



STENPROP LIMITED

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(“Stenprop” or the “Company”)

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**STENPROP CONTINUES MULTI-LET INDUSTRIAL TRANSITION WITH THREE ACQUISITIONS TOTALLING
£11.82 MILLION**

£66 million of MLI acquired across ten estates since 1 April 2020

Stenprop, the UK multi-let industrial (“MLI”) property company, has acquired three multi-let estates as it remains on target to be a fully focused MLI REIT by the end of the next financial year. The three estates in Edinburgh, Cardiff and Wigan have been purchased in separate transactions for a total consideration of £11.82 million. This brings the total number of MLI acquisitions since 30 September 2020 to five for an aggregate value of £25.8 million.

The 81,495 sq ft estate in Wentloog, Cardiff has been acquired for £6.25 million, reflecting a net initial yield (“NIY”) of 6.3%, in an off-market transaction. It currently generates a total annual passing rent of £417,611, equating to an average rent of £5.04 per sq ft on occupied units. The 13-unit, modern estate benefits from its prime location four miles from the city centre and is occupied by a mix of national and international occupiers, including FedEx and National Grid. The estate forms part of the wider Capital Business Park estate, the freehold of which is owned by Stenprop, thus providing the Company an opportunity to release significant marriage value and further asset management opportunities.

Stenprop has also acquired R6 Industrial Estate in Newbridge for £3.9 million, reflecting a NIY of 6.4%. The property complements Stenprop’s two existing estates in Edinburgh and gives the Company further critical mass in a market characterised by a shortage of supply which is underpinning vacancy rates below 4%. The recently refurbished 31,860 sq ft estate generates an annual passing rent of £264,510, equating to an average rent of £8.14 per sq ft on occupied units.

The final transaction is the purchase of Otterwood Square in Wigan for £1.67 million, reflecting a NIY of 6.6%. The 18,867 sq ft property comprises 12 units, generating a current passing rent of £117,000, equating to an average rent of £6.03 per sq ft on occupied units. It sits within Martland Mill Industrial Estate, Wigan’s most established industrial park, which is less than a mile from the M6 motorway.

As a result of these acquisitions, Stenprop will have invested £66 million since 1 April 2020 and the Company’s MLI portfolio now accounts for 64% of Stenprop’s total assets, up from 58% at the start of the year, as it remains on track to be 100% MLI by the end of the next financial year.

Will Lutton, Head of Investment at Stenprop, commented: “Despite some periods of subdued investment activity during the year as a result of COVID-19, we were able to leverage the data from our Industrials.co.uk platform to identify the post lockdown recovery early. This gave us the confidence to begin investing ahead of the markets

opening fully and allowed us to finish the year strongly. These three MLI estates are in excellent industrial locations and offer strong day one income alongside a range of both near and longer-term asset management opportunities to drive rents and capital growth. In line with previous acquisitions, our strategy is to work closely with the occupiers to align their occupation with various estate management improvements. Reflecting the compelling fundamentals underpinning the sector, alongside the strength of our proprietary industrials leasing platform, we remain on track to be 75% MLI by the end of the current financial year.”

This announcement is voluntary and for information purposes only.

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About Stenprop:

Stenprop is a UK REIT listed on the LSE and the JSE. The objective of the Company is to deliver sustainable growing income to its investors. Stenprop's investment policy is to invest in a diversified portfolio of UK multi-let industrial (MLI) properties with the strategic goal of becoming the leading MLI business in the UK. For further information, go to www.stenprop.com.