

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** It contains proposals relating to EJF Investments Ltd (the "Company") on which you are being asked to vote. If you are in any doubt as to the action you should take or about the contents of this Circular, you are recommended to seek your own personal financial advice immediately from your stockbroker, solicitor, accountant or other independent financial adviser, duly authorised under the Financial Services and Markets Act 2000 of the United Kingdom (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you sell or have sold or otherwise transferred all of your Ordinary Shares, please send this document, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer is or was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale was effected.

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**EJF INVESTMENTS LTD**

*(a company incorporated in Jersey under The Companies (Jersey) Law, 1991 (as amended) with registered number 122353)*

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**ROLLOVER OFFER**

**EARLY REDEMPTION OF 2022 ZDP SHARES**

**PLACING PROGRAMME**

**CONTINUATION**

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The Proposals described in this Circular are conditional on their approval by the holders of Ordinary Shares in the Company (the "**Ordinary Shareholders**") by ordinary resolution or special resolution. The purpose of this Circular is to convene an extraordinary general meeting of the Ordinary Shareholders. Notice of the extraordinary general meeting of EJF Investments Ltd to be held at IFC1, The Esplanade, St. Helier, JE1 5BP, Jersey at 3.00 p.m. to 5.00 p.m. (BST) on 5 May 2022 (the "**Extraordinary General Meeting**" or "**EGM**"), is set out at Part VI of this Circular.

The Company has published a prospectus, as approved by the FCA, setting out the details of the Proposals (the "**Prospectus**"). Save for expressions defined in this Circular, words and expressions defined in the Prospectus shall have the same meaning in this Circular (and in the event of any conflict, the Prospectus definitions shall prevail).

**This Circular should be read as a whole. Your attention is drawn to the letter from the Chair of the Company which is set out in Part I (Letter from the Chair) of this Circular and which recommends that you vote in favour of the resolutions to be proposed at the EGM. Your attention is also drawn to paragraph 7 of Part I of this Circular entitled "Action to be taken".**

If you are unable to attend the EGM in person you are requested to return the Form of Proxy accompanying this Circular. To be valid, the Form of Proxy must be completed and signed in accordance with the instructions detailed in the Form of Proxy and returned so as to be received by the Registrar as soon as possible but in any event so as to be received not later than 3.00 p.m. (BST) on 3 May 2022. The lodging of a Form of Proxy will not prevent a Shareholder from attending the EGM and voting in person if they so wish.

## KEY TIMES AND DATES

Latest time and date for receipt of Forms of Proxy	3.00 p.m. (BST) on 3 May 2022
Latest time and date for receipt of CREST Proxy Instructions	3.00 p.m. (BST) on 3 May 2022
Extraordinary General Meeting	3.00 p.m. to 5.00 p.m. (BST) on 5 May 2022

The Company is a closed-ended collective investment fund incorporated as a public company limited by shares in Jersey on 20 October 2016 with an unlimited life and is established in Jersey as a listed fund pursuant to the Jersey Listed Fund Guide published by the Jersey Financial Services Commission (the "**JFSC**"), as amended from time to time, and the Collective Investment Funds (Jersey) Law 1988, as amended. The Company is regulated by the JFSC. The JFSC is protected by both the Collective Investment Funds (Jersey) Law 1988 and the Financial Services (Jersey) Law 1998, as amended, against liability arising from the discharge of its functions under such laws. The JFSC has not reviewed or approved this Circular.

This Circular is not a prospectus and does not constitute or form part of, and should not be construed as, any offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any securities of the Company in any jurisdiction, including (without limitation) the United States, nor should it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever in any jurisdiction, including (without limitation) the United States. The ZDP Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and (if issued) may not be offered, sold, pledged, delivered or otherwise transferred, directly or indirectly, into or within the United States or to, or for the account or benefit of, any "U.S. persons" as defined in Regulation S under the U.S. Securities Act ("**U.S. Persons**"), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. There will be no public offer of any such securities in the United States.

The distribution of this Circular in certain jurisdictions may be restricted by law and persons into whose possession this Circular comes should inform themselves about and observe any relevant restrictions. In particular, subject to certain exceptions, this Circular is not for distribution, directly or indirectly, in, into or from the United States, Canada, South Africa or Japan or to U.S. Persons. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions. This Circular is and may be communicated only to (and is directed only at) persons to whom such communication may lawfully be made.

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**PART I**  
**LETTER FROM THE CHAIR**

**EJF INVESTMENTS LTD**

*(a company incorporated in Jersey under The Companies (Jersey) Law 1991 (as amended)*

*with registered number 122353)*

*Registered Office: 47 Esplanade, St Helier, Jersey, JE1 0BD*

**Directors (all non-executive):**

Joanna Dentskevich (Chair)

Alan Dunphy

Nicholas Watkins

Neal J. Wilson

5 April 2022

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**ROLLOVER OFFER**

**EARLY REDEMPTION OF 2022 ZDP SHARES**

**PLACING PROGRAMME**

**CONTINUATION**

Dear Shareholder

The Company's board of Directors (the "**Board**") has announced detailed proposals to provide holders of 2022 ZDP Shares with the opportunity to roll over some or all of their 2022 ZDP Shares into New 2025 Rollover ZDP Shares. The Board has also announced proposals for a placing programme of up to 70 million New Ordinary Shares and/or New C Shares and up to 25 million New 2025 Placing ZDP Shares.

An Extraordinary General Meeting of the Company will be held on 5 May 2022 at which Ordinary Shareholders will be able to vote on the Resolutions required to effect the Rollover Offer and the Placing Programme together with the Continuance Resolution (each as described further below).

**1. BACKGROUND TO AND REASONS FOR THE PROPOSALS**

1.1 The Company currently has two series of ZDP Shares in issue. These are due for redemption on 30 November 2022 and 18 June 2025 respectively. The aggregate redemption sum payable on the redemption of the 2022 ZDP Shares is approximately £19.84 million. This will be due on 30 November 2022. The Directors believe the Rollover Offer will enable 2022 ZDP Shareholders to remain invested in the Company. The Directors further believe that there would be minimal, if any, dilutive effects to 2025 ZDP Shareholders, and those 2022 ZDP Shareholders who elect to convert (by way of re-designation) their 2022 ZDP Shares could benefit from a larger liquidity base and shareholder profile.

1.2 The Placing Programme is being undertaken to enable the Company to raise capital on an ongoing basis as it is required. The Company will invest the net proceeds of any Placing in investments in line with its Investment Objective and Investment Policy, subject to the availability of sufficient investment opportunities. Prior to making the investments, the Company will hold the proceeds from any Placings in cash or cash equivalents.

1.3 The purpose of this letter is to explain the Proposals and why the Board considers them to be in the best interests of Shareholders as a whole.

## 2. **SUMMARY OF THE ROLLOVER OFFER**

2.1 Under the Rollover Offer, all 2022 ZDP Shareholders as at the Rollover Record Date will be given the opportunity to rollover some or all of their 2022 ZDP Shares into New 2025 Rollover ZDP Shares. The Rollover Value attributed to each 2022 ZDP Share as at the Rollover Date will be the Accrued Capital Entitlement of each 2022 ZDP Share, 128.18p. The New 2025 Rollover ZDP Shares arising upon the conversion of the 2022 ZDP Shares pursuant to the Rollover Offer will be converted at the New 2025 Rollover ZDP Share Rollover Price, which will be 116.81p per 2025 ZDP Share.

2.2 The New 2025 Rollover ZDP Shares will have a New 2025 ZDP Gross Redemption Yield of 6.0 per cent. per annum to maturity (calculated using the New 2025 ZDP Share Rollover Price as at the Rollover Date and the 2025 ZDP Final Capital Entitlement of 140p per ZDP Share on the maturity date of 18 June 2025).

2.3 The Company reserves the right to amend the 2022 ZDP Repayment Date for the 2022 ZDP Shares that are not rolled over pursuant to the Rollover Offer to an earlier repayment date to be confirmed by the Company via an RIS announcement (the "**Company's Discretionary 2022 ZDP Early Redemption Date**").

2.4 Further information regarding the Rollover Offer is set out in Part II of this Circular.

## 3. **SUMMARY OF THE PLACING PROGRAMME**

3.1 The Company intends to institute the Placing Programme under which the Board has discretion to issue and allot up to 70 million New Ordinary Shares and/or New C Shares and up to 25 million New 2025 Placing ZDP Shares. The Placing Programme is intended to enable the Company to raise additional capital in the period to 3 April 2023, should the Board determine that market conditions are appropriate. The Placing Programme is intended to be flexible and may have a number of closing dates in order to provide the Company with the ability to issue and allot New Ordinary Shares and/or New C Shares and/or New 2025 Placing ZDP Shares at any time prior to the final closing date of 3 April 2023.

3.2 The maximum number of New Ordinary Shares, New C Shares and New 2025 Placing ZDP Shares available under the Placing Programme is intended to provide flexibility and should not be taken as an indication of the number of New Ordinary Shares, New C Shares and New 2025 Placing ZDP Shares to be issued. The allotment and issue of New Ordinary Shares and/or New C Shares, and/or New 2025 Placing ZDP Shares under the Placing Programme will be determined by the Company, the Manager and Liberum after taking into account demand for the Ordinary Shares, C Shares, the 2025 ZDP Shares and market conditions. Any issues of New Ordinary Shares, New C Shares and/or New

2025 Placing ZDP Shares under the Placing Programme will be notified by the Company through an RIS and the Company's website prior to each Placing Admission.

3.3 Placings under the Placing Programme will not be underwritten. The terms and conditions which shall apply to any subscription for New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares pursuant to any Placing are contained, or referred to, in Part III (*Placing Programme*) of this Circular. Each Placee will agree to be bound by the Articles once the New Ordinary Shares and/or New C Shares and/or New 2025 Placing ZDP Shares that such Placee has agreed to subscribe for pursuant to any Placing have been acquired by such Placee.

3.4 Further information regarding the Placing Programme is set out in Part III of this Circular.

#### 4. **BENEFITS OF THE PROPOSALS**

4.1 The Board believes the Proposals should yield the following principal benefits:

4.1.1 allow 2022 ZDP Shareholders to remain invested in the Company at a higher Gross Redemption Yield;

4.1.2 improve liquidity in the market for Existing 2025 ZDP Shares;

4.1.3 potentially allow the Company to raise new funds pursuant to the Placing Programme to make accretive investments in line with its Investment Policy;

4.1.4 grow the Company by enabling it to retain cash for further investment that would otherwise be paid to redeeming 2022 ZDP Shareholders, thereby increasing the potential for Portfolio diversification and also spreading operating costs over a larger capital base which should reduce the total expense ratio;

4.1.5 improve liquidity in the market for the Ordinary Shares and/or the 2025 ZDP Shares; and

4.1.6 maintain the Company's ability to issue new Shares.

4.2 Holders of New Ordinary Shares issued by the Company will not suffer any dilution of their voting rights as a result of the issue of the New 2025 Rollover ZDP Shares pursuant to the Rollover Offer or the issue of New 2025 Placing ZDP Shares as ZDP Shares do not carry any voting rights, save in limited circumstances.

#### 5. **COSTS OF THE PROPOSALS**

5.1 The expenses of the Company incurred in connection with the Proposals (and based upon the Assumptions) are estimated to be approximately £800,000.

#### 6. **CONTINUATION VOTE**

6.1 The Company's Articles provide that if its Shares are admitted to trading on a stock exchange (which is the case) then on or about each fifth anniversary of such admission, the Directors shall procure that an extraordinary general meeting ("**EGM**") of the Company be convened at which an ordinary resolution will be proposed that the business of the Company be continued (the "**Continuance Resolution**"). The date of the first admission of the Ordinary Shares was 7 April 2017, and so the EGM is scheduled to be held around the fifth anniversary of admission.

6.2 Further information regarding the Continuation Vote is set out in Part IV of this Circular.

## 7. ACTION TO BE TAKEN

7.1 The action to be taken in respect of the EGM depends on whether you hold your Ordinary Shares in certificated form or in uncertificated form (that is, in CREST).

### ***Certificated Shareholders***

7.2 Please check that you have received a Form of Proxy for use in respect of the EGM with this Circular.

7.3 Whether or not you propose to attend the EGM in person, you are strongly encouraged to complete, sign and return your Form of Proxy in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by the Registrar at Computershare Investor Services, (Jersey) Limited c/o, The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 3.00 p.m. (BST) on 3 May 2022.

7.4 Submission of the Form of Proxy will enable your vote to be counted at the EGM in the event of your absence. The completion and return of the Form of Proxy will not prevent you from attending and voting at the EGM or any adjournment thereof, in person should you wish to do so.

7.5 If you have any queries relating to the completion of the Form of Proxy, please contact Computershare Investor Services, (Jersey) Limited on 0370 707 4040. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Computershare Investor Services, (Jersey) Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

7.6 Computershare Investor Services, (Jersey) Limited can only provide information regarding the completion of the Form of Proxy and cannot provide you with investment or tax advice.

### ***Uncertificated Shareholders***

7.7 CREST members can appoint proxies using the CREST electronic proxy appointment service and transmit a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)).

7.8 Whether or not you propose to attend the EGM in person, you are strongly encouraged to complete your CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual as soon as possible, but in any event so as to be received by the Registrar, 3RA50, no later than 3.00 p.m. (BST) on 3 May 2022.

7.9 This will enable your vote to be counted at the EGM in the event of your absence. The completion and return of the CREST Proxy Instruction will not prevent you from attending and voting at the EGM, or any adjournment thereof, in person should you wish to do so.



8. **RECOMMENDATION**

- 8.1 The Directors consider all of the Resolutions to be in the best interests of Shareholders as a whole and recommend that you vote in favour of the Resolutions, as the Directors intend to do in respect of their own beneficial holdings (if any).

Yours faithfully

Joanna Dentskevich  
Chair

## PART II

### ROLLOVER OFFER

#### 1. DETAILS OF ROLLOVER OFFER

- 1.1 Under the Rollover Offer, 2022 ZDP Shareholders as at the Rollover Record Date will be given the opportunity to convert (by way of re-designation) some or all of their 2022 ZDP Shares into New 2025 Rollover ZDP Shares. The Rollover Value attributed to each 2022 ZDP Share as at the Rollover Date will be the Accrued Capital Entitlement of each 2022 ZDP Share, 128.18p.
- 1.2 The 2022 ZDP Shares will therefore be converted into New 2025 Rollover ZDP Shares at the New 2025 ZDP Share Rollover Price of 116.81p per 2025 ZDP Share (which will be higher than the Accrued Capital Entitlement of the 2025 ZDP Shares as at the Rollover Date). This will result in each 2022 ZDP Share being converted (by way of re-designation) into 1.097 2025 ZDP Shares.
- 1.3 The rights attached to the New 2025 Rollover ZDP Shares will be substantially similar to the 2022 ZDP Shares and the New 2025 Rollover ZDP Shares will rank *pari passu* with the Existing 2025 ZDP Shares in all aspects. The New 2025 Rollover ZDP Shares will have the same 2025 ZDP Final Capital Entitlement and 2025 ZDP Repayment Date as the Existing 2025 ZDP Shares, namely 140p per New 2025 Rollover ZDP Share on 18 June 2025. The New 2025 Rollover ZDP Shares will have a New 2025 ZDP Gross Redemption Yield of 6.0 per cent. per annum to maturity, which is higher than the 2022 ZDP Gross Redemption Yield of 5.75 per cent. per annum, but lower than the 2025 ZDP Gross Redemption Yield on the Existing 2025 ZDP Shares of 7.0 per cent per annum (due to the New 2025 ZDP Share Rollover Price being set at above the Accrued Capital Entitlement of the Existing 2025 ZDP Shares as at the Rollover Date).
- 1.4 As with the 2022 ZDP Shares, the New 2025 Rollover ZDP Shares will not carry the right to vote at general meetings of the Company but they will carry the right to vote as a class on certain proposals which would be likely to affect materially their position. The New 2025 Rollover ZDP Shares will carry no entitlement to income and the whole of any return will therefore take the form of capital. The New 2025 Rollover ZDP Shares will rank *pari passu* with the 2025 ZDP Shares then in issue.
- 1.5 Subject to completion of the Rollover Offer, each 2022 ZDP Share validly elected to be rolled over will be converted into New 2025 Rollover ZDP Shares. Under the terms set out in the Articles, the number of New 2025 Rollover ZDP Shares arising upon conversion of 2022 ZDP Shares pursuant to an election under the Rollover Offer will be rounded down to the nearest whole number and any remaining rounded down fractional entitlements may, subject to the Companies Law and the Articles, be dealt with by the Directors in such manner as they think fit including, without limitation, selling or redeeming such fractional entitlements and retaining the proceeds for the benefit of the Company.
- 1.6 The Rollover Offer is open to 2022 ZDP Shareholders on the Register as at the Rollover Record Date. All such persons shall be entitled to have accepted valid elections made under the Rollover Offer in respect of their 2022 ZDP Shares, subject to the Directors having the discretion to scale back elections under the Rollover Offer.
- 1.7 Completion of the Rollover Offer is *inter alia* conditional on Rollover Admission. The Directors will have the discretion to scale back elections under the Rollover Offer on a pro-rata basis to ensure

that the ZDP Cover for the remaining 2022 ZDP Shares is not less than 3.5x and the ZDP Cover for the 2025 ZDP Shares is not less than 3.5x.

- 1.8 The Rollover Offer is also conditional upon the passing of any required resolutions, including an ordinary resolution of Ordinary Shareholders to authorise the terms of the Rollover Offer.

## 2. **MECHANICS OF THE ROLLOVER OFFER**

- 2.1 The Rollover Offer will be effected by the conversion of those 2022 ZDP Shares that are validly elected and accepted to participate in the Rollover Offer into New 2025 Rollover ZDP Shares pursuant to the Articles. The key points of the Rollover Offer are as follows.

- 2.2 Subject to completion of the Rollover Offer, each 2022 ZDP Share validly elected to be rolled over will automatically convert into 1.097 New 2025 Rollover ZDP Shares, on and subject to the terms and conditions set out in the Prospectus and the Form of Election.

- 2.3 Forthwith upon conversion, any certificates relating to 2022 ZDP Shares that converted into New 2025 Rollover ZDP Shares pursuant to the Rollover Offer shall be cancelled and the Company shall provide to each such former holder of 2022 ZDP Shares new certificates in respect of the New 2025 Rollover ZDP Shares which have arisen upon conversion (unless such former holder of 2022 ZDP Shares elects to hold their New 2025 Rollover ZDP Shares in uncertificated form).

- 2.4 Where the aggregate number of New 2025 Rollover ZDP Shares to which a 2022 ZDP Shareholder is entitled upon the conversion of his, her or its 2022 ZDP Shares pursuant to an election made and accepted under the Rollover Offer results in an entitlement to a fraction of a New 2025 ZDP Share, the total number of New 2025 Rollover ZDP Shares to which such 2022 ZDP Shareholder is entitled will be rounded down to the nearest whole number and any remaining rounded down fractional entitlements may, subject to the Companies Law and the Articles, be dealt with by the Directors in such manner as they think fit including, without limitation, selling or redeeming such fractional entitlements and retaining the proceeds for the benefit of the Company.

- 2.5 The rights attaching to 2022 ZDP Shares that are not converted into New 2025 Rollover ZDP Shares pursuant to the Rollover Offer will remain unchanged, with their ZDP Repayment Date being 30 November 2022 (subject to any early redemption as contemplated in paragraph 7 of this Part II) and a Final Capital Entitlement of 132.25p pence per share.

## 3. **CONDITIONS OF THE ROLLOVER OFFER**

- 3.1 The Rollover Offer is conditional on:

- 3.1.1 valid elections being received in respect of New 2025 Rollover ZDP Shares, with a minimum value, in aggregate of £5 million;
- 3.1.2 the ZDP Cover for the 2022 ZDP Shares being not less than 3.5x;
- 3.1.3 the ZDP Cover for the 2025 ZDP Shares being not less than 3.5x;
- 3.1.4 the passing of any required resolutions, which include an ordinary resolution of Ordinary Shareholders to authorise the terms of the Rollover Offer; and
- 3.1.5 Admission of the New 2025 Rollover ZDP Shares arising on conversion of the 2022 ZDP Shares pursuant to the Rollover Offer.

(together the "**Rollover Offer Conditions**").

3.2 In circumstances in which these conditions are not fully met, the Rollover Offer will not take place and no 2022 ZDP Shares will be converted into New 2025 Rollover ZDP Shares.

#### 4. **ANNOUNCEMENT OF THE RESULTS OF THE ROLLOVER OFFER**

4.1 The results of the Rollover Offer will be announced through a Regulatory Information Service on or around 4 May 2022. This announcement will include the number of New 2025 Rollover ZDP Shares arising upon the conversion of 2022 ZDP Shares pursuant to the Rollover Offer, the number of 2022 ZDP Shares that have elected to take part and details of any scaling back where the Directors have exercised their discretion to scale back elections so as to satisfy the ZDP Cover condition.

4.2 To the extent the Company elects to bring forward the 2022 ZDP Repayment Date, the Company's Discretionary 2022 ZDP Early Redemption Date will be confirmed via an RIS announcement.

#### 5. **ADMISSION OF THE NEW 2025 ROLLOVER ZDP SHARES**

5.1 Application will be made to the London Stock Exchange for the New 2025 Rollover ZDP Shares arising on the conversion of 2022 ZDP Shares pursuant to the Rollover Offer to be admitted to the Specialist Fund Segment of the London Stock Exchange. It is expected that Rollover Admission will become effective and that dealings in such New 2025 Rollover ZDP Shares will commence on the London Stock Exchange on 10 May 2022.

5.2 All allotments of New 2025 Rollover ZDP Shares will be conditional on Rollover Admission.

#### 6. **ILLUSTRATIVE FINANCIAL EFFECTS OF THE ROLLOVER OFFER**

6.1 By way of illustration and based upon the Assumptions, if, 16,460,250 New 2025 Rollover ZDP Shares arise upon the conversion of all the 2022 ZDP Shares pursuant to Rollover Offer at a New 2025 ZDP Share Rollover Price of 116.81p per share, the illustrative ZDP Cover for the 2025 ZDP Shares immediately following completion of the Proposals and Rollover Admission would be 4.2x.

6.2 The above statements are unaudited and are solely for illustrative purposes only, based on the Company's NAV as at 28 February 2022, represent hypothetical situations and, therefore, do not reflect the Company's actual financial position or results.

#### 7. **EARLY REDEMPTION OF REMAINING 2022 ZDP SHARES**

7.1 2022 ZDP Shareholders who do not make a valid election to roll over all or part of their ZDP Shares on the Form of Election or submit a valid TTE Instruction, will be deemed to have declined the opportunity to participate in the Rollover Offer and will continue to hold their 2022 ZDP Shares, subject to the below, the rights attaching to which will be unaffected by the Rollover Offer.

7.2 The Company reserves the right to amend the 2022 ZDP Repayment Date for the 2022 ZDP Shares that are not rolled over pursuant to the Rollover Offer to an earlier repayment date to be confirmed by the Company via an RIS announcement (the "**Company's Discretionary 2022 ZDP Early Redemption Date**"). Following completion of the Rollover Offer, all of the remaining 2022 ZDP Shareholders will be entitled to receive the full 2022 ZDP Final Capital Entitlement, namely 132.25p per 2022 ZDP Share, in respect of all remaining 2022 ZDP Shares in their holding on the Company's Discretionary 2022 ZDP Early Redemption Date, to the extent the Company elects to bring forward the 2022 ZDP Repayment Date.

7.3 The Company's Discretionary 2022 ZDP Early Redemption Date is conditional upon the passing of any required resolutions, which includes an ordinary resolution of Ordinary Shareholders to authorise the Company's Discretionary 2022 ZDP Early Redemption Date.

8. **PARTICIPATION IN THE ROLLOVER OFFER FOR U.S. SHAREHOLDERS**

8.1 The Rollover Offer is not being made to persons who are located in the United States or are U.S. Persons (or are acting for the account or benefit of any U.S. Person) except in limited circumstances. Persons who are located in the United States or are U.S. Persons (or are acting for the account or benefit of any U.S. Person) should not return a Form of Election nor should they provide a TTE Instruction. Any such person who wishes to participate in the Rollover Offer and who is an Entitled Qualified Purchaser should instead contact the Company for information regarding how to participate in the Rollover Offer.

## PART III

### PLACING PROGRAMME

#### 1. DETAILS OF THE PLACING PROGRAMME

- 1.1 The Board intends to implement the Placing Programme to enable the Company to raise additional capital.
- 1.2 Under the Placing Programme, the Company is proposing to issue up to 70 million New Ordinary Shares and/or New C Shares and up to 25 million New 2025 Placing ZDP Shares. There is no minimum size of the Placings under the Placing Programme and the size and frequency of each Placing under the Placing Programme will be determined at the sole discretion of Liberum, in consultation with the Company and the Manager.
- 1.3 If subscriptions under a Placing exceed the maximum number of New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares available under that Placing, Liberum, in consultation with the Company and the Manager, will scale back subscriptions at its discretion.
- 1.4 The Placing Programme will be suspended at any time when the Company is unable to issue New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares pursuant to the Placing Programme under any statutory provision or other regulation applicable to the Company or otherwise at the Board's discretion. The Placing Programme may resume when such circumstances cease to exist, subject to the final closing date of the Placing Programme being no later than 3 April 2023.
- 1.5 The New Ordinary Shares issued pursuant to the Placing Programme will rank *pari passu* with the Ordinary Shares then in issue.
- 1.6 The New 2025 Placing ZDP Shares will rank *pari passu* with the Existing 2025 ZDP Shares in all aspects.
- 1.7 C Shares shall carry the right to receive all income of the Company attributable to the C Shares as set out in more detail in the Articles.
- 1.8 As with the Existing 2025 ZDP Shares, the New 2025 Placing ZDP Shares will not carry the right to vote at general meetings of the Company but they will carry the right to vote as a class on certain proposals which would be likely to affect materially their position. The New 2025 Placing ZDP Shares will carry no entitlement to income and the whole of any return will therefore take the form of capital. The New 2025 Placing ZDP Shares will rank *pari passu* with the 2025 ZDP Shares then in issue.
- 1.9 The number of New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares allotted and issued, and the basis of allocation under the relevant Placing, is expected to be announced via an RIS as soon as reasonably practicable following the closing of that Placing. The basis of allocation shall be determined by Liberum after consultation with the Company and the Manager.

#### 2. C SHARES

- 2.1 C Shares are Shares which convert into Ordinary Shares in certain circumstances, including when a specified proportion of the net proceeds of issuing such C Shares have been invested in accordance with the Company's Investment Policy (prior to which the assets of the Company attributable to the C Shares are segregated from the assets of the Company attributable to the Ordinary Shares). A C

Share issue would therefore permit the Board to raise further capital for the Company whilst avoiding any immediate dilution of investment returns for existing Shareholders which may otherwise result. The Ordinary Shares carry the right to receive all dividends declared by the Company, subject to the right of the C Shares (if any have been issued by the Company) to receive dividends that the Directors resolve to pay out of the net assets attributable to the C Shares and from income received and accrued which is attributable to the C Shares.

2.2 Further information regarding the terms of the C Shares are set out in Part XV, Paragraph 7.11 of the Prospectus.

### 3. **CONDITIONS**

3.1 Each allotment and issue of New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares under the Placing Programme is conditional on:

3.1.1 the applicable Placing Price being determined by the Company and the Manager (in consultation with Liberum) (to the extent that New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares are issued);

3.1.2 a special resolution of Ordinary Shareholders to authorise (a) the Placing Programme, and (b) the disapplication of pre-emption rights in respect of the Ordinary Shares and the C Shares (as applicable);

3.1.3 for a Placing of New 2025 Placing ZDP Shares only,  
(a) the ZDP Cover of the 2022 ZDP Shares and the 2025 ZDP Shares not being less than 3.5x; and  
(b) the Minimum Cover Amount in respect of the New 2025 Placing ZDP Shares being met following completion of the Placing;

3.1.4 the Placing Agreement becoming otherwise unconditional in respect of that Placing, and not being terminated in accordance with its terms before the relevant Placing Admission of New Ordinary Shares and/or New 2025 Placing ZDP Shares becomes effective;

3.1.5 Placing Admission of the New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares to be issued pursuant to the relevant Placing; and

3.1.6 a valid supplementary prospectus being published by the Company if such is required pursuant to Article 23 of the UK Prospectus Regulation.

### 4. **PRICING**

4.1 The Placing Price in respect of any Placing will be determined by the Company and the Manager (in consultation with Liberum) and, to the extent that:

4.1.1 New Ordinary Shares are to be issued, the Placing Price will be not less than the prevailing NAV per Ordinary Share, plus a premium to cover costs;

4.1.2 New C Shares are to be issued, the Placing Price will be 100 pence per C Share; and

4.1.3 New 2025 Placing ZDP Shares are to be issued, the minimum price at which each new 2025 ZDP Share will be issued will be the Accrued Capital Entitlement of a 2025 ZDP Share as at

the date of allotment. The maximum price in respect of any allotment of 2025 ZDP Shares will be equal to the best offer price of 2025 ZDP Shares, as quoted on the London Stock Exchange at the time that the proposed Placing is announced.

- 4.2 The Directors will determine the Placing Price for the New Ordinary Shares and New C Shares on the basis described above so as to cover the costs and expenses of each Placing under the Placing Programme and to thereby avoid any dilution in the NAV of the existing Ordinary Shares. In determining the Placing Price, the Directors will also take into consideration, amongst other things, the prevailing market conditions at that time.
- 4.3 The New 2025 Placing ZDP Shares will rank *pari passu* with the Existing 2025 ZDP Shares in all aspects. The New 2025 Placing ZDP Shares will have the same 2025 ZDP Final Capital Entitlement and 2025 ZDP Repayment Date as the Existing 2025 ZDP Shares, namely 140p per New 2025 Placing ZDP Share on 18 June 2025.
- 4.4 The Company may only issue New 2025 Placing ZDP Shares under the Placing Programme in circumstances where, immediately following such issue the Minimum Cover Amount in respect of 2025 ZDP Shares will be met and the borrowings limit not breached.
- 4.5 The Placing Price in respect of any Placing will be notified via an RIS announcement as soon as practicable in conjunction with each Placing.
- 4.6 The costs and expenses of issuing New Ordinary Shares and/or New 2025 Placing ZDP Shares under the Placing Programme will depend on, amongst other things, the number of New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares to be issued pursuant to such Placing and the relevant Placing Price, but it is expected that in respect of an issue of New Ordinary Shares, C Shares or New 2025 Placing ZDP Shares under the Placing Programme, these costs will be covered by issuing such New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares at a premium. The costs and expenses of any issue of C Shares under the Placing Programme will be paid out of the gross proceeds of the respective C Share issue and will be borne by holders of C Shares only.

## 5. INVESTOR PROFILE

- 5.1 The Ordinary Shares, C Shares and 2025 ZDP Shares are only suitable for investors: (i) who are institutional, professional and highly knowledgeable (including those who are professionally advised); (ii) for whom an investment in the Ordinary Shares, C Shares and 2025 ZDP Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment, including the potential risks of capital loss and that there may be limited liquidity in the underlying investments of the Company. The Ordinary Shares, C Shares and 2025 ZDP Shares may also be suitable for investors who are financially sophisticated, non-advised private investors who are capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from such investment.

## 6. PLACING TERMS

- 6.1 Liberum has agreed to use its reasonable endeavours to procure Placees to subscribe for any New Ordinary Shares and/or New C Shares and/or New 2025 Placing ZDP Shares issued under any Placing on the terms and subject to the conditions set out in the Placing Agreement. Details of the Placing Agreement are set out in paragraph 11.1 of Part XV (*Additional information*) of the Prospectus.



6.2 The terms and conditions which shall apply to any subscription for New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares by subscribers procured by Liberum pursuant to any Placing are contained in Part XVI (*Terms and Conditions of each Placing*) of the Prospectus.

## 7. **SUBSCRIBER WARRANTIES**

7.1 Each subscriber for New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares in any Placing and each subsequent investor in the New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares will be deemed to have represented, warranted, acknowledged and agreed to the representations, warranties, acknowledgements and agreements set out in Part XVI (*Terms and Conditions of each Placing*) of the Prospectus.

7.2 The Company, the Manager, Liberum and their respective directors, officers, members, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

7.3 If any of the representations, warranties, acknowledgements or agreements made by the investor are no longer accurate or have not been complied with, the investor will immediately notify the Company and Liberum.

## 8. **PLACING ARRANGEMENTS**

8.1 The Placing Agreement contains provisions entitling Liberum to terminate any Placing (and the associated arrangements) at any time prior to Placing Admission of the New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares being issued pursuant to such Placing in certain circumstances. If this right is exercised, such Placing and these arrangements will lapse and any monies received in respect of such Placing will be returned to applicants without interest at their risk.

8.2 The Placing Agreement provides for Liberum to be paid a commission in respect of the New Ordinary Shares, New C Shares and New 2025 Placing ZDP Shares to be allotted pursuant any Placing. Any commission received by Liberum may be retained, and any New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares subscribed for by Liberum may be retained, or dealt in, by Liberum for its own benefit.

## 9. **USE OF PROCEEDS**

9.1 The net proceeds of any Placing are dependent, among other things, on:

9.1.1 the Directors determining to proceed with an issue of New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares under the relevant Placing;

9.1.2 the level of subscriptions received;

9.1.3 the number of New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares issued under the relevant Placing; and

9.1.4 the price at which any New Ordinary Shares, New C Shares and New 2025 Placing ZDP Shares are issued under the Placing Programme.

9.2 The Directors intend to invest the net proceeds of any Placing in accordance with the Company's Investment Objective and Investment Policy, subject to the availability of sufficient investment opportunities (further details of the Company's Investment Objective and Investment Policy are set out in Part II (*The Company*) of the Prospectus). Prior to making the investments the Company will hold the proceeds from any Placing in cash or cash equivalents. It is likely, therefore, that for a period following each Placing and at certain other times, the Company will have surplus cash.

## 10. **ADMISSION AND DEALINGS**

- 10.1 Application will be made to the London Stock Exchange for the New Ordinary Shares and/or New C Shares and/or New 2025 Placing ZDP Shares to be issued pursuant to each Placing to be admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange. There will be no conditional dealings in any New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares prior to any Placing Admission.
- 10.2 The ISIN number of the Ordinary Shares is JE00BF0D1M25 and the SEDOL code for the Ordinary Shares is BF0D1M2. The ISIN number of the C Shares is JE00BF0D1P55 and the SEDOL code for the C Shares is BF0D1P5. The ISIN number for the 2025 ZDP Shares is JE00BK1WV903 and SEDOL number is BK1WV90.
- 10.3 The Ordinary Shares, C Shares and 2025 ZDP Shares are in registered form and can also be held in uncertificated form. Prior to the despatch of definitive share certificates in respect of any New Ordinary Shares and/or New C Shares and/or New 2025 Placing ZDP Shares which are held in certificated form, transfers of those New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares will be certified against the register of members of the Company. No temporary documents of title will be issued.
- 10.4 The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the Ordinary Shares, C Shares and/or the 2025 ZDP Shares, nor does it guarantee the price at which a market will be made in the Shares. Accordingly, the dealing price of the New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares may not necessarily reflect changes in the NAV per New Ordinary Share, New C Share and/or New 2025 Placing ZDP Shares. Furthermore, the level of the liquidity in the Ordinary Shares and the 2025 ZDP Shares can vary significantly and typical liquidity on the Specialist Fund Segment of the Main Market of the London Stock Exchange is relatively unknown.

## 11. **SCALING BACK AND ALLOCATION**

- 11.1 The Directors are authorised to issue and allot up to 70 million New Ordinary Shares and/or New C Shares and up to 25 million New 2025 Placing ZDP Shares pursuant to the Placing Programme.
- 11.2 To the extent that commitments under the Placing Programme exceed 70 million New Ordinary Shares and/or New C Shares or 25 million New 2025 Placing ZDP Shares, Liberum, in consultation with the Company and the Manager, reserves the right to scale back applications in such amounts as it considers appropriate. Liberum reserves the right to decline in whole or in part any application for New Ordinary Shares and/or New C Shares and/or New 2025 Placing ZDP Shares pursuant to any Placing.
- 11.3 Accordingly, applicants for New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares may, in certain circumstances, not be allotted the number of Shares for which they have applied.
- 11.4 The Company will notify investors of the number of New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares in respect of which their application has been successful and the results of each Placing will be announced by the Company via an RIS announcement.
- 11.5 Subscription monies received in respect of unsuccessful applications (or to the extent scaled back) will be returned without interest at the risk of the applicant.

## 12. **DILUTION**

- 12.1 If 70 million New Ordinary Shares and/or New C Shares are issued pursuant to the Placing Programme, assuming that persons who were Shareholders immediately prior each Placing

Admission do not subscribe for New Ordinary Shares and/or New C Shares in the Placing Programme, there would be a dilution of approximately 53.4 per cent. in the voting control of existing Shareholders.

### 13. **CLEARING AND SETTLEMENT**

- 13.1 Payment for New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares issued pursuant to any Placing should be made in accordance with settlement instructions to be provided to Placees by Liberum. To the extent that any application for New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest at the risk of the applicant.
- 13.2 New Ordinary Shares, C Shares and New 2025 Placing ZDP Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST following each Placing Admission. In the case of New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares to be issued in uncertificated form, these will be transferred to successful applicants through the CREST system.

### 14. **CREST**

- 14.1 CREST is a paperless book-entry settlement system operated by Euroclear which enables securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument. The Articles permit the holding of New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares under the CREST system. Prior to the issue of any New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares under any Placing, application will be made for the New Ordinary, New C Shares and/or New 2025 Placing ZDP Shares to be admitted to CREST with effect from the applicable Placing Admission. An investor applying for New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares under any Placing may elect to receive New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares in uncertificated form if such investor is a system-member in relation to CREST. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so.
- 14.2 The Company will instruct Euroclear UK & International Limited to credit the appropriate CREST accounts of the subscribers concerned or their nominees with their respective entitlements to Shares on the date of the applicable Placing Admission. The names of subscribers or their nominees investing through their CREST accounts will be entered directly on to the share register of the Company.
- 14.3 The transfer of New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares outside of the CREST system following an issue of New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares under any Placing should be arranged directly through CREST. However, an investor's beneficial holding held through the CREST system may be exchanged, in whole or in part, only upon the specific request of the registered holder to CREST for share certificates or an uncertificated holding in definitive registered form. If a Shareholder or transferee requests New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares to be issued in certificated form and is holding such Shares outside CREST, a share certificate will be despatched either to him, her or it or his, her or its nominated agent (at his, her or its risk) within 21 days of completion of the registration process or transfer, as the case may be, of the New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares. Shareholders (other than U.S. Persons and persons acting for the account or benefit of any U.S. Person) holding definitive certificates may elect at a later date to hold such Shares through CREST or in uncertificated form provided they surrender their definitive certificates.

14.4 Shareholders holding their New Ordinary Shares, New C Shares and/or New 2025 Placing ZDP Shares through CREST or otherwise in uncertificated form may obtain from the Registrar (as evidence of title) a certified extract from the Register showing their Shareholding.

15. **PURCHASE AND TRANSFER RESTRICTIONS**

15.1 Save as set out in the Prospectus and in the Articles, there are no restrictions on the transfer of Shares.

## PART IV

### CONTINUATION VOTE

#### 1. BACKGROUND

- 1.1 The Company's Articles provide that if its Shares are admitted to trading on a stock exchange (which is the case) then on or about each fifth anniversary of such admission, the Directors shall procure that an extraordinary general meeting ("**EGM**") of the Company be convened at which an ordinary resolution will be proposed that the business of the Company be continued (the "**Continuance Resolution**").
- 1.2 The date of the first admission of the Ordinary Shares was 7 April 2017, and so the EGM is scheduled to be held around the fifth anniversary of admission.

#### 2. DIRECTORS' RECOMMENDATION

- 2.1 The Directors are recommending that Shareholders vote in favour of the Continuance Resolution because the Company: (i) has provided strong performance with a total NAV return of 11.6% annualised since inception to 31 December 2021 (ii) has no credit defaults or delinquencies in the securitisations since inception to 31 December 2021 (iii) features stable dividend, underpinned by portfolio cash flows throughout the pandemic; (iv) provides a unique niche in the investment trust market as a specialist in financial services with a focus on U.S. community banks and insurance companies; and (v) benefits from the broader strengths and resources of a global institutional asset manager, EJF Capital LLC.

#### 3. IN THE EVENT THE CONTINUATION RESOLUTION IS NOT PASSED

- 3.1 If the Continuance Resolution is not passed, the Directors will take such actions as they deem appropriate to commence the liquidation of the assets of the Company (having regard to the prevailing liquidity of the assets of the Company and, if applicable, any rules imposed by the Securitisation and Risk Retention Regulations) and formulate proposals for the orderly return of capital to holders of Shares.

## PART V

### DEFINITIONS

<b>2022 ZDP Final Capital Entitlement</b>	132.25 pence per 2022 ZDP Share
<b>2022 ZDP Gross Redemption Yield</b>	5.75%
<b>2022 ZDP Repayment Date</b>	30 November 2022
<b>2022 ZDP Shares</b>	2022 zero dividend preference shares of no par value of the Company
<b>2022 ZDP Shareholder</b>	a holder of 2022 ZDP Shares
<b>2025 ZDP Shares</b>	2025 zero dividend preference Shares of no par value of the Company
<b>Accrued Capital Entitlement</b>	the accrued capital entitlement of a ZDP Share on any particular date which shall be calculated on a straight line basis using the relevant ZDP Placing Price and the ZDP Final Capital Entitlement
<b>Assumptions</b>	those assumptions as set out in Part IX of the Prospectus
<b>Articles</b>	the articles of association of the Company in force from time to time
<b>Authorised Operator</b>	Euroclear UK and International Limited or such other person as may for the time being be authorised under the Jersey Uncertificated Securities Order to operate an Uncertificated System
<b>Board</b>	the board of directors of the Company from time to time
<b>BST</b>	British Summer Time
<b>Business Day</b>	a day (except Saturday or Sunday) on which banks in the City of London and Jersey are normally open for business or such other day as the Directors determine
<b>certificated or in certificated form</b>	not in uncertificated form
<b>C Shareholder</b>	any holder of C Shares
<b>C Shares</b>	the non-redeemable "C" shares of no par value in the capital of the Company which, for the avoidance of doubt includes all classes of C Shares (denominated

in such currency as the Directors may determine in accordance with the Articles) having the rights and subject to the restrictions set out in the Articles and which will convert into Ordinary Shares in accordance with the terms of the Articles

<b>Circular</b>	this document
<b>Class of ZDP Shareholders</b>	in respect of each Class of ZDP Shares, the holders of such ZDP Shares
<b>Class of ZDP Shares</b>	each issue of ZDP Shares by the Company pursuant to the Articles with different ZDP Repayment Dates and ZDP Gross Redemption Yields, in each case with each ZDP Share with the same ZDP Repayment Date being in the same class (and " <b>Classes of ZDP Shares</b> " shall be construed accordingly)
<b>Companies Law</b>	the Companies (Jersey) Law 1991, as amended, and any subsidiary legislation from time to time made thereunder, including any statutory modifications or re-enactments for the time being in force
<b>Company</b>	EJF Investments Ltd, a closed-ended investment company incorporated with limited liability in Jersey under the Companies Law on 20 October 2016 with registered number 122353
<b>Company's Discretionary 2022 ZDP Early Redemption Date</b>	following completion of the Rollover Offer, the date on which the Company may elect to redeem the 2022 ZDP Shares that are not rolled over pursuant to the Rollover Offer (being a date earlier than the 2022 ZDP Repayment Date)
<b>Cover</b>	<p>in respect of each Class of ZDP Shares, a fraction calculated as at the applicable ZDP Calculation Date, where:</p> <p>(a) the denominator is equal to the sum of:</p> <ul style="list-style-type: none"><li>(i) the aggregate applicable ZDP Final Capital Entitlement in respect of such Class of ZDP Shares;</li><li>(ii) the aggregate applicable ZDP Final Capital Entitlement in respect of all other ZDP Shares ranking in priority to or <i>pari passu</i> with such Class of ZDP Shares; and</li><li>(iii) the aggregate amount of other borrowings; and</li></ul> <p>(b) the numerator is equal to the Net Asset Value, adjusted to:</p> <ul style="list-style-type: none"><li>(i) add back any liability which has accrued in relation to the ZDP Final Capital Entitlement in respect of such Classes of ZDP Shares referred to in (a) above;</li><li>(ii) add back the aggregate amount of other borrowings; and</li></ul>

- (iii) make such other adjustments as may be required to give effect to the relevant proposed action described in paragraphs 7.12(c)(iii), (c)(v), (c)(vi)(A), (c)(viii), (c)(ix) and (c)(x) (as applicable) of Part XV (Additional Information) in the Prospectus as if such action had occurred.

In calculating the Cover the Directors shall:

- (a) use the most recent monthly Net Asset Value published by the Company by way of a Regulatory News Service announcement;
- (b) where applicable, aggregate the applicable ZDP Final Capital Entitlements of the ZDP Shares already in issue at that time and the capital entitlements of the new ZDP Shares or securities or rights to be issued as aforesaid; and
- (c) make such other adjustments as the Directors consider appropriate.

<b>CREST</b>	the facilities and procedures for the time being of the relevant system of which Euroclear UK & International Limited has been approved as operator pursuant to the Uncertificated Securities Regulations 2001 of the United Kingdom (SI No. 2001/3755) and the Jersey Uncertificated Securities Order
<b>CREST Proxy Instruction</b>	a proxy instruction message submitted through CREST in accordance with the CREST Manual (available via <a href="http://www.euroclear.com/CREST">www.euroclear.com/CREST</a> )
<b>Directors</b>	the directors of the Company from time to time
<b>Existing 2025 ZDP Shares</b>	2025 zero dividend preference shares of the Company issued prior to the date of the Prospectus
<b>Extraordinary General Meeting or EGM</b>	the extraordinary general meeting of the Ordinary Shareholders to be held at 3.00 p.m. to 5.00 p.m. (BST) on 5 May 2022
<b>Form of Proxy</b>	the form of proxy which accompanies this document for use by Shareholders who hold their Ordinary Shares in certificated form in relation to voting at the Extraordinary General Meeting
<b>Investment Policy</b>	has the meaning given to it in paragraph 4 of Part II ( <i>The Company</i> ) of the Prospectus
<b>Jersey Uncertificated Securities Order</b>	Companies (Uncertificated Securities) (Jersey) Order 1999 (as amended from time to time)
<b>Latest Practicable Date</b>	the latest practicable date prior to publication of this Circular, namely 31 March 2022



<b>London Stock Exchange</b>	London Stock Exchange plc
<b>Manager</b>	EJF Investments Manager LLC
<b>Memorandum</b>	the memorandum of association of the Company in force from time to time
<b>Minimum Cover Amount</b>	in respect of each Class of ZDP Shares, an amount calculated with reference to a multiple of the Cover, and which will be set out in the prospectus issued by the Company in relation to the applicable Class of ZDP Shares
<b>Net Asset Value or NAV</b>	in relation to the Company, the value, as at any date, of the assets of the Company after deduction of all liabilities of the Company
<b>New 2025 Placing ZDP Shares</b>	the 2025 zero dividend preference shares to be issued by the Company pursuant to the Placing Programme
<b>New 2025 Rollover ZDP Shares</b>	the 2025 zero dividend preference shares arising upon conversion of 2022 ZDP Shares pursuant to the Rollover Offer
<b>New 2025 ZDP Gross Redemption Yield or New Gross Redemption Yield</b>	the ZDP Gross Redemption Yield of the New 2025 Rollover ZDP Shares, namely 6 per cent. per annum
<b>New 2025 ZDP Share Rollover Price</b>	116.81p per New Rollover 2025 ZDP Share
<b>New 2025 ZDP Shareholder</b>	a holder of New 2025 Placing ZDP Shares or New 2025 Rollover ZDP Shares
<b>New C Shares</b>	has the meaning given to it in the Prospectus
<b>Notice of Extraordinary General Meeting</b>	the notice of the Extraordinary General Meeting set out at the end of this Circular
<b>Ordinary Resolution</b>	a resolution of the Company in general meeting adopted by a simple majority of the votes cast at that meeting
<b>Ordinary Shares</b>	non-redeemable ordinary shares of no par value in the capital of the Company which, for the avoidance of doubt, includes all classes of Ordinary Shares (denominated in such currency as the Directors may determine in accordance with the Articles) having the rights and subject to the restrictions set out in the Articles, and does not include C Shares in the capital of the Company
<b>Ordinary Shareholder</b>	the holder of one or more Ordinary Shares

<b>Placing Admission</b>	admission of any New Ordinary Shares, New C Shares or New 2025 Placing ZDP Shares issued pursuant to a Placing under the Placing Programme to trading on the Specialist Fund Segment becoming effective in accordance with the London Stock Exchange's Admission and Disclosure Standards
<b>Placing Price</b>	the applicable price at which new Shares are issued pursuant to any Placing
<b>Placing Programme</b>	the conditional placing programme of Placings of New Ordinary Shares and or New C Shares and/or New 2025 Placing ZDP Shares, as further described in the Prospectus
<b>Prospectus</b>	shall have the meaning given to it on the front page of this Circular
<b>Registrar</b>	Computershare Investor Services, (Jersey) Limited
<b>Rollover Admission</b>	admission of the New 2025 Rollover ZDP Shares to trading on the Specialist Fund Segment becoming effective in accordance with the London Stock Exchange's Admission and Disclosure Standards
<b>Rollover Offer</b>	the offer to 2022 ZDP Shareholders to rollover some or all of their 2022 ZDP Shares into New 2025 Rollover ZDP Shares
<b>Rollover Record Date</b>	the record date for the Rollover Offer, as determined by the Directors
<b>Shareholder</b>	any Ordinary Shareholders, C Shareholders and any ZDP Shareholders, as the context may require
<b>Sterling or £</b>	the lawful currency of the United Kingdom
<b>uncertificated or uncertificated form</b>	in relation to a share, that title to the share is recorded on the register as being held in uncertificated form
<b>U.S. Persons</b>	"U.S. persons" as defined in Regulation S under the U.S. Securities Act
<b>U.S. Securities Act</b>	the U.S. Securities Act of 1933, as amended
<b>United States or U.S.</b>	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
<b>ZDP Calculation Date</b>	any date on which a proposed corporate action as referred to in paragraphs 7.12(c)(iii), (c)(v), (c)(vi)(A), (c)(viii), (c)(ix) and (c)(x) (as applicable) of Part XV ( <i>Additional Information</i> ) of the Prospectus
<b>ZDP Final Capital Entitlement</b>	in respect of each ZDP Share in each Class of ZDP Shares, the applicable ZDP Placing Price increased at an annual rate equal to the applicable ZDP Gross

Redemption Yield from and including the date of issue until (and including) the applicable ZDP Repayment Date

<b>ZDP Gross Redemption Yield</b>	in respect of each Class of ZDP Shares, the maximum annualised return that can be achieved, before taxation, from purchasing a ZDP Share at a specified ZDP Placing Price, and which will be a percentage amount determined by the Directors and notified to the prospective Class of ZDP Shareholders in writing on or before issuing the ZDP Shares of that Class for the first time
<b>ZDP Placing Price</b>	in respect of each Class of ZDP Shares, the price at which such ZDP Shares are first issued (as may be determined by the Directors acting in their absolute discretion)
<b>ZDP Repayment Date</b>	in respect of each Class of ZDP Shares, the date on which such ZDP Shares will be redeemed in accordance with paragraph 7.12(d) of Part XV ( <i>Additional Information</i> ) of the Prospectus, with each Class of ZDP Shares having its own date for redemption
<b>ZDP Shareholders</b>	the holders of one or more ZDP Shares of any class
<b>ZDP Shares</b>	the redeemable zero dividend preference shares of no par value in the capital of the Company which, for the avoidance of doubt, includes all Classes of ZDP Shares (denominated in such currency as the Directors may determine in accordance with the Articles) having the rights and subject to the restrictions set out in the Articles

## PART VI

### NOTICE OF EXTRAORDINARY GENERAL MEETING

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#### EJF INVESTMENTS LTD

*(a company incorporated in Jersey under The Companies (Jersey) Law, 1991 (as amended) with registered number 122353)*

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Notice is hereby given that a meeting of the Ordinary Shareholders of the Company will be held at IFC1, The Esplanade, St. Helier, JE1 5BP, Jersey at 3.00 p.m. to 5.00 p.m. (BST) on 5 May 2022 to consider and, if thought fit, pass the following Resolutions, of which Resolution 1 to 3 (inclusive) will be proposed as Ordinary Resolutions of the Ordinary Shareholders, and Resolutions 4 and 5 will be proposed as Special Resolutions of the Ordinary Shareholders.

#### ORDINARY RESOLUTIONS

1. **THAT** in accordance with Article 6 of the Articles, the Company be and is hereby authorised to continue business.
2. **THAT** the terms of the Rollover Offer, as set out in the circular to Ordinary Shareholders dated 5 April 2022 (the "**Circular**"), be and are hereby approved and authorised, and the Directors may in accordance with such terms convert (by way of redesignation) those 2022 ZDP Shares, that are validly elected to be rolled over, into New 2025 Rollover ZDP Shares pursuant to either the applicable form of election or a transfer to escrow instruction (as applicable) as entered into by the participating 2022 ZDP Shareholders.
3. **THAT** the Directors be and are hereby authorised to, if they think fit, amend the 2022 ZDP Repayment Date to such earlier date as they may determine in their absolute discretion.

#### SPECIAL RESOLUTIONS

4. **THAT**, in addition to the authorities granted in Resolutions 11 and 12 of the Shareholder Resolutions passed on 1 July 2021, and in accordance with the Articles, the Directors be generally empowered to allot and issue (or sell from treasury) Ordinary Shares and/or C Shares for cash, as if the pre-emption rights contained in the Articles did not apply to any such allotment and issue (or sale from treasury), such authority to be limited to the allotment and issuance (or sale from treasury) of Ordinary Shares for cash in an aggregate amount of up to 70 million Ordinary Shares and/or C Shares in whatever currency and at whatever price they may determine in connection with the Placing Programme detailed in the Prospectus issued on 4 April 2022 (calculated, in the case of securities which are rights to subscribe for, or to convert securities into, Ordinary Shares by reference to the aggregate amount of relevant shares which may be allotted and issued pursuant to such rights) before the final closing date of the Placing Programme, such authority to apply until the conclusion of the 2023 annual general meeting of the Company (or, if earlier, until the close of business on 3

April 2023) unless previously renewed, varied or revoked by the Company in a general meeting but, in each case, so that the Company may make offers and enter into agreements before the authority expires which would, or might, require Ordinary Shares and/or C Shares to be allotted and issued (and/or sold from treasury) after the authority expires and the Directors may allot and issue Ordinary Shares and/or C Shares (and/or sell from treasury) under any such offer or agreement as if the authority had not expired.

5. **THAT**, the directors of the Company be and are hereby generally and unconditionally authorised to allot and issue an aggregate of up to 25 million 2025 ZDP Shares in whatever currency and at whatever price they may determine in connection with the Placing Programme detailed in the Prospectus issued on 4 April 2022 as if any pre-emption rights conferred by the Articles did not apply to such allotment and issue, , such authority to apply until the conclusion of the 2023 annual general meeting of the Company (or, if earlier, until the close of business on 3 April 2023) unless previously renewed, varied or revoked by the Company in a general meeting, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of 2025 ZDP Shares in pursuance of such an offer or agreement as if such authority had not expired.

*By Order of the board of directors of the Company:*      *Registered Office:*

<i>Company Secretary</i>	IFC1, The Esplanade
BNP Paribas Securities Services S.C.A. Jersey Branch	St Helier
	Jersey JE1 4BP
Date: 5 April 2022	Channel Islands

Defined terms used in this notice shall bear the same meanings as those ascribed to them in the Circular

## NOTES

1. A proxy need not be an Ordinary Shareholder of the Company. An Ordinary Shareholder may appoint more than one proxy in relation to a meeting to attend, speak and vote on the same occasion, provided that each proxy is appointed to exercise the rights attached to a different Ordinary Share or Ordinary Shares held by an Ordinary Shareholder. To appoint more than one proxy, the Form of Proxy should be photocopied and the name of the proxy to be appointed indicated on each form together with details of the Ordinary Shares (including the number of Ordinary Shares) that such proxy is appointed in respect of.
2. A Form of Proxy is enclosed with this Circular. In order to be valid the Form of Proxy or other instrument appointing a proxy must be returned duly completed by one of the following methods no later than 3.00 p.m. (BST) on 3 May 2022:
  - **(for certificated shareholders)** In hard copy form by post, by courier, or by hand to the following address: Computershare Investor Services, (Jersey) Limited, The Pavilions, Bridgwater Road, Bristol BS99 6ZY.
  - **(for uncertificated shareholders only)** In electronic form through CREST – please see the heading 'CREST Members' below.
3. Submission of a proxy appointment will not preclude an Ordinary Shareholder from attending and voting at the EGM should they wish to do so.
4. To direct your proxy on how to vote on the resolutions, mark the appropriate box on your Form of Proxy with an 'X'. To abstain from voting on a resolution, select the relevant "Vote withheld" box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the EGM.
5. Pursuant to the Companies (Uncertificated Securities) (Jersey) Order 1999, the Company specifies that only those Ordinary Shareholders registered in the register of members of the Company by close of business on the date which is two days before the meeting or adjourned meeting shall be entitled to attend and vote at the EGM (or appoint a proxy) in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries on the register of members after close of business on the date which is two days before the meeting or adjourned meeting shall be disregarded in determining the rights of any person to attend or vote at the EGM (or appoint a proxy).
6. **Joint holders** - In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
7. **Power of attorney** - Any power of attorney or any other authority under which your Form of Proxy is signed (or a duly certified copy of such power or authority) must be returned to the registered office with your Form of Proxy.
8. **Corporate representatives** - Any corporation which is an Ordinary Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as an Ordinary Shareholder. In the event that a corporation authorises more than one person and more than one of them purports to exercise powers as an Ordinary Shareholder (a) if they purport to exercise a power in the same way, the power is treated as exercised in that way; and (b) if they do not purport to exercise the power in the same way, the power is treated as not exercised (unless the corporate representatives are appointed in

relation to different Ordinary Shares held by the Ordinary Shareholder).

### **CREST Members**

9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the EGM and any adjournment(s) of the EGM by using the procedures described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK and International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent (RA10) by the latest time(s) for receipt of proxy appointments specified in the Notice of Extraordinary General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
11. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK and International Limited does not make available special procedures in CREST for any particular messages. Normal system timing and limitations will therefore apply in relation to the input of CREST Proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a personal CREST member or sponsored member or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by sections of the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)) concerning practical limitations of the CREST system and timings.
12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 of the United Kingdom (SI No. 2001/3755), or the relevant provisions of the Companies (Uncertificated Securities) (Jersey) Order 1999.

### **Changing or revoking your proxy**

13. To change your proxy, simply submit a new proxy appointment using the methods set out above. Where you have appointed a proxy using the hard-copy Form of Proxy and would like to make a change using another hardcopy Form of Proxy, please contact the Company's Registrar, c/o Computershare Investor Services, (Jersey) Limited, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. If you submit more than one valid proxy appointment, the appointment last received before the latest time for the receipt of proxies will take precedence.
14. In order to revoke a proxy appointment you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's Registrar. In the case of an Ordinary Shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney or other representative of the company. Any power of attorney or any other authority under which the

revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. No other methods of communication will be accepted. In particular, you may not use any electronic address provided either in the Notice of Extraordinary General Meeting or in any related documents (including the Form of Proxy).

15. The revocation notice must be received by the Company's Registrar, c/o Computershare Investor Services, (Jersey) Limited, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than 3.00 p.m. (BST) on 3 May 2022.
16. If you attempt to revoke your proxy appointment but the revocation is received after the time specified, then your proxy appointment will remain valid.
17. **Latest Practicable Date** - As at the Latest Practicable Date before the publication of the Notice of Extraordinary General Meeting, the Company's issued share capital consisted of 61,145,198 Ordinary Shares (excluding treasury shares) carrying one vote each. There were no C Shares in issue. Therefore, the total voting rights in the Company as at the Latest Practicable Date are 31 March 2022.