

9 June 2021

ASX ANNOUNCEMENT

June 2021 Property Valuations

SCA Property Group (ASX: SCP) ("SCP") announces the results of its property valuations as at June 2021. The total value of SCP's Investment Properties has increased by \$446.2m, from \$3,403.3 as at December 2020 to \$3,849.5m as at June 2021:

- The valuation increase on like-for-like properties is \$323.1m (an increase of 9.5%) due to:
 - Capitalisation rate tightening of 48bps, from 6.39% at December 2020 to 5.91% at June 2021;
 - Valuation Net Operating Income increase of \$1.5m (or 0.7%) from December 2020; and
 - Removal of COVID-related adjustments.
- Acquisitions during the period have contributed \$123.1m with a weighted average cap rate of 6.26%. The acquisitions were: Katoomba Marketplace NSW (\$55.1m at a cap rate of 5.50%), Cooloola Cove QLD (\$18.7m at a cap rate of 5.75%), Mt Isa QLD (\$44.2m at a cap rate of 7.50%), and Warnbro Petrol Station WA (\$5.1m at a cap rate of 5.69%).

Investment Property Portfolio Summary	\$m
December 2020 Portfolio Valuation	3,403.3
Add: Valuation increase 'like for like'	323.1
Add: Acquisitions completed during the period	123.1
June 2021 Portfolio Valuation	3,849.5

Valuation Weighted Average Capitalisation Rate	
December 2020: % Rate	6.39%
Cap Rate tightening	(0.48)%
June 2021: % Rate (excluding acquisitions)	5.91%
June 2021: % Rate (including acquisitions)	5.92%

24 properties from the like-for-like portfolio were valued externally and make up \$111.9m of the total increase in valuation (an increase of 12.3%). The remaining 63 properties were internally valued and make up \$211.2m of the total increase in valuation (an increase of 8.5%). Details of portfolio movements, including a comparison of external and internal valuations, are set out in the next table.

External vs. Internal Valuations	
External Values:	
Number of Properties	24
% of portfolio book value	26.6%
Change in Valuation (\$m)	111.9
Change in WACR	(0.54)%
Internal Values:	
Number of Properties	63
% of portfolio book value	70.2%
Change in Valuation (\$m)	211.2
Change in WACR	(0.46)%
Total Like for Like:	
Number of Properties	87
Change in Valuation (\$m)	323.1
Change in WACR	(0.48)%
Acquisitions:	
Number of Acquired Properties	4
% of portfolio book value	3.2%
Cost of Acquisitions (\$m)	123.1
Valuation	123.1
Total Portfolio:	
Number of Properties ¹	90
Change in Valuation (\$m)	446.2
Change in WACR	(0.47)%

1. Wambro Petrol will be included as part of the existing Wambro Sub Regional asset for reporting purposes going forward. Therefore, it is included as an acquisition during the period (including in the cost of acquisitions during the period) but is included as part of the Wambro Sub Regional asset at the end of the period.

Across the like-for-like portfolio, neighbourhood centre valuations increased by \$262.7m (an increase of 10.1%), while sub-regional centre valuations increased by \$60.4m (an increase of 7.5%). Average cap rates for neighbourhood centres tightened by 50bps to 5.75% and average cap rates for sub regional assets tightened 43bps to 6.41%.

The impact of the valuations announced today on Net Tangible Assets ("NTA") will be diluted by capital expenditure during the period and movements in other balance sheet items including the valuation of derivatives, however we expect that NTA as at 30 June 2021 will increase to approximately \$2.50 per unit (from \$2.25 as at 31 December 2020).

In addition to the 90 properties that have been valued, SCP has entered into a Put & Call Option Deed to acquire Marketplace Raymond Terrace, with the call option exercisable after 1 July, for a price of \$87.5m, representing an implied fully let yield of 5.96%. Raymond Terrace is anchored by a Woolworths supermarket and a Big W discount department store, with 38 specialty tenants.

This document has been authorised to be released to the ASX by the Board of SCP.

ENDS

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