

Company EfTEN Real Estate Fund AS  
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Currency  
Title EfTEN REAL ESTATE FUND III AS NOTICE CALLING THE EXTRAORDINARY GENERAL MEETING

The Management Board of EfTEN Real Estate Fund III AS (registry code 12864036; seat Tallinn, A. Lauteri 5) calls the extraordinary general meeting of shareholders on 15 December 2022 at 10:00.

Venue of the general meeting: Radisson Collection Hotel second floor conference centre hall "Tallinn", address Tallinn, R vala 3.

The registration of participants of the general meeting starts at 09:00 on 15 December 2022 at the venue of the meeting. The registration ends at 10:00. If possible, we request that all shareholders arrive in time considering the time required to register the participants of the meeting.  
The list of shareholders who shall be entitled to participate in the extraordinary general meeting shall be fixed seven days prior to the date of the general meeting, i.e., on 08 December 2022 as at the end of the working day of the registrar of the settlement system of the fund's securities.

The shareholders may also participate by appointing a representative or vote prior to the meeting on the items on the agenda of the general meeting by using electronic means. There will be no video transmission of the general meeting. When appointing a representative, we recommend you to appoint Viljar Arakas, a member of the Management Board of the fund, whom you can give precise instructions to vote on your behalf on each agenda item. In case a shareholder wishes to use the template of power of attorney upon appointment of a representative, the respective template is available on the webpage of EfTEN Real Estate Fund III AS <https://eref.ee/investorile/uldkoosolekud/>.

Electronic voting of draft resolutions  
Shareholders may vote electronically on the items on the agenda before the general meeting is held in accordance with the following procedure:

- i. The electronic vote must be sent to the address [koosolek@eften.ee](mailto:koosolek@eften.ee) (mailto:koosolek@eften.ee) not later than on 13 December at 16:00 (Estonian time). The shareholder has the right to change or cancel the



vote given or submit objections not later than indicated in the previous sentence.

- ii. The shareholder's vote must be given on the respective form available on the fund's website <https://eref.ee/investorile/uldkoosolekud/> and must be digitally signed. In case several correctly filled and signed voting ballots are submitted on behalf of one shareholder, only the latest received voting ballot shall be considered valid, and all previous voting ballots of that shareholder shall be considered invalid. In case the shareholder has submitted the voting ballot, but also attends the general meeting in person, all the voting ballots submitted by the shareholder before the general meeting shall be considered invalid.
- iii. In case the shareholder is represented at the general meeting by a representative, a digitally signed power of attorney certifying the right of representation must be submitted to the e-mail address [koosolek@eften.ee](mailto:koosolek@eften.ee) (<mailto:koosolek@eften.ee>) together with the electronic vote or before submitting the electronic vote.
- iv. Shareholders who have voted no later than 13 December 2022 at 16.00 (Estonian time) shall be deemed to have taken part in the general meeting and the votes represented by the shareholders' shares shall be accounted as part of the quorum of the general meeting, unless otherwise provided by law.

Pursuant to the resolution of the Supervisory Board of EftEN Real Estate Fund III AS, the annual general meeting will have the following agenda together with proposals of the Supervisory Board to the shareholders:

Item 1: Management Board's overview of the fund's activities

The Management Board shall provide an overview of the activities of EftEN Real Estate Fund III AS and the planned merger. The item is for informational purposes only.

Item 2: Determining the exchange ratio

EftEN Real Estate Fund III AS as the Acquiring Fund and EftEN Kinnisvarafond AS as the Fund Being Acquired have signed a merger agreement on 19.09.2022. In order to carry out the merger according to the clause 6.3 of the merger agreement, the share capital of the Acquiring Fund shall be increased on the account of the total assets of the Fund Being Acquired and transferred to the Acquiring Fund (non-monetary contribution), the value of which shall be EPRA Net Asset Value of the Fund Being Acquired.

According to the instructions given to the management company by the Financial Supervision Authority, the conditions for determining the value of the exchange ratio and the value of the shares taken as the basis for determining the exchange ratio must be decided by voting as a separate agenda item in accordance with § 143 (5) of the Investment Funds Act.

Proposal of the Supervisory Board: To approve the conditions for the determination of the exchange ratio of the merger of EftEN Kinnisvarafond AS and EftEN Real Estate Fund III AS and the value of the shares used as the basis for determining the exchange ratio as follows:



- i. In order to carry out the merger, the share capital of the Acquiring Fund shall be increased on the account of the totality of assets of the Fund Being Acquired transferred to the Acquiring Fund (non-monetary contribution), the value of which shall be EPRA (the official name: European Public Real Estate Association, hereinafter EPRA) Net Asset Value of the Fund Being Acquired.
- ii. The extent of the increase of share capital of the Acquiring Fund as well as the number of shares to be issued upon the increase and the share premium shall be calculated on the basis of the following formula (specified also in clause 6.4.1 of the merger agreement):  
$$\text{Number of new shares of the Acquiring Fund upon increase of share capital} = \frac{\text{the Fund's Being Acquired EPRA NAV (in euros)}}{\text{the Acquiring Fund's EPRA NAV per share (in euros, precision equivalent to four decimals)}}$$
  
The Fund's Being Acquired EPRA NAV = the Fund's Being Acquired equity + the Fund's Being Acquired interest derivatives at fair value + the Fund's Being Acquired deferred income tax liability.  
The Acquiring Fund's EPRA NAV per share =  $\frac{\text{(the Acquiring Fund's equity + the Acquiring Fund's interest derivatives at fair value + the Acquiring Fund's deferred income tax liability)}}{\text{number of the Acquiring Fund's shares}}$

Item 3: Approval of the merger agreement and determination of the list of shareholders

EfTEN Kinnisvarafond AS and EfTEN Real Estate Fund III AS concluded on 19 September 2022 a merger agreement. According to the clause 6.5 of the merger agreement, the list of shareholders of the Fund Being Acquired will be fixed as of 31.12.2022, unless the general meeting specifies otherwise. Taking into account the relatively long time period between 31.12.2022 and the planned merger, it is appropriate to fix the list of shareholders of the Fund Being Acquired closer to the merger's effective date. The merger has been approved by the depositaries of both funds. Rights and obligations arise under the merger agreement only after the merger agreement has been approved by the general meeting of the shareholders of both funds. The completion of the merger is subject to the authorisation from the Financial Supervision Authority, for which the fund manager has submitted an application to the Financial Supervision Authority.

Proposal of the Supervisory Board: To approve the merger agreement concluded on 19 September 2022 between EfTEN Real Estate Fund III AS and EfTEN Kinnisvarafond AS, and to carry out the merger under the conditions stipulated in the merger agreement and set the date of fixing the list of shareholders of the Fund Being Acquired as 31.01.2023 in accordance with clause 6.5 of the merger agreement.

Item 4: Amendment of the business name and the articles of association

In the course of the merger, the business name of EfTEN Real Estate Fund III AS shall be amended, and the fund shall continue operations under the business name EfTEN Real Estate Fund AS. In order to amend the business name, the articles of association of EfTEN Real Estate Fund III AS will have to be amended as well.

Proposal of the Supervisory Board: To approve EfTEN Real Estate Fund AS as the new business name and to approve the new articles of association as presented to the general meeting.



Item 5: Increase of share capital and listing of new shares on the Main List of Nasdaq Tallinn Stock Exchange

In order to carry out the merger, the share capital of EftEN Real Estate Fund III AS as an Acquiring Fund shall be increased on the account of the total assets of EftEN Kinnisvarafond AS to be transferred to EftEN Real Estate Fund III AS. The extent of the increase of share capital as well as the number of shares to be issued upon the increase shall be calculated on the basis of the formula specified in clause 6.4.1 of the merger agreement as at the day preceding the balance sheet day of the merger (i.e. 1 January 2023), i.e. on the basis of the balance sheet figures as at 31 December 2022. Since this date is later than the date of the general meeting, the increase of the share capital shall be delegated to the Supervisory Board.

Proposal of the Supervisory Board: To delegate to the competence of the Supervisory Board, in accordance with the law and articles of association of the fund, the decision on the increase of share capital in accordance with the principles specified in the merger agreement concluded on 19 September 2022 within a four-month period following this general meeting and to submit an application for the listing and admission to trading of all newly-issued shares on the Main List of Nasdaq Tallinn Stock Exchange. To authorise the Supervisory Board and the Management Board of the fund to carry out all activities and conclude all agreements necessary for this purpose.

Additional organisational information:

Documents related to the general meeting, incl. the signed merger agreement, merging funds' annual reports for the last three financial years, approval from the depositary specified in subsection 1 of IFS § 153, the last published half-year report of the fund, an overview of the financial activities of the fund for the current year prepared by the management board, draft resolutions of the Management Board and any other information subject to the statutory disclosure requirement are available for examination on the webpage of the fund [www.eref.ee](http://www.eref.ee) (<http://www.eref.ee>) and until the date (incl.) of the general meeting, at the premises of the fund (address A. Lauteri 5, 10114 Tallinn, 3rd floor) on working days from 09:00 until 16:00.

Questions with respect to the matters on the agenda of the general meeting can be submitted via e-mail address: [koosolek@eften.ee](mailto:koosolek@eften.ee) (<mailto:koosolek@eften.ee>) or by mail to the address of the fund (Tallinn 10114, A. Lauteri 5) or via phone by calling + 372 655 9515. Questions, answers, shareholders' proposals with respect to the matters on the agenda and the minutes of the general meeting shall be published on the webpage of EftEN Real Estate Fund III AS [www.eref.ee](http://www.eref.ee) (<http://www.eref.ee>).

We request to submit the following to register the participants of the general meeting:

- in case of a shareholder who is a natural person, an identity document. A representative of a shareholder shall also present a power of attorney in written form.
- in case of a shareholder who is a legal person, an extract from the registry where the legal person is registered, which proves the authorisation of the



representative to represent the legal person (right of representation arising from law) and an identity document of the representative. In case the representative is not a legal representative of the legal person, a valid power of attorney shall also be required. Where required by applicable law, documents pertaining to a legal person registered in a foreign country are requested to be legalized or duly apostilled. Documents in foreign language are requested to be accompanied by a translation into Estonian by a sworn translator.

At the general meeting, a shareholder is entitled to receive information from the Management Board on the activities of the fund. The Management Board may decide to withhold information if there is a reason to believe that the disclosure of information may cause significant damage to the interests of the public limited company. If the Management Board refuses to disclose information, the shareholder may demand from the general meeting to adopt a resolution regarding the lawfulness of the information request or to file, within two weeks, a petition to a court by way of proceedings on petition in order to obligate the Management Board to give information.

The shareholders whose shares represent at least 1/20 of the share capital may request for additional items to be included on the agenda of the general meeting, if the respective request is submitted in writing at least 15 days prior to the general meeting to the address EftEN Real Estate Fund III AS, A. Lauteri 5, 10114 Tallinn.

The shareholders whose shares represent at least 1/20 of the share capital may present a draft resolution in respect of each item on the agenda in writing no later than three days prior to the general meeting to the address EftEN Real Estate Fund III AS, A. Lauteri 5, 10114 Tallinn.

Prior to the general meeting, the shareholder may notify of the appointment of a representative or the revocation of the representative's authority by sending a digitally signed notice to the e-mail address [koosolek@eften.ee](mailto:koosolek@eften.ee) (<mailto:koosolek@eften.ee>) or by delivering the signed documents in person on working days between 09:00 to 16:00 to EftEN Real Estate Fund III AS at A. Lauteri 5, 10114 Tallinn at the latest by 13.12.2022 (Estonian time). In case a shareholder wishes to use the template of power of attorney upon appointment of a representative, the respective template is available on the webpage of EftEN Real Estate Fund III AS <https://eref.ee/investorile/uldkoosolekud/>.

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