



## LENLEASE GLOBAL COMMERCIAL REIT

(a real estate investment trust constituted on 28 January 2019 under the laws of the Republic of Singapore)

### Offering of 387,474,987 Units (subject to the Over-Allotment Option) Offering Price: S\$0.88 per Unit

*Prior to making a decision to purchase the Units, you should carefully consider all the information contained in the Prospectus. This Product Highlights Sheet should be read in conjunction with the Prospectus. You will be subject to various risks and uncertainties, including the potential loss of your entire principal amount invested. If you are in doubt as to investing in the Units, you should consult your legal, financial, tax or other professional adviser.*

This Product Highlights Sheet is an important document.

- It highlights the key information and risks relating to the offer of the Units contained in the Prospectus. It complements the Prospectus<sup>1</sup>.
- You should not purchase the Units if you do not understand the nature of an investment in units in a real estate investment trust, Lendlease Global Commercial REIT's ("Lendlease Global REIT") business or are not comfortable with the accompanying risks.
- If you wish to purchase the Units, you will need to make an application in the manner set out in the Prospectus. If you do not have a copy of the Prospectus, please contact the Manager or the Joint Global Coordinators, Bookrunners and Underwriters to ask for one.

<b>Manager/ Trustee/ Sponsor</b>	<ul style="list-style-type: none"> <li>• Manager: Lendlease Global Commercial Trust Management Pte. Ltd.</li> <li>• Trustee: RBC Investor Services Trust Singapore Limited</li> <li>• Sponsor: Lendlease Corporation Limited</li> </ul>	<b>Place of Incorporation</b>	<ul style="list-style-type: none"> <li>• Manager: Singapore</li> <li>• Trustee: Singapore</li> <li>• Sponsor: Australia</li> </ul>
<b>Details of this offer</b>	<ul style="list-style-type: none"> <li>• Total number of Units to be offered under the Offering (subject to the Over-Allotment Option): 387,474,987 Units                             <ul style="list-style-type: none"> <li>– Placement Tranche (including Reserved Units): 364,747,987 Units</li> <li>– Public Offering: 22,727,000 Units</li> </ul> </li> </ul>	<b>Total amount to be raised in this offer</b>	Total proceeds of S\$341.0 million will be raised from the Offering. In addition, S\$280.0 million, S\$7.5 million and S\$399.3 million will be raised from the issuance of the LLT Sub-Trust Units, IPO Acquisition Fee Units and the Cornerstone Units respectively.
<b>Issue Price</b>	\$0.88 per Unit	<b>Listing status of Lendlease Global REIT and the Units</b>	Lendlease Global REIT has received a letter of eligibility from the SGX-ST for the listing and quotation (the "Listing") of (i) all Units comprised in the Offering, (ii) all the LLT Sub-Trust Units, (iii) all the Cornerstone Units, (iv) all the Units which will be issued to the Manager from time to time in full or part payment of the Manager's fees (including the IPO Acquisition Fee Units), (v) all the Units which will be issued to any of the Property Managers or their nominee from time to time in full or part payment of the Property Managers' respective fees, and (vi) all the Units which will be issued to any of the Asset Managers or their nominee from time to time in full or part payment of the Asset Managers' respective fees, on the Main Board of the SGX-ST. The Units are expected to be listed on 2 October 2019.
<b>Sole Financial Adviser and Issue Manager</b>	DBS Bank Ltd.	<b>Joint Global Coordinators, Bookrunners and Underwriters</b>	<ul style="list-style-type: none"> <li>• DBS Bank Ltd.</li> <li>• Citigroup Global Markets Singapore Pte. Ltd.</li> </ul>

<sup>1</sup> The Prospectus, lodged with and registered by the Monetary Authority of Singapore on 16 September 2019 and 25 September 2019, respectively, is available for collection, subject to availability, during office hours from DBS Bank Ltd. and Citigroup Global Markets Singapore Pte. Ltd., and where applicable, from members of the Association of Banks in Singapore, members of the SGX-ST and merchant banks in Singapore or accessible at the SGX-ST website: <http://www.sgx.com>.

## OVERVIEW

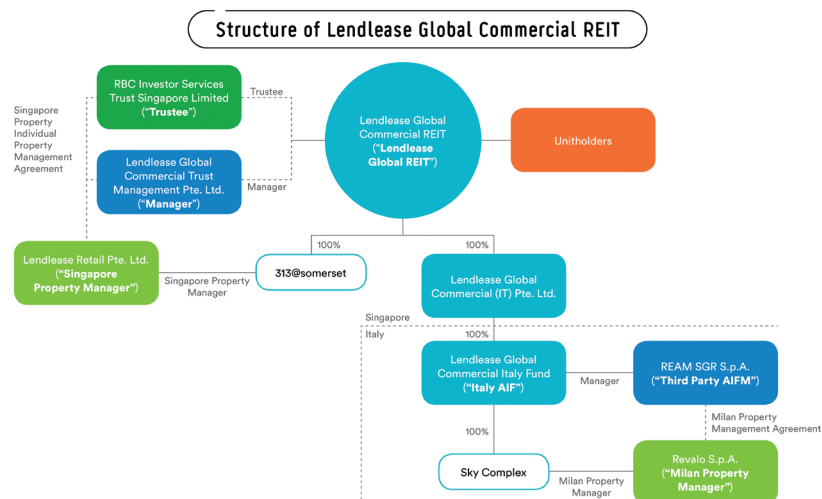
### WHO ARE WE AND WHAT DO WE DO?

Lendlease Global REIT is a Singapore real estate investment trust (“REIT”), established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of stabilised income-producing real estate assets located globally, which are used primarily for retail and/or office purposes, as well as real estate-related assets in connection with the foregoing.

Lendlease Global REIT will comprise a leasehold interest in one retail property located in Singapore and a freehold office property located in Milan, Italy with an appraised value of approximately S\$1,405.3 million as at 31 July 2019 based on the aggregate of the higher of the two independent valuations for each Property conducted by independent valuers in respect of each Property.

The following diagram illustrates the relationship between, among others, Lendlease Global REIT, the Manager, the Trustee and the Unitholders as at the Listing Date:

Refer to “Overview – Overview of Lendlease Global REIT” on pages 1 to 2, “Overview – Certain Information on the Properties” on page 24 and “Overview – Structure of Lendlease Global REIT” on pages 25 to 28 of the Prospectus for more information.



**Note:** Lendlease Global REIT also wholly owns the following SPVs which are dormant as at the Latest Practicable Date: Lendlease Global Commercial (SG) Pte. Ltd. and Lendlease Global Commercial (AU) Pte. Ltd.

### WHO ARE OUR DIRECTORS AND KEY EXECUTIVES?

The Manager’s board of directors comprise the following directors:

- Mr Anthony Peter Lombardo (Chairman and Non-Independent Non-Executive Director)
- Dr Tsui Kai Chong (Independent Non-Executive Director)
- Mr Simon John Perrott (Independent Non-Executive Director)
- Mrs Lee Ai Ming (Independent Non-Executive Director)
- Ms Ng Hsueh Ling (Non-Independent Non-Executive Director)

The Manager’s key executives are Mr Kelvin Chow Chung Yip (Chief Executive Officer), Mr Liaw Liang Huat Joshua (Executive General Manager, Finance), Ms Chew Ying Li, Julia (Deputy Fund Manager) and Mr Mark Louis Yong Zhi Peng (Senior Analyst).

Refer to “The Manager and Corporate Governance” on page 143 of the Prospectus for more information on the directors and management of the Manager.

### WHO ARE OUR CONTROLLING UNITHOLDERS AND SPONSOR?

The Sponsor, Lendlease Corporation Limited, is part of the Lendlease Group, comprising Lendlease Corporation Limited, Lendlease Trust and their subsidiaries (the “Lendlease Group”, and the Sponsor and its subsidiaries, the “Sponsor Group”). The Lendlease Group is a leading international property and infrastructure group with operations in Australia, Asia, Europe and the Americas and is listed on the Australian Securities Exchange (the “ASX”) with a market capitalisation of approximately A\$9.5 billion as at the Latest Practicable Date.

Lendlease SREIT Pty Limited, as the trustee of Lendlease SREIT Sub Trust (“LLT Sub-Trust”), a wholly-owned sub-trust of Lendlease Trust, will subscribe for an aggregate of 318,137,997 Units, which (together with the Initial Units) is equivalent to 27.2% of the total number of Units in issue as at the Listing Date and immediately after the completion of the Offering and the issuance of the LLT Sub-Trust Units, the Cornerstone Units and the IPO Acquisition Fee Units (subject to the exercise of the Over-Allotment Option).

The total number of outstanding Units immediately after completion of the Offering and the issuance of the LLT Sub-Trust Units, the Cornerstone Units and the IPO Acquisition Fee Units will be 1,167,946,000 Units.

Refer to “Ownership of the Units” on page 87 and “The Sponsor” on page 188 of the Prospectus for more information.

## HOW WAS OUR HISTORICAL FINANCIAL PERFORMANCE AND WHAT IS OUR CURRENT FINANCIAL POSITION?

### Key Profit and Loss information

	Profit Forecast and Profit Projection	
	Forecast Year 2020 S\$'000	Projection Year 2021 S\$'000
<b>NPI</b>	47,898	65,785
<b>Profit before tax and fair value change in investment properties</b>	32,799	45,480
<b>(Loss)/Profit before tax</b>	(15,431)	45,480
<b>(Loss)/Profit after tax attributable to Unitholders before distribution adjustments</b>	(15,567)	45,106
<b>Profit available for distribution to Unitholders</b>	44,875	62,693
<b>Distribution per Unit (Singapore cents)</b>	3.82	5.29
<b>Distribution yield</b>	5.80% <sup>(1)</sup>	6.01%

#### Note:

- (1) Annualised by extrapolating from 1 October 2019 to 30 June 2020, for a full 12 months of operating results, since it is assumed that prior to 1 October 2019, Lendlease Global REIT Group is inactive.

### Key balance sheet information<sup>(1)</sup>

	Unaudited Pro Forma Consolidated Balance Sheet as at Listing Date (S\$'000)
<b>Non-Current assets</b>	
Investment properties	1,402,313
Other receivables	20,265
Prepayments	525
	<b>1,423,103</b>
<b>Current assets</b>	
Other receivables	8,240
Prepayments	701
Cash and cash equivalents	33,824
	<b>42,765</b>
<b>Total assets</b>	<b>1,465,868</b>
<b>Current liabilities</b>	
Deferred income	3,083
	<b>3,083</b>
<b>Non-current liabilities</b>	
Loans and borrowings	512,789
	<b>512,789</b>
<b>Total liabilities</b>	<b>515,872</b>
<b>Net assets attributable to Unitholders</b>	<b>949,996</b>
<b>Number of Units in issue ('000)</b>	<b>1,167,946</b>
<b>Net asset value per Unit (S\$)</b>	<b>0.8134</b>

#### Note:

- (1) Based on the Offering Price of S\$0.88 per Unit, and the assumption that the IPO Portfolio was purchased on the Listing Date.

Refer to “Unaudited Pro Forma Consolidated Balance Sheet as at the Listing Date” on page 97, and “Profit Forecast and Profit Projection” on page 101 of the Prospectus for more information on Lendlease Global REIT’s financial performance and position.

## INVESTMENT HIGHLIGHTS

### WHAT ARE OUR BUSINESS STRATEGIES AND FUTURE PLANS?

Lendlease Global REIT's key objectives are (i) to provide Unitholders with regular and stable distributions, (ii) to achieve long-term growth in DPU and net asset value per Unit and (iii) maintaining an appropriate capital structure. The Manager plans to achieve Lendlease Global REIT's objectives through the following key strategies:

- **Proactive asset management and enhancement strategy** – The Manager will proactively manage Lendlease Global REIT's property portfolio to maintain and improve their operational performance, so as to optimise the cash flow and the value of the Properties. The Manager will also look to drive organic growth, encourage strong relationships with the tenants of the Properties, implement asset management strategies with the aim of ensuring continued relevance of the Properties and facilitate property enhancement opportunities.
- **Investments and acquisition growth strategy** – The Manager will seek to achieve portfolio growth through the acquisition of attractive income-producing properties that fit within Lendlease Global REIT's investment strategy to enhance the return to Unitholders and to pursue opportunities for future income and capital growth. Whilst Lendlease Global REIT has an IPO portfolio in Singapore and Italy, the Manager will continuously evaluate opportunities in key cities in which the Sponsor Group has a presence and take a considered approach in deciding whether Lendlease Global REIT should explore these opportunities.
- **Prudent capital management strategy** – The Manager will endeavour to employ an appropriate mix of debt and equity in financing acquisitions, secure diversified funding sources to access both financial institutions and capital markets, optimise its cost of debt financing and utilise hedging strategies, where appropriate, in order to optimise risk-adjusted returns to Unitholders.

Refer to "Strategy" on page 114 of the Prospectus for more information on the Manager's strategies and future plans.

### WHAT ARE THE KEY TRENDS, UNCERTAINTIES, DEMANDS, COMMITMENTS OR EVENTS WHICH ARE REASONABLY LIKELY TO HAVE A MATERIAL EFFECT ON US?

The IPO Portfolio is diversified across Singapore and Italy and, as Lendlease Global REIT has a global mandate, future Properties may be located in different markets across the globe. As the Lendlease Global REIT Group's Gross Revenue is currently derived from properties located in Singapore and Italy, the results of operations currently depend upon the performance of the economies of Singapore and Italy. A downturn in the economies of any of these markets (and any future markets which the Lendlease Global REIT Group enters), or the impact that an economic decline in any of these economies (and any economy which the Lendlease Global REIT Group may be exposed to) may have upon these markets (and any future markets which the Lendlease Global REIT Group enters), could result in reduced demand for office and/or retail space and in turn adversely affect the Lendlease Global REIT Group's operations, future growth and Lendlease Global REIT's ability to make regular distributions to Unitholders.

**The above are not the only trends, uncertainties, demands, commitments or events that could affect Lendlease Global REIT. Please refer to the other factors set out in the sections of the Prospectus listed in the column to the right.**

**The Manager has prepared the Profit Forecast and Profit Projection on the assumptions set out in the Prospectus. You should consider these assumptions as well as the Profit Forecast and Profit Projection and make your own assessment of the future performance of Lendlease Global REIT.**

Refer to "Overview – Key Investment Highlights" on page 2 and "Risk Factors" on page 57 of the Prospectus.

Refer to "Profit Forecast and Profit Projection – Assumptions" on page 103 of the Prospectus.

**WHAT ARE THE FEES AND CHARGES PAYABLE TO THE MANAGER THAT MAY AFFECT US AND YOUR INVESTMENT IN THE UNITS?**

The following is a summary of certain fees and charges payable by Lendlease Global REIT or its subsidiaries and special purpose vehicles (“SPVs”) in connection with the establishment and on-going management and operation of the Lendlease Global REIT Group. Please refer to the full details set out in the sections of the Prospectus listed in the column to the right.

Refer to “Overview – Certain Fees and Charges” on page 29 of the Prospectus for more information on fees and charges payable by Lendlease Global REIT including the rationale for each of the fees payable by Lendlease Global REIT or its subsidiaries to the Manager.

	<b>Payable by Lendlease Global REIT</b>	<b>Amount payable</b>
(a)	Management Fee (payable to the Manager)	<p><b>Base Fee:</b> 0.3% per annum of the value of Lendlease Global REIT’s Deposited Property.</p> <p><b>Performance Fee:</b> 5.0% per annum of Lendlease Global REIT’s NPI calculated before accounting for the Performance Fee in the relevant Financial Year.</p> <p><b>No double counting of fees:</b> The Manager may appoint, or the Trustee or any entity which is held by Lendlease Global REIT (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 Lendlease Global REIT from time to time and the Management Fee payable to the Manager will be reduced by the amount of any fees payable to such entities for asset management, acquisition, divestment or development management services.</p> <p>For the avoidance of doubt, this includes the fees payable to the alternative investment fund manager (“AIF Manager”).</p>
(b)	Trustee’s Fee	The Trustee’s fee is presently charged on a scaled basis of up to 0.015% per annum of the value of the Deposited Property, excluding out-of-pocket expenses and GST in accordance with the Trust Deed.
(c)	<i>Payable to the Manager or its nominee</i>	
	(i) Acquisition Fee	<p>1.0% (or such lower percentage as may be determined by the Manager in its absolute discretion) of each of the following as is applicable (subject to there being no double-counting):</p> <ul style="list-style-type: none"> <li>the acquisition price of any real estate purchased, whether directly or indirectly through one or more SPVs, by Lendlease Global REIT (plus any other payments in addition to the acquisition price made by Lendlease Global REIT or its SPVs to the vendor in connection with the purchase of the real estate) (pro-rated, if applicable, to the proportion of Lendlease Global REIT’s interest);</li> <li>the underlying value of any real estate which is taken into account when computing the acquisition price payable for the equity interests of any vehicle holding directly or indirectly the real estate purchased by Lendlease Global REIT, whether directly or indirectly through one or more SPVs (plus any additional payments made by Lendlease Global REIT or its SPVs to the vendor in connection with the purchase of such equity interests) (pro-rated, if applicable, to the proportion of Lendlease Global REIT’s interest); or</li> </ul>

		<ul style="list-style-type: none"> <li>the acquisition price of any investment purchased by Lendlease Global REIT, whether directly or indirectly through one or more SPVs, in any debt securities of any property corporation or other SPV owning or acquiring real estate or any debt securities which are secured whether directly or indirectly by the rental income from real estate,</li> </ul> <p>(the “<b>Acquisition Fee</b>”).</p> <p>An acquisition fee (“<b>IPO Acquisition Fee</b>”) of 1.0% of the acquisition price of the Milan Property and 0.75% of the acquisition price of the Singapore Property is payable to the Manager on the Listing Date for the acquisition of the Milan Property and the Singapore Property respectively. The IPO Acquisition Fee payable to the Manager in respect of the Milan Property and the Singapore Property will be paid in cash and Units (such Units, the “<b>IPO Acquisition Fee Units</b>”) respectively on or after the Listing Date. The IPO Acquisition Fee Units may be sold within one year from the date of their issuance.</p> <p>The IPO Acquisition Fee for the Singapore Property is lower than the IPO Acquisition Fee for the Milan Property because the Manager has voluntarily agreed not to receive any IPO Acquisition Fee in respect of the 25% interest that the Sponsor Group holds as a co-investor in the Singapore Property.</p> <p>Any payment to third party agents or brokers in connection with the acquisition of any assets of Lendlease Global REIT shall be paid to such persons out of the Deposited Property of Lendlease Global REIT or the assets of the relevant SPV, and not out of the Acquisition Fee received or to be received by the Manager.</p> <p>The Acquisition Fee is payable as soon as practicable after completion of the relevant acquisition.</p>	
	<p>(ii) Divestment Fee</p>	<p>0.5% (or such lower percentage as may be determined by the Manager in its absolute discretion) of each of the following as is applicable (subject to there being no double-counting) (and less any Divestment Fee paid to the Property Manager):</p> <ul style="list-style-type: none"> <li>the sale price of any real estate sold or divested, whether directly or indirectly through one or more SPVs, by Lendlease Global REIT (plus any other payment in addition to the sale price received by Lendlease Global REIT or its SPVs from the purchaser in connection with the sale or divestment of the real estate) (pro-rated, if applicable, to the proportion of Lendlease Global REIT’s interest);</li> <li>the underlying value of any real estate which is taken into account when computing the sale price for the equity interests in any vehicle holding directly or indirectly the real estate, sold or divested, whether directly or indirectly through one or more SPVs, by Lendlease Global REIT (plus any additional payments received by Lendlease Global REIT or its SPVs from the purchaser in connection with the sale or divestment of such equity interests) (pro-rated, if applicable, to the proportion of Lendlease Global REIT’s interest); or</li> </ul>	

		<ul style="list-style-type: none"> <li>the sale price of any investment sold or divested by Lendlease Global REIT, whether directly or indirectly through one or more SPVs, in any debt securities of any property corporation or other SPV owning or acquiring real estate or any debt securities which are secured whether directly or indirectly by the rental income from real estate,</li> </ul> <p>(the “<b>Divestment Fee</b>”).</p> <p>The same rate of Divestment Fee is payable regardless of whether the divestment is to a related party of Lendlease Global REIT.</p> <p>For the avoidance of doubt, the Divestment Fee is payable in respect of any divestment of real estate assets to both third parties and interested parties.</p> <p>For the avoidance of doubt, the sale price, or as the case may be, the sale value, shall take into account any completion or other price or value adjustment to be made post-completion.</p> <p>For the purpose of this Divestment Fee, equity interests include all classes and types of equity securities relating to real estate which shall, for the avoidance of doubt, exclude any investment in debt securities of any property corporation or other SPV owning or acquiring real estate.</p> <p>The Divestment Fee is payable to the Manager in the form of cash and/or Units (as the Manager may elect), in such proportions as may be determined by the Manager. Under the Property Funds Appendix, in respect of any sale or divestment of real estate to interested parties, such a fee will be in the form of Units issued by Lendlease Global REIT at prevailing market price(s). Such Units may not be sold within one year from date of their issuance.</p> <p>Any payment to third party agents or brokers in connection with the disposal of any assets of Lendlease Global REIT shall be paid to such persons out of the Deposited Property of Lendlease Global REIT or the assets of the relevant SPV, and not out of the Divestment Fee received or to be received by the Manager.</p> <p>The Divestment Fee is payable as soon as practicable after completion of the relevant divestment.</p>	
	(iii) Development Management Fee	3.0% of the Total Project Costs incurred in a Development Project (as defined in the Prospectus) undertaken by the Manager on behalf of Lendlease Global REIT (less any development management fee paid to the Property Managers or any entity engaged by the Manager to perform the services specified) (the “ <b>Development Management Fee</b> ”).	
	<i>Payable to the Property Manager or their nominees</i>		

(iv) Property Management Fee

**Master Property Management Agreement**  
Property Management Fee

Each of the Property Managers is entitled to a monthly property management fee equal to a certain percentage of gross revenues and/or net income, as more specifically defined in each property management agreement. The Singapore Property Manager is a member of the Sponsor Group while the Milan Property Manager is a third party unrelated to the Sponsor Group.

The property management fee charged by the Singapore Property Manager under the Master Property Management Agreement for properties that are acquired after Listing will be 2.0% per annum of gross revenue and 2.0% per annum of net property income before deductions for the property management fee of the relevant property.

Leasing Fee

In respect of each new lease, renewal of an existing lease or relocation of an existing lease negotiated by the Singapore Property Manager and entered into by a tenant, the Singapore Property Manager is entitled to a leasing fee of 100% of one month's base rent, one month's service charge and one month's advertising and promotion fee (if any), payable by the tenant under the lease. The leasing fee will be subject to review every three years to be in line with market rates as may be agreed by the Manager, the Trustee and the Singapore Property Manager.

Tenancy Design Review Fee

Where tenancy design review services are required for a new lease, renewal of existing lease, relocation of an existing lease or any licence or concession, a fixed tenancy design review fee of S\$6,000 per tenancy, subject to annual increase by a percentage which reflects the percentage increase in the CPI in Singapore during the 12 month period prior to that date plus 1%.

**Singapore Property Individual Property Management Agreement**

Property Management Fee

The property management fee for the Singapore Property is charged based on the following formula:

$$F = F1 + F2, \text{ where}$$

$$F1 = 1.85\% \text{ of GR; and}$$

$$F2 = 1.85\% \text{ of } (GR - OE - F1),$$

and:

GR = Gross receipts for the financial year which refers to all income accruing or resulting from the operation of the Singapore Property for the relevant financial year or part thereof, including but not limited to rental income (including turnover rent), rental premiums, licence fees, service charges, advertising and promotion fees and other sums due from tenants and other income or revenue earned from all rights of occupation or use of the Singapore Property and the proceeds of any payment under any insurance policy against loss of rent or other income arising from the operation of the Singapore Property.

OE = Operating expenses for that financial year which refers to all costs and expenses incurred or payable by Lendlease Global REIT in the operation, maintenance, management, repair and cleaning of the Property.



		<p><u>Leasing Fee</u></p> <p>In respect of each new lease, renewal of an existing lease or relocation of an existing lease negotiated by the Singapore Property Manager and entered into by a tenant, the Singapore Property Manager is entitled to a leasing fee of 80% of one month's base rent, one month's service charge and one month's advertising and promotion fee (if any), payable by the tenant under the lease. The leasing fee will be subject to review every three years to be in line with market rates as may be agreed by the Manager, the Trustee and the Singapore Property Manager.</p> <p><u>Tenancy Design Review Fee</u></p> <p>Where tenancy design review services are required for a new lease, renewal of existing lease, relocation of an existing lease or any licence or concession, a fixed tenancy design review fee of S\$6,000 per tenancy, subject to annual increase by a percentage which reflects the percentage increase in the CPI in Singapore during the 12 month period prior to that date plus 1%.</p> <p><u>Milan Property PMA</u></p> <p>The property management fee for the Milan Property is an initial fee of €15,000 and a property management and building management fee of 0.95% per annum of the Gross Rental Income of the Milan Property, subject to a minimum sum of €90,000.</p> <p>The Milan Property Manager is also entitled to a project management fee of between 3.2% to 5.0% of the Milan Property Project Cost and construction supervision fee of 2.0% to 3.0% of the Milan Property Construction cost depending on the size of the project should it be appointed to undertake projects and construction works.</p>	
(d)	Fees payable to other asset managers	<p>In the event that the Manager appoints, or the Trustee or any entity which is held by Lendlease Global REIT (whether wholly or partially) at the recommendation of the Manager appoints, an asset manager, investment manager or any other entities (including related entities of the Manager) (the "<b>Relevant Entity</b>") to provide asset management services or investment management services in respect of any asset of Lendlease Global REIT, the Relevant Entity shall be entitled to receive out of the Deposited Property, a fee for its services to be paid either directly (by the Trustee) or indirectly (by the entity which is held by Lendlease Global REIT, including the AIF) (the "<b>Relevant Fee</b>") and the relevant fee payable to the Manager shall be reduced by the Relevant Fee to the extent that such Relevant Fee relates to the asset management fees, acquisition fees, divestment fees or development management fees.</p>	
	<p><i>Payable to the AIF Manager or its nominees and reducing the fees paid to the Manager</i></p>		

	Italy Management Fee	The Third Party AIFM is entitled to a management fee equal to 0.175% per annum of the Value of the AIF Assets (the “ <b>Italy Management Fee</b> ”) from the date of the first acquisition by the Italy AIF. The Italy Management Fee will be paid upfront to the Third Party AIFM covering a period of 21 months from the Listing Date in cash.	
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**WHAT ARE THE KEY RISKS WHICH HAD MATERIALLY AFFECTED OR COULD MATERIALLY AFFECT US AND YOUR INVESTMENT IN THE UNITS?**

The Manager considers the following to be the most important key risks which could materially affect Lendlease Global REIT’s business operations, financial position and results, and/or your investment in the Units.

- **The Lendlease Global REIT Group may be adversely affected by economic and real estate market conditions (including uncertainties and instability in global market conditions and increased competition in the real estate markets), political or constitutional instability, conflicts and/or crises, as well as changes in regulatory, fiscal and other governmental policies:** The IPO Portfolio is diversified across Singapore and Italy and, as Lendlease Global REIT has a global mandate, future Properties may be located in different markets across the globe. As the Lendlease Global REIT Group’s Gross Revenue is currently derived from properties located in Singapore and Italy, the results of operations currently depend upon the performance of the economies of Singapore and Italy. A downturn in the economies of any of these markets (and any future markets which the Lendlease Global REIT Group enters), or the impact that an economic decline in any of these economies (and any economy which the Lendlease Global REIT Group may be exposed to) may have upon these markets (and any future markets which the Lendlease Global REIT Group enters), could result in reduced demand for office and/or retail space and in turn adversely affect the Lendlease Global REIT Group’s operations, future growth and Lendlease Global REIT’s ability to make regular distributions to Unitholders.
- **The Lendlease Global REIT Group may be exposed to risks associated with exchange rate fluctuations and changes in foreign exchange regulations:** Revenue received from the Milan Property is in Euros. The Euros will have to be converted into Singapore dollars for distribution payments from Lendlease Global REIT to Unitholders.

The value of Euros against the Singapore Dollar fluctuates and is affected by changes in Europe and Singapore, and international political and economic conditions amongst many other factors.

Accordingly, Unitholders are exposed to risks associated with exchange rate fluctuations and distributions received by a Unitholder may be adversely affected by fluctuations in the exchange rates between Euros and the Singapore dollar or the currency of any country in which properties may be acquired by Lendlease Global REIT in the future. Significant fluctuations in the exchange rates between such currencies will also, among others, affect the NAV of the Units. In addition, the forecast and projected yields and yield growth of Lendlease Global REIT are calculated based on assumed exchange rates as set out in this Prospectus. As such, there can be no guarantee that Lendlease Global REIT will achieve such forecast and projected yields and yield growth should there be differences between the actual and assumed exchange rates. While the Lendlease Global REIT Group may, from time to time, undertake hedging measures to mitigate exchange rate fluctuations, such measures may not be effective in mitigating exchange rate fluctuations or may exacerbate any exchange rate fluctuations.

- **Lendlease Global REIT’s ability to make distributions is dependent on the financial position of IT SingCo or future SPVs that it may establish to acquire properties. Lendlease Global REIT may not be able to make distributions to Unitholders or the level of distributions may fall:** In order for Lendlease Global REIT to make distributions from the income of the Milan Property and other future properties that it may acquire through SPVs, Lendlease Global REIT has to rely on the receipt of dividends, interest or repayments of loans (where applicable) from IT SingCo and/or future SPVs that it may establish to acquire properties. There can be no assurance that these entities will have sufficient revenue and cash flows in any future period to pay dividends, pay interest or make repayments of loans.

Refer to “Risk Factors” on page 57 of the Prospectus for more information on risk factors.

The above are not the only risk factors that had a material effect or could have a material effect on Lendlease Global REIT's business operations, financial position and results, and your Units. Refer to "Risk Factors" on page 59 of the Prospectus for a discussion on other risk factors and for more information on the above risk factors. Prior to making a decision to invest in the Units, you should consider all the information contained in the Prospectus.

#### WHAT ARE THE RIGHTS ATTACHED TO THE UNITS OFFERED?

The rights and interests of Unitholders are contained in the Trust Deed. Under the Trust Deed, these rights and interests are safeguarded by the Trustee. Each Unit represents an undivided interest in Lendlease Global REIT. A Unitholder has no equitable or proprietary interest in the Deposited Property. A Unitholder is not entitled to the transfer to the Unitholder of the Deposited Property (or any part thereof) or of any estate or interest in the Deposited Property (or any part thereof). A Unitholder's right is limited to the right to require due administration of Lendlease Global REIT in accordance with the provisions of the Trust Deed, including, without limitation, by suit against the Trustee or the Manager. The key rights of Unitholders include rights to receive income and other distributions attributable to the Units held, receive audited accounts and the annual reports of Lendlease Global REIT and participate in the termination of Lendlease Global REIT by receiving a share of all net cash proceeds derived from the realisation of the assets of Lendlease Global REIT less any liabilities, in accordance with their proportionate interests in Lendlease Global REIT.

Refer to "The Formation and Structure of Lendlease Global REIT" on page 197 of the Prospectus for more information on the Units and ownership of the Units.

#### HOW WILL THE PROCEEDS OF THE OFFER BE USED?

The Manager intends to raise gross proceeds of approximately S\$1,027.8 million from the Offering and the issuance of the LLT Sub-Trust Units, the Cornerstone Units and the IPO Acquisition Fee Units. The following table, included for the purpose of illustration, sets out the intended sources and applications of the total proceeds from the Offering, and the issuance of the LLT Sub-Trust Units, the Cornerstone Units and the IPO Acquisition Fee Units, as well as the debt amount drawn down from the Facilities.

Based on the Offering Price, assuming that the Over-Allotment Option is not exercised:

Sources	(S\$'000)	Uses	(S\$'000)
Offering	340,978	Acquisition of the Properties	1,397,229 <sup>(1)</sup>
LLT Sub-Trust Units	279,961	Stamp Duty & other acquisition costs	64,524 <sup>(2)</sup>
IPO Acquisition Fee Units	7,522	Transaction costs	53,385 <sup>(3)</sup>
Cornerstone Units	399,331	Acquisition Fee	11,526 <sup>(4)</sup>
Debt Facilities	533,922	Italy Management Fee	1,226 <sup>(5)</sup>
		Working capital	33,824
<b>Total</b>	<b>1,561,714</b>	<b>Total</b>	<b>1,561,714</b>

#### Notes:

- (1) Acquisition of the Properties takes into account Incentive Amounts received from the Singapore Property Vendor and is net of the cash received from Milan Property Vendor amounting to S\$3.1 million in relation to advanced collection of lease rental income for the Milan Property. Part of the gross proceeds raised from the Offering and the issuance of the LLT Sub-Trust Units and the Cornerstone Units, as well as the debt amount drawn down from the Facilities, will be used to repay the Joint Bookrunners who may pre-fund Lendlease Global REIT and used by Lendlease Global REIT to finance the acquisition of the Milan Property. Due to the mechanisms for the settlement of the acquisition, the purchase price for such acquisition is expected to be released prior to the settlement for the Milan Property Vendor to be able to receive the purchase price on the date of completion of the acquisition.
- (2) Includes Singapore stamp duty and the Italian mortgage and cadastral taxes.
- (3) Transaction costs include expenses incurred in relation to the acquisition of the IPO Properties, transaction costs for the Offering and upfront debt-related transaction costs of approximately S\$21.3 million for the Facilities, of which up to S\$9.9 million would be received by the Sole Financial Adviser and Issue Manager.
- (4) Acquisition fee of 1.0% of the acquisition price of the Milan Property and 0.75% of the acquisition price of the Singapore Property will be paid to the Manager in cash and Units respectively on or after the Listing Date.
- (5) 21 months of prepaid Italy Management Fee of approximately S\$1.2 million will be incurred.

Refer to "Use of Proceeds" on page 85 of the Prospectus for more information on the use of proceeds.

## WILL WE BE PAYING DISTRIBUTIONS AFTER THE OFFER?

Lendlease Global REIT's distribution policy is to distribute 100.0% of Lendlease Global REIT's adjusted net cashflow from operations for the period from the Listing Date to the end of Projection Year 2021. Thereafter, Lendlease Global REIT intends to distribute at least 90.0% of its adjusted net cashflow from operations for each financial year. The actual level of distribution will be determined at the Manager's discretion. The actual proportion of adjusted net cashflow from operations distributed to Unitholders beyond the end of Projection Year 2021 may be greater than 90.0% to the extent that the Manager believes it to be appropriate, having regard to Lendlease Global REIT's funding requirements, other capital management considerations and the overall stability of distributions.

Refer to "Distributions" on page 92 of the Prospectus for more information.

## DEFINITIONS

<b>Cornerstone Units</b>	:	The 453,785,013 Units to be issued to the Cornerstone Investors
<b>Gross Revenue</b>	:	Comprises Gross Rental Income of the properties held by the Lendlease Global REIT Group and other revenue attributable to the operation of the properties held by the Lendlease Global REIT Group, adjusted where appropriate for vacancy provisions, allowances and leasing incentives and/or abatement
<b>Initial Units</b>	:	The three Units held by LLT Sub-Trust on the date of the Prospectus
<b>IPO Portfolio</b>	:	The initial portfolio of Lendlease Global REIT, which comprises the Singapore Property and the Milan Property
<b>Listing Date</b>	:	The date of admission of Lendlease Global REIT to the Official List of the SGX-ST
<b>LLT Sub-Trust Units</b>	:	The 318,138,000 Units comprising the Initial Units and the 318,137,997 Units subscribed by the LLT Sub-Trust
<b>Offering</b>	:	The offering of 387,474,987 Units by the Manager for subscription at the Offering Price under the Placement Tranche and the Public Offering
<b>Over-Allotment Option</b>	:	An option granted by the Unit Lender to the Joint Bookrunners to purchase from the Unit Lender up to an aggregate of 34,097,000 Units at the Offering Price, solely to cover the over-allotment of Units (if any)
<b>Placement Tranche</b>	:	The placement of Units to investors other than the Sponsor and the Cornerstone Investors
<b>Properties</b>	:	The properties which are held by Lendlease Global REIT, and "Property" means any one of them
<b>Public Offering</b>	:	The initial offering by the Manager to the public in Singapore of the Units
<b>Reserved Units</b>	:	The 13,000,000 Units reserved for subscription by the directors, management, employees and business associates of the Sponsor and its subsidiaries

## CONTACT INFORMATION

### WHO CAN YOU CONTACT IF YOU HAVE ANY ENQUIRIES RELATING TO THE OFFERING?

#### HOW DO YOU CONTACT US?

##### The Manager

Lendlease Global Commercial Trust Management Pte. Ltd.

Address : 2 Tanjong Katong Road, #05-01 Paya Lebar Quarter, Singapore 437161

Telephone No. : +65 6671 6600

Website : [www.lendleaseglobalcommercialreit.com](http://www.lendleaseglobalcommercialreit.com)

##### The Joint Global Coordinators, Bookrunners and Underwriters

DBS Bank Ltd. Citigroup Global Markets Singapore Pte. Ltd.

Address : 12 Marina Boulevard Level 46 Marina Bay Financial Centre Tower 3 Singapore 018982	Address : 8 Marina View #21-00 Asia Square Tower 1 Singapore 018960
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Telephone No. : +65 1800 111 1111

Telephone No. : +65 6657 1959