

1H FY2022 Financial Results

4 February 2022



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Key Highlights



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- ✓ Distributable income up 3.8% YoY boosted by the acquisition of additional stake in Jem
- ✓ Distribution per unit increased 2.6% YoY to 2.40 cents in 1H FY2022
- ✓ Portfolio occupancy all-time high at 99.9%
- ✓ Deployment of bonus GFA at new tenancies in 313@somerset's prime spaces
- ✓ More than 90%⁽¹⁾ of the borrowings hedged to fixed rates to mitigate the impact of interest rate hikes

Key Financial Metrics

(as at 31 December 2021)

Distributable
Income
S\$28.6 million

Gross
Revenue
S\$39.2 million

Net Property
Income
S\$29.6 million

Key Portfolio Metrics

(as at 31 December 2021)

Portfolio
Occupancy
99.9%

Weighted
Average Lease
Expiry
(by NLA)
8.4 years

Tenant
Retention
(by NLA)
75.8%⁽²⁾

Capital Management

(as at 31 December 2021)

Gearing Ratio
33.5⁽³⁾

Weighted
Average
Running Costs
of Debt
0.92% p.a.

Interest
Coverage Ratio
9.7 times⁽⁴⁾

(1) As at 4 February 2022.

(2) Refers to 313@somerset only as Sky Complex is 100% leased till 2032, excluding tenant's break option in 2026.

(3) Total assets include non-controlling interests share of total assets.

(4) The interest coverage ratio of 9.7 times is in accordance with requirements in its debt agreements, and 5.0 times in accordance with the Property Funds Appendix of the Code on Collective Investment Schemes.

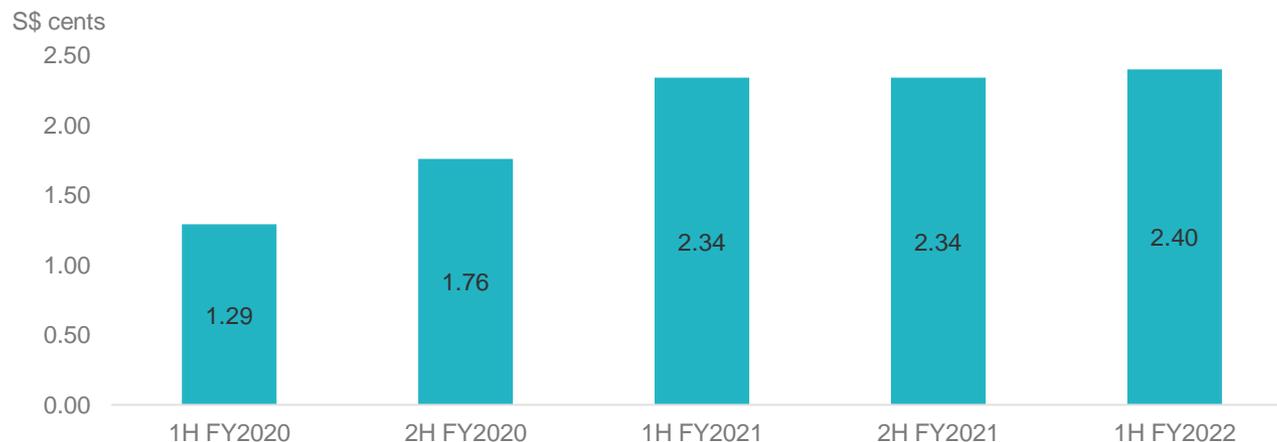
Financial Performance

Financial Performance

Positive DPU performance since listing

S\$('000) unless otherwise stated	1H FY2022	1H FY2021	Variance
Gross revenue	39,190	41,608	(5.8%)
Net property income	29,643	30,393	(2.5%)
Distributable income	28,602	27,546	3.8%
DPU (cents)	2.40	2.34	2.6%

DPU Performance Since Listing



Note: 1H FY2020 refers to 2 October to 31 December 2019.

Healthy Balance Sheet

As at 31 December 2021

S\$ million unless otherwise stated	As at 31 December 2021	As at 30 June 2021
Total assets	1,989.7	1,737.1
Total liabilities	689.7	580.3
Net assets	1,300.0	1,156.8
Unitholders' fund	961.6	957.9
Perpetual securities	198.9	198.9
Units in issue (number)	1,191,646,376	1,180,996,040
NAV per unit (S\$) ⁽¹⁾	0.81	0.81

(1) Excludes perpetual securities.

Key Financial Indicators

Strong liquidity position to meet financial obligations

	As at 31 December 2021	As at 30 September 2021
Gross borrowings	S\$666.6 million	S\$677.6 million
Gearing ratio ⁽¹⁾	33.5%	34.3%
Weighted average debt maturity	2.0 years	2.3 years
Weighted average running cost of debt ⁽²⁾	0.92% p.a.	0.90% p.a.
Interest coverage ⁽³⁾	9.7 times	8.8 times

(1) Total assets include non-controlling interests share of total assets.

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

(3) The interest coverage ratio as at 31 December 2021 of 9.7 times (30 September 2021: 8.8 times) is in accordance with requirements in its debt agreements, and 5.0 times (30 September 2021: 4.6 times) in accordance with the Property Funds Appendix of the Code on Collective Investment Schemes.

Debt Facilities and Maturity Profile

- >90%⁽¹⁾ of the borrowings hedged to fixed rates to mitigate the impact of interest rate hikes
- Natural hedge on Euro denominated borrowings
- Income from Sky Complex were hedged with rolling foreign exchange forwards
- S\$136.0 million⁽²⁾ of undrawn multicurrency debt facilities
- Sufficient bank facilities to refinance debt due in FY2023

Debt Maturity Profile



(1) As at 4 February 2022.

(2) S\$136.0 million of undrawn multicurrency debt facilities includes S\$40 million of committed facilities as at 31 December 2021.

Distribution Schedule

Distribution per unit: 2.40 cents

Period: 1 July to 31 December 2021	
Notice of books closure date	4 Feb 2022
Last day of trading on 'cum' basis	11 Feb 2022, 5.00pm
Ex-date	14 Feb 2022, 9.00am
Record date	15 Feb 2022
Payment date	14 Mar 2022

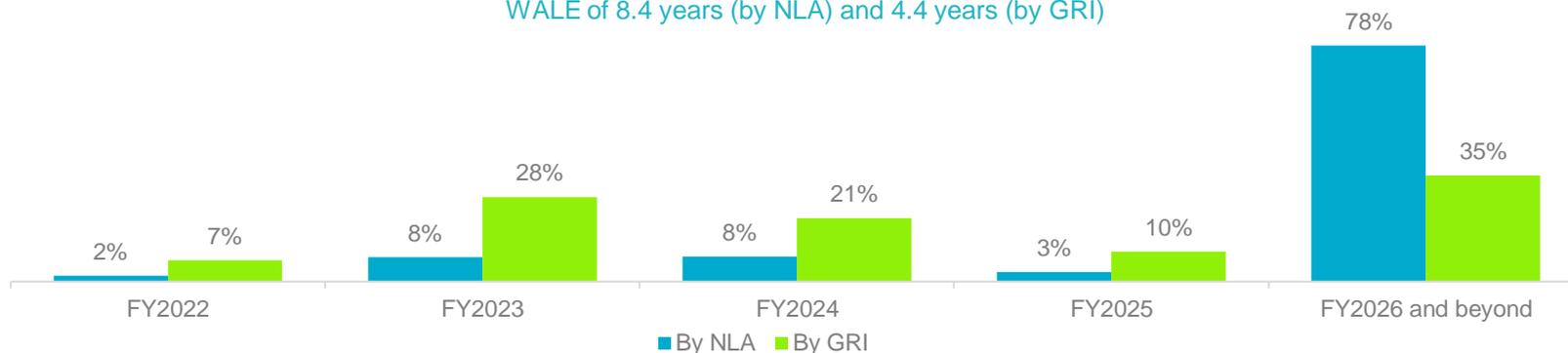
Portfolio Performance

lendlease
REIT
313
@somerset

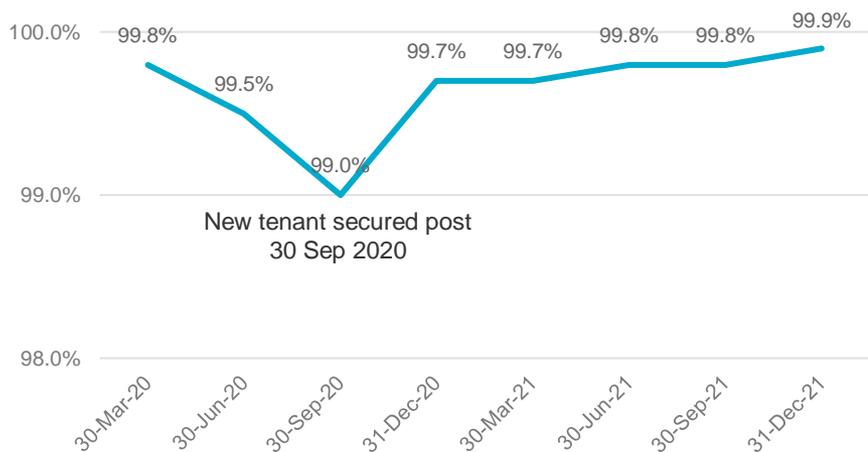
Portfolio Overview

Significant reduction of expiring leases to only a minimal 2% by NLA and 7% by GRI for the rest of FY2022 with portfolio occupancy remained high at 99.9%.

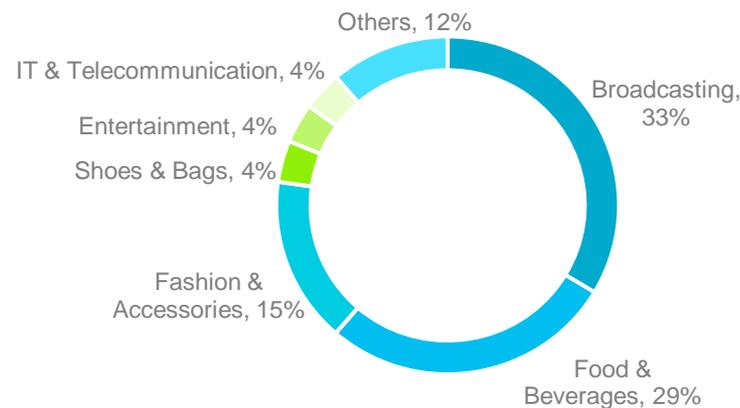
Well-spread Lease Expiry Profile
WALE of 8.4 years (by NLA) and 4.4 years (by GRI)



Healthy Portfolio Occupancy

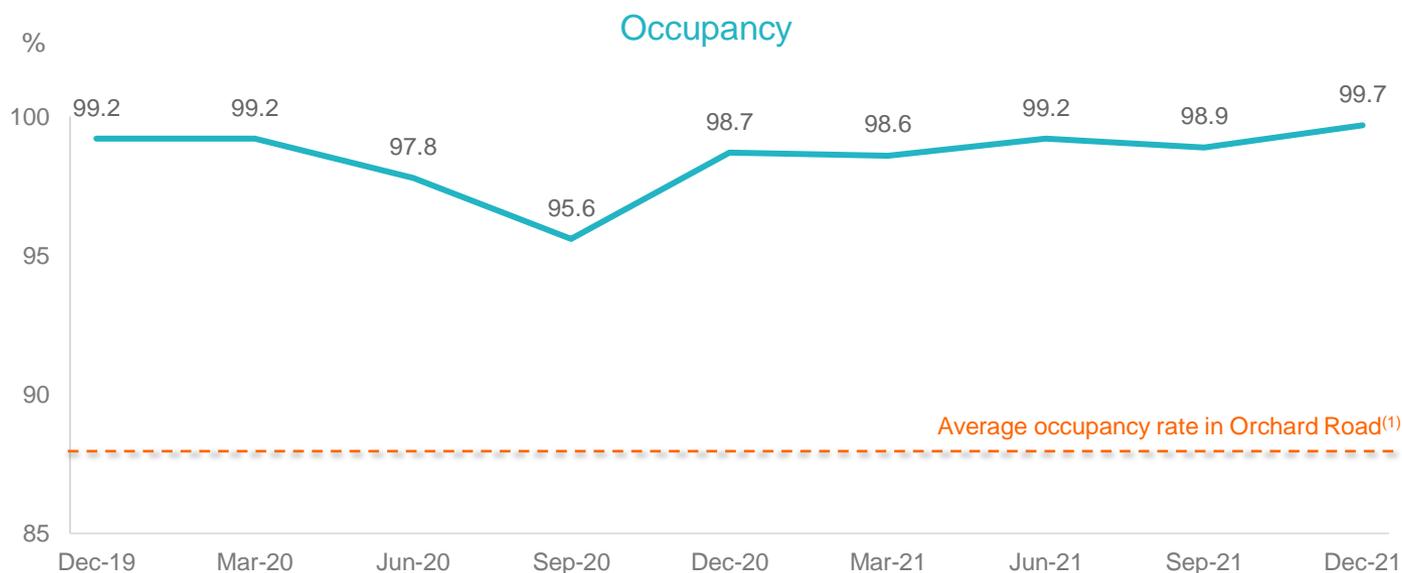


Diversified Tenant Base (by GRI)



Retail Portfolio: Proactive marketing and rigorous leasing efforts

- Approximately 660 sqft of bonus GFA to be deployed to prime units at the ground floor of 313@somerset to expand the unit space and unlock value for Unitholders
- Achieved record-high occupancy rate of 99.7% with tenant retention rate continued to remain high at 75.8%



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

Retail Portfolio: New tenants to strengthen the tenancy mix



Sports equipment specialising in sunglasses, sports visors, apparels and other lifestyle pieces.



Contemporary Mexican food with a twist.



Pearly Lustre

Homegrown omni-channel brand that specialises in pearl jewellery.

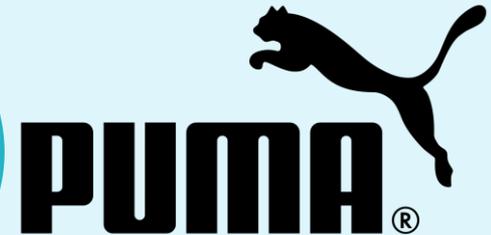


Originating from the popular Ramly Style Burgers.



Bonus GFA to be deployed to Puma and Ohayo Mama San at the ground floor of 313@somerset

One of the world's leading sports brands

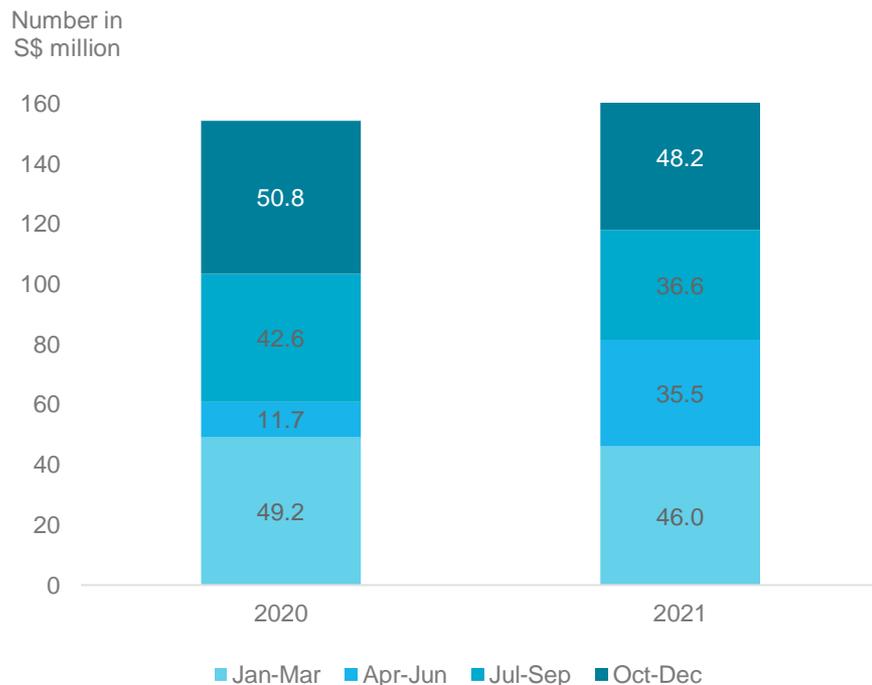


Concept café inspired by Japanese Water Gardens

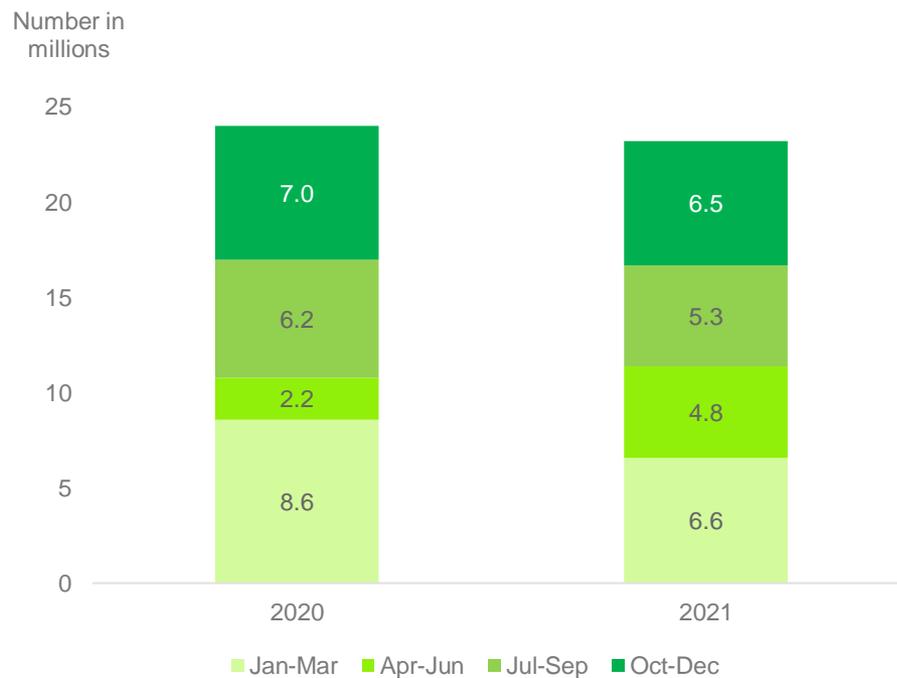
Retail Portfolio: Tenant sales continued to improve in 2021

- For the full calendar year of 2021, tenant sales registered a growth of 7.8% YoY to S\$166.4 million
- Tenant sales continued to outperform notwithstanding lower footfall due to tightened restrictions on group size limits

Tenant sales (Year 2021)

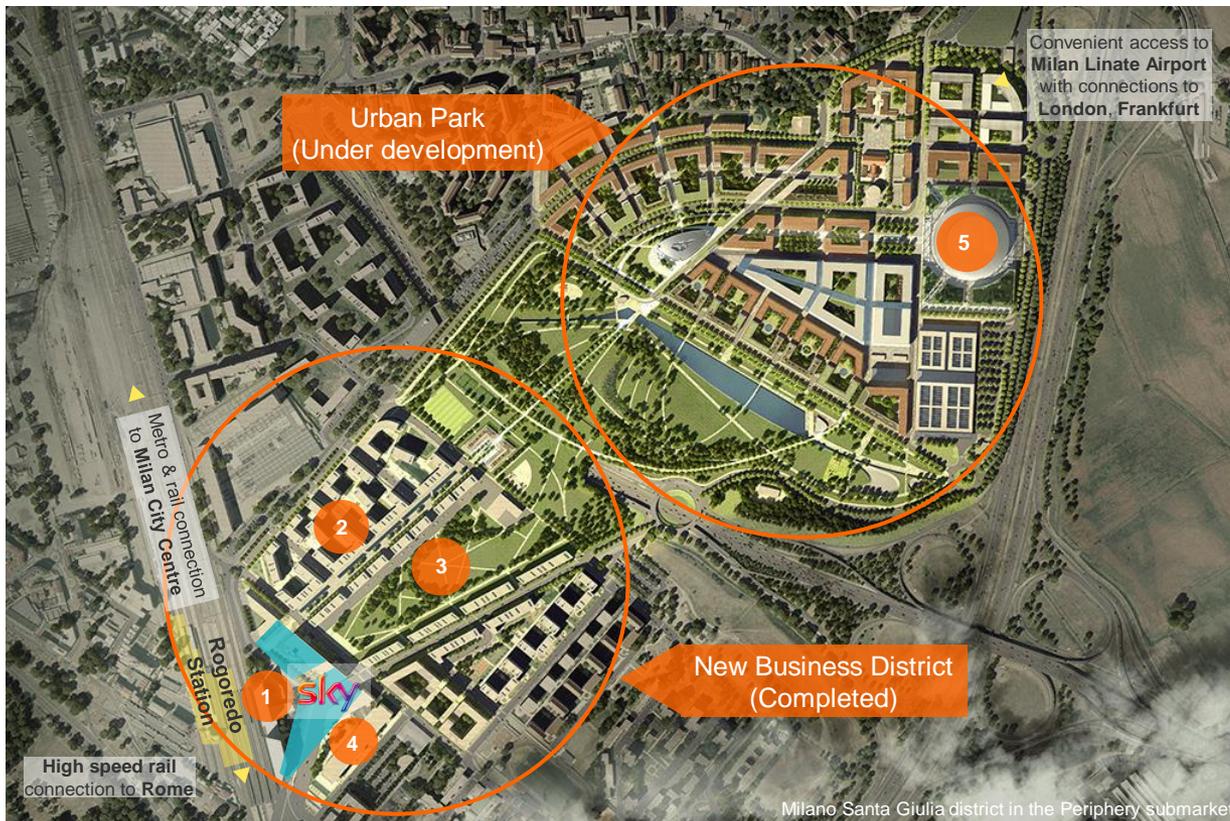


Visitation (Year 2021)



Office Portfolio: Continue to receive stable revenue

- With a triple-net lease structure and a long lease term until 2032, Sky Complex is projected to provide stable income stream to the portfolio.
- Two grade-A office buildings adjacent to Sky Complex, Spark One and Spark Two with ancillary retail units, are expected to complete by 2Q 2022. Once fit-out completes in Q3 2022, we would expect more activities and vibrancy in the New Business District.
- Milano Santa Giulia is set to be the first precinct to be LEED Neighbourhood certified, a benchmark for quality of life and sustainability.



- 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

31.8% Indirect Interest in Jem

- Jem continues to offer a lifestyle shopping experience with many popular brands
- More leasable spaces were created to unlock value for Unitholders

Additional unit created at B1

New F&B and retail options for shoppers



Building Value, Together

Support tenants and continue to create engaging experiences for shoppers

Partnered digital platform such as Shopback to generate sales for tenants



No. of Lendlease Plus members increased **70% YoY** in 2021



Total no. of e-deals redeemed **>35,000** in 2021



Average monthly app traffic **>88,000**



313 @somerset

PLAYER 313 IS WAITING FOR YOU! SAVE THE DATE NOW!

DAY	DATE	SESSIONS	SHOPPERS
FRI	5 & 12 NOV	6PM TO 8PM	100
SAT & SUN	6 & 7 NOV 13 & 14 NOV	1PM TO 3PM	100
SAT & SUN	20 & 21 NOV	6PM TO 8PM	100

T&Cs Apply



WIN A PARIS BAGUETTE CHRISTMAS GIFT POUCH!

BASIC MEMBER | PREMIUM MEMBER | PREMIUM EXTENDED

Accumulated spend since the start of membership is \$199. Reach \$8,000 within 12 months to unlock your Premium membership and enjoy 2X Plus\$!

Buy \$50 E-Voucher At \$40!

TODAY | EXPLORE | WALLET | STORES | MORE

Commitment towards environmental goals (Group level)

MISSION ZERO

As a 1.5°C aligned company, our Sponsor has set ambitious science-based emissions reductions targets.



NET ZERO CARBON BY 2025

Reduction of greenhouse gas emissions from business activities as far as possible, with the remainder offset with an approved carbon offset scheme.

Our Sponsor's net zero target applies to scope 1 & 2 emissions.



ABSOLUTE ZERO CARBON BY 2040

Mitigation of all greenhouse gas emissions produced from business activities to absolute zero, without the use of offsets.

Our Sponsor's absolute zero target applies to scope 1, 2 & 3 emissions.

SCOPES

Scopes are emissions categories defined by the Greenhouse Gas Protocol



SCOPE 1

Fuels we burn



SCOPE 2

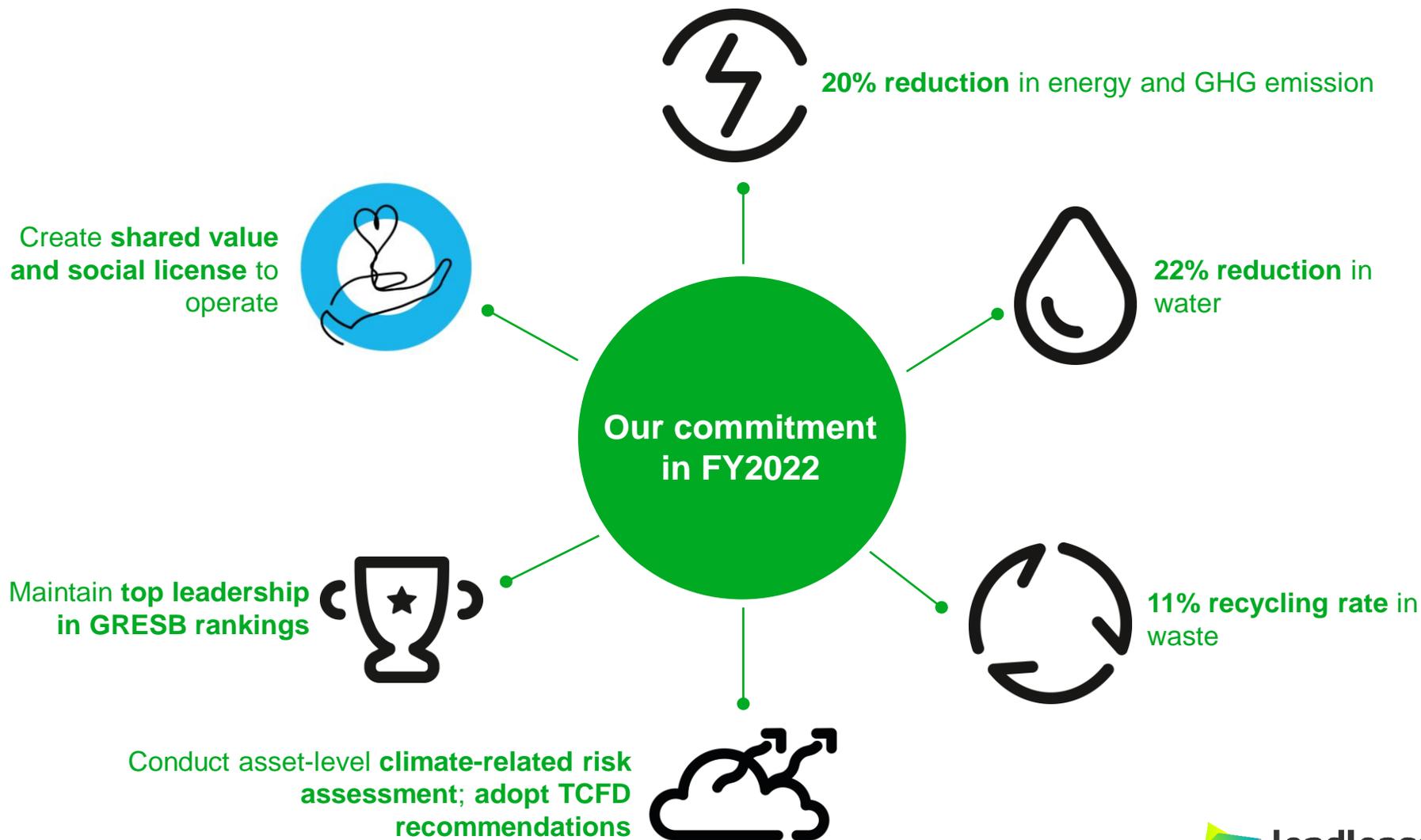
Power we consume



SCOPE 3

Indirect activities

Our reference targets in FY2022



Note: Assessment excludes Sky Complex as LREIT does not have operational control of the property.

Green Building Certification

- ✓ 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



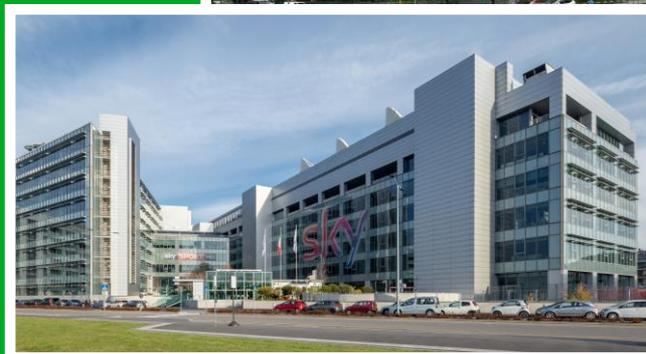
G R E S B
 REAL ESTATE
 sector leader 2021



313@somerset: **Green Mark Platinum certification**



Jem: **Green Mark Platinum and Universal Design Mark Gold Plus**



Sky Complex (Building 3): **LEED Gold Certification**

Looking Ahead

Link To
Somerset Road
Open 24 Hours

313
@somerset

Key Focus in the Near Term

Enhance Unitholders' value



- Drive **resilient and sustainable returns** for our stakeholders.
- Tap Sponsor's pipeline to acquire **high-quality assets with stable cash flow**.
- Strengthen our balance sheet through **active capital management**.
- **Create value in the communities** by going beyond asset obligations and support shared value partnerships.

Organic growth



- Continue 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 the advance estimates by the Ministry of Trade and Industry, the Singapore economy grew by 5.9% YoY in 4Q 2021. Retail sales (excluding motor vehicles) grew by 4.1% YoY in November 2021, compared to the YoY 11.5% increase in October 2021.
- Singapore has one of the world's highest vaccination rates, with more than 90% of its total eligible population fully inoculated and booster shots administered to more than 40%. The higher vaccination rates and an easing in severity of new COVID variants could imply a faster reopening of Singapore's borders.

Singapore Office Market

- Vacancy rates in the core CBD and fringe CBD submarkets stood at 6.7% QoQ respectively in Q4 2021. Decentralised submarket improved 0.4 percentage points to 4.9%.
- Grade A core CBD rents maintained a steady growth of 1.4% QoQ to \$10.80 psf per month and Grade B core CBD rents rose 0.6% to \$7.80 psf per month in Q4 2021.
- The demand for office space in the suburban market is likely to remain resilient in the near to long term due to the decentralisation trend as more offices look to the suburban areas to save on rental costs and adopting a flex and core strategy.

Milan Office Market

- The Italian National Institute of Statistics noted in its report that the consumer price index in December 2021 increased 3.9% YoY and 0.4% month-on-month.
- As at 3Q 2021, the Milan office market recorded a year-to-date take up of 260,000 sqm and is expected to return to the healthy values of the 2017-2019 period. The Periphery area, where Sky Complex is located, accounted for 25% of Q1-Q3 absorption.
- With the new health and safety requirements and the increasing focus on employees' wellbeing, most companies are expected to move to high quality buildings. This has resulted in an absorption of more than 70% for Grade A spaces in the various submarkets, including the Periphery market, of which most are green certified.



313@SOMERSET, SINGAPORE



SKY COMPLEX, MILAN



31.8% INDIRECT INTEREST IN JEM, SINGAPORE



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

Thank You

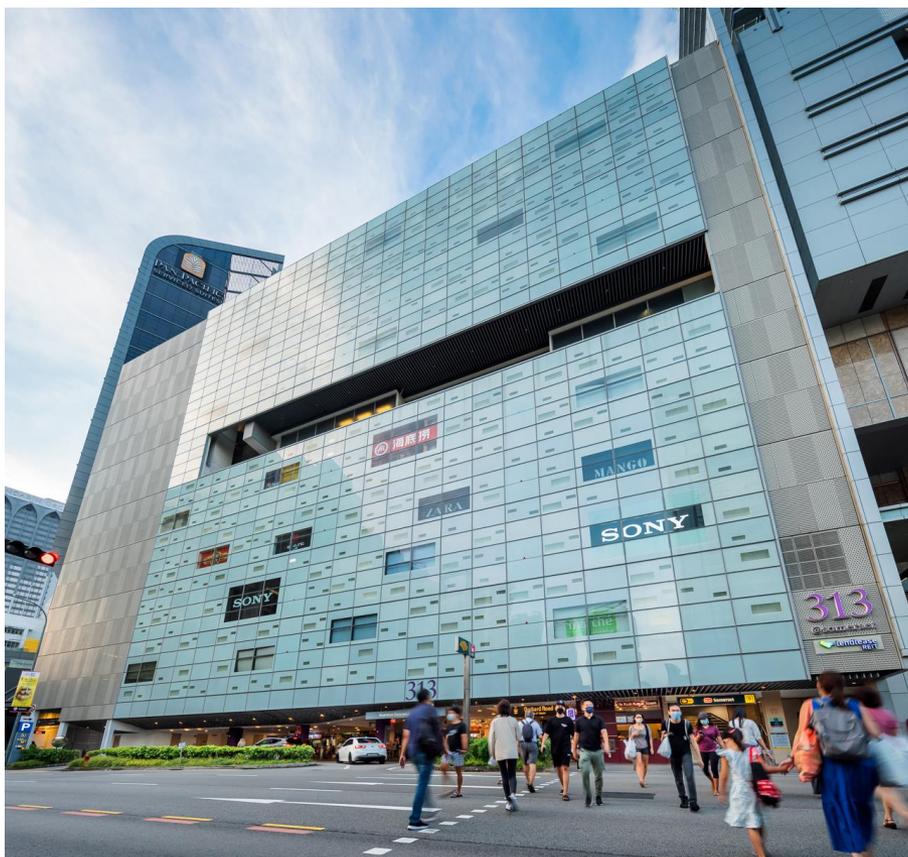
For enquiries, please contact Ling Bee Lin, Senior Manager Investor Relations
Tel: (65) 6671 7374 / Email: enquiry@lendleaseglobalcommercialreit.com



Property Details

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.



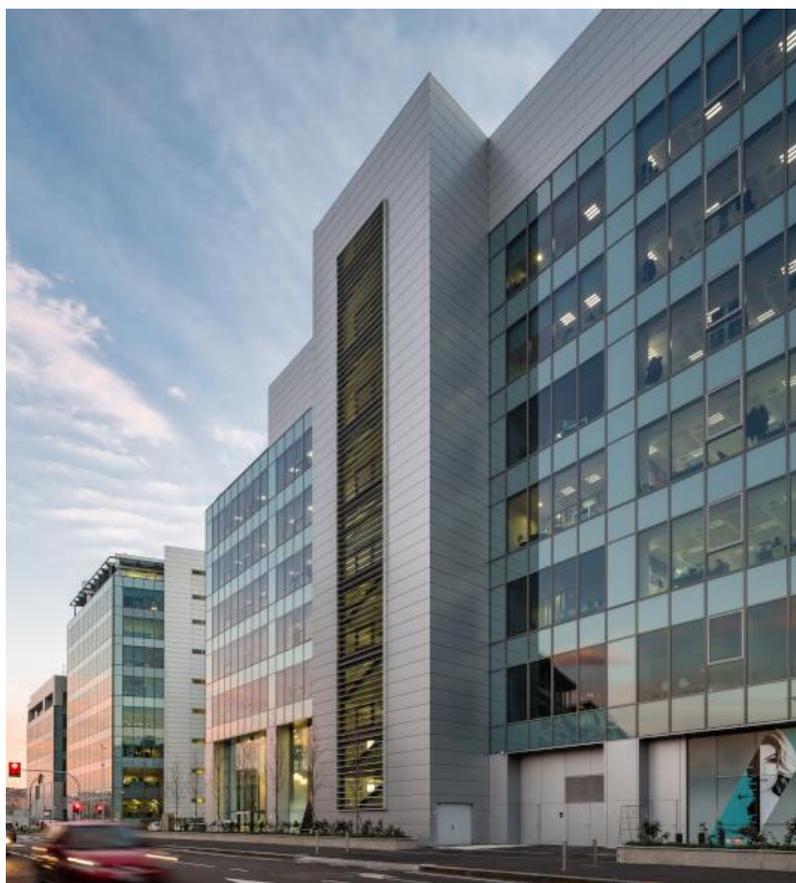
Key Statistics (as at 31 December 2021)

Occupancy	99.7%
WALE	1.5 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 31 December 2021)

Occupancy	100%
WALE	10.4 years (by NLA and GRI)
Valuation	S\$420.4 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 1.534 as at 31 December 2021.