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THIS IS AN ANNOUNCEMENT FALLING UNDER RULE 2.4 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE") AND DOES NOT CONSTITUTE AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CODE. THERE CAN BE NO CERTAINTY THAT ANY FIRM OFFER WILL BE MADE.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION. UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

16 July 2026

**AEW UK REIT plc**  
**("AEWU", the "Company" or the "Group")**  
**Possible Offer for Alternative Income REIT plc**

**Introduction**

The Board of Directors of AEWU (the "**Board of AEWU**") confirms that it is considering a possible all-share offer to acquire the entire issued share capital of Alternative Income REIT plc ("**AIRE**") (the "**Possible Offer**").

The Possible Offer could lead to the combination of two REITs with aligned portfolios, offering greater portfolio diversification, the benefits of increased scale, a reduction in operating costs and an attractive ongoing dividend per share, with AEWU currently paying an annual dividend of 8 pence. The Possible Offer would be expected to be earnings accretive for AEWU.

**Terms of the Possible Offer**

Under the terms of a Possible Offer, AIRE shareholders would receive:

**0.725 shares in AEWU for each AIRE share held**

This is based on an exchange ratio calculated using the companies' respective net asset values ("**NAVs**") per share, with a discount applied to AIRE's NAV per share of 6 per cent.

The NAVs per share referred to above have been adjusted for the companies' respective estimated transaction costs and for the most recently declared (but not accrued) dividend per share (as described in the sources and bases section).

**Background to and rationale for the Possible Offer**

Achieving an appropriate scale for AEWU's strategy is a key ongoing priority for the Board, with expected benefits to shareholders from growth including enhanced liquidity in the Company's shares, a lower operating cost ratio as well as an expanded portfolio of investment opportunities. These factors are considered important to ensure that the Company and its strategy remain relevant at a time of much corporate activity and competition in the UK-listed property sector.

The Board and the Company's investment manager, AEW UK Investment Management LLP, will seek to take advantage of appropriate growth opportunities for the Company where possible, including the potential issuance of new equity. The protection of existing shareholders' interests, including in earnings potential, will remain paramount in anything examined or proposed.

With the above principles in mind, the Board and its advisers entered into discussions regarding a possible offer for AIRE earlier this year, having been invited to put forward a proposal by the Board of AIRE. On 24 March 2026, following press speculation, the Company made an announcement to confirm that it was considering a possible offer for AIRE. At the time, an in-principle agreement of terms had been reached with the Board of AIRE for an all-share offer by way of a scheme of arrangement. Unfortunately, certain key information was not available, and agreement on other matters could not be

concluded within the required timescales for making an offer. Additionally, access to AIRE's major shareholder was not granted to obtain their views, which would have been paramount (at the time) to proceeding with the possible offer. As a result, AEWU made a statement that it did not intend to make an offer on 21 April 2026, the deadline by which it was required to confirm a firm intention to make an offer under the City Code.

It was of regret to the Board of AEWU that this opportunity was not able to progress at that time. AIRE's portfolio is consistent with the assets and management style applied within AEWU. In particular, AIRE's assets' inflation-linked income stream was felt to be very complementary to the strong rental growth prospects offered by the portfolio of AEWU and the possible combination of the companies could have served both sets of shareholders' interests.

### **Subsequent events**

On 12 June 2026 Glenstone REIT plc, which holds 24.78 per cent. of the issued share capital of AIRE, announced a firm intention to make a cash offer for the issued share capital of AIRE that it does not already own. This announcement released AEWU from its restrictions under the City Code to make another approach to AIRE. The offer made by Glenstone, were it to be successful, removes the possibility of AIRE shareholders receiving further dividend income and is being made at a discount to the prevailing net asset value of AIRE of 15.4 per cent., which, in the opinion of the Board of AEWU and its advisers, compares unfavourably with the proposal made by AEWU some months ago.

The Company notes the recent statements by Glenstone of their previous support for the possible all-share offer for AIRE by AEWU and their agreement in principle to provide an irrevocable undertaking to vote in favour or accept AEWU's proposal, based on the terms agreed at that time. However, this was not communicated directly to AEWU at the time nor any other conditions of provision of their support that might have been requested.

### **Status of AEWU's interest in AIRE**

As noted in AEWU's annual results announcement on 26 June 2026, the Company has continued to monitor the situation, which has led to today's announcement of a possible all-share proposal for AIRE by AEWU.

There can be no certainty that an offer will ultimately be made for AIRE. In order to achieve the most satisfactory outcome for both companies, the Possible Offer (or scheme of arrangement) could be structured such that AEWU wholly owned the share capital of AIRE. However, AEWU would reserve the right to declare any possible offer unconditional at a lower acceptance level, should this not be possible or to implement by means of a scheme on which shareholders of AIRE would be asked to vote. The Possible Offer would also be subject to AEWU's shareholder approval.

In accordance with Rule 2.6(a) of the Code, AEWU has until 5.00pm on 13 August 2026, being 28 days after the date of this announcement, to either announce a firm intention to make an offer for AIRE in accordance with Rule 2.7 of the Code or announce that it does not intend to make such an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline may be extended with the consent of the Panel on Takeovers and Mergers (the "**Takeover Panel**") in accordance with Rule 2.6(c) of the Code.

### **Enquiries:**

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**Sources and bases**

In this announcement, the following bases and sources have been used:

- AEWU's NAV per share as at 31 March 2026 was 108.38p and was announced on 20 April 2026.
- AIRE's NAV per share as at 31 March 2026 was 84.4p and was announced by AIRE on 29 April 2026.
- AEWU declared a dividend of 2 pence per share for the quarter ended 31 March 2026 on 20 April 2026. No provision was made in AEWU's NAV per share for this dividend.
- In calculating the exchange ratio referred to above, the 2 pence dividend was deducted from AEWU's NAV per share.
- AIRE declared a dividend of 1.4 pence per share for the quarter ended 31 March 2026 on 29 April 2026. No provision was made in AIRE's NAV per share for this dividend.
- In calculating the exchange ratio referred to above, the 1.4 pence dividend was deducted from AIRE's NAV per share.
- Should either company publish a NAV per share at 30 June 2026 prior to the announcement of a firm intention to make an offer, these NAVs per share will be adjusted for any declared dividends not accrued for in the NAV per share.
- Certain figures in this announcement have been subject to rounding adjustments.

**Important Information**

The individual responsible for releasing this announcement, which has been made without the consent of AIRE, is Megan Freeman of MUFG Corporate Governance Limited.

For the purposes of Rule 2.5(a) of the Code, AEWU reserves the right to make an offer for AIRE on less favourable terms than those set out in this announcement: (i) with the agreement or recommendation of the AIRE Board; or (ii) if a third party announces (after the date of this announcement) a firm intention to make an offer or a possible offer for AIRE which, at that date, is of a value less than the value implied by the exchange ratio referred to above. AEWU reserves the right to introduce other forms of consideration and/or vary the mix or composition of consideration of any offer.

The Company further reserves the right to reduce the terms of the Possible Offer to take account of the value of any dividend, return of value or other distribution which is announced, declared, made or paid by AIRE after the date of this announcement.

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities whether pursuant to this announcement or otherwise, or the solicitation of any vote in favour or approval of any offer in any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction and any such offer (or solicitation) may not be extended in any such jurisdiction.

Any securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, or with any securities regulatory authority of any state of the United States and

may not be offered or sold in the United States absent registration or an applicable exemption from registration thereunder.

#### *Notice related to financial advisers*

Panmure Liberum Limited, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for the Company and for no one else in connection with the matters set out in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to any matter referred to herein.

**LEI Number:** 21380073LDXHV2LP5K50

#### *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 10<sup>th</sup> business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10<sup>th</sup> 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](http://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.

#### *Rule 2.4 information*

In accordance with Rule 2.4(c)(iii) of the Code, the Company confirms that it is not aware of any dealings in AIRE shares that would require it to offer a minimum level, or a particular form, of consideration under Rule 6 or Rule 11 of the Code. However, it has not been practicable for the Company to make enquiries of all persons acting in concert with it prior to the date of this announcement in order to confirm whether any details are required to be disclosed under Rule 2.4(c)(iii) of the Code. To the extent that any such details are

identified following such enquiries, the Company will make an announcement disclosing such details as soon as practicable, and in any event by no later than the time it is required to make its Opening Position Disclosure under Rule 8.1 of the Code.

*Rule 2.9 of the Code*

In accordance with Rule 2.9 of the Code, AEWU confirms that, as at close of business on 13 July 2026 (being the business day prior to the date of this announcement), it had 158,774,746 shares in issue. AEWU holds 100,000 shares in treasury. Accordingly, the total number of voting rights in AEWU is 158,674,746. The International Securities Identification Number ("ISIN") of AEWU's shares is GB00BWD24154 and the Legal Entity Identifier ("LEI") of AEWU's shares is 21380073LDXHV2LP5K50.

**Website**

In accordance with Rule 26.1 of the Code, a copy of this announcement will be made available, subject to certain restrictions relating to persons resident in restricted jurisdictions, on AEWU's website at <https://www.aewukreit.com/investors/offer-for-aire> promptly and in any event by no later than 12 noon (London time) on the business day immediately 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.