



LIPPO MALLS INDONESIA RETAIL TRUST

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

ANNOUNCEMENT

EXTENSION OF COOPERATION AGREEMENT FOR CIBUBUR JUNCTION

For illustrative purposes, certain amounts in Indonesian Rupiah (“Rp.”) have been translated into Singapore dollars (“S\$”). Unless otherwise indicated, such translations are as at 31 January 2024 and have been made based on the illustrative exchange rate of S\$1.00 = Rp.11,781. Such translations should not be construed as representations that Rp. amounts referred to could have been, or could be, converted into Singapore dollars, as the case may be, at that or any other rate or at all.

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 announce that PT Cibubur Utama (“**PT CU**”), a wholly-owned subsidiary of LMIR Trust which holds Cibubur Junction, has today entered into a cooperation agreement (the “**Cooperation Agreement**”) with Perusahaan Umum Daerah Pembangunan Sarana Jaya (“**PDPS**”) to extend the term of PT CU’s right to operate Cibubur Junction (the “**Extension**”). Pursuant to the Cooperation Agreement, the term of PT CU’s right to operate Cibubur Junction has been extended such that it will expire on 29 July 2045.

Located at Jalan Jambore No.1 Cibubur, Sub-District of Ciracas, Regency of East Jakarta, Jakarta-Indonesia, Cibubur Junction is a shopping centre with five levels, a partial roof top level, one basement level and a carpark. It is located strategically in the middle of Cibubur, which is one of the most affluent and upmarket residential areas in Jakarta. The mall is situated 5 kilometres south of Jakarta’s Jagorawi toll road and is easily accessible and visible from the main road.

The total value of the Cooperation Agreement is approximately Rp.254 billion (approximately S\$21.6 million) (the “**Total Value**”) (excluding value added taxes), comprising:

- (i) an aggregate consideration of Rp.80 billion (approximately S\$6.8 million) to be paid by PT CU to PDPS in cash, to be paid as follows:
 - (a) Rp.30 billion (approximately S\$2.6 million) to be paid in the year 2024;
 - (b) Rp.18 billion (approximately S\$1.5 million) to be paid on 15 January 2025; and
 - (c) Rp.32 billion (approximately S\$2.7 million) to be paid progressively on an annual basis from 2026 to 2045;
- (ii) a minimum amount of approximately Rp.168 billion (approximately S\$14.3 million) for renovation expenditure to be conducted and funded by PT CU during the management period; and
- (iii) Rp.6 billion (approximately S\$0.5 million) in value for the provision of public services facility, which shall be by way of leasing of an area within Cibubur Junction dedicated for public services.

PT Lippo Karawaci Tbk, which is the sponsor of LMIR Trust (the “**Sponsor**”), has provided assistance to LMIR Trust in the process of obtaining the Extension, a process which commenced in January 2020. To compensate the Sponsor for such assistance, the Manager has negotiated to pay to the Sponsor a fee of approximately Rp.3.1 billion (approximately S\$0.26 million), together with any taxes to be incurred by the Sponsor in connection with such fee. A further Rp.3.0 billion (approximately S\$0.25 million) of transaction costs and expenses was incurred by unrelated third party legal advisors in respect of the Extension.

The Audit and Risk Committee of the Manager is of the view that the payment of the fee is on normal commercial terms and not prejudicial to the interests of LMIR Trust and its minority unitholders.

KJPP Rengganis, Hamid & Rekan has been commissioned by Perpetual (Asia) Limited, in its capacity as trustee of LMIR Trust, to value Cibubur Junction for LMIR Trust on an indicative basis¹. The indicative market value (assuming extension of the Cooperation Agreement) of Cibubur Junction as at 31 December 2023 is Rp.416.5 billion (approximately S\$35.4 million). Without the extension of the Cooperation Agreement, the value of Cibubur Junction was approximately Rp.65.7 billion (approximately S\$5.6 million).

As disclosed on 4 January 2024, LMIR Trust’s indicative portfolio valuations of its investment properties as at 31 December 2023 declined approximately 7.7% compared to the carrying value at the end of 9M FY2023. Had the Cooperation Agreement been entered into prior to the end of the financial year ended 31 December 2023, and the indicative market value of Cibubur Junction of Rp. 416.5 billion been used in computation, LMIR Trust’s indicative portfolio valuations of its investment properties as at 31 December 2023 would have declined approximately 5.5% instead of 7.7%.

LMIR Trust has 10 assets that are based on the agreement-based scheme (formerly known as BOT), two of which are expiring within the next five years. The Manager intends to process the extension or renewal of such tenures as they approach their respective expiry dates, subject to acceptable commercial terms and approvals from the owners of these properties.

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

31 January 2024

¹ The valuation was on an indicative basis as the date of such valuation was a date prior to the date on which the Extension was obtained.

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. 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.