

Claridge Public Limited

Office of the Secretary

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ANNOUNCEMENT

Signing of Management Agreement

Claridge Public Limited announces that the Management Agreement for Amathus Beach Hotel Paphos (the Hotel), which belongs to the Company, was signed on 11/03/2014. The management of the Hotel has been undertaken by Olympic Lagoon Hotels Limited (the Manager), into which Claridge Public Limited participates with 45%. This agreement is of temporary nature and relates to the period 01/01/2014 – 31/12/2014, since, as it was announced before, the Hotel will terminate its operation in its current form on 30/09/2014 and shall undergo extensive renovations to become an Olympic Lagoon Hotel under the management of Olympic Lagoon Hotels Limited.

The main terms of the management agreement include, among other provisions, the following:

- (a) The duration of the management agreement is for one year, as from 01/01/2014 up to 31/12/2014.
- (b) The personnel of the Hotel shall remain on the payroll of Claridge Public Limited under the management of the Manager. The hotel manager is appointed by the Manager with the approval of Claridge Public Limited. The chief financial officer of the Hotel is appointed by Claridge Public Limited.
- (c) Claridge Public Limited shall pay to the Manager as management fee the amount of €130.000 annually, payable in twelve instalments at the end of each month and further 3% on the gross operating profit of the Hotel, provided that the yearly budget of the Hotel will be accomplished.

With the signing of the management agreement Claridge Public Limited expects that the new management shall contribute positively to the improvement of the Hotel's results.

Limassol, 12 March 2014