

**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 and Elli Investments Limited (the "**Issuers**", and together with their subsidiaries, "**Four Seasons**")

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

The Issuers today announce that their respective boards of directors have concluded that they will not be in a position to pay the coupons due under the Notes on 15 June 2018 (the "**June Coupons**").

Related to this, Four Seasons and H/2 Capital Partners, on behalf of its affiliated investment funds ("**H/2**") have also agreed an amendment and waiver to the terms of the existing £70.0 million super senior facility agreement. Four Seasons and H/2 recently announced that they have entered into a Restructuring Lock-up Agreement to proceed with a restructuring of the Group that will see ownership transfer to a new owner controlled by creditors. Amongst other aspects of the restructuring, the Group will have significantly greater financial stability and lower leverage, thereby benefitting residents, patients, their families, the Group's employees and other important government and private stakeholders. In preparation for the transfer to new ownership, the Group will undertake an intra-group reorganisation, the details of which will be finalised between the Majority Holders and the Group over the coming weeks.

Four Seasons and H/2 Capital Partners, on behalf of its affiliated investment funds, continue to work together to proceed with a restructuring as set out in their announcement of 18 May 2018.

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For more information on the Issuers' Group, please visit <https://www.fshc.co.uk/investors>.

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