

INTERIM MANAGEMENT STATEMENT FOR THE PERIOD 01/01/2017-30/06/2017

The Board of Directors of CPI Holdings Public Ltd examined and approved the condensed interim consolidated financial statements for the six months ended June 30, which were not audited by the Company's external auditors.

The interim condensed consolidated financial statements for the six months ended 30 June 2017 were prepared in accordance with International Accounting Standard No.34 "Interim Financial Statements" and are in accordance with the provisions of the Cyprus Securities and Stock Exchange Laws and Regulations.

The interim condensed consolidated financial statements are prepared using the same accounting principles and calculation methods used for the preparation of the financial statements for the year 2016 and should be read in conjunction with the Company's financial statements for the year ended 31 December 2016

Principal Activities

The principal activities of the Group for the period in review, which remain the same as last year- a)property investments, b) investments in public companies listed on the Cyprus Stock Exchange.

Review of the financial position of the Group

During the first half of 2017 the Group recorded a loss of € 198,024 compared to a loss of € 82,646 for the corresponding period last year. The increase in the loss is due to the increase in financing costs and the reduction of other interest receivable. The Group does not serve its loan obligations at this stage and is negotiating for the restructuring of its loans. The results of the Group for 2017 will depend on the progress of the stock markets, economy and property value until the end of the year. Provisions at this stage would be risky.

Transactions with related parties

Transactions of related parties are dealt with in notes 15 and 16 of the Interim Consolidated Financial Statements.

Publication

The six-month Financial Report will not be sent to the shareholders, but the Consolidated Income Statement and Other Comprehensive Income will be published in the Politis newspaper on 08/09/2017. The full text of the Six-month Financial Report is available free of charge from the Company's registered office (57, Spyrou Kyprianou Street, Fragkos Office 102, 6051 Larnaca) and is posted on the CSE website (www.cse.com.cy).

Main risks

The Group is affected by various risks - the most significant are liquidity risks, credit risk, market price risk as well as operational risk. Information regarding the Group's risk management are set out in note 23 of the Financial Statements for the year ended 31 December 2016 and are not expected to change significantly for the second half of 2017.

Leonidou Andreas
Chairman
CPI Holdings Public Ltd