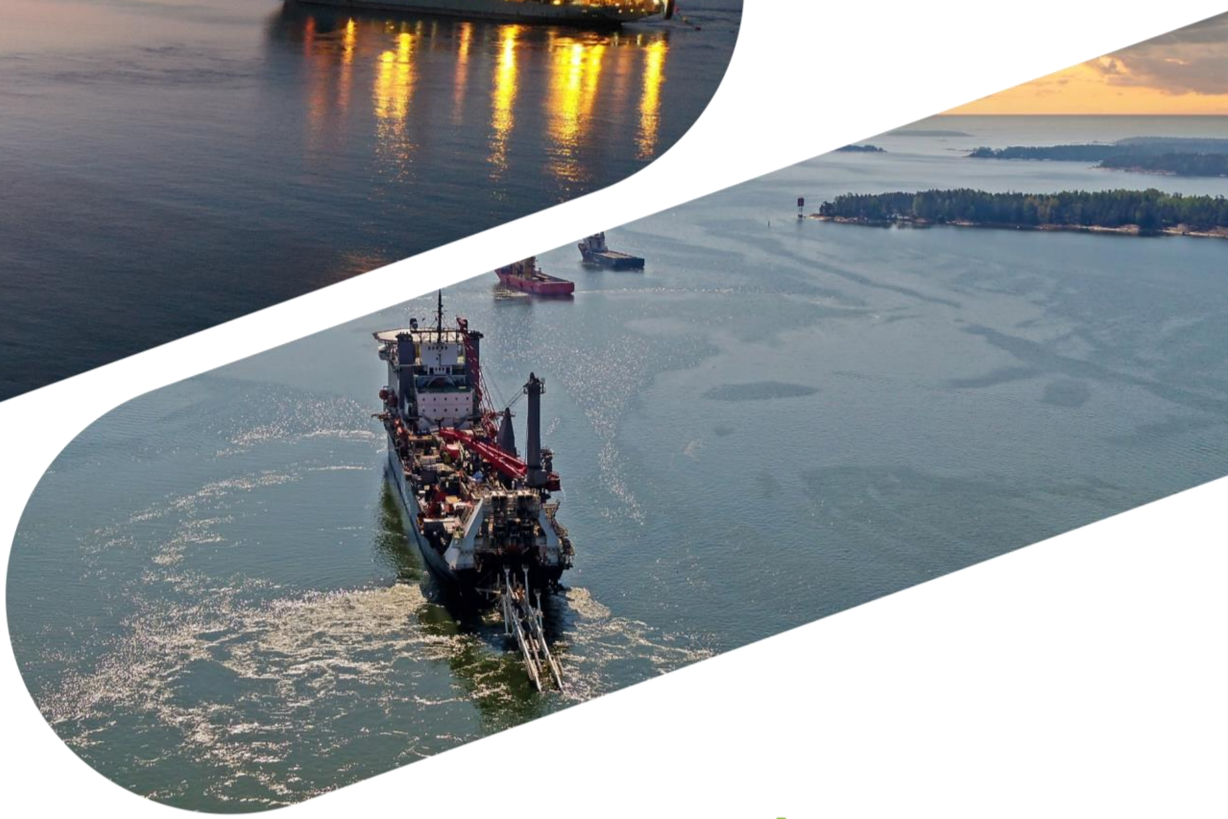
The world runs on Cenergy

CENERGY HOLDINGS

INTERIM REPORT
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2021



CORINTH PIPEWORKS

HELLENIC CABLES

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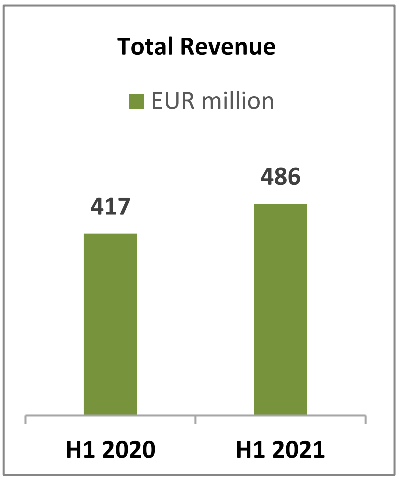
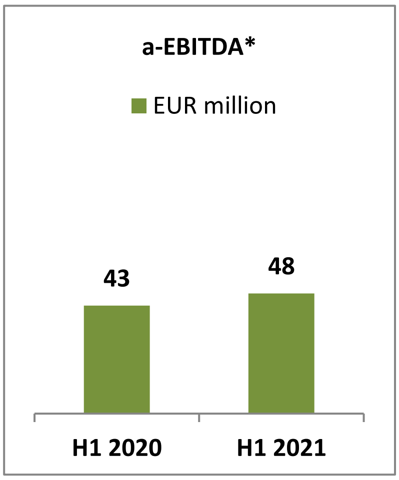
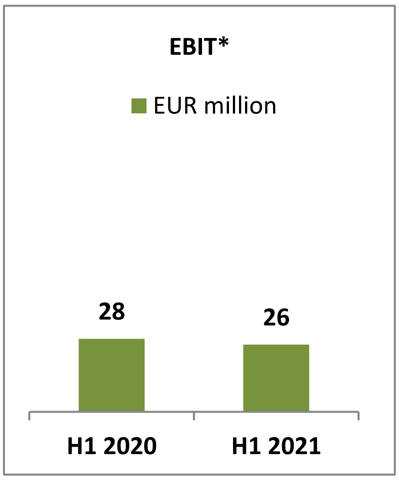
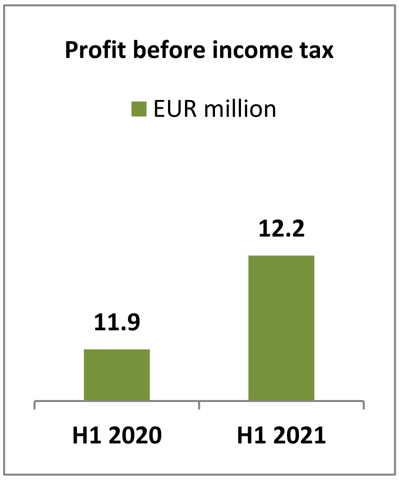
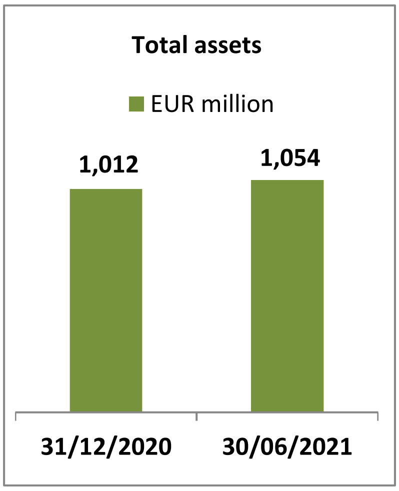
KEY CONSOLIDATED FINANCIAL DATA

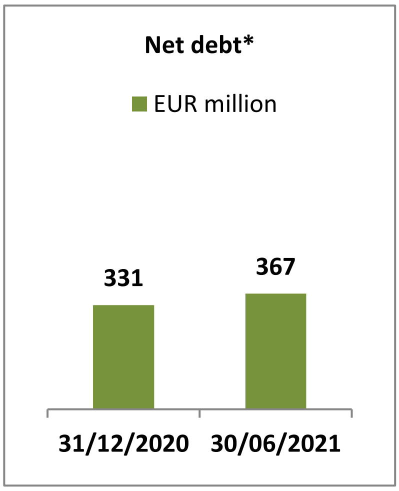


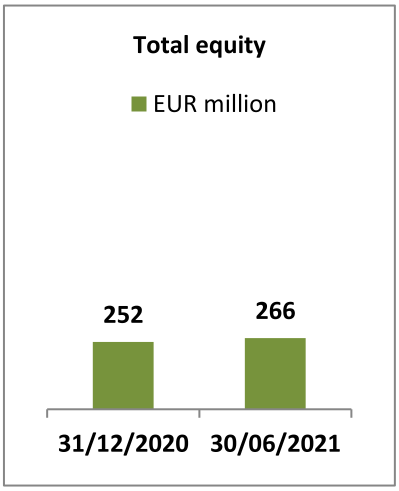












** Source: For the definitions of a-EBITDA, EBIT and Net debt, see section APMs.*

This section focuses on Cenergy Holdings' business performance for the period ended 30 June 2021. The Condensed Consolidated Interim Financial Statements, prepared in accordance with IAS 34, are presented on pages 13 to 33.

Key highlights

Healthy profitability, strong backlog, steady growth

- **Growth in revenue** (+16.5% y-o-y) driven by increased level of activity in cables segment
- **Higher operational profitability** with adjusted EBITDA[1] exceeding **EUR 47 million** for the first half of 2021 (+11.3% y-o-y); the main driver for this increase remains the Cables projects business.
- Substantial **order backlog at EUR 600 million** as of June 30, 2021 signals robust growth for the future (31/12/20: EUR 500 million), while more orders are secured in Q3 2021
- Consolidated **profit before tax of EUR 12.2 million** vs. EUR 11.9 in H1 2020 (+2.5%)
- Consolidated **net profit after tax reached EUR 11.6 million** vs. EUR 8.1 in H1 2020 (43% growth y-o-y)

Overview

During the first semester of 2021, Cenergy Holdings demonstrated its ability to keep the momentum created over the last two years alive and take it further ahead. The smooth execution of energy projects in both the cables and the steel pipes segments continued, with each segment marking significant highpoints during the first half of the year, such as the successful completion of the record-breaking high-voltage Crete Interconnection and the delivery of the first hydrogen-certified pipeline for a high pressure gas network in Italy.

At the same time, all Cenergy Holdings' companies took advantage of the **strong commercial momentum** and supported a healthy backlog for future growth, as all commercial teams brought in significant orders for energy projects around the globe, driving the **backlog to EUR 600 million** as of June 30, 2021. The recent awards of the subsea cable connection of Greece's largest wind farm, an offshore high-pressure gas pipeline in Israel, the first award in the Adriatic Sea for a submarine cable interconnection project and frame contracts signed with significant Transmission system operators (TSOs) in Europe are some examples of the successful tendering activity during the first half of the year.

Throughout the year and as the world continues to experience several waves of outbreaks of the SARS-Cov-2 virus, all companies in Cenergy Holdings keep taking actions to shield their most valuable asset, the health of their personnel. The action plan initiated in early 2020 to prevent the virus spread remains in place, while management actively supports vaccination programs in all countries where subsidiaries are operating.

In the cables segment, the high utilization of all production lines and the smooth execution of high-profile submarine projects led to further growth and solid performance. Demand in cables products rebounded during the first semester of 2021 and sales volume increased by 16%. This increase covered a wide range of cable types and led to satisfactory utilization of all land cables production lines. The continuous focus in value added projects and products, allowed higher profitability, leading the entire segment to a **strong performance with adjusted EBITDA reaching EUR 42 million**. This was further stimulated by initiatives to enter new geographical markets as well as the ongoing investment program to further enhance the production capacity of the offshore

[1] *For the definitions of the Alternative Performance Measures (APMs) used, refer to the respective section.*

business unit. In the field of sustainable development, Hellenic Cables awarded a silver 2021 EcoVadis Sustainability Rating for its sustainability practices, confirming the commitment to implement responsible business practices across its operations.

In the steel pipes segment, on the contrary, insufficient demand still prevails, especially in large-diameter pipes. Market conditions remain highly volatile, whilst a large number of energy projects are either postponed or abandoned, especially in the USA. As a result, turnover fell by 22% compared to H1 2020 and operational profitability (adjusted EBITDA) suffered a decrease by EUR 2 million. As oil prices and demand recover though, pulling energy prices higher, the available tender opportunities for Corinth Pipeworks (hereafter "CPW"), the Group's main company in the segment, increase slowly but steadily. To further compensate for general sluggish demand conditions and to protect its core profitability, CPW completed a cost optimization programme started in 2020, including cost reduction measures but also industrial excellence initiatives in its Thisvi plant. On the financial side, the strict working capital management continued, slowing down any net debt acceleration pressures due to rising raw material prices.

Group financial review

Amounts in EUR thousand	H1 2021	H1 2020	Change (%)
Revenue	**486,060**	**417,365**	***16%***
Gross profit	**44,287**	**46,954**	***-6%***
Gross profit margin (%)	*9.1%*	*11.3%*	*-220bps*
a-EBITDA	**47,641**	**43,013**	***11%***
a-EBITDA margin (%)	*9.8%*	*10.3%*	*-50bps*
EBITDA	**38,801**	**40,161**	***-3%***
EBITDA margin (%)	*8.0%*	*9.6%*	*-160bps*
a-EBIT	**35,036**	**31,334**	***12%***
a-EBIT margin (%)	*7.2%*	*7.5%*	*-30bps*
EBIT	**26,196**	**28,481**	***-8%***
EBIT margin (%)	*5.4%*	*6.8%*	*-140bps*
Net finance costs	**(14,036)**	**(16,617)**	*-16%*
Profit before income tax	**12,161**	**11,864**	***3%***
Profit after tax for the year	**11,579**	**8,076**	***43%***
Net profit margin (%)	*2.4%*	*1.9%*	*+50bps*
Profit attributable to owners	**11,557**	**8,076**	***43%***

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

Amounts in EUR	H1 2021	H1 2020	Change (%)
Earnings per share	***0.06089***	***0.04247***	***43%***

Revenue grew by 16% to EUR 486 million, supported by a strong execution of cables projects from the order backlog, as well as strong demand for cables products, along with increasing LME metal prices. On the other hand, demand in steel pipes segment faced challenges, as fossil fuel transportation projects have not yet rebounded from the recent crisis. The revenue in cables segment accelerated during Q2 2021 covering the gap in steel pipes and leading to a 13% increase over the previous quarter.

Adjusted EBITDA increased by 11% to approx. EUR 48 million as the successful execution of energy projects kept operational profitability at satisfactory levels, despite low utilization levels of the steel pipes plant. Conversely, EBITDA was influenced by metal price fluctuations and amounted to approx. EUR 39 million (3.4% y-o-y). The subsidiary companies continued to focus on value-added products and services growth and managed to maintain their margins despite price inflation in all major raw materials, throughout the year.

Net finance costs further decreased by EUR 2.6 million (-16% y-o-y) to EUR 14 million for the first half of 2021, due to both lower interest rates and lower average debt levels versus the comparable period.

Profit before income tax amounted to EUR 12.2 million, at nearly the same levels of H1 2020. Stronger sales in cables during Q2 2021 affected all profitability measures leading to an almost 50% increase in profit before tax compared to the first quarter of the year.

In contrast, **profit after tax** for the period increased significantly to EUR 11.6 million (EUR 8.1 million in H1 2020) reaching 2.4% of sales (against 1.9% in H1 2020), as Greek subsidiaries profited from a corporate tax rate reduction from 24% to 22% on their deferred tax liabilities.

Amounts in EUR thousand	**30 June 2021**	**31 December 2020**
ASSETS		
Property, plant and equipment	464,106	457,937
Equity - accounted investees	34,351	34,339
Other non-current assets	46,377	46,645
Non-current assets	**544,833**	**538,921**
Inventories	215,273	213,192
Trade and other receivables	143,879	112,872
Contract assets	72,906	64,875
Cash and cash equivalents	75,098	81,035
Other current assets	1,804	1,129
Current assets	**508,959**	**473,103**
TOTAL ASSETS	**1,053,793**	**1,012,024**
EQUITY	**266,347**	**251,762**
LIABILITIES		
Loans and borrowings	162,960	174,625
Lease liabilities	3,967	3,681
Deferred tax liabilities	25,272	31,668
Other non-current liabilities	32,291	32,999
Non-current liabilities	**224,490**	**242,973**
Loans and borrowings	272,992	231,592
Lease liabilities	1,719	1,752
Trade and other payables	245,379	249,092
Contract liabilities	32,379	30,196
Other current liabilities	10,485	4,657
Current liabilities	**562,955**	**517,289**
TOTAL LIABILITIES	**787,445**	**760,262**
TOTAL EQUITY & LIABILITIES	**1,053,793**	**1,012,024**

- *Source: Condensed Consolidated Statement Statement of Financial Position*

The Group continued its investments mainly in the submarine cables production plant of Fulgor in Corinth, Greece. Total capital expenditure for the Group reached EUR 20 million in H1 2021, split between EUR 15.6 million for the cables and EUR 4.4 million for the steel pipes segment.

Total working capital increased significantly to EUR 135 million on June 30, 2021 (+34% vs. EUR 100 million on 31.12.2020). Such increase is due to higher raw material prices and the timing of milestone payments for projects in execution. The increase was, however, constrained through stricter working capital management, i.e. negotiation of better payment terms with supply chain partners as well as closer monitoring of raw material purchases where possible. Consequently, **net debt** increased to EUR 367 million on June 30, 2021, up by EUR 36 million from 2020 year-end level.

Performance by business segment

Cables

The cables segment's results in the first six months depict a solid growth in the projects' business, as orders awarded over recent years are executed smoothly, along with some volume growth in cables products. Consequently, all plants had a full production schedule throughout the semester leading to further growth in profitability.

Hellenic Cables continued its tendering efforts and succeeded to secure several awards for new projects in the offshore wind and interconnections markets, along with frame contracts from major TSOs. At the same time, a number of projects were successfully delivered, in full or partially, during this period:

- the 178 km-long submarine and underground electrical interconnection between Crete and Peloponnese, one of the most demanding projects ever completed worldwide (the longest and deepest – 1000m – HVAC interconnection), was successfully installed and electrified in May;
- the electrical tests of the 150 kV high voltage submarine cable that connects Skiathos to the Greek National Transmission System were successfully completed early in the year;
- the first deliveries of 66kV inter-array cables for the Seagreen offshore wind farm in the UK took place during the semester, while the production of the remaining quantities for the project continues;
- the production for phase B of Hollandse Kust Zuid project in the Netherlands was also completed, with delivery of the two 220kV subsea cables completed in the second quarter of the year; and
- the production for the submarine cables for Kafireas II Wind Farm interconnection with Greece's mainland grid started during 2021, on schedule.

On the products business unit, sales volume increased by 16% in the first half of the year, signaling a demand upturn. This, along with a positive mix, further favored the entire segment's profitability.

Thus, the cables segment exhibited a EUR 6.5 million increase in adjusted EBITDA, reaching EUR 42.0 million in H1 2021, up from EUR 35.7 million in H1 2020, with margins slightly lower, as revenue from products increased more than revenue from projects.

Corresponding profit before income tax reached EUR 16 million, compared to EUR 14.5 million in H1 2020, while net profit after tax followed the same trend and reached EUR 14.4 million (EUR 11.1 million in H1 2020).

As a final point, it is worth noting that the investment in Fulgor's plant for the expansion of inter-array cables capacity is now almost completed. Capital expenditure for the segment reached EUR 15.6 million, out of which EUR 12.9 million concerned the aforementioned investments in Fulgor's plant.

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	**2021**	**2020**
Revenue	**378,596**	**279,883**
Gross profit	37,996	36,961
Gross profit margin (%)	*10.0%*	*13.2%*
a-EBITDA	**41,989**	**35,673**
a-EBITDA margin (%)	*11.1%*	*12.7%*
EBITDA	**34,104**	**32,946**
EBITDA margin (%)	*9.0%*	*11.8%*
a-EBIT	**33,825**	**28,328**
a-EBIT margin (%)	*8.9%*	*10.1%*
EBIT	**25,941**	**25,601**
EBIT margin (%)	*6.9%*	*9.1%*
Net finance costs	**(9,920)**	**(11,083)**
Profit before income tax	**16,020**	**14,518**
Profit after tax for the year	**14,362**	**11,052**
Net profit margin (%)	*3.8%*	*3.9%*
Profit attributable to owners	**14,340**	**11,052**

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

Steel pipes

During H1 2021, the steel pipes segment witnessed a first market reaction in the unprecedented decline in oil and gas prices during the previous year. As oil prices rebounded during the first six months of 2021 many postponed fossil-fuel distribution projects have slowly restarted. Several investment decisions, however, are still pending in the oil & gas sector, as the substantial increase of steel prices led to the recalculation of budget figures for many projects, creating turbulence in the wider fuel market.

In these adverse market conditions, revenue for the segment declined considerably to EUR 107 million in 2021H1, 22% lower from its H1 2020 level of EUR 137 million. Consequently, gross profit decreased to EUR 6.3 million in H1 2021 (from EUR 10.0 million in H1 2020) and adjusted EBITDA followed, down to EUR 5.9 million (EUR 7.9 million in H1 2020). As a result, the segment yielded a **loss before tax** of EUR 3.6 million, compared to loss of EUR 2.1 million in H1 2020.

Corinth Pipeworks has nonetheless showed significant resilience, mainly illustrated by:

- Efforts to strengthen its presence in new markets in Europe, the Americas, North Africa and Asia, and winning new projects for well-known customers (e.g. Snam in Italy, INGL in Southeast Mediterranean, Williams in USA and more offshore projects like KEG in Norway and Zendolie in Trinidad).
- Strict working capital and stock management, which secured liquidity.

- Initiatives to develop solutions towards the green energy transition. One of the most prominent examples was the certification of pipes to transport up to 100% hydrogen achieved in early June by CPW together with Snam, one of the world's largest energy infrastructure companies. It concerns a 440km contract for the manufacture of the first high-pressure transmission gas pipeline network in Europe, certified to transport up to 100% hydrogen and manufactured in Corinth Pipeworks' plant in Thisvi.
- Actions to safeguard the safety of its employees, fulfilling its contractual obligations and securing uninterrupted production for all its current projects.

As a final point, it should be noted that, over the course of the first semester, Corinth Pipeworks successfully continued its rigorous programme of major energy qualifications and innovative programs to enhance competitiveness and completed the cost optimization programme started in the last quarter of 2020, which is expected to improve its competitive position.

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	**2021**	**2020**
Revenue	**107,464**	**137,482**
Gross profit	6,291	9,993
Gross profit margin (%)	*5.9%*	*7.3%*
a-EBITDA	**5,891**	**7,921**
a-EBITDA margin (%)	*5.5%*	*5.8%*
EBITDA	**4,936**	**7,796**
EBITDA margin (%)	*4.6%*	*5.7%*
a-EBIT	**1,453**	**3,587**
a-EBIT margin (%)	*1.4%*	*2.6%*
EBIT	**498**	**3,462**
EBIT margin (%)	*0.5%*	*2.5%*
Net finance costs	**(4,113)**	**(5,533)**
Loss before income tax	**(3,616)**	**(2,071)**
Loss after tax for the year	**(2,539)**	**(2,392)**
Net profit margin (%)	*-2.4%*	*-1.7%*
Loss attributable to owners	**(2,539)**	**(2,392)**

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

Main risks and uncertainties for H2 2021

This section has been developed in the notes to the Condensed Consolidated Interim Financial Statements, note 4 "Financial risk management".

Subsequent events

This section has been developed in the notes to the Condensed Consolidated Interim Financial Statements, note 16 "Subsequent events".

Outlook

Following the strong performance of the first six months and based on the current macroeconomic environment, the **cables segment** is expected to continue to benefit from the robust set of secured projects, while new significant orders (i.e. Santorini-Naxos electrical interconnection in Greece and Vesterhav project in Denmark) have already been awarded The good market momentum, indicating a strong potential of the offshore wind sector, and the proven ability of the segment's companies to expand into new markets announces solid growth for the near future. The submarine project business (Fulgor) is expected to retain its high capacity utilisation throughout 2021 driving the entire segment's profitability.

In the cable products business unit, the reinforcement of demand in the main markets of Western Europe, Middle East and the Balkans, is expected to continue, as both the construction and the industrials sectors are getting stronger. The initiatives for further geographical diversification continue in order to spread out and fortify revenue streams. The unabated focus for the cables segment remains the successful execution of existing projects and the award of new ones.

The **steel pipes** segment, on the other hand, is more influenced by the global economic ecosystem and relies on the rebound of the energy market and the accelerated energy transition scenario. The former shows signs of recovery although the Delta variant of the coronavirus is clouding any forecasts and/or expectations for reaching pre-Covid levels in 2022. At the same time, global electricity demand is growing faster than renewable energy capacity and as a result, more power from fossil fuels is expected to be required and hence, demand for steel pipes expected to be maintained at high levels. As the pandemic recedes and energy demand is rebounding, CPW remains focused on penetrating new geographical markets and developing new innovative products, e.g. infrastructure for the offshore wind sector, tubes for hydrogen transportation, carbon capture and storage (CCS) technologies etc. Such initiatives along with intensified efforts towards stronger competitiveness will improve Corinth Pipeworks' market position and will lead to awards of new projects, which were put on hold due to the pandemic and are now awaiting finalization.

Overall, **Cenergy Holdings** looks ahead to a positive year, with steady revenue supporting operational margins. Its companies' solid structure and advanced technology offer confidence for long-term sustainable growth. It goes without saying that, for the rest of 2021, the priorities for further enforcement of the ongoing Industrial Excellence programme and for augmented health and safety preventive measures remain as strong as ever for both segments. These initiatives will lead Cenergy Holdings to the new digital era, secure health and safety of our people, guarantee an undisrupted operation of all plants and enable the whole Group to remain well positioned in the global energy market.

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 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 represented by 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

Publication / Event	Date
2021Q3 trading update	18 November 2021
Cenergy Holdings 2021 annual results	10 March 2022
Ordinary General Meeting 2022	31 May 2022

Contacts

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Condensed Consolidated Statement of Financial Position

Amounts in EUR thousand		30 June 2021	31 December 2020
ASSETS	**Note**		
Property, plant and equipment	10	464,106	457,937
Right of use assets		6,199	5,598
Intangible assets	11	28,261	29,323
Investment property		764	764
Equity - accounted investees	12	34,351	34,339
Other Investments	14	5,496	5,657
Derivatives	14	900	871
Trade and other receivables		1,317	1,303
Contract costs		222	222
Deferred tax assets		3,218	2,908
Non-current assets		**544,833**	**538,921**
Inventories	8	215,273	213,192
Trade and other receivables	9	143,879	112,872
Contract assets	6	72,906	64,875
Contract costs		302	491
Income tax receivables		40	54
Derivatives	14	1,462	584
Cash and cash equivalents		75,098	81,035
Current assets		**508,959**	**473,103**
Total assets		**1,053,793**	**1,012,024**
EQUITY			
Share capital		117,892	117,892
Share premium		58,600	58,600
Reserves		34,615	30,427
Retained earnings		54,932	44,556
Equity attributable to owners of the Company		**266,038**	**251,475**
Non-controlling interests		309	287
Total equity		**266,347**	**251,762**
LIABILITIES			
Loans and borrowings	13	162,960	174,625
Lease liabilities	13	3,967	3,681
Employee benefits		6,358	6,406
Grants		16,044	16,487
Trade and other payables		-	217
Deferred tax liabilities		25,272	31,668
Contract liabilities		9,889	9,889
Non-current liabilities		**224,490**	**242,973**
Loans and borrowings	13	272,992	231,592
Lease liabilities	13	1,719	1,752
Trade and other payables		245,379	249,092
Contract liabilities		32,379	30,196
Current tax liabilities		10,181	2,081
Derivatives	14	304	2,576
Current liabilities		**562,955**	**517,289**
Total liabilities		**787,445**	**760,262**
Total equity and liabilities		**1,053,793**	**1,012,024**

The notes on pages 18 to 33 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	**2021**	**2020**
Revenue	6	486,060	417,365
Cost of sales		(441,774)	(370,411)
Gross profit		**44,287**	**46,954**
Other income		2,050	2,482
Selling and distribution expenses		(5,347)	(5,761)
Administrative expenses		(13,029)	(14,298)
Impairment loss on receivables, including contract assets		(100)	(202)
Other expenses		(1,810)	(1,036)
Operating profit		**26,050**	**28,139**
Finance income		167	88
Finance costs		(14,203)	(16,705)
Net finance costs		**(14,036)**	**(16,617)**
Share of profit of equity-accounted investees, net of tax	12	146	342
Profit before tax		**12,161**	**11,864**
Income tax expense	7	(582)	(3,787)
Profit for the period		**11,579**	**8,076**
Profit/(Loss) attributable to:			
Owners of the Company		11,557	8,076
Non-controlling interests		21	-
		11,579	**8,076**
Earnings per share (in EUR per share)			
Basic and diluted		0.06089	0.04247

The notes on pages 18 to 33 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

		For the six months ended 30 June	
Amounts in EUR thousand	**Note**	**2021**	**2020**
Profit for the period		11,579	8,076
Items that will never be reclassified to profit or loss			
Changes in the fair value of equity instruments at fair value through other comprehensive income	14	(161)	602
Share of other comprehensive income of associates accounted for using the equity method	12	(35)	(141)
Related tax		(39)	-
		(235)	**461**
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences		575	(1,705)
Cash flow hedges – effective portion of changes in fair value		1,320	(3,080)
Cash flow hedges – reclassified to profit or loss		2,128	1,235
Related tax		(781)	414
		3,242	**(3,136)**
Total comprehensive income after tax		**14,586**	**5,401**
Total comprehensive income attributable to:			
Owners of the Company		14,564	5,410
Non-controlling interests		22	(8)
		14,586	**5,401**

The notes on pages 18 to 33 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Statement of Changes in Equity

Amounts in EUR thousand	Share capital	Share premium	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling Interest	Total equity
Balance as at 1 January 2021	**117,892**	**58,600**	**(21,876)**	**52,303**	**44,556**	**251,475**	**287**	**251,762**
Total comprehensive income								
Profit for the period	-	-	-	-	11,557	**11,557**	21	**11,579**
Other comprehensive income	-	-	579	2,502	(74)	**3,007**	1	**3,007**
Total comprehensive income	**-**	**-**	**579**	**2,502**	**11,483**	**14,564**	**22**	**14,586**
Transactions with owners of the company								
Contributions and distributions								
Transfer of reserves	-	-	-	1,107	(1,107)	-	-	-
Total contributions and distributions	**-**	**-**	**-**	**1,107**	**(1,107)**	**-**	**-**	**-**
Balance as at 30 June 2021	**117,892**	**58,600**	**(21,297)**	**55,912**	**54,932**	**266,038**	**309**	**266,347**

Amounts in EUR thousand	Share capital	Share premium	Translation reserve	Other reserves	Retained earnings	Total	Non-controlling Interest	Total equity
Balance as at 1 January 2020	**117,892**	**58,600**	**(17,552)**	**52,251**	**20,377**	**231,568**	**295**	**231,862**
Total comprehensive income								
Profit for the period	-	-	-	-	8,076	**8,076**	-	**8,076**
Other comprehensive income	-	-	(1,701)	(825)	(141)	**(2,667)**	(8)	**(2,675)**
Total comprehensive income	**-**	**-**	**(1,701)**	**(825)**	**7,935**	**5,410**	**(8)**	**5,401**
Transactions with owners of the company								
Contributions and distributions								
Transfer of reserves	-	-	-	93	(93)	**-**	-	**-**
Total contributions and distributions	**-**	**-**	**-**	**93**	**(93)**	**-**	**-**	**-**
Balance as at 30 June 2020	**117,892**	**58,600**	**(19,253)**	**51,519**	**28,219**	**236,977**	**286**	**237,264**

The notes on pages 18 to 33 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 2021	2020
Cash flows from operating activities			
Profit of the period		11,579	8,076
Adjustments for:			
- Income tax		582	3,787
- Depreciation	5	11,030	10,311
- Amortization	5	2,060	1,755
- Amortization of grants		(485)	(386)
- Net finance costs		14,036	16,617
- Share of profit of equity-accounted investees, net of tax	12	(146)	(342)
- Change in fair value of derivatives		289	(1,377)
- Impairment / (Reversal of impairment) of inventories		577	165
- Impairment loss on receivables, including contract assets		100	202
		39,621	38,809
Changes in:			
- Inventories		(2,658)	10,497
- Trade and other receivables		(31,777)	(34,456)
- Trade and other payables		40	(34,699)
- Contract assets		(8,032)	25,609
- Contract liabilities		2,184	7,594
- Contract costs		189	(18)
- Employee benefits		(48)	163
Cash generated from operating activities		(481)	13,499
Interest charges & related expenses paid		(13,159)	(14,616)
Income tax paid		-	(267)
Net Cash from / (used in) operating activities		**(13,640)**	**(1,384)**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(19,858)	(28,430)
Acquisition of intangible assets		(1,249)	(1,334)
Proceeds from disposal of property, plant & equipment		747	-
Acquisition of associate	12	-	(3,285)
Dividends received		-	60
Interest received		10	17
Acquisition of financial assets		-	(13)
Net Cash flows used in investing activities		**(20,350)**	**(32,984)**
Cash flows from financing activities			
Proceeds from borrowings	14	48,243	24,052
Repayment of borrowings	14	(19,597)	(53,261)
Principal elements of lease payments		(749)	(929)
Proceeds from grants		42	72
Net cash flows from / (used in) financing activities		**27,939**	**(30,066)**
Net (decrease)/ increase in cash and cash equivalents		**(6,050)**	**(64,433)**
Cash and cash equivalents at 1 January		81,035	90,408
Effect of movement in exchange rates on cash held		113	65
Cash and cash equivalents at 30 June		**75,098**	**26,040**

The notes on pages 18 to 33 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 12 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. (79.78% 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 22 September 2021.

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 2020. 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 2020.

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 2020.

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 2020.

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 2021.

A. Standards and Interpretations effective for the current financial year

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1 January 2021 and have been applied in preparing these consolidated financial statements. None of these had a significant effect on the consolidated financial statements of the Group.

IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions'
The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications.

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) 'Interest rate benchmark reform – Phase 2'
The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for the change in its hedging relationships and the information it should disclose.

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 2021, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except if explicitely stated below. There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

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

IAS 16 (Amendment) 'Property, Plant and Equipment – Proceeds before Intended Use' (effective for annual periods beginning on or after 1 January 2022)
The amendment prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity's ordinary activities.

IAS 37 (Amendment) 'Onerous Contracts – Cost of Fulfilling a Contract' (effective for annual periods beginning on or after 1 January 2022)

The amendment clarifies that 'costs to fulfil a contract' comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract.

IFRS 3 (Amendment) 'Reference to the Conceptual Framework' (effective for annual periods beginning on or after 1 January 2022)
The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.

IAS 1 (Amendment) 'Classification of liabilities as current or non-current' (effective for annual periods beginning on or after 1 January 2023)
The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The amendment has not yet been endorsed by the EU.

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

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

IAS 12 (Amendments) 'Deferred tax related to Assets and Liabilities arising from a Single Transaction' (effective for annual periods beginning on or after 1 January 2023)
The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning obligations. The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRS Standards 2018–2020 (effective for annual periods beginning on or after 1 January 2022)

- *IFRS 9 'Financial instruments'*
  The amendment addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.

- *IFRS 16 'Leases'*
  The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

- *IAS 41 'Agriculture'*

The amendment has removed the requirement for entities to exclude cash flows for taxation when measuring fair value under IAS 41.

International Financial Reporting Interpretations Committee (IFRIC) Agenda Decision

IAS 19 "Employee Benefits" - Attributing Benefit to Periods of Service
An agenda decision was published in May 2021 by the IFRIC in relation to IAS 19 "employee benefits" and more specifically to how the applicable principles and requirements in IFRS Standards apply to attributing benefit to periods of service. The impact on the Cenergy Holdings Group's consolidated financial statements from the adoption of this decision cannot be reliably evaluated at this point in time.

4. Financial risk management

There were no changes in Cenergy Holdings' subsidiaries financial risk management objectives and policies during 2021.

Cenergy Holdings' companies follow closely and continuously both international and domestic developments and timely adapt their business strategy and risk management policies in order to minimize the operational impact of macroeconomic conditions.

Impact of COVID-19 Outbreak

In early 2020, there was a global outbreak of the COVID-19 pandemic which impacted the global supply chain. During 2021, governments around the globe, including the countries where the subsidiaries of Cenergy Holdings are operating, initiated vaccination programs, while containment measures are imposed when necessary. At the same time, a number of fiscal policy actions intended to mitigate potential negative economic impacts emerge.

Management continues to closely monitor the situation, observing national and local authority guidelines and ensuring an undisrupted supply chain, while the action plan to prevent the spread of the virus started in 2020 remain in place. The measures introduced were successfully implemented at all sites, and until now all production plants of both segments in Greece, Romania and Bulgaria are in undisrupted operation. Production continuity was maintained, while health & safety measures were enforced. Raw material supply was safeguarded and the Group faced no shortage whatsoever in all critical inputs. In addition, relative business continuity strategies and risk management policies are proactively executed in order to mitigate any potential adverse impact of the health crisis on the operations and financial position of the subsidiaries.

Overall, for the first half of 2021, the COVID-19 pandemic has had a limited impact on the financial performance of the Group. The expenses related to COVID-19 measures applied during the first six months of 2021 amounted to EUR 436 thousand (H1 2020: EUR 596 thousand). Such expenses concerned mainly medical equipment, employee benefits, nursery staff and other related expenses and are included in the line 'Other expenses' on the Consolidated Statement of Profit or Loss.

Regarding loan covenants, Cenergy Holdings subsidiaries will make every effort to obtain a waiver from their banking partners at the next measurement date (December 31st, 2021) in view of the covenants which are expected to be breached, as has always been the case in the past whenever such a waiver was necessary. In the unlikely event that no waivers will be obtained, existing credit lines will cover any obligations that may arise from such breaches.

Finally, management has assessed that the main trends driving growth in both segments will outlast the expected impact from the COVID-19 pandemic. Based on this assumption, no indications for impairment of non-financial and financial assets have been identified in the first half of the year.

The future impact of Covid-19 pandemic remains challenging to foresee and will be closely linked to the pace of vaccinations across the world, potential next waves of the pandemic and the duration of restrictions imposed across the globe. The extent to which the health crisis may affect Cenergy Holdings Group's operations in the foreseeable fututre will largely depend on future developments and policy responses to the pandemic and cannot be predicted.

5. Operating segments

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 2021 and 2020.

30 June 2021	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Segment revenue	649,223	118,684	-	767,907
Inter-segment revenue	(270,626)	(11,220)	-	(281,847)
External revenues	**378,596**	**107,464**	**-**	**486,060**
Gross profit	37,996	6,291	-	44,287
Operating profit / (loss)	25,941	1,013	(903)	26,050
Finance income	159	8	-	167
Finance costs	(10,079)	(4,121)	(2)	(14,203)
Share of profit of equity-accounted investees, net of tax	-	(515)	662	146
Profit / (Loss) before tax	**16,020**	**(3,616)**	**(244)**	**12,161**
Income tax expense	(1,659)	1,077	-	(582)
Profit/(Loss) for the period	**14,362**	**(2,539)**	**(244)**	**11,579**

30 June 2020	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Segment revenue	417,123	166,859	-	583,981
Inter-segment revenue	(137,240)	(29,376)	-	(166,616)
External revenues	**279,883**	**137,482**	**-**	**417,365**
Gross profit	36,961	9,993	-	46,954
Operating profit / (loss)	25,601	3,312	(773)	28,139
Finance income	3	85	-	88
Finance costs	(11,086)	(5,618)	(2)	(16,705)
Share of profit of equity-accounted investees, net of tax	-	151	192	342
Profit / (Loss) before tax	**14,518**	**(2,071)**	**(583)**	**11,864**
Income tax expense	(3,466)	(322)		(3,787)
Profit/(Loss) for the period	**11,052**	**(2,392)**	**(583)**	**8,076**

Other information per segment as at and for the period ended 30 June 2021 and 30 June 2020 are as follows:

30 June 2021	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Depreciation and amortization	(8,608)	(4,478)	(3)	**(13,090)**
Capital expenditure	14,817	4,090	-	**18,907**

30 June 2020	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Depreciation and amortization	(7,731)	(4,334)	(1)	**(12,066)**
Capital expenditure	22,008	7,527	-	**29,535**

Information per segment about the reportable segments' assets and liabilities as at 30 June 2021 and 31 December 2020 are as follows:

30 June 2021	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Segment assets	709,902	315,407	28,484	**1,053,793**
Out of which:				
- *Non-current assets excl. deferred tax and financial instruments*	*312,107*	*201,998*	*21,114*	***535,219***
- *Equity-accounted investees*	-	*13,261*	*21,089*	***34,351***
Segment liabilities	615,009	172,058	378	**787,445**

31 December 2020	**Reportable segments**			
Amounts in EUR thousand	**Cables**	**Steel Pipes**	**Other activities**	**Total**
Segment assets	644,481	339,189	28,354	**1,012,024**
Out of which:				
- *Non-current assets excl. deferred tax and financial instruments*	*306,157*	*202,532*	*20,797*	***529,485***
- *Equity-accounted investees*	-	*13,570*	*20,769*	***34,339***
Segment liabilities	566,244	193,500	518	**760,262**

6. Revenue

Cenergy Holdings' operations and main revenue streams are those described 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 5):

Primary geographical markets

Segment	**Cables**		**Steel Pipes**		**Total**	
Amounts in EUR thousand	**H1 2021**	**H1 2020**	**H1 2021**	**H1 2020**	**H1 2021**	**H1 2020**
Greece	151,440	139,552	9,936	10,478	161,376	150,030
Other European Union countries	166,846	119,974	77,160	90,600	244,006	210,574
Other European countries	5,817	2,244	6,870	4,738	12,687	6,981
America	7,294	-	13,498	31,086	20,791	31,086
Rest of the world	47,199	18,113	-	581	47,199	18,694
Total	**378,596**	**279,883**	**107,464**	**137,482**	**486,060**	**417,365**

Major products and service lines

Segment	**Cables**		**Steel Pipes**		**Total**	
Amounts in EUR thousand	**H1 2021**	**H1 2020**	**H1 2021**	**H1 2020**	**H1 2021**	**H1 2020**
Steel pipes projects	-	-	69,740	121,553	69,740	121,553
Hollow structural sections	-	-	24,105	7,263	24,105	7,263
Cables projects	122,238	109,875	-	-	122,238	109,875
Power & telecom cables	204,678	145,058	-	-	204,678	145,058
Other (raw materials, scrap, merchandize etc.)	51,680	24,949	13,619	8,666	65,299	33,616
Total	**378,596**	**279,883**	**107,464**	**137,482**	**486,060**	**417,365**

Timing of revenue recognition

Segment	**Cables**		**Steel Pipes**		**Total**	
Amounts in EUR thousand	**H1 2021**	**H1 2020**	**H1 2021**	**H1 2020**	**H1 2021**	**H1 2020**
Products transferred at a point in time	256,358	170,007	37,724	15,930	294,083	185,937
Products / Services transferred over time	122,238	109,875	69,740	121,553	191,978	231,428
Total	**378,596**	**279,883**	**107,464**	**137,482**	**486,060**	**417,365**

Consolidated revenue for 30 June 2021 stands at EUR 486 million, a 16.5% y-o-y increase reflecting strong execution of cables projects from the order backlog, as well as strong demand for cables products, along with favourable LME metal prices. On the other hand, demand in steel pipes segment faced challenges, as fossil fuel transportation projects have not yet rebounded from the recent crisis.

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 8.0 million compared to 31 December 2020 due to higher amounts of unbilled receivables, as for turnkey cables projects, customized steel pipes and 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.

Contract liabilities increased by EUR 2.2 million compared to 31 December 2020, as prepayments for upcoming projects were received during H1 2021.

7. Income tax

	For the six months ended 30 June	
Amounts in EUR thousand	**2021**	**2020**
Current tax expense	(8,110)	(4,342)
Deferred tax (expense) / income	7,528	555
Total	**(582)**	**(3,787)**

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.

According to the Greek Law 4799/2021, which is in force since May 2021, the corporate income tax rate was reduced to 22% from year 2021 onwards, whereas the income tax prepayment was reduced from 100% to 70% for 2021 and to 80% from 2022 onwards. The corporate income tax rate of legal entities in Romania is set at 16%.

The effective tax rate of the Group for the first half of 2021 was mainly influenced by the decrease in the following years of the income tax rate in Greece and the recalculation of deferred tax, which resulted in a deferred tax credit of EUR 2.5 million.

Reconciliation of effective tax rate

	For the six months ended 30 June	
Amounts in EUR thousand	**2021**	**2020**
Profit before income tax	**12,161**	**11,864**
Tax using the domestic tax rate in Greece (2021: 22%, 2020: 24%)	(2,675)	(2,847)
Non-deductible expenses for tax purposes	(465)	(894)
Tax-exempt income	56	147
Recognition of previously unrecognised tax losses, tax credit or temporary differences of a prior period	230	330
Effect of tax rates in foreign jurisdictions	132	7
Current-year losses for which no deferred tax asset is recognised	(217)	(191)
Change in tax rate	2,474	-
Other taxes	-	(49)
Incremental R&D tax incentives	220	-
Derecognition of previously recognised deferred tax assets	(337)	(51)
Adjustment for prior year income tax	-	(239)
Income tax expense reported in the statement of profit or loss	**(582)**	**(3,787)**
Effective tax rate	***4.8%***	***31.9%***

8. Inventories

During the six months ended 30 June 2021, the Group recorded an impairment of inventories of EUR 577 thousand. This impairment is included in 'cost of sales' in the consolidated statement of profit or loss.

9. Trade and other receivables

The increase noted in Trade and other receivables by EUR 31 million is attributed mainly to invoicing of milestones for ongoing projects during the current period and the increase in raw materials prices which has also affected the consolidated turnover.

Regarding Corinth Pipeworks case against a former customer in the Middle-East, there were no developments during the first semester of 2021. As described in 2020 Annual Report, management has booked an impairment for the entire amount due (USD 24.8 million or EUR 20.9 million at 30 June 2021). However, the subsidiary will continue any and all actions required to collect the full amount of that receivable.

10. Property, plant and equipment

During the six months ended 30 June 2021, the Group acquired assets of EUR 17,658 thousand (six months ended 30 June 2020: EUR 27,549 thousand).

Capital expenditure for Property, plant and equipment of cables segment in H1 2021 amounted to

EUR 14.2 million (H1 2020: EUR 21.3 million). These amounts mainly concerned the following the expansion of inter-array cables capacity in Fulgor's plant in Corinth, which is now almost completed.

Capital expenditure in the steel pipes segment amounted to EUR 3.5 million in H1 2021 (H1 2020: EUR 6.3 million) related mainly to existing production lines upgrade and to selected operational improvements in Thisvi CPW plant.

Depreciation of property, plant and equipment for the six month period amounted to EUR 10,287 thousand (six months ended 30 June 2020: EUR 9,556 thousand).

11. Intangible assets

During the six months ended 30 June 2021, the Group acquired assets with a cost of EUR 1,045 thousand (six months ended 30 June 2020: EUR 1,333 thousand).

12. Equity - accounted investees

The movement in equity-accounted investees during the period is as follows:

Amounts in EUR thousand	**H1 2021**	**FY 2020**
Balance at 1 January	34,339	34,583
Share in profit after taxes	146	838
Share in other comprehensive income	(35)	(161)
Additions	-	3,285
Dividends received	(663)	(915)
Foreign exchange differences	563	(3,292)
Balance at the end of the period	**34,351**	**34,339**

13. Loans and borrowings & Lease liabilities

Amounts in EUR thousand	**30 June 2021**	**31 December 2020**
Non-current liabilities		
Secured bank loans	5,415	6,833
Unsecured bank loans	8,122	11,084
Secured bond issues	72,551	81,835
Unsecured bond issues	76,873	74,874
Loans and borrowings – Long term	**162,960**	**174,625**
Lease Liabilities – Long term	**3,967**	**3,681**
Total Long-term debt	**166,927**	**178,306**
Current liabilities		
Secured bank loans	5,880	6,909
Factoring with recourse	10,473	2,245
Unsecured bank loans	213,254	180,692
Current portion of secured bond issues	16,764	13,798
Current portion of unsecured bond issues	18,073	19,354
Current portion of secured bank loans	2,537	2,543

Amounts in EUR thousand	30 June 2021	31 December 2020
Current portion of unsecured bank loans	6,012	6,050
Loans and borrowings – Short-term	**272,992**	**231,592**
Lease Liabilities – Short-term	**1,719**	**1,752**
Total Short-term debt	**274,711**	**233,344**
Total Debt	**441,639**	**411,650**

The maturities of long-term debt are as follows:

Amounts in EUR thousand	30 June 2021	31 December 2020
Between 1 and 2 years	41,388	42,338
Between 2 and 5 years	101,696	111,759
Over 5 years	23,843	24,209
Total	**166,927**	**178,306**

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

	30 June 2021		31 December 2020	
	Carrying amount	Interest rate	Carrying amount	Interest rate
Bank lending (non-current) - EUR	13,294	2.6%	17,681	2.6%
Bank lending (non-current) - USD	243	1.0%	37	1.0%
Bank lending (current) - EUR	231,894	3.4%	195,441	3.5%
Bank lending (current) - GBP	-	-	1,437	3.0%
Bank lending (current) - USD	4,651	2.8%	198	1.0%
Bank lending (current) - RON	1,610	3.3%	1,562	4.0%
Bond issues - EUR	184,260	4.1%	189,860	4.3%

During H1 2021, Cenergy Holdings' subsidiaries received new debt in Euro, which amounted to EUR 41.2 million and repaid debt of EUR 19.6 million with maturity date during H1 2021. The new loans assumed concerned:

- project finance facilitites;
- a new 5-year bond loan of EUR 7 million received by Corinth Pipeworks from a Greek bank and
- withdrawals from existing revolving credit lines and recourse factoring to finance the increased working capital needs of the Group.

Current bank loans and borrowings had an average interest rate of 3.4% at the reporting date.

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

The table below summarizes loans and borrowings & lease liabilities movement for the period per type of debt:

	For the six months ended 30 June	
Amounts in EUR thousand	**2021**	**2020**
Balance at 1 January	**411,650**	**504,314**
New issues		
Bond issues	7,000	-
Bank loans assumed	31,746	2,831
Recourse Factoring	9,497	21,221
	48,243	**24,052**
Repayments		
Bond issues	(12,695)	(12,766)
Bank loans	(5,484)	(40,495)
Recourse Factoring	(1,418)	-
	(19,597)	**(53,261)**
Principal elements of lease payments	*(749)*	*(929)*
New leases	*1,045*	*1,628*
Other movements	*1,046*	*387*
Balance at 30 June	**441,639**	**476,191**

Mortgages and pledges in favour of banks have been registered on property, plant and equipment and inventories of subsidiaries. The carrying amount of assets mortgaged or pledged as of 30 June 2021 was EUR 159.7 million.

There was no incident during H1 2021 of breach of the terms of the loans of Cenergy Holdings' companies.

14. 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 2021

Amounts in EUR thousand	**Carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
FVOCI – equity instruments (Non-Current assets)	5,496	-	-	5,496	5,496
Derivative financial assets (Non-Current assets)	900	-	-	900	900
Derivative financial assets (Current assets)	1,462	1,214	248	-	1,462
	7,858	**1,214**	**248**	**6,396**	**7,858**
Derivative financial liabilities (Current liabilities)	(304)	-	(304)	-	(304)
	7,554	**1,214**	**(56)**	**6,396**	**7,554**

31 December 2020

Amounts in EUR thousand	**Carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
FVOCI – equity instruments (Non-Current assets)	5,657	-	-	5,657	5,657
Derivative financial assets (Non-Current assets)	871	-	-	871	871
Derivative financial assets (Current assets)	584	-	584	-	584
	7,112	**-**	**584**	**6,528**	**7,112**
Derivative financial liabilities (Current liabilities)	(2,576)	(2,433)	(143)	-	(2,576)
	4,536	**(2,433)**	**441**	**6,528**	**4,536**

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

Specifically, the carrying amount of loans and borrowings is considered as a good approximation of their fair value as 91% of consolidated loans and borrowings concern floating-rate debt, which are a very good approximation of current market rates.

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

Amounts in EUR thousand	H1 2021		FY 2020	
	Derivatives	Equity instruments	Derivatives	Equity instruments
Balance at 1 January	**871**	**5,657**	**-**	**5,015**
Additions	-	-	871	26
Change in fair value	-	(161)	-	640
Disposals	-	-	-	(24)
Effect of movement in exchange rates	28	-	-	-
Balance at the end of the period	**900**	**5,496**	**871**	**5,657**

Derivatives

The following table sets out the carrying amount of derivatives per type:

Amounts in EUR thousand	30 June 2021	31 December 2020
Non-Current assets		
Options	900	871
Total	**900**	**871**
Current assets		
Forward foreign exchange contracts	248	584
Future contracts	1,214	-
Total	**1,462**	**584**
Current liabilities		
Forward foreign exchange contracts	304	143
Future contracts	-	2,433
Total	**304**	**2,576**

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 2020.

(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 2021 and 2020.

15. 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	**2021**	**2020**
Sales of goods		
Equity-accounted investees	75,263	61,360
Other related parties	39,204	19,310
	114,467	**80,670**
Sales of services		
Equity-accounted investees	374	205
Other related parties	734	681
	1,108	**886**
Purchases of goods		
Other related parties	7,015	5,330
	7,015	**5,330**
Purchases of services		
Viohalco	41	41
Equity-accounted investees	4,098	4,309
Other related parties	4,791	4,547
	8,930	**8,896**
Purchase of property, plant and equipment		
Equity-accounted investees	-	86
Other related parties	2,877	1,448
	2,877	**1,534**

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

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

Amounts in EUR thousand	**30 June 2021**	**31 December 2020**
Current receivables from related parties		
Equity-accounted investees	20,388	14,457
Other related parties	28,744	14,485
	49,132	**28,942**
Non-current receivables from related parties		
Other related parties	208	208
	208	**208**
Current liabilities to related parties		
Viohalco	123	82
Equity-accounted investees	952	1,214
Other related parties	7,018	7,730
	8,093	**9,026**

The outstanding balances from related parties are not secured and the settlement of those current balances is expected to be performed during the next 12 months, since the balances concern only short-term receivables & payables, except for the amounts presented as non-current, which concern guarantees given to related parties for property rentals and energy.

B. Key management personnel compensation

The remuneration paid during the six months ended 30 June 2021 to the Board members and the executive management for the execution of their mandate amounted to EUR 480 thousand (H1 2020: EUR 438 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.

16. Subsequent events

There are no subsequent events affecting these Condensed Consolidated Interim Financial Statements.

To the Board of Directors
Cenergy Holdings S.A.

STATUTORY AUDITOR'S REPORT ON REVIEW OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2021

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements, consisting of the condensed consolidated statement of financial position of Cenergy Holdings S.A. and its subsidiaries (jointly "the Group") as of 30 June 2021, and the related condensed consolidated statement of profit or loss, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, as well as the explanatory notes. The board of directors is responsible for the preparation and presentation of this condensed consolidated interim financial statements in accordance with IAS 34, as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with 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 accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, as adopted by the European Union.

Sint-Stevens-Woluwe, 22 September 2021

The statutory auditor
PwC Réviseurs d'Entreprises SRL / Bedrijfsrevisoren BV
Represented by

Marc Daelman
Registered auditor

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 section, we believe that investors will have better understanding of our business, our results of operations and our financial position. However, these APMs shall not be considered as an alternative to the IFRS measures.

These APMs are also key performance metrics on which Cenergy Holdings prepares, monitors and assesses its annual budgets and long-range (5 year) plans. However, it must be noted that adjusted items should not be considered as non-operating or non-recurring.

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

The definitions of APMs are as follows:

EBIT is defined as result of the period (earnings after tax) before:

- income taxes,
- net finance costs

EBITDA is defined as result of the period (earnings after tax) before:

- income taxes,
- net finance costs
- depreciation and amortisation

a-EBIT and **a-EBITDA** are defined as EBIT and EBITDA, respectively, adjusted to exclude:

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

Net Debt is defined as the total of:

- Long term loans & borrowings and lease liabilities,
- Short term loans & borrowings and lease liabilities,

Less:

- Cash and cash equivalents

APM definitions have not been modified compared to those applied as at 31 December 2020.

Reconciliation tables:

EBIT and EBITDA:

Amounts in EUR thousand	Cables H1 2021	Cables H1 2020	Steel Pipes H1 2021	Steel Pipes H1 2020	Other activities H1 2021	Other activities H1 2020	Total H1 2021	Total H1 2020
Profit/(Loss) before tax (as reported in Statement of Profit or Loss)	**16,020**	**14,518**	**(3,616)**	**(2,071)**	**(244)**	**(583)**	**12,161**	**11,864**
Adjustments for:								
Net finance costs	9,920	11,083	4,113	5,533	2	2	14,036	16,617
EBIT	**25,941**	**25,601**	**498**	**3,462**	**(242)**	**(582)**	**26,196**	**28,481**
Add back:								
Depreciation & Amortization	8,163	7,346	4,438	4,334	3	1	12,605	11,680
EBITDA	**34,104**	**32,946**	**4,936**	**7,796**	**(238)**	**(581)**	**38,801**	**40,161**

a-EBIT and a-EBITDA:

Amounts in EUR thousand	Cables H1 2021	Cables H1 2020	Steel pipes H1 2021	Steel pipes H1 2020	Other activities H1 2021	Other activities H1 2020	Total H1 2021	Total H1 2020
EBIT	**25,941**	**25,601**	**498**	**3,462**	**(242)**	**(582)**	**26,196**	**28,481**
Adjustments for:								
Metal price lag (1)	7,587	2,257	-	-	-	-	7,587	2,257
Reorganization costs	-	-	816	-	-	-	816	-
Incremental coronavirus costs (2)	297	471	139	125	-	-	436	596
Adjusted EBIT	**33,825**	**28,328**	**1,453**	**3,587**	**(242)**	**(582)**	**35,036**	**31,334**
Add back:								
Depreciation & Amortisation	8,163	7,346	4,438	4,334	3	1	12,605	11,680
Adjusted EBITDA	**41,989**	**35,673**	**5,891**	**7,921**	**(238)**	**(581)**	**47,641**	**43,013**

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

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

Net debt:

Amounts in EUR thousand	Cables 30 Jun 2021	Cables 31 Dec 2020	Steel pipes 30 Jun 2021	Steel pipes 31 Dec 2020	Other activities 30 Jun 2021	Other activities 31 Dec 2020	Total 30 Jun 2021	Total 31 Dec 2020
Loans and borrowings (incl. Lease liabilities) - Long term	122,085	133,295	44,824	44,989	19	21	166,927	178,306
Loans and borrowings (incl. Lease liabilities) - Short term	200,297	168,428	74,408	64,911	6	6	274,711	233,344
Cash and cash equivalents	(52,765)	(59,694)	(21,994)	(20,689)	(339)	(652)	(75,098)	(81,035)
Net debt	**269,617**	**242,029**	**97,238**	**89,211**	**(314)**	**(625)**	**366,541**	**330,615**

Restatement of previously reported APMs:

a-EBIT:

Amounts in EUR thousand	Cables	Steel pipes	Other activities	Total
Published a-EBIT for H1 2020	**27,857**	**3,462**	**(582)**	**30,738**
Excluding incremental coronavirus costs	471	125	-	596
Restated a-EBIT for H1 2020	**28,328**	**3,587**	**(582)**	**31,334**

a-EBITDA:

Amounts in EUR thousand	Cables	Steel pipes	Other activities	Total
Published a-EBITDA for H1 2020	**35,202**	**7,796**	**(581)**	**42,418**
Excluding incremental coronavirus costs	471	125	-	596
Restated a-EBITDA for H1 2020	**35,673**	**7,921**	**(581)**	**43,013**