

ASX announcement.

Growthpoint Properties Australia (ASX: GOZ)

GROWTHPOINT
PROPERTIES



28 September 2021

Growthpoint Properties Australia increases its exposure to industrial assets

Growthpoint Properties Australia (Growthpoint or the Group) is pleased to announce that it expects to acquire 14.74 million new stapled securities in APN Industria REIT (ADI) (ASX: ADI) for \$50.87 million, at an issue price of \$3.45 per security, maintaining the Group's 14.5% holding in ADI. Growthpoint will use existing debt facilities to fund the acquisition.

The securities will be issued as part of ADI's equity raising, comprising an institutional placement and institutional rights offer, which was announced to the market on 23 September 2021. The equity raise will enable ADI to acquire interests in a portfolio of 51 industrial properties and development opportunities for \$368.2 million at an estimated average yield of 5.0%.

Settlement of the new securities is expected to occur on 6 October 2021.

Timothy Collyer, Managing Director of Growthpoint, said, "We are pleased to invest further capital into ADI, maintaining our strategic position as a major securityholder. The Group has held a significant holding in ADI since 2017 and is pleased with how ADI has performed over this period, returning an ungeared internal rate of rate (IRR) of approximately 19.8%.¹ This transaction further strengthens ADI's portfolio, substantially increasing its exposure to high-quality industrial assets and providing attractive development opportunities. ADI has reaffirmed its FY22 distribution guidance, which reflects an attractive 5.0% distribution yield for ADI's securityholders on the issue price.

"We are pleased to increase Growthpoint's significant exposure to Australian industrial assets to approximately \$1.6 billion.² This includes our \$1.5 billion industrial portfolio, which has a weighted average capitalisation rate of 5.2%, high occupancy of 98% and a weighted average lease expiry of 4.7 years, as at 30 June 2021. Since then, we have continued to see unprecedented international and domestic investor appetite for industrial assets, supported by strong occupier demand, which has led to further capitalisation rate compression across the sector."

This announcement was authorised for release by Timothy Collyer.

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Growthpoint Properties Australia

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About Growthpoint

Growthpoint provides spaces for people to thrive. For more than 11 years, we've been investing in high-quality industrial and office properties across Australia. Today, we own and manage 56 properties, valued at approximately \$4.6 billion.³

We actively manage our portfolio. We invest in our existing properties, ensuring they meet our tenants' needs now and into the future. We are also focused on growing our property portfolio.

¹ IRR calculated on Growthpoint's investment, distributions received and the closing price of ADI securities on 22 September 2021.

² Includes Growthpoint's industrial portfolio and proportional indirect exposure to ADI's industrial assets.

³ Valuations as at 30 June 2021.



We are committed to operating in a sustainable way and reducing our impact on the environment.

Growthpoint is a real estate investment trust (REIT), listed on the ASX, and is part of the S&P/ASX 200. Moody's has issued us with an investment-grade rating of Baa2 for domestic senior secured debt.