

Notice of Annual General Meeting

If you are in any doubt as to what action to take you are recommended to consult your stockbroker, solicitor, accountant or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred all of your ordinary shares in Alternative Income REIT plc, you should pass this document, together with the accompanying Form of Proxy, to the person through whom the sale or transfer was made for transmission to the purchaser or transferee.

ALTERNATIVE INCOME REIT PLC

(Incorporated in England and Wales with registered number 10727886)

Notice of the Annual General Meeting which has been convened for Wednesday 15 November 2023 at 10 a.m. at The Monument Building, 11 Monument Street, London EC3R 8AF is set out below.

To be valid, Forms of Proxy must be completed and returned in accordance with the instructions printed thereon so as to be received by the Company's registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible and in any event not later than 10 a.m. on Monday 13 November 2023.

Notice of Annual General Meeting continued

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Alternative Income REIT plc (the “**Company**”) will be held at 10 a.m. on Wednesday 15 November 2023 to transact the following business.

You will be asked to consider and, if thought fit, approve the following resolutions. Resolutions 1 to 10 (inclusive) will be proposed as ordinary resolutions and resolutions 11 to 14 (inclusive) will be proposed as special resolutions.

Ordinary Resolutions

Report and Accounts

1. To receive and adopt the audited financial statements of the Company for the financial year ended 30 June 2023 and the reports of the directors and auditor on those financial statements (“**Annual Report and Accounts**”).

Directors’ Remuneration Report

2. To approve the Directors’ Remuneration Report (excluding the part containing the Directors’ Remuneration Policy) contained within the Annual Report and Accounts.

Directors’ Remuneration Policy

3. To approve the Directors’ Remuneration Policy contained in the Annual Report and Accounts.

Directors

4. To elect Simon Bennett as a director of the Company.
5. To re-elect Stephanie Eastment as a director of the Company.
6. To re-elect Adam Smith as a director of the Company.

Auditor

7. To re-appoint Moore Kingston Smith LLP as independent auditor of the Company, to hold office until the conclusion of the next General Meeting at which accounts are laid before the Company.
8. To authorise the Audit Committee to determine the auditor’s remuneration.

Dividends

9. To approve the Company’s dividend policy to continue to pay four evenly spaced quarterly interim dividends with the ability to pay further interim dividends should compliance with REIT rules require and for the last dividend referable to a financial year not to be categorised as a final dividend that is subject to shareholder approval.

Directors’ Authority to Allot Shares

10. That the directors be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the “**Act**”) to exercise all the powers of the Company to:
 - a) allot shares of £0.01 each in the Company and to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £268,333; and
 - b) allot equity securities (as defined in section 560 of the Act) up to an aggregate nominal value of £536,666 (such amount to be reduced by the nominal amount of any shares allotted or rights granted under paragraph (a) of this resolution 10) in connection with an offer by way of a rights issue to:
 - i. holders of ordinary shares in the Company (“**Ordinary Shares**”) in proportion (as nearly as may be practicable) to the respective numbers of Ordinary Shares held by them; and
 - ii. holders of other equity securities, as required by the rights of those securities or, subject to such rights, as the directors of the Company otherwise consider necessary, and so that the directors of the Company may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements or securities represented by depositary receipts, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or the requirement of any regulatory body or stock exchange or any other matter.

This authority shall apply in substitution for all previous authorities (but without prejudice to the validity of any allotment pursuant to such previous authority) and shall expire at the end of the next Annual General Meeting of the Company or on the date falling 15 months after the date of this resolution, whichever is earlier, save that under each authority the Company may, before such expiry, make any offers or agreements which would or might require shares to be allotted or rights granted to subscribe for or convert any security into shares after such expiry and the directors may allot shares or grant such rights to subscribe for, or to convert any security into, shares (as the case may be) in pursuance of any such offer or agreement as if the relevant authority conferred by this resolution had not expired.

Special Resolutions

Disapplication of pre-emption rights

11. That, if Resolution 10 is passed, the Board be authorised to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be limited:
 - a. to allotments for rights issues and other pre-emptive issues;
 - b. to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) up to a nominal amount of £80,500; and

- c. to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) or paragraph (b) above) up to a nominal amount equal to 20% of any allotment of equity securities or sale of treasury shares from time to time under paragraph (b) above, such authority to be used only for the purposes of making a follow-on offer which the Board of the Company determines to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice.

Such authority to expire at the end of the next AGM of the Company (or, if earlier, at the close of business on 15 February 2025) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

12. That if Resolution 10 is passed, the Board be authorised in addition to any authority granted under Resolution 11 to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be:
- limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £80,500 such authority to be used only for the purposes of financing (or refinancing, if the authority is to be used within 12 months after the original transaction) a transaction which the Board of the Company determines to be either an acquisition or a specified 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
 - limited to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) above) up to a nominal amount equal to 20% of any allotment of equity securities or sale of treasury shares from time to time under paragraph (a) above, such authority to be used only for the purposes of making a follow-on offer which the Board of the Company determines to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice.

Such authority to expire at the end of the next AGM of the Company (or, if earlier, at the close of business on 15 February 2025) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

Authority to purchase own shares

13. That, the Company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006 (the "Act")) of Ordinary Shares of £0.01 on such terms and in such manner as the directors may from time to time determine, provided that:
- The maximum number of Ordinary Shares hereby authorised to be acquired between the date of this resolution and the date of the Company's AGM to be held in 2024 shall be 8,050,000 or, if less, that number of Ordinary Shares which is equal to 10% of the Ordinary Shares in issue as at the passing of this resolution;
 - the minimum price (exclusive of expenses) which may be paid for any Ordinary Share is £0.01;
 - the maximum price (exclusive of expenses) which may be paid for any Ordinary Share is the higher of:
 - an amount equal to 105% of the average of the middle market quotations for such Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such Ordinary Share is contracted to be purchased; and
 - the higher of (a) the price of the last independent trade and (b) the highest current independent bid for such Ordinary Share on the trading venues where the market purchases by the Company pursuant to the authority conferred by this resolution will be carried out;
 - this authority shall expire at the end of the Company's AGM to be held in 2024 or on the date falling 15 months after the date of this AGM, whichever is earlier, unless previously renewed, varied or revoked by the Company in general meeting;
 - the Company may make a contract to purchase its Ordinary Shares under the authority hereby conferred prior to the expiry of such authority, which contract would or might require the Company to purchase its Ordinary Shares after such expiry and the Company shall be entitled to purchase its Ordinary Shares pursuant to any such contract as if the power conferred hereby had not expired; and
 - any Ordinary Shares bought back under the authority hereby granted may, at the discretion of the directors, be cancelled or held in treasury.

Notice period for general meetings other than annual general meetings

14. That a general meeting, other than an Annual General Meeting, may be called on not less than 14 clear days' notice.

By order of the Board

Hanway Advisory Limited

Company Secretary

Registered Office:

1 King William Street

London

EC4N 7AF

(Company Number: 10727886)

Notice of Annual General Meeting continued

Explanatory Notes to the Resolutions

An explanation of each of the resolutions is set out below.

Resolutions 1 to 10 (inclusive) are proposed as ordinary resolutions. This means that for each of these resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 11 to 14 (inclusive) are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

The Board considers that all resolutions contained in the Notice of AGM are in the best interests of the Company and are most likely to promote the success of the Company for the benefit of its shareholders as a whole. The Board unanimously recommends that you vote in favour of the proposed resolutions as the directors intend to do in respect of their own beneficial holdings.

Resolutions 9 to 14 inclusive are special business resolutions, and an explanation of each of those resolutions are set out below.

Dividends

Resolution 9

This resolution is to approve the Company's dividend policy to continue to pay four evenly spaced quarterly interim dividends per annum. The alternative to declaring them all as "interim" dividends would be to declare three interim dividends with the fourth dividend being proposed as a "final" dividend. However, a declaration of a final dividend would require shareholder approval, which would delay payment of that dividend. To avoid this potential delay, the Company will propose the dividend policy for approval at each AGM, enabling the Company to pay all of its dividends as "interim" dividends. Additionally, the dividend policy allows for the payment of further interim dividends should compliance with the REIT rules require.

Directors' authority to allot shares

Resolution 10

The purpose of this resolution is to provide the Directors with authority to allot shares.

The authority given to Directors to allot further shares in the capital of the Company requires the prior authorisation of the shareholders in general meeting under section 551 of the Act. The authority in this resolution will allow the Directors to allot new shares in the Company or to grant rights to subscribe for or convert any security into shares in the Company up to an aggregate nominal amount of £268,333 (26,333,331 Ordinary Shares), which is equivalent to approximately one third of the current issued ordinary share capital of the Company as at 29 September 2023 (being the last practicable day prior to the publication of this notice). The authority will expire immediately following the Company's 2023 AGM or 15 February 2025, whichever is the earlier.

The authority in paragraph (b) will allow the Directors to allot new shares or to grant rights to subscribe for or convert any security into shares in the Company only in connection with a pre-emptive rights issue up to an aggregate nominal value of £536,666 (53,666,661 Ordinary Shares), which is approximately two thirds of the Company's issued share capital as at 29 September 2023 (inclusive of the nominal value of £268,333 sought under paragraph (a) of the resolution). This is in line with corporate governance guidelines. There is no present intention to exercise this authority.

Disapplication of pre-emption rights

Resolutions 11 and 12

If the directors wish to exercise the authority under Resolution 10 to allot new shares or grant rights over shares or sell treasury shares for cash (other than pursuant to an employee share scheme), company law requires that these shares are first offered to existing shareholders in proportion to their existing holdings. There may be occasions, however, when the directors will need the flexibility to finance business opportunities to allot new shares (or to grant rights over shares) for cash or to sell treasury shares for cash without first offering them to existing shareholders in proportion of their holdings. This cannot be done unless the shareholders have first waived their pre-emption rights.

Resolution 11 would authorise the directors to do this and, apart from rights issues or any other pre-emptive offer concerning equity securities, the authority will be limited to the allotment of shares for cash or sale of treasury shares for cash up to an aggregate nominal value of £80,500, which is equivalent to approximately 10 per cent. of the Company's issued ordinary share capital as at 29 September 2023 (being the latest practicable date prior to the publication of this notice).

Resolution 11 also seeks a disapplication of the pre-emption rights on a rights issue or other pre-emptive issue so as to allow the directors to make exclusions or such other arrangements as may be appropriate to resolve legal or practical problems which, for example, might arise with overseas shareholders.

The Board intends to adhere to the guidance issued by the Investment Association (as updated in February 2023), the Pre-Emption Group's Statement of Principles (as updated in November 2022) (the "Statement of Principles") and the template resolutions published by the Pre-Emption Group in November 2022.

The directors therefore seek an additional authority under Resolution 12 to issue shares for cash on a non-pre-emptive basis up to an aggregate nominal value of £80,500 (which includes the sale on a non pre-emptive basis of any shares held in treasury), which is equivalent to approximately 10 per cent. of the Company's issued ordinary share capital as at 29 September 2023 (being the latest practicable date prior to the publication of this notice), if 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.

The purpose of this resolution is to provide flexibility to allot shares without first offering them to existing shareholders, where this is considered to be in the best interests of shareholders.

Ordinary Shares will only be issued pursuant to these resolutions for cash on a non pre-emptive basis at a premium to the prevailing net asset value at the time of issue (in order to take account of the costs of such issue) and will therefore be non-dilutive to the prevailing net asset value for existing shareholders.

If given, the authorities contained in Resolutions 11 and 12 will expire at the conclusion of the 2024 AGM or on 15 February 2025 (the date which is 15 months after the passing of the resolution), whichever is earlier.

Shareholders will note that Resolutions 11 and 12 also relate to treasury shares.

Authority to purchase own shares

Resolution 13

In certain circumstances, it may be advantageous for the Company to purchase its own shares and this resolution seeks the authority from shareholders to continue to do so. The directors will continue to exercise this authority only when, in the light of market conditions prevailing at the time, they believe that it is in the best interests of shareholders as a whole and as a means of correcting any imbalance between supply and demand for the shares. Other investment opportunities, appropriate gearing levels and the overall position of the Company will be taken into account when exercising this authority. Under the Act, the Company can hold its own shares in treasury following a buy back, instead of having to cancel them. This gives the Company the ability to re-issue treasury shares quickly and cost-effectively (including pursuant to the authority under resolution 10 above) and provides the Company with additional flexibility in the management of its capital base. 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 the shares. Further, no dividend or other distribution of the Company's assets may be made to the Company in respect of the treasury shares. If the directors exercise the authority conferred by resolution 13, the Company will have the option of either holding in treasury or of cancelling any of its own shares purchased pursuant to this authority and will decide at the time of purchase which option to pursue.

The resolution specifies the maximum number of Ordinary Shares that may be acquired (approximately 10 per cent. of the Company's issued ordinary share capital as at 29 September 2023 (being the latest practicable date prior to the publication of this notice)) and the maximum and minimum prices at which they may be bought. The authority sought is in line with the Investment Association's Share Capital Management Guidelines.

There are no warrants or options to subscribe for Ordinary Shares outstanding at 29 September 2023 (being the latest practicable date prior to the publication of this notice).

If given, this authority will expire at the conclusion of the 2024 AGM or on 15 February 2025 (the date which is 15 months after the date of passing of the resolution), whichever is earlier.

The directors intend to seek renewal of this authority at subsequent AGMs in accordance with current best practice.

Notice period for general meetings other than annual general meetings

Resolution 14

This resolution is to allow the Company to hold general meetings (other than an AGM) on 14 clear days' notice. The notice period required by the Act for general meetings of the Company is 21 clear days unless: (i) shareholders approve a shorter notice period, which cannot however be less than 14 clear days; and (ii) the Company offers the facility for all shareholders to vote by electronic means. AGMs must always be held on at least 21 clear days' notice.

The Company intends to give as much notice as is practicable when calling a general meeting. The 15 clear days' notice period will not be used as a matter of routine, but only in circumstances where it would clearly be to the advantage of shareholders as a whole, the business of the meeting is time-sensitive or flexibility is merited by the nature of the business of the meeting. The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed.

Further information about the AGM

Right to attend the AGM

Only those shareholders registered on the Company's Register of Members at close of business on 13 November 2023 (or in the event of an adjournment, at close of business on the date which is two working days prior to the adjourned meeting), or their duly appointed proxy shall be entitled to attend and vote at the AGM. Changes to the Register of Members after the deadline shall be disregarded in determining the rights of persons to attend and vote at the AGM.

Appointment of a proxy

Shareholders are entitled to appoint a proxy to exercise all or any of their rights to vote at the AGM and at any adjournment thereof. A shareholder may appoint more than one proxy in relation to the AGM, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this notice. To be valid, your Form of Proxy must be received no later than 10 a.m. on 13 November 2023 (or, if the meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned meeting). You may return your Form of Proxy using the pre-paid envelope provided or delivered by post or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY. Amended instructions must also be received by Computershare by the deadline for receipt of Forms of Proxy.

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).

Appointment of proxy on-line

A proxy may be submitted electronically using www.investorcentre.co.uk/eproxy. Members can use this service to vote or appoint a proxy on-line. The same voting deadline of 48 hours before the timing of the Meeting applies as if you were using a personalised proxy form to vote or appoint a proxy by post to vote for you. You will need your Control Number, Shareholder Reference Number (SRN) & PIN which can be found on your Form of Proxy or email notice.

Notice of Annual General Meeting continued

CREST members

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. 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.

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 & Ireland Limited’s specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy, or is 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 issuer’s agent, Computershare Investor Services PLC (ID 3RA50), by the latest time(s) for receipt of proxy appointments specified above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer’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.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings 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 CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his 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 any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings (www.euroclear.com/CREST).

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 (as amended).

Corporate Representatives

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 Ordinary Shares.

Asking questions in advance of the AGM

Except as provided above, shareholders who have general queries about the meeting should contact the Company’s Registrar, Computershare, at: www.investorcentre.co.uk/contactus or by telephone on +44 (0) 370 707 1874 or the Company Secretary at the Registered Office address.

You may not use any electronic address provided either in this notice or any related documents (including the Chair’s letter and Form of Proxy), to communicate with the Company for any purposes other than those expressly stated.

Shareholders may submit questions to the Board in advance of the AGM by emailing such questions to cosec@hanwayadvisory.com.

Nominated Persons

If you are a person who has been nominated under Section 146 of the Act to enjoy information rights (Nominated Person):

- you may have a right under an agreement between you and the member of the Company who has nominated you to have Information Rights (Relevant Member) to be appointed or to have someone else appointed as a proxy for the Meeting;
- if you either do not have such a right or if you have such a right but do not wish to exercise it, you may have a right under an agreement between you and the Relevant Member to give instructions to the Relevant Member as to exercise of voting rights; and
- your main point of contact in terms of your investment in the Company remains the Relevant Member (or, perhaps, your custodian or broker) and you should continue to contact them (and not the Company) regarding any changes or queries relating to your personal details and your interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from you.

Website publication of audit concerns

Pursuant to Chapter 5 of Part 16 of the Act (Sections 527 to 531), where requested by a member or members having a right to vote at the Meeting and holding at least 5% of total voting rights of the Company, or at least 100 members having a right to vote at the Meeting and holding, on average, at least £100 of paid up share capital, the Company must publish on its website a statement setting out any matter that such members propose to raise at the Meeting relating to audit of the Company’s accounts (including the Auditor’s Report and the conduct of the audit) that are to be laid before the Meeting. The request:

may be in hard copy form signed by the member, stating the full member’s name and address and is sent to the Company Secretary, Hanway Advisory Limited, 1 King William Street, London, EC4N 7AF or in electronic form stating the member’s full name, address, and shareholder reference and is sent to cosec@hanwayadvisory.com stating “AGM” in the subject field;

- must identify the statement to which it relates, either set out the statement in full or, if supporting a statement sent by another member, clearly identify the statement which is being supported;
- must be authenticated by the person or persons making it; and
- must be received by the Company at least one week before the Meeting.

Where the Company is required to publish such a statement on its website, it may not require the members making the request to pay any expenses incurred by the Company in complying with the request, it must forward the statement to the Company’s Auditor no later than the time the statement is made available on the Company’s website and the statement may be dealt with as part of the business of the Meeting.

Total Voting Rights

As at 29 September 2023 (being the last practicable day prior to the publication of this notice), the Company's issued share capital consisted of [80,500,000] Ordinary Shares of £0.01 each. The Company does not hold any shares in treasury. Therefore, the total voting rights in the Company as at 29 September 2023 (being the latest practicable date prior to the publication of this notice) are 80,500,000 Ordinary Shares.

Website

A copy of this notice, and other information required by section 311A of the Act, can be found at: <https://www.alternativeincomereit.com/>.

Inspection of documents

The following documents will be available for inspection at the Company's Registered Office from the date of this notice during usual business hours on any weekday (Saturdays, Sundays and bank holidays excluded) until the date of the meeting and also on the date and at the location of the meeting from 15 minutes before the AGM until it ends:

- copies of letters of appointment of the non-executive directors;
- copies of the articles of association; and
- register of directors' interests.