

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE UK MARKET ABUSE REGULATION

GRIT REAL ESTATE INCOME GROUP LIMITED

(Registered in Guernsey; registration number 68739)

LSE share code: GR1T | ISIN: GG00BMDHST63

UPDATE ON STRATEGIC TRANSACTION, FURTHER PORTFOLIO DISPOSAL PROCESS AND CONTINUED LENDER SUPPORT

Grit Real Estate Income Group Limited ("**Grit**" or the "**Company**" and, together with its subsidiaries, the "**Group**") refers to its announcement of 29 April 2026 (the "**April Announcement**") concerning, among other matters, guidance on net asset value ("**NAV**") for the 18 months ended 31 December 2025, a potential transaction, the delay in publication of audited financial statements and the temporary suspension of listing and trading in the Company's ordinary shares.

In the April Announcement, the Board confirmed receipt of a formal written proposal from Gateway Real Estate Africa ("**GREA**"), backed by a strategic partner, in relation to certain of the Group's assets and subsidiaries (the "**Potential Transaction**"). It also referred to the Board's consideration of a wider range of disposal and deleveraging options, ongoing lender discussions and the appointment of a Chief Restructuring Officer.

This announcement updates shareholders on the Potential Transaction and provides details of a separate proposed disposal of a substantial portion of the Group's remaining income-producing property portfolio.

Update on the Potential Transaction

The Board has accepted a conditional binding offer for the disposal of the Group's interests in GREA and Africa Property Development Managers Limited ("**APDM**"), together with certain associated assets and liabilities (the "**Development Platform Transaction**") which involves the separation of GREA and APDM from the Group. Acceptance of the proposal represents a further stage in the process first disclosed in April, but definitive transaction agreements for the full terms of the Development Platform Transaction and the required implementation arrangements remain to be completed. The expectation is that, once terms are agreed, completion will be subject to *inter alia* lender approvals, releases of existing security, regulatory and third-party approvals.

The Development Platform Transaction is particularly complex because the assets form part of a financing structure and, accordingly, implementation requires agreement with the relevant lenders on certain aspects. The precise terms and timing therefore remain under discussion.

The Board, management and their advisers continue to work through these matters with the relevant parties.

New proposed disposal of a substantial portion of the remaining income-producing property portfolio

Separately, and further to the wider disposal and deleveraging programme referred to in the April Announcement, the Board and its advisers assessed potential options for the Group's other assets in close consultation with its lenders, taking into account the existing financing and security arrangements, the terms on which lender support may be maintained, transaction deliverability, timing and the potential implications for the Company and its stakeholders. As part of this exercise, the Board commissioned an adviser to seek bids for an acquisition of the Group's other assets. Of the expressions of interest received, that offering the best terms has secured the support of the Group's senior secured creditors who have committed, subject to certain conditions, to continue to provide working capital to the Group to enable it to close the transaction. Accordingly, the Board is now progressing a proposed disposal of a substantial portion of the Group's remaining income-producing property portfolio (the "**Property Portfolio Transaction**").

Discussions are progressing with a preferred prospective acquirer, including substantial completion of a detailed due diligence investigation and negotiation of transaction documentation. The proposal remains subject to definitive agreements being concluded, relevant lender credit approvals and security releases being obtained, regulatory and third-party consents and other customary conditions. It is envisaged that the arrangements would provide for the continued operation of the properties and the transfer of employees within the agreed perimeter, subject to documentation and applicable law.

The **Property Portfolio Transaction** is complex, involving the transfer of equity interests and certain underlying assets, alongside the resolution of associated debt and security arrangements. Implementation remains dependent on agreement with the relevant lenders regarding the treatment of existing financing obligations and security.

Relationship between the two processes and Board considerations

The Development Platform Transaction and the Property Portfolio Transaction are separate potential transactions at different stages of progression. The Board is evaluating their combined effects on the Company, the continued operation of the underlying businesses, employees, tenants, counterparties, creditors and ordinary shareholders, including the consequences of delay or non-completion.

In considering the available alternatives, the Board's focus has been on the interests of the Company as a whole, taking account of the interests and rights of its different stakeholder groups and the financial circumstances in which decisions are being made. The Board has considered transaction deliverability, the ability to preserve the value of the operating businesses, the treatment of the Group's obligations, continuity of operations and employment, and the potential consequences of an uncoordinated or enforced realisation of assets. Between the current ordinary course disposals, the Company was already undertaking, the Development Platform Transaction and the Property Portfolio Transaction, the expectation is that the Company will be disposing of all its real estate assets. Accordingly, it will engage with the regulators and its shareholders as to the future of the Company's status as a publicly listed company. The Board remains advised by its legal and financial advisers as this process progresses.

Continued lender engagement and liquidity

As outlined in April, major lenders have supported the Group through a combination of arrangements concerning maturities, repayment standstills, working capital provision and covenant condonements, while considering further requests and amendments. This engagement has been important in allowing the Group to maintain operational continuity and progress the various workstreams over an extended period.

Such support remains conditional and should not be understood as an unconditional commitment to fund the Group through completion of the proposed transactions. The availability and continuation of particular arrangements depend on their agreed terms, budgets, approvals and transaction milestones. The Board remains in active discussions with lenders regarding liquidity requirements and the steps needed to progress both transactions. The timetable is sensitive to the timing of approvals, documentation, funding and security releases, and further delay may increase financing and transaction costs.

If the necessary arrangements cannot be maintained or the proposed transactions do not proceed, the Group may be required to consider alternative restructuring or realisation measures, which could have materially adverse consequences for stakeholders. The Board continues to assess these risks and available options with its advisers.

Financial reporting, shareholder position and suspension of trading

As previously announced on 29 April, 30 April and 29 September 2026, the Company has been unable to finalise and publish its audited financial results for the 18-month period ended 31 December 2025. In its announcement of 29 September 2026, the Company further advised that, notwithstanding progress on the previously announced Potential Transaction, finalisation of the financial statements remained dependent on the outcome of discussions with lenders concerning covenant compliance, restructuring options and potential amendments. Accordingly, the Company was also unable to publish its interim financial results for the six months ended 30 June 2026 by the prescribed deadline.

The Board continues to progress the Group's restructuring and deleveraging initiatives, alongside its engagement with lenders. The outcome of these processes remains subject to material uncertainties and the necessary approvals. Given the Group's financial position, the extent of its outstanding obligations and the priority of creditor claims, the Board considers the prospects of any recovery for ordinary shareholders to be extremely limited. The Board remains focused on securing the best achievable outcome within the financial and contractual constraints facing the Group.

Further announcements

The Company will update shareholders as appropriate regarding material progress on the Development Platform Transaction, the Property Portfolio Transaction, continued lender arrangements, publication of audited financial results and the status of its listing and trading.

By order of the Board

26 October 2026

FOR FURTHER INFORMATION, PLEASE CONTACT:

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NOTES:

Grit Real Estate Income Group Limited is a pan-African impact real estate company focused on investing in, developing and actively managing a diversified portfolio of assets in carefully selected African countries (excluding South Africa). These high-quality assets are underpinned by predominantly US\$ and Euro denominated long-term leases with a wide range of blue-chip multi-national tenant covenants across a diverse range of robust property sectors.

The Company holds its primary listing on the Main Market of the London Stock Exchange (LSE: GR1T and a dual currency trading secondary listing on the Stock Exchange of Mauritius (SEM: DEL.N0000 (USD) / DEL.C0000 (MUR))

Further information on the Company is available at www.grit.group

Directors: Nigel Nunoo (Chairman) +, Bronwyn Knight (Chief Executive Officer) *, Hugo Jordaan (Chief Financial Officer) *, Michael Dorn (Chief Restructuring Officer) *, Lynette Findlay+, Catherine McIlraith+ and Garreth Elston+

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Corporate service provider: Maurant Governance Services (Guernsey) Limited

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SEM authorised representative and sponsor: Perigeum Capital Ltd

UK Transfer secretary: MUFG Corporate Markets

This notice is issued pursuant to the FCA Listing Rules, SEM Listing Rule 15.24 and the Mauritian Securities Act 2005. The Board of the Company accepts full responsibility for the accuracy of the information contained in this communiqué.