

AGROS DEVELOPMENT COMPANY “PROODOS” PUBLIC LIMITED

To: Cyprus Stock Exchange
Nicosia

CORRECTIVE ANNOUNCEMENT

In connection with the financial results of Agros Development Company “Proodos” Public Limited for the year ended 31 December 2016, which were announced on 25 April 2017 to the Cyprus Stock Exchange and the Cyprus Securities and Exchange Commission, the Company submits through this announcement a revised note 25 with the title, “GOING CONCERN BASIS”, on page 37 of its financial statements, its rephrasing of which was deemed necessary to better portray the facts and the position of the Company's Board of Directors. The revised note is presented as follows:

«25. GOING CONCERN BASIS

Although the Company has made a profit of €24.739 during the year ended 31 December 2016 and, as of that date, its net assets amounted to €7.327.625, the Company's current liabilities exceeded its current assets by €133.223. Also, during the year, the Company's Board of Directors decided to suspend indefinitely the operations of the “Rodon” Hotel, with effect from 15 September 2016, in order to study with external consultants ways to reduce the operating costs and increase the revenues, as well as upgrading the hotel. It is therefore considered necessary to restructure the borrowings of the Company in order to be able to meet the agreed repayment schedules of its existing loans and to continue its operations.

The Company is currently in negotiations with a credit institution for a new bank loan with a repayment grace period of at least one year and on terms that will significantly reduce its financing cost. The purpose of the new loan is the repayment of its existing borrowing and the possible future upgrade of the hotel.

Considering the above, the Board of Directors' position is that the Company will continue as a going concern and therefore no adjustments are necessary to reduce the value of its assets at their realizable value or provisions for any additional liabilities, which would have been necessary if the Company had terminated its operations. »

Nicosia, 8 May 2017

BY ORDER OF THE BOARD OF DIRECTORS

Notice: Cyprus Securities & Exchange Commission