

27 October 2021

**KCR Residential REIT plc**

("KCR" or the "Company")

**Exercise of Torchlight options and Total voting rights**

KCR Residential REIT plc announces that it has received a notice of exercise from Torchlight Fund LP ("Torchlight") in respect of 13,500,000 options over KCR ordinary shares of 10p each ("Shares") at a price of 19.982p per Share, calculated by reference to a 5% discount to KCR's average 30 trading days' VWAP prior to the notice. The proceeds of this exercise will provide KCR with additional cash funding of c. £2.7 million.

Following this exercise, Torchlight's interest in the Company shall increase to 23,100,000 Shares, representing 55.4% of the Company's enlarged issued share capital, and 35,900,000 options.

As detailed in the Company's announcements on 12 July 2019 and 29 July 2019, shareholders have approved a waiver of the obligations under Rule 9 of the Takeover Code in relation to Torchlight's shareholding increase. By virtue of holding more than 50 per cent. of the Company's voting rights, Torchlight will be entitled to increase its holding or aggregate interest in the voting rights of the Company without incurring any obligation under Rule 9 of the Takeover Code to make a general offer to all Shareholders to acquire their Shares.

Application has been made to the London Stock Exchange for 13,500,000 new Shares to be admitted to trading on AIM ("Admission") and Admission is expected to occur on or around 1 November 2021. The new Shares will, upon issue, rank pari passu with the existing Shares in the Company.

Following Admission, the Company's enlarged issued share capital will be 41,669,631 Shares. The Company holds no Shares in Treasury. This figure of 41,669,631 Shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

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**Notes to Editors:**

*KCR's objective is to build a substantial residential property portfolio that generates secure income flow for shareholders. The Directors intend that the group will acquire, develop and manage residential property assets in a number of jurisdictions including the UK.*