RECHARGING: The Way Forward

Lendlease Global Commercial REIT
Annual Report FY2025

CONTENTS

ABOUT THE COVER

RECHARGING: The Way Forward
Lendlease REIT’s iconography is thoughtfully composed into a forward-facing arrow, symbolising progress and momentum. The enclosing line begins with an electrical plug icon, reinforcing the theme of ‘recharging’ - a visual echo of its overarching message this year.

Lendlease REIT aims to deliver a sustainable future for its stakeholders by striving towards economic, environmental, social and governance progress.

Scan the QR code to read Sustainability Report FY2025.

Any discrepancies on figures in this report are due to rounding.

Mission

To provide Unitholders with regular, stable distributions while achieving long-term growth in DPU and NAV per unit, as well as maintaining a prudent capital structure.

Strategy

1. Proactive Asset Management
2. Prudent Capital Management
3. Investment and Acquisition Growth

Lendlease REIT is a Singapore-focused real estate investment trust that owns and manages two retail malls locally, as well as three Grade A commercial buildings in Milan, with a combined portfolio valued at S$3.76 billion as at 30 June 2025.

Other investments include a stake in Parkway Parade and development of a multifunctional event space on a site adjacent to 313@somerset. Its Manager, Lendlease Global Commercial Trust Management Pte. Ltd., is a wholly owned subsidiary of Lendlease Corporation Limited – an industry-leading Australian integrated real estate group with expertise across Investments, Development and Construction.

Portfolio Assets

313@somerset, Singapore

Jem, Singapore

Parkway Parade, Singapore

Three Grade A Commercial Buildings, Milan

Multifunctional Event Space Adjacent to 313@somerset
(Artist's impression subject to design changes)

Performance Highlights

GROSS REVENUE
(S$m)

206.5

FY2025	206.5
FY2024	220.9

TOTAL ASSETS
(S$m)

3,906.2

FY2025	3,906.2
FY2024	3,829.8

NET PROPERTY INCOME
(S$m)

148.8

FY2025	148.8
FY2024	165.3

NET ASSET VALUE PER UNIT
(S$)[1]

0.75

FY2025	0.75
FY2024	0.76

DISTRIBUTABLE INCOME
(S$m)

87.6

FY2025	87.6
FY2024	91.4

APPRAISED VALUE
(S$m)[2]

3,763.3

FY2025	3,763.3
FY2024	3,682.4

DISTRIBUTION PER UNIT
(S¢)

3.60

FY2025	3.60
FY2024	3.87

COMMITTED PORTFOLIO OCCUPANCY (%)

92.1

FY2025	92.1
FY2024	89.1

Weighted Average Lease Expiry (by NLA)
7.2 years

Rental Reversion

RETAIL
10.2%[3]

OFFICE
13%[4]
(Jem office)

1.7%[5]
(Building 1 and 2 of Sky Complex)

CAPITAL MANAGEMENT

Gearing Ratio
42.6%

Weighted Average Cost of Debt[6]
3.46% per annum

Weighted Average Debt Maturity
2.6 years

Interest Coverage Ratio[7]
1.6 times

1 Excludes non-controlling interests and perpetual securities holders' funds.
2 Comprises investment properties and investment property under development (including the recognition of right-of-use-asset).
3 Full-year FY2025 comparison of weighted average rent for outgoing and incoming leases.
4 Effective from 3 December 2024.
5 Effective from April 2025.
6 Excludes amortisation of debt-related transaction costs.
7 Calculation is in accordance with the Property Funds Appendix of the CIS Code. The ICR in accordance with loan agreements exceeds 2.5 times, in excess of debt covenant at 2.0 times; calculation is based on a trailing 12 months period ending on the date of the latest reported financial results.

Sustainability Performance

PLANET (ENVIRONMENTAL)[1]

The Manager embeds environmental and social considerations into its operations and decision-making to align with stakeholder expectations and support long-term sustainability. It aims to revisit baseline year for Lendlease REIT's environmental performance in FY2027.

Climate action and energy management:

- GHG emissions[2] (Scope 1 and 2): **Net Zero Carbon** Since FY2023.
- Completed sustainability training for the Directors and the Manager.
- Landlord energy consumption **23,906 MWh** (or **0.4%** reduction).
- **Target:** 10% reduction by FY2027.
- **FY2028 and beyond:** Obtain external limited assurance over Scope 1 and Scope 2 GHG emissions as per recommendation by the Sustainability Reporting Advisory Committee; set interim targets to track progress towards Absolute Zero Carbon.

For details, please refer to page 16 to 25 of the sustainability report.

Water management:

- Landlord water consumption **267,540 kL** (or **5.0%** increase).
- Maintained water efficiency index at **top 25th** percentile in the local market.
- **Target:** 2% reduction by FY2027.
- **FY2028 and beyond:** Further reduce landlord water consumption; ensure all water fittings newly installed or replaced are WELS 3 ticks rating.

For details, please refer to page 26 to 27 of the sustainability report.

Waste management:

- Total waste recycled: **21%**.
- **Target:** 28% recycling rate per annum.
- **FY2028 and beyond:** 100% food waste by tenant to be segregated and sent to onsite food digestor.

For details, please refer to page 28 to 29 of the sustainability report.

[1] From baseline year FY2022.
[2] Market based emission.

Recognition

LEED Gold for Milan assets

BCA Green Mark Platinum for Singapore assets

PEOPLE (SOCIAL)

The Manager seeks to create meaningful impact within the communities it serves by engaging beyond Lendlease REIT's asset boundaries and cultivating shared value partnerships that contribute to broader social well-being.

Health and safety:

- **Zero incidents** of work-related injuries and ill health incidents.
- **Zero incidents** of non-compliance with regulations and voluntary codes.
- Risk Control Plan formulated to mitigate risks and ensure safety of the employees.
- Joint management-worker health and safety committee meeting every quarter to facilitate collaboration and address health and safety initiatives.
- Risk management team formed within the property manager of Jem and 313@somerset to assess and implement workplace safety.
- **FY2040 and beyond:** Explore psychological safety of the employees.

For details, please refer to page 35 to 37 of the sustainability report.

Diversity and inclusion:

- Board Diversity: **40%** Female.
- Senior Management: **67%** Female.
- The Manager's workforce scored 7.5 for Growth – indicating a strong learning culture within the organisation, where employees recognise meaningful opportunities for development.
- Total training hours: **875 hours** (FY2025).
- **FY2030 and beyond:** Explore disclosing ethnicity targets and metrics by FY2030; explore disclosing pay equity by ethnicity and gender beyond FY2040.

Community development and engagement:

- Completed four community engagements.
- As a Group, exceeded social value target by **13%** (or **>A$280 million** globally).
- **FY2028 and beyond:** Explore disclosing key social targets and metrics through the Sustainable Philanthropy Framework.

For details, please refer to page 38 to 39 of the sustainability report.

Recognition

bizSAFE partner certification

Company of Good – 3 Hearts

Silver Workplace Safety and Health (WSH) award

PARTNER (GOVERNANCE)

The Manager is committed to conducting its business activities in accordance with high ethical standards.

Business ethics and governance:

Adopts a strict zero-tolerance policy towards fraud, corruption and other unethical conduct.

- **Zero incidents** of corruption.
- **Zero incidents** of non-compliance with relevant laws and regulations including environmental.
- **100%** new suppliers were screened for environmental and social impacts before being onboarded. No significant instances of negative impacts were identified.

For details, please refer to page 41 to 42 of the sustainability report.

Data privacy and cybersecurity:

- **Zero incidents** of complaints on breach of customer privacy.
- **Zero incidents** of leaks, thefts or losses of customer data.
- **By FY2030:** Automate 50% of security incident response tasks; build a zero-trust security architecture; achieve 100% cyber insurance coverage for all business critical assets.

For details, please refer to page 43 of the sustainability report.

Recognition

MSCI ESG RATINGS

CCC	B	BB	BBB	A	AA	AAA

A

GRESB REAL ESTATE sector leader 2024

5-star rating for five consecutive years since 2020

OPERATIONAL PERFORMANCE (ECONOMIC)

The Manager believes that long-term value creation, both operationally and financially, depends on the sustainable development of Lendlease REIT's business.

Tenant and shopper satisfaction:

An annual survey, led by an independent consultant, is conducted to gain insights into stakeholder expectations and identify areas for enhancing satisfaction. The Manager adopts a structured, phased strategy complemented by targeted initiatives to uplift tenant and shopper satisfaction scores.

- Tenant Satisfaction Score: **71%** (FY2024: 70%).
- Shoppers Satisfaction score: **83%** (FY2024: 90%).
- **Target:** Improve or maintain tenant and shopper satisfaction score YoY.

Sustainable financing:

- **86%** of committed debts are sustainable financing.
- Met all sustainability pegged targets and achieved interest savings since the establishment of green finance in FY2022.
- **Target:** Maintain minimum 85% of committed debts as sustainable financing; identify and determine climate value at risk for physical risks by FY2027.
- **FY2028 and beyond:** Monitor and address if potentially more sustainability-related regulatory disclosures are relevant to Lendlease REIT and have economic impact.

Operational performance:

- **+10.2%** retail rental reversion.
- **+13%** office rental uplift for Jem office in Singapore.
- **+1.7%** office rental uplift for Sky Complex (Building 1 and 2) in Milan.
- **Target:** Improve operational performance YoY.

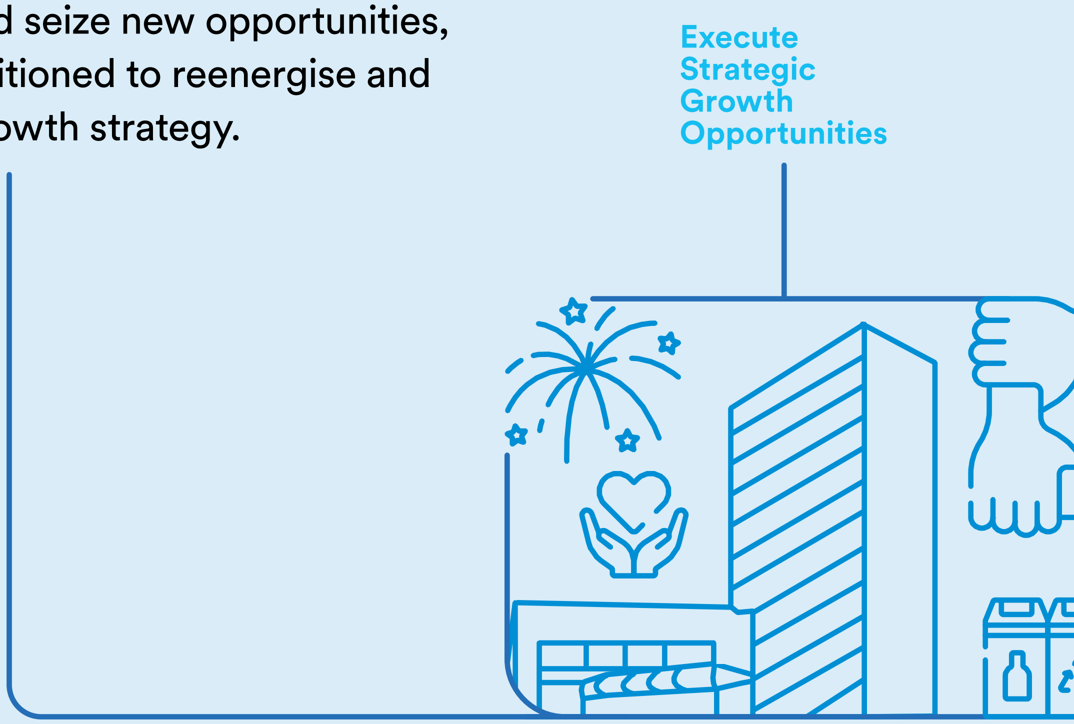
Refer to page 22 to 25 of the annual report to read more about Lendlease REIT's operational performance.

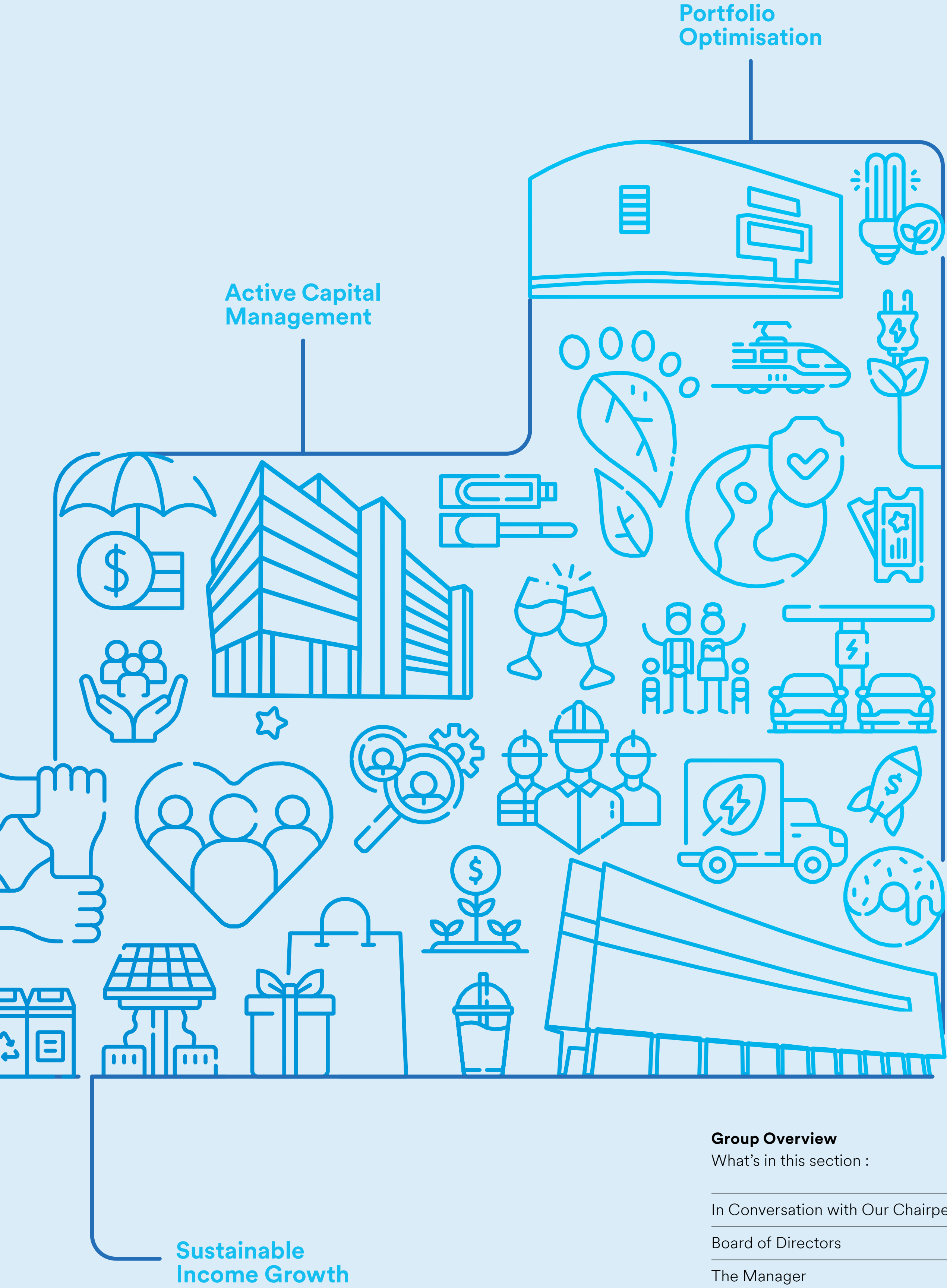
Recognition

Singapore Corporate Awards 2024 - Best Investor Relations (Gold)

RECHARGING: Our Mission for Growth

At the heart of our mission, we focus on delivering growth and sustainable value to our unitholders. By working collaboratively and innovatively to deepen tenant relationships and seize new opportunities, we are well-positioned to reenergise and recharge our growth strategy.





Group Overview

What's in this section :

In Conversation with Our Chairperson and CEO

For Lendlease REIT, the strategic divestment of the Jem office component marks a key step in strengthening the capital structure and positioning itself for future growth. Following the divestment, Singapore will represent over 85% of Lendlease REIT's portfolio by valuation, reinforcing its identity as a Singapore-centric REIT.

From left to right:
Mr Justin Marco Gabbani *Chairperson* | **Mr Guy Cawthra** *Chief Executive Officer*

The Singapore REIT sector marked a pivotal shift in the second half of 2024, as global monetary policy took a more accommodative stance and the U.S. Federal Reserve implemented three interest rate cuts. These actions eased financing pressures and offered a timely relief after a prolonged period of monetary tightening.

Capitalising on this favourable environment, REIT managers have proactively enhanced tenant engagement, introduced experiential upgrades and curated vibrant retail mixes to attract footfall and strengthen tenant performance. These efforts reflect the sector's agility and commitment to long-term value creation.

For Lendlease REIT, the strategic divestment of the Jem office component marks a key step in strengthening the capital structure and positioning itself for future growth. Following the divestment, Singapore will represent over 85% of Lendlease REIT's portfolio by valuation, reinforcing its identity as a Singapore-centric REIT.

Chairperson, Mr Justin Marco Gabbani, and newly appointed CEO, Mr Guy Cawthra, share how Lendlease REIT is reigniting its growth strategy to deliver long-term sustainable value for Unitholders.

You took over the role of CEO on 1 April 2025, what has been your key priority since then?

Guy My immediate priority was to meet our Unitholders to listen to their feedback on Lendlease REIT. I was pleased to hear that like me, our Unitholders greatly appreciate the high quality of our portfolio, the strength of our Sponsor Lendlease with more than 50 years of experience in Singapore and our highly capable teams that manage the REIT and our properties day-to-day.

Unitholders also provided clear feedback that they felt our gearing was high, and that they would like to see this come down. Having received this feedback, we took immediate action to accelerate our efforts to divest the Jem office component and were pleased to announce a transaction on 4 August 2025.

Following the announcement of the Jem office divestment, what are your priorities moving forward?

Guy Our first priority is to reinforce balance sheet strength. Upon completion of the divestment, we will use the proceeds predominantly to repay debt, lowering our gearing to approximately 35% on a proforma basis. In addition to reducing our gearing level, this is expected to relieve pressure on the ICR and enhance our financial flexibility.

In parallel, we are actively managing our interest rate exposures and hedging strategy in order to strike a balance between stability in the cost of borrowing and benefiting from declining interest rates. As at 30 June 2025, approximately 68% of Lendlease REIT's borrowings were hedged and over the course of FY2025, the average cost of debt improved to 3.46% per annum. We expect this to reduce further over the coming year as we benefit from the lower interest rates and review our hedge positions.

Another priority for us is operational performance. Our retail portfolio continues to be a core engine of stability and growth, delivering a positive rental reversion of 10.2% at the close of the financial year. This uplift reflects the success of our active asset management strategy, which includes refreshing tenant mixes and introducing new-to-portfolio concepts tailored to evolving consumer preferences. We are actively focused on leasing up Building 3 in Milan, where refurbishment has been completed and leasing interest remains strong.

With a strengthened balance sheet and Unitholder support, we would like to review potential strategic growth opportunities. We announced our intention to play to our strengths and focus on Singapore for the foreseeable future. Our Sponsor has a fantastic portfolio of retail and commercial assets in Singapore, and we intend to work with them to explore potential acquisitions.

We remain committed to transparency and look forward to continuing our Unitholder engagement over the year ahead.

Amid shifts in consumer behaviour, how is Lendlease REIT working with tenants to improve sales and sustain footfall?

Guy Consumer preferences are constantly evolving, and we remain agile and attuned to these shifts. Our leasing strategy begins with carefully curating a tenant mix that is aligned with the unique identity and positioning of each mall, ensuring that offerings reflect the lifestyle and expectations of our target shoppers. We do not believe in a one-size-fits-all approach. Each asset is differentiated to resonate with its catchment and community.

We also believe in proactive collaboration with our tenants. To support their sales and engagement efforts, we deploy campaigns across in-mall activations and in-app promotional channels, giving tenants visibility across both physical and digital platforms.

Keeping our malls vibrant is critical for sustained footfall. We continuously refresh our offering with new-to-market and experiential brands including Casa Vostra, 2nd Street, Moon Moon Food and Lululemon, creating excitement for returning shoppers and supporting our tenants.

Retail portfolio
99.5%
occupancy

Achieved
10.2% positive
retail rental reversion

GRESB

Awarded
Regional Sector Leader (Asia Retail (Listed))
in GRESB 2024

In Conversation with Our Chairperson and CEO

Crucially, we back this with data. We conduct an annual tenant satisfaction survey through an independent third-party, which provides objective feedback across key service dimensions. This allows us to identify improvement areas and fine-tune our strategy to support the tenants, reinforcing our commitment to being a landlord of choice. More details can be found in the Lendlease REIT Sustainability Report FY2025.

Collectively, these initiatives reflect our commitment to building strong, mutually beneficial partnerships that foster tenant success and enhance shopper engagement.

With the interest rate environment beginning to ease, how is the Board shaping Lendlease REIT's capital management strategy to enhance long-term resilience and optimise returns for Unitholders?

Justin With the moderation in the interest rate environment, the Board is firmly focused on leveraging the easing cycle to optimise Lendlease REIT's cost of capital and strengthen its capital position to deliver sustainable returns to our Unitholders.

During FY2025, we refinanced a S$200 million tranche of perpetual securities at materially lower costs of funding, taking the opportunity to rebalance the capital structure with a reduced proportion in perpetual securities. Post the year end, Lendlease REIT entered into an agreement to divest the Jem office component. As shared by Guy, this capital recycling initiative will reduce gearing to approximately 35% on a proforma basis as the net cash proceeds will be predominantly utilised towards the repayment of borrowings.

We will continue to pursue capital recycling initiatives outside of our core Singapore portfolio, at the right time to help facilitate further, disciplined deleveraging and to continue to create headroom for future portfolio growth.

Sustainability has become a defining lens for regulators and investors. Can you share how Lendlease REIT is integrating ESG considerations into its asset enhancement, financing and stakeholder engagement initiatives?

Justin Lendlease is a global leader in sustainability. For us, sustainability is embedded at the core of our business strategy – not as a standalone initiative, but as a fundamental lens through which we shape decisions across asset enhancement, financing and stakeholder engagement.

From an asset perspective, we prioritise enhancements that drive energy efficiency, reduce emissions and support long-term operational resilience. This includes adopting green building certifications and integrating smart systems where relevant.

On the financing front, approximately 86% of our borrowings are in the form of sustainability-linked loans, directly tied to measurable ESG performance targets. This reflects our commitment to aligning financial structures with sustainability outcomes. Since the establishment of our green finance in FY2022, Lendlease REIT has achieved interest savings through these sustainability-linked financing arrangements, reinforcing the tangible benefits of responsible capital management.

To provide deeper insight and transparency for our stakeholders, we have recently refreshed our climate scenario assessment strategy, allowing us to more accurately quantify potential financial impacts from climate-related risks. This supports our goal of enabling investors to make more informed, forward-looking decisions.

Finally, we actively engage our stakeholders through structured feedback channels. We conduct an annual third-party ESG perception survey with our investors, ensuring we remain attuned to evolving expectations and can continue refining our strategy accordingly.

Together, these initiatives underscore our belief that sustainable performance and long-term value creation go hand in hand.

In a competitive landscape, how do you differentiate your growth strategy from peers?

Guy Our growth strategy is defined by the competitive advantage of Lendlease REIT and our Sponsor.

Lendlease Group has been active in Singapore for over 50 years, originally entering the market to help build government housing as part of a nationwide productivity drive. This strong local presence and expertise enables us to draw on a strong foundation of experience, consumer understanding and operational excellence.

Over the years, Lendlease Group has evolved from its roots in construction to encompass development and investment, establishing a strong presence in Singapore's retail and commercial property landscape. With over two decades of experience managing retail malls and commercial assets locally, our asset operations team including leasing team has been instrumental to our success. Their deep industry relationships and keen understanding of retail dynamics enable us to curate a resilient, complementary tenant mix that delivers enduring value to both tenants and shoppers.

Looking ahead, our growth strategy will continue to centre on Singapore's retail and commercial property market. With more than 85% of our portfolio by value located in Singapore, we remain committed to expanding through selective acquisitions. We are privileged to have access to a high-quality pipeline, including assets owned and managed by our Sponsor such as Paya Lebar Quarter (retail and commercial) and the Singtel Comcentre – both of which are landmark developments that anchor their respective precincts.

Jem office, Singapore

What are the enduring values that will continue to guide the Board's leadership of Lendlease REIT into the future?

Justin Our leadership philosophy values accountability, stewardship and clarity of purpose. These principles shape the way we govern, make decisions and uphold our responsibility to Unitholders over the long run.

Accountability ensures that we remain transparent and responsive to the trust placed in us. Stewardship speaks to our commitment to managing Lendlease REIT's assets prudently – balancing short-term performance with sustainable growth. Clarity of purpose keeps us focused on creating enduring value, not just through financial returns but through the positive impact we leave across our communities and stakeholder network.

The continued support of our Unitholders, the steadfast commitment of our employees and the strong stewardship of the Board have been central to our ability to navigate change. We are deeply grateful for these foundations and remain committed to nurturing them in the years ahead.

On behalf of the Board, I would also like to welcome Guy as our new CEO. His strategic insight and proven leadership bring valuable strength to Lendlease REIT, and we are confident he will play a pivotal role in advancing the REIT's next phase of growth.

MR JUSTIN MARCO GABBANI
Chairperson

MR GUY CAWTHRA
Chief Executive Officer

Board of Directors

1. MR JUSTIN MARCO GABBANI

Chairperson and Non-Independent Non-Executive Director

Board Committee Membership
Member of the Audit and Risk Committee

Age: 43

Date of appointment as a director:
26 October 2021

Date of last re-endorsement as a director:
25 October 2022

Length of service as a director (as at 30 June 2025):
3 years 8 months

Academic & professional qualifications

Bachelor of Finance and Bachelor of Commerce, Bond University, Queensland

Chartered Accountant, Australia

Present directorships in other listed companies (as at 30 June 2025)

-

Present principal commitments (as at 30 June 2025)

Chief Executive Officer, Investment Management, Lendlease Group

Director, Lendlease Asia Holdings Pte. Ltd.

Director, Lendlease Investment Management Pte. Ltd.

Past directorships in Other Listed Companies held over the preceding three years (as at 30 June 2025)

-

Background and working experience

Chief Executive Officer, Asia, Lendlease Group (2021 to 2024)

Chief Financial Officer, Asia, Lendlease Group (2016 to 2021)

Head of Investment & Capital Markets, Asia and Europe, Lendlease Group (2015 to 2016)

Head of Investment & Capital Markets, Asia, Lendlease Group (2011 to 2015)

Head of Product Development, Investment Management, Lendlease Group (2009 to 2011)

2. DR TSUI KAI CHONG

Lead Independent Non-Executive Director

Board Committee Membership

Chairperson of the Audit and Risk Committee

Member of the Nomination and Remuneration Committee

Member of the Environmental, Social and Governance Committee

Age: 69

Date of first appointment as a director:
29 August 2019

Date of last re-endorsement as a director:
29 October 2024

Length of service as a director (as at 30 June 2025):
5 years and 10 months

Academic & professional qualifications

BA(Hons) Business Studies, First Class Honours, Polytechnic of Central London

MPhil and PhD (Finance), New York University

Chartered Financial Analyst, CFA Institute, USA

Present directorships in other listed companies (as at 30 June 2025)

Director, Digital Core REIT Management Pte Ltd (as manager of Digital Core REIT)

Present principal commitments (as at 30 June 2025)

-

Past Directorships in Other Listed Companies held over the preceding three years (as at 30 June 2025)

-

Background and working experience

Professor Emeritus, Singapore University of Social Sciences (from 2021 to present)

Provost, Singapore University of Social Sciences (from 2005 to 2021)

3. MRS LEE AI MING

Independent Non-Executive Director

Board Committee Membership

Chairperson of the Nomination and Remuneration Committee

Member of the Audit and Risk Committee

Member of the Environmental, Social and Governance Committee

Age: 70

Date of appointment as a director:
29 August 2019

Date of last re-endorsement as a director:
31 October 2023

Length of service as a director (as at 30 June 2025):
5 years and 10 months

Academic & professional qualifications

Bachelor of Laws (Honours), National University of Singapore

Present directorships in other listed companies (as at 30 June 2025)

Independent Director, HomesToLife Ltd

Present principal commitments (as at 30 June 2025)

Director, Temasek Life Sciences Laboratory Limited

Independent Director, MS First Capital Insurance Limited

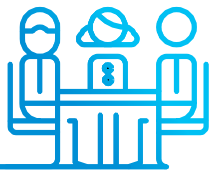
Past directorships in Other Listed Companies held over the preceding three years (as at 30 June 2025)

-

Background and working experience

Senior Consultant, Dentons Rodyk & Davidson LLP (2015 to 2025)

Deputy Managing Partner, Dentons Rodyk & Davidson LLP (1982 to 2014)



Board of Directors

4. MR SIMON JOHN PERROTT

Independent Non-Executive Director

Board Committee Membership

Chairperson of the Environmental, Social and Governance Committee

Member of the Nomination and Remuneration Committee

Member of the Audit and Risk Committee

Age: 67

Date of appointment as a director:
29 August 2019

Date of last re-endorsement as a director:
25 October 2022

Length of service as a director (as at 30 June 2025):
5 years and 10 months

Academic & professional qualifications

Bachelor of Science, University of Melbourne

Master of Business Administration, University of New South Wales

Present directorships in other listed companies (as at 30 June 2025)

-

Present principal commitments (as at 30 June 2025)

Chairperson and Non-Executive Director, The Wayside Chapel

Chairperson and Independent Non-Executive Director, Lendlease Real Estate Investments Limited

Past directorships in other listed companies held over the preceding three years (as at 30 June 2025)

-

Background and working experience

Chairperson, CIMB Bank Australia (from 2012 to 2014)

Chairperson, RBS Australia (from 2009 to 2012)

Various roles and last held role was Co-Head of Banking, ABN AMRO Bank N.V. (from 2002 to 2009)

5. MS PENELOPE JANE RANSOM

Non-Independent Non-Executive Director

Board Committee Membership
Member of the Nomination and Remuneration Committee

Member of the Environmental, Social and Governance Committee

Age: 52

Date of appointment as a director:
8 November 2023

Date of endorsement as a director:
29 October 2024

Length of service as a director (as at 30 June 2025):
1 year and 7 months

Academic & professional qualifications

University of Western Sydney, Hawkesbury, Bachelor of Business (Land Economics)

FINSIA, Graduate Diploma Applied Finance and Investment

Said Business School, University of Oxford, Advanced Management and Leadership Program

Member of the Royal Institution of Chartered Surveyors (MRICS)

Member of Chief Executive Women (CEW)

Present directorships in other listed companies (as at 30 June 2025)

-

Present principal commitments (as at 30 June 2025)

Chief Investment Officer, Lendlease Group

Past directorships in other listed companies held over the preceding three years (as at 30 June 2025)

-

Background and working experience

Group Head of Investments, Lendlease Group (2022 to 2024)

Managing Director, Investments, Europe, Lendlease Group (2023 to 2024)

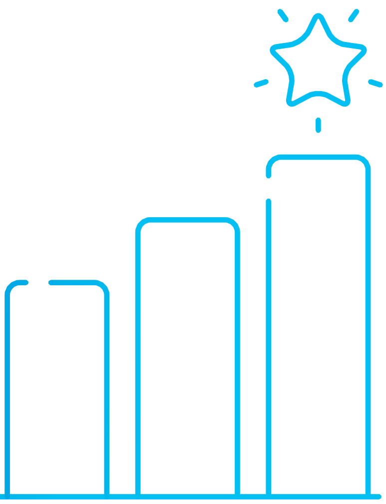
Chief Investment Officer, Investa Property Group (2021 to 2022)

Group Executive, Head of Investment Management, Investa Property Group (2019 to 2021)

Group Executive, Investa Property Group and Fund Manager, Investa Office Fund (2016 to 2018)

Fund Manager, Dexus Wholesale Property Fund, Dexus Property Group (2014 to 2016)

Head of Capital, Dexus Property Group (2011 to 2014)



The Manager

MR GUY CAWTHRA
Chief Executive Officer

Appointed as CEO of the Manager on 1 April 2025, Guy brings extensive expertise in investment management, real estate, and strategic leadership, backed by over a decade in international investment firms and a distinguished tenure at Lendlease.

Prior to his appointment, he led the S$12 billion Lendlease Asia Investment & Asset Management business, providing institutional investors with tailored investment solutions through co-mingled funds and separate accounts. His portfolio spanned commercial, retail, data centres, life sciences, and innovation properties across Asia, including notable assets such as Singapore's mixed-use precinct, Paya Lebar Quarter, and the retail mall Parkway Parade. In this role, he was responsible for all aspects of investment performance including strategy, acquisitions, financing, capital raising, asset management, governance, compliance, business planning and reporting.

Before joining Lendlease in 2014, Guy spent more than a decade with leading international firms specialising in investment management, management consulting, and investment banking. He holds a Bachelor of Science Degree (First Class Honours) in Accounting and Finance from the University of Warwick and is a CFA Charter holder.

MS TEO LAY TING
Executive General Manager, Finance

Lay Ting has over 20 years of experience in investments and portfolio management, covering key aspects including investment assessment, fund raising, treasury, tax, finance and investor relations. Prior to this appointment, Lay Ting was the Investment Director of Investment and Capital Markets in Lendlease where she played a key role in driving growth of the Asia business.

Before joining Lendlease, she was with various real estate institutions including GIC Real Estate and AMP Capital, where she was responsible for portfolio management and driving strategic business initiatives.

Lay Ting holds a Bachelor of Accountancy (First Class Honours) from the Nanyang Technological University and is a member of both the Institute of Singapore Chartered Accountants and the CFA Institute.

MS LOH KAR YEN
Head of Asset Management

Kar Yen has more than 25 years of experience in real estate portfolio and asset management, valuation and lease management for private and public landlords, including close to 20 years in the Singapore REIT industry.

Before joining Lendlease REIT, she was in the portfolio and asset management role with various entities in the CapitaLand Group including CapitaLand Commercial Trust. Prior to CapitaLand, she also held positions in Keppel REIT and Ascendas REIT.

Kar Yen holds a Bachelor of Science Degree (Honours) in Estate Management from the National University of Singapore.

MR VICTOR SHEN
Financial Controller

Victor has over 20 years of experience in accounting, finance, budgeting, tax, compliance, audit and reporting, of which more than eight years are in real estate investment finance and over ten years are in SGX listed entities.

Prior to joining the Manager, he was a Finance Manager with Mapletree Logistics Trust Management Ltd responsible for its consolidation and reporting function.

Victor holds a Bachelor of Business in Accountancy from the Singapore Institute of Management (RMIT University) and is a Certified Public Accountant with CPA Australia.

MR MARK YONG
Senior Investment Manager

Mark plays a pivotal role in shaping and executing Lendlease REIT's investment strategy in Singapore and overseas, ensuring alignment with the REIT's long-term objectives. He leads the investment team in identifying, evaluating, and negotiating potential investment opportunities that align with the REIT's strategy and enhance its returns.

In addition, Mark is actively involved in capital market strategy, guiding financial structuring and funding decisions for each key milestone. Prior to joining the Manager in 2019, he managed private equity funds and investment mandates under Lendlease Investment Management in Asia.

Mark holds a Bachelor of Science (Real Estate) with Honours (Highest Distinction) from the National University of Singapore.

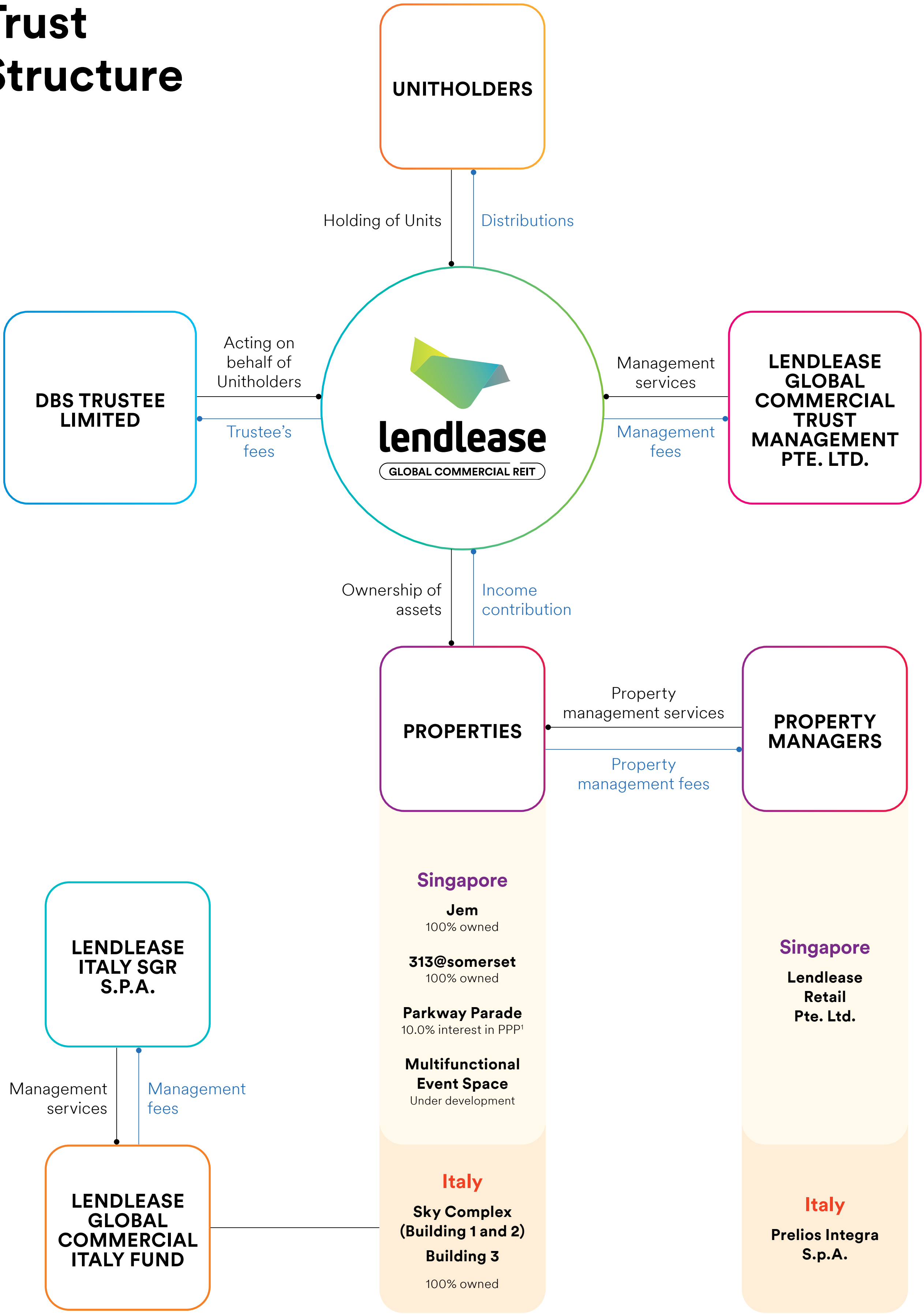
MS LING BEE LIN
Head of Investor Relations and ESG

Bee Lin brings over a decade of experience in investor relations and corporate communications. She leads the investor relations and ESG team responsible for cultivating relationships and facilitating clear, timely communications and engagements with Unitholders and stakeholders, including analysts and investors. She works closely with her colleagues to strengthen transparency in Lendlease REIT's ESG performance and sustainability initiatives.

Before joining the Manager, she led investor relations for a business trust listed on SGX-ST and spent six years in Group Corporate Communications at a listed fund on the London Stock Exchange.

Bee Lin holds a Bachelor of Commerce Degree in Management and Hospitality & Tourism Management from Murdoch University.

Trust Structure



[1] Lendlease REIT owns a 10.0% interest in 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.

Corporate Information

STOCK EXCHANGE QUOTATION

SGX Stock Code: JYEU
Bloomberg Stock Code: LREIT SP Equity
ISIN Code: SGXC61949712

MANAGER

Lendlease Global Commercial Trust Management Pte. Ltd.
2 Tanjong Katong Road
#05-01 PLQ3
Paya Lebar Quarter
Singapore 437161
t +65 6671 7374
e enquiry@lendleaseglobalcommercialreit.com
w www.lendleaseglobalcommercialreit.com

TRUSTEE

DBS Trustee Limited
12 Marina Boulevard, Level 44
DBS Asia Central @ Marina Bay Financial Centre Tower 3
Singapore 018982

BOARD OF DIRECTORS

Mr Justin Marco Gabbani
Chairperson and Non-Independent Non-Executive Director

Dr Tsui Kai Chong
Lead Independent Non-Executive Director

Mrs Lee Ai Ming
Independent Non-Executive Director

Mr Simon John Perrott
Independent Non-Executive Director

Ms Penelope Jane Ransom
Non-Independent Non-Executive Director

AUDIT AND RISK COMMITTEE

Dr Tsui Kai Chong
Chairperson

Mrs Lee Ai Ming
Member

Mr Simon John Perrott
Member

Mr Justin Marco Gabbani
Member

NOMINATION AND REMUNERATION COMMITTEE

Mrs Lee Ai Ming
Chairperson

Dr Tsui Kai Chong
Member

Mr Simon John Perrott
Member

Ms Penelope Jane Ransom
Member

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Mr Simon John Perrott
Chairperson

Dr Tsui Kai Chong
Member

Mrs Lee Ai Ming
Member

Ms Penelope Jane Ransom
Member

COMPANY SECRETARY

Mr Cho Form Po

AUDITOR

KPMG LLP
12 Marina View
#15-01 Asia Square Tower 2
Singapore 018961
t +65 6213 3388
f +65 6225 0984

Partner-In-Charge:
Ms Karen Lee Shu Pei
(Appointment date: 29 October 2024)

UNIT REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632
t +65 6536 5355
f +65 6536 1360

For updates or change of mailing address, please contact:
The Central Depository (Pte) Limited
t +65 6535 7511
e asksgx@sgx.com

RECHARGING: The Strength of Our Portfolio

We go beyond curating a diversified portfolio of stabilised, income-generating real estate assets by proactively enhancing and revitalising it - driving optimal performance and sustained market relevance.

Weighted Average Lease Expiry (by NLA)

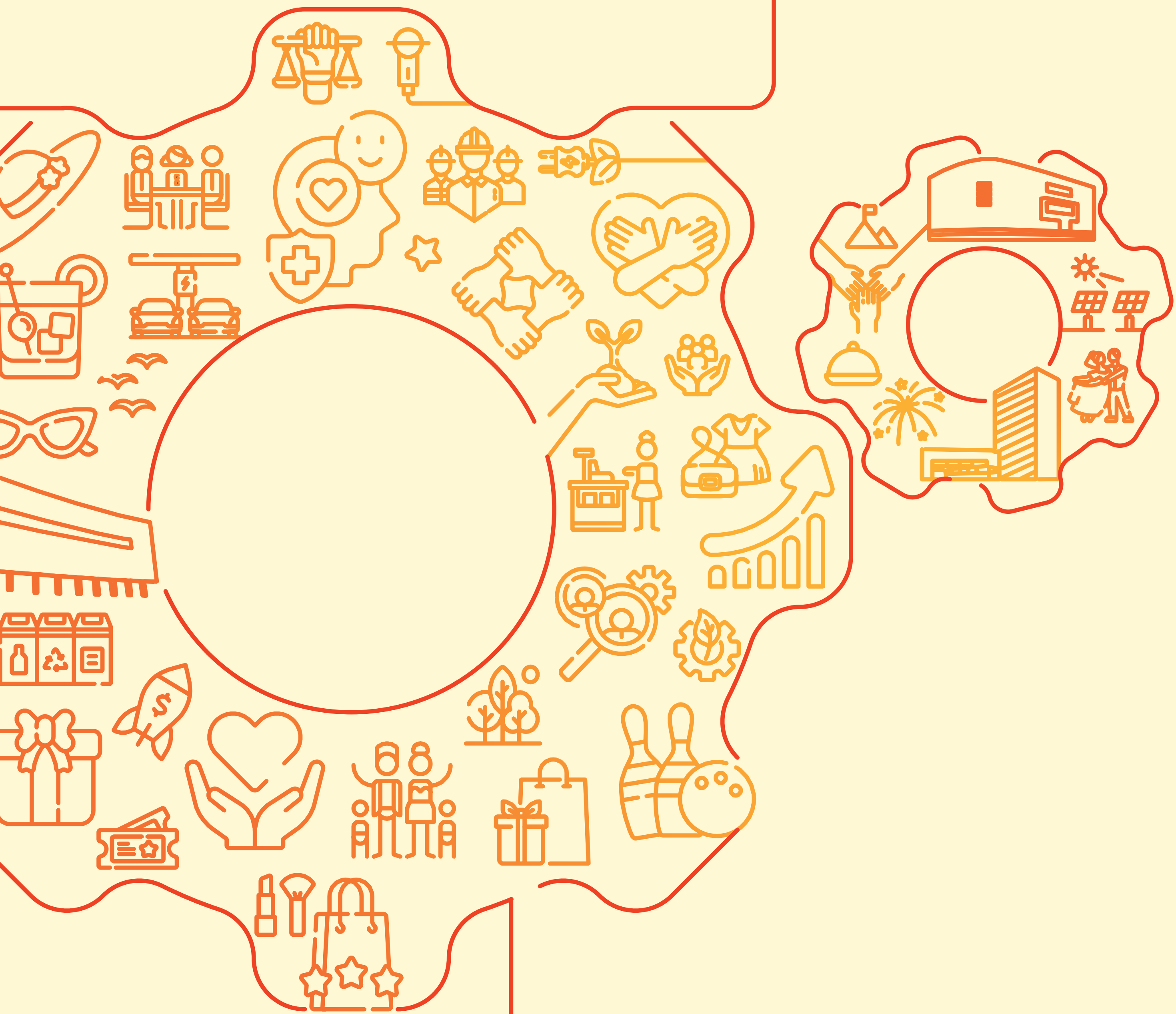
7.2 years

Portfolio Committed Occupancy

92.1%

Appraised Portfolio Value

S$3.76 billion



Retail Rental Reversion

10.2%

Performance Overview

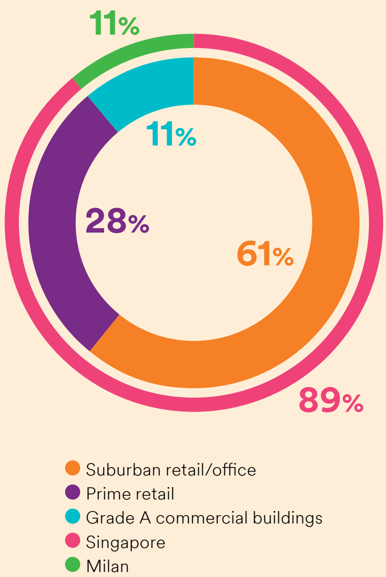
What's in this section :

Operations Review

KEY OPERATIONAL METRICS

Portfolio

Property Value
S$3.76 billion



Retail

Committed Occupancy
99.5%

Rental Reversion
10.2%[1]

WALE
2.4 years (by GRI)

Office

Committed Occupancy
86.6%[2]

Rental Uplift
13%[3] (Jem office) **1.7%**[4] (Building 1 and 2 of Sky Complex)

WALE
13.7 years (by GRI)

Note: Information as of 30 June 2025, unless stated otherwise.

OPTIMISING PORTFOLIO THROUGH STRATEGIC ASSET RECYCLING

On 4 August 2025, Lendlease REIT announced the divestment of the Jem office for S$462 million, in line with the independent valuation as at 31 July 2025. The divestment consideration was arrived at on a willing-buyer and willing-seller basis. Jones Lang LaSalle was appointed by the Manager and the Trustee to provide an independent valuation of the office component. The valuation methods used primarily relied on the income capitalisation method and discounted cashflow analysis.

Further details of the divestment can be found in the announcement on the SGXNet or Lendlease REIT's corporate website.

The divestment marks an important milestone and has sharpened Lendlease REIT's geographic and sector focus. Post-divestment, Singapore retail will represent over 85% of Lendlease REIT's portfolio by valuation, reinforcing its commitment to a high-quality, resilient retail footprint in its home market.

RETAIL-LED PERFORMANCE ACROSS CORE MARKETS

As at 30 June 2025, Lendlease REIT achieved a positive retail rental reversion of 10.2% and maintained a healthy tenant retention rate of 83.3%. Notably, approximately 97% of retail leases (by NLA) incorporate annual rental step-up provisions, providing built-in rental growth over time.

Several new-to-portfolio tenants including 2nd Street, Tim Hortons Signature, Lululemon, Nan Yang Dao, Moon Moon Food, and KKV were introduced across the retail portfolio, reflecting the Manager's ongoing commitment to staying attuned to evolving consumer trends and delivering fresh, in-demand retail experiences. Jem also welcomed Shaw Theatres, marking its return to Jurong East and its eighth outlet in Singapore, reinforcing Jem's strong positioning and continued appeal among tenants and shoppers through enhanced lifestyle offerings.

1 Full-year FY2025 comparison of weighted average rent for outgoing and incoming leases.
2 Includes committed space of Building 3 in Milan.
3 Effective from 3 December 2024.
4 Effective from April 2025.

Through a carefully tailored tenant mix that aligns with consumer expectations, the Manager continues to enhance the overall retail experience and reinforce the portfolio's competitive positioning within the dynamic retail landscape.

Within the office segment, a rental uplift of approximately 13% over the prevailing base rent was secured for Jem office, effective from 3 December 2024. Jem office remains fully leased to Singapore's Ministry of National Development until 2044.

In Milan, Building 1 and 2 of Sky Complex recorded a rental escalation of 1.7% in April 2025, in line with the annual review mechanism linked to the ISTAT Consumer Price Index. This structure enables rental growth to track inflation.

As most of the operating expenses for the Milan assets are borne by the tenant, Lendlease REIT's cost exposure remains limited. In addition, projected cashflows from the Milan assets are hedged to mitigate foreign currency risks. Leasing efforts remain ongoing at Building 3, where the Manager is focused on transitioning the asset to a multi-tenanted configuration.

Portfolio Occupancy

As at 30 June 2025, Lendlease REIT maintained a committed portfolio occupancy rate of 92.1%. Retail occupancy remained robust at 99.5%, while the office portfolio recorded an occupancy rate of 86.6%.

Lease Profile

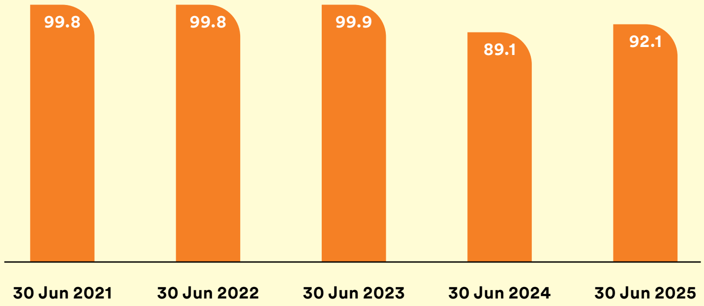
As at the financial year end, Lendlease REIT maintained a healthy lease expiry profile, with a portfolio WALE of 7.2 years by NLA and 4.9 years by GRI.

For new retail leases secured during the year, the WALE by GRI was approximately 3.3 years based on lease commencement dates, representing 30% of the June 2025 GRI.

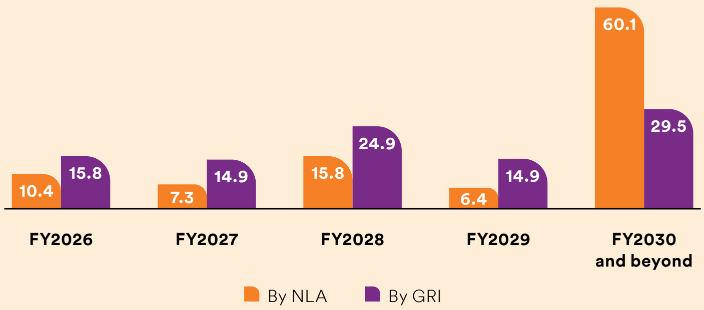
As Building 3 transitions to a multi-tenanted configuration, leases will be marked to market, presenting a potential uplift in rental income.

Approximately 15.8% of Lendlease REIT's GRI is due for renewal in FY2026, and the Manager is actively engaging with tenants to drive timely renewals and optimise leasing outcomes.

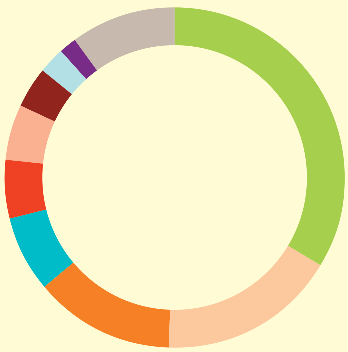
Portfolio Occupancy
(%)



Lease Expiry Profile
(%)



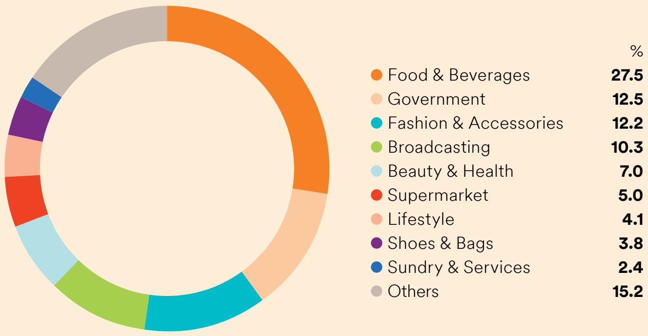
Trade Sector Breakdown by NLA
(%)



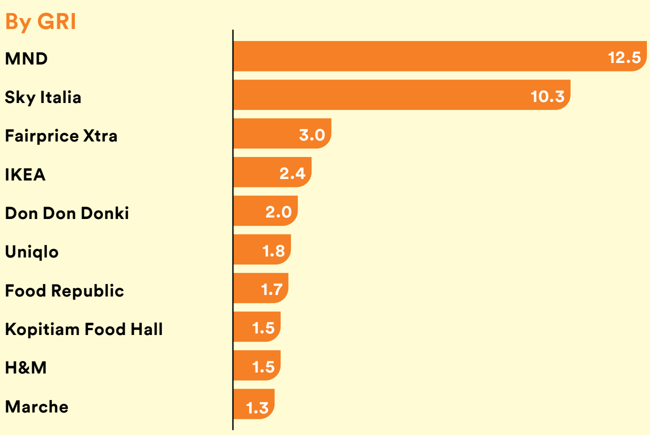
	%
Broadcasting	33.2
Government	16.6
Food & Beverages	13.3
Fashion & Accessories	7.2
Supermarket	5.4
Lifestyle	5.3
Entertainment	3.8
Beauty & Health	2.3
Education	1.9
Others	10.9

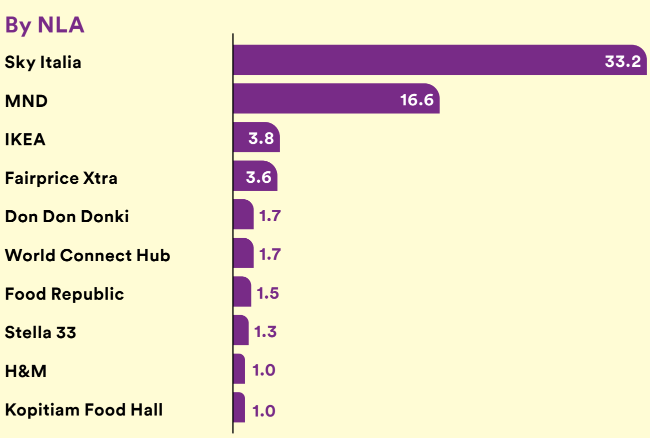
Operations Review

Trade Sector Breakdown By GRI
(%)



Top 10 Tenants
(%)



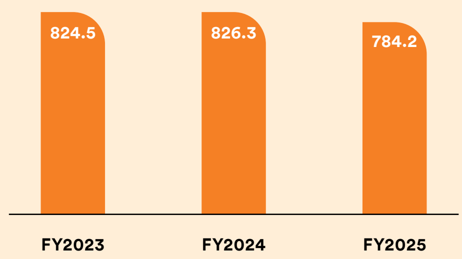


Tenant Diversification
As at 30 June 2025, Lendlease REIT's tenant base comprised 404 tenants spanning 22 distinct trade sectors, with a strong representation from essential services, which collectively accounted for approximately 59% of portfolio GRI. The top 10 tenants contributed approximately 38% of Lendlease REIT's total GRI for the month.

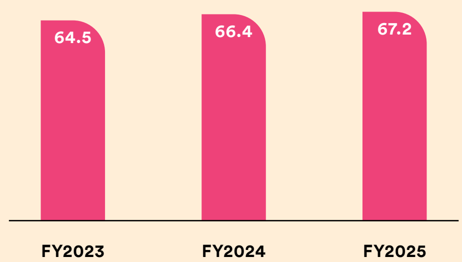
The three largest trade sectors by GRI were F&B, Government and Fashion & Accessories, contributing 27.5%, 12.5% and 12.2% respectively as at June 2025.

Tenant Sales and Shopper Traffic
During the year, Lendlease REIT's retail portfolio saw a year-on-year decline in tenant sales while shopper traffic recorded a modest uptick. The decline in tenant sales was primarily attributed to macroeconomic headwinds, including the continued strength of the Singapore dollar, which has led to an increase in outbound travel by local residents and a more subdued inflow of international tourists.

Tenant Sales
(S$ million)



Shopper Traffic
(million)



These dynamics have impacted discretionary retail spending and footfall across key shopping destinations. This remains broadly in line with national retail trends, as reflected in the Singapore Retail Sales Index, which similarly reported a moderation in retail activity over the same period.

Despite these temporary market pressures, the Manager remains focused on executing targeted marketing initiatives, strengthening tenant mix and enhancing experiential offerings to sustain consumer engagement and support tenants in navigating the evolving retail landscape.

DELIVERING VALUE THROUGH PURPOSEFUL ASSET ENHANCEMENTS

As part of the Manager's continued commitment to enhancing the quality and performance of Lendlease REIT's portfolio, targeted asset enhancement works were carried out during the year. Enhancement works at Building 3 included the refurbishment of the office lobby to create a more contemporary and welcoming arrival experience, alongside general upgrades aimed at improving overall building quality and occupant comfort. This was accompanied by restroom facility upgrades at Jem, aimed at elevating comfort, hygiene, and overall amenity standards.

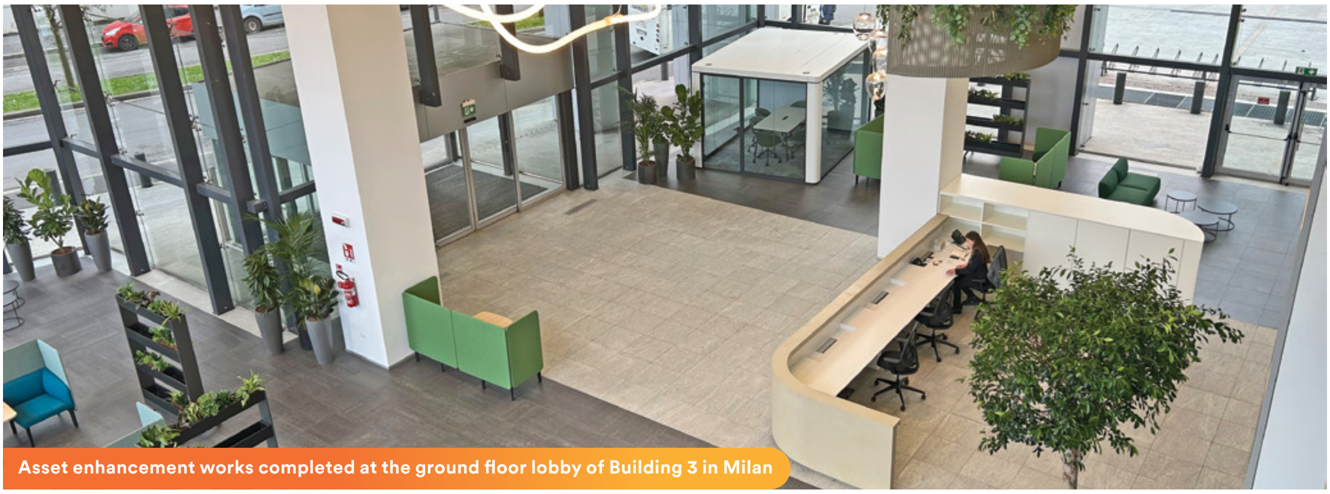
These enhancements reflect the Manager's ongoing strategy to deliver well-maintained, future-ready environments that foster tenant satisfaction and preserve long-term asset value. The Manager remains committed to continually review and identify opportunities to further enhance the portfolio, ensuring it remains resilient, relevant and aligned with evolving tenant expectations.

PORTFOLIO VALUE ANCHORED BY RESILIENT SINGAPORE MARKET

As at 30 June 2025, Lendlease REIT's portfolio was valued at S$3.76 billion, an increase of 2.2% YoY. This was mainly supported by positive outlook for Singapore assets.

S$'000 unless otherwise stated	Valuation FY2025	Valuation FY2024	Variance	Cap rate FY2025[9]	Cap rate FY2024[9]	Discount rate FY2025[10]
Jem	S$2,299.0 million	S$2,254.0 million	+2.0%	Retail: 4.50% Office: 3.50%	Retail: 4.50% Office: 3.50%	Retail: 7.00% Office: 6.75%
313@somerset	S$1,048.9 million[5]	S$1,046.3 million[5]	+0.2%	4.25%[6]	4.25%[6]	6.75%
Three Grade A Commercial Buildings	€277.4 million (S$415.5 million[7])	€263.1 million (S$382.1 million[8])	+5.4% (+8.7%)	N.A.	N.A.	Building 1 and 2: 7.1% Building 3: 7.8%
Total	**S$3,763.3 million**	**S$3,682.4 million**	**+2.2%**	**N.A.**	**N.A.**	**N.A.**

[5] 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.
[6] Refers to operating asset only.
[7] Conversion of € to S$ based on the FX rate of 1.498 as at 30 June 2025.
[8] Conversion of € to S$ based on the FX rate of 1.452 as at 30 June 2024.
[9] Refers to the capitalisation rate used in accordance with the income capitalisation valuation method.
[10] Refers to the discount rate used in accordance with the discounted cash flow valuation method.



Asset enhancement works completed at the ground floor lobby of Building 3 in Milan

Property Summary

Jem
Singapore

Strategically positioned in Jurong Gateway, Jem is a leading retail and business hub at the heart of JLD—Singapore's future-largest business district outside the city centre.

The 893,092 sq ft NLA development features 6 retail levels with over 250 tenants and 12 office floors, fully leased to the MND. Retail tenants include familiar brands such as FairPrice Xtra, Don Don Donki, Uniqlo and Din Tai Fung. Its prime location—adjacent to Jurong East MRT Station and bus interchange, and near key amenities like Ng Teng Fong General Hospital and Jurong Regional Library—supports high footfall and seamless accessibility for visitors.

Jem is poised to benefit from the government's ambitious plans to transform JLD into a world-class business and lifestyle hub, with a commitment to net-zero emissions for new developments by 2045. Key initiatives driving the district's evolution include JRL Station and Integrated Transport Hub, set for completion in 2028 to improve connectivity, and a 6.5-hectare White Site designated for mixed-use development, attracting businesses and residents.

Jem is the first office and retail property to receive the Green Mark Platinum version 4 and Universal Design Mark Gold Plus Design Award from the Building and Construction Authority in Singapore.

Jem, Singapore

KEY STATISTICS
(as at 30 June 2025)

LOCATION:
50 and 52 Jurong Gateway Road, Singapore 608549 and 608550

TITLE/TENURE:
99-year leasehold commencing from 27 September 2010 till 26 September 2109

OWNERSHIP:
100%

NUMBER OF TENANTS:
251

CAR PARK LOTS:
674

PURCHASE PRICE:
S$2,079.0 million

VALUATION:
S$2,299.0 million

NET LETTABLE AREA:
893,092 sq ft

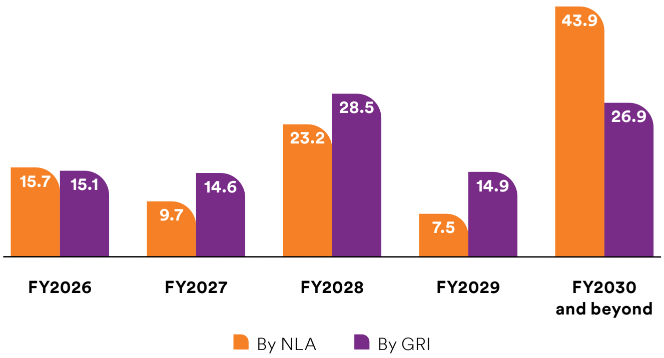
GROSS REVENUE FOR FY2025:
S$129.8 million

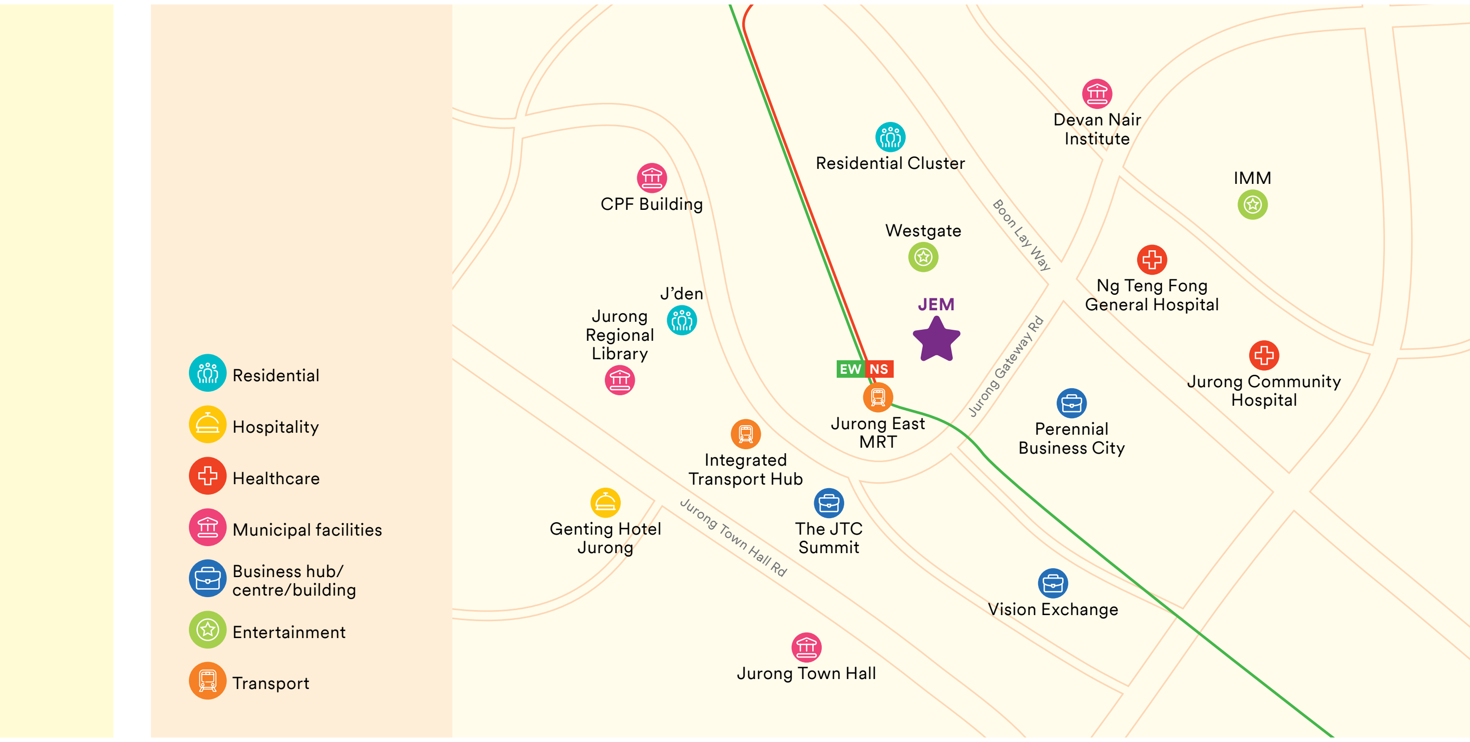
NET PROPERTY INCOME FOR FY2025:
S$94.1 million

COMMITTED OCCUPANCY:
99.9%

	%
Food & Beverages	26.6
Government	20.6
Fashion & Accessories	11.5
Beauty & Health	9.5
Supermarket	8.2
Lifestyle	5.3
Shoes & Bags	3.9
Non Retail	3.4
Jewellery & Watches	3.0
Sundry & Services	1.9
Electrical & Electronics	1.5
IT & Telecommunications	1.3
Toys & Hobbies	1.1
Gifts & Souvenirs	0.7
Education	0.5
Others	1.0

Lease Expiry Profile by NLA and GRI
(%)





Property Summary

313@somerset
Singapore

Located in the heart of Orchard Road, 313@somerset is a dynamic retail and lifestyle destination, popular among youths, families, and tourists. With approximately 150 shopping and dining options, including global and local brands like Food Republic, Ya Kun, % Arabica and Charles & Keith, the mall offers a lively and engaging experience across its eight floors of retail space.

Its prime frontage along Orchard Road and Somerset Road, coupled with direct access to Somerset MRT Station, ensures high footfall and seamless connectivity. The Discovery Walk, lined with diverse restaurants, cafés, and bars, further boosts its appeal as a social and retail hub.

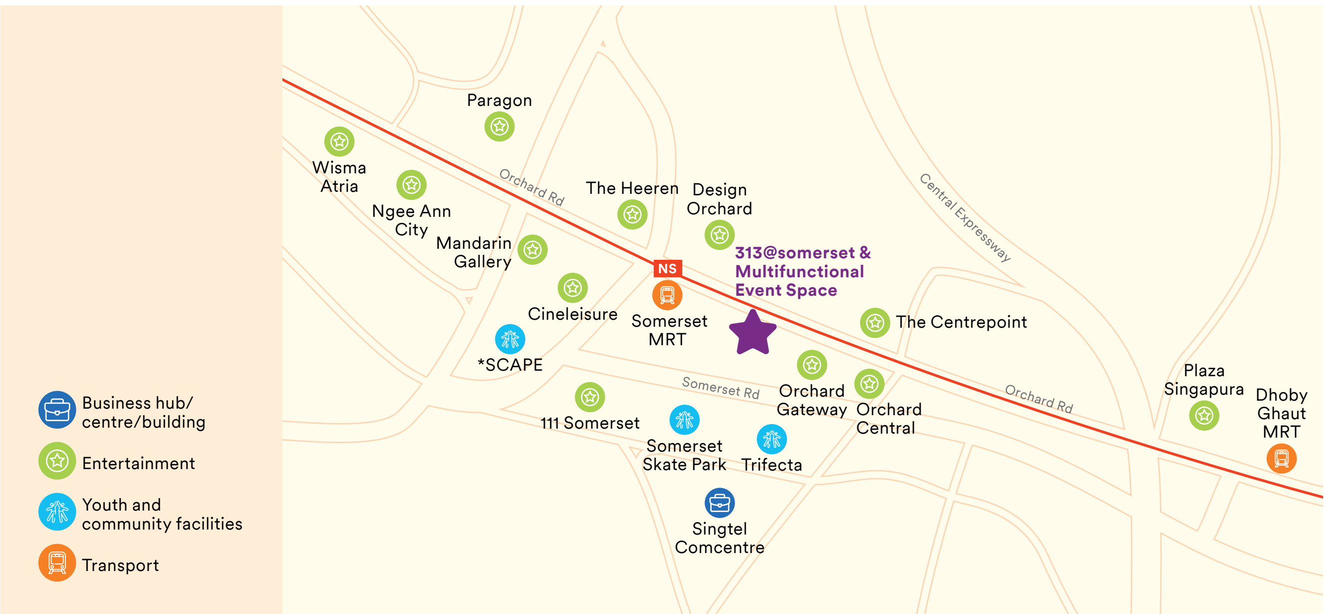
313@somerset stands to gain from the government's Orchard Road rejuvenation efforts, which seek to reinforce the precinct as a must-visit lifestyle destination. Key initiatives include Somerset's transformation into a youth hub, and a multifunctional event venue, all aimed at enhancing vibrancy and attracting more visitors.

Multifunctional Event Space
Singapore

The multifunctional event space at Somerset is progressing well, with construction underway and completion expected in the latter half of 2026. Designed to host up to 3,000 people, the venue will accommodate headline performances and curated experiences, reinforcing Somerset's role as a youth-centric destination.

Aligned with the Singapore government's Orchard Road rejuvenation plans, the space will offer experiential lifestyle activities and social networking opportunities, complementing Discovery Walk and 313@somerset to create a vibrant experiential enclave for youths, shoppers, and tourists.

With Live Nation secured as an anchor tenant, the venue promises a year-round calendar of events, ensuring consistent footfall and engagement. Additionally, tie-ups with STB and local brands will further enhance its appeal. The Orchard Road retail landscape is evolving, with a focus on experiential retail and entertainment, making this development a key driver of foot traffic and tenant demand.



KEY STATISTICS
(as at 30 June 2025)

LOCATION:
313 Orchard Road,
Singapore 238895

TITLE/TENURE:
99-year leasehold commencing from 21 November 2006 until 20 November 2105.

OWNERSHIP:
100%

NUMBER OF TENANTS:
147

CAR PARK LOTS:
220

PURCHASE PRICE:
S$1,003.0 million

VALUATION:
S$1,042.0 million

NET LETTABLE AREA:
288,956 sq ft

GROSS REVENUE FOR FY2025:
S$58.7 million

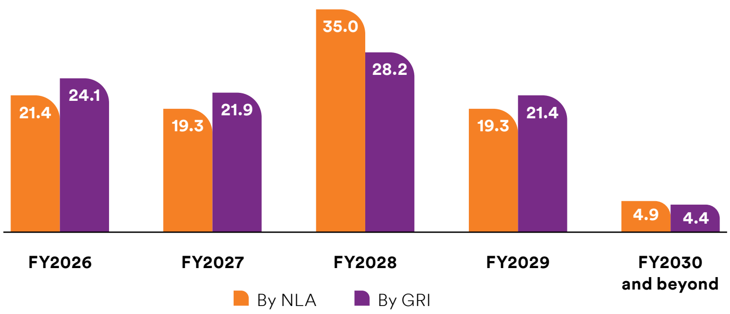
NET PROPERTY INCOME FOR FY2025:
S$40.8 million

COMMITTED OCCUPANCY:
98.8%

313@somerset, Singapore

	%
Food & Beverages	40.5
Fashion & Accessories	18.9
Sporting Goods & Apparel	7.3
Shoes & Bags	5.4
Entertainment	5.0
Electrical & Electronics	5.0
Beauty & Health	4.6
Sundry & Services	4.3
Lifestyle	3.0
IT & Telecommunication	2.5
Gifts & Souvenirs	1.9
Books & Stationery	1.1
Jewellery & Watches	0.4

Lease Expiry Profile by NLA and GRI
(%)



KEY STATISTICS
(as at 30 June 2025)

SITE AREA:
Approximately **48,200 sq ft**

GROSS FLOOR AREA:
Approximately **86,500 sq ft**

PERCENTAGE OF INTEREST:
100%

Multifunctional Event Space Adjacent to 313@somerset
(Artist's impression subject to design changes)

Property Summary

Three Grade A Commercial Buildings
Milan, Italy

The three Grade A commercial buildings—Building 1, 2, and 3—are situated in Milano Santa Giulia, a rapidly evolving business district in Milan. With a NLA of 78,873 sq m, the complex benefits from prime connectivity, adjacent to Rogoredo high-speed rail station and just 7.5 km from Milano Linate Airport. The fully completed M4 metro line now connects Milan city centre to Linate Airport in just 12 minutes, significantly enhancing accessibility for tenants and visitors.

Building 1 and 2 are fully leased to Sky Italia until January 2033, providing long-term stability through its affiliation with Comcast Corporation, one of the world's largest media companies. Building 3, which is being leased for multi-tenancy, has secured four tenants with leases extending beyond FY2029. The asset continues to benefit from rising demand for office locations near major transport hubs, offering enhanced accessibility and broad appeal to a diverse tenant mix.

As at 30 June 2025, GRI from Sky Complex (Building 1 and 2) and Building 3 continues to be anchored by the broadcasting sector, which contributes 89.7% of total income. Complementing this are tenants from F&B (0.6%), manufacturing (1.7%), real estate (2.5%) and education (5.5%).

Milano Santa Giulia is undergoing redevelopment, with plans for new residential, office, and retail components aimed at enhancing the area's livability and connectivity. The district will also be home to Italy's largest indoor arena, a new music conservatory campus, and extensive green spaces, reinforcing its status as a modern business hub.

All three buildings hold LEED Gold Certification. The Spark Business District, where Building 3 is located, has earned Italy's first LEED Neighbourhood Development Gold certification.

KEY STATISTICS
(as at 30 June 2025)

LOCATION:
Via Luigi Russolo 4 (Building 1 & 2) Via Luigi Russolo 9 (Building 3), 20138 Milan, Italy

TITLE/TENURE:
Freehold

OWNERSHIP:
100%

CAR PARK LOTS:
501

PURCHASE PRICE:
€262.5 million

VALUATION:
€277.4 million

TOTAL GROSS AREA:
Approximately 78,873 sq m

GROSS REVENUE FOR FY2025:
S$18.0 million

NET PROPERTY INCOME FOR FY2025:
S$13.9 million

COMMITTED OCCUPANCY:
81.6%

Three Grade A commercial buildings, Milan

Parkway Parade

Singapore (10.0%[1] interest in PPP)

Parkway Parade is one of Singapore's largest suburban malls, serving as a one-stop destination for families in the east. With over 250 stores across seven levels, it offers a vibrant mix of shopping, dining, and entertainment, featuring popular brands like FairPrice Xtra, Harvey Norman, and Muji.

Strategically located along Marine Parade Road, just 8 km from the CBD, Parkway Parade benefits from seamless connectivity via major expressways and public transport. The newly opened Marine Parade MRT Station (TEL 4) has significantly boosted accessibility, bringing in shoppers from across Singapore. To further enhance convenience, Parkway Parade is undergoing AEI, including a direct MRT linkway to the mall, set for completion by 2027.

Marine Parade itself is undergoing a S$324 million transformation, introducing new community spaces, a water play park, upgraded sports facilities, and fitness areas, strengthening the district's appeal for families and active lifestyles. With these enhancements, Parkway Parade is well-positioned for sustained growth, reinforcing its status as a vibrant retail and lifestyle hub.

Parkway Parade, Singapore

Parkway Parade, Singapore

[1] Lendlease REIT owns a 10.0% interest in 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.

Financial Review

FINANCIAL PERFORMANCE

Gross revenue for FY2025 was S$206.5 million, representing a 6.5% YoY decline, largely due to the upfront recognition of supplementary rent received for the lease restructuring of Sky Complex ("Supplementary Rent")[1] in FY2024. Property operating expenses of S$57.8 million for the period was S$2.2 million higher than in FY2024, impacted by the one-off provision of doubtful debts for Cathay Cineplexes. As a result, NPI declined by 10.0% YoY to S$148.8 million.

For a like-for-like comparison by straight-lining the Supplementary Rent over two years, FY2025 gross revenue was 1.1% higher whilst NPI was 0.1% higher YoY on a proforma basis.

MANAGEMENT FEES

The Manager's base fee was 1.5% higher as compared to the same period last year whilst performance fee was 10.2% lower due to the lower NPI.

FINANCE EXPENSES AND OTHER TRUST EXPENSES

Full year borrowing costs decreased by 3.0% to S$66.2 million, driven by lower interest expenses amid a more favourable interest rate environment, partially offset by higher hedged interest from the replacement of the EURIBOR interest rate hedge that matured in October 2023.

Meanwhile, other trust expenses increased by 14.0% YoY to S$2.1 million in FY2025.

Gross Revenue	FY2025 (S$ million)	FY2024 (S$ million)	Variance (%)
Jem	129.8	128.9	0.8
313@somerset	58.7	56.7	3.5
Sky Complex	18.0	35.3	(49.1)
Total	**206.5**	**220.9**	**(6.5)**

Net Property Income	FY2025 (S$ million)	FY2024 (S$ million)	Variance (%)
Jem	94.1	95.2	(1.1)
313@somerset	40.8	37.9	7.5
Sky Complex	13.9	32.2	(56.7)
Total	**148.8**	**165.3**	**(10.0)**

Total Operating Expenses	FY2025 (S$ million)	FY2024 (S$ million)
Total operating expenses[2], including all fees, charges and reimbursable costs paid to the Manager and interested parties	79.0	77.4
Net Assets as at 30 June	2,148.0	2,212.3
Total Operating Expenses as Percentage of Net Assets	**3.7%**	**3.5%**

[1] 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.

[2] Includes property operating expenses, Manager's fees, other management fee, Trustee's fee and other trust expenses.

DISTRIBUTION

DPU remained stable at 1.80 cents in the first-half and second-half of FY2025. The declining interest rate environment had contributed positively towards Lendlease REIT's profits. However, distributable income for FY2025 was S$87.6 million, 4.2% lower on a YoY basis, impacted by the termination of the lease with Cathay Cineplexes. In addition, FY2024 distributable income had benefited from the near zero fixed rate from EURIBOR hedges that had matured in October 2023. With an enlarged unit base, DPU for FY2025 was 3.60 cents, 6.9% lower YoY. The breakdown is set out below.

Period	1 July to 31 December (cents)	1 January to 30 June (cents)
FY2025	1.80	1.80
FY2024	2.10	1.77

ASSETS AND LIABILITIES

As at 30 June 2025, Lendlease REIT's total assets increased to approximately S$3.91 billion, supported by revaluation gains on investment properties. Total liabilities increased by 8.7% to S$1.76 billion as at 30 June 2025, compared to S$1.62 billion as at 30 June 2024 mainly due to higher borrowings. The increase in borrowings was primarily attributable to the drawdown of loan facilities to partially finance the redemption of perpetual securities in April 2025.

Consequently, net assets declined by S$64.3 million to S$2.15 billion, compared to FY2024.

The fair value of Lendlease REIT's investment in Parkway Parade Partnership Pte Ltd remained at S$86.1 million as at 30 June 2025 and represents approximately 2.2% of the total assets.

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S$'000 unless otherwise stated	As at 30 June 2025	As at 30 June 2024
Total Assets	3,906,209	3,829,814
Total Liabilities	(1,758,225)	(1,617,511)
Net Assets	**2,147,984**	**2,212,303**
Represented by:		
Unitholders' Funds	1,827,360	1,811,647
Non-controlling Interest	1,087	1,224
Perpetual Securities	319,537	399,432
	2,147,984	**2,212,303**
Number of Units in Issue (number)	2,446,669,290	2,376,578,012
NAV per Unit (S$)[3]	**0.75**	**0.76**

[3] Excludes non-controlling interests and perpetual securities holders.

Financial Review

CAPITAL MANAGEMENT

As part of strategic capital management to reduce overall costs of funding, in April 2025, the S$200 million 5.25% perpetual securities have been refinanced with new issuance of S$120 million 4.75% perpetual securities and S$80 million of bank loans. Consequently, gearing as at 30 June 2025 is 42.6%. Post the financial year end, Lendlease REIT has entered into a put and call option agreement in relation to the divestment of the office component of Jem[4]. Net cash proceeds from the divestment will be utilised predominantly towards the repayment of borrowings and, on a proforma basis, will reduce gearing from 42.6% to approximately 35%.

As at 30 June 2025, Lendlease REIT's total gross borrowings of S$1,664.3 million remained fully unsecured. Lendlease REIT has a debt headroom of S$288.8 million based on the regulatory limit of 50%. Debt maturity profile remains well-spread to minimise refinancing risks, with a weighted average term to maturity of 2.6 years and no more than 35% of debt due for refinancing in any single year.

As at 30 June 2025, approximately 86% of its total committed debt facilities are sustainability-linked, one of the highest proportions among S-REITs. Since the establishment of its green finance initiative in FY2022, Lendlease REIT has consistently met the sustainability performance targets tied to its sustainability-linked financing, achieving interest savings for Unitholders.

Amid a more favourable interest rate environment and declining interest rates, the weighted average cost of debt for FY2025 is lower at 3.46% per annum[5] as compared to 3.58% per annum[5] in FY2024. Lower interest expenses on the unhedged portion of the borrowings is partially offset by higher Euribor hedged interests when the expiring hedge was replaced at a higher fixed rate in October 2023.

The Manager actively manages interest rate risk by maintaining an appropriate hedge ratio to balance between mitigating volatility in interest expenses and benefitting from the declining interest rates. As at the financial year end, Lendlease REIT's hedge ratio remained stable at 68%.

Lendlease REIT's ICR[6] was 1.6 times[7] as at 30 June 2025. The Manager has plans to improve the ICR, including the following steps undertaken:

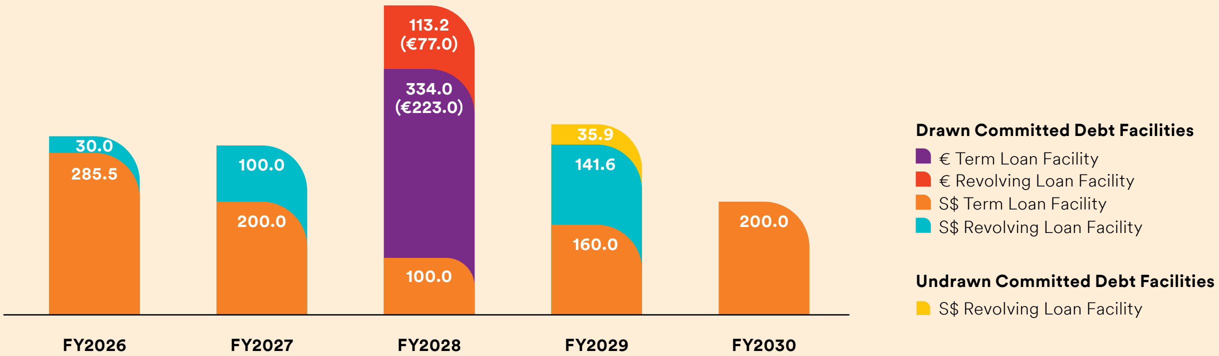
- Refinancing of perpetual securities: In April 2025, the S$200 million 5.25% perpetual securities has been refinanced at a lower cost of funding comprising S$120 million new perpetual securities issued at a coupon rate of 4.75% and S$80 million loans;
- Active asset management of the Singapore portfolio: In FY2025, the retail portfolio achieved a rental reversion of 10.2% while the lease of the office space at Jem to the Ministry of National Development had a revised rent, which is approximately 13% higher than the prevailing base rent, effective from 3 December 2024;
- Driving the leasing of Building 3 in Milan: Committed occupancy has improved from less than 10% as at 30 June 2024 to approximately 31% as at 30 June 2025;
- Asset divestment and capital recycling: On 4 August 2025, Lendlease REIT has entered into a put and call option agreement in relation to the divestment of the office component of Jem[4]. Upon completion, the net cash proceeds will be primarily utilised towards the repayment of borrowings, thereby reducing interest expenses.

Capital Management	As at 30 June 2025	As at 30 June 2024
Gross borrowings	1,664.3 million	S$1,565.7 million
Gearing ratio	42.6%[8]	40.9%
Weighted average debt maturity	2.6 years	2.5 years
Weighted average running cost of debt[5]	3.46% p.a.	3.58% p.a.
ICR[6]	1.6 times[7]	1.7 times
Sensitivity analysis for ICR		
10% decrease in EBITDA[9]	1.4 times	N.A.
1% increase in interest rate	1.3 times	N.A.

4 Please refer to SGX announcement "Divestment of Office Component of Jem" dated 4 August 2025.
5 Excludes amortisation of debt-related transaction costs.
6 Calculation is in accordance with the Property Funds Appendix of the CIS Code. The ICR in accordance with loan agreements exceeds 2.5 times, in excess of debt covenant at 2.0 times.
7 Per the Property Funds Appendix, calculation is based on a trailing 12 months period ending on the date of the latest reported financial results.
8 The Manager is of the view that the higher gearing ratio as at 30 June 2025 will not have a material impact on the risk profile of Lendlease REIT as the increased leverage of 42.6% is expected to reduce to approximately 35% on a proforma basis following the repayment of borrowings with net cash proceeds from the divestment of the office component of Jem.
9 As defined in the Property Funds Appendix.

Committed Debt Maturity Profile and Liquidity

(S$ million)



In relation to Lendlease REIT's exposure to foreign currency risk, its investment in Sky Complex in Milan benefits from a natural hedge via its Euro-denominated loans. The Manager also actively monitors the net Euro exposure by assessing projected Euro-denominated distributions from Sky Complex against corresponding Euro-denominated interest expenses and enters into foreign exchange derivatives where appropriate to manage residual currency risk.

The fair value of Lendlease REIT's net derivative financial liabilities was S$28.2 million as at 30 June 2025, representing 1.31% of the net assets. Further details can be found in the Financial Statements.

In FY2025, a total of 26.4 million new units were issued pursuant to the DRP. The DRP provides unitholders with the opportunity to receive units in Lendlease REIT without incurring trading costs, while enhancing Lendlease REIT's working capital reserves.

In December 2024, the Manager had obtained S$560 million[10] of new loan facilities, targeted for the refinancing of indebtedness in calendar year 2025. S$420 million of the new loan facilities have been drawn to repay maturing loans and perpetual securities in FY2025 as explained above. A remaining S$140 million new loan facility will be utilised for the refinancing of loans maturing in September 2025 (FY2026).

As at 30 June 2025, Lendlease REIT has S$135.9 million of undrawn debt facilities available for working capital and future financial obligations. Upon completion of the divestment of the office component of Jem, undrawn debt facilities will increase as net cash proceeds will be predominantly utilised to repay borrowings.

CASH FLOW

Net cash generated from operating activities during FY2025 was S$162.6 million, higher than FY2024 which was lowered by the payment of tenant incentives for the lease restructuring of Sky Complex in December 2023. Net cash used in investing activities amounted to S$11.2 million, higher than FY2024 primarily due to higher capital expenditure mainly attributed to the repositioning of Building 3 in Milan as well as the absence of dividend income from associates that was received in FY2024. Net financing cash outflow of S$145.0 million was largely attributed to distribution and interest payments made during the year, broadly in line with FY2024.

Jem, Singapore

[10] Please refer to SGX announcement "Entry into Facility Agreements and Disclosure Pursuant to Rule 704(31) of the Listing Manual" dated 6 December 2024.

Independent Market Review

Singapore is one of the world's most open and developed economies, serving as a major global trade, logistics, financial and tourism hub. The city-state's strategic location, political stability, world-class infrastructure and competitive tax environment enable it to consistently rank among the most attractive business and investment destinations in the world.

In addition to the country's enviable economic position, the Singapore Government is committed to sustainable development through regenerative tourism, circular economy practices and enhanced climate action. In 2024, Singapore was ranked the top Asia Pacific destination in the Global Destination Sustainability Index.

According to the SingStat, Singapore's population stood at 6.0 million as at end-June 2024, up 2.0% relative to end-June 2023. This growth was driven primarily by non-resident workers, particularly those in the construction, marine shipyard and process sectors.

SINGAPORE ECONOMIC OVERVIEW

In 2024, Singapore's real GDP (in chained 2015 dollars) totalled S$561.9 billion. This represented a YoY growth of 4.4%, exceeding 1.8% in 2023. This was mainly attributed to robust growth in the manufacturing industry, particularly from the upturn in the global electronics cycle.

According to the MTI's advance estimates, Singapore recorded real GDP growth of 4.3% YoY in Q2 2025, slightly above the 4.1% growth recorded in the previous quarter. In April 2025, MTI downgraded its 2025 GDP growth forecast to 0.0% to 2.0%, from 1.0% to 3.0%. It maintained this forecast at its latest press release on 22 May 2025.

Based on the same advance estimates, goods-producing industries grew by 5.0% YoY in Q2 2025, increasing from 4.3% in Q1 2025. This was primarily attributable to strong growth in the manufacturing sector, which rose to 5.5% YoY in Q2 2025 from 4.4% YoY in Q1 2025.

Service-producing industries recorded growth of 4.1% YoY in Q2 2025, strengthening from 3.7% in Q1 2025. The Accommodation & Food Services, Real Estate and Administrative & Support Services sectors contributed strongly to this growth. All other service-producing sectors maintained robust YoY growth in Q2 2025.

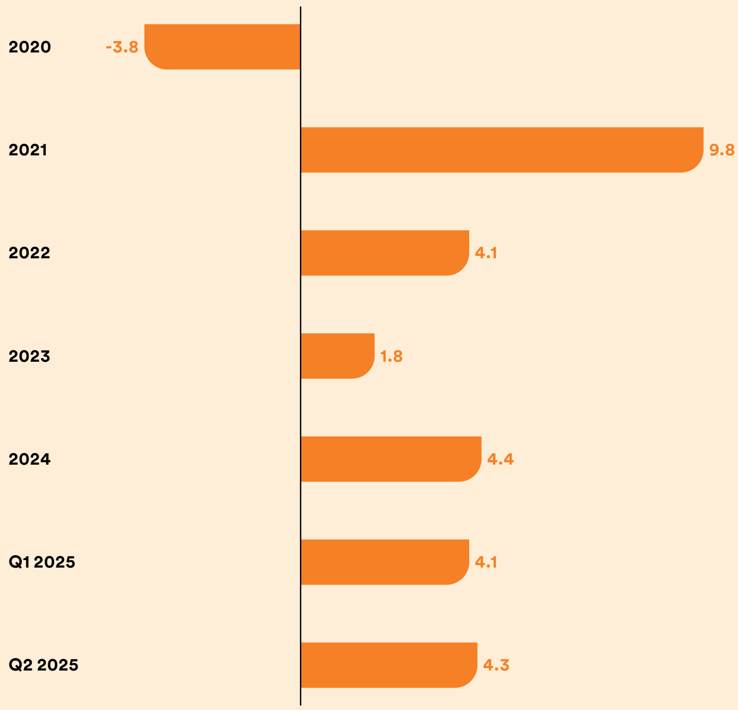
The global uncertainty arising from increasing trade policy tensions and financial market volatility will continue to weigh on Singapore's economy. The threat of sweeping import tariffs to be imposed by the US on most countries in the world is expected to slow global and regional trade in 2025. This is expected to have an outsized impact on Singapore's economy given its high dependence on international trade and deep integration with global supply chains. Furthermore, escalating trade tensions and widening geopolitical conflicts will continue to tighten global financial conditions.

Domestically, the MAS has announced that it will continue its policy of modest and gradual appreciation of the nominal effective exchange rate policy band. The depreciation of the US dollar in the second quarter of 2025 amid the imposition of reciprocal tariffs and other trade tensions will prevail as investors re-consider their exposure to US-based and dollar denominated assets.

Singapore's headline inflation rate in 2024 stood at 2.4% YoY, while MAS' core inflation – which excludes volatile components such as housing prices and private transport costs – recorded a slower growth of 1.9% YoY. Since then, core inflation has eased significantly to 0.6% YoY in Q2 2025, steady from 0.6% YoY for Q1 2025. According to MAS' Monetary Policy Statement released on 30 July 2025, it maintained its overall core inflation forecast for 2025 at between 0.5% to 1.5%.

Singapore Real GDP Growth (2020 to Q2 2025)

(% YoY)



Source: MTI, SingStat.

Note: YoY GDP growth for Q1 2025 is the YoY change from Q1 2024 to Q1 2025.

Given the ongoing uncertainties in the global economy, Singapore's growth momentum is expected to slow in 2025 as it faces several downside risks. However, it is worth noting that Singapore has also been able to capitalise on its safe haven position to reap benefits from these uncertainties. According to an article published by The Business Times on 29 May 2025, Morgan Stanley analysts note that global investors are re-allocating funds away from US assets towards greater exposure to Singapore. Furthermore, PSA Singapore and Changi Airport have announced an increase in Singapore's air and sea cargo volumes YoY from January to April 2025. This is as more companies tap on Singapore as an alternative route to ensure the smooth and reliable flow of their goods amid deepening global trade volatility.

Singapore recorded real GDP growth of

4.3% YoY in Q2 2025

Independent Market Review

Robust Tourism Receipts Amid Continued Recovery in Visitor Arrivals

In 2024, visitor arrivals increased significantly by 21.5% YoY, reaching 16.5 million. This represented 86.5% of pre-pandemic levels. At the same time, tourism receipts grew by 9.7% YoY, totalling to S$29.8 billion. This was higher than STB's forecast of S$27.5 billion to S$29.0 billion and exceeded pre-pandemic levels by 10.5%. For 2025, STB is projecting 17.0 million to 18.5 million visitor arrivals and total tourism receipts of between S$29.0 to S$30.5 billion.

Over the past four quarters, Singapore hosted many events including concerts by Lady Gaga, Olivia Rodrigo and Dua Lipa. These events boosted the local economy and reinforced Singapore's brand as a regional hub for music and entertainment. High-profile business events such as the Asia CEO Summit 2024, World Economic Forum Young Global Leaders Summit and Seamless Asia 2025 also strengthened Singapore’s status as a leading destination for meetings, incentives, conventions and exhibitions.

Moving forward, Singapore will host several major events, including the Formula 1 Singapore Grand Prix, World Aquatics Championships and ITMA Asia + CITME 2025. These events are expected to attract a significant number of international delegates and visitors to the city.

Additionally, future tourism projects in the pipeline will refresh and expand Singapore’s tourism offering. These include the IMBA Theatre at Gardens by the Bay, Mandai Rainforest Resort expansion and Science Centre Singapore, all of which are slated for completion in the next two to three years. In the longer term, the expansions of the Marina Bay Sands and Resorts World Sentosa integrated resorts are expected to be completed by 2030. These will help cement Singapore’s position as a leading events and leisure destination. Furthermore, Changi Airport Terminal 5 is expected to open in the mid-2030s. It will be able to handle around 50 million passengers annually in its first phase, further boosting the airport’s passenger capacity.

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SINGAPORE RETAIL MARKET

Total retail sales excluding motor vehicles declined slightly by 0.9% YoY for January to June 2025. This decline was primarily driven by Petrol Service Stations (-7.5% YoY), Watches & Jewellery (-5.3% YoY) and Wearing Apparel & Footwear (-4.2% YoY), but offset by growth in sectors such as Computer & Telecommunications Equipment (10.4% YoY) and Cosmetics, Toiletries & Medical Goods (6.3% YoY) and Recreational Goods (3.3% YoY).

On the other hand, total F&B services sales increased slightly by 0.2% YoY. Food Caterers recorded significant growth (17.4% YoY) while declines were observed for Restaurants (-4.2% YoY) and Fast Food Outlets (-1.3% YoY).

As at June 2025, the proportion of retail sales through online sales channels (excluding motor vehicles) was 16.2%. This was higher than the 14.4% recorded in May 2024 and was driven primarily by an increase in the proportion of Computer & Telecommunications Equipment sales to online – from 49.4% in June 2024 to 56.2% in June 2025.

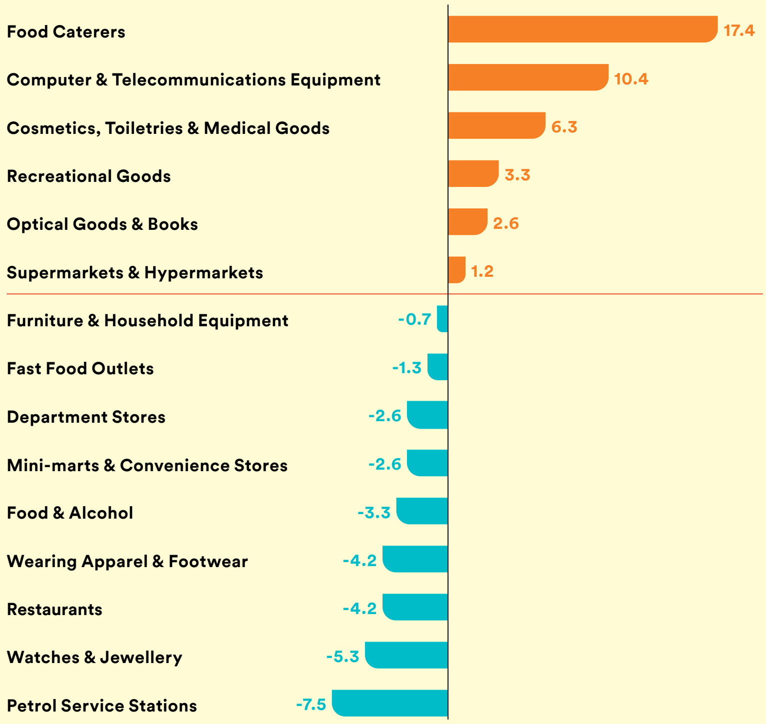
Retail Supply

According to data from the URA, Singapore's total existing island-wide retail stock – comprising all types of private and public sector retail spaces – stood at 64.7 million sq ft as at Q2 2025. This comprised both mall and non-mall floor space, which represented 55.7% and 44.3% of total retail stock respectively.

By geographic distribution, the Central Area submarket constituted the largest proportion of retail floor space, accounting for 38.4% of total island-wide stock. This submarket includes the Orchard (11.0%) and Downtown Core (12.2%) micro-markets. The Suburban submarket, located outside of the Central and Fringe Areas, represented 35.3% of Singapore's total retail stock, while the Fringe Area made up the remaining 26.3%.

Retail Sales Index (January to June 2025)

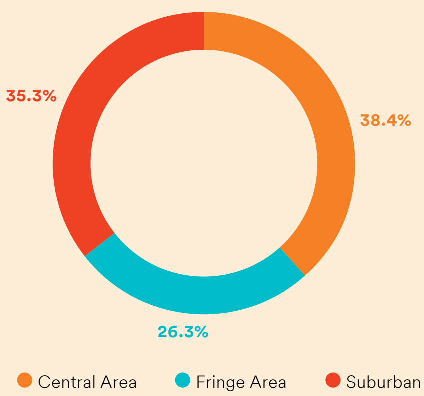
(% YoY)



Source: SingStat, Cistri

Geographic Distribution of Existing Retail Stock Across Singapore as of Q2 2025

(%)



Source: URA, Cistri

Independent Market Review

In the five years up to Q2 2024, island-wide net retail supply averaged at around 327,000 sq ft GFA per annum.

Across Q3 2024 to Q2 2025, net retail supply increased significantly to around 816,000 sq ft. Notable malls that opened in the Suburban submarket during this period include Punggol Coast Mall and Pasir Ris Mall. In the Fringe Area and Central Area submarkets, openings include iMall and the reopening of The Cathay.

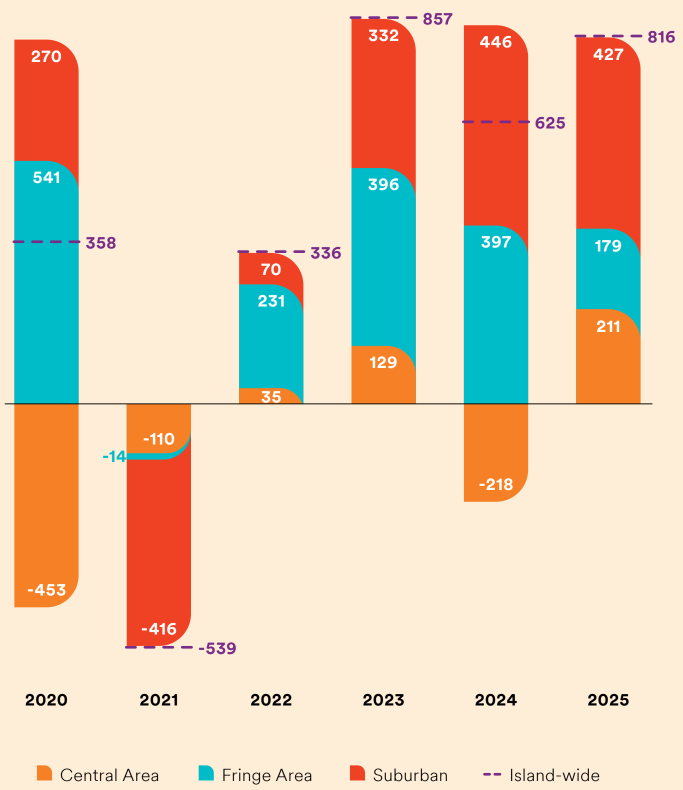
Between H2 2025 to 2029, total island-wide retail floorspace is set to increase by 2.8 million sq ft of GFA. Of this, 2.3 million sq ft (83.1%) is currently under construction while the remainder is in the planning phase.This new supply in the pipeline works out to be around 467,000 sq ft per annum of retail floorspace currently under construction and be delivered by 2029.

Notable upcoming retail developments set to open in the remainder of 2025 include CanningHill Square which is expected to add approximately 74,000 sq ft of retail space. Meanwhile, the Jurong East Integrated Transport Hub will add 36,000 sq ft of retail space in the Outer West sector, and the Marine Parade MRT Station's underground mall will add an estimated 126,000 sq ft of retail space in the Fringe Area, with both slated for completion by 2027.

In addition, other locations which could potentially provide new retail floorspace include:

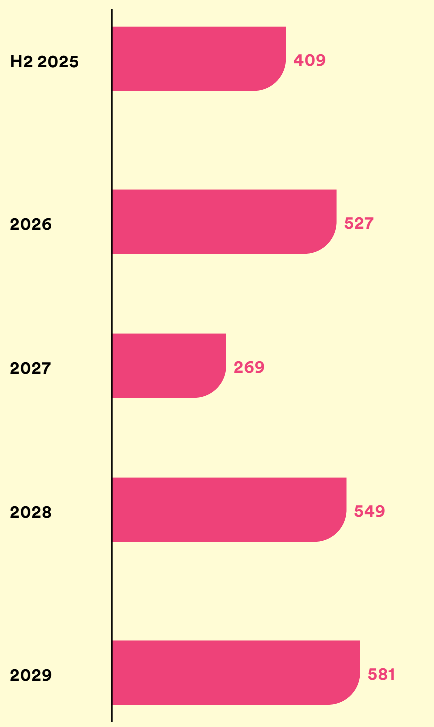
- Areas identified for further development under the URA's Draft Master Plan 2025. These include Paterson, Newton, Greater One-North and Defu. Future development in these areas can include residential and/or mixed-use developments, which are likely to provide only a moderate provision of podium retail. For instance, proposed developments along Paterson Road include approximately 1,000 private residential units, as well as a mixed-use integrated development with retail, office and public amenities.

Historic Retail Net Supply (Up to Q2 2025)
('000 sq ft)



Source: URA.
Note: Years are defined as July – June (i.e. 2020 refers to July 2019 – June 2020)

Upcoming Retail Supply Under Construction (H2 2025 to 2029)
('000 sq ft)



Source: URA

- New leisure and entertainment destinations which have some provision of retail and F&B. These include the redevelopment of Grange Road carpark by Live Nation and Lendlease REIT into a 3,000-capacity music venue, as well as the revamped youth-centric hub *Scape.

- The first Government Land Sales development at the JLD. This continues to be a key unknown for new retail supply in the West Region. Initially put up for tender in Q3 2024, the site was not awarded due to low bids. It has since been moved to the reserve list and will only be tendered if and when a developer makes an acceptable offer to the government. The site is projected to yield approximately 1,700 residential units, 1.6 million sq ft of office space, and 785,770 sq ft of GFA for retail, hospitality, and entertainment uses.

As of Q2 2025, the Orchard micro-market consisted of 7.1 million sq ft GFA of retail stock with no major completions over the past four quarters. Future supply includes retail and/or F&B component of the Grange Road carpark redevelopment mentioned above and the retail component of the Comcentre redevelopment.

The Jurong East micro-market consisted of approximately 1.9 million sq ft of retail stock with the Phase 1 reopening of IMM contributing to new supply. Future supply includes the retail podium of J’Den – the redevelopment of the former JCube – targeted for completion in 2027.

The ongoing construction of the Jurong East Integrated Transport Hub and the JRL will significantly improve connectivity within the Jurong region. This will be achieved through key interchanges at the Boon Lay MRT Station, Jurong East MRT Station and Choa Chu Kang MRT Station. The initial phase of the JRL, which will serve Jurong West, is slated for completion in 2027. The subsequent phase, which will extend to Jurong East, is anticipated to be completed by 2028.

Jem, Singapore

In addition, the upcoming JID is slated to open by phases from 2026 onwards. It is expected to create 95,000 new jobs when fully developed. With the concurrent development of the JLD and Tengah New Town, an increase in the retail catchment within the Jurong East micro-market is anticipated though this will be phased over the next five to 10 years.

The Marine Parade micro-market consisted of approximately 1.5 million sq ft of retail stock. Future supply includes the Marine Parade underground mall expected to open by 2027, as well as the potential redevelopment of Roxy Square into a commercial and residential development with approximately 80,000 sq ft of retail space by 2029. Subject to approval, the site could also be re-zoned into potential office, hotel and other commercial uses. The improved connectivity and accessibility of Marine Parade via the TEL will help drive higher footfall and visitation to retail centres in the micro-market for years to come.

Independent Market Review

Retail Demand and Occupancy

Singapore's retail property market continues its path to post-pandemic recovery. In the Central Area, vacancy rates decreased marginally from 8.0% in Q2 2024 to 7.4% in Q2 2025, while the overall island-wide vacancy rose from 6.8% to 7.3% over the same period. This was primarily due to rising vacancy rates across the Fringe Area and Suburban submarkets as new retail supply entered the market including iMall and Punggol Coast Mall. Nonetheless, the Suburban submarket continued to outperform the overall market with a vacancy rate of just 5.3% as at Q2 2025. This is amid healthy long-term demand from shoppers for daily groceries and essentials, as well as the relatively moderate level of supply in the Suburban submarket.

Improvements in retail occupancy were most notable in the Jurong East micro-market, with vacancy rates down significantly to 4.6% in Q2 2025 from 6.2% in Q2 2024. This was due in part to the re-opening of IMM following the completion of phase 1 of its AEI works.

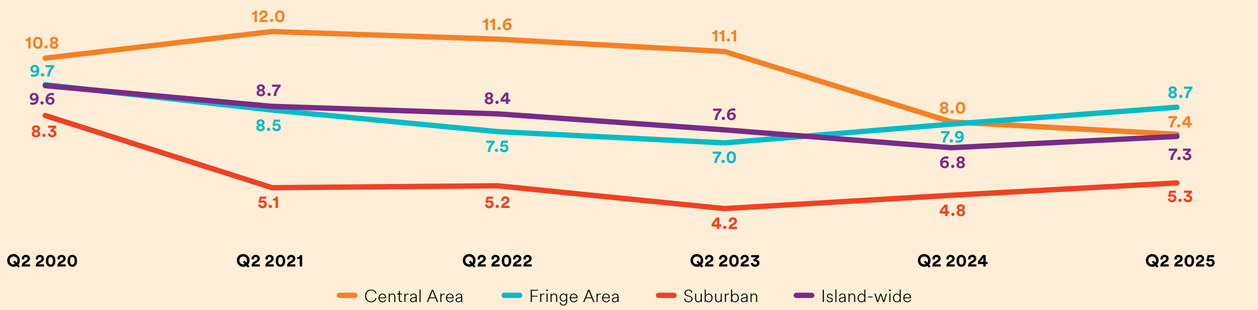
On the other hand, the Marine Parade micro-market experienced increased vacancy rates of 10.1% in Q2 2025 from 8.4% in Q2 2024 on the back of tenancy movements and new supply from the opening of iMall (60,000 sq ft GFA).

The Orchard micro-market saw vacancy rates tighten slightly to 6.9% in Q2 2025 from 7.1% in Q2 2024 as several luxury brands opened new boutiques along Orchard Road including Tom Ford, Sam Edelman and Celine.

We expect occupancy in the Orchard micro-market and broader Central Area to improve further by the end of 2025 on the back of sustained growth in inbound visitor arrivals and tourism receipts. Suburban retail occupancy, which is already outperforming that of the Central Area, is expected to remain stable amid limited new supply and strong occupier demand for quality retail spaces to serve stable and captive residential catchment areas.

Retail Vacancy by Submarket (Q2 2020 to Q2 2025)

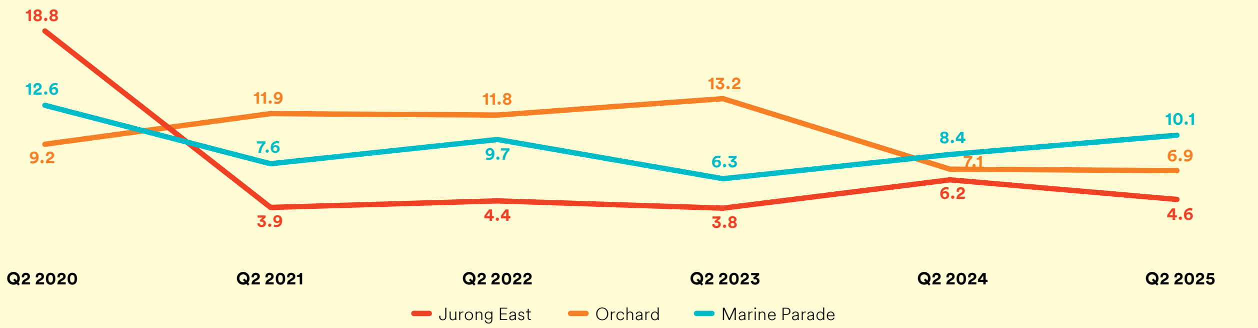
(%)



Source: URA, Cistri

Retail Vacancy by Micro-Market (Q2 2020 to Q2 2025)

(%)



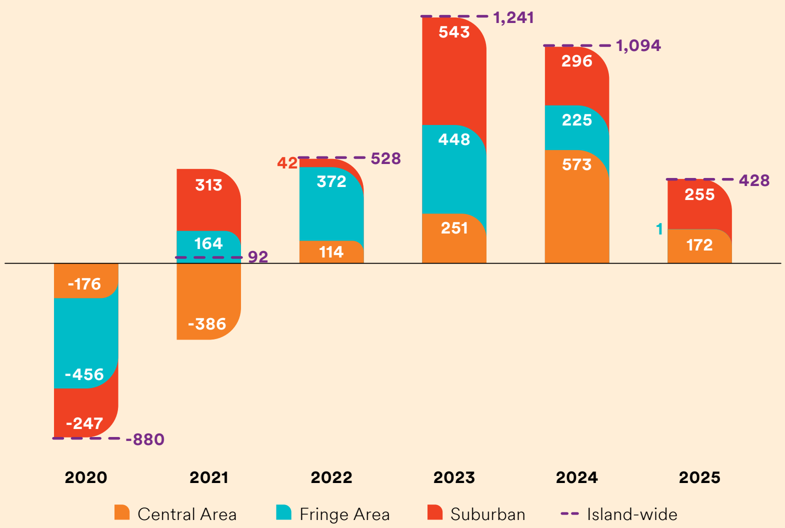
Source: URA, Cistri

According to data from the URA, the average gross absorption of island-wide retail space (i.e. total floorspace leased without accounting for vacancy and obsolescence) in the five years up to Q2 2024 stood at approximately 415,000 sq ft per year. This includes 75,000sq ft (18.1%) per year in the Central Area submarket, 150,000 sq ft (36.3%) per year in the Fringe Area submarket and 189,000 (45.6%) sq ft per year in the Suburban submarket.

Since 2023, island-wise gross absorption has averaged at around 921,000 sq ft per year. This is on the back of sustained retail sales growth and the continued recovery in tourism. In the Suburban and Central Area submarkets, absorption has remained robust while that of the Fringe Area submarket has declined.

Over the past four quarters, the Jurong East micro-market recorded a positive gross absorption of 84,000 sq ft, thanks to the Phase 1 reopening of IMM as part of its ongoing AEI. The Orchard micro-market saw a negative absorption of 39,000 sq ft, coming off strong take up of new supply in the previous year. The Marine Parade micro-market saw a negative absorption of 19,000 sq ft, on the back of rising rents and new supply that had yet to be absorbed.

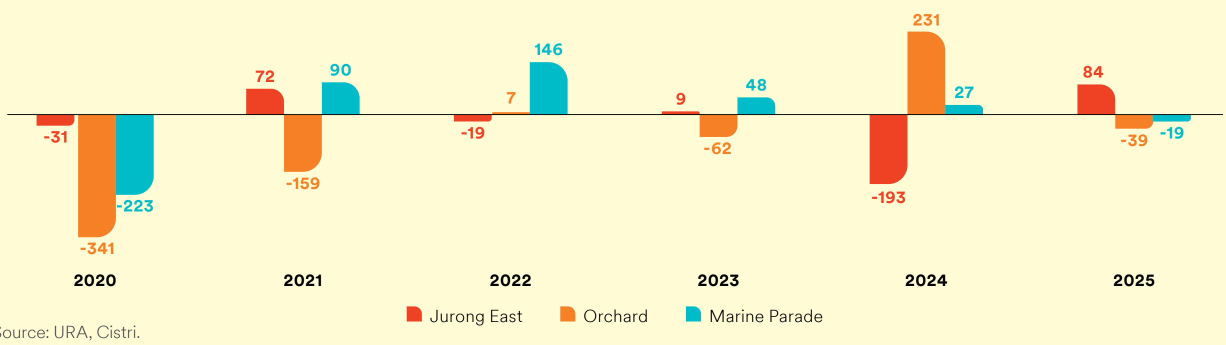
Retail Absorption by Submarket (Q2 2020 to Q2 2025)
('000 sq ft)



Source: URA, Cistri.
Note: Years are defined as July – June (i.e. 2020 refers to July 2019 – June 2020)

The F&B segment continues to be a major source of occupier demand. Notable occupiers include Nong Geng Ji, Mixue, Tim Hortons and Luckin Coffee which have significantly expanded their store network in Singapore in recent years. Beyond F&B, fashion retailers are also establishing stronger presence in Singapore. For instance, Tom Ford opened its two-storey flagship store at Paragon Shopping Centre in December 2024. The boutique offers an exclusive made-to-measure service, elevating the shopping experience beyond traditional off-the-rack purchases. In addition, Japan's largest second-hand store chain, 2nd Street, opened its first outlet in Singapore at 313@somerset in April 2025. Customers can sell their pre-loved items at the store while also shop for quality second-hand pieces from brands like New Balance, Adidas, The North Face, and even Chanel and Dior.

Retail Absorption by Micro-Market (Q2 2020 to Q2 2025)
('000 sq ft)



Source: URA, Cistri.
Note: Years are defined as July – June (i.e. 2020 refers to July 2019 – June 2020)

Independent Market Review

Retailers are also increasingly focused on creating immersive and interactive shopping experiences. These include in-store activities and personalised offerings that engage customers beyond traditional methods. For instance, local furniture shop Commune offers a 3D visualisation platform where customers can upload floor plans and see how various pieces will look in their homes before purchase. Mothercare has also introduced experiential elements such as ramps to test stroller manoeuvrability on different surfaces and a mock-up of an airplane's overhead compartment to check stroller fit. These innovative approaches highlight the evolving landscape of retail, where customer engagement and personalisation are key.

Over the past year, local cinema operators and department stores have announced several closures and/or downsizing of outlets across Singapore. These include Cathay Cineplexes, BHG and Robinsons, who typically take up larger tenancies. Mall operators have used this as an opportunity to refresh their tenant mix by reconfiguring these large tenancies to accommodate other uses. For instance, Parkway Parade has transformed the space previously occupied by Cathay Cineplexes into an education and enrichment hub, which now houses Scholar Basketball Academy and Think Academy.

Retail Rents

According to data from URA REALIS, the median retail rent in the overall Orchard micro-market declined by 0.9%, from S$7.85 per sq ft per month in Q2 2024 to S$7.78 per sq ft per month in Q2 2025. In line with the slight decline in vacancy over the same period, this was mainly due to a continued recalibration of landlords' and tenants' expectations on sustainable rental rates.

The median retail rent in the Rest of City Area grew marginally by 0.2%, from S$4.46 per sq ft per month in Q2 2024 to S$4.47 per sq ft per month in Q2 2025. Rents in the Rest of City Area have been on a continuous decline since its peak of S$5.66 per sq ft per month in Q4 2019, and now seem to have reached a plateau.

The median retail rent in the Suburban submarket fell slightly by 0.2% YoY, from S$4.54 per sq ft per month in Q2 2024 to S$4.53 per sq ft per month in Q2 2025. This can be attributed to the influx of new supply into the submarket. Notwithstanding this decline, vacancy in the Suburban submarket remains the lowest across the island and its rents have been the most resilient over the past five years. This reflects the local population catchments and larger proportions of non-discretionary trade categories in Suburban malls compared to malls in the prime areas.

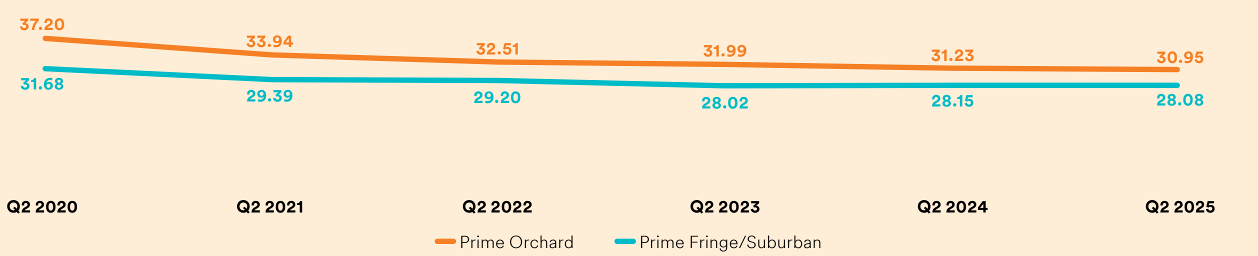
The median rents reported by the URA are across the entire market and therefore not representative of the prime retail segments and locations. Cistri estimates that the average gross monthly rent for prime mall retail spaces in Q2 2025 – which corresponds to ground floor and MRT level spaces in good-quality malls – stood at S$30.95 per sq ft per month in the Orchard micro-market and S$28.08 per sq ft per month in the Prime Fringe/Suburban submarket.

Rents in the Jurong East micro-market declined by 3.8% YoY in Q2 2025. This was despite positive gross absorption and lower vacancy over the same time period. Compared to the past three-year average for the same quarter, rents in Q2 2025 for the Jurong East micro-market were still higher by 1.5%.

At the same time, rents in the Marine Parade micro-market softened by 2.7% YoY amidst new supply and increased vacancy. Compared to the past three-year average for the same quarter, rents in Q2 2025 for the Marine Parade micro-market were still 8.6% higher.

While retailers have benefited from the limited rental growth, they continue to face challenges such as persistent labour shortage, rising overheads and dampened consumer spending. However, as growth in tourism arrivals and resident spending continues to recover, we anticipate that rents could trend upwards from next year.

Prime Mall Retail Rents by Submarket (Q2 2020 to Q2 2025)
(S$ per sq ft per month)



Source: Cistri.
Note: Median rents are based on contract date


313@somerset, Singapore

Retail Capital Values, Net Yields and Transaction Volume

Total retail investment volume recorded from Q3 2024 to Q2 2025 was estimated to be S$3.4 billion. This was 42.4% higher than the same in the preceding four quarters. This increase in retail investments was largely driven by big-ticket transactions for ION Orchard and Northpoint City South Wing. Capital values and yields for Singapore's prime retail assets are expected to remain stable in 2025, driven by robust investor interest, resilient sales performance and the market entry of new retailers.

Cistri's valuation metrics indicate that island-wide retail asset yields have steadily increased since 2020, reaching 5.0% in Q2 2025. There will be some variation in yields depending on the quality of the asset, with prime assets at around mid-4.0% and ageing assets closer to 5.0%. Given that capitalisation rates, retail rents and vacancy rates have remained stable, Cistri estimates that retail capital values in the Orchard and Suburban submarkets were S$3,380 per sq ft NLA and S$2,690 per sq ft NLA respectively as at Q2 2025, outlining the resilience of Singapore's retail capital values in recent years.

Between Q3 2024 and Q2 2025, several significant transactions took place, including the sale of Sceneca Square, a single-storey mall under construction adjacent to Tanah Merah MRT Station. Another notable transaction was the sale of Concorde Hotel & Shopping Mall, which was successfully sold through a public tender at S$821 million. CapitaLand Integrated Commercial Trust also acquired 50% stake in ION Orchard for S$1.85 billion from CapitaLand Investments. Frasers Centrepoint Trust acquired South Wing of Northpoint City for S$1.13 billion, thereby attaining full ownership of the mall with a combined NLA of over 531,000 sq ft.

Capital values are anticipated to remain stable in 2025 despite concerns over trade policy and economic uncertainty. While investors have exercised caution regarding retail real estate investments, strong interest in prime Singapore retail mall assets will prevail due to the relative scarcity of such assets, their stable income profiles and their potential for sustained capital appreciation.

Total retail investment volume was

42.4% higher than the same in the preceding four quarters

Independent Market Review

Retail Industry and Business Trends

The following trends will continue to have a transformative impact on the future of the Singapore retail property market:

Catering to the Silver Generation

Like many other developed countries, Singapore has a growing silver population – 19.9% of its citizen population in 2024 were aged 65 and above and this is expected to increase to 24.1% by 2030 according to SingStat. As the silver generation becomes an increasingly significant consumer market, shopping centres will need to consider the needs and wants of senior shoppers.

The Household Expenditure Survey released by SingStat showed several differences in spending patterns between elderly households and the average household. Elderly households generally allocate:

- A higher proportion of spending on food, retail and groceries and a lower proportion of spending to dining out (i.e. F&B).
- A higher proportion of spending on health services, reflecting the physical needs at this life stage.
- A higher proportion on spending to home furnishings and equipment, and a lower proportion to transport.

Overall, these findings reflect senior shoppers' relatively homebound lifestyles, which are in turn associated with more purchases relating to their homes, as well as cooking and eating at home.

These findings have implications for the trade mix of malls serving senior shoppers. Notably, shopping centre operators could look to enhance their fresh food, groceries and health services offering to better cater to senior shoppers' preferences.

Beyond tenant mix, more thought could also be put into the design and ambience of retail spaces to make them more

Jem, Singapore

inclusive towards senior shoppers. These include barrier-free accessibility and clear wayfinding to better cater to these shoppers.

Potential Impact of the Rapid Transit System Link

The RTS Link is a railway system set to connect Malaysia and Singapore through Johor Bahru and Woodlands. Scheduled to commence passenger services by December 2026, the RTS Link aims to provide more efficient travel between Singapore and Johor Bahru and reduce traffic congestion along the Causeway.

With reduced border crossing times, accessibility to Johor Bahru will improve significantly especially for residents living in Northern and North-western Singapore. While some consumer spending is expected to shift to Malaysia, the impact is expected to vary across tenant categories – F&B, beauty & healthcare products and retail services will likely be impacted more than categories like food, groceries and medical services.

Even with the improved connectivity, visitation to Johor Bahru by Singapore residents is likely to remain "destinational". This means that convenience and day-to-day purchases like groceries will still mostly take place in Singapore. While it may be difficult to compete with malls in Johor Bahru on price for some products,

suburban malls in Singapore could strengthen their focus on convenience and community through tenant mix adjustments and enhancing their community spaces and programming.

Integrating Non-Retail Uses to Elevate Shopper Experience

The integration of non-retail uses within retail environments has become increasingly important as shoppers seek not only shopping experiences but also integrated spaces that can cater to their various needs and interests. These could take the form of open spaces for community use, other components in a mixed-use development like office and hotel, or non-retail tenants like entertainment and medical services.

While these non-retail uses typically pay lower rent, they can bring about spin-off benefits to retail through increasing the dwell time of shoppers, supporting more regular visitation throughout the day and expanding the shopper base. These can translate to more shopper traffic and greater retail spend.

Locally, malls are increasingly incorporating open spaces such as parks, event areas and playgrounds into their centres to increase vibrancy and elevate their role in the community. Punggol Coast Mall in Punggol Digital District is a prime example, featuring an open-air plaza used for community events like concerts and markets. City Square Mall has also dedicated its fourth floor to community spaces as part of its recent AEI works. The area will offer a range of programmes tailored to families and youths and serve as a performance area for social gatherings, activities and cultural events.

Retail Market Outlook

The Singapore retail sector has shown signs of improvement in the past year amid healthy tourism receipts, and resilient consumer spending. Island-wide retail vacancy has settled at around 7.3% which is lower than pre-pandemic levels, while rents have broadly stabilised from the year before.

In the short term, structural headwinds will persist in Singapore's retail sector including labour shortages, higher operating costs and global economic uncertainties constraining consumption. Notwithstanding, we expect the stabilisation of the interest rate environment globally to stimulate investor appetite for good-quality retail assets. For instance, there have been signs of strong investor interest for divestment assets like The Clementi Mall.

In the long term, the retail property sector will remain resilient as Singapore's solid economic fundamentals continue to support growth in household income, discretionary income and consumption levels. The strong recovery of inbound tourism receipts and visitor arrivals will continue to benefit prime retail malls along Orchard Road and across the Central Area, while Suburban malls will maintain their dominant market position within their respective catchment areas. Retail demand will remain robust in Singapore in the long term and prime retail assets should continue to be regarded as a safe and desirable property investment class.

The positive impact of new mass transit infrastructure including the recent opening of the Marine Parade MRT Station on the TEL and the future opening of the JRL between 2027 to 2029 will particularly benefit retail locations such as Marine Parade and Jurong East. The development of the JLD will further raise the profile of Jurong East as a major regional business and commercial centre in years to come. Future commercial and residential development projects will strengthen the live-work-play character of the precinct, ensure vibrancy, and generate high footfall from across the West Region and beyond. Furthermore, the ongoing rejuvenation of the Somerset Youth Belt and its related initiatives will also bring new life and activity to the immediate vicinity of 313@somerset. These include the redevelopments of Comcentre and Grange Road carpark.

Singapore has a growing silver population which is expected to increase to **24.1%** by 2030 according to SingStat

Independent Market Review

SINGAPORE OFFICE MARKET

As at Q2 2025, Singapore's island-wide office stock stood at 87.2 million sq ft. The Central Area – which includes the CBD – constituted 57.8 million sq ft (66.3%) of total island-wide office stock, while the City Fringe comprised 21.1 million sq ft of office floorspace (24.2%). The Decentralised submarket – located outside the Central Area – took up the remaining 8.3 million sq ft (9.5%) of existing office stock.

Office Supply

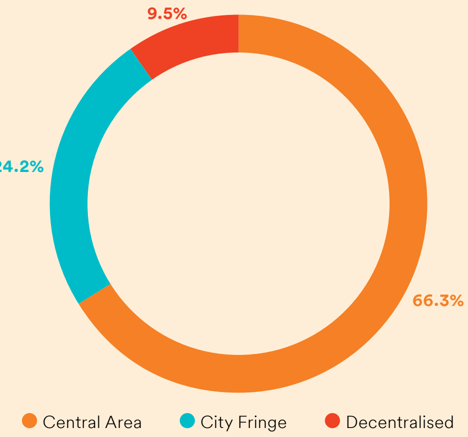
In the five years up to Q2 2024, total island-wide net office supply averaged 61,000 sq ft GFA per year.

Across Q3 2024 to Q2 2025, net office supply was 1.2 million sq ft GFA. During this period, office space completions in the CBD submarket include IOI Central Boulevard Towers and Keppel South Central which contributed 1.3 million sq ft and 500,000 sq ft GFA respectively. Outside of the CBD submarket, Labrador Tower and Punggol Digital District added 670,000 sq ft and 250,000 sq ft of floorspace to the City Fringe and Decentralised submarkets respectively.

Between Q2 2025 and 2029, total island-wide office supply is set to increase by 6.5 million sq ft of GFA. Of this, 4.9 million sq ft (75.9%) is currently under construction while the remainder is in the planning phase. This represents an average of 982,000 sq ft per year of office floorspace that is under construction and will be delivered up to 2029. Notably, 47.8% of total new supply is expected to be available in 2028.

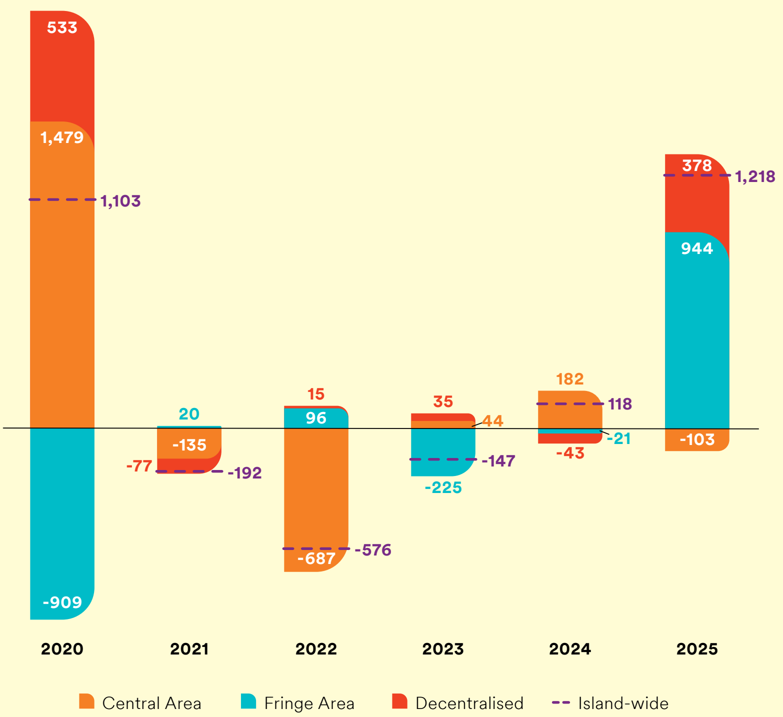
Of the 6.5 million sq ft of new office supply in the development pipeline, it is estimated that 3.4 million sq ft will be replacement office floorspace in properties that are undergoing redevelopment. As such, the total net new supply up to 2029 is approximately 3.0 million sq ft, or an average of 605,000 sq ft per year. This is still significantly higher than the historic five-year average up to Q2 2024 of

Geographic Distribution of Existing Office Stock in Singapore by Submarket as at Q2 2025
(%)



Source: URA, Cistri.
Note: Total may not add up to 100.0% due to rounding

Historic Net Office Supply by Submarket (Up to Q2 2025)
('000 sq ft)



Source: URA, Cistri.
Note: Years are defined as July – June (i.e. 2020 refers to July 2019 – June 2020); Historic numbers differ from past year's' annual reports as this chart now shows net supply

61,000 sq ft per year. Examples of these redevelopment projects include:

- The Shaw Tower redevelopment which is expected to obtain its Temporary Occupation Permit in Q2 2026, adding 435,000 sq ft of office space to the Fringe Area submarket.
- Clifford Centre and the Jurong East Integrated Transport Hub which are expected to be completed in 2027 and will inject about 408,000 sq ft and 480,000 sq ft of office floorspace into the Central Area and Decentralised submarkets respectively.
- Solitaire on Cecil, Newport Tower, One Sophia, The Skywaters, along with the redevelopment of Central Mall, Comcentre and Roxy Square, are slated for completion between 2028 to 2029, collectively adding approximately 2.6 million sq ft of space. These are redeveloped stock coming back to market across the Central Area and Fringe Area submarkets.

In the CBD, occupancy has come under pressure with the large influx of supply over the past four quarters, although rents have remained resilient. This pressure is expected to ease over the rest of the year as supply tightens, with no new additions expected until the completion of the Shaw Tower redevelopment in 2026.

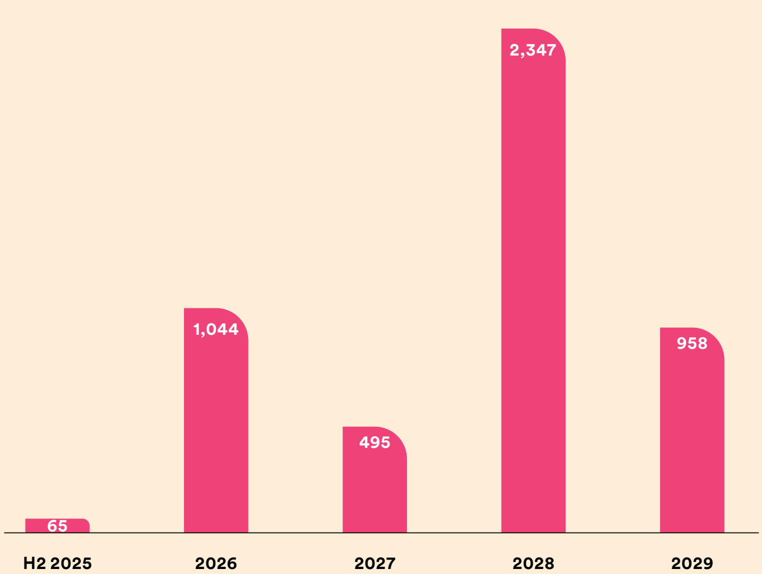
In the West region, JID and JLD will be key components of future office supply in the Decentralised submarket over the next 10 to 15 years. JLD is expected to yield approximately 1.6 million sq ft of office space, of which at least 750,000 sq ft will be delivered in the first phase by 2027. In the same year, the expected completion of the Jurong East Integrated Transportation Hub will bring approximately 480,000 sq ft of new office supply.

In the East region, there is no expected future supply in the short term, although the potential redevelopment of Roxy Square may add up to 130,000 sq ft to the Fringe CBD submarket between 2028 to 2029.

These upcoming office developments will further attract occupier demand for good-quality, decentralised spaces in both the West and East regions.

Upcoming Office Supply Under Construction (H2 2025 to 2029)

('000 sq ft)



Source: URA

Office Demand and Occupancy

In the five years up to Q2 2024, the office market saw limited supply while several properties closed for redevelopment, resulting in a total decrease of 797,000 sq ft in net supply. Island-wide office absorption averaged at 170,000 sq ft per year, resulting in vacancy compressing from 12.1% in Q2 2020 to 10.8% in Q2 2024.

Across Q3 2024 to Q2 2025, island-wide net office supply increased significantly, by 1.2 million sq ft, while island-wide office absorption rose to around 513,000 sq ft. This resulted in an increase in vacancy to 11.4% in Q2 2025 from 10.8% in Q2 2024. Similarly, net supply in the Fringe Area increased by 944,000 sq ft over the same period, while absorption came in at around 69,000 sq ft, resulting in a significant rise in vacancy to 11.7% in Q2 2025 from 7.9% in Q2 2024.

Within the Decentralised submarket, net supply increased by 378,000 sq ft over the same period while an absorption of 246,000 sq ft was recorded. This resulted in vacancy rising slightly to 14.1% in Q2 2025 from 13.1% in Q2 2024.

In the Jurong East micro-market, net supply increased marginally by 6,000 sq ft, while absorption was approximately 48,000 sq ft, seeing office vacancy decrease to 14.9% in Q2 2025 from 17.3% in Q2 2024.

In the Marine Parade micro-market, net supply contracted by 32,000 sq ft alongside negative absorption of 29,000 sq ft, resulting to a slight decline in office vacancy to 6.8% in Q2 2025 from 7.0% in Q2 2024.

Independent Market Review

Drivers of occupier demand remained diversified in Q2 2025. They include the insurance, non-bank financial and professional services sectors. However, these sectors were observed to have relatively smaller office space requirements, with firms continuing to focus on space optimisation and prudence in spending as they navigate prevailing high capital costs. Similarly, major institutions and tech companies continued to right-size and optimise their footprints.

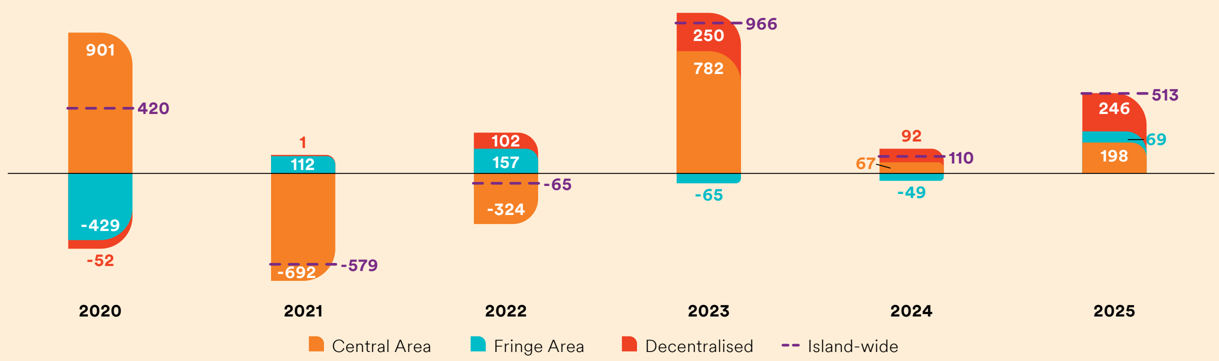
Occupiers continued to take advantage of sub-leased, secondary and shadow spaces following the waves of right-sizing and flight-to-quality of the past few years, opting to seek readily fitted-out spaces to save on capital expenditures.

While the large influx of Premium and Grade A supply in the past three quarters increased pressure on rents and occupancy across the market, Premium and Grade A office rents remained resilient. They continue to be supported by continued flight-to-quality and growing demand in the region from wealth management and technology players. This trend is expected to continue in light of the tight supply in the next few quarters.

Conversely, the broader Decentralised submarket saw an increase in vacancy amidst the influx of quality space to the market. Nonetheless, such pressures are expected to ease in the longer term as occupiers become more price sensitive and upcoming supply in the submarket tightens. Several nodes in the Decentralised submarket have also been identified by the URA to be developed as key economic centres in the longer term, complementing the CBD and bringing jobs closer to home.

Office Absorption by Submarket (Up to Q2 2025)

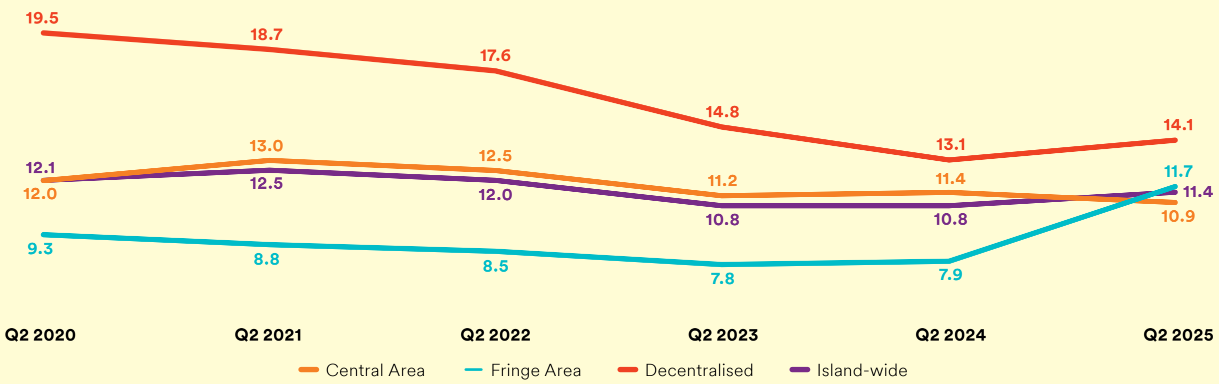
('000 sq ft)



Source: URA, Cistri.
Note: Years are defined as July – June (i.e. 2020 refers to July 2019 – June 2020)

Office Vacancy by Submarket (Q2 2020 to Q2 2025)

(%)



Source: URA, Cistri

Office Rents

Island-wide office rents have continued to demonstrate growth in Q2 2025, particularly in the Core CBD. URA reported growth in island-wide office rents of 5.3% between Q2 2024 and Q2 2025, from S$6.65 per sq ft per month to S$7.00 per sq ft per month.

For Decentralised Grade A office rents, Cistri estimates that they rose 1.9% over the same period, from S$5.71 per sq ft per month in Q2 2024 to S$5.82 per sq ft per month in Q2 2025.

Supported by the continuous demand for high-quality office spaces, Core CBD Premium and Grade A rents are estimated to have grown by 1.9%, from S$11.38 per sq ft per month in Q2 2024 to S$11.59 per sq ft per month in Q2 2025.

The URA reported growth in rents in the Jurong East micro-market of 6.2%, from S$4.98 per sq ft per month in Q2 2024 to S$5.29 per sq ft per month in Q2 2025. Cistri expects rents in the Jurong East micro-market to soften slightly due to the upcoming delivery of the Jurong East Integrated Transport Hub (480,000 sq ft) in 2027. However, it expects some of this impact to be cushioned by stronger office demand in the micro-market from the completion of the JRL and the first phase of the JLD.

Conversely, the URA reported a slight decline in rents in the Marine Parade micro-market of 2.2%, from S$5.91 per sq ft per month in Q2 2024 to S$5.78 per sq ft per month in Q2 2025. In the medium to long term, Cistri expects rents in the Marine Parade micro-market to benefit from the completion of Paya Lebar Green as the quality space is absorbed. This will be alongside increased connectivity to the area via the TEL, as well as the increasing attractiveness of the micro-market as an office and employment location.

In the coming quarters, ongoing flight-to-quality is expected to drive absorption of quality space, tightening vacancy in the Premium and Grade A submarket. With limited pipeline supply in the short term, rents are expected to remain resilient, with landlords likely to focus on tenant attraction and retention. However, in the longer term, considering the limited Decentralised pipeline supply and high cost of office spaces in the CBD submarket, the Decentralised submarket is set to benefit from spillover effects as occupiers search for alternative options. Demand for Grade A buildings in the Decentralised submarket is set to see an uptick due to an increase in the requirement for affordable quality spaces amid a shift toward cost-consciousness and right-sizing among corporate occupiers.

Office Investment Transactions

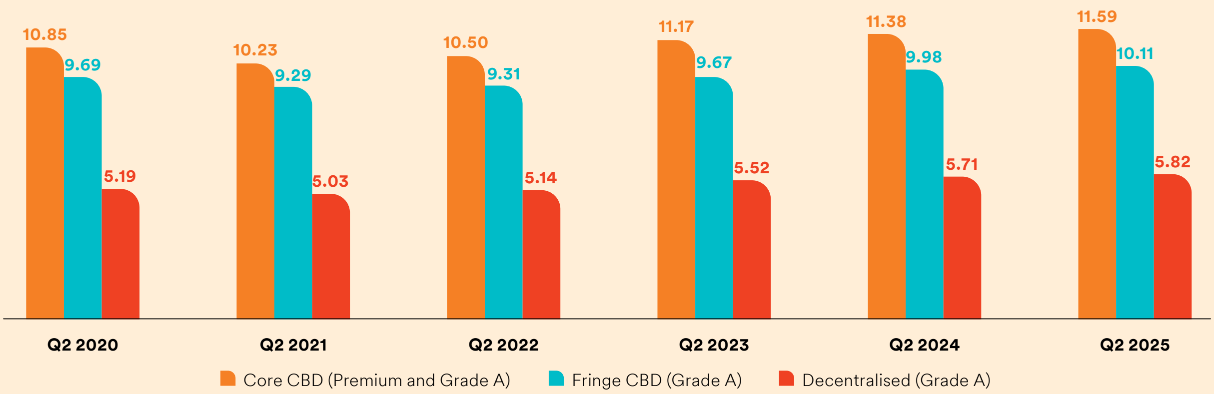
Over the past four quarters, Singapore's office market saw office transaction volumes of around S$1.9 billion. This was slightly lower than the S$2.0 billion recorded in the preceding four quarters, reflecting slightly muted but continued interest in the market.

Investor interest in both the prime and suburban office markets remained healthy over the past four quarters. Notable transactions included Stamford Court, a four-storey building with a NLA of 62,900 sq ft, was sold for S$132 million in Q3 2024. The sale of 21 Collyer Quay for S$688 million in Q4 2024 as well as the sale of a 33.33% stake in Woods Square for S$124.6 million in Q1 2025 and the sale of three levels at 108 Robinson Road for S$55.6 million in Q2 2025.

In addition to the transactions above, interest in the strata office submarket remained robust, with notable transactions including the sale of the 12th floor at Wisma Atria at S$16.1 million in Q4 2024, the sale of three floors at 20 Collyer Quay for S$91.8 million in Q1 2025 and the sale of three levels at 108 Robinson Road for S$55.6 million in Q2 2025.

Median Office Rents by Submarket (Q2 2020 to Q2 2025)

(S$ per sq ft per month)



Source: Cistri

Independent Market Review

Office occupier demand is expected to remain resilient in 2025, supported by low unemployment rate and anticipated gradual interest rate cuts. Singapore's reputation as a safe haven and its neutral stance amid growing trade tensions and geopolitical uncertainty further enhance its appeal as a global business hub.

Office Market Outlook

The Singapore office market has proven resilient in recent years with tight supply and businesses adapting to the post-pandemic business environment. Flight-to-quality, right-sizing and flexible workspace trends are expected to remain at the forefront for occupiers as businesses continue to optimise costs, navigate tighter financing conditions and adapt to a challenging global business environment.

Companies are scaling back on expansions due to continued high relocation and fit-out costs, opting instead to reconfigure their existing office spaces and adopt hybrid-working, especially with limited headcount growth. This shift, along with the incorporation of technology and agile space solutions, is likely to reduce office footprints and impact demand for office spaces. However, sectors like professional services, non-banking financial institutions, and family offices are expected to continue expanding.

Parkway Parade, Singapore

In the short term, occupancy rates are expected to remain under pressure particularly in non-Grade A offices. This is as the market continues to absorb the large influx of supply from recent Grade A office developments like IOI Central Boulevard Towers and Labrador Tower. Furthermore, occupiers are expected to remain cautious amid global economic uncertainty, opting to delay expansion plans or lease commitments until market conditions stabilise.

Despite cautiousness tempering office leasing activities in the short term, Singapore's office market is expected to remain healthy in the long term. This will be supported by the city's strong economic fundamentals and tight quality office supply. The flight-to-quality trend and a cost-conscious approach to office tenancies will drive demand for high-quality office spaces with flexible solutions and good amenities. With tight occupancy rates and high rents in the CBD, decentralised office spaces – particularly those with good MRT access and live-work-play environments – will benefit. This aligns with the Singapore government's emphasis on decentralising employment and economic growth in emerging business centres.

As decentralised business and commercial centres improve their connectivity and attractiveness, they will increasingly become preferred office locations for companies balancing between quality and price. The Marine Parade and Jurong East office micro-markets are well-positioned to benefit from this trend. Marine Parade, with the recent opening of the TEL, is set to become an attractive office and employment location within the Fringe Area and the East Region. Jurong East will benefit from new infrastructure projects like the JRL and Cross Island Line, as well as the development of the JLD as Singapore's second commercial centre and business district in the coming years.

Milan, Italy

Milan is the capital of the Lombardy Region, Italy's main economic and business centre and one of the top five largest metropolitan economies in the European Union. Previously known for its strong industrial sector and manufacturing base, Milan is now a diversified economic powerhouse, with business services, finance & insurance, fashion, advanced manufacturing and tourism being its primary economic sectors.

According to Eurostat, Milan had a population of around 3.6 million residents and an estimated regional GDP of about €193.4 billion in 2024, recording the highest GDP per capita in the country at around €54,000.

MILAN ECONOMIC OVERVIEW

According to ISTAT, Italy's real GDP (in chained 2020 €) grew by 0.7% YoY in 2024. While Italy's economy underperformed the government's 1.0% growth forecast, its growth outpaced most other economies in the Eurozone amid sustained private consumption and government expenditure. Private consumption was supported by strong growth in wages and employment but curbed by a rise in savings rate. At the same time, government expenditure rose amid increased subsidies.

Italy's real GDP grew by

0.4% YoY in Q2 2025

Independent Market Review

Italy's economy demonstrated resilience in Q2 2025, with real GDP rising by 0.4% YoY. According to ISTAT, Italy's GDP is projected to grow by 0.6% YoY in 2025 and by 0.8% YoY in 2026. This is expected to be primarily driven by domestic demand while net foreign demand is expected to limit overall growth.

Monetary policies implemented by the ECB and the decline in energy prices have contributed to easing of inflation in Italy. Italy's Harmonised Index of Consumer Price stood at 1.8% YoY in Q2 2025, slightly below the 1.9% inflation rate recorded for the Eurozone. Italy's inflation is expected to remain at low level due to the decline in energy prices, reduced imports and strong domestic wage growth.

MILAN OFFICE MARKET

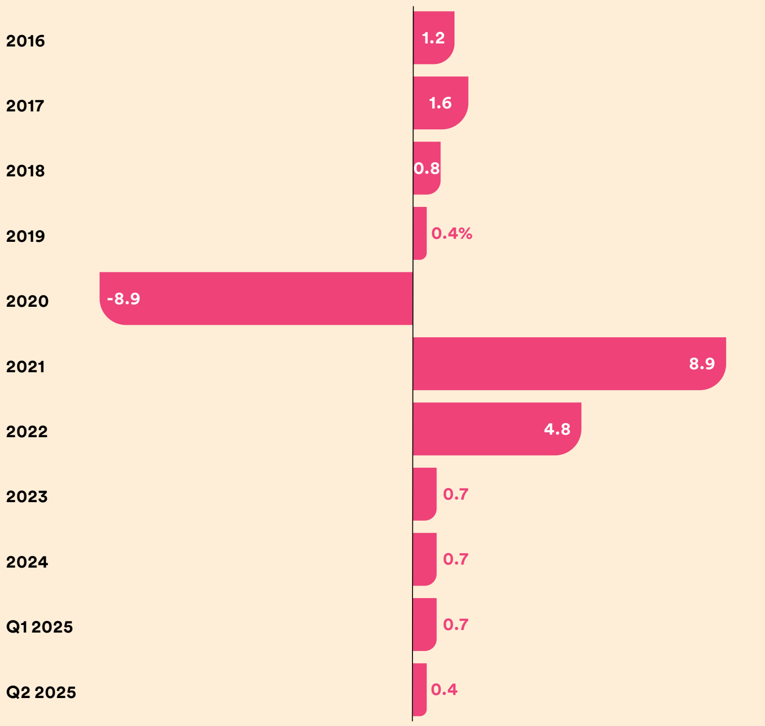
As at Q2 2025, the total office space inventory in the Greater Milan market was approximately 12.7 million sq m of GLA. The Periphery submarket had a total office stock of around 4.1 million sq m, accounting for 32.2% of Greater Milan. A large proportion of this stock comprised modern office properties which were developed since 2009. The Periphery submarket remains the largest office submarket in Milan and continues to be attractive for new office development given its land availability, accessibility to the Milan Linate International Airport and convenient access to intercity and regional rail infrastructure. The Periphery submarket has diversified its office stock over the past decade amid a wave of public-private urban regeneration projects including those in Santa Giulia. This was further accelerated by the demand for decentralised offices following the pandemic. The submarket has become increasingly popular with industries such as media & communication, business services, technology, financial & insurance services and consumer goods. Corporations favouring Grade A spaces have increased their presence in the Periphery submarket amid the availability of large, efficient office floor plates available at a more attractive price point than in Central Milan.

The 2026 Winter Olympic Games are expected to have transformative impacts on key locations within the Periphery submarket. This includes the former Porta Romana railway yard which will first be developed into the Olympic Village for the games, then subsequently converted into a student housing facility following the Olympics. Similarly, the Santa Giulia Arena will be developed as a new 16,000-seat arena to serve as a key venue for the games and is expected to remain as a major cultural and sports centre post-Olympics.

The three Grade A commercial buildings owned by Lendlease REIT, are located within 150 metres from the Milano Rogoredo high-speed rail train and metro station within the Milano Santa Giulia precinct. The precinct is a major brownfield urban regeneration project encompassing retail, residential, office and leisure spaces with a total of 1.1 million sq m gross development area.

Italy Real GDP Growth (2016 to 2025)

(% YoY)



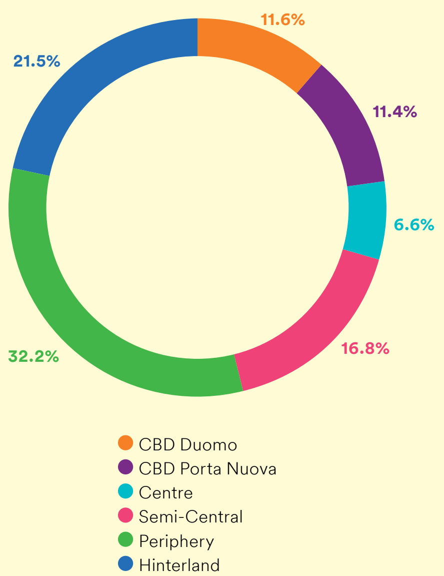
Source: ISTAT.
Note: In last year's annual report, ISTAT published GDP figures in chained 2015 €. They have since updated this to chained 2020 € which is what is presented in the chart above.

Italy's GDP is projected to grow by

0.8% in 2026

Distribution of Existing Office Stock in Milan (Q2 2025)

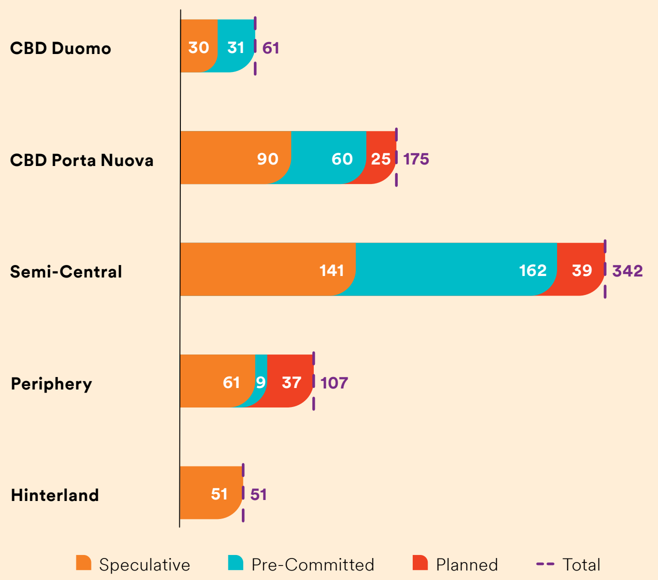
(%)



Source: Colliers Italia

Future New Supply by Submarket and Status (2025 to 2028)

('000 sq m)



Source: Colliers Italia

Office Supply

In 2024, around 65,000 sq m of office space (including new developments and refurbishments) was delivered across Milan. Notable completions include the new headquarters of the Unipol insurance group (15,000 sq m) and the redevelopment of the Pirelli 35 building (33,000 sq m), both located within the CBD Porta Nuova submarket. The Periphery submarket's office stock increased slightly by 9,000 sq m.

From Q3 2025 onwards, approximately 735,000 sq m GLA of office space is expected to be completed across Milan by 2028. Out of this, 50.6% are speculative developments, 35.6% are projects currently in pre-leasing phase and 13.7% are planned projects which have not yet commenced their development processes.

The Semi-Central submarket has the largest proposed office pipeline of 342,000 sq m, accounting for 46.5% of total pipeline supply across Milan. This is followed by the Periphery submarket at 107,000 sq m, which will represent 14.6%. The Central Milan micro-markets combined – CBD Duomo and CBD Porta Nuova – will account for around 32.0%, while the remaining 6.9% belongs to the Hinterland submarket.

Of the 107,000 sq m of new office developments proposed in the Periphery submarket, 37,000 sq m (34.9%) has been planned but not yet commenced.

Notable upcoming office developments will be located primarily within major mixed-use urban regeneration projects. These include:

- I Portali developed by COIMA SGR as part of the Porta Nuova Gioia urban renewal project. It is expected to be completed by 2025 and inject 40,000 sq m of office space into the market.
- Symbiosis by Covivio in South Milan will transform a former industrial area into a new mixed-use urban centre. Its tenants will include the Moncler and SNAM headquarters. This will bring 19,000 sq m and 38,000 sq m to market in 2025 and 2026 respectively.
- Scalo Farini developed by UniCredit, in partnership with Prelios and Hines. It is one of the largest mixed-use urban regeneration initiatives in Europe and will house the new UniCredit Campus. It comprises 40,000 sq m of office space and is expected to be completed by 2026.
- Milan Innovation District, a major urban redevelopment project of the former site of the Milan Expo site is being developed by Lendlease in partnership with CPP Investments and Arexpo SpA Group. Upon completion by 2027, it will comprise approximately 50,000 sq m of planned office space.

Independent Market Review

Office Demand and Occupancy

In Q2 2025, vacancy rates in the Milan office market edged upwards, reaching 9.0% from an average of 8.3% in the preceding five years. Similarly, the Periphery submarket recorded a high of 11.5% in the same period, compared to an average of 10.3% in the preceding five years. This marked a reversal from the declining trend observed over the past five years, which had been underpinned by constrained new supply, withdrawal of ageing stock through renovation and sustained demand for high-quality space. The recent uptick in vacancy reflects a recalibration in occupier activity and supply dynamics, suggesting a more balanced – though increasingly competitive — market environment.

Across the Milan market, average annual absorption across 2020 to 2024 stood at around 95,000 sq m per year, exceeding the average annual net new supply of 61,000 sq m over the same period. Correspondingly, this led to a decline in the vacancy rate from 9.0% in 2020 to 8.4% in 2024. However, across H1 2025, absorption was negative at 60,000 sq m, reflecting the rise in vacancy rates over the same period from 8.4% in 2024 to 9.0% in Q2 2025.

In the Periphery submarket, the five-year average absorption across 2020 to 2024 of around 43,000 sq m per year also exceeded net supply of around 23,000 sq m per year over the same period. This resulted in a marginal decline of vacancy rate from 11.0% in 2020 to 10.8% in 2024. However, across 1H 2025, absorption was negative at 24,000 sq m, reflecting an increase in vacancy from 10.8% in 2024 to 11.5% in Q2 2025.

Historically, the Periphery submarket has had a higher vacancy rate than centrally-located office submarkets such as CBD Duomo, CBD Porta Nuova and Centre. In the Periphery submarket, the five-year average vacancy rate up to 2024 stood at 10.3%, compared to 8.3% across Milan. This disparity is primarily due to the large proportion of Grade B and C spaces in the Periphery submarket office stock, which typically record higher vacancy rates than Grade A office properties.

Recent leasing activity has remained resilient despite the global economic slowdown and geopolitical tensions.

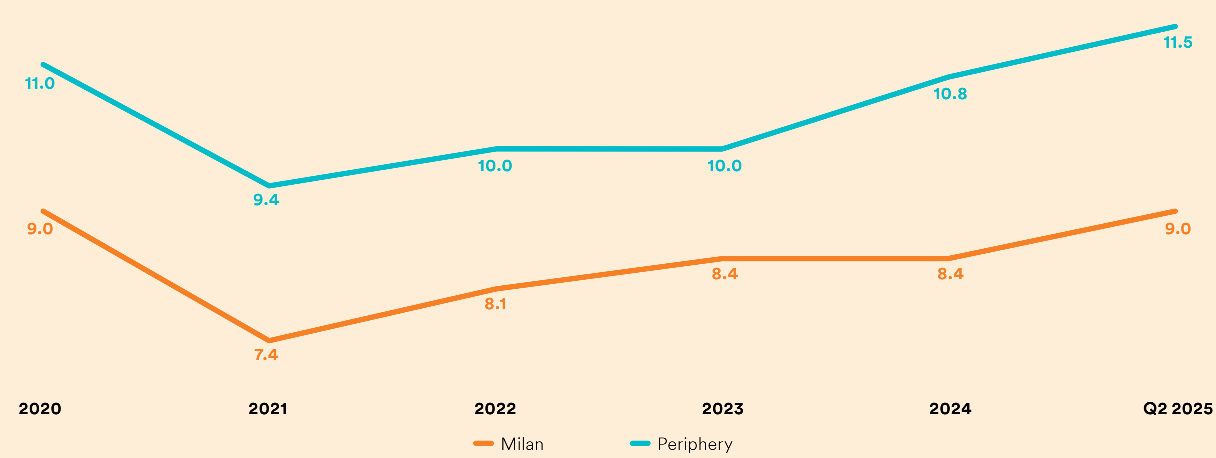
Occupier demand was driven by a preference for quality spaces, buildings with strong sustainability credentials and long-term value, as well as the predominance of small-to-medium-sized office tenancies.

In the first half of 2025, the Milan office market recorded stable demand with approximately 213,000 sq m of office space taken up, including leasing deals at Corso di Porta Nuova 19 and Vespucci 2 for 14,500 sq m and 10,000 sq m respectively.

Demand for modern and ESG-compliant office spaces is on the rise as more corporate occupiers favour office locations that provide workplace quality, sustainability and future-readiness. Firms are increasingly seeking high-specification and centrally located office properties that can incorporate sustainability and can provide long-term value. Strong corporate occupier demand continues to fuel leasing activity, particularly in the legal and information technology sectors. Additionally, office properties within walking distance from metro and train stations remain highly preferred.

Office Vacancy by Submarket (2020 to Q2 2025)

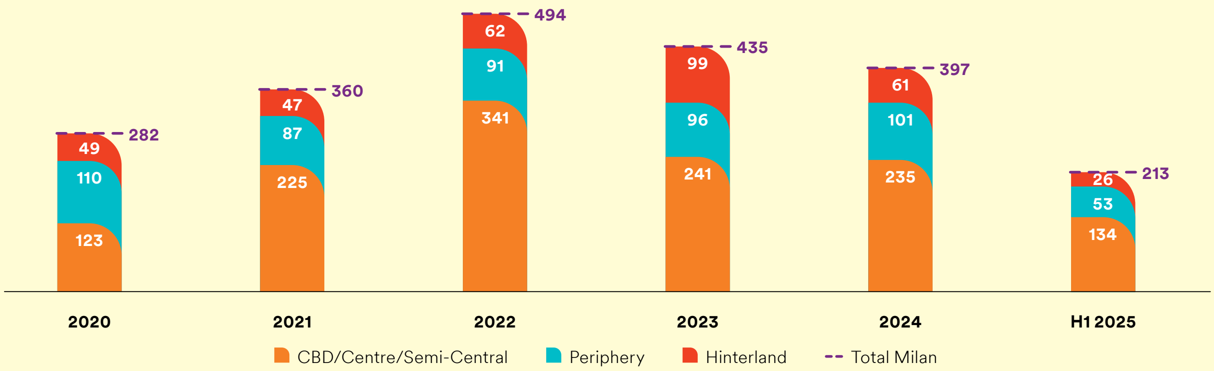
(%)



Source: Colliers Italia

Office Absorption by Submarket (2020 to H1 2025)

('000 sq m)



Source: Colliers Italia

Office Rents

The tight supply conditions across the Milan office market have maintained an upward pressure on rents in recent years, particularly in the CBD submarkets. Furthermore, the tight supply of quality office stock has made it more challenging for occupiers to secure large floor plates in high-quality Grade A buildings, particularly those in established business districts near metro and rail stations.

The average rent of prime Grade A office locations in Milan CBD grew from €590 per sq m per year in Q2 2020 to €750 per sq m per year in Q2 2025, translating to a CAGR of 4.9% per year. This sustained rent increase was supported by persistently tight vacancy and limited new supply in the prime Central Milan office districts of CBD Duomo and CBD Porta Nuova.

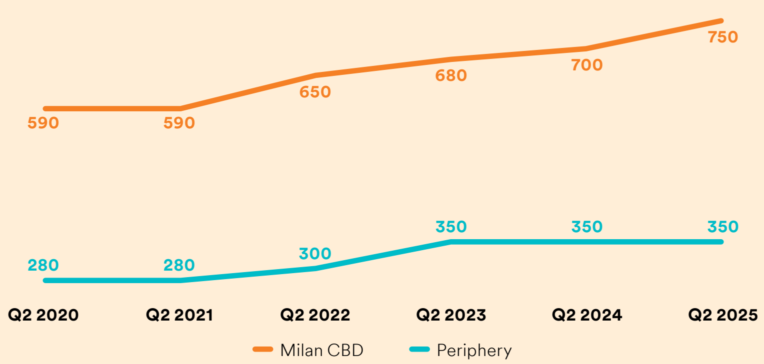
The average rent of prime Periphery submarket office locations rose from €280 per sq m per year in Q2 2020 to €350 per sq m per year in Q2 2025, representing a CAGR of 4.6% per year. This was attributed to an influx of quality new supply and sustained flight-to-quality across the office market.

Given that most high-quality office stock in the Periphery submarket was developed in the past 15 years, many tenants were among these buildings' early occupiers. As leases expire, the overall rise in rents across the office market and the limited availability of high-quality office spaces will encourage tenants to remain in their current premises. This will result in stable, strong demand in the Periphery submarket, reinforcing its position as a viable alternative for Grade A office locations beyond the CBD.

Sustainability considerations are also increasingly influencing asset value, rental trends and occupiers' preferences. Companies are opting for smaller, higher-quality spaces, which are driving up rents, particularly for centrally located, well-connected and sustainable buildings. Prime properties often boast one or more environmental certifications, highlighting the growing importance of ESG.

Average Office Rents by Submarket (Q2 2020 to Q2 2025)

(€ per sq m per year)



Source: Colliers Italia

Independent Market Review

Office Investment Transactions

From 2020 to 2024, Milan captured 71.7% of the office property investment volume across Italy, making it the primary gateway destination for this asset type in the country. The five-year average of office transaction volumes up to 2024 stood at €1.9 billion per year, impacted by a considerable decline in 2023 amid rising interest rates, disruption in the office sector due to hybrid work arrangements and decline in office property portfolio valuations. In 2023, office property transaction volume declined by 82.4% from a peak of €3.9 billion in 2022, to €0.7 billion, and subsequently remained below the five-year average at €1.0 billion in 2024.

Across H1 2025, notable recent transactions included the acquisitions of:

- A 10,000 sq m office building at Via Principe Amedeo 5 in the CBD for €100 million.
- The 46,000 sq m Mediaset Cologno Monzese building in the Hinterland for €52 million.

Office property yields rose substantially since 2022 in tandem with the generalised increase in interest rates and the cost of capital globally.

The Milan office asset market valuation is based on a two-tier investment yield system:

- Net yields of office assets located in prime central districts such as the CBD Duomo, CBD Porta Nuova and Semi-Central submarkets command a valuation premium, anchoring yields across Milan at around 4.3% across Q2 2024 to Q2 2025. This is a result of the scarcity of office assets and development opportunities in Central Milan.
- The second investment yield tier includes office assets in decentralised business centres, such as the Periphery submarket. In comparison to prime office assets, they offer a more attractive spread over the risk-free rate of return currently available in Italy. Yields for office properties in this tier increased from 7.0% in Q2 2024 to 8.5% in Q2 2025. The recent rapid expansion of the average periphery office property yield is attributable to the limited investment volume and the dominance of ageing low quality assets within the submarket. The Periphery submarket offers a wide range of asset types and corresponding yields. While low-grade office properties with limited connectivity can achieve a yield above 9.0%, good high-quality properties with good transit accessibility and nearby amenities stand at a yield of about 7.0%. It is important to note that actual transaction yields may differ from valuation cap rates as valuers may take a different view as to the basis of valuing individual properties with site-specific attributes. Hence, the statistical average observed at the submarket level may not be representative of the yield achievable at an asset level.

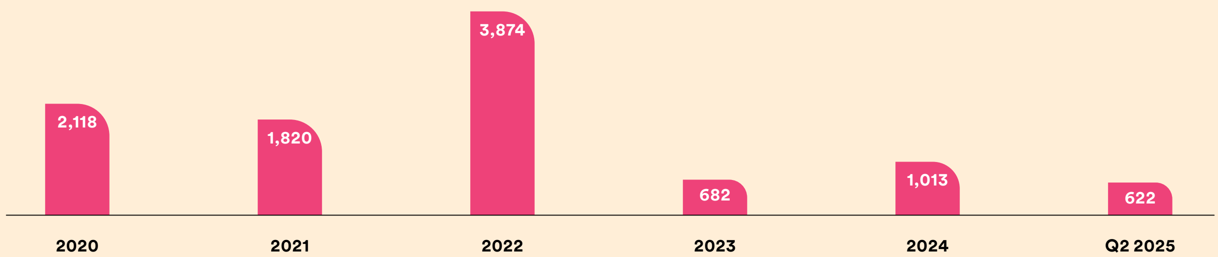
Net yields in the Milan submarket may be heading downwards following recent and future rate cuts by the ECB in 2025. Certain sectors such as industrial and logistics have already recorded slight declines over Q2 2024 to Q2 2025. Sustained investor demand for prime quality assets may further exacerbate the downward pressure on yields, even as rising yields for lower grade assets located in the Periphery submarket reflect the ongoing flight-to-quality trend.

Office Market Outlook

Despite global economic uncertainty, the Milan office market demonstrated resilience as Italy's primary office market both from a leasing and an investment perspective. In Q2 2025, Italy attracted €622.3 million in office property investment value, accounting for 74.9% of the total national investment volume, while Milan accounted for just under 10% of

Office Property Investment Volumes in Milan (2020 to Q2 2025)

(€ million)



Source: Colliers Italia

Sky Complex, Milan

the national economy. This was driven by robust occupier demand, sustained rental growth and solid economic fundamentals that underpin the long-term resilience of the Milan office property sector.

Key drivers of occupier demand, such as flight-to-quality, shift to flexible workspaces and the focus on sustainability will continue to support take-up activity across the Milan office market. Quality and flexible spaces will continue to be preferred options for occupiers, fuelling strong demand for Grade A assets across all submarkets in Milan. Existing office landlords will benefit from robust market conditions, given the limited new supply in the pipeline. Additionally, landlords can capitalise on strong value creation opportunities through AEI works and property upgrades, particularly by securing green building certifications.

Investment activity remains concentrated in prime areas such as the CBD and city centre, but rising yields in the Periphery submarket combined with interest rate cuts are expected to raise the investment profile of non-core office properties in 2025.

The tenancy profile of the Periphery market is also promising. With limited new office supply in the pipeline to choose from, occupiers looking to expand and nearing the end of their current leases are likely to consider the Periphery submarket. Office occupiers already located within the Periphery are expected to stay put and renew their leases in their existing building. This is given the high rents in the Central Milan office submarkets, the dearth of available high-quality large footprints and improving amenities within the submarket.

As such, the Periphery submarket is expected to remain a desirable location for major occupiers seeking large office footprints, built-to-suit and decentralised office options. This is particularly the case for office locations with top-quality office spaces with adjacent residential and commercial offerings located near metro and rail stations, such as Milano Santa Giulia, that could offer an attractive live-work-play environment.

Investor Relations

The Manager proactively engages the investment community with timely and transparent communication. Its dedication and commitment is outlined in the IR Policy, available on Lendlease REIT's corporate website (https://www.lendleaseglobalcommercialreit.com/about/corporate-governance/). A dedicated IR contact is also available on the website, providing the investment community a direct channel for inquiries and timely responses.

CONTINUING MEANINGFUL ENGAGEMENT WITH THE INVESTMENT COMMUNITY

Throughout the financial year, regular meetings, conferences, and other IR activities were held to enhance understanding of the REIT's performance and key developments among Unitholders, prospective investors, analysts, and the media. Property visits were also arranged for institutional investors, offering insights into Lendlease REIT's business operations and the surrounding precinct of its properties. These engagements help foster a deeper understanding of its assets and long-term value proposition, empowering investors to make more informed investment decisions.

To strengthen connections with retail investors, the Manager actively participated in key industry events, including the DBS-REITAS Private Banking luncheon, CGS International insights sharing sessions, and the Phillip Securities corporate seminar – ensuring broader engagement and outreach throughout the year.

These engagements have not only raised awareness of Lendlease REIT's portfolio within the investment community but have also reinforced its reputation for excellence in IR. Lendlease REIT's commitment to transparent and effective communication was recognised with the Gold Award for Best Investor Relations in the REITs and Business Trusts category at the prestigious Singapore Corporate Awards 2024.

At the same time, as investors increasingly prioritise environmental and social factors in their decision-making—and as regulatory standards continue to rise, responsible business practices have emerged as a cornerstone for building trust and delivering sustainable, long-term value.

Recognising this, the Manager remains committed to embedding sustainability into Lendlease REIT's core strategy, ensuring alignment with both investor expectations and regulatory developments. Its Sponsor has pledged to achieve Absolute Zero Carbon emissions by FY2040, reinforcing its commitment to environmental and social well-being in the communities it serves while delivering lasting economic value to stakeholders. Lendlease REIT reaffirmed its 5-star rating in the 2024 GRESB Real Estate Assessment, with its sustainability efforts further acknowledged by global benchmarks and indices, including an 'A' rating in the MSCI ESG Rating.

UPHOLDING STRONG GOVERNANCE AND TRANSPARENT PRACTICES

The Manager is committed to maintaining the highest standards of governance and transparency in Lendlease REIT's operations. This dedication is reflected in the regular benchmarking of its practices against key indices, including the Singapore Governance and Transparency Index, MSCI ESG Index, and GRESB Real Estate Assessment, ensuring alignment with industry best practices.

To uphold strong governance principles, the Manager prioritises timely communication by responding to enquiries sent to Lendlease REIT's enquiry email within three business days, and by promptly disclosing material information through announcements on SGXNet and Lendlease REIT's corporate website.

Research Coverage
8 research houses

1. Bank of America
2. CGS International
3. Citi Research
4. DBS Bank Ltd
5. Macquarie Research
6. Maybank Research
7. Philip Capital
8. UOB Kay Hian

Constituent of Key Indices

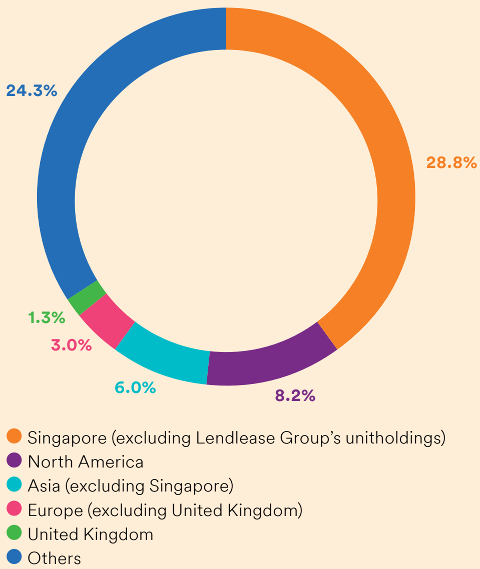
1. FTSE EPRA Nareit Global Developed Index
2. FTSE ST Small Cap Index
3. GPR 250 Index
4. GPR 250 REIT Index
5. iEdge-OCBC Singapore Low Carbon Select 50 Capped Index
6. iEdge SG ESG Leader Index
7. iEdge SG ESG Transparency Index
8. iEdge S-REIT Leader Index
9. MSCI Singapore Small Cap Index

UNITHOLDERS' ENQUIRIES

If you have any enquiries or would like to find out more about Lendlease REIT, please contact Ms Ling Bee Lin at:

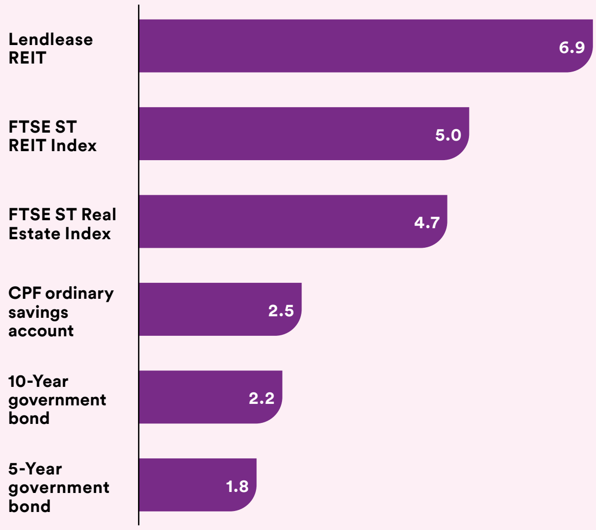
t +65 6671 7374
e enquiry@lendleaseglobalcommercialreit.com
w www.lendleaseglobalcommercialreit.com

Unitholdings by Geography
(%)



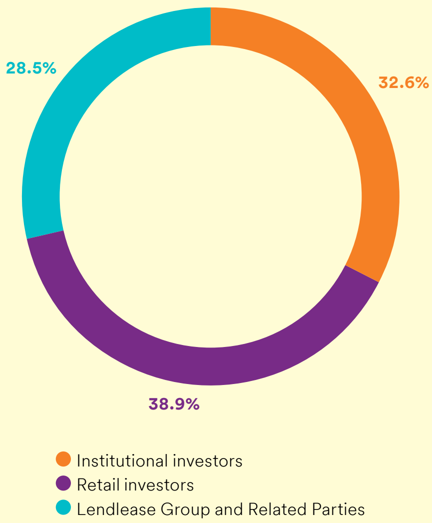
Note: "Others" refers to the rest of the world and unitholdings below the analysis threshold as at 30 June 2025.

Yields Compared to Other Investments (as at 30 June 2025)
(%)



Sources: Bloomberg, MAS and CPF
Note: Based on Lendlease REIT's DPU of 3.60 cents for the financial period and the market closing price per unit of S$0.520 as at 30 June 2025.

Unitholdings by Investor Type
(%)



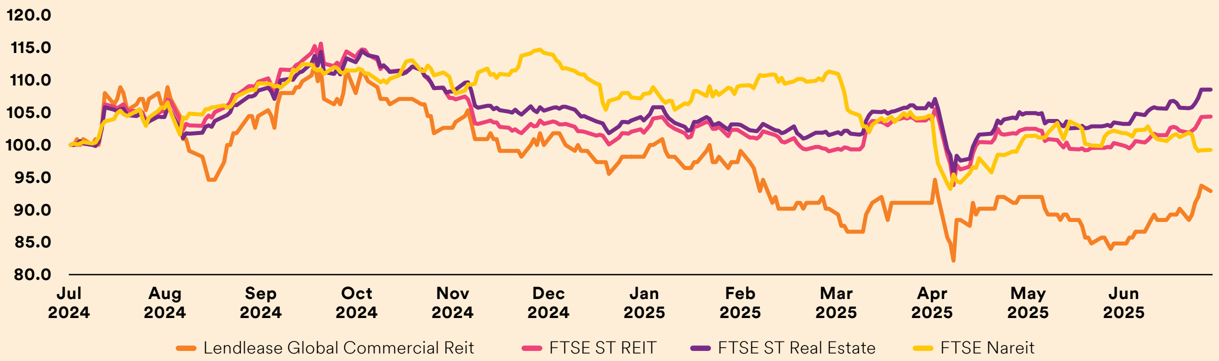
Unit Price and Trading Volume	FY2025
Opening price on the first trading day of the financial year (S$ per unit)	0.555
Closing price on last trading day of the financial year (S$ per unit)	0.520
Highest closing price (S$ per unit)	0.630
Lowest closing price (S$ per unit)	0.440
Average closing price (S$ per unit)	0.545
Total trading volume (million units)	1,254.13
Market capitalisation as at 30 June 2025 (S$ million)	1,272.27

Total Return (Assuming dividends reinvested and based on Bloomberg data as at 30 June 2025)	%
1-year	-0.72%
3-year	-20.10%
Since listing	-15.39%

Investor Relations

Trading Price Performance for the Period 1 July 2024 to 30 June 2025

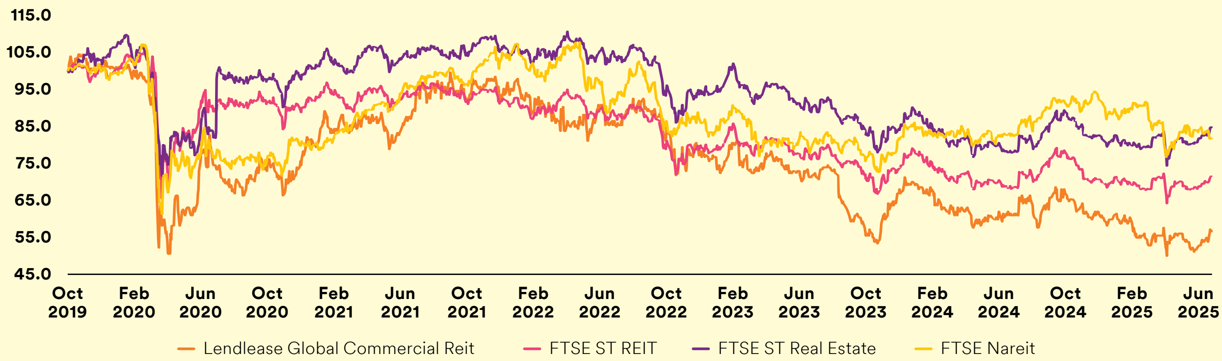
(Index Rebased to 100)



Source: Bloomberg

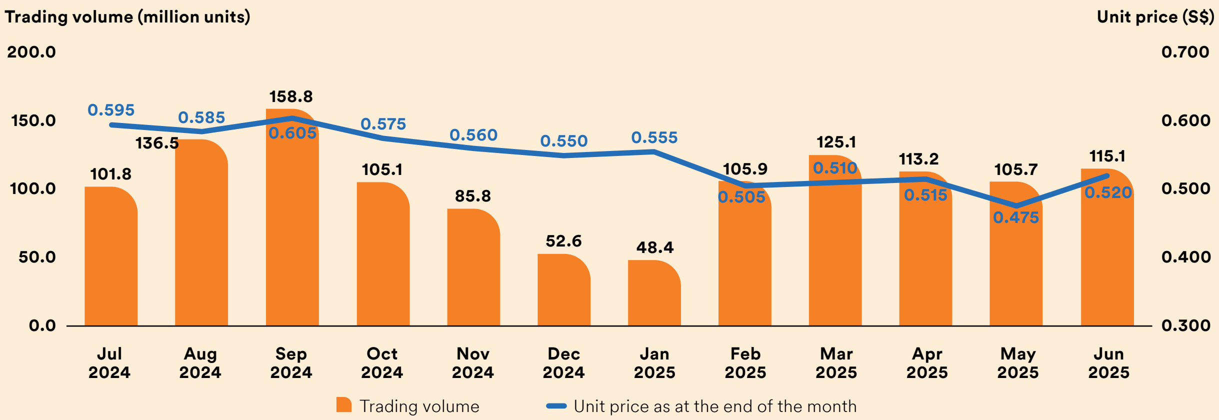
Trading Price Performance since Listing on 2 October 2019 to 30 June 2025

(Index Rebased to 100)



Source: Bloomberg

Monthly Trading Performance



IR EVENTS AND MILESTONES

AUG

- Full Year FY2024 Results: Announcement
- Full Year FY2024 Results: Analyst Briefing
- Full Year FY2024 Results: Investor Meetings
- Corporate Connect with Securities Investors Association (Singapore): Second-half and Full-year FY2024 Financial Result
- The Edge Singapore REITs Investment Forum: Is it Time for REITs Growth?

SEP

- The Edge Singapore Sustainability Investment Forum: Corporate at the Frontier of Sustainability

OCT

- Maybank-REITAS-SGX Singapore REIT Day in Kuala Lumpur
- The 9th Annual REITs and Real Estate Investment Summit Asia Pacific 2024 Panel Discussion: The Future of REITs – Embracing Sustainability

NOV

- 1Q FY2025 Business Update: Announcement
- 1Q FY2025 Business Update: Analyst Briefing
- 1Q FY2025 Business Update: Investor Meetings
- DBS-SGX-REITAS Bangkok Conference 2024
- Phillip Capital: Corporate Insights Webinar
- Sustainability Property Tour for Ngee Ann Polytechnic

JAN

- DBS Vickers Pulse of Asia Conference 2025

FEB

- 1H FY2025 Results: Announcement
- 1H FY2025 Results: Analyst Briefing
- 1H FY2025 Results: Investor Meetings

MAR

- 21st CITIC CLSA ASEAN Forum 2025
- Property Tour for Japanese Institutional Investor

MAY

- 3Q FY2025 Business Update: Announcement
- 3Q FY2025 Business Update: Analyst Briefing
- 3Q FY2025 Business Update: Investor Meetings
- CGS International Securities Singapore: Makan & Market Talk – Spotlights S-REITs Amid Global Volatility
- Property Tour for Hong Kong Institutional Investor

JUN

- Citi's 2025 Asia Pacific Property Conference
- Phillip Capital: REITs Presentation and Fireside Chat
- Property Tour for Thai Institutional Investors

2024

2025

RECHARGING: Our Shared Commitment

Good corporate governance is critical to the success and performance of the Manager

The Manager is headed by an effective Board which is responsible for the long-term success of Lendlease REIT

We are committed to do right by our unitholders and stakeholders. By ensuring that our strategies, decisions, and day-to-day operations are guided by strong corporate governance, we stay on course to recharging our way forward—in a transparent and ethical manner.

The Manager has an experienced and well-qualified team to run the operations of Lendlease REIT

Managing risks timely and effectively is vital for protecting Unitholders' interests and value

Governance
What's in this section :

Corporate Governance

The Board and Management of the Manager are fully committed to upholding high standards of corporate governance as we firmly believe that it is essential in protecting the interests of the Unitholders. Good corporate governance is also critical to the performance and success of the Manager.

The Manager adopts the 2018 Code as its benchmark for corporate governance policies and practices. This report sets out Lendlease REIT's corporate governance practices for FY2025 with specific reference to principles of the 2018 Code.

The Manager is pleased to confirm that it has complied with the 2018 Code in all material aspects. Where there are deviations from the 2018 Code, the Manager has provided clear explanations and outlined alternative practices adopted by Lendlease REIT that remain aligned with the underlying principles of the 2018 Code.

The Manager of Lendlease REIT

The Manager has general powers of management over the assets of Lendlease REIT. The Manager's main responsibility is to manage Lendlease REIT's assets and liabilities for the benefit of Unitholders. The Manager sets the strategic direction of Lendlease REIT and gives recommendations to the Trustee, on the acquisition, divestment, development and/or enhancement of assets of Lendlease REIT in accordance with its stated investment strategy.

The Manager uses its best endeavours to carry on and conduct its business in a proper and efficient manner, and to conduct all transactions with, or for Lendlease REIT, at arm's length. The Manager is also responsible for the capital and risk management of Lendlease REIT. Other key functions and responsibilities of the Manager include:

- developing Lendlease REIT's business plans and budget so as to manage the performance of Lendlease REIT's assets;
- ensuring compliance with applicable requirements, laws and regulations, such as those set out in the Listing Manual, the CIS Code issued by the MAS (including the Property Funds Appendix), the CMS Licence for REIT management issued by the MAS, written directions, notices, codes and other guidelines that MAS may issue from time to time, tax rulings issued by the Inland Revenue Authority of Singapore on the taxation of Lendlease REIT and Unitholders, the SFA, the SF(LCB) Regulations, the 2018 Code and the AIFMD, as well as ensuring that the Manager's obligations under the Trust Deed[1] are properly carried out; and
- establishing a framework of prudent and effective controls which enable financial, operational, compliance and information technology risks (including sanctions-related risks) to be assessed and managed.

Lendlease REIT, which is constituted as a trust, is externally managed by the Manager and therefore has no personnel of its own. The Manager is an indirect wholly-owned subsidiary of the Sponsor. The Lendlease Group holds a significant interest in Lendlease REIT. The Lendlease Group is an Australian integrated real estate business, and has a vested interest in the long-term performance of Lendlease REIT. The Manager's association with the Lendlease Group provides, among others, access to the Sponsor's strategic pipeline of assets as well as its real estate investment and management experience. The Manager has an experienced and well-qualified Management with a diverse set of competencies such as investments, portfolio and asset management as well as finance and capital management, enabling it to run the day-to-day operations of Lendlease REIT and carry out its duties in a satisfactory manner. All Directors and employees of the Manager are remunerated by the Manager, and not by Lendlease REIT.

The Manager was appointed in accordance with the terms of the Trust Deed. The Manager was issued a CMS Licence pursuant to the SFA on 13 September 2019.

The Trust Deed outlines certain circumstances under which the Manager can be removed by notice in writing given by the Trustee in certain situations, including a resolution passed by a simple majority of Unitholders present and voting at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed, with no Unitholder (including the Manager and its related parties) being disenfranchised.

[1] A copy of the Trust Deed is available for inspection at the registered office of the Manager during usual business hours, upon prior appointment.

The Board's Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Role of Board

The Board is responsible for the overall management and corporate governance of the Manager, including establishing goals for Management and monitoring the achievement of these goals. The Board is also responsible for the strategic business direction and risk management of Lendlease REIT. All Board members participate in matters relating to corporate governance, business operations and risks, financial performance, and the nomination and review of the Directors.

The key roles of the Board are to:

- guide the corporate strategy and direction of the Manager to foster the success of Lendlease REIT so as to deliver sustainable value over the long term to Unitholders;
- ensure that Management discharges business leadership and demonstrates the highest quality of management skills with integrity and enterprise; and
- oversee the proper conduct of Management.

All Directors are fiduciaries and are collectively and individually obliged at all times to act honestly and objectively in the best interests of Lendlease REIT and hold Management accountable for performance. The Board sets an appropriate tone from the top on the desired organisational culture, and ensures proper accountability within the Manager. The Board is entrusted with the responsibility for the overall management and corporate governance of the Manager, including establishing goals for Management and monitoring the achievement of these goals. The Board has in place a framework for the Management and Lendlease REIT, including a system of internal audit and controls and a business risk management process. In respect of matters in which a Director or his or her associates has an interest, direct or indirect, such interested Director is required to disclose his or her interest to the Board and will abstain from voting. In such matters, the quorum must comprise a majority of the Directors and must exclude such interested Director.

Board Committees

To assist the Board in the discharge of its oversight function, the Board Committees have been constituted with clear written terms of reference, setting out their respective compositions, authorities and duties, including reporting back to the Board. They play an important role in ensuring good corporate governance and the responsibilities of the Board Committees are disclosed in the Appendix hereto.

The Board meets at least quarterly, or more often if necessary, to review and approve the Manager's key activities, including its business strategies and policies for Lendlease REIT, proposed acquisitions and divestments, the annual budget, the performance of the business, capital management related matters and the financial performance of Lendlease REIT and the Manager.

The Board reviews and approves the release of the financial results. In addition, the Board reviews risk management and sustainability issues that materially impact Lendlease REIT's operations or financial performance, examine liability management and act upon any comments from the auditors of Lendlease REIT.

Board and Board Committee meetings are scheduled and circulated to the Directors prior to the start of the financial year to allow Directors to plan ahead to attend and actively participate in such meetings, so as to maximise participation. The Manager's constitution permits Board meetings to be held by way of conference via telephone or any other similar communication equipment by which all persons participating are able to hear and be heard by all other participants. Directors with multiple directorships are expected to ensure that sufficient time and attention can be and is given to the affairs of the Manager in managing the assets and liabilities of Lendlease REIT for the benefit of Unitholders.

The number of Board and Board Committee meetings held in FY2025, as well as the attendance of each Board member at these meetings, are disclosed in the following table:

Director	Board Meetings	ARC Meetings	NRC Meetings	ESGC Meetings
Mr Justin Marco Gabbani	5	4	4	2
Dr Tsui Kai Chong	5	4	4	2
Mrs Lee Ai Ming	5	4	4	2
Mr Simon John Perrott	4	3	3	2
Ms Penelope Jane Ransom	5	4	4	2
No. of meetings held in FY2025	**5**	**4**	**4**	**2**

Notes:

1. Mr Justin Marco Gabbani attended the NRC and ESGC meetings as an invitee.
2. Ms Penelope Jane Ransom attended the ARC meetings as an invitee.
3. Mr Simon John Perrott was unable to attend one of the Board, ARC and NRC meetings held on 3 February 2025 due to prior commitments. He had reviewed the Board, ARC and NRC papers and his absence was noted by the Board ahead of the meetings.

Management provides the Directors with complete, adequate and timely information prior to Board and Board Committee meetings and on an on-going basis. This enables the Directors to make informed decisions and discharge their duties and responsibilities. If a Director is unable to attend a Board or Board Committee meeting, he or she still receives all the papers and materials for discussion at that meeting. He or she will review them and will advise the Chairperson or the chairperson of the Board Committee ahead of the meeting and his or her views and comments are taken into consideration during the meeting.

The Manager has adopted a set of internal guidelines which sets out the financial limits of authority for investment/business acquisition and divestment, operating/capital expenditure, capital management, leasing, disposal and write-off of income accruing to Lendlease REIT and corporate matters that require the approval of the Board. Transactions and matters which require the approval of the Board are set out in the internal guidelines, and these are clearly communicated to Management in writing. Appropriate delegations of authority and approval sub-limits are also provided at Management level to facilitate operational efficiency.

Upon appointment, a formal letter of appointment is provided to newly-appointed Directors explaining their roles, duties and obligations as Director. All newly-appointed Directors undergo an induction programme which include Management's presentations on the business, operations, strategies, organisation structure, responsibilities of the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the Manager ("**key management personnel**"), and financial and governance practices. This induction programme includes visits to Lendlease REIT's properties and through this induction programme, the new Director also gets acquainted with members of Management which facilitates their interaction at Board meetings.

New Directors who have no prior experience as a director of a public listed entity listed on the SGX-ST will undergo further training required under Rule 210(5)(a) of the Listing Manual. Ms Penelope Jane Ransom, who was appointed as a Non-Independent Non-Executive Director with effect from 8 November 2023, has attended the remaining module (LED 3 - Board Performance) under the Listed Entity Directors Programme conducted by the Singapore Institute of Directors on 14 March 2025 as she was unable to attend the aforementioned module by 8 November 2024 (being one year from the date of her appointment to the Board) and has completed the mandatory training requirement under Rule 210(5)(a) and Practice Note 2.3 of the Listing Manual. As at the end of FY2025, all Directors had completed the training required under Rule 720(7) of the Listing Manual.

In view of the increasingly demanding, complex and multi-dimensional role of a director, the NRC has reviewed the training and professional development programmes for the Board and its Directors, and reviews the courses attended by the Directors on an annual basis. Changes to laws, regulations, policies, accounting standards and industry-related matters are monitored closely. Where the changes have an important and significant bearing on Lendlease REIT and its disclosure obligations, the Directors are briefed either during Board meetings, at specially convened sessions or via circulation of Board papers. The Directors are provided with opportunities for developing and maintaining their skills and knowledge and continuing education in areas such as directors' duties and responsibilities, corporate governance, changes in financial reporting standards, insider trading, changes in the Companies Act, the CIS Code, and industry-related matters. This allows the Directors to understand the Manager's and Lendlease REIT's business as well as their directorship duties (including their roles as non-executive and independent directors) and also promotes active engagement between the Board and the key management personnel of the Manager. The cost of such continuing education is borne by the Manager. In FY2025, sharing and information sessions were also organised as part of Board meetings, where guest speakers presented on key topics such as regulatory updates, market updates, and cyber security to the Board. A sustainability workshop for the Board was also conducted by an external sustainability expert to equip the Directors with knowledge on sustainability matters. Directors are also encouraged to attend and participate in programmes organised by the Singapore Institute of Directors and other business partners, which are relevant to their duties.

The Directors have separate and independent access to Management and the Company Secretary. The Company Secretary attends to corporate secretarial administration matters and advises the Board, the Board Committees and Management on corporate governance matters. The Company Secretary attends Board and Board Committees' meetings and assists the chairpersons in ensuring that Board and Board Committees' procedures are followed. The appointment and the removal of the Company Secretary is subject to the Board's approval.

The Directors, whether individually or collectively as the Board, are also entitled to have access to independent external professional advice where necessary, at the Manager's expense.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

As at 30 June 2025, the Board consisted of five members, all of whom are non-executive Directors and three of whom are also independent Directors. The Board determines on an annual basis, taking into account the views of the NRC, whether or not a Director is independent, bearing in mind the 2018 Code's definition of an "independent director" and guidance as to relationships the existence of which would deem a Director not to be independent, as well as the independence criteria under the SF(LCB) Regulations.

Under the 2018 Code, an "independent" director is one who is independent in conduct, character and judgement, and has no relationship with the Manager, its related corporations, its substantial shareholders, or its officers or substantial unitholders of Lendlease REIT that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of Lendlease REIT. In addition, under the Listing Manual and the SF(LCB) Regulations, an independent Director is one who:

(i) is independent from the Management and Lendlease REIT;
(ii) is independent from any business relationship with the Manager and Lendlease REIT;
(iii) is independent from every substantial shareholder of the Manager, and every substantial unitholder of Lendlease REIT;
(iv) is not a substantial shareholder of the Manager, or a substantial unitholder of Lendlease REIT;
(v) has not served as a director of the Manager for a continuous period of nine years or longer; and
(vi) is not employed or has not been employed by the Manager or Lendlease REIT or any of their related corporations in the current or any of the past three financial years and does not have an immediate family member who is employed or has been employed by the Manager or Lendlease REIT or any of their related corporations in the current or any of the past three financial years and whose remuneration is or was determined by the Board.

The NRC is of the view that the Board's composition provides an appropriate level of independence, diversity of thought, and relevant experience to enable effective decision-making in the best interests of Lendlease REIT. The Board and each Board Committee are appropriately sized, with Directors bringing valuable industry insights, practical experience, and understanding in areas such as finance, accounting, strategy, risk management, legal matters and human resources. In addition, the Board reflects gender diversity, with independent and non-executive directors contributing to well-rounded and informed governance.

The nature of the Directors' appointments on the Board and details of their membership on the Board Committees are set out on page 91 of this Annual Report.

The Manager has in place a Board Diversity Policy that sets out the Manager's philosophy on and approach to achieving diversity on the Board. Board diversity embraces differences in skills, knowledge, business experience, gender, age, ethnicity and culture, geographical background and nationalities, religion and tenure of service. These differences are taken into account in determining the optimal composition of the Board and where possible should be balanced appropriately. All Director appointments will be based on merit and take into account the benefits of diversity and needs of the Board. The objectives of the Board Diversity Policy include (1) committing to achieving a Board composition that reflects a diversity of backgrounds, knowledge, experience and abilities, (2) including at least one female candidate as part of the interview and selection panel for Board appointments, and (3) identifying and including female candidates with suitable skills and experience for consideration for Board succession planning. As of FY2025, the Board composition reflects the philosophy as set out in the Board Diversity Policy. The Board had two female Directors during FY2025, one of whom is the chairperson of the NRC, as well as two Board members with international exposure. The Board is therefore of the view that it has achieved its objectives under the Board Diversity Policy. The policy is reviewed from time to time as appropriate, to ensure its effectiveness.

The NRC is satisfied that the Board and its Board Committees comprise Directors who as a group provide an appropriate balance and mix of skills, knowledge, experience, perspectives, and other aspects of diversity such as gender and age, required for the Board and Board Committees to be effective and avoid groupthink, and to serve the needs and plans of Lendlease REIT.

The composition of the Board is also determined using the following principles:

(i) the Chairperson should be a non-executive Director of the Manager;
(ii) the Board should comprise Directors with a broad range of commercial experience including expertise in funds management, legal matters, audit and accounting, and the property industry; and
(iii) at least half of the Board should comprise independent Directors if the Unitholders are not given the right to vote to approve the members of the Board.

In FY2025, independent Directors made up a majority of the Board, which is in line with Provision 2.2 of the 2018 Code, as the Chairperson is a non-independent Director.

The Board has appointed Dr Tsui Kai Chong as the lead independent director (the "**Lead Independent Director**") to provide leadership in situations where the Chairperson is conflicted, and especially when the Chairperson is not independent. None of the Directors have served on the Board for nine years or longer.

The composition of the Board will be reviewed regularly to ensure that the Board has the appropriate mix of expertise and experience.

The Board and Management fully appreciate that an effective and robust Board, whose members engage in open and constructive debate and challenge Management on its assumptions and proposals, is fundamental to good corporate governance. For this to happen, the Board, in particular, the independent non-executive Directors, are kept well informed of Lendlease REIT's and the Manager's business and affairs and are knowledgeable about the industry in which the businesses operate. For FY2025, the independent non-executive Directors have constructively challenged and helped to develop proposals on strategy and reviewed the performance of Management. They have unrestricted access to Management and have sufficient time and resources to discharge their oversight function effectively. If required, there may be closed-door discussions at the beginning of every scheduled quarterly Board meeting between the non-executive Directors and/or independent Directors without the presence of Management which are led by the Lead Independent Director, and feedback is provided to the Board and/or the Chairperson as appropriate.

Chairperson and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The positions of Chairperson and CEO are held by two separate persons in order to maintain effective oversight and an effective check and balance. The Chairperson and CEO are not immediate family members. The separation of responsibilities between the Chairperson and CEO ensures an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making.

The Chairperson provides leadership and facilitates the conditions for the overall effectiveness of the Board so that the members of the Board and Management work together with integrity and competency, and that the Board engages Management in an open and constructive debate on strategy, business operations, enterprise risk and other plans.

The Chairperson, with the assistance of the Company Secretary, reviews meeting agenda to ensure that there is sufficient information and time at meetings to address all agenda items. The Chairperson monitors the flow of information from Management to the Board to ensure that all material information is provided in a timely manner for the Board to make informed decisions. At Board meetings, the Chairperson encourages a frank exchange of views, drawing out contributions from all Directors so that the debate benefits from the full diversity of views.

The CEO has full executive responsibilities over business direction and operational decisions in the day-to-day management of the Manager. Assisted by Management, the CEO makes strategic proposals to the Board and after robust and constructive Board discussion, executes the approved strategy, manages and develops Lendlease REIT's businesses and implements the Board's decisions.

The Manager has put in place written terms of reference for the Chairperson and the CEO. This gives clear guidance on the separation of roles of the Chairperson and CEO and provides a healthy professional relationship between the Board and Management for robust deliberations on the business operations of Lendlease REIT.

Separately, the Lead Independent Director is available to Unitholders when they have concerns, and for which contact through the normal channels of communication with the Chairperson or Management are inappropriate or inadequate. Questions or feedback can be addressed via email to the Lead Independent Director at enquiry@lendleaseglobalcommercialreit.com.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Nomination and Remuneration Committee

The NRC has been appointed by the Board to, among other things, make recommendations to the Board on all Board appointments. The NRC comprises four Directors, a majority of whom, including the chairperson of the NRC, are independent Directors. The Lead Independent Director is a member of the NRC. The members of the NRC are:

- Mrs Lee Ai Ming (NRC chairperson)
- Dr Tsui Kai Chong
- Mr Simon John Perrott
- Ms Penelope Jane Ransom

The responsibilities of the NRC are disclosed in the Appendix hereto.

Process for Appointment of New Directors and Succession Planning for the Board

The NRC is responsible for making recommendations to the Board on all appointment and remuneration matters. In this regard, it has put in place a formal process for the renewal of the Board and the selection of new Directors. The NRC leads the process and makes recommendations to the Board as follows:

(a) the NRC reviews the balance and diversity of skills, experience, gender, age, independence, track record as a director and knowledge required by the Board and the size of the Board which would provide an appropriate balance and contribution to the collective skills of the Board;
(b) in light of such review, the NRC assesses if there is any inadequate representation in respect of those attributes and if so, prepares a description of the role and the essential and desirable competencies for a particular appointment;
(c) searches for possible candidates are conducted through contacts, recommendations and external help (for example, the Singapore Institute of Directors, search consultants, open advertisement) if required;
(d) the NRC meets with the shortlisted candidates to assess suitability and to ensure that the candidate(s) is/are aware of the expectations and the level of commitment required; and
(e) the NRC makes recommendations to the Board for approval.

The Board believes that orderly succession and renewal is achieved as a result of careful planning, where the appropriate composition of the Board is continually under review.

In reviewing succession plans, the NRC has in mind the Lendlease REIT's strategic priorities and the factors affecting the long-term success of Lendlease REIT. Further, the NRC aims to maintain an optimal Board composition by considering the trends affecting Lendlease REIT, reviewing the skills needed and identifying gaps, including considering whether there is an appropriate level of diversity of thought. In addition, the NRC considers different time horizons for succession planning as follows: (i) long-term planning, to identify competencies needed for Lendlease REIT's strategy and objectives; (ii) medium-term planning, for the orderly replacement of Board members and key management personnel, and (iii) contingency planning, for preparedness against sudden and unforeseen changes.

Criteria for Appointment of New Directors

All new appointments are subject to the recommendation of the NRC based on the following objective criteria:

(i) integrity;
(ii) independent judgement;
(iii) diversity – possess core competencies that meet the current needs of Lendlease REIT and the Manager and complement the skills and competencies of the existing Directors;
(iv) ability to commit time and effort to carry out duties and responsibilities effectively;
(v) track record as a director;
(vi) experience in high-performing corporations or property funds; and
(vii) financially literate.

Once appointed, the NRC will ensure that new Directors are aware of their duties and obligations. For re-appointment of Directors, the Board assesses the relevant Director's performance as disclosed under the Appendix and determines if Directors shall be re-endorsed at the AGM. The Board seeks to refresh its membership progressively, taking into account the balance of skills and experience, tenure and diversity, as well as benchmarking within the industry, as appropriate.

Unitholders' Endorsement for the Appointment of Directors

Lendlease Singapore Holdings, an indirect wholly-owned subsidiary of the Sponsor, has on 13 September 2019 provided an undertaking to the Trustee (the "**Undertaking**") to provide Unitholders with the right to endorse the appointment of each of the Directors by way of an ordinary resolution at AGMs of Lendlease REIT. Pursuant to the Undertaking, Lendlease Singapore Holdings has undertaken to the Trustee:

(a) to procure the Manager to seek Unitholders' re-endorsement for the appointment of each Director no later than the third AGM of Lendlease REIT after the date Lendlease REIT was admitted to the Official List of the SGX-ST, being 2 October 2019;
(b) to procure the Manager to seek Unitholders' re-endorsement for the appointment of each Director no later than every third AGM of Lendlease REIT after the relevant general meeting at which such Director's appointment was last endorsed or re-endorsed, as the case may be;
(c) (where a person is appointed as Director, either to fill a vacancy or as an addition to the existing Board, at any time) to procure the Manager to seek Unitholders' endorsement for his or her appointment as a Director at the next AGM immediately following his or her appointment; and
(d) to procure any person whose appointment as a Director has not been endorsed or re-endorsed (as the case may be) by the Unitholders at the relevant general meeting of Lendlease REIT where the endorsement or re-endorsement (as the case may be) for his or her appointment was sought, to resign or otherwise be removed from the Board either (i) within 21 days from the date of the relevant general meeting or (ii) in the event that the Board determines that a replacement Director has to be appointed, no later than the date when such replacement Director is appointed, and the regulatory approval for such appointment (if any) has been obtained.

The endorsement or re-endorsement from Unitholders of any appointment of any person as a Director shall be by way of an ordinary resolution passed at the relevant general meeting of Lendlease REIT. The Undertaking shall not restrict the Manager or Lendlease Singapore Holdings from appointing any Director from time to time in accordance with applicable laws and regulations (including any applicable rules of the SGX-ST) and the Constitution of the Manager.

The Undertaking shall remain in force for so long as:

(a) the Manager remains as a wholly-owned subsidiary (as defined in the Companies Act) of Lendlease Singapore Holdings; and
(b) Lendlease Global Commercial Trust Management Pte. Ltd. remains as the Manager.

Review of Directors' Independence

There is a rigorous process to evaluate the independence of each independent Director. As part of the process:

(i) each independent Director provides information of his or her business interests and confirms, annually, that there are no relationships which interfere with the exercise of his or her independent business judgement with a view to the best interests of the Unitholders as a whole, and such information is then reviewed by the NRC and tabled to the Board; and
(ii) the Board also reflects on the respective independent Directors' conduct and contributions at Board and Board Committee meetings, in particular, whether the relevant independent Director has exercised independent judgement in discharging his or her duties and responsibilities.

Each independent Director is required to recuse himself or herself from the Board's deliberations on his or her independence. In appropriate cases, the Board also reviews the independence of an independent Director as and when there is a change of circumstances involving the independent Director. In this regard, an independent Director is required to report to the Manager when there is any change of circumstances which may affect his or her independence.

The Manager has also put in place procedures to deal with potential conflicts of issues and Related Party Transactions. Further details are set out in pages 85 to 88.

The NRC is charged with reviewing the "independence" status of the Directors annually and providing its views to the Board. The following further sets out the assessment of each Director's independence against the requirements under the SF(LCB) Regulations:

	Mr Justin Marco Gabbani[2]	Dr Tsui Kai Chong	Mrs Lee Ai Ming	Mr Simon John Perrott[3]	Ms Penelope Jane Ransom[4]
Independent from Management and Lendlease REIT during FY2025	-	✓	✓	✓	-
Independent from any business relationship with the Manager and Lendlease REIT during FY2025	-	✓	✓	✓	-
Independent from every substantial shareholder of the Manager and every substantial unitholder of Lendlease REIT during FY2025	-	✓	✓	-	-
Not a substantial shareholder of the Manager or a substantial unitholder of Lendlease REIT during FY2025	✓	✓	✓	✓	✓
Not served as a Director of the Manager for a continuous period of nine years or longer as at the last day of FY2025	✓	✓	✓	✓	✓

Annual Review of Directors' Time Commitments

A Director with multiple directorships is expected to ensure that he or she can devote sufficient time and attention to the affairs of the Manager. As a general rule, each Director should hold no more than four board appointments in public listed companies. Directors should consult the Chairperson before accepting any new appointments as a director of a public listed company, and the Chairperson shall consult the chairperson of the NRC as required.

The NRC determines annually whether a Director with other listed company board representations and other principal commitments is able to and has been adequately carrying out his or her duties as a Director. The NRC took into account the assessment results in the evaluation of the effectiveness of the individual Director, and the respective Directors' conduct on the Board and the competing time commitments that are faced when Directors serve on multiple boards and have other principal commitments, in making this determination, and is satisfied that all the Directors have been able to and have adequately carried out their duties as Directors notwithstanding their other listed company board representations and other principal commitments.

[2] As at 30 June 2025, Mr Justin Marco Gabbani was the CEO, Investment Management, Lendlease, and a director of Lendlease Investment Management Pte. Ltd and Lendlease Asia Holdings Pte. Ltd., both of which are related corporations of the Sponsor. As such, during FY2025, pursuant to the SF(LCB) Regulations, Mr Gabbani is deemed (i) to have a management relationship with the Manager and Lendlease REIT; (ii) to have a business relationship with the Manager and Lendlease REIT; and (iii) to be connected to a substantial shareholder of the Manager and a substantial unitholder of Lendlease REIT. The Board is satisfied that, as at the last day of FY2025, Mr Gabbani was able to act in the best interests of all the Unitholders as a whole.

[3] Mr Simon John Perrott is an independent non-executive director and chairperson of the board of LLREIL, which is a wholly-owned subsidiary of the substantial shareholder of the Manager and substantial unitholder of Lendlease REIT, namely the Sponsor. As such, during FY2025, pursuant to the SF(LCB) Regulations, Mr Perrott was deemed to be connected to a substantial shareholder of the Manager and a substantial unitholder of Lendlease REIT. Taking into consideration (i) Mr Perrott having declared that (a) he serves in his personal capacity as an independent non-executive director and the chairperson of the board of LLREIL, and (b) he is not in any employment relationship with the Lendlease Group and is not under any obligation to act in accordance with the directions, instructions or wishes of the Lendlease Group, and (ii) the instances of constructive challenge and probing of Management by Mr Perrott at the Board and the Board Committee meetings of the Manager, the Board is satisfied that, as at the last day of FY2025, Mr Perrott was able to act in the best interests of all the Unitholders as a whole and is therefore an independent director of the Manager and is also considered independent under the 2018 Code.

[4] As at 30 June 2025, Ms Penelope Jane Ransom was the Chief Investment Officer, Lendlease Group, and a director of Lendlease SREIT Pty Limited and Lendlease LLT Holdings Pty Limited, both of which are related corporations of the Sponsor. As such, during FY2025, pursuant to the SF(LCB) Regulations, Ms Ransom is deemed (i) to have a management relationship with the Manager and Lendlease REIT; (ii) to have a business relationship with the Manager and Lendlease REIT; and (iii) to be connected to a substantial shareholder of the Manager and a substantial unitholder of Lendlease REIT. The Board is satisfied that, as at the last day of FY2025, Ms Ransom was able to act in the best interests of all the Unitholders as a whole.

Environmental, Social and Governance Committee

The ESGC has been appointed by Board from among the Directors of the Manager and is composed of four non-executive Directors to assist the Board in providing oversight on ESG matters and to support the Board in understanding the material ESG issues relevant to Lendlease REIT's business operations. The members of the ESGC are:

- Mr Simon John Perrott (ESGC chairperson)
- Mrs Lee Ai Ming
- Dr Tsui Kai Chong
- Ms Penelope Jane Ransom

The responsibilities of the ESGC are disclosed in the Appendix hereto.

Key Information Regarding Directors

The following key information regarding Directors is set out in the following pages of this Annual Report:

Pages 12 to 15: Academic and professional qualifications, Board Committees served on (as a member or chairperson), date of appointment as a Director, date of last re-endorsement as a Director, present directorships in other listed companies, present principal commitments and past directorships in other listed companies held over the preceding three years, background and working experience; and

Page 178: Unitholdings in Lendlease REIT as at 21 July 2025.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual directors.

With the assistance and recommendation of the NRC, the Board has implemented formal processes for assessing the effectiveness of the Board as a whole and its Board Committees, as well as the contribution by each individual Director to the effectiveness of the Board. The assessment processes and performance criteria are set out in the Appendix hereto.

The Board assessment exercise provides an opportunity to obtain constructive feedback from each Director on whether the Board's procedures and processes allow him or her to discharge his or her duties effectively and the changes which should be made to enhance the effectiveness of the Board and/or Board Committees. The assessment exercise also helps the Directors to focus on their key responsibilities. To uphold high standards of corporate governance, the Board conducts regular evaluations of its performance and effectiveness. As part of this process, the Board plans to engage an external facilitator once every three years. This independent assessment is intended to enhance the objectivity and depth of the evaluation, provide benchmarking against industry best practices, and identify opportunities to further strengthen Board efficiency and effectiveness. For FY2025, the Board has appointed Ernst & Young LLP, which has relevant experience in conducting Board assessments, as the external facilitator to facilitate the evaluation process for the Board, the Board Committees and individual Directors.

As part of the process, questionnaires are sent to the Directors. The assessment results are aggregated and reported to the NRC for review, and thereafter the Board. The findings are considered by the Board, and follow-up actions are taken where necessary to enhance the effectiveness of the Board, its Committees, and individual Directors in discharging their duties and responsibilities.

Board and Board Committees

The assessment categories covered in the questionnaire include Board composition, Board independence, Board process, Board Committees, internal controls and risk management, Board accountability, Board information, relations with the CEO and Management, standards of conduct and Board's and Board Committees' performance. As part of the questionnaire, the Board also considers whether the creation of value for Unitholders has been taken into account in the decision-making process.

Individual Directors

The assessment categories covered in the questionnaire include Director's duties and responsibilities, interactive skills, knowledge and domain expertise and availability.

The Board also recognises that contributions by an individual Director can take different forms, including providing objective perspectives on issues, facilitating business opportunities and strategic relationships, and accessibility to Management outside the formal settings of the Board and Board Committee meetings.

Board Evaluation as an Ongoing Process

The Board believes that performance assessment should be an ongoing process. Regular interactions among Directors, and between Directors and Management, contribute to this ongoing process. Through this process of engaging its members, the Board also benefits from an understanding of shared norms between Directors which helps foster a positive Board culture. The collective Board performance and the contributions of individual Directors are also reflected in, and evidenced by, the synergistic performance of the Board in discharging its responsibilities as a whole by providing proper guidance, diligent oversight and able leadership, and lending support to Management in steering Lendlease REIT in the appropriate direction, as well as the long-term performance of Lendlease REIT whether under favourable or challenging market conditions.

Remuneration Matters

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The composition of the NRC has been set out on page 71 of this Annual Report. The NRC comprises four non-executive Directors, a majority of whom, including the chairperson of the NRC, are independent Directors.

The NRC is responsible for ensuring that a formal and transparent procedure is in place for developing policy on executive remuneration and for determining the remuneration packages of individual Directors and key management personnel. The NRC assists the Board to ensure that remuneration policies and practices are sound in that they are able to attract, retain and motivate the Directors to provide good stewardship of the Manager and key management personnel to successfully manage Lendlease REIT for the long term, and thereby maximise Unitholders' value. The NRC recommends to the Board for endorsement a framework of remuneration (which covers all aspects of remuneration including Directors' fees, salaries, allowances, bonuses, and grant of Units) and the specific remuneration packages for each Director and key management personnel. The NRC also reviews the remuneration of key management personnel of the Manager and the administration of the Manager's Unit-based incentive plans. In addition, the NRC reviews the Manager's obligations arising in the event of termination of the key management personnel's contract of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The NRC has access to expert advice from external consultants where required. It will ensure that in the event of such advice being sought, existing relationships, if any, between the Manager and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants. In FY2023, Willis Towers Watson was appointed as independent remuneration consultant to provide professional advice on executive remuneration and is on a retainer till at least 31 December 2028. Willis Towers Watson is a leading global advisory, broking and solutions company with over 45,000 employees serving more than 140 countries and markets. The independent remuneration consultant is not related to the Manager, its controlling shareholder, related corporations or any of its Directors.

Corporate Governance

In reviewing policies on remuneration and determining the remuneration packages for key management personnel, the NRC takes into consideration appropriate compensation benchmarks within the industry, so as to ensure that the remuneration packages payable to key management personnel are competitive and in line with the objectives of the remuneration policies. It also considers the compensation framework of the Sponsor as a point of reference. The Manager is an indirect wholly-owned subsidiary of the Sponsor, and the Lendlease Group holds a significant stake in Lendlease REIT. The association with the Sponsor puts the Manager in a better position to attract and retain better qualified management talent. Additionally, it provides an intangible benefit to the Manager such that it allows its employees to associate themselves with an established corporate group which can offer them the depth and breadth of experience and enhanced career development opportunities.

The framework for determining the Directors' fees is shown in the table below:

	Chairperson	Director	Member
Main Board	S$110,000 per annum	S$60,000 per annum	-
Audit and Risk Committee	S$40,000 per annum	-	S$25,000 per annum
Nomination and Remuneration Committee	S$25,000 per annum	-	S$10,000 per annum
Environmental, Social and Governance Committee	S$12,000 per annum	-	S$6,000 per annum

Annual Remuneration Report

Although the remuneration of the Directors and employees of the Manager is paid by the Manager and not by Lendlease REIT, the Manager is disclosing the following information on the remuneration of its Directors and key management personnel.

Additional information on remuneration matters is disclosed in accordance with the AIFMD in compliance with the requirements of the AIFMD.

Policy in Respect of Non-Executive Directors' Remuneration

Each Director is paid a basic fee and an additional fee for services performed on Board Committees, as per the framework above. The Chairperson and the chairperson of each Board Committee are paid a higher fee compared with members of the Board and of such Board Committee in view of the greater responsibility carried by that office. The non-executive Directors are also entitled to an Attendance Fee. The Attendance Fee may differ depending on whether attendance is in person or by audio or video conference.

For FY2025, each of the Directors (including the Chairperson) will receive 100% of his or her total Directors' fees in cash. The remuneration of the non-executive Directors is benchmarked against market and appropriate to the level of contribution, taking into account the effort, time spent and demanding responsibilities on the part of the Directors in light of the scale, complexity and scope of Lendlease REIT's business.

Remuneration Policy in Respect of Key Management Personnel

The Manager advocates a performance-based remuneration system that is highly flexible and responsive to the market, corporate and individual performance.

In designing the remuneration structure, the NRC seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate in achieving a balance between current versus long-term remuneration and between cash versus equity incentive remuneration.

The NRC has approved a total remuneration structure reflecting four key objectives:

(i) alignment of interests: To incorporate performance measures that are aligned to Unitholders' interests;
(ii) alignment of horizon: To motivate employees and Management to drive sustainable long-term growth of Lendlease REIT;
(iii) simplicity: To ensure that the remuneration structure is easy to understand and communicate to stakeholders; and
(iv) retention: To facilitate talent retention.

The total remuneration mix comprises three components – annual fixed pay, annual performance bonus and unit incentive plan. The annual fixed pay component comprises the annual basic salary plus any other fixed allowances which the Manager benchmarks against the relevant industry market data. The size of the Manager's annual performance bonus pot is mainly determined by Lendlease REIT's financial and non-financial performance, and is distributed to employees based on individual performance.

There are three types of unit incentive plans: the ExSTI Plan, MSTI Plan and LTI Plan. The Unit Plans have been put in place to increase the Manager's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve superior performance and to motivate them to continue to strive for long-term Unitholder value. The Unit Plans also aim to strengthen the Manager's competitiveness in attracting and retaining talented key management personnel and employees. The MSTI Plan applies to a broader base of key position holders while the ExSTI Plan and LTI Plan apply to the top Management personnel who are of executive roles.

Awards under the Unit Plans will be granted to the CEO, key management personnel and key position holders in the form of deferred Units and/or Performance Rights. The MSTI Plan comprises a service condition and vests after one year, the ExSTI Plan comprises a service condition and vests over two years, and the LTI Plan comprises both a service condition and performance targets, and vests over a longer-term horizon of four years. Executives who have greater ability to influence strategic outcomes will be granted deferred Units under the ExSTI Plan and Performance Rights under the LTI Plan, and have a greater proportion of their overall remuneration at risk. Eligible employees of the Manager will be granted existing Units in Lendlease REIT that are owned by the Manager. Therefore, no new Units will be issued by Lendlease REIT to satisfy the grant of the Units under the Unit Plans.

The NRC has the discretion not to award variable incentives in any year if an executive is directly involved in a material restatement of financial statements or in misconduct resulting in restatement of financial statements or financial losses to Lendlease REIT or the Manager. Outstanding performance bonuses are also subject to the NRC's discretionary review.

The NRC exercises broad discretion and independent judgement in reviewing and ensuring that the amount and mix of remuneration for the Manager's key personnel and non-executive Directors are aligned with the interests of Unitholders and Lendlease REIT and the risk management policies of Lendlease REIT, and promote the long-term success of Lendlease REIT.

The remuneration structure is directly linked to corporate and individual performances, both in terms of financial and non-financial performances. It is linked in the following ways:

(1) by placing a significant portion of executive's remuneration at risk ("**at-risk component**") and subject to a vesting schedule and vesting conditions;
(2) by incorporating appropriate KPIs for awarding annual incentives:
    (a) there are five scorecard areas that the Manager has identified as key to measuring its performance:
        (i) financial;
        (ii) customers and stakeholders;
        (iii) sustainability and compliance;
        (iv) people; and
        (v) safety.
        Some of the key sub-targets within each of the scorecard areas include key financial indicators, strategic and operational excellence, safety goals, risk management, compliance and controls measures, governance around climate-related risks and opportunities, corporate social responsibility activities, employee engagement, talent development and succession planning;
    (b) the five scorecard areas have been chosen because they support how the Manager achieves its strategic objectives. The framework provides a link for staff in understanding how they contribute to each area of the scorecard, and therefore to the Manager's overall strategic goals.
    (c) The NRC reviews and approves the scorecard annually. Progress against the scorecard is reviewed semi-annually and is used in the determination of the executive's annual incentive payout.
(3) by selecting performance conditions such as relative total Unitholders' return and growth of assets under management of Lendlease REIT for equity awards that are aligned with Unitholders' interests;
(4) by requiring those KPIs or conditions to be met in order for the at-risk component of remuneration to be awarded or to vest; and
(5) forfeiture of the at-risk component of remuneration when those KPIs or conditions are not met at a satisfactory level.

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As one of the five scorecard areas described earlier, Lendlease REIT maintains its strong commitment to climate-related goals through the NRC, who are also members of the ESGC, playing an active role in overseeing the setting of targets and monitoring of progress towards said goals aligned to Lendlease REIT's sustainability strategy, which are further crystalised into measurable KPIs in the scorecard.This impacts the annual incentive payout of the CEO, key management personnel and key position holders through Sponsor-level annual scorecard which influences the annual bonus pool for all employees.

The NRC also recognises the need for a reasonable alignment between risk and remuneration to discourage excessive risk taking. Therefore, in determining the remuneration structure, the NRC had taken into account the risk policies and risk tolerance of Lendlease REIT and the Manager as well as the time horizon of risks, and incorporated risks-adjustments into the remuneration structure through several initiatives, including but not limited to:

(i) prudent funding of annual performance bonus;
(ii) granting a portion of the remuneration in the form of deferred Units and Performance Rights, for the CEO, key management personnel and key position holders, to be awarded under the Unit Plans;
(iii) vesting of Performance Rights under the LTI Plan being subjected to performance conditions being met for the respective performance periods; and
(iv) potential forfeiture of variable incentives in any year due to misconduct.

The NRC is of the view that the overall level of remuneration is not considered to be at a level which is likely to promote behaviour contrary to the Manager's risk profile. In determining the actual quantum of the variable component of remuneration, the NRC had taken into account the extent to which the performance conditions set forth above, have been met. The NRC is of the view that remuneration is aligned to performance in FY2025. The Directors, the CEO and the key management personnel (who are not Directors or the CEO) are remunerated on an earned basis and there are no termination, retirement and post-employment benefits that are granted over and above what have been disclosed.

The non-executive Directors, Mr Justin Marco Gabbani and Ms Penelope Jane Ransom, are eligible to receive shares of the Sponsor under the Sponsor's employee incentive plans as at FY2025 as part of their remuneration package as employees of the Lendlease Group in FY2025. Their holdings in shares of the Sponsor are not material. Accordingly, the award of the shares of the Sponsor to the non-executive Directors as part of their employee remuneration will not result in a misalignment of interests of these Directors with the long-term interests of the Unitholders. Furthermore, there is unlikely to be any potential misalignment of interests given that Mr Justin Marco Gabbani and Ms Penelope Jane Ransom acted as non-independent non-executive Directors in FY2025 and do not hold executive positions in the Manager. As non-independent Directors, they would in any event have to abstain from approving and recommending any Related Party Transactions with an entity within the Lendlease Group, mitigating any potential misalignment of interests with those of Unitholders.

Other than disclosed above, the remuneration of the Directors and Management are not paid in the form of shares or interests in the Sponsor or its related entities and are not linked to the performance of any entity other than Lendlease REIT.

In order not to adversely affect the Manager's efforts to retain and nurture its talent pool and given the highly competitive conditions in the REIT industry where there is considerable risk of poaching of senior management, the Manager is not disclosing the aggregate total remuneration paid to the top five key management personnel (who are not Directors or the CEO). The key management team of the Manager is relatively small, and disclosing the aggregate total remuneration awarded by the Manager to its key management could pose significant commercial sensitivity and heighten the risk of staff attrition, which would not be in the best interests of Unitholders. The Manager is of the view that despite the deviation from Provision 8.1(b) of the 2018 Code, and the Notice to All Holders of a Capital Markets Service Licence for Real Estate Investment Trust Management (Notice No: SFA4-N14), such non-disclosure will not be prejudicial to the interests of Unitholders as detailed information is provided on the Manager's remuneration framework, including the remuneration structure, the operation of the Unit Plans and the KPIs taken into account, to disclose to Unitholders the link between the remuneration paid to its key management personnel, and performance as set out on pages 76 to 78 of this annual report. The Manager is accordingly of the view that its practice is consistent with the intent of Principle 8 of the 2018 Code as a whole.

Quantitative Remuneration Disclosure Under the AIFMD

The Manager is required under the AIFMD to make quantitative disclosures of remuneration. Disclosures are provided in relation to (a) the employees of the Manager, (b) employees who are senior management, and (c) employees who have the ability to materially affect the risk profile of Lendlease REIT.

All individuals included in the aggregated figures disclosed below are rewarded in line with the Manager's remuneration policies.

The aggregate amount of remuneration awarded by the Manager to its staff in respect of FY2025 was S$3.05 million. This figure comprised fixed pay of S$2.26 million, variable pay of S$0.41 million (including any Units issuable under the Unit Plans, where applicable) and other benefits of S$0.38 million. There were a total of 17 beneficiaries of the remuneration described above.

Level and Mix of Remuneration of Directors for FY2025

Name of Director	Directors' Fees[5] (S$)	Percentage
Mr Justin Marco Gabbani[6]	157,000	100%
Dr Tsui Kai Chong	138,000	100%
Mrs Lee Ai Ming	137,500	100%
Mr Simon John Perrott	121,000	100%
Ms Penelope Jane Ransom[7]	93,000	100%

Remuneration of Employees who are Substantial Shareholders of the Manager, Substantial Unitholders of Lendlease REIT or Immediate Family Members of a Director, the Chief Executive Officer or a Substantial Shareholder of the Manager or Substantial Unitholder.

There are no employees of the Manager who are substantial shareholders of the Manager or substantial unitholders of Lendlease REIT or immediate family members of a Director, the CEO, a substantial shareholder of the Manager or a substantial unitholder of Lendlease REIT and whose remuneration exceeds S$100,000 during FY2025. "Immediate family member" refers to the spouse, child, adopted child, step-child, brother, sister and parent.

The level and mix of the remuneration of the CEO and each of the other key management personnel (who are not Directors of the Manager) are set out below:

Remuneration and Names of CEO and Key Management Personnel[8]	Base/Fixed Salary[9]	Performance-related Cash Bonuses	Performance-related Unit-based Incentive Award[10]	Other Benefits[11]	Total
Mr Kelvin Chow Chung Yip[12]	47%	7%	0%	46%	S$742,074
Mr Guy Cawthra[13]	62%	19%	19%	N.A.	S$217,577
S$250,000 to S$500,000					
Ms Teo Lay Ting	74%	13%	13%	N.A.	S$250,000 to S$500,000

5 This is a lump-sum amount including both annual fees and Attendance Fee. Each of the Directors will receive 100% of his or her total Director's fee in cash. Amounts have been rounded up to the nearest dollar.
6 Mr Justin Marco Gabbani's fees will be paid to Lendlease Asia Holdings Pte. Ltd., of which he is an employee.
7 Ms Penelope Jane Ransom's fees will be paid to Lendlease (Australia) Pty Limited, of which she is an employee.
8 The Manager has less than five key management personnel other than the CEO.
9 The base/fixed salary was paid in cash.
10 Value of Deferred Unit Award is calculated based on face value.
11 Includes termination benefits as per Mr Kelvin Chow Chung Yip's contractual terms.
12 For the period of 01 July 2024 to 31 March 2025.
13 For the period of 01 April 2025 to 30 June 2025.

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The ARC assists the Board in examining the adequacy and effectiveness of Lendlease REIT's and the Manager's risk management system to ensure that a robust risk management system is maintained. The ARC also reviews and guides Management in the formulation of risk policies and processes to effectively identify, evaluate and manage significant risks, in order to safeguard Unitholders' interests and Lendlease REIT's assets. The ARC reports to the Board any material findings or recommendations in respect of significant risk matters.

The Board, with the concurrence of the ARC, is of the opinion that (a) there has been no material change in its risk of being subject to any sanctions-related law or regulation, and (b) the risk management system and system of internal controls in place as at FY2025 are adequate and effective to address in all material respects the financial, operational, compliance and information technology risks (including sanctions-related risks) within the current scope of Lendlease REIT's business operations and that the financial records have been properly maintained and the financial statements give a true and fair view of the operations and finances of Lendlease REIT.

Risk Assessment and Management of Business Risk

Recognising and managing risks timely and effectively is essential to the business of Lendlease REIT and for protecting Unitholders' interests and value. The Manager operates within overall guidelines and specific parameters set by the Board. Responsibility for managing risk lies with the Manager, working within the overall strategy outlined by the Board. The Manager has appointed an experienced and well-qualified Management to handle its day-to-day operations.

Management surfaces the identified key risks for discussion and consults with the ARC and the Board regularly. The identification of key risks is based on Lendlease REIT's ERM Framework which includes a systematic risk assessment process for identifying, assessing, managing, monitoring and reporting business risks and mitigating actions in achieving Lendlease REIT's strategic objectives and value creation. In assessing these key risks, the Board takes into consideration the economic environment and the risks relevant to the property industry. The ERM Framework is reviewed and updated annually. Hence, the Board ensures the adequacy and effectiveness of Lendlease REIT's and the Manager's risk management system.

Details of the Manager's approach to risk management and internal control and the management of key business risks are set out in the "Risk Management" section in pages 99 to 101 of this Annual Report.

Independent Review of Internal Controls

Deloitte & Touche Enterprise Risk Services Pte. Ltd., the internal auditors of Lendlease REIT (the "**Internal Auditors**" or "**Deloitte**"), and KPMG LLP, the External Auditors of Lendlease REIT, conduct an annual review of the adequacy and effectiveness of Lendlease REIT's and the Manager's material internal controls, including financial, operational, and compliance controls. Any material non-compliance or failures in internal controls and recommendations for improvements are reported to the ARC. The ARC also reviews the effectiveness of the actions taken by Management based on the recommendations made by the Internal Auditors and the External Auditors in this respect.

The Board, supported by the ARC, oversees Lendlease REIT's and the Manager's system of internal controls and risk management. The Board has received assurances from Mr Guy Alexander Cawthra, CEO, and Ms Teo Lay Ting, Executive General Manager, Finance, that, amongst others:

(i) the financial records of Lendlease REIT and the Manager have been properly maintained and the financial statements give a true and fair view of the operations and finances of Lendlease REIT and the Manager;
(ii) the internal controls of Lendlease REIT and the Manager are adequate and effective to address the financial, operational, compliance and information technology risks which the Manager considers relevant and material to its current business scope and environment and that they are not aware of any material weakness in the system of internal controls; and
(iii) they are satisfied with the adequacy and effectiveness of Lendlease REIT's and the Manager's risk management system.

Ms Teo's roles and responsibilities as the Executive General Manager, Finance, are akin to the roles and responsibilities of a Chief Financial Officer. As such, the assurance under Provision 9.2(a) of the 2018 Code given by the Executive General Manager, Finance, in lieu of a Chief Financial Officer would adequately serve the intent of Provision 9.2(a) of the 2018 Code. The Manager is accordingly of the view that despite this partial deviation from Provision 9.2(a) of the 2018 Code, its practice is consistent with the intent of Principle 9 of the 2018 Code as a whole.

The system of internal controls and risk management established by the Manager provides reasonable, but not absolute, assurance that Lendlease REIT and the Manager will not be adversely affected by any event that can be reasonably foreseen as the Manager strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Accountability and Audit

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The Board is responsible for providing a balanced and understandable assessment of Lendlease REIT's performance, position and prospects, including interim and other price sensitive public reports, and reports to regulators, if required.

The Board has embraced openness and transparency in the conduct of the Manager's affairs, whilst preserving the commercial interests of Lendlease REIT. Financial reports and other price sensitive information are disseminated to Unitholders through announcements via SGXNet to the SGX-ST, media releases and Lendlease REIT's corporate website at www.lendleaseglobalcommercialreit.com.

Audit and Risk Committee

The ARC has been appointed by the Board from among the Directors of the Manager and is composed of four non-executive Directors, a majority of whom (including the chairperson of the ARC) are independent Directors. The members are:

- Dr Tsui Kai Chong (ARC chairperson)
- Mr Simon John Perrott
- Mrs Lee Ai Ming
- Mr Justin Marco Gabbani

At least two members of the ARC, including the ARC chairperson, have recent and relevant accounting, or related financial management or risk management expertise or experience. Thus, the Board is of the view that all members of the ARC are suitably qualified to assist the Board in areas of internal controls, financial and accounting matters, compliance and risk management, including oversight over management in the design, implementation and monitoring of risk management and internal control systems.

In compliance with the 2018 Code, the ARC does not comprise any former partner or director of the incumbent External Auditors, within the previous two years or hold any financial interest in the auditing firm.

The role of the ARC is to monitor and evaluate the effectiveness of the Manager's internal controls. The ARC also reviews the quality and reliability of information prepared for inclusion in financial reports, and is responsible for the nomination of the External Auditors and reviewing the adequacy and quality of external audits in respect of cost, scope and performance. The responsibilities of the ARC are disclosed in the Appendix hereto.

The ARC has the authority to investigate any matter within its terms of reference, full access to and cooperation by Management and full discretion to invite any Director or executive officer to attend its meetings and reasonable resources to enable it to discharge its functions properly.

A total of four ARC meetings were held in FY2025. In addition, the ARC met with the External Auditors and Internal Auditors once, without the presence of Management.

During the financial year, the ARC has performed independent reviews of the financial statements of Lendlease REIT before the announcement of Lendlease REIT's half-year and full-year results. In the process, the ARC reviewed the key areas of management judgement applied for adequate provisioning and disclosure, critical accounting policies and any significant changes made that would have a significant impact on the financial statements.

Corporate Governance

The ARC also reviewed and approved both the Internal Auditors' and the External Auditors' plans to ensure that the scope of audit was sufficient for purposes of reviewing the significant internal controls of Lendlease REIT and the Manager. Such significant internal controls comprise financial, operational, compliance and information technology controls. All audit findings and recommendations put up by the Internal Auditors and the External Auditors were tabled to the ARC. Significant issues were discussed at the ARC meetings.

In addition, the ARC undertook a review of the independence and objectivity of the External Auditors through discussions with the External Auditors as well as reviewing the non-audit services fees paid to them, and has confirmed that the non-audit services performed by the External Auditors would not affect their independence.

For FY2025, an aggregate amount of S$387,200 comprising non-audit service fees of S$89,100 and audit service fees of S$298,100 was paid/payable to the External Auditors of Lendlease REIT.

Cognisant that the External Auditors should be free from any business or other relationships with Lendlease REIT that could materially interfere with their ability to act with integrity and objectivity, the ARC undertook a review of the independence of the External Auditors and gave careful consideration to Lendlease REIT's relationships with them in FY2025. In determining the independence of the External Auditors, the ARC reviewed all aspects of Lendlease REIT's relationships with them including safeguards adopted by the Manager and the External Auditors relating to auditor independence. The ARC also considered the nature of the provision of the non-audit services in FY2025 and the corresponding fees and ensured that the fees for such non-audit services did not impair or threaten auditor independence. Based on the review, the ARC is of the opinion that the External Auditors are, and are perceived to be, independent for the purpose of Lendlease REIT's statutory financial audit.

Lendlease REIT has complied with Rule 712 and Rule 715 read with Rule 716 of the Listing Manual in relation to the appointment of its auditing firms.

The ARC is responsible for oversight and monitoring of whistleblowing. The ARC reviewed Lendlease REIT's Whistleblowing Policy which provides the mechanisms by which employees and other persons may, in confidence, raise concerns about possible improprieties in financial reporting or other matters, and was satisfied that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action. To facilitate the management of incidences of alleged fraud or other misconduct, the ARC follows a set of guidelines to ensure proper conduct of investigations and appropriate closure actions following completion of the investigations, including administrative, disciplinary, civil and/or criminal actions, and remediation of control weaknesses that perpetrated the fraud or misconduct so as to prevent a recurrence.

In addition, the ARC reviews the Whistleblowing Policy annually to ensure that the arrangements in place are most expedient and efficient for reporting any possible improprieties. The details of the Whistleblowing Policy are set out in page 92 of this Annual Report.

The ARC members are kept updated whenever there are changes to the financial reporting standards or issues that may have an impact on the financial statements of Lendlease REIT.

Role and Duties of Internal Auditors

For FY2025, the internal audit function of Lendlease REIT and the Manager was outsourced to Deloitte, a member firm of Deloitte Touche Tohmatsu Limited.

The Internal Auditors are independent of Management and report directly to the ARC on audit matters and to Management on administrative matters. The ARC is satisfied that the Internal Auditors had met the standards set by internationally recognised professional bodies including the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. The ARC has assessed the adequacy of the Internal Auditors and is of the view that the Internal Auditors were independent, effective, adequately resourced to perform its functions effectively, had the relevant qualifications and had appropriate standing within the Manager. The Internal Auditors have also maintained their independence from the activities that they audit and had unfettered access to Lendlease REIT's and the Manager's documents, records, properties and personnel, including the ARC.

The role of the Internal Auditors is to provide independent assurance to the ARC to ensure that Lendlease REIT and the Manager maintain a sound system of internal controls by performing risk-based reviews on the key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the ARC, and conducting regular in-depth audits of high-risk areas.

During the year, the Internal Auditors adopted a risk-based approach to audit planning and execution that focuses on significant risks, including financial, operational, compliance and information technology risks. An annual audit plan is developed using a structured risk and control assessment framework. The internal audit plan is submitted to the ARC for review and approval prior to the commencement of the internal audit of each year. A summary of the internal auditor's report is extended to the ARC, the CEO and Executive General Manager, Finance, of the Manager. To ensure timely and proper closure of audit findings, the status of the implementation of the actions agreed by Management is tracked and discussed with the ARC.

The ARC approves the appointment, removal, evaluation and fees of the Internal Auditors, and conducts an assessment of the Internal Auditors' performance during re-appointments.

Key Audit Matter

The ARC reviewed the valuation of investment properties, being the key audit matter as reported by the External Auditors for FY2025. The ARC reviewed the methodologies, assumptions and outcomes and discussed the detailed analysis of asset valuation with Management. The ARC also considered the findings of the External Auditor, including their assessment of the appropriateness of the valuation methodologies and key assumptions applied in the valuation of the investment properties.

The ARC was satisfied with the appropriateness of the valuation methodologies and assumptions applied across all investment properties as disclosed in the financial statements.

Unitholder Rights, Conduct of General Meetings and Engagement with Unitholders and Stakeholders

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Investor Relations and ESG

The Manager has in place an IR Policy which sets out the principles and practices that the Manager applies in its outreach to the investor community. The IR Policy promotes regular, effective and fair communication through full disclosure of material information. Material information is disclosed in a comprehensive, accurate and timely manner through the SGX-ST via SGXNet, Lendlease REIT's corporate website and/or media releases. The Manager ensures that unpublished price sensitive information is not selectively disclosed, and if on the rare occasion when such information is inadvertently disclosed, it will immediately be released to the public through the SGX-ST via SGXNet, Lendlease REIT's corporate website and/or media releases.

In addition to the matters mentioned above in relation to "Accountability and Audit", the Manager maintains regular and two-way communication with Unitholders to share views and address any queries on Lendlease REIT's operating performance and business strategies. The IR Policy, which is available on Lendlease REIT's website, sets out the mechanism through which Unitholders may contact the Manager with questions and through which the Manager may respond to such questions. Unitholders are able to engage with the Manager beyond general meetings and they may do so via phone calls or emails to the IR team, whose contact details may be found on the website. The IR team endeavours to respond to emails within three business days of receipt.

In FY2025, the Manager conducted a hybrid of virtual conferences and in-person meetings with institutional and retail investors including analysts through participation in one-on-one conferences, post-results investor briefings and non-deal roadshows. More details of the Manager's IR activities and efforts including its engagement with the stakeholders are set out in the Investor Relations section of this annual report.

Unitholders are also kept abreast of the latest announcements and updates on Lendlease REIT via Lendlease REIT's website. Unitholders and members of the public can post questions via the enquiry webpage, or to the IR contact available on Lendlease REIT's website.

Corporate Governance

The Board's responsibility includes considering sustainability as part of its strategic formulation. On an annual basis, the Board will review Lendlease REIT's sustainability strategy and provide leadership oversight on sustainability matters. The Board will also review the Manager's ESG Disclosure and ESG Training procedure and ensure that the Manager is kept informed of market expectations and evolving requirements on ESG.

As a Group, Lendlease REIT is a signatory under the Principles of Responsible Investment where it commits to actions outlined in the signed Responsible Property Investment Policy Statement, which will be published on its website annually.

More details of Lendlease REIT's sustainability strategy can be found in its Sustainability Report FY2025.

General Meetings

The AGM for FY2024 was held physically. Unitholders were encouraged to submit their questions ahead of the AGM to facilitate Unitholders' participation. The responses to relevant and substantial questions from Unitholders were subsequently published on SGXNet and made available on Lendlease REIT's website prior to the AGM. All resolutions were polled and an independent scrutineer was appointed to verify the votes, validate the voting procedures and oversee the process. The minutes were published on SGXNET and Lendlease REIT's website within one month from the date of the meeting.

Unitholders are informed of Unitholders' meetings through notices of meetings sent to all Unitholders. The notice includes a disclosure of detailed information on each agenda item for the meeting and the requisite notice period for general meetings is adhered to. The Manager ensures that Unitholders are able to participate effectively and vote at the general meetings. Unitholders are invited to such meetings to put forth any questions they may have on the motions to be debated and decided upon. If any Unitholder is unable to attend, he or she is allowed to appoint up to two proxies to vote on his or her behalf at the meeting through proxy forms sent in advance. Where a Unitholder is a relevant intermediary (including but not limited to, a nominee company or a custodian bank), such Unitholder may appoint more than one proxy to vote on its behalf at the meeting through proxy forms sent in advance and each proxy exercises the rights attached to a different Unit or Units held by it (the number of Units and class shall be specified).

At Unitholders' meetings, each distinct issue is proposed as a separate resolution, unless the resolutions are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Manager will explain the reasons and material implications in the notice of meeting. Each resolution at the general meetings will be voted on by way of electronic poll voting. An announcement of the detailed results showing the number of votes cast for and against each resolution and the respective percentages is made after each poll is conducted. The total number of votes cast for or against each resolution and the respective percentages are also announced in a timely manner after the Unitholders' meetings through the SGX-ST via SGXNet.

Where possible, all the Directors will attend Unitholders' meetings. In particular, the Chairperson and the respective chairperson of the Board Committees are required to be present to address questions at general meetings. The External Auditors will also be present at such meetings to assist the Directors with Unitholders' queries, where necessary. In FY2024, all Directors and the CEO attended the AGM of Lendlease REIT. After the AGM, they also took the opportunity to interact with the Unitholders to understand their viewpoints and concerns around Lendlease REIT and Management's plan.

The Manager is not implementing absentia voting methods (as required under Provision 11.4 of the 2018 Code) such as voting via mail, e-mail or fax until security, integrity and other pertinent issues are satisfactorily resolved. The Manager is of the view that despite this deviation from Provision 11.4 of the 2018 Code, its practice is consistent with the intent of Principle 11 of the 2018 Code as Unitholders have opportunities to communicate their views on matters affecting Lendlease REIT even when they are not in attendance at general meetings, through the enquiry page and IR contact indicated on Lendlease REIT's website before the date of the general meeting.

The Company Secretary prepares the minutes of Unitholders' meetings, which incorporate substantial and relevant comments or queries from Unitholders and responses from the Board and Management. These minutes will be published on SGX-ST via SGXNet and Lendlease REIT's website within one month from the date of Unitholders' meetings.

Distribution Policy

Lendlease REIT makes distributions to Unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates. Under the Trust Deed, the Manager shall pay distributions no later than 90 days after the end of each distribution period.

On 7 February 2023, the Manager announced the establishment of a DRP, pursuant to which Unitholders may elect to receive fully paid new units in Lendlease REIT in respect of all or part only (where applicable) of the cash amount of any distribution to which the DRP applies. The DRP provides Unitholders the option to receive their distribution to which the DRP applies in the form of fully-paid new Units instead of cash, or a combination of fully-paid new Units and cash.

The DRP may be applied from time to time to any distribution declared by Lendlease REIT as the Manager may determine in its absolute discretion. The Manager will make an announcement whenever it decides to apply the DRP to a particular distribution, and such announcement will contain, among others, (a) the procedures, timeline and other relevant details in relation to the application of the DRP to such distribution and (b) details on whether Lendlease REIT is relying on a general mandate or specific Unitholders' approval for the issue of new Units under the DRP.

Managing Stakeholder Relationships

The Manager adopts an inclusive approach for Lendlease REIT by considering and balancing the needs and interests of material stakeholders, as part of the overall strategy to ensure that the best interests of Lendlease REIT are served. The Manager is committed to sustainability and incorporates the key principles of environmental and social responsibility, and corporate governance in Lendlease REIT's business strategies and operations. In addition to the measures set out in the "Investor Relations and ESG" section above, the Manager has arrangements in place to identify and engage with material stakeholder groups from time to time to gather feedback on Lendlease REIT as well as sustainability issues most important to them.

The rights of Lendlease REIT's creditors, which comprise lending banks, are protected with a well-spread out debt maturity and financial metrics within regulatory limits. Regular internal reviews are also conducted to ensure that various capital management metrics remain compliant with loan covenants.

More details of Lendlease REIT's stakeholder engagement can be found in the Investor Relations section of this annual report as well as the Governance and Stakeholder Engagement section of Lendlease REIT's Sustainability Report.

Securities Transactions

Dealings in Units

The Manager has issued guidelines on dealing in the Units. These pertain to the existence of insider trading laws and the rules and regulations with regard to dealings in the Units by the Directors and officers of the Manager. The Manager has also adopted the best practices on securities dealings issued by the SGX-ST. In compliance with Rule 1207(19) of the Listing Manual on best practices on dealing in securities, the Manager issues notices to its Directors and officers informing that the Manager and its officers must not deal in listed securities of Lendlease REIT one month before the release of the full-year results and semi-annual results (if Lendlease REIT does not announce its quarterly financial statements) and two weeks before the release of quarterly results (if Lendlease REIT announces its quarterly financial statements, whether required by the SGX-ST or otherwise), and if they are in possession of unpublished price-sensitive information. The Manager's officers are also informed that they should not deal in Lendlease REIT's securities on short-term considerations.

Conflicts of Interests

The Manager is required to prioritise Unitholders' interests over those of the Manager and its shareholders in the event of a conflict of interests. The Manager has in place a Conflicts of Interest Procedure, instituting the following procedures to deal with potential conflicts of interest issues:

(1) the Manager will not manage any other REIT which invests in the same types of properties as Lendlease REIT;
(2) all executive officers will be working exclusively for the Manager and will not hold other executive positions in other entities, save for any wholly-owned subsidiaries of the Manager or Lendlease REIT;
(3) all resolutions in writing of the Directors in relation to matters concerning Lendlease REIT must be approved by at least a majority of the Directors (excluding any interested Director), including at least one independent Director;
(4) at least one third of the Board shall comprise independent Directors if Unitholders have the right to vote on the endorsement of directors to the Board and at least half of the Board shall comprise independent directors if Unitholders do not have the right to vote on the endorsement of directors to the Board, provided that where (i) the Chairperson and the CEO is the same person, (ii) the Chairperson and the CEO are immediate family members, (iii) the Chairperson is part of Management or (iv) the Chairperson is not an independent Director, majority of the Board shall comprise independent directors;

(5) in respect of matters in which a Director or his associates (as defined in the Listing Manual) has an interest, direct or indirect, such interested Director will abstain from voting. In such matters, the quorum must comprise a majority of the Directors and must exclude such interested Director;

(6) in respect of matters in which the Lendlease Group has an interest, direct or indirect, any nominees appointed by the Lendlease Group to the Board to represent its interests will abstain from deliberation and voting on such matters. In such matters, the quorum must comprise a majority of the independent Directors and must exclude nominee directors of the Lendlease Group;

(7) save as to resolutions relating to the removal of the Manager, the Manager and its associates are prohibited from voting or being counted as part of a quorum for any meeting of the Unitholders convened to approve any matter in which the Manager and/or any of its associates has a material interest and for so long as the Manager is the manager of Lendlease REIT, the controlling shareholders of the Manager and any of its associates are prohibited from voting or being counted as part of a quorum for any meeting of Unitholders convened to consider a matter in respect of which the relevant controlling shareholders of the Manager and/or any of its associates have a material interest; and

(8) it is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of Lendlease REIT with a Related Party (meaning any "interested person" as defined in the Listing Manual and/or, as the case may be, an "interested party" as defined in the Property Funds Appendix) of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) who shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of Lendlease REIT, has a prima facie case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement[15]. The Directors (including the independent Directors) will have a duty to ensure that the Manager so complies. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of Lendlease REIT with a Related Party of the Manager, and the Trustee may take such action as it deems necessary to protect the rights of the Unitholders and/or which is in the interests of the Unitholders. Any decision by the Manager not to take action against a Related Party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such Related Party.

Lendlease Group Code of Conduct

The Manager follows the Code of Conduct Policy[16] which explains the standards the Lendlease Group expects in the conduct of its business and operations. The Code of Conduct Policy supports the Lendlease Group's core values of Respect, Integrity, Innovation, Collaboration, Excellence and Trust, especially Integrity (which "is non-negotiable") and links these values to more specific global, regional and local business procedures. The Code of Conduct Policy is supplemented by a Lendlease Employee Conduct Guide, which aims to explain more clearly the standards and expectations required by all employees every day.

The Code of Conduct Policy sets out the standards of conduct and ethics expected of its business and people, regardless of location, addressing matters such as compliance with laws, operational safety, conflicts of interest, insider trading, corrupt conduct, fair and equal treatment of employees, sustainability practices and political donations. It is clear from the Code of Conduct Policy that the Lendlease Group prohibits all forms of bribery and corrupt conduct, including the offering of bribes or "facilitation payments" to anyone, and the Employee Conduct Guide sets out the key rules to be followed by the employees. The Employee Conduct Guide also provides information on gifts and entertainment, government relations and money laundering as a complement to the bribery and corruption section. The Employee Conduct Guide further sets out that Lendlease is committed to maintaining high ethical standards, excellence, integrity and respect in all business relationships, and encourages employees to speak up if they are concerned whether an action is legal or ethical, or in line with Lendlease's core values and Code of Conduct Policy.

The Lendlease Group also has in place a Conduct Breach Reporting Policy which provides a mechanism for employees to raise concerns about conduct not consistent with Lendlease Group's core values or Code of Conduct Policy including inappropriate or illegal conduct. This policy applies to directors, officers, employees and contractors of the Lendlease Group in all jurisdictions where the Group operates. The policy offers whistleblower protection to anyone who reports concerns in good faith. If an individual's identity is disclosed during the investigation process, the individual will not be disadvantaged in their employment by any Lendlease Group company.

[15] The Manager will apply this to agreements entered into between Lendlease REIT and its subsidiaries, and Related Parties (which shall include, for example, investment agreements and property management agreements).

[16] A copy of the Code of Conduct Policy may be found at https://www.lendleaseglobalcommercialreit.com/about/corporate-governance/.

The Code of Conduct Policy and Employee Conduct Guide are published on the intranet which is accessible by all employees of the Manager. New employees of the Manager are trained on the Code of Conduct Policy when they join the Manager. Further, it is mandatory for all employees of the Manager to complete an annual recertification training on the Code of Conduct Policy to ensure awareness and continuous compliance when working as an employee of the Manager.

Related Party Transactions

"Related Party Transactions" in this annual report refers to "Interested Person Transactions" under the Listing Manual and "Interested Party Transactions" under the Property Funds Appendix. Rule 904(4)(b) of the Listing Manual provides that in the case of a REIT, the definition of "Interested Person" shall have the same meaning as the definition of "Interested Party" in the Property Funds Appendix.

In general, transactions between:

(a) an entity at risk (in this case, the Trustee (acting in its capacity as trustee of Lendlease REIT) or any of the subsidiaries or associated companies of Lendlease REIT); and

(b) any of the Interested Parties, being:
    (i) a director, CEO or controlling shareholder of the Manager, or the Manager, the Trustee (acting in its personal capacity) or controlling Unitholder; or
    (ii) an associate of any of the persons or entities in (i) above,

would constitute an Interested Person Transaction.

The Manager's Internal Control System

The Manager has established an internal control system to ensure that all Related Party Transactions are undertaken on normal commercial terms and will not be prejudicial to the interests of Lendlease REIT and the Unitholders.

As a general rule, the Manager must demonstrate to the ARC that such transactions satisfy the foregoing criteria. This may entail obtaining (where practicable) quotations from parties unrelated to the Manager or obtaining two valuations from independent professional valuers (in compliance with the Property Funds Appendix).

The Manager maintains a register to record all Related Party Transactions which are entered into by Lendlease REIT and the bases, including any quotations from unrelated parties and independent valuations, on which they are entered into.

The Manager also incorporates into its internal audit plan a review of all Related Party Transactions entered into by Lendlease REIT. The ARC reviews the internal audit reports at least twice a year, and where appropriate, ascertains that the guidelines and procedures established to monitor Related Party Transactions have been complied with. The Trustee will also have the right to review such audit reports to ascertain that the Property Funds Appendix has been complied with. The review may also include a review of any other such documents or matter as may be deemed necessary by the ARC. If a member of the ARC has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction.

Further, the following procedures will be undertaken:

(i) transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding S$100,000 in value but below 3.0% of the value of Lendlease REIT's net tangible assets will be subject to review and approval by the ARC;

(ii) transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of Lendlease REIT's net tangible assets will be subject to the review and approval of the ARC. Such approval shall only be given if the transactions are on normal commercial terms and are not prejudicial to the interests of Lendlease REIT and its Unitholders and are consistent with similar types of transactions made by the Trustee with third parties which are unrelated to the Manager; and

(iii) transactions (either individually or as part of a series or if aggregated with other transactions involving the same Related Party during the same financial year) equal to or exceeding 5.0% of the value of Lendlease REIT's net tangible assets will be reviewed and approved prior to such transactions being entered into, on the basis described in the preceding paragraph, by the ARC which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Further, under the Listing Manual and the Property Funds Appendix, such transactions would have to be approved by the Unitholders at a meeting of Unitholders duly convened and held in accordance with the provisions of the Trust Deed.

Unitholders' approval may be required depending on the materiality of the transactions. Pursuant to the Listing Manual, transactions with a value below S$100,000 are disregarded for the purpose of the announcement and Unitholders' approval requirements under the Listing Manual as set out in the paragraph above. Accordingly, such transactions are excluded from aggregation with other transactions involving the same Related Parties.

Where matters concerning Lendlease REIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of Lendlease REIT with a Related Party of the Manager of Lendlease REIT, the Trustee is required to consider the terms of such transactions to satisfy itself that such transactions are conducted on normal commercial terms, are not prejudicial to the interests of Lendlease REIT and the Unitholders, and are in accordance with all applicable requirements of the Property Funds Appendix and/or the Listing Manual relating to the transaction in question.

The Trustee has the ultimate discretion under the Trust Deed to decide whether or not to enter into a transaction involving a Related Party of Lendlease REIT or the Manager. If the Trustee is to sign any contract with a Related Party of the Manager or the Trustee, the Trustee will review the contract to ensure that it complies with the relevant requirements relating to Related Party Transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST that apply to REITs.

Lendlease REIT will comply with Rule 905 of the Listing Manual by announcing any Interested Person Transaction in accordance with the Listing Manual if the value of such transaction, by itself or when aggregated with other Interested Person Transactions entered into with the same Interested Person during the same financial year, is 3.0% or more of Lendlease REIT's latest audited net tangible assets.

The aggregate value of all Related Party Transactions which are subject to Rules 905 and 906 of the Listing Manual in a particular financial year is disclosed in Lendlease REIT's annual report for the relevant financial year.

Role of the Audit and Risk Committee for Related Party Transactions

The ARC reviews all Related Party Transactions to ensure compliance with the Manager's internal control system, the relevant provisions of the Listing Manual, and the Property Funds Appendix. The review may also include review of any other such documents or matter as may be deemed necessary by the ARC.

If a member of the ARC has an interest in a transaction, he or she is to abstain from participating in the review and approval process in relation to that transaction.

APPENDIX

Board Committees – Responsibilities

(A) Audit and Risk Committee

Under its terms of reference, the ARC's scope of duties and responsibilities include:

(1) monitoring the procedures established to regulate Related Party Transactions, including ensuring compliance with the provisions of the Listing Manual relating to Interested Person Transactions and the provisions of the Property Funds Appendix relating to Interested Party Transactions (collectively, Related Party Transactions);
(2) reviewing transactions constituting Related Party Transactions (including renewals of such transactions);
(3) deliberating on conflicts of interest situations involving Lendlease REIT, including (i) situations where the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of Lendlease REIT with a Related Party (as defined herein) of the Manager, (ii) reviewing any compensation payable to the Trustee arising from such a breach of an agreement with a Related Party of the Manager, and (iii) where the Directors, controlling shareholder of the Manager and their associates are involved in the management of or have shareholding interests in similar or related business as the Manager, and in such situations, the ARC will monitor the investments by these individuals in Lendlease REIT's competitors, if any, and will make an assessment whether there is any potential conflict of interest;
(4) reviewing external audit reports to ensure that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by Management;
(5) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of Lendlease REIT and any announcements relating to Lendlease REIT's financial performance;
(6) reviewing internal and external audit reports at least twice a year to ascertain that the guidelines and procedures established to monitor Related Party Transactions have been complied with;
(7) ensuring that the internal audit and accounting function is adequately resourced and has appropriate standing with Lendlease REIT;
(8) reviewing, on an annual basis, the adequacy and effectiveness of the internal audit function and Lendlease REIT's risk management system;
(9) reviewing the adequacy, effectiveness, independence, scope and results of the Internal Auditors;
(10) reviewing the statements included in Lendlease REIT's annual report on Lendlease REIT's internal controls and risk management framework;
(11) monitoring the procedures in place to ensure compliance with applicable legislation, regulations, the Listing Manual and the Property Funds Appendix;
(12) reviewing the assurances from the CEO and the Executive General Manager, Finance, on the financial records and financial statements;
(13) making recommendations to the Board on (i) the proposed appointment and removal of the External Auditors and (ii) the remuneration and terms of engagement of the External Auditors for the financial year;
(14) reviewing the adequacy, effectiveness, independence, scope and results of the External Auditors;
(15) reviewing the nature and extent of non-audit services performed by External Auditors;
(16) reviewing, on an annual basis, the independence and objectivity of the External Auditors;
(17) meeting with External Auditors and Internal Auditors, without the presence of the executive officers, at least on an annual basis;
(18) assisting the Board to oversee the formulation, updating and maintenance of an adequate and effective risk management framework;
(19) reviewing the system of internal controls including financial, operational, compliance and information technology controls (including sanctions-related risks) and risk management processes;
(20) reviewing the policy and arrangements by which staff of the Manager and external parties may, in confidence, raise probable improprieties in matters of financial reporting or other matters, with the objective that arrangements are in place for the independent investigation of such matters, and for appropriate follow-up action to be taken;
(21) reviewing the financial statements and the internal audit report;
(22) reviewing and providing their views on all hedging policies and instruments to be implemented by Lendlease REIT to the Board;
(23) reviewing all hedging policies and procedures to be implemented by Lendlease REIT for the entry into of any hedging transactions (such as foreign exchange hedging and interest rate hedging) and monitor the implementation of such policy, including reviewing the instruments, processes and practices in accordance with the policy for entering into foreign exchange

hedging transactions;

(24) investigating any matters within the ARC's terms of reference, whenever it deems necessary; and

(25) reporting to the Board on material matters, findings and recommendations.

(B) Nomination and Remuneration Committee

Under its terms of reference, the NRC's scope of duties and responsibilities include:

(1) reviewing succession plans for Directors, in particular the appointment and/or replacement of the Chairperson, the CEO and key management personnel;

(2) developing the process and criteria for evaluation of the performance of the Board, its Board Committees and Directors;

(3) reviewing training and professional development programmes for the Board and its Directors;

(4) regularly reviewing the size and composition of the Board and making recommendations to the Board on the appointment and re-appointment of Directors (including alternate directors, if applicable), having regard to the composition and progressive renewal of the Board and each Director's competencies, commitment, contribution and performance including, if applicable, as an independent Director;

(5) determining annually, and as when circumstances require, if a Director is independent;

(6) deciding if a Director is able to and has been adequately carrying out his duties as a director of the company, taking into consideration the Director's principal commitments;

(7) reviewing and recommending to the Board a general framework of remuneration for the Board and key management personnel;

(8) reviewing and recommending to the Board the specific remuneration packages for each Director as well as for the key management personnel; and

(9) reviewing Lendlease REIT's obligations arising in the event of termination of executive Directors' and key management personnel's contracts of service and ensuring that such contracts of service contain fair and reasonable termination clauses which are not overly generous, and that all aspects of remuneration are fair.

(C) Environmental, Social and Governance Committee

Under its terms of reference, the ESGC's scope of duties and responsibilities include:

(1) reviewing Lendlease REIT's sustainability strategy to ensure that they are relevant to evolving local and global sustainability trends and developments;

(2) ensuring that Lendlease REIT has in place an effective governance structure for ESG matters;

(3) reviewing annually the materiality factors identified by the ESG working committee, as well as the processes for identifying, assessing, and managing climate-related risks and opportunities;

(4) considering the Manager's proposals and recommendations on sustainability-related policies and practices and make recommendations to the Board, where relevant;

(5) monitoring Lendlease REIT's performance against previously disclosed targets in relation to identified material ESG factors;

(6) reviewing and approving the audit process conducted by the internal auditors, and assess annually the adequacy and effectiveness of the process;

(7) reviewing Lendlease REIT's sustainability reporting and sustainability-related disclosures, providing oversight on the Manager's compliance with applicable sustainability-related legal and regulatory requirements;

(8) providing oversight on HSW issues such as giving guidance on HSW standards to ensure the safety and health of all the workers in Lendlease REIT's properties and the Manager, and where appropriate, developing strategies and initiatives to achieve these standards;

(9) reviewing, endorsing and tracking HSW targets and performance regularly;

(10) reviewing incidents that impact, or have the potential to impact, Lendlease REIT's ESG performance; and

(11) reporting to the Board on material sustainability and safety issues, findings, and recommendations, and briefing the Board on applicable HSW developments and measures.

Board, Board Committees, Self and Peers Assessment Evaluation Processes

Board and Board Committees

The Board evaluation comprises both formal and informal processes that encourages constructive and candid feedback from the Board members. As part of the formal process, each Board member would be required to complete an evaluation questionnaire. The responses will be compiled and a report will be prepared and presented to the NRC for consideration. Where appropriate, the NRC will propose recommendations with the objective of enhancing Board performance and effectiveness to the Board after reviewing the report presented. The Board will then consider and decide on the implementation of the NRC's recommendations.

Individual Directors

In the assessment of the performance of the Directors, each Director will be required to perform a self-assessment based on an agreed set of criteria. Based on the completed questionnaire, a consolidated report will be prepared and presented to the NRC. The NRC then reviews the feedback and makes recommendations to the Board for action.

Performance Criteria

The performance criteria for the Board evaluation included board structure in terms of size, composition, independence and diversity, Board process, internal controls and risk management, Board information and reporting, Board accountability and performance, relations with CEO and Management and standards of conduct. Based on the responses received, the Board continues to perform and fulfil its duties, responsibilities and performance objectives in accordance with the established Board processes of the Manager.

The individual Director's performance criteria are based on four categories, namely:

(1) interactive skills;
(2) knowledge and domain expertise;
(3) duties and responsibilities; and
(4) availability.

Nature of Current Directors' Appointments and Membership on Board Committees

Director	Board Membership	Board Committee Membership		
		Audit and Risk Committee	Nomination and Remuneration Committee	Environmental, Social and Governance Committee
Mr Justin Marco Gabbani	Chairperson and Non-Independent Non-Executive Director	Member	-	-
Dr Tsui Kai Chong	Lead Independent Non-Executive Director	Chairperson	Member	Member
Mrs Lee Ai Ming	Independent Non-Executive Director	Member	Chairperson	Member
Mr Simon John Perrott	Independent Non-Executive Director	Member	Member	Chairperson
Ms Penelope Jane Ransom	Non-Independent Non-Executive Director	-	Member	Member

Whistleblowing Policy

The Whistleblowing Policy was established to encourage employees, service providers and associates to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously, investigated appropriately and their confidentiality will be respected.

To facilitate reporting with the assurance that reports made will be managed and investigated objectively, the Manager has engaged the chairperson of the ARC to provide an independent online reporting channel, details of which are available on Lendlease REIT's website. The online reporting channel facilitates the reporting of possible illegal, unethical, or improper conduct when the normal channels of communication have proven ineffective or difficult. They are available for use by all employees and outside parties, such as suppliers, contractors, tenants and other stakeholders, to report any concern regarding irregularities or questionable behaviour of employees, service providers or associates.

Reports will be received and reviewed by the chairperson of the ARC who will determine the appropriate initial action. Reports are provided to relevant parties in the Manager at the level of senior management and to the ARC, unless the whistleblowing report is related to the senior management directly. Confidentiality around the identity of the reporter is maintained at all times, regardless of whether the report was made openly or anonymously. The Manager will not tolerate any retaliation towards employees who report concerns and any employees taking action in response to a report will be subject to the disciplinary procedure.

The Manager and the ARC are responsible for ensuring the maintenance, regular review and updating of the Whistleblowing Policy. Revisions, amendments and alterations to the Whistleblowing Policy can only be implemented with approval by the ARC and the Board.

Additional Information on Endorsement or Re-endorsement of Director

The information required under Rule 720(6) read with Appendix 7.4.1 of the Listing Manual in respect of Directors whom the Manager is seeking endorsement or re-endorsement by Unitholders at the annual general meeting to be held in 2025 is set out below.

Name	Mr Justin Marco Gabbani	Mr Simon John Perrott
Date of Appointment	26 October 2021	29 August 2019
Date of last endorsement or re-endorsement of appointment (as the case may be)	25 October 2022	25 October 2022
Age	43	67
Country of principal residence	Singapore	Australia
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The NRC of the Manager has reviewed the qualifications and experience of Mr Gabbani and recommended to the Board the re-endorsement of Mr Gabbani as the Chairperson and Non-Independent Non-Executive Director and a member of the ARC. The Board has considered the recommendation and assessment of the NRC on Mr Gabbani's knowledge, age, background, expertise, experience, diversity of skillsets, contributions and commitment in the discharge of his duties as Chairperson and Non-Independent Non-Executive Director and a member of the ARC; and is satisfied that he will continue to provide the Board with insights into the business; and approved the re-endorsement of Mr Gabbani as the Chairperson and Non-Independent Non-Executive Director and member of the ARC of the Manager. The seeking of endorsement or re-endorsement of Directors to the Board is further explained on page 72 of this annual report.	The NRC of the Manager has reviewed the qualifications and experience of Mr Perrott and recommended to the Board the re-endorsement of Mr Perrott as the Independent Non-Executive Director, Chairperson of the ESGC and a member of the ARC and the NRC. The Board has considered the recommendation and assessment of the NRC on Mr Perrott's expertise, international exposure, business experience, geographical background, independence, contributions and commitment in the discharge of his duties as an Independent Non-Executive Director, Chairperson of the ESGC and a member of the ARC and the NRC; and is satisfied that he will continue to contribute meaningfully to the Board; and approved the re-endorsement of Mr Perrott as the Independent Non-Executive Director, Chairperson of the ESGC and a member of the ARC and the NRC of the Manager. The seeking of endorsement or re-endorsement of Directors to the Board is further explained on page 72 of this annual report.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title	Chairperson and Non-Independent Non-Executive Director and member of the ARC	Independent Non-Executive Director, Chairperson of the ESGC, member of the ARC and member of the NRC
Professional qualifications	Bachelor of Finance and Bachelor of Commerce from Bond University, Queensland Chartered Accountant, Australia	Bachelor of Science, University of Melbourne Master of Business Administration, University of New South Wales

Corporate Governance

Name	Mr Justin Marco Gabbani	Mr Simon John Perrott
Working experience and occupation(s) during the past 10 years	Head of Investment & Capital Markets, Asia, Lendlease Group (2011 to 2015) Head of Investment & Capital Markets, Asia and Europe, Lendlease Group (2015 to 2016) Chief Financial Officer, Asia, Lendlease (2016 to 2021) Chief Executive Officer, Asia, Lendlease (2021 to 2024) Chief Executive Officer, Investment Management Lendlease Group (2024 to present)	Chairperson, RBS Australia (2009 to 2012) Chairperson, CIMB Bank Australia (2012 to 2014)
Shareholding interest in the listed issuer and its subsidiaries	Direct Interest – 588,410 Units	Direct Interest – 122,862 Units
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr Gabbani is the Chief Executive Officer, Investment Management Lendlease Group and a Director of Lendlease Asia Holdings Pte. Ltd. and Lendlease Investment Management Pte. Ltd., both of which are a related corporation of Lendlease Corporation Limited, the Sponsor.	Mr Perrott is currently Chairperson and independent non-executive director of LLREIL, a wholly owned subsidiary of the Sponsor.
Conflict of interest (including any competing business)	As above	No. Mr Perrott is not and has never been employed by any member of the Lendlease Group. His only role with the Lendlease Group is his appointment as independent non-executive directors of LLREIL.
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes

Name	Mr Justin Marco Gabbani	Mr Simon John Perrott
Other Principal Commitments Including Directorships		
Past (for the last 5 years)	Erina Fair Singapore Pte. Ltd. Lendlease Asia Retail Investment Fund 1 Pte Ltd Lendlease Asia Retail Investment Fund 2 Pte Ltd Lendlease Asia Retail Investment Fund 3 Pte Ltd Lendlease Asia Retail Investment Fund 4 Pte Ltd Lendlease Asia Retail Investment Fund 5 Pte Ltd Lendlease Commercial Investments Pte Ltd Lendlease DC Holdings Trustee Pte Ltd Lendlease Digital Asia Holdings Pte. Ltd. Lendlease Digital Asia Pte. Ltd. Lendlease GCR Investment Holding Pte Ltd Lendlease Global Commercial (AU) Pte. Ltd. Lendlease Global Commercial (IT) Pte Ltd Lendlease Global Commercial (IT) Pte. Ltd. Lendlease Global Commercial (SG) Pte. Ltd. Lendlease Global Commercial (SGP) Pte. Ltd. Lendlease Japan Holdings Pty Limited Lendlease LQ Residential 1 JR Pte. Ltd. Lendlease LQ Residential 1 Pte. Ltd. Lendlease LQ Residential 2 JR Pte. Ltd. Lendlease LQ Residential 2 Pte. Ltd. Lendlease LQ Residential 3 JR Pte. Ltd. Lendlease LQ Residential 3 Pte. Ltd. Lendlease LQ Retail Pte. Ltd. Lendlease P&D Realty Sdn Bhd Lendlease Plot 2 Holdings JR Pte. Ltd. Lendlease Plot 2 Holdings Pte. Ltd. Lendlease Plot 2 Hotel and Retail Pte. Ltd. Lendlease Plot 2 Residential Pte. Ltd. Lendlease Project Management & Construction (Shanghai) Co., Pte Ltd Lendlease Proptech Investments Pte Ltd Lendlease R&H Holdings JR Pte. Ltd. Lendlease R&H Holdings Pte. Ltd. Lendlease Retail Investments 3 Pte Ltd Lendlease Retail Pte Ltd Lendlease Senior Living Property Company Pte Ltd Lendlease Singapore Pte Ltd Lendlease TRX Hotel Pte. Ltd. Lendlease Vault Holdings Pte Ltd LLDCP Aquila Pte Ltd LQ Hotel Sdn. Bhd. LQ Residential 1 Sdn. Bhd. LQ Residential 2 Sdn. Bhd. LQ Residential 3 Sdn. Bhd. Milano Central Pte Ltd Parkway Parade Partnership Pte Ltd Plot 2 JV Development Sdn Bhd Plot 2 JV Holdings Sdn Bhd	Nil

Corporate Governance

Name	Mr Justin Marco Gabbani	Mr Simon John Perrott
Other Principal Commitments Including Directorships		
Past (for the last 5 years)	Roma Central Pte Ltd Space Lab Holding Pte Ltd Space Lab One Pte Ltd Verona Central Pte Ltd	Nil
Present (directorships)	APPFC Active Holdings Pty Ltd APPFR Active Holdings Pty Ltd Clay Holdings II Limited Clay Holdings III Limited Clay SG Holdings 1 Pte. Ltd. Lendlease Asia Holdings Pte. Ltd. Lendlease Aurum 1 Asset Management Pte. Ltd. Lendlease Aurum 1 Property Pte. Ltd. Lendlease Aurum 2 Property Pte. Ltd. Lendlease Aurum Asset Management Pte. Ltd. Lendlease Aurum Property Holdings Pte. Ltd. Lendlease China Holdings Pty Limited Lendlease International Asia Holdings Pty Limited Lendlease Investment Management Pte. Ltd. Lendlease Proptech Investments Pte. Ltd. Lendlease Real Estate Investments Limited Lendlease Senior Living Property Company Pte. Ltd. Lendlease Singapore Holdings Pty Limited Lendlease Vita Holding Pte. Ltd. LINO GP Pte. Ltd. LINO SG Holding Pte. Ltd. LL Pioneer Sdn. Bhd. LL Pioneer SMA 1 Sdn. Bhd. LQ Retail Sdn. Bhd. Podium Pte. Ltd. Singtel Somerset Pte. Ltd. Supreme Alpha Pte. Ltd. Supreme Beta Pte. Ltd. Supreme GP Pte. Ltd. Supreme JV Holding Pte. Ltd. Vita Asset Holding Pte. Ltd. Vita Asset Management Pte. Ltd. Vita Growth Partners II Pte. Ltd. Vita Growth Partners III Pte. Ltd. Vita Growth Partners Pte. Ltd. Vita PMC Holding Pte. Ltd. Vita PMC SG Pte. Ltd. Vita Partners Project Management & Construction (Shanghai) Co., Ltd. Vita Property Services Pte. Ltd. Waterview Investment Pte. Ltd. Waterbay Investment Pte. Ltd.	AIN Pty Limited Lendlease Real Estate Investments Limited Perrott Properties Pty Limited The Wayside Chapel
Present major appointments (other than directorships)	Chief Executive Officer, Investment Management Lendlease Group	Nil

Name		Mr Justin Marco Gabbani	Mr Simon John Perrott
Information required pursuant to Appendix 7.4.1 of the Listing Manual			
(a)	**Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?**	No	No
(b)	**Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?**	No	No
(c)	**Whether there is any unsatisfied judgment against him?**	No	No
(d)	**Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?**	No	No
(e)	**Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?**	No	No
(f)	**Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?**	No	No
(g)	**Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?**	No	No
(h)	**Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?**	No	No

Corporate Governance

Name		Mr Justin Marco Gabbani	Mr Simon John Perrott
Information required pursuant to Appendix 7.4.1 of the Listing Manual			
(i)	**Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?**	No	No
(j)	**Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:**		
	(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
	(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
	(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
	(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k)	**Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the MAS or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?**	No	No

Risk Management

The Manager continues to recognise risk management as an integral part of operating Lendlease REIT's business in accordance with best practice principles in a manner that protects its stakeholders, employees and corporate reputation.

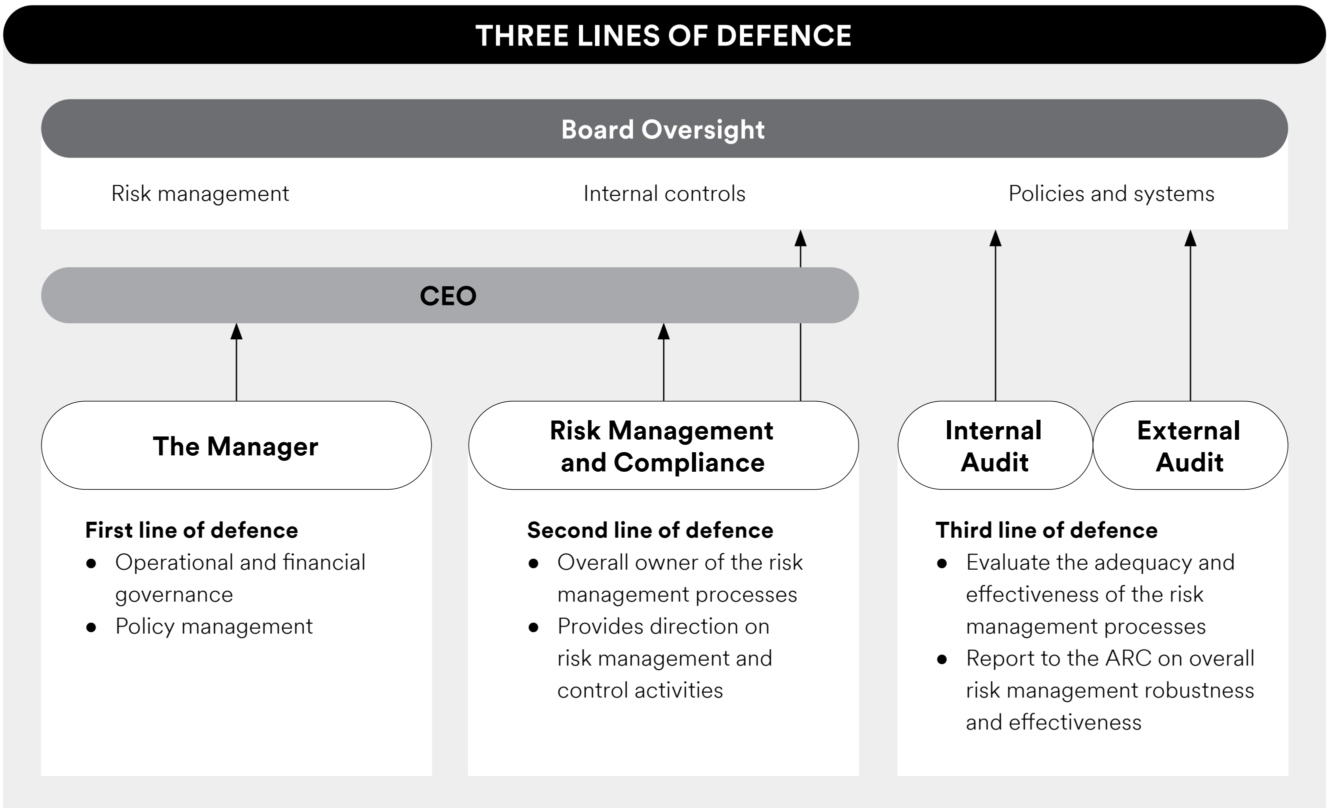
Lendlease REIT's ERM Framework sets out the ERM process and governance adopted by Lendlease REIT. The ERM Framework is adapted from ISO31000:2018 – Risk Management and guided by COSO Enterprise Risk Management Framework and other relevant best practices and guidelines. These guidelines specify the components needed to manage risks in an integrated, systematic, and consistent manner. The ERM Framework is reviewed and updated annually to ensure continuous relevance to Lendlease REIT's operating environment and strategic objectives.

The diagram below sets out the ERM governance structure based on three lines of defence adopted by Lendlease REIT to ensure that the overall ERM process and system of internal controls is robust across Lendlease REIT.

The Board is the principal governor of the ERM Framework and establishes the overall risk strategy and governance. It delegates the oversight responsibility of the ERM Framework to the ARC, which assists the Board in overseeing risk management matters of Lendlease REIT and is accountable to the Board in establishing a robust risk management framework to safeguard Lendlease REIT's assets and address its strategic, financial, operational, compliance, technology and climate-related risks ("**Risk Category**").

The Manager acknowledges that risk management should not only focus on reducing and minimising risks, it should also seek to preserve capital and ensure resilience to cyclical changes in business conditions. The ERM Framework applies a structured process in formulating risk-based strategies across respective functions, identifying potential issues that may affect Lendlease REIT and managing risks to an acceptable level within the risk appetite as approved by the Board. It provides assurance to the Board that the framework is adequate and effective in mitigating the identified risks.

The Manager recognises that risk culture is one of the critical success factors of an effective risk management program. Driving the desired risk culture starts with the tone set by the Board and senior management, cascading down to all staff within the organisation. Regular communications and trainings to internal stakeholders are necessary to build awareness, understanding and appreciation of risk management.



Risk Management

DETAILS OF KEY RISKS AND MITIGATION ACTIONS

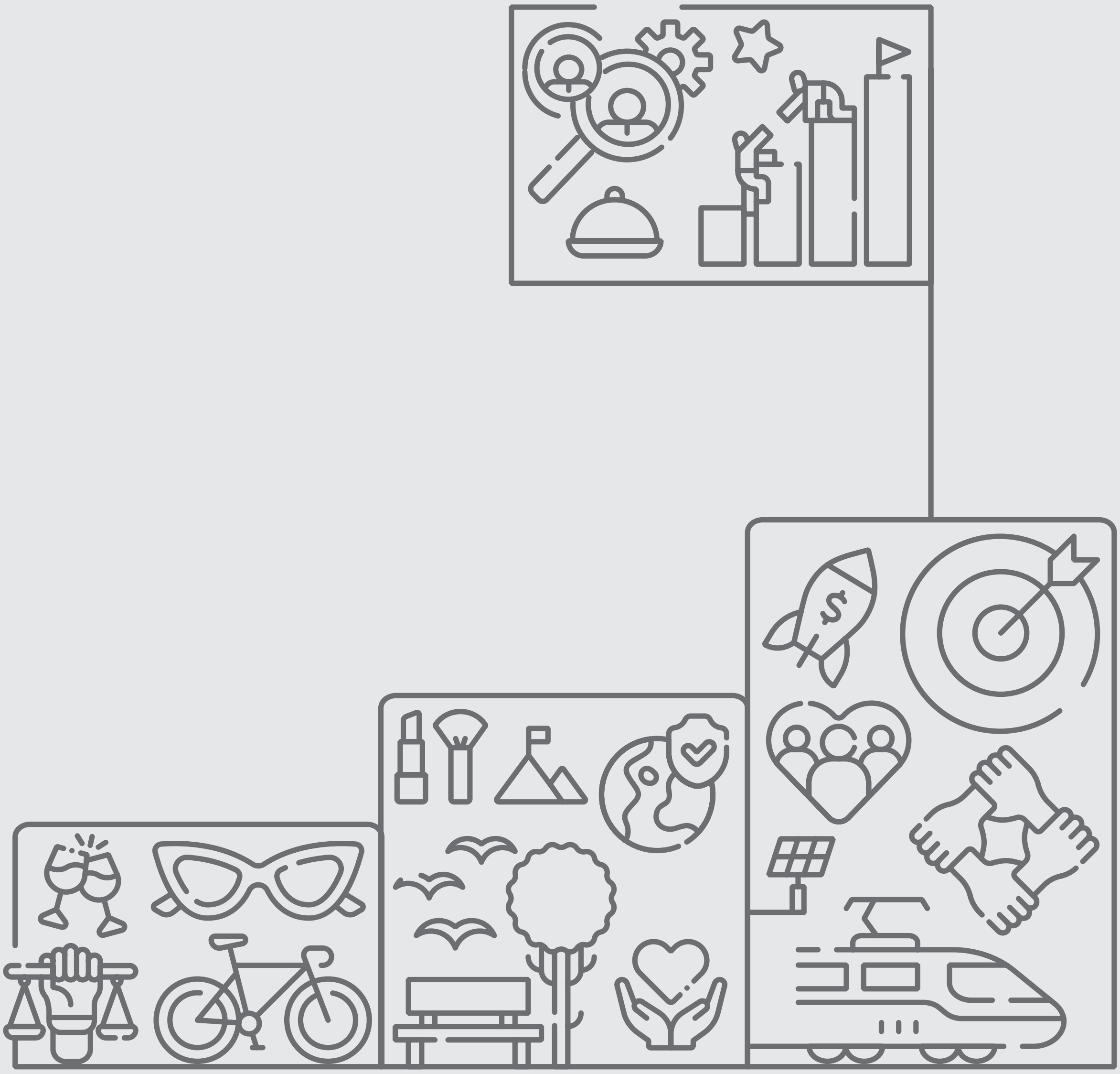
Risk Category	Key Risks	Mitigation Actions
Strategic Risk	• Economic uncertainties and downturns in the markets where Lendlease REIT operates (or intends to operate) in could pose risks of decreasing profits, disrupted access to capital markets or increased counterparty risks, impacting Lendlease REIT's ability to achieve its strategic goals.	• Close monitoring of macroeconomic trends and policy changes with assessment of relevant impacts on a regular basis. • Adopt a disciplined approach to financial management. • Evaluate all investments against a rigorous set of investment criteria with due diligence reviews undertaken including assessment of rental sustainability, sensitivity analysis and potentials for growth in yield and/or value creation. • The Board reviews and approves all investment decisions.
Financial Risk	• Potential risks of market illiquidity amidst financial downturns may pose challenges in securing funding to meet financial obligations, capital expenditure or investments, leading to increased costs of funding and/or loss in investment opportunities. • Interest rates fluctuations expose Lendlease REIT to volatility in financing costs. • Unfavourable movements in foreign currencies against the Singapore Dollar may translate to a reduction in earnings.	• Maintain an appropriate debt maturity profile, adequate operating cash flows and available funding sources to ensure that there are sufficient financial resources to fund operations and initiatives. • Minimise over-reliance on a single source of funding for financing requirements. • Review and maintain an appropriate mix of exposures to floating and fixed borrowing rates (including through interest rate hedging). • Minimise the level of foreign exchange risks by maintaining a natural hedge with borrowings in the same currency as the investment. Where natural hedging is not possible/sufficient, financial derivatives will be an alternative for hedging this risk.
Operational Risk	• Risks of business disruption due to occurrence of adverse external event (man-made and natural cause) and inadequate planning for business continuity and disaster recovery. • Potential conflict of interests risks due to competing interests between Lendlease REIT and its Sponsor or related parties, potentially interfering with decision making and performance. • Failure to provide an environment which promotes HSW, impacting Lendlease REIT's ability to achieve corporate and social responsibilities.	• Business Continuity Plan is in place, reviewed and updated from time to time. • Lendlease REIT's properties are properly insured in accordance with current industry practices. • Potential conflicts of interests are managed with segregation of duties between the Manager and its Sponsor as well as implementation of Conflict of Interest Procedure which includes annual declaration by senior management (including Board members) • Implement Lendlease Group's GMRs incorporating HSW in work practices. • Mandatory training to understand how GMRs support continuous improvement of the safety environment at workplaces.

Risk Category	Key Risks	Mitigation Actions
Compliance Risk	• Incurrence of liability or additional costs from non-compliance with key laws or regulations and/or the inability to respond to changing laws and regulations may lead to financial and reputational losses.	• Proactive stance to observe all laws and regulations on an ongoing basis, including the requirements of the Listing Manual, the CIS Code issued by the MAS and the provisions in the Trust Deed. • Written corporate policies to facilitate staff awareness and minimise unintentional breach of applicable legislations and obligations. • Compliance with policies and procedures is always required. The policies will be reviewed by the Manager on an annual or biennial basis and are submitted to the relevant Board Committees for review and to the Board for approval. • Keep abreast of material changes in relevant rules and regulations. Adopt guidance from the SGX-ST and MAS to provide timely disclosures during uncertain times for the investment community to make informed decisions. • Lendlease REIT's compliance manual addresses sanctions-related risks. Sanctions checks relating to the Manager and Lendlease REIT's business operations will be carried out by the Manager, property manager and fund manager on onboarding of suppliers and thereafter on an annual basis.
Technology and Cyber Risk	• Risks on cybersecurity breaches to systems and data assets. • Ineffective/inefficient IT systems that are no longer supported by vendors, and/or are unable to support current and future business needs may compromise operations and data privacy regulations.	• Implement new systems with updated security protection and policies in place, to address the known cybersecurity threats at the point in time. • Tap into the expertise of the Information, Communication & Technology team from Lendlease Group to execute the risk management strategy through ongoing review against business environment and existing/evolving threat landscapes. • Conduct IT Security Awareness Training and internal phishing campaigns to continually raise the awareness of employees to stay vigilant on cybersecurity in the information security chain. • Periodical review by Lendlease Group and update IT Security Policy and Data Protection Framework to ensure relevancy.
Climate-related Risk	• Physical risks presented by extreme weather events such as urban flooding and heat wave. • Financial risks due to potential liabilities from adverse climate impacts. • Transitional risks as different stakeholders – governments, investors, suppliers, tenants, and customers – respond unevenly to climate change.	• Lendlease Group will conduct climate scenario analysis for each of the assets to identify relevant climate-related risks and opportunities, using climate scenarios that it developed. The main scenarios used to identify CRI are the Resignation, Polarisation, Paris Alignment and Transformation scenarios. With the climate scenario analysis, we identify the CRI relevant to Lendlease REIT's assets and business. • More details on Lendlease REIT's response to climate-related risks can be found in the Sustainability Report FY2025.

Glossary

2018 Code	Code of Corporate Governance 2018
AEI	Asset Enhancement Initiative
AGM	Annual General Meeting
AIFMD	Alternative Investment Fund Managers Directive
ARC	Audit and Risk Committee
Attendance Fee	Fee for attending Board and Board Committee meetings
Board Committee	Separately, the ARC, NRC or ESGC
Board Committees	Collectively, the ARC, NRC and ESGC
Board	Board of Directors of the Manager
CAGR	Compounded Annual Growth Rate
CBD	Central Business District
CEO	Chief Executive Officer
Chairperson	Chairperson of the Board
CIS Code	Code on Collective Investment Schemes
CMS Licence	Capital Markets Services Licence
Code of Conduct Policy	Lendlease Group's Code of Conduct Policy
Companies Act	Companies Act 1967 of Singapore
Company Secretary	Company secretary of the Manager
CPF	Central Provident Fund
CRI	Climate-related Impacts
Director	A director of the Manager
Directors	All directors of the Manager
DPU	Distribution per Unit
DRP	Distribution Reinvestment Plan
ECB	European Central Bank
Employee Conduct Guide	Lendlease employee conduct guide
ERM Framework	Lendlease Enterprise Risk Management framework
ERM	Enterprise Risk Management
ESG	Environmental, Social and Governance
ESGC	Environmental, Social and Governance Committee
ExSTI Plan	Executive short-term incentive plan
External Auditors	KPMG LLP as the external auditors of Lendlease REIT
F&B	Food & Beverages
FY2024	Financial year ended 30 June 2024
FY2025	Financial year ended 30 June 2025
GDP	Gross Domestic Product
GFA	Gross Floor Area
GHG	Greenhouse gas
GLA	Gross Lettable Area
GMRs	Global Minimum Requirements
GRI	Gross Rental Income
HSW	Health, Safety and Wellbeing
ICR	Interest Coverage Ratio
Interested Party Transactions	Interested Party Transactions under the Property Funds Appendix
Interested Person Transactions	Interested Person Transactions under the Listing Manual
IR Policy	Unitholders' Communication and Investor Relations Policy
IR	Investor Relations
ISTAT	Italian National Institute of Statistics
JID	Jurong Innovation District
JLD	Jurong Lake District
JRL	Jurong Region Line
km	kilometres
KPIs	Key Performance Indicators
Lendlease Group	Lendlease Corporation Limited, Lendlease Trust and their subsidiaries
Lendlease REIT	Lendlease Global Commercial REIT
Lendlease Singapore Holdings	Lendlease Singapore Holdings Pty Limited
Listing Manual	Listing manual of the SGX-ST
LLREIL	Lendlease Real Estate Investments Limited
LTI Plan	Long-term incentive plan
Management	Management team of the Manager
Manager	Lendlease Global Commercial Trust Management Pte. Ltd. (as Manager of Lendlease REIT)
MAS	Monetary Authority of Singapore
Milan	Milan Metropolitan Area
MND	Ministry of National Development
MRT	Mass Rapid Transit
MSTI Plan	Management short-term incentive plan
MTI	Ministry of Trade and Industry
NAV	Net Asset Value
NLA	Net Lettable Area
NPI	Net Property Income
NRC	Nomination and Remuneration Committee
Performance Rights	Each Performance Rights represents a conditional entitlement to a Unit (or in certain circumstances, a cash equivalent payment in lieu of an allocation of a Unit)
PPP	Parkway Parade Partnership Pte. Ltd.
Property Funds Appendix	Appendix 6 of the CIS Code
REIT	Real Estate Investment Trust
REITAS	REIT Association of Singapore
Related Party Transactions	Interested Party Transactions and Interested Person Transactions
RTS	Rapid Transit System
SF(LCB) Regulations	Securities and Futures (Licensing and Conduct of Business) Regulations
SFA	Securities and Futures Act 2001 of Singapore
SGX-ST	Singapore Exchange Securities Trading Limited
SingStat	Singapore Department of Statistics
Sponsor	Lendlease Corporation Limited
sq ft	Square feet
sq m	Square meters
S-REIT	Singapore Real Estate Investment Trust
STB	Singapore Tourism Board
TEL	Thomson-East Coast Line
Trust Deed	Trust deed dated 28 January 2019 (as amended, restated or supplemented from time to time)
Trustee	DBS Trustee Limited
Unit Plans	Collectively, the ExSTI Plan, MSTI Plan and LTI Plan
Unitholders	Unitholders of Lendlease REIT
Units	Units in Lendlease REIT
URA	Urban Redevelopment Authority
US	United States
WALE	Weighted Average Lease Expiry
YoY	Year-on-Year

Financials



Report of the Trustee

DBS Trustee Limited (the "**Trustee**") is under a duty to take into custody and hold the assets of Lendlease Global Commercial REIT ("**LREIT**") and its subsidiaries (collectively, the "**Group**") in trust for the holders ("**Unitholders**") of units in LREIT (the "**units**"). In accordance with the Securities and Futures Act 2001, its subsidiary legislation, the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore and the Listing Manual of Singapore Exchange Securities Trading Limited, the Trustee shall monitor the activities of Lendlease Global Commercial Trust Management Pte. Ltd. (the "**Manager**") for compliance with the limitations imposed on the investment and borrowing powers as set out in the provisions of the Trust Deed constituting LREIT dated 28 January 2019 (as amended)[1] between the Trustee and the Manager (the "**Trust Deed**") in each accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Group during the year covered by these financial statements, set out on pages 110 to 174, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
DBS Trustee Limited

Chan Kim Lim
Director

Singapore
18 September 2025

[1] As amended by the First Amending and Restating Deed dated 10 September 2019, the First Supplemental Deed dated 15 July 2020 and the Supplemental Deed of Retirement and Appointment of Trustee dated 20 May 2022.

Statement by the Manager

In the opinion of the directors of Lendlease Global Commercial Trust Management Pte. Ltd. (the "**Manager**"), the accompanying financial statements of Lendlease Global Commercial REIT ("**LREIT**") and its subsidiaries (the "**Group**") set out on pages 110 to 174, comprising the statements of financial position and portfolio statements of the Group and LREIT as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income and the distribution statement of the Group, the statements of movements in Unitholders' funds of the Group and LREIT, and the consolidated statement of cash flows of the Group for the year ended 30 June 2025, and the notes to the financial statements are drawn up so as to present fairly, in all material respects, the financial position and portfolio statements of the Group and LREIT as at 30 June 2025, and the profit or loss and other comprehensive income and distributable income of the Group, movements in Unitholders' funds of the Group and LREIT, and cash flows of the Group for the year ended in accordance with International Financial Reporting Standards and the provisions of the Trust Deed dated 28 January 2019 (as amended) and the relevant requirements of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore. At the date of this statement, there are reasonable grounds to believe that the Group and LREIT will be able to meet their respective financial obligations as and when they materialise.

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

Justin Gabbani
Chairperson and Non-Independent
Non-Executive Director

Tsui Kai Chong
Lead Independent Non-Executive Director

Singapore
18 September 2025

Independent Auditors’ Report

Unitholders of Lendlease Global Commercial REIT

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

We have audited the consolidated financial statements of Lendlease Global Commercial REIT (“**LREIT**”) and its subsidiaries (the “**Group**”), which comprise the consolidated statement of financial position and consolidated portfolio statement of the Group and the statement of financial position and portfolio statement of LREIT as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated distribution statement, consolidated statement of movements in Unitholders’ funds and consolidated statement of cash flows of the Group and the statement of movements in Unitholders’ funds of LREIT for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 110 to 174.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of movements in Unitholders’ funds of LREIT present fairly, in all material respects, the consolidated financial position and consolidated portfolio statement of the Group and the financial position and portfolio statement of LREIT as at 30 June 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated distribution statement, consolidated statement of movements in Unitholders’ funds and consolidated statement of cash flows of the Group and the statement of movements in Unitholders’ funds of LREIT for the year ended 30 June 2025 in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board (“**IFRS Accounting Standards**”).

BASIS FOR OPINION

We conducted our audit in accordance with Singapore Standards on Auditing (“**SSAs**”). Our responsibilities under those standards are further described in the *‘Auditors’ responsibilities for the audit of the financial statements’* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (“**ACRA Code**”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of investment properties
(Refer to Note 5 to the financial statements)

Risk:

As at 30 June 2025, the Group owns a portfolio of investment properties comprising a leasehold interest in one retail mall (“**313@somerset**”) and one integrated office and retail development (“**Jem**”) located in Singapore (together, the “**Singapore Properties**”) and a freehold interest in Sky Complex, comprising three commercial buildings located in Milan, Italy (the “**Milan Property**”).

These investment properties are stated at their fair values based on valuations performed by independent external valuers engaged by the Group. The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. These valuations are highly sensitive to the key assumptions made, which may be subject to estimation uncertainties.

Our response:

We assessed the Group's process for the selection of the external valuers, the determination of the scope of work of the external valuers, and the review and acceptance of the valuations reported by the external valuers. We evaluated the independence, objectivity and competency of the external valuers and read their terms of engagement to ascertain whether there are matters that might have affected the scope of their work and their objectivity.

We considered the appropriateness of the valuation methodologies applied against those applied by other valuers for similar property types, and the reasonableness of the key assumptions applied by the external valuers by benchmarking against industry data. Where the rates were outside the expected range, we undertook further procedures, held further discussions with the external valuers to understand the effects of additional factors considered in the valuations and corroborate with other evidence.

Our findings:

The Group has a structured process in appointing and instructing external valuers, and in reviewing and accepting their valuation results. The external valuers are members of generally-recognised professional bodies for valuers and have considered their own independence in carrying out the work.

In determining the fair values of the Group's investment properties, the external valuers have adopted the Capitalisation Approach and Discounted Cash Flow Analysis for the Singapore Properties and Discounted Cash Flow Analysis for the Milan Property. The reported fair values of the Singapore Properties were derived based on an average of the approaches used. The valuation methodologies used were consistent with generally accepted market practices.

The key assumptions applied were generally within the range of market data available as at 30 June 2025. Where the assumptions were outside the expected range, the additional factors considered by the external valuers were consistent with other corroborative evidence.

OTHER INFORMATION

Lendlease Global Commercial Trust Management Pte. Ltd., the Manager of the Trust (the "**Manager**"), is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE MANAGER FOR THE FINANCIAL STATEMENTS

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS Accounting Standards, and for such internal controls as the Manager determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease operations of the Group, or has no realistic alternative but to do so.

The Manager’s responsibilities include overseeing the Group’s financial reporting process.

AUDITORS’ RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Karen Lee Shu Pei.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
18 September 2025

Statements of Financial Position

As at 30 June 2025

		Group		LREIT	
		2025	2024	2025	2024
	Note	S$'000	S$'000	S$'000	S$'000
Non-current assets					
Intangible assets	4	**14**	61	**14**	61
Investment properties	5	**3,756,476**	3,673,150	**3,341,000**	3,291,000
Investment property under development	6	**6,860**	9,256	**6,860**	9,256
Investment in associates	7	**4,130**	4,519	**–**	–
Investment in subsidiaries	8	**–**	–	**490,347**	477,516
Equity instrument at fair value	9	**86,090**	86,098	**86,090**	86,098
Other non-current assets		**3,405**	2,551	**3,087**	2,551
Derivative financial instruments	10	**–**	3,244	**–**	3,244
		3,856,975	3,778,879	**3,927,398**	3,869,726
Current assets					
Cash and cash equivalents	11	**41,592**	34,124	**30,257**	26,669
Trade and other receivables	12	**2,615**	8,092	**1,422**	3,628
Other current assets	13	**5,027**	7,415	**4,599**	7,278
Derivative financial instruments	10	**–**	1,304	**–**	1,304
		49,234	50,935	**36,278**	38,879
Total assets		**3,906,209**	3,829,814	**3,963,676**	3,908,605
Current liabilities					
Trade and other payables	14	**65,030**	55,350	**56,565**	54,071
Loans and borrowings	15	**314,220**	357,716	**314,220**	357,716
Lease liability	16	**203**	196	**203**	196
Derivative financial instruments	10	**253**	60	**253**	60
		379,706	413,322	**371,241**	412,043
Non-current liabilities					
Trade and other payables	14	**22,554**	19,775	**22,554**	19,775
Loans and borrowings	15	**1,326,308**	1,178,254	**1,326,308**	1,178,254
Lease liability	16	**1,757**	1,960	**1,757**	1,960
Derivative financial instruments	10	**27,900**	4,200	**27,900**	4,200
		1,378,519	1,204,189	**1,378,519**	1,204,189
Total liabilities		**1,758,225**	1,617,511	**1,749,760**	1,616,232
Net assets		**2,147,984**	2,212,303	**2,213,916**	2,292,373
Represented by:					
Unitholders' funds		**1,827,360**	1,811,647	**1,894,379**	1,892,941
Non-controlling interests	17	**1,087**	1,224	**–**	–
Perpetual securities holders	18	**319,537**	399,432	**319,537**	399,432
		2,147,984	2,212,303	**2,213,916**	2,292,373
Units issued at end of financial year ('000)	18	**2,446,669**	2,376,578	**2,446,669**	2,376,578
Net asset value per unit attributable to Unitholders (S$)		**0.75**	0.76	**0.77**	0.80

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended 30 June 2025

	Note	Group 2025 S$'000	Group 2024 S$'000
Gross revenue	19	**206,542**	220,905
Property operating expenses	20	**(57,786)**	(55,625)
Net property income		**148,756**	165,280
Manager's base fee	21	**(10,426)**	(10,274)
Manager's performance fee	21	**(7,538)**	(8,396)
Other management fee		**(764)**	(818)
Trustee's fee		**(430)**	(427)
Other trust expenses	22	**(2,105)**	(1,847)
Net foreign exchange (loss)/gain		**(12,662)**	7,268
Dividend income		**3,046**	3,111
Net finance costs	23	**(65,268)**	(66,929)
Profit before tax, change in fair value, impairment and share of profit		**52,609**	86,968
Net change in fair value of investment properties and investment property under development		**46,831**	2,901
Net change in fair value of equity instrument		**141**	314
Impairment of investment in associates		**(93)**	(94)
Share of (loss)/profit of associates		**(296)**	592
Net change in fair value of derivative financial instruments		**(28,442)**	(13,440)
Profit before tax		**70,750**	77,241
Tax expense	24	**–**	–
Profit after tax		**70,750**	77,241
Attributable to:			
Unitholders		**52,412**	58,231
Non-controlling interests	17	**(137)**	58
Perpetual securities holders		**18,475**	18,952
		70,750	77,241
Other comprehensive income			
Items that is or may be reclassified subsequently to profit or loss:			
Translation differences relating to financial statements of a foreign subsidiary		**12,578**	(7,183)
Total comprehensive income for the year		**83,328**	70,058
Attributable to:			
Unitholders		**64,990**	51,048
Non-controlling interests	17	**(137)**	58
Perpetual securities holders		**18,475**	18,952
		83,328	70,058
Earnings per unit (cents)			
Basic and diluted	25	**2.17**	2.48

The accompanying notes form an integral part of these financial statements.

Consolidated Distribution Statement

Year ended 30 June 2025

	Note	Group 2025 S$'000	Group 2024 S$'000
Amount available for distribution to Unitholders at beginning of the year		**42,075**	52,180
Profit after tax		**52,412**	58,231
Net tax and other adjustments	A	**35,153**	33,128
Amount available for distribution to Unitholders		**129,640**	143,539
Distribution to Unitholders during the year			
2.245 Singapore cents per unit for the period from 1 January 2023 – 30 June 2023		**–**	(52,173)
2.095 Singapore cents per unit for the period from 1 July 2023 – 31 December 2023		**–**	(49,291)
1.770 Singapore cents per unit for the period from 1 January 2024 – 30 June 2024		**(42,066)**	–
1.795 Singapore cents per unit for the period from 1 July 2024 – 31 December 2024		**(43,490)**	–
		(85,556)	(101,464)
Amount available for distribution to Unitholders at end of the year		**44,084**	42,075

Please refer to note 3.12 for LREIT's distribution policy.

NOTE A – NET TAX AND OTHER ADJUSTMENTS

	Group 2025 S$'000	Group 2024 S$'000
Manager's base fees in units	**10,426**	10,274
Manager's performance fees in units	**7,538**	8,396
Property manager's fees in units	**6,110**	6,041
Amortisation of debt-related transaction costs	**11,559**	11,973
Net foreign exchange loss/(gain)	**12,579**	(7,156)
Impairment of investment in associates	**93**	94
Share of loss/(profit) of associates	**296**	(592)
Net change in fair value of investment properties and investment property under development	**(46,831)**	(2,901)
Net change in fair value of equity instrument	**(141)**	(314)
Net change in fair value of derivative financial instruments	**28,442**	13,440
Sky Complex supplementary rent	**7,249**	(9,374)
Temporary differences and other adjustments	**(2,167)**	3,247
	35,153	33,128

The accompanying notes form an integral part of these financial statements.

Statements of Movements in Unitholders' Funds

Year ended 30 June 2025

	Group		LREIT	
	2025 S$'000	2024 S$'000	2025 S$'000	2024 S$'000
Unitholders' Funds				
Operations and Unitholders' transactions				
Balance at beginning of the year	**1,831,588**	1,842,102	**1,892,941**	1,826,230
Operations				
Profit after tax attributable to Unitholders	**52,412**	58,231	**50,715**	135,456
Unitholders' transactions				
Issuance costs	**(162)**	(167)	**(162)**	(167)
Manager's base fee paid in units	**10,329**	10,396	**10,329**	10,396
Manager's performance fee paid in units	**8,396**	7,705	**8,396**	7,705
Manager's acquisition fee paid in units	**–**	852	**–**	852
Property manager's fee paid in units	**6,082**	6,013	**6,082**	6,013
Distribution reinvestment plan	**13,453**	7,920	**13,453**	7,920
Distributions to Unitholders	**(85,556)**	(101,464)	**(85,556)**	(101,464)
Transfer from perpetual securities holders' funds	**(1,819)**	–	**(1,819)**	–
Change in Unitholders' funds resulting from Unitholders' transactions	**(49,277)**	(68,745)	**(49,277)**	(68,745)
Balance at end of the year	**1,834,723**	1,831,588	**1,894,379**	1,892,941
Foreign currency translation reserve [1]				
Balance at beginning of the year	**(19,941)**	(12,758)	**–**	–
Other comprehensive income				
Translation differences relating to financial statements of a foreign subsidiary	**12,578**	(7,183)	**–**	–
Balance at end of the year	**(7,363)**	(19,941)	**–**	–
Balance Unitholders' funds at end of the year	**1,827,360**	1,811,647	**1,894,379**	1,892,941
Perpetual securities holders				
Balance at beginning of the year	**399,432**	399,432	**399,432**	399,432
Issue of perpetual securities	**120,000**	–	**120,000**	–
Issuance costs	**(1,289)**	–	**(1,289)**	–
Profit after tax and total comprehensive income attributable to perpetual securities holders	**18,475**	18,952	**18,475**	18,952
Distributions	**(18,900)**	(18,952)	**(18,900)**	(18,952)
Redemption of perpetual securities	**(200,000)**	–	**(200,000)**	–
Transfer to Unitholders' funds	**1,819**	–	**1,819**	–
Balance at end of the year	**319,537**	399,432	**319,537**	399,432
Non-controlling interests				
Balance at beginning of the year	**1,224**	1,989	**–**	–
(Loss)/Profit after tax and total comprehensive income attributable to non-controlling interests	**(137)**	58	**–**	–
Distributions	**–**	(823)	**–**	–
Balance at end of the year	**1,087**	1,224	**–**	–

[1] Please refer to note 3.2 for the nature of foreign currency translation reserve.

The accompanying notes form an integral part of these financial statements.

Portfolio Statements

As at 30 June 2025

Description of property	Location	Term of land lease	Remaining term of land lease (years)	Existing use	Occupancy rate[1] 2025 %	Occupancy rate[1] 2024 %
Group and LREIT						
Investment properties in Singapore						
313@somerset	313 Orchard Road, Singapore 238895	99 years	80.4	Commercial	**98.8**	99.9
Jem	50 and 52 Jurong Gateway Road, Singapore 608549/50	99 years	84.2	Commercial	**99.9**	100.0
Group						
Investment property in Italy						
Sky Complex[3]	Via Luigi Russolo 4 (Building 1 & 2) Via Luigi Russolo 9 (Building 3) 20138 Milan, Italy	Freehold	N.A.	Commercial	**81.6**	73.9
Investment properties, at valuation (note 5)						
Group and LREIT						
Investment property under development in Singapore						
Development site adjacent to 313@somerset	State Land Lots 544N (PT), 789W (PT) and 1313M (PT) of Town Subdivision 21, Singapore	12 years 364 days[4]	8.4[4]	Commercial	**N.A.**	N.A.
Investment property under development, at valuation						
Investment properties and investment property under development, at valuation						

[1] The occupancy rates shown are on committed basis.

[2] The carrying value of investment properties and investment property under development are stated at valuation.

[3] As at 30 June 2025, the property was valued at €277.4 million (equivalent to approximately S$415.5 million) (2024: €263.1 million (equivalent to approximately S$382.2 million)).

[4] Includes options to renew land leases.

The accompanying notes form an integral part of these financial statements.

	Group				LREIT			
	Carrying value[2]		Percentage of total Unitholders' funds		Carrying value[2]		Percentage of total Unitholders' funds	
	2025 S$'000	2024 S$'000	2025 %	2024 %	2025 S$'000	2024 S$'000	2025 %	2024 %
	1,042,000	1,037,000	**57.0**	57.2	**1,042,000**	1,037,000	**55.0**	54.8
	2,299,000	2,254,000	**125.8**	124.4	**2,299,000**	2,254,000	**121.4**	119.1
	415,476	382,150	**22.7**	21.1	**–**	–	**–**	–
	3,756,476	3,673,150	**205.5**	202.7	**3,341,000**	3,291,000	**176.4**	173.9
	4,900	7,100	**0.3**	0.4	**4,900**	7,100	**0.3**	0.4
	4,900	7,100	**0.3**	0.4	**4,900**	7,100	**0.3**	0.4
	3,761,376	3,680,250	**205.8**	203.1	**3,345,900**	3,298,100	**176.7**	174.3

Portfolio Statements

As at 30 June 2025

Investment properties and investment property under development, at valuation
Investment property under development – right-of-use assets (note 6)
Investment properties and investment property under development
Other assets and liabilities of LREIT (net)
Net assets of LREIT
Perpetual securities holders
Net assets attributable to Unitholders
Other assets and liabilities of the Group (net)
Net assets of the Group
Non-controlling interests
Perpetual securities holders
Net assets attributable to Unitholders

As at 30 June 2025, the investment properties and investment property under development in Singapore were valued by Knight Frank Pte Ltd and Jones Lang LaSalle Property Consultants Pte Ltd (2024: Knight Frank Pte Ltd and Jones Lang LaSalle Property Consultants Pte Ltd) and the investment property in Milan was valued by Colliers Valuation Italy S.r.l. (2024: Jones Lang LaSalle S.p.A.).

The Manager believes that the independent valuers have the appropriate professional qualifications and recent experience in the location and category of the properties being valued. The valuation of the Singapore investment properties were based on income capitalisation method and discounted cash flow analysis. The valuation of the Milan investment property was based on discounted cash flow analysis. The valuation of the Singapore investment property under development was based on income capitalisation method and discounted cash flow analysis. Refer to notes 5 and 6 of the financial statements for details of the valuation techniques.

The accompanying notes form an integral part of these financial statements.

	Group				LREIT			
	Carrying value		Percentage of total Unitholders' funds		Carrying value		Percentage of total Unitholders' funds	
	2025	2024	2025	2024	2025	2024	2025	2024
	S$'000	S$'000	%	%	S$'000	S$'000	%	%
	3,761,376	3,680,250	**205.8**	203.1	**3,345,900**	3,298,100	**176.7**	174.3
	1,960	2,156	**0.1**	0.1	**1,960**	2,156	**0.1**	0.1
	3,763,336	3,682,406	**205.9**	203.2	**3,347,860**	3,300,256	**176.8**	174.4
					(1,133,944)	(1,007,883)	**(59.9)**	(53.3)
					2,213,916	2,292,373	**116.9**	121.1
					(319,537)	(399,432)	**(16.9)**	(21.1)
					1,894,379	1,892,941	**100.0**	100.0
	(1,615,352)	(1,470,103)	**(88.3)**	(81.1)				
	2,147,984	2,212,303	**117.6**	122.1				
	(1,087)	(1,224)	**(0.1)**	(0.1)				
	(319,537)	(399,432)	**(17.5)**	(22.0)				
	1,827,360	1,811,647	**100.0**	100.0				

Consolidated Statement of Cash Flows

Year ended 30 June 2025

		Group	
		2025	2024
	Note	S$'000	S$'000
Cash flows from operating activities			
Profit after tax		**70,750**	77,241
Adjustments for:			
Manager's fees paid/payable in units		**17,964**	18,670
Property manager's fees paid/payable in units		**6,110**	6,041
Dividend income from equity instrument at fair value		**(3,046)**	(3,111)
Finance income	23	**(885)**	(1,273)
Interest expense	23	**54,255**	55,890
Amortisation of debt-related transaction costs		**11,559**	11,973
Amortisation of intangible assets	4	**47**	67
Amortisation of investment properties - tenant incentive		**2,141**	1,081
Net foreign exchange loss/(gain)		**12,579**	(7,123)
Impairment of investment in associates		**93**	94
Share of loss/(profit) of associates		**296**	(592)
Net change in the fair value of investment properties and investment property under development		**(46,831)**	(2,901)
Net change in fair value of equity instrument		**(141)**	(314)
Net change in fair value of derivatives financial instruments		**28,442**	13,440
		153,333	169,183
Changes in:			
Trade and other receivables		**5,465**	(4,135)
Trade and other payables		**5,309**	(6,072)
Other current assets		**2,388**	(527)
Other non-current assets		**(854)**	134
Investment properties - tenant incentive		**(2,996)**	(29,776)
Net cash generated from operating activities		**162,645**	128,807
Cash flows from investing activities			
Dividends received from associates (including net capital returns)		**–**	3,737
Dividends received from equity instrument at fair value		**3,046**	3,111
Adjustment of purchase price of equity instrument		**149**	–
Interest received		**885**	1,273
Capital expenditure on investment properties		**(15,162)**	(7,504)
Capital expenditure on investment property under development		**(82)**	(142)
Net cash (used in)/generated from investing activities		**(11,164)**	475

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

Year ended 30 June 2025

	Note	Group 2025 S$'000	Group 2024 S$'000
Cash flows from financing activities			
Payment of issue costs for new units		**(162)**	(167)
Proceeds from issue of perpetual securities		**120,000**	–
Redemption of perpetual securities		**(200,000)**	–
Payment of issue costs for perpetual securities		**(1,289)**	–
Proceeds from loans and borrowings		**586,000**	530,057
Repayment of loans and borrowings		**(500,300)**	(510,104)
Payment of financing transaction costs		**(5,600)**	(1,080)
Payment of lease liability	16	**(270)**	(270)
Distribution to Unitholders		**(72,103)**	(93,544)
Distribution to perpetual securities holders		**(18,900)**	(18,952)
Distribution to non-controlling interests		**–**	(823)
Interest paid		**(52,391)**	(54,379)
Net cash used in financing activities		**(145,015)**	(149,262)
Net increase/(decrease) in cash and cash equivalents		**6,466**	(19,980)
Cash and cash equivalents at beginning of the year		**34,124**	54,224
Effect of exchange rate changes on balances held in foreign currency		**1,002**	(120)
Cash and cash equivalents at end of the year	11	**41,592**	34,124

SIGNIFICANT NON-CASH TRANSACTIONS

During the financial year ended 30 June 2025, there were the following significant non-cash transactions:

(i) LREIT issued units amounting to S$18.7 million (2024: S$18.1 million) as payment for the base fee and performance fee elements of the Manager's management fees;

(ii) LREIT issued units amounting to S$13.5 million (2024: S$7.9 million) as part payment for distributions for the period from 1 January 2024 to 31 December 2024 (2024: 1 January 2023 to 31 December 2023), pursuant to distribution reinvestment plan; and

(iii) LREIT issued units amounting to S$6.1 million (2024: S$6.0 million) as payment for the property manager's management fee.

During the financial year ended 30 June 2024, there were the following significant non-cash transactions:

(i) LREIT issued units amounting to S$0.9 million as payment for the acquisition fee of the Manager's fees in respect of the acquisition of 10.0% interest in Parkway Parade Partnership Pte. Ltd. ("**PPP**").

Refer to note 18 of the financial statements.

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 18 September 2025.

1 GENERAL

Lendlease Global Commercial REIT ("**LREIT**") is a Singapore-domiciled real estate investment trust constituted pursuant to the Trust Deed dated 28 January 2019, subsequently amended by the First Amending and Restating Deed dated 10 September 2019, the First Supplemental Deed dated 15 July 2020 and the Supplemental Deed of Retirement and Appointment of Trustee dated 20 May 2022 (collectively, the "**Trust Deed**"), entered into between DBS Trustee Limited (the "**Trustee**") and Lendlease Global Commercial Trust Management Pte. Ltd. (the "**Manager**"). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the LREIT held by it or through its subsidiaries in trust for the holders ("**Unitholders**") of units in LREIT (the "**units**").

LREIT was formally admitted to the Official List of Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 2 October 2019 (the "**Listing Date**") and LREIT was declared as an authorised unit trust scheme under the Trustees Act 1967.

The consolidated financial statements relate to LREIT and its subsidiaries (the "**Group**").

The principal activity of LREIT relates to investment strategy of investing, directly or indirectly, in a portfolio of stabilised income-producing real estate assets located globally that are used primarily for retail and/or office purposes as well as real estate-related assets in connection with the foregoing. The principal activities of the subsidiaries are set out in note 8.

LREIT has entered into several service agreements in relation to the management of LREIT and its property operations. The significant fee structures of services are summarised below.

1.1 Trustee's fees

The Trustee's fees shall not exceed 0.015% per annum of the value of all the assets of LREIT (Deposited Property), excluding out-of-pocket expenses and goods and services tax in accordance with the Trust Deed.

The Trustee's fee is accrued and payable out of the value of the Deposited Property on a monthly basis, in arrears.

1.2 Manager's fees

The Manager is entitled to receive base fee, performance fee, acquisition fee, divestment fee, and development management fee, respectively as follows:

Base fee

The Manager is entitled to receive a base fee of 0.3% per annum of the value of the Deposited Property.

The base fee is payable in the form of cash and/or units as the Manager may elect.

Performance fee

The Manager is entitled to receive a performance fee of 5.0% per annum of the net property income.

The performance fee is payable in the form of cash and/or units as the Manager may elect.

Notes to the financial statements

1 GENERAL (continued)

1.2 Manager's fees (continued)

Acquisition and divestment fee

The Manager is entitled to receive the following fees:

(a) an acquisition fee not exceeding 1.0% of the acquisition price of any properties or investments, acquired directly or indirectly by LREIT; and

(b) a divestment fee not exceeding 0.5% of the sale price of any properties or investments, sold or divested directly or indirectly by LREIT.

The acquisition and divestment fees are payable in the form of cash and/or units.

Development management fee

The Manager is entitled to receive a development management fee equivalent to 3.0% of the total project costs incurred in a development project undertaken on behalf of LREIT.

1.3 Property management fee

Property management fee is payable to the property manager for each property of the Group under its management:

Singapore

The property management fee for the Singapore Properties are charged based on the following formula:

(i) up to 2.0% per annum of the gross revenue of the properties; and

(ii) up to 2.0% per annum of the net property income[1] of the properties.

Italy

Prior to 22 February 2024, the fees for the Milan Property comprise property management fee of 0.28% per annum of the annual collected rent, subject to a minimum sum of €20,000 per annum (subjected to annual adjustment where applicable).

With effect from 22 February 2024, the fees for the Milan Property are charged based on the following, as applicable:

(i) For Buildings 1 and 2: annual property management fee of 0.28% per annum of the annual collected rent, subject to a minimum sum of €20,000 per annum (subjected to annual adjustment where applicable);

(ii) For Building 3: annual property management fee of 0.50% per annum of the annual collected rent, subject to a minimum sum of €16,000 per annum (subjected to annual adjustment where applicable).

1.4 Other management fee

The Manager may appoint, or the Trustee or any entity which is held by LREIT (whether wholly or partially) may, at the recommendation of the Manager appoint asset managers, investment managers or any other entities to provide asset management services or investment management services in respect of any asset of LREIT from time to time and there shall be no double counting of the fees payable to the Manager and the fees payable to the appointed entities for such services.

[1] As defined in the individual property management agreement of each property.

Notes to the financial statements

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("**IFRS Accounting Standards**") as issued by the International Accounting Standards Board ("**IASB**"), and the applicable requirements of the Code on Collective Investment Schemes (the "**CIS Code**") issued by the Monetary Authority of Singapore ("**MAS**") and the provisions of the Trust Deed. The related changes to material accounting policies are described in note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis, except for investment properties, investment property under development, equity instrument at fair value, derivative financial instruments and certain financial assets and liabilities, which are stated at fair value.

2.3 Functional and presentation currency

The 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.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS Accounting Standards requires the Manager to make judgements, estimates and assumptions about the future that affect the application of the Group's 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 and are consistent with the Group's risk management where appropriate. Revisions to accounting estimates are recognised prospectively.

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 financial statements are described in the following notes:

- Note 5: Investment properties;
- Note 6: Investment property under development; and
- Note 9: Equity instrument at fair value.

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 review of significant unobservable inputs and reports directly to the Board of Directors of the Manager.

The Manager regularly review significant unobservable inputs and valuation adjustments included in the fair value measurements. If third party information is used to measure fair value, then the Manager assesses that such valuations meet the requirements of IFRS Accounting Standards, including the level in the fair value hierarchy the resulting fair value estimate should be classified.

Notes to the financial statements

2 BASIS OF PREPARATION (continued)

2.4 Use of estimates and judgements (continued)

Measurement of fair values (continued)

When measuring the fair value of an asset or a liability, the Group 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 5: Investment properties;
- Note 6: Investment property under development;
- Note 9: Equity instrument at fair value;
- Note 10: Derivatives financial instruments; and
- Note 29: Fair value of assets and liabilities.

2.5 Changes in material accounting policies

New standards and amendments

The Group has applied the following amendments to IFRS Accounting Standards for the first time for the annual period beginning on 1 July 2024:

- Amendments to IAS 1 *Classification of Liabilities as Current or Non-current* and Amendments to IAS 1 *Non-current Liabilities with Covenants*
- Amendments to IFRS 16 *Lease Liability in a Sale and Leaseback*
- Amendments to IAS 7 and IFRS 7 *Supplier Finance Arrangements*

Other than the below, the application of the amendments to IFRS Accounting Standards does not have a material effect on the Group's financial statements.

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

The Group has adopted *Classification of Liabilities as Current or Non-current (Amendments to IAS 1) and Non-current liabilities with Covenants (Amendments to IAS 1)* from 1 July 2024. The amendments apply retrospectively. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period.

The Group's classification of liabilities was not impacted by the amendments. New disclosures for non-current loan liabilities are included in note 15.

Notes to the financial statements

3 MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, except as explained in note 2.5, which addresses changes in material accounting policies.

3.1 Basis of consolidation

Business combinations

The Group accounts for business combinations under the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Non-controlling interests ("**NCI**") are measured at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect these returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have deficit balance.

Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies of these entities.

Investments in associates are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its investment in associates, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

Notes to the financial statements

3 MATERIAL ACCOUNTING POLICIES (continued)

3.1 Basis of consolidation (continued)

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Accounting for subsidiaries by LREIT

Investment in subsidiaries in LREIT's statement of financial position are stated at cost less accumulated impairment losses.

3.2 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group's entities at the exchange rate at the date of the transactions. The functional currencies of the Group's entities are Singapore dollars ("**S$**") and Euro ("**€**"). Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currencies at the exchange rate prevailing at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currencies at the exchange rate at the date on which the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising from translation are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at average exchange rates for the reporting period.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve. However, if the foreign operation is not a wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the foreign currency translation reserve related to that foreign operation is transferred to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI.

3.3 Intangible assets

Renewable energy certificates

The Group recognises renewable energy certificates as intangible assets. Renewable energy certificates purchased on the trading platform are initially measured at costs. Subsequent to initial recognition, the renewable energy certificates are measured at cost less accumulated amortisation and any accumulated losses.

Notes to the financial statements

3 MATERIAL ACCOUNTING POLICIES (continued)

3.3 Intangible assets (continued)

Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful life is as follows:

- Renewable energy certificates 3 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.4 Investment properties

Investment properties and investment property under development

Investment properties are properties held either to earn rental income or capital appreciation or both. Investment property under development is a property being constructed or developed for future use as investment properties. Investment properties and investment property under development are measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment properties or investment property under development. Transaction costs shall be included in the initial measurement. The cost of self-constructed investment property includes the cost of materials and direct labour, any other cost directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Fair value is determined in accordance with the Trust Deed, which requires investment properties and investment property under development to be valued by independent registered valuers in the following events:

(i) in such manner and frequency as required under the CIS Code issued by MAS; and

(ii) at least once in each period of twelve months following the acquisition of each real estate property.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

3.5 Financial instruments

(a) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, or minus, for an item not at fair value through profit or loss ("**FVTPL**"), transaction costs that are directly attributable to its acquisition. A trade receivable without a significant financing component is initially measured at the transaction price.

Notes to the financial statements

3 MATERIAL ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

(b) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, the Group classifies its non-derivative financial assets as measured at amortised cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income ("**FVOCI**") as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Non-derivative financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the Manager. The information considered includes:

- how the performance of the portfolio is evaluated and reported to the Manager; and
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

3 MATERIAL ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

(b) Classification and subsequent measurement (continued)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (SPPI) (continued)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. Financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprised interest-bearing borrowings, trade and other payables (excluding rental received in advance) and lease liabilities.

(c) Derecognition

Financial assets

The Group derecognises a financial asset when:
- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group does not retain control of the financial asset and it neither transfers nor retains substantially all of the risks and rewards of ownership.

Transferred assets are not derecognised when the Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Notes to the financial statements

3 MATERIAL ACCOUNTING POLICIES (continued)

3.5 Financial instruments (continued)

(c) Derecognition (continued)

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits.

(f) Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group has not designated its derivative financial instruments as hedging instruments in qualifying hedging relationships.

3.6 Impairment

(a) Non-derivative financial assets

The Group recognises loss allowances for expected credit losses ("**ECLs**") on financial assets measured at amortised cost.

Lease receivables from tenants are disclosed as part of trade and other receivables.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

Notes to the financial statements

3 MATERIAL ACCOUNTING POLICIES (continued)

3.6 Impairment (continued)

(a) Non-derivative financial assets (continued)

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates or credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- a breach of contract such as a default or being more than 90 days past due; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statements of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

3 MATERIAL ACCOUNTING POLICIES (continued)

3.6 Impairment (continued)

(a) Non-derivative financial assets (continued)

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(b) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties and investment property under development, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("**CGU**") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflow of other assets or CGUs.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the assets in the CGU on a *pro rata* basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

An impairment loss in respect of an associate is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

3.7 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Notes to the financial statements

3 MATERIAL ACCOUNTING POLICIES (continued)

3.7 **Leases** (continued)

As a lessee (continued)

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

For right-of-use assets that meet the definition of investment property, the Group applies the fair value model in IAS 40 *Investment Property* to these assets with any change therein being recognised in the consolidated statement of profit or loss and other comprehensive income and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group leases out its investment properties. The Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

3.8 Unitholders' funds

Unitholders' funds represent mainly the Unitholders' residual interest in the Group's net assets upon termination and is classified as equity. Incremental cost, directly attributable to the issuance, offering and placement of units in LREIT are deducted directly against Unitholders' funds.

Notes to the financial statements

3 MATERIAL ACCOUNTING POLICIES (continued)

3.9 Dividend and distribution income

Dividend and distribution income are recognised in profit or loss on the date that the Group's or LREIT's right to receive payment is established.

3.10 Finance income and cost

Finance income comprises interest income which is recognised using the effective interest method.

Finance costs comprise interest expense on borrowings, including amortisation of transaction costs which are recognised in profit or loss using the effective interest method over the period for which the borrowings are granted and similar charges.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset, or the amortised cost of the financial liability.

3.11 Tax expense

Tax expense comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in Unitholders' funds.

Current tax is the expected tax payable on the taxable income for the year, measured using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that
  - is not a business combination and
  - at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted.

Deferred tax assets and liabilities are offset only if certain criteria are met.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

3 MATERIAL ACCOUNTING POLICIES (continued)

3.11 Tax expense (continued)

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience with tax authorities. The assessment of these factors relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

The Group has certain tax rulings/confirmations from the Inland Revenue Authority of Singapore (“**IRAS**”)/Ministry of Finance (“**MoF**”) in relation to Singapore income tax treatment of certain income from its properties.

Tax Transparency Treatment

The IRAS has granted tax transparency treatment to LREIT in respect of certain taxable income (“**Specified Taxable Income**”). Broadly, subject to meeting the terms and conditions that the Trustee and the Manager have undertaken to comply with for purposes of the application for the tax transparency treatment, which includes a distribution of at least 90% of the Specified Taxable Income of LREIT, LREIT is not subject to tax on the Specified Taxable Income distributed to the Unitholders in the same period in which the Specified Taxable Income was derived, and for this purpose, a distribution made within three months from the end of the financial year is regarded as being distributed in the same period. In other words, for Specified Taxable Income of LREIT relating to the financial year ended 30 June 2025, such Specified Taxable Income would have to be distributed by 30 September 2025 to meet the 90% requirement. Instead, the Trustee and the Manager would deduct income tax at the prevailing corporate tax rate (currently at 17%) from distributions made to Unitholders out of such Specified Taxable Income, except:

(i) where the beneficial owners are Qualifying Unitholders, the Trustee and the Manager will make the distributions to such Unitholders without deducting any income tax;

(ii) where the beneficial owners are Qualifying Non-Resident Non-Individual Unitholders, the Trustee and the Manager will deduct Singapore income tax at the reduced rate of 10% for distributions made on or before 31 December 2025[1]; or

(iii) where the beneficial owners are Qualifying Non-Resident Funds, the Trustee and the Manager will deduct Singapore income tax at the reduced rate of 10% for distributions during the period 1 July 2019 to 31 December 2025[1].

A “Qualifying Unitholder” is a Unitholder who is:

- an individual;
- a company incorporated and tax resident in Singapore;
- a Singapore branch of a company incorporated outside Singapore;
- a body of persons other than a company or a partnership, registered or constituted in Singapore (e.g. a town council, a statutory board, a registered charity, a registered cooperative society, a registered trade union, a management corporation, a club, a trade industry association or a platform work association);
- an international organisation that is exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act 1948; or
- a real estate investment trust exchange-traded fund which has been accorded the tax transparency treatment (but only in respect of Specified Taxable Income distributions made on or before 31 December 2025[1]).

[1] Pursuant to the Budget Statement 2025 on 18 February 2025, this is expected to be extended to 31 December 2030, although the relevant legislation has yet to be enacted as at 30 June 2025.

Notes to the financial statements

3 MATERIAL ACCOUNTING POLICIES (continued)

3.11 Tax expense (continued)

Tax Transparency Treatment (continued)

A Qualifying Non-Resident Non-Individual Unitholder is a person other than an individual who is not resident in Singapore for Singapore income tax purposes and who:

- does not have a permanent establishment in Singapore; or
- carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used by that person to acquire units of LREIT are not obtained from that operation.

A Qualifying Non-resident Fund is a non-resident fund that qualifies for tax exemption under Section 13D, 13OA (with effect from 1 January 2025), 13U or 13V of the Income Tax Act 1947 and who:

- does not have a permanent establishment in Singapore (other than a fund manager in Singapore); or
- carries on any operation through a permanent establishment in Singapore (other than a fund manager in Singapore), where the funds used by that qualifying fund to acquire units of LREIT are not obtained from that operation.

The tax transparency treatment does not apply to income other than Specified Taxable Income including gains or profits from the disposal of any investments such as immovable properties and shares that are determined by the IRAS to be revenue gains chargeable to tax as well as Specified Taxable Income derived by LREIT but not distributed to the Unitholders in the same period in which the Specified Taxable Income is derived.

Where tax transparency treatment does not apply to any gains, profits or income, such gains, profits or income will be subject to tax at the level of the Trustee. Distributions made out of the after-tax amount will not be subject to any deduction of tax at source nor further tax in the hands of Unitholders. Where the disposal gains are regarded as capital in nature, they will not be subject to tax at the level of the Trustee and the Trustee and the Manager may distribute the capital gains without tax being deducted at source.

Foreign-sourced Income Tax Exemption

Pursuant to the Foreign-sourced Income Tax Exemption granted by the MoF and subject to the meeting of certain conditions, the distributions received from Lendlease Global Commercial Italy Fund by LREIT's wholly-owned subsidiary, Lendlease Global Commercial (IT) Pte. Ltd., will be exempt from Singapore income tax. The dividends paid out by Lendlease Global Commercial (IT) Pte. Ltd. are exempt from Singapore income tax in the hands of LREIT.

Any distributions made by LREIT to Unitholders out of income which is tax-exempt for Singapore income tax purposes as well as income which has been subject to Singapore income tax at the level of the Trustee would not be subject to Singapore income tax in the hands of all Unitholders.

3.12 Distribution policy

LREIT makes distributions to Unitholders on a semi-annual basis, with the amount calculated as at 30 June and 31 December each year for the six-month period ending on each of the said dates. Under the Trust Deed, the Manager shall pay distributions no later than 90 days after the end of each distribution period.

Notes to the financial statements

3 MATERIAL ACCOUNTING POLICIES (continued)

3.13 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.

3.14 Perpetual securities

Proceeds from the issuance of perpetual securities in LREIT are recognised as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity or exchange financial assets or liabilities with another person or entities that are potentially unfavourable to the issuer. Expenses relating to the issuance of the perpetual securities are deducted from the net assets attributable to the perpetual securities balance.

3.15 New accounting standards and interpretations not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 July 2024 and earlier application is permitted. However, the Group has not early adopted the new or amended accounting standards in preparing these financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 July 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of profit or loss and other comprehensive income, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as other.

Other accounting standards

The following new and amendments to IFRS Accounting Standards are not expected to have a significant impact on the Group's statement of financial position.

- Amendments to IAS 21: *Lack of Exchangeability*
- Amendments to IFRS 9 and IFRS 7: *Classification and Measurement of Financial Instruments*
- Annual Improvements to IFRSs - Volume 11
- IFRS 19: *Subsidiaries without Public Accountability: Disclosures*

Notes to the financial statements

4 INTANGIBLE ASSETS

	Renewable energy certificates	
	2025	**2024**
	S$'000	**S$'000**
Group and LREIT		
Cost		
At 1 July and 30 June	**162**	162
Accumulated amortisation		
At 1 July	**(101)**	(34)
Amortisation for the year	**(47)**	(67)
At 30 June	**(148)**	(101)
Carrying amounts		
At 1 July	**61**	128
At 30 June	**14**	61

5 INVESTMENT PROPERTIES

	Group		LREIT	
	2025	**2024**	**2025**	**2024**
	S$'000	**S$'000**	**S$'000**	**S$'000**
At 1 July	**3,673,150**	3,642,854	**3,291,000**	3,214,000
Capital expenditure	**21,258**	7,028	**5,182**	4,341
Currency translation differences	**11,908**	(6,906)	**–**	–
Tenant incentive	**855**	28,695	**–**	–
Net change in fair value of investment properties (tenant incentive)	**(855)**	(28,695)	**–**	–
Net change in fair value of investment properties	**50,160**	30,174	**44,818**	72,659
At 30 June	**3,756,476**	3,673,150	**3,341,000**	3,291,000

Tenant incentive relates to incentives paid out to tenants of Sky Complex and are amortised on a straight-line basis over the lease term. During the financial year 30 June 2025, tenant incentive amounting to S$2,996,000 (2024: S$29,776,000) was paid to tenants of Sky Complex. The unamortised tenant incentive as at 30 June 2025 is S$30,444,000 (2024: S$28,695,000).

Measurement of fair value

(i) Fair value hierarchy

Investment properties are stated at fair value as at 30 June 2025 and are based on the valuations performed by independent professional valuers, Knight Frank Pte Ltd, Jones Lang LaSalle Property Consultants Pte Ltd and Colliers Valuation Italy S.r.l. (2024: Knight Frank Pte Ltd, Jones Lang LaSalle Property Consultants Pte Ltd and Jones Lang LaSalle S.p.A.).

The fair value measurement for investment properties has been categorised as Level 3 based on inputs to the valuation techniques used (see note 2.4).

5 INVESTMENT PROPERTIES (continued)

Measurement of fair value (continued)

(ii) Reconciliation of movements in Level 3 fair value measurement

The reconciliation of Level 3 fair value measurements for investment properties are presented in the table above.

(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 valuations.

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 discounted cash flow analysis and/or income capitalisation method 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 income capitalisation method.

(iv) 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 7.83% (2024: 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% (2024: 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% (2024: 3.50% to 4.50%)	The estimated fair value would increase (decrease) if capitalisation rate was lower (higher).

Notes to the financial statements

6 INVESTMENT PROPERTY UNDER DEVELOPMENT

	Group		LREIT	
	2025	2024	2025	2024
	S$'000	S$'000	S$'000	S$'000
At 1 July	**9,256**	7,171	**9,256**	7,171
Development expenditure capitalised	**274**	378	**274**	378
Net change in fair value of investment property under development recognised in profit or loss	**(2,474)**	1,422	**(2,474)**	1,422
Net change in fair value of right-of-use asset	**(196)**	(238)	**(196)**	(238)
Remeasurement of right-of-use asset	**–**	523	**–**	523
At 30 June	**6,860**	9,256	**6,860**	9,256

Measurement of fair value

(i) Fair value hierarchy

Investment property under development is stated at fair value as at 30 June 2025 and is based on the valuation performed by independent professional valuer, Knight Frank Pte Ltd (2024: Knight Frank Pte Ltd), who has the appropriate recognised professional qualifications and experience in the location and category of property being valued.

The fair value measurement for investment property under development has been categorised as Level 3 based on inputs to the valuation techniques used (see note 2.4).

	Group		LREIT	
	2025	2024	2025	2024
	S$'000	S$'000	S$'000	S$'000
Fair value of investment property under development (based on valuation report)	**4,900**	7,100	**4,900**	7,100
Add: carrying amount of lease liability	**1,960**	2,156	**1,960**	2,156
Investment property under development	**6,860**	9,256	**6,860**	9,256

(ii) 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.

(iii) 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 5).

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

Notes to the financial statements

6 INVESTMENT PROPERTY UNDER DEVELOPMENT (continued)

Measurement of fair value (continued)

(iv) 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% (2024: 7.75%)	The estimated fair value would increase (decrease) if discount rate was lower (higher).
Income capitalisation method	• Capitalisation rate of 5.50% (2024: 5.50%)	The estimated fair value would increase (decrease) if capitalisation rate was lower (higher).

7 INVESTMENT IN ASSOCIATES

	Group		LREIT	
	2025	2024	2025	2024
	S$'000	S$'000	S$'000	S$'000
Investment in associates	**4,130**	4,519	**–**	–

The investment in associates relates to LREIT's 37.8% indirect interest in Lendlease Asian Retail Investment Fund 3 Limited ("**ARIF3**") and 25.0% indirect interest held through a subsidiary, Lendlease Jem Partners Fund Limited ("**LLJP**") which the Group has 53.0% interest in. The 25.0% interest held by LLJP are in two entities, LL JV Ltd ("**LLJV**") and Triple Eight JV Limited ("**TEJV**").

As at 30 June 2025, the Group assessed the carrying amount of its investment in associates and recognised an impairment loss of approximately S$93,000 (2024: S$94,000) on its investment in associates, where the recoverable amounts of the relevant associates were estimated based on the Group's share of the net assets of the associates as at the reporting date which approximates their fair values. The fair value measurement is categorised as Level 3 on the fair value hierarchy.

Details of the associates are as follows:

			Equity interest held by the Group	
Name of associates	Country of constitution/ Principal place of business	Principal activity	2025 %	2024 %
Lendlease Asian Retail Investment Fund 3 Limited[1]	Bermuda	Investment holding	**37.8**	37.8
LL JV Ltd	Mauritius	Investment holding	**25.0**	25.0
Triple Eight JV Limited	Mauritius	Investment holding	**25.0**	25.0

[1] ARIF3 consolidates and holds 75.0% direct interest in both LLJV and TEJV.

Notes to the financial statements

7 INVESTMENT IN ASSOCIATES (continued)

The following table summarises the financial information of each of the Group's material associates based on their respective consolidated financial statements prepared in accordance with IFRS Accounting Standards.

	ARIF3[1] S$'000	LLJV S$'000	TEJV S$'000	Total S$'000
30 June 2025				
Revenue	–	–	–	
Loss after tax and total comprehensive income	(642)	(157)	(273)	
Attributable to NCI	(108)	–	–	
Attributable to investee's shareholders	(534)	(157)	(273)	
Current assets	23,464	4,888	17,594	
Current liabilities	(7,444)	(1,215)	(6,115)	
Net assets	16,020	3,673	11,479	
Attributable to NCI	3,788	–	–	
Attributable to investee's shareholders	12,232	3,673	11,479	
Group's interest in net assets of investee at beginning of the period	188	1,122	3,209	4,519
Group's share of total comprehensive income	(188)	(40)	(68)	(296)
Impairment loss	–	(24)	(69)	(93)
Group's interest in net assets of investee at 30 June 2025	–	1,058	3,072	4,130

	ARIF3[1] S$'000	LLJV S$'000	TEJV S$'000	Total S$'000
30 June 2024				
Revenue	11	–	11	
Profit/(Loss) after tax and total comprehensive income	1,053	(152)	1,398	
Attributable to NCI	312	–	–	
Attributable to investee's shareholders	741	(152)	1,398	
Current assets	24,857	5,061	17,619	
Current liabilities	(8,195)	(1,232)	(5,866)	
Net assets	16,662	3,829	11,753	
Attributable to NCI	3,895	–	–	
Attributable to investee's shareholders	12,767	3,829	11,753	
Group's interest in net assets of investee at beginning of the period	1,895	1,557	4,306	7,758
Group's share of total comprehensive income	280	(38)	350	592
Dividends paid	(1,987)	(372)	(1,378)	(3,737)
Impairment loss	–	(25)	(69)	(94)
Group's interest in net assets of investee at 30 June 2024	188	1,122	3,209	4,519

[1] ARIF3 consolidates and holds 75.0% direct interest in both LLJV and TEJV.

Notes to the financial statements

8 INVESTMENT IN SUBSIDIARIES

	LREIT	
	2025	2024
	S$'000	S$'000
Unquoted equity, at cost		
At 1 July	**477,516**	444,480
Addition	**12,831**	33,036
At 30 June	**490,347**	477,516

The addition was mainly due to the subscription of redeemable preference shares in Lendlease Global Commercial (IT) Pte. Ltd..

Details of the subsidiaries directly or indirectly held by LREIT are as follows:

Name of subsidiaries	Principal place of business/ Country of incorporation	Ownership interest held by LREIT 2025 %	Ownership interest held by LREIT 2024 %
Lendlease Global Commercial (IT) Pte. Ltd.[1]	Singapore	**100**	100
Lendlease Global Commercial (SGP) Pte. Ltd.[1]	Singapore	**100**	100
Lendlease Global Commercial Italy Fund[2]	Italy	**100**	100
Lendlease Jem Partners Fund Limited	Bermuda	**53.0**	53.0

1 Audited by KPMG LLP Singapore.
2 Audited by KPMG S.p.A..

Lendlease Global Commercial (IT) Pte. Ltd.

Lendlease Global Commercial (IT) Pte. Ltd., a wholly-owned subsidiary, was incorporated on 15 February 2019. Its principal activity is that of an investment holding company.

Lendlease Global Commercial (SGP) Pte. Ltd.

Lendlease Global Commercial (SGP) Pte. Ltd., a wholly-owned subsidiary, was incorporated on 25 May 2021. Its principal activity is that of an investment holding company.

Lendlease Global Commercial Italy Fund

Lendlease Global Commercial Italy Fund, a wholly-owned fund, was incorporated on 2 July 2019. Its principal activity is to acquire and hold Italian property-related investments.

Lendlease Jem Partners Fund Limited

Lendlease Jem Partners Fund Limited, a partially-owned fund, was acquired on 4 August 2021. Its principal activity is that of an investment holding company.

9 EQUITY INSTRUMENT AT FAIR VALUE

	Group		LREIT	
	2025	2024	2025	2024
	S$'000	S$'000	S$'000	S$'000
At 1 July	**86,098**	85,784	**86,098**	85,784
Adjustment of purchase price of equity instrument	**(149)**	–	**(149)**	–
Net change in fair value	**141**	314	**141**	314
Equity instrument – at FVTPL	**86,090**	86,098	**86,090**	86,098

Equity instrument at fair value relates to LREIT's 10.0% stake in PPP.

Information about the equity instrument's fair value measurement is included in note 29.

10 DERIVATIVE FINANCIAL INSTRUMENTS

	Group		LREIT	
	2025	2024	2025	2024
	S$'000	S$'000	S$'000	S$'000
Non-current asset				
Interest rate derivatives	**–**	3,244	**–**	3,244
Current asset				
Interest rate derivatives	**–**	1,304	**–**	1,304
Current liabilities				
Foreign currency forward contracts	**–**	60	**–**	60
Interest rate derivatives	**253**	–	**253**	–
	253	60	**253**	60
Non-current liability				
Interest rate derivatives	**27,900**	4,200	**27,900**	4,200

(i) ***Foreign currency forward contracts***

The Group uses foreign currency forward contracts to manage its exposure to foreign currency fluctuation by contracting the currency rate forward for expected foreign currency payments or receipts in future.

As at 30 June 2024, the Group had foreign currency forward contracts with total notional amount of approximately S$5,229,000. Under the foreign currency forward contracts, the Group contracted to pay fixed rate for Euro to receive Singapore Dollar. The contracted exchange rates were at 1.43.

(ii) ***Interest rate derivatives***

The Group uses interest rate derivatives to manage the exposure to interest rate movements on floating rate interest-bearing bank borrowings by hedging the interest expense on a portion of interest-bearing bank borrowings from floating rates to fixed rates.

As at 30 June 2025, the Group had interest rate swaps with total notional amount of approximately S$1,123,998,000 (2024: S$948,905,000). Under the interest rate swaps, the Group contracted to pay fixed interest rates of 2.26% to 3.57% (2024: 2.24% to 3.57%) and receive interest at floating rate.

Notes to the financial statements

11 CASH AND CASH EQUIVALENTS

	Group 2025 S$'000	Group 2024 S$'000	LREIT 2025 S$'000	LREIT 2024 S$'000
Cash at banks and on hand	**41,592**	25,124	**30,257**	17,669
Fixed deposit with financial institutions	**–**	9,000	**–**	9,000
	41,592	34,124	**30,257**	26,669

The weighted average effective interest rate relating to fixed deposit for the year ended 30 June 2025 for the Group and LREIT is 3.13% (2024: 3.76%) per annum.

12 TRADE AND OTHER RECEIVABLES

	Note	Group 2025 S$'000	Group 2024 S$'000	LREIT 2025 S$'000	LREIT 2024 S$'000
Current					
Trade receivables		**5,574**	5,302	**5,574**	5,302
Impairment losses		**(4,373)**	(1,674)	**(4,373)**	(1,674)
Net trade receivables		**1,201**	3,628	**1,201**	3,628
Non-trade receivables due from related parties	(a)	**221**	–	**221**	–
Net VAT receivables	(b)	**1,037**	4,232	**–**	–
Other receivables		**156**	232	**–**	–
		2,615	8,092	**1,422**	3,628

(a) The non-trade receivables due from related parties are recharges which are unsecured, interest-free and repayable on demand.

(b) Net VAT receivables relate to value-added tax ("**VAT**") to be claimed from the relevant tax authorities.

The Group's and LREIT's exposures to credit and foreign currency risks for trade and other receivables, are disclosed in note 28.

Impairment losses

The movements in impairment losses recognised in respect of trade receivables during the year are as follows:

	Group 2025 S$'000	Group 2024 S$'000	LREIT 2025 S$'000	LREIT 2024 S$'000
At 1 July	**1,674**	1,662	**1,674**	1,662
Impairment losses recognised during the year (net of write-off)	**2,699**	12	**2,699**	12
At 30 June	**4,373**	1,674	**4,373**	1,674

The Manager believes that no allowance for impairment losses is necessary in respect of the remaining trade receivables as the rest of these balances mainly arise from tenants who have good payment records and have placed sufficient security with the Group in the form of bankers' guarantees or cash security deposits.

Notes to the financial statements

13 OTHER CURRENT ASSETS

	Group 2025 S$'000	Group 2024 S$'000	LREIT 2025 S$'000	LREIT 2024 S$'000
Deposits	**275**	2,426	**136**	2,426
Prepayments	**294**	899	**152**	762
Others	**4,458**	4,090	**4,311**	4,090
	5,027	7,415	**4,599**	7,278

14 TRADE AND OTHER PAYABLES

	Note	Group 2025 S$'000	Group 2024 S$'000	LREIT 2025 S$'000	LREIT 2024 S$'000
Current					
Trade payables		**946**	597	**925**	593
Trade amount due to related parties		**19,469**	19,695	**19,469**	19,695
Non-trade payables due to related parties	(a)	**134**	177	**134**	177
Accrued expenses		**15,862**	9,966	**9,410**	9,912
Rental received in advance		**6,888**	5,554	**6,842**	5,510
Deposits		**10,446**	11,103	**10,446**	11,028
Interest payable		**6,824**	4,942	**6,824**	4,942
Other payables		**4,461**	3,316	**2,515**	2,214
		65,030	55,350	**56,565**	54,071
Non-current					
Deposits		**22,554**	19,775	**22,554**	19,775

(a) The non-trade payables due to related parties are recharges and expenses incurred for services which are unsecured, interest-free and repayable on demand.

The Group's and LREIT's exposures to liquidity and foreign currency risks related to trade and other payables are disclosed in note 28.

Notes to the financial statements

15 LOANS AND BORROWINGS

	Group		LREIT	
	2025	2024	2025	2024
	S$'000	S$'000	S$'000	S$'000
Current				
Unsecured interest-bearing bank borrowings	**315,500**	360,000	**315,500**	360,000
Less: Unamortised transaction costs	**(1,280)**	(2,284)	**(1,280)**	(2,284)
	314,220	357,716	**314,220**	357,716
Non-current				
Unsecured interest-bearing bank borrowings	**1,348,842**	1,205,743	**1,348,842**	1,205,743
Less: Unamortised transaction costs	**(22,534)**	(27,489)	**(22,534)**	(27,489)
	1,326,308	1,178,254	**1,326,308**	1,178,254

The contractual terms of the Group's and LREIT's borrowings, which are measured at amortised cost are disclosed below.

The Group and LREIT are required to comply with financial covenants related to specific ratios in relation to the statements of financial position and consolidated statement of profit or loss and other comprehensive income on an ongoing basis as part of their banking facility agreements. The Group monitors its compliance with these covenants and has met the required conditions throughout the reporting periods.

As at 30 June 2025, the Group and LREIT have approximately S$135.9 million of undrawn debt facilities and S$140.0 million debt facilities which will be available for drawdown from August 2025. In addition, the Group and LREIT have a S$1.0 billion Multicurrency Debt Issuance Programme, of which S$320.0 million perpetual securities have been issued, and a S$500.0 million Euro-Commercial Paper Programme.

As at 30 June 2025, the Group's aggregate leverage was 42.6% (2024: 40.9%) with an interest coverage ratio ("**ICR**") of 1.6 times (2024: 1.7 times) in accordance with Appendix 6 of the CIS Code issued by MAS, and an ICR of 3.0 times (2024: 3.2 times) in accordance with the requirements of the interest-bearing bank borrowing facilities.

Sensitivity analysis on the impact of changes in earnings before interest, tax, depreciation and amortisation ("**EBITDA**") as defined in Appendix 6 of the CIS Code issued by MAS and weighted average interest rate on the Group's ICR as at 30 June 2025 is set out as below:

	Group (times)
Sensitivity analysis for ICR	
10% decrease in EBITDA	1.4
100 bp increase in weighted average interest rate	1.3

Notes to the financial statements

15 LOANS AND BORROWINGS (continued)

The Manager is taking steps to improve the ICR, including the following actions.

- In April 2025, S$200.0 million perpetual securities at 5.25% fixed coupon rate had been refinanced at an overall lower cost of funding via issuance of S$120.0 million of perpetual securities at 4.75% fixed coupon rate and S$80.0 million of unsecured interest-bearing bank borrowings.
- The hedging of loans and borrowings is actively monitored to maintain a proportionate exposure to interest rate movements to benefit from the declining interest rates.
- The Manager will continue to engage in proactive asset management to drive performance of the Group's property portfolio. During the financial year ended 30 June 2025, positive rental reversions have been achieved across 313@somerset, Jem and Sky Complex Buildings 1 and 2. The Manager will also focus on the continued leasing of Sky Complex Building 3.
- On 4 August 2025, the Manager entered into a put and call option agreement for the divestment of the office component of Jem to a non-interested third party. The net cash proceeds will be utilised predominantly towards the repayment of bank borrowings and thereby reducing interest expense.

The Group's and LREIT's exposures to interest rate, foreign currency and liquidity risks are disclosed in note 28.

Terms and debt repayment schedule

Terms and conditions of the interest-bearing bank borrowings are as follows:

	Nominal interest rate %	Financial year of maturity	Group and LREIT Face Value S$'000	Group and LREIT Carrying amount S$'000
2025				
S$ floating rate bank borrowings	**SORA[1] + margin**	**2026 – 2030**	**1,237,483**	**1,224,050**
€ floating rate bank borrowings	**EURIBOR[2] + margin**	**2028**	**426,859**	**416,478**
			1,664,342	**1,640,528**
2024				
S$ floating rate bank borrowings	SORA[1] + margin	2025 – 2029	1,151,783	1,135,903
€ floating rate bank borrowings	EURIBOR[2] + margin	2028	413,960	400,067
			1,565,743	1,535,970

1 Singapore Overnight Rate Average.
2 Euro Interbank Offered Rate.

Notes to the financial statements

15 LOANS AND BORROWINGS (continued)

Reconciliation of changes in liabilities arising from financing activities

		Financing cash flows			
	At 1 July 2024 S$'000	Proceeds from loans and borrowings S$'000	Repayment of loans and borrowings S$'000	Payment of lease liability S$'000	Payment of financing expenses S$'000
Unsecured interest-bearing bank borrowings	**1,535,970**	**586,000**	**(500,300)**	**–**	**(5,600)**
Lease liability	**2,156**	**–**	**–**	**(270)**	**–**
Interest payable	**4,942**	**–**	**–**	**–**	**(52,391)**
	1,543,068	**586,000**	**(500,300)**	**(270)**	**(57,991)**

		Financing cash flows			
	At 1 July 2023 S$'000	Proceeds from loans and borrowings S$'000	Repayment of loans and borrowings S$'000	Payment of lease liability S$'000	Payment of financing expenses S$'000
Unsecured interest-bearing bank borrowings	1,512,183	530,057	(510,104)	–	(1,080)
Lease liability	1,871	–	–	(270)	–
Interest payable	3,436	–	–	–	(54,379)
	1,517,490	530,057	(510,104)	(270)	(55,459)

Non-cash changes				
Borrowing costs expensed S$'000	Foreign exchange movement S$'000	Remeasurement of lease liability S$'000	Other changes S$'000	At 30 June 2025 S$'000
11,559	12,899	–	–	1,640,528
–	–	–	74	1,960
54,255	18	–	–	6,824
65,814	12,917	–	74	1,649,312

Non-cash changes				
Borrowing costs expensed S$'000	Foreign exchange movement S$'000	Remeasurement of lease liability S$'000	Other changes S$'000	At 30 June 2024 S$'000
11,973	(7,059)	–	–	1,535,970
–	–	523	32	2,156
55,890	(5)	–	–	4,942
67,863	(7,064)	523	32	1,543,068

Notes to the financial statements

16 LEASES

Leases as lessee

Information about leases for which the Group is a lessee is presented below.

(i) Amounts recognised in the statements of financial position

		Group and LREIT	
		2025	**2024**
	Note	**S$'000**	**S$'000**
Right-of-use asset			
– Included within investment property under development	6	**1,960**	2,156
Lease liability			
– Current		**203**	196
– Non-current		**1,757**	1,960
		1,960	2,156

(ii) Amounts recognised in the consolidated statement of profit or loss and other comprehensive income

		Group	
		2025	**2024**
	Note	**S$'000**	**S$'000**
Net change in fair value of right-of-use asset (included within net change in fair value of investment property under development)	6	**(196)**	(238)

(iii) Amounts recognised in the consolidated statement of cash flows

	Group	
	2025	**2024**
	S$'000	**S$'000**
Payment of lease liability	**(270)**	(270)

The Group leases land in respect of the investment property under development from Singapore Land Authority. The lease has an initial tenancy term of 3 years, which may be renewed for a further two tenancy terms of 3 years each, and a final tenancy term not exceeding 364 days. During the financial year 30 June 2024, the Group was awarded an additional 3 year lease extension.

The renewable options are exercisable only by the Group and up to one year before the end of the non-cancellable contract period. The Group has included all renewable options in the lease liability as it assessed at lease commencement date that it is reasonably certain to exercise all renewable options.

The lease provides for variable rent payments which are linked to profit generated from the site.

Notes to the financial statements

16 LEASES (continued)

Leases as lessor

The Group leases out its investment properties (see note 5). The Group has classified these leases as operating leases.

The Group leases out its investment properties to tenants with lease tenures of 1 to 30 years, with certain leases with options to renew at negotiated terms. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Rental income from investment properties recognised by the Group for the year ended 30 June 2025 was S$190,506,000 (2024: S$189,136,000).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	
	2025 S$'000	2024 S$'000
Operating leases under IFRS 16		
Less than one year	**187,811**	177,754
One to two years	**159,800**	128,339
Two to three years	**128,082**	87,091
Three to four years	**70,158**	64,516
Four to five years	**57,689**	43,502
More than five years	**422,170**	400,256
	1,025,710	901,458

17 NON-CONTROLLING INTERESTS

The following subsidiary of the Group has material NCI.

	Ownership interest held by NCI	
	2025 %	2024 %
Lendlease Jem Partners Fund Limited[1]	**47.0**	47.0

[1] Held by Lendlease Global Commercial (SGP) Pte. Ltd..

Notes to the financial statements

17 NON-CONTROLLING INTERESTS (continued)

The following table summarises the financial information of the Group's subsidiary with material NCI based on their respective financial statements prepared in accordance with IFRS Accounting Standards.

	LLJP	
	2025 S$'000	**2024 S$'000**
Revenue	**–**	–
(Loss)/Profit after tax	**(200)**	217
(Loss)/Profit attributable to NCI	**(137)**	58
Non-current assets	**3,788**	3,895
Current assets	**386**	481
Current liabilities	**(44)**	(46)
Net assets	**4,130**	4,330
Net assets attributable to NCI	**1,087**	1,224
Cash flows used in operating activities	**(95)**	(99)
Cash flows generated from investing activities	**–**	1,750
Cash flows used in financing activities[1]	**–**	(1,750)
Net decrease in cash and cash equivalents	**(95)**	(99)

[1] Includes dividends paid to NCI.

18 UNITS IN ISSUE AND PERPETUAL SECURITIES

(i) Units in issue

		Group and LREIT	
	Note	**2025 No. of units '000**	**2024 No. of units '000**
Units issued:			
Units issued at 1 July		**2,376,578**	2,323,662
Issue of new units:			
Units issued as payment of Manager's base fees	(a)	**18,109**	16,512
Units issued as payment of Manager's performance fees	(a)	**14,897**	11,639
Units issued as payment of Manager's acquisition fees	(d)	**–**	1,516
Units issued under distribution reinvestment plan	(b)	**26,421**	13,719
Units issued as payment of property management fees	(c)	**10,664**	9,530
At the end of the financial year		**2,446,669**	2,376,578
Units to be issued:			
Manager's base fees		**10,183**	8,977
Manager's performance fees		**14,809**	14,897
Property management fees[1]		**5,900**	5,251
At the end of the financial year		**2,477,561**	2,405,703

[1] Estimated based on the 10-day volume weighted average price as at 31 March 2025 and 30 June 2025 (2024: 31 March 2024 and 30 June 2024) as relevant.

Notes to the financial statements

18 UNITS IN ISSUE AND PERPETUAL SECURITIES (continued)

(i) Units in issue (continued)

During the financial year ended 30 June 2025, there were the following issuances of units:

(a) 33,005,916 (2024: 28,150,757) units at an issue price ranging from S$0.5433 to S$0.6093 (2024: S$0.5528 to S$0.6788) per unit as payment of the base fee of the Manager's fees incurred for the period from January 2024 to December 2024 (2024: January 2023 to December 2023) and the performance fee of the Manager's fees for the period from July 2023 to June 2024 (2024: July 2022 to June 2023);

(b) 26,421,632 (2024: 13,719,491) units at an issue price ranging from S$0.4968 to S$0.5158 (2024: S$0.5690 to S$0.5982) per unit in respect of the distribution reinvestment plan for the period January 2024 to December 2024 (2024: January 2023 to December 2023); and

(c) 10,663,730 (2024: 9,529,933) units at an issue price ranging from S$0.5433 to S$0.6093 (2024: S$0.5600 to S$0.6788) per unit as payment for property management services provided by the property manager in respect of the Singapore Properties for the period from January 2024 to December 2024 (2024: January 2023 to December 2023).

During the financial year ended 30 June 2024, there were the following issuances of units:

(d) 1,516,104 units at an issue price of S$0.5620 per unit as payment of the acquisition fee of the Manager's fees in respect of the acquisition of 10.0% interest in PPP.

(ii) Perpetual securities

On 4 June 2021, LREIT issued S$200.0 million perpetual securities ("**Perpetual Securities Series 001**"). On 11 April 2022, LREIT issued S$200.0 million perpetual securities ("**Perpetual Securities Series 002**"). On 28 February 2025, LREIT issued S$120.0 million perpetual securities ("**Perpetual Securities Series 003**"), (collectively, the "**Perpetual Securities**"), under the S$1.0 billion Multicurrency Debt Issuance Programme. On 11 April 2025, Perpetual Securities Series 002 of S$200.0 million was redeemed. The key terms and conditions of the Perpetual Securities are as follows:

- the Perpetual Securities 001 will confer a right to receive distribution payments at a rate of 4.20% per annum with the first distribution rate reset date falling on 4 June 2026 and resets occurring every five years thereafter;
- the Perpetual Securities 002 will confer a right to receive distribution payments at a rate of 5.25% per annum with the first distribution rate reset date falling on 11 April 2025 and resets occurring every three years thereafter;
- the Perpetual Securities 003 will confer a right to receive distribution payments at a rate of 4.75% per annum with the first distribution rate reset date falling on 28 February 2028 and resets occurring every three years thereafter;
- the Perpetual Securities may be redeemed at the option of LREIT on the first distribution rate reset date and on each distribution payment date thereafter;
- the distributions are payable semi-annually in arrears on a discretionary basis and are non-cumulative; and
- the Perpetual Securities will constitute direct, unconditional, subordinated and unsecured obligations of LREIT and rank pari passu and without any preference among themselves and with any Parity Obligations (as defined in the terms and conditions) of the S$1.0 billion Multicurrency Debt Issuance Programme.

Accordingly, the Perpetual Securities are classified as equity. The expenses relating to the issue of the Perpetual Securities are deducted against the proceeds from the issue.

As at 30 June 2025, the S$319.5 million (2024: S$399.4 million) presented in the statements of financial position of the Group and LREIT represent the carrying value of the S$320.0 million (2024: S$400.0 million) Perpetual Securities issued, net of issue costs and includes the profit attributable to the Perpetual Securities holders from the last distribution date.

19 GROSS REVENUE

	Note	Group 2025 S$'000	Group 2024 S$'000
Rental income		**190,506**	189,136
Turnover rent	(a)	**4,469**	5,583
Other property income	(b)	**11,567**	26,186
		206,542	220,905

(a) Turnover rent is contingent rent derived from operating leases.

(b) Other property income includes car park income of S$6,525,000 (2024: S$7,008,000). During the financial year ended 2024, there was an upfront recognition of supplementary rent in relation to the return of Building 3 by Sky Italia S.r.l. of S$14,678,000.

20 PROPERTY OPERATING EXPENSES

	Note	Group 2025 S$'000	Group 2024 S$'000
Property maintenance expenses		**11,001**	10,637
Property management fees		**6,226**	6,129
Property management reimbursements	(a)	**3,951**	3,952
Property related tax		**16,892**	17,267
Marketing		**4,098**	4,064
Utilities		**6,621**	7,816
Others	(b)	**8,997**	5,760
		57,786	55,625

(a) Relates to reimbursement of staff costs paid/payable to the property manager.

(b) Others mainly comprise allowance for impairment loss on trade receivables of S$3,269,000 (2024: S$644,000) and leasing fees expenses of S$2,650,000 (2024: S$2,030,000).

Notes to the financial statements

21 MANAGER'S BASE AND PERFORMANCE FEE

	Group	
	2025	2024
	S$'000	S$'000
Base fee paid/payable in units	10,426	10,274
Performance fee paid/payable in units	7,538	8,396
	17,964	18,670

22 OTHER TRUST EXPENSES

	Group	
	2025	2024
	S$'000	S$'000
Auditor's remuneration		
– audit fees	298	290
– non-audit fees	89	12
Valuation fees	85	81
Consultancy and other professional fees	301	373
Other expenses	1,332	1,091
	2,105	1,847

23 NET FINANCE COSTS

	Group	
	2025	2024
	S$'000	S$'000
Finance income		
Interest income	885	1,273
Finance expenses		
Interest expense on bank borrowings	(54,255)	(55,890)
Financing fees[1]	(11,898)	(12,312)
Total finance expenses	(66,153)	(68,202)
Net finance cost	(65,268)	(66,929)

1 Includes amortisation of debt-related transaction costs and other finance costs.

Notes to the financial statements

24 TAX EXPENSE

	Group	
	2025 S$'000	2024 S$'000
Current tax expense	–	–
Reconciliation of effective tax rate		
Profit before tax	**70,750**	77,241
Add/(Less): Share of loss/(profit) of associates	**296**	(592)
Profit before share of profit of associates and tax	**71,046**	76,649
Tax using Singapore tax rate of 17% (2024: 17%)	**12,078**	13,030
Income not subject to tax	**(11,225)**	(21,341)
Non-tax deductible items	**17,269**	25,874
Tax transparency	**(16,617)**	(16,949)
Others	**(1,505)**	(614)
	–	–

25 EARNINGS PER UNIT

Basic earnings per unit is calculated by dividing the total profit for the financial year after tax by the weighted average number of units during the financial year.

	Group	
	2025	2024
Profit after tax attributable to Unitholders (S$'000)	**52,412**	58,231
Basic and diluted earnings per unit		
Weighted average number of units during the financial year ('000)	**2,414,538**	2,348,940
Basic earnings per unit (cents)	**2.17**	2.48

Diluted earnings per unit is the same as basic earnings per unit as there is no potential dilutive units during the financial year.

26 CAPITAL COMMITMENTS

As at the reporting date, the Group had the following commitments:

	Group	
	2025 S$'000	2024 S$'000
Capital expenditure contracted but not provided for in the financial statements	**14,863**	18,863

Notes to the financial statements

27 RELATED PARTIES

In the normal course of the operations of LREIT, the Manager's fees and Trustee's fee have been paid or are payable to the Manager and the Trustee respectively. Other management fees have been paid or are payable to related parties.

In addition to the related party information disclosed elsewhere in the financial statements, significant related party transactions which were carried out in the normal course of business on terms agreed between the parties during the financial year were as follows:

	Group	
	2025	2024
	S$'000	S$'000
Property management fees paid and payable to property manager	**6,110**	6,041
Property management reimbursements paid and payable to property manager	**3,951**	3,952
Leasing commission paid and payable to property manager	**2,807**	2,446
Tenancy design review fees paid and payable to property manager	**336**	299

28 FINANCIAL RISK MANAGEMENT

Overview

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Manager of LREIT continually monitors LREIT's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and LREIT's activities.

The Manager of LREIT continually monitors LREIT's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by LREIT.

There were no changes in the Group's approach to capital management during the financial year.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a tenant or a counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

Trade receivables

Credit evaluations are performed by the Manager before lease agreements are entered into with the lessees. Rental deposits as a multiple of monthly rent are received either in cash or bank guarantees to reduce credit risk. The Manager also monitors the amount owing by the lessees on an ongoing basis.

At the reporting date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying value of each financial asset on the statements of financial position.

Exposure to credit risk

Concentration of credit risk relating to trade receivables is limited due to the Group's many varied tenants and credit policy of obtaining security deposits, banker's guarantees or other forms of collateral from tenants. These tenants comprise tenants engaged in a wide variety of trades. The Group's historical experience in the collection of accounts receivable falls within the recorded allowances. Due to these factors, the Manager believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Group's trade receivables.

28 FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

Trade receivables (continued)

Exposure to credit risk (continued)

The ageing of trade receivables at the reporting date was:

	Group		LREIT	
	Gross S$'000	Impairment loss S$'000	Gross S$'000	Impairment loss S$'000
2025				
Not past due	–	–	–	–
Past due 1 – 30 days	528	(188)	528	(188)
Past due 31 – 90 days	355	(170)	355	(170)
Past due more than 90 days	4,691	(4,015)	4,691	(4,015)
	5,574	(4,373)	5,574	(4,373)
2024				
Not past due	45	–	45	–
Past due 1 – 30 days	1,030	(196)	1,030	(196)
Past due 31 – 90 days	1,306	(274)	1,306	(274)
Past due more than 90 days	2,921	(1,204)	2,921	(1,204)
	5,302	(1,674)	5,302	(1,674)

Cash and cash equivalents

Cash and cash equivalents are placed with financial institutions which are regulated.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of its counterparties. The ECL on cash and cash equivalents is negligible.

Derivative financial instruments

Transactions involving derivative financial instruments are entered into only with counterparties that are regulated.

Other receivables

The Group assesses on a forward-looking basis the ECLs associated with financial assets at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group considers that the credit risk of these counterparties has not increased, and determines that the 12-month ECL on outstanding balances is negligible as at the reporting date.

28 FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages its debt maturity profile and operating cash flows to ensure that refinancing, repayment and funding needs are met. As part of liquidity management, the Group invests primarily in bank deposits and finances its operations mainly through the use of mid to long term financing transactions.

Exposure to liquidity risk

The following are the expected contractual undiscounted cash inflows/(outflows) of financial liabilities, at amortised cost, including contractual interest payments and excluding the impact of netting agreements.

	Carrying amount S$'000	Cash flows: Contractual cash flows S$'000	Cash flows: Within 1 year S$'000	Cash flows: Between 1 to 5 years S$'000	Cash flows: After 5 years S$'000
Group					
30 June 2025					
Non-derivative financial liabilities					
Unsecured interest-bearing bank borrowings[1]	**1,640,528**	**(1,769,370)**	**(351,791)**	**(1,417,579)**	**–**
Trade and other payables[2]	**73,872**	**(73,872)**	**(51,318)**	**(21,439)**	**(1,115)**
Lease liability	**1,960**	**(2,272)**	**(270)**	**(1,080)**	**(922)**
Derivative financial liabilities, at fair value					
Interest rate derivatives (net-settled)	**28,153**	**(29,057)**	**(13,230)**	**(15,827)**	**–**
	1,744,513	**(1,874,571)**	**(416,609)**	**(1,455,925)**	**(2,037)**
30 June 2024					
Non-derivative financial liabilities					
Unsecured interest-bearing bank borrowings[1]	1,535,970	(1,712,404)	(427,384)	(1,285,020)	–
Trade and other payables[2]	64,629	(64,629)	(44,854)	(19,610)	(165)
Lease liability	2,156	(2,542)	(270)	(1,080)	(1,192)
Derivative financial (assets)/liabilities, at fair value					
Interest rate derivatives (net-settled)	(4,548)	4,753	3,368	1,385	–
Interest rate derivatives (net-settled)	4,200	(5,486)	627	(6,113)	–
Forward currency exchange contracts (gross-settled)	60				
– (outflow)		(5,229)	(5,229)	–	–
– inflow		5,163	5,163	–	–
	1,602,467	(1,780,374)	(468,579)	(1,310,438)	(1,357)

[1] The contractual cash flows assume no interest savings from sustainability-linked bank borrowings of S$1,467.3 million (2024: S$1,394.4 million).
[2] Excludes interest payable and rental received in advance.

Notes to the financial statements

28 FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk (continued)

Exposure to liquidity risk (continued)

	Carrying amount S$'000	Cash flows: Contractual cash flows S$'000	Within 1 year S$'000	Between 1 to 5 years S$'000	After 5 years S$'000
LREIT					
30 June 2025					
Non-derivative financial liabilities					
Unsecured interest-bearing bank borrowings[1]	**1,640,528**	**(1,769,370)**	**(351,791)**	**(1,417,579)**	**–**
Trade and other payables[2]	**65,453**	**(65,453)**	**(42,899)**	**(21,439)**	**(1,115)**
Lease liability	**1,960**	**(2,272)**	**(270)**	**(1,080)**	**(922)**
Derivative financial liabilities, at fair value					
Interest rate derivatives (net-settled)	**28,153**	**(29,057)**	**(13,230)**	**(15,827)**	**–**
	1,736,094	**(1,866,152)**	**(408,190)**	**(1,455,925)**	**(2,037)**
30 June 2024					
Non-derivative financial liabilities					
Unsecured interest-bearing bank borrowings[1]	1,535,970	(1,712,404)	(427,384)	(1,285,020)	–
Trade and other payables[2]	63,394	(63,394)	(43,619)	(19,610)	(165)
Lease liability	2,156	(2,542)	(270)	(1,080)	(1,192)
Derivative financial (assets)/liabilities, at fair value					
Interest rate derivatives (net-settled)	(4,548)	4,753	3,368	1,385	–
Interest rate derivatives (net-settled)	4,200	(5,486)	627	(6,113)	–
Forward currency exchange contracts (gross-settled)	60				
– (outflow)		(5,229)	(5,229)	–	–
– inflow		5,163	5,163	–	–
	1,601,232	(1,779,139)	(467,344)	(1,310,438)	(1,357)

[1] The contractual cash flows assume no interest savings from sustainability-linked bank borrowings of S$1,467.3 million (2024: S$1,394.4 million).
[2] Excludes interest payable and rental received in advance.

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return on risk.

Notes to the financial statements

28 FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk

The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings, where feasible. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. The Group also uses derivative financial instruments such as interest rate derivatives and forward currency exchange contracts to minimise its exposure to interest rate volatility, where feasible. These derivative financial instruments are classified as derivative asset or liability on the statements of financial position.

As at 30 June 2025, the Group had S$1,467.3 million (2024: S$1,394.4 million) sustainability-linked loans where the sustainability targets are linked with emissions reductions. Upon meeting the targets, the Group will be awarded interest savings.

The Group's exposure to interest rate risk for changes in interest rates relates mainly to the interest-bearing financial assets and financial liabilities.

	Notional amount Group and LREIT	
	2025 S$'000	2024 S$'000
Fixed rate instruments		
Interest rate derivatives	**(1,123,998)**	(948,905)
Variable rate instruments		
Unsecured interest-bearing bank borrowings	**(1,664,342)**	(1,565,743)
Interest rate derivatives	**1,123,998**	948,905
	(540,344)	(616,838)

Sensitivity analysis

The Group does not account for any fixed rate instruments at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A 100 basis point ("**bp**") movement in interest rate at the reporting date would increase/(decrease) profit or loss (before any tax effect) by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Profit or loss	
	Group S$'000	LREIT S$'000
2025		
100 bp increase	**(5,403)**	**(5,403)**
100 bp decrease	**5,403**	**5,403**
2024		
100 bp increase	(6,168)	(6,168)
100 bp decrease	6,168	6,168

Notes to the financial statements

28 FINANCIAL RISK MANAGEMENT (continued)

Foreign currency risk

The Group's exposure to foreign currency risk relates to transactions that are denominated in currencies other than the respective functional currencies of the Group's entities.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country where its property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

In relation to its overseas investments in its foreign subsidiary whose net assets are exposed to currency translation risks and which is held for long term investment purposes, the differences arising from such translation are recorded under the foreign currency translation reserve, in net assets attributable to Unitholders. These translation differences are reviewed and monitored on a regular basis.

As at reporting date, the Group's and LREIT's exposure to foreign currencies in relation to financial assets and liabilities was as follows:

	Exposure to Euro			
	Group		LREIT	
	2025 S$'000	2024 S$'000	2025 S$'000	2024 S$'000
Cash and cash equivalents	**2,382**	1,067	**2,374**	1,059
Derivative financial instruments	**(9,054)**	(1,738)	**(9,054)**	(1,738)
Loans and borrowings	**(426,859)**	(413,960)	**(426,859)**	(413,960)
Net exposure	**(433,531)**	(414,631)	**(433,539)**	(414,639)

Sensitivity analysis

At the reporting date, a 5% strengthening/weakening of the Euro, as indicated below, against the Singapore dollar at the reporting date would have increased/(decreased) profit or loss (before any tax effect) by the amounts shown below for the Group's and LREIT's financial assets and financial liabilities. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss	
	Group S$'000	LREIT S$'000
2025		
5% strengthening	**(21,677)**	**(21,677)**
5% weakening	**21,677**	**21,677**
2024		
5% strengthening	(20,732)	(20,732)
5% weakening	20,732	20,732

Notes to the financial statements

29 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-derivatives financial instruments

Financial instruments that are not measured at fair value

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.

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 and trade and other payables. The carrying amounts of these financial instruments are approximations of their fair values because they are either short term in nature or the effect of discounting is immaterial.

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.

The fair value of the equity instrument 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).

Notes to the financial statements

29 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

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.

		Carrying amount	
	Note	At amortised cost S$'000	FVTPL S$'000
30 June 2025			
Group			
Financial assets not measured at fair value			
Other non-current assets		3,405	–
Cash and cash equivalents	11	41,592	–
Trade and other receivables[1]	12	1,578	–
Other current assets[2]	13	4,458	–
		51,033	–
Financial assets measured at fair value			
Equity instrument at fair value	9	–	86,090
Financial liabilities not measured at fair value			
Trade and other payables[3]	14	–	–
Loans and borrowings	15	–	–
		–	–
Financial liabilities measured at fair value			
Derivative financial liabilities	10	–	(28,153)

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

Other financial liabilities S$'000	Total carrying amount S$'000	Fair value Level 1 S$'000	Fair value Level 2 S$'000	Fair value Level 3 S$'000	Fair value Total S$'000
–	3,405				
–	41,592				
–	1,578				
–	4,458				
–	51,033				
–	86,090	–	–	86,090	86,090
(77,948)	(77,948)				
(1,640,528)	(1,640,528)				
(1,718,476)	(1,718,476)				
–	(28,153)	–	(28,153)	–	(28,153)

29 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

Accounting classifications and fair values (continued)

	Note	Carrying amount	
		At amortised cost S$'000	FVTPL S$'000
30 June 2024			
Group			
Financial assets not measured at fair value			
Other non-current assets		2,551	–
Cash and cash equivalents	11	34,124	–
Trade and other receivables[1]	12	3,860	–
Other current assets[2]	13	4,090	–
		44,625	–
Financial assets measured at fair value			
Equity instrument at fair value	9	–	86,098
Derivative financial assets	10	–	4,548
		–	90,646
Financial liabilities not measured at fair value			
Trade and other payables[3]	14	–	–
Loans and borrowings	15	–	–
		–	–
Financial liabilities measured at fair value			
Derivative financial liabilities	10	–	(4,260)

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

Notes to the financial statements

		Fair value			
Other financial liabilities S$'000	Total carrying amount S$'000	Level 1 S$'000	Level 2 S$'000	Level 3 S$'000	Total S$'000
–	2,551				
–	34,124				
–	3,860				
–	4,090				
–	44,625				
–	86,098	–	–	86,098	86,098
–	4,548	–	4,548	–	4,548
–	90,646				
(66,475)	(66,475)				
(1,535,970)	(1,535,970)				
(1,602,445)	(1,602,445)				
–	(4,260)	–	(4,260)	–	(4,260)

Notes to the financial statements

29 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

Accounting classifications and fair values (continued)

	Note	Carrying amount At amortised cost S$'000	Carrying amount FVTPL S$'000
30 June 2025			
LREIT			
Financial assets not measured at fair value			
Other non-current assets		3,087	–
Cash and cash equivalents	11	30,257	–
Trade and other receivables	12	1,422	–
Other current assets[1]	13	4,311	–
		39,077	–
Financial assets measured at fair value			
Equity instrument at fair value	9	–	86,090
Financial liabilities not measured at fair value			
Trade and other payables[2]	14	–	–
Loans and borrowings	15	–	–
		–	–
Financial liabilities measured at fair value			
Derivative financial liabilities	10	–	(28,153)

[1] Excludes deposits and prepayments.
[2] Excludes net GST payables and rental received in advance.

Notes to the financial statements

Other financial liabilities S$'000	Total carrying amount S$'000	Fair value Level 1 S$'000	Fair value Level 2 S$'000	Fair value Level 3 S$'000	Fair value Total S$'000
–	3,087				
–	30,257				
–	1,422				
–	4,311				
–	39,077				
–	86,090	–	–	86,090	86,090
(69,529)	(69,529)				
(1,640,528)	(1,640,528)				
(1,710,057)	(1,710,057)				
–	(28,153)	–	(28,153)	–	(28,153)

Notes to the financial statements

29 FAIR VALUE OF ASSETS AND LIABILITIES (continued)

Accounting classifications and fair values (continued)

	Note	Carrying amount	
		At amortised cost	FVTPL
		S$'000	S$'000
30 June 2024			
LREIT			
Financial assets not measured at fair value			
Other non-current assets		2,551	–
Cash and cash equivalents	11	26,669	–
Trade and other receivables	12	3,628	–
Other current assets[1]	13	4,090	–
		36,938	–
Financial assets measured at fair value			
Equity instrument at fair value	9	–	86,098
Derivative financial assets	10	–	4,548
		–	90,646
Financial liabilities not measured at fair value			
Trade and other payables[2]	14	–	–
Loans and borrowings	15	–	–
		–	–
Financial liabilities measured at fair value			
Derivative financial liabilities	10	–	(4,260)

[1] Excludes deposits and prepayments.
[2] Excludes net GST payables and rental received in advance.

Notes to the financial statements

	Other financial liabilities S$'000	Total carrying amount S$'000	Fair value Level 1 S$'000	Fair value Level 2 S$'000	Fair value Level 3 S$'000	Fair value Total S$'000
	–	2,551				
	–	26,669				
	–	3,628				
	–	4,090				
	–	36,938				
	–	86,098	–	–	86,098	86,098
	–	4,548	–	4,548	–	4,548
	–	90,646				
	(65,240)	(65,240)				
	(1,535,970)	(1,535,970)				
	(1,601,210)	(1,601,210)				
	–	(4,260)	–	(4,260)	–	(4,260)

Notes to the financial statements

30 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.

(ii) Italy – leasing of Sky Complex, comprising 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*.

	Singapore S$'000	Italy S$'000	Total S$'000
For the year ended 30 June 2025			
Gross revenue	188,571	17,971	206,542
Property operating expenses	(53,740)	(4,046)	(57,786)
Total segment net property income	134,831	13,925	148,756
Dividend income	3,046	–	3,046
Unallocated items:			
Manager's base fees			(10,426)
Manager's performance fees			(7,538)
Other management fee			(764)
Trustee's fee			(430)
Other trust expenses			(2,105)
Net foreign exchange loss			(12,662)
Finance income			885
Finance cost			(66,153)
Profit before tax, change in fair value, impairment and share of profit			52,609
Fair value gains of investment properties & investment property under development	42,344	4,487	46,831
Fair value gains of equity instrument	141	–	141
Impairment of investment in associates	(93)	–	(93)
Share of loss of associates	(296)	–	(296)
Unallocated item:			
Change in fair value of derivative financial instruments			(28,442)
Profit before tax			70,750
Segment assets	3,477,932	428,277	3,906,209
Segment liabilities	1,749,819	8,406	1,758,225

Notes to the financial statements

30 OPERATING SEGMENT (continued)

	Singapore S$'000	Italy S$'000	Total S$'000
For the year ended 30 June 2024			
Gross revenue	185,616	35,289	220,905
Property operating expenses	(52,528)	(3,097)	(55,625)
Total segment net property income	133,088	32,192	165,280
Dividend income	3,111	–	3,111
Unallocated items:			
Manager's base fees			(10,274)
Manager's performance fees			(8,396)
Other management fee			(818)
Trustee's fee			(427)
Other trust expenses			(1,847)
Net foreign exchange gain			7,268
Finance income			1,273
Finance cost			(68,202)
Profit before tax, change in fair value, impairment and share of profit			86,968
Fair value gains/(losses) of investment properties & investment property under development	74,081	(71,180)	2,901
Fair value gains of equity instrument	314	–	314
Impairment of investment in associates	(94)	–	(94)
Share of profit of associates	592	–	592
Unallocated item:			
Change in fair value gains of derivative financial instruments			(13,440)
Profit before tax			77,241
Segment assets	3,436,183	393,631	3,829,814
Segment liabilities	1,616,291	1,220	1,617,511

Major tenants

One major tenant (2024: two major tenants) contributed approximately S$23.3 million (2024: approximately S$57.2 million) of the Group's gross revenue from Singapore (2024: Singapore and Italy).

Notes to the financial statements

31 FINANCIAL RATIOS

	Group	
	2025	2024
	%	%
Expenses to weighted average net assets[1]		
- Expense ratio including performance-related fee	**0.96**	0.99
- Expense ratio excluding performance-related fee	**0.62**	0.61
Portfolio turnover rate[2]	**–**	–

[1] The annualised ratios are computed in accordance with the guidelines of Investment Management Association of Singapore. The expenses used in the computation relate to expenses of the Group, excluding property related expenses, borrowing costs, changes in fair value of financial derivatives, investment properties and investment property under development and foreign exchange gains/(losses).

[2] The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of the Group expressed as a percentage of weighted average net asset value.

32 SUBSEQUENT EVENTS

On 4 August 2025, the Manager announced a distribution of 1.8013 Singapore cents per unit, amounting to approximately S$44.1 million in respect of the period from 1 January 2025 to 30 June 2025.

On 4 August 2025, the Group has entered into a put and call option agreement for the divestment of the office component of Jem to a non-interested third party at a sale price of S$462.0 million.

Interested Person Transactions

The transactions entered into with interested persons during the financial year which fall under the Listing Manual and Appendix 6 of the Code on Collective Investment Schemes issued by the Monetary Authority of Singapore (the "**Property Funds Appendix**") are as follows:

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under Unitholders' mandate pursuant to Rule 920) FY2025 S$'000	Aggregate value of all interested person transactions conducted under Unitholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)[1] FY2025 S$'000
Lendlease Corporation Limited and its subsidiaries or associates	Lendlease Corporation Limited is a "controlling Unitholder" of LREIT and a "controlling shareholder" of the Manager under the Listing Manual and the Property Funds Appendix		
- Manager's management fees		17,964	N.A.
- Property management and leasing fees and reimbursable amounts		19,987	N.A.
- Management fees in respect of Lendlease Global Commercial Italy Fund		736	N.A.
- Portal licence fees for access to the Lendlease Plus rewards portal and related recharges		950[2]	N.A.
- Investment advisory and administrative services in respect of Lendlease Asian Retail Investment Fund 3 Limited, Lendlease Jem Partners Fund Limited, Lendlease Retail Investments 3 Pte Ltd and Lendlease Commercial Investments Pte Ltd		330[3]	N.A.
DBS Trustee Limited	Trustee of LREIT		
- Trustee's fees		430	N.A.

[1] LREIT does not have a Unitholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual.

[2] The portal licence agreement with Lendlease Retail Pte Ltd has been renewed and this amount includes the portal license fees for services to be provided up to 30 June 2027.

[3] Unitholder's approval was obtained on 26 July 2021 in connection with the acquisition of 37.6% interest in ARIF3 which held Jem. Development management fees and project and construction management fees in relation to Jem, and investment advisory and administrative services fees in relation to ARIF3, LLJP and their subsidiaries are not directly payable by LREIT and there will be no double-counting of fees.

Interested Person Transactions

The payments of the Manager's management fees and acquisition fees, payments of property management fees, leasing fees and reimbursements to Lendlease Retail Pte. Ltd. (the "**Property Manager**") in respect of payroll and related expenses, payment of management fees to Lendlease Italy SGR S.p.A. as well as payments of the Trustee's fees and reimbursements pursuant to the Trust Deed are deemed to have been specifically approved by the Unitholders upon subscription for the Units on the listing of LREIT on 2 October 2019, and are therefore not subject to Rules 905 and 906 of the Listing Manual. Such payments are not to be included in the aggregate value of total interested person transactions as governed by Rules 905 and 906 of the Listing Manual.

Save as disclosed above, there were no other interested person transactions (excluding transactions less than S$100,000 each) entered into during FY2025 nor any material contracts entered into by LREIT that involved the interests of the Chief Executive Officer, any Director or controlling Unitholder of LREIT. Please also see significant related party transactions in Note 27 to the financial statements.

ISSUANCE OF LREIT UNITS

During FY2025, LREIT issued:

(i) an aggregate of 18,109,094 new Units ("**Management Base Fee Units**") amounting to S$10.3 million as payment for the base fee element of the Manager's management base fees;

(ii) an aggregate of 14,896,822 new Units ("**Management Performance Fee Units**") amounting to S$8.4 million as payment for the performance fee element of the Manager's management performance fees;

(iii) an aggregate of 10,663,730 new Units ("**Property Management Fee Units**") amounting to S$6.1 million as payment for the Property Manager's management fees; and

(iv) an aggregate of 26,421,632 new Units amounting to S$13.5 million at the issue price ranging from S$0.4968 to S$0.5158 per Unit pursuant to LREIT's distribution reinvestment plan.

Lendlease GCR Investment Holding Pte. Ltd. has been nominated by each of the Manager and the Property Manager to receive the Management Base Fee Units, Management Performance Fee Units and the Property Management Fee Units in accordance with the Trust Deed and the master property management agreement relating to the properties of LREIT respectively.

Statistics of Unitholdings

As at 8 September 2025

ISSUED AND FULLY PAID UNITS

2,446,669,290 Units issued in LREIT as at 8 September 2025 (voting rights: 1 vote per unit).

There is only one class of Units in LREIT. There are no treasury units and no subsidiary holdings held.

DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	%	No. of Units	%
1 –99	155	1.01	6,660	0.00
100 – 1,000	948	6.16	769,598	0.03
1,001 – 10,000	7,909	51.41	40,052,665	1.64
10,001 – 1,000,000	6,321	41.09	310,722,136	12.70
1,000,001 and above	51	0.33	2,095,118,231	85.63
Total	**15,384**	**100.00**	**2,446,669,290**	**100.00**

TWENTY LARGEST UNITHOLDERS

No.	Name	No. of Units	%
1	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	695,692,959	28.43
2	DBS NOMINEES (PRIVATE) LIMITED	380,714,218	15.56
3	CITIBANK NOMINEES SINGAPORE PTE LTD	327,583,175	13.39
4	HSBC (SINGAPORE) NOMINEES PTE LTD	136,649,982	5.59
5	RAFFLES NOMINEES (PTE.) LIMITED	125,563,117	5.13
6	DBSN SERVICES PTE. LTD.	90,821,262	3.71
7	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	43,764,422	1.79
8	HPL INVESTERS PTE LTD	29,238,753	1.20
9	BPSS NOMINEES SINGAPORE (PTE.) LTD.	28,284,530	1.16
10	PHILLIP SECURITIES PTE LTD	25,654,356	1.05
11	IFAST FINANCIAL PTE. LTD.	25,278,109	1.03
12	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	20,005,670	0.82
13	ABN AMRO CLEARING BANK N.V.	19,471,948	0.80
14	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	14,091,659	0.58
15	MAYBANK SECURITIES PTE. LTD.	13,477,118	0.55
16	OCBC SECURITIES PRIVATE LIMITED	13,103,295	0.54
17	TIGER BROKERS (SINGAPORE) PTE. LTD.	12,531,503	0.51
18	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	11,063,170	0.45
19	DB NOMINEES (SINGAPORE) PTE LTD	9,741,933	0.40
20	CHUA FOUNDATION	7,647,556	0.31
	Total	**2,030,378,735**	**83.00**

Statistics of Unitholdings

As at 8 September 2025

SUBSTANTIAL UNITHOLDERS' UNITHOLDINGS

(As recorded in the Register of Substantial Unitholders as at 8 September 2025)

Name of Substantial Unitholders	Direct Interest		Deemed Interest		Total Interest	
	No. of Units	%[1]	No. of Units	%[1]	No. of Units	%[1]
Lendlease SREIT Pty Limited (as trustee of Lendlease SREIT Sub Trust)	546,788,462	22.35	-	-	546,788,462	22.35
Lendlease LLT Holdings Pty Limited (as trustee of Lendlease LLT Holdings Sub Trust)[2]	-	-	546,788,462	22.35	546,788,462	22.35
Lendlease Responsible Entity Limited (as trustee of Lendlease Trust)[3]	-	-	546,788,462	22.35	546,788,462	22.35
Lendlease Corporation Limited[4]	-	-	680,315,779	27.81	680,315,779	27.81

UNITHOLDINGS OF THE DIRECTORS OF THE MANAGER

(As recorded in the Register of Directors' Unitholdings as at 21 July 2025)

Directors	Direct Interest		Deemed Interest	
	No. of Units	%[5]	No. of Units	%[5]
Mr Justin Marco Gabbani	588,410	0.024	-	-
Dr Tsui Kai Chong	691,209	0.028	-	-
Mrs Lee Ai Ming	645,000	0.026	-	-
Mr Simon John Perrott	122,862	0.005	-	-
Ms Penelope Jane Ransom	-	-	-	-

FREE FLOAT

Based on information available to the Manager as at 8 September 2025, approximately 72.1% of the Units in LREIT were held in the hands of public. Accordingly, Rule 723 of the Listing Manual of the SGX-ST is complied with.

1 The percentage of unitholding is calculated based on the total number of 2,446,669,290 Units in issue as at 8 September 2025.

2 Lendlease LLT Holdings Pty Limited (as trustee of Lendlease LLT Holdings Sub Trust) holds all of the units of Lendlease SREIT Sub Trust ("**LLT Sub-Trust**"). Lendlease LLT Holdings Sub Trust is therefore deemed interested in LLT Sub-Trust's direct interest of 546,788,462 Units.

3 Lendlease Responsible Entity Limited (as trustee of Lendlease Trust) ("**LLT**") holds all of the units of Lendlease LLT Holdings Sub Trust. LLT is therefore deemed interested in Lendlease LLT Holdings Sub Trust's deemed interest of 546,788,462 Units.

4 Lendlease Responsible Entity Limited is a wholly-owned subsidiary of Lendlease Corporation Limited ("**LLC**"). LLC is therefore deemed interested in LLT's deemed interest of 546,788,462 Units. LLC is also deemed interested in 105,047,180 Units which are held directly by Lendlease GCR Investment Holding Pte. Ltd., and 28,480,137 Units which are held directly by the Manager, each of which is an indirect wholly-owned subsidiary of LLC.

5 The percentage of unitholding is calculated based on the total number of 2,446,669,290 Units in issue as at 21 July 2025.

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lendlease
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