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If you have sold or otherwise transferred all of your Shares in Picton Property Income Limited, please send this document and 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 was effected for transmission to the purchaser or transferee.



PICTON PROPERTY INCOME LIMITED

(The "Company")

(incorporated in Guernsey with Company No. 43673)

LEI: 213800RYE59K9CKR4497

NOTICE OF ANNUAL GENERAL MEETING

Thursday, 14 November 2019 at 10.45am
No 1, Cornhill, London, EC3V 3ND

NOTICE IS HEREBY GIVEN of the Fourteenth Annual General Meeting of the Company (the "AGM" or the "Meeting").

Action to be taken by shareholders

Shareholders' attention is drawn to the resolutions to be proposed at the AGM, and the corresponding explanatory notes, set out overleaf.

All shareholders, whose names appear on the register of members at the record date of 12 November 2019 are welcome to attend the meeting. For those who are unable to attend, please complete the enclosed proxy form and return it to the Company's Registrars by 10.45am on 12 November 2019.

If you are unable to attend the meeting but have questions that you would like to put to the Board, please contact the Company Secretary.

Directions

1 Cornhill is located in the heart of the City within minutes of Bank, Monument and Cannon Street stations and is just a short walk from London Bridge and Moorgate stations.

Recommendations

The Directors consider that the passing of Resolutions 1 to 13 is in the best interests of the Company and its shareholders as a whole and accordingly recommend that you vote in favour of all the resolutions to be proposed at the forthcoming AGM. The Directors intend to vote in favour of these resolutions in respect of their own share interests, which amounts to 897,096 Ordinary Shares, representing in aggregate 0.2 per cent of the nominal issued ordinary share capital of the Company.

Company Secretary & Registered Office:

Northern Trust International Fund Administration Services (Guernsey) Limited
P.O. Box 255
Trafalgar Court
Les Banques
St. Peter Port
Guernsey
GY1 3QL
team_picton@ntrs.com

Resolutions 1 to 10 will be proposed as Ordinary Resolutions. For each of these Resolutions to be passed, more than half of the votes cast must be in favour of the Resolutions. Resolutions 11 to 13 will be proposed as Special and Extraordinary Resolutions. For these Resolutions to be passed, at least three quarters of the votes cast must in favour of each Resolution.

Resolution**Ordinary Business**

- | | |
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| 1 | To receive the Annual Report and Consolidated Financial Statements of the Company for the year ended 31 March 2019. |
| 2 | To re-elect KPMG Channel Islands Limited as Auditor of the Company until the conclusion of the next Annual General Meeting. |
| 3 | To authorise the Board of Directors to determine the Auditor's remuneration. |
| 4 | To re-elect Mark Batten as a Director of the Company. |
| 5 | To elect Maria Bentley as a Director of the Company. |
| 6 | To elect Andrew Dewhirst as a Director of the Company. |
| 7 | To re-elect Roger Lewis as a Director of the Company. |
| 8 | To re-elect Michael Morris as a Director of the Company |
| 9 | To re-elect Nicholas Thompson as a Director of the Company. |
| 10 | To receive and adopt the Directors' Remuneration Report for the year ended 31 March 2019. |

Special Business

- | | |
|----|---|
| 11 | <p>To renew the authority of the Company, in accordance with Section 315 of The Companies (Guernsey) Law, 2008 (as amended) ("the Law"), to make market acquisitions (within the meaning of Section 316 of the Law) of the Ordinary Shares of No Par Value in the share capital of the Company ("the Ordinary Shares") provided that: -</p> <p style="margin-left: 40px;">a) the maximum number of Ordinary Shares hereby authorised to be acquired shall be 14.99 per cent of the issued Ordinary Shares on the date on which this resolution is passed;</p> |
|----|---|

- b) the minimum price which may be paid for an Ordinary Share shall be 1p;
- c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall be an amount equal to the higher of 105 per cent of the average of the middle market quotations (as derived from the Daily Official List) for the Ordinary Shares for the five business days immediately preceding the date of purchase or the higher of such price of the last independent trade and the highest current independent bid at the time of purchase; and
- d) unless previously varied, revoked or renewed, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2020, save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary Shares under such authority and may make a purchase of Ordinary Shares pursuant to any such contract.

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To empower the Directors of the Company to dis-apply the right of shareholders to receive a pre-emptive offer of new Ordinary Shares for cash pursuant to Article 5.11 of the Articles of Incorporation provided that this power shall be limited to the issue of up to 27,380,279 Ordinary Shares (being equal to 5 per cent of the Ordinary Shares in issue as at the date of this Notice) and shall expire (unless previously renewed, varied or revoked by the Company in a general meeting) at the end of the Annual General Meeting of the Company held in 2020, or, if earlier, the date falling 15 months after the date of this Resolution, but during this period the Company may make offers, and enter into agreements, which would, or might, require Ordinary Shares to be issued (and treasury shares to be sold) after the power given to the Board pursuant to this Resolution ends and the Board may issue Ordinary Shares (and sell treasury shares) under any such offer or agreement as if the power had not ended.

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That conditional and in addition to extraordinary resolution 12 above having been passed, to empower the Directors of the Company to dis-apply the right of shareholders to receive a pre-emptive offer of new Ordinary Shares for cash pursuant to Article 5.11 of the Articles of Incorporation provided that this power shall be: (i) limited to the issue of up to 27,380,279 Ordinary Shares (being equal to 5 per cent of the Ordinary Shares in issue as at the date of this Notice); and (ii) 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, and shall expire (unless previously renewed, varied or revoked by the Company in a general meeting) at the end of the Annual General Meeting of the Company held in 2020, or, if earlier, the date falling 15 months after the date of this Resolution, but during this period the Company may make offers, and enter into agreements, which would, or might, require Ordinary Shares to be issued (and treasury shares to be sold) after the power given to the Board pursuant to this Resolution ends and the Board may issue Ordinary Shares (and sell treasury shares) under any such offer or agreement as if the power

had not ended.

Any Other Business.

By Order of the Board

For and on behalf of
**Northern Trust International Fund Administration
Services (Guernsey) Limited**
As Secretary

10 October 2019

Notes

A member of the company is entitled to appoint another person as their proxy to exercise all or any of their rights to attend and to speak and vote at a meeting of the Company. A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by them. A proxy need not also be a member of the Company. Details of how to appoint the Chairman of the Meeting or another person as proxy using the Proxy Form are set out in the notes to the Proxy Form. The requisite form is attached hereto and must be lodged with the Company's Registrars at: The Pavilions, Bridgewater Road, Bristol, BS99 6ZY at least 48 hours before the time of the Meeting.

Explanatory Notes to the Annual General Meeting

Resolution 1 – Annual Report and Consolidated Financial Statements

The Companies (Guernsey) Law requires the Directors to lay before the Annual General Meeting copies of the Company's annual accounts and Directors' Report in respect of each financial year.

Resolutions 2 and 3 – Reappointment of Auditor and Remuneration

At each Annual General Meeting the Company is required to appoint an Auditor to serve until the next meeting. KPMG Channel Islands Limited have indicated that they are willing to continue as the Company's Auditor, and the Directors recommend their reappointment. Resolution 3 gives the Board the discretion to determine the remuneration of the Auditor.

KPMG Channel Islands Limited have served as the Company's Auditor since 2009. In line with best practice, the Board intends to carry out an audit tender process, to conclude before the end of the current financial year. Any new appointment will be effective after the conclusion of the 31 March 2020 audit.

Resolutions 4, 5, 6, 7, 8 and 9 – Election and re-election of Directors

In accordance with the UK Corporate Governance Code 2018, each Director will put themselves up for election or re-election annually.

Pages 54 to 57 and 62 to 66 of the 2019 Annual Report provide background information on Board composition, length of tenure and division of roles and responsibilities.

Nicholas Thompson has served on the Board since the Company was launched in 2005 and Roger Lewis since 2010. Having considered their independence, the Board remains satisfied that no other relationships or circumstances exist which may affect their ability to exercise independent judgement. As detailed on page 7 of the 2019 Annual Report, a planned succession is actively underway with consultants appointed. Both Directors intend to stand down following appointment and suitable handover.

Resolution 10 – Approve the Annual Report on Remuneration

You can find the full Directors' Annual Remuneration Report on pages 74 to 91 of the 2019 Annual Report. It details payments made to Directors during the year, in accordance with the current remuneration policy approved at last year's AGM.

As a non-UK incorporated company there is no legal requirement for the Company to seek shareholder approval. Shareholder approval is being sought as the Board of Directors is committed to the highest standard of corporate governance and, as such, the Company is submitting the Directors' Annual Remuneration Report to shareholders for approval on an advisory non-binding basis.

Resolution 11 – Authority to purchase own shares

This resolution renews the share buy-back authority that was given by the Company's shareholders on 13 September 2018. Resolution 11 gives the Company authority to make market acquisitions of the Company's own Ordinary Shares, up to a maximum of 14.99 per cent. per annum of the Company's Ordinary Shares in issue (as at the time immediately following the passing of the resolution) and subject to minimum and maximum purchase prices as set out in parts b) and c) of Resolution 11. This authority will only be invoked if, after taking proper advice, the Directors consider that benefits will accrue to shareholders generally. In normal market circumstances the Directors intend to favour pro rata capital distributions ahead of Ordinary Share repurchases in the market, however, if the Ordinary Shares have traded at a significant discount to Net Asset Value for a prolonged period the Board will seek to prioritise the use of net income after the payment of dividends on market repurchases over other uses of capital. If the Board does decide that the Company should repurchase Ordinary Shares, purchases will only be made through the market for cash at prices below the prevailing Net Asset Value per Ordinary Share where the Directors believe such purchases will result in an increase in the Net Asset Value per Ordinary Share. The Directors intend that any such Ordinary Shares repurchased will subsequently be cancelled.

Resolutions 12 and 13 – Dis-application of pre-emption rights

Resolutions 12 and 13 are resolutions which, if passed, will allow the Board to allot new ordinary shares without first offering those shares to existing shareholders.

The Directors require specific authority from shareholders before allotting new ordinary shares for cash (or selling shares out of treasury for cash) without first offering them to existing shareholders in proportion to their holdings. If Resolution 12 is passed the authority will expire on the earlier of the conclusion of the Annual General Meeting of the Company in 2020 or 15 months from the passing of this Resolution. The number of shares allotted under this power shall be limited as outlined in Resolution 12 and can be up to 5 per cent. of the number of Ordinary Shares in issue as at the date of this Notice.

Resolution 13 is conditional on resolution 12 being passed and applies in addition to Resolution 12, if passed and addition to the power given by Resolution 12 it will give the Board the authority to allot new ordinary shares on a non-pre-emptive basis and for cash only in connection with an acquisition of an asset or specified capital investment. The maximum number of shares that can be allotted under this authority can be up to 5 per cent of the number of Ordinary Shares in issue at the date of this Notice. The Board confirms that it intends to use this authority only in connection with an acquisition or a specified capital investment which is announced contemporaneously with the issue, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue.

The Board confirms that it intends to follow the 2015 Statement of Principles issued by the Pre-Emption Group regarding cumulative usage of authorities within a rolling three-year period.