

16-Feb-2026 / 07:00 GMT/BST

16 February 2026

Custodian Property Income REIT plc

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

Strategic Acquisition of £36m Family Property Portfolio

- Represents the Company's second acquisition of a highly complementary, diversified, family-owned portfolio, following the Merlin transaction in May 2025
- Delivers day one earnings enhancement, improving dividend cover, and offers the potential for value creation through asset and portfolio management opportunities
- Further demonstration of the Company's ability to marry effectively its investment strategy and listed REIT structure to facilitate the corporate acquisition of family property companies using majority-share consideration:
 - Tax efficient solution for the sellers
 - 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
 - Family office portfolios typically comprise diversified, regional properties with lot sizes below £10m that align to the Company's investment strategy.

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 a £35.9m portfolio via the acquisition of Grove Court Properties (Holdings) Limited, a family property company ("the Transaction").

The Transaction provides the Company with a highly complementary portfolio of mixed-use investment properties with c.97% occupancy (the "Investment Portfolio") and demonstrates Custodian Property Income REIT's ability to build scale by marrying effectively its investment strategy and listed REIT structure to provide an effective tax efficient solution to family property companies.

With an average lot-size of £5.3m, the seven assets within the Investment Portfolio are located in close proximity to the M25 motorway on the eastern outskirts of Greater London (Beaconsfield and Gerrards Cross). The Investment Portfolio generates an annual aggregate passing rent of £2.7m, adding c. 6% to the Company's annual rent roll, and has a net initial yield of c.6.8%, with the largest tenant by income becoming the Company's eleventh biggest contributor of annualised rent.

The Investment Portfolio comprises:

Sector	Annual passing rent (£000)	%
Other		
• Motor trade	690	26%
• Residential	467	17%
• Leisure	129	5%
	1,286	48%
Office	897	34%
High street retail	493	18%
	2,677	100%

The Investment Portfolio's top five tenants comprise:

	Annual passing rent (£000)	% of portfolio income
Vertu Motors (t/a Mercedes Benz of Beaconsfield)	690	26%
BP Collins LLP	364	14%
Rouse Partners LLP	275	10%
M&S Simply Food	111	4%
Anytime Fitness	85	3%

During its due diligence ahead of the acquisition, the Investment Manager 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 lease events.

Transaction structure and consideration

On 13 February 2026 the Company acquired the entire issued share capital of Grove Court Properties (Holdings) Limited ("GCP") satisfied through:

- The issuance of 24.1m shares in the Company on completion ("Initial Consideration"), calculated on an adjusted net asset value ("NAV") for NAV basis);
- The issuance of a further estimated 0.8m shares on finalisation of completion accounts, expected during the next three to six months (the "Deferred Consideration");
- A cash 'overage' payment based on the outcome of a pending rent review and a pending lease renewal, expected to be c. £0.3m, during the next three to six months; and
- Cash consideration of £9.0m on completion.

Aggregate Initial Consideration and expected Deferred Consideration represents approximately 5.4% of the Company's current issued share capital (excluding treasury shares).

Commenting on the Transaction, Richard Shepherd-Cross, Managing Director of Custodian Capital Limited "Custodian Capital"), the Company's Investment Manager, said: *"We have been clear that we have strong ambitions to continue scaling the business through selective portfolio acquisitions. Last year's Merlin transaction provided a strong blueprint of how we can utilise the combination of our listed status and smaller-lot size investment strategy to provide a solution to family offices seeking to exit or simplify the ownership structure of their property holdings. This solution led to the initial discussions for the Transaction as well as those relating to the healthy pipeline of similar opportunities we are progressing. This is particularly important as we seek to continue to grow the Company against a challenging capital markets backdrop. The acquisition we are announcing today gives us another high quality and complementary portfolio which enhances earnings per share and improves dividend cover without impacting net gearing. It is a further demonstration our commitment to generating shareholder value and the benefits of disciplined consolidation."*

"We believe many other family property companies face similar succession and tax issues in the UK. The listed REIT structure offers a tax efficient solution for the sellers, extinguishing the latent chargeable gains and potentially deferring the crystallisation of a latent capital gain, whilst obtaining a more liquid and easily tradeable investment."

David MacLellan, Chairman of Custodian Property Income REIT, added: *"The addition of this portfolio will enhance tenant diversification and provide further defensive income to drive earnings, while reducing our ongoing charges ratio and maintaining the balance sheet strength. In a short space of time, this innovative strategy of using our shares to acquire family held property holdings has proved to be an effective way to achieve scale. We will continue to pursue further opportunities in this space, enabling family-owned businesses to benefit from our income focused strategy alongside existing shareholders."*

"The ability of the Company to use its shares as consideration, issued at adjusted NAV, is an endorsement of the Company's long-term strategy and the appeal of the income it is able to generate from a diversified portfolio of commercial property."

Dan Pilling, outgoing Director of GCP, commented: *"While the GCP portfolio has been curated and maintained under family ownership for the last 40 years, it has become increasingly difficult to manage this investment both in today's environment and as we start to plan to pass it on to the next generation. This transaction with Custodian Property Income REIT has provided us with a tax efficient solution and simplified ownership structure that ensure our family can continue to benefit from our property investments but within a larger, more diversified portfolio and through a professionally managed fund with a strong track record of income returns. We have built an excellent working relationship with the Custodian team and we look forward to continuing this in the future."*

Gearing

On acquisition GCP had net gearing^[1] of c.25%, in line with 26% for Custodian Property Income REIT as at 31 December 2025, resulting in combined net gearing of 26%.

Directors and employees

On completion of the Transaction, the GCP Board resigned as directors with immediate effect. GCP's Property Manager, Assistant Property Manager and Maintenance Manager have been retained and transferred to the Investment Manager's team, allowing the Company to benefit from their wealth of expertise and knowledge of the Investment Portfolio, whilst providing further experience and strength in depth for

Custodian Capital.

Rationale

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

- Helps the Company progress its growth ambitions with the addition of a portfolio which is complementary, based on its equivalent lot size, diversified property strategy and current sector and geographical weightings;
- The Transaction adds further income and is expected to enhance earnings per share and dividend cover, increase tenant diversification and reduce the Company's ongoing charges ratio.
- Opportunity for further value creation from the Investment Portfolio through asset and portfolio management by utilising the Investment Manager's experience.
- As the Transaction is structured as a corporate acquisition, no SDLT was payable on acquiring the Investment Portfolio, leading to savings of approximately £0.2m (net of stamp duty payable by the Company on the acquisition of the GCP shares) compared to an equivalent property acquisition.

Issue of equity

An application has been made for 24,116,729 New Ordinary Shares in relation to the Initial Consideration to be admitted to the premium segment of the Official List, 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 New Ordinary Shares will commence at 8am on 18 February 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 483,374,139 ordinary shares. Therefore, the total number of voting rights of the Company is 483,374,139 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:

Custodian Capital Limited

Richard Shepherd-Cross – Managing Director
Ed Moore – Finance Director
Ian Mattioli MBE DL – Chairman

Tel: +44 (0)116 240 8740

www.custodiancapital.com

Deutsche Bank AG, London Branch

Hugh Jonathan / George Shiel

Tel: +44 (0)20 7260 1000

www.DBnumis.com/funds

FTI Consulting

Richard Sunderland / Ellie Sweeney / Andrew Davis / Oliver
Parsons

Tel: +44 (0)20 3727 1000

custodianreit@fticonsulting.com

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.

^[1] Shareholder loans outstanding immediately prior to acquisition, less cash (excluding rent deposits) divided by property portfolio acquisition price, including expected overage.

Dissemination of a Regulatory Announcement that contains inside information in accordance with the Market Abuse Regulation (MAR), transmitted by [EQS Group](#).

The issuer is solely responsible for the content of this announcement.

View original content: [EQS News](#)

ISIN: GB00BJFLFT45

Category Code: ACQ

TIDM: CREI

LEI Code: 2138001BOD1J5XK1CX76

Sequence No.: 418151

EQS News ID: 2276594

End of AnnouncementEQS News Service
