VIOHALCO

Annual Report 2020

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A.Viohalco

Viohalco S.A. (‘Viohalco’) is the Belgium-based holding company of leading metal processing companies, which sustainably manufacture aluminium, copper, cables, steel and steel pipes products.

Viohalco companies supply high-quality, innovative products to a diverse range of markets, including building and construction, packaging (rigid, semi-rigid and flexible), transportation (automotive, shipbuilding and rail), energy and power networks (offshore energy, utilities and power grids, renewable energy, gas and liquid fuels), HVAC&R (heating, ventilation, air conditioning and refrigeration), water supply, telecommunications, printing, along with various industrial applications.

Viohalco’s dedicated research, development and innovation (‘R&D&I’) and technology segment focuses on product innovation, industrial research, technological development, engineering applications and ERP application services, to ensure its companies maintain superior product and service quality.

Viohalco and its companies also own substantial real estate, predominantly in Greece, which generates income through commercial development. Companies in the real estate segment also provide a wide range of additional real estate, property and facility management services to other Viohalco subsidiaries.

Production facilities across Greece, Bulgaria, the United Kingdom, Romania, Russia, North Macedonia, the Netherlands and Turkey are supported by a strong marketing and sales network comprising commercial subsidiaries, agents and distributors, enabling the Viohalco companies to provide comprehensive customer support on a global scale.

Viohalco operates through seven business segments:

- Aluminium
- Copper
- Cables
- Steel pipes
- Steel
- Real estate
- R&D&I and Technology

Across all segments, the Viohalco companies offer products and services that closely align with current global sustainability megatrends. This not only reflects their ability to meet the evolving needs and commitments of customers, but also their drive, as responsible corporate citizens, to operate in a sustainable manner.

Such megatrends include a growing commitment to a low carbon, circular economy, reflected in rising demand for easily recyclable products, with high recycled content. Other megatrends include a clear transition to climate neutrality, away from fossil-fuel consumption through the use of renewable energy sources, sustainable urbanization reflected in the rise of energy-efficient buildings and e-mobility, and ongoing technological advancements, including digitalization. A significant share of Viohalco companies’ products and services caters directly to these trends, for instance recyclable aluminium packaging utilizing secondary raw materials, aluminium in the manufacture of lightweight, energy efficient products, copper products with high recycled content for use in energy efficiency and digital applications, circular construction steel products, cables to facilitate green energy transfer, steel pipes to support the energy transition and activities such as the development of more environmentally-friendly buildings.

- Viohalco S.A. is listed on Euronext Brussels (VIO) and Athens Stock Exchange (BIO).
- Cenergy Holdings S.A., a subsidiary of Viohalco, is listed on Euronext Brussels and Athens Stock Exchange (CENER).
- ElvalHalcor S.A., a subsidiary of Viohalco, is listed on Athens Stock Exchange (ELHA).

B. Message from the President of the Board of Directors

2020 was a challenging year, not only for Viohalco and its companies, but for businesses, societies, and countries across the globe. The emergence of the Covid-19 pandemic at the start of the year had a profound effect on businesses and financial markets worldwide.

The immediate priority of all Viohalco companies was the health and wellbeing of their people, and measures were swiftly put in place to ensure that all employees and other stakeholders across all businesses remain safe and healthy. Working practices were adapted across operations to significantly reduce infection risk, allowing production to continue safely in all sites.

Thanks to actions taken to mitigate the effects of the crisis, and the resilience of its diversified business model, Viohalco companies delivered a robust performance in 2020. Consolidated revenue for the year was EUR 3,850 million, compared with EUR 4,198 million in 2019. Consolidated adjusted EBITDA (a-EBITDA) amounted to EUR 295 million in 2020, while consolidated profit before income tax amounted to EUR 59 million, up by 86% year-on-year (2019: EUR 32 million).

In the aluminium segment, the installation of the new four-stand tandem rolling mill at Elval's Oinofyta, Greece plant was successfully completed, despite Covid-19-related lockdown restrictions, and the mill commenced operations in the third quarter. As a result of this major investment, the aluminium segment is now able to significantly increase its production capacity for final products, marking a new era for the segment and paving the way to exploit opportunities in new markets. In addition, in response to increased demand for more sustainable, recyclable, lightweight and energy efficient materials in markets, such as packaging and transportation, Elval initiated the investment in a six-high aluminium cold rolling mill and automated lacquering line, in line with the aluminium segment's wider investment plan.

The copper segment delivered a robust performance during the year, despite the pandemic, with volumes even slightly increasing compared with 2019. Halcor managed to strengthen market share in its key operating markets and increase profitability, by developing a wide range of products to be shipped across a range of geographical markets, both within and outside Europe, and leveraging any opportunities presented.

The cables segment's performance in 2020 reflects robust growth in its projects' business. The successful and unimpeded execution of technically complex subsea and land cables energy projects was the driver for this increased profitability, along with sustained high utilization levels across production units. Hellenic Cables continued to tender for projects across different geographies and succeeded in securing several awards for new projects and frame agreements, both in the offshore and onshore sector.

For Corinth Pipeworks, the negative impact of the pandemic was amplified by the steep decline in oil and gas prices observed throughout 2020, that led to the postponement of many exploration projects. Adverse conditions in global energy markets during the first half of 2020, had an impact on the performance in the second half. To mitigate this impact, the segment undertook a cost optimization programme and was able, despite these challenges, to strengthen its presence in existing and new markets throughout the year.

The market environment for the steel segment at the start of 2020 was challenging, and the impact of the pandemic further compounded these difficulties. Demand and selling prices declined throughout the year, thus the segment implemented a cost reduction programme and adjusted production levels accordingly. Gradual signs of a recovery in construction activity were apparent in the second quarter, followed by recovery in industrial manufacturing in October. As a result of this, the segment's performance in the second half was stronger than the first.

The Covid-19 pandemic and associated lockdown measures, together with rent reduction initiatives introduced by the Greek government, significantly affected the hospitality and retail sectors, which in turn, had an adverse effect on the income of Viohalco's real estate segment. Nevertheless, the diversity of the segment's portfolio, the financial strength of its blue-chip tenants and active asset management enabled its companies to avoid any arrears in rent or service charge in the period. Noval Property, now the second largest REIC in Greece based on real estate value, increased the fair value of its portfolio to EUR 365 million. Several significant projects were completed or progressed, and additional projects are secured for the coming year.

Sadly, 2020 also marked the passing of Jacques Moulaert, Vice-Chairman of Viohalco's Board of Directors. A highly experienced and much respected member of the business community, during his time with Viohalco, Jacques Moulaert made a valuable and lasting contribution to our Board and his presence will be missed.

As we enter 2021, the impact of the Covid-19 pandemic and associated restrictions on movement and transport have continued to impact Viohalco's business segments. Enhanced safety measures remain in place across Viohalco's operations, and the crisis continues to affect demand in certain product categories. However, the current development and deployment of Covid-19 vaccines and the subsequent easing of restrictions is expected to allow the gradual resumption to normal business operations. In addition, economic assistance measures implemented at national and EU level have supported and accelerated recovery.

Looking further ahead, the ambitious European goals for climate change mitigation, as well as the initiatives of the Green Deal and the transformation to a circular economy, create a favourable business environment for Viohalco companies and their product offerings. These trends have generated a rising demand for circular products that are easily recyclable and produced with high recycled content, while at the same time have a low carbon production footprint. A large proportion of Viohalco companies' product and service offering, including sustainable aluminium packaging and aluminium for more lightweight, energy efficient products, circular products utilizing secondary copper and steel, cables for the transfer of renewable energy, steel pipes to support the energy transition and the development of green buildings, caters directly to these trends.

The common vision and strategic aims of all Viohalco companies remain unchanged. To optimize their production capacity and product offering through continuous innovation, increase penetration of existing and new markets, maintain a customer-oriented approach to marketing and product development, drive operating efficiencies by optimizing the utilization of assets and by cost control. Viohalco companies will continue to demonstrate sound business practices in an ethical and responsible manner, while continuously improving environmental footprint. The current crisis has demonstrated that pursuing these aims and staying faithful to our diversified business model has resulted in a company which is able to withstand unexpected challenges and significant external pressures.

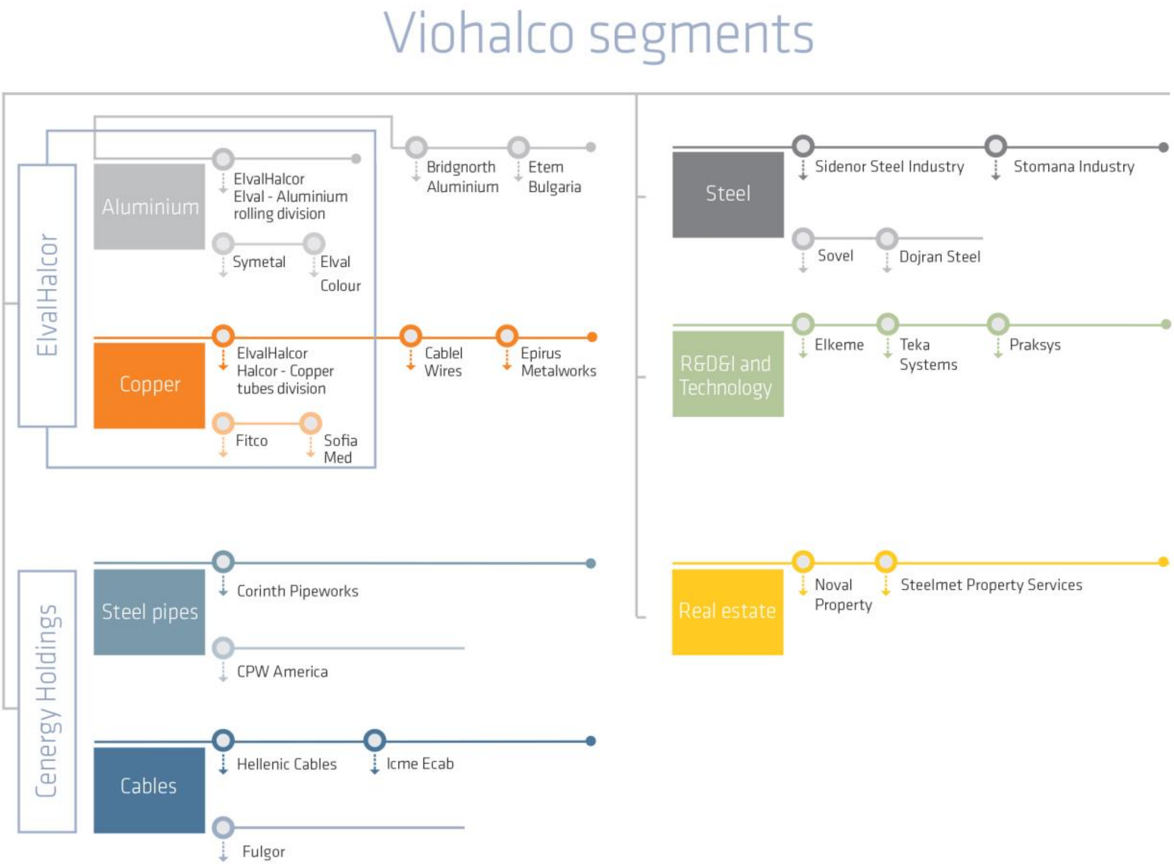
I am confident that Viohalco's steadfast commitment to these goals, along with the focus on the health, safety and professional development of its companies' employees, will enable our businesses to continue to effectively meet any challenge.

Nikolaos Stassinopoulos

President of the Board of Directors

C. Business segments

Viohalco operates under the following organizational structure which comprises seven business segments.



Aluminium

The companies in the aluminium segment manufacture a variety of aluminium rolling and extrusion products for a wide range of markets and applications. The aluminium segment operates through its aluminium rolling division ('Elval') and the subsidiaries Symetal S.A. ('Symetal'), Elval Colour S.A. ('Elval Colour'), and Vepal S.A. ('Vepal'), Bridgnorth Aluminium Ltd ('Bridgnorth Aluminium'), Etem Bulgaria S.A. ('Etem Bulgaria') and Etem S.A. ('Etem').

The segment produces flat rolled and extruded products and solutions for a range of markets including transportation, HVAC&R, packaging, building and construction, printing, energy, industrial and engineering applications.

Copper

Through its copper tubes division, Halcor, and the copper segment subsidiaries, Fitco S.A., Sofia Med S.A., Epirus Metalworks S.A., Cablel Wires, and the NedZink BV and HC Isitma joint ventures, Viohalco manufactures a large range of copper, brass and high-performance copper alloys products, as well as titanium zinc products. The copper tubes division has a long history and strong track record of developing products that strengthen its global commercial reach.

Halcor and the copper segment subsidiaries provide innovative and value-added solutions that address market demand and customer requirements. Major product categories include copper tubes and rolled and extruded copper alloy products for a wide range of applications, including plumbing, HVAC&R, renewable energy, construction, engineering, automotive and industrial products, fish farming, all types of coin blanks, and enamelled wires.

Cables

Viohalco's cables segment comprises three companies: Hellenic Cables S.A. Hellenic Cables Industry ('Hellenic Cables'), its subsidiary Fulgor S.A. ('Fulgor'), which operate in Greece and Icme Ecab S.A. ('Icme Ecab'), which operates in Romania (hereafter collectively referred to as 'Hellenic Cables companies').

The Hellenic Cables companies manufacture:

- land and submarine power cables;
- telecommunication cables; and
- compounds.

Combined, they are the largest cable producer in Greece and Southeastern Europe, exporting to more than 50 countries.

A key advantage of the Hellenic Cables companies is their ability to provide turnkey solutions to customers.

Steel pipes

With a manufacturing plant in Greece and extensive expertise in delivering complex projects on a global scale, Corinth Pipeworks S.A. ('Corinth Pipeworks') is a supplier of choice of steel pipes and hollow sections to the energy and construction industries.

Corinth Pipeworks' three main product categories are:

- line pipes – manufactured either in the company's high frequency induction welding unit ('HFW'), or the helically submerged arc welding unit ('HSAW') and the longitudinal submerged arc welding unit ('LSAW/JCOE');
- casing pipes – used in oil and gas extraction drills; and
- hollow structural sections – used in the construction sector.

Corinth Pipeworks has extensive experience implementing complex onshore and offshore projects for the global energy sector. The company is an approved supplier to major oil and gas companies and engineering, procurement, construction ("EPC") contractors.

Corinth Pipeworks offers a comprehensive range of services, from initial project evaluation and technical compliance assessment, to completion and delivery to the final site.

Steel

Sidenor Steel Industry S.A. ('Sidenor Steel Industry'), Stomana Industry S.A. ('Stomana Industry') and their subsidiaries are leading producers of steel products in Southeastern Europe. The steel segment companies have significant expertise and more than 55 years of experience in steel product manufacturing and distribution, and an extensive product portfolio which includes long, flat, and downstream steel products.

The steel segment companies produce a range of value-added products and solutions for industries, including building and construction (buildings, roadworks, metro stations, bridges, shopping malls and hydroelectric dam projects), mechanical engineering, shipbuilding, road and rail, automotive, as well as mining and tunneling applications.

To achieve the optimum balance between operational, commercial flexibility and productivity, the steel segment has adopted the following operational structure:

- mini-mills;
- downstream operations for steel product processing; and
- sales and distribution.

Real estate

Viohalco creates value by commercially developing office, logistics, retail and hospitality buildings, managing its former industrial real estate assets in Greece and abroad through Noval Property, and by providing a wide range of real estate services to its subsidiaries, through Steelmet Property Services S.A.

In October 2019, following the award of a license to operate as a Real Estate Investment Company and an internally managed Alternative Investment Fund by the Hellenic Capital Markets Commission, Noval Property became a Real Estate Investment Company (‘REIC’). It is currently the second largest Greek REIC in terms of property portfolio value.

Noval Property’s property portfolio is made up of 42 properties, mainly located in Greece and selectively in Bulgaria. It comprises office buildings, shopping centres and hotels, with a total built-up area of c. 430,000 sq.m.

Steelmet Property Services supports Viohalco and its subsidiary companies by providing a wide range of centralized real estate, property and facility management services.

R&D&I and Technology

Viohalco’s portfolio includes dedicated Research, Development and Innovation companies and R&D centres within its subsidiaries which focus on the development of innovative and high value-added products, efficient solutions for the optimization of industrial and business processes, research into the environmental performance of plants and impact assessment of sustainable growth.

Notes:

- *Cenergy Holdings S.A. (Cenergy Holdings) was founded in 2016, following a cross-border merger by absorption of Corinth Pipeworks Holdings S.A. and Hellenic Cables S.A. Holdings Société Anonyme. Cenergy Holdings is listed on Euronext Brussels and the Athens Stock Exchange.*
- *In December 2017, the merger by absorption of Elval by Halcor was concluded, while the latter was renamed to ElvalHalcor Hellenic Copper and Aluminium Industry S.A. (ElvalHalcor). ElvalHalcor is listed on the Athens Stock Exchange.*

D. Financial highlights 2020

Viohalco companies have clearly articulated growth strategies. Despite operating in different market segments, they share common strategic goals which aim to:

- optimize production capacity and product offering through continuous innovation;
- increase penetration in existing and new markets;
- maintain a customer-oriented approach for marketing and product development;
- drive operating efficiencies by optimizing asset utilization and cost control; and
- operate in a sustainable and responsible manner.

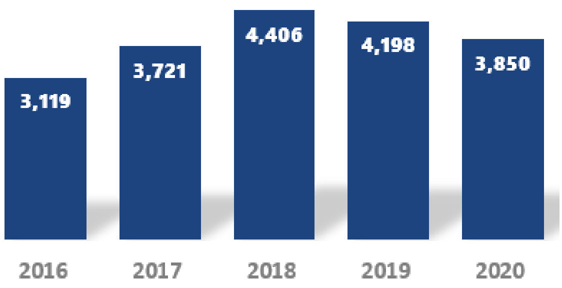
In recent years, the companies have faced a significant number of external challenges, including economic uncertainty in key operating markets, metal price fluctuations, depressed demand in energy markets and the wider effects of the Covid-19 pandemic.

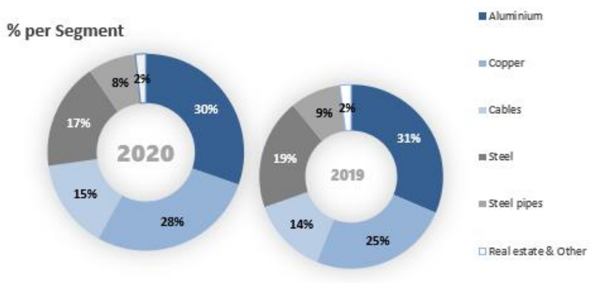
Despite these, the companies have maintained a disciplined focus on improving operational performance and implemented a number of key initiatives. Most notably, they have invested heavily in new technologies, R&D&I and upgrading existing facilities, but most importantly, they have invested in personnel development and training. These investments have enabled the companies to redefine and improve product and service offerings in key markets, resulting in the award of several significant projects.

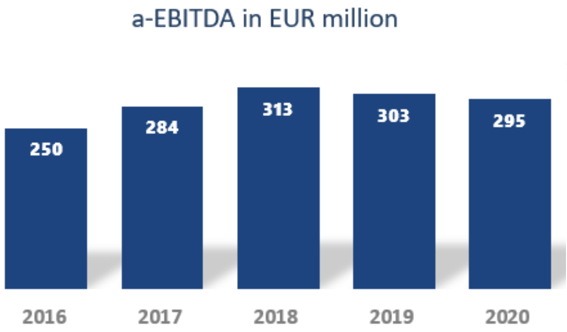
2020 Highlights

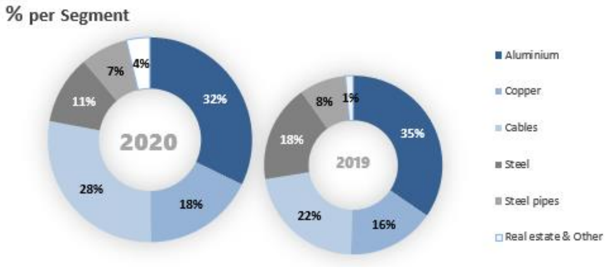
- Viohalco's diversified business model supported strong profitability despite the pandemic, with solid contributions from its dynamic and resilient business segments;
- Efficient and swiftly implemented measures in response to the crisis to ensure the safety of the employees, also ensured business continuity and safe, uninterrupted operation across sites;
- Major investments totalling EUR 285 million, aimed at reinforcing market position and expanding global presence were deployed across Viohalco companies;
- New four-stand tandem aluminium rolling mill at Elval's Oinofyta plant was completed and commenced operations;
- Consolidated adjusted EBITDA (a-EBITDA) of EUR 295 million;
- Consolidated profit before income tax of EUR 59 million, up 86% year-on-year (2019: EUR 32 million).

Revenue in EUR milion









Overview

The emergence of the Covid-19 pandemic at the start of the year had a profound effect on businesses and financial markets worldwide. In response to the crisis, Viohalco companies immediately put in place measures to ensure the safety of their employees and other stakeholders, adapting working practices across operations to significantly reduce infection risk, which allowed production to continue safely across all plants. These effective crisis-mitigation actions, combined with the strong resilience of Viohalco's diversified business model, led to a solid performance in 2020.

In the aluminium segment, the installation of the new four-stand tandem rolling mill at Elval's Oinofyta plant was completed, despite Covid-19 related challenges. The mill commenced operations in Q3, significantly increasing the plant's production capacity, and enabling the segment to explore opportunities in new markets. During 2020, in response to increased demand for more sustainable, lightweight and energy efficient materials in the packaging and transportation markets, Elval initiated investments in an advanced six-high cold rolling mill and a new fully automated lacquering line.

The copper segment delivered a robust performance during the year, with the pandemic having limited impact on production levels. The segment was able to increase profitability and gain market shares in key markets, even during a period when markets, such as those of rolled copper and copper alloy products and copper tubes, contracted significantly. As European markets slowly recovered during the year, with improvements most evident from Q3, the copper segment was able to successfully capitalize on improving conditions.

The profitability of the cables segment improved significantly during the year, despite the pandemic. The positive momentum of 2019 continued throughout 2020 with the segment recording a solid performance due to high utilization of the submarine production lines and the successful and unimpeded execution of high-profile energy projects, despite Covid-19-related restrictions. The products business units recorded steady sales volumes in line with 2019, with an improved sales mix towards higher value-added products helping to offset the negative impact of the pandemic. By the end of the year, the company had accumulated a strong order backlog following several successful tenders.

In the steel pipes segment, Corinth Pipeworks was negatively affected by the decrease in oil and gas prices observed throughout 2020, the effects of which were amplified by the pandemic. Many exploration projects were postponed as a result of the prevailing volatile market conditions. To compensate for the general slowdown in demand during 2020, Corinth Pipeworks focused on new geographical markets and implemented a cost optimization programme, undertaking cost reduction initiatives, and also focusing on the ongoing industrial excellence programme at the Thisvi plant.

In Q1 2020, the steel segment was impacted by the contraction of construction activity and industrial production and the decline in steel prices internationally. However, by Q2, construction sector activity had started to slightly recover in Greece and across the Balkan region. This was followed by a gradual recovery in industrial manufacturing from October 2020. In line with these trends, the steel segment's performance during the first half of the year was weaker than expected, with a positive trend emerging during the second half, especially in Q4. During 2020, the segment maintained its dominant market position in the Balkans, and its strong market share of Greece's construction activity.

In the real estate segment, Noval Property, the second largest REIC in Greece based on real estate value, owns a modern and diversified real estate portfolio. During the year, several significant projects were successfully completed, including the start of commercial operations at "The Orbit" office complex in Athens, which is already almost fully leased to blue-chip tenants. Other projects, including the "River West" shopping centre expansion, where construction will be completed in H2 2021, progressed significantly.

Financial Overview

Summary consolidated statement of profit or loss

Amounts in EUR thousands	2020	2019
Revenue	**3,850,077**	**4,198,194**
Gross profit	349,266	347,766
EBITDA	**285,530**	**273,374**
a-EBITDA*	**294,653**	**302,816**
EBIT	**153,511**	**130,782**
a-EBIT*	162,633	160,223
Net finance cost	-92,307	-98,515
Profit before tax	**59,463**	**31,924**
Profit for the period	32,910	16,740
Profit attributable to owners of the Company	21,528	8,206

** APM definitions have been slightly changed compared to 31/12/2019. For further details refer to Appendix.*

Viohalco's consolidated revenue for 2020 amounted to EUR 3,850 million, down 8.3% compared to the previous year (2019: EUR 4,198 million), mainly due to the drop of the metal prices and the slowdown in sales volumes during Q2, due to the pandemic.

Consolidated a-EBITDA was EUR 295 million for the year (2019: EUR 303 million), while **consolidated EBITDA,** including the effect of metal prices increased by 4.7% to EUR 286 million (2019: EUR 273 million).

Net finance cost decreased year-on year and amounted to EUR 92.3 million (2019: EUR 98.5 million), mainly as a result of interest spread reductions implemented gradually across all Viohalco companies in recent years.

Viohalco's consolidated profit before income tax for the year was EUR 59.5 million compared to EUR 31.9 million in 2019.

Consolidated profit after tax for the period amounted to EUR 32.9 million (2019: EUR 16.7 million), mainly attributed to the outperformance of the projects' business of the cables segment and the increase in the commercial value of investment properties which led to the reverse of previous recognized impairment losses.

Summary consolidated statement of financial position

Amounts in EUR thousands	31/12/2020	31/12/2019
Fixed & intangible assets	2,302,552	2,152,103
Other non-current assets	76,376	67,296
Non-current assets	**2,378,928**	**2,219,399**
Inventory	1,074,589	1,060,009
Trade and other receivables (incl. contract assets)	515,976	559,919
Cash and cash equivalents	219,161	214,499
Other current assets	10,109	9,084
Current assets	**1,819,835**	**1,843,511**
Total assets	**4,198,763**	**4,062,910**
Equity	**1,381,126**	**1,335,073**
Loans and borrowings	1,001,986	943,522
Other non-current liabilities	230,964	212,302
Non-current liabilities	**1,232,950**	**1,155,824**
Loans and borrowings	746,010	830,455
Trade and other payables (incl. contract liabilities)	807,130	710,957
Other current liabilities	31,548	30,600
Current liabilities	**1,584,687**	**1,572,012**
Total equity and liabilities	**4,198,763**	**4,062,910**

Capital expenditure for the year amounted to EUR 285 million (2019: EUR 284 million), due to the execution of the second phase of the aluminium segment investment programme, which includes the order of an advanced six-high cold rolling mill and an automated lacquering line, the cables segment investment programme, which includes the inter-array investment in Hellenic Cables' offshore cables plant, and investments in the real estate segment.

Depreciation and amortization for the period amounted to EUR 132 million (2019: EUR 143 million).

Working capital decreased by 14% or EUR 125 million compared to 2019, as a result of effective management across all elements (debtors, creditors and inventory).

Viohalco companies' **net debt** improved to EUR 1,529 million (2019: EUR 1,560 million) before IFRS 16 adjustment. After adjusting for IFRS 16, net debt amounted to EUR 1,581 (2019: EUR 1,613 million).

Performance by business segment

Amounts in EUR thousands	Revenue		EBITDA		a-EBITDA		EBIT		EBT	
Segments	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Aluminium	1,167,735	1,318,774	90,020	109,073	95,113	104,623	36,044	59,444	21,674	45,943
Copper	1,066,014	1,036,972	47,698	45,033	52,102	48,035	32,430	29,916	16,017	12,123
Cables	568,615	567,785	71,881	63,641	81,331	66,816	56,764	47,152	35,385	24,488
Steel pipes	304,824	376,084	21,086	25,541	22,000	25,557	12,231	15,113	1,555	4,262
Steel	677,939	815,568	30,112	26,428	33,799	53,571	1,021	-13,057	-24,580	-41,993
Real estate	10,041	11,197	20,386	7,771	6,488	8,259	14,440	932	10,488	-2,022
Other activities*	54,909	71,813	4,347	-4,112	3,820	-4,045	579	-8,718	-1,075	-10,878
Total	**3,850,077**	**4,198,194**	**285,530**	**273,374**	**294,653**	**302,816**	**153,511**	**130,782**	**59,463**	**31,924**

**"Resource recovery"segment has been aggregated to "Other activities".*

Outlook

A gradual resumption of normal business operations for the Viohalco companies is expected, following the deployment of Covid-19 vaccines across the globe and subsequent easing of restrictions, though a timeline for this resumption is currently difficult to predict.

Viohalco's diversified business model and structure has proved the resilience of its companies to volatile operating conditions and is expected to facilitate further growth. The strategic aims of the Viohalco companies remain unchanged. These are to optimise production capacity and product offering through continuous innovation, increase penetration of existing and new markets, maintain a customer-oriented approach to marketing and product development, drive operating efficiencies by optimising the utilisation of assets and by cost control.

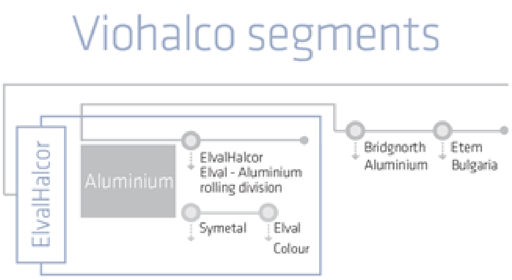
Finally, the companies' ongoing priority is the safety and further professional development of their employees, along with responsible production and sustainable development across all businesses.

E. Business segments' review

Aluminium

Activities

Viohalco aluminium segment companies manufacture a variety of aluminium rolling and extrusion products for a wide range of markets and applications through its aluminium rolling division ('Elval'), and its subsidiaries Symetal, Elval Colour, Vepal, Bridgnorth Aluminium, Etem Bulgaria and Etem.



The aluminium segment offers rolled products and solutions for:

- Packaging: Aluminium for rigid and flexible packaging solutions, beverage and food cans, closures, household products, pharmaceutical and aseptic packaging foil;
- Transportation: Aluminium solutions for the automotive, marine, road and rail and the HVAC&R sector;
- Construction: Mill finish and coated aluminium sheets and coils for the entire building envelope, such as etalbond® aluminium composite panel, orofe® and Ydoral® coated coils, sheets and strips for roofing and rain guttering applications;
- Industrial applications: Aluminium sheets, coils and circles for general engineering, renewable energy and household applications;
- Lithographic coils, used as a substrate in the manufacturing of printing plates;
- Extruded products;
- Architectural systems: Aluminium systems for doors, windows, dynamic building facades, curtain wall systems, interior applications, corporate ID applications, sun shading systems, rolling shutters, ventilated facades systems and security systems;
- Industrial aluminium applications: Aluminium profiles and processed hard alloy bars for industrial use, general engineering applications, building applications, energy applications and transportation;
- Automotive applications: Extruded aluminium profiles and parts that have undergone special tooling and machining and are used in car chassis, suspension system and doors and decorative aluminium profiles for roof railings, aluminium composite panels for special automotive applications.

Production facilities

Viohalco’s aluminium companies operate the following state-of-the-art production facilities:

Plant	Production focus	Annual production capacity	Quality certifications
Elval rolling plant *(Oinofyta, Greece)*	• Aluminium segment’s main production facility • Flat rolled aluminium products for contemporary applications in packaging, building and construction, sea, road and rail transportation, automotive, industrial, energy, cookware and HVAC&R markets	360,000 tons	ISO 9001:2015, IATF 16949:2016, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018 Certified for design, production and sale of aluminium rolled /mill finish-painted products, manufacturing of aluminium rolled products for the automotive industry. Certified by all major classification societies as an approved manufacturer for shipbuilding products (ABS, BV, DNV.GL, KR, LRS, RINA and NK)
Anoxal *(Agios Thomas, Greece)*	• Recycling and casting aluminium • Manufacturing billets and slabs	49,500 tons	ISO 9001:2015 ISO 14001:2015 ISO 45001:2015
Vepal *(Thiva, Greece)*	• Aluminium products for the construction, food and automotive industries	45,000 tons	ISO 9001:2015 ISO 14001:2015 OSHAS 18001:2007
Elval Colour *(Aghios Thomas, Greece)*	• Extensive range of coated aluminium products and aluminium composite panels for the building envelope • A series of advanced performance products that are dedicated to the improvement of the environmental efficacy on buildings, increase in the durability of building facades and roofing, while resulting in the reduction of their impact on the environment		ISO 9001:2015 ISO 14001:2015 ISO 45001:2015 Product’s certifications from: BBA, DIBT, CSTB, ITB and TBWIC
Symetal aluminium foil rolling plant (Oinofyta - Viotia, Greece)	• Plain aluminium foil in a wide range of gauges and alloys for various usages such as flexible and pharmaceutical packaging, food	52,000 tons	ISO 9001:2015 IATF 16949:2016 ISO 14001:2015 ISO 50001:2018 ISO 45001:2018

	containers, household batteries and various technical applications (e.g. cable insulations and heat exchangers)		
Symetal aluminium foil converting plant (Mandra - Attica, Greece)	• Conversion of aluminium foil into a number of packaging applications, carrying out aluminium foil coated and/or laminated with paper for products used in food, pharmaceutical and cigarette industries	26,000 tons	ISO 9001:2015 ISO 14001:2015 ISO 50001:2011 ISO 45001:2018 ISO 15378:2017 ISO 22000:2018 FSSC 22000 (v.5) FDA/IMS Certificate FSC® Chain of Custody Registered under the European Commission eco-management and audit scheme (EMAS) for environmental management.
Viomal *(Nea Artaki - Evia, Greece)*	• Aluminium rolling shutters for windows and garage doors • Fly screen systems • Pleated net production	4,500 tons	
Bridgnorth Aluminium *(Bridgnorth, UK)*	• Lithographic aluminium coils • Semi-finished aluminium coils • Electrical aluminium strip for transformer windings	115,000 tons	ISO 9001:2015 ISO 14001:2015 OHSAS 18001:2007 ASI performance standard (v2 2017)
Etem – Gestamp Bulgaria *(Sofia, Bulgaria)*	• Manufactures profiles for industrial application in the transportation, automotive, shipbuilding, electronic and photovoltaic industries	27,000 tons	Accredited TIER 2 and TIER 1 automotive supplier Certified for the production of crash relevant aluminium profiles IATF 16949:2016 ISO 9001:2015 ISO 14001:2015 OHSAS 18001 :2007 QUALICOAT EN 15088 :2005
Etem *(Magoula- Attica, Greece)*	• Aluminium extrusion • Architectural systems • Industrial profiles	7,000 tons	ISO 9001:2015 OSHAS 18001:2007

Key financials

Amounts in EUR thousands	2020	2019
Revenue	**1,167,735**	**1,318,774**
Gross profit	**100,633**	**124,132**
Gross profit (%)	8.6%	9.4%
EBITDA	**90,020**	**109,073**
EBITDA (%)	7.7%	8.3%
a-EBITDA*	**95,113**	**104,623**
a- EBITDA (%)	8.1%	8.0%
EBIT	**36,044**	**59,444**
EBIT (%)	3.1%	4.5%
a-EBIT*	**41,137**	**54,994**
a-EBIT (%)	3.5%	4.2%
Profit before tax	**21,674**	**45,943**

-All percentages are vs Revenue

2020 Financial performance

During 2020, aluminium segment **revenue** declined by 11% to EUR 1,168 million, mainly as a result of lower LME (London Metal Exchange) prices (EUR 1,490 average LME cash price per ton in 2020 against EUR 1,600 in 2019) and lower sales volumes versus 2019. **Profit before income tax** amounted to EUR 22 million (2019: EUR 46 million).

Sales volumes at Elval (the aluminium rolling division of ElvalHalcor) decreased slightly versus 2019, due to the drop in volumes sold to the automotive and transportation sectors, both of which were negatively affected by the Covid-19 pandemic, and the downtrend in sales to the US, due to competition and the threat of tariff imposition. These declining sales volumes were mostly offset by increased demand in the packaging sector.

In March 2020, ElvalHalcor was involved in the US Trade Authorities' antidumping investigation against 18 countries, including Greece. On March 2, 2021, the Department of Commerce (DoC) announced its affirmative final determinations in the antidumping duty (AD) investigations, calculating a final dumping margin of 0% for imports from ElvalHalcor. Following issuance of the final determination by the DoC, the investigation concerning ElvalHalcor's imports has been terminated without any imposition of an antidumping duty and the US International Trade Commission (ITC) will not make an injury determination with respect to imports from Greece. This decision confirms ElvalHalcor's commitment to the principles of fair trade, and at the same time paves the way for further penetration in the US market.

Despite challenges throughout the year, Elval's investment programme progressed on schedule, experiencing only minor delays related to Covid-19 travel restrictions. The newly installed four-stand tandem hot rolling mill commenced operations before the end of 2020, and the EUR 100 million second phase of the programme has been initiated with the order of an advanced six-high cold rolling mill and a new fully automated lacquering line.

Symetal achieved a slight increase in sales volumes, despite the adverse effect of the Covid-19 pandemic on the global economy. The company adapted its product mix to align with market trends, focusing on pharmaceutical and lidding foil. Although sales volumes increased, performance was affected by strong competition, as Chinese foil producers entered the European market and as a result of the associated price pressures, profitability was suppressed. Symetal completed its investment in a new lacquer production plant in Mandra, which commenced operations in January 2021.

While challenging, 2020 was also a successful year for the automotive division of Etem Bulgaria. The first phase of its investment plan, the installation of a new 45MN extrusion line, was finalized during the year, increasing the plant's total extrusion capacity, and initial machinery for nominated projects with the companies BMW, JLR (Jaguar Land Rover) and Porsche was also installed. The Covid-19 pandemic adversely impacted financial performance, mainly in Q2. However, signs of recovery became evident during the summer, with solid demand and sales until the end of the year.

The relocation of the headquarters and production facilities of Etem's architectural division to Magoula, Greece was completed during 2020, as were investments in assets to improve production capacity, capabilities and operational efficiency. A new 7'' SMS press was successfully installed, increasing production capacity from 7,000 to 11,000 tons. At the end of the year, a refurbishment of the powder coating line to improve production integration was also carried out.

At Bridgnorth Aluminium, demand was severely affected by the Covid-19 pandemic and associated lockdowns in Q2 and Q3. However, order volumes recovered strongly in Q4, enabling the company to achieve positive profits before tax for the year.

Outlook

Elval's investment initiatives reflect the accelerating shift towards sustainable production and are a strategic response to global trends in demand for recyclable, low carbon aluminium for the packaging industry, lightweight materials for the transportation sector and durable, safe and environmentally friendly building and construction solutions. Rising demand for Elval's products, combined with enhanced production capabilities at the Oinofyta plant provide a strong foundation for the segment's future growth.

In 2021, Symetal will remain focused on capitalizing on the demand for lacquered products and flexible packaging foil and completing its investment in the new lacquering machine at the Mandra plant.

For Etem Bulgaria, the recovery trend is expected to continue in 2021, as new automotive projects in the pipeline commence. The second phase of the investment plan, during which equipment dedicated to the additional machining of products will be installed, has commenced according to schedule.

Etem's architectural division in Greece plans to continue launching new architectural products over the coming year, in line with its strategy to vertically capture consumer demand for energy efficient households and cost-efficient buildings. Etem will also continue optimizing and balancing its product mix between architectural use and industrial application profiles.

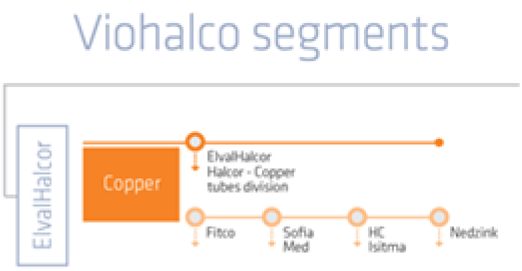
At Bridgnorth Aluminium, demand is expected to remain strong for the remainder of 2021. The UK-EU Trade and Cooperation Agreement allows the company to continue selling to its well-established EU customer base, without being subject to tariffs. The company also plans to continue to develop its product range to cater to new customers.

Further information on the companies are available on their corporate websites:
About Elval: www.elval.com
About Symetal: www.symetal.gr
About Bridgnorth Aluminium: www.bridgnorthaluminium.co.uk
About Elval Colour: www.elval-colour.com
About Etem (Greece): www.etem.gr
About Viomal: www.viomal.com

Copper

Activities

Viohalco manufactures a wide range of copper, brass and high-performance copper alloys products, as well as titanium zinc products, through its copper tubes division, Halcor, and its subsidiaries, Fitco S.A., Sofia Med S.A., Epirus Metalworks S.A., Cablel Wires, and the NedZink BV and HC Isitma joint ventures.



Halcor offers a diversified product range which consists of copper and brass tubes, extruded and rolled products. It continuously seeks to grow its network and market share, both in Europe and the rest of the world via its subsidiaries and commercial partners, and by entering new markets, investing in innovative sustainable technologies and delivering high added-value products and solutions.

The leading product categories of Halcor and the copper segment are:

- Copper tubes: Talos®, Talos® Ecutherm, Cusmart®, Talos® Plastic Coated, Talos® Gas, Talos® Med, Talos® ACR, Talos® ACR Inner Grooved, Talos® ACR Ecutherm™, Talos® ACR Ecutherm II, Talos® Geotherm, Talos® Ecutherm Solar, Talos® Solar Plus, Talos® ACR Linesets, Talos® Form, Talos® Sprinkler, Talos® XS, Talos® Plated, Talos® S80 and Talos® S60.
- Rolled products: strips (including hot dip tinned surface), foil, sheets, discs, circles and plates in copper, brass and special high-performance copper alloys.
- Extruded products: copper bus bars, rods, wires, profiles, fabricated parts with tin and silver surface coating (electroplating) options, brass copper alloy rods and tubes, sections and wires, and UR30 copper alloy wire and net cages for aquaculture and fish farming.
- Coin blanks: monochrome blanks, outer rings for bi-color blanks, inner blanks for bi-color blanks, electroplated bi-color blanks and assembled bi-color blanks in a wide range of colors and material combinations.
- Titanium Zinc products: coils and sheets
- Enamelled wires: round and rectangular copper wires, round aluminum wires, copper welding wires.

Production facilities

The copper segment's industrial base comprises the following manufacturing facilities:

Plant	Production focus	Annual production capacity	Quality certifications
Halcor foundry *(Oinofyta, Greece)*	• Semi-finished copper • Copper alloys • Brass products in billet and slab form	235,000 tons	ISO 9001:2015 ISO 14001:2015 ISO 45001:2018 ISO 50001:2018
Halcor copper tubes *(Oinofyta, Greece)*	Copper tubes • For building installations including plumbing, heating, floor heating and cooling, natural gas and interior gas	75,000 tons	ISO 9001:2015 ISO 14001:2015 ISO 45001:2018 ISO 50001:2018

	networks, HVAC&R, solar system application, industrial networks and fittings. • For HVAC&R applications including heating, ventilation, air-conditioning, refrigeration, heat exchangers, heat pump systems and fittings. • For renewable energy applications including solar panel applications, solar system networks, geothermal heating and cooling. • For industrial applications including heating, ventilation, air-conditioning, refrigeration, heat exchangers, electrical and mechanical engineering.		
Fitco extrusion for brass and copper alloy products *(Oinofyta, Greece)*	• Solid and hollow copper alloy rods and sections • Copper alloy wire and bars • Seamless and welded copper alloy tubes of different cross-sections • Copper alloy wire cage nets for farming aquaculture	40,000 tons	ISO 9001:2015 ISO 14001:2015 ISO 45001:2018 Products comply with several quality specifications (EN, DIN, BS, ASTM, JIS)
Sofia Med copper and copper alloys processing plant *(Sofia, Bulgaria)*	• Copper, brass, high performance rolled products • Copper bus bars • Rod profiles • Wires • Additional capabilities for tin and silver plating	140,000 tons	ISO 9001:2015 ISO 14001:2015 ISO 45001:2018 ISO 26000:2010 ISO 50001:2011 IATF 16949:2016
Cablel Wires enameled wires plant *(Livadia, Greece)*	• Copper and aluminium enameled wires (round and rectangular)	12,500 tons	ISO 9001 :2015 ISO 14001 :2015 ISO 45001:2018 IATF 16949:2016 ISO 50001:2018
Epirus Metalworks *(Epirus, Greece)*	• All types of coin blanks • Rings for bi-color coins	6,000 tons	ISO 9001:2015 ISO 14001:2015 ISO 50001:2011
HC Isitma *(Gebze, Turkey)*	• Ecutherm copper tubes • Corrugated A/C drain hoses	• 4,200,000 m. for copper tubes • 1,800,00 m. for hoses	
Nedzink *(Budel-Dorplein, the Netherlands)*	• Titanzinc coils, sheets, strips, gutters and other accessories for roofing	24,000 tons	NEN-EN-ISO 9001:2015

Key financials

Amounts in EUR thousands	2020	2019
Revenue	**1,066,014**	**1,036,972**
Gross profit	**73,958**	**68,052**
Gross profit (%)	6.9%	6.6%
EBITDA	**47,698**	**45,033**
EBITDA (%)	4.5%	4.3%
a-EBITDA*	**52,102**	**48,035**
a- EBITDA (%)	4.9%	4.4%
EBIT	**32,430**	**29,916**
EBIT (%)	3.0%	2.9%
a-EBIT*	**36,834**	**32,918**
a-EBIT (%)	3.5%	3.0%
Profit before tax	**16,017**	**12,123**

-All percentages are vs Revenue

2020 Financial performance

Copper segment volumes grew slightly during 2020, compared with 2019, despite the adverse effects of the Covid-19 pandemic on the market environment. **Revenue** stood at EUR 1,066 million versus EUR 1,037 million in the prior year, and was only slightly affected by the copper price, which broadly maintained its global market levels. **Profit before income tax** amounted to EUR 16 million (2019: EUR 12 million).

The year started with healthy demand across most markets, though this positive momentum began to reverse during February 2020, as the pandemic spread around the globe. As markets began to shut down, demand dropped significantly, and did not recover until Q3. Most of the segment's companies outperformed the market however, with no production or service stoppages, demonstrating a resilient response to the challenges presented by the pandemic. Despite the challenging operating environment, performance was strong in copper, copper alloy, flat-rolled products, copper bus-bars and copper tubes, while sales in extruded alloy products (rods and tubes) dropped, due to their considerable exposure to markets heavily impacted by the pandemic. Also, the addition of enamelled wires to the product offering, following the integration of Cablel Wires into the segment, increased volumes. Finally, to improve the versatility and flexibility of its offering, Sofia Med installed an additional cold mill during the year.

Outlook

Market conditions in 2021 are expected to improve, assuming the Covid-19 pandemic gradually recedes, as anticipated. The tubes mill is operating at near full capacity and as such, current efforts are focused on improving efficiency and increasing output. Production of copper and copper alloy rolled products is expected to rise, as the factors driving long-term demand remain strong.

Sofia Med is also well positioned to continue to gain share of connectors and other markets. Finally, continuous investment in higher value-added products is expected to lead to further product portfolio improvements and copper segment profitability.

Further information on the companies are available on their websites:
About Halcor: www.halcor.com
About Sofia Med: www.sofiamed.com
About Fitco: www.fitco.gr
About Cablel Wires: www.cablelwires.com

About Epirus Metalworks: www.epirusmetalworks.com
About Nedzink: www.nedzink.com

ElvalHalcor S.A.

Formed in December 2017 through the merger of Elval, a leading European aluminum rolling company, and Halcor, the largest copper tubes producer in Europe, ElvalHalcor Hellenic Copper and Aluminium industry S.A. ('ElvalHalcor') is a leading global industrial manufacturer of aluminium and copper products.

As a combined entity, ElvalHalcor leverages synergies in innovation, technology, R&D&I, procurement, marketing, infrastructure and sustainability to produce high-quality, value added solutions for customers globally. ElvalHalcor's success is driven by its customer-focused philosophy, commercial export efforts and continuous innovation achieved through ongoing investment in R&D&I.

The company has over 80 years of experience, a strong production base across 16 industrial units, a market presence in over 100 countries, and highly experienced specialist personnel.

ElvalHalcor is a key player in the non-ferrous metals industry. It effectively navigates the challenges of the evolving business environment, whilst generating value for its stakeholders through sustainable growth and development.

ElvalHalcor is active in a number of dynamic, growing markets, including:
- Packaging;
- Automotive;
- Road, sea and rail transportation;
- Heating, ventilation, air conditioning and refrigeration ('HVAC&R');
- Building and construction;
- Renewable energy;
- Energy and power networks;
- Electronics and electrical;
- Water supply;
- Industrial and engineering applications.

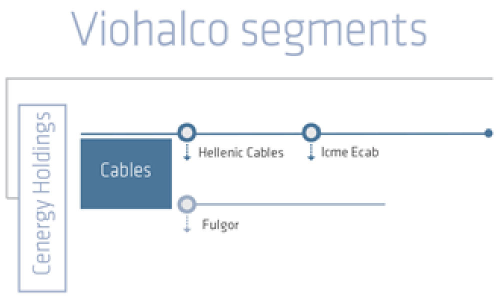
ElvalHalcor is listed on the Athens Stock Exchange (ELHA).

Further information on ElvalHalcor is available on the website: www.elvalhalcor.com

Cables

Activities

The cables segment of Viohalco comprises three companies: Hellenic Cables S.A. Hellenic Cables Industry ('Hellenic Cables') and its subsidiary Fulgor S.A. ('Fulgor'), which operate in Greece; and Icme Ecab S.A. ('Icme Ecab'), which operates in Romania (hereafter collectively referred to as 'Hellenic Cables companies').



Hellenic Cables companies are approved suppliers to some of the largest international electricity network operators and have one of the biggest and most advanced submarine cable plants in the world, located in Corinth, Greece. They offer 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.

Over the past decade, the Hellenic Cables companies, together, have constituted the largest producer of cables in Greece and Southeastern Europe. They have a strong international focus, exporting to more than 50 countries worldwide.

Their key product categories are as follows:

- Power cables: low, medium, high and extra high voltage submarine and land cables, umbilical cables, subsea flexible pipes, control cables, cables for industrial applications and external installations, fire-retardant, fire-resistant and halogen-free cables, marine cables, copper and aluminum conductors, ACSR and ACSS/TW conductors;
- Telecommunications cables: conventional telephone cables, telephone exchange and data transmission cables (LAN), fibre-optic (single- mode and multi-mode), submarine cables, and signaling cables;
- Plastic and rubber compounds: PVC-based plastic compounds, low smoke halogen free polyolefin-based plastic compounds and rubber compounds.

The Hellenic Cables companies have an established a Project Management Office ('PMO') and, where appropriate, use their own specialized assets, trained personnel, and experienced subcontractors to offer complete "turnkey" projects in Greece and internationally. The cable companies' capabilities include the following:

- System design and engineering;
- Cable route survey;
- Design and manufacture of suitable underground and submarine cable types;
- Loading and transportation of cables to the project site;
- Installation of cables (with the use of specialized cable laying vessels for submarine cables);

- Protection of cables along cable routes;
- Supply and installation of repair joints, transition joints and cable terminations;
- Supply and installation of terminal equipment;
- System testing and commissioning;
- Project management;
- Training of customer personnel in the system operations;
- Provision of maintenance and repair solutions.

Hellenic Cables and its subsidiary, Fulgor, were recently awarded several high-profile projects by major utilities companies across Europe. This is testament to the leading positions that the Hellenic Cables companies have established in both the submarine cable manufacturing sector and the wider global offshore energy industry.

Production facilities

The cables segment’s production base comprises six plants:

Plant	**Production focus**	**Annual production capacity**	**Quality certifications**
Hellenic Cables Power and Optical Fibres Cable plant *(Thiva, Greece)*	• LV power cables • MV power cables • HV power cables • EHV power cables up to 500 kV; • Fibre optic cables	60,000 tons	VDE (Germany) BASEC (UK) LCIE (France) IMQ (Italy) DNV (Norway) for ship cables CTL (USA) for wind turbine cables ISO 9001:2015 ISO 14001:2015 ISO 45001:2018 ISO 50001:2011 ISO 22301:2012 ISO 27001:2013 VCA/SCC Petrochemicals 2017/6.0 Safety Culture Ladder
Fulgor Submarine cable plant and port *(Corinth, Greece)*	• MV submarine power cables • HV submarine power cables • Fiber optic submarine cables • LV, MV & HV power cables • Copper and aluminium wire rods	• 450km of HV AC export submarine cables • 700km inter array submarine cables • 90,000 tons of 8mm diameter copper wire rod	ISO 9001:2015 ISO 14001:2015 ISO 45001:2018 ISO 50001:2011 ISO 22301:2012 ISO 27001:2013 VCA/SCC Petrochemicals Safety Culture Ladder

Icme Ecab power and telecom cables plant *(Bucharest, Romania)*	• Cables for indoor installations, energy, control, industrial and external applications, • LV and MV power cables • Fire-retardant, fire-resistant and halogen-free cables • Mine cables • Marine and special-requirement cables • Telecommunication cables (including signaling, remote control and data transmission) • Copper and aluminium conductors • Plastic and rubber compounds	50,000 tons	ISO 9001 :2015 ISO 14001 :2015 ISO 45001:2018
Hellenic Cables plastic and rubber compounds plant *(Oinofyta, Greece)*	• PVC and rubber compounds	24,000 tons	ISO 9001:2015 ISO 14001:2015 ISO 45001:2018 ISO 50001:2011 ISO 27001:2013
Lesco Ltd wooden packaging products plant *(Blagoevgrad, Bulgaria)*	• Wooden reels and pallets	16,500 tons	

Key financials

Amounts in EUR thousands	2020	2019
Revenue	**568,615**	**567,785**
Gross profit	**81,605**	**70,133**
Gross profit (%)	14.4%	12.4%
EBITDA	**71,881**	**63,641**
EBITDA (%)	12.6%	11.2%
a-EBITDA*	**81,331**	**66,816**
a- EBITDA (%)	14.3%	11.8%
EBIT	**56,764**	**47,152**
EBIT (%)	**10.**0%	8.3%
a-EBIT*	**66,214**	**50,326**
a-EBIT (%)	11.6%	8.9%
Profit before tax	**35,385**	**24,488**

-All percentages are vs Revenue

2020 Financial performance

The cables segment's performance in 2020 reflects robust growth in its projects' business. **Revenue** stood at EUR 569 million versus EUR 568 million in the prior year, while **profit before income tax** amounted to EUR 35 million (2019: EUR 24 million).

Hellenic Cables continued to tender for projects across different geographies and secured several awards for new projects and frame agreements, both in the offshore and onshore sector. Notably, in the offshore sector, the company was awarded the Dogger Bank offshore wind farm phases A & B in the UK for the supply of 650 km 66 kV inter-array cables, the largest-ever inter-array cables contract. Other major offshore project awards included the Seagreen offshore wind project in the UK, for the supply 66 kV inter-array cables and the supply of approximately 90 km of 11 kV and 33 kV composite submarine cables and associated accessories to Scottish & Southern Electricity Networks. A number of projects were successfully delivered in full or partially during the year. Timely delivery of these complex projects was achieved as a result of Hellenic Cables' strict adherence to internal safety protocols and procedures, and continuous coordination with clients and supply chain partners.

The products' business units recorded steady sales volumes in line with 2019 level, as the sales mix shifted towards higher value-added products. Lower demand from the telecoms sector was counterbalanced by robust demand for medium voltage cables in Central Europe and recovery in the low voltage market from Q3 onwards.

Investments in the cables segment amounted to EUR 49.4 million in 2020, largely attributable to the inter-array investment programme in the Hellenic Cables' submarine plant. This expenditure was financed mainly by inflows from operations.

Outlook

Given the significant pipeline of new projects, the potential for expansion into new markets, the secured orders and the growth potential of the offshore cables sector, the overall outlook for the cables segment remains positive for 2021.

Hellenic Cables is well positioned to benefit from the structural trend towards decarbonization of the economy, through its established market position and global footprint, as renewable energy displaces traditional hydrocarbon-based energy in the global energy mix. In the wake of the Covid-19 pandemic, as the energy transition and electrification take centre stage in energy policy agendas in its main markets, Europe and North America, with ambitious, targets, Hellenic Cables stands ready to capitalize on its recent investments for capacity increase and extensive tendering activity in the offshore segment globally. Finally, on the onshore business, Hellenic Cables anticipates that the shift toward grid modernization and undergrounding will unlock significant investments in a segment, where the company is also very well positioned.

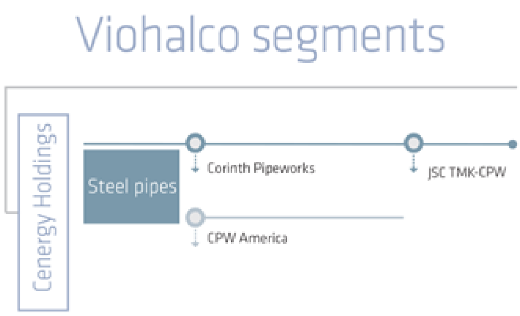
Further information on Hellenic Cables is available on the website: www.hellenic-cables.com

Steel Pipes

Activities

Corinth Pipeworks Pipe Industry S.A. (‘Corinth Pipeworks’) is a global supplier of high-quality steel pipes and hollow sections for the energy and construction markets.

It is a subsidiary of Cenergy Holdings, which was formed through the cross-border merger of Corinth Pipeworks Holdings S.A. and Hellenic Cables S.A Holdings Société Anonyme. With a manufacturing plant in Greece and extensive expertise in delivering complex projects on a global scale, Corinth Pipeworks is the supplier of choice for oil, gas and international construction companies.



Corinth Pipeworks’ three main product categories are:

- Line pipes - manufactured at either the high frequency induction welding unit (‘HFW’), the helically submerged arc welding unit (‘HSAW’), or the longitudinal submerged arc welding unit (‘LSAW/JCOE’);
- Casing pipes - used in oil and gas extraction drills;
- Hollow structural sections - used in the construction sector.

Services:

- Internal and external coating of pipes produced by other pipe manufacturers;
- Accredited laboratory for raw material and pipe testing, in accordance with ISO 17025:2006;
- In-house corrosion testing laboratory for sour service applications;
- Weld on connector facilities for casing pipes;
- Pipe storage;
- Supply of pipes or assignment of pipe coating to third party authorised subcontractors in the context of major project implementation;
- Pipe transportation.

The Corinth Pipeworks plant has dedicated port facilities at Thisvi Port, just 1.5 km away, enabling the company to reduce raw material transportation costs, offer more competitive product pricing and facilitate faster delivery. The port includes cranes, forklifts and other machinery, in line with the provisions of the International Ship and Port Facility Security Code.

Production facilities

The steel pipes segment operates two production plants:

Plant	Production focus	Annual production capacity	Quality certifications
Corinth Pipeworks plant and port *(Thisvi, Greece)*	• Welded pipes for oil and gas transportation • Hollow structural sections for the construction industry • Concrete weight coating (enabling the supply of a complete offshore pipeline package in one location)	925,000 tons	ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 ISO 50001:2018 API Q1 API-5CT-0509 API-5L-0396 CPW ISO 3834-2 DNV AD 2000-Merkblatt W0 & HP0 (WZ 2537 HH 1) DNV PED 2014-68-EC (DZ 134 HH 1) DNVGL EN 10219-1 REV.5 ISO 17025:2012 ZETOM CERTIFICATE
JSC TMK-CPW *(Polevskoy, Russia)*	• High frequency welded pipes • Hollow structural sections	200,000 tons	Compliant with all international standards

Key financials

Amounts in EUR thousands	2020	2019
Revenue	**304,824**	**376,084**
Gross profit	**24,675**	**32,532**
Gross profit (%)	8.1%	8.7%
EBITDA	**21,086**	**25,541**
EBITDA (%)	6.9%	6.8%
a-EBITDA*	**22,000**	**25,557**
a- EBITDA (%)	7.2%	7.2%
EBIT	**12,231**	**15,113**
EBIT (%)	4.0%	4.0%
a-EBIT*	**13,145**	**15,129**
a-EBIT (%)	4.3%	4.4%
Profit before tax	**1,555**	**4,262**

-All percentages are vs Revenue

2020 Financial performance

2020 was a challenging year for the steel pipes segment. Energy markets were significantly affected by the unprecedented decline in oil and gas prices during the year, which was largely driven by aggressive price competition among major suppliers and led to the postponement or cancellation of several fossil-fuel distribution projects. Energy demand was further impacted by the emergence of the Covid-19 pandemic and prolonged lockdown measures introduced around the globe. **Revenue** stood at EUR 305 million versus EUR 376 million in the prior year, while **profit before income tax** amounted to EUR 1.5 million (2019: EUR 4.3 million).

During this turbulent period, Corinth Pipeworks performed resiliently, as a result of:

- Action to safeguard the safety of its employees, securing uninterrupted production for all its current projects;
- Efforts to strengthen its presence in new markets in Europe, the Americas, North Africa and Asia, and winning new projects (e.g. Baltic Pipe Lot3 in Denmark, Anglo American slurry pipeline in Chile, etc.); and,
- Strict working capital management, which secured liquidity and allowed its operating activities to finance investments that took place during 2020.

Finally, over the course of the year the Company successfully continued its rigorous programme of major oil and gas company qualifications and innovative programs to enhance competitiveness, including “Manufacturing Excellence” and the road to digitalization of its processes.

Outlook

Looking ahead, the global economic environment in which Corinth Pipeworks operates remains volatile. However, as the pandemic recedes and energy demand is expected to rebound, Corinth Pipeworks remains focused on main energy transition energy pillars, like gas fuels pipeline projects which were put on hold, due to the pandemic.

Also, positive effect is expected from the global reorganization of the steel pipe industry which favors high quality, flexible and cost competitive global pipe producers for demanding applications, exactly the positioning of Corinth Pipeworks.

Looking into the future, we invest strongly in research and development for the safe transportation of hydrogen and the certification of existing and new infrastructure as well as CCS technologies. Enhancement of business diversification is also being driven by penetration in new geographical and product markets for current product portfolio, as well as evaluation of potential opportunities in the offshore wind sector. All the above and the positive outcome of continual efforts towards improvement of competitiveness, build a positive 2021 outlook for the company.

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

Cenergy Holdings S.A.

Cenergy Holdings S.A. ('Cenergy Holdings') is a Belgium-based holding company which invests in industrial companies at the forefront of high growth sectors, such as energy transfer, renewables and data transmission.

Cenergy Holdings' portfolio comprises two business segments:

- Hellenic Cables, its subsidiaries and Icme Ecab constitute the Hellenic Cables companies, which combined, make up one of the largest cable producers in Europe. Hellenic Cables companies manufacture mainly power, telecommunication and submarine cables.
- Corinth Pipeworks, is amongst the world leading manufacturers of steel pipes and hollow sections to the energy and construction industries.

Both entities have state-of-the-art production facilities and offer a diverse range of products to a variety of markets.

The companies in Cenergy Holdings' portfolio:

- have a long history of implementing large-scale projects in more than 70 countries;
- have served major customers worldwide for almost 70 years;
- operate seven production units and four supporting facilities in four countries; and
- provide value added products for niche markets.

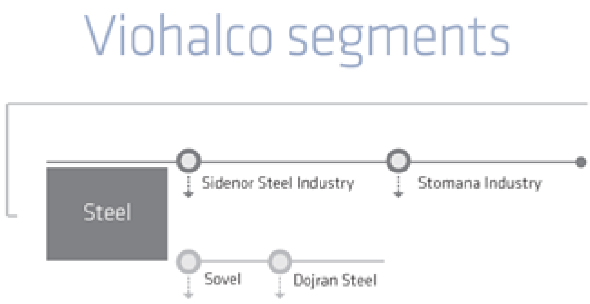
Cenergy Holdings is listed on the Euronext Brussels Exchange and the Athens Stock Exchange (CENER).

Further information on Cenergy Holdings is available on its corporate website: www.cenergyholdings.com

Steel

Activities

Sidenor Steel Industry S.A. ('Sidenor Steel Industry'), Stomana Industry S.A. ('Stomana Industry') and their subsidiaries are leading producers of steel products in Southeastern Europe. The companies have more than 55 years of manufacturing experience and expertise in steel production and distribution, and an extensive product portfolio which includes long, flat and downstream steel products.



The steel segment companies offer a broad range of value-added products and solutions for building and construction (including buildings, roadworks, metro stations, bridges, shopping malls and hydroelectric dam projects), mechanical engineering, shipbuilding, road and rail, the automotive industry, and mining and tunneling applications.

The product family is structured as follows:

- SD integrated reinforcing system: SD concrete reinforcing steel, SD stirrup reinforcing mesh, Sidefit special mesh, SD wire mesh, Sidefor and Sidefor Plus prefabricated stirrup cages, Inomix steel fibres and lattice girders;
- Wire rods for cold drawing & mesh applications;
- Special bar quality steels (SBQ);
- Steel plates;
- Merchant bars: hot-rolled square bars, hot-rolled flat bars, hot-rolled round bars, hot-rolled equal angle bars and UPN channels;
- Grinding balls;
- THN Mining profiles;
- Boron flats: hot-rolled boron flats;
- Welding products and electrodes (manufactured by Erlikon Wire Processing S.A.);
- Wire products (manufactured by Erlikon Wire Processing S.A.);
- Flat wire for electric cables reinforcement;
- Tubular products: tubes of pre-galvanized steel and cold and hot rolled steel in round, square and rectangular profiles.

In order to achieve the optimum balance between operational and commercial flexibility and productivity, the steel segment has adopted the following operational structure:

- Mini-mills;
- Downstream operations for steel product processing;
- Sales and distribution.

Production facilities

Steel segment operates six steel manufacturing facilities:

Plant	Production focus	Annual production capacity	Quality certifications
Sidenor Steel Industry *(Thessaloniki, Greece)*	• Billets • SD concrete reinforcing steel (in bars and coils) • Merchant bars • Wire rod products	Meltshop: 800,000 tons Long products rolling mill: 800,000 tons	ISO 9001:2015 ISO 14001:2015 ISO 45001:2018 ISO 50001:2018 SustSteel Products certified according to EN, DIN, ELOT, SR, SRPS, BDS standards
Sovel plant and privately owned port facilities *(Almyros, Greece)*	• Billets • SD concrete reinforcing steel • SD spooled coils • SD wire mesh • SD stirrup reinforcing mesh • Sidefit special mesh • Sidefor and Sidefor Plus prefabricated stirrup cages	Meltshop: 1,350,000 tons Long products rolling mill: 1,200,000 tons	ISO 9001:2015 ISO 14001:2015 OHSAS 18001:2007 ISO 50001:2011 SustSteel Products certified according to EN, BS, DIN, ELOT, SR, SRPS, BDS, HRN standards
Stomana Industry *(Pernik, Bulgaria) & the Port Svishtov West (Bulgaria)*	• SD concrete reinforcing steel • Steel quarto plates • Special Bar Quality steels (SBQ) • Merchant bars • Steel balls • Special profiles • Beams • Continuously cast semi-products (billets, blooms and slabs)	Meltshop: 1,400,000 tons Long products rolling mill: 1,200,000 tons Plate products rolling mill: 400,000 tons.	ISO 9001:2015 ISO 14001:2015 OHSAS 18001:2007 SustSteel Products meet requirements of EN, DIN, ASTM, JIS, BS, Lloyd's Register and Germanischer Lloyd
Erlikon (Thessaloniki, Greece)	• Welding electrodes	Electrodes: 4,000 tons	ISO 9001:2015
	• Copper-plated wires (In D.S. also)	Copper-plated wires: 3,000 tons	ISO 45001:2018
	• Galvanized wires	Galvanized wires: 32,000 tons	Products meets the requirements of BS, EN, DIN, ASTM, AWS, DIN, LRS, GL, ABS
	• Galvanized steel wire armor for submarine power cables (round and flat)		
	• Galvanized mesh in rolls and sheets (D.S.)		
	• Galvanized concrete reinforcing mesh for offshore fuel pipes (D.S.)		

	• Black hard and annealed wires	Drawning machines: 40.000 tons	
	• Concrete reinforcing steel fibres	Steel Fibres: 1.300 tons	
Dojran Steel *(Nikolic, North Macedonia)*	• SD concrete reinforcing steel • Merchant bars • Wire mesh • Double-twist hexagonal mesh (serasanetti)	Long products rolling mill: 200,000 tons Wire mesh production: 20,000 tons Lattice girders: 10,000 tons	ISO 9001:2015 ISO 14001: 2015 OHSAS 18001:2007 ISO 50001:2011 Products certified according to EN, DIN, SRPS, BDS standards
Domoplex Ltd *(Limassol, Cyprus)*	• All types of mesh made of welded wires or straight steel reinforcement bars	12,000 tons	ISO 9001:2015 The facility also maintains its own quality control laboratory on site

Key financials

Amounts in EUR thousands	2020	2019
Revenue	**677,939**	**815,568**
Gross profit	**46,136**	**30,386**
Gross profit (%)	6.8%	3.7%
EBITDA	**30,112**	**26,428**
EBITDA (%)	4.4%	3.2%
a-EBITDA*	**33,799**	**53,571**
a- EBITDA (%)	5.0%	6.5%
EBIT	**1,021**	**-13,057**
EBIT (%)	0.2%	-1.6%
a-EBIT*	**4,708**	**14,086**
a-EBIT (%)	0.7%	1.7%
Loss before tax	**-24,580**	**-41,993**

-All percentages are vs Revenue

2020 Financial performance

Revenue for the steel segment amounted to EUR 678 million in 2020. **Loss before income tax** amounted to EUR 24.6 million, compared to a loss of EUR 42.0 million in 2019.

Market stagnation caused by the Covid-19 pandemic and associated lockdowns negatively impacted the segment's operations and performance. During the year, both construction and industrial production contracted significantly, and steel prices declined internationally. Steel segment performance was therefore negative during the first half of the year, but became positive during the second half as signs of recovery became evident.

At the beginning of the pandemic, the steel segment swiftly implemented measures to help prevent the spread of Covid-19, securing a flexible and safe working environment for employees. Additionally, a cost reduction programme was implemented in all plants to match production with reduced demand.

After almost twelve years of depression in Greece's construction industry, signs of a slow recovery emerged during the year, despite the Covid-19 crisis. Previously announced medium and large-scale projects which were delayed, due to the pandemic, are expected to resume imminently. The segment maintained its dominant market position in the Balkan area and maintained its strong share in Greece's construction market.

Demand in the plates' market began to decline in April 2020, mainly as a result of end-users and production activity adjusting to new levels of demand, though initial signs of recovery had become apparent by September. In the special bar quality steels (SBQs) market, there was decline in demand from end-users in the mechanical engineering and automotive industry, though signs of a gradual recovery were evident by the end of October.

At Sidenor, an optimization project aimed at improving the cost and quality of wire rod products, through process refinements commenced in 2020 and will continue in 2021. At the Stomana Industry plant, the installation of main and ferroalloys filters at the meltshop was completed, and an upgrade of the long products' rolling mill, which will facilitate the production of larger SBQs up to 130mm and drive quality improvements, has been initiated.

Outlook

In 2021, the steel segment companies will continue their efforts to effectively adapt to the ongoing volatile environment, further enhancing cost competitiveness and operational efficiency.

The steel segment companies remain focused to maintain the market shares in the construction sector in reinforcing steel, mainly in Greece and Bulgaria, but also in all Balkan countries and Cyprus. The steelmaking process of the plants is based on raw materials comprising of 98% of recycled metal, therefore ensuring a low carbon, circular production model in line with the goals of the European Green Deal and the construction industry that will aim for more sustainable "Green Buildings".

The target in 2021 will be to further increase the quantities of wire rod sales in Balkan and European markets, to stabilize the sales of quarto plates and special bar quality steels at higher than 2020 levels in all markets and to increase the international sales of grinding balls.

Stomana Industry is among the few steel mills producing 100% of the hot rolled plates exclusively by recycled ferrous scrap providing solutions that reduce the environmental footprint and promotes the circular economy. Customers in Western and Central Europe inquire more flat products from recycling and this trend is expected to increase in the near future.

Further information on the steel segment is available on the Sidenor Steel Industry website: www.sidenor.gr

Real estate

Activities

Viohalco derives value from the real estate assets of its subsidiaries by developing and managing large-scale commercial and industrial properties.

The segment is made up of Noval Property, a Real Estate Investment Company (R.E.I.C.) active in real estate development and investment, and Steelmet Property Services S.A., which provides a wide range of centralized real estate, property and facility management services.

Noval Property owns a diversified and mature portfolio of real estate assets, including office buildings, hospitality properties, shopping centres, retail parks, and industrial complexes. With a highly marketable modern real estate portfolio, with significant geographical distribution, Noval Property is currently the 2nd largest R.E.I.C. in Greece in terms of portfolio value (c. EUR 365 million).

Underpinned by its strong capital structure, Noval Property is currently implementing a strategic investment growth plan aimed at enhancing and enriching its balanced real estate portfolio. Investment opportunities are mainly located in Greece and in selected Southeastern European countries.

Properties

At the end of 2020, Noval Property's portfolio comprised 42 properties. The main income generating properties within Noval Property's portfolio are the following:

1	Office	The Orbit office complex	115 Kifissias Avenue, Athens, Greece
2	Retail	River West shopping centre	96-98-100 Kifissou Avenue, Egaleo, Athens, Greece
3	Retail	IKEA megastore	96-98-100 Kifissou Avenue, Egaleo, Athens, Greece
4	Hospitality	Wyndham Grand Athens Hotel	Karaiskaki Square, Athens, Greece
5	Retail	Mare West retail park	Corinth, Greece
6	Retail	River West Open	1-3-5 Proodou Street, Egaleo, Athens, Greece
7	Office	16 Himaras Street office building	Maroussi, Athens, Greece
8	Office	33 Amarousiou Chalandriou Street office building	Maroussi, Athens, Greece
9	Office	57 Ethinikis Antistaseos Street office buildings	Chalandri, Athens, Greece
10	Office	The Butterfly office building	26A Apostolopoulou Street, Chalandri, Athens, Greece
11	Logistics	Iroon Politechneiou Street	Magoula, Greece

12	Office	53 Nicola Vaptsarov Boulevard office building	Sofia, Bulgaria

Key financials

Amounts in EUR thousands	**2020**	**2019**
Revenue	**10,041**	**11,197**
Gross profit	**2,458**	**3,325**
Gross profit (%)	24.5%	29.7%
EBITDA	**20,386**	**7,771**
EBITDA (%)	203.0%	69.4%
a-EBITDA*	**6,488**	**8,259**
a- EBITDA (%)	64.6%	73.8%
EBIT	**14,440**	**932**
EBIT (%)	143.8%	8.3%
a-EBIT*	**542**	**1,420**
a-EBIT (%)	5.4%	12.7%
Profit/Loss (-) before tax	**10,488**	**-2,022**

-All percentages are vs Revenue

2020 Financial performance

Revenue for the real estate segment amounted to EUR 10 million in 2020, and **profit before income tax** amounted to EUR 10 million, compared with a loss of EUR 2 million in 2019.

Noval Property recorded a 22% increase in the fair value of its real estate portfolio from EUR 298.5 million (as at 31st December 2019) to EUR 364.6 million (as at 31st December 2020). This was achieved as a result of corporate transformation involving the absorption of real estate assets and active asset management.

2020 was a challenging year for real estate in Greece and globally. Due to the Covid-19 pandemic and associated restrictions on movement, the Greek government introduced, among other measures, a 40% compulsory reduction in rent for commercial properties in several sectors (such as retail, hospitality, food and beverage, gyms etc.) for the majority of the March to December period. The combination of these government measures and the ongoing economic recession significantly affected the income of real estate companies, including Noval Property. However, effective and active asset management ensured no significant rent or service charge arrears and satisfactory liquidity, which enabled Noval Property to continue its development programme during the period.

"The Orbit" office complex in Athens (GBA: 39,650 sq.m) commenced commercial operations in 2020 and is already almost fully tenanted. It is the 1st LEED PLATINUM project in Greece using LEED v4. Construction works on the expansion (GBA: c. 25,000 sq.m) of the "River West" shopping centre progressed well during the year and completion of construction and commencement of commercial operations of the expansion is expected in H2 2021.

Outlook

Looking ahead into 2021 and beyond, Noval Property is targeting the acquisition of third-party properties (e.g. in Q1 2021 a joint venture between Noval Property and a real estate fund was the preferred bidder for the acquisition of a prime plot of land in Athens, where an upmarket and environmentally friendly office park will be developed), and further development of its captive pipeline. It will also continue the active asset management of its portfolio. Its focus will be on prime office buildings with LEED and WELL design / certification, the conversion of former industrial assets into logistics and data centres, resort hotels with residential component, and mixed-use urban regeneration projects, particularly in Athens.

Further information is available on the Noval Property website: www.noval-property.com

R&D&I and Technology

Activities

Viohalco's dedicated research, development and innovation ('R&D&I') companies and in-house production plant R&D departments focus on:

- developing new and high value added products;
- providing efficient solutions to optimize business and industrial processes;
- improving the efficiency and environmental performance of plants;
- developing innovative applications for industry, energy and environment (including pioneering solutions in the fields of ERP, CRM, BI, traceability and others).

The segment's activities are supported by three companies:

1) Elkeme Hellenic Research Centre for Metals S.A. ('Elkeme'): focuses on applied industrial research and the technological development and analysis of the four major metals sectors (aluminium, copper, steel and zinc). Elkeme provides R&D&I services and technical solutions for new products, and also optimizes existing products and business and plant production processes. Elkeme is certified according to ISO 9001:2015 and operates an ISO 17025:2017 accredited analytical chemistry laboratory.

2) Teka Systems S.A. ('Teka Systems'): delivers engineering and construction projects for the steel, aluminium, copper, power and telecommunication cables industries, commissions industrial equipment, drives process automation through technologies in integrated projects, and implements IT projects in ERP, CRM, BI and analytics, among others.

3) Praksys S.A. ('Praksys'): develops, markets and oversees the implementation of new technologies in structural and concrete reinforcing steel. It has developed Synthesis™, a unique system for the industrial-scale prefabrication of reinforcing steel. Praksys has also developed a complete software package to accompany the technology, including components, such as product design, machine operation control, e-ordering, production planning and logistics.

The R&D&I work of the Viohalco companies' technology departments is as follows:

- Elval Technology Centre: develops customized alloys, highly resistant special products with non-skid properties, extra flat sheets with top-quality lacquer-coatings, products made of 100% recycled aluminium and deep drawing and extrusion products.
- Symetal's Technology Department: develops technologies that introduce and ensure innovative surface design and enhanced mechanical characteristics. These technologies allow high aluminium foil affinity control for laminates and coatings, as well as flawless forming. Symetal also focuses on the development of battery foil, which is used in the automotive rechargeable batteries industry. Symetal Battery Foil (SBF) resides at the core of Li-ion batteries, as one of its core electrodes. The technical and quality requirements for such a product are extremely high. At the same time, the reduction of rolled aluminium thickness to as low as 11mm, allows next generation batteries to achieve a significant increase in the amount of energy stored. SBF special alloying and innovative production

process is the result of extensive testing with established European rechargeable battery cells manufacturers.

- Halcor Tube Heat Transfer laboratory: is located within Halcor's Oinofyta plant, where TALOS Ⓡ Inner-Groove Tubes (IGT) and TALOSⓇ ACR tubes are manufactured according to international standards and customer specifications. IGT seamless copper tubes feature internal grooves which significantly enhance the amount of heat transfer. Typical applications of IGT copper tubes include fin-and-tube condensers and evaporator coils for air-conditioning, refrigeration, chiller, and heat-pump applications. Halcor's production technology for TALOSⓇ IGT copper tubes enables the manufacture of advanced inner-groove designs in a complete range of sizes, from a 16mm outside diameter down to the latest microgroove™ tubes with an outside diameter of 5mm or less. The laboratory is one of the few manufacturers in the world able to do this. The Tube Heat Transfer Laboratory offers Halcor's clients the opportunity to establish a mutually beneficial relationship within an integrated support and product development framework.
- Sofia Med Technology Department: increases surface quality by adding two surface inspection systems in production lines. It uses state-of-the-art equipment, controlling all tinned material produced on the HDT line for automotive use, while the department also supports sales by widening the range of products in extrusion with more products in the coil shape.
- Hellenic Cables Companies: a team of highly skilled R&D engineers utilizing advanced software tools and modern testing facilities, pursue core product development research, innovation, the redesign/optimization of existing products and technical support across three business units, two in Greece and one in Romania. These efforts support the companies' wider strategy towards the production of more green products with lower environmental impact.

During 2020, the R&D team delivered several new products related to awarded commercial projects of ca. EUR 280 million gross revenues, including framework contracts. The successful completion of the qualification plan for the longest ca.136 km subsea 150kV High Voltage Alternative Current (HVAC) cable, designed for the Crete – Peloponnese subsea interconnection in Greece and depths of around 1,100m was a great achievement. At the same time designs proposed for several projects were accepted and the respective projects awarded to Hellenic Cables.

Hellenic Cables is advancing fast in the development of High Voltage Direct Current (HVDC) technology as it remains one of the core strategic choices of further growth. The qualification plan is on track, while the new facility for in-house manufacturing and testing of AC and DC accessories completed in 2019 is now fully operational. At the same time, the R&D compounding department accelerated its efforts towards a "greener" economy by increasing the usage ratio of recycled materials. The process of collecting and processing business units' waste into raw materials was challenging, but allowed Hellenic Cables to demonstrate its commitment to the "circular economy" and CO_2 emissions control. As several compounds were invented in house, the technological knowhow of Hellenic Cables increased, making products competitive in cost and quality.

- Etem Centre: develops, simulates and homologates heat treatable aluminium alloys and relative customized extrusion and heat treatment processes, press lines and tooling to be applied to automotive end use parts. Together with Global Automotive OEM and Tier1 it co-develops and homologates tailored product solutions for specific performance requirements (namely crash behaviour, weight reduction, formability, corrosion resistance, post joining process requirements). The Centre also designs, develops, simulates and homologates product-specific processes, customized machinery, tooling and quality controls both in process and in the laboratories, to meet specific quality, safety, volumes and cost requirements. Through R&D efforts and collaborations, Etem has become a Tier 2 and Tier 1 supplier to the automotive industry, certified to produce aluminium profiles and parts for crash relevant systems.
- Sidenor Steel Industry Centre: in addition to the development of Synthesis™, a unique system for the industrial-scale prefabrication of reinforcing steel, Sidenor supports innovation and research through considerable investment in hi-tech machinery and, as a result, has developed and implemented

significant new production solutions. These include induction reheating furnaces which replace gas-fired furnaces, leading to significantly reduced carbon emissions, natural gas conservation and energy demand reduction.

- Corinth Pipeworks R&D Centre: optimises a large array of pipe manufacturing and coating processes by (a) continuous internal trial productions and (b) modelling of specific processes, aiming to develop products for extreme applications (e.g. sour service, offshore, high strain applications such as reeling); improves working range to achieve enhanced product uniformity and broaden each mill's production range; develops advanced destructive, corrosive and non-destructive specialised testing techniques providing state-of-the-art solutions.

2020 Financial performance

R&D&I expenditure (both expensed and capitalized) in 2020 amounted to EUR 18.6 million. The reported amount is based mainly on the provisions of the Frascati manual (OECD standard of conduct for R&D surveys and data collection) and on the relevant International Financial Reporting Standards.

Further information on the companies are available on their websites:
About Elkeme: www.elkeme.gr
About Teka Systems: www.tekasystems.gr

Other activities

Other activities mainly encompass expenses incurred by the parent (holding) company, along with the results of companies which operate in the Technology and R&D&I segment, ceramic trade activities (Vitruvit) and resource recovery segment. Loss before income tax amounted to EUR 1.1 million (2019: EUR 11 million). The resource recovery segment is no longer a reportable segment when considering both qualitative and quantitative criteria. Thus, it is reported within the other activities segment and for comparability purposes the corresponding items of segment information for the prior period have been represented.

Key financials

Amounts in EUR thousands	**2020**	**2019**
Revenue	**54,909**	**71,813**
Gross profit	**19,803**	**19,206**
Gross profit (%)	36.1%	26.7%
EBITDA	**4,347**	**-4,112**
EBITDA (%)	7.9%	-5.7%
a-EBITDA*	**3,820**	**-4,045**
a- EBITDA (%)	7.0%	-5.6%
EBIT	**579**	**-8,718**
EBIT (%)	1.1%	-12.1%
a-EBIT*	**53**	**-8,651**
a-EBIT (%)	0.1%	-12.0%
Loss before tax	**-1,075**	**-10,878**

-All percentages are vs Revenue

F. Subsequent events

1. On 05.01.2021, the Board of Directors of ElvalHalcor granted a special permission for the conclusion of a transaction with a related party, the non- listed company under the trade name "ETEM COMMERCIAL AND INDUSTRIAL OF LIGHT METALS SOCIETE ANONYME" (hereinafter referred to as " Etem Commercial S.A."), pursuant to articles 99-101 of the Law 4548/2018, as now in force, and the ten (10) day time limit for the submission of a request for calling a General Meeting to decide on the special permission allowing “ElvalHalcor S.A.” to fully cover the share capital increase of " Etem Commercial S.A." of a total amount of EUR 24,316,420.00, aiming at the raising of funds by “Etem Commercial S.A.” of EUR 22,800,000.00, in cash, and of EUR 1,516,420.00 in contribution in kind (machinery) and the issue of 70,000 new common, registered, voting shares of a nominal value of EUR 4.00 each, and issue price of EUR 347.38 each, as resolved by the Extraordinary Meeting of “Etem Commercial S.A.”, dated 22.12.2020, expired on the 7th of February, 2021.

2. On 10.02.2021, the share capital increase of EUR 18.8 million of Viohalco Subsidiary Etem BG S.A. was completed, that was entirely covered by Viohalco subsidiary Etem Commercial S.A., following the decision of Etem BG. S.A. General meeting on 31.12.2020. After the transaction the percentage of participation of Etem Commercial to Etem BG S.A. was formed at 92%.

3. On 02.03.2021, the US Department of Commerce issued its final determinations in the antidumping duty investigation concerning imports of common alloy aluminium sheet from 18 countries, including Greece. The Department of Commerce calculated a final dumping margin of 0%, for imports from ElvalHalcor, subsidiary of Viohalco. Following issuance of the final determination by the DoC, the investigation concerning ElvalHalcor’s imports is terminated without imposition of an antidumping duty and the US International Trade Commission (ITC) will not make an injury determination with respect to imports from Greece.

4. On 18.03.2021, Viohalco S.A. Board of Directors decided to propose to the Ordinary General Shareholders’ meeting to be held on 25.05.2021, the approval of a gross dividend of EUR 0.02 per share.

There are no other subsequent events affecting the consolidated financial statements.

G. Risks and Uncertainties

Viohalco's Board of Directors is responsible for assessing the risk profile of the Company's subsidiaries. Since Viohalco is a holding company and does not have itself any production operations, customers, suppliers, or personnel (besides employees for administrative tasks), the risks affecting it are attributed to its subsidiaries and their operations, suppliers, clients and personnel. Each of Viohalco companies is therefore responsible for the identification, measurement, analysis, response (mitigation), control and monitoring of its own risks.

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

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

The ERM process in Viohalco companies comprises the following steps:

a) Identify key risks and measure / analyse their potential impact and likelihood. This is done at company level as all financial, operational, compliance and strategic risks are associated with each company's operation.
b) Manage (i.e., respond to) those risks by considering existing controls as well as selecting, prioritising and implementing appropriate actions. This step is also done at company level, following the general principles outlined in the ERM framework.
c) Control and monitor internal and external environment for potential changes to risks, ensuring risk responses continue to be effective. Each company monitors its risks and risk responses, using the common ERM guidelines but separate procedures, systems and mechanisms put in place by each company's management.

A consolidated review of all the subsidiaries' financial performance including potential risks takes place at Viohalco executive management level by the internal Audit department, the outcome of which is presented to the Audit Committee and the Board of Directors. The Audit Committee monitors the effectiveness of the subsidiaries internal control and looks into specific aspects of internal control and risk management on an on-going basis.

Key risks

Risks are classified into two major families, **Financial** and **Business** Risks. The former includes different types of market risk affecting the activity of each subsidiary (mainly, exchange rate, interest rate and commodities risk) as well as credit risk, counterparty risk and liquidity risk. The **Business** Risks family, broadly defined as all risks that are not balance-sheet related, is broken down into further sub-categories, to help better understand and react to the different risk events:

A. ***Operational and technology risks*** defined as the risk of loss resulting from inadequate or failed processes, people and systems or from external events. Operations risks comprise all risks associated with the day-to-day operations such as Health & Safety, environmental issues, legal risk (as it refers to processes) but not strategic or reputational risks.

B. ***Compliance and Reputational risks*** include possible negative impacts (economic – fines, penalties, etc. and other – exclusion from markets, etc.) from noncompliance with existing regulations and standards. Potential impacts to the subsidiary's brand image and business[1] reputation, as well as accounting risk[2], are included.

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

Financial risks

- *Interest rate risk*

It is clear that significant movements in interest rates may expose subsidiaries to higher borrowing costs, lower investment yields and/or decreased asset values. As a central rule, entities do not enter into speculative positions on interest rates of any kind but always try to follow natural immunization strategies i.e., matching durations of assets and liabilities and keep away from fair value shocks. On the other hand, given the current low interest rate environment, each entity tries, in the measure possible, to secure fixed (and low) rate financing lines to avoid variations in cash flows and facilitate capital budgeting.
If absolutely necessary, subsidiaries use derivatives to hedge any remaining interest rate risk; strict rules and limits, internal to each entity, regulate the use of such instruments.

- *Currency risk*

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

- *Commodity risk*

Most of Viohalco's entities are industrial companies, using ferrous and non-ferrous raw materials as inputs. Fluctuations in commodity prices (esp. metals and particularly copper, zinc and aluminum) may therefore expose them to lower product margins or trading losses.
Future contracts traded in the London Metal Exchange (LME) offer the obvious hedging choice for companies active in such metals: first, 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 Viohalco companies are not exposed to commodity price risk.

- *Liquidity risk*

For industrial companies, such as those forming the largest part of Viohalco's holding portfolio, liquidity risk is the risk that a business will have insufficient funds to meet its financial commitments in a timely manner. Its two key elements are short-term cash flow risk and long-term funding risk. The latter

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

includes the risk that loans may not be available when the business requires them or that such funds will not be available for the required term or at acceptable cost.
Such risk may come from seasonal fluctuations, business disruptions, unplanned capital expenditure, an increase in operational costs, a narrow funding market and other reasons causing inadequate cash management. Viohalco companies constantly monitor cash flow needs and quarterly report monthly rolling forecasts to ensure sufficient cash on hand to meet its operating needs. Through monthly financial reports, they closely follow operating cash flow indicators, liquidity and leverage ratios and continuously assess available funding, both in the local and international markets.
Finally, companies mitigate liquidity risk by careful cash flow management including optimising working capital and by maintaining unused, committed financing facilities from a diversified number of financial institutions. These allow their business to easily meet its future requirements or contingencies.

- *Credit risk*

Selling to a large number of customers spanning vast geographical regions and many sectors across the world, unavoidably creates an important credit risk for Viohalco companies as their customers may default on their obligations. Such credit risk may be accentuated if a significant portion of business is concentrated on a specific area, sector or small number of clients.
This risk is greatly mitigated by (a) avoiding receivables concentration of any kind (e.g. no customer may represent more than 10% of any company's revenue), (b) executing robust creditworthiness checks for customers via credit rating agents, (c) setting relevant payment terms and credit limits, (d) demanding real or other security (e.g. letters of guarantee) for receivables whenever possible, and, finally, (e) using credit insurance extensively.

Business Risks

Operations and technology risks

- *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.
Subsidiaries manage the channel effectiveness risk through commercial executives per project / market. Periodic budget reviews are the main tools used for the setting up and monitoring of distribution channel objectives.

- *Procurement / Sourcing risk*

Limited sources of energy, metals and other key commodities, raw materials and component parts may threaten Viohalco companies' ability to produce quality products at competitive prices on a timely basis. Hence, all companies continuously aim to minimize the likelihood of such a risk occurring. Relevant measures include maintaining a wide and diverse supplier base (esp. from different geographies, where possible), 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.

- *Operation Interruption risk*

The unexpected unavailability of raw materials, skilled labour, information technologies, or other resources and the danger for equipment breakdowns may threaten Viohalco companies' capacity to continue operations. This being central to industrial production, all subsidiaries maintain thoroughly their equipment via specialized maintenance departments for every single plant that follow a well-planned maintenance schedule. Plant equipment and production lines are also upgraded systematically to integrate new technologies and reduce obsolescence risk. 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. This risk is greatly mitigated by the companies by using business interruption insurance policies.

- *Product failure risk*

Faulty or non-performing products may expose Viohalco companies 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 arising from actual or claimed defects in its products, Viohalco companies have established rigorous quality management systems at their plants, by applying fixed and formalised quality control procedures, while maintaining 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 centres to capture defects, implementation of end-to-end traceability systems, etc. In addition, Viohalco companies have applied product liability insurance policies.

- *Information technology (IT) risk*

IT risk is usually defined as the likelihood of occurrence of a particular threat (accidentally triggered or by intentionally exploiting a vulnerability) and the resulting impact of such an occurrence.

Most of Viohalco companies are capital intensive and seriously rely on IT systems to guide and optimize their production. IT systems bear a number of risks that arise naturally in their production environment and thus the commercial environment overall and may result to losses or legal liability. Such risks can revolve around IT disruptions due to IT equipment failure, disasters, human errors as well as unauthorized use, disclosure, modification, destruction of information, etc.

The need to adequately identify the gaps that may result in risks, assess the maturity of the existing controls and identify risk mitigation actions is an ongoing process that must take into consideration the ever-changing threats, control and regulatory landscape. The continuous identification and application of appropriate and proportional controls that limit exposure against the aforementioned threats is vital to the integrity of IT systems in all companies as well as against legal requirements.

Viohalco has taken the initiative to conduct such gap analyses against IT and information security risks in order to comply with 2016/679 EU General Data Protection Regulation, but taking also this opportunity to evaluate and ameliorate its overall IT risk posture, beyond the requirements of the said Regulation.

Besides using industry standards for data and systems protection, companies request the services of Teka Systems, a subsidiary of Viohalco focused on the implementation, customization and support of information systems. Teka is the official competence centre of Viohalco and offers tailor-made applications and software support to Viohalco’s industrial companies as necessary.

Compliance and Reputational risks

In regards with the requirements arising from its stock exchange listings, Viohalco has established the necessary structures and procedures in order to ensure continuous compliance and protect reputation, 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.

Laws and regulations apply to many aspects of subsidiaries’ operations including but not limited to, labour laws, Health and Safety, environmental regulations, building and operational permits, etc.

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

Strategic risks

- *Country risk*

Adverse political actions may threaten subsidiaries' resources and future cash flows in a country in which each subsidiary 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.
Companies address this exogenous risk in particular by differentiating their manufacturing and market reach. Viohalco companies currently have manufacturing sites in eight countries, a commercial network in 21 countries and products distributed in more than 100 countries worldwide.
They also 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.

- *Industry risk*

Changes in opportunities and threats, capabilities of competitors, and other conditions affecting the subsidiaries' industries may threaten the attractiveness or long-term viability of these industries. Industry risk of the subsidiaries which is related with the specific industry they operate in, is primarily associated with the cyclicality of demand and the substitution rate of some of its subsidiaries' products. Companies manage the former by expanding their exports to global markets, to differentiate cyclical exposure across geographical areas. The risk of substitution is addressed through the differentiation of their product mix, for example by shifting part of the production to products where the substitution rate is lower.

- *Competitor risk*

The actions of competitors or new entrants to the market may impair any company's competitive advantage or even threaten its ability to survive. Hence, strategic issues regarding response to competition are assessed as part of the annual budget process of all Viohalco companies and the strategic markets plan by each company.
Exposure to competitor risk is captured through daily review of market information. Relevant mitigating actions include a strong commitment to quality throughout the production phase, a competitive pricing policy in commodity products and a targeting on high-margin products.

- *Technological innovation risk*

In a world of rapidly changing technology, companies in Viohalco's holding portfolio risk not efficiently following the technology wave or investing in the information technology (IT) infrastructure necessary to effectively support current and future business requirements. This may seriously affect sales, costs and revenues.
On the other hand, companies 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 strategic risk is primarily managed by Viohalco companies through the establishment of technical assistance and knowledge transfer agreements with global leaders in various sectors where the subsidiaries are active. All companies invest strongly in research and development (R&D) and cooperate with scientific bodies and prominent international research centres. This strong focus on technology and innovation is additionally demonstrated through dedicated R&D departments at a number of Viohalco companies.

H. Non-financial information

This non-financial statement (the ***Statement***) addresses the requirements of the Belgian Code of Companies and Associations (art. 3:32), as introduced by the Belgian Law of September 3, 2017, on the disclosure of non-financial and diversity information by certain large companies and groups adapting the requirements of Directive 2014/95/EU, and relates to the financial year ended on December 31, 2020.

The Statement has been drawn up in accordance with the UN's Sustainable Development Goals (SDGs) reporting framework which embrace a very wide and universal approach to all sustainability issues facing today's societies. Although Viohalco companies have a direct or indirect impact on all 17 SDGs, emphasis is placed on the SDGs directly impacted by their activities. The SDGs reporting framework serves as the basis for the reporting structure of non-financial matters of the Company as it contains non-financial key performance indicators for the monitoring of all main risks associated with the non-financial matters under scope in the Belgian Code of Companies and Associations, namely:

- Environmental
- Social and labour
- Human rights
- Anti-corruption and bribery

This Statement comprises non-financial information for Viohalco S.A. and its material companies in all major operating segments; it focuses on established policies in relation to these matters, due diligence processes implemented, outcome of the policies and performance monitoring of the main risks related to these non-financial matters.

Business Model

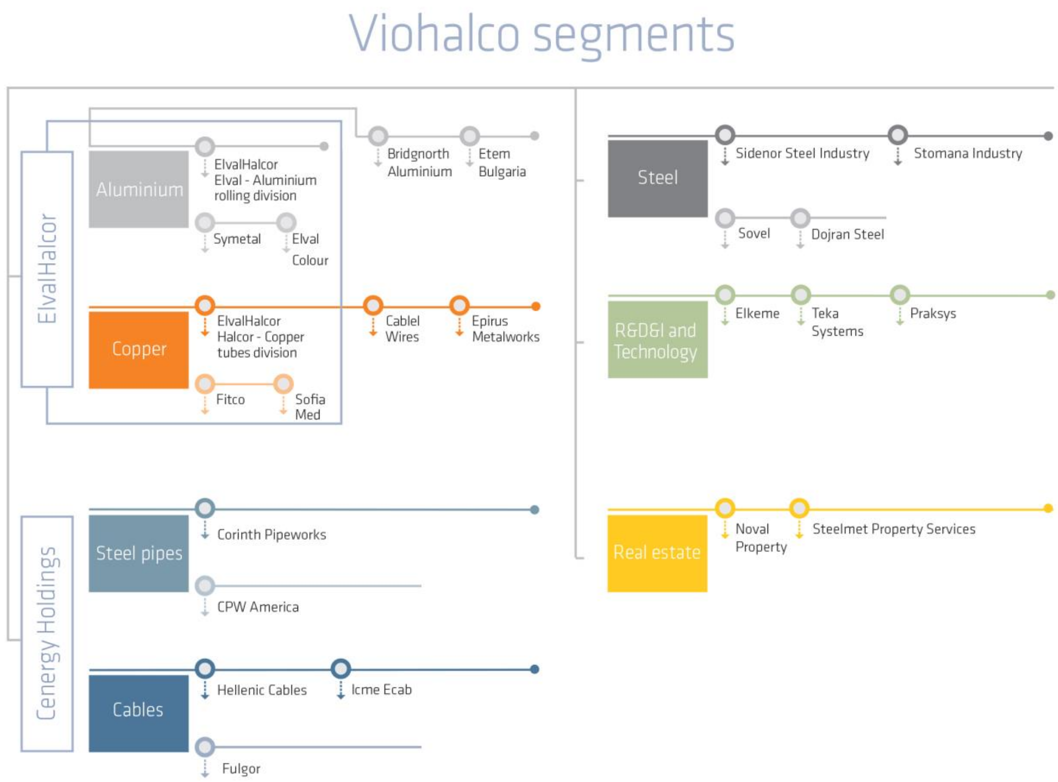
Viohalco S.A. (Viohalco) is a Belgian listed holding company of various metal processing companies in Europe. Uniquely diversified in metal sector activities and with a global presence, Viohalco companies are committed to sustainable manufacturing of quality, innovative and value-added products with diversified portfolio in dynamic markets such as building and construction, telecommunications, oil and gas, transportation, marine, automotive, food and pharmaceutical packaging, heating and air conditioning, renewable energy, water supply and lithography. Viohalco's portfolio includes companies active in other sectors, such as real estate development and mechanical engineering applications.

Viohalco companies' production model is based on secondary production and processing of metals and therefore is very well positioned for the new challenges facing today's societies, especially climate change and circular economy issues. More specifically, all three segments of aluminium, copper and steel have a significant contribution of secondary raw materials in their total raw materials input which significantly reduces the carbon footprint of their products as well as the dependence on natural resources. Consequently, due to their relatively low carbon intensity, Viohalco companies have less exposure to carbon pricing going forward and have significantly lower cost risk exposure than primary metal producers.

In addition, the segment of cables is a significant enabler of the energy transition and European Green Deal with over 50% of its revenues coming from projects that are contributing to the expansion of Renewable Energy Sources (RES) in the energy mix and the gradual decarbonization of the global economy towards a climate neutral future. The segment of steel pipes is also well positioned to contribute significantly in the energy transition away from coal power with approximately 70% of its revenues coming from natural gas projects while at the same time has developed solutions that can adapt to emerging technologies such as Green Hydrogen and Carbon Capture and Storage.

Due to the nature of the industrial processes of the subsidiaries as well as the products' markets, Viohalco companies' future has a strong correlation on the ability to operate in a sustainable manner. The subsidiaries are in the process of developing additional goals towards carbon footprint improvement as well as energy efficiency measures while at the same time becoming more engaged with their suppliers in order to ensure responsible sourcing of raw materials and services.
Viohalco companies are well positioned not only to operate in a low carbon economy, but to increase market share as the business model is very resilient to operate with various quality metal sources, primary or secondary metals. Most Viohalco companies are electricity intensive and the projected decarbonization of the energy grid will naturally improve and further decrease the indirect carbon footprint of the products contributing further to Europe' ambitious goals of a decarbonized economy.

More precisely, Viohalco operates under the following organizational structure, comprising 7 business segments.



A thorough description of each business segment activity is provided on pages 14-42.

Impact of Covid-19 pandemic on non-financial matters

During the Covid-19 pandemic, the health and safety of employees and their families as well as close partners were immediately considered as top priority across all companies. The pandemic posed a great challenge not only at a professional level but also on a personal level. Viohalco and its companies acted in a responsible manner supporting, except its workforce, society as a whole as well, through an extensive list of donations in medical equipment as well as protective gear for medical centers and hospitals in need.

The specific policies and procedures for managing all issues relating to the pandemic was initiated and monitored throughout 2020 by Viohalco's subsidiary Steelmet S.A. (Steelmet), which also has the responsibility for the operational due diligence for all other non-financial matters.

Upon the first signs of widespread infection in European countries, an immediate reaction activating an emergency response plan was implemented that included identification of risk areas within the companies' premises and during transport of personnel.

A thorough risk assessment was performed in all work places and corresponding mitigating measures were implemented in order to reduce the infection risk allowing business continuity across all sites. Decisive action was taken to ensure operational resilience by modifying production levels to match reduced demand in the subsidiaries where a noticeable reduction of demand was experienced.

Viohalco and its companies implemented multiple preventive measures in all aspects of work life that included transportation to and from work, obligatory mask use in all company sites, extensive hygiene measures, medical advice and support to all work force, especially vulnerable groups, and finally remote work for all personnel that their presence was not required at company premises. Due to the nature of manufacturing, remote work was kept to about 10% in manufacturing plants while it reached 50% in offices, always in compliance with guidelines or mandatory requirements by the competent national authorities.

Throughout 2020, over 51,000 PCR tests and 5,000 antigen rapid tests were performed on the workforce in all subsidiaries in regular intervals in order to allow for early detection and quarantine of positive cases as well as their close contacts. This approach allowed for minimal spread of Covid-19 within company premises and also helped the workforce protect their families and close social network due to the early warning from the mandatory proactive testing. As a result, all companies were able to continue their operations smoothly and without interruptions throughout 2020 even during the peak of the second wave when active positive cases reached their highest number of 148 persons across all segments.

The enhanced health and safety preventive measures still remain in place across Viohalco and its companies and the same model will be followed throughout 2021.

The Covid-19 pandemic did not have an effect on other aspects of non-financial matters except the decrease in personal development and training hours of a significant portion of Viohalco companies' workforce as physical meetings were not allowed for the most part of 2020. When the conditions allow within 2021, accelerated training programs across Viohalco companies will compensate for the loss of scheduled personnel training.

Measures to mitigate potential supply chain risk were put in place in order to ascertain business continuity (orders for critical materials placed in advance, alternative suppliers identified, increased safety stock for certain materials). As a result, no interruption of regular operation was experienced throughout 2020 as well as in projects under construction/commissioning.

Management Approach in Policy Framework

Viohalco as a holding company of a predominantly industrial portfolio believes that its companies must demonstrate the same responsibility and share the same values and commitment in sustainability matters in order to preserve long-term value for its shareholders.

Viohalco companies are committed to operating safely in an environmentally and socially responsible manner and to partnering with their customers and community stakeholders to build a sustainable future for all parties involved.

Viohalco companies aim to establish a relationship of responsibility and trust with its counterparties and to meet expectations by keeping faith with commitments undertaken. The responsible operation of the companies is considered a primary goal and fundamental for their sustainable operation.

Sustainability Policy

Viohalco's core values are reflected in its sustainability policy which constitutes a "reference code" that its companies should follow, at a minimum, regarding sustainability matters. The companies in turn have developed their own respective, detailed policies adhering to Viohalco's policy principles.

Viohalco's "Sustainability policy" ("https://www.viohalco.com/718/en/Sustainability/") sets the foundation for the extensive list of policies that all subsidiaries are required to adapt and enforce, and fully covers the sustainability and non-financial matters required by Belgian Code of Companies and Associations.

Viohalco's policy requires by the subsidiaries complete adherence with all European and National laws as well as internal procedures developed in order to have a uniform and robust monitoring system that can be objectively audited and verified. More specifically, the policy contains the below principles.

Environment

Viohalco companies are committed to operate with absolute responsibility and respect for the environment and the society. Sound environmental management of all production and storage installations is one of the most important targets and is absolutely essential to the sustainability of the companies' s activities.

Companies shall operate in full compliance with applicable national and EU environmental legislation, as well as with the specific environmental operational terms of each plant, always in a state of absolute transparency and participation in an open dialogue on environmental matters with all the stakeholders.

Social and Labour

All the companies are committed to operate responsibly in all their business activities while at the same time expecting the same responsibility from its business partners. Concern for employee health and safety, respect and protection of the environment, comprehensive coverage of customer needs, responsible business practices from its suppliers and harmonious coexistence with the local communities in which they operate are the main matters with a wider social impact.

Viohalco and its companies do not tolerate any discrimination of race, gender, religion, age, nationality, social or ethnic origin, disability, belief, sexual orientation, or political and trade union engagement. These principles apply to the recruitment of new employees, to employees with an employment contract and to the professional promotion of their employees. The only decisive factors of employment are performance, experience, personality, efficiency, skills and qualifications.

Viohalco and its companies reject any form of forced labour. All work performed in the companies must be voluntary. The employment of individuals under the applicable statutory minimum age for workers is prohibited.

Viohalco companies are committed to continually promote health and safety for their employees as well as for their partners, including customers, suppliers, contractors and visitors. All the companies shall strictly comply with all applicable legislation and fully implement all suitable standards, instructions and procedures regarding health and safety.

Human rights

Viohalco and its companies recognise the right of all employees and stakeholders to work with dignity and believe that everyone in the Companies is responsible for having due regard for human rights.

Viohalco and its companies support and respect the fundamental principles, as articulated in the Universal Declaration of Human Rights as well as the protection of international human rights within the sphere of their influence, and will not be complicit in human rights abuses. The Companies' policies and procedures adhere to all applicable domestic laws concerning freedom of association and collective bargaining, non-discrimination, forced labour and underage workers in the workplace.

Business Ethics and Anti-Corruption

Viohalco and its companies are committed to conducting its business with honesty and integrity and in compliance with all relevant laws. Viohalco and its companies ensure transparency in all interactions and acknowledges that it has a moral and legal obligation to act responsibly in all jurisdictions. Viohalco and its companies cannot tolerate illegal or unethical business activity. The performance and competitiveness are strengthened solely through lawful conduct.

Viohalco and its companies are fully opposed to all kinds of bribery and corruption and are determined to maintain a culture of honesty and opposition to fraud and corruption. Viohalco maintains a system of internal accounting controls and keep its books and records, in reasonable detail that accurately and fairly reflect transactions and dispositions of assets.

Operational Due Diligence

All companies operate in full compliance with applicable European and National environmental and labour laws.

The compliance of subsidiaries' policies incorporating Viohalco's sustainability policy principles is ensured by an extensive due diligence program performed by Steelmet, which is responsible, among other things, for the monitoring of Viohalco companies' performance in non-financial matters. Steelmet employs proficient auditors in their respective field of expertise who perform periodic reviews and assessments of the subsidiaries.

During their periodic business reviews, the top management of Viohalco companies reports to Steelmet on performance metrics, where applicable, and analyses risks and challenges as well as corrective actions that are deemed necessary.

The progress of corrective actions as well as any non-compliance matters are addressed and the subsidiaries are required to commit to a verifiable course of action within a specific timeframe.

Steelmet reports on a regular basis to Viohalco's Audit Committee identifying potential risks on these matters.

In addition, due diligence in the matters of environment and health and safety is also performed by external auditors during periodic management system certification reviews. The entirety (100%) of Viohalco production companies under the scope of this report are certified with the environmental Management System ISO 14001:2015 and the Occupational Health and Safety Management System ISO 45001:2018 while 73% of the companies under the scope are certified with the Energy Management System 50001:2015.

Based on the above assessments, all Viohalco companies are in compliance with the principles of Viohalco's sustainability policy although there are several issues for further improvement.

In order to ensure that all subsidiaries are following a continuous improvement path, Steelmet professionals have close cooperation with subsidiaries' top management and pertinent personnel in order to draw road maps with specific, prioritized, improvement actions as well as benchmarks that need to be achieved within certain time frameworks.

Performance Outcome

Viohalco is the major shareholder of most of its companies as described on pages, 14-42, and hence the scope of this non-financial information statement focuses on the legal entities with the largest impact and risks on non-financial issues which are the largest production facilities, in terms of revenue and personnel employed. The selection has been made on the basis of their comparatively large labour force, demand in natural resources such as water and raw materials, large energy intensity and climate change footprint, extensive business impact and therefore the largest and material overall impact in terms of non-financial matters under the scope of this statement. The two quantitative criteria that these companies meet are:
a) a minimum 3% contribution to the Viohalco total consolidated revenue, and
b) minimum 200 employees. The outcome of this selection is the following eleven companies:

1. ElvalHalcor (aluminium & copper segments)
2. Bridgnorth (aluminium segment)
3. Symetal (aluminium segment)
4. Sofia Med (copper segment)
5. Hellenic Cables (cables segments)
6. Fulgor (cables segment)
7. Icme Ecab (cables segment)
8. CPW (steel pipes segment)
9. Sidenor (steel segment)
10. Sovel (steel segment)
11. Stomana Industry (steel segment)

The list above includes all of Viohalco's industrial segments. The non-financial information for the above-mentioned companies are consolidated and presented based on the segment they operate as the companies within the same segment have similar non-financial issues and risks.

The Real estate segment does not meet the two criteria due to the nature of its activity which has significantly lower impact on the non-financial issues under scope of the Belgian Code of Companies and Associations as it is more services-oriented, unlike the industrial companies with a much higher footprint in environmental and social issues. Indicatively, the above companies include approximately 84% of revenue before consolidation and 71% of Viohalco companies' total employees."

Due to the various geographic locations of each company and the varying degree of material environmental matters each company may be facing (i.e. energy and water intensities vary among subsidiaries), it was deemed necessary that a separate materiality analysis is performed for each company. The selection of the material issues reported in this Statement was based on an extensive materiality analysis performed separately by each company. The materiality analysis in each subsidiary was performed according to the pertinent GRI Standard. Based on these materiality analyses from each company, the major and more commonly found non-financial risks related to these material issues were selected due to their potential to negatively impact the companies' business relations, products and long-term sustainable operation.

The non-financial issues identified in the materiality analysis phase of the companies and corresponding risks were then correlated to non-financial metrics from the UN's SDGs' reporting framework.

The **SDGs** are a list of 17 interconnected global goals designed to be a "*blueprint to achieve a better and more sustainable future for all*" that address current challenges facing societies all over the globe. The 17 goals have 169 underlying, more specific targets that stimulate action in areas of concern. Viohalco, as previously mentioned, has identified the major and more commonly found areas of material impact that have been selected by the individual companies' materiality analysis as well as stakeholder assessment, and has concluded that the main non-financial risks of concern are those listed in the below Table. Based on the non-financial risks identified, specific key performance indicators (KPIs) from the SDG reporting framework (where available) have been selected to be used in order to assess the performance and risk exposure.

Issue identified in MA	Issue category	Relevant SDG	Description of SDG	Viohalco subsidiaries' risk area of material impact
Water and wastewater management	Environment		Clean water and sanitation	Water usage and availability, quality of waste water discharged to water bodies
Energy consumption, sources of energy	Environment		Affordable and clean energy	Large energy consumers, availability of low carbon energy at competitive cost
Health and safety, labour rights	Social and labour, human rights,		Decent work and economic growth	Provision of safe working environment, labour conditions, workforce satisfaction, equal rights among workers, training for human development of workforce, human rights in the supply chain
Climate change	Environment		Sustainable industrialization Climate Action	Carbon intensity of production, carbon intensity of raw materials
Waste management, circularity of products	Environment, Human rights		Responsible consumption and production	Waste intensity, method of waste management, circularity of production process, supply chain responsibility
Transparency and anti-corruption	Business ethics, anti bribery – anti corruption		Peace, justice and strong institutions	Business transactions, data privacy, compliance with regulatory system

Based on the SDGs selected and the scope of the material risks, the following KPIs were used for Viohalco companies.

Relevant SDG	Relevant target	Relevant KPIs for assessing performance and risk exposure
6 CLEAN WATER AND SANITATION	6.3 Improve water quality 6.4 Increase water use efficiency	- 6.3.1 proportion of wastewater safely treated and discharged - 6.4.1 *Change in water use efficiency over time*
7 AFFORDABLE AND CLEAN ENERGY	7.2 Increase share of renewable energy in energy mix	- 7.2.1 Renewable energy share of energy consumption
8 DECENT WORK AND ECONOMIC GROWTH	8.5 Achieve decent work for all 8.8 Promote safe working environment	-SAR C.2.1 Average hours of training per employee per year[1] -8.8.1 Frequency incident rates of occupational injuries (LTIR, SR, fatalities) - Annual employee turnover[2] - % of women in labour force[2] - Incidents of discrimination[2]
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 13 CLIMATE ACTION	9.4 Adapt clean technologies and industrial processes	- 9.4.1 Total greenhouse gas emissions per unit product Total Carbon Emissions (Scope 1 and 2)
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.5 Reduce waste generation	- *ISAR B.2.1 Reduction of waste generation*[1] - *ISARB.2.2 Waste reused, remanufactured and recycled*[1] - *12.5 No environmental impact incidents*
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	16.5 Reduce corruption and bribery 16.b Enforce non discriminatory policies	- *ISAR D.2.1 Fines paid due to settlements* [1] - *Incidents of corruption or bribery*[2] - *Incidents of data privacy breach*[2]

1. Matters in italics originate from the "*Guidance on Core Indicators for Entity Reporting on Contribution Towards Implementation on the Sustainable Development Goals*" by the UN Conference on Trade and Development (UNSTAD, 25 July 2019).
2. KPI is considered a standard indicator according to industrial practice

In case a relevant SDG indicator already exists from the SDG reporting framework, the indicator is used. Otherwise, other indicators are used such as UNSTAD's indicators or other standard KPIs commonly used in standard industrial practice.

The reporting structure for each of the companies in the scope will be analyzed per selected SDG.

SDG 6 – Water and waste water management

Water is an essential element of Viohalco companies' production process and therefore its responsible use is highly critical for the companies' business continuity. Responsible use includes the reduction of consumption utilizing water conservation technologies where possible and the maintenance (or even improvement in certain cases) of its quality characteristics after its use.

The availability of industrial water is of critical importance and the majority of the plants have a program of water consumption monitoring in order to improve their water intensity. There are continued efforts to decrease water consumption as part of the companies' long-term improvement of their environmental footprint. The performance during 2020 was mixed with the aluminium companies increasing the water footprint significantly (16%) due to a combination of casthouse production issues, change in the product mix (increase in tonnage of coated aluminium products that are more water-demanding) and the commissioning of the new tandem rolling mill which created the need for more water during extensive testing at Elval's Oinofyta plant as well as less than optimum productivity levels at Bridgnorth Aluminium rolling mill. The companies have addressed the issues and water intensity is expected to return to normal levels soon. While the other segments remained fairly steady, the cables segment had a significant improvement (25%) due to continuous efforts to improve water supply infrastructure at the plant of Icme Ecab in Romania.

	Aluminium Segment			**Copper Segment**			**Steel segment**		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**
Water consumption intensity*	1.85	2.00	2.33	4.25	3.71	3.78	1.88	1.99	1.86

	Cables			**Steel pipes**		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**
Water consumption intensity *	3.61	3.61	2.69	0.24	0.22	0.25

*Water consumption intensity: m^3/ tn core products

The discharge of waste water is a very important issue especially for the companies discharging treated waste water directly to a water receptor and not to a waste water network for further treatment. The measurement of possible incidents of discharge limits exceedances is critical in identifying the level of compliance as well as the possibility for any needs for corrective measures. During 2020, there were no fines or legal breaches in any of the companies' collected waste water samples.

SDG 7 – Energy consumption and clean energy

Most of Viohalco companies are electricity intensive and it is important to have access to low carbon electricity in order to minimize their carbon footprint as well as to decrease their exposure to carbon pricing through indirect emissions. The Viohalco companies generally purchase electricity from the main energy suppliers of the countries they operate as none of the companies own their own energy source. The numbers shown in the following table reflect the grid energy mix and renewable energy share for the respective grid. The companies' strategic goal is to cover the entirety of its electricity needs with renewable energy. Given their geographic footprint and the existing power market regulatory frameworks in these countries, currently there are limited available, viable routes towards this goal.

In Greece, the companies ElvalHalcor, Symetal, Hellenic Cables, Fulgor and Corinth Pipeworks purchased unbundled, certified guarantees of origin (GOs) to cover the entirety of their electricity consumption. In the meantime, the companies continuously explore alternatives for direct supply of renewable electricity, such as bilateral or market-based Green PPAs. Until such alternatives become available and viable in the markets where the companies operate, the companies will continue covering as much of their electricity consumption as possible through unbundled, certified GOs in order to support the renewable energy market for further investments.

	Aluminium Segment			Copper Segment			Steel segment		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020****	**2018**	**2019**	**2020****
Renewable energy share in electricity*	28.9	25.3	33.6	24.3	22.2	26.7	25.3	22.4	28.0

	Cables			Steel pipes		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**
Renewable energy share in electricity*	23.5	20.2	24.3	28.3	22.9	30.8

* Renewable energy share in energy grid expressed as a proportion of total electrical energy consumed
** Number is an estimation as final figures for the Greek and Bulgarian energy grid are not are not finalized as of the date of publication

SDG 8 – Health and safety, labour issues

The nature of the diversified portfolio of Viohalco companies results in a different occupational health and safety risk profile for each company. The difference is attributed to many factors such as type of production, thermal metallurgy, rolling, extrusion, chemical coating, etc.), technology of infrastructure, equipment condition and safety features, manufacturing processes and materials used. Irrespective of the different nature of the company activity, the health and safety of the companies' personnel is of utmost importance and the companies invest significant amount of resources in order to improve working conditions and create a safer working environment.

Viohalco companies in an effort to improve their risk capacity realization, develop detailed risk assessments by conducting a systematic hazard identification associated risks evaluation, facilitating subsequently the implementation of reasonable control measures. Emphasis is also given in performing accurate incidents analysis to ensure there is a robust framework in place which provides for a systematic approach to incident reporting, management and investigation, thereby enabling effective corrective and preventive actions to be set.

The main metric used for the safety performance of Viohalco companies is the LTIR which reflects the number of incidents per working hours that led to an employee's absence from work. Three out of the five segments showed improvement in this main category and although there was improvement since 2019, there is still significant room for improvement in order to create a safer working environment. The severity rate, another main indicator used to show the seriousness of each incident, shows a declining trend as four out of the five segments had improvements since 2019. The companies have an extensive list of internal KPIs that follow the leading actions needed to create robust health and safety programs. During 2020, a tragic accident involving a contractor performing construction work at an elevated height led to single fatality occurred in one of the subsidiaries, the steel works company of Stomana Industry in Bulgaria.

	Aluminium Segment			Copper Segment			Steel segment		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**
LTIR*	6.5	6.9	4.6	8.4	7.9	6.4	4.2	5.0	3.6
SR**	122	86	71	122	321	167	261	243	80
# fatalities	0	0	0	0	0	0	0	1	1

	Cables			Steel pipes		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**
LTIR*	8.7	5.4	6.4	3.4	1.0	1.7
SR**	122	321	167	118	106	119
# fatalities	0	0	0	0	0	0

* LTIR: Lost time incident rate (number of LTI incidents per million working hours)
** SR: Severity rate (number of lost work days per million working hours)

Viohalco companies recognize the decisive contribution of their people in their successful business performance and future growth. In line with this approach, the companies are committed to implementing responsible working practices.

With a sense of responsibility, all Viohalco companies seek to offer their employees a workplace of equal opportunities that respects the personality of each employee, by investing materially and systematically, in their training and development. Steadily oriented to human values, the companies strive to implement responsible management practices with regard to human resources.

As shown in the table below, special circumstances caused by the pandemic crisis faced by some of the segments resulted in very different directions regarding employee turnover ratio. Although relatively stable in the previous years, the employee turnover improved in three out of the five segments while it deteriorated in the steel segment as well as the steel pipe segment due to required adjustments in the number of personnel in the sectors hit most by the pandemic crisis.

The percentage of women in the workforce varies based on the geographic location of the companies. From the table below, it is evident that the segments with companies located in Bulgaria (Stomana Industry and Sofia Med) and Romania (Icme Ecab) women constitute a much higher percentage of the workforce and this is attributed to the cultural acceptance of women in industry-related jobs whereas in Greece and the UK where the other companies are located, women pursue industrial jobs significantly less.

Finally, due to the pandemic crisis, most of the companies decreased the level of training on personnel as physical meetings were forbidden due to preventive measures for the spread of Covid-19 for most of the duration of 2020. Provided that normal operating conditions return within 2021, the companies will resume their personnel development programs with an accelerated rate to compensate for the time lost during the pandemic.

	Aluminium Segment			Copper Segment			Steel segment		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**
Employee Turnover*	4.6	5.5	4.3	13.0	14.5	11.2	8.7	12.4	24.9
% of women	9.2	9.8	9.5	13.1	12.4	13.9	21.6	18.5	17.0
Hours of Training**	15.9	19.3	8.2	10.4	10.6	9.6	7.8	3.3	5.7

	Cables			Steel pipes		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**
Employee Turnover*	20	25	10	2.7	3.1	8.2
% of women	14	15	13	8.6	9.7	9.8
Hours of Training**	10	22.6	12.6	19.3	14.8	3.7

* Employee turnover = (employees who leave the organization voluntarily or due to dismissal, retirement, or death in service)/Total employees*100
Total workforce: Total employees at the end of the year (31/12 data).
** Hours of training: Average hours of training per employee per year

Viohalco companies focus on areas of material impact such as creating a work environment of fair reward, respecting human rights and diversity, providing equal opportunities for all employees, applying objective evaluation systems, and ensuring ongoing employee training and education.

During 2020, as in previous years, no incident of discrimination was recorded or reported and there has been no incident of forced or voluntary child labour.

SDG 9 & SDG 13 – Climate change

The Viohalco companies' commitment to sound environmental management is founded on risk management and the minimization of environmental footprint. The common biggest challenges the companies face is the minimisation of carbon emissions. It is noted that the carbon footprint is inclusive of the direct and indirect emissions (generated from the electricity supplier).

Due to their relatively high electro-intensity, Viohalco companies generally have a much higher Scope 2 emissions than Scope 1 emissions. As mentioned earlier, the companies have a strategic goal to cover the entirety of its electricity needs with renewable energy contracts. Given their geographic footprint and the existing power market regulatory frameworks in these countries, currently there are limited available, viable routes towards this goal. The total footprint figures below (Scope 1 and 2) are reported according to Greenhouse Gas Protocol Scope 2 Guidance (https://ghgprotocol.org/scope_2_guidance) which is the most commonly used standard internationally.

From the table below, it is apparent that the segments of aluminium and steel pipes show an increase in carbon intensity while the other segments show a decrease. Scope 2 emissions factor is the location grid factor in the country the companies operate.

	Aluminium Segment			Copper Segment			Steel segment		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**
Total carbon intensity* (location based)	0.765	0.721	0.813	0.623	0.585	0.583	0.627	0.584	0.574

	Cables			Steel pipes		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**
Total carbon intensity* (location based)	0.522	0.499	0.437	0.086	0.091	0.101

Total carbon emissions are shown below in order to show the materiality of carbon emissions and the corresponding exposure each segment has.

	Aluminium Segment			Copper Segment			Steel segment		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**
Total carbon emissions (location-based)**	341,901	304,299	308,189	111,187	103,392	104,138	984,626	822,114	740,925

	Cables			Steel pipes		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**
Total carbon emissions (location-based)	57,567	56,514	51,188	37,260	29,130	25,298

* Total Carbon Emissions intensity: the sum of direct and indirect CO_2 emissions (tn CO_2/ tn products).
** Total carbon emissions in tn CO_2 / yr. Figure includes Scope 1 and Scope 2 emissions

SDG12 – Waste management and circular economy

Viohalco companies are committed to robust waste management and aim primarily at waste generation reduction and improvements related with reuse and recycling, as well as hazardous materials suitable treatment.

Although waste generation intensity varies significantly depending on the production process, the waste intensity per company has remained at similar levels in the past three years with fluctuations due to the product mix and shipments of waste accumulated over time that may affect the waste intensity for a single year. It is noticeable, however, that the steel segment has improved its waste footprint significantly compared to 2019 (39%) due to the characterization of certain wastes as by-products due to the certain utilization of the materials as raw materials for other industries.

The portion of the generated waste that is sent for reuse, remanufactured or recycling is steadily increasing in the majority of the segments supporting the transformation to a circular economy.

	Aluminium Segment			Copper Segment			Steel segment		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**
Waste generation *(kg/tn product)	117	121	134	147	156	149	266	258	158
Waste reused, re manufactured and recycled **(%)	98.0	97.9	98.1	96.0	96.0	96.2	90.1	91.8	85.6

	Cables			Steel pipes		
year	**2018**	**2019**	**2020**	**2018**	**2019**	**2020**
Waste generation (kg/tn product)	121	129	128	83	86	100
Waste reused, re manufactured and recycled	92.1	92.3	93.1	99.5	99.3	99.2

*Waste generated expressed in Kg of waste/ ton of production

**Waste reused, remanufactured, recovered and recycled measured versus total waste generated

Regarding environmental accidents or other incidents (leaks of chemicals, fires that could cause noxious emissions, fuel spills, etc.) that could serious concerns to the ecosystem, there were no such incidents in any of the plants in 2020.

SDG 16 – Transparency and anti-corruption

Viohalco companies acknowledge the significance of business ethics and anti-corruption matters. In order to ensure the implementation of the respective policy, they have applied the proper internal controls and procedures of operation demonstrating accountability, fairness and transparency in the relationship with all stakeholders.

During 2020, no incident of corruption or bribery was recorded or reported while there were no incidents of data privacy breaches. In addition, there were no fines paid due to settlements for unethical business practices or corruption matters.

Key Non-Financial Risks

Viohalco and its companies face a variety of non-financial risks as previously mentioned and has a risk identification process in order to identify those risks and implement mitigation measures wherever possible. All industrial activity-related risks such as environmental, health and safety, etc. are exclusively associated with the subsidiaries with industrial operations.

Managing the non-financial risks is considered to be a very critical task by the companies' management as these risks have the potential to create a direct or indirect impact on the companies' continuous operation as well as to create future liabilities.

In order to improve risk management in non-financial issues among subsidiaries, Steelmet professionals have established policies and procedures for managing risks that companies' management have to comply with.

The companies have their own skilled personnel and consultants managing these matters and they implement certified management systems ISO 14001:2015 and ISO 45001:2018 as well as the energy management system 50001:2015, thus providing an additional management tool for all related risks. The management systems are the pillars for taking the proper preventive steps, specific plans and actions, and provide the continuous improvement culture necessary to ensure improving performance and risk management.

Risks are analyzed from a financial, environmental and social perspective in order to get a full understanding of the complete array of impacts of non-financial issues. Below is a description of the main non-financial risks identified that may affect business operations, reputation, and ultimately the financial results of Viohalco.

Environment

The major risks related to environmental issues are **regulatory compliance**, **climate change** and **water management**.

Regulatory Compliance

The regulatory environment in which Viohalco companies operate is very demanding as industrial operations in Europe, especially in metal processing, are subject to a broad range of laws and regulations that are updated on regular intervals. The regulatory framework imposes stringent standards that require a continuous effort in human and capital resources in order to comply. Hazardous waste management, discharge limits, atmospheric pollution abatement, are some examples of environmental matters that can create potential liabilities for Viohalco companies. The associated risks extend to financial risks (regulatory fines, pollution liabilities, remediation requirements), environmental risks (environmental damage to groundwater, surface soils, ecosystems) and social (impact to local communities). It is important to note that 24 industrial installations of Viohalco companies are in the scope of the Industrials Emissions Directive of the EU which requires industrial installations to operate with the obligatory implementation of Best Available Techniques to ensure stringent emission limits.

Mitigation of all those risks are managed by the established environmental management programs and well trained professionals at Viohalco companies. The total annual environmental expenditures of Viohalco companies are in excess of 25 million euros over the last few years with an upward trend due to continuous improvement efforts implemented by the subsidiaries.

Climate change

Viohalco companies consider that climate is an area with a material impact not only in respect of financial materiality (negative impact on the company) but also from an environmental and social perspective (negative impact to climate, hence to the environment and society).

The financial materiality stems from the fact that the companies have transition as well as physical risks. Transition risks relate to risks arising from the transition to a low carbon economy such as policies that:

- Require demanding energy efficiency measures,
- Impose carbon pricing mechanisms which intend to increase carbon price, affecting both cost of direct and indirect emissions
- Impose carbon border adjustments that can disrupt supply chains as well as cause retributions from other countries where customers are currently located.

The Viohalco segments of steel, aluminium and copper, characterized by their energy intensive production processes, are some of the most exposed sectors in industrial manufacturing to carbon leakage because they are priced globally and are highly electricity-intensive. Viohalco companies bear most of their carbon costs indirectly through higher national electricity prices.

The EU's new ambitious goal of 55% reduction climate target will further increase carbon leakage risk, and while there are efforts to mitigate that risk, the financial materiality remains significant.

Physical risks relate to risks associated with long chronic effects such as extreme weather, rising sea levels and reduced fresh water availability. The physical risks for Viohalco companies remain low due to the geographical locations most plants are, but Viohalco and its companies continuously monitor changing conditions that may create physical risks in the future.

The risk mitigation measures taken by the companies are, among others, the following:

- early policy trend identification;
- close cooperation with national and European federations for proper representation of the matters faced by the subsidiaries;
- development of action plans for investments in energy efficient equipment and carbon abatement measures;

- increase of capacity for utilization of secondary raw materials instead of primary; and
- proper budget management practices that incorporate projected carbon costs.

From an environmental and social perspective, Viohalco companies directly emit greenhouse gases in the atmosphere due to their routine production operations and indirectly through consumption of electricity. There are currently five companies (ElvalHalcor, Sidenor, Sovel, Stomana Industry and Sofia Med) in the European Trading Scheme and Bridgnorth Aluminium in the UK Carbon Scheme and these companies have made a series of investments in the past 15 years for carbon emissions reduction. In addition, all these companies are included in the corresponding schemes' carbon leakage sectors so protective measures are taken for the protection of these sectors from carbon leakage. The sum of the direct and indirect footprint of Viohalco companies is shown in the previous chapter as these are the most closely observed KPIs at each company level.

Upstream activities include raw materials extraction, such as aluminium, copper and steel and amount to significant emissions to the environment. Selection of raw materials suppliers is critical to identify areas of improvement and is considered the highest contributor to the overall emissions of the subsidiaries' products. As mentioner earlier, the carbon footprint attributed to upstream activities amount to over 80% and reach up to 95% in some cases. The subsidiaries are in the process of identifying and evaluating different suppliers and their potential exposure to higher carbon costs as the increasing cost of carbon will eventually affect their competitiveness.

Water management

As stated earlier, water is an essential element of the Viohalco companies' production process and its availability is very important to the companies' business continuity.

The two water related risks are associated with

- the availability of adequate water in both quantity and quality
- the adequate treatment of waste water before its discharge.

Lack of availability of water, especially in water stressed areas, can lead to serious disruptions to the companies' operation while the lack of available water with the proper quality characteristics can lead to the need of significant investments for water treatment that can also increase demand for energy (energy demanding treatment techniques like reverse osmosis) as well as increase in waste generation (wastes from water treatment).

Therefore, water supply-related risks are important from a financial and environmental perspective. Certain Viohalco companies are relatively water intensive as shown in the Performance and KPIs section. These companies treat the water supply risk as a business continuity issue that can ultimately have financial materiality (negative impact on the company). In addition to the financial implications of water shortages, environmental implications can occur when water shortages limit the amount of water available for other uses such as irrigation, potable water, etc.

The risk is mainly mitigated through its responsible use by continuous efforts to improve the water footprint of the companies, set internal goals for water use minimization, reevaluating existing usage, training employees on the importance of water use and have multiple sources of water so there are alternative sources of supply.

Regarding waste water quality discharge, the associated risk is the adverse effect to local water supplies, reputational damage and other administrative and criminal prosecution a breach of local discharge limits may have. The risk is mitigated through the proper infrastructure in place (adequate capacity of waste water treatment), properly trained personnel, preventive maintenance of equipment and very close performance monitoring so as to identify any possible problems in waste water treatment.

Social and labour issues

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

Viohalco companies are exposed to occupational health and safety risks at industrial sites. Due to the nature of Viohalco companies' industrial operations (thermal metallurgy with high temperature processes, heavy equipment, chemical treatment, work at heights, etc.) there is inherent risk for accidents among the workforce or contractors with impact on human life, local communities and reputation.

With regards to occupational health and safety risks, Viohalco companies have management systems in place following a comprehensive approach for improvement which is translated into equipment upgrading, implementation of management principles (safety audits, guidelines, work instructions, etc.), the establishment of a targeted safety training program and the direct involvement of management. The companies' management have a clear understanding of the importance of providing a safe working environment to the labour force and how vital it is to continuously strive for improvement as this is fundamental for good labour relations and business performance.

Employee related risks entail potential violations of equal treatment and statutory working hours as social action by personnel that may lead to operation interruption risks. These risks are mitigated by the companies through a comprehensive employee Code of Conduct, personnel evaluation and training, and regular internal audits.

Social risks are especially significant in the supply chain of Viohalco's companies as the raw materials used by Viohalco companies are located in various geographic locations with varying degrees of labour and environmental standards. Typically, the vast majority of the environmental and social footprint of Viohalco companies' products originates from the supply chain.

Human rights

The major risks related to human rights are related to the supply chain of the companies provided that many suppliers are not located in Europe or North America. Viohalco companies are in the process of developing a proper and comprehensive supplier evaluation management system in order to ascertain that all major suppliers meet certain sustainability standards such as standards in minimum environmental performance and compliance, worker safety, labour conditions, human rights and business ethics.

Anti-bribery and corruption

The risks related to anti-bribery and corruption lies in the failure to conduct business operations ethically and comply with the laws and regulations in the jurisdictions in which Viohalco and its companies operate. To prevent and mitigate such risks, Viohalco ensures that its policies and procedures are applied by its companies in order to raise employee awareness to Viohalco's corporate values and related anti-corruption practices. The internal audit function is responsible for monitoring and reporting timely and properly any related deviation or misconduct. Simultaneously, subsidiaries separately organize training courses and communication actions in order to increase awareness and encourage compliance.

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

I. Corporate governance statement

Introduction

As a company incorporated under Belgian law and listed on Euronext Brussels, Viohalco applies standards that are compliant with the provisions of the 2020 Belgian Corporate Governance Code (the 2020 Code), which is the reference code and is publicly available on the website of the Corporate Governance Committee (www.corporategovernance-committee.be).

The 2020 Code is structured around principles, provisions, guidelines, and the «comply or explain» principle. Belgian listed companies must abide by the 2020 Code but may deviate from some of the Code's provisions, if they provide a considerate explanation for any such deviation. During the 2020 financial year, the Company complied with the principles of the 2020 Belgian Corporate Governance Code, except for the following:

- **Principle 7.8** "The variable part of the executive remuneration package should be structured to link reward to overall corporate and individual performance, and to align the interests of the executives with the sustainable value-creation objectives of the company.".

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 Nomination and Remuneration 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.

Viohalco's board of directors has also adopted a Corporate Governance Charter in order to reinforce its standards for the Company in accordance with the recommendations set out in the 2020 Code. It aims at providing a comprehensive and transparent disclosure of the Company's governance which is reviewed and updated from time to time. The Corporate Governance Charter (the Charter) is available on the Company's website (www.viohalco.com).
In order to have a complete overview of Viohalco's corporate governance rules, the Corporate Governance Statement must be read in conjunction with the Company's articles of association, the Charter as well as the corporate governance provisions laid down in the Belgian Code on Companies and Associations (the BCCA).

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

Board of Directors

1. Role
Viohalco has chosen a one-tier governance structure. The board of directors (the Board) is vested with the power to perform all acts that are necessary or useful for the Company's purpose, except for those actions that are specifically reserved by law or the articles of association to the Shareholders' Meeting or other management bodies.

In particular, the Board is responsible for:
- defining the general orientations of the Company;
- deciding on all major strategic, financial, and operational matters of the Company;
- deciding on the Executive Management structure and determining the powers and duties entrusted to them;

- taking all necessary measures to guarantee the quality, integrity, and timely disclosure of the Company's financial statements and other material financial or non-financial information about the Company;
- monitoring and reviewing the effectiveness of the Audit Committee and the Nomination and Remuneration Committee;
- approving a framework of internal control and risk management set up by the Executive Management and reviewing its implementation;
- monitoring the quality of the services provided by the statutory auditor(s) and the internal audit, taking into account the Audit Committee's review;
- determining the remuneration policy and approving the remuneration report submitted by the Nomination and Remuneration Committee; and
- any other issue reserved to the Board by the BCCA.

The Board has delegated part of its powers related mainly to the day-to-day management of the Company to the members of the Executive Management.

2. Composition of the Board

In accordance with article 8 of the articles of association, the Board is composed of 15 members as follows:

Name	Position	Term started	Term expires
Nikolaos Stassinopoulos	Chairman - Non-executive member of the Board	September 2020	May 2021
Jacques Moulaert*	Vice-Chairman- Executive member of the Board	September 2020	November 2020
Evangelos Moustakas**	Vice-Chairman (as of 11/2020)- Executive member of the Board CEO	September 2020	May 2021
Michail Stassinopoulos	Executive member of the Board	September 2020	May 2021
Ippokratis Ioannis Stassinopoulos	CEO (as of 11/2020) - Executive member of the Board	September 2020	May 2021
Jean Charles Faulx	Executive member of the Board	September 2020	May 2021
Thanasis Molokotos	Executive member of the Board	September 2020	May 2021
Xavier Bedoret	Non-executive member of the Board	September 2020	May 2021
Patrick Kron ***	Non-executive member of the Board	November 2020	May 2021
Marion Steiner Stassinopoulos	Non-executive member of the Board	September 2020	May 2021
Margaret Zakos	Non-executive member of the Board	September 2020	May 2021
Efthimios Christodoulou	Independent , Non-executive member of the Board	September 2020	May 2021
Francis Mer	Independent, Non-executive member of the Board	September 2020	May 2021
Kay Breeden	Independent, Non-executive member of the Board	September 2020	May 2021
Bernadette Blampain	Independent, Non-executive member of the Board	September 2020	May 2021
Astrid de Launoit	Independent, Non-executive member of the Board	September 2020	May 2021

(*) This member of the Board passed away in November 2020.
(**) This member resigned from his position as CEO in November 2020 and was designated as Vice-Chairman as of 11/2020.
(***) This member of the Board was co-opted in November 2020.

The mandates of all members of the Board expires at the end of the Annual Ordinary Shareholders' Meeting to be held in 2021.

3. Information on the members of the Board

Over the past five years, the members of the Board have held the following positions (apart from their directorship in the Company) and maintained relationships with the following bodies which, in theory, could become the source of conflict of interests:

Nikolaos Stassinopoulos, President - Non-executive member of the Board. Mr. Stassinopoulos holds a Master's degree from the Athens University of Economics and Business. He served as President and Vice-President of Viohalco Hellenic.

Jacques Moulaert, Vice-Chairman (until 11/2020) - executive member of the Board. Mr. Moulaert held a Ph.D. in law from the University of Ghent and a Master's degree in Public Administration from Harvard University. He served as honorary managing Director at Groupe Bruxelles Lambert S.A. and as honorary President of the Board of ING Belgium S.A./NV. He was 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).

Evangelos Moustakas, Vice-Chairman (as of 11/2020) - executive member of the Board. Mr. Moustakas joined Viohalco in 1957 where he held various technical and managerial positions, in particular the position of President of the Board of Directors of several subsidiaries of Viohalco, such as Hellenic Cables S.A. and Etem S.A. He serves as President of the Board of Directors of the Hellenic Copper Development Institute and as a member of the Board of Directors of the International Wrought Copper Council (IWCC) and the European Copper Institute (ECI). He is also corporate representative in the International Association "Intercable", the International Cablemakers Federation (ICF, since 1990), and Europacable (since 1991) and is active in the development and promotion of copper and cable products around the world.

Michail Stassinopoulos, Executive member of the Board. Mr. Stassinopoulos graduated from Athens College (1985) and holds a Bachelor's Degree in Management Sciences from London School of Economics (1989). He also holds a postgraduate diploma (MSc) in Shipping, Trade and Finance from City University Business School (UK). Mr. Stassinopoulos is a member of the Board of Directors of Viohalco since 2013. He was a member of the Board of Directors of Elval S.A. Aluminium Industry for 11 years. He also participates in the Board of Directors of the Hellenic Federation of Enterprises since 2016 and was previously a member during 1996-2006. He is a member of the Board of Directors of the "Hellenic Production - Industry Roundtable for Growth", a newly established nongovernmental organization.

Ippokratis Ioannis Stassinopoulos, CEO (as of 11/2020) – executive member of the Board. Mr. Stassinopoulos holds a Bachelor's degree in Management Sciences from City University and a Master's degree in Shipping, Trade and Finance from City University's Business School (UK). He serves as a member of the General Council of SEV (Hellenic Federation of Enterprises), the Young Presidents Organisation, and the Board of Directors of Endeavor Greece. Mr. Stassinopoulos holds a managerial position at Viohalco Hellenic since 1995.

Jean Charles Faulx, Executive member of the Board. Mr. Faulx holds a Master's degree in Economic Sciences from the Catholic University of Louvain (UCL). He is a member of the Board of Directors of International Trade S.A., Genecos S.A. (Paris), Terra Middle East (Dusseldorf), Base Metals (Istanbul), and Metal Agencies (London). He was also member of the Board of Directors of Cofidin and Cofidin Treasury Centre S.A. prior to their absorption by Cofidin in August 2013. Mr. Faulx also serves as CEO of Tepro Metall AG, a subsidiary of Viohalco, Strega sprl, Airicom France SAS and Airicom Middle East. In the past, Mr. Faulx served as CEO of Studio58 S.A. and Promark SPRL and held various positions at Techno Trade S.A, JCT Invest and Elval Automotive S.A.

Thanasis Molokotos, Executive member of the Board. Mr. Molokotos holds a Master's degree in Mechanical Engineering and a Master's degree in Marine Engineering and Naval Architecture from the Massachusetts Institute of Technology (Cambridge, MA), and a Master's degree in Mechanical Engineering from Tuft University (Medford, MA); he is President and chief executive officer (CEO) of Assa Abloy Americas. In the past, he has served as General Manager of Molokotos Textile Corporation and design specialist at Rangine Corporation.

Xavier Bedoret, Non-executive member of the Board. Mr Bedoret holds a master degree in Law and Psychology from the University of Louvain (UCL) and is a certified public accountant (IRE). He holds also a Certificate in Corporate Governance (INSEAD). After ten years of financial auditing at KPMG in Brussels (Belgium) and Stamford (USA), he joined the Finance Department and then the Audit & Risks Department of ENGIE (France). Since 2017, he advises boards and audit committees on governance matters.

Patrick Kron, Non-executive member of the Board. Mr. Kron ia a graduate from Ecole Polytechnique and the Paris Ecole des Mines. Patrick Kron started his career in 1976 in the French Ministry of Industry. He then joined the Pechiney group where he became a Member of its Executive Committee and held senior managerial positions. In 1998, he was named Chief Executive Officer of Imerys. He became in 2003 Chairman & Chief Executive Officer of Alstom and left the company in January 2016 after the sale of its Energy assets to General Electric and an associated shares buy-back. He created a consulting company PKC&I and in November 2016, he joined Truffle Capital, a capital firm specialized in BioMedTech and Digital, as Chairman of this firm. Patrick Kron is Chairman of the Board of Imerys since July 2019. He is also a Board Member of Sanofi (France) and of LafargeHolcim (Switzerland), and sits in the Supervisory Board of Segula Technologies. Patrick Kron has been awarded the « Légion d'Honneur » (Chevalier) and the « Ordre National du Mérite » (Officier).

Marion Steiner Stassinopoulos, Non-executive member of the Board. Mrs. Marion Steiner Stassinopoulos holds a Master's degree and a Ph.D in Psychology from the University of Zurich. She has also completed one year of postdoctoral studies at Northwestern University of Chicago (USA). In the past, she worked as psychologist at the Gerontopsychiatric Centre of the Psychiatric University Clinic of Zurich. She is a member of the Advisory Board of Franz Haniel & Cie. GMBH , Duisburg-Ruhrohrt in Germany.

Margaret Zakos, non-executive member of the Board. Ms. Zakos holds a Bachelor's degree 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).

Efthimios Christodoulou, Independent, non-executive member of the Board. Mr. Christodoulou holds a Bachelor's degree in Economics from Hamilton College and a Master's degree in Economics from Columbia University. He has served on the staff of the National Bureau of Economic Research (New York) and was a lecturer at New York University. Mr. Christodoulou was Governor of the National Bank of Greece, President of the Union of Hellenic Banks, and Director General of the National Investment Bank for Industrial Development (ETEBA), Governor of the Bank of Greece (Central Bank of Greece). He has also acted as President of the Board and CEO of Olympic Airways, Executive President of Hellenic Petroleum S.A., and was a member of the European Parliament. He was Minister of Foreign Affairs and Minister of National Economy in Greece. Until June 2013, Mr. Christodoulou also served as President of EFG Eurobank. He is also President of various philanthropic institutions.

Francis Mer, Independent, non-executive member of the Board. Mr. Mer holds a Master's degree from Ecole Polytechnique and a Master's degree in engineering from Ecole des Mines. He serves as honorary President of Safran Group. In the past, Mr. Mer has held various positions at Usinor Sacilor Group, including President of the Board of Directors and CEO, and served as President of Cockerill Sambre, Eurofer (European Steel Association) and the International Iron and Steel Institute. He was President of the French Steel Federation, the National Technical Research Association, EpE (Entreprises pour l'Environnement) and the Cercle de l'Industrie, and co-president of the Board of Arcelor. Mr. Mer was the French Minister of Economy, Finance and Industry from 2002 to 2004.

Kay Breeden, Independent non-executive member of the Board. Ms. Breeden holds a Bachelor's degree in Biology and a Master's degree in Bio-medical Engineering from the University of Illinois and has attended the Management Executive Education Programme of Stanford University. Ms. Breeden has gained unique perspective through key leadership roles in government, corporate and management consulting environments, including eleven years spent at two top tier management consulting firms, Booz Allen and A.T. Kearney; more than fifteen years with large global corporations including CBRE, Seagate, and Digital Equipment Corporations in executive positions in Environmental, Health, Safety and Corporate Social Responsibility, Business Excellence and Corporate Facilities and Real Estate; and five years with the United States Environmental Protection Agency. Ms. Breeden has a broad array of industry experience including high tech, biotech, consumer products, energy, utilities, chemicals, construction and engineering, environmental services, aerospace, real estate, metals and mining; and significant international business experience in Europe, Asia, North and South America.

Bernadette Blampain, Independent non-executive member of the Board. Mrs. Blampain holds a Master's degree in Economic Sciences from the Catholic University of Louvain (UCL). She is also specialized in Information Security and Data Protection. She held various technical and managerial positions at ING Belgium SA/NV (formerly Bank Brussel Lambert) during 35 years, more specifically in the IT division as project manager, risk manager or responsible for the IT development and maintenance of different banking areas. Since early 2019, she has held the position of Data Protection Officer in the medical sector.

Astrid de Launoit, Independent non-executive member of the Board. Mrs. de Launoit holds a Bachelor's degree in Economics and Finance from the University of Lille (Université Catholique de Lille) and a Master's degree in Management specialized in Luxury. She is also a graduate of the Gemological Institute of America. She has worked in several positions in the luxury and education sectors.

4. Appointment of the members of the Board

The members of the Board are appointed by the Shareholders' Meeting under the quorum and majority conditions applicable to an amendment of the articles of association of the Company, upon proposal by the Board. The members of the Board are appointed for a term of one year and their term of office is renewable.

In case a seat of member of the Board becomes vacant, such vacancy may be filled temporarily by virtue of a unanimous vote of the remaining members of the Board, until the next Shareholders' Meeting which proceeds to the definitive appointment of a Board member.

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

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

The Board of Viohalco, having reviewed the independence criteria pursuant to the BCCA and the 2020 Code, has decided that Mr. Efthimios Christodoulou, Mr. Francis Mer, Ms. Kay Breeden, Ms. Bernadette Blampain, and Ms. Astrid de Launoit fulfil these criteria and are independent members.

Pursuant to Article 7:86 of the BCCA, Viohalco's Board currently consists of 10 male and 5 female Board members. The Company's Board with the assistance of the Nomination and Remuneration Committee took the appropriate measures in order to ensure compliance with the legal requirement.

However, as a holding company in the industrial sector, Viohalco does not have in place a concrete diversity policy for its Board of Directors or its senior executives. The nature of the business and the required expertise limits the possibility of gender diversification. It is common worldwide that in an industrial environment in metals processing the vast majority of personnel consists of males. Nevertheless, Viohalco employs skilled and experienced personnel without any discrimination and make efforts to ensure diversity in terms of nationality, age, religion, and ethnic origin.

5. Functioning

The Board has elected among its members Mr. Nikolaos Stassinopoulos as Chairman of the Board (the ***Chairman***).

The Chairman directs the Board's works. He sets the agenda of its meetings after consultation with the Executive Management. The Chairman is responsible for ensuring that all members of the Board receive accurate, clear and timely information.

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

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

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 a meeting through the above-mentioned means of communication is considered as physical presence to such meeting. The Board may
adopt unanimous written decisions, expressing its consent in writing.

The following table provides an overview of the Board meetings held in 2020:

Date and Place	Attendance
March 19, 2020 (videoconference call)	Present: 15 Represented: 0 Absent: 0
April 15, 2020 (videoconference call)	Present: 14 Represented: 0 Absent: 1
May 27, 2020 (videoconference call)	Present: 14 Represented: 1 Absent: 0
July 13, 2020 (videoconference call)	Present:12 Represented: 1

	Absent: 2
September 24, 2020 (videoconference call)	Present:13 Represented: 0 Absent: 2
November 12, 2020 (videoconference call)	Present:15 Represented: 0 Absent: 0
December 10, 2020 (videoconference call)	Present: 14 Represented: 0 Absent: 1

Committees of the Board of Directors

The Board has set up two committees to assist and advise the Board on specific areas: the Audit Committee and the Nomination and Remuneration Committee. The competences of these committees are primarily set out in the Charter.

1. The Audit Committee

The Audit Committee is composed of Mr. Efthimios Christodoulou, acting as Chairman of the Committee, Mr. Xavier Bedoret, and Ms. Margaret Zakos. All members are non-executive members of the Board and one of them is independent.

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

Pursuant to the Charter, the Audit Committee meets at least four times a year, and at least twice a year it meets with the Company's statutory auditor.

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

- monitors the financial reporting process;
- monitors the effectiveness of the Company's system of internal control and risk management as well as the internal audit function;
- monitors the conducting of the statutory audit of the annual and the consolidated financial statements, including the follow-up on questions and recommendations made by the statutory auditor;
- reports regularly to the Board on the exercise of its duties, and at least when the Board sets up the annual and the consolidated financial statements, as well as the condensed financial statements intended for publication;
- presents recommendations to the Board with respect to the appointment of the statutory auditor; and
- reviews and monitors the independence of the statutory auditor, in particular regarding the provision of non-audit services to the Company.

In 2020, the Audit Committee met four times: on March 18, on May 27, on September 23, and on December 9, via videoconference call, with all members present.

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is composed of Mr. Nikolaos Stassinopoulos, acting as President of the Committee, Mr. Francis Mer, and Mr. Efthimios Christodoulou. All members are non-executive members of the Board, and two of them are independent.

Pursuant to the Charter, the Committee meets at least twice a year, and whenever necessary in order to carry out its duties.

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

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

In 2020, the Nomination and Remuneration Committee met two times: on March 21 in Brussels, with all members present, and on December 18, decided by a circular decision.

Evaluation of the Board of Directors and its Committees

The Board regularly (at least every two or three years) assesses its size, composition, performance and those of its committees, as well as its interaction with the Executive Management. On December 10, 2020, the Board reviewed the board evaluation process in order to ensure that the Company operates in an efficient way, consistently encouraging the continuous improvement of the Company's governance.

The non-executive members of the Board assess their interaction with the Executive Management on a regular basis.

Executive Management

The Executive Management comprises four persons: the chief executive officer (CEO), Mr. Ippokratis Ioannis Stassinopoulos; the executive vice-President, Mr. Evangelos Moustakas; the chief financial officer (CFO), Mr. Efstratios Thomadakis; and the Financial Manager of the Greek Branch, Mr. Panteleimon Mavrakis.

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:

Jacques Moulaert, Vice-ChairmanPresident (until 11/2020) - executive member of the Board. Please see above section no 3, Information on the members of the Board, Board of Directors.

Evangelos Moustakas, Vice-ChairmanCEO (as of 11/2020) - executive member of the Board. Please see above section no 3, Information on the members of the Board, Board of Directors.

Ippokratis Ioannis Stassinopoulos, CEO (as of 11/2020) – executive member of the Board. Please see above section no 3, Information on the members of the Board, Board of Directors.

Efstratios Thomadakis, CFO. 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 the Sidenor Group, Viohalco's steel business segment. He is also member of the board of directors of several Viohalco subsidiaries, such as Sidenor Industry S.A.

Panteleimon Mavrakis, Financial Manager of the Greek Branch. Mr. Mavrakis studied Economics at the University of Piraeus. He joined Viohalco in 1979 and since then has held executive positions in the financial department of several Viohalco companies. From 2000 to 2013, he served as CFO of Viohalco Hellenic and some of its subsidiaries, and since 2013 he is responsible for the accounting and fiscal affairs of the Greek Branch of Viohalco.

In November 2020, Jacques Moulaert deceased and Mr. Evangelos Moustakas submitted his resignation from the position of the CEO of Viohalco. Upon recommendation of the Nomination & Remuneration Committee, Mr. Evangelos Moustakas was appointed as Executive Vice-President, replacing Jacques Moulaert, and Mr. Ippokratis Ioannis Stassinopoulos was appointed as new CEO (Chief Executive Officer), replacing Mr. Evangelos Moustakas.

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

In particular, the Board has assigned the following missions to the Executive Management:
- preparing strategic proposals for the Board;
- putting internal controls in place;
- monitoring and managing the Company's results and performance against strategic and financial plans;
- giving direction, guidance, and support to the Company's business;
- presenting to the Board a timely and reliable set of the Company's draft financial statements, in accordance with applicable accounting standards, as well as the related press releases;
- preparing the Company's required disclosure of the financial statements and other material financial and non-financial information;
- providing the Board with a balanced and comprehensive assessment of the Company's financial situation;
- making recommendations to the Board with respect to matters within its competency; and
- reporting to the Board on the performance of the Company.

Remuneration policy

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

Procedure

This remuneration policy has been prepared by the Board of directors upon recommendation of the Nomination & Remuneration Committee. It will be submitted to the approval of the shareholders' meeting of 25 May 2021.

This policy may be revised by the Board upon recommendation of the Nomination & Remuneration Committee. Upon approval by the shareholders' meeting, this remuneration policy will be applicable for four years, it being understood that any material change to the remuneration policy during this period will be submitted to the approval of the shareholders' meeting.

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

For the preparation of this remuneration policy, the Board, with the assistance of the Nomination & Remuneration Committee, takes into consideration whether events of conflicts of interests exist. For the prevention of such events, each member of the Board and each member of the Executive Management is required to always act without conflict of interests and always put the interest of Viohalco before his individual interest. They are also required to inform the Board of conflicts of interests as they arise. In the event a conflict of interests may arise, the Board is required to implement the specific procedures of conflict resolution set forth in articles 7:96 of the BCCA.

The remuneration policy is based on the prevailing market conditions for comparable companies, paying at market-competitive level achieved through benchmarking. It takes into account the responsibilities, experience, required competencies, and participation/contribution of the members of the Board of Directors and the members of the Executive Management.

The Board of Viohalco, a holding company of a predominantly industrial portfolio, aims at preserving long-term value for its shareholders. The determination and evolution of the Company's remuneration policy is closely linked with the growth, results and success of the Company as a whole. The Company's remuneration policy is built around internal fairness and external market competitiveness. The Company's objective is to balance offering competitive salaries while maintaining focus on performance and results.

Board of directors

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

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

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

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

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

Executive Management

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

Members of the Executive Management do not receive any variable remuneration, or remuneration in shares.

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

Remuneration report

This remuneration report provides an overview of the remuneration granted during the financial year 2020 to the members of the Board of directors and the members of the Executive Management, in accordance with the remuneration policy. It will be submitted to the vote of the shareholders' meeting of 25 May 2021.

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

Board of directors

The following table (A) provides an overview of the fees paid to the members of the Board of directors in the financial year 2020:

Table A

	Amounts in EUR	Fixed remuneration				
Name for members		**Base Salary [(a)]**	**Fees [(b)]**	**Other benefits [(c)]**	**Total Remuneration**	**Proportion of fixed and variable remuneration**
Nikolaos Stassinopoulos	Viohalco	-	50.000	-	50.000	100%
	Subsidiaries	-	-	-	-	-
	Total	**-**	**50.000**	**-**	**50.000**	**100%**
Jacques Moulaert*	Viohalco	-	22,917	-	22,917	100%
	Subsidiaries	-	458,333	-	458,333	100%
	Total	**-**	**481,250**	**-**	**481,250**	**100%**
Evangelos Moustakas	Viohalco		126,143	-	126,143	100%
	Subsidiaries	1,183,429	-	-	1,183,429	100%
	Total	**1,183,429**	**126,143**	**-**	**1,309,572**	**100%**
Michail Stassinopoulos	Viohalco	-	25.000	-	25,000	100%
	Subsidiaries	863,452	-	-	863,452	100%
	Total	**863,452**	**25.000**	**-**	**888,452**	**100%**
Ippokratis Ioannis Stassinopoulos	Viohalco	-	25.000	-	25,000	100%
	Subsidiaries	863,452	-	-	863,452	100%
	Total	**863,452**	**25.000**	**-**	**888,452**	**100%**
Jean Charles Faulx	Viohalco	-	25.000	-	25,000	100%
	Subsidiaries	184,499	54,266	-	238,765	100%
	Total	**184,499**	**79,266**	**-**	**263,765**	**100%**
Thanasis Molokotos	Viohalco	-	25,000	-	25,000	100%
	Subsidiaries	723,483	26,609	12,500	762,593	100%
	Total	**723,483**	**25.000**	**12,500**	**787,593**	**100%**
Xavier Bedoret	Viohalco	-	320,000	10,203	330,203	100%
	Subsidiaries	-	50,000	-	50,000	100%
	Total	**-**	**370,000**	**10,203**	**380,203**	**100%**
Patrick Kron**	Viohalco	-	3,125	-	3,125	100%
	Subsidiaries	-	-	-	-	-
	Total	**-**	**3,125**	**-**	**3,125**	**100%**
Marion Steiner Stassinopoulos	Viohalco	-	25,000	-	25,000	100%
	Subsidiaries	-	-	-	-	-
	Total	**-**	**25,000**	**-**	**25,000**	**100%**
Margaret Zakos	Viohalco	-	39,583	-	39,583	100%
	Subsidiaries	-	6,250	-	6,250	100%
	Total	**-**	**45,833**	**-**	**45,833**	**100%**
Efthimios Christodoulou (***)	Viohalco	-	-	-	-	-
	Subsidiaries	-	-	-	-	-
	Total	**-**	**-**	**-**	**-**	**-**
Francis Mer	Viohalco	-	50,000	-	50,000	100%
	Subsidiaries	-	-	-	-	-
	Total	**-**	**50,000**	**-**	**50,000**	**100%**
Kay Marie Breeden	Viohalco	-	25,000	-	25,000	100%
	Subsidiaries	-	-	-	-	-
	Total	**-**	**25,000**	**-**	**25,000**	**100%**
Astrid de Launoit	Viohalco	-	25,000	-	25.000	100%
	Subsidiaries	-	-	-	-	-
	Total	**-**	**25,000**	**-**	**25,000**	**100%**
Bernadette Blampain	Viohalco	-	14,583	-	14,583	100%
	Subsidiaries	-	-	-	-	-
	Total	**-**	**14,583**	**-**	**14,583**	**100%**
Total Remuneration	**Viohalco**	**-**	**801,352**	**10,203**	**811,555**	100%
	Subsidiaries	**3,818,315**	**595,459**	**12,500**	**4,426,273**	100%
	Total	**3,818,315**	**1,396,810**	**22,703**	**5,237,828**	100%

(*) This member of the Board passed away in November 2020.

(**) This member of the Board was co-opted in November 2020.

(***) This member of the Board has waived all remuneration.

Executive Management

The following table (B) provides an overview of the fees paid to the members of the Executive Management during the financial year 2020:

Table B

	Amounts in EUR	**Fixed remuneration**				
Name for members		**Base Salary [(a)]**	**Fees [(b)]**	**Other benefits [(c)]**	**Total Remuneration**	**Proportion of fixed and variable remuneration**
Evangelos Moustakas (CEO 1.1.2020-12.11.2020)	Viohalco	-	110,375	-	110,375	100%
	Subsidiaries	1,035,500	-	-	1,035,500	100%
	Total	**1,035,500**	**110,375**	**-**	**1,145,876**	**100%**
Ippokratis Ioannis Stassinopoulos (CEO 12.11.2020-31.12.2020)	Viohalco	-	3,125	-	3,125	100%
	Subsidiaries	107,931	-	-	107,931	100%
	Total	**107,931**	**3,125**	**-**	**111,056**	**100%**
Executive management	Viohalco	407,048	152,185	6,804	566,037	100%
	Subsidiaries	1,291,360	458,333	-	1,749,693	100%
	Total	**1,698,408**	**610,518**	**6,804**	**2,315,730**	**100%**
Total Remuneration	**Viohalco**	**407,048**	**152,185**	**6,804**	**566,037**	100%
	Subsidiaries	**1,291,360**	**458,333**	**-**	**1,749,693**	100%
	Total	**1,698,408**	**610,518**	**6,804**	**2,315,730**	**100%**

Notes to Tables A & B:

(a) Base salary: this column includes the fixed base salary in exchange for professional services regarding their mandate or for any other executive or non-executive services or functions provided during the reported financial year under a specific contract.

(b) Fees: this column includes all fees of the members of the Board for the participation in the administrative, management or supervisory bodies of the Company's meetings during the reported financial year.

(c) Other benefits: this column includes the value of any benefits and perquisites, such as non-business or non-assignment related travel, medical, car, residence or housing, credit cards, and other benefits in kind.

Evolution of the remuneration

The following table (C) provides an overview of the evolution over the five most recent financial years of the overall remuneration of the members of the Board of directors and the members of the Executive Management, and the performance of the Company through the reporting of some of its KPIs.

Table C*

Amounts in EUR	**2016**	**2017**	**2018**	**2019**	**2020**
Remuneration of the members of the Board of directors and the Executive Management	3,321,000	3,678,809	4,535,405	4,869,806	5,651,680
					Performance of the Company
EBITDA	231,679,600	302,545,754	331,857,157	273,374,327	285,529,855
a-EBITDA	249,537,568	284,207,150	317,024,722	302,473,034	294,652,503
Revenue	3,119,198,454	3,721,310,855	4,406,185,353	4,198,193,708	3,850,077,328

* The information is provided on the basis of the available information from previous remuneration reports and the annual accounts.

The remuneration ratio, as defined by Section3:6 of the BCCA, was 48.3x for 2020. For its calculation, the Company used the remuneration of the CEO as the highest paid management member and the remuneration of the full-time employee of the holding company - who has worked for a full year - as the lowest paid employee.

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

External Audit

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

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

On May 29, 2019, the Company appointed PriceWaterhouseCoopers - Reviseurs d'entreprises SCRL, in abbreviation PwC Reviseurs d'Entreprises, represented by Marc Daelman, as statutory auditor for a three-year period.

Company's Risk Management and Internal Audit Function

The Belgian legislative and regulatory framework on risk management and internal control is set out in the law of 17 December 2008 on the establishment of an audit committee, and the law of 6 April 2010 on the enhancement of corporate governance, as well as in the 2009 Code.
As mentioned in the chapter "Risks and Uncertainties" of this annual report, the Executive Management is responsible for the risk management and the system of internal control. Under the high supervision of the Executive Management, the Management of each Company's subsidiary is in charge of developing an adequate organisation and an appropriate system of internal control for running the subsidiary's operations and managing risk.

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

- Company's Risk Management
Risk management is a responsibility delegated by the Board to the Management of the subsidiaries. The latter report on business risks and challenges to the Executive Management on a regular basis; they provide the Board and the Audit Committee with a detailed business review which analyses risks and challenges. The Internal Audit under the supervision of the Audit Committee ensures the monitoring and the effectiveness of their risk management systems.

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

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

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

Control and Relationship with Subsidiaries

Viohalco is a holding company that operates in a decentralized manner. Each of Viohalco companies is responsible for its performance and results. The management of the subsidiaries is organised around solid global and regional teams, with responsibility assigned to the members of their respective Executive Management team.

All Viohalco's companies are accountable for their own organization, risk management and system of internal control as these are developed and implemented depending on the business segment, the geographical location and the type of production plant concerned.

Financial Reporting and Monitoring

Viohalco has established procedures for the adequate recording and reporting of financial and non-financial information. The objective is to ensure that financial and non-financial information produced by each entity is homogeneous, coherent, and comparable, and that consolidated financial information is fair, reliable, and can be obtained in a timely manner.

Each subsidiary reports financial information on a monthly basis. This includes the balance sheet, the income statement, the statement of cash flows, and a working capital analysis.

A review covering each business segment is presented to the Board. The review includes "actual versus budget", financial and non-financial information, the highlights of the semester, the business segment perspectives, and is a key component of Viohalco's decision-making process.

Conflict of interests

Pursuant to Article 9 of the Charter, in the event a conflict of interests with a member of the Board, a shareholder, or another Viohalco subsidiary, may arise, the Board is required to implement the specific procedures of conflict resolution set forth in articles 7:96 and 7:97 of the BCCA.

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

All members of the Board are required to inform the Board of conflicts of interests as they arise. If the conflict of interests is of proprietary nature, they will abstain from participating in the discussions and deliberations on the matter involved in accordance with article 7:96 of the BCCA. If the conflict of interests is not covered by the provisions of the BCCA and involves a transaction or contractual relationship between Viohalco 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 will inform the Board of the conflict. The Board is under the obligation to check that the approval of the transaction is motivated by Viohalco's interest only and that it takes place at arm's length.

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

Since the listing of the Company, the Board has not been notified of any transaction or other contractual relationship between Viohalco and its Board members which caused a conflict of interests within the meaning of articles 7:96 and 7:97 of the BCCA.

Shareholders

1. Capital Structure

On December 31, 2020, the Company's share capital amounted to EUR 141,893,811.46 represented by 259,189,761 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 select, at any time, to have their registered shares converted into dematerialised shares and vice versa.

Share transfers are not restricted in the Company's articles of association; all Company's shares are freely transferable.

Each share entitles the holder to one voting right.

2. Restrictions on Voting Rights

The articles of association do not provide for special restrictions on the shareholders' voting rights. Provided that the shareholders are admitted to the Shareholders' Meeting and their rights are not suspended, they enjoy unrestricted freedom in exercising their voting rights. The relevant provisions governing the shareholders' admission to the Shareholders' Meeting are set out in article 19 of Viohalco's articles of association.

Article 7.3 of the articles of association provides that the Company's 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.

3. Transparency

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

- direct or indirect acquisition or disposal of voting securities, or change of the breakdown of the voting rights, where the proportion of voting rights attached to the securities held reaches or exceeds 10%, 15%, 20% and so on, by increments of 5%, of the total existing voting rights;
- first admission of the Company's shares to trading on a regulated market, where the voting rights attached to the voting securities represent 5% or more of the total existing voting rights;

- conclusion, modification or termination by natural or legal persons of an agreement to act in concert where the proportion of the voting rights that are the subject of the agreement, or the proportion of the voting rights held by a party to the agreement, reaches, exceeds or falls below one of the thresholds provided for in § 1, or the nature of the agreement to act in concert is modified;
- crossing of stricter notification thresholds added by the Company's articles of association.

The notification must be made as soon as possible and, not later than four trading days following the acquisition or disposal of the voting rights triggering the reaching of the initial threshold. The Company must publish the information so notified within three trading days following receipt of the notification.

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

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

The voting rights held by the major shareholders of the Company are available on the website of Viohalco (www.viohalco.com).

Viohalco is not aware of the existence of any agreement between its shareholders concerning the transfer or the exercise of the voting rights attached to the shares of the Company.

Shareholders' Meeting

1. Meetings

The Annual Ordinary Shareholders' Meeting of the Company is held on the last Tuesday of May at 12:00 p.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 a place indicated in the convening notice of the Shareholders' Meeting.

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

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

2. Quorum and Majority required for modification of the articles of association

The modification of Viohalco's articles of association requires that two thirds (2/3) of the share capital are present or represented, and that it is approved by a qualified majority of 75% of the votes cast. If the quorum of two thirds is not reached during a first Shareholders' Meeting, a second Meeting can be convened with the same agenda and shall lawfully meet if 60% of the Company's share capital is present or represented.

If this second Meeting quorum is not reached, a third Meeting can be convened and shall lawfully meet if 58% of the Company's share capital is present or represented.

Share information and evolution of the shares

The share capital of Viohalco is set at EUR 141,893,811.46 and is divided into 259,189,761 shares without nominal value, further to the completion of the cross-border merger by absorption by Viohalco of the Greek companies, Elval Holdings Société Anonyme (Elval), Diatour, Management and Tourism Société Anonyme (Diatour), Alcomet Copper and Aluminium Société Anonyme (Alcomet) and the Luxembourg company Eufina S.A. (Eufina) on 26 February 2016.

The shares have been issued in registered and dematerialised form. All the shares are freely transferable and fully paid up. The Company has not issued any other category of shares, such as non-voting or preferential shares.

All the shares representing the share capital have the same rights. In accordance with the articles of association of the Company, each share entitles its holder to one vote.

Viohalco's shares are listed under the symbol "VIO" with ISIN code BE0974271034 on the regulated market of Euronext Brussels and on the main market of the Athens Stock Exchange (Athex) with the same ISIN code and under the symbol "VIO" (in latin characters) and "BIO" (in Greek characters).

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 Viohalco S.A. on Euronext Brussels and Athens Stock Exchange.

Share price EURONEXT BRUSSELS in EUR	**2020**	**2019**
At the end of the year	3.71	3.72
Maximum	3.98	4.40
Minimum	1.54	2.48
Share price ATHENS EXCHANGE in EUR	**2020**	**2019**
At the end of the year	3.74	3.61
Maximum	3.99	4.50
Minimum	1.52	2.45

Investor relations contact details

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Market NYSE Euronext Brussels
Ticker VIO
ISIN code BE0974271034

Market Athens Stock Exchange
Ticker VIO (in latin characters) and BIO (in Greek characters)
ISIN code BE0974271034

Viohalco remains committed to high-quality and transparent financial reporting. Viohalco'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").

Shareholding structure

According to the last Transparency notifications, the shareholding structure of Viohalco is as follows:

Name (Shareholders)	% voting rights
Nikolaos Stassinopoulos	32.27%
Ippokratis Ioannis Stassinopoulos (4.66% exercised in his own name and 18.99% exercised in his capacity as President of the KIKPE Foundation's Board)	23.65%
Evangelos Stassinopoulos	23.47%

Distribution and dividend policy

As a holding company with majority participations in industrial and commercial companies, Viohalco's dividend policy depends on the ability of these companies to generate profit and cash flows sufficient to secure capital invested, to support growth and long-term sustainability and pay dividends.

As a matter of corporate policy, and based on careful evaluation of each year's financial results and of the wider economic and business context, the Company assesses whether it is sounder to re-invest the totality or part of the annual profits and dividends received into the operating companies' businesses or to pay dividends to its shareholders.

The Company can give no assurance that it will make any dividend payment, for any given year in the near or distant future. Such payment will always be conditional on the complex interplay of a broad number of factors, which include Viohalco's overall strategy and business prospects, evolution of earnings, capital requirements and surplus, general financial conditions, existing contractual restrictions, as well as other factors which the Board of Directors may each time deem relevant.

Financial calendar

Date	Event
Thursday, April 22, 2021	Publication of Annual Report 2020
Tuesday, May 25, 2021	Ordinary General Shareholders' Meeting 2021
Friday, May 28, 2021	Ex-Dividend date of fiscal year 2020
Monday, May 31, 2021	Dividend beneficiaries of fiscal year 2020 - Record date
Tuesday, June 1, 2021	Dividend payment of fiscal year 2020
Thursday, September 23, 2021	Half yearly 2021 results

J. Appendix – Alternative Performance Measures (APMs)

Introduction

Viohalco management has adopted, monitors and reports internally and externally P&L alternative performance measures (‘APMs’), namely EBITDA, EBIT, adjusted EBITDA (a-EBITDA) and adjusted EBIT (a-EBIT) on the basis that they are appropriate measures reflecting the underlying performance of the business. These APMs are also key performance metrics on which Viohalco prepares, monitors and assesses its annual budgets and long-term (5 year) plans. However, it must be noted that adjusted items should not be considered as non-operating or non-recurring items.

Relating to balance sheet items, Viohalco management monitors and reports the net debt measure.

General Definitions

APM definitions have been slightly changed, compared to those applied as at 31 December 2019, the changes are minor and have been made in order to simplify the definitions, align the calculations of EBIT/EBITDA and a-EBIT/a-EBITDA, and assist in reflecting business performance more accurately, Comparatives have been restated.

The changes are the following:

- Exclusion of Associates’ EBIT and EBITDA, in order to reflect more accurately the performance of core Viohalco companies.

The current definitions of APMs are as follows:

EBIT

EBIT is defined as profit for the period before:

- income taxes;
- Share of profit/loss of equity-accounted investees, net of tax; and
- net finance cost.

a-EBIT

a-EBIT is defined as EBIT, excluding:

- metal price lag;
- impairment / reversal of impairment of fixed and intangible assets;
- impairment / reversal of impairment of investments;
- gains/losses from sales of fixed assets, intangible assets and investments;
- exceptional litigation fees and fines;
- other exceptional or unusual items.

EBITDA

EBITDA is defined as profit for the period before:

- income taxes;
- Share of profit/loss of equity-accounted investees, net of tax;
- net finance cost;
- depreciation and amortization.

a-EBITDA

a-EBITDA is defined as EBITDA excluding the same line items as a-EBIT.

Detailed reconciliation between APMs as published in 2019 and comparatives, is presented in the Reconciliation tables' section.

Net Debt

Net Debt is defined as the total of:

- Long term borrowings;
- Short term borrowings;

Less:
Cash and cash equivalents.

Metal Price Lag

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 Viohalco's 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) ;and

(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.

Most of Viohalco subsidiaries 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 inventory in the non-ferrous segments (i.e. aluminum, copper and cables) is treated as being held on a permanent basis (minimum operating stock), and not hedged, in the ferrous segments (i.e. steel and steel pipes), no commodities hedging occurs.

Reconciliation Tables

EBIT and EBITDA

2020								
Amounts in EUR thousands	Aluminium	Copper	Cables	Steel pipes	Steel	Real Estate	Other activities*	Total
EBT (as reported in Statement of Profit or Loss)	**21,674**	**16,017**	**35,385**	**1,555**	**-24,580**	**10,488**	**-1,075**	**59,463**
Adjustments for:								
Share of profit/loss (-) of Associates	-511	2,271	0	67	-86	0	0	1,740
Net Finance Cost	14,881	14,143	21,380	10,609	25,687	3,952	1,655	92,307
EBIT	**36,044**	**32,430**	**56,764**	**12,231**	**1,021**	**14,440**	**579**	**153,511**
Add back:								
Depreciation & Amortization	53,976	15,268	15,117	8,855	29,091	5,946	3,767	132,019
EBITDA	**90,020**	**47,698**	**71,881**	**21,086**	**30,112**	**20,386**	**4,347**	**285,530**

2019								
Amounts in EUR thousands	Aluminium	Copper	Cables	Steel pipes	Steel	Real Estate	Other activities*	Total
EBT (as reported in Statement of Profit or Loss)	**45,943**	**12,123**	**24,488**	**4,262**	**-41,993**	**-2,022**	**-10,878**	**31,924**
Adjustments for:								
Share of profit/loss (-) of Associates	-718	2,286	0	-1,488	262	0	0	343
Net Finance Cost	14,218	15,506	22,664	12,339	28,674	2,954	2,160	98,515
EBIT	**59,444**	**29,916**	**47,152**	**15,113**	**-13,057**	**932**	**-8,718**	**130,782**
Add back:								
Depreciation & Amortization	49,629	15,117	16,489	10,428	39,485	6,839	4,605	142,592
EBITDA	**109,073**	**45,033**	**63,641**	**25,541**	**26,428**	**7,771**	**-4,112**	**273,374**

**”Resource recovery”segment has been aggregated to “Other activities”.*

a-EBIT and a-EBITDA

2020								
Amounts in EUR thousands	Aluminium	Copper	Cables	Steel pipes	Steel	Real Estate	Other activities*	Total
EBT (as reported in Statement of Profit or Loss)	**21,674**	**16,017**	**35,385**	**1,555**	**-24,580**	**10,488**	**-1,075**	**59,463**
Adjustments for:								
Net finance cost	14,881	14,143	21,380	10,609	25,687	3,952	1,655	**92,307**
Metal price lag	3,908	4,311	8,086	0	1,277	0	0	**17,581**
Share of profit/ (loss) of equity investees, net of tax	-511	2,271	0	67	-86	0	0	**1,740**
Impairment/ Reversal of Impairment (-) on fixed assets and investment property	-164	561	0	0	0	-13,782	0	**-13,386**
Exceptional litigation fees and fines / income (-)	0	0	0	0	195	0	0	**195**
Gains (-) /losses from sales of fixed assets and intangibles	349	-1,567	-6	0	-61	-8	-291	**-1,584**
Gains (-) /losses from business combinations	0	0	0	0	-1,072	0	-551	**-1,623**
Reorganization costs	0	0	0	447	2,341	0	0	**2,788**
Incremental coronavirus costs (1)	1,000	1,099	1,370	467	1,008	-108	0	**4,837**
Other exceptional or unusual income (-) /expenses	0	0	0	0	0	0	315	**315**
a-EBIT	**41,137**	**36,834**	**66,214**	**13,145**	**4,708**	**542**	**53**	**162,633**
Add back:								
Depreciation & Amortization	53,976	15,268	15,117	8,855	29,091	5,946	3,767	**132,019**
a-EBITDA	**95,113**	**52,102**	**81,331**	**22,000**	**33,799**	**6,488**	**3,820**	**294,653**

(1) *Incremental coronavirus costs concern all incremental costs incurred due to the coronavirus outbreak. Such costs are directly attributable to the coronavirus outbreak and are incremental to costs incurred prior to the outbreak and not expected to recur once the crisis has subsided and operations return to normal, while they are clearly separable from normal operations.*

2019								
Amounts in EUR thousands	Aluminium	Copper	Cables	Steel pipes	Steel	Real Estate	Other activities*	Total
EBT (as reported in Statement of Profit or Loss)	**45,943**	**12,123**	**24,488**	**4,262**	**-41,993**	**-2,022**	**-10,878**	**31,924**
Adjustments for:								
Net finance cost	14,218	15,506	22,664	12,339	28,674	2,954	2,160	98,515
Metal price lag	-4,379	2,579	3,088	0	26,215	0	0	27,502
Share of profit/ (loss) of equity investees, net of tax	-718	2,286	0	-1,488	262	0	0	343
Impairment/ Reversal of Impairment (-) on fixed assets	-10	671	80	0	0	86	144	972
Exceptional litigation fees and fines / income (-)	29	0	0	0	-16	0	1	14
Gains (-) /losses from sales of fixed assets and intangibles	-89	-248	7	16	-12	-5	-78	-409
Other exceptional or unusual income (-) /expenses	0	0	0	0	956	407	0	1,362
a-EBIT	**54,994**	**32,918**	**50,326**	**15,129**	**14,086**	**1,420**	**-8,651**	**160,223**
Add back:								
Depreciation & Amortization	49,629	15,117	16,489	10,428	39,485	6,839	4,605	**142,592**
a-EBITDA	**104,623**	**48,035**	**66,816**	**25,557**	**53,571**	**8,259**	**-4,045**	**302,816**

**"Resource recovery"segment has been aggregated to "Other activities".*

2019 a-EBIT Restatement Reconciliation								
Amounts in EUR thousands	Aluminium	Copper	Cables	Steel pipes	Steel	Real estate	Other activities*	Total
As reported 2019	**55,712**	**30,632**	**50,326**	**16,617**	**13,824**	**1,420**	**-8,651**	**159,881**
Excluding:								
Share of Profit (-) / Loss of Associates	-718	2,286	0	-1,488	262	0	0	**343**
Restated figure 2019	**54,994**	**32,918**	**50,326**	**15,129**	**14,086**	**1,420**	**-8,651**	**160,223**

2019 a-EBITDA Restatement Reconciliation								
Amounts in EUR thousands	Aluminium	Copper	Cables	Steel pipes	Steel	Real estate	Other activities*	Total
As reported 2019	**105,340**	**45,749**	**66,816**	**27,045**	**53,309**	**8,259**	**-4,045**	**302,473**
Excluding:								
Share of Profit (-) / Loss of Associates	-718	2,286	0	-1,488	262	0	0	**343**
Restated figure 2019	**104,623**	**48,035**	**66,816**	**25,557**	**53,571**	**8,259**	**-4,045**	**302,816**

**"Resource recovery"segment has been aggregated to "Other activities".*

Segmental Information

2020	Aluminium	Copper	Cables	Steel pipes	Steel	Real Estate	Other activities*	Total
Revenue	**1,167,735**	**1,066,014**	**568,615**	**304,824**	**677,939**	**10,041**	**54,909**	**3,850,077**
Gross profit	100,633	73,958	81,605	24,675	46,136	2,458	19,803	**349,266**
Operating profit	**36,044**	**32,430**	**56,764**	**12,231**	**1,021**	**14,440**	**579**	**153,511**
Net finance cost	-14,881	-14,143	-21,380	-10,609	-25,687	-3,952	-1,655	**-92,307**
Share of profit/loss (-) of Associates	511	-2,271	0	-67	86	0	0	**-1,740**
Profit/Loss (-) before tax	**21,674**	**16,017**	**35,385**	**1,555**	**-24,580**	**10,488**	**-1,075**	**59,463**
Income tax	-8,326	-3,626	-8,872	-1,849	381	-1,952	-2,309	-26,553
Profit/Loss (-)	**13,348**	**12,391**	**26,513**	**-294**	**-24,199**	**8,536**	**-3,385**	**32,910**

2019	Aluminium	Copper	Cables	Steel pipes	Steel	Real Estate	Other activities*	Total
Revenue	**1,318,774**	**1,036,972**	**567,785**	**376,084**	**815,568**	**11,197**	**71,813**	**4,198,194**
Gross profit	124,132	68,052	70,133	32,532	30,386	3,325	19,206	**347,766**
Operating profit	**59,444**	**29,916**	**47,152**	**15,113**	**-13,057**	**932**	**-8,718**	**130,782**
Net finance cost	-14,218	-15,506	-22,664	-12,339	-28,674	-2,954	-2,160	**-98,515**
Share of profit/loss (-) of Associates	718	-2,286	0	1,488	-262	0	0	**-343**
Profit/Loss (-) before tax	**45,943**	**12,123**	**24,488**	**4,262**	**-41,993**	**-2,022**	**-10,878**	**31,924**
Income tax	-19,181	-3,309	-7,524	-782	1,279	7,571	6,761	**-15,184**
Profit/Loss (-)	**26,762**	**8,815**	**16,964**	**3,481**	**-40,714**	**5,549**	**-4,117**	**16,740**

"Resource recovery"segment has been aggregated to "Other activities".

Net Debt

Amounts in EUR thousands	As at 31 December 2020	31 December 2019
Long term		
Loans & borrowings	1,001,986	943,522
Lease liabilities	41,276	42,518
Short term		
Loans & borrowings	746,010	830,455
Lease liabilities	10,935	10,903
Total Debt	**1,800,207**	**1,827,398**
Less:		
Cash and cash equivalents	-219,161	-214,499
Net Debt	**1,581,046**	**1,612,899**

K. Consolidated Financial Statements 2020

Contents

Consolidated Statement of Financial Position

Amounts in EUR thousands	Note	As at 31 December 2020	31 December 2019
ASSETS			
Property, plant and equipment	17	1,954,096	1,878,221
Right of use assets	35	38,498	42,652
Intangible assets and goodwill	18	39,545	36,226
Investment property	19	270,413	195,003
Equity-accounted investees	20	38,089	37,742
Other investments	21	8,324	5,829
Deferred tax assets	13	18,456	17,618
Derivatives	23	936	1
Trade and other receivables	15	10,349	6,023
Contract costs	7	222	84
Non-current assets		**2,378,928**	**2,219,399**
Inventories	14	1,074,589	1,060,009
Trade and other receivables	15	447,459	438,734
Contract assets	7	68,517	121,186
Contract costs	7	491	512
Derivatives	23	7,225	1,522
Assets held for sale	22	730	4,223
Current tax assets		1,663	2,826
Cash and cash equivalents	16	219,161	214,499
Current assets		**1,819,835**	**1,843,511**
Total assets		**4,198,763**	**4,062,910**
EQUITY			
Share capital	24	141,894	141,894
Share premium	24	457,571	457,571
Translation reserve		-30,341	-21,711
Other reserves	24	436,104	426,607
Retained earnings		201,467	184,854
Equity attributable to owners of the Company		**1,206,694**	**1,189,214**
Non-controlling interests	33	174,431	145,859
Total equity		**1,381,126**	**1,335,073**
LIABILITIES			
Loans and borrowings	26	1,001,986	943,522
Lease liabilities	35	41,276	42,518
Derivatives	23	1,295	185
Deferred tax liabilities	13	88,077	82,317
Employee benefits	11	40,471	37,362
Grants	28	35,817	35,409
Provisions	29	1,839	2,777
Trade and other payables	27	12,299	4,183
Contract liabilities	7	9,889	7,551
Non-current liabilities		**1,232,950**	**1,155,824**
Loans and borrowings	26	746,010	830,455
Lease liabilities	35	10,935	10,903
Trade and other payables	27	762,998	649,981
Contract liabilities	7	44,132	60,975
Current tax liabilities		14,708	14,962
Derivatives	23	5,252	4,100
Provisions	29	652	636
Current liabilities		**1,584,687**	**1,572,012**
Total liabilities		**2,817,637**	**2,727,837**
Total equity and liabilities		**4,198,763**	**4,062,910**

The notes on pages 99 to 173 are an integral part of these Consolidated Financial Statements.

Consolidated Statement of Profit or Loss

Amounts in EUR thousands	Note	For the year ended 31 December 2020	2019
Revenue	7	3,850,077	**4,198,194**
Cost of sales	8	-3,500,811	-3,850,427
Gross profit		**349,266**	**347,766**
Other income	8	44,240	26,638
Selling and distribution expenses	8	-75,976	-83,165
Administrative expenses	8	-132,822	-131,528
Impairment loss on trade and other receivables, including contract assets	30	-1,497	-78
Other expenses	8	-29,701	-28,851
Operating result (EBIT)		**153,511**	**130,782**
Finance income	9	1,648	1,790
Finance cost	9	-93,955	-100,305
Net finance income / costs (-)		**-92,307**	**-98,515**
Share of profit/ loss (-) of equity-accounted investees, net of tax	20	-1,740	-343
Profit/Loss (-) before income tax expense		**59,463**	**31,924**
Income tax expense (-)	13	-26,553	-15,184
Profit/Loss (-)		**32,910**	**16,740**
Profit/Loss (-) attributable to:			
Owners of the Company		21,528	8,206
Non-controlling interests		11,382	8,534
		32,910	**16,740**
Earnings per share (in EUR per share)			
Basic and diluted	10	0.0831	0.0317

The notes on pages 99 to 173 are an integral part of these Consolidated Financial Statements.

Consolidated Statement of Other Comprehensive Income

Amounts in EUR thousands	Note	For the year ended 31 December 2020	 2019
Profit / Loss (-)		**32,910**	**16,740**
Items that will never be reclassified to profit or loss:			
Equity investments at FVOCI - net change in fair value	21	-518	572
Remeasurements of defined benefit liability	11	-2,844	-4,527
Related tax	13	600	1,511
Total		-2,762	-2,443
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences		-11,155	6,001
Changes in fair value of cash flow hedges –effective portion	30	2,174	-1,067
Changes in fair value of cash flow hedges - reclassified to profit or loss	30	1,857	6,290
Related tax	13	-623	-1,134
Total		-7,747	10,090
Other comprehensive income / expense (-) after tax		**-10,509**	**7,647**
Total comprehensive income / expense (-) after tax		**22,401**	**24,387**
Total comprehensive income attributable to			
Owners of the Company		13,447	13,778
Non-controlling interests		8,955	10,609
Total comprehensive income / expense (-) after tax		**22,401**	**24,387**

The notes on pages 99 to 173 are an integral part of these Consolidated Financial Statements.

Consolidated Statement of Changes in Equity

2020

Amounts in EUR thousands	Note	Share capital	Share premium	Other reserves	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2020		**141,894**	**457,571**	**426,607**	**-21,711**	**184,854**	**1,189,214**	**145,859**	**1,335,073**
Total comprehensive income									
Profit/loss (-)		0	0	0	0	21,528	21,528	11,382	**32,910**
Other comprehensive income		0	0	2,690	-8,629	-2,143	-8,081	-2,427	**-10,509**
Total comprehensive income		**0**	**0**	**2,690**	**-8,629**	**19,386**	**13,447**	**8,955**	**22,401**
Transactions with owners of the Company									
Capitalization of reserves	24	0	0	3,607	0	-3,607	0	0	**0**
Share capital increase of subsidiary	32-34	0	0	0	0	0	0	21,963	**21,963**
Loss of Control/Disposal of subsidiary		0	0	-33	0	33	0	0	**0**
Mergers & absorptions		0	0	3,271	0	4,197	7,467	1,083	**8,550**
Dividends		0	0	0	0	-2,592	-2,592	-2,013	**-4,605**
Total		**0**	**0**	**6,845**	**0**	**-1,969**	**4,876**	**21,033**	**25,909**
Changes in ownership interests:									
Acquisition of NCI		0	0	0	0	-1,144	-1,144	-1,113	**-2,257**
Other changes in ownership interests		0	0	-39	0	341	302	-302	**0**
Balance as at 31 December 2020		**141,894**	**457,571**	**436,104**	**-30,341**	**201,467**	**1,206,695**	**174,431**	**1,381,126**

2019

Amounts in EUR thousands	Note	Share capital	Share premium	Other reserves	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2019		**141,894**	**457,571**	**404,370**	**-26,227**	**196,142**	**1,173,749**	**130,875**	**1,304,624**
Total comprehensive income									
Profit/loss (-)		0	0	0	0	8,206	8,206	8,534	**16,740**
Other comprehensive income		0	0	4,013	4,487	-2,929	5,572	2,075	**7,647**
Total comprehensive income		**0**	**0**	**4,013**	**4,487**	**5,277**	**13,778**	**10,609**	**24,387**
Transactions with owners of the Company									
Capitalization of reserves	24	0	0	25,868	0	-25,868	0	0	**0**
Share capital increase of subsidiary	32-34	0	0	0	0	0	0	9,500	**9,500**
Mergers & absorptions		0	0	-8,310	0	8,310	0	333	**333**
Dividends		0	0	0	0	0	0	-2,120	**-2,120**
Total		**0**	**0**	**17,558**	0	**-17,558**	**0**	**7,712**	**7,712**
Changes in ownership interests:									
Acquisition of NCI		0	0	602	0	808	**1,410**	-3,060	**-1,650**
Other changes in ownership interests		0	0	64	29	185	**277**	-277	**0**
Balance as at 31 December 2019		**141,894**	**457,571**	**426,607**	**-21,711**	**184,854**	**1,189,214**	**145,859**	**1,335,073**

The notes on pages 99 to 173 are an integral part of these Consolidated Financial Statements.

Consolidated Statement of Cash Flows

Amounts in EUR thousands	Note	For the year ended 31 December 2020	2019
Cash flows from operating activities			
Profit / loss (-) for the period		**32,910**	**16,740**
Adjustments for:			
Income tax expense/ credit (-)	13	26,553	15,184
Depreciation of PP&E	8	116,194	127,697
Depreciation of right of use assets		8,450	8,569
Depreciation of intangible assets	8	6,376	4,838
Depreciation of investment property	8	4,157	5,430
Impairment loss/ Reversal of impairment loss (-) and write off of PP&E	8	-6,052	5,840
Impairment loss/ Reversal of impairment loss (-) and write off of investment property	8	-4,700	-3,339
Profit (-) / loss from sale of PP&E and intangible assets	8	-1,727	-409
Profit (-) / loss from sale of investment property	8	143	0
Amortization of grants	28	-3,158	-3,942
Finance cost	9	93,955	100,306
Finance income	9	-1,648	-1,790
Impairment loss on trade and other receivables, including contract assets	30	1,497	78
(Profit) / loss from derivatives valuation		853	0
Gains from business combinations		-1,623	0
Share of profit of equity accounted investees	20	1,740	343
		273,920	**275,544**
Decrease / increase (-) in inventories		-14,580	82,300
Decrease / increase (-) in receivables		-59,617	112,763
Decrease / increase (-) in contract assets		52,669	-3,758
Decrease / increase (-) in contract costs		-117	1,384
Decrease (-) / increase in liabilities		187,802	-15,772
Decrease (-) / increase in employees benefits liability		265	1,211
Decrease (-) / increase in provisions		-922	-1,196
Decrease (-) / Increase in contract liabilities		-14,505	-9,340
		150,996	**167,592**
Interest paid		-88,541	-95,331
Tax expense paid		-11,293	-12,358
Net cash flows from operating activities		**325,083**	**335,448**
Cash flows from investing activities			
Acquisition of PP&E and intangible assets		-231,201	-260,442
Acquisition of investment property	19	-22,514	-23,788
Proceeds from sales of PP&E and intangible assets		6,573	2,436
Proceeds from sales of investment property		100	0
Acquisition of / increase in share capital of subsidiaries and equity accounted investees	20 - 38	-12,543	5,544
Acquisition of other investments	21	-598	-129
Proceeds from sale of other investments		0	3,355
Interest received		842	2
Dividends received	9-20	707	929
Proceeds from collection of grants	28	495	169
Cash from obtaining/ losing control of subsidiaries		278	-394
Net cash flows used in investing activities		**-257,861**	**-272,318**
Cash flows from financing activities			
Proceeds from new borrowings	26	240,868	302,364
Repayment of borrowings	26	-286,282	-298,820
Principal elements of lease payments	26	-10,688	-12,992
Acquisition of NCI		-2,257	-1,650
Dividends paid to shareholders		-2,592	0
Dividends paid to non-controlling interest		-2,008	-2,120
Net cash flows from/used in (-) financing activities		**-62,959**	**-13,218**
Net decrease (-)/ increase in cash and cash equivalents		**4,262**	**49,912**
Cash and cash equivalents at the beginning of period		214,499	163,676
Foreign exchange effect on cash and cash equivalents		400	911
Cash and cash equivalents at the end of period		**219,161**	**214,499**

The notes on pages 99 to 173 are an integral part of these Consolidated Financial Statements.

Notes to the Consolidated Financial Statements

1. Reporting entity

Viohalco S.A. (hereafter referred to as "the Company" or "Viohalco S.A.") 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"Viohalco").

Viohalco S.A. is the holding company and holds participations in approximately 100 subsidiaries, two of which are listed, one on Euronext Brussels and the other on Athens Stock Exchange. With production facilities in Greece, Bulgaria, Romania, North Macedonia and the United Kingdom, Viohalco companies specialise in the manufacture of steel, copper and aluminium products. In addition, Viohalco owns substantial real estate properties in Greece. Its shares are traded on Euronext Brussels (trading ticker "VIO") and has since February 2014 its secondary listing on the Athens Stock exchange (trading ticker "BIO").

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

2. Basis of accounting

Statement of compliance

The Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and authorized by the Company's Board of Directors on 18 March 2021.

Details of the Viohalco'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.

1. Derivative financial instruments (fair value)
2. Other Investments - Equity instruments (fair value)
3. Net defined benefit liability (present value of the obligation)
4. Provisions (present value of the expected future cash flows)

3. Functional currency and presentation currency

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

4. Use of estimates and judgements

Preparing Financial Statements in line with IFRS requires that Management makes judgements, estimates and assumptions that affect the application of Viohalco's 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 2020 is included in the following notes:

- Note 8 – Revenue recognition;
- Note 12 – Measurement of defined benefit obligations: key actuarial assumptions;
- Note 14 – Recognition of deferred tax assets: availability of future taxable profits against which carried forward tax losses can be used;
- Note 19 – Impairment loss test: key assumptions underlying recoverable amounts;
- Note 31 – Measurement of ECL allowance for trade receivables and contract assets: key assumptions in determining loss rates;

5. Significant accounting policies

The accounting principles described below have been consistently applied to all periods presented in these Consolidated Financial Statements and have also been consistently applied by Viohalco and its companies (subsidiaries and 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 Viohalco. To assess control, Viohalco takes into account substantive potential voting rights.

Viohalco and its companies measure goodwill on the acquisition date as follows:

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

Any goodwill that arises is tested annually for impairment loss. 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) Subsidiaries
Subsidiaries are entities controlled by Viohalco. Viohalco 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.

(c) 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 Viohalco's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(d) Loss of control
When Viohalco and its companies lose control over a subsidiary, they derecognise the assets and liabilities of the subsidiary 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.

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

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

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

Joint ventures: A joint venture is an arrangement in which Viohalco has joint control, whereby Viohalco has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

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

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

(f) 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 of Viohalco'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 Viohalco's 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 the following items are recognised in OCI:

- qualifying cash flow hedges to the extent that the hedges are effective;
- an investment in equity securities designated as at FVOCI.

(b) Foreign operations

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

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

5.3. Revenue

Viohalco recognizes revenue from the following major sources:

- Sale of customized products and revenue from projects;
- Sale of standard products;
- Rendering of services.

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

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

Sales of customized products and revenue from projects

Regarding contracts for projects and for customized products produced for the exclusive use of certain customers and with no alternative use, there is an enforceable right to payment for performance completed to date if the contract is terminated by the customer or another party for reasons other than Viohalco's subsidiaries' failure to perform as promised. Hence, it is concluded that the client controls all of the work in progress, as the goods are being produced.

Therefore, for such contracts revenue is recognised progressively based on the most appropriate output or input method, to measure progress towards completion.

The most common methods used are the following:

- For performance obligations related to production of customized products, depending on the type of contract concerned, the methods to measure progress is estimated based on:

  i. Production time elapsed, i.e. the ratio between the actual time spent on the production and the total number of scheduled production time. This method is used for submarine cables produced in long continuous lengths, since the production of such products normally lasts for significant period of time and, as a result, the related performance obligations are satisfied as production time elapses.

  ii. The quantity of manufactured and tested products compared with the total quantity to be produced according to the contract. This method is used for customized land cables, steel pipes and aluminium products, since the production is performed in batches and as a result the performance obligations related are satisfied as certain batches of agreed quantities have been produced.

- For installation phases of cables segment's turnkey projects, the method to measure progress is based on appraisal of results achieved or milestones reached, based to clearly defined technical milestones, such as transport or meters of cables installed. When milestones are being used as a method to measure progress, these milestones faithfully depict the performance.

Sales of standard products

For products which are not considered customized, customers do not take control of the product until production is completed, therefore revenue is recognised at a point of time, when the control of the goods sold has been transferred.
The timing of the transfer of control usually occurs when the goods have been shipped to the customers' location, unless otherwise specified in the terms of the contract. The terms defined on the contracts with customers are according to Incoterms.
Revenue recognised at a point in time is invoiced either simultaneously with its recognition, or within a short time period from its recognition. A receivable is recognised when the control is transferred to the customer, as this represents the point in time at which the right to consideration becomes unconditional.

Rendering of services

Revenue is recognised using the stage-of-completion method. The total consideration in the service contracts is allocated to all performance obligations in the contract based on their stand-alone selling prices. The stand-alone selling prices are determined based on the list prices at which Viohalco sells the services in separate transactions.

Contract assets and contract liabilities

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

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

Contract costs

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

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

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

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

5.4. Employee benefits

(a) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if Viohalco 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 Viohalco and its companies pay 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 it concerns.

(c) Defined benefit plans

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

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

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in OCI. Viohalco and its companies determine 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. Viohalco and its companies recognise 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 Viohalco and its companies 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.

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 Viohalco's companies 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 statement of profit or loss (line "other income") on a straight line basis over the expected useful lives of the related assets.

5.6. Finance income and finance cost

Viohalco and its companies finance income and finance costs mainly include:

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

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

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

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

Dividend income is recognised in profit or loss on the date on which Viohalco's right to receive payment is 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 to items recognised directly in equity or in OCI.

A. Current tax

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

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

B. Deferred tax

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

Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that Viohalco and its companies are 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 reflect the tax consequences that would follow from the manner in which Viohalco and its companies expect, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

5.8. Inventories

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

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

5.9. Property, plant and equipment

A. Recognition and measurement

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

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to Viohalco and its companies. 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. The component approach is followed if the cost of an asset comprises different major components of that asset with different useful lives.

Buildings	10-33 years
Plants	50 years
Machinery	2-35 years
Furniture and other equipment	2-8 years
Transport means	4-15 years

Computers are included in the category "Furniture and other equipment".
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 to investment property.

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 when 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 Viohalco's companies intend 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 in profit or loss in the year in which they are incurred.

Other intangible assets: Other intangible assets, including customer relationships, patents and trademarks, that are acquired by Viohalco and its companies 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 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

Some intangible assets included in "Trademarks and licences" have indefinite useful lives and are therefore not amortised, but subject to an impairment testing. See Note 19 for detailed information.

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, buildings and right of use assets, is owned by Viohalco and its subsidiaries for the collection of rents 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 loss) is directly recorded in profit and loss as an expense. The reversal of impairment losses is also recognised in profit and loss as income. Land is not depreciated. The buildings are depreciated by applying the straight-line method. The expected useful life of buildings is 18-33 years.

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 Viohalco;
- 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 Viohalco 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 Viohalco and its companies' 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

Financial instruments and contract assets

Viohalco recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- contract assets;
- lease receivables.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs, except for cash and cash equivalents (12-month expected credit loss).

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

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

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

Measurement of ECLs

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

ECLs are discounted at the effective interest rate of the financial asset.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Impairment losses related to trade and other receivables, including contract assets, are presented separately in the statement of profit or loss.

Write-off

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

B. Non-financial assets

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

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

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

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss under 'Other expenses'. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

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

5.14. Leases

From 1 January 2019, at inception of a contract, Viohalco assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Viohalco companies use the definition of a lease in IFRS 16.

Accounting for lease contracts as a lessee

Viohalco companies lease various offices, warehouses, machinery and cars. Rental contracts are usually made for fixed periods of 1 to 5 years, with some exceptions like lease of specialized machinery, ports, gas cylinders and land which are leased for longer periods.

Viohalco recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability.

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

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

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

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

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

Lease liabilities and right-of-use assets are presented separately in the statement of financial position. Right-of-use assets that meet the definition of investment property are presented within 'Investment property'. Viohalco has elected not to separate non-lease components from lease components.

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

Viohalco applies judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether Viohalco is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

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

Accounting for lease contracts as a lessor

Leases in which Viohalco companies do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income 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. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income.

5.15. Financial instruments

(a) Recognition and initial measurement

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

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

(b) Classification and subsequent measurement

Financial assets

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

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

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

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

Financial assets – Business model assessment:

Viohalco makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with Viohalco companies'continuing recognition of the assets.

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

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

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

Financial assets – Subsequent measurement and gains and losses:

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

Financial liabilities – Classification, subsequent measurement and gains and losses:

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(c) Derecognition

Financial assets

Viohalco derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which Viohalco neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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

Financial liabilities

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

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

(d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, Viohalco currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(e) Derivatives and hedge accounting

Viohalco has elected not to adopt the provisions of IFRS 9 regarding the hedge accounting and will continue applying IAS 39.

Viohalco's companies hold derivative financial instruments designated as fair value or cash flow hedges. Derivatives are used to cover risks arising from changes in prices of metals, fluctuations of foreign exchange rates and changes in interest rates on borrowings.
Derivatives are initially measured at fair value; any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in profit or loss, unless the instrument qualifies for cash flow hedge accounting. Gain or losses from derivatives are classified as operating or financing expense according to the classification of the hedged item.

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 recognised in the Consolidated Statement of Profit or Loss, along with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Cash flow hedge

The effective portion of changes in the fair value of derivatives designated as cash flow hedges is recognised in the 'Hedging reserve'. Any ineffective proportion is recognized immediately in profit or loss.
The amounts recorded in "Hedging Reserve" are reclassified to the consolidated statement of profit or loss in the same period or periods during which the hedged forecast cash flows affect profit or loss or the hedged item affects profit or loss.

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.
Viohalco's 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.

5.16. Cash & cash equivalents

Cash and cash equivalents comprise cash on hand and deposits held at call with financial institutions and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

5.17. Share capital

Shareholder's equity is composed of ordinary shares.

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

5.18. Provisions

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

Provisions are recognised when:

(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.

More specifically:

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

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

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

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

5.19. Earnings per Share

Viohalco 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. Operating profit

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

5.21. Fair value measurement

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

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

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

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

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

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

5.22. New standards, amendment to standards and interpretations of IFRS's

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. Viohalco's 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:

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2020 and have been endorsed by the European Union:

Amendments to References to the Conceptual Framework in IFRS Standards (effective 1 January 2020). The revised Conceptual Framework includes a new chapter on measurement; guidance on reporting financial performance; improved definitions and guidance—in particular the definition of a liability; and clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

Amendments to the definition of material in IAS 1 and IAS 8 (effective 1 January 2020). The amendments clarify the definition of material and make IFRSs more consistent. The amendment clarifies that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information. It also states that an entity assesses materiality in the context of the financial statements as a whole. The amendment also clarifies the meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need. The amendments are not expected to have a significant impact on the preparation of financial statements.

Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform (effective 1 January 2020). The amendments require qualitative and quantitative disclosures to enable users of financial statements to understand how an entity's hedging relationships are affected by the uncertainty arising from interest rate benchmark reform.

Amendments to the guidance of IFRS 3 Business Combinations, that revises the definition of a business (effective 1 January 2020). The new guidance provides a framework to evaluate when an input and a substantive process are present (including for early stage companies that have not generated outputs). To be a business without outputs, there will now need to be an organised workforce. The changes to the definition of a business will likely result in more acquisitions being accounted for as asset acquisitions across all industries, particularly real estate, pharmaceutical, and oil and gas. Application of the changes would also affect the accounting for disposal transactions.

The following new amendments have been issued, are not mandatory for the first time for the financial year beginning 1 January 2020 but have been endorsed by the European Union:

Amendment to IFRS 16 Leases Covid-19-Related Rent Concessions (effective 01/06/2020, with early application permitted). If certain conditions are met, the Amendment would permit lessees, as a practical expedient, not to assess whether particular Covid-19-related rent concessions are lease modifications. Instead, lessees that apply the practical expedient would account for those rent concessions as if they were not lease modifications.

Standards and Interpretations effective for subsequent periods:

The following new standards and amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2020 and have not been endorsed by the European Union. The following amendments are not expected to have a material impact on Viohalco Consolidated Financial Statements in the current or future reporting periods.

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

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

Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets as well as Annual Improvements (effective 01/01/2022). The package of amendments includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards.

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

IAS 1 (Amendments) 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Disclosure of Accounting policies' (effective for annual periods beginning on or after 1 January 2023). The amendments require companies to disclose their material accounting policy information and provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments have not yet been endorsed by the EU.

IAS 8 (Amendments) 'Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates' (effective for annual periods beginning on or after 1 January 2023). The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The amendments have not yet been endorsed by the EU.

IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions – Extension of application period' (effective for annual periods beginning on or after 1 April 2021). The amendment extends the application period of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases due only on or before 30 June 2022. The amendment has not yet been endorsed by the EU.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (effective 01/01/2021). These amendments address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The amendments are effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.

6. Operating segments

A. Basis for the division into segments

For management purposes, Viohalco is split into seven major strategic reportable segments which operate in different industries:

- Aluminium;
- Copper;
- Cables;
- Steel pipes;
- Steel;
- Real estate development;
- Other activities.

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 Viohalco 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 Viohalco regularly reviews its' operating results in order to allocate resources to segments and in assessing their performance.

For the purposes of segmental reporting, all Viohalco companies, except those operating as trading companies, have been assigned to a specific reportable segment.

Regarding the trading companies of Viohalco, their profit or loss and balance sheet figures have been allocated to the reportable segments, according to the nature of their transactions.

A brief description of the segments is as follows:

Aluminium: ElvalHalcor through its aluminium rolling division (Elval), its subsidiaries Symetal S.A., Elval Colour S.A. and Vepal S.A. along with Bridgnorth Aluminium and Etem Bulgaria deliver a wide variety of products from aluminium coils and sheets for general applications and aluminium foil for household use, to special products, such as, rolled and extruded aluminium products for shipbuilding, automotive and construction industries, and lithographic coils.

Copper: ElvalHalcor through its copper tubes division (Halcor) and its subsidiaries Fitco S.A. and Sofia Med S.A. produce a wide range of copper and copper alloy products that span from copper and brass tubes, copper strips, sheets and plates, to copper bus bars and rods.

Cables: Hellenic Cables companies consist one of the largest cable producers in Europe, manufacturing power, telecommunication and submarine cables, as well as enamelled wires and compounds.

Steel Pipes: Corinth Pipeworks engages in the 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.

Steel: Sidenor Steel Industry, Stomana Industry and their subsidiaries manufacture long, flat and downstream steel products.

Real estate: Viohalco creates value through the development of its former industrial real estate properties in Greece and Bulgaria.

Other: Other activities mainly encompass expenses incurred by the parent (holding) company, along with the results of companies which operate in the Technology and R&D&I segment, ceramic trade activities (Vitruvit) and resource recovery segment. None of these activities met the quantitative thresholds for reportable segments in 2020 or 2019.

B. Information about reportable segments

The information disclosed in the tables below is derived directly from the internal financial reporting system used by the executive management (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 2020 and 2019, and for the years then ended.

Revenue and operating profit per segment for 2020 were as follows:

Amounts in EUR thousands	Aluminium	Copper	Cables	Steel Pipes	Steel	Real Estate	Other activities*	Total
Total revenue per segment	1,884,216	1,524,107	1,041,269	343,792	1,146,206	14,421	195,377	**6,149,388**
Inter-company revenue	-716,481	-458,093	-472,654	-38,968	-468,268	-4,379	-140,468	**-2,299,311**
Revenue from external customers	**1,167,735**	**1,066,014**	**568,615**	**304,824**	**677,939**	**10,041**	**54,909**	**3,850,077**
Gross profit	**100,633**	**73,958**	**81,605**	**24,675**	**46,136**	**2,458**	**19,803**	**349,266**
Operating result (EBIT)	**36,044**	**32,430**	**56,764**	**12,231**	**1,021**	**14,440**	**579**	**153,511**
Finance income	79	350	213	130	537	5	334	**1,648**
Finance cost	-14,960	-14,493	-21,593	-10,739	-26,225	-3,957	-1,988	**-93,955**
Share of profit/ loss (-) of equity-accounted investees, net of tax	511	-2,271	0	-67	86	0	0	**-1,740**
Profit/Loss (-) before income tax expense	**21,674**	**16,017**	**35,385**	**1,555**	**-24,580**	**10,488**	**-1,075**	**59,463**
Income tax expense (-)	-8,326	-3,626	-8,872	-1,849	381	-1,952	-2,309	**-26,553**
Net Profit/Loss (-)	**13,348**	**12,391**	**26,513**	**-294**	**-24,199**	**8,536**	**-3,385**	**32,910**

Other information per segment for 2020 is as follows:

Amounts in EUR thousand	Aluminium	Copper	Cables	Steel Pipes	Steel	Real Estate	Other activities*	Total
Equity accounted investees	8,151	13,258	2,162	9,965	4,554	0	0	**38,089**
Other assets	1,243,369	631,856	644,588	304,905	809,810	406,090	120,056	**4,160,673**
Segment assets	**1,251,521**	**645,114**	**646,750**	**314,870**	**814,364**	**406,090**	**120,056**	**4,198,763**
Segment liabilities	692,965	483,369	564,418	189,386	695,848	115,914	75,738	**2,817,637**
Capital expenditure	105,167	20,029	49,442	15,494	16,760	76,288	1,699	**284,879**
Depreciation and amortization	-55,639	-15,464	-16,006	-8,873	-29,414	-5,946	-3,836	**-135,178**

**"Resource recovery"segment has been aggregated to "Other activities".*

Revenue and operating profit per segment for 2019 were as follows:

Amounts in EUR thousand	Aluminium	Copper	Cables	Steel Pipes	Steel	Real Estate	Other activities*	Total
Total revenue per segment	2,030,080	1,496,596	994,897	459,625	1,413,268	14,877	223,882	**6,633,225**
Inter-company revenue	-711,306	-459,624	- 427,112	-83,541	-597,700	-3,680	-152,069	**-2,435,031**
Revenue from external customers	**1,318,774**	**1,036,972**	**567,785**	**376,084**	**815,568**	**11,197**	**71,813**	**4,198,194**
Gross profit	**124,132**	**68,052**	**70,133**	**32,532**	**30,386**	**3,325**	**19,206**	**347,766**
Operating result (EBIT)	**59,444**	**29,916**	**47,152**	**15,113**	**-13,057**	**932**	**-8,718**	**130,782**
Finance income	1,256	39	19	-34	251	2	258	**1,790**
Finance cost	-15,474	-15,545	-22,683	-12,305	-28,925	-2,956	-2,418	**-100,306**
Share of profit/ loss (-) of equity-accounted investees, net of tax	718	-2,286	0	1,488	-262	0	0	**-343**

Profit/Loss (-) before income tax expense	**45,943**	**12,123**	**24,488**	**4,262**	**-41,993**	**-2,022**	**-10,878**	**31,924**
Income tax expense (-)	-19,181	-3,309	-7,524	-782	1,279	7,571	6,761	**-15,184**
Net Profit/Loss (-)	**26,762**	**8,815**	**16,964**	**3,481**	**-40,714**	**5,549**	**-4,117**	**16,740**

Other information per segment for 2019 were as follows:

Amounts in EUR thousand	Aluminium	Copper	Cables	Steel Pipes	Steel	Real Estate	Other activities*	Total
Equity-accounted investees	8,234	11,555	0	12,745	5,207	0	0	**37,742**
Other assets	1,203,625	559,710	599,175	378,440	830,723	315,586	137,909	**4,025,168**
Segment assets	**1,211,859**	**571,265**	**599,175**	**391,186**	**835,930**	**315,586**	**137,909**	**4,062,909**
Segment liabilities	626,273	437,235	544,439	264,240	700,963	70,779	83,908	**2,727,836**
Capital expenditure	158,098	20,176	42,502	10,859	24,824	24,643	3,128	**284,230**
Depreciation and amortization	-51,512	-15,333	-17,226	-10,428	-40,498	-6,839	-4,700	**-146,535**

**"Resource recovery"segment has been aggregated to "Other activities".*

Operating segments aggregation

Resource recovery segment is no longer a reportable segment considering both qualitative and quantitative criteria. More specifically, Viohalco management ceased to monitor the figures of formerly Resource recovery segment as a distinct segment. In addition, formerly Resource recovery segment does not meet the quantitative criteria as its reported figures are below the provisioned thresholds. Thus, it is reported within the other activities segment and for comparability purposes the corresponding items of segment information for the prior period have been represented.

C. Geographic information

Viohalco's segments are managed on a worldwide basis, but operate manufacturing facilities and sales offices are located primarily in Greece, Germany, United Kingdom, France, Bulgaria, Romania, Serbia, North Macedonia and U.S.A.

The segmental information below is based on the segment assets were based on the geographic location of the assets. In Europe, assets' information for Greece and Belgium is reported separately.

Property, plant and equipment

	Balance at 31 December	
Amounts in EUR thousands	2020	2019
Belgium	1,374	1,447
Greece	1,481,299	1,401,623
Other	471,423	475,152
Total	**1,954,096**	**1,878,221**

Intangible assets and goodwill

	Balance at 31 December	
Amounts in EUR thousands	2020	2019
Belgium	29	48
Greece	34,526	30,603
Other	4,990	5,575
Total	**39,545**	**36,226**

Investment property		
	Balance at 31 December	
Amounts in EUR thousands	**2020**	**2019**
Greece	269,608	194,182
Other	805	821
Total	**270,413**	**195,003**

Right of use assets		
	Balance at 31 December	
Amounts in EUR thousands	**2020**	**2019**
Belgium	184	214
Greece	32,270	35,632
Other	6,044	6,807
Total	**38,498**	**42,652**

7. Revenue

Revenue is derived from contracts with customers and from investment property rental income.

	For the year ended 31 December	
Amounts in EUR thousands	**2020**	**2019**
Rental income from investment property	10,041	11,197
Revenue from contracts with customers	3,840,036	4,186,997
Total	**3,850,077**	**4,198,194**

A. Disaggregation of revenue

In the following table revenue from contracts with customers is disaggregated by primary geographical market and timing of revenue recognition. The table includes a reconciliation with the Viohalco's reportable segments (see Note 6).

	for the year ended 31 December 2020						
Amounts in EUR thousand	**Aluminium**	**Copper**	**Cables**	**Steel Pipes**	**Steel**	**Other Activities***	**Total**
Primary geographical markets							
Greece	96,823	49,858	259,584	15,240	175,495	21,748	**618,748**
European Union	784,835	745,674	250,818	227,714	370,069	16,141	**2,395,250**
Other European countries	83,895	111,669	6,544	4,764	125,713	1,630	**334,214**
Asia	61,979	74,598	48,729	0	621	14,507	**200,433**
America	127,597	50,759	861	49,040	142	204	**228,603**
Africa	12,332	30,107	2,028	8,065	5,898	44	**58,475**
Oceania	274	3,350	51	0	0	636	**4,311**
Total	**1,167,735**	**1,066,014**	**568,615**	**304,824**	**677,939**	**54,909**	**3,840,036**
Timing of revenue recognition							
Revenue recognised at a point in time	1,166,810	1,061,661	323,657	30,873	671,971	36,689	**3,291,661**
Products transferred over time	0	0	242,198	273,736	0	737	**516,670**
Services transferred over time	925	4,353	2,760	215	5,968	17,483	**31,704**
Total	**1,167,735**	**1,066,014**	**568,615**	**304,824**	**677,939**	**54,909**	**3,840,036**

Amounts in EUR thousand	*for the year ended 31 December 2019* Aluminium	Copper	Cables	Steel Pipes	Steel	Other Activities*	Total
Primary geographical markets							
Greece	110,070	48,228	222,074	12,253	178,012	26,037	**596,674**
European Union	812,919	753,163	289,757	267,922	472,749	22,210	**2,618,719**
Other European countries	92,772	95,296	8,338	12,696	155,402	1,831	**366,335**
Asia	72,989	65,136	38,120	-1	4,706	20,238	**201,189**
America	218,243	46,658	2,190	83,214	78	898	**351,281**
Africa	11,342	25,044	7,250	0	4,622	183	**48,442**
Oceania	439	3,447	56	0	0	416	**4,357**
Total	**1,318,774**	**1,036,972**	**567,785**	**376,084**	**815,568**	**71,813**	**4,186,997**
Timing of revenue recognition							
Revenue recognised at a point in time	1,315,211	1,033,409	347,125	29,472	803,959	51,487	**3,580,663**
Products transferred over time	2,843	0	217,787	345,589	0	140	**566,359**
Services transferred over time	720	3,563	2,873	1,024	11,609	20,186	**39,974**
Total	**1,318,774**	**1,036,972**	**567,785**	**376,084**	**815,568**	**71,813**	**4,186,997**

”Resource recovery”segment has been aggregated to “Other activities”.

Viohalco’s consolidated revenue for 2020 amounted to EUR 3,850 million, slightly down by 8.3% compared to previous year (2019: 4,198 million). This trend was mainly due to the drop of the metal prices in addition to the slowdown of the sales quantities during the Q2 due to the pandemic.

Revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date amounts to EUR 189 million, from which EUR 153 million is expected to be recognised during 2021 and the remaining EUR 36 million is expected to be recognized during 2022.

B. Contract balances

Contract assets primarily relate to the rights to consideration for work completed but not billed at the reporting date on customized products or energy projects. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when Viohalco companies issue an invoice to the customer (unless the invoice is issued in advance).

Contract liabilities primarily relate to the advance consideration received from customers for construction of customized products or energy projects for which revenue is recognized over time.

Contract assets mainly relate to cables and steel pipes segments, where amounts are billed as work progresses in accordance with agreed-upon contractual terms, either upon achievement of contractual milestones, or at the final delivery and acceptance of the products.

The following table provides information about contract assets and contract liabilities from contracts with customers.

Amounts in EUR thousands	As at 31 December 2020	31 December 2019
Contract assets	68,517	121,186
Contract liabilities	-54,021	-68,526
Total	**14,496**	**52,660**

Significant changes in the contract assets and the contract liabilities balances during the period are as follows:

Amounts in EUR thousands	**Contract assets**	**Contract liabilities**
Balance at 1 January 2020	**121,186**	**68,526**
Increases due to unbilled receivables and changes in measure of progress	58,060	0
Revenue recognised relating to downpayments and deferred income balances as at the beginning of the period	0	-67,438
Transfers from contract assets recognised at the beginning of the period to receivables	-110,667	0
New downpayments and deferred income outstanding at year end	0	53,009
Impairment allowance	-48	0
Reversal of impairment allowance	21	0
Loss of Control/Disposal of subsidiary	0	-4
Write-offs	0	0
Foreign exchange differences	-35	-72
Balance at 31 December 2020	**68,517**	**54,021**

Amounts in EUR thousands	**Contract assets**	**Contract liabilities**
Balance at 1 January 2019	**117,428**	**77,866**
Increases due to unbilled receivables and changes in measure of progress	114,905	0
Revenue recognised relating to downpayments and deferred income balances as at the beginning of the period	0	-47,833
Transfers from contract assets recognised at the beginning of the period to receivables	-111,735	0
New downpayments and deferred income outstanding at year end	0	38,522
Reversal of impairment allowance	126	0
Write-offs	-376	0
Foreign exchange differences	838	-29
Balance at 31 December 2019	**121,186**	**68,526**

Contract assets decreased by EUR 52.7 million compared to 31 December 2019 mainly due to lower project-related activities in the steel pipes segment during 2020.

Contract liabilities, primarily, relate to the advance consideration received from customers. Contract liabilities which are expected to be settled within more than one year are classified as non-current liabilities (EUR 9,889 thousand as of 31 December 2020).

C. Contract costs

Viohalco companies' recognized contracts costs, expect that fees, commissions and other costs associated with obtaining contracts for energy projects are recoverable.

Therefore, as at 31 December 2020, Viohalco has recorded as contract costs an amount of EUR 0.7 million, out of which an amount of EUR 222 thousand is classified as non-current assets. During the year, amortization of contract costs was equal to EUR 0.3 million.

D. Significant judgements in revenue recognition

In recognizing revenue, Viohalco companies make judgements regarding the timing of satisfaction of performance obligations, the identification of distinct performance obligations, as well as the transaction price and the amounts allocated to performance obligations.

The most significant of these estimates are described below:

- Contracts including multiple performance obligations are mainly identified in cables segment for turnkey projects and for customized products in cables, steel pipes and aluminium segments, as described in Note 5.3. In such cases the total transaction price is allocated to these performance obligations on the basis of the relative standalone selling prices of the promised goods and services. If these goods and services are not sold separately, a cost plus margin approach is used to estimate the standalone selling price.

- Some contracts with customers involve a variable transaction cost as they include a volume or trade discount based on the total sales to the customer within a time period. In such case revenue is recognized based on the anticipated sales to the customer throughout the year, as these sales are realized and new orders are received and up to an extent it is highly probable that a significant reversal of cumulative revenue recognized will not be needed.

- A significant portion of contracts with customers, include transportation service. Transportation is considered as a separate performance obligation, if the customer can benefit from the offered transportation service and the promise to transport the goods to the customer is separately identifiable from the production of these customized products.

Revenue for orders of standardized products is recognized at a specific point in time and transportation is not considered a separate performance obligation.

8. Other income and expenses

A. Other Income

		For the year ended 31 December	
Amounts in EUR thousands	**Note**	**2020**	**2019**
Government grants/subsidies		2,212	811
Amortization of grants received	28	3,158	3,942
Rental income		774	1,103
Foreign exchange gains		50	19
Income from fees, commissions and costs recharged		2,047	750
Damage compensation		653	328
Gain on sale of PP&E and intangible assets		1,733	490
Income from consulting services		451	290
Reversal of provisions	29	1,192	143
Reversal of impairment loss of PP&E and investment property		26,410	10,825
Gains from business combination		1,623	0
Income from valuation of options		936	0
Other		3,000	7,935
Total other income		**44,240**	**26,638**

B. Other Expenses

		For the year ended 31 December	
Amounts in EUR thousands	**Note**	**2020**	**2019**
Impairment loss of PP&E and investment property		13,025	11,797
Write-off of PP&E and intangible assets		2,634	1,514
Production cost not allocated to cost of goods sold		0	285
Loss on sale of PP&E		5	81
Loss on sale of investment property		143	0
Foreign exchange losses		309	43
Damages incurred		317	200
Other taxes		610	535
Employee benefits	12	1,370	2,747
Depreciation and amortization		6,491	6,278
Other		4,797	5,370
Total other expense		**29,701**	**28,851**
Net other income/ expense (-)		**14,539**	**-2,213**

Net other income/expenses for the year ended 31 December 2020 amounted to a gain of EUR 14.5 million compared to loss of EUR 2.2 million during 2019. This variation is mainly attributed to the following reasons:

- During 2020, a reversal of impairment loss recognized in previous years of own used property and investment property amounting to EUR 13.4 million- on net basis - took place, due to increase in the fair value of real estate portfolio. This was achieved as a result of corporate transformation involving absorption of real estate assets and active asset management in real estate segment.
Impairment loss and reversal of impairment loss are explained in notes 17and 19.

- During 2020, Viohalco subsidiaries mainly in Bulgaria and United Kingdom received grants amounted EUR 1.9 million, related to labour cost due to the coronavirus outbreak.

C. *Expenses by nature*

		For the year ended 31 December	
Amounts in EUR thousands	**Note**	**2020**	**2019**
Cost of inventories recognized as an expense		2,620,977	2,962,963
Employee benefits	13	334,998	333,085
Energy		108,799	134,954
Depreciation and amortisation		128,686	140,257
Amortization of contract costs		342	1,905
Taxes and duties		14,975	15,953
Insurance expenses		28,808	24,686
Rental fees		5,449	5,654
Transportation costs (goods and materials)		122,556	128,124
Promotion and advertising		3,969	5,331
Third party fees and benefits		229,565	203,480
Other provisions		608	146
Gains (-)/losses from derivatives		16,498	7,146
Storage and packing		8,960	9,727
Commissions		11,281	12,431
Foreign exchange gains (-)/losses		3,186	-586
Maintenance expenses		46,911	48,753
Royalties		1,814	1,056
Consumption of production tools		8,610	5,578
Other expenses		12,615	24,477
Total		**3,709,609**	**4,065,121**

The key drivers of variation of operating expenses during 2020 are the following:

-The decrease in sales volumes and metal prices during 2020, affected cost of sales and related operating expenses which have dropped proportionally.

-The increase in “Third party fees and benefits” is attributed mainly to fees paid to subcontractors for coating services in the context of steel pipes projects and for installation services in the context of turnkey contracts executed during 2020 by subsidiaries in the cables segment.

-During 2020, the subsidiaries of aluminium, cables, steel pipes and steel segments conducted an operational efficiency review at all of its plants, which resulted in changes in the expected useful life of plants and production machinery. The effect of these changes was a decrease on annual depreciation expense (see note 17).

The aggregate amount of research and development expenditure recognized as an expense during 2020 amounts to EUR 13 million (2019: EUR 12 million).

9. Net finance cost

	For the year ended 31 December	
Amounts in EUR thousands	**2020**	**2019**
Income		
Interest income	842	190
Foreign exchange gains	661	1,373
Dividend income	146	227
Finance income	**1,648**	**1,790**
Expense		
Interest expense and related charges	89,143	95,523
Interest on leases	2,374	2,645
Foreign exchange losses	1,368	1,595
Losses from derivatives	853	172
Other finance expense	217	370
Finance cost	**93,955**	**100,305**
Net finance income/cost (-)	**-92,307**	**-98,515**

Credit spread reductions have been implemented gradually in all short and long term facilities across Viohalco companies during last years. On consolidated level, this reduction led to a EUR 6.4 million decrease of interest expense and related charges.

10.Earnings per share

Considering that there are neither share options, nor convertible bonds, basic and diluted earnings per share are identical and have been based on the following profitattributable to the 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 thousands	**2020**	**2019**
Profit/loss (-) attributable to the owners of the Company	**21,528**	**8,206**

B. Weighted-average number of ordinary shares outstanding

In thousands of shares	**2020**	**2019**
Issued ordinary shares at 1 January	**259,190**	**259,190**
Effect of shares issued related to the mergers	0	0
Weighted average number of ordinary shares at 31 December	**259,190**	**259,190**

The number of equity shares in 2020 remains equal to 2019, as no shares were issued during the year.

C. Earnings per share

The basic and diluted earnings per share are as follows:

Earnings per share (in EUR per share)	**2020**	**2019**
Basic and diluted	**0.0831**	**0.0317**

11.Employee benefits

Amounts in EUR thousands	Note	2020	2019
Net defined benefit liability		40,471	37,362
Liability for social security contributions	28	11,033	11,332
Total employee benefit liabilities		**51,504**	**48,695**
Non-current		40,471	37,362
Current		11,033	11,332

For details on the related employee benefit expenses, see Note 12.

A. Post-employment plans

The following post-employment plans exist:

Defined contribution plans

All employees of Viohalco companies are insured for their main pension by the respective social insurance organizations as required by the local legislation. Once the contributions have been paid, Viohalco companies 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 plans

The employees of Viohalco's companies in some countries, mainly 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. Viohalco's companies' liability for personnel benefits as of 31 December 2020 and 2019 is EUR 40,471 thousand and EUR 37,362 thousand respectively. These plans are unfunded.

B. Movement in net defined benefit liability

The following table shows the reconciliation from the opening balance to the closing balances for net defined benefit liability and its components.

Amounts in EUR thousands	2020	2019
Balance at 1 January	**37,362**	**31,624**
Included in profit or loss		
Current service cost	1,966	1,605
Past service cost	227	246
Termination loss	4,358	1,855
Interest cost/income (-)	274	483
	6,825	**4,188**
Included in OCI		
Remeasurement loss/gain (-)		
Actuarial loss/gain (-) arising from:		
-Demographic assumptions	457	-459
-Financial assumptions	2,153	4,446
-Experience adjustments	234	539
	2,844	**4,527**

Other		
Benefits paid	-6,498	-2,956
Division/ segment spin off	0	-19
Loss of Control/Disposal of subsidiary	-57	0
Foreign exchange differences	-5	-1
	-6,560	**-2,977**
Balance at 31 December	**40,471**	**37,362**

During the financial year 2020, Viohalco and its companies paid EUR 6.5 million (2019: EUR 3 million) in benefits in respect of employees who left during the year. An additional cost that arose due to these payments was recognized (termination loss of EUR 4.4 million – 2019: EUR 1.9 million). 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:

	2020	**2019**
Discount rate	0.33%	0.76%
Price inflation	1.23%	1.32%
Future salary growth	1.86%	1.82%
Plan duration (in years)	14.04	13.90

Assumptions regarding future mortality have been based on Swiss mortality table EVK2000.

(b) Sensitivity analysis

The sensitivity analysis for each significant actuarial assumption which was reasonably possible, at the end of the reporting period, shows how the defined benefit obligation (DBO) would have been affected by those changes as follows:

	2020	**2019**
Sensitivity 1 (discount rate plus 0.5%) - % Difference in DBO	-6.87%	-6.77%
Sensitivity 2 (discount rate minus 0.5%) - % Difference in DBO	7.46%	7.56%
Sensitivity 3 (salary growth rate plus 0.5%) - % Difference in DBO	7.09%	7.02%
Sensitivity 4 (salary growth rate minus 0.5%) - % Difference in DBO	-6.50%	-6.44%

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, and 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 pension 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.

The expected maturity analysis of undiscounted pension benefits is as follows:

Amounts in EUR thousands	2020	2019
Less than a year	2,136	1,594
Between 1 and 2 years	1,523	749
Between 2 and 5 years	4,602	4,828
Over 5 years	34,884	31,720
Total	**43,145**	**38,891**

12.Employee benefit expenses

Amounts in EUR thousands	Note	2020	2019
Wages and salaries		257,588	257,800
Social security contributions		53,854	55,765
Defined contribution plans		1,156	1,123
Defined benefit plans	12	6,825	4,188
Other employee benefits		19,174	18,731
Total		**338,597**	**337,608**
Employee benefits have been allocated as follows:			
Cost of goods sold	9	235,347	233,254
Selling and distribution expenses	9	43,716	46,528
Administrative expenses	9	55,935	53,303
Other expenses	9	1,370	2,747
Capitalised employee benefits in projects under construction		2,229	1,775
Total		**338,597**	**337,608**

The number of employees, as well as their profile and gender, employed by Viohalco companies is presented in the following tables:

2020	18 - 30	30-50	51+	Total
Male	895	4,711	2,321	**7,927**
Female	213	957	305	**1,475**
Total	**1,108**	**5,668**	**2,626**	**9,402**
	Office employees & professionals	**Workers**	**Management**	**Total**
Number of Employees	2,782	5,696	924	**9,402**

2019	18 - 30	30-50	51+	Total
Male	985	4,912	2,362	**8,259**
Female	236	1,008	340	**1,584**
Total	**1,221**	**5,920**	**2,702**	**9,843**
	Office employees & professionals	**Workers**	**Management**	**Total**
Number of Employees	2,733	6,207	903	**9,843**

13.Income tax expense

A. Amounts recognised in profit or loss

Amounts in EUR thousands	2020	2019
Current tax	-21,566	-18,577
Deferred tax	-4,987	3,393
Income tax expense (-)	**-26,553**	**-15,184**

B. Amounts recognised in OCI

2020			
Amounts in EUR thousands	**Before tax**	**Related tax**	**Net of tax**
Amounts recognized in the OCI			
Remeasurements of defined benefit liability	-2,844	601	-2,242
Equity investments in FVOCI - net change in fair value	-518	-1	-519
Foreign currency translation differences	-11,155	0	-11,155
Gain / Loss (-) of changes in fair value of cash flow hedging - effective portion	2,174	-181	1,993
Gain / Loss (-) of changes in fair value of cash flow hedging - reclassified to profit or loss	1,857	-442	1,415
Total	**-10,486**	**-23**	**-10,509**

2019			
Amounts in EUR thousands	**Before tax**	**Related tax**	**Net of tax**
Amounts recognized in the OCI			
Remeasurements of defined benefit liability	-4,527	1,213	-3,313
Equity investments in FVOCI - net change in fair value	572	298	870
Foreign currency translation differences	6,001	0	6,001
Gain / Loss (-) of changes in fair value of cash flow hedging - effective portion	-1,067	365	-702
Gain / Loss (-) of changes in fair value of cash flow hedging - reclassified to profit or loss	6,290	-1,499	4,791
Total	**7,270**	**377**	**7,647**

C. Reconciliation of effective tax rate

Amounts in EUR thousands	2020	2019
Profit/loss (-) before income tax expense	**59,463**	**31,924**
Statutory income tax expense rate in Greece	-14,271	-7,662
Non-deductible expenses for tax purposes	-10,214	-13,600
Tax-exempt income	5,332	4,280
Recognition of previously unrecognised tax losses, thin capitalization allowance or temporary differences of a prior period	382	2,175
Effect of tax rates in foreign jurisdictions	-1,198	-1,908
Current-year losses for which no deferred tax asset is recognised	-2,507	-3,082
Tax-exempt reserves recognition		0

Change in tax rate or composition of new tax		-548		794
Other taxes		0		39
Derecognition of previously recognised deferred tax assets		-2,237		-5,805
Prior year income tax adjustments		-1,294		-831
Change in tax consideration due to business transformation		0		10,416
Income tax expense reported in the statement of profit or loss (-) at the effective tax rate	**45%**	**-26,553**	**48%**	**-15,184**

According to the Greek law N. 4646/2019, the corporate income tax rate for legal entities in Greece for the fiscal year 2019 and onwards is set at 24%. The consolidated effective tax rate for 2020 was 45% (2019: 48%) due to the fact the loss-making companies, following a prudent assessment, did not recognize further deferred tax asset on tax losses, while at the same time derecognized the amounts that it is not probable they can be offset against future taxable profits.

During 2019, the business transformation of Noval Property into a Real Estate Investment Company (REIC) took place and Viohalco derecognized EUR 10 million of deferred tax liability relating to investment property, which had been accumulated at both consolidation and stand-alone level, given that Noval Property is subject to different tax consideration.

D. Movement in deferred tax balances

2020										
								Net balance at 31 December		
Amounts in EUR thousands	**Net balance at 1 January**	**Recognised in profit or loss**	**Recognised in OCI**	**Foreign exchange differences**	**Loss of Control/ Disposal of subsidiary**	**Change in tax rate recognised in profit or loss**	**Change in tax rate recognised in OCI**	**Net**	**Deferred tax assets**	**Deferred tax liabilities**
Property, plant & equipment	-107,111	-1,861	0	257	-63	-516	0	**-109,294**	2,207	-111,501
Right of use asset	-699	802	0	0	-6	0	0	**97**	459	-362
Intangible assets	1,514	-357	0	0	2	0	0	**1,159**	3,508	-2,349
Investment property	-615	11	-2	0	0	0	0	**-606**	1,859	-2,464
Other investments	850	25	1	0	0	0	0	**875**	961	-86
Derivatives	-64	-365	-623	11	0	-32	0	**-1,074**	534	-1,608
Inventories	547	-897	0	0	0	0	0	**-350**	866	-1,216
Loans and borrowings	-1,894	330	0	0	0	0	0	**-1,564**	461	-2,026
Employee benefits	8,037	44	601	-12	0	0	0	**8,670**	8,716	-46
Provisions / Accruals	3,489	527	0	0	0	0	0	**4,016**	4,041	-25
Contract with customers	-7,617	-5,007	0	-1	0	0	0	**-12,625**	23	-12,648
Contract liabilities	-9	0	0	0	0	0	0	**-9**	0	-9
Other items	2,032	2,374	0	-114	22	0	0	**4,314**	5,385	-1,071
Thin capitalisation	26,799	3,704	0	-4	0	0	0	**30,499**	30,499	0
Tax losses carried forward	10,044	-3,770	0	-3	0	0	0	**6,272**	6,273	-1
Tax assets/liabilities (-) before set-off	-64,699	-4,440	-23	134	-46	-548	0	**-69,621**	**65,793**	**-135,413**
Set-off tax									-47,336	47,336
Net tax assets/liabilities (-)								**-69,621**	**18,456**	**-88,077**

2019										
								Net balance at 31 December		
Amounts in EUR thousands	**Net balance at 1 January**	**Recognised in profit or loss**	**Recognised in OCI**	**Foreign exchange differences**	**Division/ segment spin off**	**Change in accounting policy**	**Other**	**Net**	**Deferred tax assets**	**Deferred tax liabilities**
Property, plant & equipment	-118,241	7,397	0	-213	-38	3,983	0	**-107,111**	241	-107,353
Right of use asset	0	-699	0	0	0	0	0	**-699**	0	-699
Intangible assets	624	1,599	0	0	0	-709	0	**1,514**	3,858	-2,344
Investment property	-13,557	12,534	0	0	0	408	0	**-615**	1,738	-2,353
Other investments	1,206	-619	310	0	0	-36	-13	**850**	935	-86
Derivatives	1,770	-681	-1,032	10	0	-29	-102	**-64**	370	-434
Inventories	-846	1,403	0	0	0	-10	0	**547**	547	0
Loans and borrowings	-2,524	325	0	0	0	305	0	**-1,894**	413	-2,307
Employee benefits	7,186	-650	1,184	0	0	288	30	**8,037**	8,203	-165
Provisions / Accruals	8,399	-3,499	0	1	0	-1,413	0	**3,489**	3,723	-235
Contract with customers	5,459	-12,514	0	188	0	-751	0	**-7,617**	29	-7,646
Contract liabilities	0	-9	0	0	0	0	0	**-9**	0	-9
Other items	3,753	-1,744	0	-193	0	216	0	**2,032**	2,032	0
Thin capitalisation	26,913	722	0	-6	0	-831	0	**26,799**	26,799	0
Tax losses carried forward	11,648	-967	0	-9	0	-627	0	**10,044**	10,044	0
Tax assets/liabilities (-) before set-off	**-68,209**	**2,599**	**462**	**-223**	**-38**	**794**	**-85**	**-64,699**	**58,932**	**-123,631**
Set-off tax									-41,314	41,314
Net tax assets/liabilities (-)								**-64,699**	**17,618**	**-82,317**

Deferred tax assets relating to tax losses carried forward are recognised only if it is probable that they can be offset against future taxable profits. At each balance sheet date, Viohalco and its subsidiaries assess whether the realization of future tax benefits is sufficiently probable based on approved business plans. On 31 December 2020, the accumulated tax losses carried forward available for future use amounted to EUR 88 million (31 December 2019 EUR 81 million). Viohalco companies have recognised cumulatively a deferred tax asset of EUR 6.3 million (31 December 2019: EUR 10 million) on tax losses because management considered it probable that future taxable profits would be available against which such losses can be used. EUR 5.9 million relate to Viohalco subsidiaries located in Greece and the rest EUR 0.4 million to subsidiaries in other jurisdictions. This deferred tax asset corresponds to losses equal to EUR 27 million (31 December 2019: EUR 43 million).

Based on these estimates regarding future taxable profits, deferred tax assets have not been recognised in respect of tax losses carried forward for an amount of EUR 61 million (EUR 37 million in 2019). Out of these, tax losses equal to EUR 11 million expire in 2021, while the rest expire between 2022 and 2025.

According to the provisions of articles 49 and 72 of the Greek Law 4172/2013 concerning thin capitalization, net interest expense is deductible from current year's tax profits, if it is equal or less than 30% of EBITDA and any excess can be settled with future tax profits without time limitations. Based on the current approved business plans, the balance of the respective tax asset was equal to EUR 30.5 million, as at 31 December 2020 (31 December 2019: EUR 26.8 million).

14.Inventories

Amounts in EUR thousands	**2020**	**2019**
Merchandise	27,434	30,860
Finished goods	314,132	332,607

Semi-finished goods	198,326	182,697
By-products & scrap	64,183	51,966
Work in progress	20,991	20,409
Raw and auxiliary materials, consumables and packaging materials	449,523	441,469
Total	**1,074,589**	**1,060,009**

The amount of inventories recognised as expense during 2020 and included in 'Cost of sales' was EUR 2.6 billion (2019: EUR 3 billion).
Inventories with a carrying amount of EUR 198 million are pledged as security for borrowings received by Viohalco's companies (See Note 26).

15.Trade and other receivables

Amounts in EUR thousands	Note	2020	2019
Current Assets			
Trade receivables		324,318	327,228
Less: Impairment losses		-57,551	-59,226
Net trade receivables		**266,767**	**268,003**
Advance payments		7,567	9,647
Cheques and notes receivables & cheques overdue		32,216	31,202
Receivables from related parties	38	40,216	38,455
VAT and other tax receivables		59,663	51,869
Receivables from dividends of equity-accounting investees	38	334	446
Other debtors		54,838	53,101
Less: Impairment losses		-14,141	-13,989
Net other receivables		**180,692**	**170,731**
Total current assets		**447,459**	**438,734**
Non-current assets			
Non-current receivables from related parties	38	3,975	0
Other non-current receivables		6,374	6,023
Total non current assets		**10,349**	**6,023**
Total receivables		**457,809**	**444,757**

Viohalco and its companies have not concentrated their 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

The carrying amount of receivables includes amounts that are subject to factoring arrangements. Viohalco 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 risks and rewards are still retained by Viohalco - primarily credit risk. The amount received on transfer by the factor is recognised as a secured bank loan.

The following table presents the carrying amount of trade receivables at the year-end that have been transferred, but have not been derecognised and the associated liabilities.

Amounts in EUR thousands	2020	2019
Carrying amount of trade receivables transferred to banks	81,453	67,789
Carrying amount of associated liabilities	41,463	47,932

The fair value of trade receivables transferred approximates their carrying amount.

As at 31 December 2020 and 2019, Viohalco companies had not used the total amount of credit line provided by the factoring companies.

Related loans are included in the line 'Secured bank loans' in Note 26 'Loans and Borrowings'.

B. 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 20.3 million at 31 December 2020), plus legal interest.

Following a series of court proceedings, the Dubai Court of Cassation issued its final judgment, during 2017, and ruled to reject any counterclaim of the former customer and to confirm the amount due to Corinth Pipeworks.

In order to recover this long overdue balance, Corinth Pipeworks has initiated the enforcement procedures against the assets of the former customer that are located within any of the countries, where the Court of Cassation judgment issued against the former customer is enforceable (i.e. UAE and various other countries in the Middle East). There were no other substantial developments during 2020.

Corinth Pipeworks had recorded in the past an impairment loss for the whole outstanding amount, i.e. USD 24.8 million. However, the subsidiary will continue any and all actions required to collect the full amount of that receivable.

Information about Viohalco companies' exposure to credit and market risks, and impairment losses for trade and other receivables is included in Note 30.

16.Cash and cash equivalents

Amounts in EUR thousands	2020	2019
Cash in hand and at banks	1,067	557
Short-term bank deposits	218,094	213,942
Total	**219,161**	**214,499**

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

17.Property, plant and equipment

A. Reconciliation of carrying amount

Amounts in EUR thousands	Land, plants & other buildings	Machinery & transportation equipment	Furniture & other equipment	PP&E under construction	Total
Cost					
Balance as at 1 January 2020	949,993	2,610,463	72,400	224,846	**3,857,702**
Effect of movement in exchange rates	-1,610	-9,703	-80	-147	**-11,540**
Additions	4,867	20,927	3,979	173,707	**203,478**
Disposals	-236	-6,701	-214	-4,176	**-11,328**
Mergers and absorptions	2	0	29	0	**30**
Reclass due to spin off	0	0	0	0	**0**
Transfer to /from investment property	0	0	0	0	**0**
Reclassifications	54,922	189,176	1,325	-238,065	**7,357**
Write offs	-227	-8,271	-940	-558	**-9,996**
Loss of control / Disposal of subsidiary	-395	-2,292	-418	-781	**-3,887**
Balance as at 31 December 2020	**1,007,315**	**2,793,597**	**76,081**	**154,824**	**4,031,817**
Accumulated depreciation & impairment losses					
Balance as at 1 January 2020	-350,926	-1,564,060	-59,385	-5,110	**-1,979,481**
Effect of movement in exchange rates	709	5,889	56	0	**6,654**
Depreciation	-22,063	-89,652	-4,479	0	**-116,194**

Disposals	278	6,061	153	0	**6,492**
Mergers and absorptions	0	0	-29	0	**-29**
Reclass due to spin off	0	0	0	0	**0**
Write offs	179	6,188	938	127	**7,431**
Reversal of previously recognized impairment loss	9,821	164	0	0	**9,985**
Transfer to/from Investment Property	0	0	0	0	**0**
Impairment loss	-1,299	0	0		**-1,299**
Reclassifications	-15,662	2,206	33	0	**-13,422**
Loss of control / Disposal of subsidiary	116	1,651	373	0	**2,141**
Balance as at 31 December 2020	**-378,847**	**-1,631,552**	**-62,340**	**-4,983**	**-2,077,721**
Carrying amount as at 31 December 2020	**628,468**	**1,162,046**	**13,741**	**149,842**	**1,954,096**

Amounts in EUR thousands	**Land, plants & other buildings**	**Machinery & transportation equipment**	**Furniture & other equipment**	**PP&E under construction**	**Total**
Cost					
Balance as at 1 January 2019	**931,720**	**2,512,419**	**68,303**	**134,905**	**3,647,348**
Effect of movement in exchange rates	502	6,649	-33	-17	**7,102**
Additions	6,297	29,290	5,404	213,500	**254,491**
Disposals	-1,859	-3,314	-418	-417	**-6,008**
Reclass due to spin off	0	-7,126	-43	-320	**-7,489**
Transfer to /from investment property	0	-7	0	-19	**-26**
Reclassifications	18,335	102,238	-390	-122,562	**-2,379**
Write offs	-3,497	-8,207	-423	-225	**-12,351**
Change in accounting policy	-1,506	-21,479	0	0	**-22,986**
Balance as at 31 December 2019	**949,993**	**2,610,463**	**72,400**	**224,846**	**3,857,702**
Accumulated depreciation & impairment losses					
Balance as at 1 January 2019	**-329,573**	**-1,472,012**	**-57,243**	**-4,708**	**-1,863,536**
Effect of movement in exchange rates	-11	-3,887	-28	0	**-3,925**
Depreciation	-22,675	-100,988	-4,035	0	**-127,697**
Disposals	850	2,903	268	0	**4,021**
Reclass due to spin off	0	995	12	0	**1,006**
Write offs	3,409	7,012	416	0	**10,837**
Reversal of previously recognized impairment loss	1,604	10	0	0	**1,614**
Transfer to/from Investment Property	0	5	0	0	**5**
Impairment loss	-5,092	-270	0	-563	**-5,925**
Reclassifications	86	-37	1,224	161	**1,434**
Change in accounting policy	476	2,209	0	0	**2,685**
Balance as at 31 December 2019	**-350,926**	**-1,564,060**	**-59,385**	**-5,110**	**-1,979,481**
Carrying amount as at 31 December 2019	**599,067**	**1,046,403**	**13,015**	**219,736**	**1,878,221**

The net amount of EUR 6,1 million in 'Reclassifications' movement mainly concerns assets under construction reclassified to intangible assets (EUR 5.2 million), transfer of machinery items to assets held for sale (EUR 0.7 million) as described in note 22.

B. Security

Property, plant & equipment with a carrying amount of EUR 1,049 million are mortgaged as security for borrowings received by Viohalco's companies (see Note 26).

C. Property, plant and equipment under construction

The most important additions in property, plant and equipment under construction as of 31 December 2020 concern the following:

- Cold rolling mill installation in Oinofyta aluminium rolling plant.
- Upgrade of machinery to allow the production of can body stock in Bridgnorth aluminium plant.
- New press installation for the improvement of production capacity in aluminium plant in Magoula.

- Expansion of the inter-array cables production capacity in the cables segment's plants.
- Steel segment's projects in Bulgaria mainly concern the Meltshop Filters system along with other operational investments related to plants' machinery upgrade.
- Certain productivity and capacity improvement investments in aluminium, copper and steel pipes plants in Sofia, Oinofyta and Thisvi respectively.

Capitalized borrowing costs related to property, plant and equipment under construction amount to EUR 4 million (2019: EUR 3 million), which have been calculated using an average capitalization rate of 2.4% (2019: 2.9%).

Additions in assets under construction also include capitalized employee benefits equal to EUR 2,229 thousand (2019: EUR 1,775 thousand).

D. Transfer to and from investment property

During 2020, no amounts were transferred from/to investment property.

E. Impairment loss of property, plant and equipment

On 31 December 2020, an impairment test was performed for each Cash Generating Unit (further CGU) for which indications of impairment loss existed as at 31 December 2020 concerning subsidiaries from steel segment. The identified indications of impairment concerned the losses incurred by certain CGUs over the last years. For the calculation of recoverable amount per CGU, cash flow projections based on a period of five years were used. The results of this test concluded that the property, plant and equipment used by these CGUs were not impaired at 31 December 2020, since the recoverable amount of each CGU exceeded the respective carrying amount.

During 2020, machinery equipment with NBV equal to EUR 2.1 million (2019: EUR 1.2 million) mainly derived from steel and copper segments, were written off since they are no longer used by Viohalco companies and they are not expected to bring economic benefits in the future since these assets became obsolete.

In addition, impairment tests were performed on real estate assets where indications of impairment exist, either owner occupied or held as investment property. The tests were carried out in order to address the risk of negative changes in the fair value of properties and respond if necessary. Valuation techniques and the results relating to investment properties are outlined in note 19.

For owner occupied assets, an impairment loss of EUR 1.3 million was recorded and included in 'Other expense' in profit or loss. Impairment losses relate primarily to land and the recoverable amount was based on its fair value less costs of disposal.

For segmental classification purposes, impairment losses were reported in real estate segment. The recoverable amount of related real estate assets amounted EUR 21 million.

F. Reversal of impairment loss of property, plant and equipment

A test has also been performed for CGUs, for which indications for reversal of previously recorded impairment loss existed at 31 December 2020. These indications concerned the improvement of expected performance of certain CGUs over the following years. However, the result of the test was that no impairment loss should be reversed in 2020.

In addition, previously recognized impairment losses of EUR 10 million were reversed (recoverable amount EUR 29 million) and included in the line "Other Income" of the consolidated statement of profit or loss, related to Investment property that has been transferred to PP&E in the previous years.

For segmental classification purposes, reversal of impairment losses reported in real estate segment.

G. Derecognition due to disposal of subsidiary

Assets amounting to EUR 1.7 million have been derecognized due to the absorption of subsidiary Vianatt by Ecoreset S.A.

H. Change in estimates

During 2020, the subsidiaries of aluminium, cables, steel pipes and steel segments conducted an operational efficiency review at all of its plants, which resulted in changes in the expected useful life of plants and production machinery.

The factors taken into account for this operational review were the following:

- the frequent and consistent maintenance of the machinery and plants;
- the level of capacity utilization of certain assets since their initial acquisition compared to industry's standards; and
- technological developments and technical advances in production methods in the industries where the subsidiaries are operating.

As a result:
- in aluminium segment, the expected useful life of two core rolling mills was extended by 14 years on average;
- in cables segment, the expected useful life of plants was extended by 7 years on average and the useful life of heavy machinery was extended by 6 years on average;
-in steel pipes segment, the expected useful life of plants was extended by 10 years on average and the useful life of heavy machinery extended by 9 years on average;
- In steel segment the expected useful life of plants was extended by 13 years on average and the useful life of machinery extended by 14 years on average.

Upon the application of the changes described above, the ranges of useful lives as described in the relative accounting policy remained unaffected.
The effect of these changes on annual depreciation expense, included in 'Cost of sales', was EUR 15.4 million for 2020 and EUR 15.3 million for the following periods on an annual basis, approximately.

18.Goodwill and intangible assets

A. Reconciliation of carrying amount

Amounts in EUR thousands	Goodwill	Development costs	Trademarks and licenses	Software	Other	Total
Cost						
Balance as at 1 January 2020	**3,132**	**2,024**	**29,282**	**43,163**	**2,747**	**80,348**
Effect of movement in exchange rates	0	-1	-1	-84	-8	**-94**
Additions	0	23	1,316	4,840	111	**6,290**
Disposals	0	0	0	-13	0	**-13**
Write-offs	0	0	0	-192	0	**-192**
Mergers and absorptions	0	0	0	6	0	**6**
Loss of Control/Disposal of subsidiary	-1,632	0	0	-82	0	**-1,714**
Reclass due to spin off	0	0	0	0	0	**0**
Reclassifications	0	51	3,803	1,362	-32	**5,183**
Balance as at 31 December 2020	**1,500**	**2,097**	**34,400**	**49,000**	**2,818**	**89,814**
Accumulated amortization and impairment loss						
Balance as at 1 January 2020	**-1,500**	**-812**	**-7,484**	**-33,489**	**-837**	**-44,122**
Effect of movement in exchange rates	0	1	1	47	7	**55**
Amortization for the period	0	-285	-1,985	-4,045	-61	**-6,376**
Disposals	0	0	0	3	0	**3**
Write-offs	0	0	0	123	0	**123**
Mergers and absorptions	0	0	0	-6	0	**-6**
Loss of Control/Disposal of subsidiary	0	0	0	50	0	**50**
Reclass due to spin off	0	0	0	0	0	**0**
Reclassifications	0	0	-144	116	32	**3**
Balance as at 31 December 2020	**-1,500**	**-1,097**	**-9,612**	**-37,200**	**-860**	**-50,269**
Carrying amount as at 31 December 2020	**0**	**1,000**	**24,788**	**11,800**	**1,958**	**39,545**

Amounts in EUR thousands	Goodwill	Development costs	Trademarks and licenses	Software	Other	Total
Cost						
Balance as at 1 January 2019	**3,132**	**1,268**	**26,890**	**36,788**	**2,756**	**70,832**
Effect of movement in exchange rates	0	-1	0	-105	-4	**-110**
Additions	0	519	2,204	3,225	3	**5,951**
Disposals	0	0	0	-73	0	**-73**
Write-offs	0	0	0	-6	-7	**-13**
Reclass due to spin off	0	0	-502	-24	0	**-526**
Reclassifications	0	238	690	3,358	0	**4,287**
Balance as at 31 December 2019	**3,132**	**2,024**	**29,282**	**43,163**	**2,747**	**80,348**
Accumulated amortization and impairment loss						
Balance as at 1 January 2019	**-1,500**	**-607**	**-6,366**	**-29,220**	**-792**	**-38,486**
Effect of movement in exchange rates	0	1	0	63	4	**68**
Amortization for the period	0	-206	-1,370	-3,206	-56	**-4,838**
Disposals	0	0	0	33	0	**33**
Write-offs	0	0	0	1	7	**8**
Reclass due to spin off	0	0	253	20	0	**272**
Reclassifications	0	0	0	-1,179	0	**-1,179**
Balance as at 31 December 2019	**-1,500**	**-812**	**-7,484**	**-33,489**	**-837**	**-44,122**
Carrying amount as at 31 December 2019	**1,632**	**1,212**	**21,798**	**9,675**	**1,910**	**36,226**

B. Amortisation

The amortization of trademarks and 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' when inventory is sold, as trademarks and 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. Reclassifications

Reclassifications mainly relate to intangible assets recorded initially in projects under construction (in property, plant and equipment) and upon the completion of the project, they are transferred to the column which describes their nature.

D. Goodwill

Goodwill of amount EUR 1.6 million was derecognized due to the absorption of subsidiary Vianatt by Ecoreset S.A. No additional Goodwill has been recognized during 2020.

E. Intangible assets with indefinite useful lives

All intangible assets have finite useful life (see Note 5.10), except for the following assets, included in trademarks and licenses category:

i. Intangible assets recognized for the CGU "Fulgor"

a. Trade Name "Fulgor" (carrying amount of EUR 1.4 million as at 31 December 2020)

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 2020)

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. Since the acquisition of the subsidiary, significant investments for the upgrade and expansion of production capacity in producing high-voltage submarine cables took place. 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.

ii. Intangible assets recognized for the CGU “Reynolds” (carrying amount of EUR 1.5 million as at 31 December 2020).

Upon the completion of the acquisition of Reynolds Cuivre by Genecos, an intangible asset related to the brand name “Reynolds” was recognized, as significant economic benefits are expected from its use. Based on the analysis of relevant factors (e.g. knowledge of the relevant market, wide range of clientele, expected future developments), the useful life of the brand was considered indefinite.

F. Impairment testing

(a) Intangible assets recognized for the CGU “Fulgor”
As these intangible assets do not generate independent cash inflows, it was considered appropriate to carry out the impairment test on the basis of the Cash Generating Unit (CGU) of Fulgor submarine cables production plant, which incorporates these assets. In order to evaluate the value in use, cash flow projections based on estimates by management covering a five-year period (2021 – 2025) were used. These estimates take into consideration the contracts already signed, as well as contracts estimated to be awarded in Greece and abroad.

The submarine cables CGU operates in a project-based business. Therefore, assumptions related to revenue and profitability growth are based on the contracts already signed, as well as those estimated to be undertaken in the forthcoming period. The main assumptions regarding the operations of submarine cables CGU and the projects to be executed within the five-year period are:

- Progressively high capacity utilization of Fulgor’s plant, as in 2019 & 2020, based on contracts already awarded & expected awards based on tendering activity. Given the continued growth, the existing backlog, the growth of renewables business around the world, which is a significant driver in the attractive outlook for the offshore power generation market, the continuously high level of activity is expected to be retained throughout the period 2021-2025.

- Capital expenditure of approx. EUR 92 million in the following 5 years, in order to cover estimated production and capacity needs. Capital expenditure reflects investments for both maintenance purposes and expectations of organic growth. Based on the high order intake of the offshore business unit, investments are high for 2021 before being normalized over the period 2022–2025. For the terminal period, the investments are set equal to depreciation

- Compound annual growth rate of revenue from offshore business for the five-year period at ca. 6.7% attributable to assignment of new projects mainly in Greece, North Europe and the USA.

- Profitability per offshore project in terms of EBITDA at ca. 15%-28% of revenue. Estimated profitability per project varies mainly due to different type of cable and technical specifications, geographic region and project’s timeframe.

- Compound annual growth rate of fixed operating expenses at ca. 1.4% for the five-year period.

Cash flows after the first five years were calculated using an estimated long term growth rate of 1.38%, which mainly reflects management's estimates for the world economy as well as long-term growth prospects of the offshore cable sector. The expected long-term growth rate was set equal to the growth rate used in 2019. The pre-tax rate used to discount these cash flows is from 9.5% to 8.2% for the five year period and 8.5% for the terminal value and was based on the following:

- Risk free rate was determined according to AAA Eurozone rates in the range of -0.68% to -0.64% for the five years and 0% for the terminal value.

- The country risk for operating in Greece determined in the range of 0.6% to 0.7% for the first five years and 0.5% for the terminal value.

• The market risk premium was determined at 5.96%, i.e. stable compared to prior year's impairment test.

Despite the fact that the commodity prices for copper and aluminium are part of the assumptions for the impairment test performed, due to the hedging activities undertaken and the customized nature of the products sold by Fulgor, the value of the business unit is not significantly affected by fluctuations in commodity prices. Neutral result from metal price fluctuations is assumed in the context of the impairment test.

The results of this test indicated that the recoverable amount as of 31 December 2020 exceeds the carrying amount of the CGU amounting to EUR 206 million by EUR 530 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. Assumptions may change as follows before the recoverable amount equals the carrying amount:

	Assumptions used	**Change in rates (percentage points change) required for the recoverable amount to equal the carrying amount**
Discount rate	*9.5% to 8.2%*	+13.2 ppc
Terminal growth	*1.38%*	-50.2 ppc

(b) Intangible assets recognized for the CGU "Reynolds"

The recoverable amount of the CGU that includes this intangible asset (Reynolds Cuivre S.A.) was estimated based on the present value of the future cash flows expected to be derived from the CGU (value in use).

Cash flows after the first five years were calculated using an estimated growth rate of 0.5%, which reflects management's estimates for the growth prospects for the market. The after-tax rate used to discount these cash flows is 7.8% for the five year period and 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 -0.4% for the terminal value.
- The market risk premium (which includes country risk for operating in France) was determined at 5.20%

Average revenue growth rate for the five-year period is 6.17%, and the average opex increase percentage is 0.8%. Average capex equal to EUR 202 thousand.

The results of this test indicated that the recoverable amount as at 31 December 2020 exceeds the carrying value of the CGU amounting to EUR 8.2 million by EUR 5.5 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 (percentage points change) required for the recoverable amount to equal the carrying amount**
Discount rate	*7.8%*	*+3.0 ppc*
Terminal growth	*0.5%*	*-4.5 ppc*

19.Investment property

A. *Reconciliation of carrying amount*

Amounts in EUR thousands	2020	2019
Balance as at 1 January	**195,003**	**173,710**
Acquisitions	75,110	23,788
Disposals	-243	-117
(Impairment losses) / Reversal of impairment losses	4,700	3,339
Transfers to property, plant and equipment	0	21
Reclassifications	0	-309
Depreciation	-4,157	-5,430
Balance as at 31 December	**270,413**	**195,003**
Gross carrying amount	315,420	224,249
Accumulated depreciation and impairment losses	-45,007	-29,246
Net carrying amount as at 31 December	**270,413**	**195,003**

Investment property comprises of a number of commercial properties that are either leased to third parties currently or will be in the foreseeable future. Each of these leases is indexed to consumer prices.

During 2020, Viohalco invested an amount of EUR 75 million (EUR 23.8 million in 2019) for the acquisition and improvement of investment properties. The majority of the amount invested refers to the absorption of real estate assets as a result of corporate transformation and the completion of an office building in Athens.

B. *Measurement of fair value –Impairment loss and subsequent reversal*

On December 31st 2020, an impairment test was performed on all real estate assets (individual assets), either owner occupied or held as investment property. The tests were carried out in order to address the risk of negative changes in the fair value of properties and respond if necessary. The results relating to owner occupied properties are outlined in note 17.

For investment property assets, an impairment loss of EUR 11.7 million was recorded and included in the line ’Other expense‘ of the consolidated statement of profit or loss. Impairment losses relate primarily to land and buildings, and the recoverable amount was based on its fair value less costs of disposal. The fair value of these properties was determined by external, independent property valuers, having appropriate recognized professional qualifications and recent experience in the location and category of the properties being valued. Valuation techniques are described in detail in the next paragraph.

For segmental classification purposes, impairment losses amounted EUR 11.7 million (recoverable amount EUR 26 million) were reported in real estate segment.

Asset valuations were also used to identify if previously recognized impairment losses could be reversed. As a result, EUR 16.4 million were reversed and included in the line ’Other Income‘ of the consolidated statement of profit or loss.

The recoverable amount of these assets as at 31 December 2020 was EUR 236 million and they relate to the real estate and aluminium segments.

The accumulated impairment losses carried forward as at 31 December 2020, amounts to EUR 37.1 million (31 December 2019: EUR 41.8 million).

The fair value of all properties reported in the line ’Investment property‘, as at 31 December 2020, is EUR 322 million (31 December 2019: EUR 221 million).

Valuation techniques and significant unobservable inputs (Level 2 & 3)

The fair value measurement for investment property has been categorized as a Level 2 and 3 regarding fair value hierarchy, based on the inputs to the valuation techniques used.

Valuations methods used to determine the fair value of these properties were reflecting the highest and best possible use.

- For buildings currently rented or expected to be rented out in the foreseeable future for which no observable prices were available, the income approach (either Discounted Cash Flow or Direct capitalization) method was used. DCF method considered the present value of net cash flows to be generated from each property, taking into account expected rental growth rate, void periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates that ranged between 6,90 % - 12,75 %. Among other factors, the discount rate estimation considers the quality of each building, its location, tenant credit quality, lease terms and the expected market return. The estimated fair value would decrease if either the expected market rental growth was lower or the risk-adjusted discount rates were higher. Direct capitalization uses an All-Risk Yield in order for the current annual estimated rental value to be capitalized. ARY ranged between 4,50% - 12,50% and offers a holistic assessment of the property market's general condition.

- For buildings, which were under construction and which are intended to be used as investment property in the future, the residual method was primarily used. The fair value determined by this method reflects the value of the property in its current condition.

- For all the properties, the comparative method (market approach) was used. According to this method the valuer estimates the market value of the subject asset by comparing the factors that mostly affect it. Such factors can be location, size, quality of construction etc. This method is based on estimation of the market price and what has been paid for similar properties under similar economic conditions. Each property is valued at a price at which similar ones in the area have recently sold with a subjective differential added (or subtracted) to adjust for the unique characteristics of the property that make it different from the benchmark properties, such as location, size, accessibility etc. The specific valuation technique has been classified as Level 2, regarding the fair value measurement hierarchy.

20.Equity-accounted investees

A. Reconciliation of carrying amount of associates and joint ventures

Amounts in EUR thousands	**2020**	**2019**
Balance as at 1 January	**37,742**	**32,066**
Share of profit / loss (-) net of tax	-1,740	-343
Dividends received	-1,139	-701
Effects on movement in exchange rates	-3,319	1,137
Additions	3,285	16
Share capital increase	4,000	106
Share capital reduction	0	-1,788
Division spin off	0	7,278
Reclassifications	-739	-28
Balance as at 31 December	**38,089**	**37,742**

B. Financial information per associate and joint venture

The following tables present financial information per associate. The disclosed financial information reflects amounts in the financial statements of the relevant associates.

2020

Company	Principal place of business	Segment	Associate/JV	Carrying Value	Current Assets	Non-Current Assets	Non-Current Liabilities	Current Liabilities	Revenue	Profit or loss from continuing operations	Direct Ownership interest	Ultimate ownership interest
ETEM GESTAMP AUTOMOTIVE SA	Bulgaria	Aluminium	Joint Venture	7,439	7,012	14,646	101	11,450	27,643	134	49.00%	49.00%
DOMOPLEX LTD	Cyprus	Steel	Associate	866	2,897	2,043	560	2,615	4,264	457	45.00%	45.00%
AO TMK-CPW	Russia	Steel Pipes	Associate	9,965	25,397	4,734	0	9,794	41,141	1,775	49.00%	39.09%
BELLVILLE TUBE	USA	Steel Pipes	Associate	2,162	1,975	14,200	3,428	3,773	14,548	-4,826	19.40%	15.48%
AWM SPA	Italy	Steel	Associate	3,688	8,863	7,400	5,500	3,712	12,352	-351	34.00%	34.00%
HC ISITMA A.S.	Turkey	Copper	Joint Venture	321	359	247	42	36	594	83	50.00%	45.72%
U.E.H.E.M GmbH	Germany	Aluminium	Associate	713	9,219	23	0	7,843	37,974	923	49.00%	44.81%
NEDZINK B.V.	Netherlands	Copper	Joint Venture	12,937	25,959	49,083	29,255	32,561	79,602	-4,623	50.00%	45.72%
				38,089								

2019

Company	Principal place of business	Segment	Associate/JV	Carrying Value	Current Assets	Non-Current Assets	Non-Current Liabilities	Current Liabilities	Revenue	Profit or loss from continuing operations	Direct Ownership interest	Ultimate ownership interest
ETEM GESTAMP AUTOMOTIVE SA	Bulgaria	Aluminium	Joint Venture	7,380	6,901	8,845	54	5,705	24,121	229	49.00%	49.00%
DOMOPLEX LTD	Cyprus	Steel	Associate	661	3,037	1,604	0	3,324	4,652	139	45.00%	45.00%
AO TMK-CPW	Russia	Steel Pipes	Associate	12,745	23,639	6,542	69	4,101	60,860	3,037	49.00%	39.09%
SMARTREO	Australia	Steel	Associate	739	4	2,088	0	39	15,877	-12,302	50.00%	50.00%
AWM SPA	Italy	Steel	Associate	3,807	12,651	6,898	5,299	6,664	17,995	-11	34.00%	34.00%
HC ISITMA A.S.	Turkey	Copper	Joint Venture	307	344	534	179	85	709	61	50.00%	45.72%
U.E.H.E.M GmbH	Germany	Aluminium	Associate	854	10,182	27	0	8,676	46,601	1,125	49.00%	44.81%
NEDZINK B.V.	Netherlands	Copper	Joint Venture	11,248	22,659	28,794	25,731	19,144	82,244	-5,046	50.00%	45.72%
				37,742								

In January 2020, the subsidiary CPW America acquired an interest of 20% of Bellville Tube Company based in Texas, USA in exchange of USD 3.3 million. Bellville Tube Company manufactures steel tubular products for the local market. Due to changes incurred during the period in the shareholding structure of the associate the interest held at 31 December 2020 was 19%.

In April 2020, Viohalco's subsidiary Jostdex acquired an additional 49% of associate Smartreo, with the holding percentage deriving at 99% and the company classified as subsidiary.

In July 2020, a share capital increase was performed in Nedzink B.V. by EUR 8 million in which ElvalHalcor participated by 50%, EUR 4 million retaining its percentage.

Aforementioned financial information is presented considering the following:
(a) There are no restrictions on the ability of joint ventures or associates to transfer funds to the entity in the form of cash dividends, or to repay loans or advances made by the entity.
(b) The financial statements of joint ventures or associates are used in applying the equity method and as of the same date with that of Viohalco.
(c) There are no unrecognized share of losses of a joint venture or associate, both for the reporting period and cumulatively.

C. Description of associates and joint ventures

UEHEM (UACJ ELVAL HEAT EXCHANGER MATERIALS GmbH) is a joint establishment between ElvalHalcor and UACJ Corp. It markets aluminium products to manufacturers of automotive heat exchangers in Europe.

HC ISITMA is a joint venture between ElvalHalcor and Cantas AS. It is active in the manufacture of pre-insulated copper tubes in Turkey.

Bellville Tube manufactures steel tubular products for the local US market.

AO TMK-CPW is a joint stock company between Corinth Pipeworks and AO TMK, the largest manufacturer of steel pipes in Russia and one of the top three globally. AO TMK-CPW has its production facilities in Polevskoy, Russia, where it manufactures pipes and hollow structural sections.

AWM is developing, designing and manufacturing high-technology machines for the processing of reinforcement steel such as standard and special mesh welding machines, high-speed wire straightening and cutting machines, lattice girder machines, cold rolling lines, automatic mesh cutting and bending machines and special machines for production of tunnel reinforcement.

Domoplex is a Cyprus-based company active in the manufacturing and trading of welded wire mesh for the reinforcement of concrete.

NedZink B.V. is a Netherlands based company focusing on high quality zinc applications.

Gestamp Etem Automotive Bulgaria S.A. is a joint venture between Gestamp and Etem Bulgaria S.A. that focus on the commercialisation and processing of aluminium extruded profiles for the automotive industry.

21.Other investments

Viohalco designates the investments shown below as equity securities at FVOCI, as they represent investments that Viohalco intends to hold for the long term strategic purposes.

The movement of equity securities, as well as their analysis, is presented below:

Amounts in EUR thousands	2020	2019
Balance as at 1 January	**5,829**	**8,538**
Additions	3,069	129
Disposals	-24	-3,368
Change in fair value through OCI	-518	572
Reclassifications	-29	-42
Other changes	-2	0
Balance as at 31 December	**8,324**	**5,829**

Amounts in EUR thousands	2020	2019
Listed securities		
-Greek equity instruments	125	128
-International equity instruments	3,713	4,228
-Mutual funds	639	643
Unlisted securities		
-Greek equity instruments	2,946	424
-International equity instruments	849	386
-Mutual funds	30	0
-Other	20	20
Total	**8,324**	**5,829**

On January 1st, 2020, Viohalco subsidiary Vianatt was absorbed by Ecoreset S.A. in which an investment of EUR 2.5 million was recognised and classified as third level in Other investments.

22.Assets held for sale

The amount of EUR 0.7 million is the book value of machinery in the aluminium segment classified as asset held for sale, according to IFRS 5. Management has set a plan for the sale of this equipment which is expected to take place in 2021.

23.Derivatives

The following table sets out the carrying amount of derivatives:

Amounts in EUR thousands	2020	2019
Non-current assets		
Forwards	0	0
Future contracts	67	1
Options	871	0
Total	**936**	**1**
Current assets		
Forwards	1,889	503
Future contracts	5,336	1,019
Total	**7,225**	**1,522**
Non-current liabilities		
Forwards	0	13
Interest rate swap contracts	1,026	172
Future contracts	270	0
Total	**1,295**	**185**
Current liabilities		
Forwards	659	543
Future contracts	4,593	3,557
Total	**5,252**	**4,100**

Hedge accounting

Viohalco's 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
- Changes in loan interest rates

The maturity and the nominal value of derivatives held by Viohalco's companies match the maturity and nominal value of the underlying assets / liabilities (hedged items).

Derivatives held by Viohalco's 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 Viohalco's companies (i.e. mainly copper, aluminium and zinc). Such hedges are designated as cash flow hedges.
- FX Forward and FX swaps to hedge the risk from the change in exchange rate of US Dollar and British Pound (i.e. currencies to which Viohalco's companies are mainly exposed). Such hedges are either

designated as fair value or cash flow hedges depending on the item hedged. FX Forwards and FX swaps when used for hedging fx risk on outstanding receivables and suppliers denominated in foreign currency these instruments are designated under fair value hedging. FX forwards when used for hedging FX risk on the forecasted sales of goods or purchase of materials executed in foreign currency FX forward is hedging instruments designated under the cash flow method.

Derivatives are recognised when Viohalco's 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).

The change in fair value recognized in equity under cash flow hedging as at 31 December 2020 will be recycled to the consolidated statement of profit or loss during the next years, as some of the hedged events are expected to occur (the forecasted transactions will take place or the hedged items will affect profit or loss statement) within 2021 and some others at a later stage.

Viohalco companies' results from the hedging activities recorded in the statement of profit or loss are presented for metal future contracts and foreign exchange contracts in the 'Revenue' and the 'Cost of sales' while for interest rate swaps in the 'Finance income/ expenses'. The amounts recognized in the consolidated statement of profit or loss are the following:

Amounts in EUR thousands	**2020**	**2019**
Gain / loss (-) on future contracts	-14,174	644
Gain / loss (-) on FX forward contracts	519	-6,736
Gain / loss (-) on Options	-67	0
	-13,721	**-6,092**

Profit or loss related to derivatives used for cash flow hedging recognized in other comprehensive income (Hedging reserve) as at 31 December 2020 and it will be recycled to profit or loss during the next financial years.

Options related to the associate Bellville Tube Company

Based on the purchase agreement, the shareholders of Bellville Tube Company (see note 20) granted CPW America with a call option to purchase 100% of the outstanding capital stock of Bellville Tube Company held by them based on a predetermined formula regarding the calculation of the purchase price. The exercise period for the call option starts in 2022 and expires in 2025.

In addition, the purchase agreement prescribes that if CPW America does not exercise the call option described above, CPW America shall have the option ("put option"), but not the obligation, during the period 2022-2025 to require Bellville Tube Company's shareholders to redeem all, but not less than all, of the shares of Bellville Tube Company then held by CPW America. The aggregate purchase price for the redeemed shares if the put option is exercised will be USD 3.3 million, i.e. equal to the amount initially disbursed.

The options described above were recognized on the statement of financial position upon valuation performed and as a result a gain of EUR 936 thousand, included in 'Other Income' in the statement of Profit or loss. Based on the inputs used in order to determine the fair value of the put and the call options, such options are categorized as Level 3. The options are valued in USD and based on year end exchange rates, the valuation of such options was EUR 871 thousand. The valuation of the call & put options was based on a widely acceptable pricing model methodology considering the complexity of the option plan.

The basic inputs that have been used in the valuation model are the following:

- expected turnover & EBITDA margins of the associate;
- future working capital needs;
- risk free rate;
- volatility, defined as the range of values for all inputs used in the valuation model.

Regarding the fair values of the call and put options, reasonably possible changes at the reporting date to one of the significant unobservable inputs stated above, keeping other inputs constant, would have the following effect:

- If turnover was higher by 1%, then the fair value of the options would be higher by EUR 14 thousand or 1.4%.
- If working capital was higher by 1%, then the fair value of the options would be lower by EUR 48 thousand or 4.9%.
- If risk free rate was higher by 0,5%, then the fair value of the options would be higher by EUR 23 thousand or 2.4%.

If volatility was higher by 1%, then the fair value of the options would be higher by EUR 46 thousand or 4.7%.

24.Capital and reserves

A. Share capital and share premium

The share capital of the Company amounts to EUR 141,894 thousand divided into 259,189,761 shares without nominal value. Holders of shares are entitled to one vote per share at the general meetings of the Company.

Share premium of the Company amounts to EUR 457,571 thousand.

B. Translation reserve

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

C. Nature and purpose of other reserves

(a) Statutory reserve

Pursuant to the Belgian tax legislation, the companies are obliged, from their fiscal year profits, to form 5% as a legal reserve until it reaches 10% of their paid share capital. The distribution of the legal reserve is prohibited.

Pursuant to Greek company law, the companies are obliged to allocate each year at least 5% of its annual net profits to its statutory reserve, until this reserve equals at least 1/3 of the company’s share capital. The distribution of the statutory reserve is prohibited but it can be used to offset losses.

(b) Hedging reserve

The effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss.

(c) Other fair value reserve

The cumulative net change in the fair value of the equity securities until the assets are derecognized (and therefore transferred to retained earnings).

(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 include profits that have already been taxed 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.

D. Reconciliation of other reserves

Amounts in EUR thousands	Statutory reserves	Hedging reserves	Other Fair Value reserve	Special reserves	Tax exempt reserves	Other reserves	Total
Balance as at 1 January 2020	**39,955**	**-728**	**1,875**	**80,139**	**296,653**	**8,713**	**426,607**
Other comprehensive income	0	3,210	-516	0	0	-4	**2,690**
Capitalization of reserves	2,117	0	0	1,357	133	0	**3,607**
Reclassification							
Loss of Control/Disposal of subsidiary	-33	0	0	0	0	0	**-33**
Acquisition of NCI	0	0	0	0	0	0	**0**
Change in ownership interests	-1	0	0	0	0	-38	**-39**
Mergers and absorptions	0	0	0	0	0	3,271	**3,271**
Balance as at 31 December 2020	**42,039**	**2,483**	**1,359**	**81,496**	**296,785**	**11,942**	**436,104**

Amounts in EUR thousands	Statutory reserves	Hedging reserves	Other Fair Value reserve	Special reserves	Tax exempt reserves	Other reserves	Total
Balance as at 1 January 2019	**37,382**	**-3,817**	**-568**	**59,630**	**297,809**	**13,933**	**404,370**
Other comprehensive income	0	3,087	927	0	0	0	**4,013**
Capitalization of reserves	3,994	0	1,516	20,163	0	196	**25,868**
Reclassification	0	0	0	-60	78	-17	**0**
Acquisition of NCI	160	2	0	406	34	0	**602**
Change in ownership interests	-5	0	0	1	68	0	**64**
Mergers and absorptions	-1,576	0	0	0	-1,336	-5,399	**-8,310**
Balance as at 31 December 2019	**39,955**	**-728**	**1,875**	**80,139**	**296,653**	**8,713**	**426,607**

Mergers and absorptions are further explained in note 32.

25.Capital management

Viohalco and its companies' 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 Earnings before Interest and Tax (EBIT) divided by total Capital Employed, (i.e. equity and debt). The Board of Directors seeks opportunities and examines feasibility to leverage Viohalco's companies 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 thousands	31 December 2020	31 December 2019
Non-current liabilities		
Secured bank loans	161,357	202,474
Unsecured bank loans	82,530	65,895
Secured bond issues	558,078	551,446
Unsecured bond issues	200,021	123,707
Loans and borrowings – Long term	**1,001,986**	**943,522**
Lease Liabilities – Long term	**41,276**	**42,518**
Total Long-term debt	**1,043,262**	**986,040**
Current liabilities		
Secured bank loans	147,210	147,841
Unsecured bank loans	432,697	535,240
Current portion of secured bank loans	51,153	42,843
Current portion of unsecured bank loans	14,657	6,962
Current portion of secured bond issues	69,676	74,336
Current portion of unsecured bond issues	30,617	23,234
Loans and borrowings – Short term	**746,010**	**830,455**
Lease Liabilities – Short term	**10,935**	**10,903**
Total Short term debt	**756,945**	**841,358**
Total loans and borrowings	**1,800,207**	**1,827,398**

Information about the Viohalco companies' exposure to interest rate, foreign currency and liquidity risk is included in Note 30.

The maturities of non-current loans are as follows:

Amounts in EUR thousands	2020	2019
Between 1 and 2 years	367,571	195,511
Between 2 and 5 years	556,840	656,661
Over 5 years	118,850	133,868
Total	**1,043,262**	**986,040**

The effective weighted average interest rates of the main categories of loans and borrowings at the reporting date are as follows:

2020	Carrying amount	Interest rate
Bank loans (non-current)-EUR	229,293	2.90%
Bank loans (non-current)-USD	235	1.00%
Bank loans (current)-EUR	543,727	3.66%
Bank loans (current)-USD	5,042	2.26%
Bank loans (current)-GBP	7,735	2.75%
Bond issues-EUR	858,391	3.45%

2019	Carrying amount	Interest rate
Bank loans (non-current)-EUR	307,069	3.21%
Bank loans (non-current)-USD	0	0.00%
Bank loans (current)-EUR	650,849	3.94%
Bank loans (current)-USD	9,299	3.16%
Bank loans (current)-GBP	15,546	2.79%
Bond issues-EUR	772,723	4.04%

The majority of Viohalco companies' loans are Euro denominated.

During 2020, Viohalco subsidiaries obtained new bank loans amounting to EUR 241 million and repaid bank loans of EUR 286 million maturing within 2020. The new loans were mainly drawdowns from existing revolving credit facilities for project financing, or new loans with similar terms and conditions. In addition, amount of EUR 17 million in loans addition is related to loans received from the absorption took place in Real estate segment.

More specifically, during 2020 the main events relating to Viohalco companies' financing are the following:

Aluminium and Copper segments

- In May 2020, ElvalHalcor entered a bond loan agreement for EUR 20 million with a Greek bank, with an initial maturity of two years and an option for a two years extension.
- In June 2020, ElvalHalcor entered a bond loan agreement with a major Greek Bank for EUR 25 million and a maturity of three years.
- In Q3 of 2020, ElvalHalcor concluded a common bond loan agreement for EUR 8.8 million with a Greek bank, with a five-year initial maturity and an option for a two years extension.
- Additionally, in September 2020, Fitco entered a 5-year common bond loan agreement for Euro 5 million with a Greek Bank which is backed by a Hellenic Development Bank guarantee.
- In Q4 Sofia Med concluded a syndicated, working capital revolving facility for EUR 35 million with a group of 4 leading Bulgarian Banks.

Cables and Steel Pipes segments

During Q4 2020:

- Corinth Pipeworks entered an agreement with a major Greek bank for a long-term bond loan of EUR 10 million with a 5 years tenure, backed by a Hellenic Development Bank guarantee.
- Corinth Pipeworks entered an agreement with a major Greek bank for a 5-Year maturity bond loan of EUR 6 million.
- Fulgor entered an agreement with a major Greek bank for a 5-Year maturity bond loan of EUR 20 million.

Steel segment

The subsidiaries both in Greece and Bulgaria were eligible for Covid-19 relief measures, during the first half of the year and as a result proceeded to the prolongation of their existing loans. In addition, Stomana agreed with it's lenders the extension and amendment with more favorable terms of it 's EUR 67 million Syndicated Loan.

No other significant events, related with the financing of subsidiaries occurred during the period.

Short term facilities are predominately revolving credit facilities, which finance working capital needs and specific ongoing projects.

The average interest rate of the outstanding bank loans as at 31 December 2020 was 3.4 % (3.8 % as at 31 December 2019). Property, plant and equipment and inventories of some subsidiaries carry mortgages and liens for a total amount of EUR 1,247 million, as collaterals for long term loans and syndicated loans. In addition, for certain Viohalco companies' loans, there are change of control clauses that provide lenders early redemption rights.

B. Reconciliation of movements of liabilities to cash flows from financing activities

Amounts in EUR thousands	Loans and Borrowings	Leases	Total
Balance at 1 January 2020	**1,773,978**	**53,420**	**1,827,398**
Changes from financing cash flows			
Proceeds from loans and borrowings	258,187	0	258,187
Repayment of borrowings & lease liabilities	-286,282	-10,688	-296,970
Total changes from financing cash flows	-28,094	-10,688	-38,783
Other changes			
New leases	0	12,657	12,657
Interest expense	68,201	2,374	70,575
Interest paid	-67,123	-2,252	-69,375
Capitalised borrowing costs	4,163	0	4,163
Terminations/Modifications	0	-2,408	-2,408
Loss of Control/Disposal of subsidiary	-1,482	-797	-2,279
Division spin off	0	0	0
Effect of changes in foreign exchange rate	-1,710	-94	-1,804
Total other changes	2,049	9,479	11,529
Balance at 31 December 2020	**1,747,933**	**52,211**	**1,800,144**

Amounts in EUR thousands	Loans and Borrowings	Leases	Total
Balance at 1 January 2019	**1,774,232**	**25,129**	**1,799,361**
Changes from financing cash flows			
Proceeds from loans and borrowings	302,364	0	302,364
Repayment of borrowings & finance lease liabilities	-298,820	-12,992	-311,812
Total changes from financing cash flows	**3,544**	**-12,992**	**-9,448**
Other changes			
Change in accounting policy – IFRS 16 adoption	0	25,726	25,726
New leases	0	13,867	13,867
Interest expense	75,182	2,645	77,826
Interest paid	-73,290	0	-73,290
Capitalised borrowing costs	3,209	0	3,209
Terminations/Modifications	-6,659	-879	-7,537
Division spin off	-3,594	-21	-3,615
Effect of changes in foreign exchange rates	1,353	-54	1,299
Total other changes	**-3,799**	**41,284**	**37,485**
Balance at 31 December 2019	**1,773,978**	**53,420**	**1,827,398**

**Interest paid reported in Cash Flow Statement, includes bank charges and other finance costs.*

27.Trade and other payables

Amounts in EUR thousands	Note	2020	2019
Suppliers		492,709	471,540
Notes payable		148,389	76,228
Social security funds	11	11,033	11,332
Amounts due to related parties	38	6,485	4,483
Sundry creditors		20,716	23,274

Accrued expenses	60,011	43,067
Taxes-duties	35,955	24,240
Total	**775,297**	**654,164**
Non-current balance of trade and other payables	12,299	4,183
Current balance of trade and other payables	762,998	649,981
Balance as at 31 December	**775,297**	**654,164**

The increase in trade and other payables is mainly attributed to the improved credit terms agreed with the supply chain partners of Viohalco companies, related mainly to the purchase of primary raw materials.

28.Grants

Amounts in EUR thousands	**Note**	**2020**	**2019**
Balance as at 1 January		**35,409**	**39,618**
New grants received during the year		495	169
New grants for which receipt is pending		3,073	0
Transfer of grants to results		0	-427
Amortisation of grants	8	-3,158	-3,942
Foreign exchange differences		-1	-8
Balance as at 31 December		**35,817**	**35,409**

Government grants have been received for investments in property, plant and equipment.

During 2020, Viohalco subsidiary, Fulgor, recorded an amount of EUR 3,073 thousand related to a government grant for the purchase of certain items of property, plant and equipment for which all relative conditions were fulfilled during the year. The receipt of such government grant is pending and is expected shortly.

All conditions attached to the grants received by Viohalco's companies were met as at 31 December 2020.

29.Provisions

Non-current

Amounts in EUR thousands	**Note**	**Pending court rulings**	**Other provisions**	**Total**
Balance as at 1 January 2020		**25**	**2,752**	**2,777**
Foreign exchange differences		0	-46	-46
Transfer to short term provisions		0	187	187
Reclassifications		0	-18	-18
Provisions reversed	8	0	-1,062	-1,062
Balance as at 31 December 2020		**25**	**1,814**	**1,839**

Amounts in EUR thousands	**Pending court rulings**	**Other provisions**	**Total**
Balance as at 1 January 2019	**123**	**3,948**	**4,071**
Foreign exchange differences	0	52	52
Transfer to short term provisions	-98	0	-98
Reclassifications	0	-1,213	-1,213
Provisions used	0	-35	-35
Balance as at 31 December 2019	**25**	**2,752**	**2,777**

Current

Amounts in EUR thousands		Pending court rulings	Other provisions	Total
Balance as at 1 January 2020		**153**	**483**	**636**
Foreign exchange differences		0	-5	-5
Additional provisions of the fiscal year		321	99	420
Transfer from short term provisions		0	18	18
Provisions reversed	8	0	-130	-130
Provisions used		-126	-160	-286
Balance as at 31 December 2020		**348**	**304**	**652**

Amounts in EUR thousands	Pending court rulings	Other provisions	Total
Balance as at 1 January 2019	**131**	**407**	**538**
Foreign exchange differences	0	-2	-2
Additional provisions of the fiscal year	22	124	146
Transfer from short term provisions	0	98	98
Provisions reversed	0	-143	-143
Provisions used	0	0	0
Balance as at 31 December 2019	**153**	**483**	**636**

During 2020, provision relating to environmental issue for underground pollution in United Kingdom was reversed, as no obligation was further exist.

30.Financial instruments

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including the levels in the fair value hierarchy.

31 December 2020

Amounts in EUR thousands	Carrying amount	First Level	Second Level	Third Level	Total
Other investments	8,324	4,478	0	3,846	**8,324**
Derivative financial assets	8,161	5,188	1,889	1,084	**8,161**
	16,485	**9,666**	**1,889**	**4,930**	**16,485**
Derivative financial liabilities	-6,547	-4,824	-1,443	-280	**-6,547**
	9,937	**4,841**	**446**	**4,650**	**9,937**

31 December 2019

Amounts in EUR thousands	Carrying amount	First Level	Second Level	Third Level	Total
Other investments	5,829	4,998	0	830	**5,829**
Derivative financial assets	1,523	1,020	503	0	**1,523**
	7,352	**6,019**	**503**	**830**	**7,352**
Derivative financial liabilities	-4,284	-3,729	-555	0	**-4,284**
	3,068	**2,290**	**-52**	**830**	**3,068**

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;
- Lease liabilities.

Specifically, the carrying amount of loans and borrowings is considered as a good approximation of their fair value as 90% of consolidated Loans and borrowings concern floating-rate debt, which are a very good approximation of current market rates.

The increase in Other investments classified as third level relates to investment in Ecoreset S.A. (see also note 21).

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

Amounts in EUR thousands	
Balance as at 1 January 2020	**830**
Additions	3,069
Disposals	-24
Fair value through OCI	0
Reclassifications (note 14)	-29
Balance as at 31 December 2020	**3,846**
Balance as at 1 January 2019	**2,819**
Additions	129
Disposals	-1,238
Fair value through OCI	-842
Reclassifications (note 14)	-37
Balance as at 31 December 2019	**830**

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 fair values of financial liabilities, for the purpose of being recorded in financial statements, are estimated based on the present value of the future cash flows that arise from specific contracts using the current interest rate that is available for Viohalco 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 Viohalco's 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 unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Derivatives	*Market value*: Price as traded in active market *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	Not applicable Broker quotes	Not applicable 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 Viohalco 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: floor to zero due to negative bond yields - Market risk premium: 5.2% - Expected tax expense rate: 24% - WACC for the most significant investment: 7-8%	The estimated fair value would increase (decrease) if: • the estimated risk-free rate, market risk premium and WACC were lower (higher) • the estimated cash flows were higher (lower) • the expected income tax rate was 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 2020 or in 2019.

C. Financial risk management

Viohalco 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 Viohalco's capital management (note 25). More quantitative particulars on these disclosures are included in the entire range of the Consolidated Financial Statements.

The risk management policies are applied in order to identify and analyze the risks facing Viohalco 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 Viohalco and its companies, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the companies' receivables from customers, contract assets and bank deposits.

The carrying amount of financial assets represents the maximum credit exposure.

Amounts in EUR thousands	**Note**	**2020**	**2019**
Trade & other receivables	15	457,809	444,757
Contract assets	7	68,517	121,186
Less:			
Other down payments	15	-7,567	-9,647
Tax assets	15	-59,663	-51,869
Other non-financial assets		-26,630	-26,623
		432,466	**477,804**
Other investments	21	8,324	5,829
Cash and cash equivalents	16	219,161	214,499
Derivatives	23	8,161	1,523
		235,645	**221,851**
Total		**668,111**	**699,655**

(a) Trade and other receivables

Viohalco companies' 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. No client exceeds 10% of consolidated sales and, consequently, commercial risk is spread over a large number of clients.

Viohalco's companies have established a credit policy on the basis under which 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. Viohalco's companies 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, subsently, 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 receivability they have shown. Trade and other receivables mainly include wholesale customers of Viohalco's 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, Viohalco's companies demand real or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.
Viohalco's companies record an impairment loss that represents its expected credit losses in respect of trade and other receivables.

At 31 December, the maximum exposure to credit risk for trade and other receivables and contract assets by geographic region was as follows:

Amounts in EUR thousands	**2020**	**2019**
Greece	179,175	143,204
Other EU member states	156,445	224,268
Other European countries	40,368	60,256

Asia	22,579	19,355
America	26,829	24,967
Africa	6,868	5,703
Oceania	202	53
Total	**432,466**	**477,804**

The ageing of trade and other receivables and contract assets that were not impaired was as follows:

Amounts in EUR thousands	**2020**	**2019**
Neither past due nor impaired	374,390	386,559
Overdue		
- Up to 6 months	40,780	62,447
- Over 6 months	17,296	28,798
Total	**432,466**	**477,804**

Based on management assessment,the amounts that are past due up to 6 months and over 6 months are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings wheneverthey are available.

Viohalco companies insure significant portion of their receivables in order to be secured in case of default. As at 31 December 2020, 72% of the balances owed by 3rd parties were insured.

The movement in impairment of trade and other receivables and contract assets is as follows:

Amounts in EUR thousands	**2020**			**2019**		
	Trade & other receivables	**Contract assets**	**Total**	**Trade & other receivables**	**Contract assets**	**Total**
Balance as at 1 January	**73,215**	**115**	**73,330**	**73,461**	**242**	**73,703**
Impairment loss recognized	2,027	48	2,075	2,848	0	2,848
Amounts written off	-1,078	0	-1,078	-758	0	-758
Division/ segment spin off	0	0	0	-7	0	-7
Impairment loss reversed	-558	-21	-578	-2,643	-126	-2,770
Foreign exchange differences	-1,914	0	-1,913	353	0	353
Other movements	0	0	0	-39	0	-39
Balance as at 31 December	**71,693**	**143**	**71,836**	**73,215**	**115**	**73,330**

The allowance for expected credit losses for trade receivables and contract assets are calculated at individual level when there is an indication of impairment. For receivables and contract assets without any indication of impairment the expected credit losses are based on the historical credit loss experience combined with forward-looking information in macroeconomic factors effecting the credit risk, such as country risk and customers' industry related risks. Expected loss rates are updated at every reporting date.

In 2020, the impairment loss recognized concerns mainly clients in aluminum, copper and steel segments. On the contrary, a reversal of impairment loss was recorded as a result of the improvement of the expected loss rates of major clients operating mainly in the energy sector of cables segment.

The following collateral exists for securing non-insured receivables from customers and contract assets:

Amounts in EUR thousands	**2020**	**2019**
Cash collateral	3,448	730
Letter of credit	11,740	17,821
Collateral on property	2,037	2,107
Personal guarrantees	0	0

Payables which can be offset by receivables	7,248	5,023
Other	2,029	2,403
Total	**26,502**	**28,085**

(b) Cash and cash equivalents

Viohalco and its subsidiaries held cash and cash equivalents of EUR 219 million at 31 December 2020 (2019: EUR 214 million). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated from Aa3 to Caa2 based on ratings of Moody's.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. Viohalco considers that its cash and cash equivalents have low credit risk based on the credit assessment performed.

C.2. Liquidity risk

Liquidity risk is the risk that Viohalco 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, Viohalco companiesaim to maintain the level of their cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next quarter days. They also monitor the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

This excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

Viohalco's subsidiary Steelmet SA, provides support services to other subsidaries, when agreeing financing terms with credit institutions in Greece and other countries.

Exposure to liquidity risk

Financial liabilities and derivatives based on contractual maturity are broken down as follows:

2020						
Amounts in EUR thousands	**Carrying Amount**	**< 1year**	**1-2 years**	**2-5 years**	**> 5 years**	**Total**
Liabilities						
Bank loans	889,604	632,215	63,598	156,812	51,732	**904,356**
Bond issues	858,391	126,178	306,657	428,278	81,781	**942,895**
Lease liabilities	52,211	11,832	12,160	28,750	2,090	**54,833**
Derivatives	6,547	6,278	270	0	0	**6,547**
Contract liabilities	54,021	54,103	0	0	0	**54,103**
Trade and other payables	775,297	780,469	6,868	3,330	1,133	**791,800**
	2,636,072	**1,611,075**	**389,552**	**617,171**	**136,736**	**2,754,533**

2019						
Amounts in EUR thousands	**Carrying Amount**	**< 1year**	**1-2 years**	**2-5 years**	**> 5 years**	**Total**
Liabilities						
Bank loans	1,001,254	751,068	63,227	183,571	43,983	**1,041,849**
Bond issues	772,723	161,763	123,167	512,135	65,208	**862,273**

Lease liabilities	53,420	23,956	11,081	20,935	1,054	**57,026**
Derivatives	4,284	4,100	185	0	0	**4,284**
Contract liabilities	68,526	61,573	7,551	0	0	**69,124**
Trade and other payables	654,164	657,627	2,126	217	1,133	**661,103**
	2,554,372	**1,660,086**	**207,336**	**716,859**	**111,378**	**2,695,659**

Viohalco companies have syndicated loans that contain certain financial covenants. The ratios most commonly used are 'Total liabilities / Total equity', 'Net debt / Total sales' and 'Current assets / Current liabilities'. 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 regular basis 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 Viohalco and its companies income or the value of their financial instruments. Viohalco's 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:

Viohalco 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 Viohalco 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, Viohalco's 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. Viohalco's 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 with that of cash flows, which arises from the Viohalco's companies' operating activities.

The investments of Viohalco 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 Euro.

The summary quantitative data about Viohalco and its companies' exposure to currency risk as reported is as follows.

2020

Amounts in EUR thousands	USD	GBP	BGN	RSD	RON	Other	Total at risk	EUR	Total
Trade and other receivables	47,491	10,834	19,184	2,051	19,768	8,353	**107,681**	350,128	**457,809**
Contract assets	0	0	0	0	0	0	**0**	68,517	**68,517**
Loans and borrowings	-5,033	-8,724	-5,477	0	-6,131	-9,671	**-35,036**	-1,765,171	**-1,800,207**
Trade and other payables	-65,286	-19,526	-44,230	-639	-12,706	-1,401	**-143,789**	-631,508	**-775,297**
Contract liabilities	-3,759	0	-415	-943	-1,492	-37	**-6,646**	-47,374	**-54,021**
Cash & cash equivalents	25,999	9,969	4,109	1,082	2,974	1,001	**45,134**	174,027	**219,161**
	-588	**-7,446**	**-26,829**	**1,551**	**2,412**	**-1,756**	**-32,656**	**-1,851,382**	**-1,884,039**
Derivatives for risk hedging (Nominal Value)	-21,627	-21,439	0	0	0		**-43,066**	21,300	**-21,766**
Exposure	**-22,216**	**-28,885**	**-26,829**	**1,551**	**2,412**	**-1,756**	**-75,722**	**-1,830,082**	**-1,905,804**

2019									
Amounts in EUR thousands	**USD**	**GBP**	**BGN**	**RSD**	**RON**	**Other**	**Total at risk**	**EUR**	**Total**
Trade and other receivables	38,328	10,988	21,109	2,047	26,453	9,780	**108,705**	336,052	**444,757**
Contract assets	4,470	0	259	0	0	0	**4,729**	116,457	**121,186**
Loans and borrowings	-9,700	-15,913	-3,968	-504	-7,383	-9,969	**-47,436**	-1,779,962	**-1,827,398**
Trade and other payables	-63,139	-12,631	-57,653	-825	-11,738	-2,271	**-148,256**	-505,908	**-654,164**
Contract liabilities	-2,834	-157	-1,234	-116	-2,221	-14	**-6,576**	-61,950	**-68,526**
Cash & cash equivalents	26,568	2,668	7,279	516	2,339	1,331	**40,700**	173,798	**214,499**
	-6,306	**-15,045**	**-34,207**	**1,119**	**7,450**	**-1,143**	**-48,133**	**-1,721,514**	**-1,769,647**
Derivatives for risk hedging (Nominal Value)	-11,558	-14,198	0	0	0	0	**-25,755**	0	**-25,755**
Exposure	**-17,864**	**-29,243**	**-34,207**	**1,119**	**7,450**	**-1,143**	**-73,889**	**-1,721,514**	**-1,795,402**

"Derivatives for risk hedging" includes also derivatives that relate to highly probable transactions, which have not been yet recognized as assets or liabilities in the consolidated statement of financial position. Euro denominated amounts are included for totals' reconciliation purposes.

The following exchange rates have been applied during the year.

	Average exchange rate		Year end spot rate	
	2020	**2019**	**2020**	**2019**
USD	1.14	1.12	1.23	1.12
GBP	0.89	0.88	0.90	0.85
BGN	1.96	1.96	1.96	1.96
RSD	117.58	117.85	117.58	117.59
RON	4.84	4.75	4.87	4.78

Viohalco is primarily exposed to changes of Euro against US dollar, pound sterling, DINAR or RON. A reasonably possible strengthening (weakening) of Euro against these currencies as 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. The Bulgarian currency LEV is not analysed below due to its fixed currency rate at 1.956 BGN/EUR.

	Profit or loss		Equity, net of tax	
Amounts in EUR thousands	**EUR Strengthening**	**EUR Weakening**	**EUR Strengthening**	**EUR Weakening**
2020				
USD (10% movement)	1,070	-1,070	1,688	-1,688
GBP (10% movement)	2,195	-2,195	2,195	-2,195
RSD (10% movement)	-118	118	-118	118
RON (10% movement)	-183	183	-183	183
2019				
USD (10% movement)	691	-691	1,358	-1,358
GBP (10% movement)	2,222	-2,222	2,222	-2,222
RSD (10% movement)	-85	85	-85	85
RON (10% movement)	-566	566	-566	566

(b) Interest rate risk:

Viohalco's subsidiaries during the prolonged low interests period have adopted a flexible policy of ensuring that between 0% and 20% of its interest rate risk exposure is at a fixed rate. This is achieved mostly by borrowing at a floating rate and in certain circumstances by entering into fixed–rate instruments. The interest rate profile of Viohalco companies' interest-bearing financial instruments, as reported is as follows.

	Nominal amount	
Amounts in EUR thousands	**2020**	**2019**
Fixed-rate instruments		
Financial assets	3,975	0
Financial liabilities	-103,359	-66,734
Variable-rate instruments		
Financial liabilities	-1,614,903	-1,760,664

Fixed-rate instruments

Viohalco does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Viohalco currently uses derivatives (interest rate swaps) as hedging instruments under a cash flow hedge accounting model.

Sensitivity analysis for variable-rate instruments

A reasonably possible change of 0.25% in interest rates of variable-rate instruments at the reporting date would have increased/ decreased (-) profit or loss by the amount shown below. This analysis assumes that all other variables, in particular foreign currency exchange rate, remain constant.

Variable rate	Profit or loss	
Amounts in EUR thousands	**0.25% increase**	**0.25% decrease**
2020		
Financial liabilities	-3,928	3,928
Cash flow sensitivity (net)	**-3,928**	**3,928**
2019		
Financial liabilities	-2,987	2,987
Cash flow sensitivity (net)	**-2,987**	**2,987**

(c) Cash flow hedges

The following table indicates the periods in which the cash flows associated with cash flow hedges are expected to occur:

Amounts in EUR thousands	**Carrying amount at 31 December 2020**	**1-6 months**	**6-12 months**	**More than 1 year**	**31 December 2020**
Interest rate Swaps					
Liabilities	1,026	0	0	1,026	**1,026**
Forwards					
Assets	1,619	1,576	43	0	**1,619**
Liabilities	516	466	51	0	**516**
Future contracts					
Assets	5,188	3,984	1,139	64	**5,188**
Liabilities	4,583	4,591	-8	0	**4,583**
	12,932	**10,617**	**1,225**	**1,090**	**12,932**

Amounts in EUR thousands	Carrying amount at 31 December 2019	1-6 months	6-12 months	More than 1 year	31 December 2019
Interest rate Swaps					
Liabilities	-172	0	0	-172	**-172**
Forwards					
Assets	441	440	1	0	**441**
Liabilities	-369	-293	-64	-12	**-369**
Future contracts					
Assets	1,020	876	143	1	**1,020**
Liabilities	-3,557	-2,948	-609	0	**-3,557**
	-2,637	**-1,925**	**-528**	**-184**	**-2,637**

The table below provides information about the items designated as cash flow hedging instruments during the year and also as at 31 December 2020 and the reconciliation of hedging reserve. Based on their nature, hedging instruments are included in Derivatives assets and Derivatives liabilities in consolidated statement of financial position.

2020

Amounts in EUR thousands	Nominal Amount	Carrying amount		Balance 1 January 2020	Changes in the value of the hedging instrument recognised in OCI	Amount reclassified from hedging reserve to profit or loss	Other movements	Effect of movement in exchange rates	Balance 31 December 2020
		Assets	Liabilities						
Forward foreign exchange contracts	50,197	1,619	-516	**72**	693	218	0	120	**1,103**
Future contracts	51,344	5,188	-4,583	**-2,537**	1,481	1,639	0	21	**605**
Interest rate swap contracts	21,300	0	-1,026	**-172**	0	0	-853	0	**-1,026**
	122,841	**6,807**	**-6,125**	**-2,637**	**2,174**	**1,857**	**-853**	**141**	**682**

2019

Amounts in EUR thousands	Nominal Amount	Carrying amount		Balance 1 January 2019	Changes in the value of the hedging instrument recognised in OCI	Amount reclassified from hedging reserve to profit or loss	Other movements	Effect of movement in exchange rates	Balance 31 December 2019
		Assets	Liabilities						
Forward foreign exchange contracts	25,765	441	-369	**-3,520**	166	3,571	0	-146	**72**
Future contracts	31,008	1,020	-3,557	**-3,940**	-1,233	2,719	0	-82	**-2,537**
Interest rate swap contracts	21,300	0	-172	**0**	0	0	-172	0	**-172**
	78,072	**1,461**	**-4,098**	**-7,460**	**-1,067**	**6,290**	**-172**	**-228**	**-2,637**

(d) Commodity price risk

The commodity markets experience continuous price fluctuations. Viohalco companies minimize their exposure to commodity price volatility by using future contracts, when possible. Viohalco companies are exposure to the fluctuation of aluminium, copper, zinc, lead and nickel. In order to minimize the effect of the metal price fluctuations on their results, companies use back to back matching of purchases and sales or derivative instruments (future contracts).

As at 31 December 2020 the derivative net balance of future contracts per commodity as reported in the statement of financial position is:

Amounts in EUR thousands	2020	2019
Aluminium	2,828	-817
Copper	-2,162	-1,338
Lead	-58	-245
Nickel	-4	-136
Total	**605**	**-2,537**

These hedges are designated in a cash flow hedge accounting relationship.

C.4. Business and Operational Risk Management

There were no changes in Viohalco companies' business and operational risk management objectives and policies during 2020.

Viohalco companies follows closely and continuously both international and domestic developments and timely adapt their business strategy and risk management policies in order to minimize the operational impact of macroeconomic conditions.

Brexit

On December 31st2020, the transition period of Brexit ended and the United Kingdom left the EU single market and customs union. As of January 1st 2021, customs formalities, like those applied on the movement of goods between the EU and any other third country, apply to all goods being exported from an EU Member State to the United Kingdom. There is no transition period for imports into the EU. Therefore, formalities and relevant controls may lead to longer delays at customs. In general, goods entering the EU from the United Kingdom after the end of the transition period must also be covered by an entry summary declaration.

Viohalco companies follow the guidelines provided by the competent authorities in order to mitigate any delays related to imports or exports of goods and to avoid any business disruption. Exports to the United Kingdom accounted for approximately 5% of total revenues for 2020.

Overall, Viohalco does not expect the UK's departure from the EU to have any material adverse effect on the operations of its companies. This is due to the free trade agreement (FTA) the UK now has with the EU. The rules of origin within the FTA allow trade of products between EU and UK without tariffs. More specifically, Brexit had little effect on the demand patterns within the markets Viohalco serves. Demand for any metals involved in power transmission, heating, refrigeration, air conditioning, food/pharmaceutical and semi rigid packaging has not been impacted by Brexit. In addition, Brexit is not expected to affect the implementation and acceleration of the initiatives that surround Green Energy, Fuel Pumps/Geothermal heating systems and E-mobility.

Anti-dumping

Viohalco subsidiary ElvalHalcor participated in the investigation of US Department of Commerce as a Greek producer of aluminium sheets and cooperated with the authorities, with continuous transmission of information for the development of investigations. On 02.03.2021 the US Department of Commerce calculated a final dumping margin of 0%, for imports from ElvalHalcor.

Following issuance of the final determination by the DoC, the investigation concerning ElvalHalcor's imports is terminated without imposition of an antidumping duty and the US International Trade Commission (ITC) will not make an injury determination with respect to imports from Greece.

Considering the above and the fact that for most of the other participants in the investigations a dumping margin has been calculated, and in some cases a high margin3, the Company and the Group reasonably believe that the decision accommodates the continuation and expansion of the activity in the US market.

31.Impact of Covid-19 pandemic

The Covid-19 pandemic is unleashing a new era of change for businesses and despite they cannot plan for every potential risk, they are more prepared to face extraordinary risks, determine which protections are worth the investment, and position themselves for better performance. In this global conjuncture, Viohalco companies demonstrated resilience and reacted swiftly to market developments.

The impact of Covid-19 pandemic in the aluminium segment was more evidend in automotive and transportation sectors where sales volumes decreased slighlty versus prior year. Despite the challenges throughout the year, the main investment programme of Elval, Viohalco subsidiary, progressed on schedule, experiencing only minor delays related to travel restrictions.

In copper segment, most of the companies outperformed the market, with no production or service stoppages, demonstrating a resilient response to the challenges presented by the pandemic. Despite the challenging operating environment, performance was strong in copper, copper alloy, flat-rolled products, copper bus-bars and copper tubes, while sales in extruded alloy products (rods and tubes) dropped, due to their considerable exposure to markets heavily impacted by the pandemic.

Market stagnation caused by the pandemic and associated lockdowns negatively impacted steel segment's operations and performance. During the year, both construction and industrial production contracted significantly, and steel prices declined internationally. Steel segment performance was therefore negative during the first half of the year, but became positive during the second half as signs of recovery became evident.

The Covid-19 pandemic has had a limited impact on the financial performance of the cables segment during 2020, while the steel pipes segment experienced a negative sway, mainly due to the large oil & gas prices fall and the subsequent drop in demand of steel pipes products.

Finally, in the real estate segment, the Covid-19 pandemic and the associated lockdown measures significantly impacted the hospitality and retail sectors throughout the year. Due to the Covid-19 pandemic and associated restrictions on movement, the Greek government introduced, among other measures, a 40% compulsory reduction in rent for commercial properties in several sectors (such as retail, hospitality, food and beverage, gyms, etc.) for the majority of the March to December period. The combination of these government measures and the ongoing economic recession significantly affected the income of real estate companies. However, effective and active asset management ensured no significant rent or service charge arrears and satisfactory liquidity which enabled Noval Property to continue its development programme during the period.

As far as health and safety of the employees is concerned, Viohalco companies have put in place an action plan to mitigate negative effects and focusing on the following pillars:

- Workforce protection, to avoid production interruptions;
- Operational stability and customer engagement;
- Continuity of the supply chain;
- Sufficient liquidity;
- Commercial resilience (both sales & orders).

The measures introduced were successfully implemented at all sites, and until now all production plants are in undisrupted operation.

The incremental costs incurred due to the coronavirus outbreak amounted to EUR 4.8 million. Such cost includes mainly protective equipment supply, transportation costs (additional shuttle buses and employees personal vehicle), employee benefits, nursery staff and other expenses directly associated with the coronavirus pandemic.

In the context of uncertainty caused by the pandemic, Viohalco subsidiaries have also taken the following, more detailed actions to anticipate any negative financial impact:

- Secure the subsidiaries' liquidity position through a close monitoring of operating cash flows coupled to confirming sufficient unutilised credit lines.

- Review the capital expenditures plans and suspend any non-strategic and/or non-essential outlays.
- Put in place a cost savings plan for 2020 onwards, without jeopardizing the projected growth of all segments.
- Investigate the extent to which subsidiaries may apply for and receive government assistance in the countries they operate.

Given the present economic downturn and besides the aforementioned actions, Viohalco companies have re-examined non-financial and financial assets for possible impairment.

Under the terms of the loan agreements, subsidiaries of steel segment must comply with certain conditions (including financial covenants) and such compliance is tested on an annual basis for majority of the loans. Management has considered the measures that need to be taken to mitigate the risk relating to these potential breaches and expects that in the event that these covenants, relating to loans amounted to EUR 339 million, are breached, waivers will be granted. However, the improved performance of steel segment during Q1 2021 may reverse such event.

Regarding loan covenants, subsidiaries of Cenergy Group will make every effort to obtain a waiver from our banking partners at the next measurement date (December 31st, 2021) in view of the covenants which are expected to be breached, as has always been the case in the past whenever such a waiver was necessary. In the unlikely event that no waivers will be obtained, existing credit lines will cover any obligations that may arise from such breaches.

During this challenging situation, governments, both in Greece and Bulgaria have introduced supportive measures for companies operating in sectors that have been seriously affected by the Covid-19 crisis. Subsidiaries in both countries have been eligible and have benefited from relief and support measures in order to improve their financial position. More specifically, steel segment companies both in Greece and Bulgaria have requested and awarded capital repayments relief and have postponed capital instalments due in 2020 to 2021 and 2023.

Additionally, the real estate segment experienced reduction in rental fees due to lockdown measures. Hospitality and retail sectors witnessed the greatest impact. Noval Property was also able to defer to 2021 all scheduled capital repayments of 2020 of one bond loan facility.

Finally, subsidiaries of aluminium segment operating in automotive and extrusion sectors had been also benefited from relief measures in order to improve their financial position, by extending the repayments of long term loans from 2020 to 2021.

Our analysis and our projections confirm our confidence that the subsidiaries can mitigate the decline in the profitability, overcome any emerging operational issues that may arise ensuring the availability of raw materials for smooth operation during the forthcoming months. In addition, the available cash of Viohalco subsidiaries, their operating cash flows and the unutilized credit lines, will provide the necessary liquidity for the following twelve months.

The management concludes that although Covid-19 has a significant impact on Viohalco subsidiaries' operations in 2020, such impact will be absorbed and will not affect their long-term viability.

32. Subsidiaries

Viohalco's subsidiaries and the percentages of financial interest held by the parent company at the end of the reporting period are as follows:

Subsidiary companies	Country	Financial interest 2020	Financial interest 2019
AEIFOROS S.A.	GREECE	98.94%	98.94%
AEIFOROS BULGARIA S.A.	BULGARIA	98.94%	98.94%
ALURAME SPA	ITALY	93.45%	93.45%
ANOXAL S.A.	GREECE	91.44%	91.44%
ANAMET DOO	SERBIA	98.62%	98.62%
ANAMET S.A.	GREECE	98.62%	98.62%
ANTIMET S.A.	GREECE	100.00%	100.00%
ATTIKI S.A.	GREECE	75.00%	75.00%
BASE METALS S.A.	TURKEY	70.55%	70.55%
BRIDGNORTH LTD	U.K.	75.00%	75.00%
CABLEL WIRES S.A.	GREECE	91.44%	91.44%
CENERGY HOLDINGS S.A.	BELGIUM	79.78%	79.78%
CLUJ INTERNATIONAL TRADE SRL	ROMANIA	100.00%	100.00%
CORINTH PIPEWORKS S.A.	GREECE	79.78%	79.78%
CPW AMERICA Co	USA	79.78%	79.78%
DE LAIRE LTD	CYPRUS	79.78%	79.78%
DIA.VI.PE.THI.V S.A.	GREECE	92.92%	92.92%
DIO PERNIK EOOD	BULGARIA	98.94%	0.00%
DOJRAN STEEL LLCOP	NORTH MACEDONIA	100.00%	100.00%
ELVAL COLOUR S.A.	GREECE	91.44%	91.44%
ELVAL COLOUR IBERICA S.A.	SPAIN	91.44%	91.44%
ELVALHALCOR S.A.	GREECE	91.44%	91.44%
ELVIOK S.A (former ELVALHALCOR CONSULTING SA)	GREECE	91.44%	91.44%
ELKEME S.A.	GREECE	90.57%	90.57%
EPIRUS METALWORKS S.A.	GREECE	91.42%	91.44%
ERGOSTEEL S.A.	GREECE	91.08%	91.08%
ERLIKON S.A.	GREECE	100.00%	100.00%
ETEM ALBANIA S.A.	ALBANIA	100.00%	100.00%
ETEM BULGARIA S.A.	BULGARIA	100.00%	100.00%
ETEM BG S.A.	BULGARIA	100.00%	100.00%
ETEM GESTAMP EXTRUSIONS S.A.	BULGARIA	51.00%	51.00%
ETEM COMMERCIAL S.A.	GREECE	100.00%	100.00%
ETEM SCG	SERBIA	100.00%	100.00%
ETEM SYSTEMS LLC	UKRAINE	100.00%	100.00%
ETEM SYSTEMS SRL	ROMANIA	100.00%	100.00%
ETIL S.A.	GREECE	100.00%	100.00%
FITCO S.A.	GREECE	91.44%	91.44%
FLOCOS S.A.	GREECE	100%	93.88%
FULGOR S.A.	GREECE	79.78%	79.78%
GENECOS S.A.	FRANCE	93.45%	93.45%
HELLENIC CABLES S.A.	GREECE	79.78%	79.78%
HELLENIC CABLES AMERICA S.A.	USA	79.78%	79.78%
HUMBEL LTD	CYPRUS	79.78%	79.78%

Subsidiary companies	Country	Financial Interest 2020	Financial Interest 2019
ICME ECAB S.A.	ROMANIA	78.66%	78.66%
INOS BALCAN DOO	SERBIA	98.62%	98.62%
IWM S.A.	BULGARIA	98.94%	98.94%
INTERNATIONAL TRADE S.A.	BELGIUM	93.45%	93.45%
JOSTDEX LIMITED	CYPRUS	100.00%	100.00%
LESCO ROMANIA S.A.	ROMANIA	51.86%	51.86%
LESCO EOOD	BULGARIA	79.78%	79.78%
METAL AGENCIES LTD	U.K.	93.45%	93.45%
METALCO S.A.	BULGARIA	100.00%	100.00%
METALIGN S.A.	BULGARIA	100.00%	100.00%
METALLOURGIA ATTIKIS S.A.	GREECE	50.00%	50.00%
NOVAL PROPERTY REIC	GREECE	87.34%	99.27%
NOVOMETAL DOO	FYROM	98.62%	98.62%
PORT SVISHTOV WEST S.A.	BULGARIA	73.09%	73.09%
PRAKSIS S.A.	GREECE	61.00%	61.00%
PRAKSIS BG S.A.	BULGARIA	61.00%	61.00%
REYNOLDS CUIVRE S.A.	FRANCE	93.45%	93.45%
ROULOC S.A.	GREECE	91.44%	91.44%
SIDEBALK STEEL DOO	SERBIA	100.00%	100.00%
SIDENOR INDUSTRIAL S.A.	GREECE	100.00%	100.00%
SIDERAL SHRK	ALBANIA	99.95%	99.95%
SIDEROM STEEL SRL	ROMANIA	100.00%	100.00%
SMARTREO PYT LTD	AUSTRALIA	99.00%	50.00%
SOFIA MED AD	BULGARIA	92.33%	92.33%
SOVEL S.A.	GREECE	92.95%	92.95%
STEELMET CYPRUS LTD	CYPRUS	91.08%	91.08%
STEELMET PROPERTIES S.A.	GREECE	91.08%	91.08%
STEELMET ROMANIA S.A.	ROMANIA	93.45%	93.45%
STEELMET S.A.	GREECE	91.08%	91.08%
STOMANA INDUSTRY S.A.	BULGARIA	100.00%	100.00%
STOMANA ENGINEERING SA (former SIGMA IS SA)	BULGARIA	100.00%	100.00%
SYMETAL S.A.	GREECE	91.44%	91.44%
TECHOR S.A.	GREECE	91.44%	91.44%
TECHOR ROMANIA S.A.	ROMANIA	91.44%	91.44%
TEPROMKC AG	GERMANY	93.45%	93.45%
TERRA MIDDLE EAST AG	GERMANY	93.45%	93.45%
TEKA SYSTEMS S.A.	GREECE	50.01%	50.01%
VEPAL S.A.	GREECE	91.44%	91.44%
VIANATT S.A.	GREECE	0.00%	98.62%
VIENER S.A.	GREECE	96.46%	96.46%
VIEXAL S.A.	GREECE	97.72%	97.72%
VIOMAL S.A.	GREECE	68.58%	45.72%
VITRUVIT S.A.	GREECE	99.86%	99.86%
WARSAW TUBULARS TRADING SP.ZO	POLAND	79.78%	79.78%

The ultimate controlling entity is Viohalco S.A. for all the above entities. Viohalco does exercise control, by holding the majority of the voting rights, directly and/or indirectly and these entities are reported as subsidiary companies.

The percentages reported on the above table represent the financial interest held directly and indirectly by Viohalco. For example, if Viohalco holds 70% of company A and company A holds 70% of company B, then in the table above it will be presented that Viohalco holds 49% of financial interest in company B.

Transactions that took place in 2020

Acquisition of NCI

- On April 1st, 2020, Viohalco's subsidiary ElvalHalcor acquired, the ownership of 1,610,000 common registered shares, issued by the company under the trade name 'Viomal S.A.- Aluminium Industry' which represent the 25% of its paid-up share capital, in consideration of EUR 2.2 million. Following the aforementioned purchase, ElvalHalcor's participation in Viomal's paid up share capital amounts to 75%.
- On December 16th, 2020, Viohalco's subsidiary Jostdex acquired the 49% of Smartreo, with the holding percentage deriving at 99%.

Other minor acquisitions of non-controlling interests took place in 2020, without significant effect in the consolidated financial statements.

Mergers & Absorptions

- On January 1st, 2020, Viohalco subsidiary Vianatt was absorbed by Ecoreset S.A. in which an investment of 2.5 million was recognised and classified as third level in Other investments.

- On October 29th, 2020, Viohalco's subsidiary Noval Property REIC (Real estate segment) absorbed Metem, with Viohalco holding percentage in Noval Property REIC deriving at 87.34%.

New subsidiaries establishment

- On March 2nd 2020, a new Bulgarian based subsidiary, Dio Pernik, was established, operating in the Other segment.

33.Joint operations

Viohalco's subsidiary Hellenic Cables has a 62.48% interest in a joint arrangement called VO Cablel VOF, which was set up as a partnership together with Van Oord. The scope of this joint operation scheme is to supply and install sea and land cables for the Hollandse Kust (South) Alpha project and Hollandse Kust (South) Beta project. The principal place of business of the joint operation is in the Netherlands.

Hellenic Cables has a 50.77% interest in a joint arrangement called DEME Offshore NL - Hellenic Cables V.O.F., which was set up as a partnership together with Tideway. The scope of this joint operation scheme is to execute a turnkey contract for the supply and installation of submarine cables for the connection of the Seamade offshore wind project to the Belgian grid. The principal place of business of the joint operation is in Belgium.

Viohalco's subsidiary Fulgor has a 10% interest in a joint arrangement called Fulgor – JDN Consortium, which was set up as a partnership together with Jan De Nul. The scope of this joint operation scheme is to execute a turnkey contract for the installation of submarine cables for the interconnection Crete-Peloponnese in Greece. The principal place of business of this joint operation is in Greece.

The agreements in relation to the VO Cablel VOF, Fulgor – JDN Consortium and DEME Offshore NL - Hellenic Cables V.O.F. require unanimous consent from all parties for all relevant activities. The two partners have direct rights to the assets of the partnership and are jointly and severally liable for the liabilities incurred by the partnership. These entities are therefore classified as joint operations and the Group recognises its direct right to the jointly held assets, liabilities, revenues and expenses as described in note 5.

34.Non-controlling interests

The following table summarises the information relating to each of the subsidiaries that have material NCI (at sub-group level in the cases of Cenergy, ElvalHalcor, Sidenor) before any intra-group elimination.

2020							
Amounts in EUR thousands	**Cenergy**	**ElvalHalcor**	**Sidenor**	**Bridgnorth**	**Other**	**Intragroup eliminations**	**Total**
NCI percentage	**20.22%**	**8.56%**	**0.00%**	**25.00%**			
Non-current assets	530,005	878,333	305,353	72,117			
Current assets	473,103	797,393	281,904	91,458			
Non-current liabilities	242,973	536,056	296,906	5,468			
Current liabilities	517,289	523,993	299,831	49,721			
Net Assets	**242,845**	**615,677**	**-9,480**	**108,386**			
Attributable to NCI by the companies	**287**	**10,454**	**24,374**	**0**			
Net attributable to the equity holders & NCI of Viohalco	**242,558**	**605,222**	**-33,854**	**108,386**			
Attributable to NCI by parent Company	**49,045**	**51,807**	**0**	**27,097**			
Carrying amount of NCI	49,332	62,261	24,374	27,097	46,289	-34,922	**174,431**
Revenue	908,417	2,028,569	469,627	192,064			
Profit / Loss (-)	24,236	29,754	-11,845	-196			
Other comprehensive income	-5,352	2,227	-443	-5,278			
Total comprehensive income	**18,884**	**31,982**	**-12,288**	**-5,474**			
Attributable to NCI by the companies	**-8**	**1,472**	**-722**	**0**			
Net attributable to the equity holders & NCI of Viohalco	**18,892**	**30,510**	**-11,565**	**-5,474**			
Attributable to NCI by Viohalco	**3,820**	**2,612**	**0**	**-1,369**			
Total OCI of NCI	3,812	4,084	-722	-1,369	3,757	-607	**8,955**
Cash flows from operating activities	158,575	83,353	18,378	9,634			
Cash flows from investing activities	-72,182	-123,883	-9,974	-6,351			
Cash flows from financing activities	-95,137	25,680	1,560	-3,422			
Net increase/ decrease (-) in cash and cash equivalents	**-8,744**	**-14,850**	**9,964**	**-139**			

2019							
Amounts in EUR thousands	**Cenergy**	**ElvalHalcor**	**Sidenor**	**Bridgnorth**	**Other**	**Intragroup eliminations**	**Total**
NCI percentage (at parent company level)	**20.22%**	**8.56%**	**0.00%**	**25.00%**			
Non-current assets	488,911	828,071	310,479	77,347			
Current assets	550,814	740,910	267,800	91,224			
Non-current liabilities	234,100	527,533	260,172	5,817			
Current liabilities	581,663	444,296	315,298	48,894			
Net Assets	**223,961**	**597,152**	**2,808**	**113,860**			
Attributable to NCI by the companies	**295**	**9,949**	**25,096**	**0**			
Net attributable to the equity holders & NCI of Viohalco	**223,667**	**587,204**	**-22,289**	**113,860**			
Attributable to NCI by parent Company	**45,225**	**50,265**	**0**	**28,465**			
Carrying amount of NCI	45,520	60,213	25,096	28,465	21,115	-34,550	145,859
Revenue	958,016	2,037,278	534,607	246,786			
Profit / Loss (-)	20,170	42,162	-15,820	3,457			
Other comprehensive income	781	-1,996	-817	8,896			
Total comprehensive income	**20,951**	**40,166**	**-16,637**	**12,353**			
Attributable to NCI by the companies	**-22**	**846**	**-3,486**	**0**			
Net attributable to the equity holders & NCI of Viohalco	**20,973**	**39,320**	**-13,151**	**12,353**			
Attributable to NCI by Viohalco	**4,241**	**3,366**	**0**	**3,088**			
Total OCI of NCI	4,219	4,212	-3,486	3,088	301	2,275	10,609
Cash flows from operating activities	113,529	166,755	-4,771	17,524			
Cash flows from investing activities	-47,354	-168,707	-6,905	-2,168			
Cash flows from financing activities	-40,506	16,399	11,475	-15,893			
Net increase/ decrease (-) in cash and cash equivalents	**25,669**	**14,448**	**-201**	**-536**			

On October 29th, 2020, Viohalco's subsidiary Noval Property REIC (real estate segment) absorbed Metem SA, a company operated in real estate. The shareholders of Metem SA received as consideration shares of Noval Property. Due to this transaction, an increase in non-controlling interests (NCI) equal to EUR 23 million was recognized and Viohalco holding percentage in Noval Property REIC formed at 87.34% (2019: 99.27%).

35.Leases

A. Leases as lessee

(a) Amounts recognised in the Statement of Financial Position

The Consolidated Statement of Financial Position shows the following amounts relating to leases:

Right of Use Assets

Amounts in EUR thousands	31 December 2020	31 December 2019
Land	367	511
Buildings	4,291	3,838
Machinery	23,083	26,386
Transportation equipment	10,665	11,866
Other equipment	92	52
Total Right-of-use assets	**38,498**	**42,652**

Lease liabilities

Amounts in EUR thousands	31 December 2020	31 December 2019
Current lease liabilities	10,935	10,903
Non-current lease liabilities	41,276	42,518
Total lease liabilities	**52,211**	**53,421**

Additions to the right-of-use assets during 2020 were EUR 7,414 thousand.

(b) Amounts recognised in the Statement of profit or loss

The statement of profit or loss includes the following amounts relating to leases:

Amounts in EUR thousands	2020	2019
Depreciation charge of right-of-use assets		
Plots	38	21
Buildings	843	1,067
Machinery	2,833	2,954
Transportation means	4,676	4,445
Other equipment	60	83
Total	**8,450**	**8,569**
Interest expense (included in finance cost)	2,374	2,645
Variable rental fees	1,131	869
Low value rental fees	362	463
Short term rental fees	3,956	4,323

B. Leases as lessor

Viohalco and its companies in the real estate development sector lease out their investment properties (See note 19).

(a) Future minimum lease collections

At 31 December, the future minimum lease payments under non-cancellable leases were as follows.

Amounts in EUR thousands	**2020**	**2019**
Less than one year	15,001	18,854
Between one and two years	14,224	13,524
Between two and three years	10,897	12,723
Between three and four years	10,003	9,863
Between four and five years	9,400	9,227
More than five years	45,709	46,227
Total	**105,234**	**110,418**

(b) Amounts recognized in profit or loss

The figures below are related to investment property that has been recognised in the statement of profit or loss. Operating expenses relate mainly to maintenance cost.

Amounts in EUR thousands	**Note**	**2020**	**2019**
Rental income from investment property	7	10,041	11,197
Direct operating expenses regarding investment properties from which rents are collected		0	-1,339
Direct operating expenses that do not generate rental income		-443	-28

36.Commitments

A. Purchase commitments

The below mentioned commitments relate to contracts that Viohalco's subsidiaries have entered into, according to their investment plans and are expected to be concluded during the next 3 years.

Amounts in EUR thousands	**2020**	**2019**
Property, plant and equipment	19,308	25,423
Investment property	8,800	24,600
Intangible Assets	16	3

B. Guarantees

Amounts in EUR thousands	**2020**	**2019**
Liabilities		
Guarantees to secure liabilities to suppliers	27,675	29,054
Guarantees for securing the good performance of contracts with customers	264,901	199,134
Guarantees for securing the good performance of contracts with suppliers	415	305

37.Contingent liabilities

The tax filings of the subsidiaries are routinely subjected to audit by tax authorities in most of the jurisdictions in which Viohalco and its companies conduct business. These audits may result in assessments of additional taxes. Viohalco and its subsidiaries provide for additional tax in relation to the outcome of such tax assessments, to the extent that a liability is probable and estimable.

Viohalco companies believe that their accruals for tax liabilities are adequate for all open tax years based on their assessment of underlying factors, including interpretations of tax law and prior experience.

38.Related parties

A. Equity-accounted investees and other related parties

The following transactions have been made with equity-accounted investees and other related parties.

Amounts in EUR thousands	**2020**	**2019**
Sale of goods/ services		
Associates	61,340	77,730
Joint ventures	22,986	20,832
	84,326	**98,563**
Sale of fixed assets		
Joint ventures	9,898	0
	9,898	**0**
Purchases of goods / services		
Associates	7,067	7,264
Joint ventures	2,530	5,248
	9,596	**12,512**
Purchase of fixed assets		
Associates	23	124
Joint ventures	0	3
	23	**127**

Closing balances that arise from sales/purchases of goods, services, fixed assets, etc.:

Amounts in EUR thousands	**2020**	**2019**
Receivables from related parties		
Associates	31,081	35,861
Joint ventures	13,444	3,040
	44,525	**38,901**
Contract assets to related parties		
Associates	40	0
	40	**0**
Liabilities to related parties		
Associates	5,165	3,660
Joint ventures	1,319	823
	6,485	**4,483**
Contract liabilities to related parties		
Joint ventures	37	288
	37	**288**

The outstanding balances from related parties are secured and the settlement of those balances is expected to be performed in cash during the following year, since the balances concern only short-term receivables and 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. During 2020, services of EUR 180 thousand acquired from entities that are controlled by members of the key management personnel.

B. Key management personnel compensation

The table below provides an overview of the transactions with Board members and executive management:

Amounts in EUR thousands	2020	2019
Compensation to BoD members and executives	5,652	4,870

The compensation to directors and executive management in the table above are fixed compensation. No variable compensation, post-employment benefits or share based benefits were paid in 2020 and in 2019.

39.Auditor's fees

The Company's statutory auditor (PwC Reviseurs d'Entreprises SRL/ Bedrijfsrevisoren BV) and a number of other member firms of the auditor's network, received fees for the following services:

	For year ended 31 December	
Amounts in EUR thousands	**2020**	**2019**
Statutory Auditor		
Audit	296	277
Tax related services	0	123
	296	**400**
Statutory Auditor Network		
Audit	1,212	1,020
Tax related services	16	4
Other services	19	174
	1,248	**1,197**
Total	**1,543**	**1,597**

40.Subsequent events

a) On 05.01.2021, the Board of Directors of ElvalHalcor granted a special permission for the conclusion of a transaction with a related party, the non- listed company under the trade name "ETEM COMMERCIAL AND INDUSTRIAL OF LIGHT METALS SOCIETE ANONYME" (hereinafter referred to as " Etem Commercial S.A."), pursuant to articles 99-101 of the Law 4548/2018, as now in force, and the ten (10) day time limit for the submission of a request for calling a General Meeting to decide on the special permission allowing “ElvalHalcor S.A.” to fully cover the share capital increase of " Etem Commercial S.A." of a total amount of EUR 24,316,420.00, aiming at the raising of funds by “Etem Commercial S.A.” of EUR 22,800,000.00, in cash, and of EUR 1,516,420.00 in contribution in kind (machinery) and the issue of 70,000 new common, registered, voting shares of a nominal value of EUR 4.00 each, and issue price of EUR 347.38 each, as resolved by the Extraordinary Meeting of “Etem Commercial S.A.”, dated 22.12.2020, expired on the 7th of February, 2021.

b) On 10.02.2021, the share capital increase of EUR 18.8 million of Viohalco Subsidiary Etem BG S.A. was completed, that was entirely covered by Viohalco subsidiary Etem Commercial S.A., following the decision of Etem BG. S.A. General meeting on 31.12.2020. After the transaction the percentage of participation of Etem Commercial to Etem BG S.A. was formed at 92%.

c) On 02.03.2021, the US Department of Commerce issued its final determinations in the antidumping duty investigation concerning imports of common alloy aluminium sheet from 18 countries, including Greece. The Department of Commerce calculated a final dumping margin of 0%, for imports from ElvalHalcor, subsidiary of Viohalco. Following issuance of the final determination by the DoC, the investigation concerning ElvalHalcor’s imports is terminated without imposition of an antidumping duty and the US International Trade Commission (ITC) will not make an injury determination with respect to imports from Greece.

d) On 18.03.2021, Viohalco S.A. Board of Directors decided to propose to the Ordinary General Shareholders’ meeting to be held on 25.05.2021, the approval of a gross dividend of EUR 0.02 per share.

There are no other subsequent events affecting the consolidated financial statements.

Auditor's Report on the Consolidated Financial Statements

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF VIOHALCO SA ON THE CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Viohalco SA (the "Company") and its subsidiaries (jointly "the Group"). This report includes our report on the consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting d.d. 28 May 2019, following the proposal formulated by the board of directors and following the recommendation by the audit committee. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2021. We have performed the statutory audit of the Company's consolidated accounts for 2 consecutive years.

Report on the consolidated accounts

Unqualified opinion

We have performed the statutory audit of the Group's consolidated accounts, which comprise the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated statement of financial position total of EUR'000 4,198,763 and a profit for the year, attributable to owners of the Company, of EUR'000 21,528.

In our opinion, the consolidated accounts give a true and fair view of the Group's net equity and consolidated financial position as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "*Statutory auditor's responsibilities for the audit of the consolidated accounts"* section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the consolidated accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated accounts of the current period. These matters were in the context of our audit of the consolidated accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter 1: Availability of financing resources and compliance with covenants

Description of the Key Audit Matter

The subsidiaries of the Group have significant non-current and current financial debts. The terms and conditions of the related financing agreements often include financial covenants that are to be complied with at each balance sheet date. Any breach in such financial covenants could result in its lenders exercising the right to claim early repayment of certain non-current and/or current financial debts. For these reasons, we considered the availability of financing resources and failure to comply with covenants as most significant to our audit.

Reference is made to Note 5: Significant accounting policies: Financial instruments and Note 26: Loans and Borrowings.

How our Audit addressed the Key Audit Matter

Our testing included, amongst others, an understanding of the financing agreements and the Group's procedures and controls in place both to ensure its compliance with the financial covenants and to understand the used and unused financing resources. We tested the calculation, performed by Management, of the financial covenants related to the most significant financing agreements and assessed compliance with the terms and conditions stipulated therein. Furthermore, we evaluated both the presentation of the financial debts on the Consolidated Statement of Financial Position and the adequacy of the relevant disclosures in the Notes to the Consolidated Financial Statements.

We found the tested financial covenants to be complied with and company's disclosures of financial debts appropriate.

Key audit matter 2: Impairment of property, plant and equipment

Description of the key audit matter

The carrying value of the Group's property, plant and equipment amounts to EUR'000 1,954,096 at 31 December 2020.

In accordance with the International Financial Reporting Standards as endorsed by the EU (IFRS), the Company is required to perform an impairment assessment in respect of the property, plant and equipment when triggers for impairment are identified. We consider this matter to be of most significance to our audit because of the magnitude of the amount and because the determination of whether or not an impairment charge is necessary involves significant judgement in estimating the future results of the business.

Reference is made to Note 17: Property, plant and equipment.

How our audit addressed the key audit matter

We evaluated the appropriateness of the Group's accounting policies and assessed compliance with the policies in accordance with IFRS. In addition, we evaluated management's impairment assessment including the identified triggers for impairment and challenged impairment calculations by assessing the future cash flow forecasts used in the models, and the process by which they were drawn up, including comparing them to the latest budgets provided by management. We challenged, amongst others, the following:

- Assumptions used in the Group's budget and internal forecasts and the long-term growth rates by comparing them to economic and industry forecasts;
- The discount rate by assessing the cost of capital and other inputs including benchmarking with comparable organisations;
- The historical accuracy of budgets to actual results to determine whether cash flow forecasts are reliable based on past experience;
- The mechanics of the underlying calculations. In performing the above work, we utilized our internal valuation experts to provide challenge and external market data to assess the reasonableness of the assumptions used by management.

We evaluated the sensitivity analysis around the key drivers within the cash flow forecasts to ascertain the extent of change in those assumptions and also considered the likelihood of such a movement in those key assumptions arising.

Whilst recognizing that cash flow forecasting, impairment modelling and valuations are all inherently judgmental, we concluded that the assumptions used by management were within an acceptable range of reasonable estimates.

Responsibilities of the board of directors for the preparation of the consolidated accounts

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated accounts

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the consolidated accounts in Belgium. A statutory audit does not provide any assurance as to the Group's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management at Group level. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors' are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;

- conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation;

- obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts and to report on these matters.

Aspects related to the directors' report on the consolidated accounts and to the other information included in the annual report on the consolidated accounts

In our opinion, after having performed specific procedures in relation to the directors' report on the consolidated accounts, this directors' report is consistent with the consolidated accounts for the year under audit and is prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

The non-financial information required by virtue of article 3:32, §2 of the Companies' and Associations' Code is included in the directors' report which is part of the section 'H - Non-financial information report' of the annual report. The Company has prepared the non-financial information, based on the UN's Sustainable Development Goals (SDG's) reporting framework. However, in accordance with article 3:80, §1, 5° of the Companies' and Associations' Code, we do not express an opinion as to whether the non-financial information has been prepared in accordance with the UN's Sustainable Development Goals (SDG's) reporting framework as disclosed in the directors' report on the consolidated accounts.

Statement related to independence

Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated accounts, and our registered audit firm remained independent of the Group in the course of our mandate.

The fees for additional services which are compatible with the statutory audit of the consolidated accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the consolidated accounts.

Other statements

- This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Sint-Stevens-Woluwe, 22 April 2021

The statutory auditor
PwC Reviseurs d'Entreprises SRL / PwC Bedrijfsrevisoren BV
Represented by

Marc Daelman
Réviseur d'Entreprises / Bedrijfsrevisor

L. 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 Belgian Royal Decree of 14 November 2007, the members of the Executive Management, (i.e. Evangelos Moustakas, Ippokratis Ioannis Stassinopoulos, Efstratios Thomadakis, Panteleimon Mavrakis) 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 2020, which have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the Equity, Financial position and Financial Performance of the Company, and the entities included in the consolidation as a whole.

b) the management report on the consolidated financial statements includes a fair overview of the development and performance of the business and the position of the Company, and the entities included in the consolidation, together with the description of the main risks and uncertainties with which they are confronted.

M. Condensed Statutory Balance Sheet and Income Statement

In accordance with BCCA (Articles 3:17 and 3:36), the Company's annual accounts are presented hereafter in a condensed version, which does not include all the notes required by law or the Statutory Auditor's report. The full version of the Company's annual accounts that shall be deposited with the National Bank of Belgium, is available on the Company's website and can be obtained free of charge upon request.

The Statutory Auditor's report on the annual accounts was unqualified.

Statement of financial position

	As at 31 December	
Amounts in EUR thousands	**2020**	**2019**
Non- current assets	**1,096,826**	**1,094,536**
Start-up costs	57	287
Intangible assets	11	15
Tangible assets	19,083	19,249
Financial assets	1,075,462	1,072,772
Non-current receivables	2,214	2,214
Current assets	**28,086**	**26,507**
Current receivables	6,115	7,745
Short-term cash investment	20,000	10,000
Cash and cash equivalents	1,101	7,645
Accruals and deferred income	870	1,118
Total assets	**1,124,912**	**1,121,044**
Equity	**1,117,479**	**1,114,119**
Share capital	141,894	141,894
Share premium	528,113	528,113
Translation reserve	21,054	21,054
Other reserves	389,365	389,365
Retained earnings	37,053	33,694
Liabilities	**7,434**	**6,925**
Non-current payables	72	195
Current payables	7,032	6,374
Accrued charges and deferred income	330	356
Total equity and liabilities	**1,124,912**	**1,121,044**

Statement of Profit or Loss

Amounts in EUR thousands	For the year ended 31 December 2020	2019
Sales and services	**435**	**13,627**
Operating charges	**-5,673**	**-12,727**
Services and other goods	-3,661	-8,011
Remuneration, social security and pensions	-1,043	-1,240
Depreciation and amounts written off on start-up costs, intangible and tangible assets	-413	-2,190
Other operating charges	-556	-1,286
Operating profit (loss)	**-5,239**	**900**
Finance income	**17,407**	**61,102**
Income from financial assets	14,022	13,353
Income from current assets	33	0
Non-recurring financial income	3,352	47,748
Finance charges	**-2,125**	**-3,866**
Debt charges	-46	-74
Other financial expenses	-2	-8
Non-recurring financial charges	-2,077	-3,784
Profit for the year before income taxes	**10,042**	**58,135**
Income tax expense	**-1,499**	**0**
Profit/Loss (-)	**8,544**	**58,135**

N. Glossary

The following explanations are intended to assist the general reader to understand certain terms used in this Annual Report. The definitions set out below apply throughout the annual report, unless the context requires otherwise.

ASTM	American Society for Testing and Material
BCCA	the Belgian Code of Companies and Associations
Belgian GAAP	the applicable accounting framework in Belgium
Board of Directors or Board	the Board of Directors of the Company from time to time appointed in accordance with the Articles of Association
BS	British Standards
DIN	Deutsches Institut für Normung
EN	European Norm
ISO 17025	General requirements for the competence of testing and calibration laboratories
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
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)
HVAC & R	Heating, ventilation, air-conditioning and refrigeration
IAS	International Accounting Standards
IFRS	International Financing Reporting Standards, as adopted by the EU
JIS	Japanese Industrial Standards
LSAW	Longitudinal Submerged Arc Welded Mill for the production of high-strength offshore and onshore energy pipes
SD	Trade Mark
THN	Mining profiles
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
HFW	high frequency induction welding unit
HSAW	helically submerged arc welding unit
ERP application	Enterprise resource planning application
SBQ	Special bar quality steel
REIC	Real Estate Investment Company
“BEST”	Companies’ Industrial Excellence Plan
PMO	Project Management Office
LV, MV & HV power cables	Low Voltage -Medium Voltage –Hi Voltage cables
UPN	European Standard channels

The annual report, the 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.viohalco.com)