

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.

We refer to previous announcements relating to the extension of the forbearance period.

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 17 December 2018.

Related to this, the standstill and deferral agreement has been further amended including an extension to the forbearance period to 11.59pm GMT on 28 January 2019.

The Company continues to work with its advisors in furtherance of a sale of the Group. In this regard, the Company also confirms the appointment of new independent financial advisors, BDO LLP, and independent legal advisors, Pinsent Masons LLP, who are currently supporting the Group in finalising necessary financial and business information to support this process in order to enable a formal launch early in the new year.

For further enquiries, please contact:

Company media contacts:

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

This announcement has been given by:

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Norcliffe House

Station Road

Wilmslow

SK9 1BU

Elli Investments Limited

Old Bank Chambers

La Grand Rue

St Martin's, Guernsey

GY4 6RT

BY COURIER AND EMAIL

To: Elli Finance (UK) Plc
Norcliffe House
Station Road
Wilmslow
Cheshire
SK9 1BU

FAO: The Directors

Elli Investments Limited
Old Bank Chamber
La Grande Rue
St Martin's
Guernsey
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GY4 6RT

FAO: The Directors

Copy: Pinsent Masons LLP
30 Crown Place
Earl Street
London
EC2A 4ES
Attention: Nick Gavin-Brown / Claire Massie

10 December 2018

Ladies and Gentlemen,

Standstill and Deferral Agreement dated 16 November 2018 as amended, restated and/or reinstated from time to time, between, among others, Elli Finance (UK) Plc (as the Senior Secured Notes Issuer), Elli Investments Limited (as the Senior Notes Issuer), and H/2 Credit Manager LLC ("H/2") for and on behalf of certain investment funds managed by it or its affiliates (the "Standstill Agreement")

1. Unless otherwise defined, words and expressions used in the Standstill Agreement shall bear the same meaning in this letter and section references in this letter shall reflect the section references in the Standstill Agreement.
2. The Majority Holders and the Issuers (on behalf of themselves and on behalf of each of their subsidiaries that executed the Standstill Agreement) hereby agree that the Standstill Agreement shall be amended as set out in Schedule 1 (*Amendments to the Standstill Agreement*).
3. It is agreed and acknowledged by the Issuers (on behalf of themselves and on behalf of each of their subsidiaries that executed the Standstill Agreement) that nothing in this letter shall constitute a waiver, or prejudice, diminish or otherwise adversely affect, any present or future rights or remedies available to H/2 or any other creditor of the Group other than in accordance with and pursuant to the terms of the Standstill Agreement.
4. The provisions of Section 6 (*Miscellaneous*) shall apply to this letter as if set out in full herein, save that references therein to "this Agreement" shall be read as a reference to this letter.

Yours

H/2 C

LLC

for an

Member/Holder

By:

Name:

Title:

Acknowledged and agreed

[Redacted]

for and on behalf of

ELLI FINANCE (UK) PLC

By:

Name:

[Redacted]

Title:

for and on behalf of

ELLI INVESTMENTS LIMITED

By

Name:

Title:

Acknowledged and agreed

for and on behalf of

ELLI FINANCE (UK) PLC

By:

Name:

Title:



for and on behalf of

ELLI INVESTMENTS LIMITED

By

Name:

Title:



Schedule 1

Amendments to the Standstill Agreement

1. Section 5.1(d)(i) (*Forbearance Expiration Date*) shall be amended by deleting “10 December 2018” and replacing it with “28 January 2019”.
2. Section 5.1(d)(iv) (*Forbearance Expiration Date*) shall be amended by deleting “or 15 June 2018” and replacing it with “, 15 June 2018 or 17 December 2018”.
3. Each paragraph (a) of Exhibit B shall be amended by deleting “or 15 June 2018” and replacing it with “, 15 June 2018 or 17 December 2018”.