

INTERIM REPORT

For the six-month period ended 30 June 2023



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This section focuses on Viohalco’s business performance for the period ended 30 June 2023. Interim financial statements, prepared in accordance with IAS 34, are presented on pages 20 to 40.

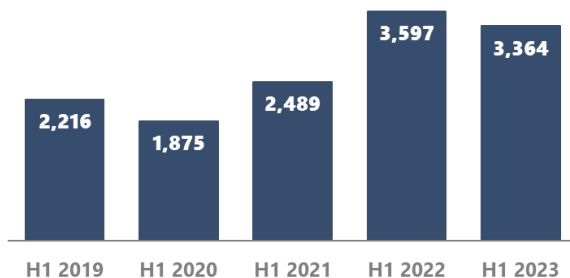
Financial performance remains strong amid market headwinds



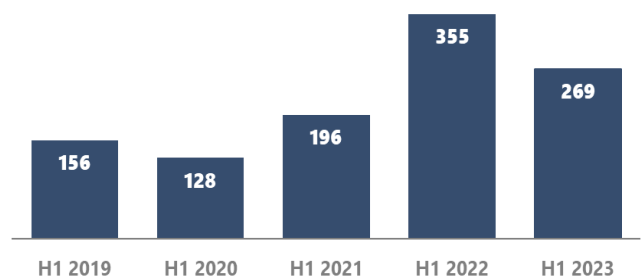
Financial highlights

- **Consolidated revenue** at EUR 3.4 billion down by 6.5% (H1 2022: EUR 3.6 billion), mainly due to softening demand in the aluminium and steel segments and lower metal prices, counterbalanced by the strong performance of the cables and steel pipes segments.
- **Consolidated adjusted EBITDA** at EUR 269 million versus EUR 355 million in H1 2022. Revenue reduction and inflationary pressures were the main causes for this decline; **Consolidated EBITDA** decreased to EUR 225 million (H1 2022: EUR 412 million).
- **Consolidated profit before income tax** amounted to EUR 61 million versus EUR 293 million in H1 2022, further impacted by the increased interest rates.

Consolidated revenue in EUR million



a-EBITDA in EUR million



Operational highlights

- Sustainability megatrends remain strong. The energy transition and the switch towards a low carbon economy significantly enhanced the demand for products with direct applications to the expanding deployment of RES and EV manufacturing.
- Major contract wins and successful delivery of existing projects, with substantial order backlog in the cables and steel pipes segments.
- Resilience against softening demand for aluminium and steel products, with the ability to keep gaining market share against a challenging macroeconomic backdrop.
- Improved adjusted operational profitability for the copper segment, mainly due to the improvements in productivity and the competitive positioning of Sofia Med.
- Growth of the real estate portfolio, through active asset management and redevelopment of existing assets, with a continued focus on sustainability.
- Investment in process efficiency, capacity expansion, high product quality and value-added products, along with new technologies reinforced competitive positioning and supported expansion into new markets.



Overview

Viohalco's financial performance remained strong during H1 2023, driven by the strong production infrastructure, a diversified product portfolio and an extensive backlog of existing and newly awarded projects. The above supported performance despite the softened demand for the aluminium and steel products, the increased energy prices and inflationary pressures.

H1 2023 results have been driven largely by the increased demand in the cables and steel pipes segments, due to the progression of the existing energy-related projects and the securing of new ones. The aluminium and steel segments have shown continued resilience to the softened demand and adverse macro-economic conditions, being able to further gain market share in the period. The copper segment showed improved adjusted operational profitability, mainly attributable to the improvements in productivity and competitive positioning of the subsidiary Sofia Med. Finally, the real estate division has also recorded a positive performance, with Noval Property remaining on track with its Initial Public Offering (IPO) plan on the Athens Stock Exchange.

Despite the macroeconomic uncertainty, Viohalco companies continued to invest in their operations to realise continued performance improvements and maintained their focus on the health, safety, and well-being of their employees, as well as on delivering against their broader social and environmental goals.

Viohalco’s financial reporting splits into two divisions, based on their distinct business characteristics and performance metrics:



The **industrial division**, including aluminium, copper, cables, steel pipes, steel, R&D&I and technology segments, and the **real estate division** comprising of Viohalco’s property investments and real estate related entities.

The industrial division

Key highlights



€ 3.3 bln.

Revenue
(H1 2022: € 3.6 bln.)

€ 260 mil.

a-EBITDA
(H1 2022: € 350 mil.)

€ 55 mil.

Profit before tax
(H1 2022: € 294 mil.)

€ 42 mil.

Net Profit

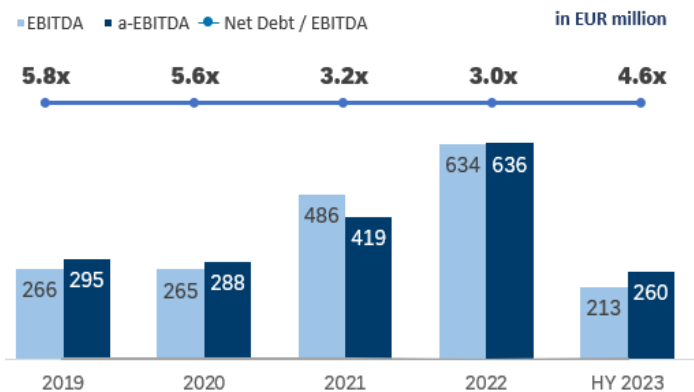
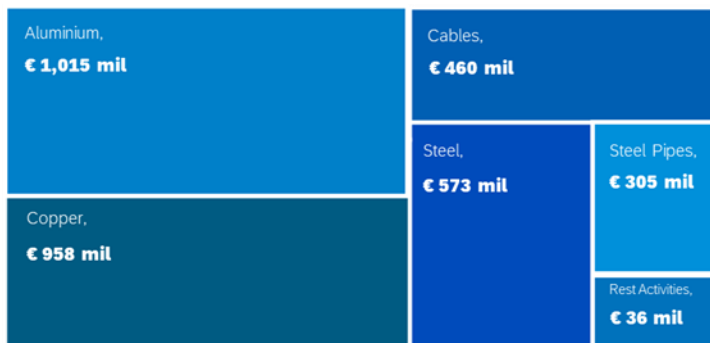
€ 122 mil.

CAPEX
H1 2023

4.6x

Net Debt /
EBITDA

Revenue per segment



Industrial division - Key financials

<i>Amounts in EUR thousands</i>	H1 2023	H1 2022
Revenue	3,346,830	3,583,241
Gross profit	286,181	459,654
EBITDA	213,226	407,035
a-EBITDA	259,949	350,326
EBIT	140,793	341,110
a-EBIT	187,516	284,401
Net finance cost	-86,087	-48,150
Profit before tax	55,382	294,316
Capex	122,220	138,301
<i>Amounts in EUR thousands</i>	30/06/2023	31/12/2022
Property, plant, and equipment (PP&E)	2,141,731	2,230,385
Net debt	1,901,259	1,922,988

The **revenue** of the industrial division amounted to EUR 3,347 million and the profit before tax to EUR 55 million showing a decrease of 81% compared to H1 2022, while the **operating profitability (a-EBITDA)** of the industrial division amounted to EUR 260 million.

Viohalco's industrial division is composed of the following segments: aluminium, copper, cables, steel pipes and steel.

- Amid a market of inflationary pressures and fragile demand, the **aluminium segment** demonstrated its resilience and solid positioning by adapting effectively to the adverse market situation, alongside a well-balanced commercial reach across global, high-end markets.
- The **copper segment** recorded strong adjusted operational profitability, mainly due to the performance of ElvalHalcor's subsidiary Sofia Med. The general macroeconomic environment impacted demand across most market segments, affecting mainly extruded copper alloy products and copper tubes. Despite the subdued demand, Sofia Med continued to successfully gain market share and increase production and sales, significantly supporting the profitability of the segment.
- In the **cables segment**, the efficient execution of high-profile submarine projects, combined with high-capacity utilization across all production lines, fostered growth and improved operational performance. Low voltage and medium voltage power cables saw particularly strong demand during H1 2023, contributing to increased profit margins. In combination with an enhanced product mix, as well as the timely and efficient execution of projects, this brought about significant improvement in operating profitability. The awarding of contracts for several new projects further advanced the segment's order backlog to a record EUR 1.85 billion.
- After two years of significant disruption in the oil and gas markets, the end of 2022 marked a turning point for the **steel pipes segment** and the momentum continued in 2023 since the start of the year. The increased profitability was the result of a high utilization rate of production capacity and of the award of new major projects. This, together with the initiatives taken in previous years, allowed Corinth Pipeworks to strengthen its competitive positioning and succeed in increasing market share within the global energy market, taking a leading position in the energy transition technologies, such as hydrogen and Carbon Capture & Storage (CCS) pipelines. The above resulted in an order backlog of EUR 0.63 billion.
- The **steel segment** maintained its dominant market position in Greece, the Balkans and Cyprus. This came despite the uncertainty arising due to recession in the European construction sector and unfavorable dynamics in the

mechanical engineering sector, both of which are expected to continue into H2 2023. Sales in low-carbon plates increased, mainly in northern European markets, while SBQs and merchant bars maintained sales volumes with reinforcement steel and wire rod demand negatively affected in the European and Balkan markets. The Greek construction market proved to be a positive exception, with demand from both residential and infrastructure projects continuing to grow, albeit at a more moderate rate than in 2022.

The real estate division



Key highlights

€ 17.4 mil.

Revenue
(H1 2022:
€ 13.8 mil.)

€ 8.8 mil.

a-EBITDA
(H1 2022:
€ 4.9 mil.)

469.000 sqm

GBA*

97%

Occupancy
rate**

€ 7.9 mil.

Capex

* Referring to the portfolio of real estate assets of Noval Property

** Referring to the income producing portfolio of Noval Property.

- Finally, in the **real estate division**, Noval Property recorded a strong set of results despite macro-economic and geopolitical challenges affecting the sector. This was achieved through continuous active management and the progression of its investment program, which saw the enhancement of both the fair value of its investment portfolio and the company's profit before tax. Of particular note was the increased footfall across Noval Property's retail assets, combined with increased revenue from these assets and higher rental adjustments in the rest of the portfolio. At the same time, progress in the company's captive pipeline development and construction continued on schedule, which will add more sustainable and environmentally certified assets to the portfolio.

It should be noted that Viohalco applies the historical cost model in investment property, while certain real estate division subsidiaries (such as Noval Property) follow the fair value model. Noval Property H1 2023 profit before taxes, based on the fair value model, amounted to EUR 24.4 million, while GAV as of 30.6.2023 (including long term leases) amounted to EUR 524.5 million and NAV stood at EUR 386.8 million.

Viohalco companies reaffirm their unwavering commitment to addressing environmental, social and governance (ESG) risks and opportunities which have been fully incorporated in business operations, in order to account for any potential impacts to society and the environment. The companies' comprehensive framework extends across all subsidiaries and is focused on continuous improvement in energy efficiency, enhancing health and safety measures in their industrial operations and furthering responsible sourcing practices.

For further information, please contact:

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A conference call to discuss these results will be held on Friday, September 22nd, 2023, at 12:00 GMT / 14:00 EET.

To participate in the teleconference, please dial in approximately 5 minutes before the start of the call and use one of the following telephone numbers:

- Greek participants: +30 213 009 6000 or +30 210 94 60 800
- UK participants: +44 (0) 800 368 1063
- UK & International: +44 (0) 203 059 5872
- USA participants: +1 516 447 5632



Financial overview

<i>Amounts in EUR thousands</i>	H1 2023	H1 2022
Revenue	3,364,227	3,596,996
Gross profit	294,399	463,120
EBITDA	224,879	411,966
a-EBITDA	268,748	355,257
EBIT	149,443	341,359
a-EBIT	193,311	284,650
Net finance cost	-89,295	-49,707
Profit before tax	60,513	292,695
Profit for the period	45,425	233,955
Profit attributable to owners	36,510	207,377

Consolidated revenue amounted at EUR 3.4 billion, down by 6.5% compared to H1 2022 (EUR 3.6 billion), primarily due to the weaker demand in the aluminium and steel segments and the downtrend in metal prices, partially offset by the strong performance of the cables segment, which continued its growth momentum, and the positive turnaround of the steel pipes segment.

The decrease in **Consolidated a-EBITDA** by 24% to EUR 269 million for H1 2023 (H1 2022: EUR 355 million), underlined the reduction in sales volumes in specific segments, as well as the intensifying inflationary pressures; consolidated EBITDA decreased by 45% to EUR 225 million.

Net finance cost increased to EUR 89 million (H1 2022: EUR 50 million), reflecting the increase in interest rates.

Consolidated profit before income tax for the period amounted to EUR 61 million, compared to EUR 293 million in H1 2022, mainly affected by the decline in metal prices, which rose in prior year period, and the increased interest cost.

Consolidated net profit after income tax and minority interests amounted to EUR 37 million, compared to EUR 207 million in H1 2022; while earnings per share amounted to EUR 0.141 (H1 2022: EUR 0.799).

<i>Amounts in EUR thousands</i>	30 June 2023	31 Decemeber 2022
Fixed and intangible assets	2,692,301	2,625,715
Other non-current assets	143,045	100,709
Non-current assets	2,835,346	2,726,424
Inventory	1,811,367	1,914,098
Trade and other receivables (incl. contract assets)	953,777	874,921
Cash and cash equivalents	445,945	412,644
Other current assets	40,739	102,109
Current assets	3,251,828	3,303,772
Total assets	6,087,174	6,030,196
Equity	1,947,510	1,955,895
Loans and borrowings	1,522,881	1,471,299
Other non-current liabilities	224,703	219,685
Non-current liabilities	1,747,585	1,690,985

<i>Amounts in EUR thousands</i>	30 June 2023	31 Decemeber 2022
Loans and borrowings	921,904	958,166
Trade and other payables (incl. contract liabilities)	1,393,206	1,304,828
Other current liabilities	76,969	120,322
Current liabilities	2,392,079	2,383,316
Total equity and liabilities	6,087,174	6,030,196

Capital expenditure for the period amounted to EUR 130 million (H1 2022: EUR 163 million), mainly attributable to the investment programme carried out in the aluminium segment, which included the advanced six-high cold rolling mill and the automated lacquering line, the implementation of the planned offshore cables capacity expansion in the submarine cables production plant of Hellenic Cables in Corinth, Greece, operational improvements in the copper plant of Sofia Med, Bulgaria, and the production capacity increase and equipment replacement in the steel segment plants.

Working capital decreased by 9% reaching EUR 1,346 million, compared to 31 December 2022 (EUR 1,477), mainly due to inflated metal prices during 2022.

Net debt decreased marginally to EUR 2,041 million (31 December 2022: EUR 2,057 million).

Segmental performance

<i>Amounts in EUR thousands</i>		Revenue		EBITDA		a-EBITDA		EBIT		EBT	
Segments	H1 2023	H1 2022	H1 2023	H1 2022	H1 2023	H1 2022	H1 2023	H1 2022	H1 2023	H1 2022	
Industrial Division	Aluminium	1,014,852	1,200,862	56,451	174,266	80,706	129,886	23,493	145,407	2,505	133,503
	Copper	957,581	978,110	53,513	54,123	59,019	46,837	44,351	45,882	32,096	37,400
	Cables	460,214	426,651	52,036	45,796	58,901	47,854	42,248	36,929	20,348	25,948
	Steel pipes	304,989	190,050	27,800	3,402	27,800	3,901	22,988	-1,045	10,248	-3,560
	Steel	573,051	743,854	25,665	124,623	35,886	117,153	11,722	111,158	-5,143	98,900
	Other activities	36,144	43,714	-2,239	4,825	-2,363	4,695	-4,008	2,779	-4,672	2,126
Total	3,346,830	3,583,241	213,226	407,035	259,949	350,326	140,793	341,110	55,382	294,316	
Real Estate Division *	17,397	13,755	11,653	4,931	8,799	4,931	8,650	249	5,130	-1,622	
Consolidated	3,364,227	3,596,996	224,879	411,966	268,748	355,257	149,443	341,359	60,513	292,695	

* In addition to Noval Property, the real estate segment of Viohalco includes other entities active in real estate operations. It should be noted that Viohalco applies the historical cost model in investment property, while certain real estate segment subsidiaries (such as Noval Property) follow the fair value model. In H1 2023, Noval Property's earnings before taxes amounted to EUR 24.4 million, based on the fair value model.

Performance review by division

The industrial division

Aluminium



In H1 2023, the **revenue** of the aluminium segment decreased by 15% to EUR 1,015 million vs. EUR 1,201 million in H1 2022, mainly driven by unfavourable macroeconomics, soft market demand and lower average aluminium prices. **Profit before income tax** amounted to EUR 3 million (H1 2022: EUR 134 million).

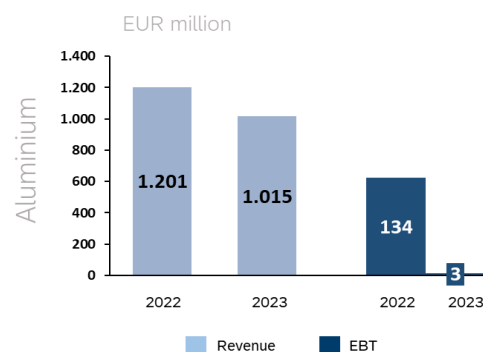
The aluminium sector of ElvalHalcor, maintained a competitive edge in the market by focusing on product mix optimisation with diversification across sectors. This was conducted in parallel to prudent adjustments in capacity allocation and operational efficiency enhancements.

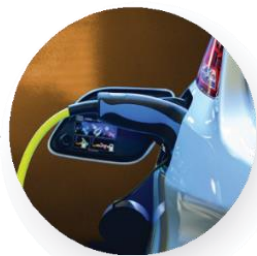
Spiking inflation and soft market conditions saw decreased consumer discretionary spending and an associated downward pressure on industrial activity creating business stagnation in the building and construction markets. Even resilient sectors, such as rigid and flexible packaging, have been trending unfavourably during the semester with no evident signs of a quick rebound, due to the slow normalization of customers' excess inventory.

Looking ahead to H2 2023, we expect the volatile business landscape and the negative macro sentiment to continue challenging business performance, posing further downside risks to the demand and price outlook. In the longer term, we anticipate flat rolled products FRP demand fundamentals to gradually regain balance, influenced by changing consumer considerations around lightweight, energy-efficient, and recyclable product solutions, driven by global sustainability megatrends in climate neutrality, clean energy and the circular economy. The aluminium segment will continue to reshape its portfolio into faster-expanding product categories, added-value applications and new geographies, establishing solid customer collaborations to futureproof its business growth.

During H1 2023, Bridgnorth Aluminium continued to meet demand for high-quality aluminium products amongst global customers. The company underwent a comprehensive restructuring program, following the loss of one of its major customers in the lithographic sector in 2022-2023. While the demand for products manufactured at Bridgnorth Aluminium was subdued in H1 2023, the company is further optimising quality and operational efficiency through a focused investment program. This will allow Bridgnorth Aluminium to meet current and future customer demand and remain prepared to capture new market opportunities, such as battery foil production for the global EV industry.

For Etem Gestamp, H1 2023 has seen the continuation of challenging market dynamics from the last quarter of 2022, with lower demand for industrial products and further declines in conversion prices being brought about by increased market competition. The combination of the above, coupled with high interest rates has impacted bottom line profitability. Looking into H2 2023, the primary challenges remain the elevated costs of financing and a weak industrial market. On the upside the shift in the company's sales to automotive products, which already account for more than 45% of the total output, is a positive development, with automotive showing particular resilience and signs of further growth.

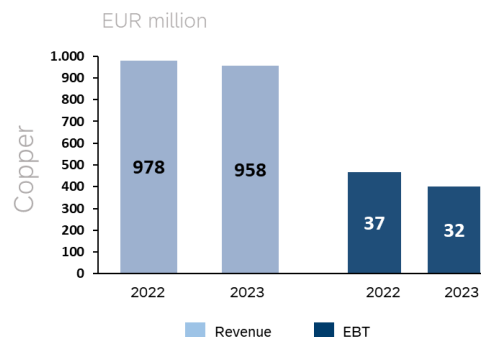




Copper

Copper segment **revenue** stood at EUR 958 million vs. EUR 978 million in H1 2022, negatively affected by the decline in metal prices and reduced volumes. **Profit before income tax** amounted to EUR 32 million (H1 2022: EUR 37 million).

The drop in demand, stemming from global macroeconomic dynamics beginning in H2 2022, continued throughout H1 2023, affecting most market segments and construction in particular. This had an impact primarily on sales volumes for extruded copper alloy products at ElvalHalcor, which dropped by 43.1%, and secondarily on copper tubes volumes, which dropped by 13.9%. Additionally, the volume of sales amongst the smaller subsidiaries, Cable Wires and Epirus Metalworks also declined.

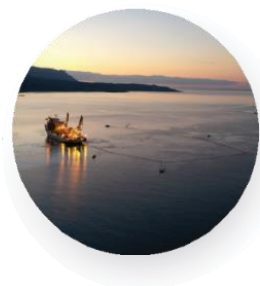


Nevertheless, the copper segment recorded a strong operational performance, mainly due to ElvalHalcor’s subsidiary Sofia Med which increased sales and profitability in both rolled copper and alloy products and copper bus bars, which grew by 6.4% and 5.3% respectively, taking advantage of firmer demand in key market segments, improvements in productivity and the company’s competitive positioning.

Overall sales volumes for the segment fell by 7.8%, but operational profitability was boosted by a higher value-added mix and sturdy prices in most segments. Profitability was further supported by healthy scrap discounts and availability, the reduction in natural gas costs, and optimisation of both processes and the customer portfolio.

Metal prices in the period were much lower than the previous year, with copper averaging EUR 8,050/tn vs. EUR 8,926/tn for H1 2022. This affected revenue and metal results that turned to losses of EUR 5.6 million in H1 2023 from profits of EUR 7.5 million in H1 2022.

Market conditions are not expected to change within the year and demand is expected to remain subdued. As cost reductions and production optimisation initiatives are continuing to show increasing benefits throughout most subsidiaries, the outlook for the segment remains solid.



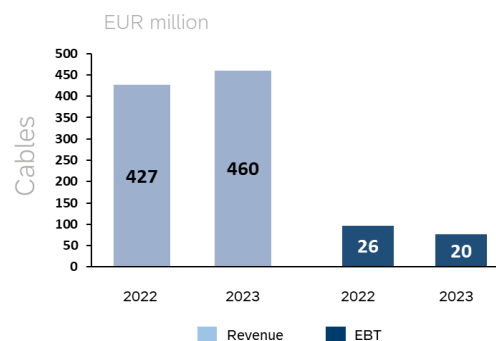
Cables

Revenue for the cables segment reached EUR 460 million (+8% y-o-y), with this growth being driven mainly by the projects business (+15% revenue growth y-o-y). **Profit before income tax** amounted to EUR 20 million (H1 2022: EUR 26 million).

The solid demand for cables products in all geographical regions (i.e. Central Europe, United Kingdom, Balkans, Southeast Mediterranean) helped the power and telecom business unit improve its profit margins per ton of products sold. This, along with a full production schedule, an improved sales mix and steady high margins in projects, led to a 23% y-o-y growth in a-EBITDA (+EUR 11 million). During H1 2023, the tendering activity of Hellenic Cables continued successfully with several new project awards in the offshore wind and interconnection markets. As a result, the order backlog of the segment reached EUR 1.85 billion by 30 June 2023, its highest level ever (EUR 1.35 billion on 31.12.2022). At the same time, several projects were successfully delivered either fully or partially throughout H1 2023. Profit margins for the products business unit increased, due to solid demand in all main markets and a good product mix, with these factors further contributing to the segment’s profitability. H1 2023 capital expenditure for the cables segment amounted to EUR 54.7 million and mainly concerned the planned expansion of offshore cables capacity at the Corinth, Greece plant.

The cables segment is confident in its continued growth momentum across both business units, with demand for products remaining strong and a growing projects backlog. The large set of secured project orders and high-capacity utilisation in all plants throughout 2023 persist as the two main profitability pillars for the segment. Electrification momentum in Europe and the increasing demand for grid connections are expected to further fuel the order book for land cables. Preparing for this, Hellenic Cables has already acquired an industrial area near its factory in Thiva, Greece for future expansion plans needed to serve this growing onshore demand. As for the offshore projects business unit, several awards were secured during the last months.

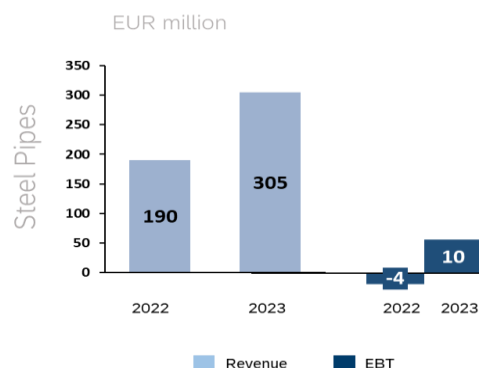
Hellenic Cables, through its two-year investment program in the Corinth, Greece plant, aims to strengthen further its role as a key enabler of the green energy transition. Such investments will allow the company to effectively execute a record high order backlog and serve the increasing expectations of customers and stakeholders. Lastly, and following previous announcements, discussions with Ørsted are continuing on a partnership for the construction of a submarine inter array cables factory in Maryland, USA.





Steel pipes

The end of 2022 signalled a positive turnaround in the performance of the steel pipes segment. This was confirmed in the first six months of this year, as **revenue** increased by 60% compared to the same period last year (EUR 305 million vs. EUR 190 million). This along with high-capacity utilisation and a higher-margin projects mix led to a notable improvement in profitability. **Profit before income tax** amounted to EUR 10 million compared to a loss of EUR 4 million in H1 2022.



Fossil fuel demand drove a steel pipes market turnaround from the second half of 2022, which continued strong within 2023, supported by high energy prices in combination with the increased significance of energy security in many European countries. Demand growth resulted in many pipeline projects being revived and hastily pushed into the execution phase. In this positive commercial environment, Corinth Pipeworks consolidated its position as a Tier1 pipe manufacturer and a leader in new gas transportation technologies, as well as high-pressure pipelines for hydrogen and carbon capture and storage. Within the year, it successfully executed several pipeline projects and was awarded significant new contracts by Chevron Mediterranean Ltd., Equinor, ONE-Dyas B.V. and other major clients. As a result of these awards, the backlog at the end of H1 2023 reached EUR 0.63 billion, with a new intake of over EUR 220 million.

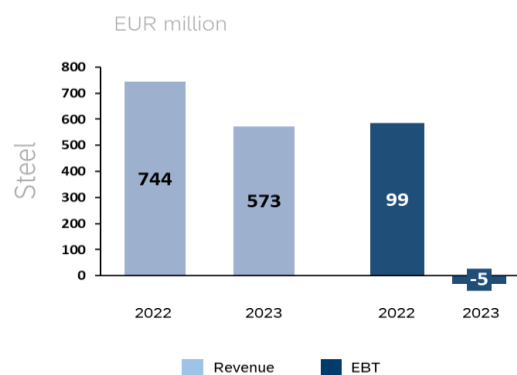
The steel pipes segment is building on its strengthened position based on high-capacity utilization throughout the rest of the year. Strong operations are expected to bring back down any seasonal peaks in working capital observed during the semester and normalize leverage to more sustainable levels. Looking ahead, Corinth Pipeworks expects the gas fuel industry to keep on evolving together with the other energy transition pillars. As market conditions improve, so does the order backlog, feeding into a positive outlook for 2024.



Steel

Revenue in the steel segment amounted to EUR 573 million in H1 2023 versus EUR 744 million in H1 2022. **Loss before income tax** amounted to EUR 5 million (H1 2022: profit EUR 99 million).

During H1 2023, Europe’s construction market, the main steel-using sector, experienced a slowdown for the first-time post 2020. Additionally, elevated production and energy costs, together with the increase of imports from countries outside the EU replacing supply from Russia and Ukraine, led to volume and price pressures across all product lines.



In reinforcement steel, this was primarily due to a slowdown in demand within the residential construction sub-sector, with this occurring in almost all countries following rising interest rates and building material costs. Greece was an exception with demand continuing to grow in both residential and infrastructure projects, albeit at a more moderate rate than 2022. Sales of wire rod were also negatively affected in the period due its more international customer base, while

merchant bars had stable sales volume, due to an increased focus on local and Central European markets and the company’s strong market position in the Balkans and Cyprus.

A rise in sales of hot rolled plates occurred mostly in the Baltic countries and Finland, where their low carbon footprint provided an advantage over the competition. Special bar quality steels (SBQs) maintained sales volume due to the relatively strong performance of European mechanical engineering and heavy vehicles production sectors.

During H1 2023, several steel segment companies initiated projects driving the transition to a low-carbon economy with process improvements made through utilizing scrap as the sole source material for steel production. Our EPD product portfolio expanded further, offering customers reliable and quantitative information regarding environmental impact over the whole product life cycle. Finally, Sidenor plant received the EPD for wire rod, SD concrete reinforcing steel in bars and coils.

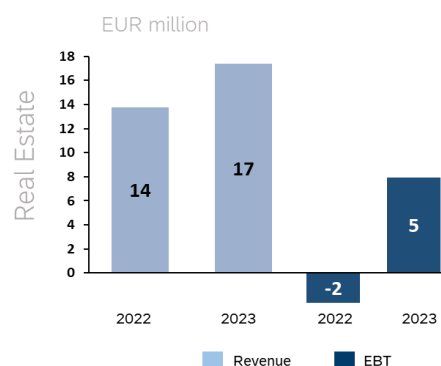
Into H2 2023, uncertainty persists due to the recession in the European construction sector and a lack of dynamism in the mechanical engineering sector.

The real estate division

The **revenue** for the real estate division amounted to EUR 17.4 million in H1 2023 (H1 2022: EUR 13.8 million), and the **profit before income tax** amounted to EUR 5.1 million, compared to a loss of 1.6 million in H1 2022. It should be noted that Viohalco applies the historical cost model in investment property, while certain real estate segment subsidiaries (such as Noval Property) follow the fair value model.

Noval Property’s H1 2023 profit before tax, based on the fair value model, amounted to EUR 24.4 million and the company recorded a 6% increase in the fair value of its investment portfolio from EUR 486 million as at 31 December 2022 to EUR 516 million as at 30 June 2023 (as per the respective Investment Schedules). This was achieved in the context of several operating challenges, including increases in energy and product prices, heightened interest rates and ongoing geopolitical turbulence in the region. Part of this positive performance stems from the continuous active management of existing properties and the increasing trend for high-quality and sustainable buildings in Greece. In particular, the increased footfall recorded across Noval Property’s retail assets was combined with increased revenue through higher rental adjustments across the rest of the portfolio. Following the successful issue of a EUR 120 million Green Bond (listed on Athens Stock Exchange) in December 2021, Noval Property’s captive investment programme progressed as planned. Current works underway toward this includes the construction of one logistics and two office buildings, the renovation of an office building and the retrofitting of a mixed-use property.

Looking ahead to the remainder of 2023, Noval Property will continue with its investment plan, not only in relation to projects already in progress, but also with regard to new acquisitions. These will be in line with the company’s strategic focus on sustainable development through modern, smart and environmentally accredited assets. Furthermore, Noval Property will progress with the preparations for its listing on the Athens Stock Exchange.



Subsequent Events

There are no subsequent events affecting the consolidated financial statements.



Outlook

Looking to the second half of the year, the levels of macroeconomic uncertainty remain elevated, with energy prices still volatile, interest rates at high levels and demand fluctuations continuing to persist, thereby affecting demand.

Viohalco's diversified business model, its improved production efficiency and capacity, together with continued product portfolio and operational optimization, reaffirm the confidence in the Viohalco companies' ability to respond to macro-economic challenges with agility and resilience.

While there is a positive outlook around the long-term megatrends related to global sustainability and energy security, the shorter-term outlook remains cautious, due to the prolonged economic uncertainty.



Financial Calendar

Date	Event
Friday, September 22nd, 2023	Half yearly 2023 results conference call
Thursday, March 7th, 2024	Financial results 2023 press release
Tuesday, May 28th, 2024	Ordinary General Meeting 2024

The Annual Financial Report for the period 1 January 2023 – 31 December 2023 will be published on Thursday, April 4th, 2024 and will be posted on the Company's website, www.viohalco.com, on the Euronext Brussels Exchange website www.euronext.com, as well as on the Athens Stock Exchange website www.athexgroup.gr.

About Viohalco

Viohalco is the Belgium based holding company of leading metal processing companies in Europe. It is listed on Euronext Brussels (VIO) and the Athens Stock Exchange (BIO). Viohalco's subsidiaries specialise in the manufacture of aluminium, copper, cables, steel and steel pipes products, and are committed to the sustainable development of quality, innovative and value-added products and solutions for a dynamic global client base. With main production facilities in Greece, Bulgaria, Romania, the United Kingdom and North Macedonia, Viohalco companies generate a consolidated annual revenue of EUR 7 billion (2022). Viohalco's portfolio also includes an R&D&I and technology segment. In addition, Viohalco and its companies own real estate investment properties, mainly in Greece, which generate additional value through their commercial development. For more information, please visit our website at www.viohalco.com

Contacts

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Chief Investor Relations Officer

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The logo for VIOHALCO, featuring the company name in a bold, blue, sans-serif font enclosed within a blue rectangular border. The background of the top right corner of the page shows a stylized landscape with mountains and a blue sky.

MANAGEMENT STATEMENT

STATEMENT ON THE TRUE AND FAIR VIEW OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND THE FAIR OVERVIEW OF THE INTERIM MANAGEMENT REPORT AS AT AND FOR THE PERIOD ENDED JUNE 30, 2023

Ippokratis Ioannis Stassinopoulos, Xavier Bedoret, Jean-Charles Faulx, Efstratios Thomadakis, 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.

SHAREHOLDER INFORMATION

Viohalco's share capital is set at EUR 141,893,811.46 divided into 259,189,761 shares without nominal value. The shares have been issued in registered and dematerialised form. All the shares are freely transferable and fully paid up. The Company has not issued any other category of shares, such as non-voting or preferential shares. All the shares representing the share capital have the same rights. In accordance with the articles of association of the company, each share entitles its holder to one vote.

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

Condensed Consolidated Interim Financial Statements

Condensed Consolidated Statement of Financial Position

Amounts in EUR thousands	Note	30 June 2023	31 December 2022
ASSETS			
Non-current assets			
Property, plant and equipment	12	2,293,025	2,231,036
Right of use assets		35,915	35,279
Intangible assets and goodwill	12	42,275	43,376
Investment property	13	321,086	316,024
Equity-accounted investees	10	34,449	36,638
Other investments	17	37,480	8,405
Deferred tax assets		13,459	9,628
Derivatives	17	20,739	38,922
Trade and other receivables		36,697	6,893
Contract costs		222	222
		2,835,346	2,726,424
Current assets			
Inventories	14	1,811,367	1,914,098
Trade and other receivables		701,473	675,083
Contract assets	11	252,304	199,839
Contract costs		-	14
Derivatives	17	26,732	27,149
Income tax receivables		13,667	7,081
Cash and cash equivalents		445,945	412,644
Assets held for sale	17	340	67,865
		3,251,828	3,303,772
Total assets		6,087,174	6,030,196
EQUITY			
Equity attributable to owners of the Company			
Share capital		141,894	141,894
Share premium		457,571	457,571
Translation reserve		-29,859	-30,802
Other reserves		446,059	448,298
Retained earnings		657,176	663,823
		1,672,841	1,680,784
Non-controlling interests	15	274,669	275,111
Total equity		1,947,510	1,955,895
Non-current liabilities			
Loans and borrowings	16	1,522,881	1,471,299
Lease liabilities	16	31,664	29,449
Derivatives	17	3,033	1,249
Deferred tax liabilities		102,539	103,489
Employee benefits		25,154	24,357
Grants		31,150	32,454
Provisions		1,749	1,727
Trade and other payables		19,525	17,073
Contract liabilities		9,889	9,889
		1,747,585	1,690,985
Current liabilities			
Loans and borrowings	16	921,904	958,166
Lease liabilities	16	9,999	10,932
Trade and other payables		1,191,557	1,180,881
Contract liabilities		201,649	123,948
Current tax liabilities		36,077	57,511
Derivatives	17	15,723	18,455
Provisions		15,170	15,405
Liabilities directly associated with assets classified as held for sale	17	-	18,020
		2,392,079	2,383,316
Total liabilities		4,139,664	4,074,301
Total equity and liabilities		6,087,174	6,030,196

The notes on pages 26 to 40 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Statement of Profit or Loss

<i>Amounts in EUR thousands</i>	Note	For the six months ended 30 June	
		2023	2022
Revenue	6	3,364,227	3,596,996
Cost of sales		-3,069,828	-3,133,876
Gross profit		294,399	463,120
Other income	7	19,748	7,644
Selling and distribution expenses		-48,939	-42,398
Administrative expenses		-98,086	-76,310
Impairment loss on trade and other receivables and contract assets		-6,392	-1,482
Other expenses	7	-11,288	-9,214
Operating result		149,443	341,359
Finance income	8	3,940	6,806
Finance cost	8	-93,235	-56,513
Net finance income / cost (-)		-89,295	-49,707
Share of profit / loss (-) of equity-accounted investees	10	365	1,042
Profit / Loss (-) before income tax		60,513	292,695
Income tax expense (-)	9	-15,088	-58,739
Profit / Loss (-)		45,425	233,955
Profit / Loss (-) attributable to:			
Owners of the Company		36,510	207,377
Non-controlling interests		8,915	26,578
		45,425	233,955
Earnings per share (in Euro per share)			
Basic and diluted		0.141	0.799

The notes on pages 26 to 40 are an integral part of these Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

<i>Amounts in EUR thousands</i>	For the six months ended 30 June	
	2023	2022
Profit/Loss (-)	45,425	233,955
Items that will never be reclassified to profit or loss:		
Equity investments in FVOCI - net change in fair value	-109	-832
Remeasurements of defined benefit liability	1	-11
Related tax	-1	2
Total	-109	-840
Items that are or may be reclassified to profit or loss:		
Foreign currency translation differences	22	4,218
Changes in fair value of cash flow hedges –effective portion	-11,011	76,190
Changes in fair value of cash flow hedges - reclassified to profit or loss	-6,568	-891
Related tax	3,911	-16,827
Total	-13,645	62,690
Total other comprehensive income / expense (-) after tax	-13,754	61,850
Total comprehensive income / expense (-) after tax	31,671	295,805
Total comprehensive income attributable to:		
Owners of the Company	25,428	259,121
Non-controlling interests	6,243	36,684
Total comprehensive income / expense (-) after tax	31,671	295,805

The notes on pages 26 to 40 are an integral part of these Condensed Consolidated Interim Financial Statements.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statement of Changes in Equity

<i>Amounts in EUR thousands</i>	Note	Share capital	Share premium	Other reserves	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2023		141,894	457,571	448,298	-30,802	663,823	1,680,784	275,111	1,955,895
Total comprehensive income									
Profit / loss (-)		-	-	-	-	36,510	36,510	8,915	45,425
Other comprehensive income		-	-	-11,899	818	-1	-11,082	-2,672	-13,754
Total comprehensive income		-	-	-11,899	818	36,509	25,428	6,243	31,671
Transactions with owners of the Company									
Distribution of reserves		-	-	9,671	-31	-9,640	-	-	-
Loss of Control/Disposal of subsidiary	17	-	-	-11	151	-140	-	-	-
Dividends		-	-	-	-	-31,103	-31,103	-6,126	-37,228
Total		-	-	9,660	121	-40,883	-31,103	-6,126	-37,228
Changes in ownership interests:									
Other changes in ownership interests		-	-	1	5	-2,273	-2,267	-560	-2,827
Balance as at 30 June 2023		141,894	457,571	446,059	-29,859	657,176	1,672,842	274,669	1,947,510

<i>Amounts in EUR thousands</i>	Note	Share capital	Share premium	Other reserves	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at 1 January 2022		141,894	457,571	440,437	-24,450	399,175	1,414,626	240,969	1,655,594
Total comprehensive income									
Profit / loss (-)		-	-	-	-	207,377	207,377	26,578	233,955
Other comprehensive income		-	-	48,850	2,901	-7	51,744	10,106	61,850
Total comprehensive income		-	-	48,850	2,901	207,370	259,121	36,684	295,805
Transactions with owners of the Company									
Capitalization of reserves		-	-	-14,566	71	14,495	-	-	-
Share capital increase of subsidiary		-	-	-	-	-	-	24,626	24,626
Dividends		-	-	-	-	-23,327	-23,327	-3,024	-26,351
Total		-	-	-14,566	71	-8,832	-23,327	21,602	-1,725
Changes in ownership interests:									
Acquisition of NCI	15	-	-	173	-907	11,767	11,032	-30,604	-19,572
Other changes in ownership interests		-	-	-2	32	-2,567	-2,537	2,537	-
Balance as at 30 June 2022		141,894	457,571	474,892	-22,354	606,913	1,658,916	271,187	1,930,102

The notes on pages 26 to 40 are an integral part of these Condensed Consolidated Interim Financial Statements.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Condensed Consolidated Statement of Cash Flows

<i>Amounts in EUR thousands</i>	Note	For the six months ended 30 June	
		2023	2022
Cash flows from operating activities			
Profit / loss (-)		45,425	233,955
Adjustments for:			
Income tax expense/ credit (-)	9	15,088	58,739
Depreciation of PP&E		65,755	61,193
Depreciation of right of use assets		4,946	4,106
Amortisation of intangible assets		3,473	3,288
Depreciation of investment property		2,616	3,904
Impairment / Reversal of impairment loss (-) and write off of PP&E and Investment Property		-1,763	991
Profit (-) / loss from sale of PP&E and intangible assets		-942	-87
Profit (-) / loss from sale of investment property		-	-340
Profit (-) / loss from derivatives valuation		1,096	-2,685
Gains (-) / losses from sales of subsidiaries		-4,462	1,343
Gains (-) / losses from financial assets valuation		-2,405	-
Amortisation of grants		-1,353	-1,885
Finance cost	8	93,235	56,513
Finance income	8	-3,940	-6,806
Impairment loss on trade and other receivables, including contract assets		6,392	1,482
Share of profit (-) / loss of equity-accounted investees	10	-365	-1,042
		222,795	412,669
Changes			
Decrease / increase (-) in inventories		102,730	-536,543
Decrease / increase (-) in receivables	11	-63,231	-247,821
Decrease / increase (-) in contract assets	11	-52,466	-116,006
Decrease / increase (-) in contract costs		14	23
Decrease (-) / increase in liabilities		16,712	195,159
Decrease (-) / increase in employee benefits liability		797	985
Decrease (-) / increase in provisions		-213	611
Decrease (-) / increase in contract liabilities		77,701	15,356
		82,045	-688,235
Cash generated from operating activities			
		304,840	-275,566
Interest charges and related expenses paid		-86,977	-51,687
Income tax paid		-13,766	-4,256
Net cash flows from operating activities			
		204,097	-331,509
Cash flows from investing activities			
Acquisition of PP&E and intangible assets	12	-133,544	-120,345
Acquisition of investment property	13	-7,707	-21,517
Proceeds from sale of PP&E and intangible assets		1,488	1,136
Proceeds from sales of investment property		-	1,100
Acquisition/ share capital increase of associates & joint ventures	10	-1,400	-3,250
Share of NCI in subsidiaries' share capital increase / decrease (-)		-	-301
Acquisition of other investments		-144	-230
Proceeds from sales of subsidiaries and associates		-	2,300
Interest received		2,684	215
Dividends received		94	262
Cash acquired from business combination		-	84
Net cash flows from investing activities			
		-138,529	-140,546
Cash flows from financing activities			
Proceeds from borrowings	16	294,035	428,296
Repayment of borrowings	16	-284,462	-120,777
Principal elements of lease payments	16	-8,787	-5,549
Proceeds from collection of grants		50	105
Acquisition of NCI	15	-5,696	-9,228
Dividends paid to shareholders		-21,772	-23,327
Dividends paid to non-controlling interest		-5,372	-2,417
Net cash flows from financing activities			
		-32,005	267,103
Net decrease (-)/ increase in cash and cash equivalents			
		33,563	-204,952
Cash and cash equivalents at beginning of period		412,644	503,267
Foreign exchange effect on cash and cash equivalents		-263	155
Cash and cash equivalents at the end of period			
		445,945	298,470

The notes on pages 26 to 40 are an integral part of these Condensed Consolidated Interim Financial Statements.

Notes to the Condensed Consolidated Interim Financial Statements

1. Reporting entity

Viohalco S.A. (hereafter referred to as “the Company” or “Viohalco S.A.”) is a Belgian Limited Liability Company. The Company’s corporate registration number is 0534.941.439 and its registered office is located at 30 Avenue Marnix, 1000 Brussels, Belgium. The Company’s Consolidated Interim Financial Statements include those of the Company and its subsidiaries (together referred to as “Viohalco”), and Viohalco’s interest in associates accounted for using the equity method.

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

These interim financial statements were authorised for issue by the Company’s Board of Directors on 21 September 2023.

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

2. Basis of preparation

Statement of compliance

These Condensed Consolidated Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union. They do not include all information and disclosures required for the annual Consolidated Financial Statements and should be read in conjunction with the annual Consolidated Financial Statements for the year ended 31 December 2022, which can be found on Viohalco’s website. However, selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in Viohalco’s financial position and performance since the last annual Consolidated Financial Statements as at and for the year ended 31 December 2022.

Functional currency and presentation currency

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

Use of estimates and judgements

Preparing Financial Statements in line with IFRS requires that Management takes decisions, makes assessments and assumptions and determines estimates which affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates.

The significant judgements made by Management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Consolidated Financial Statements for the year ended 31 December 2022.

3. Significant accounting policies

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in Viohalco’s consolidated financial statements as at and for the year ended 31 December 2022.

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 2023.

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 2023 and have been applied in preparing these consolidated financial statements. None of these had a significant effect on the consolidated financial statements.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies

The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies. The IAS 1 amendment requires companies to disclose their material accounting policy information rather than their significant accounting policies. Further, the amendment to IAS 1 clarifies that immaterial accounting policy information need not be disclosed. To support this amendment, the Board also amended IFRS Practice Statement 2, 'Making Materiality Judgements', to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

The amendment to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates.

Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The main change in the amendments is an exemption from the initial recognition exemption of IAS 12.15(b) and IAS 12.24. Accordingly, the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

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 2023 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. 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.

Amendments to IAS 1 'Presentation of Financial Statements: Classification of Liabilities as current or non-current' (effective for annual periods beginning on or after 1 January 2024)

The amendments affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They:

- Clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability.
- Clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.
- Clarify how conditions with which an entity must comply within 12 months after the reporting period, such as covenants, affect the corresponding liability's classification.

Amendments to IFRS 16 'Leases': Lease Liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 January 2024)

The amendments explain how an entity accounts for a sale and leaseback after the date of the transaction, specifically where some or all the lease payments are variable lease payments that do not depend on an index or rate. They state that, in subsequently measuring the lease liability, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use it retains. Any gains and losses relating to the full or partial

termination of a lease continue to be recognised when they occur as these relate to the right of use terminated and not the right of use retained.

Amendments to IAS 7 ‘Statement of Cash Flows’ and IFRS 7 ‘Financial Instruments: Disclosures’: Supplier Finance Arrangements (effective for annual periods beginning on or after 1 January 2024)

The amendment describes the characteristics for which reporters will have to provide additional disclosures regarding the impact of supplier finance arrangements on liabilities, cash flows and exposure to liquidity risk.

C. Changes in Accounting policies

Hedge Accounting

IFRS 9 “Financial Instruments” replaces IAS 39 “Financial Instruments: Recognition and Measurement” and involves three phases: “Classification and Measurement of Financial Assets”, “Impairment” and “Hedge Accounting”. Group applied IAS 39 related to hedge accounting until December 31, 2022, as the standard provides this choice regarding the third phase «Hedge Accounting». On 1 January 2023, the Group applied the standard prospectively without restatement of the comparative information for prior years.

D. Power Purchase Agreements

Within the second quarter of 2023, Viohalco and its subsidiaries signed a 10-year Power Purchase Agreement (PPA) for the purchase of electricity.

The PPA provides for the physical delivery of electricity during a certain fixed period starting on 28 April 2023 (Period A) and subsequently a virtual delivery of electricity with financial settlement for an agreed period expected to start on 1 January 2025 (Period B) as produced by specific photovoltaic facilities, and is subject to specific terms and conditions.

Viohalco and its subsidiaries assessed the PPA and determined:

- a) that the requirements of IFRS 10, with respect to the existence of control over one or more assets that will result in future from the implementation of the PPA, are not applicable;
- b) that the requirements of IFRS 16, for the recognition of a lease with respect to these future assets, are not applicable;
- c) that each of the Periods stemming from the PPA should be accounted for separately as two different transactions in accordance with the specific terms and conditions that underline each of the Periods; and
- d) that the specific terms and conditions for each of the Periods should be separately assessed in accordance with the requirements of IFRS 9.

With respect to Period A, it was determined that it is a contract for the delivery of non-financial assets in accordance with the expected future electricity purchases of Viohalco and its subsidiaries, and meets the criteria for exemption under IFRS 9 as own use/executory contracts. Therefore, Period A will not be accounted for as a derivative financial instrument. Period A will be accounted for from 28 April 2023 when Viohalco and its subsidiaries commence electricity purchases.

As regards Period B, the definition of a derivative under IFRS 9 is relevant as a virtual PPA is present and therefore, has to be accounted for as a derivative financial instrument when the rights and obligations with respect to Period B crystallise, as the criteria for the exemption from IFRS 9, as own use/executory contracts, are not met. Period B will be accounted for at the time when the rights and obligations with respect to Period B crystallise, which is expected to be in the fourth quarter of 2023.

4. Business and Operational Risk Management

There were no changes in Viohalco subsidiaries business and operational risk management objectives and policies during the first half of 2023. Viohalco companies follow 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.

Considering the upward trend on interest rates, started in 2022, Viohalco companies continue to monitor the current conditions and are prepared to take actions, in order to reduce the impact from the higher cost of debt in the market.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

5. Operating segments

Revenue and profitability per segment for the 6-month period ended 30 June 2023 were as follows:

Amounts in EUR thousands	Industrial Division							Real estate	Consolidated
	Aluminium	Copper	Cables	Steel pipes	Steel	Other activities	Total Industrial		
Total revenue per segment	1,519,673	1,248,057	834,875	395,129	968,636	88,467	5,054,835	23,444	5,078,279
Inter-segment revenue	-504,821	-290,476	-374,661	-90,139	-395,585	-52,323	-1,708,005	-6,047	-1,714,052
Revenue from external customers	1,014,852	957,581	460,214	304,989	573,051	36,144	3,346,830	17,397	3,364,227
Cost of sales	-948,791	-883,649	-399,556	-272,747	-528,137	-27,770	-3,060,650	-9,178	-3,069,828
Gross profit	66,061	73,932	60,658	32,242	44,914	8,373	286,181	8,218	294,399
Other Income	9,143	1,118	527	427	1,158	735	13,108	6,640	19,748
Selling and distribution expenses	-15,015	-11,241	-7,031	-2,802	-8,403	-3,491	-47,984	-955	-48,939
Administrative expenses	-30,777	-15,577	-11,505	-5,331	-23,057	-9,332	-95,579	-2,506	-98,086
Impairment loss on trade and other receivables (incl. contract assets)	-3,558	-2,260	-10	-324	-65	-175	-6,392	-	-6,392
Other expenses	-2,361	-1,621	-392	-1,224	-2,825	-117	-8,540	-2,747	-11,288
Operating result	23,493	44,351	42,248	22,988	11,722	-4,008	140,793	8,650	149,443
Finance income	976	815	289	101	242	708	3,131	809	3,940
Finance costs	-22,781	-13,140	-22,188	-12,549	-17,188	-1,372	-89,218	-4,018	-93,235
Share of profit/ loss (-) of equity-accounted investees, net of tax	817	69	-	-292	82	-	676	-311	365
Profit/Loss (-) before income tax expense	2,505	32,096	20,348	10,248	-5,143	-4,672	55,382	5,130	60,513
Income tax expense	-3,133	-3,149	-4,437	-2,610	476	-752	-13,604	-1,484	-15,088
Profit/Loss (-)	-628	28,947	15,911	7,638	-4,667	-5,424	41,778	3,647	45,425

Other information per segment for the 6-month period ended 30 June 2023 were as follows:

Amounts in EUR thousands	Industrial Division							Real estate	Consolidated
	Aluminium	Copper	Cables	Steel pipes	Steel	Other activities	Total Industrial		
Equity-accounted investees	9,952	177	-	12,511	1,354	714	24,708	9,740	34,449
Other assets	1,853,167	783,749	1,095,422	670,305	968,498	144,649	5,515,791	536,935	6,052,726
Total assets	1,863,119	783,926	1,095,422	682,816	969,852	145,363	5,540,499	546,675	6,087,174
Liabilities	1,079,101	568,973	925,629	544,424	710,622	73,118	3,901,866	237,798	4,139,664
Capital expenditure	34,603	13,123	54,655	3,680	15,142	1,017	122,220	7,883	130,103
Depreciation and amortization	-33,614	-9,307	-10,099	-4,836	-14,140	-1,789	-73,786	-3,004	-76,790

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Revenue and profitability per segment for the 6-month period ended 30 June 2022 were as follows:

<i>Amounts in EUR thousands</i>	Industrial Division						Total Industrial	Real estate	Consolidated
	Aluminium	Copper	Cables	Steel pipes	Steel	Other activities			
Total revenue per segment	1,837,382	1,377,036	883,921	269,571	1,329,272	158,260	5,855,442	18,355	5,873,797
Inter-segment revenue	-636,520	-398,926	-457,271	-79,520	-585,418	-114,546	-2,272,201	-4,601	-2,276,801
Revenue from external customers	1,200,862	978,110	426,651	190,050	743,854	43,714	3,583,241	13,755	3,596,996
Cost of sales	-1,018,028	-907,140	-374,410	-184,598	-605,364	-34,046	-3,123,587	-10,289	-3,133,876
Gross profit	182,834	70,970	52,240	5,452	138,490	9,668	459,654	3,466	463,120
Other Income	4,595	162	838	274	976	632	7,477	166	7,644
Selling and distribution expenses	-13,833	-10,297	-4,313	-2,393	-7,565	-2,757	-41,159	-1,239	-42,398
Administrative expenses	-24,441	-13,465	-10,812	-3,839	-17,054	-4,582	-74,193	-2,118	-76,310
Impairment loss on trade and other receivables (incl. contract assets)	-69	-1,009	-55	-	3	-352	-1,482	-	-1,482
Other expenses	-3,679	-480	-968	-538	-3,692	170	-9,188	-26	-9,214
Operating result	145,407	45,882	36,929	-1,045	111,158	2,779	341,110	249	341,359
Finance income	2,887	246	713	8	308	438	4,601	2,205	6,806
Finance cost	-15,461	-8,093	-11,695	-3,718	-12,693	-1,091	-52,751	-3,762	-56,513
Share of profit/ loss (-) of equity-accounted investees, net of tax	669	-635	-	1,194	128	-	1,356	-314	1,042
Profit/Loss (-) before income tax expense	133,503	37,400	25,948	-3,560	98,900	2,126	294,316	-1,622	292,695
Income tax expense (-)	-29,942	-5,232	-5,594	2,602	-18,182	-1,975	-58,323	-417	-58,739
Net Profit / Loss (-)	103,561	32,168	20,354	-958	80,718	151	235,993	-2,038	233,955

Other information per segment for the comparative period of 2022 were as follows:

<i>Amounts in EUR thousands</i>	Industrial Division						Total Industrial	Real estate	Consolidated
	Aluminium	Copper	Cables	Steel pipes	Steel	Other activities			
For the year ended 31 December 2022									
Equity-accounted investees	9,725	249	-	15,963	1,244	806	27,987	8,651	36,638
Other assets	1,920,193	767,245	1,032,034	596,115	988,932	151,474	5,455,992	537,565	5,993,557
Total assets	1,929,917	767,494	1,032,034	612,077	990,176	152,280	5,483,979	546,217	6,030,196
Liabilities	1,131,288	546,413	863,719	479,323	725,735	92,265	3,838,742	235,559	4,074,301
For the 6-month period ended 30 June 2022									
Capital expenditure	96,121	5,518	23,464	1,788	10,393	1,017	138,301	24,577	162,879
Depreciation and amortization	-29,554	-8,802	-9,192	-4,533	-13,662	-2,067	-67,810	-4,682	-72,492

6. Revenue

Viohalco's subsidiaries' operations and main revenue streams are those described in the last annual financial statements. Revenue is derived from contracts with customers and from investment property rental income.

<i>Amounts in EUR thousands</i>	<i>For the six months ended 30 June</i>	
	2023	2022
Rental income from investment property	11,768	9,785
Revenue from contracts with customers	3,352,459	3,587,211
Total	3,364,227	3,596,996

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Disaggregation of revenue from contracts with customers

In the following table revenue from contract with customers is disaggregated by primary geographical market and timing of revenue recognition. The table includes a reconciliation with the Viohalco's reportable segments (see Note 5).

Industrial Division									
<i>for the 6 months ended 30 June 2023</i>									
<i>Amounts in EUR thousands</i>	Aluminium	Copper	Cables	Steel Pipes	Steel	Other activities	Total Industrial	Real estate	Consolidated
Primary geographical markets									
Greece	65,872	41,133	194,487	68,790	174,397	10,539	555,218	5,335	560,553
Other EU countries	707,268	754,805	201,948	102,729	314,888	11,150	2,092,788	294	2,093,081
Other European countries	112,111	61,641	5,294	13,683	81,459	535	274,723	-	274,723
Asia	27,013	40,945	47,874	6,090	271	13,555	135,749	-	135,749
America	93,347	40,359	7,531	113,089	180	105	254,609	-	254,609
Africa	9,287	15,721	3,080	57	1,856	39	30,041	-	30,041
Oceania	-45	2,976	-	551	-	221	3,703	-	3,703
Total	1,014,852	957,581	460,214	304,989	573,051	36,144	3,346,830	5,629	3,352,459
Timing of revenue recognition									
Revenue recognised at a point in time	1,014,319	955,492	312,696	29,419	566,007	25,209	2,903,141	993	2,904,134
Products transferred over time	-	-	147,518	275,570	-	262	423,350	741	424,091
Services transferred over time	533	2,089	-	-	7,044	10,673	20,339	3,895	24,234
Total	1,014,852	957,581	460,214	304,989	573,051	36,144	3,346,830	5,629	3,352,459

Industrial Division									
<i>for the 6 months ended 30 June 2022</i>									
<i>Amounts in EUR thousands</i>	Aluminium	Copper	Cables	Steel pipes	Steel	Other activities	Total Industrial	Real estate	Consolidated
Primary geographical markets									
Greece	89,293	47,514	123,504	11,722	185,926	14,054	472,013	3,722	475,735
Other EU countries	762,707	643,566	176,637	82,867	461,612	15,690	2,143,078	248	2,143,326
Other European countries	159,292	158,221	59,024	12,729	93,646	2,925	485,838	-	485,838
Asia	40,909	55,007	57,633	5,736	338	10,768	170,391	-	170,391
America	140,744	51,492	6,348	73,463	539	78	272,663	-	272,663
Africa	7,681	19,053	3,315	219	1,793	20	32,082	-	32,082
Oceania	236	3,256	190	3,315	-	180	7,177	-	7,177
Total	1,200,862	978,110	426,651	190,050	743,854	43,714	3,583,241	3,970	3,587,211
Timing of revenue recognition									
Revenue recognised at a point in time	1,199,999	976,661	298,122	47,106	731,313	28,386	3,281,588	777	3,282,364
Products transferred over time	-	-	128,529	142,944	2,989	27	274,489	248	274,737
Services transferred over time	863	1,448	-	-	9,552	15,301	27,165	2,945	30,110
Total	1,200,862	978,110	426,651	190,050	743,854	43,714	3,583,241	3,970	3,587,211

7. Other income/expense

Net other income/expenses amounted to a gain of EUR 8.5 million, compared to a loss of EUR 1.6 million in the previous period, mainly due to the following transaction:

During first half of 2023, the merger by absorption of the subsidiary of ElvalHalcor, Etem Commercial, from the joint-stock company Cosmos Aluminium SA was completed. As a result of this transaction, Viohalco recorded a gain of EUR 4.5 million at consolidated level (Note 17). Based on the purchase agreement, the shareholders of ElvalHalcor granted Cosmos Aluminium with a put option to purchase the remaining outstanding capital stock of Cosmos Aluminium. In addition, Cosmos Aluminium granted ElvalHalcor with a put option to sale the remaining outstanding capital stock of Cosmos Aluminium. The exercise period for both options commenced in 2028 and their term is for six months. Upon the exercise of the aforementioned options, the shareholders of Cosmos Aluminium will own 100% of outstanding capital stock of Cosmos Aluminium. These expire in case that the

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shareholders do not exercise them during the exercise period. These options are recognized in the consolidated statement of financial position in their fair value and were included in the carrying amount of the investment in Cosmos Aluminium. The recognized gain from their measurement in the fair value, amounted EUR 2.4 million, recorded into "Other income".

8. Net finance cost

Net finance costs amounted to EUR 89.3 million in the first half of 2023, compared with EUR 49.7 million during previous year. The increase is mainly attributed to the higher cost of net debt as interest rate increases intensified with monetary policies tightening all around the globe for H1 2023.

9. Income Tax

Income tax expense was calculated based on management's estimate of the average annual tax rate that is expected to apply for the full financial year.

<i>Amounts in EUR thousands</i>	<i>for the six months ended 30 June</i>	
	2023	2022
Current tax	-15,859	-54,949
Deferred tax	771	-3,791
Total	-15,088	-58,739

The corporate income tax rate in Belgium according to the applicable tax legislation is 25%. The profit is taxed at the applicable rate corresponding to the country in which each company is domiciled. According to the Greek law 4799/2021, enacted in May 2021, the corporate income tax rate for legal entities in Greece, where most of Viohalco subsidiaries are located, for the fiscal year 2021 and onwards is set at 22%.

The consolidated effective tax rate for the six-month period ended 30 June 2023 was 24.9%, compared with 20% at 30 June 2022.

10. Equity accounted investees

Reconciliation of carrying amount of associates and joint ventures:

<i>Amounts in EUR thousands</i>	30 June 2023	31 December 2022
Opening balance	36,638	44,372
Share of profit / loss (-) net of tax	365	-1,365
OCI profit (loss) for the period	-1	-2
Dividends received	-723	-655
Effects on movement in exchange rates	-3,231	1,194
Share capital increase	1,400	7,500
Disposals	-	-6,001
Spin off	-	856
Impairment	-	-9,260
Closing balance	34,449	36,638

11. Contract Assets

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 Viohalco companies issue an invoice to the customer.

Contract assets increased by EUR 52.5 million compared to 31 December 2022 due to higher amounts of unbilled receivables, as for turnkey cables projects, customized steel pipes and cables, 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.

12. Property, plant and equipment & intangible assets

Property, Plant and Equipment

During the first half of 2023, Viohalco investments in capex projects amounted to EUR 123 million (H1 2022: EUR 119 million).

Aluminium segment investments amounted to EUR 34 million, mainly related to the cold rolling mill, the new lacquering line and other storage and infrastructure investments at Oinofyta aluminium rolling plant.

Additions of EUR 13 million in copper segment are related to the four new bases for bell annealing and other maintenance and operational improvements at Sofiamed plant in Bulgaria.

Regarding cables segment, capital expenditure in the first half of 2023 amounted to EUR 54 million, mainly for the implementation of the planned offshore cables capacity expansion in Fulgor's plant in Corinth, selective investments in Hellenic Cables onshore cables plants in the area of Thiva and initial expenses of EUR 3.2 million to support the construction of a submarine cables factory in the USA.

Capital expenditure in steel pipes amounted to EUR 3.2 million (H1 2022: EUR 1.6 million), mostly related to operational improvements in the Thisvi CPW plant.

Steel segment investments, amounted to EUR 15.1 million, mainly concern maintenance capital expenditure and production capacity increase in Steel Plants in Greece. They also include equipment's replacement and improvements in Stomana plant in Bulgaria.

Depreciation of property, plant and equipment for the six-month period amounted to EUR 66 million (H1 2022: EUR 61 million).

Intangible Assets

Intangible assets of EUR 1.4 million acquired during the first half of 2023 (H1 2022: EUR 1.2 million), mainly related to software programmes of subsidiaries.

13. Investment property

During the first half of 2023, Viohalco invested an amount of EUR 5 million (H1 2022: EUR 42 million) for the improvement of investment properties by Noval Property REIC, subsidiary of Viohalco in Real Estate segment.

Change in estimate of useful lives

During first half of 2023, Noval Property, the subsidiary of real estate segment conducted an operational efficiency review at all its properties and taking into account the frequent and consistent maintenance of the properties, resulted in changes in their expected useful life.

As a result, the expected useful life of the properties was extended by 10 years on average.

Upon the application of the changes described above, the ranges of useful lives as described in the relative accounting policy remained unaffected.

The effect of these changes on annual depreciation expense, included in 'Cost of sales', will be approximately EUR 3.4 million for 2023 and the period 2024-2027 on an annual basis.

The effect recorded for the six-month period ended on 30 June 2023 was EUR 1.8 million.

14. Inventory

As at 30 June 2023, inventories amounted at EUR 1,811 million compared to EUR 1,914 million at 31 December 2022. During the six months ended 30 June 2023 Viohalco companies recorded an impairment of inventories of EUR 15.9 million, included in 'Cost of Sales' in the consolidated statement of profit or loss statement. Such impairment was recorded due to the decreasing trend of the LME metal prices compared to previous year.

15. Non-controlling interests

Following the decision of the extraordinary General Meeting on February, 10th, 2023 of the subsidiary of ElvalHalcor, Epirus Metalworks SA, it was approved the increase in share capital by a) EUR 235,290.00 paid in cash with the issue of 23,529 new common registered voting shares and b) EUR 117,650.00 through the capitalization of share premium reserve. In the aforementioned share capital increase ElvalHalcor did not participate, so the result of the transaction is presented in line "Other changes in ownership interests" of the Statement of Changes in Equity.

According to the purchase agreement between the new shareholders of Epirus Metalworks and ElvalHalcor, ElvalHalcor granted two call options to the new shareholders of Epirus Metalworks to purchase their ownership interests in Epirus Metalworks, while the new shareholders granted ElvalHalcor two put options to sell their ownership interests in Epirus Metalworks. These options are presented in their fair value and are classified as level 3, while are remeasured at each reporting date. At consolidated level, according to IFRS 10, the present value of redemption amount of the aforementioned options was recognized in the statement of financial position as Non current - Trade and other payables.

16. Loans and borrowings

<i>Amounts in EUR thousands</i>	30 June 2023	31 December 2022
Non-current liabilities		
Secured bank loans	180,921	157,520
Unsecured bank loans	149,081	65,735
Secured bond issues	597,025	629,035
Unsecured bond issues	595,855	619,010
Loans and borrowings – Long term	1,522,881	1,471,299
Lease Liabilities – Long term	31,664	29,449
Total Long-term debt	1,554,545	1,500,748
Current liabilities		
Secured bank loans	146,902	168,815
Unsecured bank loans	537,933	533,362
Current portion of secured bank loans	44,845	43,537
Current portion of unsecured bank loans	16,019	16,928
Current portion of secured bond issues	56,218	63,599
Current portion of unsecured bond issues	119,986	131,924
Loans and borrowings – Short-term	921,904	958,166
Lease Liabilities – Short-term	9,999	10,932
Total Short-term debt	931,903	969,097
Total loans and borrowings	2,486,449	2,469,845

The maturities of non-current loans are as follows:

<i>Amounts in EUR thousands</i>	30 June 2023	31 December 2022
Between 1 and 2 years	232,093	224,059
Between 2 and 5 years	486,159	486,889
Over 5 years	836,293	789,801
Total	1,554,545	1,500,748

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The effective weighted average interest rates at the reporting date (as per contract) are as follows:

	30 June 2023	
	Carrying amount	Interest rate
Bank loans (non-current*) - EUR	387,389	5.21%
Bank loans (current) - EUR	640,746	6.18%
Bank loans (current) - GBP	35,922	7.70%
Bond issues - EUR	1,369,084	5.06%
	31 December 2022	
	Carrying amount	Interest rate
Bank loans (non-current*) - EUR	278,133	3.78%
Bank loans (current)-EUR	630,773	4.31%
Bank loans (current)-USD	6,507	6.90%
Bank loans (current)-GBP	57,010	6.12%
Bond issues-EUR	1,443,568	3.99%

**Including current portion*

The majority of Viohalco companies' loans are Euro denominated.

During the first half of 2023, Viohalco subsidiaries obtained new bank loans amounting to EUR 294 million and repaid bank loans of EUR 284 million maturing within the year. The new loans were mainly bond loans and drawdowns from existing revolving credit facilities for project financing, or new loans with similar terms and conditions.

More specifically, during the first half of 2023 the main events relating to Viohalco companies' financing are the following:

Aluminium and Copper segments

- ElvalHalcor disbursed from EIB, EUR 40 million out of EUR 75 million loan, for the financing of the aluminum rolling plant investment program at Oinofyta.

Cables segment

- Fulgor received a 7-year loan facility from the European Bank for Reconstruction and Development (EBRD) of EUR 88 million, made up from EUR 25.2 million as a Recovery and Resilience Facility (RRF) loan channelled through the Greek Ministry of Finance, and the remaining EUR 62.8 million from the EBRD. This loan facility finances a wider investment program of EUR 110 million that includes the Corinth plant's expansion along with the associated working capital outlays once the new production capacity is available, as well as research & development (R&D) initiatives to be undertaken in the following years. The remaining EUR 22 million will be covered by own funds.
- Fulgor received a new 7-year bond loan of EUR 19.1 million from a major Greek bank;

Steel Pipes segment

- Corinth Pipeworks received a new 5-year bond loan of EUR 5 million from a Greek bank;

No other significant events, related with the financing of subsidiaries occurred during the period.

Reconciliation of movements of liabilities to cash flows arising from financing activities:

<i>Amounts in EUR thousands</i>	Loans and Borrowings	Lease Liabilities	Total
Balance at 1 January 2023	2,429,465	40,380	2,469,845
Changes from financing cash flows			
Proceeds from loans and borrowings	294,035	-	294,035
Repayment of borrowings & lease liabilities	-284,462	-8,787	-293,249
Total change from financing cash flows	9,572	-8,787	786
Other changes			

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<i>Amounts in EUR thousands</i>	Loans and Borrowings	Lease Liabilities	Total
New leases	-	10,293	10,293
Interest expense	65,210	1,036	66,247
Interest paid*	-61,264	-986	-62,250
Capitalised borrowing costs	1,865	-	1,865
Terminations/modifications	-1,907	-287	-2,194
Effect of changes in foreign exchange rates	1,844	13	1,857
Total other changes	5,748	10,070	15,818
Balance at 30 June 2023	2,444,785	41,663	2,486,449

*Interest paid reported in Cash Flow Statement, includes bank charges and other finance costs.

<i>Amounts in EUR thousands</i>	Loans and Borrowings	Lease Liabilities	Total
Balance at 1 January 2022	2,142,238	45,334	2,187,573
Changes from financing cash flows			
Proceeds from loans and borrowings	856,508	-	856,508
Repayment of borrowings & lease liabilities	-570,259	-11,630	-581,890
Total change from financing cash flows	286,248	-11,630	274,618
Other changes			
New leases	-	10,195	10,195
Interest expense	86,229	1,915	88,144
Interest paid*	-79,500	-1,846	-81,347
Capitalised borrowing costs	600	-	600
Terminations/modifications of lease contracts	253	-2,807	-2,554
Loss of Control/Disposal of subsidiary	-3,439	-801	-4,240
Division spin off	4	-	4
Effect of changes in foreign exchange rate	-3,168	21	-3,147
Total other changes	978	6,676	7,655
Balance at 31 December 2022	2,429,465	40,380	2,469,845

*Interest paid reported in Cash Flow Statement, includes bank charges and other finance costs.

Short term facilities are predominately revolving credit facilities, which finance working capital needs and specific ongoing projects. Viohalco subsidiaries have never in the past experienced any issues in financing their activities, renewing their working capital lines or refinancing long-term loans and borrowings. Management expects that any mandatory repayment of banking facilities will be met with operating cash flows or from currently unutilized and committed credit lines.

Under the terms of the loan agreements, certain Viohalco subsidiaries must comply with conditions (including financial covenants) and such compliance is tested on semi-annual basis for the majority of the loans. Management has considered the measures that need to be taken to mitigate the risk relating to potential breaches and expects that in the event that these covenants are breached, waivers will be granted, which have been provided in the past when requested.

The average interest rate of the outstanding bank loans as 30 June 2023 was 5.4% (4.1% as at 31 December 2022). Property, plant and equipment and inventories of some subsidiaries carry mortgages and liens for a total amount of EUR 1,531 million, as collaterals for long term loans and syndicated loans. In addition, for certain Viohalco companies' loans, there are change of control clauses that provide lenders early redemption rights. The majority of Viohalco companies' loans are Euro denominated.

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.

<i>Amounts in EUR thousands</i>	Carrying amount	30 June 2023			Total
		Level 1	Level 2	Level 3	
Other investments	37,480	3,489	2	33,990	37,480
Derivative financial assets	47,471	3,206	44,265	-	47,471
	84,951	6,695	44,267	33,990	84,951
Derivative financial liabilities	-18,756	-4,645	-14,111	-	-18,756
	66,195	2,050	30,156	33,990	66,195

<i>Amounts in EUR thousands</i>	Carrying amount	31 December 2022			Total
		Level 1	Level 2	Level 3	
Other investments	8,405	3,597	2	4,806	8,405
Derivative financial assets	66,071	2,380	63,691	-	66,071
	74,476	5,977	63,693	4,806	74,476
Derivative financial liabilities	-19,704	-4,705	-14,999	-	-19,704
	54,772	1,273	48,693	4,806	54,772

The various levels are as follows:

- Level 1: Quoted prices (unadjusted) in an active market for identical assets and liabilities.
- Level 2: Inputs that are observable either directly or indirectly.
- Level 3: Unobservable inputs for assets and liabilities.

The fair value of the following financial assets and liabilities measured at amortised cost approximates their carrying amount:

- Trade and other receivables;
- Cash and cash equivalents;
- Trade and other payables;
- Loans and borrowings;
- Lease liabilities.

Specifically, the carrying amount of loans and borrowings is considered as a good approximation of their fair value, as 90% of consolidated Loans and borrowings concern floating-rate debt, which is a very good approximation of current market rates.

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

<i>Amounts in EUR thousands</i>	Other investments	Derivative financial assets
Balance as at 1 January 2023	4,806	-
Additions	26,779	-
Fair value through PnL	2,405	-
Balance as at 30 June 2023	33,990	-
Balance as at 1 January 2022	3,915	944
Additions	942	-
Disposals	-	-1,015
Impairment loss (-) / Reversal of impairment loss	-50	-
Foreign exchange differences	-	71
Balance as at 31 December 2022	4,806	-

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On April, 07, 2023, the merger by absorption of Etem Commercial SA, subsidiary of ElvalHalcor, by the company Cosmos Aluminium SA has been approved. As a result of the completion of the transaction, ElvalHalcor holds a minority stake of 15% in the share capital of Cosmos Aluminium SA and classified this investment to "Other investments", while assets and liabilities of ETEM had been classified as "Held for sale" at consolidated financial statements of 31 December 2022.

Other Investments analysis

Other investments represent equity securities which Viohalco intends to hold for strategic purposes and therefore they have been classified as FVOCI investments.

The analysis of equity securities is presented below:

<i>Amounts in EUR thousands</i>	30 June 2023	31 December 2022
Listed securities		
-Greek equity instruments	2,690	243
-International equity instruments	3,247	3,356
Unlisted securities		
-Greek equity instruments	30,260	3,667
-International equity instruments	849	849
-Mutual funds	414	269
-Other	20	20
Total	37,480	8,405

Derivatives

The following table sets out the carrying amount of derivatives:

<i>Amounts in EUR thousands</i>	30 June 2023	31 December 2022
Non-current assets		
Interest rate swap contracts	14,655	17,242
Forwards	1,162	3,624
Commodity swaps	4,921	18,056
Total	20,739	38,922
Current assets		
Interest rate swap contracts	6,188	3,649
Forwards	12,632	10,427
Future contracts	3,206	2,380
Commodity swaps	4,706	10,692
Total	26,732	27,149
Non-current liabilities		
Forwards	-	4
Commodity swaps	3,033	1,245
Total	3,033	1,249
Current liabilities		
Forwards	6,355	10,155
Future contracts	4,645	4,628
Commodity swaps	4,722	3,672
Total	15,723	18,455

Hedge accounting

Viohalco's companies hold derivative financial instruments for cash flow and fair value hedges.

The abovementioned derivative financial instruments cover risks from:

- Changes in the prices of metals
- Fluctuations of foreign exchange rates
- Changes in loan interest rates
- Fluctuations of energy prices (natural gas)

The maturity and the nominal value of derivatives held by Viohalco's companies match the maturity and nominal value of the underlying assets / liabilities (hedged items).

Derivatives held by Viohalco companies concerns mainly:

- Future contracts to hedge the risk from the change of the price of metals listed in LME (London Metal Exchange) and used in production of Viohalco companies (i.e. mainly copper, aluminum and zinc), Such hedges are designated as cash flow hedges.
- F-X Forward and F-X swaps to hedge the risk from the change in exchange rate of US Dollar and British Pound (i.e. currencies to which Viohalco companies are mainly exposed). Such hedges are either designated as fair value or cash flow hedges depending on the item hedged. F-X Forwards and F-X swaps when used for hedging F-X risk on outstanding receivables and suppliers denominated in foreign currency these instruments are designated under fair value hedging. F-X forwards when used for hedging F-X risk on the forecasted sales of goods or purchase of materials executed in foreign currency F-X forward is hedging instruments designated under the cash flow method.
- Commodity Swaps referenced on the Title Transfer Facility (TTF) prices to hedge the risk of fluctuations in natural gas prices from market conditions.
- Interest rate swaps in order to hedge the volatility risk from interest rates of variable rate loans and borrowings. In order to hedge it, companies use interest rate swaps that transform the variable interest rate into a fixed one, thus reducing interest rate volatility risk.

Derivatives are recognized when Viohalco companies enter into the transaction in order either to hedge the fair value of receivables, liabilities or commitments (fair value hedges) or highly probable transactions (cash flow hedges).

The change in fair value recognized in equity under cash flow hedging as of 30 June 2023 will be recycled to the consolidated statement of profit or loss during the next years, as some of the hedged events are expected to occur (the forecasted transactions will take place or the hedged items will affect Profit or Loss statement) within 2023 and some others at a later stage.

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.

Fair value for interest rate swaps is calculated on the basis of the present value of forecasted future cash flows. Interest rate swaps are categorized as Level 2, based on the inputs used in the valuation technique to determine their fair value.

(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 first half of 2023 or in 2022.

18. Guarantees

Viohalco companies have provided guarantees in favor of customers and suppliers, mainly in order to secure that certain conditions of contracts will be fulfilled according to agreed terms, relating to products or services.

An analysis of guarantees is provided below:

<i>Amounts in EUR thousands</i>	30 June 2023	31 December 2022
Guarantees to secure liabilities to suppliers	33,020	46,276
Guarantees for securing the good performance of contracts with customers	600,850	505,164
Guarantees for securing the good performance of contracts with suppliers	2,534	3,129

19. Related parties

(a) Transactions and balances with equity-accounted investees and other related parties

<i>Amounts in EUR thousands</i>	For the six months ended 30 June	
	2023	2022
Sales of goods / services		
Associates	57,991	66,356
Joint ventures	71,397	26,527
	129,388	92,883
Sale of fixed assets		
Joint ventures	166	-
	166	-
Purchases of goods / services		
Associates	4,267	7,669
Joint ventures	20,488	2,251
	24,755	9,920
Purchase of property, plant and equipment		
Associates	885	70
	885	70
<i>Amounts in EUR thousands</i>	30 June 2023	31 December 2022
Receivables from related parties		
Associates	39,963	35,452
Joint ventures	33,521	13,548
	73,484	48,999
Contract assets from related parties		
Associates	56	96
Joint ventures	-	6
	56	103
Liabilities to related parties		
Associates	3,714	3,102
Joint ventures	360	198
	4,074	3,301
Contract liabilities to related parties		
Associates	35	-
Joint ventures	54	86
	89	86

(b) Transactions with key management

Key management remuneration for the six months period ended 30 June 2023 to the Board members and the executive management for the execution of their mandate amounted to EUR 2,901 thousand (H1 2022: EUR 2,767 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.

20. Subsequent events

There are no subsequent events affecting the consolidated financial information.

Statutory auditor's report on review of condensed consolidated Interim Financial Statements for the period ended 30 June 2023

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements, consisting of the condensed consolidated statement of financial position of Viohalco S.A. and its subsidiaries (jointly “the Group”) as of 30 June 2023, 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 to 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, 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 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.

Thursday, 21 September 2023

The statutory auditor

PwC Réviseurs d'Entreprises SRL / Bedrijfsrevisoren BV

Represented by

Marc Daelman

Registered auditor

Appendix – Alternative Performance Measures (APMs)

Introduction

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

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

General Definitions

EBIT

EBIT is defined as profit for the period before:

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

a-EBIT

a-EBIT is defined as EBIT, excluding:

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

EBITDA

EBITDA is defined as profit for the period before:

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

a-EBITDA

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

Net Debt

Net Debt is defined as the total of:

- Long term borrowings;
- Short term borrowings;

Less:

- Cash and cash equivalents.

Metal Price Lag

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

Metal price lag exists due to:

1. 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,
2. the effect of the inventory opening balance (which in turn is affected by metal prices of previous periods) on the amount reported as cost of sales, due to the costing method used (e.g. weighted average), and
3. certain customer contracts containing fixed forward price commitments which result in exposure to changes in metal prices for the period of time between when our sales price fixes and the sale actually occurs.

Most of **Viohalco** subsidiaries use back-to-back matching of purchases and sales, or derivative instruments in order to minimize the effect of the Metal Price Lag on their results. However, there will be always some impact (positive or negative) in the P&L, since inventory in the non-ferrous segments (i.e. aluminium, copper and cables) is treated as being held on a permanent basis (minimum operating stock), and not hedged, in the ferrous segments (i.e. steel and steel pipes), no commodities hedging occurs.

Reconciliation Tables

EBIT and EBITDA

H1 2023	Aluminium	Copper	Cables	Steel Pipes	Steel	Other activities	Total Industrial	Real Estate	Total Consolidated
Amounts in EUR thousands									
EBT (as reported in Statement of Profit or Loss)	2,505	32,096	20,348	10,248	-5,143	-4,672	55,382	5,130	60,513
<i>Adjustments for:</i>									
Share of profit / loss (-) of equity-accounted investees	-817	-69	-	292	-82	-	-676	311	-365
Net Finance Cost	21,804	12,324	21,899	12,448	16,947	664	86,087	3,208	89,295
EBIT	23,493	44,351	42,248	22,988	11,722	-4,008	140,793	8,650	149,443
<i>Add back:</i>									
Depreciation & Amortization	32,958	9,162	9,789	4,812	13,943	1,769	72,433	3,004	75,437
EBITDA	56,451	53,513	52,036	27,800	25,665	-2,239	213,226	11,653	224,879

H1 2022	Aluminium	Copper	Cables	Steel Pipes	Steel	Other activities	Total Industrial	Real Estate	Total Consolidated
Amounts in EUR thousands									
EBT (as reported in Statement of Profit or Loss)	133,503	37,400	25,948	-3,560	98,900	2,126	294,316	-1,622	292,695
<i>Adjustments for:</i>									
Share of profit / loss (-) of equity-accounted investees	-669	635	-	-1,194	-128	-	-1,356	314	-1,042
Net Finance Cost	12,574	7,846	10,982	3,710	12,385	653	48,150	1,557	49,707
EBIT	145,407	45,882	36,929	-1,045	111,158	2,779	341,110	249	341,359
<i>Add back:</i>									
Depreciation & Amortization	28,858	8,241	8,866	4,447	13,465	2,046	65,925	4,682	70,607
EBITDA	174,266	54,123	45,796	3,402	124,623	4,825	407,035	4,931	411,966

APPENDIX

a-EBIT and a-EBITDA

H1 2023	Aluminium	Copper	Cables	Steel Pipes	Steel	Other activities	Total Industrial	Real Estate	Total Consolidated
Amounts in EUR thousands									
EBT									
(as reported in Statement of Profit or Loss)	2,505	32,096	20,348	10,248	-5,143	-4,672	55,382	5,130	60,513
<i>Adjustments for:</i>									
Net finance cost	21,804	12,324	21,899	12,448	16,947	664	86,087	3,208	89,295
Share of Profit (-) / Loss of Associates	-817	-69	-	292	-82	-	-676	311	-365
Metal price lag	28,919	5,618	6,864	-	10,866	-	52,267	-	52,267
Impairment / Reversal of Impairment (-) on fixed assets	64	-59	-	-	-	-	4	-834	-830
Impairment/ Reversal of Impairment (-) on investments	-	-	-	-	-	-	-	-2,020	-2,020
Gains (-) / losses from sales of fixed assets and intangibles	-121	-53	-	-	-645	-124	-942	-	-942
Gains (-) / losses from disposal of subsidiaries	-4,462	-	-	-	-	-	-4,462	-	-4,462
(Gains) / losses from financial assets valuation	-2,405	-	-	-	-	-	-2,405	-	-2,405
Reorganisation costs	2,261	-	-	-	-	-	2,261	-	2,261
a-EBIT	47,748	49,857	49,112	22,988	21,943	-4,132	187,516	5,795	193,311
<i>Add back:</i>									
Depreciation & Amortization	32,958	9,162	9,789	4,812	13,943	1,769	72,433	3,004	75,437
a-EBITDA	80,706	59,019	58,901	27,800	35,886	-2,363	259,949	8,799	268,748

H1 2022	Aluminium	Copper	Cables	Steel Pipes	Steel	Other activities	Total Industrial	Real Estate	Total Consolidated
Amounts in EUR thousands									
EBT									
(as reported in Statement of Profit or Loss)	133,503	37,400	25,948	-3,560	98,900	2,126	294,317	-1,622	292,695
<i>Adjustments for:</i>									
Net finance cost	12,574	7,846	10,982	3,710	12,385	653	48,150	1,557	49,707
Share of Profit (-) / Loss of Associates	-669	635	-	-1,194	-128	-	-1,356	314	-1,042
Metal price lag	-44,404	-7,452	2,399	-	-8,810	-	-58,267	-	-58,267
Impairment / Reversal of Impairment (-) on fixed assets	143	-	-	-	-	-	143	-	143
Gains (-) / losses from sales of fixed assets and intangibles	-119	166	-340	-1	-4	-130	-427	-	-427
Gains (-) / losses from sales of investments	-	-	-	-	1,343	-	1,343	-	1,343
Provision for indemnity to customer	-	-	-	500	-	-	500	-	500
a-EBIT	101,028	38,596	38,988	-546	103,687	2,648	284,401	249	284,650
<i>Add back:</i>									
Depreciation & Amortization	28,858	8,241	8,866	4,447	13,465	2,046	65,925	4,682	70,607
a-EBITDA	129,886	46,837	47,854	3,901	117,153	4,695	350,325	4,931	355,257

Segmental Information

H1 2023									
Amounts in EUR thousands	Aluminium	Copper	Cables	Steel pipes	Steel	Other activities	Total Industrial	Real Estate	Total Consolidated
Revenue	1,014,852	957,581	460,214	304,989	573,051	36,144	3,346,830	17,397	3,364,227
Gross profit	66,061	73,932	60,658	32,242	44,914	8,373	286,181	8,218	294,399
Operating profit	23,493	44,351	42,248	22,988	11,722	-4,008	140,793	8,650	149,443
Net finance cost	-21,804	-12,324	-21,899	-12,448	-16,947	-664	-86,087	-3,208	-89,295
Share of profit/loss (-) of Associates	817	69	-	-292	82	-	676	-311	365
Profit/Loss (-) before tax	2,505	32,096	20,348	10,248	-5,143	-4,672	55,382	5,130	60,513
Income tax	-3,133	-3,149	-4,437	-2,610	476	-752	-13,604	-1,484	-15,088
Profit/Loss (-)	-628	28,947	15,911	7,638	-4,667	-5,424	41,778	3,647	45,425

H1 2022									
Amounts in EUR thousands	Aluminium	Copper	Cables	Steel pipes	Steel	Other activities	Total Industrial	Real Estate	Total Consolidated
Revenue	1,200,862	978,110	426,651	190,050	743,854	43,714	3,583,241	13,755	3,596,996
Gross profit	182,834	70,970	52,240	5,452	138,490	9,668	459,654	3,466	463,120
Operating profit	145,407	45,882	36,929	-1,045	111,158	2,779	341,110	249	341,359
Net finance cost	-12,574	-7,846	-10,982	-3,710	-12,385	-653	-48,150	-1,557	-49,707
Share of profit/loss (-) of Associates	669	-635	-	1,194	128	-	1,356	-314	1,042
Profit/Loss (-) before tax	133,503	37,400	25,948	-3,560	98,900	2,126	294,316	-1,622	292,695
Income tax	-29,942	-5,232	-5,594	2,602	-18,182	-1,975	-58,323	-417	-58,739
Profit/Loss (-)	103,561	32,168	20,354	-958	80,718	151	235,993	-2,038	233,955

Net Debt

<i>Amounts in EUR thousands</i>	30.06.2023	31.12.2022
Long term	1,554,545	1,500,748
Loans & borrowings	1,522,881	1,471,299
Lease liabilities	31,664	29,449
Short term	931,903	969,097
Loans & borrowings	921,904	958,166
Lease liabilities	9,999	10,932
Total Debt	2,486,449	2,469,845
Less:		
Cash and cash equivalents	-445,945	-412,644
Net Debt	2,040,504	2,057,201