



LIPPO MALLS INDONESIA RETAIL TRUST

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

ANNOUNCEMENT

UPDATE ON AGGREGATE LEVERAGE RATIO

LMIRT Management Ltd., in its capacity as manager of Lippo Malls Indonesia Retail Trust (“**LMIR Trust**”), and as manager of LMIR Trust, the “**Manager**”), wishes to update unitholders of LMIR Trust that based on indicative asset valuations and other information currently available to the Manager, the Manager estimates that the aggregate leverage ratio of LMIR Trust as at 31 December 2022 is between 44.25% and 44.75%. This is higher than the aggregate leverage ratio of 43.7% as at 30 September 2022 as disclosed by the Manager on 9 November 2022 together with the consolidated interim financial statements of LMIR Trust for the third quarter and nine months ended 30 September 2022.

The increase in the aggregate leverage ratio is mainly attributed to the significant depreciation of Indonesian Rupiah against Singapore Dollar (being the functional currency of LMIR Trust) during the fourth quarter ending 31 December 2022 from SGD 1.00 : IDR 10,566 (as at 30 September 2022) to SGD 1.00 : IDR 11,659 (as at 31 December 2022), which reduces the value of the total assets of LMIR Trust when translated into Singapore Dollars.

For the avoidance of doubt, based on the Manager’s estimate of the aggregate leverage ratio of LMIR Trust as at 31 December 2022, LMIR Trust remains within the applicable aggregate leverage limit of 45% for LMIR Trust as set out in Appendix 6 of the Code on Collective Investment Schemes and LMIR Trust remains in compliance with the financial covenants in the existing loans of LMIR Trust.

The Manager’s estimate of the aggregate leverage ratio of LMIRT as at 31 December 2022 as disclosed in this announcement is subject to the finalisation of the valuations of the properties in the portfolio of LMIR Trust as at 31 December 2022 and the financial statements of LMIR Trust as at 31 December 2022. The actual aggregate leverage ratio of LMIRT may be different from the Manager’s estimate depending on the actual valuations of the properties in the portfolio of LMIR Trust as at 31 December 2022 and the actual financial statements of LMIR Trust as at 31 December 2022, which will be announced by the Manager once they are available.

The Manager will continue to implement measures to maintain a sustainable capital structure and explore options to reduce the aggregate leverage of LMIR Trust.

Unitholders are reminded to exercise caution when dealing in the units of LMIR Trust. The Manager will provide an update as and when there are any material developments in accordance with the Listing Manual.

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
3 January 2023

IMPORTANT NOTICE

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in LMIR Trust (“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. 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.