

4 July 2022

## Market update: Fawkner settlement, June valuations and capital management initiatives

### Settlement Update

As announced on 27 April 2022, Waypoint REIT (**WPR**) has agreed to sell 29 properties to Fawkner Property Ltd and associated entities (**Fawkner**) for a total purchase price of \$141.8 million.

Settlement of 21 of these properties (gross proceeds of \$105.7 million) occurred on 30 June 2022. Settlement of the remaining eight properties (\$36.1 million), in addition to a further two properties included in the portfolio sold to Fawkner in July 2021 (\$11.2 million), is expected to occur in July 2022. The ten properties are all located in Victoria, with settlement subject to WPR being registered on title by Land Use Victoria<sup>1</sup>.

### Valuations<sup>2</sup>

WPR has completed its 30 June 2022 valuation process, with independent valuations carried out on 71 properties and directors' valuations on 333 properties. The 404 properties valued comprise WPR's portfolio as at 30 June 2022, excluding the 10 Victorian properties under contracts for sale with Fawkner.

A gross valuation uplift of \$139.5 million was recorded for the six months to 30 June 2022 due to a combination of contracted annual rental increases and capitalisation rate compression, with the weighted average capitalisation rate on WPR's portfolio tightening by 10bp from 5.12% at 31 December 2021 to 5.02% at 30 June 2022.

The valuation uplift is expected to add approximately 19 cents to WPR's net tangible assets (**NTA**) per security, which was \$2.95 at 31 December 2021. WPR's estimated gearing as at 30 June 2022, taking into account the valuation uplift and pro forma for settlement of all currently contracted asset sales, is approximately 26%<sup>3</sup>.

WPR's interim financial statements, inclusive of the above valuation outcomes, remain subject to review by WPR's auditors and are expected to be released to the market on 29 August 2022.

### Capital Management

WPR has previously advised that it intends to undertake \$100 million of capital management initiatives in FY22. WPR's current intention is to proceed with these capital management initiatives in 2H22, with further details in relation to structure and timing to be provided when WPR's interim results are released on 29 August 2022.

<sup>1</sup> Please refer to page 22 of WPR's 2021 Annual Report for further details on Viva Energy Australia's dispute with the Victorian State Revenue Office in relation to the 105 Victorian assets forming part of WPR's IPO portfolio which delayed the registration of these titles in WPR's name.

<sup>2</sup> The future value of WPR's investment properties may be affected (positively or negatively) by several factors, including factors outside of WPR's control. Such factors include, but are not limited to, general property market conditions, general economic factors such as the level of inflation and interest rates, uptake of vehicles fuelled by alternative fuels, availability and cost of credit, tenant demand for fuel and convenience sites and Viva Energy Australia's financial position. Any future changes in investment property value will impact (positively or negatively) WPR's statutory statement of comprehensive income and balance sheet (including NTA per security).

<sup>3</sup> Subject to finalisation of derivative positions as at 30 June 2022.

### Authorised by:

The Board - Waypoint REIT Limited

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### About Waypoint REIT

Waypoint REIT is Australia's largest listed REIT owning solely fuel and convenience retail properties with a high-quality portfolio of properties across all Australian states and mainland territories. Waypoint REIT's objective is to maximize the long-term income and capital returns from its ownership of the portfolio for the benefit of all securityholders.

Waypoint REIT is a stapled entity in which one share in Waypoint REIT Limited (ABN 35 612 986 517) is stapled to one unit in the Waypoint REIT Trust (ARSN 613 146 464). This ASX announcement is prepared for information purposes only and is correct at the time of release to the ASX. Factual circumstances may change following the release of this announcement.

Please refer to the Waypoint REIT website for further information ([www.waypointreit.com.au](http://www.waypointreit.com.au)).