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Statement re Possible Offer

Alternative Income REIT PLC

STATEMENT REGARDING POSSIBLE OFFER FROM GLENSTONE

[ALTERNATIVE INCOME REIT PLC](#)

Released 07:00:07 18 May 2026

RNS Number : 6924E
Alternative Income REIT PLC
18 May 2026

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

18 May 2026

Alternative Income REIT plc

("Alternative Income" or the "Company")

Statement regarding possible offer from Glenstone

The Board of Alternative Income REIT plc notes the announcement made by Glenstone REIT plc ("**Glenstone**") on 15 May 2026 and confirms that it has received an indicative, conditional and non-binding proposal from Glenstone, which holds approximately 24% of the issued share capital of the Company, relating to a possible cash offer for the entire issued and to be issued share capital of the Company not already owned by Glenstone (the "**Possible Offer**").

Any proposal from Glenstone will be considered by the independent directors of Alternative Income, being Simon Bennett, the Company's Chair and Stephanie Eastment, the other independent non-executive director (the "**Independent Directors**"). The Company's third director, who has been on Alternative Income's Board since March 2021, is Adam Smith, who is a non-independent non-executive director and who is also a director and major shareholder of Glenstone. In addition, Adam Smith owns 1.9 million ordinary shares in Alternative Income ("**Shares**"), equivalent to 2.36% of the issued share capital. As a result, Glenstone and Adam Smith own, in aggregate, approximately 26.4% of the Company's issued share capital.

The Independent Directors, who engaged with Glenstone and its advisers prior to its announcement, note that the Possible Offer does not include any offer price or range of prices, nor the terms and conditions on which any possible offer might be made. As a result, the Independent Directors have concluded that the proposal made to

them by Glenstone does not include terms capable of detailed evaluation and accordingly the Independent Directors are not currently in a position to form a view on the merits or otherwise of the Possible Offer.

The Independent Directors also note that this is not the first proposal received from Glenstone. On 12 November 2025, Glenstone made an indicative cash proposal at 66.5 pence per Share, without evidence of funding. At the time, this proposal represented **a discount of 20.8% to Alternative Income's stated Net Asset Value ("NAV") per Share of 84 pence* and an 11.3% discount to the closing price per Share of 75 pence****. Having considered the approach fully with its advisers, the Independent Directors concluded that Glenstone's offer fundamentally undervalued Alternative Income and its assets and as a result the proposal was unequivocally rejected by the Independent Directors on 17 November 2025.

The Independent Directors of Alternative Income are mindful of their duties to act in the best interests of all Alternative Income shareholders as a whole and not for the benefit of any one large shareholder. Given that Glenstone is the Company's largest shareholder, with a representative on the Board, the Independent Directors have consistently engaged with Glenstone regarding potential options for the Company's future, particularly in the last twelve months.

The Independent Directors note that in Glenstone's recent letter of 27 April 2026 (the "**Letter**"), a variety of requests were put forward. These included a request to be allowed access to confidential and commercially sensitive information belonging to Alternative Income. As such, the Independent Directors did not consider it appropriate to release such confidential information.

Furthermore, as well as referencing a possible offer, the Letter also contained a request for a managed wind-down of the Company along with a demand that a further Glenstone executive be appointed to the Board. It also referenced a potential transfer of the Company's listing to The International Stock Exchange ("**TISE**"), a market on which Glenstone's own shares are listed. The Board has in the past evaluated the Company's listing venue and concluded that the Company's listing on the Main Market of the London Stock Exchange is entirely appropriate for Alternative Income and its shareholder base, given the limited liquidity, transparency and investor protections associated with TISE. For the avoidance of any doubt, this remains the view of the Independent Directors.

The Independent Directors also note Glenstone's statement in its announcement of 15 May 2026 regarding its support for the potential offer by AEW UK REIT plc ("**AEWU**"). The Independent Directors considered that the possible offer by AEWU at a 3% discount to NAV per Share was capable of recommendation and remain of that view. Indeed, the Board (including Adam Smith) was unanimous in its view that this was a fair value for the Company and its portfolio.

The Independent Directors consider that it is for Glenstone now to put forward a proposal, including details of the price per ordinary Share being offered, together with any conditions attaching to their proposal, such that this is capable of proper evaluation by the Independent Directors. Until Glenstone has provided the Independent Directors with a proposal that is capable of being recommended to Alternative Income's shareholders, which Glenstone have failed to do to date, the Independent Directors do not consider it appropriate to provide due diligence access to Glenstone. The Independent Directors highlight that Glenstone's Board representative, Adam Smith, has a deep understanding of the portfolio and its underlying assets having served on the Board of Alternative Income for the last 5 years.

Whilst the Independent Directors recognise that the Company's market capitalisation is at the smaller end of the REIT market, the Independent Directors remain confident in the Company's portfolio and its prospects. The Company has a high-quality, fully let portfolio of 19 properties, predominantly let on long leases with index-linked rent reviews. As announced on 3 March 2026, the Company is on track to deliver its target annual dividend of not less than 5.6 pence per share for the year ending 30 June 2026, the dividend for the quarter ended 31 March 2026 was fully covered and rent collection continued to be 100%.

As shareholders will be aware, Alternative Income successfully refinanced its £41 million loan facility in October 2025. Its new bank facilities with HSBC, which are for a fixed term of five years with an option to extend by a further two years if mutually agreed, consist of a term loan of £31 million and a £10 million revolving credit facility ("**RCF**"). The Group therefore has flexibility to draw down the RCF as and when required, unlike its previous term loan. Furthermore, the Alternative Income portfolio has a long weighted average unexpired lease term at 31 March 2026 of 15.1 years to the earlier of break and expiry and 16.8 years to expiry and more than 90% of the leases within the portfolio are subject to index-linked rent reviews. As a result, the Independent Directors consider that the Company is well positioned to continue to generate secure and predictable income returns for Alternative Income shareholders.

Shareholders are strongly advised to take no action at this time.

For the reasons outlined above, there can be no certainty that any offer will be made by Glenstone, nor the terms of any such offer, nor whether any proposal received will be capable of being recommended to Alternative Income shareholders.

The Independent Directors will consider any detailed proposal made by Glenstone, however this assessment will be made in accordance with their duties to act in the best interests of all Alternative Income shareholders as a whole.

Shareholders of Alternative Income are reminded that in accordance with Rule 2.6(a) of the Code, Glenstone must, by not later than 5.00 p.m. on 12 June 2026, being 28 days after the date of its announcement, either announce a firm intention to make an offer for the Company in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline will only be extended with the agreement of the Board of Alternative Income and the consent of the Takeover Panel in accordance with Rule 2.6(c) of the Code.

An offer period has commenced in respect of Alternative Income in accordance with the Code, and the attention of Alternative Income shareholders is drawn to the disclosure requirements of Rule 8 of the Code, which are summarised further below.

Alternative Income confirms that this announcement has been made without the consent of Glenstone.

** Being the last reported NAV per Share as at 30 September 2025, being the most recent NAV per Share published by Alternative Income at that time.*

*** Being the latest practicable date prior to the date of the proposal.*

For further information please contact:

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Important notices

The person responsible for the release of this announcement on behalf of the Company is Simon Bennett.

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Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must

be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Market Abuse Regulations

The information contained within this announcement is considered to constitute inside information as stipulated under Article 7 of the Market Abuse Regulations (EU) No.596/2014 as incorporated into UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended. Upon the publication of this announcement via a regulatory information service, this inside information will be considered to be in the public domain.

Rule 2.9 disclosure

In accordance with Rule 2.9 of the Code, Alternative Income confirms that, as at the date of this announcement, its issued and fully paid share capital consists of 80,500,000 ordinary shares with a nominal value of 1 pence each. The Company holds no shares in treasury. The International Securities Identification Number (ISIN) for the ordinary shares is GB00BDVK7088. The Company's LEI is 213800MPBIJS12Q88F71.

Publication on website

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available on the website of Alternative Income at www.alternativeincomeireit.com subject to certain restrictions relating to persons resident in restricted jurisdictions, promptly and by no later than 12 noon (London time) on the business day following the date of this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

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