

The Montreux Healthcare Fund PLC

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Date: 3 October 2022

Reference: Proposed Sale of The Active Care Group

Dear Investor

Proposed Sale of The Active Care Group (ACG)

The Fund's investment advisor, MCM Capital Management (UK) Limited (the Investment Advisor), has advised the Directors of The Montreux Healthcare Fund PLC (the Fund) that The Active Care Group (ACG) requires further investment to achieve its full potential and it is of the view that the current Fund is not in a position to support this level of investment. Accordingly, the Investment Advisor has recommended to the Directors that the Fund initiate a process to dispose of ACG through a commercial process (the Sale) in order to optimise the Fund's returns whilst retaining an appropriate interest in ACG through participating in the structure that acquires ACG.

The Directors are pleased to announce that the Investment Advisor has been working with an affiliated entity, Montreux Healthcare Partners Limited (MHPL), which has established a continuation vehicle (the New Fund) with a view to acquiring ACG. MHPL have appointed Credit Suisse Private Funds Group LLP to advise in connection with the establishment of, and raising funding for, the New Fund. The Fund has appointed Rothschild & Co (Rothschild) to act on its behalf in the sales process.

Closed Period to allow for Sale

It is proposed that the Fund's investment in ACG is to be sold as a single asset. Rothschild will provide a range of prices for their preliminary valuation of ACG based on the multiples which Rothschild has seen for similar transactions in the healthcare sector and applied to an independent professionally determined 'Run Rate'. In the absence of an exact price, and in view of the impending sale, the Directors have concluded that whilst the Sale is being negotiated they will not be in a position to accurately determine the value of ACG for the purposes of accurately processing subscriptions or redemptions and have accordingly resolved that the Fund should enter into a close period with effect from 3 October 2022 to allow the sale of ACG to be completed (the Closed Period).

The Closed Period will commence on 3 October 2022 and will end on the date on which the Sale is either completed or terminated (the Reopening Date). During the Closed Period, the Net Asset Value of the Fund will not be calculated, no new Participating Shares will be issued and no redemption requests will be processed.

Circular and updated Offering Document

It is proposed that the Fund will have the opportunity to invest a portion of the proceeds of the Sale in the New Fund in order that investors in the Fund can continue to participate in the anticipated growth of ACG. This will form part of an updated investment strategy for

future investment by the Fund which will be set out in an updated offering document and summarised in a circular which will be sent to investors prior to the Sale (the Circular). The Directors of the Fund have been advised that the Investment Advisor is actively discussing investment opportunities with its network that are in line with the proposed updated investment strategy and has identified an opportunity to acquire a new platform early in 2023.

The Circular will set out further details of the Sale, the New Fund and the updated investment strategy and invite investors to switch their holdings of Participating Shares to one or more new Share Classes which are to be established in connection with the Fund's updated investment strategy.

It is proposed that any investors who do not wish to switch their holdings to the new Share Classes and participate in the new investment strategy on completion of the Sale will be able to elect to redeem their Participating Shares on the Reopening Date. Redemption requests in respect of Participating Shares which have already been received and which were due to be processed during the Closed Period will also be redeemed on or around the Reopening Date, unless an election is subsequently received to switch the relevant Participating Shares to the new Share Classes.

Investors who have any queries should contact the Investment Advisor by email to John King, Head of Investor Relations, at info@montreuxcm.com.

Barry Monks

On behalf of the Fund