



Press Release

BIM Land has decided to terminate its service contract with Moody's on 31 August 2023 effective immediately, due to the Company's disagreement with Moody's methodology of classification on the distressed exchange and Moody's related downgrades of the credit and the bonds of BIM Land.

The downgrades of both BIM Land Corporate Family Rating and the unsecured rating on our remaining US dollar notes following our bond buy back, are unjustified due to the following reasons:

- Moody's quoted a substantial economic loss for bondholders as a reason to deem the buyback a distressed exchange. The Company does not agree with this given (i) the average tender price at 62.99% is significantly higher than reference market price immediately pre-tender (about 11 points higher than 52%); (ii) we do not have any influence on the various prices investors put in the tender, and we have accepted a wide range of prices per unmodified Dutch auction, based on each bondholder's individual bid; (iii) market price of the bonds has been quoted and traded in the 50s area for some time prior to the tender, which is absolutely outside of our control, and during the time that Moody's maintained its rating of B2 for BIM Land credit and bonds. During various investor calls, many investors regularly urged the Company to consider a buyback/tender to provide liquidity to the market and support the bonds. The tender exercise was in response to these requests. Upon the closing of the tender, market price on the bonds has rallied to around 70% - which is 18 points higher than pre-launch secondary prices (52%) and 7 points higher than average tender price (62.99%), a reflection of the market's positive reaction to the tender.
- BIM Land has been working hard to strengthen its balance sheet. By buying back 99m\$ notional at a discounted price, the Company is able to cancel \$37mn of debt, and reduce its indebtedness while also replacing \$62mn worth of bonds with longer tenure local currency debt, which should be deemed as a credit positive event instead of a negative one.
- The bond is not maturing until May 2026 and with sufficient maturity time ahead, the Company considers the buy back an opportunistic transaction especially in the context that we can secure sufficient and reliable sources to fund the tender offer. Moody's in its press release itself mentioned the Company has adequate liquidity to fund its cash needs and discretionary spending including upcoming debt service, operations, capex and dividends. This is contradictory with Moody's classification of distressed exchange which is a form of default in their definition.

Any further rating actions by Moody's is deemed one-sided and not supported by BIM Land.