ASX ANNOUNCEMENT

11 FEBRUARY 2026

HY2026 RESULTS

FINANCIAL HIGHLIGHTS

- Net operating profit (distributable income) of $39 million, up 9% on HY2025
- Statutory net profit $110 million, up 202% on HY2025
- Operating Earnings per security (EPS)[1] of 9.70 cents, up 5.4% on HY2025
- Distributions per security (DPS) of 9.625 cents, up 5.5% on HY2025
- Total Assets of $1.98 billion, up 7% on 30 June 2025
- Net Asset Value (NAV) per security of $3.64, up 5.2% on 30 June 2025
- Gearing[2] of 23.2%, compared with 22.8% as at 30 June 2025
- FY2026 DPS guidance of 19.25 cents reaffirmed[3], reflecting growth of 5.5% on FY2025 DPS

Strong result underpinned by contracted rental growth and development program

Arena REIT (Arena) has today announced a net operating profit of $39 million for the half year ended 31 December 2025, an increase of 9% on HY2025. This result equated to EPS[1] of 9.70 cents, an increase of 5.4% on the pcp. Arena has paid DPS of 9.625 cents for the half year, an increase of 5.5% on the pcp. Key contributors to the result were income growth from contracted annual and market rent reviews and acquisitions and development projects completed in FY2025 and HY2026.

Commenting on Arena's HY2026 performance, Managing Director Justin Bailey said "Today's result demonstrates the benefits of Arena's disciplined investment strategy. Earnings growth was supported by a contracted rental income stream with embedded escalations, active portfolio management, and the continued execution of our develop to own investment program, all underpinned by prudent capital management."

PORTFOLIO HIGHLIGHTS

- 100% portfolio occupancy[4] and weighted average lease expiry (WALE) of 17.9 years
- Average like-for-like rent increase of 3.6%
- Portfolio weighted average passing yield firming 8 basis points to 5.39%
- Recycling capital into higher quality assets with six ELC properties divested, eight ELC development projects completed and three operating ELCs acquired[5]
- Pipeline of 29 ELC development projects for completion in next two years[6].

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[1] Earnings per security (EPS) is calculated as net operating profit over weighted average number of securities.
[2] Gearing calculated as ratio of net borrowings over total assets less cash.
[3] FY2026 distribution guidance is estimated on a status quo basis assuming no new acquisitions or disposals and no material change in current market or operating conditions.
[4] Excludes one property conditionally contracted for sale as at 31 December 2025.
[5] Includes two operating ELC acquisitions which were conditionally contracted as at 31 December 2025.
[6] Includes 11 development projects conditionally contracted as at 31 December 2025.

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Arena REIT Management Limited ACN 600 069 761 AFSL No. 465754 as responsible entity of Arena REIT No. 1 (ARSN 106 891 641) and Arena REIT No. 2 (ARSN 101 067 878)

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Average like-for-like rent review increase of 3.6%

Rent reviews during the period resulted in an average like-for-like rent increase of 3.6%. During the period 12 market rent reviews were completed at an average increase of 7.6%, with 11 reviews reaching the cap of 7.5%. A further 28 market rent reviews are to be completed in the second half of FY2026. In total 8% of the portfolio (by income) is subject to a market rent review in FY2026.

Arena's rent review structures provide rental growth through the cycle. In each year, approximately 95% of annual rent reviews are CPI linked, have a higher of CPI or an agreed fixed amount, or are subject to a market review. Looking forward over the next four years (FY2026 – FY2029) approximately 36% of the portfolio (by income) is subject to a market rent review.

Portfolio valuation uplift of 3.3%

A total of 58 properties were independently valued as at 31 December 2025 with the balance of the portfolio subject to directors' valuations. A valuation uplift of $61.2 million was recorded, representing an increase of 3.3%.

The portfolio's weighted average passing yield firmed by 8 basis points to 5.39%. The weighted average passing yield on the ELC portfolio firmed by 9 basis points and the healthcare portfolio marginally softened by 3 basis points. A summary is detailed below:

	No. of Properties	31 Dec 2025 valuation	Net valuation movement		Weighted average passing yield	
					31 Dec 2025	Variance to 30 Jun 2025
		$m	$m	%	%	bps
ELC portfolio[7]	274	1,669.1	59.8	3.6	5.32	(9)
ELC Development sites	18	63.3	0.9	1.4	-	-
Healthcare portfolio	10	167.8	0.5	0.3	6.12	3
Total Portfolio	**302**	**1,900.2**	**61.2**	**3.3**	**5.39**	**(8)**

Enhancing portfolio quality through active management and develop to own strategy

During the period we continued to actively curate the portfolio, divesting assets and taking the opportunity to recycle capital into higher quality ELC properties. Highlights include:

- six ELC properties divested for $33.9 million, on a weighted average yield on sale price of 5.5%, with a 10.4% premium to book value achieved;
- three ELC operating properties acquired[5] for a purchase price of $19.6 million and a weighted average initial yield on purchase price of 6.1%[8];
- eight ELC development projects completed for a total cost of $65 million at a weighted average initial yield on total cost of 6.0%; and
- the development pipeline was replenished with eight new projects, bringing the secured pipeline to 29 ELC development projects with a forecast total cost of $225 million and a forecast initial yield on total cost of 6.0%[6].

[7] Operating ELC portfolio excludes properties contracted for sale as at 31 December 2025, with the exception of net valuation movement which includes all Operating ELC properties held during the period.
[8] Initial yield on total cost (including transaction costs) of 5.8%.

Arena's Head of Investment & Portfolio Carla Hayes commented: "We remain focussed on actively curating the portfolio. Divesting assets and reinvesting the proceeds into select acquisitions and our develop to own strategy continues to enhance the quality of the portfolio and the long-term resilience and growth of our income stream."

Early learning sector and ELC portfolio update

Throughout the period Federal and state governments have continued to implement previously announced regulatory changes focussed on improving quality and safety outcomes in the early learning sector.

In January 2026 the Federal Government removed the Child Care Subsidy (CCS) activity test to guarantee an entitlement to at least three days of subsidised early childhood education and care each week to all CCS eligible families. The Department of Education estimates that in the first full financial year following this change over 100,000 families will be entitled to additional hours of subsidised care.[9]

Arena's ELC tenant partners reported the following underlying business operating data as at 30 September 2025[10]:

- Average daily fees of $159.31, up 6.2% from September 2024;
- Operator occupancy remains robust, with a modest easing from the prior 12 months; and
- Overall net rent to gross revenue ratio has reduced to 9.7%.

Net new supply of 299 ELCs were added for the year to 30 September 2025. This equates to 3.2% pa growth, in line with the annual five-year average.[11] Real estate transaction evidence over the last 12 months continues to demonstrate strong demand for leased ELC real estate.

Ms Hayes commented: "Both transaction volumes and prices have continued to trend higher, with buyers attracted to the long-term nature of ELC leases, government support for the sector and an accessible price point. This deep pool of buyers has enabled Arena to successfully sell assets at a premium to book value."

Healthcare sector and portfolio update

Australia's growing and ageing population is forecast to increase demand for healthcare services over the medium to long-term. Arena's healthcare portfolio, which comprises 10 community-based primary healthcare and healthcare accommodation properties, continues to perform in line with expectations.

Mr Bailey said: "We are continuing to closely monitor activity in the healthcare real estate sector and look for opportunities that meet our disciplined investment criteria and will complement our existing high quality social infrastructure portfolio."

CAPITAL MANAGEMENT HIGHLIGHTS

- Gearing 23.2%, compared to 22.8% at 30 June 2025
- Borrowing facility increased to $700 million and duration extended
- Weighted average cost of debt of 4.20% and weighted average facility term of 4.5 years
- 93% of borrowings hedged, with weighted average term of 2.6 years and weighted average rate of 2.73%

[9] Fact Sheet - 3 Day Guarantee – Early Education - Department of Education, Australian Government; https://startingblocks.gov.au/resources/what-to-expect/3-day-guarantee-changes-to-child-care-subsidy-ccs
[10] Arena analysis based on operating data provided by Arena's tenant partners as at 30 September 2025.
[11] ACECQA NQF Online snapshot. Q3 2020 - Q3 2025 data.

Debt facility increased and extended

In February 2026, Arena increased its borrowing facility by $100 million to $700 million, extending the facility duration and reducing the facility margin. The facility now comprises three tranches:

- Tranche 1 $200 million expiring 31 May 2029
- Tranche 2 $250 million expiring 31 May 2030
- Tranche 3 $250 million expiring 31 May 2031

Following this refinancing, the weighted average cost of debt is 4.20% and the weighted average remaining facility term is 4.5 years[12].

At 31 December 2025 the hedge cover ratio was 93%, the weighted average hedge rate was 2.73% and the weighted average hedge term was 2.6 years.[13] Arena has entered into forward swaps which will provide coverage over higher forecast debt balances as current development capex commitments are funded.

Funding capacity

At 31 December 2025 Arena's total borrowings were $475 million, and gearing was 23.2%.[14] During the period total borrowings increased by $38 million and $11.6 million was raised via the Distribution Reinvestment Plan (DRP) which remains open. These funds, along with asset sale proceeds, were used to fund acquisitions and development capex. Arena has $225 million in available borrowing capacity to fund its outstanding development project capex commitments of $164 million.

Arena's Chief Financial Officer Gareth Winter said: "Arena has maintained capital management discipline through the cycle, with relatively low gearing, significant borrowing capacity and an ongoing hedging program. Looking forward, we remain well positioned to fund existing capex commitments and deploy capital into new investment opportunities that align with our strategy."

SUSTAINABILITY HIGHLIGHTS

At Arena, sustainability is integral to our investment approach and best positions us to achieve positive long term commercial and community outcomes. We are pleased to report the following sustainability outcomes for the 2025 financial year:

- Zero organisational scope 1 and 2 emissions
- Solar renewable energy systems installed on 93% of Arena's property portfolio
- Delivered a 41% absolute reduction and 53% reduction in the intensity of Arena's Scope 3 (Category 13), Downstream Leased Assets Emissions to end FY2025[15]. On track to achieve interim 2030 target of a 60-70% reduction in intensity[16]
- Achieved 100% of Sustainability Linked Loan margin discount for the FY2025 sustainability performance targets.

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[12] Facility refinanced in February 2026. All-in cost based on revised facility which increased undrawn capacity by $100 million and extended maturity dates.
[13] Hedge cover ratio, weighted average hedge rate and weighted average hedge term do not include forward start dated hedges.
[14] Gearing calculated as ratio of net borrowings over total assets less cash.
[15] As compared with equivalent restated FY2021 baseline.
[16] Scope 3 (Category 13), Downstream Leased Assets Emissions by indoor floor area measured in kgCO2e/m2 in line with supplemental guidance for the financial sector by the TCFD as compared with equivalent restated FY2021 baseline.

OUTLOOK

FY2026 distribution guidance of 19.25 cents per security reaffirmed[17]

Arena reaffirms FY2026 DPS guidance of 19.25 cents per security[17], reflecting growth of 5.5% over FY2025.

Commenting on Arena's outlook, Mr Bailey said "Long-term demographic trends and supportive government policy continue to underpin growth in demand for essential community services. We remain focussed on actively managing our portfolio of early learning and healthcare assets, prioritising assets which provide the greatest potential for income growth. Our pipeline of 29 new ELC developments secures our investment program over the next two years, and we have balance sheet capacity to fund further acquisitions and developments that align with our strategy."

TELECONFERENCE

An investor teleconference will be held to provide an overview of the operating activities and financial results for HY2026. Details of the teleconference are as follows:

Date: Wednesday 11 February 2026
Time: 10.00am AEDT
Registration: Investors wishing to participate in the teleconference must register. Click here to register.

Upon registration, investors will be emailed the teleconference dial-in number, the conference passcode and a unique access PIN for the call; this information will also be emailed to you as a calendar invitation.

A recording of the investor teleconference will also be made available on the Arena website.

This announcement is authorised to be given to ASX by Gareth Winter, Company Secretary.

– ENDS –

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Arena REIT

Arena REIT is an ASX200 listed property group that develops, owns and manages social infrastructure properties across Australia. Our current portfolio of social infrastructure properties is leased to a diversified tenant base in the growing early learning and healthcare sectors. To find out more, visit www.arena.com.au.

[17] FY2026 distribution guidance is estimated on a status quo basis assuming no new acquisitions or disposals and no material change in current market or operating conditions.

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