

# LOUIS

## Announcement

### Louis plc – Decisions of the meeting of the Board of Directors dated 22 December 2016

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Nicosia, 23 December 2016

The Board of Directors of Louis plc met on 22 December 2016 and resolved, inter alia, the following:

#### **Annual Report / Audited Final Results 2015**

It examined and approved the publication of the Company's Annual Report for 2015 comprising the Corporate Governance Report, the consolidated and separate Management Report and the audited consolidated and separate financial statements of Louis plc and of its subsidiaries for the year ended 31 December 2015.

In December 2016, following negotiations amongst companies of the Group, the holding company and the financing Banks, an agreement was concluded regulating and/or amending their loan obligations. The procedure for the approval of the agreement and its signing has not been completed yet. The agreement provides, inter alia, for the method of meeting the loan obligations of the aforementioned companies based on their expected organic cash flows on a long-term basis, so as to enable the Group to smoothly continue its operations and development plan.

At operational level, the results of Louis plc for 2015 appear to be reduced compared to those for 2014. Had the results of the subsidiary, Celestyal Cruises Ltd – which are not included in the operational results but are presented separately under “non-ongoing activities” – also been taken into account, then the total profit from operations for 2015 would be significantly improved compared to 2014 (€13.6m in 2015 compared to €6.6m in 2014). The change in the presentation of the results of Celestyal Cruises Ltd is hereby noted since, as of 2016, this company will no longer be considered as a subsidiary under the International Accounting Standards.

The final net results attributable to the shareholders of Louis plc amount to a loss of €111.3m due to accounting forecasts of €106m as a result of the agreement with the Banks, compared to a loss of €5.2m in the preliminary results announced in February 2016. This possibility had been pointed out in the announcement of February 2016, i.e. “the final results for 2015 may suffer a material decrease in the context of restructuring the Company's loan and other related obligations”.

In particular, by applying the International Accounting Standards, Louis plc made (a) a provision for the amount of €62.2m regarding liabilities of the holding company, arising from guarantees granted in the past, in exchange of guarantees and financial support received by the holding company, and which appear in its financial statements as contingent liabilities and (b) a provision for the amount of €43.3m regarding amounts receivable by the holding company.

Copies of the complete and full text of the Company's Annual Report for 2015 will be available to interested parties free of charge (1) from the Company's head office, 11, Limassol Avenue, 2112 Nicosia (tel: 22588168, fax: 22442957, email: [group.secretarial@louisgroup.com](mailto:group.secretarial@louisgroup.com)) or (2) by email upon request sent to [group.secretarial@louisgroup.com](mailto:group.secretarial@louisgroup.com). The Annual Report and the information referred to in clause (4) of Article 127A of the Companies Law, Cap.113 (the “Law”) will also be posted on the Company's website, [www.louisgroup.com](http://www.louisgroup.com).