

Company Announcement

The following is a company announcement issued by Central Business Centres plc (the “Company”) pursuant to Listing Rule 5.163 of the Malta Financial Services Authority Listing Rules.

Class 2 Transaction

Quote

The Company is in the business of property acquisition, development and project management and the establishment and rental of commercial property. The Company issued a 2014 six million Euro (€6,000,000) Bond Issuance Programme, pursuant to which two separate issues of bonds of three million Euro (€3,000,000) each were issued (the “**Original Bond**”). The Company also issued a €10,000,000 Unsecured Bond Issuance Programme dated 29th May 2017 (the “**2017 Bond**”), through the publication of a prospectus (the “**Prospectus**”) pursuant to which an issue of bonds of six million Euro (€6,000,000) was issued by means of the Final Terms dated 12 June 2017 (the “**Final Terms**”), of which part of the use of proceeds was the part-financing of the acquisition of the Properties (as hereunder defined) from SMW (as hereunder defined).

The Company wishes to announce that by virtue of a public deed dated 14 July 2017 (the “**Deed**”) between the Company and S.M.W. Cortis Limited, a limited liability company registered in Malta with company registration number C6728 and registered office situated at Cortis Group, Mdina Road, Zebbug, Malta (“**SMW**”), the Company purchased Property A and the temporary *utile dominium* of the remaining period of one hundred and fifty (150) years which commenced on the 07 December 1990 of Property C; Property A and Property C as defined in Prospectus (collectively referred to as the “**Properties**”). The Properties have been sold *tale quale* and are subject to the encumbrances and groundrent as stipulated in the Prospectus. Furthermore, the Deed includes the transfer of the Permit (as defined in the Prospectus) from SMW to the Company. Notary Pierre Attard was appointed by the parties to register the Deed.

The sale and purchase of the Properties is made for the consideration of the total price of eleven million five hundred thousand Euro (EUR11,500,000) (the “**Price**”) payable in the following manner:

- a. The sum of five hundred and eighty thousand Euro (EUR580,000) has already been paid by the Company to SMW on account of the Price as a deposit on the promise of sale that was executed between the parties on the 13 September 2016 as subsequently amended;
- b. The sum of one million Euro (EUR1,000,000) has already been settled by way of allotment to SMW of one million euro (EUR1,000,000) “4.4% Central Business Centres plc Unsecured € Bonds 2027 Series 1/2017 Tranche 1” issued by the Company pursuant to the Final Terms;
- c. The Company has, upon the Deed, paid SMW the sum of four million one hundred and twenty thousand euro (EUR4,120,000) on account of the Price;
- d. The balance of the Price amounting to five million eight hundred thousand euro (EUR5,800,000) shall be paid by the Company to SMW by not later than twenty-five (25) years from the date of publication of the Deed, or under such other terms as may be agreed to in

CENTRAL BUSINESS CENTRES p.l.c.

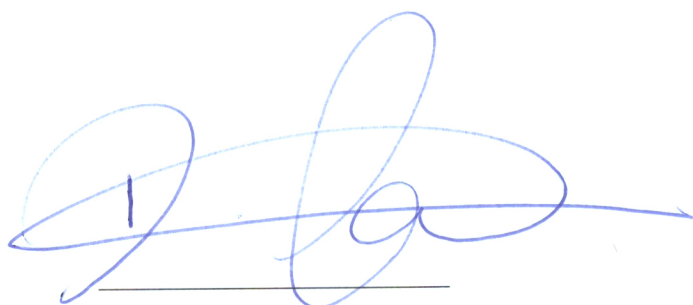
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writing between the parties; provided that, under no circumstance shall the balance of the Price be claimed by SMW until such time as all amounts which now, or at any time hereafter, shall be due by the Company to all the bondholders who hold bonds, whether issued prior to today and /or which may be issued at a future date, under the Original Bond and under the 2017 Bond have been paid in full in accordance with the respective bond issuance programmes.

As a result of the transaction, the Company has acquired the Properties, thereby enhancing the Company's property portfolio. As stated in the Prospectus, the Company envisages the development of the Properties and that the proposed development would take circa two years to complete, during and upon which, the Company will be in a position to lease out the Properties (before and as developed) to the financial benefit of the Company.

Since the Properties are neither a business or a company, there are no profits attributable to the Properties, nor are there key individuals that need to be identified pursuant to Listing Rules 5.164.5 and 5.164.9

Unquote



Desiree Cassar

Company Secretary