

Lendlease Global Commercial REIT's Singapore Portfolio Achieves Positive Retail Rental Reversion and Office Rental Uplift in 3Q FY2025

Key Highlights

- Retail portfolio achieved a positive rental reversion of 10.4%¹ with tenant retention rate remained healthy at 87.9%² by net lettable area ("NLA").
- Jem office achieved a positive rental uplift of approximately 13%³.
- Visitation registered a decline of 0.2%⁴ and tenant sales declined 5.1%⁴ (both year-to-date), impacted by a softer retail landscape, outbound tourism and weakness in specific trade sectors like shoes & bags, fashion & accessories, and sporting goods & apparel.
- Refinanced S\$200 million perpetual securities due in April 2025 with new issuance at a lower coupon rate and loans at lower costs of funding.
- Signed Shaw Theatres as a new tenant at Jem, replacing Cathay Cineplex.
- Completed asset enhancement works at the ground floor lobby of Building 3 in Milan, transforming it into a refreshed and welcoming space for tenants.
- Commenced refurbishment works to upgrade restrooms facilities at Jem to elevate the overall amenities and shoppers' comfort.
- Construction at the multifunctional event space is progressing well and is on track to complete by 2H 2026.

Singapore, 7 May 2025 - Lendlease Global Commercial Trust Management Pte. Ltd. (the "Manager"), the manager of Lendlease Global Commercial REIT ("LREIT"), announces its third quarter business update for FY2025.

Operational Performance

LREIT's portfolio committed occupancy remained stable at 92.1% as at 31 March 2025. Lease expiry profile remained well-spread with only 1.2% by NLA and 2.4% by gross rental income ("GRI") due for renewal in FY2025. LREIT continued to maintain a long portfolio weighted average lease expiry ("WALE") of approximately 7.3 years (by NLA) and 4.9 years (by GRI) respectively.

LREIT was awarded the tender to redevelop the 48,200 square feet⁵ car park at Grange Road. The site, to be redeveloped into a multifunctional event space, will maximise its full potential and create synergy with the "Discovery Walk", which is linked to 313@somerset. Construction of the space is progressing well with piling works scheduled to be completed by end-2025.

¹ Year-to-date, comparing the weighted average rent of outgoing and incoming leases.

² Based on year-to-date completed lease renewal.

³ For details, please refer to the announcement "Lendlease Global Commercial Reit Completes Rent Review for Jem Office Lease" dated 28 February 2025.

⁴ Year-to-date compared against the corresponding period in FY2024.

⁵ Floor area and scheme are subject to final design and approval by the authorities.

Positive retail rental reversion and active asset management

LREIT's retail portfolio has achieved 99.5% occupancy with a positive rental reversion of 10.4%¹ as at 31 March 2025. Tenant retention rate by NLA remained healthy at 87.9%².

Visitation registered a decline of 0.2%⁴ and tenant sales declined 5.1%⁴ (both year-to-date), impacted by a softer retail landscape, outbound tourism and weakness in specific trade sectors like shoes & bags, fashion & accessories, and sporting goods & apparel.

During the quarter, the Manager signed a lease agreement with Shaw Theatres as a new tenant, taking over the space previously occupied by Cathay Cineplex. It is currently in talks with Cathay Cineplex to recover the outstanding amount owed and will provide an update at an appropriate juncture. Additional new tenants brought onboard include lululemon, a Canadian athletic apparel brand; Chagee, a modern tea brand offering handcrafted beverages; and 2nd Street, new-to-market Japanese thrift store chain specialising in pre-loved luxury and streetwear.

As part of the Manager's active asset enhancement strategy, the team has commenced refurbishment works to upgrade restrooms facilities at Jem. The upgraded facilities, scheduled for phased completion by 1Q 2026, will elevate the overall amenities and shoppers' comfort.

Positive rental uplift achieved for office portfolio

As at 31 March 2025, office portfolio occupancy stood at 86.6%. By portfolio GRI, the tenants account for approximately 22% with a long WALE of 11.4 years by NLA and 14.1 years by GRI.

Rental review exercise for Jem office was completed in February with a positive uplift of approximately 13%³ over the prevailing base rent for five years effective from 3 December 2024. Jem office is fully leased to the Singapore's Ministry of National Development ("MND") until 2044.

As of 31 March 2025, Building 3 in Milan had an occupancy rate of approximately 31%. The team had recently completed asset enhancement works in the ground floor lobby, transforming the space into a refreshed and welcoming environment for tenants.

Capital Management

During the quarter, LREIT issued S\$120 million perpetual securities at 4.75% per annum to refinance the S\$200 million 5.25% perpetual securities due in April 2025, with the remaining S\$80 million to be refinanced with loans. Net proceeds from the S\$120 million issuance were utilised, ahead of the perpetual securities refinancing, to reduce debt borrowings and lower gearing to 38.0%⁶. Post 31 March 2025, new debt facilities have been drawn accordingly for the refinancing of the maturing loans and perpetual securities⁶ in April 2025.

⁶ On a proforma basis based on total assets at 31 March 2025, gearing is approximately 43% post S\$200 million loan drawdown for the repayment of perpetual securities.

As at 31 March 2025, gross borrowings were S\$1,451.7 million with a weighted average debt maturity of 1.8 years⁷. Sustainability-linked financing continues to account for approximately 85% of LREIT's total committed debt facilities. As at the date of the announcement, LREIT's entire debt portfolio remains unsecured, with undrawn debt facilities of S\$135.9 million available to support its working capital needs.

Approximately 76% of the borrowings are hedged to fixed rates with a lower weighted average cost of debt at 3.54% per annum⁸ on the back of lower interest rates. As at the period end, LREIT has an interest coverage ratio ("ICR")⁹ of 1.5 times¹⁰ in accordance with the Property Funds Appendix of the Code on Collective Investment Schemes ("PFA").

Mr. Guy Cawthra, Chief Executive Officer of the Manager, said, "The Singapore portfolio, comprising approximately 90% of the total portfolio by valuation, has maintained strong rental growth. In addition, we have concluded the rent review for Jem office and achieved a favourable outcome. Managing our capital position is a priority. We have refinanced S\$200 million of 5.25% perpetual securities by way of a new issuance at a reduced coupon rate of 4.75% and new loans at more favourable funding costs. Looking ahead, despite uncertain capital markets, we shall pursue options for asset recycling, with the objective of reducing our gearing. We will also assess our strategy and formulate a strategic growth plan for communication to the investment community."

END

⁷ On a proforma basis, the refinancing of current borrowings amounting to S\$450.5 million on their respective maturity dates extends the weighted average debt maturity to 3.1 years as at 31 March 2025.

⁸ Excludes amortisation of debt-related transaction costs.

⁹ The ICR in accordance with loan agreements exceeds 2.5 times, in excess of debt covenant at 2.0 times.

¹⁰ Per the PFA, calculation is based on a trailing 12 months period ending on the date of the latest reported financial results. For LREIT, the last reported financial results is as at 31 December 2024.

About Lendlease Global Commercial REIT

Listed on 2 October 2019, Lendlease Global Commercial REIT (“**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.

Its portfolio comprises leasehold properties in Singapore namely Jem (an office and retail property) and 313@somerset (a prime retail property) as well as freehold interest in Sky Complex (three Grade A commercial buildings) in Milan. These five properties have a total net lettable area of approximately 2.1 million square feet, with an appraised value of S\$3.68 billion as at 30 June 2024. Other investments include a stake in Parkway Parade (an office and retail property) and development of a multifunctional event space on a site adjacent to 313@somerset.

LREIT is managed by Lendlease Global Commercial Trust Management Pte. Ltd., an indirect wholly-owned subsidiary of Lendlease Corporation Limited.

About the Sponsor - Lendlease Corporation Limited

Lendlease Corporation Limited is a market-leading Australian integrated real estate group. Headquartered in Sydney, it is listed on the Australian Securities Exchange.

Its core capabilities are reflected in its operating segments of Investments, Development and Construction. The combination of these three segments provides them with a sustainable competitive advantage in delivering innovative integrated solutions for its customers. For more information, please visit: www.lendlease.com.

For more information on LREIT, please contact Investor Relations:

Lendlease Global Commercial Trust Management Pte. Ltd.

Ling Bee Lin

enquiry@lendleaseglobalcommercialreit.com

Tel: +65 6671 7374

Important Notice

This press release is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any securities of Lendlease Global Commercial REIT (“**LREIT**”) in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The value of units in LREIT (the “**Units**”) and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by Lendlease Global Commercial Trust Management Pte. Ltd. (the “**Manager**”), DBS Trustee Limited (as trustee of LREIT) or any of their affiliates.

This press release may contain forward-looking statements that involve risks and uncertainties. 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 factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in operating expenses, (including employee wages, benefits and training costs), property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Holders of Units (“**Unitholder**”) have no right to request the Manager to redeem or purchase 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 (“**SGX-ST**”). Listing of the Units on SGX-ST does not guarantee a liquid market for the Units.

This press release is not to be distributed or circulated outside of Singapore. Any failure to comply with this restriction may constitute a violation of United State securities laws or the laws of any other jurisdiction.

The past performance of LREIT is not necessarily indicative of its future performance.