

LIPPO MALLS INDONESIA RETAIL TRUST

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

(Manager: LMIRT Management Ltd.)

(Trustee: Perpetual (Asia) Limited)

MINUTES OF ANNUAL GENERAL MEETING

PLACE : Village Hotel Changi, Basement 1, Square Ballroom, 1 Netheravon Road, Singapore 508502

DATE : Monday, 28 April 2025

TIME : 10.10 a.m.

PRESENT :

Mr Murray Dangar Bell	- Chairman of the Board, Lead Independent Director and Chairman of the Nominating and Remuneration Committee
Mr Mark Leong Kei Wei	- Independent Director and Chairman of Audit and Risk Committee
Ms Gouw Vi Ven	- Independent Director
Mr Liew Chee Seng James	- Executive Director and Chief Executive Officer
Mr Wong Yoon Thim	- Chief Financial and Sustainability Officer
Ms Sin Li Choo	- Representative from the Trustee, Perpetual (Asia) Limited

UNITHOLDERS PRESENT : As set out in the attendance record maintained by the Manager.

CHAIRMAN : Mr Murray Dangar Bell

1 The Chairman welcomed the Unitholders of Lippo Malls Indonesia Retail Trust ("**LMIR Trust**" or the "**Trust**") to the Sixteenth Annual General Meeting ("**AGM**") of LMIR Trust. He introduced the Directors of LMIRT Management Ltd. (the "**Manager**"), Management of the Manager and the Representative of Perpetual (Asia) Limited (the "**Trustee**"), who were present at the AGM to the Unitholders.

2 **QUORUM**

2.1 As a quorum was present, the Chairman called the meeting to order.

3. **ADDRESS BY CHAIRMAN**

3.1 The Chairman shared a broad overview of the Trust's key developments - including the strategic steps that the Trust has taken to address the ongoing challenges posed by a complex macroeconomic environment and the progress that the Trust has made in stabilising and rebuilding the operational performance of the Trust's portfolio while actively managing the capital structure and financing needs. The following were highlighted:

- 3.2
- While the retail sector in Indonesia has shown signs of gradual recovery in the post-pandemic landscape, the pace of improvement continues to be hampered by persistent macroeconomic headwinds. Inflationary pressures, currency volatility, as well as subdued global economic growth coupled with ongoing trade tensions and heightened geopolitical uncertainties have all contributed to a challenging operating climate for businesses. These factors have inevitably impacted consumer sentiment and retail activity, moderating the sector's overall recovery momentum. In some regions, the Trust is also experiencing intense competition from newer and more modern malls.

- 3.3
- To keep pace with evolving consumer lifestyles and retail transformation, a key pillar of the Trust's strategy has been the execution of targeted AEs across the Trust's portfolio, aimed at enhancing shopper experience, optimizing space utilization and adapting to changing needs of the Trust's tenants.
- 3.3
- Over the past year or so, the Trust successfully completed six AEs, delivering encouraging results such as improved tenant satisfaction and retention, an enhanced and diversified tenant mix and resilient property income. Currently, a series of both major and minor refurbishment works are underway and planned across several of the Trust's properties over the next two years. These enhancements are essential to ensure the Trust's malls remain vibrant, relevant and competitive in an increasingly dynamic retail landscape.
- 3.4
- Alongside mall upgrades, the Trust is also committed to active tenant management, which includes proactive lease renewals and continuous introduction of fresh and appealing brands. In particular, the Trust is placing growing emphasis on expanding offerings in the F&B, leisure and entertainment sectors, as part of the Trust's strategy to transform its malls into dynamic, experience-led destinations that attract and retain footfall. For example, Playtopia, a kids-to-young adult entertainment tenant currently occupies spaces in 8 of the Trust's malls with plans to open another 3 sites in 2025, for a combined leased area of approximately 23,000 sqm.
- 3.5
- During the year, the Trust also made meaningful progress in strengthening the long-term stability of the Trust's portfolio. The Trust entered into a new cooperation agreement for Cibubur Junction, extending its operating rights for another 20 years until July 2045.
- 3.6
- Operationally, the Trust's portfolio has shown steady signs of recovery, with both financial and operating metrics improving progressively. Portfolio-wide shopper traffic has rebounded to over 70% of pre-COVID levels, with some assets surpassing 90-100%. While the Trust is encouraged by this recovery trend and anticipate further year-on-year improvements, the Trust expects the pace to moderate in light of ongoing economic uncertainties, shifting consumer spending habits, and heightened competition across the retail sector.
- 3.7
- The Trust also made significant progress on its sustainability efforts and has achieved EDGE certification for the Trust's third property, Lippo Mall Kemang, completed the first phase of solar panel installation at Mal Lippo Cikarang, and conducted energy audits across 19 properties to identify further opportunities for green certification and energy optimisation. The Trust also expanded its solar power initiatives to Lippo Plaza Kramat Jati and Lippo Plaza Batu, further reinforcing its commitment to renewable energy and long-term value creation for both stakeholders and the environment.
- 3.8
- On the capital structure front, with the support of new banking relationships in Indonesia, the Trust have transitioned to an IDR-denominated financing structure, providing a natural hedge for our IDR-based assets. Through a series of tender offers, the Trust has also fully redeemed its 2024 Notes and significantly reduced the outstanding amount of 2026 Notes.
- 3.9
- In conclusion, there has been solid improvement from what was presented to unitholders a year ago. Specifically in operating performance through completion of quality AEs and other asset management initiatives, together with strategic de-risking of the Trust's financing structure through the new banking relationships. Despite progress made, challenges persist on both fronts, necessitating ongoing prudence in capital management. On behalf of the Board, the Chairman sincerely appreciate the continued support and patience of the unitholders.

4. **NOTICE**

- 4.1 The Notice of the AGM ("**Notice**") convening the meeting was taken as read.

- 4.2 The Chairman informed the Unitholders that all resolutions tabled at the AGM would be voted by poll. He also informed that in his capacity as Chairman of the Meeting, he has been appointed by numerous unitholders as proxy and would be voting in accordance with their instructions.

5. PRESENTATION BY CHIEF EXECUTIVE OFFICER (“CEO”)

- 5.1 Mr Liew Chee Seng James, Executive Director and CEO of the Manager, delivered a presentation on LMIR Trust. After the presentation, the CEO handed over the proceedings to the Chairman.
- 5.2 A copy of the presentation slides, which was posted via SGXNet and LMIR Trust’s website on 28 April 2025, is annexed to this Minutes as **“Annex A”**.

6. LIVE Q&A SESSION

- 6.1 The Chairman informed the Unitholders that the Manager’s responses to all the relevant and substantial questions received from the Unitholders in advance of the AGM, annexed to this Minutes as **“Annex B”**, had been posted on SGXNet and LMIR Trust’s website on 21 April 2025.
- 6.2 Questions from the Unitholders who were present at the AGM were fielded. The questions raised and the responses are annexed to these minutes as **“Annex C”**.

7. POLLING

- 7.1 Reliance 3P Advisory Pte. Ltd. had been appointed as scrutineers for the poll. Boardroom Corporate & Advisory Services Pte. Ltd. had been appointed as polling agent.
- 7.2 There were no parties who were required to abstain from voting on any resolutions.

8. ADOPTION OF REPORT OF THE TRUSTEE, THE STATEMENT BY THE MANAGER AND THE AUDITED FINANCIAL STATEMENTS OF LMIR TRUST – ORDINARY RESOLUTION 1

- 8.1 Ordinary Resolution 1 was proposed by the Chairman:
- 8.2 “That the Report of the Trustee issued by Perpetual (Asia) Limited, the Statement by the Manager issued by LMIRT Management Ltd., as manager of LMIR Trust, and the Audited Financial Statements of LMIR Trust for the financial year ended 31 December 2024 together with the Auditors’ Report thereon be received and adopted.”
- 8.3 The results of Ordinary Resolution 1 tabled at the Meeting, taken on a poll, were as follows:

Total no. of votes cast	No. of votes ‘For’	% ‘For’	No. of votes ‘Against’	% ‘Against’
4,710,701,852	4,695,420,638	99.68	15,281,214	0.32

- 8.4 Based on the polling results, the Chairman declared Ordinary Resolution 1 as carried.

9. RE-APPOINTMENT OF RSM SG ASSURANCE LLP AS THE AUDITORS OF LMIR TRUST – ORDINARY RESOLUTION 2

- 9.1 Ordinary Resolution 2 was proposed by the Chairman:
- 9.2 “That RSM SG Assurance LLP be re-appointed as Auditors of LMIR Trust and to hold office until the conclusion of the next Annual General Meeting and that the Manager be authorised to fix their

remuneration.”

9.3 The results of Ordinary Resolution 2 tabled at the Meeting, taken on a poll, were as follows:

Total no. of votes cast	No. of votes 'For'	% 'For'	No. of votes 'Against'	% 'Against'
4,710,305,966	4,694,907,132	99.67	15,398,834	0.33

9.4 Based on the polling results, the Chairman declared Ordinary Resolution 2 as carried.

10 AUTHORITY TO ISSUE NEW UNITS – ORDINARY RESOLUTION 3

10.1 Ordinary Resolution 3 was proposed by the Chairman:

10.2 “That pursuant to Clause 5 of the trust deed constituting LMIR Trust (as amended) (the “**Trust Deed**”) and the listing rules of Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Manager be authorised and empowered to:

(a) (i) issue units in LMIR Trust (“**Units**”) whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Units,

at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and

(b) issue Units in pursuance of any Instrument made or granted by the Manager while this Resolution was in force (notwithstanding the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),

provided that:

(1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent (50.0%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a *pro rata* basis to existing Unitholders (including Units to be issued in pursuance of Instruments to be made or granted pursuant to this Resolution) shall not exceed twenty per cent (20.0%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below);

(2) subject to such manner of calculation as may be prescribed by the SGX-ST, for the purpose of determining the aggregate number of Units and Instruments that may be issued under sub-paragraph (1) above, the percentage of issued Units and Instruments shall be based on the total number of issued Units (excluding treasury Units, if any) at the time of the passing of this Resolution, after adjusting for:

(a) new Units arising from the conversion or exercise of the Instruments or any convertible securities which are outstanding or subsisting at the time of the passing of this Resolution;

(b) new Units arising from exercising unit options or vesting of unit awards outstanding and subsisting at the time of the passing of this Resolution; and

(c) any subsequent bonus issue, consolidation or subdivision of Units;

- (3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Trust Deed for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);
- (4) unless revoked or varied by Unitholders in a general meeting of LMIR Trust, the authority conferred by this Resolution shall continue in force until (i) the conclusion of the next AGM of LMIR Trust or (ii) the date by which the next AGM of LMIR Trust is required by law to be held, whichever is earlier or (iii) in the case of Units to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Units in accordance with the terms of the Instruments;
- (5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and
- (6) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including, without limitation, executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider necessary, expedient, incidental or in the interest of LMIR Trust to give effect to the authority contemplated and/or authorised by this Resolution.”

10.3 The results of Ordinary Resolution 3 tabled at the Meeting, taken on a poll, were as follows:

Total no. of votes cast	No. of votes 'For'	% 'For'	No. of votes 'Against'	% 'Against'
4,710,761,049	4,691,511,215	99.59	19,249,834	0.41

10.4 Based on the polling results, the Chairman declared Ordinary Resolution 3 as carried.

11 CONCLUSION

11.1 There being no other business to transact, the Chairman declared the AGM closed at 11.16 a.m.

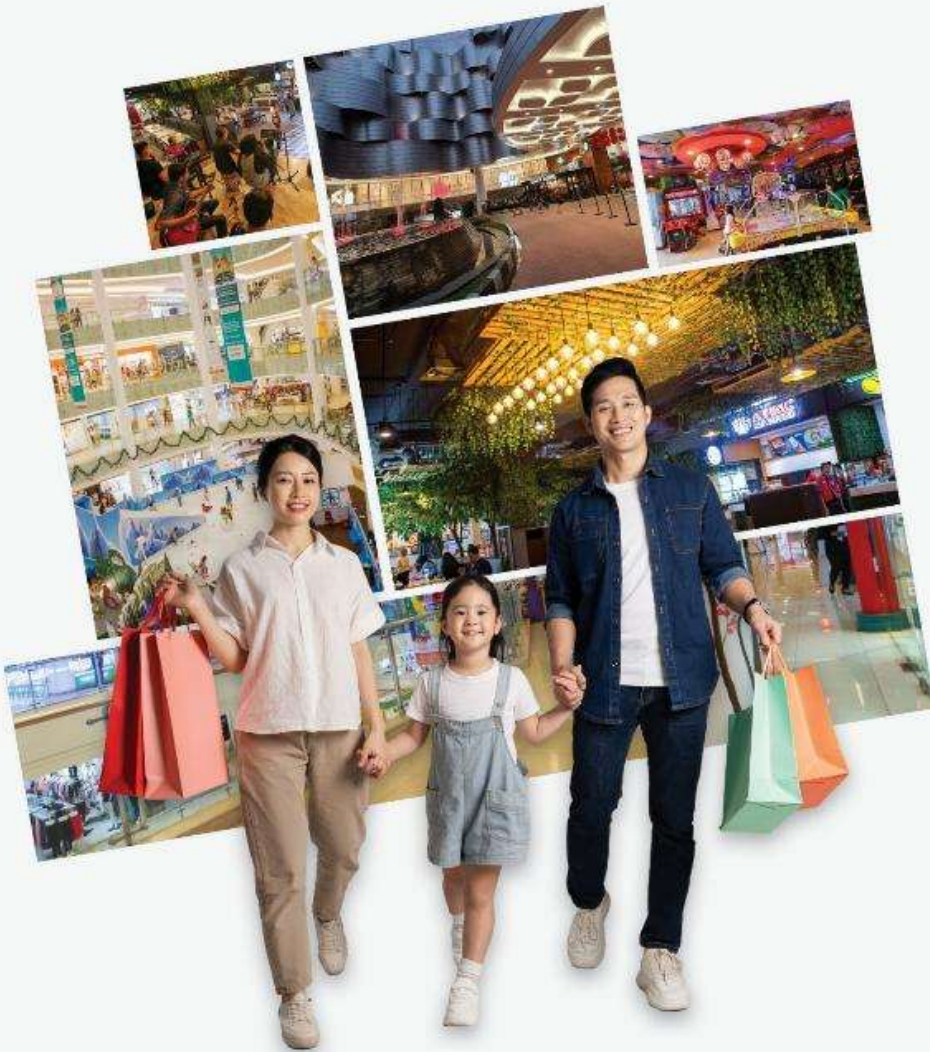
Confirmed as a True Record of Proceedings Held

Murray Dangar Bell
Chairman



Annual General Meeting

28 April 2025



Disclaimer



Certain statements in this presentation concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. These forward-looking statements reflect our current views with respect to future events and financial performance and are subject to certain risks and uncertainties, which could cause actual results to differ materially from historical results or those anticipated.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in the Indonesian retail industry including those factors which may affect our ability to attract and retain suitable tenants, our ability to manage our operations, reduced demand for retail spaces, our ability to successfully complete and integrate potential acquisitions, liability for damages on our property portfolios, the success of the retail malls and retail spaces we currently own, withdrawal of tax incentives, political instability, and legal restrictions on raising capital or acquiring real property in Indonesia. In addition to the foregoing factors, a description of certain other risks and uncertainties which could cause actual results to differ materially can be found in the section captioned "Risk Factors" in our preliminary prospectus lodged with the Monetary Authority of Singapore on 19 October 2007. Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be attained.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The value of units in LMIR Trust ("Units") and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by, LMIRT Management Ltd, as manager of LMIR Trust (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.

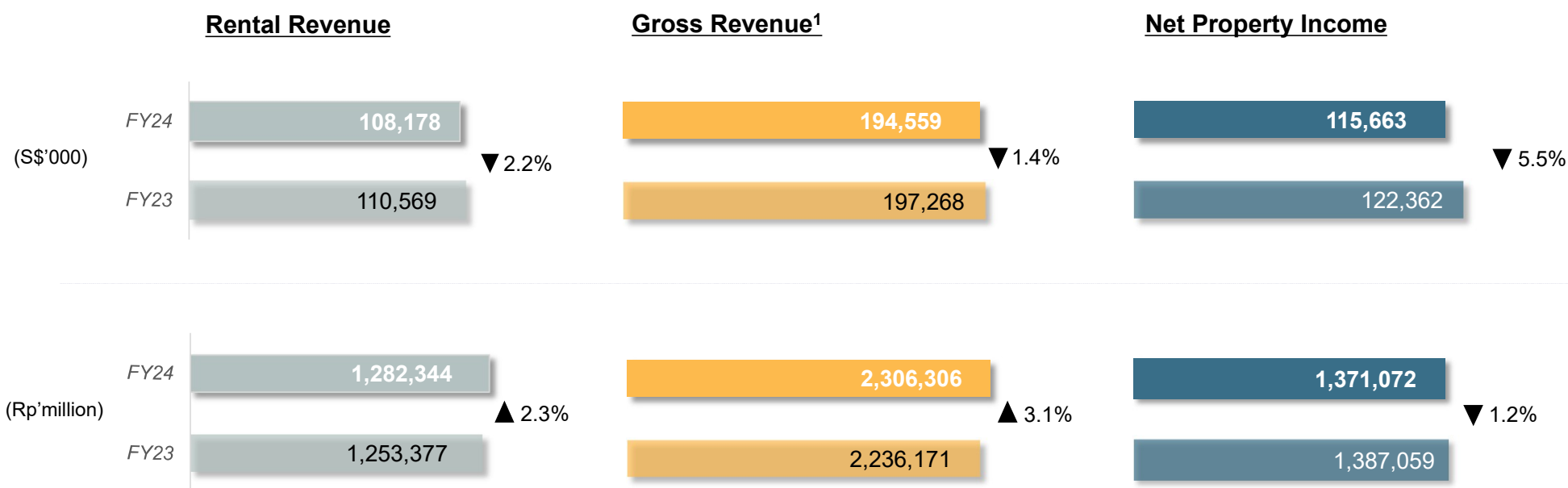
Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on Singapore Exchange Securities Trading Limited. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

This document is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units. The past performance of LMIR Trust is not necessarily indicative of the future performance of LMIR Trust.



Key Financial Highlights

Stable Financial Performance



¹ Gross Revenue includes Rental Revenue, Carpark Revenue, Service Charge and Utilities Recovery and Other Rental Income

² Average exchange rate of Singapore Dollar (SGD) 1.00 to Indonesia Rupiah (IDR) 11,854.02 for 4Q 2024 vs. SGD1.00 to IDR11,335.70 for 4Q 2023

Key Operational Summary

Recovering Operational Performance

	Occupancy	Tenants	Portfolio Valuation
<i>FY24</i>	81.2%	3,093	Rp 18,618.1 B
<i>FY23</i>	79.0%	3,129	Rp17,998.6 B
	WALE by NLA	Ave. Rental Reversion	Shopper Traffic
<i>FY24</i>	2.8 years	5.3%	125.9 M
<i>FY23</i>	2.2 years	1.9%	119.6 M



Prudent

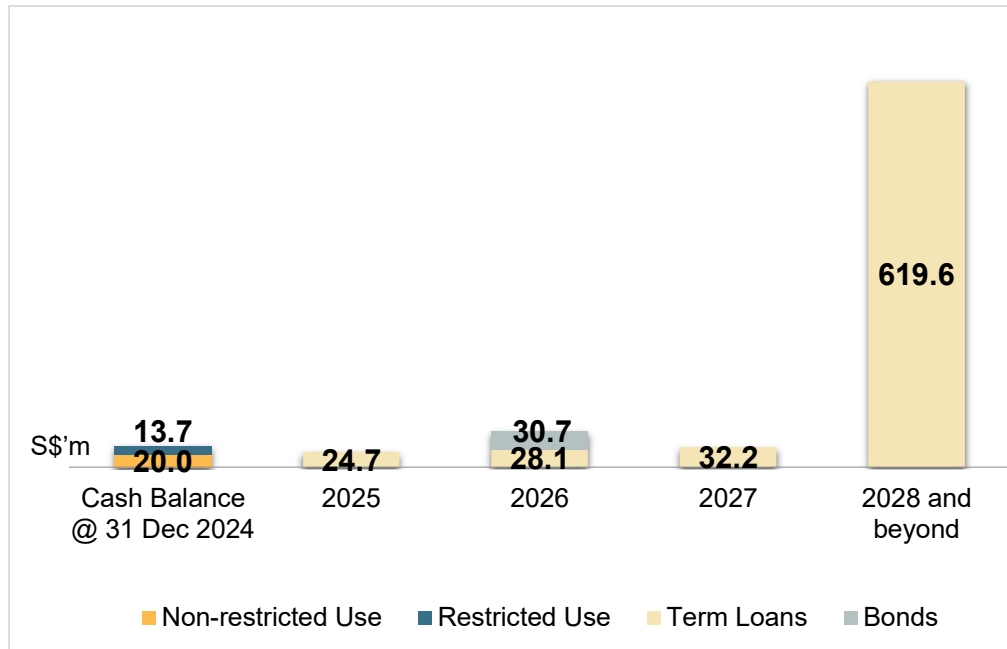
**Capital
Management**

Prudent Capital Management

- In FY 2024, LMIR Trust has:
 - Fully redeemed 2024 Notes
 - Significantly reduced 2026 Notes to US\$22.6 million as at 31 December 2024
 - Largely transited to IDR-denominated loan structure which serves as a natural hedge for our IDR-denominated assets and supports prudent capital structuring
- However, non-restricted cash and cash equivalents declined to S\$20.0 million as at 31 December 2024 from S\$39.7 million as at 31 December 2023

Debt Maturity Profile

Total Debt	Gearing	Weighted Ave. Maturity of Debt	All-in Cost (exclude perpetual)
S\$735.2 m	44.78%	6.53 years	8.54%



As at 31 December 2024

Debts comprise the following:

1. Bonds/Guaranteed Senior Notes (post tender exercise) of US\$22.606 million 7.5% bonds due 9 February 2026. These bonds were swapped to repapered margin plus 6-month SORA.
2. The secured term loan IDR Facility 1 up to IDR2.5 trillion with a final maturity in May 2034.
3. The secured term loan IDR Facility 2 up to IDR1.5 trillion with a final maturity in June 2034.
4. The secured term loan IDR Facility 3 up to IDR4.5 trillion with a final maturity in November 2034.

- Perpetual: S\$140.0 million Subordinated Perpetual Securities was issued on 27 September 2016 and distribution rate was reset to 6.4751% on 27 September 2021. On 20 March 2023, 18 September 2023, 13 March 2024 and 13 September 2024, announced the cessation of distribution to holders of the perpetual securities
- Perpetual: S\$120.0 million Subordinated Perpetual Securities was issued on 19 June 2017 and distribution rate was reset to 8.0960% on 19 December 2022. On 31 May 2023, 11 December 2023 and 10 June 2024, announced the cessation of distribution to holders of the perpetual securities.

Prudent Capital Management

- The Trust remains strategic with capital management and continues to explore options available to maintain a prudent and sustainable capital structure taking into considerations:
 - The monthly principal loan repayment obligations for IDR Facility 1, IDR Facility 2 and Upsized IDR Facility 3 amounting to S\$24.7 million in aggregate for FY2025
 - The remaining US\$22.6 million 2026 Notes due 9 February 2026
 - The need for financial resources to support ongoing capital expenditure and asset enhancement initiatives, for value creation, projected at S\$25.0 million for FY2025
 - The limited ability to incur further indebtedness under the current applicable Property Funds Appendix guidelines
- Pending an improvement in the Trust's financial and cashflow position, the Trust will continue to exercise prudence with distributions to both Unitholders and holders of the perpetual securities



LMIR TRUST
LIPPO MALLS INDONESIA RETAIL TRUST

**Looking
Ahead**



Outlook

- Overall operational performance has been gradually and steadily improving with visitor traffic reaching 72.5% of pre-Covid levels and stable portfolio occupancy at 81.2% as at 31 December 2024
- Diversifying tenant mix – increasing focus on F&B and Leisure & Entertainment, catering to evolving customer needs
- Further advanced sustainability efforts during the year: (i) achieved EDGE certification for Lippo Mall Kemang, (ii) completed phase 1 installation of solar panels at Mal Lippo Cikarang and (iii) completed energy audit on all 19 properties to-date, to review for new opportunities for green certificates

Portfolio Update

AEIs in 2024



Mal Lippo Cikarang	Lippo Plaza Kramat Jati	Sun Plaza	Sun Plaza
Extension of ground floor to create additional NLA	Reconfigure ex-Carrefour space	Replacement of Hypermart with Playtopia	Reconfiguration of long leased tenant areas from LG to L4
AEI NLA: 3,455 sqm	AEI NLA: 7,770 sqm	AEI NLA: 5,463 sqm	AEI NLA: 16,401 sqm
Completed	Completed	Completed	Ongoing

Portfolio Update

AEIs in 2024



Lippo Plaza Ekalokasari Bogor

Istana Plaza

Bandung Indah Plaza

Plaza Medan Fair

Malang Town Square Units

Improvement works on ground floor, renovation of lobby and drop-off area and re-layout spaces to attract key tenants

Asset enhancement to prepare area for new tenants and building Improvements

Refresh of mall interior and reconfiguration of units

Major refurbishment of interior, façade, and reconfiguration of internal spaces

Downsize Hypermart to create specialty units and new mall entrance

AEI NLA: 6,306 sqm

AEI NLA: 2,458 sqm

AEI NLA: GF to L2

AEI NLA: 3,108 sqm

AEI NLA: 6,802 sqm

Ongoing

Ongoing

Ongoing

Ongoing

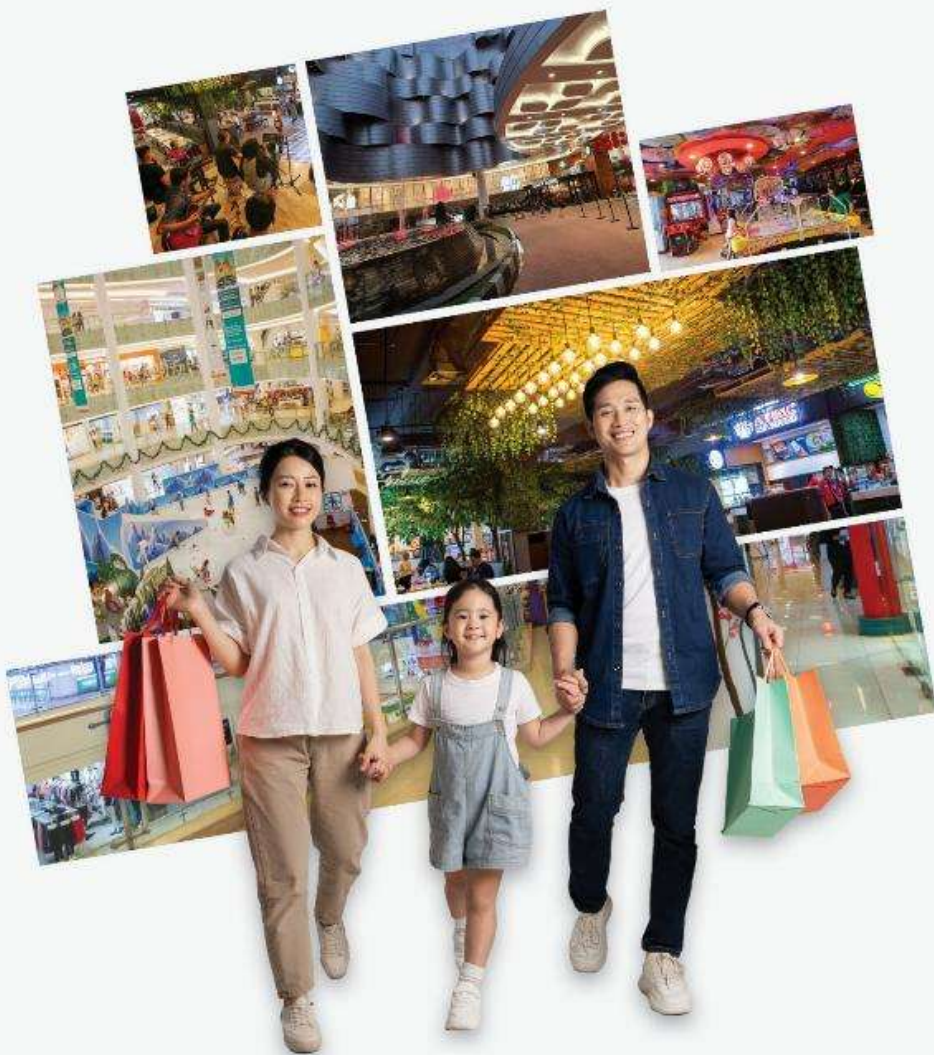
Ongoing

Planned AEIs

Scheduled AEIs for 2025 - 2026



Palembang Square	Lippo Mall Nusantara	Cibubur Junction	Gajah Mada Plaza
Re-layout and refurbishment of ex-Carrefour area to attract mini-anchors and specialty stores	Major refurbishment of interior, façade, and reconfiguration of internal spaces	Major refurbishment of interior, façade, and reconfiguration of internal spaces	Major refurbishment of interior, façade, and reconfiguration of internal spaces
AEI NLA: 14,788 sqm	AEI NLA: 59,328 sqm	AEI NLA: 34,113 sqm	AEI NLA: 29,869 sqm
Estimated Completion: 2Q 2025	Phase 1 is completed and opened in Feb 2025 Estimated Completion: 2026	Estimated Completion: 2026	Estimated Completion: Completed. Works to connect basement to MRT station expected in 1Q 2026



Thank You



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RESPONSE TO QUESTIONS RECEIVED FROM UNITHOLDERS

- 1. On 6 March 2023, the company announced that it had appointed "Stirling Coleman Capital Limited ("SCCL") as its financial advisor in relation to the capital management initiatives of LMIR Trust." More than a year has passed since the announcement, please provide updates on the progress and the outcome of the exercise. What advice did SCCL provide? Did the REIT implement their advice? Please detail and elaborate clearly.**

Since engagement, SCCL has been working closely with the Manager in assessing the different situations, evaluating the various options available to LMIR Trust in view of balancing multiple and competing demands on the Trust's resources to determine the next steps at different stages to maintain a sustainable capital structure and reduce aggregate leverage.

The Manager has continued to implement the various capital management initiatives, including non-distribution of dividends to conserve financial resources, the tender offer exercises to fully redeemed the US\$250.0 million Guaranteed Senior Notes ("**2024 Notes**") and substantially reduced the US\$200.0 million Guaranteed Senior Notes ("**2026 Notes**"), and the transition to a largely IDR-denominated financing structure serves as a natural hedge for our IDR-denominated assets which supports prudent capital structuring. Following our successful capital restructuring in FY 2024, we have ceased working with SCCL.

- 2. From page 28 of AR, it appears that the portfolio occupancy of our Indonesia retail malls is consistently around 80%. What are the reasons why the occupancy of our malls is not able to reach a higher level? Please explain and elaborate.**

In FY 2024, portfolio occupancy has shown steady quarter-on-quarter improvement, rising from 79.5% in Q1 2024 to 81.2% in Q4. Throughout the year, occupancy remained consistently above the industry average of approximately 78-79%.

In particular, LMIR Trust's leading malls – Lippo Mall Puri, Lippo Mall Kemang, Sun Plaza and Palembang Icon registered occupancy levels close to or above 90%. Conversely, occupancy levels at Gajah Mada Plaza, Bandung Indah Plaza, Lippo Plaza Kramat Jati, Malang Town Square, Palembang Square and Lippo Mall Nusantara were affected due to ongoing AEl projects but is expected to improve once these projects are completed.

- 3. Are we still giving any tenant support or tenant relief? If so, when will these tenant support cease? Which tenants are we still giving tenant support? Are these tenants receiving tenant support related parties? i.e. subsidiaries of our sponsor Lippo Karawaci such as Matahari Department stores and supermarkets?**

Since FY 2023, as a general policy, we no longer provide rental relief to tenants. Any rental relief requests are evaluated on a case-by-case basis, regardless of whether the tenant is a related or



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non-related party. Key considerations include the tenant's industry segment and the occupancy level of the respective mall, to support the continued operation and vibrancy of the tenant mix.

4. The ICR of LMIR Trust is only 1.36x, and the REIT's current gearing is 44.78%. What is the target gearing and ICR ratio that management is striving towards/comfortable with? Please detail and elaborate.

In November 2024, MAS issued an updated Code on Collective Investment Schemes revising REITs aggregate leverage limit to 50% with a minimum ICR threshold of 1.5 times. We intend to keep our gearing below the limit and ICR within the threshold.

Our ICR was negatively affected by one-off non-operational accelerated amortisation of borrowing-related fees and bond-related transaction costs arising from the Trust's refinancing transactions in FY 2024. We do not expect any negative financial consequences arising from such a breach as existing financial debt obligations do not contain any financial covenants with reference to the ICR. We will continue to exercise prudence in capital management and does not intend to incur additional borrowings until the breach of ICR is rectified.

5. What is the impact of the high Rupiah depreciation, averaging around 7% in the past two years, on LMIR Trust? What is the management doing to address this or to mitigate the impact of the high Rupiah depreciation? Or is our strategy just to ignore it since we can't control the exchange rate? What is the management view on the trajectory of the Rupiah SGD rate going forward? Please detail, explain and elaborate clearly.

To mitigate the impact of currency fluctuations, especially from the IDR depreciation, the Trust has largely transitioned into IDR-denominated loans in FY 2024. This strategy serves as a natural hedge for our IDR-denominated assets.

Current macroeconomic factors especially the rising trade tensions will continue to impact currency fluctuations, which is largely beyond the Manager's control. Our focus remains on strengthening the operational performance of our portfolio, maintaining disciplined capital management and ensuring the Trust remains resilient amidst such challenges.

6. I note that 10yr seems to have been moving down, and then it spiked up quite a fair bit in recent days... it seems that the interest rate would stay higher for longer (or not?). What is the management view of the trajectory of interest rate going forward? Please detail and elaborate.

The interest rates of LMIR Trust's IDR-denominated loans are based on the floating Bank Indonesia 7 Day Reverse Repo Rate. Since September 2024, Bank Indonesia has cut its benchmark interest rate from 6.25% to the current 5.75% which has reduced LMIR Trust financing cost.

Although Indonesia's inflation rate has continued to decline which should provide room for further interest rate cuts, Bank Indonesia opted not to make any further interest rate cuts at its recent policy meeting against a backdrop of [turmoil in local markets](#) on concerns about global trade



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wars and the government's fiscal policy with key focus on maintaining stability in the Indonesian Rupiah.

7. The REIT has not paid any dividends or distributions to unitholders for many years. When will dividends or distributions to unitholders resume? Please detail and elaborate.

As part of our prudent capital management strategy, the Trust made the difficult but necessary decision to halt distributions to both perpetual securities holders and unitholders since 1Q 2023, in order to conserve cash and maintain financial flexibility.

In FY 2024, we took decisive steps to strengthen our capital structure - including redeeming and reducing outstanding bonds and transitioning to predominantly IDR-denominated loans, which helped stabilise our leverage at 44.78% as at 31 December 2024, while extending our weighted average debt maturity to 6.53 years.

Looking ahead, resumption of distributions will be carefully considered once the Trust's financial position and cashflows have sufficiently improved. The ongoing global trade tensions have also created significant uncertainty in the business environment. Our priority remains to restore long-term stability and resilience, creating a sustainable foundation for future unitholder returns.

8. President Prabowo became Indonesian President in Oct 2024. What is the impact of the new Indonesian President Prabowo on the company? What changes in retail, sales, consumptions policies have he or will he make? Any change in consumption tax rate? Any change in corporate tax rate? Any new economic or fiscal or monetary policy that the new President has made that may impact the REIT both positively and/or negatively? Etc. Please explain and elaborate.

President Prabowo's administration has enacted populist initiatives such as the free lunch program to cover 83 million recipients, raised the minimum wage by 6.5% for FY2025, scrapped plans to limit the distribution of subsidised cooking gas and scaled back the increase in VAT rate to 12% applicable only to luxury goods. These measures were part of his plans to boost Indonesia's economic growth from an average of 5% over the last 2 decades to his target of 8% economic growth. If Indonesia manages to achieve such a growth rate, this will significantly boost consumer spending and benefit LMIR Trust's portfolio of shopping malls over the long term.

However, such initiatives have also raised investor's concerns about Indonesia's fiscal position and its budget deficit. To fund these populist programs, the administration has announced deep budget cuts across essential sectors, slashing higher education funding by 39%, healthcare spending by 18.5%, and public infrastructure and utilities projects by 73%. These events have collectively caused Indonesia's rupiah currency to depreciate close to its historical low of 1USD: IDR16,950 set during the Asian Financial Crisis in 1998.

Indonesia's economic environment in the short term is further clouded by the ongoing global trade tensions caused by the US Government's imposition of tariffs on imports into the United States. In the midst of such economic uncertainties, the Manager's focus remains on



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strengthening the operational performance of our portfolio, maintaining disciplined capital management and ensuring the Trust remains resilient.



LIPPO MALLS INDONESIA RETAIL TRUST

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**RESPONSE TO QUESTIONS RECEIVED FROM UNITHOLDERS
DURING LIVE Q&A SESSION (ANNEX C)**

- 1. Noted that the Trust has borrowed in Indonesia at 7.5% which is very high. Why did the Trust borrow at this rate while some of the S-REITs only borrowed at around 3% in Singapore?**

Perhaps, the Trust can consider bonds issuance in Singapore which comes at lower financing cost.

Answer:

Historically, the Trust maintained both SGD and USD denominated loan structures, typically for SGD loans, the Trust was paying a margin of around 3% over the benchmark interest rate which was the SOR previously and now on SORA, which were approximately 4% at the time. S-REITs generally borrow at the SORA rate. In Indonesia, the benchmark interest rate is 5.75%, and the Trust pays a margin of 2% on IDR-denominated borrowings. Even though interest rates in Indonesia are generally higher than in Singapore, the lower loan margin makes borrowing in IDR more competitive. The total interest cost in IDR remains reasonable, and by borrowing in the same currency as our assets in Indonesia, the Trust reduces currency risk.

The Board noted the comment on the bonds issuance in Singapore.



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2. I invested in REITs for quarterly distribution, however, the Trust has not been making any distribution for the last few years. At the same time, the share price saw a continuous dip. Do you have a timeline of when the Trust will resume the distribution?

IDR is constantly devaluing. Yesterday, the share price of the Trust was 1.3 cents with a net asset value of 5.7 cents. If the outlook for IDR continues to be lacklustre, will it be better for the Manager to consider liquidating the assets and return the capital to unitholders?

Answer:

Twelve months ago, the Trust was in a rebuilding phase, having just emerged from the challenges of COVID-19. We had to address key priorities, including major corporate refinancing and asset enhancement initiatives (AEIs) at selected malls to improve their competitiveness and attract foot traffic and sales. While we have not yet resumed distributions to unitholders, we are a step closer. Occupancy across our malls has improved since then, and the successful refinancing marks a significant milestone toward that goal.

From the Board's perspective, the focus is to create long-term value for unitholders and the priorities remain clear and they are: completing the corporate refinancing, executing the key AEIs to improve occupancy and performance of the malls, and ensuring that distributions can resume when it is financially prudent.

At the same time, we continue to evaluate opportunities to divest non-core assets, particularly strata-titled malls where we have limited influence over strategic decisions. These assets do not align with our long-term strategy and risk weighing down the overall portfolio valuation. While we remain open to reasonable offers, we are not prepared to sell at steep discounts.



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3. I noticed that some of leases are expiring in 2034. Can we get a lease extension on these expiring leases? We know that as the lease decays, the value of the property decreases thereby affecting the valuation of the whole portfolio. Can we start the lease extension negotiation earlier?

Have the Board considered consolidation of shares? This approach was approved by two major S-REITs last week and by so doing you can attract institutional investors. This will also reduce the volatility of the share price.

Answer:

The lease for Istana Plaza is held with a private organisation, and preliminary discussions indicate that the landlord may be inclined to reclaim the property upon lease expiry. We will continue to engage in dialogue and explore all available options, but acknowledge the potential risk associated with lease renewal in this instance.

For Plaza Medan Fair and Pluit Village, leases are due to expire in 2027, and the Trust has already initiated renewal discussions. In line with standard market practice in Indonesia, lease extension negotiations typically begin 3 to 4 years prior to expiry. Commencing discussions significantly earlier is generally not considered appropriate or productive in the local context.

The Board has deliberated on the possibility of a share consolidation. While the potential benefits are understood, including institutional investor access, the Board is of the view that this is not the right time to proceed. The matter will continue to be monitored and reassessed when conditions are more conducive.