

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO ANY ASPECT OF THE PROPOSALS REFERRED TO IN THIS DOCUMENT OR AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD SEEK YOUR OWN ADVICE FROM A STOCKBROKER, SOLICITOR, ACCOUNTANT, OR OTHER INDEPENDENT PROFESSIONAL ADVISER UNDER THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED) IMMEDIATELY.

IF YOU HAVE SOLD OR OTHERWISE TRANSFERRED ALL OF YOUR SHARES IN REGIONAL REIT LIMITED (THE “COMPANY”), PLEASE PASS THIS DOCUMENT TOGETHER WITH THE ACCOMPANYING DOCUMENTS TO THE PURCHASER OR TRANSFEREE, OR TO THE PERSON WHO ARRANGED THE SALE OR TRANSFER SO THEY CAN PASS THESE DOCUMENTS TO THE PERSON WHO NOW HOLDS THE SHARES.

Dear Shareholder

(and, for information purposes only, Regional REIT ZDP PLC shareholders)

Annual General Meeting

Introduction

I am writing to you with the details of our annual general meeting (the “AGM”), which will be held at the offices of Macfarlanes LLP at 20 Cursitor Street, London, EC4A 1LT on Thursday 17 May 2018 at 11.00 a.m.

If you would like to vote on the resolutions at the AGM but are unable to attend, please complete the Form of Proxy enclosed with this document and return it to Link Market Services (Guernsey) Limited, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF.

Explanation of AGM business

You will find on page 4 of this document a notice convening the AGM for Thursday 17 May 2018. This explanatory note gives further information on the resolutions which will be proposed at the meeting set out in the notice.

Resolution 1 – To receive the Report and Accounts (Ordinary Resolution)

The Companies (Guernsey) Law 2008 (the “Companies Law”) requires the directors to lay the Company’s annual report and accounts before the Company in general meeting for the period ended 31 December 2017. In accordance with the AIC Code of Corporate Governance, the Company proposes, as an ordinary resolution, a resolution to receive and adopt its annual report and accounts.

Resolution 2 and 3 – Re-appointment and Remuneration of Auditors (Ordinary Resolutions)

On recommendation of the audit committee, the board of directors of the Company (the “Board”) proposes to shareholders (Resolution 2) that RSM UK Audit LLP be re-appointed as auditors of the Company. Resolution 3 proposes that the directors be authorised to determine the amount of the auditor’s remuneration.

Resolutions 4 to 9 – Re-election and election of Directors (Ordinary Resolutions)

In accordance with Article 20.3 of the Company’s articles of incorporation (the “Articles”), at each annual general meeting of the Company all directors will retire from office and each director may offer himself for election or re-election.

Each of William Eason, Stephen Inglis, Kevin McGrath, and Daniel Taylor were appointed as directors on 16 October 2015. The Board proposes that these directors are re-elected.

Tim Bee was appointed as a director on 7 July 2017. Frances Daley was appointed as a director on 1 February 2018. In accordance with Article 20.2 of the Articles, any person appointed as a director shall hold office only until the next annual general meeting and shall then be eligible for election in accordance with Article 20.3 of the Articles. The Board proposes that these directors are elected.

Each of the director letters of appointment may be terminated by the director or the Company on one month's written notice.

Full biographies of all the directors may be found in the Company's Annual Report and Accounts which are also available for viewing on the Company's website (<http://www.regionalreit.com>).

Resolution 10 – To approve the purchase of the Company's own shares (Ordinary Resolution)

At the annual general meeting of the Company held on 25 May 2017, the Company was authorised to make market purchases of its own Ordinary Shares up to 10% of the Company's Ordinary Shares in issue on 12 April 2017.

Under resolution 10, which will be proposed as an ordinary resolution, the Company will seek to renew its current authority. Resolution 10 will authorise the Company to make market purchases of up to 37,282,114 Ordinary Shares. This equals 10% of the Company's Ordinary Shares in issue on 4 April 2018 (being the latest practicable date prior to the printing of this notice).

The minimum price which may be paid for an Ordinary Share is £0.01; and the maximum price which may be paid for an Ordinary Share is an amount equal to the higher of 5% above the average of the middle market values of an Ordinary Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which any Ordinary Share is purchased and the higher of the last independent trade or the highest current independent bid for Ordinary Shares.

Any repurchase of Ordinary Shares will be made subject to the Companies Law, the Articles, the Listing Rules made by the Financial Conduct Authority, the Market Abuse Regulation and within any guidelines established by the Board from time to time.

The Company may hold in treasury any of its own shares that it purchases in accordance with the Companies Law and the authority conferred by this resolution. This would give the Company the ability to re-issue treasury shares quickly and cost effectively and would provide the Company with greater flexibility in the management of its capital base. Shares held in treasury may subsequently be cancelled, or sold for cash. Once held in treasury, the Company is not entitled to exercise any rights, including the right to attend and vote at meetings, in respect of those shares. Further, no dividend or other distribution of the Company's assets may be made to the Company in respect of the shares held in treasury.

The directors are committed to managing the Company's capital effectively and the timing of any repurchase will be entirely at the directors' discretion. Although the directors have no plans to make such purchases, buying back the Company's Ordinary Shares is one of the options they keep under review.

As at 4 April 2018 (being the latest practicable date prior to the printing of this notice), there were no options outstanding over the Company's Ordinary Share capital.

The authority conferred by the resolution will expire at the end of next year's annual general meeting or, if sooner, on 17 August 2019.

Resolutions 11 and 12 – To disapply pre-emption rights (Extraordinary Resolution)

Unless they are given an appropriate authority by shareholders, if the directors wish to allot and issue any shares for cash or grant rights over shares or sell treasury shares for cash they must first offer them to existing shareholders in proportion to their existing holdings. These are known as pre-emption rights and are contained in the Articles.

Resolutions 11 and 12 in the notice of annual general meeting will be proposed, as extraordinary resolutions, to give the directors power to issue shares without the application of these pre-emption rights: first, pursuant to resolution 11, in relation to the issue, allotment and/or sale of equity securities for cash up to a maximum number of 18,641,057 shares representing approximately 5% of the number of the Ordinary Shares in issue on 4 April 2018, being the latest practicable date prior to the printing of this notice; and second, pursuant to resolution 12, in relation to an acquisition or other capital investment as defined by the Pre-Emption Group's Statement of Principles, an additional 5% of the number of the Ordinary Shares in issue on 4 April 2018.

These limits are in accordance with guidelines issued by the Pre-Emption Group, the Investment Association and market practice.

The directors have no current intention of issuing shares. However, the authority gives the directors flexibility to take advantage of business opportunities that may arise. The directors intend to adhere to the provisions in the Pre-Emption Group's Statement of Principles, as updated in March 2015, and not to allot, issue and/or sell shares for cash on a non pre-emptive basis pursuant to the authority in resolutions 11 and 12:

- i. in excess of an amount equal to 5% of the total issued ordinary share capital of the Company excluding treasury shares; or
- ii. in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company excluding treasury shares within a rolling three-year period, without prior consultation with shareholders,

in each case other than in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, issue and/or sale or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment, issue and/or sale.

The directors confirm that any shares issued pursuant to the authority in resolutions 11 and 12 will be issued either at or at a premium to the prevailing net asset value per share at the time of issue.

The authority sought and limits set by these resolutions will also apply to a sale by the Company of any shares it holds as treasury shares. The Companies Law permits shares purchased by the Company to be held as treasury shares, which may then be cancelled, or sold for cash.

The authority conferred by these resolutions will expire at the end of next year's annual general meeting or, if sooner, on 17 August 2019.

Recommendation

The Board confirms that, in its opinion, resolutions 1 – 12 respectively are in the best interests of the shareholders of the Company as a whole and unanimously recommends that shareholders vote in favour of them as they intend to do in respect of their own shareholdings.

By Order of the Board

Link Company Matters Limited
Corporate Secretary

Regional REIT Limited
Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey, GY2 4LH

4 April 2018

Regional REIT Limited
(incorporated and registered in Guernsey number 60527)

Notice of Annual General Meeting 2018

Notice is hereby given that the Annual General Meeting of Regional REIT Limited (the “Company”) will be held at the offices of Macfarlanes LLP, 20 Cursitor Street, London, EC4A 1LT on Thursday 17 May 2018 at 11 a.m. at which resolutions 1 to 10 (inclusive) will be proposed as ordinary resolutions and resolutions 11 and 12 will be proposed as extraordinary resolutions:

Ordinary Resolutions

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. To receive and adopt the financial statements of the Company along with the report of the directors and the auditor’s report for the period ended 31 December 2017.
2. To re-appoint RSM UK Audit LLP as auditor of the Company to hold office from the conclusion of this annual general meeting until the next annual general meeting.
3. To authorise the directors to determine the remuneration of RSM UK Audit LLP as auditor of the Company.
4. To re-elect Mr. William Eason being eligible and offering himself for election, as a director of the Company.
5. To re-elect Mr. Stephen Inglis being eligible and offering himself for election, as a director of the Company.
6. To re-elect Mr. Kevin McGrath being eligible and offering himself for election, as a director of the Company.
7. To re-elect Mr. Daniel Taylor being eligible and offering himself for election, as a director of the Company.
8. To elect Mr. Tim Bee being eligible and offering himself for election, as a director of the Company.
9. To elect Ms. Frances Daley being eligible and offering herself for election, as a director of the Company.
10. That the Company be generally and unconditionally authorised pursuant to section 315 of the Companies Law to make market acquisitions within the meaning of section 316(1) Companies Law of its Ordinary Shares, which may be cancelled or held as treasury shares, on such terms and in such manner as the directors shall determine, provided that:
 - 10.1. the maximum number of Ordinary Shares hereby authorised to be purchased is a maximum number of up to 37,282,114 Ordinary Shares. This equals 10% of the Company’s Ordinary Shares in issue on 4 April 2018 (being the latest practicable date prior to the printing of this notice);
 - 10.2. the minimum price which may be paid for an Ordinary Share is £0.01 (exclusive of all expenses);

- 10.3. the maximum price which may be paid for an Ordinary Share is an amount equal to the higher of (i) 5% above the average of the middle market values of an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately before the purchase is made and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out as stipulated by the Regulatory Technical Standards adopted by the European Commission pursuant to Article 5(6) of the Market Abuse Regulation (EU) No 596/2014 (in each case exclusive of all expenses);
- 10.4. such authority shall expire at the conclusion of the next annual general meeting of the Company or, if sooner, 17 August 2019, unless the authority is varied, revoked or renewed prior to such date by the Company in general meeting; and
- 10.5. the Company may make a contract to purchase its own Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own Ordinary Shares in pursuance of any such contract.

Extraordinary Resolutions

To consider and, if thought fit, pass the following extraordinary resolutions:

11. That the directors be generally authorised to issue, allot and/or sell equity securities (within the meaning of Article 5.1(a) of the Articles) for cash, as if Article 5.2 of the Articles did not apply to such allotment, issue and/or sale, provided that this power shall expire (unless previously revoked, varied or renewed by the Company in general meeting) at the end of the next annual general meeting of the Company or, if sooner 17 August 2019. This power shall be limited to the allotment, issue and/or sale of equity securities:
- 11.1. of up to an aggregate number of 18,641,057 shares (representing approximately 5% of the number of the Ordinary Shares in issue on 4 April 2018, being the latest practicable date prior to the printing of this notice); but the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted, issued and/or sold after this power expires and the directors may allot, issue and/or sell equity securities in pursuance of such offer or agreement as if this power had not expired.
12. That the directors be authorised in addition to any authority granted under resolution 11 to allot, issue and/or sell equity securities (within the meaning of Article 5.1(a) of the Articles) for cash as if Article 5.2 of the Articles did not apply to any such allotment, issue and/or sale, such authority to be:
- 12.1. limited to the allotment, issue and/or sale of equity securities up to a maximum number of 18,641,057 shares (representing approximately 5% of the number of the Ordinary Shares in issue on 4 April 2018, being the latest practicable date prior to the printing of this notice); and

12.2. used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice, provided that this power shall expire (unless previously revoked, varied or renewed by the Company in general meeting) at the end of the next annual general meeting or, if sooner, 17 August 2019, but, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted, issued and/or sold after the authority expires and the directors may allot, issue and/or sell equity securities under any such offer or agreement as if the authority had not expired.

IMPORTANT NOTES

Rights to appoint a Proxy

1. A member entitled to attend, speak and vote at the meeting is entitled to appoint a proxy (or more than one proxy) to attend, speak and vote in his stead. A proxy may demand, or join in demanding, a poll providing they meet the conditions determined in the Articles. A proxy need not be a member of the Company. Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them. A member may appoint more than one proxy to attend the meeting provided that each proxy is appointed to exercise rights attached to different shares.

Procedure for appointing a proxy

2. For the convenience of members who may be unable to attend the meeting, a Form of Proxy is enclosed which should be completed in accordance with the instructions. To be valid, the Form of Proxy (together with the power of attorney or other authority (if any) under which it is signed or notarially certified copy of such authority) must be deposited with the Company's registrars, Link Market Services (Guernsey) Limited, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF not less than 48 hours (excluding weekends and bank holidays) before the time fixed for the meeting. The fact that members may have completed Forms of Proxy will not prevent them from attending, speaking and voting in person at the meeting should they afterwards decide to do so. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by Link (ID RA10) not less than 48 hours (excluding weekends and bank holidays) before the time fixed for the annual 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 Link is able to retrieve the message by enquiry to CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages and normal system timings and limitations will apply in relation to the input of a CREST Proxy Instruction. It is the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34(1) of the Uncertificated Securities (Guernsey) Regulations 2009.

4. When two or more valid but differing appointments of a proxy are received in respect of the same share for use at the same meeting or poll, the one which is last received (regardless of its date or of the date of its signature) shall be treated as replacing and revoking the others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.

Corporate representatives

5. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares provided that, except in relation to a vote on a show of hands, if two or more corporate representatives of one member purport to exercise a power in respect of the same shares, then (i) they exercise the power in the same manner, it shall be exercised in the same manner; but (ii) if they exercise the power in a different manner, it shall be deemed not to have been exercised.

Changing or revoking proxy instructions

6. To change your proxy instructions simply submit a new proxy appointment using the methods set out in notes 2 to 4 above. Any amended proxy appointment must be received no later than the time referred to in notes 2 to 4 above and any amended proxy appointment received after the relevant cut-off time will be disregarded. If you submit more than one valid proxy form, the form received last before the latest time for the receipt of proxies will take precedence.
7. If you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Link Market Services (Guernsey) Limited, PXS1, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4ZF; and ask for another proxy form.
8. In order to revoke a proxy instruction you will need to inform the Company by sending notice in writing clearly stating your intention to revoke your proxy appointment by one of the methods referred to in notes 2 to 4 above (accompanied by the power of attorney or other authority (if any) under which the revocation notice is signed or a copy of such power or authority). The revocation notice must be received by the commencement of the meeting.
9. If you attempt to revoke your proxy appointment but the revocation is received after the time specified above then your proxy appointment will remain valid.

Record Date

10. Members who hold Ordinary Shares must have been entered on the Company's register of members 48 hours prior to the meeting in order to attend, speak and vote at the meeting. Such members may only vote at the meeting in respect of Ordinary Shares in the Company held at that time. Changes to the entries on the register after that time will be disregarded in determining the rights of any person to attend or vote at the meeting.

Resolution Thresholds

11. To be passed, an ordinary resolution requires a simple majority of the votes cast by shareholders voting either in person or by proxy at the annual general meeting (excluding any votes which are withheld) to be voted in favour of the resolution.
12. To be passed, an extraordinary resolution requires a majority of at least 75% of the votes cast by those shareholders voting either in person or by proxy at the annual general meeting (excluding any votes which are withheld) to be voted in favour of the resolution.

Total voting rights

13. As at 4 April 2018 (being the latest practicable date prior to the printing of this notice) the Company's issued share capital comprised 372,821,136 Ordinary Shares. Each Ordinary Share carries the right to one vote on a poll at a general meeting of the Company and, therefore, the total voting rights in the Company as at that date are 372,821,136. As at 4 April 2018, the Company held no Ordinary Shares as treasury shares.

Other rights of members

14. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Communications

15. Members who have general enquiries about the meeting should email the Corporate Secretary, Link Company Matters Limited, rgl-cosec@linkgroup.co.uk.

16. You may not use any electronic address provided in this notice of annual general meeting or any related documents (including the proxy form) for communicating with the Company for any purposes other than those expressly stated.

17. Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommends that members subject all messages to virus checking procedures prior to use. Please note that any electronic communication received by the Company that is found to contain any virus will not be accepted.

Effective constitution

18. To allow effective constitution of the meeting, if it is apparent to the Chairman that no members of the Company will be present in person or by proxy, other than by proxy in the Chairman's favour, the Chairman may appoint a substitute to act as proxy in his stead for any member, provided that such substitute proxy shall vote on the same basis as the Chairman.