

0023/00015060/en

General Meeting

LEPTOS CALYPSO HOTELS PUBLIC LTD

LCH

General Meeting

Please find attached the below Announcement.

Attachment:

1. **LCH Announcement**

Non Regulated

Publication Date: 07/03/2016

Mr Nondas Metaxas
General Director
Cyprus Stock Exchange
Nicosia

7/3/2016

Dear Mr Metaxas,

The Board of Directors of the Company has decided on 6/3/16 to call an Extraordinary General Meeting to be held on Thursday 24th March, 2016, to approve ordinary resolutions regarding restructuring of obligations of the Company.

We attach herewith in English the Notice of the Meeting and the proposed Resolutions as well as the Information Bulletin which will be available to the shareholders as mentioned in the Notice of the Meeting.

With respect,

Stavros Leptos
Secretary

Attachments.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of LEPTOS CALYPSO HOTELS PUBLIC LTD will be held at the Coral Beach Hotel and Resort, Coral Bay, Peyia, Paphos on Thursday, 24th March, 2016, at 10:30 a.m.

Agenda

Review and approve ordinary resolutions within the framework of restructuring liabilities and reorganisation of the group of the Company (the Company and its subsidiary companies), as attached herewith.

By Order of the Board of Directors,



Stavros Leptos
Secretary

Paphos, 6 March, 2016.

Notes:

1. Copies of the Information Bulletin are available without charge.
 - i. In hard copy at the registered office of the Company in Pafos
 - ii. In hard copy at the Extraordinary General Meeting
 - iii. In the web-site of the company: - www.leptoscalypso.com.cy
 - iv. In the Cyprus Stock Exchange web-site
2. **Record Date** for participating to the Extraordinary General Meeting of 24th March, 2016, is the 4th March 2016. Only members registered at the Record Date will be accounted for in respect to the right to participate and vote at the General Meeting and therefore any subsequent change in the said Record shall not be taken into account to determine such right.

The member's right to participate to the General Meeting and vote with reference to its shares is not subjected to any condition that the said shares are deposited or registered in the name of another person before the General Meeting. A member is free to sell or otherwise transfer shares during the period between the Record Date and the General Meeting to which it applies.

At the General Meeting of membership may be proved by presentation of I.D. or other certificate of recognition on the basis of which there will be also identification by the Company in the Register of Members at Record Date.
3. Each shareholder entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. Such proxy need not be a member of the Company. The relevant instrument must be deposited at the registered office of the Company at least 48 hours before the time of the meeting.

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**LEPTOS CALYPSO HOTELS PUBLIC LTD
INSTRUMENT APPOINTING A PROXY**

I/We of member(s) of the said company hereby appoint
of or in his absence of as my/our proxy to vote for me/us and on
my/our behalf at the Extraordinary General Meeting of the Company to be held on Thursday, 24th March, 2016, and at any
adjournment thereof.

Signed on, 2016. (Sgn)

Each shareholder has the authority to instruct the Proxy how to vote, otherwise the Proxy may vote or abstain at his/her discretion.

(This is a translation of the original text in Greek)

Ordinary Resolutions for approval at the Extraordinary General Meeting of Leptos Calypso Hotels Public Ltd dated 24.3.2016

Ordinary Resolutions

1. That Leptos Calypso Hotels Public Ltd (the Company) approves the actions of Karkavatsos & Co Tourist SA owned 50% by Leptos Calypso Hotels Public Ltd and 50% by Armonia Estates Ltd, to Transfer at the time of implementation of the restructuring / reorganization, to Leptos Calypso Hotels Public Ltd €5 million of existing debts of Karkavatsos & Co Tourist SA to the Bank of Cyprus Public Company Ltd and approves in return the creation of an equal intragroup debt of Karkavatsos & Co Tourist SA in favour of Leptos Calypso Hotels Public Ltd and
That Karkavatsos & Co Tourist SA guarantee, by a mortgage on its property, debt obligations of Armonia Estates Company Ltd to the Bank of Cyprus Public Ltd totalling € 2,4 million including any interest or other charges, and in return secure a respective guarantee by Armonia Estates Ltd to Leptos Calypso Hotels Public Ltd.
2. That Leptos Calypso Hotels Public Ltd:
 - (a) Transfers all shares held, ie 1,066,378 ordinary shares in Karina Properties Ltd, namely 100% of its issued share capital,
 - (b) Transfers all shares held, ie 10,000 ordinary shares in Harbour Shore Estates Ltd, ie 33.33% of its issued share capital,
 - (c) Transfers € 30 million of its obligations to the Bank of Cyprus Public Company Ltd, to P.P. Irrigations and Systems Ltd belonging to Pandora Investments Public Ltd and in return receive one (1) fully paid ordinary share of nominal value € 1 to be issued by P.P. Irrigations and Systems Ltd to Leptos Calypso Hotels Public Ltd.
3. That Karina Properties Ltd continues, following the above 2 (a) transfer, to remain mortgagor with a mortgage of €1.930.500 plus interest and charges on own properties regarding debt obligations of Leptos Calypso Hotels Public Ltd to Alpha Bank Cyprus Ltd, with Leptos Calypso Hotels Public Ltd providing a corresponding guarantee to Pandora Investments Public Ltd.
4. That Leptos Calypso Hotels Public Ltd (the Company) and all of its subsidiary companies, which are parties to loan agreements with the Bank of Cyprus Public Company Ltd and the reorganization, proceed through the Board of Directors or any Director of each company, to the necessary actions and sign all relevant financing and other documents in order to complete the restructuring of loans and the reorganization of the Company and its subsidiaries and to implement all terms of the financial documents relating to the Company and its subsidiaries.
5. That the above be modified in case it is needed or it is required by the competent tax or other authorities, provided that no significant added financial obligations are created for the group of the Company and its subsidiaries or /and the general framework of the reorganization plan is maintained, at the discretion of the Board of Directors, which is empowered to act accordingly.
6. That the company waives and hereby disclaims and it will also act so that any other subsidiary renounces any right to share(s) acquisition (pre-emption right), as an existing shareholder of any company in which an issue of shares to a new shareholder is provided, on the basis of the above resolutions or in the context of the wider restructuring / reorganization.
7. That the Board of Directors and each one of the company directors individually be authorized and is hereby authorized, to act for the Company and consent on behalf of the Company to the arrangements of each one of its subsidiaries relating to actions, arrangements, signature of documents / agreements, applications, declarations, commitments, aiming at the implementation of the restructuring of loans and reorganization of the Company and its subsidiaries.

On behalf of the Board of Directors
Stavros Leptos

Information Bulletin of Leptos Calypso Hotels Public Ltd (The Company)
to the shareholders of the Company in view of the Extraordinary General Meeting of 24/3/2016

1. The Company within the framework of informing its shareholders with regard to the calling of an Extraordinary General Meeting on Thursday 24th March 2016, to approve relevant resolutions necessary to facilitate the restructuring plan of its loans and of its subsidiaries with the Bank of Cyprus Public Ltd (BOC) and their reorganisation (all together referred to as restructuring), announces the following:
2. The Company and the groups of Pandora Investments Public Ltd (Pandora) and the Private Company Armonia Estates Ltd (Armonia) which together hold the majority of shares in the Company (Larger Leptos Group) concluded together on 22/12/2015 a joint agreement with BOC regarding the restructuring of all their liabilities towards the said financial institution. According to the said agreement, the Company must execute a series of actions including the calling of an Extraordinary General Meeting to approve ordinary resolutions with regard to the agreed actions for the implementation of the restructuring plan.
3. The restructuring plan concerns Company liabilities of €55 million and liabilities of Karkavatsos & Co Tourist SA (Karkavatsos) of €5 million transferred to the Company, as well as of liabilities of the other Groups referred to in 2 above, towards BOC and it includes changes in the structure of the larger Leptos Group, between the Company and the other Groups necessary for the restructuring :
4. The present structure of the Company with the subsidiaries involved in the restructuring is reflected on the attached Schedule A.
The basis provisions of the restructuring require that the Company transfers own assets of €30 million and €25 million own liabilities to BOC plus €5 million liabilities towards BOC acquired from Karkavatsos as explained in p/ph 5(a), to the Company named P.P. Irrigations and Systems Ltd (P.P. Irrigations) subsidiary of Pandora.
By this deal
 - (a) The loans of the Company towards BOC shall be reduced to about €30 million scheduled to be paid in full by 30th June 2028, the Company being also obliged to accelerate repayment so that the said loans are reduced to €25 million by the 30th June 2018 and to €18 million by the 30th of June 2021.
 - (b) The Karkavatsos liabilities are significantly reduced.
 - (c) The relevant interest and repayment instalments of the loans of the Company and Karkavatsos are reduced significantly.
5. For the implementation of p/ph 4 above:
 - (a) Karkavatsos & Co Tourist SA owned 50% by the Company and 50% by Armonia shall novate at the time of implementation to the Company €5 million of its existing liabilities towards BOC in consideration of the creation of an intercompany receivable in favour of the Company and
Provide guarantee secured by mortgage on company property as security for loan liabilities of Armonia towards BOC amounting to €2,4 million including and interest and other cost and in consideration, Armonia will provide equal security by guarantee to the Company.
 - (b) The Company shall:
 - (i) Transfer full legal and beneficial ownership of 1.066.378 ordinary issued shares in Karina Properties Ltd (Karina) (being 1001% of the issued share capital) and

- (ii) Transfer full legal and beneficial ownership of 10.000 ordinary issued shares in Harbour Shore Estates (being 33.33% of the issued share capital) and
- (iii) Transfer to P.P. Irrigations €30.000.000 of its existing indebtedness to BOC

to P.P.Irrigations and in consideration P.P. Irrigations shall issue and allot to LCH one fully paid and participating ordinary paid-up share of a nominal value of €1.

- (c) That Karina may remain mortgagee on certain of its property to secure a loan of the Company of €1.930.500 plus interest and other cost to Alpha Bank Cyprus Ltd with simultaneous guarantee for the same amount by the Company to Pandora.

The Board of Directors of the Company taking into account land valuations by recognised valuers and a Report by International Experts, has evaluated that the dealings of (b) and (c) above are favourable for the shareholders of the Company.

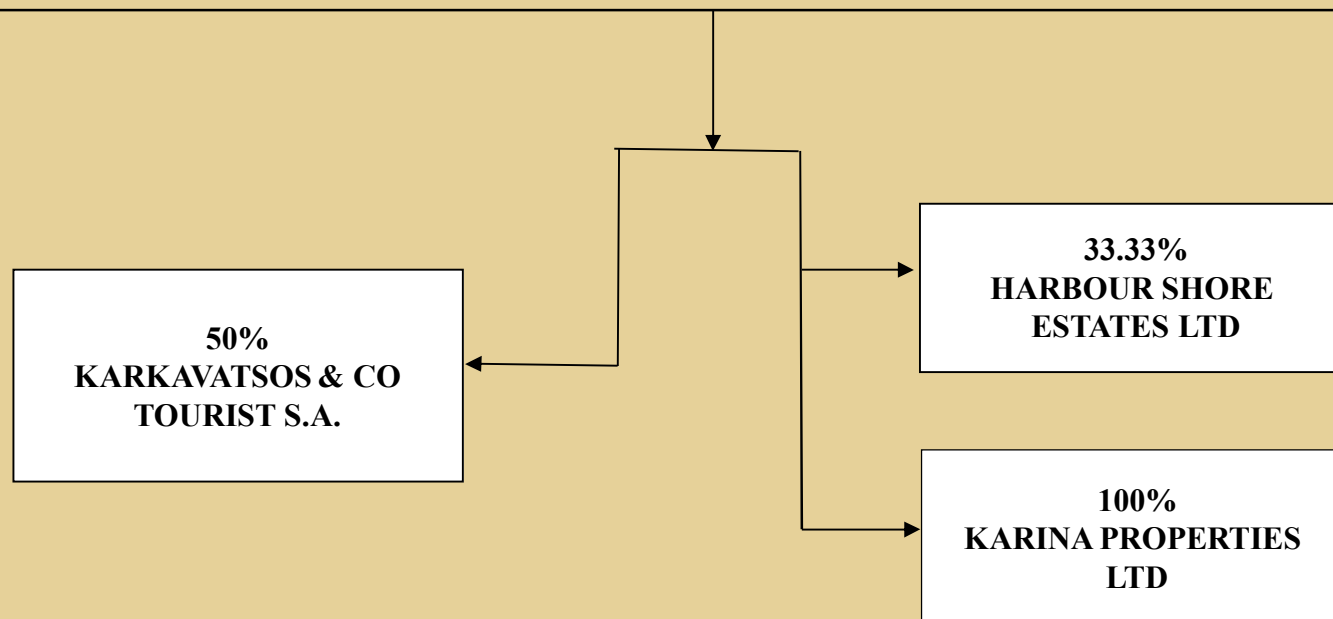
6. The Company structure with the subsidiaries involved after restructuring is reflected in the attached Schedule B.
7. The conclusion of the restructuring is subject to the fulfilment of certain conditions including the final approval of the restructuring plan by the Tax Authorities. The restructuring plan of the Larger Leptos Group including the Group of the Company has been submitted to the Tax Authorities and initially approved and the relevant applications for final approval have been submitted which will save the Company various expenses.
8. The Board of Directors of the Company taking in account financial and business factors and land valuations by recognised valuers as well as a Report by International Experts in relation to transactions 5(b) requested, has evaluated that the above, within the restructuring plan, are favourable for the Company as it will reduce significantly the financial requirement and liabilities of the Company and will create the financial framework allowing a business planning which will enhance the activities capabilities and prospects of the Company.
9. It is essential that the Company and all subsidiaries involved in the loan agreements with BOC through their respective Directors of the Board or any Director proceed with the necessary actions and sign all relevant financing and other documents to implement all terms of the financial documents concerning each of them.
10. There should be a possibility to effect amendments to the above if necessary or required by the tax or other Authorities or BOC provided there are no significant additional liabilities for the Company or/and the general framework of the restructuring plan is maintained, according to the opinion of the Board of Directors which is authorised to act accordingly.

Board of Directors
Leptos Calypso Hotels Public Ltd
6/3/2016

LEPTOS CALYPSO HOTELS PUBLIC LTD

BEFORE REORGANISATION/RESTRUCTURING
FOR THE COMPANIES INVOLVED

APPENDIX A



LEPTOS CALYPSO HOTELS PUBLIC LTD

AFTER REORGANISATION/RESTRUCTURING
FOR THE COMPANIES INVOLVED

APPENDIX B

