SCENTRE GROUP

ASX Announcement

25 August 2026

Scentre Group Half-Year Results Presentation: Speaker Notes

Attached are the speaker notes for the presentation of the Group's results for the six months to 30 June 2026.

A reference in the notes to a slide is a reference to the corresponding slide in the half-year results presentation released today.

This release has been authorised by the Chief Executive Officer.

Further information

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About Scentre Group

We acknowledge the Traditional Owners and communities of the lands on which our business operates. We pay our respect to Aboriginal and Torres Strait Islander cultures and to their Elders past and present. We recognise the unique role of Māori as Tangata Whenua of Aotearoa/New Zealand.

Scentre Group (ASX: SCG) owns 42 Westfield destinations across Australia and New Zealand encompassing 12,000 outlets. Our Purpose is creating extraordinary places and experience that connect, enrich and are essential to our communities. Our Ambition is to create the places more people choose to come, more often and for longer.

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Scentre Management Limited
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ABN 55 191 750 378
ARSN 090 849 746

RE1 Limited
ABN 80 145 743 862
AFS Licence No: 380202 as responsible entity of Scentre Group Trust 2
ABN 66 744 282 872 ARSN 146 934 536

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HALF YEAR RESULTS 2026 SPEAKER NOTES

ELLIOTT RUSANOW, CEO

[Cover page]

Good morning, everyone.

Welcome to Scentre Group's Half Year 2026 results briefing.

Before we begin, I would like to acknowledge the traditional custodians of the land I am on and pay my respects to their Elders, past and present.

I am joined today on the call by our Chief Financial Officer, Andrew Clarke; our Chief Operating Officer, Lillian Fadel; and John Papagiannis, Group Director of Businesses.

[Highlights – Slide 2]

Our focus is to continue generating long-term earnings growth from our Westfield business in Australia and New Zealand and create significant additional value from our substantial land holdings.

We compete for people's time.

The more people who come to our Westfield destinations, the more often they come and the longer they stay, the more earnings we can generate for our securityholders.

To do that, we need to keep giving people more reasons to choose to spend their time with us.

That means continually improving our destinations, broadening the range of businesses within them and creating experiences that bring people together.

This has been the hallmark of our success for more than six decades, and remains as important today as when the company was founded.

The connection to our earnings is clear.

More people visiting our destinations supports more sales for our business partners.

Growing sales attracts more businesses that want to be in our destinations.

That demand supports occupancy, rents and leasing spreads and, ultimately, earnings.

We have seen that play out since 2022 following the Covid pandemic.

Today 144 million more customers visit our Westfield destinations annually than in 2022 – increasing from 408 million to 552 million annually – and this continues to grow.

Today, on average, more than 10.5 million people visit one of our 42 Westfield destinations across Australia and New Zealand every week.

Our business partner generate $7.4 billion more sales annually than in 2022 increasing from $22.9 billion to a record $30.3 billion in annual sales.

Occupancy has increased from 98.8% at June 2022 to 99.8% today.

And while growing the existing business, we have continued to invest in it.

Since 2022, we have invested more than $1 billion across our destinations, including significant projects at 12 destinations that are either completed or underway.

Over the same period, we have introduced $3.1 billion of new joint-venture capital from long-term institutional partners.

This has allowed us to release capital from selected assets while continuing to manage and operate them, strengthen our balance sheet and invest elsewhere in the business.

Importantly, while investing more than $1 billion in our destinations and introducing $3.1 billion of joint-venture capital, we have continued to grow earnings per security in every year throughout this period.

We believe investing for the future should not come at the expense of growing earnings for our securityholders today.

Our earnings per security today are more than 15% higher than we delivered in the year to June 2023 – the first full year of stability following Covid.

For us, that is an important measure of whether we are creating value.

The earnings growth we have delivered, and the trajectory we are on, are the result of the strategy we have executed and continue to pursue.

Our earnings growth is being generated by the performance of our business today. It is not reliant on assumptions of future stabilisation or development outcomes.

Our objective is not simply to grow the size of our business. We will grow, develop and deploy capital where we believe doing so will enhance long-term returns and value for our securityholders.

And we expect earnings to continue to grow.

At the same time, we have another significant opportunity.

Our Westfield destinations sit on or adjacent to more than 670 hectares of land close to already built and in place transport plus water, energy and essential infrastructure.

We are looking at how we can use that land to increase the economic activity around our destinations, including through a significant pipeline of mixed-use and residential opportunities.

This is additional to the earnings growth being generated by our Westfield business today.

For the first six months of 2026, Funds from Operations were $612 million, up 4.4%, and distributions to our securityholders were 9.215 cents per security, up 4.5%.

So far this year, we have welcomed 347 million customer visits, 12 million more than the same period last year and representing growth of 3.5%.

Over the past 12 months, 552 million customers visited our Westfield destinations – a record for our business.

[**Visitation – Slide 4**]

Today, our Westfield destinations are more relevant to our customers and communities than ever before.

We continue to give people more reasons to visit through partnerships, events and experiences.

Our destinations are places where people come together, not simply places where people shop.

During the half, we partnered with SBS and SEN to bring the FIFA World Cup to our Australian communities through our Football for Fans experience.

Our SBS Fan Zones attracted 218,000 visits across the tournament.

Earlier this month, we announced a partnership with the NFL ahead of its first-ever regular-season game in Melbourne in September.

As the Official Shopping Destination Partner and Exclusive Red Carpet Partner, we will stream the game live and host free NFL-themed activities across all 42 destinations in Australia and New Zealand.

Through our ongoing partnership with The Walt Disney Company, we brought more exclusive experiences to our customers, including Toy Story 5 and Star Wars events.

Customers enjoy visiting our destinations to see their favourite artists live. Together with Sony Music, we hosted Amy Shark live at Westfield Tuggerah and Westfield Knox.

These partnerships and events give people reasons to spend their time at Westfield that go well beyond traditional retail.

During the half, we also continued to grow our relationship with Westfield members.

Westfield membership now exceeds 5.2 million.

This week, we will launch Westfield World of Wins, a new gamified experience accessible through the Westfield App, giving members the opportunity to win thousands of prizes from businesses across our destinations.

It gives our members another way to engage with our Westfield destinations and our business partners, whether they are physically at one of our destinations or not.

We will continue to use the strength of the Westfield brand and our network of 42 destinations across Australia and New Zealand to bring more people to our destinations.

[**Business Partner Sales – Slide 5**]

More people visiting and spending time at our destinations is translating into sales for our business partners.

For the 12 months to 30 June 2026, business partner sales reached a record $30.3 billion – $1 billion more than the same period last year.

Over the 12 months, business partner sales grew by 4.2% and specialty sales grew by 5.4%.

For the first six months of 2026, business partner sales grew by 3.7% and specialty sales by 5.1%.

Over the most recent three months, specialty sales were 4.7% higher.

And in July, specialty sales were 3.6% higher than the prior comparable period.

[**Leasing Activity – Slide 6**]

Growing sales continue to attract businesses that want to be in our Westfield destinations.

Occupancy is 99.8%, the highest June level in more than a decade.

Rent escalations increased by 5.5% in the first six months of the year.

We completed 1,401 leasing deals with average positive releasing spreads of 3.7%.

This is the connection between our operating strategy and our earnings.

We attract more people.

Our business partners grow their sales.

More businesses want to be in our destinations.

And that creates demand for space.

[**Development Opportunities – Slide 8**]

We continue to invest in our Westfield destinations because they need to keep changing with our customers and the communities they serve.

In recent years, we have completed redevelopments at Westfield Sydney and Burwood in Sydney, Knox and Southland in Melbourne, Tea Tree Plaza in Adelaide and Mt Gravatt in Brisbane.

All of these destinations are performing well.

We also have more than $4 billion of future retail development opportunities.

We are targeting yields of between 6% and 7% and incremental returns of between 12% and 15%.

We will pursue these opportunities where the returns make sense for our securityholders.

We continue to enhance the customer offer at Westfield Bondi in Sydney to further strengthen its position as one of the world's pre-eminent destinations.

Works are progressing on our $240 million redevelopment to deliver an elevated dining, entertainment and lifestyle precinct on Level 6 of the centre.

This follows the successful repurposing of former department store space on Level 1, to create a new health and fitness precinct. The transformed Level 6 precinct will be anchored by an upgraded Event Cinemas, a new Kingpin entertainment offer and unique dining experiences. It will open in stages from late Q4 2026.

Importantly, Westfield Bondi has continued to trade throughout the redevelopment and both visitation and sales have continued to grow.

In Western Sydney, we commenced our $30 million redevelopment at Westfield Penrith, expanding its entertainment and lifestyle precinct and HOYTS Cinemas complex.

At Westfield Tuggerah, we are repurposing former department store space to introduce TimeZone, JD Sports and a relocated rebel.

These businesses will open progressively from Q3 2026.

During the period, we also completed the residential component of the redevelopment above Westfield Sydney on behalf of Cbus Property.

We will keep investing in our Westfield destinations where we see the opportunity to attract more people, grow sales and generate attractive returns.

[Westfield Destinations – Slide 7]

Our Westfield destinations are already the town centres of their communities.

They sit on more than 670 hectares of land, close to transport and existing in place infrastructure.

Retail, dining, entertainment and services are already there.

And hundreds of millions of customer visits are already taking place there every year.

That gives us an opportunity to add to the economic activity already taking place around our destinations.

We are working with governments across Australia and New Zealand on how this land can also contribute to housing supply and make housing more accessible to more people.

Over the past 24 months, we have identified and progressed a significant pipeline of potential dwellings.

This year, that pipeline has increased from 20,200 to 25,600 dwellings that are approved or in the advanced stages of planning.

At Westfield Warringah Mall, we have substantially progressed plans for a new town centre with the potential for up to 1,600 dwellings.

At Westfield Eastgardens, we are exploring the opportunity for 1,300 dwellings as part of an integrated mixed-use development and have lodged an expression of interest with the Housing Delivery Authority for a State Significant Development.

At Westfield Chermside, we have submitted a master plan to Brisbane City Council with the potential for up to 4,000 dwellings.

And at Westfield West Lakes in Adelaide, we have begun planning for the potential delivery of up to 2,000 dwellings.

The South Australian Government has approved our proposal to commence the formal master planning process.

There is an important distinction here.

We don't need these future opportunities to generate earnings growth from our business today.

Our existing Westfield business is already growing earnings.

The opportunity across our land holdings gives us another way to create even more value over the long term.

Thank you, and I will now hand over to Andrew Clarke.

ANDREW CLARKE, CFO

Thanks Elliott, and good morning everyone.

[Operating Profit & FFO – slide 9]

Funds From Operations for the period was $612 million. This is an increase of 4.4% over the first half of 2025.

This is underpinned by Operating Profit growth of 4.5%, primarily driven by strong operating results with:

- Average specialty rent escalations of 5.5% and
- Positive leasing spreads of 3.7%

Management Fee Income grew by 5.8% for the period, driven by underlying growth in property revenue and additional fees following the joint venturing of Westfield Chermside and Westfield Sydney.

Interest expense reduced by $58 million or 14%. This reflects the repayment of borrowings following the joint venture transactions, as well as the part-period benefit of refinancing, at significantly lower margins, all remaining senior and subordinated notes issued during the pandemic, in 2020.

The increase in tax expense from $16 million to $20 million is primarily due to our higher management fee income and lower interest expense in New Zealand.

Operating and Leasing Capital was $86 million for the first half.

[Funding – slide 11]

As Elliott highlighted our focus is to continue investing in our Westfield destinations, so they remain relevant to our customers and communities, and continue to generate long-term earnings growth.

A key part of that is how we manage capital.

We have demonstrated our ability to introduce joint-venture partners into selected 100%-owned assets, while continuing to manage those assets and retain exposure to their performance.

That capital can then be reinvested into our destinations, the customer experience and opportunities that strengthen the quality and earnings potential of the Group, creating long-term returns and value for our securityholders.

During the period the Group has made significant progress with its capital management strategy, increasing the Group's balance sheet capacity, lowering its funding margin and increasing future period interest rate hedging.

The Group successfully refinanced $4.1 billion of high-cost borrowings, this included $2.3 billion of senior notes and $1.8 billion of subordinated notes.

The Group also issued a $750 million, 6-year senior note in the Australian domestic market, at a margin of 1.2% and renegotiated and extended $1.7 billion of bank facilities at lower margins.

These transactions have materially improved the Group's weighted average credit margin from 2.6% at 31 December 2025 to 1.6% at 30 June 2026.

The weighted average interest rate has reduced from 5.7% in the first half of 2025, to 5.4% in the first half of 2026. Included in this was an average base interest rate of 3.3% and an average margin of 2.1%.

At 30 June 2026, the Group had $3.5 billion of available liquidity.

Year to date, the Group has executed $10.1 billion of interest rate swaps, increasing hedge coverage across all periods. The hedge coverage at June 2026 was 95% at an average base rate of 3.26% and at December 2026 is 89% at an average base rate of 3.29%.

Yesterday, the Group announced the divestment of a 50% interest in Westfield Mt Gravatt for $882.5 million, at a capitalisation rate of 5.50% and a premium to book value of 3.5%. The proceeds of this transaction will initially be used to repay bank debt.

The Distribution Reinvestment Plan continues to be in effect for the August 2026 distribution and will continue to add to the Group's sources of capital.

[Property Valuations – slide 21]

The Statutory result was a profit of $975 million, which includes an unrealised property revaluation increase of $478 million.

All properties were revalued during the half year, of which approximately 50% of the portfolio were independently valued.

Overall, property valuations increased by 1.6% during the 6-month period, primarily driven by growth in net operating income.

The weighted average capitalisation rate for the Portfolio remains broadly unchanged and was 5.45% as at June 2026.

Thank you and I will now pass you back to Elliott for closing remarks.

ELLIOTT RUSANOW, CFO

Thank you, Andrew.

[Outlook – Slide 14]

Our strategy is straightforward.

We want more people to choose to come to our Westfield destinations, more often and for longer.

We want more businesses to choose to partner with us.

And we want to make better use of the land we already own.

Doing those things should continue to grow earnings and create value for our securityholders.

The first half of 2026 shows that strategy working.

Based on the Group's operating performance in the first half and subject to no material change in conditions, we have upgraded FFO guidance for the second half of 2026 to at least 12.06 cents per security, representing growth of at least 4.5%.

That would take full-year 2026 earnings to at least 23.79 cents per security, growth of at least 4.25%.

We have also upgraded distribution guidance for the second half to 9.258 cents per security.

That would take the full-year distribution to 18.473 cents per security, also representing growth of 4.25%.

We have grown earnings per security every year since 2022.

We are continuing to invest in our existing business.

And we have significant opportunities ahead of us across both our Westfield destinations and the land around them.

Our focus is to keep growing earnings and long-term value for our securityholders.

I will now hand back to the operator to open the call for questions.