

ASX Announcement

9 November 2021

Vicinity optimises its portfolio with divestment of Runaway Bay, acquisition of Harbour Town now unconditional

Vicinity Centres (**'Vicinity'**, ASX:VCX) today announced it has exchanged contracts to sell its 50% interest in Runaway Bay Centre (**'Runaway Bay'**) in Queensland to Perth-based Greenpool Capital in partnership with Qualitas, for \$132 million, an 18% premium to 30 June 2021 book value¹. The Runaway Bay sale is expected to settle by 30 June 2022.

Vicinity also announced that its acquisition of a 50% interest in Harbour Town Premium Outlets Gold Coast (**'Harbour Town'**) from Australian Prime Property Fund Retail (a wholesale fund managed by Lendlease) for \$358 million² is now unconditional after co-owner Lewis Land Group waived its pre-emptive right to purchase the interest. The Harbour Town acquisition is expected to settle on 30 November 2021.

Mr Grant Kelley, CEO and Managing Director, said: "Today, we have finalised agreements that strengthen our asset portfolio, having divested an asset at a significant premium to book value and invested in the fast-growing Outlet sector, where Vicinity is competitively advantaged and can extract additional value².

"We are also delighted to enter into a new strategic partnership with Lewis Land Group and confident that our collective expertise in retail property investment and management will drive sustainable, long-term returns for both parties."

In relation to the sale of Runaway Bay, Mr Kelley said, "While Runaway Bay has been a solid asset within our portfolio, this transaction reflects our willingness to recycle our capital into assets with better long-term growth prospects, in this case, in the same attractive catchment."

The combined Harbour Town and Runaway Bay transactions are expected to deliver Funds From Operations accretion of 0.14 cents per security (on a full year basis) and increase gearing by 144 bps.

Mr Grant Kelley, CEO and Managing Director has authorised this document be given to ASX.

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¹ Sale price includes \$5 million of development expenditure to be borne by Vicinity and the 30 June 2021 book value is adjusted for development expenditure in calculating the premium.

² Refer ASX announcement lodged on 12 October 2021 for further details on Vicinity's acquisition of Harbour Town.

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About Vicinity Centres

Vicinity Centres (Vicinity or the Group) is one of Australia's leading retail property groups with a fully integrated asset management platform, and \$22 billion in retail assets under management across 60 shopping centres, making it the second largest listed manager of Australian retail property. The Group has a Direct Portfolio with interests in 59 shopping centres (including the DFO Brisbane business) and manages 29 assets on behalf of Strategic Partners, 28 of which are co-owned by the Group. Vicinity is listed on the Australian Securities Exchange (ASX) under the code 'VCX' and has over 28,000 securityholders. Vicinity also has European medium term notes listed on the ASX under the code 'VCD'. For more information visit vicinity.com.au or use your smartphone to scan this QR code.