

NOT FOR RELEASE, DISTRIBUTION OR PUBLICATION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES OF AMERICA (OR TO US PERSONS OUTSIDE OF THE UNITED STATES OF AMERICA), ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (OTHER THAN THE UNITED KINGDOM), AUSTRALIA, CANADA, SOUTH AFRICA, JAPAN OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION. PLEASE SEE THE IMPORTANT NOTICE AT THE END OF THIS ANNOUNCEMENT.

This announcement is an advertisement for the purposes of the Prospectus Rules of the UK Financial Conduct Authority ("FCA") and not a prospectus. Any decision to invest in any securities referred to in this announcement must be made exclusively on the basis of the prospectus published by the Company on 4 April 2017 (the "Prospectus"), and any supplement thereto, in connection with, inter alia, the admission of the entire issued share capital of the Company to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange plc and the establishment of a placing programme (the "Placing Programme") of ordinary shares and/or C shares of no par value in the capital of the Company. A copy of the Prospectus is available from the Company's website (www.EJFI.com), subject to applicable securities laws, and at its registered office at 47 Esplanade, St. Helier, Jersey JE1 0BD, Channel Islands and at the offices of Clifford Chance LLP at 10 Upper Bank Street, London E14 5JJ, United Kingdom. This announcement does not constitute a recommendation regarding any securities.

29 June 2017

EJF Investments Ltd

Proposed Placing of New Ordinary Shares

EJF Investments Ltd ("**EJFI**" or the "**Company**") is pleased to announce a proposed placing of new ordinary shares of no par value (the "**New Ordinary Shares**") of at least 10 per cent. of the Company's existing issued share capital (the "**Placing**"). The New Ordinary Shares will be issued at 146 pence per share (the "**Placing Price**"). The New Ordinary Shares will be issued pursuant to the Company's existing general authority to issue up to 60 million ordinary shares and/or C shares on a non-preemptive basis and pursuant to the Placing Programme detailed in the Prospectus.

The Placing Price represents a premium of 1.67 per cent. to the unaudited net asset value ("**NAV**") per existing ordinary share (146 pence as at 31 May 2017), net of the interim dividend of 2.4 pence per ordinary share declared on 22 June 2017, resulting in an adjusted NAV per existing ordinary share of 143.6 pence as at today's date.

Background

EJFI seeks to generate attractive risk adjusted returns for its shareholders by investing in opportunities created by regulatory and structural changes impacting the financial services sector. The Company was admitted to the Specialist Fund Segment of the London Stock Exchange plc (the "**London Stock Exchange**") ("**Admission**") on 7 April 2017 and since Admission has declared two interim dividends of 2.4 pence each. The diluted NAV total return to 31 May 2017 (the last available unaudited NAV) since Admission is 6.9 per cent. (including dividends).

The board of directors of the Company (the "**Board**"), as advised by EJF Investments Manager LLC (the "**Manager**"), believes that the current economic and market environment provides a good opportunity for further investment in accordance with EJFI's investment policy. The Manager sees

continued opportunities in investments with underlying exposure to smaller U.S. banks, asset-backed situations and bank disintermediation. Accordingly, the Company, through its interest in EJJ Investments LP, intends to utilise the net proceeds of the Placing to invest primarily in further EJJ Capital LLC-sponsored securitizations as its risk retention partner. In addition, the Company intends to utilise a portion of the net proceeds of the Placing to invest in the equity tranche of a related securitization collateralized by bank and insurance debt. In light of the above, the Board believes that the Placing is in the best interests of the Company and its shareholders as a whole.

Liberum Capital Limited ("**Liberum**") has been appointed as Sole Bookrunner to procure places to participate in the Placing. Emanuel J. Friedman (Chairman and Co-Chief Investment Officer of the Manager), on behalf of a subsidiary of the Friedman-French Foundation, and Neal J. Wilson (Chief Executive Officer of the Manager and director of the Company) intend to invest a total of \$5 million in the Placing. In addition, Joanna Dentskevich (Chair of the Company) intends to invest £30,000 in the Placing through a self-invested personal pension plan. The Company and Liberum reserve the right to amend the size of the Placing in their absolute discretion.

Expected Timetable

The Placing has opened today and prospective investors are invited to contact Liberum for further details of the Placing. The Placing is expected to close at 12.00 pm on 6 July 2017 but may close earlier or later at the discretion of the Company and Liberum. Admission and settlement of the New Ordinary Shares is expected at 8:00 am on 10 July 2017.

All New Ordinary Shares will, when issued and fully paid, rank *pari passu* with the Company's existing ordinary shares (the "**Shares**"). Potential investors should note that any New Ordinary Shares issued in respect of the Placing will not be entitled to the second interim dividend of 2.4 pence per existing ordinary share declared by the Company on 22 June 2017.

Terms and Conditions of the Placing

The terms and conditions of the Placing are included in the Prospectus which is available for inspection at the Company's registered office and via the Company's website (www.EJFI.com), subject to applicable securities laws.

About the Company

EJFI is a registered closed-ended limited liability company incorporated in Jersey under the Companies (Jersey) Law 1991, as amended, on 20 October 2016 with registered number 122353. The Company is regulated by the Jersey Financial Services Commission (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.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014. Upon publication of this announcement, this inside information is now considered to be in the public domain.

For further information please contact:

EJJ Investments Manager LLC

+44 (0)20 3752 6771

Neal Wilson

Peter Stage

Hammad Khan

Company Secretary and Administrator

Crestbridge Fund Administrators Limited

+44 (0) 1534 835 600

Liberum Capital Limited (Sponsor and Sole Bookrunner)

+44 (0)20 3100 2000

Henry Freeman (Investment Banking)

Christopher Britton (Investment Banking)

Ben Roberts (Investment Banking)

Andrew Davies (Sales)

Anastasia Mikhailova (Sales)

Important Notice

This announcement is a financial promotion and is not intended to be investment advice.

The contents of this announcement, which have been prepared by and are the sole responsibility of EJV Investments Ltd, have been approved by Liberum Capital Limited ("**Liberum**") solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000 (as amended). The JFSC has not reviewed or approved this announcement.

The information contained in this announcement is for background purposes only and does not purport to be full or complete. It is also subject to change. Before subscribing for or purchasing any New Ordinary Shares, persons viewing this announcement should ensure that they fully understand and accept the risks set out in the Prospectus. The value of the Shares and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested. Potential investors should consult an independent financial advisor as to the suitability of the securities referred to in this advertisement for the person concerned.

Neither this announcement nor the information contained herein is for publication, distribution or release, in whole or in part, directly or indirectly, in or into or from the United States (including its territories and possessions), any member state of the European Economic Area (other than the United Kingdom), Australia, Canada, South Africa, Japan or to any person in any of those jurisdictions or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. The offer of New Ordinary Shares pursuant to the Placing Programme (the "**Offer**") and the distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession this announcement or any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not contain or constitute an offer of, or the solicitation of an offer to buy or subscribe for, the securities referred to herein to any person in any jurisdiction, including the United States, Australia, Canada, South Africa or Japan or in any jurisdiction to whom or in which such offer or solicitation is unlawful.

The securities to which this announcement relates have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or with any regulating authority or under any applicable securities laws of any state or other jurisdiction of the United States, and may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the benefit of, US persons (as defined in Regulation S under the Securities Act) unless registered under the Securities Act or made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable state securities law. There will be no public offer of the securities in the United States. The securities referred to herein have not been registered under the applicable securities laws of Australia, Canada, South Africa or Japan and, subject to certain exceptions, may not be offered or sold within Australia, Canada, South Africa or Japan or to any national, resident or citizen of Australia, Canada, South Africa or Japan.

This announcement is only addressed to and directed at qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC as amended, including by Directive 2010/73/EC) ("**Qualified Investors**") in the United Kingdom who (i) are persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (ii) are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order and (iii) are persons to whom it may otherwise be lawful to communicate it to (all such persons being referred to as "relevant persons"). Any investment or investment activity to which this announcement relates is

available only to relevant persons in the United Kingdom and will be engaged in only with such persons. Other persons should not rely or act upon this announcement or any of its contents.

This announcement contains statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "expects", "anticipates", "intends", "plans", "estimates", "aim", "forecast", "projects", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. The forward-looking statements reflect the Company's, the Manager's and EJV Capital LLC's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business, results of operations, financial position, liquidity, prospects, growth, strategies and the industry in which the Company operates. The forward-looking statements speak only as of the date they are made and cannot be relied upon as a guide to future performance. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, the Manager and EJV Capital LLC, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. As a result, investors are cautioned not to place undue reliance on such forward-looking statements. Forward-looking statements speak only as of their date and the Company, the Manager, EJV Capital LLC, Liberum and any of such person's respective directors, officers, employees, agents, affiliates or advisors expressly disclaim any obligation to supplement, amend, update or revise any of the forward-looking statements made herein, except where it would be required to do so under applicable law. It is up to the recipient of this announcement to make its own assessment as to the validity of such forward-looking statements and assumptions. No statement in this announcement is intended as a profit forecast or a profit estimate.

The timetable, including the date of Admission, may be influenced by a range of circumstances such as market conditions. There is no guarantee that the Offer will proceed and that Admission will occur and you should not base your financial decisions on the Company's intentions in relation to the Offer and Admission at this stage. This announcement does not constitute a recommendation concerning the Offer.

Liberum, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for the Company and no one else in connection with the matters described in this announcement. Liberum will not regard any other person (whether or not a recipient of this document) as a client in relation thereto and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the Offer, the contents of this announcement or any transaction or arrangement or other matter referred to herein.

In connection with the Offer, Liberum and any of its affiliates, acting as investors for their own accounts, may subscribe for or purchase Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Shares and other securities of the Company or related investments in connection with the Offer or otherwise. Accordingly, references in the Prospectus to the Shares being offered, subscribed, issued, acquired, sold, placed or otherwise dealt in should be read as including any offer, subscription, issue, sale, acquisition, placing or dealing in the Shares by Liberum and any of its affiliates acting as investors for their own accounts. In addition, Liberum or its affiliates may enter into financing arrangements and swaps in connection with which it or its affiliates may from time to time acquire, hold or dispose of Shares. Neither Liberum nor any of its affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Apart from the responsibilities and liabilities, if any, which may be imposed on Liberum by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction

where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Liberum nor any of its affiliates, directors, officers, employees, advisors or agents accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the truth, accuracy, completeness or fairness of the information contained in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

Certain figures contained in this announcement, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this announcement may not conform exactly with the total figure given.