



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**”), refers to the announcement issued by the Manager on 3 January 2023 informing unitholders of LMIR Trust (“**Unitholders**”) that based on indicative asset valuations and other information then available to the Manager, the Manager estimated that the aggregate leverage ratio of LMIR Trust as at 31 December 2022 to be between 44.25% and 44.75%.

The Manager wishes to provide a further update to Unitholders that based on updated approximate 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 would be approximately 44.6%.

For contrast, the aggregate leverage ratio of LMIR Trust was 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 due to the significant depreciation of Indonesian Rupiah against Singapore Dollar (being the functional currency of LMIR Trust) during the fourth quarter ended 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 reduced the value of the total assets of LMIR Trust when translated into Singapore Dollars.

Notwithstanding the above, should the exchange rates as at 31 January 2023 of SGD 1.00 : IDR 11,413 and USD 1.00 : SGD 1.32 be used in place of the exchange rates as at 31 December 2022, the estimated aggregate leverage ratio of LMIR Trust as at 31 December 2022 based on updated approximate asset valuations and other information currently available to the Manager would be 42.9%. The decrease in the aggregate leverage ratio is mainly due to the appreciation of the Singapore Dollar against the US Dollar from USD 1.00 : SGD 1.35 to USD 1.00 : SGD 1.32 during the month of January 2023, which reduced the value of the USD denominated borrowings of LMIR Trust when translated into Singapore Dollars.

Given that LMIR Trust's aggregate leverage ratio remains at elevated levels and vulnerable to fluctuations in exchange rates which are beyond the control of the Manager, the Manager is exploring options and measures to maintain a sustainable capital structure and reduce the aggregate leverage of LMIR Trust, including the sale of non-strategic non-core properties at acceptable prices and use of excess internal cash resources. LMIRT's situation may also affect distributions to Unitholders and holders of perpetual securities, in accordance with the terms of the applicable documentation.

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  
1 February 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.