9 November 2026

Custodian Property Income REIT plc

("Custodian Property Income REIT", "CREIT" or "the Company")

Further momentum with majority share-based acquisition strategy, purchasing an £11.0m property portfolio from eight syndicated investment vehicles

- *Debut acquisition from syndicated investment vehicles and fourth share-based transaction of a highly complementary portfolio with value creation potential*
- *Structure directly addresses challenges of succession*
- *Further demonstration of the Company's ability to marry effectively its investment strategy and listed REIT structure to facilitate the acquisition of privately owned property portfolios using its scalable acquisition model and majority-share consideration:*
  - *Share register augmented by the sellers' desire to retain ownership interests in the Company*
  - *Reduces the Company's ongoing charges ratio and maintains loan-to-value around 25% target*
  - *Provides syndicated property investors with a liquid, institutionally managed alternative without the need for a cash sale*
  - *Meets sellers' appetite to retain ongoing exposure to real estate within a larger, more diversified and professionally managed portfolio*
  - *Opportunity to enhance earnings per share and dividend cover as rental growth is captured, while increasing tenant diversification*

Custodian Property Income REIT (LSE: CREI), which seeks to deliver an enhanced income return by investing in a diversified portfolio of smaller, regional properties with strong income characteristics across the UK, is pleased to announce the purchase of an £11.0m portfolio from the underlying investors across eight separate syndicated property investment vehicles managed by Lincoln Property Syndicates ("the Transaction"). Consideration was calculated on an adjusted net asset value ("NAV") for NAV basis and satisfied through:

- The issue of 10.6m new ordinary shares in the Company; and
- Cash consideration of £0.4m.

Portfolio

The Transaction provides the Company with a highly complementary portfolio which comprises eight retail and industrial properties with 100% occupancy (the "Investment Portfolio") and demonstrates Custodian Property Income REIT's ability to offer a compelling structural solution to syndicated property investors, enabling them to exchange an illiquid holding for a shareholding in a listed REIT without triggering a cash disposal.

Primarily located in the East Midlands, the Investment Portfolio has an average lot-size of £1.4m and generates an annual aggregate passing rent of £0.8m, with a net initial yield[1] of c.6.7% and a reversionary yield[2] of 7.2%.

Tenant	Sector	Annual passing rent (£000)	%
National Co-op	Convenience retail	402	51%
Home Bargains	Retail park	154	20%
Costa Coffee	Drive-through	73	9%
Other retail/local occupiers	Convenience retail	85	11%
Local occupiers	Industrial	74	9%
		788	100%

The average occupier tenure across the portfolio is nine years with a weighted average unexpired lease term of six years. The Investment Manager has identified a number of opportunities to drive further value from the Investment Portfolio by utilising its asset and portfolio management expertise to increase rental income from upcoming lease events.

Transaction structure and consideration

On 5 November 2026, as consideration for the Investment Portfolio, the Company paid cash of £0.4m and agreed to issue 10.6m new ordinary shares in the Company ("the Consideration Shares"), calculated on an adjusted NAV for NAV basis. The Consideration shares represent approximately 2.2% of the Company's current issued share capital (excluding treasury shares).

As the Investment Portfolio is ungeared, the Transaction decreases the Company's net gearing by c. 0.2%, helping maintain it around the Board's 25% target and strengthening the balance sheet.

[1] Annualised cash rents, adjusted for the expiration of lease incentives, divided by property purchase price plus typical purchaser's costs.
[2] Annualised rents after applying on upcoming index linked reviews, adjusted for the expiration of lease incentives, divided by property purchase price plus typical purchaser's costs.

Commenting on the Transaction, Richard Shepherd-Cross, Managing Director of Custodian Capital Limited "Custodian Capital"), the Company's Investment Manager, said: *"We have been consistent in our ambition to scale the business and grow earnings through strategic portfolio acquisitions and disciplined consolidation. This latest transaction underscores the momentum we are building with a strategy and demonstrates precisely how our listed status and smaller-lot-size investment focus enable us to offer a genuine structural solution to syndicated property investors or owners of family portfolios seeking liquidity or simplification of their holdings.*

"This innovative approach is particularly important as we seek to grow against a challenging capital markets backdrop. The Transaction delivers a high-quality, complementary portfolio that will grow earnings per share and improve dividend cover as the portfolio reversion is captured, while keeping net gearing within our target range. It is a further demonstration of our commitment to generating shareholder value through disciplined consolidation.

"We believe many UK property syndicates face the same structural challenges: liquidity, succession and the growing burden of compliance, and that the listed REIT structure offers the most effective solution to retain their investment exposure to UK property."

Andy Dyson, Director of Lincoln Property Syndicates, commented*: "This portfolio has been curated and managed under private ownership for over 10 years, and as syndicate managers, we had started to contemplate succession, acknowledging that many of our investors require greater liquidity. It has become increasingly difficult to manage the portfolio within a syndicate structure as our investor base 'matures' and next generation engagement is, by its nature, different and a growing concern.*

"This transaction with Custodian Property Income REIT has provided us with precisely the solution our investors needed. It addresses succession challenges for everyone, removes the operational and compliance burden of managing property in a syndicated structure, and gives our investors liquid shareholdings they can increase or reduce to suit their own circumstances.

"Critically, our investors can continue to benefit from exposure to these assets, now within a larger, more diversified portfolio, professionally managed with a strong track record of income delivery reducing investment risk. We have built an excellent working relationship with the Custodian team and, as incoming shareholders, we all look forward to continuing that partnership."

A solution for syndicated property investors

Custodian Property Income REIT has structured the Transaction to directly address the challenges that many UK property syndicates face:

- *Liquidity*: Syndicate investors exchanged an illiquid interest in single-property SPVs for shares in a listed REIT;
- *Regulatory burden*: The compliance responsibilities associated with direct property ownership via syndicates are eliminated;
- *Continued property exposure*: Investors retain economic exposure to commercial property, including their original assets, within a larger, more diversified, professionally managed portfolio; and
- *No cash sale required*: The majority-share structure means sellers avoid the friction of a traditional disposal from an investment entity in wind-down while achieving effective liquidity.

The Company believes this model is replicable across the UK syndicated property market, where many portfolios of similar characteristics: smaller, regional assets managed within syndicate structures face equivalent challenges as investors age, regulatory requirements increase, and management complexity grows.

Rationale

The Custodian Property Income REIT Board believes there is a compelling strategic rationale for the Transaction:

- The portfolio is highly complementary to CREIT's existing holdings, reinforcing the Company's diversified, regional, smaller-lot size strategy and adding tenants with strong covenant quality;
- The majority-share structure maintains net gearing within target parameters;
- Helps the Company progress its growth ambitions while maintaining the portfolio's current sector and geographical weightings;
- The Transaction adds further income and is expected to enhance earnings per share and dividend cover once the reversion is captured, increase tenant diversification and reduce the Company's ongoing charges ratio; and
- Opportunity for further value creation from the Investment Portfolio through asset and portfolio management by utilising the Investment Manager's experience.

Issue of equity

An application will be made for 10,553,474 the Consideration Shares to be admitted to the Closed-Ended Investment Funds category of the Official List of the FCA and to trading on the London Stock Exchange's Main Market for listed securities ("Admission"). It is expected that Admission will become effective and

dealings in the Consideration Shares will commence before 30 November 2026. The New Ordinary Shares will rank pari passu with the ordinary shares already in issue.

Following Admission, the Company's issued share capital (excluding treasury shares) will consist of 498,620,553 ordinary shares. Therefore, the total number of voting rights of the Company is 498,620,553 and this figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or of a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

- Ends -

Further information:

Further information regarding the Company can be found at the Company's website custodianreit.com or please contact:

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Notes to Editors

Custodian Property Income REIT plc is a UK real estate investment trust, which listed on the main market of the London Stock Exchange on 26 March 2014. Its portfolio comprises properties predominantly let to institutional grade tenants throughout the UK and is principally characterised by smaller, regional, core/core-plus properties.

The Company offers investors the opportunity to access a diversified portfolio of UK commercial real estate through a closed-ended fund. By principally targeting smaller, regional, core/core-plus properties, the Company seeks to provide investors with an attractive level of income with the potential for capital growth.

Custodian Capital Limited is the discretionary investment manager of the Company.

For more information visit custodianreit.com and custodiancapital.com.