



LIPPO MALLS INDONESIA RETAIL TRUST

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

FOR IMMEDIATE RELEASE

LMIR Trust registers steady YoY operational recovery with 4Q 2024 gross revenue improving 2.9% to S\$49.3 million

- Active asset enhancement activities and tenant management saw portfolio occupancy improving to 81.2% and positive rental reversion of 5.3% for the year
- Remain prudent with capital management to enhance financial flexibility and steady leverage ratio

Summary of Financial Results for period ended 31 December 2024

| S\$'000 | 4Q 2024 | 4Q 2023 | % Variance | FY 2024 | FY 2023 | % Variance |
|---------------------|---------|---------|------------|-----------|-----------|------------|
| Rental Revenue | 26,885 | 26,482 | ▲ 1.5 | 108,178 | 110,569 | ▼ 2.2 |
| Gross Revenue | 49,263 | 47,890 | ▲ 2.9 | 194,559 | 197,268 | ▼ 1.4 |
| Net Property Income | 27,777 | 28,566 | ▼ 2.8 | 115,663 | 122,362 | ▼ 5.5 |
| Rp'million | | | | | | |
| Rental Revenue | 318,711 | 306,286 | ▲ 4.1 | 1,282,344 | 1,253,377 | ▲ 2.3 |
| Gross Revenue | 583,993 | 553,693 | ▲ 5.5 | 2,306,306 | 2,236,171 | ▲ 3.1 |
| Net Property Income | 329,287 | 330,613 | ▼ 0.4 | 1,371,072 | 1,387,059 | ▼ 1.2 |

Singapore, 25 February 2025 – LMIRT Management Ltd (the “**Manager**”), the manager of Lippo Malls Indonesia Retail Trust (“**LMIR Trust**” or the “**Trust**”), concluded financial year ended 31 December 2024 (“**FY 2024**”) with resilient operational performance amid ongoing high interest rate environment and foreign exchange volatility.

Its strategic and measured actions undertaken over the last couple of years have translated into a steady recovery in its performance. Based on its underlying performance in Indonesia Rupiah (“**IDR**”) both its rental and gross revenues for the year grew 2.3% and 3.1% to Rp1,282.3 billion and Rp2,306.3 billion respectively. Net property income (“**NPI**”) on the other hand dipped 1.2% to Rp1,371.1 billion, largely on a net allowance for impairment loss on trade receivables and higher property operating and maintenance expenses.

In its reporting currency, a 4.4% depreciation in IDR against Singapore Dollar (“**SGD**”)¹, saw rental revenue slipping 2.2% to S\$108.2 million in FY 2024, while gross revenue edged down 1.4% to S\$194.6 million. Similarly, NPI declined 5.5% to S\$115.7 million in FY 2024 from S\$122.4 million in the previous year (“**FY 2023**”).

¹ Average exchange rate of Singapore Dollar (SGD) 1.00 to Indonesia Rupiah (IDR) 11,854.02 for FY 2024 vs. SGD1.00 to IDR11,335.70 for FY 2023

For the fourth quarter ended 31 December 2024 (“**4Q 2024**”), the Trust’s operating performance saw year-on-year (“**YoY**”) growth in both currencies with rental and gross revenues increasing 1.5% and 2.9% to S\$26.9 million and S\$49.3 million respectively, while IDR grew at a higher quantum of 4.1% and 5.5% to Rp318.7 billion and Rp584.0 billion respectively.

Commented **Mr James Liew, Chief Executive Officer of the Manager**, “In 2024, we navigated a dynamic operating environment by executing both major and minor refurbishment works across six properties, to capitalise on the post-pandemic recovery and gradually improving consumer sentiment. This strategic approach, combined with our proactive tenant management to optimise tenant mix, secure lease renewals and attract new tenants, saw portfolio occupancy improving to 81.2%, securing a total of 116,642 square metres in new leases and renewing 70.6% of expiring leases for the year. Notably, we achieved a positive rental reversion of 5.3% for the year, reinforcing the resilience and attractiveness of our assets.

“Going forward, we will continue to invest in targeted refurbishment works which is necessary to boost the long-term value of our assets and cater to evolving shopper preferences. On our capital structure front, we continue to adopt a disciplined approach to financial management and will focus on gradually paying down our IDR-denominated monthly amortising bank loans as well as the US\$22.6 million in bonds due in 2026. As at 31 December 2024, we managed to keep our gearing at 44.78%, below the regulatory limit, while the interest rate coverage (“**ICR**”) for FY2024 is 1.36 times, which is below the MAS new threshold of 1.5 times. We will monitor and work to rectify the breach of the **ICR** and the Trust shall not incur any additional borrowings until the breach has been rectified.”

Market Outlook

Indonesia’s economy grew 5.03% in 2024, slightly down from 5.05% in the previous year. The growth was mainly fuelled by robust household consumption.² Meanwhile, Indonesia’s annual inflation fell to its lowest in 24 years to 0.76% in January, down sharply from a rate of 1.57% in December 2024. This came in below the lower bound of Bank Indonesia’s (“**BI**”) target range for the year. BI projects inflation to reach 2.7% by the end of 2025 and expects it to remain contained through 2025 and 2026.³

In light of concerns over an economic slowdown this year, BI will closely monitor the global dynamics and movement of the Rupiah exchange rate to determine further easing moves. In January, BI lowered its key benchmark rate by 25 basis points to 5.75% in a move to stimulate growth in the Indonesian economy.⁴

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² 5 February 2025, Business Times – Indonesia’s economy grows 5.03% in 2024, but structural challenges loom

³ 3 February 2025, Business Times – Indonesia’s January inflation at 0.76% y/y: statistics bureau

⁴ 15 January 2025, Business Times – Bank Indonesia surprises with rate cut, prioritising economic growth over currency stability

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About Lippo Malls Indonesia Retail Trust (“LMIR Trust”) (www.lmir-trust.com)

LMIR Trust is a Singapore-based real estate investment trust established with the principal investment objective of owning and investing, on a long-term basis, in a diversified portfolio of income-producing real estate in Indonesia that are primarily used for retail and/or retail-related purposes.

LMIR Trust’s portfolio comprises 29 retail properties (the “**Properties**”) with a total net lettable area of 962,108 square metres and total carrying value of Rp18,618.1 billion as at 31 December 2024. The Properties are strategically located in major cities of Indonesia with large middle-income population. Tenants include well-known retailers such as Hypermart, Matahari Department Store and Sogo, as well as popular consumer brands including Zara, Uniqlo, H&M, Adidas, Victoria Secret, Giordano, Starbucks, Fitness First, Timezone, Miniso and Ace Hardware, among others.