**EfTEN REAL ESTATE FUND III AS**

**NOTICE CALLING THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

The Management Board of **EfTEN Real Estate Fund III AS** (registry code 12864036; seat Tallinn, A. Lauteri 5) calls an annual general meeting of shareholders on **18 June 2020 at 10:00**.

Venue of the general meeting: Radisson Blu Sky hotel second floor conference centre hall “Hansa”, address Tallinn, Rävala pst 3.

The registration of participants of the general meeting starts at 09:00 on 18 June 2020 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 annual general meeting shall be fixed seven days prior to the date of the general meeting, i.e. on 11 June 2020 as at the end of the working day of the registrar of the settlement system of the fund’s securities.

**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. The said item is for informational purposes only.

**Item 2: Approval of the 2019 annual report**

Proposal of the Supervisory Board: To approve the 2019 annual report of EfTEN Real Estate Fund III AS as presented to the general meeting.

**Item 3: Distribution of profit**

Due to the past emergency situation, and uncertainty about the future economic outlook due to the spread of the coronavirus, the Management Board decided to change the previously published dividend proposal and reduced it from the initial 82 cents per share to 65 cents per share. The Supervisory Board agreed with the Management Board's proposal to reduce the dividend.

Proposal of the Supervisory Board: The consolidated net profit of the 2019 financial year of the fund is 7 737 201 euros.

To distribute the undistributed profit as at 31 December 2019 in the total amount of 18 351 557 euros as follows:

Transfers to the reserve capital: 386 852 euros;

Profit to be distributed between the shareholders (net dividend): 2 744 648 euros (65 euro cents per share);

Transfers to other reserves shall not be made and profit shall not be used for any other purposes.

Amount of undistributed profit after transfers is 15 220 097 euros.

The list of shareholders entitled to dividends shall be fixed on 7 July 2020 as at the end of the working day of the registrar of the settlement system of the fund’s securities. Therefore, the date of change in the rights attaching to shares (ex-date) is 6 July 2020. As of this date a person who acquired shares is not entitled to dividends for the 2019 financial year. Dividend shall be paid to the shareholders on 10 July 2020 by way of bank transfer to the shareholder’s bank account.

**Item 4: Amendment of the articles of association**

Due to the postponement of the merger, the business name of EfTEN Real Estate Fund III AS will not be changed and the fund will continue to operate under the current business name. The Management Board of the fund has together with the fund manager, reviewed the provisions of the articles of association. The revised articles of association include updates to provisions, which the fund is required to amend by virtue of amendments to legal acts, or which introduce corrections or amendments to the articles of association which do not affect the rights and obligations of the shareholders. Furthermore, the provision regulating the success fee payable to the fund manager has been specified in the articles of association and a maximum rate of success fee per financial year has been determined, which is favourable to the shareholders. In addition, the possibility for electronic voting and the right to adopt resolutions without calling a meeting of shareholders has been added, which are favourable to the shareholders. Said amendments to the articles of association do not have to be approved by the Financial Supervision Authority in accordance with § 37 (3) point 1 of the Investment Funds Act. The fund manager has informed the Financial Supervision Authority of the proposed amendments.

Proposal of the Supervisory Board: To approve the new articles of association as presented to the general meeting.

**Item 5: Extension of the authorisations of the members of the Supervisory Board**

The members of the Supervisory Board have consented to the extension of their authorisations. Cooperation to date between the fund’s Management Board, the fund manager and the Supervisory Board has been close and very good.

Proposal of the Supervisory Board: To extend the authorisations of the members of the Supervisory Board Arti Arakas, Sander Rebane, Siive Penu and Olav Miil until 18 June 2025, i.e. for a period of five years from the moment of deciding the extension.

**Additional organisational information:**

Documents related to the general meeting, incl. the 2019 annual report of the fund, report of the sworn auditor, profit distribution proposal, report of the Supervisory Board, draft of the articles of association, 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) 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: info@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).

The fund does not provide an opportunity for electronic participation in the general meeting or voting using electronic means or by mail.

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 info@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 17 June 2020.

**Measures to prevent the spread of the virus**

In order to protect the health of all shareholders and participants in the general meeting, EfTEN Real Estate Fund III AS asks the shareholders, if possible, to participate in the general by appointing a proxy. We recommend you to appoint Viljar Arakas, a member of the Management Board of the fund, as the proxy, whom you can give precise instructions to vote on your behalf on each agenda item. This way, you can vote as you wish, while avoiding gathering in one room with many other people and reducing the risk of getting a disease. 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 [www.eref.ee](http://www.eref.ee).

The persons who have signs of illness will not be allowed to attend the meeting. The shareholders participating in the general meeting in person must follow the instructions and orders given for the protection of the health of the participants.

Viljar Arakas

Member of the Management Board

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