



ANNOUNCEMENT

Cyprus Trading Corporation Plc announces that at a meeting of the Board of Directors of the Company held on 23rd of October, 2017, it was decided to proceed to examine the absorption through a merger under the provisions of the Companies Law Chapter 113 of the fully owned and / or controlled subsidiary private companies (100%) of the Company being (i) Domex Technical Limited (HE14908), (ii) Brightmind Enterprises Ltd (HE140712) and (iii) PLCS Management Ltd (HE92484) (the "**Absorbed Companies**"), together with the Company the **Participating Companies**, through the issuance of a Reorganization and Merger Plan. The Plan has accordingly been approved by the Board of Directors of the Absorbed Companies.

The merger promoted falls within the framework of the strategic planning that has been presented by the Group for the restructuring of its organizational structure. The Company has the effective, direct and complete control of the Absorbed Companies and for the purposes of better operational organization, reduction of administrative costs (accounting / legal), it is appropriate to merge the Absorbed Companies through their absorption by the Company and their rightful dissolution on the basis of the Companies Law Cap.113.

This corporate transaction is made on an arm's length basis based on the audited financial statements for 2016 and is not considered to be a major development that may affect in any way the Company's operations. Furthermore, no issue of new share capital is required by the Company or any change in the shareholding structure.

The Board of Directors of each Participating Company has further authorized officers of the Company to take appropriate actions for the approval and implementation of the Plan. The Company will proceed in due course to notify shareholders and convene a general meeting of shareholders, subject to the approval of the District Court of the procedures envisaged.

By Cyprus Trading Corporation Plc

George Mitsides,
Company Secretary

Nicosia, 24 October 2017.