

(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 28 January 2019 (as amended and restated on 10 September 2019))

UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE PERIOD FROM 2 OCTOBER 2019 (LISTING DATE) TO 31 DECEMBER 2019

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The sole financial advisor and sole issue manager for the Offering is DBS Bank Ltd. DBS Bank Ltd. and Citigroup Global Markets Singapore Pte. Ltd. are the joint global coordinators, bookrunners and underwriters for the Offering.

LENLEASE GLOBAL COMMERCIAL REIT

UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE PERIOD FROM 2 OCTOBER 2019 (LISTING DATE) TO 31 DECEMBER 2019

Introduction

Lendlease Global Commercial REIT (“LREIT”) is a Singapore real estate investment trust constituted by the Trust Deed dated 28 January 2019 (as amended and restated on 10 September 2019). It is principally regulated by the Securities and Futures Act, Chapter 289 of Singapore, the Code on Collective Investment Schemes issued by the MAS (“CIS Code”), including Appendix 6 of the CIS Code (the “Property Funds Appendix”), other relevant regulations and the Trust Deed. LREIT was listed on the Mainboard of Singapore Exchange Securities Trading Limited (“SGX-ST”) on 2 October 2019 (“Listing Date”).

The Sponsor, Lendlease Corporation Limited (“Sponsor” or “Lendlease Corporation”), is part of the Lendlease Group, comprising Lendlease Corporation, Lendlease Trust and their subsidiaries (the “Lendlease Group”, and the Sponsor and its subsidiaries, the “Sponsor Group”). The Lendlease Group is a leading international property and infrastructure group with operations in Australia, Asia, Europe and the Americas and is listed on the Australian Securities Exchange.

The Manager is Lendlease Global Commercial Trust Management Pte. Ltd. (the “Manager”), an indirect wholly-owned subsidiary of the Sponsor.

The Trustee of LREIT is RBC Investor Services Trust Singapore Limited (the “Trustee”).

LREIT is established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of stabilised income-producing real estate assets located globally, which are used primarily for retail and/or office purposes, as well as real estate-related assets in connection with the foregoing.

LREIT completed the acquisition of its initial portfolio on the Listing Date. The initial portfolio comprises a leasehold interest in one retail property located in Singapore and a freehold office property located in Milan, Italy (the “Properties”).

The details of each of these properties are as follows:

- (i) a 99¹-year leasehold interest in 313@somerset, which is a retail property located in Singapore (the “Singapore Property”); and
- (ii) a freehold interest in Sky Complex, which comprises three office buildings located in Milan, Italy (the “Milan Property”).

Footnotes:

1. Commencing on 21 November 2006 and ending on 20 November 2105.

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Financial Statements Presentation

As disclosed in the Prospectus, SGX-ST granted LREIT a waiver from compliance with Rule 705(2)(b) of the SGX-ST Listing Manual in relation to the announcement of results for the financial quarter ended 30 September 2019 on the basis that LREIT did not have any meaningful financial results for the quarter as it was a private trust and the Properties had not been acquired. Accordingly, LREIT is announcing its first financial results for the period from the Listing Date to 31 December 2019. No comparative figures have been presented as LREIT was dormant from its date of constitution, 28 January 2019 to the Listing Date.

Any discrepancies in the tables included in this announcement between the listed amounts and the totals thereof are due to rounding.

Distribution Policy

LREIT intends to make distributions to Unitholders semi-annually and will distribute at least 90.0% of its adjusted net cashflow from operations for each financial year. The actual level of distribution will be determined at the Manager's discretion.

The first distribution will be for the period from 2 October 2019 to 31 December 2019 and will be paid on or before 31 March 2020. LREIT intend to distribute 100.0% of LREIT's adjusted net cashflow from operations for the period from the Listing Date to the end of 30 June 2021.

Summary of Lendlease Global Commercial REIT Group Results

	GROUP	
	2 Oct 2019 (Listing Date) to 31 Dec 2019	
	Actual	Forecast ^A
Gross Revenue (S\$'000)	21,407	21,199
Net Property Income (S\$'000)	16,180	15,678
Amount Distributable (S\$'000)		
- to Unitholders	15,012	14,661
Available Distribution per Unit ("DPU") (cents)	1.29	1.25
Annualised Distribution yield (%) ^B		
Based on IPO listing price of S\$0.88	5.86%	5.68% ^C
Based on closing price of S\$0.93 ^D	5.54%	5.38%

Footnotes:

A. The Forecast is derived from the forecast year 1 October 2019 to 30 June 2020 as disclosed in the Prospectus. This footnote is applicable from page 3 to page 18.

B. The annualised distribution yield from Listing Date to 31 December 2019 is on a pro-rata basis of 91 days.

C. The Forecast yield from Listing Date to 30 June 2020 is 5.80% as per the Prospectus.

D. As at 31 December 2019 closing price.

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1(a)(i) Consolidated Statement of Profit or Loss and Distribution Statement

	GROUP		
	2 Oct 2019 to 31 Dec 2019		
	Actual (S\$'000)	Forecast ^A (S\$'000)	Variance %
Gross revenue	21,407	21,199	1.0
Property operating expenses	(5,227)	(5,521)	(5.3)
Net property income	16,180	15,678	3.2
Manager's Base Fee	(951)	(924)	2.9
Manager's Performance Fee	(809)	(784)	3.2
Other management fees	(185)	(173)	6.9
Trustee's fee	(49)	(55)	(10.9)
Other trust expenses ¹	(449)	(375)	19.7
Net unrealised foreign exchange gain ²	5,016	-	NM
Finance income	66	-	NM
Finance costs ³	(2,455)	(2,703)	(9.2)
Profit before tax and change in fair value	16,364	10,664	53.5
Net change in fair value of investment properties ⁴	(48,997)	(48,230)	1.6
Net change in fair value of derivative financial instruments ⁵	(20)	-	NM
Loss before tax	(32,653)	(37,566)	(13.1)
Tax expense	-	(45)	(100.0)
Loss after tax attributable to Unitholders before distribution adjustments	(32,653)	(37,611)	(13.2)
Add: Distribution adjustments ⁶	47,665	52,272	(8.8)
Amount available for distribution to Unitholders (Note A)	15,012	14,661	2.4

NM: Not meaningful

Footnotes:

1. Other trust expenses include recurring operating expenses such as annual listing fees, auditing and tax advisory fees, valuation costs, investor communication costs and other miscellaneous expenses.

2. Net unrealised foreign exchange gain comprises mainly revaluation of Euro denominated loan.

3. Finance costs comprise interest expense and amortisation of debt-related transaction costs.

4. All transaction costs directly attributable to the acquisition of the Properties have been capitalised in accordance with IAS 40. This is then recorded as a fair value change in the profit or loss statement from revaluation of investment properties. This is a non-tax chargeable/ deductible item and therefore does not affect income available for distribution to Unitholders.

5. Comprises mainly net change in fair value of interest rate swaps, options and currency forwards which were entered to hedge interest rate and foreign currency risks. This is a non-tax chargeable/ deductible item and therefore does not affect income available for distribution to Unitholders.

6. Comprise 100.0% of the Manager's Base Fee and Performance Fee payable in Units, property management fee to be paid in units, net change in fair value of investment properties and derivative financial instruments, amortisation of debt-related transaction costs, Incentive Amounts and other adjustments related to non-cash or timing differences in income and expenses.

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1(a)(i) Consolidated Statement of Profit or Loss and Distribution Statement

Note A

Distribution from:

- operations

- capital returns

GROUP		
2 Oct 2019 to 31 Dec 2019		
Actual (S\$'000)	Forecast ^A (S\$'000)	Variance %
10,325	14,661	(29.6)
4,687	-	NM

NM: Not meaningful

1(a)(ii) Consolidated Statement of Comprehensive Income

Loss after tax

*Item that may be reclassified subsequently to
profit or loss:*

Other comprehensive income:

Net currency translation differences relating to
financial statement of foreign subsidiary

Total comprehensive income

GROUP		
2 Oct 2019 to 31 Dec 2019		
Actual (S\$'000)	Forecast ^A (S\$'000)	Variance %
(32,653)	(37,611)	(13.2)
(5,035)	-	NM
(37,688)	(37,611)	0.2

NM: Not meaningful

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UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE PERIOD FROM 2 OCTOBER 2019 (LISTING DATE) TO 31 DECEMBER 2019

1(b)(i) Statement of Financial Position

	Note	GROUP	LREIT
		31 Dec 2019 (S\$'000)	31 Dec 2019 (S\$'000)
Current assets			
Cash and cash equivalents		88,482	77,305
Trade and other receivables		11,458	3,266
Other current assets		1,667	1,620
Derivative financial instruments ¹		116	116
		101,723	82,307
Non-current assets			
Investment properties	i	1,398,052	1,002,066
Investment in subsidiary		-	435,245
Other receivables		14,593	-
Other non current assets		2,016	2,016
Derivative financial instruments ¹		1,516	1,516
		1,416,177	1,440,843
Total assets		1,517,900	1,523,150
Current liabilities			
Trade and other payables		45,014	37,807
Derivative financial instruments ¹		18	18
		45,032	37,825
Non-current liabilities			
Loans and borrowings		510,696	510,696
Derivative financial instruments ¹		1,634	1,634
		512,330	512,330
Total liabilities		557,362	550,155
Net assets		960,538	972,995
Represented by:			
Unitholders' funds		960,538	972,995
NAV per Unit (S\$) ²		0.82	0.83

Footnotes:

1. Derivative financial instruments reflect the fair value of interest rate swaps, options and currency forwards which were entered to hedge interest rate and foreign currency risks.

2. Please refer to Paragraph 7 on net asset value ("NAV") and net tangible asset ("NTA") backing per unit based on issued units at the end of the period.

LENDLEASE GLOBAL COMMERCIAL REIT

UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE PERIOD FROM 2 OCTOBER 2019 (LISTING DATE) TO 31 DECEMBER 2019

1(b)(i) Statement of Financial Position

Notes to the Statements of Financial Position

i Investment properties

	GROUP
	31 Dec 2019 (S\$'000)
Property	
313@somerset	1,002,066
Sky Complex	395,986
Investment Properties	1,398,052

	GROUP
	2 Oct 2019 to 31 Dec 2019 (S\$'000)
As at 2 October 2019 (Listing Date)	-
Acquisitions (including acquisition costs)	1,451,648
Capital expenditure	66
Currency translation difference	(4,665)
Net change in fair value of investment properties	(48,997)
As at 31 December 2019	1,398,052

1(b)(ii) Aggregate Amount of Loans and Borrowings

	GROUP	LREIT
	31 Dec 2019 (S\$'000)	31 Dec 2019 (S\$'000)
Unsecured loans and borrowings		
Amount repayable after one year	529,225	529,225
Less: unamortised transaction costs	(18,529)	(18,529)
	510,696	510,696

Details of loans and borrowings

On 2 October 2019, the Group has put in place an unsecured 4-year Euro term loan facility at €285.0 million (S\$429.9 million) and an unsecured 3-year Singapore dollar term loan facility of S\$99.3 million (collectively, the "Facilities").

The interest payables on the Facilities are on a floating basis. The Group has entered into interest rate swap and options to hedge the interest rate risk.

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1(c) Consolidated Statement of Cash Flow

	GROUP
	2 Oct 2019 to 31 Dec 2019 (S\$'000)
Operating activities	
Loss after tax	(32,653)
Adjustments for:	
Manager's fee payable in Units	1,760
Property Manager's fee payable in Units	470
Finance income	(66)
Interest expense	1,163
Amortisation of debt-related transactions costs	1,292
Net unrealised foreign exchange gain	(5,016)
Net change in the fair value of investment properties	48,997
Net change in fair value of derivatives financial instruments	20
Operating income before working capital changes	15,967
Changes in working capital:	
Trade and other receivables	(27,984)
Trade and other payables	24,159
Other current assets	(2,016)
Cash generated from operating activities	10,126
Investing activities	
Interest received	66
Acquisition of investment properties	(1,447,004)
Cash flows used in investing activities	(1,446,938)
Financing activities	
Proceeds from issuance of new units	1,027,792
Payment of issue costs ¹	(16,048)
Proceeds from loans & borrowings	534,237
Payment of financing expenses	(19,821)
Interest paid	(713)
Cash flows generated from financing activities	1,525,447
Net increase in cash and cash equivalents	88,635
Cash and cash equivalents at beginning of the period	-
Effect of exchange rate changes on balances held in foreign currency	(153)
Cash and cash equivalents at end of the period	88,482

Footnotes:

1. Issue costs comprise underwriting and selling commission, professional and other fees, and miscellaneous issue expenses.

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UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE PERIOD FROM 2 OCTOBER 2019 (LISTING DATE) TO 31 DECEMBER 2019

1(d)(i) Statement of Movements in Unitholders' Funds

	GROUP	LREIT
	28 Jan 2019 to 31 Dec 2019 (S\$'000)	28 Jan 2019 to 31 Dec 2019 (S\$'000)
Operations		
As at 28 January 2019 (Date of Constitution)	-	-
Loss after tax attributable to Unitholders	(32,653)	(25,231)
Balance as at end of the period	(32,653)	(25,231)
Unitholders' contribution		
As at 28 January 2019 (Date of Constitution)	*	*
Issue of new units on the Listing Date	1,027,792	1,027,792
Issue costs ¹	(29,566)	(29,566)
Balance as at end of the period	998,226	998,226
Foreign currency translation reserve		
As at 28 January 2019 (Date of Constitution)	-	-
Translation differences relating to financial statements of foreign subsidiary	(5,035)	-
Balance as at end of the period	(5,035)	-
Total Unitholders' funds as at end of the period	960,538	972,995

* Less than S\$1,000.

Footnotes:

1. Issue costs comprise underwriting and selling commission, professional and other fees, and miscellaneous issue expenses.

1(d)(ii) Details of Any Change in Units

	28 Jan 2019 to 31 Dec 2019 (Units)
As at 28 January 2019 (Date of Constitution)	3
<u>New units issued</u>	
Issue of new units on the Listing Date	1,167,945,997
Total issued units as at end of the period ¹	1,167,946,000

Footnotes:

1. There were no convertibles and treasury units held by LREIT and its subsidiaries as at 31 December 2019.

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- 2 Whether the figures have been audited, or reviewed and in accordance with which standard (eg. the Singapore Standard on Auditing 910 (Engagement to Review Financial Statements), or an equivalent standard)**

The figures have not been audited nor reviewed by our auditors.

- 3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)**

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied**

The Group has applied the same accounting policies and methods of computation as described in the Prospectus dated 25 September 2019 in the preparation of the consolidated financial statements for the current reporting period.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not applicable.

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6 Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU") for the financial period (Group)

In computing the EPU, the weighted average number of units as at the end of each period is used for the computation. The diluted EPU is the same as the basic EPU as there are no dilutive instruments in issue during the period.

	2 Oct 2019 to 31 Dec 2019
Weighted average number of units in issue	1,155,250,935
Earnings per unit ("EPU") (cents)	1.42

	2 Oct 2019 to 31 Dec 2019
No. of units in issue at end of the period	1,167,946,000
Distribution per unit ("DPU")	
Based on number of units in issue at end of the period (cents)	1.29

7 Net Asset Value ("NAV") and Net Tangible Asset ("NTA") Per Unit

	GROUP	LREIT
	31 Dec 2019	31 Dec 2019
NAV/ NTA per unit (S\$) ¹	0.82	0.83
Adjusted NAV/ NTA per unit (excluding the amount distributable) (S\$)	0.81	0.82

Footnotes:

1. NTA per unit was the same as NAV per unit as there was no intangible asset as at the statement of financial position date.

LENLEASE GLOBAL COMMERCIAL REIT

UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE PERIOD FROM 2 OCTOBER 2019 (LISTING DATE) TO 31 DECEMBER 2019

8 Review of performance

Please refer to “Variance Between Actual and Forecast Results” for a review of the actual results for the period from Listing Date to 31 December 2019 against the forecast as disclosed in the Prospectus.

9 Variance between Actual and Forecast Results

<u>Consolidated Statement of Profit or Loss</u>	GROUP		
	2 Oct 2019 to 31 Dec 2019		
	Actual (S\$'000)	Forecast ^A (S\$'000)	Variance %
Gross revenue	21,407	21,199	1.0
Property operating expenses	(5,227)	(5,521)	(5.3)
Net property income	16,180	15,678	3.2
Manager's Base Fee	(951)	(924)	2.9
Manager's Performance Fee	(809)	(784)	3.2
Other management fees	(185)	(173)	6.9
Trustee's fee	(49)	(55)	(10.9)
Other trust expense	(449)	(375)	19.7
Net unrealised foreign exchange gain	5,016	-	NM
Finance income	66	-	NM
Finance costs	(2,455)	(2,703)	(9.2)
Profit before tax and change in fair value	16,364	10,664	53.5
Amount available for distribution to Unitholders	15,012	14,661	2.4
Available distribution per unit (cents)	1.29	1.25	3.1

Actual vs Forecast

Actual gross revenue of S\$21.4 million for the period was S\$0.2 million or 1.0% higher than forecast. The revenue growth was mainly attributed to leases at 313@somerset, partly offset by lower revenue from Sky Complex due to weaker Euro. As the income streams are substantially hedged, the impact of currency movements to the distribution is mitigated.

Property operating expenses was S\$0.3 million or 5.3% lower than forecast. The lower expenses were mainly attributed to lower repair & maintenance expenses, property taxes, and operating expenses.

As a result, net property income for the period was S\$0.5 million or 3.2% higher than forecast.

Finance costs were lower by S\$0.2 million or 9.2%, mainly due to lower effective interest cost achieved through hedging.

After accounting for management fees and other trust expenses, the amount distributable to Unitholders was S\$15.0 million, translating to a DPU of 1.29 cents, which is 3.1% or 0.04 cents higher than forecast.

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10 Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

According to the International Monetary Fund, the global economy is projected to grow by 3.3%¹ in 2020, a downward revision of 0.1 percentage point from the previous projection. The downward revision reflects risks and uncertainties surrounding geopolitical tensions and ongoing protectionism and trade disputes between China and the United States (“US”), the United Kingdom’s departure from the European Union and tensions in the Middle East between the US and Iran.

In the US, the Federal Reserve has kept monetary policy at low levels after cutting interest rates last year, and other countries have followed the downward trend in rates. The lower interest rates will likely support private investments and bodes well for investment markets and asset valuations.

More recently, the novel coronavirus outbreak infection continues to rise. Authorities have imposed travel restrictions to limit the flow of visitors with recent travel history to Mainland China into their countries. This could impact consumers’ sentiment in the short term. Further escalation of the situation could result in a negative impact to tourism numbers, affecting sectors such as hospitality, tourism, retail and airline.

Singapore Retail Sector

According to the latest forecast from the Ministry of Trade and Industry, Singapore economy is expected to grow between 0.5% and 2.5% in 2020², a modest pickup compared with 2019.

The retail sector continues to evolve and is adjusting to a more dynamic trading environment driven by changing consumer behaviours. The growth in ecommerce is precipitating new strategies, with retailers adopting omnichannel offerings to capture both physical and online traffic. This highlights the importance, and the complementary relationship, of having both a physical and virtual store. Retail space market fundamentals look encouraging with little supply expected over the next 2 to 3 years³. These point to a tightening vacancy environment which will support a modest rental growth.

The vision to rejuvenate Orchard Road augur well with our Singapore property, 313@somerset, as the new plan will see Somerset be developed as a youth hub with new lifestyle options.

Furthermore, there could be a potential transformation of the Grange Road open-air carpark, adjacent to 313@somerset, into a dedicated event space. The Master Plan 2019, which is the statutory land use plan that guides the physical development of Singapore over the next 10 to 15 years, was officially gazetted on 27 November 2019. The gazette formalises the increase in permissible plot ratio for 313@somerset from 4.9+ (based on Masterplan 2014) to 5.6, resulting in a potential increase of up to 1,008 square metres of gross floor area based on 313@somerset’s current gross floor area. The Manager is currently in the midst of studying the opportunities to deploy the additional areas to improve the offering of the mall.

¹ International Monetary Fund, World Economic Outlook, January 2020

² Ministry of Trade and Industry, MTI Forecasts GDP to Grow by “0.5 to 1.0 Per Cent” in 2019 and “0.5 to 2.5 Per Cent” in 2020, 21 November 2019

³ JLL, Singapore Retail Forecast 3Q 2019

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10 Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months (cont'd)

Milan Office Sector

The Italian National Institute of Statistics projected the Italian economy to grow 0.6%⁴ for 2020 mainly driven by domestic demand. Labour market conditions are expected to improve at a moderate pace with employment growth to remain unchanged at 0.7%⁴ in 2020.

The office sector in Milan continues to improve. Solid demand and take-up of office space has led to tightening of vacancy in 2019. The supply pipeline remains limited with sizeable new additions expected over the next two years⁵. The investment market over 2019 has remained active with robust interest both from domestic and foreign investors for office assets.

Conclusion

Overall, the Manager continues to focus on active asset, lease and capital management, and will seek investment opportunities to deliver long-term value to unitholders.

⁴ ISTAT, Italy's Economic Outlook 2019-2020 dated 4 December 2019

⁵ CBRE, Milan Office MarketView 3Q 2019

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11 Distributions

(a) Current financial period

Any distributions declared for the current financial period? Yes

Name of distribution: 1st distribution for the period from 2 October 2019 to 31 December 2019

Distribution type: Income / Capital

Distribution rate: Taxable Income – 0.89 cents per unit
Capital – 0.40 cents per unit

Par value of units: Not meaningful

Tax rate: Taxable Income Distribution
Qualifying investors and individuals (other than those who hold their units through a partnership) will generally receive pre-tax distributions. These distributions are exempt from tax in the hands of individuals unless such distributions are derived through a Singapore partnership or from the carrying on of a trade, business or profession.

Qualifying foreign non-individual investors and qualifying non-resident funds will receive their distributions after deduction of tax at the rate of 10%.

All other investors will receive their distributions after deduction of tax at the rate of 17%.

Capital Distribution
Capital Distribution represents a return of capital to Unitholders for Singapore income tax purposes and is therefore not subject to income tax. For Unitholders who are liable to Singapore income tax on profits from sale of LREIT Units, the amount of Capital Distribution will be applied to reduce the cost base of their LREIT Units for Singapore income tax purposes.

(b) Date payable: 16 Mar 2020

(c) Books closure date: 18 Feb 2020

(d) Corresponding period of the preceding financial period

Any distribution declared for the corresponding period of the immediate preceding financial period?

Not applicable.

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12 If no distribution has been declared / recommended, a statement to that effect

Not applicable.

13 General mandate from Unitholders for Interested Person Transactions

No general mandate had been obtained from the Unitholders for Interested Person Transactions.

14 Segmented revenue and results for geographical segments

GROUP				
2 Oct 2019 to 31 Dec 2019				
	Actual		Forecast ^A	
	S\$'000	%	S\$'000	%
<u>Total Gross Revenue</u>				
Singapore	15,338	71.6	15,098	71.2
Milan	6,069	28.4	6,101	28.8
	21,407	100.0	21,199	100.0

GROUP				
2 Oct 2019 to 31 Dec 2019				
	Actual		Forecast ^A	
	S\$'000	%	S\$'000	%
<u>Net Property Income</u>				
Singapore	10,687	66.1	10,172	64.9
Milan	5,493	33.9	5,506	35.1
	16,180	100.0	15,678	100.0

15 In the review of the performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to section 8 for review of actual performance.

16 Confirmation pursuant to Rule 720(1) of the Listing Manual

We, on behalf of the board of directors of the Manager, confirm that the Manager has procured undertakings from all its directors and executive officers in the form as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

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UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE PERIOD FROM 2 OCTOBER 2019 (LISTING DATE) TO 31 DECEMBER 2019

17 Use of Proceeds from Initial Public Offering

The use of proceeds raised from the initial public offering and the issuance of the Lendlease SREIT Sub-Trust Units, the Cornerstone Units¹ and the IPO Acquisition Fee Units, as well as proceeds from the Facilities, is in accordance with the stated uses and amounts allocated as disclosed in the prospectus, and is set out below:

	Amount allocated	Amount utilised	Balance
	S\$'000	S\$'000	S\$'000
Acquisition of initial Portfolio	1,397,229	1,397,229	-
Stamp Duty & other acquisition costs	64,524	63,790	734
Transaction costs and other fees ²	66,137	43,391	22,746
Working capital	33,824	33,824	-
Total	1,561,714	1,538,234	23,480

Footnotes:

1. The cornerstone investors being AEW, Asdew Acquisitions Pte Ltd, funds and accounts under management by investment management subsidiaries of BlackRock, Inc., DBS Bank Ltd. (on behalf of certain wealth management clients), DBS Vickers (on behalf of certain corporate clients), Fullerton (acting as manager for and on behalf of certain funds and investment accounts under its management), Lion Global Investors, Moon Capital, Nikko Asset Management, Principal Singapore, Soon Lee Land Pte. Ltd., The Segantii Asia-Pacific Equity Multi-Strategy Fund and TMBAM.

2. Transaction costs and other fees include S\$11.5m payment of IPO Acquisition Fee and S\$1.2m prepayment of Italy management fee.

The Manager will make further announcements via SGXNET on the utilisation of the remainder of the IPO proceeds as and when such funds are substantially disbursed.

LENLEASE GLOBAL COMMERCIAL REIT

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18 Negative Confirmation Pursuant to Rule 705(5) of The Listing Manual

We, on the behalf of the board of directors of the Manager confirmed that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Manager which may render unaudited financial results of LREIT for the period from 2 October 2019 to 31 December 2019 to be false or misleading in any material aspect.

Certain statements in this release constitute “forward-looking statements”. This release also contains forward-looking financial information. Such forward-looking statements and financial information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding the Manager’s present and future business strategies and the environment in which the Group will operate in the future. Because these statements and financial information reflect the current views of the Manager concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information. You should not place any reliance on these forward-looking statements and financial information.

By Order of the Board
Tan Wee Sin
Company Secretary
Lendlease Global Commercial Trust Management Pte. Ltd.
(Company Registration No. 201902535N)
As Manager of Lendlease Global Commercial REIT

10 February 2020