

23 December 2022

Market update

Valuations

Waypoint REIT (**WPR**) has undertaken its year-end investment portfolio valuation process, with independent valuations carried out on 142 properties and directors' valuations on 260 properties. In light of current market conditions, a larger sample size was selected for independent valuation as compared to the one-sixth of the portfolio typically independently valued every six months, with the 142 properties representing approximately 35% of WPR's portfolio by number.

The valuation process has resulted in a net devaluation of \$136.1 million or 4.4% across the portfolio, with the weighted average capitalisation rate (**WACR**) on WPR's portfolio increasing by 27 basis points from 5.01% to 5.28%. The WACR increase was 28 basis points on independent valuations and 27 basis points on directors' valuations.

WPR notes that only 28 properties were subject to rent reviews that were reflected in the December 2022 valuations, with the majority of WPR's portfolio having rent reviews that will be reflected in June 2023 valuations.

Both independent and directors' valuations remain subject to audit, with further details to be released to the market with WPR's FY22 financial results on Monday, 27 February 2023.

Two NSW properties (Muswellbrook and Bulahdelah) were sold during the six months to 31 December 2022 for a combined price of \$5.05 million (1% below 30 June 2022 book value), with WPR's portfolio now comprising 402 properties with a combined valuation of \$2,947.5 million.

Capital management / hedging

WPR recently completed its on-market security buyback, purchasing and cancelling 40 million securities at an average price of \$2.56, representing a discount of approximately 19% to WPR's net tangible assets (**NTA**) per security of \$3.18 as at 30 June 2022.

WPR has also entered into \$285.0 million of new interest rate swaps, including a \$110.0 million swap maturing in December 2023 and \$175.0 million of forward start interest rate swaps commencing in June 2023 and maturing in June 2026.

The completion of the security buyback and new swap arrangements result in WPR's average FY23 forecast hedging position increasing from 78% in August 2022 to 93%. The weighted average hedge maturity at 31 December 2022 is expected to be 3.4 years.

NTA per security

The pro forma impact of the security buyback and year-end valuation process on WPR's 30 June 2022 NTA per security is a net reduction of approximately 16 cents (5.2%), comprising an increase of 4 cents as a result of the buyback offset by a decline of 20 cents resulting from the year-end valuation process.

NTA per security will be impacted by other balance sheet movements such as the valuation of derivatives and remains subject to audit. Audited NTA per security will be reported to the market with WPR's FY22 financial results on Monday, 27 February 2023.

Authorised by:

Waypoint REIT Board

For further information, please contact:

Aditya Asawa

Chief Financial Officer

Waypoint REIT

T: +61 2 9044 6137

aditya.asawa@waypointreit.com.au

Hadyn Stephens

Managing Director & CEO

Waypoint REIT

T: +61 2 9137 1287

hadyn.stephens@waypointreit.com.au

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