

24 May 2019

Secure Property Development & Investment PLC ('SPDI' or 'the Company')
Arcona Property Fund N.V. Agreement Update

Secure Property Development and Investment PLC (AIM: SPDI), the AIM-quoted South Eastern European focused property company, is pleased to provide an update on the sale of its Non-Greek assets to Arcona Property Fund N.V. ('Arcona').

As announced on 18 December 2018, SPDI has entered into a conditional implementation agreement (the 'Agreement') for the sale of its property portfolio, excluding its Greek logistics properties ('the Non-Greek Portfolio') ('the Transaction'), to Arcona, an Amsterdam-listed company that invests in commercial property in Central Europe. The all-share Transaction values SPDI's Non-Greek Portfolio at €29.25 million (based on a net asset value of €13.98 per Arcona share), an approximate 150% premium to the current market capitalisation of the Company.

As announced on 28 March 2019, mutual due diligence is underway, as is the finalisation of the 2018 annual financial accounts for both companies, including the necessary third party property valuations. Based on the latest discussions, the parties expect to agree binding terms for part of the Transaction, conditional on, *inter alia*, SPDI shareholder approval, if required at that time, for the Transaction pursuant to the AIM Rules, including the expected distribution of the new Arcona shares to SPDI shareholders, in June 2019, with overall completion of the Transaction planned in two further steps to be executed within H2 2019.

The Transaction is subject to, among other things, asset and tax due diligence (including third party asset valuations) and regulatory approvals (including the approval of a prospectus required in connection with the issuance and admission to listing of the new Arcona shares) as well as successful negotiating and signature of transaction documents. Due diligence is well advanced and to date no issues have been uncovered that would obstruct the successful completion of the Transaction.

Michael Beys, Chairman, said; *"As we progress towards completing the Arcona deal in three stages over Q2, Q3 and Q4 2019, we are moving closer towards what we believe will be a value trigger event for our shareholders. At an estimated value of ~€30million, the value assigned to our Non-Greek assets which will be sold to Arcona is approximately three times higher than our current £10m market capitalisation and that is before the value of our remaining assets is taken into account. Aside from crystallising the value of our assets, the Arcona deal will allow our shareholders to gain direct exposure to a much larger dividend paying, listed fund, which is focused on the European property sector.*

Lambros G. Anagnostopoulos, Chief Executive Officer, said; *"This is a very exciting year for the Company as we focus on the continued development of and generating value from our asset base, and as*

such, we are concentrating all our focus into completing this transformative deal for the benefit of our shareholders. We look forward to updating the market with our progress when practicable."

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

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