(Constituted in the Republic of Singapore pursuant to a Trust Deed dated 28 January 2019 (as amended))

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FIRST FINANCIAL HALF YEAR PERIOD FROM 1 JULY 2024 TO 31 DECEMBER 2024

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Introduction & Corporate Information

Lendlease Global Commercial REIT ("LREIT") is a Singapore-domiciled real estate investment trust constituted pursuant to the Trust Deed dated 28 January 2019 (as amended). It is principally regulated by the Securities and Futures Act 2001, 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"). Lendlease Corporation Limited is a market-leading Australian integrated real estate group. Headquartered in Sydney, it is listed on the Australian Securities Exchange.

Lendlease Global Commercial Trust Management Pte. Ltd. (the "Manager") is an indirect wholly-owned subsidiary of the Sponsor. Effective 18 July 2022, the trustee of LREIT is DBS Trustee Limited.

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.

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LREIT's property portfolio comprises the following properties in Singapore and Milan, Italy (the "Properties"):

(i) a 99-year leasehold[1] interest in Jem, an integrated office and retail mall located in Jurong East, Singapore ("Jem");

(ii) a 99-year leasehold[2] interest in 313@somerset, a retail mall located in Orchard, Singapore ("313@somerset"); and

(iii) a freehold interest in Sky Complex, which comprises three commercial buildings located in Milan, Italy ("Sky Complex").

LREIT owns 10.0% of the shares in Parkway Parade Partnership Pte. Ltd. ("PPP"), which holds an indirect 100% interest in 291 strata lots in Parkway Parade, representing 77.09% of the total share value of the strata lots in Parkway Parade. Parkway Parade is an integrated office and retail development located in Marine Parade, Singapore.

Footnotes:
1. Commencing on 27 September 2010 and ending on 26 September 2109.
2. Commencing on 21 November 2006 and ending on 20 November 2105.

Distribution

The first distribution for financial year 2025 ("FY2025") will be for the period from 1 July 2024 to 31 December 2024 and will be paid on or before 31 March 2025.

Summary of Lendlease Global Commercial REIT Group Results

	GROUP		
	6 months ended 31 Dec 2024	**6 months ended 31 Dec 2023**	**Variance %**
Gross Revenue (S$'000)	103,594	119,917	(13.6)
Net Property Income (S$'000)	74,916	93,381	(19.8)
Amount Distributable (S$'000)			
- to Perpetual securities holders	9,528	9,528	-
- to Non-controlling interests	(51)	152	NM
- to Unitholders	43,492	49,292	(11.8)
Available Distribution per Unit ("DPU") (cents)	**1.80**	**2.10**	**(14.3)**

NM: Not meaningful

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

	Note	GROUP (S$'000) 6 months ended 31 Dec 2024	GROUP (S$'000) 6 months ended 31 Dec 2023	Variance %
Gross revenue	i	103,594	119,917	(13.6)
Property operating expenses		(28,678)	(26,536)	(8.1)
Net property income		**74,916**	**93,381**	**(19.8)**
Manager's base fee		(5,245)	(5,190)	(1.1)
Manager's performance fee		(3,794)	(4,751)	20.1
Other management fees		(368)	(378)	2.6
Trustee's fee		(216)	(215)	(0.5)
Other trust expenses [1]		(1,294)	(1,300)	0.5
Net foreign exchange gain/(loss) [2]		10,728	5,838	83.8
Dividend income [3]		1,396	1,410	(1.0)
Finance income		451	681	(33.8)
Finance costs [4]		(34,155)	(32,710)	(4.4)
Profit/(Loss) before tax, change in fair value and share of profit/(loss)		**42,419**	**56,766**	**(25.3)**
Share of profit/(loss) of associates		(163)	733	NM
Net change in fair value of derivative financial instruments [5]		(13,166)	(27,089)	51.4
Profit/(Loss) before tax		**29,090**	**30,410**	**(4.3)**
Tax expense		-	-	NM
Profit/(Loss) after tax		**29,090**	**30,410**	**(4.3)**
Attributable to:				
Unitholders		19,613	20,730	(5.4)
Non-controlling interests		(51)	152	NM
Perpetual securities holders [6]		9,528	9,528	-
Profit/(Loss) after tax		**29,090**	**30,410**	**(4.3)**
Distribution Statement				
Profit attributable to Unitholders		19,613	20,730	(5.4)
Add: Distribution adjustments [7]		23,879	28,562	(16.4)
Amount available for distribution to Unitholders (Note A)		**43,492**	**49,292**	**(11.8)**

NM: Not meaningful

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

Footnotes:

1. Other trust expenses include operating expenses such as annual listing fees, audit and tax advisory fees, investor relations expenses, amortisation of intangible assets and other miscellaneous expenses.

2. Net foreign exchange gain/loss relates mainly to the translation difference of the Euro term loans and credit facilities to Singapore dollars during the period. Due to the effect of natural hedging, there is a corresponding gain/loss recognised in the comprehensive income, resulting from the stronger/weaker €/S$ exchange rate on the Euro-denominated investment.

3. Dividend income pertains to dividends received from PPP.

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

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

6. LREIT has issued two series of perpetual securities with an aggregate amount of S$400 million with no fixed final redemption date. Both series of perpetual securities confer rights to its holders to receive distribution payments at a fixed rate. Distributions are payable semi-annually in arrears on a discretionary basis and are non-cumulative in accordance with the terms and conditions of the perpetual securities.

7. Distribution adjustments include Manager's base fee and performance fee paid/payable in units, property management fee paid/payable in units, net change in fair value of derivative financial instruments, amortisation of debt-related transaction costs and other adjustments related to non-cash or timing differences in income and expenses.

	GROUP		
	(S$'000)		Variance %
	6 months ended 31 Dec 2024	6 months ended 31 Dec 2023	
Note A			
Distribution from:			
- Singapore	41,503	42,471	(2.3)
- Foreign source [1]	1,989	6,821	(70.8)
Total	43,492	49,292	(11.8)

Footnote:

1. Foreign source distribution mainly pertains to income from Sky Complex. Decrease is mainly due to the replacement of the EURIBOR interest rate hedge at a higher rate in October 2023 and expenditure in relation to equipment replacement at Sky Complex.

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

	GROUP		
	(S$'000)		Variance %
	6 months ended 31 Dec 2024	6 months ended 31 Dec 2023	
Profit/(Loss) after tax	**29,090**	**30,410**	**(4.3)**
Item that may be reclassified subsequently to profit or loss:			
Other comprehensive income:			
Net currency translation differences relating to financial statements of a foreign subsidiary	(10,539)	(5,482)	(92.2)
Total comprehensive income	**18,551**	**24,928**	**(25.6)**
Total comprehensive income attributable to:			
Unitholders	9,074	15,248	(40.5)
Non-controlling interests	(51)	152	NM
Perpetual securities holders	9,528	9,528	-
	18,551	**24,928**	**(25.6)**

NM: Not meaningful

1(b)(i) Condensed Interim Statement of Financial Position

	Note	GROUP 31 Dec 2024 (S$'000)	GROUP 30 Jun 2024 (S$'000)
Current assets			
Cash and cash equivalents		45,331	34,124
Trade and other receivables		7,897	8,092
Other current assets		6,957	7,415
Derivative financial instruments [1]		108	1,304
		60,293	50,935
Non-current assets			
Investment properties	ii	3,670,992	3,673,150
Investment property under development	iii	9,286	9,256
Investment in associates		4,356	4,519
Equity instrument at fair value		85,949	86,098
Intangible assets [2]		33	61
Other non-current assets		3,050	2,551
Derivative financial instruments [1]		773	3,244
		3,774,439	3,778,879
Total assets		**3,834,732**	**3,829,814**
Current liabilities [3]			
Trade and other payables		54,060	55,350
Loans and borrowings	iv	478,764	357,716
Lease liability [4]		200	196
Derivative financial instruments [1]		-	60
		533,024	413,322
Non-current liabilities			
Trade and other payables		19,219	19,775
Loans and borrowings	iv	1,062,381	1,178,254
Lease liability [4]		1,859	1,960
Derivative financial instruments [1]		13,758	4,200
		1,097,217	1,204,189
Total liabilities		**1,630,241**	**1,617,511**
Net assets		**2,204,491**	**2,212,303**
Represented by:			
Unitholders' funds		1,803,834	1,811,647
Perpetual securities holders		399,484	399,432
Non-controlling interests		1,173	1,224
		2,204,491	**2,212,303**
NAV per Unit (S$) [5]		**0.74**	**0.76**

1(b)(i) Condensed Interim Statement of Financial Position

Footnotes:

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

2. Intangible assets comprise renewable energy certificates acquired by the Group and are measured at cost less accumulated amortisation over the useful lives less any accumulated impairment losses.

3. The Group was in a net current liabilities position as at 31 December 2024 mainly due to a current portion of long-term borrowings taken to fund investment properties (long-term assets) that were maturing within the next 12 months. Facilities have been secured for the refinancing of these current borrowings. Please refer to Notes to the Condensed Interim Financial Statements (iv) Loans and Borrowings.

4. This relates to the lease liability recognized by the Group on its existing operating lease arrangements in accordance with the principles of IFRS 16.

5. Net asset value ("NAV") and net tangible asset ("NTA") backing per unit are based on issued units at the end of the period. NTA per unit approximates NAV per unit.

1(b)(i) Condensed Interim Statement of Financial Position

	Note	LREIT 31 Dec 2024 (S$'000)	LREIT 30 Jun 2024 (S$'000)
Current assets			
Cash and cash equivalents		34,879	26,669
Trade and other receivables		5,465	3,628
Other current assets		6,508	7,278
Derivative financial instruments [1]		108	1,304
		46,960	38,879
Non-current assets			
Investment properties	ii	3,292,251	3,291,000
Investment property under development	iii	9,286	9,256
Investment in subsidiaries		485,917	477,516
Equity instrument at fair value		85,949	86,098
Intangible assets [2]		33	61
Other non-current assets		3,050	2,551
Derivative financial instruments [1]		773	3,244
		3,877,259	3,869,726
Total assets		**3,924,219**	**3,908,605**
Current liabilities [3]			
Trade and other payables		50,748	54,071
Loans and borrowings	iv	478,764	357,716
Lease liability [4]		200	196
Derivative financial instruments [1]		-	60
		529,712	412,043
Non-current liabilities			
Trade and other payables		19,219	19,775
Loans and borrowings	iv	1,062,381	1,178,254
Lease liability [4]		1,859	1,960
Derivative financial instruments [1]		13,758	4,200
		1,097,217	1,204,189
Total liabilities		**1,626,929**	**1,616,232**
Net assets		**2,297,290**	**2,292,373**
Represented by:			
Unitholders' funds		1,897,806	1,892,941
Perpetual securities holders		399,484	399,432
		2,297,290	**2,292,373**
NAV per Unit (S$) [5]		**0.78**	**0.80**

1(b)(i) Condensed Interim Statement of Financial Position

Footnotes:

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

2. Intangible assets comprise renewable energy certificates acquired by LREIT and are measured at cost less accumulated amortisation over the useful lives less any accumulated impairment losses.

3. LREIT was in a net current liabilities position as at 31 December 2024 mainly due to a current portion of long-term borrowings taken to fund investment properties (long-term assets) that were maturing within the next 12 months. Facilities have been secured for the refinancing of these current borrowings. Please refer to Notes to the Condensed Interim Financial Statements (iv) Loans and Borrowings.

4. This relates to the lease liability recognized by LREIT on its existing operating lease arrangements in accordance with the principles of IFRS 16.

5. Net asset value ("NAV") and net tangible asset ("NTA") backing per unit are based on issued units at the end of the period. NTA per unit approximates NAV per unit.

1(c) Condensed Interim Consolidated Statement of Cash Flow

	GROUP	
	6 months ended 31 Dec 2024 (S$'000)	6 months ended 31 Dec 2023 (S$'000)
Cash flows from operating activities		
Profit/(Loss) after tax	29,090	30,410
Adjustments for:		
Manager's fee paid/payable in units	9,039	9,941
Property manager's fee paid/payable in units	3,108	3,067
Dividend income from equity instrument at fair value	(1,396)	(1,410)
Finance income	(451)	(681)
Interest expense	28,080	26,380
Amortisation of debt-related transaction costs	5,917	6,129
Amortisation of intangible assets	28	40
Amortisation of investment properties - tenant incentive	974	-
Net foreign exchange (gain)/loss [1]	(10,823)	(5,554)
Share of (profit)/loss of associates	163	(733)
Net change in fair value of derivative financial instruments	13,166	27,089
Operating income before working capital changes	**76,895**	**94,678**
Changes in:		
Trade and other receivables	162	992
Trade and other payables	242	(2,183)
Other current assets	458	(993)
Other non-current assets	(499)	(13)
Net cash generated from/(used in) operating activities	**77,258**	**92,481**

1(c) Condensed Interim Consolidated Statement of Cash Flow

	GROUP	
	6 months ended 31 Dec 2024 (S$'000)	6 months ended 31 Dec 2023 (S$'000)
Cash flows from investing activities		
Dividends received from equity instrument at fair value	1,396	1,410
Adjustment of purchase price of equity instrument	149	-
Interest received	451	681
Capital expenditure on investment properties	(6,768)	(2,457)
Capital expenditure on investment property under development	(29)	(77)
Net cash generated from/(used in) investing activities	**(4,801)**	**(443)**
Cash flows from financing activities		
(Payment)/Refund of issue costs	(69)	(12)
Payment of financing expenses	-	(1,080)
Proceeds from loans and borrowings	15,000	476,725
Repayment of loans and borrowings	(5,000)	(476,830)
Distribution to Unitholders [2]	(33,272)	(49,895)
Distribution to perpetual securities holders	(9,476)	(9,476)
Interest paid	(27,789)	(24,024)
Payment of lease liability	(135)	(135)
Net cash flows generated from/(used in) financing activities	**(60,741)**	**(84,727)**
Net increase/(decrease) in cash and cash equivalents	**11,716**	**7,311**
Cash and cash equivalents at beginning of the period	**34,124**	**54,224**
Effect of exchange rate changes on balances held in foreign currency	(509)	134
Cash and cash equivalents at end of the period	**45,331**	**61,669**

Footnotes:

1. Net foreign exchange gain/loss relates mainly to the translation difference of the Euro term loan and credit facilities to Singapore dollar during the period. Due to the effect of natural hedging, there is a corresponding gain/loss in the comprehensive income, resulting from the stronger/weaker €/S$ exchange rate on the Euro-denominated investment.

2. Distribution to Unitholders in 1H FY2025 excludes S$8.8 million distributed through the issuance of units in LREIT as part payment of distributions for the period from 1 January 2024 to 30 June 2024, pursuant to distribution reinvestment plan. Distribution to Unitholders in 1H FY2024 excludes S$2.3 million distributed through the issuance of units in LREIT as part payment of distributions for the period from 1 January 2023 to 30 June 2023, pursuant to distribution reinvestment plan.

1(d)(i) Condensed Interim Statements of Movements in Unitholders' Funds

	GROUP	
	6 months ended 31 Dec 2024 (S$'000)	**6 months ended 31 Dec 2023 (S$'000)**
Operations		
Balance as at beginning of the period	**287,988**	**229,757**
Profit/(Loss) after tax attributable to Unitholders	19,613	20,730
Balance as at end of the period	**307,601**	**250,487**
Unitholders' transactions		
Balance as at beginning of the period	**1,543,600**	**1,612,345**
(Payment)/Refund of Issue costs	(69)	(12)
Manager's base fee paid in units	5,084	5,205
Manager's performance fee paid in units	8,396	7,705
Manager's acquisition fee paid in units	-	852
Property manager's fee paid in units	2,974	2,946
Distribution reinvestment plan	8,794	2,278
Distributions	(42,066)	(52,173)
Balance as at end of the period	**1,526,713**	**1,579,146**
Foreign currency translation reserve		
Balance as at beginning of the period	**(19,941)**	**(12,758)**
Translation differences relating to financial statements of a foreign subsidiary	(10,539)	(5,482)
Balance as at end of the period	**(30,480)**	**(18,240)**
Total Unitholders' funds as at end of the period	**1,803,834**	**1,811,393**
Perpetual securities holders		
Balance as at beginning of the period	**399,432**	**399,432**
Profit attributable to perpetual securities holders	9,528	9,528
Distributions	(9,476)	(9,476)
Balance as at end of the period	**399,484**	**399,484**
Non-controlling interests		
Balance as at beginning of the period	**1,224**	**1,989**
Profit/(Loss) after tax attributable to non-controlling interests	(51)	152
Balance as at end of the period	**1,173**	**2,141**

1(d)(i) Condensed Interim Statements of Movements in Unitholders' Funds

	LREIT	
	6 months ended 31 Dec 2024 (S$'000)	**6 months ended 31 Dec 2023 (S$'000)**
Operations		
Balance as at beginning of the period	**349,341**	**213,885**
Profit/(Loss) after tax attributable to Unitholders	21,752	9,522
Balance as at end of the period	**371,093**	**223,407**
Unitholders' transactions		
Balance as at beginning of the period	**1,543,600**	**1,612,345**
(Payment)/Refund of Issue costs	(69)	(12)
Manager's base fee paid in units	5,084	5,205
Manager's performance fee paid in units	8,396	7,705
Manager's acquisition fee paid in units	-	852
Property manager's fee paid in units	2,974	2,946
Distribution reinvestment plan	8,794	2,278
Distributions	(42,066)	(52,173)
Balance as at end of the period	**1,526,713**	**1,579,146**
Total Unitholders' funds as at end of the period	**1,897,806**	**1,802,553**
Perpetual securities holders		
Balance as at beginning of the period	**399,432**	**399,432**
Profit attributable to perpetual securities holders	9,528	9,528
Distributions	(9,476)	(9,476)
Balance as at end of the period	**399,484**	**399,484**

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

	6 months ended 31 Dec 2024 (Units)	6 months ended 31 Dec 2023 (Units)
Balance as at beginning of the period	**2,376,578,012**	**2,323,661,727**
New units issued		
Manager's base fee paid in units	8,976,536	7,767,628
Manager's performance fee paid in units	14,896,822	11,638,765
Manager's acquisition fee paid in units	-	1,516,104
Property manager's fee paid in units	5,251,433	4,393,688
Distribution reinvestment plan	17,045,500	3,807,026
Total issued units as at end of the period [1]	**2,422,748,303**	**2,352,784,938**

Footnote:

1. There were no convertible and treasury units held by LREIT and its subsidiaries as at 31 December 2024 and 31 December 2023.

1(d)(iii) Notes to the Condensed Interim Financial Statements

Basis of Preparation

The condensed interim financial statements for the six-month period ended 31 December 2024 have been prepared in accordance with the IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 30 June 2024.

The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last audited financial statements for the year ended 30 June 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with the International Financial Reporting Standards ("IFRS"), except for the adoption of new and amended standard as set out below.

The condensed interim financial statements are presented in Singapore dollars ("S$"), which is the functional currency of LREIT. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

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

1(d)(iii) Notes to the Condensed Interim Financial Statements

New and amended standards adopted by the Group

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

Use of estimates and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements and estimates made in applying the Group's accounting policies that have the most significant effect on the amounts recognised in the condensed interim financial statements are described in note ii – investment properties and note iii - investment property under development.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The Manager has overall responsibility for the appointment of external valuers, where necessary, and all significant fair value measurements and reports directly to the Board of Directors of the Manager.

When measuring the fair value of an asset or a liability, the Manager uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

• Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
• Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
• Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note ii: Investment properties; and
- Note iii: Investment property under development.

Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Makers ("CODMs") which comprise mainly the Board of Directors including the Chief Executive Officer ("CEO") of the Manager to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Unallocated items mainly comprise fees, other trust expenses, foreign exchange gain/loss, finance costs, finance and other income and fair value of derivative financial instruments as these are centrally managed by the Group.

i Gross revenue and operating segment

Operating segment

For segment reporting purpose, the primary segment is by geography and it comprises Singapore and Italy. The Group's reportable operating segments are as follows:

(i) Singapore – leasing of retail and office buildings in Singapore; and

(ii) Italy – leasing of three commercial buildings in Milan, Italy.

Segment information is presented in respect of the Group's geographical segments. The operations of each of the Group's geographical segments are separately managed because of different economic and regulatory environments in which they operate in. For the purpose of making resource allocation and the assessment of segment performance, the Group's CODMs have focused on its investment properties. For each of the reporting segments, the Manager reviews internal management reports on a monthly basis. This forms the basis of identifying the operating segments of the Group under IFRS 8 Operating Segments.

i Gross revenue and operating segment

Operating segment

6 months ended 31 Dec 2024	Singapore (S$'000)	Italy (S$'000)	Group (S$'000)
Gross revenue	94,921	8,673	103,594
Property operating expenses	(25,318)	(3,360)	(28,678)
Total segment net property income	69,603	5,313	74,916
Dividend income	1,396	-	1,396
Unallocated items:			
Manager's base fees			(5,245)
Manager's performance fees			(3,794)
Other management fees			(368)
Trustee's fee			(216)
Other trust expenses			(1,294)
Net foreign exchange gain/(loss)			10,728
Finance income			451
Finance costs			(34,155)
Profit/(Loss) before tax, change in fair value and share of profit/(loss)			42,419
Share of profit/(loss) of associates	(163)	-	(163)
Unallocated item:			
Fair value gains/(losses) of derivative financial instruments			(13,166)
Profit/(Loss) before tax			29,090
Segment assets	3,443,180	391,552	3,834,732
Segment liabilities	1,626,998	3,243	1,630,241

i Gross revenue and operating segment

Operating segment

6 months ended 31 Dec 2023	**Singapore (S$'000)**	**Italy (S$'000)**	**Group (S$'000)**
Gross revenue	93,383	26,534	119,917
Property operating expenses	(24,558)	(1,978)	(26,536)
Total segment net property income	68,825	24,556	93,381
Dividend income	1,410	-	1,410
Unallocated items:			
Manager's base fees			(5,190)
Manager's performance fees			(4,751)
Other management fees			(378)
Trustee's fee			(215)
Other trust expenses			(1,300)
Net foreign exchange gain/(loss)			5,838
Finance income			681
Finance costs			(32,710)
Profit/(Loss) before tax, change in fair value and share of profit/(loss)			56,766
Share of profit/(loss) of associates	733	-	733
Unallocated item:			
Fair value gains/(losses) of derivative financial instruments			(27,089)
Profit/(Loss) before tax			30,410
Segment assets	3,363,955	455,405	3,819,360
Segment liabilities	1,598,354	7,988	1,606,342

i Gross revenue and operating segment

Breakdown of gross revenue

	Group (S$'000)	
	6 months ended 31 Dec 2024	6 months ended 31 Dec 2023
Rental income	95,092	95,519
Turnover rent [1]	2,460	3,366
Other property income	6,042	21,032 [2]
	103,594	119,917

Footnotes:

1. *Turnover rent is contingent rent derived from operating leases.*
2. *Mainly comprise of upfront recognition of supplementary rent in relation to the return of Building 3 by Sky Italia S.r.l. ("Sky"), of an amount equivalent to approximately two years of the prevailing annual rent of Building 3.*

ii Investment properties

	GROUP	
	31 Dec 2024 (S$'000)	30 Jun 2024 (S$'000)
Property		
Singapore	3,292,251	3,291,000
Italy	378,741	382,150
Investment properties	3,670,992	3,673,150

	GROUP	
	31 Dec 2024 (S$'000)	30 Jun 2024 (S$'000)
Balance as at the beginning of the period	3,673,150	3,642,854
Capital expenditure	8,732	7,028
Currency translation difference	(9,916)	(6,906)
Tenant incentive [1]	(974)	28,695
Change in fair value of investment properties (tenant incentive)	-	(28,695)
Change in fair value of investment properties	-	30,174
Balance as at the end of the period	3,670,992	3,673,150

	LREIT	
	31 Dec 2024 (S$'000)	30 Jun 2024 (S$'000)
Property		
313@somerset	1,037,779	1,037,000
Jem	2,254,472	2,254,000
	3,292,251	3,291,000

	LREIT	
	31 Dec 2024 (S$'000)	30 Jun 2024 (S$'000)
Balance as at the beginning of the period	3,291,000	3,214,000
Capital expenditure	1,251	4,341
Change in fair value of investment properties	-	72,659
Balance as at the end of the period	3,292,251	3,291,000

Footnote:

1. Tenant incentive relates to incentives paid for the lease restructuring at Sky Complex and is amortised on a straight-line basis over the lease term.

The decrease in Group's investment properties is mainly due to foreign exchange revaluation loss on a Euro-denominated investment property (Sky Complex) attributed to weaker €/S$ exchange rate.

ii Investment properties

Measurement of fair value

Fair value hierarchy

The carrying amounts of the investment properties as at 31 December 2024 were based on the valuations performed by independent professional valuers, Knight Frank Pte Ltd, Jones Lang LaSalle Property Consultants Pte Ltd and Jones Lang LaSalle S.p.A., as at 30 June 2024, adjusted for capital expenditure incurred subsequent to the valuation date, amortisation of tenant incentive and currency translation differences.

The fair value measurement for investment properties has been categorised as Level 3 based on inputs to the valuation techniques used (see item 1(d)(iii)).

Valuation techniques

The fair values take into consideration the market values of the properties, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties have each acted knowledgeably, prudently and without compulsion. The specific condition and characteristics inherent in each of the properties are taken into consideration in arriving at the property valuation.

In determining the fair value, the external valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated discount rate, terminal capitalisation rate and/or capitalisation rate. In relying on the valuation reports, the Manager has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions and the valuation reports are prepared in accordance with recognised appraisal and valuation standards.

The external valuers have considered valuation techniques including the income capitalisation method and/or discounted cash flow analysis in arriving at the open market value as at the reporting date.

The discounted cash flow analysis involves the estimation and projection of a net income stream over a period and discounting the net income stream with an internal rate of return to arrive at the market value. The discounted cash flow analysis requires the external valuers to assume a rental growth rate indicative of market and the selection of a target internal rate of return consistent with current market requirements. The income capitalisation method is an investment approach whereby the estimated gross passing income (on both a passing and market rent basis) has been adjusted against anticipated operating costs to produce a net income on a fully leased basis. The adopted fully leased net income is capitalised at an appropriate investment yield. Thereafter, various adjustments including assumed vacancy allowance are made, where appropriate, for the capitalisation method.

ii Investment properties

Key unobservable inputs

The following table shows the key unobservable inputs used in the valuation models:

Valuation technique	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flow analysis	• Discount rate of 6.75% to 7.90%	The estimated fair value would increase (decrease) if discount rate was lower (higher).
	• Terminal capitalisation rate of 3.65% to 6.00%	The estimated fair value would increase (decrease) if terminal capitalisation rate was lower (higher).
Income capitalisation method	• Capitalisation rate of 3.50% to 4.50%	The estimated fair value would increase (decrease) if capitalisation rate was lower (higher).

iii Investment property under development

	GROUP	
	31 Dec 2024 (S$'000)	30 Jun 2024 (S$'000)
Balance as at the beginning of the period	9,256	7,171
Development expenditure capitalised	127	378
Net change in fair value of investment property under development	-	1,422
Net change in fair value of right-of-use asset	(97)	(238)
Remeasurement of right-of-use assets	-	523
Balance as at the end of the period	9,286	9,256

Investment property under development relates to the development of a site adjacent to 313@somerset into a multi-functional event space.

Measurement of fair value

Fair value hierarchy

The carrying amounts of the investment property under development as at 31 December 2024 was based on valuation performed by an independent professional valuer, Knight Frank Pte Ltd as at 30 June 2024, adjusted for development expenditure incurred subsequent to the valuation date and net change in fair value of right-of-use asset.

iii Investment property under development

The fair value measurement for investment property under development has been categorised as a Level 3 based on the inputs to the valuation techniques used (see item 1(d)(iii)).

Level 3 fair value measurement

Reconciliation of movements in Level 3 fair value measurement

The reconciliation of Level 3 fair value measurements for investment property under development is presented in the table above.

Valuation techniques

In determining the fair value of investment property under development, the valuer has considered valuation techniques including the income capitalisation method and discounted cash flow analysis in arriving at the open market value as at the reporting date (see Note ii).

The key assumptions include market-corroborated discount rate and capitalisation rate.

Key unobservable inputs

The following table shows the key unobservable inputs used in the valuation models:

Valuation technique	Key unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flow analysis	• Discount rate of 7.75%	The estimated fair value would increase (decrease) if discount rate was lower (higher).
Income capitalisation method	• Capitalisation rate of 5.50%	The estimated fair value would increase (decrease) if capitalisation rate was lower (higher).

iv Loans and Borrowings

	GROUP	
	31 Dec 2024 (S$'000)	30 Jun 2024 (S$'000)
Unsecured loans and borrowings		
Amount repayable within one year	480,000	360,000
Amount repayable after one year	1,085,001	1,205,743
Less: unamortised transaction costs	(23,856)	(29,773)
	1,541,145	**1,535,970**

Details of loans and borrowings

As at 31 December 2024, the Group and LREIT has in place the following committed loan facilities:

- 5-year unsecured term loan facility of €218.0 million (S$308.4 million);
- 5-year unsecured term loan facility of S$200.0 million;
- 5-year unsecured term loan facility of S$200.0 million;
- 5-year unsecured term loan facility of S$100.0 million;
- 5-year unsecured term loan facility of €5.0 million (S$7.1 million);
- 5-year unsecured revolving credit loan facility of S$100.0 million;
- 5-year unsecured revolving credit loan facility of €62.0 million (S$87.7 million);
- 5-year unsecured multicurrency revolving loan facility of S$120.0 million;
- 5-year unsecured multicurrency revolving loan facility of €15.0 million (S$21.2 million);
- 4-year unsecured term loan facility of S$200.0 million;
- 4-year unsecured term loan facility of S$160.0 million;
- 4-year unsecured term loan facility of S$90.0 million;
- 4-year unsecured term loan facility of S$90.0 million;
- 4-year unsecured revolving credit loan facility of S$60.0 million;
- 4-year unsecured revolving credit loan facility of S$50.0 million;
- 4-year unsecured revolving credit loan facility of S$30.0 million;
- 3-year unsecured term loan facility of S$200.0 million; and
- 3-year unsecured term loan facility of S$160.0 million.

As at 31 December 2024, S$1,565.0 million of loan facilities were drawn.

S$480.0 million of unsecured loans and borrowings repayable within one year comprise unsecured term loan facilities and revolving credit facilities. Facilities have been secured for the refinancing of these borrowings[1].

The Group and LREIT has approximately S$156.1 million of undrawn debt facilities. The Group and LREIT have a S$1.0 billion Multicurrency Debt Issuance Programme, of which S$400 million perpetual securities have been issued, and a S$500 million Euro-Commercial Paper Programme.

The Group aggregate gearing stands at 40.8% and has an interest coverage ratio of 2.7 times in accordance with the requirements under its loan facilities and 1.5 times in accordance with the Property Funds Appendix of the Code on Collective Investment Schemes.

Footnote:
1. Please refer to SGX announcement dated 6 December 2024.

v 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.

	6 months ended 31 Dec 2024	6 months ended 31 Dec 2023
Weighted average number of units in issue	**2,393,003,440**	**2,331,818,769**
Earnings per unit ("EPU") (cents)[1]	**0.82**	**0.89**

	6 months ended 31 Dec 2024	6 months ended 31 Dec 2023
No. of units in issue at end of the period	**2,422,748,303**	**2,352,784,938**
Distribution per unit ("DPU") (cents)	**1.80**	**2.10**

Footnote:
1. Includes unrealised foreign exchange and net change in fair value of derivatives.

vi Fair value of assets and liabilities

The following methods and assumptions are used to estimate fair values of the following significant classes of financial instruments:

(i) Derivative financial instruments

Interest rate derivatives are valued using valuation techniques with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present valuation calculations. The models incorporate various inputs including the credit quality of counterparties, interest rate and forward rate curves.

The fair value of the foreign currency forward contracts is determined using quoted forward exchange rates at the reporting date and present value calculation based on high credit quality yield curves in the respective currencies.

(ii) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted using the market rate of interest at the reporting date. The carrying amounts of loans and borrowings approximate their fair values as these loans and borrowings are interest-bearing at floating rates and reprice at an interval of one to twelve months.

vi Fair value of assets and liabilities

(iii) Financial instruments for which fair value is equal to the carrying value

These financial instruments include cash and cash equivalents, trade and other receivables, other current assets, other non-current assets, trade and other payables and lease liability. The carrying amounts of these financial instruments are approximations of their fair values because they are either short term in nature or effect of discounting is immaterial.

(iv) Equity instrument at fair value

The fair value measurement for equity instrument at fair value has been categorised as Level 3 based on inputs to the valuation techniques used.

Equity instrument at fair value through profit and loss (“FVTPL”) is calculated using the net asset value of the unquoted entity adjusted for the fair value of the underlying property. The estimated fair value would increase/(decrease) if the net asset value was higher/(lower).

Accounting classifications and fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statements of financial position, are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

vi Fair value of assets and liabilities

	Carrying amount				Fair value			
	At amortised cost	FVTPL	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
31 Dec 2024	S$'000							
Group								
Financial assets not measured at fair value								
Trade and other receivables [1]	5,574	-	-	5,574				
Other non-current assets	3,050	-	-	3,050				
Cash and cash equivalents	45,331	-	-	45,331				
Other current assets [2]	4,072	-	-	4,072				
	58,027	-	-	58,027				
Financial assets measured at fair value								
Equity instrument at fair value	-	85,949	-	85,949	-	-	85,949	85,949
Derivative financial assets	-	881	-	881	-	881	-	881
	-	86,830	-	86,830				
Financial liabilities not measured at fair value								
Trade and other payables [3]	-	-	(65,668)	(65,668)				
Loans and borrowings	-	-	(1,541,145)	(1,541,145)				
Lease liability	-	-	(2,059)	(2,059)				
	-	-	(1,608,872)	(1,608,872)				
Financial liabilities measured at fair value								
Derivative financial liabilities	-	(13,758)	-	(13,758)	-	(13,758)	-	(13,758)

Footnotes:
1. Excludes net VAT receivables.
2. Excludes deposits and prepayments.
3. Excludes net GST payables and rental received in advance.

vi Fair value of assets and liabilities

	Carrying amount				Fair value			
	At amortised cost	FVTPL	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
30 Jun 2024	S$'000							
Group								
Financial assets not measured at fair value								
Trade and other receivables [1]	3,860	-	-	3,860				
Other non-current assets	2,551	-	-	2,551				
Cash and cash equivalents	34,124	-	-	34,124				
Other current assets [2]	4,090	-	-	4,090				
	44,625	-	-	44,625				
Financial assets measured at fair value								
Equity instrument at fair value	-	86,098	-	86,098	-	-	86,098	86,098
Derivative financial assets	-	4,548	-	4,548	-	4,548	-	4,548
	-	90,646	-	90,646				
Financial liabilities not measured at fair value								
Trade and other payables [3]	-	-	(66,475)	(66,475)				
Loans and borrowings	-	-	(1,535,970)	(1,535,970)				
Lease liability	-	-	(2,156)	(2,156)				
	-	-	(1,604,601)	(1,604,601)				
Financial liabilities measured at fair value								
Derivative financial liabilities	-	(4,260)	-	(4,260)	-	(4,260)	-	(4,260)

Footnotes:
1. Excludes net VAT receivables.
2. Excludes deposits and prepayments.
3. Excludes net GST payables and rental received in advance.

vi Fair value of assets and liabilities

	Carrying amount				Fair value			
	At amortised cost	FVTPL	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
31 Dec 2024	S$'000							
LREIT								
Financial assets not measured at fair value								
Trade and other receivables	5,465	-	-	5,465				
Other non-current assets	3,050	-	-	3,050				
Cash and cash equivalents	34,879	-	-	34,879				
Other current assets [1]	4,072	-	-	4,072				
	47,466	-	-	47,466				
Financial assets measured at fair value								
Equity instrument at fair value	-	85,949	-	85,949	-	-	85,949	85,949
Derivative financial assets	-	881	-	881	-	881	-	881
	-	86,830	-	86,830				
Financial liabilities not measured at fair value								
Trade and other payables [2]	-	-	(62,445)	(62,445)				
Loans and borrowings	-	-	(1,541,145)	(1,541,145)				
Lease liability	-	-	(2,059)	(2,059)				
	-	-	(1,605,649)	(1,605,649)				
Financial liabilities measured at fair value								
Derivative financial liabilities	-	(13,758)	-	(13,758)	-	(13,758)	-	(13,758)

Footnotes:
1. Excludes deposits and prepayments.
2. Excludes net GST payables and rental received in advance.

vi Fair value of assets and liabilities

	Carrying amount				Fair value			
	At amortised cost	FVTPL	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
30 Jun 2024	S$'000							
LREIT								
Financial assets not measured at fair value								
Trade and other receivables	3,628	-	-	3,628				
Other non-current assets	2,551	-	-	2,551				
Cash and cash equivalents	26,669	-	-	26,669				
Other current assets [1]	4,090	-	-	4,090				
	36,938	-	-	36,938				
Financial assets measured at fair value								
Equity instrument at fair value	-	86,098	-	86,098	-	-	86,098	86,098
Derivative financial assets	-	4,548	-	4,548	-	4,548	-	4,548
	-	90,646	-	90,646				
Financial liabilities not measured at fair value								
Trade and other payables [2]	-	-	(65,240)	(65,240)				
Loans and borrowings	-	-	(1,535,970)	(1,535,970)				
Lease liability	-	-	(2,156)	(2,156)				
	-	-	(1,603,366)	(1,603,366)				
Financial liabilities measured at fair value								
Derivative financial liabilities	-	(4,260)	-	(4,260)	-	(4,260)	-	(4,260)

Footnotes:
1. Excludes deposits and prepayments.
2. Excludes net GST payables and rental received in advance.

vii Commitments

As at 31 December 2024, the Group had approximately S$14.5 million of commitments contracted but not provided for in the unaudited condensed interim financial statements.

2 Review of Condensed Interim Financial Statements

The condensed interim financial statements and distribution announcement for first financial half year period from 1 July 2024 to 31 December 2024 including the explanatory notes have not been audited or reviewed.

3 Review of Performance

	GROUP		
	(S$'000)		Variance %
Consolidated Statement of Profit or Loss	6 months ended 31 Dec 2024	6 months ended 31 Dec 2023	
Gross revenue	103,594	119,917	(13.6)
Property operating expenses	(28,678)	(26,536)	(8.1)
Net property income	**74,916**	**93,381**	**(19.8)**
Manager's base fee	(5,245)	(5,190)	(1.1)
Manager's performance fee	(3,794)	(4,751)	20.1
Other management fees	(368)	(378)	2.6
Trustee's fee	(216)	(215)	(0.5)
Other trust expense	(1,294)	(1,300)	0.5
Net foreign exchange gain/(loss)	10,728	5,838	83.8
Dividend income	1,396	1,410	(1.0)
Finance income	451	681	(33.8)
Finance costs	(34,155)	(32,710)	(4.4)
Profit/(Loss) before tax, change in fair value and share of profit/(loss)	**42,419**	**56,766**	**(25.3)**
Amount available for distribution to Unitholders	**43,492**	**49,292**	**(11.8)**
Available distribution per unit (cents)	**1.80**	**2.10**	**(14.3)**

1H FY2025 vs 1H FY2024

Gross revenue of S$103.6 million for the period was S$16.3 million lower than in 1H FY2024. The lower revenue was mainly attributed to the absence of supplementary rent in relation to the return of Building 3 by Sky, of an amount equivalent to approximately two years of the prevailing annual rent of Building 3.

Property operating expenses were S$28.7 million for the period, S$2.1 million higher than in 1H FY2024. The higher expenses were mainly due to expenditure in relation to equipment replacement at Sky Complex and higher property operating expense from the Singapore properties.

As a result, net property income for the period was S$18.5 million lower than in 1H FY2024.

3 Review of Performance

Finance costs for the period was S$1.4 million higher than in 1H FY2024. The higher finance costs were mainly due to the replacement of EURIBOR interest rate hedge at a higher rate in October 2023.

After accounting for distribution adjustments such as net change in fair value of derivatives, amortisation of debt-related transaction costs, management fees paid in units, distribution to perpetual securities holders and the enlarged issued unit base, the amount distributable to Unitholders was S$43.5 million. This translates to a DPU of 1.80 Singapore cents.

4 Variance between Actual and Forecast Results

LREIT has not disclosed any forecast to the market.

5 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

The International Monetary Fund ("IMF") has maintained its projection on global growth to be 3.2%[1] in 2025. Global headline inflation is expected to fall from an annual average of 5.8%[1] in 2024 to 4.3%[1] in 2025. Against a backdrop of persistent structural headwinds such as aging population and weak productivity, the IMF projects global growth to be broadly flat for the next five years.

Singapore

Based on advance estimates by the Ministry of Trade and Industry ("MTI"), the Singapore economy grew 4.3%[2] year-on-year ("YoY") in Q4 2024, slower than the 5.4%[2] growth in the previous quarter.

For the first 11 months of 2024, Singapore's inbound visitors grew 22.3%[3] YoY to 15.1 million[3] with Indonesia overtaking China as its leading source of visitors in the month of November. On a YoY basis, retail sales (excluding motor vehicles) fell 1.4%[4] in November 2024, compared to the 0.5%[4] growth in October 2024. Total estimated sales value was S$3.6 billion[4], of which online sales accounted for 16.6%[4]. This was mainly attributed to higher online sales during the year-end online shopping events such as Singles' Day (11.11) and Black Friday.

The retail leasing market continued to see healthy demand with F&B operators, fashion and sports brands actively expanding their footprint. In Q4 2024, retail rents in the Orchard Road submarket increased 0.8%[5] quarter-on-quarter ("QoQ") to S$37.75 per square feet ("sqft") per month[5] on the back of healthy demand for spaces due to retailers' confidence in tourism recovery and the normalisation of back-to-office arrangements. Suburban retail rents also grew 0.5%[5] QoQ to S$32.25 per sqft per month[5]. Amid a below-historical-average supply for the next few years, CBRE research expects overall prime retail rents to recover to pre-pandemic levels in 2025.

Islandwide vacancy improved to 5.2%[5] in Q4 2024 from 6.1%[5] in the previous quarter driven by progressive take-up in IOI Central Boulevard Towers and Labrador Tower. Leasing activity was active among the banking & finance, technology, insurance and legal sectors. Rents, however, remained unchanged at $8.00 per sqft per month[5]. Decentralised office market also registered improved vacancy rates of 5.2%[5] in Q4 2024 (vs 5.7%[5] in Q3 2024).

Milan

According to the preliminary estimates by the Italian National Institute of Statistics, the consumer price index in December 2024 increased 1.3%[6] YoY and 0.1%[6] from the previous month. For the same period, business confidence index improved 2.1 points to 95.3[7] while the consumer confidence index weakened 0.3 point to 96.3[7].

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[1] International Monetary Fund, World Economic Outlook, October 2024: Policy Pivot, Rising Threats, 22 October 2024

[2] Ministry of Trade and Industry Singapore, Singapore's GDP Grew by 4.3 Per Cent in the Fourth Quarter of 2024 and by 4.0 Per Cent in 2024, 2 January 2025

[3] Singapore Tourism Analytics Network, Tourism Stats

[4] Department of Statistics Singapore, Retail Sales Index and Food & Beverage Services Index, November 2024

[5] CBRE Research, Singapore Figures Q4 2024

[6] Italian National Institute of Statistics, Consumer Prices, December 2024

[7] Italian National Institute of Statistics, Consumer and Business Confidence, December 2024

5 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

Leasing activities in the third quarter of 2024 were mainly small-to-medium-sized spaces. In the first nine months of 2024, transactions for spaces below 1,000 sqm and between 1,000 sqm and 3,000 sqm increased by 13%[8] and 24%[8] YoY respectively. Office rents in the CBD rose 3%[8] QoQ to €720 per sqm per annum[8]. Rents in the Periphery area was revised to €320 per sqm per annum[8] (vs €350 per sqm per annum in Q2 2024) following a redefinition of the southern boundaries between the semi-central and peripheral areas.

Looking ahead

While the Singapore retail market can continue to be supported by global brands with prime retail spaces seeing rising rents due to healthy demand, there could be near-term challenges on manpower shortages, competition from e-commerce and higher operating costs. In addition, the strong Singapore currency could also fuel outbound travel by Singapore residents, impacting local consumption.

For the Singapore office market, occupiers remain cautious on global economic uncertainties, elevated fit-out costs and interest costs. In addition, pre-commitment levels of new office pipeline remain low. Nevertheless, limited new supply in the next four years may provide potential support for rental growth in the office sector.

In Milan, office buildings with green credentials continue to be a key consideration factor alongside strong preference to be in well-connected areas with good access to amenities. With the limited availability of Grade A green office spaces (accounted for only 19% of the overall Milan market), Building 3 of Sky Complex could potentially benefit from the Manager's strategy to reposition it for multi-tenancy to secure market rentals.

[8] Cushman & Wakefield, Milan Office Q3 2024

6 Distributions

(a) Current financial period

Any distributions declared for the current financial period? Yes

Name of distribution:	12th distribution for the period from 1 July 2024 to 31 December 2024
Distribution type:	Income
Distribution rate:	Taxable Income – 1.7948 cents per unit Tax-Exempt Income – 0.0003 cents per unit
Par value of units:	Not meaningful
Tax rate:	<u>Taxable Income Distribution</u> 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 in which case, such distributions are not exempt from tax and the individual must declare the gross distribution received as income in their Singapore tax returns. Qualifying non-resident 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%. <u>Tax-Exempt Income Distribution</u> Tax-Exempt Income Distribution is exempt from tax in the hands of all Unitholders.

(b) Record date: 11 February 2025

(c) Date payable: 28 March 2025

6 Distributions

(d) Corresponding period of the preceding financial period

Any distributions declared for the current financial period? Yes

Name of distribution:	10th distribution for the period from 1 July 2023 to 31 December 2023
Distribution type:	Income
Distribution rate:	Taxable Income – 2.0424 cents per unit Tax-Exempt Income – 0.0526 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 in which case, such distributions are not exempt from tax and the individual must declare the gross distribution received as income in their Singapore tax returns. Qualifying non-resident 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%. Tax-Exempt Income Distribution Tax-Exempt Income Distribution is exempt from tax in the hands of all Unitholders.

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

Not applicable.

8 General mandate from Unitholders for Interested Person Transactions

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

9 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 1 and section 3 for review of actual performance.

10 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.

11 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 1 July 2024 to 31 December 2024 to be false or misleading in any material aspect.

For and on behalf of the Manager
Lendlease Global Commercial Trust Management Pte. Ltd.

Justin Marco Gabbani Chairperson and Non-Independent Non-Executive Director	Tsui Kai Chong Lead Independent Non-Executive Director

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

3 February 2025

Lendlease Global Commercial REIT Achieves 10.7%[1] Retail Rental Reversion in 1H FY2025

Key Highlights

- Retail portfolio occupancy remained high at 99.9% while the office portfolio occupancy improved to 86.6% from 81.7% in Q1 FY2025.
- Lower gross revenue and net property income ("NPI") mainly due to the absence of supplementary rent in relation to the lease restructure of Sky Complex ("Supplementary Rent")[2]. On a proforma basis after adjusting[3] for the Supplementary Rent, gross revenue for 1H FY2025 was 0.4% higher whilst NPI was 2.2% lower YoY.
- Higher finance costs in 1H FY2025 mainly due to the replacement of EURIBOR interest rate hedge at a higher rate in October 2023.
- Lower distributable income and distribution per unit ("DPU") primarily driven by higher finance costs, lower NPI and an enlarged unit base.
- Obtained sustainability-linked loan facilities[4] to derisk debt refinancing in 2025.
- Construction commenced at the multifunctional event space adjacent to 313@somerset.

Singapore, 3 February 2025 - Lendlease Global Commercial Trust Management Pte. Ltd. (the "Manager"), the manager of Lendlease Global Commercial REIT ("LREIT"), announces its first-half financial results for FY2025.

Financial Performance

Gross revenue and NPI in 1H FY2025 were lower by 13.6% and 19.8% YoY to S$103.6 million and S$74.9 million respectively. This was mainly attributed to the absence of Supplementary Rent in relation to the lease restructure of Sky Complex that was received and recognised upfront in December 2023. On a proforma basis after adjusting[3] for the Supplementary Rent, gross revenue for 1H FY2025 was 0.4% higher whilst NPI was 2.2% lower YoY.

Property expenses in 1H FY2025 were S$28.7 million, S$2.1 million higher compared to 1H FY2024 mainly due to expenditure in relation to equipment replacement at Sky Complex and higher property operating expense from the Singapore properties.

LREIT's distributable income was S$43.5 million in 1H FY2025, translating to a distribution of 1.80 cents per unit (compared to 2.10 cents per unit in 1H FY2024). The lower DPU was primarily driven by higher finance costs, lower NPI as well as an enlarged unit base.

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[1] On weighted average basis.
[2] Supplementary rent equivalent to approximately two years of the prevailing annual rent of Building 3 received and recognised upfront in December 2023. For details, please refer to the announcement "Lendlease Global Commercial Italy Fund Restructures Lease at Sky Complex to Reduce Tenant Concentration Risk" dated 18 December 2023.
[3] Adjustment of the upfront recognition of the Supplementary Rent on a straight-line basis.
[4] For details, please refer to the announcement "Entry into Facility Agreements and Disclosure Pursuant to Rule 704(31) of the Listing Manual" dated 6 December 2024.

Capital Management

On 6 December 2024, the Manager has obtained S$560 million unsecured sustainability-linked loan facilities to refinance LREIT's loans maturing in April and September 2025.

Gross borrowings as at 31 December 2024 were S$1,565.0 million with a gearing ratio of 40.8% and a weighted average debt maturity of 2.0 years[5]. Sustainability-linked financing continues to account for approximately 85% of LREIT's total committed debt facilities. All of LREIT's debt is unsecured and there are undrawn debt facilities of S$156.1 million to fund its working capital.

Approximately 70% of the borrowings are hedged to fixed rates with a weighted average cost of debt of 3.57% per annum[6]. The increase, as compared to 3.37% per annum[6] in 1H FY2024, was mainly due to the replacement of EURIBOR interest rate hedge at a higher rate in October 2023. Hence, weighted average cost of debt for 1H FY2025 is now reflective of the full impact of the higher fixed rate of the replaced EURIBOR interest rate hedge. As at the period end, LREIT has an interest coverage ratio ("ICR") of 2.7 times[7] in accordance with requirements in its loan agreements and 1.5 times[7] in accordance with the Property Funds Appendix.

Operational Performance

LREIT's portfolio committed occupancy improved to 92.3% as at 31 December 2024 compared to occupancy of 89.5% as at 30 September 2024. Lease expiry profile remained well-spread with only 3.9% by net lettable area ("NLA") and 6.4% by gross rental income ("GRI") due for renewal in FY2025. LREIT continued to maintain a long portfolio weighted average lease expiry ("WALE") of approximately 7.2 years (by NLA) and 4.6 years (by GRI) respectively.

Construction of the 48,200 square feet[8] multifunctional event space adjacent to 313@somerset has commenced. Expected to be completed in 2H 2026 with an estimated seating capacity of 3,000, the state-of-the-art music hall will feature multiple rooms and stages set up to host international tours as well as local artistes.

Retail portfolio continued to achieve positive rental reversion

LREIT's retail portfolio achieved 99.9% occupancy with a positive rental reversion of 10.7%[1] as at 31 December 2024. Tenant retention rate was also maintained at a rate of 86.1%.

[5] On a proforma basis, assuming refinancing of current borrowings amounting to S$480 million on their respective maturity dates, weighted average debt maturity will be 3.3 years as at 31 December 2024.
[6] Excludes amortisation of debt-related transaction costs.
[7] The ICR as at 31 December 2024 of 2.7 times (30 September 2024: 2.9 times) is in accordance with requirements in its loan agreements; In accordance with the Property Funds Appendix of the Code on Collective Investment Schemes, ICR is 1.5 times (30 September 2024: 1.6 times).
[8] Floor area and scheme are subject to final design and approval by the authorities.

For the first six months of FY2025, tenant sales and visitation were lower by 5.2% and 0.6% YoY to S$403.9 million and 33.8 million respectively. The decline in tenant sales was impacted by an increase in outbound travel on the back of strong Singapore currency.

New leases committed at Building 3 of Sky Complex

As at 31 December 2024, office tenants account for approximately 21% of portfolio GRI with a long WALE of 11.7 years by NLA and 14.2 years by GRI.

Successful leasing of Sky Complex Building 3 has improved its committed occupancy to approximately 31% from 8.1% in March 2024. As a result, occupancy at Sky Complex has improved to 81.6% from 75.0% as at 30 September 2024. The Manager continues to see healthy leasing enquiries from the collaborative landlord-tenant effort to shape the Milano Santa Giulia business district into a vibrant hub.

Rental review for Jem office is in the final stage and will conclude by end-February 2025.

Mr Kelvin Chow, Chief Executive Officer of the Manager, said, "Our retail portfolio continues to demonstrate resilience with positive rental reversions. In the near-term, we will focus on the continued positive leasing momentum at Sky Complex Building 3, proactive asset management and prudent capital management.

Now that construction has commenced at the multifunctional event space, we are looking forward to see our partnership with Live Nation and the Singapore Tourism Board come to fruition when the space is completed in 2H 2026."

END

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 2.0 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. Its key objectives are to provide unitholders with regular and stable distributions, achieve long-term growth in distribution per unit and net asset value per unit, and maintain an appropriate capital structure.

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:

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Ling Bee Lin
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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.

1H FY2025 Financial Results

3 February 2025

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313@somerset, Singapore

Jem Retail, Singapore

Sky Complex, Milan


Jem Office, Singapore

Parkway Parade, Singapore


Multifunctional Event Space Adjacent to 313@somerset (Artist Impression)

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 Financial Metrics

- Gross revenue and NPI for 1H FY2024 includes the upfront recognition of the supplementary rent received from the lease restructuring of Sky Complex in December 2023 ("Supplementary Rent")(1).
- On a proforma basis after adjusting(2) for the Supplementary Rent, 1H FY2025 gross revenue was 0.4% higher whilst NPI was 2.2% lower YoY.
- Finance cost in 1H FY2025 is higher on a YoY basis on the back of higher weighted average cost of debt at 3.57% per annum(3), as compared to 3.37% per annum(3) in 1H FY2024, due to the replacement of EURIBOR interest rate hedge at a higher rate in October 2023.
- Consequently, distributable income and DPU were lower in 1H FY2025.

S$('000) unless otherwise stated	1H FY2025	1H FY2024	Variance (%)
Gross revenue	103,594	119,917	(13.6)
Net property income	74,916	93,381	(19.8)
Distributable income	43,492	49,292	(11.8)
DPU (cents)	1.80	2.10	(14.3)

(1) Supplementary rent equivalent to approximately two years of the prevailing annual rent of Building 3 received and recognised upfront. For details, please refer to the announcement "Lendlease Global Commercial Italy Fund Restructures Lease at Sky Complex to Reduce Tenant Concentration Risk" dated 18 December 2023.
(2) Adjustment of the upfront recognition of the Supplementary Rent on a straight-line basis.
(3) Excludes amortisation of debt-related transaction costs.

Key Portfolio Metrics

Portfolio Committed Occupancy
92.3%

Retail
99.9%

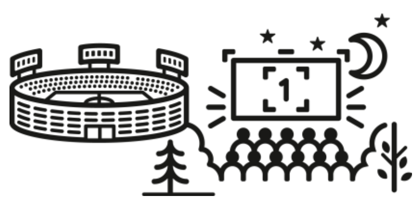
Office
86.6%

Tenant Sales
-5.2% YoY[1]

Retail Rental Reversion
10.7%[2]

Weighted Average Lease Expiry
7.2 years (by NLA)

Tenant Retention
86.1%[3] (by NLA)



Office Rental Uplift
1.2%[4]

(1) Compared against 1H FY2024.
(2) On weighted average basis.
(3) Based on year-to-date completed lease renewal.
(4) Refers to Building 1 and 2 of Sky Complex effective from April 2024. Building 3 is undergoing repositioning for multi-tenancy. Rental review for Jem office is in progress and will conclude by end-February 2025.

Multifunctional Event Space: Construction Commenced and Expected to be Completed in 2H 2026

- With an estimated seating capacity of 3,000, the state-of-the-art music hall will feature multiple rooms and stages set up to host international tours as well as local artistes.
- The development will also feature an artists' activation lane that serves as an incubator to the local arts scene, and F&B spaces and kiosks connected to Discovery Walk.

Construction of the Event Space
(approximately 48,200 sq ft[1])

Artist Impression of the Event Space Upon Completion

(1) Floor area and scheme are subject to final design and approval by the authorities.

Balance Sheet and Capital Management

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Balance Sheet

- Assets and liabilities remain largely stable as compared to June 2024.
- As at 31 December 2024, total number of units issued was approximately 2,422.7 million, translating to a lower NAV per unit.

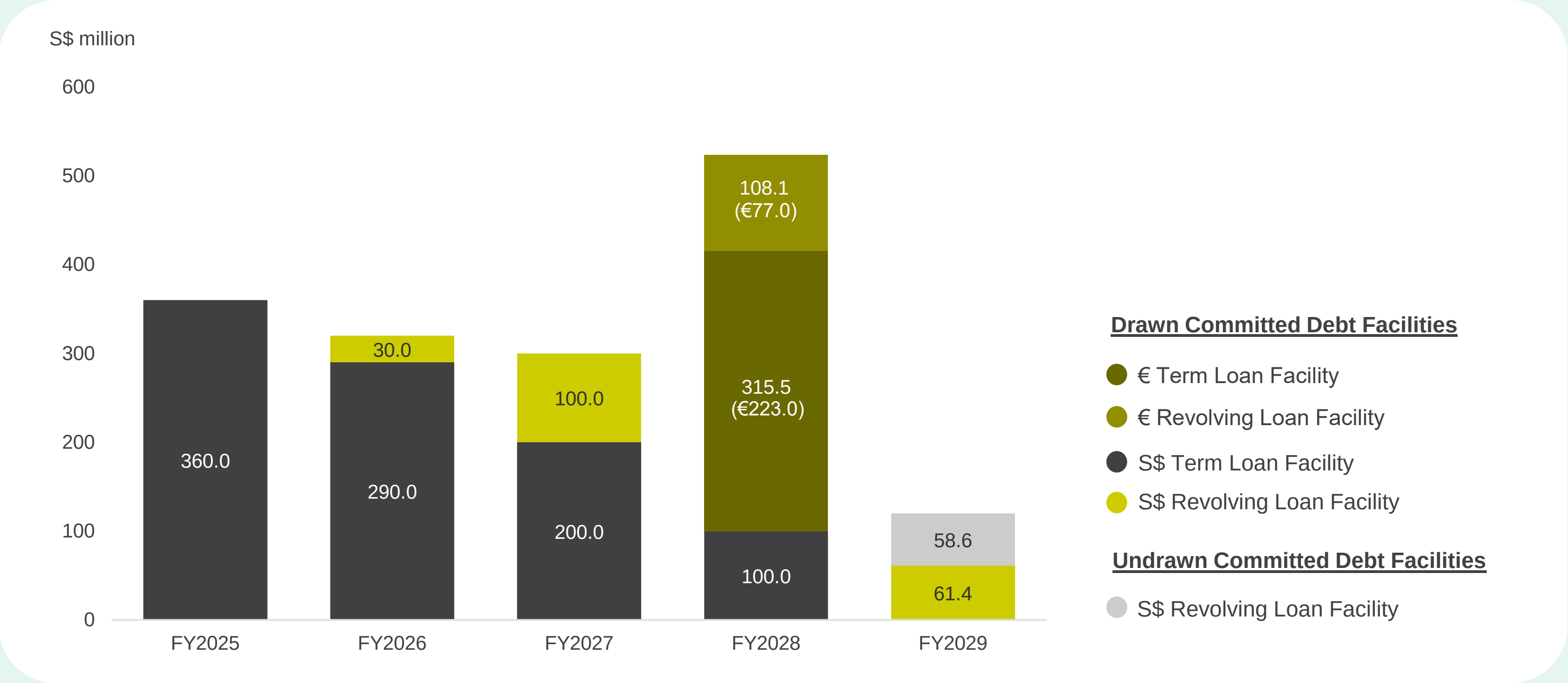
	As at 31 December 2024	As at 30 June 2024
Total assets	S$3,834.7 million	S$3,829.8 million
Total liabilities	S$1,630.2 million	S$1,617.5 million
Net assets	S$2,204.5 million	S$2,212.3 million
Unitholders' funds	S$1,803.8 million	S$1,811.6 million
Perpetual securities holders' funds	S$399.5 million	S$399.4 million
Units in issue (number)	2,422,748,303	2,376,578,012
NAV per unit (S$)(1)	0.74	0.76

(1) Excludes non-controlling interests and perpetual securities holders' funds.

Debt Facilities and Maturity Profile

- In December 2024, the Manager obtained S$560 million unsecured sustainability-linked loan facilities[(1)] for the refinancing of loans maturing in April and September 2025. Consequently, debt refinancing in 2025 has been derisked.
- Available debt facilities of S$156.1 million as at 31 December 2024.

Maturity Profile of Drawn Committed Debt Facilities
(as at 31 December 2024)



(1) For details, please refer to the announcement "Entry into Facility Agreements and Disclosure Pursuant to Rule 704(31) of the Listing Manual" dated 6 December 2024.

Capital Management

- Weighted average cost of debt is now reflective of the full impact of the higher fixed rate of the replaced EURIBOR interest rate hedge.
- Sustainability-linked financing accounts for approximately 85% of total committed debt facilities.

	As at 31 December 2024	As at 30 September 2024
Gross borrowings	S$1,565.0 million	S$1,554.4 million
Gearing ratio	40.8%	40.7%
Weighted average debt maturity	2.0 years(1)	2.3 years
Weighted average cost of debt(2)	3.57% p.a.	3.74% p.a.
Fixed rate borrowings	70%	70%
Interest coverage ratio – Loan agreements(3)	2.7 times	2.9 times
Interest coverage ratio – Regulatory(4)	1.5 times	1.6 times

(1) On a proforma basis, assuming refinancing of current borrowings amounting to S$480 million on their respective maturity dates, weighted average debt maturity will be 3.3 years as at 31 December 2024.
(2) Excludes amortisation of debt-related transaction costs.
(3) Calculation of the interest coverage ratio is in accordance with requirements in its loan agreements.
(4) Calculation of the interest coverage ratio is in accordance with the Property Funds Appendix of the Code on Collective Investment Schemes.

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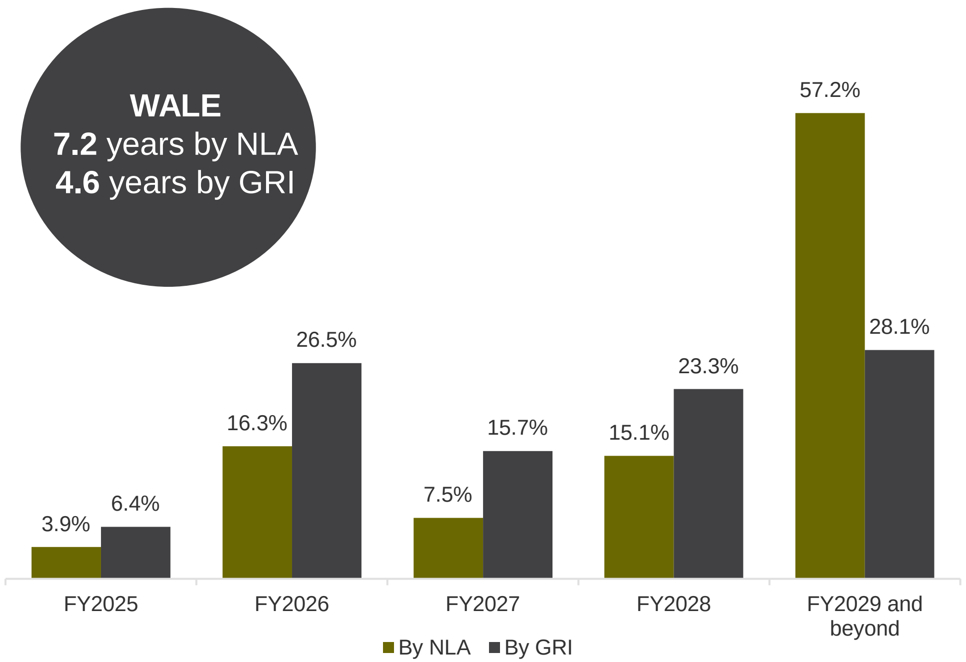
Portfolio Performance

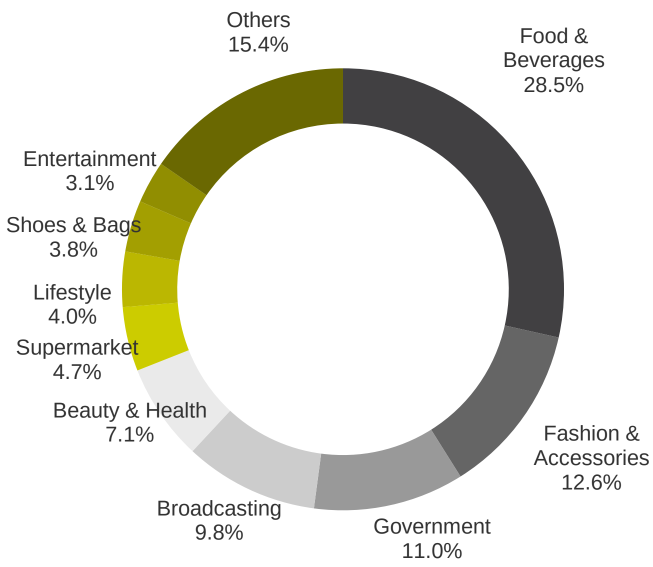
Well-staggered Lease Expiry Profile

- Only 3.9% of the leases by NLA and 6.4% by GRI due for renewal in FY2025.
- Office tenants account for approximately 21% of portfolio GRI to ensure stable cashflow.

Portfolio Lease Expiry Profile
(as at 31 December 2024)



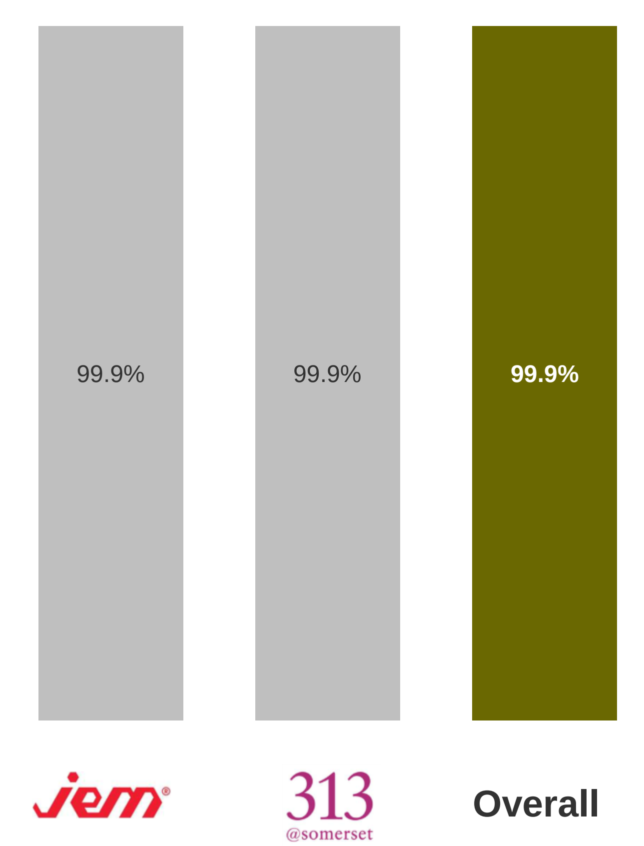
Diversified Tenant Base
(by GRI)



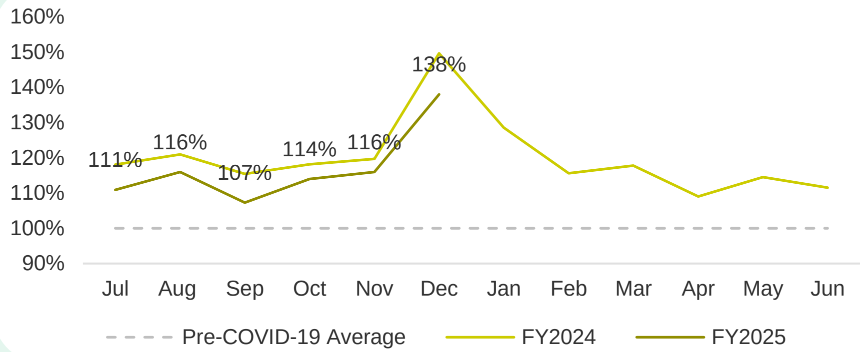
Retail Portfolio: Achieved 10.7%[1] Rental Reversion

- The decline in tenant sales was impacted by an increase in outbound travel on the back of strong Singapore currency.
- Singapore retail sales (excluding motor vehicles) fell 1.4% YoY in November 2024.

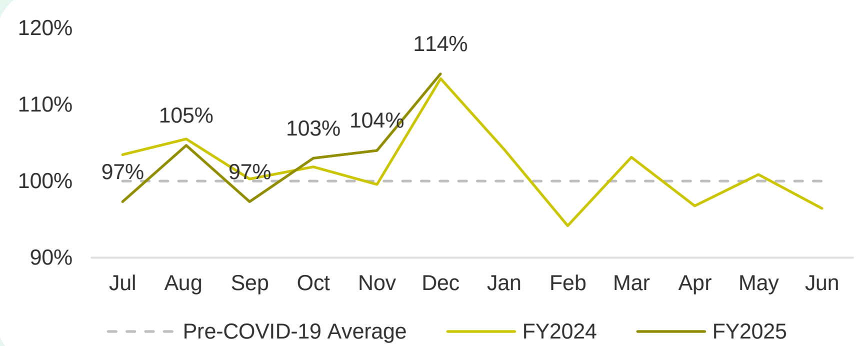
Committed Occupancy
(as at 31 December 2024)



Tenant Sales



Visitation



(1) On weighted average basis.

Office Portfolio: Occupancy Improved to 86.6% with New Leases Committed at Building 3 of Sky Complex

- Rental review for Jem office is in the final stage and will conclude by end-February 2025.
- Committed occupancy at Building 3 improved to approximately 31% from 8.1% in March 2024.
- Long WALE of 11.7 years by NLA and 14.2 years by GRI.

Singapore

- Occupancy: 100%
- NLA: 311,217 sq ft
- Grade A office building leased to the Ministry of National Development till 2044
- Rental review: Once every five years

Milan

- Occupancy: 81.6%[(1)]
- NLA: 78,873 sqm[(2)]
- Building 1 and 2 fully leased to Sky Italia[(3)] till 2033
- Building 3 is undergoing repositioning to secure multi-tenancy
- Rental review: Annual[(4)]

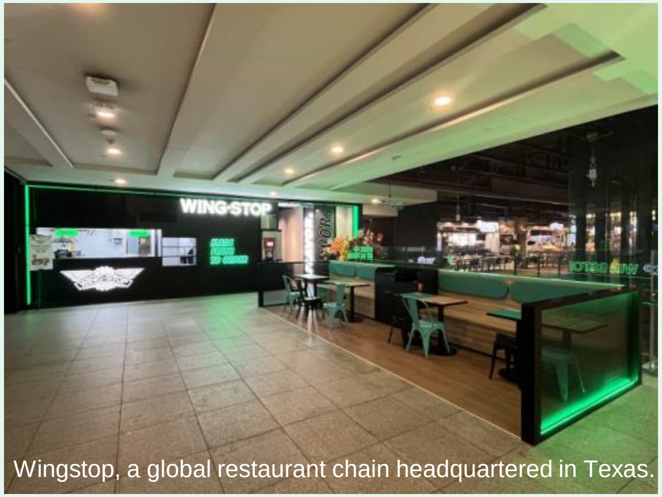
(1) Includes committed space of Building 3.
(2) Based on valuation report as at 30 June 2024.
(3) Sky Italia is a subsidiary of Comcast Corporation, a global media and technology company.
(4) Pegged to the Italian National Institute of Statistics consumer price index.

New F&B and Retail Offerings for Shoppers

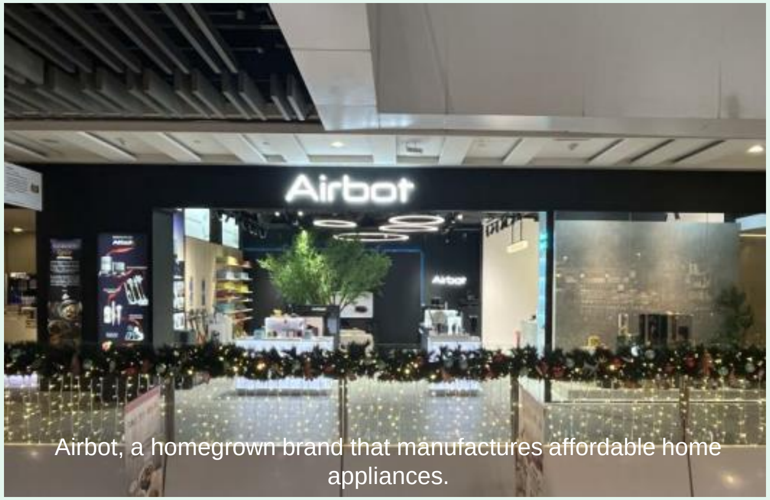
- Renovation at Food Republic completed with a refreshed look and new dining options.


New mini restaurants at Food Republic.

The Willow Label, a homegrown brand known for its minimalist aesthetic fashion.



Wingstop, a global restaurant chain headquartered in Texas.



Airbot, a homegrown brand that manufactures affordable home appliances.

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Sustainability

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Progress Towards Sustainability

- Continue to push our boundary and drive progress towards ESG targets.

ESG Rating

MSCI ESG Rating

Improved to A from BBB

Good Governance

Scope 3 GHG Emissions

Data collection for Singapore and Milan assets in progress for disclosure in FY2025

Waste Reduction

Landlord-tenant Collaboration

Through our continuous efforts to manage and reduce waste effectively, we aim to meet the waste reduction target of 28% per annum in FY2025

WASTE

FY2025 — Achieved

FY2040

MISSION ZERO

As a 1.5°C aligned company, LREIT's sponsor has set ambitious science-based emissions reductions targets.

Net Zero Carbon

By FY2025, reduce GHG emissions as far as possible, with the remainder offset in an approved carbon offset scheme. Net Zero Carbon target applies to Scope 1 and 2 emissions.

Absolute Zero Carbon

By FY2040, no GHG emissions from business activities. No offsets. Absolute Zero Carbon target applies to Scope 1, 2 and 3 emissions.

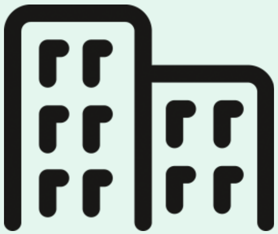
Scan QR code to find out more about LREIT's short, medium and long-term targets

Looking Ahead

Key Focus in the Near-term

- **Proactive asset management** to drive operational performance of our assets.
- **Prudent capital management** to manage cost and gearing.
- Focus on achieving resilient and **sustainable returns**.
- Continue to drive **progress towards ESG targets**.

Proactive Asset Management



Prudent Capital Management

Investment and Acquisition Growth

Market Review

Market Review

Singapore Retail Market

- Total estimated sales value (excluding motor vehicles) was S$3.6 billion, of which online sales accounted for 16.6%. The larger proportion of online retail sales was mainly attributed to higher online sales during the year-end online shopping events.
- The retail leasing market continued to see healthy demand with F&B operators, fashion and sports brands actively expanding their footprint.
- Orchard Road submarket retail rents rose 0.8% QoQ to S$37.75 per sq ft per month on the back of healthy demand for spaces due to retailers' confidence in tourism recovery and the normalisation of back-to-office arrangements. Suburban retail rents also grew 0.5% QoQ to S$32.25 per sqft per month.

Singapore Office Market

- Islandwide vacancy rate improved to 5.2% in Q4 2024 from 6.1% in the previous quarter driven by progressive take-up in IOI Central Boulevard Towers and Labrador Tower.
- Leasing activity was active among the banking & finance, technology, insurance and legal sectors. Rents, however, remained unchanged at $8.00 per sqft per month.
- While occupiers remain cautious on global economic uncertainties, elevated fit-out costs and interest costs and limited new supply in the next four years should continue to support rental growth in the office sector.

Milan Office Market

- According to the preliminary estimates by the Italian National Institute of Statistics, the consumer price index in December 2024 increased 1.3% YoY and 0.1% from the previous month.
- In Q3 2024, the Milan office market has registered an absorption of 87,000 sqm, down 10% YoY. Of this, the Periphery area, where Sky Complex is located, accounted for 33.3% of the take up rate.
- Leasing activities during Q3 2024 were mainly small-to-medium-sized spaces. In the first nine months of 2024, transactions for spaces below 1,000 sqm and between 1,000 sqm and 3,000 sqm increased by 13% and 24% YoY respectively.

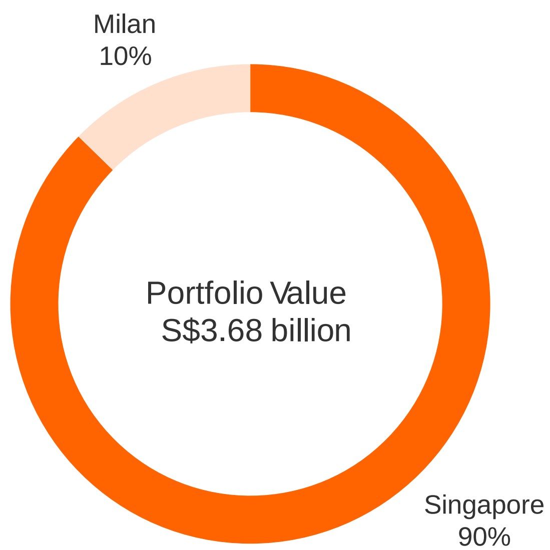
Sources: Department of Statistics Singapore (Retail Sales Index and Food & Beverage Services Index, November 2024), CBRE Research (Figures, Q4 2024), The Italian National Institute of Statistics, Cushman & Wakefield (Milan Office Q3 2024)

Additional Information

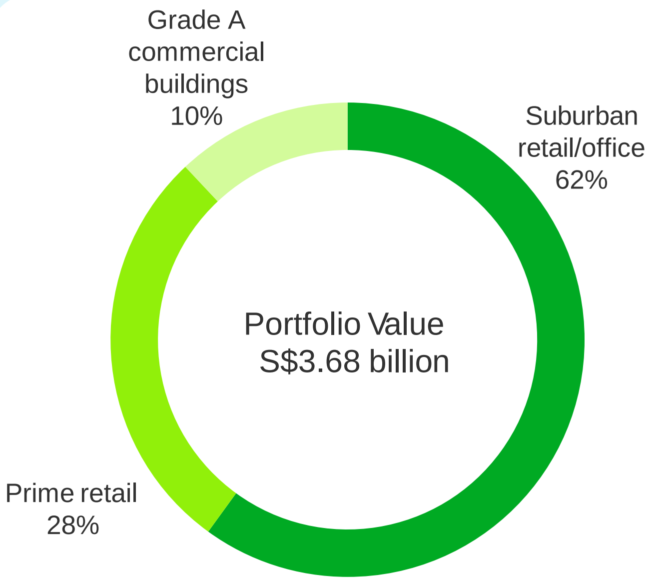
Portfolio composite by valuation

- Singapore accounts for approximately 90% of the portfolio (by valuation).
- Suburban retail/office and Grade A commercial buildings account for more than 70% of the portfolio.

Value by Geography



Value by Asset Class



Note:
- Information as at 30 June 2024.
- Conversion rate for Milan asset was based on € to S$ of 1.452 as at 30 June 2024.

Jem, a retail and office property in Singapore

One of the largest suburban malls in the West of Singapore, infusing the region with lively shopping and dining experiences.

Key Statistics (as at 31 December 2024)	
Occupancy	99.9%
WALE	8.3 years (by NLA) 5.2 years (by GRI)
Valuation[1]	S$2,254.0 million
Valuation cap rate[1]	Retail: 4.50% Office: 3.50%
NLA	893,044 sq ft
Ownership[2]	100% (99-year leasehold)

(1) Based on valuation report as at 30 June 2024.
(2) 99-year leasehold commencing from 27 September 2010 till 26 September 2109.

313@somerset, a prime 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.

BCA GREEN MARK PLATINUM 2022

Key Statistics (as at 31 December 2024)	
Occupancy	99.9%
WALE	2.3 years (by NLA) 2.2 years (by GRI)
Valuation(1)(2)	S$1,046.3 million
Valuation cap rate(1)(3)	4.25%
NLA(4)	288,946 sq ft
Ownership(5)	100% (99-year leasehold)

(1) Based on valuation report as at 30 June 2024.
(2) 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.
(3) Refers to operating asset only.
(4) NLA reduced from previous 288,979 sq ft due to resurvey.
(5) 99-year leasehold commencing from 21 November 2006 until 20 November 2105.

Sky Complex, Grade A commercial buildings in Milan

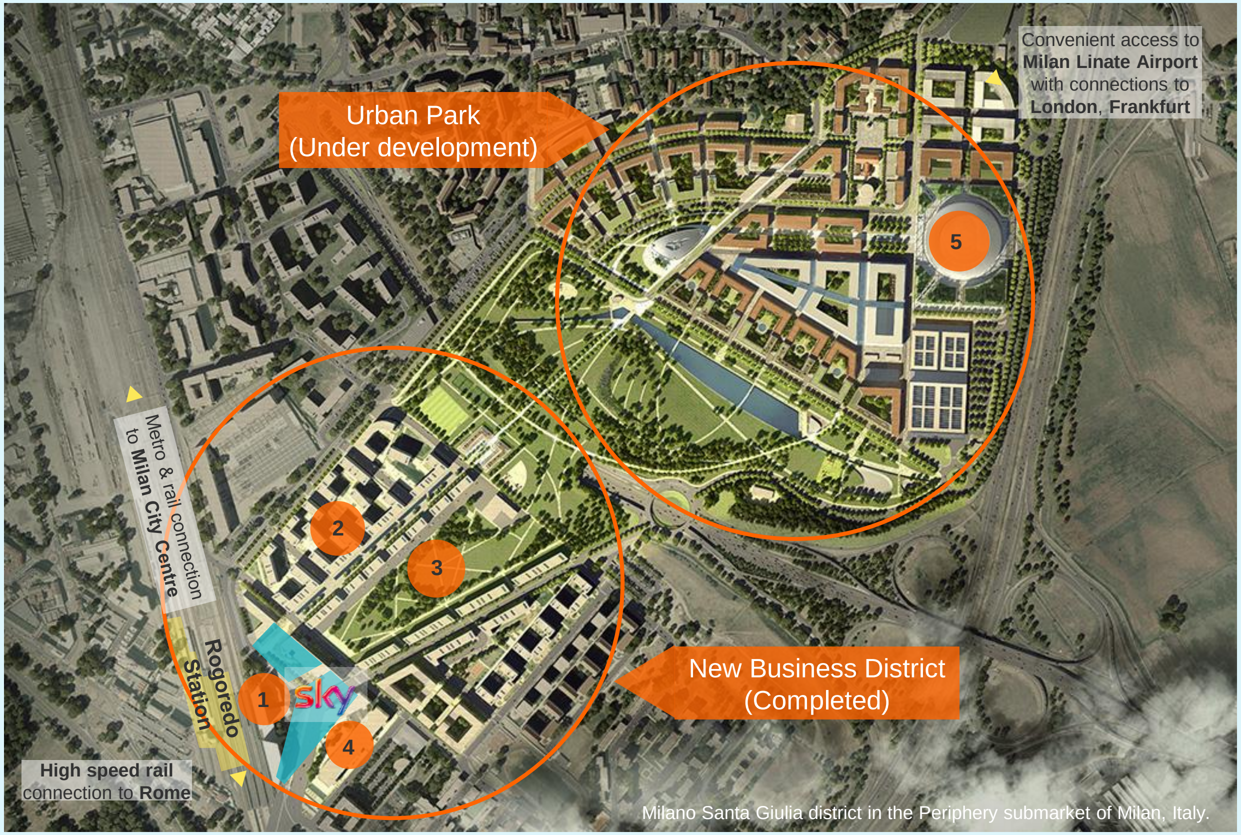
- All three commercial buildings are LEED Gold certified, have Grade A building specifications and are designed in accordance with energy saving criteria and high use flexibility.
- Building 1 and 2 are leased to Sky Italia(1) until January 2033 without pre-termination risk.
- Building 3 is undergoing repositioning to secure multi-tenancy.

Key Statistics (as at 31 December 2024)	
Occupancy(2)	81.6%
WALE	8.0 years (by NLA) 7.9 years (by GRI)
Valuation(3)	€263.1 million
Terminal cap rate(3)	6.00%
NLA(3)	Building 1 and 2: 57,754 sqm Building 3: 21,119 sqm
Ownership	100% (freehold)

(1) Sky Italia is a subsidiary of Comcast Corporation, a global media and technology company.
(2) Includes committed space of Building 3.
(3) Based on valuation report as at 30 June 2024.

Sky Complex, Grade A commercial buildings in Milan

Milano Santa Giulia Business District, where Sky Complex is located, is the first precinct to be LEED Neighbourhood certified, a benchmark for quality of life and sustainability.



- Sky Complex
1. Spark One and Two, Grade A office buildings, with ancillary retail fully leased, adding vibrancy in the precinct
2. Residential area with 1,800 families and a shopping & entertainment street
3. Community park of size 45,000 sqm
4. New campus of Giuseppe Verdi Conservatory, the largest music academy in Italy
5. Multifunctional arena where 2026 Winter Olympics will be held

Transforming Milano Santa Giulia business district into a vibrant business city

Placemaking efforts from landlord and tenants to shape the business district into a vibrant hub, emphasising Work, Play and Live.

Other Investments

10.0% interest in Parkway Parade Partnership Pte. Ltd.

- The investment increased LREIT's exposure to Singapore's resilient suburban retail segment.
- Direct connection to the Marine Parade MRT station and completion of the planned asset enhancement initiatives (by phases) will channel more footfall to Parkway Parade and strengthen its position as a dominant suburban retail mall in the eastern part of Singapore.

Development of a multifunctional event space adjacent to 313@somerset


Artist impression of the space upon completion.

- Construction has commenced and is expected to be completed in 2H 2026.
- The combined NLA with 313@somerset of approximately 330,000 sq ft enlarges and strengthens LREIT's retail presence in the Somerset youth precinct.
- The space is envisioned to be an experiential innovative lifestyle destination that features creative use of communal spaces and themed events to promote social networking and wellness.

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Commitment Towards Sustainability

SUSTAINABLE DEVELOPMENT GOALS

Optimise assets' sustainability performance to achieve Absolute Zero Carbon by FY2040

Maintain and refine social initiatives and policies conducted by the Manager for internal and external stakeholders

Assess relevance of nature and biodiversity conservation to LREIT

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Thank You

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