nature of the underlying transactions which resulted in the significant loan payable to subsidiaries amounting to $737.1 million. Please disclose the Board's assessment and the bases of assessment whether the current assets are adequate to meet these loan obligations as they are repayable on demand.

Manager's Response to Question 4:

Breakdown of the loan payable to subsidiaries as at 30 September 2021 is as follows:

Wholly-owned Subsidiaries	**Balance as at 30 September 2021**
	$'000
LMIRT Capital Pte. Ltd.	701,602
PT Suryana Istana Pasundan	20,131
PT Duta Wisata Loka	14,774
PT Primatama Nusa Indah	600
Total	**737,107**

LMIRT Capital Pte. Ltd. is a 100% wholly owned treasury vehicle for LMIR Trust (a) for the issuance of (i) US$250.0 million Guaranteed Senior Notes in 2019 due in June 2024 and (ii) US$200.0 million Guaranteed Senior Notes in 2021 due in February 2026 and (b) to be a borrower for a Term loan facility of up to $120.0 million that was granted in 2021, of which $82.5 million due in January 2024 and $27.5 million due in January 2026. Proceeds from such Guaranteed Senior Notes and Term loan are on-lent from LMIRT Capital Pte. Ltd. to LMIRT Trust as part of its financing strategies.

PT Suryana Istana Pasundan, PT Duta Wisata Loka and PT Primatama Nusa Indah are LMIR Trust's wholly-owned subsidiaries incorporated in Indonesia for the purposes of holding and operating certain investment properties under the investment properties portfolio. The loans from these wholly-owned subsidiaries arose mainly from excess cashflow / generated by these subsidiaries in prior years which are upstreamed to LMIR Trust for working capital and debt refinancing purposes.

Although these loans are accounted and booked as repayable on demand at the Trust level, the underlying financial obligations related to the Guaranteed Senior Notes and Term loan are not due and payable until the maturity dates stated above. The loans from PT Suryana Istana Pasundan, PT Duta Wisata Loka and PT Primatama Nusa Indah are intercompany loans in nature where payment schedule will be determined by the Group.

Based on the above, it is the Board's assessment that the Trust's possess sufficient financial resources to meet near term needs with no refinancing requirements until Nov 2022.

By Order of the Board

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

Liew Chee Seng James
Executive Director and Chief Executive Officer
Singapore
9 November 2021

IMPORTANT NOTICE

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

The value of 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 announcement 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 current view of future events.