

# MOVING FORWARD WITH STABILITY

Annual General Meeting FY2023

31 October 2023



# 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.

# Contents

1. Key Highlights
2. Portfolio Performance
3. Sustainability Performance
4. Moving Forward



# Key Highlights

204.9

Gross Revenue S\$204.9 million

153.9

Net Property Income S\$153.9 million

108.2

Distributable Income S\$108.2 million

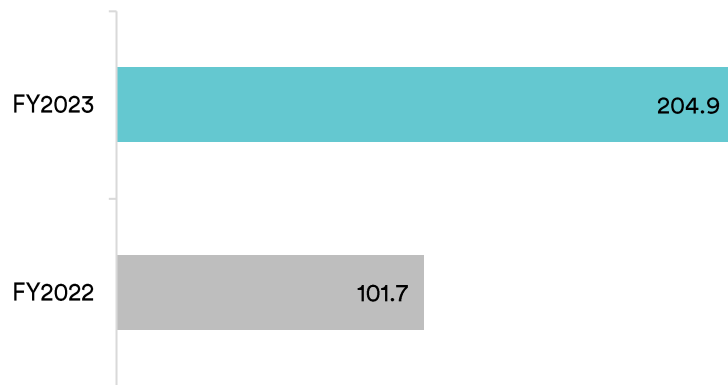
3,650.0

Appraised Value S\$3,650.0 million

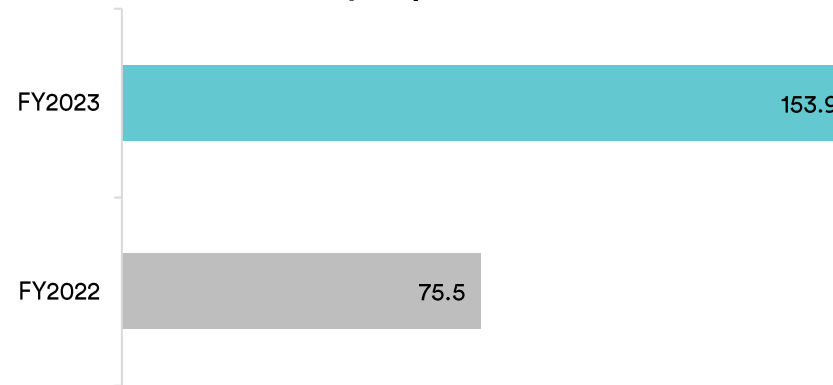
# Financial Highlights

Gross revenue and net property income have more than doubled in FY2023 mainly attributed to the full-year financial contribution from Jem and positive rental growth

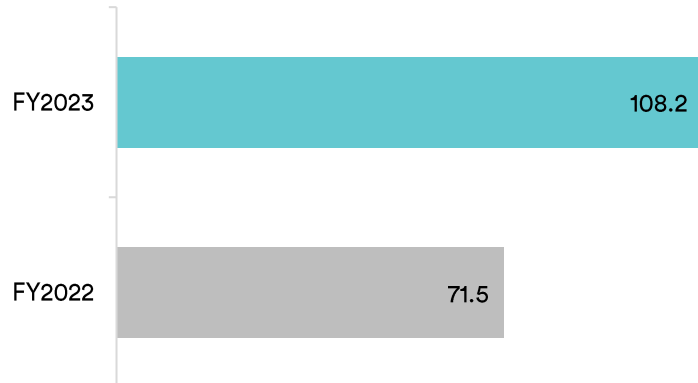
### Gross Revenue (S\$ million)



### Net Property Income (S\$ million)



### Distributable Income (S\$ million)

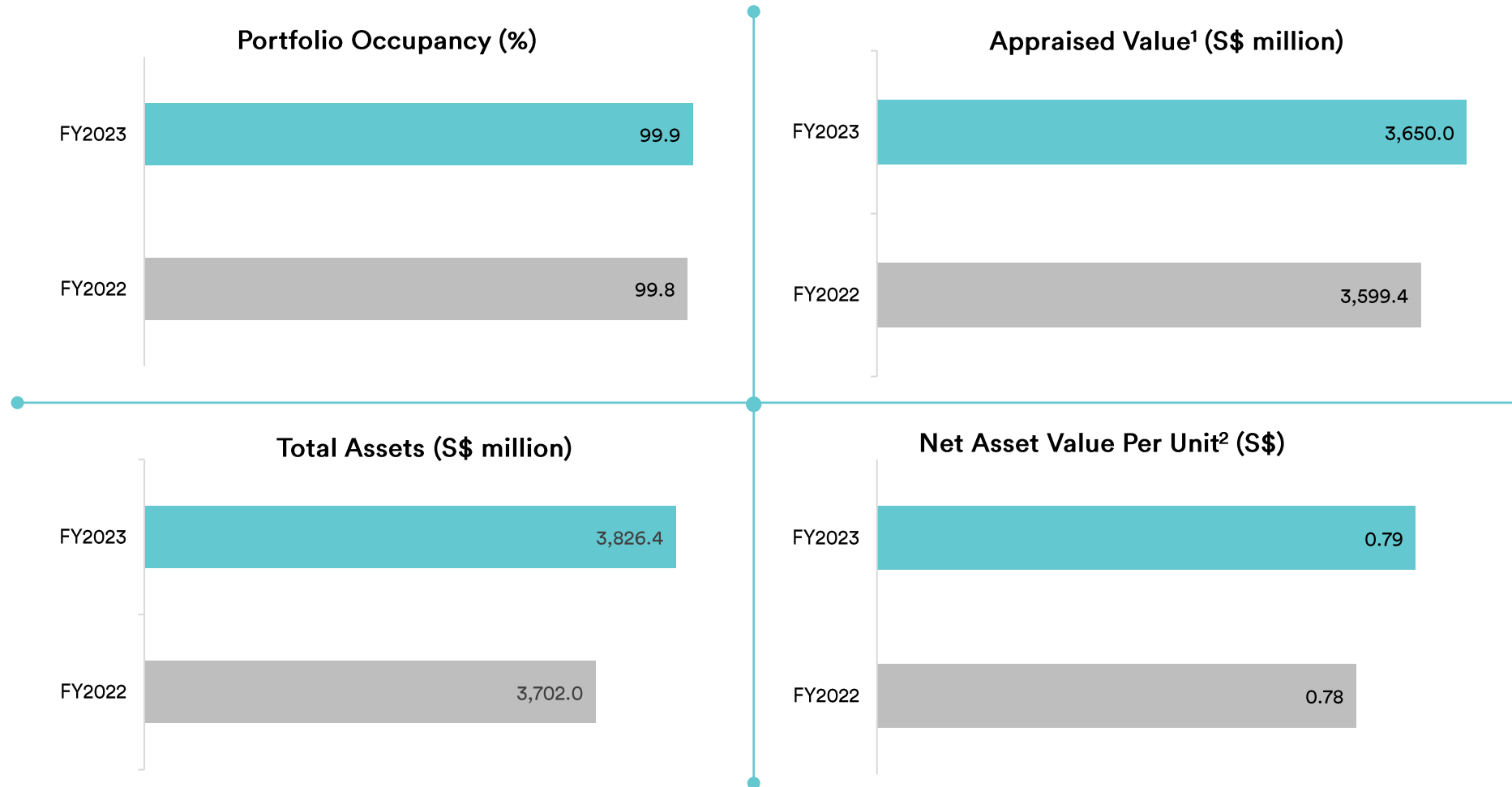


### Distribution Per Unit (S cents)



# Portfolio Highlights

Strong portfolio occupancy with an appraised value<sup>1</sup> of S\$3,650 million



<sup>1</sup> Comprises investment properties and investment property under development (including the recognition of right-of-use-asset).

<sup>2</sup> Excludes non-controlling interests and perpetual securities holders.

# Capital Management

- No refinancing risks for LREIT's committed facilities until FY2025
- Approximately 61% of the borrowings are hedged to fixed rates
- Sustainability-linked financing accounted for approximately 70%<sup>1</sup> of total committed debt facilities as at 30 June 2023
- Met the target set for its sustainability-linked loans and achieved interest savings
- Undrawn debt facilities was S\$583.3 million<sup>2</sup> as at 30 June 2023



<sup>1</sup> After drawing down on the Euro loan in FY2024, sustainable financing will increase to approximately 89% of total committed debt facilities.

<sup>2</sup> After drawing down on the Euro loan in FY2024, the undrawn debt facilities will be S\$162.6 million.

<sup>3</sup> Weighted average debt maturity will be 3.4 years post the refinancing of the €285m loan facility that has been put in place.

<sup>4</sup> Excludes amortisation of debt-related transaction costs.

<sup>5</sup> The interest coverage ratio (ICR) as at 30 June 2023 of 4.2 times is in accordance with requirements in its debt agreements; 2.7 times (2.0 times for adjusted ICR) in accordance with the Property Funds Appendix of the Code on Collective Investment Schemes.



# Portfolio Performance

99.9

Portfolio Committed Occupancy 99.9%

4.8

Retail Rental Reversion 4.8%

5.9

Office Rental Escalation for Sky Complex 5.9%

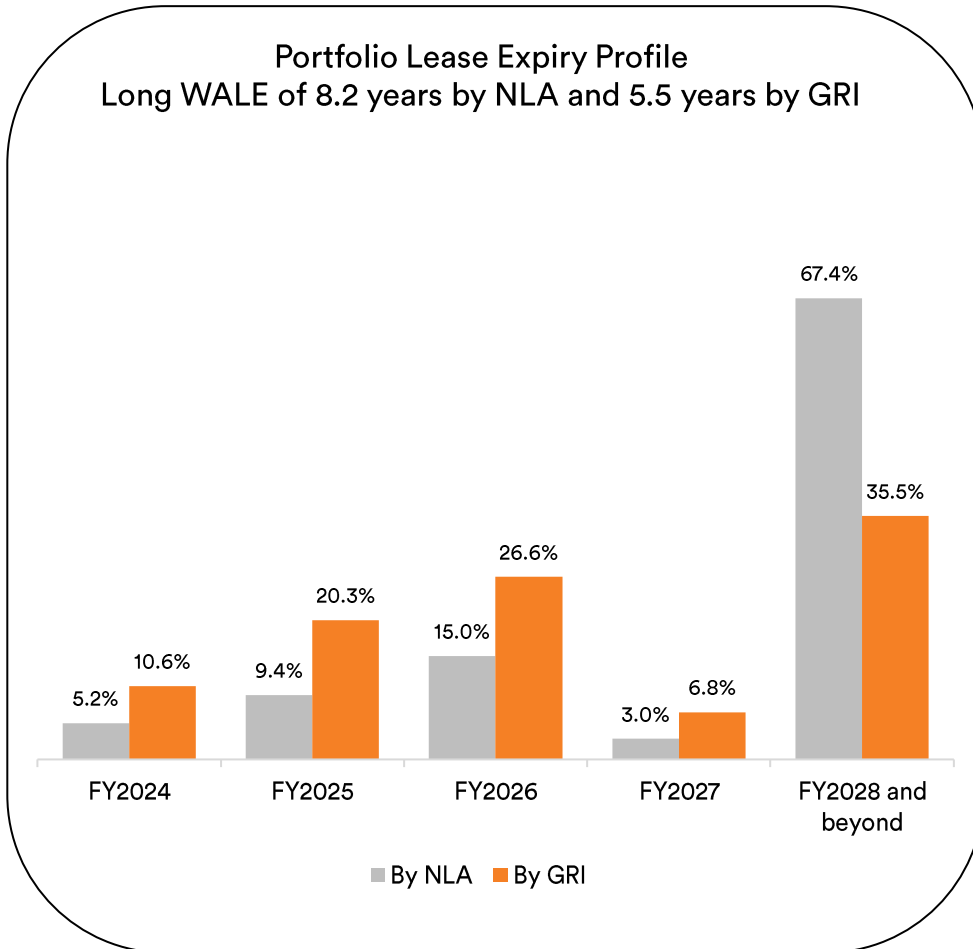
8.2

Weighted Average Lease Expiry (by Net Lettable Area) 8.2 years



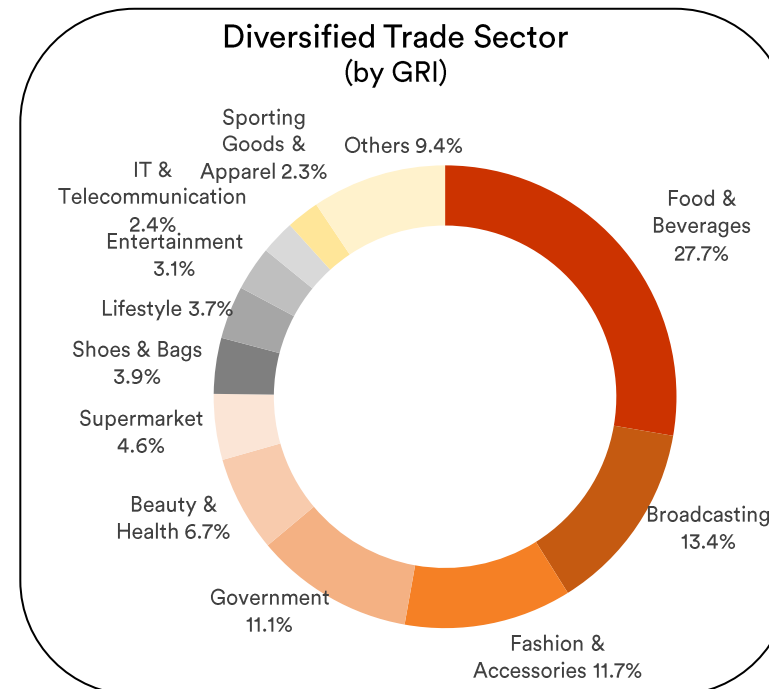
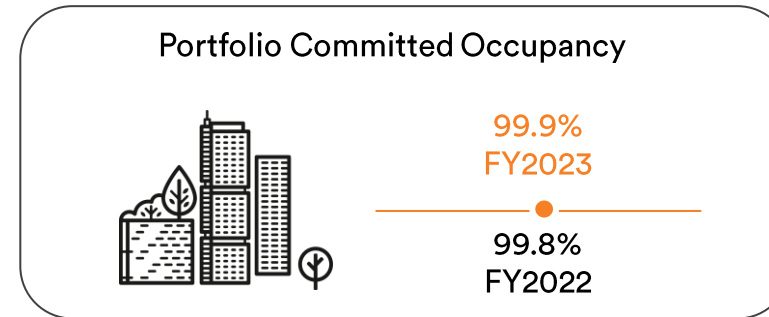
# Lease Expiry and Trade Sector

Strong portfolio committed occupancy with a well-spread lease expiry profile



Note:

- Any discrepancies in summation under this section are due to rounding.
- All charts are as at 30 June 2023 unless otherwise stated.



# Portfolio Valuation

Gained 1.4% YoY attributable to uplift in market rents and improved market sentiments in Singapore

	Valuation FY2023	Valuation FY2022	Variance (%)	Cap rate FY2023 (%)	Cap rate FY2022 (%)
Jem	S\$2,188.0 million	S\$2,134.0 million	+2.5	Retail: 4.50 Office: 3.50	Retail: 4.50 Office: 3.50
313@somerset	S\$1,033.2 million <sup>1</sup>	S\$993.1 million <sup>1</sup>	+4.0	4.25 <sup>2</sup>	4.25 <sup>2</sup>
Sky Complex	€290.5 million (S\$428.8 million <sup>3</sup> )	€324.5 million (S\$472.3 million <sup>4</sup> )	-10.5(€) -9.2(S\$)	5.75 <sup>5</sup>	5.00 <sup>5</sup>
<b>Total</b>	<b>S\$3,650.0 million</b>	<b>S\$3,599.4 million</b>	<b>+1.4</b>	<b>N.A.</b>	<b>N.A.</b>

<sup>1</sup> Includes the development of the multifunctional event space, adjacent to 313@somerset, which will be connected seamlessly to the Discovery Walk that links to 313@somerset. Value reflected is the total of the market value and right-of-use-asset.

<sup>2</sup> Refers to operating asset only.

<sup>3</sup> Conversion of € to S\$ based on the FX rate of 1.476 as at 30 June 2023.

<sup>4</sup> Conversion of € to S\$ based on the FX rate of 1.456 as at 30 June 2022.

<sup>5</sup> Refers to terminal cap rate.

# Retail Portfolio: Healthy leasing momentum

- Essential services trades accounted for approximately 58% of retail gross rental income
- Tenant sales and shopper traffic grew more than 2 times mainly due to the full-year contribution from Jem



Retail Portfolio  
Occupancy  
**99.7%**

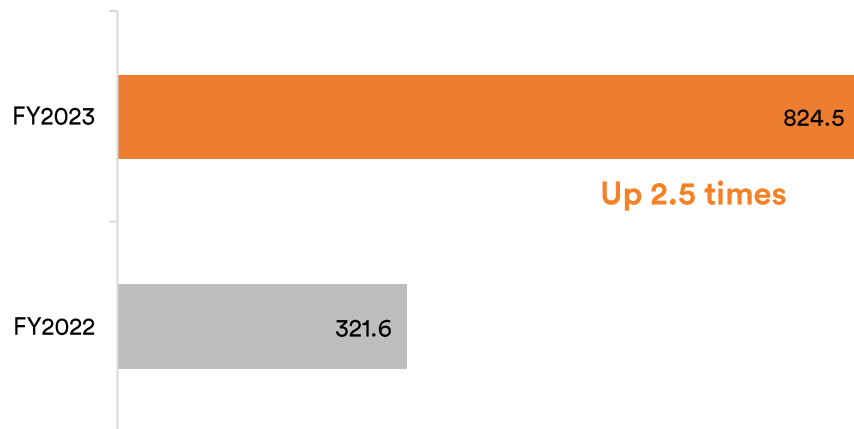


Retail Rental  
Reversion  
**4.8%**

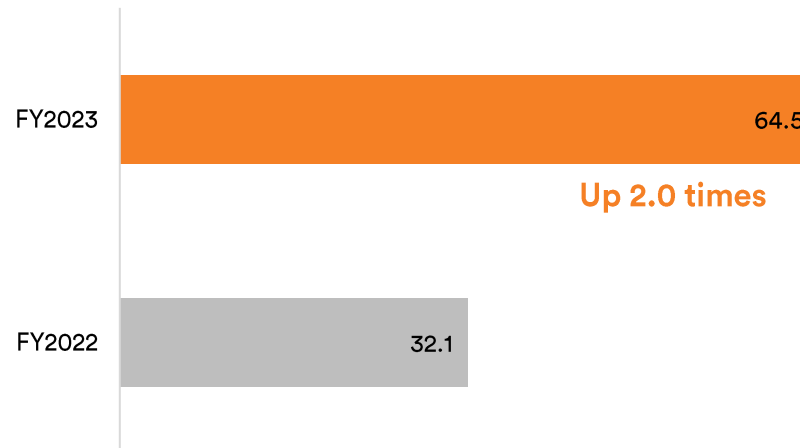


Tenant Retention  
(by NLA)  
**82.4%**

Tenant Sales (S\$ million)



Shopper Traffic (million)



# Office Portfolio: Long-term cash flow stability

- Long WALE of 12.1 years<sup>1</sup> by NLA and 14.6 years<sup>1</sup> by GRI
- Positive office rental escalation of 5.9%<sup>2</sup> for Sky Complex



## Singapore

- ✓ Grade A office building leased to the Ministry of National Development till 2044
- ✓ Rental review: Once every five years



## Milan

- ✓ Three Grade A office buildings leased to Sky Italia till 2032<sup>1</sup>
- ✓ Annual rental review: Based on 75% of ISTAT<sup>3</sup> consumer price index variation

<sup>1</sup> Assumes that Sky Italia does not exercise its break option in 2026.

<sup>2</sup> Effective from May 2023.

<sup>3</sup> The Italian National Institute of Statistics.

# New retail and dining options for shoppers



Pedro, home-grown footwear and accessories brand.



Kopitiam Food Hall, the largest outlet in Singapore with many new food concepts.



Cow Play Cow Moo, largest arcade operator in Singapore.



PUMA's biggest, first-ever flagship store in Southeast Asia.



Tai Er Fish, a popular Chinese Sichuan sauerkraut fish originated from China.



Aape by a Bathing Ape, well-loved Japanese fashion brand.

# Marketing campaigns to drive shopper traffic



Holly, jolly Christmas at 313@somerset with Santa Claus and carolling sessions.



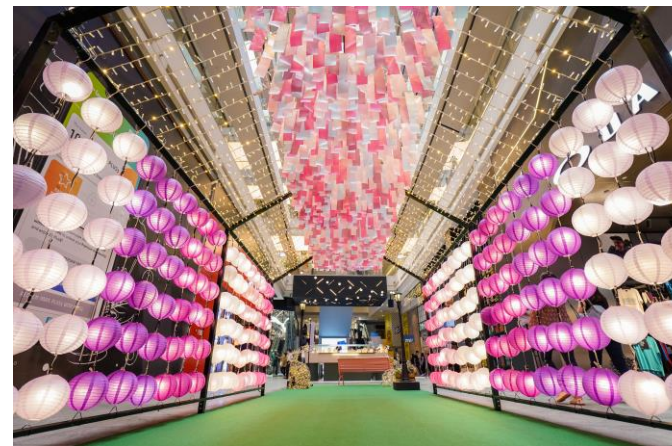
313@somerset welcomed the Lunar New Year with awe-inspiring lion dance performances.



DIY lunch bag workshop to encourage a plastic-free environment.



Jem celebrated its 10<sup>th</sup> anniversary to thank and give back to the community for their support in the last decade.



A glowing wall of 216 lanterns inside 313@somerset to celebrate mid-autumn festival, a reunion time with the loved ones.



SG Breaking Champs, one of the most anticipated breaking competitions brought the stage to 313@somerset.



# Sustainability Performance

18

Energy Use Intensity Reduction 18%

14

Water Use Intensity Reduction 14%

0

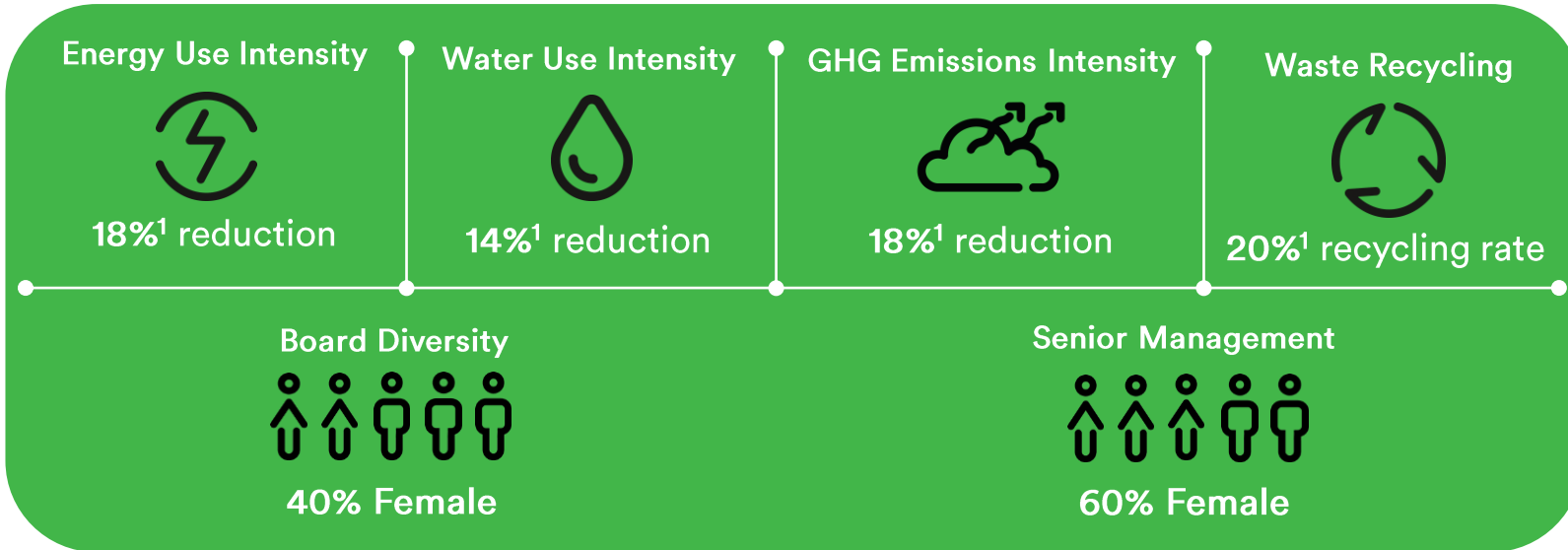
Net Zero Carbon (Scope 1 and 2 GHG Emissions)

20

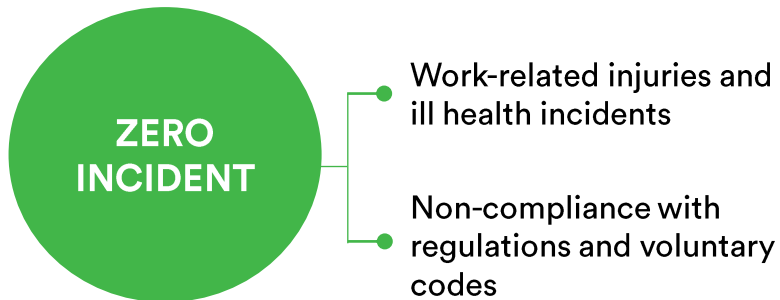
Waste Recycling Rate 20%

# Targets achieved in FY2023

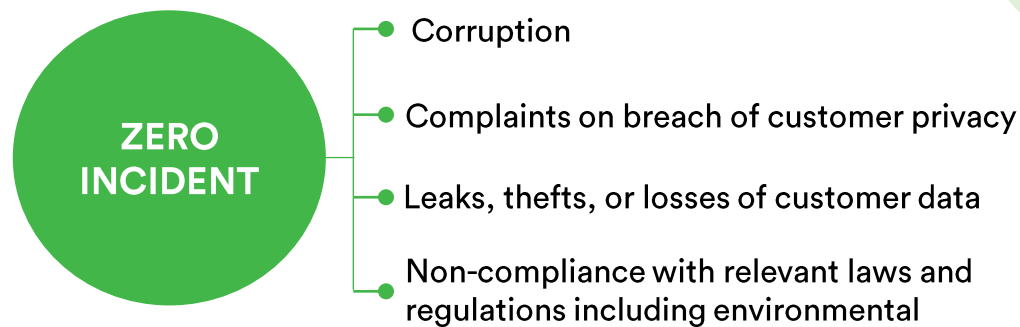
✓ Attained **Net Zero Carbon**, three years ahead of the original target of FY2025



## Health and Safety



## Governance



**G R E S B**  
REAL ESTATE  
sector leader 2023

- ✓ Global Sector Leader Retail
- ✓ Regional Sector Leader in Asia Retail (Overall) and (Listed) categories since listing
- ✓ Highest-tier 5-star GRESB rating
- ✓ Scored 'A' in public disclosure



<sup>1</sup> From baseline year FY2022.

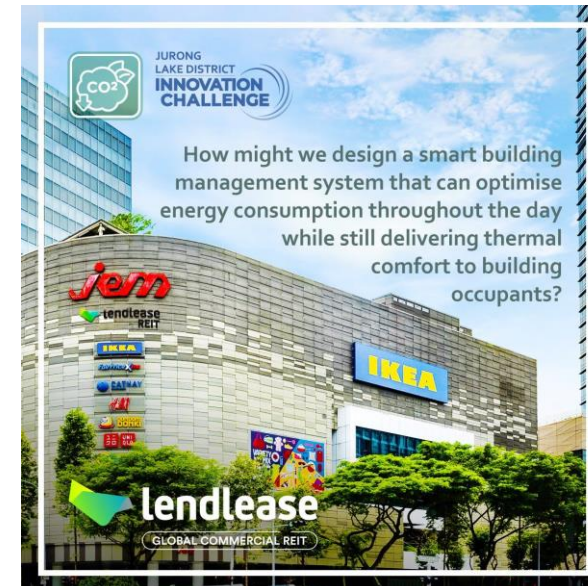


# Continuous effort to improve sustainability performance

- ✓ Adopted target-setting best practices and taking reference from international benchmarking to **reset baseline year to FY2022**.
- ✓ **Food waste digestors** installed in Jem and 313@somerset could process up to 5 tonnes of food waste. Overall waste recycling rate improved to 20% in FY2023 from 6% in FY2022.
- ✓ **Water saving initiatives** such as the condensate recovery system on cooling towers, rainwater harvesting system and eco-digester could help conserve up to 3,431m<sup>3</sup> of water per month at Jem, equivalent to approximately 24,000 bathtubs.
- ✓ **Partnered with government agencies** to optimise energy and water usage for the buildings in the Jurong Lake District.



Showcasing water-saving initiatives at Jem to Mr Lawrence Wong, Deputy Prime Minister, at the Singapore World Water Day 2023.





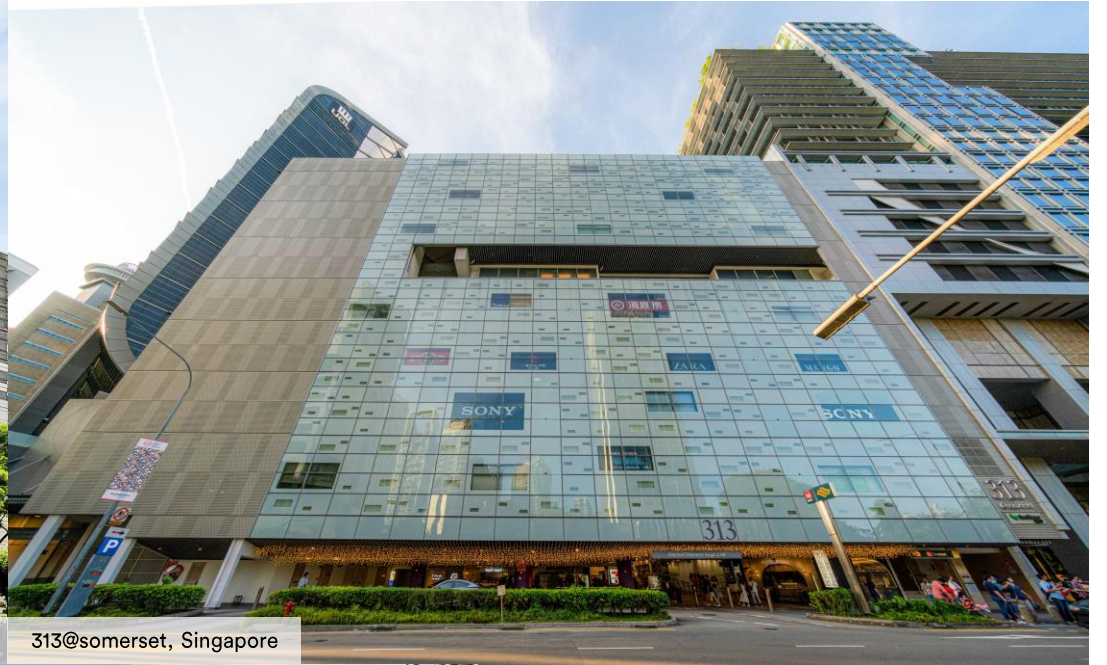
# **Moving Forward**

# Near-term Focus





Jem, Singapore



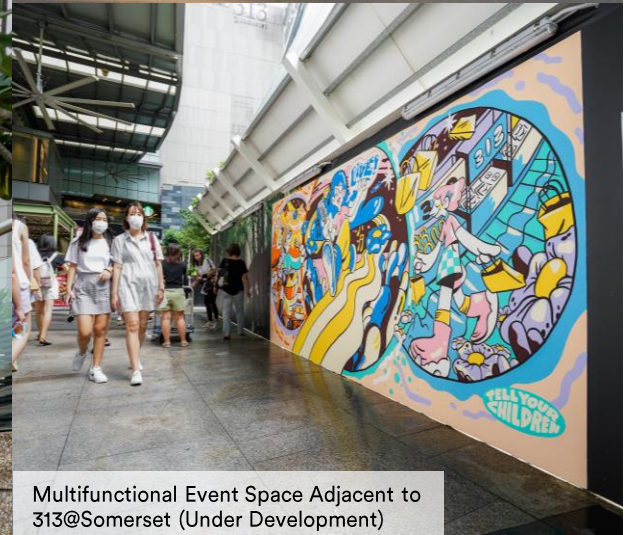
313@somerset, Singapore



Sky Complex, Milan



A Stake in Parkway Parade



Multifunctional Event Space Adjacent to 313@Somerset (Under Development)

# Thank You