



LIPPO MALLS INDONESIA RETAIL TRUST
2019 FULL YEAR UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT

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LIPPO MALLS INDONESIA RETAIL TRUST
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Introduction

Lippo Malls Indonesia Retail Trust ("LMIR Trust") is a Singapore-based real estate investment trust ("REIT") constituted by a trust deed dated 8 August 2007 between LMIRT Management Limited as the Manager and HSBC Institutional Trust Services (Singapore) Limited as the trustee. LMIR Trust was listed on the Singapore Exchange Securities Trading Limited on 19 November 2007. On 3 January 2018, HSBC Institutional Trust Services (Singapore) Limited retired as trustee of LMIR Trust and Perpetual (Asia) Limited was appointed as the new trustee of LMIR Trust.

LMIR Trust was 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 is primarily used for retail and / or retail-related purposes, and real estate related assets in connection with the foregoing purposes. As at 31 December 2019, LMIR Trust's property portfolio comprises 23 retail mall properties and seven retail spaces located within other retail malls, all of which are located in Indonesia.

LMIR Trust's distribution policy is to distribute at least 90% of the tax-exempt income (after deduction of applicable expenses) and capital receipts. The tax-exempt income comprises dividends received from the Singapore Special Purpose Companies ("SPCs"). These are dividends from the Indonesian SPCs paid out of income (less the related income taxes) derived by letting out of the properties. The capital receipts comprise mainly of amounts received by LMIR Trust from the redemption of redeemable preference shares in the Singapore SPCs.

Summary of Lippo Malls Indonesia Retail Trust Group Results

	Group Performance					
	4Q 2019 S\$'000	4Q 2018 S\$'000	Variance % Favourable/ (Unfavourable)	YTD 2019 S\$'000	YTD 2018 S\$'000	Variance % Favourable/ (Unfavourable)
Gross rental income (Note A)	39,527	36,560	8.1%	155,259	155,215	-
Carpark income (Note A)	4,307	4,417	(2.5%)	18,203	19,141	(4.9%)
Other rental income (Note A)	1,008	367	NM	3,415	4,320	(20.9%)
Service charge and utilities recovery (Note A)	24,731	22,351	10.6%	96,124	51,623	86.2%
Total Gross Revenue (Note A)	69,573	63,695	9.2%	273,001	230,299	18.5%
Net Property Income (Note A)	47,596	38,402	23.9%	176,205	164,967	6.8%
Amount distributable :						
- Unitholders	16,694	8,685	92.2%	68,250	58,415	16.8%
- Perpetual securities holders	4,466	4,466	-	17,720	17,720	-
Income available for distribution	21,160	13,151	60.9%	85,970	76,135	12.9%
Distribution to Unitholders	15,094	8,685	73.8%	64,850	58,415	11.0%
Distribution per Unit (cents)	0.52	0.30	73.3%	2.23	2.05	8.8%

Note A: The portfolio performance in IDR terms are shown as below:

	Group Performance					
	4Q 2019	4Q 2018	Variance %	YTD 2019	YTD 2018	Variance %
	IDR'million	IDR'million	Favourable/ (Unfavourable)	IDR'million	IDR'million	Favourable/ (Unfavourable)
Gross rental income	401,527	400,525	0.3%	1,602,944	1,641,639	(2.4%)
Carpark income	43,679	48,435	(9.8%)	187,934	202,446	(7.2%)
Other rental income	10,270	4,344	NM	35,258	45,691	(22.8%)
Service charge and utilities recovery	251,283	239,812	4.8%	992,415	545,993	81.8%
Total Gross Revenue	706,759	693,116	2.0%	2,818,551	2,435,769	15.7%
Net Property Income	484,104	420,931	15.0%	1,819,197	1,744,782	4.3%
Exchange rate (IDR to SGD)				10,324.32	10,576.55	2.4%

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1 (a) (i) Statement of Total Return

Gross rental income	39,527	36,560	8.1%	155,259	155,215	-
Carpark income	4,307	4,417	(2.5%)	18,203	19,141	(4.9%)
Other rental income ¹	1,008	367	NM	3,415	4,320	(20.9%)
Service charge and utilities recovery ^{1,2}	24,731	22,351	10.6%	96,124	51,623	86.2%
Total Gross Revenue	69,573	63,695	9.2%	273,001	230,299	18.5%
Property Operating Expenses						
Land rental	(448)	(382)	(17.3%)	(1,734)	(1,614)	(7.4%)
Property management fee	(1,989)	(1,956)	(1.7%)	(7,927)	(7,714)	(2.8%)
Property operating and maintenance expenses ^{1,2}	(19,450)	(20,931)	7.1%	(80,451)	(45,303)	(77.6%)
Other property operating expenses ³	(90)	(2,024)	95.6%	(6,684)	(10,701)	37.5%
Total Property Operating Expenses	(21,977)	(25,293)	13.1%	(96,796)	(65,332)	(48.2%)
Net Property Income⁴	47,596	38,402	23.9%	176,205	164,967	6.8%
Interest income ⁵	589	11	NM	983	150	NM
Financial expenses ⁶	(11,449)	(9,299)	(23.1%)	(41,377)	(34,653)	(19.4%)
Administrative Expenses						
Manager's management fees	(3,233)	(2,775)	(16.5%)	(12,217)	(11,595)	(5.4%)
Trustee's fee	(78)	(115)	32.2%	(428)	(461)	7.2%
Other trust operating expenses ⁷	(856)	11	NM	(3,008)	(1,611)	(86.7%)
Total Administrative Expenses	(4,167)	(2,879)	(44.7%)	(15,653)	(13,667)	(14.5%)
Other losses (net) (See Note A)	(13,730)	(7,116)	92.9%	(15,377)	(15,702)	2.1%
Total Return For The Period/Year Before Revaluation and Tax	18,839	19,119	(1.5%)	104,781	101,095	3.6%
Decrease in fair value of investment properties	(65,329)	(1,495)	NM	(65,329)	(1,495)	NM
Total (Loss)/Return For The Period/Year Before Tax	(46,490)	17,624	NM	39,452	99,600	(60.4%)
Income tax ¹	(7,511)	(6,207)	(21.0%)	(27,963)	(28,316)	1.2%
Withholding tax	(2,378)	(2,626)	9.4%	(9,755)	(10,475)	6.9%
Deferred tax	11,766	123	NM	11,766	123	NM
Total (Loss)/Return For The Period/Year After Tax	(44,613)	8,914	NM	13,500	60,932	(77.8%)
Total (Loss)/Return For The Period/Year After Tax attributable:						
Unitholders	(49,079)	4,448	NM	(4,220)	43,212	NM
Perpetual securities holders ⁹	4,466	4,466	-	17,720	17,720	-
	(44,613)	8,914	NM	13,500	60,932	(77.8%)

1 (a) (ii) Statement of Distribution

Total (loss)/return for the period/year after tax before distribution	(44,613)	8,914	NM	13,500	60,932	(77.8%)
Add back/(less) non-cash items and other adjustments:						
- Manager's fee payable in the form of units ⁸	1,904	1,536	24.0%	7,048	10,356	(31.9%)
- Amount reserved for distribution to perpetual securities holders ⁹	(4,466)	(4,466)	-	(17,720)	(17,720)	-
- Depreciation of plant and equipment	954	915	4.3%	3,422	3,015	13.5%
- Decrease in fair value of investment properties net of deferred tax	53,563	1,372	NM	53,563	1,372	NM
- Amortisation of intangible assets	1,611	545	195.6%	3,335	2,613	27.6%
- Unrealised loss on hedging contracts	13,951	1,548	NM	11,067	135	NM
- Unrealised foreign exchange gain	(6,210)	(1,679)	NM	(5,965)	(2,288)	NM
Total income available for distribution	16,694	8,685	92.2%	68,250	58,415	16.8%
Distribution to Unitholders¹¹						
- as distributions from operations	11,325	2,571	NM	43,112	29,525	46.0%
- as return of capital ¹⁰	3,769	6,114	(38.4%)	21,738	28,890	(24.8%)
Total distribution to Unitholders	15,094	8,685	73.8%	64,850	58,415	11.0%

(Note A) Other net gains/(losses) comprise:

Realised loss on hedging contracts, net of premium ¹²	-	(720)	NM	(1,242)	(2,956)	58.0%
Realised loss on foreign exchange ¹³	(851)	(5,985)	85.8%	(3,119)	(12,253)	74.5%
Miscellaneous (expenses)/income ¹⁴	(3,527)	3	NM	(2,579)	(33)	NM
Unrealised loss on hedging contracts	(13,951)	(1,548)	NM	(11,067)	(135)	NM
Unrealised foreign exchange gain	6,210	1,679	NM	5,965	2,288	NM
Amortisation of intangible assets ¹⁵	(1,611)	(545)	NM	(3,335)	(2,613)	(27.6%)
	(13,730)	(7,116)	(92.9%)	(15,377)	(15,702)	2.1%

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1 (a) (i) Statement of Total Return (cont'd)

Footnote:

Other rental income consists of the following:

Income from rental of signage, billboard, antenna and other miscellaneous income
Income from rental of mechanical, electrical and mall operating equipment (arising from outsourced agreements with third party service provider)
(Note (a))

4Q 2019 S\$'000	4Q 2018 S\$'000	Variance % Favourable/ (Unfavourable)	YTD 2019 S\$'000	YTD 2018 S\$'000	Variance % Favourable/ (Unfavourable)
1,008	1,007	0.1%	3,415	2,613	30.7%
-	(640)	NM	-	1,707	NM
1,008	367	NM	3,415	4,320	(20.9%)

1 Note (a)

Since May 2012, certain maintenance services for LMIR Trust's properties, such as cleaning and maintenance of utilities, were outsourced to a third party service provider. Pursuant to the outsourced agreements, the third party service provider has the right to collect service charges and utilities recovery charges from the tenants of the retail malls, and is responsible for all costs directly related to the maintenance and operation of the retail malls, as well as to pay for the rental for use of electrical, mechanical and mall operating equipment of the retail malls. The latter forms part of the other rental income and is subject to Indonesian Corporate Tax of 25%.

Pursuant to Government Regulation Number 34 of 2017, which came into effect on 2 January 2018, all income received or earned from land and/or building leases in Indonesia are subject to income tax at 10% of the gross amount of the value of the land and/or building lease which comprises the total amount that is paid or acknowledged as debt by a tenant in any form whatsoever, including service charges and utilities recovery charges. Previously, property owners were not liable to pay income tax on such charges which are paid by tenants to a third-party operator appointed by the property owner to manage and maintain the property. However, following the implementation of Government Regulation Number 34 of 2017, tenants are now required to withhold income tax on service charges and utilities recovery charges as well, notwithstanding that these are not paid to the property owner. As such, LMIR Trust has incurred higher tax expenses resulting from this change.

Following the implementation of Government Regulation Number 34 of 2017, LMIR Trust has terminated all outsourced agreements with the third party service provider over two phases - phase one is for five retail malls by end April 2018 and phase two is for the rest of the retail malls by end June 2018. Hence after the termination of such agreements, all the malls collect service charges and utilities recovery charges from the tenants and pay for all costs for the maintenance and operation of the malls directly.

For the avoidance of doubt, the outsourced agreements with the third party service provider do not apply to Palembang Square, Tamini Square (owner association of these strata title malls is responsible for maintenance and operations of the malls), Lippo Mall Kuta and Lippo Plaza Jogja (vendor of the malls is responsible for all costs relating to operating and maintenance in the first 5 years of acquisition), Kediri Town Square and the 7 Retail Spaces.

- 2 Relate to service charge and utilities recovery charges directly collected from tenants and the cost incurred for maintenance and operations of the malls and Retail Spaces.
- 3 Decrease in other property operating expenses is mainly due to net allowance for doubtful debts made in YTD 2019 of S\$25K (YTD 2018: S\$4.8 million). Other property operating expenses in 4Q 2019 included the reversal of certain expenses previously accrued and subsequently capitalised.
- 4 The master leases in Lippo Mall Kemang expired on 16 December 2019. Consequently the net property income attributed to Lippo Mall Kemang reduced by approximately S\$0.6 million from the period 17 December 2019 to 31 December 2019, after taking into consideration of the loss in revenue, savings on property management fee and the income tax for the period without master leases.
- 5 Increase in interest income is mainly due to higher fixed deposit income as compared to YTD 2018 as part of the effort to maximize the interest income from the Group's surplus funds.
- 6 Increase in finance expenses is mainly due to higher all in cost of US\$250.0 million bond issued in June 2019, which the proceeds were mainly used to refinance the S\$175.0 million 4-year term loan and the S\$120.0 million revolving credit facilities.
- 7 Other trust operating expenses in 4Q 2018 included one-off reversal of over accrued expenses. Overall increased in trust operating expenses in YTD 2019 is mainly due to the cost incurred for US\$250.0 million bond issuance in June 2019.
- 8 Manager's fee payable in the form of units in YTD 2019 only includes performance fee of S\$7.0 million whilst in YTD 2018, it included performance fee of S\$6.6 million and base fee of S\$3.8 million.
- 9 The Trust issued perpetual securities of S\$140.0 million at a distribution rate of 7.0% per annum and S\$120.0 million at a distribution rate of 6.6% per annum in September 2016 and June 2017 respectively.
- 10 The return of capital comprises the amounts received by LMIR Trust from the redemption of its investment in the redeemable preference shares in the Singapore SPCs.
- 11 S\$3.4 million was retained from the YTD 2019 amount available for distribution for capital management and ensuring overall stability of distributions.
- 12 The realised losses on hedging represents the currency options contracts which expired in 2Q 2019.
- 13 Decrease in realised loss on foreign exchange is mainly due to one-off cash repatriation from Indonesia subsidiaries to refinance maturing debts in 4Q 2018 as well as favourable exchange rate recorded on dividend payment from Indonesia subsidiaries to the Trust in FY 2019.
- 14 Increase in miscellaneous expenses is mainly due to one-off fixed assets written-off in Pluit Village in 4Q 2019.
- 15 The increase in amortisation of intangible assets is due to the write-off of unamortised rental receivables from the Sports Centre at Picon due to revision of the master lease agreement.

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1 (b) (i) Statement of Financial Position

	Group		Trust	
	31-Dec-19 S\$'000	31-Dec-18 S\$'000	31-Dec-19 S\$'000	31-Dec-18 S\$'000
Current Assets				
Cash and cash equivalents ¹	109,726	52,676	5,312	17,524
Trade and other receivables ²	50,465	40,486	214,490	203,806
Investment properties held for divestment ³	124,086	-	-	-
Other assets	15,967	21,964	949	6
Total Current Assets	300,244	115,126	220,751	221,336
Non-current Assets				
Investment properties ⁴	1,696,813	1,831,646	-	-
Investments in subsidiaries ⁵	-	-	1,463,831	1,521,282
Intangible assets ⁵	5,694	8,790	-	-
Plant and equipment	10,255	10,595	-	-
Total Non-current Assets	1,712,762	1,851,031	1,463,831	1,521,282
Total Assets	2,013,006	1,966,157	1,684,582	1,742,618
Current Liabilities				
Unsecured borrowings ⁶	74,815	120,000	-	120,000
Trade and other payables	47,546	50,192	482,269	171,387
Current tax payable	2,128	3,881	150	-
Security deposits	47,706	42,279	-	-
Derivative financial instrument, current ⁷	-	719	-	719
Other financial liabilities, current	34	34	-	-
Total Current Liabilities	172,229	217,105	482,419	292,106
Non-current Liabilities				
Unsecured borrowings ⁶	634,611	553,983	306,966	479,545
Deferred tax liabilities	11,475	23,241	-	-
Deferred income	103,910	89,499	-	-
Derivative financial instrument, non-current ⁷	13,672	1,885	13,672	1,885
Other financial liabilities, non-current	1,164	1,233	-	-
Total non-current liabilities	764,832	669,841	320,638	481,430
Total Liabilities	937,061	886,946	803,057	773,536
Net Assets	1,075,945	1,079,211	881,525	969,082
Represented by:				
Unitholders' funds	816,298	819,564	621,878	709,435
Perpetual securities	259,647	259,647	259,647	259,647
Net assets attributable to unitholders and perpetual securities holders	1,075,945	1,079,211	881,525	969,082

Footnote:

- Increase in cash and cash equivalents are mainly due to remaining proceeds from the issuance of US\$250.0 million bond subsequent to the repayment of the S\$175.0 million term loan and the S\$120.0 million revolving credit facilities as well as cash generated from day to day operations of the malls as opposed to lower cash and cash equivalents as at 31 December 2018.
- Trade and other receivables consist of trade receivables (net of allowance for doubtful debts) of S\$23.0 million (31 December 2018: S\$25.5 million), and other receivables of S\$27.4 million (31 December 2018: S\$15.0 million).
Trade receivables (before taking into account of allowance for doubtful debts) are S\$27.1 million (31 December 2018: S\$29.9 million), of which S\$11.2 million (31 December 2018: S\$13.2 million) are due from related party tenants and S\$15.9 million (31 December 2018: S\$16.7 million) are due from non-related party tenants. After taking into account of allowance for doubtful debts, the trade receivables as at 31 December 2019 are S\$23.0 million (31 December 2018: S\$25.5 million).
Subsequent to the financial period end, approximately S\$8.6 million trade receivables have been collected, of which S\$2.8 million are from related party tenants and S\$5.8 million are from non-related party tenants.
The Manager wishes to state that as at the date of this announcement, it has no reason to believe that LMIR Trust's tenants from the Lippo group of companies will not be able to fulfil their payment obligations to LMIR Trust in the future and is confident that it is able to manage any credit risk that may arise. Since the listing of LMIR Trust, there is no incidence of non-payment or default from any rental payments from the Lippo group of companies.
- On 30 December 2019, the Group has entered into conditional sale and purchase agreement ("CSPA") to divest Pejaten Village and Binjai Supermall for a total consideration of Rp1,280.7 billion (approximately S\$124.1 million).
- The carrying values of the properties are stated based on the independent valuation as at 31 December 2019. The valuations figures are recorded in the financial statements in Indonesian Rupiah and translated into Singapore Dollar using the respective exchange rate as at the end of each period.
- Intangible Assets represent the unamortised aggregate rentals receivable by the Group from a certain master lease agreements for its 100% interest in Lippo Mall Kuta ("Kuta"), Lippo Plaza Kendari ("Kendari") and Lippo Plaza Jogja ("Jogja"). The rentals are for a period of 5 to 6 years (FY 2018: 5 to 25 years). As part of the revised leasing strategy for Picon, the tenor of the existing master lease for the Sport Center was revised to 6 years expiring in December 2020. LMIRT's property manager – PT Lippo Malls Indonesia, will henceforth take over the management and leasing of the Sport Center alongside the retail spaces within the Picon mall so as to create a more coherent and exciting retail experience for visitors to the mall/Sport Center. The unamortised aggregate rental relating to sport centre is written-off accordingly.
- On 19 June 2019, LMIR Trust, through its wholly owned subsidiary, LMIRT Capital, issued US\$250.0 million 7.25% Guarantee Senior Notes due in 2024. The proceeds from the Notes issuance were mainly used to repay the S\$120.0 million revolving credit facilities and the S\$175.0 million term loan due in August 2020. The Trust has also entered into a few cross currency swap contracts to swap the USD Notes and the corresponding interest coupon payments into Singapore Dollars obligations with a fixed interest rate of approximately 6.71% per annum payable semi-annually in arrears.
- The movements in derivative financial liabilities (current and non-current) are mainly due to the fair value changes in the new cross currency swap contracts as well as the existing hedging contracts, namely, currency options and interest rate swap contracts.
- The management has assessed that there are indicators of impairment for those subsidiaries with shortfalls between the cost of investment in subsidiaries and the recoverable amount of the investments. Based on the above assessment, the management had made net allowance for impairment loss of S\$31.5 million (2018: S\$133.0 million) in the Trust's financial statements as at 31 December 2019.

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1 (b) (ii) Borrowings and Debt Securities

Unsecured borrowings:

Amount payable within one year
Less: Unamortised transaction costs for unsecured borrowings

Amount payable after one year
Less: Unamortised transaction costs for unsecured borrowings

Total unsecured borrowings

Total borrowings

Group	
31-Dec-19 S\$'000	31-Dec-18 S\$'000
75,000 (185)	120,000 -
646,725 (12,114)	560,000 (6,017)
709,426	673,983
709,426	673,983

Unsecured borrowings

LMIR Trust has S\$75.0 million 4.10% Bond due in June 2020 (the Bond), established by its wholly owned subsidiary, LMIRT Capital Pte Ltd ("LMIRT Capital").

LMIR Trust has a 5-year term loan of S\$175.0 million maturing in August 2021 at an interest rate of 3.15% per annum plus SGD Swap Offer Rate. In 2018, LMIR Trust has a 4-year term loan of S\$175.0 million maturing in August 2020 at an interest rate of 2.95% per annum plus SGD Swap Offer Rate and a 5-year term loan of S\$175.0 million maturing in August 2021 at an interest rate of 3.15% per annum plus SGD Swap Offer Rate. In 2Q 2019, the Trust repaid the 4-year term loan of S\$175.0 million maturing in August 2020.

LMIR Trust has a 4-year term loan of S\$67.5 million (FY 2018: S\$67.5 million) maturing in November 2022 at an interest rate of 3.05% per annum plus SGD Swap Offer Rate and a 5-year term loan of S\$67.5 million (FY 2018: S\$67.5 million) maturing in November 2023 at an interest rate of 3.25% per annum plus SGD Swap Offer Rate.

On 19 June 2019, LMIR Trust, through its wholly owned subsidiary, LMIRT Capital, issued US\$250.0 million 7.25% Guarantee Senior Notes due in 2024. The proceeds from the Notes issuance were mainly used to repay S\$120.0 million revolving credit facilities and the S\$175.0 million 4-year term loan due in August 2020.

1 (c) Statement of Cash Flows

Operating activities

Total (loss)/return for the period/year before tax

Adjustments for

- Manager's fee payable in units
- Interest income
- Amortisation of borrowing costs
- Interest expense
- Decrease in fair value of investment properties
- Depreciation of plant and equipment
- Amortisation of intangible assets
- Unrealised foreign exchange loss
- Unrealised loss on hedging contracts

Operating income before working capital changes

Changes in working capital

Trade and other receivables

Other assets

Trade and other payables

Security deposits

Net cash from operating activities before income tax

Income tax paid

Cash flows from operating activities

Investing activities

Capital expenditures on investment properties

Purchase of plant and equipment

Interest received

Cash flows used in investing activities

Financing activities

Repayment of bank borrowings

Proceeds from bond issuance

Proceeds from bank borrowings

Decrease in other financial liabilities

Deferred income

Interest paid

Distribution to unitholders

Distribution to perpetual securities holders

Cash restricted in use for bank facilities

Cash flows used in financing activities

Net (decrease)/increase in cash and cash equivalents

Cash and cash equivalents at beginning of the period/year

Effect of exchange rate changes on cash and cash equivalents

Cash and cash equivalents at end of the period/year

Cash and cash equivalents in Statement of Cash Flows:

Cash and cash equivalents per Statement of Cash Flows

Add: Cash restricted in use for bank facilities

Cash and cash equivalents in Statement of Financial Position

Group	
4Q 2019 S\$'000	4Q 2018 S\$'000
(46,490)	17,624
1,904 (589) 694 10,755 65,329 954 1,611 (6,210) 13,951	1,536 (11) 1,532 7,767 1,495 915 545 (1,679) 1,548
41,909	31,272
(13,731) 2,112 8,660 62	(3,888) 8,622 4,113 6,366
39,012 (14,537)	46,485 (12,787)
24,475	33,698
(7,717) (1,448) 589	(1,342) (1,018) 11
(8,576)	(2,349)
- - - (143) 8,958 (10,755) (16,196) (3,971) -	(90,000) (100,000) 135,000 (3,662) 4,787 (7,767) (13,896) (3,971) (1,723)
(22,107)	(81,232)
(6,208)	(49,883)
112,323 (350)	93,586 1,596
105,765	45,299

Group	
YTD 2019 S\$'000	YTD 2018 S\$'000
39,452	99,600
7,048 (983) 3,892 37,485 65,329 3,422 3,335 (5,965) 11,067	10,356 (150) 3,699 30,954 1,495 3,015 2,613 (2,288) 135
164,082	149,429
(10,809) 6,381 5,916 6,581	(108) 8,622 14,903 9,354
172,151 (39,471)	182,200 (40,625)
132,680	141,575
(16,218) (2,794) 983	(7,704) (4,112) 150
(18,029)	(11,666)
(295,000) 338,192 -	(90,000) (100,000) 175,000
(69) 11,964 (37,485) (58,441) (17,720) 3,416	(3,723) (1,132) (30,954) (72,016) (17,720) (2,264)
(55,143)	(142,809)
59,508	(12,900)
45,299 958	59,787 (1,588)
105,765	45,299

105,765	45,299
3,961	7,377
109,726	52,676

105,765	45,299
3,961	7,377
109,726	52,676

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1 (d) (i) **Statements of Changes in Unitholders' Funds**

Total Unitholders' Funds at beginning of the period

Operations

Total (loss)/return for the period

Less: Amount reserved for distribution to perpetual securities holders

Net (decrease)/increase in net assets resulting from operations attributed to unitholders

Unitholders' contributions

Manager's management fees settled in units

Distribution to unitholders

Foreign currency translation reserve

Translation differences relating to financial statements of foreign subsidiaries¹

Total Unitholders' Funds

Perpetual securities

Balance at the beginning of the period

Amount reserved for distribution to perpetual securities holders

Distribution to perpetual securities holders

Balance at the end of the period

Total

Group		Trust	
4Q 2019 S\$'000	4Q 2018 S\$'000	4Q 2019 S\$'000	4Q 2018 S\$'000
903,180	785,433	679,348	853,885
(44,613)	8,914	(36,808)	(128,602)
(4,466)	(4,466)	(4,466)	(4,466)
(49,079)	4,448	(41,274)	(133,068)
-	2,514	-	2,514
(16,196)	(13,896)	(16,196)	(13,896)
(21,607)	41,065	-	-
816,298	819,564	621,878	709,435
259,152	259,152	259,152	259,152
4,466	4,466	4,466	4,466
(3,971)	(3,971)	(3,971)	(3,971)
259,647	259,647	259,647	259,647
1,075,945	1,079,211	881,525	969,082

Total Unitholders' Funds at beginning of the year

Operations

Total return/(loss) for the year

Less: Amount reserved for distribution to perpetual securities holders

Net (decrease)/increase in net assets resulting from operations attributed to unitholders

Unitholders' contributions

Manager's management fees settled in units

Manager's acquisition fees settled in units

Distribution to unitholders

Foreign currency translation reserve

Translation differences relating to financial statements of foreign subsidiaries¹

Total Unitholders' Funds

Perpetual securities

Balance at the beginning of the year

Amount reserved for distribution to perpetual securities holders

Distribution to perpetual securities holders

Balance at the end of the year

Total

Group		Trust	
YTD 2019 S\$'000	YTD 2018 S\$'000	YTD 2019 S\$'000	YTD 2018 S\$'000
819,564	908,286	709,435	890,243
13,500	60,932	(17,995)	(104,414)
(17,720)	(17,720)	(17,720)	(17,720)
(4,220)	43,212	(35,715)	(122,134)
6,599	12,428	6,599	12,428
-	914	-	914
(58,441)	(72,016)	(58,441)	(72,016)
52,796	(73,260)	-	-
816,298	819,564	621,878	709,435
259,647	259,647	259,647	259,647
17,720	17,720	17,720	17,720
(17,720)	(17,720)	(17,720)	(17,720)
259,647	259,647	259,647	259,647
1,075,945	1,079,211	881,525	969,082

Footnote:

- 1 The "Translation differences relating to financial statements of foreign subsidiaries" relate to exchange differences arising from translating items denominated in Indonesian Rupiah in the balance sheet of the respective Indonesia subsidiaries, principally the investment properties, into Singapore Dollar using period end exchange rate. A translation gain of S\$52.8 million was recorded in YTD 2019 due to strengthening of Indonesian Rupiah against Singapore Dollar since the end of the last financial year of FY 2018.
- The "Translation differences relating to financial statements of foreign subsidiaries" are recorded in the Statements of Changes in Unitholders' Funds and do not affect the calculation of the Distributable Income and Distribution Per Unit ("DPU").

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1 (d) (ii) Details of Any Change in the Issued and Issuable Units

Issued units at the beginning of the period
 Issuance of new units for management fees
 Issued units at the end of the period

4Q 2019	4Q 2018
2,894,902,627	2,851,232,116
-	8,701,469
2,894,902,627	2,859,933,585

The Trust does not hold any treasury units and there is no subsidiary holding as at end of current financial period and as at end of the corresponding period of the immediately preceding financial year.

1 (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of current financial period and as at the end of the immediately preceding year

Issued units at the end of the year

31-Dec-19	31-Dec-18
2,894,902,627	2,859,933,585

1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

1 (d) (v) A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on

Not applicable.

2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice

The figures have not been audited nor reviewed by our auditors.

3 Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied

The accounting policies and method of computation applied in the financial statement for the current financial year are consistent with those applied in the audited financial statements for the year ended 31 December 2018.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The adoption of the new/revised accounting policies has not resulted in any substantial changes to the LMIR Trust's accounting policies nor any significant impact on these financial statements.

6 Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU") for the Financial Period

	Group			
	4Q 2019	4Q 2018	YTD 2019	YTD 2018
Weighted average number of units in issue	2,894,902,627	2,856,756,589	2,886,663,345	2,842,849,699
Earnings per unit in cents (EPU) ⁽¹⁾	(1.70)	0.16	(0.15)	1.52
Adjusted Earnings per unit in cents (Adjusted EPU) (Note A)	0.15	0.20	1.71	1.57
Number of units in issue	2,894,902,627	2,859,933,585	2,894,902,627	2,859,933,585
Distribution per unit in cents (DPU) ^{(2),(3)}	0.52	0.30	2.23	2.05

Footnote:

- In computing the quarterly EPU, the weighted average number of units for the end of the period is used.
- In computing the quarterly DPU, the number of units in issue as at the end of the period is used.
- As shown in 1(a)(ii) Statement of Distribution.

Note A: Adjusted earnings exclude changes in the fair value of investment properties (net of deferred tax).

7 Net Assets Value ("NAV") and Net Tangible Assets ("NTA") Per Unit Based on Units Issued at the End of the Period

	Group		Trust	
	31-Dec-19	31-Dec-18	31-Dec-19	31-Dec-18
Net Assets Value per unit in cents (NAV)	28.20	28.66	21.48	24.81
Net Tangible Assets per unit in cents (NTA)	28.00	28.35	21.48	24.81

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8 Review of the Performance

Statement of Total Return

Gross rental income
Other revenue
Total gross revenue
Property operating expenses
Net Property Income

Interest income
Financial expenses
Administrative expenses
Other losses (net)

Total Return For The Period/Year Before Tax

Decrease in fair value of investment properties

Total (Loss)/Return For The Period/Year Before Tax

Income tax
Withholding tax
Deferred tax

Total (Loss)/Return For The Period/Year After Tax

Income distributable to:

- Unitholders
- Perpetual securities holders

Total Income distributable to unitholders/ perpetual securities holders

Distribution to Unitholders

- as distributions from operations
- as return of capital

Total distribution to Unitholders

Distribution per Unit (cents)

Group			
4Q 2019 S\$'000	4Q 2018 S\$'000	YTD 2019 S\$'000	YTD 2018 S\$'000
39,527	36,560	155,259	155,215
30,046	27,135	117,742	75,084
69,573	63,695	273,001	230,299
(21,977)	(25,293)	(96,796)	(65,332)
47,596	38,402	176,205	164,967
589	11	983	150
(11,449)	(9,299)	(41,377)	(34,653)
(4,167)	(2,879)	(15,653)	(13,667)
(13,730)	(7,116)	(15,377)	(15,702)
18,839	19,119	104,781	101,095
(65,329)	(1,495)	(65,329)	(1,495)
(46,490)	17,624	39,452	99,600
(7,511)	(6,207)	(27,963)	(28,316)
(2,378)	(2,626)	(9,755)	(10,475)
11,766	123	11,766	123
(44,613)	8,914	13,500	60,932
16,694	8,685	68,250	58,415
4,466	4,466	17,720	17,720
21,160	13,151	85,970	76,135
11,325	2,571	43,112	29,525
3,769	6,114	21,738	28,890
15,094	8,685	64,850	58,415
0.52	0.30	2.23	2.05

4Q 2019 vs 4Q 2018

Gross rental income is S\$3.0 million higher than 4Q 2018, mainly due to positive rental reversion and improved exchange rate from Rupiah against Singapore dollars.

Other revenue is S\$2.9 million higher than 4Q 2018, mainly due to higher income from service charge and utilities recovery charges as a result of better reversion.

Property operating expenses are S\$3.3 million lower than 4Q 2018, mainly due to the reversal of certain expenses previously accrued and subsequently capitalised.

Finance expenses are S\$2.2 million higher than 4Q 2018 mainly due to higher all in cost of US\$250.0 million bond issued in June 2019, which the proceeds were mainly used to refinance the S\$175.0 million 4-year term loan and the S\$120.0 million revolving credit facilities.

Administrative expenses are S\$1.3 million higher than 4Q 2018. This is mainly due to one-off reversal of over accrued expenses in 4Q 2018.

Other gains/(losses) (net) comprise realised and unrealised foreign exchange gains/(losses) and realised and unrealised hedging contracts gains/(losses). It also includes amortisation of intangible assets in relation to Picon, Kuta, Kendari and Jogja and one-off write-off of fixed assets.

The Trust has various hedging contracts to mitigate its exposure on foreign currencies and interest rates movements. The unrealised gain/(loss) on various hedging instruments is non-cash item and does not affect the amount of distribution to unitholders.

YTD 2019 vs YTD 2018

Other revenue is S\$42.7 million higher than YTD 2018, mainly due to collection of service charge and utilities recovery charges directly from tenants of the malls and Retail Spaces since 2Q 2018.

Property operating expenses are S\$31.5 million higher than YTD 2018, of which S\$35.1 million is for maintenance and operations of the malls and the Retail Spaces as a result of termination of outsourced arrangement since 2Q 2018. It is offset by lower allowance for doubtful debt in FY 2019.

Finance expenses are S\$6.7 million higher than YTD 2018, mainly due to higher all in cost of US\$250.0 million bond issued in June 2019, which the proceeds were mainly used to refinance the S\$175.0 million 4-year term loan and the S\$120.0 million revolving credit facilities.

Administrative expenses are S\$2.0 million higher than YTD 2018 mainly due to the reversal of over accrued expenses in FY 2018 and higher professional fees incurred in FY 2019.

Other gains/(losses) (net) comprise realised and unrealised foreign exchange gains/(losses) and realised and unrealised hedging contracts gains/(losses). It also includes amortisation of intangible assets in relation to Picon, Kuta, Kendari and Jogja and one-off write-off of fixed assets.

The Trust has various hedging contracts to mitigate its exposure on foreign currencies and interest rates movements. The unrealised gain/(loss) on various hedging instruments is non-cash item and does not affect the amount of distribution to unitholders.

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9 Variance between the forecast or prospectus statement (if disclosed previously) and the actual results

Not applicable.

10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Indonesia's economy grew at 5.02% in 2019 compared with 5.17% in 2018. While the trade war between the United States and China led to a slowdown in the global economy, impacting the Indonesian economy, household spending, which accounts for more than half of Indonesia's gross domestic product kept steady compared to the previous year, providing support to the economy. More recently, incoming investment flows have driven up the Rupiah value, with overall sentiment supported by the phase-one trade deal inked by the United States and China in January 2020. Indonesia's benchmark interest rate was left unchanged at 5.0% in January, a level maintained since October, and Bank Indonesia signalled room for further rate cuts in 2020.

Indonesia's inflation was 2.72% for 2019, making this the fifth straight year of low inflation for the country. Amidst modest price pressures, the Consumer Price Index rose 0.34% in December, primarily driven by price increases in foodstuffs and airline tickets. Core inflation cooled slightly to 3.02% from 3.08% in November. In general, inflation remained adequately within the central bank's 2.5% to 4.5% target band while the central bank targets inflation rate at a range of 2.0%-4.0% for 2020.

Retail sales performance in the fourth quarter of 2019 improved over the third quarter, with the Retail Sales Index ("RSI") growth slightly accelerating to 1.5% (YoY) from 1.4% (YoY) in the third quarter of 2019. The main contributors to the increase were solid retail sales of food, beverages and tobacco, other household equipment as well as spare parts and accessories. Retail sales in Indonesia contracted 0.5% in December from a year earlier and Bank Indonesia predicts sales in January to remain weak, estimating an annual drop of 3.1% as public consumption returned to normal after the recent year end festive period.

11 Distributions

(a) Current financial period

Any distributions declared for the current financial period:	Yes
Name of distribution:	Fourth quarter distribution for the period from 1 October 2019 to 31 December 2019.
Distribution Type:	Tax-exempt and capital distribution.
Distribution Rate:	Tax-exempt distribution of 0.39 cents per unit and capital distribution of 0.13 cents per unit.
Par value of units:	NA
Tax rate:	NA

(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period:	Yes
Name of distribution:	Fourth quarter distribution for the period from 1 October 2018 to 31 December 2018.
Distribution Type:	Tax-exempt and capital distribution.
Distribution Rate:	Tax-exempt distribution of 0.09 cents per unit and capital distribution of 0.21 cents per unit.
Par value of units:	NA
Tax rate:	NA

(c) Date payable: 26 March 2020

(d) Record date: 28 February 2020

12 If no distribution has been declared/(recommended), a statement to that effect

Not applicable.

13 Interested Person Transactions Mandate

LMIR Trust is not required to obtain a general mandate from the Unitholders for Interested Party Transactions.

14 A breakdown of sales as follows

	31-Dec-19 S\$'000	31-Dec-18 S\$'000	Changes %
Gross revenue reported for first half year	134,180	101,773	31.8%
Total return after income tax for first half year	32,652	38,058	(14.2%)
Total return after income tax but before changes in fair values of investment properties net of deferred tax for first half year	32,652	38,058	(14.2%)
Gross revenue reported for second half year	138,821	128,526	8.0%
Total (loss)/return after income tax for second half year	(19,152)	22,874	NM
Total return after income tax but before changes in fair values of investment properties net of deferred tax for second half year	34,411	24,246	41.9%

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- 15 **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:**

In respect of period:

1 January to 31 March 2018 (paid)
 1 April to 30 June 2018 (paid)
 1 July to 30 September 2018 (paid)
 1 October to 31 December 2018 (paid)
 1 January to 31 March 2019 (paid)
 1 April to 30 June 2019 (paid)
 1 July to 30 September 2019 (paid)
 1 October to 31 December 2019 (to be paid)

Total distribution to Unitholders

31-Dec-19 S\$'000	31-Dec-18 S\$'000
-	19,018
-	16,816
-	13,896
-	8,685
16,079	-
17,481	-
16,196	-
15,094	-
64,850	58,415

- 16 **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual, LMIRT Management Limited (the "Company"), as manager of Lippo Malls Indonesia Retail Trust ("LMIR Trust"), wishes to confirm that there was no person occupying managerial position in the Company or any of its principal subsidiaries who is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company or Substantial Unitholder of LMIR Trust for the financial year ended 31 December 2019.

- 17 **Confirmation that the Issuer has procured undertakings from all its directors and executive officers under Rule 720(1)**

The Manager confirms that it has procured undertakings from all its directors and executive officers.

BY ORDER OF THE BOARD OF
 LMIRT MANAGEMENT LIMITED
 (AS MANAGER OF LIPPO MALLS INDONESIA RETAIL TRUST)

Mr Liew Chee Seng James
 Executive Director and Chief Executive Officer
 19 February 2020