

## PEI'S EXTRAORDINARY ASSEMBLY APPROVES AMENDMENTS TO UPDATE THE EQUITY SECURITIES' ISSUANCE AND PLACEMENT PROSPECTUS AND THE TRUST AGREEMENT

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### **Bogotá, 2019**

Pei's Extraordinary Assembly was held on December 6, 2018 at the Atlantis Shopping Center facilities. The call was attended by investors and their proxies, accounting a total 74.8% of the securities outstanding.

The Real Estate Manager's proposals at the Assembly, aimed at updating the prospectus to reiterate Pei's investment thesis as a long-term and low-risk income-generating vehicle.

During the session, investors received additional information and were able to deliberate and vote on the proposals to amend the information prospectus and the trust agreement, in light of the vehicle's evolution during the last 11 years and the real estate market's dynamics. The amendments referred to the vehicle's exposure limits and corporate governance.

In connection with the exposure limits, the first proposal approved focused on a reduction of the participation limits of tenants in the portfolio, which went from 40% to 20%, thus reducing the credit risk and ensuring the tenants' diversification.

Next, the assembly analyzed and approved the proposal to re-express the Financial Indebtedness Limit and make the short-term and long-term limits more flexible. An update of the Financial Indebtedness' definition was approved, adding the accounts payable associated to term payments of the Eligible Investments' price to the current definition consisting of bank loans, real estate leasing agreements, and debt securities.

Subsequently, the updated modification of the global indebtedness limit of 65% of the equity was approved in its equivalent expression of 40% of the assets under management. It was also approved that the neither the short-term, nor the long-term indebtedness limits may exceed 35% of the assets under management, thus respecting the total 40% limit.

The assembly also approved the proposals submitted with respect to the limits on assets under development, understood as Real Estate Assets under construction or to be built and/or Trust Rights whose underlying assets are Real Estate properties under construction or to be built. In this section, the proposals to update the limit of the advance payments of the price --which went from 20% to 10%-- and to control the rate of incorporation of such type of assets to the portfolio were approved, enabling them to annually represent up to 15% of the amount of the portfolio's projected assets, and up to 40 % in aggregate.

In corporate governance matters, modifications were proposed with regard to the Advisory Committee's conformation and Fiduciaria Colmena's remuneration.

The proposal approved in connection with the Advisory Committee removes the alternate members and states that the Committee shall consist of nine (9) members. As to the remuneration of Fiduciaria Colmena –the Investors' Legal Representative--, the assembly approved a retroactive payment for 18 CLMMW from January 1, 2018.

Lastly, the proposal to select a new Investors Legal Representative was considered by the investors but did not reach the required 40% vote of the securities outstanding to be approved. Therefore, this matter will be considered in any Pei's upcoming Investors Assembly.