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If you have sold or otherwise transferred all of your Ordinary Shares, please send this document, but not any accompanying personalised Forms, at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom or by whom the sale or transfer was made, for delivery to the purchaser or transferee. However, the distribution of this document in jurisdictions other than the United Kingdom, including the Restricted Jurisdictions, may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

Panmure Gordon (UK) Limited (“**Panmure Gordon**”), is authorised and regulated by the FCA and is acting exclusively for the Company and for no-one else in connection with the Issue and the Placing Programme and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Panmure Gordon or for affording advice in relation to the contents of this document or any matters referred to herein. Panmure Gordon is not responsible for the contents of this document. This does not exclude or limit any responsibilities which Panmure Gordon may have under FSMA or the regulatory regime established thereunder.

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## **HENDERSON INTERNATIONAL INCOME TRUST PLC**

*(Incorporated in England and Wales with company number 7549407 and registered as an investment company under section 833 of the Companies Act 2006)*

### **Notice of General Meeting**

**to consider proposals to amend the investment objective and policy of the Company, to grant authority to allot C Shares and Ordinary Shares on a non-pre-emptive basis and to adopt new articles of association**

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Notice of a general meeting of the Company to be held at the registered office of the Company at 201 Bishopsgate, London EC2M 3AE on 5 May 2017 at 3.00 p.m. is set out at the end of this document. The Proposals described in this document are conditional upon Ordinary Shareholder approval.

**Shareholders are requested to complete and return the Form of Proxy accompanying this document for use at the General Meeting. In order to be valid, the Form of Proxy must be completed and returned in accordance with the instructions printed thereon to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH as soon as possible and, in any event, so as to be received no later than 3.00 p.m. on 3 May 2017.**

**Investors holding their Ordinary Shares via Halifax Share Dealing Limited should return the Voting Instruction Forms accompanying this document for use at the General Meeting in accordance with the instructions and deadline contained on the forms.**

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## EXPECTED TIMETABLE

Issue opens	6 April 2017
Latest time and date for receipt of Forms of Proxy	3.00 p.m. on 3 May 2017
General Meeting	3.00 p.m. on 5 May 2017
Issue of C Shares, crediting of CREST accounts where applicable and admission and dealings in C Shares commences	8.00 a.m. on 8 May 2017
Placing Programme opens	9 May 2017
Despatch by post of definitive C Share certificates, where applicable	week commencing 15 May 2017
Placing Programme closes	4 April 2018

The above times and/or dates may be subject to change and, in the event of such change, the revised times and/or dates will be notified to Shareholders by an announcement through a Regulatory Information Service.

All references to times in this document are to London times.

## PART 1

### LETTER FROM THE CHAIRMAN

#### HENDERSON INTERNATIONAL INCOME TRUST PLC

*(Incorporated in England and Wales with company number 7549407 and registered  
as an investment company under section 833 of the Companies Act 2006)*

*Directors:*

Christopher Jonas, CBE (*Non-Executive Chairman*)  
William Eason (*Non-executive Director*)  
Simon Jeffreys (*Non-executive Director*)  
Richard Hills (*Non-executive Director*)  
Aidan Lisser (*Non-executive Director*)

*Registered Office:*

201 Bishopsgate  
London  
EC2M 3AE

5 April 2017

*To Ordinary Shareholders*

Dear Sir or Madam

#### **1 Introduction**

As announced on 6 March 2017, the Board has been considering an issue of C Shares in order to meet demand from new and existing investors for shares in the Company. To that end the Company has today published a prospectus in connection with the proposed issue of C Shares by way of a placing, open offer, offer for subscription and intermediaries offer at an issue price of 100 pence per C Share. In addition, your Board today announced proposals to make certain amendments to the Company's investment objective and policy, in order to ensure that its investment objective and policy are clear and to increase the number of stocks that the Company is permitted to hold.

The Company is also proposing the implementation of a new placing programme of Ordinary Shares, details of which are also set out in the Prospectus.

A copy of the Prospectus is enclosed with this document.

This document explains the background to and the reasons for the Issue and the Placing Programme and sets out in detail the text of the proposed revised investment objective and policy (in Part 3).

The C Shares are being issued pursuant to the Open Offer to Ordinary Shareholders on the register as at the Record Date of 3 April 2017. If the Issue proceeds, valid applications under the Open Offer will be satisfied in full up to applicants' Open Offer Entitlements. Ordinary Shareholders who wish to subscribe for more C Shares than their Open Offer Entitlement should make an application for such additional C Shares under the Offer for Subscription or, if appropriate, the Placing or the Intermediaries Offer.

New investors will be able to apply for C Shares pursuant to the Placing, Offer for Subscription and Intermediaries Offer.

Following the Issue, Ordinary Shares will be made available to investors pursuant to the Placing Programme to satisfy on-going demand. Ordinary Shares will be issued under the Placing Programme at a price not less than the Net Asset Value per Ordinary Share (cum income) at the time of issue plus a premium sufficient to cover the expenses of each issue.

The Issue, the Placing Programme and the proposed amendments to the Company's investment objective and policy require the approval of Ordinary Shareholders and the Directors are accordingly convening a General Meeting to be held at 201 Bishopsgate, London EC2M 3AE at 3.00 p.m. on 5 May 2017. The formal notice convening the General Meeting is set out at the end of this document.

The Resolutions that will be put to Ordinary Shareholders at the General Meeting are:

- Resolutions 1 and 3 – to authorise the allotment of up to 150 million C Shares pursuant to the Issue on a non-pre-emptive basis (although existing Ordinary Shareholders will be entitled to subscribe for C Shares under the Open Offer). The Directors have reserved the right, in conjunction with Panmure Gordon, to increase the size of the Issue to a maximum of 150 million C Shares if overall demand exceeds 75 million C Shares, with any such increase being announced through a Regulatory Information Service;
- Resolutions 2 and 4 – to authorise the allotment of up to 50 million Ordinary Shares pursuant to the Placing Programme on a non-pre-emptive basis;
- Resolution 5 – to adopt New Articles which have references to subscription shares removed and certain consequential amendments to the rights attaching to the C Shares; and
- Resolution 6 – to approve the proposed changes to the Company’s investment objective and policy, (together, the “**Proposals**”).

The purpose of this document is to provide you with details, and to explain the benefits, of the Proposals and to set out the reasons why the Directors are recommending that you vote in favour of the Resolutions at the General Meeting.

## **2 Background to, and reasons for, the Issue and the Placing Programme**

Since the Company’s admission to listing on 28 April 2011, there has been consistent demand from investors for its Shares and this has in turn led to the Shares being well rated, more often than not, since inception, trading at parity or at a premium to underlying net assets.

The Board believes a number of factors have led to the demand for the Company’s Shares: it has performed well since inception generating both income and capital growth for its Shareholders; its mandate is unique within the investment trust sector as it is the only income investment trust with a mandate to invest globally but without exposure to UK investments; and it has been actively marketed under the Henderson brand name.

Launched with a modest market capitalisation of approximately £42 million, the Company has grown steadily through a combination of organic growth of the underlying assets, “tap” issuance of new ordinary shares, a C share issue in 2013 and a substantive issue of shares in April 2016 when the Company acquired a substantial portion of the assets of Henderson Global Trust plc. As a result, the market capitalisation has now grown to £235.2 million.

The Board believes that it continues to be in the interests of the Company and its Shareholders to grow the Company further by the issuance of new shares at a price which will not result in any dilution of Net Asset Value per Ordinary Share for existing Shareholders. A number of advantages flow from increasing the size of the Company: critical mass, better visibility (especially on post-RDR platforms), better liquidity, lower ongoing charge (because the management fee payable to the AIFM reduces on Net Asset Value in excess of £250 million and as fixed overheads will be spread across a larger asset base) and greater scope to manage any discount at which the Ordinary Shares may trade from time to time through buy backs of Ordinary Shares.

The Placing Programme is intended to satisfy continued market demand for the Ordinary Shares and to raise further money for investment in accordance with the Company’s investment policy. In using their discretion under the Placing Programme, the Directors may also take into account the desirability of limiting the premium to Net Asset Value at which the Ordinary Shares may trade in order to ensure that Ordinary Shareholders and new investors who acquire Ordinary Shares are not disadvantaged by being required to acquire additional Ordinary Shares at a high premium to NAV per Ordinary Share.

### 3 Overview of the Issue and the Placing Programme

#### *The Issue*

The Company is targeting an issue of 75 million C Shares pursuant to the Issue at the issue price of 100 pence per C Share. The Directors have reserved the right, in conjunction with Panmure Gordon, to increase the size of the Issue to a maximum of 150 million C Shares if overall demand exceeds 75 million C Shares. The actual number of C Shares to be issued pursuant to the Issue, and therefore the gross proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service prior to Admission. The Directors intend to use the net proceeds of the Issue to acquire investments in accordance with the Company's investment objective and policy.

The C Shares will be offered to existing Ordinary Shareholders by way of the Open Offer. The Open Offer provides an opportunity for Ordinary Shareholders to participate in the fundraising by subscribing for their Open Offer Entitlements, being up to one C Share for every two Ordinary Shares held and registered in their name at the Record Date. If the Issue proceeds, valid applications under the Open Offer will be satisfied in full up to applicants' Open Offer Entitlements. Ordinary Shareholders who wish to subscribe for more C Shares than their Open Offer Entitlement should make an application for such additional C Shares under the Offer for Subscription or, if appropriate, the Placing or the Intermediaries Offer. **Existing Shareholders should be aware that the Open Offer is not a rights issue and Open Offer Entitlements cannot be traded.**

New investors will be able to subscribe for C Shares under the Placing, the Offer for Subscription or the Intermediaries Offer.

The latest time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer and settlement of relevant instructions (as appropriate) is expected to be 11.00 a.m. on 4 May 2017 with admission and commencement of dealings in C Shares expected to take place at 8.00 a.m. on 8 May 2017.

Further details as to how Ordinary Shareholders can apply for C Shares are set out in the Prospectus.

#### *C Shares*

The Issue will be of a new class of shares, C Shares, which will be issued at the Issue Price. An issue of C Shares is designed to overcome the potential disadvantages for existing Ordinary Shareholders which could arise out of a conventional fixed price issue of further Ordinary Shares for cash. In particular:

- the assets representing the net proceeds from the issue of the C Shares will be accounted for and managed as a distinct pool of assets until the Conversion Date. By accounting for the net proceeds separately, holders of existing Ordinary Shares will not be exposed to a portfolio containing a substantial amount of uninvested cash before Conversion;
- the Net Asset Value of the existing Ordinary Shares will not be diluted by the expenses associated with the Issue, which will be borne by the subscribers for C Shares; and
- the basis upon which the C Shares will convert into Ordinary Shares is such that the number of Ordinary Shares to which holders of C Shares will become entitled will reflect the relative net asset values per share of the assets attributable to the C Shares and the Ordinary Shares at the Calculation Date. As a result, the Net Asset Value attributable to the Ordinary Shares will not be materially diluted by the issue and Conversion of the C Shares.

It is expected that the new Ordinary Shares arising on Conversion of the C Shares will rank *pari passu* with the Ordinary Shares then in issue, save for any dividends or distribution declared, made or paid on the Ordinary Shares by reference to a record date prior to the Calculation Date, and will have the rights set out in the Articles.

The date for Conversion will be determined by the Board once the pool of assets attributable to the C Shares is fully or substantially invested and having regard to the management of the revenue accounts referable to each class of share and the dividend timetable for the Ordinary Shares. In any event, Conversion shall occur within six months of the issue of the C Shares pursuant to the Issue.

It is currently the Board's intention to declare the third interim dividend for the Ordinary Shares prior to the Calculation Date and, as a consequence, holders of C Shares will not be entitled, following Conversion, to that dividend. It is expected that the first dividend to which holders of C Shares will be entitled, assuming that Conversion takes place on or after 29 July 2017, will be the fourth interim dividend which is expected to be paid in November 2017.

The Directors may also declare an interim dividend payable to holders of the C Shares, should the revenue attributable to the C Shares prior to Conversion constitute a material amount (in the opinion of the Directors). Any such dividend would be announced via a Regulatory Information Service and would be payable to holders of C Shares on the Register at a record date preceding as close as practicable the Conversion Date. Any revenue attributable to the C Shares but which is not paid out to holders of C Shares prior to Conversion by way of dividend will be accounted for in the Conversion Ratio.

#### *Conversion of C Shares*

The Conversion Ratio will be calculated (to four decimal places (with 0.00005 being rounded down)) and the C Shares in issue will convert into a number of Ordinary Shares calculated by reference to the net assets then attributable to the C Shares compared to the net assets at the same time attributable to the Ordinary Shares then in issue. Entitlements to Ordinary Shares will be rounded down to the nearest whole number. No fractions of Ordinary Shares will be issued.

#### *Authority to allot C Shares and adoption of New Articles*

Pursuant to the requirements of the Companies Act, Ordinary Shareholders are being asked to approve the following Resolutions:

- Resolution 1 (which will be proposed as an ordinary resolution) to grant the Directors authority to allot up to 150 million C Shares (representing approximately 96 per cent. of the issued share capital (excluding treasury shares) of the Company at the date of this document) pursuant to the Issue. If approved, this authority will lapse immediately following completion of the Issue;
- Resolution 3 (which will be proposed as a special resolution and which is conditional on the passing of Resolution 1) to grant the Directors authority to allot up to 150 million C Shares (representing approximately 96 per cent. of the issued share capital of the Company at the date of this document) on a non-pre-emptive basis. If approved, this authority will lapse immediately following completion of the Issue; and
- Resolution 5 (which will be proposed as a special resolution) to adopt the New Articles.

The amendments proposed to be made to the Company's existing articles of association are: (i) to remove the rights attaching to the subscription shares (the remaining subscription shares having been exercised in September 2014) and to make consequential amendments to the rights attaching to the C Shares; (ii) to remove the rights attaching to the redeemable preference shares (which were only required on inception of the Company); (iii) to delete obsolete references to consolidated tax vouchers; and (iv) to include provisions regulating the holding and transfer of shares by certain US investors and to assist in compliance with FATCA. A copy of the New Articles will be available for inspection at the offices of Henderson Global Investors Limited, 201 Bishopsgate, London EC2M 3AE from the date of this document until close of the General Meeting.

The Issue is conditional on the passing of Resolutions 1 and 3 at the General Meeting but not, for the avoidance of doubt, on the passing of Resolution 5 to adopt the New Articles.

An ordinary resolution requires a simple majority of members entitled to vote and present in person or by proxy to vote in favour in order for it to be passed. A special resolution requires a majority of at least 75 per cent. of members entitled to vote and present in person or by proxy to vote in favour in order for it to be passed.

Applications will be made to the UK Listing Authority and the London Stock Exchange for all of the C Shares to be issued pursuant to the Issue to be admitted to the premium listing segment of the Official List and to trading on the premium segment of the Main Market. It is expected that Admission will become effective and dealings in the C Shares will commence at 8.00 a.m. on 8 May 2017.

### ***The Placing Programme***

The Placing Programme is being proposed to enable the Directors to issue Ordinary Shares on an on-going basis to satisfy continued market demand for the Ordinary Shares and to help to manage the premium to Net Asset Value at which the Ordinary Shares may trade in the market. The Directors are seeking authority to allot up to 50 million Ordinary Shares pursuant to the Placing Programme although the number of Ordinary Shares actually issued under the Placing Programme will depend on investor demand. Further information on the Placing Programme is contained in Part 5 of the Prospectus.

The Placing Programme requires the approval of Ordinary Shareholders to grant the Directors authority to allot the Ordinary Shares and also to disapply statutory pre-emption rights, and is therefore conditional on the passing of the Placing Programme Resolutions.

If the Placing Programme Resolutions are passed, the Company will be permitted to issue up to 50 million Ordinary Shares (representing approximately 32 per cent. of the issued share capital (excluding treasury shares) of the Company as at the date of this document) to investors without first having to offer them, *pro rata*, to Ordinary Shareholders.

Whilst 32 per cent. is higher than the allotment of Ordinary Shares and disapplication of pre-emption rights authority ordinarily recommended by corporate governance best practice, the Directors believe that taking a larger than normal authority is justified in the present circumstances. All Ordinary Shares issued pursuant to a Subsequent Placing under the Placing Programme will be issued at a premium to the prevailing Net Asset Value per Ordinary Share (cum income) at the time of issue at least sufficient to cover the costs and expenses of such issue (including, without limitation, any placing commissions). Any use of this authority will be accretive to the Net Asset Value per Ordinary Share. Whilst Ordinary Shareholders' voting rights will be diluted, the Directors believe that this consideration is outweighed by the flexibility that a larger authority provides.

The Placing Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares over a period of time.

The Company will not issue any Ordinary Shares under the Placing Programme until Admission of the C Shares pursuant to the Issue has taken place.

### ***Authority to allot Ordinary Shares***

Pursuant to the requirements of the Companies Act, Ordinary Shareholders are being asked to approve the following Resolutions:

- Resolution 2 (which will be proposed as an ordinary resolution) to grant the Directors authority to allot up to 50 million new Ordinary Shares (representing approximately 32 per cent. of the issued share capital (excluding treasury shares) of the Company as at the date of this document) pursuant to the Placing Programme. If approved, this authority will expire at the conclusion of the Company's next annual general meeting after the passing of this resolution or, if earlier, at the close of business on 5 August 2018; and

- Resolution 4 (which will be proposed as a special resolution and which is conditional on the passing of Resolution 2) to grant the Directors authority to allot up to 50 million new Ordinary Shares (representing approximately 32 per cent. of the issued share capital of the Company as at the date of this document) on a non-pre-emptive basis pursuant to the Placing Programme. If approved, this authority will expire at the conclusion of the Company's next annual general meeting after the passing of this resolution or, if earlier, at the close of business on 5 August 2018.

The Directors intend to use these authorities when they consider that it is in the best interests of Shareholders to do so and to satisfy continuing demand for the Ordinary Shares.

Applications will be made to the UK Listing Authority and the London Stock Exchange for all of the Ordinary Shares to be issued pursuant to each Subsequent Placing under the Placing Programme to be admitted to the premium listing segment of the Official List and to trading on the premium segment of the Main Market throughout the period from 9 May 2017 to 4 April 2018.

The Ordinary Shares issued pursuant to the authorities conferred by Resolutions 2 and 4 will rank *pari passu* with the Ordinary Shares then in issue (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment of the relevant new Ordinary Shares). No fractions of Ordinary Shares will be issued.

#### *Treasury shares*

No Ordinary Shares were held in treasury at the date of this document.

#### *CREST*

The C Shares and the Ordinary Shares will be issued in registered form. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of shares under the CREST system. Settlement of transactions in the C Shares and the Ordinary Shares may take place within the CREST system if any Shareholder so wishes. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so. Shareholders applying for C Shares or Ordinary Shares may elect to receive C Shares or Ordinary Shares in uncertificated form if such investor is a system-member (as defined in the CREST Regulations) in relation to CREST.

## **4 Summary of proposed amendments to the Company's investment objective and policy**

The Manager has undertaken a review of the Company's investment objective and policy with a view to ensuring that it is clear and unambiguous. Part 3 of this document contains a side by side comparison between the current investment objective and policy and the proposed new investment objective and policy. The only substantive change to the investment policy is a proposed increase to the range of the number of stocks in the Company's portfolio from 40-60 stocks to 50-80 stocks. The Manager is proposing this change for the following reasons:

- a higher number of stocks will facilitate the ability to diversify the Company's portfolio;
- the requirement to hold 60 stocks or fewer requires a 'one in one out' policy when the Company is at the limit of its holdings. The Manager considers that it would be advantageous to be able to add new investments as opportunities arise; and
- other portfolios run by the Manager with a similar mandate typically have a 50-80 position guideline.

The Board and the Manager consider the increase to the range of stocks that may be held in the Company's portfolio to be a material change to the Company's investment policy and are therefore seeking Shareholder approval for the proposed changes to the investment objective and policy.

Resolution 6 to be proposed at the General Meeting, to approve the proposed amendments to the Company's investment objective and policy, will be proposed as an ordinary resolution.

## **5 Costs of the Proposals**

The net proceeds of the Issue are dependent on the level of subscriptions received pursuant to the Issue. On the assumption that the gross proceeds of the Issue are £75 million, the net proceeds of the Issue, after deduction of expenses, are expected to be approximately £73.85 million. The costs and expenses of the Issue will be borne by holders of C Shares only.

The net proceeds of the Placing Programme will depend on the number of Ordinary Shares issued pursuant to the Placing Programme and the relevant Placing Programme Price. The costs and expenses of each issue of Ordinary Shares under the Placing Programme will depend on subscriptions received. The costs and expenses of Ordinary Shares will be covered by issuing such Ordinary Shares at a premium to the prevailing (cum income) Net Asset Value per Ordinary Share at the time of issue.

## **6 Considerations associated with the Proposals**

Shareholders should have regard to the following when considering the Proposals:

- There is no guarantee that the change to the Company's investment policy will provide the returns sought by Shareholders. There can be no guarantee that the Company will achieve its investment objective.
- Shareholders should be aware that the past performance of the Company or of the Manager is not necessarily indicative of likely future performance.
- Any new C Shares issued will, on Conversion, convert into Ordinary Shares. As a result of Conversion, the percentage of the total number of Ordinary Shares held by each existing holder of Ordinary Shares at the time of Conversion will be reduced to the extent that such Ordinary Shareholders do not acquire a sufficient number of new C Shares.
- If 50 million Ordinary Shares are issued pursuant to the Placing Programme (being the maximum number of Ordinary Shares that the Directors will be authorised to issue under the Placing Programme if the Placing Programme Resolutions are passed) there would, ignoring any dilution as a result of the Issue or Conversion, be a dilution of approximately 24 per cent. in existing Shareholders' voting control of the Company.

## **7 ISAs**

C Shares acquired pursuant to the Open Offer, the Offer for Subscription, the Intermediaries Offer or in the secondary market should generally qualify for inclusion in an ISA, subject to the applicable subscription limits, provided that the Company maintains its status as an investment trust approved by HMRC.

**Individuals wishing to invest in C Shares or Ordinary Shares through an ISA should contact their professional advisers regarding their eligibility.**

## **8 Consent**

Panmure Gordon has given and not withdrawn its written consent to the issue of this document with the inclusion in it of references to its name in the form and context in which they appear.

## **9 General Meeting**

The Issue is conditional on the approval by Ordinary Shareholders of the Issue Resolutions to be proposed at the General Meeting of the Company which has been convened for 3.00 p.m. on 5 May 2017.

The Placing Programme is conditional on the approval by Ordinary Shareholders of the Placing Programme Resolutions.

The adoption of the revised investment objective and policy is conditional on the approval by Ordinary Shareholders of Resolution 6 to be proposed at the General Meeting.

All Ordinary Shareholders are entitled to attend and vote at the General Meeting. In accordance with the Articles, all Ordinary Shareholders present in person or by proxy shall upon a show of hands have one vote and upon a poll shall have one vote in respect of each Ordinary Share held. In order to ensure that a quorum is present at the General Meeting, it is necessary for two Ordinary Shareholders entitled to vote to be present, whether in person or by proxy (or, if a corporation, by a representative).

The formal notice convening the General Meeting is set out at the end of this document.

## **10 Action to be taken in respect of the General Meeting**

Ordinary Shareholders will find enclosed with this document a personalised Form of Proxy for use at the General Meeting.

Ordinary Shareholders are asked to complete and return the Form of Proxy, in accordance with the instructions printed thereon, to the Company's Registrar, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6AH so as to be received as soon as possible and, in any event, by no later than 3.00 p.m. on 3 May 2017.

Ordinary Shareholders are requested to complete and return a Form of Proxy whether or not they wish to attend the General Meeting. The return of a Form of Proxy will not prevent Ordinary Shareholders from attending the General Meeting and voting in person should they so wish.

Recipients of this document who are the beneficial owners of Ordinary Shares held through a nominee should follow the instructions provided by their nominee or their professional adviser if no instructions have been provided. Investors via Halifax Share Dealing Limited should return the Voting Instruction Form in accordance with the instructions and deadline contained on the form. Investors holding their Ordinary Shares via Halifax Share Dealing Limited should direct any questions to them via telephone on 03457 22 55 25, email [henderson@halifax.co.uk](mailto:henderson@halifax.co.uk).

## **11 Recommendation**

The Board, which has received financial advice from Panmure Gordon, considers that the Proposals are in the best interests of the Company and its Shareholders as a whole. In providing its financial advice, Panmure Gordon has taken into account the Board's commercial assessment of the effects of the Proposals. Accordingly the Board unanimously recommends that Ordinary Shareholders vote in favour of the Resolutions to be proposed at the General Meeting. The Directors intend to vote in favour of the Resolutions in respect of their holdings of Ordinary Shares; amounting to 460,333 Ordinary Shares in aggregate (representing approximately 0.29 per cent. of the issued share capital of the Company as at the date of this document).

Yours faithfully

Christopher Jonas  
(*Chairman*)

## PART 2

### RIGHTS ATTACHING TO THE C SHARES

The rights and restrictions attaching to the C Shares and the Deferred Shares arising on Conversion are set out in the Articles and are summarised below.

1 The following definitions apply (for the purposes of this Part 2 of this document only) in addition to, or (where applicable) in substitution for, the definitions applicable elsewhere in this document:

“**C Shareholder**” means a holder of C Shares;

“**Calculation Date**” means the earliest of the:

- (i) close of business on the Business Day to be determined by the Directors falling within six calendar months after the allotment of the relevant C Shares; or
- (ii) close of business on the date falling six calendar months after the allotment of the C Shares or if such a date is not a Business Day the next following Business Day; or
- (iii) close of business on the day on which the Directors resolve that Force Majeure Circumstances have arisen or are imminent;

“**Conversion**” means conversion of the C Shares into Ordinary Shares and Deferred Shares in accordance with paragraph (8) below;

“**Conversion Date**” means the close of business on such Business Day as may be selected by the Directors falling not more than 10 Business Days after the Calculation Date;

“**Conversion Ratio**” is the ratio of the cum income net asset value per C Share to the cum income net asset value per Ordinary Share, which is calculated as:

$$\begin{aligned} \text{Conversion Ratio} &= \frac{A}{B} \\ A &= \frac{C-D}{E} \\ B &= \frac{F-C-G+D}{H} \end{aligned}$$

Where:

C is the aggregate of:

- (a) the value of the investments of the Company attributable to the C Shares (other than investments which are subject to restrictions on transfer or a suspension of dealings, which are in each case to be valued in accordance with (b) below) which are listed, quoted, dealt in or traded on a stock exchange calculated by reference to the bid-market quotations at close of business of, or, if appropriate, the daily average of the prices marked for, those investments on the Calculation Date on the principal stock exchange or market where the relevant investment is listed, quoted, dealt in or traded, as derived from the relevant exchange’s or market’s recognised method of publication of prices for such investments where such published prices are available;
- (b) the value of all other investments of the Company attributable to the C Shares (other than investments included in (a) above) calculated by reference to the Directors’ belief as to a fair current value for those investments on the Calculation Date after taking into account any other price publication services reasonably available to the Directors; and

- (c) the amount which, in the Directors' opinion, fairly reflects, on the Calculation Date, the value of the current assets of the Company attributable to the C Shares (excluding the investments valued under (a) and (b) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue or capital nature);

**D** is the amount (to the extent not otherwise deducted from the assets attributable to the C Shares) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company attributable to the C Shares on the Calculation Date;

**E** is the number of C Shares in issue on the Calculation Date;

**F** is the aggregate of:

- (a) the value of all the investments of the Company (other than investments which are subject to restrictions on transfer or a suspension of dealings, which are in each case to be valued in accordance with (b) below) which are listed, quoted, dealt in or traded on a stock exchange calculated by reference to the bid-market quotations at close of business of, or, if appropriate, the daily average of the prices marked for, those investments on the Calculation Date on the principal stock exchange or market where the relevant investment is listed, quoted, dealt in or traded as derived from the relevant exchange's or market's recognised method of publication of prices for such investments where such published prices are available;
- (b) the value of all other investments of the Company (other than investments included in (a) above) calculated by reference to the Directors' belief as to a fair current value for those investments on the Calculation Date after taking into account any other price publication services reasonably available to the Directors; and
- (c) the amount which, in the Directors' opinion, fairly reflects, on the Calculation Date, the value of the current assets of the Company (excluding the investments valued under (a) and (b) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue or capital nature);

**G** is the amount (to the extent not otherwise deducted in the calculation of F) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company on the Calculation Date; and

**H** is the number of Ordinary Shares in issue on the Calculation Date (excluding any Ordinary Shares held in treasury)

provided that the Directors shall make such adjustments to the value or amount of A and B as the reporting accountants shall report to be appropriate having regard, among other things, to the assets of the Company immediately prior to the date on which the Company first receives the Net Proceeds relating to the C Shares and/or to the reasons for the issue of the C Shares;

**"Deferred Shareholder"** means a holder of Deferred Shares;

**"Deferred Shares"** means Deferred Shares of one penny each in the capital of the Company arising on Conversion;

**"Existing Ordinary Shares"** means the Ordinary Shares in issue immediately prior to Conversion;

**"Force Majeure Circumstances"** means: (i) any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable; (ii) the issue of any proceedings challenging, or seeking to challenge, the power of the Company and/or its Directors to issue the C Shares with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are proposed to be, issued; or (iii) the giving of notice of any general meeting of the Company at which a resolution is to be proposed to wind up the Company, whichever shall happen earliest; and

“**Net Proceeds**” means the net cash proceeds of the issue of the C Shares (after deduction of those commissions and expenses relating thereto and payable by the Company).

- 2 The holders of the Ordinary Shares, the C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights to be paid dividends:
  - (a) the Deferred Shares (to the extent that any are in issue and extant) shall entitle the holders thereof to a cumulative dividend at a fixed rate of one per cent. of the nominal amount thereof, the first such dividend (adjusted *pro rata temporis*) (the “**Deferred Dividend**”) being payable on the date six months after the Conversion Date upon which such Deferred Shares were created in accordance with paragraph (8) (the “**Relevant Conversion Date**”) and on each anniversary of such date payable to the holders thereof on the register of members on that date as holders of Deferred Shares but shall confer no other right, save as provided herein, on the holders thereof to share in the profits of the Company. The Deferred Dividend shall not accrue or become payable in any way until the date six months after the Relevant Conversion Date and shall then only be payable to those holders of Deferred Shares registered in the register of members of the Company as holders of Deferred Shares on that date;
  - (b) the C Shareholders shall be entitled to receive in that capacity such dividends as the Directors may resolve to pay out of net assets attributable to the C Shares and from income received and accrued which is attributable as determined by the Directors to the C Shares;
  - (c) the Ordinary Shares shall confer the right to dividends declared in accordance with the Articles;
  - (d) the Ordinary Shares into which C Shares shall convert shall rank *pari passu* with the Existing Ordinary Shares for dividends and other distributions declared by reference to a record date falling after the relevant Calculation Date; and
  - (e) no dividend or other distribution shall be made or paid by the Company on any of its shares (other than any Deferred Shares for the time being in issue) between the Calculation Date and the Conversion Date relating to any C Shares in issue (both dates inclusive) and no such dividend shall be declared with a record date falling between the Calculation Date and the Conversion Date (both dates inclusive).
- 3 The holders of the Ordinary Shares, the C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights as to capital:
  - (a) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase by the Company of any of its shares) at a time when any C Shares are for the time being in issue and prior to the Conversion Date relating to such C Shares, be applied amongst the holders of the Existing Ordinary Shares *pro rata* according to the nominal capital paid up on their holdings of Existing Ordinary Shares, after having deducted therefrom an amount equivalent to (C-D) using the methods of calculation of C and D given in the definition of Conversion Ratio, which amount shall be applied amongst the C Shareholders *pro rata* according to the nominal capital paid up on their holdings of C Shares. For the purposes of this paragraph (3)(a), the Calculation Date shall be such date as the liquidator may determine; and
  - (b) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase by the Company of any of its shares) at a time when no C Shares are for the time being in issue be applied as follows:
    - (i) first, if there are Deferred Shares in issue, in paying to the Deferred Shareholders one penny in aggregate in respect of every 1,000,000 Deferred Shares (or part thereof) of which they are respectively the holders; and
    - (ii) second, the surplus shall be divided amongst the Ordinary Shareholders *pro rata* according to the nominal capital paid up on their holdings of Ordinary Shares.

- 4 As regards voting:
- (a) the C Shares shall carry the right to receive notice of and to attend and vote at any general meeting of the Company. The voting rights of holders of C Shares will be the same as that applying to holders of Existing Ordinary Shares as set out in the Articles as if the C Shares and Existing Ordinary Shares were a single class; and
  - (b) the Deferred Shares shall not carry any right to receive notice of nor to attend or vote at any general meeting of the Company.
- 5 The following shall apply to the Deferred Shares:
- (a) the C Shares shall be issued on such terms that the Deferred Shares arising upon Conversion may be repurchased by the Company in accordance with the terms set out herein;
  - (b) immediately upon Conversion, the Company shall repurchase all of the Deferred Shares which arise as a result of Conversion for an aggregate consideration of one penny for every 1,000,000 Deferred Shares and the notice referred to in paragraph (8)(b) below shall be deemed to constitute notice to each C Shareholder (and any person or persons having rights to acquire or acquiring C Shares on or after the Calculation Date) that the Deferred Shares shall be repurchased immediately upon Conversion for an aggregate consideration of one penny for every 1,000,000 Deferred Shares. On repurchase, each Deferred Share shall be treated as cancelled in accordance with section 706 of the Act; and
  - (c) the Company shall not be obliged to: (i) issue share certificates to the Deferred Shareholders in respect of the Deferred Shares; or (ii) account to any Deferred Shareholder for the repurchase moneys in respect of such Deferred Shares.
- 6 Without prejudice to the generality of the Articles, for so long as any C Shares are for the time being in issue it shall be a special right attaching to both the Existing Ordinary Shares and to the C Shares for the time being as separate classes that without the sanction or consent of such holders given in accordance with the Articles:
- (a) no allotment or issue will be made of any security convertible into or carrying a right to subscribe for any share capital of the Company other than the allotment or issue of further C Shares; and
  - (b) no resolution of the Company shall be passed to wind up the Company.
- For the avoidance of doubt but subject to the rights or privileges attached to any other class of shares, the previous sanction of a special resolution of the holders of Existing Ordinary Shares and C Shares shall not be required in respect of:
- (i) the issue of further Ordinary Shares ranking *pari passu* in all respects with the Existing Ordinary Shares (otherwise than in respect of any dividend or other distribution declared, paid or made on the Existing Ordinary Shares by the issue of such further Ordinary Shares); or
  - (ii) the sale of any shares held as treasury shares (as such term is defined in section 724 of the Act) in accordance with sections 727 and 731 of the Act or the purchase of any shares by the Company (whether or not such shares are to be held in treasury).
- 7 For so long as any C Shares are for the time being in issue, until Conversion of such C Shares and without prejudice to its obligations under applicable laws, the Company shall:
- (a) procure that the Company's records, and bank and custody accounts shall be operated so that the assets attributable to the C Shares can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall, without prejudice to any obligations pursuant to applicable laws, procure that separate cash accounts, broker settlement accounts and investment ledger accounts shall be created and maintained in the books of the Company for the assets attributable to the C Shares;

- (b) allocate to the assets attributable to the C Shares such proportion of the income, expenses and liabilities of the Company incurred or accrued between the date on which the Company first receives the Net Proceeds and the Calculation Date relating to such C Shares (both dates inclusive) as the Directors consider to be attributable to the C Shares; and
  - (c) give, or procure the giving of, appropriate instructions to the Manager to manage the Company's assets so that such undertakings can be complied with by the Company.
- 8 The C Shares for the time being in issue shall be sub-divided and converted into Ordinary Shares and Deferred Shares on the Conversion Date in accordance with the following provisions of this paragraph (8):
  - (a) the Directors shall procure that within 10 Business Days of the Calculation Date:
    - (i) the Conversion Ratio as at the Calculation Date and the numbers of new Ordinary Shares and Deferred Shares to which each C Shareholder shall be entitled on Conversion shall be calculated; and
    - (ii) the reporting accountants shall confirm that such calculations as have been made by the Company have, in their opinion, been performed in accordance with the Articles and are arithmetically accurate whereupon such calculations shall become final and binding on the Company and all holders of the Company's shares and any other securities issued by the Company which are converting into the Company's shares, subject to the proviso immediately after the definition of "H" in paragraph (1) above;
  - (b) the Directors shall procure that, as soon as practicable following such confirmation and in any event within 10 Business Days of the Calculation Date, a notice is sent to each C Shareholder advising such C Shareholder of the Conversion Date, the Conversion Ratio and the numbers of Ordinary Shares and Deferred Shares to which C Shareholders will be entitled on Conversion;
  - (c) on Conversion each C Share shall automatically subdivide into 10 conversion shares of one penny each and such conversion shares of one penny each shall automatically convert into such number of Ordinary Shares and Deferred Shares as shall be necessary to ensure that, upon such Conversion being completed:
    - (i) the aggregate number of Ordinary Shares into which the same number of conversion shares of one penny each are converted equals the number of C Shares in issue on the Calculation Date multiplied by the Conversion Ratio (rounded down to the nearest whole Ordinary Share); and
    - (ii) each conversion share of one penny which does not so convert into an Ordinary Share shall convert into one Deferred Share;
  - (d) the Ordinary Shares and Deferred Shares arising upon Conversion shall be divided amongst the former C Shareholders *pro rata* according to their respective former holdings of C Shares (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to Ordinary Shares and Deferred Shares arising upon Conversion including, without prejudice to the generality of the foregoing, selling any Ordinary Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company);
  - (e) forthwith upon Conversion, the share certificates relating to the C Shares shall be cancelled and the Company shall issue to each former C Shareholder new certificates in respect of the Ordinary Shares which have arisen upon Conversion to which he or she is entitled. Share certificates in respect of the Deferred Shares will not be issued; and
  - (f) the Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider are fair and reasonable having regard to the interests of all Shareholders.

## PART 3

### THE COMPANY'S CURRENT AND PROPOSED INVESTMENT OBJECTIVE AND POLICY

The full text of the current and proposed new investment objective and policy is set out below. In the event that the ordinary resolution to approve the new investment objective and policy is not passed, the Company's assets will continue to be managed in line with the current investment policy.

Any future material changes to the investment objective and policy will require the approval of Shareholders.

#### **Current investment objective**

The Company's investment objective is to provide a high and rising level of dividends as well as capital appreciation over the long-term from a focused and internationally diversified portfolio of securities outside the UK.

#### **Current investment policy**

The Company invests in a diversified global portfolio consisting predominantly of listed equities and fixed interest asset classes. The portfolio is diversified by factors such as geography, industry sub-sector and investment size. The Company does not invest in issuers whose securities are, at the time of investment, listed only in the United Kingdom.

The portfolio is ordinarily made up of interests in 40-60 companies, with no single investment accounting for more than 5 per cent. of net assets at the time of investment.

The Company has an options strategy and may invest in derivative instruments; up to 20 per cent. of the Company's income may be generated by the options strategy. If considered appropriate the Company may hedge exposure to foreign currencies up to a maximum of 20 per cent. of Gross Assets.

The Company will not invest more than 15 per cent. of Gross Assets in other listed investment companies, including investment trusts. The Company will not invest more than 10 per cent. of Gross Assets in companies that themselves may invest more than 15 per cent. of their gross assets in UK listed investment companies.

The Company's articles of association allow borrowings up to 100 per cent. of Net Asset Value. In normal circumstances, the Manager may only utilise gearing up to 25 per cent. of net assets at the time of drawdown or investment (as appropriate) in accordance with the Board's policy and for these purposes "gearing" includes implied gearing through the use of derivatives.

#### **Proposed new investment objective**

The Company seeks to provide Shareholders with a growing total annual dividend, as well as capital appreciation.

#### **Proposed new investment policy**

The Company will invest in a focused and internationally diversified portfolio of 50-80 companies that are either listed in, registered in, or whose principal business is in countries that are outside the UK and will be made up of shares (equity securities) and fixed interest asset classes that are diversified by factors such as geography, industry and investment size. A maximum of 25 per cent. of Gross Assets may be invested in fixed interest securities. The Company does not hold investments in unlisted companies unless it is through subsequent delisting of a listed security.

Investment in any single company (including any derivative instruments) will not, in gross terms, exceed 5 per cent. of net assets at the time of investment and no more than 15 per cent. of Gross Assets may be invested in other listed investment companies (including investment trusts) or collective investment schemes. No more than 10 per cent. of Gross Assets may be invested in companies that themselves invest more than 15 per cent. of their gross assets in UK listed investment companies or collective investment schemes.

The Company may use financial instruments known as derivatives for the purpose of efficient portfolio management, for investment purposes or to generate additional income while maintaining a level of risk consistent with the risk profile of the Company. The Company may hedge exposure to foreign currencies up to a maximum of 20 per cent. of Gross Assets and may generate up to a maximum of 20 per cent. of gross income through investment in traded options.

The Company can borrow to make additional investments with the aim of achieving a return that is greater than the cost of borrowing. The Company's articles of association allow borrowings up to 100 per cent. of Net Asset Value. In normal circumstances, the Manager may only utilise gearing up to 25 per cent. of net assets at the time of drawdown or investment (as appropriate) in accordance with the Board's policy and for these purposes "gearing" includes implied gearing through the use of derivatives.

## DEFINITIONS

In this document the words and expressions listed below have the meanings set out opposite them, except where the context otherwise requires:

<b>“Admission”</b>	admission of the C Shares to be issued pursuant to the Issue or, where the context requires, admission of the Ordinary Shares to be issued pursuant to a Subsequent Placing: (i) to trading on the premium segment of the Main Market becoming effective in accordance with the LSE Admission Standards; and (ii) to the premium listing segment of the Official List becoming effective in accordance with the Listing Rules
<b>“AIC”</b>	the Association of Investment Companies
<b>“Articles”</b>	the articles of association of the Company in force at the date of this document or, where the context requires, the New Articles
<b>“Business Day”</b>	a day (excluding Saturdays and Sundays or public holidays in England and Wales) on which banks generally are open in London for the transaction of normal business
<b>“C Shares”</b>	C Shares of 10 pence each in the capital of the Company having the rights and restrictions set out in Part 2 of this document
<b>“Companies Act”</b>	the Companies Act 2006, as amended from time to time
<b>“Company”</b>	Henderson International Income Trust plc
<b>“Conversion”</b>	the conversion of C Shares into new Ordinary Shares and Deferred Shares as described in paragraph 8 of Part 2 of this document
<b>“Conversion Date”</b>	the time and date referred to in paragraph 1 of Part 2 of this document
<b>“Conversion Ratio”</b>	the ratio at which the C Shares convert into new Ordinary Shares
<b>“CREST”</b>	the relevant system as defined in the CREST Regulations in respect of which Euroclear is the operator (as defined in the CREST Regulations) in accordance with which securities may be held in uncertificated form
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755), as amended
<b>“Deferred Shares”</b>	deferred shares in the capital of the Company arising on Conversion
<b>“Directors” or “Board”</b>	the board of directors of the Company
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited
<b>“FATCA”</b>	the United States Foreign Account Tax Compliance Act
<b>“FCA”</b>	the UK Financial Conduct Authority
<b>“Form of Proxy”</b>	the personalised form of proxy provided with this document for use by Ordinary Shareholders in connection with the General Meeting
<b>“Forms”</b>	the Forms of Proxy and the Voting Instruction Forms
<b>“FSMA”</b>	the UK Financial Services and Markets Act 2000, as amended

<b>“General Meeting”</b>	the general meeting of the Company to be held at 3.00 p.m. on 5 May 2017 for the purpose of approving the Resolutions
<b>“HMRC”</b>	Her Majesty’s Revenue & Customs
<b>“Intermediaries”</b>	the entities listed in paragraph 12 of Part 12 of the Prospectus, together with any other intermediary (if any) that is appointed by the Company in connection with the Intermediaries Offer after the date of the Prospectus
<b>“Intermediaries Offer”</b>	the offer of C Shares by the Intermediaries to retail investors
<b>“ISA”</b>	an individual savings account maintained in accordance with the UK Individual Savings Account Regulations 1998, as amended from time to time
<b>“Issue”</b>	together the Open Offer, the Offer for Subscription, the Placing and the Intermediaries Offer
<b>“Issue Price”</b>	100 pence per C Share
<b>“Issue Resolutions”</b>	resolutions 1 and 3 to be proposed at the General Meeting
<b>“Listing Rules”</b>	the listing rules made by the UK Listing Authority under section 73A of FSMA
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“LSE Admission Standards”</b>	the admission and disclosure standards published by the London Stock Exchange
<b>“Main Market”</b>	the main market for listed securities operated by the London Stock Exchange
<b>“Manager”</b>	Henderson Global Investors Limited
<b>“Net Asset Value”</b>	the value of the assets of the Company less its liabilities, determined in accordance with the accounting policies adopted by the Company from time to time and calculated in accordance with the AIC formula, before deducting dividends declared but not ex-dividend
<b>“Net Asset Value per Ordinary Share”</b>	at any time the Net Asset Value attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) at the date of calculation
<b>“New Articles”</b>	the articles of association of the Company proposed to be adopted pursuant to a special resolution at the General Meeting
<b>“Non-CREST Shareholders”</b>	Ordinary Shareholders holding existing Ordinary Shares in certificated form
<b>“Offer for Subscription”</b>	the offer for subscription to the public in the UK to subscribe for C Shares at the Issue Price on the terms and conditions set out in Part 9 of the Prospectus
<b>“Official List”</b>	the official list maintained by the UK Listing Authority
<b>“Open Offer”</b>	the offer to Ordinary Shareholders, constituting an invitation to apply for C Shares, on the terms and subject to the conditions set out in Part 8 of the Prospectus and, in the case of Non-CREST Shareholders, the Open Offer Application Form

<b>“Open Offer Application Form”</b>	the application form on which Non-CREST Shareholders who are registered on the Register as at the Record Date may apply for C Shares under the Open Offer
<b>“Open Offer Entitlement”</b>	the entitlement of Ordinary Shareholders to apply for C Shares pursuant to the Open Offer on the basis of one C Share for every two existing Ordinary Shares held and registered in their names as at the Record Date
<b>“Ordinary Shareholder”</b>	a holder of Ordinary Shares
<b>“Ordinary Shares”</b>	ordinary shares of one penny each in the capital of the Company
<b>“Panmure Gordon”</b>	Panmure Gordon (UK) Limited, the Company’s sponsor, broker, placing agent and intermediaries offer adviser
<b>“Placing”</b>	the conditional placing of C Shares by Panmure Gordon at the Issue Price as described in the Prospectus
<b>“Placing Programme”</b>	the proposed programme of placings of up to 50 million Ordinary Shares as described in the Prospectus
<b>“Placing Programme Price”</b>	the price at which new Ordinary Shares will be issued pursuant to a Subsequent Placing under the Placing Programme, being not less than the prevailing Net Asset Value (cum income) per Ordinary Share at the time of issue plus a premium to cover the costs and expenses of such issue
<b>“Placing Programme Resolutions”</b>	resolutions 2 and 4 to be proposed at the General Meeting
<b>“Proposals”</b>	the proposals described in this document
<b>“Prospectus”</b>	the prospectus of the Company in respect of the Issue, the Placing Programme and Admission dated 5 April 2017
<b>“RDR”</b>	Retail Distribution Review
<b>“Record Date”</b>	3 April 2017
<b>“Register”</b>	the register of members of the Company
<b>“Regulatory Information Service”</b>	a service authorised by the UK Listing Authority to release regulatory announcements to the London Stock Exchange
<b>“Resolutions”</b>	the resolutions to be proposed at the General Meeting in connection with the Proposals
<b>“Restricted Jurisdiction”</b>	each of Australia, Canada, Japan, New Zealand, the Republic of South Africa and the United States
<b>“Shareholder”</b>	a holder of Ordinary Shares and/or C Shares, as the context requires
<b>“Shares”</b>	Ordinary Shares and/or C Shares, as the context requires
<b>“Subsequent Placing”</b>	any placing of Ordinary Shares pursuant to the Placing Programme
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“UK Listing Authority” or “UKLA”</b>	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
<b>“Voting Instruction Forms”</b>	the personalised voting instruction forms for use by investors holding their Ordinary Shares via Halifax Share Dealing Limited in respect of the General Meeting

## NOTICE OF GENERAL MEETING

### HENDERSON INTERNATIONAL INCOME TRUST PLC

*(Incorporated in England and Wales with company number 7549407 and registered  
as an investment company under section 833 of the Companies Act 2006)*

Notice is hereby given that a General Meeting of Henderson International Income Trust plc (the “**Company**”) will be held at the registered office of the Company at 201 Bishopsgate, London EC2M 3AE at 3.00 p.m. on 5 May 2017 to consider and, if thought fit, approve the following resolutions, in the case of Resolutions 1, 2 and 6 as ordinary resolutions and in the case of Resolutions 3, 4 and 5 as special resolutions:

#### ORDINARY RESOLUTIONS

- 1 **THAT** the directors of the Company (the “**Directors**”) be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the “**Act**”) to exercise all the powers of the Company to allot C shares of 10 pence each in the capital of the Company (“**C Shares**”), up to an aggregate nominal amount of £15,000,000 in connection with the Issue (as defined and described in the circular to shareholders dated 5 April 2017 of which this notice forms part (the “**Circular**”)), such authority to expire immediately following completion of the Issue, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require C Shares to be allotted and the Directors may allot C Shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.
- 2 **THAT** the Directors be and are hereby generally and unconditionally authorised, in addition to any existing authorities previously granted to the Directors to allot or grant rights to subscribe for or to convert any security into Ordinary Shares, pursuant to and in accordance with section 551 of the Act to exercise all the powers of the Company to allot ordinary shares of one penny each in the capital of the Company (“**Ordinary Shares**”), up to an aggregate nominal amount of £500,000 in connection with the Placing Programme (as defined and described in the Circular), such authority to expire at the conclusion of the Company’s next annual general meeting after the passing of this resolution or, if earlier, at the close of business on 5 August 2018 unless renewed at a general meeting prior to such time, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require Ordinary Shares to be allotted and the Directors may allot Ordinary Shares in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

#### SPECIAL RESOLUTIONS

- 3 **THAT**, subject to the passing of Resolution 1 above, the Directors be and they are hereby empowered, pursuant to section 570 of the Act to allot C Shares for cash pursuant to the authority referred to in Resolution 1 above as if section 561 of the Act did not apply to any such allotment or sale provided that this power: (i) shall be limited to the allotment of C Shares for cash up to an aggregate nominal amount of £15,000,000; and (ii) shall expire immediately following completion of the Issue, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require equity securities to be allotted in pursuance of such an offer or agreement as if such power had not expired.
- 4 **THAT**, subject to the passing of Resolution 2 above, in addition to any existing authorities to allot Ordinary Shares for cash and to sell Ordinary Shares from treasury as if section 561 of the Act did not apply to any such allotment or sale, the Directors be and they are hereby empowered, pursuant to sections 570 to 573 of the Act to allot Ordinary Shares for cash and to sell Ordinary Shares from treasury for cash pursuant to the authority referred to in Resolution 2 above as if section 561 of the Act did not apply to any such allotment or sale provided that this authority: (i) shall be limited to the allotment of Ordinary Shares and the sale of Ordinary Shares from treasury for cash up to an aggregate nominal amount of £500,000; and (ii) shall expire at the conclusion of the Company’s next annual general meeting after the passing of this resolution or, if earlier, at the close of business

on 5 August 2018 unless renewed at a general meeting prior to such time, save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require equity securities to be allotted or sold from treasury after the expiry of such power, and the Directors may allot or sell from treasury equity securities in pursuance of such an offer or agreement as if such power had not expired.

- 5 **THAT** the articles of association of the Company produced to the meeting and initialled by the Chairman for the purpose of identification be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

#### **ORDINARY RESOLUTION**

- 6 **THAT** the proposed investment objective and policy set out in the Circular, a copy of which will be initialled for the purpose of identification by the Chairman of the meeting, be and is hereby adopted as the investment objective and policy of the Company to the exclusion of the existing investment objective and policy of the Company.

**By Order of the Board**  
**Henderson Secretarial Services Limited**  
Corporate Secretary

*Registered Office:*  
201 Bishopsgate  
London  
EC2M 3AE

Dated 5 April 2017

These notes should be read in conjunction with the notes on the Form of Proxy.

#### **1. Voting record date**

Only members registered in the Register of Members of the Company at close of business on 3 April 2017 shall be entitled to attend and vote at the General Meeting in respect of the number of voting rights registered in their name at that time. Changes to entries on the Register of Members after close of business on 3 April 2017 shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.

If the General Meeting is adjourned for no more than 48 hours after the original time, the same voting record date will also apply for the purpose of determining the entitlement of members to attend, speak and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting. If the General Meeting is adjourned for more than 48 hours, then the voting record date will be the close of business on the day which is two days (excluding non-working days) before the day of the adjourned meeting or, if the Company gives notice of the adjourned meeting, at any time specified in that notice.

In the case of joint holders of a voting right, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members in respect of the joint holding.

#### **2. Rights to attend and vote**

Members are entitled to attend and vote at the forthcoming General Meeting or at any adjournment(s) thereof. On a poll each member has one vote for every one share held.

#### **3. Right to appoint proxies**

Pursuant to Section 324 of the Companies Act 2006 (the “Act”), a member entitled to attend and vote at the General Meeting may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to different shares held by him. A proxy need not be a member of the Company.

A Form of Proxy is enclosed. The completion of the Form of Proxy or any CREST proxy instruction (as described in Note 8) will not preclude a shareholder from attending and voting in person at the General Meeting.

If the total number of voting rights that the Chairman will be able to vote (taking into account any proxy appointments from shareholders over which he is given discretion and any voting rights in respect of his own shares) is such that he will have a notifiable obligation under the Disclosure Guidance and Transparency Rules of the UK Listing Authority, the Chairman will make the necessary notifications to the Company and to the Financial Conduct Authority. Therefore, any member holding 3 per cent. or more of the voting rights in the Company who grants the Chairman a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and to the Financial Conduct Authority. However, any member holding 3 per cent. or more of the voting rights in the Company who appoints a person other than the Chairman as proxy will need to ensure that both the member and the proxy comply with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules. Section 324 does not apply to persons nominated to receive information rights pursuant to Section 146 of the Act. Persons nominated to receive information rights under Section 146 of the Act have been sent this Notice of General Meeting and are hereby informed, in accordance with Section 149(2) of the Act, that they may have the right under an agreement with the registered member by whom they are nominated to be appointed, or to have someone else appointed, as a proxy for this Meeting. If they have such right or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.

Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements. The statement of rights of shareholders in relation to the appointment of proxies in this paragraph does not apply to nominated persons.

#### **4. Proxies' rights to vote at the General Meeting**

On a vote on a show of hands, each proxy has one vote.

If a proxy is appointed by more than one member and all such members have instructed the proxy to vote in the same way, the proxy will only be entitled, on a show of hands, to vote "for" or "against" as applicable. If a proxy is appointed by more than one member, but such members have given different voting instructions, the proxy may, on a show of hands, vote both "for" and "against" in order to reflect the different voting instructions.

On a poll, all or any of the voting rights of the member may be exercised by one or more duly appointed proxies. However, where a member appoints more than one proxy, Section 285(4) of the Act does not authorise the exercise by the proxies taken together of more extensive voting rights than could be exercised by the member in person.

#### **5. Voting by corporate representatives**

Corporate representatives are entitled to attend and vote on behalf of the corporate member in accordance with Section 323 of the Act provided they do not do so in relation to the same shares.

#### **6. Receipt and termination of proxies**

To be valid the enclosed Form of Proxy must be lodged with the Company's Registrar (Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6AH) before 3.00 p.m. on 3 May 2017.

A member may terminate a proxy's authority at any time before the commencement of the General Meeting. Termination must be provided in writing and submitted to the Company's Registrar. In accordance with the Company's Articles of Association, in determining the time for delivery of proxies, no account shall be taken of any part of a day that is not a working day.

#### **7. Communication with the Company**

Members may not use any electronic address provided either in the Notice of General Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.

#### **8. Electronic receipt of proxies**

To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by the Company's agent (ID number 3RA50) no later than the deadline specified in Note 6. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. Instructions on how to vote through CREST can be found on the website [www.euroclear.com](http://www.euroclear.com).

#### **9. Questions at the General Meeting**

Any member attending the General Meeting has the right to ask questions. Section 319A of the Act requires the Directors to answer any question raised at the General Meeting which relates to the business of the General Meeting, although no answer need be given:

- (a) if to do so would interfere unduly with the proceedings of the General Meeting or involve disclosure of confidential information;
- (b) if the answer has already been given on the Company's website; or
- (c) if it is undesirable in the best interests of the Company or the good order of the General Meeting that the question be answered.

#### **10. Website**

A copy of the Notice of the General Meeting, including these explanatory notes and other information required by Section 311A of the Act, is included on the Company's website, [www.hendersoninternationalincometrust.com](http://www.hendersoninternationalincometrust.com).

#### **11. Total voting rights at date of notice**

As at 31 March 2017 (being the last practicable date prior to the publication of this Notice) the total number of shares in the Company in issue is 156,555,606. The total number of voting rights on that date is therefore 156,555,606.

