



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

ANNOUNCEMENT RESPONSE TO SGX-ST QUERY

LMIRT Management Ltd., in its capacity as manager of Lippo Malls Indonesia Retail Trust (“**LMIR Trust**”, as manager of LMIR Trust, the “**Manager**”), sets out its response to the queries raised by the Singapore Exchange Trading Securities Trading Limited (“**SGX-ST**”) on 25 February 2022 in relation to LMIR Trust’s unaudited financial statements for the fourth quarter (“**4Q 2021**”) and full year ended 31 December 2021 (“**FY 2021**”) dated 22 February 2022 (the “**Results Announcement**”):

Question 1:

Please disclose the breakdown and nature of other non-financial liabilities amounting to \$132.2 million and whether the counterparties are related parties.

Manager’s Response to Question 1:

The non-financial liabilities amounting to \$132.2 million as at 31 December 2021 comprised security deposits and advance rental payment collected from tenants of LMIR Trust’s retail malls and retail spaces. Included in this amount, \$15.2 million are security deposits and advance rental payment from related parties.

Question 2:

Please disclose the reasons for and the factors that led to the allowance for impairment for trade receivables of \$12.1 million as at 31 December 2021 (as compared to \$8.3 million as at 31 December 2020) and whether any of the \$12.1 million relates to amounts owed by related parties. If so, please disclose the identities and the amount and reasons for the allowance for impairment.

Manager’s Response to Question 2:

Allowance for impairment for trade receivables were made based on the lifetime expected credit losses (“ECL”) model and Management assessment on specific tenants’ receivables based on their credit profile.

The allowance for impairment for trade receivables as at 31 December 2021 increased to \$12.1 million from \$8.3 million as at 31 December 2020 mainly due to additional allowance made for certain non-related party tenants whose credit profiles deteriorated due to the Covid-19 pandemic and delays in rental payment from them were experienced. The Manager and Property Manager are working closely together to recover such unpaid dues.

Out of the total allowance for impairment of trade receivables as at 31 December 2021, only approximately \$248,000, or 0.5% of the total trade receivables as at 31 December 2021 was attributable to related parties including PT. Maxx Coffee Prima (\$176,000), PT. Grahaputra Mandirikharisma (\$63,000) and PT. Mahkota Sentosa Utama (\$9,000). These related party tenants are operating in trade sectors that are significantly affected by Covid-19 pandemic and payment from them are delayed.

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

Singapore

1 March 2022

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