

# ASX Announcement



14 November 2025

## 2025 Annual General Meeting – Chairman and Group Chief Executive Officer Addresses

In accordance with ASX Listing Rule 3.13, attached are the addresses to be given at the 2025 Annual General Meeting of securityholders of Lendlease Corporation Limited and General Meeting of Unitholders of Lendlease Trust (together Lendlease Group).

The hybrid meeting will be held at the head office of Lendlease (Level 13, Tower 3, 300 Barangaroo Avenue, Barangaroo, New South Wales) and online today at 10:00am (AEDT).

The addresses will be given by the Chairman and Group Chief Executive Officer.

**ENDS**

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***Authorised for lodgement by the Lendlease Group Disclosure Committee***

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# ADDRESS BY THE LENDLEASE CHAIRMAN TO THE LENDLEASE ANNUAL GENERAL MEETING

14 November 2025

Good morning and welcome to the 2025 Lendlease Annual General Meeting. It's a pleasure to be with you today, whether here at our main office in Barangaroo, Sydney, or online.

Today's meeting is being held on the land of the Gadigal people, traditional custodians of this land, and on behalf of the Board, we extend our respects to their Elders past and present. More broadly, I would like to acknowledge country, wherever you are listening to these words, and pay respects to the Elders who have kept culture and story strong.

When I was appointed Chairman 12 months ago, I committed to accelerating the delivery of Lendlease's refreshed strategy by working closely with the Board and management team to unlock value, while continuing to deliver strong outcomes for our partners, our people and our securityholders. While there is more to do, I am pleased with the progress we have made to date.

We are very focused on further capital recycling to strengthen our balance sheet. Our business is clearly simplified and that has sharpened our attention to our core markets where we see the greatest potential for growth and long-term value creation.

When our FY25 results were announced in August, we noted that:

- Over \$2.5 billion in capital recycling initiatives had been announced or completed;
- Our international construction operations were divested ahead of schedule materially lowering complexity and risk within the Group; and
- We had streamlined the Group's management structure, significantly reducing corporate costs.

Alongside these achievements, the Group delivered much improved financial outcomes in FY25. We recorded Statutory Profit after Tax of \$225 million with Operating Profit higher at \$386 million. The Board declared a full year distribution and dividend payment of 23.0 cents per security reflecting a payout ratio of 41 per cent of Operating Earnings. As I said, there is clearly more to do, and we are committed to building on the good foundational work of FY25.

Turning now to Board renewal. The Board is working closely with management to create a stronger high-performance orientation for Lendlease, with a governance framework to match. As mentioned in my letter that accompanied the Notice of Meeting, we have determined that our Board's size will reduce to seven Non-Executive Directors, with five based in Australia and two based internationally. When we meet next year, we will have completed these renewal plans.

These changes are designed to ensure we have the right mix of skills, experience, and perspectives to support the next phase of our strategy and deliver on our commitments to you. These changes will be phased in an orderly manner to ensure strong governance is maintained. The specific change relevant for today relates to Mr David Craig, who has reached the maximum nine years tenure as per our Board Tenure Policy. Accordingly, David will retire from the Board at the conclusion of this AGM. I would like to take this opportunity to sincerely thank David for his significant commitment and contributions during his time on the Board, particularly as Chair of the Audit Committee.

In July of this year, we welcomed Lianne Buck as a director to the Lendlease Board. Lianne brings significant experience in Australian and global investment markets and stands for election today. We are confident she will add considerable value as we move forward. You will hear from her shortly. I am also pleased to confirm that Lianne will succeed David as the Chair of our Audit Committee and that she possesses the requisite financial experience and expertise to perform this critical role.

Along with our focus on the governance framework we are also aware of broader governance topics around the Australian market, such as the use of ASX waivers. We will be considering these issues as part of a full review of the Group's constitutions to be brought to securityholders at the 2026 Annual General Meeting.

Turning to the Outlook for FY26 and beyond. FY26 is very much a transition year with critical elements to be achieved. The Group's operational priorities are clear. We must further strengthen our balance sheet and return capital to securityholders. We must advance plans to replenish the Australian Development pipeline and grow the Australian and international Investments platforms. Alongside this we will also grow and strengthen our Australian Construction business.

The Board remains confident of an on-market securities buyback of up to \$500 million. The buyback is expected to commence in 2H FY2026 once sufficient capital is released through completion of divestment initiatives. In that regard, we have three significant divestment

transactions on-foot and these are all advancing in a manner that should deliver pleasing outcomes.

There is much to look forward to when eyes are cast to FY27 and beyond, with strong prospects for attractive sustainable growth accompanied by healthier returns. The future growth prospects open the door for heightened performance outcomes and we are very focused on that. There is well-based confidence that we are on the right path and will build further momentum through good underlying performance in our Investments, Development and Construction operations – in the year ahead.

Before I invite our Group CEO, Tony Lombardo, to share more detail on our operational performance and strategic priorities for the year ahead, I would like to thank my fellow directors for their commitment and counsel this year. Thank you also to the Lendlease Corporate Leadership Team and all of our employees for the passion, energy and focus they bring to executing our strategy.

Finally, a very sincere thanks to you, our valued security holders for your continued support and engagement.

I will now invite Tony to address the meeting.

## ADDRESS BY THE LENDLEASE GROUP CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR TO THE LENDLEASE ANNUAL GENERAL MEETING

Thanks, John, and good morning everyone. I also acknowledge the Gadigal People and pay my respects to their elders past and present.

As the Chairman noted, Financial Year 2025 has been a year of significant progress for Lendlease, as we continue to position the company for sustainable growth and target returns above the Group's cost of equity. Pleasingly, the Group returned to statutory and operating profit this year, with the actions taken as part of our 2024 strategy update contributing to strong growth in Earnings per Security.

In Financial Year 2025 we made strong progress on our stated objectives, including:

- announcing or completing \$2.5 billion of specific capital recycling initiatives;
- simplifying our organisational structure by removing regional management layers and appointing segment CEOs to drive operational performance;
- materially increasing productivity with the achievement of per annum run rate cost savings of \$141 million, in excess of our target; and
- improving the financial and risk profile of the Group with the divestment of international construction

These achievements have provided a solid foundation for the Group to build from, with FY26 anticipated to be the final year of transition for Lendlease, noting stronger visibility of development earnings in FY27 and FY28. These earnings are expected from key completions across:

- One Circular Quay Sydney and Victoria Harbour, Melbourne in FY27; and
- Comcentre Singapore and One Darling Point, Sydney in FY28.

Turning now to the performance of our reporting segments in FY25 and progress year to date.

In Investments we have continued to progress the growth of our international platform, with new mandate wins and the introduction of new investors, \$2 billion of committed capital ready to deploy and more than \$3 billion of capital raising initiatives across new products, such as value add and credit strategies.

Pleasingly, we have now signed a new partnership with a large US credit specialist and we are in the final stages of completing a billion dollar value add mandate in Asia with a global investor.

We expect these initiatives, together with market growth and new asset creation from our development business, to support strong growth in funds under management in the medium term.

Complementing this anticipated growth is a targeted improvement in margins from platform scaling, generation of new fee streams and a recovery in both performance and transaction fees.

Earlier this financial year, following proposals for two of the Australian Prime Property Funds to change manager, Lendlease retained its position as responsible entity for the APPF Industrial and Retail funds. The Lendlease team remains focused on performing for its investors across all its investment products and is committed to the highest standards of governance for all its managed funds and investment vehicles. We have been very active in managing our funds and mandates realising \$2.7 billion of divestments in 2025 – all at or above book value. This includes portfolio recycling across retail, office, industrial and data centre assets.

In Development, we have continued to re-stock our Australian pipeline, with \$3 billion of new projects secured in a little over a year, and a pipeline of circa \$10 billion at 30 June 2025.

In addition, we are bidding on \$25 billion of development opportunities and are targeting to secure more than \$10 billion of these projects in FY26.

Opportunities include projects that we control, such as the RNA Showgrounds, which is the preferred site for the Athletes' Village in Brisbane, and a harbourside residential land development at Rozelle, Sydney.

Additionally, we are in public tender processes for:

- An Over Station Commercial Office Development in Sydney
- A Sydney harbourside residential land development
- And a residential land development project in Melbourne.

FY25 saw the further simplification of the Group with the sale of Capella Capital, our infrastructure-facing business. We also announced an agreement to enter into a landmark joint venture with The Crown Estate in the UK, the King's real estate holdings held in the right of the Crown. The transaction remains subject to satisfaction of conditions precedent.

The new Joint Venture with The Crown Estate will provide Lendlease with new development management fee streams and the ability to execute \$49 billion of development assets across London and Birmingham. Our focus will be on developing up to \$24 billion of investment product to support the growth of our international Investments platform.

In North Sydney, we are approaching practical completion of our Victoria Cross commercial office tower and we are exploring options to divest our remaining 75% holding in FY26.

In Construction our business continues to gain momentum following a strong second half operating performance in FY25. Our outlook for the Construction business is robust, underpinned by \$5 billion of new work secured in FY25, and \$15 billion of secured and preferred work at 30 June 2025. This is anticipated to deliver strong revenue growth in future years.

In FY26 year to date, circa \$3 billion of new work has already been secured, as business momentum continues to build.

Around two thirds of our external construction work is on behalf of government clients, across areas such as defence and social infrastructure, with strong fundamentals underpinned by further expected growth in these sectors. And we continue to improve the earnings profile of this segment, with a higher proportion of cost-plus contracts and more rigorous pricing of fixed price contracts.

In the Capital Release Unit or C-R-U our focus remains on balancing the speed of execution with value realisation. Notwithstanding this, all capital recycling initiatives announced in FY25 were achieved at or above book values, generating significant profits for the Group.

These initiatives included:

- the sale of 12 Australian Communities projects
- the sale of our US Military Housing investment
- the establishment of a new Life Sciences joint venture, Vita Partners, and
- the announcement of the UK development joint venture with The Crown Estate that I mentioned earlier.

Looking ahead for FY26, we continue to position the Group for profitable growth across our core operating segments and to strengthen the Group's balance sheet through asset sales and further deleveraging, noting \$2 billion of C-R-U asset recycling targeted by the end of FY26.

The Group is currently in advanced stages to realise circa \$1 billion of this target from the sale of its investments in TRX Malaysia and Retirement Living Australia. Key commercial terms have been agreed for both transactions with due diligence being undertaken and documentation being finalised. Proceeds from these transactions, plus circa \$300 million from completion of The Crown Estate Joint Venture, are anticipated to be received in FY26.

Recycling processes are well advanced, however, delays in transaction completion, together with planned capital expenditure and other commitments, will see net debt elevated at the half compared to FY25.

This is not expected to limit our targeted growth initiatives with Investments expected to be self-funding through portfolio recycling, and development origination undertaken in a capital-efficient manner.

Planned capital expenditure on current growth initiatives includes progressing key developments across One Circular Quay and Victoria Harbour, noting strong pre-sales and future profits, with these projects to contribute more than \$1 billion of net proceeds upon settlement in FY27.

The Group is targeting to achieve gearing of 15% by the end of FY26.

We also re-iterate our FY26 Earnings per Security guidance for our IDC segments of 28 to 34 cents per security, with IDC segment earnings skewed to the second half of FY26.

No earnings guidance has been provided for the Capital Release Unit, consistent with prior disclosures, given uncertainty around transaction timing and valuation outcomes.

Looking beyond FY26, we have strong conviction in our growth trajectory, with FY27 seeing the benefits of our strategic repositioning, which includes lower debt levels, lower costs and stronger business operations.

In Investments, we anticipate improving margins and Funds Under Management growth to deliver scale benefits across the platform, in addition to further investment capital recycling to rebalance our investment portfolio and drive improved securityholder returns.

In Development, higher completions in FY27 and FY28, provide visibility to improved medium term earnings, while the establishment of The Crown Estate Joint Venture will deliver development fee streams, profits in the short term from plot sales and unlock potential future development opportunities.

In Construction, annual revenues are expected to grow strongly over the medium term, delivering EBITDA margins of 3 to 4 per cent, in our target range. Additionally, the Group is anticipated to benefit from working capital inflows as revenue grows.

The foundations we have laid through capital recycling, cost reduction and operational simplification will position us to deliver targeted returns above our cost of equity in the medium term and grow securityholder value.

I'd like to thank our Lendlease people for their dedication, hard work and commitment throughout the past year. Their efforts in delivering on our key strategic priorities have played a critical role in advancing the turnaround of our organisation.

Finally, I'd like to thank you, our security holders, for your ongoing support as we execute on our strategy to restore this great Australian company.

I'll now hand back to the Chairman.

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