

KARYES INVESTMENTS PUBLIC COMPANY LTD
8 STASSINOU, PHOTIADES BUSINESS CENTER
1ST FLOOR, 1060 NICOSIA

ANNOUNCEMENT

In relation to the issue of Convertible Bonds for an amount up to €25.000.000 ("Bonds", "Issue") by KARYES INVESTMENTS PUBLIC COMPANY LTD ("Company"), based on the decisions of the Extraordinary General Meeting of 18/3/2016 and of the Board of Directors of 15/8/2017, the Company wishes to inform its shareholders and the investing public the following:

- The required approvals of the Cyprus Stock Exchange ("CSE") and the Cyprus Securities and Exchange Commission ("CySEC") were obtained on 19/12/2019 and 20/12/2019, respectively. The announcement regarding the approval of the Prospectus by CySEC was issued by the Company on 23/12/2019.
- The above approvals included a timetable for the implementation of the Bonds Issue, based on which the required corporate actions would take place from 10/1/2020 (last date on which the shares of the Company were traded with the right to participate in the Bonds Issue) to 25/3/2020 (bonds expected issue date). The announcement regarding the approval of the Prospectus by Bulletin by the EC was issued by the Company on 23/12/2019.
- Even though the Bond Issue was a public offering addressed to its shareholders and the investing public, it was expected that a significant amount would be raised from a small number of investors.
- Based on contacts with potential investors, the Board of Directors of the Company assessed that the timing was not ideal for raising capital, and considered necessary to obtain visibility as to the amendment of the timetable, before applying to CySEC and CSE for the required approvals and issuing the required announcements to CSE. However, due to the developments related to COVID-19 pandemic, the amendment of the timetable was extremely difficult due to the prevailing uncertainty.
- It is clarified that no action was performed for issuing Bonds or raising of capital.

As regards the next steps in relation to the Bond Issue, the Company hereby informs that despite the delay, it intends to proceed with the Bond Issue, and to this end the Company will take all necessary actions in accordance with legal and regulatory framework.

The Company will issue announcements as to the relevant developments.

7th May 2020