CENERGY
HOLDINGS

ANNUAL REPORT 2016

CORINTH PIPEWORKS
Delivering energy to the world

CABLEL®
HELLENIC CABLES

ANNUAL REPORT 2016

Contents

Cenergy Holdings S.A.

Cenergy Holdings S.A. (***Cenergy Holdings*** or the ***Company***) is a Belgium-based holding company founded in 2016 and listed on Euronext Brussels and the Athens Stock Exchange. Cenergy Holdings is a subsidiary of Viohalco S.A.

Viohalco S.A. (**Viohalco**) is the Belgium-based holding company of leading metal processing companies across Europe. Viohalco's subsidiaries specialise in the manufacture of aluminium, copper, cables, steel and steel pipes products and technological advancement. They have production facilities in Greece, Bulgaria, Romania, Russia, FYROM, Australia and the United Kingdom.

Cenergy Holdings invests in industrial companies positioned at the forefront of high growth sectors, such as energy transfer, telecommunications and construction.

The companies in Cenergy Holdings' portfolio:

- have a long history of implementing large projects in more than 70 countries;
- have served major customers worldwide for nearly 70 years;
- operate seven production units and four supporting facilities in four countries;
- provide value added products for niche markets; and
- employ more than 1,600 highly skilled people.

Cenergy Holdings key figures in 2016

- Revenue: EUR 692 million
- Adjusted EBITDA: EUR 60 million
- EBIT: EUR 34 million
- Profit before tax: EUR 2.8 million
- Loss after tax of the year: EUR 3.8 million
- Equity: EUR 206 million
- Total assets: EUR 890 million
- Net debt: EUR 376 million

Message from the President of the Board of Directors

2016 has been a milestone year for Cenergy Holdings. Following its incorporation on 17 March 2016, the Company completed the cross-border merger by absorption of Corinth Pipeworks Holdings and Hellenic Cables Holdings on 14 December 2016.

This transaction paved the way for the successful admission to listing and trading of Cenergy Holdings' shares on Euronext Brussels and the Athens Stock Exchange, reaching another milestone as trading commenced on 21 December 2016. Following its listings, Cenergy Holdings has continued to build its profile among the international investment community.

With Corinth Pipeworks and Hellenic Cables in its portfolio, Cenergy Holdings is well positioned to meet the growing global need for energy transfer solutions, renewables and data transmission. These two leading industrial companies have modern and cost efficient facilities, solid business models, and a long history of innovation, successful strategic investments and technological advancement. As a combined entity, Cenergy Holdings will benefit from a stronger market position, improved access to capital, an ability to take on even bigger and more complex projects, and ultimately provide customers with a more attractive and competitive offering.

During 2016, we witnessed a volatile economic and political international environment. In Greece, expected economic growth has been delayed as a result of ongoing negotiations with the country's creditors. Despite an upward trend in the prices of oil and natural gas during the year, the continued low price levels resulted in further delays to the implementation of major energy projects worldwide. The volatility in the prices of raw materials had a further adverse effect on our business environment.

In this context, consolidated revenue for the year reached EUR 692 million, down by 10.7% against 2015, mainly due to execution of different types of construction contracts in the cables segment, resulting in changes to the product mix compared with the previous year. This, in turn, had an adverse effect on results for the year, in combination with weaker demand in the main European markets during the second quarter of the year.

Profit before income tax amounted to EUR 2.8 million, versus EUR 15.5 million in 2015. Regarding the steel pipes segment, the decline in profit after tax from EUR 7.8 million in 2015 to EUR 4.5 million in 2016 is largely due to the results of AO TMK-CPW, in which Corinth Pipeworks has a 49% stake, as well as increased interest costs relating to long term debt. As for the cables segment, apart from the above, metal price fluctuations during 2016 additionally burdened the result with a loss of EUR 5.7 million and the loss before tax amounted to EUR 4.2 million for 2016 compared to profit before tax of EUR 3.3 million. The result of 2016 was highly affected by restructuring costs of EUR 2.1 million due to the spin-offs that took place during 2016 in both sectors, administrative reorganization, the cross-border merger and expenses related to the admission of Cenergy Holdings' shares in Euronext Brussels and the Athens Stock Exchange.

Operational achievements, such as significant new contracts awarded Corinth Pipeworks by Trans Adriatic Pipeline AG (TAP) and Williams (USA), and to Hellenic Cables by the German electricity transmission system operator TenneT and the Danish national electricity transmission system operator, Energinet.dk, partially counterbalanced the effects on profitability from the adverse economic international environment. Hellenic Cables also completed several major projects during the year, including the Cyclades submarine turnkey project and electricity supply provision to the St. George Island.

Our performance in 2016 also benefited from recent investments, which served to enhance the sales of value-added products, extend our competitive sales network, increase productivity and reduce production costs.

Lower raw materials costs provided further impetus to 2016 results, while a favourable EUR:USD exchange rate positively affected the competitiveness of our products.

Loss for the period reached EUR 3.8 million, compared to profit of EUR 7.7 million in 2015. Net debt as at 31 December 2016 stood at EUR 376 million, increased by 10.4% year-on-year mainly due to increased working capital needs.

At Cenergy Holdings and our portfolio companies, we seek to produce a positive economic, environmental and social effect through sustainable development for the benefit of all our stakeholders. Throughout 2016, our focus has been on supporting economic growth in our markets and providing high quality products and solutions for our customers. With high corporate governance standards and initiatives aimed at promoting responsible behaviour in the marketplace, our goal is to lead the way in environmental sustainability in our markets. Occupational health and safety as well as the wellbeing of our people remain an important part of our corporate ethos, along with supporting the development of the communities in which we operate.

2016 has been a creative year for Cenergy Holdings. Key to our performance was the successful execution of the cross-border merger by absorption of Corinth Pipeworks Holdings and Hellenic Cables Holdings, and the subsequent stock exchange listing of the combined entity which lies in the hard work and dedication of our companies' people.

Looking to the future, regardless of continuous market volatility in the short-term, major macroeconomic megatrends, such as population growth, increasing energy needs and urbanisation, point to a positive long-term outlook for our industry.

We expect our performance in 2017 to be supported by improving market conditions in Greece, export growth and gradual reactivation of major projects in the energy sector.

With strong foundations in place at Cenergy Holdings, I am confident that we are well positioned for success in 2017 and beyond.

Jacques Moulaert
President of the Board of Directors

Cenergy Holdings' portfolio - Business segments

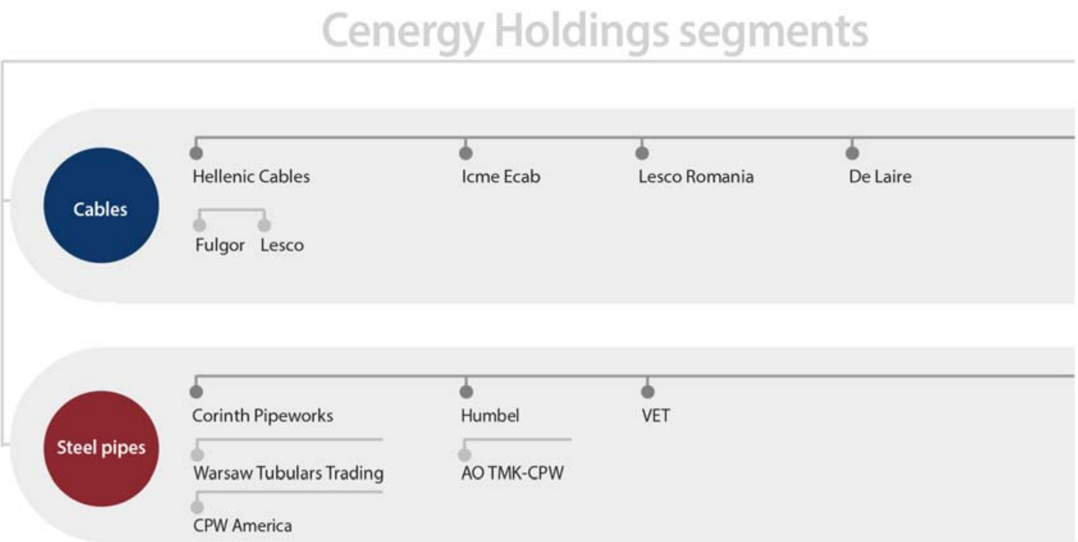
Cenergy Holdings' companies provide solutions and turnkey services to a large number of clients in the energy, telecommunications and construction sectors. With global experience implementing large-scale projects and a strong focus on customer satisfaction, the companies are considered leaders in their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

Cenergy Holdings' portfolio operates under the following organisational structure which includes two business segments:

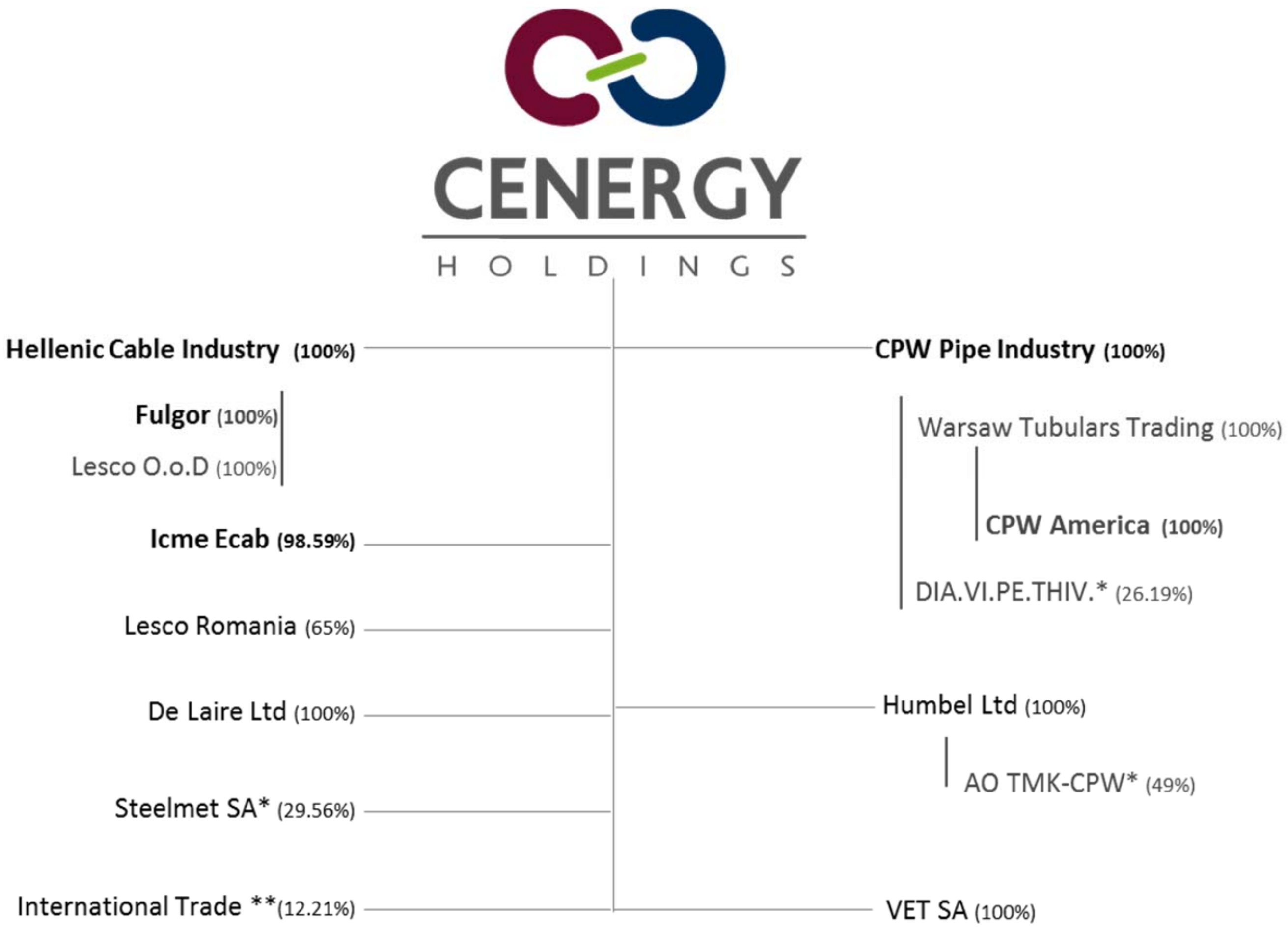
- Cables segment: Hellenic Cables S.A. Hellenic Cable Industry S.A. (***Hellenic Cables***), one of the largest cable producers in Europe, manufacturing power and telecom cables for various sectors such as oil and gas, renewables, energy transmission and distribution, construction and telecommunications. The segment includes Fulgor S.A., 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., 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 and other companies presented in the diagram below.

- Steel pipes segment: Corinth Pipeworks Pipe Industry S.A. (***Corinth Pipeworks***), a leading company in steel pipe manufacturing for the oil and gas sector and major producer of hollow sections for the construction sector. The segment also includes other companies presented in the diagram below.

Cenergy companies continually invest in innovation and technology in order to maintain state-of-the-art production facilities. These investments facilitate sustainable growth and value creation, not only through the design and development of new value added products for niche markets, but also by optimising cost efficiency and productivity.



In detail:



____

Notes:

**Consolidated as equity accounted investees*

*** Non consolidated entities (Other significant investments)*

History of Cenergy Holdings

Cenergy Holdings is a listed subsidiary of Viohalco S.A. (81.93% of voting rights).

On 14 December 2016, Cenergy Holdings SA announced the completion of the cross-border merger by absorption by Cenergy Holdings SA of the Greek listed companies Corinth Pipeworks Holdings S.A. and Hellenic Cables S.A. Holdings Société Anonyme. On 21 December 2016, the trading of its shares commenced on Euronext Brussels and the Athens Stock Exchange.

The cross-border merger between Cenergy, Hellenic Cables and Corinth Pipeworks has been considered as a common control transaction, since all of the combining entities are ultimately controlled by the same party, namely Viohalco SA/NV (Viohalco), both before and after the business combination. Due to the above and in order to provide financial information which is relevant, meaningful and reliable, the consolidated financial statements of Cenergy Holdings as of and for the period ended 31 December 2016 are presented as if the cross-border merger had occurred before the start of the earliest period presented (i.e. 1st January 2015).

Management Report

The Management Report prescribed by article 119 of the Belgian Companies Code which was approved by the Board of Directors on 30 March 2017 consists of this chapter (pages 8 to 41), as well as the Remuneration Report and the Risk Management and Internal Control sections of the Corporate Governance Statement (pages 73-74 and 75-76 respectively).

MANAGEMENT REPORT

1. 2016 Highlights and 2017 Outlook

Financial highlights 2016

- Consolidated revenue down by 10.7% to EUR 692 million, compared to EUR 775 million in 2015, mainly due to lower LME prices, lower sales volume in medium voltage and low voltage power cables in the European markets, during the second semester of 2016 and delays in new energy projects as a result of low oil and gas prices;
- EBIT* of EUR 34 million, compared to EUR 45 million in 2015;
- Adjusted EBITDA* of EUR 60 million, compared to EUR 73 million in 2015;
- Restructuring costs amounted to EUR 2.1 million in 2016;
- Profit before income tax of EUR 2.8 million, compared to EUR 15.5 million in 2015;
- Loss of the year of EUR 3.7 million, compared to a profit of EUR 7.7 million in 2015;
- Net debt* up 10.4 % to EUR 376 million as at 31 December 2016.

** For the definitions of the APMs used, refer to Appendix A.*

Operational highlights 2016

Steel pipes segment	▪ Start of the new pipe production mill equipped with LSAW/JCOE technology for the manufacture of pipes with a large diameter and increased wall thickness. Five projects have been successfully executed within 2016 utilising this technology; ▪ First off-shore project for pipes produced using the LSAW/JCOE method awarded; ▪ Conclusion of an investment programme to facilitate the production of 24 meter pipes and three orders successfully executed in the U.S.A.; ▪ First order for pipes produced using the HFI method was fulfilled, used by our customer Subsea 7 for a reeling project in the North Sea.
Cables segment	▪ Two contracts awarded by the German electricity transmission system operator, TenneT, for offshore wind farm export cable connections; ▪ Three contracts awarded by the Danish TSO, Energinet.dk, for cable connection between Denmark and Sweden and the replacement of overhead lines within Denmark;. ▪ A contract awarded for cable interconnection of an offshore wind farm in the UK.

2. Subsequent events

There are no subsequent events affecting the consolidated financial statements.

3. Business performance and activity report

During 2016, Cenergy Holdings' operating environment was negatively affected by continuous modest global economic growth, lower prices of copper and aluminium, as well as further delays to steel pipes projects worldwide due to low oil and natural gas prices. However, the execution of significant contracts such as the Trans Adriatic Pipeline ("TAP"), Cyclades interconnection and St. George project partially counterbalanced the above.

Summary consolidated statement of profit or loss

Amounts in EUR thousand	For the year ended 31 December 2016	2015
Revenue	691,775	774,788
Gross profit	**62,907**	**71,707**
Gross profit (%)	9.1%	9.3%
Adjusted EBITDA	59,676	73,210
Adjusted EBITDA (%)	8.6%	9.4%
EBITDA	54,019	64,034
EBITDA (%)	7.8%	8.3%
EBIT	**33,832**	**44,828**
EBIT (%)	4.9%	5.8%
Net finance costs	**(31,012)**	**(29,292)**
Profit before income tax	**2,821**	**15,536**
Net margin before income tax (%)	0.4%	2.0%
Profit / (Loss) of the year	**(3,772)**	**7,741**
Profit / (Loss) attributable to owners of the Company	**(3,741)**	**7,741**

Source: Consolidated statement of profit or loss and APM (Appendix A)

Consolidated revenue for 2016 amounted to EUR 692 million, a decrease of 10.7% compared to EUR 775 million recorded in 2015, as a result of the decline in metal prices, as reported below, and the reduced demand in European markets noticed mainly during the second half of 2016 in the cables segment.

Average LME metal prices:

Amounts in EUR per ton	For the year ended 31 December 2016	2015	% Variance
Aluminium	1,451	1,497	(3.1%)
Copper	4,400	4,952	(11.1%)

Gross profit decreased by 12.3% to EUR 63 million in 2016, from EUR 72 million in 2015. However, the gross profit margin remained rather stable compared to 2015 at 9.1%.

Adjusted EBITDA decreased to EUR 60 million from EUR 73 million mainly due to the different mix of projects executed, the lower sales volume in medium voltage and low voltage power cables in the European markets, during the second semester of 2016 and delays in new energy projects as a result of low oil and gas prices**.**

Net finance costs increased by 5.9%, amounting to EUR 31 million, as a result of the increased net debt which financed working capital needs.

Profit before income tax decreased to EUR 3 million from EUR 16 million as a result of the above, the restructuring costs of 2.1 million related to the spin-offs, administrative reorganization, cross–border merger and the listing of the Company and the negative results of AO TMK-CPW (equity-accounted investee).

Summary of consolidated statement of financial position

Amounts in EUR thousand	As at 31 December 2016	2015
ASSETS		
Property, plant and equipment	384,601	386,776
Investment property	6,472	872
Other non-current assets	40,432	35,847
Non-current assets	**431,505**	**423,496**
Inventories	200,274	155,218
Trade and other receivables	183,923	178,891
Cash and cash equivalents	71,329	37,672
Other current assets	3,340	244
Current assets	**458,866**	**372,025**
TOTAL ASSETS	**890,371**	**795,521**
EQUITY	**206,462**	**209,099**
LIABILITIES		
Loans and borrowings	184,396	198,403
Deferred tax liabilities	27,220	23,999
Other non-current liabilities	28,730	30,961
Non-current liabilities	**240,345**	**253,363**
Loans and borrowings	262,823	179,843
Trade and other payables	178,624	152,382
Other current liabilities	2,117	834
Current liabilities	**443,564**	**333,059**
TOTAL LIABILITIES	**683,909**	**586,422**
TOTAL EQUITY & LIABILITIES	**890,371**	**795,521**

Source: Consolidated statement of financial position

Non-current assets increased from EUR 423 million in 2015 to EUR 432 million in 2016. This increase is mainly due to the acquisition of an investment property from an affiliate of Viohalco, VET S.A., the increase in value of the equity accounted investee AO TMK – CPW mainly as a result of the fluctuation of euro / ruble exchange rate, and the acquisition of shares of the affiliated company, International Trade S.A.

Capital expenditure during the year amounted to EUR 12 million for the cables segment and EUR 7 million for the steel pipes segment, while **depreciation** of PP&E for 2016 amounted to EUR 20 million.

Current assets increased by 23.3% from EUR 372 million to EUR 459 million, mainly due to higher inventory levels (EUR 45 million) as a result of the increased raw material purchases for the forthcoming projects of steel pipes segment, as well as increased cash and cash equivalents (34 million).

Liabilities increased by 16.6% from EUR 586 million in 2015 to EUR 684 million in 2016, mostly driven by higher debt by EUR 69 million which is partially counterbalanced by the increase in cash and cash equivalents. This debt is related to financing of the new pipe mill which was concluded in 2015 and began operations in 2016. Cenergy Holdings companies' debt in 2016 comprises of 41% long term and 59% short term facilities. Short term facilities are predominately revolving credit facilities which finance working capital needs and specific ongoing projects. The increase in **trade payables** of EUR 26 million is attributed to purchases of raw materials for the execution of the on-going projects, mainly in the steel pipes segment.

Performance by business segment

Cenergy Holdings' financial performance is affected by the performance of its key subsidiaries, which in turn, are significantly driven by market conditions in their respective sectors.

Steel Pipes

Activities

Corinth Pipeworks Group has substantial experience in the implementation of complex projects worldwide and is a supplier of choice for both oil and gas and international construction companies. Corinth Pipeworks Group is one of the world's leading manufacturers of high quality steel pipes used to safely transport oil, gas and water, as well as to carry CO_2 and slurry. The Group's key products include straight and helical seam welded steel pipes (with medium and large diameters) as well as hollow structural sections.

The Group's ability to manufacture technologically advanced products and remain abreast of latest developments in its field lies on the cornerstone of its operational efficiency and commercial achievements. Corinth Pipeworks collaborates with international research organisations, such as the European Pipeline Research Group (EPRG) and the Welding Institute, and regularly participates in research projects which are linked to its core business activities.

History

1960s

Operations commence at the Corinth plant, 80Km west of Athens (1969).

1970s

A solid production base is created through new installations and major investments while orders from North America, Asia, Europe and the MENA region mark the start of experience in important markets.

1980s

The company establishes itself as a producer of high quality steel pipes. Important alliances with top tier raw material suppliers are formed, and product and quality management systems accredited and certified according to recognised international standards.

1990s

Corinth Pipeworks is audited and approved by many end-users and key contractors leading to the award of several prestigious project including our first offshore pipeline and sour service pipeline references.

2000s

A new plant is constructed in Thisvi, 125Km North-West of Athens and production facilities are relocated.

- Sidenor Group, the major Greek steel manufacturer acquires a majority holding and a massive restructuring plan commences. The Thisvi plant, where all current manufacturing operations are based, begins operations.
- Corinth Pipeworks and TMK reach an agreement to establish a joint stock company for the production of medium-diameter pipes in Russia.
- Upgrade of the HFI line, to produce steel pipes with an outside diameter of 26'' (world first) 2010s+. With the implementation of the strategic investments, continuous improvement of the production base and successful cooperation with major oil and gas companies and EPC contractors worldwide, Corinth Pipeworks evolves into a world class pipe manufacturer, recognised for its dedication to quality and high overall performance.

- Corinth Pipeworks is awarded the first worldwide X70 HIC resistant HFI pipeline project in U.S.A.
- The ERW/HFI pipe mill is upgraded to produce pipes with max. length of 24m (from 18m).
- The external and internal coating mills are upgraded to coat pipes up to 24m length (from 18m).
- The new LSAW pipe mill investment is completed, enabling Corinth Pipeworks to offer one of the widest product ranges of welded pipes worldwide.
- The Trans Adriatic Pipeline AG (TAP) awards a contract to Corinth Pipeworks to supply a total length of approximately 495 km (~270,000Tn of steel pipes) of large diameter pipes

Corporate Strategy

Corinth Pipeworks has a long experience in carrying out demanding offshore and onshore projects for the energy sector globally and is an approved supplier to major oil and gas companies and EPC contractors. It offers full services to its customers, from initial analysis of a project through to completion and delivery to the final location. Corinth Pipeworks aims to meet the needs of the international energy market by focusing on the following strategic priorities:

- Growth across Europe, Middle East, North Africa and North America, as well as the emerging markets of East and West Africa and the CIS;
- Leveraging the Group’s LSAW investments to offer one of the world’s most diverse welded product ranges (HFW, HSAW, LSAW), which meets the highest international standards. The Group acts as an integrated “one-stop-shop” for energy steel pipe products and related services;
- Continuous operational efficiency improvements of production plants to strengthen the Group’s competitive and financial position; and
- Cultivating long-term cooperation with top quality raw material manufacturers for the steel industry worldwide.

Striving for excellence is a key pillar of Corinth Pipeworks’ corporate culture which is reflected in the responsible way in which the company operates and in the relationships it cultivates with stakeholders.

Subsidiaries and equity accounted-investees

Cenergy Holdings’ main subsidiaries and equity accounted investees in the steel pipes segment, are the following:

Corinth Pipeworks Pipe Industry is the Group’s core business in Steel Pipes segment. With advanced facilities in Thisvi, in the Viotia province of Greece, its product portfolio includes steel pipes solutions for oil and gas transportation and hollow structural sections for the construction industry. Corinth Pipeworks is able to offer competitive pricing and fast delivery of products thanks to its exclusive use of port facilities located approximately 1.5 km from the plant.

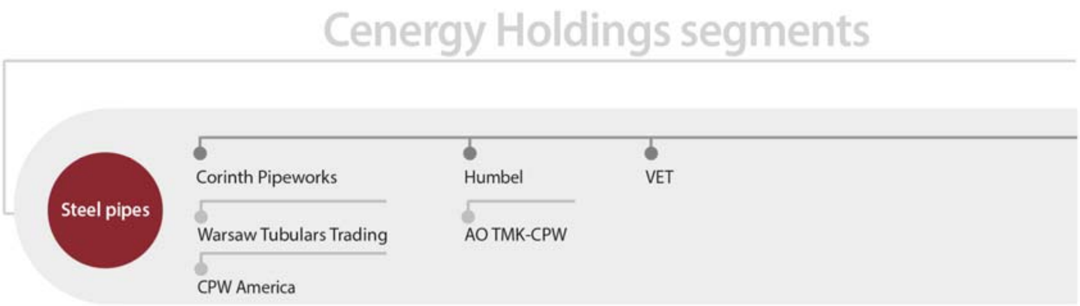
JSC TMK-Corinth Pipeworks is a joint stock company between Corinth Pipeworks (through its 100% subsidiary Humbel Ltd., which controls 49% of the joint stock company) and TMK, the largest manufacturer of steel pipes in Russia, and one of the sector leaders globally. JSC TMK-Corinth Pipeworks has its production facilities in Polevskoy, Russia, where pipes and hollow structural sections are manufactured.

Corinth Pipeworks America Co is based in Houston, Texas, USA and its goal is to promote Corinth Pipeworks' products and provide customer service to the Group's customers, as well as to Viohalco companies located in North and South America.

Warsaw Tubular Trading's primary activity is to acquire holdings in companies engaged in similar activities.

Dia.Vi.Pe.Thi.V. S.A. is responsible for managing the Thisvi Industrial Area, where the Group's main production plant is located.

Humbel Ltd. is a company incorporated in Cyprus and holds 49% of shares in the joint stock company with TMK in Russia (TMK-Corinth Pipeworks).



Product Portfolio

Corinth Pipeworks produces steel pipes for oil, gas, CO_2, water and slurry pipelines, as well as casing pipes for drilling operations. The Group also produces a wide range of structural hollow sections for the construction sector. Its long history of innovation and 'one-stop-shop' integrated services have ensured Corinth Pipeworks' position as a major steel pipe supplier.

Corinth Pipeworks manufactures and distributes top quality products for global and domestic markets. Its products meet international standards and can be specifically tailored to customer requirements and specifications. In particular, Corinth Pipeworks is well positioned to offer customers complete solutions, through a successful combination of innovative products and specialised services based on its one-stop-shop philosophy.

Corinth Pipeworks' products are used to transport oil, gas, water, CO2 and slurry, as well as in the construction sector.

The Group's main product categories are:

- Onshore and offshore pipelines for oil and gas transportation: Manufactured with either external coatings or internal linings to ensure corrosion protection and frictionless flow of the energy resources being carried. The autogenous welding process using high frequency induction (ERW/HFI), the LSAW process and the HSAW process guarantee high production reliability and dimensional accuracy.
  Depending on their intended use, line pipes used for oil and gas transportation need to meet specific quality characteristics and standards, compliance with which is a vital prerequisite.

- Casing pipes: These high-frequency induction welded pipes (HFW), used during drilling and extraction of oil and gas, are manufactured using the high frequency induction welding process (ERW/HFI) and are manufactured at grades H 40 and J 55, in compliance with the requirements of International Standards (API 5CT / ISO 11960) or customer specifications. The ERW/HFI process guarantees reliable production and a high degree of accuracy of dimensional characteristics. Casing pipes are available to customers either with plain ends or with weld-on connectors. An expanded product range is now offered, following the installation of the new LSAW mill.

- Hollow structural sections: Primarily used in the construction sector. They are extremely important structural components in various types of engineering projects and, in particular, in metal construction. The end products can be round, rectangular or square in shape, while their length is determined by customer specifications. Hollow structural sections are manufactured in accordance with the European Standard EN 10219-1.

- Pipelines for water transportation: Manufactured in order to transport water over long distance networks, to distribute it to the place of consumption. In accordance with customer requirements, the pipes can be externally coated or internally lined, thus ensuring corrosion protection and smooth water flow, in compliance with all hygiene and drinking water requirements.

Services

Corinth Pipeworks also supplies services in the energy and construction sectors. In this competitive market, Corinth Pipeworks aims to meet expectations through thorough analysis of customer requirements. As a company offering total solutions, Corinth Pipeworks provides its customers with a series of value-added services.

These include:

- Internal lining and external coating of pipes manufactured by other pipe mills;
- Tests on raw materials and end products in line with the EN / ISO 17025 standard at Corinth Pipeworks' accredited laboratory, as well as sour service performance testing (HIC and SSCC);
- Weld-on connector units for casing pipes used in drilling/pumping facilities;
- Treating, cutting, prefabricating and affixing special markings;
- Alternative solutions for the steel pipe manufacturing method, to reduce the cost of materials without compromising on functionality or quality (such as welded pipe solutions instead of seamless pipes, which have a significantly higher cost and longer delivery time);
- Optimum packaging, transport and storage processes;
- Supply of pipes or subcontracting of pipe coating outside Corinth Pipeworks' own product range, as part of large projects, thus enabling us to offer total solutions; and
- Multi-modal transportation of pipes, including loading and offloading on ships, carriage by sea, carriage by rail, offloading and transport by trucks.

Production Facilities and ports

Corinth Pipeworks Group's industrial plants are located in Thisvi, Viotia, Greece and Polevskoy, Russia. Details for each of these plants are below:

Corinth Pipeworks Pipe Industry plant and port | Thisvi (Greece)
Annual production capacity: 925,000 tons
Corinth Pipeworks' production plant is located at the Thisvi Industrial Area in Viotia and the production began in 2001. The total land has a surface area of 497,000 sq. m with the building at

107,000 sq. m. Within the industrial area of Thisvi in Viotia, there are port facilities operating in accordance with ISPS regulation.

The production units in Thisvi Viotia are as follows:

26'' HFIW pipe mill
The HFIW pipe mill manufactures pipes (ranging from 8 5/8”-26” in diameter) with steel grades of up to X80 and wall thicknesses ranging from 4.78 to 25.4 mm. The HFIW pipe mill also manufactures large hollow structural sections (ranging from 180x180 to 500x500 and 600x400 mm) used widely in the metal constructions sector. The mill was built by the German firm SMS-Meer. Hot rolled steel coil is used with the high frequency welding method (HFIW). The edges are mechanically pressed together; heat is generated by resistance of the edges to the electrical current flowing through them, allowing the edges to weld.

7 5/8'' HFIW pipe mill
The HFIW pipe mill manufactures pipes (ranging from 2”-7 5/8” in diameter) with steel grades of up to S355J2H and wall thicknesses ranging from 2 to 10 mm. The HFIW 7 5/8” steel pipes are widely used in the construction sector, networks and drilling. The mill was built by the German firm SMS-Meer.

HSAW pipe mill
The Helical Submerged Arc-Welded (HSAW) pipe mill manufactures large diameter steel pipes from high quality hot rolled steel coils. Welding is achieved by joining the ends of the metal together using submerged arc welding (SAW) techniques. The HSAW mill manufactures pipes (ranging from 24”-100” in diameter) with steel grades of up to X80 and wall thicknesses ranging from 6.00 to 25.4 mm. The mill was built by the German firm MEG / SMS-Meer.

LSAW/JCOE pipe mill
In 2015, a new pipe manufacturing mill which uses the LSAW/JCOE method was completed. LSAW large diameter and thick wall pipes are used primarily in oil & gas pipelines and are produced using submerged arc welding technology. The raw material used is hot rolled steel plate of a specific width and length per final product, depending on the specifications. The new mill is able to manufacture pipes with an external diameter ranging from 16” to 56”, wall thickness of up to 40 mm, lengths of up to 18.3 m and steel grades of up to X100.

Weld-on connectors’ mill
This mill manufactures weld-on connectors for casing pipes, offering customers a comprehensive end product. The mill is run in partnership with MITE and OSI, offering services to the wider Mediterranean market. The weld-on connectors’ mill can handle pipes with a diameter from 6 5/8” to 42”, steel grades of up to X100 and wall thicknesses of up to 25.4 mm. The mill was built by Corinth Pipeworks and OSI.

External coating mills
The TCP 48 coating mill provides steel pipe coatings consisting of a triple layer of polyethylene (3LPE), polypropylene (3LPP) and a single or dual layer fusion bond epoxy (FBE). The TCP 48 mill can coat pipes with an external diameter of up to 48”.

The TCP 100 provides similar external coatings for pipes with an external diameter of up to 100”. This mill can externally coat pipes with lengths of up to 24 metres.

Internal coating mill TLP 56
The TLP 56 mill internally lines steel pipes with an epoxy material. It can process pipes with an external diameter of up to 56”.This mill can internally coat pipes with lengths of up to 24 meters.

Accredited quality control lab
Corinth Pipeworks’ quality control lab is accredited by the Hellenic Accreditation System in line with the ELOT EN ISO/IEC 17025 standard, which confers both National and International recognition of its technical competence and ensures high quality services to internal and external customers. The laboratory cooperates with accredited certification bodies for the verification of its technical equipment, actively participates in international schemes for conducting bi-laboratory tests and continuously checks the quality of testing by certified reference reports. Staff is well-trained and can support a wide range of tests based on international regulations and standards such as ISO, ASTM, NACE, API etc. The laboratory is also equipped to perform sour service performance testing (HIC & SSCC).

Port facilities
Fully-functioning port facilities are available at the Thisvi Industrial Area, some 1.5 km from the Thisvi plant. These facilities ensure Corinth Pipeworks’ competitive transport costs, while also allowing for shorter raw material delivery times and improved end product delivery times. The Thisvi Industrial Area’s port facilities have 2 jetties: Jetty A, which has a docking depth of 11.10 m and is 205 m long and Jetty C, which has a docking depth of 9.50 m and is 90 m long. The IMO has assigned the port facilities the international code GRITA 0001.

Storage facilities
Both direct and indirect raw materials and end products (before being shipped off to customers) are stored in suitable facilities.

JSC TMK-Corinth Pipeworks plant | Polevskoy (Russia)
Annual production capacity: 200,000 tons.
Corinth Pipeworks’ first production facilities beyond the borders of Greece were opened for business in 2007 by the joint stock company TMK-Corinth Pipeworks. The facilities of AO TMK-Corinth Pipeworks are in the city of Polevskoy in the Seversky Region of Russia, located within the Seversky Tube Works (SWT), which is a subsidiary of TMK. The plant’s primary activity is to manufacture high-frequency welded pipes with a diameter of up to 21”. The equipment used meets high technical specifications and allows pipes with diameters from 168mm to 530mm, wall thicknesses from 4.8 to 12.7 mm and lengths of up to 18 m, as well as hollow steel sections to be produced in line with international quality standards. The plant sells the Company’s products in Russia and the CIS.

Investments
The growth strategy of Corinth Pipeworks Group implemented through its main company, Corinth Pipeworks, has led to the creation of a strong production base which enables the manufacturing of high quality pipes that can meet the most challenging specifications of its international customers. To maintain this competitive advantage, Corinth Pipeworks continues to make significant investments aiming at upgrading and expanding its industrial plants. In 2015, Corinth Pipeworks concluded its major investment plan with the new LSAW/JCOE pipe mill which was manufactured by SMS Meer GmbH. The new mill manufactures pipes with external diameters ranging from 16” to 56”, wall thicknesses of up to 40mm, pipe lengths up to 18.3m and steel grades up to X100, using the LSAW/JCOE production technique. This investment has allowed Corinth Pipeworks to expand its product portfolio and meet the increasing demand for high-strength and heavy-duty pipes for the construction of offshore and onshore natural gas and oil transportation pipelines. In 2016 Corinth Pipeworks concluded the upgradation of ERW/HFI 26” line in order to produce 24 meter pipes, the

upgrades of TCP 100 and TCP 48 coating lines, in order to apply external coating to the 24meter pipes and the upgrade of TLP56 lining line, in order to apply internal lining to 24 meter pipes. With the ability to offer 24 meter pipes, CPW gains a competitive advantage, as the 24 meter pipes contribute to the reduction of the installation costs when a pipeline is constructed and thus creates a cost benefit for its customers. Investments for 2016 amounted to EUR 7 million.

Innovation & Technology

Corinth Pipeworks focuses on continuous technological innovation, Research &Development and the highest quality of customer service in order to remain a leading supplier to the oil and gas sector.

- Offshore Reel-lay method

Pipe reeling is a fast and efficient method of laying offshore pipelines. Pipes are welded, tested and coated onshore and then spooled in one continuous length on a reeling vessel. The vessel sails to site, the spool is unwound and the pipe is laid. The major advantages of Reel-lay are the high production rate as well as the controlled welding and inspection conditions onshore. Corinth Pipeworks is one of the very few companies worldwide to offer pipes up to 24m in length for reel lay purposes, compared to the common 12m.

Longer pipes mean less girth welds, decreased time of preparation and lower total cost.

- Deep offshore

The deep offshore is assumed to harbor a significant percentage of the world's oil and gas resources.

The latest technological developments have made deep water exploration and production possible and cost efficient. Most of the new discoveries and high potential exploration fields are offshore in deep and ultra-deep waters, while E&P spending is expected to rise significantly in the next decade. The main challenges relate to the extreme conditions of the abyssal environment. Corinth Pipeworks has the unique capability to offer LSAW pipes from 16" (406.4mm) external diameter and above in high strength and wall thickness to cover the increasing demand for deep offshore applications.

<u>Cost efficiency solutions</u>

- End product uniformity strategy

In close cooperation with end users and installation contractors, Corinth Pipeworks' modern manufacturing plant and sophisticated forming methods are promoting the "end product uniformity" strategy, aiming to tighten dimensional tolerances on critical dimensional pipe characteristics such as:

- pipe diameter and roundness (both ends and body);
- wall thickness; and
- straightness.

Pipe tracking and laser measuring systems generate detailed reports on pipe dimensional characteristics, offering a clear advantage, with reduced sorting and handling costs during installation.

- Longer pipes = Less welding = Lower cost

Corinth Pipeworks has the unique capability to manufacture and coat up to 24m pipes in HFI and SAW pipe mills.

Mill upgrades and scheduled double joining facility installation offer the customers time and cost benefits of on-site welding and field joint coating during onshore pipeline installation and offshore lay-barge operations.

Integrated Services

- Downstream operations

Corinth Pipeworks offers a full range of external and internal coatings on pipe sections up to 24m long, applied at the same location as our pipe manufacturing operations. To offer an equally attractive range of coatings for offshore pipeline projects, Corinth Pipeworks is in the process of installing a Concrete Weight Coating facility.

Corinth Pipeworks produces a wide range of high quality casing and conductor pipe, completed with forged and threaded end-connectors for use in oil and gas drilling at significant cost savings.

Corinth Pipeworks' independently accredited test laboratory performs the tests required to support a major pipe production and coating facility, including NACE corrosion tests under sour service conditions.

To remain up-to-date with the latest technical and technological developments, Corinth Pipeworks continuously monitors the following Research &Development activities:

- Implementation of process optimisation techniques in cooperation with leading suppliers of technological equipment, and extensive internal trial production to narrow the optimum working range for all variables and allow higher product uniformity.
- Collaboration with well-known steel manufacturers to further develop steel grades and production procedures for complex projects including sour service conditions, deep offshore applications, high strain applications such as reeling.
- Development of advanced tracking, process control systems and advanced non-destructive inspection techniques and controls.
- Collaboration with international research organizations and institutes (EPRG, TWI, Elkeme)
- Participation in major European and International projects aiming at the development of pipe properties and pipeline integrity (JIP and RFCS projects).

Customers and sales network
CPW is supplying its products for both energy and construction sector through sales offices and an extensive network of representatives and agents across the globe. Corporate Headquarters are in Greece and sales offices are active in USA, UK, Germany and other countries.

Corinth Pipework's clients include Chevron, BP, BG, SHELL, DEPA, DESFA, OMV, GRTGAZ, Snam, ENI, SOCAR, National Grid, RWE, Spectra Energy, Energy Transfer, Denbury, DCP Midstream, MRC, Spartan, EPCO, TOTAL, Enbridge, Cheniere Energy, DNOW, Talisman, STEG, Sonatrach, PDO, OGC, Saudi Aramco, EXXON MOBIL, ABB, EDF, TIGF, Saipem, Genesis, Allseas, Gaz System, Subsea 7, Wintershall, Qatar Petroleum, KPO, GASCO, PEMEX etc.

Recent projects
On 20 November 2015, Corinth Pipeworks announced that it had been awarded a contract by TAP for the supply of large diameter pipes (with a total length of approximately 495 km) for the onshore part of the pipeline across Greece. The contract for approximately 270,000 tonnes of 48" diameter line pipe was awarded to Corinth Pipeworks in partnership with the Japanese group Marubeni-

Itochu Steel Incorporation, one of the leading steel suppliers worldwide. By the end of 2016, Corinth Pipeworks had successfully executed approximately 45% of the TAP project, which is on track for completion in 2017. Undertaking of this project reaffirms Corinth Pipeworks positioning as one of the leading pipe suppliers for the energy sector worldwide.

CPW successfully delivered in 2016 steel pipes to Wintershall for the Norwegian Sea, Maria offshore project. The reel lay project is a water injection pipeline and the laying contractor is Subsea 7. 50Km of 12” 17.5mm DNV HFW 450 pipes were produced at the state of the art 26” HFI pipe mill in Thisvi, Greece, and reeled in the SS7 Vigra spoolbase. The pipeline’s maximum depth reached 320m.

Notable features of the project are:
-the enhanced dimensional tolerances for better fit-up and
-the pipe length of up to 24m compared to the 12m used up to now
which meant less girth welds, decreased preparation time and lower total cost. CPW is one of the very few worldwide to offer pipes up to 24m length for reel lay purposes, compared to the common 12m. Longer pipes mean less girth welds, decreased time of preparation and lower total cost.

CPW also supplied in 2016 major projects in the U.S. like:
-Cheniere Corpus Christi pipeline, a 45km gas pipeline of 48” pipes (24,000 tons) that would interconnect the Corpus Christi liquefaction project with several inter- and intrastate natural gas pipelines.

- Plains All American, Diamond pipeline, a 210km oil pipeline of 20” pipes for the supply of the Valero Memphis refinery with U.S. domestic crude oil from Cushing, Oklahoma, for the production of gasoline, diesel and jet fuel for the greater Memphis and Eastern Arkansas area.

Corinth Pipeworks has acquired significant experience in the manufacture of steel pipes and has long track record of implementing complex projects in the demanding markets of Europe, America, Africa and the Middle East, including:

Oil & Gas projects

CUSTOMER	DESCRIPTION	YEAR
TAP A.G.	495Km of “Trans Adriatic pipeline” in Greece	2016-2017
Wintershall	50Km reel-lay offshore project “Maria” in Norway	2016
Plains All American	740Km of oil pipelines (Diamond & Red River) in the U.S.A.	2015-2016
Energy Transfer	550Km of gas pipeline projects (DAPL & Rover) in the U.S.A.	2015
GRT GAZ, TIGF, GDF	560Km of gas pipelines in France	2003-2016
Snam Rete Gas	240Km of gas pipeline projects in Italy	2011-2016
BP	184Km “In Amenas” onshore gas pipeline project in Algeria	2006, 2009, 2012
Denbury	385Km “Greencore CO2 pipeline” in the U.S.A.	2011-2012
OMV	395Km “Nawara” gas project in Tunisia and 62Km “WAG EXPANSION 3” project in Austria	2011-2013

CUSTOMER	DESCRIPTION	YEAR
BG	107Km "Knarr field development" offshore gas pipeline project in Norway and 120Km "Hasdrubal" offshore gas pipeline in Tunisia	2012, 2007
Chevron	128Km (in total) of offshore projects in Netherlands, Angola and Thailand	2002 - 2010
Sonatrach	915Km of gas pipelines in Algeria (El Merk Lot 2, MEDGAZ etc.)	2005 - 2010
Spectra Energy	443Km "South East Supply Header" gas pipeline in the U.S.A.	2007
Chevron	490Km "WAGP-West African Gas pipeline" offshore project in Ghana	2005
Shell	204Km of offshore oil projects awarded by SHELL Deepwater in Gulf of Mexico, SHELL UK in the North Sea and SHELL Nigeria in West Africa	2002

<u>Construction projects</u>

YEAR	PROJECT	COUNTRY
2014	Bergen Airport	Norway
2014	Queen Alia International Airport	Jordan
2014	Stavros Niarchos Foundation Cultural Center	Greece
2013	Gare de Nanterre	France
2013	Stade de Bordeaux	France
2013	Stade Allianz Riviera	France
2013	Mall of Scandinavia	Sweden
2013	Cairo International Airport	Egypt
2013	Hilton Amsterdam Schiphol Airport	Netherlands
2012	Ayazaga Culture & Convention Center	Turkey
2000	Harilaos Trikoupis Bridge	Greece

2016 Financial Performance

Revenue amounted to EUR 302 million in 2016, a 2% increase year-on-year (2015: EUR 296 million). During 2016, Corinth Pipeworks executed about 50% of the TAP project, the biggest project in its history. The first reeling project for pipes up to 20m in length was also successfully completed during the year. In addition, Corinth Pipeworks completed the upgrade of the HFIW pipe mill and Coating and Lining plants during the year to facilitate the production of pipes up to 24 metres in length.

Gross profit amounted to EUR 33 million in 2016, a 7% increase compared to 2015 (EUR 31 million). In 2015, gross profit is reduced by a one-off loss derived from impairment of inventories of EUR 3.4 million.

Adjusted EBITDA amounted EUR 28 million in 2016, a 9% decrease year-on-year (2015: EUR 30.8 million). The decrease is mainly due to the loss recorded in 2016 of EUR 0.8 million from AO TMK-CPW, in which Corinth Pipeworks has a 49% stake, compared to profits of EUR 1.5 million recorded in 2015, as well as a small decrease in the profit margins of the projects executed in 2016 compared to those of 2015.

In 2016, **profit before income tax** amounted to EUR 8.3 million, compared to EUR 12.1 million in 2015. This decline is largely due to the above, as well as restructuring costs of EUR 540 thousand and increased interest costs relating to long term debt. The summary consolidated statement of profit or loss of the **steel pipes segment** is as follows:

	For the year ended 31 December	
Amounts in EUR thousand	**2016**	**2015**
Revenue	302,215	296,217
Gross profit	**33,046**	**30,931**
Gross profit (%)	10.9%	10.4%
Adjusted EBITDA	28,029	30,843
Adjusted EBITDA (%)	9.3%	10.4%
EBITDA	27,091	28,576
EBITDA (%)	9.0%	9.6%
EBIT	**18,471**	**20,018**
EBIT (%)	6.1%	6.8%
Net finance costs	**(10,213)**	**(7,921)**
Profit before income tax	**8,258**	**12,097**
Net margin before income tax (%)	2.7%	4.1%
Profit / (Loss) of the year	**4,466**	**7,756**
Profit / (Loss) attributable to owners of the Company	**4,466**	**7,756**

Source: Consolidated statement of profit or loss and APM (Appendix A)

Note: Steel pipes segment's Gross Margin includes segment's Direct Sales Expenses, amounted to EUR 20.5 million in 2016 and EUR 25.8 million in 2015, in order for Cenergy Holdings group to apply consistency and uniformity of accounting policies.

As for 2017, the international economic environment remains volatile, and low oil and natural gas prices (albeit increased from 2015 levels) do not support the implementation of significant projects in the energy sector. Despite the above, Corinth Pipeworks continues to focus on growth through the penetration of new geographical and product markets, particularly by targeting value adding products. Furthermore, raw materials prices remain high, which may negatively affect the Company’s profit margins. With years of experience and a continued focus on innovation, Corinth Pipeworks is well positioned to utilise its significant production capacity and focus on product diversification to enter new markets.

Further information on the Corinth Pipeworks Group is available on the corporate website:

www.cpw.gr

Cables

Activities
Hellenic Cables, together with its subsidiaries (Cablel® Hellenic Cables Group), constitute the largest cable producer in Greece and one of the major in South-eastern Europe. Hellenic Cables Group owns six production plants; four in Greece, one in Romania, and one in Bulgaria. The Group is export oriented and has a wide commercial presence in international markets, having established a strong position among the few global high-voltage submarine cable manufacturers, exporting to more than 50 countries.

Since its establishment, Hellenic Cables Group has adopted front-line technologies to develop a wide range of technologically innovative cable solutions and aims to provide competitive and advanced products and services targeting international markets. Its plants manufacture a variety of products including underground and submarine power cables (from low to high and extra high voltage), telecommunications cables, enamelled wires, copper wires and compounds.

Technical knowledge and continuous investment in modern machinery ensures efficiency and quality. Commitment to quality and sustainable development has been a key factor in Hellenic Cables Group establishing a solid position in the global market. The long-term presence in the cables sector and the subsequent possession of the know-how procedures both on technical and managerial level ensure trustworthiness and ultimately meet customers' expectations.

The Hellenic Cables Group makes significant investments aiming at enriching its product portfolio and enhancing its sustainability profile; the Company invested more than EUR 65 million in the manufacture of high and extra high voltage submarine cables at the Fulgor plant.

Cablel® Hellenic Cables Group responds swiftly to changes according to customer requirements around the world by offering reliable and safe products manufactured using environmentally-friendly technologies. At the same time, the Group places a strong emphasis on the development of its people and value creation for its shareholders, partners and the communities in which it operates. Looking ahead, the Group plans additional investments in technology and innovative cable solutions in order to secure a sustainable future for its stakeholders.

History
1950s
- Viohalco begins cable production
- Cable manufacturing company, Icme Ecab S.A. (***Icme Ecab***) is founded under the name of "Electrocablu"
- Fulgor S.A. (***Fulgor***) in Agios Ioannis Rentis, Athens, Attica is established

1960s
Cable production plant relocation to Oinofyta, 57Km north of Athens
1970s
- Hellenic Cables S.A is established.
- Completion of the first submarine cable linking Kos - Kalymnos (25.4 Km) and Paros-Naxos (15 Km) by Fulgor on behalf of DEI (Public Power Co)

1980s
Production of XLPE Insulated medium voltage cables
1990s

- Fulgor constructs the first H.V. (High Voltage) 150KV cables, on behalf of DEI (PPC)
- Share capital majority acquisition of Icme Ecab from Hellenic Cables S.A.

2000s

- The new Thiva cable production plant is completed and High Voltage cable production line begins operations
- Operation of 2nd HV/EHV line up to 500kV

2010s+

- Hellenic Cables S.A. acquires 100% of Fulgor's share capital and an approx. EUR 65 million investment plan is implemented
- It is awarded a new contract for the Cyclades Islands interconnection worth approximately EUR 93 million, including underwater 150KV cable connections
- A new contract worth approximately EUR 36.4 million for the design, supply, installation and commissioning of the 150kV submarine interconnection of small island of Aghios Georgios to the mainland Greece is awarded
- Three contracts for the planning, design and supply of both submarine and underground cables are also awarded by the Danish national electricity transmission system operator, Energinet.dk
- Two turnkey projects for offshore wind farm export cable systems are awarded by the German electricity transmission system operator TenneT.

Corporate Strategy
The strategic objectives guiding the operational activities of Hellenic Cables and its subsidiaries are as follows:

- Capitalise on Hellenic Cables Group's investments by focusing on added value products such as high voltage submarine cables and extra high voltage underground cables;
- Promote Hellenic Cables Group's activities in markets outside Europe, with emphasis on those investing heavily in power and telecommunications network development, as well as in renewable energy projects;
- Further enhance the Group's cost competiveness;
- Improve the Group's liquidity through optimisation of the working capital management; and
- Keep focusing on the Group's human assets and on sustainable development of its companies.

Subsidiaries
Hellenic Cables has inherited more than 60 years of experience in the manufacture of power and telecom cables. It manufactures voltage power cables (ranging from low to extra high voltage), telecom cables, enamelled wires and plastic as well as rubber compounds, all individually tailored to customers' specifications. Hellenic Cables maintains a focus on adopting cutting-edge technologies for the development of a wide range of technologically innovative cable solutions and aims to provide competitive and modern products and services in international markets. Hellenic Cables owns three plants in Greece, located in Thebes, Livadia and Oinofyta.

Fulgor was established in 1957 and relocated to its current 210,000 m2 facilities in Soussaki, Corinth in 1972. In 1973, it carried out the first submarine cable links for PPC while in 1986 it constructed and installed the first optical fibre cable in Greece for the Hellenic Telecommunications

Organisation. Fulgor started producing high voltage cables in 1993. Over the past forty years, the company has installed a large proportion of all power and telecommunications networks in Greece and has also installed most of the submarine cable links in the Greek territory. Fulgor was acquired by Hellenic Cables in 2011.

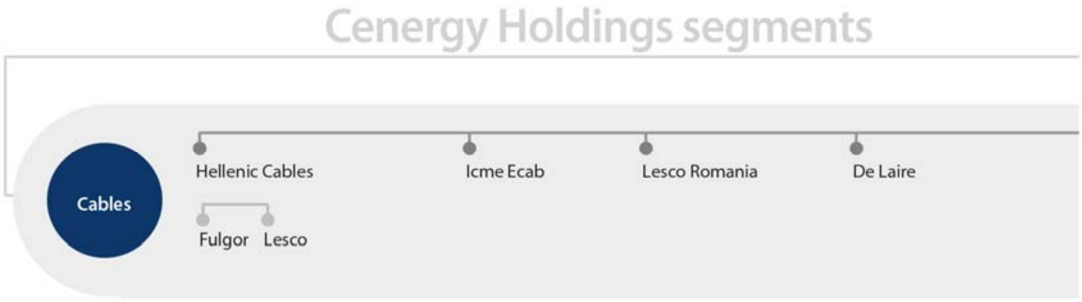
In the Fulgor plant, Hellenic Cables manufactures submarine cables (ranging from medium to extra high voltage), submarine fibre optic cables, composite cables, special purpose cables, and copper and aluminium wires and rods. Since 1972, Fulgor has installed more than 1,000 km of power submarine cables (of up to 33 kV) and over 2,200 km of submarine optical-fibre cables. Fulgor also manufactures composite submarine cables, which involves combining power submarine and optical-fibre cables. Between 2012 and 2015, investments in excess of EUR 65 million were carried out to install an ultra-modern production line for high and extra high voltage submarine cables. Following this installation, Fulgor became one of the few global producers of high voltage submarine cables. Production of the first orders on the new line commences in 2014. The new equipment enables Fulgor to produce submarine cables of up to 500 kV in long continuous lengths. Fulgor has its own dock and premises at its Soussaki-based plant which enables the direct loading of cables on to cable-laying vessels. It also offers cable sinking and protection services on the seabed and is able to deliver submarine links to end customers in the form of “turnkey" projects. For instance, in 2014, Fulgor connected Bell Island to the continental network of Newfoundland and Labrador, Canada. In 2015, it started the interconnection of the islands Syros-Tinos, Syros-Mykonos and Syros-Paros and the connection of the wind park on the islet of Agios Georgios. Both of these projects are underway.

Icme Ecab has over 50 years’ experience in the Romanian and international cable markets. In 1999, Hellenic Cables became the major shareholder (95%) of Icme Ecab and in 2002 it acquired almost full control of its share capital (98.6%). Icme Ecab is located in a 102,000m2 industrial complex on a 268,000m2 plot of land in Bucharest and employs approximately 520 members of staff. It has a diverse product portfolio including 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. The plant operates a well-equipped research and development unit which is responsible for the ongoing improvement to the quality of products. In the domestic Romanian market, products of Icme Ecab are sold and distributed from its facilities in Bucharest and its warehouses in Cluj, Bacau and Timisoara. In the international market, they are sold through the Hellenic Cables network or directly to end customers.

Hellenic Cables controls 100% of Lesco O.o.d., a company located in Bulgaria which operates a wooden packaging products plant. Located in private buildings, its facilities occupy 3,398 m2 of a 25,000 m2 property. The continuous investment in new technologically advanced infrastructures, together with the abundance of raw materials, has allowed for manufacturing of specialised, wooden packaging materials with a variety of applications in industry.

Lesco Romania is based in Bucharest, Romania and 65% of its share capital is held by Hellenic Cables. It assembles, repairs, and recycles wooden packaging products.

De Laire Ltd is a company incorporated in Cyprus and its primary activity is to acquire holdings in companies engaged in similar activities.



Product portfolio

Cable products are sold in both international and Greek markets under the patented trademark Cablel®. Hellenic Cables is well-regarded in both Greek and foreign markets and its strategic focus on exports is reflected in the large quantities of cables and enamelled wires sold abroad.

Hellenic Cables Group offers a wide range of medium, high and extra high voltage submarine and land cables, overhead conductors and turnkey installation services for:

- Interconnection of islands to the mainland grid;
- Grid connection between different countries;
- Land cables and overhead conductors for transmission systems;
- Offshore/Onshore wind farms;
- Solar energy projects;
- Oil and gas platforms;
- Short distance crossings (i.e. rivers, channels, fjords); and
- Power supply of heavy industries.

Hellenic Cables also manufactures low and medium voltage power cables and overhead conductors for electric power distribution networks for:

- Electric Power Operators;
- Utilities;
- Industries;
- Renewable energy applications;
- Railway transportation networks; and
- Buildings.

The key product categories are as follows:

Power cables: Medium, high and extra high voltage submarine cables, indoor installation cables, control cables, industrial-purpose and outdoor installation cables, fire-retardant, fire-resistant, halogen-free cables, medium, high and extra high voltage cables (up to 500kV), cu (grounding) wires, al, acsr/ acss conductors, marine cables.

Telecommunication and data transmission cables: Gauging and control cables, conventional telephone cables, telephone exchange cables, data transmission tables, high-frequency telephone cables, optical fibre cables (single-mode and multi-mode), underground dielectric cables in tubes, underground direct burial cables (steel reinforcement), indoor installation lszh cables, underground dielectric anti-rodent cables, aerial installation cables (8-shaped or adss), submarine optical fibre cables, signalling and railway signalling cables.

Enamelled wires: Enamelled wires for electric motors and transformers, copper wires for grounding and box can manufacture. Hellenic Cables is the sole manufacturer of enamelled wires in Greece.

Plastic and rubber compounds: PVC-based plastics, polyolefin-based plastics, rubbers.

Turnkey solutions

Since 1972 Hellenic Cables Group has undertaken a large number of "turnkey" projects for the supply and installation of submarine power cables as well as high voltage underground cables.

Where appropriate, the Group uses its own specialised assets, trained personnel and well-established and experienced subcontractors to complete a large number of "turnkey" projects in Greece and abroad.

These projects include the supply and installation of:

- Medium voltage power submarine cable systems;
- Repeaterless optical fibre submarine cable systems;
- Composite power - optical fibre submarine cables;
- Underground power and composite power - optical fibre cable systems with rated voltage up to 400kV; and
- Optical fibre underground systems.

The Group's submarine cable project capabilities include the following:

- System engineering according to specifications and/or in consultation with the customer;
- Cable route surveys at shore ends and the open sea as well as in underground segments;
- Design and manufacture of suitable cable types according to route survey results and specified requirements;
- Transportation of the cables onto site;
- Installation of cables using specialised cable laying vessels with precise navigation equipment, dynamic positioning and sophisticated cable laying machinery. Cable laying can include the simultaneous plough burial of the cables under the sea bed [in] the open sea segments (as in the case of repeaterless optical fibre cable links);
- Installation of land cables as extensions to submarine cables from the landing points to the terminal stations or termination points;
- Supply of repair-joints, passive branching units (repeaterless optical fibre links), transition joints between submarine and land cables and cable terminations;
- Construction of transition joints, terminations and repair joints;
- Protection of cables by burial at the shore ends, on land segments, and the construction of beach manholes and other related civil works;
- Supply and installation of the transmission equipment at terminal stations including special optical amplification equipment (in the case of repeaterless optical fibre cable systems);
- Commissioning systems;
- Project management; and
- Training customer personnel in operation and maintenance of the system.

The capabilities of the Group in underground cable projects include:

- Engineering links according to specifications and/or in consultation with the customer;
- Design and manufacture of cables;
- Transportation and installation of cables along the route with the use of specialised equipment;
- Civil works including excavations, back-filling and reinstatement of ground to its initial condition (prior to installation of cables);
- Supply required accessories including the relevant joints and terminations;
- Construction of joints and terminations required for the realisation of the link;
- Supply and installation of temperature monitoring systems using optical fibres to monitor the loading of the installed cables (in the case of high voltage underground cables);
- Commissioning systems;
- Project management; and
- Training customer personnel in operation and maintenance of systems.

Production facilities and port
Having invested significantly in the expansion and improvement of its manufacturing facilities, Hellenic Cables Group and its subsidiaries operate an effective production base that comprises four plants in Greece, one in Romania and one in Bulgaria:

Hellenic Cable Industry Power and Optical Fibres Cable plant | Thiva (Greece)
Annual production capacity: 60,000 tons
The Thiva plant, owned by Hellenic Cables, covers a total surface area of 175,082 m2, including 50,181 m2 of building facilities. It specialises in the production of energy and telecommunications cables.
Cables are manufactured in accordance with national or international standards and certified by various public or private organizations.
The plant is currently certified by: VDE (Germany), BASEC (UK), LCIE (France), IMQ (Italy), DNV (Norway) for ship cables, and CTL (USA) for wind turbine cables, etc. The plant is also certified according to ELOT EN ISO 9001:2008 and ELOT EN ISO 14001:2004.

Fulgor Cable plant and port | Soussaki, Corinth (Greece)
Annual production capacity: 50,000 tons of cables and 120,000 tons of 8mm diameter copper wire rod
The plant, owned by Fulgor, is located at Soussaki, Corinth, on a 218,247 m2 plot, which includes 80,048 m2 of building facilities. Fulgor was integrated into Hellenic Cables Group in June 2011. It is one of the most innovative companies in the industry, and provides high quality technologically advanced products and turnkey projects. Fulgor is one of handful companies specialising in submarine cable interconnections.
The Fulgor plant has been certified under ISO 9001:2008, ISO 14001:2004 and ISO 18001:2007 standards and its fully operational port facility enables direct loading of products onto cable ships, which is a distinct competitive advantage.

Icme Ecab Cable plant | Bucharest (Romania)
Annual production capacity: 50,000 tons
The plant, owned by Icme Ecab, is located in Bucharest, Romania on a plot with a total surface area of 268,000 m2 including buildings of 102,137 m2. It manufactures low and medium voltage energy cables and copper telephone cables.

The plant includes a well-equipped research and development unit responsible for the ongoing improvement of product quality. Its facilities have been certified under ISO 9001:2008 and ISO 14001:2004.

Hellenic Cable Industry enamelled wires plant | Livadia (Greece)
Annual production capacity: 12,000 tons
The Livadia plant, which is owned by Hellenic Cables, specialises in wire manufacturing and has a total surface area of 121,818 m2 including 13,939 m2 of building facilities.
Specifically, it produces soft and hard wires which are used as raw materials for the manufacture of enamelled wires. Its production units have been certified under ISO 9001:2008, ISO 14001:2004 and ISO 18001:2007.

Hellenic Cable Industry plastic and rubber compounds plant | Oinofyta (Greece)
Annual production capacity: 24,000 tons
The Oinofyta plant, owned by Hellenic Cables, covers a total surface area of 21,263 m2, including 9,072 m2 of building facilities. It specialises in the manufacture of elastic and plastic compounds. Part of its production facilities are used by its parent company, Halcor for the manufacture of ECUTHERM® and CUSMART® products. The facilities have been certified under ISO 9001:2008, ISO 14001:2004 and ISO 18001:2007.

Lesco Ltd. | Blagoevgrad (Bulgaria)
Annual production capacity: 16,500 tons of wooden packaging products
The plant, owned by Lesco O.o.d., is a modern timber company founded in 1998, and is located in Blagoevgrad, Bulgaria. It is exclusively involved in the manufacturing of wooden packaging products (pads, reels, pallets, packing cases), including wooden spools used for the reeling of various cables. The plant is located on a plot with a total surface area of 25,000 m2 including buildings of 3,398 m2. Lesco O.o.d is a 100% subsidiary of Hellenic Cables. Its continuous investments in new, technologically advanced infrastructure, as well as the availability of raw materials have facilitated the manufacturing of specialised, wooden packaging materials with a variety of industrial applications.

Investments

Hellenic Cables' presence in international cable products markets is mainly due to its dynamic production base, which enables its companies to successfully meet the needs of their customers with high-added value innovative solutions. In order to maintain and expand this competitive advantage, Cables segment's companies will continue to implement major investment plans to improve productivity of plants, expand production capacity, continue to develop of research and technology and broaden of the product portfolio.

During the period between 2013 and 2015, Cables segment invested approx. EUR 96 million, while in 2016, investment expenditure amounted to EUR 12.2million..

The most notable investment of the 2013-2016 period was the upgrade of Fulgor's facilities for the production of high-voltage submarine cables, which exceeded EUR 65 million. Fulgor extended its production capacity in order to manufacture high and extra high voltage submarine cables. The new equipment enabled Hellenic Cables to produce submarine cables of up to 500 kV in long continuous lengths. Fulgor is now better positioned to undertake "turnkey" projects such as the connection of Bell Island to the continental network of Newfoundland and Labrador, Canada in 2014, and the interconnection of islands Syros-Tinos, Syros-Mykonos, Syros-Paros in 2015 and the wind park on the islet of Agios Georgios the same year. Investments performed for 2016, concerned mainly productivity and capacity improvement projects at Fulgor, Hellenic Cables and Icme Ecab plants.

Innovation & Technology

The introduction of new technologies into the production process to develop innovative, better quality environmentally friendly products and provide services of high added value, is an integral element of Cablel® Hellenic Cables Group's business.

At Cablel® Hellenic Cables Group, we firmly believe that R&D processes, and the introduction of new technologies in the production process, support the creation and maintenance of a competitive advantage. For this reason, we implement significant Group-wide investments directly connected to R&D on an annual basis.

In order to better address R&D demands, the Group invests primarily in its people, recognizing that the quality and expertise of human resources is what essentially contributes to the success of any research effort. As such, the Group's R&D department is staffed by highly educated specialized scientific personnel. The staff's participation in educational and lifelong learning programmes is also an integral part of the department's operation.

Collaboration on a national and international level with internationally acclaimed educational institutions, distinguished research centres and certified laboratories with international prestige are also an integral part of daily R&D activity.

Cablel® Hellenic Cables Group ensures that it is able to leverage any opportunity for participation in expertise transfer groups. A notable example is the Group's participation in the two-year Tanocomp European Programme. This is an EU funded project within the Life Long Learning Programme implemented through a Joint Venture of the following Partners:

- Steinbeis – Europa – Zentrum
- Aitiip Centro Tecnologico
- Marketmentoro LTD
- Glonatech Global Nanotechnologies

Participation in the project's activities have led to improved knowledge among the Group's executives of nanotechnology issues and the preparation of nano synthetic materials for various applications, as well as recognition of the benefits of this particular technology.

The Group's focus on R&D has led to the creation of a state-of-the-art, advanced polymer laboratory at the Inofyta plant. The Laboratory, among other things, conducts specialized chemical tests related to quality control and insulation analysis (XLPE) for high and extra-high voltage cables (raw materials, production process and evaluation of produced materials) as well as other polymers.

Cablel® Hellenic Cables Group has successfully developed high-value added products that exhibit high potential growth and expected profitability, such as high and extra-high voltage AC submarine cables, umbilicals for oil & gas, extra high voltage land cables and submarine water pipes. Moreover, it plans to further increase its high-value added product portfolio with submarine gas pipes and high/ extra-high voltage DC submarine cables.

Customers and sales network

Hellenic Cables sells its products in the domestic market through its central distribution centres in Athens and Thessaloniki and its agent in Crete, where it has well-organised warehouses. The Company participates directly in tenders held in Greece (e.g. Hellenic Electricity Distribution Network Operator S.A./Independent Power Transmission Operator) and internationally. It exports its products both directly and through agents.

Hellenic Cables' Group clients include E.ON, Vattenfall, Tennet, Energinet.dk, Enel, SSE, Iberdrola, Electricity Northwest, Terna, DEWA, HEDNO S.A., IPTO SA, 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, Cosmote, GO (Malta), Armentel, Santerne, ALSTOM Transport, Bombardier, Siemens, Network Rail (U.K.), OSE (Greece), MAV (Hungary), Bulgarian Railways, BKV (Hungary), Attiko Metro (Greece), and TE connectivity (Belgium).

Recent projects

During 2014, Hellenic Cables was awarded a contract by the Greek Independent Power Transmission Operator (ADMIE) for the supply and installation of 150 kV submarine cables for the Cyclades interconnection. The project consists of the supply of 150 kV underground and submarine cable links for Syros - Tinos, Syros – Mykonos and Syros –Paros islands, and a 150 kV cable termination on Tinos Island. In addition to cable supply, the project includes cable laying, cable protection near coastal areas and the implementation of necessary connections to the existing network of the Independent Power Transmission Operator. Once it is completed, the interconnection of the Cyclades to the Hellenic Power Transmission System will play an important role in the development of the Cyclades. Local communities will benefit from improved environmental and financial conditions whilst Greek electricity consumers will enjoy lower energy costs. During 2016, power testing was successfully carried out and all the submarine parts of the project were completed. Overall project completion is expected by the end of 2017.

In 2014, Fulgor (indirect subsidiary of Hellenic Cables) was awarded a contract by Terna Energy for the cable interconnection of the 73.2 MW wind park on the island of St. George, which is located in the sea area, south of Cape Sounio. The project, which was completed in 2016, was about the supply of 37.4 km of high voltage 150 kV 3x300 mm2 copper/XLPE and 2x24 optical-fibre submarine cables, cable laying at a depth of up to 230 metres, cable protection on the seabed along the route, as well as the implementation of the necessary terminations and connections to the existing high voltage network at Lavrio. This investment has resulted in increased energy supply to the island and shall generate significant environmental benefits while going forward. The power generated by the wind park on an annual basis will meet the energy needs of more than 40,000 households per annum. The island will benefit from estimated petroleum savings of more than 60,000 tons and a decline in pollutant emissions per annum of over 180,000 tons.

In January 2016, Hellenic Cables was awarded two turnkey projects by the German electricity transmission system operator, TenneT. The projects require design, manufacture, installation and protection of export cable systems connecting substations at the Borkum Riffgrund II and Trianel Borkum Windpark offshore wind farms in the North Sea (under the seabed). More specifically, it involves the turnkey design, supply, installation, protection and commissioning of three export cable systems with submarine cables insulated with XLPE that will operate at an AC voltage level of 155 kV. The contracts comprise the supply and installation of 24 km of 155 kV high-voltage submarine cables. The submarine cables incorporate two interstitial armoured optical fibre units of 24 fibres each, which will be produced by Hellenic Cables at the plant of its subsidiary, Fulgor, in Corinth, Greece. Installation is scheduled to take place in 2018.

In June 2016, Hellenic Cables was awarded three contracts by the Danish national electricity transmission system operator, Energinet.dk. Two contracts are for the planning, design and supply of both submarine and underground cables, and the supply and installation of accessories connecting the substations “Teglstrupgård” in Denmark and “Laröd” in Sweden. The third contract is for the planning, design and supply of underground cables for the replacement of the old overhead line between the substations “Ejby” and “Vejleå” in Denmark. More specifically, the contracts involve the planning, design and supply of 150 kV three core and 132 kV single core submarine cables, 132 kV and 150 kV single core underground cables as well as the supply, delivery, and installation of joints and terminations. The contracts comprise the supply of approximately 18 km of submarine cables and 75 km of underground cables. The 132 kV XLPE insulated, single core unarmoured submarine cables as well as the 150 kV XLPE insulated, and three-core composite submarine cables will be produced by Hellenic Cables at its Fulgor plant in Corinth, Greece, while the single core 132 kV and 150 kV high-voltage underground cables will be produced at its plant in Thiva, Greece. All three contracts are due for completion by the end of 2017.

Hellenic Cables Group has undertaken other significant projects during the last few years, such as:

CUSTOMER	DESCRIPTION	YEAR
IPTO SA	41.1km, 400kV single-core land cable in Greece	2011
Société Algeriènne De Production De l'Eléctricité	10km, 220kV single core cable in Algeria	2013
Dewa	101km, 132kV single core land cable in UAE	2013
Newfoundland Power Inc.	Turnkey Project, 11.3km 25kV three-core submarine cables in Canada	2014
EON	26km, 132kV single core land cable in Germany	2015
Vattenfall	85km, 132kV single core land cable in Sweden	2016

2016 Financial Performance

Revenue in 2016 amounted to EUR 390 million, down 18.6% year-on-year (2015: EUR 479 million). Sales volumes decreased by 6%.

During 2016, execution of different types of construction contracts resulted in changes to the product mix compared with the previous year. This, in turn, had an adverse effect on results for the year, in combination with weaker demand for medium and low voltage power cables in our main European markets during the second half of the year. As a result of the above, **adjusted EBITDA** amounted to EUR 32 million versus EUR 42 million in 2015. Metal price fluctuations during 2016 resulted in a loss of EUR 5.7 million. This fact also contributed to the decrease of gross profit from EUR 41 million to EUR 30 million.

Investments reached EUR 12.2 million for the year in the cables segment, attributable largely to productivity and capacity improvement projects at Fulgor S.A. (Fulgor), Hellenic Cables and Icme Ecab plants. **Net debt** increased to EUR 240.1 million in 2016 (2015: EUR 224.4 million), driven by increased working capital requirements and ongoing construction contracts.

Over the course of the year, Hellenic Cables and Fulgor successfully executed the remaining part of the Cyclades and St. George contracts. Hellenic Cables was awarded significant contracts for offshore wind farm export cable connections by TenneT, and a contract from Danish TSO Energinet.dk for cable connection between Denmark and Sweden and replacement of overhead lines within Denmark. Hellenic Cables also won a contract for cable interconnection of an offshore wind farm in the UK.
Finally **loss before income tax** amounted to EUR 4.2 million, compared to a profit of EUR 3.3 million in 2015.

The summary consolidated statement of profit or loss of the **cables segment** is as follows:

	For the year ended 31 December	
Amounts in EUR thousand	**2016**	**2015**
Revenue	389,560	478,571
Gross profit	**29,861**	**40,776**
Gross profit (%)	7.7%	8.5%
Adjusted EBITDA	31,991	42,229
Adjusted EBITDA (%)	8.2%	8.8%
EBITDA	28,187	35,319
EBITDA (%)	7.2%	7.4%
EBIT	**16,621**	**24,672**
EBIT (%)	4.3%	5.2%
Net finance costs	**(20,797)**	**(21,371)**
Profit / (Loss) before income tax	**(4,176)**	**3,300**
Net margin before income tax (%)	(1.1%)	0.7%
Profit / (Loss) of the year	**(6,977)**	**(154)**
Profit / (Loss) attributable to owners of the Company	**(6,947)**	**(154)**

Source: Consolidated statement of profit or loss and APM (Appendix A)

Despite a volatile business environment, Hellenic Cables, its subsidiaries, and Icme Ecab remain optimistic for 2017. Recent initiatives have focused on increasing sales of value-added products, developing a more competitive sales network, increasing productivity and reducing production costs. As a result, Hellenic Cables and its subsidiaries are well positioned to exploit international opportunities and compete globally with leading companies in the sector.

Further information is available on the Cablel ® SA website:

www.cablel.com

4. Risks and Uncertainties

The risks and uncertainties described below are those that the board of directors of Cenergy Holdings believe are material, but these risks and uncertainties may not be the only ones that the Company faces. Additional risks and uncertainties, being those that are currently unknown to the board of directors or are deemed immaterial, may also result in decreased revenues, assets and cash inflows, increased expenses, liabilities or cash outflows, or other events could have a material adverse effect on the Company's business, financial condition, results of operations, and future prospects.

Board of Directors is responsible for assessing company's risk profile. While Cenergy Holdings is a holding company, its operating results, financial condition and ability to pay future dividends will entirely depend on dividends and other distributions received from the Company's operating subsidiaries. Each of its subsidiaries is responsible for mitigating its own risk.

Cenergy holdings key risks, related to its subsidiaries, which follow Viohalco's SA (ultimate parent company) guidelines, are grouped in the following four main categories. Each of these categories is further analyzed in sub-categories.

Risk management process

Cenergy's holding risk management process, following Viohalco's guidelines has five steps. Risks are identified through a periodic process that is undertaken. This results in the drafting of the Risk Universe, which is then subject to both quantitative and qualitative analysis and assessment, in order to define Cenergy's updated Risk Profile. This list of prioritized risks is then subject to an extensive review, in order to ensure correct and up-to-date mapping with the applicable Risk Response, i.e. the structures, policies, procedures, systems and monitoring mechanisms put in place by executive management in order to manage these risks. The Company officials responsible for ownership / oversight for each risk are also identified and agreed. The Audit Committee monitors the effectiveness of the Company's internal control and risk management systems and looks into specific aspects of internal control and risk management on an on-going basis.

Strategic & Market Risks
Country Risk
Industry Risk
Competitor risk
Channel effectiveness risk
Technological innovation risk

Operation Risks
Procurement Risk
Business continuity risk
Product failure risk
Human resources failure risk
Information Technology risk

Financial Risks
Interest rate risk
Currency risk
Commodity risk

Liquidity risk
Credit risk

<u>Environmental, Health & Safety & Compliance Risks</u>
Environmental and Health & safety risk
Compliance risk

Strategic & Market Risks

Country risk
Adverse political actions may threaten the Company and its subsidiaries resources and future cash flows in a country in which Cenergy's subsidiaries has invested, is dependent on for a significant volume of business or has entered into a significant agreement with a counterparty subject to the laws of that country. The Company and its subsidiaries address this exogenous risk by differentiate its companies' manufacturing and, especially, their market reach. Subsidiary companies currently have manufacturing sites in [6] countries, a commercial network in [21] countries, while their products are distributed in more than [100] countries worldwide.

Industry risk
Changes in opportunities and threats, capabilities of competitors, and other conditions affecting the subsidiaries may threaten the attractiveness or long-term viability of the industries operate in. Industry risk for subsidiaries is primarily associated with the energy market. The companies manage the former by expanding their exports to global markets, to differentiate exposure across geographical areas.

Competitor risk
Actions of competitors or new entrants to the market may impair subsidiaries competitive advantage or even threaten their ability to survive. Exposure to competitor risk is captured through daily review of market information. Strategic issues regarding response to competition are assessed as part of the annual budget process and the strategic markets plan by each subsidiary. Relevant mitigating actions include a strong commitment to quality throughout the production phase, a competitive cost structure and a targeting on high-margin products and market diversification.

Channel effectiveness risk.
Poorly performing or positioned distribution channels may threaten subsidiaries capacity to effectively and efficiently access current and potential customers and end users. Both sectors (Steel pipes and Cables) have already established an extensive distribution channel where the plants are next to ports or and connected with the railway network. Furthermore both segments manage the channel effectiveness risk through commercial executives per project / market. Budgets are the main tools used for the setting up and monitoring of distribution channel objectives.

Technological innovation risk
Subsidiaries may not be leveraging advancements in technology in their business model to achieve or sustain competitive advantage or may be exposed to the actions of competitors or substitutes that do leverage technology to attain superior quality, cost and/or time performance in their products, services and processes. This risk is primarily managed by the subsidiaries through the establishment of technical assistance and knowledge transfer agreements with global leaders in various sectors where the companies are active. In addition they cooperate with scientific bodies and prominent international research centres. This strong focus on technology and innovation is additionally demonstrated through dedicated research and development departments.

Operation Risks

Procurement risk
Limited sources of energy, metals and other key commodities, raw materials and component parts may threaten subsidiaries ability to produce quality products at competitive prices on a timely basis. The companies constantly and actively strive to minimize the likelihood of such a risk occurring. Relevant measures include maintaining a wide and diverse supplier base where possible, especially geographic; the existence of alternate material lists; the establishment of Service Level Agreements with key vendors; and the reduction of exposure to the spot market through long term contracts.

Business continuity risk
Business interruptions stemming from the unavailability of raw materials, information technologies, skilled labor, facilities or other resources may threaten subsidiaries capacity to continue operations. In order to manage this risk, companies' plant equipment is maintained thoroughly by the corresponding maintenance departments, according to a planned maintenance schedule. Plant equipment and production lines are also upgraded systematically. All spare parts and consumables are gauged on criticality and safety stock levels are monitored. 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. Regarding information technology, disaster recovery plans have been defined per segment and facility.

Product failure risk
Faulty or non-performing products may expose subsidiaries to customer complaints, warranty claims, field repairs, returns, product liability claims, litigation and loss of revenues, market share and business reputation. In order to proactively mitigate the risk of arising from actual or claimed defects in its products, subsidiaries have established rigorous quality management systems at their plants, by applying fixed and formalized quality control procedures and also maintain appropriate insurance coverage against such claims. The quality control procedures include sample testing per production batch or at item level at specific phases of production; establishment of monitoring equipment at set production phases and production lines and work centers to capture defects; implementation of end-to-end traceability systems, etc.

Human resources risk
Possible lack of requisite knowledge, skills and experiences of subsidiaries' key personnel may threaten the execution of business model and achievement of critical business objectives. In order to mitigate the above risk, top management at both segments (Steel pipes and Cables) level regularly perform comprehensive reviews regarding key personnel. There is also a continuous effort to develop junior staff` and also rotate, where possible, more senior staff in key positions across the companies.

Information technology risk
Cenergy's subsidiaries may not have the information technology infrastructure it needs to effectively support the current and future information requirements of the business in an efficient, cost-effective and well-controlled fashion. Additionally, failure to adequately restrict access to information (data or programs) may result in unauthorized knowledge and use of confidential information or a compromise of its integrity. Teka Systems, a subsidiary of Viohalco that is focused on the implementation, customization and support of information systems, is the official customer competence center also for Cenergy holdings.

Financial Risks

Interest rate risk

Significant fluctuations in interest rates may expose Group's companies to higher borrowing costs, lower investment yields or decreased asset values. Floating rate payables expose Group's companies to a cash flow risk, while fixed rate liabilities entail assumption of the risk of a change in fair value.

Taking into account the prolonged period of low interests, Group's strategy regarding the management of interest rate risk consist of maintaining its fixed interest rate exposure between 5% to 20% and examining on a case by case basis the possibility of using interest rate swaps instruments which convert interest rates from floating into fixed.

The interest rate profile of the Group, on a consolidated basis, as at 31 December 2016 consists of EUR 37 million of fixed-rate financial instruments and EUR 410 million of variable-rate instruments. Moreover, a change of 25 basis points in interest rates would have a positive or negative effect of EUR 1 million after tax in consolidated statement of Profit or Loss of 2016.

Currency risk

Volatility in foreign exchange rates may expose subsidiaries to economic and accounting losses. The subsidiaries offset this risk through hedging practices, such as the use of forward contracts, cross currency swaps, and also natural hedging (i.e. anticipated sales and purchases, as well as receivables and liabilities, in foreign currency).

Commodity risk

Fluctuations in commodity prices (particularly copper, steel and aluminium) may expose subsidiaries to lower product margins or trading losses. Subsidiaries of Cables sector are active in metals that are traded in the London Metal Exchange (LME) mitigate this risk by hedging, through trading in future contracts on the LME. Specifically, all metal price fixing sales and purchase contracts are netted daily and the change in the net open commodity is generally hedged by LME future contracts so that are not exposed to commodity price risk. Cables sectors' subsidiaries, however, does not use hedging instruments for the entire stock of its operation and, as a result, any drop in metal prices may have a negative effect on its results through inventories write-down. In Steel Pipes sector, the subsidiaries have adopted a natural hedging strategy by signing the raw materials purchase contracts simultaneously with the receipt of the customer order.

Liquidity risk

Exposure to lower returns or the necessity to borrow due to shortfalls in cash or expected cash cows (or variances in their timing). Exposure to loss due to participation in a narrow market consisting of a limited group of counterparties (i.e. financial institutions) resulting in inability to consummate transactions at reasonable prices within a reasonable timeframe. In order to avoid liquidity risks, subsidiaries set up a provision for cash cows when preparing the annual budget and a monthly rolling provision of three months, so as to ensure sufficient cash on hand to meet its operating needs, including coverage of its financial obligations. The cash needs of subsidiaries are monitored by their respective financial departments and are communicated to Steelmet S.A., a Viohalco's company, which agrees upon financing terms with credit institutions in Greece and other countries.

In Greece, where most of Cenergy Holdings' subsidiaries are located, the macroeconomic and financial environment is not fully stabilized yet.

The Greek government completed the negotiation with the Institutions, (IMF, EU, ESM, ECB), for the formulation of a lending package, in the third quarter of 2015 and the recapitalization of the Greek banks was completed successfully at the end of 2015. In June of 2016 the first disbursement of EUR 7.5 billion to Hellenic Republic was released and covered the short-term public debt servicing needs, while the first evaluation of the financial assistance program was completed and the partial disbursement of the second installment of the program, amounting to EUR 10.3 billion, was approved. The remaining amount of EUR 2.8 billion was disbursed in October 2016 after the completion of the prerequisite actions that had been set. In the fourth quarter of 2016 the second evaluation of the financial support program began, but the completion date of December 4th was not met. The early completion of the second evaluation and the disbursement of installments are expected to contribute to the enhancement of the real economy and the improvement of investment prospects. During the first quarter of 2017 no agreement was reached and in mid-April, Greece's negotiations with Institutional Creditors are in the run-up to an agreement. The Greek side accepted new austerity measures for 2019 and 2020 worth roughly 3.6 billion euros, as corresponding to GPD, mainly pension cuts and a lowering of the tax-free annual income threshold. The new austerity measures were demanded by the IMF, which has repeatedly maintained that fiscal goals, primarily ambitious budget surplus targets from 2018 onwards, cannot be achieved under the present economic and fiscal conditions. Countervailing measures, mainly social allowances, will be included in the next agreement and their implementation will depend to the achievement of the fiscal goals. Following this progress the second evaluation is expected to be completed in May.

The above, combined with the continuation of reforms and the measures described in the 24 May 2016 Eurogroup statement for the enhancement of the sustainability of the Greek debt, are expected to contribute to the gradual improvement of the economic environment in Greece and to the return of the economy to positive growth rates. The probability of future uncertainty in the economic and financial environment, albeit reduced, constitutes a key risk factor and any adverse development is likely to affect the activities of Viohalco’s subsidiaries in Greece, and their local financial performance and position.

It should be noted that the capital controls that are in force in Greece since June 2015, and still remain until the date of approval of the financial statements, have not prevented Viohalco’s companies to continue their activities with no production delays and timely execution of all customers’ orders. More specifically, the production capacity of the units, production costs and raw supplies have not been affected by the capital controls and the reduction in domestic demand. Therefore, cash flows from operational activities of Viohalco’s companies have not been disrupted by the current situation in Greece.

Additionally, Cenergy Holdings’ companies’ strong customer base outside Greece along with their established facilities abroad minimize the liquidity risk which may arise from the uncertainty of the economic environment in Greece. Cenergy Holdings’ companies’ debt amounting to EUR 447 million comprises of 41% long term and 59% short term facilities, of which 81% are extended by Greek banks or their subsidiaries abroad and 19% by international banks and supranational financial institutions. Taking into account also the EUR 71 million of cash & equivalents (i.e. 27% of short term debt), Cenergy Holdings’ companies’ net debt amounts to EUR 376 million.

Short term facilities are predominately revolving credit facilities, which are reviewed annually with anniversaries spread throughout the year and, within those revolving credit limits, short term loans of various maturities are drawn and when matured are renewed automatically if needed. There are sufficient credit limits in place to serve working capital requirements and refinance short term loans.

Cenergy Holdings 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 the macroeconomic conditions on their operations.

Credit risk

Cenergy's subsidiaries customers may default on their obligations. Credit risk may be accentuated if a significant portion of business is concentrated to customers that are similarly impacted by events that may take place simultaneously. This risk is mitigated by imposing a ceiling on each customer, so that no one could account for more than 15% of total revenue and by applying credit insurance. However, due to the fact that the business of certain Group's companies (i.e. CPW Pipe Industry, Hellenic Cable Industry and Fulgor) is project oriented, there are cases where this threshold is individually exceeded for a short period of time. In addition, Group's companies mitigate credit risk through robust creditworthiness checks via banks and other credit ratings and also by setting payment terms and credit limits. They demand real or other security (e.g., letters of guarantee) in order to secure their receivables, if possible. They also record an impairment provision representing its loss estimate in terms of trade and other receivables and investments in securities. This provision mainly consists of impairment losses of specific receivables that are estimated.

Environmental, Health & Safety & Compliance Risks

Environmental and Health & Safety risk

Activities harmful to the environment may expose subsidiaries to liabilities for bodily injury, property damage, shut down of sites or part of sites, cost of removal, punitive damages, and unwelcome media attention. This risk also includes the potential non-conformance with environmental licenses and regulations, which could cause fines and reputation damage. Additionally, failure to provide a safe working environment for workers may expose subsidiaries to compensation liabilities, loss of business reputation and other costs. Incidents at plants could cause death / injuries or personnel might super health problems due to heavy machinery and production processes and materials. Consequences relate to loss of key personnel and resources, prosecution, fines, imprisonment, compensation pay-outs and other financial implications, reputation damage and business interruptions. Subsidiaries have established extensive environmental and health and safety policies and procedures, for each individual facility. Detailed risk assessments are performed annually and regular reviews and audits are carried out to ensure all preventive measures exist and operate as they should in order to manage the environmental and health and safety risks.

Compliance risk

Non-compliance with customer requirements, prescribed organizational policies and procedures or laws and regulations (including listing requirements) may result in lower quality, higher production costs, lost revenues, unnecessary delays, penalties, fines, etc. With regard to requirements arising from its stock exchange listings, Cenergy has established the 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. Also in order to mitigate the risk of arising from actual or claimed defects in its products, Cenergy's companies have established rigorous quality management systems at their plants and also maintain appropriate insurance coverage against such claims.

SUSTAINABILITY SECTION

Sustainability in brief 2016

Sustainability is an essential part of our business strategy. Cenergy Holdings' companies offer competitive products and solutions and strive to achieve business growth and development that builds-in added value for customers and associates. Specifically:

Steel pipes segment (Corinth Pipeworks S.A.):

The business model that drives Corinth Pipework's development and growth incorporates critical factors to its success, such as: Responsiveness to market trends, innovation, technological superiority and reliability of the supply chain; all of these are considered as vital elements that account for the efficient implementation of Corinth Pipeworks' business strategy. In effect, Corinth Pipeworks is able to manage all aspects of responsible operation comprehensively, and take decisions that assure its Sustainable Development.

Cables segment (Hellenic Cables S.A., Fulgor S.A., Icme Ecab S.A.):

One of the main strategic goals of Cables segment companies is to ensure that Sustainability encompasses all aspects of operation, and is practiced in all of their installations. To achieve this and at the same time maintain optimum performance across all business divisions, the cables companies operate within the general principles of sustainable development into corporate practice by providing a systematic approach designed to improve the three sustainability pillars, economic development, environmental protection, while encouraging socially responsible business values.

1. *Sustainability Policy*

Cenergy Holdings and its companies have adopted a Sustainability Policy which sets out the sustainability pillars and outlines the appropriate types of action for each one of them. Our commitment to sustainability is based on five core pillars:

- Economic growth and sound corporate governance;
- High quality products and services- responsible behaviour in the marketplace;
- Occupational health and safety and the wellbeing of our people;
- Environmental sustainability;
- Local communities' development;

The Cenergy Holdings companies' Sustainability Policy is founded on the core values of responsibility, integrity, transparency, effectiveness and innovation and is determined by the companies' management.

All Cenergy Holdings' companies are committed to the following issues:

- Implementation of the Sustainability Policy at all levels and in all operating entities;
- Compliance with relevant legislation and implementation of standards, policies, internal guidelines and procedures, as well as other commitments, arising from voluntary agreements, countersigned and accepted;

- Two-way, open communication, based on transparency, with all stakeholders to identify and record their needs and expectations. Building mutual trust with companies' stakeholders is paramount to meeting the sustainable development objectives;
- Provision of a safe and healthy working environment for companies' people, collaborators and any third parties involved;
- Protection of human rights and provision of an equal opportunity work environment, free from discrimination;
- Continuous effort to reduce the environmental footprint, through responsible actions and preventive measures in line with best international practice, to reduce and minimize impact on the environment;
- Ongoing pursuit of shared value creation for all stakeholders.

2. Stakeholder engagement

At Cenergy Holdings and at its subsidiaries, we have identified the groups that are directly or indirectly affected in a positive or negative way by our business activities. We have also identified how stakeholders affect our activities. Furthermore, we recognise that factors such as location, range, and nature of their operations may affect those groups.

The process of identifying and ranking each company's stakeholders is based on the methodology devised by the Global Reporting Initiative (GRI). As per GRI guidelines, the company considers the degree of influence each stakeholder group has on each company and vice versa, that is the degree of influence each company has on each stakeholder group.

'Cenergy Holdings and its companies are committed to engage with their stakeholders and have a good understanding of their needs and expectations'

2.1 Steel pipes segment (Corinth Pipeworks S.A.):

Based on the factors affecting Corinth Pipeworks' relations with its stakeholder groups, the company has identified the interactive framework in respect to every stakeholder group.

By engaging with stakeholders, Corinth Pipeworks has a thorough understanding of the impact of its operations on each individual stakeholder group. The systematic dialogue with all stakeholders enables Corinth Pipeworks to effectively manage and respond to social and environmental issues. Through dialogue, Corinth Pipeworks is also able to identify new challenges and opportunities as they arise.

Cables segment companies have also conducted a stakeholder mapping and have identified all the stakeholder groups that are directly linked to their activities.

2.2 Corinth Pipeworks and cables companies stakeholders groups:

- Shareholders;
- Customers;
- Employees;
- Suppliers;
- Local Communities;
- NGO’s;
- State and institutional bodies.

Stakeholder engagement includes a large framework of interactive communication. The companies of Cenergy Holdings group inform and provide input, but also consider all feedback from stakeholders in order to map their needs and concerns. Major concerns, needs, and issues that emerge from the stakeholder dialogue are addressed in the corporate action plans so as to promote cooperation and create shared value for each stakeholder group.

3. Initiatives and international standards

Cenergy Holdings’ companies follow the guidelines provided by international standards to develop their action plans and to compose their annual Sustainability Reports. The main international standards implemented are drawn from the following:

Global Reporting Initiative Framework

The Global Reporting Initiative (GRI) is the international body issuing the GRI- G4 sustainability reporting guidelines, the most widely used guidelines for Sustainability and Corporate Social Responsibility Reports worldwide.

Global Compact Principles

Corinth Pipeworks as well as cables companies respect the principles of the United Nations Global Compact and disclose their actions in relation to the 10 Principles, in their annual Sustainability Reports.

4. Materiality analysis

Cenergy Holdings' companies issue a Sustainability report, which mainly assesses and prioritises material issues for each company. For the compilation of the present Sustainability in brief report, the companies' material issues were updated based on data recorded in 2016. All the procedures are in accordance with the Global Reporting Initiative GRI-G4 and the AA1000 standard set by AccountAbility. The materiality analysis that was conducted within the scope of the 2016 Sustainability Reports of the Cenergy Holdings' companies, yielded the materiality map. Material issues per sustainability pillar:

Corporate Governance
Economic performance
Corruption
Competition issues

Marketplace
Innovative products and services
Customer health and safety
Products and services labelling
Sustainable supply chain management

Human capital
Employee health and safety
Training
Provision of insurance benefits
Diversity and equal opportunities
Combating discrimination

Environment
Waste management
Environmental law and regulations
Energy
Water consumption
Emissions

Society
Support for local communities
Recruitment from local communities
Support for local suppliers

Externalities
Greece's economic condition
Higher demand for renewable energy

The materiality map illustrates the social, economic and environmental issues that matter most to our business and our stakeholders and the degree of their impact.

Our companies' individual policies, approaches and actions with regards to these material issues can be found in the corresponding chapters of this Sustainability in brief report.

Cenergy Holdings is part of the energy world

1. Our portfolio

Our portfolio comprises two business segments focusing on the growing global demand of energy transfer, renewables and data transmission:

Corinth Pipeworks is a world leader in steel pipe manufacturing for the oil and gas sector and a major producer of steel hollow sections for the construction sector. Cables segment companies (**Hellenic Cables, Fulgor and Icme Ecab)** consist one of the largest cable producers in Europe, manufacturing power and telecommunication cables as well as submarine cables.

Corinth Pipeworks' products are used to transport oil, gas, water, CO_2 and slurry, and in the construction sector. In more detail, the company produces:

- Onshore and offshore pipelines for oil and gas transportation;
- Casing pipes;
- Hollow structural sections;
- Pipelines for water transportation.

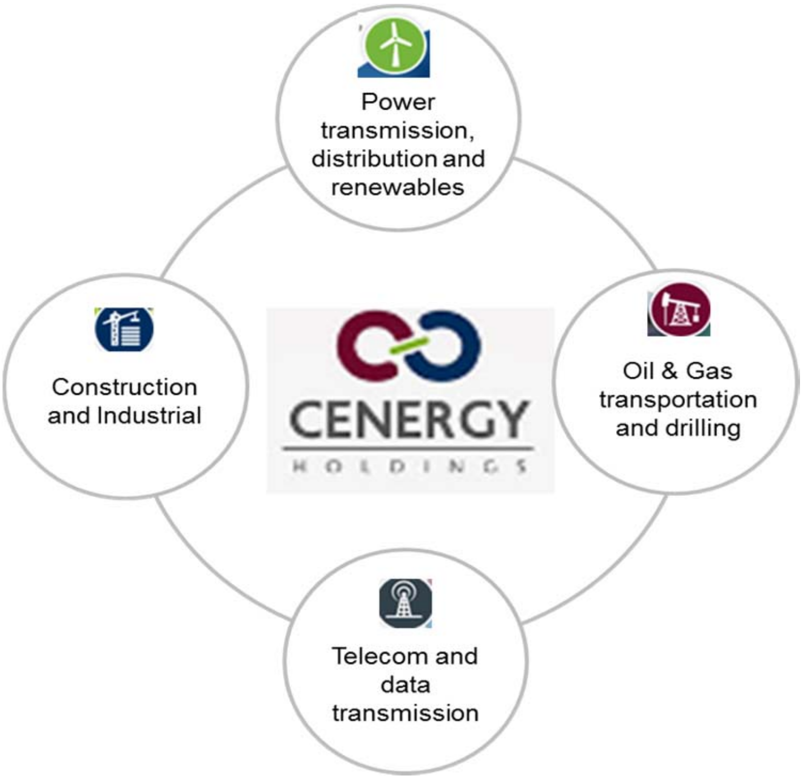
The vision of Corinth Pipeworks is to be the supplier of choice for the energy and construction sector. To this end, Corinth Pipeworks seeks to exceed customers' expectations, by carefully analysing their requirements.

Cables segment companies offer a wide range of high quality and technology products and solutions, available in the global and domestic markets, under the registered trademark Cablel®. Cables segment companies manufacture:

- Power cables, fibre optic cables– conductors;
- Telecommunication and data transmission cables;
- Submarine power and fibre optic cables;
- Plastic and rubber compounds;
- Enamelled wires;
- Flexible submarine pipes.

Cenergy Holdings companies operate in markets expected to experience significant growth in the upcoming years. By offering a complete portfolio, the companies aim at strengthening their position in the global marketplace, while growing sustainably to the benefit of all stakeholders.

All companies' business activities cover the following markets:



1.1 Power transmission, distribution, and renewables – Cables segment

Cables segment companies offer an extensive range of high-quality and technology products, high and extra high voltage cables and underground and submarine cables, overhead conductors and turnkey solutions for:

- Island - continental system interconnections;
- Grid connection between different countries;
- Land cables and overhead conductors for transmission systems;
- Offshore/onshore wind parks interconnections;
- Renewable energy projects;
- Oil and gas platforms;
- Short distance crossings such as rivers, channels, fjords, etc.;
- Power supply of heavy industries.

Furthermore, cables segment companies manufacture low and medium voltage power cables and overhead conductors, for electric power distribution networks for:

- Electric Power Operators;
- Utilities;
- Industries;
- Renewable energy applications;
- Railway transportation networks;
- Buildings.

In all the markets mentioned above, cables segment companies also offer a range of services, including:

- Customised applications;
- Turnkey solutions
- Supervision applications;
- Technical Support;
- Logistics solutions;
- Training;

- Spare parts solutions;
- Installations;
- Repairs and replacements;
- Site acceptance testings.

Telecom and data transmission – Cables segment

Cablel® Hellenic Cables launched its production of telecommunication cables in 1962. Currently, the cables companies manufacture a comprehensive range of telecommunication cables in Greece and Romania, including:

- Copper and fibre-optic telecommunication cables for indoor or outdoor, submarine, underground or aerial installation;
- Instrumentation and control cables;
- Railway, signaling and pilot cables;
- Data transmission cables.

The telecom and data transmission cables are used in various applications:

1.2 Oil and gas transportation and drilling - Corinth Pipeworks

Corinth Pipeworks manufactures and distributes top quality products on global and domestic markets. The company's products stand out for their technical characteristics and can be tailored to meet customers' specific requirements.

Based on a one-stop-shop philosophy, Corinth Pipeworks is well poised to provide customers with total solutions by successfully combining high added-value products with specialised services.

1.3 Construction and Industrial - Corinth Pipeworks

Corinth Pipeworks serves the steel construction market successfully, offering an extensive range of structural pipes and hollow sections in square, rectangular and round shapes, mainly used in architectural, industrial and infrastructure applications.

Other applications

Corinth Pipeworks also offer products for:

- Water and slurry networks: Steel pipes, flexible static and dynamic submarine polyethylene pipes, steel armoured pipes used for transportation of water and other liquids to final consumption.
- Mining and tunneling: Steel pipes for the transportation of mineral concentrate from mines to processing plants and slurry.

2. Quality management

Our subsidiaries monitor product quality using both internal and external measurement systems. The companies adhere to a quality policy and implement a Quality Management System, according to the requirements of the EN ISO 9001 Standard.

Corinth Pipeworks and cables segment companies have a proven track record in customer satisfaction; they have put processes in place so as to fully understand and meet customer needs. Our companies follow specific policies and procedures in order to identify and address risks and opportunities in product conformity. Moreover, the companies monitor and evaluate all data related to the implementation of quality procedures.

In more detail, Cenergy Holdings' companies:

- Manufacture products and provide services that comply with, and exceed, customers' requirements and expectations.
- Invest in research, development and innovation.
- Systematically monitor customers' needs and requirements, and continuously improve the QMS.
- Provide ongoing training to their employees.
- Set measurable quality targets, which are periodically monitored by the Management directly.

Cenergy Holdings' companies provide efficient solutions, through innovation and technology.

2.1 Product labelling and responsible information

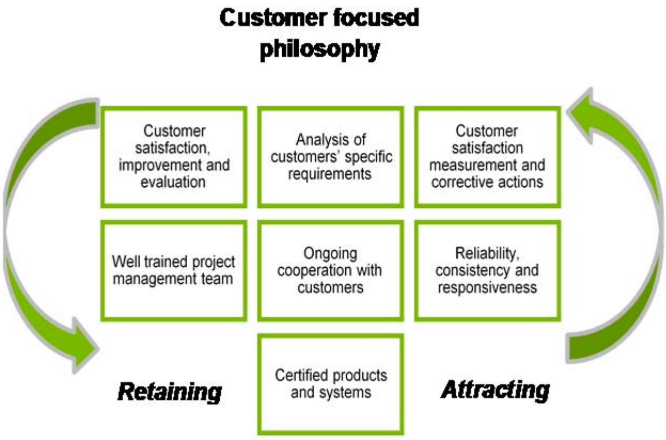
Corinth Pipeworks and cables segment companies follow specific manufacturing standards throughout the entire production process, properly labelling the products, to enable traceability and identification. Therefore, all products bear marks of conformity and trademark licenses by internationally recognised certification bodies.

Notably, all products delivered to customers carry a quality certificate obtained in accordance with international standards (EN/ISO). The certificate confirms the production process specifications, the raw materials used and the end product.

Depending on contract specifications, products may also be accompanied by a data book on product testing. Customers also receive written instructions on transportation, storage, and usage of our products.

3. *Customer service*

Cenergy Holdings' companies operate in today's rapidly evolving business environment, choosing to adopt a customer-focused philosophy. The companies base their strategic customer approach on ongoing communication and customised solutions.



Complaint management

Cenergy Holdings' subsidiaries have a structured complaint management process, to welcome and handle concerns and complaints. The process enables the companies to review their organisational performance, bolster customer experience, and link customer satisfaction with business targets. As a result all our companies make use of an effective complaint handling system.

4. *Innovation and technology*

Research and Development, and the introduction of new technologies in the production process, are an integral part of our companies' core business.

Our subsidiaries focus on developing new, innovative and high value-added products, and investing in cutting edge technology to provide efficient solutions and optimise business processes.

Corinth Pipeworks and cables segment companies collaborate and exchange know-how with internationally recognised academic institutions, research centres, certified laboratories and globally pioneer companies.

4.1 Corinth Pipeworks

Through its focus on technological developments and with ongoing investments, Corinth Pipeworks is positioned at the forefront of the oil and gas industry.

Best practice: Developing know-how for the manufacture of offshore pipes that are subjected to plastic strain during installation.

Reel-laying is a method for offshore pipeline installation, during which, pipes are subjected to plastic strain which affects their mechanical properties. The method is considered to be more cost effective than others (S-lay, J-lay) since the pipeline is welded onshore.

Corinth Pipeworks conducted extensive in-house tests and analyses at the ERW/HFI mill, under strict requirements laid down in international standards and specifications. Utilising the know-how developed and capitalising on the results generated, for the first time in 2015 Corinth Pipeworks undertook a project of installing ERW/HFI pipes with the reel-laying method. The pipes were manufactured and delivered in the first quarter of 2016.

4.2 Cables segment companies

The use of state of the art R&D processes, combined with the use of innovative technologies in the production process, enhance cables segment companies competitive advantage.

The cables companies actively seek opportunities to participate in expertise transfer groups. A notable example is the companies' participation in the two-year Tanocomp European Programme, an EU funded project within the Life Long Learning Programme, implemented through a Joint Venture of the following partners:

- Steinbeis – Europa – Zentrum;
- Aitiip Centro Tecnologico;
- Marketmentoro LTD;
- Glonatech Global Nanotechnologies.

Best practice: Advanced polymer laboratory at Oinofyta plant.

In the context of its activities, the polymer laboratory, conducts specialised chemical tests related to quality control of insulation (XLPE) for high /extra-high voltage cables and submarine cables (raw materials, production process and evaluation of final product), as well as other polymers.

5. Suppliers

Both Corinth Pipeworks and cables segment companies, rely on thousands of suppliers to provide the materials and services needed in production. Since the quality of raw materials is integrally related with the quality of the end product, and therefore with customer satisfaction, suppliers are considered as valuable partners and as an integral part of business operations. The companies collaborate only with suppliers who meet specific and objective criteria, such as high quality of materials, delivery time, competitive prices, etc.

Our companies build trust-based relationships with well-respected suppliers

5.1 Supplier assessment

New suppliers are thoroughly assessed prior to any collaboration while existing suppliers are re-assessed on a regular basis. Suppliers are assessed based on the principles of transparency, dignity, and meritocracy. The companies maintain directories of approved suppliers. Already approved suppliers may be subjected to on-the-spot inspections in order to ensure compliance with set procedures, agreed technical specifications and raw material quality.

All suppliers must meet the necessary objective criteria such as:

- The implementation of ISO 9001:2008 Quality Management System;
- The implementation of Environmental Management System according to ISO 14001:2004;
- Compliance with European Regulation REACH.

At Cenergy Holdings, we have endorsed a new Supplier Code of Conduct which defines the basic requirements that the Company and all its subsidiaries (and affiliated companies) place on their suppliers of goods and services and subcontractors, in regards to their responsibility towards their stakeholders and the environment.

The Supplier Code of Conduct and the Code of Business Conduct provide an excellent foundation for building trust, which is vital to our sustainable business success.

Cenergy Holdings companies have issued a specific Supplier Code of Conduct. That Code of Conduct defines the basic requirements that Cenergy Holdings and all its subsidiaries place on their suppliers of goods and services and their subcontractors concerning their responsibility towards their stakeholders and the environment. Cenergy Holdings companies not only deliver high quality products and services but commit to conduct their business activities in compliance with applicable laws and regulations and to be guided by honesty, integrity and accountability.

Chapter: Human capital

People are the driving force behind the economic growth and development of Cenergy Holdings' companies. Guided by shared values, the entire workforce is committed to operational excellence and to meeting the world's changing power needs in energy, transfer, telecommunications and construction.

1. *The Cenergy Holdings Code of Conduct*

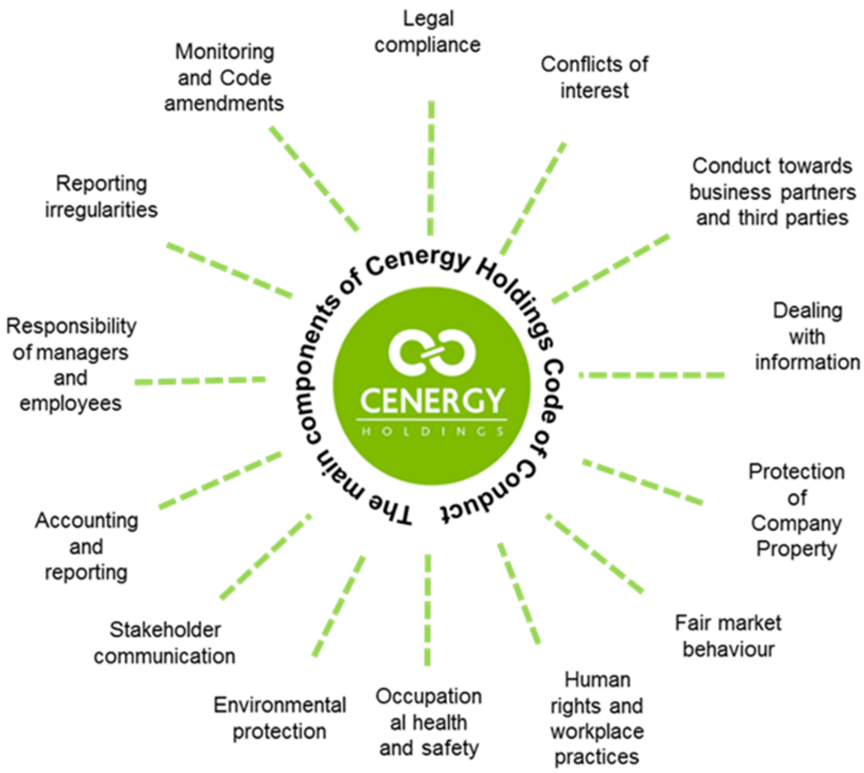
Cenergy Holdings and its subsidiaries adopt the Code of Conduct as an essential tool to shape a strong corporate culture and promote working conditions that encourage people development and work excellence.

The Code of Conduct includes fundamental principles, procedures, guidelines and corporate values that guide business operations and drive day-to-day decisions and practices. It also outlines the types of workplace behaviour Cenergy Holdings' companies expect employees to follow, placing emphasis in ethical behaviour, integrity, honesty, transparency and professional conduct.

The implementation of the Code ensures that all employees, at all levels, are committed to the Cenergy Holdings' principles and values.

'We recognise that people are the greatest asset.'

The Code of Conduct has been developed in accordance with the ISO 26000 for Corporate Social Responsibility international standard guidelines, the 10 principles of the UN Global Compact, as well as the OECD Guidelines on Multinational Enterprises.



2. Employer of choice

Cenergy Holdings and all its subsidiaries recognise the contribution of their people as a critical factor towards achieving its business goals and priorities. Hence, our companies endeavour to sustain an excellent working environment, characterised by:

- Attracting and retaining talent;
- Continuous training and education;
- Equal opportunities and respect of human rights;
- An ‘open door’ policy and
- A fair compensation and benefits policy.
- Cenergy Holdings’ companies aim to be ‘employer of choice’, both for the 1.260 employees they currently employ and the talents they wish to attract in the future.

Employees’ breakdown by gender

Corinth Pipeworks		
	2015	**2016**
Men	393	403
Women	36	37
Total	**429**	**440**

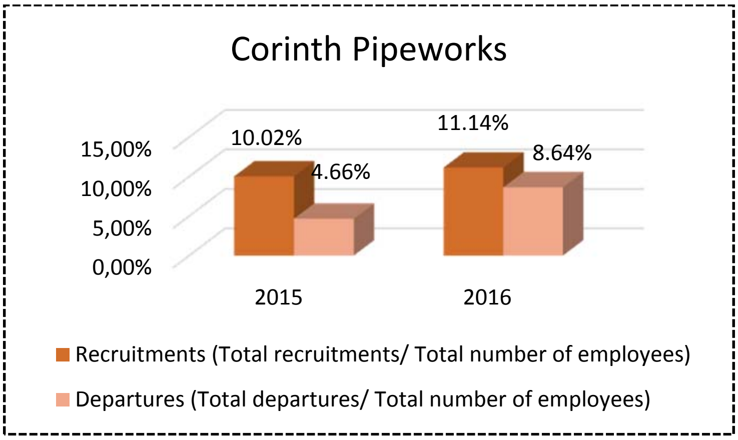
Cables segment companies		
	2015	**2016**
Men	979	1,081
Women	160	179
Total	**1,139**	**1,260**

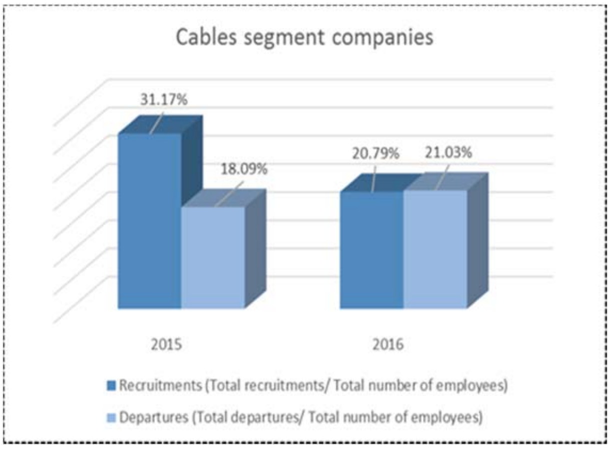
2.1 Attracting and retaining talent

Cenergy Holdings companies aim at retaining highly experienced executives and employees and to this end they invest significant time and effort to attract and recruit motivated people, with capabilities and expertise.

The companies offer opportunities for career growth and development, endorse the notion of work-life balance and are characterised by a strong corporate culture. Those elements are the foundation of our companies’ competitive advantage and contribute to employees’ satisfaction. Notably, at Hellenic Cables, the average tenure for employees is 16 years, a fact that demonstrates the company's attitude towards employee satisfaction. Moreover, in 2016 Corinth Pipeworks, after recording its needs in personnel, went ahead and recruited twice the number of people who left service; this happened despite the general economic instability affecting Greece.

Employee turnover

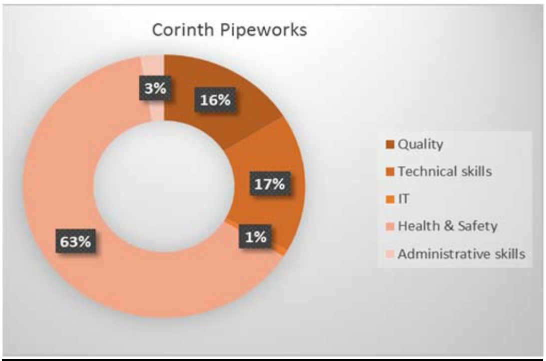


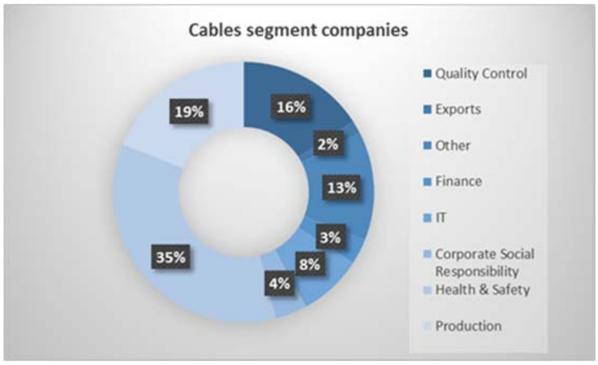


2.2 Continuous training and education

Cenergy Holdings companies support the continuous development of employees' professional skills and competencies. They offer training and development programmes designed to address individual employee needs and therefore maximise employee productivity. Notably, the average training hours per employee at Corinth Pipeworks for 2016, was 7.2 and at Hellenic Cables 9.94 hours.

Number of seminars by subject 2016





Trainings by gender and hierarchical level 2016

Corinth Pipeworks						
	Number of training hours			Average of training hours by employees' category		
	Men	Women	Total	Men	Women	Total
Directors	171	0	171	13.15	0.00	12.2
Managers	263	0	263	9.07	0.00	8.00
Administrative staff and	2,547.5	180	2,727.5	7.06	0.5	6.9
Total	2,981.5	180	3,161.5	7.4	4.9	7.2

Cables segment companies						
	Number of training hours			Average of training hours by		
	Men	Women	Total	Men	Women	Total
Directors	556	0	556	27.80	0.00	27.80
Managers	3,290	87	3,377	41.13	4.35	33.77
Administrative staff	795	416	1,211	9.24	6.82	8.24
Supervisors and workforce	7,033	350	7,383	7.86	3.57	7.44
Total	**11,674**	**853**	**12,527**	**10.80**	**4.77**	**9.94**

2.3 Equal opportunities and respect for human rights

Our companies strive to secure a fair working environment, focusing primarily on equal opportunities and respect for human rights.

Equal opportunities

Employee relations are founded on equal employment opportunities and aim to safeguard a fair, meritocratic working environment. Recruitment and career development are based strictly on qualifications and performance, without any discrimination being made on the grounds of gender, nationality, age, marital status or other characteristics.

'Cenergy Holdings companies take decisive action to uphold the principle of equal opportunity for all employees, and oppose all forms of discrimination.'

Human rights

Cenergy Holdings and its subsidiaries recognise and respect employees' rights, ensuring equal pay, respecting diversity and internationally protected human rights. We do not tolerate discrimination, child or forced labour, or any form of harassment, applying the principles of UN Global Compact on human rights.

'We condemn human rights violation in all its forms.'

There has been no record or report of any incident or complaint regarding diversity, ever. No incident of child or forced labour, or any form of harassment has ever occurred to any of Cenergy Holdings companies.

2.4 'Open door' policy

Cenergy Holdings companies communicate openly and interactively with employees, through frequent personal and team discussions, as well as larger organisational meetings. The internal communication system facilitates the exchange of information and ideas, cultivates mutual trust and respect, enhances teamwork and establishes a strong corporate culture. Our companies use the following internal communication channels:

- Regular staff meetings (daily or weekly);
- Intranet, available to all employees, providing accurate and timely information on policies and procedures, as well as updates on a variety of issues and corporate initiatives;
- Bulletin boards in production facilities;
- Appraisal procedures;
- Annual events (New Year celebration, etc.).

2.5 Fair compensation and benefits policy

At Cenergy Holdings, we strive to maintain an attractive working environment; all our companies, offer fair salaries and additional benefits, to all the employees. Employees' additional benefits are geared towards promoting work-life balance and aim at further improving employee levels of satisfaction. Benefits packages go beyond the provisions set by current legislation and apply across the board, to all our companies' employees, regardless of the type of contract. These include:

- Additional medical and hospital coverage;
- Life insurance;
- Funding post-graduate programmes;
- Financial coverage of temporary or permanent disability to work;
- Christmas gift vouchers for all employees' children (up to age 12);
- A savings scheme.

3. Occupational health and safety

Cenergy Holdings companies acknowledge the importance of employees' health and safety and thus assume full responsibility for maintaining a productive and safe workplace, minimising the risk of accident, injury, and exposure to health hazards and occupational diseases.

We take a uniform approach to health and safety issues, whether they relate to our companies' operations, procurement, production or product end use. Our companies also strive to promote the shared culture among employees and partners on health and safety issues.

Health and Safety Policy (extract)

The protection and promotion of occupational health and safety is an integral part of our business practice. Our companies are committed to:

- Manufacturing products and providing services in a way that ensures accident and occupational disease prevention;
- Complying with the applicable legislation and regulations on health and safety in the workplace,
- Providing the resources and authorisations required to implement OHSMS and an ongoing training to personnel and business partners, so as to improve their knowledge about health and safety;
- Identifying and assessing the risks, estimating their impact, in order to take preventive actions for their elimination;
- Monitoring health and safety performance aiming at continuous improvement; and
- Supporting the participation of all employees, by encouraging them to submit proposals towards improving health and safety performance in the workplace.

3.1 Health and Safety management system

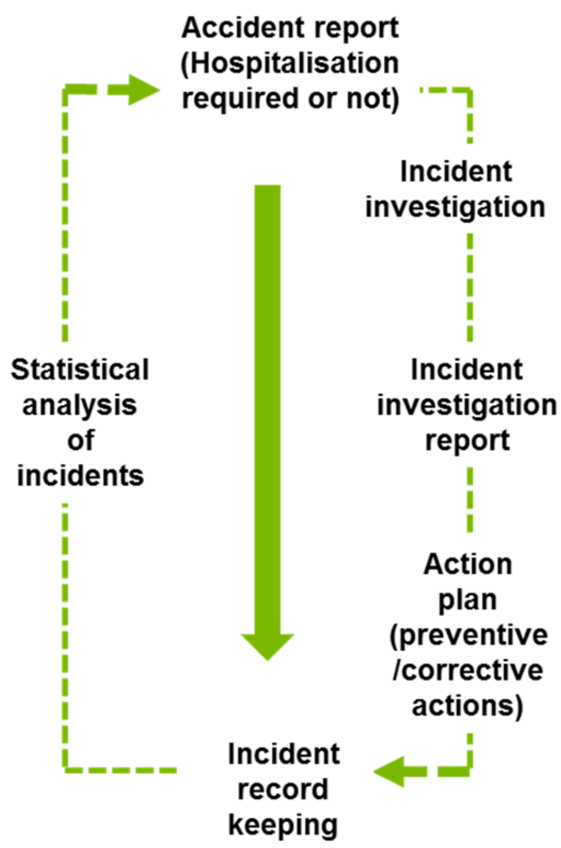
Our companies have adopted a systematic approach to health and safety issues, by applying Occupational Health and Safety Management Systems (OHSMS), which are audited and certified according to the international standard OHSAS 18001.

Health and safety committees

The smooth operation of OHSAS is assisted by health and safety committees, which are formed to manage all relevant issues. The committees meet on a regular basis and are responsible for the handling of day-to-day health and safety issues. Our companies have established separate Health and Safety committees for each production unit. The composition of the committees is designed to ensure full employee representation (100%).

Incident management process

All incidents are managed through the use of the appropriate OHSMS procedures, to avoid the recurrence of accidents, reduce their number over time, and eventually eliminate them. The implementation of the OHSMS supports our aim to continuously improve our business performance while striving to establish prevention as standard behaviour.



The procedures fully comply with relevant legislation on the recording and disclosure of occupational accidents and illnesses and are in line with International Labour Organisation (ILO) standards.

‘Our ultimate health and safety goal is “zero accidents” in all areas of operation.’

3.2 Health and safety prevention and systematic training

Health and safety prevention programme

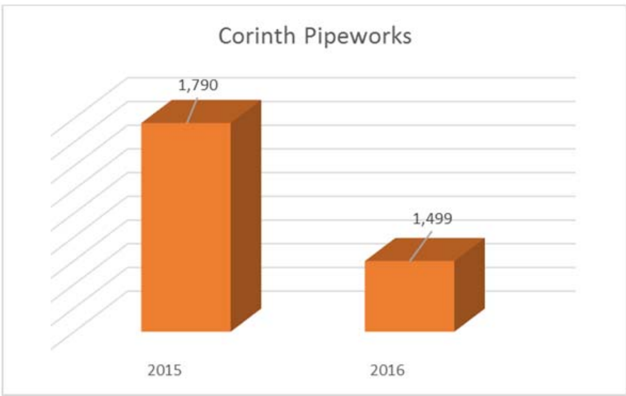
The prevention programme developed for health and safety in our companies comprises two distinct categories: preventive actions on health and preventive actions on safety. During 2016, Cenergy Holdings’ companies took measures and implemented various actions on both categories.

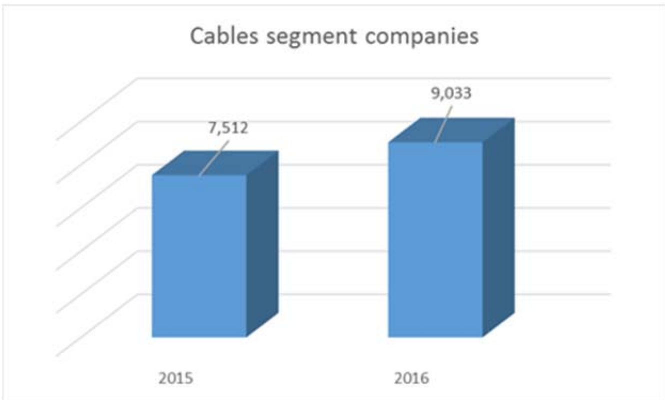
Systematic training

Our companies believe that it is paramount for all employees to have adequate knowledge on health and safety issues. To this end, our companies provide systematic training on health and safety to all employees. The continuous training instills and promotes the sense of safety and raises awareness on the prevention of incidents in the workplace.

The training topics are developed according to the requirements of OHSMS, but also according to the analysis of health and safety indicators and as a result, may vary from year to year.

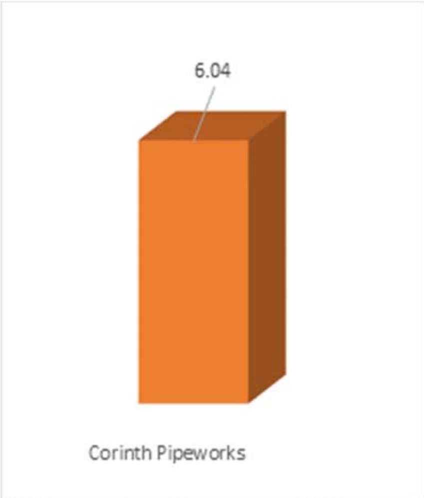
Total training hours on health and safety issues

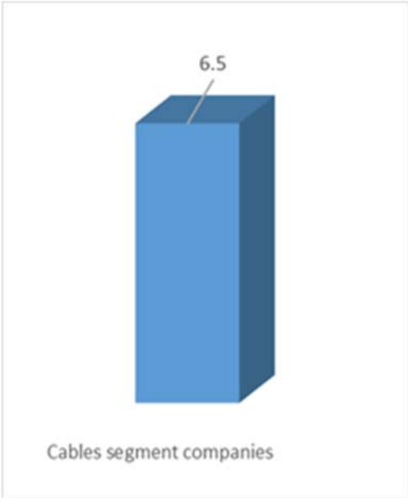




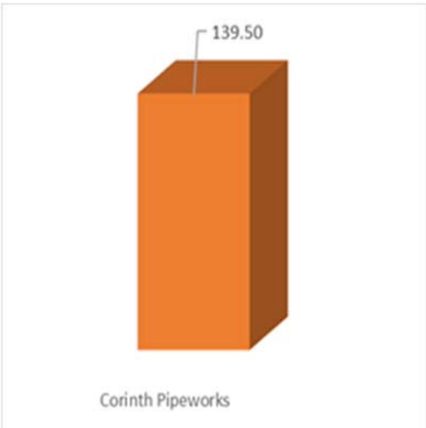
Health and safety data

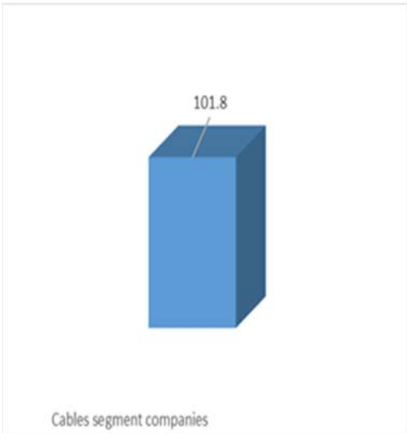
Lost Time Incident Frequency Rate (LTIFR)





Lost Day Rate (LDR)





3.3 Investing in health and safety

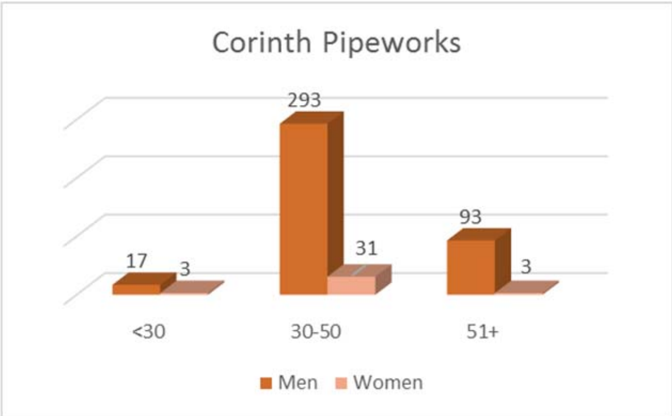
Investments are part of our commitment to provide employees with a healthy and safe working environment. Our companies invest in training and prevention programmes but also in infrastructure, materials and equipment. In 2016, Cenergy Holdings' companies' total investments in health and safety remained at significantly high levels so as to support the continuous improvement and effective management of health and safety issues.

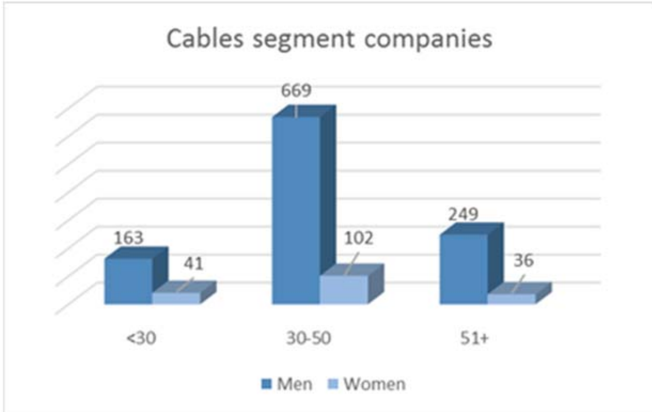
Case study: Implementation of 5S

Since 2014, Cenergy Holdings companies have gradually implemented the 5S system in their premises. The programme promotes safety in the workplace through teamwork, while improving productivity. The stages of the programme, as well as their implementation rate, have been adapted to the needs of each production unit.

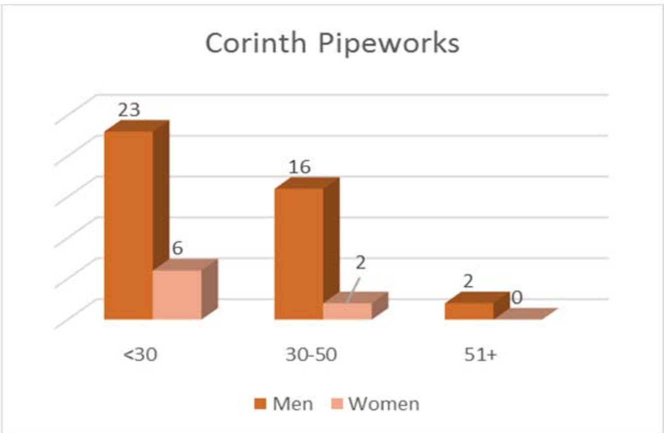
4. Human resources data

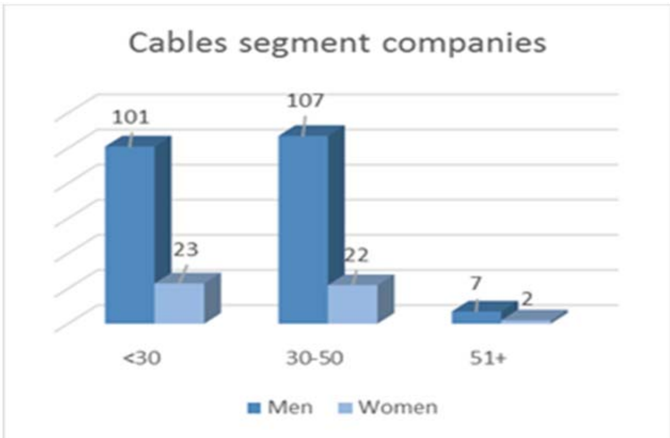
Age distribution 2016



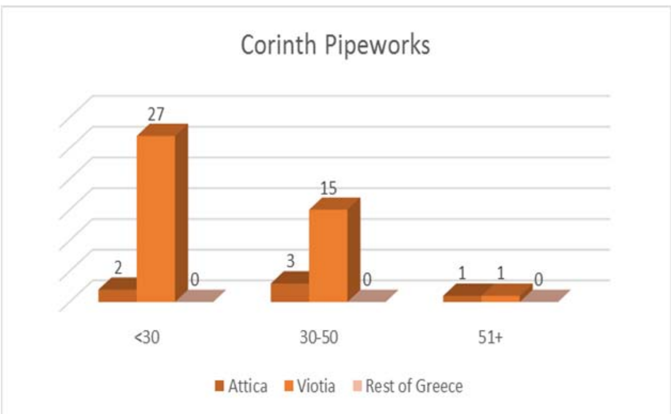


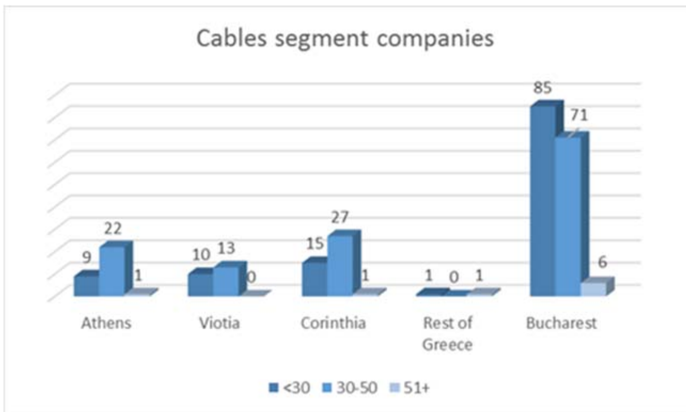
Recruitments by age and gender 2016



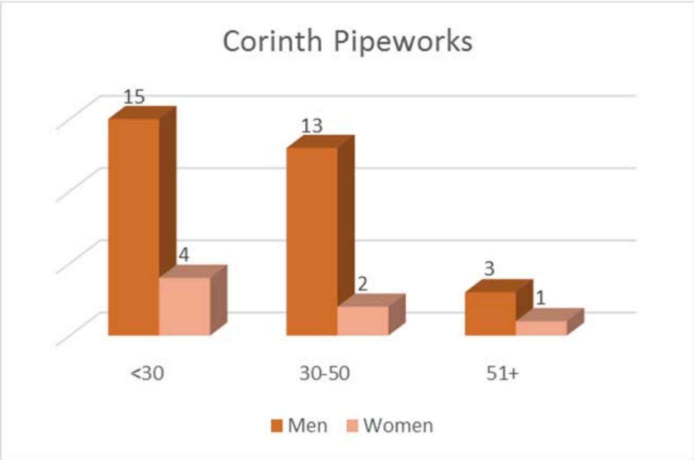


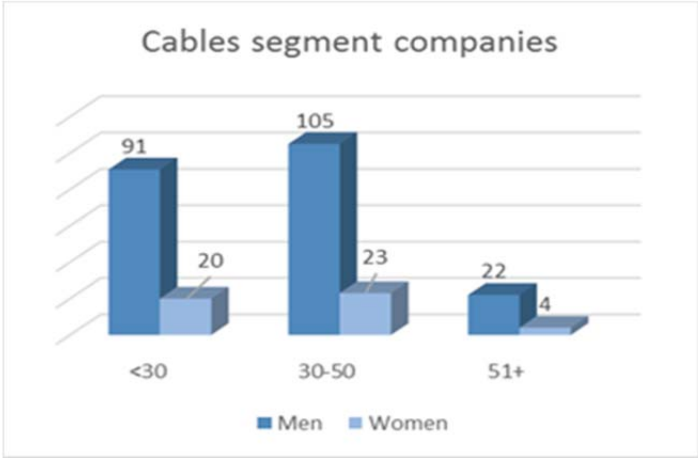
Recruitments by age and region 2016



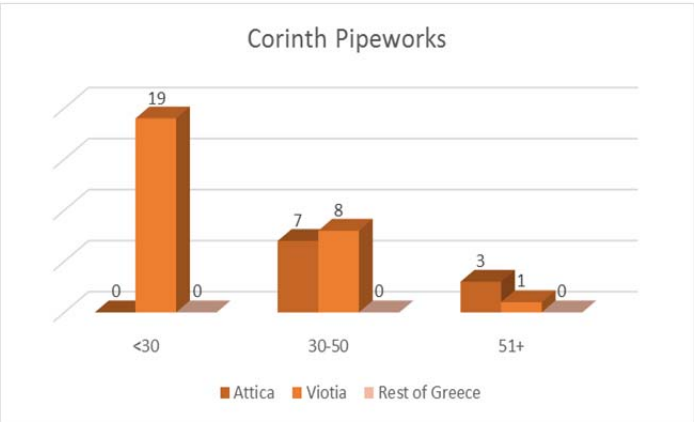


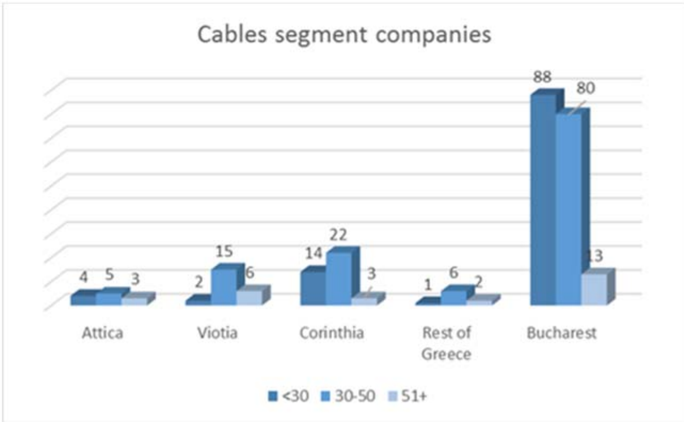
Departures by age and gender 2016





Departures by age and region 2016





Distribution in hierarchical levels

Hierarchical levels	*2016*		
	Men	Women	**Total**
Corinth Pipeworks			
Directors	13	1	14
Managers	29	4	33
Administrative staff and sales			
Supervisors and workforce	361	32	393
Total	**403**	**37**	**440**
Cables segment companies			
Directors	20	0	20
Managers	80	20	100
Administrative staff and sales	86	61	147
Supervisors and workforce	895	98	993
Total	**1,081**	**179**	**1,260**

Environmental approach and Policy

1. *Environmental policy*

At Cenergy Holdings, our companies focus on operating responsibly, thus they are committed to reducing their environmental impact. Cenergy Holdings and its subsidiaries go beyond complying with current environmental standards and regulations; they persistently strive to reduce their environmental footprint, by using natural resources responsibly, reducing emissions and promoting recycling.

Cenergy Holdings' companies apply an integrated Environmental Management System to every production facility. The EMS is monitored and certified in accordance with ISO 14001 international standard guidelines.

Moreover, by applying the precautionary principle, our companies aim to meet their environmental objectives and make a positive contribution to the fight against climate change.

Cenergy Holdings companies are committed to environmental responsibility, as evidenced in the Environmental Policy, which is based on the following principles:

Responsible operation
To be aware of the environmental impact of our operations, take precautionary measures to minimise it and prevent environmental incidents.

Transparency
Holding an open dialogue on environmental issues with all relevant stakeholders, state or non-governmental organisations, academic institutions, and local communities.

Continuous improvement
Striving continually to improve the environmental performance of all operations and reduce the environmental footprint.

Compliance with all applicable laws
Our companies' operations comply with all applicable EU and national environmental laws and regulations. Moreover, emission restrictions established by environmental permits are always observed.

Cooperation with licensed companies
Cenergy Holdings companies require all suppliers of waste management services (collection, transport, utilisation, and disposal) to be licensed with relevant permits and apply management practices in line with current laws.

Training
Employees are systematically trained and equipped to become effective gatekeepers of the environmental policy and to actively contribute in the evolution of environmental management systems.

Cenergy Holding companies comply with all applicable environmental laws and apply environmental management systems in all production installations

2. *Improving environmental performance*

Guided by the Environmental Policy and the Environmental Management System, Cenergy Holdings companies take decisive action to minimise the environmental footprint, by implementing several programmes and activities.

Corinth Pipeworks’ environmental initiatives are set to:

- Limit greenhouse gas emissions and reduce electricity and thermal energy consumption;
- Reduce CO_2 emissions released during product transport, from raw materials and in personnel transportation;
- Limit water usage;
- Properly manage all waste types with sustainability criteria.

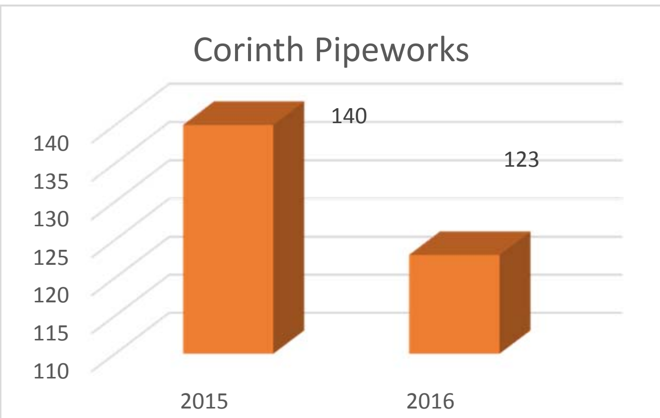
Cables segment companies focus their efforts on using responsibly the renewable and non-renewable raw and secondary materials, during the production and distribution of their products. Cables segment companies also seek to optimise recycling of aluminium and copper, the main raw materials for cable production, thus reducing their requirements in raw material. Concerning the use of timber, the cables companies systematically reuse pallets and drums (wooden packaging for the safe carrying of cables), as well as reels (plastic packages for enamelled wires).

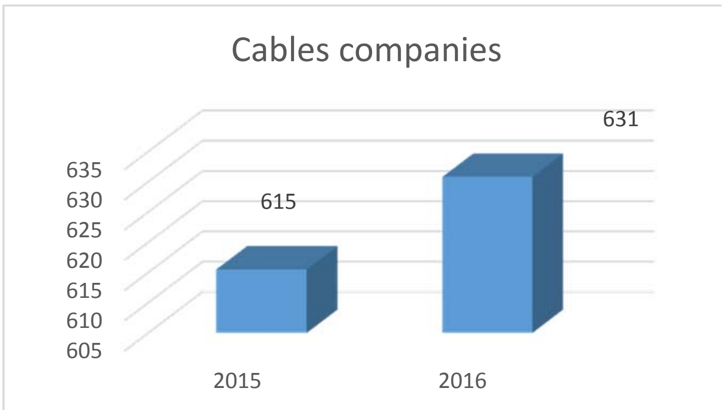
At the same time, the cables companies procure and use environmental friendly raw and secondary materials, wherever possible.

3. *Environmental Key Performance Indicators*

Cenergy Holdings companies monitor specific indicators, which relate to their environmental performance. Those indicators guide our companies in taking appropriate action, towards the protection of the environment.

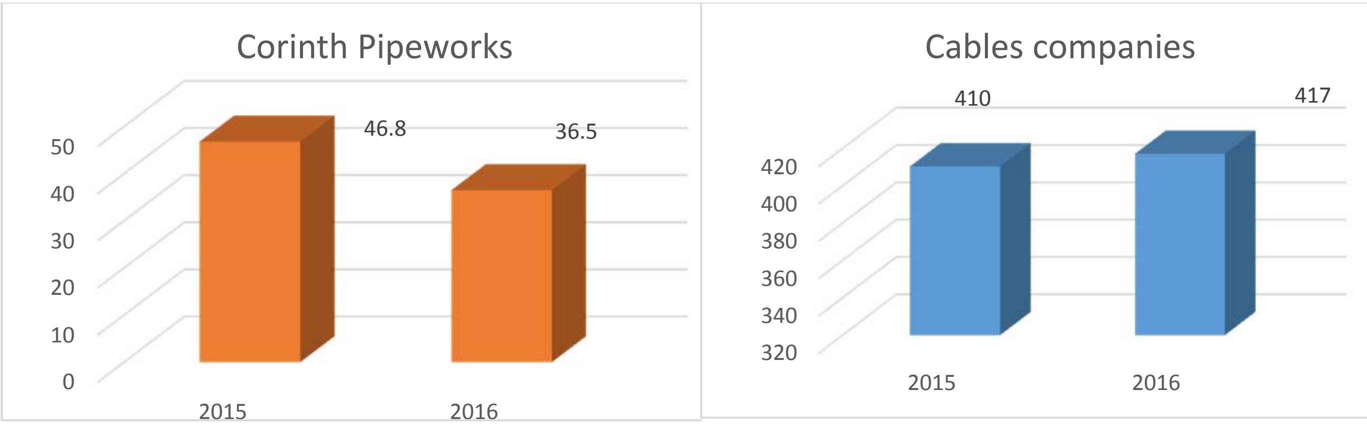
Electrical energy consumption (KWh per ton f.p)





Electrical energy is the principal source of energy used in Cenergy Holdings' companies.

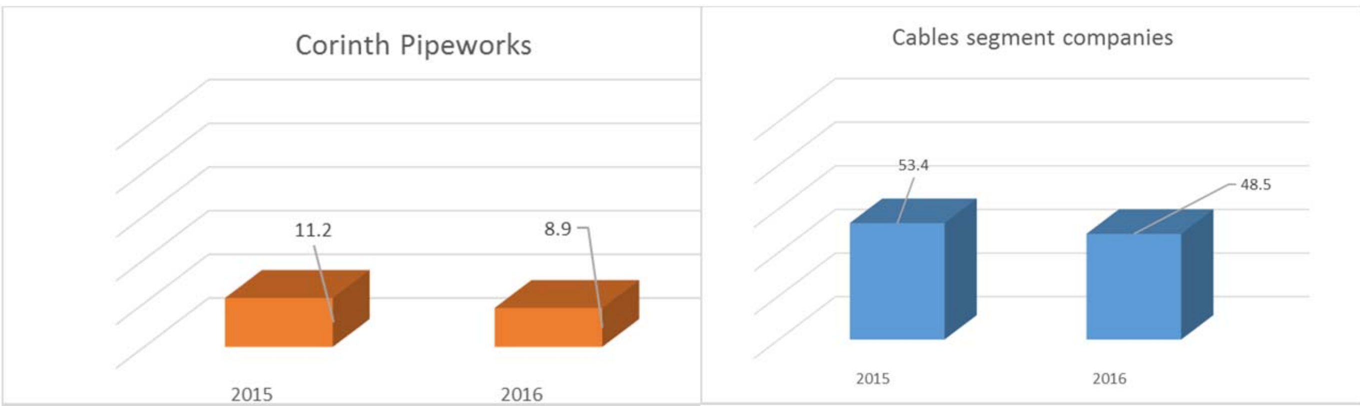
Thermal energy consumption (KWh per ton f.p.)



3.1 Carbon dioxide emissions

Decarbonizing our direct and indirect footprint is part of our companies' long-term environmental approach, and in recent years, there is a considerable performance improvement.

Direct CO_2 emissions (kg per ton f.p.)



3.2 Water use

We are conscious of the critical importance of water as a natural resource and our companies are making progress in decreasing the levels of water use by adopting responsible water strategies.

We endeavour to reduce the water footprint of all Cenergy Holdings' companies.

Cables segment companies source the amounts of water needed primarily from licensed groundwater wells. Although cables production is not water demanding, the companies have made great efforts to minimize the use of water.

Corinth Pipeworks emphasises the need to reduce water use and restricts consumption to the minimum level required for its operations.

3.3 Waste reduction

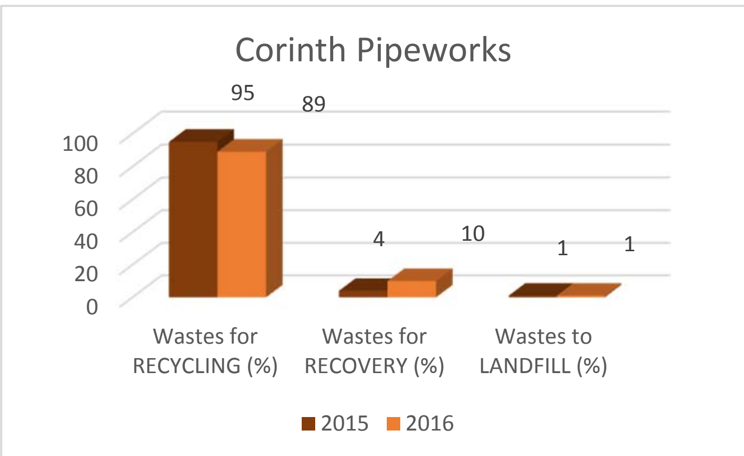
Cenergy Holdings' subsidiaries consider the reduction of waste generation and the efficient use of resources as priorities for their sustainable operation.

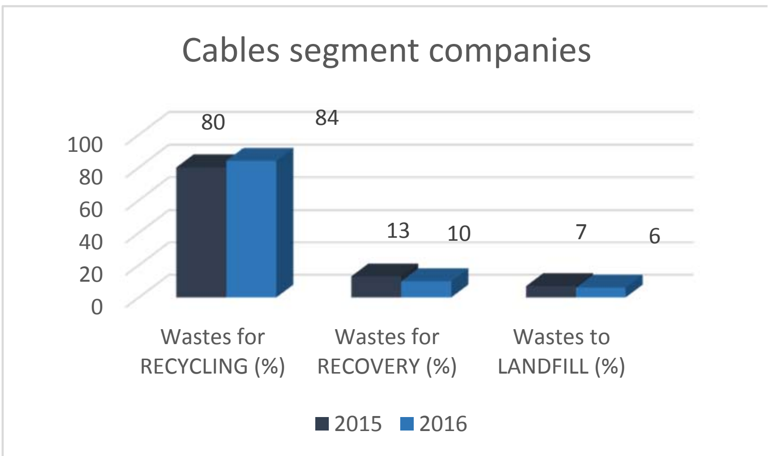
Our companies manage the final volume of generated waste responsibly and cooperate with licensed contractors to transport, process and dispose of waste. These efforts underpin the companies' approach to waste reduction. Sustainability criteria are used in the selection of disposal methods in an effort to ascertain the minimal impact to the environment.

In 2016, Cables segment companies recycled 83% of generated waste while Corinth Pipeworks recycled 30%.

The graph below depicts the amount of waste generated in 2016 per category and management/disposal method.

Waste management by disposal method





Corporate Governance Statement

1. Introduction

Cenergy Holdings is committed to high standards of corporate governance and relies on the Belgian Code on Corporate Governance of 12 March 2009 (the ***Corporate Governance Code***) as a reference code and policies as a company listed on the Euronext Brussels SA/NV (Euronext Brussels). The Corporate Governance Code is available on the website of the Corporate Governance Committee (www.corporategovernance-committee.be). The Corporate Governance Charter (the ***Corporate Governance Charter***) is available on the Company's website www.cenergyholdings.com.

The Corporate Governance Code is based on a "comply or explain" approach. Belgian listed companies should follow the Corporate Governance Code, but may deviate from its provisions provided that they disclose the justification for any such deviation.

The internal organisation of Cenergy Holdings deviates from the following principles of the Corporate Governance Code:

- **Principle 6.2** "The executive management comprises at least all executive directors".

Explanation: certain directors are considered to be executive directors due to the management functions they assume in one of the subsidiaries of Cenergy Holdings, without being part of the Company's executive management.

- **Principle 7.11** "For the interests of an executive manager to be aligned with those of the Company and its shareholders, an adequate part of an executive manager's remuneration package is structured in such a way as to be linked to both the individual and corporate performance".

Explanation: The remuneration policy of the Company is set out in the remuneration report. Such policy does not include variable remuneration. The Board of directors will consider the proposals submitted by the Remuneration and Nomination Committee in order to determine whether, and to what extent, a modification of this policy is justified in light of the Company's specific nature and strategy.

The Corporate Governance Charter has been adopted by the board of directors of Cenergy Holdings (the ***Board***) on 7 November 2016 to reinforce its standards for the Company in accordance with the recommendations set out in the Corporate Governance Code. It aims at providing a comprehensive and transparent disclosure of the Company's governance and is reviewed and updated from time to time.

Given the secondary listing of Cenergy Holdings' shares on the Athens Stock Exchange, the Greek Law 4443/2016, implementing the articles 22, 23, 30, 31§1, 32 and 34 of the Regulation (EU) No 596/2014 on market abuse (market abuse regulation), as currently applicable, and the Athex Rulebook also apply to the Company, in addition to Belgian laws and regulations.

2. Board of Directors

2.1 Role

The Board is vested with the power to perform all acts that are necessary or useful for the realisation of 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 policy orientations of the Company and its subsidiaries;
- deciding on all major strategic, financial and operational matters of the Company in order to pursue the long-term success of the Company;
- overseeing the executive management of the Company;
- taking all necessary measures to guarantee integrity and timely disclosure of the Company's financial statements and other significant financial or non-financial information about the Company;
- monitoring and reviewing the effectiveness of the Audit Committee and the Remuneration and Nomination Committee;
- approving a framework of internal control and risk management set up by the executive management;
- supervising the performance of the external auditor(s) and the internal audit function, taking into account the Audit Committee's assessment ;
- approving the remuneration report; and
- all other matters reserved to the Board by the Belgian Companies Code.

Within certain limits, the Board is entitled to delegate part of its powers to the members of the executive management and to delegate special and limited powers to two Chief Executive Officers (the ***CEOs***). The Board decides on the executive management structure and determine the powers and duties entrusted to the executive management.

2.2 Composition of the Board

In accordance with article 8 of the articles of association, the Board is composed of at least three members to maximum fifteen members, appointed for a term of maximum one (1) year and who can always be re-elected.

As of at 3 November 2016, the Board of directors comprises 7 members:

Name	Position	Term started	Term expires
Jacques Moulaert	Non-Executive, President	2016	2017
Efstratios Thomadakis	Executive, CFO	2016	2017
Xavier Bedoret	Non-Executive	2016	2017
Simon Macvicker	Non-Executive	2016	2017
Joseph Rutkowski	Non-executive & independent	2016	2017
Margaret Zakos	Non-executive & independent	2016	2017
William Gallagher	Non-executive & independent	2016	2017

2.3 Information on the members of the Board

In 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.

Jacques Moulaert, president of the Board. Mr. Moulaert holds a Ph.D in Law from Ghent University and a Master in Public Administration from Harvard University. He serves as Honorary Managing Director at Groupe Bruxelles Lambert SA and as Honorary President of the Board of ING Belgium. He is the founder and Honorary Vice-President of the Louvain Foundation. In the past, Mr. Moulaert served as visiting professor at the Catholic University of Louvain (UCL).

Efstratios Thomadakis, executive member of the Board. Mr. Thomadakis studied Business Administration and holds an MBA from the University of Piraeus. He joined Viohalco Hellenic in 2000. Since then, he has held various managerial positions in the financial department, whilst in 2010 became the CFO of Sidenor Group, Viohalco's steel's segment. He is also member of the board of directors of several subsidiaries of Viohalco, such as Sidenor Industry S.A., Sovel S.A. and Stomana Industry S.A.

Xavier Bedoret, non-executive member of the Board. Mr. Bedoret holds a Master of Laws from the Catholic University of Louvain (UCL). He serves as internal auditor and member of the Audit and Risk Management Division at Group Engie. Prior to joining Engie, he worked as a certified public accountant, senior bank and financial risk manager, and senior manager at KPMG (Brussels).

Simon Macvicker, non-executive member of the Board. Mr. Macvicker holds an MBA from Warwick Business School and a Bachelor in Modern Languages from the University of Leeds. He has been working at Bridgnorth Aluminium, an affiliate company of Viohalco, for 19 years, as Managing Director since 2004. In the past, he held various commercial positions at British Steel for 10 years. He served as President of the Aluminium Federation in the UK from 2014 to 2015, and is the current Chair of the UK Metals Council. He is a director of the Shropshire Chamber of Commerce.

Joseph Rutkowski, non-executive and independent member of the Board. Retired Executive Vice-President of Nucor Corporation responsible for Domestic and International Business Development from 2001 – 2010, Mr. Rutkowski became Executive Vice President resident in 1998 responsible for all steelmaking activities. Prior to that, he served as Vice President and General Manager of Nucor Steel in Darlington, SC. and Hertford County, NC. He joined Nucor in 1989 as Manager of Nucor Cold Finish and also served as Manager of Melting and Casting at Nucor Steel-Utah. He 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.

Margaret Zakos, non-executive and independent member of the Board. Ms. Zakos holds a BNSc from Queens University (Kingston, Ontario, Canada). She is a Registered Insurance Broker in Ontario and previously owned Harbour Insurance Services Limited. She is currently active in Real Estate Holding Companies. In the past she was a consultant with Medicus Systems Corporation (Chicago), and was Associate Director of Nursing, (Mt. Sinai Medical Centre, New York). Her philanthropic work included serving on the board of directors of Kingston General Hospital, participating as a member of the Finance Committee and the Audit Committee, and as well serving on the Board of the Community Foundation for Kingston. She is presently a member of the Health Sciences Campaign Cabinet Board (Queens University).

William Gallagher, non-executive and independent member of the Board. Mr. Gallagher has been an advisor to Credit Suisse in London, working in Capital Markets, since July 2015. From 2000 to 2014, he was at UBS in London, heading EMEA Emerging Markets Lending for five years from 2010. At UBS, he also chaired globally UBS's Debt Capital Markets commitments committee. From 1998 to 2000, he was in Lehman Brothers' Loan Syndicate department in New York. He also worked as a corporate and finance lawyer at Gibson, Dunn & Crutcher in New York from 1991 to 1998. He holds a BA in Economics from Yale University, a JD (Law) from the University of Michigan (Ann Arbor), and a Diploma of Advanced European Legal Studies from the College of Europe (Bruges, Belgium).

The mandate of all members of the Board will expire at the shareholders' Ordinary General Meeting of 30 May 2017.

2.4 Appointment of members of the Board

The members of the Board are appointed during the shareholders' General meeting, on proposal submitted to the shareholders by the Board.

In case a seat of member at the Board becomes vacant, the remaining members may by a unanimous vote validly fill such vacancy until the next shareholders' meeting confirms such appointment or replaces the appointee.

The members of the Board are appointed for a one year term, renewable. If a member does not attend the Board meetings for a period of six (6) months without justifiable cause, he will be deemed to have resigned.

The Nomination and Remuneration Committee examines candidacies for Board membership in order to recommend to the Board a list of proposed members. In doing so, the Committee seeks to ensure that a satisfactory balance of expertise, knowledge, and experience is maintained among such proposed members. The Board submits its proposal to the shareholders' meeting after having examined the recommendations made by the Nomination and Remuneration Committee.

Pursuant to article 518 bis, § 3 of the BCC, at least one third of the Company Board members must be of a different sex than the others, as of the financial year starting on 1 January 2019. The Board is aware of this.

2.5 Criteria for Independence

The Board decides which candidates satisfy the independence criteria. To be considered as independent, a member of the Board must fulfil the criteria set forth in article 526ter of the BCC. Any independent member of the Board who no longer fulfils the above criteria of independence shall immediately inform the Board.

The Board of Cenergy Holdings has reviewed all criteria applying to the assessment of members' independence pursuant to the BCC and the Corporate Governance Code. Based on the information provided by all members of the Board, the Company has decided that Messrs. Joseph Rutkowski, Margaret Zakos and William Gallagher are independent according to the criteria of the BCC and the Corporate Governance Code.

2.6 Functioning

The Board has elected a president among its members, Mr. Jacques Moulaert (the ***President***). The President is responsible for the leadership of the Board and promotes effective interaction between the Board and the executive management. The President is responsible for ensuring that all members of the Board receive accurate, timely and clear information.

The Board has appointed a secretary, Mr. Jacques Moulaert to advise the Board on all governance matters (the ***Corporate Governance Secretary***).

The Board shall meet as frequently as the interests of the company requires and in any case, at least three times a year. The majority of the Board meetings in any year shall take place 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 to meeting through the above-mentioned means of communication is considered as a physical presence to such meeting.

Where duly justified by an emergency of the matter and by corporate interest of the Company, decisions may be adopted, without a meeting, by the written unanimous consent of the members of the Board. However, this procedure shall not be used for the approval of the annual accounts.

The Board was held on 07/11/2016 and 13/12/2016 by conference call.

On 7 November 2016, the Board was held with one member of the Board absent.

3. Committees of the Board

In November 2016, the Board has established two Board committees, which are responsible for assisting the Board and making recommendations in specific areas: the audit committee and the nomination and remuneration committee. The terms of reference of these committees are primarily set out in the Corporate Governance Charter.

3.1 The Audit Committee

The Board has established an audit committee in accordance with Article 526bis of the BCC (the ***Audit Committee***). Such Audit Committee consists of the following members:

- Xavier Bedoret, acting as president of the Audit Committee;
- Simon Macvicker; and
- William Gallagher.

All members of the Board belonging to the Audit Committee meet the criteria of competence by their training and experience acquired during their previous functions.

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

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

- monitor the financial reporting process;
- monitor the effectiveness of the Company's internal control and risk management systems;
- monitor the internal audit and its effectiveness;
- monitor the statutory audit of annual and consolidated accounts, including any follow-up on any questions and recommendations made by the external auditor;
- present recommendations to the Board with respect to the appointment of the statutory auditor; and
- review and monitor the independence of the external auditor, in particular regarding the provision of additional services to the Company.

The Audit Committee was held on 20 December 2016 by conference call with all members present.

The Audit Committee shall report 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 sets up the annual accounts, consolidated accounts, and condensed financial statements intended for publication.

3.2 Nomination and Remuneration Committee

The Board has established a remuneration and nomination committee in accordance with Article 526ter of the BCC (the ***Nomination and Remuneration Committee***). Such Remuneration and Nomination Committee consists of the following members:

- Jacques Moulaert, acting as president of the Remuneration and Nomination Committee;
- Joseph Rutkowski; and
- Margaret Zakos.

The Committee meets 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 remuneration of members of the Board and senior management and shall in particular:

- submit proposals to the Board for the remuneration of the members of the Board and the executive management;
- submit a remuneration report to the Board;
- make recommendation to the Board with regard to the appointment of the members of the Board and the executive management;
- draft appointment procedures for members of the Board and the executive management;
- periodically assess the composition and size of the Board and make recommendations to the Board with regard to any change;
- identify and nominate, for the approval of the Board, candidates to fill vacancies as they arise;
- advise on proposals for appointment originating from shareholders; and
- properly consider issues related to succession planning.

4. Assessment of the Board and its Committees

The Board will meet at least every two to three years in order to assess its size, composition, performance and those of its committees. Non-executive members of the Board shall meet at least once a year to assess their interaction with the executive management.

Regular evaluation by the board of its own effectiveness should promote continuous improvement in the governance of the Company. Although evaluation is a Board responsibility, the Board should be assisted in this evaluation by the Nomination and Remuneration Committee.

The performance of the executive management is assessed as necessary on an unofficial basis within the framework of meetings of the Board and its committees.

On the initiative of the Nomination and Remuneration Committee, the Board assesses the performance of the executive management through a formal procedure during its triennial review.

5. Executive management

The executive management of the Company comprises two CEOs, Mr. *Alexios Alexiou* and Mr. *Apostolos Papavasileiou,* and a CFO *Mr. Efstratios Thomadakis*. The two co-CEOs are appointed by the Board for a renewable term of one year.

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

Alexios Alexiou, co-chief executive officer. Mr. Alexiou serves as General Manager and executive member of the board of directors for the Hellenic Cables Group, a member of Viohalco. He has been working for Viohalco as of 1996. He holds a BSc in Economics from the University of Piraeus and a MSc. in Finance from the Strathclyde University. With more than 16 years of experience in the finance and cables technology sectors, he joined Viohalco as internal auditor in 1996. Since then, he has held the positions of Financial Manager of Hellenic Cables from 2002-2003, General Manager of Icme Ecab from 2003–2008 and as of 2009, holds the position of General Manager for Hellenic Cables.

Apostolos Papavasileiou, co-chief executive officer. Mr. Papavasileiou has been CEO of CPW since November 2010. He holds a License in Chemical Engineering from the School of Engineering at the University of Patras and an MBA from the University of Salford-Manchester. He worked at Viohalco Hellenic as Head of Financial Planning, Budgeting and Reporting and served as Strategy and Investment Planning Manager at Sidenor Group. Previously, he served in several managerial positions at the Nestlé Group, both in Greece and Switzerland, where he oversaw the supply chain, technical and industrial performance and operations strategies in projects around the world.

Efstratios Thomadakis, chief financial officer. Mr. Thomadakis studied Business Administration and holds an MBA from the University of Piraeus. He joined Viohalco Hellenic in 2000. Since then, he has held various managerial positions in the financial department, whilst in 2010 became the CFO of Sidenor Group, Viohalco’s steel’s segment. He is also member of the board of directors of several subsidiaries of Viohalco, such as Sidenor Industry S.A., Sovel S.A. and Stomana Industry S.A.

The Executive Management is vested with the day-to-day management of the Company. They are also entrusted with the execution of the resolutions of the Board and they represent the Company within the framework of its day-to-day management.

Responsibilities of the executive management include the following:

- preparing strategic proposals to be made to the Board;
- putting internal controls in place (i.e. systems to identify, assess, manage and monitor financial and other risks) without prejudice to the Board's monitoring role;
- preparing and presenting to the Board a complete, timely, reliable, and accurate preparation of the Company's financial statements, in accordance with the applicable accounting standards and policies of the Company;
- presenting the Board with a balanced and understandable assessment of the Company's financial situation;
- providing the Board in due time with all information necessary for the Board to carry out its duties; and
- being responsible and accountable to the Board for the discharge of its responsibilities.

The President of the Board maintains a close cooperation with them, assists, and consults them while respecting his autonomy.

6. Remuneration report

6.1 Remuneration policy

The policy regarding the remuneration of executive and non-executive members of the Board is determined by the Board, based on a proposal from the Nomination and Remuneration Committee. It leads to proposals that must be approved by the shareholders during the Annual Ordinary General Meeting as far as the members of the Board are concerned. The Nomination and Remuneration Committee bases its proposals on a review of the prevailing market conditions for comparable companies.

6.2 Board of directors

The remuneration of the members of the Board was decided by the shareholders' meetings of 3 November 2016 at an amount of EUR 25,000 for each member, plus an equal sum in case they are members of a committee.

The remuneration of the President of the Board is equal to that of the other non-executive members of the Board.

These fees are allocated pro rata temporis for the period lasting from one annual shareholders' meeting to that of the following year, and are due at the end of such period.

The following table provides an overview of the amounts to be paid to the Board for the term of office for the year ended 31 December 2016:

Name for members (amounts in EUR)	**Fixed amount for members of the Board**	**Fixed amount for members of the Audit Committee**	**Fixed amount for the members of the Nomination and Remuneration Committee**	**Total**
Jacques Moulaert	4,200	0	4,200	8,400
Efstratios Thomadakis	4,200	0	0	4,200
Xavier Bedoret	4,200	4,200	0	8,400
Simon Macvicker	4,200	4,200	0	8,400
Joseph Rutkowski	4,200	0	4,200	8,400
Margaret Zakos	4,200	0	4,200	8,400
William Gallagher	4,200	4,200	0	8,400
Total Remuneration	**29,400**	**12,600**	**12,600**	**54,600**

The remuneration of each member of the board for 2016 represents 17% of the annual amount of EUR 25.000, which corresponds to 2 months.

6.3 Executive directors and Executive management

The remuneration policy for the Executive management of Cenergy Holdings does not foresee a fixed fee. They are entitled to neither stock options nor a supplementary pension scheme. No contingent or deferred compensation has been paid by the Company to the executive management. They do not have any contract with the Company which would entitle them to benefits by the end of their term of office.

The remuneration scheme for the members of the Executive Management, the two co-CEOs and the CFO is not determined by the Company but by its subsidiaries or affiliated companies of the Company.

The members of the executive management who hold functions within subsidiaries or affiliated companies of the Company will not receive any additional remuneration for such executive functions by the Company.

The remuneration of the two co-CEOs for the fiscal year 2016 amounts to EUR 200,000 for Mr. Alexios Alexiou and EUR 220,000 for Mr. Apostolos Papavasileiou (total EUR 420,000). The fees paid to the executive members of the board and to executive management by Cenergy Holdings and its subsidiaries amount EUR 424,200 (EUR 420,000 for the two co-CEOs and EUR 4,200 for the only executive member of the board).

7. External Audit

The statutory auditor, appointed by the shareholders' meeting among the members of the Belgian Institute of Company Auditors, is entrusted with the audit of the Company's financial statements.

On 17 March 2016, the Company appointed KPMG Bedrijfsrevisoren/Réviseurs d'Entreprises SCRL ("KPMG"), civil represented by Benoit Van Roost, as statutory auditors for a three-year period. KPMG has been appointed to audit the Company's consolidated financial statements.

In accordance with article 526bis of BCC, the statutory auditors:

- annually confirm, in writing, to the audit committee, its independence from the Company;
- annually inform the audit Committee about the additional services provided to the Company;
- examine with the audit Committee the risks relating to its independence and the safety measures taken to decrease these risks as documented by them; and
- report to the audit committee, on the key matters arising from the statutory audit of the annual accounts, and in particular on material weaknesses in internal control in relation to the financial reporting process.

The shareholders' meeting sets the number of statutory auditors and determines their remuneration in compliance with the law. Statutory auditor is appointed for a renewable term of three years which cannot be revoked by the shareholders' meeting without a good reason.

On 7 December 2016, the shareholders' meeting of Cenergy Holdings fixed the remuneration of KPMG at EUR 36,000per annum.

8. Risk Management and Internal Control

The Belgian legislative and regulatory framework on risk management and internal control consists of the relevant provisions of the Acts of 17 December 2008 and of 6 April 2010 (on Corporate Governance), as well as of the Corporate Governance Code.

The monitoring of the effectiveness of the company's internal audit and risk management systems set up by the executive management is done once a year, with a view to ensuring that the main risks are properly identified, managed and disclosed according to the framework approved by the Board.

Specifically, the internal audit mechanism aims at ensuring:

- conformity with laws and regulations;
- application of instructions and guidelines specified by the executive management;
- proper execution of internal Company processes, especially those contributing to the protection of its assets; and
- reliability of financial information.

The internal audit is conducted by an independent, objective assurance and consulting mechanism established with resources and skills adapted to the Company's nature, size and complexity.

The internal audit function deploys a set of means, procedures and actions which:

- evaluate and improve the effectiveness of risk management, control and governance processes; and
- contribute to the control of activities, operations and the efficient use of resources of the Company.

The internal audit services shall be provided to the Company by Steelmet S.A. (a Viohalco company) pursuant to a subcontracting agreement, under the leadership of Mr. Karonis.

The Internal Audit implements a risk-based audit plan that focuses on the proper application of policies and procedures which have been put in place to manage risk. Internal control deficiencies are communicated to the Audit Committee and Management in a timely manner and periodic follow-up is performed to verify the implementation of the agreed corrective measures.

The internal audit helps the Company achieve its objectives by systematically and methodically evaluating its risk management, control and corporate governance procedures, and by submitting proposals to enhance their effectiveness. The person responsible for the internal audit reports to the Audit Committee at least twice a year.

The Audit Committee supervises the audit function and ensures compliance with the internal audit Charter within the Company. It ensures the auditors' independence, objectivity and competence, proper mission planning, and the effective implementation of the auditing recommendations by the executive management.

9. Risk assessment

Risks are identified through a periodic process that is undertaken both at Cenergy Holdings and at a segmental level. This process results in the drafting of the Risk Universe, which is then subject to both quantitative and qualitative analysis and assessment, in order to define updated Risk Profile.

This list of prioritised risks is then subject to an extensive review, in order to ensure correct and up-to-date mapping with the applicable Risk Response, i.e. structures, policies, procedures, systems & monitoring mechanisms put in place by management in order to manage these risks. A consolidated review takes place at the level of the executive management, the outcome of which is presented to the Audit Committee and to the Board. The Audit Committee monitors the effectiveness of the Company's internal control and risk management systems and looks into specific aspects of internal control and risk management on an on-going basis.Each of Cenergy Holdings' segment is responsible for the mitigation of its own risks. An analysis of Cenergy Holdings' current exposure to risks, along with a description of each risk, is provided in the relevant section of this report ('Risks and Uncertainties').

10. Control Activities and Relationship with subsidiaries

Cenergy Holdings, as a holding company operates in a decentralised way. Each one of Cenergy Holdings subsidiaries is responsible for its results and performance. The management of subsidiaries is organised around solid global and regional teams, with responsibility assigned to the members of their respective executive management.

All Cenergy Holdings subsidiaries are accountable for their internal control responsibilities, implemented at all segments, locations and production installations. The objective of each Policy is to define the strategy and goals on each particular area, to provide the necessary guidance for their achievement, and to set the framework that should lead behaviours and actions.

11. Financial reporting and Monitoring Activities

Cenergy Holdings has established procedures for the collection of financial and operational information from its various subsidiaries. These also aim to ensure reconciliation of separate transactions and the homogenous implementation of accounting principles.

Each segment submits to a Cenergy Holdings monthly report with financial information including P&L, Balance Sheet, Cash Flow, Receivables and Gross Margin Analysis. In addition to this, a Working Capital Scorecard is communicated monthly at group level regarding the actual commitment of cash though working capital versus targets.

A detail report on the performances of the major subsidiaries of each segment is presented to the Board two times per year. This report compared to the budget provides operational and financial information and is a key component for Cenergy Holdings' decision-making process. The Audit Committee is responsible, on behalf of the Board, for monitoring this process and the effectiveness of the Company's control systems and risk management of the Company as assumed by the internal audit. Cenergy Holdings' Internal Audit function is staffed by qualified individuals, both at group level and at each of its segments.

12. Conflicts of interests

Article 4.6 of the Governance Charter defines Cenergy Holdings' policy concerning the transactions or other contractual relationship that may arise between the Company, including its affiliated companies, and the members of the Board, when such transactions are not governed by pertinent legal provisions.

In the event a conflict of interest with a member of the Board, a shareholder or another company of the Cenergy Holdings' companies may arise, the Board shall implement the specific procedures set forth in articles 523 and 524 of the BCC.

Each member of the Board and the executive management acts without conflict of interest and always puts the interest of the Company before his or her individual interest. Each member of the Board and the executive management arranges his or her personal and business affairs so as to avoid direct and indirect conflicts of interest with the Company.

All members of the Board inform the Board on conflicts of interest once they arise. If the conflict of interest is of proprietary nature, the members of the Board abstain also from participating in the discussions and deliberations on the matter involved in accordance with article 523 of the BCC. The deliberation of the meeting during which the conflict of interest arose shall be reproduced in the annual report of the Company.

If the conflict of interest is not covered by the provisions of the BCC 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 the executive management (or a company or entity with which such member of the Board or the executive management has a close relationship) on the other hand, such member shall inform the Board on the conflict and the Board must then be particularly cautious that the approval of the transaction is motivated by the Company's interest only and takes place at arm's length.

In all cases involving a conflict of interest not covered by article 523 of the BCC, it shall be incumbent upon the conflicted member of the Board to judge whether he or she should abstain from participating in the discussions of the Board and the vote.

13. Shareholders

13.1 Capital Structure

On 31 December 2016, 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.

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

No restriction of share transfer is provided in the Company's articles of association. Therefore, all shares are freely transferable. Each share entitles one vote.

13.2 Restrictions on Voting Rights

The Company's articles of association do not include any restrictions on the exercise of voting rights by the shareholders provided that the relevant shareholders are admitted to the General Meeting and their rights are not suspended. The relevant provisions governing the shareholders' admission to the general meeting are set out in article 19 of Cenergy Holdings' articles of association.

Article 6.4 of the articles of association provides that Company shares are indivisible and that it 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.

14. Transparency

Pursuant to the Belgian Law of 2 May 2007 on the disclosure of significant shareholdings in issuers whose securities are admitted to trading on a regulated market and containing various provisions (the ***Transparency Law***), implementing in Belgian law Directive 2004/109/EC, a notification to the Company and to the FSMA is required by all natural and legal persons in the following instances:

- an acquisition or disposal of voting securities, voting rights or financial instruments that are treated as voting securities;
- the holding of voting securities upon first admission of them to trading on a regulated market;
- the passive reaching of a threshold;
- the reaching of a threshold by persons acting in concert or a change in the nature of an agreement to act in concert;
- where a previous notification concerning the voting securities is updated;
- the acquisition or disposal of the control of an entity that holds the voting securities; and
- where the Company introduces additional notification thresholds in its articles of association, in each case where the percentage of voting rights attached to the securities held by such persons reaches, exceeds or falls below the legal threshold, set at 5% of the total voting rights, and 10%, 15%, 20% and so on at intervals of 5% or, as the case may be, the additional thresholds provided in the Company's articles of association.

The notification must be made promptly but no later than within four trading days following the acquisition or disposal of the voting rights triggering the reaching of the threshold. Where the Company receives a notification of information regarding the reaching of a threshold, it has to publish such information within three trading days following receipt of the notification. No shareholder may cast a greater number of votes at a shareholders' meeting of the Company than those attached to the rights or securities it has notified in accordance with the Transparency Law at least 20 days before the date of the shareholders' meeting, subject to certain exceptions.

The form, on which such notifications must be made, as well as further explanations, can be found on the website of the FSMA (*www.fsma.be*).

15. General shareholders' meetings

15.1 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 day, at the hour and place designated by the convening notice. They may take place at locations other than the registered office.

The annual, special and extraordinary shareholders' meetings of the Company may be convened by the Board of Directors or the auditor of the Company and must be convened at the request of shareholders representing one-fifth of the Company's share capital.

15.2 Quorum and Majority required for modification of the articles of association

The modification of Cenergy Holdings' articles of association require at least the majority of the share capital to be present or represented and the affirmative vote of the holders of at least 75% of the votes cast. If the quorum is not reached, a second meeting may be convened with the same agenda at which no quorum shall apply.

Shareholder Information and Market Data

Share information and evolution of the shares
The Company was incorporated on 17 March 2016 with a share capital of EUR 61,500 represented by 615 shares. By decision of the shareholder's meeting of the Company dated 3 November 2016, such shares were split by a factor of 44 resulting in an increase in the number initial shares from 615 to 27,060.

Following the completion of the cross-border merger by absorption by Cenergy Holdings of Corinth Pipeworks Holdings S.A. and Hellenic Cables S.A. Holdings Société Anonyme , the share capital of the Company amounts to EUR 117,892,172.38, bringing the total number of shares in the Company to 190,162,681. All such shares are fully paid up.

All shares bear equal shareholder rights in all respects.

Each share entitles its holder to one vote at general meetings of the Company and to receive dividends, if declared.

[The shares issued in the context of the cross-border merger carry the right to participate in dividends and other entitlements declared by the Company following completion of the cross-border merger, for each financial year, including the financial year ending on 31 December 2016.]

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.

Market Euronext Brussels and Athens Stock Exchange
Ticker CENER
ISIN code

Share price EURONEXT BRUSSELS in EUR	2016
At the end of the year	0.62
Maximum	0.64
Minimum	0.62
Dividends	0

Share price ATHENS EXCHANGE in EUR	2016
At the end of the year	0.63
Maximum	0.63
Minimum	0.61
Dividends	0

Note: Trading in both exchanges only began on the 21 December 2016.

Investor relations contact details

Sofia Zairi
Head of Investor Relations
Email: ir@cenergyholdings.com

Cenergy Holdings S.A.	Cenergy Holdings S.A. – Greek Branch
30 Marnix Avenue,	2-4 Leoforos Mesogeion,
1000 Brussels,	115 27 Athens,
Belgium	Greece

Belgium tel: (+32) 2. 224.0960
Greece tel: (+30) 210 6787 111, (+30) 210 6787 773

Cenergy Holdings remains committed to high-quality and transparent financial reporting. Cenergy Holdings's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU ("IFRSs as adopted by the EU").

Shareholder's structure

Cenergy Holdings has received a transparency notification dated 22 December 2016 indicating that Viohalco SA holds, directly and indirectly, 81.93% of the voting rights of the company. Viohalco SA holds directly 56.77% of the voting rights of the Company and 25.16% through its subsidiary, Halcor.

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.

<u>Content of the notification</u>

The notification dated 22 December 2016 contains the following information:
1. Reason for the notification: Acquisition or disposal of securities or voting rights
2. Notification by: A parent undertaking or a controlling person
3. Person subject to the notification requirement:

Viohalco SA	Avenue Marnix 30, 1000 Brussels

4. Date on which the threshold is crossed: 20 December 2016

5. Threshold that is crossed: 85%
6. Denominator: 190,162,681 shares
7. Notified details:

A) Voting rights	Previous notification	After the transaction			
	# of voting rights	# of voting rights		% of voting rights	
Holders of voting rights		Linked to securities	Not linked to the securities	Linked to securities	Not linked to the securities
Viohalco SA	27,060	107,960,701		56.77%	
Halcor S.A.		47,847,093		25.16%	
Subtotal	27,060	155,807,794		81.93%	
	TOTAL	155,807,794	0	81.93%	0.00%

Distribution and dividend policy
Since incorporated on 17 March 2016, Cenergy Holdings does not have any dividend distribution history. For the last three financial years, no dividends were distributed to the shareholders of Corinth Pipeworks and Hellenic Cables.

The Company intends to reinvest any of its profits into the business. This policy will be reviewed by the Board of Directors 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 of Directors. 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 Belgian company law, the Company's Articles of Association also require that the Company allocates each year at least 5% of its annual net profits to its legal reserve, 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.

Financial calendar

Date	Publication / Event
30 May 2017	Annual General Meeting 2017
28 September 2017	Half Yearly 2017 results

CENERGY HOLDINGS

CONSOLIDATED FINANCIAL STATEMENTS 2016

1. Consolidated Statement of Financial Position

Amounts in EUR thousand	Note	As at 31 December 2016	2015
ASSETS			
Property, plant and equipment	18	384,601	386,776
Intangible assets and goodwill	19	15,416	15,217
Investment property	20	6,472	872
Equity - accounted investees	21	13,292	11,571
Other investments	22	4,662	2,768
Trade and other receivables	16	6,834	5,929
Deferred tax assets	14	229	362
Non-current assets		**431,505**	**423,496**
Inventories	15	200,274	155,218
Trade and other receivables	16	183,923	178,891
Derivatives	23	3,340	244
Cash and cash equivalents	17	71,329	37,672
Current assets		**458,866**	**372,025**
Total assets		**890,371**	**795,521**
EQUITY			
Share capital		117,892	117,831
Share premium		58,600	58,600
Reserves	24	36,613	32,885
Retained earnings/(losses)		(7,144)	(754)
Equity attributable to owners of the Company		**205,961**	**208,561**
Non-controlling interests		501	538
Total equity		**206,462**	**209,099**
LIABILITIES			
Loans and borrowings	26	184,396	198,403
Employee benefits	12	3,908	3,348
Grants	28	16,215	17,042
Trade and other payables	27	8,607	10,571
Deferred tax liabilities	14	27,220	23,999
Non-current liabilities		**240,345**	**253,363**
Loans and borrowings	26	262,823	179,843
Trade and other payables	27	178,624	152,382
Current tax liabilities		835	1
Derivatives	23	1,282	833
Current liabilities		**443,564**	**333,059**
Total liabilities		**683,909**	**586,422**
Total equity and liabilities		**890,371**	**795,521**

The notes on pages 92 to 164 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	**2016**	**2015**
Revenue	8	691,775	774,788
Cost of sales	9	(628,868)	(703,081)
Gross profit		**62,907**	**71,707**
Other income	9	6,725	4,559
Selling and distribution expenses	9	(13,586)	(14,909)
Administrative expenses	9	(16,908)	(14,210)
Other expenses	9	(4,621)	(3,965)
Operating profit		**34,517**	**43,182**
Finance income	10	499	104
Finance costs	10	(31,511)	(29,396)
Net finance costs		**(31,012)**	**(29,292)**
Share of profit/loss (-) of equity-accounted investees, net of tax	21	(685)	1,646
Profit before tax		**2,821**	**15,536**
Income tax expense	14	(6,592)	(7,796)
Profit/Loss (-) from continuing operations		**(3,772)**	**7,741**
Profit/Loss (-) attributable to:			
Owners of the Company		(3,741)	7,741
Non-controlling interests		(31)	-
		(3,772)	**7,741**
Earnings per share (in EUR per share)			
Basic and diluted	11	(0.01967)	0.04071

The notes on pages 92 to 164 are an integral part of these Consolidated Financial Statements.

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

		For the year ended 31 December	
Amounts in EUR thousand	**Note**	**2016**	**2015**
Profit/Loss (-) from continuing operations		(3,772)	7,741
Items that will never be reclassified to profit or loss			
Remeasurements of defined benefit liability	12	(447)	353
Related tax		128	(93)
		(319)	**259**
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences		2,970	(2,595)
Cash flow hedges – effective portion of changes in fair value		(552)	(276)
Cash flow hedges – reclassified to profit or loss		665	5,886
Related tax		(79)	(1,431)
		3,004	**1,585**
Total comprehensive income / (expense) after tax		**(1,087)**	**9,585**
Total comprehensive income attributable to:			
Owners of the Company		(1,050)	9,591
Non-controlling interests		(37)	(6)
		(1,087)	**9,585**

The notes on pages 92 to 164 are an integral part of these Consolidated Financial Statements.

4. Consolidated Statement of Changes in Equity

Amounts in EUR thousand	Note	Share capital	Share premium	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2016		**117,831**	**58,600**	**(18,690)**	**51,575**	**(754)**	**208,561**	538	**209,099**
Total comprehensive income									
Profit / (Loss)		-	-	-	-	(3,741)	**(3,741)**	(31)	**(3,772)**
Other comprehensive income		-	-	2,981	41	(331)	**2,691**	(7)	**2,685**
Total comprehensive income		**-**	**-**	**2,981**	**41**	**(4,073)**	**(1,050)**	**(37)**	**(1,087)**
Transactions with owners of the company									
Contributions and distributions									
Issue of ordinary shares	24	62	-	-	-	-	**62**	-	**62**
Taxes on share capital increase of subsidiaries		-	-	-	-	(1,612)	**(1,612)**	-	**(1,612)**
Transfer of reserves		-	-	-	705	(705)	**-**	-	**-**
Total contributions and distributions		**62**	**-**	**-**	**705**	**(2,317)**	**(1,550)**	**-**	**(1,550)**
Total transactions with owners of the Company		**62**	**-**	**-**	**705**	**(2,317)**	**(1,550)**	**-**	**(1,550)**
Balance as at 31 December 2016		**117,892**	**58,600**	**(15,708)**	**52,321**	**(7,144)**	**205,961**	**501**	**206,462**

Amounts in EUR thousand	Share capital	Share premium	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling Interest	Total equity
Balance as at 1 January 2015	**117,831**	**58,600**	**(16,100)**	**45,291**	**(6,651)**	**198,970**	544	**199,514**
Total comprehensive income								
Profit / (Loss)	-	-	-	-	7,741	**7,741**	-	**7,741**
Other comprehensive income	-	-	(2,590)	4,176	264	**1,850**	(6)	**1,844**
Total comprehensive income	**-**	**-**	**(2,590)**	**4,176**	**8,005**	**9,591**	**(6)**	**9,585**
Transactions with owners of the company								
Contributions and distributions								
Transfer of reserves	-	-	-	2,108	(2,108)	**-**	-	**-**
Total contributions and distributions	**-**	**-**	**-**	**2,108**	**(2,108)**	**-**	**-**	**-**
Total transactions with owners of the Company	**-**	**-**	**-**	**2,108**	**(2,108)**	**-**	**-**	**-**
Balance as at 31 December 2015	**117,831**	**58,600**	**(18,690)**	**51,575**	**(754)**	**208,561**	**538**	**209,099**

The notes on pages 92 to 164 are an integral part of these Consolidated Financial Statements.

5. Consolidated Statement of Cash Flows

Amounts in EUR thousand	Note	For the year ended 31 December 2016	2015
Cash flows from operating activities			
Profit / (loss) of the period		(3,772)	7,741
Adjustments for:			
- Income tax		6,592	7,796
- Depreciation	18	20,049	19,369
- Amortization	19	931	758
- Amortization of grants	28	(794)	(922)
- Impairment losses on property, plant & equipment and investment property	9	31	212
- Net finance costs	10	31,012	29,292
- Share of profit of equity-accounted investees, net of tax	21	685	(1,646)
- (Gain) / loss from sale of property, plant & equipment	9	1	(5)
- (Profit)/loss from sale of financial assets	9	(1,792)	(1)
- Unrealised (Gain) / Loss from valuation of derivatives		(2,464)	(975)
- Taxes paid for share capital increase of subsidiaries		(1,611)	-
		48,868	61,619
Changes in:			
- Inventories		(42,579)	15,506
- Trade and other receivables		(3,179)	1,101
- Trade and other payables		23,057	(21,014)
- Employee benefits		(2,204)	6,499
Cash generated from operating activities		*23,963*	*63,710*
Interest charges & related expenses paid		(27,603)	(26,333)
Income tax paid		(2,297)	(2,331)
Net Cash from / (used in) operating activities		**(5,937)**	**35,046**
Cash flows from investing activities			
Acquisition of property, plant and equipment	18	(22,572)	(47,426)
Acquisition of intangible assets	19	(352)	(283)
Acquisition of investment property	20	(19)	-
Proceeds from sale of property, plant & equipment		10	5
Dividends received	21	447	971
Interest received		60	104
Acquisition of financial assets		(1)	(696)
Disposals of financial assets		-	710
Acquisition of subsidiary, net of cash acquired	31	(6,099)	(29)
Net Cash flows used in investing activities		**(28,525)**	**(46,645)**
Cash flows from financing activities			
Proceeds from share capital increase	24	62	-
Proceeds from new borrowings	26	269,606	152,417
Repayment of borrowings	26	(202,205)	(117,758)
Payment of finance lease liabilities	26	(74)	(81)
Net cash flows from financing activities		**67,389**	**(34,578)**
Net (decrease)/ increase in cash and cash equivalents		**32,926**	**22,979**
Cash and cash equivalents at 1 January		37,672	14,240
Effect of movement in exchange rates on cash held		730	454
Cash and cash equivalents at 31 December	17	**71,329**	**37,672**

The notes on pages 92 to 164 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 Belgian Limited Liability Company. The Company's 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 "Cenergy Holdings Group" or the "Group"), and Cenergy Holdings' interest in associates accounted for using the equity method.

Cenergy Holdings is a holding company and holds participations in 11 subsidiaries. With production facilities in Greece, Bulgaria and Romania, Cenergy Holdings' subsidiaries specialise in manufacturing steel pipes and cables products. Its shares are traded on Euronext Brussels since December 2016 and has its secondary listing on the Athens Stock exchange (trading ticker "CENER").

Cenergy Holdings is a subsidiary of Viohalco S.A. (81.93% of voting rights). Viohalco S.A. ("Viohalco") is the Belgium-based holding company of leading metal processing companies across Europe. Viohalco's subsidiaries specialise in the manufacture of aluminium, copper, cables, steel and steel pipes products and technological advancement.

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

2. Basis of accounting

Statement of compliance

The Consolidated Financial Statements have been prepared by Management in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union up to 31 December 2016. They were authorised for issue by the Company's Board of Directors on 30 March 2017.

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 (fair value);
- Available-for-sale financial assets (fair value);
- Net defined benefit liability (present value of the obligation).

3. Functional currency and presentation currency

The functional and presentation currency of the Company is the euro. All amounts in the Consolidated Financial Statements are rounded to the nearest thousand, unless otherwise indicated.

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 in the year ended 31 December 2016 is included in the following notes:

- Note 12 – Measurement of defined benefit obligations: key actuarial assumptions;
- Note 14 – Recognition of deferred tax assets, availability of future taxable profits against which carryforward tax losses can be used;
- Note 18, Note 19 and Note 20 – Impairment test: key assumptions underlying recoverable amounts;
- Note 34 – Recognition and measurement of contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 26 and 5.14 - Lease: whether an arrangement contains a lease;
- Note 32 and 5.14 – Lease classification

5. Significant accounting policies

The accounting principles described below have been consistently applied to all periods presented in these 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) Interests in equity-accounted investees

Cenergy Holdings' interests in equity-accounted investees comprise interests in associates and joint ventures.
Associates are those entities in which Cenergy Holdings has significant influence, but not control or joint control, over the financial and operating policies. 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 associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequently to initial recognition, the consolidated financial statements include Cenergy Holdings' share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

(g) 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 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.
When a foreign operation is disposed of in its entirety or partially such that the control, significant influence

or joint control is lost, the cumulative amount in the translation reserve related that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If Cenergy Holdings disposes of parts of its interest in the subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When Cenergy Holdings disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

5.3 Revenue

(a) Sale of goods

Cenergy Holdings recognises revenue when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of the revenue can be measured reliably. Revenue is measured net of returns, trade discounts and volume rebates.

The timing of the transfer of risks and rewards varies on the individual terms of the sales agreement. The transfer occurs when the product is delivered to the customer; however for some international shipments the transfer occurs on loading the goods onto the carrier at the port. For those shipments, based on the incoterms when the goods are loaded onto the ship, or other delivery vehicle, at the port of the seller, it is considered that all risks and rewards have been transferred from the seller to the buyer and revenue is then recognized.

(b) 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.

(c) Construction contracts

Contract revenue for Cenergy Holdings includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probably that they will result in revenue and can be measured reliably.

If the outcome of a construction contract can be estimated reliably, then contract revenue is recognized in the profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed with reference to surveys of work performed. Otherwise, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.

Contract expenses are recognized as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognized immediately in profit or loss.

(d) Investment property rental income

Rental income from investment property is recognised as revenue 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.

Rental income from other property or machinery is recognised as other income.

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 "iBoxx AA-rated Euro corporate bond 10+ year" Index.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

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 they recognise costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

In the case of employment termination in which Cenergy Holdings are not able to determine the number of employees who will take advantage of this incentive, these benefits are not accounted for, but are recorded as a contingent liability.

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 income statement 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;
- impairment losses recognised on financial assets (other than trade receivables);
- Foreign currency gains and losses

(a) Income from interest
Income from interest is recognised on the time proportion basis using the effective interest rate method. Interest expense is recognized using the effective interest method.
(b) Income from dividends
Dividends are accounted for as income when a right to collect them has been established.

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.

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 or losses 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 operating 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.

Buildings and plants	20-50 years
Machinery	8-40 years
Furniture and other equipment	2-10 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 groups 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 and goodwill

A. Recognition and measurement

Goodwill: Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

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 5 years. Expenses that are associated with the software's maintenance are recognised as expenses in the year in which they are incurred.

Other intangible assets: Other intangible assets, including customer relationships, 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. 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 generally 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 – 5 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 an 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.

Management exercises judgement to determine whether a property qualifies as investment property or not. The criteria related to this judgement are as follows:

- Whether a property generates cash flows derived from rentals and capital appreciation largely independently of the other assets held by the Group;
- Whether a property does not generate cash flows from the production or supply of goods or services or the use of property for administrative purposes that are attributable not only to property, but also to other assets used in the production or supply process;
- Whether a building that is vacant will be held to be leased out or for capital appreciation;
- Whether a property that is being constructed or developed for future use as investment property;
- Whether the Group holds land for a currently undetermined future use.

5.12 Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.
Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets or employee benefits which continue to be measured in accordance Cenergy Holdings' other accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and

losses on remeasurement are recognised in profit or loss.
Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

5.13 Impairment

A. Non-derivative financial assets
Available-for-sale financial assets and financial asset interests in an equity-accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.
Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to Cenergy Holdings on terms that they would not consider otherwise;
- indications that a debtor or issuer will enter bankruptcy;
- adverse changes in the payments status of borrowers or issuers;
- the disappearance of an active market for a security; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost. The Group considers a decline of 20% to be significant and a period of 9 months to be prolonged.

Financial assets measured at amortized cost (Trade and other Receivables)
An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

Available-for-sale financial assets
Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available-for-sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through profit or loss; otherwise, it is reversed through OCI.

Equity-accounted investees

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss, and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. The above information will supplement the forthcoming financial statements.

B. Non-financial assets

At each reporting date, Cenergy Holdings reviews 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 and 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.

5.14 Leases

Leases of property, plant and equipment, in which Cenergy Holdings substantially maintains all the risks and benefits of ownership, are classified as finance leases. The leased asset is recognized from the moment the lease begins at the lower of their fair value and the present value of the minimum lease payments. The lease liability is initially recognized at the same amount. The reduction of the lease liability is recognized under the effective interest method. Items of property, plant and equipment under finance lease are depreciated over the shorter period between the useful lives thereof and the term of their lease. However, if at inception of the lease it is reasonably certain that the lessee will obtain ownership of the asset by the end of the lease term, then the asset is depreciated over its expected useful life.

Leases, in which the lessor substantially maintains all the risks and benefits of ownership, are classified as operating leases. The rental expense with regard to operating leases are recognized on a straight-line basis over the lease term.

5.15 Financial instruments

Cenergy Holdings classifies non-derivative financial assets into the following categories: “Financial assets at fair value through profit or loss”, “Cash and receivables”, “Available-for-sale financial assets”.

(a) Non-derivative financial assets and financial liabilities – recognition and derecognition

Cenergy Holdings initially recognises Cash and receivables on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.
Cenergy Holdings derecognises a financial asset when the contractual rights to the cash flows from the 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 it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.
Cenergy Holdings derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.
Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, Cenergy Holdings has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(b) Non-derivative financial assets – measurement

Financial assets at fair value through profit or loss
A financial asset is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any interest or dividend income, are recognised in profit or loss.
Trade and other receivables less impairment losses
These assets are initially recognised at fair value and subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Cash and cash equivalents
Cash on hand and equivalent cash accounts include cash on hand, sight deposits, short-term (up to 3 months) high-liquid and low-risk investments.
Available-for-sale financial assets
These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments are recognised in OCI and accumulated in the “Fair value” reserve. When these assets are derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

(c) Non-derivative financial liabilities – measurement

Non-derivative financial liabilities include loans and borrowings and are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

5.16 Derivatives and hedge accounting

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 the Group's 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 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 proportion of change in the fair value of derivatives designated as cash flow change hedges are 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 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, 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, the profits or losses accrued to Equity are reclassified to profit and loss.
Cenergy Holdings on a regular basis, examines the effectiveness of the cash flow hedge.

5.17 Share capital

Shareholder's equity is composed of ordinary shares.
Direct expenses that are associated with the issue of shares are recorded, after the relative income tax has been deducted, as a reduction to the increase amount. Direct expenses relating to shares that have been issued for the acquisition of a company are included in the acquisition cost thereof.

5.18 Provisions

Provisions are recognised when:

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

(b) Payment is probable to settle the obligation.

(c) The amount of the payment in question can be reliably estimated.

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. Contingent assets and contingent liabilities are not recognized in the Consolidated Financial Statements except for certain contingent liabilities that were assumed in a business combination.

5.19 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.

5.20. New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. Cenergy Holdings' evaluation of the effect of these new standards, amendments to standards and interpretations is set out below.

Standards and Interpretations effective for the current financial year

• *Annual Improvements to IFRSs 2012:*

The amendments set out below describe the key changes to certain IFRSs following the publication of the results of the IASB's 2010-12 cycle of the annual improvements project.

− *IFRS 2 "Share-based payment".* The amendment clarifies the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'.

− *IFRS 3 "Business combinations".* The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 "Financial instruments: Presentation". It also clarifies that all non-equity contingent consideration, both financial and nonfinancial, is measured at fair value through profit or loss.

− *IFRS 8 "Operating segments".* The amendment requires disclosure of the judgments made by management in aggregating operating segments.

− *IFRS 13 "Fair value measurement".* The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

− *IAS 16 "Property, plant and equipment"* and *IAS 38 "Intangible assets".* Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

− *IAS 24 "Related party disclosures".* The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

• *Annual Improvements to IFRSs 2014:*

The amendments set out below describe the key changes to four IFRSs.

− *IFRS 5 "Non-current assets held for sale and discontinued operations".* The amendment clarifies that, when an asset (or disposal group) is reclassified from 'held for sale' to 'held for distribution', or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.

− *IFRS 7 "Financial instruments: Disclosures".* The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and clarifies that the additional disclosure required by the amendments to IFRS 7, "Disclosure – Offsetting financial assets and financial liabilities" is not specifically required for all interim periods, unless required by IAS 34.

− *IAS 19 "Employee benefits".* The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.

− *IAS 34 "Interim financial reporting"*. The amendment clarifies what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'.

• *IAS 1 (Amendment)" Disclosure Initiative".* The amendments clarify the guidance of IAS 1 on the concepts of materiality and aggregation, presentation of sub-totals, structure of financial statements and disclosures of accounting policies.

• *IAS 16 and IAS 38 (Amendments) "Clarification of Acceptable Methods of Depreciation and Amortisation".* These amendments clarify that a revenue-based method is not considered to be an appropriate method of asset depreciation and also specify that a revenue-based method is an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

• *IAS 19R (Amendment) "Employee Benefits".* These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

• *IAS 27 (Amendment) "Separate financial statements".* IAS 27 is amended to allow the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements.

• *IFRS 10, IFRS 12 and IAS 28 (Amendments) "Investment Entities: Applying the Consolidation Exception" (effective for annual periods beginning on or after 1 January 2016).* These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries.

• *IFRS 11 (Amendment) "Joint Arrangements".* The amended version of IFRS 11 requires acquirers of an interest in a joint operation that constitutes a business (as defined in IFRS 3 "Business Combinations") to apply all accounting principles of business combinations included in IFRS 3 and other IFRSs save those accounting principles clashing with the stipulations of IFRS 11. In addition, the amendment requires the disclosure of any information required by IFRS 3 and other IFRSs on business combinations.

The adoption of the amendments mentioned above did not have any significant impact for the Consolidated Financial Information of Cenergy Holdings.

Standards and Interpretations effective for subsequent periods

• ***IFRS 15 "Revenue from Contracts with Customers"*** *(effective for annual periods beginning on or after 1 January 2018).*

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

IFRS 15 is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted.

Cenergy Holdings is currently performing an initial assessment of the potential impact of the adoption of IFRS 15 on its consolidated financial statements:

a. ***Sales of products***: For the sale of products, revenue is currently recognised when the significant risks and rewards of ownership have been transferred to the customer, provided that recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of the revenue can be measured reliably.
Under IFRS 15, revenue will be recognised when a customer obtains control of the goods. For some made-to-order product contracts, the customer controls all of the work in progress as the products are being manufactured. When this is the case, revenue will be recognised as the products are being manufactured. This will result in revenue, and some associated costs, for these contracts being recognised earlier than at present – i.e. before the goods are delivered to the customers' premises.
For certain contracts that permit the customer to return an item, revenue is currently recognised when a reasonable estimate of the returns can be made, provided that all other criteria for revenue recognition are met. If a reasonable estimate cannot be made, then revenue recognition is deferred until the return period lapses or a reasonable estimate of returns can be made.
Under IFRS 15, revenue will be recognised for these contracts to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur. As a consequence, for those contracts for which Cenergy Holdings is unable to make a reasonable estimate of return, revenue is expected to be recognised sooner than when the return period lapses or a reasonable estimate can be made. A refund liability and an asset for recovery will be recognised for these contracts and presented separately in the statement of financial position.

b. ***Rendering of services***: Revenue is currently recognised using the stage-of-completion method. Under IFRS 15, the total consideration in the service contracts will be allocated to all services based on their stand-alone selling prices. The stand-alone selling prices will be determined based on the list prices at which Cenergy Holdings sells the services in separate transactions. Cenergy Holdings does not expect significant differences in the timing of revenue recognition for these services.

c. ***Construction contracts***: Contract revenue currently includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. When a claim or variation is recognised, the measure of contract progress or contract price is revised and the cumulative contract position is reassessed at each reporting date.
Under IFRS 15, claims and variations will be included in the contract accounting when they are approved.

Transition: Cenergy Holdings will adopt IFRS 15 in its consolidated financial statements for the year ending 31 December 2018 and is currently performing a detailed assessment of the impact resulting from the application of IFRS 15 and expects to disclose additional qualitative and quantitative information before adoption. There are no preliminary conclusions yet to be disclosed.

• ***IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9 and IFRS 7*** *(effective for annual periods beginning on or after 1 January 2018).* In July 2014, the International Accounting Standards Board issued the final version of IFRS 9 Financial Instruments.

IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. Cenergy Holdings currently plans to apply IFRS 9 initially on 1 January 2018.

The actual impact of adopting IFRS 9 on Cenergy Holdings' consolidated financial statements in 2018 is not known and cannot be reliably estimated because it will be dependent on the financial instruments that Viohalco holds and economic conditions at that time as well as accounting elections and judgements that it will make in the future. The new standard will require Cenergy Holdings to revise its accounting processes and internal controls related to reporting financial instruments and these changes are not yet complete. However, Cenergy Holdings has performed a preliminary qualitative assessment of the potential impact of adoption of IFRS 9 based on its positions at 31 December 2016 and hedging relationships designated during 2016 under IAS 39.

a. ***Classification – Financial Assets***: IFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics.
   IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The standard eliminates the existing IAS 39 categories of held to maturity, loans and receivables and available for sale.
   Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never bifurcated. Instead, the hybrid financial instrument as a whole is assessed for classification.
   Based on its preliminary assessment, Cenergy Holdings does not believe that the new classification requirements, if applied at 31 December 2016, would have had a material impact on its accounting for trade receivables, loans, investments in debt securities and investments in equity securities that are managed on a fair value basis. At 31 December 2016, Cenergy Holdings had equity investments of EUR 4,7 million classified as available-for-sale. If these investments continue to be held at initial application of IFRS 9, Cenergy Holdings may elect then to classify them as FVOCI or FVTPL. Cenergy Holdings has not yet made a decision in this regard. In the former case, all fair value gains and losses would be reported in other comprehensive income, no impairment losses would be recognised in profit or loss and no gains or losses would be reclassified to profit or loss on disposal. In the latter case, all fair value gains and losses would be recognised in profit or loss as they arise.
b. ***Impairment – Financial Assets and contract assets***: IFRS 9 replaces the 'incurred loss' model in IAS 39 with a forward-looking 'expected credit loss' (ECL) model. This will require considerable judgement as to how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis.
   The new impairment model will apply to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments, and to contract assets.
   Under IFRS 9, loss allowances will be measured on either of the following bases:

- 12-month ECLs. These are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs. These are ECLs that result from all possible default events over the expected life of a financial instrument.

   Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and 12-month ECL measurement applies if it has not. An entity may determine that a financial asset's credit risk has not increased significantly if the asset has low credit risk at the reporting date. However, lifetime ECL measurement always applies for trade receivables and contract assets without a significant financing component; an entity may choose to apply this policy also for trade receivables and contract assets with a significant financing component.
   Cenergy Holdings is currently assessing the quantitative impact from the change in the impairment methodologies imposed by IFRS 9.
c. ***Classification – Financial liabilities***: IFRS 9 largely retains the existing requirements in IAS 39 for the

classification of financial liabilities.

However, under IAS 39 all fair value changes of liabilities designated as at FVTPL are recognised in profit or loss, whereas under IFRS 9 these fair value changes are generally presented as follows:

- the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and
- the remaining amount of change in the fair value is presented in profit or loss.

Cenergy Holdings has not designated any financial liabilities at FVTPL and under current conditions, it has no intention to do so. Cenergy Holdings' preliminary assessment did not indicate any material impact if IFRS 9's requirements regarding the classification of financial liabilities were applied at 31 December 2016.

d. ***Hedge Accounting***: When initially applying IFRS 9, Cenergy Holdings may choose as its accounting policy to continue to apply the hedge accounting requirements of IAS 39 instead of the requirements in IFRS 9. Cenergy Holdings is currently assessing whether it will elect to apply the new requirements of IFRS 9.

IFRS 9 will require Cenergy Holdings to ensure that hedge accounting relationships are aligned with Cenergy Holdings' risk management objectives and strategy and to apply a more qualitative and forward-looking approach to assessing hedge effectiveness. IFRS 9 also introduces new requirements regarding rebalancing of hedge relationships and prohibiting voluntary discontinuation of hedge accounting. Under the new model, it is possible that more risk management strategies, particularly those involving hedging a risk component (other than foreign currency risk) of a non-financial item, will be likely to qualify for hedge accounting.

Cenergy Holdings uses forward foreign exchange contracts to hedge the variability in cash flows arising from changes in foreign exchange rates relating to foreign currency payables, receivables, sales and inventory purchases.

Under IAS 39, for all cash flow hedges, the amounts accumulated in the cash flow hedge reserve are reclassified to profit or loss as a reclassification adjustment in the same period as the hedged expected cash flows affect profit or loss. However, under IFRS 9, for cash flow hedges of foreign currency risk associated with forecast non-financial asset purchases, the amounts accumulated in the cash flow hedge reserve and the cost of hedging reserve will instead be included directly in the initial cost of the non-financial asset when it is recognised.

Cenergy Holdings' preliminary assessment indicated that the types of hedge accounting relationships that Cenergy Holdings currently designates should be capable of meeting the requirements of IFRS 9 if Cenergy Holdings completes certain planned changes to its internal documentation and monitoring processes.

Disclosures: IFRS 9 will require extensive new disclosures, in particular about hedge accounting, credit risk and expected credit losses. Cenergy Holdings' preliminary assessment includes an analysis to identify data gaps against current processes and Cenergy Holdings plans to implement the system and controls changes that it believes will be necessary to capture the required data.

Transition: Changes in accounting policies resulting from the adoption of IFRS 9 will generally be applied retrospectively, except as described below.

- Cenergy Holdings is considering to take advantage of the exemption allowing it not to restate comparative information for prior periods with respect to classification and measurement (including impairment) changes. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of IFRS 9 generally will be recognised in retained earnings and reserves as at 1 January 2018.
- New hedge accounting requirements should generally be applied prospectively.
- The following assessments have to be made on the basis of the facts and circumstances that exist at the date of initial application.
  - The determination of the business model within which a financial asset is held.
  - The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL.
  - The designation of certain investments in equity instruments not held for trading as at FVOCI.

• ***IFRS 16 "Leases"*** *(effective for annual periods beginning on or after 1 January 2019).* IFRS 16 introduces a single, on-balance lease sheet accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are optional exemptions for short-term leases and leases of low value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases—Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The standard is effective for annual periods beginning on or after 1 January 2019. Early adoption is permitted for entities that apply IFRS 15 Revenue from Contracts with Customers at or before the date of initial application of IFRS 16.

Cenergy Holdings has started an initial assessment of the potential impact on its consolidated financial statements, which so far has indicated that new assets and liabilities (currently operating leases) will be recognized. In addition, the nature of expenses related to those leases will now change as IFRS 16 replaces the straight-line operating lease expense with a depreciation charge for right-of-use assets and interest expense on lease liabilities. Cenergy Holdings has not yet decided whether it will use the optional exemptions.

Transition: As a lessee, Cenergy Holdings can either apply the standard using a:

- Retrospective approach; or
- Modified retrospective approach with optional practical expedients.

The lessee applies the election consistently to all of its leases. Cenergy Holdings currently plans to apply IFRS 16 initially on 1 January 2019. Cenergy Holdings has not yet determined which transition approach to apply.
As a lessor, Cenergy Holdings is not required to make any adjustments for leases in which it is a lessor except where it is an intermediate lessor in a sub-lease.

Cenergy Holdings has not yet quantified the impact on its reported assets and liabilities of adoption of IFRS 16. The quantitative effect will depend on, inter alia, the transition method chosen, the extent to which Cenergy Holdings uses the practical expedients and recognition exemptions, and any additional leases that Cenergy Holdings enters into. Cenergy Holdings expects to disclose its transition approach and quantitative information before adoption.

The standard has not yet been endorsed by the EU.

The following amendments are not expected to have significant impact on the Consolidated Financial Information of Cenergy Holdings, according to an initial assessment which has been based on current conditions.

• *IAS 12 (Amendments) "Recognition of Deferred Tax Assets for Unrealised Losses" (effective for annual periods beginning on or after 1 January 2017).* These amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value. The amendments have not yet been endorsed by the EU.

• *IFRS 2 (Amendments) "Classification and measurement of Shared-based Payment transactions" (effective for annual periods beginning on or after 1 January 2018)*. The amendment clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority. The amendments have not yet been endorsed by the EU.

• *IFRS 4 (Amendments) "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts" (effective for annual periods beginning on or after 1 January 2018)*. This amendment gives an option for all issuers of insurance contracts to adjust profit or loss for eligible financial assets by removing any additional accounting volatility that may arise from applying IFRS 9; and it also provides with an optional temporary exemption from IFRS 9 for companies whose activities are predominantly connected with insurance (i.e. these companies will be permitted to continue to apply existing financial instrument requirements in IAS 39. The amendments have not yet been endorsed by the EU.

• *Annual Improvements to IFRSs 2014 – 2016 cycle (effective for annual periods beginning on or after 1 January 2018) :*

The improvements includes the following three amendments:

- *IFRS 1 "First-time Adoption of International Financial Reporting Standards".* Deletion of short-term exemptions for first-time adopters.
- *IFRS 12 "Disclosure of Interests in Other Entities".* Clarification of the scope of the disclosure requirements in IFRS 12.
- *IAS 28 "Investments in Associates and Joint Ventures".* Measuring associates and joint ventures at fair value through profit or loss (FVTPL) on an investment-by-investment basis.

For the following amendments, Cenergy Holdings is currently evaluating their effect on its Consolidated Financial Information.

• *IAS 7 (Amendments) "Disclosure initiative" (effective for annual periods beginning on or after 1 January 2017).* These amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments have not yet been endorsed by the EU.

• *IFRIC Interpretation 22 "Foreign Currency Transactions and Advance Consideration" (effective for annual periods beginning on or after 1 January 2018)*. It clarifies the accounting for transactions that include the receipt of payment of advance consideration in a foreign currency. The amendments have not yet been endorsed by the EU.

• *IAS 40 (Amendments) "Transfers to Investment Property" (effective for annual periods beginning on or after 1 January 2018)*. The amendment clarifies the application of paragraph 57 of IAS 40 Investment Property, and which provides guidance on transfers to, or from, investment properties. The amendments have not yet been endorsed by the EU.

6. Common control transaction

On 14 December 2016, Cenergy Holdings announced the completion of the cross-border merger by absorption by Cenergy Holdings S.A. of the formerly Greek listed companies, Corinth Pipeworks Holdings S.A. and Hellenic Cables S.A. Holdings Société Anonyme (together referred as the "absorbed companies").

The transaction was approved by the Company's shareholders on 7 December 2016 and those of Hellenic Cables S.A. Holdings Société Anonyme and Corinth Pipeworks Holdings S.A. on 8 December 2016. On 14 December 2016, the cross-border merger became effective from a legal perspective, both in Belgium and in Greece. As a result, as from 8 December 2016, the Company has assumed the control of the subsidiaries of the absorbed companies.

On 21 December 2016, the trading of its shares commenced on Euronext Brussels and the Athens Stock Exchange.

The merger has enabled Cenergy Holdings' subsidiaries to group their financial leverage and business outreach, and thus to provide to the underlying industrial companies in Greece and abroad solid sponsorship and reliable reference when bidding for demanding international projects or seeking access to restricted international financing. As a listed company, both in Brussels and in Athens, the Company presents the international investor community with an opportunity to invest in a promising business sector under conditions of increased visibility and scrutiny. The ability of Cenergy Holdings to access the international financial markets will help consolidate the underlying industrial Greek companies' achievements and secure long term employment for their highly qualified workforce. It will also help enhance their competitiveness and confirm their development and investment prospects.

The business combination between Cenergy Holdings, Hellenic Cables S.A. Holdings Société Anonyme and Corinth Pipeworks Holdings S.A. qualifies as a common control transaction, since all of the combining entities are ultimately controlled by the same party (Viohalco) both before and after the business combination and that control is not transitory.

Before the business combination, Viohalco controled all the combining entities since it controled 99.84% of voting rights of the Company, 74.48% of voting rights of Hellenic Cables S.A. Holdings Société Anonyme (1.95% directly and 72.53% through its subsidiary Halcor S.A.) and 85.89% of voting rights of Corinth Pipeworks Holdings S.A.. Upon the completion of the business combination Viohalco controls 81.93% (56.77% directly and 25.16% through its subsidiary Halcor S.A.).

All assets and liabilities of the absorbed companies have been recorded at their carrying amount and therefore the share capital increase resulting from the merger amounted to the addition of the share capital of Cenergy Holdings and the absorbed companies and there was no difference to recognize within equity.

Due to the above and in order to provide financial information which is relevant, meaningful and reliable, the Company's consolidated financial statements as of and for the period ended 31 December 2016 are presented as if the cross-border merger had occurred before the start of the earliest period presented (i.e. 1st January 2015). Results of operations thus comprise the previously separate entities combined from the beginning of the period to the date Cenergy Holdings S.A. has assumed the control of its subsidiaries (i.e. 8 December 2016) and those of the consolidated operations from that date to the end of the current period. By eliminating the effects of intercompany transactions in determining the results of operations for the period before the combination, those results are substantially on the same basis as the results of operations for the period after the date of the merger. The effects of intercompany transactions on current assets, current liabilities, revenue, and cost of sales for periods presented and on retained earnings at the beginning of the periods presented are also eliminated.

The election of the policy described above has been done on the basis of pronouncements of other standard-setting bodies that use a conceptual framework to develop accounting standards similar to IFRS (especially SFAS 141, D.12), other accounting literature and accepted industry practices.

In order for Cenergy Holdings to apply consistent and uniform accounting policies the following adjustments have been performed to the financial information issued by the absorbed companies previously:

- Steel pipes segment's cost of sales includes direct sales expenses, amounted to EUR 25,790 thousand in 2015 (2016: EUR 20,486 thousand). Steel pipes segment's cost of sales for 2015 includes net foreign exchange result and net losses from foreign exchange derivatives, amounting to EUR 13,078 thousand. These amounts were classified as selling and distribution expenses in the consolidated financial statements of the former Corinth Pipeworks Group.
- Cables segment's cost of sales includes net foreign exchange losses, amounting to EUR 1,713 thousand in 2015 (2016: EUR 587 thousand). These amounts were classified as net finance costs in the consolidated financial statements of the former Hellenic Cables Group.
- In the consolidated financial statements of the former Hellenic Cables Group, certain classes of assets included in "Property, plant and equipment" were accounted for based on the revaluation model of IAS 16. More specifically, the classes of assets, which were revalued in the published financial statements of the former Hellenic Cables Group were land, buildings and productive machinery. In addition, the former Hellenic Cables Group accounted for its "Investment property" based on the fair value model of IAS 40.
  More specificlly, based on the accounting policies followed by the former Hellenic Cables Group, certain classes of assets included in "Property, plant and equipment", i.e. land, buildings and machinery used in manufacturing or provision of goods and services were presented in the consolidated statement of financial position at their revalued value, which is the fair value on the revaluation date less any subsequent accumulated depreciation. Reassessments were carried out at regular intervals to ensure that carrying amounts did not vary substantially from those that would have been determined using the fair value upon expiry of each reporting period.
  Based on the accounting policies followed by Cenergy Holdings, all classes of assets included in "Property, plant and equipment" (i.e. including land, buildings and machinery used in manufacturing or provision of goods and services) are presented at their acquisition cost less accumulated depreciation and impairment.
  Based on the accounting policies followed by the former Hellenic Cables Group, Investment property was initially recognised at acquisition cost and subsequently recognised at fair value with any changes thereof recognised as gain or loss through profit or loss.
  Based on the accounting policies followed by Cenergy Holdings, 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 an 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.

The adjustments performed in the Statement of Financial Position published by the former Hellenic Cables Group as of 31 December 2015, due to the above, are presented in the table below:

Amounts in EUR thousand	**Hellenic Cables Published***	**Adjustments**	**Total**
Property, plant and equipment	235.711	(32.550)	203.161
Deferred tax assets	-	182	182
Reserves	55.656	(33.726)	21.931
Retained earnings/(losses)	(22.907)	7.961	(14.946)
Non-controlling interests	806	(268)	538
Deferred tax liabilities	13.339	(6.335)	7.004

**As reported in the 2015 Annual Financial Report of the former Hellenic Cables Group.*

The adjustments performed in the Statement of Profit or Loss published by the former Hellenic Cables Group as of 31 December 2015 are presented in the table below:

Amounts in EUR thousand	**Hellenic Cables Published***	**Adjustments**	**Total**
Cost of sales	(440,063)	2,793	(437,269)
Income tax expense	(2,492)	(963)	(3,454)

**As reported in the 2015 Annual Financial Report of the former Hellenic Cables Group.*

- Intercompany eliminations for the balances and transactions between the components of the two sub-groups have been performed. For 2015, intercompany transactions of EUR 1,248 thousand have been eliminated and intercompany balances of EUR 127 thousand .

7. 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: one of the largest cable producers in Europe, manufacturing power, telecommunication and submarine cables, as well as enameled wires and compounds.
Steel Pipes: production of steel pipes for the transportation of natural gas, oil and water networks, as well as steel hollow sections which are used in construction projects.
Other activities: activities of the holding company that do not apply either to steel pipes or cables segments.

Transfers and transactions between segments take place under actual commercial terms and conditions pursuant to the provisions applying to transactions with third parties.

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 at 31 December 2016 and 2015, and for the years then ended.

2016	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Segment revenue	557,978	388,717	-	**946,694**
Inter-segment revenue	(168,417)	(86,502)	-	**(254,919)**
External revenues	**389,560**	**302,215**	**-**	**691,775**
Gross profit	**29,861**	**33,046**	**-**	**62,907**
Operating profit / (loss)	**16,621**	**19,067**	**(1,171)**	**34,517**
Finance income	46	453	-	**499**
Finance costs	(20,843)	(10,666)	(2)	**(31,511)**
Share of profit/(loss) of equity accounted investees, net of tax	-	(597)	(88)	**(685)**
Profit / (Loss) before tax	**(4,176)**	**8,258**	**(1,260)**	**2,821**
Income tax expense	(2,801)	(3,791)	-	**(6,592)**
Profit/Loss (-) from continuing operations	**(6,977)**	**4,466**	**(1,260)**	**(3,772)**
Depreciation and amortization	(12,360)	(8,620)	-	**(20,980)**
Segment assets	426,416	461,743	2,211	**890,371**
Equity-accounted investees	-	13,088	204	**13,292**
Segment liabilities	375,539	306,583	1,787	**683,909**
Capital expenditure	12,162	6,905	-	**19,068**

2015	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Segment revenue	668,833	497,031	-	**1,165,863**
Inter-segment revenue	(190,262)	(200,814)	-	**(391,076)**
External revenues	**478,571**	**296,217**	**-**	**774,788**
Gross profit	**40,776**	**30,931**	**-**	**71,707**
Operating profit	**24,672**	**18,510**	**-**	**43,182**
Finance income	22	81	-	**104**
Finance costs	(21,394)	(8,002)	-	**(29,396)**
Share of profit/(loss) of equity accounted investees, net of tax	-	1,507	139	**1,646**
Profit before tax	**3,300**	**12,097**	**139**	**15,536**
Income tax expense	(3,454)	(4,341)	-	**(7,796)**
Profit/Loss (-) from continuing operations	**(154)**	**7,756**	**139**	**7,741**
Depreciation and amortization	(11,569)	(8,558)	-	**(20,127)**
Segment assets	455,449	339,630	442	**795,521**
Equity-accounted investees	-	11,129	442	**11,571**
Segment liabilities	396,437	189,985	-	**586,422**
Capital expenditure	11,478	37,109	-	**48,587**

C. Geographic information

Cenergy Holdings' segments are managed on a worldwide basis, but operate manufacturing facilities and sales offices primarily in Greece, Bulgaria and Romania.

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. The global scale operations of Cenergy Holdings are divided into seven principal geographical areas. In Europe, information for Greece and Belgium is reported separately.

Amounts in EUR thousand	For the year ended 31 December	
Revenue	2016	2015
Belgium	1,750	1,992
Greece	259,996	217,401
Other European Union countries	294,578	276,637
Other European countries	6,989	15,562
Asia	10,159	11,593
America	111,297	245,323
Africa	6,935	6,150
Oceania	70	130
Total	**691,775**	**774,788**

Amounts in EUR thousand	As at 31 December	
Property, Plant & Equipment	2016	2015
Belgium	-	-
Greece	359,276	363,043
Other	25,325	23,734
Total	**384,601**	**386,776**

Amounts in EUR thousand	As at 31 December	
Capital expenditure	2016	2015
Belgium	-	-
Greece	15,586	46,188
Other	3,481	2,399
Total	**19,068**	**48,587**

8. Revenue

Amounts in EUR thousand	For the year ended 31 December	
	2016	2015
Sales of goods	632,174	667,994
Rendering of services	1,189	3,022
Construction contract revenue	58,412	103,772
Total	**691,775**	**774,788**

Consolidated revenue for 2016 decreased compared to 2015, as a result of the decline in metal prices, the reduced demand in European markets noticed mainly during the second half of 2016 in the cables segment and the execution of different types of construction contracts which resulted in changes to the product mix compared with the previous year.

9. Income and expenses

A. Other income

		For the year ended 31 December	
Amounts in EUR thousand	**Note**	**2016**	**2015**
Government grants		84	23
Rental income		646	618
Income from fees, commissions & costs recharged		919	1,107
Indemnities and income from claims		1,972	887
Amortization of grants	28	794	922
Profit from sale of financial assets	22	1,792	3
Reversal of impairment loss on trade receivables	29	308	33
Other		211	967
Other Income		**6,725**	**4,559**

During 2016, a final court decision related to a legal claim introduced by Fulgor S.A. against a customer was issued. The legal actions were initiated before the acquisition of Fulgor S.A. by Hellenic Cables (i.e. 2011) and following the final court decision an amount of EUR 902 thousand was recorded as income for the period.

B. Other expenses

Amounts in EUR thousand	Note	For the year ended 31 December 2016	2015
Impairment loss on investment property	20	(29)	-
Impairment loss on property, plant and equipment	18	(2)	(212)
Indemnities and claims		(732)	(1.074)
Other taxes		(303)	(199)
Impairment loss on trade receivables	29	(349)	(754)
Other penalties		(133)	(63)
Restructuring costs		(1,882)	-
Employee benefits	13	(138)	(28)
Order cancelation costs		-	(400)
Compensation for early termination of contract with supplier		-	(192)
Other		(1,052)	(1,043)
Other expense		**(4,621)**	**(3,965)**

Restructuring costs have occurred during the year due to the cross-border merger and the spin-offs that took place during the year. The expenses incurred in that respect are summarised in the table below:

	Amount
Listing fees	263
Legal fees	492
Notary fees	76
Auditor fees	39
Common expert fees	32
Taxes	967
Other	13
Total restructuring costs recognised in "Other expenses"	**1,882**

By decision of shareholders' meeting in June 2016, Hellenic Cables S.A. Hellenic Cable Industry S.A. approved the spin-off of the industrial and part of the commercial sector of Hellenic Cables S.A. Hellenic Cable Industry S.A. and its contribution to its 100% owned subsidiary SYMM.EP. S.A. At the same time, the decision for the change of the name of SYMM.EP. S.A. to Hellenic Cables S.A. Hellenic Cable Industry Société Anonyme (Hellenic Cable Industry) was registered and the change of the name of Hellenic Cables S.A. Hellenic Cable Industry S.A. to Hellenic Cables Holdings, Société Anonyme (Hellenic Cables) was decided.

Likewise, by decision of its shareholders' meeting in May 2016, Corinth Pipeworks S.A. Pipe Industry and Real Estate has approved the spin-off of industrial and commercial activities in the pipe and hollow sections sector of Corinth Pipeworks S.A. Pipe Industry and Real Estate and the contribution of such activities to its 100% owned subsidiary E.VI.KE. S.A. At the same time, the decision for the change of the name of E.VI.KE. S.A. to Corinth Pipeworks Pipe Industry S.A. (CPW Pipe Industry) and the change of the name of Corinth Pipeworks S.A. Pipe Industry and Real Estate to Corinth Pipeworks Holdings S.A. (CPW) was decided.

The purpose of the spin-offs, as part of the internal restructuring of Hellenic Cables and CPW, was to facilitate the undertaking of major international projects, the forging of strategic partnerships and the financing of the cables and pipe production sectors, and forms part of an overall plan for increasing production activities in Greece. Since the companies which absorbed the sectors were 100% subsidiaries, there were no changes in Group's activities as a result of these spin-offs.

C. Expenses by nature

	For the year ended 31 December	
Amounts in EUR thousand	**2016**	**2015**
Cost of inventories recognized as an expense	(489,806)	(518,356)
Employee benefits	(52,852)	(48,913)
Energy	(11,647)	(12,081)
Depreciation and amortisation	(20,980)	(20,127)
Taxes - duties	(1,505)	(1,118)
Insurance premiums	(6,879)	(6,596)
Rental fees	(2,336)	(1,982)
Transportation	(24,661)	(28,915)
Promotion & advertising	(510)	(137)
Third party fees and benefits	(34,512)	(60,376)
Gains/(losses) from derivatives	77	(22,573)
Commissions	(2,694)	(1,006)
Foreign exchange gains/(losses)	(1,506)	6,704
Other	(9,551)	(16,725)
Total cost of sales, selling & distribution expenses and administrative expenses	**(659,362)**	**(732,200)**

The decrease in third party fees and benefits is attributed to additional fees paid to subcontractors during 2015 for construction contracts in the cables segment.

The fluctuation in foreign exchange differences and gains/(losses) from derivatives is attributed to the fluctuations of USD:EUR and is related to steel pipes segment.

Restructuring costs of EUR 223 thousand related to administrative reorganization are included in administrative expenses of 2016.

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 2016 amounts to EUR 1.7 million (2015: EUR 1.3 million).

10. Net finance costs

	For the year ended 31 December	
Amounts in EUR thousand	**2016**	**2015**
Finance income		
Interest income	60	104
Foreign exchange gains	439	-
	499	**104**
Finance costs		
Interest expense and related costs	(31,146)	(28,300)
Financial lease expense	(27)	-
Foreign exchange losses	(337)	(1,096)
	(31,511)	**(29,396)**
Net finance costs	**(31,012)**	**(29,292)**

Net finance costs increased during 2016, as a result of the increased debt which has financed working capital needs.

11. 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/(loss) attributable to ordinary shareholders and weighted-average numbers of ordinary shares outstanding.

A. Profit/loss (-) attributable to ordinary shareholders

	For the year ended 31 December	
Amounts in EUR thousand	**2016**	**2015**
Profit/(Loss) attributable to the owners of the Company	(3,741)	7,741

B. Weighted-average number of ordinary shares outstanding

The calculation of earnings per share for all periods presented is performed on the basis of the shares existing at the date of the cross-border merger, i.e. 190,162,681 shares (see Note 24).

C. Earnings per share

The basic and diluted earnings per share are as follows:

	For the year ended 31 December	
In EUR per share	**2016**	**2015**
Basic and diluted	(0.01967)	0.04071

12.Employee benefits

Amounts in EUR thousand	Note	2016	2015
Net defined benefit liability		3,908	3,348
Liability for social security contributions	27	1,773	1,688
Total employee benefit liabilities		**5,681**	**5,036**
Non-current		3,908	3,348
Current		1,773	1,688

For details on the related employee benefit expenses, see Note 13.

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 some countries, i.e. 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.

Amounts in EUR thousand	**2016**	**2015**
Balance at 1 January	**3,348**	**3,559**
Included in profit or loss		
Current service cost	203	220
Past service cost	4	31
Settlement/curtailment/termination loss	256	225
Interest cost	66	53
	529	**529**
Included in OCI		
Remeasurement loss/gain (-):		
Actuarial loss/gain (-) arising from:		
- Demographic assumptions	35	28
- Financial assumptions	236	(400)
- Experience adjustements	176	20
	447	**(353)**
Other		
Benefits paid	(415)	(387)
Balance at 31 December	**3,908**	**3,348**

During the financial year 2016, Cenergy Holdings' companies provided EUR 415 thousand in benefit payments in respect of members who left the Group during the year. An additional cost that arose due to these payments (Settlement/ Curtailment/Termination loss of EUR 256 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.

C. Defined benefit obligation

(a) Actuarial assumptions

The following were the weighted average principal actuarial assumptions at the reporting date:

	2016	**2015**
Discount rate	1.60%	2.00%
Inflation	1.50%	1.29%
Future salary growth	1.28%	1.30%
Plan duration *(expressed in years)*	15.97	16.14

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 liabilityis as follows:

Amounts in EUR thousand	**2016**	**2015**
Up to 1 year	100	89
Between 1 and 2 years	10	8
Between 2 and 5 years	155	92
Over 5 years	4,805	4,467
Total	**5,069**	**4,657**

The benefits expected to be paid by Cenergy Holdings' companies during the next financial year amount to EUR 100 thousand.

(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**
Discounted rate (0.5% movement)	(295)	326
Future salary growth (0.5% movement)	318	(292)

If zero withdrawal rates were used when determining the defined benefit liability as of 31/12/2016, the liability would have been increased by EUR 153 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.

13.Employee benefit expenses

	For the year ended 31 December	
Amounts in EUR thousand	2016	2015
Employee remuneration & expenses	41,253	37,900
Social security expenses	9,437	8,749
Defined benefit plan	529	529
Housing, catering, training & clothing expenses	1,647	1,622
Other	124	140
Total	**52,991**	**48,940**

Employee benefits are included in the following lines of consolidated statement of profit or loss:

	For the year ended 31 December	
Amounts in EUR thousand	2016	2015
Cost of goods sold	39,039	36,725
Distribution expenses	7,935	7,681
Administrative expenses	5,878	4,506
Other expenses	138	28
Total	**52,991**	**48,940**

14.Income taxes

A. Amounts recognised in profit or loss

	For the year ended 31 December	
Amounts in EUR thousand	2016	2015
Current year	(2,279)	(2.138)
Corrections for prior years	(1,129)	-
Current tax expense	**(3,408)**	**(2,138)**
Origination and reversal of temporary differences	(440)	(1,838)
Change in tax rate or composition of new tax	-	(2,249)
Recognition of previously unrecognised tax losses, tax credit or temporary differences of a prior period	-	401
Derecognition of previously recognised tax losses	(2,744)	(1,971)
Deferred tax (expense)/income	**(3,184)**	**(5,658)**
Income Tax expense	**(6,592)**	**(7,796)**

Reconciliation of effective tax rate

	For the year ended 31 December	
Amounts in EUR thousand	**2016**	**2015**
Profit before tax	**2,821**	**15,536**
Tax using the domestic tax rate in Greece (29%)	(818)	(4,506)
Non-deductible expenses for tax purposes	(1,452)	(1,337)
Tax-exempt income	627	1,932
Recognition of previously unrecognised tax losses, tax credit or temporary differences of a prior period	-	401
Effect of tax rates in foreign jurisdictions	(319)	(277)
Current-year losses for which no deferred tax asset is recognised	(757)	-
Tax-exempt reserves recognition	-	211
Change in tax rate or composition of new tax	-	(2,249)
Derecognition of previously recognised tax losses	(2,744)	(1,971)
Corrections for prior years	(1,129)	-
Income tax expense reported in the statement of profit or loss	**(6,592)**	**(7,796)**
Effective tax rate	***(234%)***	***(50%)***

According to Greek laws N. 4334/2015 and N. 4336/2015, the corporate income tax rate for legal entities in Greece is set at 29% for fiscal year 2015 and onwards.

In April 2016, the tax audit for the subsidiary Icme Ecab by the Tax Authorities of Romania on the income tax for the financial years 2010 to 2014 and on the VAT for the period 01/05/2010 – 28/02/2015 was completed. The Tax Authorities have imposed additional income tax of EUR 674 thousand and charges of EUR 870 thousand related to VAT issues. These amounts were paid in May 2016. The Company lodged an appeal to the tax court for the full amount imposed by the Tax Authorities. The amount related to income tax was recorded in profit or loss, while the amount paid concerning issues related to VAT was recognized as a receivable as it is considered fully recoverable.

During 2016, the tax audit for Corinth Pipeworks Holdings S.A. for the years 2008 – 2011 was concluded. The Greek Tax Authorities have imposed additional income tax of EUR 455 thousand, which was recorded in profit or loss.

During 2016, an amount of EUR 2,744 thousand of deferred tax asset on tax losses was derecognised since the right to use such losses was expired during the year.

C. Movement in deferred tax balances

2016 *Amounts in EUR thousand*	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Foreign exchange differences	Balance at 31 December Net	Deferred tax assets	Deferred tax liabilities
Property, plant & equipment	(29,384)	(718)	-	9	**(30,093)**	-	(30,093)
Intangible assets	(1,363)	(162)	-	-	**(1,525)**	1,110	(2,634)
Investment property	75	(17)	-	(8)	**51**	51	-
Thin-cap interest	2,965	1,718	-	-	**4,683**	4,683	-
Construction contracts	(1,264)	813	-	-	**(452)**	724	(1,175)
Derivatives	(10)	(955)	(75)	-	**(1,041)**	44	(1,085)
Loans and borrowings	(3,320)	282	-	-	**(3,038)**	-	(3,038)
Employee benefits	609	15	128	-	**751**	755	(4)
Provisions	780	(1,143)	-	-	**(363)**	475	(837)
Other items	(2,233)	(202)	(3)	(220)	**(2,658)**	580	(3,237)
Carryforward tax loss	9,508	(2,814)	-	-	**6,693**	6,693	-
Tax assets/liabilities (-) before set-off	**(23,637)**	**(3,184)**	**49**	**(219)**	**(26,991)**	**15,115**	**(42,105)**
Set-off tax	-	-	-	-	**-**	(14,886)	14,886
Net tax assets/liabilities (-)	**(23,637)**	**(3,184)**	**49**	**(219)**	**(26,991)**	**229**	**(27,220)**

2015 *Amounts in EUR thousand*	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Foreign exchange differences	Balance at 31 December Net	Deferred tax assets	Deferred tax liabilities
Property, plant & equipment	(26,139)	(3,248)	-	3	**(29,384)**	265	(29,649)
Intangible assets	(1,027)	(336)	-	-	**(1,363)**	1,282	(2,645)
Investment property	6	69	-	-	**75**	75	-
Thin-cap interest	1,961	1,004	-	-	**2,965**	2,965	-
Construction contracts	1,049	(2,313)	-	-	**(1,264)**	-	(1,264)
Derivatives	1,674	(253)	(1,431)	-	**(10)**	185	(195)
Loans and borrowings	(3,235)	(85)	-	-	**(3,320)**	-	(3,320)
Employee benefits	600	69	(57)	(4)	**609**	614	(5)
Provisions	(49)	865	(36)	1	**780**	1,103	(323)
Other items	(2,549)	319	-	(3)	**(2,233)**	878	(3,111)
Carryforward tax loss	11,257	(1,749)	-	-	**9,508**	9,508	-
Tax assets/liabilities (-) before set-off	**(16,452)**	**(5,658)**	**(1,524)**	**(3)**	**(23,637)**	**16,875**	**(40,512)**
Set-off tax	-	-	-	-	-	(16,512)	16,512
Net tax assets/liabilities (-)	**(16,452)**	**(5,658)**	**(1,524)**	**(3)**	**(23,637)**	**362**	**(23,999)**

On 31 December 2016, the accumulated tax losses carried forward available for future use amounted to EUR 40 million. Cenergy Holdings' companies have recognised a deferred tax asset on tax losses of EUR 23 million because management considered it probable that future taxable profits would be available against which such losses can be used.

Based on these estimates regarding the future tax profitability, deferred tax assets have not been recognised in respect of tax losses carried forward for an amount of EUR 17 million with expiration date during the period 2017 to 2021.

15.Inventories

Amounts in EUR thousand	2016	2015
Merchandise	6,217	5,267
Finished goods	43,411	36,992
Semi-finished goods	28,720	44,153
By-products & scrap	6,192	4,048
Work in progress	321	1,372
Raw and auxiliary materials, consumables, spare parts and packaging materials	112,228	67,449
Down payments for purchase of inventory	3,618	2,205
Total	**200,708**	**161,487**
Write-down		
Merchandise	-	(25)
Finished goods	(298)	(1,324)
Semi-finished goods	-	(900)
By-products & scrap	-	(1,065)
Raw and auxiliary materials, consumables, spare parts and packaging materials	(136)	(2,954)
	(434)	**(6,269)**
Total	**200,274**	**155,218**

In 2016, the amount of inventories recognised as expense during the period and included in "Cost of sales" was EUR 489.8 million (2015: EUR 518.2 million).

Inventories have been reduced by EUR 434 thousand in 2016 as a result of the write-down to net realizable value (2015: EUR 6,269 thousand). This amount was charged to profit or loss in "Cost of sales". The change in the write-down of inventories is attributed to the fluctuations of metal prices.

The increase in inventories is mainly due to the increased raw material purchases for the forthcoming projects of steel pipes segment.

16.Trade and other receivables

Amounts in EUR thousand	Note	2016	2015
Current assets			
Trade receivables		128,658	90,168
Construction contracts in progress		11,081	33,187
Less: Impairment losses		(17,837)	(17,284)
		121,902	**106,071**
Other downpayments		412	1,168
Cheques and notes receivables & Cheques overdue		794	1,714
Receivables from related entities	35	24,487	28,309
Tax assets		8,421	5,343
Other debtors		28,149	36,529
Less: Impairment losses		(243)	(243)
		62,021	**72,820**
Total		**183,923**	**178,891**
Non-current assets			
Non-current receivables from related parties	35	3,603	3,603
Other non-current receivables		3,231	2,326
Total		**6,834**	**5,929**

Cenergy Holdings companies has not concentrated its credit risk in relation to receivables from customers, since they have a wide range and a large number of customers.

A. Transfer of trade receivables

Cenergy Holdings and its subsidiaries, enter into factoring agreements (with recourse) to sell trade receivables for cash proceeds. These trade receivables are not being derecognised from the statement of financial position, because substantially all of the risk and rewards are retained within the Group - primarily credit risk. The amount received on transfer 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.

	At 31 December	
Amounts in EUR thousand	**2016**	**2015**
Carrying amount of trade receivables transferred	51,002	23,762
Carrying amount of associated liabilities	47,117	12,056

As at 31 December 2016 and 2015, Cenergy Holdings had not used the total amount of credit line provided by the factoring companies.

B. Construction contracts in progress

Amounts in EUR thousand	2016	2015
Amount of contract revenue recognised	58,412	103,772
Gross amount due from customers for contract work	11,081	33,187
Amount of advances received	-	4,410
Amount of retentions	116	3,608

The amount of construction contract revenue recognized is related to the construction and installation projects of high-voltage cables. There are no contingent liabilities relating to projects under construction as at the reporting date.

C. Credit and market risks and impairment losses

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 23.8 million as at 31 December 2016), plus legal interest of 12%.

Following a series of court proceedings, the Dubai Court of Cassation, on 19 March 2014, finally upheld the appeal of the company of 26 September 2013, confirmed the amount due to the company and cancelled the previous decision of the Court which had recognised the counterclaim raised by the customer in the course of the litigation and had ordered the off-setting of this counterclaim with the company's claim. The case was then referred back to the Court of Appeal, which is now examining the validity of the counterclaim and has appointed a tripartite of accounting experts.

A report was issued by the experts in December 2016 and confirmed that the counterclaim is not supported by any document. The next Court hearing has been scheduled for 15 May 2017.

The expected finalization of the Court hearings is unknown but, based on an assessment of the company's lawyers in Dubai handling the case, it is most likely that the Court of Appeal will dismiss the counterclaim raised by the former customer and therefore there will be no need for off-setting this counterclaim with the company's claim for payment of the overdue receivables.

In addition, the company, in order to ensure its rights, has imposed provisional seizure on real estate assets of third parties who are involved in the case in accordance with the decision of the Court of First Instance of Athens (issued under the proceedings of interim measures).

The company recorded in 2010 an impairment loss of USD 12.5 million (EUR 11.9 million as at the reporting date) against this receivable. While judicial actions for the collection of the receivable are ongoing and since no final judgments have been issued, the company considers that there is no reason to revise the impairment at the reporting date.

Information about Cenergy Holdings' exposure to credit and market risks, and impairment losses for trade and other receivables, excluding construction contracts in progress, is included in Note 29.

17.Cash and cash equivalents

Amounts in EUR thousand	**2016**	**2015**
Cash in hand and cash in bank	2,192	161
Short-term bank deposits	69,137	37,511
Total	**71,329**	**37,672**

Short term deposits have duration of less than 90 days and are available for use.

18.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 at 1 January 2015	154,416	352,927	16,522	60,245	**584,111**
Effect of movement in exchange rates	(189)	(381)	10	(21)	**(582)**
Additions	838	1,146	388	45,932	**48,304**
Disposals	-	(1,004)	(167)	-	**(1,171)**
Reclassifications	7,125	6,854	287	(15,816)	**(1,549)**
Balance at 31 December 2015	**162,190**	**359,542**	**17,041**	**90,340**	**629,114**
Balance at 1 January 2016	162,190	359,542	17,041	90,340	**629,114**
Effect of movement in exchange rates	(74)	(170)	4	(18)	**(257)**
Additions	40	2,720	1,242	14,695	**18,697**
Disposals	-	(268)	(19)	-	**(287)**
Reclassifications	1,353	94,350	131	(96,615)	**(780)**
Acquisition of subsidiary	-	2,346	187	-	**2,533**
Balance at 31 December 2016	**163,509**	**458,520**	**18,587**	**8,403**	**649,020**

Amounts in EUR thousand	Land, plants & other buildings	Machinery	Furniture and other equipment	Assets under construction	Total
Accumulated depreciation and impairment losses					
Balance at 1 January 2015	(51,840)	(160,387)	(12,061)	-	**(224,288)**
Effect of movement in exchange rates	128	241	(6)	-	**363**
Depreciation	(3,712)	(14,544)	(1,113)	-	**(19,369)**
Impairment	-	(212)	-	-	**(212)**
Disposals	-	1,004	165	-	**1,169**
Balance at 31 December 2015	**(55,425)**	**(173,899)**	**(13,014)**	**-**	**(242,337)**
Balance at 1 January 2016	(55,425)	(173,899)	(13,014)	-	**(242,337)**
Effect of movement in exchange rates	52	106	(2)	-	**156**
Depreciation	(3,292)	(15,612)	(1,145)	-	**(20,049)**
Impairment	-	(2)	-	-	**(2)**
Disposals	-	267	10	-	**277**
Acquisition of subsidiary	-	(2,277)	(186)	-	**(2,464)**
Balance as at 31 December 2016	**(58,665)**	**(191,418)**	**(14,337)**	**-**	**(264,419)**
Carrying amounts					
At 1 January 2015	102,576	192,540	4,462	60,245	359,823
At 31 December 2015	**106,765**	**185,644**	**4,027**	**90,340**	**386,776**
At 31 December 2016	**104,845**	**267,103**	**4,250**	**8,403**	**384,601**

The net amount in reclassifications concerns intangible assets under construction reclassified during the year to intangible assets (see Note 19).

B. Leased machinery

Cenergy Holdings lease machinery under a number of finance leases. The leased equipment secures lease obligations.

	As at 31 December	
Amounts in EUR thousand	2016	2015
Cost	949	878
Accumulated depreciation	(63)	-
Net carrying amounts	**885**	**878**

C. Security

Property, plant & equipment with a carrying amount of EUR 211.6 million are mortgaged as security for borrowings received by Cenergy Holdings (see Note 26).

D. Property, plant and equipment under construction

The most important items in property, plant and equipment under construction as of 31 December 2016 concern productivity and capacity improvement investments in cables segment's plants and are expected to be completed during 2017.

The amount of EUR 97 million which was reclassified from assets under construction in 2016 mostly relates to the conclusion of Corinth Pipeworks' upgrade of ERW/HFI 26" line which allows for the production of 24 meter pipes, the upgrades of TCP 100 and TCP 48 coating lines, in order to apply external coating to the 24 meter pipes and the upgrade of TLP56 lining line, in order to apply internal lining to 24 meter pipes.

No borrowing costs related to property, plant and equipment under construction were capitalised during 2016 (2015: EUR 3 million with average capitalization rate of 5.5%).

E. Change in estimates

During 2016, within the context of the reassessment of the property, plant & equipment residual values and useful lives, management amended the useful lives of buildings and machinery for the subsidiary Corinth Pipeworks Industry. Management assigned an independent chartered appraiser to assess the useful economic life of machinery and buildings. Based on the review conducted by the independent chartered appraiser, their useful lives were higher than those used up to 31 December 2015. Thus, management has reassessed the useful lives of machinery from a range of 8-20 years to a range of 8-25 years and the useful life for certain buildings from 28 to 33 years.

The change in accounting estimate resulted in a reduction of depreciation charges, which for the current period amounted to EUR 3.2 million for the Group. The same effect is expected to impact the financial statements over the next 5 following years, while higher depreciation charges are expected after the first 5 year period.

19.Intangible assets and goodwill

A. Reconciliation of carrying amount

Amounts in EUR thousand	Development costs	Trademarks and licenses	Software	Other	Total
Cost					
Balance at 1 January 2015	374	15,747	5,020	299	**21,441**
Effect of movement in exchange rates	-	-	(17)	-	**(17)**
Additions	-	173	110	-	**283**
Acquisition of subsidiary	-	-	-	3	**3**
Reclassifications	-	1,083	466	-	**1,549**
Balance at 31 December 2015	**374**	**17,004**	**5,579**	**302**	**23,258**
Balance as at 1 January 2016	374	17,004	5,579	302	**23,258**
Effect of movement in exchange rates	-	-	(8)	-	**(8)**
Additions	-	129	223	-	**352**
Reclassifications	-	631	149	-	**780**
Balance at 31 December 2016	**374**	**17,764**	**5,942**	**302**	**24,382**

Amounts in EUR thousand	Development costs	Trademarks and licenses	Software	Other	Total
Accumulated amortisation and impairment losses					
Balance at 1 January 2015	(374)	(2,365)	(4,443)	(114)	**(7,296)**
Effect of movement in exchange rates	-	-	15	-	**15**
Amortisation	-	(488)	(243)	(27)	**(758)**
Acquisition of subsidiary	-	-	-	(2)	**(2)**
Balance at 31 December 2015	**(374)**	**(2,853)**	**(4,671)**	**(143)**	**(8,042)**
					-
Balance as at January 1 2016	(374)	(2,853)	(4,671)	(143)	**(8,042)**
Effect of movement in exchange rates	-	-	7	-	**7**
Amortisation	-	(601)	(308)	(23)	**(931)**
Balance as at 31 December 2016	**(374)**	**(3,454)**	**(4,972)**	**(166)**	**(8,967)**
Carrying amounts					
At 1 January 2015	-	13,382	577	185	14,144
At 31 December 2015	**-**	**14,151**	**907**	**158**	**15,217**
At 31 December 2016	**-**	**14,310**	**970**	**135**	**15,416**

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 for the production of 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 as at 31 December 2016)

It relates to the sector of medium voltage submarine cables and terrestrial 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 as at 31 December 2016)

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 of submarine cables of medium and high voltage. The subsidiary, during the years 2012-2016 invested EUR 96 million in the upgrade and expansion of production capacity in producing high-voltage submarine cables. Since 2014, the production started as planned. The useful life of the asset is considered indefinite, since the use of these port facilities is for an indefinite period of time, in the context of the significant development of the sector.

D. Impairment testing

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 production plant, which incorporates these assets. In order to evaluate the value in use, cash flow projections based on estimates by management covering a five-year period were used. These estimates take into consideration the contracts that the company has already signed, as well as contracts that are expected to be announced in Greece and abroad.

Cash flows after the first five years were calculated using an estimated growth rate of 1.3%, which mainly reflects management's estimates for the growth prospects of the high voltage submarine cable sector. The rate used to discount these cash flows is from 10.6 % to 11.8% for the five year period and 10.6% for the terminal value and was based on the following:

- Risk free rate was determined according to AAA Eurozone rates and has a range from -0.6% for the five years to 0.07% for the terminal value.
- The country risk for operating in Greece determined in the range of 4.5-5.7% for the first five years and 4.2% for the terminal value.
- The market risk premium was determined at 6%

The results of this test indicated that the recoverable amount as at December 31, 2016 exceeds the carrying amount of the CGU amounting to EUR 121 million by EUR 73.5 million.

A sensitivity analysis was carried out on the key assumptions of the model (discount rates and growth in perpetuity), so as to examine the adequacy of the headroom. The result of the sensitivity analysis indicated that the recoverable amount still exceeds the carrying value of the CGU.

Results of the sensitivity analysis for the impairment testing:

	Assumptions used	Change in rates required for the recoverable amount to equal the carrying amount
Discount rate	*10.6% to 11.8%*	*+4.7%*
Terminal growth	*1.3%*	*-8.7%*

20.Investment property

A. *Reconciliation of carrying amount*

Amounts in EUR thousand	**Note**	**2016**	**2015**
Balance at 1 January		872	872
Additions		19	-
Impairment	9.B	(29)	-
Acquisition of subsidiary	31	5,610	-
Balance at 31 December		**6,472**	**872**
Gross carrying amount		9,898	872
Accumulated depreciation and impairment losses		(3,425)	-
Carrying amount at 31 December		**6,472**	**872**

Investment property comprises a number of properties that are not currently used by Cenergy Holdings and are held either for capital appreciation or to be leased in the foreseeable future.

The properties held are not currently leased. The direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income amounted to EUR 210 thousand for 2016.

B. *Measurement of fair value and accumulated impairment losses*

The accumulated impairment loss amounts to EUR 743 thousand. Based on management's assessment, during the current period, there were indications for impairment for certain properties and an amount of EUR 29 thousand was recorded as impairment.

The fair value of these properties were determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued. For the determination of the fair value of these properties, a market approach was used for land and the depreciated replacement cost method was used for the vacant building. The fair value measurement for land has been categorised as a Level 2 fair value based on the inputs to the valuation technique used, the fair value measurement for the building has been categorised as a Level 3 fair value based on the inputs to the valuation technique used. Inputs used to determine the fair value of land were based on observable prices of similar properties. These observable data were significantly adjusted considering the status of the property and the volume of transactions and/or asking prices in real estate market for similar properties. The fair value of the building determined based on the depreciated replacement cost method reflects the amount that currently would be required to replace or to reconstruct these assets.

There were no indications for reversal of previously recorded impairment. The fair value of investment property amounts to EUR 6.4 million as at the reporting date.

C. *Restrictions - Contractual obligations*

There are neither restrictions nor contractual obligations.

21. Equity-accounted investees

A. Reconciliation of carrying amount of associates

Amounts in EUR thousand	2016	2015
Balance at 1 January	11,571	13,447
Share in profit / (loss) after taxes	(685)	1,646
Dividends received	(447)	(971)
Foreign exchange differences	2,953	(2,551)
Sales	(100)	-
Balance at 31 December	**13,292**	**11,571**

During the first semester of 2016, the interest in Metal Agencies S.A. was reduced through a capital increase in International Trade S.A. (see Note 22). Thus, the latter ceased to be shown as equity-accounted investee at 30 June 2016, the day significant influence was lost.

B. Financial information per associate

2016

Company	Principal place of business	Revenue	Profit / (Loss) from continuing operations	Total comprehensive income	Ownership interest
Amounts in EUR thousand					
STEELMET S.A.	Greece	14,937	(111)	(309)	29.56%
DIA.VIPE.THIV. S.A.	Greece	1,841	849	849	26.19%
AO TMK-CPW	Russia	41,590	(2,316)	(2,316)	49.00%

Company	Segment	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Amounts in EUR thousand					
STEELMET S.A.	Other activities	4,764	643	947	3,739
DIA.VIPE.THIV. S.A.	Steel Pipes	2,890	11,004	7,388	1,060
AO TMK-CPW	Steel Pipes	24,036	9,526	9,364	25

2015

Company	Principal place of business	Revenue	Profit / (Loss) from continuing operations	Total comprehensive income	Ownership interest
Amounts in EUR thousand					
STEELMET S.A.	Greece	14,046	280	382	29.56%
METAL AGENCIES S.A.	United Kingdom	114,487	125	125	20.00%
DIA.VIPE.THIV. S.A.	Greece	1,822	(69)	(69)	26.19%
AO TMK-CPW	Russia	49,018	2,468	2,468	49.00%

Company	Segment	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Amounts in EUR thousand					
STEELMET S.A.	Other activities	3,971	640	862	2,517
METAL AGENCIES S.A.	Other activities	24,269	93	-	23,816
DIA.VIPE.THIV. S.A.	Steel Pipes	3,012	10,235	8,033	614
AO TMK-CPW	Steel Pipes	19,849	9,003	7,543	34

	At 31 December	
	2016	**2015**
Net assets of AO TMK-CPW on 1 January (100%)	21,275	25,659
Total comprehensive income of AO TMK-CPW (100%)	(2,316)	2,468
Foreign exchange differences (100%)	6,051	(5,216)
Dividends (100%)	(836)	(1,636)
Net assets of AO TMK-CPW on 31 December (100%)	**24,174**	**21,275**
Group's share of net assets of AO TMK-CPW on 31 December (49%)	11,845	10,425
Consolidation adjustments for transactions with the associate	(184)	(500)
Carrying amount of interest in AO TMK-CPW on 31 December (49%)	**11,661**	**9,925**
Carrying amount of interest in other indiviually immaterial associates	1,631	1,647
Total	**13,292**	**11,571**

There are no restrictions on the ability of joint ventures or associates to transfer funds to the Company in the form of cash dividends, or to repay loans or advances made by the Company.

There are no unrecognised share of losses of an associate, both for the reporting period and cumulatively.

22. Other investments

Amounts in EUR thousand	**2016**	**2015**
Balance as at 1 January	2,768	2,781
Additions	4,356	-
Sales	(2,462)	(13)
Balance as at 31 December	**4,662**	**2,768**

Other investments are substantially available-for-sale financial assets and include the following:

	As at 31 December	
Amounts in EUR thousand	**2016**	**2015**
Unlisted shares:		
-Greek equity instruments	308	306
-International equity instruments	4,354	2,462
	4,662	**2,768**

During the first semester of 2016, the Company participated in the share capital increase of International Trade S.A., a related party and an affiliate of Viohalco, through the contribution of its interests in Metal Agencies S.A., Tepro Metal A.G. and Genecos S.A. (all affiliates of Viohalco). Following this transaction, the Company holds 12.21% of International Trade S.A. for an amount of EUR 4,354 thousand, which was determined by an independent appraiser based on the fair value of the interests contributed.

As a result of the above, a gain of EUR 1,792 thousand was recorded (see Note 9.A).

23.Derivatives

The following table sets out the carrying amount of derivatives:

	At 31 December	
Amounts in EUR thousand	**2016**	**2015**
Current assets		
Forward foreign exchange contracts	3,220	194
Future contracts	120	50
Total	**3,340**	**244**
Current liabilities		
Forward foreign exchange contracts	922	498
Future contracts	360	335
Total	**1,282**	**833**

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
- Fluctuations of foreign exchange rates

The maturity and the nominal value of derivatives held by Cenergy Holdings’ companies match the maturity and nominal value of the underlying assets / liabilities (hedged items).

Derivatives held by Cenergy Holdings’ companies concerns 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 cables sector (i.e. mainly copper and aluminum). 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 suppliers denominated in foreign currency these instruments, are designated under fair value hedging. 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 either 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 periods 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 aluminum, the reserve is recognised in consolidated statement of profit or loss after the net cash settlement of future contract and at the date the aluminum 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 as of 31 December 2016 will be recycled to consolidated statement of profit or loss during 2017, as all the hedged events will occur (the forecasted transactions will take place or the hedged items will affect P&L statement) within 2017.

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 for are presented for metal future contracts and foreign exchange contracts in the "Revenue" and the "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	**2016**	**2015**
Gain / (loss) on future contracts	(2,129)	202
Gain / (loss) on foreign exchange forward contracts	3,361	(21,383)
Total	**1,232**	**(21,181)**

Profit or loss related to derivatives used for cash flow hedging and recognized in other comprehensive income (Hedging reserve) as at 31 December 2017 will be recognized in profit or loss during the next financial year.

24. Capital and reserves

A. Share capital and share premium

As a result of the completion of the cross-border merger by absorption by Cenergy Holdings S.A. of the Greek listed companies Corinth Pipeworks Holdings S.A. and Hellenic Cables S.A. Holdings Société Anonyme, 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 issued in 2016 are entitled to one vote per share at the general meetings of the Company.

Share premium of the Company amounts to EUR 58,600 thousand.

As a result of the accounting treatment of the cross-border merger as a common control transaction, the contribution of the initial share capital of the Company of EUR 61,500, is reported as share capital increase incurred during the period.

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. Translation reserve

(b) The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

(c) 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.

(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 have either 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.

C. Reconciliation of reserves

Amounts in EUR thousand	Statutory Reserve	Translation reserve	Hedging Reserve	Special Reserves	Tax exempt reserves	Total
Balance as at 1 January 2015	6,903	(16,100)	(4,643)	8,949	34,081	**29,191**
Other comprehensive income, net of tax	-	(2,590)	4,176	-	-	**1,586**
Transfer of reserves	-	-	-	576	1,532	**2,108**
Balance as at 31 December 2015	6,903	(18,690)	(466)	9,525	35,613	**32,885**
Balance as at 1 January 2016	**6,903**	**(18,690)**	**(466)**	**9,525**	**35,613**	**32,885**
Other comprehensive income, net of tax	-	2,981	41	-	-	**3,023**
Transfer of reserves	-	-	-	-	705	**705**
Balance as at 31 December 2016	**6,903**	**(15,708)**	**(425)**	**9,525**	**36,318**	**36,613**

25.Capital management

Cenergy Holdings' policy consists in maintaining a strong capital structure so as to keep the confidence of investors, creditors and the market and enable the future development of their activities. The Board of Directors monitors the return on capital which is defined as net results divided by total equity less non-controlling interests. The Board of Directors also monitors 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, otherwise the Return on Invested Capital (ROIC) index, which is defined as EBIT (Operating result as reported in the Consolidated statement of profit or loss plus Share of profit/(loss) of equity accounted investees, net of tax) divided by total Capital Employed, (i.e. equity and debt). The Board of Directors seeks opportunities and examines feasibility to leverage Cenergy Holdings with relatively high ROCE (in every case higher than the cost of debt) and deleverage companies that go through a relatively low ROCE performance period.

26.Loans and borrowings

A. Overview

Amounts in EUR thousand	At 31 December 2016	2015
Non-current liabilities		
Unsecured bank loans	34,665	39,515
Secured bond issues	133,947	141,181
Unsecured bond issues	15,240	16,986
Finance lease liabilities	544	721
Total	**184,396**	**198,403**
Current liabilities		
Secured bank loans	44,487	10,602
Unsecured bank loans	181,706	141,385
Loans from related parties	5,175	5,149
Current portion of secured bond issues	21,514	15,510
Current portion of unsecured bond issues	1,974	763
Current portion of finance lease liabilities	178	76
Current portion of unsecured bank loans	7,790	6,358
Total	**262,823**	**179,843**
Total loans and borrowings	**447,219**	**378,246**

Information about Cenergy Holdings' exposure to interest rate, foreign currency and liquidity risk is included in Note 29.

The maturities of non-current loans are as follows:

Amounts in EUR thousand	2016	2015
Between 1 and 2 years	61,103	29,937
Between 2 and 5 years	79,604	122,239
Over 5 years	43,689	46,227
Total	**184,396**	**198,403**

The effective weighted average interest rates at the reporting date are as follows:

	2016	2015
Bank lending (non-current) - EUR	2.0%	2.1%
Bank lending (current) - EUR	5.6%	5.7%
Bank lending (current) - GBP	5.3%	5.5%
Bank lending (current) - USD	5.4%	4.8%
Bond issues - EUR	4.5%	4.7%
Finance lease obligations	4.1%	6.2%

The loans are denominated primarily in Euro.

During 2016, Cenergy Holdings obtained new bank loans in Euro, which amounted to EUR 269.6 million and repaid bank loans of EUR 202.2 million with maturity date in 2016. The current bank loans had an average interest rate of 5.5%.

The increase in short term borrowings has been used to finance the increased working capital requirements and ongoing construction contracts. The Company has adequate credit lines available to meet future needs.

Mortgages and pledges in favour of banks have been recorded on property, plant and equipment of subsidiaries. The carrying amount of assets mortgaged or pledged is EUR 211.6 million (see note 18).

For the bank loans of Cenergy Holdings' companies that have been assumed from banks, there are clauses of change of control that provide the lenders with an early redemption clause.

There was no incident in 2016 of breach of the terms of the loans of Cenergy Holdings' companies.

B. Finance leases liabilities

Finance lease liabilities are payable as follows:

Amounts in EUR thousand	**2016**	**2015**
Finance Lease Obligations - Minimum leases		
Up to 1 year	178	76
Between 1 and 5 years	582	756
Total	**760**	**832**
Future finance lease interest charges	(37)	(35)
Present value of minimum lease payments	**722**	**796**

27.Trade and other payables

Amounts in EUR thousand	Note	2016	2015
Suppliers		114,381	93,610
Notes payable		33,802	37,226
Advance payments from customers		7,070	6,415
Social security contributions	12	1,773	1,688
Amounts due to related parties	35	13,863	13,614
Dividends payable		2	2
Sundry creditors		1,646	1,811
Deferred income		6	8
Accrued expenses		9,347	6,289
Other taxes		5,341	2,291
Total		**187,231**	**162,953**
Current balance of trade and other payables		178,624	152,382
Non-current balance of trade and other payables		8,607	10,571
Balance at December 31		**187,231**	**162,953**

The increase in suppliers' balances is attributed to purchases of raw materials for the execution of the on-going projects, mainly in the steel pipes segment.

28.Grants

Amounts in EUR thousand	2016	2015
Balance at January 1	**17,042**	**13,373**
Transfer to receivables	-	4,593
Amortisation of grants	(794)	(922)
Other	(34)	(2)
Balance at December 31	**16,215**	**17,042**

Government grants have been received for investments in property, plant and equipment. All conditions attached to the grants received by Cenergy Holdings were met as of 31 December 2016.

29.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.

31/12/2016

Amounts in EUR thousand	Carrying amount	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	4,662	-	-	4,662	**4,662**
Derivative financial assets	3,340	120	3,220	-	**3,340**
	8,002	**120**	**3,220**	**4,662**	**8,002**
Derivative financial liabilities	(1,282)	(360)	(922)	-	**(1,282)**
	6,720	**(239)**	**2,297**	**4,662**	**6,720**

31/12/2015

Amounts in EUR thousand	Carrying amount	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets	2,768	-	-	2,768	**2,768**
Derivative financial assets	244	50	194	-	**244**
	3,012	**50**	**194**	**2,768**	**3,012**
Derivative financial liabilities	(833)	(335)	(498)	-	**(833)**
	2,179	**(285)**	**(304)**	**2,768**	**2,179**

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

The following table shows the reconciliation between opening and closing balances for Level 3 financial assets:

Amounts in EUR thousand	Available-for-sale financial assets	Financial instruments at fair value through profit or loss
Balance at 1 January 2015	**2,781**	**-**
Additions	-	696
(Impairment) / Reversal of impairment	-	(3)
Sales	(13)	(693)
Balance at 31 December 2015	**2,768**	**-**
Balance at 1 January 2016	**2,768**	**-**
Additions	4,356	-
Sales	(2,462)	-
Balance at 31 December 2016	**4,662**	**-**

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, shares, bonds, mutual funds) are set according to the published prices 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 set through the use of valuation techniques and standards that are based on market data on the reporting date.

The nominal value less allowances for doubtful commercial claims is deemed to approximate their actual value. The actual 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 that are not traded in an active market whose measurement is based on the Cenergy Holdings' companies' forecasts for the issuer's future profitability 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 observable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Derivatives	*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.
Equity securities traded in active markets	*Market value*: Price as traded in active market.	Not applicable.	Not applicable.
Equity securities not traded in active markets	*Discounted cash flows*: The fair value of shares not traded in an active market is defined based on the estimates of Cenergy Holdings and its companies for the future profitability of the issuer after taking into account the expected growth rate of its operations, as well as the discounted interest rate.	- Risk-free rate: 0.3% - Market risk premium: 6.3%-9.7% - WACC (rounded): 5.4%-9.2%	• the expected market growth rate increase (decrease) • the estimated cash flows increase (decrease) • the risk-adjusted discount rate were lower (higher)

(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 2016 and no transfers in either direction in 2015.

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).

The risk management policies are applied in order to identify and analyze 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 supervised by the Internal Audit department, which performs ordinary and extraordinary audits relating to the implementation of procedures, whereas 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 investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure.

		At 31 December	
Amounts in EUR thousand	**Note**	**2016**	**2015**
Trade & Other receivables - Current	16	183,923	178,891
Trade & Other receivables - Non-current	16	6,834	5,929
Subtotal		**190,757**	**184,820**
Available-for-sale financial assets	22	4,662	2,768
Cash and cash equivalents	17	71,329	37,672
Derivatives	23	3,340	244
Subtotal		**79,331**	**40,685**
Grand total		**270,088**	**225,505**

(a) Trade and other receivables

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. As of 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. CPW Pipe Industry, Hellenic Cable Industry and Fulgor) is project oriented, there are cases where this threshold is individually exceeded for a short period of time. For 2016, this threshold was exceeded from only one client of steel pipes segement (namely Trans Adriatic Pipeline AG (TAP)) due to the fact the whole prject of Trans Adriatic Pipeline has been awarded to Corinth Pipeworks.

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 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 includewholesale customers of Cenergy Holdings' companies. Any customers characterized as being "high risk" are included in a special list of customers and subsequent sales must be paid in advance. Depending on the background of the customer and its status, Cenergy Holdings' subsidiaries demand real 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 incurred losses in respect of trade and other receivables.

At 31 December, the maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

Amounts in EUR thousand	**2016**	**2015**
Greece	75,397	126,417
Other EU Member States	59,805	42,765
Other European countries	724	173
Asia	13,745	12,012
America (North & South)	40,316	3,220
Africa	770	233
Total	**190,757**	**184,820**

At 31 December, the maximum exposure to credit risk for trade and other receivables by type of counterparty was as follows:

Amounts in EUR thousand	**2016**	**2015**
Industrial customers	72,863	24,136
Distributors/ resellers	35,949	45,819
Other	81,945	114,865
Total	**190,757**	**184,820**

At 31 December, the aging of trade and other receivables that were not impaired was as follows:

Amounts in EUR thousand	**2016**	**2015**
Neither past due nor impaired	168,660	165,793
Overdue		
- Up to 6 months	8,224	4,362
- Over 6 months	13,873	14,664
Total	**190,757**	**184,820**

Subsidiaries' management believes that the unimpaired 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.

The movement in the allowance of impairment in respect of trade and other receivables is as follows:

Amounts in EUR thousand	Note	**2016**	**2015**
Balance as at 1 January		17,527	15,660
Impairment loss recognized	9.B	349	754
Impairment loss reversed	9.A	(308)	(33)
Foreign exchange differences		511	1,146
Balance as at 31 December		**18,080**	**17,527**

The impairment loss of EUR 349 thousand in 2016 relates to certain customers that have indicated that they are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The following collateral exists for securing receivables from customers:

Amounts in EUR thousand	**2016**	**2015**
Bank letters of guarantee	3,746	17,602

(b) Debt securities

Cenergy Holdings limits its exposure to credit risk by investing mainly in liquid corporate and sovereign debt securities which yield rates and ratings are reasonable, when this is considered necessary. The counterparties of the corporate bonds are mostly well known companies.

In 2016 there is no carrying amount of debt securities. As a result there is no exposure to credit risk for debt securities at the reporting date.

(c) Cash and cash equivalents

Cenergy Holdings and its companies held cash and cash equivalents of EUR 71,329 thousand at 31 December 2016. The cash and cash equivalents are held with bank and financial institution counterparties, which are rated from AA- to CCC+ based on ratings of Standard & Poor’s.

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 the expected cash flows for the next year when preparing the annual budget and monitor the monthly rolling forecast of its cash flows for the next quarter, so as to ensure sufficient cash on hand to meet its operating needs, including coverage of its financial obligations. This policy does not take into account the relevant effect from extreme conditions that cannot be foreseen.

The companies monitor their cash needs through Steelmet S.A., an affiliate company, which agrees upon financing terms with the credit institutions in Greece and other countries.

Exposure to liquidity risk

Financial liabilities and derivatives based on contractual maturity are broken down as follows:

31/12/2016

		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	**268,648**	236,337	10,166	17,220	10,770	**274,493**
Loans from the parent company	**5,175**	5,175	-	-	-	**5,175**
Bond issues	**172,675**	25,950	61,572	68,742	50,147	**206,411**
Finance lease obligations	**722**	178	194	388	-	**760**
Derivatives	**1,282**	1,282	-	-	-	**1,282**
Trade and other payables	**187,231**	178,624	2,937	6,868	227	**188,656**
	635,732	**447,546**	**74,870**	**93,217**	**61,143**	**676,777**

31/12/2015

		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	**197,860**	160,231	9,604	18,707	14,552	**203,093**
Loans from the parent company	**5,149**	5,149	-	-	-	**5,149**
Bond issues	**174,440**	18,661	29,625	114,049	51,472	**213,807**
Finance lease obligations	**796**	76	189	567	-	**832**
Derivatives	**833**	833	-	-	-	**833**
Trade and other payables	**162,953**	152,382	3,000	7,314	2,380	**165,076**
	542,032	**337,331**	**42,418**	**140,637**	**68,404**	**588,790**

Cenergy Holdings' companies have syndicated loans that contain loan covenants. A future breach of covenants may require the companies to repay the loans earlier than indicated in the above table. Under the agreement, the covenants are monitored on a regular basis by Steelmet S.A. and regularly reported to companies' management to ensure compliance with the agreements.

C.3. Market risk

Market risk is the risk that changes in the 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.

All such transactions are carried out through Steelmet S.A. Generally, the companies 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 held are mainly 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. Cenergy Holdings' companies enter mainly into forward contracts with external counterparties so as to deal with the risk of the exchange rates varying, which mainly expire within less than a year from the reporting date. When deemed necessary, these contracts are renewed upon expiry. As the case may be, the foreign exchange risk may also be covered by taking out loans in the respective currencies.

Loan interest is denominated in the same currency as that of cash flows that arise from the Cenergy Holdings' companies' operating activities.

The investments of Cenergy Holdings and its companies in their subsidiaries are not hedged, because these exchange positions are considered to be long-term and have been made mainly in EUR.

The summary quantitative data about Cenergy Holdings and its companies' exposure to currency risk as reported is as follows.

31/12/2016

Amounts in EUR thousand	USD	GBP	RON	OTHER	TOTAL
Trade and other receivables	43,820	13,715	8,551	463	**66,549**
Loans and Borrowings	(25,205)	(5,117)	(3,741)	-	**(34,063)**
Trade and other payables	(53,198)	(414)	(12,427)	(192)	**(66,231)**
Cash & cash equivalents	13,429	2,013	75	8	**15,524**
	(21,154)	**10,196**	**(7,542)**	**279**	**(18,221)**
Derivatives for risk hedging (Nominal Value)	(41,113)	(19,496)	-	-	**(60,609)**
Total risk	**(62,267)**	**(9,299)**	**(7,542)**	**279**	**(78,830)**

31/12/2015

Amounts in EUR thousand	USD	GBP	RON	OTHER	TOTAL
Trade and other receivables	13,758	6,612	7,380	1	**27,752**
Loans and Borrowings	(27)	(5,076)	(1,442)	-	**(6,544)**
Trade and other payables	(11,597)	(770)	(12,400)	77	**(24,690)**
Cash & cash equivalents	7,338	1,919	145	1	**9,403**
	9,471	**2,686**	**(6,316)**	**80**	**5,920**
Derivatives for risk hedging (Nominal Value)	19,053	(8,102)	-	-	**10,950**
Total risk	**28,524**	**(5,416)**	**(6,316)**	**80**	**16,871**

The following exchange rates have been applied during the year.

	Average exchange rate		**Year end spot rate**	
	2016	**2015**	**2016**	**2015**
USD	1.1069	1.1095	1.0541	1.0887
GBP	0.8195	0.7258	0.8562	0.7340
RON	4.4904	4.4454	4.5390	4.5240

A reasonably possible strengthening (weakening) of the EUR, USD, GBP or RON against other currencies at 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**
2016				
USD (10% movement in relation to EUR)	(2,350)	1,923	(5,594)	4,577
GBP (10% movement in relation to EUR)	392	(321)	(618)	506
RON (10% movement in relation to EUR)	(838)	686	(838)	686
2015				
USD (10% movement in relation to EUR)	3,169	(2,593)	3,169	(2,593)
GBP (10% movement in relation to EUR)	(602)	492	(602)	492
RON (10% movement in relation to EUR)	(702)	574	(702)	574

(b) Interest rate risk:

Exposure to interest rate risk

Cenergy Holdings' companies during the prolonged low interests period have adopted a flexible policy of ensuring that between 5% and 20% of its interest rate risk exposure is at a fixed rate. This is achieved partly by entering into fixed–rate instruments and partly by borrowing at a float rate. The interest rate profile of Cenergy Holdings' companies' interest-bearing financial instruments, as reported is as follows.

	At 31 December	
Amounts in EUR thousand	**2016**	**2015**
Fixed-rate instruments		
Financial liabilities	(36,973)	(39,662)
Variable-rate instruments		
Financial liabilities	(410,246)	(338,584)

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Group does not currently use derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss. A change of 25 basis points in interest rates would have increased or decreased equity by EUR 92 thousand after tax. This analysis assumes that all other variables, in particular foreign currency exchange rate, remain constant.

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. This analysis assumes that all other variables, in particular foreign currency exchange rate, remain constant.

	Profit or loss		Equity, net of tax	
Amounts in EUR thousand	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
2016				
Financial liabilities	(1,026)	1,026	(1,026)	1,026
2015				
Financial liabilities	(846)	846	(846)	846

(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:

2016

		Expected cash flows			
Amounts in EUR thousand	Carrying Amount	1-6 months	6-12 months	> 1 year	Total
Foreign exchange forwards					
Assets	3.220	3.088	132	-	**3.220**
Liabilities	(922)	(820)	(103)	-	**(922)**
Future contracts					
Assets	120	120	-	-	**120**
Liabilities	(360)	(360)	-	-	**(360)**
	2,058	**2,029**	**29**	**-**	**2,058**

2015

		Expected cash flows			
Amounts in EUR thousand	Carrying Amount	1-6 months	6-12 months	> 1 year	Total
Foreign exchange forwards					
Assets	194	194	-	-	**194**
Liabilities	(498)	(498)	-	-	**(498)**
Future contracts					
Assets	50	50	-	-	**50**
Liabilities	(335)	(335)	-	-	**(335)**
	(589)	**(589)**	**-**	**-**	**(589)**

C.4. Risk of macroeconomic and financial environment in Greece

In Greece, where most of Cenergy Holdings' subsidiaries are located, the macroeconomic and financial environment is not fully stabilized yet.

The Greek government completed the negotiation with the Institutions, (IMF, EU, ESM, ECB), for the formulation of a lending package, in the third quarter of 2015 and the recapitalization of the Greek banks was completed successfully at the end of 2015. In June of 2016 the first disbursement of EUR 7.5 billion to Hellenic Republic was released and covered the short-term public debt servicing needs, while the first evaluation of the financial assistance program was completed and the partial disbursement of the second installment of the program, amounting to EUR 10.3 billion, was approved. The remaining amount of EUR 2.8 billion was disbursed in October 2016 after the completion of the prerequisite actions that had been set. In the fourth quarter of 2016 the second evaluation of the financial support program began, but the completion date of December 4th was not met. The early completion of the second evaluation and the disbursement of installments are expected to contribute to the enhancement of the real economy and the improvement of investment prospects. During the first quarter of 2017 no agreement was reached and in mid-April, Greece's negotiations with Institutional Creditors are in the run-up to an agreement. The Greek side accepted new austerity measures for 2019 and 2020 worth roughly 3.6 billion euros, as corresponding to GPD, mainly pension cuts and a lowering of the tax-free annual income threshold. The new austerity measures were demanded by the IMF, which has repeatedly maintained that fiscal goals, primarily ambitious budget surplus targets from 2018 onwards, cannot be achieved under the present economic and fiscal conditions. Countervailing measures, mainly social allowances, will be included in the next agreement and their implementation will depend to the achievement of the fiscal goals. Following this progress the second evaluation is expected to be completed in May.

The above, combined with the continuation of reforms and the measures described in the 24 May 2016 Eurogroup statement for the enhancement of the sustainability of the Greek debt, are expected to contribute to the gradual improvement of the economic environment in Greece and to the return of the economy to positive growth rates. The probability of future uncertainty in the economic and financial environment, albeit reduced, constitutes a key risk factor and any adverse development is likely to affect the activities of Viohalco's subsidiaries in Greece, and their local financial performance and position.

It should be noted that the capital controls that are in force in Greece since June 2015, and still remain until the date of approval of the financial statements, have not prevented Viohalco's companies to continue their activities with no production delays and timely execution of all customers' orders. More specifically, the production capacity of the units, production costs and raw supplies have not been affected by the capital controls and the reduction in domestic demand. Therefore, cash flows from operational activities of Viohalco's companies have not been disrupted by the current situation in Greece.

Additionally, Cenergy Holdings' companies' strong customer base outside Greece along with their established facilities abroad minimize the liquidity risk which may arise from the uncertainty of the economic environment in Greece. Cenergy Holdings' companies' debt amounting to EUR 447 million comprises of 41% long term and 59% short term facilities, of which 81% are extended by Greek banks or their subsidiaries abroad and 19% by international banks and supranational financial institutions. Taking into account also the EUR 71 million of cash & equivalents (i.e. 27% of short term debt), Cenergy Holdings' companies' net debt amounts to EUR 376 million.

Short term facilities are predominately revolving credit facilities, which are reviewed annually with anniversaries spread throughout the year and, within those revolving credit limits, short term loans of various maturities are drawn and when matured are renewed automatically if needed. There are sufficient credit limits in place to serve working capital requirements and refinance short term loans.

Cenergy Holdings 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 the macroeconomic conditions on their operations.

30.List of subsidiaries

The Company's subsidiaries and the interest held at the end of the reporting period are as follows:

Subsidiaries	County	Direct & indirect interest 2016	Direct & indirect interest 2015
CORINTH PIPEWORKS INDUSTRY SA	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	98.59%	98.59%
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%
VET S.A.	GREECE	100.00%	-

The percentages reported above represent the financial interest held directly and indirectly by the Company. For all the above entities, Cenergy Holdings S.A. does exercise control directly and/or indirectly.

31.Acquisition of subsidiary

On 25 January 2016, 100% of the shares of VET S.A. (formerly owned by another affiliate of Viohalco) were acquired for a consideration of EUR 6,103 thousand. This transaction did not meet the criteria of a business. Thus, it is considered as a purchase of a group of assets that does not constitute a business. The cost of the group of assets acquired (sum of individual identifiable assets acquired and liabilities assumed) was allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. The fair value of net identifiable assets acquired is presented in the table below:

Amounts in EUR thousand	
Investment property	5,610
Other non-current assets	188
Cash & Cash equivalent	4
Other current assets	436
Non-current liabilities	(68)
Current liabilities	(67)
Fair value of net identifiable assets acquired	**6,103**

VET S.A. only holds a property in Chalkida, Greece which is currently not in use. Any other assets and liabilities relate to this property. VET S.A. has currently no operations, since the property is not leased yet.

32.Operating leases

Cenergy Holdings lease buildings and motor vehicles under operating leases agreements.

(a) Future minimum lease payments

At 31 December, the future minimum lease payments under non-cancellable leases were as follows.

Amounts in EUR thousand	**2016**	**2015**
Less than one year	943	738
Between one and five years	2,121	1,359
	3,064	**2,097**

(b) Amounts recognized in profit or loss

Amounts in EUR thousand	**2016**	**2015**
Lease expense	1,498	1,430

33.Commitments

A. Purchase commitments

The 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	**2016**	**2015**
Property, plant and equipment	2,405	1,856

B. Guarantees

	At 31 December	
Amounts in EUR thousand	**2016**	**2015**
Guarantees for securing liabilities to suppliers	23,706	26,615
Guarantees for securing the good performance of contracts with customers	75,421	50,530
Guarantees for securing grants	13,929	19,266

34.Contingent liabilities

(a) Litigations

Reference is made to the ongoing claim described in Note 16.

(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, to the extent that a liability is probable and estimable.

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:

	For the year ended 31 December	
Amounts in EUR thousand	**2016**	**2015**
Sales of goods		
Viohalco	2	2
Equity-accounted investees	12,807	12,265
Other related parties	33,990	36,372
	46,800	**48,639**
Sales of services		
Viohalco	6	-
Equity-accounted investees	347	1,038
Other related parties	1,591	1,336
	1,944	**2,374**
Sales of property, plant & equipment		
Viohalco	-	-
Equity-accounted investees	-	-
Other related parties	8	-
	8	**-**
Purchases of goods		
Viohalco	-	2,353
Equity-accounted investees	298	-
Other related parties	23,004	32,987
	23,301	**35,340**
Purchases of services		
Viohalco	281	319
Equity-accounted investees	4,366	5,732
Other related parties	7,045	6,103
	11,692	**12,154**
Purchase of property, plant and equipment		
Viohalco	-	4
Equity-accounted investees	-	-
Other related parties	1,428	3,032
	1,428	**3,036**

Other related parties comprise subsidiaries, associates and joint ventures of Viohalco Group.

During the first quarter the shares of VET S.A. were acquired from SOVEL SA (a subsidiary of Viohalco) against EUR 6,103 thousand (see also note 31).

During 2015, a loan was granted from the parent company Viohalco to Icme Ecab of EUR 5,000 thousand in market rates. This loan was renewed during 2017 and its maturity is now in June 2017. There is no collateral for this short-term loan from the parent company. The movement of this loan during the period is as follows:

Amounts in EUR thousand	2016	2015
Balance at January 1	**5,149**	**-**
Loans granted during the year	-	5,000
Interest charged for the period	303	149
Interest paid	(278)	-
Balance at December 31	**5,175**	**5,149**

Closing balances that arise from sales/purchases of goods, services, fixed assets, etc. are as follows:

	At 31 December	
	2016	**2015**
Current receivables from related parties		
Parent company	8	-
Equity-accounted investees	79	5,557
Other related parties	24,400	22,752
	24,487	**28,309**
Non-current receivables from related parties		
Equity-accounted investees	3,603	3,603
	3,603	**3,603**
Current liabilities to related parties		
Parent company	818	-
Equity-accounted investees	2,243	2,749
Other related parties	10,802	10,865
	13,863	**13,614**

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.

Services to and from related parties as well as sales and purchases of goods are carried out in accordance with the price lists applying to non-related parties.

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	**2016**	**2015**
Compensation to BoD members and executives	475	420

The compensation to directors and executive management in the table above is fixed compensation. No variable compensation, post-employment benefits or share based benefits were paid.

36.Auditor's fees

The Company's statutory auditor, KPMG Réviseurs d'Entreprises and a number of other member firms of the KPMG network, received fees for the following services:

	For year ended 31 December	
Amounts in EUR thousand	**2016**	**2015**
KPMG Réviseurs d'Entreprises		
Audit	36	-
Audit related services	28	-
	64	**-**
Other		
Tax related services	38	-
	38	**-**
Total	**102**	**-**

37.Subsequent events

There are no subsequent events affecting the consolidated financial statements.

Statutory auditor's report to the general meeting Cenergy Holdings S.A. as of and for the year ended 31 December 2016

In accordance with the legal requirements, we report to you in the context of our statutory auditor's mandate. This report includes our report on the consolidated financial statements as of and for the year ended 31 December 2016, as defined below, as well as our report on other legal and regulatory requirements.

Report on the consolidated financial statements - Unqualified opinion

We have audited the consolidated financial statements of Cenergy Holdings SA ("the Company") and its subsidiaries (jointly "the Group"), prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2016 and the consolidated statements of profit and loss, profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information. The total of the consolidated statement of financial position amounts to EUR 890,371,000 and the consolidated statement of profit or loss and shows a loss of EUR 3,772,000.

Board of directors' responsibility for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation of these consolidated financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

Statutory auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs) as adopted in Belgium. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the consolidated financial statements.

We have obtained from the Company's officials and the board of directors 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 unqualified opinion.

Unqualified opinion

In our opinion, the consolidated financial statements give a true and fair view of the Group's equity and consolidated financial position as at 31 December 2016 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.

Report on other legal and regulatory requirements

The board of directors is responsible for the preparation and the content of the annual report on the consolidated financial statements.

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we provide the following additional statement which does not modify the scope of our opinion on the consolidated financial statements:

The annual report on the consolidated financial statements includes the information required by law, is consistent with the consolidated financial statements and does not present any material inconsistencies with the information that we became aware of during the performance of our mandate.

Brussels, 28 April 2017

KPMG Réviseurs d'Entreprises
Statutory Auditor
represented by

Benoit Van Roost
Réviseur d'Entreprises

Condensed Statutory Balance Sheet and Income Statement

In accordance with Article 105 of the Company Code, the non-consolidated accounts are presented hereafter in a summary version of the annual accounts, which does not include all the attachments required by law or the Statutory Auditor's report. The complete version of the annual accounts, as deposited with the National Bank of Belgium, will be available on request from the company's registered office.
The statutory Auditor's report on the annual accounts was unqualified.

Summary balance sheet

Amounts in EUR thousand	**As at 31 December 2016**
Non- current assets	**178,067**
Start-up costs	917
Financial assets	177,150
Current assets	**18,984**
Amounts receivable	16,291
Cash at the bank and in hand	2,456
Deferred charges and accrued income	236
Total assets	**197,050**
Capital and reserves	**184,044**
Capital	117,892
Share premium account	59,591
Reserves	8,575
Profit carried forward	-2,014
Creditors	**13,006**
Amounts payable within one year	12,200
Accrued charges and deferred income	806
Total liabilities	**197,050**

Summary income statement

Amounts in EUR thousand	**For the year ended 31 December 2016**
Sales and services	**6,313**
Operating charges	**-7,475**
Raw materials and consumables	-5,826
Miscellaneous goods and services	-1,319
Remuneration, social security and pensions	-149
Depreciation and amounts written off on start-up costs, intangible and tangible assets	-3
Other operating expenses	-178
Loss of operating activities	**-1,162**
Financial expenses	**-709**
Debt expenses	-1
Other financial expenses	-163
Adjustments to amounts written off financial fixed assets	-544
Profit (loss) for the year before income taxes	**-1,870**
Profit (loss) for the year	**-1,870**

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 the 14 November 2007, the members of the executive management, (i.e. Efstratios Thomadakis, Apostolos Papavasileiou, and Alexios Alexiou) 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 2016 which have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fare 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.

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 that enables utility, industry, and transport and infrastructure customers to improve their performance while lowering environmental impact
Accounts Payable Revenue Ratio Accounts payable/ Cost of goods sold * 365
Accounts Receivable Revenue Ratio Accounts receivable/Revenue * 365
Adjusted EBITDA EBITDA excluding restructuring costs, metal price lag, unrealised (gains)/losses on foreign currency balances and derivatives and other exceptional or unusual (income)/expenses
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.
ASTM American Society for Testing and Material
BCC the Belgian Companies Code
Belgian GAAP the applicable accounting framework in Belgium
BG BG Group is an international exploration and production and LNG company.
Board of Directors or Board the Board of Directors of the Company from time to time appointed in accordance with the Articles of Association
BP BP is one of the world's leading integrated oil and gas companies. It provides customers with fuel for transportation, energy for heat and light, lubricants to keep engines moving, and the petrochemicals products used to make everyday items as diverse as paints, clothes and packaging
BS British Standards
Cheniere Energy Houston-based energy company primarily engaged in LNG-related businesses
Chevron Chevron is one of the world's leading integrated energy companies.
Coverage of Financial Expenses EBITDA/Financial expenses
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.
Debt/Equity Total liabilities/equity or (Total assets-equity)/equity
Denbury Denbury Resources Inc., is an independent oil and natural gas company
DIN Deutsches Institut für Normung
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
EEA the European Economic Area
EN EUROPEAN NORM
EN/ISO 17025 General requirements for the competence of testing and calibration laboratories
Enbridge Enbridge, Inc. is an energy delivery company based in Calgary, Canada. It focuses on the transportation, distribution and generation of energy, primarily in North America. As a transporter of energy, Enbridge operates in Canada and the United States, 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, providing distribution services in Ontario, Quebec, New Brunswick and New York State
Energy Transfer Energy Transfer is a Texas-based company that began in 1995 as a small intrastate natural gas pipeline operator and is now one of the largest and most diversified investment grade master limited partnerships in the United States. Growing from roughly 200 miles

of natural gas pipelines in 2002 to approximately 71,000 miles of natural gas, natural gas liquids (NGLs), refined products, and crude oil pipelines today, the Energy Transfer family of partnerships remains dedicated to providing exceptional service to its customers and attractive returns to its investors.

EPCO Energy Planners Company (EPCO) is an energy management and consultation firm. EPCO works with commercial, industrial, and nonprofit 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

FYROM the Former Yugoslav Republic of Macedonia

General Liquidity Current Assets/Short term liabilities

Greek Public Natural Gas Corporation (DEPA) DEPA is the public natural gas supply corporation of Greece

GRI The Global Reporting Initiative's (GRI) vision is that reporting on economic, environmental, and social performance by all organizations becomes as routine and comparable as financial reporting. GRI accomplishes this vision by developing, continually improving, and building capacity around the use of its Sustainability Reporting Framework.

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)

GRTGAZ is the natural gas transmission system operator located in Paris, France. The operated system consists of high pressure gas pipelines.

HVAC Heating, ventilation and air-conditioning

IAS International Accounting Standards

IFRS International Financing Reporting Standards, as adopted by the EU

Inventories Revenue Ratio Inventory/Cost of goods sold * 365

JIS Japanese Industrial Standards

Kinder Morgan is the largest energy infrastructure company in North America.

LSAW Longitudinal Submerged Arc Welded Mill for the production of high-strength offshore and onshore energy pipes

Mamuth pipes Mammoth Carbon Products is a World-Class industry leader in the Standard and Line Pipe distribution space that serves the Energy, Petrochemical and Construction markets

McJunkin MRC Global is the largest distributor of pipe, valve and fitting products and services to the energy and industrial markets. MRC Global serves the oil and gas industry across the upstream, midstream and downstream sectors as well as the chemical and gas distribution market sectors in the USA.

MITE Marubeni Itochu Tubulars Europe PLC- Marubeni-Itochu Tubulars Europe plc was established in 2001 to supply steel tubular products for the Oil and Gas Industry. Marubeni-Itochu Tubulars Europe plc is a subsidiary of Marubeni-Itochu Steel Inc and is headquartered in London, United Kingdom.

National Grida 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 is an integrated international oil and gas company. It is active in the upstream (Exploration and Production) and downstream businesses (Refining and Marketing as well as Gas and Power). OMV is one of the largest listed industrial companies in Austria.

OSI Oil States International Inc. oilfield services company with a leading market position as manufacturer of products for deepwater production facilities and certain drilling equipment, as well as a provider of completion services and land drilling services to the oil and gas industry. Oil States is publicly traded on the NYSE under the symbol "OIS".

PDO Petroleum Development Oman (PDO) 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, specializing in general, structural, mechanical, and electrical construction, pipe fabrication and installation, steel fabrication and erection, modular fabrication and assembly, and plant maintenance.

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. It owns an extensive network of pipeline transportation, terminalling, storage and gathering assets in key crude oil and NGL producing basins and transportation corridors, and at major market hubs in the United States and Canada.

RWERWE is one of Europe's five leading electricity and gas companies.

SAE Society of Automotive Engineers

SD Trade Mark

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. Spartan has operations in central Alberta and in southeast Saskatchewan and maintains a multi-year inventory of oil focused horizontal drilling opportunities.

Special Liquidity (Current Assets-Inventory)/ Short term liabilities

Spectra Energy Spectra Energy Corp is a S&P500 company headquartered in Houston Texas, that operates in three key areas of the natural gas industry: transmission and storage, distribution, and gathering and processing.

STEG Tunisian Company of Electricity and Gas or STEG is a Tunisian public company non-administrative. Established in 1962, its mission is the production and distribution of electricity and natural gas on the Tunisian territory. STEG is the second largest Tunisian company by revenues in 2009.

Subsea Subsea7 is a world-leading seabed-to-surface engineering, construction and services contractor the offshore energy industry.

TIGF Transport et Infrastructures Gaz France offer and develop natural gas transport and storage solutions for the European market

Transparency 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

UPN European Standard channels

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)

Appendix A – Alternative performance measures

In addition to the results reported in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, this press release 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), 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.

EBIT, EBITDA, 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.
EBIT is defined as the Operating result as reported in the Consolidated statement of profit or loss plus Share of profit/(loss) of equity accounted investees, net of tax.
EBITDA is defined as EBIT plus depreciation and amortisation.

Adjusted EBITDA is defined as EBITDA excluding restructuring costs, metal price lag, unrealised (gains)/losses on foreign currency balances and derivatives and other exceptional or unusual (income)/expenses.

Reconciliation of Operating Profit to EBIT, EBITDA and Adjusted EBITDA:

	Cenergy Holdings	
Amounts in EUR thousand	2016	2015
Operating result	**34,517**	**43,182**
Share of profit/(loss) of equity accounted investees, net of tax	(685)	1,646
EBIT	**33,832**	**44,828**
Depreciation & Amortization	20,186	19,205
EBITDA	**54,019**	**64,034**
Metal price lag (1)	6,037	9,042
Unrealized (gains)/losses on foreign currency balances and derivatives	182	(77)
Restructuring costs	2,105	-
Other exceptional or unusual (income)/expenses (2)	(2,666)	211
Adjusted EBITDA	**59,676**	**73,210**

(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 minimize 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) Other exceptional or unusual (income)/expenses for 2016, mainly include the gain from exchange of shares of International Trade.

Reconciliation of loans and borrowings to Net debt:

Amounts in EUR thousand	Cables segment		Steel pipes segment		Other activities		Cenergy Holdings	
	2016	**2015**	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
Loans and borrowings - Long term	104,999	121,777	79,397	76,625	-	-	184,396	198,403
Loans and borrowings - Short term	141,884	120,856	120,940	58,987	-	-	262,823	179,843
Cash and cash equivalents	(6,811)	(18,215)	(62,813)	(19,457)	(1,706)	-	(71,329)	(37,672)
Net debt	**240,072**	**224,419**	**137,524**	**116,155**	**(1,706)**	**-**	**375,890**	**340,574**

Appendix B – Sustainability report methodology

Cenergy Holdings sustainability in brief report covers a broad range of issues that relate to the Company's economic, environmental and social impact, and there is no specific limitation on the scope or boundary of the Report. There were no acquisitions, sales, joint ventures and other activities included, which could affect the comparability of data on a year-on-year basis.

Cenergy Holdings Sustainability in brief report includes the sustainability data of both company's segments: Steel pipes segment (Corinth Pipeworks S.A.) and cables segment (Hellenic Cables S.A., Fulgor S.A. and Icme Ecab S.A.). It was prepared in accordance with the latest guidelines for Corporate Social Responsibility / Sustainability Reports issued by the international organisation, Global Reporting Initiative (GRI-G4). The principles applicable to determining content were used when preparing this Report. These principles are as follows:

- The principle of "Materiality"
- The principle of "Stakeholder inclusiveness"
- The principle of "Sustainability context"
- The principle of "Completeness".

GRI Conformance Index

Cenergy Holdings sustainability in brief report was developed with reference to the performance indicators listed as **core** elements in the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines. In this section a summary index for Cenergy Holdings' sustainability in brief report against each of the GRI guidelines, is provided.

GRI Standard Disclosures

Disclosure	Pages	Disclosure	Pages	Disclosure	Pages	Disclosure	Pages
G4-1	**3**	**G4-11**	**53-54**	**G4-20**	**45**	**G4-29**	**fy.2016**
G4-3	**2**	**G4-12**	**52**	**G4-21**	**45**	**G4-30**	**175**
G4-4	**2, 5, 14-17, 27-30, 46-49, 117**	**G4-13**	**2, 175**	**G4-22**	**175**	**G4-31**	**176**
G4-5	**2**	**G4-14**	**57, 62**	**G4-23**	**175**	**G4-32**	**175**
G4-6	**2, 15-17, 30-31**	**G4-15**	**52, 55, 56, 175**	**G4-24**	**43-44**	**G4-33**	**n/a**
G4-7	**2**	**G4-16**	**44**	**G4-25**	**43-44**	**G4-34**	**66-73**
G4-8	**19, 32, 118**	**G4-17**	**45**	**G4-26**	**43-44**	**G4-56**	**42, 53**
G4-9	**55, 117**	**G4-18**	**45**	**G4-27**	**43-45**		
G4-10	**60-61**	**G4-19**	**45**	**G4-28**	**175**		

GRI Performance Indicators

Financial Performance		Environmental Performance		Social Performance	
Indicator	**Page**	**Indicator**	**Page**	**Indicator**	**Page**
G4-DMA	**118-127**	**G4-DMA**	**62-63**	**G4-DMA**	**53**
G4-EC1	**118-127**	**G4-EN3**	**63-64**	**G4-LA1**	**53-55, 60-61**
G4-EC2	**35-40, 74**	**G4-EN15**	**64**	**G4-LA6**	**58-59**
G4-EC3	**117-127**	**G4-EN23**	**65**	**G4-LA9**	**55, 58**
				G4-LA13	**55**
				G4-DMA	**49**
				G4-PR3	**49**
				G4-PR5	**50**

Sources of information

The data and information presented in this sustainability in brief report have been collected on the basis of the companies' existing recordkeeping procedures, as well as from databases maintained as part of various management systems. In cases where the data was processed or was based on assumptions, reference is made regarding the way or the method of calculations, according to the guidelines of the Global Reporting Initiative (GRI – issue G4). Updates or additional information regarding Cenergy Holdings companies (Corinth Pipeworks, Hellenic Cables, Fulgor and Icme Ecab are available either through Sustainability team or on www.cpw.gr and www.cablel.com.

Contact details

We welcome all questions, queries, clarifications or suggestions for improvement because we value your opinion. Please send any comments or observations to the addresses shown below and help us improve and develop further.

Cenergy Holdings S.A.
Sofia Zairi
Head of Investor Relations
33 Amarousiou-Halandriou Str.
Marousi, Greece, GR-15125
Tel.: +30 210 6787 680
E-mail: info@cenergy.vionet.gr
www.cenergyholdings.com

Steel pipes segment companies
Sofia Mylothridou
Sustainability coordinator
33 Amarousiou-Halandriou Str.
Marousi, Greece, GR-15125
Tel.: +30 210 6787 680
E-mail: info@cpw.vionet.gr
www.cpw.gr

Cables segment companies
George Georgallis
Sustainability coordinator
33 Amaroussiou-Halandriou Str.
GR 151 25 Maroussi, Greece
Tel.: +30 210 6787 900,
E-mail: csr@cablel.vionet.gr
www.cablel.com