



STENPROP LIMITED

(Registered in Guernsey)

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("Stenprop" or the "Company")

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GUERNSEY OFFICE SALE TAKES PORTFOLIO TO 92% MULTI-LET INDUSTRIAL

Stenprop, the UK multi-let industrial ("MLI") property company, announces that, on 2 September 2021, it simultaneously exchanged contracts for and completed the sale of Trafalgar Court, its Guernsey office building (the "Property") to ARC Global (Guernsey) Holdings Limited (the "Buyer") for a consideration which values the Property at £55 million[^] (the "Disposal"). The Buyer is a wholly owned subsidiary of Global Net Lease, Inc. (NYSE: GNL), a real estate investment trust that focuses on acquiring and managing a globally diversified portfolio of commercial real estate properties.

The Disposal further progresses Stenprop's strategy to become a 100% UK MLI business by March 2022, increasing its MLI portfolio from 83% to 92% of its total portfolio based on asset valuations as at 31 March 2021*.

Totalling 10,564 sqm of gross lettable space, Trafalgar Court is located in St Peter Port, Guernsey. The weighted average rental is currently £419.2 per sqm.

Paul Arenson, CEO of Stenprop, commented: "The disposal of Trafalgar Court is an important milestone for Stenprop. We remain on track to transition to a 100% focused UK MLI business by March 2022. The proceeds will be deployed into attractive MLI opportunities in the UK and takes the percentage of MLI in our portfolio to over 90%. We have approximately £45 million of non-MLI assets left to sell and look forward to announcing further acquisitions and disposals. The sale of Trafalgar Court and the repayment of the associated short-term debt also paves the way for our proposed move to the Premium Segment of the Main Market of the London Stock Exchange between now and 31 March 2022."

The Disposal was undertaken via the sale of all the issued share capital of a special purpose vehicle (the "Property Company") wholly owned by Stenprop. The existing bank debt of c.£28 million in relation to the Property was repaid at completion. Net proceeds from the Disposal after deduction of anticipated transaction costs and property taxes are expected to be c.£25.6 million. Stenprop intends to use these proceeds to fund further MLI acquisitions in the MLI sector.

The share purchase agreement contains market standard representations, warranties and indemnities for a transaction of this size and nature.

[^] The value attributable to the Property in Stenprop's consolidated statement of financial position at 31 March 2021 was £56.15 million and was determined in accordance with Royal Institution of Chartered Surveyors standards by Chris Strathon, a director of Jones Lang LaSalle Limited who is an external valuer registered with the Royal Institution of Chartered Surveyors. The net operating profit attributable to the Property Company for the year ended 31 March 2021 was £4.45 million. This information has been extracted from Stenprop's audited results for the year ended 31 March 2021 which were prepared under International Financial Reporting Standards.

* Inclusive of the retained urban logistics assets which complement the wider MLI strategy.

Stenprop has a primary listing on the Main Board of the Johannesburg Stock Exchange and a listing on the Specialist Fund Segment of the Main Market of the London Stock Exchange. This disposal is classified as a category 2 transaction in terms of the JSE Listings Requirements. Accordingly, it is not subject to approval by shareholders.

For further information:

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About Stenprop:

Stenprop is a UK REIT listed on the Specialist Fund Segment of the London Stock Exchange and the Johannesburg Stock Exchange. We specialise in the ownership and operation of UK multi-let industrial (MLI) property. Our purpose is to revolutionise the MLI sector in the UK for the benefit of our stakeholders. Our goal is to become the leading MLI business in the UK. For further information, go to www.stenprop.com.