VICINITY CENTRES

FY23 INTERIM RESULTS

15 FEBRUARY 2023

ACKNOWLEDGEMENT OF COUNTRY

Vicinity Centres acknowledges the Traditional Custodians of the land and pay respect to Elders past and present. As a business that operates across many locations across the nation, we recognise and respect the cultural heritage, beliefs, and relationship with the land, which continue to be important to the Traditional Custodians living today.

Aboriginal and Torres Strait Islander people are warned that this document may contain the images of deceased persons which may cause sadness or distress.

WELCOME AND AGENDA

AGENDA

03 Overview, Sustainability and Portfolio Update

13 Financial Results

17 Development and Earnings Guidance

PETER HUDDLE
CEO and Managing Director

ADRIAN CHYE
Chief Financial Officer

VICINITY CENTRES

OVERVIEW, SUSTAINABILITY AND PORTFOLIO UPDATE

PETER HUDDLE

1H FY23 HIGHLIGHTS

Resilient retail sector and focus on operational and financial execution delivers strong 1H FY23 result

STRATEGIC EXECUTION DRIVES SUSTAINED GROWTH

Quality asset management and leasing outcomes enhancing portfolio performance

Execution of Development pipeline; Buranda Village, QLD DA received and retail completions at Bankstown Central, NSW and Box Hill Central, VIC

Strong balance sheet and management of debt profile enabling continued investment in growth

Maintained leading sustainability performance

1H FY23 FINANCIAL PERFORMANCE

Statutory net profit after tax of $176.3m (1H FY22: $650.2m)

Funds from operations (FFO)[1] of $357.1m, up 24.1% (1H FY22: $287.7m)

1H FY23 distribution per security of 5.75 cents, up 22.3% (1H FY22: 4.7 cents)

Gearing of 25.7% and 81% of drawn debt hedged (Jun 22: 25.1%, 85%)

NTA[2] per security down 2 cents to $2.34 (Jun 22: $2.36)

RESILIENT RETAIL SECTOR SUPPORTING STRONG OPERATING PERFORMANCE

1H FY23 sales[3] 20.0% above 1H FY20 (6.3% CAGR)

Luxury sales, Outlets and price inflation supporting strong portfolio retail sales growth

Quality long-term leasing deals, at improving spreads, strengthening future income growth

Occupancy rate improved to 98.6% (Jun 22: 98.3%)

FY23 EARNINGS GUIDANCE REVISED

FFO increased to 14.0-14.6 cents, and AFFO to 11.8-12.4 cents, per security respectively[4]

Targeting FY23 distribution payout ratio[4] towards lower end of 95-100% of AFFO[1]

Chadstone, VIC

1. Refer to slide 30 for definition of FFO and AFFO and reconciliation of FFO to statutory net loss/profit. FFO is a non-IFRS measure.
2. Net Tangible Assets per security.
3. Sales are reported for comparable centres, which excludes divestments and development-impacted centres in accordance with Shopping Centre Council of Australia (SCCA) guidelines (refer to slide 28 for details). Also excludes travel sales.
4. Vicinity's guidance assumes no material deterioration in existing economic conditions and no further reversals of prior period waivers and provisions in 2H FY23.

VICINITY'S INVESTMENT PROPOSITION

STRONG DIVERSIFIED PORTFOLIO

Australia's pre-eminent retail and mixed-use destination – Chadstone, VIC

Australia's leading Outlet Centre portfolio

Australia's best premium CBD asset portfolio with strong east coast presence

Resilient Core assets with non-discretionary focus and higher cash yield

Largest luxury retail landlord with >$1b of annual sales

ATTRACTIVE DEVELOPMENT PIPELINE

10+ assets in key metropolitan locations ideal for mixed-use additions

Continued investment in creating engaging retail environment and introducing new retail concepts

UNWAVERING FOCUS ON STRONG BALANCE SHEET

Low gearing – providing flexibility and investment capacity

Highly hedged in the near term – protecting against interest rate volatility

Strong investment-grade credit ratings – provides access to debt capital through the cycle

LEADING SUSTAINABILITY CREDENTIALS

GRESB[1] – Oceania sector leader and #3 globally for Listed Retail Shopping Centres

DJSI[2] – #8 real estate company globally

Portfolio has 4.6 Star average NABERS Energy rating

1. Global Real Estate Sustainability Benchmark which includes listed and unlisted funds.
2. Dow Jones Sustainability Index.

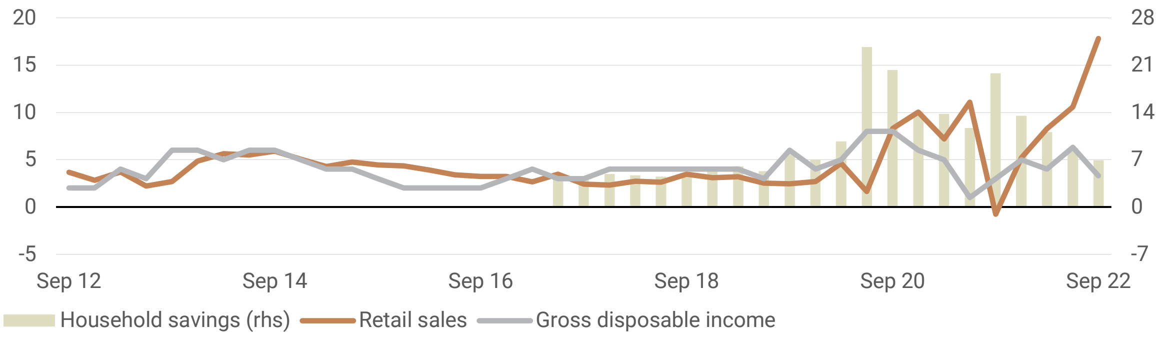
Harbour Town Premium Outlets, QLD

RETAIL SECTOR RESILIENCE – CYCLICAL

Macroeconomic fundamentals continue to support consumer spending despite near term uncertainty

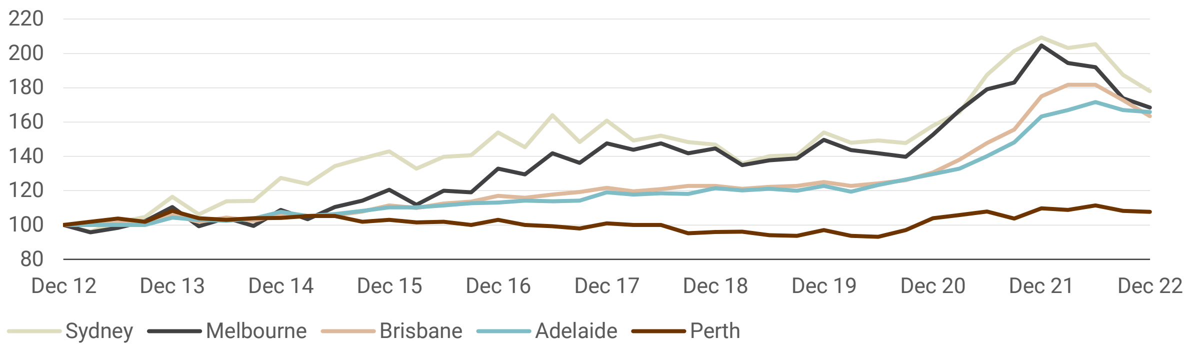
GROSS DISPOSABLE INCOME AND RETAIL TRADE[1] HOUSEHOLD SAVINGS RATIO[1]

Annual growth, quarterly (%) (%)



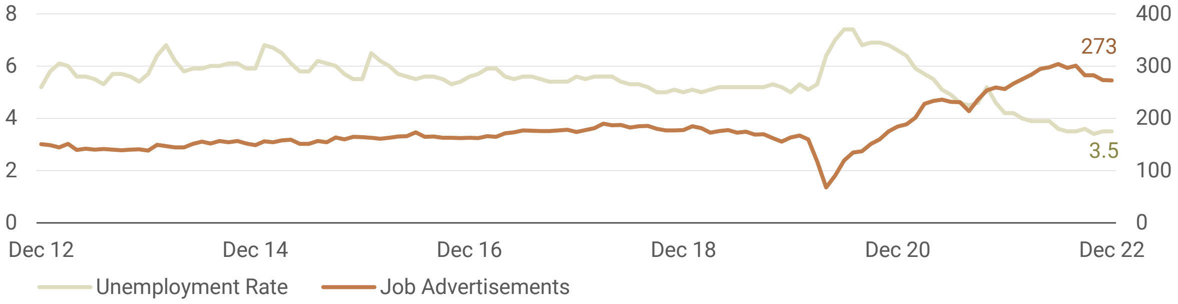
RESIDENTIAL DWELLING VALUES[1,2]

Quarterly index: Dec 12 = 100



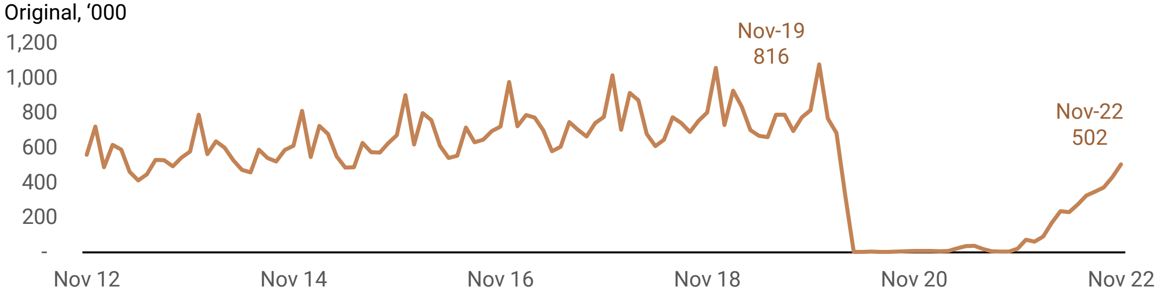
UNEMPLOYMENT RATE[1] JOB ADVERTISEMENTS[3]

Seasonally adjusted, % Monthly, '000



SHORT-TERM VISITOR ARRIVALS[1]

Original, '000



1. Australian Bureau of Statistics.
2. CoreLogic.
3. Australian Government Labour Market Information Portal, Vacancy Report.

RETAIL SECTOR RESILIENCE – STRUCTURAL

Constrained retail supply in Australia and structural shift in role of the store supports sustained leasing demand in sought-after malls

SUPPLY/DEMAND FOR RETAIL SPACE IN AUSTRALIA REMAINS IN EQUILIBRIUM

Demand for retail space remains robust

- Anchored by grocery, dining and convenience supports frequent visitation through cycles
- Offer further enhanced by introduction of non-retail categories
- Sales underpinned by growth in GDP, population, migration and inflation
- Strong retailer demand for flagship space in quality CBD centres

Supply of retail space in Australia remains constrained

- Planning rules preference existing sites and infrastructure over new sites
- Concentrated ownership underpins limited new construction

Australian shopping centres have low vacancy rates

THE ROLE OF THE PHYSICAL STORE CONTINUES TO EXPAND

Future of retail is omnichannel

Consumer preference for in-person centre experiences – 87% of Australian sales conducted in-store[1]

Stores are cost effective conduit for customer acquisition

Role of physical store is broadening and store sizes are increasing

- Used for sales, advice, showrooming, experience, click and collect, exchange and returns
- Fulfilment of online orders via physical store i.e., mini warehouses
- Average Vicinity specialty and mini major store size has increased 13% since 2016

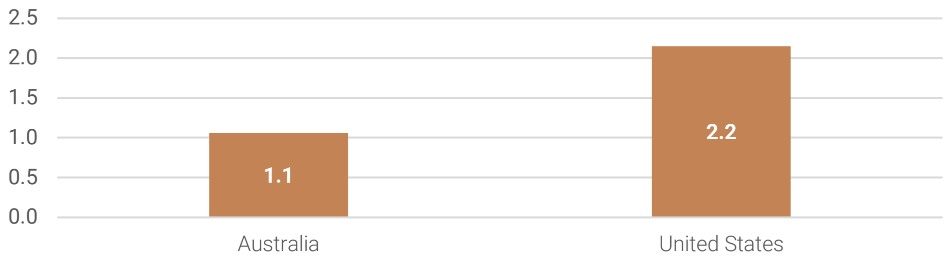
VICINITY IS CAPITALISING ON THE STRUCTURAL FACTORS

Development focused on food and experiential retail or attractive mixed-use additions

Enabling the growth in omnichannel retail trialling logistics hubs and micro-fulfilment

RETAIL SUPPLY[2]

GLA per capita (sqm)



Chadstone, VIC – Polestar Cars

1. Excludes click and collect, where the transaction is undertaken online.
2. SCCA. Key Facts per latest available Country Fact Sheet published by International Council of Shopping Centres.

SUSTAINABILITY

Creating sustainable destinations within our communities and providing long-term value for securityholders

Strong sustainability survey results
- Vicinity again named Oceania Sector Leader and #3 globally in GRESB[1]
- Ranked #8 in DJSI survey out of ~450 real estate companies globally

2022 Sustainability Report published

2022 Modern Slavery Statement published

Progressing towards Net Zero Carbon by 2030 target[2]

Partnership to trial batteries for energy storage at two centres

2022 SUSTAINABILITY REPORT HIGHLIGHTS

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

#8 GLOBALLY
OF REAL ESTATE COMPANIES IN DJSI[2]

$1.3M SPEND
THROUGH SOCIAL AND INDIGENOUS ENTERPRISES IN FY22

SECTOR LEADER
OCEANIA LISTED RETAIL SHOPPING CENTRE BY GRESB[1]

NET ZERO
CARBON BY 2030 TARGET[2]

$2.9M SPEND
COMMUNITY INVESTMENT

$300M GREEN BOND
INAUGURAL GREEN BOND ISSUED IN FY22

NABERS
4.6 STARS
NABERS ENERGY RATING[3]

NABERS
4.0 STARS
NABERS WATER RATING[3]

1. Listed Retail Shopping Centres category.
2. Across common mall areas of Vicinity's wholly-owned retail assets.
3. NABERS Sustainable Portfolio Index 2022, based on Vicinity's ownership interest and 2021 rating as at 31 December 2021 with 100% of rateable portfolio coverage.

PORTFOLIO HIGHLIGHTS

Spend per visit remains elevated; improving visitation amplifying strong growth in Luxury, DFOs and price inflation

CONSUMERS PREFERENCE OVERWHELMINGLY REMAINS FOR IN-STORE SHOPPING

Elevated retail sales growth reflects resilient consumer demand and strategic remixing

Total portfolio visitation continues to steadily improve, particularly in CBDs

Spend per visit remains elevated

Online annual sales growth[1] slowed to 2.3% (Oct 22) vs 14.5% (Jun 22)

CBD CENTRES CONTINUE TO RECOVER BUT LAG THE PORTFOLIO

Weekend visitation at pre-COVID levels

Mondays and Fridays remain most impacted – working from home remains elevated

Strong demand for flagship stores in premium CBD locations

International tourists and student arrivals continues to increase; 62% of pre-COVID levels[2]

CBDs expected to return to former vibrancy over time

RETAILER CONFIDENCE REMAINED ROBUST IN 1H FY23

Cash collections 97% for 1H FY23, Majors and Nationals at pre-COVID collections, SMEs increased to 92%

Buoyant leasing activity; deal count 43% higher than pre-COVID levels

Supply chain interruptions largely alleviated; retailers were well stocked leading into festive season

Price inflation helping to offset rising costs of doing business; retailer margins holding

Retailer administrations remain low

	Dec 21	Mar 22	Jun 22	Sep 22	Dec 22	Nov/Dec 22
Visitation (% of 2019)[3]						% of 2021
Total portfolio	74.8	76.5	83.8	85.9	88.9	112.8
VIC and NSW (ex-CBDs)	75.3	81.9	87.7	88.9	90.3	107.2
Other states (ex-CBDs)	92.0	88.1	92.2	94.9	96.6	105.8
CBDs	48.8	46.5	66.4	68.5	78.3	139.3
Retail sales (% growth vs 2019)[3]						vs 2021
Total portfolio	(3.4)	11.2	19.9	21.2	19.1	8.8
VIC and NSW (ex-CBDs)	(7.6)	14.7	24.5	23.4	18.1	6.4
Other states (ex-CBDs)	8.8	14.2	15.6	19.9	20.9	9.1
CBDs	(26.1)	(20.8)	7.4	11.1	18.4	24.9
Portfolio data						
Spend per visit (multiple of 2019)[3]	1.28x	1.34x	1.30x	1.31x	1.28x	
Occupancy rate (%)[4]	98.2	98.2	98.3	98.4	98.6	
Leasing spread (%)[5]	(6.4)	(5.9)	(4.8)	(0.4)	(0.1)	

1. Annual year on year growth. NAB Online Retail Sales Index.
2. Short-term international arrivals Nov 22 vs Nov 19 (monthly). Australian Bureau of Statistics.
3. Average for the quarter.
4. As at quarter end.
5. For the financial year to date.

RETAIL SALES

Impact of rising interest rates and increasing cost of living yet to slow consumer demand in Vicinity's centres

STRONG GROWTH DELIVERED BY ALL CATEGORIES AND ALL STATES

Total portfolio sales in 1H FY23 were 20.0% above 1H FY20, representing a CAGR[1] of 6.3%

Luxury, Apparel & Footwear, Jewellery and Leisure categories continue to outperform

All states delivered growth; all recording >5% CAGR

SME sales growth now broadly in line with non-SME tenants

LUXURY IS BECOMING A MAJOR CONTRIBUTOR TO RETAIL TRADE

Luxury is now >$1b in annual sales, representing 11% of mini majors and specialty store sales

Luxury consumer expanded to millennials, reflected in shift to younger brand ambassadors

Male shoppers an increasingly important customer group, notably in luxury apparel

Opportunity to extend the luxury stores in flagship centres; introduce ultra-high end offerings

STRONG GROWTH IN BLACK FRIDAY AND BOXING DAY VISITATION, BUT BELOW PRE-COVID LEVELS

Some evidence of Christmas trade being brought forward into November

- Black Friday traffic up 11% on 2021, to 1.50m customers, but below 2019 levels
- Boxing Day traffic up 31% on 2021, to 1.57m customers, but below 2019 levels

Strong sales growth of 8.8% for two months to Dec 22 vs 2021 despite interest rates and strong 2021

Portfolio sales	Jun 22 (%)	Qtr vs 2019 Sep 22 (%)	Dec 22 (%)	1H FY23 vs 1H FY20 CAGR[1] (%)	2mths vs 2021 Nov/Dec 22 (%)
Specialty stores	23.6	23.7	19.5	6.6	10.1
Mini majors	39.1	33.2	27.2	9.0	12.6
Specialties and mini majors	**27.8**	**26.4**	**21.7**	**7.3**	**10.9**
Supermarkets	8.4	13.7	11.9	4.1	6.3
Discount department stores	10.1	19.7	17.5	5.8	6.8
Other retail[2]	13.0	4.2	25.4	4.8	0.6
Department stores	9.7	17.2	15.0	5.0	4.2
Total portfolio	**19.9**	**21.2**	**19.1**	**6.3**	**8.8**
Total portfolio (ex-CBDs)	**20.8**	**21.9**	**19.2**	**6.4**	**7.5**
VIC	22.2	21.8	18.5	6.2	6.4
NSW	22.0	21.0	15.4	5.6	16.6
– NSW (ex-CBDs)	33.8	29.3	18.5	7.2	11.3
QLD	23.0	22.3	22.6	7.0	14.9
WA	10.6	17.7	21.0	6.1	5.5
SA	20.7	24.1	22.8	7.2	8.3
TAS	16.7	19.0	13.9	5.1	(0.7)

1. Compound annual growth rate.
2. Other retail includes cinemas, auto accessories, lotteries and other entertainment.

LEASING

Disciplined focus on quality, long-term deals at improving spreads supports income growth

BUOYANT LEASING ACTIVITY AND DISCIPLINED FOCUS ON QUALITY LEASING DEALS

833 leasing deals completed in 1H FY23, 43% higher than 1H FY20 (pre-COVID)

Significantly lower holdovers; reduced by 193 from 681 to 488

Apparel and Footwear largest contributor to deal count, with positive leasing spread of +1.6%

160 vacancies leased in 1H FY23

Cumulatively 96% of leases with fixed growth rates of at least 4%; 75% with fixed 5%

Improved leasing spreads, at -0.1% reflect strong retail sales and retailer confidence (FY22: -4.8%)

- Chadstone and Outlet Centres delivered high, single digit leasing spreads driven by retailer demand for quality locations
- Leveraging luxury and national retailer relationships to drive strong spreads for recently acquired Outlet Centres
- Offset by some mini major and larger format tenancy deals in Core portfolio

Incentives below nine months

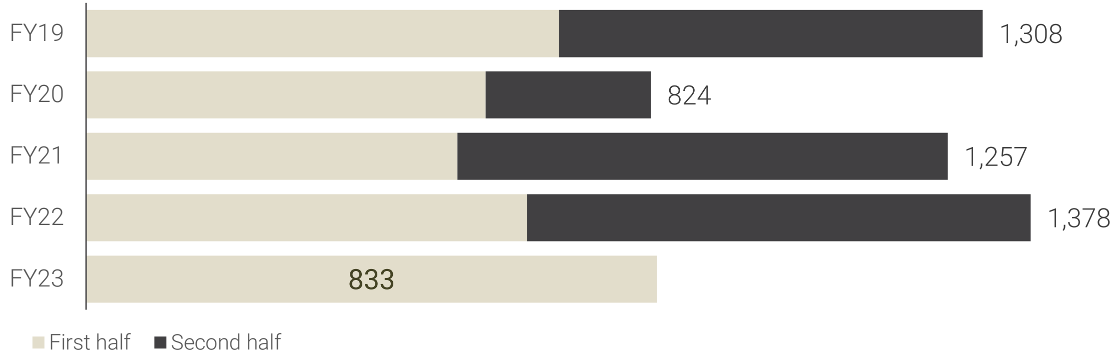
Retained 76% of expiring tenants (FY22: 75%)

Average lease duration of 5.0 years on new leases (FY22: 5.1 years)

Leasing spreads	Occupancy	Robust tenant retention	New lease tenure
-0.1%	98.6%	76%	5.0 years
FY22: -4.8%	Jun 22: 98.3%	FY22: 75%	FY22: 5.1 years

	1H FY22	FY22	1H FY23
Total deals completed	919	2,030	1,163
Comparable[1] deals completed	643	1,378	833
Leasing spreads (%)	(6.4)	(4.8)	(0.1)
Tenant retention (%)	71	75	76
WALE[2,3] – total portfolio (years)	3.2	3.2	3.3
Holdovers[3] – total portfolio	725	681	488
Holdovers[3] – excluding development held	606	525	409

COMPARABLE LEASING DEALS COMPLETED[1]



1. Excludes development-impacted, reconfigurations and third-party assets.
2. Weighted average lease expiry by income.
3. At period end.

FINANCIAL RESULTS

ADRIAN CHYE

FINANCIAL RESULTS

Income statement

STATUTORY NET PROFIT AFTER TAX OF $176.3M

SOLID FINANCIAL PERFORMANCE, AIDED BY ABSENCE OF COVID-LOCKDOWNS IN 1H FY23

- FFO up 24.1%
- NPI up 20.5%

KEY DRIVERS OF PERFORMANCE

- NPI – benefiting from absence of COVID-lockdowns, improved cash collections, rental growth, percentage rent and ancillary income recovery. FY23 NPI positively skewed to 1H, largely due to the $25.1m reversal of prior year waivers and provisions
- External fees – strong growth in asset management fees benefiting from increased development activity, partly offset by wind down of legacy funds
- Net corporate overheads – increase in 1H FY23 driven by timing and one-off items; FY23 expected to be in line with FY22
- Net interest expense – increase due to transactions, development completions and higher floating rate. Interest expense expected to increase further in 2H FY23
- Maintenance capital and lease incentives – FY23 spend expected to be approximately $100m

1H FY23 DISTRIBUTION PAYABLE UP 22.3% ON 1H FY22

FY23 distribution payout expected to be towards lower end of 95% to 100% of AFFO

	1H FY23 ($m)	1H FY22 ($m)	Variance ($m)	Variance (%)
Net property income (NPI)	459.6	381.3	78.3	20.5
External management fees	31.6	27.8	3.8	13.7
Total income	**491.2**	**409.1**	**82.1**	**20.1**
Net corporate overheads	(46.9)	(40.6)	(6.3)	15.5
Net interest expense	(87.2)	(80.8)	(6.4)	7.9
Funds from operations (FFO)[1]	**357.1**	**287.7**	**69.4**	**24.1**
Maintenance capex and lease incentives	(24.3)	(33.6)	9.3	(27.7)
Adjusted FFO (AFFO)[2]	**332.8**	**254.1**	**78.7**	**31.0**
Statutory net profit after tax	**176.3**	**650.2**	**(473.9)**	**(72.9)**

	1H FY23	1H FY22	Variance	Variance (%)
FFO per security (cents)[3]	7.84	6.32	1.52	24.1
AFFO per security (cents)[3]	7.31	5.58	1.73	31.0
Distribution per security (cents)	5.75	4.70	1.05	22.3
AFFO distribution payout ratio (%)[4]	79	84		

1. Refer to slide 30 for definition of FFO and reconciliation of FFO to statutory net loss after tax. FFO is a non-IFRS measure.
2. Refer to footnote 1 on slide 30 for definition of AFFO which is a non-IFRS measure.
3. The calculation of FFO and AFFO per security for each period uses the weighted average number of securities on issue.
4. Calculated as: Total distributions declared ($m)/Total AFFO ($m).

FINANCIAL RESULTS

1H FY23 valuations

MODEST VALUATION DECLINE REINFORCES STRENGTH OF ASSET PORTFOLIO

Portfolio valuation down 0.7% or $109m[1]

Weighted average capitalisation rate (WACR) softened 3 bps, ex-Chadstone WACR softened 9 bps

Chadstone valuation uplift driven by income growth and capitalisation rate tightening following recent development approval of One Middle Road and fresh food and dining precinct

Steady growth in Outlet Centres underpinned by continued income growth

Regional and larger Sub Regional centres softened in line with emerging transactional evidence

Smaller Sub Regionals and Neighbourhoods more resilient given non-discretionary tenant base

CBD valuations maintained, supported by solid demand for flagship space, despite visitation remaining below pre-COVID levels

VALUATIONS

At 31 December 2022 compared to 30 June 2022

Centre type	No. of centres	Valuation[1] ($m)	Variance[1] (%)	WACR (%)	Variance (bps)
Super Regional	1	3,250	1.7	3.75	(13)
CBD	7	2,012	0.1	4.94	-
Outlet Centre	8	2,303	1.3	5.54	-
Regional	16	4,115	(3.4)	6.08	19
Sub Regional	24	2,719	(1.7)	6.21	12
Neighbourhood	3	191	(1.2)	5.76	8
Total portfolio	59	14,590	(0.7)	5.33	3
Victoria	20	7,497	0.4	4.90	(4)
New South Wales	12	2,840	(1.5)	5.36	5
Queensland	9	1,742	(0.8)	5.35	6
Western Australia	12	1,536	(5.1)	6.36	26
South Australia	4	688	(0.2)	6.91	22
Tasmania	2	287	2.4	6.59	16

1. Valuation movements are for the six months ended 31 December 2022. Reflects Vicinity ownership interest and exclude statutory accounting adjustments.

CAPITAL STRUCTURE

Strong balance sheet and debt profile enabling investment in growth priorities

PROACTIVELY STRENGTHENED CAPITAL POSITION

Extended $575m of bank debt facilities

Executed $500m of new hedges

Cancelled $400m of bank debt facilities

STRONG BALANCE SHEET MAINTAINED ENABLING FLEXIBILITY AND OPTIONALITY

Gearing[1] of 25.7% (Jun 22: 25.1%)

Weighted average cost of debt[2] increased to 4.3% (Jun 22: 4.0%)

Weighted average hedge rate[3] of 2.4% (Jun 22: 2.4%)

$1.3b of liquidity

81% hedged (Jun 22: 85%)

LONG AVERAGE DEBT AND HEDGE DURATION

Drawn debt duration of 4.5 years

Debt duration based on limits of 3.9 years

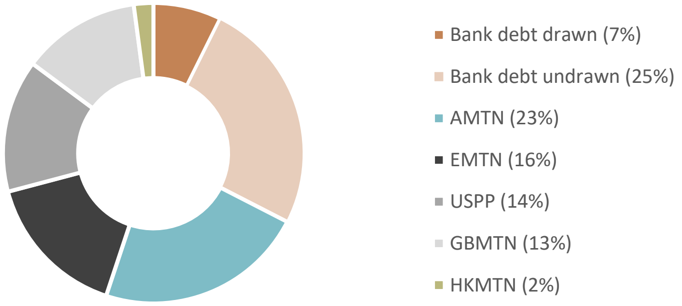
Hedged debt duration of 4.2 years

STRONG INVESTMENT-GRADE CREDIT RATINGS MAINTAINED

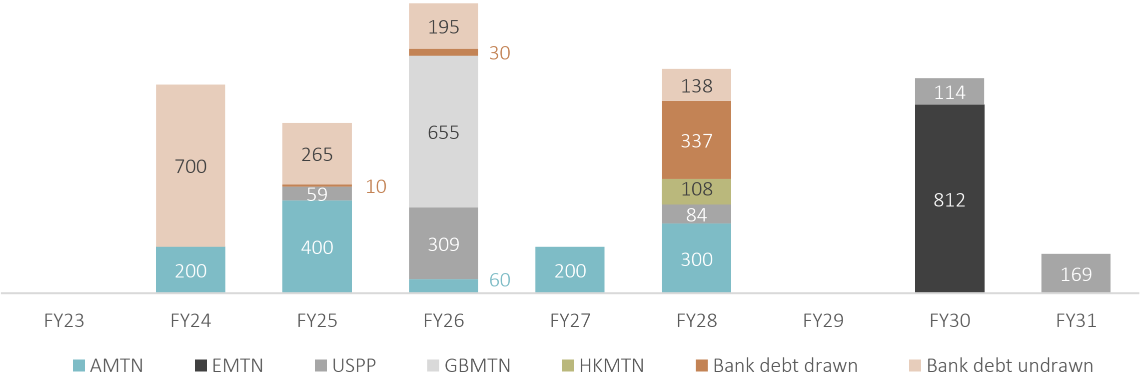
S&P: A/stable

Moody's: A2/stable

DEBT SOURCES



DEBT MATURITY PROFILE
($m)



NOTES: Refer to slide 32 for more debt metrics and the hedging profile.

1. Calculated as drawn debt, net of cash and cash equivalents, divided by total tangible assets excluding cash and cash equivalents, right of use assets, net investment leases, investment property leaseholds and derivative financial assets.
2. The average over the six months ended 31 December 2022 and inclusive of margin, drawn line fees and drawn establishment fees.
3. Hedge rate excludes margin and establishment fees on fixed rate debt and margin, line and establishment fees on floating debt that has been hedged with interest rate swaps.

DEVELOPMENT AND EARNINGS GUIDANCE

PETER HUDDLE

DEVELOPMENT UPDATE

CHADSTONE

THE SOCIAL QUARTER

Exciting new dining and entertainment precinct

New tenants
Dining – Cinque Terre, Cityfields, Piccolina Gelateria, Sardine Bar, White & Wong's and UA Brewery Co.
Entertainment – Archie Brothers, Strike Bowling, Holey Moley and Hijinx Hotel

5,900 sqm of new GLA

Expected opening March 2023

Yield ~6% IRR >12%

CHADSTONE PLACE – OFFICEWORKS

New ~8,000 sqm corporate office for Officeworks, including ~800 sqm of additional GLA

Fully refurbished office space targeting high sustainability credentials:
- Registering for ILFI[1] Zero Carbon Certification
- Target 5.5 Star Green Star rating
- Target 5.5 Star NABERS Energy rating

A-grade office space

Expected completion 4Q FY23

Yield >5% IRR >8%

ONE MIDDLE ROAD OFFICE TOWER

Vicinity's first fully integrated mixed-use project

Commenced 1Q FY23

20,000 sqm, nine level A-grade office tower

Adairs leased 5,500 sqm of office and studio space

Discussions progressing with other tenants

Expected completion 1Q FY25

Yield >7% IRR >12%

FRESH FOOD AND DINING PRECINCT

Vicinity's first fully integrated mixed-use project

Commenced 1Q FY23

Elevated fresh food offer in European-style market

Alfresco dining precinct

Childcare facility

Good leasing demand at this early stage

Expected completion 1Q FY25

Yield >5% IRR >12%

1. International Living Future Institute of Australia.
* Artist's impressions.

DEVELOPMENT UPDATE

BOX HILL CENTRAL SOUTH

COLES MALL AND RESTAURANTS

- New Coles supermarket anchoring fresh food and dining precinct
- Opened in 1Q FY23
- Includes four new dual front restaurants opening onto Carrington Road
- Complete revitalisation of existing mall
- Yield >6% IRR >12%

OFFICE PODIUM

- New 4,000 sqm, four-level office podium
- Fully leased to Hub Australia for 10 years
- Commenced in 3Q FY22
- Construction works complete
- To be opened March 2023
- Yield >7% IRR >10%

BANKSTOWN CENTRAL

FRESH FOOD AND MINI MAJORS

- New Coles supermarket anchored fresh food precinct and new mini majors precinct
- New supermarket and revitalised mall areas
- New Uniqlo, Services Australia and Glue Store, and revitalised flagship Foot Locker store
- Well received by tenants and customers
- Opened 2Q FY23
- Yield >6% IRR >10%

CHATSWOOD CHASE SYDNEY

FRESH FOOD AND DINING HALL

- Full revitalisation of lower ground floor
- Significantly elevated fresh food and dining offer and experience
- New quick serve restaurants
- Positions the centre strongly for future major redevelopment
- Early works commenced
- Yield >6% IRR >10%

* Artist's impression.

SUMMARY AND GUIDANCE

1H FY23 DRIVEN BY SOLID EXECUTION AND FAVOURABLE MACROECONOMIC ENVIRONMENT

Delivering leading asset management

Focus on delivering quality leasing outcomes that lock in current and future rental growth

Strengthened Vicinity's position as a partner of choice for growth-oriented retailers

Retail and mixed-use development pipeline now in execution

Flexible balance sheet and prudent management of debt profile maintained; enabling continued investment in growth

FY23 GUIDANCE REVISED

Revised guidance driven by $25.1m reversal of prior year waivers and provisions and strong operating performance in 1H FY23[1]

FY23 FFO per security now expected to be in the range of 14.0 to 14.6 cents
(previously, 13.0 to 13.6 cents)

FY23 AFFO per security now expected to be in the range of 11.8 to 12.4 cents
(previously, 10.9 to 11.5 cents)

FY23 distribution expected to be lower end of Vicinity's target payout range of 95 to 100% of AFFO

Box Hill Central South, VIC

1. Vicinity's guidance assumes no material deterioration in existing economic conditions and no further reversals of prior year waivers and provisions in 2H FY23.

APPENDICES

22 New tenants

23 Development

24 Direct Portfolio

29 Assets under management

30 Financial Results

33 Key dates

34 Contact details and disclaimer

NEW TENANTS

Toymate – Colonnades, SA


Sarah & Sebastian – The Strand Arcade, NSW

Creed – The Strand Arcade, NSW


July – The Galeries, NSW


X-GOLF/Hey Caddy – Northland, VIC


Luxury Escapes – Chadstone, VIC

Oasis – Mornington Central, VIC


Maru Korean BBQ – Box Hill Central South, VIC


LSKD – Chadstone, VIC

JD Sports – Northland, VIC


Polestar Cars – Chadstone, VIC

DEVELOPMENT PIPELINE

Asset	Project	Est cost ($m)[1]	FY22	1H FY23	2H FY23	FY24	FY25	FY26	FY27+
Chadstone	Retail – The Social Quarter	35	Under construction	Under construction	Under construction				
	Office – Officeworks	25	Under construction	Under construction	Under construction				
	Retail – Fresh food and dining	145		Under construction	Under construction	Under construction	Under construction		
	Office – One Middle Road	80		Under construction	Under construction	Under construction	Under construction		
Box Hill Central	Retail – Coles, fresh food and restaurants	Complete	Completed	Completed					
	Office – Hub Australia	35	Under construction	Under construction	Under construction				
	Mixed-use – Residential and Office towers	750-800[2]				Planned	Planned	Planned	Planned
Bankstown Central	Retail – Coles, fresh food and mini majors	Complete	Completed	Completed					
	Office – Bankstown exchange and outdoor dining	120-130					DA received	DA received	DA received
Chatswood Chase Sydney	Retail – lower ground dining and fresh food	25			Under construction	Under construction			
	Retail/Office – major retail development and office village	260-300				DA received	DA received	DA received	
Buranda Village	Office – Stage 1	300-350[2]					DA received	DA received	DA received
	Retail and Residential	425-475[2]					DA received	DA received	DA received
Galleria	Retail – ELP, Myer Mall and Fresh Food precinct	70-80				Planned	Planned		
Victoria Gardens	Retail and Residential	140-150					Planned	Planned	Planned
Other	Various[3]	350-400	■	■	■	■	■	■	■

Completed Under construction DA received Planned

Note: $2.8b pipeline may not sum due to rounding of individual project costs. Timing, scope and cost of future projects subject to final feasibilities and approvals.
1. Based on VCX ownership.
2. 100% owned asset, capital partnering opportunities under review.
3. Includes projects at Bayside, Emporium Melbourne, Northland, Sunshine Marketplace and The Myer Centre Brisbane.

DIRECT PORTFOLIO

Key statistics by centre type

	Total portfolio	Chadstone	Premium CBDs	Outlet Centres[1]	Core
Number of retail assets	59	1	7	8	43
Gross lettable area (000’s) (sqm)	2,435	237	222	286	1,689
Total value[2] ($m)	14,590	3,250	2,012	2,303	7,025
Portfolio weighting by value (%)	100	22	14	16	48
Capitalisation rate (weighted average) (%)	5.33	3.75	4.94	5.54	6.12
Occupancy rate (%)	98.6	99.5	97.0	98.5	98.7

NOTE: Totals may not sum due to rounding.
1. Includes DFO Brisbane business and Harbour Town Premium Outlets Gold Coast.
2. Reflects ownership share in investment properties and equity-accounted investments.

DIRECT PORTFOLIO

Sales by mini major and specialty store category

Mini major and specialty store sales combined	Proportion of total portfolio sales MAT (%)	Jun 22 (%)	Qtr vs 2019 Sep 22 (%)	Dec 22 (%)	1H FY23 vs 1H FY20 CAGR[1] (%)	2mths vs 2021 Nov/Dec 22 (%)
Apparel & Footwear	21	31.4	29.5	24.8	8.2	11.4
Homewares	8	31.1	27.5	11.0	5.4	3.7
Food catering	7	23.6	23.2	25.5	7.6	22.7
Leisure	5	31.2	29.1	32.6	9.4	15.2
General retail	5	10.6	7.5	10.1	2.9	8.3
Food retail	4	26.9	40.0	31.0	10.5	19.7
Jewellery	4	46.9	44.9	39.1	12.2	9.4
Retail services	4	32.8	30.6	25.9	8.6	7.6
Mobile phones	1	(21.8)	(31.2)	(54.3)	(18.1)	(31.6)
Total portfolio	59	27.8	26.4	21.7	7.3	10.9

1. Compound average growth rate.

DIRECT PORTFOLIO

Key tenants

TOP 10 TENANTS BY INCOME

Rank	Retailer	Retailer type	Number of stores	% of income
1	coles	Supermarket	36	3.4
2	Woolworths	Supermarket	35	2.9
3	Kmart	Discount department store	26	2.6
4	DAVID JONES	Department store	5	2.2
5	MYER	Department store	8	2.1
6	Target.	Discount department store	14	1.3
7	BIG W	Discount department store	12	1.0
8	JB HI-FI	Mini major	24	0.7
9	COTTON:ON	Specialty/mini major	24	0.7
10	HOYTS	Cinema	5	0.7
Top 10 total			189	17.6

TOP 10 TENANT GROUPS BY INCOME

Rank	Retailer	Number of stores	% of income	Brands
1	Wesfarmers	67	4.6	Kmart, Priceline, Priceline Pharmacy, Target, Clearskincare Clinics
2	Woolworths Group	48	4.0	Big W, Woolworths, Woolworths Liquor, Woolworths Petrol
3	colesgroup	50	3.6	Coles, Coles Express, First Choice Liquor, Liquorland, Vintage Cellars
4	WHL	39	2.9	Country Road, David Jones, Mimco, Politix, Trenery, Witchery
5	MYER	15	2.2	Marcs, Myer, sass & bide
6	Accent Group Limited	98	1.4	The Athlete's Foot, Dr Martens, Glue Store, Hype DC, Platypus Shoes, Skechers, Merrell, Timberland, Vans, 4Workers, Pivot, CAT, Saucony
7	COTTON:ON GROUP	81	1.4	Cotton:On, Cotton:On Body, Cotton:On Kids, Cotton:On Mega, Factorie, Rubi Shoes, Supre, Typo
8	THE JUST GROUP	124	1.3	Dotti, Jacqui E, Jay Jays, Just Jeans, Peter Alexander, Portmans, Smiggle
9	LVMH MOËT HENNESSY• LOUIS VUITTON	21	1.3	Bvlgari, Celine, Chaumet, Dior, Fendi, Kenzo, Loewe, Louis Vuitton, Sephora, Tag Heuer, Tiffany & Co.
10	RAG Retail Apparel Group Pty Ltd	93	1.3	Connor, Johnny Bigg, Rockwear, Tarocash, YD
Top 10 total		636	23.8	

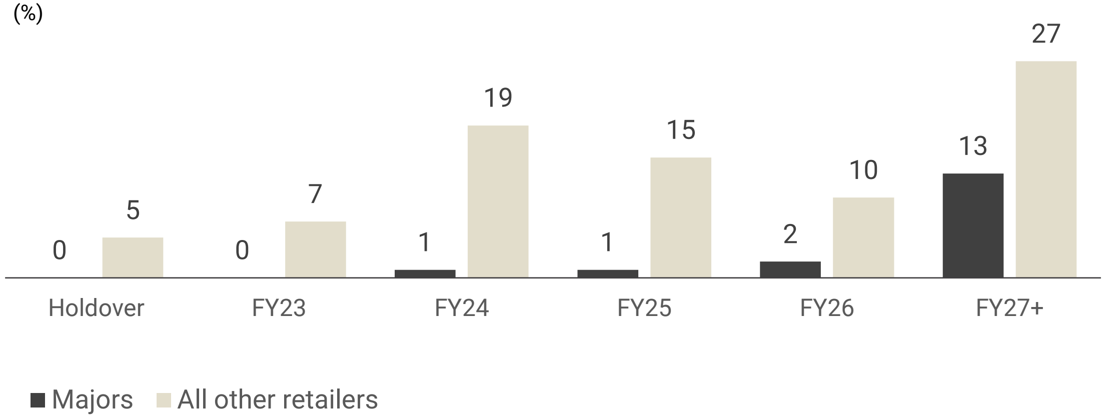
Note: Totals may not sum due to rounding.

DIRECT PORTFOLIO

Lease expiry profile

LEASE EXPIRY PROFILE BY INCOME

(%)



WEIGHTED AVERAGE LEASE EXPIRY

(Years)

	Dec 22	Jun 22
by Area	4.2	4.2
by Income	3.3	3.2

Chatswood Chase
Sydney, NSW

DIRECT PORTFOLIO

Non-comparable centres for sales reporting

	Dec 22	Jun 22
Armidale Central, NSW	Major changeover	Major vacated
Bankstown Central, NSW	Development	Pre-development
Box Hill Central, VIC	Major changeover and pre-development	Major vacated and pre-development
Chatswood Chase Sydney, NSW	Pre-development	Pre-development
Ellenbrook Central, WA	n.a.	Post development
Emporium Melbourne, VIC	n.a.	Major vacated
Galleria, WA	Pre-development	n.a.
Mornington Central, VIC	Major changeover	Major vacated
Northgate, TAS	Major changeover	Major vacated
Roxburgh Park, VIC	Major vacated	Major vacated
The Myer Centre Brisbane, QLD	Pre-development	Pre-development

ASSETS UNDER MANAGEMENT

Approximately 7,000 tenants across 60 assets under management[1]

	Direct portfolio[1]			Managed	
	Wholly-owned	Co-owned	Total	Third party/ co-owned	Total assets under management[1]
Number of retail assets	31	28	59	1/28	60
Gross lettable area (000's) (sqm)	949	1,486	2,435	69	2,504
Number of tenants	2,723	3,997	6,720	195	6,915
Total value[2] ($m)	6,219	8,371	14,590	474/8,685	23,749

NOTE: Totals may not sum due to rounding.
1. Includes DFO Brisbane business and Harbour Town Premium Outlets Gold Coast.
2. Reflects ownership share in investment properties and equity-accounted investments.

FINANCIAL RESULTS

FFO reconciliation to statutory net profit after tax

	Dec 22 ($m)	Dec 21 ($m)
Net profit after tax	176.3	650.2
Property revaluation decrement/(increment) for directly-owned properties	56.7	(353.7)
Non-distributable loss/(gain) relating to equity accounted investments	21.3	(2.8)
Amortisation of incentives and leasing costs	33.7	30.4
Straight-lining of rent adjustment	(3.5)	3.1
Net mark-to-market movement on derivatives	9.8	(81.2)
Net unrealised foreign exchange movement on interest bearing liabilities	42.1	25.6
Income tax expense/(benefit)	10.9	(7.6)
Stamp duty	-	22.6
Preliminary development planning and marketing costs	1.0	0.6
Other non-distributable items	8.8	0.5
Funds from operations[1]	357.1	287.7

1. Funds from operations (FFO) and adjusted funds from operations (AFFO) are two key metrics Vicinity uses to measure its operating performance. FFO and AFFO are widely accepted measures of real estate operating performance. Statutory net profit is adjusted for fair value movements and certain unrealised and non-cash items to calculate FFO. FFO is further adjusted for maintenance capital expenditure and static tenant leasing costs incurred during the period to calculate AFFO. FFO and AFFO are determined with reference to the guidelines published by the Property Council of Australia (PCA) and are non-IFRS measures.

FINANCIAL RESULTS

Balance sheet

	Dec 22 ($m)	Jun 22 ($m)	Variance ($m)
Cash and cash equivalents	51.9	55.6	(3.7)
Investment properties[1]	14,443.2	14,366.4	76.8
Equity accounted investments	495.3	513.8	(18.5)
Intangible assets	164.2	164.2	-
Other assets	469.0	452.6	16.4
Total assets	**15,623.6**	**15,552.6**	**71.0**
Borrowings	3,898.5	3,752.5	146.0
Other liabilities	921.5	915.0	6.5
Total liabilities	**4,820.0**	**4,667.5**	**152.5**
Net assets	**10,803.6**	**10,885.1**	**(81.5)**

Securities on issue (m)	4,552.2	4,552.2	-
Net tangible assets per security[2] ($)	2.34	2.36	(0.02)
Net asset value per security ($)	2.37	2.39	(0.02)

NOTE: Totals may not sum due to rounding.
1. Vicinity's ownership interest.
2. Calculated as balance sheet net assets less intangible assets, divided by the number of stapled securities on issue at period end. Includes right of use assets and net investments in leases.

QueensPlaza, QLD

FINANCIAL RESULTS

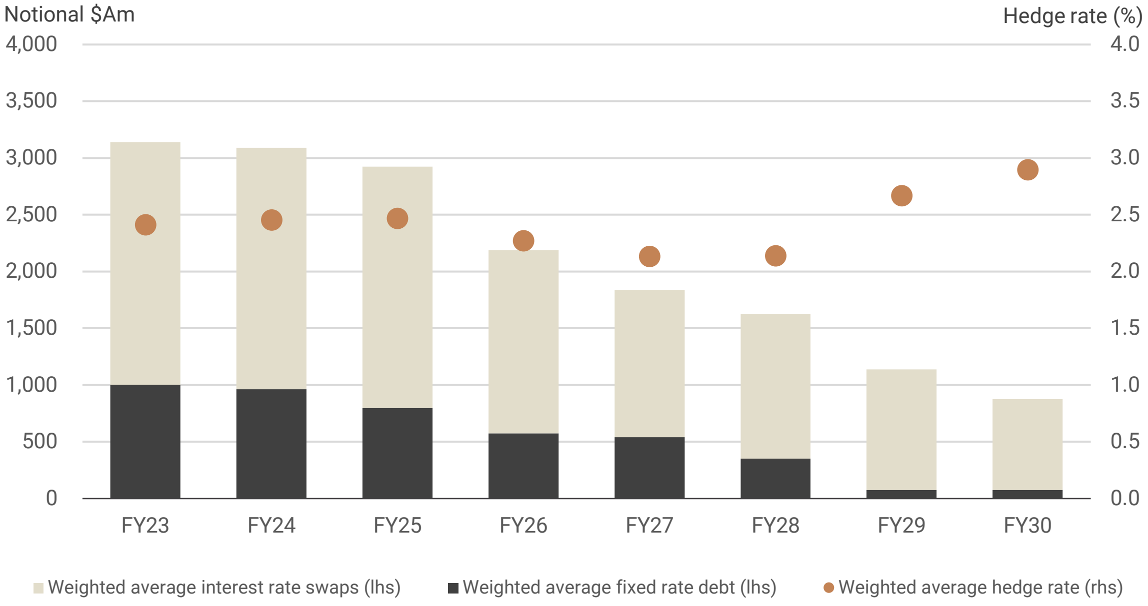
Capital management

KEY DEBT STATISTICS

As at	Dec 22	Jun 22
Total debt facilities	$5.1b	$5.1b[7]
Drawn debt[1]	$3.8b	$3.7b
Gearing[2]	25.7%	25.1%
Weighted average cost of debt[3]	4.3%	4.0%
Weighted average debt duration based on limit	3.9 years	4.3 years[7]
Weighted average debt duration based on drawn debt	4.5 years	4.8 years[7]
Weighted average hedge rate[4,5]	2.4%	2.4%
Weighted average debt duration of hedged debt	4.2 years	4.7 years
Proportion of debt hedged	81%	85%
Interest cover ratio (ICR)[6]	4.9x	4.7x
Credit ratings/outlook		
– S&P Global Ratings	A/stable	A/stable
– Moody's Investors Service	A2/stable	A2/stable

HEDGING PROFILE[4,8]

(%)



1. Calculated using the hedged rate on foreign denominated borrowings and excludes fair value adjustments and deferred borrowing costs.
2. Calculated as drawn debt, net of cash and cash equivalents, divided by total tangible assets excluding cash and cash equivalents, right of use assets, net investment leases, investment property leaseholds and derivative financial assets.
3. Average over the reporting periods. Inclusive of margin, drawn line fees and drawn establishment fees.
4. Hedge rate excludes margin and establishment fees on fixed rate debt and margin, line and establishment fees on floating debt that has been hedged with interest rate swaps.
5. Hedge rate is as at end of period.
6. Includes one-off or non-recurring items.
7. As reported at 17 August 2022 (includes capital management initiatives implemented post 30 June, between 1 July to 17 August 2022).
8. Hedge rate is the average for the financial years.

KEY DATES

Investor calendar

15 FEBRUARY 2023

FY23 interim results and FY23 interim distribution announcement

20 FEBRUARY 2023

Ex-distribution date for FY23 interim distribution

21 FEBRUARY 2023

Record date for FY23 interim distribution

7 MARCH 2023

FY23 interim distribution payment

16 AUGUST 2023

FY23 annual results and FY23 final distribution announcement

1 NOVEMBER 2023

2023 Annual General Meeting

Note: These dates are indicative only and may be subject to change.

CONTACT DETAILS AND DISCLAIMER

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AUTHORISATION

The Board has authorised that this document be given to ASX.

DISCLAIMER

This document is a presentation of general background information about the activities of Vicinity Centres (ASX:VCX) current at the date of lodgment of the presentation. It is information in a summary form and does not purport to be complete. It is to be read in conjunction with the December 2022 Financial Report lodged with the Australian Securities Exchange today.

This presentation contains forward-looking statements, including statements, indications and guidance regarding future performance. The forward-looking statements are based on information available to Vicinity Centres as at the date of this presentation (15 February 2023). These forward-looking statements are not guarantees or predictions of future results or performance expressed or implied by the forward-looking statements and involve known and unknown risks, uncertainties, assumptions and other factors, many of which are beyond the control of Vicinity Centres. The actual results of Vicinity Centres may differ materially from those expressed or implied by these forward-looking statements, and you should not place undue reliance on such forward-looking statements. Except as required by law or regulation (including the ASX Listing Rules), we do not undertake to update these forward-looking statements.