



CORPORATE ANNOUNCEMENT 21/2/2020: PROFIT WARNING

Mitsides Public Company Limited, in accordance with the relevant regulations of the Cyprus Stock Exchange and the Cyprus Securities and Exchange Commission, and with the aim of informing shareholders and the investing public as accurately as possible, announces that the Group's losses for the year ended December 31, 2019, are expected to be significantly increased compared to the previous year ended December 31, 2018, in spite of the improvement in the Group's operational performance. The losses will increase due to the impairment loss resulting from the impairment in the value of investment property and property available for sale of the Group's subsidiary Mitsides Point D.o.o., based in Serbia.

The impairment loss arises from the sale of property, in particular of Cereal Silos of a 40,000 tonnes capacity, as well as a Flourmill production plant, along with their machinery and equipment. The transaction is made on a purely commercial basis.

The Purchase Agreement was signed on December 27, 2019 and is expected to be completed during 2020, with the agreed price amounting to € 2,762,327. Most of the amount has been paid in installments in January 2020 and February 2020 and full payment is expected to be completed by August 2020.

The accounting loss arising from the sale of the aforementioned assets will amount to approximately € 1,8 million and the corresponding impairment in the value of the property will be included in the financial results of the year ended 31 December 2019.

The buyer is Zitopromet Mlinpek D.o.o., based in Serbia, a company engaged in the production and distribution of flour, as well as the trading of cereals.

This sale is part of the Group's Reorganization Plan, which provides for the sale of loss-making units and idle assets, with the aim of resetting the Group on a profitable course, as well as improving the Group's cash flow.