

27 October 2016

## Clear Leisure plc

("Clear Leisure" or "the Company")

### Update Regarding Related Party

Eufingest S.A. ("Eufingest") a Swiss based investment management fund has, for many years, been a strong and supportive shareholder of Clear Leisure since 2012 and an increasingly significant lender since then lender. Eufingest and its related clients and associates ("the Eufingest Parties"), as defined by the AIM Rules for Companies ("the AIM Rules"), are in the opinion of the current Directors of Clear Leisure, having taken advice from the Company's Nominated Adviser, a related party of the Company and have been since at least November 2012 when they acquired a 13.86% aggregated shareholding in the Company. Historically however, before the appointment of the current board on 31 July 2015, it would appear that this view was not held by the Directors of the Company and therefore advances from the Eufingest Parties were not at the time treated as related party transactions.

Eufingest Parties held, from March 2013, EUR 3,000,000 of the Company's 7% Bonds due 15 December 2017. Originally these bonds were zero coupon, with an effective interest rate of 9.5% (due to the 22% discount on face value) and with conversion rights at 15 pence per share. A bondholder meeting held on 31 December 2015 approved a revision to the terms of these Bonds to be redeemed at 114.49% of nominal value on 16 December 2017 (giving an effective 7% annual interest rate) but no longer convertible.

In addition, as at 30 September 2016, debt outstanding from the Eufingest Parties amounted to £595,000 (inclusive of £69,000 accrued interest). The debts (plus accumulated interest) arose from the following transactions:

- 4 October 2013: EUR 200,000, bearing interest of 7.5%; Amended on 31 December 2015 setting the interest rate at 2.5% and the new maturity date to be agreed before 31 March 2017
- 15 December 2014: EUR 200,000, bearing interest of 9%; Amended on 31 December 2015 setting the interest rate at 2.5% and the new maturity date to be agreed before 31 March 2017
- 28 October 2015: £200,000, bearing interest of 3%. Repaid on 31 December 2015
- 31 December 2015: £200,000, bearing an interest rate of 2.5%, drawn down completely on 15 March 2016. Maturity date to be agreed before 31 March 2017
- 5 May 2016: £100,000, bearing an interest rate of 2.5% with a maturity date to be agreed before 31 March 2017
- 20 May 2016: EUR 50,000, bearing an interest of 2.5% with a maturity date to be agreed before 31 March 2017
- 4 August 2016 Eufingest converted part of its credit into 21,982,947 Clear Leisure new ordinary shares at a conversion price of 0.75p for a total compensation of £164,872.10.

Finally, the Company has today entered into a new loan agreement with Eufingest, which will be announced tomorrow.

The support of Eufingest has been and remains, in the opinion of the Directors, both very welcome and key to enabling the Company to achieve its current strategy of realising its investments and pursuing claims against various parties in respect of losses suffered by Clear Leisure and its investments and subsidiaries. Currently Clear Leisure is discussing with Eufingest, how outstanding advances may be extended or converted into equity in the Company and announcement will be made in due course.

As regards the transactions detailed above, the Directors of the Company, having consulted with the Company's Nominated Adviser, consider the terms to these transactions to be fair and reasonable insofar as its shareholders are concerned.

**Francesco Gardin, CEO and Chairman of Clear Leisure, commented:** *"We strongly welcome the support of Eufingest and continue to explore with it, ways in which it can help the Company achieve its strategic objective, to the benefit of all shareholders."*

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**About Clear Leisure Plc**

Clear Leisure plc (AIM: CLP) is an AIM listed investment company with a portfolio of companies primarily encompassing the leisure and real estate sectors mainly in Italy. The focus of management is to pursue the monetisation of all of the Company's existing assets, through selected realisations, court-led recoveries of misappropriated assets and substantial debt-recovery processes. For further information, please visit, [www.clearleisure.com](http://www.clearleisure.com)