

EXTRAORDINARY GENERAL MEETING

Notice



Emirates
REIT

MANAGED BY EQUITATIVA GROUP

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the shareholders of Emirates REIT (CEIC) Limited (the "REIT") will be held at **2:00pm on Monday 26 November 2018** at Level 18, Index Tower – East Entrance, Dubai, United Arab Emirates to consider and, if thought fit, pass the following Ordinary Resolution.

The REIT Manager has evaluated a number of financing alternatives and believes that the proposed Facility's terms are favourable to the REIT.

If approved, the REIT Manager considers this transaction to be of significant benefit for the REIT, as it provides the REIT the resources to implement future growth plans.

RESOLUTION 1 – ORDINARY

To approve and authorise the REIT Manager on behalf of the REIT to enter into Related Party Transactions in respect to:

- A Secured Financing Facility (the "Facility") and related documents with Dubai Islamic Bank PJSC ("DIB") of which the key terms are:
 - Principal amount up to AED 500,000,000;
 - Tenure of 7 years;
 - Margin of 2.95%;
 - No early repayment fees; and
- Agree the structure of the Facility, which may consist of a Musharaka structure and a Murabaha or any other Sharia Compliant Structure, with a security package in favour of DIB.

provided that:

the REIT Manager ensures that any Related Party Transaction is on terms at least as favourable to the REIT as any comparable arrangement on normal commercial terms negotiated at arm's length with an independent third party.

By order of the Board, 24 October 2018

Abdulla Al Hamli
CHAIRMAN

GENERAL NOTES

Extraordinary General Meeting 2018

RIGHT TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING

Only those shareholders registered in the register of shareholders of the REIT at 2:00 pm on Thursday 22 November 2018 shall be entitled to attend and/or vote at the meeting or any adjournment thereof, in respect of the number of shares registered in their name at that time.

In each case, changes to the register of shareholders after such time shall be disregarded in determining the rights of any person to attend or vote at the Extraordinary General Meeting.

DOCUMENTS HANDLING

For the handling of the documents, your broker or custodian are referred to as "your Document Agent". Your Document Agent is as follows:

- If you have a NIN account*, all documents should be sent to egm@reit.ae
- If you do NOT have a NIN account*, all documents should be sent to your broker or custodian.

** A NIN account is an account set-up for shareholders directly with the Nasdaq Dubai Central Securities Depository (CSD).*

ATTENDANCE IN PERSON

If you would like to attend the Extraordinary General Meeting in person, please complete the Attendance Slip and return it signed and dated to your Document Agent (refer to Section 2 - Documents Handling).

Attendance Request Forms must be submitted by no later than the date required by your Document Agent or **6:00 pm, Thursday 22 November 2018** (whichever is earlier).

In order to enable smooth registration at the Extraordinary General Meeting, you will need to provide valid proof of identification in the form of photo identification (e.g. passport or Emirates ID) at the registration desk.

Please note that you will not be able to vote in person at the Extraordinary General Meeting if you have not registered for attendance as outlined above.

PROXY/REPRESENTATIVE APPOINTMENT

Any shareholder entitled to attend and vote at the Extraordinary General Meeting may appoint one or more proxies/representatives to exercise all or any of the rights of the shareholder to attend, speak and vote on their behalf at the Extraordinary General Meeting. A proxy/representative need not be a shareholder of the REIT. A proxy/representative may vote by instructions, in which case the Voting Form will be filled out by the shareholder, or at his/her own discretion. Please complete the information for the Proxy/Representative on the Attendance Slip and the Voting Form (when applicable) and return it signed and dated to your Document Agent (refer to Section 2 - Documents Handling), as soon as possible but no later than the date required by your Document Agent or **6:00 pm on Thursday 22 November 2018** (whichever is earlier).

If you would like to vote without attending the Extraordinary General Meeting in person, you may submit the Voting Form indicating your vote on each resolution.

To be effective, an Attendance Slip appointing a Proxy/Representative, must be signed by the shareholder or his attorney duly authorised in writing or, if the shareholder is a corporation, executed under its common seal or signed on its behalf by a duly authorised officer or attorney or other person duly authorised. Completion and return of the Attendance Slip with the appointment of a proxy/representative will not prevent a shareholder from attending in person and voting at the Extraordinary General Meeting provided the shareholder subsequently changed the instruction to register attendance at the meeting in person in the manner specified above.

Any corporation that is a shareholder may, by resolution of its directors or other governing body, authorize a person(s) to act as its representative(s) at the Extraordinary General Meeting. The REIT (or any person acting on its behalf) may require any representative of a corporation to produce a certified copy of the resolution authorizing the person to act as such or other satisfactory evidence of the person's authority before permitting him to exercise his powers.

AVAILABILITY OF DOCUMENTS

A copy of this Notice, the Attendance Slip and all other documents referenced in this Notice can be found on the REIT's website at www.reit.ae.

NOTICE OF ADJOURNED MEETING

In the event that the first session fails to reach the required legal quorum, a second session will be held in the offices of the REIT on **Tuesday 4 December 2018 at 2:00 pm**.

ASSISTANCE

If you have any special access requirements or other needs, please contact us and we will be pleased to provide appropriate help.

CONTACTS

E: egm@reit.ae

T: +971 4 405 7348

EXPLANATORY NOTES

The notes below give an explanation of the resolutions that will be proposed at the Extraordinary General Meeting.

RESOLUTION 1 - ORDINARY: Secured Financing Facility – Related Party Transaction

Article 111 of the Articles of Association of the REIT and Rule 10.5.7 of the DFSA CIR Rules ("CIR Rules") permit the REIT Manager to borrow money for the use of the REIT on terms that the borrowing is to be repayable out of the Fund Property.

The REIT (acting through the REIT Manager) proposes to borrow funds by entering into a Secured Financing Facility and related documents with DIB of which the key terms are:

- Principal amount up to AED 500,000,000;
- Tenure of 7 years;
- Margin of 2.95%; and
- No early repayment fees

The REIT Manager will agree the structure of the Facility, which may consist of a Musharaka structure and a Murabaha or any other Sharia Compliant Structure, with a security package in favour of DIB.

This resolution authorises the REIT Manager to enter into all the necessary Facility transaction documents and ancillary documents (including the commercial terms thereof) and to do all necessary things to effect the Financing on behalf of the REIT.

In such circumstances, Article 8.3.2(3) of the CIR Rules will apply which means that ahead of entering into the Related Party Transaction the REIT Manager must issue a circular to the shareholders containing the details of the Facility and Related Party Transaction (which circular is hereby acknowledged by the shareholders as being duly received in the form of this Notice of Meeting).

This resolution also approves the REIT to enter into Related Party Transactions, for the purposes of entering into the Facility.

CIR Rule 8.3.2 provides:

1. A Fund Manager must not enter into a Related Party Transaction unless it is in accordance with the requirements in this Rule.
2. A Fund Manager must ensure that any Related Party Transaction is on terms at least as favourable to the Fund as any comparable arrangement on normal commercial terms negotiated at arm's length with an independent third party.
3. The Fund Manager must, before entering into a Related Party Transaction:
 - (a) Issue to the Unitholders a circular containing the details of the proposed transaction; and

(b) Obtain Unitholders' prior approval by Special Resolution, or by ordinary resolution in the case of a Property Fund, in respect of the proposed transaction if the total consideration or value of the transaction is 5% or more of the most recent net asset value of the Fund as described in the latest published audited accounts of the Fund.

4. The Fund Manager must:

- (a) if Unitholders' prior approval is required pursuant to (3)(b), issue a notice to Unitholders providing details of the results of the Unitholders' voting at the general meeting as soon as practicable after the meeting;
- (b) include, in the Fund's next published interim or annual report, a brief summary of the Related Party Transaction, and certification that the requirements in these Rules have been met for the transaction; and
- (c) include, in the annual report of the Fund, the total value of any Related Party Transactions, their nature and the identities of the Related Parties with whom such transactions were made. Where there is no such transaction conducted during the financial year covered by the annual report, an appropriate negative statement to that effect must be made in the annual report.

5. The requirements in (3) and (4)(a) do not apply in relation to an Exempt Property Fund.

6. The requirements in (3) and (4)(a) do not apply in relation to a Public Property Fund in respect of a Related Party Transaction if:

- (a) the transaction is for the acquisition or sale of Real Property in the State; and
- (b) all of the conditions in Rule 13.4.11A(1) are met.

The DFSA Rulebook defines a "Related Party Transaction" in the context of the CIR Rules as "a transaction in respect of Fund Property entered into by a Fund Manager with a Related Party". "Related Party" is in turn defined in the Glossary in relation to a Fund as: "(a) its Fund Manager; (b) its Governing body; (c) its Custodian; (d) its Trustee or other Person providing oversight; (e) any Advisor; (f) a holder of 5% or more of the Units of the Fund; or (g) an Associate of a person in (a) to (f)".

DIB is a holder of more than 5% of the Units of the REIT.

By reference to Article 8.3.2 of the CIR Rules, a Related Party Transaction includes any Borrowing from DIB. This resolution authorizes the REIT Manager to enter into such Related Party Transactions arising from the entering into the Facility.