



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

ANNOUNCEMENT

THE PROPOSED ACQUISITION OF STRATA TITLE UNITS OF LIPPO MALL PURI

Unless otherwise indicated in this announcement, all conversions from Rupiah amounts into Singapore Dollar amounts in this announcement are based on an illustrative exchange rate of S\$1.00 to Rp.10,431.47 as at 28 February 2019 (the “Latest Practicable Date”).

1. INTRODUCTION

LMIRT Management Ltd., in its capacity as manager of Lippo Malls Indonesia Retail Trust (“**LMIR Trust**” and as manager of LMIR Trust, the “**Manager**”), is pleased to announce that LMIR Trust, through its wholly-owned Indonesia-incorporated subsidiary, PT Puri Bintang Terang (“**PT PBT**” or “**Purchaser**”)¹, has on 11 March 2019 entered into a conditional sale and purchase agreement (the “**Property CSPA**”) with PT Mandiri Cipta Gemilang (the “**Vendor**”) to acquire strata title units of Lippo Mall Puri² (the “**Property**”, and the acquisition of the Property, the “**Acquisition**”), a shopping mall located at Jalan Puri Boulevard Block U1, Puri Indah Central Business District (“**CBD**”), RT/RW 002/002, South Kembangan Sub-District, Kembangan District, West Jakarta City, DKI Jakarta Province, Indonesia. The total consideration for the sale and purchase of the Property is Rp.3,700.0 billion (S\$354.7 million) (the “**Purchase Consideration**”).

In addition, on or prior to completion of the Acquisition, the Purchaser and the Vendor have also agreed to enter into an agreement (the “**Vendor Support Agreement**”) for the Vendor to lease vacant leasable space within the Property which is not occupied by, or which has not been committed in writing to be leased to, a tenant (the “**Uncommitted Space**”) on a quarterly basis for an amount equivalent to the difference between the actual net property income (“**NPI**”) from the Property in a relevant quarter and a target NPI (where the actual NPI is less than the target NPI), commencing from the date of completion of the Acquisition to 31 December 2023 (the “**Vendor Support**” and the period of the Vendor Support, the “**Vendor Support Period**”)³.

The Vendor is an indirectly wholly-owned subsidiary of PT Lippo Karawaci Tbk, the sponsor of LMIR Trust (the “**Sponsor**”).

A circular (the “**Circular**”) will be issued to the unitholders of LMIR Trust (the “**Unitholders**”, and units in LMIR Trust “**Units**”) in due course, together with a notice of extraordinary general meeting (“**EGM**”), for the purpose of seeking the approval of Unitholders for the Acquisition.

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- 1 The Purchaser was incorporated in Indonesia on 13 July 2018 for investment holding purposes with an authorised share capital of Rp.3,220.0 billion.
 - 2 The Property excludes a retail walkway connecting the two buildings of Lippo Mall Puri (“**Retail Walkway**”), the car park areas (except for the P2 Car Park (as defined below)) as well as certain other areas of Lippo Mall Puri (collectively, the “**Excluded Areas**”).
 - 3 The structure of the Vendor Support and the Vendor Support Agreement may be varied by mutual agreement of the Purchaser and the Vendor prior to the EGM if required to achieve a more mutually beneficial structure, provided that the Purchaser is not prejudiced by such variation.

2. THE PROPERTY

The Property is constructed on top of two plots of land held under the right to build (*Hak Guna Bangunan*) (“**HGB**”) certificates No. 5631 and 5632, both issued on 29 March 2018 and which will expire on 15 January 2040 with a total land area of 60,666 square metres (“**sq m**”) (the “**Land Titles**”). The Land Titles are the process of being segregated into a number of separate strata title units (*Satuan Rumah Susun*) (“**Strata Title Units**”) pending the issuance of separate Strata Title Certificates under the name of the Vendor (the “**Segregation Process**”). On completion of the Acquisition, the Vendor and the Purchaser will execute a deed of sale and purchase (*akta jual beli*) before a land deed officer (*Pejabat Pembuat Akta Tanah*), following which the Strata Title Certificates for the Property will be transferred to the name of the Purchaser.

Lippo Mall Puri is the flagship mall of the Sponsor and is part of St. Moritz, a premium integrated development which is the largest mixed-use development in West Jakarta with a total construction floor area of approximately 850,000 sq m.

The Vendor is the sole developer and project manager for St. Moritz and it has envisioned a “live, work and play” environment for the development. St. Moritz comprises Lippo Mall Puri, six apartment towers (The Royal Towers 1 and 2, The Ambassador Towers 1 and 2 and The Presidential Towers 1 and 2) with a total of more than 1,000 residential units, a school (Hope Academy) and an office-cum-5-star hotel building which is estimated to have approximately 320 rooms when completed. Lippo Mall Puri, which is the only retail mall in the development, will provide residential, office tenants and future hotel guests direct access to a wide range of food options, entertainment, and lifestyle amenities.

The Property is distributed over five levels (lower ground floor, ground floor, upper ground floor and levels 1 and 2) within Lippo Mall Puri’s two eight-storey buildings and two lower ground floors with a total GFA of approximately 165,172 sq m¹ and a total NLA of approximately 115,600 sq m.

The two eight-storey buildings of the Lippo Mall Puri are connected by the Retail Walkway, which has retail space with a NLA of approximately 4,224 sq m. The Property also has access to car parks with approximately 5,006 car park lots, including the P2 car park on level 2 (“**P2 Car Park**”). The P2 Car Park is currently being used as a car park but it can potentially be converted into additional retail space. For the avoidance of doubt, the Property does not include the Retail Walkway and the car park areas (except for the P2 Car Park). The Retail Walkway is not being acquired under the Acquisition due to an ongoing civil suit brought by the Vendor against the regional government of Jakarta (“**DKI Jakarta**”) where the Vendor is demanding, *inter alia*, the reinstatement of the Vendor’s ownership over the land under the Retail Walkway, as well as the issuance by DKI Jakarta of all the necessary licences to the Vendor to utilise and operate the Retail Walkway (the “**Civil Lawsuit**”). The Retail Walkway has yet to be and will not be included as part of the Segregation Process until the Civil Lawsuit is resolved, and therefore no Strata Title Certificates in respect of the Retail Walkway may be acquired by the Purchaser.

1 Subject to adjustments pursuant to the Segregation Process.

The breakdown of the area of the Property and the Retail Walkway is as follows:

	Total (sq m)	Property (sq m)	Retail Walkway (sq m)
GFA⁽¹⁾	172,358	165,172	7,186
NLA	119,824	115,600	4,224

Note:

(1) Subject to adjustments pursuant to the Segregation Process.

Following the resolution of the Civil Lawsuit, LMIR Trust may explore opportunities with the Vendor to acquire the Retail Walkway.

Under the Property CSPA, the Vendor has agreed to provide and guarantee reasonable access to the Property to the Purchaser, the tenants of the Property and visitors to the Property through the Retail Walkway. In addition, the car park areas (except for the P2 Car Park) are part of the common area of St. Moritz and will remain accessible to patrons of St. Moritz (including visitors to the Property).

3. PRINCIPAL TERMS OF THE ACQUISITION

3.1 Purchase Consideration and Valuation

The Purchase Consideration is Rp.3,700.0 billion (S\$354.7 million).

The Independent Valuers, Cushman & Wakefield VHS Pte Ltd (“**Cushman**”) in collaboration with KJPP Firman Suryantoro Sugeng Suzy Hartomo & Partners and Colliers International Consultancy & Valuation (Singapore) Pte Ltd (“**Colliers**”) in collaboration with KJPP Rinaldi Alberth Baroto & Partners, were appointed by the Trustee and the Manager respectively to value the Property.

The following table sets out the appraised values of the Property, the respective dates of such appraisal and the Purchase Consideration:

Property	Appraised Value				Average of two Valuations		Purchase Consideration	
	By Cushman as at 31 December 2018		By Colliers as at 31 December 2018					
	(S\$ million)	(Rp. billion)	(S\$ million)	(Rp. billion)	(S\$ million)	(Rp. billion)	(S\$ million)	(Rp. billion)
Property (with Vendor Support)	373.9	3,900.0	385.5	4,021.0	379.7	3,960.5	354.7	3,700.0
Property (without Vendor Support)	354.7	3,700.0	364.9	3,806.7	359.8	3,753.3		

The Purchase Consideration is lower than each of the two independent valuations and represents a discount of 5.13% to Cushman’s valuation of Rp.3,900.0 billion (S\$373.9 million) with Vendor Support, which is the lower of the two independent valuations of the Property as at 31 December 2018 (“**Current Valuations**”).

The Manager would like to add that should the Vendor Support not be taken into account in the appraised values of the Property by Cushman and Colliers, then their respective Current Valuations would be Rp.3,700.0 billion (S\$354.7 million) and Rp.3,806.7 billion (S\$364.9 million), respectively, and the Purchase Consideration will represent a discount of 1.42% to Rp.3,753.3 billion (S\$359.8 million), being the average of such valuations.

In the event that the independent valuations are required to be updated to a more recent date prior to the issuance of the Circular ("**Updated Valuations**"), the Purchaser and the Vendor have agreed that:

- (i) if any of the Updated Valuations increases, the Purchase Consideration will be capped at Rp.3,700.0 billion (S\$354.7 million); and
- (ii) if the average of the Updated Valuations is lower than the average of the Current Valuations, subject to applicable laws and regulations, the Purchase Consideration shall be reduced by the same percentage as the difference between the average of the Updated Valuations and the average of the Current Valuations subject to a maximum reduction of 3.0%. If the average of the Updated Valuations is more than 3.0% lower than the average of the Current Valuations, the parties agree to assess and negotiate in good faith to agree on a reasonable adjustment to the Purchase Consideration, subject to applicable laws and regulations.

For the avoidance of doubt, the valuations conducted by the Independent Valuers do not take into account the Excluded Areas, including the Retail Walkway. Any future acquisition of the Retail Walkway will be subject to the valuation requirements under Appendix 6 of the Code on Collective Investment Schemes (the "**Property Funds Appendix**").

3.2 Estimated Acquisition Cost

(i) Acquisition Cost

The total acquisition cost ("**Acquisition Cost**") is currently estimated to be approximately S\$420.0 million, comprising the following:

- (a) the Purchase Consideration of Rp.3,700.0 billion (S\$354.7 million);
- (b) the Value Added Tax (*Pajak Pertambahan Nilai*) ("**VAT**") of Rp.370.0 billion (S\$35.5 million);
- (c) the Land and Building Acquisition Tax (*Bea Perolehan Hak Atas Tanah dan Bangunan*) ("**BPHTB**") of Rp.185.0 billion (S\$17.7 million); and
- (d) the professional and other fees and expenses of approximately S\$12.1 million to be incurred by LMIR Trust in connection with the Acquisition.

(ii) VAT

The Purchaser is subject to VAT at the rate of 10.0% on the purchase price of the Property. However, the VAT charges from the Acquisition will be treated as input VAT, which may be used by the Purchaser to offset output VAT incurred on from rental income from the Property.

(iii) BPHTB

The Purchaser is subject to the BPHTB at the rate of 5.0%, whichever is higher between the purchase price or the sale value of the tax object as determined by the head of local government.

3.3 Asset Enhancement Initiatives

Post completion of the Acquisition, the Manager intends to undertake certain asset enhancement initiatives (“**AEIs**”) to further enhance the offerings within the Property. These include:

- (i) new outdoor dining concepts to be established on the ground floor of the mall; and
- (ii) conversion of the P2 Car Park (currently being used as a car park) into additional retail space.

The Manager intends to carry out the AEIs within the two year period after the completion of the Acquisition and is exploring various options to increase the variety of food and beverage outlets and/or family-friendly leisure and entertainment facilities to attract greater shopper traffic. The total capital expenditure of the AEIs is currently estimated to be approximately Rp.104.3 billion (S\$10.0 million).

3.4 Method of Financing

The Manager intends to finance the Acquisition Cost with a combination of debt and equity financing.

The final decision regarding the financing to be employed to finance the Acquisition will be made by the Manager at the appropriate time taking into account the then prevailing market conditions and interest rate environment, availability of alternative funding options, the impact on LMIR Trust’s capital structure, distributions per unit (“**DPU**”) and debt expiry profile and the covenants and requirements associated with each financing option. The completion of the Acquisition is conditional upon, among others, LMIR Trust securing sufficient financing for the Acquisition (see paragraph 3.5 below for further details).

As at the Latest Practicable Date, LMIR Trust has an aggregate leverage of 34.6%. Under the Property Funds Appendix, LMIR Trust’s aggregate leverage cannot exceed 45.0% of its deposited property. Following completion of the Acquisition and assuming the Acquisition is financed with a combination of debt and equity, LMIR Trust’s estimated aggregate leverage will remain below 40% which is within the maximum aggregate leverage limit of 45.0% under the Property Funds Appendix (see paragraph 5 below for further details).

3.5 Key Terms of the Property CSPA

(i) Conditions Precedent

Completion of the Acquisition is conditional upon the fulfilment or waiver by the Purchaser and/or the Vendor (as the case may be) of, among others, the following conditions precedent:

- (a) the Purchaser being satisfied with the results of due diligence (including legal, valuation, financial, and technical due diligence) to be conducted by the Purchaser, the LMIR Trust and/or its counsels or advisers, which the Purchaser and/or the LMIR Trust may consider to be relevant;
- (b) the opinion from an independent financial adviser in form and substance satisfactory to the Purchaser;
- (c) the approval of Unitholders to be given at an extraordinary general meeting for the Acquisition and the financing for the Acquisition;
- (d) LMIR Trust securing sufficient financing for the Acquisition;

- (e) there being no law, regulation, decree, judgment or decision issued or enacted by any governmental or official authority or court, which would prohibit or restrict or have a material adverse effect towards the Acquisition or the operation of the Property;
- (f) due execution of the Vendor Support Agreement and in relation thereto, there being no material adverse change to the financial condition of the Vendor that may result in its inability to make payments due to the Purchaser under the Vendor Support Agreement;
- (g) the Vendor having obtained and maintained all material licenses and permits required for the operation of the Property as listed in the Property CSPA in accordance with applicable laws and regulations;
- (h) any material damage to the Property, if any, having been repaired as evidenced by a building re-inspection report issued by the building auditor as appointed by the Purchaser;
- (i) the completion of the Segregation Process as evidenced by the due issuance of the Strata Title Certificates for the Property; and
- (j) the discharge of an existing mortgage and security rights over insurance claims receivable as evidenced by a letter from the relevant bank and deletion of the relevant records with the relevant Land Office and Fiduciary Registry Office; and
- (k) the issuance of the land registration confirmation letter (*Surat Keterangan Pendaftaran Tanah*) from the relevant Land Office, stating: (a) the ownership of the Strata Title Certificates by the Vendor; (b) the total area of the Property covered by the Strata Title Certificates; and (c) the validity of the Strata Title Certificates and the Vendor shall use its best efforts to obtain a statement from the relevant Land Office confirming the absence of any record of mortgage or seizure in the land book kept by the relevant Land Office over the Property.

(ii) Targeted Timing of Completion

LMIRT Trust aims to complete the Acquisition in the second half of 2019. The final decision regarding the timing of the fund raising to finance the Acquisition will be made by the Manager at the appropriate time taking into account the prevailing market conditions and the confirmation of the issuance of the Strata Title Certificates.

(iii) Novation of Tenancies

On or prior to completion of the Acquisition, the Vendor shall use its best efforts to novate tenancies representing at least 50.0% of the total lease income of the Property to the Purchaser. All advance payments of rental fees and security deposits which have been paid by the tenants of the Property to, and held by, the Vendor pursuant to the relevant tenancy agreements, as at the completion of the Acquisition, shall be transferred to the Purchaser. In the event that there are any remaining tenancies which have not been novated from the Vendor to the Purchaser at the time of completion of the Acquisition, the Vendor shall use best efforts to novate such remaining tenancies within six months after the completion of the Acquisition and the Purchaser shall be entitled to all income under such tenancies without any deduction. If there are any remaining tenancies which are still not able to be novated by the end

of such six-month period after completion, the Vendor shall use all reasonable commercial endeavours to pursue payment of all income under such remaining tenancies and transfer the same to the Purchaser. If the Vendor breaches the above undertaking, then the Vendor shall be liable to indemnify the Purchaser for losses suffered.

(iv) Use of and Access to Excluded Areas

Under the Property CSPA, the Vendor has also undertaken, among others, that (i) it will not perform any action in relation to the Excluded Areas, which would impair, reduce and/or negatively affect any of the rights of the Purchaser over the Property, (ii) it will irrevocably and unconditionally provide and guarantee reasonable access to the Excluded Area to the Purchaser, tenants of the Property and visitors to the Property, (iii) it will ensure that the maintenance and/or operation of the Excluded Area by the Vendor will not cause any major disruption to the operations of the Property, save for repair, renovation, replacements and/or other works to keep the Excluded Area in good condition or to repair any defected or damaged part of the Excluded Area, and (iv) it will not close the Excluded Area (or any part thereof) that will cause major disruption to the operation of all or any part of the Property without the prior written approval from the Purchaser, unless mandatory closure is required by applicable laws and regulations or by relevant government authorities. Similarly, the Purchaser has also provided a reciprocal undertaking to the Vendor in relation to the Property.

3.6 Vendor Support

(i) The Vendor Support

The Property commenced operations in 2014 and a significant proportion of its leases are still in their first lease term which generally will expire between 2019 and 2020. It is also part of St. Moritz development, which will only expected to be completed in 2020. Therefore as the Property is still maturing in terms of shopper recognition, tenant performance and passing rents, the Manager has negotiated for the Vendor to lease the Uncommitted Space on a quarterly basis during the Vendor Support Period, for an amount equivalent to the difference between the actual NPI from the Property in a relevant quarter and a target NPI (where the actual NPI is less than the target NPI).

Should the actual NPI exceed the target NPI, 50.0% of such excess above the target NPI will be carried forward to the subsequent quarters and used to satisfy any subsequent shortfall between the actual NPI and the target NPI while the remaining 50.0% of such excess shall be retained by the Purchaser. The Purchaser will also be entitled to retain any cumulative surplus of actual NPI over the target NPI following the end of the Vendor Support Period. The target NPI for each year over the Vendor Support Period is set out in the table below:

Period	Rp. billion
Completion of Acquisition to 31 Dec 2019	348.0
FY2020	350.0
FY2021	352.0
FY2022	354.0
FY2023	356.0

The Vendor Support is expected to allow the Property to provide a stable level of income in line with comparable retail malls in West Jakarta during the Vendor Support Period.

(ii) Safeguards to maintaining the Vendor Support

On completion of the Acquisition, a deposit of Rp.70.0 billion shall be deducted from the Purchase Consideration and deposited in a bank account designated by the Purchaser. The deposit will be used to support the Vendor's obligations under the Vendor Support Agreement and to satisfy any amounts due from the Vendor under the Vendor Support Agreement. The Vendor may assess the amount of the deposit annually against the amount which the Vendor was required to pay to the Purchaser under the Vendor Support Agreement in preceding financial years and, with the prior consent of the Purchaser, either top-up or reduce the deposit amount for the following financial year.

The Vendor and/or its affiliates have been and continue to be the master lessee of several properties in the Existing Portfolio. As at the Latest Practicable Date, there have been no defaults by the Vendor and/or its affiliates on any payments due under such master leases. For the financial year ended 31 December 2018 ("FY2018"), approximately 25.8% of LMIR Trust's gross revenue was contributed by the Vendor and/or its affiliates, including the Sponsor excluding underlying tenants of master lease areas.

(iii) Rationale for Vendor Support

The Vendor Support would allow LMIR Trust to benefit from the additional stability of rental income and downside protection during the initial ramping up period as the Property continues to mature. Upon the expiry of the Vendor Support Period, the Manager believes that the income from the Property is sustainable after the expiry of the Vendor Support as:

- (a) the Property is part of St. Moritz, an integrated mixed-use development which includes six apartment towers and an office-cum-5-star hotel building;
- (b) the Property's strategic location with high-rise private residential developments, townhouses, civic amenities, schools, hospitals, hotels, restaurants, offices and shopping centres within a three kilometre radius of the Property; and
- (c) the view of both the Independent Valuers that the NPI Target under the Vendor Support Agreement will be sustainable by the underlying revenue of the Property after the expiry of the Vendor Support Period.

The Manager will actively and continuously monitor the progress of the underlying performance of the Property.

3.7 Related Tenancy Agreements relating to the Acquisition

Upon completion of the Acquisition, and assuming that all of the leases of the Property are novated to the Purchaser immediately prior to completion of the Acquisition, LMIR Trust will, through the Purchaser, assume all of the tenancy agreements with respect to the Property, including various tenancy agreements entered into by certain associates and subsidiaries of the Sponsor (the "**Related Tenancy Agreements**"). The aggregate rental fees derived or to

be derived from the Related Tenancy Agreements is estimated at Rp.135.8 billion (\$12.8 million).

The rental rates under the Related Tenancy Agreements are comparable to the rental rates paid by tenants of the Property who are not Interested Persons of LMIR Trust, and are also generally comparable with the rental rates of leases signed with other malls within LMIR Trust's Existing Portfolio, after taking into account the differences between each mall. Based on the foregoing, the Manager is of the view that the Related Tenancy Agreements are made on normal commercial terms and are not prejudicial to the interests of LMIR Trust and its minority Unitholders.

4. RATIONALE FOR THE ACQUISITION

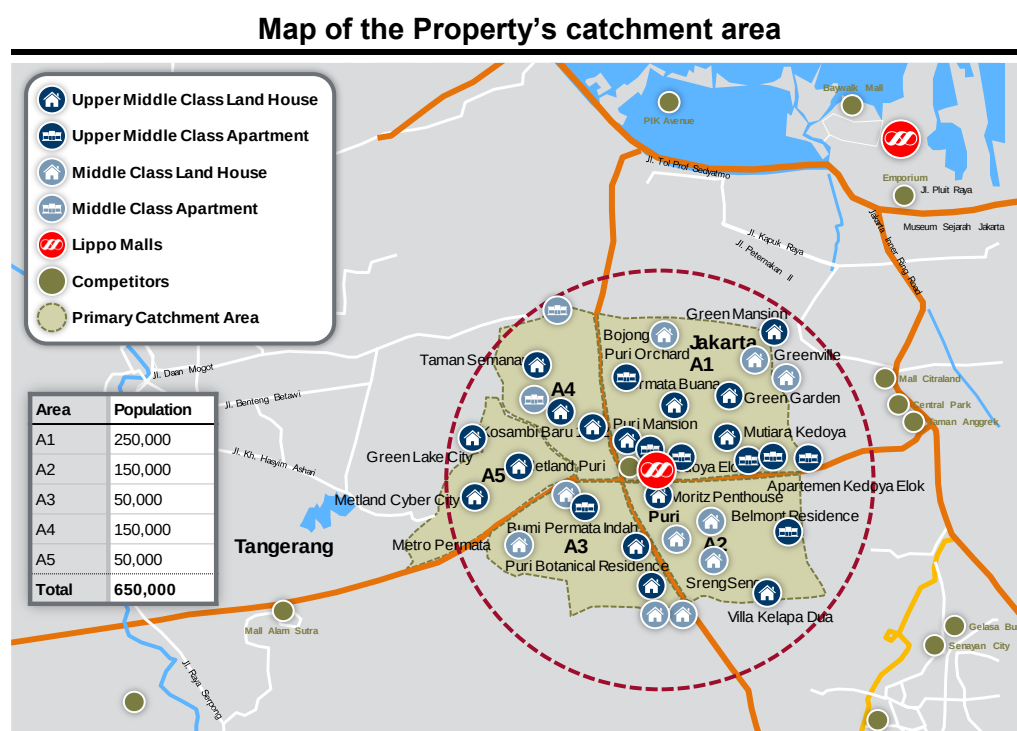
The Manager believes that the Acquisition will bring the following key benefits to Unitholders:

4.1 Acquisition of an iconic retail mall strategically located within a premium integrated development in West Jakarta

The Acquisition represents an opportunity for LMIR Trust to acquire a best-in-class retail mall in West Jakarta. Competitive strengths of the Property include:

(i) Irreplaceable, landmark asset in an established residential and commercial precinct

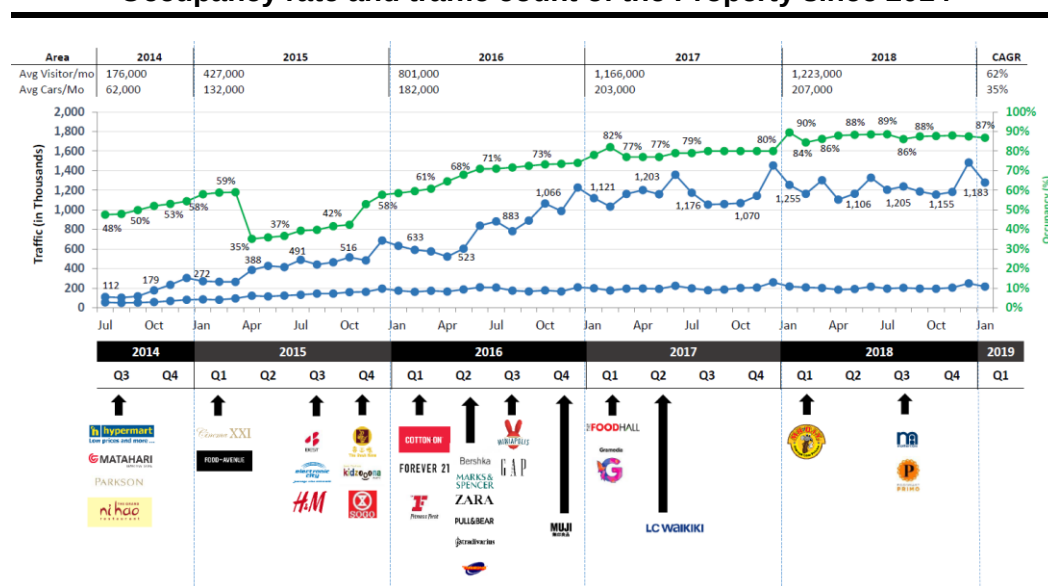
The Property is one of the most iconic, established and well-known retail malls in West Jakarta, and has been able to continuously garner attention through its innovative marketing and publicity efforts which saw the Property making news with awards such as the "Most Kite Batik Display in the Mall" in 2015 and "Mall Parking with Most European Cars" in 2016. Being the largest retail mall within its catchment area, the Property has quickly established itself as a popular destination for residents due to its excellent location, scale and transport connectivity.



The Property's primary catchment area is largely comprised of middle upper-class residential housing, with pockets of high-rise private residential developments, townhouses, civic amenities, schools, hospitals, hotels, restaurants, offices and shopping centres. Approximately 650,000 persons live within the primary catchment area, of which a survey by PT Lippo Malls Indonesia indicates that 75.0% are middle upper-class families largely employed as entrepreneurs and high-level executives.

The Property is positioned as Indonesia's first digital mall and a "One Stop Shopping Mall" catering to families, executives and students living in its trade area and is anchored by familiar brands such as Matahari, Sogo and Parkson and is well complemented by a variety of established food and beverage, fashion and electronic stores, and lifestyle and entertainment services. This broad and complementary range of retailers ensures that the Property is able to meet the everyday needs of the target catchment. As of 2018, the Property serves 14.7 million visitors per year and accommodates 324 tenancies, spread across a full and extensive range of retail, dining, entertainment and leisure options with household brands including Cinema XXI, Matahari, Parkson and Time Zone, as well as over 100 renowned international brands such as Adidas, Best Denki, H&M, Marks & Spencer, Uniqlo, and Zara. Average visitor per month has grown from approximately 176,000 in Q32014 to nearly 1.22 million in Q42018, representing a compounded average growth rate of 62% across the five years.

Occupancy rate and traffic count of the Property since 2014



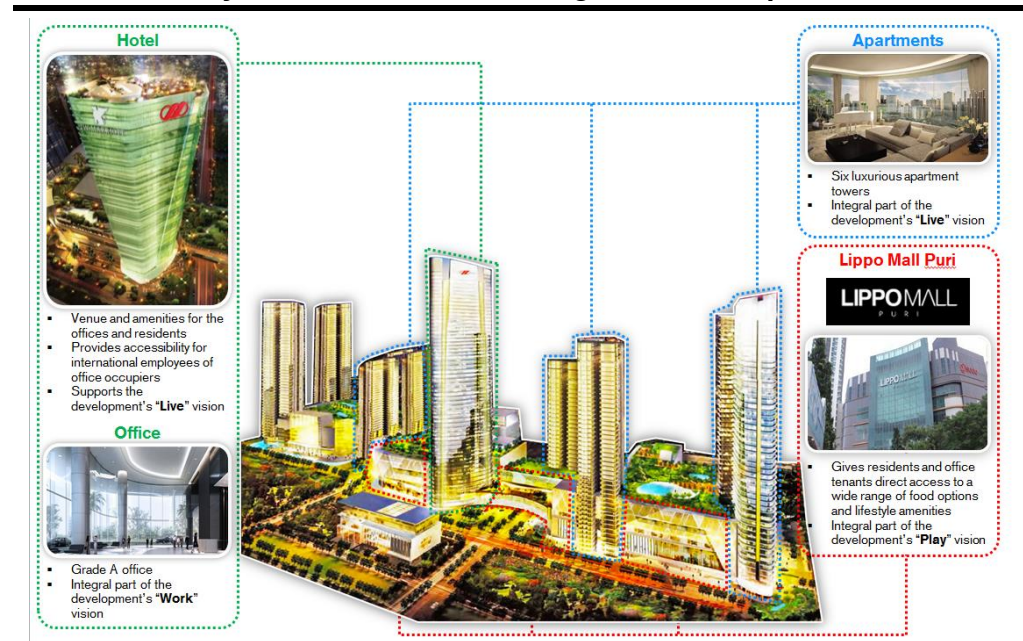
Source: PT Lippo Malls Indonesia

(ii) An integrated ecosystem designed for living, working and playing

The Property, which is part of the premium integrated development known as St. Moritz, the largest mixed-use development in West Jakarta, is strategically located in Puri Indah CDB, a commercial precinct in the Puri Indah residential estate which facilitates close to 400 businesses and also houses other commercial developments such as Pondok Indah Hospital Puri Indah, Puri Gardenia Apartment, Windsor Apartment, Puri Indah Auto Center, Puri Indah Financial Tower, West Jakarta Mayor Office and others.

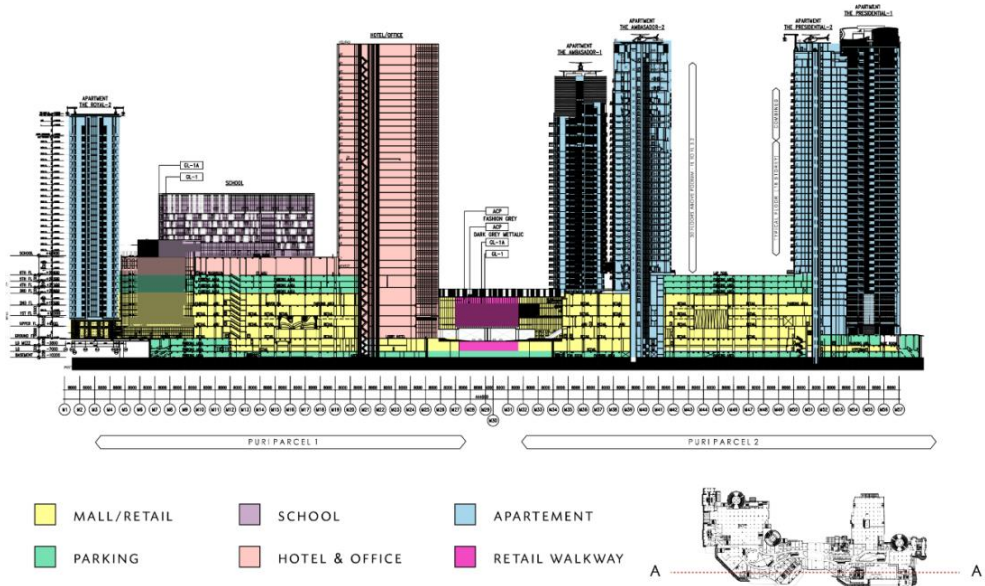
The Property, the retail podium component of St. Moritz with approximately 115,600 sq m of NLA over five levels, is one of the largest purpose-built shopping malls in West Jakarta and is an integral part of the development's "live, work and play" vision. It provides residents, office tenants and future hotel guests direct access to a wide range of food options, lifestyle amenities such as gym providers, and entertainment such as a cinema. The indoor playground in the Property also makes for a family-friendly destination for residents, tenants and future hotel guests alike. Similarly, the hotel component, as well as convention centres located in the same mixed-use development provides convenient event venues and amenities not only for office occupiers, but also for residents. In addition, private schools in and around the St. Moritz will cater to the needs of the residents, while also benefiting from the easy access to the retail offerings of the Property.

Layout of the St. Moritz Integrated Development



Source: PT Lippo Malls Indonesia

Cross section of St. Moritz Integrated Development

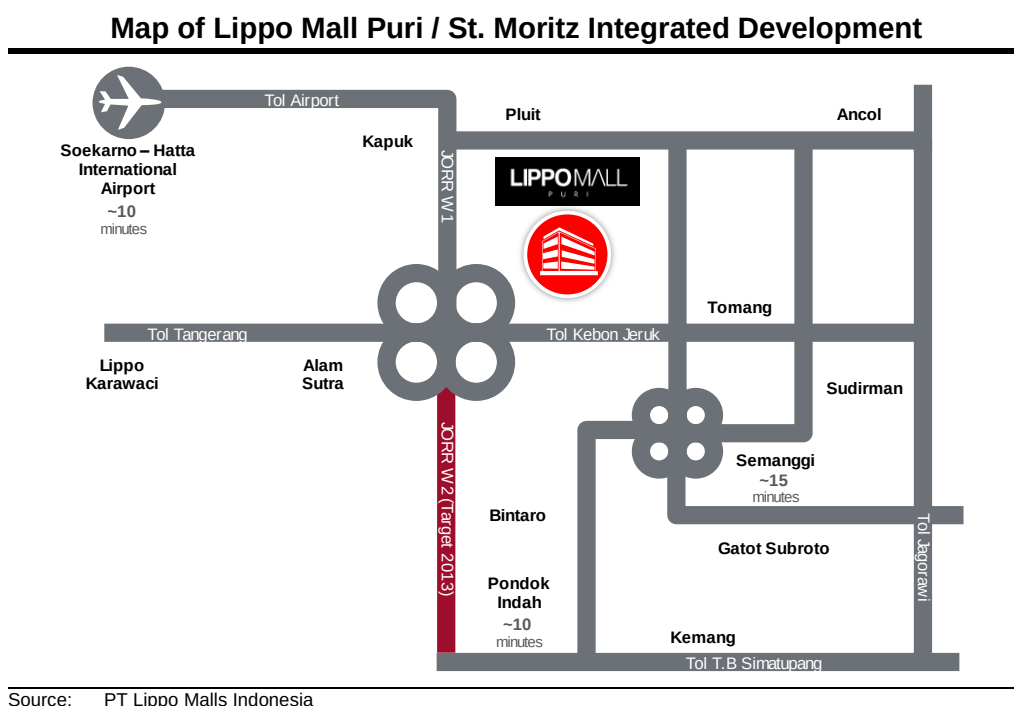


Source: PT Lippo Malls Indonesia

(iii) Excellent transportation connectivity

The Property enjoys convenient access from three roads adjacent to the Property, including two major toll roads, the Jakarta-Tangerang Toll Road and Jakarta Outer Ring Road W2, which provide excellent accessibility to the Soekarno-Hatta International Airport, Jakarta CBD and other parts of Jakarta, Tangerang and Bekasi. The Jakarta CBD Area and Soekarno-Hatta International Airport are situated approximately 12 kilometres and 20 kilometres to the southeast and northwest of the Property, respectively. There is also a two-way major road, Jalan Puri Indah Raya, beside the mall which connects it to other residential developments in the surrounding areas, the Jakarta Inner City Toll Road and Tangerang. Public transportation services are readily accessible along Jalan Puri Indah Raya.

The location of the Property, with its excellent transport connectivity to major business hubs, is set to benefit from the government's ongoing infrastructure programme in Jakarta, which saw the commencement of many transit oriented development projects – projects to develop mixed-use residential and commercial areas designed to maximise access to public transport – already widely promoted to the public in the area. This emphasises the region's potential to become a transportation hub.



4.2 Acquisition of a high quality retail mall at an attractive price and attractive NPI Yield

The Acquisition presents an opportunity for LMIR Trust to acquire a strategically located, iconic retail mall at an attractive price. The Purchase Consideration of Rp.3,700.0 billion (S\$354.7 million) represents a 5.13% discount to the valuation of the Property by Cushman at Rp.3,900.0 billion (S\$373.9 million), after taking into consideration the Vendor Support.

The NPI Yield of the Acquisition based on the Property's NPI for FY2018 including the Vendor Support is 9.41%. This is higher than the NPI Yield of the Existing Portfolio at 8.94 % as of 31 December 2018. With the Acquisition, the NPI Yield of the Existing Portfolio and the Property (together the **"Enlarged Portfolio"**) would be 9.02% on a *pro forma* basis as of 31 December 2018.

	Existing Portfolio	Property	Enlarged Portfolio
NPI (Rp. billion)	1,744.8	348.0 ⁽¹⁾	2,092.8
Valuation / Purchase Price (Rp. billion)	19,514.1	3,700.0	23,214.1
NPI Yield (%)	8.94	9.41	9.02

Notes:

(1) On a Pro Forma basis, the minimum Property NPI is guaranteed at Rp.348.0 billion for the first year.

4.3 Acquisition will result in a significant growth in AUM and NLA

The Acquisition will increase LMIR Trust's assets under management ("**AUM**") by 18.96% to Rp.23,214.1 billion (from Rp.19,514.1 billion in FY2018). The NLA of LMIR Trust's portfolio will also increase by 12.69% to 1,026,349 sq m (from 910,749 sq m as at 31 December 2018). This enlarges LMIR Trust's footprint within Indonesia's retail landscape, and positions LMIR Trust favourably to benefit from the supportive macro and attractive Indonesia retail outlook.

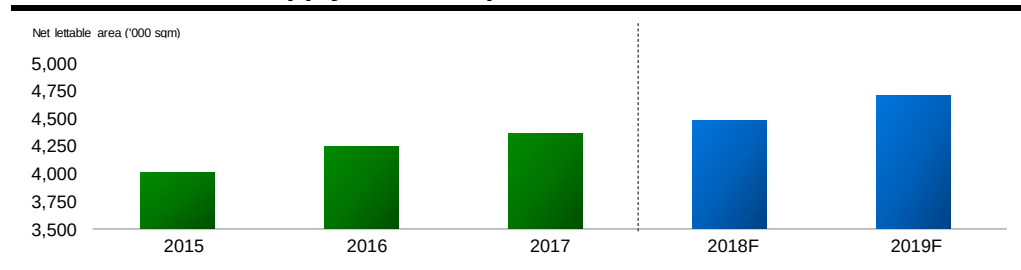
(i) Supportive macroeconomic conditions in Indonesia

Based on Colliers' valuation report, Indonesia's economic outlook is expected to remain stable in the near term, with continued gross domestic product expansion on the back of relatively low inflation rates. Household consumption growth is expected to continue to be driven by higher real wages and continued low unemployment. Indonesia's growth forecast for 2019 has been set at 5.30%, on expectations of a stronger spending push planned for 2019, as announced by President Joko Widodo.

(ii) Favourable demand / supply dynamics and strong retail rent outlook in Jakarta

On the back of supportive macroeconomic conditions in Indonesia, the retail scene in the country continues to be attractive to foreign retailers such as Miniso, Lulu Group, Uniqlo and H&M which have announced plans to open more stores. At the same time, effects of the government's limiting of permits on new shopping centres in Jakarta will likely continue up to 2019, with only 10 malls expected to come online from 2017 to 2019. Most of these new malls will be located in South Jakarta.

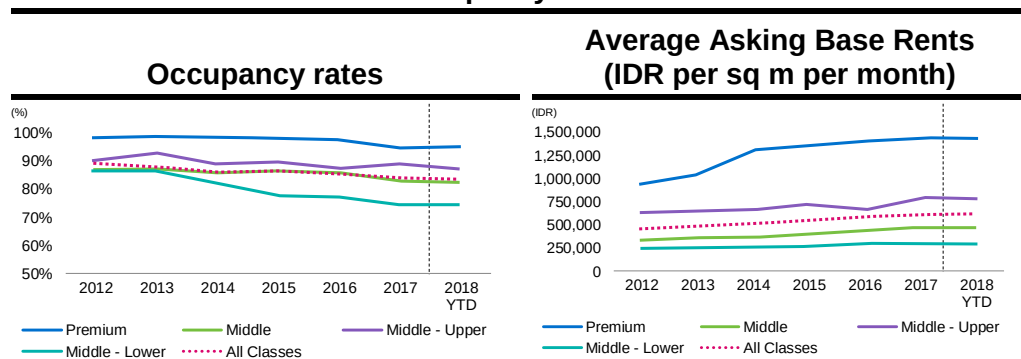
Cumulative supply of retail space in Jakarta from 2015 to 2019



Source: Cushman.

These demand and supply dynamics have seen the occupancy rates of upper class shopping centres climb to over 90.0% since 2016 with the average occupancy rate of the overall market maintaining at 83.2% as at 3Q2018.

Retail rent and occupancy rate trends in Jakarta



Source: Cushman.

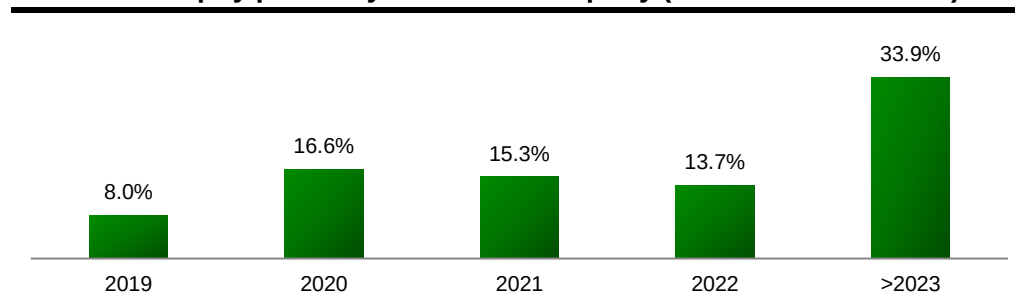
Source: Cushman.

(iii) Positive rental reversions in the market

Rental rates for retail space in Jakarta are expected to be stable or grow moderately. The Manager believes that the Property's current balanced lease expiry profile will be able to position LMIR Trust to benefit from positive rental reversions, while providing for some income stability. The passing rent for the speciality areas at the Property as

of December 2018 was approximately Rp.377,954 per sq m per month, which is below the rents for comparable retail properties which range between Rp.500,000 – 600,000 per sq m per month, according to Colliers' valuation report. Notwithstanding the above, the Manager believes that the Property's attractiveness is accentuated by being part of a broader "live, work and play" ecosystem in contrast to comparable malls which are predominantly standalone retail formats. The following graphs illustrate the lease expiry profile and passing rents of the Property.

Lease expiry profile by NLA of the Property (as of December 2018)

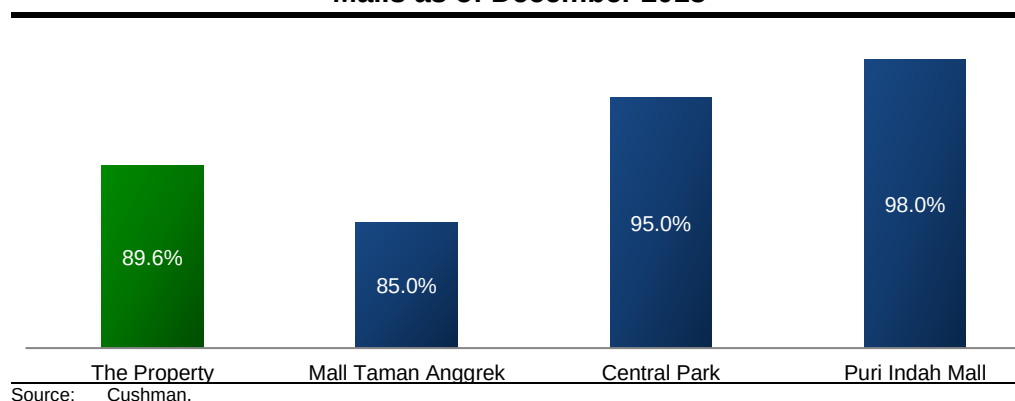


Based on recently renewed leases in second half of 2018, the renewal rent rates obtained for specialty tenants range between Rp.445,000 – 540,000 per sq m per month.

(iv) Leasing up opportunities

The Property's current occupancy rate of 89.6% as of December 2018 is below the market average, and hence could lead to potential growth in rental income. The following graph compares the occupancy rate of the Property versus comparable retail properties.

Comparison of occupancy rates between the Property and Competitor Malls as of December 2018

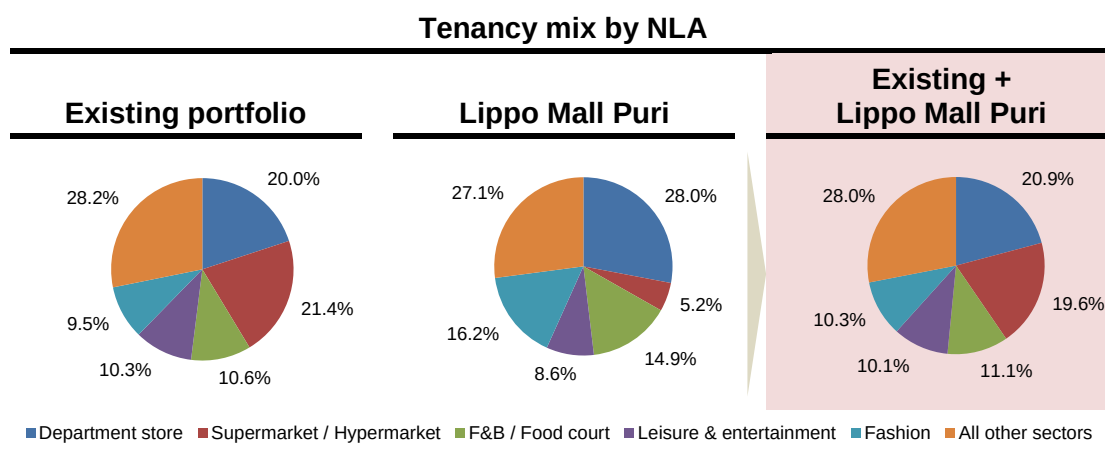


4.4 Enhanced product offering

The Acquisition is a strategic addition to the Existing Portfolio as it enhances LMIR Trust's product offering to capitalise on the growing consumerism in Indonesia.

LMIR Trust's Existing Portfolio trade sector mix is predominantly department stores, supermarkets and hypermarkets. The proposed Acquisition will increase the trade sector exposure of LMIR Trust across Fashion, Leisure & Entertainment and F&B trade sectors to

31.5%, from 30.5% as of December 2018. This enhances the quality of LMIR Trust's trade sector mix and allows LMIR Trust to capitalise on the growing affluence and consumerism in Indonesia – especially among upper-middle income class consumers.



5. PRO FORMA FINANCIAL EFFECTS OF THE ACQUISITION

FOR ILLUSTRATIVE PURPOSES ONLY:

The *pro forma* financial effects of the Acquisition presented below are **strictly for illustrative purposes only** and were prepared based on the unaudited consolidated financial statements of LMIR Trust for FY2018 ("FY2018 Unaudited Consolidated Financial Statements") and assuming:

- (i) the Acquisition Cost including related fees of S\$420.0 million will be paid by cash;
- (ii) the estimated cost of the AEIs of S\$10.0 million will be paid by cash;
- (iii) 50% of the acquisition fee payable to the Manager pursuant to the Trust Deed in connection with the Acquisition is voluntarily waived by the Manager;
- (iv) the Acquisition Cost and the estimated cost of the AEIs of S\$430.0 million will be funded by a combination of debt and equity;
- (v) in the case of a 58.1% to 41.9% debt to equity funding ratio, approximately S\$250.0 million debt and 1.5 billion new Units are issued to raise net proceeds of S\$180.0 million, totalling S\$430.0 million;
- (vi) in the case of a 34.9% to 65.1% debt to equity funding ratio, approximately S\$150.0 million debt and 2.4 billion new Units are issued to raise net proceeds of S\$280.0 million, totalling S\$430.0 million; and
- (vii) performance fee units and acquisition fee units will be issued at volume weighted average price for the last ten business days of the relevant period in which the fees accrue.

The financial effects set out below are theoretical in nature and are therefore not necessarily indicative of the future financial position and earning of LMIR Trust which may differ depending on many factors, including but not limited to the method of financing.

Pro Forma DPU

The pro forma financial effects of the Acquisition on LMIR Trust's DPU for FY2018 as if the Acquisition was completed on 1 January 2018 and LMIR Trust held and operated the

Property in FY2018 are as follows:

FY2018⁽¹⁾			
Effects of the Acquisition with Vendor Support			
	Before the Acquisition⁽²⁾	After the Acquisition at the following debt to equity Funding ratio	
		58.1% to 41.9%	34.9% to 65.1%
Distributable Income (S\$'000)	58,415	69,661	75,341
Units in issue and to be issued	2,859,933,585	4,334,872,786	5,307,250,205
DPU (cents)	2.05	1.61	1.42

Notes:

(1) Based on an exchange rate of S\$1.00: Rp.10,576.55.

(2) Based on the FY2018 Unaudited Consolidated Financial Statements.

FY2018⁽¹⁾			
Effects of the Acquisition without Vendor Support			
	Before the Acquisition⁽²⁾	After the Acquisition at the following debt to equity Funding ratio	
		58.1% to 41.9%	34.9% to 65.1%
Distributable Income (S\$'000)	58,415	59,414	65,094
Units in issue and to be issued	2,859,933,585	4,332,191,162	5,304,568,581
DPU (cents)	2.05	1.37	1.23

Notes:

(1) Based on an exchange rate of S\$1.00: Rp.10,576.55.

(2) Based on the FY2018 Unaudited Consolidated Financial Statements.

Pro Forma NAV per Unit

The pro forma financial effects of the Acquisition on LMIR Trust's Net Asset Value ("NAV") per Unit as at 31 December 2018, as if the Acquisition was completed on 31 December 2018 are as follows:

	As at 31 December 2018		
	Effects of the Acquisition		
	Before the Acquisition ⁽¹⁾	After the Acquisition at the following debt to equity Funding ratio	
		58.1% to 41.9%	34.9% to 65.1%
NAV (\$'000) ⁽²⁾	819,564	996,968	1,094,372
Units in issue and to be issued	2,859,933,585	4,327,898,122	5,300,275,541
NAV per Unit (cents)	28.66	23.04	20.65

Notes:

(1) Based on the FY2018 Unaudited Consolidated Financial Statements.

(2) Based on the net assets attributable to Unitholders and excluding the net assets attributable to holders of perpetual securities.

Pro Forma Capitalisation

	As at 31 December 2018		
	Before Acquisition ⁽¹⁾	After the Acquisition at the following debt to equity Funding ratio ⁽²⁾	
		58.1% to 41.9%	34.9% to 65.1%
	(\$'000)	(\$'000)	(\$'000)
Short-term debt:			
Unsecured	120,000	120,000	120,000
Total short-term debt	120,000	120,000	120,000
Long-term debt:			
Unsecured	560,000	810,000	710,000
Total long-term debt	560,000	810,000	710,000
Total Debt	680,000	930,000	830,000
Unitholders funds	819,564	996,968	1,094,372
Perpetual securities	259,647	259,647	259,647
Total Capitalisation	1,759,211	2,186,615	2,184,019

Notes:

(1) Based on the FY2018 Unaudited Consolidated Financial Statements.

(2) The gearing of LMIR Trust was 34.6% before the Acquisition. Assuming a debt to equity funding ratio of 58.1% to 41.9%, the gearing of LMIR Trust will be 39.0% post-Acquisition. Assuming a debt to equity funding ratio of 34.9% to 65.1%, the gearing of LMIR Trust will be 34.8% post-Acquisition.

6. INTERESTED PERSON TRANSACTIONS – CHAPTER 9 OF THE LISTING MANUAL

6.1 Interested Person and Interested Person Transaction

Under Chapter 9 of the Listing Manual, where LMIR Trust proposes to enter into a transaction with an Interested Person (as defined in the Listing Manual) and the value of the transaction (either in itself or when aggregated with the value of other transactions, each of a value equal to or greater than S\$100,000 with the same Interested Person during the same financial year) is equal to or exceeds 5.0% of LMIR Trust's latest audited net tangible assets ("**NTA**"), Unitholders' approval is required in respect of the transaction. Paragraph 5 of the Property Funds Appendix also imposes a requirement for Unitholders' approval for an Interested Party Transaction (as defined in the Property Funds Appendix) by LMIR Trust which value exceeds 5.0% of LMIR Trust's latest audited NAV.

Based on the audited consolidated financial statements of LMIR Trust for the financial year ended 31 December 2017, the NTA of LMIR Trust was S\$1,156.0 million and the NAV of LMIR Trust was S\$1,167.9 million as at 31 December 2017. Accordingly, if the value of a transaction which is proposed to be entered into in the current financial year by LMIR Trust with an Interested Person is, either in itself or in aggregate with all other earlier transactions (each of a value equal to or greater than S\$100,000) entered into with the same Interested Person during the current financial year, equal to or in excess of S\$57.8 million, such a transaction would be subject to Unitholders' approval. Similarly, if the value of a transaction which is proposed to be entered into by LMIR Trust with an Interested Party is equal to or greater than S\$58.4 million, such a transaction would be subject to Unitholders' approval.

As at the Latest Practicable Date, the Sponsor directly and/or through its subsidiaries, is deemed to have an interest in an aggregate of 879,002,473 Units which constitutes 30.74% of the total number of issued Units, and is therefore regarded as a "Controlling Unitholder" of LMIR Trust under both the Listing Manual and the Property Funds Appendix. In addition, as at the Latest Practicable Date, the Manager is indirectly wholly owned by the Sponsor and the Sponsor is therefore regarded as a "Controlling Shareholder" of the Manager under both the Listing Manual and the Property Funds Appendix.

For the purpose of Chapter 9 of the Listing Manual and the Property Funds Appendix, the Vendor, being an indirect wholly-owned subsidiary of the Sponsor (which in turn is a Controlling Unitholder of LMIR Trust and a Controlling Shareholder of the Manager) is an Interested Person and an Interested Party of LMIR Trust.

As such, the Acquisition (including the Vendor Support Agreement) will constitute an Interested Person Transaction under Chapter 9 of the Listing Manual and also an Interested Party Transaction under paragraph 5 of the Property Funds Appendix.

Given the Purchase Consideration of S\$354.7 million (which is 30.7% of the latest audited NTA and 30.4% of the latest audited NAV respectively of LMIR Trust as at 31 December 2017), the value of the Acquisition (including the Vendor Support) will in aggregate exceed 5.0% of LMIR Trust's latest audited NTA and latest audited NAV. The Manager will therefore seek Unitholders' approval for the Acquisition (including the Vendor Support).

For the information of Unitholders, the Manager also notes that based on the FY2018 Unaudited Consolidated Financial Statements, the NTA of LMIR Trust was S\$1,070.4 million and the NAV of LMIR Trust was S\$1,079.2 million as at 31 December 2018. Accordingly, the Purchase Consideration of S\$354.7 million would constitute 33.1% of the latest unaudited NTA and 32.9% of the latest unaudited NAV in respect of LMIR Trust as at 31 December 2018.

6.2 Existing Interested Person Transactions

As at the Latest Practicable Date, the total value of Interested Person Transactions between LMIR Trust and the Sponsor and/or its associates, for the financial year, is approximately S\$33.6 million, which is approximately 2.9% of the latest audited NTA of LMIR Trust and 2.9% of the latest audited NAV of LMIR Trust as at 31 December 2017.

As at the Latest Practicable Date, the total value of all Interested Person Transactions entered into by LMIR Trust for the financial year, is approximately S\$33.6 million, which is approximately 2.9% of the latest audited NTA of LMIR Trust and 2.9% of the latest audited NAV of LMIR Trust as at 31 December 2017.

6.3 Opinion of the Audit and Risk Committee and Independent Financial Adviser

Pursuant to Rule 917(4)(a)(ii) of the Listing Manual, the audit and risk committee of the Manager, comprising Mr Lee Soo Hoon Phillip, Mr Goh Tiam Lock and Mr Douglas Chew (the “**Audit and Risk Committee**”), will obtain an opinion from an independent financial adviser (“**IFA**”) to the appointed, on whether or not the Acquisition (including the Vendor Support) is on normal commercial terms and prejudicial to the interests of LMIR Trust and its minority Unitholders. The Audit and Risk Committee will form its views on the Acquisition (including the Vendor Support) after taking into account the opinion of the IFA, which will be disclosed in the Circular.

7. MAJOR TRANSACTIONS

7.1 Major Transactions – Chapter 10 of the Listing Manual

- (i) Chapter 10 of the Listing Manual governs the acquisition or disposal of assets, including options to acquire or dispose of assets, by LMIR Trust. Such transactions are classified into the following categories:
 - (a) non-discloseable transactions;
 - (b) discloseable transactions;
 - (c) major transactions; and
 - (d) very substantial acquisitions or reverse takeovers.
- (ii) An acquisition by LMIR Trust may fall into any of the categories set out above depending on the size of the relative figures computed on the following bases of comparison:
 - (a) the net profits attributable to the assets acquired, compared with LMIR Trust’s net profits pursuant to Rule 1006(b) of the Listing Manual;
 - (b) the aggregate value of the consideration given, compared with LMIR Trust’s market capitalisation based on the total number of issued Units pursuant to Rule 1006(c) of the Listing Manual; and
 - (c) the number of Units issued by LMIR Trust as consideration for the acquisition, compared with the number of Units previously in issue pursuant to Rule 1006(d) of the Listing Manual.

Where any of the relative figures computed on the bases set out above is 20.0% or more, the transaction is classified as a “major transaction” under Rule 1014 of the Listing Manual which would be subject to the approval of Unitholders, unless (i) such transaction is in the ordinary course of LMIR Trust’s business or (ii) in the case of an

acquisition of profitable assets, the only limit breached is the profit test set out above.

- (iii) The relative figures in relation to the Acquisition using the applicable bases of comparison described above are set out in the table below.

Comparison of:	The Property	LMIR Trust	Relative Figure
NPI ⁽¹⁾	S\$32.9 million	S\$165.0 million ⁽²⁾	19.9%
Purchase Consideration against LMIR Trust's market capitalisation	S\$354.7 million	S\$600.6 million ^{(3),(4)}	59.1%
Units issued as consideration against Units previously in issue	Not applicable as no Units are expected to be issued as consideration for the proposed Acquisition.		

Notes:

- (1) In the case of a REIT, the NPI is a close proxy to the net profits before tax attributable to its assets. NPI refers to property revenue less property operating expenses.
(2) Based on the FY2018 Unaudited Consolidated Financial Statements.
(3) Based on the closing price of S\$0.21 per Unit on the SGX-ST on 8 March 2019 being the market day preceding the date of the CSPA.
(4) Based on Units in issue as at 8 March 2019 being the market day preceding the date of the CSPA.

The Manager is of the view that the Acquisition is in the ordinary course of LMIR Trust's business as it is within the investment mandate of LMIR Trust and the Property is of the same asset class as LMIR Trust's existing properties and within the same geographical markets that LMIR Trust targets. As such, the Acquisition is therefore not subject to Chapter 10 of the Listing Manual.

7.2 Interests of the Directors of the Manager

As at the Latest Practicable Date, none of the Directors has an interest, direct or indirect, in the Units and the Acquisition, save that Mr Ketut Budi Wijaya is currently the President Director of the Sponsor.

7.3 Directors' Service Contracts

No person is proposed to be appointed as a director of the Manager in connection with the proposed Acquisition or any other transactions contemplated in relation to the proposed Acquisition.

7.4 Interests of the Substantial Unitholders¹

As at the Latest Practicable Date, the details of the unitholdings of the Substantial Unitholders are as follows:

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total no. of Units held	% ⁽¹⁾
	No. of Units	% ⁽¹⁾	No. of Units	% ⁽¹⁾		
Bridgewater International Ltd ("BIL")	857,741,287	29.99	-	-	857,741,287	29.99
PT. Sentra Dwimandiri ("PTSD") ⁽²⁾	-	-	879,002,473	30.74	879,002,473	30.74
Sponsor ⁽³⁾	-	-	879,002,473	30.74	879,002,473	30.74
PT Inti Anugerah Pratama ("IAP") ⁽⁴⁾	-	-	879,002,473	30.74	879,002,473	30.74
PT Triyaja Utama Mandiri ("TUM") ⁽⁵⁾	-	-	879,002,473	30.74	879,002,473	30.74
James Tjahaja Riady ("JTR") ⁽⁶⁾	-	-	879,002,473	30.74	879,002,473	30.74
Fullerton Capital Limited ("Fullerton") ⁽⁷⁾	-	-	879,002,473	30.74	879,002,473	30.74
Sinovex Limited ("Sinovex") ⁽⁸⁾	-	-	879,002,473	30.74	879,002,473	30.74
Dr Stephen Riady ("SR") ⁽⁹⁾	-	-	879,002,473	30.74	879,002,473	30.74
Wealthy Fountain Holdings Inc	161,938,500	5.66	-	-	161,938,500	5.66
Shanghai Summit Pte Ltd ⁽¹⁰⁾	-	-	168,938,500	5.91	168,938,500	5.91
Tong Jinquan ⁽¹⁰⁾	-	-	168,938,500	5.91	168,938,500	5.91

Notes:

- (1) Percentage interest is based on 2,859,933,585 Units in issue as at 28 February 2019.
- (2) BIL is directly held by PTSD and PT Prudential Development ("PD") in the proportion of 99.98% and 0.02% respectively. The Manager is directly held by Peninsula Investment Limited ("PIL"), which in turn is directly held by Mainland Real Estate Limited ("Mainland") and Jesselton Investment Limited ("Jesselton") in the proportion of 51.91% and 49.09% respectively. Mainland is directly held by PTSD, PD, Jesselton and Lippo Karawaci Corporation Pte Ltd ("LK Corp") (together, the "subsidiaries of the Sponsor") in the proportion of 28%, 18%, 27% and 27% respectively. PTSD is therefore deemed to be interested in (i) 857,741,287 Units held by BIL, and the (ii) 21,261,186 Units held by the Manager.
- (3) The Sponsor is deemed to be interested in (i) 857,741,287 Units held by its indirect wholly-owned subsidiary, BIL, and the (ii) 21,261,186 Units held by the Manager.
- (4) IAP directly holds 59.37% interest in the Sponsor and is therefore deemed to be interested in Sponsor's interest in 879,002,473 Units.
- (5) TUM effectively holds 60% interest in IAP and is therefore deemed to be interested in 879,002,473 Units in which IAP has an interest.
- (6) JTR effectively holds 100% interest in TUM and is therefore deemed to be interested in 879,002,473 Units in which IAP has an interest.
- (7) Fullerton holds 40% interest in IAP and is therefore deemed to be interested in 879,002,473 Units in which IAP has an interest.
- (8) Sinovex holds 99% interest in Fullerton and is therefore deemed to be interested in 879,002,473 Units in which Fullerton has an interest.
- (9) SR effectively holds all the shares of Sinovex. Sinovex holds 99% interest and SR holds the remaining 1% interest in Fullerton which in turn holds 40% interest in IAP. Therefore, he is deemed to be interested in

¹ "Substantial Unitholder" refers to LMIR Trust Unitholders with an interest in more than 5.0% of all Units in issue.

879,002,473 Units in which Fullerton has an interest.

- (10) Wealthy Fountain Holdings Inc and Skyline Horizon Consortium Ltd are wholly owned by Tong Jinquan through Shanghai Summit Pte Ltd. Therefore, Tong Jinquan and Shanghai Summit Pte Ltd are deemed to be interested in 161,938,500 Units held by Wealthy Fountain Holdings Inc and 7,000,000 Units held by Skyline Horizon Consortium Ltd.

Saved as disclosed above and based on information available to the Manager as at the Latest Practicable Date, none of the directors of the Manager or the Controlling Unitholders has an interest, direct or indirect, in the proposed Acquisition.

8. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager at 50 Collyer Quay, #06-07 OUE Bayfront Singapore 049321 from the date of this announcement up to and including the date falling three months after the date of this announcement:

- (i) the Property CSPA (including the form of the Vendor Support Agreement attached);
- (ii) the summary valuation letter on the Property issued by Cushman for the Current Valuation;
- (iii) the summary valuation letter on the Property issued by Colliers for the Current Valuation; and
- (iv) the FY2018 Unaudited Consolidated Financial Statements.

The Trust Deed will also be available for inspection at the registered office of the Manager and for download from LMIR Trust's website at www.lmir-trust.com for inspection for so long as LMIR Trust continues to be in existence.

LMIRT MANAGEMENT LTD.

(As manager of Lippo Malls Indonesia Retail Trust)

(UEN/Company registration number: 200707703M)

Gouw Vi Ven

Executive Director and Chief Executive Officer

12 March 2019

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.

While the Manager has taken reasonable actions to ensure that the information from the relevant sources cited in paragraph 4 are reproduced in their proper form and context, and that the information is extracted accurately and fairly from such sources, neither the Manager, nor any other party has conducted an independent review of the information contained in such sources or verified the accuracy of the contents of the relevant information.