

28 February 2022

Waypoint REIT (ASX: WPR) FY21 Results

FY21 Key Highlights

- Statutory net profit of \$443.6 million compared with \$279.9 million in FY20 (+58.5%), largely driven by 40bp of capitalisation rate compression recorded across the portfolio
- Distributable Earnings of \$122.6 million, a 3.5% increase over FY20 (\$118.5 million)
- Distributable Earnings per security (Distributable EPS)¹ of 15.80 cents, a 4.25%² increase over FY20 (15.15 cents)
- Net tangible assets per security at 31 December 2021 was \$2.95, an 18.5% increase since 31 December 2020 (\$2.49)
- 159 investment properties (representing over one-third of the portfolio) were independently valued during the year with directors' valuations performed on the balance, resulting in a gross valuation uplift of \$320.1 million and the portfolio weighted average capitalisation rate (WACR) tightening from 5.56% at 31 December 2020 to 5.16% at 31 December 2021
- 40 non-core assets settled or exchanged for \$137.1 million, representing a 10.5% premium to prevailing book value
- Weighted average lease expiry of 10.0 years, with five leases renewed during the year for an aggregate 3.5% increase in rent
- Inaugural \$200.0 million Australian medium term note issuance and \$285.0 million of bank debt refinanced, extending Waypoint REIT's weighted average debt maturity from 4.3 years at 31 December 2020 to 5.0 years at 31 December 2021
- Gearing of 30.1% as at 31 December 2021 is within the 30-40% target gearing range, with \$59.6 million of liquidity currently available
- \$173.3 million of capital management initiatives completed during the year, including the buy-back of 15.3 million stapled securities for \$41.1 million (average price of \$2.68 per security), a \$132.2 million return of capital (17 cents per stapled security) and a security consolidation approved by securityholders
- 73% of debt hedged at 31 December 2021 with a weighted average hedge maturity of 3.6 years
- Management expense ratio of 28bp 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 and any fair value adjustment to investment properties and derivatives.

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

Distribution

VER Limited (as the responsible entity of Waypoint REIT Trust) confirms the final distribution for the quarter ended 31 December 2021 is 4.21 cents per security.

Outlook

Waypoint REIT expects Distributable EPS¹ of 16.44 cents³ per security in FY22, representing 4.00%² growth on FY21, provided there are no material changes in market conditions and no other factors adversely affecting financial performance.

Mr. Stephens said, “Waypoint REIT’s FY22 guidance continues to be underpinned by the portfolio’s 3% weighted average rent review and assumes \$150m of asset sales and \$100m of associated capital management initiatives during the year. Waypoint REIT is also pleased to announce its long-term portfolio diversification strategy as a means to broaden avenues for growth, reduce sector/tenant concentration and improve ESG metrics.”

Waypoint REIT will hold a conference call to discuss the FY21 results today at 10am. Please see below for registration details.

Webcast and Conference Call

Date: Monday, 28 February 2022

Time: 10:00am (AEDT)

Webcast: [WPR Full-Year 2021 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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³ FY22 guidance assumes \$150m of asset sales and \$100m of associated capital management initiatives (buyback and/or capital return + security consolidation).

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