

Will 2026 see Mirvac Profiting forward?

Company/ASX Code	Mirvac Group (MGR)
AGM time and date	11:00 am Thursday, 20 November 2025
Location	Level 25 200 George Street SYDNEY NSW 2000
Registry	MUFG Corporate Markets
Type of meeting	AGM Live Webcast
Monitor	Allan Goldin
Pre-AGM Meeting	Chair Robert Sindel, Christine Bartlett Chair of the Human Resources committee, Gavin Peacock General Manager Investor Relations, and Simon Morris (Director, Performance, Reward & People Technology)

Monitor Shareholding: The individual (or their associates) involved in the preparation of this voting intention has no shareholding in this company.

1. How we intend to vote

No.	Resolution description	
2.1	Re Election of Rob Sindel	For
2.2	Re Election of Peter Nash	For
2.3	Re Election of Rosemary Harnett	For
3	Adoption of the Remuneration Report	For
4	Participation of the Group CEO & Managing Director in the Long-Term Performance plan	For

2. Summary of Issues and Voting Intentions for AGM/EGM

- Mirvac long tail of construction problems is at an end.
- In future years, the Living area will be a big earner.

Unfortunately, Mirvac is not holding a hybrid meeting but limiting it to a livestream.

After a couple of painful years Mirvac is seeing the way out, but YR25 was still dragged down by some legacy issues. Which is why Mirvac had a \$102M revaluation loss on its investment portfolio, which as a percentage is more than other listed REITs. A key factor for these legacy issues stems from the fact that pre-Covid Mirvac pre sold almost a 100% of their developments. From a financing point of view this made sense, but because of the delay caused by Covid and the resulting increased construction and labour costs, profit

dropped. Then the Company ran into particular problems in Brisbane where continuing high construction costs and a key sub-contractor going broke has further affected the YR25 results.

Happily, the problems are no longer there. The Company has no major multi story construction in Brisbane. In Sydney and Melbourne construction costs have moderated. MRG no longer does a full pre sale on developments but does it in stages so they can take advantage of potential price increases.

Mirvac has forecast \$500M of assets sales this year but only did \$340M partially because the prices that they would receive were not that favourable and they really didn't have to as they refinanced \$1.8bn of debt on favourable terms, issued a \$400m 6.5-year green bond and most importantly raised over \$1.3bn through capital partnering initiatives.

However, debt gearing is at the top end of their range at 27.6 or look thru 29.5. The Company is not a concern as it is within the guidelines and it is temporary because of the Harbourside, 55 Pitt St and 7 Spencer St developments that will yield substantial returns in the next couple of years.

Importantly a joint venture with capital partner Mitsubishi Estate, to deliver and co-invest in the Harbourside precinct, helps to unlock approximately \$450 million of capital to fund development pipeline, while delivering development management fees during construction. At the sametime Mirvac's ongoing capital recycling program should result in up to \$500 million of sales this financial year.

The company's residential division delivered earnings before interest and tax of \$179m, down on last year's \$212m, dragged down by lower lot settlements and lower gross margins. However, the traditional Mirvac business looks to perform well in FY26 with a significant uplift in residential sales in the first quarter, with 619 lots exchanged, driven by strong momentum at Sydney and Melbourne master planned communities – up 150 per cent and 125 per cent on the same time last year, respectively. The business is well placed to benefit from the federal government's new first-home buyer guarantee scheme introduced in October.

The increased focus for the future is on the Living area where Mirvac now has more than 8,400 lots in its land lease offering with 5,000 of them occupied. MGR is Australia's biggest player in Build to Rent (BTR) with over 2,000 apartments in 5 completed buildings.

The committed development pipeline plays a significant role in future growth, with around \$100m in new annualised income to be created for the Investment portfolio over the coming years, while adding a further \$2.7bn of funds under management.

Mirvac strategy is to have 70% of its income coming from investment and 30% from development. The targets in the investment structure are 40% office, 15% retail, logistics 20% and BTR 25%. This strategy dictates its internal asset allocation, but the philosophy is obviously different when it comes to fund management.

Mirvac has recently been in the news for trying to take over Lendlease management of firstly their industrial fund then the 2.88B retail fund and will perhaps make a move on their \$5.8B office fund. Obviously in its fund management business with its hopefully associated asset management income the focus is having as big as possible fund of reasonably good assets.

For YR 2016 Mirvac is targeting Operating EPS 12.8-13.0c (representing 6.7% to 8.3% growth) and Distribution of: 9.5c (representing growth of 5.6%)

3. Matters Considered

Accounts and reports

Financial performance

(As at FYE)	2025	2024	2023	2022	2021
NPAT (\$m)	68	(805)	(165)	906	901
Operating Profit (\$m)	474	552	580	596	550
Share price (\$)	2.20	1.87	2.26	1.98	2.92
Distribution (cents)	9	10.5	10.5	10.2	9.9
Simple TSR (%)	22.4	-13	19	-29	39
EPS (cents)	1.7	(20.4)	(4.2)	23.0	22.9
CEO total remuneration, actual (\$m)	3.17	2.55	2.31*	3.5	5.9

Simple TSR is calculated by dividing (change in share price plus dividend paid during the year, excluding franking, by the share price at the start of the year.

*Campbell Hanan was not the CEO for a full year

Governance and culture

It is very unfortunate that shareholders are only now voting on Rosemary Hartnett some 11 months after she joined the board.

Mirvac improved overall engagement score of 77 per cent, reflecting a continued focus on culture and people.

Last year, and in collaboration with the University of Sydney, the Company developed the Mirvac Master's program, which provides employees with an academically endorsed professional development experience and deep technical learning. The program's curriculum is tailored to the evolving demands of the industry. Amazingly 160 employees almost 10% of the workforce are enrolled in this program.

Sustainability/ESG

Mirvac released their inaugural social performance report, Force for Good, which showcases how they embed social value through the design and delivery of our places.

Some of the sustainability highlights include:

The NSW Construction team has achieved a 5 Gold Star iCirt rating for the past three years in a row, demonstrating commitment to safety, compliance, and durability.

18% energy intensity reduction across office and retail since FY19

Achieved 5.3 Star NABERS average energy rating across office portfolio.

96% construction waste and 64% operational waste diverted from landfill.

54 mature native plants preserved and protected from Highforest, Sydney for replanting at 55 Pitt Street, Sydney development in 2026.

950+ employees joining 90+ volunteering activities on National Community Day 2025

13.3m in community investment – \$25.7m procured from social and First Nations-led businesses in FY25, and \$92.1m since FY18

95% internal ESG scorecard performance, a key contributor to employee STI outcomes

Continued to narrow gender pay gap (on a like-for-like basis compared to last year) – female representation reached 47 per cent of senior management.

4. Rationale for Voting Intentions

Resolution 2.1 - Re-election of Rob Sindel – (For)

Rob Sindel was appointed a Non-Executive Director of Mirvac in September 2020 and as Independent Non-Executive Chair in January 2023.

Mr. Sindel has 30 years' experience in the construction industry both in Australia and the United Kingdom with roles in senior executive management and leadership in the building industry supply chain, manufacturing, sales and marketing in business-to-business environments and strategic management well as experience operating in high-risk industries. Rob is currently the Chair of Orora Limited, and is a Member of Australian Business Community Network Foundation and the Yalari NSW Advisory Committee

As Chair of the Board and the Nomination Committee, Rob plays a central role in strategic and governance leadership to Mirvac. His memberships of the Health, Safety, Environment & Sustainability Committee and Human Resources Committee actively support the Board's effectiveness, its oversight of key risks, and continuity across Board functions.

ASA will vote our undirected proxies in favour of Rob Sindel

Resolution 2.2 - Re Election of Peter Nash (For)

Peter Nash was appointed a Non-Executive Director of Mirvac in November 2018. Peter was a Senior Partner with KPMG, having been admitted to the partnership of KPMG Australia in 1993. He served as the National Chair of KPMG Australia from 2011 until August 2017, where he was responsible for the overall governance and strategic positioning of KPMG in Australia. In this role, Peter also served as a member of KPMG's global and regional boards. Peter's previous positions with KPMG included Regional Head of Audit for Asia Pacific, National Managing Partner for Audit in Australia and Head of KPMG Financial

As the Chair of the Audit, Risk and Compliance Committee, Peter brings extensive experience in audit, financial services, and governance, and plays a key role in the oversight of Mirvac's financial and nonfinancial risks.

Peter is currently the Chair of Johns Lyng Group Limited and Director of Westpac Banking Corporation and the General Sir John Monash Foundation. Peter was previously a Director of ASX Limited, and until 2017.

ASA will vote our undirected proxies in favour or Peter Nash

Resolution 2.3 - Re-Election of Rosemary Harnett (For)

Rosemary Hartnett was appointed a Non-Executive Director of Mirvac in December 2024. Rosemary's former executive roles include senior property finance executive and fund manager roles for trading and investment banks, including Macquarie Bank, ANZ and NAB. Rosemary was also Chief Executive Officer of Housing Choices

Rosemary's appointment reflects the Board's commitment to renewal and diversity of thinking, bringing a fresh perspective and complementing the existing mix of Director skills and experience.

Rosemary Harnett is currently an independent non-executive director of Arena REIT Limited.

Though ASA is not pleased that this vote is taking place 11 months after Rosemary Harnett joined the board we will be voting our undirected proxies in favour of her election.

Resolution 3 - Adoption of the Remuneration Report (For)

Happily, Mirvac has joined the rest of the ASX 200 with the number of performance rights allocated under the Long-Term Performance plan and Deferred Short Term Incentive plans determined on a face value basis, rather than on a discounted face value basis, from FY26 onwards.

The layout of the KMP security shareholding is the best we have seen.

The STI is a good mix of financial and non-financial measurement. There are good details given as to what each criterion was and how the company performed against it. In FY25 operating earnings met budget and key strategic priorities were also progressed. However, operating earnings were lower than the prior year, resulting in a lower STI pool available to Executives and employees. Considering the performance against the group scorecard from a financial and non-financial perspective the board determined a Group STI score of 81.5 per cent for Executives compared to 90 per cent in the prior year.

Sixty percent of the STI is awarded in cash and 40% in equity deferred over two years. ASA would prefer that the equity component was 50%.

The two LTI tests are good, RTSR against a group containing all the leading Australian REITS. The second hurdle is relative ROE against this same comparator group. This second hurdle is limited to only 25% of the incentive rather than 50% if the Return on Invested Capital (ROIC) is less than the Weighted Average Cost of Capital (WACC) and outside the Group's target range. The LTI is measured over a three-year period rather than ASA's preferred 4 years.

Overall, a good structure and ASA will vote our undirected proxies in favour of it.

Resolution 4 - Participation of the Group CEO & Managing Director in the Long-Term Performance plan (For)

This resolution is for the granting of \$2,250,000 worth of performance rights. For the first time this grant will be calculated by dividing the actual share price over a one month period by this number.

The number of performance rights that will be converted to and awarded as stapled securities will depend on two hurdles measured over three years. 50% will be based on Relative TSR measured against Mirvac primary market competitors in the ASX 200 REIT. In FY25 MGR actual TSR for the period was 14.5% which was at the 63 percentile of this group.

The other 50% is based on ROE compared to this same group. To strike a balance between relative outperformance and the need for absolute returns and to ensure appropriate gearing, vesting for this component will be capped at 50 per cent unless: a) ROIC exceeds WACC over the performance period and b) gearing is within the Board approved range.

ASA will be voting our undirected proxies in favour of this resolution.

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Appendix 1

Remuneration framework detail

CEO rem. Framework for FY26	Target* \$m	% of Total	Max. Opportunity \$m	% of Total
Fixed Remuneration	1.5	28.6%	1.5	25%
STI - Cash	.0.9	17.2%	1.35	22.5%
STI - Equity	0.6	11.4%	0.9	15%
LTI	2.25	42.8%	2.25	37.5%
Total	5.25	100.0%	6.0	100%

The amounts in the table above are the amounts that are envisaged in the design of the remuneration plan. *Target remuneration is sometimes called budgeted remuneration and is what the company expects to award the CEO in an ordinary year, with deferred amounts subject to hurdles in subsequent years before vesting. Some remuneration framework set a maximum opportunity amount, but not all.