



Lok'nStore Group PLC - LOK Landmark Store Acquisition & Bank Facility Update
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Lok'nStore Group plc ("Lok'nStore" or "the Group")

Landmark Store Acquisition & Bank Facility Update

Lok'nStore increases its existing Banking Facility to £50 million and announces another new landmark store acquisition.

Lok'nStore plc, the fast growing AIM listed self-storage Company, is pleased to announce an increase in its banking facility to £50 million, following the execution of a £10 million accordion. The increased facility will provide funding for site acquisitions and working capital to support the Group's ambitious growth plans.

The facility was originally agreed with The Royal Bank of Scotland plc in January 2016 and the term extended by two years in January 2017. This larger facility now runs until January 2023. The interest rate is set at the London Inter-Bank Offered Rate (LIBOR) plus a 1.40%–1.65% margin based on a loan to value covenant test (currently the margin is 1.40%). Bank covenants and margin are unaffected by this increase in the size of the facility. As at 31 July 2017, net debt was £17.4m, with a loan to value ratio of just 14%.

Lok'nStore is also pleased to announce the acquisition of a freehold site for a new landmark store in Leicester (subject to planning). The one acre site is in a highly prominent location opposite a major food retailer. The total investment of circa £8.5 million will be funded from cash flow and the extended bank facility. When open this store will add around 60,000 sq. ft. of trading space.

This site brings our total secured pipeline of new stores to 7 to add to our existing 28 trading stores. Further sites are under consideration as the Company pursues its growth strategy. Our new landmark store in Wellingborough will open in March and we are in the early build stages at Dover and Exeter. Bedford, Ipswich, Bournemouth and Leicester are all in the design and planning stage. All of these new stores will be open by the end of 2019.

Andrew Jacobs CEO of Lok'nStore Group said;

"The £10 million increase in our existing banking facility with its extremely competitive terms and flexible structure enables Lok'nStore to continue with its ambitious plans for growth funded from operating cash flow, existing cash and bank lending, whilst the balance sheet remains conservatively geared.

“This new Leicester site increases our secured pipeline of landmark stores to 7. All are in prominent locations with large catchment areas and little established competition and demonstrate the Company's ability to source high quality sites adding to future sales and earnings growth.

“Trading at our new stores has been excellent. These eye-catching buildings, with their distinctive orange Lok'nStore branded livery and prominent signage, create highly visible landmarks, which continues to be a big contributor of new customers.

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Notes for Editors

Lok'nStore is one of the leading companies in the fast growing UK self-storage market, currently operating 28 highly visible, distinctive orange livery self-storage centres in prominent locations in South-East England and two serviced document storage sites. Lok'nStore is substantially into a programme of opening four new stores in Wellingborough, which will open in March and Bournemouth Bedford and Dover which will open next year.

This information is provided by RNS - The company news service from the London Stock Exchange.

The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014.