



7 May 2020

Ashley House plc

Sale of Interests in Partnering Health Limited and Infracare LIFT Holdings Limited

Ashley House plc (“Ashley House”, the “Company” or “Group”) the health and housing property partner announces that it has completed the sale of its interests (the “Transaction”) in Partnering Health Limited (“PHL”) and Infracare LIFT Holdings Limited (“LIFT”) to its major loan facility provider, Invescare Limited (“Invescare”).

Prior to the Transaction, the Company’s loan (“the Loan”) with Invescare stood at £1.17m. The Loan is secured by a general debenture and fixed charge over certain of the Company’s assets, which included the shares in PHL, and is repayable on demand with 30 days’ notice.

The Company has sold its 34% shareholding in PHL (“the PHL shares”) to Invescare for consideration of £550,000. In the two years to 30 April 2019, the PHL shares did not contribute to turnover or profit of the Group.

The Company has also sold its 51% shareholding in LIFT (“the LIFT shares”) to Invescare for consideration of £300,000. Profit attributable to the LIFT shares of £153,000 was included in the Company’s accounts for the year to 30 April 2018. There was no profit relating to the LIFT shares in the year to 30 April 2019.

Consideration is being satisfied by a reduction in the Loan which following completion of the Transaction will stand at £320,000. As part of the Transaction, Invescare has, subject to certain conditions, agreed not to call for repayment of the Loan and will defer capital payments until 31 December 2020 and interest payments until 30 June 2020.

Financial Update

The Company continues to seek the further funding required both to meet its ongoing working capital commitments and to support its affordable housing strategy and is endeavouring to bring this to a conclusion. As previously advised, if these efforts are unsuccessful or not able to be achieved in timely fashion and in the absence of other sources of funding, the Company will not be able to continue to trade. Ashley House’s shares on AIM remain suspended pending further clarification.

Report and Accounts Update

The Company’s reporting deadline for the publication of its annual audited accounts has been extended to 31 July 2020 as a result of the COVID-19 pandemic, which would otherwise be required by 30 April 2020. The results for the eighteen month period to 31

October 2019 will show a significant loss and will incorporate all of the activity from the disposal of Morgan Ashley.

The Company thanks its lenders, creditors, shareholders and all stakeholders for their patience in this difficult time.

The information contained within this announcement is deemed by the Company to constitute inside information under the Market Abuse Regulation (EU) No. 596/2014.

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