ANNUAL REPORT 2022

Ready for the shift

CENERGY HOLDINGS

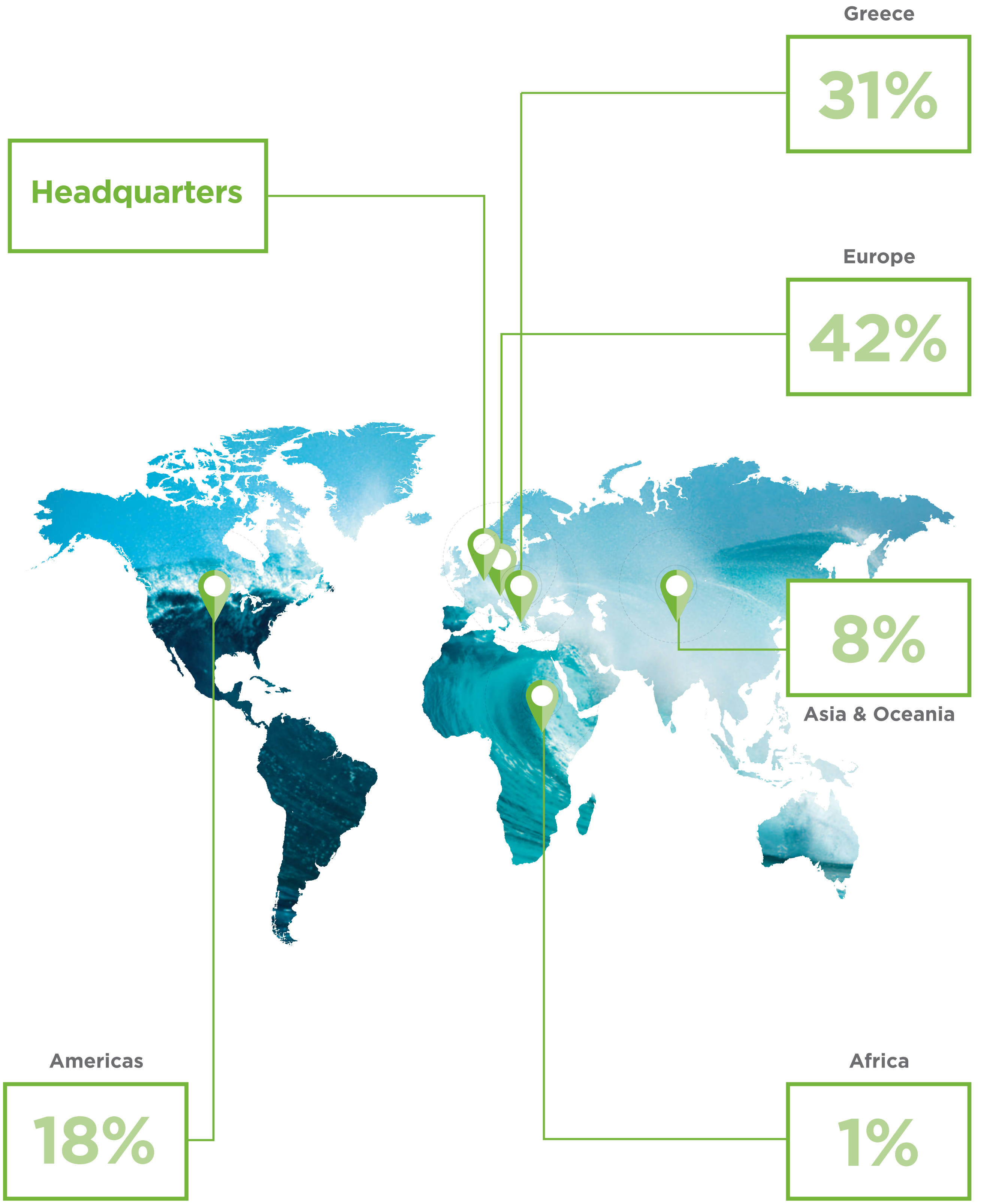
CORINTH PIPEWORKS | HELLENIC CABLES

The world
runs on Cenergy

Table of content

Cenergy Holdings S.A. ("Cenergy Holdings", "the Company" or "the Holding") prepares and discloses consolidated financial statements in the ESEF format in French and in English. The Company is listed on Euronext Brussels, where its official reporting language is French and on Athens Stock Exchange (Athex), where its official reporting language is English. Additionally, the Company makes available in pdf format its consolidated financial statements in French, English and Greek. The consolidated financial statements prepared in the ESEF format by the Company in French and English are both "official ESEF versions" of the annual consolidated financial statements that discharge the Company from the obligations included in the Transparency Directive. The consolidated financial statements made available in pdf format on the website of the Company, as well as consolidated financial statements prepared in ESEF format in another language than French or English are therefore considered as non-official versions and translations. The official ESEF versions prevail over all non-official and translated versions. The official ESEF versions of the annual consolidated financial statements of the Company are available on the website of the Company.

Global presence



Group Overview

Revenue in million €

1,426

^ 35%
vs 2021

Exports (outside Greece)

69%

^ 3%
vs 2021

a-EBITDA in million €

137

^ 31%
vs 2021

2,600+
Employees

530
mil. euros
Investments in the last 10 years

9
(5 main production sites)
Facilities

Provide value added products for niche markets have a long history of implementing large-scale projects in more than 70 countries

have served major customers worldwide for nearly 70 years

+406 employees vs last year

invests EUR 79 million in 2022

provide value added products for niche markets

Cenergy Holdings S.A.

Cenergy Holdings S.A. (“**Cenergy Holdings**”, “**the Company**” or “**the Holding**”) invests in industrial companies positioned at the fore-front of high growth sectors, such as energy distribution and telecommunications.

Based in Belgium, the Company was founded in 2016 and is listed on Euronext Brussels and the Athens Stock Exchange (Athex).

Cenergy Holdings is a subsidiary of Viohalco S.A., a holding company of several leading metal processing companies across Europe. Viohalco’s subsidiaries specialise in the manufacture of aluminium, copper and steel products, steel pipes and cables, as well as other technologically advanced industrial applications. They have production facilities in Greece, Bulgaria, Romania, the United Kingdom, North Macedonia and Turkey.

The Management Report attached to the Consolidated Financial Statements (Rapport de Gestion sur les Comptes Consolidés), prescribed by article 3:32 of the Belgian Code of Companies and Associations (the “**BCCA**”), includes the regulatory disclosure obligations of the Company and consists of the following sections:

- Business Review (pages 8-45);
- Non-financial information (pages 46-80);
- Corporate Governance Statement (pages 82-98).

The Management Report should be read in conjunction with Cenergy Holdings’ audited consolidated financial statements.

Message from the Chairman

We remain focused on value growth over volume, convinced to keep creating profit from our unique "energy enabler" role for all our stakeholders

Our commitment to quality and our perseverance to operational excellence led to even stronger sales, a sound growth in operational profitability and a new record in our order backlog

DEAR SHAREHOLDERS,

At the dawn of 2022, Cenergy Holdings was faced with some seemingly contradicting signals: on the one hand, there was a positive momentum from the previous year, a strong order backlog and the optimism of overcoming the pandemic. On the other hand, the world quickly faced a war in Europe's backyard, rising geopolitical uncertainty and a possible turmoil in supply chain management over the entire globe.

Cenergy Holdings' companies reacted swiftly and prudently and succeeded in taking advantage of the ever-improving conditions in the energy sector while limiting the adverse effects of the Ukraine war. Our commitment to quality and our perseverance to operational excellence led to even stronger sales, a sound growth in operational profitability (30% higher than its 2021 level at EUR 137 million) and a new record in our order backlog that broke the threshold of EUR 2 billion at the end of the year. For this great performance, I would like to congratulate the Companies' management and staff and thank them for their long-term dedication to the values and goals of Cenergy Holdings.

The cables segment grew in both the offshore and the onshore markets and remained the driver of the Group's profitability as both business units executed smoothly high-profile energy projects. To meet the growing demand for offshore cables, the segment invested on improving the port infrastructure and debottlenecking certain production lines and has announced a two-year investment program to sizeably expand the subsea cables plant in Corinth, Greece as well as making room for further expansion in the onshore business units. With such strong foundations, we are ready to further explore the proven potential of the offshore wind market and the accelerating transition to a low-carbon economy.

Strong demand resumed for steel pipes products, leaving behind two years of unprecedented disruption in the energy markets. The year 2022 proved to be a turnaround year for Corinth Pipeworks with superior profitability, an increasing market share and a leadership position in energy transition technologies, such as hydrogen and Carbon Capture & Storage (CCS) pipelines, coupled with a commitment to minimize its environmental footprint. Several important projects assigned resulted in a historical high backlog of EUR 670 million by the end of the year, signalling further growth for the near future.

In 2023, both segments are confident in continuing their solid performance, as demand remains strong. The electrification momentum in Europe and the increasing demand of grid connections are expected to further fuel the order book for cables. We expect the gas fuel sector to continue its dynamic growth, in line with the energy transition pillars, feeding into a positive outlook for next year in steel pipes, too. We remain focused on value growth over volume, convinced to keep creating profit from our unique "energy enabler" role for all our stakeholders.

Xavier Bedoret
Chairman of the Board of Directors

137

a-EBITDA in million € (2022)

Segments & Companies

CABLES SEGMENT:

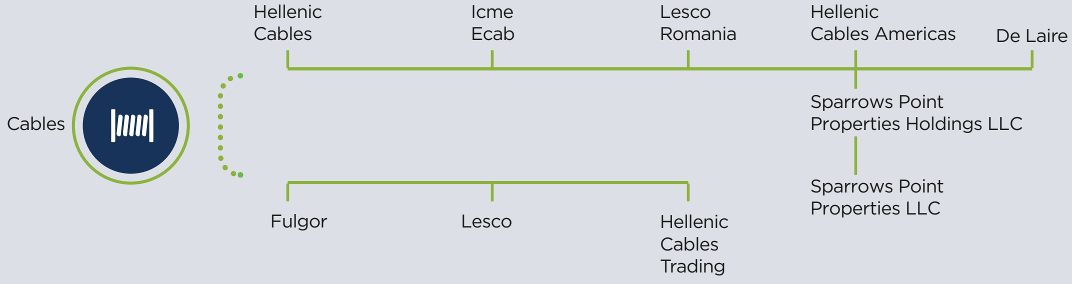
- Hellenic Cables S.A. ("Hellenic Cables"), one of the largest cable producers in Europe, manufacturing power and telecom cables for various sectors including oil and gas, renewables, energy transmission and distribution, construction and telecommunications.
- Fulgor S.A. ("Fulgor"), a subsidiary of Hellenic Cables, which manufactures submarine cables (ranging from medium to extra high voltage), submarine fibre optic cables, composite cables, special purpose cables, and copper and aluminium wires and rods.
- Icme Ecab S.A. ("Icme Ecab"), which manufactures cables for indoor installations, energy, control, industrial and external applications, low and medium voltage, fire-retardant, fire-resistant and halogen-free cables, mine cables, marine and special-requirement cables, telecommunication cables, signalling, remote control and data transmission cables, copper and aluminium conductors, and plastic and rubber compounds
- Lesco O.o.d. (Bulgaria), a subsidiary of Hellenic Cables, located in Bulgaria producing wooden packaging products.
- Lesco Romania S.A., based in Bucharest, Romania, assembles, repairs, and recycles wooden packaging products.
- De Laire Ltd, incorporated in Cyprus, an acquisition vehicle (holding company).
- Hellenic Cables Trading, a wholly owned subsidiary of Hellenic Cables, providing US customers with direct support and expertise throughout the entire lifetime of energy projects in the US market.
- Hellenic Cables Americas is a wholly owned subsidiary established in USA.
- Sparrows Point Properties Holdings LLC is a wholly owned subsidiary, recently established in USA.
- Sparrows Point Properties LLC is a wholly owned subsidiary, recently established in USA.

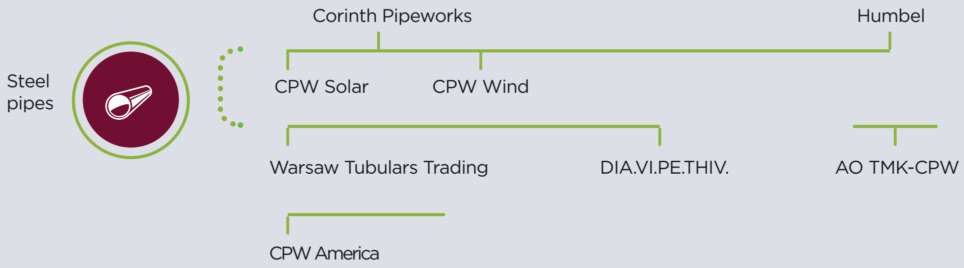
STEEL PIPES SEGMENT:

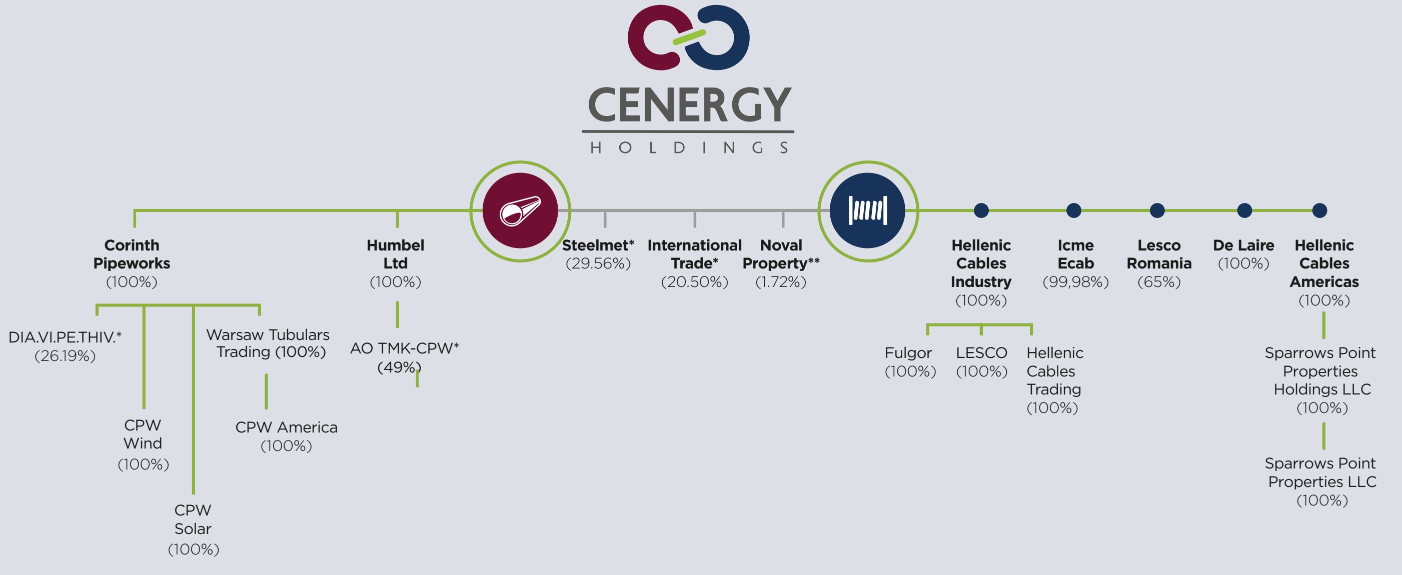
- Corinth Pipeworks is one of the world's leading manufacturers of steel pipes and hollow sections for the energy and construction sectors.
- CPW America is based in Houston, USA and aims to promote Corinth Pipeworks' products and provide customer service to the Group's customers, as well as to customers of other Viohalco companies located in North and South America.
- Warsaw Tubulars Trading, incorporated in Poland, an acquisition vehicle.
- AO TMK-CPW is an associate company of Cenergy Holdings (49% ownership), formed between Corinth Pipeworks and TMK, manufacturing pipes and hollow structural sections.
- Humbel Ltd. is a Cenergy Holdings 100% subsidiary, incorporated in Cyprus.
- CPW Solar S.A. is a wholly owned subsidiary, recently established in Greece.
- CPW Wind S.A. is a wholly owned subsidiary, recently established in Greece.

Cenergy Holdings' companies provide turnkey solutions and services to a large number of clients in the energy, telecommunications and construction sectors. With significant experience implementing large-scale projects globally and a strong focus on customer satisfaction, the companies are considered to have a leading role in their respective sectors.

Cenergy Holdings Business segments







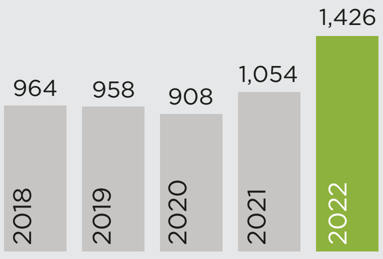
Notes:
* Consolidated as equity accounted investees.
** Non-consolidated entities (other significant investments)

KEY FIGURES 2022

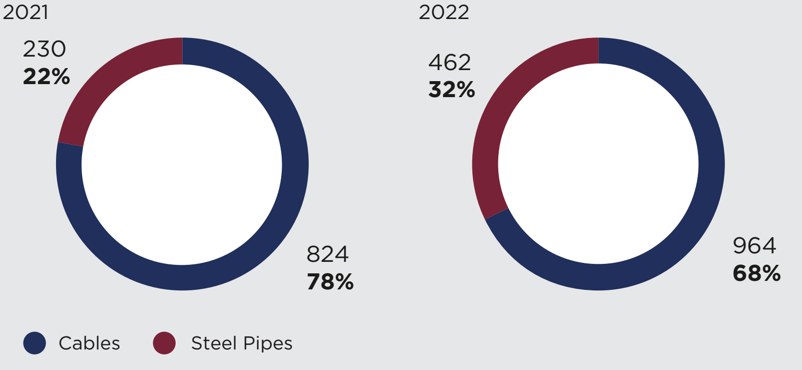
Key financial highlights

- Revenue: €1,426 million
- Adjusted EBITDA: €137 million
- Adjusted EBIT: €110 million
- Profit before tax: €70 million
- Profit after tax: €60 million
- Equity: €342 million
- Total assets: €1,699 million
- Net debt: €438 million
- Order backlog: €2 billion

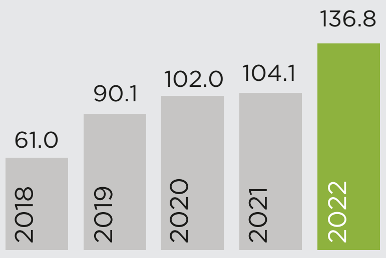
Revenue (in EUR million)



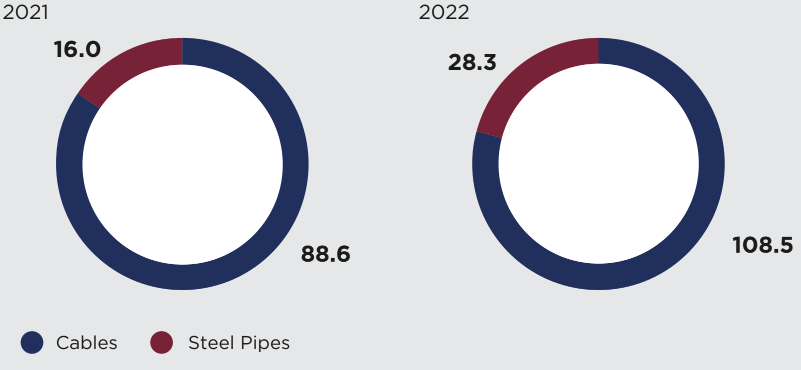
Per segment:



a-EBITDA (in EUR million)



Per segment:



Financial highlights of the year

Group financial review

Throughout 2022, Cenergy Holdings was able to take advantage of the ever-improving conditions in the energy sector as strong demand resumed for steel pipes products while the cables segment grew in both the offshore and the onshore markets. Both segments executed smoothly energy projects, driving profitability for the year to new high levels.

More specifically, operational profitability (adjusted EBITDA) reached EUR 136.8 million, 31% higher than 2021, while profit after tax reached EUR 60 million, allowing the Company's management to propose to the Ordinary General Shareholders' meeting the approval of a dividend distribution for the first time of its history.

For the **cables segment**, the high utilization of all production lines, the record-high backlog of EUR 1.35 billion by the end of the year and the successful execution of high-profile projects were among the highlights for 2022. The focus on value added products along with the favourable market conditions led to substantial growth in all profitability measures improving a-EBITDA by 22%. As a result, and given the growing demand for offshore cables, during 2022 the segment carried on capital expenditure of approx. EUR 71 million, largely spent on improving the port infrastructure and debottlenecking certain production lines, as well as making room for further expansion in both the offshore and the onshore business units. To further explore the proven potential of the offshore wind market and the accelerating transition to a low-carbon economy, an investment program of ca. EUR 80 million over a two-year horizon was announced in early 2023, to sizeably expand the subsea cables plant in Corinth, Greece, doubling production capacity, providing additional storage space and extensively upgrading the plant's port facilities.

Following a two-year period of unprecedented disruption in the energy markets, 2022 proved a turnaround year for the **steel pipes segment**, as a-EBITDA surpassed 2019 levels and reached EUR 28 million. Such superior profitability was the result of a strong Q4. Together with all the strategic initiatives taken during the previous years, Corinth Pipeworks now enjoys a much stronger market position, is considered a Tier 1 pipe manufacturer and leader in energy transition technologies, such as hydrogen and Carbon Capture & Storage (CCS) pipelines. The significant recovery in 2022 of the energy market and a series of important projects assigned, resulted in a historical high backlog of EUR 670 million by the end of the year. At the same time, the subsidiary committed to minimize its environmental footprint and set ambitious medium and long-term goals, while securing certifications under the Environmental Product Declaration (EPD) for its steel products.

Revenue grew by 35% y-o-y to EUR 1,426 million, with Q4 2022 at approximately the same levels compared to the previous quarter. All cables plants operated at close to full production capacity throughout the year pushing the segment's revenue 17% higher (+6% in cables projects and +28% in power and telecom products), while steel pipes succeeded to more than double their revenue compared to 2021.

Table 1: Profitability Analysis[1]

Amounts in EUR thousand	FY 2022	FY 2021	Change (%)
Revenue	**1,426,008**	**1,054,203**	**35%**
Gross profit	145,314	108,673	34%
Gross profit margin (%)	10.2%	10.3%	-12 bps
a-EBITDA	**136,809**	**104,140**	**31%**
a-EBITDA margin (%)	9.6%	9.9%	-28 bps
EBITDA	**133,630**	**85,203**	**57%**
EBITDA margin (%)	9.4%	8.1%	129 bps
a-EBIT	**109,598**	**78,435**	**40%**
a-EBIT margin (%)	7.7%	7.4%	25 bps
EBIT	**106,418**	**59,498**	**79%**
EBIT margin (%)	7.5%	5.6%	182 bps
Net finance cost	(36,462)	(28,985)	26%
Profit before income tax	**69,957**	**30,513**	**129%**
Profit after tax for the year	60,420	22,079	174%
Net profit margin (%)	4.2%	2.1%	214 bps
Profit attributable to owners	60,417	22,077	174%

Amounts in EUR	FY 2022	FY 2021	Change (%)
Earnings per share	**0.31771**	**0.11610**	**174%**

Full production schedule supported the rise in **adjusted EBITDA** which reached EUR 136.8 million in 2022 (+31% y-o-y), while quarterly operational profitability remained stable. The double-digit margins achieved during the second half of the year, led the annualized margins close to prior year's level, significantly higher of the 7.8% a-EBITDA margin recorded during the first half of the year.

Strong operational profitability in 2022 resulted in a EUR 70 million **profit before income tax**, (+129% y-o-y) as one-off items and other adjustments were significantly lower than 2021. **Profit after tax** followed at EUR 60.4 million, from EUR 22.1 million in 2021 (4.2% of revenue vs. 2.1% in 2021).

Total capital expenditure for the Group reached EUR 79.0 million in 2022, split between EUR 71.2 million for the cables and EUR 7.8 million for the steel pipes segment.

On the other hand, total **working capital** (WC) increased significantly, reaching EUR 214 million on year's end versus EUR 41 million on 31.12.2021. This rise has four underlying factors:

- The geopolitical uncertainty generated by the war in Ukraine necessitated a more cautious approach to supply chain management and a subsequent increase in raw material inventory;
- Raw material prices increased during the year; indicatively, the average LME Copper went up during 2022 by +6% (from 7,881 EUR/ton to 8,334 EUR/ton) and the corresponding average LME Aluminium price increased by +22% (from 2,101 EUR/ton to 2,559 EUR/ton);
- Sales volumes increased necessitating larger working capital amounts;
- There were delays in milestone payments for certain projects in execution during Q4.

On this larger WC amount, there were higher interest rates charged, particularly during the last quarter of the year, leading to an increase in net finance costs by EUR 7.5 million (+26% y-o-y). As monetary policies around the globe were tightening and interest rate pressures intensified, both companies took hedge positions in the derivatives markets, especially for longer term loan servicing costs, while negotiating for better variable rates.

1. Source: Consolidated Statement of Profit or Loss and Alternative Performance Measures

Table 2: Consolidated Statement of Financial Position (Simplified)

Amounts in EUR thousand	31 Dec 2022	31 Dec 2021
ASSETS		
Property, plant and equipment	526,156	476,458
Intangible assets	31,957	31,254
Equity - accounted investees	40,959	36,431
Other non-current assets	21,511	15,622
Non-current assets	**620,582**	**559,765**
Inventories	507,545	284,025
Trade and other receivables	192,769	132,040
Contract assets	195,481	98,217
Cash and cash equivalents	167,160	129,606
Other current assets	15,209	2,298
Current assets	**1,078,163**	**646,185**
TOTAL ASSETS	**1,698,745**	**1,205,950**
EQUITY	**341,631**	**277,541**
LIABILITIES		
Loans and borrowings	127,161	174,941
Lease liabilities	2,233	2,080
Deferred tax liabilities	35,318	38,382
Other non-current liabilities	28,427	28,615
Non-current liabilities	**193,139**	**244,017**
Loans and borrowings	474,749	215,699
Lease liabilities	1,224	1,216
Trade and other payables	549,283	422,622
Contract liabilities	108,780	26,009
Other current liabilities	29,940	18,846
Current liabilities	**1,163,975**	**684,392**
TOTAL LIABILITIES	**1,357,114**	**928,409**
TOTAL EQUITY & LIABILITIES	**1,698,745**	**1,205,950**

This increase in working capital is expected to be reversed in the medium term because:

- significant milestone payments expected to fall back in line for maturing projects,
- companies push for better payment terms with supply chain partners and
- raw material inventories return to normal levels while new purchases are closely monitored, ensuring proper execution of awarded projects.

As capital expenditures were mostly internally funded, working capital was the sole driver of the notable increase in **net debt**, to EUR 438 million on December 31, 2022, up by EUR 174 million from 2021 year-end.

Outlook

Overall, Cenergy Holdings remains focused on value growth over volume and looks ahead to a positive year, with steady revenue supporting operational margins. Its strategy is to keep creating profit from its unique “energy enabler” role and invest in its production ability to serve the growing offshore wind and electrification markets.

Segments' Activities & Outlook

Cables

Activities

The cables segment of Cenergy Holdings is made up of three companies, hereafter collectively referred as Hellenic Cables:

- Hellenic Cables Industry S.A. (hereafter "Hellenic Cables Industry") and its subsidiary Fulgor S.A. (hereafter "Fulgor"), operating in Greece, and
- Icme Ecab S.A. (hereafter "Icme Ecab"), operating in Romania.

Hellenic Cables is globally active in the energy transmission and distribution markets, as well as renewable energy (RES), telecommunications, data transmission, construction, and general industry sectors, and is characterized by its strong export-led growth.

Hellenic Cables is an approved supplier of the largest electricity Transmission System Operators ("TSOs") globally and operates one of the largest and most advanced submarine cable plants in the world, located in Corinth, Greece. Ever since its beginning, Hellenic Cables has adopted modern technologies to develop a wide range of innovative cable solutions, aiming to provide competitive and cutting-edge products and services targeting international markets.

The product range includes a variety of cables and wires addressing different market demands. It consists of submarine and land cables, low (LV), medium (MV), high (HV) and extra high voltage (EHV) power cables, umbilicals, fiber optic, data, signaling and telecommunication cables as well as flexible subsea pipes.

Hellenic Cables Industry has more than 70 years of experience in the manufacture of power and telecom cables and owns two plants in Greece, located in Thiva and Oinofyta. It manufactures land power cables, ranging from low to extra high voltage, and telecom cables, all individually tailored to customers' specifications.

Fulgor was established in 1957 and was acquired by Hellenic Cables in 2011. Over the past sixty years, Fulgor has installed a large proportion of all power and telecommunications networks and most submarine cable links in Greece. Its plant manufactures submarine cables (ranging from medium to extra high voltage), submarine fibre optic cables, composite cables, special purpose cables, and copper and aluminium wires and rods.

An intensive capital investment program in the last few years has enabled Fulgor to successfully implement cost-effective, reliable and innovative solutions in complex turnkey projects. In turn, these solutions allowed Fulgor to earn a leading position in the submarine cable manufacturing market and in the global offshore energy industry.

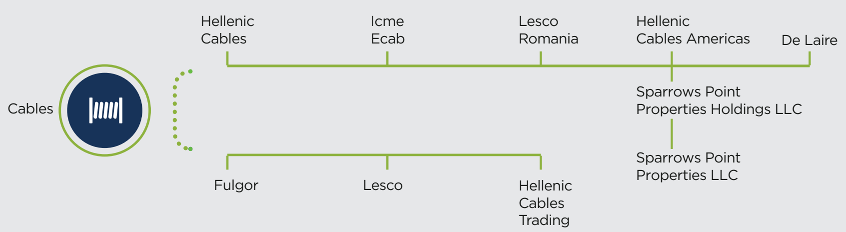
Icme Ecab, with over 50 years' experience in the Romanian and international cable markets, joined Hellenic Cables companies in 1999. It has a diverse product portfolio, focusing on cables for indoor installations and selling both to the local and international markets, either through the Hellenic Cables network or directly to end customers.

Cables segment's clients include E.ON, Vattenfall, Tennet, Energinet, Ørsted, Enel, DEME, Tideway, Van Oord, ENBW, SSE, Iberdrola, Electricity Northwest, Terna, Alliander, KON AR, DEWA, HEDNO, IPTO (ADMIE) , EAC Cyprus, Litgrid, Sonelgaz, Takreer, Motor Oil, Hellenic Petroleum, Carillion, Semco Maritime, Aktor, Metka, ABB, Schneider Electric, Landis+Gyr, Siemens, Hyundai, Sagem, Thales, Vivacom, Vodafone, Cyta, DNO, Cosmote, GO (Malta), Armentel, Santerne, ALSTOM Transport, Bombardier, Siemens, Network Rail (U.K.), OSE (Greece), Attiko Metro (Greece), and TE connectivity (Belgium).

Corporate strategy

The strategic objectives that guide the operational activities of the companies comprising the Cables segment are as follows:

- Continuously develop high added value products and services such as HV and EHV submarine and underground cables as well as



installation services and turnkey solutions;
- Diversify geographical footprint in dynamic regions such as Europe and the USA. These are markets which invest heavily in the development of power and telecommunication networks and in RES projects;
- Maintain high levels of productivity by further rationalising the cost base, enforcing stricter inventory management and further improving the operational performance of the production units;
- Preserve focus on human capital and on the sustainable development of its companies.

Product portfolio

Hellenic Cables offers a wide range of submarine and land power cables (from low to extra high voltage), installation services and turnkey solutions for power grids, interconnections, offshore and onshore wind, solar energy, oil and gas and heavy industries. Hellenic Cables also produces telecommunication and data transmission cables, gauging and control cables, optical fibre cables (submarine, single-mode and multi-mode), signalling and railway signalling cables, etc.

Energy

Submarine cable systems
Low, medium, high and extra - high voltage submarine cables for island and wind farms interconnection.

HVDC Cables
High-voltage direct current for offshore and onshore interconnections.

High and Extra High voltage power cables
for onshore interconnections in the transmission networks.

Power distribution cables
Low and medium voltage for power distribution.

Industrial application

Wind farm cables
LV, MV and HV cables for wind farm applications.

Industrial cables
LV, MV and HV cables, as well as control cables for industrial applications.

Railway cables
LV, MV and HV cables, such as signalling and railway signalling cables.

Telecommunications and data transmission

Network cables

Optical fibre cables

Fiber To The Home cables

Turnkey solutions

Over the last years, Hellenic Cables has moved beyond being a simple supplier of cable products for diverse applications and has evolved into a Service Provider with the capability to manage and deliver full turnkey projects, both onshore and offshore. To succeed in this endeavor, Hellenic Cables established a dedicated, in-house Project Management Office with highly skilled personnel and experienced subcontractors in order to accommodate the supply and installation of medium to extra high voltage submarine cable systems, repeaterless optical fiber submarine cable systems, underground power and composite power with rated voltage up to 400kV as well as optical fiber underground systems.

The PMO is able to provide its customers with the following:
- Installation services, for underground HV and EHV cable interfaces, as well as for all Hellenic Cables' submarine cables.
- Repair and replacement of underground interconnection systems for high voltage cables, as well as offshore and fibre optic

cable systems.

- OEM (Original Equipment Manufacturer) services, including design, production and packaging.
- Custom-adapted applications for the optimal implementation of already installed systems.
- Supervision services, for products provided by third parties, especially during the installation of underground and submarine cables.
- Technical support, in matters of design, maintenance solutions for underground and submarine cables, post-installation support, etc.
- Transport and storage services, for all types of Hellenic Cables products.
- Customer instruction and training either directly, through Hellenic Cables' experienced and specialized staff or through renowned technical consulting companies.
- Provision of backup materials, such as spare parts for the maintenance of installed energy and telecommunications systems, throughout the life of each designed interconnection.

Production and port facilities

Having invested significantly in the expansion and improvement of its manufacturing facilities, Hellenic Cables and its subsidiaries operate an effective production base comprising three plants in Greece, one in Romania and one in Bulgaria:

- **Thiva, Greece | Power and Optical Fibre Cables plant**

Annual production capacity: 60,000 tonnes

The Thiva plant, owned by Hellenic Cables, covers a total surface area of 175,082 m², including 53,237 m² of building facilities. It specialises in the production of land power and telecommunications cables.

- **Corinth, Greece |Submarine Cables plant and port**

Annual production capacity: 50,000 tonnes of cables

The plant, owned by Fulgor, is located in Sousaki, Corinth, on a 245,306 m² land plot, with a covered area of 100,895 m² facilities (incl. copper and aluminium foundries). Following the implementation of an extensive investment plan during the last decade, the plant is now one of the most advanced factories in the world for HV and EHV submarine cables. It stands out for:

✓ its vertical integration through in-house production of copper and aluminium wire rod
✓ its capacity to produce very long continuous lengths of submarine cables up to 500 kV
✓ direct loading on board cable-laying vessels at the plant's private port, accessible all year around
✓ one of the highest storage capacities in the world.

During the last five years, emphasis was given on developing the inter-array cable production lines, to adequately serve the growing cable demand from offshore wind farms.

- **Bucharest, Romania |Power and Telecom Cables plant**

Annual production capacity: 50,000 tonnes

The plant, owned by Icme Ecab, is in Bucharest, Romania on a plot with a total surface area of 267,789 m² including buildings of 102,138 m². It produces a wide range of land power and telecom cables as well as other special-requirement cables.

- **Oinofyta, Greece |Plastic and rubber compounds plant**

Annual production capacity: 24,000 tonnes

The Compounding Plant in Oinofyta, Greece supports Hellenic Cables for the production of PVC and rubber compounds and covers a total surface area of 21,262 m²· including 9,216 m² of building facilities. A state-of-the-art, advanced polymer laboratory is part of the plant and allows polymer analysis and specialised chemical testing focused on quality control.

- **Thiva, Greece | Newly acquired industrial site**

During Q4 2022, Hellenic Cables acquired an industrial site in Viotia, Central Greece. The site covers an area of 245,718 m² and includes 49,673 m² of buildings and covered surfaces.

Hellenic Cables is planning to build there a single, dedicated center of excellence that will concentrate on manufacturing, testing, and development of low voltage and telecommunication cables, currently dispersed among many different sites.

This acquisition will allow Hellenic Cables to streamline production across its Greek manufacturing sites and optimally serve the increasing product demand, as well as higher expectations of customers and stakeholders in the growing Electrification and Energy Transition space.

- **Blagoevgrad, Bulgaria |Wooden packaging products plant**

Annual production capacity: 16,500 tonnes of wooden packaging products

The plant, owned by Lesco O.o.d., is a modern timber company founded in 1998, located in Blagoevgrad, Bulgaria and exclusively involved in the manufacturing of wooden packaging products (pads, reels, pallets, packing cases) for the reeling of various cable types.

Innovation, Technology and Investments

In 2022, the Cables segment invested EUR 71.2 million into its comprehensive investment program initiated ten years ago. Thus, the Corinth plant improved its ability to manufacture submarine cables of up to 500kV in long continuous lengths, expanded its annual capacity for storage of submarine cables, while at the same time the port infrastructure was upgraded.

More important than capital investment is, however, Hellenic Cables' continued dedication to Research and Development (R&D).

A dedicated R&D Department, with top-tier researchers and engineers (electrical, mechanical and materialists), supported by advanced software tools and modern testing facilities, pursues core research, product development, innovation and product optimization while providing technical support in engineering and manufacturing. Additionally, the R&D initiatives support the segment's strategy towards a wider range of green products, with lower environmental impact.

Hellenic Cables collaborates with several universities and research institutions to build research networks and foster new technologies. Among those are numerous institutions in Greece (National Technical University of Athens, University of Patras, Aristotle University of Thessaloniki, Democritus University of Thrace), Exeter University (UK), Southampton University (UK), University of Montpelier (FR), University of Torino (IT), Technische Universität Berlin (TUB) as well as certification bodies such as SINTEF (NO), KEMA-DNV GL (NL), EdF research center (FR).

2022 Research & Development activities

2022 was full of strong research and development challenges, addressed under specific projects, some of which continued from 2021 while others were initiated to address new market needs and technology trends. These projects focused on delivering high-quality and reliable products to both new and existing customers, developing new offshore and onshore solutions, and optimizing existing designs in terms of cost and technical specifications. The outcomes of such development projects are summarized below:

New customers & New Markets

For already developed products such as

- 66kV inter-array cables
- 275kV export submarine power cable systems
- MV and HV onshore (land) cables for various European TSOs

New product development

a) New design of export dynamic cables, capable to operate under severe mechanical stresses with integrated strain monitoring systems

b) Design development of
   a. 132kV inter array submarine cables
   b. export submarine cables at 400kV
   c. transition joints for conductors made of different metals and diameters with a novel welding methodology

c) New compounds for non-conducting parts of onshore cables. Special focus was given on increasing the utilization of recyclable materials

d) 90kV land environmentally friendly cable system

Applied research

- Experimental verification of new materials under 2-year ageing tests for high electric stress operations
- Development of measuring methodology for the thermal capacity of cables installed in J-tubes
- Development of an in-house measurement system of the DC and AC resistance of Milliken type aluminium and copper conductors
- Machine learning algorithms for prediction models for fire performance of cable and mechanical performance of land

and submarine cables
- Inhouse development of new compounds with thermomechanical properties
- Publication of novel topics in journals and conferences as well as participation in technical committees such Cigre and IEC.

Participation in EU research programmes
As a result of the successful applied research & development roadmap adopted during the last year, Hellenic Cables is now considered as a key partner in innovation. In that context, Hellenic Cables participates in several EU funded programs and EU Horizon consortia:
- **FLOTANT project**: Its main objective is to develop the conceptual and basic engineering of mooring and anchoring systems, necessary in Deep Water Wind Farms (DWWF). It includes developing a lightweight and high-performance dynamic cabling, to improve cost-efficiency, increase flexibility and robustness to a hybrid concrete-plastic floating structure designed to be deployed in water depths from 100m to 600m.
- **NextFloat project**: This is a pan-European project launched in November 2022 in Paris to accelerate the roll out of the next generation of floating wind technology. It will lead to the deployment of a 6MW floating wind prototype at the Mistral test site in the French Mediterranean Sea, to demonstrate at a relevant scale an innovative integrated downwind floating platform design, while advancing in parallel on the industrialization and scaling-up of the integrated solution up to 20MW+ scale, in preparation of commercial floating wind farms under development in Europe.
- **Trieres project**: The scope of this project is to develop, deploy and demonstrate a hydrogen valley (H2) in compliance with the European Hydrogen Strategy and the European Green Deal.
- **MUSICA project**: The MUSICA solution will be a decarbonizing one-stop shop for small islands, including their marine initiatives (Blue Growth) and ecosystems.

The total R&D expenditure for 2022 amounted to EUR 10.7 million (2021: EUR 10.0 million), out of which EUR 4.4 million (2021: EUR 3.1 million) concerned fundamental research and customer specific research activities.

New investment plan in Corinth plant

Early 2023, Hellenic Cables announced the initiation of an investment program of approx. EUR 80 million over a two-year horizon to address the growing demand for electrification driven by the accelerating transition to a low-carbon economy.

The program includes a major expansion of the sophisticated subsea cable plant in Corinth, Greece that will double production capacity of submarine cables, provide additional storage as well as extensively upgrade the plant's port facilities. In this context, the company acquired a neighboring property with a total area of 43,000 sq.m.

With this investment, Hellenic Cables will enhance the existing center of manufacturing excellence for a wide range of subsea cables, from MV up to EHV ones needed in fast-growing markets like Offshore Wind, Subsea Interconnections and Power-from-Shore.

Renewables are projected to lead this effort in the foreseeable future, with most of their growth expected to come from offshore wind. In addition, grid interconnections both nationally and internationally, will further enhance energy security.

Hellenic Cables, through this major investment program, aims to strengthen further its role as a key enabler of this transition. The investments will allow Hellenic Cables to flawlessly execute a record high order backlog and serve the increasing demand as well as the greater expectations of customers and stakeholders.

Recent projects

Continuing its quest for full capacity utilization, Hellenic Cables continued its tendering efforts across a number of geographical areas and succeeded to secure several awards for new projects and frame contracts.

A list of major projects awarded in 2022 follows.

Project / Frame contract	Customer	Description & Scope	Execution period
Lavrio-Serifos / Serifos-Milos interconnection, Greece (4th phase of the interconnection of Cyclades)	IPTO (ADMIE)	This "turnkey" project includes the design, manufacturing, and supply of the 150kV onshore and offshore high voltage cables as well as their accessories, the installation, laying, and protection of the onshore and offshore cables, jointing and terminations, testing and commissioning. The production of the submarine cables for the project initiated in 2022.	2022 - 2024
Ostwind 3, Germany	50Hertz	Design, supply, delivery, storage, installation, jointing, termination, testing, and commissioning of 105 km submarine three-core export cable (220kV) as well as 13.5 km of onshore export cable (220kV), 2 km platform cable (220kV) and 2 km platform cable (66kV).	2023 - 2025
Zakynthos-Kyllini interconnection, Greece	IPTO (ADMIE)	This "turnkey" project includes the design, manufacturing and supply of 150kV land and submarine high voltage cables as well as the associated accessories. The production of the submarine cables for the project initiated in 2022.	2022 - 2023
Hai Long Offshore Wind, Taiwan	Hai Long	Supply of approximately 140 km of 66kV XLPE-insulated inter-array cables and associated accessories. This was the first award of Hellenic Cables in the Asian market.	2023 - 2024
Sofia offshore wind farm, United Kingdom	Van Oord	Supply of approx. 360 km 66kV inter-array cables and accessories. Once operational, the energy generated by Sofia's turbines will save more than 2.5 million tonnes of carbon emissions per year when compared to the use of fossil fuels in the UK.	2023 - 2024
Dogger Bank C, United Kingdom	DEME Offshore	Design, manufacture, test, and supply approx. 240 km of 66 kV XLPE-insulated inter-array cables and associated accessories. This is an addition to the 650 km of array cables already awarded for phases A & B. With it, Hellenic Cables became the exclusive array cable supplier for the world's largest offshore wind farm, developed in three 1.2 GW phases by SSE Renewables and Equinor.	2023 - 2025

A list of major projects partially or fully delivered in 2022 follows.

Project / Frame contract	Customer	Description & Scope	Execution period
Kafireas II Wind Farm, Greece	Terna Energy SA	The Interconnection Cable System includes approx. 70 km of 150kV three-core composite submarine cables as well as 11 km of 150kV single-core underground onshore cables, along with all accessories, joints, terminations and fittings, necessary for the completion of the system. Installation of all cables was concluded in 2022.	2021 - 2022
Vesterhav Nord / Syd, Denmark	Vattenfall	Design, manufacturing, testing, and supply of approximately 70 km 66kV XLPE insulated inter-array cables and associated accessories for Vesterhav Nord / Syd offshore wind farm projects. Production of all submarine cables for the project was concluded in 2022.	2022 - 2023
Santorini-Naxos interconnection, Greece	IPTO (ADMIE)	The submarine section of the Santorini-Naxos interconnection has a total length of 82.5 km and the submarine cables were successfully installed at a maximum depth of 400 meters in 2022.	2022 - 2023
Turnkey project for medium voltage submarine interconnections, Greece	HEDNO	The turnkey project includes the production and supply of submarine cables, along with the supply and installation of their accessories, as well as the implementation of all relevant works for the connection of the submarine cables to HEDNO land network. The production of all submarine cables for the project was concluded in 2022, while installations will be concluded in 2023.	2022 - 2023
Dogger Bank A&B, United Kingdom	DEME Offshore	Design, manufacture, test and supply approx. 650 km of 66kV inter-array cables and associated accessories. The production of several batches of submarine cables for the project was concluded in 2022 and the last batches will be produced in 2023.	2020 - 2024

2022 financial performance

The segment's revenue growth in 2022 was driven by the products' business as power and telecom turnover increased by 28%. At the same time, projects' revenue improved by 6%, efficiently executing demanding orders and further growing its order book by winning major awards in Greece and abroad. As a result, revenue for the cables segment reached EUR 964 million (+17% y-o-y). During 2022, the segment materialized the demand upturn for cables products in all its main geographical regions (i.e., Central Europe, Balkans and Southeast Mediterranean countries) improving both the sales volume and its profit margins per ton of products sold. This fact along with an improved sales mix, a full production schedule throughout the year and steady high margins in projects business led to a 22% y-o-y higher a-EBITDA (+EUR 19.9 million).

During 2022, the tendering activity of Hellenic Cables continued successfully as it was awarded several **new projects** in the offshore wind and interconnection markets:

- In the offshore sector, we note the turnkey interconnection projects of Lavrio - Serifos / Serifos - Milos interconnection (phase 4 of the Cyclades' interconnection in Greece, with a total cable length of 170 km) and Zakynthos – Kilini (total cable length: 23 km) in Greece, as well as the 105 km export cables contract for Ostwind 3 in Germany, the first award by 50Hertz for the company.
- In the inter-array market, Hellenic Cables maintained its leading position, securing the supply of 360 km 66kV cables and accessories for the Sofia offshore wind farm in the United Kingdom and 140 km of 66kV XLPE-insulated cables and associated accessories for the Hai Long Offshore Wind in Taiwan, the first award in the Asian market.
- In the onshore sector, the company was awarded important turnkey and supply contracts across Europe, especially in Germany and the UK.

As a result of the above, the **order backlog** of the segment reached **EUR 1.35 billion** (31.12.2021: 650 million) by year end.

At the same time, throughout 2022, several projects were successfully delivered, fully or partially. Among others:

- The production and the installation of the 83 km-long submarine cable for the electrical interconnection between Naxos, Santorini and Thirasia islands in the Aegean Sea, Greece was concluded in 2022, while the final site tests are scheduled during the first half of 2023.
- The first batches of 66kV inter-array cables for phases A & B of the Doggerbank offshore wind farm in the UK, the world's largest offshore wind farm, were completed; remaining quantities will be produced and delivered in 2023.
- The production of 70 km 66kV XLPE insulated inter-array cables for the Vesterhav Nord & Syd offshore wind farms in the North Sea, Denmark was completed.
- The interconnection of Kafireas II Wind Farm with Greece's mainland grid was carried out on schedule early in the year.
- Several onshore projects in the UK market, awarded during 2021, were finished.

Sales volumes for the **products** business unit increased by 4% in 2022, as demand returned. Coupled with the positive product mix, it contributed to the segment's profitability.

Driven by the above, the cables segment succeeded to surpass the EUR 100 million mark for a-EBITDA for the first time of its history, reaching EUR 108.5 million in 2022, up by EUR 19.9 million from 2021. Corresponding profit before income tax reached EUR 62.8 million, compared to EUR 44.9 million in 2021, while net profit after tax followed the same trend and reached EUR 49.6 million (EUR 37.2 million in 2021).

The segment's net debt increased by EUR 138 million reaching EUR 335 million on 31.12.2022. As discussed earlier, this increase was driven by a rise in working capital needs, since operating cash inflow financed the increased capital expenditure of EUR 71.2 million incurred during the period, as well as the higher net finance costs of EUR 24.8 million.

2022 Capital expenditure for the entire segment focused on the following:

- selective investments to increase submarine cables production capacity in the Corinth plant;
- improvements in the Corinth port;
- the acquisition of a property, close to the Corinth plant, in order to prepare a necessary expansion from 2023 onwards;
- the acquisition of an industrial site in Viotia, Central Greece, stretching across 245,718 sq.m. (with 49,673 sq.m. of buildings and covered surfaces) that will allow Hellenic Cables to further expand its onshore cable production lines; and
- expenses of EUR 6.0 million to support the construction of a submarine cables factory in the USA.

Table 3: Profitability Analysis – Cables segment[2]

Amounts in EUR thousand	FY 2022	FY 2021
Revenue	964,388	824,291
Gross profit	116,875	92,521
Gross profit margin (%)	12.1%	11.2%
a-EBITDA	108,497	88,625
a-EBITDA margin (%)	11.3%	10.8%
EBITDA	105,710	83,273
EBITDA margin (%)	11.0%	10.1%
a-EBIT	90,436	71,777
a-EBIT margin (%)	9.4%	8.7%
EBIT	87,649	66,425
EBIT margin (%)	9.1%	8.1%
Net finance costs	(24,821)	(21,539)
Profit before income tax	62,827	44,886
Net margin before income tax (%)	6.5%	5.4%
Profit after tax for the year	49,628	37,216
Profit attributable to owners	49,625	37,214

2. Source: Consolidated Statement of Profit or Loss and Alternative Performance Measures

2023 Outlook

Against an unclear financial and geopolitical backdrop, the **cables segment** is confident in continuing its performance momentum in products, as demand remains strong. A set of secured project orders and high-capacity utilisation in all plants throughout 2023 will foster profitability for the entire segment for the upcoming year.

The electrification momentum in Europe and the increasing demand of grid connections are expected to further fuel the order book for land cables. Preparing for this, Hellenic Cables acquired an industrial area near its factory in Thiva to use both as an expanded production site for its low voltage land and telecom cables, as well as a warehouse of raw materials and semi-finished goods. As for the projects business unit, several awards have been secured during the last months and more projects are expected to be awarded in the forthcoming year. Hellenic Cables, through a major investment program spanning 2023-2024, aims to strengthen further its role as a key enabler of the Green Energy transition. All these investments will allow the Company to effectively execute a record high order backlog and serve the increasing demand, as well as the greater expectations of customers and stakeholders. Last, and following previous announcements, the discussions with Ørsted on the partnership for the construction of a submarine inter array cables factory in Maryland, USA are continuing.

Further information is available on the Hellenic Cables website: www.hellenic-cables.com.

Providing products and solutions that enable the energy transition

Steel pipes

Activities

Corinth Pipeworks (hereafter "CPW") is one of the world's leading manufacturers of steel pipes and hollow sections for the energy and construction sectors. With a successful course and experience of more than half a century, it has implemented very demanding projects with leading energy companies worldwide. The steel pipes manufactured by the company in the last 15 years can cover more than half of the Earth's perimeter.

The segment customer-oriented philosophy has resulted in strong, long term mutually beneficial relationships that propagated its geographical presence around the globe.
Its clients in more than 45 countries include:

ABB, Allseas, AngloAmerican, Balticpipe, BP, Cheniere Energy, Chevron, Collahuasi, DCP Midstream, Denbury, DEPA, DESFA, DNOW, E.ON, EDF, Enbridge, Energy Transfer, ENGIE, ENI, EPCO, EXXON MOBIL, Equinor, GASCO, Gaz System, Genesis, Jemena, KPO, MRC Global, National Grid, Noble Energy, OGC, OMV, PDO, PEMEX, Plains All American, Qatar Petroleum, Repsol, Saipem, Sapura energy, Saudi Aramco, Shell, Snam, Socar, Sonatrach, Spartan, Spectra Energy, Subsea 7, STEG, TechnipFMC, TotalEnergies

It is our perpetual goal to be one of the leading companies providing innovative solutions in the energy sector, innovations that will facilitate the transition to a green energy economy. In this context, CPW is a pioneer in technological solutions that transport natural gas and biogas (the main transition fuel in the quest to carbon emission reduction), up to 100% hydrogen (through steel pipelines) and CO_2 (in carbon capture and storage technologies).

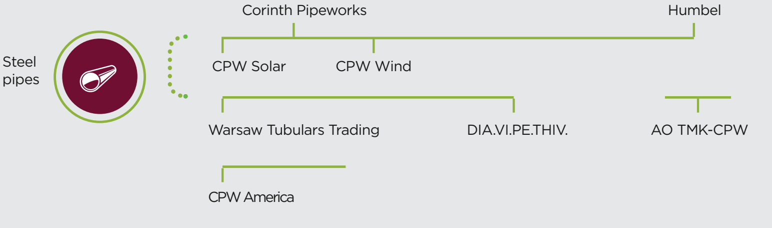
Corporate strategy

As this new environment takes shape in the energy sector, the importance of environmental responsibility for CPW should be stressed. The Company has a leading role in the energy transition and the response to climate change, by developing innovative products and reducing the carbon footprint of its operations. At the same time, it continues to improve its efficiency by implementing targeted programs at its production facilities, prioritizing those related to R&D.

Furthermore, over the last two years, the Company adopted a coherent, integrated sustainable development strategy that incorporates actions for all major risks and opportunities related to the environment, society and corporate governance.

CPW is in continuous dialogue with its entire value chain from suppliers to customers and commits to publishing annually all key performance indicators and initiatives related to ESG.

The sustainable strategy lays the foundation for effective identification, monitoring and management of all material ESG risks.



Product portfolio

Corinth Pipeworks has extensive experience and a strong track record of implementing complex projects for the energy sector worldwide, both onshore and offshore. CPW offers one of the widest product ranges in the industry, as well as tailor-made solutions for demanding projects. Combining cutting-edge technology, advanced machinery and equipment with a unique team of experts, eager to respond and find solutions to customer needs.

CPW produces high-quality steel pipes to safely transport gas and liquid fuel, hydrogen, CO_2 and slurry. Furthermore, its product portfolio includes high quality casing pipes for drilling operations and hollow sections for construction applications. Its key products include medium and large diameter welded steel pipes of longitudinal (LSAW) and helical seam (HSAW) as well as high-frequency induction welded pipes (HFW). Being a Tier 1 steel pipe supplier is a result of a strong commitment to innovation and integrated services that CPW provides

Corinth Pipeworks acknowledges the need to address climate change and take action to minimize its environmental footprint. Serving this goal, it actively contributes to the acceleration of energy transition through innovative products and initiatives.

Main pillars of our strategy

We commit to tackle climate change and base our long-term strategy on the main pillars of energy transition and a green energy future.

Gas & Liquid fuel

Natural gas is considered as the transition fuel while renewables mature technologically and economically. It produces around half the carbon dioxide (CO_2) and just one tenth of the air pollutants of coal when burnt to generate electricity. Hence, as for many years now, the segment's activities in the energy sector focuses mainly on gas transmission projects.

Hydrogen

Our goal is to contribute to the energy sector and have an impact on climate change by achieving net zero carbon emissions and developing innovative solutions that can bring the hydrogen era one step closer. Whether hydrogen is produced in offshore wind parks or in photovoltaic parks, modern solutions are needed to transport both electricity and hydrogen, to the natural gas network or to the consumption end point.

At the forefront of technological innovation, our research and development in the field of hydrogen transportation, through existing or new pipelines, will provide the technology and products ready for the green energy transition. CPW along with international energy infrastructure companies is leading the hydrogen era delivering pipes for high pressure gas pipelines, certified to transport up to 100 % H_2. In that context, Corinth Pipeworks has already delivered several projects globally with pipes certified to transport up to 100% of hydrogen so the new networks constructed today are ready for a green energy future. At the same time, we are one of the first companies, globally, to participate in the European Alliance for Pure Hydrogen (Hydrogen Alliance) as well as in Hydrogen Europe.

Carbon capture & storage (CCS)

Carbon capture and storage technologies prevent the release of carbon dioxide into the atmosphere resulting from the combustion of fossil fuels or industrial processes. This technology is constantly evolving and considered that, as a technology for specific applications, will help tackle climate change. Corinth Pipeworks already holds a long experience in the manufacturing of pipes for CO_2 pipelines. For the last 15 years the Company has produced CO_2 transmission pipelines in a total length of over 1,150 km and is ready to face the challenge.

Wind

Today, wind energy represents a technologically mature, economically competitive and environmentally friendly energy choice. As an inexhaustible source of energy, the wind energy industry is one of the world's fastest growing energy technologies, especially in the offshore floating wind parks. Our company is evaluating the entrance in this dynamic sector.

Construction

Corinth Pipeworks serve the steel construction market with its extensive range of structural pipes and hollow sections in square, rectangular and round shapes, used in architectural, industrial and infrastructure applications.

The structural pipes family of products set the standard in steel construction by providing high-strength and fine-grain steels. These steels are produced in a wide range of shapes and wall thicknesses and are suitable for very demanding highly stressed steel structures.

Production and port facilities

CPW's industrial plant is located in Thisvi, Viotia, Greece.

- **Corinth Pipeworks Pipe Industry plant and port | Thisvi (Greece)**

Corinth Pipeworks operates a state-of-the-art plant in Thisvi, Greece (EUR >350 million investment 2002- 2022) with 925,000 tns/year capacity. It continuously invests to support delivery of reliable quality solutions on time.

Corinth Pipeworks' products are used for energy and construction applications with a portfolio that includes:

- Pipes for transportation of natural gas and fossil fuels, offshore and onshore
- Pipes for oil and gas risers/OCTG casings
- Hollow sections
- Pipelines for hydrogen transportation
- Pipelines supporting carbon capture and storage (CCS)
- Pipes for water pipelines.

The company offers - in one location - all welded pipe manufacturing processes (4 pipe mills) and pipe coating and downstream operations required for the supply of a complete on/offshore pipeline package:

Pipe mills
- HFW (High Frequency Welded)
- LSAW (Longitudinal Submerged Arc Welding)
- HSAW (Helical Submerged Arc Welding)

Downstream operations:
- External and Internal Coating mills (FBE, ARO, 3LPE, 3LPP, Internal Epoxy)
- Concrete weight coating facility
- Double jointing facility
- Weld on Connectors line
- Laboratory (+ hydrogen + sour service conditions)
- Storage areas

Port
- Corinth Pipeworks has the exclusive use of a port, adjacent to its Thisvi plant, offering the advantage of low freight rates and minimum delays both in raw material imports and products exports.

The Company provides options for:
- Internal/external coating/lining of pipes.
- External concrete coating (CWC) for offshore applications.
- Hydrogen certification of pipelines (Hydrogen testing laboratory).
- Double jointing for the production of extra long pipes.
- Materials and corrosion testing and nondestructive tests on both raw materials and the final product, at the accredited, in accordance with EN/IEC 17025, laboratory testing centre.
- Weld-on connector for casing pipes used in drilling/extraction.
- Additional services (including treating, cutting, prefabricating and affixing special markings).
- Study of alternative proposals for the steel pipe production method (e.g. welded vs. seamless pipe solutions).
- Optimum packaging, transport and storage processes, procurement of pipes or subcontracting of pipe coating.
- Multi-modal transportation of pipes.

Innovation, Technology and Investments

Invest in the Future - Innovation
Corinth Pipeworks' ability to manufacture cutting- edge products and remain at the forefront of its industry through investment in R&D, drives operational efficiency and commercial achievements across the world. The company collaborates with international research organizations and participates in research projects linked to its core business activities.

• *Hydrogen Certification*
CPW is present in the European Hydrogen Backbone scheme and services the increasing needs of our clients for hydrogen certification of pipelines.

In 2022, the Company developed its capabilities further by adding a new state-of-the-art hydrogen testing laboratory to its accredited testing center. This laboratory is among the first of its kind and allows the Company to address the need of the market in order to develop a hydrogen network. It is worth mentioning that many standard, natural gas pipeline projects awarded lately, required certification for hydrogen transportation. As a result CPW supports a vision: Pipes produced today and installed in the current networks could cover the energy mix of tomorrow.

This new facility supports primarily qualification testing of new hydrogen pipeline projects, as well as R&D testing.

• *Wind energy*
Market study regarding the entire wind energy sector sector and the potential of offshore parks.
• *Other initiatives*
- Implementation of process optimization techniques combined

with extensive internal trial productions, aiming to narrow optimum working range for all variables targeting higher product uniformity.
- Hydrogen sulfide resistant steel pipes.
- High pressure bearing offshore pipes/Depth bearing submarine pipes.
- Potential pipe breakage at low (sub-zero) temperatures
- Broadening production by thickness and grade.
- Advanced monitoring of welding techniques.
- Operational excellence program (BEST).
- Digital human resources management.
- Non-destructive technologies testing.
- Development of advanced tracking and process control systems.
- Collaboration with international research organizations and institutes (EPRG, TWI, ELKEME)
- Participation in major European & International projects targeting to the development of both pipe properties and pipeline integrity (JIP, RFCS projects).

Following on the path of programs running continuously for the last decade, the steel pipes segment further invested EUR 7.8 million in 2022.

Digitalization

CPW places high value on ESG data governance and attempts to integrate ESG metrics into its internal control framework and audit program. Hence, it has implemented Sphera, an Integrated Digital Platform for Measuring, Monitoring, and Reporting ESG KPIs. The platform covers a wide range of indicators and displays data in a dashboard format, allowing the company to optimize manual data collection and simplify reporting processes.

Recent projects

Throughout 2022, the gas fuel transportation market turned around due, first, to steadily high energy prices and then, to the urging energy security issue faced by many European countries caused by the geopolitical turbulence in Ukraine. Demand growth and a more favourable financial environment resulted in many pipeline projects, previously postponed, to be revived and hastily pushed to execution phase. During this period, CPW successfully continued its intense program of qualifications and was rewarded in the Energy Mastering Awards 2022 for best practice in Energy Efficiency and Energy Monitoring Technologies. Within the year, it successfully executed a number of pipeline projects and was awarded significant new ones. Along with contracts in Italy, the Mediterranean region, the North & Norwegian Sea as well as Australia, South Africa and USA, it is worth noting the awards below:

Major project awards during 2022:

Customer	Project / Country	Quantity	Product
TOTAL AUSTRAL	FENIX/Argentina	40km	24" longitudinally submerged arc welded steel pipes
Saipem S.p.A	FSRU pipeline/ Greece	30km	30" SAWL steel pipes, incl. anti-corrosion coating and concrete weight coating
Compañía Minera Doña Inés de Collahuasi (CMDIC)	Fuente Hídrica Complementaria (FHC) pipeline project /Chile	201km	44" longitudinally submerged arc-welded (LSAW) linepipe, incl. external 3-layer polyethylene coating and internal FBE coating
Jemena Asset Management Pty Ltd	Port Kembla Lateral Pipeline / Australia	13km	18" diameter High Frequency Welded (HFW) line pipe, certified to transport up to 100% hydrogen, incl. FBE coating and internal epoxy lining
DESFA	West Macedonia /Greece	163km	Hydrogen certified pipes: 97km of LSAW 30" and 66km of ERW 14" and 10"
GAZ-System SA	Gustorzyn – Wronow/ Poland	80km	40" diameter coated steel pipes, among the first in Europe to be certified for future transportation of up to 100% hydrogen

2022 financial performance

In steel pipes, revenue doubled from the previous year to EUR 461 million vs. EUR 230 million, while profit before income tax turned positive and equal to EUR 7.2 million versus a 2021 loss of EUR 13.9 million. Approximately two thirds of the revenue change is due to an increase in sales volume, while the remaining is due to the increase in steel prices (average price of steel in 2022 was 22% higher than in 2021).

Throughout 2022, the gas fuel transportation market turned around due, first, to steadily high energy prices and then, to the urging energy security issue faced by many European countries caused by the geopolitical turbulence in Ukraine. Demand growth and a more favourable financial environment resulted in many pipeline projects, previously postponed, to be revived and hastily pushed to execution phase.

In this improving environment, Corinth Pipeworks consolidated its market position as a Tier1 pipe manufacturer and a leader in new energy transition technologies such as hydrogen and CCS pipelines. Within the year, it successfully executed a number of pipeline projects and was awarded significant new ones. Along with contracts in Italy, the Mediterranean region, the North & Norwegian Sea as well as Australia, South Africa and USA, it is worth noting the awards below:

- Contract for 201 km of desalinated water pipeline by Collahuasi in Chile.
- Award by DESFA for 163 km of pipeline in West Macedonia, Greece, certified to transport up to 100% hydrogen.
- Award by Jemena in Australia for 13km of hydrogen certified pipes.
- New contract by Saipem S.p.A for 28 km of pipeline for the Alexandroupolis Floating Storage and Regasification Unit (FSRU) in Northern Greece, operated by Gastrade.
- New award by TotalEnergies of 40 km pipeline for the Fenix offshore gas field in Argentina.

As a result of the abovementioned awards, the backlog at the end of 2022 reached EUR 670 million, its highest level since 2018.

Increased revenue led to a notable improvement in profitability with gross profit equal to EUR 28.4 million in 2022 (from EUR 16.2 million in 2021) and adjusted EBITDA, following to EUR 28.3 million (more than 75% increase from the EUR 16.0 million achieved in 2021). The improvement in operational profitability translated to a net profit for the year of EUR 10.8 million compared to a net loss of EUR 14.7 million in 2021; it is noted though, that 2021 net results were significantly impacted by a one-off provision charge of EUR 12.8 million due to the retrospective implementation of the AD duty rate imposed by the US Department of Commerce.

Higher revenue (+101%) and increased needs for raw materials related to significant backlog projects which will be produced within Q1 2023, pushed working capital for the steel segment up by ca. EUR 40 million from its 2021 levels, although that low level (5.4% of sales) should be thought as a one-off low record, due to the collapse of the oil and gas markets. Working capital consequently pushed net debt higher by EUR 35.6 million for the end of 2022, reaching EUR 103.7 million. Nevertheless, due to the aforementioned increased profitability, the Net Debt / a-EBITDA ratio decreased from 4.3x to 3.7x.

Capital expenditure in the steel pipes segment amounted to EUR 7.8 million in 2022 (2021: EUR 9.5 million) related mainly to selected operational improvements in Thisvi CPW plant.

Finally, during the year, Corinth Pipeworks continued its extensive R&D program in green hydrogen transportation, CCS technologies and potential opportunities in the offshore wind sector. This is the culmination of an innovation strategy, which also includes a process digitalization roadmap, energy company qualifications and geographical diversification, that leads to a stronger competitive advantage.

Table 4: Profitability Analysis – Steel Pipes segment[3]

Amounts in EUR thousand	FY 2022	FY 2021
Revenue	461,620	229,913
Gross profit	28,438	16,152
Gross profit margin (%)	6.2%	7.0%
a-EBITDA	28,327	15,974
a-EBITDA margin (%)	6.1%	6.9%
EBITDA	27,934	2,388
EBITDA margin (%)	6.1%	1.0%
a-EBIT	19,191	7,124
a-EBIT margin (%)	4.2%	3.1%
EBIT	18,798	(6,462)
EBIT margin (%)	4.1%	-2.8%
Net finance costs	(11,630)	(7,478)
Profit before income tax	7,168	(13,940)
Net margin before income tax (%)	1.6%	-6.1%
Profit after tax for the year	10,831	(14,704)
Profit attributable to owners	10,831	(14,704)

2023 Outlook

The **steel pipes** segment, on the other hand, has left behind three challenging years marked by the pandemic and the ensuing energy crisis where the focus has been on securing capacity utilization and is looking forward to a positive year, as the solid backlog built during 2022 blends with a higher profit margin project mix. Looking ahead, Corinth Pipeworks expects the gas fuel sector to continue its dynamic growth, in line with the energy transition pillars. As market conditions improve, so is the order backlog, feeding into a positive outlook for the next year.

Further information is available on the Corinth Pipeworks website: www.cpw.gr.

3. Source: Consolidated Statement of Profit or Loss and Alternative Performance Measures

© Sapura Energy

Ready for the shift

Hydrogen

Certified network

A pioneer in the R&D of solutions for the certification of steel pipes for the safe transportation of hydrogen as a mixture with natural gas or in pure form, in collaboration with international research institutes

Gas Fuel / Biogas

Market leaders in gas fuel pipelines, onshore and offshore.

Expertise in demanding offshore applications like reel-lay and deep-water projects with experience gained from more than 2,200km of successful projects

CCS

Leading the market developments in Carbon, Capture and Storage (CSS) projects based on experience gained from more than 1,150km of CO_2 pipelines

Wind

Wind structures- Floating foundation

Business plan for a new facility manufacturing steel structures for the growing sector of offshore wind

Subsequent events

On March 8th, 2023, Cenergy Holdings' Board of directors decided to propose to the Ordinary General Shareholders' meeting to be held on 30.05.2023, the approval of a gross dividend of EUR 0.05 per share.

Risks and Uncertainties

Cenergy Holdings' Board of Directors is the highest body responsible for assessing the risk profile of its companies. Being a holding company, Cenergy Holdings does not have itself any production operations, customers, suppliers, or personnel (besides employees for administrative tasks), therefore any risks affecting it originate at its subsidiaries and their operations, suppliers, clients and personnel.

Cenergy Holdings' companies operate in dynamic markets with quite different characteristics, hence risks are to be managed in a structured way in order to reduce potential negative financial impact. The goal for each company is consequently to identify, measure and prioritize risks and to react appropriately with suitable actions that mitigate, reduce or control the impact of negative events. Cenergy Holdings views risk management as a tool which adds value by raising awareness of risks and places focus on efficient daily operations in line with each company's strategy.

Still, a set of common guidelines for an Entreprise-wide Risk Management (ERM) framework across Cenergy Holdings' subsidiaries exist: these include principles for effectively managing risks in all subsidiaries. Furthermore, the framework provides guidelines on how best to address these risks and facilitates discussion on risk management issues.

In turn, Cenergy Holdings' executive management in consultation with the Board of Directors is responsible with successfully exploring business opportunities, whilst at the same time assessing possible risks and their control mechanisms across subsidiaries, with the help of an independent Internal Audit department. The objective of this evaluation is to enable the Company to determine whether the subsidiaries have managed risks in a proactive and dynamic way to mitigate them down to an acceptable level.

The ERM process in Cenergy Holdings' subsidiaries comprises the following steps:

a) Identify key risks and measure / analyse their potential impact and likelihood. This is done at company level as all financial, operational, compliance and strategic risks are associated with each company's operation.
b) Manage (i.e., respond to) those risks by considering existing controls as well as selecting, prioritising and implementing appropriate actions. This step is also done at company level, following the general principles outlined in the ERM framework.
c) Control and monitor internal and external environment for potential changes to risks, ensuring risk responses continue to be effective. Each company monitors its risks and risk responses, using the common ERM guidelines but separate procedures, systems and mechanisms put in place by each company's management.
d) Finally, companies report both internally and at Cenergy Holdings' level, a consolidated evaluation on their risks, integrated with a review of their financial performance. Hence, Cenergy Holdings' executive management judges their overall risk – return trade off and presents the outcome to the Audit Committee and the Board of Directors. Needless to say that the Audit Committee monitors the effectiveness of the subsidiaries' internal controls and looks into specific aspects of controls and risk responses on an on-going basis.

The fact that each company's main revenue streams originate from separate markets with independent market dynamics provides, to some degree, a "natural" risk diversification effect. Still, the fact that Cenergy Holdings companies are in one way or another, related to the global trends of the energy markets, means that they would in principle, face similar risks. We could, however, say that the businesses of the HV cables segment of cables and of the large diameter pipes segment are primarily driven by large infrastructure projects and are, hence, essentially decoupled from short-term macroeconomic developments. On the other hand, a part of cables sales and the hollow section of CPW is linked to construction activities, a highly cyclical sector.

The company's enterprise risk management (ERM) model outlined above ensures that risks are captured and dealt with primarily by the business line managements and, if needed, by the support functions. This tailored reporting structure ensures company-wide awareness of risks, opportunities and mitigating actions.

Key risks

Risks are classified into two major families, Financial and Business Risks. The former includes different types of market risk affecting the activity of each subsidiary (mainly, exchange rate, interest rate and commodities risk) as well as credit risk, counterparty risk and liquidity risk.

The Business Risk family, broadly defined as all risks that are not balance-sheet related, is broken down into further sub-categories, to help better understand and react to the different risk events:

A. **Operational and technology risks** defined as the risk of loss resulting from inadequate or failed processes, people and systems or from external events. Operations risks comprise all risks associated with the day-to-day operations such as Health & Safety, environmental issues, legal risk (as it refers to processes) but not strategic or reputational risks.
B. **Compliance and reputational risks** include possible negative impacts (economic – fines, penalties, etc. and other – exclusion from markets, etc.) from noncompliance with existing regulations and standards. Also included are potential impacts to the subsidiaries' (and the Holdings') brand image and business reputation[4], as well as accounting risk[5].

C. **Strategic risks include risks** related to the wider business environment (e.g. the macroeconomic environment, the sector / industry conditions, etc.) the market and the competition, and medium to long-term decision making that may impact on business continuity and profitability.

A brief business risk taxonomy for Cenergy Holdings' subsidiaries is presented below, together with the actions taken to identify, measure, react, control and monitor them. Then it is prudent to sketch a "risk matrix" for the most important risks faced by Cenergy Holdings companies.

Business Risks

Operations and technology

Product failure risk
Faulty or non-performing products may expose companies to penalties, complaints, claims and returns, which lead to loss of revenues, market share and business reputation. In this category, we also include the risk of failure to comply with the contractual terms of "turnkey" projects, where our companies not only have to supply a good product per se but also ensure proper design, service and support up to the final commissioning of the requested system (e.g. transportation, installation, laying, protection, etc.)

To proactively mitigate such risk, all companies follow rigorous quality management systems at their plants and maintain appropriate insurance coverage against such claims as well as product liability insurance. Quality control (QC) includes batch or item sample testing, defect capturing monitoring systems spread out in production phases, end-to-end traceability systems, etc. The adherence to such strict QC policies is even more important in periods of high capacity utilization as the one experienced through 2022, expected to stick around for the following year, too.

Operation interruption risk
Apart from the unexpected unavailability of raw materials or other crucial resources, a lack of skilled labour, and/or the danger for equipment breakdowns may threaten all subsidiaries' capacity to maintain operations without any interruption, particularly at times when plants operate near full capacity. To minimize such eventualities, all companies use specialized maintenance departments to reduce machinery failures, upgrade plant equipment and production lines to reduce obsolescence risk and constantly monitor safety stock levels. Moreover, some of the plants, facilities and production lines are interchangeable and have been mapped to ensure shifting and continuation of production if such a need arises. Any residual risk is mitigated through business interruption insurance policies.

Risk of lack or loss of key resources
The geopolitical uncertainty of 2022 is, unfortunately, believed to persist through the following year as well. Disruptions in the supply of energy, metals and other key raw materials and component parts may threaten the companies' ability to produce quality products at competitive prices on a timely basis. Consequently, they all take relevant measures to reduce such risks (e.g. a diverse supplier base, alternate material lists, Service Level Agreements with key vendors, lower spot market exposure).

As for human resources, the upswing in economic growth in SE Europe that followed two recession years of the pandemic has created a pickup of labour demand in the area and the abrupt fall in unemployment. As a result, both segments face a hilly road when looking to find good quality, skilled labour for production plants. Local economic conditions of the communities near each production site may worsen the problem (e.g. competition from other sectors such as tourism).

To face both a possible lack of human resources and high turnover risk, our companies are committed to building a culture of fair pay and trust by creating the environment and the processes for people performance and development, an open and truthful dialogue with staff, individual development plans and follow up as well as talent planning and succession management.

Channel effectiveness risk
Poorly performing or positioned distribution channels may threaten the companies' capacity to effectively and efficiently access current and potential customers and end users, so in turn, they manage it through experienced commercial executives per project /

4. The set of perceptions about the company by the different stakeholders with whom it interacts, both internal and external.
5. The risk which concerns the proper and true economic and financial reflection of the companies' reality as well as compliance with all related regulations (IFRS, etc.).

market; periodic financial reviews serve as the main monitoring tool.

Information technology (IT) risk
IT risk is usually defined as the likelihood of occurrence of a particular threat (accidentally triggered or by intentionally exploiting a vulnerability) and the resulting impact of such an occurrence. It obviously includes, but is not limited to, cybersecurity risk.

Most of Cenergy Holdings' subsidiaries being capital intensive, they rely on IT systems to guide and optimize their production. IT equipment failure, human errors and/or the unauthorized use, disclosure, modification or destruction of information, data exfiltration, cyber-attacks, violation of network delimited zones, physical security of datacentres pose serious risks to the companies' operation and profitability. Hence, the continuous identification and application of appropriate and proportional controls that limit exposure against the aforementioned threats is vital to the integrity of IT systems in all companies as well as against legal requirements.

All subsidiaries are complying with ISO 27001 & 2016/679 EU General Data Protection Regulation (GDPR), taking this opportunity to evaluate and ameliorate their overall IT risk posture, beyond regulatory requirements. Furthermore, all subsidiaries are supported by a common IT Security Operation Centre and they have involved the latest technologies in the IT landscape in order to protect Data & IT infrastructure (Systems, Network & Devices). Moreover, IT departments perform penetration testing in order to identify potential vulnerabilities. Last but not least, an Information Security Program has been launched and includes various IT Projects, Social Engineering, awareness-training to all employees with the potential cyber security risks and communication of the IT policies.

Compliance and reputation risks

Financial Regulation risk
In regards with the requirements arising from its stock exchange listings, Cenergy Holdings has established necessary structures and procedures in order to ensure continuous compliance, including the adoption of its Corporate Governance Charter, which covers issues such as directors' and managers' accountability, good governance principles, insider dealing, and conflicts of interest.

Compliance Risk
Laws and regulations apply to many aspects of subsidiaries' operations including, but not limited to, labour laws, Health & Safety, environmental regulations, building and operational permits, anti-bribery legislation and antitrust laws, Data Protection legislation, export restrictions, etc.

Cenergy Holdings requires all companies in its holding portfolio to abide by all laws and regulations, whether at the local, European or international level accordingly, regarding Health and Safety in the production plants, labour and human rights, the protection of the environment, anti-corruption, bribery and financial fraud. Being a holding company, Cenergy Holdings requires its subsidiaries to develop their own policies for all such matters and the subsidiaries are exclusively responsible for the compliance with these policies.

Additional details are further given in the Non-Financial Information section (pages 46-80).

Strategic risks

Country risk
Political risk of countries where Cenergy Holdings' companies are active, commercially or in manufacturing, may threaten future product and cash flows, both upstream and downstream. For manufacturing, Cenergy Holdings companies are currently present in 3 EU countries (Greece, Romania and Bulgaria) that pose a minimum, if not zero, political risk. The availability and prices of basic raw materials, such as copper, aluminium and steel follow international markets: these are mostly influenced by the global geopolitical situation that worsened considerably in 2022 with the war in Ukraine and not by the development in any particular country.

The main answer to those risks is diversification, in production, supply chain and distribution. Cenergy Holdings' subsidiaries follow closely and on a continuous basis the developments in the international and domestic environment and timely adapt their business strategy and risk management policies in order to minimize the impact of global macroeconomic conditions on their operations.

Finally, 2023 being an election year in Greece, some delays in regulatory, legal and other administrative decisions affecting industrial operations of the subsidiaries may occur, though the verdict of the ballot box per se does not increase political risk in any way, if at all.

Industry risk
Industry risk of Cenergy Holdings companies related to the specific sector they operate in, is associated either with the cyclicality of demand or the substitution rate of some of their products. The former is mitigated by expanding into global markets, so that the cycle effects are differentiated away across geographical areas. As for the latter, substitution risk is addressed through the differentiation of their product mix, shifting for example into lower substitution rate products.

Competitor risk
Strategic issues regarding competition are assessed as part of the annual budget process of all Cenergy Holdings' subsidiaries, as well as the strategic markets plan of each company. Competitor risk, on the other hand, is mitigated by a strong commitment to quality, a competitive pricing policy in commodity products and a targeting on high-margin products.

In globalized markets like the ones both segments compete in, a permanent review of market information is necessary to decipher on time strategic and tactical moves by competitors. Special mention should be made to the threat from Asian competitors in the cables segment as they are making themselves more and more present in EU project tenders; this is expected to be dealt with by the EU institutions, always following the WTO rules and procedures.

Technological innovation risk
In a world of rapidly changing technology, not following the technology wave in an efficient manner or not investing in the necessary IT infrastructure may seriously affect current and future business results. Alternatively, companies that do not leverage such technology advancements to extend their competitive advantage, may be "left out in the dark" and suffer from competition. This strategic risk is primarily managed by Cenergy Holdings' subsidiaries through the establishment of technical assistance and knowledge transfer agreements with global leaders in their sectors. All companies invest strongly in research and development (R&D), cooperating with scientific bodies and prominent international research centres, and most of them host dedicated R&D departments.

The segments' primary business risks are shown in the risk matrix below according to likelihood and impact.

Figure 1: Cenergy Holdings Risk Map for 2022

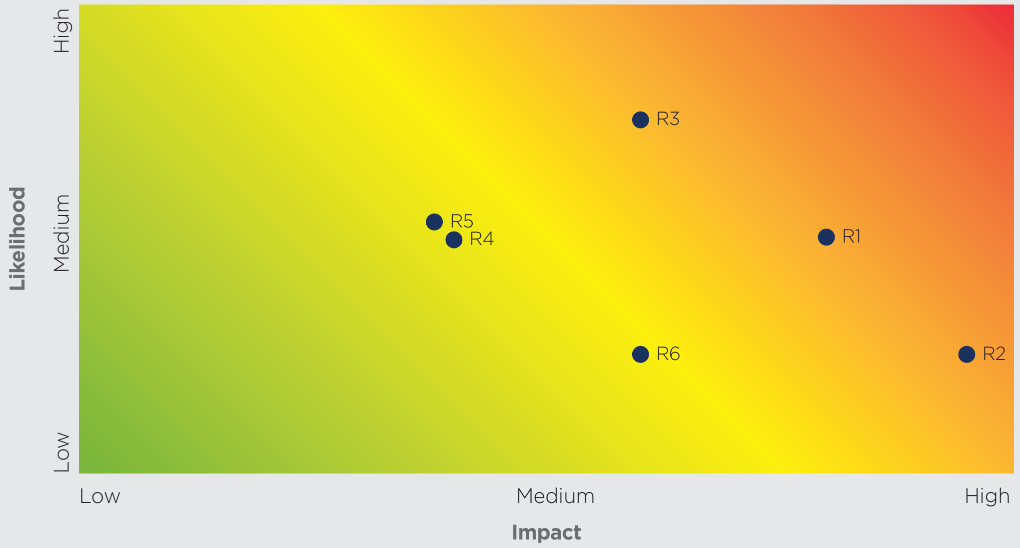


Table 5: Major Risks for Cenergy Holdings companies (2022 estimate)

No.	Segment / Taxonomy	Identification	Summary	Mitigation actions, if any
R1	Both / Financial risk	Interest rate risk	Monetary tightening is expected in 2023, pushing rates even higher.	Actively pursue fixed rate loan facilities. Explore hedging opportunities
R2	Both / IT risk	Cybersecurity	Plants vulnerable to cyberattacks, as production is fully automated.	All companies are supported by a common IT Security Operation Centre and have involved the latest technologies to protect their Data & IT infrastructure
R3	Both / Operation risk	Operations disruption	Very high capacity plant utilization may increase likelihood of equipment breakdown	Respectfully observe maintenance best practices. Secure spare parts
R4	Both / supply chain risks	HR risk	Difficult recruitment of skilled "blue collar labour" may delay expansion plans in both segments	Offer improved working conditions both at pecuniary and at career evloution dimensions
R5	Cables / Strategic risks	Competition risk	Asian competitors (esp. Korea) are showing up in EU tenders	Maintain high quality in products and services. Expecting possible EU measures
R6	Steel pipes / Financial risks	Freight risk	Volatility of freight prices may jeopardize project profitability	Aim for FOB contracts; when this is not possible, aim for sharing freight cost with final customer

As for the global geopolitical risk, initiated two years ago by the Covid-19 pandemic and enhanced by the 2022 war in Ukraine, it certainly rose to unprecedented levels at least for the current century. It has changed the way the entire globe is doing business, starting from the replacement of “lowest cost / just in time” objective to “secure access, source diversification / just in case” for energy, critical materials, equipment and commodities. The war has altered supply chain management, put pressure on technology standards and increased volatility in financial markets, even pointing towards a possible recession for 2023.

The impact on energy markets was immediate and abrupt: Europe started working promptly towards increasing gas supplies from countries other than Russia, importing more LNG and accelerating the transition to renewables. The price shock was nevertheless harsh across all consumers, though Cenergy Holdings’ segments are not classified in energy intensive sectors with combined energy costs (electricity & natural gas) averaging less than 3% of total production costs. Be that as it may, our companies are closely monitoring developments and are working with Viohalco with respect to securing fixed electricity prices through PPAs.

Financial risks

As complex, international businesses Cenergy Holdings’ companies are also exposed to financial risks not covered in the above risk matrix. These risks arise from financial market fluctuations and primarily consist of currency and commodity risk exposures. Cenergy Holdings companies first try, if possible, to “naturally hedge” any such risks, and then utilize varied financial derivatives to hedge large exposures and protect earnings and assets from significant fluctuations.

Interest rate risk

As a rule, Cenergy Holdings entities do not enter into speculative positions on interest rates of any kind and always try to follow natural immunization strategies. On the other hand, given the current monetary tightening policy environment, each entity tries, in the measure possible, to secure fixed credit lines to avoid finance charge shocks and facilitate capital budgeting.

Consequently, in order to offset potential increased finance costs in the future, Cenergy Holdings companies started, in Q2 2022, to use interest rate swaps for variable rate loans that expose companies to a rate volatility risk (cash flow risk).

During H1 2022, both segments purchased interest rate swaps on a notional value of EUR 80 million to counterbalance potential higher future interest costs on their loans, with all swaps having an initial term of 7 years. The aforementioned actions are in line with the related policy of Cenergy Holdings’ companies aiming to ensure that a certain percentage of its interest rate exposure is at fixed rates.

Thus, on 31st December 2022, the interest rate profile of Cenergy Holdings, on a consolidated basis, consisted of EUR 117.6 million of fixed-rate or equivalent financial instruments and EUR 487.8 million of variable rate ones. Moreover, a change of 25 basis points in interest rates of variable-rate financial liabilities would have a positive or negative effect of EUR 0.7 million after tax in the Consolidated Profit / Loss statement of 2022.

The effort to switch towards a higher percentage of fixed rate instruments in the debt profile of the subsidiaries will continue in 2023, always taking into account relative hedging costs and planning horizons.

Currency risk

Cenergy Holdings holds stakes in companies with production plants and commercial relations spanning the globe. As such, they are exposed to financial (transaction), accounting (translation) and economic losses due to volatility in foreign exchange rates. Companies manage this risk in a prudent manner, trying for natural hedges whenever possible (i.e. matching currencies in anticipated sales and purchases, as well as receivables and liabilities) and using standard hedging products, such as forward contracts, if necessary.

Commodity risk

Cenergy Holdings’ subsidiaries are using metal raw materials as inputs, so price fluctuations (esp. aluminium, copper, nickel and zinc) may expose them to lower product margins or trading losses.

Future contracts of copper and aluminium traded in the London Metal Exchange (LME) offer the obvious hedging choice for them: first, all cable segment companies record metal positions resulting from LME price fixing for purchases and sales. They monitor the metal price risk and try to match purchases with sales. The resulting net exposure is centrally hedged using LME contracts, resulting in almost immune margins.

As for steel, the principal raw

material in the steel pipes segment, after the 2021 surge following the immediate exit from the pandemic, coil prices are found now at lower levels, helping smaller diameter linepipe producers while high grade steel plate remains in relatively short supply supporting higher revenues and margins for larger diameter pipeline projects. In the projects business, raw material price risk is inherently hedged through price adjustment clauses, so the residual impact on operational profitability is expected to be limited.

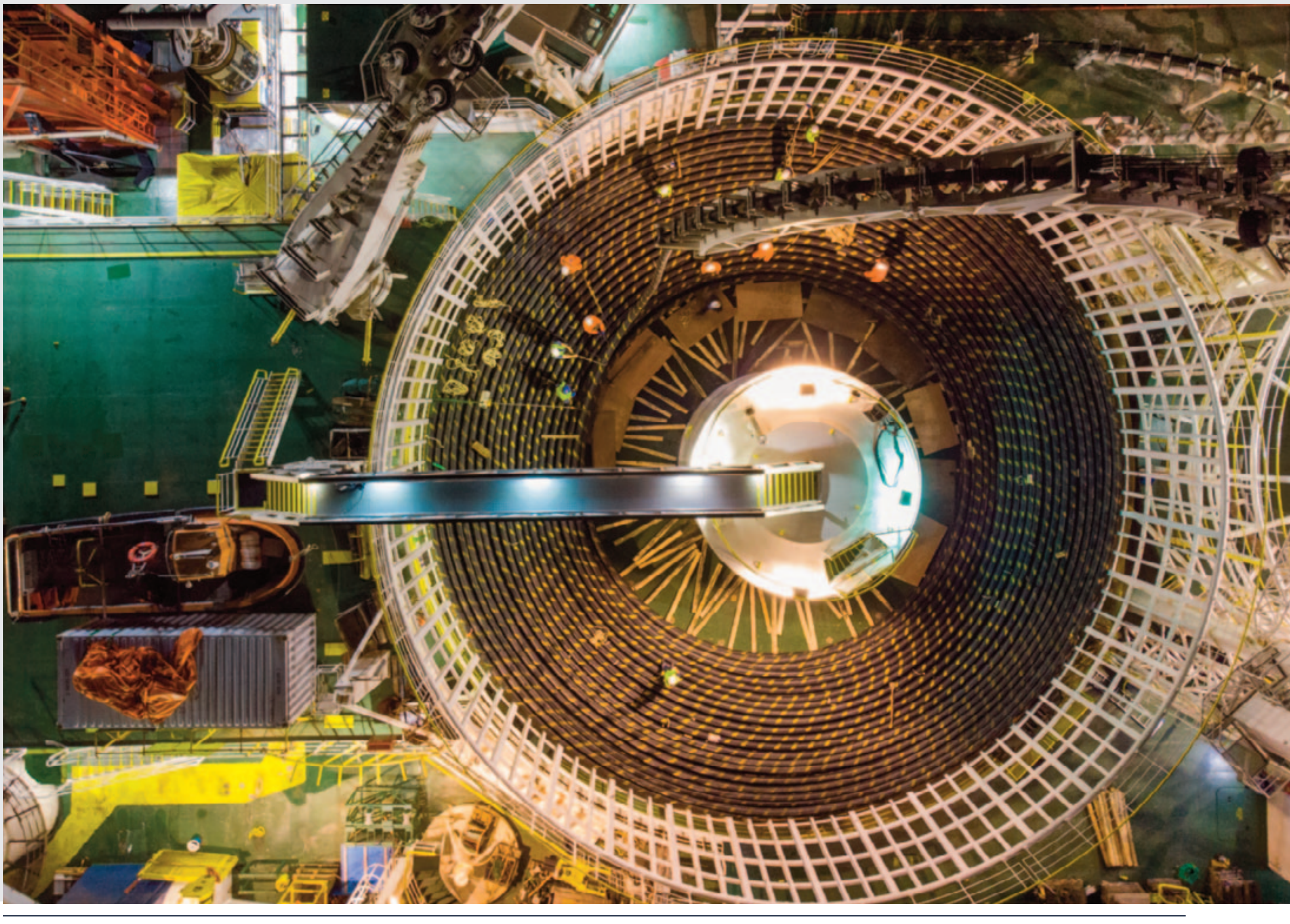
Liquidity risk
Cenergy Holdings' subsidiaries constantly monitor cash flow needs on a monthly basis, reporting liquidity and leverage ratios and continuously assessing available funding, both in the local and international markets. They mitigate liquidity risk by maintaining unused, committed financing facilities from a diversified number of financial institutions.

Cenergy Holdings' total debt (incl. lease liabilities) amounts to EUR 605.4 million (31.12.2021: EUR 393.9 million). Considering EUR 167.2 million of cash & cash equivalents, Net Debt amounts to EUR 438.2 million with 21.4% (31.12.2021: 43.3%) of total debt being long-term and the rest, short-term. Loans and borrowings are held with banks and financial institutions, which are rated from A- to B based on ratings of Standard & Poor's. Approximately 94% of these loans and borrowings are held with Greek banks.

Long term facilities have an average maturity of 4.25 years, whereas short term ones are predominately revolving lines, reviewed annually with anniversaries spread out through the year and renewed automatically at maturity, if necessary. There are sufficient credit limits in place to serve working capital requirements and refinance short term loans.

Credit risk
Cenergy Holdings' subsidiaries sell to a large number of customers across countries and sectors, trying to avoid customer concentration, if possible. For large infrastructure projects, though, that make a significant portion of both segments' turnover, this is however unavoidable. Hence, companies mitigate this risk by executing robust creditworthiness checks of final customers via credit rating agents and carefully setting relevant payment.

For the product business units, the use of real or financial security and of credit insurance contracts is standard.



Non-Financial Information

Introduction

This document represents the Consolidated Disclosure of Non-Financial Information (hereinafter also the “Non-Financial Disclosure”, “NFD”, “Statement” or “Sustainability Report”) prepared according to the Belgian Code of Companies and Associations (Legislative Decree no. 83180/11.09.2017) by Cenergy Holdings S.A. (“Cenergy Holdings”, “the Company” or “the Holding”) for the financial year 2022.

The objective of this NFD is to provide an overview of the 2022 critical achievements of Cenergy Holdings and its subsidiaries and an overview of the main risks, opportunities, and key performance indicators concerning the non-financial matters such as environmental, social and employee matters, anti-bribery, anti-corruption, diversity, and human rights issues also referred to as Environmental, Social, and Governance (ESG) topics.

The NFD includes non-financial information for Cenergy Holdings and its subsidiaries that affect various sustainability topics, potentially having a financial impact. The companies that contribute significantly come from both operating segments.

The NFD has been drawn up per the United Nations’ Sustainable Development Goals (SDGs) reporting framework, which embraces a comprehensive and universal approach to sustainability issues facing today’s societies. The SDGs are a list of 17 interconnected global goals, designed to be a "blueprint for achieving a better and more sustainable future for all", that address current challenges societies over the globe are facing. The 17 goals have 169 underlying, more specific targets that stimulate action in areas of concern. While Cenergy Holdings subsidiaries directly or indirectly impact the 17 SDGs, the NFD focuses on the SDGs directly impacted by or affected by the activities of the Company and its subsidiaries.

The NFD has also been drawn up in line with some of the provisions outlined in the future Corporate Sustainable Reporting Directive (CSRD) and linked with the European Sustainability Reporting Standards (ESRS), reflecting Cenergy Holdings' commitment to addressing sustainability impact, risks, and opportunities effectively. The European Sustainability Reporting Standards (ESRS) specify the non-financial information business entities must disclose under the CSRD. In total, 12 sector-agnostic standards apply and are grouped into general cross-cutting standards and local standards on ESG topics. Finally, a double materiality assessment has been performed at subsidiary level to identify which topics were material.

Occupational health and safety audits

Cenergy Holdings subsidiaries have completed the initial round of diligent, third-party health and safety audits on the largest industrial installations preparing the way for the launch of the 2023 improvement plan.

Whistleblowing mechanism

Cenergy Holdings and its subsidiaries have established a whistleblowing mechanism and launched "Integrity Hotline" link on all company internet websites.

Software platform for sustainability data

A new, cloud-based, software platform for the management of sustainability data across subsidiaries has been launched in 2022.

Linkage of remuneration

Cenergy Holdings has linked senior management variable compensation packages to critical ESG related matters, incentivising high performance and promoting significance of ESG matters across the organisation.

EUR 2.3 million

Environmental expenditures in 2022

EUR 3.4 million

Health and Safety expenditures in 2022

Launched Responsible Sourcing Initiative for suppliers

Cenergy Holdings subsidiaries started implementing EcoVadis surveys for its suppliers to improve sustainability performance across its supply chain on various sustainability metrics such as environmental impact, labour practices and ethical behaviour.

TCFD

Cenergy Holdings aims to adopt the Task Force on Climate-related Financial Disclosures (TCFD) framework to communicate management approach on climate-related risks and opportunities transparently and demonstrate its commitment to addressing the impacts of climate change.

EU Taxonomy

Cenergy Holdings' subsidiaries have evaluated their business activities against EU Taxonomy criteria, and they publish the proportion of their turnover, capital expenditure and operating expenditure related to "Taxonomy-eligible and Taxonomy-aligned activities.

43,500

Training hours in 2022

100%

subsidiaries under scope certified under ISO 14001, 45001 and ISO 50001

Business Model

Cenergy Holdings is a Belgium-based holding company listed on Euronext Brussels Exchange (CENER) and the Athens Stock Exchange (CENER). It comprises leading metal processing companies across Europe with diverse metal sector activities and an international presence. Production facilities are located in Greece, and Romania.

Cenergy Holdings subsidiaries are committed to sustainable manufacturing of high-quality, circular, innovative, and solutions. The portfolio of Cenergy Holdings subsidiaries encompasses a range of dynamic markets such as energy transfer, renewable energy sources and telecommunications, gas & liquid, construction.

Cenergy Holdings subsidiaries offer products and solutions that closely align with the current global trends and goals for a more sustainable future. The companies provide, among others, products that are up to 100% recyclable, thereby adhering to the principles of the circular economy. The product line of industrial products and services enable the transition to climate neutrality through, e.g. the capability to transport green hydrogen, electrification enabling technologies that transform the transportation sector and contribute to lower atmospheric emissions and better air quality. Additionally, the companies contribute to technological advancements by enhancing digitalization and clean and affordable energy.

Due to the relatively low operational carbon intensity, Cenergy Holdings subsidiaries have less vulnerability to carbon pricing and a much lower risk of cost exposure than primary metal producers. Indicatively, the contribution of operational (scope 1 and 2) emissions of the major subsidiaries in cables and steel pipes is less than 5%, with the remaining coming from scope 3 and more specifically the embedded emissions in the primary raw materials.

With the forthcoming energy transition, it is anticipated that many of Cenergy Holdings subsidiaries' products, such as cables for RES installations and EV charging stations as well as steel pipes for green hydrogen transport will see increased demand as they are vital for the decarbonization of the electricity grids around the world through anticipated RES growth, expansion of charging stations in e-mobility as well as substitution of natural gas with green hydrogen.

The future success of Cenergy Holdings subsidiaries is closely linked to their ability to operate sustainably and responsibly. The subsidiaries are working diligently to develop additional goals towards carbon footprint improvements and energy efficiency measures and are also engaging more closely with suppliers to ensure responsible sourcing of raw materials and services, as discussed further in the next chapter (ESG Strategy).

Cenergy Holdings subsidiaries operate modern industrial plants with environmental foundations while at the same time manufacturing products that will play a role in making Net Zero future a reality. One of the companies' strategic goals is to cover its electricity needs with renewable energy, and they are actively working to secure this in a long-term, reliable, and cost-effective manner.

One subsidiary, Hellenic Cables along with the other companies in the cables segment, have set scientifically based climate targets in line with the Paris Agreement by committing to the Science Based Targets initiative (SBTi) to meet near-term (2030) and long-term net-zero targets by no later than 2050 in line with the 1,5°C target. Corinth Pipeworks (steel pipes segment), furthermore, has announced its scientifically based decarbonization targets in line with the Paris Agreement but cannot be validated according to the SBTi framework yet, since no sector-specific guidance has been developed for the particular industrial activity. More information about Cenergy Holdings climate change targets and measures can be found in the Climate change and energy chapter.

Cables segment subsidiaries are well positioned not only to operate in a low carbon economy but to increase market share as the operational model allows for the flexibility to operate with various quality metal sources. Focusing on sustainable action and long-term corporate procedures has helped Cenergy Holdings subsidiaries remain resilient in a changing market. In addition, Cenergy Holdings subsidiaries must navigate a changing regulatory environment, which can create competitive disadvantages due to the European regulatory framework and increasingly demanding environmental permitting and operational requirements. Energy prices and security are also a concern for Cenergy Holdings subsidiaries, and measures must be taken to ensure business continuity. More information about non-financial risks can be found in the "Integrated management of non-financial risks" chapter, page 74.

ESG Strategy

Cenergy Holdings and its subsidiaries are fully committed to sustainability and have integrated it into their strategy and decision-making processes. The subsidiaries aim to develop products that have a positive environmental impact by lowering their environmental footprint during their lifecycles, to improve operational health and safety and prioritize human capital development. In line with the continuous improvement approach that Cenergy Holdings subsidiaries follow, sustainability goals and targets covering the ESG spectrum are set and incorporated into the business operations, recognizing that long-term business growth and social prosperity can only be achieved through integrating sustainability principles in the business model of all companies.

As announced last year, Cenergy Holdings and its subsidiaries made significant strides in sustainability matters by creating a comprehensive framework to operate within. The Environmental, Social and Governance Roadmap outlining the ESG Strategy was established by assessing risks and opportunities and integrating them into the business strategy. The ESG Strategy includes seven core company policies covering environmental, social, and governance matters. Various qualitative and quantitative metrics, internal and external controls for due diligence, and regulatory compliance are utilized to monitor these policies. The ESG Strategy also includes specific goals for subsidiaries, such as the gradual replacement of electricity supply with RES, commitment to short and long-term carbon reduction targets, evaluation of top-tier suppliers on ESG matters, and a five-year improvement action plan for health and safety.

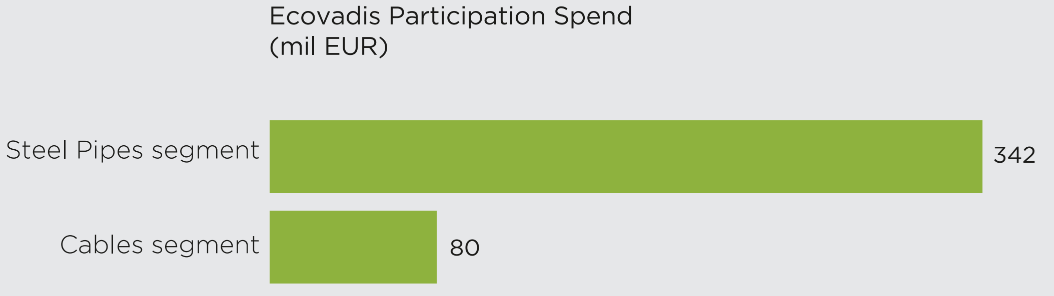
2022 ESG Strategy implementation

In 2022, Cenergy Holdings continued implementing its ESG strategy, and some highlights can be found beneath:

- **Energy efficiency and decarbonization effort**: Cenergy Holdings subsidiaries are actively working towards the goal of replacing their entire electricity supply with RES in a reliable and cost-effective manner. As an example, Icme Ecab (Cables segment) entered a RES procurement contract for the second year in a row covering 100% of its electricity needs for 2023.
- **5-year action plan for improvement in health and safety matters**: Cenergy Holdings subsidiaries launched a 5-year action plan to improve their health and safety programs across their operations (2023 being the second year of the 5-year plan). This plan is focused on reducing health and safety risks and ensuring a safer working environment for all workers and contractors. In 2022, the first round of external assessments by DuPont Sustainable Solutions (DSS+) was completed in the four largest industrial plants.
- **Whistleblowing mechanism**: Cenergy Holdings and its subsidiaries have implemented a whistleblowing mechanism by the establishment of an "Integrity Hotline" operating over phone and internet reporting, which provides additional channels of communication for employees and business partners to report any incidents of misconduct or unethical behaviour, anonymously, if so preferred. A dedicated, independent team of senior executives investigates, and addresses cases reported through the mechanism, ensuring the highest confidentiality and the avoidance of any retaliation against the persons making the report.
- **ESG Training**: Cenergy Holdings subsidiaries have made progress in providing ESG training across subsidiaries, with over 250 training hours delivered. The training programs focus on topics such as equity, diversity and inclusion, and ethical behaviour at the employee and management levels. The company plans to continue providing this training to ensure employees thoroughly understand the company's commitment to human rights and business ethics.
- **Responsible Sourcing Initiative**: Cenergy Holdings subsidiaries have implemented a responsible sourcing initiative adopting an updated Suppliers' Code of Conduct and requesting from its suppliers to sign off the principles included. At the same time Cenergy Holdings subsidiaries have an active collaboration with consulting firm EcoVadis, which evaluates suppliers on various sustainability criteria such as environment, labour and human rights, ethics, and responsible procurement. This initiative aims to map out the risks related to such critical areas and so far, suppliers covering more than €420m of annual spend among subsidiaries have been assessed. More details can be found at the graph shown below. Cenergy Holdings subsidiaries will continue working with EcoVadis to ensure suppliers are evaluated against international sustainability standards.
- **Digitalization of reporting tools**: Cenergy Holdings subsidiaries have introduced, through an external provider, an online platform to be used for sustainability data management to better track, analyze, and report on sustainability

performance. This tool provides a more comprehensive and up-to-date overview of the performance, leads to a better understanding of Cenergy Holdings subsidiaries impact on sustainability and enables informed decisions to improve overall practices and capabilities.

Figure 2: Companies evaluated by EcoVadis



Looking towards 2023

The key focus areas that will be at the forefront of Cenergy Holdings' efforts in 2023 are the following:

- Cenergy Holdings subsidiaries are committed to **improving energy efficiency in their operations**. From thermal metallurgy, cooling systems, compressed air networks, the companies constantly seek new ways to reduce energy consumption and hence carbon footprint and environmental impact.
- **Decarbonization efforts will continue**, besides the afore-mentioned energy efficiency measures in order to partially decarbonize emissions from electricity consumption. Furthermore, companies are examining potential opportunities for further electrifying the industrial processes and to remove fossil fuel consumption in daily operations, such as transportation needs, heating, etc.
- Cenergy Holdings subsidiaries are also dedicated to **ensuring the health and safety of their employees and the communities** where they operate. They will focus on continuing the implementation of strict protocols and procedures to ensure that their operations are conducted safely and responsibly. The goal is to create a safer working culture and promote the workforce's well-being. 2023 is the second year of a 5-year working plan, for concrete actions are implemented to mitigate safety risks within industrial operations.
- Responsible supply chain will also be a key focus area of 2023. As most overall impact comes from their raw materials, it is essential to **work closely with the suppliers to ensure that they align with Cenergy Holdings' values and commitments in their own operation**.
- Cenergy Holdings is also committed to **promoting diversity, equity, and inclusion** in its companies' workplace through specific training programs for all employees, including the management. A new course on the Business Code of Conduct (BCoC) that includes a reference to human rights has been developed and will be launched in early 2023.
- In addition to these efforts, Cenergy Holdings will further focus on its **TCFD commitment** with the publication of standalone TCFD report within 2023 and will continue preparing for the CSRD disclosure requirements and assessing areas for improvements, which is a significant task going forward.

Sustainability governance

Cenergy Holdings' sustainability strategy cannot be achieved without proper governance structures for its sustainability matters at Board level as well as implementation of policies across all subsidiaries.

An ESG Working Group has been temporarily established to assist the Board on the discussion of ESG matters. The ESG Working Group informs the Audit Committee on recent developments, and together, they report to the Board. An executive management team at Steelmet Corporate Services, a subsidiary of Viohalco, regularly meets to discuss progress on the ESG Strategy and new ESG initiatives. In addition, an ESG coordinator at each subsidiary has been assigned to coordinate the various functions, facilitate relevant ESG actions and report progress semi-annually. These structures were created to ensure that the Company's organic growth and economic success do not come at the expense of fair competition, safe working conditions or environmental compliance and protection. More details on sustainability governance can be found in the section "Corporate Governance and Business Ethics".

Policy framework

As a holding company with an industrial portfolio, Cenergy Holdings believes that it is important for its subsidiaries to show the same level of responsibility and hold the same values and commitment to sustainability to maintain long-term value for its shareholders.

In line with Cenergy Holdings' ESG Strategy, the subsidiaries are committed to operating environmentally and socially responsibly while working closely with their customers and community stakeholders to create a more sustainable future for all parties involved. Cenergy Holdings subsidiaries aim to establish a responsible and trustworthy relationship with their counterparts and to meet expectations by fulfilling their commitments. The reliable operation of these companies is considered a top priority and is essential for their sustainable success.

To manage the company's sustainability matters, Cenergy Holdings has adopted seven policies on sustainability matters. In 2022, Cenergy Holdings introduced the Business Code of Conduct, replacing the Business Ethics and Anti-corruption policy. The Business Code of Conduct is broader in scope. It covers a more comprehensive range of topics, including ethical guidelines and anti-corruption measures and guidelines for other areas such as social responsibility, human rights, and environmental protection. The responsibility for implementing the policies lies with the most senior executive responsible for each company.

The policies in place cover the following areas:

- Sustainability
- Environment
- Energy and Climate Change
- Health and safety
- Labour and Human Rights
- Supplier Code of Conduct
- Business Code of Conduct

The policies can be found at: **https://cenergyholdings.com/about-us/#our_policies**

Cenergy Holdings' core values are reflected in its policies that its companies should follow, at a minimum, regarding sustainability matters. The companies under Cenergy Holdings have, in turn, developed specific and comprehensive policies that align with Cenergy Holdings' policy guidelines at a minimum.

Sustainability Policy
Cenergy Holdings strives to meet society's needs through its subsidiaries' activities by delivering reliable, inclusive, and sustainable products, creating shared value for stakeholders, and contributing to UN Sustainable Development Goals. This includes combatting climate change, preserving natural resources that the companies and society rely on, promoting recycling and circular economy, and integrating sustainability in its strategy and operations. Cenergy Holdings subsidiaries prioritize environmental, social, and economic preservation to secure long-term success and involve relevant stakeholders in their sustainable efforts, with employees being a crucial component.

Environmental Policy
Cenergy Holdings subsidiaries operate with environmental and social responsibility, prioritizing sound environmental management of production and storage facilities to ensure the sustainability of the companies' s activities. They work in full compliance with applicable national and EU environmental regulations, engage in open dialogue on environmental matters with stakeholders and strive to maximize the use of secondary raw materials to contribute to a circular economy and minimize the products' carbon footprint. Furthermore, Cenergy Holdings subsidiaries make efficient use of water in their operations and will increase efforts to reduce water consumption and increase water reuse.

Energy and Climate Change Policy
Cenergy Holdings subsidiaries are committed to significantly contributing to the global effort to tackle climate change. As non-renewable and renewable energy consumers, Cenergy Holdings subsidiaries are committed to purchasing and using energy responsibly, efficiently, and cost-effectively to reduce their carbon footprint.

Health and Safety Policy
Cenergy Holdings subsidiaries are committed to continually promoting health and safety for their employees and partners, including customers, suppliers, contractors, and visitors. The companies shall strictly comply with applicable legislation and fully implement suitable standards, instructions and procedures regarding health and safety.

Labour and human rights Policy
Cenergy Holdings and its companies support and respect the fundamental principles articulated in the Universal Declaration of Human Rights. Cenergy Holdings subsidiaries support protecting international human rights across the business value chain and will not be complicit in human rights abuses. They do not accept discrimination of race, gender, religion, age, nationality, social or ethnic origin, disability, belief, sexual orientation, or political and trade union engagement. These principles apply to the recruitment of new employees, employees with an employment contract and the professional merit-based promotion of employees. The only decisive factors of employment are performance, experience, efficiency, skills, and qualifications. Cenergy Holdings and its companies do not accept any form of forced labour. Work performed in the companies is voluntary. Employing individuals under the applicable statutory minimum age for workers is prohibited.

The Companies' policies and procedures adhere to applicable national laws concerning freedom of association and collective bargaining, non-discrimination, forced labour and underage workers in the workplace.

Supplier Code of Conduct
The Supplier Code of Conduct aims to ensure that Cenergy Holdings companies' business partners share and promote Cenergy Holdings companies' fundamental values in ethics and sustainability principles. Suppliers are requested to sign the Code of Conduct. Cenergy Holdings subsidiaries require their business partners to comply with all the Supplier Code of Conduct principles and will correspondingly promote these principles within their own supply chain.

Business Partners are expected to agree to an assessment of their performance on sustainability issues, such as their environmental, social, and ethical performance, either performed by the Company or by third parties associated with the Company. The participation of Business Partners in the sustainability assessment is considered essential for the business relationship with Cenergy Holdings companies, as sound sustainability practices are expected from all our Business Partners.

Business Code of Conduct
The Business Code of Conduct outlines the expected behaviours from all Cenergy Holdings subsidiaries' employees, the rules of conduct we adhere to and how we perform daily business.

Cenergy Holdings and its subsidiaries are committed to delivering high results standards, promoting business excellence, and building long-term relationships with customers and suppliers. Cenergy Holdings strongly emphasizes technological leadership and innovation, valuing and developing technical expertise to deliver low-cost, high-quality, and value-adding solutions that contribute to a sustainable world. Teamwork and workplace safety are also core values at Cenergy Holdings, with its subsidiaries striving to maintain a safe working environment for all employees. The companies also seek to produce products with the minimum possible impact on the environment and society, investing in technologies and industrial practices that will ensure this goal.

Operational Due Diligence

The compliance of subsidiaries' policies incorporating Cenergy Holdings' policies' principles is ensured by a due diligence program performed by Steelmet Corporate Services, which is responsible for monitoring Cenergy Holdings subsidiaries' performance in environmental and health and safety matters. Steelmet Corporate Services employs proficient experts in their respective fields who perform audits and assessments of the subsidiaries' installations on a regular basis. This includes a minimum of one annual audit in all areas of environmental management and health and safety matters as well as at least one annual follow up visits by Steelmet Corporate Services professionals to support and consult on any improvement areas identified during the annual audit.

The results of the aforementioned due diligence program are discussed during the semi-annual business reviews by Cenergy Holdings executive management and each subsidiary's executive management. During the business reviews, the subsidiaries' top management reports on key performance metrics, risks, and corrective actions deemed necessary to improve the specific subjects raised by Steelmet Corporate Services professionals. Several leading and lagging indicators, progress of improvement action plans, adherence to operational procedures and custom made assessment scorecards are used to evaluate the efficacy of environmental and health and safety programs. Any non-compliance issues with company policies or improvement areas are addressed, and subsidiaries must take verifiable action within a specific timeframe, depending on the materiality of each issue.

In addition, external auditors conduct annual reviews of Cenergy Holdings subsidiaries' environmental, energy management, and health and safety

practices during management system certification reviews. All of the production companies (100%) within the scope of this report are certified with the Environmental Management System ISO 14001:2015, the Occupational Health and Safety Management System ISO 45001:2018, and the Energy Management System ISO 50001:2018. As health and safety is a strategic priority for Cenergy Holdings, third-party evaluations and fitness checks of the Health and Safety programs are performed by DuPont Sustainable Solutions (DSS+) periodically to ensure a transparent and unbiased assessment.

The afore mentioned management systems present responsibility areas and operational practices for these task areas across our companies' operations while simultaneously creating regular monitoring of compliance with internal and external audits. To ensure that our subsidiaries follow a continuous improvement path, Steelmet Corporate Services professionals closely cooperate with subsidiaries' top management and appropriate personnel to draw continuous improvement plans with specific, prioritized improvement actions and benchmarks that need to be achieved within specific time frameworks.

Sustainability ratings of Cenergy Holdings subsidiaries

As previously mentioned, Cenergy Holdings subsidiaries have implemented a responsible sourcing initiative with EcoVadis to improve sustainability performance across their supply chain. EcoVadis evaluates suppliers on various sustainability criteria such as environment, labour and human rights, ethics, and responsible procurement. The results of the evaluations provide Cenergy Holdings subsidiaries with valuable insights to make informed decisions to promote sustainability throughout their supply chain. Cenergy Holdings subsidiaries from both segments have already completed or are currently being evaluated with the same criteria in the EcoVadis rating platform as requested by their respective customers.

Corinth Pipeworks and Hellenic Cables received a Silver Award for the same reporting period for their sustainability practices. A Silver Award means that the company has scored in the top

25% of companies assessed by EcoVadis and has demonstrated good sustainability performance.

Corinth Pipeworks and Hellenic Cables also disclosed their environmental performance through the CDP in 2022. The CDP is an international non-profit organization that operates a global disclosure system that enables companies to measure and report on their greenhouse gas emissions, water use, and deforestation-related activities. In 2022, Hellenic Cables scored a C-rating (Awareness Level) in CDP Climate Change, meaning that the company has evaluated how environmental issues intersect with its business, and how its operations affect people and ecosystems, while Corinth Pipeworks scored D (Disclosure Level).

Double materiality assessment

One of the key elements of effective sustainability reporting is the implementation of the double materiality assessment, which aims to provide a comprehensive and balanced view of a company's sustainability performance. The double materiality assessment considers both the financial and non-financial impacts of a company's activities, allowing for a more thorough evaluation of sustainability performance. This approach considers the financial opportunities and risks associated with a company's operations and the broader environmental and social impacts. By considering financial and non-financial aspects, the double materiality assessment provides a more nuanced and complete understanding of Cenergy Holdings subsidiaries' sustainability impacts. Implementing the double materiality assessment, is a significant step towards more robust and transparent sustainability reporting.

The double materiality assessment has been performed on a segmental level, including the Companies from both segments with the largest production facilities in terms of revenue and personnel employed from the Cenergy Holdings subsidiaries that Cenergy Holdings has managing control. Those companies constitute the scope of this report and they represent the most material environmental, social and governance issues as they cover approximately 99,7% of Cenergy Holdings subsidiaries' total revenue and 99,6% of Cenergy Holdings companies' total employees. They also cover approximately 99,6% of total energy consumption and total GHG Emissions (Scope 1 and Scope 2) and 99,4% of water usage so arguably, they represent the vast majority of Cenergy Holdings' impacts across all spectrums.

Due to the various geographic locations of each company and the varying degree of material environmental and social matters each company may be facing, a double materiality assessment has been performed for each segment separately. For the Cables segment (Hellenic Cables, Fulgor and Icme Ecab), a double materiality assessment has been performed jointly with the subsidiaries of the same segment as they have similar business model, non-financial issues and risks and opportunities.

The methodology used to perform the double materiality assessment has been the same for the companies. In the first stage, each subsidiary has identified the material topics for their business by taking into account various standards (GRI, SASB, ISO 6000, The Athens Stock Exchange ESG Reporting Guide, The Euronext ESG Guidelines, ESG ratings, etc.). Further updates to the methodology are expected as market practices evolve. The identified topics were then assessed against their impact and financial materiality:

- **Impact materiality**: Assessment of the material actual or potential, positive or negative impacts on people or the environment over the short-, medium- and long-term time horizons. For this reason, an evaluation regarding the Company's impact on the economy, the environment and society has been conducted internally, as well as an electronic survey on a representative number of our stakeholders has been conducted externally.
- **Financial materiality**: Assessment of the actual or potential financial effects of each sustainability topic on the company's assets and the overall enterprise value.

The outcome of the double materiality assessment, for each segment can be viewed on the next page. More information and details on the approach taken by the two segments can be found on their respective Sustainability reports where these topics are further analyzed.

The stakeholders considered in the double materiality assessment include the most important stakeholder groups such as employees, customers, business partners, local communities, academic institutions, governments, shareholders, financial institutions, and suppliers.

The non-financial material topics identified in the double materiality assessment of the companies and corresponding risks have been correlated to non-financial metrics from the SDGs' reporting framework, the CSRD and its European Sustainability Reporting Standards (ESRS).

Figure 3: Double materiality assessment correlated to non-financial metrics from the SDGs' reporting framework and CSRD's ESRS

	Material topics	Relevant SDG	ESRS	Risk and opportunities areas of material topics
E	Climate change and energy	7 AFFORDABLE AND CLEAN ENERGY; 13 CLIMATE ACTION	ESRS E1	Carbon emissions of production, carbon intensity of raw materials Energy consumption, availability of low carbon energy at competitive cost Opportunities in carbon enabling products.
E	Circular economy and waste management	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	ESRS E5	High quality recycled scrap, positioning in the new recycled market
E	Water and wastewater management	6 CLEAN WATER AND SANITATION	ESRS E2 and E3	Water intensity, water availability, compliance with wastewater discharge limits
S	Occupational health and safety	3 GOOD HEALTH AND WELL-BEING; 8 DECENT WORK AND ECONOMIC GROWTH	ESRS S1	Provision of safe working environment
S	Employee training and development	8 DECENT WORK AND ECONOMIC GROWTH	ESRS S1	Upskilled and knowledgeable senior management and employees, employee attraction and retention
S	Diversity, equity, and inclusion	5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH	ESRS S1	Equal rights among workers, labour conditions, training for employees' skills development
S	Responsible supply chain	8 DECENT WORK AND ECONOMIC GROWTH; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	ESRS S3	Environmental impact and human rights in the supply chain
G	Corporate governance and business ethics	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	ESRS G1	Business ethics, data privacy, compliance with regulatory system

Environmental Responsibility

Climate change and energy (SDG 7 and 13 and ESRS E1)

Cenergy Holdings subsidiaries acknowledge their responsibility in the transition to a climate-neutral future and have committed to reducing carbon emissions in their operations and through low-carbon enabling products that are important for the transformation of the economy.

In line with this ambition, Hellenic Cables has already committed to the Science Based Target Initiative (SBTi) to meet near-term (2030) and long-term net zero targets at the latest by 2050. Hellenic Cables targets, both near and long term, align with the 1,5°C pathway and have been validated by the SBTi. Corinth Pipeworks, furthermore, has publicized its scientifically based decarbonization targets for 50% reduction in Scope 1 and Scope 2 emissions by 2030, in line with the Paris Agreement, and target for assessing and prioritizing 100% of its main suppliers by 2030 for the reduction of its Scope 3 emissions. The decarbonisation targets cannot be validated according to SBTi yet, since no sector specific guidance has been developed for the particular industrial activity. All companies, namely Hellenic Cables, Fulgor, Icme Ecab and Corinth Pipeworks, have been certified with the GHG emissions monitoring international standard ISO 14064.

Hellenic Cables commits to Science Based Targets

The Science Based Targets initiative provides companies with a clearly defined path to reduce emissions in line with the goals of the Paris Agreement. The targets are considered science-based if they align with the latest climate science and the objective of the Paris Agreement, which is to limit global warming below 2 degrees Celsius above pre-industrial levels and pursue efforts to limit it to 1.5 degrees Celsius. The SBTi framework is the world's first science-based comprehensive assessment that aligns corporate net-zero targets with climate data.

Hellenic Cables, one of the largest power and telecommunications cable producers in Europe, was Cenergy Holdings' first subsidiary to commit to SBTi, which was validated in 2022. Hellenic Cables aims to achieve an aggressive decarbonization path of its Scope 1 and 2 emissions by at least 4.2% per annum and Scope 3 by a minimum of 2.5% annually.

In the near term, Hellenic Cables has committed to reducing its Scope 1 and 2 GHG emissions by 50% by 2030 and to increase its annual use of renewable electricity from 24% in 2020 to 80% in 2025 and 100% in 2030. The company has also pledged to reduce its Scope 3 GHG emissions from purchased goods and services, employee commuting and use of sold products by 25% by 2030.

In the long term, Hellenic Cables aims to reduce its Scope 1, 2, and 3 GHG emissions by 90% by 2050, starting from 2020 as a base year. These commitments demonstrate the company's dedication to reducing its carbon footprint and contributing to the global effort to combat climate change.

SCIENCE BASED TARGETS

In addition to setting their targets, Cenergy Holdings subsidiaries have carried out life cycle assessments (LCAs) to evaluate the environmental impact of their products and services. During the year, Corinth Pipeworks conducted LCAs on HFIW pipes, LSAW pipes, HSAW pipes and HS, and obtained for all of them certification through Environmental Product Declaration (EPD) to provide transparent and accurate information about their products' environmental impact. Moreover, the cables segment conducted 4 LCAs for low and medium voltage underground aluminium power cables, as well as for inter-array high-voltage submarine aluminium power cables and obtained an EPD certification for 3 of them.

Although Cenergy Holdings subsidiaries are constantly striving to reduce their carbon emissions, their greatest challenge persists in reducing emissions across the three scopes, particularly emissions from the supply chain (Scope 3, category 1), which typically accounts for the vast majority of embedded emissions in the final products.

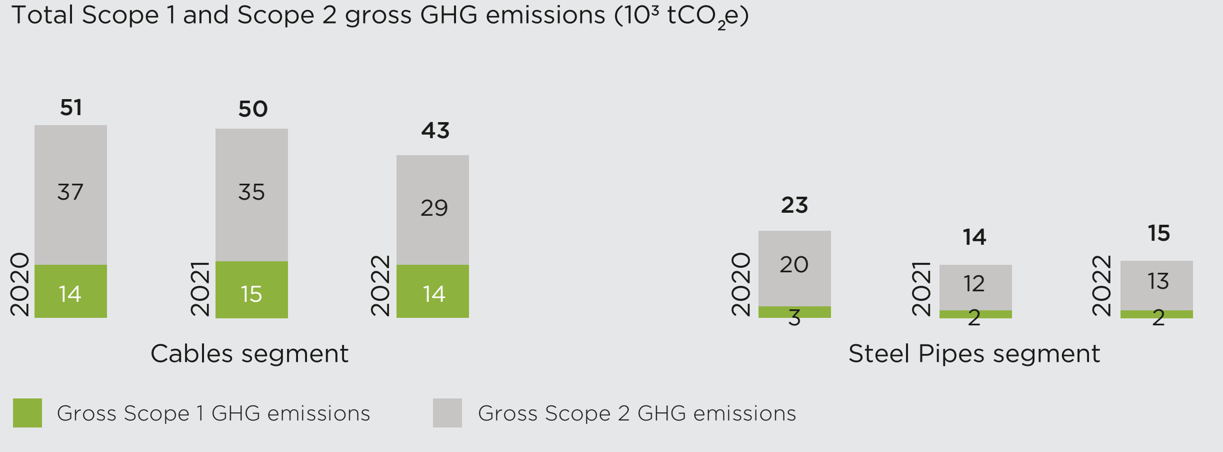
For metal processing companies to reach net-zero emissions by 2050 it requires a global transformation of the industrial production. The necessary investments for the transformation are still several years, or even decades, away from being economically and technologically feasible on a large scale. A key element of this transformation is ensuring a consistent supply of low-carbon electricity, as these companies rely heavily on electricity for either thermal metallurgy or metal processing through mechanical equipment. Furthermore, adequate supplies of green hydrogen will be required to gradually substitute natural gas which is the main source of thermal energy for industrial applications. This results in Cenergy Holdings subsidiaries generally having much higher indirect emissions than direct emissions. To minimize indirect emissions, the companies have the ambition of entirely covering their electricity needs with renewable energy PPAs. Securing Green PPAs as they are commonly called, is, however, challenging due to the existing power market regulatory frameworks in respective countries as well as the ability of grid operators to balance energy supply and demand in a relatively cost-effective manner, thus allowing for a shaping cost making RES PPAs competitive with traditionally lower electricity cost that Cenergy Holdings subsidiaries' competitors enjoy in countries outside Europe.

Cenergy Holdings subsidiaries do not enhance natural carbon sinks or apply technical solutions to remove GHGs from the atmosphere (e.g. direct air capture) as these technologies are still not economically or technologically mature. Furthermore, they do not participate in GHG mitigation projects financed through carbon credits as the lack of transparency and effectiveness raise doubts about the actual contribution to a net-zero future. In addition, no companies participate in the EU Emissions Trading System (ETS).

Total GHG emissions for both segments are presented below. The total carbon footprint figures (Scope 1 and 2) are reported according to Greenhouse Gas Protocol Guidance, the most commonly used international standard. The total emissions in steel pipes segment remain relatively stable compared to last year, showing a slight increase in emissions of 7% as a result of the increased production volumes.

On the contrary the cables segment shows a 14% decrease in total GHG emissions, despite the increase in production volumes, mainly due to the renewable electricity procurement contract Icme Ecab entered with Hidroelectrica the largest energy producer of renewable electricity in Romania.

Figure 4: Total scope 1 and scope 2 gross GHG emissions



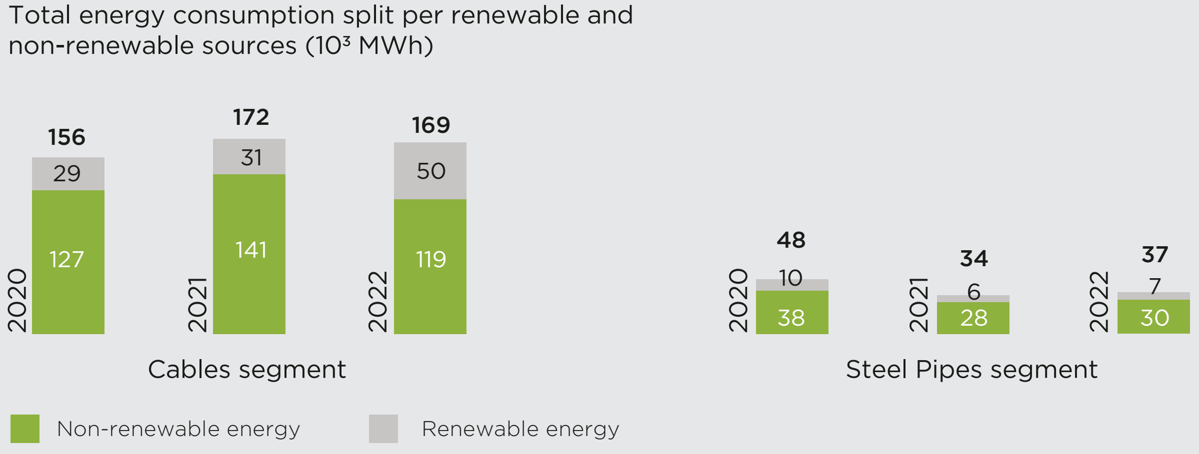
1. Total carbon emissions in tCO_2e/yr.
2. For the Scope 2 emissions, a location-based approach has been followed. For Greece and Romania, the European Residual Mix 2021 methodology has been used.

As explained in the previous section on climate change, most Cenergy Holdings subsidiaries are electro-intensive due to the nature of metal processing. A strong focus is placed on energy efficiency in Cenergy Holdings companies' operations, as it is vital, not only for economic reasons but also for environmental reasons as the reduction of energy intensity leads to a reduction in carbon footprint.

Cenergy Holdings' primary objective for enhancing energy efficiency is centered around identifying energy-saving opportunities through periodic energy audits carried out by specialized consultants. All of the companies within the scope of this report have concluded energy audits during 2022 and all have been certified with the ISO 50001:2018 Energy Management System. The conclusions from the energy audits will be the starting foundation for the implementation of energy efficiency measures, both in equipment as well as practices or operational modifications, in the immediate future.

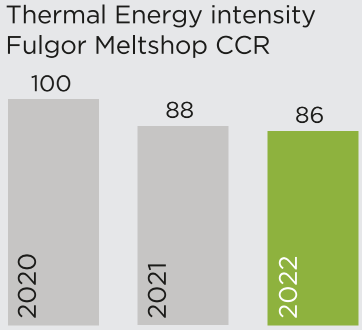
The numbers shown in the below figure reflect the split of total energy consumption between non-renewable and renewable sources.
The deviation between years for each segment is further explained below.

Figure 5: Total energy consumption split per renewable and non-renewable sources



The energy consumption in the cables segment slightly decreased in 2022 despite the increase in production overall. Mainly, the Continuous Casting Rod Meltshop (Copper melt shop) of Fulgor SA, the most thermal energy-intensive process of the company, showed further improvement in the thermal energy consumption intensity for the production of copper wire rods. An annual improvement of 2% was achieved in 2022 following a significant, year-to-year improvement of 12% in 2021. Furthermore, the renewable energy consumption showed a significant increase as a result of Icme Ecab's renewable electricity procurement contract, with a corresponding decrease in non-renewable energy consumption.

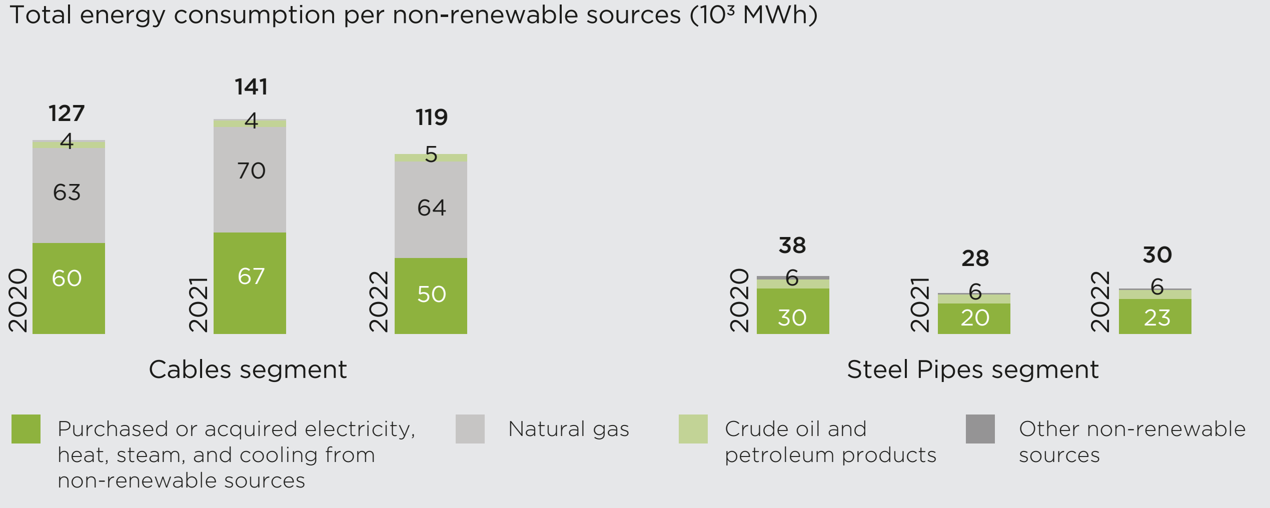
Figure 6: Thermal energy consumption intensity for Fulgor Meltshop CCR



Note: the value of energy intensity of 2020 has been used as a baseline and has been given a value of 100. The following years are compared to the baseline value

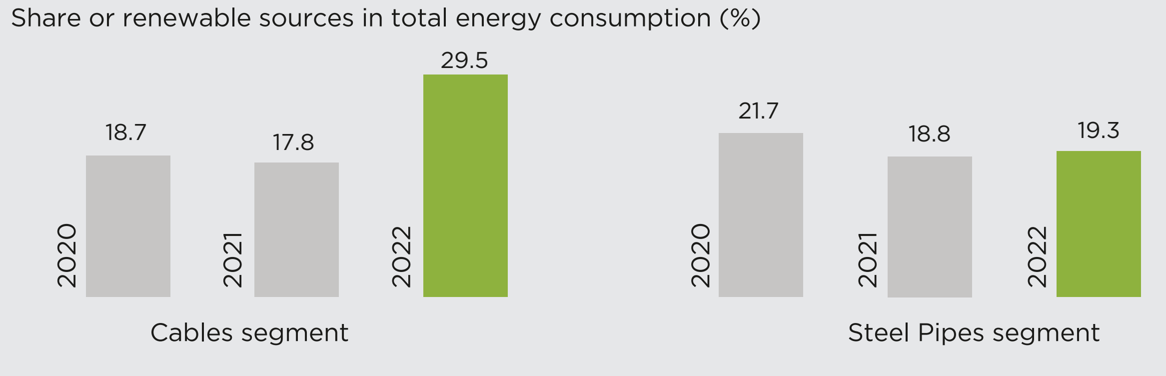
Steel pipes segment: The energy consumption in the steel pipes segment saw a slight increase in 2022, in line with an increase in production. Overall, Cenergy Holdings subsidiaries consume, except for Icme Ecab, electricity directly from the grid of the respective countries they operate so the source of the electricity consumed reflects the energy mix of each country. Consequently, part of the non-renewable electricity consumed is sourced from natural gas and lignite power plants.

Figure 7: Total energy consumption per non-renewable sources



From the available renewable sources, Cenergy Holdings subsidiaries only consume renewable electricity and, therefore, no renewable fuels such as biogas or green hydrogen or other biofuels.

Figure 8: Share of renewable sources in total energy consumption



To minimize their carbon footprint and decrease their exposure to carbon pricing through indirect emissions, it is strategically important for Cenergy Holdings subsidiaries to have access to low-carbon electricity. Companies aim to cover their electricity needs with renewable energy entirely in that context. However, given their geographic footprint and the existing power market regulatory frameworks in these countries, there currently needs to be more viable options towards this goal.

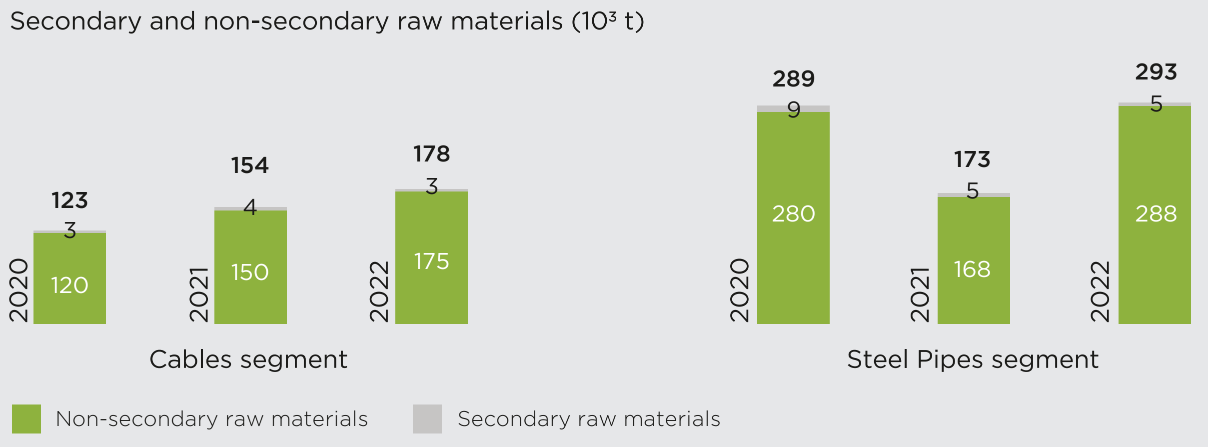
However, Cenergy Holdings subsidiaries explore alternatives for direct renewable electricity supply, such as bilateral or market-based Green PPAs. The entire cables segment and Corinth Pipeworks are in the final stages of securing such PPA, which is expected to deliver a minimum of 80% RES power by 2025 at the latest. Furthermore, in 2022, Icme Ecab entered a renewable electricity procurement contract with Hidroelectrica, the largest energy producer of renewable electricity in Romania.

Circular economy and waste management (SDG 9 and 12, and ESRS E5)

Cenergy Holdings subsidiaries contribute to the circular economy by utilizing secondary raw materials offering products and services that are recyclable and, where possible, with high recycled content and, thereby, minimizing the generation of waste. Cenergy Holdings subsidiaries are committed to environmentally friendly waste management and aim primarily at waste generation reduction and improvements related to reuse and recycling, as well as identifying contractors with a more environmentally friendly treatment method.

Regarding waste management, Cenergy Holdings subsidiaries continuously try to minimize their operations' environmental impact. To support this effort, the implementation of prevention measures in chemicals and hazardous waste storage and handling, as well as continuous monitoring for the case of accidental incidents (spills or leaks) to the environment, are in place. Environmental incidents that have the potential to impact the environment either directly or indirectly are closely monitored, and procedures have been developed for their immediate detection, investigation, and remediation should they occur. The companies have implemented necessary safety measures (secondary containments, implementation of zone owners, etc.), resulting in a low probability of pollution incidents. It is worth noting that 100% of the companies under the scope of this report are certified with the Environmental Management System ISO 14001:2015. The figure below presents a breakdown of resource inflows by secondary and non-secondary raw material.

Figure 9: Secondary and non-secondary raw materials



Waste volumes generally increased in 2022 due to increased production. The proportion of recovered waste has also increased across both segments. As shown in the figure below, the portion of the generated waste that is sent for reuse, remanufactured, or recycling increased for both segments in 2022 and remained at high levels, supporting the transformation to a circular economy.

Figure 10: Total hazardous and non-hazardous waste

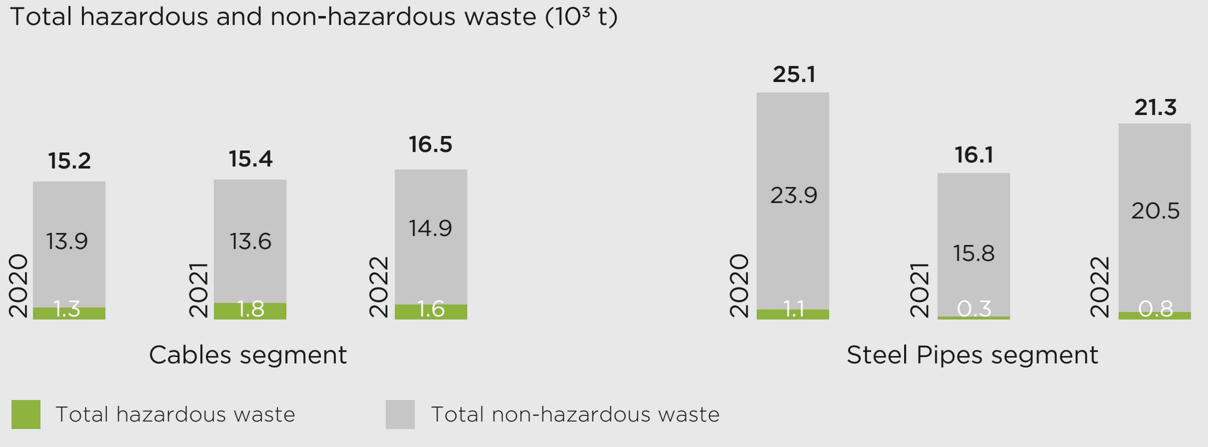


Figure 11: Total hazardous waste recovered and disposed

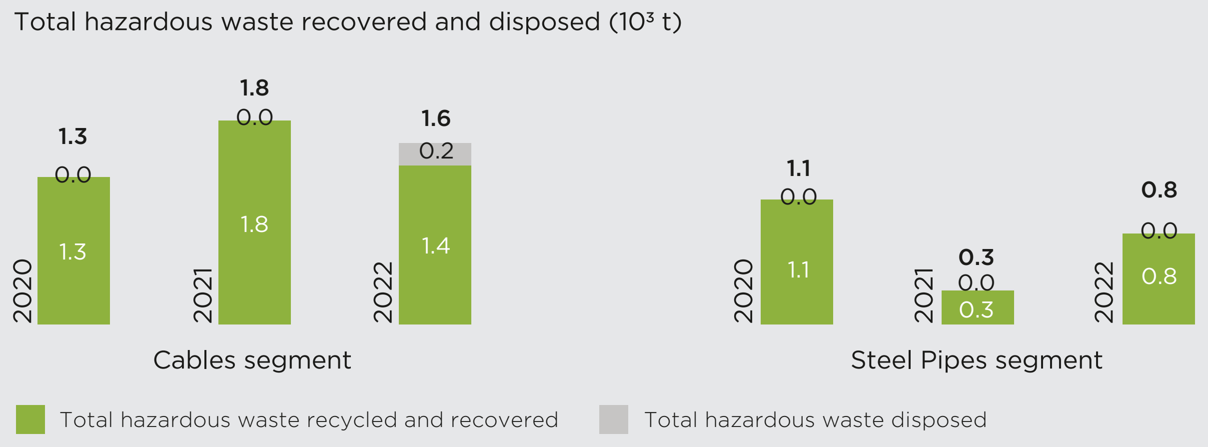
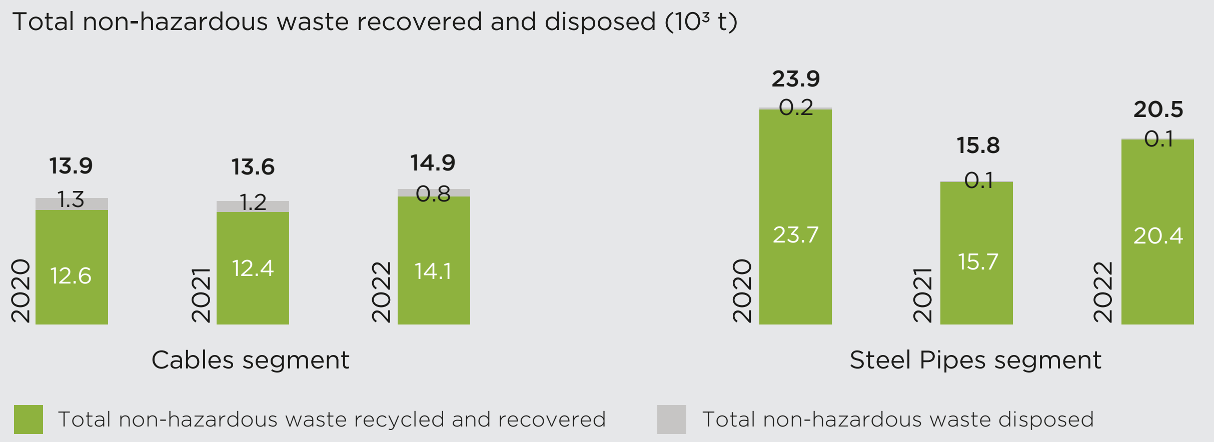
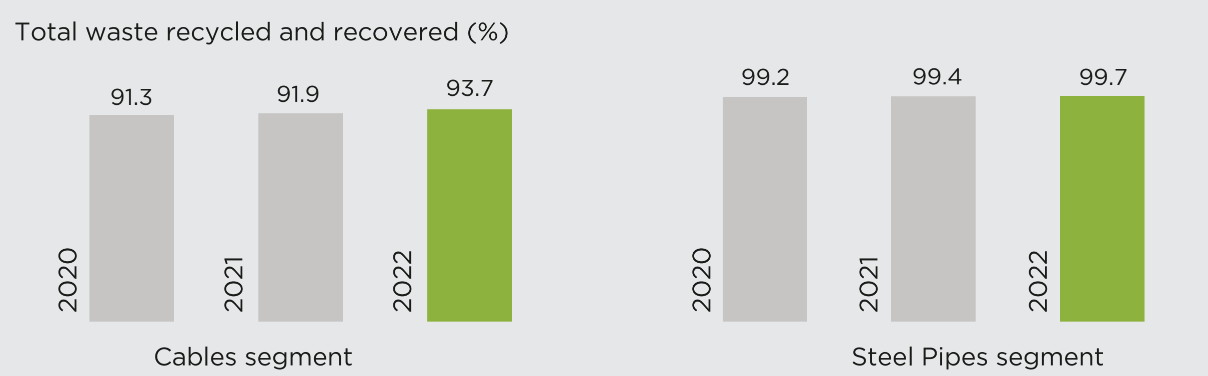


Figure 12: Total non-hazardous waste recovered and disposed



As shown in the figure below, the portion of the generated waste that is sent for reuse, remanufactured, or recycling further increased for both segments in 2022 supporting the transformation to a circular economy.

Figure 13: Total waste recycled and recovered



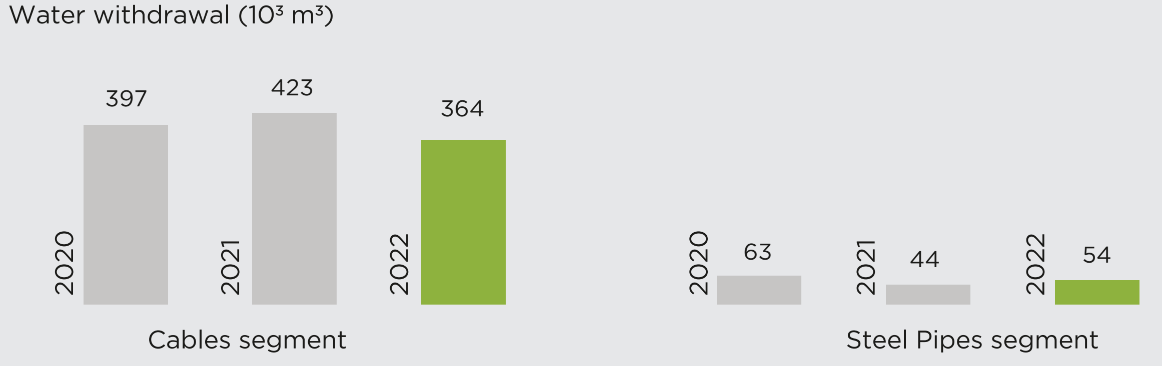
Water and wastewater management (SDG 6, and ESRS E2 and E3)

Water is a crucial component of Cenergy Holdings' production process, and responsible water usage is critical for companies' business continuity. Therefore, companies use various strategies for responsible water usage, such as reducing water intensity by using water conservation technologies where possible, continuously monitoring water consumption to detect leaks promptly and conducting preventive maintenance of water networks to minimize water losses. Responsible use of water also means assessing water availability and adopting measures for alternative water sources in the event of water shortages. Additionally, proper maintenance and operation of wastewater treatment plants is prioritized to ensure compliance with water discharge limits.

The availability of industrial water is of critical importance to Cenergy Holdings subsidiaries, and the majority of the plants have a program of water consumption monitoring to improve their water intensity.

The water withdrawal for both segments in 2022 is presented below. Steel pipes segment experienced increased total water withdrawal due to proportional increased production volumes, while the cables segment experienced a significant decrease (14%) year-over-year in water consumption despite increased production. The water intensity improvement is primarily due to water conservation efforts and leak detection at Icme Ecab.

Figure 14: Water withdrawal



During 2022, none of the subsidiaries was affected by water shortages. It is important to note that Cenergy Holdings subsidiaries operate outside official water-stressed areas. Nevertheless, the companies monitor water availability, and the hydrologic cycle as there may be future changes, mainly due to the expected effects of climate change in the Mediterranean region. The method of sourcing water varies between companies, depending on their location.

The various wastewater discharge streams are monitored by periodically by specialized personnel. The discharge of treated wastewater is a critical issue, especially for companies discharging treated wastewater directly to a water body and not to a wastewater network for further treatment. The measurement of the quality of the treated wastewater discharged, is critical in ensuring that discharge limits are respected and in identifying corrective actions, if needed. During 2022, there were not any wastewater samples outside the range of discharge limits, and no administrative fines were issued.

It is noted that the locations of all industrial installations are not in or in the vicinity of ecologically sensitive areas (e.g. Natura 2000) and they do not have a direct effect on local biodiversity or sensitive ecosystems as described in the approved Environmental Impact Studies of the installations subject to environmental permitting.

EU Taxonomy

The EU Taxonomy is a classification system that establishes a list of economic activities considered environmentally sustainable and serves as a foundation for the Action Plan on Financing Sustainable Growth, which supports the European Green Deal. By creating a common language for sustainable activities, the EU Taxonomy establishes the first uniform and credible standard that allows economic actors to align with the transition to a low-carbon, resilient and sustainable future.

The EU Taxonomy Regulation requests that companies subject to an obligation to publish non-financial information shall disclose in their NFD the proportion of their turnover, capital expenditure and operating expenditure related to "Taxonomy-eligible and Taxonomy-aligned activities". The assessment methodology followed by Cenergy Holdings this year has been refined, considering the updated legislation and interpretation issued by the Taxonomy Platform within 2022.

Cenergy Holdings has evaluated the business activities against the EU Taxonomy eligibility criteria for climate mitigation and has identified eligible activities as shown below (cf. Disclosures Delegated Act EU 2021/2178):

Eligible economic activity	Description of operating activity	NACE-Code	Climate change mitigation
3.1 Manufacture of renewable energy technologies	Manufacture of renewable energy technologies	C27.32	✓
3.6 Manufacture of other low carbon technologies	Manufacture of other low carbon technologies	C27.32	✓
4.9 Transmission and distribution of electricity	Construction and Installation services of electricity distribution networks	C27.32	✓

Cables segment

The cables segment's products are used in various applications including renewable technologies manufacturing (3.1), as well as installation projects for transmission and distribution of electricity (4.9). Cables and accessories for the telecom sector (optical fiber), as well as cables used in the railway sector, under the manufacture of other low carbon technologies (3.6) have also been incorporated in eligible revenue calculation.

ELIGIBILITY REPORTING TABLES

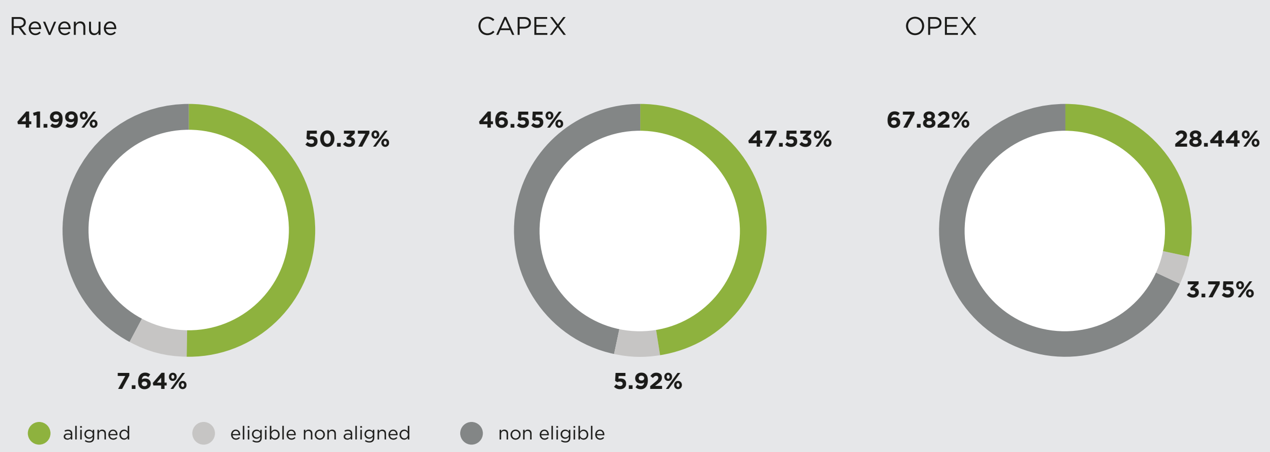
Proportion of Cenergy Holdings subsidiaries' turnover 2022 from products or services associated with Taxonomy-eligible economic activities.

ALIGNMENT REPORTING TABLES

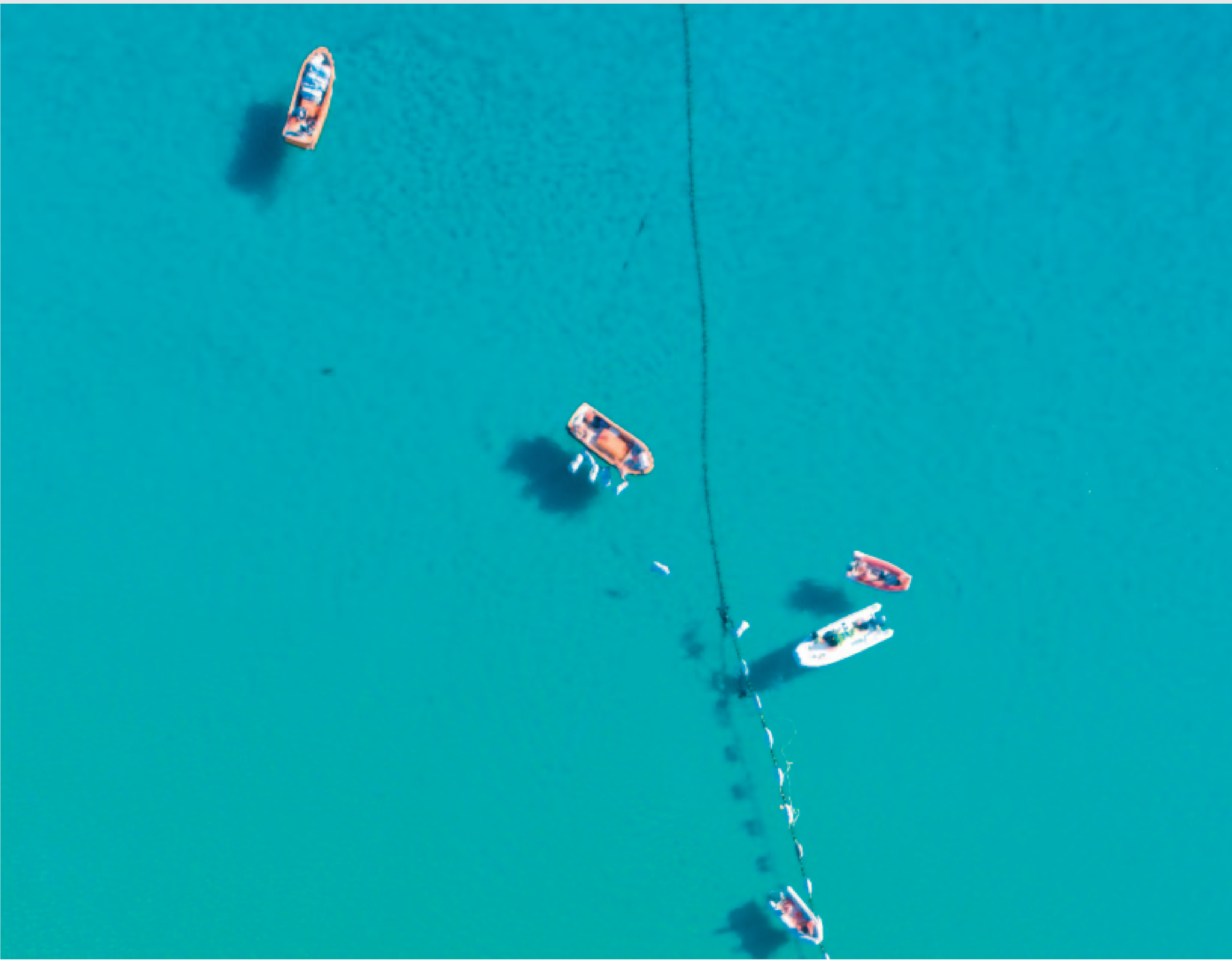
Proportion of Cenergy Holdings subsidiaries' turnover 2022 from products or services associated with Taxonomy-aligned economic activities.

Table 6: EU Taxonomy - Overview of results

FY 2022	TOTAL	Proportion of Taxonomy-eligible (non-aligned)	Proportion of Taxonomy-aligned economic activities	Proportion of Taxonomy- non-eligible economic activities
Turnover	1,426,008,223	8%	50%	42%
Capital Expenditure CAPEX	79,008,537	6%	48%	46%
Operating Expenditure OPEX	21,937,712	4%	28%	68%



For details and templates, see the Annex on Taxonomy (pg. 190).



Responsibility Towards Society

Occupational health and safety (SDG 3 and 8, and ESRS S1)

The various companies under Cenergy Holdings have distinct occupational health and safety risk profiles due to factors such as the type of production, technology used, manufacturing processes and materials utilized. Despite the different natures of activities, the safety and well-being of employees is a top priority for Cenergy Holdings and its companies, and significant resources are allocated towards enhancing working conditions and creating a safer work environment. This dedication is translated through investments to improve existing safety infrastructure, further deliver employee training on risk awareness and behaviour-based safety and implement robust procedures and management systems.

Cenergy Holdings subsidiaries conduct detailed risk assessments that identify hazards and evaluate associated risks. Companies also prioritize accurate and timely incident analysis to ensure a solid framework for a systematic approach to incident reporting, management, and investigation, enabling practical corrective and preventive actions.

2022 was the first year of a five-year improvement action plan related to health and safety, which is continuously monitored. As mentioned earlier, all companies within the scope of this report are certified with the Occupational Health and Safety Management System ISO 45001:2018, and employees working within each company's installations, regardless of being direct employees or subcontractors, are covered by the Health and Safety Management System.

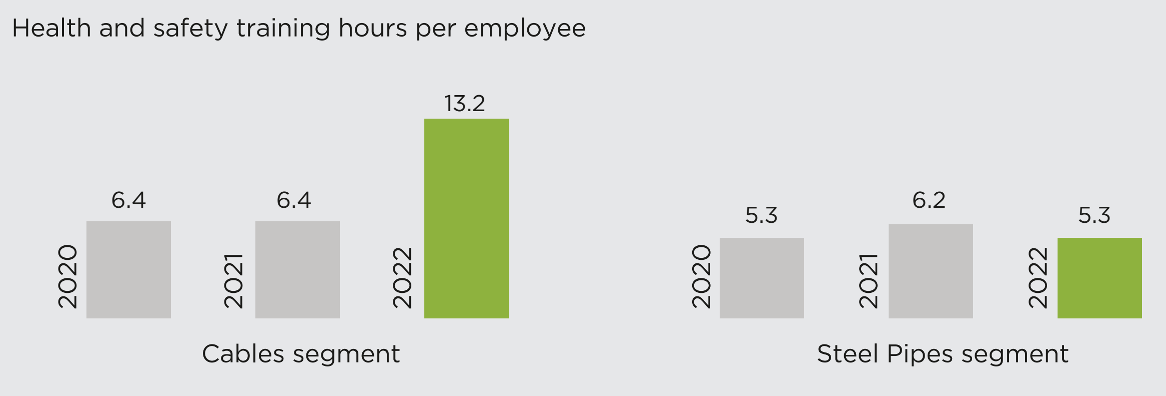
Health and Safety in Cenergy Holdings subsidiaries

Third-party audit assessment

As health and safety matters are of strategic importance to Cenergy Holdings companies, further evaluations and fitness checks of the Health and Safety programs in place have been performed by a third party (DSS+) periodically to ensure a transparent and objective assessment. In 2022, one more Cenergy Holdings companies' plant was evaluated by DSS+, bringing the total plants evaluated by the same third party to 4 plants. The assessments which further helped the companies identify areas of improvement and create action plans for 2023.

Training in health and safety matters is of critical importance and emphasis has been given to the completion of a training matrix that is customized to each job description and the completion of all necessary sessions for each employee. In the graph below are presented the health and safety training hours per employee for both segments. The cables segment saw a significant increase in health and safety training hours with figures more than doubling, while steel pipes segment saw a decrease compared to last year.

Figure 15: Health and safety training hours per employee

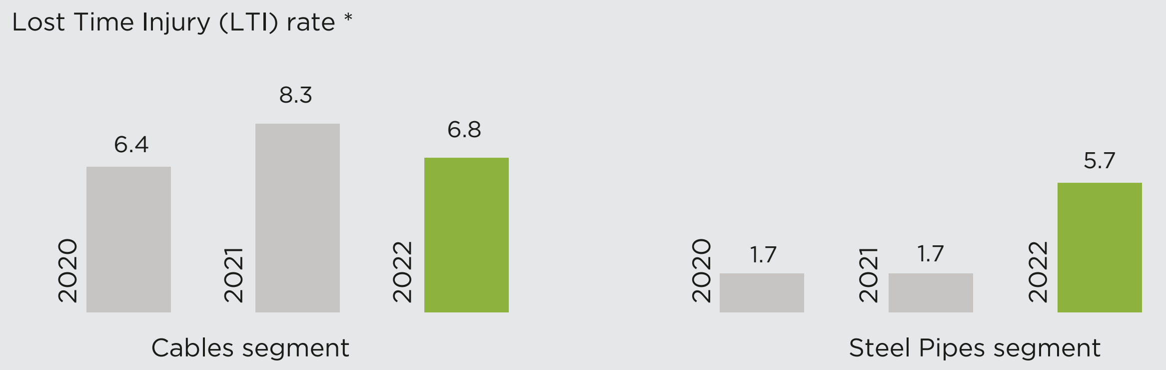


The below graphs present the Lost Time Injury Rate (LTIR), which indicates injury sustained by an employee or contractor resulting in a loss of productive work time that is required for recovery and the total recordable injury frequency rate (TRIFR), which includes the number of fatalities, lost time injuries, substitute work, and other injuries requiring medical treatment from a medical professional.

The steel pipes segment has experienced an increase compared to 2021. All incidents have been thoroughly investigated in order to address the root causes and take all necessary actions in order to avoid similar incidents in the future. During 2022, the cables segment saw an improvement over LTIR in 2021.

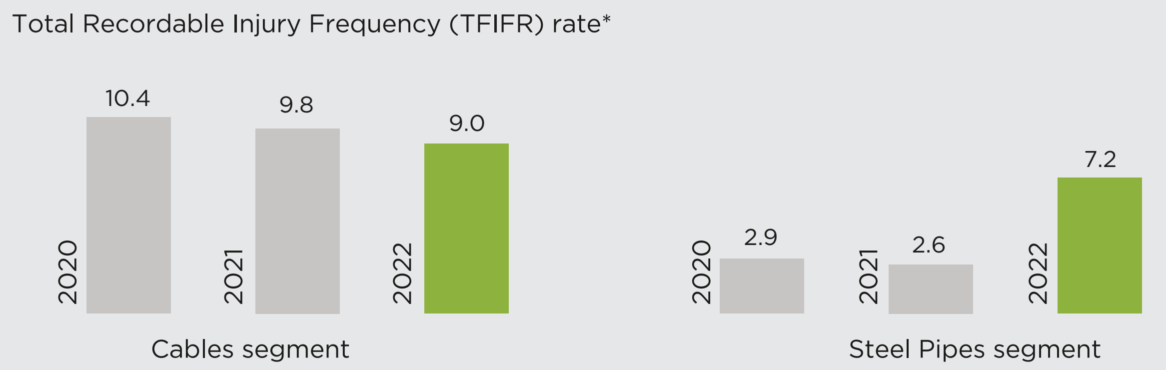
Similarly, the cables segment have seen their TRIFR decreasing compared to the previous year, but steel pipes segments experienced an increase in 2022.

Figure 16: Lost Time Injury rate



* LTIR: Lost time injury rate (number of LTI incidents per million working hours)

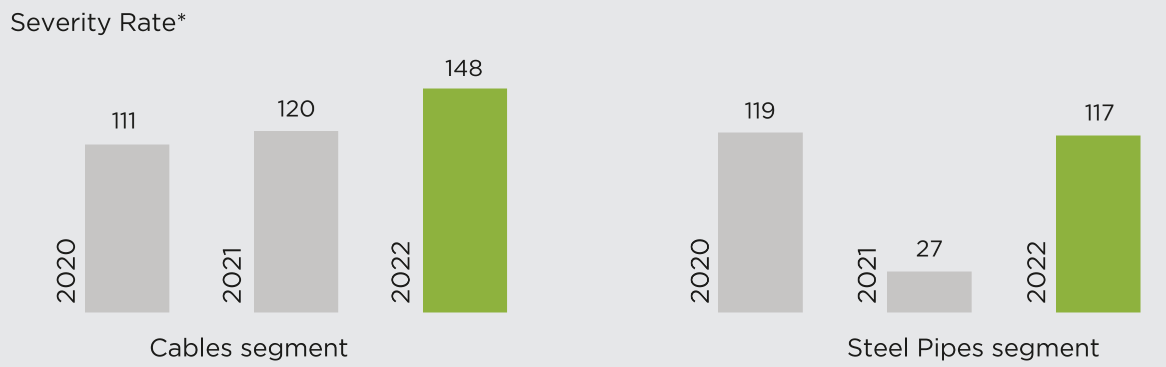
Figure 17: Total recordable injury frequency rate



* TRIFR: Total recordable injury frequency rate (number of TRIFR per million working hours)

The severity rate, another main indicator used to show the seriousness of each incident, increased in 2022 for both segments. No fatalities as a result of work-related injuries or work-related ill health happened in the last three years.

Figure 18: Severity rate



* SR: Severity rate (number of lost workdays per million working hours)

The performance of the subsidiaries in 2022 indicates that more systematic work and human and capital resources are necessary in order to create a safer working environment for all employees and contractors. The improvement plan for 2023 includes several initiatives and improvement areas that all Cenergy Holdings subsidiaries will concentrate such as:

1. Infrastructure improvement
2. Safety leadership training
3. Risk identification and behavioral safety training
4. High priority initiatives execution, focusing on key risk areas such as work at heights, machinery safety, LOTOTO and electrical work.

Employee training and development (SDG 8 and ESRS S1)

Cenergy Holdings subsidiaries seek to provide their employees with a workplace of equal opportunities by investing materially and systematically in their training and development. As part of the ESG Strategy, Cenergy Holdings subsidiaries implemented new employee training on business ethics, anti-bribery and corruption. The training program targets both management and employees with a high-risk job profile due to the nature of the job and comprises dedicated sessions for the management team to ensure a comprehensive grasp of issues related to business ethics, such as money laundering, antitrust and competition laws, anti-corruption, and data privacy. The company intends to maintain this training to ensure employees fully understand the organization's commitments.

In 2022, a dedicated training program for equity, diversity, and inclusion was introduced, initially aimed at senior personnel and scheduled to be rolled out to the employees over the next three years.

Total training hours and training hours per employee have increased significantly after the restrictions were lifted from the Covid-19 pandemic. More specifically, employee training hours increased considerably across all segments in 2022, with a growth of 38% on cables segment and 16% for the steel pipes segment. Given the industrial nature of Cenergy Holdings subsidiaries activities, and the consequent lower percentage of women in workforce, the training hours are proportionally distributed to men and women employees.

Moreover, in line with total training hours, both segments saw an increase in the total training hours per employee. More specifically, in steel pipes segment the training hours per employee increased by 20% compared to last year, while the growth in cables segment reached 12%.

Figure 19: Total training hours

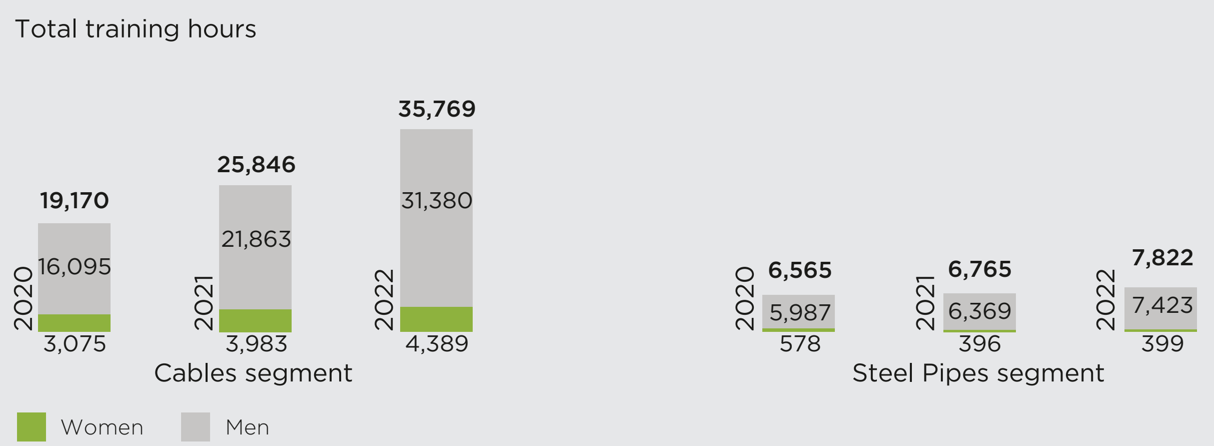
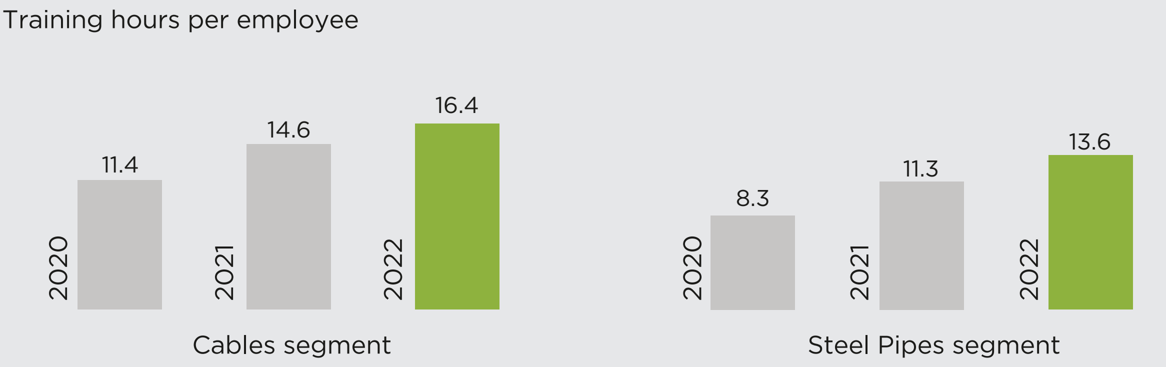
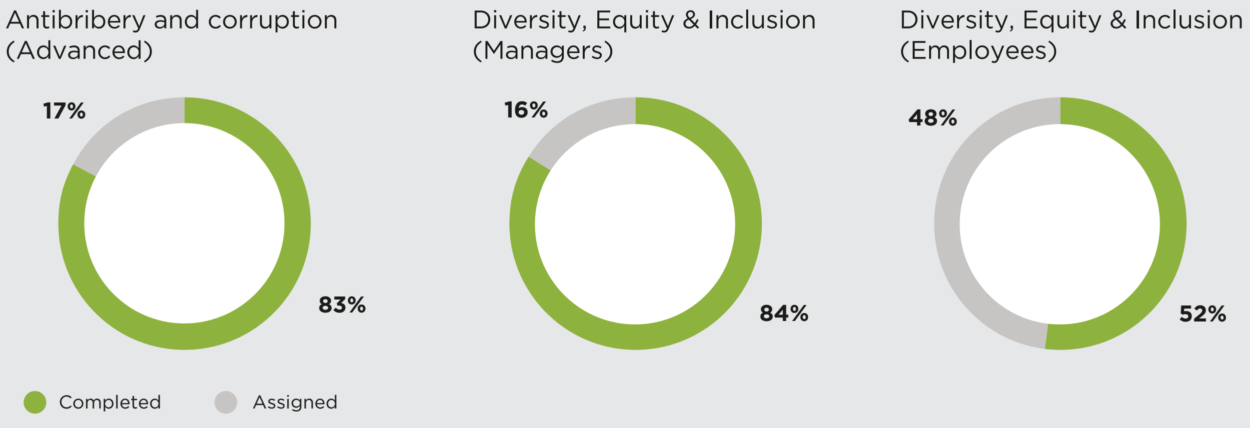


Figure 20: Training hours per employee



Presented below is the participation in ESG training for 2022. The anti-bribery and corruption training was provided at advanced level with a completion rate of 83%, and during the end of the year, the basic level was also launched. The diversity, equity and inclusion training was offered to managers and employees, with a completion rate of 84% and 52%, respectively. The goal is for both trainings to reach 100% completion rate on both levels in 2023.

Figure 21: ESG training information for 2022

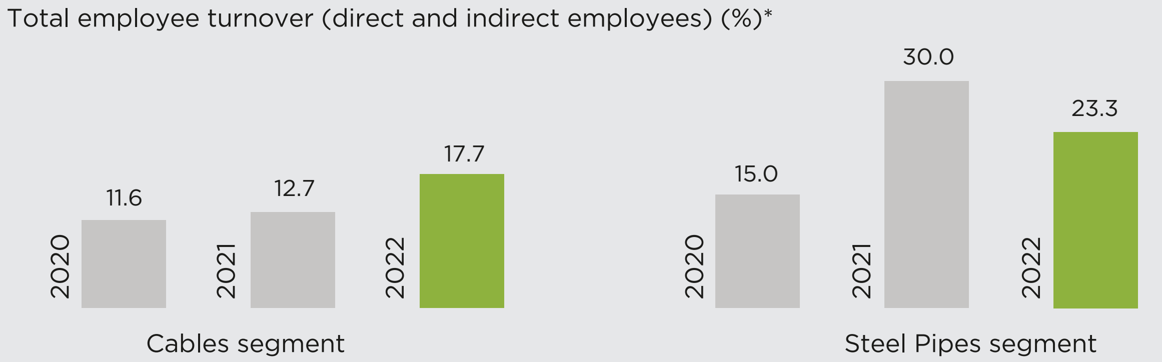


Diversity, equity, and inclusion (SDG 5 and 8, and ESRS S1)

Cenergy Holdings subsidiaries recognize the contribution of their people in their successful business performance and growth and are actively working to promote equality, diversity, and inclusion. Companies' policies and procedures adhere to applicable domestic laws concerning freedom of association and collective bargaining, non-discrimination, forced labour and underage workers in the workplace. Furthermore, employees are included in private health insurance and pension schemes as a benefit, and employees are paid at a minimum what the labour law of each country defines.

As shown in the figure below, the steel pipes segment is returning to more normal values after an extraordinary year in 2021 caused by the pandemic resulted in an unusual increase in employee turnover. The cables segment showed a reasonable increase, considering the availability of industrial workers in the regions the companies operate.

Figure 22: Total employee turnover (direct and indirect employees)



* Employee turnover = (employees who leave the organization voluntarily or due to dismissal, retirement, or death in service)/Total employees*100

Cenergy Holdings promotes diversity in its work environment, and the companies have taken a series of steps to support and increase the share of female employees, such as helping families with young children with child-care subsidies on top of their base salaries. Both steel pipes and cables segment showed a positive trend for women in a top management position.

Figure 23: Women in workforce

Figure 24: Women in management

In 2022, Cenergy Holdings and its subsidiaries launched the whistleblowing mechanism, the main process for deterring and identifying possible unethical behavior, including human rights violations. The mechanism establishes the proper channels of reporting for anyone, either within or outside Cenergy Holdings and its subsidiaries, to report illegal behaviour regarding labour or human rights practices, environmental compliance, and business ethics issues while at the same time ensuring complete protection and support for reporting persons. Additionally, no complaints were filed through channels for own workers or human rights issues, and no incidents related to own workforce were reported.

Responsible supply chain (SDG 8 and 12 and ESRS S3)

Cenergy Holdings subsidiaries are committed to operating responsibly in their business activities while expecting the same responsibility from their business partners. Due to their relative position in the value chain, the subsidiaries rely heavily on primary metal producers, often located outside the EU. It is, therefore, of utmost importance that the business partners and suppliers of raw materials practice sound management in ESG matters.

Suppliers are crucial to Cenergy Holdings subsidiaries, aiming to cultivate strategic partnerships founded on equivalent ethical, social, and environmental principles. As part of the ESG strategy, two new initiatives have been created to monitor suppliers' performance on sustainability matters.

First, Cenergy Holdings and its subsidiaries have adopted the Supplier's Code of Conduct which requires suppliers to show the same concern for employee health and safety, respect and protection of the environment, and respect for labour and human rights. Suppliers are requested to sign the Code of Conduct, and Cenergy Holdings subsidiaries require their business partners to comply with the principles defined in it and promote these within their own supply chain.

The second initiative requires the evaluation of Tier 1 suppliers of raw materials on sustainability matters by a world-class company in this field, Ecovadis. The result of the initiative is presented in the chapter "Sustainability ratings of Cenergy Holdings companies". The purpose of this initiative is to increase transparency in the supply chain and to identify risks that may appear in the future. In addition, responsible sourcing is vital to delivering products that carry the minimum environmental and social impact.

Cenergy Holdings' ESG Strategy's Responsible Sourcing initiative further closely monitors suppliers' compliance with the Conflict Minerals Regulation to ascertain that no material is procured from conflict countries.

Corporate governance and business ethics (SDG 16 and ESRS G1)

Cenergy Holdings and its subsidiaries prioritize business ethics and anti-corruption, implementing internal controls and procedures to ensure accountability and transparency with stakeholders. In 2022, they provided employee training on business ethics, a code of conduct, and anti-corruption. All subsidiaries also implemented a whistleblowing mechanism to report illegal behaviour regarding labour or human rights practices, environmental compliance, and business ethics.

No corruption, bribery or data privacy breaches were reported in 2022. Furthermore, no fines were paid due to settlements for unethical business practices or corruption. Cenergy Holdings plans to continue emphasizing corporate governance and business ethics in 2023.

Overall, their strong commitment to these issues demonstrates a responsible and ethical approach to business that prioritizes the interests of all stakeholders. Cenergy Holdings subsidiaries have taken necessary steps to ensure compliance and transparency in their operations and will continue to prioritize business ethics in the future.

Integrated Management of Non-financial Risks

Cenergy Holdings and its subsidiaries face a variety of non-financial risks. The companies have a risk identification process and implement mitigation measures wherever possible. Managing non-financial risks is considered an essential task by the companies' management, as non-financial risks can directly or indirectly impact the companies' continuous operation and create future liabilities. Some of the main risks Cenergy Holdings and its companies face today are climate change, changing regulatory frameworks, energy prices, water availability, resource scarcity and quality, human rights, anti-corruption, and bribery.

To improve risk management of non-financial issues among subsidiaries, Steelmet Corporate Services professionals monitor closely the compliance with established Company policies and procedures for managing risks that companies' management must comply with. Furthermore, the ESG Strategy includes periodic monitoring of several key indicators to monitor progress on ESG-related risks. The companies have skilled personnel and consultants managing these matters, and they have implemented certified management systems ISO 14001:2015 and ISO 45001:2018, as well as the energy management system 50001:2018, thereby providing an additional management tool for all related risks.

Risks are analyzed from a financial, environmental, and social perspective to understand the impacts. Below is a description of the main non-financial risks identified that can affect business operations, reputation, people and the planet, and the financial results of Cenergy Holdings.

Regulatory Compliance

The regulatory environment in which Cenergy Holdings subsidiaries operate is very demanding as industrial operations in Europe, especially in metal processing, are subject to a broad range of laws and regulations that are updated at regular intervals.

The European Green Deal and the Fit for 55 package are two recent frameworks that have introduced stringent standards that require continuous effort and investment in resources to comply with. The risks associated with non-compliance encompass various environmental risks, including harm to groundwater, surface soils, and ecosystems. Additionally, social risks can impact the quality of air or water supplies for local communities. Furthermore, failing to comply with environmental regulations can result in fines, liabilities, and damage to the company's reputation.

Cenergy Holdings subsidiaries have established environmental management programs and trained professionals to manage and mitigate these risks. The total annual environmental expenditures of Cenergy Holdings companies, resulted in EUR 2.3 million in 2022 compared to EUR 3.7 million in 2021.

Climate change

In 2021, Cenergy Holdings subsidiaries established an ESG Strategy by assessing all related risks and opportunities and integrating all these matters into its business strategy. The Sustainability strategy has in its core the climate-related matters as they could affect the companies' operation and financial planning. More specifically, it includes the obligation of the industrial subsidiaries to establish goals in strategic matters that include:

1) the gradual replacement of all electricity supply with Renewable Energy Sources (RES) as soon as technically and economically feasible
2) the commitment to specific near and long-term carbon reduction targets on all carbon-intensive activities

To that end, Cenergy Holdings aims to assess the potential severity of the risks and the possible benefits of the opportunities in order to take all necessary measures to mitigate the negative and maximize the positive ones, and to adopt the Task Force on Climate-related Financial Disclosures (TCFD) framework to transparently communicate their management of climate-related risks and opportunities. The project covers all industrial activities and installations of Cenergy Holdings and has been performed on a segmental level.

Climate change requires thinking that goes beyond typical business planning. To create a specific threshold which spans over a longer timeline to quantify the effect of climate change, different timeframes have been selected in order to assess the impact of climate-related risks and opportunities. The following time horizons have been selected:

- Short-term (0-5 years)
- Medium-term (5-10 years)
- Long term (>10 years)

The climate related risks are classified into two major categories:

A. Transition risks, which relate to the risk of policy, law, technology, and market changes brought about by the low carbon economy.
B. Physical risks, which relate to the risk of financial losses caused by extreme weather events. Two types of physical risks related to climate are being defined, the event-driven (acute) and the longer-term shifts in climate patterns (chronic).

The company utilizes climate-related trends, as well as the associated risks and opportunities, to shape its strategic perspective and planning on climate matters. Through careful analysis, for each of the business segments, the most material risks and opportunities relating to the climate that could have a potential material financial impact on its activities, have been identified. These risks and opportunities, presented in the following tables, are considered in defining the strategy, financial planning and day-to-day operation.

Cables segment

Climate-related risks

Type	Category	Title	Description	Time horizon	Impact and management
Transition	Policy and Legal	Carbon taxes (CBAM)	Increased purchasing costs of aluminium and steel due to additional taxes imposed by CBAM. Competitors from abroad circumventing the costs of CBAM may gain competitive advantage.	Short/medium-term (0-10 years)	From CBAM's introduction, businesses are expected to face increased cost on raw materials pricing. In addition, competitors from abroad that are not subject to increased costs of raw materials may gain a competitive advantage. Cables subsidiaries are committed to preparing to adapt to the upcoming changes by mapping the different scenarios and implications of CBAM on the business. This will be achieved by reviewing the global supply chain, evaluating the overall impact on the business activity, and assessing carbon footprint of suppliers and potential effect of CBAM to the increased cost in the supply chain. Cenergy Holdings subsidiaries are monitoring the implementation of CBAM rules and how these may affect trade intensities and competitiveness with third country producers. These risks may be mitigated through close collaboration with trade associations and EU authorities in an effort to point out necessary adjustments to ensure a level-playing field.
Physical	Acute	Adverse weather events	Adverse weather events (such as extreme low/high temperature, flooding due to heavy rainfall, heavy snowfall) may lead to significant disruptions in the production process, supply chain and transportation routes, and customer deliveries.	Long-term (10+ years)	Risks related to increased severity of extreme weather events that may impact the company's activities and key customers/suppliers. Cables subsidiaries continue to implement a loss prevention program at all cables production plants, which seeks to foresee and mitigate material losses and stoppages, such as by monitoring changes in the weather.

Climate-related opportunities

Type	Description	Time horizon	Impact and management
Products & Services	Products enabling carbonization of power through massive deployment of RES, electrification of transportation sector.	Short/medium-term (0-10 years)	The cables segment manufactures power and telecom cables for energy transmission and distribution. A great opportunity presents itself for the cables segment to enable the decarbonization of power as their products are enablers of the development of smart grids, supporting the electrification of transport, expansion of RES, etc.

Steel pipes segment

Climate-related risks

Type	Category	Title	Description	Time horizon	Impact and management
Transition	Policy and Legal	Carbon taxes (CBAM)	Increased purchasing costs due to additional taxes imposed by CBAM on steel.	Short/medium-term (0-10 years)	CBAM's impact on steel raw materials will affect the supply chain of steel in steel pipes. The company is committed to preparing to adapt to the upcoming changes by mapping the different scenarios and implications of CBAM on the business. This will be achieved by reviewing the global supply chain and its carbon footprint, evaluating the overall impact on the business activity. Cenergy Holdings subsidiaries are monitoring the implementation of CBAM rules and how these may affect trade intensities and competitiveness with third country producers. These risks may be mitigated through close collaboration with trade associations and EU authorities in an effort to point out necessary adjustments to ensure a level-playing field.
Physical	Acute	Adverse weather events	Adverse weather events (such as extreme low/high temperature, flooding due to heavy rainfall, heavy snowfall) may lead to significant disruptions in the production process, supply chain and transportation routes, and customer deliveries.	Long-term (10+ years)	Risks related to increased severity of extreme weather events that may impact the company's activities and key customers/suppliers. The Company continues to implement a loss prevention program which seeks to foresee and mitigate material losses and stoppages, not least by monitoring changes in the weather.

This constituted the base of the analysis performed on the resilience of the strategy of the organization by taking into the consideration different climate-related scenarios, including a 2°C or lower scenario. Cenergy Holdings subsidiaries understand the importance of monitoring and addressing a diverse range of external factors to achieve success. In order to gain further insights into how various climate scenarios could affect the Company, while maintaining a consistent financial metric, the method of scenario analysis has been used. To analyse the impact of climate risks to the company's assets and operations, climate risks were assessed under two different climate scenarios across two different time horizons. More information about the scenarios is presented in the table below:

Scenario	Scenario 1 Moderate climate change scenario RCP 4.5 / SSP2-4.5	Scenario 2 High climate change scenario RCP 8.5 / SSP5-8.5
GHG emissions	**Intermediate GHG emissions.** GHG emissions gradually decline after peaking in 2030-2050, then falling but not reaching net zero by 2100	**Very high GHG emissions.** GHG emissions continue to grow up through 2100. CO2 emissions triple by 2075 compared with 2020.
Policy reaction	**Transition risks are relatively high.** • Governments will meet their current commitments to reduce climate impact. • Economic development goals are achieved despite a slowdown in the growth of resource consumption and energy consumption. • Climate policy is likely to boost the demand considerably for metals by 22%	**Transition risks are relatively low.** • Only currently implemented policies are preserved, leading to high physical risks. • The global development patterns remain unchanged. • Some countries introduce decarbonization measures, but this is not sufficient to reduce the resource and energy intensity of the global economy. • Climate policy regulations are weak and insufficient to combat climate change and its adverse impacts.
Energy & Resources	**Moderately intensive use of resources and energy.** • Global oil consumption would peak by 2030-2035, gas consumption would continue a growth throughout 2022-2050 and coal consumption would continue to decline without recovery. • The price of electricity will be in the middle range due to the use of various sources of energy production. • The resource intensity and energy intensity of the global economy declines as a result of decarbonization measures taken by developed countries and subsequent similar actions introduced by developing countries with a delay of several decades. • All metals face a strong growth in annual demand, regardless of the scenario, mostly as a result of population and GDP growth	**Intensive use of resources and energy.** • Usage of fossil energy sources will increase. • Electricity prices will be lower compared to other scenarios. • Economic development is achieved through intensive growth, which entails increased consumption of materials and energy and exploitation of natural resources. • All metals face a strong growth in annual demand, regardless of the scenario, mostly as a result of population and GDP growth
Sea level rise	A significant decrease in anthropogenic GHG emissions leads to moderate physical impacts of climate change. Average global sea-level rise will reach 0.44-0.76 m by 2100.	The increase in GHG concentrations leads to significant physical impacts of climate change. Average global sea-level rise will reach 0.63-1.01 m by 2100.
Relevant forecasts and scenarios used	• IPCC AR5 Representative Concentration Pathway (RCP) 4.5 • Shared Socioeconomic Pathway 2 (SSP 2) • NGFS Nationally Determined Contributions (NDCs)	• IPCC AR5 Representative Concentration Pathway (RCP) 8.5 • Shared Socioeconomic Pathway 5 (SSP 5) • NGFS Current Policies

In the tables below, the evaluation of risks and their potential impact on financial performance, based on the climate scenario analysis performed for the transition and the physical risks per segment, is presented.

Cables segment

			RCP 4.5 / SSP2-4.5		RCP 8.5 / SSP5-8.5	
Type	**Category**	**Title**	**2030**	**2050**	**2030**	**2050**
Transition	Policy and Legal	Carbon taxes (CBAM)	Low	Low	Low	Low
Physical	Acute	Adverse weather events (flooding due to heavy rainfall)	Low	Low	Low	Low
Physical	Acute	Adverse weather events (heatwave)	Low	Low	Low	Low

Steel pipes segment

			RCP 4.5 / SSP2-4.5		RCP 8.5 / SSP5-8.5	
Type	**Category**	**Title**	**2030**	**2050**	**2030**	**2050**
Transition	Policy and Legal	Carbon taxes (CBAM)	Low	Low	Low	Low
Physical	Acute	Adverse weather events (flooding due to heavy rainfall)	Low	Low	Low	Low
Physical	Acute	Adverse weather events (heatwave)	Low	Low	Low	Low

Climate impact legend

High Medium Low

Circular economy
The contribution of Cenergy Holdings subsidiaries to circular economy varies depending on the segment and the raw materials used. The cables segment relies mostly on primary metals for its production although there is an increasing share of recycled plastics that can be utilized in the process. The products are highly recyclable after the completion of their useful life, although the products are very durable and their life cycle is very extensive, many times exceeding half a century. The steel pipes segment relies exclusively on steel produced from blast furnaces, ie. steel from iron ore. The product line used in the oil and gas sector, although theoretically 100% recyclable, does not have a recycling rate as it is not currently cost effective to recycle oil and gas pipelines due to the high cost of removal from their location.

Water management
As stated earlier, water is a crucial element of Cenergy Holdings subsidiaries' production process, and its availability is essential for their business continuity. Two of the main water-related risks are associated with adequate water in both quantity and quality and wastewater treatment before discharge.

Lack of water availability can lead to severe disruptions to the companies' operation, and inadequate water quality can lead to significant investments in water treatment, resulting in increased energy demand and waste generation. Water supply-related risks are essential from a financial and environmental perspective. As shown in the previous chapter, some of Cenergy Holdings subsidiaries are relatively water-intensive and therefore treat the water supply risk as a business continuity issue that can ultimately have a negative financial impact on the company. In addition to the financial implications of water shortages, environmental implications can occur when water shortages limit the water available for other uses, such as irrigation and municipal use.

To mitigate these risks, the companies continuously improve their water footprint by setting internal goals to minimize water use, reevaluating current usage, training employees on the importance of water use, and having multiple water sources to ensure alternative sources supply.

Regarding wastewater quality discharge, breaching local discharge limits can adversely affect local water supplies, cause reputational damage, and administrative and criminal prosecution. The companies mitigate the risk by setting up proper infrastructure, such as the adequate capacity of wastewater treatment, adequately trained personnel, preventive maintenance of equipment and close performance monitoring to identify any possible problems in wastewater treatment.

Human rights

There are several human rights risks that Cenergy Holdings subsidiaries face. Employee-related risks entail potential violations of equal treatment and statutory working hours by personnel that may lead to operation interruption risks. The companies mitigate these risks by implementing and monitoring compliance with personnel evaluation and training, regular internal audits and through the whistleblowing mechanism. Other human rights risks are related to the health and safety risks of workers and the supply chain and are discussed further below.

Occupational health and safety

The major risks related to social and labour matters are the occupational health and safety of the labour force. These risks are significant from both a financial and social perspective.

Cenergy Holdings subsidiaries are exposed to occupational health and safety risks at industrial sites. These risks are strongly linked with Cenergy Holdings subsidiaries' industrial operations (thermal metallurgy with high-temperature processes, heavy equipment, chemical treatment, work at heights, etc.), which they have been assessed and have been recognized for the significant impact on human life, local communities, and legal liabilities that could be created by a potential incident at its subsidiaries. Besides the physical risks, this can also affect the companies' reputation and the work environment's attractiveness, making it harder to attract and retain employees or contractors.

With regards to occupational health and safety risks, Cenergy Holdings subsidiaries have established a 5-year safety improvement plan & have safety management systems in place following a comprehensive approach for improvement which is translated into substitution controls implementation (i.e. equipment operation by distance or on floor level), engineering controls implementation (i.e. equipment upgrade), implementation of safety management principles (safety audits, standard operational procedures, work instructions, etc.), the establishment of a targeted safety training program and direct involvement and strong commitment of management. The total annual health and safety expenditure of Cenergy Holdings subsidiaries, i.e., including those outside the report's scope, resulted in EUR 3.4 million in 2022 increased by 20% compared to 2021.

Responsible sourcing

Social risks are especially significant in the supply chain of Cenergy Holdings' companies as the raw materials used by Cenergy Holdings subsidiaries are located in various geographic locations with varying degrees of labour and environmental standards. Most of the environmental and social footprint of Cenergy Holdings companies' products originates from the supply chain.

The Responsible Sourcing initiative described in the previous section targets the evaluation and engagement of major suppliers to identify the ones with poor environmental, social and governance practices. Following the assessment, Cenergy Holdings subsidiaries will engage them regularly to monitor progress on an action plan or look for alternative suppliers that meet the companies' ethical and environmental standards. Furthermore, in 2022, Cenergy Holdings subsidiaries carried out a minimum safeguard gap assessment currently being implemented to monitor and mitigate the company's potential human rights impacts internally and externally. Among others, integration in business procedures and human rights risk assessment.

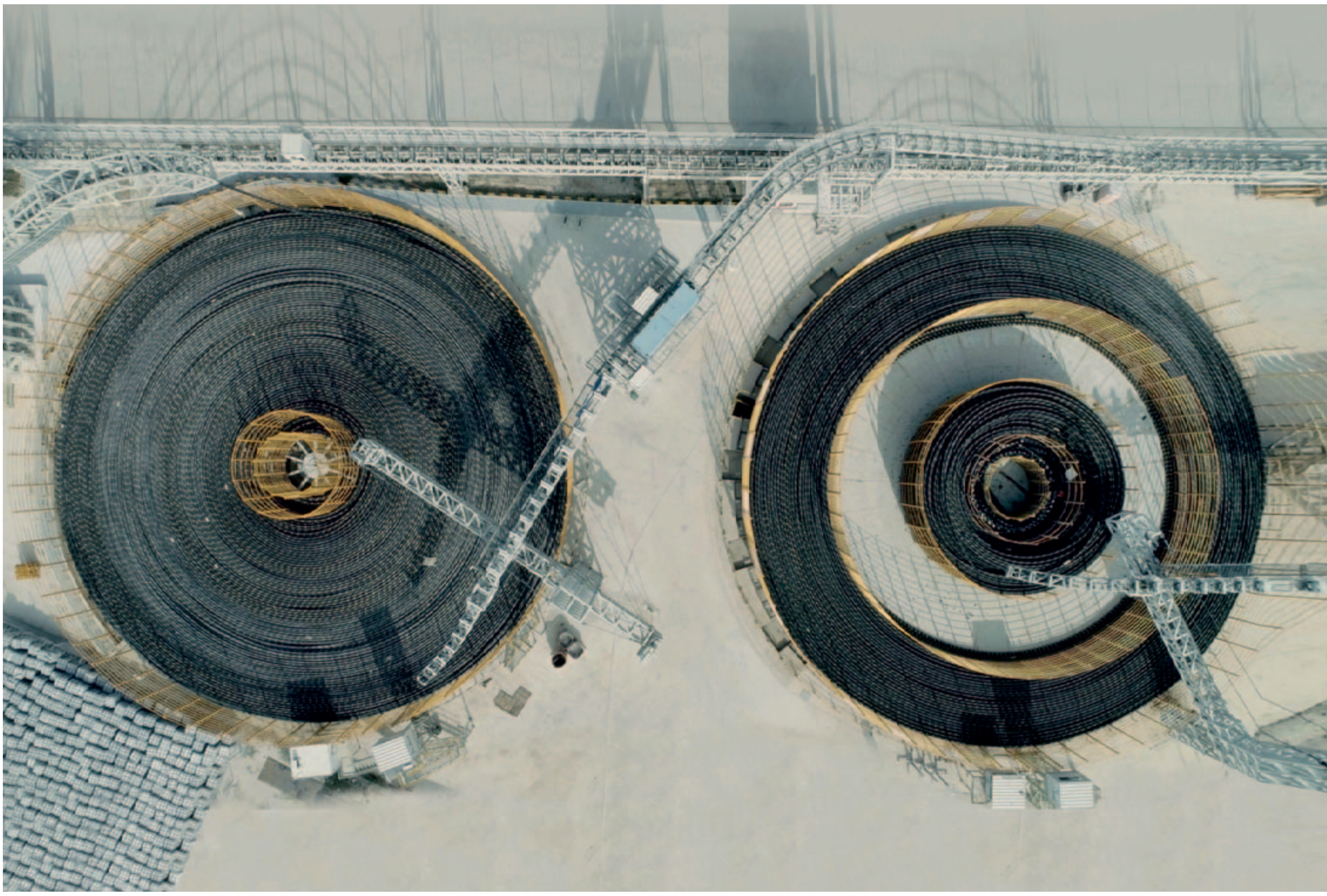
Anti-bribery and corruption

The risks related to anti-bribery and corruption lie in the failure to conduct business operations ethically and comply with the laws and regulations in the jurisdictions in which Cenergy Holdings and its companies operate.

To prevent and mitigate such risks, the whistleblowing mechanism was developed to ascertain that any illegal behavior can be reported without retribution to the person reporting the illegal behaviour. Furthermore, the internal audit function is responsible for monitoring and reporting timely and properly any related deviation or misconduct. Simultaneously, subsidiaries separately organize employee training, awareness-raising courses and communication actions to increase awareness and stress the importance of compliance with the companies' employees.

Detailed information on Cenergy Holdings subsidiaries' sustainability actions can be found in their standalone sustainability reports which are published on an annual basis.

Corporate Governance Statement



As a company incorporated under Belgian law and listed on Euronext Brussels, Cenergy Holdings is committed to high standards of corporate governance and relies on the 2020 Belgian Corporate Governance Code (the "Corporate Governance Code") as a reference code. The Corporate Governance Code is available on the website of the Corporate Governance Committee (https://www.corporategovernancecommittee.be/en).

The Corporate Governance Code is structured around principles, provisions, guidelines, and the "comply or explain" principle. Belgian listed companies must abide by the Corporate Governance Code but may deviate from some provisions, if they provide a considerate explanation for any such deviation.

During the 2022 financial year, the Company complied with the principles of the Corporate Governance Code, except for the following:

Principle 4.19: *"The board should set up a nomination committee with the majority of its members comprising independent non-executive board members."*

Explanation: In accordance with principle 4.20 of the Corporate Governance Code, the Board of directors of Cenergy Holdings has opted for a combined nomination and remuneration committee. On May 31, 2022, Mr. Joseph Rutkowski was appointed as member of the Board of Viohalco, parent company of Cenergy Holdings, and therefore he ceased to meet the independence criteria set forth in the BCCA and the Corporate Governance Code. Since this date, the Nomination and Remuneration Committee has only two independent members out of the four appointed Board members. The Board considers that the Committee should continue to benefit from the experience of Mr. Rutkowski, who is also acting as Chairman of the Committee. Cenergy Holdings considers that the composition of the Committee is adequate and does not compromise its effectiveness nor the exercise of its legal missions by the Committee.

Principle 7.6: *"A non-executive board member should receive part of their remuneration in the form of shares in the company."*

Principle 7.9: *"The board should set a minimum threshold of shares to be held by the executives."*

Explanation (7.6 & 7.9): The remuneration policy of the Company is set out in the remuneration report. Such policy does not provide for share-based remuneration. The Board of Directors considers the proposals submitted by the Nomination and Remuneration Committee in order to determine whether, and to what extent, a modification of this policy is justified in the light of the Company's objectives and strategy.

The Board of Directors of Cenergy Holdings has adopted a Corporate Governance Charter to reinforce its standards for the Company, in accordance with the recommendations set out in the Corporate Governance Code. It aims to provide a comprehensive and transparent disclosure of the Company's governance and is reviewed and updated as needed. The Corporate Governance Charter is available on the Company's website (https://www.cenergyholdings.com/).

In order to have a complete overview of Cenergy Holdings' corporate governance rules, the Corporate Governance Statement must be read in conjunction with the Company's Articles of Association, the Corporate Governance Charter as well as the corporate governance provisions laid down in the Belgian Code of Companies and Associations ("BCCA").

As a company with a secondary listing on the Athens Stock Exchange (Athex), Cenergy Holdings also complies with the provisions of the applicable Greek capital market laws and regulations.

Board of Directors

Role

Cenergy Holdings has chosen the one-tier governance structure under the Corporate Governance Code. The Board of Directors (the "Board") is vested with the power to perform all acts that are necessary or useful for the Company's purpose, except for those actions that are specifically reserved by law or the Articles of Association to the Shareholders' Meeting or other management bodies.

In particular, the Board is responsible for:

- defining the general orientations of the Company;
- deciding on and regularly reviewing any aspect related to all major, strategic, financial and operational matters of the Company;
- deciding on the Executive Management structure and determining the powers and duties entrusted to them;
- taking all necessary measures to guarantee quality, integrity and timely disclosure of the Company's financial statements and other material financial or non-financial information about the Company in

accordance with applicable law;
- monitoring and reviewing the effectiveness of the Audit Committee and the Nomination and Remuneration Committee;
- approving a framework of internal control and risk management set up by Executive Management and reviewing its implementation;
- monitoring the quality of the services provided by the statutory auditor and internal audit, taking into account the Audit Committee's review;
- approving the remuneration report submitted by the Nomination and Remuneration Committee; and
- all other matters reserved to the Board under the BCCA.

The Board is entitled to delegate part of its powers related mainly to the day-to-day management of the Company to the members of the Executive Management.

Composition of the Board

As at December 31, 2022, the Board is composed of 10 members, in accordance with Article 8 of the Articles of Association:

Table 7: Board of Directors Composition

Name	Position	Term started	Term expires
Xavier Bedoret	Chairman – Non-Executive member of the Board	May 2022	May 2023
Dimitrios Kyriakopoulos	Vice-Chairman – Executive member of the Board	May 2022	May 2023
Simon Macvicker	Non-Executive member of the Board	May 2022	May 2023
Rudolf Wiedenmann	Non-Executive member of the Board	May 2022	May 2023
Margaret Zakos	Non-Executive member of the Board	May 2022	May 2023
Maria Kapetanaki	Non-Executive member of the Board	May 2022	May 2023
Joseph Rutkowski	Non-executive member of the Board	May 2022	May 2023
Marina Sarkisian Ochanesoglou	Independent, Non-Executive member of the Board	May 2022	May 2023
Manuel Iraola	Independent, Non-Executive member of the Board	May 2022	May 2023
William Gallagher	Independent, Non-executive member of the Board	May 2022	May 2023

The mandate of all members of the Board expires at the Annual Shareholders' Meeting to be held in 2023.

Information on the members of the Board
Over the past five years, the members of the Board have held the following directorships (apart from their directorship of the Company) and memberships of administrative, management or supervisory bodies and/or partnerships.

Xavier Bedoret *(Chairman, Non-Executive member)*
Mr. Bedoret holds a Master's degree in Law and Psychology from the Catholic University of Louvain (UCL) and is a certified public accountant (IRE). He holds also a Certificate in Corporate Governance (INSEAD). After ten years of financial auditing at KPMG in Brussels (Belgium) and Stamford (USA), he joined the Finance Department and then the Audit & Risks Department of ENGIE (France). Today, he is also member of the Board of directors and of the Executive Management of Viohalco SA. He is also Chairman of the Board of Directors of International Trade SA, a Viohalco subsidiary.

Dimitrios Kyriakopoulos *(Vice-Chairman, Executive Member)*
Mr. Kyriakopoulos is a graduate in Business Administration from the Athens University of Economics and Business and holds degrees in Business Studies from the City of London College and in Marketing from the Institute of Marketing (CIM – UK). He also serves as Executive Vice-President of ElvalHalcor S.A. He is also member of the Board of directors of Symmetal and Anoxal as well as of three other smaller companies of Viohalco group. Mr Kyriakopoulos joined Viohalco in 2006, and since then he has held various managerial positions, including Chief Financial Officer of Viohalco and Vice-President of non-ferrous metals. Prior to joining Viohalco, he had a long career with Pfizer/Warner Lambert, serving as President Europe/ Middle East/ Africa of Adams (Pfizer's Confectionery Division), as Warner Lambert's Regional President Consumer Products Italy, France and Germany, Regional Director Middle East/ Africa and President and Managing Director of Warner Lambert Greece. He has also been Deputy Managing Director of Hellenic Duty Free Shops.

Simon Macvicker *(Non-Executive member)*
Mr. Macvicker holds an MBA from

Warwick Business School and a Bachelor's degree in Modern Languages from the University of Leeds. Since 2004, he has been working at Bridgnorth Aluminium, an affiliate company of Viohalco, as Managing Director. Previously, he held various commercial positions including 10 years at British Steel. Mr Macvicker served as President of the Aluminium Federation in the UK from 2014 to 2015, and was Chair of the UK Metals Council from 2016 to 2019. He is currently a director of Metal Agencies Ltd, an affiliate company of Viohalco. He is also a director of the Shropshire Chamber of Commerce, and the Aluminium Federation in the UK.

Rudolf Wiedenmann *(Non-Executive member)*
Mr. Wiedenmann holds a Master's degree in Chemistry from Ludwig-Maximilians Universität München and a PhD in Natural Sciences. He is a member of the Board of Directors of Icme Ecab S.A. In the past, he worked as director in the research and development centre and as Managing Director of the Energy Cables division of Siemens in Germany. He also served as President in the European Association of Cable Manufacturers.

Margaret Zakos *(Non-Executive member)*
Ms. Zakos holds a Bachelor's degree from Queens University, Canada. She was a consultant with a US based management consulting firm and held a senior executive operational position at Mount Sinai Medical Centre, NYC. She has owned and operated private firms in Insurance Brokerage and Real Estate Development. She was a Board member of various Foundation Boards and of the Kingston Health Sciences Centre Board including Committee Roles in Finance and Audit for many years. Currently, she is active in Real Estate Holding companies. She is also member of the Board of directors and of the Audit committee of Viohalco SA.

Maria Kapetanaki *(Non-Executive member)*
Mrs. Kapetanaki holds a BA in Economics and Computer Science (Phi Beta Kappa) from Rutgers University and an MBA from Columbia Business School. She joined Viohalco Group in 2011, first in Halcor and later within the year, she joined the Viohalco's Treasury Department. Currently she is the Treasurer for Capital Markets & Funding and as of 2021, she also holds the position of Head of Strategy & Risk Management. Previously, she has worked for eighteen years in the banking and financial sector, first as a money market and fixed income dealer in HSBC Greece and in Sigma Securities S.A., later as an institutional investor, being the CEO of Arrow Asset Management S.A. and finally as Head of Risk Management of Proton Bank.

Joseph Rutkowski *(Non-Executive member)*
Retired Executive Vice-President of Nucor Corporation responsible for Domestic and International Business Development from 2001 – 2010. Mr. Rutkowski became Executive Vice President in 1998 responsible for all steelmaking activities. Prior to that, he served as Vice President and General Manager of Nucor Steel in Darlington, South Carolina and Hertford County, North Carolina. He joined Nucor in 1989 as Manager of Nucor Cold Finish and also served as Manager of Melting and Casting at Nucor Steel-Utah. Mr Rutkowski held various positions within the steel and steel-related industries after graduating from Johns Hopkins University in 1976 with a Bachelor of Science in Mechanics and Materials Science. He was also a President of the Association of Iron and Steel Engineers. He is currently Principal of Winyah Advisors, LLC, a management consulting firm. He is also member of the Board of Directors of Insteel Industries IIIN on the NYSE and of Viohalco SA (Belgium).

Marina Sarkisian Ochanesoglou *(Independent, Non-Executive member)*
Mrs. Sarkisian Ochanesoglou holds a Master's degree in Environmental Engineering and a Bachelor's degree in Civil Engineering from Imperial College of Science Technology & Medicine. She has more than 20 years' experience in environmental engineering and management. Over this period, she has acted as an independent consultant working with Ecos Consultancy and Panagopoulos & Associates, and as a senior member of the Environmental Services Department at Athens International Airport S.A. She is also member of the Board of Directors of Terna Energy since June 2021.

Manuel J. Iraola *(Independent, Non-Executive member)*
Mr. Iraola is CEO of Aloaris, a company providing strategic and leadership development services to a wide range of industries. Prior to Aloaris, he spent 20 years with Phelps Dodge Corporation, as President and CEO of Phelps Dodge Industries, a diversified manufacturing concern with annual sales in excess of $3.0 billion and employing over 5,000 people in 27 countries. Iraola has served on the boards of several NYSE traded companies including Phelps Dodge Corporation, Central Hudson Energy Group, Schweitzer Mauduit International Inc. and Southern Peru Copper. He holds an MBA from Sacred Heart University in Fairfield, Connecticut, and a BS in Industrial Engineering from the University of Puerto Rico. He is also a graduate of Pennsylvania State University's Executive Management Programme, the Wharton/Spencer Stuart Directors Institute and PD-Thunderbird Global Management Programme.

William Gallagher *(Independent, Non-Executive member)*
Mr Gallagher holds a BA (Economics) from Yale University, a JD (Law) from the University of Michigan (Ann Arbor), and a Diploma (Advanced

European Legal Studies) from the College of Europe (Bruges, Belgium). He currently teaches finance at the École Supérieure de Commerce de Paris, London campus and law at the University of Nicosia, Cyprus. Mr Gallagher is also a consultant with NN Dynamic Counsel Ltd. Previously, Mr Gallagher was a capital markets advisor to Credit Suisse in London between 2015 and 2017. From 2000 to 2014, at UBS in London, he served in senior executive roles, including global chair of UBS's Debt Capital Markets Commitments Committee. He also worked in New York as a banker at Lehman Brothers and as a corporate finance lawyer at Gibson, Dunn & Crutcher.

Appointment of the Board

The members of the Board are appointed by the Shareholders' Meeting, upon proposal by the Board. The appointment requires at least the majority of the share capital to be present or represented, and that it is approved by a simple majority of 50% of the votes cast. They are appointed for a term of one year and their term of office is renewable. In the event that a member's seat on the Board of Directors becomes vacant, such a vacancy may be filled temporarily by virtue of a unanimous vote of the remaining members of the Board until the next Shareholders' Meeting which will proceed to the definitive appointment of a Board member.

Any proposal for the appointment of a Board member originating from the Shareholders' Meeting must be accompanied by a Board recommendation based on the advice of the Nomination and Remuneration Committee. The Nomination and Remuneration Committee reviews all candidates and seeks to ensure that a satisfactory balance of expertise, knowledge, and experience is maintained among Board members.

The Board decides which candidates satisfy the independence criteria set by law. To be considered independent, a member of the Board must fulfil the criteria set forth in Principle 3.5 of the Corporate Governance Code. Any independent member of the Board who no longer fulfils the above criteria of independence is required to immediately inform the Board.

The Board of Cenergy Holdings, having reviewed the independence criteria pursuant to the BCCA and the Corporate Governance Code, decided that Mrs. Sarkisian Ochanesoglou, Mr. Manuel Iraola, and Mr. William Gallagher fulfil the criteria and are independent members.

Being a holding company oriented towards industrial companies, Cenergy Holdings does not have in place a formal diversity policy for its Board of Directors or its senior executives. The required expertise limits the possibility of gender diversification. It is common worldwide that, in the industrial environment of metals processing, the vast majority of personnel consists of males.

Nevertheless, Cenergy Holdings employs skilled and experienced personnel without any discrimination and make efforts to ensure diversity in terms of nationality, age, religion, and ethnic origin.

The Company has, however, acknowledged the legal requirement of Article 7:86 of the BCCA according to which at least one third of the Company's Board members must be of different gender as of the financial year starting on January 1, 2022. The current Board composition meets this requirement. The Nomination and Remuneration Committee takes seriously this requirement as they consider future Board members.

A thorough description of the Company's "Labour and Human rights" policy is provided in the Non- financial information section.

Functioning

The Board had elected among its members, Xavier Bedoret as Chairman of the Board (the "Chairman"). The Chairman ensures the leadership of the Board and promotes effective interaction between the Board and Executive Management. The Chairman is responsible for ensuring that all members of the Board receive accurate, clear and timely information.

The Board has appointed a Company Secretary, Mr. Xavier Bedoret, to advise the Board on all corporate governance matters (the "Corporate Governance Secretary").

The Board meets as frequently as the interests of the Company require, and, in any case, at least four times a year. The majority of the Board meetings in any year take place at the Company's registered offices in Belgium.

The meetings of the Board can also be held by teleconference, videoconference or by any other means of communication that allow the participants to hear each other continuously and to actively participate in these meetings.

Participation in a meeting through the above-mentioned means of communication is considered as physical presence to such meeting.

The Board may adopt unanimous written decisions, expressing its consent in writing.

The following table provides an overview of the Board meetings held in 2022:

Table 8: Board meetings held in 2022

Date and Place	Attendance
March 16, 2022 (videoconference call)	Present: 10 Represented: - Absent: -
May 19, 2022 (videoconference call)	Present: 9 Represented: 1 Absent: -
May 31, 2022 (Brussels)	Present: 10 Represented: - Absent: -
September 21, 2022 (Athens)	Present: 10 Represented: - Absent: -
November 17, 2022 (videoconference call)	Present: 10 Represented: - Absent: -
December 7, 2022 (Brussels)	Present: 9 Represented: 1 Absent: -

Committees of the Board

The Board has established two Board committees to assist and advise the Board on specific areas: the Audit Committee and the Nomination and Remuneration Committee. The terms of reference of these committees are set out in the Corporate Governance Charter.

The Audit Committee

The Board has established an Audit Committee, in accordance with Article 7:99 of the BCCA (the "Audit Committee"), which consists of the following members:

- Xavier Bedoret (Chairman);
- Simon Macvicker; and
- William Gallagher.

All the members of the Audit Committee have sufficient experience and expertise, notably in accounting, auditing and finance, acquired during their previous or current professional assignments.

Pursuant to the Corporate Governance Charter, the Audit Committee is convened at least four times a year and meets with the Company's statutory auditors at least twice a year.

The Audit Committee advises the Board on accounting, audit and internal control matters, and, in particular:

- monitors the financial reporting process;
- monitors the effectiveness of the Company's system of internal control, risk management systems and the internal audit function;
- monitors the quality of the statutory audit of the consolidated annual accounts, including the follow-up on questions and recommendations made by the statutory auditor;
- presents recommendations to the Board with respect to the appointment of the statutory auditor; and
- reviews and monitors the independence of the statutory auditor, in particular regarding the provision of non-audit services to the Company.

The Audit Committee reports regularly to the Board on the exercise of its duties, identifying any matters in respect of which, it considers that action or improvement is needed, and at least when the Board reviews the consolidated annual accounts, intended for publication.

In 2022, the Audit Committee met four times: on March 16, via videoconference call, on May 30, in Brussels, on September 20, in Athens, and on December 6, in Brussels, with all members present.

Nomination and Remuneration Committee

The Board has established a Nomination and Remuneration Committee in accordance with Article 7:100 of the BCCA and principle 4.19 of the Corporate Governance Code (the "Nomination and Remuneration Committee") which consists of the following members:

- Joseph Rutkowski (Chairman),
- Manuel Iraola,
- Margaret Zakos, and
- Marina Sarkisian Ochanesoglou (since March 16, 2022 pursuant to a Board decision).

In accordance with principle 4.20 of the Corporate Governance Code, the Board of directors of Cenergy Holdings has opted for a combined nomination and remuneration committee. On May 31, 2022, Mr. Joseph Rutkowski was appointed as member of the Board of Viohalco, parent company of Cenergy Holdings, and therefore he ceased to meet the independence criteria set forth in the BCCA and the Corporate Governance Code. Since this date, the Nomination and Remuneration Committee has only two independent members out of the four appointed Board members.

The Nomination and Remuneration Committee meets at a minimum twice a year, and whenever necessary in order to carry out its duties.

The Nomination and Remuneration Committee advises the Board principally on matters regarding the appointment and the remuneration of the members of the Board and Executive Management, and in particular:

- submits recommendations to the Board with regard to the appointment and the remuneration of the members of the Board and Executive Management;
- identifies and nominates, for the approval of the Board, candidates for filling vacancies as they arise;
- advises on appointment proposals originating from shareholders;
- periodically assesses the composition and size of the Board and submits recommendations to the Board with regard to any change, and
- drafts and submits a remuneration report to the Board, including proposals regarding the remuneration policy and recommendations based on its findings.

In 2022, the Nomination and Remuneration Committee met four times: on March 15, via videoconference call, with all members present, on May 30, and on December 6, in Brussels, with three members present; and on September 20, in Athens, with all members present.

Evaluation of the Board and its Committees

The Board regularly assesses its size, composition and performance of its committees, as well as the Board's interaction with Executive Management. In compliance with principle 9.1 of Corporate Governance Code, in December, 2022, the Board conducted a self-assessment survey in order to review its own performance, its size, composition, functioning and that of its committees (principle 9.1). Based on the results of this evaluation, the Board concluded that the composition and functioning are satisfactory and in compliance with applicable regulations..

Non-Executive members of the Board also meet regularly after Board meetings to assess their interaction with Executive Management.

The performance of Executive Management is also assessed on an informal basis through the presentation of the Company's performance in respect of the interim and annual financial statements.

Executive management

The Executive Management of the Company comprises the Executive Vice-chairman, Mr Dimitrios Kyriakopoulos; the Chief Executive Officer (CEO), Mr Alexios Alexiou; and the Chief Financial Officer (CFO), Mr Alexandros Benos.

In the past five years, the members of Executive Management held the following directorships and memberships of administrative, management or supervisory bodies and/or partnerships:

Dimitrios Kyriakopoulos, *Executive Vice-chairman*

Please see above, "Information on the members of the Board" in the section on the Board of Directors.

Alexios Alexiou, *Chief Executive Officer*

Mr. Alexiou has been the Chief Executive Officer of Cenergy Holdings since 2020. Prior to this, he had served as co-CEO of Cenergy Holdings since its establishment in 2016. Mr. Alexiou also serves as CEO and Executive Member of the Board of Directors for the Hellenic Cables Group, a Cenergy Holdings company. He has been working for Viohalco since 1996. He holds a BSc in Economics from the University of Piraeus and a MSc. in Finance from Strathclyde University. With more than 16 years' experience in the finance and cables technology sectors, he joined Viohalco in 1996 as internal auditor. Since then, he has held the positions of Financial Manager of Hellenic Cables (2002-2003), General Manager of Icme Ecab

(2003–2008) and since 2009 has held the position of CEO for Hellenic Cables.

Alexandros Benos, *Chief Financial Officer*
Mr. Benos has been CFO of Cenergy Holdings since May 2018. He holds a degree in Economic Sciences from Athens University, a B.A. and an M.A. in Economics from the University of Cambridge, UK, and a Ph.D. in Finance from Stanford University, USA. He has extensive banking experience. He joined National Bank of Greece Group in early 2000, tasked with establishing the Value at Risk Estimation Framework for Market Risk, then to develop obligor rating systems for corporate clients and then spearheaded the "Basel II & III" implementation projects. Mr Benos was appointed Director of Group Risk Control & Architecture Division at the Bank in 2010, then Deputy General Manager for NBG Group Risk Management in 2013 and, finally, Group Chief Risk Officer (CRO) in 2015. He is a Board Member for ETEM Gestamp Aluminium Extrusions SA and for Gestamp ETEM Automotive Bulgaria SA. and also serves as an independent Board Member and non-executive VP of CNL Capital, a VC Participation Company in Greece. He previously served on the Board of Directors of numerous banks and insurance companies, and held academic positions in the US (GSB, Stanford University), France (M.S. Finance International, HEC School of Management in Paris), Switzerland (Dept. of Economics, University of Geneva) and Greece (Dept. of Banking and Finance, University of Piraeus).

Functioning
The Executive Management is vested with the day- to-day management of the Company. They are also entrusted with the implementation of the resolutions of the Board.

In particular, the Board has assigned the following responsibilities to Executive Management:

- preparing strategic proposals for the Board;
- preparing annual and strategic plans;
- implementing internal controls;
- monitoring and managing the Company's results and performance against strategic and financial plans;
- presenting to the Board a complete, timely, reliable and accurate set of the Company's draft financial statements, in accordance with the applicable accounting standards, and the related press releases to be published by the Company;
- providing the Board with a balanced and comprehensive assessment of the Company's financial situation; and making recommendations to the Board with respect to matters within its competency.

Remuneration policy

This remuneration policy sets forth the principles applicable to the remuneration of the members of the Board of directors and the Executive Management of Cenergy Holdings.

Procedure
This remuneration policy has been prepared by the Board of directors upon recommendation of the Nomination & Remuneration Committee. It was approved by the Shareholders' Meeting of 31 May 2022 and will be submitted to vote by the Shareholders' Meeting each time there is a material change and at least once every four years.

This policy may be revised by the Board upon recommendation of the Nomination & Remuneration Committee.

In exceptional circumstances, the Board of directors may, upon recommendation of the Nomination & Remuneration Committee, temporarily derogate from the remuneration policy if the derogation is necessary to serve the long-term interests and sustainability of the Company or to assure its viability.

For the preparation of this remuneration policy, the Board, with the assistance of the Nomination & Remuneration Committee, takes into consideration whether events of conflicts of interests exist. For the prevention of such events, each member of the Board and each member of the Executive Management is required to always act without conflict of interests and always put the interest of Cenergy Holdings before his individual interest.

They are also required to inform the Board of conflicts of interests as they arise. In the event a conflict of interests may arise, the Board is required to implement the specific procedures of conflict resolution set forth in articles 7:96 of the BCCA.

The remuneration policy is based on the prevailing market conditions for comparable companies, paying at market-competitive level achieved through benchmarking. It takes into account the responsibilities, experience, required competencies, and participation/contribution of the members of the Board of Directors and the members of the Executive Management.
The Board of Cenergy Holdings, a holding company of a predominantly industrial portfolio, aims at preserving long-term value for its shareholders. The determination and evolution of the Company's remuneration policy is closely linked with the growth, results

and success of the Company as a whole. The Company's remuneration policy is built around internal fairness and external market competitiveness. The Company's objective is to balance offering competitive salaries while maintaining focus on performance and results.

Board of Directors
The remuneration of the members of the Board of Directors consists in a fixed annual fee amounting to EUR 25,000. In addition, Board members who are members of a Board committee receive a fixed fee of EUR 25,000 per committee. The Chairman of the Board receives an additional fixed annual fee of EUR 20,000.

Additional fees or other benefits, such as company car, training, or other benefits in kind may be attributed either by the Company or by its subsidiaries based on the responsibilities and number of functions each member of the Board of Directors holds within the Company or in one or more of its subsidiaries.

The fees are allocated on a pro rata temporis basis for the period extending from the Annual Shareholders' Meeting of one year until the Annual Shareholders' Meeting of the following year and are payable at the end of such period.

Members of the Board of directors do not receive any variable remuneration or remuneration in shares.

Members of the Board of directors are not entitled to retirement pension plans or severance payments.

Executive Management
The remuneration of the members of the Executive Management of Cenergy Holdings consists in a fixed annual fee, which is attributed either by the Company or by its subsidiaries.

Members of the Executive Management are not entitled to retirement pension plans or severance payments other than what is provided by the applicable law in each case.

In order to ensure focus on the Company's short- term and long-term objectives, priorities as well as long-term value creation for all key stakeholders, the Board, with the assistance of the Nomination & Remuneration Committee, has adopted a variable remuneration policy. To better align Executive pay with Company's performance, a fair and balanced approach between fixed and variable remuneration is established.

Short-term incentive variable remuneration and long-term incentive variable remuneration shall be applicable for the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO).

Short-Term Incentive
Short-term incentives (STI) are linked to Company's performance and to individual performance so as to drive and reward the overall annual performance of executives. The short-term incentives have maximum award limits and are denoted as a multiple of their respective base salaries. The target for the STI is set at 50% of the yearly base salary but can range from 0% to 120. No claw back terms apply.

Performance is assessed on an annual basis using a set of pre-determined performance targets set at the start of the year, as approved by the Nomination & Remuneration Committee and the Board.

The STI is comprised of two parts in which one sets the funding of the potential bonus and the other measures performance against five indices for earning the bonus.

Funding: A financial metric (in this case adjusted EBITDA) is set as a target for the year's expected goal. There is a minimum threshold which sets the minimum acceptable to have any bonus. Below this threshold no bonus can be earned. At this threshold the bonus would be funded at 50% of the base salary. Reaching the target nets a pool of 100% for the bonus and the maximum amount of the pool is set at 120% if the target is exceeded.

Earning: It is possible to earn the total amount of the pool established above. To do so, the participant must meet all of the individual goals set for performance in the following categories of objectives/priorities: (i) Financial, (ii) Customer, (iii) ESG, (iv) Processes and Organizational Efficiency, (v) People and Leadership.

For each category, a maximum of 20% is allocated to be earned based on specific metrics (KPIs) defining successful achievement in each. If the performance in each segment is less than maximum, the participant can earn a pro rata share from 0% to 20%.

Metrics used to measure performance are being revised by the Board, with the assistance of the Nomination & Remuneration Committee, for each financial year considering the Company's strategic objectives and priorities.

Long-Term Incentive
The purpose of the Long Term Incentive (LTI) plan is to incentivize the executives to contribute to delivering sustainable performance and improving Company's (share) performance in the long term, in alignment with the interests of the key stakeholders.

The LTI is expected to target around 17% of the yearly base salary and shall be granted over future years.

Once implemented, the overall pay mix will be structured as follows: annual base salary (60%), short-term incentive (30%), and long-term incentive (10%).

Remuneration report
This remuneration report provides an overview of the remuneration granted during the financial year 2022 to the members of the Board of directors and the members of the Executive Management, in accordance with the remuneration policy. It will be submitted to the vote of the shareholders' meeting of May 30, 2023.

With regard to the contribution of the remuneration to the long-term performance of the Company, the Company uses its KPIs (i.e. Adjusted Return on Capital Employed (a-ROCE) as a measure of its financial performance. The evolution of the measurement during the last five years as published in the Company's financial statements is presented under a later section.

Board of Directors
Table 9 provides an overview of the remuneration to the members of the Board of Directors in the financial year 2022; all amounts are in EUR. The following Notes apply to both Tables 9 and 10.

(a) Base salary: this column includes the fixed base salary in exchange for professional services regarding their mandate or for any other executive or non-executive services or functions provided during the reported financial year under a specific contract.
(b) Fees: this column includes all fees of the members of the Board for the participation in the administrative, management or supervisory bodies of the Company's meetings during the reported financial year.
(c) Other benefits: this column includes the value of any benefits and perquisites, such as non- business or non-assignment related travel, medical, car, residence or housing, credit cards, and other benefits in kind.
(d) Extra-ordinary items: this column includes any other non-recurring remuneration, whether in cash or in other form, such as a sign-on fee, retention bonus, redundancy payment, compensation for relocation, indemnity for non-competition, compensation or buyout from previous employment contracts or severance and termination payments or benefits.

During the financial year 2022, neither any member of the Board nor any member of the Executive Management received any variable remuneration, hence there is no such information recorded in the Tables to follow.

Table 9: Board of Directors – Remuneration Report (amounts in EUR)

Name	Attributed by	Fixed remuneration			Total Remuneration	Proportion of fixed remuneration
		Base Salary[a]	Fees[b]	Other benefits[c]		
Xavier Bedoret	Cenergy Holdings	-	61,667	-	61,667	100%
	Subsidiaries	-	-	-	-	-
	Total	-	61,667	-	61,667	100%
Dimitrios Kyriakopoulos	Cenergy Holdings	-	25,000	-	25,000	100%
	Subsidiaries	-	-	-	-	-
	Total	-	25,000	-	25,000	100%
Simon Macvicker	Cenergy Holdings	-	50,000	-	50,000	100%
	Subsidiaries	-	-	-	-	-
	Total	-	50,000	-	50,000	100%
Rudolf Wiedenmann	Cenergy Holdings	-	25,000	-	25,000	100%
	Subsidiaries	-	13,157	-	13,157	100%
	Total	-	38,157	-	38,157	100%
Margaret Zakos	Cenergy Holdings	-	50,000	-	50,000	100%
	Subsidiaries	-	-	-	-	-
	Total	-	50,000	-	50,000	100%
Maria Kapetanaki	Cenergy Holdings	-	25,000	-	25,000	100%
	Subsidiaries	-	13,193	-	13,193	100%
	Total	-	38,193	-	38,193	100%
Joseph Rutkowski	Cenergy Holdings	-	50,000	-	50,000	100%
	Subsidiaries	-	-	-	-	-
	Total	-	50,000	-	50,000	100%
William Gallagher	Cenergy Holdings	-	50,000	-	50,000	100%
	Subsidiaries	-	-	-	-	-
	Total	-	50,000	-	50,000	100%
Manuel Iraola	Cenergy Holdings	-	50,000	-	50,000	100%
	Subsidiaries	-	-	-	-	-
	Total	-	50,000	-	50,000	100%
Marina Sarkisian Ochanesoglou	Cenergy Holdings	-	43,750	-	43,750	100%
	Subsidiaries	-	-	-	-	-
	Total	-	43,750	-	43,750	100%
Total Remuneration	**Cenergy Holdings**	**-**	**430,417**	**-**	**430,417**	**100%**
	Subsidiaries	**-**	**26,350**	**-**	**26,350**	**100%**
	Total	**-**	**456,767**	**-**	**456,767**	**100%**

Executive Management
Table 10 provides an overview of the remuneration of the members of the Executive Management for the financial year 2022:

Table 10: Executive Management – Remuneration Report (amounts in EUR)

Name	Paid by	Fixed remuneration: Salary[a] Base	Fixed remuneration: Fees[b]	Fixed remuneration: Other benefits[c]	Extra-ordinary items[d]	Total remune-ration	Proportion of fixed remuneration
Alexios Alexiou	Cenergy Holdings	-	-	-	-	-	-
	Subsidiaries	367.636	-	10.428	160.000	538.064	100%
	Total	367.636	-	10.428	160.000	538.064	100%
Total Remuneration to the Executive Management of the company[6]	Cenergy Holdings	168.000	25.000	8.788	113.500	315.288	100%
	Subsidiaries	367.636	-	10.428	160.000	538.064	100%
	Total	**535.636**	**25.000**	**19.216**	**273.500**	**853.352**	**100%**

Evolution of the remuneration
The following Table provides an overview of the evolution over the five most recent financial years of the overall remuneration of the members of the Board of directors and the members of the Executive Management, and the performance of the Company through the reporting of some of its KPIs:

Table 11: Remuneration and Company performance

Amounts in EUR thousand	2022	2021	2020	2019	2018
Remuneration of the members of the Board of directors and the Executive Management	1,285	1,060	1,146	991	908
Performance of the Company					
[EBITDA]	133,630	85,203	91,121	90,273	56,223
[a-EBITDA]	136,809	104,140	101,800	90,098	60,951
[Revenue]	1,426,008	1,054,203	908,417	958,016	963,797

The remuneration ratio, as defined by Section 3:6 of the BCCA, was 5.7x for 2022. For its calculation, the Company used the remuneration of the CEO as the highest paid management member and the remuneration of the full-time employee of the holding company - who has worked for a full year - as the lowest paid employee.

Publishing of this ratio is a practice required by Law and the presentation adopted is intended to comply with transparency requirements. The disclosure on this ratio will be assessed and evaluated in the future subject to the evolution of the ratio and to potential future guidance/clarifications that may be published on this requirement.

External Audit
The statutory auditor, appointed by the Shareholders' Meeting among the members of the Belgian Institute of Certified Auditors, is entrusted with the external audit of the Company's consolidated financial statements.

The statutory auditors' mission and powers are those defined by the law. The Shareholders' Meeting sets the number of statutory auditors and determines their remuneration in compliance with the law. The statutory auditors are appointed for a renewable term of three years.

On May 31, 2022, the Company renewed the appointment of PwC Réviseurs d'Entreprises SRL, represented by Marc Daelman, as statutory auditor for a three-year period.

6. Includes remuneration paid to Executive Management of the Company: Dimitrios Kyriakopoulos (Executive Vice-President), Alexios Alexiou (Chief Executive Officer) & Alexandros Benos (Chief Financial Officer).

Risk Management and Internal Audit
The Belgian legislative and regulatory framework on risk management and internal control consists of the relevant provisions of the law of 17 December 2008 on the establishment of an Audit Committee, and the law of 6 April 2010 on the enhancement of corporate governance, as well as of the Corporate Governance Code.

As set out in the “Risks and Uncertainties” chapter of this Annual Report, Executive Management is responsible for risk management and the systems of internal control. Under the strict supervision of the Executive Management, the management team of each Company’s subsidiary is responsible for developing an adequate organisation and an appropriate system of internal control for running the subsidiary’s operations and managing risk.

The Audit Committee is responsible for monitoring the effectiveness of the Company’s risk management, its systems of internal control and its internal audit function.

Risk Management
Risk management, incorporating market risk and operational risk, is mainly the responsibility of the Management of the subsidiaries. The managers of the subsidiaries report on risk assessment and risk mitigation to Executive Management on a regular basis; they provide the Board and the Audit Committee with a detailed business review which analyses risks and challenges.

Internal Audit Function
The Audit Committee supervises the internal audit function. Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the organization's operations. It helps the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal audit is conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

The internal audit function is responsible for performing audit engagements in accordance with its annual internal audit plan, which is prepared and reviewed in order to assist the organization to effectively mitigate risk throughout its operations. The audit engagements follow the audit methodology described in the internal audit charter and the internal audit manual as well as aim at ensuring that subsidiaries comply with shared services processes with regards to their operations, industrial production and consolidation guidelines. At the end of each audit engagement, the internal audit function issues an audit report containing its audit findings and recommendations. The subsidiaries’ management team is responsible to design and implement remedial actions towards each of the internal audit findings and recommendations in due time.

The internal audit function reports to the Audit Committee. The Audit Committee ensures that the internal audit work is focused on the activities and the risk areas it deems critical. It ensures that the internal audit function reduces the probability of fraud and error and provides effective mitigation of risk.

Control Activities and Relationship with Subsidiaries
Cenergy Holdings is a holding company that operates in a decentralised manner. Each of the subsidiaries is responsible for its performance and results. The management team of the subsidiaries is organised around solid global and regional teams, with responsibility assigned to the members of their respective Board of Directors and executive management team.

All Cenergy Holdings’ companies are accountable for their own organisation, risk management and system of internal control as these are developed and implemented depending on the business segment, the geographical location and the type of production plant concerned.

In order to secure consistency of approach when separate companies deal with similar issues, and to optimise coordination throughout the network of the Company’s subsidiaries, the Board sets out corporate policies aimed at providing the local management of the companies with solid guidance and a workable framework for optimal local implementation and monitoring.

Steelmet, a Viohalco subsidiary, is assigned, through subcontracting agreements, with the functional support towards all companies of Cenergy Holdings. It deploys a team of subject matter experts who oversee policy implementation, monitor performance, and promote best practices while ensuring decentralization and entrepreneurial independence of the business units. The support they provide relates, among others, to functions such as finance, investor relations, ESG, Internal Audit, Operations etc. A shared services centre is also responsible for the execution of common corporate services such as procurement, transportation, cybersecurity, information technology and accounting.

Financial Reporting and Monitoring Activities
Cenergy Holdings has established procedures for the adequate recording and reporting of financial and non-financial information. The objective is to ensure that financial and non-financial information produced by each entity is homogeneous, coherent and comparable, and that consolidated

financial information is fair, reliable and can be obtained in a timely manner. Each subsidiary reports financial information on a monthly basis. This includes the balance sheet, the income statement, the statement of cash flows and a working capital analysis.

A review of each business segment is presented to the Board. The review includes "actual versus budgeted" financial and non-financial information, the highlights of the reporting period, the outlook for each business segment, and is a key component of Cenergy Holdings' decision-making process.

Conflict of interests

Pursuant to Article 8 of the Corporate Governance Charter, in the event that a conflict of interest arises with a Board member, a shareholder or other Cenergy Holdings' company, the Board is required to implement the specific procedures of conflict resolution set forth in articles 7:96 and 7:97 of the BCCA.

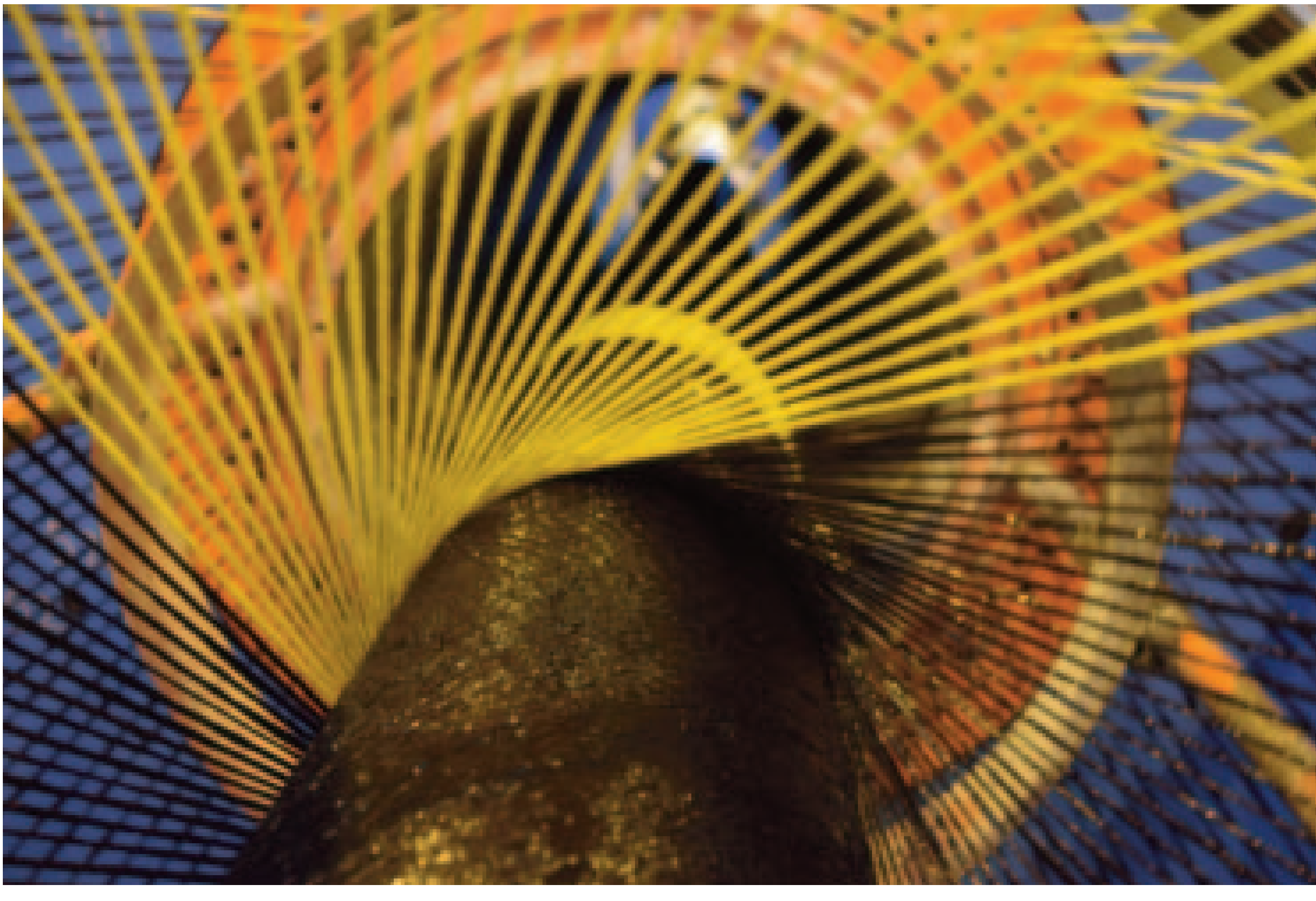
Each member of the Board and Executive Management is required to always act without conflicts of interest and put the interests of the Company before his or her individual interests. Each member of the Board and Executive Management is required to always arrange his or her personal and business affairs so as to avoid direct and indirect conflicts of interest with the Company.

All Board members are required to inform the Board on conflicts of interest once they arise. If the conflict of interest is of a proprietary nature, they will also abstain from participating in the discussions and deliberations on the matter involved, in accordance with Article 7:96 of the BCCA. If the conflict of interest is not covered by the provisions of the BCCA, and involves a transaction or contractual relationship between the Company or one of its related entities on the one hand, and any member of the Board or Executive Management (or a company or entity with which such member of the Board or Executive Management has a close relationship) on the other hand, such member will inform the Board of the conflict. The Board is under an obligation to check that the approval of the transaction is motivated by the Company's interest only and that it takes place at arm's length.

In all cases involving a conflict of interest not covered by Article 7:96 of the BCCA, the Board member affected by the conflict of interest is required to judge whether he or she should abstain from participating in the discussions of the Board and the vote.

Since the listing of the Company, the Board has not been notified of any transaction or other contractual relationship between Cenergy Holdings and its Board members which cause a conflict of interest as defined by articles 7:96 and 7:97 of the BCCA.

Shareholders' Structure



Capital Structure

On December 31, 2022, the Company's share capital amounted to EUR 117,892,172.38 represented by 190,162,681 shares without nominal value. There is no authorised share capital.

Cenergy Holdings received a transparency notification dated April 23, 2021 indicating that Viohalco SA holds directly 79.78% of the voting rights of the Company. According to its obligation under Article 14 of the Belgian Law of 2 May 2007 on the disclosure of significant shareholdings in listed companies, Cenergy Holdings publishes the content of the notification that it has received on its website (www.cenergyholdings.com).

All shares of the Company belong to the same class of securities and may be in registered or dematerialised form. Shareholders may select, at any time, to have their registered shares converted into dematerialised shares and vice versa.

Share transfers are not restricted in the Company's Articles of Association. All shares of the Company are freely transferable. Each share entitles the holder to one voting right.

Restrictions on Voting Rights

The Articles of Association do not provide for special restrictions on the shareholders' voting rights. Provided that the shareholders are admitted to the Shareholders' Meeting and their rights are not suspended, they enjoy unrestricted freedom in exercising their voting rights.

The relevant provisions governing the shareholders' admission to the Shareholders' Meeting are set out in Article 19 of Cenergy Holdings' Articles of Association.

Article 6.4 of the Articles of Association provides that the Company's shares are indivisible and recognises only one holder per share. The Board has the right to suspend the exercise of all rights attached to jointly owned shares until a single representative of the joint owners has been appointed.

Transparency

Pursuant to the Belgian Law of 2 May 2007 on the disclosure of major holdings in issuers whose shares are admitted to trading on a regulated market and laying down miscellaneous provisions (the "Transparency Law"), the Company requires that any natural and legal person, who directly or indirectly acquires voting securities in the Company, notifies the Company and the Financial Services and Markets Authority (the "FSMA") of the number and proportion of existing voting rights they hold, where the voting rights attached to the voting securities reach 5% or more of the total existing rights. A similar notification is required in the following cases:

- direct or indirect acquisition, or disposal, of voting securities, or change of the breakdown of the voting rights, where the proportion of voting rights attached to the securities held reaches or exceeds 10%, 15%, 20% and so on, by increments of 5%, of the total existing voting rights;
- first admission of the Company's shares to trading on a regulated market, where the voting rights attached to the voting securities represent 5% or more of the total existing voting rights;
- conclusion, modification or termination by natural or legal persons of an agreement to act in concert where the proportion of the voting rights that are the subject of the agreement, or the proportion of the voting rights held by a party to the agreement, reaches, exceeds or falls below one of the thresholds provided for in § 1, or the nature of the agreement to act in concert is modified;
- breaching of stricter notification thresholds added by the Company's Articles of Association.

The notification must be made promptly and no later than within four trading days following the acquisition or disposal of the voting rights triggering the reaching of the threshold. The Company must publish the information within three trading days following receipt of the notification.

At Shareholders' Meetings, shareholders cannot cast more votes than those attached to the securities or rights they have notified to the Company, pursuant to the Transparency Law, before the date of the Shareholders' Meeting, subject to certain exceptions.

The form, on which such notifications must be made, together with additional explanations, is available on the FSMA website (www.fsma.be).

The voting rights held by major shareholders of the Company are available on the website of Cenergy Holdings (www.cenergyholdings.com). Cenergy Holdings is not aware of the existence of any agreement between its shareholders which may lead to restrictions on the transfer or the exercise of the voting rights attached to the shares of the Company.

Distribution and dividend policy

Cenergy Holdings does not have a history of dividend distribution. No dividends have been paid to shareholders during the Company's lifetime as it reinvests profits back into its business.

The dividend distribution policy will be reviewed by the Board in due course and, if the policy changes, the Company will inform the market accordingly. No assurance can be given, however, that the Company will make dividend payments in the future. Such payments will depend upon a number of factors, including the Company's prospects, strategies, results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions and other factors considered relevant by the Board. Due to its interest and participation in a number of subsidiaries and affiliated companies, the Company's stand-alone income and its ability to pay dividends depends in part on the receipt of dividends and distributions from these subsidiaries and affiliated companies.

The payment of dividends by these subsidiaries and affiliated companies is contingent upon the sufficiency of earnings, cash flows, and distributable reserves.

Pursuant to Belgian law, the calculation of amounts available for distribution to shareholders, as dividends or otherwise, must be determined on the basis of the Company's non-consolidated financial statements. In accordance with BCCA, the Company's Articles of Association also require that the Company allocates at least 5% of its annual net profits to its legal reserve each year, until the legal reserve equals at least 10% of the Company's share capital. As a consequence of these factors, there can be no assurance as to whether dividends or similar payments will be distributed in the future.

Shareholders' Meeting

Meetings

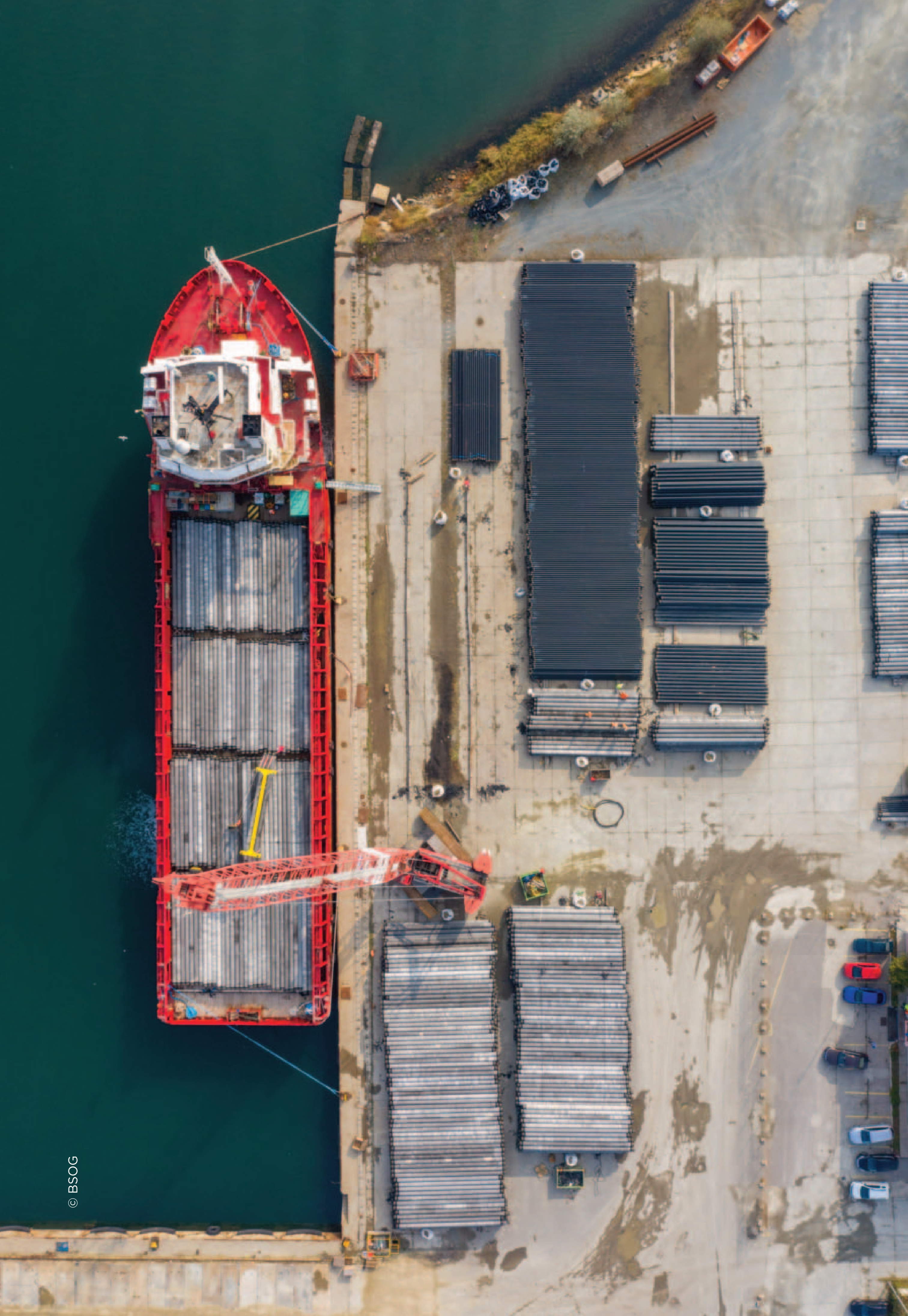
The Annual Shareholders' Meeting of the Company is held on the last Tuesday of May at 10:00 a.m. or, if the day is a public holiday in Belgium, on the previous business day, at the same time. It takes place in Brussels, at the registered office of the Company or at the place indicated in the convening notice of the Shareholders' Meeting.

The other Shareholders' Meetings of the Company must take place on the date, hour and place indicated in the convening notice of the Meeting. They may take place at locations other than the Company's registered office.

The Annual, the Special and Extraordinary Shareholders' Meetings of the Company may be convened by the Board or by the statutory auditor of the Company, or at the request of shareholders representing at least 10% of the Company's share capital.

Quorum and Majority required for modification of the articles of association

The modification of Cenergy Holdings' Articles of Association requires at least the majority of the share capital to be present or represented, and that it is approved by a qualified majority of 75% of the votes cast. If the quorum is not reached at the first meeting, a second meeting can be convened with the same agenda. This new general meeting is considered to have reached the quorum and to be validly convened irrespective of the proportion of the Company's share capital represented.



Consolidated Financial Statements 2022

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1. Consolidated Statement of Financial Position

Amounts in EUR thousand	Note	31 December 2022	31 December 2021
ASSETS			
Property, plant and equipment	17	526,156	476,458
Right of use assets	18	3,764	3,469
Intangible assets	19	31,957	31,254
Investment property	20	155	764
Equity - accounted investees	21	40,959	36,431
Other investments	22	6,308	5,812
Derivatives	23	6,992	944
Trade and other receivables	15	1,227	1,177
Contract costs	7.E	222	222
Deferred tax assets	13	2,844	3,233
Non-current assets		**620,582**	**559,765**
Inventories	14	507,545	284,025
Trade and other receivables	15	192,769	132,040
Contract assets	7.D	195,481	98,217
Contract costs	7.E	14	167
Income tax receivables		5,575	1,594
Derivatives	23	9,620	536
Cash and cash equivalents	16	167,160	129,606
Current assets		**1,078,163**	**646,185**
Total assets		**1,698,745**	**1,205,950**
EQUITY			
Share capital		117,892	117,892
Share premium		58,600	58,600
Reserves	24	37,839	33,059
Retained earnings		127,261	67,956
Equity attributable to owners of the Company		**341,592**	**277,506**
Non-controlling interests		38	35
Total equity		**341,631**	**277,541**
LIABILITIES			
Loans and borrowings	26	127,161	174,941
Lease liabilities	18	2,233	2,080
Employee benefits	11	2,891	2,922
Grants	28	15,648	15,804
Deferred tax liabilities	13	35,318	38,382
Contract liabilities	7.D	9,889	9,889
Non-current liabilities		**193,139**	**244,017**
Loans and borrowings	26	474,749	215,699
Lease liabilities	18	1,224	1,216
Trade and other payables	27	549,283	422,622
Provisions	29	14,897	13,410
Contract liabilities	7.D	108,780	26,009
Current tax liabilities		4,253	2,840
Derivatives	23	10,790	2,596
Current liabilities		**1,163,975**	**684,392**
Total liabilities		**1,357,114**	**928,409**
Total equity and liabilities		**1,698,745**	**1,205,950**

The notes on pages 110 to 175 are an integral part of these Consolidated Financial Statements.

2. Consolidated Statement of Profit or Loss

Amounts in EUR thousand		For the year ended 31 December	
	Note	2022	2021
Revenue	7	1,426,008	1,054,203
Cost of sales	8.C	(1,280,694)	(945,530)
Gross profit		**145,314**	**108,673**
Other income	8.A	6,780	7,141
Selling and distribution expenses	8.C	(16,494)	(14,614)
Administrative expenses	8.C	(28,198)	(24,971)
Impairment loss on receivables and contract assets	30.C.1	(297)	(53)
Other expenses	8.B	(6,745)	(18,534)
Operating profit		**100,360**	**57,642**
Finance income	9	431	264
Finance costs	9	(36,893)	(29,249)
Net finance costs		**(36,462)**	**(28,985)**
Share of profit of equity-accounted investees, net of tax	21	6,059	1,855
Profit before tax		**69,957**	**30,513**
Income tax	13	(9,536)	(8,434)
Profit for the year		**60,420**	**22,079**
Profit attributable to:			
Owners of the Company		60,417	22,077
Non-controlling interests		3	1
		60,420	**22,079**
Earnings per share (in EUR per share)			
Basic and diluted	10	0.31771	0.11610

The notes on pages 110 to 175 are an integral part of these Consolidated Financial Statements.

3. Consolidated Statement of Profit or Loss and Other Comprehensive Income

Amounts in EUR thousand		For the year ended 31 December	
	Note	2022	2021
Profit for the year		**60,420**	**22,079**
Items that will never be reclassified to profit or loss			
Remeasurements of defined benefit liability	11	423	(279)
Changes in the fair value of equity instruments at fair value through other comprehensive income	22	496	156
Related tax		(94)	43
		825	**(81)**
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences		597	643
Cash flow hedges – effective portion of changes in fair value		1,109	(1,955)
Cash flow hedges – reclassified to profit or loss		1,955	2,119
Share of other comprehensive income of associates accounted for using the equity method	21	(133)	(94)
Related tax		(684)	(57)
		2,844	**656**
Other comprehensive income / (loss)		**3,669**	**576**
Total comprehensive income after tax		**64,090**	**22,654**
Total comprehensive income / (loss) attributable to:			
Owners of the Company		64,086	22,653
Non-controlling interests		3	1
		64,090	**22,654**

The notes on pages 110 to 175 are an integral part of these Consolidated Financial Statements.

4. Consolidated Statement of Changes in Equity

Amounts in EUR thousand	Share capital	Share premium	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2022	**117,892**	**58,600**	**(21,333)**	**54,391**	**67,956**	**277,506**	**35**	**277,541**
Total comprehensive income								
Profit for the period	-	-	-	-	60,417	**60,417**	3	**60,420**
Other comprehensive income	-	-	597	2,875	197	**3,669**	-	**3,669**
Total comprehensive income	**-**	**-**	**597**	**2,875**	**60,613**	**64,086**	**3**	**64,090**
Transactions with owners of the company								
Contributions and distributions								
Transfer of reserves	-	-	-	1,308	(1,308)	**-**	-	**-**
Total contributions and distributions	**-**	**-**	**-**	**1,308**	**(1,308)**	**-**	**-**	**-**
Total transactions with owners of the Company	**-**	**-**	**-**	**1,308**	**(1,308)**	**-**	**-**	**-**
Balance on 31 December 2022	**117,892**	**58,600**	**(20,735)**	**58,574**	**127,261**	**341,592**	**38**	**341,631**

Amounts in EUR thousand	Share capital	Share premium	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2021	**117,892**	**58,600**	**(21,876)**	**52,303**	**47,681**	**254,600**	**287**	**254,887**
Total comprehensive income								
Profit for the period	-	-	-	-	22,077	**22,077**	1	**22,079**
Other comprehensive income / (loss)	-	-	643	263	(330)	**576**	(1)	**576**
Total comprehensive income	**-**	**-**	**643**	**263**	**21,747**	**22,653**	**1**	**22,654**
Transactions with owners of the company								
Contributions and distributions								
Transfer of reserves	-	-	-	1,767	(1,767)	-	-	**-**
Total contributions and distributions	**-**	**-**	**-**	**1,767**	**(1,767)**	**-**	**-**	**-**
Changes in ownership interests								
Acquisition of non-controlling interests	-	-	(100)	58	294	**253**	(253)	**-**
Total changes in ownership interests	**-**	**-**	**(100)**	**58**	**294**	**253**	**(253)**	**-**
Total transactions with owners of the Company	**-**	**-**	**(100)**	**1,825**	**(1,473)**	**253**	**(253)**	**-**
Balance on 31 December 2021	**117,892**	**58,600**	**(21,333)**	**54,391**	**67,956**	**277,506**	**35**	**277,541**

The notes on pages 110 to 175 are an integral part of these Consolidated Financial Statements.

5. Consolidated Statement of Cash Flows

Amounts in EUR thousand	Note	2022	2021
		For the year ended 31 December	
Cash flows from operating activities			
Profit of the period		60,420	22,079
Adjustments for:			
- Income tax		9,536	8,434
- Depreciation	17, 18	24,261	22,612
- Amortization	19	4,123	3,821
- Amortization of grants	28	(1,174)	(728)
- Net finance costs	9	36,462	28,985
- Share of profit of equity-accounted investees, net of tax	21	(6,059)	(1,855)
- (Gain) from sale of property, plant & equipment and Investment property	8	(339)	(8)
- Loss from disposal of associate	8	156	-
- Impairment loss and write-offs of property, plant & equipment	8	1,275	14
- Unrealised (Gain) / Loss from valuation of derivatives		(1,450)	232
- (Reversal of) / Impairment loss on receivables & contract assets	30.C.1	297	53
- (Reversal of) / Impairment of inventories		104	119
		127,615	**83,757**
Changes in:			
- Inventories		(223,416)	(70,714)
- Trade and other receivables		(63,798)	(19,269)
- Trade and other payables		121,301	173,362
- Contract assets		(97,264)	(33,342)
- Contract liabilities		82,771	(4,187)
- Contract costs		153	324
- Employee benefits		392	85
- Provisions		-	13,410
Cash generated from / (used in) operating activities		*(52,246)*	*143,425*
Interest charges & related expenses paid		(35,595)	(27,133)
Income tax paid		(9,417)	(3,779)
Net cash (outflow)/inflow from operating activities		**(97,258)**	**112,514**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(70,551)	(41,148)
Acquisition of intangible assets	19	(3,077)	(3,408)
Proceeds from grants	28	871	42
Proceeds from sale of property, plant & equipment & intangible assets		5	86
Proceeds from sale of investment property	20	1,100	-
Dividends received	21	329	691
Interest received		21	21
Proceeds from disposal of associate		427	-
Net cash (outflow)/inflow from investing activities		**(70,874)**	**(43,715)**
Cash flows from financing activities			
Proceeds from new borrowings	26	245,631	89,315
Repayment of borrowings	26	(38,533)	(108,104)
Principal elements of lease payments	26	(1,299)	(1,747)
Net cash (outflow)/inflow used in financing activities		**205,799**	**(20,536)**
Net (decrease)/ increase in cash and cash equivalents		**37,667**	**48,263**
Cash and cash equivalents on 1 January		129,606	81,035
Effect of movement in exchange rates on cash held		(113)	308
Cash and cash equivalents on 31 December	16	**167,160**	**129,606**

The notes on pages 110 to 175 are an integral part of these Consolidated Financial Statements.

6. Notes to the Consolidated Financial Statements

1. Reporting entity

Cenergy Holdings S.A. (hereafter referred to as "the Company" or "Cenergy Holdings") is a société anonyme domiciled in Belgium incorporated under the Belgian law. The Company's corporate registration number is 0649.991.654 and its registered office is located at 30 Avenue Marnix, 1000 Brussels, Belgium. The Company's Consolidated Financial Statements include those of the Company and its subsidiaries (together referred to as "the Group"), and Cenergy Holdings' interest in associates accounted for using the equity method.

Cenergy Holdings is a holding company with participations in 16 companies. With production facilities in Greece, Bulgaria and Romania, Cenergy Holdings' subsidiaries specialise in manufacturing steel pipes and cables products. Information on the Group's structure is provided in note 31.

Cenergy Holdings' shares are publicly traded on Euronext Brussels, with a secondary listing on the Athens Stock exchange (trading ticker "CENER").

The Company's electronic address is www.cenergyholdings.com, where the Consolidated Financial Statements have been posted.

Cenergy Holdings is a subsidiary of Viohalco S.A. (79.78% of voting rights). Viohalco S.A. (hereafter referred to as "Viohalco") is a Belgium-based holding company whose subsidiaries are specialised in the manufacture of aluminium, copper, cables, steel and steel pipes products, and are committed to the sustainable development of quality, innovative and value-added products and solutions for a dynamic global client base.

2. Basis of accounting

Statement of compliance

The Consolidated Financial Statements for the year ended 31 December 2022 have been prepared by Management in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and authorized for issue by the Company's Board of Directors on 8 March 2023.

Details of the Company's accounting policies are included in Note 5.

Basis of measurement

The Consolidated Financial Statements have been prepared in accordance with the historical cost principle with the exception of the following assets and liabilities which are measured on an alternative basis on each reporting date.

- Derivative financial instruments held for hedging purposes (fair value);
- Equity investments at FVOCI (fair value);
- Net defined benefit liability (present value of the obligation).

The Group has prepared the Consolidated Financial Statements on the basis that it will continue to operate as a going concern.

3. Functional currency and presentation currency

The functional and presentation currency of the Company and the Groupis the euro. All amounts in the Consolidated Financial Statements are rounded to the nearest thousand, unless otherwise indicated. As such, due to rounding, figures shown as totals in certain tables may not be arithmetic aggregations of the figures that precede them.

4. Use of estimates and judgements

Preparing financial statements in line with IFRS requires that Management makes judgements, estimates and assumptions that affect the application of Cenergy Holdings' accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

Management's estimates and judgements are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about judgements, assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 7.F – Revenue recognition;
- Note 11.C.a – Measurement of defined benefit obligations: key actuarial assumptions;
- Note 13.C – Recognition of deferred tax assets, availability of future taxable profits against which carryforward tax losses can be used;
- Note 15.B – Recoverability of overdue receivable from a former customer in the Middle-East;
- Note 17.D – Impairment loss on Property, plant and equipment;
- Note 19.D – Impairment test: key assumptions underlying recoverable amounts;
- Note 20.B – Measurement of fair value of Investment property;
- Note 30.C1 – Measurement of expected credit losses on trade receivables and contract assets: key assumptions in determining expected loss rates.

5. Significant accounting policies

The accounting principles described below have been consistently applied to all periods presented in these Consolidated Financial Statements and have also been consistently applied by Cenergy Holdings and its subsidiaries and its equity-accounted investees.

5.1 Basis of Consolidation

(a) Business combinations

Acquisition of subsidiaries is accounted for using the acquisition method on the acquisition date, i.e. the date on which control is transferred to Cenergy Holdings. To assess control, Cenergy Holdings takes into account substantive potential voting rights.

Cenergy Holdings measures goodwill on the acquisition date as follows:

- the fair value of the consideration paid; plus
- the value of any non-controlling interest in the acquired subsidiary; less
- the fair value of identifiable assets and liabilities assumed.

Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is immediately recognized in the Consolidated Statement of Profit or Loss. Any expenses directly linked with acquisition are directly posted in the Consolidated Statement of Profit or Loss. Any contingent consideration is recognized at its fair value on the acquisition date.

(b) Common control transactions

A business combination, in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and when control is not transitory, is a common control transaction. The Group has chosen to account for such common control transactions at book value (carry-over basis). The identifiable net assets acquired are not measured at fair value but recorded at their carrying amounts; intangible assets and contingent liabilities are recognized only to the extent that they were recognised before the business combination in accordance with applicable IFRS. Any difference between the consideration paid and the capital of the acquiree is presented in retained earnings within equity. Transaction costs are expensed as incurred.

(c) Subsidiaries

Subsidiaries are entities controlled by Cenergy Holdings. Cenergy Holdings controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases.

(d) Non-controlling interests

Non-controlling interests (NCI) are measured at fair value or at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. This measurement is done on an acquisition by acquisition basis.

Changes in Cenergy Holdings' interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(e) Loss of control

When Cenergy Holdings loses control over a subsidiary, the assets and liabilities of the subsidiary are derecognised, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(f) Associates

Associates are those entities in which Cenergy Holdings has significant influence, but not control or joint control, over the financial and operating policies. This is generally the case where Cenergy Holdings holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (h) below), after initially being recognised at cost.

(g) Joint arrangements

Under IFRS 11 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint operations

Cenergy Holdings recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Joint ventures

A joint venture is an arrangement in which Cenergy Holdings has joint control, whereby Cenergy Holdings has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method (see (h) below), after initially being recognised at cost in the consolidated balance sheet.

(h) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Cenergy Holdings' share of the post-acquisition profits or losses of the investee in profit or loss, and Cenergy Holdings' share of movements in other comprehensive income of the investee, until the date on which significant influence or joint control ceases. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Cenergy Holdings' share of losses in an equity-accounted investment equals or exceeds its interest in the entity, Cenergy Holdings does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Cenergy Holdings' interests in equity-accounted investees comprise only of interests in associates.

(i) Transactions eliminated on consolidation

Intra group balances and transactions, and any unrealised income and expenses arising from intra group transactions, are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

5.2 Foreign currency

(a) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Cenergy Holdings' companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate, when the fair value was determined. Foreign currency gains and losses are recognized and classified in the Consolidated Statement of Profit or Loss based on the nature of the related item of the Consolidated Statement of Financial Position.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign currency differences arising from the translation of qualifying cash flow hedges to the extent that the hedges are effective and investments in equity securities designated as at FVOCI are recognised as Other Comprehensive Income (OCI).

(b) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Euro at the exchange rates of the reporting date. The income and expenses of foreign operations are translated into Euro at the exchange rates at the date of the transactions. The average rate for the period is deemed to be an appropriate rate.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

5.3 Revenue

Cenergy Holdings recognizes revenue from the following major sources:

- Sale of products;
- Energy projects;
    - Steel pipes projects, i.e. onshore and offshore customized pipelines produced for applications based on customers' specifications.
    - Cables projects, i.e. high-tech customized underground and submarine cables and "turnkey" cable systems for power or data transmission and distribution.
- Rendering of services.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Cenergy Holdings recognizes revenue when it transfers control of a product or service to a customer.

Consideration can vary because of trade discounts, volume rebates, returns or other similar items. Depending on the type of variable consideration, the most appropriate method for measuring this variable consideration is used.

Sale of products

Cenergy Holdings sells hollow structural sections for the construction sector, power cables, telecom cables, wires and raw materials.

For sales of products, revenue is recognised at a point of time, when the control of the goods sold has been transferred.

The timing of the transfer of control occurs when the goods have been shipped to the customers' location, unless otherwise specified in the terms of the contract. The terms defined on the contracts with customers are according to Incoterms.

Revenue recognised at a point in time is invoiced either simultaneously with its recognition or within a short time period from its recognition. A receivable is recognised when the control is transferred to the customer, as this represents the point in time at which the right to consideration becomes unconditional.

Energy projects

The Group produces and sells customized products to customers for energy projects.

In the cables sector, Cenergy Holdings' subsidiaries also produce and sell "turnkey" cable systems, i.e. supply and install complete cable systems.

Under the terms of the contracts and due to the high degree of customization, these products have no alternative use, since they are produced according to customers' specifications, while there is an enforceable right to payment for performance completed to date if the contract is terminated by the customer or another party for reasons other than Cenergy Holdings' failure to perform as promised. Revenue from such projects is therefore recognised over time.

For distinct performance obligations identified, the most appropriate method to measure progress is used. The methods used are the following:

- For performance obligations related to production of customized products, depending on the type of contract concerned, the methods to measure progress is estimated based on:
    1. Production time elapsed, i.e. the ratio between the actual time spent on the production and the total number of scheduled production time. This method is used for submarine cables produced in long continuous lengths, when time elapsed is the most relevant method to measure the progress of the performance obligation.
    2. The quantity of manufactured and tested cable drums or steel pipes compared with the total quantity to be produced according to the contract. This method is used for customized land cables and steel pipes, since the production of such products is performed in batches and as a result the performance obligations related are satisfied as certain batches of agreed quantities have been produced.
- For installation phases of cables sector's turnkey projects, the method to measure progress is based on appraisal of results achieved or milestones reached, based to clearly defined technical milestones, such as transport or meters of cables installed. When milestones are being used as a method to measure progress, these milestones faithfully depict the performance.

Management considers that these methods are appropriate measures of the progress towards complete satisfaction of these performance obligations under IFRS 15.

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, unbilled receivables (contract assets), and customer advances (contract liabilities). These contract assets and contract liabilities are presented on the Consolidated Statement of Financial Position in the lines "Contract assets" and "Contract liabilities" respectively. For products and services for which revenue is recognised over time, amounts are billed as work progresses in accordance with agreed-upon contractual terms, either upon achievement of contractual milestones, or at the final delivery and acceptance of the manufactured items.

Generally, billing occurs subsequent to revenue recognition for customized products and services performed over time resulting in contract assets. However, when advances from customers are received before revenue is recognized, a contract liability is recognized.

There is not considered to be a significant financing component in energy projects contracts with customers, as the period between the recognition of revenue and the milestone payment is less than one year.

Rendering of services

Cenergy Holdings recognises revenue from rendering of services in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed based on surveys of work performed.

Services provided by Cenergy Holdings are mainly related with the products sold by its subsidiaries and mainly include:

- Metal processing technical support service;
- Design and engineering of customized applications;
- Supervision services;
- Installation services;
- Repairs and replacements.

All of the above, when related to Energy projects, are reported in the Cables' and Steel pipes' revenue streams, respectively.

If payment for services is not due from the customer until the services are complete, a contract asset is recognised over the period in which the services are performed representing the right to consideration for the services performed to date. These contract assets are presented on the Consolidated Statement of Financial Position in the line "Contract assets".

Contract costs

Cenergy Holdings recognize the incremental costs of obtaining contracts with customers and the costs incurred in fulfilling contracts with customers that are directly associated with the contract as an asset, if those costs are expected to be recoverable, and record them in the line "Contract costs" in the Consolidated Statement of Financial Position. Incremental costs of obtaining contracts are costs incurred to obtain a contract with a customer that would not have been incurred if the contract had not been obtained.

Fulfilment costs are only capitalised if they generate or enhance resources that will be used to satisfy performance obligations in the future.

Assets arising from contract costs are amortized using either the straight-line method over a period based on the estimated contract duration or based on the portion of revenue recognised during the execution of the related contract.

Incremental costs of obtaining contracts are recognised as an expense when incurred if the amortisation period of the assets would be one year or less.

5.4 Employee benefits

(a) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if Cenergy Holdings and its companies have a present legal or constructive obligation to pay this amount, as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) Defined contribution plans

Defined-contribution plans are plans for the period after the employee has ceased to work during which Cenergy Holdings pays a defined amount to a third legal entity without any other obligation. The accrued cost of defined-contribution programs is recorded as an expense in the period that the related service is provided.

(c) Defined benefit plans

Cenergy Holdings' net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The discount rate is based on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method, while benefits are attributed over the last 16 years before retirement of each employee.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in OCI. Cenergy Holdings determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. Cenergy Holdings recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(d) Termination benefits

Termination benefits are expensed at the earlier of when Cenergy Holdings can no longer withdraw the offer of those benefits and when Cenergy Holdings recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

5.5 Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and Cenergy Holdings will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in the statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the Consolidated Statement of Profit or Loss (line “Other income”) on a straight line basis over the expected useful lives of the related assets.

5.6 Finance income and finance costs

Cenergy Holdings’ finance income and finance costs mainly include:

- interest income;
- interest expense;
- dividend income;
- foreign currency gains and losses from loans and deposits.

Dividend income is recognised in profit or loss on the date on which the right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The “effective interest rate” is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset or to the amortised cost of the financial liability.

5.7 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

A. Current tax

Current tax comprised the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

B. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that Cenergy Holdings is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that is has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurements of deferred tax reflects the tax consequences that would follow from the manner in which Cenergy Holdings expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

5.8 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost is determined by applying the method of weighted average cost and includes the production and conversion cost and all direct expenses required to bring inventories at their current condition. The net realisable value is estimated based on the inventory's current sales price, in the ordinary course of business activities, less any possible selling expenses, whenever such a case occurs.

The write-down of inventories to net realisable value and any reversals are recognized in "Cost of sales" in the period in which the write-downs occur.

5.9 Property, plant and equipment

A. Recognition and measurement

Property, plant and equipment are presented at their acquisition cost less accumulated depreciation and impairment. The acquisition cost includes all expenses that are directly associated with the asset's acquisition or self-construction. The cost of self-constructed fixed assets includes the cost of direct labour, materials and any other cost that is required for the fixed asset to be ready for use as well as any borrowing costs.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to Cenergy Holdings. Repair and maintenance costs are recorded in the Consolidated Statement of Profit or Loss when these are incurred.

On the sale of property, plant and equipment, any difference that may arise between the price that is received and the carrying value thereof is recorded through profit or loss in the category "Other income (expenses)".

Borrowing costs related to the construction of qualifying assets are capitalised during the period required for the construction to be completed.

B. Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Land is not depreciated.

Administrative buildings	20-50 years
Plants	33-50 years
Heavy machinery	12-40 years
Light machinery	8-18 years
Furniture	4-10 years
Other equipment	4-12 years
Transport means	4-10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

C. Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified accordingly.

The item is reclassified at its net book value at the date of reclassification which becomes its deemed cost for subsequent accounting purposes.

D. Reclassification to assets held for sale

Non-current assets and disposal group of assets are reclassified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use.

5.10 Intangible assets

A. Recognition and measurement

Research and Development: Expenditure on research activities is recognised in profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercial feasible, future economic benefits are probable and Cenergy Holdings intends to and have sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Software programs: Software licenses are recorded at their acquisition cost less accumulated amortisation. These assets are amortised on the straight line method over their estimated useful lives, which ranges between 3 to 10 years. Expenses that are associated with the software's maintenance are recognised in profit or loss in the year in which they are incurred.

Other intangible assets: Other intangible assets, including customer relationships, "know-how", patents and trademarks, which are acquired by Cenergy Holdings and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. These assets are amortised on the straight line method over their estimated useful lives. Other intangible assets having indefinite useful lives are measured at cost less accumulated impairment losses.

B. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

C. Amortisation and useful lives

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss. Goodwill and other intangible assets with indefinite useful lives are not amortised.

The estimated useful lives for the current and comparative periods are as follows:

Trademarks and licenses	10 – 15 years
Software programs	3 – 10 years

Intangible assets with indefinite useful lives are not amortised and are subject to an annual impairment test.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

5.11 Investment property

Investment property, which includes land, is owned by Cenergy Holdings either for the collection of rents or for capital appreciation and is not used for owner-purposes. Investment property is presented at cost less depreciation. When the carrying amounts of investment property exceed their recoverable value, the difference (impairment) is directly recorded in profit and loss as expense. The reversal of previously recognised impairment losses is also recognised in profit and loss as income. The land is not depreciated. The buildings are depreciated by applying the straight line method.

5.12 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with financial institutions.

5.13 Impairment

A. Non-derivative financial assets

Cenergy Holdings recognises loss allowances for expected credit losses (ECLs) on:

- financial assets measured at amortised cost; and
- contract assets.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of trade receivables and contract assets.

Cenergy Holdings considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations in full, without recourse by Cenergy Holdings companies to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Cenergy Holdings companies are exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Impairment losses related to trade and other receivables, including contract assets, are presented separately in the statement of profit or loss and OCI.

Write-off

The gross carrying amount of a financial asset is written off when Cenergy Holdings has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. Cenergy Holdings subsidiaries make an assessment on an individual basis with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. Cenergy Holdings expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

B. Non-financial assets

At each reporting date, Cenergy Holdings and its companies review the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and intangible assets with indefinite useful life is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss under "Other expenses". They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Cenergy Holdings' subsidiaries, also, include in their review of the recoverable amounts assumptions related to the consequences of climate change.

5.14 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

Accounting for lease contracts as a lessee

Cenergy Holdings companies lease various offices, warehouses, machinery and cars. Rental contracts are typically made for fixed periods of 1 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Cenergy Holdings recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Subsequently they are measured at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable ;
- variable lease payment that are based on an index or a rate ;
- amounts expected to be payable by the lessee under residual value guarantees ;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

These payments are discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate of the component entered into the lease agreement. Generally, Cenergy Holdings uses its incremental borrowing rate as the discount rate.

This is the rate that the lessee, i.e. each subsidiary of Cenergy Holdings, would have to pay on the commencement date of the lease for a loan of a similar term, and with similar security, to obtain an asset of similar value to the right-of-use asset in similar economic environment.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured if there is a modification that is not accounted for as a separate lease; when there is a change in future lease payments arising from a change in an index or rate; a change in the estimate of the amount expected to be payable under a residual value guarantee; and changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Cenergy Holdings elected not to separate non-lease components from lease components.

Lease liabilities and right-of-use assets are presented separately in the statement of financial position.

Cenergy Holdings has elected to present interest paid related to lease liabilities in the Consolidated Statement of Cash Flows, within the line “Interest charges & related expenses paid” in operating activities.

Short-term leases and leases of low-value assets

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment, small items of office furniture and other equipment.

Cenery Holdings companies lease administration offices and warehouses by the ultimate parent company Viohalco S.A. and other related companies. All contracts for administration offices and warehouses do not include any early termination penalty clauses and they are cancellable at any time. For this reason, all intercompany contracts for administration offices and warehouses are considered as short term and Cenergy Holdings recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Rental income

Rental income is recognised as other income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

5.15 Financial instruments

A. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when Cenergy Holdings becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. A trade receivable without a significant financing component is initially measured at the transaction price.

B. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition, unless Cenergy Holdings changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, Cenergy Holdings may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets (except derivatives held for hedging purposes) not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, Cenergy Holdings may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment:

Cenergy Holdings makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition.

"Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, Cenergy Holdings considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, Cenergy Holdings considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets – Subsequent measurement and gains and losses:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost.

All financial liabilities (except derivatives held for hedging purposes) are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

C. Derecognition

Financial assets

Cenergy Holdings derecognises a financial asset when

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction:
  - in which substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - in which Cenergy Holdings neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Cenergy Holdings enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

Cenergy Holdings derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. Cenergy Holdings also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

D. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Consolidated Statement of Financial Position when, and only when, Cenergy Holdings currently has a legally enforceable right to setoff the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

E. Derivatives and hedge accounting

Cenergy Holdings has elected not to adopt the provisions of IFRS 9 regarding the hedge accounting and continues to apply IAS 39.

Cenergy Holdings holds derivative financial instruments designated as fair value or cash flow hedges. Derivatives are used to cover risks arising from changes in prices of metals, fluctuations of foreign exchange rates and changes in interest rates on borrowings.

Derivatives are initially measured at fair value; any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss, unless the instrument qualifies for cash flow hedge accounting.

Fair value hedge

Derivatives are designated as fair value hedges when the exposure to changes in the fair value of a recognized financial asset or liability is hedged.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized in the Consolidated Statement of Profit or Loss, along with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Cash flow hedge

The effective portion of changes in the fair value of derivatives designated as cash flow hedges is recognized in the "Hedging reserve". Any ineffective proportion is recognized immediately in profit or loss.

The amounts recognized in the "Hedging reserve" are reclassified to the Consolidated Statement of Profit or Loss when the hedged items affect profit or loss.

When a hedge item matures or is sold or when the hedge no longer meets the hedge accounting criteria, hedge accounting is discontinued prospectively, amounts recorded in "Hedging reserve" the profits and losses accrued to "Equity" remain as a reserve and are reclassified to profit or loss when the hedged asset affects profit or loss. In the case of a hedge on a forecast future transaction which is no longer expected to occur, amounts recorded in "Hedging reserve" are reclassified to profit and loss.

Cenergy Holdings' companies examine the effectiveness of the cash flow hedges at inception (prospectively) by comparing the critical terms of the hedging instrument with the critical terms of the hedged item, and then at every reporting date (retrospectively), the effectiveness of the cash flow hedges is examined by applying the dollar offset method on a cumulative basis.

5.16 Share capital

Shareholder's equity is composed of ordinary shares.

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted in equity (see Note 5.7).

5.17 Provisions

Provisions are measured by discounting the expected future cash flows at a pre-tax rate. The discount rate used for the determination of present value reflects current market assessments of the time value of money and the risks specific to the obligation.

Provisions are recognised when:

i. There is a present legal or constructive obligation as a result of past events.

ii. Payment is probable to settle the obligation.

iii. The amount of the payment in question can be reliably estimated.

Provisions for pending court rulings are recognised when it is more likely than not, that a present obligation from this litigation exists, and payment is probable.

Assurance warranty provisions are recognised when the product is sold and according to historical experience (probability that sold products will need to be replaced). The initial estimate of warranty-related costs is revised annually.

Restructuring provisions are recognised only when Cenergy Holdings has a constructive obligation, which is when a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and an appropriate timeline, and the employees affected have been notified of the plan's main features or when the company has already started to implement the plan.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating a contract and the expected net cost of continuing with the contract. Before the provision is established, Cenergy Holdings recognises any impairment loss on the associated assets with the contract.

5.18 Earnings per share

Cenergy Holdings presents basic and diluted earnings per share. Basic earnings per share are calculated by dividing the net profit/ loss (-) attributable to holders of the Company's ordinary shares by the average weighted number of outstanding ordinary shares during each period.

Diluted earnings per share are determined by adjusting the profit or loss attributable to holders of ordinary shares and the average weighted number of outstanding ordinary shares by the effect of all diluted eventual ordinary shares consisting of convertible notes and shares with options granted to the staff.

5.19 Operating profit

Operating profit is the result generated from the continuing principal revenue-producing activities of Cenergy Holdings, as well as other income and expenses related to operating activities. Operating profit excludes net finance costs, share of profit of equity-accounted investees and income taxes.

5.20 Fair value measurement

"Fair value" is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which Cenergy Holdings has access at that date. The fair value of a liability reflects its non-performance risk.

A number of Cenergy Holdings' accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, Cenergy Holdings measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as "active" if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then Cenergy Holdings uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then Cenergy Holdings measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If Cenergy Holdings determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

5.21 New standards, amendments to standards and interpretations

A number of new or amended standards became applicable for the current financial year and subsequent years. The Group has applied all of the new standards, interpretations and amendments to existing standards that were mandatory for the first time in the fiscal year beginning 1 January 2022 and none of the new or amended standards and interpretations has had material impact on recognition and measurement in the Consolidated Financial Statements.

Standards and Interpretations effective for the current financial year

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2022 and have been endorsed by the European Union.

Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements (effective for annual periods beginning on or after 1 January 2022)

The package of amendments includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards.

- **Amendments to IFRS 3 Business Combinations** update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
- **Amendments to IAS 16 Property, Plant and Equipment** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.
- **Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets** specify which costs a company includes when assessing whether a contract will be loss-making.
- **Annual Improvements 2018-2020** make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions' (effective for annual periods beginning on or after 1 April 2021)

The amendments extend, by one year, the May 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. In particular, the amendment permits a lessee to apply the practical expedient regarding COVID-19-related rent concessions to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022 (rather than only payments originally due on or before 30 June 2021).

Standards and Interpretations effective for subsequent periods

The following new standards and amendments have been issued and endorsed by the European Union but are not mandatory for the first time for the financial year beginning 1 January 2022. The following amendments are not expected to have a material impact on Cenergy Holdings Consolidated Financial Statements in the current or future reporting periods.

Amendments to IAS 1 'Presentation of Financial Statements: Classification of Liabilities as current or non-current' (effective 01 January 2023), affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They:

- Clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
- Clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (effective 1 January 2023).

The amendment to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted (subject to any local endorsement process).

Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023).

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The main change in the amendments is an exemption from the initial recognition exemption of IAS 12.15(b) and IAS 12.24. Accordingly, the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Early adoption is permitted.

IFRS 17 'Insurance contracts' (effective 1 January 2023).

This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. On 17 March 2020, IASB decided to defer the effective date to annual reporting periods beginning on or after 1 January 2023. The endorsement includes the amendments issued by the Board in June 2020, which are aimed at helping companies implement the Standard and making it easier for them to explain their financial performance.

The EU regulation provides an optional exemption from applying the annual cohort requirement that relates to the timing of the recognition of the profit in the contract, the contractual service margin, in profit or loss. Entities making use of the exemption are not applying IFRSs as issued by the IASB and need to disclose the fact.

Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (issued on 9 December 2021, effective 1 January 2023).

The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements.

The following amendments have been issued but are not mandatory for the first time for the financial year beginning 1 January 2022 and have not been endorsed by the European Union. The following amendments are not expected to have a material impact on Cenergy Holdings Consolidated Financial Statements in the current or future reporting periods.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (effective 1 January 2023).

The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. The IAS 1 amendment requires companies to disclose their material accounting policy information rather than their significant accounting policies. Further, the amendment to IAS 1 clarifies that immaterial accounting policy information need not be disclosed. To support this amendment, the Board also amended IFRS Practice Statement 2, 'Making Materiality

Judgements', to provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted (subject to any local endorsement process).

Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (effective 1 January 2024).

The amendments explain how an entity accounts for a sale and leaseback after the date of the transaction, specifically where some or all the lease payments are variable lease payments that do not depend on an index or rate. They state that, in subsequently measuring the lease liability, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use it retains. Any gains and losses relating to the full or partial termination of a lease continue to be recognised when they occur as these relate to the right of use terminated and not the right of use retained.

The following standard is mandatory since the financial year beginning 1 January 2016 (however not yet subjected to EU endorsement). The European Commission has decided not to launch the endorsement process of this interim standard but to wait for the final standard:

IFRS 14, 'Regulatory deferral accounts' (effective 1 January 2016).

It concerns an interim standard on the accounting for certain balances that arise from rate–regulated activities. IFRS 14 is only applicable to entities that apply IFRS 1 as first-time adopters of IFRS. It permits such entities, on adoption of IFRS, to continue to apply their previous GAAP accounting policies for the recognition, measurement, impairment and derecognition of regulatory deferral accounts. The interim standard also provides guidance on selecting and changing accounting policies (on first–time adoption or subsequently) and on presentation and disclosure.

6. Operating segments

A. Basis for the division into segments

Cenergy Holdings is divided into 2 reportable segments:

- Cables;
- Steel Pipes.

For management purposes, Cenergy Holdings is split into two major strategic reportable segments which operate in different industries. These segments offer different products and services, and are managed separately because they require different technology and marketing strategies.

Such structural organization is determined by the nature of risks and returns associated with each business segment. It is based on the management structure, as well as the internal reporting system. It represents the basis on which Cenergy Holdings reports its segmental information.

The segment analysis presented in these Consolidated Financial Statements reflects operations analysed by business. This is the way the chief operating decision maker of Cenergy Holdings regularly reviews the operating results of the Group in order to allocate resources to segments and in assessing their performance.

A brief description of the segments is as follows:

- *Cables*: Hellenic Cables, its subsidiaries, and Icme Ecab S.A. manufacture power and telecommunication cables for onshore applications, submarine cables, copper and aluminium wires and compounds.
- *Steel pipes*: Corinth Pipeworks engages in the production of steel pipes for the transportation of natural gas, oil, water networks, hydrogen and CCS (carbon capture and storage) technologies, as well as steel hollow sections which are used in construction projects.
- *Other activities*: The segment includes the activities of the Holding company.

B. Information about reportable segments and reconciliations to IFRS measures

The information disclosed in the tables below is derived directly from the internal financial reporting system used by the Board (i.e. chief operating decision maker) to monitor and evaluate the performance of the operating segments separately.

The following tables illustrate the information about the reportable segments' profit or loss, assets and liabilities on 31 December 2022 and 2021, and for the years then ended.

2022			Reportable segments		
Amounts in EUR thousand	Note	Cables	Steel Pipes	Other activities	Total
Segment revenue		**1,520,681**	**679,673**	**-**	**2,200,353**
Inter-segment revenue		(556,292)	(218,053)	-	**(774,345)**
External revenue	7	**964,388**	**461,620**	**-**	**1,426,008**
Gross profit		**116,875**	**28,438**	**-**	**145,314**
Operating profit / (loss)		**87,649**	**14,643**	**(1,932)**	**100,360**
Finance income		261	123	47	**431**
Finance costs		(25,082)	(11,753)	(58)	**(36,893)**
Share of profit of equity accounted investees, net of tax		-	4,156	1,903	**6,059**
Profit / (Loss) before tax		**62,827**	**7,168**	**(39)**	**69,957**
Income tax expense		(13,199)	3,663	-	**(9,536)**
Profit/(Loss) for the year		**49,628**	**10,831**	**(39)**	**60,420**
Depreciation and amortization		(18,061)	(9,136)	(14)	**(27,211)**
Segment assets		1,033,712	633,766	31,267	**1,698,745**
Non-current assets excl. deferred tax and financial instruments		374,845	206,062	23,532	**604,439**
Equity-accounted investees		-	17,468	23,490	**40,959**
Segment liabilities		867,224	489,442	448	**1,357,114**
Capital expenditure	17/19	71,245	7,762	1	**79,009**

2021			Reportable segments		
Amounts in EUR thousand	Note	Cables	Steel Pipes	Other activities	Total
Segment revenue		**1,354,164**	**242,941**	**-**	**1,597,104**
Inter-segment revenue		(529,873)	(13,028)	-	**(542,901)**
External revenue	7	**824,291**	**229,913**	**-**	**1,054,203**
Gross profit		**92,521**	**16,152**	**-**	**108,673**
Operating profit / (loss)		**66,425**	**(6,881)**	**(1,901)**	**57,642**
Finance income		201	27	36	**264**
Finance costs		(21,740)	(7,505)	(4)	**(29,249)**
Share of profit of equity accounted investees, net of tax		-	419	1,436	**1,855**
Profit / (Loss) before tax		**44,886**	**(13,940)**	**(433)**	**30,513**
Income tax expense		(7,670)	(764)	-	**(8,434)**
Profit/(Loss) for the year		**37,216**	**(14,704)**	**(433)**	**22,079**
Depreciation and amortization		(16,849)	(8,850)	(6)	**(25,705)**
Segment assets		778,654	397,801	29,496	**1,205,950**
Non-current assets excl. deferred tax and financial instruments		323,632	204,121	22,023	**549,776**
Equity-accounted investees		-	14,429	22,002	**36,431**
Segment liabilities		661,337	266,445	627	**928,409**
Capital expenditure	17/19	34,988	9,549	-	**44,538**

C. Geographic information

Cenergy Holdings' segments are managed on a worldwide basis, but operate manufacturing facilities and sales offices primarily in Greece, Romania, Bulgaria and the USA.

The segmental information below is based on the segment revenue from external customers by country of domicile of customers and segment assets were based on the geographic location of the assets.

Amounts in EUR thousand	For the year ended 31 December	
Revenue	**2022**	**2021**
Belgium	22,690	12,846
Greece	435,578	353,658
Germany	150,559	149,328
Romania	50,558	43,819
United Kingdom	139,906	77,803
Other European Union countries	202,781	219,192
Other European countries	37,592	43,922
Asia	109,847	124,687
Americas	262,810	25,475
Africa	7,998	3,474
Oceania	5,690	-
Total	**1,426,008**	**1,054,203**

The geographic information below analyses the consolidated non-current assets by the Company's country of domicile and other countries. In presenting the geographic information, segment assets were based on the geographic location of the assets.

Amounts in EUR thousand	At 31 December	
Property, Plant & Equipment	**2022**	**2021**
Belgium	-	-
Greece	492,228	450,631
Other	33,928	25,827
Total	**526,156**	**476,458**

Amounts in EUR thousand	At 31 December	
Right of use assets	**2022**	**2021**
Belgium	15	21
Greece	2,347	2,078
Other	1,402	1,370
Total	**3,764**	**3,469**

Amounts in EUR thousand	At 31 December	
Intangible assets	**2022**	**2021**
Belgium	-	-
Greece	30,367	29,742
Other	1,590	1,512
Total	**31,957**	**31,254**

Amounts in EUR thousand	At 31 December	
Investment property	2022	2021
Belgium	-	-
Greece	155	764
Other	-	-
Total	**155**	**764**

Amounts in EUR thousand	At 31 December	
Additions in Property, Plant & Equipment, Intangible assets & Right of use assets	2022	2021
Belgium	-	-
Greece	68,785	42,510
Other	11,820	2,937
Total	**80,605**	**45,446**

7. Revenue

A. Significant accounting policy

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Cenergy Holdings recognises revenue when it transfers control over a product or service to a customer. For the detailed accounting policy, see Note 5.3.

B. Nature of goods and services

Steel pipes projects

Corinth Pipeworks produces and sells customized products to customers mainly for onshore and offshore pipelines for oil, gas and hydrogen transportation, as well as CCS (carbon capture and storage) applications and casing pipes. Under the terms of the contracts and due to the high degree of customization, these products have no alternative use, since they are produced according to customers' specifications, while there is an enforceable right to payment for performance completed to date if the contract is terminated by the customer or another party for reasons other than Cenergy Holdings' failure to perform as promised. Revenue from such projects is therefore recognised over time.

Hollow structural sections

These steel products are primarily used in the construction sector and they are used as structural components in metal constructions. For sales of such products, revenue is recognised at a point of time, when the control of the goods sold has been transferred.

Cables projects

Cenergy Holdings' subsidiaries in the cables segment produces and sells "turnkey" cable systems, i.e. supplies and installs complete cable systems. In addition, customized products are produced for grid connections, offshore/onshore wind farms and other energy projects. Under the terms of the contracts and due to the high degree of customization, these products have no alternative use, since they are produced according to customers' specifications, while there is an enforceable right to payment for performance completed to date if the contract is terminated by the customer or another party for reasons other than Cenergy Holdings' failure to perform as promised. Revenue from such projects is recognised over time. The typical length of a contract for turnkey projects exceeds 12 months. For turnkey projects, the Group accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the contracts and if a customer can benefit from it.

Power & telecom cables

The key products in this category are power cables and overhead conductors for electric power distribution networks for electric power operators, utilities, industrial applications, renewable energy applications, railway transportation networks and buildings. The category also includes telecommunication, data transmission cables, optical fibre cables and signalling cables. For sales of such products, revenue is recognised at a point of time, when the control of the goods sold has been transferred.

C. Disaggregation of revenue

In the following table revenue is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

The table includes a reconciliation with the Group's reportable segments (see Note 6):

Primary geographical markets

Segment	Steel Pipes		Cables		Total	
Amounts in EUR thousand	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Greece	38,620	21,570	396,958	332,088	435,578	353,658
Other European Union countries	128,097	134,361	298,491	290,824	426,587	425,185
Other European countries	28,644	16,360	148,854	105,366	177,498	121,725
America	253,255	16,792	9,555	8,683	262,810	25,475
Rest of the world	13,004	40,830	110,531	87,330	123,535	128,160
	461,620	**229,913**	**964,388**	**824,291**	**1,426,008**	**1,054,203**

Major products and service lines

Segment	Steel Pipes		Cables		Total	
Amounts in EUR thousand	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Steel pipes projects	375,870	142,234	-	-	375,870	142,234
Hollow structural sections	57,136	61,477	-	-	57,136	61,477
Cables projects	-	-	289,182	273,579	289,182	273,579
Power & telecom cables	-	-	567,519	442,825	567,519	442,825
Other (wires, raw materials, merchandize etc.)	28,614	26,202	107,687	107,886	136,301	134,088
	461,620	**229,913**	**964,388**	**824,291**	**1,426,008**	**1,054,203**

Timing of revenue recognition

Segment	Steel Pipes		Cables		Total	
Amounts in EUR thousand	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Products transferred at a point in time	85,750	87,679	675,206	550,712	760,956	638,391
Products transferred over time	375,870	142,234	289,182	273,579	665,052	415,813
	461,620	**229,913**	**964,388**	**824,291**	**1,426,008**	**1,054,203**

Revenue increased by 35% y-o-y to EUR 1,426 million. All cables plants operated at close to full production capacity throughout the year pushing the segment's revenue 17% higher (+6% in cables projects and +28% in power and telecom products), while steel pipes succeeded to more than double their revenue compared to 2021. In steel pipes segment, approximately two thirds of the revenue change is due to an increase in sales volume, while the remaining is due to the effect of the increase in steel prices (average price of steel in 2022 was 22% higher than in 2021).

Revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date amounts to EUR 525.6 million. An amount of EUR 463.4 million is expected to be recognised during 2023, while the remaing EUR 62.2 million is expected to be recognised during the periods from 2024 and onwards based on the time schedules included in the open contracts on 31 December 2022, which have original expected durations of more than one year and revenue recognition started during 2022 or prior periods.

D. Contract balances

The following table provides information about contracts assets and contracts liabilities from contracts with customers:

Amounts in EUR thousand	31 December 2022	31 December 2021
Contract assets	195,481	98,217
Contract liabilities	118,669	35,898
Out of which: Long term Contract liabilities	*9,889*	*9,889*

Significant changes in the contract assets and the contract liabilities balances during the period are as follows:

Amounts in EUR thousand	Contract assets		Contract liabilities	
	2022	2021	2022	2021
Opening balance	**98,217**	**64,875**	**35,898**	**40,085**
Revenue recognised that was included in the contract liability balance at the beginning of the period	-	-	(24,223)	(19,727)
Increases due to cash received, excluding amounts recognised as revenue during the period	-	-	106,994	15,542
Transfers from contract assets recognised at the beginning of the period to receivables	(69,171)	(57,268)	-	-
Increases as a result of changes in the measure of progress	166,774	90,784	-	-
Foreign exchange differences	(454)	-	-	(2)
Impairment loss	(12)	(175)	-	-
Impairment loss reversal	127	-	-	-
Closing balance	**195,481**	**98,217**	**118,669**	**35,898**

Contract assets increased by EUR 97.3 million compared to 31 December 2021. Such increase is attributed to both steel pipes segment (EUR 38.8 million) due to the growth in project-related activities and cables segment (EUR 58.5 million increase) due to the timing of invoicing of specific ongoing projects for which the production started during the second half of the year.

Contract liabilities primarily relate to the advance consideration received from customers for construction of customized products or energy projects for which revenue is recognized over time. Contract liabilities which are expected to be settled within more than one year are classified as non-current liabilities (EUR 9,889 thousand on 31 December 2021). Contract liabilities increased by EUR 82.8 million compared to 31 December 2021 mainly due to the downpayments received close to year's end for the execution of steel pipes energy projects.

E. Contract costs

Management expects that fees, commissions & other costs associated with obtaining contracts for energy projects are recoverable. Cenergy Holdings recorded costs incurred to obtain a contract of EUR 236 thousand as Contract costs on 31 December 2022 (31 December 2021: EUR 389 thousand).

In addition, costs to fulfill a contract are capitalised, if they are directly associated with the contract and are recoverable. Such contract costs may include materials used for tests necessary for the production, labor costs, insurance fees and other costs necessary to fulfil performance obligations under a contract once it is obtained, but before transferring the control of goods or rendering services to the customer. Costs incurred to fulfil a contract on 31 December 2022 and 2021 was zero.

Therefore, on 31 December 2022 Cenergy Holdings has recorded as contract costs an amount of EUR 236 thousand, out of which an amount of EUR 222 thousand is classified as non-current assets.

Contract costs of obtaining or fulfilling a contract are expensed to cost of sales when the related revenue is recognised. In 2022, there was no impairment loss in relation to contract costs.

F. Significant judgments in revenue recognition

In recognizing revenue the Group makes judgements regarding the timing of satisfaction of performance obligations, the identification of distinct performance obligations, as well as the transaction price and the amounts allocated to performance obligations. The most significant of these estimates are described below:

- Contracts including multiple performance obligations are mainly identified in cables segment for turnkey projects and for customized products in both segments, as described in Note 7.B and Note 5.3. In such cases the total transaction price is allocated to these performance obligations on the basis of the relative standalone selling prices of the promised goods or services. If these goods and services are not sold separately, a cost plus margin approach is used to estimate the standalone selling price.
- Revenue deriving from the production of customized products for energy projects is recognized overtime. In such projects, contracts signed by Cenergy Holdings' subsidiaries may prescribe the promises of both:
  - producing customized products based on customers' specifications; and
  - transporting them to the customer's site.

  In such cases, transportation is considered as a separate performance obligation, since both criteria prescribed in IFRS 15.27 are met, since the customer benefits from the offered transportation service and the promise to transport the goods to the customer is separately identifiable from the production of these customized products.

  Revenue for orders of standardized products (i.e. hollow structural sections, wires and non-customized power & telecom cables) is recognized at a specific point in time and transportation is not considered a separate performance obligation, since the second criterion of IFRS 15.27 is not met.
- Some contracts with customers involve a variable transaction cost as they include a volume or trade discount based on the total sales to the customer within a time period. In such case revenue is recognised based on the anticipated sales to the customer throughout the year, as these sales are realized and new orders are received and up to an extent it is highly probable that a significant reversal of cumulative revenue recognised will not be needed.

8. Income and expenses

A. Other income

Amounts in EUR thousand	Note	For the year ended 31 December 2022	2021
Government grants / subsidies		133	477
Rental income		667	529
Income from fees, commissions & costs recharged		3,575	4,406
Indemnities and income from claims		24	168
Indemnity from insurance company for damage compensation related to contract with customer		280	-
Gain from disposal of property, plant & equipment		341	8
Amortization of grants	28	1,174	728
Other		586	824
Other Income		**6,780**	**7,141**

The line "Government grants" in 2021 includes an amount of EUR 459 thousand related to reliefs provided by local legislation as a result of measures taken due to the coronavirus pandemic.

B. Other expenses

Amounts in EUR thousand	Note	For the year ended 31 December 2022	2021
Loss from write-offs of Property, plant & equipment	17	(53)	(14)
Loss from disposal of property, plant & equipment		(1)	-
Expenses recharged		(2,830)	(4,044)
Indemnities and claims		-	(32)
Damage compensation to customer		(515)	-
Other penalties		(180)	(319)
Provision for antidumping duties	29	-	(12,842)
Incremental coronavirus costs		(412)	(669)
Loss from disposal of associate	21	(156)	-
Impairment on property, plant & equipment	17	(1,222)	-
Other		(1,375)	(613)
Other expenses		**(6,745)**	**(18,534)**

In 2013, Corinth Pipeworks manufactured and supplied pipes for a pipeline in France. During 2015, the French client filed a quality claim against Corinth Pipeworks, its insurers and the subcontractors in charge for the welding of the pipeline. The commercial court of Paris rendered its decision on 7 July 2022 and ruled that Corinth Pipeworks should be held liable for the latent defects affecting the pipes it delivered to its French customer but that the latter was also responsible for its own loss. Consequently, given that 2013 sales were fully insured, Corinth Pipeworks recorded a liability of EUR 515 thousand during 2022 (included as distinct item in the line 'Damage compensation to customer') that corresponds to its maximum exposure for that specific claim, while an income of EUR 280 thousand (included in the line 'Other income') was recorded as an equal indemnity from an insurance company for the certain case was received.

During 2022, the US Department of Commerce (DoC) published its final results in the administrative proceedings conducted by the DoC for the period from April 19, 2019 through April 30, 2020 ("POR") in connection with an antidumping ("AD") order on large diameter welded pipe (LDWP) from Greece. As a result, the DoC determined for the POR an antidumping duty rate of 41.04 percent based on total adverse facts available (AFA) for mandatory respondent Corinth Pipeworks S.A., Cenergy Holdings' steel pipes segment. Corinth Pipeworks filed an appeal before the U.S. Court of International Trade against the decision of the DoC while continuing to actively work with the DoC in order to reverse the final determination. The one-off charge related to the abovementioned case amounts to EUR 12.8 million (USD 14 million plus interest) and is included as distinct item in 'Other expenses' line for the year 2021, as it relates to sales performed in previous years.

C. Expenses by nature

		For the year ended 31 December	
Amounts in EUR thousand	**Note**	**2022**	**2021**
Cost of inventories recognized as an expense		(967,647)	(721,661)
Employee benefits	12	(90,334)	(73,647)
Energy		(26,222)	(16,477)
Depreciation and amortisation	17, 18, 19	(28,385)	(26,433)
Amortization of contract costs		(153)	(156)
Taxes - duties		(2,011)	(1,603)
Insurance premiums		(18,046)	(9,349)
Rental fees		(3,995)	(2,464)
Transportation		(49,427)	(27,618)
Promotion & advertising		(1,241)	(596)
Third party fees and benefits		(104,903)	(64,723)
Loss from derivatives		2,084	(18,433)
Maintenance expenses		(12,452)	(9,089)
Travel expenses		(6,178)	(3,890)
Commissions		(4,187)	(4,397)
Foreign exchange gains/(losses)		(8,096)	(796)
Other expenses		(4,194)	(3,782)
Total cost of sales, selling & distribution expenses and administrative expenses		**(1,325,386)**	**(985,115)**

The increase in "Third party fees and benefits" is attributed mainly to project-related services offered during 2022 compared to prior year by subcontractors. The increase is attributed to both segments as in 2022 steel pipes segment used subcontractors for coating services in the context of assigned projects, while the installation services in the context of turnkey contracts executed by subsidiaries in the cables segment during 2022 were significantly higher compared to 2021. Specifically, during 2022 the installation for the submarine interconnection of Naxos-Santorini, medium voltage interconnections in several locations in Greece and several onshore projects were undertaken by subcontractors in Cables segment. During 2021, installation services provided in the context of cables projects assigned to subcontractors were more limited in the onshore cables business, while only one major offshore installation took place, i.e. the final installation phase for the interconnection of the Crete – Peloponese interconnection.

The fluctuation in transportation costs relate to the geographical mix of sales and volume of deliveries in steel pipes segment that took place in 2022 compared to 2021. As mentioned in note 7.F, when certain criteria are met, transportation is considered as a separate performance obligation and the relevant costs are recognized when such performance obligations are fulfilled.

Cenergy Holdings significantly invests in research and development in order to continuously bring value-added products and services to the market and improve production processes, as well as to promote materials recycling and the proper use of natural resources. The aggregate amount of research and development expenditure recognised as an expense for 2022 amounts to EUR 5.5 million (2021: EUR 4.0 million).

9. Net finance costs

Amounts in EUR thousand	For the year ended 31 December 2022	2021
Finance income		
Interest income	21	21
Dividends	47	36
Foreign exchange gains	363	207
	431	**264**
Finance costs		
Interest expense and related costs	(38,332)	(28,106)
Gain on interest rate swaps	3,368	-
Foreign exchange losses	(1,928)	(1,143)
	(36,893)	**(29,249)**
Net finance costs	**(36,462)**	**(28,985)**

Interest expenses and related costs were higher by 36% compared to 2021 as a result of the increased working capital needs, which drove average debt levels higher versus last year, and higher interest rates due the increase in EURIBOR rates, especially during the second half of the year.

In consideration of interest rate pressures mounting as monetary policies around the globe are tightening, both segments have taken measures in the derivatives markets to hedge their finance costs. The results and the valuation of these interest rate swaps are recorded within the line 'Finance costs'.

10. Earnings per share

Considering that there are neither share options, nor convertible bonds, basic and diluted earnings per share are identical and have been based on the following profit attributable to ordinary shareholders and weighted-average numbers of ordinary shares outstanding.

A. Profit attributable to the owners of the Company

Amounts in EUR thousand	For the year ended 31 December 2022	2021
Profit attributable to the owners of the Company	60,417	22,077

B. Weighted-average number of ordinary shares outstanding

The number of ordinary shares in issue for 2022 and 2021 was 190,162,681 shares. No shares were issued during 2022.

C. Earnings per share

The basic and diluted earnings per share are as follows:

In EUR per share	For the year ended 31 December 2022	2021
Basic and diluted	0.31771	0.11610

11. Employee benefits

Amounts in EUR thousand	Note	At 31 December 2022	2021
Net defined benefit liability		2,891	2,922
Liability for social security contributions	27	3,491	2,366
Total employee benefit liabilities		**6,382**	**5,288**
Non-current		*2,891*	*2,922*
Current		*3,491*	*2,366*

For details on the related employee benefit expenses, see Note 12.

A. Post-employment plans

The following post-employment plans exist:

Defined contribution plan

All the employees of the Company's subsidiaries are insured for their main pension by the respective social insurance organizations as required by the local legislation. Once the contributions have been paid, the Company's subsidiaries have no further payment obligations. The regular contributions constitute net periodic costs for the year in which they are due, and as such are included in employee benefit expenses.

Defined benefit plan

The employees of the Company's subsidiaries in Greece and Bulgaria, are entitled to receive a lump sum when they retire. This lump sum is determined in accordance with the years of service and the salary at the retirement date. This obligation meets the definition of defined benefit plans and charges the accumulated benefits through profit or loss in each period with a corresponding increase of the retirement liability. Benefits paid to pensioners during each period are charged against this liability. These plans are unfunded.

B. Movement in net defined benefit liability

The following table shows the reconciliation from the opening balance to the closing balance for net defined benefit liability and its components.

	For the year ended 31 December	
Amounts in EUR thousand	2022	2021
Balance on 1 January	**2,922**	**2,558**
Amounts included in profit or loss		
Current service cost	435	341
Past service cost	59	52
Settlement/curtailment/termination loss	443	1,730
Interest cost	6	7
	942	**2,130**
Included in OCI		
Remeasurement loss/(gain)		
Actuarial loss/(gain) arising from:		
- Demographic assumptions	-	18
- Financial assumptions	(550)	238
- Experience adjustments	126	23
	(423)	**279**
Other movements		
Benefits paid	(550)	(2,045)
Balance on 31 December	**2,891**	**2,922**

During the financial year 2022, Cenergy Holdings' companies provided EUR 550 thousand in benefit payments to employees who left the Group during the year. An additional cost that arose due to these payments (Settlement/ Curtailment/Termination loss of EUR 443 thousand) was recognized. More specifically, in the cases of dismissal, voluntary withdrawals with benefit payment and retirement, the additional cost is the difference between the benefit paid and the amount recorded in the defined benefit liability for the respective employees.

The increased benefits paid and Settlement/curtailment/termination loss during the prior year are attributed to the cost optimization initiatives in steel pipes segment concluded during the first quarter of prior year.

C. Defined benefit obligation

a) Actuarial assumptions

The following were the weighted average principal actuarial assumptions at the reporting date:

	2022	2021
Discount rate	3.66%	0.21%
Inflation	2.80%	2.10%
Future salary growth	3.05%	2.95%
Plan duration (expressed in years)	5.41	6.26

Assumptions regarding future mortality have been based on published statistics and mortality tables.

b) Expected maturity analysis

The analysis of Group's expected undiscounted benefits cash flows in the future years out of the defined benefit plan liability is as follows:

Amounts in EUR thousand	2022	2021
Up to 1 year	509	360
Between 1 and 2 years	174	155
Between 2 and 5 years	752	626
Over 5 years	2,130	1,823
Total	**3,566**	**2,964**

c) Sensitivity analysis

The sensitivity analysis for each significant actuarial assumption, which was reasonably possible, at the end of the reporting period and shows how the defined benefit obligation would have been affected by the following changes:

Amounts in EUR thousand	Increase	Decrease
Discount rate (0.5% movement)	(77)	77
Future salary growth (0.5% movement)	75	(80)

If zero withdrawal rates were used when determining the defined benefit liability on 31 December 2022, the liability would have been increased by EUR 92 thousand.

The above sensitivity analysis is based on a change in one assumption while all other assumptions remain constant. In practice, this is unlikely to occur as changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the employee benefit liability recognized on the statement of financial position. The methods and the formula of the assumptions used for the defined analysis have not changed compared to the previous year.

12. Employee benefit expenses

	For the year ended 31 December	
Amounts in EUR thousand	2022	2021
Employee remuneration & expenses	71,326	58,095
Social security expenses	12,578	9,967
Defined benefit plan	942	2,130
Other	7,527	5,538
Total	**92,373**	**75,730**

Employee benefits were allocated as follows:

Amounts in EUR thousand	For the year ended 31 December 2022	2021
Cost of goods sold	70,803	55,017
Distribution expenses	9,584	9,011
Administrative expenses	9,947	9,619
Capitalised in assets under construction	2,039	2,083
Total	**92,373**	**75,730**

The number of employees, as well as their profile and gender, employed by the Group is presented in the following tables:

	2022	2021
Number of employees	2,691	2,285

	18 - 30	30-50	51+	Total
Male	334	1,436	588	**2,358**
Female	61	202	70	**333**
Total	**395**	**1,638**	**658**	**2,691**

	Office employees & professionals	Workers	Management	Total
Number of employees	548	1,973	170	**2,691**

13. Income tax

A. Amounts recognised in profit or loss

Amounts in EUR thousand	For the year ended 31 December 2022	2021
Current tax expense	**(12,820)**	**(2,998)**
Origination and reversal of temporary differences	(1,548)	(3,879)
Change in tax rate or composition of new tax	-	2,790
Recognition of previously unrecognised tax losses, tax credit or temporary differences of a prior period	4,832	158
Derecognition of previously recognised tax losses	-	(4,505)
Deferred tax expense	**3,284**	**(5,436)**
Income Tax	**(9,536)**	**(8,434)**

B. Reconciliation of effective tax rate

Amounts in EUR thousand	For the year ended 31 December 2022	2021
Profit before tax	**69,957**	**30,513**
Tax calculated at parent company's statutory income tax rate (2022 & 2021: 25.0%)	(17,489)	(7,628)
Effect of different tax rates in jurisdictions that the Group operates	2,830	992
Tax calculated at weighted average income tax rate (2022: 21.0% & 2021: 21.7%)	**(14,659)**	**(6,636)**
Adjustments for:		
Non-deductible expenses for tax purposes	(1,329)	(1,390)
Tax-exempt income	1,496	941
Recognition of previously unrecognised tax losses, tax credit or temporary differences of a prior period	4,923	158
Current-year losses for which no deferred tax asset is recognised	(424)	(501)
Tax-exempt reserves recognition	-	660
Incremental R&D tax incentives	1,476	640
Change in tax rate or composition of new tax	-	2,790
Derecognition of previously recognised tax losses	-	(4,505)
Prior year income tax	(1,020)	(590)
Income tax expense reported in the statement of profit or loss	**(9,536)**	**(8,434)**
Effective tax rate	**(13.6%)**	**(27.6%)**

The corporate income tax rate in Belgium according to the applicable tax legislation is 25%.

The taxable profit of each subsidiary is taxed at the applicable income tax rate in the country where each subsidiary is domiciled.

According to the Greek law 4799/2021, enacted in May 2021, the corporate income tax rate for legal entities in Greece, where most of Cenergy Holdings' subsidiaries are located, for the fiscal year 2021 and onwards is set at 22%. The corporate income tax rate of legal entities in Romania is set at 16% and in the USA the federal corporate income tax rate is set at 21%.

The effective income tax rate of the Group was influenced by the recognition of previously unrecognised deferred tax asset on prior years' tax losses carried forward, as the current assessment regarding the recoverability of available tax losses to offset future taxable income in steel pipes segment led to the recognition of deferred tax asset of EUR 4.6 million.

Based on applicable Greek tax legislation, research and development (R&D) expenditure, including the tax depreciation costs of equipment and instruments used in R&D activities, may be deducted from gross income of a company with increased deduction rates. Specifically, R&D expenditure in Greece may be deducted from gross income when incurred at a rate of 200% from 1 September 2020 and onwards. The subsidiaries of Cenergy Holdings in Greece make use of the above tax provisions and the estimate regarding the related tax benefit is presented in the line "Incremental R&D tax incentives" of the table above.

C. Movement in deferred tax balances

The movement in deferred tax assets and liabilities during the year is as follows:

2022					Change in tax rate			Balance at 31 December	
Amounts in EUR thousand	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Foreign exchange differences	Effect recognised in profit or loss	Effect recognised in OCI	Net balance on 31 December	Deferred tax assets	Deferred tax liabilities
Property, plant & equipment	(34,227)	(3,422)	-	-	-	-	**(37,648)**	4	(37,652)
Right of use assets	4	(10)	-	-	-	-	**(5)**	9	(15)
Intangible assets	(1,922)	(126)	-	-	-	-	**(2,048)**	103	(2,150)
Investment property	71	-	-	-	-	-	**71**	71	-
Inventories	79	21	-	-	-	-	**100**	100	-
Contracts with customers	(13,064)	(5,485)	-	-	-	-	**(18,549)**	-	(18,549)
Derivatives	462	(1,060)	(684)	-	-	-	**(1,282)**	29	(1,310)
Loans and borrowings	(1,311)	541	-	-	-	-	**(770)**	172	(941)
Employee benefits	668	87	(94)	-	-	-	**660**	660	-
Provisions	3,056	(644)	-	183	-	-	**2,594**	2,594	-
Other items	(637)	555	-	(18)	-	-	**(100)**	592	(692)
Carry forward tax loss	405	11,163	-	3	-	-	**11,570**	11,570	-
Thin-cap interest	11,266	1,664	-	-	-	-	**12,930**	12,930	-
Tax assets / (liabilities) before set-off	**(35,148)**	**3,284**	**(778)**	**168**	**-**	**-**	**(32,475)**	**28,834**	**(61,309)**
Set-off tax								*(25,991)*	*25,991*
Net tax assets / (liabilities)	**(35,148)**	**3,284**	**(778)**	**168**	**-**	**-**	**(32,475)**	**2,843**	**(35,318)**

The movement in deferred tax assets and liabilities during the prior year is as follows:

2021					Change in tax rate			Balance at 31 December	
Amounts in EUR thousand	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Foreign exchange differences	Effect recognised in profit or loss	Effect recognised in OCI	Net balance on 31 December	Deferred tax assets	Deferred tax liabilities
Property, plant & equipment	(33,391)	(3,792)	-	2	2,954	-	**(34,227)**	4	(34,230)
Right of use assets	4	1	-	-	(1)	-	**4**	9	(5)
Intangible assets	(1,934)	(162)	-	-	174	-	**(1,922)**	229	(2,150)
Investment property	71	-	-	-	-	-	**71**	71	-
Inventories	73	12	-	-	(6)	-	**79**	79	-
Contracts with customers	(11,423)	(2,523)	-	-	881	-	**(13,064)**	-	(13,064)
Derivatives	466	48	12	-	5	(70)	**462**	462	-
Loans and borrowings	(1,968)	505	-	-	152	-	**(1,311)**	-	(1,311)
Employee benefits	610	64	(148)	-	(49)	191	**668**	668	-
Provisions	313	2,777	-	(4)	(30)	-	**3,056**	3,056	-
Other items	(375)	(262)	-	(12)	13	-	**(637)**	298	(935)
Carry forward tax loss	5,265	(4,599)	-	2	(263)	-	**405**	405	-
Thin-cap interest	12,603	(295)	-	(2)	(1,040)	-	**11,266**	11,266	-
Tax assets / (liabilities) before set-off	**(29,684)**	**(8,225)**	**(135)**	**(14)**	**2,790**	**121**	**(35,148)**	**16,547**	**(51,695)**
Set-off tax								(13,314)	13,314
Net tax assets / (liabilities)	**(29,684)**	**(8,225)**	**(135)**	**(14)**	**2,790**	**121**	**(35,148)**	**3,233**	**(38,382)**

On 31 December 2022, the accumulated tax losses carried forward available for future use amounted to EUR 61.3 million. Cenergy Holdings' companies have recognised a deferred tax asset on tax losses of EUR 52.6 million because management considered it probable that future taxable profits would be available against which such tax losses can be used during the next five years. Deferred tax asset on tax losses of EUR 7.9 million relates to steel pipes segment, while the respective amount for cables segment is EUR 3.7 million.

Based on management's estimates regarding the future taxable profits and the utilization period of tax losses according to applicable tax legislation deferred tax assets have not been recognised in respect of tax losses carried forward for an amount of EUR 8.7 million with expiration date during the period 2023 to 2027. Such tax losses for which deferred tax assets have not been recognised mainly concern the parent holdings company.

According to the provisions of articles 49 and 72 of the Greek Law 4172/2013 concerning thin capitalization, net interest expense is deductible from current year's tax profits, if it is equal or less than 30% of EBITDA and any excess can be settled with future tax profits without time limitations. Similar thin capitalization rules apply to the tax deductibility of interest in Romania. Specifically, net interest cost higher than the deductible limit of EUR 200 thousand is deductible only up to 10% of EBITDA. The excess net interest costs are non-deductible in the relevant tax period and may be carried forward to an unlimited number of tax years. During 2022, deferred tax asset recognised due to thin capitalization rules increased by EUR 1.7 million.

14. Inventories

	At 31 December	
Amounts in EUR thousand	**2022**	**2021**
Finished goods and merchandise	94,727	78,227
Semi-finished goods	73,835	53,366
Raw and auxiliary materials	317,832	137,875
Consumables	4,239	2,823
Packaging materials	5,732	2,622
Spare parts	11,179	9,112
Total	**507,545**	**284,025**

On 31 December 2022, Inventories are increased by EUR 223.5 million compared to 31 December 2021. This increase is mainly attributed to the increased raw materials needs for the execution of steel pipes projects, along with the increase in inventories volumes of cables segment attributed to the increased activity and the higher raw materials prices noticed throughout 2022 compared to 2021 (indicatively the average Copper LME price increased during 2022 by +5.7%, from 7,881 EUR/ton to 8,334 EUR/ton, and the corresponding average Aluminium LME price went up during 2022 by +21.8%, from 2,101 EUR/ton to 2,559 EUR/ton.

In 2022, the amount of inventories recognised as expense during the period and included in "Cost of sales" was EUR 967.7 million (2021: EUR 721.7 million).

Inventories have been reduced by EUR 438 thousand in 2022 because of the write-down to net realizable value (2021: EUR 333 thousand).

There are no inventories pledged as security for borrowings received by Cenergy Holdings' companies.

15. Trade and other receivables

Amounts in EUR thousand	Note	On 31 December 2022	2021
Current assets			
Trade receivables		142,098	96,262
Less: Impairment losses	30.C.1	(27,128)	(25,534)
		114,970	**70,728**
Other down payments		3,178	624
Cheques and notes receivables		194	390
Receivables from related entities	35	24,290	31,445
VAT & other tax receivables		11,610	14,476
Other receivables		18,910	4,716
Other debtors		20,034	10,158
Less: Impairment losses	30.C.1	(417)	(497)
		77,798	**61,312**
Total		**192,769**	**132,040**
Non-current assets			
Non-current receivables from related parties		395	208
Other non-current receivables		832	968
Total		**1,227**	**1,177**

A. Transfer of trade receivables

The carrying amount of receivables includes amounts that are subject to factoring arrangements. The subsidiaries Cenergy Holdings enter into factoring agreements with recourse to sell trade receivables for cash proceeds. These trade receivables are not being derecognised from the Consolidated Statement of Financial Position, because substantially all the risk - primarily credit risk - and rewards are retained within the Group. The amount received on transfer by the factor is recognised as a secured bank loan.

The following information shows the carrying amount of trade receivables at the year-end that have been transferred but have not been derecognised and the associated liabilities.

Amounts in EUR thousand	At 31 December 2022	2021
Carrying amount of trade receivables transferred	16,265	8,812
Carrying amount of associated liabilities	14,638	7,931

The fair value of the trade receivables transferred approximate the carrying amount.

On 31 December 2022 and 2021, Cenergy Holdings had not used the total amount of credit line available by the factoring companies.

B. Credit and market risks and impairment losses on trade receivables

During 2010, the subsidiary Corinth Pipeworks SA initiated in Greece and Dubai legal actions against a former customer in the Middle East regarding the recovery of an overdue receivable of USD 24.8 million (EUR 23.3 million on 31 December 2022), plus legal interest.

Following a series of court proceedings, the Dubai Court of Cassation issued its final judgment, during 2017, and ruled to reject any counterclaim of the former customer and to confirm the amount due to Corinth Pipeworks.

In order to recover this long overdue balance, Corinth Pipeworks has initiated the enforcement procedures against the assets of the former customer that are located within any of the countries, where the Court of Cassation judgment issued against the former customer is enforceable (i.e., UAE and various other countries in the Middle East). There were no other substantial developments during 2022.

Corinth Pipeworks had recorded in the past an impairment loss for the whole outstanding amount, i.e., USD 24.8 million. However, the subsidiary will continue any and all actions required to collect the full amount of that receivable.

Information about Cenergy Holdings' exposure to credit and market risks and impairment losses for trade and other receivables is included in Note 29.C.1.

16. Cash and cash equivalents

	At 31 December	
Amounts in EUR thousand	2022	2021
Cash in hand and cash in bank	32	6
Short-term bank deposits	167,127	129,600
Total	**167,160**	**129,606**

Short term deposits have duration of less than 90 days and are available for use.

17. Property, plant and equipment

A. Reconciliation of carrying amount

Amounts in EUR thousand	Land, plants & other buildings	Machinery	Furniture and other equipment	Assets under construction	Total
Cost					
Balance on 1 January 2021	177,222	539,713	25,564	51,553	**794,052**
Effect of movement in exchange rates	(321)	(757)	(47)	(22)	**(1,147)**
Additions	596	7,475	2,298	30,762	**41,130**
Disposals	(625)	(352)	(187)	(18)	**(1,183)**
Write-offs	-	(340)	(31)	-	**(371)**
Other reclassifications	15,463	35,296	587	(51,444)	**(99)**
Balance on 31 December 2021	**192,335**	**581,034**	**28,184**	**30,831**	**832,383**
Balance on 1 January 2022	192,335	581,034	28,184	30,831	**832,383**
Effect of movement in exchange rates	1	4	6	(96)	**(84)**
Additions	17,146	6,322	1,478	50,985	**75,932**
Disposals	-	(9)	(23)	-	**(32)**
Write-offs	(5)	(1,484)	(188)	-	**(1,677)**
Other reclassifications	2,404	12,556	520	(17,215)	**(1,735)**
Balance on 31 December 2022	**211,881**	**598,424**	**29,977**	**64,506**	**904,788**

Amounts in EUR thousand	Land, plants & other buildings	Machinery	Furniture and other equipment	Assets under construction	Total
Accumulated depreciation and impairment losses					
Balance on 1 January 2021	(68,821)	(249,778)	(17,516)	-	**(336,115)**
Effect of movement in exchange rates	224	487	37	-	**748**
Depreciation	(3,238)	(16,077)	(1,808)	-	**(21,122)**
Disposals	622	298	185	-	**1,105**
Write-offs	-	340	16	-	**356**
Other reclassifications	-	(872)	(25)	-	**(898)**
Balance on 31 December 2021	**(71,213)**	**(265,602)**	**(19,111)**	**-**	**(355,925)**
Balance on 1 January 2022	(71,213)	(265,602)	(19,111)	-	**(355,925)**
Effect of movement in exchange rates	(1)	(22)	(4)	-	**(27)**
Depreciation	(3,489)	(17,528)	(2,024)	-	**(23,041)**
Disposals	-	9	17	-	**26**
Write-offs	5	1,431	187	-	**1,623**
Other reclassifications	8	(70)	(5)	-	**(66)**
Impairment loss	-	(1,222)	-	-	**(1,222)**
Balance on 31 December 2022	**(74,690)**	**(283,003)**	**(20,940)**	**-**	**(378,632)**
Carrying amounts					
On 1 January 2021	108,401	289,935	8,048	51,553	**457,937**
On 31 December 2021	**121,122**	**315,432**	**9,073**	**30,831**	**476,458**
On 31 December 2022	**137,192**	**315,421**	**9,038**	**64,506**	**526,156**

The net amount in other reclassifications concerns intangible assets under construction reclassified during the year to intangible assets and reclassifications from Right of Use assets.

B. Security

Property, plant & equipment with a carrying amount of EUR 49 million are mortgaged as security for borrowings received by Cenergy Holdings (see Note 26).

C. Property, plant and equipment under construction

The most important items in property, plant and equipment under construction on 31 December 2022 concern mainly ongoing investments in the Corinth plant of the cables segment, a capital expenditure of EUR 6.0 million to support the construction of a submarine cables factory in the USA and certain productivity and capacity improvement investments in the Thisvi plant of the steel pipes segment. Most such capital expenditure projects, excluding the construction of a submarine cables factory in the USA, are expected to be completed during 2023.

The amount of EUR 17.2 million reclassified from assets under construction in 2022 relates to selective improvements in the Thisvi, Greece plant of steel pipes segment (EUR 6.6 million) and investments of EUR 10.6 million that were concluded in cables production units.

Borrowing costs of EUR 344 thousand related to the acquisition of new machinery were capitalised, calculated using a capitalisation rate of 4.08%.

D. Impairment loss

In 2022, the impairment loss of EUR 1,222 thousand represented the write-down of certain machinery in cables segment to the recoverable amount as a result of technological obsolescence and retirement from the operations of the segment. This was recognised in the statement of profit or loss as 'Other expenses'. The recoverable amount of such machinery was set equal to scrap value.

18. Leases

A. Amounts recognised in the Consolidated Statement of Financial Position

The Consolidated Statement of Financial Position shows the following amounts relating to leases:

		At 31 December	
Amounts in EUR thousand	Note	2022	2021
Right-of-use assets			
Buildings		358	408
Machinery		578	598
Transportation means		2,731	2,347
Other equipment		97	116
Total		**3,764**	**3,469**
Lease liabilities			
Current lease liabilities	26	1,224	1,216
Non-current lease liabilities	26	2,233	2,080
Total		**3,457**	**3,296**

B. Reconciliation of carrying amount of Right-of-use assets

Amounts in EUR thousand	2022	2021
Balance on 1 January	3,469	5,598
Effect of movement in exchange rates	29	6
Additions	1,597	909
Terminations	(194)	(176)
Modifications	29	-
Depreciation	(1,221)	(1,490)
Other reclassifications	54	(1,377)
Balance on 31 December	**3,764**	**3,469**

C. Amounts recognised in the Consolidated Statement of Profit or Loss

The Consolidated Statement of Profit or Loss shows the following amounts relating to leases:

Amounts in EUR thousand	2022	2021
Depreciation charge of right-of-use assets		
Buildings	76	68
Machinery	51	252
Transportation means	1,029	1,107
Other equipment	64	63
Total	**1,221**	**1,490**
Interest expense (included in finance cost)	226	207
Variable rental fees	274	123
Low value rental fees	275	190
Short term rental fees	2,865	1,680

19. Intangible assets

A. Reconciliation of carrying amount

Amounts in EUR thousand	Development costs	Trademarks and licenses	Software	Other	Total
Cost					
Balance on 1 January 2021	1,575	30,189	16,512	303	**48,578**
Effect of movement in exchange rates	-	-	(83)	-	**(83)**
Additions	-	1,446	1,962	-	**3,408**
Other reclassifications	(1,200)	1,610	1,697	-	**2,107**
Balance on 31 December 2021	**374**	**33,245**	**20,087**	**303**	**54,010**
Balance on 1 January 2022	374	33,245	20,087	303	**54,010**
Effect of movement in exchange rates	-	-	2	-	**2**
Additions	-	1,479	1,597	-	**3,077**
Other reclassifications	-	386	1,361	-	**1,747**
Balance on 31 December 2022	**374**	**35,111**	**23,048**	**303**	**58,836**

Amounts in EUR thousand	Development costs	Trademarks and licenses	Software	Other	Total
Accumulated amortisation and impairment losses					
Balance on 1 January 2021	(902)	(7,616)	(10,514)	(224)	**(19,256)**
Effect of movement in exchange rates	-	-	55	-	**55**
Amortisation	(80)	(1,962)	(1,766)	(13)	**(3,821)**
Other reclassifications	608	-	(341)	-	**267**
Balance on 31 December 2021	**(374)**	**(9,578)**	**(12,566)**	**(237)**	**(22,755)**
Balance on 1 January 2022	(374)	(9,578)	(12,566)	(237)	**(22,755)**
Effect of movement in exchange rates	-	-	-	-	**-**
Amortisation	-	(2,217)	(1,894)	(13)	**(4,123)**
Balance on 31 December 2022	**(374)**	**(11,795)**	**(14,461)**	**(250)**	**(26,879)**
Carrying amounts					
On 1 January 2021	673	22,574	5,997	79	**29,323**
On 31 December 2021	**-**	**23,667**	**7,521**	**66**	**31,254**
On 31 December 2022	**-**	**23,316**	**8,588**	**53**	**31,957**

B. Amortisation

The amortization of trademarks & licenses with finite useful lives, software programs and other intangible assets is allocated to the cost of inventory and is included in "cost of sales" as inventory is sold, as trademarks & licenses and software programs are mainly used directly to produce products, and they are considered as production overheads. The amortization of intangible assets not used for production is allocated to administrative expenses.

C. Intangible assets with indefinite useful lives

All intangible assets have finite useful life, except for the following assets, included in trademarks and licenses:

a. Trade name "Fulgor" (carrying amount of EUR 1.4 million on 31 December 2022)

It relates to the sector of medium voltage submarine cables and underground high voltage cables that Fulgor was operating prior to its acquisition by Hellenic Cables in 2011 and which has revealed significant economic benefits.

Based on the analysis of relevant factors (e.g., knowledge, no longstanding engagement with a wide range of clientele, future development of the sector), the useful life of the brand was considered indefinite.

b. License of port use in Soussaki, Corinth (carrying amount of EUR 8.3 million on 31 December 2022)

Fulgor holds a license for permanent and exclusive use of a port located in the premises of the factory in Soussaki, Corinth. The port is necessary for the production and transportation of submarine cables of medium and high voltage. Since the acquisition of the subsidiary, significant investments for the upgrade and expansion of production capacity of medium and high-voltage submarine cables took place. The useful life of the asset is considered indefinite since the right of use of these port facilities is for an indefinite period.

D. Impairment test

As these intangible assets do not generate independent cash inflows, it was considered appropriate to carry out the impairment test on the basis of the Cash Generating Unit (CGU) of Fulgor submarine cables production plant, which incorporates these assets. To evaluate the value in use, cash flow projections based on estimates by management covering a five-year period (2023 – 2027) were used. These estimates take into consideration the contracts already signed, as well as contracts estimated to be awarded in Greece and abroad.

The submarine cables CGU operates as a project-based business. Therefore, assumptions related to revenue and profitability growth are based on the contracts already signed, as well as those estimated to be undertaken in the forthcoming period. The main assumptions regarding the operations of submarine cables CGU and the projects to be executed within the five-year period are:

- Progressively high-capacity utilization of Corinth plant owned by Fulgor, as the one observed during the last 3 years, based on contracts already awarded and those expected given the tendering activity. Given the existing backlog and the growth of renewables business around the world, which is a significant driver in the attractive outlook for the offshore power generation market, the continuously high level of activity is expected to be retained throughout the period 2023-2027.
- Capital expenditure of approx. EUR 189 million in the following 5 years, to cover estimated production and capacity needs. Capital expenditure reflects investments for maintenance as well as organic growth. For the terminal period, investments are set equal to depreciation.
- The compound annual growth rate of revenue from offshore business for the five-year period is set to ca. 24% attributable to the assignment of new projects mainly in Greece, North Europe and the USA.
- The EBITDA margin per offshore project is assumed in the range of 15%-25% of revenue. Estimated profitability per project varies due to different types of cables required, technical specifications, geographic region and the project's timeframe.
- The compound annual growth rate of fixed operating expenses is assumed equal to ca. 4.8% for the five-year period.

Cash flows after the first five years were calculated using an estimated long term growth rate of 1.52%, which mainly reflects management's estimates for the world economy as well as long-term growth prospects of the offshore cable sector. The pre-tax rate used to discount these cash flows was 12.02%, based on the following assumptions:

- The risk-free rate was based on AAA European bond yields.
- The country risk calculations were based on the expected future sales mix and the fact that the business unit is based in Greece.
- The market risk premium was assumed equal to 6.21%., i.e., higher than the one used in last year's impairment test, as market conditions have worsened.

Commodity prices for copper and aluminium are intrinsically part of the impairment test assumptions; the metal price hedging activities undertaken, though, and the customized nature of the products sold by Fulgor, suggest that the value of the business unit is not significantly affected by fluctuations in commodity prices. Hence, a neutral result from metal price fluctuations is assumed in the context of the impairment test.

The results of this test indicated that the recoverable amount on 31 December 2022 exceeds the carrying amount of the CGU (equal to EUR 283 million) by EUR 688 million.

A sensitivity analysis was carried out on the key assumptions of the model (discount rates and growth in perpetuity), to examine the adequacy of the above headroom. Sensitivity analysis results indicated that the recoverable amount is comfortably exceeds the carrying value of the CGU. Assumptions may change as follows so as the recoverable amount equals the carrying amount:

	Assumptions used	Change in rates (percentage points change)
Discount rate	*12.02 %*	*+ 14.5 ppc*
Growth in perpetuity	*1.52 %*	*- 118.0 ppc*

20. Investment property

A. Reconciliation of carrying amount

Amounts in EUR thousand	2022	2021
Balance on 1 January	764	764
Disposal	(609)	-
Balance on 31 December	**155**	**764**
Gross carrying amount	571	1,348
Accumulated depreciation and impairment losses	(416)	(584)
Carrying amount on 31 December	**155**	**764**

Investment property on 31 December 2022 consists of several land properties in Greece. None of these is currently leased. These properties are not currently used by Cenergy Holdings and are held either for capital appreciation or to be leased in the foreseeable future.

During 2022, a land property with carrying amount of EUR 609 thousand along with associated rights of EUR 151 thousand (recorded in the line long term 'Trade and other receivables') was sold to a third party. The proceeds from this disposal amounted to EUR 1.1 million.

B. Measurement of fair value – Impairment loss and subsequent reversal

Based on management's assessment, during the current period, there were no indications for impairment or reversal of impairment for any property. The fair value of investment property amounts to EUR 195 thousand on 31 December 2022, while the accumulated impairment loss amounts to EUR 416 thousand. The inputs used for fair value measurement of investment property have been categorised Level 2, based on the inputs to the valuation techniques used.

C. Restrictions - Contractual obligations

There are neither restrictions nor contractual obligations.

21. Equity-accounted investees

A. Reconciliation of carrying amount

Amounts in EUR thousand	2022	2021
Balance on 1 January	**36,431**	**34,539**
Share in profit after taxes	6,059	1,855
Share in other comprehensive income	(133)	(94)
Disposals	(2,358)	-
Dividends received	(282)	(656)
Foreign exchange differences	1,241	786
Balance on 31 December	**40,959**	**36,431**

In the prior year, the Group - through CPW America - held a 19.4% interest in Bellville Tube Company and accounted for the investment as an associate. In August 2022, the Group disposed its interest in Bellville Tube Company for proceeds of USD 3.3 million, receivable in monthly instalments. The disposal price was according to the initial purchase agreement, which prescribed that CPW America had the option, during the period 2022-2025 to require Bellville Tube Company to redeem all, but not less than all, of the shares of Bellville Tube Company then held by CPW America. The aggregate purchase price for the redeemed shares was set equal to USD 3.3 million, i.e., the amount initially disbursed for the purchase of the interest in Bellville Tube Company. This transaction has also resulted in the derecognition of the related options previously recognised on the statement of financial position. The amount recognised as loss in the consolidated statement of profit or loss is calculated as follows:

Amounts in EUR thousand	
Disposal price	3,241
Less:	
Carrying amount of investment on the date of disposal	(2,358)
Carrying amount of options on the date of disposal	(1,040)
Loss recognised from disposal of associate	**(156)**

B. Financial information per associate

The following tables present financial information per associate. The disclosed financial information reflects amounts in the financial statements of the relevant associates.

2022 Company Amounts in EUR thousand	Principal place of business	Revenue	Profit from continuing operations	Total comprehensive income	Ownership interest
STEELMET S.A.	Greece	52,518	1,861	1,779	29.56%
DIA.VIPE.THIV. S.A.	Greece	2,781	95	94	26.19%
AO TMK-CPW	Russia	95,246	7,287	7,287	49.00%
INTERNATIONAL TRADE S.A.	Belgium	1,724,169	6,600	6,071	20.50%

Company Amounts in EUR thousand	Segment	Current assets	Non-current assets	Current liabilities	Non-current liabilities
STEELMET S.A.	Other activities	13,191	5,388	13,373	2,619
DIA.VIPE.THIV. S.A.	Steel Pipes	2,966	11,846	891	8,172
AO TMK-CPW	Steel Pipes	69,910	5,252	42,498	87
INTERNATIONAL TRADE S.A.	Other activities	149,577	8,247	103,172	6,032

2021

Company Amounts in EUR thousand	Principal place of business	Revenue	Profit / (Loss) from continuing operations	Total comprehensive income	Ownership interest
STEELMET S.A.	Greece	39,478	825	713	29.56%
DIA.VIPE.THIV. S.A.	Greece	2,447	127	131	26.19%
AO TMK-CPW	Russia	70,009	1,910	1,910	49.00%
INTERNATIONAL TRADE S.A.	Belgium	1,438,330	5,816	5,516	20.50%
BELLVILLE TUBE COMPANY	USA	20,238	(2,837)	(2,837)	19.40%

Company Amounts in EUR thousand	Segment	Current assets	Non-current assets	Current liabilities	Non-current liabilities
STEELMET S.A.	Other activities	7,847	3,561	7,937	1,710
DIA.VIPE.THIV. S.A.	Steel Pipes	1,968	12,070	193	8,191
AO TMK-CPW	Steel Pipes	64,836	5,004	46,926	23
INTERNATIONAL TRADE S.A.	Other activities	187,131	7,681	145,803	6,461
BELLVILLE TUBE COMPANY	Steel Pipes	422	13,744	3,988	3,418

The following table analyses the interest in AO TMK-CPW and other significant associates:

Amounts in EUR thousand	2022	2021
Net assets of AO TMK-CPW on 1 January (100%)	22,891	20,336
Total comprehensive income of AO TMK-CPW (100%)	7,287	1,910
Foreign exchange differences (100%)	2,399	1,493
Dividends (100%)	-	(849)
Net assets of AO TMK-CPW on 31 December (100%)	**32,577**	**22,891**
Carrying amount of interest in AO TMK-CPW on 31 December (49%)	**11,216**	**11,216**
Carrying amount of interest in International Trade	22,726	21,481
Carrying amount of interest in Bellville Tube Company	-	1,732
Carrying amount of interest in other individually immaterial associates	2,270	2,002
Total	**40,959**	**36,431**

Since AO TMK-CPW is based on Russia, there are restrictions on the ability of the associate to transfer funds to the Company and its subsidiaries in the form of cash dividends, due to the counter sanctions set by the Russian Federation.

Russian legislation put in place since May 2022 restrict the payments of amounts in excess of ca. €150,000 to EU residents as a response to the EU imposed sanctions against Russia. Although these restrictions are stated to be temporary, to avoid any potential loss of income, Humbel Ltd (the owner of 49% of the shares in the AO TMK-CPW) has asked AO TMK-CPW to postpone the payment of any dividends, until further notice. Therefore, during 2022, there were no transactions between AO TMK-CPW and the Group.

There are no other restrictions on the ability of associates to transfer funds to the Company or its subsidiaries in the form of cash dividends, or to repay loans or advances made by the Company.

There is no unrecognised share of losses of an associate, both for the reporting period and cumulatively.

22. Other investments

Amounts in EUR thousand	2022	2021
Balance on 1 January	5,812	5,657
Additions	-	-
Change in fair value	496	156
Disposals	-	-
Balance on 31 December	**6,308**	**5,812**

Other investments are equity investments at FVOCI and concern unlisted shares (equity instruments) of Greek entities.

23. Derivatives

The following table sets out the carrying amount of derivatives:

	At 31 December	
Amounts in EUR thousand	2022	2021
Non-Current assets		
Interest rate swap contracts	3,368	-
Forward foreign exchange contracts	3,624	-
Options	-	944
Total	**6,992**	**944**
Current assets		
Forward foreign exchange contracts	9,157	536
Future contracts	463	-
Total	**9,620**	**536**
Current liabilities		
Forward foreign exchange contracts	9,833	1,397
Future contracts	956	1,199
Total	**10,790**	**2,596**

Derivatives not designated as hedging instruments

Weighing up the possible effects of monetary policy tightening in the EU and the USA observed during the first semester of 2022 and to offset the potential impact on finance costs due to increasing interest rates, Cenergy Holdings companies decided in Q2 2022 to start using interest rate swaps.

Variable rate loans and borrowings expose Cenergy Holdings companies to a rate volatility risk (cash flow risk). In order to hedge it, interest rate swaps are used to effectively transform the variable interest rate of the loan into a fixed one, thus reducing such volatility risk. Interest rate swap contracts involve exchanging, on specified dates cash amounts equal to the difference between a contracted fixed interest rate calculated on a principal and a variable rate calculated on the same principal. By carefully choosing the variable rate and the principal of the swap, one actually transforms a floating rate loan into a fixed rate one.

During H1 2022, both segments entered swap agreements on a total notional value of EUR 80 million to counterbalance potential higher future interest costs on their loans. All those swaps have an initial term of 7 years. These actions are in line with the related policy of Cenergy Holdings' companies aiming to ensure that a portion of their loans and borrowings are at fixed rates.

The fair value of an interest rate swap at the reporting date is determined by discounting its future cash flows using term structure of interest rates at the reporting date and the credit risk inherent in the swap contract, if any. The interest rate swap contracts are entered into for periods consistent with the exposure of the underlying debt instruments but are not designated as cash flow hedges since the timing and amount terms involved in the swap contracts do not exactly match those of the underlying debt instruments; therefore, a hedging relationship as described in IFRS is not established. Consequently, the valuation of such interest rate swap contracts is included in the consolidated statement of profit or loss in the line 'Finance costs'.

Hedge accounting

Cenergy Holdings' companies hold derivative financial instruments for cash flow and fair value hedges.

The abovementioned derivative financial instruments cover risks from:

- Changes in the prices of metals listed in LME.
- Fluctuations of foreign exchange rates.

The maturity and the nominal value of derivatives held by Cenergy Holdings' companies, in principle, match the maturity and nominal value of the underlying assets / liabilities (hedged items).

Derivatives held by Cenergy Holdings' companies concern mainly:

- Future contracts to hedge the risk from the change of the price of metals listed in LME (London Metal Exchange) and used in production of Cenergy Holdings' companies in the cables segment (i.e., mainly copper and aluminium). Such hedges are designated as cash flow hedges.
- Foreign exchange forwards to hedge the risk from the change in exchange rate of US Dollar and British Pound (i.e., currencies to which Cenergy Holdings' companies are mainly exposed). Such hedges are either designated as fair value or cash flow hedges depending on the item hedged. Foreign exchange forwards, when used for hedging foreign exchange risk on outstanding receivables and payables denominated in foreign currency are designated as fair value hedges. Foreign exchange forwards, when used for hedging foreign exchange risk on the forecasted sales of goods or purchase of materials, are designated as cash flow hedges.

Derivatives are recognised when Cenergy Holdings' companies enter into the transaction in order to hedge the fair value of receivables, liabilities or commitments (fair value hedges) or highly probable transactions (cash flow hedges).

Fair value hedges

Derivatives are designated as fair value hedges when the exposure to changes in the fair value of a recognized financial asset or liability is hedged. Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the Consolidated Statement of Profit or Loss, along with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Cash flow hedges

The effective portion of change in fair value of derivatives designated as a cash flow hedge is recognised in other comprehensive income (OCI), under "Hedging Reserve". The gain or loss on the non-effective proportion is recorded to the profit or loss.

The amounts recorded in "Hedging Reserve" are reclassified to the Consolidated Statement of Profit or Loss of the period when the event hedged occurs, i.e. at the date when the forecasted transaction which constitutes the object of the hedge took place or the hedged item affects profit and loss (for example, in case of a forward sale of aluminium, the reserve is recognised in Consolidated Statement of Profit or Loss after the net cash settlement of future contract and at the date the aluminium sold).

When a hedge item is sold or when the hedging proportion no longer meets the hedge accounting criteria, hedge accounting is discontinued prospectively, the amounts recorded in "Hedging reserve" remain as a reserve and are reclassified to the Consolidated Statement of Profit or Loss when the hedged asset affects profits or losses. In the case of a hedge on a forecast future transaction, which is no longer expected to be realized, the amounts recorded in "Hedging reserve" are reclassified to the consolidated statement of profit or loss.

The change in fair value recognized in equity under cash flow hedging on 31 December 2022 will be recycled to the consolidated statement of profit or loss during 2023 and the long term portion during 2024, in accordance with the maturity date of the derivatives used, when the hedged events are expected to occur (the forecasted transactions will take place or the hedged items will affect profit or loss).

Cenergy Holdings' companies examine the effectiveness of the cash flow hedge at inception (prospectively) by comparing the critical terms of the hedging instrument with the critical terms of the hedged item, and then at every reporting date (retrospectively) the effectiveness of the cash flow hedge by applying the dollar offset method on a cumulative basis is examined.

Cenergy Holdings' companies' results from the hedging activities recorded in the statement of profit or loss are presented for metal future contracts and foreign exchange contracts in "Revenue" and "Cost of sales".

The amounts recognized in the consolidated statement of profit or loss are the following:

	For the year ended 31 December	
Amounts in EUR thousand	2022	2021
Gain on interest rate swaps	3,368	-
Gain / (loss) on future contracts	1,934	(14,166)
Gain / (loss) on foreign exchange forward contracts	7,579	(189)
Total	**12,881**	**(14,355)**

The valuation of future contracts used for cash flow hedging and recognized in other comprehensive income (Hedging reserve) on 31 December 2022 will be recognized in profit or loss during the next financial year, while the valuation of foreign exchange forward contracts will be recycled to the consolidated statement of profit or loss during 2023 and 2024, in accordance with the maturity date of the derivatives used.

24. Capital and reserves

A. Share capital and share premium

The outstanding share capital and number of shares of the Company are as follows:

- Total outstanding share capital: EUR 117,892,172.38; and
- Total number of shares: 190,162,681.

The shares of the Company have no nominal value. Holders of shares are entitled to one vote per share at the shareholders meetings of the Company.

Share premium of the Company amounts to EUR 58,600 thousand.

B. Nature and purpose of reserves

a) Statutory reserve

Pursuant to the Belgian tax legislation, the companies are obliged, from their fiscal year profits, to form 5% as a legal reserve until it reaches 10% of their paid share capital. The distribution of the legal reserve is prohibited.

Pursuant to Greek company law, the companies are obliged to allocate each year at least 5% of its annual net profits to its statutory reserve, until this reserve equals at least 1/3 of the company's share capital. The distribution of the statutory reserve is prohibited but it can be used to offset losses.

b) Hedging reserve

The hedging reserve includes the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss.

c) FVOCI reserve

This category relates to reserves formed by the application of the provisions of IFRS 9 regarding the treatment of other investments classified as FVOCI.

d) Special reserves

This category relates to reserves formed by the application of the provisions of certain developmental laws, which were granting tax benefits to companies that invested their retained earnings rather than distribute them to the shareholders. More specifically, the aforementioned reserves either have exhausted their income tax liability or have been permanently exempted from income tax, after the lapse of a specified period beginning from the completion of the investments they concern.

e) Tax exempt reserves

This category relates to reserves formed by the application of the provisions of certain tax laws and are exempt from income tax, provided that they are not distributed to the shareholders. In case these reserves are distributed, they will be taxed using the tax rate applying at such time.

f) Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

C. Reconciliation of reserves

Amounts in EUR thousand	Statutory reserve	Hedging reserve	FVOCI reserve	Special reserves	Tax exempt reserves	Translation reserve	Total
Balance on 1 January 2021	**7,712**	**(1,630)**	**640**	**9,263**	**36,318**	**(21,876)**	**30,427**
Other comprehensive income, net of tax	-	107	156	-	-	643	**906**
Transfer of reserves	1,107	-	-	-	660	-	**1,767**
Acquisition of non-controlling interests	17	3	-	-	38	(100)	**(41)**
Balance on 31 December 2021	**8,836**	**(1,519)**	**796**	**9,263**	**37,016**	**(21,333)**	**33,059**
Balance on 1 January 2022	**8,836**	**(1,519)**	**796**	**9,263**	**37,016**	**(21,333)**	**33,059**
Other comprehensive income, net of tax	-	2,380	496	-	-	597	**3,473**
Transfer of reserves	1,968	-	-	-	(660)	-	**1,308**
Balance on 31 December 2022	**10,803**	**860**	**1,291**	**9,263**	**36,356**	**(20,735)**	**37,839**

25. Capital management

Cenergy Holdings' policy consists in maintaining a strong capital structure to keep the confidence of investors, creditors and the market and enable the future development of its activities. The Board of Directors closely monitors the return on capital and the level of dividends distributed to holders of ordinary shares.

The Board of Directors tries to maintain an equilibrium between higher returns that would be feasible through higher borrowing levels and the advantages and security offered by a strong and robust capital structure. In this context, the Board of Directors monitors the Return on Capital Employed (ROCE) index defined as EBIT (result of the period (earnings after tax) before income taxes & net finance costs) divided by total Capital Employed, (i.e., equity and debt).

Amounts in EUR thousand	2022	2021
Profit for the period	60,420	22,079
Income tax	9,536	8,434
Net finance costs	36,462	28,985
EBIT	**106,418**	**59,498**
Equity	341,631	277,541
Long term debt (incl. Lease liabilities)	129,393	177,020
Short term debt (incl. Lease liabilities)	475,972	216,915
Capital employed	**946,997**	**671,477**
ROCE	**11.2%**	**8.9%**

26. Debt

A. Overview

	At 31 December	
Amounts in EUR thousand	2022	2021
Non-current liabilities		
Secured bank loans	3,530	5,791
Unsecured bank loans	-	5,219
Secured bond issues	32,427	35,698
Unsecured bond issues	91,204	128,233
Loans and borrowings - Long term	**127,161**	**174,941**
Lease liabilities - Long term	**2,233**	**2,080**
Total long term debt	**129,393**	**177,020**
Current liabilities		
Secured bank loans	8,454	5,470
Factoring with recourse	14,638	7,931
Unsecured bank loans	367,567	170,796
Current portion of secured bond issues	4,358	4,385
Current portion of unsecured bond issues	71,809	18,326
Current portion of secured bank loans	2,651	3,058
Current portion of unsecured bank loans	5,273	5,733
Loans and borrowings - Short term	**474,749**	**215,699**
Lease liabilities - Short term	**1,224**	**1,216**
Total Short term debt	**475,972**	**216,915**
Total Debt	**605,366**	**393,935**

Information about Cenergy Holdings' exposure to interest rate, foreign currency and liquidity risk is included in Note 30.

The maturities of non-current loans are as follows:

Amounts in EUR thousand	2022	2021
Between 1 and 2 years	30,673	78,110
Between 2 and 5 years	89,593	71,193
Over 5 years	9,128	27,717
Total	**129,393**	**177,020**

The effective weighted average interest rates of the main categories of loans and borrowings at the reporting date are as follows:

	31 December 2022		31 December 2021	
Amounts in EUR thousand	Carrying amount	Interest rate	Carrying amount	Interest rate
Bank lending (non-current) - EUR	3,530	2.9%	11,010	2.8%
Bank lending (current) - EUR	393,297	4.6%	190,375	3.4%
Bank lending (current) - GBP	-	-	1	3.0%
Bank lending (current) - RON	5,285	9.7%	2,613	3.8%
Bond issues - EUR	199,798	4.7%	186,641	3.8%

During 2022, Cenergy Holdings' subsidiaries obtained new bank loans amounting to EUR 245.6 million and paid back loans of EUR 38.5 million maturing within the year. New loans are mainly: (a) drawdowns from existing revolving credit lines and new ones that have similar terms and conditions; (b) project financing facilities, and (c) four new long-term loans, described below. Loans and borrowings had an average effective interest rate of 4.7% (2021: 3.6%), on the reporting date.

During 2022, the Group obtained the following long-term loans:

- the cables segment issued three bond loans of total value EUR 27 million as follows:
    - Fulgor entered an agreement with a Greek bank for a bond loan of EUR 5 million with an initial 5-year term from the date of signing.
    - Hellenic Cables entered an agreement with a major Greek bank for a 7-year bond loan of EUR 7 million to cover capital expenditure needs.
    - Hellenic Cables entered another agreement with a major Greek bank for a 7-year bond loan of EUR 15 million to cover constant working capital.
- the steel Pipes segment issued one bond loan of total value EUR 7 million:
    - Corinth Pipeworks entered an agreement with a major Greek bank for a 7-year bond loan of EUR 7 million.

All the above long term bond loans are fully drawn.

In addition, Fulgor has agreed with a major Greek bank for a bond loan of EUR 19 million with an initial 7-year term from the date of signing. On 31 December 2022, an equal amount was received by the bank as 'bridge financing' and presented as short-term loan. The bond loan agreement is expected to be signed during the first months of 2023, upon the conclusion of the relevant negotiations.

Short-term facilities are predominately revolving credit facilities, funding working capital needs, and project financing facilities for specific ongoing and new projects.

On 31 December 2022, Cenergy Holdings' consolidated current liabilities exceeded consolidated current assets by EUR 85.8 million (31 December 2021: EUR 38.2 million). Nevertheless, Cenergy Holdings' subsidiaries have never in the past experienced any issues in financing their activities, renewing their working capital lines or refinancing long-term loans and borrowings. Management expects that any mandatory repayment of banking facilities will be met with operating cash flows or from currently unutilized and committed credit lines. Regarding the funding of project-based activities, Cenergy Holdings' subsidiaries have secured the necessary funds through project finance facilities.

Mortgages in favor of banks have been recorded on property, plant and equipment of subsidiaries. The carrying amount of assets mortgaged is EUR 49 million.

In the bank loan agreements of Cenergy Holdings' companies there are clauses of change of control that provide lenders with an early redemption right.

There was no breach of covenants incident in 2022 on the loans of Cenergy Holdings' companies.

B. Reconciliation of movements of liabilities to cash flows arising from financing activities

Amounts in EUR thousand	2022 Loans & borrowings	2022 Lease liabilities	2022 Total	2021 Loans & borrowings	2021 Lease liabilities	2021 Total
Balance on 1 January	**390,640**	**3,296**	**393,935**	**406,217**	**5,433**	**411,650**
Changes from financing cash flows:						
Proceeds from new borrowings	245,631	-	**245,631**	89,315	-	**89,315**
Repayment of borrowings	(38,533)	-	**(38,533)**	(108,104)	-	**(108,104)**
Principal elements of lease payments	-	(1,299)	**(1,299)**	-	(1,747)	**(1,747)**
Total changes from financing cash flows	**207,098**	**(1,299)**	**205,799**	**(18,789)**	**(1,747)**	**(20,536)**
Other changes:						
New leases	-	1,597	**1,597**	-	909	**909**
Effect of changes in foreign exchange rates	145	25	**170**	(75)	6	**(70)**
Capitalised borrowing costs	344	-	**344**	522	-	**522**
Interest expense	19,203	226	**19,429**	16,379	207	**16,585**
Interest paid	(15,520)	(226)	**(15,746)**	(14,288)	(207)	**(14,495)**
Terminations	-	(192)	**(192)**	-	(173)	**(173)**
Modifications	-	31	**31**	-	-	**-**
Other movement	-	-	**-**	(459)	-	**(459)**
Reclassifications	-	-	**-**	1,132	(1,132)	**-**
	4,172	**1,460**	**5,632**	**3,212**	**(391)**	**2,821**
Balance on 31 December	**601,909**	**3,457**	**605,366**	**390,640**	**3,296**	**393,935**

27. Trade and other payables

Amounts in EUR thousand	Note	At 31 December 2022	At 31 December 2021
Suppliers		282,855	169,388
Notes payable		216,958	214,722
Social security contributions	11	3,491	2,366
Amounts due to related parties	35	11,578	12,525
Sundry creditors		4,059	2,932
Accrued expenses		25,731	17,990
Other taxes		4,611	2,699
Total		**549,283**	**422,622**

The caption 'notes payables' in the table above concerns structured payable arrangements related to purchases of primary raw materials, such as copper, steel etc. whose payment periods can be longer than usual for such supplies

28. Grants

Amounts in EUR thousand	Note	2022	2021
Balance on 1 January		**15,804**	**16,487**
New grants received during the year		871	42
New grants for which receipt is pending		119	-
Amortisation of grants	8.A	(1,174)	(728)
Effect of movement in exchange rates		27	3
Balance on 31 December		**15,648**	**15,804**

Government grants have been received mainly for investments in property, plant and equipment.

All conditions attached to the grants received by Cenergy Holdings were met on 31 December 2022.

29. Provisions

Amounts in EUR thousand	Note	2022	2021
Balance on 1 January		**13,410**	**-**
Charge for the year	8.B	665	12,842
Effect of movement in exchange rates		821	568
Balance on 31 December		**14,897**	**13,410**

During 2022, the US Department of Commerce (DoC) published its final results in the administrative proceedings conducted by the DoC for the period from April 19, 2019 through April 30, 2020 ("POR") in connection with an antidumping ("AD") order on large diameter welded pipe (LDWP) from Greece. As a result, the DoC determined for the POR an antidumping duty rate of 41.04 percent based on total adverse facts available (AFA) for mandatory respondent Corinth Pipeworks S.A., Cenergy Holdings' steel pipes segment. Corinth Pipeworks filed an appeal before the U.S. Court of International Trade against the decision of the DoC while continuing to actively work with the DoC in order to reverse the final determination. The one-off charge related to the above mentioned case amounts to EUR 12.8 million (USD 14 million plus interest) for the year 2021. The charge for 2022 relates to interest charged on the outstanding amount for the year and is included in the line 'Finance costs'.

30. Financial instruments

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including the levels in the fair value hierarchy.

31/12/2022

Amounts in EUR thousand	Carrying amount	Level 1	Level 2	Level 3	Total
Equity investments at FVOCI	6,308	-	-	6,308	**6,308**
Derivative financial assets	16,612	463	16,149	-	**16,612**
	22,920	**463**	**16,149**	**6,308**	**22,920**
Derivative financial liabilities	(10,790)	(956)	(9,833)	-	**(10,790)**
	12,130	**(493)**	**6,315**	**6,308**	**12,130**

31/12/2021

Amounts in EUR thousand	Carrying amount	Level 1	Level 2	Level 3	Total
Equity investments at FVOCI	5,812	-	-	5,812	**5,812**
Derivative financial assets	1,480	-	536	944	**1,480**
	7,293	**-**	**536**	**6,756**	**7,293**
Derivative financial liabilities	(2,596)	(1,199)	(1,397)	-	**(2,596)**
	4,697	**(1,199)**	**(861)**	**6,756**	**4,697**

The various levels are as follows:

- Level 1: Quoted prices (unadjusted) in an active market for identical assets and liabilities.
- Level 2: Inputs that are observable either directly or indirectly.
- Level 3: Unobservable inputs for assets and liabilities.

The fair value of the following financial assets and liabilities measured at amortised cost approximate their carrying amount:

- Trade and other receivables;
- Cash and cash equivalents;
- Trade and other payables;
- Loans and borrowings.

Specifically, the carrying amount of loans and borrowings is considered as a good approximation of their fair value as:

- 93.8% of consolidated loans and borrowings concern floating-rate debt, which are a very good approximation of current market rates;
- As for fixed-rate instruments (EUR 36.8 million on 31 Dec 2022), the fair value test based on current market rates indicates that their fair value determined to EUR 38.2 million.

The following table shows the reconciliation between opening and closing balances for Level 3 financial assets, which are classified as Equity investments at:

Amounts in EUR thousand	2022	2021
Balance on 1 January	**5,812**	**5,657**
Change in fair value	496	156
Balance on 31 December	**6,308**	**5,812**

B. Measurement of fair values

a) Valuation techniques and significant unobservable inputs

The fair values of financial assets that are traded in active markets (stock markets) (e.g. derivatives such as futures, shares, bonds, mutual funds) are set according to the published prices (Level 1 inputs) that are valid on the reporting date. The fair value of financial assets is determined by their offer price, while the fair value of financial liabilities is determined by their bid price.

The fair values of financial assets that are not traded in active markets are determined through valuation techniques and standards that are based on market data on the reporting date.

The fair values of financial liabilities, for the purpose of being recorded in Financial Statements, are estimated based on the present value of the future cash flows that arise from specific contracts using the current interest rate that is available for Cenergy Holdings and its companies for the use of similar financial credit means.

Inputs that do not meet the respective criteria and cannot be classified in Level 1 but are observable, either directly or indirectly, fall under Level 2. Over-the-counter derivative financial instruments based on prices obtained from brokers are classified in this level.

The financial assets, such as unlisted shares or option schemes that are not traded in an active market whose measurement is based either on the Cenergy Holdings' companies' forecasts for the issuer's future profitability or on other widely acceptable method are classified under Level 3.

The following table shows the valuation techniques used in measuring fair values, as well as the significant unobservable inputs used:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Forwards exchange contracts	*Market comparison technique*: The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments	Broker quotes	Not applicable
Interest rate swap contracts	Discounting of the future cash flows using the interest rate curves at the reporting date and the credit risk inherent in the contract	Credit risk data	Not applicable
Future contracts	*Market value*: Price as traded in active market	Not applicable	Not applicable
Equity securities not traded in active markets	*Adjusted Net Asset Method:* According to this method the Group adjusts the book values of an investment's assets and liabilities, if and when necessary, to arrive at their fair market value at the time of valuation	*Investment in Noval Property:* Noval Property is a real estate company following fair value model to value its assets. Therefore, net assets is considered a reliable metric for the estimation of fair value of the investment	The estimated fair value would increase (decrease) based on the fair value of underlying properties

b) Transfers between Levels 1 and 2

There were no transfers from Level 2 to Level 1 or from Level 1 to Level 2 in 2022 and no transfers in either direction in 2021.

C. Financial risk management

Cenergy Holdings and its companies are exposed to credit, liquidity and market risk due to the use of its financial instruments. This Note sets forth information on their exposure to each one of the above risks, their objectives, the policies and procedures applied to risk measurement and management and Cenergy Holdings' Capital Management (Note 25).

Risk management policies are applied to identify and analyse the risks facing Cenergy Holdings and its companies, set risk-taking limits and apply relevant control systems. The risk management policies and relevant systems are examined from time to time so as to take into account any changes in the market and the companies' activities.

The implementation of risk management policies and procedures is monitored by the Internal Audit Function, which performs recurring and non-recurring audits while the results of such audits are notified to the Board of Directors.

C.1. Credit risk

Credit risk is the risk of the financial loss to Cenergy Holdings if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the companies' receivables from customers and contract assets & deposits with banks.

The carrying amount of financial assets represents the maximum credit exposure.

		At 31 December	
Amounts in EUR thousand	Note	2022	2021
Trade & Other receivables - Current	15	192,769	132,040
Trade & Other receivables - Non-current	15	1,227	1,177
Contract assets	7.D	195,481	98,217
Less:			
Other down payments	*15*	*(3,178)*	*(624)*
Tax assets	*15*	*(11,610)*	*(14,476)*
Other receivables	*15*	*(18,910)*	*(4,716)*
Subtotal		**355,778**	**211,617**
Equity investments at FVOCI	22	6,308	5,812
Cash and cash equivalents	16	167,160	129,606
Derivatives	23	16,612	1,480
Subtotal		**190,079**	**136,899**
Grand total		**545,857**	**348,516**

a) Trade and other receivables & contract assets

Cenergy Holdings' exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the companies' management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. On the reporting dates, no client exceeds 10% of consolidated sales and, consequently, commercial risk is spread over a large number of clients. However, due to the fact that the business of certain subsidiaries (i.e., Corinth Pipeworks, Hellenic Cables and Fulgor) is project oriented, there may be cases where this threshold is exceeded for a short period of time. That was the case in 2022, for one specific client of the steel pipes segment, namely Collahuasi, due to the timing of execution of certain signed contract.

Cenergy Holdings has established a credit policy where each new customer is examined on an individual basis in terms of creditworthiness before the standard payment and delivery terms are proposed to such customer. Cenergy Holdings' review includes external ratings, if they are available, and in some cases bank references. Credit limits are set for each individual customer, which are reviewed in accordance with current circumstances and the terms of sales and collections are readjusted, if necessary. As a rule, the credit limits of customers are set on the basis of the insurance limits received for them from insurance companies and, subsequently, receivables are insured according to such limits.

When monitoring the credit risk of customers, the latter are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past problems of recoverability they have shown. Trade and other receivables mainly include wholesale customers of Cenergy Holdings' companies. For any customer characterized as being "high risk", any subsequent sale is required to be paid in advance. Depending on the background of the customer and its status, Cenergy Holdings' subsidiaries may demand collateral or other security (e.g., letters of guarantee) in order to secure its receivables, if possible.

Cenergy Holdings records an impairment that represents its estimate of expected credit losses in respect of trade and other receivables.

On 31 December, the maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

Amounts in EUR thousand	2022	2021
Greece	178,892	96,469
Other EU Member States	79,014	49,974
Other European countries	13,521	25,372
Asia	13,366	36,471
America (North & South)	69,363	2,128
Africa	1,621	1,204
Total	**355,778**	**211,617**

On 31 December, the aging of trade and other receivables that were not impaired was as follows:

Amounts in EUR thousand	2022	2021
Neither past due nor impaired	343,965	196,749
Overdue		
- Up to 6 months	10,800	13,687
- Over 6 months	1,013	1,182
Total	**355,778**	**211,617**

Subsidiaries' management believes that the amounts that are past due up to 6 months and over 6 months are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings, if they are available.

On 31 December 2022 and 2021, the remaining receivables past due but not impaired mainly related to leading industrial groups, major public and private utilities and major resellers.

Cenergy Holdings' companies insure the majority of their receivables for default. On 31 December 2022, 85.9% of the balances owed by counterparties were insured.

The movement in impairment of trade and other receivables and contract assets is as follows:

	2022			2021		
Amounts in EUR thousand	Trade & other receivables	Contract assets	Total	Trade & other receivables	Contract assets	Total
Balance on 1 January	**26,031**	**318**	**26,349**	**24,390**	**143**	**24,533**
Impairment loss recognized	450	12	**463**	46	175	**220**
Impairment loss reversed	(38)	(127)	**(165)**	(168)	-	**(168)**
Reversal of / (Impairment loss) on receivables and contract assets	*412*	*(115)*	**297**	*(122)*	*175*	**53**
Write-offs	(153)	-	**(153)**	(14)	-	**(14)**
Foreign exchange differences	1,255	-	**1,255**	1,777	-	**1,777**
Balance on 31 December	**27,545**	**203**	**27,748**	**26,031**	**318**	**26,349**

The allowance for expected credit losses for trade receivables and contract assets are calculated at individual level when there is an indication of impairment. For receivables and contract assets without any indication of impairment the expected credit losses are based on the historical credit loss experience combined with forward-looking information in macroeconomic factors effecting the credit risk, such as country risk and customers' industry related risks. The rising inflation and interest rates were also taken into consideration when calculating expected credit losses for the current year, without any significant impact on the impairment loss recognized.

The following collateral exists for securing non-insured receivables & contract assets:

Amounts in EUR thousand	2022	2021
Bank letters of guarantee	-	-
Payables which can be offset by receivables	8,267	8,842
Total	**8,267**	**8,842**

b) Cash and cash equivalents

Cenergy Holdings and its companies held cash and cash equivalents of EUR 167,160 thousand on 31 December 2022. The cash and cash equivalents are held with bank and financial institution counterparties, which are rated from AA- to B based on ratings of Fitch.

C.2. Liquidity risk

Liquidity risk is the risk that Cenergy Holdings and its companies will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach to manage liquidity is to ensure, as much as possible, that they will have sufficient liquidity to meet their liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to their reputation.

In order to avoid liquidity risks, Cenergy Holdings and its companies estimate expected cash flows for the following year when preparing their annual budget and monitor the monthly rolling cash flow forecast for the following quarter, to ensure sufficient cash on hand to meet their operating needs, including coverage of their financial obligations. This policy does not take into account the relevant effect from extreme unforeseeable conditions.

Steelmet S.A., an affiliate company, monitors cash needs of Cenergy Holdings companies and centrally agrees financing terms with credit institutions in Greece and abroad.

Exposure to liquidity risk

Financial liabilities and derivatives based on contractual maturity are broken down as follows:

31/12/2022		Contractual cash flows				
Amounts in EUR thousand	Carrying Amount	Up to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Bank loans and factoring with recourse	**402,112**	402,691	531	956	26	**404,204**
Bond issues	**199,798**	80,891	32,778	93,610	9,487	**216,766**
Lease liabilities	**3,457**	1,625	796	1,126	-	**3,547**
Derivatives	**10,790**	10,790	-	-	-	**10,790**
Trade and other payables	**541,181**	541,181	-	-	-	**541,181**
	1,157,337	**1,037,178**	**34,104**	**95,693**	**9,512**	**1,176,487**

31/12/2021			Contractual cash flows			
Amounts in EUR thousand	Carrying Amount	Up to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Bank loans and factoring with recourse	**203,998**	197,271	9,057	3,269	128	**209,725**
Bond issues	**186,641**	28,065	75,683	76,230	28,413	**208,391**
Lease liabilities	**3,296**	1,665	1,046	756	-	**3,467**
Derivatives	**2,596**	2,596	-	-	-	**2,596**
Trade and other payables	**417,557**	417,557	-	-	-	**417,557**
	814,089	**647,154**	**85,785**	**80,256**	**28,542**	**841,736**

Cenergy Holdings' companies have loans containing non-financial covenants. A breach of such covenants may require companies to repay loans earlier than indicated in the above table. Under the existing loan agreements, covenants are monitored and reported regularly to management to ensure compliance. Currently, there are no financial covenants (i.e., related to certain financial ratio levels) in existing loan agreements.

C.3. Market risk

Market risk is the risk that changes in market prices – such as commodity prices, foreign exchange rates and interest rates - will affect Cenergy Holdings and its companies' income or the value of their financial instruments. Cenergy Holdings' companies use derivatives to manage market risk. Generally, they seek to apply hedge accounting to manage volatility in profit or loss.

a) Currency risk:

Cenergy Holdings and its companies are exposed to currency risk in relation to the sales and purchases carried out and the loans issued in a currency other than the functional currency of Cenergy Holdings and its companies, which is mainly EUR. The most important currencies in which these transactions are executed are EUR, USD and GBP.

Over time, Cenergy Holdings' companies hedge the greatest part of their estimated exposure to foreign currencies in relation to the anticipated sales and purchases, as well as to the receivables and liabilities in foreign currency. Their main instruments used to deal with FX risk are forward contracts, agreed with external counterparties and expiring within less than a year from the reporting date. When deemed necessary, these contracts are renewed upon expiry. FX risk may also be covered "naturally" by taking out loans in the respective currencies if loan interest is denominated in the same currency as that of cash flows coming from operating activities.

Investments of Cenergy Holdings and its companies in their subsidiaries are not hedged, as the exchange positions are considered to be long-term and are mainly made in EUR.

Cenergy Holdings and its companies' exposure to currency risk is summarized as follows.

31/12/2022 Amounts in EUR thousand	USD	GBP	RON	OTHER	TOTAL
Trade and other receivables	27,997	10,423	18,591	-	**57,012**
Cash & cash equivalents	9,653	13	364	1	**10,031**
Loans and Borrowings	(1,119)	(3,892)	(5,285)	-	**(10,296)**
Trade and other payables	(98,277)	(1,048)	(19,664)	-	**(118,989)**
Contract liabilities	(41,082)	-	(66)	-	**(41,148)**
	(67,650)	**5,497**	**(6,060)**	**1**	**(68,213)**
Derivatives for risk hedging (Nominal Value)	(121,779)	(18,914)	-	-	**(140,692)**
Total risk	**(189,429)**	**(13,417)**	**(6,060)**	**1**	**(208,905)**

31/12/2021 Amounts in EUR thousand	USD	GBP	RON	OTHER	TOTAL
Trade and other receivables	10,028	7,562	16,638	643	**34,871**
Cash & cash equivalents	4,934	2,156	420	1	**7,511**
Loans and Borrowings	(4,331)	-	(2,613)	-	**(6,944)**
Trade and other payables	(21,230)	(1,825)	(14,162)	-	**(37,217)**
Contract liabilities	-	-	(23)	(4,811)	**(4,834)**
	(10,599)	**7,893**	**260**	**(4,168)**	**(6,613)**
Derivatives for risk hedging (Nominal Value)	(39,692)	(21,049)	-	-	**(60,741)**
Total risk	**(50,290)**	**(13,156)**	**260**	**(4,168)**	**(67,354)**

The following exchange rates have been applied during the year.

	Average exchange rate		Year end spot rate	
	2022	2021	2022	2021
USD	1.0530	1.1827	1.0666	1.1326
GBP	0.8528	0.8596	0.8869	0.8403
RON	4.9313	4.9208	4.9474	4.9481

A reasonably possible strengthening (weakening) of the EUR, USD, GBP or RON against other currencies on 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
Amounts in EUR thousand	Strengthening	Weakening	Strengthening	Weakening
2022				
USD (10% movement in relation to EUR)	6,250	(7,639)	17,221	(21,048)
GBP (10% movement in relation to EUR)	1,220	(1,491)	1,220	(1,491)
RON (10% movement in relation to EUR)	551	(673)	551	(673)
2021				
USD (10% movement in relation to EUR)	1,230	(1,504)	4,566	(5,580)
GBP (10% movement in relation to EUR)	1,186	(1,450)	1,186	(1,450)
RON (10% movement in relation to EUR)	(24)	29	(24)	29

b) Interest rate risk:

Exposure to interest rate risk

2022 marked the end of a prolonged low interest period with Cenergy Holdings' companies having approx. 19% of their debt obligations on a fixed rate basis. This was achieved by entering fixed-rate instruments or by hedging their floating rate loans with interest rate swap contracts. The interest rate profile of Cenergy Holdings' companies' interest-bearing financial instruments, is as follows.

Amounts in EUR thousand	At 31 December 2022	2021
Fixed-rate instruments		
Financial liabilities	37,601	40,574
Variable-rate instruments		
Financial liabilities	567,765	353,362
Interest rate swaps (nominal value)	(80,000)	-
Net exposure to variable-rate instruments	**487,765**	**353,362**

Fixed-rate instruments

The Group does not account any fixed-rate financial assets or liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect either profit or loss or equity.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 0.25% in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amount shown below. The analysis assumes that all other variables, in particular foreign exchange rates, remain constant.

Amounts in EUR thousand	Profit or loss & Equity, net of tax 0.25% increase	0.25% decrease
2022		
Financial liabilities	(721)	721
2021		
Financial liabilities	(1,140)	1,140

As described in note 23, following upward pressures on interest rates observed during the first semester of 2022, in Q2 2022Cenergy Holdings companies started using interest rate swaps to offset potentially higher future finance costs in variable rate loans. Such derivatives are not designated as hedging instruments, so their valuation is included in the analysis above.

c) Derivatives assets and liabilities designated as cash flow hedges

The following table indicates the periods in which the cash flows associated with cash flow hedges are expected to occur:

2022 Amounts in EUR thousand	Carrying Amount	Expected cash flows 1-6 months	6-12 months	> 1 year	Total
Foreign exchange forwards					
Assets	12,024	2,595	5,805	3,624	**12,024**
Liabilities	(9,807)	(5,338)	(4,470)	-	**(9,807)**
Future contracts					
Assets	463	(787)	1,250	-	**463**
Liabilities	(956)	(944)	(13)	-	**(956)**
	1,723	**(4,474)**	**2,573**	**3,624**	**1,723**

2021 Amounts in EUR thousand	Carrying Amount	Expected cash flows 1-6 months	6-12 months	> 1 year	Total
Foreign exchange forwards					
Assets	536	536	-	-	**536**
Liabilities	(1,141)	(1,141)	-	-	**(1,141)**
Future contracts					
Assets	-	-	-	-	**-**
Liabilities	(1,199)	(1,213)	14	-	**(1,199)**
	(1,804)	**(1,818)**	**14**	**-**	**(1,804)**

The table below provides information about the items designated as cash flow hedging instruments during the year and on 31 December 2022 and the reconciliation of the amounts included in the hedging reserve.

Amounts in EUR thousands	Nominal Amount	Carrying amount Assets	Carrying amount Liabilities	Line item in the statement of financial position where the hedging instrument is include	Balance on 1 January 2022	Changes in the value of the hedging instrument recognised in OCI	Amount reclassified from hedging reserve to profit or loss	Effect of movement in exchange rates	Balance on 31 December 2022
Forward foreign exchange contracts	113,141	12,024	(9,807)	Derivatives - Assets & (Liabilities)	(605)	756	1,602	463	**2,216**
Future contracts	81,339	463	(956)	Derivatives - Assets & (Liabilities)	(1,199)	1,199	(493)	-	**(493)**
	194,480	**12,487**	**(10,764)**		**(1,804)**	**1,955**	**1,109**	**463**	**1,723**

d) Commodity price risk

The commodity markets have experienced and are expected to continue to experience price fluctuations. Cenergy Holdings subsidiaries have exposure to steel, aluminium, copper and lead. They therefore use, when possible, futures contracts to minimize exposure to commodity price volatility. Subsidiaries in the cables segment use back-to-back matching of purchases and sales, or derivative instruments (future contracts) in order to minimize the effect of the metal price fluctuations on their results.

On 31 December 2022, the net derivative balance per commodity was:

Amounts in EUR thousand	2022	2021
Aluminium - Long / (short) position	(395)	373
Copper - Long / (short) position	(59)	(1,548)
Lead - Long / (short) position	(39)	(25)
Total	**(493)**	**(1,199)**

These hedges are designated as cash flow hedge accounting.

C.4. Risk of macroeconomic and financial environment

Cenergy Holdings' subsidiaries follow closely and on a continuous basis the developments in the international and domestic environment and timely adapt their business strategy and risk management policies to minimize the impact of the macroeconomic conditions on their operations.

Impact of Ukraine conflict

The Ukraine conflict started in February 2022 and caused market volatility as it increased the probability of disruptions in many parts of the global economy. Though its impact on Cenergy Holdings' subsidiaries cannot be fully predicted right now, the overall exposure to Ukraine and Russia is very limited and business consequences were not material so far, while the same is expected for the foreseeable future. Sales to these markets represent an insignificant portion of total turnover (ca. 0.5% for 2022) and any revenue loss will be fully offset by demand in other markets. All revenues from those markets concern contracts signed before 2022, since no sales agreement was signed with clients located in those countries during 2022.

Furthermore, Cenergy Holdings' companies have taken actions to shift the supply of raw materials previously sourced from Russia to alternative markets and mitigate any potential disruption in their supply chain. As for financing, companies have no exposure to Russian banks.

Finally, in the energy front, the Ukraine conflict accelerated price inflation and companies have already taken mitigating actions to reduce any business impact related to energy cost. They are monitoring the situation closely and will modify their approach when and as required to secure operational efficiency.

C.5. Risks related to climate change

Cenergy Holdings' subsidiaries recognize the importance of transparency regarding climate-related risks and opportunities to maintain trust of stakeholders and allow investors to better understand the potential impact transition and physical risks and opportunities emanating from climate change. To that end, Cenergy Holdings has pledged to assess the potential severity of the risks and the possible benefits of the opportunities with the aim to take all necessary measures to mitigate negative impacts and maximize the positive ones, and to adopt the Task Force on Climate-related Financial Disclosures (TCFD) framework to transparently communicate all climate-related risks and opportunities. For this purpose, Cenergy Holdings' subsidiaries performed an assessment of climate-related risks and opportunities that covered all industrial and real estate assets. The detailed results of this assessment are reported at segmental level in the Non-Financial Disclosure, accompanying the Annual Report.

Moving to a low-carbon economy requires certain measures to be considered and implemented. Through the analysis, for each business segment, the most material climate related transition and physical risks and opportunities over the short, medium and long-term, have been identified. The transition risks assessed relate to policy, legal, technology and market changes to address climate change mitigation and adaptation. Policy actions around climate change continue to evolve, technological improvements or innovations that support the transition to a lower-carbon and energy efficient economic system can have a significant impact on organizations, while significant changes in market such as decrease in demand for specific goods or services or decreased revenues related to changes in customer behavior are some examples of the implications that can impact the operating model and the financial planning of Cenergy Holdings' subsidiaries. On the other hand, extreme weather events and longer-term shifts in climate patterns such as limited water availability and extreme heat or sea level rise may have multiple impacts and possible financial implications for Cenergy Holdings Group.

The abovementioned risks and opportunities have been identified and classified on a scale of low, medium, and high, based on the actual and potential impacts on the Cenergy Holdings' subsidiaries business model, assets and operations, as well as financial impacts on the business performance. The financial impacts have being considered to the accounting estimates to the extent that they can be currently evaluated. Moreover, challenges associated with climate related commitments have been considered, and Viohalco companies have not identified any additional issues that may have a material effect on their financial statements.

31. List of subsidiaries

The Company's subsidiaries and the interest held at the end of the reporting period are as follows:

Subsidiaries	Country of incorporation	Direct & indirect interest 2022	Direct & indirect interest 2021
CORINTH PIPEWORKS S.A.	GREECE	100.00%	100.00%
CPW AMERICA CO	USA	100.00%	100.00%
HUMBEL LTD	CYPRUS	100.00%	100.00%
WARSAW TUBULAR TRADING SP. ZOO.	POLAND	100.00%	100.00%
FULGOR S.A.	GREECE	100.00%	100.00%
ICME ECAB S.A.	ROMANIA	99.98%	99.98%
LESCO OOD	BULGARIA	100.00%	100.00%
LESCO ROMANIA S.A.	ROMANIA	65.00%	65.00%
DE LAIRE LTD	CYPRUS	100.00%	100.00%
HELLENIC CABLES S.A. HELLENIC CABLE INDUSTRY S.A.	GREECE	100.00%	100.00%
HELLENIC CABLES TRADING CO	USA	100.00%	100.00%
HELLENIC CABLES AMERICAS CO	USA	100.00%	100.00%
SPARROWS POINT PROPERTIES HOLDINGS LLC	USA	100.00%	-
SPARROWS POINT PROPERTIES LLC	USA	100.00%	-
CPW SOLAR S.A.	GREECE	100.00%	-
CPW WIND S.A.	GREECE	100.00%	-

For all the above entities, Cenergy Holdings S.A. does exercise control directly and/or indirectly.

On January 6, 2022, the subsidiary C-Energy Americas Co. was renamed to Hellenic Cables Americas Co.

During 2022, the following subsidiaries were established:

- Hellenic Cables Americas Co. established two new subsidiaries in the USA, SPARROWS POINT PROPERTIES HOLDINGS LLC and SPARROWS POINT PROPERTIES LLC., to support the construction of a submarine cables factory in the USA.
- Corinth Pipeworks S.A. established two new subsidiaries in Greece, CPW SOLAR S.A. and CPW WIND S.A to support future investment plans, without a final decision yet in place.

32. Joint operations

Hellenic Cables has a 62.48% interest in a joint arrangement called VO Cablel VOF, which was set up as a partnership together with Van Oord. The scope of this joint operation scheme is to supply and install sea and land cables for the Hollandse Kust (South) Alpha project and Hollandse Kust (South) Beta project. The principal place of business of the joint operation is in the Netherlands.

Hellenic Cables has a 50.77% interest in a joint arrangement called DEME Offshore NL - Hellenic Cables V.O.F., which was set up as a partnership together with Tideway. The scope of this joint operation scheme is to execute a turnkey contract for the supply and installation of submarine cables for the connection of the Seamade offshore wind project to the Belgian grid. The principal place of business of the joint operation is in Belgium.

Fulgor has a 10.00% interest in a joint arrangement called Fulgor – JDN Consortium, which was set up as a partnership together with Jan De Nul. The scope of this joint operation scheme is to execute a turnkey contract for the installation of submarine cables for the interconnection Crete-Peloponnese in Greece. The principal place of business of this joint operation is in Greece.

Fulgor has a 70.27% interest in a joint arrangement called Fulgor – Asso.subsea Ltd Consortium, which was set up as a partnership together with Asso.subsea Ltd. The scope of this joint operation scheme is to execute a turnkey contract for the design, manufacturing, supply and installation of the 150 kV submarine cable system connecting the under construction 330 MW Kafireas II Wind Farm to Greece's mainland grid. The principal place of business of this joint operation is in Greece.

The above joint operations were formed during prior years.

The agreements in relation to the VO Cablel VOF, DEME Offshore NL - Hellenic Cables V.O.F., Fulgor – JDN Consortium and Fulgor – Asso.subsea Ltd Consortium require unanimous consent from all parties for all relevant activities. The two partners have direct rights to the assets of the partnership and are jointly and severally liable for the liabilities incurred by the partnership. These entities are therefore classified as joint operations and the Group recognises its direct right to the jointly held assets, liabilities, revenues and expenses as described in note 5.1(g).

33. Commitments

A. Purchase commitments

Cenergy Holdings' subsidiaries have entered into contracts according to their investment plans, which are expected to be concluded during the next year.

	At 31 December	
Amounts in EUR thousand	2022	2021
Property, plant and equipment	24,060	6,851

B. Guarantees

	At 31 December	
Amounts in EUR thousand	2022	2021
Guarantees for securing liabilities to suppliers	12,932	3,414
Guarantees for securing the good performance of contracts with customers	502,038	231,506
Guarantees for securing grants	4,356	9,573

34. Contingent liabilities

A. Litigations & administrative reviews

Regarding Corinth Pipeworks' exports of large diameter welded pipe (LDWP) to the US for the periods April 2020 - April 2021 and April 2021 - April 2022, additionaladministrativereviews from the US Department of Commerce (DoC) are expected. No provision has been recorded in respect to these administrativereviews due to the following facts:

- For the period April 2020 - April 2021 there were no sales to the US subject to antidumping duties; thus, no additional chargeis expected for that period.
- For the period April 2021 - April 2022 sales to the US subject to antidumping duties were not material. The outcome of such administrative review is considered as highly volatile and hard to predict, thus the amount of any arising liability cannot be reasonably estimated.

B. Contingent tax liabilities

The tax filings of the subsidiaries are routinely subjected to audit by the tax authorities in most of the jurisdictions in which Cenergy Holdings conduct business. These audits may result in assessments of additional taxes. Cenergy Holdings provide for additional tax in relation to the outcome of such tax assessments at the amount expected to be settled (or recovered).

Cenergy Holdings believe that its accruals for tax liabilities are adequate for all open tax years based on its assessment of underlying factors, including interpretations of tax law and prior experience.

35. Related parties

A. Related party transactions

The following transactions have been made with Viohalco and its subsidiaries, equity-accounted investees and other related parties:

Amounts in EUR thousand	For the year ended 31 December 2022	2021
Sales of goods		
Equity-accounted investees	181,785	166,161
Other related parties	77,944	85,238
	259,729	**251,399**
Sales of services		
Equity-accounted investees	275	272
Other related parties	2,073	2,003
	2,348	**2,274**
Sales of property, plant & equipment		
Other related parties	2	-
	2	**-**
Purchases of goods		
Equity-accounted investees	89	8
Other related parties	23,156	20,744
	23,244	**20,752**
Purchases of services		
Viohalco	158	86
Equity-accounted investees	8,417	6,779
Other related parties	18,962	14,528
	27,538	**21,394**
Purchase of property, plant and equipment		
Equity-accounted investees	3	-
Other related parties	4,525	4,414
	4,528	**4,414**

Other related parties comprise subsidiaries, associates and joint ventures of Viohalco Group.

Closing balances that arise from sales/purchases of goods, services, fixed assets, etc. are as follows:

Amounts in EUR thousand	At 31 December 2022	2021
Non-current receivables from related parties		
Other related parties	395	208
	395	**208**
Current receivables from related parties		
Equity-accounted investees	9,463	14,335
Other related parties	14,826	17,110
	24,290	**31,445**
Current liabilities to related parties		
Parent company	156	168
Equity-accounted investees	2,304	1,020
Other related parties	9,118	11,337
	11,578	**12,525**

The outstanding balances from related parties are not secured and the settlement of those current balances is expected to be performed in cash during the next year, since the balances concern only short-term receivables & payables, except for the balances classified as non-current receivables from related parties, which concerns to long-term guarantees given to related parties providing energy services to Group's subsidiaries.

B. Key management personnel compensation

The table below provides an overview of the transactions with Board members and executive management.

	For the year ended 31 December	
Amounts in EUR thousand	2022	2021
Compensation to BoD members and executives	1,285	1,060

The compensation to directors and executive management in the table above is fixed. No variable compensation, post-employment benefits or share based benefits were paid.

36. Auditor's fees

The Company's statutory auditor (PwC Reviseurs d'Entreprises SRL / Bedrijfsrevisoren BV) and a number of other member firms of the auditor's network, received fees for the following services:

	For year ended 31 December	
Amounts in EUR thousand	2022	2021
PwC Reviseurs d'Entreprises SRL / Bedrijfsrevisoren BV		
Audit	112	105
Audit related services	16	22
	128	**126**
PwC Network		
Audit	304	284
Tax related services	93	136
Other services	-	4
	397	**424**
Total	**525**	**551**

37. Subsequent events

On March 8th, 2023, Cenergy Holdings' Board of directors decided to propose to the Ordinary General Shareholders' meeting to be held on 30.05.2023, the approval of a gross dividend of EUR 0.05 per share.

No other subsequent event for which disclosure is required in the Consolidated Financial Statements has occurred since 31 December 2022.

Statutory Auditor's Report

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF CENERGY HOLDINGS SA ON THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Cenergy Holdings SA (the "Company") and its subsidiaries (jointly "the Group"). This report includes our report on the consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting d.d. 31 May 2022, following the proposal formulated by the board of directors and following the recommendation by the audit committee. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2024. We have performed the statutory audit of the Group's consolidated accounts for 4 consecutive years.

Report on the consolidated accounts

Unqualified opinion

We have performed the statutory audit of the Group's consolidated accounts, which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated statement of financial position total of EUR 1,698,745 thousand and a profit, attributable to owners of the company, of EUR 60,417 thousand.

In our opinion, the consolidated accounts give a true and fair view of the Group's net equity and consolidated financial position as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "Statutory auditor's responsibilities for the audit of the consolidated accounts" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the consolidated accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated accounts of the current period. These matters were addressed in the context of our audit of the consolidated accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter 1: Availability of financing resources and compliance with covenants

Description of the Key Audit Matter

The subsidiaries of the Group have significant non-current and current financial debts. The terms and conditions of the related financing agreements often include debt covenants that are to be complied with at each balance sheet date. Any breach in such debt covenants could result in its lenders exercising the right to claim early repayment of certain non-current and/or current financial debts. For these reasons, we considered the availability of financing resources and failure to comply with covenants as most significant to our audit.

Reference is made to Note 5: Significant accounting policies: Financial instruments and Note 26: Debt.

How our Audit addressed the Key Audit Matter
Our testing included obtaining an understanding of the financing agreements and the Group's procedures and controls in place both to ensure its compliance with the debt covenants and to understand the used and unused financing resources. We tested the debt covenants related to the financing agreements and assessed compliance with the terms and conditions stipulated therein. Furthermore, we evaluated both the presentation of the financial debts on the Consolidated Statement of Financial Position and the adequacy of the relevant disclosures in the Notes to the Consolidated Financial Statements.

We found the tested debt covenants to be complied with and company's disclosures of financial debts appropriate.

Key audit matter 2: contract assets
Description of the Key Audit Matter
We focused on revenue recognition of construction contracts and its relating contract assets because the Group substantially generates its revenue from projects which qualifies as construction contracts under IFRS. The recognition of revenue and the estimation of the outcome of fixed price construction contracts is complex and requires significant management judgement, in particular with respect to estimation of the cost incurred and the cost to complete the contracts. For these reasons, we identified the contract assets from these construction contracts as most significant during our audit.

Reference is made to Note 5: Significant accounting policies: Revenue and Note 7: Revenue. At December 31, 2022 contract assets amounted to EUR 195 million.

How our Audit addressed the Key Audit Matter
Our testing on contract assets included procedures to obtain an understanding of the related process and controls as well as substantive test procedures related to the recording of the contract assets, the related revenues and determination of the stage of completion of the contracts. Our audit procedures included considering the appropriateness of the Group's revenue recognition accounting policies. We also included an evaluation of the significant judgements made by management based on the examination of the associated project documentation and the discussion on the status of projects under construction with finance and technical staff of the Group for specific individual transactions/projects. In addition, in order to evaluate the reliability of management's estimates, we performed a rundown of subsequent costs incurred for closed projects. We also performed testing over journals posted to revenue to identify unusual or irregular items that could influence contracts and the relating accrued profit included in this balance.

We found management's judgements in respect of the contract assets to be consistent and in line with our expectations.

Responsibilities of the board of directors for the preparation of the consolidated accounts

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated accounts
Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always

detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the consolidated accounts in Belgium. A statutory audit does not provide any assurance as to the Group's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management at Group level. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts and to report on these matters.

Aspects related to the directors' report on the consolidated accounts and to the other information included in the annual report on the consolidated accounts

In our opinion, after having performed specific procedures in relation to the directors' report on the consolidated accounts, this directors' report is consistent with the consolidated accounts for the year under audit and is prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report on the consolidated accounts is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

The non-financial information required by virtue of article 3:32, §2 of the Companies' and Associations' Code is included in the directors' report which is part of the section 'Non-financial information' of the annual report. The Company has prepared the non-financial information, based on the UN's Sustainable Development Goals (SDG's) reporting framework. However, in accordance with article 3:80, §1, 5° of the Companies' and Associations' Code, we do not express an opinion as to whether the non-financial information has been prepared in accordance with the UN's Sustainable Development Goals (SDG's) reporting framework as disclosed in the directors' report on the consolidated accounts.

Statement related to independence
Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated accounts, and our registered audit firm remained independent of the Group in the course of our mandate.

The fees for additional services which are compatible with the statutory audit of the consolidated accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the consolidated accounts.
European Uniform Electronic Format (ESEF)
We have also verified, in accordance with the draft standard on the verification of the compliance of the financial statements with the European Uniform Electronic Format (hereinafter "ESEF"), the compliance of the ESEF format with the regulatory technical standards established by the European Delegate Regulation No. 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (hereinafter "digital consolidated financial statements") included in the annual financial report.

Our responsibility is to obtain sufficient appropriate evidence to conclude that the format and marking language of the digital consolidated financial statements comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work we have performed, we believe that the format of and marking of information in the digital consolidated financial statements included in the annual financial report of Cenergy Holdings SA per 31 December 2022 comply in all material respects with the ESEF requirements under the Delegated Regulation.

Other statements

- This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Diegem, 30 March 2023

The statutory auditor
PwC Reviseurs d'Entreprises SRL /
PwC Bedrijfsrevisoren BV
Represented by

Marc Daelman
Réviseur d'Entreprises /
Bedrijfsrevisor

Declaration of responsible persons

Statement on the true and fair view of the consolidated financial statements and the fair overview of the management.

In accordance with the article 12, §2, 3° of the Royal Decree of 14 November 2007, the members of the Executive Management, (i.e. Dimitrios Kyriakopoulos, Alexios Alexiou and Alexandros Benos) declare that, on behalf and for the account of the Company, to the best of their knowledge :

a) the consolidated financial statements for the year ended 31 December 2022 which have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the Equity, Financial position and Financial Performance of the Company, and the entities included in the consolidation as a whole,
b) the management report on the consolidated financial statements includes a fair overview of the development and performance of the business and the position of the Company, and the entities included in the consolidation, together with the description of the main risks and uncertainties with which they are confronted.


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Condensed Statutory Financial Statements

In accordance the BCCA (Articles 3:17 and 3:36), the Company's annual accounts are presented hereafter in a condensed version, which does not include all the notes required by law or the Statutory Auditor's report. The full version of the Company's annual accounts that shall be deposited with the National Bank of Belgium, is available on the Company's website and can be obtained free of charge upon request.

The statutory Auditor's report on the annual accounts was unqualified.

Condensed Statutory Balance Sheet

	As at 31 December	
Amounts in EUR thousand	**2022**	**2021**
Non- current assets	**183,280**	**175,807**
Start-up costs	-	17
Financial assets	183,280	175,789
Current assets	**16,041**	**1,798**
Current receivables	14,990	508
Cash and cash equivalents	967	1,215
Accruals and deferred income	85	75
Total assets	**199,321**	**177,605**
Equity	**188,527**	**176,447**
Capital	117,892	117,892
Share premium account	59,591	59,591
Other reserves	9,174	8,575
Accumulated profits (losses)	1,869	-9,612
Liabilities	**10,795**	**1,158**
Current payables	10,488	871
Accrued charges and deferred income	307	287
Total equity and liabilities	**199,321**	**177,605**

Condensed Statutory Income Statement

Amounts in EUR thousand	For the year ended 31 December 2022	2021
Sales and services	**94**	**29**
Operating charges	**-2,046**	**-2,115**
Services and miscellaneous goods	-1,518	-1,376
Remuneration, social security and pensions	-427	-495
Depreciation and amounts written off on start-up costs, intangible and tangible fixed assets	-19	-172
Other operating charges	-82	-71
Non recurring operating charges	-	-1
Operating profit (loss)	**-1,951**	**-2,086**
Financial income	**23,598**	**895**
Income from financial assets	23,329	635
Other Financial Income	269	244
Non-recurring financial income	-	15
Financial expenses	**-59**	**-8**
Debt expenses	-53	-
Other financial expenses	-2	-4
Non-recurring financial expenses	-4	-3
Profit (loss) for the year before income taxes	**21,588**	**-1,200**
Income taxes on the result	**-**	**-**
Profit (loss) for the year	**21,588**	**-1,200**

Alternative Performance Measures

In addition to the results reported in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, this Annual Report includes information regarding certain alternative performance measures which are not prepared in accordance with IFRS ("Alternative Performance Measures" or "APMs"). The APMs used in this press release are **Earnings Before Interest and Tax (EBIT), Adjusted EBIT, Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA), Adjusted EBITDA and Net debt**. Reconciliations to the most directly comparable IFRS financial measures are presented below.

We believe these APMs are important supplemental measures of our operating and financial performance and are frequently used by financial analysts, investors and other interested parties in the evaluation of companies in the steel pipes and cables production, distribution and trade industries. By providing these measures, along with the reconciliations included in this appendix, we believe that investors will have better understanding of our business, our results of operations and our financial position. However, these APMs shall not be considered as an alternative to the IFRS measures.

These APMs are also key performance metrics on which Cenergy Holdings prepares, monitors and assesses its annual budgets and long-range (5 year) plans. However, it must be noted that adjusted items should not be considered as non-operating or non-recurring.

EBIT, Adjusted EBIT, EBITDA and Adjusted EBITDA have limitations as analytical tools, and investors should not consider it in isolation, or as a substitute for analysis of the operating results as reported under IFRS and may not be comparable to similarly titled measures of other companies.

APM definitions remained unmodified compared to those applied as of 31 December 2021. The definitions of APMs are as follows:

EBIT is defined as result of the period (earnings after tax) before:

- income taxes,
- net finance costs

EBITDA is defined as result of the period (earnings after tax) before:

- income taxes,
- net finance costs
- depreciation and amortisation

a-EBIT and **a-EBITDA** are defined as EBIT and EBITDA, respectively, adjusted to exclude:

- metal price lag,
- impairment / reversal of impairment of fixed, intangible assets and investment property
- impairment / reversal of impairment of investments
- gains/losses from sales of fixed assets, intangible assets, investment property and investments,
- exceptional litigation fees and fines and,
- other exceptional or unusual items

Net Debt is defined as the total of:

- Long term loans & borrowings and lease liabilities,
- Short term loans & borrowings and lease liabilities,

Less:

- Cash and cash equivalents

Reconciliation tables:

EBIT and EBITDA

	Cables		Steel pipes		Other activities		Total	
Amounts in EUR thousand	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Profit/(Loss) before tax (as reported in Consolidated Statement of Profit or Loss)	**62,827**	**44,886**	**7,168**	**(13,940)**	**(39)**	**(433)**	**69,957**	**30,513**
Adjustments for:								
Net finance costs	24,821	21,539	11,630	7,478	11	(32)	36,462	28,985
EBIT	**87,649**	**66,425**	**18,798**	**(6,462)**	**(29)**	**(465)**	**106,418**	**59,498**
Add back:								
Depreciation & Amortisation	18,061	16,849	9,136	8,850	14	6	27,211	25,705
EBITDA	**105,710**	**83,273**	**27,934**	**2,388**	**(14)**	**(459)**	**133,630**	**85,203**

a-EBIT and a-EBITDA

Amounts in EUR thousand	Cables 2022	Cables 2021	Steel pipes 2022	Steel pipes 2021	Other activities 2022	Other activities 2021	Total 2022	Total 2021
EBIT	**87,649**	**66,425**	**18,798**	**(6,462)**	**(29)**	**(465)**	**106,418**	**59,498**
Adjustments for:								
Metal price lag(1)	1,905	4,915	-	-	-	-	1,905	4,915
Reorganisation costs	-	-	-	978	-	-	-	978
Loss from disposal of associate(2)	-	-	156	-	-	-	156	-
Impairment on fixed assets	1,222	-	-	-	-	-	1,222	-
Net loss for indemnity to customer(3)	-	-	235	-	-	-	235	-
Incremental coronavirus costs/ (reliefs)(4)	-	445	-	(234)	-	-	-	211
Provision for antidumping duties	-	-	-	12,842	-	-	-	12,842
(Gains)/ Loss from sales of fixed assets & investment property	(340)	(8)	1	-	-	-	(339)	(8)
Adjusted EBIT	**90,436**	**71,777**	**19,191**	**7,124**	**(29)**	**(465)**	**109,598**	**78,435**
Add back:								
Depreciation & Amortisation	18,061	16,849	9,136	8,850	14	6	27,211	25,705
Adjusted EBITDA	**108,497**	**88,625**	**28,327**	**15,974**	**(14)**	**(459)**	**136,809**	**104,140**

(1) Metal price lag is the P&L effect resulting from fluctuations in the market prices of the underlying commodity metals (ferrous and non-ferrous) which Cenergy Holdings' subsidiaries use as raw materials in their end-product production processes,
Metal price lag exists due to:
- (i) the period of time between the pricing of purchases of metal, holding and processing the metal, and the pricing of the sale of finished inventory to customers,
- (ii) the effect of the inventory opening balance (which in turn is affected by metal prices of previous periods) on the amount reported as Cost of Sales, due to the costing method used (e.g., weighted average),
- (iii) certain customer contracts containing fixed forward price commitments which result in exposure to changes in metal prices for the period of time between when our sales price fixes and the sale actually occurs,
  Subsidiaries in cables segment use back to back matching of purchases and sales, or derivative instruments in order to minimise the effect of the Metal Price Lag on their results, However, there will be always some impact (positive or negative) in the P&L, since in Cables segment part of the inventory is treated as fixed asset and not hedged and in the Steel Pipes segment no commodities hedging is possible.

(2) During 2022, the participation in Belleville Tube Company was disposed.

(3) In 2013, Corinth Pipeworks manufactured and supplied pipes for a pipeline in France. During 2015, the French client filed a quality claim against Corinth Pipeworks, its insurers and the subcontractors in charge for the welding of the pipeline. The commercial court of Paris rendered its decision on 7 July 2022 and ruled that Corinth Pipeworks should be held liable for the latent defects affecting the pipes it delivered to its French customer but that the latter was also responsible for its own loss. Consequently, given that 2013 sales were fully insured, Corinth Pipeworks recorded a liability of EUR 515 thousand during 2022 that corresponds to its maximum exposure for that specific claim, while an income of EUR 280 thousand was recorded as a respective amount was received as indemnity from an insurance company for the certain case.

(4) Incremental coronavirus costs concern all incremental costs incurred due to the coronavirus outbreak. Such costs are directly attributable to the coronavirus outbreak and are incremental to costs incurred prior to the outbreak and not expected to recur once the crisis has subsided and operations return to normal, while they are clearly separable from normal operations. Any reliefs provided by local legislation as a result of measures taken due to the coronavirus pandemic is deducted from the incremental coronavirus costs.

Net debt

Amounts in EUR thousand	Cables		Steel pipes		Other activities		Total	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Loans and borrowings (incl. Lease liabilities) - Long term	100,317	134,026	29,047	42,979	30	16	129,393	177,020
Loans and borrowings (incl. Lease liabilities) - Short term	350,273	150,718	125,687	66,192	12	6	475,972	216,915
Cash and cash equivalents	(115,196)	(87,342)	(50,997)	(41,005)	(967)	(1,259)	(167,160)	(129,606)
Net debt	**335,394**	**197,401**	**103,737**	**68,166**	**(925)**	**(1,238)**	**438,206**	**264,329**

EU Taxonomy Reporting Principles

Allocation of turnover, Capex and Opex to the environmental objective of climate change mitigation
Cenergy Holdings is particularly concerned by the objective of climate change mitigation. It was determined that activities 3.1, 3.5, 3.6, 3.8, 3.9, 4.9 & 7.7 should be allocated to climate change mitigation, as this objective is more pertinent to Cenergy Holdings' activities and the Taxonomy does not allow double counting using other objectives.

Relevant judgement on the Taxonomy-eligibility of our activities:

Cables Manufacturing

Activity 3.1 - Manufacture of renewable energy technologies
The description of activity 3.1 in Annex I to the Climate Delegated Act does not contain a clear definition of the term "renewable energy technologies" and is thus open to interpretation. In the absence of a "renewable energy technologies" definition and in the spirit of the EU Taxonomy, this term was defined by referring to the technical screening criteria for substantial contribution to climate change mitigation. Revenue generated from production and installation of cable systems used in Renewable Energy Sources projects (mainly wind and solar), which enable the diffusion of renewable energy in the electricity network was included.

Activity 4.9 - Construction and Installation services of electricity distribution networks
According to the description of activity 4.9 in Annex I to the Climate Delegated Act an economic activity should comply with at least one of the following technical screening criteria:

a. the system is the interconnected European system, i.e. the interconnected control areas of Member States, Norway, Switzerland and the United Kingdom, and its subordinated systems;
b. more than 67% of newly enabled generation capacity in the system is below the generation threshold value of 100 gCO_2e/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period;
c. the average system grid emissions factor, calculated as the total annual emissions from power generation connected to the system, divided by the total annual net electricity production in that system, is below the threshold value of 100 gCO_2e/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period.

Based on the Company's assessment, the cables segment revenue generated from projects relating to the interconnection of islands complies with the above-mentioned technical criteria "a".

Activity 3.6 - Manufacture of other low carbon technologies
Cable products with significant carbon emission reduction through the Global Warming Potential indicator was included in this activity. More specifically cables that reduce emissions in telecom and railway sectors are considered to comply with the activity description: Manufacture of technologies aimed at substantial GHG emission reductions in other sectors of the economy, where those technologies are not covered in Sections 3.1 to 3.5 of this Annex (Climate change mitigation).

Taxonomy-non-eligible economic activities
The activities that have not been identified as Taxonomy eligible, and which therefore comprise the Taxonomy non-eligible %, are currently not included among the sectors and activities included in the EU Taxonomy; however, they could be included in the activities envisaged in the additional four environmental objectives identified in the Regulation that are currently being standardized.

Taxonomy-eligible Capex and Opex and individually Taxonomy eligible Capex and Opex
With regards to Capex and Opex related to our Taxonomy-eligible economic activities and Capex/Opex related to purchases and measures that we consider as individually Taxonomy-eligible, explanations are provided in the sections "Capex KPI" and "Opex KPI" in the description of our accounting policies.

KPIs and accounting policies``
Reporting requirements include the eligibility percentage of the Turnover,

CAPEX and OPEX for the companies that are already included in the Sustainable Finance E.U. law. Article 10(1) of the Disclosures Delegated Act explicitly requires that in the first year of implementation, non-financial undertakings should disclose "the proportion of Taxonomy-eligible and Taxonomy non-eligible economic activities in their total turnover, capital and operating expenditure". The figures relevant to the aligned turnover, CAPEX and OPEX will be presented in the respective section below.

Turnover KPI

Definition

The proportion of Taxonomy-eligible economic activities has been calculated as the part of turnover derived from the economic activities presented below (numerator):

- 3.1 Manufacture of renewable energy technologies
- 4.9 Transmission and distribution of electricity
- 3.6 Manufacture of other low carbon technologies

divided by the turnover of Cenergy Holdings' total turnover (denominator) for financial year 2022.

For further details on our turnover accounting policy please refer to page 113 of our Annual Report 2022.

Reconciliation

Turnover of Cenergy Holdings can be reconciled to our consolidated financial statements, in “Operating segments” section, on page 128 of our Annual Report 2022.

Capex KPI

Definition

The Capex KPI is defined as Taxonomy-eligible Capex (numerator) divided by Cenergy Holdings' total Capex (denominator). The numerator consists of Taxonomy-eligible Capex related to assets or processes that are associated with the economic activities presented below (numerator):

- 3.1 Manufacture of renewable energy technologies
- 4.9 Transmission and distribution of electricity
- 3.6 Manufacture of other low carbon technologies

We consider that assets and processes are associated with Taxonomy eligible economic activities when they are essential components necessary to execute an economic activity. Consequently, all Capex invested into machinery or equipment for the above-mentioned activities have been included in the numerator of the Capex KPI.

The denominator consists of Cenergy Holdings subsidiaries additions to tangible and intangible fixed assets during financial year 2022, before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments. It includes acquisitions of tangible fixed assets (IAS 16), intangible fixed assets (IAS 38) and investment properties (IAS 40). Additions resulting from business combinations are also included. Goodwill is not included in Capex, as it is not defined as an intangible asset in accordance with IAS 38. For further details on our accounting policies regarding Capex please refer to page 117 of our Annual Report 2022.

Reconciliation

Capex of Cenergy Holdings can be reconciled to our consolidated financial statements, in “Operating segments” section, on page 128 of our Annual Report 2022.

Opex KPI

Definition

The Opex KPI is defined as Taxonomy-eligible Opex (numerator) divided by total Cenergy Holdings' total Opex (denominator).

The numerator consists of Taxonomy-eligible Opex related to assets or processes that are associated with the economic activities presented below (numerator):

- 3.1 Manufacture of renewable energy technologies
- 4.9 Transmission and distribution of electricity
- 3.6 Manufacture of other low carbon technologies

Total Opex (denominator) consists of direct non-capitalized costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment. This includes:

- Research and development expenditure recognized as an expense during the reporting period. This includes all noncapitalized expenditure that is directly attributable to research or development activities.
- The volume of non-capitalized leases was determined in accordance with IFRS 16 and includes expenses for short-term leases and low-value leases.

- Maintenance and repair and other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment were determined based on the maintenance and repair costs allocated to our internal cost centers. The related cost items constitute a portion of total operating expenses in the income statement. This also includes building renovation measures. In general, this includes staff costs, costs for services, and material costs for daily servicing as well as for regular and unplanned maintenance and repair measures. These costs are directly allocated to our PP&E including an appropriate allocation of overhead costs. This does not include expenditures relating to the day-to-day operation of PP&E such as raw materials, cost of employees operating the machine, electricity or fluids that are necessary to operate PP&E. Direct costs for training and other human resources adaptation needs are excluded from the denominator and the numerator. This is because Annex I to Art. 8 Delegated Act lists these costs only for the numerator which does not allow a mathematically meaningful calculation of the Opex KPI.

Taxonomy alignment KPIs
In relation to the eligible activities, the evaluation of the alignment in the cables manufacturing was applied and the results are shown below relevant to the TSC, DNSH criteria and Minimum Social Safeguards compliance.

Compliance with Technical Screening Criteria

- 3.1 Manufacture of renewable energy technologies

'The economic activity manufactures renewable energy technologies'.
Cable products act as enablers in the transition to a low carbon economy. As stated in the eligibility section, these products are specifically designed for wind turbine, photovoltaic etc. as well as products sold to renewable energy market segments such as renewable power generation which are explicitly matching the TSC of the 3.1 category.

- 4.9 Transmission and distribution of electricity

Projects and products (low, medium, and high voltage cables) for Construction and Installation.

Installation services dedicated to Land or submarine transmission or distribution network are considered as aligned.

- 3.6 Manufacture of other low carbon technologies

Cable products with significant carbon emission reduction through the Global Warming Potential indicator was included in this activity. More specifically cables that reduce emissions in telecom and railway sectors are considered to comply with the activity description: Manufacture of technologies aimed at substantial GHG emission reductions in other sectors of the economy, where those technologies are not covered in Sections 3.1 to 3.5 of this Annex (Climate change mitigation).

Manufacturing of optic fibre cables are compliant with technical screening criteria, stating that substantial life cycle GHG emissions savings are achieved, versus alternative technology of copper wires.

Do no significant harm (DNSH)
The DNSH criteria were analyzed in the reporting year for economic activities covered by the cables manufacturing activities included under the categories of:

- 3.1 Manufacture of renewable energy technologies
- 4.9 Transmission and distribution of electricity
- 3.6 Manufacture of other low carbon technologies

Below, a description of the assessments and main analyses used is provided in order to examine whether there was any substantial harm to the other environmental objectives. The assessments confirm that the requirements of the DNSH criteria in the reporting year for the sites producing cables products are met.

1. Climate change adaptation
A climate risk and vulnerability assessment was performed to identify which production sites may be affected by physical climate risks. The physical climate risks we identified were assessed on the basis of the lifetime of the relevant fixed asset.

Cenergy Holdings' climate based DNSH assessment is based on Representative Concentration Pathway (RCP) scenario 4.5 and thus assumes the highest concentration of CO_2 according to the Intergovernmental Panel on Climate Change (IPCC). The relevance of the identified threats was assessed for the local environment and, if appropriate, the measures needed to mitigate the risk were developed.

2. Sustainable use and protection of water and marine resources
The economic activities with respect to the sustainable use and protection of water and marine resources was evaluated looking at the three following criteria: preserving water quality, avoiding water stress, and an environmental impact assessment (EIA) looking at the impact on water. We based the analysis primarily on the Environmental Impact Assessment (EIA) performed at the relevant sites of the cable segment where an EIA is required. The EIA has been evaluated by the pertinent authorities and environmental terms have been assigned for the measures required to be taken by the operator company.

The two installations subject to EIR are the two Fulgor sites which are also subject to the Environmental Emissions Directive which further requires the implementation of Best Available Techniques for mitigation of the impact. The remaining cables segment companies (Hellenic Cables and ICME ECAB)are not subject to EIR due to its low environmental impact.

In accordance with the environmental permits of the two installations, all necessary measures are applied to prevent or limit the discharge of pollutants into the water recipient.

EIA for the two installations follow the specifications of the national legislation which is in full harmony with the directive 2011/92/EU (Directive on the assessment of the effects of certain public and private projects on the environment), including section that deals with the effects of the specific activities on water resources in accordance with Directive 2000/60/EC (Water Framework Directive).

The risks that may potentially arise during the operation of the industrial installations have already been identified and the measures to mitigate its effects have already been proposed and imposed, as is evident from the approved environmental permits which are in full compliance. According to the above and based on the imperatives governing the principle of not causing significant harm in relation to the objective of the sustainable use and protection of water and marine resources, no additional assessment of the impact of the activities on water resources is required, and therefore, the specific economic activities may not cause significant harm.

3. Transition to a circular economy
The company's activities comply with the below standards for circular economy.
The activity assesses the availability of and, where feasible, adopts techniques that support: (a) reuse and use of secondary raw materials and re-used components in products manufactured; (b) design for high durability, recyclability, easy disassembly and adaptability of products manufactured; (c) waste management that prioritises recycling over disposal, in the manufacturing process; (d) information on and traceability of substances of concern throughout the lifecycle of the manufactured products.

A waste management plan is in place and ensures maximal reuse or recycling at end of life in accordance with the waste hierarchy, including through contractual agreements with waste management partners, reflection in financial projections or official project documentation.

4. Pollution prevention and control
The DNSH criteria for this environmental objective require that the economic activity in question does not lead to substances listed in a variety of EU chemical regulations and directives being manufactured, placed on the market or used. Approval and monitoring processes are implemented with the aim of ensuring compliance with the legislation specified in the DNSH criteria.

More specifically, Best Available Techniques are applied regarding air emissions, effluent discharges, hazardous substances and waste management.

According to the environmental permits (terms) of the economic activities of the company, all necessary measures are applied to prevent pollution into the air, water and ground.

The EIA of the two installations include sections that deal with the effects of the economic activities on air, water and ground quality, dealing with the implementation of the necessary treatment and antipollution Best Available Techniques on the air emissions, stormwater and wastewater discharges. Environmental terms of the economic activities introduce upper permissible limits on the discharge pollutants into the air, water and ground which the activities are totally comply with. The collection, transportation and storage of all the wastes and hazardous substances are performed in accordance with current legislation (National and European) and under the implementation of the Best Available Techniques.

Assessments on the environmental incidents are performed and necessary corrective actions are taken as prevention pollution measures. Finally, an Accidental Pollution Liability is maintained and emergency response plan is applied.

According to the above mentioned, the specific economic activities may not cause significant harm.

5. Protection and restoration of biodiversity and ecosystems
In order to verify adherence to the requirements on biodiversity and ecosystems, the relevant areas were identified. We do not have any biodiversity-sensitive areas located close to a production site

At the same time we assessed whether nature conservation measures had been defined in the environmental approvals and subsequently implemented.

Minimum safeguards
The minimum safeguards consist of the OECD Guidelines for Multinational Enterprises, the United Nations Guiding Principles on Business and Human Rights, the Fundamental Conventions of the International

Labour Organisation (ILO) and the International Bill of Human Rights. Below, the main analyses used to examine whether the minimum safeguards are adhered to is described below:

A thorough assessment to address compliance with the requirements set out in the relevant report was performed. Based on that, good status in the areas of a) anti-bribery, b) fair competition, c) taxation was identified. Regarding human rights, the assessment has identified areas for improvement which have already been addressed on a risk based approach and relevant procedures have been developed.

Proportion of 2022 Turnover from Cenergy Holdings companies' products or services associated with Taxonomy-aligned economic activities

Cenergy Holdings Environmentally Sustainable - Aligned activities				Substantial contribution criteria					
Economic activities	Codes	Absolute turnover (%)	Proportion of turnover (%)	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution prevention and control	Biodiversity and ecosystems
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
3.1 Manufacture of renewable energy technologies	27.32	166,217,845	11.66%	11.66%					
3.6 Manufacture of other low carbon technologies	27.32	13,619,596	0.96%	0.96%					
4.9 Transmission and distribution of electricity	27.32	538,454,788	37.76%	37.76%					
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		718,292,230	50.37%	50.37%					
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
3.1 Manufacture of renewable energy technologies		0	0.00%						
3.6 Manufacture of other low carbon technologies		0	0.00%						
4.9 Transmission and distribution of electricity		108,904,326	7.64%						
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		108,904,326	7.64%						
Total (A.1 + A.2)		827,196,556	58.01%						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy-non-eligible activities (B)		598,811,667	41.99%						
Total (A+B)		1,426,008,223	100.0%						

DNSH criteria ('Does Not Significantly Harm')

Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution prevention and control	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of turnover, year 2022	Taxonomy-aligned proportion of turnover, year 2021	Enabling activity	Transitional activity
	Y	Y	Y	Y	Y	Y	11.66%		E	
	Y	Y	Y	Y	Y	Y	0.96%			
	Y	Y	Y	Y	Y	Y	37.76%		E	
							50.37%			
							50.37%			

CAPEX and OPEX KPIs
Proportion of 2022 CapEx from Cenergy Holdings companies' products or services associated with Taxonomy-aligned economic activities.

Cenergy Holdings Environmentally Sustainable - Aligned activities				Substantial contribution criteria					
Economic activities	Codes	Absolute CAPEX	Proportion of CAPEX (%)	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution prevention and control	Biodiversity and ecosystems
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
3.1 Manufacture of renewable energy technologies	27.32	14,174,738	17.94%	17.94%					
3.6 Manufacture of other low carbon technologies	27.32	269,101	0.34%	0.34%					
4.9 Transmission and distribution of electricity	27.32	23,112,164	29.25%	29.25%					
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		37,556,003	47.53%	47.53%					
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
3.1 Manufacture of renewable energy technologies		0	0.00%						
3.6 Manufacture of other low carbon technologies		0	0.00%						
4.9 Transmission and distribution of electricity		4,674,514	5.92%						
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		4,674,514	5.92%						
Total (A.1 + A.2)		42,230,518	53.45%						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
CAPEX of Taxonomy-non-eligible activities (B)		36,778,020	46.55%						
Total (A+B)		79,008,537	100.00%						

DNSH criteria ('Does Not Significantly Harm')

Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution prevention and control	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of CAPEX, year 2022	Taxonomy-aligned proportion of CAPEX, year 2021	Category (enabling activity)	Category (transitional) activity
	Y	Y	Y	Y	Y	Y	17.94%		E	
	Y	Y	Y	Y	Y	Y	0.34%		E	
	Y	Y	Y	Y	Y	Y	29.25%		E	
							47.53%			
							47.53%			

Proportion of 2022 OpEx from Cenergy Holdings companies' products or services associated with Taxonomy-aligned economic activities.

Cenergy Holdings Environmentally Sustainable - Aligned activities				Substantial contribution criteria					
Economic activities	Codes	Absolute OPEX	Proportion of OPEX (%)	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution prevention and control	Biodiversity and ecosystems
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
3.1 Manufacture of renewable energy technologies		2,126,795	9.69%	9.69%					
3.6 Manufacture of other low carbon technologies		49,115	0.22%	0.22%					
4.9 Transmission and distribution of electricity		4,062,099	18.52%	18.52%					
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		6,238,009	28.44%	28.44%					
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
3.1 Manufacture of renewable energy technologies		0	0.00%						
3.6 Manufacture of other low carbon technologies		0	0.00%						
4.9 Transmission and distribution of electricity		821,573	3.75%						
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		821,573	3.75%						
Total (A.1 + A.2)		7,059,582	32.18%						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
OPEX of Taxonomy-non-eligible activities (B)		14,878,130	67.82%						
Total (A+B)		21,937,712	100.0%						

DNSH criteria ('Does Not Significantly Harm')

Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution prevention and control	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of OPEX, year 2022	Taxonomy-aligned proportion of OPEX, year 2021	Category (enabling activity)	Category (transitional) activity
	Y	Y	Y	Y	Y	Y	9.69%		E	
	Y	Y	Y	Y	Y	Y	0.22%		E	
	Y	Y	Y	Y	Y	Y	18.52%		E	
							28.44%			
							28.44%			

Information to our Shareholders

Cenergy Holdings is a Belgian listed subsidiary of Viohalco S.A. (79.78% of voting rights).

On 14 December 2016, Cenergy Holdings S.A. announced the completion of the cross-border merger by absorption of Corinth Pipeworks Holdings S.A. and Hellenic Cables S.A. Holdings Société Anonyme by Cenergy Holdings S.A. On 21 December 2016, the trading of Cenergy Holdings' shares commenced on Euronext Brussels and on the Athens Stock Exchange (Athex).

During 2022, Cenergy Holdings, established the following wholly owned subsidiaries:

- Sparrows Point Properties Holdings LLC in the USA
- Sparrows Point Properties LLC in the USA
- CPW Solar S.A. in Greece
- CPW Wind S.A. in Greece

No other changes in Group structure took place during 2022 (see also note 31 of the Consolidated Financial Statements).

Market data

The table below sets forth, for the periods indicated, the maximum and minimum year-end closing prices and the end of the year closing prices of Cenergy Holdings on Euronext Brussels and Athens Stock Exchange (Athex).

Market	Euronext Brussels and Athens Stock Exchange
Ticker	CENER
ISIN code	BE 0974303357

Share price EURONEXT BRUSSELS in EUR	2022	2021
At the end of the year	3.02	3.10
Maximum	4.19	3.17
Minimum	2.37	1.47
Dividends distributed (EUR per share)	0.00	0.00
Gross annual return in %	-2.58%	91.12%

Share price ATHENS EXCHANGE in EUR	2022	2021
At the end of the year	3.02	3.10
Maximum	4.06	3.18
Minimum	2.35	1.55
Dividends distributed (EUR per share)	0.00	0.00
Gross annual return in %	-2.58%	79.19

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Financial calendar

Publication / Event	Date
2022FY Financial Results Conference Call	10 March 2023
Publication of 2022 Annual Report	30 March 2023
2023Q1 trading update	17 May 2023
Ordinary General Meeting 2023	30 May 2023
Ex-Dividend date of fiscal year 2022	19 June 2023
Dividend beneficiaries of fiscal year 2022 - Record date	20 June 2023
Dividend payment of fiscal year 2022	21 June 2023
Half Yearly 2023 results	20 September 2023

Glossary

The following explanations are intended to assist the general reader in understanding certain terms used in this Annual Report. The definitions set out below apply throughout the annual report, unless the context requires otherwise.

ABB	ABB is a global technology company in power and automation.
Aramco	Saudi Aramco is the state-owned oil company of the Kingdom of Saudi Arabia. It is the world's top exporter of crude oil and natural gas liquids.
BCCA	the Belgian Code of Companies and Associations
Belgian GAAP	the applicable accounting framework in Belgium
BG	BG Group is an international exploration and production and LNG company.
Board of Directors	the Board of Directors of the Company from time to time appointed in accordance or Board with the Articles of Association
BP	British Petroleum (BP) is one of the world's leading integrated oil and gas companies.
Cheniere Energy	Houston-based energy company primarily engaged in LNG-related businesses
Chevron	Chevron is one of the world's leading integrated energy companies.
Cross-Border Merger	the cross-border merger through absorption of Corinth Pipeworks Holdings S.A. and Hellenic Cables S.A. Holdings Société Anonyme (both formally listed in Greece), by the Company in accordance with articles 772/1 and following of the BCC and the Greek law 3777/2009 in conjunction with articles 68 §2 and 69 to 77a of the Greek Codified Law 2190/1920
DCP Midstream	is an energy company that sits squarely between a growing resource base and expanding petrochemical and energy markets.
Denbury	Denbury Resources Inc. is an independent oil and natural gas company
EBIT	Operating result as reported in the Profit or loss statement plus share of profit/(loss) of equity accounted investees
EBITDA	EBIT plus depreciation and amortisation
EDF	EDF Energy, the UK's largest producer of low-carbon electricity
Enbridge	Enbridge, Inc. is an energy delivery company based in Calgary, Canada which operates the longest crude oil and liquid hydrocarbons transportation system in the world. As a distributor of energy, it owns and operates Canada's largest natural gas distribution network.
Energy Transfer	Energy Transfer is a Texas-based company and one of the largest and most diversified investment grade master limited partnerships in the United States. It operates approx. 71,000 miles of natural gas, natural gas liquids (NGLs), refined products, and crude oil pipelines today, and remains dedicated to providing exceptional service to its customers and attractive returns to its investors.
EPCO	Energy Planners Company is an energy management and consultation firm. EPCO works with commercial, industrial, and non-profit clientele to aid them in better understanding how and where energy is consumed in their facility.
FSMA	Financial Services and Market Authority, which succeeded the Belgian Banking, Finance and Insurance Commission as the financial regulatory agency for Belgium on 1 April 2011
Greek Public Natural Gas Corporation (DEPA)	DEPA is the public natural gas supply corporation of Greece
GRI	Global Reporting Initiative
Gross annual return	the gross annual return is calculated on the share price it equals to (change in price from January 1 to 31 December/share price on January)
IAS	International Accounting

	Standards
IFRS	International Financing Reporting Standards, as adopted by the EU
IPTO S.A.	Independent Hellenic Transmission Operator
LSAW	Longitudinal Submerged Arc Welded mill for the production of high-strength offshore and onshore energy pipes
National Grid	United Kingdom-based utilities company
OGC	a leading organisation in the Sultanate's Oil and Gas sector and managing Oman's major natural gas distribution network
OMV	OMV, one of the largest listed industrial companies in Austria, produces and markets oil and gas, as well as chemical solutions in a responsible way and develops innovative solutions for a circular economy.
PDO	Petroleum Development Oman is the major exploration and production company in the Sultanate
Pioneer Pipe Inc	Pioneer is one of the largest full-service construction, maintenance, and fabrication companies in the Midwest.
Plains All American	Plains All American Pipeline is one of the largest and most admired midstream energy companies in North America. Plains All American Pipeline (Plains) is a publicly-traded master limited partnership that owns and operates midstream energy infrastructure and provides logistics services for crude oil, natural gas liquids (NGL), natural gas, and refined products.
Shell	Shell Global is a global group of energy and petrochemical companies
Snam	an Italian natural gas infrastructure company. The utility mainly operates in Italy and is one of Europe's leading regulated gas utilities
Socar	The State Oil Company of the Azerbaijan Republic (SOCAR) is involved in exploring oil and gas fields, producing, processing, and transporting oil, gas, and gas condensate, marketing petroleum and petrochemical products in domestic and international markets, and supplying natural gas to industry and the public in Azerbaijan.
Spartan	Spartan Energy Corp. is an oil and gas company based in Calgary, Alberta.
Spectra Energy	Spectra Energy Corp is a S&P500 company headquartered in Houston Texas, that operates in transmission and storage, distribution, and gathering and processing of natural gas.
STEG	Tunisian Company of Electricity and Gas is a Tunisian public company, established in 1962, with a mission to produce and distribute electricity and natural gas on the Tunisian territory.
Subsea	Subsea7 is a world-leading seabed-to-surface engineering, construction and services contractor the offshore energy industry.
Tideway	Tideway is a subsidiary of the Belgian dredging, environmental and marine engineering group DEME, an international market leader for complex marine engineering works.
TIGF	Transport et Infrastructures Gaz France offers and develops natural gas transport and storage solutions for the European market
Transpa-rency Law	the law of 2 May 2007 on the disclosure of significant shareholdings in issuers whose securities are admitted to trading on a regulated market
Van Oord	Van Oord is a Dutch family-owned company with 150 years of experience as an international marine contractor.

The annual report, full versions of the statutory and consolidated annual accounts, as well as the audit reports regarding said annual accounts are available on the website (www.cenergyholdings.com).


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