

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the contents of this circular (the “Document”) and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor/advocate or other appropriately authorised independent financial adviser. The content of this Document is not to be construed as legal, business or tax advice. Each Shareholder should consult his, her or its own solicitor/advocate, independent financial adviser or tax adviser for legal, financial or tax advice. Shareholders should rely only on the information in this Document. No person has been authorised to give any information or make any representations other than those contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Fund.

If you have sold or transferred all of your shares in the Fund (“Shares”) you should hand this Document, together with the accompanying Form of Proxy to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you have sold or transferred only part of your holding of Shares, you should retain these documents and contact the stockbroker or other agent through whom the sale or transfer was effected.

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**THE MONTREUX HEALTHCARE FUND PLC**

(a company incorporated in the Isle of Man with company number 009788V)  
(the “Fund”)

**Proposal for:  
A Members’ Voluntary Winding-Up  
(the “Proposal”)**

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**Your attention is drawn to the letter from the Chairman of the Fund set out on pages 4 to 6 of this Document (the “Chairman’s Letter”), which recommends that you vote in favour of the Special Resolution to be proposed at the Members Meeting of the Fund. Capitalised terms not otherwise defined in this Document have the same meaning as in the Chairman’s Letter.**

Notice of a Members Meeting of the Fund to be held at the registered office of the Fund namely Peveril Buildings, Peveril Square, Douglas, IM99 1RZ, Isle of Man at 10.00 am on 7 August 2024 is set out on page 7 of this Document. The associated Form of Proxy is also enclosed and should, to be valid, be completed and returned in accordance with the instructions printed on it by hand or by post to Suntera Fund Services (IOM) Limited, PO Box 227, Peveril Buildings, Peveril Square, Douglas, IM99 1RZ so as to be received before the commencement of the Members Meeting. Completion and return of the Form of Proxy will not preclude a Fund Shareholder from attending in person and voting at the Meeting of Members.

Copies of this Document will be available free of charge from the Fund’s registered office, Peveril Buildings, Peveril Square, Douglas, IM99 1RZ, Isle of Man during normal business hours.

The Directors, whose names appear on page 4 of this Document, accept responsibility for 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, for which they accept responsibility, contained in this Document is in accordance with the facts and there is no omission likely to affect the import of such information.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Date
Completion and filing of Form IM39B Declaration of Solvency*	3 July 2024
Circulation of this Document	12 July 2024
Notice of Members Meeting (including Form of Proxy)	12 July 2024
Members Meeting	7 August 2024
Adjourned Members Meeting (if required)	8 August 2024
Members' Voluntary Winding-Up – notice of appointment of liquidator completed and filed (Form IM39C)	Prior to 28 August 2024**

### Notes

If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement.

*\*in order for the winding up to proceed as a members' voluntary winding up, within six weeks from the date of the statutory declaration being signed, a special resolution must be passed at a meeting of members of the Fund to wind up the Fund.*

*\*\*assuming the Special Resolution is passed at the Members Meeting, the IM39C needs to be filed by the Liquidator within 21 days after his appointment.*

## LETTER FROM THE CHAIRMAN

### THE MONTREUX HEALTHCARE FUND PLC

(a company incorporated in the Isle of Man with company number 009788V)

#### Directors:

Ita McArdle  
Barry Monks

#### Registered Office:

PO Box 227  
Peveril Buildings  
Peveril Square  
Douglas,  
IM99 1RZ  
Isle of Man

12 July 2024

To the holders of participating shares of the Fund (the “**Shareholders**”) and the holders of management shares of the Fund (the “**Management Shareholders**”), together being the “**Fund Shareholders**”.

#### Proposal for: **A Members’ Voluntary Winding Up**

Dear Fund Shareholders,

#### Introduction

The purpose of this letter is to provide you with the background to, and reasons for, the proposal set out herein and to explain why the Directors consider the proposal to be in the best interests of the Fund and the Shareholders. This letter also includes a recommendation from the Directors that the Fund Shareholders should vote in favour of the resolution to be proposed at the Members Meeting, namely a special resolution to approve that the Fund be wound up by way of a members’ voluntary winding up pursuant to section 214 of the Isle of Man Companies Act 1931 (as applied to the Fund by section 182 of the Isle of Man Companies Act 2006) (the “**Members’ Voluntary Winding-Up**”).

#### Background to the proposed Members’ Voluntary Winding-Up

##### *Shareholder discussions on refinancing process*

The Fund wrote to the Shareholders on 24 January 2024 (the “**January Update Letter**”) explaining that new capital was required to be raised to satisfy cash requirements in the Fund’s underlying asset, ACG Holdco Limited (“**ACG**”) and its underlying group companies (together, the “**ACG Group**”). It was proposed that £50 million be raised through the issue of preference shares by the Fund and the proceeds from this issue would be used to reduce existing debt within the ACG Group operating structure.

The response to this proposal was insufficient to support proceeding with the issue, as less than 10% of Shareholders responded and less than 25% of those that responded indicated that they would participate in the preference share issue.

##### *Appointment of Administrator by Sequoia and Pre-packaged sale of the ACG Group*

Richard Beard and Richard Fleming of Alvarez and Marsal Europe LLP (the “**Administrators**”) were appointed by a lender to the ACG Group, Sequoia IDF Asset Holdings (“**Sequoia**”), as Joint Administrators of ACG on 29 May 2024. The Administrators’ report (which has previously been provided to Shareholders) clearly explains the process which was followed and resulted in the immediate pre-packaged sale of (i)

ACG's shareholding in its subsidiary, ACG Midco Limited ("**Midco**"), and (ii) an intercompany loan due from Midco to ACG (the "**Pre-packaged sale**"). The purchaser was Gadwall Holdings Limited, a company ultimately beneficially owned by Sequoia Economic Infrastructure Income Fund Limited ("**SEIIF**"). The Directors were only advised after the Pre-packaged sale had been completed.

#### *12 June 2024 Update*

Within a letter to Shareholders dated 12 June 2024 (the "**June Update Letter**"), the Directors advised that they had had a number of discussions with the Fund's investment advisor, Montreux Capital Management (UK) Limited (the "**Investment Advisor**"), a number of Shareholders and various professional advisors in respect of a number of possible scenarios namely:

1. Allow the Investment Advisor to engage with a number of Shareholders to see if there is potential to raise additional funding to fund the repurchase of the asset from Sequoia.
2. Purchase an alternative asset which had already been identified at a cost in the region of £45-50 million of which approximately £30 million would need to be raised from Shareholders.
3. Place the Fund into a Members' Voluntary Winding-Up and distribute any remaining assets after this process to Shareholders.

Following these discussions, the Directors concluded within the June Update Letter that options 1 and 2 were not viable as they were of the view that it would be unlikely that Shareholders would commit additional funding in the current circumstances. The Directors therefore advised that it would be in the best interests of the Fund and the Shareholders to seek to place the Fund into a Members' Voluntary Winding-Up and to distribute the residual assets to Shareholders as quickly as possible, with a formal notice to be sent to Fund Shareholders.

#### *12 July 2024 Update*

On 12 July 2024, the Directors issued another update letter to the Shareholders, detailing that following on from the June Update Letter, the Directors had been contacted by a number of Shareholders who had indicated that the Directors should consider option 1 in the June Update Letter in more detail, by exploring a capital raise programme similar to that proposed to the Shareholders in the January Update Letter. The additional capital (if raised) could then be utilised as part of a package to repurchase the ACG assets back from Sequoia / SEIIF and execute the 3-year recovery plan as previously outlined to Shareholders (the "**Rescue Proposal**").

The Rescue Proposal was discussed with the Investment Advisor who carried out an analysis of the same and its implications and concluded that the sum of monies required to repurchase the debt and equity from Sequoia / SEIIF (to repurchase the ACG assets) would be approximately £97 million as an opening position, coupled with approximately £95 million of additional debt from other lenders to the ACG Group. On this basis, repurchase of the ACG assets would represent a 'day one' reacquisition multiple of approximately 20x EBITDA, which the Directors are advised is significantly outside of a 'normal' market multiple for a sale of a large well integrated real estate backed business of 12-13x EBITDA.

The Directors, having considered the advice from the Investment Adviser, have concluded that the Rescue Proposal does not represent a good value proposition (noting that the Rescue Proposal is not on the same basis as previously outlined in the January Update Letter) and as such is not recommending the same to Shareholders. The Directors have concluded that in all the circumstances the proposed Members' Voluntary Winding-Up still remains the best available course of action for the Fund and the Shareholders. This Document therefore sets out the planned steps, timetable and necessary documentation to achieve the proposed Members' Voluntary Winding-Up.

## Proposed Liquidator

The Directors have had discussions with several potential liquidators and have selected Craig Mitchell of CKM Consultants Limited.

Craig is a Chartered Accountant and Chartered Certified Accountant who has over 20 years' experience in Isle of Man insolvency matters, having been appointed by the Isle of Man High Court on a number of high-profile liquidations, as well as personal bankruptcies. Craig also has a good understanding of the Isle of Man regulated sector having worked on many regulated liquidations including funds and fiduciary service providers.

## Members Meeting

At the end of this Document is a notice convening a meeting of members of the Fund to be held at the Fund's registered office at Peveril Buildings, Peveril Square, Douglas, IM99 1RZ, Isle of Man at 10.00 am on 7 August 2024 (the "**Members Meeting**"), at which the following resolution will be proposed (as a special resolution pursuant to Article 43 of the Fund's Articles of Association) (the "**Special Resolution**"):

1. that the Fund be wound up voluntarily and that Craig Mitchell of CKM Consultants Limited be appointed as liquidator for the purpose of the voluntary winding-up the Fund.

If the Members Meeting is not quorate then the meeting will stand adjourned to 8 August 2024 at the same time and venue. If a quorum is not present at the adjourned meeting then the meeting will be dissolved and the Special Resolution will not be considered.

## Action to be taken

You will find enclosed with this Document a form of proxy for use by Fund Shareholders at the Members Meeting (the "**Form of Proxy**"). Whether or not you intend to be present at the Members Meeting, you are requested to complete and return the Form of Proxy in accordance with the instructions printed therein. **To be valid, completed Forms of Proxy must be received by the Fund's registered agent, Suntera Fund Services (IOM) Limited, at Peveril Buildings, Peveril Square, Douglas, IM99 1RZ, Isle of Man, by hand or by post, as soon as possible and in any event before the time appointed for holding the Members Meeting.** Completion of a Form of Proxy will not preclude you from attending the meeting and voting in person if you so choose.

## Recommendation

The Directors consider the Proposal set out herein to be in the best interests of the Fund and its Shareholders as a whole, and accordingly recommend that the Fund Shareholders vote in favour of the Special Resolution to be proposed at the Members Meeting.

Yours faithfully

Ita McArdle  
**Chairman**

**NOTICE OF MEETING OF MEMBERS**  
**MEMBERS' VOLUNTARY WINDING-UP**  
**OF**  
**THE MONTREUX HEALTHCARE FUND PLC**

(a company incorporated in the Isle of Man with company number 009788V)

(the "Fund")

**IN THE MATTER OF THE COMPANIES ACT 2006**

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**NOTICE IS HEREBY GIVEN** that a Meeting of the Members of the Fund will be held at Peveril Buildings, Peveril Square, Douglas, Isle of Man, IM99 1RZ on the 7<sup>th</sup> day of August 2024 at 10.00 am for the purpose of considering and, if thought fit, passing the following resolution (as a special resolution):

1. That the Fund be wound up voluntarily and Craig Mitchell of CKM Consultants Limited be and is hereby appointed as liquidator of the Fund for the purpose of the voluntary winding-up the Fund.

**BY ORDER OF THE BOARD**

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**THE MONTREUX HEALTHCARE FUND PLC**

Registered Office: PO Box 227, Peveril Buildings, Peveril Square, Douglas, Isle of Man, IM99 1RZ

Dated the 12<sup>th</sup> day of July 2024

***A member entitled to attend and vote may appoint a proxy to attend, speak and vote on his behalf.  
A proxy need not be a member of the Fund.***

**THE MONTREUX HEALTHCARE FUND PLC**  
**(a company incorporated in the Isle of Man with company number 009788V)**

**FORM OF PROXY**

I, \_\_\_\_\_ Please insert  
\_\_\_\_\_ full name and  
of \_\_\_\_\_ address in  
\_\_\_\_\_ BLOCK CAPITALS  
\_\_\_\_\_

being a Shareholder of THE MONTREUX HEALTHCARE FUND PLC (the “Fund”) **APPOINT** the  
Chairman of the Meeting

or (see Note 1) \_\_\_\_\_  
of \_\_\_\_\_  
or failing him \_\_\_\_\_  
of \_\_\_\_\_

as my proxy to attend and vote instead of me on the resolution to be proposed at the meeting of the  
members of the Fund to be held at Peveril Buildings, Peveril Square, Douglas, Isle of Man, IM99 1RZ on  
7<sup>th</sup> August 2024 at 10.00 am and at any adjournment.

I wish this proxy to be used as shown below (see Note 2)

Resolution

**FOR**

**AGAINST**

That the Fund be wound-up voluntarily and Craig Mitchell  
of CKM Consultants Limited be appointed liquidator for the  
purpose of the voluntary winding-up the Fund.

☐☐

Dated \_\_\_\_\_

Signature(s) \_\_\_\_\_

\_\_\_\_\_



## **NOTES**

1. If you wish to appoint any other person as your proxy, please delete the words “the Chairman of the Meeting or” and insert his or her name and address.
2. Please indicate with an “X” in the appropriate box how you wish your vote to be cast. If no indication is given, your proxy will be deemed to have authority to vote or abstain as he/she thinks fit.
- 3 To be valid, this Form of Proxy must be lodged at the venue of the meeting before the commencement of the meeting.
4. A Form of Proxy given by a corporation must be under its common seal or signed on its behalf by a duly authorised officer.
5. In the case of joint holders, the signature of any one of these will suffice but the names of all joint holders should be shown.