



ASX Announcement

1 June 2023

Vicinity Centres divests 50% interest in Broadmeadows Central at premium to book value

Vicinity Centres (**'Vicinity'**, ASX:VCX) today announced it has exchanged unconditional contracts to sell a 50% interest in the shopping centre at Broadmeadows Central¹ (**'Broadmeadows Central'**) in Victoria to Melbourne-based Nikos Property Group (**'Nikos'**) for \$134.5 million, representing a premium to 31 December 2022 book value². The sale is expected to settle on 30 June 2023.

Under the agreement with Nikos, Vicinity will continue to provide centre management and leasing services at Broadmeadows Central, as well as managing any future potential development activity.

Vicinity's CEO and Managing Director, Mr Peter Huddle, said: "We are delighted to further strengthen our strategic partnership with Nikos by adding Broadmeadows Central to our existing joint interest in Colonnades Shopping Centre in South Australia. We are confident that our collective expertise in retail property investment will drive sustained returns for both parties.

"In the immediate term, the sale will further strengthen our balance sheet with the proceeds expected to be used to repay bank debt, resulting in a circa 70 basis point reduction in gearing. The transaction is not expected to have a material impact on earnings.

"At Vicinity, we have an active investment program where we are recycling and allocating capital to fund accretive retail and mixed-use developments and acquiring premium, destination assets aligned with our strategy. Divesting interests in selected assets where we can realise attractive pricing enables us to execute our long-term growth priorities and deliver securityholder value whilst maintaining our flexible balance sheet and strong credit metrics."

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Authorisation

Vicinity's Disclosure Committee has authorised that this document be given to ASX.

¹ Broadmeadows Central comprises the main shopping centre and the Homemaker Centre. The sale does not include any interest in the Homemaker Centre, with Vicinity retaining 100% ownership of that centre.

² As at 31 December 2022, Broadmeadows Central was valued at \$276.7 million (100% interest and including the Homemaker Centre) with a capitalisation rate of 6.68%.

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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 \$24 billion in retail assets under management across 60 shopping centres, making it the second largest listed manager of Australian retail property. The Group has a Direct Portfolio with interests in 59 shopping centres (including the DFO Brisbane business) and manages 29 assets on behalf of Strategic Partners, 28 of which are co-owned by the Group. Vicinity is listed on the Australian Securities Exchange (ASX) under the code 'VCX' and has 25,000 securityholders. Vicinity also has European medium term notes listed on the ASX under the code 'VCD'. For more information visit vicinity.com.au or use your smartphone to scan this QR code.