

# ASX Release



17 August 2020

## **AMPOL ANNOUNCES AGREEMENT FOR A CHARTER HALL AND GIC CONSORTIUM TO ACQUIRE A 49% INTEREST IN 203 CORE FREEHOLD CONVENIENCE RETAIL SITES**

Ampol Limited (Ampol) (ASX:ALD) today announces the establishment of an unlisted property trust that will own 203 core freehold Convenience Retail sites. The property trust will receive approximately \$77 million in rental payments from Ampol in the first year (on a 100% basis).

As part of the transaction, a Charter Hall and GIC consortium will acquire a 49% minority interest in the property trust for \$682 million, reflecting a weighted average capitalisation rate of 5.5% and valuing the entire property trust at \$1.4 billion.

Matt Halliday, Ampol's Managing Director and CEO said "Following the completion of our retail network review in 2019, we identified the opportunity to unlock the value of our high-quality retail property assets through a transaction that would demonstrate value, whilst importantly allowing Ampol to retain strategic and operational control over our core Convenience Retail network.

"Today's announcement was made possible by the significant amount of work undertaken over the past year and represents the successful execution of the strategy communicated to the market in late 2019. The transaction represents compelling value in volatile market conditions."

### **Transaction Overview**

Upon completion of the transaction, Ampol will hold a 51% controlling interest in the property trust and maintain strategic and operational control of the core Convenience Retail sites. All sites held within the property trust will be leased back to Ampol under long-term triple net lease arrangements. The leases will have a weighted average lease expiry of 19.2 years, with multiple options for lease extensions at Ampol's election.

The property trust will hold 203 core freehold Convenience Retail sites and Ampol will continue to progress opportunities to unlock value from additional freehold sites as market conditions improve.

The property trust will provide Ampol a platform to potentially acquire future sites and sell additional Ampol sites into the property trust over time. The property trust will also provide capex for site development and upgrades that meet relevant parameters.

The property trust is intended to remain ungeared and is expected to be consolidated for accounting and ratings purposes.

The transaction is expected to complete by the end of 2020, subject to a number of conditions precedent being satisfied.

### **Use of Proceeds**

Ampol expects to receive net proceeds of approximately \$612 million after taxes, stamp duty and other costs. Given current uncertainty around COVID-19, the proceeds will be used initially to reduce leverage in line with Ampol's Capital Allocation Framework.

## Key Transaction Details

Number of sites	203
Interest divested	49%
Sale price	\$682 million
Inferred portfolio valuation	\$1.4 billion (on a 100% basis)
Portfolio capitalisation rate	5.5%
Net proceeds after taxes, stamp duty and other costs	\$612 million
Initial rent	\$77 million (on a 100% basis)
Annual rent escalation	CPI (2% floor, 5% cap)
Site development and upgrade capex	Property trust may fund capex that meets relevant parameters, with rental increases to reflect any such capex

**Authorised for release by:** the Board of Ampol Limited.

**AMPOL LIMITED**  
ACN 004 201 307  
  
LEVEL 24  
2 MARKET STREET  
SYDNEY NSW 2000

**INVESTOR CONTACT**  
DALE KOENDERS  
HEAD OF INVESTOR RELATIONS  
M +61 457 559 036  
T +61 2 9250 5626  
DALE.KOENDERS@AMPOL.COM.AU

**MEDIA CONTACT**  
RICHARD BAKER  
HEAD OF CORPORATE AFFAIRS  
M +61 417 375 667  
T +61 2 9250 5369  
RICHARD.BAKER@AMPOL.COM.AU