



10 December 2024

## ASX Announcement

Region Group (ASX: RGN) announces an update on recent transactional activity and the property valuations as at 31 December 2024.

### Metro Fund 2

In late November 2024, RGN completed the establishment of Metro Fund 2, a fund owned 20% by RGN and 80% by a global institutional investor. The Fund consists of six new centres totalling \$385.8m, with RGN appointed as investment and property manager.

### Property Divestment Program

The three assets held for sale as at 30 June 2024 have settled. RGN has also contracted to sell East Warrnambool Shopping Centre, at an 8.5% premium to the 30 June 2024 book value, with settlement expected in December 2024. Following the completion of this sale, our targeted capital recycling program will be complete with a total of \$196.8m divestments at an average passing yield of 5.3%.

### December 2024 Property Valuations

The total value of RGN's investment properties has increased by \$34.1m, from \$4,282.3m as at 30 June 2024 to \$4,316.4m as at 31 December 2024.

This movement in valuations is comprised of:

- An increase in 'like-for-like' properties of \$39.9m (0.9%);
- Development capital expenditure related to Stage 2 of Delacombe Town Centre and other centre repositioning projects of \$12.7m; and
- Divestment of East Warrnambool Shopping Centre for \$18.5m

Investment Property Portfolio Summary	\$m
June 2024 Portfolio Valuation	4,282.3
Add: 'like-for-like' valuation increase	39.9
Add: Development capital expenditure	12.7
Less: Disposals	(18.5)
<b>December 2024 Portfolio Valuation</b>	<b>4,316.4</b>

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[regiongroup.au](http://regiongroup.au)



The weighted average capitalisation rate (WACR) is 6.08%, an increase of 0.01% since 30 June 2024.

Across the portfolio, 20 properties (25.6% by book value) were valued externally resulting in a \$2.1m (-0.2%) decrease in valuation. The remaining properties were internally valued and resulted in a \$42.0m (1.3%) valuation increase.

Proforma gearing post the transactional activity and movement in property valuations is 33.0%, comfortably within our target gearing range of 30% to 40%.

Proforma Net Tangible Assets (NTA) has increased by three cents to \$2.45, assuming no other balance sheet movements since 30 June 2024.

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

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