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## **Secure Property Development & Investment PLC ('SPDI' or 'the Company')**

### **Transfer of Romanian property asset to Arcona Property Fund N.V.**

Secure Property Development & Investment PLC (AIM: SPDI), the AIM-quoted South Eastern European focused property company, is pleased to announce the transfer of a 21.2% stake in Lelar Holdings Limited to Arcona Property Fund N.V. ('Arcona') in exchange for the issue to SPDI of 315,668 new shares in Arcona and 76,085 warrants over shares in Arcona ('the Transfer'). Lelar Holdings Limited holds the Delenco Office Building asset in Bucharest ("Delenco").

Delenco is a fully let office building in Bucharest, generating c.€140k lease income monthly, with the main tenant being the Romanian Telecommunications Regulator ANCOM, which renewed its lease in June 2021.

Based on the closing price of Arcona's shares on 28 March 2022, the Transfer values the Delenco stake at c.€2.05million (excluding the issue of the warrants), while based on the current net asset value per Arcona share, the Transfer values the Delenco asset stake at €3.73 million (excluding the issue of the warrants). Both valuation numbers exclude past dividends declared to be distributed to SPDI and deferred capital gains tax shared with Arcona, together totalling ~€0.52 million. For the year ended 2020, the Company recorded Delenco with an audited net asset value of €4.4 million.

The Transfer represents the commencement of Stage Two of the previously announced transfer to Arcona of SPDI's property portfolio, excluding its Greek logistics properties (which has been separately disposed of), in exchange for new shares and warrants in Arcona, to create a larger Central and South Eastern European focused investment vehicle ('the Arcona Transaction').

An additional 3.2% stake in Lelar Holdings Limited will be contributed to Arcona for an additional proportionate number of APF shares and warrants next month. Following the transfer of that additional 3.2% stake, the Company will no longer have a stake in Lelar Holdings Limited.

The parties intend to complete Stage Two of the Arcona Transaction in steps over the near to medium term.

**Michael Beys, Chairman of the Board of Directors, said;** "Despite a very long wait, we are happy to announce the commencement of Stage Two of the Arcona Transaction with the completion of the transfer of the 21.2% interest in Delenco, which will bring the total number of Arcona Shares issued to SPDI to approximately 909,200 with a current market value of €5.9 million, representing c.60% of SPDI's current market capitalization. We have long said that the Arcona Transaction was a value trigger

event for SPDI shareholders. With Stage Two expected to be completed in the near to medium term, we are confident the underlying value of our portfolio of prime real estate in South Eastern European countries will soon be clear for all to see.”

*This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.*

**\*\* ENDS \*\***

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