



Ermes Group

Announcement

Cyprus Trading Corporation Plc, Woolworth (Cyprus) Properties Plc,

Ermes Departments Stores Plc και Cyprus Limni Resorts & Golfcourse Plc

In the context of the continuous provision of information to the companies' shareholders and investors regarding the progress of implementation of the agreement dated 11 December 2018, where the group companies along with their subsidiaries (all together referred as CTC group of companies) have agreed with Bank of Cyprus the disposal of immovable property of total value equal to about €228 millions, it is announced that up to date disposals of amount of about €110 million have been completed.

The purpose of these transactions, which are based on the strategy of CTC group, is the reduction of bank debt and of other liabilities of the companies of the group, so that all companies are able to manage and cover all their obligations without any difficulties and risks.

The agreement is being implemented gradually, based on the gradual fulfillments of the conditions and the special procedures that need to be completed from the various governmental departments, for the issuance of permits pursuant to certain legislations (e.g. Tax Department, Lands and Surveys Department, Company Registrar, Department of Building and Housing). The total financial impact of the agreement, related to immovable property, cannot be reflected in the financial statements, according to IFRS standards, before the full completion of all outstandings and of the disposal of all properties included in the agreement.

Given the above and for the protection of the investors and of the company's shareholders, as well as for the true and fair provision of information to the financial statements users, CTC Group announces that it considers more appropriate to announce the audited financial statements for the year 2018 as soon as all related transactions involved in the above mentioned agreement are completed and reflected in the financial statements. CTC Group is taking all necessary actions for the completion of the agreement expected within the next three (3) months.

The agreement is in line with the strategy of the group, as presented in the AGMs and the Annual Reports, for the substantial deleveraging of the companies of the Group (since 2013).

Ermes Department Stores Plc

Nicosia, 25 April 2019

Ermes Department Stores Plc

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