ARENA REIT

DIVIDEND AND DISTRIBUTION POLICY

May 2026

1. Purpose

The purpose of this document is to explain how the Arena REIT Group (Arena) calculates and pays distributions to investors. This document has been prepared in accordance with the Corporations Act 2001.

The key objective of this policy is to make investors aware of Arena's distribution practices, so that they can understand the source of distributions and the matters that will be taken into consideration by the Arena Board when determining the payment of distributions to investors.

2. Scope

This policy details how Arena:

- may exercise its discretion to determine and vary distributions or dividends
- calculates the distributable amount after it exercises its discretion
- determines the distribution amount payable to investors in the relevant fund.

If there is an inconsistency between this policy and the relevant fund's constitution, then the relevant constitution shall prevail to the extent of the inconsistency.

This policy may change from time to time and Arena will ensure the latest policy is available on the Arena website (www.arena.com.au) or upon request.

This policy applies to the funds included in Schedule 1.

3. Distributable Amount

Distributions are calculated in accordance with the relevant fund's constitution or joint venture agreement (as appropriate). In the case of Arena REIT stapled securities a distribution means:

(a) cash distribution paid by Arena REIT No. 1 and /or Arena REIT No. 2, whether income or capital; and

(b) an amount paid as a dividend in respect of a share in Arena REIT Limited.

Generally, Arena only pays distributions from operating income and does not distribute in excess of 100% of net operating income, unless the particular circumstances of the fund are such that Arena determines that doing so is in the best interests of investors. The distributable amount is based broadly on the following formula:

Distributable Amount =	Net Operating Income – Contingencies for Future Expenditure +/- Any Other Amount

Net Operating Income refers to the relevant fund's net profit after operating expenses have been deducted as calculated and prepared in accordance with the fund's constitution, Australian Accounting Standards and the Corporations Act 2001.

Net operating income will generally comprise:

- rental income and outgoings recovery from direct property investments
- amortisation of tenant incentives and leasing costs
- distributions from investments in other property funds, *less the following:*
  - direct property expenses
  - fund expenses
  - interest and amortisation of borrowing costs
  - management fees
  - performance fees

Exclusions from net operating income would generally comprise:

- income from straight-lining of rent for future fixed rental increases
- change in fair value of derivatives used to hedge interest rate or currency risk
- change in fair value of investments and directly held property
- gain or loss on disposal of investments
- Provisions for long term staff incentives (if applicable)

Contingencies for Future Expenditure refers to any other allowances the Arena Board in its discretion believes should be held to allow for contingencies or future expenses that will or may arise in respect of the relevant fund.

For example, these may include but are not limited to:

- lease incentives paid as cash or fit-out
- other costs associated with leasing vacant space
- refinancing costs
- derivative restructuring costs
- tax obligations
- approved capital expenditure programs
- compliance with Debt Facility Covenants

Any Other Amount refers to any other amount the Arena Board in its discretion believes should be included or withheld in the best interest of Investors.

For example, these may include but are not limited to:

- net proceeds from asset sales
- income or expenses of an unusual amount or nature that would otherwise unreasonably affect distributions in a particular distribution period
- an amount taking into consideration the relevant Fund's taxable income position so that Investors receive a present entitlement to income and cash to meet income tax obligations.

4. Distribution amount and entitlement

Each investor's distribution entitlement is calculated using the following equation:

Unitholder Distribution Entitlement =	(Distributable Amount/Total Units on Issue) x Number of Units held by the Investor

Distribution entitlements will always be subject to the provisions of the constitution of the relevant fund, including with respect to record dates and entitlements to distributions when units are acquired or disposed of part way through a distribution period.

5. Risks affecting distributions

Investors should be aware that all investments involve a degree of risk and there are many factors that can impact the performance of their investment. There may be circumstances when distributions are:

- significantly different (higher or lower) than the previous distribution
- suspended for a period of time (i.e. no distributions are paid)
- different to Arena's expectations, forecasts (if any) or guidance.

These circumstances may arise when:

- there is a material adverse event affecting the relevant scheme which reduces realised income or operating cashflow
- financial covenants such as the interest cover or loan to value ratio have exceeded their thresholds
- the relevant fund realises a gain or loss from the sale of an asset.

6. Announcement of distribution

For Arena REIT, Arena will announce the distribution amount, record and payment dates in accordance with the ASX listing rules and disclose this information on its website.

7. Payment of distribution to investors

Distributions are generally paid by all Arena funds on a quarterly basis within eight weeks of the end of the relevant period. Arena will withhold amounts as required by law, for example when a tax file number has not been provided or foreign investor withholding.

Arena will pay distributions directly into the investor's nominated bank account, unless the investor has elected for that distribution to be dealt with under the Dividend and Distribution Reinvestment Plan (DRP).

If the DRP is operating, for those investors who have elected to participate, their distribution will be applied to the issue of new securities processed in accordance with the terms of the DRP.

8. Investor disclosure

Arena will ensure investors are updated on any material changes to distributions through ongoing disclosure.

Investors will be:

- informed of distribution amounts declared by Arena's Board; and
- if Arena knows that distributions will be materially different (higher or lower) than the previous distribution, provided with an explanation of this difference.

Each year, on or around 31 August, Arena will issue an annual tax statement or attribution managed investment trust member annual (AMMA) statement to investors, as applicable, detailing the tax components of the distribution made by the fund over the relevant year.

9. Review

This policy will be reviewed at least annually to assess that it is operating effectively and to consider whether any changes are required to the policy.

Schedule 1 – Funds

This policy applies to:

- Arena REIT (the stapled group comprising Arena REIT Limited, Arena REIT No. 1 and Arena REIT No. 2)

Contact

Arena REIT Limited ACN 602 365 186
Arena REIT Management Limited ACN 600 069 761
Level 15, 8 Exhibition Street
Melbourne Victoria 3000

Any questions may be directed to:
Company Secretary
E: info@arena.com.au
T: +61 3 9093 9000
Freecall: 1800 008 494

Postal address:
Locked Bag 32002
Collins Street East
Melbourne Victoria 8003

www.arena.com.au