

24 December 2015



Ashley House plc

Funding of Extra Care schemes and Novation of part of LIFT business

Ashley House plc (the “Company”), the Extra Care Housing and Health Property Partner and founder member of the Social Stock Exchange, is delighted to announce that it has completed contracts with Funding Affordable Homes (“FAH”) on its next two Extra Care developments. The Company is also pleased to advise of the novation of a non-core part of its LIFT Joint Venture business.

Funding Affordable Homes

This announcement is further to that on 30 September 2015, where the Company advised that it had signed a Funding and Partnering Agreement with FAH. These contracts provide full funding for design and construction and long term investment funding for the Company’s Extra Care developments at Harwich and at Walton on the Naze. The Company expects the development at Harwich, which has already commenced to complete towards the end of 2016 with Walton on the Naze following around three months later. On completion FAH will become the long term owner of the developments. These two schemes will generate revenues of c£21m.

The agreement has resulted in an initial cash drawdown of £2.6m, which will be partly used to repay short term debt that had been raised to fund the early stages of the developments.

Antony Walters, Chief Executive commented: “This is a key milestone for Ashley House. Having diversified the business in the last few years and put together an Extra Care pipeline of c,£150m, we are delighted to have cemented our new strategic partnership with FAH to accelerate the funding of the delivery of that pipeline.”

NHS LIFT Joint Ventures

In the Strategic Report presented in early October, the Company advised it was in talks about the novation of part of its interest in its NHS LIFT Joint Ventures. Those talks were successful and the Company is pleased to advise it has now completed the novation of the rights under the operational management service agreements with seven LIFT Companies to MAMG Limited, a major provider in this arena. These rights formed part of the LIFT business and were non-core to Ashley House.

The Company retains its shareholding in the LIFT Joint Ventures together with its rights as development partner. The transaction enables the Company to focus on these areas which form the core elements of this asset. Three employees transfer across to MAMG Limited as part of the agreement.

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