

APPENDIX 4E

Annual Financial Report for the year ended 30 June 2026

Name of Entity: Charter Hall Retail REIT
ARSN: 093 143 965

Results for announcement to the market

	12 months to 30 June 2026 \$m	12 months to 30 June 2025 \$m	Variance (%)
Revenue ¹	176.9	198.0	(10.7%)
Profit from ordinary activities attributable to members	389.4	218.3	78.4%
Operating earnings ²	153.4	147.5	4.0%

¹ The composition of revenue is detailed in the Consolidated statement of comprehensive income of the annual financial report.

² Operating earnings is a non-IFRS financial measure which represents statutory profit adjusted for non-operating items that are either non-recurring or non-cash or both. The table disclosed in Note A2(b) of the attached financial statements present these adjustments which can include items such as net fair value movements and non-cash accounting adjustments such as straight lining of rental income and amortisations. The inclusion of operating earnings as a measure of the REIT's profitability provides investors with the same basis that is used internally for evaluating operating segment performance. Operating earnings is used by the Board to make strategic decisions and as a guide to assessing an appropriate distribution to declare.

	12 months to 30 June 2026 cents per unit	12 months to 30 June 2025 cents per unit	Variance (%)
Basic earnings per unit	67.00	37.56	78.4%
Operating earnings per unit	26.39	25.38	4.0%

Details of Distributions

Distributions for period ended	Payment date	12 months to 30 June 2026 cents per unit	12 months to 30 June 2025 cents per unit
30 September	28 November 2025	6.35	
31 December	27 February 2026	6.40	12.30
31 March	29 May 2026	6.35	
30 June	28 August 2026	6.40	12.40
Total		25.50	24.70
Record date for determining entitlements to the 30 June 2026 distribution			30 June 2026

Refer attached financial statements (Directors Report and Note A3: *Distributions and earnings per unit*).

The REIT recorded a statutory profit for the year of \$389.4 million (2025: \$ 218.3 million). Operating earnings for the year were \$153.4 million (2025: \$147.5 million), and a distribution of \$148.2 million (25.50 cents per unit) was declared for the same period (2025: \$143.6 million, 24.70 cents per unit).

The increase in the REIT's operating earnings was driven by higher net property income from the stable like for like portfolio, together with favourable impact of transactions, offset by increased finance costs.

A reconciliation of the REIT's operating earnings to statutory profit is provided in Note A2 of the attached financial statements.

Details of Distribution Reinvestment Plan

The REIT has established a Distribution Reinvestment Plan (DRP) under which unitholders may elect to have all or part of their distribution entitlements satisfied by the issue of new units rather than being paid in cash.

The DRP issue price is determined at a discount of 1.0% to the daily average of the volume weighted average market price of units traded on the ASX during the 15 business days commencing on the third business day following the distribution record date. The DRP was not active during the year ended 30 June 2026.

Statement of Undistributed Income

Refer attached financial statements (Consolidated statement of changes in equity).

Net Tangible Assets

	30 June 2026	30 June 2025
Net tangible asset backing per unit ¹	5.03	4.64

¹ Under the listing rules NTA Backing must be determined by deducting from total tangible assets all claims on those assets ranking ahead of the ordinary securities (i.e. all liabilities, preference shares, outside equity interest etc.)

Control gained or lost over entities during the year

Refer to attached financial statements (Note D6: *Interest in other entities*).

Details of Associates and Joint Venture entities

Refer attached financial statements (Note B2: *Investments accounted for at fair value through profit or loss*).

Other significant information

Refer attached financial statements (Directors Report).

Accounting standards used by foreign entities

International Financial Reporting Standards.

Significant features of operating performance

Refer attached financial statements (Directors Report).

Reconciliation of operating profits to statutory profit

Refer attached financial statements (Note A2: *Segment information*).

Segment results

Refer attached financial statements (Note A2: *Segment information*).

Performance trends

Refer attached financial statements (Directors Report).

Other factors

Refer attached financial statements (Directors Report).

Audit

This report is based on accounts to which one of the following applies.

☒	The accounts have been audited (refer attached financial statements).	☐	The accounts have been subject to review (refer attached financial statements).
☐	The accounts are in the process of being audited or subject to review.	☐	The accounts have not yet been audited or reviewed.

For personal use only

Charter Hall Retail REIT

ARSN 093 143 965

Directors' report and financial report

For the year ended 30 June 2026



Important Notice

Charter Hall Retail Management Limited ABN 46 069 709 468; AFSL 246996 (CHRML) is the Responsible Entity of Charter Hall Retail REIT ARSN 093 143 965 (REIT). CHRML is a controlled entity of Charter Hall Limited ABN 57 113 531 150 (Charter Hall). The REIT is domiciled in Australia. The registered office of the REIT is Level 20, No.1 Martin Place, Sydney NSW 2000.

Past performance is not a reliable indicator of future performance. Due care and attention have been exercised in the preparation of forecast information; however, forecasts, by their very nature, are subject to uncertainty and contingencies, many of which are outside the control of CHRML. Actual results may vary from forecasts and any variation may be materially positive or negative.

This report has been prepared for general information purposes only and is not an offer or invitation for subscription or purchase of, or recommendation of, securities. It does not take into account the investment objectives, financial situation or needs of any investor. Before investing, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

CHRML does not receive fees in respect of the general financial product advice it may provide; however, CHRML or controlled entities of Charter Hall will receive fees for managing the assets of, providing resources to, and operating the REIT which, in accordance with the REIT's constitution, are calculated by reference to the value of the assets and the performance of the REIT. Charter Hall and its related entities, together with their officers and directors, may hold securities in the REIT from time to time.

Contents

Directors' report	4
Auditor's independence declaration	17
Consolidated statement of comprehensive income	18
Consolidated balance sheet	19
Consolidated statement of changes in equity	20
Consolidated cash flow statement	21
About this report	22
A. REIT performance	23
B. Property portfolio assets	27
C. Capital structure and financial risk management	32
D. Further information	40
Directors' declaration to unitholders	49
Independent auditor's report	50

Directors' report

The Directors of Charter Hall Retail Management Limited (Responsible Entity or CHRML), the Responsible Entity of Charter Hall Retail REIT, present their report together with the consolidated financial statements of Charter Hall Retail REIT and its controlled entities (together, the REIT or CQR) for the year ended 30 June 2026.

Principal activities

The principal activity of the REIT during the year was property investment. There were no significant changes in the nature of the REIT's activities during the year.

Directors

The following persons have held office as Directors of the Responsible Entity during the year and up to the date of this report, unless otherwise stated:

- Roger Davis - Chair and Non-Executive Director
- Sue Palmer - Non-Executive Director and Chair of Audit, Risk and Compliance Committee
- Michael Gorman - Non-Executive Director
- Lianne Buck - Non-Executive Director (appointed 14 February 2025, resigned 4 July 2025)
- Paul Craig - Non-Executive Director (appointed 4 July 2025)
- David Harrison - Executive Director and Managing Director/Group CEO of Charter Hall Group
- Ben Ellis - Executive Director and Fund Manager/Retail CEO of Charter Hall Group

Distributions

Distributions paid or declared by the REIT to unitholders:

	2026		2025	
	Cents per security	\$'m	Cents per security	\$'m
30 September	6.35	36.9	-	-
31 December	6.40	37.2	12.3	71.5
31 March	6.35	36.9	-	-
30 June*	6.40	37.2	12.4	72.1
Total distributions	25.5	148.2	24.7	143.6

* A liability has been recognised in the consolidated financial statements as the final distribution had been declared at the balance date.

From 1 July 2025, the REIT moved from half yearly to quarterly distributions. Distributions for each quarter will be paid in November, February, May and August each year.

Distribution Reinvestment Plan

The REIT has established a Distribution Reinvestment Plan (DRP) under which unitholders may elect to have all or part of their distribution entitlements satisfied by the issue of new units rather than being paid in cash.

The DRP issue price is determined at a discount of 1.0% to the daily average of the volume weighted average market price of units traded on the ASX during the 15 business days commencing on the third business day following the distribution record date. The DRP was not active during the year ended 30 June 2026.

Directors' report (continued)

Review and results of operations

A new accounting standard AASB 18 *Presentation and Disclosure in Financial Statements* will come into effect, with mandatory adoption required from January 2027.

The REIT has decided to early adopt AASB 18 to enhance financial performance information in relation to the income generated from investments in joint ventures and associates. The REIT has elected to fair value its investments.

This resulted in changes to the REIT's prior year comparatives, presenting the reclassification of investments accounted for using the equity method to investments accounted for at fair value within non-current assets.

The disclosure of the impact of this change is presented in Note D9 of the financial statements.

The 30 June 2026 financial results are summarised as follows:

	2026	2025
Revenue (\$ millions)*	176.9	198.0
Statutory profit (\$ millions)*	389.4	218.3
Basic earnings per unit (cents)*	67.00	37.56
Operating earnings (\$ millions)	153.4	147.5
Operating earnings per unit (cents)	26.39	25.38
Distributions (\$ millions)	148.2	143.6
Distributions per unit (cents)	25.50	24.70
* June 2026 results reflect the early adoption of AASB 18. Prior periods have been retrospectively restated. Refer to Note D9.		
Total assets (\$ millions)	4,566.3	4,288.3
Total liabilities (\$ millions)	1,641.4	1,594.1
Net assets attributable to unitholders (\$ millions)	2,924.9	2,694.2
Units on issue (millions)	581.2	581.2
Net assets per unit (\$)	5.03	4.64
Balance sheet gearing - total debt (net of cash and derivatives) to total assets (net of cash and derivatives)	34.2%	32.5%

The REIT recorded a statutory profit for the year of \$389.4 million (2025: \$218.3 million). Operating earnings for the year were \$153.4 million (2025: \$147.5 million).

The table below sets out income and expenses that comprise operating earnings on a look through basis (including the REIT's share of joint ventures and associates):

	2026	2025
Net property income	278.5	255.1
Other income	6.4	4.5
Management fees	(19.8)	(18.5)
Finance costs	(106.9)	(89.2)
Other expenses	(4.8)	(4.4)
Operating earnings	153.4	147.5

Operating earnings is a non-IFRS financial measure which represents statutory profit adjusted for non-operating items that are either non-recurring or non-cash or both. The table on the following page presents these adjustments which can include items such as net fair value movements and non-cash accounting adjustments such as straight lining of rental income and amortisations.

The inclusion of operating earnings as a measure of the REIT's profitability provides investors with the same basis that is used internally for evaluating operating segment performance. Operating earnings is used by the Board to make strategic decisions and as a guide to assessing an appropriate distribution to declare.

The increase in the REIT's operating earnings was driven by higher net property income from the stable like for like portfolio, together with favourable impact of transactions, offset by increased finance costs.

Directors' report (continued)

A reconciliation of operating earnings to statutory profit on a look through basis (including the REIT's share of joint ventures and associates) is set out below:

	2026 \$'m	2025* \$'m
Operating earnings	153.4	147.5
Net revaluation gain on investment properties	304.8	144.1
Straight lining of rental income and amortisation of incentives	(11.0)	(16.9)
Acquisition and disposal related costs	(87.5)	(15.8)
Net gain/(loss) on derivative financial instruments	35.1	(36.6)
Other	(5.4)	(4.0)
Statutory profit for the year	389.4	218.3

* June 2026 results reflect the early adoption of AASB 18. Prior periods have been retrospectively restated. Refer to Note D9.

Property Valuations

External valuations were conducted for 100% of the REIT's portfolio during the year, including joint ventures and associates, with 71% of properties being valued at 30 June 2026. Over the 12 months to 30 June 2026 the REIT's portfolio valuation (including the REIT's share of joint venture and associate entities) increased by \$304.8 million due to wholly owned valuations increasing by \$140.7 million and joint venture and associate entity valuations increasing by \$164.1 million.

Significant changes in the state of affairs

During the year, the REIT continued its disciplined portfolio curation strategy by investing in new accretive opportunities while divesting assets as detailed below. This has seen an increase by income over the period in convenience net lease retail to represent 49% (June 2025: 35%) of the total portfolio, with shopping centres now representing 51% (June 2025: 65%).

Charter Hall Convenience Retail Fund (CCRF)

CCRF is a wholesale pooled fund with a net asset balance of \$2.7 billion comprising 24 metro shopping centres and 15 metro Bunnings assets. As at 30 June 2026, CQR held a \$441.2 million investment reflecting an interest of 16.1%.

CQR has sold a number of metro convenience retail shopping centres to CCRF since its inception in 2025, in addition to its holdings in Charter Hall Retail Partnership No.1 Trust (49.9%), Charter Hall Retail Partnership No.2 Trust (49.9%) and Charter Hall Retail Partnership No.6 Trust (19.9%), totalling \$915.6 million.

In May 2026, CQR exchanged on the divestment of a further three wholly owned metro convenience retail shopping centres to CCRF for \$210.3 million, with settlement in July 2026. These assets are classified as held for sale at 30 June 2026.

Acquisitions

During the year, the REIT acquired five net lease assets totalling \$201.5 million and three convenience retail shopping centres totalling \$250.2 million.

The REIT also upweighted its investment in Energy and Convenience (Ampol and BP Australia portfolios) for a total of \$219.2 million.

Disposals

During the year, the REIT sold two convenience retail shopping centres for \$138.2 million.

Debt arrangements and hedging

In February 2026, the REIT successfully refinanced its unsecured debt platform, entering into a new \$1.6 billion secured debt platform across eight lenders. This included extinguishment of the existing USPP facility and associated Cross Currency Interest Rate Swap. The refinance extends the weighted average debt maturity to 4 years and reduces the REIT's debt margins by 40 basis points, along with greater financial flexibility afforded by an enhanced covenant package.

For personal use only

Directors' report (continued)

Business strategies and prospects

The REIT's strategy is to provide investors with a resilient and growing income stream from convenience retail property, through the ownership of convenience shopping centres and convenience net lease retail properties. When acquiring these properties, the REIT's investment criteria includes the following considerations:

- exposure to predominantly non-discretionary retailing;
- investing in regions with sound, long term demographic growth;
- consideration of the geographic diversity of the REIT's portfolio;
- the resilience of the income to be generated from the property; and
- potential future value adding opportunity.

The shopping centres in the portfolio typically range in area up to 25,000sqm and have capital and income growth potential. The convenience net lease retail properties in the portfolio have long triple net leases to major convenience retailers, with contracted rental increases predominately linked to consumer price inflation. The REIT aims to maintain and enhance the portfolio through active asset and property management and to proactively manage its equity and debt.

The REIT has a target gearing range of 30-40% for the convenience retail shopping centre portfolio and 40-50% for the convenience retail net lease portfolio. It has a target interest cover ratio of at least 2.5 times.

The material business risks faced by the REIT that are likely to have an effect on its financial performance are set out below. A dedicated risk and compliance team is responsible for the ongoing review and monitoring of compliance and risk management systems. The Board regularly reviews material risks to ensure they remain within the REIT's agreed risk appetite.

For personal use only

Directors' report (continued)

Risk		Description	Mitigation
External Risks	Property cycle risk and adverse market or economic conditions	Failure to insulate against property cycle downturns and slowing economic conditions may have an impact on asset values and investor returns.	The REIT ensures it consistently delivers on strategy with a focus on non-discretionary convenience retail across shopping centres and net lease retail assets with contracted growth attributes. The REIT undertakes a detailed annual strategic review for all assets to inform recycling of capital into new areas and formal exit strategies for investments.
	Structural change in retail	Disruptive competitors and changing retail spend behaviours may have an impact on key tenants and on marginal tenancies. This may impact space requirements from tenants. Changing technology is changing tenant and shoppers' expectations.	By undertaking ongoing due diligence including demographics, catchments, and competitor threats and by leveraging consultant expertise, the REIT ensures that it remains informed of market changes.
	Geopolitical risks materially disrupt supply chains	Geopolitical unrest disrupts supply chains causing increased costs and delays in timing to complete capital works and developments.	The REIT ensures it takes into account potential disruptions in supply chains by establishing timetables for delivery and partnering with high quality suppliers.
	Tenant covenant risk	Deterioration in the financial strength or trading performance of key tenants may result in tenant default, rental arrears, vacancy, increased leasing costs and reduced property income. Economic uncertainty, changing consumer behaviour and industry-specific challenges may adversely affect tenant covenant quality and the REIT's earnings and asset values.	The REIT actively monitors the financial performance and covenant strength of key tenants through regular portfolio reviews and engagement with tenants. REIT maintains a diversified tenant base across industries and geographies and seeks to mitigate concentration risk through leasing strategies and asset diversification. Potential covenant risks are identified early to support proactive lease management, renewal strategies and contingency planning where appropriate.
Financial Risks	Debt and equity capital management	Effective capital management is required to meet the REIT's ongoing liquidity and funding requirements. The inability to raise new capital to pursue growth opportunities or to raise replacement capital at challenging points in the debt or equity markets cycle is a key risk.	The REIT mitigates these risks by implementing its debt diversity strategy combined with regular monitoring and reporting on debt covenants and stress testing of liquidity positions. Furthermore, the REIT actively manages debt tenor to mitigate liquidity risk in debt markets. The REIT has demonstrated strong performance, equity raising track record and access to diversified equity partners across sources.
		A relationship breakdown or termination of a joint venture partnership may result in reputational or financial damage.	The REIT manages its relationships with its partners through investment agreements, including investment committee oversight of all key decisions with structured and pre-agreed reporting. The REIT has no financial covenants that are linked to the activities of joint ventures and associates which have their own financial commitments or borrowings, nor is there any recourse or cross-default to the REIT.

For personal use only

Directors' report (continued)

Risk		Description	Mitigation
	Interest rates	Rising interest rates driven by inflation may adversely impact the REIT by increasing finance costs and impacting the amount the REIT has available to distribute to investors.	The REIT has a Treasury Risk Management Policy which includes policies and controls to minimise the impact of fluctuating interest rates on the REIT's financial performance. The REIT enters into interest rate swaps in order to provide more certainty for the REIT's finance costs.
Operational Risks	Work, health and safety (WHS) obligations, critical safety incident or significant crisis	The REIT has a commitment to promote and protect the health, safety and wellbeing of its people, customers, contractors and all users of the REIT's assets.	The Group WHS Manager collaborates closely with retail property management teams to ensure the roll-out of enhanced contractor registration/on-boarding platforms, incident notification platform, ongoing risk audits and training of centre teams regarding incident response and management. To focus the REIT's efforts on the eradication of modern slavery in its supply chain the REIT has adopted the Modern Slavery Statement (Australian Modern Slavery Act 2018) and published its fifth statement with supply chain spend by category.
	Technology and cyber security	There is increasing sophistication of cyber-attacks, particularly denial of service impact on building management security. A reportable data breach may result in adverse impact on reputation and/or financial penalty.	The cyber security strategy and program continues with external validation and yearly review of IT policies against best practice. The REIT undertakes annual penetration tests against critical systems and properties and has brought all critical systems under IT General Controls (ITGC) including regular user access reviews. The REIT's internal audit includes risk identification and assessment for new platforms. The REIT also has a formal cyber insurance policy which covers incident remediation costs.
	Artificial intelligence (AI)	Gaps in governance, oversight or adoption of artificial intelligence may result in errors, inaccurate outputs, inappropriate decision-making, privacy breaches or regulatory non-compliance, which could adversely impact investors, customers, employees, operations or the REIT's reputation.	The REIT maintains an AI governance framework, including policies, standards and oversight processes governing the use of artificial intelligence. New AI use cases are subject to risk and compliance review, with appropriate human oversight and accountability for key decisions. The REIT ensures training is provided to employees on the responsible use of AI and regularly reviews emerging regulatory developments, risks and controls to ensure AI technologies are used safely, ethically and in accordance with applicable laws and internal policies.
	Organisational culture and conduct	The REIT's ongoing success depends on its ability to attract, engage and retain a motivated and high-performing workforce to deliver its strategic objectives and an inclusive culture that supports its values.	The REIT receives management services from Charter Hall which has a Code of Conduct that covers all employees and undertakes consistent messaging and tone at the top regarding behaviour. Charter Hall also has a formal Whistleblower Policy in place and process to obtain regular employee feedback on culture and behaviours which is used to inform management decisions.

For personal use only

Directors' report (continued)

Risk		Description	Mitigation
Environmental	Climate change	There is an increasing interest and expectation amongst investor groups to disclose on climate related risks and opportunities and their potential impact on business strategy and financial performance.	The REIT will be required to report climate related financial information in the future under the Corporations Act and the Australian Accounting Standards Board S2 Climate related disclosure. During the year, the REIT matured its understanding of the impacts of climate related risks and opportunities on the REIT's financial position, financial performance and cash flows. The REIT is aligned with the Charter Hall Group ambition of Net Zero (Scope 1, 2 and 3) by 2050 and internal target of 50% reduction in Scope 3 downstream tenant emission intensity by 2030. The REIT's transition plan is focussed on energy efficiency, electrification, transition to climate friendly refrigerants, solar and battery solutions, and partnering with tenants on renewable electricity. The REIT has identified the impact of a changing climate on the portfolio between now and 2100, for the climate perils of flood, heat stress, extreme rainfall, sea level rise, water scarcity, wildfire, windstorm and cold spell, and is currently identifying adaptation measures for inclusion in strategic asset planning.
	AFSL compliance	CHRM is required to comply with Australian Financial Services Licence (AFSL) requirements. It does this through the REIT's established policies and frameworks.	Regular compliance reporting is undertaken to Audit, Risk and Compliance Committee (ARCC) including mandatory annual compliance training requirements for all employees. In addition, the REIT has formalised compliance committees with annual external audit of compliance plans.
Regulatory	Management of conflicts of interest	Inadequate management of tenant and acquisition conflicts may arise between Charter Hall managed funds or related party transactions may be inappropriately managed. There is also a risk that the REIT fails to pay market rate for related party services.	Conflict of interest protocols are embedded in the business including annual declarations from all employees and directors, board reporting/approval for all related party transactions. The REIT has in place a compliance plan including oversight of conflict of interest/related party protocols and formalised asset allocation protocols.

For personal use only

Directors' report (continued)

Events occurring after balance date

In July 2026, three wholly owned convenience retail shopping centres were sold to CCRF for \$210.3 million. The REIT also settled on the acquisition of one shopping centre and one net lease asset totalling \$81.8 million.

The Directors of the Responsible Entity are not aware of any other matter or circumstance not otherwise dealt with in this report or the annual consolidated financial statements that has significantly affected or may significantly affect the operations of the REIT, the results of its operations or the state of affairs of the REIT in future financial years.

Likely developments and expected results of operations

The consolidated financial statements have been prepared on the basis of current known market conditions. The extent to which a potential deterioration in either the capital or property markets that may have an impact on the results of the REIT is unknown. Such developments could influence property market valuations, the ability to raise or refinance debt and the cost of such debt, or the ability to raise equity.

At the date of this report and to the best of the Directors' knowledge and belief, there are no other anticipated changes in the operations of the REIT which would have a material impact on the future results of the REIT. Property valuation changes, movements in the fair value of derivative financial instruments and movements in interest rates may have a material impact on the REIT's results in future years.

Indemnification and insurance of Directors, officers and auditor

During the year, the REIT, pursuant to Article 19 of its constitution, contributed to the premium for a contract to insure all Directors, secretaries, executive officers and officers of the REIT and of each related body corporate of the REIT with the balance of the premium paid by Charter Hall Group and funds managed by members of Charter Hall Group. The insurance does not provide cover for the independent auditors of the REIT or of a related body corporate of the REIT. In accordance with usual commercial practice, the insurance contract prohibits disclosure of details relating to the nature of the liabilities covered by the insurance, the limit of indemnity and the amount of the premium paid under the contract.

Provided the officers of the Responsible Entity act in accordance with the REIT's constitution and the *Corporations Act 2001*, the officers are indemnified out of the assets of the REIT against losses incurred while acting on behalf of the REIT. The REIT indemnifies the auditor (Ernst & Young) against any liability (including legal costs) for third party claims arising from a breach by the REIT of the auditor's engagement terms, except where prohibited by the *Corporations Act 2001*.

Fees paid to, and interests held in the REIT by, the Responsible Entity or its associates

Base fees of \$16.3 million (2025: \$16.0 million) were paid or are payable to the Responsible Entity or its associates for the services provided during the year, in accordance with the REIT's constitution as disclosed in Note D1 to the consolidated financial statements.

The interests in the REIT held by the Responsible Entity or its associates as at 30 June 2026 and fees paid to its associates during the year are disclosed in Note D1 to the consolidated financial statements.

For personal use only

Directors' report (continued)

Environmental regulations

The operations of the REIT are subject to environmental regulations under Commonwealth, State and Territory legislation in relation to property developments and the ownership of petrol stations.

Under the lease agreements for the petrol stations owned by the REIT, any environmental exposures are the responsibility of the tenant, and the REIT is indemnified against any losses resulting from environmental contamination.

In relation to the property developments, the REIT is obliged to ensure all works carried out under any development approval comply with that approval as well as any further relevant statutory requirements. The REIT ensures that contracts it enters into with builders for its developments stipulate that the builder must:

- (a) ensure that in carrying out the contractor's activities:
 - (i) it complies with all statutory requirements and other requirements of the contract for the protection of the environment;
 - (ii) it does not pollute, contaminate or otherwise damage the environment; and
 - (iii) its subcontractors comply with the requirements referred to in the contract;
- (b) make good any pollution, contamination or damage to the environment arising out of, or in any way in connection with, the contractor's activities, whether or not it has complied with all statutory requirements or other requirements of the contract for the protection of the environment; and
- (c) indemnify the REIT to the full extent permitted by law against:
 - (i) any liability to or a claim by a third party; and
 - (ii) all fines, penalties, costs, losses or damages suffered or incurred by the REIT, arising out of or in connection with the contractor's breach of the contract.

Approvals for property developments are required under various local, State and Territory environmental laws.

To the best of the Directors' knowledge, the operations of the REIT have been undertaken in compliance with the applicable environmental regulations in each jurisdiction where the REIT operates.

Directors' report (continued)

Information on current Directors

Director	Experience	Special responsibilities	Interest in units of the REIT
Roger Davis	Roger joined the Board of CQR on 7 June 2018 and was appointed Chair of the Board on 13 November 2018. Roger brings over 35 years' experience in banking and investment banking in Australia, the US and Japan and is currently a Consulting Director at Rothschild (Australia) Limited. In his career as a senior executive, Roger was a Managing Director at Citigroup, where he worked for over 20 years in Australia, Japan and the US. More recently, he was a Group Managing Director at ANZ Banking Group responsible for all the Commercial, Investment and Institutional Banking activities. Roger has a Bachelor of Economics (Hons) from the University of Sydney and a Master of Philosophy from Oxford. He is also a qualified CPA. Current listed directorships: Navigator Global Investment Limited (ASX:NGI) Former listed directorships in the last three years: Argo Investments Limited (ASX:ARG)	Chair of Board of Directors, Member of Audit, Risk and Compliance Committee	83,895
Sue Palmer	Sue joined the Board of CQR on 10 November 2015. With more than 40 years' corporate and finance experience, Sue is a professional non-executive director and held senior finance roles across a range of diversified industries during her executive career. During her executive career and subsequently, Sue has held a number of non-executive director roles on ASX listed, government and private company boards. Sue has a Bachelor of Commerce from the University of Queensland. She is a Chartered Accountant and Fellow of the Australian Institute of Company Directors. Current listed directorships: Nil Former listed directorships in last three years: Nil	Chair of Audit, Risk and Compliance Committee	10,000

For personal use only

Directors' report (continued)

Director	Experience	Special responsibilities	Interest in units of the REIT
Michael Gorman	Michael joined the Board of CQR on 10 November 2016. Michael brings more than 30 years' extensive experience in both real estate and the public equity and debt markets. In his 11 years with Novion Property Group, an ASX top 50 entity, and its predecessors, Michael held a number of executive positions including Deputy Chief Executive Officer, Chief Investment Officer and Fund Manager. In these roles, Michael was directly responsible for raising several billion dollars in equity on the Australian Securities Exchange and corporate bonds in the domestic and US markets. Michael is the Chair of Charter Hall Convenience Retail Limited, which is the trustee of Charter Hall Convenience Retail Fund. Michael is also a Non-Executive Director of Adelaide Airport Limited, the Chair of its Property, People & Culture Committee and a member of the Infrastructure, Remuneration and Audit & Compliance Committees. Michael completed the Advanced Management Programme at INSEAD, France, holds an MBA from the Australian Graduate School of Management of UNSW, a Bachelor of Science (Architecture) UNSW, and a Bachelor of Architecture (First Class Honours, University Medal) at UNSW. Michael is a Fellow of the Australian Institute of Company Directors, a Fellow of the Australian Property Institute and a Fellow of the Royal Society of Arts. Current listed directorships: Nil Former listed directorships in last three years: Nil	Member of Audit, Risk and Compliance Committee	42,769
Paul Craig	Paul joined the Board of CQR on 4 July 2025. Paul brings more than 30 years' experience in commercial industrial and retail investments and was most recently the CEO of Savills Australia & New Zealand, a role he held since 2016. Prior to being appointed as CEO, Paul was the Head of Cross Border Investments and Managing Director of Savills Western Australia and Capital Transactions for 15 years. Paul commenced his retail property management experience with Colliers Jardine and his successful track record spans commercial, industrial, and retail transactions, including as Head of Property Management at both Savills and Colliers WA. Paul holds a Diploma of Property from TAFE NSW. Current listed directorships: Nil Former listed directorships in last three years: Nil	Member of Audit, Risk and Compliance Committee	34,800

For personal use only

Directors' report (continued)

Director	Experience	Special responsibilities	Interest in units of the REIT
David Harrison	David joined the Board of CQR on 1 March 2010. David has over 30 years' property market experience across office, retail and industrial sectors in multiple geographies globally. As Charter Hall's Managing Director and Group CEO, David is responsible for strategically growing the business and maintaining its position as a multi-core sector market leader. David is an executive member of various Charter Hall Fund Boards and Partnership Investment Committees, and Chair of the Executive Property Valuation Committee and Executive Leadership Committee. David has overseen the growth of the Charter Hall Group from a fund manager with \$500 million of assets under management when it listed on the ASX in 2005, to today being the largest diversified property fund manager in Australia. David remains driven to achieve excellence and create a positive impact – giving back to the communities that Charter Hall operates in, and protecting and growing the retirement savings of those investing either directly or indirectly in the company – ensuring every one of Charter Hall's stakeholders benefits through the firm's integrity, discipline and ability to add more value. David is the Chair of the Property Council of Australia Nominations and Financial Management Committees. David is also a member of the Property Council Australia Champions of Change Coalition. David holds a Bachelor of Business Degree (Land Economy) from the University of Western Sydney, is a Fellow of the Australian Property Institute (FAPPI), holds a Graduate Diploma in Applied Finance from the Securities Institute of Australia and received an Honorary Doctorate from Western Sydney University in 2026. Current listed directorships: Charter Hall Group (ASX: CHC) Charter Hall Long WALE REIT (ASX: CLW) Former listed directorships in last three years: Nil	Nil	235,356
Ben Ellis	Ben joined the Board of CQR on 17 January 2022. Ben brings more than 28 years' experience in the property market, and with that, a deep knowledge of Charter Hall's business. As Fund Manager of the Charter Hall Retail REIT and Charter Hall's Retail CEO, Ben is responsible for all management aspects of the Retail Funds Management platform to deliver value creation within the retail portfolio and optimise returns for our investors. Prior to becoming the Retail CEO, Ben held several roles with Charter Hall including the Head of Retail Wholesale and Head of Capital Transactions, overseeing more than \$25 billion of gross transactions across all sectors. Ben holds a Bachelor of Applied Science, Property Economics from Queensland University of Technology. Current listed directorships: Nil Former listed directorships in last three years: Nil	Nil	133,940

For personal use only

Directors' report (continued)

Meetings of Directors

Name	Full meetings of Directors		Meetings of Audit, Risk and Compliance Committee	
	Eligible to attend	Attended	Eligible to attend	Attended
Roger Davis	8	8	4	4
Sue Palmer	8	8	4	4
Michael Gorman	8	8	4	4
Paul Craig	8	8	4	4
David Harrison	8	8	-	-
Ben Ellis	8	8	-	-

Company Secretary

Mark Bryant was appointed as Company Secretary on 1 July 2015.

Mark holds a Bachelor of Business (Accounting), a Bachelor of Laws (First Class Honours), a Graduate Certificate in Legal Practice, and is admitted as a lawyer of the Supreme Court of NSW. Mark has over 20 years' experience as a lawyer, including advising on listed company governance, securities law, funds management, real estate, and general corporate law. Mark joined Charter Hall in 2012, prior to which he was a Senior Associate in the Sydney office of King & Wood Mallesons.

Mark is the Group General Counsel and Company Secretary for the Charter Hall Group.

Non-audit services

The Responsible Entity may decide to engage the auditor (Ernst & Young) on assignments in addition to the statutory audit duties where the auditor's expertise and experience with the REIT or Finance Trust are important.

Details of the amounts paid to the auditor for audit and non-audit services provided during the year are disclosed in Note D5 to the consolidated financial statements.

The Board of Directors has considered the position and, in accordance with the advice received from the Audit, Risk and Compliance Committee, is satisfied that the provision of the non-audit services is compliant with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out in D5 to the consolidated financial statements, did not compromise the auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit, Risk and Compliance Committee to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants*.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 17.

Rounding of amounts

As permitted by *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183* issued by the Australian Securities and Investments Commission relating to the 'rounding off' of amounts in the Directors' report and consolidated financial statements. Amounts in the Directors' report and consolidated financial statements have been rounded to the nearest hundred thousand dollars, unless otherwise indicated.

Directors' authorisation

The Directors' report is made in accordance with a resolution of the Directors. The financial statements were authorised for issue by the Directors on 7 August 2026. The Directors have the power to amend and re-issue the financial statements.



Roger Davis
Chair
Sydney
7 August 2026

Auditor's independence declaration



**Shape the future
with confidence**

200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's independence declaration to the directors of Charter Hall Retail Management Limited, the Responsible Entity of Charter Hall Retail REIT

As lead auditor for the audit of the financial report of Charter Hall Retail REIT for the financial year ended 30 June 2026, 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 audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Charter Hall Retail REIT and the entities it controlled during the financial year.

Ernst and Young
Ernst & Young

Vida Virgo

Vida Virgo
Partner
7 August 2026

Consolidated statement of comprehensive income

	Notes	2026 \$'m	2025** \$'m
Revenue			
Property income	A2	174.6	196.6
Interest income		2.3	1.4
Total revenue		176.9	198.0
Net gain on movement in fair value of investment properties	B1	140.7	78.2
Net gain on investments at fair value through profit or loss	B2	241.0	134.4
Net gain/(loss) from derivative financial instruments	C3	31.5	(8.8)
Property expenses	A2	(56.1)	(65.2)
Acquisition and disposal related costs		(55.9)	(11.8)
Management fees	D1	(16.3)	(16.0)
Other expenses		(3.8)	(3.9)
Operating profit		458.0	304.9
Profit before financing		458.0	304.9
Finance costs	C2	(77.9)	(65.7)
Net gain/(loss) from derivative financial instruments	C3	9.3	(20.9)
Profit for the year		389.4	218.3
Other comprehensive income*			
Change in the fair value of cash flow hedges		(1.4)	(0.3)
Exchange differences on translation of foreign operations		(9.1)	1.2
Other comprehensive income/(loss)		(10.5)	0.9
Total comprehensive income for the year		378.9	219.2
Basic and diluted earnings per ordinary unitholder of the REIT			
Earnings per unit (cents)	A3	67.00	37.56

* All items in other comprehensive income can be reclassified into profit or loss when specific conditions are met.

** June 2026 results reflect the early adoption of AASB 18. Prior periods have been retrospectively restated. Refer to Note D9.

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

For personal use only

Consolidated balance sheet

	Notes	2026 \$'m	2025* \$'m
Assets			
Current assets			
Cash and cash equivalents		22.7	38.5
Receivables and other assets	D2	31.3	32.7
Distributions receivable		25.0	17.6
Derivative financial instruments	C3	8.1	18.2
Assets classified as held for sale	B1	210.3	675.5
Total current assets		297.4	782.5
Non-current assets			
Investment properties	B1	2,095.5	1,984.3
Investments accounted for at fair value through profit or loss	B2	2,158.8	1,478.6
Derivative financial instruments	C3	14.6	42.9
Total non-current assets		4,268.9	3,505.8
Total assets		4,566.3	4,288.3
Liabilities			
Current liabilities			
Payables and other liabilities	D2	29.9	36.4
Distribution payable	A3	37.2	72.1
Borrowings	C2	180.0	285.5
Derivative financial instruments	C3	6.0	34.6
Total current liabilities		253.1	428.6
Non-current liabilities			
Borrowings	C2	1,388.3	1,163.2
Derivative financial instruments	C3	-	2.3
Total non-current liabilities		1,388.3	1,165.5
Total liabilities		1,641.4	1,594.1
Net assets		2,924.9	2,694.2
Equity			
Contributed equity	C4	2,884.7	2,884.7
Reserves	C4	(7.7)	2.8
Retained earnings/(accumulated losses)		47.9	(193.3)
Total equity		2,924.9	2,694.2

* June 2026 results reflect the early adoption of AASB 18. Prior periods have been retrospectively restated. Refer to Note D9.

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

For personal use only

Consolidated statement of changes in equity

	Notes	Contributed equity \$'m	Reserves \$'m	Retained earnings \$'m	Total \$'m
Total equity at 1 July 2024*		2,884.7	1.9	(268.0)	2,618.6
Profit for the year		-	-	218.3	218.3
Other comprehensive income		-	0.9	-	0.9
Total comprehensive income for the year		-	0.9	218.3	219.2
Transactions with unitholders in their capacity as unitholders					
- Distributions paid and payable	A3	-	-	(143.6)	(143.6)
Total equity at 30 June 2025*		2,884.7	2.8	(193.3)	2,694.2
Total equity at 1 July 2025		2,884.7	2.8	(193.3)	2,694.2
Profit for the year		-	-	389.4	389.4
Other comprehensive loss		-	(10.5)	-	(10.5)
Total comprehensive income for the year		-	(10.5)	389.4	378.9
Transactions with unitholders in their capacity as unitholders					
- Distributions paid and payable	A3	-	-	(148.2)	(148.2)
Total equity at 30 June 2026		2,884.7	(7.7)	47.9	2,924.9

* June 2026 results reflect the early adoption of AASB 18. Prior periods have been retrospectively restated. Refer to Note D9.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

For personal use only

Consolidated cash flow statement

	Notes	2026 \$'m	2025 \$'m
Cash flows from operating activities			
Property income received		202.9	226.4
Property expenses paid		(60.9)	(71.1)
Distributions received from investments at fair value through profit or loss		106.1	80.5
Interest received		2.3	1.4
Transaction costs for investments at fair value through profit or loss		(19.7)	(5.6)
Proceeds from/(payments for) forward exchange contracts		21.6	(3.3)
Other operating expenses paid		(22.1)	(20.8)
Net GST paid		(11.7)	(12.6)
Net cash flows from operating activities	A4	218.5	194.9
Cash flows from investing activities			
Proceeds from sale of investment properties		275.6	152.3
Proceeds from sale of investments at fair value through profit or loss		408.3	-
Payments for investment properties		(488.5)	(61.8)
Payments for investments at fair value through profit or loss		(307.2)	(399.3)
Payments for capital expenditure on investment properties		(35.9)	(50.2)
Capital distribution received from investments at fair value through profit or loss		33.7	2.9
Net cash flows from investing activities		(114.0)	(356.1)
Cash flows from financing activities			
Proceeds from borrowings		1,298.0	806.0
Payment of borrowings and derivatives		(1,162.7)	(419.0)
Finance costs paid		(73.1)	(62.7)
Distributions paid to unitholders		(182.5)	(143.3)
Net cash flows from financing activities		(120.3)	181.0
Net (decrease)/increase in cash held		(15.8)	19.8
Cash and cash equivalents at the beginning of the year		38.5	18.7
Cash and cash equivalents at the end of the year		22.7	38.5

* June 2026 results reflect the early adoption of AASB 18. Prior periods have been retrospectively restated. Refer to Note D9.

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

For personal use only

About this report

The notes to these consolidated financial statements include additional information which is required to understand the operations, performance and financial position of the REIT. They are organised in four key sections:

- A. REIT performance** – provides key metrics used to define financial performance.
- B. Property portfolio assets** – explains the structure of the investment property portfolio and investments in joint ventures and associates.
- C. Capital structure and financial risk management** – details of how the REIT manages its exposure to various financial risks.
- D. Further information** – provides additional disclosures not included in previous sections but relevant in understanding the financial statements.

A. REIT performance	23	B. Property portfolio assets	27
A1. Management defined performance measure	23	B1. Investment properties	28
A2. Segment information	23	B2. Investments accounted for at fair value through profit or loss	29
A3. Distributions and earnings per unit	25	B3. Expenditure commitments	31
A4. Reconciliation of operating profit to operating cash flow	26		
C. Capital structure and financial risk	32	D. Further information	40
C1. Capital risk management	32	D1. Related party information	40
C2. Borrowings and liquidity	32	D2. Working capital	41
C3. Derivative financial instruments	34	D3. Parent entity information	42
C4. Contributed equity and reserves	35	D4. Significant contract terms and conditions	43
C5. Financial risk management	35	D5. Remuneration of the auditor	44
C6. Offsetting financial assets and liabilities	39	D6. Interest in other entities	44
		D7. Events occurring after balance date	45
		D8. Other material accounting policies	45
		D9. AASB 18 Presentation and disclosure in financial statements	46

Critical accounting estimates

The preparation of the consolidated financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and management to exercise its judgement in the process of applying the REIT's accounting policies.

The areas involving significant estimates or judgements are:

- Fair value estimation – B1 Investment properties, C2 Borrowings and liquidity and C3 Derivative financial instruments
- Provision for expected credit losses – C5 (d) Credit risk

A. REIT performance

In preparing its financial statements the REIT has considered how the future economic outlook may impact upon its business operations and upon the business operations of its tenant customers. In assessing such impacts management have relied upon certain key estimates to evaluate current and future business conditions. Inherent in any estimate is a level of uncertainty.

Estimation uncertainty is associated with:

- the extent and duration of a high inflation and interest rate environment;
- disruption and volatility in capital markets;
- deteriorating credit and liquidity concerns, impacting the ability of the REIT's speciality tenants to meet their rental obligations;
- declines in consumer discretionary spending;
- the effectiveness of government and central bank measures; and
- judgements in property valuations such as letting up time, incentives provided and vacancy.

The uncertainty of the current geopolitical events and subsequent increase in consumer price inflation and interest rates in Australia may have an impact on the future performance of the portfolio. The REIT benefits from its inflation linked revenue streams and the interest rate hedging in place.

The REIT has developed various accounting estimates in this report based on forecasts of economic conditions which reflect expectations and assumptions as at 30 June 2026 about future events that the Directors believe are reasonable in the circumstances. There is a considerable degree of judgement involved in preparing forecasts. The underlying assumptions are also subject to uncertainties which are often outside the control of the REIT. Accordingly, actual economic conditions are likely to be different from those forecast since anticipated events frequently do not occur as expected, and the effect of those differences may significantly impact accounting estimates included in this report.

This section provides additional information on the key financial metrics used to define the results and performance of the REIT, including operating earnings by segment, net property income, distributions and earnings per unit.

A1. Management defined performance measure

The REIT uses the management-defined performance measure operating earnings in its public communications to communicate earnings guidance. The inclusion of operating earnings as a measure of the REIT's profitability provides investors with the same basis that is used internally for evaluating operating segment performance. Operating earnings is used by the Board to make strategic decisions and as a guide to assessing an appropriate distribution. This measure is not specified by the Australian Accounting Standards and therefore might not be comparable to similar measures used by other entities.

Operating earnings is a non-IFRS financial measure which represents statutory profit adjusted for non-operating items that are either non-recurring or non-cash or both. The table disclosed in Note A2(b) presents these adjustments which can include items such as net fair value movements and non-cash accounting adjustments such as straight lining of rental income and amortisations.

A2. Segment information

(a) Description of segments

The Directors of the Responsible Entity have determined the operating segments based on the reports reviewed by the chief operating decision maker, being the Board of the Responsible Entity. The REIT has two operating segments:

Convenience shopping centre retail

This segment comprises convenience-based retail shopping centre investment properties held directly and through investments in joint venture entities and associate entities.

Convenience net lease retail

This segment comprises convenience net lease retail investment properties which includes service station, hardware and hospitality assets. The assets are held both directly and through investments in joint venture and associate entities.

The value of investments, income and expenses are included based on the REIT's ownership percentage. Investment properties are presented on the basis set out in Note B1. All other assets and liabilities are presented on a consolidated basis, in line with the consolidated balance sheet. This is consistent with the manner in which the information is presented to the Board in its capacity as chief operating decision maker.

A. REIT performance (continued)

(b) Segment information provided to the Board

The operating earnings reported to the Board for the operating segments for the years ended 30 June 2026 and 30 June 2025 are as follows:

	2026 \$'m	2025 \$'m
<i>Convenience shopping centre retail segment</i>		
Property rental income	119.7	148.4
Other property income	36.7	41.9
Add back: straight lining of rental income and amortisation of incentives	10.5	13.8
Property expenses	(56.1)	(65.2)
Net income from joint venture and associate entities	32.3	28.5
Convenience shopping centre retail segment	143.1	167.4
<i>Convenience net lease retail segment</i>		
Property rental income	18.2	6.3
Net income from joint venture and associate entities	83.2	55.5
Convenience net lease retail segment	101.4	61.8
Total income	244.5	229.2
Other income	3.2	3.3
Management fees	(16.3)	(16.0)
Finance costs	(74.2)	(65.3)
Other expenses	(3.8)	(3.7)
Operating earnings	153.4	147.5
Basic weighted average number of units (millions)	581.2	581.2
Operating earnings per unit (cents)	26.39	25.38

Property rental income

Property rental income represents income earned from the long-term rental of the REIT's properties and is recognised on a straight line basis over the lease term. The portion of rental income relating to fixed increases in operating lease rentals in future years is recognised as a separate component of investment properties. Turnover rent is recognised on an accrual basis.

Minimum lease payments to be received includes future amounts to be received on non-cancellable operating leases, not recognised in the financial statements at balance date. The remainder will be accounted for as property rental income as it is earned. Amounts receivable under non-cancellable operating leases where the REIT's right to consideration for a service directly corresponds with the value of the service provided to the customer have not been included (for example, variable amounts payable by tenants for their share of the operating costs of the asset).

Minimum lease payments under non-cancellable operating leases of investment properties not recognised in the financial statements as receivable are as follows:

	Within 1 year \$'m	1 to 2 years \$'m	2 to 3 years \$'m	3 to 4 years \$'m	4 to 5 years \$'m	Over 5 years \$'m	Total \$'m
2026	142.8	122.9	106.6	93.1	74.1	207.6	747.1
2025	147.1	135.8	115.8	96.1	78.6	221.3	794.7

Other property income

Other property income principally includes the proportion of shopping centre operating costs which are recoverable from tenants in accordance with lease agreements and relevant Retail Tenancy Acts.

Property expenses

Property expenses, other expenses and outgoings, including rates, taxes and other property outgoings incurred in relation to investment properties where such expenses are the responsibility of the REIT, are recognised on an accruals basis.

A. REIT performance (continued)

The operating earnings on a look through basis (which includes the REIT's share of joint ventures and associates) are set out below:

	2026 \$'m	2025 \$'m
Convenience shopping centre retail net property income	147.7	177.4
Convenience net lease retail net property income	130.8	77.7
Other income	6.4	4.5
Management fees	(19.8)	(18.5)
Finance costs	(106.9)	(89.2)
Other expenses	(4.8)	(4.4)
Operating earnings	153.4	147.5

A reconciliation of operating earnings to statutory profit on a look through basis (including the REIT's share of joint ventures and associates) is set out below:

	2026 \$'m	2025* \$'m
Operating earnings	153.4	147.5
Net revaluation gain on investment properties	304.8	144.1
Straight lining of rental income and amortisation of incentives	(11.0)	(16.9)
Acquisition and disposal related costs	(87.5)	(15.8)
Net gain/(loss) on derivative financial instruments	35.1	(36.6)
Other	(5.4)	(4.0)
Statutory profit for the year	389.4	218.3

* June 2026 results reflect the early adoption of AASB 18. Prior periods have been retrospectively restated. Refer to Note D9.

A3. Distributions and earnings per unit

(a) Distributions paid and payable

	2026		2025	
	Cents per security	\$'m	Cents per security	\$'m
30 September	6.35	36.9	-	-
31 December	6.40	37.2	12.30	71.5
31 March	6.35	36.9	-	-
30 June	6.40	37.2	12.40	72.1
Total distributions	25.5	148.2	24.7	143.6

From 1 July 2025, the REIT moved from half yearly to quarterly distributions. Distributions for each quarter will be paid in November, February, May and August each year.

Pursuant to the REIT's constitution, the amount distributed to unitholders is at the discretion of the Responsible Entity. The Responsible Entity uses operating earnings (refer to Note A2) as a guide to assessing an appropriate distribution to declare.

A liability is recognised for the amount of any distribution declared by the REIT on or before the end of the reporting period but not distributed at balance date.

Under current Australian income tax legislation, the REIT is not liable to pay income tax provided the trustee has attributed all the taxable income of the REIT to unitholders.

A. REIT performance (continued)

(b) Earnings per unit

	2026	2025**
Basic and diluted earnings per unit		
Net profit from continuing operations (\$'m)	389.4	218.3
Operating earnings for the year (\$'m)	153.4	147.5
Weighted average number of units used in the calculation of basic earnings per unit (millions)*	581.2	581.2
Basic and diluted earnings per ordinary unitholder of the REIT		
Earnings per unit (cents)	67.00	37.56
Operating earnings per unit (cents)	26.39	25.38

* Weighted average number of units is calculated from the date of issue.

** June 2026 results reflect the early adoption of AASB 18. Prior periods have been retrospectively restated. Refer to Note D9.

Basic earnings per unit is determined by dividing the profit by the weighted average number of ordinary units on issue during the year.

Operating earnings per unit is determined by dividing the operating earnings by the weighted average number of ordinary units on issue during the year.

Diluted earnings per unit is determined by dividing the profit by the weighted average number of ordinary units and dilutive potential ordinary units on issue during the year. The REIT has no dilutive or convertible units on issue.

A4. Reconciliation of operating profit to operating cash flow

(a) Reconciliation of operating profit to net cash flows from operating activities

	2026 \$'m	2025* \$'m
Operating profit for the year	457.8	304.9
Net gain on movement in fair value of investment properties	(140.7)	(78.2)
Net gain on investments at fair value through profit or loss	(127.5)	(56.0)
Net (loss)/gain from derivative financial instruments	(9.9)	5.5
Acquisition and disposal related costs on investment properties	36.1	11.8
Straight lining of rental income and amortisation of incentives	9.3	13.8
(Increase)/decrease in receivables and other assets	(6.3)	(9.0)
Increase/(decrease) in payables and other liabilities	(0.3)	2.1
Net cash flows from operating activities	218.5	194.9

* June 2026 results reflect the early adoption of AASB 18. Prior periods have been retrospectively restated. Refer to Note D9.

B. Property portfolio assets

The REIT's property portfolio assets comprise directly held investment properties and indirectly held interests in investment properties held through joint ventures and associates. Investment properties comprise investment interests in land and buildings held for long term rental yields, including properties that are under development for future use as investment properties.

The fair value of the investments in joint venture and associate entities is the REIT's share of net assets of the funds invested in, which includes the underlying investment properties held. Investment properties drive changes in the net assets of the funds.

The following table summarises the property portfolio assets detailed in this section:

	Notes	2026 \$'m	2025 \$'m
Current assets			
Assets held for sale - wholly owned investment properties	B1	210.3	384.6
Assets held for sale - joint ventures and associates	B2	-	290.9
Total current assets		210.3	675.5
Non-current assets			
Wholly owned investment properties	B1	2,095.5	1,984.3
Joint ventures and associates	B2	2,158.8	1,478.6
Total non-current assets		4,254.3	3,462.9
Property portfolio assets		4,464.6	4,138.4

On a look through basis the REIT holds investment property of \$5,340.5 million (2025: \$4,810.6 million) including held for sale assets. This is comprised of wholly owned properties of \$2,305.8 million (2025: \$2,368.9 million) and share of joint venture and associate properties of \$3,034.5 million (2025: \$2,441.7 million).

(a) Valuation process

The Responsible Entity conducts an investment property valuation process on a semi-annual basis. This process is overseen by the Executive Property Valuations Committee (EPVC), which is an internal Charter Hall committee comprised of the Group CEO, Chief Investment Officer and Head of Capital Transactions. The role of the EPVC is to oversee the valuation process including:

- approving a panel of independent valuers;
- reviewing key valuation inputs and assumptions;
- reviewing the independent and internal valuations prior to these being presented to the Board; and
- to act as an escalation point between the Group and any external valuer.

Valuations are performed either by independent professionally qualified external valuers or by Charter Hall's internal team. Internal valuers hold the relevant experience, competence and objectivity to perform this role. Fair value is determined using Discounted Cash Flow (DCF) and income capitalisation methods.

Each investment property not under development or subject to a sales process, is valued by an independent valuer at least once every 12 months, or earlier, where the Responsible Entity deems it appropriate or believes there may be a material change in the carrying value of the property. For others, an assessment is made as to which properties are likely to have had material movements in the book value reported at the last reporting period to determine whether they should be revalued externally or whether an internal valuation is applicable. Independent valuers are engaged on a two-year rotational basis.

External valuations were conducted for 100% of the REIT's portfolio during the year, including joint ventures and associates, with 71% of properties being independently valued at 30 June 2026 (2025: 78%).

(b) Valuation techniques and key judgements

In determining the fair value of investment properties, management has considered the nature, characteristics and risks of its investment properties. Such risks include but are not limited to the property cycle, structural changes in retail and the current and future macro-economic environment.

The table below identifies the assumptions and inputs, which are not based on observable market data, used to measure the fair value (level 3) of the wholly owned investment properties and properties held through joint ventures and associates (investments at fair value through profit or loss).

	2026			2025		
	Net market rent (\$ p.a./sqm)	Capitalisation rate (%)	Discount rate (%)	Net market rent (\$ p.a./sqm)	Capitalisation rate (%)	Discount rate (%)
Wholly owned investment properties	142 - 2,188	5.00 - 7.75	5.75 - 8.50	257 - 2,179	4.50 - 7.75	5.50 - 8.50
Joint venture and associate properties	3 - 33,509	3.00 - 8.25	5.25 - 10.00	3 - 32,459	3.00 - 8.25	6.25 - 10.00

Term	Definition
Discounted Cash Flow (DCF) method	A method in which a discount rate is applied to future expected income streams to estimate the present value.
Income capitalisation method	A valuation approach that provides an indication of value by converting future cash flows to a single current capital value.
Net market rent	The estimated amount, net of outgoings, for which an interest in real property should be leased to a tenant on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.
Capitalisation rate	The return represented by the income produced by an investment, expressed as a percentage.
Discount rate	A rate of return used to convert a future monetary sum or cash flow into present value.

Sensitivity analysis

The movement in capitalisation rate is considered by the REIT as the most significant assumption to impact the fair value of investment properties (including those owned by the REIT's associates and joint ventures).

The table below reflects the potential net increase/(decrease) in the REIT's investment properties, resulting from changes in the capitalisation rate.

	2026		2025	
	- 25 basis points \$'m	+ 25 basis points \$'m	- 25 basis points \$'m	+ 25 basis points \$'m
Wholly owned investment properties	115.9	(105.3)	124.6	(114.6)
Look through basis (includes the REIT's share of joint ventures and associates)	256.8	(234.2)	218.1	(200.0)

B1. Investment properties

Investment properties

Initially, investment properties are measured at cost including transaction costs. Subsequent to initial recognition, the investment properties are then stated at fair value. Revaluation gains and losses are included in the consolidated statement of comprehensive income in the period in which they arise.

Assets held for sale

Assets which are classified as held for sale are classified as current assets as it is expected they will be divested within the coming reporting period. Each asset is for sale in its current condition and is subject to an active marketing campaign or has an executed sales contract.

Development properties

The total cost of a development property is generally capitalised to its carrying value until development is complete. At the commencement of a development project, an estimated valuation on completion is obtained and the capitalised costs during the project are monitored against this initial valuation. Post completion, the property is externally valued with a full formal report and thereafter the stabilised asset valuation process applies. At each reporting date, the carrying values of development properties are reviewed to determine whether they are in excess of their fair value. Where appropriate, a write-down is made to reflect fair value.

(a) Reconciliation of the carrying amount of investment properties at the beginning and end of the year

	2026 \$'m	2025 \$'m
Carrying amount at the beginning of the year	1,984.3	2,357.5
Additions and capital improvements	485.8	100.4
Acquisition costs incurred	32.5	3.6
Write off of acquisition costs	(32.5)	(3.6)
Net revaluation increment on investment properties	140.7	78.2
Straight lining and amortisation of lease incentives	(9.3)	(13.8)
Foreign exchange gain/(loss)	(9.1)	1.1
Disposals*	(286.6)	(154.5)
Investment properties reclassified as held for sale	(210.3)	(384.6)
Carrying amount at the end of the year	2,095.5	1,984.3

* The disposals of seed assets to CCRF of \$384.6m were cash settled net of the REIT's initial equity investment in the CCRF.

B2. Investments accounted for at fair value through profit or loss

The REIT accounts for investments in joint venture entities and associate entities at fair value through profit or loss. The REIT exercises joint control over the joint venture entities, but neither the REIT nor its joint venture partners have control in their own right, irrespective of their ownership interest. An associate is an entity over which the REIT has significant influence. The principal activity of all joint venture entities and associates during the period was property investment.

Investments at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the consolidated statement of profit or loss.

Information relating to the joint venture and associate entities is detailed below. All joint venture and associate entities have a reporting period end date of 30 June unless otherwise stated.

Joint venture and associate entity	Country of establishment	Principal activity	Ownership interest	
			2026 %	2025 %
Charter Hall Retail Partnership No.1 Trust (CHRP1)	Australia	Property investment	-	49.9%
Charter Hall Retail Partnership No.2 Trust (CHRP2)	Australia	Property investment	-	49.9%
Charter Hall Retail Partnership No.6 Trust (CHRP6)	Australia	Property investment	0.1%	20.0%
Charter Hall Australian Convenience Retail Trust	Australia	Property investment	50.0%	47.5%
CH Gateway Plaza Trust (CHGWT)	Australia	Property investment	50.0%	50.0%
CH Salamander Bay Square Trust (CHSBT)	Australia	Property investment	50.5%	50.5%
CH Dartmouth NZ Wholesale Fund (CDNZW)	Australia	Property investment	50.0%	50.0%
Ampol Property Trust 2 (APT2)	Australia	Property investment	49.0%	49.0%
CH AP Fund (CHAPF)*	Australia	Property investment	49.9%	5.0%
Z Energy Property Limited Partnership (ZLP)	New Zealand	Property investment	49.0%	49.0%
LWIP2 Trust (LWIP2)	Australia	Property investment	28.9%	28.9%
CH Investment Trust (CHIT)	Australia	Property investment	50.0%	50.0%
Charter Hall Convenience Retail Fund (CCRF)	Australia	Property investment	16.1%	100.0%
BP Fund 2 (BP2)	Australia	Property investment	5.0%	-

* 31 December period end

(a) Summarised movements in fair values of investments accounted for at fair value through profit or loss

	2026 \$'m	2025 * \$'m
Balance at the beginning of the year	1,478.6	1,336.1
Investments	700.4	383.6
Net gain on investments at fair value through profit or loss	241.0	134.4
Distributions received and receivable	(113.6)	(81.7)
Capital distribution	(33.7)	(2.9)
Divestments	(113.9)	-
Investments in joint ventures reclassified as held for sale	-	(290.9)
Balance at the end of the year	2,158.8	1,478.6

* June 2026 results reflect the early adoption of AASB 18. Prior periods have been retrospectively restated. Refer to Note D9.

For personal use only

(b) Summarised financial information for material investments accounted for at fair value through profit or loss

The tables below provide summarised information about the financial position and performance of the joint venture and associate entities at 30 June 2026. Those investments that are not individually material to the REIT have been included in aggregate in 'Other'. Materiality is assessed on the investments' contribution to the REIT's income and net assets.

	CCRF 100% interest \$'m	CHAPF 100% interest \$'m	CHART 100% interest \$'m	CHIT 100% interest \$'m	Other 100% interest \$'m	Total 100% interest \$'m
2026						
Summarised balance sheet:						
Current assets	110.5	5.8	18.5	57.0	32.2	224.0
Non-current assets	2,797.6	953.9	1,187.8	1,461.7	2,829.2	9,230.2
Current liabilities	62.2	9.9	12.7	21.3	38.1	144.2
Non-current liabilities	97.8	468.5	426.7	618.4	569.3	2,180.7
Net assets	2,748.1	481.3	766.9	879.0	2,254.0	7,129.3
REIT's interest in %	16.1	49.9	50.0	50.0	Various	
REIT's interest in \$'m and carrying value	441.2	240.1	383.3	439.5	654.7	2,158.8
Total income	127.4	44.7	56.4	86.0	162.8	477.3
Net profit for the year	121.2	77.9	89.8	154.2	228.4	671.5
Total comprehensive income	121.2	77.9	89.8	154.2	228.4	671.5
REIT's net gain on investment at fair value through profit or loss	18.1	38.9	42.7	77.1	64.2	241.0

	CHRP1 100% interest \$'m	CHRP2 100% interest \$'m	CHART 100% interest \$'m	CHIT 100% interest \$'m	Other 100% interest \$'m	Total 100% interest \$'m
2025						
Summarised balance sheet:						
Current assets	7.4	2.3	14.4	14.6	29.1	67.8
Non-current assets	619.7	265.2	1,142.8	1,312.5	2,904.0	6,244.2
Current liabilities	13.6	6.1	12.0	16.0	37.3	85.0
Non-current liabilities	220.8	71.3	429.8	540.1	224.6	1,486.6
Net assets	392.7	190.1	715.4	771.0	2,671.2	4,740.4
REIT's interest in %	49.9	49.9	47.5	50.0	Various	
REIT's interest in \$'m and carrying value	196.0	94.9	339.8	385.5	753.3	1,769.5
Total income	38.7	20.6	55.1	44.3	170.5	329.2
Net profit for the year	20.1	12.2	38.7	57.9	219.7	348.6
Total comprehensive income	20.1	12.2	38.7	57.9	219.7	348.6
REIT's net gain on investment at fair value through profit or loss	10.0	6.1	18.4	28.9	71.0	134.4

B3. Expenditure commitments

The REIT may enter into contracts for the acquisition, construction and development of properties in Australia. The commitments of the REIT in relation to such contracts are \$78.7 million (2025: \$307.7 million) as at 30 June 2026.

As at 30 June 2026 the REIT has no commitments or contingent liabilities other than those described above.

For personal use only

C. Capital structure and financial risk management

The REIT's activities expose it to numerous external financial risks such as market risk, credit risk, foreign exchange risk and liquidity risk. This section explains how the REIT utilises its risk management framework to reduce volatility from these external factors.

C1. Capital risk management

Prudent capital management is one of the key strategies of the REIT, aligning with the REIT's resilient portfolio of non-discretionary Australian retail convenience and extending capital partnerships.

The REIT sources its capital through:

- debt sourced from a diverse mix of local and international banks and
- the listed Australian equity market.

The REIT's approach to capital management is regularly reviewed by management and the Board to ensure compliance with gearing, interest cover ratios and other covenants within approved limits and continuing to operate as a going concern.

The REIT is able to alter its capital mix by issuing new units, utilising the DRP, electing to have the DRP underwritten, adjusting the amount of distributions paid, activating a unit buyback program or selling assets to reduce borrowings.

The REIT has a target gearing range of 30-40% for the convenience retail shopping centre portfolio and 40-50% for the convenience retail net lease portfolio. It has a target interest cover ratio of at least 2.5 times.

The REIT has no financial covenants that are linked to the activities of joint ventures and associates which have their own financial commitments or borrowings, nor is there any recourse or cross-default to the REIT.

C2. Borrowings and liquidity

(a) Borrowings

Borrowings are initially recognised at fair value, estimated by comparing the margin on the facility to the pricing of a similar facility in the current market, and subsequently measured at amortised cost using the effective interest rate method. Under the effective interest rate method, any transaction fees, costs, discounts and premiums directly related to the borrowings are recognised in profit or loss over the expected life of the borrowings.

All borrowings are classified as non-current liabilities where the REIT has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

In February 2026, the REIT successfully refinanced its unsecured debt platform, entering into a new \$1.6 billion secured debt platform across eight lenders. This included full repayment of the existing US dollar-denominated debt (USPP) and the corresponding cross currency interest rate swaps. The refinance extends the weighted average debt maturity to 4 years and reduces the REIT's debt margins by 40 basis points, along with greater financial flexibility afforded by an enhanced covenant package.

Borrowings

	2026				2025			
	Current \$'m	Non-current \$'m	Total carrying amount \$'m	Fair value \$'m	Current \$'m	Non-current \$'m	Total carrying amount \$'m	Fair value \$'m
US Private Placement notes*	-	-	-	-	185.5	293.6	479.1	490.6
Bank loan - term debt**	180.0	1,388.3	1,568.3	1,578.6	100.0	869.6	969.6	975.9
Total borrowings	180.0	1,388.3	1,568.3	1,578.6	285.5	1,163.2	1,448.7	1,466.5
Undrawn bank facility			205.8				202.0	

* June 2025 includes a fair value hedge adjustment of \$14.8 million.

** Includes unamortised transaction costs of \$5.9 million (30 June 2025: \$3.4 million).

C. Capital structure and financial risk management (continued)

Maturity date	Facility limits	Drawn amount at
	\$'m	30 Jun 2026 \$'m
Jul 2026	180.0	180.0
Feb 2028	240.0	200.0
Feb 2029	350.0	350.0
Feb 2030	425.0	425.0
Feb 2031	315.0	315.0
Feb 2032	270.0	104.2
	1,780.0	1,574.2

Net debt reconciliation

	2025	Movement in derivatives and foreign exchange	Movement in transaction costs	Movement in cash	2026
	\$'m	\$'m	\$'m	\$'m	\$'m
Bank loans	973.0	-	-	601.2	1,574.2
Unamortised transaction costs	(3.4)	-	(2.5)	-	(5.9)
USPP*	427.8	1.2	-	(429.0)	-
Total borrowings	1,397.4	1.2	(2.5)	172.2	1,568.3
Cash	(38.5)	-	-	15.8	(22.7)
Net debt	1,358.9	1.2	(2.5)	188.0	1,545.6

* The USPP and associated CCIRS were net settled for \$429.0 million when both were extinguished in January 2026.

	2024	Movement in derivatives and foreign exchange	Movement in transaction costs	Movement in cash	2025
	\$'m	\$'m	\$'m	\$'m	\$'m
Bank loans	586.0	-	-	387.0	973.0
Unamortised transaction costs	(3.3)	-	(0.1)	-	(3.4)
USPP*	427.1	0.7	-	-	427.8
Total borrowings	1,009.8	0.7	(0.1)	387.0	1,397.4
Cash	(18.7)	-	-	(19.8)	(38.5)
Net debt	991.1	0.7	(0.1)	367.2	1,358.9

* The carrying value reflects the net USPP exposure. The USPP value is hedged through the use of USD Cross Currency Interest Rate Swaps.

Covenants

The covenant requirements associated with the financial arrangements include:

- Interest cover ratio
- Loan value ratio
- Development ratio

Debt covenants are monitored regularly to ensure compliance and reported to the debt provider on a six-monthly basis. The REIT complied with all debt covenants during the financial year.

(b) Finance costs

	2026	2025
	\$'m	\$'m
Finance costs incurred on financial instruments:		
Debt - at amortised cost	74.5	66.1
Interest rate swaps*	3.4	(0.4)
	77.9	65.7

* Net interest (received) under interest rate swap agreements.

For personal use only

C. Capital structure and financial risk management (continued)

C3. Derivative financial instruments

(a) Derivative financial instruments

The REIT uses derivatives to economically hedge its exposure to interest rates and foreign exchange exposure from the New Zealand portfolio. Derivative financial instruments are measured and recognised at fair value on a recurring basis. All derivatives are classified based on their maturity date and are not split based on notional cashflows.

Following extinguishment of the USPP debt and corresponding cross currency interest rate swaps, the REIT is no longer hedge accounting for any derivative instruments.

For derivatives not in hedging arrangements where an upfront payment is made, subsequent changes in fair value arising from cash receipts are classified as interest and recognised within finance costs, with a corresponding adjustment to net fair value loss on derivative financial instruments.

Consolidated balance sheet	2026		2025	
	Asset \$'m	Liability \$'m	Asset \$'m	Liability \$'m
Current				
Interest rate swaps	7.9	6.0	4.8	1.6
Cross currency swaps	0.2	-	13.4	-
Forward exchange contracts	-	-	-	33.0
Total current derivative financial instruments	8.1	6.0	18.2	34.6
Non-current				
Interest rate swaps	3.1	-	-	2.3
Cross currency swaps	11.5	-	42.9	-
Forward exchange contracts	-	-	-	-
Total non-current derivative financial instruments	14.6	-	42.9	2.3
Total derivative financial instruments	22.7	6.0	61.1	36.9

(b) Interest rate swaps

Changes in fair value for interest rate swap derivatives are classified as interest expense to the extent that net cash flows are exchanged.

At 30 June 2026, the notional principal amount and period of expiry of the interest rate swap contracts are as follows:

	1 year or less \$'m	2 - 3 years \$'m	3 - 4 years \$'m	4 - 5 years \$'m	More than 5 years \$'m	Net position - REIT fixed rate receives floating rate \$'m
2026	500.0	1,050.0	-	-	-	1,550.0
2025	997.4	200.0	-	-	-	1,197.4

(c) Forward foreign exchange contracts and cross currency swaps

The REIT has previously entered into forward foreign exchange contracts to sell New Zealand dollars and receive Australian dollars, to economically hedge the carrying value of the REIT's interest in its NZ portfolio and hedge foreign exchange exposure on distribution income. These instruments were fully extinguished during the year.

During the year the REIT entered into AUD/NZD cross-currency interest rate swap agreements that economically hedge the REIT's exposure to foreign currency and interest rates. The notional principal under these contracts is A\$330.9 million, with maturity dates from September 2027 to September 2028.

(d) Valuation techniques used to derive level 2 fair values

Derivatives are classified as level 2 on the fair value hierarchy as the inputs used to determine fair value are observable market data but not quoted prices.

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of cross currency interest rate swaps is determined using forward foreign exchange market rates and the present value of the estimated future cash flows at the balance date.

C. Capital structure and financial risk management (continued)

Credit value adjustments are calculated based on the counterparty's credit risk using the counterparty's credit default swap curve as a benchmark. Debit value adjustments are calculated based on the REIT's credit risk using debt financing available to the REIT as a benchmark.

C4. Contributed equity and reserves

Details	No. of units	30 Jun 2026 \$'m	30 Jun 2025 \$'m
Units on issue	581,229,609	2,884.7	2,884.7

As stipulated in the REIT's constitution, each unit represents a right to an individual share in the REIT and does not extend to a right to the underlying assets of the REIT. There are no separate classes of units and each unit has the same rights attaching to it as all other units in the REIT.

Each unit confers the right to vote at meetings of unitholders, subject to any voting restrictions imposed on a unitholder under the *Corporations Act 2001* and the ASX Listing Rules. Units on issue are classified as equity and are recognised at the fair value of the consideration received by the REIT. Transaction costs arising on the issue of equity are recognised directly in equity as a reduction in the proceeds of units to which the costs relate.

Distribution Reinvestment Plan (DRP)

The REIT has established a DRP under which unitholders may elect to have all or part of their distribution entitlements satisfied by the issue of new units rather than being paid in cash. The DRP issue price is determined at a discount of 1.0% to the daily average of the volume weighted average market price of units traded on the ASX during the 15 business days commencing on the third business day following the distribution record date. The DRP was not active during the year ended 30 June 2026.

(a) Reserves

	Foreign currency translation reserve \$'m	Cash flow hedge reserve \$'m	Foreign currency basis reserve \$'m	Total reserves \$'m
Opening balance 1 July 2025	1.4	1.4	-	2.8
Changes in reserves	(9.1)	(1.4)	-	(10.5)
Balance 30 June 2026	(7.7)	-	-	(7.7)
Opening balance 1 July 2024*	0.2	1.7	-	1.9
Changes in reserves*	1.2	(0.3)	-	0.9
Balance 30 June 2025*	1.4	1.4	-	2.8

* June 2026 results reflect the early adoption of AASB 18. Prior periods have been retrospectively restated. Refer to Note D9.

In accordance with the REIT's constitution, amounts may be transferred from reserves or contributed equity to fund distributions.

C5. Financial risk management

The REIT's principal financial instruments comprise cash and cash equivalents, receivables, investments at fair value through profit or loss, payables, interest bearing liabilities and derivative financial instruments.

The table below shows the REIT's exposure to a variety of financial risks and the various measures it uses to monitor exposures to these types of risks. The REIT manages its exposure to these financial risks in accordance with the REIT's Financial Risk Management (FRM) policy as approved by the Board. The policy sets out the REIT's approach to managing financial risks, the policies and controls utilised to minimise the potential impact of these risks on its performance and the roles and responsibilities of those involved in the management of these financial risks. Derivative financial instruments are used exclusively for hedging purposes and not for trading or speculative purposes.

Other than financial instruments, the REIT is exposed to property price risk including property rental risks for wholly owned properties and those held by joint ventures and associates.

C. Capital structure and financial risk management (continued)

Risk	Definition	Exposure	Exposure management
Market risk – Foreign exchange risk	The risk that changes in foreign exchange rates will change the Australian dollar value of the REIT's foreign denominated net assets or earnings.	Investment in foreign operations denominated in NZ dollars.	Forward exchange contracts and cross currency swaps are used to hedge the investment in foreign operations and distributions received.
Market risk – Interest rate risk	The risk that changes in interest rates will change the fair value or cash flows of the REIT's monetary assets and liabilities.	Cash and borrowings at fixed and floating rates.	Interest rate swaps are used to hedge movements in interest rates.
Liquidity risk	The risk that the REIT has insufficient liquid assets to meet its obligations as they become due and payable.	Payables, borrowings and other liabilities.	Maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.
Credit risk	The risk a contracting counterparty will not complete its obligations under a contract and will cause the REIT to make a financial loss.	All financial assets including tenant receivables, financial instruments and derivatives.	Performing credit reviews on prospective tenants, obtaining tenant collateral and detailed review of tenant arrears. Reviewing the aggregate exposure of receivables and tenancies across the portfolio. Limiting the credit exposure to any one financial institution and limiting to investment grade counterparties. Monitoring the public credit rating of counterparties.

(a) Market risk – Foreign exchange risk

Foreign exchange risk is the risk that changes in foreign exchange rates will change the Australian dollar value of the REIT's net assets or its Australian dollar earnings. The REIT is exposed to foreign currency risk from its investment in foreign operations.

The REIT's investments in foreign operations arises from the translation of New Zealand assets and liabilities from New Zealand dollars to Australian dollars. The foreign currency exposure to New Zealand dollars is economically hedged by forward exchange contracts and cross currency interest rate swaps.

C. Capital structure and financial risk management (continued)

The table below sets out the REIT's overseas investments by currency (Australian dollar equivalent):

	NZ dollars*	
	2026	2025
	\$'m	\$'m
Assets		
Cash and cash equivalents	1.4	2.2
Receivables	1.7	1.9
Investments accounted for at fair value through profit or loss	283.5	306.9
Investment properties	70.0	75.7
	356.6	386.7
Liabilities		
Payables	(1.7)	(1.9)
	(1.7)	(1.9)
Net assets	354.9	384.8

* Australian dollar equivalents of foreign denominated balances.

(b) Market risk – Interest rate risk

The REIT's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the REIT to cash flow interest rate risk. During 2026 the REIT's borrowings at variable rate were denominated in Australian dollars.

The REIT has the following classes of financial assets and financial liabilities that are exposed to interest rate risk:

	Australian dollars		US dollars ¹		NZ dollars ¹		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Fixed rate								
USPP ²	-	-	-	(493.9)	-	-	-	(493.9)
Net fixed rate exposure	-	-	-	(493.9)	-	-	-	(493.9)
Floating rate								
Cash	22.7	38.5	-	-	-	-	22.7	38.5
Borrowings ²	(1,574.2)	(973.0)	-	-	-	-	(1,574.2)	(973.0)
	(1,551.5)	(934.5)	-	-	-	-	(1,551.5)	(934.5)
Derivative financial instruments								
Cross currency interest rate swaps - fixed to floating ³		(429.0)	-	493.9		-	-	64.9
Cross currency interest rate swaps - floating to fixed ³	330.9	-	-	-	(330.9)	-	-	-
Interest rate swaps - floating to fixed ⁴	1,950.0	1,197.4	-	-	-	-	1,950.0	1,197.4
	2,280.9	768.4	-	493.9	(330.9)	-	1,950.0	1,262.3
Net floating rate exposure	729.4	(166.1)	-	-	(330.9)	-	398.5	(166.1)

1 Australian dollar equivalents of foreign denominated balances.

2 Represents the notional principal of the borrowings. Unamortised borrowing costs are excluded as they are not impacted by interest rate risk.

3 The amounts represent the notional principal receivable and payable under the derivative contracts.

4 The amounts represent the notional principal payable under the derivative contracts.

C. Capital structure and financial risk management (continued)

Sensitivity analysis

The table below reflects the potential net increase/(decrease) in the REIT's profit and equity, resulting from changes in Australian interest rates applicable at 30 June 2026, with all other variables remaining constant. The analysis was performed on the same basis for 30 June 2025.

	2026		2025	
	Profit and loss \$'m	Reserves \$'m	Profit and loss \$'m	Reserves \$'m
Australian interest rates				
+ 1.00% (2025: + 1.00%)	(5.5)	-	6.1	-
- 1.00% (2025: - 1.00%)	(3.1)	-	(6.3)	-

The effect of changes in interest rates on the REIT's profit and equity shown in the table above is mainly impacted by a change in interest payable on the REIT's floating rate interest bearing liabilities, offset by changes in the fair value of derivative financial instruments hedging this exposure.

(c) Liquidity risk

The following table provides the contractual maturity of the REIT's fixed and floating rate financial liabilities and derivatives as at 30 June 2026. The amounts presented represent the future contractual undiscounted principal and interest cash inflows/(outflows) based on interest rates and foreign exchange rates prevailing at balance date and therefore do not equate to the value shown in the consolidated balance sheet. Repayments which are subject to notice are treated as if notice were given immediately.

	Carrying value \$'m	Less than 1 year \$'m	1 to 5 years \$'m	Over 5 years \$'m	Total \$'m
2026					
Financial liabilities					
Payables	(29.9)	(29.9)	-	-	(29.9)
Distribution payable	(37.2)	(37.2)	-	-	(37.2)
Borrowings	(1,574.2)	(262.0)	(1,486.9)	(109.0)	(1,857.9)
Derivative financial instruments	(6.0)	(6.0)	-	-	(6.0)
Total financial liabilities	(1,647.3)	(335.1)	(1,486.9)	(109.0)	(1,931.0)
2025					
Financial liabilities					
Payables	(36.4)	(36.4)	-	-	(36.4)
Distribution payable	(72.1)	(72.1)	-	-	(72.1)
Borrowings	(1,400.8)	(357.0)	(1,272.9)	-	(1,629.9)
Derivative financial instruments	(36.9)	(35.6)	(1.5)	-	(37.1)
Total financial liabilities	(1,546.2)	(501.1)	(1,274.4)	-	(1,775.5)

The amount of credit facilities unused by the REIT at 30 June 2026 is \$205.8 million (2025: \$202.0 million).

(d) Credit risk

The maximum exposure to credit risk at the end of each reporting period is equivalent to the carrying value of the financial assets. The REIT has policies to review the aggregate exposures of receivables and tenancies across its portfolio.

As at 30 June 2026, the REIT has no significant concentrations of credit risk on its receivables other than exposure to the BP (11.6%), Ampol (10.8%), QVC/AVC (10.6%) Woolworths (8.5%), Coles (7.4%) businesses which contribute 49.0% (2025: 46.3%) of the total property income. The REIT holds collateral in the form of security deposits or bank guarantees over some receivables where appropriate.

For personal use only

C. Capital structure and financial risk management (continued)

The table below shows the ageing analysis of rent receivables of the REIT.

	Less than 30 days \$'m	31 to 60 days \$'m	61 to 90 days \$'m	More than 90 days \$'m	Total \$'m
2026					
Rent receivables	1.1	0.2	0.2	0.4	1.9
2025					
Rent receivables	1.6	0.5	0.3	0.5	2.9

The REIT applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other financial assets. As at 30 June 2026, the provision for expected credit losses is \$1.2 million (2025: \$1.2 million).

The loss allowances for trade and other financial assets are based on assumptions about risk of default and expected loss rates. The REIT uses judgement in making these assumptions, based on the REIT's past history and existing market conditions as well as forward looking estimates at the end of each reporting period.

Agreement to rental deferral options between the REIT and a tenant does not automatically indicate a deterioration of credit risk but is considered within the framework of the above indicators.

The forward-looking judgments and assumptions reflect the best estimate of management as at balance date, using information available to them at that date. Accordingly, the REIT's ECL estimates are inherently uncertain and, as a result, actual results may differ from these estimates.

C6. Offsetting financial assets and liabilities

The REIT is a party to the master agreement as published by International Swaps and Derivatives Associates, Inc. (ISDA) which allow the REIT's counterparties, under certain conditions (i.e. event of default), to set-off the position owing/receivable under a derivative contract to a net position outstanding. As the REIT does not have legally enforceable right to set off, none of the financial assets or financial liabilities are offset on the balance sheet of the REIT.

The table below demonstrates the effect of offsetting positions should the REIT's counterparties decide to enforce the legal right to set-off:

	Gross amounts of financial instruments \$'m	Amounts subject to set-off \$'m	Net amount post set-off \$'m
2026			
Derivative assets	22.7	(6.0)	16.7
Derivative liabilities	(6.0)	6.0	-
	16.7	-	16.7
2025			
Derivative assets	61.1	(31.0)	30.1
Derivative liabilities	(36.9)	31.0	(5.9)
	24.2	-	24.2

D. Further information

D1. Related party information

(a) Responsible Entity

The Responsible Entity of the REIT is Charter Hall Retail Management Limited, a wholly owned entity of Charter Hall Limited. The registered office of the Responsible Entity is Level 20, No.1 Martin Place, Sydney NSW 2000.

(b) Directors

No payments were made by the REIT or by the Responsible Entity on behalf of the REIT to the Executive Directors during the year.

(c) Transactions with the Responsible Entity and its related parties

The Responsible Entity and its related parties held 54,321,971 units in the REIT as at 30 June 2026 (2025: 54,321,971).

Following is a summary of related party transactions for the year ended 30 June 2026:

Type of fee	Method of fee calculation	Fee amount 2026 \$'000	2025 \$'000
Management fees	0.45% of gross assets <\$700m 0.40% of gross assets >\$700m	16,308	15,981
Transaction services	0.75% acquisition fee 0.25% disposal fee 0.25% due diligence fee	9,764	6,749
Other	Accounting and treasury services	2,726	1,453
Property management and speciality leasing costs	Cost recovery (Centre management, leasing, operations, marketing, finance, WHS)	14,438	18,833
Other	Development services, project management, major leasing and other property related services	1,364	1,882
		44,600	44,897

The above fees and transactions were based on market rates and normal commercial terms and conditions and were approved by the Independent Directors.

During the year, the REIT sold assets to related party entities totalling \$1,125.9 million (2025: nil), acquired assets from related party entities totalling \$49.0 million (2025: nil) and had outstanding receivables of \$14.2 million (2025: nil).

(d) Outstanding payable balance with the Responsible Entity and its related parties

	2026 \$	2025 \$
Charter Hall Holdings Pty Limited	6,545,520	8,307,886
	6,545,520	8,307,886

(e) Key management personnel

Key management personnel (KMP) powers have not been delegated by the Responsible Entity to any other person.

Details of management fees charged to the REIT by the Responsible Entity and its related parties are included in Note D1(c).

D. Further information (continued)

(f) Directors' fees

Independent Directors' fees are as follows:

Total director fees	Roger Davis	Michael Gorman	Sue Palmer	Paul Craig	Lianne Buck	Total
2026	205,556	137,038	154,168	135,548	1,919	634,228
2025	198,605	132,403	148,954	-	50,203	530,165

The level of fees is not related to the performance of the REIT. The Board of the Responsible Entity considers remuneration payable to its Independent Directors from time to time. Remuneration of Independent Directors is approved by the Board and any increases are benchmarked to market rates.

The Executive and Non-Executive Directors of the Responsible Entity and Fund Manager of the REIT are employees of Charter Hall Holdings Pty Ltd and are remunerated by Charter Hall Holdings Pty Ltd.

(g) Directors' interests in REIT units

The number of units held directly, indirectly or beneficially by the Directors of the Responsible Entity or the Directors' related parties at 30 June 2026 is as follows:

	Units held 2026	Units held 2025
Roger Davis	83,895	83,895
Michael Gorman	42,769	42,769
Sue Palmer	10,000	10,000
Paul Craig	34,800	-
David Harrison	235,356	235,356
Ben Ellis	133,940	73,659

The aggregate number of units of the REIT acquired by the Directors of the Responsible Entity or their related parties during the year is set out below.

	Units acquired 2026	Units acquired 2025
Michael Gorman	-	17,700
David Harrison	-	100,978
Ben Ellis	60,281	48,518

No options in the REIT are held by Directors of the Responsible Entity.

D2. Working capital

The REIT maintains a proactive cash management practice of using excess available cash to reduce drawn revolving debt facilities. The REIT is in a net current asset position of \$44.3 million at 30 June 2026 as a result of assets classified as held for sale (30 June 2025: \$353.9 million).

The entity has readily accessible credit facilities with \$205.8 million (2025: \$202.0 million) of undrawn non-current debt facilities at 30 June 2026 and operating cash flows to meet current liabilities. The REIT does not foresee any issues in meeting the current liabilities over the course of the next 12 months, and therefore, these financial statements have been prepared on a going concern basis.

Financial assets and liabilities not carried at fair value have carrying values that reasonably approximate their fair values.

D. Further information (continued)

(a) Receivables and other assets

	2026 \$'m	2025 \$'m
Trade receivables	1.9	2.9
Turnover rent receivable	7.0	5.7
Accrued income and other receivables	22.8	23.0
Prepayments	0.8	2.3
Provision for expected credit losses	(1.2)	(1.2)
	31.3	32.7

Trade receivables includes property rental income receivable together with trade receivables relating to revenue from contracts with customers.

The REIT's receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for expected credit losses. The REIT applies the AASB 9 simplified approach to measuring expected credit losses which involves a lifetime expected loss allowance for all trade and other financial assets. The REIT uses judgement in making these assumptions (refer to Note C5 (d)).

(b) Payables and other liabilities

	2026 \$'m	2025 \$'m
Current		
Accrued capital expenditure	5.0	5.8
Accrued property expenses	8.5	11.9
Income received in advance	5.5	4.7
Interest payable on interest bearing liabilities	3.7	6.9
Other	7.2	7.1
	29.9	36.4

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the REIT. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

D3. Parent entity information

The financial information for the parent entity, Charter Hall Retail REIT, has been prepared on the same basis as the REIT's consolidated financial statements except as set out below:

Investments in controlled entities

Investments in controlled entities are accounted for at cost in the financial statements of the parent entity. Such investments include both investments in equity securities issued by the controlled entity and other parent entity interests that in substance form part of the parent entity's investment in the controlled entity. These include investments in the form of interest-free loans which have no fixed contractual term and which have been provided to the controlled entity as an additional source of long term capital.

Dividends and distributions received from controlled entities, joint ventures and associates are recognised in the parent entity's statement of comprehensive income, rather than deducted from the carrying amount of these investments.

Receivables and payables

Trade amounts receivable from controlled entities in the normal course of business and other amounts advanced on commercial terms and conditions are included in receivables. Similarly, amounts payable to controlled entities are included in payables.

Recoverable amount of assets

The carrying amounts of investments in controlled entities, valued on the cost basis are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying value exceeds their recoverable amount, the assets are written down to the lower value. The write-down is expensed in the year in which it occurs.

D. Further information (continued)

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	Parent 2026 \$'m	Parent 2025* \$'m
Balance sheet		
Current assets	316.2	794.7
Non-current assets	3,915.4	3,399.7
Total assets	4,231.6	4,194.4
Current liabilities	280.7	422.5
Non-current liabilities	1,389.0	1,346.1
Total liabilities	1,669.7	1,768.6
Equity		
Contributed equity	2,885.9	2,885.9
Reserves and retained earnings/(accumulated losses)	(324.0)	(460.1)
Total equity	2,561.9	2,425.8
Statement of comprehensive income		
Statutory profit for the year	285.6	213.9
Other comprehensive income	(1.4)	4.2
Total comprehensive income	284.2	218.1

* June 2026 results reflect the early adoption of AASB 18. Prior periods have been retrospectively restated. Refer to Note D9.

(b) Guarantees and contingent liabilities

The parent entity did not have any other contingent liabilities which are material, either individually or as a class, at 30 June 2026 (2025: nil).

(c) Commitments

The parent entity may enter into contracts for the acquisition, construction and development of properties in Australia. The commitments of the parent entity in relation to such contracts are nil (2025: \$1.1 million). These commitments have not been reflected in the financial information of the parent entity.

There have been no other material changes to the parent entity's commitments since the last financial statement.

(d) Working capital

The parent entity maintains a proactive cash management practice of using excess available cash to reduce drawn revolving debt facilities. The parent entity is in a net current asset position of \$35.5 million at 30 June 2026 as a result of assets classified as held for sale (2025: \$372.2 million).

The parent entity has readily accessible credit facilities with \$205.8 million (2025: \$202.0 million) of undrawn non-current debt facilities at 30 June 2026 and operating cash flows to meet current liabilities. The parent entity does not foresee any issues in meeting the current liabilities over the course of the next 12 months.

D4. Significant contract terms and conditions

Pre-emptive rights

Under the joint ownership arrangements in place with the other unitholders of our joint venture and associate entities, should CHRML cease to be the Responsible Entity of the REIT, or if there is a change in control of CHRML or the REIT, the joint venture partner has the right to acquire the residual units for fair value in respect of 98% of fair value in respect of CHGWT, 98% of fair value in respect of CHSBT, 98% of fair value in respect of CHRP6, fair value in respect of CHART, CDNZW and APT2, 90% of fair value in respect of CHAPF, and fair value in respect of ZLP and LWIP2.

D. Further information (continued)

D5. Remuneration of the auditor

PricewaterhouseCoopers audited the REIT for the year ended 30 June 2025. Ernst & Young was appointed as the auditor of the REIT for the year ended 30 June 2026. Accordingly, 2025 remuneration solely relates to Pricewaterhouse Coopers and 2026 remuneration solely relates to Ernst & Young.

	2026 \$'000	2025 \$'000
Amounts paid or payable to the auditor:		
Audit services	328.9	391.5
Compliance plan	13.7	15.6
Taxation compliance services	15.5	-
Total amount paid or payable to the auditor	358.1	407.1

D6. Interest in other entities

Material subsidiaries

The REIT's principal subsidiaries at 30 June 2026 are set out below. Unless otherwise stated, it has contributed equity consisting solely of ordinary units that are held directly by the REIT, and the proportion of ownership interests held equals the voting rights held by the REIT.

Name of entity	Country of incorporation	Place of business	Ownership interest held by the REIT		Principal activities
			2026	2025	
Charter Hall Retail JV Trust	Australia	Australia	100%	100%	Property investment
CH SC Trust	Australia	Australia	100%	100%	Property investment
CH Campbellfield Trust	Australia	Australia	100%	100%	Property investment
CH Rockdale Plaza Trust	Australia	Australia	100%	100%	Property investment
CQR Australian Convenience Retail Trust	Australia	Australia	100%	100%	Property investment
CQR CDC Trust	Australia	New Zealand	100%	100%	Property investment
CH Butler Central Trust	Australia	Australia	100%	100%	Property investment
CH AP Investment Trust 2	Australia	Australia	100%	100%	Property investment
CQR Finance Pty Ltd	Australia	Australia	100%	100%	Property investment
CQR AP Trust	Australia	Australia	100%	100%	Property investment
CH Bribie Goodwin Trust	Australia	Australia	100%	100%	Property investment
CQR NZ Trust	Australia	New Zealand	100%	100%	Property investment
CQR Z Holding Trust	Australia	Australia	100%	100%	Property investment
CQR LWIP2 Trust	Australia	Australia	100%	100%	Property investment
CQR Red Hill Trust	Australia	Australia	100%	100%	Property investment
CQR First Investment Trust	Australia	Australia	100%	100%	Property investment
CQR Investment Trust	Australia	Australia	100%	100%	Property investment
CQR Cecil Hotel Trust	Australia	Australia	100%	100%	Property investment
CH Harlow Trust	Australia	Australia	100%	100%	Property investment
Ampol Marsden Park Service Centre Trust	Australia	Australia	100%	100%	Property investment
OTR West Croydon Trust	Australia	Australia	100%	100%	Property investment
Charter Hall Convenience Retail Fund*	Australia	Australia	16%	100%	Property investment
CQR Armidale Central Trust	Australia	Australia	100%	-	Property investment
CQR Gympie Central Trust	Australia	Australia	100%	-	Property investment
CQR Whitsunday Plaza Trust	Australia	Australia	100%	-	Property investment
Yeppoon Central Trust	Australia	Australia	100%	-	Property investment
CQR BP2 Investment Trust	Australia	Australia	100%	-	Property investment
The Bell Bar & Bistro Trust	Australia	Australia	100%	-	Property investment

* Charter Hall Convenience Retail Fund no longer a subsidiary following equity raise during the year. Now presented as an Investment accounted for at fair value through profit or loss.

D. Further information (continued)

D7. Events occurring after balance date

In July 2026, three wholly owned convenience retail shopping centres were sold to CCRF for \$210.3million. The REIT also settled on the acquisition of one shopping centre and one net lease asset totalling \$81.8 million.

The Directors of the Responsible Entity are not aware of any other matter or circumstance not otherwise dealt with in this report or the annual consolidated financial statements that has significantly affected or may significantly affect the operations of the REIT, the results of its operations or the state of affairs of the REIT in future financial years.

D8. Other Material Accounting Policies

(a) Basis of preparation

The annual financial report of the Charter Hall Retail REIT comprises the Charter Hall Retail REIT and its controlled entities.

These general purpose financial statements have been prepared in accordance with the requirements of the REIT's constitution, Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. The REIT is a for-profit entity for the purpose of preparing the consolidated financial statements.

Compliance with IFRS Accounting Standards

The consolidated financial statements of the REIT also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except derivative financial instruments, investments in financial assets held at fair value and investment properties, which have been measured at fair value.

(b) Principles of consolidation

Controlled entities

Subsidiaries are all entities over which the REIT has control. The REIT controls an entity when the REIT is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the REIT. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated.

Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Accounting policies of controlled entities have been changed where necessary to ensure consistency with the policies adopted by the REIT.

(c) Foreign currency translation

(i) Functional and presentation currencies

Items included in the financial statements of each of the REIT's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Australian dollars, which is the REIT's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(iii) Foreign operations

Transactions of foreign entities are measured using the currency of the primary economic environment in which those entities operate. Assets and liabilities of foreign entities are translated at exchange rates ruling at balance date which income and expenses are translated at weighted average exchange rates for the year. Exchange translation of the interests in foreign controlled entities are taken directly to foreign currency translation reserve.

D. Further information (continued)

(d) Comparative information

Where necessary, comparative information has been adjusted to conform to changes in presentation in the current year.

(e) Rounding of amounts

As permitted by *ASIC Corporations (Rounding in Financial/Directors' reports) Instrument 2026/183* issued by the Australian Securities and Investments Commission relating to the 'rounding off' of amounts in the Directors' report and financial statements, amounts in the REIT's consolidated financial statements have been rounded to the nearest hundred thousand dollars in accordance with that instrument, unless otherwise indicated.

(f) Changes in accounting standards

During the year the REIT elected to adopt the AASB 18 *Presentation and Disclosure in Financial Statements* and, under the transitional provisions within this standard, elected to change its measurement of all associates and joint ventures from the equity method to fair value through profit or loss in accordance with AASB 9. This has resulted in changes to the REIT's comparatives. Refer to Note D9.

No other new accounting standards or amendments have come into effect in 30 June 2026 that had a material impact on the REIT's operations or reporting requirements.

D9. AASB 18 Presentation and disclosure in financial statements

A new accounting standard AASB 18 *Presentation and Disclosure in Financial Statements* will come into effect, with mandatory adoption required from 1 January 2027.

The REIT has decided to early adopt AASB 18. The REIT has also elected to remeasure investments in joint ventures and associates under the transitional provisions of this standard (AASB 18 C7). This resulted in changes to the REIT's prior year comparatives, presenting the reclassification of investments accounted for using the equity method to investments accounted for at fair value within non-current assets. The comparative reserves have been reclassified into retained profits due to the fair value election for the foreign joint ventures and associates.

The impact of the adoption of AASB 18 on the comparative information key statements is outlined below. Under AASB 18 the management-defined performance measures are required to be disclosed, as detailed in Note A1.

Specified main business activity

The main business activity of the REIT during the period was property investment. Income and expenses from investments in direct properties, joint ventures and associates are classified in the operating category of the profit and loss.

For personal use only

D. Further information (continued)

Adjustments to comparative disclosures

Consolidated statement of comprehensive income

	30 Jun 2025 Reported \$'m	Adjustment \$'m	30 Jun 2025 Restated \$'m
Revenue			
Property income	196.6	-	196.6
Interest income	1.4	-	1.4
Total Revenue	198.0	-	198.0
Net gain on movement in fair value of investment properties	78.2	-	78.2
Net gain on investments at fair value through profit or loss	-	134.4	134.4
Net gain/(loss) from derivative financial instruments	-	(8.8)	(8.8)
Property expenses	(65.2)	-	(65.2)
Acquisition and disposal related costs	(11.8)	-	(11.8)
Management fees	(16.0)	-	(16.0)
Other expenses	(3.9)	-	(3.9)
Foreign exchange losses	(3.3)	3.3	-
Operating profit	176.0	128.9	304.9
Share of net profit from joint venture and associate entities	129.9	(129.9)	-
Profit before financing	305.9	(1.0)	304.9
Finance costs	(65.7)	-	(65.7)
Net gain/(loss) on derivative financial instruments	(26.4)	5.5	(20.9)
Profit for the year	213.8	4.5	218.3
Other comprehensive income			
Change in the fair value of cash flow hedges	(0.3)	-	(0.3)
Exchange differences on translation of foreign operations	5.7	(4.5)	1.2
Other comprehensive income/(loss)	5.4	(4.5)	0.9
Total comprehensive income for the year	219.2	-	219.2

For personal use only

D. Further information (continued)

Consolidated balance sheet

	30 Jun 2025 Reported \$'m	Adjustment \$'m	30 Jun 2025 Restated \$'m
Assets			
<i>Current Assets</i>	782.5	-	782.5
Total current assets	782.5	-	782.5
Investment properties	1,984.3	-	1,984.3
Investments in joint venture and associate entities	1,478.6	(1,478.6)	-
Investments accounted for at fair value through profit or loss	-	1,478.6	1,478.6
Derivative financial instruments	42.9	-	42.9
Total non-current assets	3,505.8	-	3,505.8
Total assets	4,288.3	-	4,288.3
Total current liabilities	428.6	-	428.6
Total liabilities	1,594.1	-	1,594.1
Net assets	2,694.2	-	2,694.2
Equity			
Contributed equity	2,884.7	-	2,884.7
Reserves	4.8	(2.0)	2.8
Retained earnings/(accumulated losses)	(195.3)	2.0	(193.3)
Total equity	2,694.2	-	2,694.2

Consolidated statement of changes in equity

The comparative reserves have been reclassified into retained profits due to the fair value election for the foreign joint ventures and associates in the Consolidated statement in changes in equity and in Note D3(a) Parent entity information.

Consolidated cash flow statements

Finance costs paid moved from *Cash flows from operating activities* to *Cash flows from financing activities*.

Transaction costs for investments at fair value through profit or loss moved from *Cash flows from investing activities* to *Cash flows from operating activities*.

Proceeds from forward exchange contracts moved from *Cash flows from financing activities* to *Cash flows from operating activities*.

Note A3 provides a reconciliation of operating profit, rather than statutory profit to net cash flows from operating activities.

Directors' declaration to unitholders

In the opinion of the Directors of Charter Hall Retail Management Limited, the Responsible Entity of Charter Hall Retail REIT:

- a the consolidated financial statements and notes set out on pages 18 to 48 are in accordance with the *Corporations Act 2001*, including:
 - i complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
 - ii giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the year ended on that date; and
- b there are reasonable grounds to believe that the REIT will be able to pay its debts as and when they become due and payable.

The Directors have been given declarations by the Fund Manager, who performs the Chief Executive Officer function, and the Head of Retail Finance, who performs the Chief Financial Officer function, required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors.



Roger Davis
Chair
Sydney

7 August 2026

For personal use only



**Shape the future
with confidence**

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent auditor's report to the unitholders of Charter Hall Retail REIT

Report on the audit of the financial report

Opinion

We have audited the financial report of Charter Hall Retail REIT and its controlled entities (collectively the REIT), which comprises the consolidated balance sheet as at 30 June 2026, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the REIT is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated balance sheet of the REIT as at 30 June 2026 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the REIT 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 audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.



Shape the future
with confidence

Carrying Value of Investment Properties

Why significant	How our audit addressed the key audit matter
At 30 June 2026, the carrying value of the REIT's investment properties at fair value is \$2,095.5 million, representing 46% of total assets. Fair values were determined by the Directors with reference to external and internal property valuations and market conditions existing at the reporting date. Changes in fair value are recognised in the consolidated statement of comprehensive income. We considered this to be a key audit matter as property valuations are based on certain judgemental assumptions, such as capitalisation rates and market rents, and changes in these assumptions could result in material change to the valuation of investment properties. We draw attention to section B. <i>Property portfolio</i> assets of the financial statements which discloses the accounting policy, key assumptions and sensitivities to changes in the key assumptions that may impact Investment Property valuations.	Our audit procedures included the following for directly and indirectly held investment properties: • We inquired with Management and obtained an understanding of the following: - Movements in the REIT's investment property portfolio; - Changes in the condition of each property, including an understanding of key developments and changes to development activities; - Changes in the REIT's investment property portfolio, including understanding leasing activity and tenant occupancy risk; and - Controls in place for the leasing and valuation processes. • We assessed the operating effectiveness of relevant controls over the leasing (and associated tenancy schedules) and valuation processes. • In conjunction with our real estate valuation specialists, we performed the following procedures: - Developed expectations in relation to key market assumptions for each asset class and geographic location including capitalisation rate, market rent, and movements in the market assumptions during the year. We utilised these expectations to develop our own valuation range for each property, comparing results to adopted valuations. Where applicable, we considered comparable market transactions. - Assessed (on a sample basis) qualifications, competence and objectivity of the external and internal valuers used by the REIT. - Evaluated the suitability of the valuation methodology used by the valuers across the portfolio. - Selected a sample of valuation reports and engaged our valuation specialists to perform a detailed review of key assumptions and methodologies. - Tested (on a sample basis) key inputs for the valuation and agreed passing rental income in the valuation reports to the audited tenancy schedules.



Shape the future
with confidence

Why significant	How our audit addressed the key audit matter
	- Tested the mathematical accuracy of valuations. • We also assessed the adequacy and appropriateness of disclosures included in section B. <i>Property portfolio assets</i> of the financial report.

Carrying Value of Investments

Why significant	How our audit addressed the key audit matter
Following the adoption of AASB 18, the REIT accounts for investments in unlisted property funds at fair value through profit and loss. The REIT's investment balance at 30 June 2026 is \$2,158.8 million, representing 47% of total assets. Investments in unlisted funds are classified as Level 3 as their valuation is largely based on non-observable data. Determining the fair value of Level 3 investments involves judgement in selecting an appropriate valuation methodology. The REIT measures its investments in unlisted Funds at their proportionate share of net assets (NAV). We considered this to be a key audit matter as the measurement of the fair value of these assets is based on certain judgemental assumptions, and changes in these assumptions could result in material change to the carrying amount of the investment. We draw attention to section B. <i>Property portfolio assets</i> and B2. <i>Investments accounted for at fair value through profit or loss</i> of the financial statements which discloses the accounting policy, key assumptions and sensitivities to changes in the key assumptions that may impact the valuation of investments in unlisted funds.	Our audit procedures included the following: • We obtained the investments at fair value reconciliation and tested key movements during the year. • We assessed the appropriateness of management's fair value methodology in accordance with the accounting standards. • Reconciliation of the investment balances to the REIT's proportionate share of the investee's underlying net asset value (NAV). • Review of the composition of the NAV of the unlisted funds (as a key valuation input), and testing of material NAV balances which include (but not limited to): - Investment property values as outlined in the Carrying Value of Investment Properties KAM above; and - Debt balances by agreeing amounts to external bank confirmations. • We also assessed the adequacy and appropriateness of disclosures included in section B. <i>Property portfolio assets</i> and B2. <i>Investments accounted for at fair value through profit or loss</i>.

Information other than the financial report and auditor's report thereon

The directors of Charter Hall Retail Management Limited (the Directors), the Responsible Entity of Charter Hall Retail REIT are responsible for the other information. The other information comprises the information included in the REIT's 2026 annual report other than the financial report and our auditor's report thereon. We obtained the Directors' report that is to be included in the annual report, prior to the date of this auditor's report, and we expect to obtain the remaining sections of the annual report after the date of this auditor's report.



**Shape the future
with confidence**

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The Directors are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the REIT's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the REIT or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Responsible Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the REIT's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw



**Shape the future
with confidence**

attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the REIT to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the REIT as a basis for forming an opinion on the REIT's financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst and Young
Ernst & Young

Vida

Vida Virgo
Partner
Sydney
07 August 2026