

## FACTSHEET AUGUST 2016

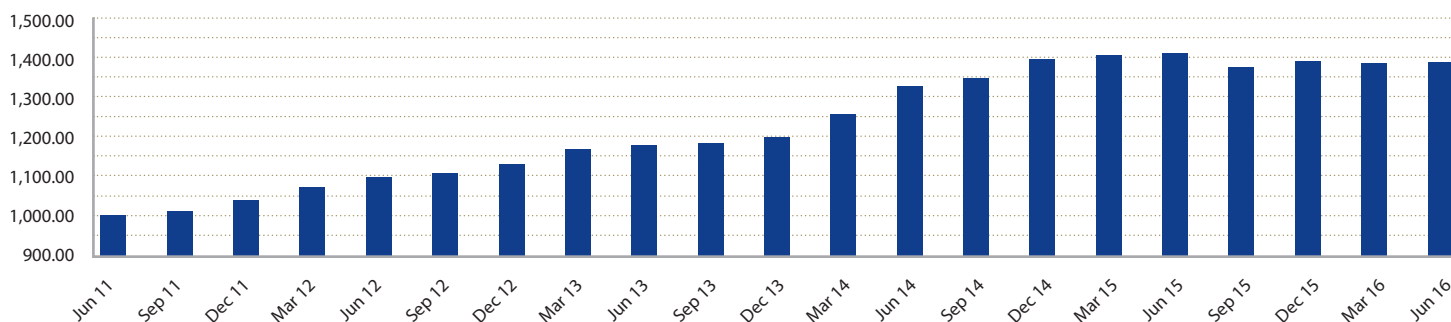
This publication is directed solely at professional investors and financial advisors

Annual Performance Class A GBP	2012 9.11%	2013 5.82%	2014 16.16%	2015 -0.20%	2016 -0.08%	Performance since launch June 2011				39.26%			
2011						Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	YTD	
Share price	-	-	-	-	-	£987.59	£1,011.53	£1,006.15	£1,000.51	£1,014.86	£1,041.19	4.12%	
Return	-	-	-	-	-	-1.24%	2.42%	-0.53%	-0.56%	1.43%	2.59%		
2012	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	YTD
Share price	£1,043.63	£1,042.46	£1,078.17	£1,085.05	£1,094.04	£1,099.94	£1,104.82	£1,110.98	£1,110.95	£1,111.15	£1,126.19	£1,136.05	9.11%
Return	0.23%	-0.11%	3.43%	0.64%	0.83%	0.54%	0.44%	0.56%	0.00%	0.02%	1.35%	0.88%	
2013	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	YTD
Share price	£1,151.09	£1,159.09	£1,171.82	£1,176.29	£1,178.87	£1,182.26	£1,186.64	£1,188.68	£1,190.24	£1,194.28	£1,192.41	£1,202.16	5.82%
Return	0.88%	0.69%	1.10%	0.38%	0.22%	0.29%	0.37%	0.17%	0.13%	0.34%	-0.16%	0.82%	
2014	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	YTD
Share price	£1,201.75	£1,214.17	£1,258.58	£1,314.68	£1,332.98	£1,331.94	£1,334.24	£1,315.57	£1,351.92	£1,398.40	£1,412.56	£1,396.48	16.16%
Return	-0.03%	1.03%	3.66%	4.46%	1.39%	-0.08%	0.17%	-1.40%	2.76%	3.44%	1.01%	-1.14%	
2015	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	YTD
Share price	£1,396.16	£1,404.38	£1,408.89	£1,414.58	£1,411.20	£1,414.17	£1,416.45	£1,419.01	£1,378.27	£1,376.78	£1,380.97	£1,393.74	-0.20%
Return	-0.02%	0.59%	0.32%	0.40%	-0.24%	0.21%	0.16%	0.18%	-2.87%	-0.11%	0.30%	0.92%	
2016	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	YTD
Share price	£1,394.78	£1,395.60	£1,389.89	£1,387.81	£1,391.67	£1,390.92	£1,392.60	£1,405.25	-	-	-	-	0.83%
Return	0.07%	0.06%	-0.41%	-0.15%	0.28%	-0.05%	0.12%	0.91%	-	-	-	-	

## MONTREUX CARE HOME FUND

Quarterly performance since inception – A GBP

## Share Price



## Fund Overview

The Montreux Care Home Fund is an Open Ended SICAV- SIF domiciled in Luxembourg with a secure fund structure regulated by the CSSF. The Fund launched on July 1st 2011 to provide a stable alternative asset class to investors. The Fund seeks to capitalise on rising elderly demographics in the UK through the strategic purchasing of affluent residency care homes with high occupancy levels in areas where there is a substantial supply/demand imbalance. The fund's NAV is calculated monthly in Luxembourg by European Fund Administration.

## Fund Manager Commentary

Further to the notice to shareholders of 20 April, we're pleased to advise that books and records have been reviewed by the care homes' new operator, Healthcare Management Solutions ("HCMS"), and future fund NAVs will be released sooner after month end than in recent months.

With assistance from HCMS and the fund's expert advisers, the AIFM has completed its review of each of the fund's care homes and specific opportunities have been identified to renovate and develop care homes. Work is already in progress to implement these opportunities, which are anticipated to drive up care home valuations. In the meantime, HCMS continues to effectively work to improve care quality, staff management, marketing and operating financial performance of the homes.

The staff of the care homes are looking forward to upcoming open days for the launch of the homes' new brand.

## Key Facts

Status:	SICAV SIF - Luxembourg domiciled
Dealing:	Monthly
Shares:	Class A + B: capitalisation Class C + D: distribution
Minimum initial investment:	GBP 10,000 - Euro 15,000 - USD 15,000 - CHF 15,000
Subscription charge:	Class A + D: no charge, 100% allocation Class B + C: max 5%, 95% allocation
Redemption charge:	Class A: 5% reducing by 1% per annum Class B, C + D: no charge
Annual management charge:	Class A, B + C: 1.5% Class D: 1%
Redemption:	Class A, B + C: 60 Lux BD Class D: 90 Lux BD
Performance charge:	20% of any profits after a monthly hurdle of 0.83% is achieved. A high water mark principle is applied equivalent to a compound rate of 10% per annum.
ISINS:	
	A USD LU0640269097 A EUR LU0640269337 A GBP LU0640268875 A CHF LU0640269683 B USD LU0640269253 B EUR LU0640269410
	B GBP LU0640268958 B CHF LU0839962692 C EUR LU0837019438 C GBP LU0837018893 C CHF LU0837019511 D GBP LU0968744648

**Investment Strategy**

The Montreux Care Home Fund seeks to achieve its objective by sourcing and purchasing residential care homes throughout the UK and Western Europe.

The Montreux Care Home Fund will purchase completed properties that are already being used as residential care homes and refurbish where required to bring them up to a high standard necessary at the top end of the market. This will assist with maintaining high occupancy levels and associated high residency fees payable on quality facilities. The Fund will concentrate on the private sector of the market to maintain high profit margins.

The Montreux Care Home Fund may also undertake its own development of residential care homes where such an opportunity exists to achieve the investment objective. This may include converting existing structures or building new facilities.

The Montreux Care Home Fund may for diversification and liquidity purposes invest in listed securities, REITs, ETFs, and UCIs with exposure to the health care sector and hold cash and cash equivalents. A minimum of 10% of total assets may be held in such investments. However, this figure may be reduced to an absolute minimum of 5% if the Directors of the Fund identify an investment opportunity, which they consider to be in the interests of the investors in the fund.

Ageing UK population.

Strong liquidity strategy appropriate to current market conditions.

Many of the homes purchased are at a discount to market value offering an immediate return to the Fund.

Supply/demand imbalance.

Advised by Jones Lang LaSalle Healthcare specialists.

Valuations based on multiple of EBITDA as opposed to just bricks & mortar ensuring low volatility with Mark to Market Valuations.

Accessible through portfolio bonds, direct investments and wrap platforms.

**Differentiation**

The fund acquires existing businesses which are well established and have been running successfully for a number of years. All of these businesses will have long standing relationships with local hospitals and the community as a whole.

This unique concept allows the fund to acquire businesses with predictable fixed and variable costs. These stable income streams pass high yield to investors, uncorrelated to traditional market conditions.

The Montreux Care Home Fund will retain a specialist care home operator who will undertake the day to day management of the homes.

All properties purchased will be subject to a full valuation by Jones Lang LaSalle, a member of the Royal Institution of Chartered Surveyors.

**Care Home Operators**

The UK's leading Care Home Management and Consultancy Business.

Healthcare Management Solutions provides Care Home Owners, Investors, Banks and Insolvency Practitioners a one-stop solution to all their care home management needs. They operate a team of Regional Managers, Consultants and Support Professionals.

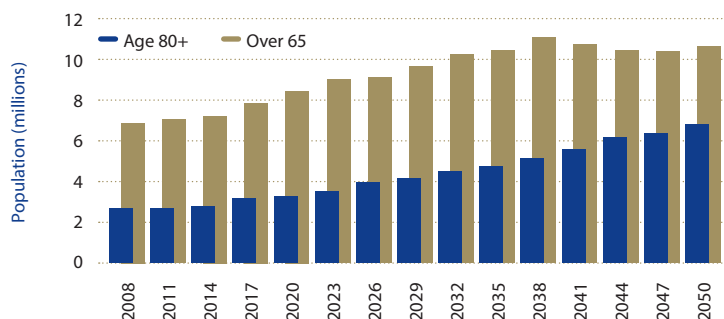
**Projections**

Based on case projections of the number of recipients of residential and home-based services, people aged 65 and over: 2000-2020. Source PSSRU.

	2000	2010	2020	% increase
Nursing Home Numbers	135,000	145,000	167,500	24.1%
Residential Home Numbers	240,000	256,500	292,500	21.8%
Total Numbers in institutions (including long-stay hospital care)	400,500	429,500	493,000	23%

**Market overview**

UK Elderly Population Projections 2008-2050. Source: Eurostat



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Luxembourg

**Custodian**

KBL European Private Bankers S.A.

**Administrator**

European Fund Administration S.A.

**Legal Advisors**

Elvinger, Hoss & Prussen

**Auditors**

Deloitte S.A.

**Property Advisors**

Jones Lang LaSalle

**Alternative Investment Fund Manager**

KMG Capital Markets Ltd

**Care Home Operator**

Healthcare Management Services UK

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