

Lendlease Global Commercial REIT

1Q FY2022 Business Update

5 November 2021



Important notice

This presentation may contain forward-looking statements. 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 risks, uncertainties and assumptions include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, shifts in customer demands, customers and partners, changes in operating expenses including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management regarding future events. No representation or warranty expressed or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Neither Lendlease Global Commercial Trust Management Pte. Ltd. (the “Manager”) nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use, reliance or distribution of this presentation or its contents or otherwise arising in connection with this presentation.

The past performance of Lendlease Global Commercial REIT (“LREIT”) is not indicative of future performance. The listing of the units in LREIT (“Units”) on Singapore Exchange Securities Trading Limited (the “SGX-ST”) does not guarantee a liquid market for the Units. The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while 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.

This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Units.

Key Highlights



Key highlights

- ✓ **Resilient portfolio performance with stable income**
 - Additional stake in Jem **increased LREIT’s exposure in the resilient suburban retail segment and brings stable income** to Unitholders
 - Continued to **receive timely rental revenue** from Sky Complex with no arrears
 - Portfolio occupancy **remained high** at 99.8%
 - Leases expiring in FY2022 **substantially de-risked** to 4% by NLA and 11% by GRI within the first three months of FY2022

- ✓ **Included in FTSE EPRA Nareit Global Developed Index**

- ✓ **Stable liquidity position to meet current financial and operational obligations**

Key Portfolio Metrics (as at 30 September 2021)



Capital Management (as at 30 September 2021)



(1) Refers to 313@somerset only as Sky Complex is 100% leased till 2032, excluding tenant's break option in 2026.
 (2) The interest coverage ratio of 8.8 times is in accordance with requirements in its debt agreements, and 4.6 times in accordance with the Property Funds Appendix of the Code on Collective Investment Schemes.

Received 5-star rating and swept two 1st positions in GRESB for two consecutive years in its two years of listing

- ✓ Scored >95 out of 100, higher than peer average of 84 and GRESB average of 73
- ✓ Ranked 1st in the Asia Retail (Overall) and Asia Retail (Listed) categories
- ✓ Regional Sector Leader status in both categories
- ✓ Received highest-tier 5-star rating
- ✓ Scored “A” for Public Disclosure
- ✓ Ranked 2nd in the Global Retail (Listed) category



313@somerset: **Green Mark Platinum** certification by the BCA



Jem: **Green Mark Platinum** and **Universal Design Mark Gold Plus** by the BCA



Sky Complex (Building 3): **LEED Gold Certification** by the U.S. Green Building Council



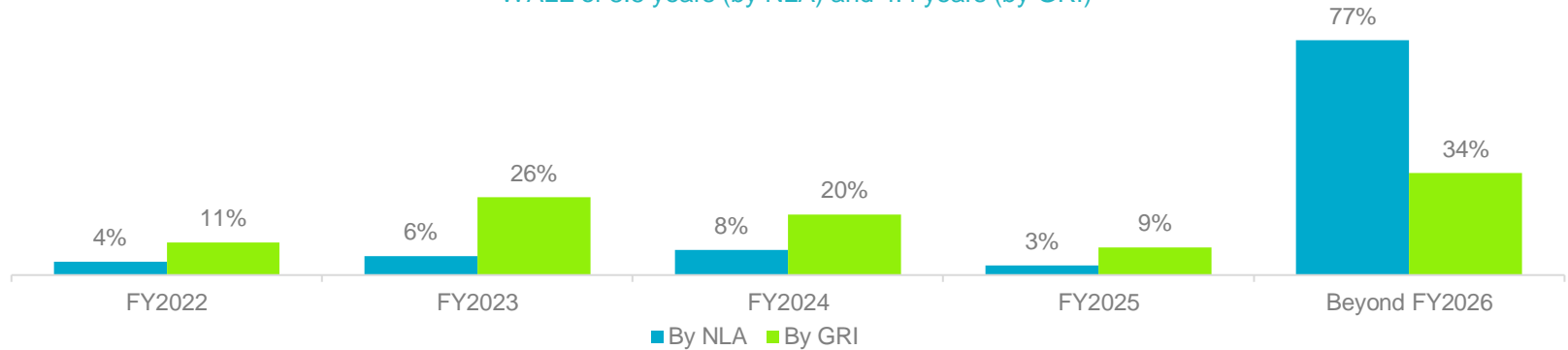
Portfolio Performance

lendlease
REIT
313
@somerset

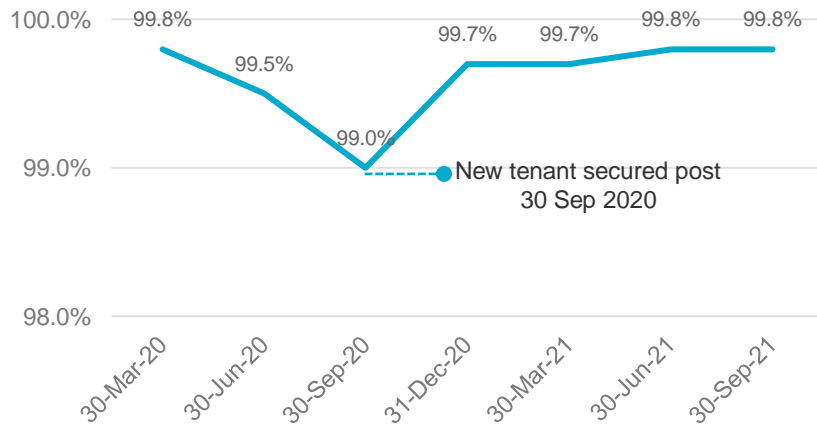
Portfolio overview

Leases expiring in FY2022 have been **substantially de-risked** to 4% by NLA and 11% by GRI with portfolio occupancy remained high at 99.8%.

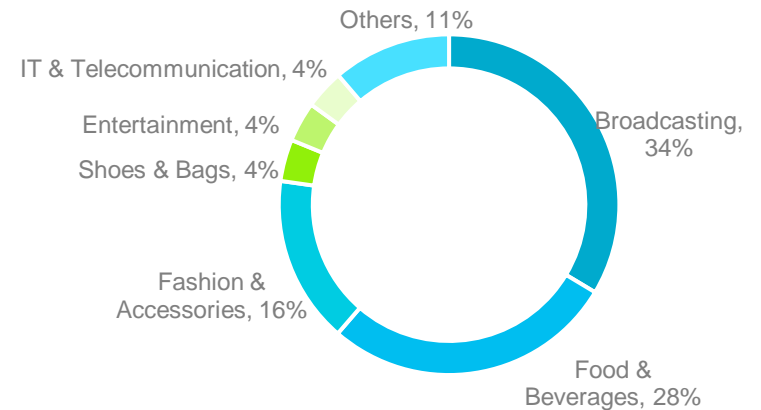
Well-spread Lease Expiry Profile
WALE of 8.5 years (by NLA) and 4.4 years (by GRI)



Healthy Portfolio Occupancy

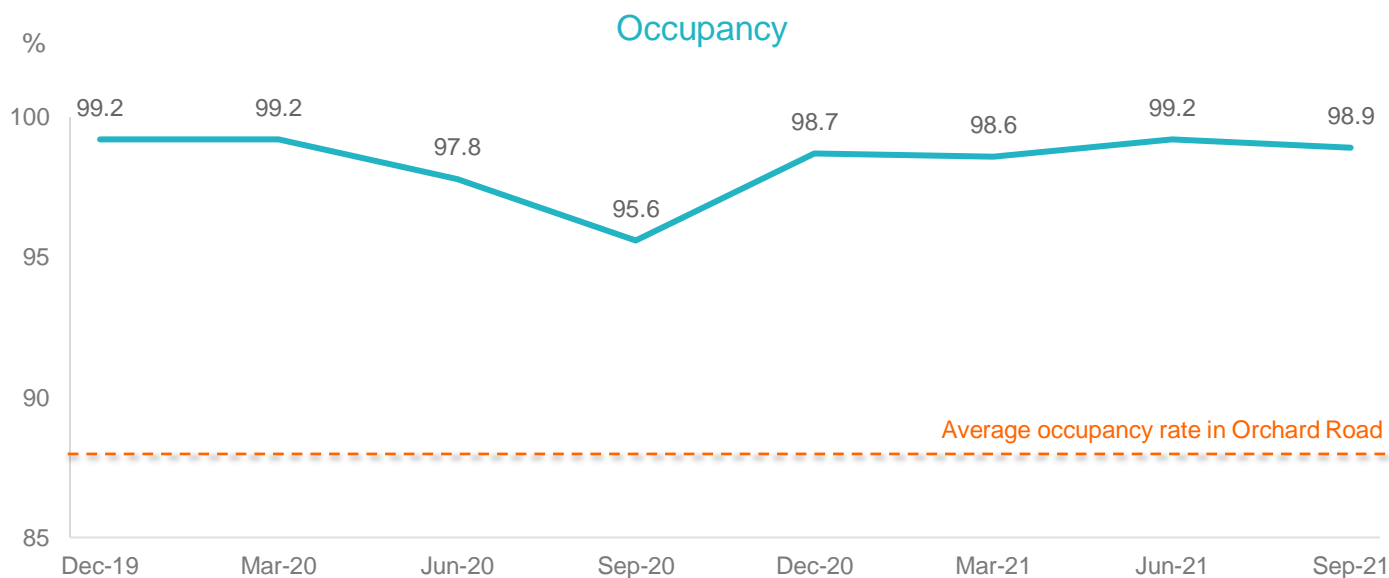


Diversified Tenant Base (by GRI)



Retail portfolio: High occupancy driven by proactive leasing strategy

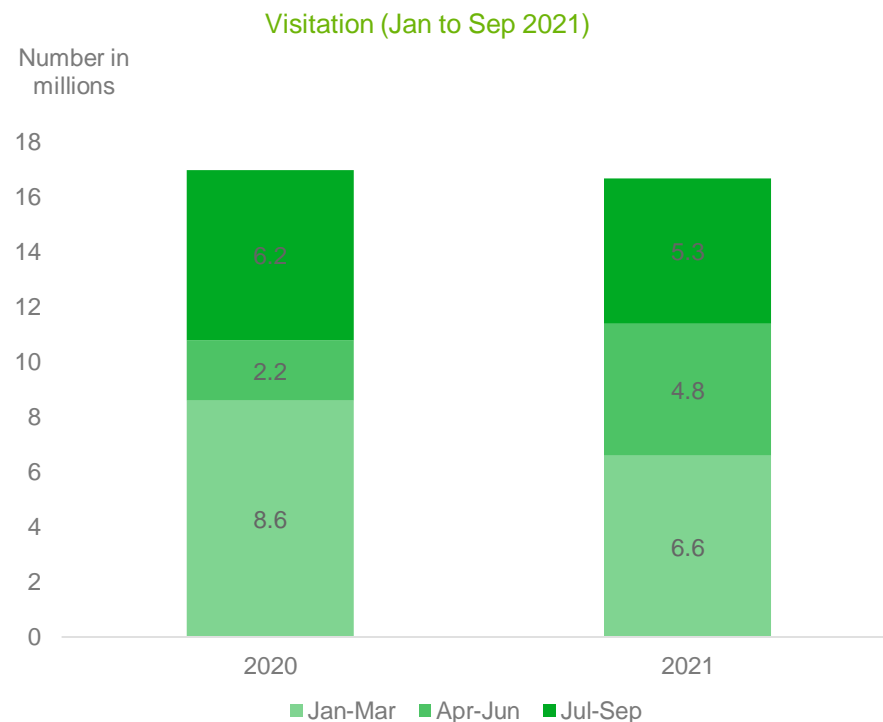
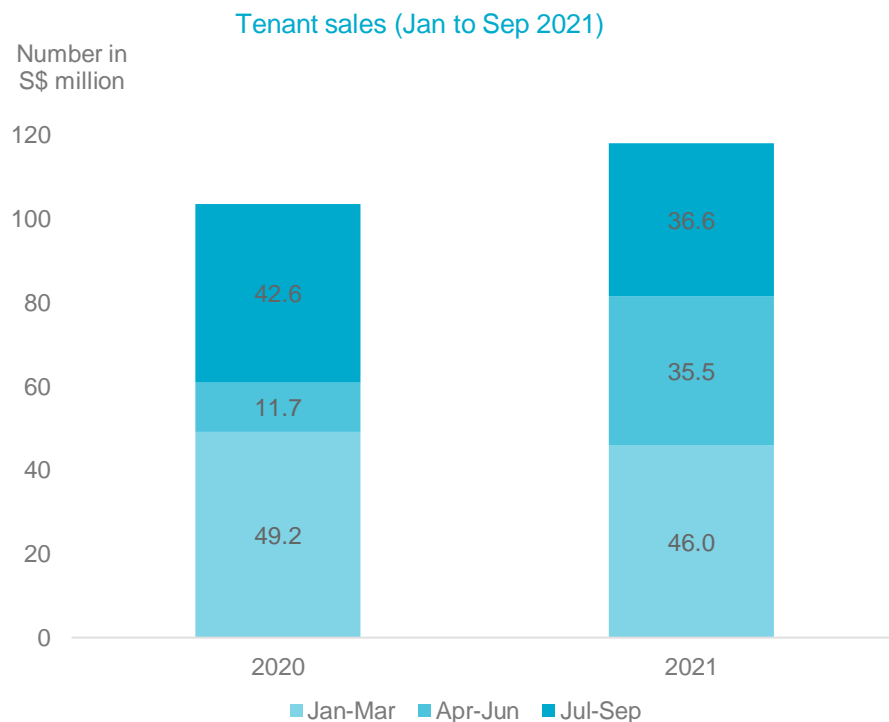
- Occupancy of 98.9% above Orchard Road’s average of 88.2%⁽¹⁾.
- High tenant retention rate of 90%.



(1) Source: Colliers International as at 30 June 2021.

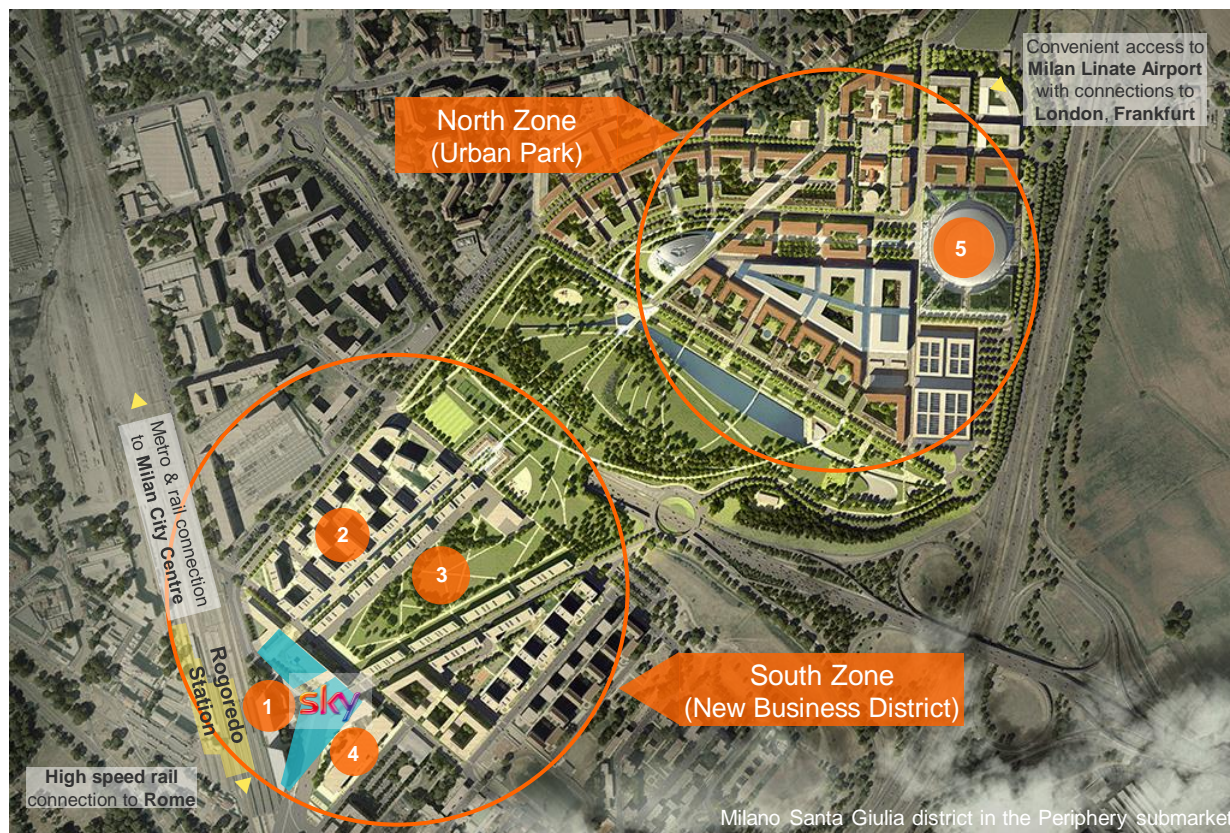
Retail portfolio: Tenant sales continued to improve YTD in 2021

- Notwithstanding the COVID-19 restrictions implemented by the Singapore government, tenant sales continued to **improve 14.1% YoY to S\$118.1 million** in the first 9 months of 2021.
- Performance was driven by **multi-prong marketing strategies** to help extend tenant brand communications, which include launching a suite of in-app offerings, expanding cross-collaborative partnerships with merchants and ongoing tie-ups with e-commerce platforms for campaigns.



Office Portfolio: Stable revenue with no arrears

- More employees have returned to Sky Complex with an increase in the number of enquires received on season parking.
- Spark One and Spark Two with ancillary retail units are expected to complete by end-2021 and 2Q 2022 respectively.
- Milano Santa Giulia has registered for the LEED Neighbourhood Certificate under the U.S. Green Building Council. This raises its profile as a key office location for major occupiers looking for future proof work environment with good quality office facilities.



- Sky Complex
- 1 Spark One and Spark Two, new grade-A office development projects. Approximately 80% of the space in Spark One was pre-let to Saipem, a global engineering company.
- 2 Residential area with 1,800 families and a shopping and entertainment street
- 3 Community park of size 45,000sqm
- 4 New campus of Giuseppe Verdi Conservatory, the largest music academy in Italy
- 5 Multifunctional arena where 2026 Winter Olympics will be held

Milano Santa Giulia district in the Periphery submarket

31.8% indirect interest in Jem

- The additional stake increased LREIT's exposure in the resilient suburban retail segment and brings stable income to Unitholders.
- Jem continues to demonstrate its attractiveness as a retail destination in the west of Singapore.
- Additional leasable space created at B1 to unlock value.



Additional leasable space created at B1

New F&B options for shoppers



Capital Management

Key financial indicators

Stable liquidity position to meet financial obligations

	As at 30 September 2021	As at 30 June 2021
Gross borrowings	S\$677.6 million	S\$553.7 million
Gearing ratio	34.3%	32.0%
Weighted average debt maturity	2.3 years	2.2 years
Weighted average running cost of debt ⁽¹⁾	0.90% p.a.	0.88% p.a.
Interest coverage ⁽²⁾	8.8 times	8.9 times

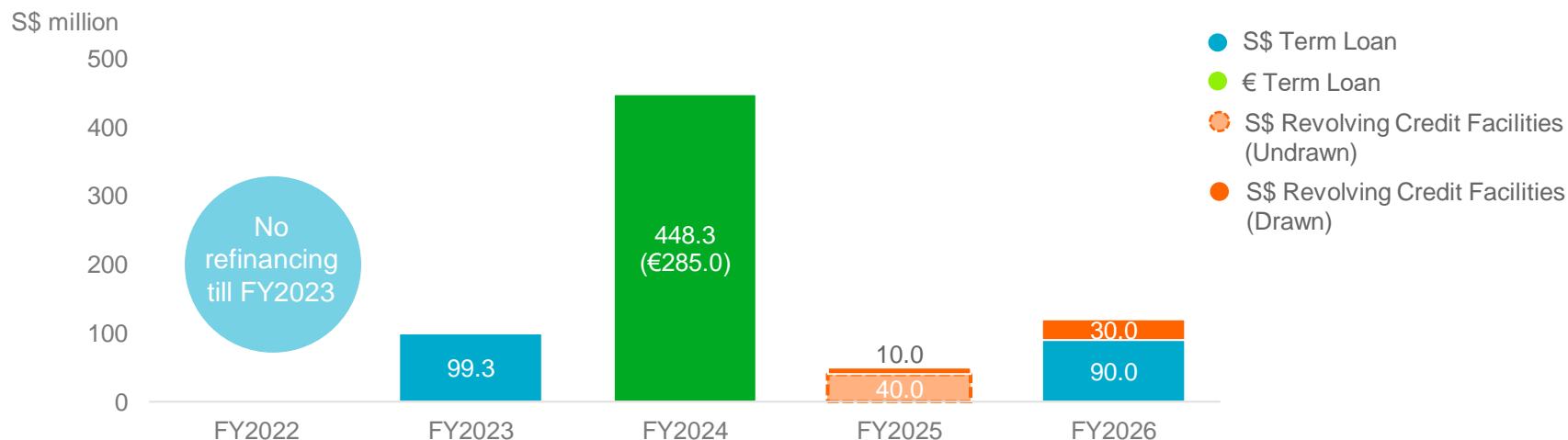
(1) Excludes amortisation of debt-related transaction costs.

(2) The interest coverage ratio as at 30 September 2021 of 8.8 times (30 June 2021: 8.9 times) is in accordance with requirements in its debt agreements, and 4.6 times (30 June 2021: 4.7 times) in accordance with the Property Funds Appendix of the Code on Collective Investment Schemes.

Debt facilities and maturity profile

- 100% unsecured debt
- Natural hedge on investment into Sky Complex via Euro term loan
- Diversity of debt funding across a syndicate of well-rated financial institutions
- S\$137.2 million of undrawn multicurrency debt facilities⁽¹⁾

Debt Maturity Profile



(1) S\$137.2 million of undrawn multicurrency debt facilities includes S\$40 million of committed facilities as at 30 September 2021.

Building Value, Together

Curate tenant mix that appeals to the youth



Japanese-style variety store specialising in consumer goods



Taiwanese bubble tea, handmade with natural, fresh ingredients in-store

Create engaging experiences for shoppers

Seamless chain between online and on-site shopping



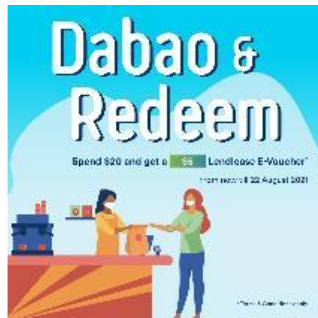
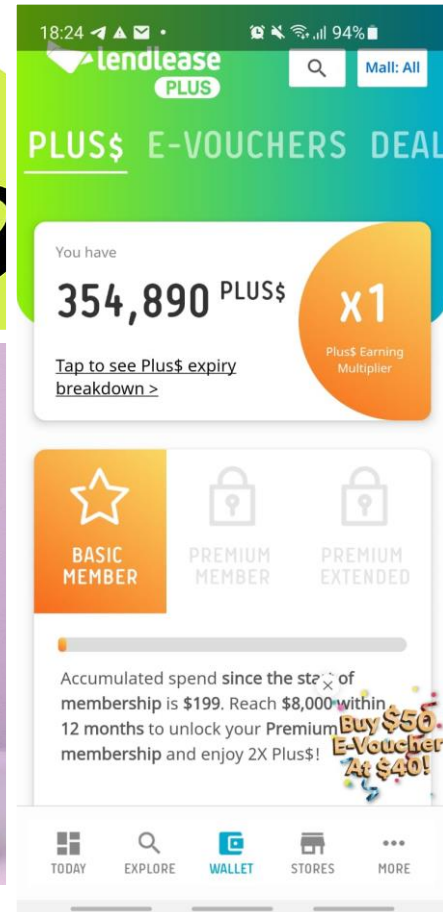
No. of Lendlease Plus members increased **45% YoY** in 2020






Total no. of e-deals redeemed **>42,000** in FY2021



Average monthly app traffic **>66,000**



Sustainability Targets Achieved in FY2021

Environmental⁽¹⁾ 	Energy Intensity <b style="color: #FF8C00;">-19%	Water Intensity <b style="color: #FF8C00;">-35%	GHG Emission <b style="color: #FF8C00;">-20%	Waste Reduction <b style="color: #FF8C00;">-24%
Social 	Health and Safety <b style="color: #008000;">No work-related injuries <b style="color: #008000;">No incidents of non-compliance			Local Community <b style="color: #008000;">4 engagements
Governance 	Anti-corruption <b style="color: #00AEEF;">No incidents of corruption		Regulatory Compliance <b style="color: #00AEEF;">No incidents of non-compliance	

(1) Results were compared against baseline year 2016.

...Beyond FY2021

- Adopt recommendations of Taskforce for Climate-related Financial Disclosure (TCFD).
- Two-year **shared value partnership with Project Dignity through Lendlease Foundation** to provide sponsored training for the differently-abled in Singapore.

Looking Ahead

Link To
Somerset Road
Open 24 Hours

313

313
@somerset

Key focus in the near term

Sustainable future



- Drive **resilient and sustainable returns** for our stakeholders.
- Continue to tap Sponsor's pipeline to acquire **high-quality assets with stable cash flow**.
- Focus on cost optimisation and a **solid balance sheet** supported by diverse sources of capital to enhance financial flexibility.
- Living with COVID-19 to **create value in the communities** by going beyond asset obligations and support shared value partnerships.

Organic growth



- Build on our retail assets' proposition for omnichannel tenants to **deliver an integrated shopping experience**.
- Focus on maintaining occupancy and keeping an **open communication with tenants**.
- Drive **sustainable business growth** through proactive asset management.
- Targeted marketing **campaigns to boost sales**.

Market Review



Market Review

Singapore Retail Market

- Based on advance estimates by the Ministry of Trade and Industry, the Singapore economy grew by 6.5% YoY in the third quarter of 2021. Retail sales dipped 2.8% YoY in August 2021, a reversal from the 0.2% growth in July 2021.
- The launch of the Vaccinated Travel Lanes marks an important milestone for the financial hub.
- With the progressive easing of border restrictions in 2022 and higher vaccination rates, the retail segment is poised to benefit from improvements in economic activity and consumer sentiment in the near-term.

Milan Office Market

- The Italian National Institute of Statistics noted in its report that the consumer price index increased 2.5% YoY in September 2021.
- Leasing activities picked up in the second quarter of 2021 with a take up of approximately 105,000 sqm, up 67% YoY. The positive leasing demand was boosted by two large transactions in the Centre (35,000 sqm) and Periphery (19,600 sqm) respectively.
- A more dynamic second half of the year with stronger take up figures is expected, as occupiers who were looking for large spaces and had previously put their searches on hold, are now back in the market.



313@SOMERSET, SINGAPORE



SKY COMPLEX, MILAN



31.8% INDIRECT INTEREST IN JEM, SINGAPORE



ARTIST IMPRESSION. MULTIFUNCTIONAL EVENT SPACE, ADJACENT TO 313@SOMERSET

Thank You

For enquiries, please contact Ling Bee Lin, Manager Investor Relations
Tel: (65) 6671 7374 / Email: enquiry@lendleaseglobalcommercialreit.com



Appendix

313@somerset, retail mall in Singapore

A youth-oriented retail mall centrally located on Singapore's Orchard Road shopping belt, directly connected to the Somerset MRT Station.



Key Statistics (as at 30 September 2021)

Occupancy	98.9%
WALE	1.3 years (by NLA and GRI)
Valuation	S\$983 million
Valuation cap rate	4.25%
NLA	288,318 sq ft
Ownership	100% (99-year leasehold) ⁽¹⁾

(1) 99-year leasehold commencing from 21 November 2006 until 20 November 2105.

Sky Complex, grade-A office in Milan

Three office buildings with excellent accessibility via the public transport system. The buildings are fully leased to Sky Italia, owned by Comcast Corporation⁽¹⁾.



Key Statistics (as at 30 September 2021)

Occupancy	100%
WALE	10.6 years (by NLA and GRI)
Valuation	S\$431.0 million ⁽²⁾ (€274.0 million)
Valuation cap rate	5.25%
NLA	985,967 sq ft
Ownership	100% (freehold)

(1) Sky Italia is a subsidiary of Comcast Corporation company, a global media and technology company.

(2) Conversion of € to S\$ is based on the FX rate of 1.573 as at 30 September 2021.

Recap: Financial Performance as at 30 June 2021

DPU of 2.34 cents declared for 2H FY2021

S\$('000) unless otherwise stated	2H FY2021	2H FY2020	Variance	FY2021	FY2020 ¹	Variance
Gross revenue	37,043	34,129	▲ 8.5%	78,651	74,455	▲ 5.6%
Net property income	26,525	24,109	▲ 10.0%	56,918	54,014	▲ 5.4%
Distributable income	27,577	20,660	▲ 33.5%	55,123	47,824	▲ 15.3%
DPU (cents)	2.34	1.76	▲ 32.8%	4.68	4.08	▲ 14.6%

(1) The annualised results for FY2020 is based on the actual results from 2 October 2019 to 30 June 2020 (273 days) pro-rated to 366 days.

Recap: Balance Sheet as at 30 June 2021

Total assets include cash of S\$249.3 million to meet current financial and operational obligations

S\$ million unless otherwise stated	As at 30 June 2021	As at 31 December 2020
Total assets	1,737.1	1,577.5
Total liabilities	580.3	582.5
Net assets	1,156.8	995.0
Unitholders' fund	957.9	995.0
Perpetual securities	198.9	-
Units in issue (number)	1,180,996,040	1,177,145,952
NAV per unit (S\$)	0.81 ⁽¹⁾	0.85

(1) Excludes perpetual securities.