Vicinity Centres [1]

Appendix 4D – Results for announcement to the market

Financial reporting for the six months ended 31 December 2025 (HY26)

	31-Dec-25	31-Dec-24	Increase/(Decrease)	
	$m	$m	$m	%
Revenue from ordinary activities	673.5	664.9	8.6	1.3
Net profit from ordinary activities after tax attributable to securityholders	805.6	492.6	313.0	63.5
Funds from operations (**FFO**) [2]	351.0	344.1	6.9	2.0

	31-Dec-25	30-Jun-25	Increase/(Decrease)	
	$	$	$ [3]	% [3]
Net tangible assets per security (**NTA**) [4]	2.52	2.40	0.11	4.8
Net assets per security (**NA**)	2.55	2.44	0.11	4.7

Distribution per stapled security [5]

	Cents [6]	Record date	Payment date
Interim distribution (unfranked)	6.20	24-Feb-26	12-Mar-26

Review of results

For further commentary on these results, refer to the following documents released to ASX today: FY26 Interim Results Announcement, FY26 Interim Results Presentation and Half Year Financial Report.

Details of associates and joint venture entities (equity accounted investments)

Refer to Note 4 of the Half Year Financial Report.

The information presented above is based upon the Half Year Financial Report which has been reviewed. The independent auditor's report is included within the Half Year Financial Report.

Rohan Abeyewardene
Group Company Secretary
18 February 2026

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[1] Vicinity Centres is a stapled group comprising Vicinity Limited ABN 90 114 757 783 and Vicinity Centres Trust ARSN 104 931 928 (the **Trust**). The Responsible Entity of the Trust is Vicinity Centres RE Ltd ABN 88 149 781 322.

[2] A reconciliation between FFO and net profit from ordinary activities after tax attributable to securityholders is provided in Note 1(b) of the Half Year Financial Report.

[3] Calculated based on NTA and NA rounded to four decimal points.

[4] 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.

[5] The Vicinity Centres Distribution Reinvestment Plan (**DRP**) will apply to the interim distribution for the six-month period to 31 December 2025. Election to participate in the DRP must be received by 25 February 2026. In accordance with the DRP rules, the DRP price is calculated as the arithmetic average of the daily volume weighted average market price for stapled securities sold through normal trade from 26 February to 4 March 2026. The DRP will operate at a 1% discount. Stapled securities issued under the DRP will rank equally with existing stapled securities.

[6] Details of the full year tax components of distributions per stapled security will be sent to securityholders in September 2026.

Vicinity Centres

Financial Report for the half year ended 31 December 2025

Vicinity Centres comprising:
Vicinity Limited – ABN 90 114 757 783
Vicinity Centres Trust – ARSN 104 931 928
and their controlled entities

Contents

Directors' Report

The Directors of Vicinity Limited present the Financial Report of Vicinity Centres (**Vicinity** or **the Group**) for the half year ended 31 December 2025 (**1H FY26**). Vicinity Centres is a stapled group comprising Vicinity Limited (**the Company**) and Vicinity Centres Trust (**the Trust**). Although separate entities, the Stapling Deed entered into by the Company and the Trust ensures that shares in the Company and units in the Trust are 'stapled' together and are traded collectively on the Australian Securities Exchange (**ASX**), under the code 'VCX'.

Directors

The Boards of Directors of the Company and Vicinity Centres RE Ltd, as Responsible Entity (**RE**) of the Trust, (together, **the Vicinity Board**) consist of the same Directors. The following persons were members of the Vicinity Board from 1 July 2025 and up to the date of this report unless otherwise stated:

(i) Chairman

Trevor Gerber (Independent)

(ii) Non-executive Directors

Angus McNaughton

Dion Werbeloff

Georgina Lynch (Independent)

Janette Kendall AM (Independent)

Michael Hawker AM (Independent) (retired 31 August 2025)

Peter Kahan (Independent)

Tiffany Fuller (Independent)

Tim Hammon (Independent)

(iii) Executive Director

Peter Huddle (CEO and Managing Director)

Company Secretaries

Carolyn Reynolds

Rohan Abeyewardene

Principal activities

The principal activities of the Group during the period continued to be property investment, management, development and leasing.

The Group has its principal place of business at Level 4, Chadstone Tower One, 1341 Dandenong Road, Chadstone, Victoria 3148.

Distributions

On 18 February 2026, the Directors declared a distribution in respect of the Group's earnings for the half year ended 31 December 2025 of 6.20 cents per VCX stapled security, which equates to total interim distributions of $285.2 million. The interim distribution will be settled on 12 March 2026. The Vicinity Centres Distribution Reinvestment Plan (**DRP**) will apply to the interim distribution.

On 16 September 2025, the Group settled a distribution in respect of earnings for the six-months to 30 June 2025 of 6.05 cents per VCX stapled security or $276.0 million in total.

Review of results and operations

This report should be read in conjunction with the 30 June 2025 Annual Report which provides further information on Vicinity's strategy, operations, and risks.

(a) Operational update

Financial results

Vicinity's key measures of financial performance are Funds From Operations (**FFO**) and Adjusted FFO (**AFFO**)[1]. To calculate FFO, statutory net profit after tax[2] (**NPAT**) is adjusted for fair value movements, certain unrealised and non-cash items, amounts which are capital in nature and other items that are not considered to be in the ordinary course of business. FFO is further adjusted for maintenance capital and leasing costs to calculate AFFO. Vicinity's distribution policy is to pay out between 95% and 100% of AFFO.

	31-Dec-25 $m	31-Dec-24 $m
Statutory NPAT	**805.6**	**492.6**
Net property income (**NPI**)	468.8	463.5
External management fees	25.0	27.5
Net corporate overheads	(41.4)	(42.8)
Net interest expense	(101.4)	(104.1)
FFO [2]	**351.0**	**344.1**
Maintenance capital expenditure and static tenant leasing costs	(28.2)	(26.4)
AFFO	**322.8**	**317.7**
Key metrics		
FFO per security [3] (cents per security)	7.66	7.56
AFFO per security [3] (cents per security)	7.04	6.98
Distribution per security (cents per security)	6.20	5.95
Total distributions declared [4] ($m)	285.2	270.9
AFFO payout ratio (total distributions declared $m/AFFO $m) (%)	88.4	85.3
FFO payout ratio (total distributions declared $m/FFO $m) (%)	81.3	78.7

Key items which impacted the financial results during the period included:

- For the six months ended 31 December 2025 (**1H FY26**), statutory NPAT was $805.6 million (1H FY25: $492.6 million), comprising FFO $351.0 million (1H FY25: $344.1 million) and $454.6 million (1H FY25: $148.5 million) of statutory, non-cash and other adjustments[2].
- At 7.66 cents per security (**cps**), FFO was up 1.3%.
- NPI increased 1.1% to $468.8 million (1H FY25: $463.5 million), largely driven by comparable NPI[5] growth, up 3.7% and reduced lost rent from development, partially offset by net income dilution from transactions.

[1] FFO and AFFO are widely accepted measures of real estate operating performance. They are determined with reference to the guidelines published by the Property Council of Australia. FFO and AFFO are non-IFRS measures and not audited.

[2] Reconciliation between statutory NPAT and FFO is included in Note 1(b) of the half year financial report.

[3] Calculated based on the basic weighted average number of securities on issue for the period as calculated in Note 6 of the half year financial report.

[4] Calculated based on the estimated number of securities outstanding at the time of the distribution record date.

[5] Comparable net property income growth excludes transactions, reversal of prior year provisions and development impacts.

Review of results and operations (continued)

(a) Operational update (continued)

Financial results (continued)

- External management fees were $2.5 million or 9.1% lower due to the transition of a third-party leasing mandate and divestment of co-owned assets.
- The reduction in net corporate overheads of $1.4 million or 3.3%, reflected Vicinity's continued disciplined approach to cost management.
- Lower net interest expense, down $2.7 million or 2.6%, was primarily driven by lower debt levels due to non-strategic asset disposal and DRP proceeds.
- The $28.2 million spend on maintenance and leasing capital reflected continued investment in Vicinity's retail assets as well as attracting key retail tenants to improve customer visitation, sales productivity and income growth across the portfolio.
- Interim distribution of 6.20 cps (1H FY25: 5.95 cps), representing a payout ratio of 88.4% (1H FY25: 85.3%) of AFFO.

Strategic execution

In FY26 to date, Vicinity continued to selectively recycle and allocate capital to fund acquisitions and developments of premium assets with superior income and value growth potential, while at the same time preserving the strength of its balance sheet and credit ratings.

Vicinity is executing this strategy in an environment of favourable retail sector fundamentals. Population growth and increased household spending, together with limited incremental retail floorspace, are collectively driving a growing shortage of retail gross lettable area per capita[6].

In addition, investor demand for strategically located, premium retail assets with solid growth potential remains strong. In this context and subsequent to period end, Vicinity was pleased to irrevocably accept IFM Investors' offer to sell its 75% interest of Uptown in Brisbane, Queensland, for $212 million[7]. Contracts are expected to be exchanged by the end of April 2026, with the acquisition then expected to settle in June 2026, following receipt of the required Ministerial consent in relation to certain ancillary land rights.

Adding to the $1.0 billion of non-strategic assets divested since the beginning of FY24, Vicinity has also exchanged unconditional contracts for the divestment of Gympie Central, Whitsunday Plaza and Armidale Central for $250.3 million[8] and Victoria Park Central for $33.8 million[8], which are scheduled for settlement at the end of February 2026 and by June 2026 respectively. In addition, Vicinity has also exchanged contracts to sell several ancillary land parcels for $43.1 million.

These most recent divestments, totalling $327.2 million, were executed at a blended 18.2% premium to June 2025 book values. Asset divestments to date have allowed Vicinity to self-fund much of its current and future growth and simultaneously, accelerated the shift toward a higher quality, more resilient asset portfolio.

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[6] Source: CBRE Research, Australia.

[7] Excluding stamp duty.

[8] Excluding purchase price adjustments.

Review of results and operations (continued)

(a) Operational update (continued)

Portfolio performance

The confluence of strengthening shopper confidence and capacity to spend, together with Vicinity's active tenant remixing and enhanced retail asset portfolio, underpinned 4.2%[9] growth in total portfolio retail sales in 1H FY26 and notably, a 3.0% uplift in specialty sales productivity, to $13,425 per square metre.

The robust retail sales growth in 2H FY25 (up 4.7%) is maintained in 1H FY26 with specialty and mini major retail sales up by 5.1%. On a Moving Annual Turnover (**MAT**) basis, robust sales growth in 2H FY25 and 1H FY26 underpinned a 120 basis points uplift in MAT growth to 4.9%.

Against this backdrop, Vicinity's portfolio metrics remained positive and continue to support current and future year income growth. Occupancy lifted to 99.6% (Jun-25: 99.5%), leasing spreads remained favourable at +4.6% (1H FY25: +3.5%) and average annual escalators on deals completed during the half remained healthy at 4.7% (1H FY25: 4.8%).

Furthermore, at 14.1%, Vicinity's Occupancy Cost Ratio provides opportunity for ongoing rent growth, notably in an environment of positive retail sales growth.

Given the increasing shortage of supply, retailers are increasingly seeking out retail floorspace in strategically located, premium retail assets. This is showcased by the portfolio metrics delivered by Vicinity's premium assets[10], with leasing spreads of +9.7%, and +5.3% growth in mini major and specialty retail sales.

Developments and mixed-use update

Following the successful completion and launch of Chadstone's revitalised fresh food precinct, The Market Pavilion, in March 2025 and construction of a new 20,000 square metre, A-Grade office tower, One Middle Road, Vicinity was pleased to welcome the headquarters of Adairs and Kmart. Collectively, Adairs and Kmart add over 2,000 office workers to Chadstone during weekday trading.

Solidifying Chadstone as a highly sought after retail-led, mixed-use destination, Chadstone is now home to more than 6,500 office workers, across >50,000 square metres of fully occupied office space. Furthermore, Hotel Chadstone hosts close to 65,000 visitors per year, spanning family staycations, domestic and international tourists and commercial visitors.

Of note, the first stage of the reopening of Chatswood Chase was successfully launched on 23 October 2025. Visitation in November and December surpassed expectations, with the asset welcoming 2.4 million visitors and generating $118.9 million in retail sales.

Housed in a new retail mall and anchored by 12 luxury brands and other local and international category-leading retailers, the Stage 2 opening will establish Chatswood Chase as the most prominent, compelling and differentiated retail destination on Sydney's affluent north shore.

Construction is also progressing on the $240.0 million Galleria redevelopment (Vicinity share: $120.0 million), with completion targeted for pre-Christmas 2026. The project will deliver a revitalised mall, modern entertainment precinct, refurbished cinema and enhanced retail and dining experiences.

From a mixed-use strategy perspective, Vicinity is increasingly well-positioned to advance residential developments at Chatswood Chase and Bankstown Central in Sydney. Given their strong alignment with state government housing priorities, sites at both assets are proposed for high density residential use and have been endorsed for the State Housing Development Authority's accelerated assessment pathway, providing a faster planning process.

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[9] Sales are reported for comparable centres, which excludes divestments and development-impacted centres in accordance with Shopping Centre Council of Australia guidelines. Unless otherwise stated, sales growth is reported against the same period a year earlier.

[10] Vicinity's premium asset portfolio comprises Chadstone, Outlet Centres, CBD and Premium Shopping Centres.

Review of results and operations (continued)

(b) Financial position

The following is extracted from the statutory balance sheet included in the half year financial report:

	31-Dec-25 $m	30-Jun-25 $m
Cash and cash equivalents	55.7	80.7
Investment properties (including investment properties classified as held for sale)	15,699.6	15,063.8
Equity accounted investments	562.7	540.8
Net derivative financial instruments	206.6	248.1
Intangible assets	171.2	171.2
Other assets	215.4	211.0
Interest bearing liabilities	(4,469.5)	(4,458.1)
Other liabilities	(696.6)	(729.6)
Net assets	**11,745.1**	**11,127.9**
Key metrics		
Net tangible assets per security (**NTA**) [11] ($)	2.52	2.40
Drawn debt [12] ($m)	4,281.1	4,180.1
Gearing [12] (%)	26.3	26.6

Key items which impacted the balance sheet during the period included:

- **Investment properties and equity accounted investments** up $657.7 million, or 4.2% mainly due to investment in development and AFFO capital expenditure of $228.0 million, property revaluation increments on directly owned and equity accounted investment properties of $422.8 million and $19.8 million respectively, and is net of other statutory adjustments. The net revaluation increment was largely driven by income growth and the compression of capitalisation and discount rates. Further information can be found in Note 3 of the half year financial report.
- **Interest bearing liabilities** up $11.4 million, or 0.3% primarily due to drawdowns to fund development activities at Chatswood Chase, Chadstone and Galleria, and other capital expenditure. This is offset by the proceeds from asset disposals and DRP completed during the period, and further reduced by the non-cash foreign exchange translation gain of $62.1 million on foreign currency denominated notes as a result of a stronger Australian dollar in the current period.
- **Derivative financial instruments (net)** down $41.5 million, predominately due to fair value loss on the aforementioned stronger Australian dollar, partially offset by movement in the interest rate yield curve.

Development related capital expenditure and the offsetting impact of the revaluation uplift in investment properties resulted in a minor reduction of 30 bps in the gearing ratio decreasing to 26.3% as at 31 December 2025. This remains within the Group's long-term target range of 25%-35%.

[11] Calculated as net assets (including right of use assets) less intangible assets, divided by the number of stapled securities on issue at period end.

[12] Refer to Note 5 of the half year financial report for the calculation of drawn debt and gearing ratio.

Review of results and operations (continued)

(c) Capital management [13]

During the period, the following capital management activities have been completed:

- Net drawdowns in the period of $101.0 million to fund the aforementioned development activities and other capital expenditure, partially offset by repayments from operating cash flows and units issued under DRP of $91.2 million;
- Repaid US$224.0 million US Private Placement notes with US$ proceeds received under the related cross currency swap in December 2025 (equivalent to $309.0 million);
- Cancelled $250.0 million of bank debt facilities; and
- Executed $100.0 million of new interest rate swaps for a 4-year tenor.

The table below contains a summary of key capital management metrics for the Group:

	31-Dec-25	30-Jun-25
Weighted average cost of debt [14]	5.0%	5.1%
Proportion of debt hedged	85.8%	90.9%
Weighted average debt duration (based on drawn debt)	3.5 years	3.8 years
Interest cover ratio [15]	3.8 times	3.8 times
Credit ratings		
Moody's Investors Service	A2/stable	A2/stable
Standard & Poor's (**S&P**) Global Ratings	A/stable	A/stable

Vicinity continues to maintain a conservative and disciplined approach to managing gearing and preserving credit ratings when allocating and deploying capital.

Vicinity's balance sheet remains strong, with 26.3% gearing which is at the lower end of the Group's 25%-35% target range, $1.0 billion of available liquidity and 85.8% of the drawn debt hedged as at 31 December 2025. The weighted average cost of debt for the period was 5.0%. The Group continues to hold strong investment grade credit ratings (Moody's Investors Service A2/stable, S&P's Global Ratings A/Stable).

This means the Group is well positioned to continue investing in growth priorities, such as the development pipeline and other accretive investment opportunities.

(d) Guidance

Vicinity expects FFO and AFFO per security for the year ending 30 June 2026 to be around the top end of the guidance of 15.0 to 15.2 cents and 12.8 to 13.0 cents respectively.

Vicinity expects its full year distribution payment to be within the target range of 95-100% of AFFO.

[13] Refer to Note 5 of the half year financial report for the Group's capital management policy and the interest cover ratio calculation.

[14] Inclusive of margins, line fees and establishment fees.

[15] Excludes lease liabilities and adjustments for fair value items and foreign exchange translation.

Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* (Cth) is included immediately following the Directors' Report.

Events occurring after the end of the reporting period

Subsequent to period end, the Group irrevocably accepted the co-owner's offer to sell its 75% interest of Uptown in Brisbane, Queensland, for $212.0 million (excluding stamp duty). The contracts are expected to be exchanged by the end of April 2026, with the acquisition then expected to settle in June 2026, following receipt of the required Ministerial consent in relation to certain ancillary land rights.

Other than the matter described above, no matters have arisen since the end of the period which have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Rounding of amounts

The Company is an entity of a kind referred to in Legislative Instrument 2016/191, issued by the Australian Securities and Investments Commission (**ASIC**), relating to the "rounding off" of amounts in the Directors' Report. Accordingly, amounts in the Directors' Report have been rounded off to the nearest tenth of a million dollars (**$m**) in accordance with that Legislative Instrument, unless stated otherwise.

Signed in accordance with a resolution of Directors.

Trevor Gerber
Chairman
18 February 2026

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Auditor's Independence Declaration to the Directors of Vicinity Limited

As lead auditor for the review of the half-year financial report of Vicinity Limited for the half-year ended 31 December 2025, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Vicinity Limited and the entities it controlled during the financial period.

Ernst & Young

Kylie Bodenham
Partner
18 February 2026

Statement of Comprehensive Income

for the half year ended 31 December 2025

	Note	31-Dec-25 $m	31-Dec-24 $m
Revenue and income			
Property ownership revenue and income		646.7	636.3
Management fee revenue from strategic partnerships		26.8	28.6
Interest and other income		2.2	4.8
Total revenue and income	**2**	**675.7**	**669.7**
Share of net profit of equity accounted investments		35.1	32.6
Property revaluation increment for directly owned properties	3(b)	422.8	188.4
Direct property expenses		(190.3)	(186.1)
Borrowing costs	5(c)	(114.2)	(117.3)
Employee benefits expense		(55.2)	(53.6)
Net foreign exchange movement on interest bearing liabilities		62.1	(127.1)
Net mark-to-market movement on derivatives		(12.3)	130.5
Depreciation of right of use assets		(2.1)	(2.2)
Landholder duty and transaction costs written off on acquisition of Lakeside Joondalup		-	(22.5)
Other expenses		(17.1)	(18.9)
Net profit before tax for the half year		**804.5**	**493.5**
Income tax benefit/(expense)		1.1	(0.9)
Net income for the half year		**805.6**	**492.6**
Other comprehensive income		-	-
Total comprehensive income for the half year		**805.6**	**492.6**
Total income and total comprehensive income for the half year attributable to stapled securityholders as:			
Securityholders of Vicinity Limited		4.4	3.7
Securityholders of other stapled entities of the Group		801.2	488.9
Total comprehensive income for the half year		**805.6**	**492.6**
Earnings per security attributable to securityholders of the Group:			
Basic earnings per security (cents)		17.57	10.82
Diluted earnings per security (cents)		17.54	10.79

The above consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Balance Sheet

as at 31 December 2025

	Note	31-Dec-25 $m	30-Jun-25 $m
Current assets			
Cash and cash equivalents		55.7	80.7
Trade receivables and other assets		97.2	92.1
Investment properties classified as held for sale	3(a)	283.0	-
Derivative financial instruments		67.1	117.5
Total current assets		**503.0**	**290.3**
Non-current assets			
Investment properties	3(a)	15,416.6	15,063.8
Equity accounted investments	4(a)	562.7	540.8
Intangible assets	9(a)	171.2	171.2
Plant and equipment		3.9	3.4
Derivative financial instruments		161.6	157.5
Right of use assets		21.5	23.1
Deferred tax assets	9(b)	84.0	82.9
Other assets		8.8	9.5
Total non-current assets		**16,430.3**	**16,052.2**
Total assets		**16,933.3**	**16,342.5**
Current liabilities			
Interest bearing liabilities	5(a)	704.1	1,076.2
Payables and other financial liabilities		200.2	223.5
Lease liabilities		8.1	6.0
Provisions		90.7	102.3
Derivative financial instruments		2.1	7.3
Total current liabilities		**1,005.2**	**1,415.3**
Non-current liabilities			
Interest bearing liabilities	5(a)	3,765.4	3,381.9
Lease liabilities		389.1	389.5
Provisions		4.3	4.1
Derivative financial instruments		20.0	19.6
Other liabilities		4.2	4.2
Total non-current liabilities		**4,183.0**	**3,799.3**
Total liabilities		**5,188.2**	**5,214.6**
Net assets		**11,745.1**	**11,127.9**
Equity			
Contributed equity	6	9,219.4	9,125.5
Share-based payment reserve		7.5	13.8
Retained profits		2,518.2	1,988.6
Total equity		**11,745.1**	**11,127.9**

The above consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the half year ended 31 December 2025

		Attributable to securityholders of Vicinity Limited				Attributable to securityholders of other stapled entities of the Group				VCX Group
	Note	Contributed equity $m	Reserves $m	Accumulated losses $m	Total $m	Contributed equity $m	Reserves $m	Retained profits $m	Total $m	Total equity $m
As at 1 July 2024		**541.4**	**13.3**	**(220.7)**	**334.0**	**8,560.8**	**-**	**1,744.1**	**10,304.9**	**10,638.9**
Net profit for the half year		-	-	3.7	3.7	-		488.9	488.9	492.6
Total comprehensive income for the half year		**-**	**-**	**3.7**	**3.7**	**-**	**-**	**488.9**	**488.9**	**492.6**
Transactions with securityholders in their capacity as securityholders:										
Net movements in share-based payment reserve		-	(1.7)	-	(1.7)	-	-	-	-	(1.7)
Distributions declared and settled during the half year	7(b)	-	-	-	-	-	-	(268.6)	(268.6)	(268.6)
Total equity as at 31 December 2024		**541.4**	**11.6**	**(217.0)**	**336.0**	**8,560.8**	**-**	**1,964.4**	**10,525.2**	**10,861.2**
As at 1 July 2025		**542.1**	**13.8**	**(231.9)**	**324.0**	**8,583.4**	**-**	**2,220.5**	**10,803.9**	**11,127.9**
Net profit for the half year		-	-	4.4	4.4	-	-	801.2	801.2	805.6
Total comprehensive income for the half year		**-**	**-**	**4.4**	**4.4**	**-**	**-**	**801.2**	**801.2**	**805.6**
Transactions with securityholders in their capacity as securityholders:										
Stapled securities issued under the Distribution Reinvestment Plan (**DRP**)		2.7	-	-	2.7	91.2	-	-	91.2	93.9
Net movements in share-based payment reserve		-	(6.3)	-	(6.3)	-	-	-	-	(6.3)
Distributions declared and settled during the half year	7(b)	-	-	-	-	-	-	(276.0)	(276.0)	(276.0)
Total equity as at 31 December 2025		**544.8**	**7.5**	**(227.5)**	**324.8**	**8,674.6**	**-**	**2,745.7**	**11,420.3**	**11,745.1**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Cash Flow Statement

for the half year ended 31 December 2025

	Note	31-Dec-25 $m	31-Dec-24 $m
Cash flows from operating activities			
Receipts in the course of operations		775.1	777.1
Payments in the course of operations		(352.7)	(352.6)
Distributions and dividends received from equity accounted entities		14.0	3.0
Interest received		2.0	2.0
Interest paid		(112.8)	(114.2)
Net cash inflows from operating activities	**8**	**325.6**	**315.3**
Cash flows from investing activities			
Payments for capital expenditure on investment properties		(251.1)	(214.3)
Payment for acquisition of interest in Lakeside Joondalup including transaction costs		-	(419.2)
Payments for acquisition of other investments		-	(1.0)
Payments for intangible assets		(2.0)	(5.0)
Proceeds from disposal of investment properties		-	230.3
Payments for plant and equipment		(1.0)	(0.1)
Net cash outflows from investing activities		**(254.1)**	**(409.3)**
Cash flows from financing activities			
Proceeds from borrowings		553.0	815.0
Repayment of borrowings		(452.0)	(378.9)
Payment of lease liabilities		(2.4)	(1.7)
Distributions paid to external securityholders, net of DRP		(182.1)	(268.6)
Debt establishment costs paid		(0.3)	(3.8)
Acquisition of shares on-market for settlement of share-based payments		(12.7)	(8.2)
Net cash (outflows)/inflows from financing activities		**(96.5)**	**153.8**
Net (decrease)/increase in cash and cash equivalents held		**(25.0)**	**59.8**
Cash and cash equivalents at the beginning of the half year		80.7	49.6
Cash and cash equivalents at the end of the half year		**55.7**	**109.4**

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

About This Report

Reporting entity

The financial statements are those of the stapled Group comprising Vicinity Limited (**the Company**) and Vicinity Centres Trust (**the Trust**) (collectively '**the Group**'). The Stapling Deed entered into by the Company and the Trust ensures that shares in the Company and units in the Trust are 'stapled' together and are traded collectively on the Australian Securities Exchange (**ASX**) under the code 'VCX'. For financial reporting purposes, the Company has been identified as the parent entity of the Group.

The Company and the Trust are for-profit entities that are domiciled and operate wholly in Australia.

Basis of preparation

The condensed consolidated financial report for the half year ended 31 December 2025 (**the Financial Report**):

- Has been prepared in accordance with the *Corporations Act 2001* (Cth), AASB 134 *Interim Financial Reporting* and other mandatory professional reporting requirements. The accounting policies adopted are consistent with those of the previous financial year except for the impact of the new and amended accounting standards described below;
- Does not include all the notes of the type normally included in an annual financial report unless otherwise stated. Accordingly, this report is to be read in conjunction with the 30 June 2025 Annual Report and any public announcements issued during the half year in accordance with the continuous disclosure requirements of the *Corporations Act 2001* (Cth) and the Listing Rules of the ASX;
- Is presented in Australian dollars (**$**) and rounded to the nearest tenth of a million dollars (**$m**) in accordance with Australian Securities and Investments Commission (**ASIC**) Legislative Instrument 2016/191 (unless otherwise stated);
- Has been prepared in accordance with the historical cost convention, except for certain financial assets and liabilities, and investment properties which have been recognised at fair value; and
- Was authorised for issue by the Board of Directors on 18 February 2026.

Going concern

The Group recorded a net current asset deficiency of $502.2 million (current liabilities exceed current assets) at reporting date (30 June 2025: net deficiency $1,125.0 million), predominately due to the carrying amount of interest-bearing liabilities maturing within the next twelve months of $704.1 million. The Group has access to undrawn facilities of $1,037.0 million (30 June 2025: $1,697.0 million) to settle these borrowings. Further information regarding the Group's available facilities is disclosed in Note 5(b).

In addition, the Group has cash and cash equivalents of $55.7 million (30 June 2025: $80.7 million) and is expected to generate sufficient operating cash flows to pay its debts as and when they fall due for a period of 12 months from the date of these financial statements. Accordingly, the Financial Report has been prepared on a going concern basis.

Impact of new and amended accounting standards

New and amended standards that became effective as of 1 July 2025 did not have a material impact on the financial statements of the Group as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's accounting policies.

Future impact of Accounting Standards and Interpretations issued but not yet effective

The Group has not adopted any standard, interpretation or amendment that has been issued but is not yet effective and these are not expected to have a material impact on the Group's financial position or performance.

The AASB issued AASB 18 *Presentation and Disclosure in Financial Statements* in June 2024, which will be effective for the Group in the financial year ending 30 June 2028. While not expected to have a material impact on the Group's financial position or performance, AASB 18 is expected to change the presentation of certain items in the financial statements in future periods.

Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires the Group to make judgements in the application of accounting policies and estimates when developing assumptions that affect the reported amounts of certain revenues, expenses, assets and liabilities. These judgements and estimates are made considering historical experience and other reasonable and relevant factors but are inherently uncertain. Due to this inherent uncertainty, actual results may differ from these judgements and estimates.

The updates to the following significant judgements and estimates are included in the relevant notes to this half year Financial Report:

Area of judgement or estimation	Note
Valuation of investment properties	3
Recoverability of intangible assets	9(a)
Recognition of deferred tax assets	9(b)

In respect of valuation of derivative financial instruments, there was no significant change to the judgements and estimates at 31 December 2025.

Operations

1. Segment information

The Group's operating segments identified for internal reporting purposes are:

- *Property Investment:* performance is assessed based on net property income which comprises revenue less expenses derived from investment in retail property; and
- *Strategic Partnerships:* performance is assessed based on fee income from property management, development and leasing of assets wholly or jointly owned by capital partners.

Information on these segments is presented on a proportionate basis. This presents net property income and investment property assets relating to equity accounted properties as if they were consolidated investment properties within the Group's segment results. This allows for consistent internal reporting on all investment property assets and segment activities to enable the Chief Operating Decision Makers (**CODM**) to make strategic decisions, regardless of ownership structure arrangements. During the period, the CODM were the Chief Executive Officer and Managing Director (**CEO**) and the Chief Financial Officer (**CFO**).

Group performance is assessed based on funds from operations (**FFO**), which is calculated as statutory net profit, adjusted for fair value movements, certain unrealised and non-cash items, amounts which are capital in nature and other items that are not considered to be in the ordinary course of business. In addition to FFO, adjusted funds from operations (**AFFO**) is considered when assessing the performance of the Group. AFFO represents the Group's FFO adjusted for investment property maintenance capital and static tenant leasing costs incurred during the half year. FFO and AFFO are determined with reference to guidelines published by the Property Council of Australia (**PCA**) and are non-IFRS measures.

(a) Segment results

The segment financial information and metrics provided to the CODM are set out below.

Financial performance

	31-Dec-25 $m	31-Dec-24 $m
Property Investment segment		
Net property income	468.8	463.5
Strategic Partnerships segment		
External management fees	25.0	27.5
Total segment income	**493.8**	**491.0**
Net corporate overheads	(41.4)	(42.8)
Net interest expense	(101.4)	(104.1)
FFO	**351.0**	**344.1**
Adjusted for:		
Maintenance capital and static tenant leasing costs	(28.2)	(26.4)
AFFO	**322.8**	**317.7**

1. Segment information (continued)

(b) Reconciliation of net profit after tax to FFO

	31-Dec-25 $m	31-Dec-24 $m
Net profit after tax	**805.6**	**492.6**
Property revaluation increment for directly owned properties	(422.8)	(188.4)
Non-distributable gain relating to equity accounted investments [1]	(18.1)	(19.3)
Amortisation of incentives and leasing costs [2]	37.2	37.4
Straight-lining of rent adjustment [3]	(9.8)	(9.4)
Net mark-to-market movement on derivatives [3]	12.3	(130.5)
Net foreign exchange movement on interest bearing liabilities [3]	(62.1)	127.1
Income tax (benefit)/expense [3]	(1.1)	0.9
Development-related preliminary planning, marketing and tenant compensation costs [4]	6.2	7.1
Landholder duty and transaction costs	-	22.5
Software as a Service implementation costs	4.7	5.1
Other non-distributable items	(1.1)	(1.0)
FFO	**351.0**	**344.1**

The material adjustments to net profit after tax to arrive at FFO and reasons for their exclusion are described below:

1. Property revaluation and other non-cash accounting adjustments relating to equity accounted investments.
2. Lease incentives are capitalised to investment properties. Amortisation of these items is then recognised as a reduction to lease rental income in accordance with Australian Accounting Standards. In accordance with the PCA Guidelines, amortisation of these items is excluded from FFO as:
   - Static (non-development) lease incentives committed during the period relating to static centres are reflected within maintenance capital and static tenant leasing costs within the AFFO calculation at Note 1(a); and
   - Development lease incentives are included within the capital cost of the relevant development project.
3. Non-cash accounting adjustments as required by Australian Accounting Standards are excluded from FFO.
4. Preliminary planning, marketing and tenant compensation costs which are development-related are excluded from FFO.

(c) Reconciliation of segment income to total revenue

Refer to Note 2 for a reconciliation of total segment income to total revenue and income in the Statement of Comprehensive Income.

(d) Segment assets and liabilities

The property investment segment reported to the CODM includes investment properties held directly and those that are held through equity accounted entities. A breakdown of the total investment properties in the property investment segment is shown below. All other assets and liabilities are not allocated by segment for reporting to the CODM.

	Note	31-Dec-25 $m	30-Jun-25 $m
Investment properties [1]	3(a)	15,303.6	14,661.0
Investment properties included in equity accounted investments [2]		625.0	605.0
Total interests in directly owned investment properties		**15,928.6**	**15,266.0**

1. Includes properties held for sale less investment property leaseholds and planning and holding costs.
2. Excludes planning and holding costs of $7.7 million (30 June 2025: $7.5 million) relating to investment properties included in equity accounted investments.

2. Revenue and income

(a) Summary of revenue and income

A summary of the Group's total revenue and income included within the Statement of Comprehensive Income by segment and reconciliation to total segment income is shown below.

	31-Dec-25 $m			31-Dec-24 $m		
	Property Investment	Strategic Partnerships	Total	Property Investment	Strategic Partnerships	Total
Recovery of property outgoings [1,3]	95.0	-	95.0	92.5	-	92.5
Other property related revenue [1]	57.7	-	57.7	58.4	-	58.4
Property management and development fees [2]	-	26.8	26.8	-	28.5	28.5
Funds management fees [2]	-	-	-	-	0.1	0.1
Total revenue from contracts with customers	**152.7**	**26.8**	**179.5**	**150.9**	**28.6**	**179.5**
Lease rental income [1,3,4]	494.0	-	494.0	485.4	-	485.4
Interest and other income	2.2	-	2.2	4.8	-	4.8
Total income	**496.2**	**-**	**496.2**	**490.2**	**-**	**490.2**
Total revenue and income	**648.9**	**26.8**	**675.7**	**641.1**	**28.6**	**669.7**
Reconciliation to segment income						
Property-related expenses included in segment income			(229.3)			(224.2)
Net property income from equity accounted investments included in segment income			18.7			14.7
Straight-lining of rent adjustment			(9.8)			(9.4)
Amortisation of static lease incentives and other project items			37.2			37.4
Interest and other revenue not included in segment income			1.3			2.8
Total segment income			**493.8**			**491.0**

1. Included within 'Property ownership revenue and income' in the Statement of Comprehensive Income.
2. Included within 'Management fee revenue from strategic partnerships' in the Statement of Comprehensive Income.
3. Recovery of property outgoings includes estimated recoveries of property outgoings of gross and semi-gross deals, accounted for as revenue from contracts with customers as the income is earned. The estimate is updated half yearly based on recoveries of property outgoings of net deals in the period.
4. Lease rental income includes percentage rent income of $14.5 million (31 December 2024: $13.3 million).

3. Investment properties

The Group's investment properties represent freehold and leasehold interests in land and buildings held either to derive rental income or for capital appreciation, or both. They are initially measured at cost, including related transaction costs. Subsequently, at each reporting period, they are carried at their fair values based on the market value, being the price that would be received to sell an investment property in an orderly, arm's length transaction between market participants at the reporting date.

Fair values for investment properties are determined by independent (external) valuers or internal valuations. These valuations include the cost of capital works in progress on development projects. As at 31 December 2025, 29 assets were independently valued and 20 assets were valued internally (30 June 2025: 23 independent valuations and 26 internal valuations).

(a) Portfolio summary

Shopping centre type	31-Dec-25				30-Jun-25			
	Number of properties	Value $m [1]	Weighted average discount rate, % [1,2]	Weighted average capita-lisation rate, % [1,2]	Number of properties	Value $m [1]	Weighted average discount rate, % [1,2]	Weighted average capita-lisation rate, % [1,2]
Super Regional	1	3,590.0	6.75	4.25	1	3,535.0	6.75	4.25
Regional	15	4,655.6	7.07	6.03	15	4,292.7	7.22	6.24
Central Business Districts	7	2,102.8	6.73	5.20	7	2,069.8	6.74	5.28
Outlet Centre	8	2,611.0	7.10	5.84	8	2,533.0	7.22	5.94
Sub Regional [3,4]	15	2,096.6	7.05	6.18	16	2,101.7	7.34	6.51
Neighbourhood [4]	3	247.6	6.68	5.97	2	128.8	6.36	5.49
Planning and holding costs [5]	-	26.6	n/a	n/a	-	36.4	n/a	n/a
Sub-total	**49**	**15,330.2**	**6.94**	**5.48**	**49**	**14,697.4**	**7.05**	**5.60**
Add: Investment property leaseholds	-	369.4			-	366.4		
Less: Properties held for sale [6]	(4)	(283.0)			-	-		
Total investment properties	**45**	**15,416.6**			**49**	**15,063.8**		

1. The discount and capitalisation rates are used in the 'discounted cash flow' and 'capitalisation of net income' valuation methods respectively. The adopted fair value is within the range calculated with reference to the two methods.
2. The discount and capitalisation rates relate to the core retail component excluding non-retail or ancillary properties.
3. Box Hill Central North is not included in the weighted average discount and capitalisation rates given the valuation for the property was based on the 'project related site assessment' method as disclosed in Note 4(c) of the 30 June 2025 Annual Report.
4. Northgate was reassessed as meeting the requirements of a Neighbourhood centre and therefore reclassified from Sub Regional to Neighbourhood as at 31 December 2025.
5. Planning and holding costs relating to planned major development projects are capitalised and carried within the overall investment property balance. The status of each project is reviewed at each period end to determine if continued capitalisation of these costs remains appropriate.
6. Represents the carrying amount of Victoria Park Central, Gympie Central, Whitsunday Plaza and Armidale Central, which are classified as investment properties held for sale (current asset), as the Group has entered into unconditional sale contracts as at 31 December 2025. These properties have been recorded at their fair value at balance date, which approximated the selling price net of estimated purchase price adjustments.

3. Investment properties (continued)

(b) Movements for the period

A reconciliation of the movements in investment properties for the period is shown in the table below.

	31-Dec-25 $m	31-Dec-24 $m
Opening balance at 1 July	**14,697.4**	**14,597.2**
Capital expenditure [1]	228.0	202.7
Capitalised borrowing costs [2]	8.8	8.3
Disposals	-	(230.3)
Property revaluation increment for directly owned properties [3]	423.4	188.3
Amortisation of incentives and leasing costs [4]	(37.2)	(37.4)
Straight-lining of rent adjustment [4]	9.8	9.4
Closing balance at 31 December	**15,330.2**	**14,738.2**

1. Includes development and maintenance capital expenditure, lease incentives, fit-out, and other capital costs.
2. Borrowing costs incurred in the construction of qualifying assets have been capitalised at a weighted average rate of 5.0% (31 December 2024: 5.0%).
3. Excludes the property revaluation decrement of $0.6 million (31 December 2024: $0.1 million increment) of investment property leaseholds held at fair value.
4. For lease arrangements where Vicinity is the lessor.

(c) Portfolio valuation

Valuation process

The Group's valuation process has not changed significantly since 30 June 2025. Further details of the Group's valuation process are provided within Note 4(c) of the 30 June 2025 Annual Report.

Significant Judgement and Estimate

The determination of an investment property valuation requires assumptions to be made which may not be based on observable market data in all instances (i.e. discount and capitalisation rates), estimating the future impact of events such as subsequent movements in interest rates, market rents and estimating the cost to complete for properties under development. This means the valuation of an investment property requires significant judgement and estimation.

Key assumptions and inputs

As the capitalisation of income and discounted cash flow (**DCF**) valuation methods include key inputs that are not based on observable market data (namely derived capitalisation and discount rates), investment property valuations are considered "Level 3" on the fair value hierarchy (refer to Note 24 in the 30 June 2025 Annual Report for further details on the fair value hierarchy).

3. Investment properties (continued)

(c) Portfolio valuation (continued)

Key assumptions and inputs (continued)

Key unobservable inputs used by the Group in determining the fair value of its investment properties are summarised below. These are consistent with key inputs assessed at 30 June 2025.

Unobservable inputs	31-Dec-25 Range of inputs	31-Dec-25 Weighted average inputs	30-Jun-25 Range of inputs	30-Jun-25 Weighted average inputs	Sensitivity
Capitalisation rate [1]	4.25% – 9.00%	5.48%	4.25% – 9.00%	5.60%	The higher the capitalisation rate, discount rate, terminal yield, and expected downtime due to tenants vacating, the lower the fair value.
Discount rate [2]	5.25% – 10.00%	6.94%	5.25% – 10.00%	7.05%	
Terminal yield [3]	4.50% – 7.50%	5.70%	4.50% – 7.75%	5.82%	
Expected downtime (for tenants vacating)	3 to 12 months	6 months	3 to 12 months	6 months	
Market rental growth rate	2.28% – 3.96%	3.22%	2.28% – 3.77%	3.23%	The higher the assumed market rental growth rate, the higher the fair value.

1. The capitalisation rate is the required annual yield of net market income used to determine the value of the property. The rate is determined with regard to comparable market transactions.
2. The discount rate is a required annual total rate of return used to convert the forecast cash flow of an asset into present value terms. It should reflect the required rate of return of the property given its risk profile relative to competing uses of capital. The rate is determined with regard to comparable market transactions.
3. The terminal yield is the capitalisation rate used to convert forecast annual income into a forecast asset value at the end of the holding period when carrying out a DCF calculation. The rate is determined with regard to comparable market transactions and the expected risk inherent in the cash flows at the end of the cash flow period. Leasehold properties with tenure less than 20 years (at the end of the 10-year investment horizon) have been excluded from this sensitivity for comparative reasons given the terminal value calculation can differ to take into account the finite term remaining on the leasehold at that time.

All of the above key assumptions have been taken from the 31 December 2025 external valuation reports and internal valuation assessments (where applicable). For all investment properties except for Box Hill Central North, the current use is considered the highest and best use. For Box Hill Central North, the highest and best use is a mixed-use development site.

Sensitivity analysis

The following sensitivities illustrate the impact of changes in key unobservable inputs (in isolation) on the fair value of the Group's investment properties as at 31 December 2025. Specific key unobservable inputs may impact only the capitalisation of net income method, the DCF method or both methods.

DCF method

31-Dec-25 $m	Carrying value	Discount rate -0.25%	Discount rate +0.25%	10-year rental growth rate -0.25%	10-year rental growth rate +0.25%
Actual valuation [1]	15,020.6				
Impact on actual valuation		277.0	(262.7)	(174.4)	176.0
Resulting valuation		15,297.6	14,757.9	14,846.2	15,196.6

1. Excludes planning and holding costs, properties held for sale and investment property leaseholds.

Capitalisation of net income method

31-Dec-25 $m	Carrying value	Capitalisation rate -0.25%	Capitalisation rate +0.25%
Actual valuation [1]	15,020.6		
Impact on actual valuation		725.8	(658.5)
Resulting valuation		15,746.4	14,362.1

1. Excludes planning and holding costs, properties held for sale and investment property leaseholds.

4. Equity accounted investments

Equity accounted investments primarily consist of investment property joint ventures with strategic partners where the property ownership interest is held through a jointly owned trust rather than direct ownership into the property title. The Group has contractual arrangements that establish joint control over the economic activities of these trusts, based on standard market terms.

These investments are accounted for using the equity method.

(a) Summary of equity accounted investments

The Group holds the following investments that are equity accounted:

	Ownership		Carrying value	
	31-Dec-25 %	30-Jun-25 %	31-Dec-25 $m	30-Jun-25 $m
Joondalup Trust (Joint Venture) [1]	50	50	453.6	449.1
Victoria Gardens Retail Trust (Joint Venture) [1]	50	50	108.2	91.0
			561.8	**540.1**
Other associates			0.9	0.7
Closing balance			**562.7**	**540.8**

1. The primary asset of the joint ventures is investment property held at fair value. As such the carrying value of equity accounted investments are subject to the same significant judgement and estimate as disclosed in Note 3(c).

(b) Movements for the period

A reconciliation of the movements in significant equity accounted investments is shown in the table below.

	31-Dec-25 $m	31-Dec-24 $m
Opening balance	**540.1**	**91.4**
Acquisition of interest in Lakeside Joondalup	-	441.3
Landholder duty and transaction costs written off on acquisition of Lakeside Joondalup	-	(22.5)
Additional investments made during the period	0.7	-
Share of net profit of equity accounted investments	34.6	32.0
Distributions of net income declared by equity accounted investments	(13.6)	(10.1)
Closing balance	**561.8**	**532.1**

Capital structure and financial risk management

5. Interest bearing liabilities and derivatives

Interest bearing liabilities are initially recognised at fair value, net of transaction costs incurred and subsequently measured at amortised cost using the effective interest rate method. Foreign currency denominated notes are translated to AUD at the applicable exchange rate at each reporting period with the gain or loss attributable to exchange rate movements recognised in the Statement of Comprehensive Income.

(a) Summary of facilities

The following table outlines the Group's unsecured interest bearing liabilities at balance date:

	31-Dec-25 $m	30-Jun-25 $m
Current liabilities		
US Private Placement Notes (**USPP**)	-	342.4
GBP European Medium Term Notes (**GBMTN**)	704.1	733.8
Total current liabilities	**704.1**	**1,076.2**
Non-current liabilities		
Bank debt	838.0	428.0
AUD Medium Term Notes (**AMTN**) [1]	1,499.7	1,499.6
HKD European Medium Term Notes (**HKMTN**)	123.2	123.9
USPP	440.0	448.6
EUR European Medium Term Notes (**EMTN**)	875.9	895.2
Deferred debt costs [2]	(11.4)	(13.4)
Total non-current liabilities	**3,765.4**	**3,381.9**
Total interest bearing liabilities	**4,469.5**	**4,458.1**

1. Includes $300.0 million of Green Bonds. The proceeds of Green Bonds were utilised to fund eligible green projects and assets with high sustainability rating (e.g. National Australian Built Environment Rating system energy rating of 5 stars or higher).
2. Deferred debt costs comprise the unamortised value of borrowing costs paid on establishment or refinance of debt facilities. These costs are deferred on the Balance Sheet and amortised at the effective interest rate to borrowing costs in the Statement of Comprehensive Income.

(b) Facility maturity and availability

The following table summarises the maturity profile of the Group's drawn debt and undrawn facilities:

	31-Dec-25				30-Jun-25			
	Less than 1 year $m	1 to 3 years $m	Greater than 3 years $m	Total $m	Less than 1 year $m	1 to 3 years $m	Greater than 3 years $m	Total $m
Bank debt drawn [1]	-	653.0	185.0	838.0	-	328.0	100.0	428.0
Capital market debt [1]	655.2	691.9	2,096.0	3,443.1	964.2	691.9	2,096.0	3,752.1
Total drawn debt	**655.2**	**1,344.9**	**2,281.0**	**4,281.1**	**964.2**	**1,019.9**	**2,196.0**	**4,180.1**
Undrawn facilities	-	522.0	515.0	1,037.0	125.0	572.0	1,000.0	1,697.0
Total facilities	**655.2**	**1,866.9**	**2,796.0**	**5,318.1**	**1,089.2**	**1,591.9**	**3,196.0**	**5,877.1**

1. Excludes accounting adjustments such as fair value, foreign exchange movements and deferred debt costs amounting to $188.4 million (30 June 2025: $278.0 million).

5. Interest bearing liabilities and derivatives (continued)

(c) Borrowing costs

Borrowing costs consist of interest and other costs incurred in connection with borrowing funds (such as establishment fees, legal and other fees). Borrowing costs are expensed to the Statement of Comprehensive Income using the effective interest rate method, except for borrowing costs incurred for the development of qualifying investment properties which are capitalised to the cost of the investment property during the period of development. Borrowing costs also include finance charges on lease liabilities.

	31-Dec-25 $m	31-Dec-24 $m
Interest and other costs on interest bearing liabilities and derivatives	106.1	108.8
Amortisation of deferred debt costs	2.3	2.1
Amortisation of face value discounts	0.6	0.6
Amortisation of fair value adjustments relating to discontinued hedge accounting	(0.9)	(0.8)
Interest charge on lease liabilities	14.9	14.9
Capitalised borrowing costs	(8.8)	(8.3)
Total borrowing costs	**114.2**	**117.3**

(d) Capital management

The Group seeks to maintain a strong and conservative capital structure with appropriate liquidity, low gearing, and a diversified debt profile (by source and tenor). The Group has long-term credit ratings of 'A2/stable' from Moody's Investors Service and 'A/stable' from Standard & Poor's Global Ratings.

Key metrics monitored by the Group include the gearing ratio, interest cover ratio, unencumbered total tangible assets to unsecured debt and the permitted encumbrance ratio. The following items are relevant in calculating these metrics:

	Note	31-Dec-25 $m	30-Jun-25 $m
Cash and cash equivalents		55.7	80.7
Drawn debt	5(b)	4,281.1	4,180.1
Secured debt [1]		-	-
Tangible assets (total assets less intangible assets, right of use assets, investment property leaseholds and derivative financial assets) [1]		16,142.5	15,506.8
EBITDA (profit before interest, tax, depreciation, amortisation, fair value adjustments and other items) [2]		798.3	794.4
Interest expense [2]		208.5	211.5

1. The Group does not have any borrowings, indebtedness or other financial obligations that are secured by any assets of the Group (30 June 2025: nil).
2. Calculated on a twelve-month rolling basis.

The key metrics at 31 December 2025, which are calculated in accordance with the definitions of the Group's debt facility agreements, are shown below:

Metric	Calculation	31-Dec-25	30-Jun-25
Gearing ratio	Drawn debt net of cash divided by tangible assets excluding cash	26.3%	26.6%
Interest cover ratio	EBITDA divided by interest expense	3.8 times	3.8 times
Unencumbered tangible assets to unsecured debt ratio	Tangible assets divided by drawn debt	377.1%	371.0%
Permitted encumbrance ratio	Secured debt divided by tangible assets	nil%	nil%

5. Interest bearing liabilities and derivatives (continued)

(e) Fair value of interest bearing liabilities

As at 31 December 2025, the Group's interest bearing liabilities had a fair value of $4,424.7 million (30 June 2025: $4,423.6 million).

The carrying amount of these interest bearing liabilities was $4,469.5 million (30 June 2025: $4,458.1 million). The difference between the carrying amount and the fair value of interest bearing liabilities is due to:

- Deferred debt costs included in the carrying amount which are not included in the fair value; and
- Movements in market discount rates on interest bearing liabilities since initial recognition. As fair value is calculated by discounting the contractual cash flows using prevailing market discount rates (with similar terms, maturity, and credit quality), any movements in these discount rates since initial recognition will give rise to differences between fair value and the carrying amount (which is carried at amortised cost).

Had the interest bearing liabilities been recognised at fair value, these would have been classified as Level 2 under the fair value hierarchy as the market discount rates used are indirectly observable.

(f) Defaults and covenants

The Group had no defaults on debt obligations or breaches of lending covenants at 31 December 2025 (30 June 2025: nil).

6. Contributed equity

An ordinary stapled security comprises one share in the Company and one unit in the Trust. Ordinary stapled securities entitle the holder to participate in distributions and the proceeds on winding up of the Group (if enacted) in proportion to the number of securities held. Ordinary stapled securities are classified as equity. All ordinary securities are fully paid.

Incremental costs directly attributable to the issue of new stapled securities are shown in equity as a deduction, net of tax, from the proceeds.

	31-Dec-25 Number (m)	31-Dec-24 Number (m)	31-Dec-25 $m	31-Dec-24 $m
Total stapled securities on issue at the beginning of the half year	4,562.9	4,552.3	9,125.5	9,102.2
Stapled securities issued [1]	36.8	-	93.9	-
Total stapled securities on issue at the end of the half year [2]	**4,599.7**	**4,552.3**	**9,219.4**	**9,102.2**

1. Stapled securities issued under the Group's DRP during the period.
2. The Group held 0.3 million or $0.8 million of treasury securities at 31 December 2025 (31 December 2024: 0.4 million securities or $0.7 million). These will be used to settle employee share-based payment plans.

The following weighted average number of securities are used in the denominator in calculating earnings per security for the Group:

	31-Dec-25 Number (m)	31-Dec-24 Number (m)
Weighted average number of securities used as the denominator in calculating basic earnings per security	4,584.3	4,552.3
Effect of potential dilution from performance and restricted rights	8.9	11.3
Weighted average number of securities used as the denominator in calculating diluted earnings per security	**4,593.2**	**4,563.6**

7. Distributions

(a) Interim distributions for the period

	31-Dec-25 Cents[1]	31-Dec-24 Cents[1]	31-Dec-25 $m	31-Dec-24 $m
Distributions in respect of earnings:				
For six-months to 31 December 2025 (31 December 2024)	6.20	5.95	285.2	270.9
Total interim distributions for the period	**6.20**	**5.95**	**285.2**	**270.9**

1. Cents per VCX stapled security.

On 18 February 2026, the Directors declared a distribution in respect of the Group's earnings for the half year ended 31 December 2025 of 6.20 cents per VCX stapled security, which equates to total interim distributions of $285.2 million. The interim distribution will be settled on 12 March 2026. The Vicinity Centres DRP will apply to the interim distribution.

(b) Distributions settled during the period

	31-Dec-25 Cents[1]	31-Dec-24 Cents[1]	31-Dec-25 $m	31-Dec-24 $m
Distributions settled in respect of the earnings:				
For six-months to 30 June 2025 (30 June 2024)	6.05	5.90	276.0	268.6
Total distribution settled during the period	**6.05**	**5.90**	**276.0**	**268.6**

1. Cents per VCX stapled security.

Other disclosures

8. Operating cash flow reconciliation

The reconciliation of net profit after tax for the half year to net cash provided by operating activities is provided below.

	31-Dec-25 $m	31-Dec-24 $m
Net profit after tax for the half year	**805.6**	**492.6**
Exclude non-cash items and cash flows under investing and financing activities:		
Amortisation of incentives and leasing costs	37.2	37.4
Straight-lining of rent adjustment	(9.8)	(9.4)
Property revaluation increment for directly owned properties	(422.8)	(188.4)
Share of net profit of equity accounted investments	(35.1)	(32.6)
Amortisation of non-cash items included in interest expense	2.0	1.9
Net foreign exchange movement on interest bearing liabilities	(62.1)	127.1
Net mark-to-market movement on derivatives	12.3	(130.5)
Landholder duty and transaction costs written off	-	22.5
Depreciation of right of use assets	2.1	2.2
Income tax (benefit)/expense	(1.1)	0.9
Other non-cash items	4.1	3.7
Movements in working capital:		
Decrease in payables and other financial liabilities, and provisions	(15.2)	(8.8)
Decrease/(increase) in receivables including distributions receivable and other assets	8.4	(3.3)
Net cash inflows from operating activities	**325.6**	**315.3**

9. Other Group accounting matters

(a) Intangible assets

Intangible assets at 31 December 2025 relate to the value of external management contracts which reflect the right to provide asset management services to strategic partners who co-own investment property assets with the Group and accordingly are allocated to the Strategic Partnerships cash-generating unit, which is also an operating and reportable segment. As the management contracts do not have termination dates, they are considered to have indefinite lives and are not amortised. The Group performs impairment testing for indefinite life intangible assets at least annually, or when there are other indicators of impairment. There are no impairment indicators at 31 December 2025.

The methodology including key inputs and assumptions used in the 30 June 2025 impairment testing are disclosed in Note 17 of the 30 June 2025 Annual Report.

(b) Deferred tax assets

The Group continues to recognise a deferred tax asset, primarily relating to historical tax losses and temporary differences associated with provisions. The recoverability of this deferred tax asset is dependent on the generation of sufficient future taxable income by the Company to utilise those tax losses. Estimation is required in forecasting future taxable income and judgement is applied in assessing an appropriate forecast period.

Key assumptions subject to uncertainty include future property and development management fee revenues, which are linked to the underlying performance and valuation of the investment properties under management by the Company, and the timing and execution of the Group's property development activities. Changes to the assumptions may result in reversal of deferred tax assets in future financial periods.

(c) Capital commitments

Estimated maintenance, development, and leasing capital of the Group committed at reporting date but not recognised on the Balance Sheet amounted to $186.4 million (30 June 2025: $237.6 million).

10. Events occurring after the end of the reporting period

Subsequent to period end, the Group irrevocably accepted the co-owner's offer to sell its 75% interest of Uptown in Brisbane, Queensland, for $212.0 million (excluding stamp duty). The contracts are expected to be exchanged by the end of April 2026, with the acquisition then expected to settle in June 2026, following receipt of the required Ministerial consent in relation to certain ancillary land rights.

Other than the matter described above, no matters have arisen since the end of the period which have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Directors' Declaration

In the Directors' opinion:

(a) the half year financial statements and notes of Vicinity Centres (**the Group**) set out on pages 11 to 29 are in accordance with the *Corporations Act 2001* (Cth), including:

   i. complying with Australian Accounting Standards, the *Corporations Regulations 2001* (Cth) and other mandatory professional reporting requirements; and

   ii. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the half year ended on that date; and

(b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors of Vicinity Limited.

Trevor Gerber
Chairman
18 February 2026

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Independent Auditor's Review Report to the Members of Vicinity Limited

Conclusion

We have reviewed the accompanying half-year financial report of Vicinity Limited (the Company) and the entities it controlled (collectively the Group), which comprises the consolidated balance sheet as at 31 December 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to reviews of the half-year financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

Kylie Bodenham
Partner
Melbourne
18 February 2026