



THINKING *fresh.*

27 May 2022

**RE: Significant increase in Valuation 2022**

**South Australian Produce Market Limited**

Burma Road, Pooraka SA 5095

**P** 08 8349 4493 **F** 08 8349 6574

**E** [enquiry@saproducemarket.com.au](mailto:enquiry@saproducemarket.com.au)

Dear Shareholder

Each year South Australian Produce Market Limited (SAPML) obtains a property valuation for accounting purposes for Directors to consider when adopting the company's Annual Financial Statements, normally completed in July or August of each year.

This year, as part of the regular process of reviewing our banking facilities, we have undertaken a valuation of the company's property assets as of 26 April 2022. The valuation covers all properties directly owned by the SAPML group. The Directors will need to consider whether to adopt this valuation in the Annual Financial Statements of the company for the 2022 financial year. This will be done at or around the end of the financial year and will be influenced by market conditions prevailing at that time.

The JLL valuation report, which is in draft at this stage, reveals a significant uplift in the value of the Company's property assets. The draft valuation, provided on a non-reliance basis only, as of 26 April 2022 is reported as **\$168,415,000** compared to the previous valuation adopted by the Board on 30 June 2021 of **\$137,140,000**.

The SAPML Board notes that there is an inherent risk of valuations changing quickly in response to underlying changes in market conditions. The valuer has also expressed that SAPML's figures are current at the date of the valuation only and the value assessed herein.

The Directors have decided to disclose the valuation to shareholders as it will likely have a material impact on the current net asset backing of the company (i.e., an effect that is greater than 10% of the net assets of SAPML).

We consider that the release of this information to shareholders is consistent with the Board's corporate governance statement which includes:

**Governance Principle 5 - Make timely and balanced disclosure**

The Board aims to keep shareholders informed about the Company's state of affairs and progress through the distribution of the Annual Report. The Annual Report is also available on the web site.

The Company also sends all shareholders the half year interim and full year results reports, together with a brief commentary. Any major developments or significant matters are communicated to shareholders as they arise on a timely basis.

Yours sincerely

Angelo Demasi  
Chief Executive Officer

**South Australian Produce Market Limited**