

Trading Update

WYNNSTAY PROPERTIES PLC

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Wynnstay Properties PLC
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WYNNSTAY PROPERTIES PLC ("Wynnstay" or "the Company")

Trading Update

Following the Company's financial year-end on 25 March 2021 (the "Financial Year") and in the light of the Covid-19 pandemic and the UK Government's measures to address its impact on business and the UK economy, Wynnstay provides a trading update ahead of the announcement of its audited financial results for the Financial Year.

Property Valuation

Wynnstay's properties were valued as at 25 March 2021 by BNP Paribas Real Estate, Chartered Surveyors, acting in the capacity of external valuers. The valuation was undertaken on the basis of Fair Value in accordance with the requirements of IFRS 13 and the RICS Valuation - Global Standards 2020.

The valuers reported that the total aggregate Fair Value of Wynnstay's properties was £34,005,000. All are freehold properties.

The valuation represents an increase of £1,865,000 or 5.8%, on the valuation as at 25 March 2020 (adjusted for the sale of the Oakcroft Business Centre).

Property Disposal

As previously reported, on 22 February 2021 Wynnstay sold the Oakcroft Business Centre Chessington, resulting in a profit over book value of £1.105 million, before sale costs and taxation. The sale also resulted in the release of a provision of £122,000 being held for repairs to that property prior to reletting, representing the dilapidations payment received from the former tenants.

Portfolio management, Covid-19 pandemic and UK government measures

Wynnstay has continued to manage the portfolio actively and successfully throughout the year despite the impact of Covid-19 and the UK government measures. The Company's activities and operations have not been materially affected by the pandemic or by remote working. Lease renewals, rent reviews and lettings to new tenants have continued within normal timescales and have delivered good overall outcomes for Wynnstay, as reflected in the valuation of the portfolio as at 25 March 2021.

One tenant went into liquidation, resulting in the liquidator appointed disclaiming the lease, in the second half of the Financial Year. As previously announced, the Company has provided support during the year to its tenants in various forms to assist them through the pandemic, including concessionary arrangements for monthly rental payments, rent deferrals and, in a few cases, rent holidays. The loss of

this tenant and the support provided to tenants will not have a material impact on the Company's overall financial performance for the Financial Year.

At the year-end, 99% of the adjusted rental income, taking account of the concessionary arrangements mentioned above, invoiced and due to the Company for the Financial Year ending 25 March 2021 has been received; and 99% of the portfolio by rental value was let and income producing.

The latest valuation, the property disposal and active property management during the year noted above will have a significant positive impact on the financial results, including profits and net asset value, for the full year ending 25 March 2021. Full details will be available in the Annual Report and Financial Statements.

Petersfield Development

Wynnstay has recently signed a construction contract for its development site situated adjacent to its existing property at Bedford Road, Petersfield in the main commercial area of the town. The development will comprise a terrace of three trade counter units totalling 12,750 square feet. Construction is expected to start in the next few weeks and to be completed towards the end of calendar year 2021. The Company has also recently signed agreements for lease on two of the three units to Screwfix and Toolstation respectively, with the third unit currently being marketed.

Bank facilities

Wynnstay's current five year facilities with Handelsbanken plc expire in December 2021. In late 2020, Wynnstay invited the bank to renew the facilities for a further five years. Handelsbanken plc provided indicative terms and has subsequently confirmed credit approval. The financial covenants in the new facilities will be the same as in the existing facilities, namely loan to portfolio market value not exceeding 50% and rental income to interest costs not being less than 2.25:1. New facility documents with terms broadly similar to the existing fixed term facility are being prepared and are expected to be signed prior to the completion of the Financial Statements for the year ended 25 March 2021, so that the new facilities will be available for draw down before the expiry of the existing facilities in December 2021.

Annual Report and Financial Statements and Annual General Meeting

Wynnstay currently expects to announce its results for the Financial Year and to publish its Annual Report and Financial Statements, as usual, in mid-June 2021. The Company intends to hold its Annual General Meeting in late July 2021. The arrangements for the meeting will depend on anticipated conditions nearer the time, including the removal of all restrictions on personal movement and on facilities and requirements for physical meetings in suitable locations being reasonably practicable. A further announcement will be made in due course.

Market abuse regulation

This announcement contains inside information for the purpose of Article 7 of the Market Abuse Regulation (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR").

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