



STENPROP LIMITED

(Registered in Guernsey)

(Registration number 64865)

LSE share code: STP JSE share code: STP

ISIN: GG00BFWMR296

(“Stenprop” or the “Company”)

NOTICE TO STENPROP SHAREHOLDERS IN RESPECT OF AN ELECTION TO RECEIVE EITHER A CASH DIVIDEND OR A SCRIP DIVIDEND

2 July 2021

CASH DIVIDEND OR SCRIP DIVIDEND

On Friday, 11 June 2021 it was announced that the board of directors of the Company (the “board”) had approved and declared a final dividend of 3.375 pence per share (the “dividend”) in respect of the six months ended 31 March 2021. It was further announced that the board intended to offer shareholders the option to receive in respect of all or a part of their Stenprop shareholding either a scrip dividend by way of an issue of new Stenprop shares (of the same class as existing shares) credited as fully paid up (the “scrip dividend”), or a cash dividend (the “cash dividend”). The cash dividend will be paid to shareholders unless shareholders elect to receive the scrip dividend.

A circular in respect of the election being offered to Stenprop shareholders to receive either the cash dividend or the scrip dividend, together with an election form (the “circular”), will be posted to shareholders today. All the terms defined in the circular shall bear the same meaning in this announcement and any subsequent announcements relating to the dividend.

Should a shareholder validly elect to receive the scrip dividend in lieu of cash for all or part of his Stenprop shareholding, such shareholder will become entitled to a number of new Stenprop shares which value will be as near as possible to the cash dividend such shareholder would have otherwise received in respect of the elected shares. A shareholder’s entitlement to new Stenprop shares will be calculated by multiplying the number of elected shares held by that shareholder at the record date by the dividend of 3.375 pence per share (converted to Rand at the Sterling exchange rate for Stenprop shares on the SA share register) and dividing it by the scrip dividend reference price. The scrip dividend reference price will be the average closing price of Stenprop shares traded on the London Stock Exchange (“LSE”) over a period of five days less the amount of the cash dividend and will be announced on Tuesday, 13 July 2021.

Stenprop converted to a UK REIT on 1 May 2018. The Company may distribute dividends to shareholders either in the form of a property income distribution (“PID”) or as an ordinary dividend (“non-PID”). Both the cash dividend and new Stenprop shares received in lieu of a cash dividend under the scrip dividend may be paid as a PID, a non-PID or a mixture of the two. The Company will indicate whether the dividend will be paid as a PID, a non-PID or a mixture of the two along with the scrip reference price on Tuesday, 13 July 2021. The Sterling to Rand conversion rate will be determined on Monday, 12 July 2021 and announced on SENS on Tuesday, 13 July 2021.

The rationale for the scrip dividend is to afford shareholders the opportunity to increase their shareholding in Stenprop.

The cash dividend will be paid out of the Company’s profits and the new Stenprop shares to be issued pursuant to the scrip dividend will also be funded from the Company’s profits.

As at the date of this announcement, the Company had 298,775,175 ordinary shares in issue with a par value of EURO.000001258 each.

Electronic copies of the circular may be obtained from the company secretary by sending a request to Sarah.Belliuchi@stenprop.com. Due to the current COVID-19 restrictions, hard copies of this circular will not be available at the registered address of the Company. The circular will only be available on the website of the Company (www.stenprop.com) from Friday, 2 July 2021.

IMPORTANT DATES AND TIMES

For shareholders on the South African share register:

| | 2021 |
|--|---------------------|
| Date on which shareholders must be recorded on the SA share register to receive the circular | Friday, 25 June |
| Posting of the circular and announcement on SENS (declaration announcement) | Friday, 2 July |
| Announcement of scrip dividend reference price, Sterling to Rand conversion rates, cash payment applicable to fractional entitlement and whether the dividend will be paid as a PID, a non-PID or a mixture of the two released on SENS (finalisation announcement) before 11:00 (SAST) on | Tuesday, 13 July |
| Last day to trade on the JSE in order to be eligible for the cash dividend or alternatively the scrip dividend | Tuesday, 20 July |
| Shares commence trading ex the cash dividend or scrip dividend on the JSE | Wednesday, 21 July |
| Record date for shareholders recorded on the SA share register | Friday, 23 July |
| Last day to elect to receive the scrip dividend instead of the cash dividend. Forms of election to reach the transfer secretaries by no later than 12:00 (SAST) on | Friday, 30 July |
| Announcement on SENS of the amount of new Stenprop shares issued | Thursday, 12 August |
| Dispatch of share certificates, payment of cash dividend, CSDP/broker accounts credited/updated | Friday, 13 August |

Notes:

1. All dates and times quoted above are local dates and times in South Africa. The above dates and times are subject to change. Any changes will be released on SENS.
2. Stenprop shareholders are referred to page 4 of the circular for information on the action required to be taken by them.
3. **Shareholders should note that new Stenprop shares should not be traded until the new Stenprop shares are issued or reflect in their accounts with their CSDP or broker on Friday, 13 August 2021.**
4. Share certificates may not be dematerialised or rematerialised between Wednesday, 21 July 2021 and Friday, 23 July 2021, both days inclusive.
5. No transfers of shares may take place between the registers in South Africa and Guernsey between Tuesday, 13 July 2021 and Friday, 23 July 2021, both days inclusive.
6. Shareholders on the SA share register who do not elect to receive a scrip dividend will receive a cash dividend in South African Rand, based on the exchange rate to be obtained by the Company on Monday, 12 July 2021. An announcement in this respect will be made on Tuesday, 13 July 2021.
7. In the event that the Company elects to utilise already listed treasury shares to settle the scrip dividend, no new ordinary shares will be listed.

For shareholders on the Guernsey share register:

| | 2021 |
|---|---------------------|
| Date on which shareholders must be recorded on the Guernsey share register to receive the circular | Friday, 25 June |
| Posting of the circular and announcement on RNS (declaration announcement) | Friday, 2 July |
| Announcement of scrip dividend reference price, Sterling to Rand conversion rates, cash payment applicable to fractional entitlement and whether the dividend will be paid as a PID, a non-PID or a mixture of the two released via RNS (finalisation announcement) before 10:00 (BST) on | Tuesday, 13 July |
| Last day to trade on the LSE in order to be eligible for the cash dividend or alternatively the scrip dividend | Wednesday, 21 July |
| Shares commence trading ex the cash dividend or scrip dividend on the LSE | Thursday, 22 July |
| Record date for shareholders recorded on the Guernsey share register | Friday, 23 July |
| Closing date for receipt of completed election forms/Dividend Election Input Message via CREST by no later than 17:00 (BST) on | Friday, 30 July |
| Announcement via RNS of the amount of new Stenprop shares issued | Thursday, 12 August |
| Payment of cash dividend, CREST accounts credited/updated | Friday, 13 August |
| Listing and trading of new shares on the LSE commences (see note 7) | Friday, 13 August |

Notes:

1. Unless stated otherwise, all dates and times quoted above are local dates and times in Guernsey. The above dates and times are subject to change. Any changes will be announced via RNS.
2. Stenprop shareholders are referred to page 5 of the circular for information on the action required to be taken by them.
3. **Shareholders should note that new Stenprop shares should not be traded until the new Stenprop shares reflect in their CREST accounts on Friday, 13 August 2021.**
4. Share certificates may not be dematerialised or rematerialised between Wednesday, 21 July 2021 and Friday, 23 July 2021, both days inclusive.
5. No transfers of shares may take place between the registers in South Africa and Guernsey between Tuesday, 13 July 2021 and Friday, 23 July 2021, both days inclusive.
6. Shareholders on the Guernsey share register who do not elect to receive a scrip dividend will receive a cash dividend in Sterling on or about Friday, 13 August 2021.
7. In the event that the Company elects to utilise already listed treasury shares to settle the scrip dividend, no new ordinary shares will be listed.

TAX IMPLICATIONS

The receipt of the cash dividend or electing to receive the scrip dividend may have tax implications for shareholders. Shareholders are referred to the general summary of certain limited aspects of the taxation treatment of distributions paid by the Company for SA resident shareholders and UK resident shareholders included in paragraph 6 of the circular. Shareholders are advised to obtain appropriate advice from their professional advisors regarding the tax consequences of the cash dividend and the scrip dividend.

For further information:**Stenprop Limited**

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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 stenprop.com.