

**PHILOKTIMATIKI PUBLIC LIMITED**

10 March 2022

**ANNOUNCEMENT**

**Restrictive measures of the Council of the European Union and other sanctions against Russia  
in response to the crisis in Ukraine / War in Ukraine –**

**Economic consequences / Risks and uncertainties**

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In view of informing Shareholders and investors in general, pursuant to the relevant regulations of the Cyprus Stock Exchange and the Securities and Exchange Commission and further to the recent CSE Circular No. 04-2022, dated 3 March 2022, on the economic consequences / risks and uncertainties due to the sanctions and the restrictive measures of the Council of the European Union against Russia in response to the crisis in Ukraine / War in Ukraine, we wish to announce that, due to the geopolitical developments relating to the crisis and the increase in energy imports globally, and given the connections between the Cyprus economy and that of Russia, we are of the opinion that there will be potential negative consequences with multifaceted impacts on the economy and which are very likely to negatively affect economic activity in Cyprus in 2022. The impacts will affect tourism, the services sector, the construction sector and energy prices, which are expected to cause increased inflationary pressures that may deteriorate further depending on the escalation of the conflict and the sanctions.

Our Company and our Group have no dealings with Russian and/or Ukrainian companies.

Due to the uncertainty regarding the evolution and duration of the crisis and the war, the Company's management is not in a position to measure, at this stage, the magnitude of the potential indirect economic consequences.

The Company is monitoring changes in economic activity caused by the developments and is taking all necessary measures based on the assessment of the economic consequences and any risks and uncertainties due to the crisis, and will keep investors informed should any substantial changes arise.

Makarios Charalambides  
General Manager / Executive Director