ASX Announcement

18 February 2026

Shaping a higher quality, more resilient and differentiated retail asset portfolio, supported by favourable sector fundamentals

Vicinity Centres (‘**Vicinity**’, ASX:VCX) today released its results for the six months ended 31 December 2025 (‘**1H FY26**’).

1H FY26 financial and strategic highlights:

- Statutory net profit after tax (‘**NPAT**’) of $805.6m (1H FY25: $492.6m)
- At 7.66 cents, Funds From Operations (‘**FFO**’) per security was up 1.3%. Adjusted for one-off items[1] and lower lost rent from developments, FFO per security was up 4.1%
- Comparable Net Property Income[2] (‘**NPI**’) growth of 3.7%, reflected ongoing strength of Vicinity’s portfolio metrics. Excluding new and increased taxes and levies, comparable NPI was up 4.1%
- Interim distribution of 6.20 cps, (1H FY25: 5.95 cps), representing a payout ratio of 88.4% of Adjusted FFO (‘**AFFO**’)[3]
- Disciplined execution of investment strategy; irrevocably accepted IFM Investors’ offer to sell its 75% interest in Uptown in Brisbane’s central business district (‘**CBD**’) to Vicinity for $212m[4] and raised $327m via divestment of non-strategic assets and ancillary land at 18.2% above book values
- Specialty and mini majors’ sales up 5.1% in 1H FY26 driven by active tenant remixing, enhanced retail asset portfolio and increased shopper confidence and capacity to spend
- Reinforcing strong demand for retail floorspace amid tightening supply, occupancy up 10 bps to 99.6%, leasing spreads at +4.6% and average annual escalators on deals completed of +4.7%
- At 26.3%, gearing remains at lower end of Vicinity’s target range of 25%-35%
- Complementing the success of The Market Pavilion, Chadstone’s new One Middle Road office tower fully occupied from January 2026, bringing an additional c.2,000 office workers on weekdays
- Successful Stage 1 opening of the reimagined Chatswood Chase in October 2025; visitation and retail sales met expectations which bodes well for Stage 2 opening
- Stage 2 opening comprising Chatswood Chase’s new luxury precinct remains on track to commence from 4Q FY26; store fit outs are in advanced stages
- Given strong portfolio metrics in 1H FY26, Vicinity expects FFO and AFFO per security to be around the top end of the guidance ranges of 15.0-15.2 cents and 12.8-13.0 cents, respectively

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[1] One-off items include the impact of transactions (-$7m) and reversal of prior year waivers and provisions (1H FY25: $3m).
[2] Comparable Net Property Income growth excludes transactions, reversal of prior year provisions and development impacts.
[3] Vicinity expects its full year distribution payout ratio to be within the target range of 95%-100% of Adjusted FFO.
[4] Excluding stamp duty.

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Reflections on 1H FY26 from CEO and Managing Director, Peter Huddle

Strategic execution

Since the beginning of 2023, our strategic decisions and investments have remained consistently anchored by our investment strategy of curating a higher quality, more resilient and differentiated retail asset portfolio.

In FY26 to date, we have 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 our balance sheet and credit ratings.

We are 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[5].

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[4]. 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.

Located on Queen Street Mall in Brisbane's thriving CBD, Uptown is a landmark retail asset with a long history and deep connection to Brisbane's retail identity. By virtue of its existing and forecast total trade area[6] as well as the major state-led infrastructure projects[7] intended to enhance the connectivity of Brisbane's CBD in advance of the 2032 Olympic Games, Uptown has inherently strong growth potential.

Securing full ownership will enable Vicinity to leverage its core competencies across development execution, and project leasing, and accelerate the revitalisation of Uptown and importantly, unlock the latent value of this asset.

Adding to the $1.0 billion of non-strategic asset divestments since the beginning of FY24, Vicinity has exchanged unconditional contracts for the divestment of Gympie Central, Whitsunday Plaza and Armidale Central for $250 million, which are scheduled for settlement at the end of February 2026. In addition, the sale of Victoria Park Central for $34 million is expected to settle in June 2026, and we have also exchanged contracts to sell several ancillary land parcels for $43 million.

Totalling $327 million[8], these most recent divestments were executed at a blended 18.2% premium to June 2025 book values. Asset divestments to date have assisted in funding our growth initiatives but have also accelerated our shift toward a higher quality, more resilient asset portfolio.

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5 Source: CBRE Research, Australia.
6 Total Trade Area refers to the geographic region from which a shopping centre draws the majority of its customers.
7 State funded infrastructure projects total c.$27 billion, comprising the Brisbane Metro, the Cross River Rail project, redevelopment of Queen's Wharf and Waterfront Brisbane.
8 Settlement dates are provided on page 6 of this announcement.

Premium assets[9] comprise 66%[10] of our total asset portfolio by value, up from 51% as at June 2022. Furthermore, supported by our strategic and disciplined capital investments, on a proforma basis, the total value of our asset portfolio increased by 12.6%[10], and this is despite a net reduction of 12 retail assets, and a 20-basis point expansion in capitalisation rates[11].

Following the successful completion and launch of Chadstone's revitalised fresh food precinct, The Market Pavilion, and construction of a new 20,000 square metre, A-Grade office tower, One Middle Road, we were delighted 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 110,000 visitors per year, spanning family staycations, domestic and international tourists and commercial visitors.

Of particular note, the first stage opening of Chatswood Chase was successfully launched on 23 October 2025. Between opening date and the end of December 2025, Chatswood Chase welcomed 2.4 million visitors and in 2Q FY26, the asset generated $119 million in retail sales: both visitation and retail sales met expectations. This performance bodes well for the Stage 2 opening, which is on track to commence from 4Q FY26.

Housed in a magnificent retail mall and anchored by more than 20 luxury brands, the Stage 2 reopening will complete our reimagination of Chatswood Chase and solidify the asset's status as the most prominent, compelling and differentiated retail destination on Sydney's affluent north shore.

Maintaining our conservative and disciplined approach to managing our gearing and preserving our credit ratings continues to be a guiding principle when managing and deploying capital. Importantly, we have been able to make meaningful enhancements to our asset portfolio, while at the same time, ensuring gearing remains at the lower end of our 25%-35% target range, at 26.3%.

Also supporting our gearing was the 2.6%, or $407 million, uplift in total portfolio valuations in 1H FY26, representing the fourth consecutive six-month period, that the portfolio delivered net valuation growth.

Following several years of positive leasing and property management outcomes, income growth continued to be a meaningful driver of the net valuation gain. Meanwhile, in this period, lower capitalisation rates comprised $279m of the $407m net valuation gain, supported by market evidence and buoyant investor demand for retail assets. Encouragingly, capitalisation rate compression was observed across all retail asset segments, most notably across the Regional and Sub Regional asset segments.

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9 Vicinity's premium asset portfolio comprises Chadstone, Outlet Centres, CBDs and Premium shopping centres.

10 Adjusted for the stabilised value of completed Chadstone, Chatswood Chase and Galleria developments, acquisition of Uptown and the settlement of divestments announced in FY26 to date.

11 Capitalisation rate as at 31 December 2025 at 5.5% relative to 5.3% as at 30 June 2022.

In January 2025, Vicinity established a Distribution Reinvestment Plan (‘**DRP**’) as a potential alternate source of funding and flexibility for securityholders. The DRP will operate with respect to the FY26 interim distribution with a 1.0% discount to be applied. Further details were provided to the ASX today.

Operating environment and portfolio performance

The confluence of strengthening shopper confidence and capacity to spend, together with our active tenant remixing and enhanced retail asset portfolio, underpinned 4.2%[12] growth in total portfolio retail sales in 1H FY26 and notably, a 3% uplift in specialty sales productivity, to $13,425 per square metre.

Having observed robust retail sales growth in 2H FY25 (up 4.7%), we were pleased to see the positive momentum maintained in 1H FY26, with specialty and mini major retail sales up by 5.1%. On a MAT[13] basis, robust sales growth in 2H FY25 and in 1H FY26, underpinned a 120-basis point uplift in MAT growth to 4.9%.

Against this backdrop, our 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%, our Occupancy Cost Ratio provides opportunity for ongoing rent growth, especially in an environment of positive retail sales growth.

At 3.7% in 1H FY26 (1H FY25: 4.2%), comparable NPI growth reflects the continuation of strong portfolio metrics delivered by our Property Management and Leasing teams. Excluding new and increased taxes and levies, comparable NPI was up 4.1%.

The demand for quality, retail floorspace in strategically located premium retail assets is clearly showcased by the portfolio metrics delivered by our premium asset portfolio, with leasing spreads of +9.7%, and 5.3% growth in specialty and mini major retail sales.

Development update

Having made meaningful investments in 70% of our assets in the past five years, we have the capability and the willingness to invest in the vibrancy and quality of our asset portfolio. Ensuring continued investment in our assets is an important and ongoing discipline at Vicinity.

Investment in our assets continues to be a key differentiator and a source of competitive advantage, evidenced by our resilient income growth and portfolio valuation gains.

FY26 is an important year in terms of development completions and commencements.

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[12] 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.

[13] MAT refers to Moving Annual Turnover, which is a rolling 12-month measure of sales.

In addition to the delivery of Stage 2 opening at Chatswood Chase from 4Q FY26, construction is also progressing on the $240 million Galleria redevelopment (Vicinity share: $120 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.

Complementing the luxury experience at QueensPlaza, also on Queen Street Mall, our vision for Uptown is to introduce a retail, dining and entertainment offer that in many respects, mirrors that of Emporium, in Melbourne's CBD. Brisbane's CBD currently lacks a large scale, full price retail offer and we are confident that we have the blueprint to fill that gap.

Our intention to expedite the redevelopment of Uptown remains unchanged, with the project cost anticipated to be between $300-$350 million.

In the context of our mixed-use strategy, we are increasingly well-positioned to advance residential developments at Chatswood Chase and Bankstown Central in Sydney.

Given their strong alignment with 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.

While we are currently in the latter stages of concept design, our plans for Chatswood Chase contemplate 480 luxury apartments, spanning two separate sites adjacent to the retail mall and in total, comprise a total site area of approximately 3,800 square metres.

Currently, our plans for the initial phase of Bankstown Central contemplate >1,500 apartments, spanning a site area of ~23,700 square metres.

Relative to Bankstown Central and other assets in our portfolio earmarked for potential mixed-used development, at this stage, Chatswood Chase likely represents the most near-term opportunity.

While these mixed-use opportunities create the potential to unlock significant value at our assets, we continue to retain complete optionality in terms of how and when value is unlocked.

Conclusion

At Vicinity, delivering predictable and growing income for securityholders and at the same time, driving sustained capital growth remain at the core of our business decisions and investments.

For the past three years, we have been focused on increasing the momentum of execution across the organisation and ensuring that we are simultaneously working on immediate, medium, and long-term strategic priorities that support earnings resilience and sustained value accretion over time.

Our results to date continue to demonstrate our investment strategy is working as intended. We are curating a retail-anchored asset portfolio designed for sustained growth and long-term value creation.

VICINITY CENTRES

FY26 Earnings Guidance[14]

- FY26 FFO and Adjusted FFO per security expected to be around the top end of the guidance of 15.0-15.2 cents and 12.8-13.0 cents, respectively
- Vicinity expects its full year distribution payout ratio to be within the target range of 95%-100% of Adjusted FFO
- Comparable NPI growth expected to be c.3.5% in FY26 (previously, 3.0%)
- Development-related loss of rent[15] c.$25m in FY26 (FY27: c.$15m)
- Weighted average cost of debt in FY26 expected to be c.5.0% (FY25: 5.1%)
- Maintenance capital expenditure and leasing incentives of c.$100m
- Investment capital expenditure expected to be c.$400m (FY25: c.$350m)

Expected settlement dates of asset divestments announced in FY26 to date

- Gympie Central, Whitsunday Plaza and Armidale Central: February 2026
- Victoria Park Central: June 2026
- Ancillary land parcels: various dates

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This document should be read in conjunction with Vicinity's FY26 interim results presentation released to the ASX today. A briefing by management elaborating on this announcement will be webcast from 11.30am (AEDT) today and can be accessed via vicinity.com.au/investors.

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

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About Vicinity Centres
Vicinity Centres (Vicinity or the Group) is one of Australia's leading retail property groups with a fully integrated asset management platform, and $25 billion in retail assets under management across 52 shopping centres, making it the second largest listed manager of Australian retail property. The Group has a Direct Portfolio with interests in 51 shopping centres (including the DFO Brisbane business) and manages 26 assets on behalf of Strategic Partners. Vicinity is listed on the Australian Securities Exchange (ASX) under the code 'VCX' and has c.20,000 securityholders. Vicinity also has European medium term notes listed on the ASX under the code 'VCD'. For more information visit vicinity.com.au or scan the QR code.

[14] Guidance assumes no material deterioration in economic conditions.
[15] Estimated lost rent is based on the development pipeline shown on slide 27 of Vicinity's FY26 interim results presentation.