



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 continues to show steady year-on-year improvement

- 3Q 2024 rental revenue and gross revenue in IDR edge up 1.4% and 2.6% YoY respectively
- Strategic shift to IDR-denominated financing creates a natural hedge for the Trust's IDR asset base

Summary of Financial Results for period ended 30 September 2024

S\$'000	3Q 2024	3Q 2023	% Variance	9M 2024	9M 2023	% Variance
Rental Revenue	26,748	28,073	▼4.7	81,293	84,087	▼3.3
Gross Revenue	47,954	49,770	▼3.6	145,296	149,378	▼2.7
Net Property Income	28,647	30,642	▼6.5	87,886	93,796	▼6.3
Rp'million						
Rental Revenue	320,487	315,982	▲1.4	963,633	947,091	▲1.7
Gross Revenue	574,543	560,196	▲2.6	1,722,313	1,682,478	▲2.4
Net Property Income	343,291	344,891	▼0.5	1,041,785	1,056,446	▼1.4

Singapore, 29 October 2024 – LMIRT Management Ltd (the “**Manager**”), the manager of Lippo Malls Indonesia Retail Trust (“**LMIR Trust**” or the “**Trust**”), delivered a stable year-on-year (“**YoY**”) performance for the third quarter ended 30 September 2024 (“**3Q 2024**”), compared to the corresponding period a year ago (“**3Q 2023**”)

For the quarter, the Trust’s underlying performance in Indonesia Rupiah (“**IDR**”), registered a 1.4% growth in rental revenue to Rp320.5 billion and a 2.6% increase in gross revenue to Rp574.5 billion, underpinned by positive rental reversions. Net property income (“**NPI**”), on the other hand, declined by a slight 0.5% to Rp343.3 billion from Rp344.9 billion due to marginally higher property operating expenses.

The 5.0% YoY depreciation in Singapore Dollar (“**SGD**”) against the IDR¹, saw rental and gross revenue in the Trust’s reporting currency slipping 4.7% and 3.6% to S\$26.7 million and S\$48.0 million respectively. Similarly, NPI declined 6.5% to S\$28.6 million in 3Q 2024 from S\$30.6 million in 3Q 2023.

¹ Average exchange rate of Singapore Dollar (SGD) 1.00 to Indonesia Rupiah (IDR) 11,853.82 for 9M 2024 vs. SGD1.00 to IDR11,263.23 for 9M 2023

“Our continued commitment to asset enhancement initiatives and proactive tenant management has been instrumental to the sustained recovery and improvement in our portfolio’s performance. By continuously investing in our properties, we not only enhance the value of our assets but also create dynamic spaces that attract new tenants and address the evolving needs of our shoppers. This strategic approach has yielded positive results as we saw higher rental reversion of 7.9% year-to-date and a rise in portfolio occupancy to 80.1%, up from 79.9% in the previous quarter,” said **Mr James Liew, Chief Executive Officer of the Manager**.

Added James, “As we prioritise operational efficiency and adapt to the evolving dynamics of the competitive Indonesian retail market, we are also managing the challenges posed by the high interest rate environment and its effect on financing costs and asset valuations. With the support of new banking relationships in Indonesia, we have strategically transitioned to an IDR-denominated financing structure, which serves as a natural hedge against currency risks for our IDR-based assets. The Trust’s gearing stood at 44.97% as at 30 September 2024. To maintain financial flexibility and meet our monthly loan obligations, we continue to adopt a prudent approach to distributions for both Unitholders and holders of our perpetual securities.”

Market Outlook

Indonesia’s annual inflation continued to decline to 1.84% in September, down from 2.12% a year ago, and the lowest recorded since November 2021. The ongoing decline reflects the broader deflationary trends and indicative of sluggish consumption trends, especially in the retail and communication sectors which have been experiencing a significant slowdown in price changes. Inflation for the year is expected to stay below 2%.²

In September, Bank Indonesia (“**BI**”) lowered its key benchmark rate by 25 basis points to 6%. This rate cut reflects BI’s efforts to adopt a more balanced approach, supporting economic growth while maintaining Rupiah stability amid ongoing volatility in the foreign exchange markets. The Indonesian government targets to achieve 5.2% economic growth this year.³

###

CONTACT INFORMATION

August Consulting

Tel: (65) 6733 8873

Janice ONG: janiceong@august.com.sg

Joanna TAN: joannatan@august.com.sg

² 1 October 2024, Business Times – Indonesia’s September annual inflation at 1.84%, lower than expected

³ 18 September 2024, Business Times – Indonesia’s central bank delivers surprise 25 bps rate cut

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 22 retail malls (“**Retail Malls**”) and seven retail spaces located within other retail malls (“**Retail Spaces**”, and collectively with the Retail Malls, the “**Properties**”). The Properties have a total net lettable area of 951,031 square metres and total carrying value of Rp18,498.1 billion as at 30 September 2024 and 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.