

Empiric Student Property plc

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the action you should take, you should immediately consult your independent financial adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in Empiric Student Property plc, please hand this document and the accompanying form of proxy or form of instruction to the purchaser or transferee, or to the stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Empiric Student Property plc

(incorporated and registered in England and Wales under number 08886906)

Notice of Annual General Meeting

Transfer of Listing Category

Your attention is drawn to the letter from the Chairman of the Company which is set out on page 1 of this document and which recommends you to vote in favour of the Resolutions to be proposed at the Annual General Meeting.

Notice of the Annual General Meeting of the Company to be held at the offices of Maitland/AMO, 3 Pancras Square, London, N1C 4AG on 2 May 2019 commencing at 9.00 a.m. is set out on pages 6 to 9 of this document.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy appointment in accordance with the instructions herein. The proxy appointment must be received by Computershare Investor Services PLC by no later than 9.00 a.m. on 30 April 2019.

Further instructions relating to how you are able to vote are set out in the notes to the notice of the Annual General Meeting.

Empiric Student Property plc ("ESP" or the "Company")
(incorporated and registered in England and Wales under number 08886906)

Registered Office:

Swan House
17-19 Stratford Place
London
W1C 1BQ

28 March 2019

To the holders of Empiric Student Property plc Shares

Notice of AGM

Dear Shareholder

I am pleased to be writing to you with details of our 2019 Annual General Meeting ("**AGM**") which will be held at the offices of Maitland/AMO, 3 Pancras Square, London, N1C 4AG on 2 May 2019 commencing at 9.00 a.m. The formal notice of the AGM is set out on pages 6 to 9 of this document.

The purpose of this letter is to explain certain elements of the business to be considered at the meeting and, in particular, our proposal to transfer the listing category of the whole of the Company's issued share capital from a premium listed closed-ended investment fund under Chapter 15 of the Listing Rules, to a premium listed commercial company under Chapter 6 of the Listing Rules.

Further details of the proposed transfer of listing category can be found below.

If you would like to vote on the Resolutions but cannot come to the meeting, please fill in the enclosed proxy form and return it to our registrars as soon as possible. The registrars must receive your proxy appointment by 9.00 a.m. on 30 April 2019.

Resolution 1 – To receive the Annual Report and Accounts

The Board will present the Annual Report and Accounts for the year ended 31 December 2018 (together with the reports of the Directors and auditors) (the "**Annual Report**") to the meeting.

Resolution 2 – Approval of the Directors' Remuneration Report

This resolution is to approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy on pages 48 to 55 of the Annual Report) which is set out on pages 46 to 61 of the Annual Report. Section 439 of the Companies Act 2006 (the "**Act**") requires that the Directors' Remuneration Report for the financial year be put to a vote of shareholders at the AGM. This vote is advisory and the Directors' entitlement to receive remuneration is not conditional on it.

Resolution 3 – Approval of the Directors' Remuneration Policy

The Directors' Remuneration Policy was last approved by shareholders at the Company's general meeting held on 21 December 2016 and came into effect from 1 January 2017. The Board is seeking shareholder approval at the AGM for a renewal of the existing Directors' Remuneration Policy until the Company's 2020 annual general meeting. This is an extension of circa five months and is a technical renewal solely designed to ensure the group is on a standard renewal timing cycle. The reason the group is not currently on the standard renewal timing cycle is due to the change in year-end from June to December in 2016.

The 2019 Directors' Remuneration Policy is set out in full on pages 48 to 55 of the Annual Report. As noted in the Annual Report, the body of the policy has been left unchanged from the previously approved policy, however to comply with the 2018 Corporate Governance Code, three changes are proposed as stated below:

- (1) Future LTIP awards granted will have a five year release period.
- (2) Pension provision for any future Director appointments will be limited to that offered to the majority of the workforce.
- (3) Directors should hold their shareholdings for a period of two years post-employment.

Once the 2019 Directors' Remuneration Policy commences, all payments by the Company to the Directors and any former Directors must be made in accordance with the policy (unless a payment has been separately approved by a shareholder resolution).

If the Company wishes to change the 2019 Directors' Remuneration Policy, it will need to put the revised policy to a vote again before it can implement the new policy.

If the 2019 Directors' Remuneration Policy is not approved, the Company will, if and to the extent permitted by the Act, continue to make payments to Directors in accordance with existing arrangements and will seek shareholder approval for a revised policy as soon as is practicable.

Resolutions 4 and 5 – Re-appointment of the auditors and authority for the Directors to determine their remuneration

The Company must appoint auditors at each general meeting at which accounts are presented to shareholders to hold office until the conclusion of the next such meeting. Resolution 4 seeks shareholder approval to re-appoint BDO LLP as the Company's auditors. In accordance with normal practice, Resolution 5 seeks authority for the Directors to determine the auditors' remuneration.

Resolution 6 – Approval of dividend policy

The Company currently pays four dividends per annum and to date these have been approved as “interim” dividends. The alternative to this would be to declare three interim dividends with the final dividend being proposed as a “final” dividend. A final dividend however would require shareholder approval which would delay the payment. To avoid this potential delay, the Company will propose a dividend policy, annually, that enables the Company to pay all of its dividends as “interim” dividends and for the last dividend not to be categorised as a “final” dividend that is subject to shareholder approval.

Resolutions 7, 8, 9, 10, 11 and 12 – Reappointment of Directors

Directors who are appointed to the Board are required to be elected by shareholders at the next AGM following the date of their appointment. Mark Pain and Alice Avis were both appointed by the Board since the date of the last annual general meeting and will therefore be proposed for election at the AGM.

In line with best practice, the Directors have adopted a policy of annual reappointment for all Directors at the AGM. Consequently, Tim Attlee, Lynne Fennah, Jim Prower and Stuart Beevor will each stand for reappointment at the AGM.

As noted on the Chairman’s statement on page 11 of the Annual Report, Stephen Alston will retire from the Board on 29 March 2019 and therefore will not be seeking reappointment at the AGM.

Biographies for all of the Directors are set out on pages 34 and 35 of the Annual Report. The Board is satisfied that each of the Directors standing for election or re-election continues to perform effectively and demonstrates commitment to their respective role.

Resolution 13 – Authority to allot shares (up to a maximum of one-third of the Company’s issued share capital)

This Resolution would give the Directors the authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount equal to £2,009,626 (representing 200,962,580 ordinary shares of 1 penny each). This amount represents approximately one-third of the issued ordinary share capital of the Company as at 27 March 2019 (being the latest practicable date prior to publication of this document).

The authority sought under this Resolution will expire at the earlier of 15 months from the AGM and the conclusion of the annual general meeting of the Company held in 2020.

The Directors have no present intention to exercise the authority sought under this Resolution, except that they intend to satisfy options and awards under the Company’s option and incentive schemes. The Board wishes to ensure that the Company has maximum flexibility in managing the Company’s capital resources.

As at the date of this document, no ordinary shares are held by the Company in treasury and so the references to the Company’s share capital above do not include any treasury shares.

Resolutions 14 and 15 – Disapplication of pre-emption rights

Resolutions 14 and 15 give the Board authority to allot shares for cash without first offering them to existing shareholders in proportion to their existing holdings.

The powers under Resolutions 14 and 15 would be, similar to previous years, limited to, (a) allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those shares or as the Board otherwise considers necessary, or (b) otherwise up to a nominal amount of £301,444. This nominal amount represents approximately 5 per cent. of the issued ordinary share capital as at 27 March 2019 (being the latest practicable date prior to publication of this document).

In respect of the authorities under Resolutions 14 and 15, the Board confirms its intention to follow the provisions of the Pre-Emption Group’s Statement of Principles regarding cumulative usage of authority within a rolling three-year period where the Principles provide that usage in excess of 7.5 per cent. of issued ordinary share capital of the Company (excluding treasury shares) should not take place without prior consultation with shareholders, except in connection with an acquisition or specified capital investment as referred to below.

The powers under Resolution 14 would also be limited to allotments up to a nominal amount of £301,444 in connection with an acquisition or specified capital investment (within the meaning given in the Pre-Emption Group’s Statement of Principles). This nominal amount represents approximately 5 per cent. of the issued ordinary share capital of the Company as at 27 March 2019 (being the latest practicable date prior to publication of this document). In respect of the additional 5 per cent. authority sought under Resolution 15, the Board confirms that it will only allot shares pursuant to this authority where the acquisition or specified capital investment is announced contemporaneously with the allotment, or has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

The authorities under Resolutions 14 and 15 will expire on the earlier of 15 months from the AGM or at the conclusion of the next AGM. The Directors believe that it is appropriate to seek an additional 5 per cent. authority in Resolution 15 to give the Company additional flexibility to finance investment opportunities.

Resolution 16 – Authorisation for the Company to purchase its own shares

This Resolution renews the Company’s current authority to make limited market purchases of the Company’s shares. The authority is limited to a maximum aggregate number of 60,288,774 shares (representing 10 per cent. of the issued share capital as at 27 March 2019 (being the latest practicable date prior to publication of this document)) and sets out the minimum and maximum prices that can be paid, exclusive of expenses. The authority conferred by this Resolution will expire at the conclusion of the Company’s next AGM or 15 months from the passing of the Resolution, whichever is the earlier. Any purchases of shares would be made by means of market purchase through the London Stock Exchange. In accordance with standard practice it is the current intention of the Board to seek to renew this authority on an annual basis.

The Directors intend exercising the authority to purchase shares only if, in their opinion, the expected effect would be to result in an increase in net asset value per share and would benefit shareholders generally. Any shares purchased by the Company under this authority may be cancelled or held in treasury in accordance with the Act at the option of the Board.

As at 27 March 2019 (being the latest practicable date prior to the publication of this document), the total number of shares under option that were outstanding under all of the Company's share option plans was 1,051,708 representing 0.2 per cent. of the Company's issued share capital at that date. This number of outstanding shares under option could potentially represent 0.2 per cent. of the issued share capital of the Company if the Company were to purchase its own shares to the fullest possible extent of its authority from shareholders (both existing and being sought).

Resolution 17 – General meeting notice period

The Act provides that the notice period required for general meetings of the Company must be at least 21 clear days' unless shareholders approve a shorter notice period, which cannot be less than 14 clear days (annual general meetings will continue to be held on at least 21 clear days' notice). This resolution seeks shareholder approval to hold general meetings after giving notice of 14 or more clear days. The approval will be effective until the next AGM, when it is intended that a similar resolution will be proposed.

The Act provides that, in order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting.

Resolution 18 – Approval of cancellation of Share Premium Account

Background to the Share Premium Account

When a company issues shares at a premium (whether for cash or otherwise) to the nominal value of those shares, the company is required to record a sum equal to the value of the premium in an account called the share premium account. The Act imposes restrictions on the use of the share premium account (for example reserves held in the share premium account cannot be treated as distributable reserves and cannot be used by a company to declare dividends or to purchase its own shares). The amount standing to the credit of the Share Premium Account is treated as part of the capital of the Company.

The Company's Share Premium Account as at 31 December 2018 was £467,268,000 and there has been no change to it since that date.

Proposal to cancel the Share Premium Account

A public company may only reduce or cancel its share premium account by a special resolution of its shareholders followed by an order of the Court confirming the reduction or cancellation. The capital that is released following this process is treated as a realised profit, unless the Court orders otherwise or the company has undertaken that it will not treat the reserve arising as a realised profit.

Any such realised profit will be available to the company for the purposes of declaring a dividend or making any other distribution. These distributable reserves must first be applied to satisfy any accumulated deficit on the company's profit and loss account.

The cancellation (if approved by the shareholders and the Court) is intended to create additional distributable reserves which will allow the Directors greater flexibility to declare future dividends or for any other permitted purpose.

On completion of the cancellation, the Share Premium Account will be reduced to nil. The Company did not have an accumulated deficit on its profit and loss account at 31 December 2018 and there has been no change up to the date of this document. Accordingly, it is expected that the sum of £467,268,000 will be added to the distributable reserves of the Company as a result of the cancellation.

There will be no change in the number of ordinary shares as a consequence of the cancellation and no change in their nominal value.

Cancellation process

The cancellation is subject to and conditional on: (a) the approval of the shareholders at the AGM; (b) confirmation by the Court; and (c) the order of the Court and the statement of capital approved by the Court being registered by the Registrar of Companies. If, for any reason, the Court declines to approve the cancellation, then the cancellation will not take place.

The Directors reserve the right at any time prior to the cancellation becoming effective, and at their sole discretion, not to proceed with the proposed cancellation.

The passing of Resolution 18 approving the cancellation requires the support of not less than 75 per cent. of the votes cast at the AGM (whether in person or by proxy).

If Resolution 18 is passed, the Directors intend that an application will be made to the Court promptly after the AGM.

Resolution 19 – Transfer to Chapter 6, Commercial Company

It is proposed in Resolution 19 that shareholders should approve the transfer of the listing of the whole of the Company's issued share capital from a premium listed closed-ended investment fund under Chapter 15 of the Listing Rules to a premium listed commercial company under Chapter 6 of the Listing Rules. A special resolution is required under Listing Rule 5.4A.4 to approve this change. Shareholders should note that the transfer will only change the listing category of the Company and will not affect its status as either a premium listed company or a UK REIT.

Background

The Board has undertaken an appraisal of the Company's listing category under the Listing Rules, including the way in which the Company's internal operational and management structure has developed since its IPO in 2014 and has concluded that it is better suited to being classified as a commercial company listed under Chapter 6 than a closed-ended investment fund listed under Chapter 15. Companies listed under Chapter 6 are not required to have investment policies and therefore the transition will result in the removal of the Company's current investment policy as summarised on page 24 of the Annual Report. The Company will instead pursue the business strategy set by the Board from time to time, currently as described on pages 6 to 9 of the Annual Report. The Board believes that the removal of its investment policy will not significantly change the operational or strategic focus of the Company which will continue to be in line with its existing business strategy.

The Board believes that transferring its listing category to that of a commercial company will bring a number of benefits as set out below.

Comparability

The Directors are aware that the majority of internally managed REITs are listed under Chapter 6. The Directors believe that the Company is therefore relatively unusual in respect of its Chapter 15 listing, which makes it difficult for investors to compare the Company with its internally managed competitors.

Asset and Operational Management

Since the Company's IPO in 2014, the Company's internal functions and management structure have developed and grown to become more typical of that of a commercial property company rather than a closed-ended investment fund, where most key functions are outsourced to third party service providers. The Company has the experience and capacity to undertake asset management and redevelopment activities itself. Asset management includes activities such as design, obtaining planning consents and permissions, managing any construction or refurbishment work, letting assets and the subsequent day-to-day management of these properties once they are leased.

In February 2016, the Company launched its operational platform and consumer brand, Hello Student. This platform markets and manages the Company's property portfolio and many of the services that were previously delivered through outsourcing arrangements have now been brought in-house. With effect from the start of the 2018/19 academic year, all of the Company's direct-let properties are let and maintained under the Hello Student brand. Facilities management services for one-third of the Company's assets were undertaken in-house at the start of the 2018/19 academic year and the Company expects that all facilities management services will be undertaken in-house from 1 April 2019. Furthermore the Company has brought the administration of utilities in-house with effect from 1 July 2018 and launched an internally managed website in late 2017 to facilitate bookings.

The Board believes that there are many benefits to bringing functions such as facilities management in-house. The Company can improve the quality of its service by managing faster repairs, improving preventative maintenance and selecting its owned suppliers. In addition, the Company can reduce its costs significantly with no need to pay a third-party service provider marginal VAT which the Company is unable to reclaim. A less tangible but equally important benefit is that the Company will have one unified team with consistent goals, values and culture for the first time. This is a major change and will ultimately make the Company's business much easier to manage.

In a continuation of this internalisation of key functions, the Company is planning to integrate revenue management capability into its enterprise resource planning platform, so that this can be managed in-house. At the moment, a third-party provider collects rent and manages bank accounts for each property. The Company will start a pilot in the fourth quarter of 2019 and assuming that this is successful the Company will roll out internal revenue management across its entire portfolio in 2020 for the academic year 2021–2022. Bringing this finance capability in-house should provide greater visibility of our data, improving the quality and timeliness of management information.

The Company has historically outsourced certain IT and HR support functions and these are both being brought in-house. The Company has recently made management changes with the appointment of a Head of IT and Head of HR. Internalisation of the Company's IT platform should reduce cost and improve efficiency.

As at 31 December 2018, the Company and its group had 248 directly employed employees across a range of head-office and local property functions.

Reduce Regulatory Compliance Costs

As the Company's business and structure has developed, in light of the FCA's PERG guidance, the Company has evolved to look less like an alternative investment fund (AIF) and more like a commercial company with internal executive management, and, as an internally managed REIT, the Company is unusual in having a Chapter 15 listing. The Directors believe the Company should no longer operate as an AIF and will cease to be identified as an AIF when the change of listing category becomes effective. As a commercial company, rather than a closed-ended investment fund with a defined investment policy, the Company would not need to comply with the Alternative Investment Fund Managers Directive 2011/61/EU (the "AIFMD"). Requirements of the AIFMD include formal segregation of risk management from portfolio management, increased disclosure obligations on the Company, ensuring that the Company has an appropriately authorised institution acting as its "depository" and obligations to maintain regulatory capital and certain insurance policies. The Company would also no longer need to be authorised by the FCA as its own alternative investment fund manager (AIFM). In addition, the Company would no longer be required under the Packaged Retail and Insurance-based Investment Products Regulation (PRIIPs) to prepare a key information document (KID). The removal of these requirements would be likely to result in a material reduction in the Company's regulatory and compliance costs. In parallel with the process of moving its listing to Chapter 6, the Company will apply to the FCA for the cancellation of its current FCA authorisation.

Impact of a Chapter 6 Listing

A key impact for shareholders of a change to a Chapter 6 listing is that under Chapter 15, a closed ended investment fund must invest and manage its assets in accordance with its investment policy and seek shareholder approval to any material alterations to that policy. Under Chapter 6, a company's business strategy is set by its board of directors. Under Chapter 15, an investment fund must manage its assets in a way that is consistent with spreading investment risk and is also subject to certain investment restrictions. As a company listed under Chapter 6, the Company will no longer be subject to these requirements. However, the Board intends to continue to be mindful of all forms of concentration risk when balancing and adjusting the Company's portfolio.

A Chapter 15 company may enter into any transaction, whatever the size, that is permitted under its investment policy, whereas under a Chapter 6 listing, the Company will be subject to the class tests set out in Chapter 10 of the Listing Rules which require that the Company make certain announcements to shareholders and, in the case of larger transactions, obtain shareholder approval before entering into such transactions. The Company will therefore have to seek shareholder approval if it intends to proceed with a transaction that results in any of the class tests delivering a result of 25 per cent. or more whether or not this transaction falls within its business strategy. The class tests relevant for the Company are the Gross Assets test (which looks at the proportion that the acquisition or disposal comprises of the gross assets of the Company), the Rent test (which looks at the proportion of the net annual rent of the asset being acquired or disposed of makes up of the total net annual rent received by the Company), the Gross Capital test (which looks at the proportion that the gross capital of the asset comprises of the gross capital of the Company) and the Share Capital dilution test (where any of the consideration is shares of the Company, the proportion that those shares makes up of the Company's equity shares).

In compliance with the eligibility requirements of Chapter 6, the Company has published historical financial information covering the last three years and has had a revenue earning track record for this period. In addition, the Company carries on an independent business and exercises operational control over its business. Finally, the Company has no shares under option which are not rights under employee share schemes.

Under a Chapter 6 listing, the Company will become subject to the "controlling shareholder" regime under the Listing Rules. Although the Board has no expectation that the "controlling shareholder" regime will have practical relevance for the Company it could apply at some point in the future.

The Company already has systems and controls in place to enable it to comply with all of its Listing Rules obligations under Chapter 6. The transfer of listing category will not affect the Company's status as a premium listed company.

Expected timetable for transfer of the Company's listing category

The Company proposes to remove its investment policy and transfer the listing category of the whole of its issued share capital to Chapter 15 with effect from 3 June 2019.

Documents incorporated by reference

The following document, which has been sent to Shareholders (and can be downloaded from the Company's website at www.empiric.co.uk), contains information which is relevant to the proposed transfer to Chapter 6.

<i>Document</i>	<i>Section</i>	<i>Page number</i>
Annual Report for the financial year ended 31 December 2018	Our Business Model	6 to 9
	Implementing our Investment Policy	24

Recommendation

The Board considers that all the Resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. The Board therefore recommends that you vote in favour of the Resolutions and Board members intend to do so in respect of their own beneficial holdings.

Yours sincerely



Mark Pain

Chairman

Empiric Student Property plc
Notice of Annual General Meeting

Notice is hereby given that the 2019 Annual General Meeting ("**AGM**") of Empiric Student Property plc ("**ESP**" or the "**Company**") will be held at the offices of Maitland/AMO, 3 Pancras Square, London, N1C 4AG on 2 May 2019 at 9.00 a.m. for the purposes of considering and, if thought fit, passing the Resolutions below. Resolutions 1 to 13 (inclusive) are proposed as Ordinary Resolutions and Resolutions 14 to 19 (inclusive) are proposed as Special Resolutions.

Ordinary business

1. To receive the Company's Annual Report and Accounts for the financial period ended 31 December 2018 (the "**Annual Report**"), which include the Directors' Report and the Auditors' Report.
2. To approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy on pages 48 to 55 of the Annual Report) for the financial period ended 31 December 2018 together with the Auditors' Report on that part of the Directors' Remuneration Report which is required to be audited for the year ended 31 December 2018.
3. To approve the Directors' Remuneration Policy, the full text of which is contained in the Directors' Remuneration Report for the year ended 31 December 2018, as set out on pages 48 to 55 of the Annual Report.
4. To re-appoint BDO LLP as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting of the Company at which the annual report and accounts are laid.
5. To authorise the Directors to determine the remuneration of the auditors.
6. To authorise the Directors 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.
7. To elect Mark Pain as a Director of the Company who, having been appointed as a Director by the Board since the last annual general meeting, would in accordance with the Company's Articles of Association vacate office at the conclusion of this meeting unless re-elected by the shareholders.
8. To elect Alice Avis as a Director of the Company who, having been appointed as a Director by the Board since the last annual general meeting, would in accordance with the Company's Articles of Association vacate office at the conclusion of this meeting unless re-elected by the shareholders.
9. To re-elect Timothy Attlee as a Director of the Company who retires by rotation, and who would in accordance with the Company's Articles of Association vacate office at the conclusion of this meeting unless re-elected by the shareholders.
10. To re-elect Lynne Fennah as a Director of the Company who retires by rotation, and who would in accordance with the Company's Articles of Association vacate office at the conclusion of this meeting unless re-elected by the shareholders.
11. To re-elect Jim Prower as a Director of the Company who retires by rotation, and who would in accordance with the Company's Articles of Association vacate office at the conclusion of this meeting unless re-elected by the shareholders.
12. To re-elect Stuart Beevor as a Director of the Company who retires by rotation, and who would in accordance with the Company's Articles of Association vacate office at the conclusion of this meeting unless re-elected by the shareholders.
13. **THAT:**
 - 13.1 the Directors of the Company be generally and unconditionally authorised under section 551 of the Companies Act 2006 (the "**Act**") to exercise all the powers of the Company to allot ordinary shares of £0.01 in the Company ("**shares**") or grant rights to subscribe for, or to convert any security into, shares in the Company ("**Rights**"):
 - 13.1.1 up to an aggregate nominal amount of £2,009,626; and
 - 13.1.2 allot equity securities (as defined in section 560(1) of the Act), up to a further aggregate nominal amount of £4,019,252 in connection with an offer by way of a rights issue to:
 - 13.1.2.1 ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - 13.1.2.2 holders of other equity securities, if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities,but subject to such exclusions and other arrangements as the Directors may consider necessary or appropriate in relation to fractional entitlements, record dates, treasury shares or any legal, regulatory or practical problems under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter; and
 - 13.2 such authority shall expire (unless previously revoked by the Company) on the earlier of 15 months from the date of the AGM at which this Resolution is passed and the conclusion of the next annual general meeting of the Company and in each case the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted after the authority has expired and the Directors may allot shares or grant Rights in pursuance of any such offer or agreement notwithstanding that this authority has expired and this authority replaces all previous authorities.

Special business

- 14. THAT** subject to the passing of Resolution 13 the Directors shall have the power to allot equity securities (pursuant to sections 570 and 573 of the Act) for cash under the authority conferred by Resolution 13 and/or sell treasury shares as if section 561(1) of the Act did not apply to any such allotment or sale provided that this power shall be limited to:
- 14.1 the allotment of equity securities and sale of treasury shares in connection with an offer or issue of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph 13.1.2 of Resolution 13, by way of a rights issue only) to or in favour of:
 - 14.1.1 ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - 14.1.2 holders of other equity securities, if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities, but subject to such exclusions and other arrangements as the Directors may consider necessary or appropriate in relation to fractional entitlements, record dates, treasury shares or any legal, regulatory or practical problems under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter; and
 - 14.1.3 the allotment of equity securities or sale of treasury shares (otherwise than under paragraph 14.1.1 of this Resolution) up to an aggregate nominal amount of £301,444,
- such authority shall expire (unless previously revoked by the Company) on the earlier of 15 months from the date of the AGM at which this Resolution is passed and the conclusion of the next annual general meeting of the Company and in each case the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted after the authority has expired and the Directors may allot shares or grant Rights in pursuance of any such offer or agreement notwithstanding that this authority has expired.
- 15. THAT** subject to the passing of Resolution 13 the Directors shall have the power to allot equity securities (pursuant to sections 570 and 573 of the Act) for cash under the authority conferred by Resolution 13 and/or sell treasury shares as if section 561(1) of the Act did not apply to any such allotment or sale provided that this power shall be limited to:
- 15.1 the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £301,444; and
 - 15.2 used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,
- such authority shall expire (unless previously revoked by the Company) on the earlier of 15 months from the date of the AGM at which this Resolution is passed and the conclusion of the next annual general meeting of the Company and in each case the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted after the authority has expired and the Directors may allot shares or grant Rights in pursuance of any such offer or agreement notwithstanding that this authority has expired.
- 16. THAT** the Company be, and it is hereby, generally and unconditionally authorised for the purpose of sections 693 and 701 of the Act to make one or more market purchases (within the meaning of section 693(4) of the Act) of shares upon such terms and in such manner as the Directors shall determine, provided that:
- 16.1 the maximum aggregate number of shares authorised to be purchased is 60,288,774;
 - 16.2 the minimum price which may be paid for such shares is £0.01 per share (exclusive of expenses);
 - 16.3 the maximum price (exclusive of expenses) which may be paid for a share cannot be more than an amount equal to the higher of:
 - 16.3.1 105 per cent of the average of the closing middle market price for a share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased; and
 - 16.3.2 the higher of the price of the last independent trade of a share and the highest current independent bid for a share on the London Stock Exchange at the time the purchase is carried out;
 - 16.4 unless previously renewed, varied or revoked, the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company or 15 months from the date of the AGM at which this Resolution is passed, whichever is the earlier; and
 - 16.5 the Company may make a contract or contracts to purchase shares under this authority prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of shares in pursuance of any such contract or contracts.
- 17. THAT** a general meeting of the Company other than an annual general meeting may be called on not less than 14 clear days' notice.
- 18. THAT** the amount standing to the credit of the share premium account of the Company as at the date this Resolution is passed be cancelled.

19. **THAT** in accordance with Listing Rule 5.4A.4, the Company is authorised to transfer its category of listing on the Official List of the United Kingdom Listing Authority and on the main market of London Stock Exchange plc in respect of the whole of its issued share capital from a premium listing under Chapter 15 (investment company) to a premium listing under Chapter 6 (commercial company) of the FCA's Listing Rules on the Official List maintained by the FCA, and to remove its current investment policy and instead pursue the business strategy set out in the Annual Report, and the Directors be and are hereby authorised to do and/or procure to be done all such acts or things as they may consider necessary or desirable in connection therewith.

By order of the Board

FIM Capital Limited
Company Secretary
28 March 2019

Registered Address:
25 Bedford Square
London WC1B 3HH

Notes:

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

- (i) Only shareholders on the Register of Members (the "**Register**") at 6.00 p.m. on 30 April 2019 (or, in the event of any adjournment, the date which is two days before the time of the adjourned meeting) are entitled to attend and/or vote at the AGM. Such shareholders can vote in respect of the number of shares registered in their names at that time, but any subsequent changes to the Register shall be disregarded in determining rights to attend and vote.
- (ii) Shareholders have the right to attend, speak and vote at the AGM and will be asked to sign an attendance sheet on arrival at the meeting.
- (iii) A member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to exercise all or any of the rights of the member to attend and speak and vote in his place. A proxy need not be a member of the Company. If a member appoints more than one proxy to attend the AGM, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member.
- (iv) To appoint a proxy you may use the Form of Proxy enclosed with this Notice of AGM. To be valid, the Form of Proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be completed and returned in accordance with the instructions printed thereon to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY, or delivered by hand during office hours only to the same address to be received as soon as possible and in any event by not later than 9.00 a.m. on 30 April 2019. Alternatively, you can vote or appoint a proxy electronically by visiting www.investorcentre.co.uk/eproxy. You will be asked to enter the Control Number, the Shareholder Reference Number and PIN which are printed on the Form of Proxy. The latest time for the submission of proxy votes electronically is 9.00 a.m. on 30 April 2019.
- (v) Completion of the Form of Proxy will not prevent you from attending and voting in person. If you have appointed a proxy and attend the AGM in person, your proxy appointment will automatically be terminated.
- (vi) Any person receiving a copy of this Notice of AGM as a person nominated by a member to enjoy information rights under section 146 of the Act (a "**Nominated Person**") should note that the provisions in Notes (i) to (iii) above concerning the appointment of a proxy or proxies to attend the AGM in place of a member, do not apply to a Nominated Person as only shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights at the AGM.
- (vii) Nominated Persons should also remember that their main point of contact in terms of their investment in the Company remains the member who nominated the Nominated Person to enjoy information rights (or perhaps the custodian or broker who administers the investment on their behalf). Nominated Persons should continue to contact that member, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interest in the Company (including any administrative matter). The only exception to this is where the Company expressly requests a response from a Nominated Person.
- (viii) Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only shareholders registered in the Register by not later than 6.00 p.m. 48 hours (excluding non-business days) prior to the time fixed for the AGM shall be entitled to attend and vote at the AGM in respect of the number of Shares registered in their name at such time. If the AGM is adjourned, the time by which a person must be entered on the Register in order to have the right to attend and vote at the adjourned AGM is 6.00 p.m. 48 hours (excluding non-business days) prior to the time of the adjournment. Changes to the Register after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the AGM.
- (ix) In the case of joint holders, the vote of the senior holder 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 of the Company in respect of the relevant joint holding.
- (x) Shareholders who hold their Shares electronically may submit their votes through CREST, by submitting the appropriate and authenticated CREST message so as to be received by the Company's registrar not later than 48 hours before the start of the meeting. Instructions on how to vote through CREST can be found by accessing the following website: www.euroclear.com/CREST. Shareholders are advised that CREST and the internet are the only methods by which completed proxies can be submitted electronically.
- (xi) If you are a CREST system user (including a CREST personal member) you can appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. 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 Computershare (ID number 3RA50) not later than 48 hours before the time appointed for holding the AGM excluding non-working days. 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 Computershare is able to retrieve the message. CREST personal members or other CREST sponsored members

- should contact their CREST sponsor for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. 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.
- (xii) Any corporation which is a member may appoint one or more corporate representative(s) who may exercise on its behalf all of its powers as a member provided that, if it is appointing more than one corporate representative, it does not do so in relation to the same shares. It is, therefore, no longer necessary to nominate a designated corporate representative. Representatives should bring to the AGM evidence of their appointment, including any authority under which it is signed.
 - (xiii) If the Chairman, as a result of any proxy appointments, is given discretion as to how the votes of those proxies are cast and the voting rights in respect of those discretionary proxies, when added to the interests in the Company's securities already held by the Chairman, result in the Chairman holding such number of voting rights that she has a notifiable obligation under the Disclosure and Transparency Rules, the Chairman will make the necessary notifications to the Company and the Financial Conduct Authority. As a result, 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 and Transparency Rules, need not make a separate notification to the Company and the Financial Conduct Authority.
 - (xiv) Any question relevant to the business of the AGM may be asked at the AGM by anyone permitted to speak at the AGM. A holder of shares may alternatively submit a question in advance by a letter addressed to the Company's registered office. Under section 319A of the Act, the Company must answer any question a shareholder asks relating to the business being dealt with at the AGM, unless, (i) answering the question would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information; (ii) the answer had already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.
 - (xv) Under section 527 of the Act, a shareholder or shareholders meeting the criteria set out in note (xvi) below, have the right to request the Company to publish on its website a statement setting out any matter that such shareholders propose to raise at the AGM relating to the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM. Where the Company is required to publish such a statement on its website: (i) it may not require the shareholder making the request to pay any expense incurred by the Company in complying with the request; (ii) it must forward the statement to the Company's auditors no later than the time the statement is made available on the Company's website; and (iii) that statement may be dealt with as part of the business of the AGM. The request: (a) may be in hard copy form or in electronic form; (b) either set out the statement in full or, if supporting a statement sent by another shareholder, clearly identify the statement which is being supported; (c) must be authenticated by the person or persons making it; and (d) be received by the Company at least one week before the AGM.
 - (xvi) In order to be able to exercise the shareholders' right to require the Company to publish audit concerns in accordance with note (xv) above, the relevant request must be made by: (i) a shareholder or shareholders having a right to vote at the AGM and holding at least 5 per cent. of total voting rights in the Company (please see note xix below in relation to total voting rights); or (ii) at least 100 shareholders having a right to vote at the AGM and holding, on average, at least £100 of paid up share capital.
 - (xvii) Where a shareholder or shareholders wishes to request the Company to publish audit concerns in accordance with note (xv) above, such request must be made by either sending: (a) a hard copy request which is signed by the relevant shareholder or shareholders, states such persons full name(s) and address(es) and sent to the Company Secretary, Swan House, 17-19 Stratford Place, London, W1C 1BQ; or (b) a request which states the shareholder or shareholders' full name and address(es), and sent by email to enquiries@fim.co.im. Please state "Empiric AGM" in the subject line of the e-mail.
 - (xviii) As at 27 March 2019 (being the last Business Day prior to the printing of this Notice of AGM) the Company's issued share capital consisted of 602,887,740 shares carrying one vote each. Therefore, the total voting rights in the Company as at 27 March 2019 are 602,887,740.
 - (xix) You may not use any electronic address provided either in this Notice of AGM or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.
 - (xx) A copy of the executive director's service agreements and the letters of appointment of the non-executive directors will be available for inspection during normal business hours at the Company's registered office and at the place of the meeting from at least 15 minutes prior to the meeting until the end of the meeting.
 - (xxi) A copy of this notice, and other information regarding the AGM which the Company is required by section 311A of the Act to publish on a website in advance of the AGM can be accessed at www.empiric.co.uk.

