

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 the "**Group**")

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

The Issuers announce the launch on 3 May 2019 of an independent sales process and the steps taken in connection therewith to appoint administrators in respect of each Issuer and complete the Group's restructuring, as detailed below.

The Group expects to complete the independent sales process by year end. The Group's operating companies are unaffected by the appointment of administrators at the Issuers' levels and all businesses are continuing to trade as normal and maintain continuity of care. The Group has available liquidity for the purposes of maintaining continuity of care for all of the Group's residents and patients throughout the final process.

Elli Investments Limited ("EIL")

An Administration Application by the directors of EIL (the "**Application**") has been made in relation to EIL pursuant to Section 374(1) of the Companies (Guernsey) Law, 2008 (as amended) seeking that Richard Dixon Fleming, Mark Granville Firmin and Richard James Beard, all of Alvarez & Marsal Europe LLP (the "**Administrators**"), be appointed and sworn in as joint administrators of EIL to manage the affairs, business and property of EIL.

The Application is currently being heard before the Royal Court of the Island of Guernsey. A further announcement will be made in due course as to the outcome of the hearing.

Elli Finance (UK) plc ("EFUK")

The directors of EFUK have today (pursuant to paragraph 22 of Schedule B1 to the Insolvency Act 1986) appointed the Administrators as joint administrators of EFUK to manage the affairs, business and property of EFUK.

Administrations

The directors of EIL and EFUK concluded that the appointment of the Administrators, who will, among other things, immediately commence the independent sales process, was the appropriate next step to complete the Group's restructuring.

Next Steps

Upon their appointment to EIL and EFUK the Administrators will:

1. on 3 May 2019, initiate an independent sales process, together with BDO LLP, the Issuers' independent M&A advisers, in relation to the assets of the Issuers;
2. ensure that the Group has access to any additional liquidity required during the independent sales process, including by entering into contingency funding arrangements in that respect; and
3. ensure ongoing communication with key stakeholders including regulators in relation to the process.

Listing

The Administrators on behalf of the Issuers will be liaising with the Global Exchange Market in respect to the status of the listing of the Notes.

Further announcements will be made in this respect in due course.

For further enquiries, please contact:-

Parties interested in the independent sales process should contact:

Alvarez & Marsal Europe LLP

Email: INS_ELLI@alvarezandmarsal.com

Tom Morris

Tel: 0207 072 3218

Media should contact:

MHP Communications

Email: fshc@mhpc.com

Oliver Hughes / Katie Hunt

Tel: 020 3128 8100

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

This announcement has been given by:

Elli Finance (UK) plc

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Station Road

Wilmslow

SK9 1BU

Elli Investments Limited

Old Bank Chambers

La Grand Rue

St Martin's, Guernsey

GY4 6RT

DATE: 30 April 2019

Four Seasons Health Care Group

Announces 3 May 2019 Independent Sales Process Launch and Administration of certain Holding Companies

Further to the announcement on 10th December 2018, Four Seasons Health Care Group (the “Group”) is launching on 3 May 2019 an independent sales process, as the next stage of its restructuring, which it expects to complete by year end.

Richard Fleming, Mark Firmin and Richard Beard of Alvarez & Marsal Europe LLP, have been appointed as Joint Administrators to the holding companies that carry debt, Elli Investments Limited and Elli Finance (UK) Plc (together “the Companies”). The Companies do not own or operate any care homes or hospitals directly.

The operating companies under which the care home and hospital operations sit are not in administration and continue to be run as normal by the existing leadership teams. The Group has entered into a funding agreement which provides sufficient operational funding to ensure continuity of care for all of the Group’s residents and patients during the independent sales process period. The aim of the independent sales process is to achieve the highest or best offer for the Group for the benefit of all stakeholders, to ensure continuity of care and to maximise value for creditors.

Dr Claire Royston, Group Medical Director of Four Seasons Health Care, commented:

“Today’s news does not change the way we operate or how our homes are run or prompt any change for residents, families, employees and indeed suppliers. Our priority remains to deliver consistently good care. It marks the latest stage in the Group’s restructuring process and allows us to move ahead with an orderly, independent sales process.”

Richard Fleming, joint administrator of Elli Investments Limited and Elli Finance (UK) Plc (holding companies only) added:

“We are committed to ensuring the Group delivers continuity of care as we work to undertake the independent sales process. The Group has continued to improve its quality ratings across their portfolio of homes and hospitals. The Group’s operations are fundamentally strong and a successful sales process will enhance those operations’ ability to thrive.”

DATE: 30 April 2019

For further information:

Parties interested in the independent sales process should contact:

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