

SHORT-FORM ANNOUNCEMENT:

Full year results to 31 March 2021

£1.47
EPRA NTA*
per share

6.78 pence
Adjusted
earnings per share*

6.75 pence
Total dividend
per share

28.1%
Loan-to-value ratio*

+6.3%
Like-for-like* portfolio
valuation increase in year

Platform efficiency and occupier demand driving performance

- ▶ Like-for-like rental growth across the MLI portfolio of 5.6% for the year (2020: 5.6%), driven by average uplifts from previous passing rents upon new lettings and renewals of 16.3%
- ▶ MLI portfolio vacancy has fallen to 6.3% on 31 March 2021 from 9.0% on 31 March 2020 because of high demand and limited supply of MLI units in the market
- ▶ ERV across the portfolio grew 6.2% to £6.16/sq ft (2020: £5.80/sq ft), reflecting a 12.8% premium to the average passing rent of £5.46 sq ft (2020: £5.27/sq ft)
- ▶ Over 60% of leases contracted through Stenprop's short form digital 'Smart Leases'
- ▶ Robust rent collection of 90%
- ▶ Industrials.co.uk website users up 75% year on year

Multi-let industrial transition strategy nearing completion

- ▶ Multi-let industrial assets comprise 74.3% of total portfolio (2020: 58%) with Stenprop on target to reach 100% by 31 March 2022
- ▶ 14 individual MLI estates, totalling over one million sq ft, acquired during the year for £91.5 million in line with £90 million target
- ▶ Disposed of £79.5 million of non-MLI assets in Germany, achieved at an average premium of 15% to the 31 March 2020 valuations

FX rates in period

Average foreign exchange rates in the year: £1.00:€1.1202; £1.00:CHF1.2057

(2020: £1.00:€1.1442; £1.00:CHF1.2544)

Year-end foreign exchange rates: £1.00:€1.1738; £1.00:CHF1.2985

(2020: £1.00:€1.1249; £1.00:CHF1.1914)

Asset management continues to underpin valuation and earnings growth

- ▶ Total Accounting Return doubled to 11.4% (31 March 2020: 5.7%)
- ▶ Declared covered final dividend on 9 June 2021 of 3.375 pence per share, which together with the interim dividend of 3.375 pence per share declared on 2 December 2020 results in a total covered dividend for the year ended 31 March 2021 of 6.75 pence per share (2020: 6.75 pence per share). The total dividend for the year is fully covered by adjusted earnings¹
- ▶ Adjusted earnings per share of 6.78p (31 March 2020: 6.88p), mainly reflecting a bad debt expense of £3 million compared with a bad debt expense last year of £0.5 million which was before COVID-19. Adjusted earnings attributable to shareholders were £19.4 million (2020: £19.7 million)
- ▶ 6.5% increase in EPRA Net Tangible Assets per share to 147 pence (31 March 2020: 138 pence). Diluted IFRS* Net Asset Value per share was £1.48 (31 March 2020: £1.37)
- ▶ Portfolio valued at £582.3 million (2020: £532.6 million), reflecting a like-for-like valuation increase of 6.3%. This was primarily driven by a 10.1% increase in the like-for-like value of the MLI portfolio. 65% of this was as a result of rental growth and 35% as a result of a yield change
- ▶ Net rental income from continuing operations for the period of £32.0 million (2020: £33.0 million). Basic IFRS earnings attributable to ordinary shareholders increased to £53.0 million (2020: £15.6 million), equating to a diluted IFRS EPS of 18.57 pence (2020: 5.44 pence)
- ▶ Diluted headline earnings for the period were 7.25 pence per share (2020: 5.79 pence)

* EPRA NTA* means European Public Real Estate Association Net Tangible Assets

Loan-to-value ratio is the ratio of total borrowings, less unrestricted cash, to the Group's aggregate value of properties.

'Like-for-like' is a change in measure for reference data existing in the current and previous period

'Adjusted earnings per share' was previously named 'Diluted adjusted EPRA earnings per share'

¹ The dividend of 6.75 pence per share represents a dividend yield of 4.4% on the share price at 8 June 2021 of £1.55, and a yield of 4.6% on the diluted EPRA NTA per share at 31 March 2021 of £1.47. Subject to the receipt of regulatory approvals, the directors intend to offer shareholders the option to receive all or part of their dividend entitlement by way of a scrip issue of new Stenprop ordinary shares, or in cash. A further announcement informing shareholders of the salient dates and tax treatment of the dividend will be released in due course.

Short-Form Announcement

This short-form announcement is the responsibility of the directors and represents a summary of the information contained in the full announcement released on SENS and the LSE on 11 June 2021 and does not contain full or complete details. None of the information contained in this announcement has been reviewed or reported on by the Company's auditors.

The full announcement can be accessed using the following JSE link:

<https://senspdfjse.co.za/documents/2021/jse/isse/STP/2021AFS.pdf>

Copies of the full announcement may be requested at 180 Great Portland Street, London, United Kingdom, and at the office of the sponsor, Java Capital, 6th Floor, 1 Park Lane, Wierda Valley, Sandton, 2196, Johannesburg, South Africa during office hours at no charge from Friday, 11 June 2021 to Friday, 18 June 2021. Any investment decision by shareholders and/or investors should be based on information contained in the full announcement published on SENS and the LSE, and on the Company's website.

Stenprop Limited's annual financial statements for year ended 31 March 2021 have been audited by the Company's auditors, BDO LLP, who have provided an unqualified opinion, including key audit matters within their audit report. The full announcement including the Company's annual financial statements is available on stenprop.com/investors/results-and-presentations/ and the audit opinion is available on stenprop.com/our-business/governance