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## **AGUA TERRA LIMITED**

### **ADMISSION TO AIM**

#### **First development company to be listed on AIM, dedicated exclusively in high quality mixed-use leisure real estate projects in Southeast Europe**

Agua Terra Limited (the “Company”) which aims to establish itself as a leading developer and operator of high quality mixed-use leisure real estate projects in Greece and Cyprus announces that application has been made to the London Stock Exchange plc for the Company’s common shares (“Common Shares”) to be admitted to trading on AIM. Admission will take place, and dealings on AIM will commence at 8.00 a.m. today. On Admission, the Company will have 4,531,250 Common Shares in issue and a market capitalisation of €9,012,500.

#### **Background**

- The Company was founded by Markos Kashiouris, Peter Economides and Yiannis Panayi (the “Principal Shareholders”) who control Aqua Sol Hotels Public Company Limited, Sol Terra Developers Limited and Totalserve Management Limited, some of the leading hotel, real estate development and financial services and advisory companies in the eastern Mediterranean.
- The Principal Shareholders have collectively over 50 years' experience in real estate and have completed or advised on over \$3 billion of real estate projects. They possess extensive local knowledge and contacts, as well as relationships with an international network of operators, architects and designers, marketing and branding companies and financial institutions.

#### **Strategy**

- The Company's initial focus will principally be within Greece, with the intention to expand into Cyprus within the next two years, when circumstances allow. The Company may also consider expanding its operations into Turkey at a future date.
- The opportunity is to develop mixed-use leisure real estate projects from an early stage using the existing development expertise, operating know-how and contacts of the Principal Shareholders. The Company may work with one or more parties on a development project and may acquire all of, or a share in, such projects.
- The Company will aim to develop projects which include or which are planned to include, one or more of the following elements:
  - Premium residential units with one or more aspects of leisure development, such as golf courses, health spas or hotels;
  - Senior assisted-living communities which may include technologically advanced homes, 24-hour on-site nursing care, pre-arranged access to a nearby hospital, local amenities (including restaurants, shops, etc.) and leisure facilities; or
  - Exclusive coastal gated communities with a leisure and/or a serviced residence element.

- The Directors anticipate that all projects, with the exception of those that include golf courses, will be located in coastal areas of Greece and Cyprus (the “Region”) and within an hour’s drive from an international airport.
- The Company will utilise premium branding, marketing and global distribution channels, including Terra Sotheby’s International Realty, the licensee of Sotheby’s International Realty in the eastern Mediterranean. Sotheby’s International Realty is one of the premier real estate brokerage, marketing and branding companies in the world. The Principal Shareholders of the Company control Terra Sotheby’s International Realty.
- The Company holds an option over a development project located in Mykonos, Greece which requires a minimum aggregate investment commitment of up to €8.3 million. The Mykonos development comprises a premium serviced residence project spread over three separate locations on the island.
- The Directors believe the successful completion of the Mykonos project would be the first step towards establishing the Company as a leading developer in the high quality mixed-use leisure real estate sector in the Region.
- In addition to the Mykonos project, the Company has identified a number of other prospective opportunities throughout the Region for which it is at various stages of negotiation. In the Directors’ opinion, these developments have low development risk and offer multiple exit options with the opportunity to develop further high quality mixed-use leisure real estate projects.

**Lord Balfour, Chairman, said:**

*“We are delighted with the admission to AIM as it will provide the Company with the ability to reach a broader investor spectrum in order to capitalise on its wide range of development and investment opportunities. We look forward to the successful launch of the Company as the first development company to be listed on AIM, dedicated exclusively to high quality mixed-use leisure real estate projects in Southeast Europe.”*

**Markos Kashiouris, Chief Executive, said:**

*“The supply of carefully designed and executed master-planned developments in Southeast Europe continues to be very limited. This is particularly true for the premium segment of the market where the region is emerging as a popular destination for affluent Russians and Middle Eastern buyers. With our first development in Mykonos and by utilising our strong in-house development expertise and the Sotheby’s International Realty branding and global distribution network, we look forward to launching the Company as the first AIM quoted developer for premium real estate in the region.”*

**3 October 2008**

**Key Statistics**

Listing Exchange:	AIM
Listing Date:	3/10/2008
Market Capitalisation on Admission:	€9,012,500
Nominated Adviser & Broker:	Fairfax I.S. PLC

**For further information:****Agua Terra Limited**

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Paul Richards

Rachel Rees

**020 7598 5368****Notes to Editors****Aqua Sol Hotels Public Company Limited**

The Aqua Sol Hotels Public Company Limited (“Aqua Sol”) is the largest hotel company in Greece and Cyprus combined with 29 hotels. It has strong relationships with most major global tour operators such as TUI and Thomas Cook. Aqua Sol is publicly traded on the Cyprus Stock Exchange under the symbol AQS and is controlled by Yiannis E. Panayi, one of the Principal Shareholders. Thomas Cook, through its subsidiary MyTravel, owns 19.99 per cent. of Aqua Sol.

**Sol Terra Developers Limited**

Sol Terra Developers Limited (“Sol Terra”) is a premium development company specialising in large-scale, master-planned developments in Cyprus and Greece. In recent years, Sol Terra has pioneered the development of some of the most innovative real estate developments in the region such as premium retirement villages in Cyprus and healthy-living themed resorts in Greece, the latter in partnership with Grecotel S.A., one of the largest hotel chains in Greece.

**Totalserve Management Limited**

Totalserve Management Limited (“Totalserve”) is one of the largest international tax and trust consultancy companies in the eastern Mediterranean and has a global client base that includes, amongst others, major international and multinational companies, financial institutions and listed real estate companies. Totalserve has offices in London, Moscow, Warsaw, Bucharest, Athens, Thessaloniki, Tortola, Johannesburg and Cape Town and is headquartered in Cyprus.

**Sotheby’s International Realty Affiliates LLC**

Founded in 1976 to provide independent brokerages with a powerful marketing and referral programme for luxury listings, the Sotheby’s International Realty network was designed to connect the finest independent real estate companies to the most prestigious clientele in the world. In February 2004, Realogy Corporation, a global provider of real estate and relocation services, entered into a long-term strategic alliance with Sotheby’s, the operator of the auction house. The agreement provided for the licensing of the Sotheby’s International Realty name and the development of a full franchise system by Realogy’s subsidiary, Sotheby’s International Realty Affiliates LLC. Affiliations in the system are granted only to brokerages and individuals meeting strict qualifications. Sotheby’s International Realty Affiliates LLC supports its affiliates with a host of operational, marketing, recruiting, educational and business development resources. Franchise affiliates also benefit from an association with the venerable Sotheby’s auction house, established in 1744.

## **The Directors of the Board**

The Board will consist of six members, five of whom are non-executive and Markos Kashiouris, who is the Chief Executive.

### ***The Rt. Hon. Roderick Francis Arthur, Earl of Balfour, aged 59, Non-executive Chairman***

Lord Balfour is co-founder and director of Virtus Trust, which assists family offices and corporations worldwide in a variety of matters. Prior to that he was a Director of Rothschild Trust Corporation (1990-2005); Union Discount Company of London (1983-1990); Jessel Toynbee & Gillett (1981-1983); and a Partner at Grieveson Grant Stockbrokers (1972-1981). He is currently a non-executive director of Bateman Engineering NV which is an AIM-traded company.

### ***Andrew Raikes Hargreaves, aged 53, Non-executive Vice Chairman***

Mr Hargreaves is currently Senior Adviser and Group Director, Government Affairs, EADS. He is also an International Compliance officer for EADS Group. Previously he was UK Chairman, EADS and before the merger which formed EADS, he was UK Managing Director of Daimler-Benz Aerospace AG. Prior to that Mr Hargreaves was Member of Parliament for Birmingham Hall Green and Parliamentary Private Secretary to four Ministers of State at the Foreign Office. Before entering Parliament he was an Assistant Director at Schroders Plc and at Sanwa Bank of Japan. He has also been a fine art auctioneer and valuer at Christies.

### ***Markos Andreas Kashiouris, aged 35, Chief Executive***

Mr Kashiouris has been a property investor and developer through the Terra Group since 2000 and has extensive real estate experience across several European countries, including the UK, emerging Europe, Greece and Cyprus. He owns and manages a specialised housing portfolio in London. Leading an international consortium, Mr Kashiouris has recently acquired the 25-year rights for Sotheby's Realty in the eastern Mediterranean with marketing capabilities across Southeast Europe, Russia and the Middle East. Terra Investments, Mr Kashiouris' primary investment vehicle, was founded in 2003 and has advised on c. €280 million of real estate projects in the UK, France and Southeast Europe. Additionally, Mr Kashiouris is currently an investor in €130 million of mixed-use developments in Cyprus and an advisor in a €130 million mixed-use resort project in Greece. Mr Kashiouris is a UK-qualified Chartered Accountant (ACA), an Associate of the Chartered Institute of Marketing (ACIM) and a Member of the Securities Institute (MSI). He worked for JP Morgan and Commerzbank Securities in London where he was top-rated in the 2001 and the 2002 Extel Surveys.

### ***Peter George Economides, aged 57, Non-executive Director***

Mr Economides founded Totalserve Group in 1972, one of the largest regional tax and trust consultancies in Southeast Mediterranean with a primary focus in Eastern and Southeastern Europe. Mr Economides is a member of the International Tax Planning Association, a member of the international committee of the Society of Trust and Estate Practitioners (STEP), the Founder and Chairman of STEP Cyprus and a member in various other international accounting, tax and trust associations. He is currently a board member of Guardian Land, a €300 million property fund and is an adviser to the board of the Dragon Property Group, a €150 million broad-based property investment operation.

### ***Mehmet Nejat Önkal, aged 64, Non-executive Director***

Mr Önkal founded the Istanbul office of Arthur Andersen in 1975. In 1978 he joined the Sheraton Hotel Group and held various senior management positions with the company until 1992, including regional manager for Europe, the Middle East and Africa and Vice President for Asia Pacific. Between 1992 and 1997 he held various senior managerial positions, including General Manager of the Princess Hotel Group, one of the largest hotel groups in Turkey. Since 1997, he has been a Senior Manager of BDO Tourism Consultancy Turkey, covering the East Mediterranean, including Cyprus and Turkey, Middle East and Central Asia. Mr Önkal is currently an executive board member of Ceylan InterContinental Istanbul. He was previously a director of TRI Hospitality Consulting, Turkey.

***Anthony William Travis, aged 60, Non-executive Director***

Mr Travis is a member of the board of L'Observatoire de la Finance, Geneva and of The International Peacebuilding Alliance – "Interpeace", Geneva. He is a former Senior Partner of PricewaterhouseCoopers in Geneva, and until his retirement from the PwC partnership in 2005, he led a number of major international banking and other client audit engagements, including the audit of The Bank for International Settlements. He is an ICAEW qualified Chartered Accountant (FCA), has been a technical consultant on risk management issues to the Islamic Financial Services Board and is an adviser to The Aga Khan Foundation on corporate governance and auditing issues. He is board member and Chairman of the Group Audit Committee of EFG European Financial Group, Geneva (one of Switzerland's largest banking groups and Greece's second largest bank) and chairs the Group Audit Committee of La Compagnie Financière Holding Rothschild, a large privately owned international banking group. He is a business associate of the Centre for International Business & Management at the Judge Management Institute at the University of Cambridge and member of the Executive Council of the Organisation Mondiale Contre La Torture. He is a Fellow of the Forum Suisse de la Politique Internationale, Geneva. Published works include "*Debt and the legitimacy of demands for its recovery*", "*International Transfer Pricing*" and "*The Auditing Profession after Enron*".

**Background of the Principal Shareholders**

***Markos Andreas Kashiouris, aged 35, Chief Executive***

See above.

***Peter George Economides, aged 57, Non-executive Director***

See above.

***Yiannis Efstathios Panayi, aged 54***

Mr Panayi is an accomplished real estate developer and hotelier in Greece and Cyprus. In the early 1990s and already an experienced commercial lawyer, he diverted his attentions to the hospitality industry and later into real estate in Cyprus, Greece and the UK, initially through the Aqua Sol Hotels Group and subsequently through Sol Terra Developers Limited and the Iliad Group. By 2000, the Aqua Sol Hotels Group became the largest hotel chain in Cyprus and was rapidly establishing its presence in Greece. Through the Aqua Sol Hotels Group, Mr Panayi is the owner of 29 hotels in Greece and Cyprus and employs more than 1,350 staff (including Sol Terra Developers Limited). The Aqua Sol Hotels Group is the largest hotel group in Greece and Cyprus combined. Mr Panayi moved into real estate development in 2002, with the establishment of Sol Terra Developers Limited. By 2003, the first development project was well in progress under the Sol Terra Developers brand name. Since then, Mr Panayi has launched several innovative and successful development projects and he began to look for larger development projects whilst expanding his business in Greece in partnership with Grecotel S.A., one of the largest hotel chains in Greece. He also moved into the residential retirement market, taking an example from the senior assisted-living communities in the US. Mr Panayi also has a real estate presence in the United Kingdom and is an investor in more than \$400 million of projects under development. He is also President for the Special Olympics Committee of Cyprus.