CENERGY

HOLDINGS

INTERIM REPORT

FOR THE SIX MONTH PERIOD ENDED

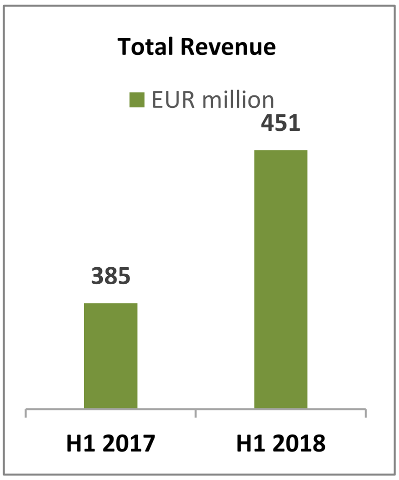
30 JUNE 2018

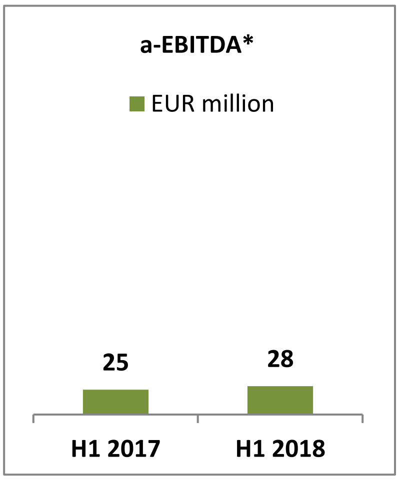
CORINTH PIPEWORKS
Delivering energy to the world

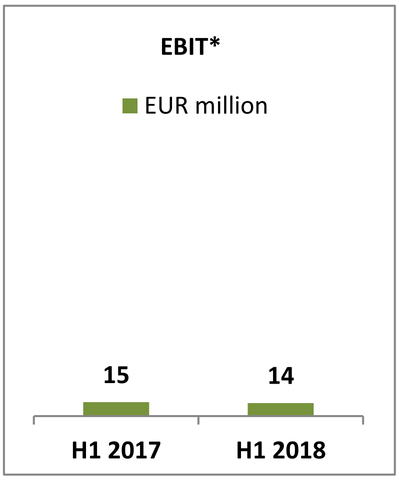
CABLEL®
HELLENIC CABLES

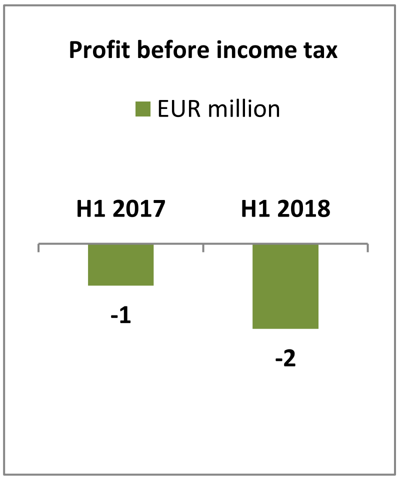
CONTENTS

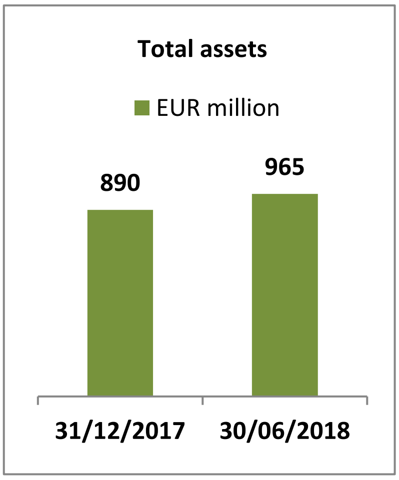
KEY CONSOLIDATED FINANCIAL DATA

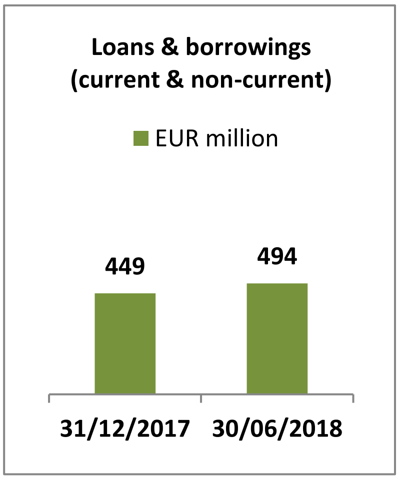


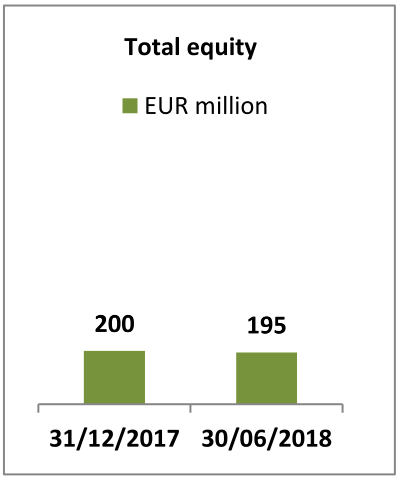












** Source: For the definitions of a-EBITDA and EBIT, see section APMs.*

This section focuses on Cenergy Holdings' business performance for the period ended 30 June 2018. The Condensed Consolidated Interim Financial Statements, prepared in accordance with IAS 34, are presented on pages 15 to 42.

Key highlights

- Turnover increased by 17% driven by improved sales volume.
- Dynamic market penetration, especially in the offshore sector.
- Adjusted EBITDA increased by 14% year-on-year.
- Order backlog currently stands at EUR 690 million.

Financial Overview

- Consolidated revenue increased by 17% year-on-year to EUR 451 million (H1 2017: EUR 358 million). This is mainly driven by improved sales volumes and the execution of several energy projects during 2018.
- The above, along with an improved project mix versus H1 2017, resulted in an adjusted EBITDA* of EUR 27.9 million in H1 2018 (H1 2017: EUR 24.5 million).
- Adjusted EBIT* of EUR 16.3 million (H1 2017: EUR 13.5 million).
- Loss before income tax of EUR 2.4 million, compared to a loss of EUR 1.2 million in H1 2017;
- Loss for the period of EUR 1.1 million, compared to a loss of EUR 0.9 million in H1 2017;
- Net debt* up 19.3 % to EUR 453 million to finance ongoing energy projects and the planned investment program to increase capacity of the Fulgor plant.

** For the definitions of the APMs used, refer to section Alternative Performance Measures.*

Operational Overview

- Several significant energy projects were executed during H1 2018:
  - Corinth Pipeworks Pipe Industry S.A. (hereafter "Corinth Pipeworks" or CPW) pipes connected Asia to Europe through the TANAP offshore pipeline.
  - Corinth Pipeworks commenced delivery of 125.027 metric tons of 26" HFW steel pipes for the Cactus II pipeline covering approximately 750 km, the supply of which was commissioned by a subsidiary of Plains All American Pipeline LP.
  - Hellenic Cables SA (hereafter "Hellenic Cables") and its subsidiary Fulgor SA (hereafter "Fulgor") began the execution of a contract worth approximately EUR 70 million with Dredging International NV, member of DEME Group, for the supply of high voltage submarine systems. This is intended to connect the planned offshore windfarms in the Belgian part of the North Sea with the onshore high voltage grid on the mainland at Zeebrugge (the "MOG" project).
  - Hellenic Cables progressed the installation of significant offshore cable connections in North Europe and completed the delivery of cables for the interconnection of a UK offshore wind farm.

- New energy projects awarded:
    - Corinth Pipeworks signed an agreement with TechnipFMC for the manufacture and supply of the steel pipes for Energean's Karish gas field development located in the South Eastern Mediterranean. This project is considered to be of significant importance as it is the first deep offshore project awarded by CPW.
    - The association of economic operators Hellenic Cables SA - Fulgor SA was awarded a turnkey project for phase 2 of the interconnection of Cyclades Islands in Greece worth approximately EUR 40 million. No other significant projects relating to high-voltage markets were awarded in H1 2018 as certain projects were postponed to H2 2018.
    - Subsequently, Hellenic Cables was awarded two contracts by TenneT for the supply and installation of export cable systems for the Hollandse Kust (zuid) Alpha and Beta Sea Cable Projects in the Netherlands Wind Farm Zone (HKZWFZ) – a joint venture with Van Oord. Hellenic Cables contracts' value will be approximately EUR 105 million. Furthermore, in September the Independent Hellenic Transmission Operator (ADMIE) awarded Fulgor a contract of approx. 140 mil. EUR to supply and install one of the two submarine cables to connect the island of Crete to the national power transmission grid in Peloponnese, as well as all required underground cables to connect both submarine cables to the national power transmission grid on the side of Peloponnese. Hellenic Cables was also awarded by ADMIE a contract of approx. 41 mil. Euro for the supply and installation of required underground cables for the connection of the two submarine cables to the power grid of Crete.

  The successful execution of these projects reflects the ability of the Company to meet the growing demand for energy transfer in an increasingly competitive market.

  Cenergy Holding's order backlog currently stands at EUR 690 million, comprising a number of significant new projects secured in the past months. Several other tender procedures are still pending and the company expects additional new projects to be awarded during H2 2018.

- Market trends:
    - Stronger than expected growth in energy projects and telecoms across European markets; growing demand reflected in positive price development.
    - Signs of improvement in the commodities business in Europe, following a slowdown during the last 18 months.
    - Uncertainty in steel pipes business due to ongoing anti-dumping duty investigation between the US, Greece and five other countries, as well as tariffs imposed under Section 232 on steel and aluminium products. Yet, actions and initiatives have already been undertaken to secure Corinth Pipeworks' competitive and financial position and mitigate any adverse effects.

Cenergy Holdings and its companies remain well placed to take advantage of improving market conditions in the energy sector and to further their ambitions to become world leaders in energy transfer solutions and data transmission. Supported by recent investments, the strategic penetration plan for new offshore projects is progressing as expected.

Group financial review

In H1 2018, the following developments had an impact in Cenergy Holdings' main markets:

- **Cables projects:** The onshore and offshore European market was impacted by the postponement of turnkey projects which led to low utilization of the Fulgor plant.
- **Cables products:** Key continental European markets experienced a slow recovery with improvements observed in the German and Italian medium voltage markets. Meanwhile, the UK market remained challenging due to political uncertainty.
- **Steel pipes:** Production and execution of projects in H1 2018 progressed as planned.

Summary consolidated statement of profit or loss

	For the six months ended 30 June	
Amounts in EUR thousand	**2018**	**2017***
Revenue	**451,020**	**385,428**
Gross profit	**32,755**	**29,244**
Gross profit (%)	7.3%	7.6%
a-EBITDA	**27,865**	**24,537**
a- EBITDA (%)	6.2%	6.4%
EBITDA	**25,644**	**26,030**
EBITDA (%)	5.7%	6.8%
a-EBIT	**16,288**	**13,479**
a- EBIT (%)	3.6%	3.5%
EBIT	**14,067**	**14,972**
EBIT (%)	3.1%	3.9%
Net finance costs	**(16,509)**	**(16,136)**
Profit / (Loss) before income tax	**(2,442)**	**(1,164)**
Net margin before income tax (%)	(0.5%)	(0.3%)
Profit / (Loss) of the period	**(1,084)**	**(887)**
Profit / (Loss) attributable to owners of the Company	**(1,098)**	**(891)**

- *Source: Condensed Consolidated Statement of Profit or Loss and section APMs*
- *All percentages are versus revenue*

**Comparative figures have been restated to present the effect of the early adoption of IFRS 15 in 2017. See Note 4 of the Condensed Consolidated Interim Financial Statements.*

Revenue in H1 2018 amounted to EUR 451 million, an increase of 17% year-on-year (H1 2017: 385 million).

Gross profit increased by 12% year-on-year to EUR 32.8 million in H1 2018 (H1 2017: EUR 29.2 million).

Adjusted EBITDA increased to EUR 27.9 million in H1 2018 (H1 2017: EUR 24.5 million).

The 14% year-on-year growth in profitability is largely attributable to a positive project mix together with the improved performance of the commodities business in Europe.

Net finance costs increased by 2.3% to EUR 16.5 million, as a result of increased net debt to finance capital expenditure, working capital and project finance needs.

During H1 2018, metal price lag was marginally negative (EUR -0.3 million) compared to strong gains recorded in H1 2017 (EUR 1.7 million).

During the same period, Hellenic Cables entered into an out-of-court settlement with a factoring company for an amount of EUR 2 million. This amount concerns a credit-related loss from a supplier of the Subsidiary, shared between the Subsidiary and the factor, due to a contract default of the supplier against both counterparties. The out-of-court settlement was wiser than embarking into court proceedings with the factor's Group, as it avoided both legal costs and a lengthy dispute with a long-term partner of Cenergy Holdings.

Loss before income tax amounted to EUR 2.4 million in H1 2018 compared to a loss of EUR 1.2 million in H1 2017 as a result of aforementioned factors.

Summary consolidated statement of financial position

	As at	
Amounts in EUR thousand	**30 June 2018**	**31 December 2017**
ASSETS		
Property, plant and equipment	385,165	380,610
Investment property	5,988	6,140
Other non-current assets	40,986	40,816
Non-current assets	**432,139**	**427,565**
Inventories	200,535	186,251
Trade and other receivables	152,780	138,267
Contract assets	135,351	65,166
Cash and cash equivalents	41,144	69,443
Other current assets	2,896	3,070
Current assets	**532,705**	**462,197**
TOTAL ASSETS	**964,844**	**889,763**
EQUITY	**195,080**	**200,222**
LIABILITIES		
Loans and borrowings	79,685	86,141
Deferred tax liabilities	20,292	21,989
Other non-current liabilities	24,644	25,794
Non-current liabilities	**124,622**	133,924
Loans and borrowings	414,200	362,732
Trade and other payables	212,758	186,915
Contract liabilities	14,223	4,724
Other current liabilities	3,962	1,246
Current liabilities	**645,143**	555,617
TOTAL LIABILITIES	**769,765**	**689,541**
TOTAL EQUITY & LIABILITIES	**964,844**	**889,763**

Source: Condensed Consolidated Statement of Financial Position

Non-current assets increased from EUR 427 million at 31 December 2017 to EUR 432 million at 30 June 2018. **Capital expenditure** during H1 2018 amounted to EUR 14 million for the cables segment and EUR 2.2 million for the steel pipes segment, while consolidated depreciation and amortization amounted to EUR 12 million.

Investments in the cables segment are mainly related to the **expansion and upgrade of the submarine business unit** in Fulgor's plant.

Current assets increased by 15% to EUR 533 million at 30 June 2018 from EUR 462 million at 31 December 2017, mainly due to higher amounts of unbilled receivables (contract assets), as for both turnkey cables projects and customized steel pipes & cables products, 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.

Liabilities increased by 12% from EUR 689 million at 31 December 2017 to EUR 770 million at 30 June 2018. **Trade and other payables** increased following a rise in inventories that will be used in ongoing projects.

Net debt increased to EUR 453 million at 30 June 2018 (31 December 2017: EUR 379 million) to cover the financing of ongoing projects and investments.

As of 30 June 2018, Cenergy Holdings companies' debt comprised long- and short-term facilities, at 16% and 84%, respectively. **The process of reprofiling of Cenergy companies' debt is ongoing**. Short-term facilities are predominately revolving credit facilities that finance working capital needs and specific ongoing projects.

Short-term borrowings as of 30 June 2018 include EUR 85.8 million related to the syndicated bond loans received by Corinth Pipeworks and Hellenic Cables in 2013, originally payable in 2018. During August 2018, Corinth Pipeworks has received approval from a bank syndicate for the conversion of EUR 30.8 million to long-term borrowing. This amount originally represented bonds it issued in 2013 with an initial maturity during 2018. The new bonds will have a life of 5 years and will carry improved pricing terms for CPW.

Likewise, during September 2018, Hellenic Cables also received approval from a bank syndicate for the conversion of EUR 55 million into a new syndicated bond loan with 5-year life and improved pricing terms for the subsidiary.

Covenants and collaterals included in both syndicated bond loans are similar to the terms of the previous loans.

Furthermore, negotiations with banks are ongoing regarding the conversion of an additional portion of short-term borrowings to long-term borrowing.

The management of the subsidiaries expect the debt reprofiling process to be finalized by the end 2018.

Performance by business segment

Steel pipes

Revenue amounted to EUR 224 million in H1 2018, a 24% increase year-on-year (H1 2017: EUR 180 million). During this period, Corinth Pipeworks executed a series of significant projects, mainly for the offshore market, delivering pipes for off-shore pipeline constructions in the East Mediterranean area as well as for the connection of Estonia with Finland.

Gross profit amounted to EUR 16.7 million in H1 2018, a 12% increase compared to H1 2017 (EUR 14.9 million).

The increase in revenue and gross profit resulted in a 7% increase in **adjusted EBITDA,** amounting to EUR 14.7 million in H1 2018 (H1 2018: EUR 13.7 million).

Profit before income tax amounted to EUR 5.6 million in H1 2018 (H1 2017: EUR 4.1 million). This increase is attributable to the above-mentioned factors.

Capital expenditure in H1 2018 amounted to EUR 2.2 million. This was dedicated to specific investments for productivity improvements in the Thisvi plant.

During H1 2018, two offshore projects with concrete coating have been successfully delivered, (Williams NESE in USA and Noble Leviathan in Israel). On June 5th 2018 a deep offshore project (max water depth 1.750 meters) was awarded to CPW from TechnipFMC for the manufacture and supply of the steel pipes for Energean's Karish gas field development located in the South Eastern Mediterranean. Finally, CPW established a strong presence in the North Sea, being awarded approx. 20K metric tons of offshore reeling pipes from various customers.

The summary consolidated statement of profit or loss for the **steel pipes segment** is as follows:

	For the six months ended 30 June	
Amounts in EUR thousand	**2018**	**2017***
Revenue	**223,570**	**180,347**
Gross profit	**16,733**	**14,906**
Gross profit (%)	7.5%	8.3%
Adjusted EBITDA	**14,719**	**13,770**
Adjusted EBITDA (%)	6.6%	7.6%
EBITDA	**14,719**	**13,774**
EBITDA (%)	6.6%	7.6%
a-EBIT	**10,094**	**9,237**
a-EBIT (%)	4.5%	5.1%
EBIT	**10,094**	**9,241**
EBIT (%)	4.5%	5.1%
Net finance costs	**(4,526)**	**(5,157)**
Profit / (Loss) before income tax	**5,568**	**4,084**
Net margin before income tax (%)	2.5%	2.3%
Profit / (Loss) of the period	**4,584**	**4,084**
Profit / (Loss) attributable to owners of the Company	**4,584**	**4,084**

- *Source: Condensed Consolidated Interim Financial Statements and APMs*
- *All percentages are versus revenue*

**Comparative figures have been restated to present the effect of the early adoption of IFRS 15 in 2017. See Note 4 of the Condensed Consolidated Interim Financial Statements.*

The strong performance of the steel pipes business is expected to continue into the second half of the year supported by the considerable backlog of projects and a clear delivery schedule for H2 2018.

Cables

During H1 2018, revenue contribution from projects was in line with results achieved in the same period of 2017 as a number of previously scheduled projects remained in the tendering phase. As a result, the Fulgor plant continued to operate at low utilization capacity during H1 2018, which adversely affected results for the period. Fulgor, however, has a strong track record in providing cost-effective, reliable and innovative solutions that meet the changing needs of the offshore sector and allow the Company to leverage market opportunities. With the recent award of new contracts and the growth potential of the offshore cables business, the short-term outlook for the business is positive.

The commodities business achieved higher sales volumes compared to H1 2017 (+2.4%) along with an improved sales mix. The main drivers of the improved performance included:

- Better than expected performance in the Greek market due to increased demand from contractors and the building sector;
- A moderate increase in our traditional markets of Germany and Central Europe, and further penetration into new markets such as the Nordic countries and the Middle East;
- Solid demand for telecom and signaling cables in Europe.

As a result of the above, **adjusted EBITDA** in the segment grew by **24%** year-on-year.

Revenue in H1 2018 increased by 11% year-on-year to EUR 227 million, (H1 2017: EUR 205 million), whilst **adjusted EBITDA** amounted to EUR 14 million (H1 2017: EUR 11.2 million).

During H1 2018, the metal price lag was marginally negative (EUR -0.3 million) compared to strong gains recorded in H1 2017 (EUR 1.7 million). As a result, **EBITDA** amounted to EUR 11.7 million versus EUR 12.7 million in H1 2017.

Net finance costs increased by EUR 1 million compared to H1 2017 amounting to EUR 12 million, as a result of an increase in net debt to finance working capital requirements and project financing.

Loss before income tax in H1 2018 was EUR 7 million, compared to loss before income tax of EUR 4.6 million recorded in H1 2017.

Investments in H1 2018 reached EUR 14 million in the cables segment, largely attributable to the **expansion and upgrade of the submarine business unit in Fulgor's plant** to meet expected future demand levels and improve productivity at the Hellenic Cables and Icme Ecab plants.

Net debt increased by EUR 31 million to EUR 286 million as at 30 June 2018, driven by increased working capital requirements, project financing and finance of capital expenditure.

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

	For the six months ended 30 June	
Amounts in EUR thousand	**2018**	**2017***
Revenue	**227,450**	**205,082**
Gross profit	**16,022**	**14,338**
Gross profit (%)	7.0%	7.0%
Adjusted EBITDA	**13,938**	**11,220**
Adjusted EBITDA (%)	6.1%	5.5%
EBITDA	**11,717**	**12,708**
EBITDA (%)	5.2%	6.2%
a-EBIT	**7,138**	**4,857**
a-EBIT (%)	3.1%	2.4%
EBIT	**4,917**	**6,345**
EBIT (%)	2.2%	3.1%
Net finance costs	**(11,981)**	**(10,979)**
Profit / (Loss) before income tax	**(7,064)**	**(4,634)**
Net margin before income tax (%)	(3.1%)	(2.3%)
Profit / (Loss) of the period	**(4,768)**	**(4,563)**
Profit / (Loss) attributable to owners of the Company	**(4,783)**	**(4,567)**

- *Source: Condensed Consolidated Interim Financial Statements and APMs*
- *All percentages are versus revenue*

**Comparative figures have been restated to present the effect of the early adoption of IFRS 15 in 2017. See Note 4 of the Condensed Consolidated Interim Financial Statements.*

The execution of new projects, including phase two of the interconnection of the Cyclades Islands and the ongoing MOG project, together with improved profitability in the commodities business, are expected to drive our results in H2 2018.

Other key milestones for the cables segment in H2 2018 are expected to be the completion of the ongoing re-profiling of its debt structure, and the completion of the new investment program in Fulgor aimed at supporting future growth.

Looking ahead, high demand for new offshore projects in Europe, primarily in the North Sea and South Europe, is expected to drive growth in the cables segment. This projection is supported by the recent award of several new projects in Europe.

Main risks and uncertainties for H2 2018

This section has been developed in the notes to the Condensed Consolidated Interim Financial Statements, note 5 “Financial risk management”.

Subsequent events

This section has been developed in the notes to the Condensed Consolidated Interim Financial Statements, note 19 “Subsequent events”.

Outlook

High demand for new offshore projects in Europe, mainly in the North Sea and South Europe, is expected to drive growth in the cables segment. Hellenic Cables is currently in negotiations regarding several new projects which, alongside successful completion of ongoing and new projects, remain the key focus for the Company.

In the commodities business, there are signs of recovery in the low and medium voltage cables markets in Western Europe which were constrained by competitive challenges in 2017. Nevertheless, risks to recovery persist, such as uncertainty in the EU's political environment, potential major changes in trade policies, as well as the broader impact of UK's decision to leave the EU. To mitigate against these risks in the cables segment's main markets, initiatives have been undertaken to enter into new geographical markets and improve the product portfolio through the development of high added value projects.

The stabilization of oil and gas prices at high levels compared to those observed in the past is also expected to boost investment in the energy sector, increasing the likelihood that many of the planned oil and gas pipelines will be implemented.

Thanks to its significant production capacity and product diversification, Corinth Pipeworks is well positioned to leverage such opportunities in the energy market.

Despite a volatile operating environment, Cenergy Holdings' companies remain well-positioned to execute their longer-term growth strategies through a continued focus on innovation and product diversification, the penetration of new geographical and product markets and the strengthening of customer relationships. Successful execution of these strategic priorities will support plans for international expansion and the pursuit of large-scale projects in high growth segments.

Statement on the true and fair view of the condensed consolidated interim financial statements and the fair overview of the interim management report

Dimitrios Kyriakopoulos, Alexios Alexiou, Apostolos Papavasileiou and Alexandros Benos, members of the Executive Management certify, on behalf and for the account of the Company, that, to their knowledge:

a) the condensed consolidated interim financial statements which have been prepared in accordance with IAS 34, “Interim Financial Reporting“ as adopted by the European Union, give a true and fair view of the equity, financial position and financial performance of the Company and its subsidiaries and associates;
b) the interim management report includes a fair overview of the information required under Article 13, §§ 5 and 6 of the Royal Decree of November 14, 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.

Cenergy Holdings' share capital is set at EUR 117,892,172.38 divided into 190,162,681 shares without nominal value. The shares have been issued in registered and dematerialised form. All 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 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.

Cenergy Holdings' shares are listed under the symbol "CENER" with ISIN code BE0974303357 on the regulated market of Euronext Brussels and on the main market of the Athens Exchange with the same ISIN code and with the symbol CENER (in Latin characters).

Financial Calendar

Date	Publication / Event
Cenergy Holdings 2018 annual results	20 March 2019
Ordinary General Meeting 2019	28 May 2019

Contacts

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Condensed Consolidated Statement of Financial Position

Amounts in EUR thousand	Note	30 June 2018	31 December 2017*
ASSETS			
Property, plant and equipment	13	385,165	380,610
Intangible assets and goodwill	14	16,571	16,757
Investment property		5,988	6,140
Equity - accounted investees		12,347	13,012
Other investments	17	4,663	4,662
Trade and other receivables		5,617	6,238
Deferred tax assets		1,789	147
Non-current assets		**432,139**	**427,565**
Inventories	11	200,535	186,251
Trade and other receivables	12	152,780	138,267
Contract assets	7	135,351	65,166
Contract costs		1,211	1,211
Income tax receivables		128	126
Derivatives	17	1,557	1,733
Cash and cash equivalents		41,144	69,443
Current assets		**532,705**	**462,197**
Total assets		**964,844**	**889,763**
EQUITY			
Share capital		117,892	117,892
Share premium		58,600	58,600
Reserves		33,117	35,591
Retained earnings/(losses)		(14,835)	(12,150)
Equity attributable to owners of the Company		**194,774**	**199,933**
Non-controlling interests		306	289
Total equity		**195,080**	**200,222**
LIABILITIES			
Loans and borrowings	15	79,685	86,141
Employee benefits		4,423	4,273
Grants		15,040	15,436
Trade and other payables		5,181	6,086
Deferred tax liabilities		20,292	21,989
Non-current liabilities		**124,622**	**133,924**
Loans and borrowings	15	414,200	362,732
Trade and other payables	16	212,758	186,915
Contract liabilities		14,223	4,724
Current tax liabilities		120	13
Derivatives	17	3,842	1,233
Current liabilities		**645,143**	**555,617**
Total liabilities		**769,765**	**689,541**
Total equity and liabilities		**964,844**	**889,763**

**Cenergy Holdings has initially applied IFRS 9 at 1 January 2018. Under the transition method chosen, comparative information is not restated except for certain presentation requirements. See Note 3.*

The notes on pages 20 to 42 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Statement of Profit or Loss

Amounts in EUR thousand		For the six months ended 30 June	
	Note	**2018**	**2017 Restated***
Revenue	7	451,020	385,428
Cost of sales		(418,265)	(356,184)
Gross profit		**32,755**	**29,244**
Other income	8	1,986	3,084
Selling and distribution expenses		(6,066)	(5,444)
Administrative expenses	9	(11,548)	(9,754)
Impairment loss on receivables, including contract assets		(78)	(99)
Other expenses	8	(3,181)	(2,041)
Operating profit		**13,868**	**14,990**
Finance income		925	191
Finance costs		(17,434)	(16,327)
Net finance costs		**(16,509)**	**(16,136)**
Share of profit/loss (-) of equity-accounted investees, net of tax		199	(19)
Profit /Loss (-) before tax		**(2,442)**	**(1,164)**
Income tax expense	10	1,358	277
Profit/Loss (-) for the period		**(1,084)**	**(887)**
Profit/Loss (-) attributable to:			
Owners of the Company		(1,098)	(891)
Non-controlling interests		15	3
		(1,084)	**(887)**
Earnings per share (in EUR per share)			
Basic and diluted		(0.0057)	(0.0047)

**Cenergy Holdings has initially applied IFRS9 on January 1st, 2018. Under the transition method chosen, comparative information is not restated except for certain presentation requirements. See Note 3.*

Comparative figures have been restated to present the effect of the early adoption of IFRS 15 in 2017. See Note 4.

The notes on pages 20 to 42 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

Amounts in EUR thousand	For the six months ended 30 June 2018	2017 Restated*
Profit/Loss (-) for the period	(1,084)	(887)
Items that are or may be reclassified to profit or loss		
Foreign currency translation differences	(963)	(839)
Cash flow hedges – effective portion of changes in fair value	(3,389)	(302)
Cash flow hedges – reclassified to profit or loss	285	552
Related tax	930	(46)
	(3,137)	**(635)**
Total comprehensive income / (expense) after tax	**(4,221)**	**(1,522)**
Total comprehensive income attributable to:		
Owners of the Company	(4,238)	(1,526)
Non-controlling interests	17	4
	(4,221)	**(1,522)**

**Cenergy Holdings has initially applied IFRS 9 at 1 January 2018. Under the transition method chosen, comparative information is not restated except for certain presentation requirements. See Note 3.*

Comparative figures have been restated to present the effect of the early adoption of IFRS 15 in 2017. See Note 4.

The notes on pages 20 to 42 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Statement of Changes in Equity

Amounts in EUR thousand	Note	Share capital	Share premium	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling Interest	Total equity
Balance as at 1 January 2018, as previously reported		**117,892**	**58,600**	**(17,525)**	**53,117**	**(12,150)**	**199,933**	**289**	**200,222**
Adjustment from adoption of IFRS 9, (net of tax)	3 (A)	**-**	**-**	**-**	**-**	**(920)**	**(920)**	**(1)**	**(921)**
Restated balance at 1 January 2018		**117,892**	**58,600**	**(17,525)**	**53,117**	**(13,071)**	**199,012**	**288**	**199,301**
Total comprehensive income									
Profit / (Loss) for the period		-	-	-	-	(1,098)	**(1,098)**	15	**(1,084)**
Other comprehensive income		-	-	(963)	(2,177)	-	**(3,140)**	3	**(3,137)**
Total comprehensive income		**-**	**-**	**(963)**	**(2,177)**	**(1,098)**	**(4,238)**	**17**	**(4,221)**
Transactions with owners of the company									
Contributions and distributions									
Transfer of reserves		-	-	-	666	(666)	-	-	-
Total transactions with owners of the Company		**-**	**-**	**-**	**666**	**(666)**	**-**	**-**	**-**
Balance as at 30 June 2018		**117,892**	**58,600**	**(18,488)**	**51,605**	**(14,835)**	**194,774**	**306**	**195,080**

Amounts in EUR thousand	Note	Share capital	Share premium	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2017, as previously reported		**117,892**	**58,600**	**(15,708)**	**52,321**	**(7,144)**	**205,961**	501	**206,462**
Adjustment from early adoption of IFRS 15 (net of tax)	4	**-**	**-**	**-**	**-**	**(115)**	**(115)**	-	**(115)**
Restated balance at 1 January 2017		**117,892**	**58,600**	**(15,708)**	**52,321**	**(7,259)**	**205,846**	501	**206,347**
Total comprehensive income									
Profit / (Loss) for the period		-	-	-	-	(891)	**(891)**	3	**(887)**
Other comprehensive income		-	-	(837)	202	-	**(635)**	1	**(635)**
Total comprehensive income		**-**	**-**	**(837)**	**202**	**(891)**	**(1,526)**	**4**	**(1,522)**
Balance as at 30 June 2017		**117,892**	**58,600**	**(16,546)**	**52,523**	**(8,149)**	**204,320**	**505**	**204,825**

The notes on pages 20 to 42 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Statement of Cash Flows

Amounts in EUR thousand	Note	For the six months ended 30 June 2018	2017 Restated*£
Cash flows from operating activities			
(Loss) of the period		(1,084)	(887)
Adjustments for:			
- Income tax		(1,358)	(277)
- Depreciation	6	11,205	10,921
- Amortization	6	768	534
- Amortization of grants		(396)	(397)
- (Reversal of) impairment losses on investment property		-	(149)
- Net finance costs		16,509	16,136
- Share of profit of equity-accounted investees, net of tax		(199)	19
- (Gain) / loss from sale of property, plant & equipment and investment property		(2)	98
- Change in fair value of derivatives		(319)	3,407
- (Reversal of impairment) of inventories		(214)	(295)
- Impairment loss on receivables, including contract assets		78	99
		24,987	29,207
Changes in:			
- Inventories		(14,070)	1,857
- Trade and other receivables		(13,774)	(2,211)
- Trade and other payables		25,804	19,378
- Contract assets		(70,184)	(58,819)
- Contract liabilities		9,499	18,829
- Contract costs		-	(2,916)
- Employee benefits		150	24
Cash generated from / (used in) operating activities		(37,588)	5,350
Interest charges & related expenses paid		(17,345)	(15,075)
Income tax paid		(451)	(540)
Net Cash used in operating activities		**(55,384)**	**(10,265)**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(16,852)	(7,218)
Acquisition of intangible assets		(582)	(269)
Proceeds from sale of property, plant & equipment		28	-
Proceeds from sale of investment property		-	80
Dividends received		45	-
Interest received		26	4
Acquisition of financial assets		(1)	-
Net Cash flows used in investing activities		**(17,336)**	**(7,404)**
Cash flows from financing activities			
Proceeds from new borrowings	15	92,348	21,400
Repayment of borrowings	15	(48,092)	(40,814)
Payment of finance lease liabilities		(176)	-
Net cash flows from financing activities		**44,080**	**(19,414)**
Net (decrease)/ increase in cash and cash equivalents		**(28,641)**	**(37,083)**
Cash and cash equivalents at 1 January		69,443	71,329
Effect of movement in exchange rates on cash held		341	(983)
Cash and cash equivalents at 30 June		**41,144**	**33,263**

**Cenergy Holdings has initially applied IFRS 9 at 1 January 2018. Under the transition method chosen, comparative information is not restated except for certain presentation requirements. See Note 3.*

Comparative figures have been restated to present the effect of the early adoption of IFRS 15 in 2017. See Note 4.

£ The comparative amounts under "Proceeds from new borrowings" and "Repayment of borrowings" have been re-presented in order to be comparable with the presentation applied for the current period's figures. See Note 4.

The notes on pages 20 to 42 are an integral part of these Condensed Consolidated Interim Financial Statements.

Notes to the Condensed Consolidated Interim Financial Statements

1. Reporting entity

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

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

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

These interim financial statements were authorised for issue by the Company's Board of Directors on 26 September 2018.

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

2. Basis of preparation

Statement of compliance

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2017. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in Cenergy Holdings Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2017.

Use of judgements and estimates

In preparing these interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the consolidated financial statements as at and for the year ended 31 December 2017, except for new significant judgements and key sources of estimation uncertainty related to the application of IFRS 9, which are described in Note 3.

3. Significant accounting policies

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the Cenergy Holdings' consolidated financial statements as at and for the year ended 31 December 2017.

The changes in accounting policies are also expected to be reflected in the annual consolidated financial statements as at and for the year ending 31 December 2018.

Cenergy Holdings has initially adopted IFRS 9 Financial Instruments from 1 January 2018.

The effect of applying this standard is mainly attributed to an increase in impairment losses recognised on financial assets (see A(ii) below).

IFRS 15 Revenue from Contracts with Customers has been early adopted by Cenergy Holdings in the annual consolidated financial statements as at and for the year ended 31 December 2017. As the condensed consolidated interim financial statements as of and for the period ended 30 June 2017 were still prepared on the basis of the former standards, those figures have been restated to present the effect of early adopting IFRS 15 for the comparative period (see note 4).

A number of other new standards and interpretations, which have been endorsed by the European Union are effective from 1 January 2018, but they do not have any material effect on the Cenergy Holdings' financial statements.

A. Change in accounting policies

IFRS 9 Financial Instruments

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

The following table summarises the impact, net of tax, of transition to IFRS 9 on the opening balance of retained earnings and NCI. The impact relates to the recognition of expected credit losses under IFRS 9 (for a description of the transition method, see (iv) below).

Amounts in EUR thousand	**Impact of adopting IFRS 9 at 1 January 2018**
Retained earnings	(920)
Non-controlling Interest	(1)

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

The adoption of IFRS 9 has not had a significant effect on Cenergy Holdings' accounting policies related to financial liabilities.

The impact of IFRS 9 on the classification and measurement of financial assets is set out below.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

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

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

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

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

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

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

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

The following accounting policies apply to the subsequent measurement of financial assets.

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 (see section (ii) below). 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	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.

The effect of adopting IFRS 9 on the carrying amounts of financial assets at 1 January 2018 relates solely to the new impairment requirements, as described further below.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of Cenergy Holdings' financial assets as at 1 January 2018.

Amounts in EUR thousand	**Note**	**Original classification under IAS 39**	**New classification under IFRS 9**	**Original carrying amount under IAS 39**	**New carrying amount under IFRS 9**
Forward foreign exchange contracts		Fair value – hedging instrument	Fair value – hedging instrument	1,058	1,058
Future contracts		Fair value – hedging instrument	Fair value – hedging instrument	676	676
Equity securities	a	Available-for-sale	FVOCI – equity instrument	4,662	4,662
Trade and other receivables, incl. contract assets	b	Loans and receivables	Amortised cost	209,670	208,380
Cash and cash equivalents		Loans and receivables	Amortised cost	69,443	69,443

a. These equity securities represent investments that Cenergy Holdings intends to hold for the long term for strategic purposes. As permitted by IFRS 9, Cenergy Holdings has designated these investments at the date of initial application as measured at FVOCI. Unlike IAS 39, the accumulated fair value reserve related to these investments will never be reclassified to profit or loss.
b. Trade and other receivables, incl. contract assets that were classified as loans and receivables under IAS 39 are now classified at amortised cost. An increase of EUR 1,290 thousand in the allowance for impairment over these receivables was recognised in opening retained earnings at 1 January 2018 on transition to IFRS 9.

ii. Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets, lease receivables and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than under IAS 39.

The financial assets at amortised cost consist of trade receivables (including contract assets) and cash and cash equivalents.

Under IFRS 9, loss allowances are measured on either of the following bases:

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

Cenergy Holdings has elected to measure loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs.

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

The maximum period considered when estimating ECLs is the maximum contractual period over which the

Cenergy Holdings companies are exposed to credit risk.

Measurement of ECLs

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

Credit-impaired financial assets

At each reporting date, Cenergy Holdings companies assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment

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

Impairment losses related to trade and other receivables, including contract assets, are presented separately in the statement of profit or loss and OCI. As a result, Cenergy Holdings reclassified impairment losses amounting to EUR 99 thousand, recognised under IAS 39, from 'other expenses' to 'impairment loss on trade and other receivables, including contract assets' in the statement of profit or loss and OCI for the six months ended 30 June 2017.

Impairment losses on other financial assets are presented under 'finance costs', similar to the presentation under IAS 39, and not presented separately in the statement of profit or loss and OCI due to materiality considerations.

Impact of the new impairment model

For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. Cenergy Holdings has determined that the application of IFRS 9's impairment requirements at 1 January 2018 results in an additional impairment allowance as follows.

Amounts in EUR thousand	
Loss allowance at 31 December 2017 under IAS 39	**(24,156)**
Additional impairment recognised at 1 January 2018	(1,290)
Loss allowance at 1 January 2018 under IFRS 9	**(25,447)**

ECL's calculation on trade receivables and contract assets

The ECLs were calculated based on actual credit loss experience over the last few years, current economic conditions and qualitative information such as credit risk grade and geographic region for the trade receivables and contract assets portfolio, depending on the significance of these factors on each of the business segments of Cenergy Holdings.

Cenergy Holdings companies performed the calculation of ECL rates after appropriately grouping the portfolio their customers.

iii. Hedge accounting

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

iv. Transition

Transition has been performed as follows:

- Cenergy Holdings has applied the exemption allowing not to restate comparative information for prior periods with respect to classification and measurement (including impairment loss) changes. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of IFRS 9 have been recognized in retained earnings and reserves as at 1 January 2018. However, in order to make profit or loss lines comparable, impairment on receivables of the previous period has been reclassified from cost of sales, to the new line "impairment loss on receivables and contract assets".

- The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application.

- The determination of the business model within which a financial asset is held.
- The designation of certain investments in equity instruments not held for trading as at FVOCI.

B. Standards and Interpretations effective for subsequent periods:

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2018 and earlier application is permitted; however, Cenergy Holdings has not early adopted them in preparing these condensed consolidated interim financial statements.

Cenergy Holdings has the following updates to information provided in the last annual financial statements about the standards issued but not yet effective that may have a significant impact on the consolidated financial statements.

IFRS 16 Leases

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

The standard is effective for annual periods beginning on or after 1 January 2019. Early adoption is permitted.

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

The Group has completed an initial assessment of the potential impact on its consolidated financial statements but has not yet completed its detailed assessment. The actual impact of applying IFRS 16 on the financial statements in the period of initial application will depend on future economic conditions, including the borrowing rates at 1 January 2019, the composition of Cenergy Holdings companies' lease portfolio at that date, Cenergy Holdings' latest assessment of whether it will exercise any lease renewal options and the extent to which Cenergy Holdings chooses to use practical expedients and recognition exemptions.

Thus far, the most significant impact identified is that Cenergy Holdings will recognise new assets and liabilities for its operating leases of company cars, offices, premises and machinery. In addition, the nature of expenses related to those leases will now change because IFRS 16 replaces the straight-line operating lease expense with a depreciation charge for right-of-use assets and interest expense on lease liabilities.

No significant impact is expected for the Cenergy Holdings' finance leases.

Transition

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

- retrospective approach; or
- modified retrospective approach with optional practical expedients.

The lessee applies the election consistently to all of its leases.

Cenergy Holdings plans to apply IFRS 16 initially on 1 January 2019, using a modified retrospective approach. Therefore, the cumulative effect of adopting IFRS 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 January 2019, with no restatement of comparative information.

When applying a modified retrospective approach to leases previously classified as operating leases under IAS 17, the lessee can elect, on a lease-by-lease basis, whether to apply a number of practical expedients on transition. Cenergy Holdings is assessing the potential impact of using these practical expedients.

Cenergy Holdings is not required to make any adjustments for leases in which it is a lessor.

4. Restatement of comparatives

The consolidated financial information for the year ended on 31 December 2017 was based on IFRS 15 with the adoption date set on 1 January 2017. The method of transition applied was the cumulative effect method in accordance with paragraph C3(b) of IFRS 15.

Based on the relevant standard, early adoption is permitted and in such a case the initial date of application is the starting date of the annual period during which the early adoption takes place. If the adoption date is set on 1 January 2017, then an entity had to present financial information for the first time based on the new standard either in 30 June 2017 interim financial statements or in 31 December 2017 annual financial statements.

The detailed assessment described in the condensed consolidated interim financial statements as of and for the period ended 30 June 2017, along with all relevant necessary actions were finally concluded during the 2nd half of 2017, i.e. earlier than initially planned.

Therefore, Cenergy Holdings was at a position, and elected, to early adopt IFRS 15 in the 31 December 2017 annual financial statements despite that interim financial information for the period ended on 30 June 2017 were prepared based on the previous applicable revenue recognition standards.

For the purpose of the condensed consolidated interim financial statements as of and for the period ended 30 June 2018, the comparative figures have been restated accordingly.

In addition, in accordance to IFRS 9, the Impairment loss on receivables, including contract assets, is now presented as a separate line on the Consolidated Statement of Profit or Loss. Therefore, comparative figures have also been restated for this reason.

The following tables summarise the impacts of early adopting IFRS 15 on the Condensed Consolidated Interim Financial Statements for the period ended 30 June 2017 and adopting IFRS 9 from 1 January 2018:

i. Condensed Consolidated Statement of Profit or Loss and OCI

For the period ended 30 June 2017				
Amounts in EUR thousand	**As reported**	**IFRS 15 Adjustments**	**Reclassifications**	**Restated figures**
Revenue	334,985	50,444	-	385,428
Cost of sales	(307,578)	(48,606)	-	(356,184)
Gross profit	**27,407**	**1,838**	**-**	**29,244**
Other income	3,084	-	-	3,084
Selling and distribution expenses	(5,444)	-	-	(5,444)
Administrative expenses	(9,754)	-	-	(9,754)
Impairment loss on receivables, including contract assets	-	-	(99)	(99)
Other Expenses	(2,140)	-	99	(2,041)
Operating profit / (loss)	**13,152**	**1,838**	**-**	**14,990**
Net finance cost	(16,136)	-	-	(16,136)
Share of profitof equity-accounted investees, net of tax	(19)	-	-	(19)
Profit/(Loss) before income tax	**(3,002)**	**1,838**	**-**	**(1,164)**
Income tax expense	800	(523)	-	277
Profit/(Loss) for the year	**(2,202)**	**1,315**	**-**	**(887)**
Other comprehensive income / (expense) after tax	(635)	-	-	(635)
Total comprehensive income / (expense) after tax	**(2,837)**	**1,315**	**-**	**(1,522)**

ii. Condensed Consolidated Statement of Cash Flows

For the period ended 30 June 2017

Amounts in EUR thousand	As reported	IFRS 15 Adjustments	Reclassifications	Restated figures
Cash flows from operating activities				
Loss of the period	(2,202)	1,315	-	(887)
Adjustments for:				
- Income tax	(800)	523	-	(277)
- (Reversal of impairment) of inventories	-	-	(295)	(295)
- Impairment loss on receivables, including contract assets	-	-	99	99
- Other	14,952	-	-	14,952
	11,950	**1,838**	**(196)**	**13,592**
Changes in:				
- Inventories	(47,044)	48,606	295	1,857
- Trade and other receivables	(10,486)	8,375	(99)	(2,211)
- Trade and other payables	35,291	(15,913)	-	19,378
- Contract assets	-	(58,819)	-	(58,819)
- Contract liabilities	-	18,829	-	18,829
- Contract costs	-	(2,916)	-	(2,916)
- Other	24	-	-	24
Net Cash from / (used in) operating activities	**(10,265)**	**-**	**-**	**(10,265)**
Net Cash flows used in investing activities	**(7,404)**	**-**	**-**	**(7,404)**
Net cash flows from financing activities	**(19,414)**	**-**	**-**	**(19,414)**
Net (decrease)/ increase in cash and cash equivalents	**(37,083)**	**-**	**-**	**(37,083)**
Cash and cash equivalents at 1 January 2017	71,329	-	-	71,329
Effect of movement in exchange rates on cash held	(983)	-	-	(983)
Cash and cash equivalents at 30 June 2017	**33,263**	**-**	**-**	**33,263**

The comparative amounts in the lines “Proceeds from new borrowings” and “Repayment of borrowings” in the Consolidated Statement of Cash Flows have been re-presented, in order to be directly comparable with current year’s figures and to apply the requirements of IAS 7.22 and IAS 7.23. The net effect of this re-presentation in Net cash flows from financing activities is zero.

5. Financial risk management

There were no changes in Cenergy Holdings' subsidiaries financial risk management objectives and policies during 2018.

US environment

At the beginning of 2018, an anti-dumping duty (AD) investigation of large diameter welded pipe (nominal diameter above 16.4") against Greece and five other countries (Canada, China, India, Korea and Turkey) was initiated by the U.S. Department of Commerce based on petitions filed by six U.S. producers. Subsequently as a result of the above petitions, the United States International Trade Commission (USITC) determined affirmatively that there is a reasonable indication of material injury to the domestic U.S. industry by reason of imports of large diameter welded pipe from Canada, China, India, Korea and Turkey. For imports of large diameter welded pipe from Greece, the USITC determined that there is a reasonable indication of threat of material injury to the domestic U.S. industry.

On 21 August, 2018, the Department of Commerce (DoC) in the United States of America, issued its affirmative preliminary determinations relating to the anti-dumping duty investigation of imports of large diameter welded pipe from Canada, China, Greece, India, Korea and Turkey.

In the case of Greece, DoC assigned a preliminary dumping rate of 22.51% for mandatory respondent Corinth Pipeworks, as well as for all other producers and exporters of large diameter welded pipe from Greece. Subsequently, CPW filed an application to the DoC for the correction of this dumping margin as the administration had failed to offset CPW's expenditures for freight and storage costs by the amount the Company received from its U.S. customers for these expenditures – up to the full amount of those costs. In early September, following the review of Corinth's application, the DoC decided to correct this error and accordingly amend its preliminary determination by setting the estimated weighted average dumping margin to 7.45% instead, retroactively effective since 27 August 2018. The amended preliminary DoC determination will be published shortly in the U.S. Federal Register.

Cenergy Holdings considers that there will be no material impact on its annual consolidated economic results from the aforementioned preliminary determination since Greece is the only country accused for threat and not for current material injury and thus any duties that may be paid until the final determination will be refunded. Cenergy Holdings' subsidiary, Corinth Pipeworks S.A., continues to cooperate with the US DoC authorities as well as with its US customers towards the final determination in the antidumping duty investigations that will take place in February 2019.

On 8 March 2018, the US administration exercised its authority under Section 232 of the Trade Expansion Act of 1962 to impose a 25% tariff on steel imports and a 10% tariff on aluminium imports in United States of America. On 18 March 2018, the U.S. DoC announced the process for submission of requests for products exclusion from the tariffs on steel and aluminium product imports. The DoC published the procedures in the Federal Register and started accepting exclusion requests from U.S. industry on 19 March 2018.

During H1 2018, Corinth Pipeworks Pipe Industry S.A. has commenced delivery of steel pipes HFW 26", 125.027 metric tons for the Cactus II pipeline, covering approximately 750 km, the supply of which was assigned to Corinth Pipeworks by a subsidiary of Plains All American Pipeline LP.

Despite the decision of the U.S. DoC to reject the steel tariff exclusion request filed by Plains All American Pipeline LP in relation to import of high grade steel pipe from Greece for its Cactus II pipeline, Corinth Pipeworks will abide with the deliveries as planned, without any disruption or adverse financial impact.

Corinth Pipeworks is confident that it will continue to serve the US market in the future, due to its sound strategy and ability to offer unique and high-end products for energy infrastructure and its long-term relationships with its customers.

Cenergy Holdings is closely monitoring the situation and the new market conditions, as it does on a regular basis, since Corinth Pipeworks is an established supplier in the US steel pipes market. It is noted that the subsidiary mainly supplies products to its US customers that cannot be manufactured in the US, such as 26” HFW line pipes. Corinth Pipeworks has already initiated and continues to undertake all actions required in cooperation with its US customers in order for them to obtain relief from the tariffs on imports of steel pipes since there are products sold in the US market by Corinth Pipeworks which are customized unique products and cannot be produced by local US pipe mills.

Despite the uncertainty surrounding the steel market today, based on the current assessment of available information, the above facts will have limited impact on Corinth Pipeworks’ financial results, due to the actions undertaken in order to secure the Company’s financial position and mitigate any potential adverse effects.

Macroeconomic environment in Greece

The macroeconomic and financial environment in Greece, where most of Cenergy Holdings’ subsidiaries are located, is showing signs of improvement, however uncertainties still exist.

On August 20, 2018 Greece officially exit from the third bailout programme, which began in 2015. In addition, during H1 2018, Standard and Poor's ratings agency has upgraded Greece’s credit rating by one notch, from 'B' to 'B+', citing reduced debt servicing risks.

It should be noted that the capital controls that are in force in Greece since June 2015 have been loosened further, but still remain in place until the date of approval of these interim financial statements and they have not prevented Cenergy Holdings companies to continue their activities as before. Cash flows from operational activities have not been disrupted.

Additionally, Cenergy Holdings companies’ strong customer base outside Greece (86% of revenue for H1 2018) along with their established facilities abroad minimize the liquidity risk which may arise from the uncertainty of the economic environment in Greece.

Cenergy Holdings follows closely and on a continuous basis the developments in both 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.

Cenergy Holdings’ debt amounting to EUR 494 million consists of 16% and 84% of long-term and short-term facilities respectively. Taking into account EUR 41 million of cash & cash equivalents (11% of short term debt), Cenergy Holdings companies’ Net Debt amounts to EUR 453 million. Approximately 87% of these loans and borrowings is held with Greek banks. Long term facilities have an average maturity of six years. Short term facilities are predominately revolving credit facilities, which are reviewed annually with anniversaries spread throughout the year and, within those revolving credit limits, short term loans of various maturities are drawn and when matured are renewed, if needed. There are sufficient credit limits in place to serve working capital requirements and refinance short term loans (see Note 15 for further information).

6. Operating segments

A. Information about reportable segments and reconciliations to IFRS measures

The following tables illustrate the information about the reportable segments' profit or loss for the six months ended at 30 June 2018 and 2017.

30 June 2018	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Segment revenue	333,578	329,672	-	663,250
Inter-segment revenue	(106,128)	(106,102)	-	(212,230)
External revenues	**227,450**	**223,570**	**-**	**451,020**
Gross profit	16,022	16,733	-	32,755
Operating profit / (loss)	4,917	9,839	(887)	13,868
Finance income	517	408		925
Finance costs	(12,498)	(4,935)	(1)	(17,434)
Share of profit/(loss) of equity accounted investees, net of tax	-	256	(57)	199
Profit / (Loss) before tax	**(7,064)**	**5,568**	**(945)**	**(2,442)**
Income tax expense	2,296	(984)	47	1,358
Profit/Loss (-) for the period	**(4,768)**	**4,584**	**(899)**	**(1,084)**

30 June 2017*	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Segment revenue	307,133	207,067	-	514,199
Inter-segment revenue	(102,051)	(26,720)	-	(128,771)
External revenues	**205,082**	**180,347**	**-**	**385,428**
Gross profit	14,338	14,906	-	29,244
Operating profit	6,345	9,336	(690)	14,990
Finance income	128	63	-	191
Finance costs	(11,107)	(5,219)	-	(16,327)
Share of profit/(loss) of equity accounted investees, net of tax	-	(95)	76	(19)
Profit / (Loss) before tax	**(4,634)**	**4,084**	**(614)**	**(1,164)**
Income tax expense	71		206	277
Profit/Loss (-) for the period	**(4,563)**	**4,084**	**(408)**	**(887)**

**Comparative figures have been restated to present the effect of the early adoption of IFRS 15 in 2017. See Note 4.*

Other information per segment as at and for the period ended 30 June 2018 and 30 June 2017 are as follows:

30 June 2018	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Depreciation and amortization	(7,197)	(4,624)	(152)	**(11,973)**
Capital expenditure	14,001	2,220	1	**16,222**

30 June 2017	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Depreciation and amortization	(6,761)	(4,533)	(162)	(11,455)
Capital expenditure	6,031	1,457	-	7,488

Information per segment about the reportable segments' assets and liabilities as at 30 June 2018 and 31 December 2017 are as follows:

30 June 2018	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Segment assets	478.950	471.802	14.092	**964.844**
Equity-accounted investees	-	12.159	187	**12.347**
Segment liabilities	446.664	322.762	339	**769.765**

31 December 2017	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Segment assets	441,276	432,635	15,852	**889,763**
Equity-accounted investees	-	12,723	289	**13,012**
Segment liabilities	402,937	285,386	1,219	**689,541**

7. Revenue

Cenergy Holdings' operations and main revenue streams are those described in the last annual financial statements (see also Note 4). Cenergy Holdings' revenue is derived from contracts with customers, except for immaterial amounts related to hedge accounting.

The nature and effect of initially applying IFRS 15 on Cenergy Holdings' interim financial statements are disclosed in Note 4, while all relevant information regarding the impact of the early adoption of IFRS 15 on 1 January 2017 are presented in the last annual financial statements.

Disaggregation of revenue
In the following table revenue is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

The table includes a reconciliation with the Group's reportable segments (see Note 6):

Primary geographical markets

Segment	**Cables**		**Steel Pipes**		**Total**	
Amounts in EUR thousand	**H1 2018**	**H1 2017**	**H1 2018**	**H1 2017**	**H1 2018**	**H1 2017**
Greece	55,494	54,958	9,490	93,964	64,984	148,921
Other European Union countries	150,791	135,487	88,079	21,071	238,870	156,558
Other European countries	6,087	3,306	504	2,681	6,591	5,986
America	1,133	1,536	113,399	29,900	114,532	31,436
Rest of the world	13,945	9,796	12,097	32,731	26,042	42,527
Total	**227,450**	**205,082**	**223,570**	**180,347**	**451,020**	**385,428**

Major products and service lines

Segment	**Cables**		**Steel Pipes**		**Total**	
Amounts in EUR thousand	**H1 2018**	**H1 2017**	**H1 2018**	**H1 2017**	**H1 2017**	**H1 2018**
Steel pipes projects	-	-	195,474	159,529	195,474	159,529
Hollow structural sections	-	-	15,426	15,694	15,426	15,694
Cables projects	54,683	27,313	-	-	54,683	27,313
Power & telecom cables	136,888	127,232	-	-	136,888	127,232
Enameled cables & wires	26,563	24,175	-	-	26,563	24,175
Other (raw materials, scrap etc.)	9,316	26,361	12,669	5,124	21,985	31,485
Total	**227,450**	**205,082**	**223,570**	**180,347**	**451,020**	**385,428**

Timing of revenue recognition

Segment	**Cables**		**Steel Pipes**		**Total**	
Amounts in EUR thousand	**H1 2018**	**H1 2017**	**H1 2018**	**H1 2017**	**H1 2017**	**H1 2018**
Products transferred at a point in time	172,767	177,769	28,096	20,818	200,863	198,586
Products transferred over time	54,683	27,313	195,474	159,529	250,158	186,842
Total	**227,450**	**205,082**	**223,570**	**180,347**	**451,020**	**385,428**

Consolidated revenue for the first half of 2018 amounted to EUR 451 million, an increase of 17% from

EUR 385 million recorded in H1 2017, reflecting strong sales of steel pipes and submarine cables for energy projects and increase in sales volume of power cables.

Contract balances

The 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. The contract assets are transferred to receivables when the rights become unconditional. This occurs when the Cenergy Holdings companies issue an invoice to the customer. The contract liabilities primarily relate to the advance consideration received from customers for construction of cutomized products or energy projects.

Contract assets increased by EUR 70 million compared to 31 December 2017, mainly due to higher amounts of unbilled receivables, as for turnkey cables projects and customized steel pipes & cables products, 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.

8. Other income/expenses

The decrease in Other income is mainly attributed to less cost recharges to other affiliated companies incurred during H1 2018 compared to the respective prior year's period.

Net other income/expenses for H1 2018 amounted to a loss of EUR -1.2 million compared to a gain of EUR 1 million during H1 2017. This variation is mainly attributed to the following extraordinary event.

During H1 2018, Hellenic Cables entered into an out-of-court settlement with a factoring company for an amount of EUR 2 million. This amount concerns a credit-related loss from a supplier of the Subsidiary, shared between the Subsidiary and the factor, due to a contract default of the supplier against both counterparties. The out-of-court settlement was wiser than embarking into court proceedings with the factor's Group, as it avoided both legal costs and a lengthy dispute with a long-term partner of Cenergy Holdings.

9. Administrative expenses

The variation noted in administrative expenses is mainly attributed to the increase of skilled personnel in order to support the anticipated growth in both segments.

10. Income tax

	For the six months ended 30 June	
Amounts in EUR thousand	**2018**	**2017**
Current tax expense	(557)	(294)
Deferred tax expense (-) / income	1,915	571
Total	**1,358**	**277**

Income tax expense is recognised at an amount determined by multiplying the profit (loss) before tax for the interim reporting period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period. As such, the effective tax rate in the interim financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

The Group's consolidated effective tax rate for the six months ended 30 June 2018 was 55.6% (six months ended 30 June 2017: 23.8%). The effective tax rate is mainly due to recognition of deferred tax assets on previously unrecognised tax losses in the steel pipes segment.

11. Inventories

During the six months ended 30 June 2018, the Group recorded a reversal of impairment of inventories of EUR 214 thousand. This reversal of impairment is included in 'cost of sales' in the consolidated statement of profit or loss.

The increase in inventories is mainly due to the increase of finished goods in the cables segment to cover the demand of the forthcoming months for cables products in accordance with contracts in place.

12. Trade and other receivables

In order to recover a long overdue balance of USD 24.8 million (plus legal interest), Corinth Pipeworks has recently initiated the enforcement procedures against the assets of the 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). Since no substantial developments have taken place during the first semester of 2018, management considers that there is no reason to revise the impairment recorded in the past related to this overdue receivable.

13. Property, plant and equipment

During the six months ended 30 June 2018, the Group acquired assets with a cost of EUR 15,640 thousand (six months ended 30 June 2017: EUR 7,218 thousand). Capital expenditure in the cables segment in H1 2018 reached EUR 13.7 million, largely attributable to the expansion and upgrade of the submarine business unit in Fulgor's plant in order to meet the expected future needs and productivity improvement projects at the Hellenic Cables and Icme Ecab plants. In steel pipes segment, assets acquired for the first six months of 2018 amounted to EUR 1.9 million and mainly concerned selective investments for productivity improvements in Thisvi plant.

No assets were disposed of during the period.

The subsidiaries have entered into contracts with suppliers according to their investment plans and capital commitments related to purchase of tangible assets as of 30 June 2018 amounts to EUR 14,827 thousand.

14. Intangible assets and goodwill

During the six months ended 30 June 2018, the Group acquired assets with a cost of EUR 582 thousand (six months ended 30 June 2017: EUR 269 thousand).

15. Loans and borrowings

Amounts in EUR thousand	**30 June 2018**	**31 December 2017**
Non-current liabilities		
Unsecured bank loans	25,457	28,830
Secured bond issues	43,076	43,751
Unsecured bond issues	10,220	12,480
Finance lease liabilities	933	1,080
Total	**79,685**	**86,141**
Current liabilities		
Secured bank loans	1,190	1,176
Factoring with recourse	44,205	43,451
Unsecured bank loans	268,114	207,094
Loans from related parties	-	5,152
Current portion of secured bond issues	88,684	92,563
Current portion of unsecured bond issues	3,904	3,055
Current portion of finance lease liabilities	355	340
Current portion of unsecured bank loans	7,748	9,901
Total	**414,200**	**362,732**
Total loans and borrowings	**493,886**	**448,873**

The maturities of non-current loans are as follows:

Amounts in EUR thousand	**30 June 2018**	**31 December 2017**
Between 1 and 2 years	17,281	12,400
Between 2 and 5 years	22,738	34,508
Over 5 years	39,666	39,232
Total	**79,685**	**86,141**

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

	30 June 2018	**31 December 2017**
Bank lending (non-current) - EUR	2.2%	2.2%
Bank lending (current) - EUR	4.9%	5.3%
Bank lending (current) - USD	4.4%	6.0%
Bank lending (current) - GBP	5.0%	4.6%
Bank lending (current) - LEV	4.7%	4.7%
Bank lending (current) - RON	5.7%	5.2%
Bond issues (non-current) - EUR	4.1%	4.0%
Bond issues (current) - EUR	4.6%	4.6%
Finance lease obligations	4.0%	4.0%

During 2018, Cenergy Holdings' subsidiaries obtained new bank loans in Euro, which amounted to EUR 92.3 million and repaid bank loans of EUR 48.1 million with maturity date in 2018. The new loans mainly concern withdrawals from existing and new revolving credit lines of current bank loans having similar terms and conditions for project financing. The current bank loans have an average interest rate of 4.9%.

The subsidiaries have adequate credit lines available to meet future needs.

The table below summarizes loans & borrowings movement for the period per type of loan:

Amounts in EUR thousand	
Balance at 1 January 2018	**448.873**
New issues	
Bank loans assumed	88.015
Recourse factoring	4.333
New finance leases	42
Repayments	
Bond issues	(5.891)
Bank loans	(33.622)
Loan from parent company	(5.000)
Finance Leases	(176)
Recourse factoring	(3.578)
Other movements	890
Balance at 30 June 2018	**493.886**

Short-term borrowings as of 30 June 2018 include EUR 85.8 million related to the syndicated bond loans received by Corinth Pipeworks and Hellenic Cables in 2013 and due to mature in 2018.

During August 2018, Corinth Pipeworks has received approval from a bank syndicate for the conversion of EUR 30.8 million to long-term borrowing. This amount represents bonds originally issued in 2013 due to mature during 2018. The new bonds have a 5-year life and carry improved pricing terms for CPW.

During September 2018, Hellenic Cables also received approval from a bank syndicate for the conversion of EUR 55 million into a new syndicated bond loan with a 5-year life and improved pricing terms.

Covenants and collaterals included in both syndicated bond loans are similar to the terms of the previous loans.

Furthermore, negotiations with banks are ongoing regarding the conversion of an additional portion of short-term borrowings to long-term borrowing. The management of the subsidiaries expect the debt reprofiling process to be finalized by the end 2018.

The management expects that any repayments required will be met out of operating cash flows or from unutilized credit lines, which are in place in order to serve capital requirements. Regarding the finance of project-based activities, Cenergy Holdings' subsidiaries have secured the necessary funds through project finance facilities.

Mortgages and pledges in favour of banks have been recorded on property, plant and equipment of subsidiaries. The amount of mortgages and pledges in place as of 30 June 2018 was EUR 198.8 million.

There was no incident in 2018 of breach of the terms of the loans of Cenergy Holdings' companies.

16. Trade and other payables

The increase in suppliers' balances (EUR 23.8 million) follows the increasing needs for materials and finished goods that will be used mainly in the ongoing projects of subsidiaries.

17. Financial instruments

A. Carrying amounts 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.

30 June 2018

Amounts in EUR thousand	Carrying amount	Level 1	Level 2	Level 3	Total
FVOCI – equity instruments	4,663	-	-	4,663	4,663
Derivative financial assets (Hedging instruments)	1,557	392	1,165	-	1,557
	6,220	**392**	**1,165**	**4,663**	**6,220**
Derivative financial liabilities (Hedging instruments)	(3,842)	-	(3,842)	-	(3,842)
	2,378	**392**	**(2,677)**	**4,663**	**2,378**

31 December 2017

Amounts in EUR thousand	Carrying amount	Level 1	Level 2	Level 3	Total
FVOCI – equity instruments	4,662	-	-	4,662	**4,662**
Derivative financial assets (Hedging instruments)	1,733	676	1,058	-	**1,733**
	6,395	**676**	**1,058**	**4,662**	**6,395**
Derivative financial liabilities (Hedging instruments)	(1,233)	(128)	(1,105)	-	**(1,233)**
	5,162	**548**	**(47)**	**4,662**	**5,162**

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques 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

There was no movement in Level 3 financial assets during the period.

B. Measurement of fair values

(a) Valuation techniques and significant unobservable inputs

During the period there were no changes in valuation processes compared to those described in the last annual consolidated financial statements as at and for the period ended 31 December 2017.

(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 2018 during the period and no transfers either in 2017.

18. Related parties

A. Related party transactions

The following transactions have been made with Viohalco and its subsidiaries, equity-accounted investees and other related parties:

	For the six months ended 30 June	
Amounts in EUR thousand	**2018**	**2017**
Sales of goods		
Equity-accounted investees	3	45
Other related parties	48,276	34,450
	48,279	**34,496**
Sales of services		
Equity-accounted investees	159	138
Other related parties	595	586
	753	**724**
Sales of property, plant & equipment		
Other related parties	1	80
	1	**80**
Purchases of goods		
Other related parties	7,966	9,820
	7,966	**9,820**
Purchases of services		
Viohalco	206	119
Equity-accounted investees	3,140	2,342
Other related parties	3,868	3,834
	7,215	**6,295**
Purchase of property, plant and equipment		
Equity-accounted investees	68	60
Other related parties	2,123	610
	2,191	**670**

Other related parties comprise subsidiaries, associates and joint ventures of Viohalco Group.

During 2018, the sales of goods to related parties have increased, due to sales performed through Viohalco's commercial companies in the main European markets.

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 2015, a loan was granted by Viohalco to Icme Ecab for EUR 5,000 thousand at market rates. This loan was renewed during 2016 and 2017 and fully repaid during 2018. The movement of this loan during the period is as follows:

Amounts in EUR thousand	2018	2017
Balance at January 1	**5,152**	**5,175**
Interest charged for the period	65	296
Interest paid	(218)	(318)
Capital paid	(5.000)	-
Balance at the end of the period	**-**	**5,152**

Closing balances that arise from sales/purchases of goods, services, fixed assets, etc. are as follows:

Amounts in EUR thousand	30 June 2018	31 December 2017
Current receivables from related parties		
Equity-accounted investees	17	16
Other related parties	32,884	27,625
	32,901	**27,641**
Non-current receivables from related parties		
Equity-accounted investees	3,842	3,842
	3,842	**3,842**
Current liabilities to related parties		
Viohalco	153	894
Equity-accounted investees	2,492	1,995
Other related parties	7,831	6,110
	10,475	**8,999**

The outstanding balances from related parties are not secured and the settlement of those current balances is expected to be performed in cash during the next 12 months, since the balances concern only short-term receivables & payables.

B. Key management personnel compensation

The remuneration paid during the six months ended 30 June 2018 to the Board members and the executive management for the execution of their mandate amounted to EUR 422 thousand (H1 2017: EUR 373 thousand).

The fees to directors and executive management are fixed compensation. No variable compensation, post-employment benefits or share based benefits were paid during the period.

19. Subsequent events

On 21 August, 2018, the Department of Commerce (DoC) in the United States of America, issued its affirmative preliminary determinations relating to the anti-dumping duty investigation of imports of large diameter welded pipe from Canada, China, Greece, India, Korea and Turkey.

In the case of Greece, DoC assigned a preliminary dumping rate of 22.51% for mandatory respondent Corinth Pipeworks, as well as for all other producers and exporters of large diameter welded pipe from Greece. Subsequently, CPW filed an application to the DoC for the correction of this dumping margin as the administration had failed to offset CPW's expenditures for freight and storage costs by the amount the Company received from its U.S. customers for these expenditures – up to the full amount of those costs. In early September, following the review of Corinth's application, the DoC decided to correct this error and accordingly amend its preliminary determination by setting the estimated weighted average dumping margin to 7.45% instead, retroactively effective since 27 August 2018. The amended preliminary DoC determination will be published shortly in the U.S. Federal Register.

Cenergy Holdings considers that there will be no material impact from this preliminary investigation on its annual consolidated financial results since Greece is the only country accused of threat and not of current material injury. Thus, any duties paid before the final determination will be refunded. Corinth Pipeworks continues to cooperate with the US DoC authorities as well as with its US customers towards the final determination in the antidumping duty investigations that will take place in February 2019.

During August 2018, Corinth Pipeworks has received approval from a bank syndicate for the conversion of EUR 30.8 million to long-term borrowing. This amount originally represented bonds issued by CPW in 2013 with an initial maturity during 2018. The new bonds will have a life of 5 years and will carry improved pricing terms for CPW.

Furthermore, during September 2018, Hellenic Cables also received approval from a bank syndicate for the conversion of EUR 55 million into a new syndicated bond loan with 5-year life and improved pricing terms.

Covenants and collaterals included in both syndicated bond loans are similar to the terms of the previous loans.

KPMG

Statutory auditor's report to the board of directors of Cenergy Holdings SA on the review of the condensed consolidated interim financial statements as at 30 June 2018 and for the 6-month period then ended

Introduction

We have reviewed the condensed consolidated statement of financial position of Cenergy Holdings SA as at 30 June 2018, the condensed consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the 6-month period then ended, and notes to the interim financial information ("the condensed consolidated interim financial statements"). The board of directors is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements as at 30 June 2018 and for the 6-month period then ended is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Zaventem, 26 September 2018

KPMG Réviseurs d'Entreprises
Statutory Auditor
represented by

Benoit Van Roost
Réviseur d'Entreprises

In addition to the results reported in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, this interim report includes information regarding certain alternative performance measures which are not prepared in accordance with IFRS ("Alternative Performance Measures" or "APMs"). The APMs used in this interim report are: **Earnings Before Interest and Tax (EBIT), Adjusted EBIT, Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA), Adjusted EBITDA and Net debt.** Reconciliations to the most directly comparable IFRS financial measures are presented below.

We believe these APMs are important supplemental measures of our operating and financial performance and are frequently used by financial analysts, investors and other interested parties in the evaluation of companies in the steel pipes and cables production, distribution and trade industries. By providing these measures, along with the reconciliations included in this appendix, we believe that investors will have better understanding of our business, our results of operations and our financial position. However, these APMs shall not be considered as an alternative to the IFRS measures.

EBIT, Adjusted EBIT, EBITDA, Adjusted EBITDA have limitations as analytical tools, and investors should not consider it in isolation, or as a substitute for analysis of the operating results as reported under IFRS and may not be comparable to similarly titled measures of other companies.

EBIT is defined as the Operating result as reported in the Consolidated statement of profit or loss plus Share of profit/(loss) of equity accounted investees, net of tax.

Adjusted EBIT is defined as EBIT excluding restructuring costs, metal price lag, unrealised (gains)/losses on foreign currency balances and derivatives and other exceptional or unusual (income)/expenses.

EBITDA is defined as EBIT plus depreciation and amortisation.

Adjusted EBITDA is defined as EBITDA excluding restructuring costs, metal price lag, unrealised (gains)/losses on foreign currency balances and derivatives and other exceptional or unusual (income)/expenses.

All APMs are consistently calculated year by year.

Reconciliation of Operating Profit to EBIT and EBITDA:

	Cenergy Holdings	
Amounts in EUR thousand	**H1 2018**	**H1 2017**
Operating profit	**13,868**	**14,990**
Share of profit/(loss) of equity accounted investees, net of tax	199	(19)
EBIT	**14,067**	**14,972**
Depreciation & Amortization	11,577	11,058
EBITDA	**25,644**	**26,030**

Reconciliation of EBIT to a-EBIT and a-EBITDA:

	Cenergy Holdings	
Amounts in EUR thousand	**H1 2018**	**H1 2017**
EBIT	**14,067**	**14,972**
Metal price lag (1)	251	(1,664)
Unrealized (gains)/losses on foreign currency balances and derivatives	(28)	173
Other exceptional or unusual (income)/expenses (2)	1,998	(2)
Adjusted EBIT	**16,288**	**13,479**
Depreciation & Amortization	11,577	11,058
Adjusted EBITDA	**27,865**	**24,537**

(1) Metal price lag is the P&L effect resulting from fluctuations in the market prices of the underlying commodity metals (ferrous and non-ferrous) which Cenergy Holdings' subsidiaries use as raw materials in their end-product production processes.

Metal price lag exists due to:
(i) the period of time between the pricing of purchases of metal, holding and processing the metal, and the pricing of the sale of finished inventory to customers,
(ii) the effect of the inventory opening balance (which in turn is affected by metal prices of previous periods) on the amount reported as Cost of Sales, due to the costing method used (e.g. weighted average),
(iii) certain customer contracts containing fixed forward price commitments which result in exposure to changes in metal prices for the period of time between when our sales price fixes and the sale actually occurs.
Subsidiaries in cables segment use back to back matching of purchases and sales, or derivative instruments in order to minimize the effect of the Metal Price Lag on their results. However, there will be always some impact (positive or negative) in the P&L, since in Cables segment part of the inventory is treated as fixed asset and not hedged and in the Steel Pipes segment no commodities hedging is possible.

(2) Other exceptional or unusual (income)/expenses for 2018, mainly include the loss from out of court settlement (see Note 8 of the condensed consolidated financial statements).

Reconciliation of loans and borrowings to Net debt:

	Cables segment		Steel pipes segment		Other activities		Cenergy Holdings Consolidated	
Amounts in EUR thousand	**30 June 2018**	**31 December 2017**	**30 June 2018**	**31 December 2017**	**30 June 2018**	**31 December 2017**	**30 June 2018**	**31 December 2017**
Loans and borrowings – Long term	47,666	49,853	32,020	36,287	-	-	79,685	86,141
Loans and borrowings – Short term	256,300	215,613	157,900	147,119	-	-	414,200	362,732
Cash and cash equivalents	(17,831)	(10,264)	(22,237)	(58,182)	(1,076)	(998)	(41,144)	(69,443)
Net debt	**286,135**	**255,203**	**167,683**	**125,224**	**(1,076)**	**(998)**	**452,742**	**379,429**