



LIPPO MALLS INDONESIA RETAIL TRUST

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

## ANNOUNCEMENT UPDATE ON AGGREGATE LEVERAGE RATIO

LMIRT Management Ltd. (the “**Manager**”), in its capacity as manager of Lippo Malls Indonesia Retail Trust (“**LMIR Trust**”), wishes to update unitholders of LMIR Trust that based on information currently available to the Manager as at the date of this announcement, the Manager estimates that the aggregate leverage ratio of LMIR Trust is approximately between 45.0% to 45.2%. This marginally exceeds the applicable aggregate leverage limit of 45.0% for LMIR Trust as set out in Appendix 6 of the Code on Collective Investment Schemes (the “**Property Funds Appendix**”) compared to the aggregate leverage ratio of 43.7% as at 31 March 2024 as disclosed by the Manager on 26 April 2024.

The increase in the aggregate leverage ratio is mainly attributed to the significant 3.5% depreciation of Indonesian Rupiah against Singapore Dollar (being the functional currency of LMIR Trust) from SGD 1.00 : IDR 11,697 (as at 31 March 2024) to SGD 1.00 : IDR 12,117 (as at 24 June 2024), which reduces the value of the total assets of LMIR Trust when translated into Singapore Dollars. In addition, the marginal 0.9% appreciation of the United States Dollar against Singapore Dollar from USD 1:00 : SGD 1.3406 (as at 31 March 2024) to USD 1.00 : SGD 1.3531 (as at 24 June 2024) also contributed to the increase in the aggregate leverage ratio following the increase in the value of LMIR Trust’s outstanding USD Notes when translated into Singapore Dollars.

The Manager’s estimate of the aggregate leverage ratio of LMIR Trust as disclosed in this announcement is subject to the finalisation of the unaudited consolidated financial statements of LMIR Trust for the second quarter ending 30 June 2024. The actual aggregate leverage ratio of LMIR Trust as at 30 June 2024 may be different from the Manager’s estimate as disclosed in this announcement depending on the actual financial results of LMIR Trust and the prevailing USD and IDR exchange rates as at 30 June 2024. The Manager will make the necessary announcement once the information on the actual aggregated ratio is available.

**No breach of Aggregate Leverage Limit in the Property Funds Appendix:**

Pursuant to the Property Funds Appendix, the aggregate leverage limit is not considered to be breached if the limit is exceeded due to circumstances beyond the control of the Manager. A decline in the asset value of LMIR Trust as a consequence of a depreciation of foreign exchange is a circumstance beyond the control of the Manager. Accordingly, while LMIR Trust's aggregate leverage may exceed 45%, there is no breach of the aggregate leverage limit as defined by the Property Funds Appendix. Under the Property Funds Appendix, if the aggregate leverage limit is exceeded as a result of a depreciation in the asset value of the property fund, the Manager should not incur additional borrowings or enter into further deferred payment arrangements. Refinancing of existing borrowings is not construed as incurring additional borrowings.

In addition, the existing loans of LMIR Trust do not contain any financial covenants linked to the aggregate leverage limit and LMIR Trust remains in compliance with financial covenants in the existing loans of LMIR Trust.

Unitholders are reminded to exercise caution when dealing in the units of LMIR Trust. The Manager will provide an update as and when there are any material developments in accordance with the Listing Manual.

By Order of the Board

LMIRT MANAGEMENT LTD.

(As manager of Lippo Malls Indonesia Retail Trust)

(UEN/Company registration number: 200707703M)

Liew Chee Seng James

Executive Director and Chief Executive Officer

25 June 2024

## **Important Notice**

The value of Units and the income derived from them may fall as well as rise. The 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. 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 the SGX-ST. 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.

This document 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. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's view of future events.