

27 February 2023

Waypoint REIT (ASX: WPR) FY22 Results

Highlights

- Distributable Earnings per security (Distributable EPS)¹ of 16.48 cents, a 4.25%² increase over FY21
- Distributable Earnings of \$116.1 million, a 5.3% decline on FY21 (\$122.6 million)
- Statutory net profit of \$133.8 million (compared with \$443.6 million in FY21), largely driven by valuation movements on the investment property portfolio, with a net loss of \$7.2 million in 2022 compared to a net gain of \$305.0 million in 2021
- Net tangible assets per security at 31 December 2022 was \$3.02, a 2.4% increase since 31 December 2021 (\$2.95).

Property Portfolio

- The investment property portfolio comprised 402 properties valued at \$2,947.6 million at 31 December 2022
- 213 investment properties (representing approximately half the portfolio) were independently valued during the year with directors' valuations performed on the balance, resulting in a net valuation loss of \$7.2 million
- The portfolio weighted average capitalisation rate was 5.28% at 31 December 2022 (an increase from 5.12%³ at 31 December 2021)
- 31 non-core assets were exchanged and settled during 2022 for \$146.8 million, in line with book value. A further four assets (exchanged in 2021) settled during the period for \$13.2 million, in line with book value
- Portfolio weighted average lease expiry stood at 9.0 years and occupancy was 99.9% at 31 December 2022.

Capital Management

- Gearing of 30.7% as at 31 December 2022 is at the lower end of the 30-40% target gearing range, with \$102.9 million of liquidity available
- Waypoint REIT's weighted average debt maturity was 4.4 years at 31 December 2022, following the refinancing of \$275.0 million of bank debt during the year. Waypoint REIT has no debt facilities expiring before FY25.
- \$129.4 million of capital management initiatives were completed during the year, comprising the buy-back of 49.8 million stapled securities for \$129.4 million (average price of \$2.60 per security, representing a 13.9% discount to net tangible assets per security)
- 94% of debt is hedged at 31 December 2022 with a weighted average hedge maturity of 3.4 years
- Management expense ratio of 30bp remains one of the lowest in the S&P/ASX 200 REIT Index.

¹ Distributable Earnings per security is calculated on a weighted average basis and is equal to net profit adjusted to remove transaction costs, specific non-recurring items and non-cash items, including straight-lining of rental income, the amortisation of debt establishment fees, any fair value adjustment to investment properties and derivatives and long-term incentive expense.

² Based on weighted average number of securities on issue during the year with growth calculated on unrounded figures.

³ Based on the comparable 402 properties at 31 December 2021.

Distribution

VER Limited (as the responsible entity of Waypoint REIT Trust) confirms the final distribution for the quarter ended 31 December 2022 is 4.03 cents per security.

Outlook

Although the macroeconomic outlook remains uncertain, Waypoint is well-positioned with a strong balance sheet, an improved property portfolio as a result of non-core asset sales and a high level of interest rate hedging.

Waypoint REIT currently expects to deliver Distributable Earnings per security¹ of 16.48 cents⁴ in 2023, in line with 2022.

Waypoint REIT will hold a conference call to discuss the FY22 results today at 10am. Please see below for registration details.

Webcast and Conference Call

Date: Monday, 27 February 2023

Time: 10:00am (AEDT)

Webcast: [WPR Full-Year 2022 Results Webcast](#)

Registration: To participate in the conference call please register using the Pre-Registration Link below. Once you have registered you will receive a calendar invite and a unique code which is to be quoted when dialing into the call.

[Click here to register](#)

A copy of the results presentation will be available on our website the morning of the results at waypointreit.com.au.

Authorised by:

Waypoint REIT Board

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⁴ FY23 guidance assumes no capital management initiatives, acquisitions or divestments. The guidance also assumes no material changes in the operating environment and average floating interest rates are assumed to be 4.1% in 2023 which is in line with the forward curve as at 24 February 2023 for the 3 month bank bill swap rate.

About Waypoint REIT

Waypoint REIT is Australia's largest listed REIT owning solely service station and convenience retail properties with a high-quality portfolio of properties across all Australian States and mainland Territories. Waypoint REIT's objective is to maximise the long-term income and capital returns from its ownership of the portfolio for the benefit of all security holders.

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 waypointreit.com.au