

**By email only to:
All Known Shareholders**

Your ref:
Our ref: M3011LON
Please Contact: Philip Moore
Telephone Number: 020 3005 4000
Email Address: MontreuxHealthcareFund@
frpadvisory.com

Date: 13 November 2024

Dear Sir/Madam

The Montreux Healthcare Fund Plc (In liquidation) ('the Fund')

I refer to the letter dated 4 October 2024 to confirm that the Fund was placed into Voluntary Liquidation on 3 October 2024 with Gordon Wilson and I appointed to act as Joint Liquidators.

Since then, there has been much communication from shareholders and potential creditors of the Fund and as a result, and in an attempt to reduce the time taken up dealing with individual queries, I have drafted this update for all interested parties on the key matters since 3 October, as follows:

1) The FSA application to wind up the Fund

The Isle of Man Financial Services Authority ('the FSA') have confirmed that they intend to bring an application to the Isle of Man Court seeking an order to wind up the Fund on public interest and just and equitable grounds. It is currently not known when the FSA will be making this application and I am considering whether, in an effort to save time, we will make the application to Court to bring the voluntary liquidation under the Court's supervision with support from the FSA.

If we are to make the application, the directions of the Court will initially be sought as to the notice to be given of the application. I anticipate that the FSA will do the same, if they are to make the application, but I will confirm further once the position is clear. I will update shareholders/creditors again once a) an application is made and b) I know the date(s) when the application is listed to be heard.

2) Liquidation Committee

As set out in my letter dated 4 October, a liquidation committee can be made up of no more than 5 members.

As a result of my letter, 14 people put themselves forward to be elected and after deliberations between themselves, they could not agree to 5 members. As a result, a committee has not yet been formed.

I do not intend to take further steps to try to form a committee until the court has made its order following an application as, should we be making an application with the support of the FSA, we will also be seeking the Court's sanction to us having the powers under 184 of the Isle of Man Companies Act 1931 and will therefore not require a committee to carry out our powers as Liquidators.

3) Information gathering

As liquidator, I have the legal power to obtain books and records of the Fund including the files of all professional and third-party advisors in respect to any engagement they had with the Fund.

I have therefore written to relevant parties, including directors, former directors and key service providers, and I am now in the process of receiving the requested information and documentation, including, where relevant, email inboxes, text and WhatsApp messages.

Once received, all data will be uploaded onto a forensic platform for analysis and review. Please appreciate that if I have to take legal steps to obtain books and records, then I will do so after a court application has been heard.

4) Net Asset Value ('NAV')

The last NAV issued by the Fund was dated 30 September 2022 and gave a value of £426,069,295.

As at 31 August 2024, whilst the Fund was in Controllorship, an indicative NAV value was obtained of £4,218,115.

However I was unable to calculate the value of each class of share because the significant hedging losses the Fund experienced in respect of the non-GBP classes of shares may mean that some of those non-GBP share classes have a nil value.

Should we make an application to court as previously set out, I will also include in the application to court requesting directions to determine the basis for the NAV calculation.

As set out previously, shareholders will be made aware of any application that I make and they will be able to make submissions about it, should they wish to do so.

What is clear though is that the Fund's NAV has reduced to approximately 1% of its value in September 2022. Why this has happened and what might be done from here will be the focus of my investigations and I will report findings in the first quarter of 2025.

Finally, please note, a unique ID login will shortly be sent out by email to all shareholders/creditors to access an online portal set up to hold existing and future correspondence from the liquidators relating to the Fund. Shareholders/creditors will then be able to set up an alert when any new correspondence is placed on the portal and thus be able to view and download that correspondence should they so wish.

Yours faithfully,



Paul Allen
Joint Liquidator