

ASX Announcement

12 October 2021

Vicinity Centres strengthens its outlet portfolio with acquisition of 50% interest in Harbour Town Premium Outlets Gold Coast

Vicinity Centres (Vicinity, ASX:VCX) today announced it has reached conditional agreement to acquire a 50% interest in Harbour Town Premium Outlets Gold Coast (**'Harbour Town'**) in Queensland from Australian Prime Property Fund Retail (a wholesale fund managed by Lendlease) for \$358 million.

Lewis Land Group (**'LLG'**) will retain its 50% interest in the asset and will continue to manage the property whilst Vicinity will undertake all leasing activity.

The acquisition is conditional upon LLG waiving their pre-emptive right to purchase as co-owner of Harbour Town.

Acquisition highlights

- Harbour Town bolsters Vicinity's market share leadership in Australia's growing outlet centre category
- Anchored by a national supermarket, Harbour Town is a hybrid centre with premium outlet and convenience retail and a cinema and lifestyle proposition
- Opportunity to leverage Vicinity's retail partnerships to introduce new brands and enhance rental income
- Potential to elevate the centre with more defined outlet, food/convenience and leisure precincts
- Located in an attractive trade area with strong retail expenditure growth forecast and large-scale infrastructure investment planned
- Acquisition price reflects capitalisation rate of 5.0%
- Acquisition expected to be FFO¹ and AFFO¹ per security accretive in FY22
- Acquisition to be funded by existing debt facilities with gearing to increase by circa 210bps
- Settlement planned for 30 November 2021

Mr Grant Kelley, CEO and Managing Director, said: "Today's announcement reflects our strategy to invest in premium retail assets where we can buy well and add value. Harbour Town is located in an attractive trade area and the centre's annual MAT is more than double the average MAT for Vicinity's current outlet portfolio and is expected to grow at more than 3% per annum to 2031²."

In summary, Mr Kelley said, "We will continue to optimise our asset portfolio by actively considering acquisition opportunities where we can add value as well as divestment opportunities that make strong strategic and economic sense for Vicinity and its securityholders."

¹ Funds From Operations (**'FFO'**) and Adjusted Funds From Operations (**'AFFO'**).

² Urbis forecasts.

Vicinity Centres

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As responsible entity for:
Vicinity Centres Trust ARSN 104 931 928

The table below provides an overview of Harbour Town.

Harbour Town	
Composition	2 Majors – Woolworths and Reading Cinemas
	17 Mini Majors
	189 Specialties; 7 Kiosks and 8 Offices
	1 Pad site and 1 ATM
Ownership	Freehold
Site area	223,000 sqm
Car spaces	3,022 spaces
GLA centre	55,693 sqm
Occupancy (by area)	98.7%
Centre foot traffic	8.3 million people p.a.
Opened/expanded	1999/2019

Mr Grant Kelley, CEO and Managing Director has authorised this document be given to 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 \$22 billion in retail assets under management across 61 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 30 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 over 28,000 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.