

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. When considering what action you should take, you are recommended immediately to seek your own personal financial advice from an appropriately qualified independent adviser authorised under the Financial Services and Markets Act 2000.

If you have disposed of all your 2021 Shares and/or Realisation Shares in the Company, please pass this document together with the accompanying form of proxy as soon as possible to the purchaser or transferee or to the stockbroker or other agent through whom you made the disposal for onward transmission to the purchaser or transferee.

FAIR OAKS INCOME LIMITED

(a closed-ended company incorporated with limited liability under the laws of Guernsey with registered number 58123)

Notice of Annual General Meeting

The Company is a registered closed-ended investment scheme in accordance with Section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended and the Registered Collective Investment Schemes Rules 2008.

Notice of the Annual General Meeting to be held at 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey GY1 2HL on 8 June 2023 at 10.00 a.m. is set out at the end of this document.

Shareholders are requested to complete and return the Form of Proxy accompanying this document for use at the Annual General Meeting. To be valid, Forms of Proxy must be completed and returned in accordance with the instructions printed thereon to Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL as soon as possible and, in any event, so as to arrive by no later than 10.00 a.m. on 6 June 2023. You may also appoint a proxy at www.signalshares.com instead of using this form. You will need your investor code (IVC). This can be found on your share certificate.

LETTER FROM THE CHAIRMAN

FAIR OAKS INCOME LIMITED

*(a closed-ended company incorporated with limited liability under the laws of Guernsey
with registered number 58123)*

Directors:

Professor Claudio Albanese (Chairman)
Jonathan Bridel
Fionnuala Carvill

Registered Office:

1 Royal Plaza
Royal Avenue
St Peter Port
Guernsey
GY1 2HL

27 April 2023

Dear Shareholder,

1 Introduction

I am pleased to inform you that the ninth annual general meeting of Fair Oaks Income Limited (the “**Company**”) will be held at 10:00 a.m. on 8 June 2023 at 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey (the “**AGM**”). The notice of the AGM is set out on pages 5-6 of this document.

In addition to the ordinary business of the AGM, an ordinary resolution is being proposed to authorise the Company to buy back 2021 Shares and Realisation Shares, and two extraordinary resolutions to issue further 2021 Shares. Details of the ordinary and special business to be proposed at the AGM are set out below. Holders of both 2021 Shares and Realisation Shares (together the “**Shareholders**”) are entitled to attend and vote at the AGM.

2 AGM Resolutions

The resolutions that will be put to Shareholders at the AGM are as follows:

- (a) as to ordinary business (Resolutions 1-7):
 - (i) receive the Financial Statements and Directors' Report for the year ended 31 December 2022;
 - (ii) propose the re-election of Professor Claudio Albanese and Jonathan Bridel and the appointment of Fionnuala Carvill as directors of the Company;
 - (iii) propose the reappointment of KPMG Channel Islands Limited as Auditors of the Company; and authorise the board to determine their remuneration;
 - (iv) approve the Company's dividend policy.
- (b) as to special business (Resolution 8-10):
 - (i) to authorise the Company to buy back up to 14.99% of the 2021 Shares in issue as at the date of the resolution in order to facilitate its discount management policy. Any buybacks will be transacted at prices below the prevailing net asset value per 2021 Share.
 - (ii) to authorise the Company to buy back up to 14.99% of the Realisation Shares in issue as at the date of the resolution in order to facilitate any returns of capital in relation to FOIF II LP. Any buybacks will be transacted at prices below the prevailing net asset value per Realisation Share.
 - (iii) to authorise the Company to issue for cash up to 39.4 million 2021 Shares on a non-pre-emptive basis, representing approximately 10 per cent. of the 2021 Shares in issue as at 25 April 2023 (excluding treasury shares);
 - (iv) pursuant to resolution 9 being passed, to authorise the Company to issue for cash up to a further 39.4 million 2021 Shares on a non-pre-emptive basis, (in addition to the authority sought pursuant to resolution 9) representing approximately 10 per cent. of the 2021 Shares in issue as at 25 April 2023 (excluding treasury shares); and

3 Details of AGM Resolutions

Resolutions 1 to 8 will be proposed as ordinary resolutions. Resolutions 9 and 10 will be proposed as extraordinary resolutions. Resolution 10 will only be proposed conditional upon Resolution 9 being passed.

An ordinary resolution requires a simple majority of the votes cast by members entitled to vote and present in person or by proxy to be cast in favour in order for it to be passed. Extraordinary resolutions require a majority of at least 75 per cent. of the votes cast by members entitled to vote and present in person or by proxy to be cast in favour in order for it to be passed.

All Shareholders are entitled to attend and vote at the AGM. In accordance with the Articles, all Shareholders entitled to vote and present in person or by proxy at the AGM shall upon a show of hands have one vote and upon a poll shall have one vote in respect of each 2021 Share or Realisation Share held. In order to ensure that a quorum is present at the AGM, it is necessary for two or more Shareholders present in person or by proxy.

The formal notice convening the AGM is set out on pages 5 to 6 of this document.

Election and re-election of directors (Resolutions 2 to 4)

As at 31 December 2022, the Board of Directors comprised three non-executive and independent Directors. The biographies of the Board are disclosed on page 19 of the Company's annual report for the year ended 31 December 2022.

On 14 June 2022, Fionnuala Carvill was appointed to the Board as a Non-executive Director and will be subject to the formal election to the Board by the shareholders at the AGM.

Nigel Ward retired as a Non-executive Director on 8 December 2022. Under the terms of their appointment, all non-executive Directors are subject to re-election annually at the AGM.

The Board has adopted a succession plan to ensure an orderly transfer of knowledge and responsibilities as the Directors look to refresh the Board over the period to December 2024 and has engaged an independent consultant for the purposes of succession planning.

While new Director appointments will be made on merit, the Board is also mindful of the benefits of diversity and will look to ensure that the Board has an appropriate range of skills, knowledge and experience, as well considering factors such as gender. The Board will ensure there is an equal balance of gender in candidates for final interviews and the Board has fulfilled its earlier objective that 33% of the Board now comprises women. In line with the target within the FCA's recently published new rules on diversity and inclusion on company boards, the Company will focus on at least 40% of the Directors being women by the end of 2023.

Approval of dividend policy (Resolution 7)

Under the Articles, the Board is authorised to approve the payment of interim dividends without the need for the prior approval of the Company's shareholders. Having regard to corporate governance best practice relating to the payment of interim dividends, the Board has decided to seek express approval from shareholders of its dividend policy announced on 20 September 2022 that it intends to declare future quarterly dividends on the 2021 Shares at a consistent rate of 2 US cents, equivalent to an annual dividend yield of 17% on the share price as at that date, with any excess net income available to fund share buybacks.

It should be noted that the dividend policy is not a profit forecast and dividends will only be paid to the extent permitted by Guernsey law and subject to the working capital and the liquidity requirements of the Company and its subsidiaries.

Disapplication of pre-emption rights (Resolutions 9 and 10)

If both Resolution 9 and Resolution 10 are passed, Shareholders will be approving the disapplication of pre-emption rights in respect of a total of up to approximately 20 per cent. of the existing 2021 Shares in issue. The Board recognises that this percentage authority is beyond the standard 10 per cent. pre-emption waiver sought by investment companies, but believes that the passing of both Resolution 9 and Resolution 10 is in Shareholders' interests given that:

- the authority is intended to be used to fund specific investment opportunities sourced by the Investment Adviser, thereby mitigating the potential dilution of investment returns for existing Shareholders; and
- 2021 Shares will be issued only at prices greater than the aggregate of the relevant prevailing net asset value per 2021 Share and a premium to cover the commissions and expenses of the issue and should therefore not be dilutive to the Net Asset Value per existing 2021 Share.

If Resolution 9 is passed but Resolution 10 is not passed, Shareholders will be approving the disapplication of pre-emption rights in respect of only up to approximately 10 per cent. of the existing 2021 Shares in issue.

The authorities conferred by Resolutions 8 to 10, if passed, will lapse 15 months from the date of passing the Resolution, or the conclusion of the annual general meeting of the Company held in 2023.

4 Action to be taken

Shareholders will find enclosed with this document a Form of Proxy for use at the AGM.

Shareholders are asked to complete and return the Form of Proxy in accordance with the instructions printed thereon to the Company's Registrar, Link Group, or deliver it by hand during office hours only to the same address so as to be received as soon as possible and in any event by no later than 10:00 a.m. on 6 June 2023.

Shareholders are welcome to attend the AGM in person or may complete and return the enclosed Form of Proxy in accordance with the instructions printed thereon and in this document. Shareholders are strongly urged to appoint the Chairman of the AGM as their proxy to vote on their behalf. If you appoint someone else (other than the Chairman of the AGM) to be your proxy, this may result in your vote not being counted if your proxy is unable to attend the AGM. Shareholders are also invited to direct any questions to the Company Secretary by emailing fairoaksgroup@apexfs.group.

5 Recommendation

The Board considers that the resolutions to be proposed at the AGM are in the best interests of the Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the resolutions to be proposed at the AGM.

Yours faithfully

Professor Claudio Albanese
(*Chairman*)

Notice of Annual General Meeting

Fair Oaks Income Limited

(a closed-ended company incorporated in Guernsey with registration number 58123)

1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey GY1 2HL
Tel: +44 (0) 203 530 3600

NOTICE IS HEREBY GIVEN that the ninth annual general meeting of Fair Oaks Income Limited (the “**Company**”) will be held at 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey GY1 2HL on 8 June 2023 at 10:00 a.m. for the transaction of the following business:

ORDINARY BUSINESS

To consider and, if thought fit, pass the following resolutions, each of which will be proposed as an ordinary resolution:

1. To receive the Financial Statements and Directors’ Report for the year ended 31 December 2022.
2. THAT Professor Claudio Albanese be re-elected as a Director of the Company.
3. THAT Mr Jonathan Bridel be re-elected as a Director of the Company.
4. THAT Ms Fionnuala Carvill be elected as a Director of the Company.
5. THAT KPMG Channel Islands Limited, who have indicated their willingness to continue in office, be re-appointed as Auditors of the Company to hold office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting of the Company.
6. THAT the Directors be authorised to determine the remuneration of the Auditors for their next period of office.
7. THAT the Company’s dividend policy be approved.

SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolution which will be proposed as an ordinary resolution:

8. THAT the Company be and is hereby generally and unconditionally authorised in accordance with Section 315 of The Companies (Guernsey) Law, 2008 (as amended) (the “**Law**”) (subject to all applicable legislation and regulations) to make market acquisitions (as defined in the Law) of its 2021 Shares and of its Realisation Shares in issue, provided that:
 - a. the maximum number of 2021 Shares hereby authorised to be purchased is 14.99 per cent. per annum of the 2021 Shares in issue immediately following the passing of this resolution;
 - b. the maximum number of Realisation Shares hereby authorised to be purchased is 14.99 per cent. per annum of the Realisation Shares in issue immediately following the passing of this resolution
 - c. the minimum price (exclusive of expenses) which may be paid per 2021 Share or per Realisation Share is 1 US cent;
 - d. the maximum price (exclusive of expenses) which may be paid for a 2021 Share or per Realisation Share shall be not more than the higher of (i) 5 per cent. above the average market value of the relevant class of shares for the five business days prior to the day the purchase is made and (ii) the higher of the price of the last independent trade and the highest independent bid at the time of the purchase for any number of the relevant class of shares on the trading venues where the purchase is carried out;
 - e. the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company or 15 months from the date of this resolution, whichever is the earlier, unless such authority is varied, revoked or renewed prior to such time;
 - f. the Company may make a contract to purchase 2021 Shares or Realisation Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make an acquisition of 2021 Shares or Realisation Shares pursuant to any such contract; and
 - g. any 2021 Shares or Realisation Shares bought back may be held as treasury shares in accordance with the Law or be subsequently cancelled by the Company.

To consider and, if thought fit, pass the following resolutions which will be proposed as extraordinary resolutions:

9. THAT the Directors of the Company be and are hereby empowered to issue the following shares in the Company or rights to subscribe for such shares in the Company for cash as if the pre-emption provisions contained under Article 6.2 of the Company's articles of incorporation did not apply to any such issues provided that this power shall be limited to the issue of the below-mentioned shares or of rights to subscribe for the below-mentioned shares:

- (i) up to a maximum number of 39.4 million 2021 Shares;

that such power shall expire on the earlier of the conclusion of the next annual general meeting of the Company or on the expiry of 15 months from the passing of this Resolution except that the Company may before such expiry make offers or agreements which would or might require 2021 Shares or rights to subscribe for such shares in the Company to be issued after such expiry and notwithstanding such expiry the Directors may issue 2021 Shares or rights to subscribe for such shares in the Company in pursuance of such offers or agreements as if the power conferred hereby had not expired.

(Resolution 10 will only be proposed conditional upon Resolution 9 being passed)

10. THAT the Directors of the Company be and are hereby empowered to issue the following shares in the Company or rights to subscribe for such shares in the Company, in addition to that which is referred to in Resolution 9, for cash as if the pre-emption provisions contained under Article 6.2 of the Company's articles of incorporation did not apply to any such further issues provided that this power shall be limited to the issue of the below-mentioned shares or of rights to subscribe for the below-mentioned shares:

- (i) up to a maximum number of a further 39.4 million 2021 Shares;

that such power shall expire on the earlier of the conclusion of the next annual general meeting of the Company or on the expiry of 15 months from the passing of this Resolution except that the Company may before such expiry make offers or agreements which would or might require 2021 Shares or rights to subscribe for such shares in the Company to be issued after such expiry and notwithstanding such expiry the Directors may issue 2021 Shares or rights to subscribe for such shares in the Company in pursuance of such offers or agreements as if the power conferred hereby had not expired.

BY ORDER OF THE BOARD
Sanne Fund Services (Guernsey) Limited
Company Secretary
27 April 2023

1 Royal Plaza
Royal Avenue
St Peter Port
Guernsey

NOTES TO THE NOTICE OF AGM:

1. Shareholders are strongly urged to complete and return the relevant enclosed Form of Proxy in accordance with the instructions printed thereon and in this document and to appoint the Chairman of the AGM as their proxy to vote on their behalf. If you appoint someone else (other than the Chairman of the AGM) to be your proxy, this may result in your proxy not being counted if they are unable to attend the AGM. Voting on the Resolutions will be conducted on a poll.
2. A member is entitled to attend and vote at the meeting provided that all calls due from him/her in respect of his/her shares have been paid. A member is also entitled to appoint one or more proxies to attend, speak and vote on his/her behalf at the meeting. The proxy need not be a member of the Company. A form of proxy is enclosed with this Notice of AGM. You may also appoint a proxy at www.signalshares.com instead of using this form. You will need your investor code (IVC). This can be found on your share certificate. To be effective, the instrument appointing a proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) must be sent to Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, by no later than 10:00 a.m. on 6 June 2023, or not less than 48 hours before (excluding weekends and bank holidays) the time for holding any adjourned meeting, as the case may be. A corporation may execute a proxy under its common seal or by the hand of a duly authorised officer or other agent. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting.
3. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proximity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proximity, please go to www.proximity.io. Your proxy must be lodged by no later than 48 hours before the time of the Annual General Meeting in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proximity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proximity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
4. An ordinary resolution of the members (or of a class of members) of the Company means a resolution passed by a simple majority.
5. An extraordinary resolution of the members (or of a class of members) of the Company means a resolution passed by a majority of not less than 75%.

6. The quorum for the AGM is at least two members present in person or by proxy. **To allow effective constitution of the meeting, if it is apparent to the Chairman that no shareholders will be present in person or by proxy, other than by proxy in the Chairman's favour, then the Chairman may appoint a substitute to act as proxy in his stead for any shareholder, provided that such substitute proxy shall vote on the same basis as the Chairman.**
7. Joint registered holders of shares shall not have the right of voting individually in respect of such share but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election the person whose name stands first on the register of members of the Company shall alone be entitled to vote.
8. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the register of members of the Company at close of business on 6 June 2023 (or in the event that the meeting is adjourned, only those members registered on the register of members of the Company as at close of business on the day which is two days prior to the adjourned meeting) shall be entitled to attend in person or by proxy and vote at the AGM in respect of the number of shares registered in their name at that time. Changes to entries on the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
9. A copy of this Notice of AGM is available on the Company's website: www.fairoaksincome.com
10. The total issued share capital of the Company as at the date of this Notice of AGM is 405,815,477 2021 Shares and 55,578,441 Realisation Shares. Pursuant to the Articles, on a show of hands every member (being an individual) present in person or by proxy or (being a corporation) present by a duly authorised representative shall have one vote on a show of hands, and one vote per 2021 Share or Realisation Shares on a poll (other than the Company itself where it holds its own shares as treasury shares). As at the date of this Notice of AGM, there are no outstanding warrants and/or options to subscribe for 2021 Shares or Realisation Shares and there are 10,918,479 shares held in treasury.
11. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by utilising 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 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 & International Limited's (Euroclear) 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 the Company's agent (ID RA10) by 10:00 am on 6 June 2023. 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 the Company's agent is able to receive the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI 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. The Company may treat as invalid a CREST Proxy.

12. **Unless otherwise indicated on the Form of Proxy, CREST voting or any other electronic voting channel instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.**

