

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. It contains, amongst other things, the Resolution to be voted on at an Extraordinary General Meeting of the Company to be held at 2.00 p.m. on Tuesday 3 July 2018. If you are in any doubt about the contents of this document and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser. The whole of the text of this document should be read.

If you have sold or transferred all of your Ordinary Shares in Specialist Investment Properties plc, please send this document, together with the accompanying EGM Form of Proxy, as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you have sold part only of your holding of Ordinary Shares in the Company, you should retain these documents.

The Directors, whose names appear on page 6, accept responsibility for all the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This document should be read as a whole. Your attention is drawn to the letter from the Directors of Specialist Investment Properties plc ("SIPP" or the "Company") which is set out on pages 6 to 9 (inclusive) of this document and which contains the unanimous recommendation of the Directors that you vote in favour of the Resolution to be proposed at the Extraordinary General Meeting to be held at 2.00 p.m. on 3 July 2018.

Specialist Investment Properties plc

(Incorporated in Isle of Man with registered number 111066C)

Proposals for the winding-up of the Company

and

Notice of Extraordinary General Meeting of the Company

and

Proposed alteration to the terms of the Warrants and notice of an extraordinary general meeting of the holders of the Warrants

A notice convening an Extraordinary General Meeting of the Company to be held at Martello Court, Admiral Park, St Peter Port, Guernsey, GY1 3HB on Tuesday 3 July 2018 at 2.00 p.m. is set out on page 11 of this document. An EGM Form of Proxy for use at the Extraordinary General Meeting accompanies this document. To be valid, EGM Forms of Proxy must be completed and returned so as to be received at the offices of the Company's Transfer Agent, Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA not later than 2.00 p.m. on Sunday 1 July 2018. The completion and depositing of an EGM Form of Proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting should you wish to do so. Please refer to the detailed notes contained in the Notice of Extraordinary General Meeting and the EGM Form of Proxy.

CONTENTS

	<i>Page</i>
Timetable	3
Definitions	4
Letter from the Directors	6
Notice of Extraordinary General Meeting	11
Letter to the holders of the Warrants	13
Notice of the Warrant-holders' EGM	15

EXPECTED TIMETABLE OF EVENTS

2018

Despatch of this document	Tuesday 29 May
Last date and time for receipt of Warrant-holders Forms of Proxy	2.00 p.m. on Tuesday 19 June
Warrant-holders' EGM	2.00 p.m. on Thursday 21 June
Last date and time for receipt of EGM Forms of Proxy	2.00 p.m. on Sunday 1 July
Extraordinary General Meeting of Shareholders	2.00 p.m. on Tuesday 3 July

Notes:

1. References to time in this document are to London time.
2. If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement on a Regulatory Information Service.

FORWARD-LOOKING STATEMENTS

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts and include statements regarding the Company's intentions, beliefs or current expectations.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document reflect the Company's view with respect to future events as at the date of this document and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's operations and strategy. Save as required by law, the Company has no obligation to release publicly the results of any revisions to any forward looking statements in this document that may occur due to any change in its expectations or to reflect events or circumstances after the date of this document.

DEFINITIONS

"Admission"	the admission of the Ordinary Shares to trading on AIM
"AIM"	the AIM securities market operated by the London Stock Exchange plc
"Cancellation"	the cancellation of the Company's Ordinary Shares from admission to trading on AIM, which took place on 12 October 2017
"Company" or "SIPP"	Specialist Investment Properties plc
"CREST"	the electronic settlement system established under the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) which enables title to units of relevant securities to be evidenced and transferred without a written instrument and in respect of which Euroclear UK and Ireland Limited is the operator
"Directors" or "Board"	the directors of the Company whose names are set out on page 6 of this document
"EGM Form of Proxy"	the form of proxy enclosed with this document for use by Shareholders in connection with the EGM
"Extraordinary General Meeting" or "EGM"	the Extraordinary General Meeting of the Company convened for 2.00 p.m. on 3 July 2018 and any adjournment thereof
"Group"	the Company and its subsidiaries
"Notice of Extraordinary General Meeting"	the notice of the Extraordinary General Meeting which is set out on page 11 of this document
"Ordinary Shares"	ordinary shares of 1p each in the capital of the Company
"Resolution"	the special resolution to be proposed at the EGM, details of which are set out in the Notice of Extraordinary General Meeting
"RIS"	Regulatory Information Service
"Shareholders"	the holders of Ordinary Shares and "Shareholder" means any one of them
"Warrant-holders"	the holders of the Warrants and "Warrant-holder" means any one of them
"Warrant-holders' EGM"	the extraordinary general meeting of Warrant-holders convened for 2.00 p.m. on 21 June 2018 notice of which is set out on page 15 of this document
"Warrants"	the warrants to subscribe for Ordinary Shares issued by the Company pursuant to a warrant instrument dated 24 February 2016
"Warrant-holders Form of Proxy"	the form of proxy enclosed with this document for use by

Warrant-holders in connection with the Warrant-holders' EGM

LETTER FROM THE DIRECTORS

Specialist Investment Properties plc

(Incorporated in Isle of Man with registered number 111066C)

Directors:

John Le Poidevin (Non-executive Director)
Lynn Bruce ((Non-executive Director)
Simon Clements (Non-executive Director)

Registered Office:

Burleigh Manor
Peel Road
Douglas
Isle of Man
IM1 5EP

29 May 2018

To the holders of Ordinary Shares and, for information only, to holders of options and Warrants over Ordinary Shares

Dear Shareholder,

PROPOSED WINDING UP OF THE COMPANY, APPOINTMENT OF LIQUIDATOR AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Introduction

The purpose of this letter is to inform you about the progress your Board has made to realise value and to ask for your agreement to a winding up of the Company and the appointment of a liquidator whose task will be to return the Company's surplus cash to the Shareholders.

This letter explains the rationale behind the proposed winding up of the Company and why the Directors unanimously consider the proposed winding up to be in the best interests of the Company and its Shareholders as a whole, and to seek your approval for it. The Notice of Extraordinary General Meeting is set out on page 11 of this document.

Background to the Winding Up

In its circular of 11 September 2017, the Board reported that it had concluded that, given the difficulties in raising equity funds it had experienced, the Company was not be able to reach critical mass to fully execute its strategy. It stated that, while its assets were performing well and the Group was generating a small operating profit, its current size meant that the fixed costs of running the Company, including the costs of being admitted to trading on AIM, were disproportionate to the amount of income the Company generated from its assets.

In this circular it also stated:

"Following careful consideration, the Board has now concluded that it is in the best interests of the Company and its shareholders to seek the Cancellation and once effected seek to dispose of the Company's assets and subsequently pursue an orderly winding up of the Company."

"Shareholders should be aware that following the Cancellation, the Company intends to dispose of its assets and subsequently to pursue an orderly winding up of the Group with the resultant net cash being distributed to shareholders. Based on the Directors' estimation of value of the Company's assets and the expected costs which are likely to be incurred up to and including the winding-up of the Company, the Directors expect that shareholders will receive in excess of 18p per share on the winding-up of the Company on the assumption it is completed by 31 December 2017."

On 4 October 2017 Shareholders approved the cancellation of admission of its Ordinary Shares to trading on AIM and this cancellation took place on 12 October 2017.

Disposal of Assets and Resulting Pro forma Balance Sheet

Although the disposal of assets has taken longer than expected, the results have been better than anticipated in the circular of 11 September 2017 proposing the Cancellation. We are pleased to report that the Company has now disposed of all of its properties and received cash consideration for these sales. As a consequence, the Company is now in a position to return capital to its shareholders in accordance with the proposals made when the Company delisted from trading on AIM.

On page 10 please find a pro forma balance sheet which gives an estimate of the position immediately prior to the return of capital. Please note there may be adjustments to this balance sheet to reflect the actual costs of the winding up.

Warrants

Holders of Warrants over the Company's shares which were purchased in the fundraising in February 2016 are reminded that the Warrants remain capable of being exercised. The Warrants are exercisable at a price per share of 16.5 pence. The current exercise period for the Warrants expires in February 2019. However, in light of the proposed winding up of the Company and the likely legal obstacles in connection with the issue of new shares by the Company following the commencement of its winding up, it is proposed that the exercise period for the Warrants be shortened to expire on Wednesday 27 June 2018 (being a date that is prior to the date of the Extraordinary General Meeting and, if the Resolution is passed at the EGM, the commencement of the winding up of the Company) (the "**Proposed Warrant Expiry Date**").

A separate letter from the Directors addressed to Warrant-holders regarding the proposed shortening of the exercise period, together with a Notice of Warrant-holders' EGM is set out on pages 13 and 14 of this document. Warrant-holders are reminded that they may exercise their Warrants at any time up prior to the Proposed Warrant Expiry Time (if approved at the Warrant-holders' EGM). However, any Warrant-holders who wish to exercise their voting rights at the Warrant-holders' EGM should refrain from exercising their Warrants until immediately following the Warrant-holders' EGM.

If the resolution is passed at the Warrant-holders' EGM, Warrant-holders wishing to exercise Warrants must lodge the relevant Warrant certificate(s) (or such other document as the Company may, in its discretion, accept) at the office of the Transfer Agent by not later than 5.00 p.m. on Tuesday 26 June 2018, having completed the notice of exercise attached to the Warrant certificate (or by giving such other notice of exercise as the Directors may, in their absolute discretion, accept), accompanied by the correct payment for the subscription.

The Proposed Return of Capital and Appointment of a Liquidator

The Board proposes that the Company be placed into members' voluntary winding-up and that, after payment of its liabilities and after deducting the costs of implementation, the net proceeds and other cash held by the Company on such winding-up be distributed amongst Shareholders in accordance with the provisions of the Articles.

The process to liquidate the Company commences with a meeting of the Board at which the Directors make a statutory declaration (the "**Statutory Declaration**") that they have made a full inquiry into the affairs of the Company and that, in their opinion, the Company will be able to pay its debts in full within a

period not exceeding 12 months from the commencement of the Company's winding up. The Board meeting has now been held and the signed Statutory Declaration has been filed with the Isle of Man Registrar of Companies.

The Extraordinary General Meeting of the Company is then held in order to pass a special resolution to approve, amongst other things, the voluntary winding up of the Company and the appointment of a liquidator. The voluntary winding up is deemed to commence at the time of the passing of the Resolution. The Company will then cease to carry on its business (except as required for the winding up), but will retain its corporate state and powers until dissolution. Within 7 days of the Resolution being passed, the Resolution shall be advertised in two newspapers circulating in the Isle of Man.

Following the settlement of the Company's outstanding liabilities the liquidator will distribute the Company's surplus cash to Shareholders pro rata to their shareholdings. A final general meeting will then be convened by the liquidator (on at least one month's notice which must be advertised in two newspapers circulating in the Isle of Man) at which the liquidator will give his account of how the winding up was conducted. Following the final meeting, a copy of account will be filed and a return made of the meeting by the liquidator with the Isle of Man Registrar of Companies. Three months thereafter the Company will be deemed to be dissolved (assuming that all surplus funds have been distributed and the dissolution has not been challenged).

It is proposed that Andrew Paul Shimmin of Shimmin Wilson & Co, 13-15 Hope Street, Douglas, Isle of Man, IM1 1AQ be appointed liquidator of the Company (the "**Liquidator**"). The winding-up of the Company will be a solvent winding-up in which it is intended that all creditors will be paid in full. The appointment of the Liquidator becomes effective immediately upon the passing of the Resolution at the Extraordinary General Meeting. At this point, the powers of the Directors will cease and the Liquidator will assume responsibility for the winding-up of the Company, including the payment of fees, costs and expenses, the discharging of the liabilities of the Company and the distribution of its surplus assets to Shareholders.

Taxation

The information in this Circular relates to UK taxation applicable to the Company and its Shareholders and is based on current legislation and what is understood to be current HMRC practice. The statements below relate to persons who are absolute beneficial owners of the Shares and may not apply to certain classes of persons, such as dealers in securities. Such statements are given by way of general summary only and do not constitute legal or tax advice to any Shareholder. Shareholders who are in any doubt as to any applicable taxation consequences to them of the winding-up should seek advice from a qualified independent financial adviser or tax specialist.

The Company intends to distribute its cash to Shareholders by way of a Return of Capital. The Company believes that such a distribution is treated by HMRC as a receipt of capital for the purposes of UK taxation. As such it would be a disposal of a capital asset and hence subject to UK capital gains tax in the hands of a UK resident individual. It would not legally constitute or fall to be treated as either a dividend or an income distribution.

As s402 ITTOIA 2005 provides that UK resident individuals who hold shares in a non-UK resident company are only subject to income tax on dividends from that company, then the receipt should not be subject to UK income tax in the hands of the UK resident individual shareholders. This is contrast to c383 ITTOIA 2005 which looks at the position for UK resident individuals who hold shares in a UK resident company and are subject to UK income tax on dividends and distributions generally from that company.

Action to be taken by Shareholders

An EGM Form of Proxy for use by Shareholders in connection with the Extraordinary General Meeting accompanies this document. Whether or not you intend to be present at the Extraordinary General Meeting, you are requested to complete and sign the EGM Form of Proxy and return it to the Company's

Transfer Agent, Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA so as to be received no later than 48 hours before the Extraordinary General Meeting.

Unless the EGM Form of Proxy is received by the date and time mentioned in the instructions, it will be invalid. The completion and return of the EGM Form of Proxy will not prevent you from attending the Extraordinary General Meeting and voting in person, if you so wish.

Recommendation to Shareholders

The Directors consider the Resolution to be in the best interests of the Company and its Shareholders as a whole. The Directors therefore unanimously recommend Shareholders to vote in favour of the Resolution at the Extraordinary General Meeting.

Yours faithfully

John Le Poidevin (Non-executive Director)

Lynn Bruce (Non-executive Director)

Simon Clements (Non-executive Director)

Pro forma balance sheet immediately prior to the return of capital

	2018
	£'000
Current assets	
Cash and cash equivalents	3,623
Net Assets	3,623
Equity	
Capital and Reserves	
Share capital	2,635
Share premium	13,493
Retained earnings	(12,505)
Total equity	3,623
Net Asset Value per share*	21.4p

*Assumes all outstanding Warrants are exercised.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Specialist Investment Properties plc (the "Company")

NOTICE is hereby given that an Extraordinary General Meeting of Specialist Investment Properties plc (the "Company") will be held at Martello Court, Admiral Park, St Peter Port, Guernsey, GY1 3HB on Tuesday 3 July 2018 at 2.00 p.m. for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution:

SPECIAL RESOLUTION

THAT:

- (a) the Company be wound up voluntarily;
- (b) Andrew Paul Shimmin of Shimmin Wilson & Co, 13-15 Hope Street, Douglas, Isle of Man, IM1 1AQ be and is hereby appointed as liquidator (the "**Liquidator**") for the purposes of winding up the Company's affairs;
- (c) the remuneration of the Liquidator be calculated by reference to the time properly given by the Liquidator and his staff in attending to matters arising in the winding-up and the Liquidator be and is hereby authorised to draw such remuneration monthly or at such longer intervals as he determines; and
- (d) the Company's records and books be held to the order of the Liquidator until the expiry of 24 months after the date of dissolution of the Company.

By order of the Board

Peregrine Secretarial Services Limited
Company Secretary

Registered office:
Burleigh Manor
Peel Road
Douglas
Isle of Man,
IM1 5EP

Dated: 29 May 2018

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. On a poll demanded, all of a member's voting rights may be exercised by one or more duly appointed proxies. Any such member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such member. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy you may photocopy the Proxy Form (as defined below). Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and returned in the same envelope. A proxy need not be a member of the Company. Appointing a proxy will not prevent a member from attending in person and voting at the meeting. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman of the meeting) and give your instructions directly to them. A proxy must vote in accordance with any instructions given by the appointing member.

2. A form of appointment of proxy is enclosed (the "Proxy Form"). To appoint a proxy using the Proxy Form, the form must be completed and signed, sent or delivered to Neville Registrars at Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA. In the case of a member which is a company, the Proxy Form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney of the company. If you return more than one Proxy Form, that received last by the Transfer Agent before the latest time for the receipt of proxies will take precedence.

3. The Proxy Form includes a vote withheld option. Please note that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of the votes for and against any particular resolution to be proposed at the meeting.

4. The Proxy Form and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated should be deposited with the Company's Transfer Agent at the address shown on the Proxy Form not later than 2.00 p.m. on Sunday 1 July 2018 or 48 hours before the time for holding any adjourned meeting or (in the case of a poll not taken on the same day as the meeting) adjourned meeting for the taking of the poll at which it is to be used.

5. In the case of joint holders of shares, where more than one of the joint holders purports to appoint a proxy, only the Proxy Form submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).

6. The Company, pursuant to Regulation 22 of the Uncertificated Securities Regulations 2005 (Isle of Man), specifies that only those members registered in the register of members of the Company as at 2.00 p.m. on Sunday 1 July 2018 (or in the event that the meeting is adjourned, on the register of members of the Company 48 hours before the time of any adjournment meeting) shall be entitled to attend or vote at the meeting in respect of the ordinary shares registered in their name at that time. Changes to entries on the register of members of the Company after 2.00 p.m. on Sunday 1 July 2018 (or, in the event that the meeting is adjourned, on the register of members of the Company less than 48 hours before the time of any adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the meeting.

7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Extraordinary General Meeting and any adjournment thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment, or instruction, made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ("EUI") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 7RA11) by the latest time(s) for receipt of proxy appointments specified in the Notice of Extraordinary General Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 18(4) of the Uncertificated Securities Regulations 2005 of the Isle of Man. CREST members and where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy instructions. It is therefore the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

LETTER FROM THE DIRECTORS

Specialist Investment Properties plc
(Incorporated in Isle of Man with registered number 111066C)

Directors:

John Le Poidevin (Non-executive Director)
Lynn Bruce ((Non-executive Director)
Simon Clements (Non-executive Director)

Registered Office:

Burleigh Manor
Peel Road
Douglas
Isle of Man
IM1 5EP

29 May 2018

To the holders of Warrants over Ordinary Shares and, for information only, to holders of Ordinary Shares

Dear Warrant-holder,

PROPOSED ALTERATION OF THE TERMS OF THE WARRANTS AND NOTICE OF EXTRAORDINARY GENERAL MEETING OF WARRANT-HOLDERS

Introduction

The purpose of this letter is to inform you about the progress your Board has made to realise value and to ask for your agreement to a shortening of the exercise period for your Warrants. The reason for this proposal is to enable a liquidator of the Company to maximise the Company's cash which can be returned to the Shareholders and for this return of capital to occur much sooner.

The background to the proposed return of capital and appointment of a liquidator is set out in the attached letter from the directors of the Company to Shareholders. This letter explains the rationale behind the proposed shortening of the term of the Warrants and why the Directors unanimously consider the proposed shortening to be in the best interests of the Warrant-holders as a whole, and to seek your approval for it. The notice of extraordinary general meeting of warrant-holders (the "**Warrant-Holders' EGM**") is set out at the end of this document.

Altering the Term of the Warrants

When you subscribed for Ordinary Shares in the placing and open offer made by the Company in February 2016, you were issued Warrants. These Warrants were issued with a three year term expiring in February 2019. For every three Ordinary Shares subscribed for, you received one Warrant exercisable at 16.5 pence per Ordinary Share.

If the Resolution to be proposed at the Extraordinary General Meeting of the Company is passed, the Company will be wound up and, after discharging all residual liabilities, the surplus cash of the Company will be returned to Shareholders. The swifter this is done, the less the cost of running the Company in the meantime and the more which can be returned. Although the current exercise period of the Warrants extends to February 2019, the Directors understand that once the winding up of the Company has commenced there may be legal obstacles to the allotment of further shares by the Company and it is therefore unlikely that any further Warrants will be able to be exercised.

The Directors therefore believe that it is in the interests of the Warrant-holders as well as the Shareholders that the terms of the Warrants be altered to shorten the exercise period. It is proposed that the exercise period for the Warrants be shortened to expire on Wednesday 27 June 2018 (the "**Proposed Warrant Expiry Date**"), prior to the Extraordinary General Meeting of the Company which will be held to consider and, if thought appropriate, approve the winding up of the Company.

Given that the Company only holds cash and its net assets are therefore unlikely to appreciate from this point, there will be no disadvantage to any Warrant-holders who wish to exercise their Warrants in doing between the date of this document and the Proposed Warrant Expiry Time. However, any Warrant-holders who wish to exercise their voting rights at the Warrant-holders' EGM should refrain from exercising their Warrants until immediately following the Warrant-holders' EGM.

The warrant instrument constituting the Warrants provides that the rights attached to the Warrants may be altered with the sanction of an extraordinary resolution of the Warrant-holders with the consent of at least three quarters of those voting by poll or on a show of hands. This letter proposes such a meeting and seeks your approval to the proposal.

Action to be taken by warrant-holders

A notice convening a Warrant-holders' EGM to be held at Martello Court, Admiral Park, St Peter Port, Guernsey, GY1 3HB on Thursday 21 June 2018 at 2.00 p.m. is set out on page 15 of this document. A Warrant-holders Form of Proxy for use by Warrant-holders in connection with the Warrant-holders' EGM accompanies this document. Whether or not you intend to be present at the Warrant-holders' EGM, you are requested to complete and sign the Warrant-holders' Form of Proxy and return it to the Company's Transfer Agent, Neville Registrars at Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA so as to be received no later than 48 hours before the Warrant-holders' EGM.

Unless the Warrant-holders' Form of Proxy is received by the date and time mentioned in the instructions, it will be invalid. The completion and return of the Warrant-holders' Form of Proxy will not prevent you from attending the Warrant-holders' EGM and voting in person, if you so wish.

Warrant-holders are reminded that they may exercise their Warrants at any time up prior to the Proposed Warrant Expiry Time (if approved at the Warrant-holders' EGM). However, any Warrant-holders who wish to exercise their voting rights at the Warrant-holders' EGM should refrain from exercising their Warrants until immediately following the Warrant-holders' EGM.

If the resolution is passed at the Warrant-holders' EGM, Warrant-holders wishing to exercise Warrants must lodge the relevant Warrant certificate(s) (or such other document as the Company may, in its discretion, accept) at the office of the Transfer Agent by not later than 5.00 p.m. on Tuesday 26 June 2018, having completed the notice of exercise attached to the Warrant certificate (or by giving such other notice of exercise as the Directors may, in their absolute discretion, accept), accompanied by the correct payment for the subscription.

Recommendation to warrant-holders

The Directors consider the resolution set out in the notice of the Warrant-holders' EGM set out at the end of this document to be in the best interests of the Warrant-holders as a whole. The Directors therefore unanimously recommend Warrant-holders to vote in favour of the resolution at the Warrant-holders' EGM.

Yours faithfully

John Le Poidevin (Non-executive Director)
Lynn Bruce (Non-executive Director)
Simon Clements (Non-executive Director)

NOTICE OF EXTRAORDINARY GENERAL MEETING OF HOLDERS OF WARRANTS

Specialist Investment Properties plc (the "Company")

NOTICE is hereby given that an Extraordinary General Meeting of the holders of warrants to subscribe for ordinary shares of £0.01 each in the capital of the Company constituted pursuant to a warrant instrument dated 24 February 2016 (the "**Warrant Instrument**") will be held at Martello Court, Admiral Park, St Peter Port, Guernsey, GY1 3HB on Thursday 21 June 2018 at 2.00 p.m. for the purpose of considering and, if thought fit, passing the following resolution:

EXTRAORDINARY RESOLUTION

- 1 That the Warrant Instrument shall be altered by deleting the present definition of "Final Subscription Date" set out in paragraph 1.1 of Appendix 1 (Conditions) to the Warrant Instrument and substituting the following new definition therefor:

"Final Subscription Date" Wednesday 27 June 2018;

By order of the Board

Peregrine Secretarial Services Limited
Company Secretary

Registered office:
Burleigh Manor
Peel Road
Douglas
Isle of Man,
IM1 5EP

Dated: 29 May 2018

Notes

1. A warrant-holder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. On a poll demanded, all of a warrant-holder's voting rights may be exercised by one or more duly appointed proxies. Any such warrant-holder may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different warrant or warrants held by such warrant-holder. You may not appoint more than one proxy to exercise rights attached to any one warrant. To appoint more than one proxy you may photocopy the Proxy Form (as defined below). Please indicate the proxy holder's name and the number of warrants in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of warrants held by you). Please indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and returned in the same envelope. A proxy need not be a warrant-holder of the Company. Appointing a proxy will not prevent a warrant-holder from attending in person and voting at the meeting. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman of the meeting) and give your instructions directly to them. A proxy must vote in accordance with any instructions given by the appointing warrant-holder.
2. A form of appointment of proxy is enclosed (the "Proxy Form"). To appoint a proxy using the Proxy Form, the form must be completed and signed, sent or delivered to Neville Registrars at Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA. In the case of a warrant-holder which is a company, the Proxy Form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney of the company. If you return more than one Proxy Form, that received last by the Transfer Agent before the latest time for the receipt of proxies will take precedence.
3. The Proxy Form includes a vote withheld option. Please note that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of the votes for and against any particular resolution to be proposed at the meeting.
4. The Proxy Form and the original or duly certified copy of the power of attorney or other authority (if any) under which it is signed or authenticated should be deposited with the Company's Transfer Agent at the address shown on the Proxy Form not later than 2.00 p.m. on Tuesday 19 June 2018 or 48 hours before the time for holding any adjourned meeting or (in the case of a poll not taken on the same day as the meeting) adjourned meeting for the taking of the poll at which it is to be used.
5. In the case of joint holders of warrants, where more than one of the joint holders purports to appoint a proxy, only the Proxy Form submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of warrant-holders in respect of the joint holding (the first named being the most senior).
6. The Company specifies that only those warrant-holders registered in the register of warrant-holders of the Company as at 2.00 p.m. on Tuesday 19 June 2018 shall be entitled to attend or vote at the meeting in respect of the ordinary shares registered in their

name at that time. Changes to entries on the register of warrant-holders of the Company after 2.00 p.m. on Tuesday 19 June 2018 shall be disregarded in determining the rights of any person to attend or vote at the meeting.