

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000.

If you have recently sold or transferred all of your shares in The PRS REIT plc, please forward this document, together with the accompanying documents, as soon as possible either 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.



(Incorporated in England & Wales under the Companies Act 2006, Registered No 10638461)

Directors

Stephen Paul Smith
Roderick Macleod MacRae
David Steffan Francis

Registered Office

Floor 3, 1 St. Ann Street
Manchester
M2 7LR

1 November 2018

Dear Shareholder

**The PRS REIT plc (“Company” or “Group”)
2018 Annual General Meeting (“AGM” or “Annual General Meeting”)**

I am writing to notify you of the Company’s Annual General Meeting, which will be held at 11.00 am on 28 November 2018 at the offices of Dentons UK and Middle East LLP, One Fleet Place, London EC4M 7WS and to explain the business to be considered at the meeting.

The notice convening the AGM (“**Notice**”) is set out on pages 4 to 5.

The Annual Report and Financial Statements for the period ended 30 June 2018 (“**Annual Report**”) are enclosed for those shareholders requiring a paper copy and are available on the Company’s website at www.theprsreit.com.

EXPLANATION OF RESOLUTIONS

An explanation of each of the resolutions to be considered at the meeting is set out below.

Resolution 1: Receipt and adoption of Reports and Financial Statements (Ordinary Resolution)

This resolution relates to the receipt and adoption by the Annual General Meeting of the Directors’ and Auditor’s reports and the financial statements of the Group for the period ended 30 June 2018, which are enclosed with this letter and which are also available to download at the Company’s website at www.theprsreit.com.

Resolution 2: Directors’ Remuneration Report (Ordinary Resolution)

This resolution deals with the remuneration of the Directors and seeks approval for the remuneration paid to the Directors during the period under review. The Company is required to ask Shareholders to approve the Directors’ remuneration report (“**Remuneration Report**”). This is set out on pages 56 to 57 of the Annual Report.

Resolution 3: Directors’ Remuneration Policy (Ordinary Resolution)

This resolution deals with the Company’s policy for making remuneration payments and payments for loss of office to Directors of the Company. The Company is required to ask Shareholders to approve the remuneration policy. This is set out on pages 54 to 55 of the Annual Report.

Resolutions 4, 5 and 6: Re-election of Directors (Ordinary Resolution)

The UK Corporate Governance Code requires that any Director appointed by the Board shall hold office only until the conclusion of business at the first annual general meeting of the Company following their appointment and shall then be eligible for re-election at that meeting. These resolutions propose the re-election of Stephen Paul Smith, Roderick Macleod MacRae and David Steffan Francis as non-executive directors of the Company.

The Directors' biographies are on page 36 of the Annual Report.

Resolution 7: Re-appointment of the auditor (Ordinary Resolution)

The resolution is proposed to re-appoint RSM UK Audit LLP as auditor until the next annual general meeting at which financial statements are laid before the Company.

Resolution 8: Remuneration of the auditor (Ordinary Resolution)

This resolution is proposed to authorise the Audit Committee to fix the remuneration of the auditor, RSM UK Audit LLP.

Resolution 9: Authority to Allot Shares (Ordinary Resolution)

This resolution deals with the Directors' authority to allot up to 8,000,000 new ordinary shares of £0.01 each to Sigma PRS Management Ltd in its capacity as development manager ("**Development Manager**"). In terms of the development management agreement, the Development Manager is required to subscribe bi-annually for new ordinary shares in the Company at market value for an amount equal to fifty per cent of the development management fees received during the relevant period. The authority granted by this resolution will expire on the conclusion of the next annual general meeting of the Company or, if earlier, the date that is eighteen months from the date of passing this resolution.

Resolution 10: General Authority to Allot Shares (Ordinary Resolution)

This resolution deals with the Directors' authority to allot shares or grant rights to subscribe for or to convert any security into shares up to a maximum nominal amount of £1,570,924, which represents approximately 31.72 per cent of the Company's issued ordinary shares (excluding treasury shares) as at 1 November 2018. The authority granted by this resolution will expire on the conclusion of the next annual general meeting of the Company or, if earlier, the date that is eighteen months from the date of passing this resolution.

Resolution 11: Approve the Company's dividend policy (Ordinary Resolution)

The Company's policy is to pay dividends on a quarterly basis, with dividends declared in each financial period. As the last dividend in respect of any financial period is declared prior to the relevant annual general meeting, it is declared as an interim dividend and accordingly, there is no final dividend payable. The Board is conscious that this means that shareholders will not be given the opportunity to vote on the payment of a final dividend. However, if a final dividend was to be declared, this would be subject to shareholder approval which would delay payment. Accordingly, it has been decided that shareholders will be asked to confirm their approval of the Company's current dividend policy to continue to pay quarterly interim dividends with the objective of providing shareholders with regular, sustained distributions over the long term.

Resolution 12: Disapplication of Pre-emption Rights (Special Resolution)

This resolution will, if passed, give the Directors power, pursuant to the authority to allot granted by resolution 9, to allot ordinary shares or sell treasury shares for cash to the Development Manager without first offering them to existing shareholders in proportion to their existing holdings. The authority is limited to a maximum nominal amount of £80,000 and can be exercised only in connection with the Company's obligation to allot shares to the Development Manager in exchange for the re-investment of fifty per cent of its development management fee back into the Company in accordance with the terms of the development management agreement. Any new ordinary shares issued under this authority will be at the prevailing share price at the time of subscription, providing that the share price is not less than the prevailing Net Asset Value ("NAV") per ordinary share at the time of allotment.

Resolution 13: General Disapplication of Pre-emption Rights (Special Resolution)

This resolution will, if passed, give the Directors power, pursuant to the authority to allot granted by resolution 10, to allot shares or grant rights to subscribe for or to convert any security into shares or sell treasury shares for cash without first offering them to existing shareholders in proportion to their existing holdings up to a maximum nominal amount of £247,639 which represents approximately 5 per cent of the Company's issued ordinary share capital (excluding treasury shares) as at 1 November 2018.

Resolution 13 will allow the Company to carry out one or more tap issues, in aggregate, up to 5 per cent of the number of ordinary shares in issue at the Annual General Meeting and thus to pursue specific investment opportunities in a timely manner in the future and without the requirement to publish a prospectus and incur the associated costs.

It is intended that any new ordinary shares issued under this authority will be at a minimum issue price equal to the prevailing NAV per ordinary share at the time of allotment together with a premium intended at least to cover the costs and expenses of the relevant placing or issue of new ordinary shares (including, without limitation, any placing commissions), to thereby avoid any dilution of the NAV of the then existing ordinary shares held by shareholders.

Resolution 14: Directors Authority for market purchase of Own Shares (Special Resolution)

This resolution seeks authority for the Company to make market purchases of its own ordinary shares and is proposed as a special resolution. If passed, the resolution gives authority for the Company to purchase up to 14.99 per cent of the issued ordinary share capital of the Company immediately following the passing of the resolution.

The resolution specifies the minimum and maximum prices which may be paid for any ordinary shares purchased under this authority. The authority will expire on the earlier of the Company's 2019 annual general meeting or, if earlier, the date that is eighteen months from the date the resolution is passed.

The Directors do not currently have any intention of exercising the authority granted by this resolution. The Directors will only exercise the authority to purchase ordinary shares where they consider that such purchases will be in the best interests of shareholders generally and will result in an increase in earnings per ordinary share. The Company may either cancel any shares it purchases under this authority or transfer them into treasury (and subsequently sell or transfer them out of treasury or cancel them).

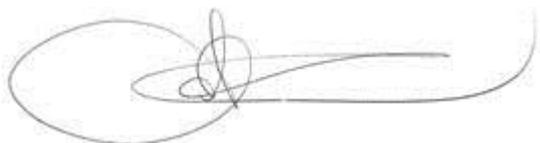
Attendance at the AGM and Appointment of Proxies

If you are unable to attend, you may wish to appoint a proxy (or proxies) to attend and vote on your behalf. The form of proxy for use at the Annual General Meeting is enclosed with this letter. You are asked to complete and return it to PXS, Link Asset Services, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, as soon as possible and in any event so as to be received not later than 11.00 am on 26 November 2018. Alternatively, CREST members may choose to utilise the CREST voting service. Full details are set out in the notes to the this Notice on pages 6 to 9 of this document. The return of a form of proxy will not prevent you from attending the Annual General Meeting and voting in person should you wish to do so.

Recommendation

The Directors of the Company consider that all the proposals to be considered at the Annual General Meeting are in the best interests of the Company and its shareholders as a whole and are most likely to promote the success of the Company. The Directors unanimously recommend that you vote in favour of all the proposed resolutions as they intend to do in respect of their own beneficial holdings currently amounting to 0.04 per cent of the issued share capital of the Company.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Stephen Smith', written over a light grey circular stamp or watermark.

Stephen Smith
Chairman

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (“**Meeting**”) of The PRS REIT plc (“**Company**”) will be held at the offices of Dentons UK and Middle East LLP at One Fleet Place, London EC4M 7WS on 28 November 2018 at 11.00 am.

You will be asked to consider and vote on the resolutions below. Resolutions 1 to 11 will be proposed as ordinary resolutions and resolutions 12 to 14 will be proposed as special resolutions.

ORDINARY RESOLUTIONS

1. To receive and adopt the Company's Annual Report for the period ended 30 June 2018 together with the directors' report and auditor's report on those accounts.
2. To approve the directors' remuneration report, set out on pages 56 to 57 of the Company's Annual Report for the period ended 30 June 2018.
3. To approve the directors' remuneration policy, as set out on pages 54 to 55 of the Company's Annual Report for the period ended 30 June 2018, which takes effect immediately after the end of the annual general meeting.
4. To re-elect Stephen Paul Smith as a director of the Company.
5. To re-elect Roderick Macleod MacRae as a director of the Company.
6. To re-elect David Steffan Francis as a director of the Company.
7. To reappoint RSM UK Audit LLP as the Company's auditor to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting at which accounts are laid before the Company.
8. To authorise the audit committee of the Company to determine the auditor's remuneration.
9. To authorise the directors of the Company, in accordance with section 551 of the Companies Act 2006 (the “**Act**”), to allot up to 8,000,000 ordinary shares to its development manager in accordance with the Development Management Agreement dated 4 May 2017 with Sigma PRS Management Ltd (the “**Development Management Agreement**”) such authority to expire on the earlier of the conclusion of the next annual general meeting of the Company and 18 months after the passing of this resolution.
10. To authorise the directors of the Company, in accordance with section 551 of the Act, to be generally and unconditionally authorised to allot shares or grant rights to subscribe for or to convert any security into shares up to an aggregate nominal amount of £1,570,924 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the earlier of the conclusion of the next annual general meeting of the Company and 18 months after the passing of this resolution, save that the Company may, before such expiry, make offers or enter into agreements which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after this authority has expired.

Resolutions 9 and 10 revoke and replace all unexercised authorities previously granted to the directors of the Company in accordance with section 551 of the Act to allot shares or grant rights to subscribe for or to convert any security into shares but without prejudice to any allotment of shares or grant of rights already made, offered or agreed to be made pursuant to such authorities.
11. To authorise the directors of the Company to declare and pay all dividends of the Company as interim dividends and for the last dividend referable to a financial year not to be categorised as a final dividend that is subject to shareholder approval.

SPECIAL RESOLUTIONS

12. To authorise the directors of the Company (subject to the passing of resolution 9), to allot ordinary shares and to sell ordinary shares from treasury as if section 561 of the Act did not apply to any such allotments or sales, provided that such authority shall be:

- (a) limited to the allotment of ordinary shares or sale of treasury shares up to an aggregate nominal amount of £80,000;
- (b) used only for the purposes of allotting ordinary shares to its development manager in accordance with the terms of the Development Management Agreement;
- (c) the price shall be the market price prevailing at the time of subscription, provided that this shall not be less than the prevailing net asset value per share.

The authority granted by this resolution shall expire on the earlier of the conclusion of the next annual general meeting of the Company and 18 months after the passing of this resolution.

13. To authorise the directors of the Company (subject to the passing of resolution 10), to allot shares or grant rights to subscribe for or to convert any security into shares for cash under the authority conferred by that resolution and/or to sell ordinary shares held by the Company as treasury shares as if section 561 of the Act did not apply to any such allotment or sale, provided that such authority shall be limited to the allotment of shares or grant rights to subscribe for or to convert any security into shares or sale of treasury shares to any person up to an aggregate nominal amount of £247,639.

The authority granted by this resolution shall, unless renewed, varied or revoked by the Company, expire on the earlier of the conclusion of the next annual general meeting of the Company and 18 months after the passing of this resolution, save that the Company may, before such expiry, make offers or enter into agreements during the relevant period which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after this authority has expired.

14. To authorise the Company generally and unconditionally to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of £0.01 each provided that:

- (a) the maximum aggregate number of ordinary shares that may be purchased is 14.99 per cent of the issued ordinary share capital immediately following the passing of this resolution;
- (b) the minimum price (excluding expenses) which may be paid for each ordinary share is £0.01;
- (c) the maximum price (excluding expenses) which may be paid for each ordinary share is the higher of:
 - (i) 5 per cent above the average of the mid-market values of the ordinary shares for the five business days before the purchase is made; or
 - (ii) the higher of the price of the last independent trade and the highest current independent bid for the ordinary shares; and
- (d) the authority conferred will expire on the earlier of the conclusion of the Company's next annual general meeting and the date that is 18 months after the passing of this resolution, save that the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase ordinary shares which will or may be executed wholly or partly after the expiry of such authority.

By Order of the Board



Sigma Capital Property Ltd
Company Secretary

18 Alva Street, Edinburgh EH2 4QG
Registered No. SC219919

1 November 2018

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

Entitlement to attend and vote

1. Only those shareholders registered in the Company's register of members at close of business on 26 November 2018; or, if this meeting is adjourned, at close of business on the day two days prior to the adjourned meeting, shall be entitled to attend, speak and vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

Website giving information regarding the meeting

2. Information regarding the meeting, including the information required by section 311A of the Companies Act 2006 can be found at www.theprsreit.com.

Appointment of proxies

3. If you are a shareholder who is entitled to attend and vote at the meeting, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote at the meeting. The form of proxy is enclosed with this notice of meeting. A proxy does not need to be a shareholder of the Company but must attend the meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
4. If you are not a member of the Company but you have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section. Please read the section "Nominated persons" below.
5. You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. . You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. Failure to specify the number of shares to which each proxy appointment relates or specifying a number in excess of those held by the shareholder will result in the proxy appointment being invalid. 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.
6. Shareholders can:
 - (a) Appoint a proxy or proxies and give proxy instructions by returning the enclosed proxy form by post (see note 8).
 - (b) Register their proxy appointment electronically (see note 9)
 - (c) If a CREST member, register their proxy appointment by utilising the CREST electronic proxy appointment service (see note 10).
7. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the "Discretionary" option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Appointment of proxy by post

8. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

To appoint a proxy using the proxy form, the form must be:

- (a) completed and signed;
- (b) sent or delivered to Link Asset Services at PXS, Link Asset Services, 34 Beckenham Road, Beckenham, Kent, BR3 4TU; and
- (c) received by Link Asset Services no later than 11.00 am on 26 November 2018.

In the case of a shareholder which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

If you have not received a proxy form and believe that you should have one, or if you require additional proxy forms, please contact Link Asset Services on 0871 664 0300.

Appointment of proxies electronically

9. You may submit your proxy electronically using the share portal service at www.signalshares.com. Shareholders can use this service to vote or appoint a proxy online. Shareholders will need to use the unique personal identification Investor Code (this can be found on your share certificate). For an electronic proxy appointment to be valid, your appointment must be received by Link Asset Services no later than 11.00 am on 26 November 2018

Appointment of proxies through CREST

10. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available via www.euroclear.com). 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.

For a proxy appointment or instructions 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 (“**EUI**”) specifications and must contain the information required for such instructions, as described in the CREST Manual. 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 Link Asset Services (ID RA10) no later than 11.00 am on 26 November 2018 or, in the event of an adjournment of the meeting, 48 hours before the adjourned 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 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 EUI does not make available special procedures in CREST for any particular message. 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/her 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 Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Appointment of proxy by joint members

11. In the case of joint holders, where more than one of the joint holders completes a proxy appointment, 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).

Changing proxy instructions

12. Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where 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 Asset Services on 0871 664 0300.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointment

13. A shareholder may change a proxy instruction but to do so you will need to inform the Company in writing by sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to Link Asset Services at PXS, Link Asset Services, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Link Asset Services no later than 11.00 am on 26 November 2018

If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the meeting and vote in person.

Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Corporate representatives

14. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder provided that no more than one corporate representative exercises powers over the same share.

Issued shares and total voting rights

15. As at 1 November 2018, which is the latest practicable date before publication of this notice, the Company's issued share capital comprised 495,277,294 ordinary shares of £0.01 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 1 November 2018 is 495,277,294.

The Company's website will include information on the number of shares and voting rights.

Questions at the meeting

16. Any member attending the meeting has the right to ask questions. The Company must answer any question you ask relating to the business being dealt with at the meeting unless:
- (a) Answering the question 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.
 - (c) It is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Nominated persons

17. If you are a person who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights ("**Nominated Person**"):

- (a) You may have a right under an agreement between you and the shareholder of the Company who has nominated you to have information rights ("**Relevant Shareholder**") to be appointed or to have someone else appointed as a proxy for the meeting.
- (b) 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 Shareholder to give instructions to the Relevant Shareholder as to the exercise of voting rights.
- (c) Your main point of contact in terms of your investment in the Company remains the Relevant Shareholder (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.

The rights relating to proxies set out in note 4 do not apply directly to nominated persons.

Voting

18. Voting on all resolutions will be conducted by way of a poll rather than on a show of hands. This is a more transparent method of voting as shareholders' votes are counted according to the number of shares registered in their names.

As soon as practicable following the meeting, the results of the voting will be announced via a regulatory information service and also placed on the Company's website.

Documents on display

19. Copies of the service contracts of the directors' contracts for services are available for inspection at the Company's registered office during normal business hours and at the place of the meeting from at least 15 minutes prior to the meeting until the end of the meeting.

Communication

20. Shareholders may not use any electronic address provided either in this notice or in any related documents to communicate with the Company for any purpose other than those expressly stated in this notice or such related documents.