

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 EXTRAORDINARY GENERAL MEETING

PLACE : Mandarin Oriental Singapore, Level 1, Oriental Ballroom, 5 Raffles Avenue, Singapore 039797

DATE : Monday, 22 September 2025

TIME : 10.00 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 Extraordinary General Meeting (“**EGM**”) 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 explained that the purpose of the EGM was to seek Unitholders’ approval for the proposed rights issue and the proposed whitewash resolution. These proposals are important steps to strengthen LMIR Trust’s capital structure, address the near-term financing needs, and position the Trust for long-term resilience and sustainable growth. He added that LMIR Trust has faced a challenging operating environment - from the onset of the pandemic to more recent geopolitical conflicts and trade tensions, the retail sector in Indonesia has had to navigate persistent macroeconomic headwinds. Inflationary pressures, currency volatility, and cautious consumer sentiment have all contributed to a more subdued retail landscape.

3.2 Nevertheless, LMIR Trust continues to take strategic steps to rejuvenate its portfolio and attract both shoppers and tenants. The Trust has substantially completed AEI projects at four malls, with ongoing minor and major works at Lippo Plaza Ekalkasari Bogor, Palembang Square and Lippo Mall Nusantara. Following the extension of Cibubur Junction’s Cooperation Agreement to July

2045, the Trust also plans to embark on a major AEI project there to further enhance its market positioning and long-term competitiveness.

3.3 These AEIs have delivered encouraging results, including higher occupancy rates, better tenancy mix and increased asset valuations for these properties. Across the Trust's portfolio, occupancy rates have gradually improved, reaching 84.1% in the second quarter of 2025, which is well above the industry average of 77.1%, while shopper traffic has shown steady year-on-year recovery.

3.3 However, the operating landscape remains challenging, requiring prudent financial management. On the capital structure front, the Trust's gearing and interest coverage ratios have remained well within the regulatory limits as at 30 June 2025. The Trust continues to adopt a disciplined and proactive approach to capital management to maintain a sustainable balance sheet that can support both current operations and future growth.

3.4 The proposed rights issue would allow the Trust to raise capital for the repayment of existing loans, capital expenditure and general working capital. This will strengthen the Trust's financial position, enhance the Trust's financial flexibility and provide the Trust with the resources needed to continue to execute the Trust's portfolio rejuvenation strategy.

4 **NOTICE**

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

4.2 The Chairman informed the Unitholders that all resolutions tabled at the EGM 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. All resolutions tabled at the EGM were Ordinary Resolutions and would have to be carried by the affirmative votes of more than 50% of the total votes cast.

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 the proposed rights issue. 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 22 September 2025, is annexed to this Minutes as "**Annex A**".

6 **LIVE Q&A SESSION**

6.1 The questions received from the Unitholders in advance of the EGM, annexed to this Minutes as "**Annex B**", had been posted on SGXNet and LMIR Trust's website on 17 September 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 **ORDINARY RESOLUTION 1 - TO APPROVE THE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 9,005,267,676 RIGHTS UNITS TO RAISE GROSS PROCEEDS OF UP TO S\$63,036,873 ON A RENOUNCEABLE BASIS TO ELIGIBLE UNITHOLDERS (AS DEFINED IN THE CIRCULAR) ON A PRO RATA BASIS OF 117 UNITES FOR EVERY 100 EXISTING UNITS HELD AS AT THE RIGHTS ISSUE RECORD DATE (AS DEFINED IN THE CIRCULAR) (THE RIGHTS ISSUE) (CONDITIONAL ON RESOLUTION 2 BEING PASSED)**

8.1 Ordinary Resolution 1 was proposed by the Chairman:

8.2 "That subject to and contingent upon the passing of Resolution 2:

(a) approval be and is hereby given for issue of new units in LMIR Trust (the "Rights Units") under the non-underwritten renounceable rights issue (the "Rights Issue") on a pro rata basis of 117 Rights Units for every 100 existing units in LMIR Trust held as at the time and date on which the transfer books and register of Unitholders will be closed to determine the provisional allotments of the Rights Units to the Eligible Unitholders (as defined in the Circular), in the manner described in the Circular; and

(b) LMIRT Management Ltd. (in its capacity as manager of LMIR Trust) (the "Manager") and any director of the Manager, and Perpetual (Asia) Limited (in its capacity as trustee of LMIR Trust) (the "Trustee") be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, such director of the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interests of LMIR Trust to give effect to the issuance of the Rights Units."

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'
4,053,948,783	4,008,135,582	98.87	45,813,201	1.13

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

9 **ORDINARY RESOLUTION 2 - TO APPROVE THE PROPOSED WAIVER BY UNITHOLDERS OTHER THAN THE RELEVANT ENTITIES AND THEIR CONCERT PARTIES OF THEIR RIGHTS TO RECEIVE A GENERAL OFFER FOR THEIR UNITS FROM THE RELEVANT ENTITIES AND THE SPONSOR (THE WHITEWASH RESOLUTION)**

9.1 Ordinary Resolution 2 was proposed by the Chairman:

9.2 "That subject to and contingent upon the conditions in the letter from the Securities Industry Council dated 28 July 2025 being fulfilled, the Unitholders, other than Bridgewater International Limited ("BIL"), the Manager (BIL and the Manager, collectively, the "Relevant Entities") and their concert parties and parties not independent of them, hereby (on a poll taken) waive their rights to receive a general offer from the Relevant Entities and the Sponsor pursuant to Rule 14 of the Singapore Code on Take-overs and Mergers as a result of acquiring the Allotted Rights Units (as defined in the Circular)."

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'
400,798,149	354,451,349	88.44	46,346,800	11.56

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

10 **CONCLUSION**

10.1 There being no other business to transact, the Chairman declared the EGM closed at 11.22 a.m.

Confirmed as a True Record of Proceedings Held

Murray Dangar Bell
Chairman



Extraordinary General Meeting

22 September 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, LMIR 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.



Transaction Overview

Rights Issue	Up to 9,005,267,676 Rights Units <i>Approximately 117% of 7,696,809,979 Units in issue</i>
Entitlement	117 Rights Units for every 100 Existing Units
Issue Price	S\$0.007 per Rights Unit <i>a. Discount of approximately 50% of closing price of S\$0.014 per Unit on 28 July 2025</i> <i>b. Discount of approximately 30% of TERP of S\$0.010 per Unit</i> <i>c. Discount of approximately 82.3% and 77.0% to the pro forma NAV per Unit of:</i> <ul style="list-style-type: none"><i>▪ S\$0.0395 for the Minimum Scenario; and</i><i>▪ S\$0.0304 for the Maximum Scenario</i>
Gross Proceeds	Up to S\$63,036,873
Use of Proceeds	<ul style="list-style-type: none">• Repaying existing loans• Financing capital expenditure• General working capital

Sponsor's Commitment

Current Direct & Deemed Interest	3,652,141,233 Units <i>Representing approximately 47.5% of issued Units as at 28 July 2025</i>
Irrevocable Undertaking	4,273,005,243 Rights Units
Gross Proceeds	S\$29,911,037

Rationale

Repayment of existing loans, capital expenditure and general working capital

1

Growth initiatives

2

Continued AElS to rejuvenate portfolio to attract shoppers and tenants

Positive results: increased occupancy rates, better tenant mix, higher property valuations

Completed AElS: Sun Plaza, Bandung Indah Plaza, Plaza Medan Fair, Gajah Mada Plaza

Ongoing minor/major AElS: Lippo Plaza Ekalokasari Bogor, Palembang Square, Lippo Mall Nusantara

Planned AElS: Cibubur Junction

Expanded Market Cap

3

May facilitate improvement in trading liquidity

Higher visibility within the research and investment community

Use of Proceeds

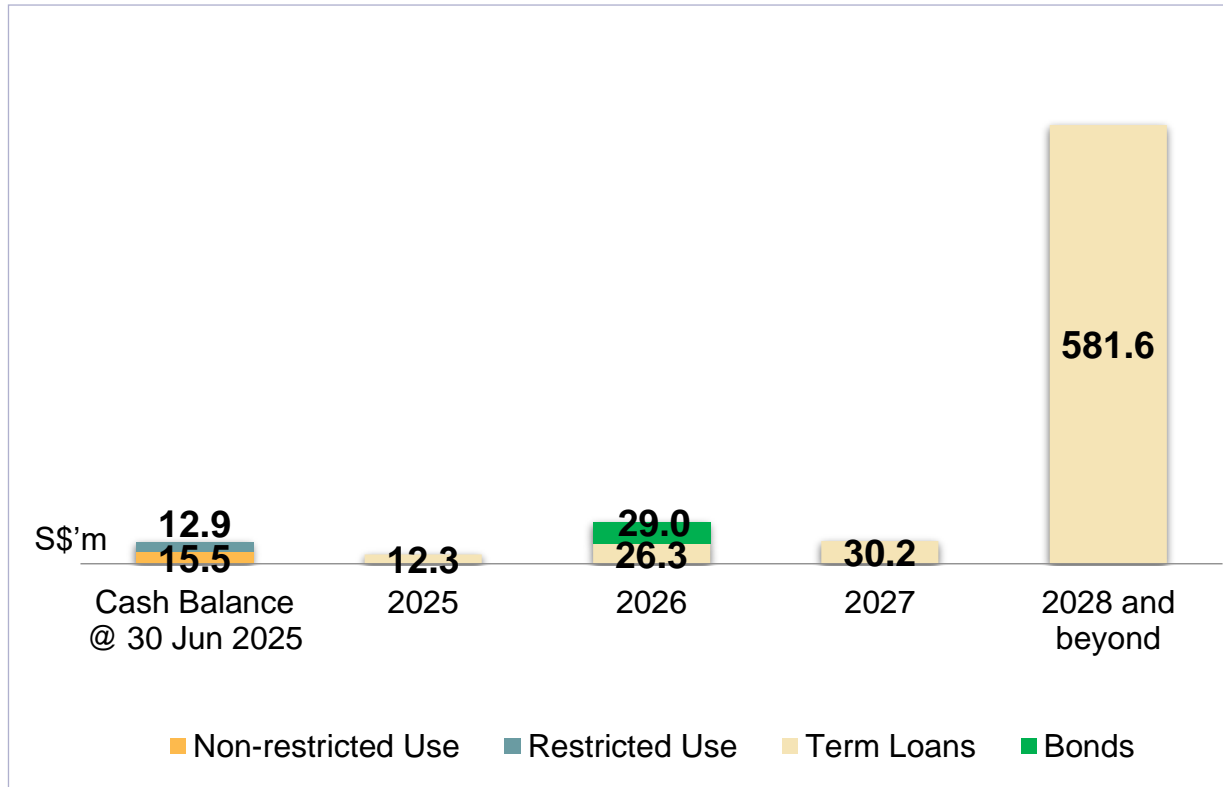
1. Assuming the Maximum Scenario, the Rights Issue is expected to raise gross proceeds of approximately S\$63,036,873 and net proceeds of approximately S\$62,304,000.
2. Assuming the Minimum Scenario, the Rights Issue is expected to raise gross proceeds of approximately S\$29,911,037 and net proceeds of approximately S\$29,178,000.

	Maximum Scenario		Minimum Scenario	
	Amount (S\$'000)	% of Net Proceeds	Amount (S\$'000)	% of Net Proceeds
Repayment of the outstanding 2026 Notes	29,139	46.8	29,139	99.9
Repayment of part of the IDR Loans ¹	17,729	28.5	39	0.1
Capital expenditure	13,436	21.6	-	-
General corporate and working capital	2,000	3.2	-	-

¹ IDR Loans consist of Secured Amortising Term Loan Facility of IDR 2.5 Trillion; Secured Amortising Term Loan Facility of IDR 1.5 Trillion; Secured Amortising Term Loan Facility of IDR 4.5 Trillion.

Debt Maturity Profile @ 30 June 2025

Total Debt	Gearing	Weighted Ave. Maturity of Debt	All-in Cost (exclude perpetual)
S\$679.4 m	43.86%	6.13 years	8.40%



As at 30 June 2025

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, 13 September 2024, 12 March 2025 and 15 September 2025, 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, 10 June 2024, 10 December 2024 and 10 June 2025, announced the cessation of distribution to holders of the perpetual securities.

Planned Asset Enhancement Initiatives (AEIs) – Cibubur Junction



Extension of Cibubur Junction's Cooperation Agreement to July 2045

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

AEI NLA: 34,113 sqm



Artist Impression of Cibubur Junction

Subject to change



Thank You



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RESPONSES TO QUESTIONS RECEIVED FROM A UNITHOLDER (ANNEX B)

1. Recently, there have been many riots in Indonesia, pls update unitholders if any of our shopping malls have been affected by it?
2. Please also detail the nature of the damages and the quantum of the damages incurred if any.
3. If our shopping malls have been damaged by the recent riots, pls detail if we have sufficient insurance coverage to cover all the damages incurred.

None of the malls under LMIR Trust suffered any physical damage by the riots. However, shopper traffic in retails malls situated close to the demonstration sites, was negatively impacted as consumers opted to stay away. Since the end of the demonstrations, shopper traffic has started to recover towards levels seen prior to the demonstrations.

4. Post rights issue, what will the gearing ratio of the REIT be? Please detail.
5. Post rights issue, what will the ICR (Interest Coverage Ratio) ratio of the REIT be? Please detail.

The *pro forma* financial effects of the Rights Issue on LMIR Trust's gearing and ICR as at 31 December 2024, as if the Rights Issue was completed on 31 December 2024 are as follows:

	FY2024	FY2024
	Minimum Scenario	Maximum Scenario
Gearing Ratio	42.91%	41.37%
ICR (Interest Coverage Ratio)	1.36* times	1.36* times

The *pro forma* financial effects of the Rights Issue presented above are **strictly for illustrative purposes only** and were prepared based on the audited consolidated financial statements of LMIR Trust and its subsidiaries for the financial year ended 31 December 2024 (“FY2024” and the audited consolidated financial statements of LMIR Trust and its subsidiaries for FY2024, the “FY2024 Audited Consolidated Financial Statements”)

* There is no change in the ICR as it is calculated by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties, and foreign exchange translation) (“EBITDA”) by the trailing 12 months’ consolidated interest expenses (excludes finance lease interest expenses under FRS 116), borrowing-related fees and distributions on hybrid securities in accordance with the Monetary Authority of Singapore’s Code on Collective Investment Schemes, Property Funds Appendix 6. Any improvements in ICR, if any, post Rights Issue, will only be seen in future quarters going forward.

The ICR as of 30 June 2025 as announced on 28 July 2025 was 1.53 times.

6. Post rights issue, will the REIT be able to resume dividend payments? Why and why not? Please detail and explain.

Depending on the actual level of the Rights Issue subscription, while the Rights Issue proceeds will reduce our debt levels and strengthen the Trust's capital structure, the Manager may need to continue to exercise prudence with respect to any distributions taking into consideration the ongoing macroeconomic challenges, the monthly principal loan repayment obligations of the Secured Amortising Term Loan Facility of IDR 2.5 Trillion, the Secured Amortising Term Loan Facility of IDR 1.5 Trillion and the Secured Amortising Term Loan Facility of IDR 4.5 Trillion, as well as the need for financial resources to support ongoing capital expenditure and asset enhancement initiatives.

7. How was the quantum of rights issue derived? Please detail and explain.

8. Why did the company only raise up to \$63 Million? Why not raise a higher quantum so as to bring our gearing back down to a more comfortable level so as to allow the REIT to resume dividend payment ASAP. Please detail and explain.

The Rights Issue quantum was determined after careful consideration of the Trust's immediate capital requirements and market conditions. The objective is to raise sufficient funds to strengthen the balance sheet, reduce near-term refinancing risks and provide greater financial flexibility, while also ensuring the fundraising size remained achievable in the current market environment. We believe this Rights Issue strikes an appropriate balance between lowering gearing, maintaining unitholder value and ensuring a successful and timely completion in the prevailing market environment.



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

1. Question/Comment:

The Trust has had several rights issues over the years but the unit price has fallen continuously since the IPO and is now just S\$0.014. On top of that, no distributions to unitholders have been made for many years. With the Indonesian government being tough on wealthy businessmen and job uncertainties, the current macro environment is not favourable for the Trust. After this rights issue, the unit price is likely to drop further. Can the Board give unitholders any assurance that the Trust can recover after this?

Answer:

The Board understands the frustrations that Unitholders have experienced.

The Trust has been operating under very challenging market conditions over the past few years including the pandemic, global economic headwinds affecting Indonesia, rising interest rates, and inflationary pressures. In recent years, the Manager has prioritized efforts on ensuring liquidity and stability of the Trust which is crucial for sustainable performance. A key part of this effort has been investing in Asset Enhancement Initiatives (AEIs), which are designed to improve the operational performance of the portfolio assets in order to maximise income potential and safeguard long-term value. At the same time, we have been actively restructuring the Trust's capital, including addressing debt obligations and optimizing the balance sheet, to ensure the Trust remains financially resilient in a volatile environment. Both the capital restructuring and AEIs are important at this juncture. Without these measures, the Trust would face potential operational challenges and diminished asset performance, which could negatively impact unitholder value. Therefore, the decision was made to withhold distributions.

The Trust is now in a stronger position than a year ago. While we are not yet ready to fully resume distributions, we are moving closer to doing so as the benefits from capital restructuring and AEIs begin to take effect. These steps are necessary to secure a sustainable future for the Trust and its Unitholders.



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2. Question/Comment:

You mentioned that geopolitical conditions have affected the Trust's performance. However, Indonesia is one of the largest economies in ASEAN, and given this, the current performance is very disappointing. What steps are you taking to improve the situation? How can you assure Unitholders that the Trust's future performance will strengthen and that distributions will resume?

Answer:

In recent years, we have observed a clear shift in the retail mix with increasing demand for family entertainment, food and beverage offerings, and growing interest from Chinese retailers. This evolving landscape thus makes it essential for us to execute the AElS quickly so that our malls remain relevant to consumer trends and continue to attract footfall.

Our strategy is centred on two key fronts – the AElS and capital restructuring. AElS allow us to upgrade and reposition our malls in response to changing retail trends, while capital restructuring strengthens the Trust's financial foundation. These measures are both essential to support the Trust's stability, resilience, and long-term recovery.

We also recognise that currency fluctuations have posed significant challenges to the Trust in the past. Thus, to address this, we have switched our debts into IDR financing. This not only mitigates currency risks but also allows us to benefit from lower interest rates, thereby strengthening our capital management.

In terms of operations, our portfolio occupancy levels have shown encouraging progress. Before COVID, occupancy stood at around 90%, and we are now approaching those pre-pandemic levels again. To put this into perspective, filling just 5% of our total portfolio's net lettable area is equivalent to leasing out an entire mall equivalent to the size of ION Orchard in Singapore. Specifically, when we acquired Lippo Mall Puri in 2020, occupancy was approximately 80% (with master lease support). Today, that figure has improved significantly to nearly 95%. This demonstrates that time and effort are required to bring in new tenants that will show tangible progress in improving our asset performance.

We are also actively expanding our tenant base, particularly with Chinese retailers and also moving swiftly into the entertainment sector to match shifting consumer preferences. We have also been engaging with overseas tenants to further diversify and strengthen our retail mix. These combined efforts are already reflected in our improving financial performance evidencing that the Trust is beginning to turn the corner. That said, the Trust must continue to prioritize addressing debt obligations, as this remains a significant issue in stabilizing the Trust's performance. Once these are managed, we are confident that the Trust will be in a better position to resume distributions to unitholders in the future.



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3. Question/Comment:

As a Unitholder, my concern is that Management seems to be constantly firefighting and fundraising is only being carried out now, just months before the debts are due. Shouldn't Management be more forward-looking and conduct a strategic review of the overall situation? The retail landscape is only going to get tougher with strong competition from online retailers. Would it not be timely for the Trust to consider diversifying into other sectors, such as warehousing or logistics, which are supported by the growth of online shopping, rather than relying solely on retail? In addition, shouldn't the Sponsor demonstrate its commitment by considering a shareholder loan? Many of us have been long-time unitholders, and with the steep fall in unit price, confidence in the Trust's turnaround is very low. What steps will Management take to restore confidence and ensure the future viability of the Trust?

Answer:

The Board acknowledges that the ongoing shift in the global retail has intensified the operating environment for retail mall businesses and making retail mall operations more challenging. In response, the Trust is proactively refreshing and diversifying the tenant mix to better align with evolving consumer trends and to strengthen the long-term resilience of the malls. One example is Playtopia, a large indoor children's playground and entertainment concept in Indonesia, has been introduced to broaden family-oriented offerings in some of our malls. The Sponsor is aligned with the Board's strategic approach and is committed to supporting the long-term strategic growth of the Trust and this demonstrated by its undertaking to take up its rights issue entitlements in full.



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4. Question/Comment:

External headwinds impact all retail malls, not just ours. Other REITs also face similar challenges and undertake AEs, yet many of them are still able to sustain distributions to unitholders and maintain relatively stable unit prices. In contrast, our unit price has declined significantly. How does the Manager plan to differentiate our malls and drive sustainable growth, beyond relying on unitholders for funding during difficult periods? Our Singapore malls host many activities to attract footfall. What is needed is not only AEs, but also meaningful initiatives and activities within the malls to drive footfall.

Answer:

Singapore malls benefit from good public transportation linkages as well as Singapore being a central hub for Southeast Asia, which makes it an attractive starting point for tenants. Many Chinese retailers, for instance, use Singapore as a springboard to expand into other SEA markets. Indonesia, on the other hand, has a much larger population, predominantly middle-income class, and our popular malls such as Sun Plaza and Palembang Icon have near-full tenant occupancy with numerous ongoing activities too. The malls in Indonesia are larger in size compared to typical Singapore malls hence Singapore malls may appear visually packed with more footfall. Larger malls in Indonesia or even in Dubai naturally feel more spacious. Singapore holds a unique position in SEA due to its efficient infrastructure, whereas Indonesia is a vast country with a different market dynamic. LMIRT malls are positioned to serve the middle-income segment, which is attractive to many tenants. Chinese retailers entering Indonesia often use Lippo malls as a springboard for market entry.

While we are beginning to see positive momentum, as explained earlier, this process will take time. For example, Cibubur Junction, located at a prime transport hub, is well-positioned, and we believe that the planned AEI will enhance footfall and mall performance. The Trust continues to operate in an uncertain environment, and we remain focused on optimizing our tenant mix and strengthening the overall positioning of our malls.



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5. Question/Comment:

I understand that the Board believes the Trust is turning the corner, but I have a few comments:

First, the Trust owns many malls and is one of the biggest players in Indonesia. Why not consider selling some underperforming assets? For example, selling LMP could have raised funds to refinance upcoming debts. It seems the Manager wants to keep everything, whereas other REITs raise funds mainly to grow. Raising money just to make ends meet raises questions about management's credibility.

Second, asking Unitholders for funds without a clear plan makes it hard for us to have confidence. Could non-performing malls be sold back to the Sponsor instead? We want to support the Trust, but only if we are confident it is moving in the right direction.

Finally, there's no guidance on when distributions might resume. If the Trust demonstrates more confidence in resuming distribution, unitholders would be more inclined to invest. Without that confidence, it is hard for Unitholder to invest further.

Answer:

Regarding the question on the disposal of non-performing assets, the Trust is always opened to the option of divesting such assets. It is correct that selling LMP could potentially generate proceeds to refinance our debt. However, LMP is our flagship mall, and it remains highly sought after by tenants. Selling LMP would undermine our competitiveness in Indonesia, as it is central to our leasing strategy. We often use LMP as a key anchor to attract tenants to other malls in our portfolio. Without it, the attractiveness of our overall portfolio diminishes and we would be left with fewer higher-yielding assets. That said, we continue to explore opportunities to sell certain strata spaces, such as those previously occupied by Hypermart. Where a sale makes strategic and financial sense, the Trust remains open to divestment and will continue to pursue such opportunities.

Regarding distribution guidance, the Directors are bound by regulatory requirements in Singapore and are therefore unable to provide a forecast on when distributions may resume. While we understand Unitholders would like more clarity, all we can say is that the Trust is in a stronger position now compared to 1.5 years ago. With the corporate refinancing nearing completion and operational turnaround underway, we hope this provides unitholders with some confidence. The next refinancing is expected only a few years down the line and this will give the Trust some space to focus on optimising performance with a view to resuming distributions in the near future.



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6. Question/Comment:

I noted that the Rights Issue is not underwritten, which means that if it is under-subscribed, the Trust will have to accept whatever proceeds that are raised. My understanding is that while the Sponsor will subscribe in full for its entitlement, it will not be taking up any excess units not subscribed by minority unitholders. This raises a concern on confidence. If the Sponsor is not prepared to take up the excess, it sends a negative signal to Unitholders. If the Sponsor is to commit to taking up the excess, it would provide greater assurance that the Trust will secure the intended funds for refinancing. Otherwise, the Trust risks falling short of the amount required to address its debt obligations.

I noticed that many debts would fall due in 2028. Will there be another right issue exercise again come then?

Answer:

The Rights Issue has been priced at an attractive discount. The Sponsor has committed to taking up its full entitlement while also providing minority unitholders with the opportunity to subscribe at this favourable pricing. The Board has noted the concerns raised by Unitholders today and hopes that minority Unitholders will likewise take up their entitlements. The Board will feedback to the Sponsor on Unitholders' concerns about it not subscribing for any excess rights and its implications with respect to confidence in the Trust.

We will explore alternative options to refinance the 2028 debt obligations. The Board recognises that a rights issue may be dilutive to minority unitholders. With the current trend of declining interest rates, there may be other opportunities available for the Trust to restructure its debt. For now, our immediate focus is on addressing the 2026 debt, and once that is resolved, the Trust will have more time and flexibility to evaluate refinancing options for the 2028 maturities.