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Lendlease establishes new Asia Pacific life sciences real estate platform with Warburg Pincus

As part of Lendlease's ongoing simplification, the Group today announced it has agreed to sell its life sciences interests in Asia to a newly established 50/50 joint venture with Warburg Pincus, creating a specialist real estate platform focussed on the growing life sciences sector in Asia Pacific.

The transaction, which provides Lendlease an opportunity to realise the value it has created, will see it transfer its current life sciences construction and development capabilities in Asia, together with its life sciences investments, to the new joint venture entity.

The transaction value of S\$129 (A\$147) million¹ demonstrates Lendlease's established track record in the region and its ability to source and create future investment opportunities.

The transaction is expected to realise approximately A\$66 million in net cash proceeds to Lendlease, and is subject to certain completion adjustments and conditions precedent, including third party consents.

The new real estate platform complements Lendlease's existing Investments platform in Asia, including both private funds and the listed Lendlease Global Commercial REIT.

Lendlease maintains its FY24 guidance of 7 per cent return on equity. It is noted that achieving this return remains conditional on execution of a number of transactions, including this transaction and the previously announced sale of 12 Communities projects. The Communities sale remains subject to regulatory approvals and other conditions precedent.

Quotes attributable to Tony Lombardo, Global CEO, Lendlease

"With the combination of Lendlease's 30 year track record in the Asia Pacific supporting the world's largest pharmaceutical and life sciences companies and Warburg Pincus's experience and track record in investing and scaling platforms, the joint venture is well-positioned to become the leading integrated life sciences real estate business in the region, offering compelling new investment opportunities to our investors."

"This is another example of how we're realising value from our existing operations, while further simplifying Lendlease to create a more focussed company for securityholders."

¹ Transaction price represented on a 100% ownership basis

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Authorised for lodgement by the Lendlease Group Disclosure Committee