

ANNOUNCEMENT

£350,000,000 of 8.750% Senior Secured Notes due 2019 (the “**Senior Secured Notes**”)

£175,000,000 of 12.250% Senior Notes due 2020 (the “**Senior Notes**”)

(Collectively referred to as the “**Notes**”)

(ISIN: XS0794786011 / ISIN: XS0794785633

ISIN: XS0794787415 / ISIN: XS0794787175)

Issued by Elli Finance (UK) Plc (“**EFUK**”) and Elli Investments Limited (“**EIL**”, together with EFUK, the “**Issuers**”, and together with their subsidiaries, “**Four Seasons Health Care**”)

The Notes are admitted to the Official List of the Irish Stock Exchange and to trading on the Global Exchange Market

Further to its announcement on 9 February 2018 (the “**Commitment Announcement**”), Four Seasons Health Care (“**Four Seasons**” or the “**Company**”) today announces that EFUK and H/2 Capital Partners on behalf of its affiliated investment funds (“**H/2**”) have agreed, pursuant to an amendment to the commitment letter dated 8 February 2018 (the “**Commitment Letter Amendment**”), to extend the long-stop date for execution of the £70.0 million super senior facility agreement to be provided by H/2 (the “**Facility**”) from 2 March 2018 to 9 March 2018 and the date for closing of that Facility from 7 March 2018 to 14 March 2018.

The Company and H/2 have also agreed an amendment to their existing standstill and deferral agreement to reflect the amendments to the commitment letter (the “**Standstill and Deferral Agreement**”).

Stakeholders are encouraged to review the Commitment Letter Amendment and the amendment to the Standstill and Deferral Agreement, which can be found in their entirety on the “Investor” section of the Four Seasons Health Care website (please click the following link to view the document: <https://www.fshc.co.uk/investors>).

For further enquiries, please contact:

Company financial adviser contacts:

Tom Campbell, PJT Partners
+44 (0) 203 650 1100
Campbell@pjtpartners.com

Mike Wilcox, PJT Partners
+44 (0) 203 650 1100
Wilcox@pjtpartners.com

Company media contacts:

Neil Bennett, Maitland
+44 (0) 207 379 5151
nbennett@maitland.co.uk

Daniel Yea, Maitland
+44 (0) 207 379 5151
dyea@maitland.co.uk

For more information on Four Seasons Health Care, please visit <https://www.fshc.co.uk/investors>.

This announcement has been given by the Issuers of the Notes:

Elli Finance (UK) Plc

Elli Investments Limited

Norcliffe House

Old Bank Chambers

Station Road

La Grand Rue

Wilmslow

St Martin's, Guernsey

SK9 1BU

GY4 6RT

To: Elli Finance (UK) PLC (the “**Company**”)
Norcliffe House
Station Road
Wilmslow
SK9 1BU

For the attention of: The Directors

Cc: Elli Investments Limited
Old Bank Chambers
La Grand Rue
St Martin’s, Guernsey
GY4 6RT

For the attention of: The Directors

Elli Acquisitions Limited
Old Bank Chambers
La Grand Rue
St Martin’s, Guernsey
GY4 6RT

For the attention of: The Directors

1 March 2018

Ladies and Gentlemen,

Commitment Letter – £70.0 million Liquidity Facility

We refer to the commitment letter dated 8 February 2018 between the Company and H/2 Credit Manager LLC (for and on behalf of certain investment funds managed by it or its Affiliates) (the “**Commitment Letter**”).

Unless otherwise defined in this letter, capitalised terms have the meanings given to them in the Commitment Letter

Pursuant to paragraph 14.2 of the Commitment Letter, upon an original copy of this letter being countersigned by the Company, the Lender and the Company agree that paragraph 12.1 of the Commitment Letter shall be deleted and replaced with the following:

“While the Liquidity Facility Agreement must be fully executed on or before 9 March 2018, the Lenders’ believe that the Liquidity Facility can be funded within two to three weeks of agreeing terms with the Company. If execution of the Liquidity Facility Agreement does not occur on or before 5pm (London time) on 9 March 2018, the obligations of the Lenders under this Commitment Letter shall terminate immediately.”

It is agreed that and acknowledged by the Company that nothing in this letter shall constitute a waiver, or prejudice, diminish or otherwise adversely affect, any present or future rights or remedies available to the Lender.

The provisions of paragraphs 9 to 17 inclusive of the Commitment Letter shall apply to this letter as if set out in full herein, save that references therein to “this Commitment Letter” shall be read as a reference to this letter.

[Signature pages follow]

Yours faithfully

H/2 Credit Manager LLC,
for and on behalf of certain investment
funds managed by it or its Affiliates

We acknowledge and agree to the above:

For and on behalf of
Elli Finance (UK) PLC

BY COURIER AND EMAIL

To: Elli Finance (UK) Plc
Norcliffe House
Station Road
Wilmslow
Cheshire
SK9 1BU

FAO: Ben Taberner

Elli Investments Limited
Old Bank Chamber
La Grande Rue
St Martin's
Guernsey
Channel Islands
GY4 6RT

FAO: The Directors

Copy: Linklaters LLP
One Silk Street
London
EC2Y 8HQ
FAO: Bruce Bell, Sarah Mook

1 March 2018

Ladies and Gentlemen,

Standstill and Deferral Agreement dated 14 December 2017 between, among others, Elli Finance (UK) Plc (as the Senior Secured Notes Issuer), Elli Investments Limited (as the Senior Notes Issuer), and H/2 Credit Manager LLC (“H/2”) for and on behalf of certain investment funds managed by it or its affiliates and amended and/or restated from time to time including by way of letter agreement dated 8 February 2018 (the “Standstill Agreement”)

1. Unless otherwise defined, words and expressions used in the Standstill Agreement shall bear the same meaning in this letter and section references in this letter shall reflect the section references in the Standstill Agreement.
2. Pursuant to Section 6.10 (*Amendment*), upon an original copy of this letter being countersigned by the Issuers and the Majority Holders, the Issuers and the Majority Holders agree that the Standstill Agreement shall be amended such that: (1) Milestone 6 set out at Exhibit D, Part B shall be required to be satisfied by 14 March 2018, rather than 7 March 2018; and (2) references to the Commitment Letter shall mean the commitment letter dated 8 February 2018 as amended from time to time.
3. It is agreed and acknowledged by the Issuers that nothing in this letter shall constitute a waiver, or prejudice, diminish or otherwise adversely affect, any present or future rights or remedies available to H/2 or any other creditor of the Group.
4. The provisions of Sections 6 (*Miscellaneous*) shall apply to this letter as if set out in full herein, save that references therein to “this Agreement” shall be read as a reference to this letter.

Yours sincerely,

H/2 CREDIT MANAGER LLC,

for and on behalf of the Majority Holders

By:

Name:

Title:

Acknowledged and agreed

for and on behalf of

ELLI FINANCE (UK) PLC

By:

Name:

Title:

for and on behalf of

ELLI INVESTMENTS LIMITED

By

Name:

Title: