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Annual Financial Report

**RENOS HATZIOANNOU FARM PUBLIC COMPANY LTD**

FRH

**Delay in the Publication of the Audited Financial Statements for  
2016**

Please see attached

Attachment:

1. **Announcement**

**Regulated**

Publication Date: 07/02/2018

## **RENOS HATZIOANNOU FARM PUBLIC COMPANY LTD**

### **Delay in the Publication of the Audited Financial Statements for 2016**

Nicosia, 30 January 2018

The Cyprus Stock Exchange has sent the Company a letter relating to the non compliance of ongoing obligations, i.e. the failure to publish its Financial Report for 2016 and the first half of 2017 and its possible delisting. The Cyprus Stock Exchange asks the Company to state its positions by the 31<sup>st</sup> of January 2018, which it intends to do. The Company has issued several relevant announcements and has addressed letters to both the Cyprus Stock Exchange and the Securities and Exchange Commission. For purposes of informing shareholders, we wish to note the following:

1. There has been no development regarding Bank of Cyprus, which the Company expects to examine the case and set a meeting in order to reach a settlement. The Company estimates that the meeting will not take place before the end of February.
2. Hellenic Bank, the Company's second largest creditor, has orally stated that it is internally promoting the process in view of reaching an agreement on the basis of what has been discussed.
3. The problem of Non Performing Loans is general and concerns thousands of companies and natural persons. The Company is unable to exercise pressure on the banks to examine its affairs on a priority basis. Each bank acts based on its interests and may or may not reach an agreement at a time deemed appropriate, having also the obligation to satisfy strict supervisory requirements. For the reasons already repeated on numerous occasions, the Company cannot publish audited results without an agreement or information from Bank of Cyprus. Therefore, irrespective of the consequences, the Company is unable to meet the deadlines as there will be no response from Bank of Cyprus before the 31<sup>st</sup> of January 2018.
4. The Company's cases with banks are pending before the courts. The trial of court cases in Cyprus is delayed, like in many other countries and in the European Courts. The only thing that the Company can do is try to settle its cases or await their trial. Regardless of whether it remains listed on the Stock Exchange or not, the shareholders will not lose their rights. Even in the case of liquidation, shareholders maintain their rights. The Company considers that an agreement with both Bank of Cyprus and Hellenic Bank is feasible.
5. Two applications for liquidation are pending against the Company and reference thereto has been made in previous announcements. In the past, four applications for liquidation were dismissed by the Court.

6. Taking into consideration the current situation with the banks and the court cases, it is impossible to publish audited financial statements, as no auditor will be in a position to express an opinion. The Company's debts date back to 2004 but the interest imposed, on many occasions illegally, exceeds the amount of the capital. The Company's main case regards the violation of an agreement deposited with the Lands and Surveys Department and in the case of a favourable settlement, the Company will be able to address the problem of its loans to a considerable degree.
7. The Company will reply to the Cyprus Stock Exchange by letter, will not issue a new announcement and will await the actions of the Cyprus Stock Exchange, pursuant to its regulations and powers. It considers that the continuation of the suspension of trading of its titles for an additional period of two months until the situation with Bank of Cyprus is resolved does not affect the interests of the shareholders.

Constantinos Hatzioannou  
Chairman of the Board of Directors