



Emirates Reit

Notice of Annual General Meeting

Emirates REIT (CEIC) Limited
("Emirates REIT" or the "REIT")

29th May 2014

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Emirates REIT (CEIC) Limited (the "REIT") will be held at **2.00 pm on Sunday, 22nd June 2014** at the **Ritz Carlton, DIFC**, Dubai, United Arab Emirates to consider and, if thought fit, pass the following resolutions for the following purposes:

SPECIAL RESOLUTION

Special Resolution 1 To approve the proposed revised articles of association of the REIT which will replace and supersede the existing articles of association of the REIT.

ORDINARY RESOLUTION

Ordinary Resolution 1 To approve the declaration of a final dividend of US\$ 0.05 per ordinary share for the financial year ended 31 December 2013, such dividend to be paid on or before 30th June 2014 to shareholders on the register on 18th June 2014.

Ordinary Resolution 2 To receive and approve the annual report and the accounts of the REIT for the year ended 31 December 2013 together with the director's report and auditor's report on those accounts.

Ordinary Resolution 3 To (i) re-appoint Ernst & Young Middle East (Dubai Branch) ("E&Y") as auditors of the REIT to hold office until the conclusion of the next general meeting at which accounts are laid before the shareholders; or (ii) in the event that terms for such re-appointment that are acceptable to Emirates REIT Management (Private) Limited (the "REIT Manager") cannot be reached with E&Y prior to the AGM, to appoint an alternative DFSA Registered auditor (whichever is specified by the Chairman at the AGM) as auditors of the REIT to hold office until the conclusion of the next general meeting at which accounts are laid before the shareholder.

Ordinary Resolution 4 Conditional upon the passing of Special Resolution 1, to appoint Mr Abdulla Al Hashemi to the Investment Committee of the REIT, with such appointment to terminate on 31st January 2015.

Ordinary Resolution 5 To authorise the REIT and the REIT Manager on behalf of the REIT to enter into transactions with Affected Persons (as defined in the CIR) in accordance with the modified version of Rule 8.3.2 of the CIR set out in the DFSA Modification Notice issued on 6 March 2014 (the "**Modification Notice**").

Ordinary Resolution 6 To authorise the REIT and REIT Manager on behalf of the REIT to enter into transactions with Affected Persons (as defined in the CIR) in accordance with the modified version of Rule 13.4.16 of the CIR set out in the Modification Notice.

Ordinary Resolution 7 To authorise the REIT and REIT Manager on behalf of the REIT to enter into transactions with Affected Persons (as defined in the CIR) in accordance with the modified version of Rule 13.4.17 of the CIR set out in the Modification Notice.

By order of the Board, 29th May 2014

Abdulla Al Hamli
Chairman

GENERAL NOTES

1. Right to attend and vote at the AGM

Only those shareholders registered in the register of shareholders of the REIT at 2:00 pm on Wednesday, 18th June 2014 shall be entitled to attend and /or vote at the meeting in respect of the number of shares registered in their name at that time.

If the meeting is adjourned, the time by which a person must be entered in the register of shareholders of the REIT in order to have the right to attend and vote at the meeting is 48 hours before the day of the adjourned meeting (excluding working days).

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 AGM.

2. Proxy Appointment - Founding Shareholders*

Any shareholder entitled to attend and vote at the AGM may appoint one or more proxies to exercise all or any of the rights of the shareholder to attend, speak and vote on their behalf at the AGM. A proxy need not be a shareholder of the REIT. Appointing a proxy will not prevent a shareholder from attending in person and voting at the AGM.

To be effective, a Proxy Form, together with the power of attorney or other authority (if any) under which it is signed or a duly certified copy of such power or authority must be received at the REIT's registered office and marked for the attention of the Company Secretary by no later than 6:00 pm on Thursday, 19th June 2014. Completion and return of the Proxy Form will not preclude a member from attending and voting at the AGM in person.

Any corporation which is a shareholder may, by resolution of its directors or other governing body, authorise a person or persons to act as its representative or representatives at the AGM. 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 him to act as such or other satisfactory evidence of his authority before permitting him to exercise his powers.

** Founding shareholders are shareholders who held shares in Emirates REIT prior to the listing on NASDAQ Dubai Ltd on 8th April 2014.*

3. Voting or Attendance Request (Free-float Shareholders)

(a) Voting

If you would like to vote without attending the AGM in person, please fill out the Voting Instruction Form and return it signed and dated to your broker or custodian if you do not have a NIN account, or to our Tabulation Agent* if you have a NIN account, as soon as possible but no later than the date required by your broker or custodian or 6:00 pm, Wednesday 18th June 2014 (whichever is earlier). Your broker or custodian will submit your votes to the Tabulation Agent. If you subsequently wish to change your voting, or to attend the meeting in person, please contact your broker or custodian prior to the deadline specified by them in order to reflect the changes. The Tabulation Agent will provide your voting instructions to NASDAQ Dubai Guardian Limited, who will submit the vote on your behalf to the Chairman of the Meeting.

(b) Attendance in Person or by a Personal Representative

If you would like to attend the AGM in person, or be represented by a person of your choice, please fill out the Attendance Request Form and return it signed and dated to your broker or custodian if you do not have a NIN account, or to our Tabulation Agent if you have a NIN account, as soon as possible. In all cases, Attendance Request Forms must be submitted by no later than the date required by your broker or custodian or 6:00 pm, Wednesday 18th June 2014 (whichever is earlier). Your broker or custodian will submit your attendance request to the Tabulation Agent. If you subsequently wish to change your personal representative, or vote without attending the meeting in person, please contact your broker or custodian prior to the deadline specified by them in order to reflect your changes.

In order to enable smooth registration at the AGM, you will need to provide valid proof of identification in the form of photo identification (e.g. passport or driving license) at the registration desk.

Please note that you will not be able to vote in person at the AGM if you have not registered for attendance via your broker or custodian as outlined above.

* Our Tabulation Agent is Link Market Services (EMEA) (DIFC) Limited and can be contacted in the following way;

Email sarah.borrie@linkmarketservices.com

Tel +971 (0)4 401 9983

Fax +971 04) 401 9985

4. Availability of documents and other information

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

5. 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 Monday, 30th June 2014 at 10:00 am.

6. Assistance

If you have any special access requirements or other needs, please contact the Company Secretary, Tiruselvi Krishnan and we will be pleased to provide appropriate help.

Email tiruselvi.krishnan@reit.ae

Tel +971 04 405 7360

EXPLANATORY NOTES

The notes below give an explanation of the resolution that will be proposed at the AGM.

Special Resolution 1 - Amendments to the Articles of Association

Special Resolution 1 proposes the amendment of the REIT's Articles of Association to better reflect the administrative and operational processes of the REIT following its listing on NASDAQ Dubai. Should Special Resolution 1 be passed, the revised articles of association of the REIT will replace and supersede the existing articles of association of the REIT.

Set out below are the proposed amendments to the articles of association of the REIT, (where additions are shown in gold and deletions are by way of ~~strike through~~):

Article 48.2 For the purposes of determining which persons are entitled to attend or vote at a general meeting and how many votes such persons may cast, the ~~Company~~ Board may in its absolute discretion and subject always to ~~in~~ compliance with the Companies Law, specify in the notice of meeting a time which ~~must not be more than 48 hours before the time fixed for the meeting~~, by which persons must be entered on the Register in order to have the right to attend or vote at the meeting. ~~The Board may at its discretion decide that, in calculating this period, no account shall be taken of any part of a day that is not a working day.~~ Changes to entries on the Register after the time specified by virtue of this Article 48.2 shall be disregarded in determining the rights of any person to attend or vote at the meeting.

Article 58.2 No amendments to these Articles shall be effective unless and until (i) the Shari'a Supervisory Board has confirmed in writing that such amendment complies with Shari'a and (ii) ~~where required by the REIT Regulations~~, the DFSA has confirmed in writing that it approves of such amendments and until such written confirmations are received the Articles in the form immediately prior to the passing of the relevant shareholder resolution shall prevail as the articles of association of the Company.

Article 99.3 For the purposes of determining independence of a shareholder in Article 99.2, in order to ensure that the positions of Article 99.2 are applied in a practical and reasonable manner, a person will be deemed to be independent of a shareholder if the Fund Manager, acting reasonably, determines that he is independent of that shareholder ~~and for these purposes, a shareholder holding less than 5 per cent. of the issued share capital of the Company may be determined to be independent by the Fund Manager notwithstanding that he is the holder of shares in the Company.~~

Article 99.4 Subject to the provisions of these Articles and the REIT Regulations, the Board may at any time appoint any person who is willing to act to be a member of the Investment Committee, to fill a casual vacancy and to hold such position until the next general meeting following such appointment.

Article 129.1 Any notice, document or information may be served on or sent or supplied to any shareholder by the Company:

1. personally; or
2. by delivering it by hand to or leaving it at that address in an envelope addressed to the shareholder; or
3. by sending it by an acceptable electronic means (other than by fax) to an address notified by or on behalf of the shareholder to the Company for that purpose; or
4. by sending it by fax to a number provided by the shareholder to the Company for that purpose; or
5. by any other means authorised in writing by the shareholder concerned.

Ordinary Resolution 1 - Final Dividend

On 19th May 2014, the Board recommended a final dividend of US\$ 0.05 per ordinary share, amounting in aggregate to US\$ 14.98 million. Subject to approval by the shareholders, the final dividend will be paid on or before 30th June 2014 to shareholders on the register at 2:00 pm on Wednesday, 18th June 2014.

Ordinary Resolution 2 - Annual Report and Accounts

The REIT is required to present to the shareholders the accounts of the REIT for the year ended 31st December 2013, the director's report and auditor's report to these accounts. This provides the shareholders with an opportunity to discuss the performance of the REIT during the year, its management and prospects for the future.

Ordinary Resolution 3 - Auditor

The REIT is required to appoint or re-appoint its auditor at each AGM at which the accounts are presented. Ordinary Resolution 3 proposes the re-appointment of Ernst & Young Middle East (Dubai Branch) until the conclusion of the next AGM. In the event that terms for such re-appointment that are acceptable to the REIT Manager cannot be reached with E&Y prior to the AGM, the REIT will propose to appoint an alternative

DFSA Registered auditor (whichever is specified by the Chairman at the AGM) as auditors of the REIT to hold office until the conclusion of the next AGM.

Ordinary Resolution 4 - Appointment of Mr Abdulla Al Hashemi to the Investment Committee

Mr Abdulla Al Hashemi has been proposed to replace Mr Hamad Buamim on the Investment Committee of the REIT. Conditional upon the passing of Special Resolution 1, Ordinary Resolution 4 proposed the appointment of Mr Abdulla Al Hashemi until 31st January 2015, prior to which a new election of all three members of Investment Committee shall take place (assuming no prior vacancies arise).

Ordinary Resolution 5 - Approval of modified version of CIR Rule 8.3.2

CIR Rule 8.3.2 set outs various requirements as regards transactions with Affected Persons (as defined in the CIR) which includes a requirement for approval by a Special Resolution of a proposed transaction with an Affected Person when the total consideration or value of the investment opportunity is five per cent (5%) or more of the most recent net asset value ("**NAV**") as disclosed in the latest published audited accounts of the Fund ("**Latest NAV**").

The REIT Manager believes that any such requirement for such approval by Special Resolution would be seriously detrimental to the ability of the REIT to conduct its business as convening a general meeting of Shareholders would:

- (a) take a minimum of 21 days;
- (b) require the REIT to enter into a conditional acquisition contract; and
- (c) make details of the proposed transaction publicly available before it is completed.

The characteristics of the market in the UAE and Dubai in particular are such that conditional acquisition contracts are not common and the REIT Manager believes that this, coupled with the potential loss of confidentiality leading to competing bids for transactions, would result in the REIT missing out on a significant number of acquisition opportunities. As a result of these significant issues the REIT Manager requested of the DFSA, and was granted, a modification of CIR Rule 8.3.2. The continued applicability of the modification is conditional upon shareholder approval at every AGM of the REIT.

The modified text of CIR Rule 8.3.2 set out in the Modification Notice is as follows:

"CIR Rule 8.3.2

- (1) *"A Fund Manager must not enter into a Transaction in respect of the Fund Property with an Affected Person unless it is in accordance with the requirements in this Rule.*
- (2) *A Fund Manager must ensure that any transaction in respect of the Fund Property undertaken with an*

Affected Person 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 ensure that, before entering into a transaction with an Affected Person:*
- (a) *if the total consideration or value of the proposed 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:*
 - i. *the investment committee of the Fund (appointed under CIR Rule 13.4.3) states that it has no objection to the terms of the proposed transaction as such terms are at least as favourable to the Fund as any similar transaction entered into with an independent third party on commercial terms; and*
 - ii. *the oversight provider appointed to the Fund (in accordance with CIR section 10.3) approves in writing the transaction as in accordance with the requirements in CIR Rule 8.3.2(2) and any other requirements that are applicable to such a transaction; and*
 - (b) *if the total consideration or value of the proposed transaction is less than 5% but more than 0.25% of the most recent net asset value of the Fund as described in the latest published audited accounts of the Fund, it provides the DFSA with a written notice, as soon as possible after the relevant transaction, setting out the relevant terms of the transaction and why those terms are considered fair and reasonable by the investment committee or oversight provider of the Fund.*
- (4) *The Fund Manager must:*
- (a) *include a brief summary of the Affected Person transactions in the Fund's next published interim or annual report; and*
 - (b) *include, in the annual report of the Fund, the total value of any Affected Person transactions, their nature and the identities of the Affected Persons 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”,*
- which, for the avoidance of doubt, shall mean that the prior approval of the shareholders of the REIT shall not be required in connection with the REIT or the REIT Manager entering into transactions with Affected Persons provided that the REIT and the REIT Manager comply with the foregoing in respect of such transactions.*

Ordinary Resolution 6 - Approval of modified version of CIR Rule 13.4.16 of CIR

The REIT Manager must ensure that any Affected Party transactions in the nature of services provided relating to the real property of the REIT in the ordinary and usual course of estate management, including renovation and maintenance work, are contracted on normal commercial terms. The REIT has been granted

a waiver by the DFSA of the requirement that the terms of ordinary and usual course services with Affected Parties are subject to prior approval of the Oversight Committee as follows.

Subject to shareholder approval at every AGM of the REIT, then (i) in respect of the provision of such services where it is envisaged that the Affected Party would be paid a total consideration less than five per cent (5%) of the latest NAV and such services are contracted on normal commercial terms, no prior approval of the Oversight Committee is required; and (ii) in respect of the provision of such services where it is envisaged that the Affected Party would be paid a total consideration equal to or greater than five per cent (5%) of the latest NAV then prior to the engagement of the Related Party to carry out such services the terms of such engagement must be approved by the Oversight Committee. The modification is conditional upon shareholder approval at every AGM of the REIT.

The modified text of CIR Rule 13.4.16 set out in the Modification Notice is as follows:

“The Fund Manager must ensure that any Affected Person transactions in the nature of services provided relating to the Real Property of the Fund in the ordinary and usual course of estate management, including renovation and maintenance work, are:

- (a) contracted on normal commercial terms; and*
- (b) 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, subject to the prior approval of the Trustee or other oversight function.”*

Ordinary Resolution 7 - Approval of modified version of CIR Rule 13.4.17

CIR 13.4.17 prohibits the engagement of Affected Persons as property agents for rendering services (including advisory or agency services) to the REIT in property transactions. The REIT has, however, been granted a modification by the DFSA as regards the application of this rule. The characteristics of the market in the UAE and Dubai in particular are such that a significant number of the property agents with whom the REIT must engage if it is to ensure that it is being made aware of the most attractive potential transactions are Affected Persons. If the REIT was not able to deal with these property agents, the REIT Manager believes that the REIT would be at a significant commercial disadvantage. As a result of this, the REIT Manager was granted a significant modification of CIR 13.4.17 by the DFSA as set out below. The continued applicability of the modification is conditional upon shareholder approval at every AGM of the REIT.

“The Fund Manager and, if appointed, the Trustee must not engage Affected Persons as property agents for rendering services to the Fund, including advisory or agency services in property transactions unless it complies with the following:

- (a) if the total consideration or value of the proposed 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:*
 - i. the investment committee of the Fund (appointed under CIR Rule 13.4.3) states that it has no objection to the terms of the proposed transaction as such terms are at least as favourable to the Fund as any similar transaction entered into with an independent third party on commercial terms; and*
 - ii. the oversight provider appointed to the Fund (in accordance with CIR section 10.3) approves in writing to the transaction in accordance with the requirements in CIR Rule 8.3.2(2) and any other requirements that are applicable to such a transaction; and*

- (b) if the total consideration or value of the proposed transaction is less than 5% but more than 0.25% of the most recent net asset value of the Fund as described in the latest published audited accounts of the Fund, it provides the DFSA with a written notice, as soon as possible after the relevant transaction, setting out the relevant terms of the transaction and why those terms are considered fair and reasonable by the investment committee or oversight provider of the Fund.”*