ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR

01/01/2016 – 31/12/2016

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A. Annual Report of the Board of Directors of the company “CORINTH PIPEWORKS PIPE INDUSTRY S.A.” on the separate Financial Statements for the fiscal year 1/1/2016-31/12/2016

Dear Shareholders,

In the context of the provisions of Law 2190/1920 and the relevant decisions of the Articles of Association of CORINTH PIPEWORKS PIPE INDUSTRY S.A. (former E.VI.KE S.A.) (hereinafter "Corinth Pipeworks" or the "company"), we hereby submit this Annual Financial Report of the Board of Directors on 2016, namely the period from 1 January 2016 to 31 December 2016.

1) Development, performance and position of the Company

A) General remarks

During 2016, a major corporate transformation took place with the absorption of the industrial and commercial sector of pipes and hollow sections of “CORINTH PIPEWORKS HOLDINGS S.A.” from “E.VI.KE S.A.”. At the same time, the decision for the change of the name of E.VI.KE. S.A. to CORINTH PIPEWORKS PIPE INDUSTRY S.A. was decided.

B) Significant events in 2016

i. Completion of the absorption of the industrial and commercial sector of CORINTH PIPEWORKS HOLDINGS S.A.

On 31 May 2016, the absorption of the industrial and commercial sector of “CORINTH PIPEWORKS HOLDINGS S.A.” was completed in accordance with the provisions of Law 4172/2013, based on the transformation balance sheet as at 31/12/2015. Based on the provisions of Law 4172/2013, the results of the sector by the date the sector's absorption was completed as well as all sector-related acts and transactions of the contributor are considered in accounting terms as taking place on behalf of the contributor while the financial results generated during that period benefited the contributor. Therefore, these financial statements include the results generated from the absorbed sector of pipes and hollow sections as of 1 June (day following the approval of the spin-off by competent authorities) until the end of this fiscal year.

ii. Amendment to articles 1, 3 and 5 of the Articles of Association

The Extraordinary General Meeting held on 26 May 2016, which approved the absorption of the industrial and commercial sector of pipes and hollow sections, amended the name of the company from "E.VI.KE S.A." to "CORINTH PIPEWORKS PIPE INDUSTRY S.A." (article 1 of the Articles of Association), article 3 on the scope of company’ activities and article 5 on the amount of share capital and the number of the company's shares.

C) Financial performance

Market information – Economic environment

During the 2nd half of 2016, the international business environment within the company operates was mainly characterized by the stability in low prices of oil and natural gas (40 – 50 $/per barrel), a fact that prevents the execution of many worldwide energy projects. Despite all that, the company achieved to maintain its positive results, since it commenced the operation of the new production unit for special large diameter pipes for deep off-shore pipelines (using the LSAW method), the new unit for the production of “24-meter” diameter pipes, as well as the units for internal and external coating of “24-meter” diameter pipes.

Notes on Results

The company's turnover amounted to € 210,7 million, gross profit amounted to € 37,9 million, while earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to € 23,3 million. Also EBIT, earnings before taxes and earnings after taxes amounted to € 17,5 million, 13,8 million and 11,1 million accordingly.

Net debt amounted to € 150 million. Long-term debt amounted € 79,4 million while short-term debt amounted to € 120,9 million due to increased needs for working capital. Also Equity amounted to € 132,7 million.

In 2010, the company impaired a receivable of ($ 24.864.102 or € 18.627.586) due to its overdue status. On 31/12/2016, the same amount is valuated € 23.786.570. While Company's judicial actions, both in Greece and other jurisdictions, for the collection of the aforementioned debt are ongoing and while no final judgments have been issued, the Company considers that for the moment there is no reason to revise the provisions amounting to € 11.934.245 (2015: € 11.417.597) that has formed in its financial statements. Management estimates that potential loss will not exceed the impaired amount.

The Court of Cassation in Dubai upheld the appeal of the Company and decided to cancel the judgement of appeal, in its capital that recognized the fictional counterclaim of Company's customer raised in the context of the action brought against him by the Company and ordered the set off to be carried out with Company's claim recognized irrevocably, and to refer back the case to the Court of Appeal to review the validity of the counterclaim with new panel. At the hearing on 5 June 2017, the Court of Appeal rejected the counterclaim raised by the Company's customer and obliged the latter to pay to the Company an amount of USD 24.035.919. Company's customer filed an appeal before the Court of Cassation challenging the aforesaid decision of the Court of Appeals. Based on assessment of the lawyers handling the legal case before the civil courts of Dubai, the appeal that has been filed by the Company's customer would have poor prospects of success and the Court of Cassation is likely to dismiss the said appeal. Therefore, the Company believes that the likelihood of an outflow of resources from the outcome of the counterclaim of that customer versus the Company is remote.

In addition the Company to ensure its rights under the decision of the First Instance Court of Athens issued in interim proceedings imposed precautionary seizure and has registered mortgage liens, on third party property involved in the abovementioned case.

Up until 31/12/2016 there were no changes regarding the collection of the amount due.

The following table illustrates the evolution of the key financial ratios:

RATIOS	31/12/2016
General Liquidity Short term assets / Short term liabilities	1,21
Equity / Total Assets	30,6%
EBITDA / Sales	11,1%
Equity / Debt	76%
EBITDA / (Equity + Debt)	7,6%

(EBITDA = Earnings Before Interest Tax Depreciation and Amortisation

2) <u>Outlook for 2017</u>

Regarding 2017, the international environment in which the company operates, remains volatile mainly due to low oil and natural gas prices (despite the increase comparing to 2015 prices) that do not support the execution of important projects in energy sector. Despite that, the company still focuses in growth with the penetration in new geographical areas with new value added products.

Furthermore, the fact that raw material prices remain at high levels, is expected to have negative impact in company's profitability margins. Due to substantial experience and commitment to innovation Corinth Pipeworks has the ability to properly use its capacity and focuses to product diversification and penetration in new markets.

3) Risks and uncertainties

Due to the nature of its activities, the company is exposed to a series of risks: both financial and business ones. In order to manage these risks, the company has developed and applies a procedure that addresses company's risks in order to ensure sustainable development.

More specifically:

i) Macroeconomic and Operating Environment in Greece

By Legislative Decree on 28/06/2015, the Greek Banks closed while at the same time controls were imposed on capital movements. The bank holiday ended on July 20, 2015 while the capital controls remains in effect.

The continuing instability and volatility of the macroeconomic and financial environment in Greece, is likely to negatively affect the company's activities. However, as analysed below, the company's exposure in Greece is limited:

a) Liquidity Risk:

The company keeps its deposits in foreign financial institutions out of Greece. The company's Cash are invested in counterparties with high credit rating and are readily available.

Furthermore, the company's financing sources are diversified in such a way that almost 25% of the borrowings are originating from international financial institutions. The company's reliable creditworthiness ensures an efficient use of the international financial markets for financial purposes.

The company has direct access to financial sources and is periodically refinancing her short term borrowing liabilities. The company assesses that the refinancing of the short term loans will continue in the future if necessary.

b) Operation Risks:

Production/Sales

The company's productive plant in Greece is not assumed to be affected by capital controls. Over time the percentage of domestic to total sales is less than 10% and represents a small percentage of the total profitability. As a result the exports' percentage on total sales exceeds 10%. However, in 2016 domestic sales represents 59% of total sales due to execution of TAP project, the biggest project in CPW's history.

Receivables/Clients

Receivables from domestic clients are a small percentage of the total clients receivables of the company. Therefore, the company has a limited exposure in revoked or delayed payments.

Suppliers

For the most part, company's operations are depending on foreign suppliers. The company keeps an important part of their total cash abroad and therefore in case that the imposed capital controls remain in effect, they will be in position to unimpededly fulfill their obligation toward their suppliers.

c) Credit risk:

The company is applying a specific credit policy focused on a controlled commercial solvability. Wherever it is deemed necessary, additional insurance coverage is required as credit guarantee.

Considering that the nature of "Corinth Pipeworks" activity is mostly exporting, and considering the strength financial position of the company, any negative development of the Greek economy is unlikely to have major impact in the operating activities. Despite all that, Management is constantly appraising the situation and its consequences and promptly ensure that the adequate measures are taken in order to minimize the impact on the company's activities.

ii) Exchange rate risk

The company operates internationally and is exposed to exchange rate risk arising from various currency exposures, primarily with respect to the US dollar. The company follows a hedging policy of at least 70%, either with natural hedging (purchase of resources based on the sale currency) or with FX forwards or with both.

iii) Interest rate risk

The company's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the company to cash flow interest rate risk. Borrowings issued at fixed rates expose the company to fair value interest rate risk. During 2016 the company's borrowings at variable rate (euribor + spread) were denominated in euro.

iv) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the ability of funding each project that the company undertakes through an adequate amount of committed credit facilities. Because of the different cash flow cycle of each project, the Treasury Department analyses the needs and whenever it is necessary, uses the committed credit lines with banks and other financial institutions. It is noted that on 31/12/2016 the company had EUR 50,4 million in cash.

v) Credit risk

Credit risk arises from deposits, derivative financial instruments (banks and financial institutions credit risk), as well as credit, granted to customers (customer credit risk). Taking measures to face the Greek financial crisis, the company has a banking relationship with some of the largest and healthiest financial institutions of the Greek market as well as some major foreign financial institutions, whose credit rating is at least Caa3 (Moody's) for the domestic financial institutions and A (Moody's) for the foreign ones.

The company has adopted strict procedures for credit control and management of political risk, reviewing data like financial statements, payments' record, possible counter guarantees they can provide etc. A considerable part of sales is against LCs or down payments. When this is not possible, the company uses credit insurance, factoring and when required political risk insurance.

vi) Capital risk

This risk is related to the possibility of operations' interruption, in such a way that the company will not be able to yield satisfactory returns to its shareholders and other stakeholders. The company is always trying to achieve the best mix of funds, in order to minimize its cost of capital.

vii) Business risks

Regarding business risks, the company operates in the international energy markets, which make it more vulnerable to the prevailing competition. Possible decrease on capital expenditures undertaken by major energy companies and the protectionism of local companies are likely to hinder the competitive position of CORINTH PIPEWORKS. Furthermore, the fact that many core markets, as well as the cost structure of some major competitors are dollar based, in conjunction with a potential euro appreciation, ceteris paribus, dictates a more aggressive pricing policy, that may lead to squeezed profit margins.

Sales in the energy sector are on a project basis, where both selling prices and cost of raw materials are fixed throughout the execution period. However, the market of structurals is often subject to major fluctuations of prices and materials cost.

Furthermore, freight rate, which is a major cost variable for the company, has been extremely volatile in the last few years. Even though the company may conclude contracts on a project basis, for a big part of its transportation requirements, there are cases when this is not possible, chartering is on the spot market, that in turn may affect projects' profitability.

4. Facilities and branches

The privately owned facilities of the plant are located in the industrial zone of Thisvi Viotia, on a total surface of 496.790 sq.m.

The company has the following branches:

Warehouse and branch in Thisvi plant and Athens.

Headquarters in Athens.

5. Taxation

According to the new tax law 4172 of 2013 which is effective since January 1st, 2014, income tax rate for legal entities in Greece has been set to 26% for fiscal year of 2014 and onwards. Furthermore the withholding tax for the distributing dividends which has been approved after January 1st of 2014 has been set to 10%. Under the POL 1159/17.7.2015, the income tax rate for legal entities incomes arising from January 1st 2015 τhe tax rate has been set to 29% from 26% and the advance on income tax paid has increased to 100% from 80%.

According to par. 12 of article 72 of law 4172 of 2013 the tax-exempt reserves formed under the stipulations of law 2238/1994 may either be offset with tax losses with a tax rate 29% or distributed or capitalised and therefore be subjected to a taxation of 19%. The company has not the intention of distributing them.

6. Major events following 31/12/2016

There are no events after the reporting date affecting the financial statements of the company.

7. Non-financial data

Corinth Pipeworks is a world leading manufacturer of steel pipe and hollow sections to the energy and construction industries. Its products are used to transport oil, gas, water, CO2 and slurry, and in the construction sector.

Responsibility is one of the Company's core values and determines the way we conduct our business. Corporate commitments (vision-mission-values) guide our behavior and the way we cooperate with customers, partners, suppliers and with all our stakeholders.

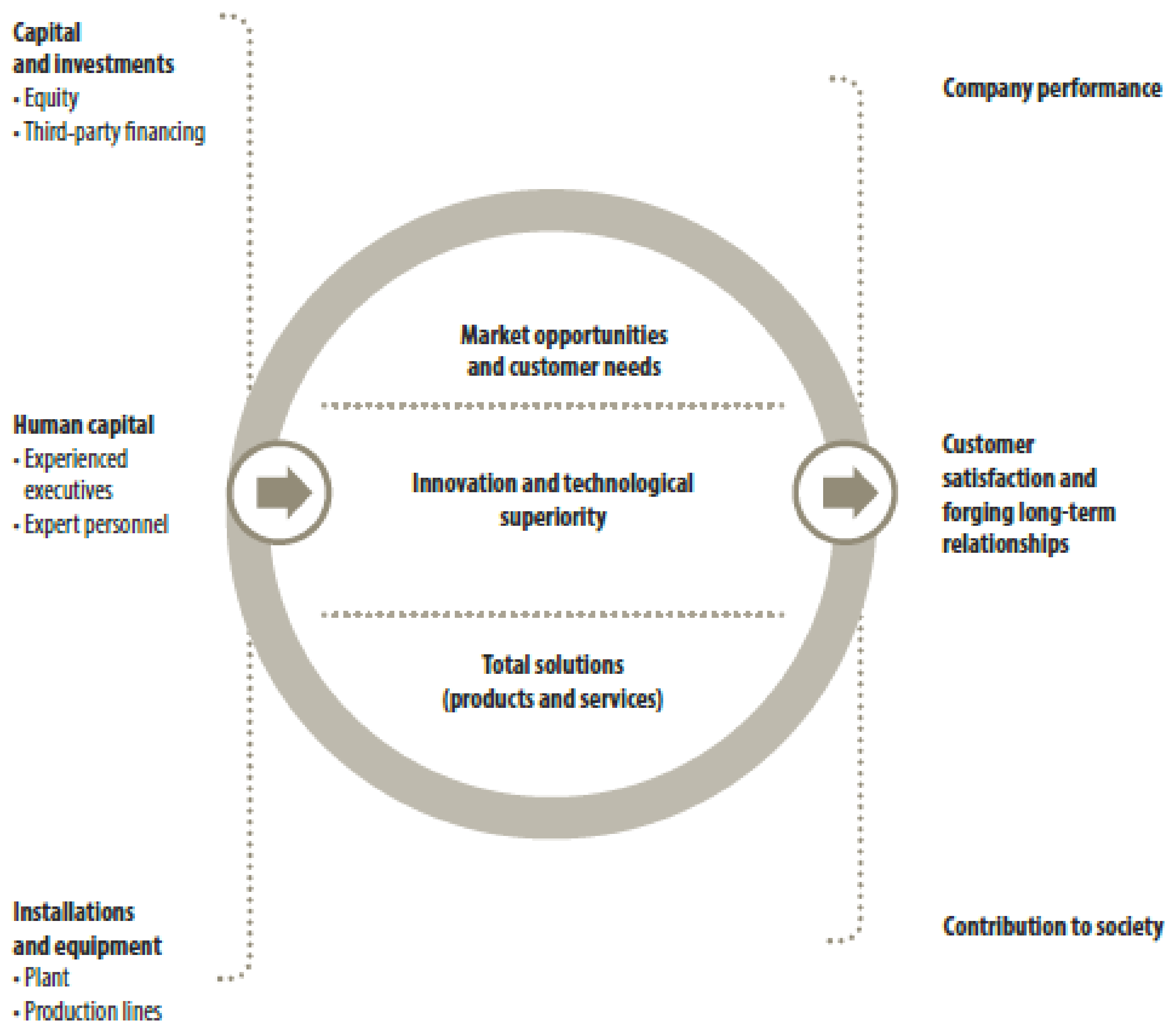
Vision, mission and values

Our vision	Our values
"To be the pipe producer of choice delivering energy to the world" **Our mission** ➢ Corinth Pipeworks mission is to provide value-added/ tailor made steel pipe solutions and hollow sections to the energy and construction industry. ➢ Our aim is to be the partner of choice by fulfilling our customers' high expectations, gaining trust, offering world class quality products and exceptional customer service in today's highly competitive market. ➢ We go the extra mile, anticipating our clients' needs and	• **We are RELIABLE** • **We act with INTEGRITY** • **Passion for QUALITY and EXCELLENCE** • **We are committed to value INNOVATION** • **We focus on CUSTOMER SATISFACTION.**

developing diverse competitive products based on new technologies and solid technical expertise. ➢ With continuous investments, fully committed people and a unique location for serving strategic markets, we are determined to achieve long term sustainable growth that will benefit our customers, our suppliers, our people, our shareholders and our community.	

Business model

The business model the Company implements seeks to improve its performance and to make a significant contribution to society while remaining committed to its customers and developing long-term partnerships. To that end, the Company has factored important parameters into its business strategy, such as responsiveness to market and customer needs, adopting technological innovations and maintaining excellent relations with the supply chain. To achieve its goals, the Company uses resources (capital, raw materials, and others), evolves through new investments, develops its human resources and makes best use of its equity and liabilities.



The principles of Sustainable Development are an integral part of the philosophy that guides the way in which Corinth Pipeworks conducts business, and they are recognised as a means of generating value. The Company seeks to generate added value for all stakeholders through its business activities. The value produced by its

activities for each stakeholder group (payment of direct and indirect taxes, supplier payments, salaries and wages, insurance contributions and the like) is considered as the Company's social product.

Corporate responsibility and Sustainable Development

Corinth Pipeworks has developed and adopted a Sustainable Development policy setting out its commitments for each sustainable development action area.

Pipeworks Sustainable Development Policy (abstract)
The Corinth Pipeworks Sustainable Development Policy is consistent with the Company's values: responsibility, integrity, transparency, efficiency and innovation. It is determined by Management, which is committed to:

• Implementing the Sustainable Development Policy at all levels and in all Company's operating segments
• Strict enforcement of effective legislation and full implementation of standards, policies, internal guidelines and procedures applied by the Company, as well as other commitments arising from voluntary agreements signed and entered into by Corinth Pipeworks
• Two-way and ongoing communication with all stakeholders in order to identify and record their needs and expectations
• Providing a safe and healthy working environment for employees, associates and all visitors
• Protecting human rights and providing a work environment of equal opportunities, free from any discrimination
• Continuous efforts to decrease the environmental footprint through implementing responsible actions and preventive measures in accordance with international best practices, in order to reduce and minimize the impact of Company's operations on the environment
• Cooperating and supporting the local community so that the Company can contribute to the sustainable development of the areas in which it operates
• Ongoing pursuit to create added value for stakeholders.

Corinth Pipeworks ensures its total management of critical issues through the Integrated Management System it has put in place. This Integrated Management System includes the following three certified management systems:

- Quality Management System in accordance to ISO 9001
- Environmental Management System in accordance to ISO 14001
- Occupational Health and Safety System in accordance to OHSAS 18001

Based on its Management Systems, the Company monitors and assesses its performance for each Sustainable Development pillar and, in effect, is able to comprehensively manage all aspects of responsible operation and take appropriate actions.

Stakeholder engagement

Corinth Pipeworks enters into dialogue with stakeholder groups to identify key issues associated with each group and its operations/activities. Dialogue – and the general concept of stakeholder engagement – covers a wide range of two-way communication activities using various channels. By communicating and cooperating with each stakeholder group, the Company can record the main issues and assess stakeholders' views and needs, enabling it to revise procedures and develop action plans to meet those needs.

Shareholders

How we communicate	*Essential issues of concern*
Annual General Meeting Regular meetings between shareholders and Company's senior management	Achieving economic growth and sustainable development Expanding into new markets

Regular press releases, announcement and reports
Publication of Annual Report (financials)

Bolstering the Company's competitiveness and outward orientation
Sound Corporate Governance
Transparent stakeholder relations

Customers

How we communicate	*Essential issues of concern*
Customer satisfaction survey Constant face-to-face and telephone contact Attendance at fairs/exhibitions Project Management Department and product certification procedures Attendance at industry or customer conferences, fora and events Marketing activities	Quality and competitive products High-quality services Projects implemented reliably and on time Policies and procedures ensuring prompt customer service Information on products and services

Employees

How we communicate	*Essential issues of concern*
Company intranet Open-door policy to encourage ongoing Communication between Management and personnel Briefings via email and announcements on notice boards Employee appraisals	Development and career advancement Benefits Insurance coverage Equal opportunities Ensured occupational health and safety conditions

Suppliers

How we communicate	*Essential issues of concern*
Procurement Department for each category of supplies Communication with the Accounting Office about financial issues Attendance at supplier trade fairs and events Suppliers systematically briefed about market developments	Merit-based / objective evaluation Supporting local suppliers Briefing suppliers about market developments Integrating responsible operating criteria

Local communities and NGOs

How we communicate	*Essential issues of concern*
Ongoing communication with local community organisations Participation in local community organisation events and activities Participation of Company representatives in events and fora to exchange views Main member of Hellenic Network for Corporate Social Responsibility (CSR Hellas)	Supporting local entrepreneurship Partnering and support for NGO actions Response to local community issues (e.g. supporting local associations)

State and institutional bodies

How we communicate	*Essential issues of concern*
Involvement in policy and decision-making (via membership of the Hellenic Federation of Enterprises) Attendance at conferences Attendance at events organised by public agencies Participation in government surveys and consultations Membership in local bodies such as the Federation of Sterea Ellada Industries and the Hellenic Union of	Compliance with the applicable legislative framework and regulations Support for State actions and programmes Timely response to State requirements Working to bolster Greek exports

Industrial Consumers of Energy (UNICEN)

The material issues arising from the dialogue with the Company's stakeholders constitute the base of the annual business plan, in order to promote cooperation and create shared value for each stakeholder group. The issues and concerns that are resulting from the continuous communication with the stakeholders are an important element for:

- redesign of processes
- improving performance in specific areas (products, services, production processes, occupational health and safety, environmental performance)
- upgrading the level of cooperation with each stakeholder group.

Corporate governance and risk management

Corinth Pipeworks enjoys the benefits deriving from the adoption of sound corporate governance practices, and follows and complies with the national legislation currently in force. At the same time, as a member of a dynamically developing organisation, it adheres to the practices advanced by the Group.

Corinth Pipeworks' Board of Directors is responsible for developing Corporate Governance principles and Sustainability Policy and monitoring their effectiveness. The Company's Board of Directors attaches particular importance to health and safety and environmental issues, which always occupy an important place on its agenda.
The Company has also developed a procedure whereby departmental Directors present periodic briefings about the progress of work and any major issues that have arisen, including the Company's performance related to the environment, occupational health and safety, human resources and others.

In order to reduce the probability and the significance of the risks, the Company has incorporated preventive actions and monitors relevant indicators (quality, environmental, occupational health and safety). These indicators are systematically monitored and reported at all levels of the Company. In addition, the Company:

- develops all the necessary by the law, risk identification analysis
- applies operational and safety criteria that are in line with Greek and European legislation
- annually develops and implements extensive educational programs on various issues related to its activities
- implements regular audits
- develops organizational and operational policies and systems
- implements and controls the level of implementation of ethical rules
- cooperates with local authorities to deal with any extraordinary natural phenomena.

In addition, the internal audit function evaluates and continuously reviews the Company's activities, aiming at improving the efficiency of risk management processes, the internal control systems and corporate governance procedures.

Human resources

Corinth Pipeworks' people are the driving force that enables it to achieve its strategic objectives. The Company implements policies and programmes adapted to the needs of its employees to provide a top-class, safe working environment. As part of this effort, the Company offers continuing training and incentives to foster further growth and enhance the high level of its employee expertise.

Code of Conduct
Corinth Pipeworks' Code of Conduct, coupled with effective implementation of the policies the Company has adopted, is the framework of operating principles and a key tool for shaping corporate culture.
The Code of Conduct provides clear-cut guidelines to Corinth Pipeworks employees on proper, ethical professional behaviour its people must display daily to promote business excellence. It also succinctly outlines the way in which the Company conducts its business activities and the framework in which it interacts with customers, suppliers and other associates.

The Code of Conduct encourages problem-free operations, fostering a positive image and building the Company's credibility, as it reflects all those moral values that inspire the day-to-day conduct of all employees.

Equal opportunities and human rights

One of Corinth Pipeworks' key values is to establish a fair, merit-based working environment where every employee enjoys equal rights. The Company applies policies and procedures that incorporate impartial criteria (such as qualifications and performance) to hiring, remuneration, promotion and training and does not discriminate on the basis of gender, nationality, age, marital status or other characteristics.

Corinth Pipeworks respects the principles of the UN Global Compact, which promote:

- The protection of human rights as a duty of each state and the regulatory framework it implements,
- Respect of human rights which is the duty of each and every company, and
- Management of human rights issues using systems and monitoring mechanisms.

More specifically, based on these principles, the Company:

- Respects and expressly complies with the human rights laws enacted by the Greek Law.
- Has developed and implements systems and procedures, recognizes its employees' rights, ensures employees are fairly rewarded and offers equal opportunities while respecting diversity.
- Has developed and implements a specific human rights procedure on how to deal with issues that may arise, while it also outlines employee responsibilities and duties. The Company executives responsible for implementing the procedure are the CEO, the HR Director, other directors, and managers.

Human resources Data

Staff by gender	2014	2015	*2016*
Men	374	393	403
Women	32	36	37
Total	**406**	**429**	**440**

Staff by gender and age group			
2016	*< 30*	*30 - 50*	*51 <*
Men	17	293	93
Women	3	31	3
Total	**20**	**324**	**96**

Staff by gender and employment area		
2016	*Men*	*Women*
Regional Unit of Attica	28	17
Regional Unit of Viotia	375	20
Total	**403**	**37**

Staff by gender and grade		
2016	**Men**	**Women**
Directors	13	1
Senior Executives	29	4
Administrative staff and workers	361	32
Total	**403**	**37**

Employing staff from local community

Corinth Pipeworks plays an active part in developing the local economy and employs the majority of its personnel from the areas close to its operating facilities. The Company has had a positive impact on the local job market, employing 395 local people (or 90.2% of its total workforce) in 2016. This high rate has remained unchanged for several years, as during the recruitment process the Company makes it a priority to hire staff from the local labour market. About 23% of those in managerial posts also come from local community.

Employees drawn from the local community	2014	2015	2016
Number of employees	365	380	395
% of total	89,9%	88,6%	90,2%

Occupational health and safety

Safeguarding employee health and ensuring compliance with health and safety laws and regulations have always been among Corinth Pipeworks' primary objectives. In line with efforts to promote health and safety, the Company has implemented a comprehensive occupational health and safety management system (OHSMS) certified to the OHSAS 18001 international standard. The system includes the Health and Safety Policy procedures designed to ensure ongoing application of measures to minimise occupational risks and accidents and to promote a culture of prevention.

At Corinth Pipeworks, health and safety issues are addressed in a unified and responsible manner that fully conforms to European and Greek laws. The established measures to safeguard the health and safety of employees and associations (subcontractors and suppliers) are applied to all Company activities and throughout all work areas.

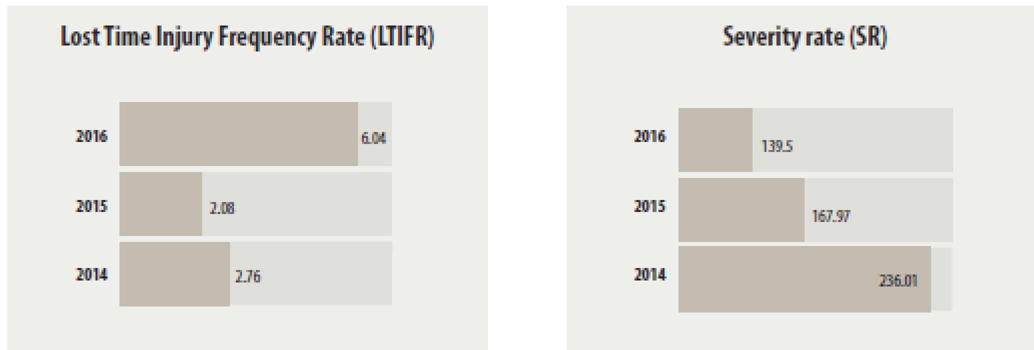
A Health and Safety Committee has been set up to ensure the proper application of the OHSMS. The Committee is the main governance body in our occupational health and safety management system and its duties include managing health and safety issues, and ensuring continuing improvements of Company performance in this area. It consists of 28 executives and 46 foremen from Corinth Pipeworks and represents all employees (100%) on health and safety issues.

Our practice: Corinth Pipeworks has established a variety of events and training programmes on health and safety which are held during specific months of the year. In 2016, these special events and presentations were held at the Thisvi plant during June and December. The programme included:

- Training on use of fire-fighting equipment and fire preparedness drills.
- First aid training.
- Seminars, training and briefings on 5S methodologies.
- Training on use of pressurised gas canisters.
- Training on working safely at heights.
- Seminars and training on the safe use of industrial equipment.

Health and safety results
Corinth Pipeworks' strives to achieve its long-standing goal of zero accidents and eliminating occupational risks. Aside from the measures it takes and ongoing training it provides on health and safety issues, the Company records and monitors specific indicators which help identify areas or aspects that need improvement and additional measures.

Monitoring health and safety key performance indicators
For 2016, the Lost Time Injury Frequency Rate (LTIFR) was up from the previous year, though the Severity Rate (SR) was down, reflecting less serious incidents.



Notably, to date, there have been no cases
of occupational disease at Corinth Pipeworks.

Environmental responsibility

Recognising that protecting the environment is a particularly important factor in its path to growth, the Company takes necessary measures to reduce its environmental footprint.

Effective monitoring, recording and analysis of the Company's environmental performance is achieved through, among other things, an Environmental Management System certified to the ISO 14001:2004 standard. The fundamental principles of Corinth Pipeworks' Environmental Policy are applied through the Environmental Management System, and by monitoring the environmental targets the Company has set.

Improvements to Environmental Management System
Corinth Pipeworks strives to continually upgrade its Environmental Management System by taking measures to reduce its environmental footprint. In addition, the Company makes efforts to raise its employees' awareness of environmental issues through training sessions. The following programmes were run in 2016:
• Monitoring and managing environmental impacts,
• Improving on-site waste storage,
• Improving on-site sorting of recyclables,
• Improving emergency-response infrastructure,
• Use of natural resources,
• Monitoring environmental performance,
• Personnel training.

Environmental expenditures
Environmental expenditures are tangible proof that for Corinth Pipeworks, achieving environmental targets is a high priority. It is noteworthy that environment-related expenditures for 2016 were 40% higher than for 2015. Specifically, Corinth Pipeworks spent EUR 628,482 for the year in this area.

Actions for improvement
As it adheres to the principles of Sustainable Development, Corinth Pipeworks sets targets for environmental protection and attaches particular importance to implementing actions that will improve environmental

performance, to making environmentally related investments, and to awareness-raising and training of all employees and associates on critical environmental issues.

A. Actions to limit CO_2 emissions from transport of products, raw direct and indirect materials, and personnel transportation.

As part of its efforts to reduce personnel travel, the Company:

- Employs personnel from the local communities,
- Provides rent subsidies for executives so they can live near the plant,
- Rents buses to transport its employees,
- Encourages car pooling,
- Where fe asible, conducts vide o - conferencing with customers a nd associates abro ad instead of face-to-face meetings,
- Runs a scheme to replace leased petrol cars with new-tech diesel cars,
- Ensures that company c ars are regularly serviced to reduce fuel consumption.

In addition, the Company aiming at reducing road transports, uses the Thisvi Industrial Area's port facilities, which is close to the plant, in order to transport raw materials and final products.

B. Initiatives to limit gas emissions and reduce thermal energy and electricity consumption

Due to the nature of its activities, Corinth Pipeworks takes initiatives to reduce electricity and thermal energy consumption and limit greenhouse gas emissions. To reduce VOC emissions, the Company replaces – where possible - the paints used in production with new low-VOC content products. Corinth Pipeworks has also installed energy-conserving electrical devices, and uses environmentally friendly fuels (LPG) and renewable energy sources.

Energy savings using a voltage step-up capacitor system
As part of developing practices to achieve higher energy efficiency and savings, Corinth Pipeworks has installed a medium-voltage step-up capacitor system with a total power of 12 MVat. The programme aims to reduce fuel (diesel) consumption through a medium-voltage capacitor system which steps up the voltage delivered to the production facility through an automated, graded capacitor system and increases the maximum absorbed power to cover production needs. The innovative scheme has been successfully applied to a manufacturer with high energy requirements, where the resulting energy savings has meant a significant reduction in expenditures for diesel fuel of nearly 90%, as well as the associated reduction of the Company's environmental footprint.

Corinth Pipeworks responsibly manages the volume of waste generated by its production process. As part of this effort, the Company ensures that the rate of recycling of waste increases every year, demonstrating in practice its interest in the protection of the environment.
In addition, the Company only cooperates with companies suitably licensed to transport, process and dispose of waste and inspects them regularly to ensure they are operating lawfully and hold the necessary permits and licenses.

Waste management 2016: 89,4% Recycling, 4,4% Reuse as flux, 0,8% Landfill disposal, 5,4% energy generation.

Responsible supply chain management

Since the quality of raw materials is bound up with the quality of the end product, and therefore with customer satisfaction, the Company views its suppliers as valuable partners and an integral part of its business operations.

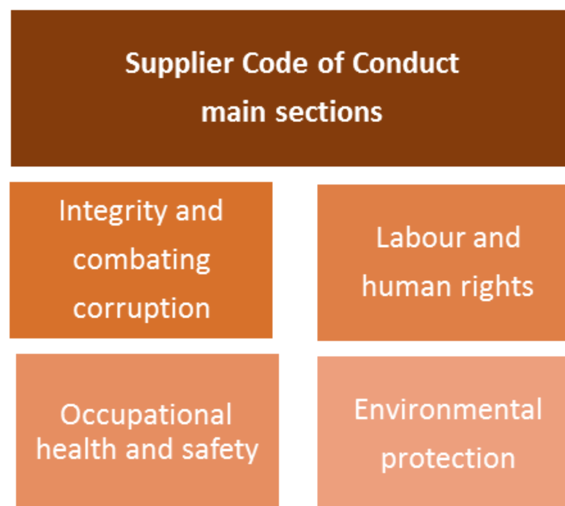
Corinth Pipeworks' firm goal of using top quality materials in production defines our long-term partnerships and trust-based relationships with respected suppliers. Additionally, the Company procures significant quantities of spare parts for machinery, high-tech fittings and industrial consumables and materials vital to its production processes, maintenance work and running its plant in general.

Supplier Code of Conduct

By carefully choosing its cooperating suppliers, the Company hopes to maximise gains on both sides. In striving to incorporate just and ethical principles that support sustainability throughout its supply chain, Corinth Pipeworks developed a Supplier Code of Conduct in 2016.

The new Supplier Code of Conduct sets out the main requirements that Corinth Pipeworks expects suppliers of goods and services to meet. It also covers subcontractors in terms of their responsibility to their own stakeholders and to the environment.

It focuses on promoting business ethics, transparency and professionalism throughout the supply chain and is based on the following standards and initiatives: ISO 26000, SA 8000, AA 1000, International Labour Standards (ILO), ISO 14001, OHSAS 18001, ISO 9001, the Ten Principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises. The main sections of Corinth Pipeworks' Supplier Code of Conduct are:



Criteria-based supplier evaluation

Evaluation and/or re-evaluation of suppliers relies on a series of criteria such as quality, financial status, and environmental and health and safety criteria as we strive to cultivate deeper awareness of Sustainable Development issues throughout the entire supply chain.

Corinth Pipeworks attaches particular importance to its suppliers having a certified ISO 14001 Environmental Management System or other equivalent certification (or an intention to obtain certification in the near future). When specific materials are being ordered and procured, we also require suppliers to hold REACH certification and to send us the relevant Material Safety Data Sheets (MSDS).
In 2016, Corinth Pipeworks worked with 555 domestic suppliers comprising 82% of the total 675 suppliers active during the year.

It is Company policy to support local entrepreneurship. As such, it selects suppliers and subcontractors who work near the Thisvi Plant or in the wider Viotia Regional Unit, provided local suppliers can do the specific job or can offer the specific items under the same terms as a non-local supplier. In 2016, 555 of the Company's 675 active suppliers were from the Greek market.

Geographical distribution of suppliers	**2014**	**2015**	**2016**
Local suppliers	17%	5%	16%
Other suppliers	83%	95%	84%
Total	**100%**	**100%**	**100%**

Athens, September 7, 2017

The Chairman of the Board of Directors

Meletios Fikioris

B. Annual Financial Statements (Separate)

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Statement of Financial Position

Amounts in EUR	Note	2016	2015
ASSETS			
Non-current assets			
Property, plant and equipment	6	182.148.486	-
Equity - accounted investees	8	1.073.950	-
Investments in subsidiaries	7	593.455	-
Trade and other receivables	11	5.449.431	-
Total non-current assets		**189.265.322**	**-**
Current assets			
Inventories	10	104.967.659	-
Trade and other receivables	11	86.347.734	179
Derivatives	12	3.219.430	-
Other investments	13	10.537	-
Cash and cash equivalents	14	50.409.373	29.655
Total current assets		**244.954.732**	**29.834**
Total assets		**434.220.054**	**29.834**
EQUITY			
Share capital	15	78.306.301	58.600
Other reserves	16	45.033.072	94
Retained earnings/(losses)		9.356.524	-28.860
Equity attributable to owners of the Company		**132.695.898**	**29.834**
Non-controlling interests		-	-
Total equity		**132.695.898**	**29.834**
LIABILITIES			
Non-current liabilities			
Loans and borrowings	17	79.397.165	-
Deferred tax liabilities	18	18.700.082	-
Defined benefit obligations	19	1.487.991	-
Provisions	20	137.753	-
Total non-current liabilities		**99.722.991**	**-**
Current liabilities			
Loans and borrowings	17	96.014.058	-
Trade and other payables	21	79.719.456	-
Current tax liabilities	27	834.618	-
Derivatives	12	307.493	-
Other short-term financing liabilities	31	24.925.540	-
Total current liabilities		**201.801.165**	**-**
Total liabilities		**301.524.156**	**-**
Total equity and liabilities		**434.220.054**	**29.834**

The notes on pages 23 to 61 are an integral part of these financial statements.

Statement of Comprehensive Income

Amounts in EUR	Note	2016	2015
Revenue	22	210.694.839	-
Cost of sales	23	-172.752.825	-
Gross profit		**37.942.014**	**-**
Other income	25	433.903	-
Selling and distribution expenses	23	-17.175.481	-
Administrative expenses	23	-3.686.068	-2.728
Profit/(loss)		**17.514.368**	**-2.728**
Finance income	26	425.617	326
Finance costs	26	-7.116.139	-
Income from dividends	26	2.947.462	-
Net finance costs		**-3.743.060**	**326**
Profit/Loss (-) before tax		**13.771.308**	**-2.402**
Income tax expense	27	-2.670.116	-
Profit/Loss (-) from continuing operations		**11.101.192**	**-2.402**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability	19	-211.386	-
Related tax	27	61.302	-
Other comprehensive income for the period net of tax		**-150.084**	**-**
Total Comprehensive income for the period after tax		**10.951.108**	**-2.402**

The notes on pages 23 to 61 are an integral part of these financial statements.

Statement of Changes in Equity

Amounts in EUR	Share capital	Hedging reserve	Other reserves	Retained earnings	Total shareholder's equity
Balance as at 1 January 2015	**58.600**	**-**	**94**	**-26.458**	**32.236**
Net losses of the period	-	-	-	-2.402	**-2.402**
Other comprehensive income of the period	-	-	-	-	**-**
Total comprehensive income	**58.600**	**-**	**94**	**-28.860**	**29.834**
Transactions with owners of the Company					
Tax-exempt reserve	**-**	**-**	-	-	**-**
Total transactions with owners of the Company	**-**	**-**	**-**	**-**	**-**
Balance on 31 December 2015	**58.600**	**-**	**94**	**-28.860**	**29.834**
Balance as at 1 January 2016	**58.600**	**-**	**94**	**-28.860**	**29.834**
Net profit of the period	-	-	-	11.101.192	**11.101.192**
Other comprehensive income of the period	-	-	-	-150.084	**-150.084**
Total comprehensive income	**58.600**	**-**	**94**	**10.922.248**	**10.980.943**
Transactions with owners of the Company					
Absorption of sector	78.247.701	**-**	44.327.978	-	**122.575.679**
Taxes on share capital increase	-	-	-	-860.725	**-860.725**
Tax-exempt reserve	-	-	705.000	-705.000	**-**
Total transactions with owners of the Company	**78.247.701**	**-**	**45.032.978**	**-1.565.725**	**121.714.954**
Balance on 31 December 2016	**78.306.301**	**-**	**45.033.072**	**9.356.524**	**132.695.898**

The notes on pages 23 to 61 are an integral part of these financial statements.

Cash Flow Statement

Amounts in EUR	Note	2016	2015
Cash flows from operating activities			
Profit / (loss) after taxes		11.101.192	(2.402)
Adjustments for:			
Income tax paid		2.670.116	-
Depreciation and Amortization		*5.106.663*	-
Depreciation of tangible assets	6	5.015.981	-
Amortization of operating lease rentals		90.682	-
Investing activities result (income, expenses, profits and losses)		(12.215)	(326)
Interest charges & related expenses		7.116.139	-
(Profit) / Loss from Fair Value of Derivative		(3.028.277)	-
(Income) from Dividends		(2.947.462)	-
Impairment of inventories		298.477	-
Defined benefit obligations		345.600	-
Decrease / (increase) in inventories		16.319.207	-
Decrease / (increase) in receivables		(37.072.328)	349
(Decrease) / Increase in liabilities (other than banks)		11.071.230	-
Interest charges & related expenses paid		(6.174.541)	-
Net Cash flows from operating activities		**4.793.800**	**(2.379)**
Cash flows from investing activities			
Purchase of tangible assets	6	(2.848.723)	-
Dividends received	26	2.947.462	-
Interest received		12.215	326
Increase in paricipation in other investments and joint-ventures		(1.400)	-
Net Cash flows from investing activities		**109.554**	**326**
Cash flows from financing activities			
Loans received		149.580.052	-
Loans settlement		(124.251.121)	-
Net cash flows from financing activities		**25.328.930**	**-**
Net (decrease)/ increase in cash and cash equivalents		**30.232.285**	**(2.053)**
Cash and cash equivalents at the beginning of period		29.655	31.708
Cash from absorption of sector	5	20.147.434	-
Cash and cash equivalents at the end of period	14	**50.409.373**	**29.655**

The notes on pages 23 to 61 are an integral part of these financial statements.

Notes to the annual financial statements

1) General information

CORINTH PIPEWORKS PIPE INDUSTRY S.A. (hereinafter "Corinth Pipeworks" or the "company") was established and is seated in Greece, 2-4 Mesogeion Ave., Athens. The company's web address is www.cpw.gr.

Corinth Pipeworks is a wholly-owned subsidiary of the Belgian holding company "Cenergy Holdings" which is listed on Euronext Brussels and the Athens Stock Exchange. The ultimate parent company "VIOHALCO SA/NV" is also listed on Euronext Brussels and the Athens Stock Exchange.

The company is primarily operating in the production of high-quality medium and large-diameter steel pipes that are used in the petrochemical industry (transfer of liquid and gas fuels), in water supply industry and in construction works.

These annual financial statements have been approved by the company's Board of Directors on September 6, 2017. They are uploaded on the company's web page where they will remain for at least 5 years from publication date and are subject to the approval by the Ordinary General Shareholders'Meeting.

The company is exempted from preparing consolidated financial statements because its financial statements are included in the consolidated financial statements of the parent company Cenergy Holdings S.A. and VIOHALCO SA/NV.

2) Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. The annual financial statements were prepared according to the same accounting principles that were followed for the preparation and the presentation of the company's a financial statements of 2015.

2.1 Framework in which the financial statements have been prepared

The financial statements have been prepared by the management according to the International Financial Reporting Standards ("IFRS"), including both the International Accounting Standards ("IAS") and interpretations that have been issued by the International Financial Reporting Interpretations Committee, as these have been adopted by the European Union.

The information contained herein has been prepared based on the principle of historic cost as this has been amended with the estimation of financial assets and liabilities at fair market value through results as well as derivatives.

The preparation of financial statements according to the IFRS requires the use of certain important accounting estimations and the exercise of judgment on behalf of the Management during the application of accounting policies. In addition, it requires the use of calculations and assumptions that affect the aforementioned asset and liability figures, the disclosure of potential receivables and liabilities on the day the financial statements are prepared and the aforementioned income and expense figures during the said year. In spite of the fact that these calculations are based on the Management's best possible knowledge of current conditions and actions, actual results may differ from these calculations. Areas that contain a great degree of subjectivity and are composite or the assumptions and estimations that are important for the financial statements are noted in note 4.

Having taken into account the macro and micro-economical factors and their effect on the operations of the company, the financial statements, have been prepared on the going concern basis. According to the existing forecasts and the available financial resources, the Management has no intention or need of short-term liquidation of assets, or any reason to believe that the company will not be in a position to ensure the normal course of business and the service of its obligations, as there is no indication for the opposite.

2.2 New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The company's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IAS 19R (Amendment) “Employee Benefits”

These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

IFRS 11 (Amendment) “Joint Arrangements”

This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a ‘business’.

IAS 16 and IAS 38 (Amendments) “Clarification of Acceptable Methods of Depreciation and Amortisation

This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate and it also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

IAS 16 and IAS 41 (Amendments) “Agriculture: Bearer plants”

These amendments change the financial reporting for bearer plants, such as grape vines and fruit trees. The bearer plants should be accounted for in the same way as self-constructed items of property, plant and equipment. Consequently, the amendments include them within the scope of IAS 16, instead of IAS 41. The produce growing on bearer plants will remain within the scope of IAS 41.

IAS 27 (Amendment) “Separate financial statements”

This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements.

IAS 1 (Amendments) “Disclosure initiative”

These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

IFRS 10, IFRS 12 and IAS 28 (Amendments) “Investment entities: Applying the consolidation exception”

These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries.

Annual Improvements to IFRSs 2012

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

IFRS 2 “Share-based payment”

The amendment clarifies the definition of a ‘vesting condition’ and separately defines ‘performance condition’ and ‘service condition’.

IFRS 3 “Business combinations”

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

IFRS 8 "Operating segments"

The amendment requires disclosure of the judgements made by management in aggregating operating segments.

IFRS 13 "Fair value measurement"

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

IAS 16 "Property, plant and equipment" and IAS 38 "Intangible assets"

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

IAS 24 "Related party disclosures"

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Annual Improvements to IFRSs 2014

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

IFRS 5 "Non-current assets held for sale and discontinued operations"

The amendment clarifies that, when an asset (or disposal group) is reclassified from 'held for sale' to 'held for distribution', or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.

IFRS 7 "Financial instruments: Disclosures"

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

IAS 19 "Employee benefits"

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

IAS 34 "Interim financial reporting"

The amendment clarifies what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'.

Standards and Interpretations effective for subsequent periods

IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2018)

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The Group is currently investigating the impact of IFRS 9 on its financial statements.

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

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Group is currently investigating the impact of IFRS 15 on its financial statements.

IFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019)

IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Group is currently investigating the impact of IFRS 16 on its financial statements. The standard has not yet been endorsed by the EU.

IAS 12 (Amendments) "Recognition of Deferred Tax Assets for Unrealised Losses" (effective for annual periods beginning on or after 1 January 2017)

These amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value. The amendments have not yet been endorsed by the EU.

IAS 7 (Amendments) "Disclosure initiative" (effective for annual periods beginning on or after 1 January 2017)

These amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments have not yet been endorsed by the EU.

IFRS 2 (Amendments) "Classification and measurement of Shared-based Payment transactions" (effective for annual periods beginning on or after 1 January 2018)

The amendment clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority. The amendments have not yet been endorsed by the EU.

IFRS 4 (Amendments) "Applying IFRS 9 *Financial instruments* with IFRS 4 *Insurance contracts*" (effective for annual periods beginning on or after 1 January 2018)

The amendments introduce two approaches. The amended standard will: a) give all companies that issue insurance contracts the option to recognise in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts standard is issued; and b) give companies whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 until 2021. The entities that defer the application of IFRS 9 will continue to apply the existing financial instruments standard—IAS 39. The amendments have not yet been endorsed by the EU.

IAS 40 (Amendments) "Transfers of Investment Property" (effective for annual periods beginning on or after 1 January 2018)

The amendments clarified that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition and the change must be supported by evidence. The amendments have not yet been endorsed by the EU.

IFRIC 22 "Foreign currency transactions and advance consideration" (effective for annual periods beginning on or after 1 January 2018)

The interpretation provides guidance on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 21. The Interpretation applies where an entity either pays or receives consideration in advance for foreign currency-denominated contracts. The interpretation has not yet been endorsed by the EU.

Annual Improvements to IFRSs 2014 (2014 – 2016 Cycle) (effective for annual periods beginning on or after 1 January 2017)

The amendments set out below describe the key changes to two IFRSs. The amendments have not yet been endorsed by the EU.

IFRS 12 "Disclosures of Interests in Other Entities"

The amendement clarified that the disclosures requirement of IFRS 12 are applicable to interest in entities classified as held for sale except for summarised financial information.

IAS 28 "Investments in associates and Joint ventures"

The amendements clarified that when venture capital organisations, mutual funds, unit trusts and similar entities use the election to measure their investments in associates or joint ventures at fair value through profit or loss (FVTPL), this election should be made separately for each associate or joint venture at initial recognition.

2.3. Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred. They are deconsolidated from the date that control ceases. Total income is proportionally attributed to the owners of the parent company and to other shareholders, even if the balance attributed to the later ones is in debit.

The company uses the acquisition method to treat business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

If participation rights on the acquiree already existed, they are valuated at fair value on the date of acquisition and any profit or loss is recognized in the statement of comprehensive income. According to the modality of acquisition, the company recognize the non-participation rights of the affiliate at fair value or at the value of the non-participation share in equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the company's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income. Financial assets or financial liabilities resulting from arrangements of contingent exchange are valued at their fair value and changes in this value are recognized in of statement of comprehensive income.

The effect on results carried forward and minority rights due to changes in holding percentages are deemed as transactions between the shareholders and, consequently, are recognised directly in Equity. A possible

transaction recognized as item in the equity is not reevaluated and the subsequent adjustment is recognized in the equity.

Transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. The unrealized losses are also eliminated unless the asset subject to transaction has impairment indications.

Subsidiaries are fully consolidated by the listed company "Cenergy Holdings S.A." (parent) and Viohalco SA/NV (ultimate parent).

The company records its investments in subsidiary companies, in its corporate financial statements, at cost less Impairment.

2.4. Associates

Associates are all entities over which the company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The company's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The company's share of its associates' post-acquisition profits or losses is recognised in the Statement of Comprehensive Income, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are affecting the book value of the investment in associates. When the company's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the company and its associates are eliminated to the extent of the company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the company.

Investments in associates are recognised in individual financial statements (cost less impairment).

In case the percentage of participation in associates is reduced as a result of non participation in increase of share capital, gains or losses arising are recognised in profit and loss.

2.5. Segment reporting

The operating segments are presented in a manner consistent with the internal financial reports to the chief operating decision maker (General Manager), who takes all the operating decisions and is responsible in assessing the performance of the segments and allocating resources between them.

2.6. Functional currency translation

(a) Functional and presentation currency

The financial statements are presented in Euros, which is the company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalent are presented in the income statement within "finance income or cost". All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income.

2.7. Property, plant and equipment

All property, plant and equipment is shown at historical cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance are charged to the income statement as incurred.

Land is not depreciated. Depreciation on the rest assets is calculated using the straight-line method to allocate the cost of each asset to its value over its estimated useful life, as shown on the table below for the main classes of assets:

- Buildings 20-33 Years

- Machinery – technical installations and other mechanical equipment 8-25 Years

- Transportation equipment 7 – 10 Years

- Furniture and other equipment 4 - 5 Years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Loss is immediately recognised in the Statement of Comprehensive Income when the book value of the property, plant and equipment exceeds its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Comprehensive Income within "Other income" / (expenses – net)'.

2.8. Intangible assets

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be successful, considering its commercial and technological feasibility, and that costs can be measured reliably. Other development expenditures, that do not satisfy the standards above, are recognised as an expense as incurred. Development costs that have already been recognised as an expense will not be recognised as intangible assets in a future period. Development costs that have been capitalised, are registered as intangible assets and are amortised from the commencement of their production on a straight line basis over the period of its useful life, which does not exceed 5 years.

2.9. Impairment of non-financial assets

Assets that have an indefinite useful life (for example Goodwill) are not subject to amortisation and, instead, are tested annually for impairment. Assets that are subject to amortisation or depreciation are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.10. Financial Assets

2.10.1. Classification

The company classifies its investments in the following categories depending on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this classification at every reporting date.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit and loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling it shortly after or has been classified in this category by management. Derivatives are also categorised as 'held for trading' unless they are designated as hedges. Assets in this category are classified as current assets.

(b) Borrowings and receivables

Borrowings and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The company's loans and receivables comprise of "trade and other receivables" and "cash and cash equivalents" .

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. At the balance sheet date the company had no investments in this category.

2.10.2. Recognition and measurement

Purchases and sales of financial assets are recognised on the date of the trade – the date on which the company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit and loss. Financial assets carried at fair value through profit and loss are initially recognised at fair value and transaction costs are expensed in the income statement.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

Loans and receivables are carried at amortised cost using the effective interest method.

Available for sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value.

Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are presented in the Statement of Comprehensive Income within ("Other Income") in the period in which they arise. Dividend income is recognised in the income statement as part of other income when the company's right to receive payments is established.

Investments in participating titles that are not quoted in an active market and for which the fair value can't be reliably measured are valuated at cost.

2.10.3. Impairment of financial assets

The company assesses at each balance sheet date whether there is objective evidence that a financial asset is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement.

Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

2.11. Derivative financial instruments and hedging activities

The company uses financial and commodity derivatives to mitigate the impact of future price volatility. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The company uses financial derivatives for the hedge of a particular risk associated with a recognised asset or a liability or a highly probable forecast transaction (cash flow hedge).

The company documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The company also documents its assessment, both at hedge inception and on an ongoing basis, of whether derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for the hedge of risks are disclosed in note 12. Movements in the hedging reserve in shareholders' equity are shown in note 16. The fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading hedging derivatives are classified as a current asset or liability.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity. The gain or loss related to the ineffective portion is recognised immediately in the income Statement of Comprehensive Income within ("Other income").

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit. The gain or losses related to the effective portion of currency forward hedge are recognised in the income statement within the category where they belong (cost of sales, selling expenses).

When a future transaction that is hedged. results in the recognition of a non-financial asset (for example, inventory or fixed assets), the gains and losses previously recorded in equity are transferred from equity and are included in the initial valuation of the asset cost. The said amounts are finally recognised in cost of goods sold, in case of inventory or in depreciation, in case of fixed assets.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss included in equity at that time remains in equity and is recognised when the future transaction is ultimately recognised in the Statement of Comprehensive Income. When an expected transaction is no longer expected to occur, the cumulative gain or loss that initially was reported in equity, is immediately transferred to the Statement of Comprehensive Income within ("Other income").

Sales or purchases that are hedging are recorded at the current foreign exchange rate, as at the date of transaction.

Periodically the company conducts effectiveness tests, in order to examine the effectiveness of the applied hedging policies and to take corrective measures, when needed.

2.12. Inventories

Inventories are valued at the lower of cost and net realisable value. The cost is determined with the weighted average cost method. The cost of finished products and semi-finished stocks includes the cost of materials, the direct labour cost and a proportion of the general production expenses. Financial expenses are not included in the acquisition cost of inventory. The net realisable value is estimated based on the inventory's current sales price within the ordinary business activities less any possible selling expenses, whenever such a case occurs.

Costs of inventories include the transfer from equity of any gains/losses on qualifying cash flow hedges for purchases of raw materials.

Deletions and impairment losses are recognised in the results of the fiscal year in which they arise.

2.13. Trade receivables

Receivables from clients are initially recognised at their fair value and are subsequently estimated at their unamortized cost based on the effective interest method, less any impairment loss. Impairment losses are recognised when there is an objective indication that the company is not in a position to collect all the amounts that are due pursuant to contractual terms. The objective indication that receivables have been impaired includes information that comes to the attention of the company concerning the following events: Considerable financial distress of the customer, possibility to enter bankruptcy procedures or any other financial restructuring of the customer as well as unfavourable changes in the ordinary commercial terms. The amount of provision is equal to the difference between the book value of the receivables and the present value of the estimated future cash flows, discounted based on the effective interest. The amount of the provision is recorded as an expense in the Statement of Comprehensive Income. Furthermore, in case that part of receivables that had been written off, subsequently are collected, the said amount is credited to the income statement.

2.14. Cash and cash equivalents

In cash flow statements, cash and cash equivalents include cash in hand, bank deposits and other short-term highly liquid investments with original maturities of three months or less and low risk.

2.15. Share capital

Share capital includes the ordinary shares of the company.

Costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

2.16. Trade payables

Trade payables are the Company’s liabilities, originated from purchases of goods and services in the course of their ordinary business activity.

Trade payables are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method.

These liabilities are recognised in the short-term liabilities if they are due within one year. If not, then they are recognised in the long-term liabilities.

2.17. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Comprehensive Income over the duration of the borrowings using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is the probable that part or all of the facility will be drawn down. In this case, the fee is deferred until the drawn-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities, unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.18. Current and deferred income tax

The tax expense for the period comprises of current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except the part directly recognised in equity. In this case, the tax is recognised in equity.

The current income tax charge is calculated on the basis of the applicable tax laws and tax rates and is recognised in the period when taxable income is generated. Management periodically evaluates assumptions made on tax legislation and forms provisions against amounts expected to be paid to the tax authorities.

Deferred income tax is calculated, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not recognised if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is calculated using tax rates (and laws) applicable at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised.

Deferred income tax is recognised on temporary differences arising from investments in subsidiaries and associates, except those cases that reversal of the temporary difference is controlled by the company and it is probable that the temporary difference will not be reversed in the foreseeable future.

2.19. Employee benefits

(a) Short-term benefits

Short-term benefits to employees in the form of cash or in kind are recorded as an expense when they are accrued

(b) Benefits following withdrawal from service

Pension obligation

The company has both defined benefit and defined contribution plans.

A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate legal entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The accrued cost of defined benefit plan is recognised as charge in the period it relates.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of employment and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity and to other comprehensive income in the period in which they arise.

Previous experience costs are recognised immediately in the Statement of Comprehensive Income.

(c) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date. The company recognises termination benefits when committed or when it terminates the employment according to a detailed plan from which it can no longer withdraw, or when it offers these benefits to encourage voluntary redundancy. Benefits due for more than 12 months after the end of the reporting period, are discounted.

In case of termination, and if the number of employees about to use the benefits cannot be determined, these benefits are not accounted but are noted as contingent liability.

2.20. Grants

Government grants are recognised at their fair market value when it is certain that the grant will be received and that the company will comply with all stipulated terms.

Government grants that concern expenses are deferred and are recognised in the results so that these will match the expenses that they will cover.

Government grants relating to the purchase of property, plant and equipment are recorded in long-term liability accounts as deferred government grants and are transferred as income into the annual Statement of Comprehensive Income based on the fixed method over the expected life of these assets.

2.21. Provisions

Provisions for onerous contracts, restructuring costs and legal claims are recognised when:

i. The company has a current legal or inferable commitment as a result of past events

ii. It is probable that a cash outflow will be required to settle the commitment

iii. The amount can be reliably estimated.

Restructuring provisions comprise of lease termination penalties and employee termination payments. Provisions are not recognised against future operating losses. When there is a number of similar commitments, the possibility that a cash outflow will be required for settlement is assessed by examining the class of commitments, as a whole. A provision is recognised even if the possibility of an outflow for any item included in the same class of commitments may be small.

Provisions are calculated as the present value of the costs that, based on the management's best estimation, are required to cover the present liability on the balance sheet date.

2.22. Revenue recognition

Revenue comprises the fair value of the sale of goods and services, net of value-added tax, rebates and discounts. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. All risks have been undertaken by the buyer and the future profits that arise from the transactions are certain. Revenue is recognised as follows:

(a) Sale of goods

Sales of goods are recognised when the goods are accepted by customers and when collection of the claim is reasonably guaranteed. In the case in which cash refunds regarding sales of goods is guaranteed, refunds are accounted for on each balance sheet date as a reduction to income, based on statistical data.

(b) Sale of services

Income from the provision of services is accounted for in the period in which the services are rendered, based on their stage of completion in relation to all the services that shall be rendered.

(c) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument. Interest income on impaired receivables is recognised using the original effective interest rate.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.23. Leases

Leases of fixed assets, where the company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and the finance expense. The corresponding rental obligations, net of finance charges, are included in the liabilities. During the lease period, the finance expenses related to the finance lease are recognised in the year's income statement. The fixed assets acquired under finance leases are depreciated over the longer of the asset's useful life and the lease term.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Comprehensive Income on a straight-line basis over the period of the lease.

2.24. Elements of non current assets (or groups of elements for trade) for trade

The elements of non current assets (or groups of elements for trade) for trade are classified as assets intended to be traded when their book value is expected to be recovered through trade and when this transaction is likely to be realised. These elements are presented at the lowest value between book value and fair value less any cost of sales (if the book value is expected to be recovered through a sales and not through its continuous use)

2.25. Offset of financial assets and liabilities

Financial assets and liabilities are offset, while the net amount is shown in the balance sheet if there is a legal right to offset, as well as the intention to be settled on net basis, or simultaneously to recognize the asset and settle the liability.

2.26. Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements when the dividends are approved by the company's shareholders.

2.27. Borrowing Costs

All borrowing costs are recognized as expenses of the period in which they incur, unless they are directly attributable to the acquisition, construction or production of an asset and they are qualified for capitalization.

2.28. Roundings

Any differences between figures of the financial statements and the corresponding amounts and calculations in the notes are due to roundings.

3) Financial risk management

3.1. Financial risk factors

The company is exposed to a variety of financial risks: market risk (including exchange rate risk and price risk), credit risk, liquidity risk, cash flow risk and fair value interest-rate risk. The company's overall risk

management policy focuses on the unpredictability of commodity and financial markets and seeks to minimise potential adverse effects on the company's financial performance.

The company uses derivative financial instruments, such as forwards, in order to hedge certain risk exposures.

Risk management is carried out by the company's finance department. The Board of Directors provides instructions and guidelines on the general management of risks, as well as specific instructions on the management of specific risks, such as exchange rate risk, interest rate risk, price risk, liquidity risk and credit risk.

a) Market risk

(i) Exchange rate risk

The company operates internationally and is exposed to exchange rate risk arising from various currency exposures, primarily with respect to the US dollar. The company follows a hedging policy of at least 70%, either with natural hedging (purchase of resources based on the sale currency) or with FX forwards or with both.

As of 31/12/2016, if USD was strengthened / weakened by 10% (2015:10%) against Euro, with all other variables remained fixed, the company's gains after tax and equity would have been increased/reduced by the amounts set out below:

	Statement of Comprehensive Income		Equity, net of tax	
EUR	**Improvement**	**Weakening**	**Improvement**	**Weakening**
2016				
USD (10% change)	2.736.702	3.344.858	2.726.702	3.344.858
2015				
USD (10% change)	-	-	-	-

The company's exposure to the exchange rate risk varies during the year depending on the geographical allocation (and relative currency) of the sales and purchases of raw materials (mainly Hot Rolled Coils).

(ii) Interest rate risk

As the company has no significant interest-bearing assets, besides cash and cash equivalents, the company's income and operating cash flows are not materially exposed to changes in interest rates.

The company's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the company to cash flow interest rate risk. Borrowings issued at fixed rates expose the company to fair value interest rate risk. During 2016 the company's borrowings at variable rate (euribor + spread) were denominated in euro.

As of 31/12/2016, if interest rates had been 0,25%/(-0,25%) increased / decreased, with all other variables remained fixed, the company's gains after tax and Equity would have been reduced/increased by the amounts set out below:

	Statement of Comprehensive Income		Equity, net of tax	
EUR	**0,25% increase**	**0,25% decrease**	**0,25% increase**	**0,25% decrease**
2016				
Floating rate financial instruments	(433.513)	433.513	(433.513)	433.513
2015				
Floating rate financial instruments	-	-	-	-

(iii) Price risk

A large portion of sales (approximately 84%) is on project basis, where selling prices are fixed throughout the whole project period. Furthermore, according to the policy decided by the Board of Directors, prices of raw and auxiliary materials have to be fixed during the project period, in order to avoid exposure to risks from price volatility. For the rest of the sales (hollow sections), product and raw materials' prices are subject to changes according to the international steel prices which can lead to impairments of inventories. In the end of 2008, trading of future contracts on HRC started in the US, with small trade volumes and few participants. The company regularly follows the said market and its correlation with the underlying asset and if liquidity increases, it can be a useful hedging tool. Both in 2016 and 2015, the company did not have any transactions in HRC futures.

b) Credit risk

Credit risk arises from deposits, derivative financial instruments (banks and financial institutions credit risk), as well as credit, granted to customers (customer credit risk). Taking measures to face the Greek financial crisis, the company has a banking relationship with some of the largest and healthiest financial institutions of the Greek market as well as some major foreign financial institutions, whose credit rating is at least Caa3 (Moody's) for the domestic financial institutions and A (Moody's) for the foreign ones.

The company has adopted and applies strict procedures for the control of credit and political risk of its clients, investigating data like financial status, payments' background, possible counter guarantees etc. A large part of its sales take place against LCs, or downpayments. In other cases, the company uses credit insurance, factoring and when required political risk insurance.

As at year end, overdue trade receivables that have not been impaired are mentioned in note 11.

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the ability of funding each project that the company undertakes through an adequate amount of committed credit facilities. Because of the different cash flow cycle of each project, the company analyzes the facts and whenever it is needed makes use of credit lines with banks and other financial institutions. Especially under the current credit conditions, the company focuses its efforts on reducing its working capital needs and if it is needed, it will issue debenture bonds, in order to secure a longer repayment period for its borrowings and flow of funding for its operations.

According to the estimations and actions of the Management, the current negative conditions that exists in the goods, the financial and the capital markets have been presented correctly in the Separate financial statements.

Moreover, cash flow forecasts are prepared under the supervision and coordination of the finance executive management. The company's financial management monitors rolling cash flow forecasts of the liquidity requirements, in order to ensure that the company has adequate available cash to cover its working capital needs as well as to maintain sufficient levels of unused credit limits.

Cash flow forecasts take into account the plans of the company to comply with internal targets regarding financial indices and, where appropriate, external regulatory or legal requirements such as monetary constraints.

The table below illustrates the company's non discounted financial liabilities and net-settled derivative financial liabilities into relevant maturity brackets, based on the remaining period between the balance sheet date and the maturity date.

Balances due within 12 months equal their book value.

At 31 December 2016

2016	<1 year	1- 2 years	2-5 years	>5 years
EUR				
Financial Liabilities				
Bank loans	91.839.174	7.680.425	17.219.620	10.769.731
Bond loans	8.991.761	38.487.799	10.671.400	-
Derivatives	307.493	-	-	-
Other short-term financing liabilities	24.925.540	-	-	-
Trade and other payables	78.248.026	-	-	-
Total	**204.311.994**	**46.168.224**	**27.891.020**	**10.769.731**

At 31 December 2015

2015	<1 year	1- 2 years	2-5 years	>5 years
EUR				
Financial Liabilities				
Bank loans	-	-	-	-
Bond loans	-	-	-	-
Derivatives	-	-	-	-
Other short-term financing liabilities	-	-	-	-
Trade and other payables	-	-	-	-

d) Macroeconomic and Operating Environment in Greece

By Legislative Decree on 28/06/2015, the Greek Banks closed while at the same time controls were imposed on capital movements. The bank holiday ended on July 20, 2015 while the capital controls remain in effect.

The continuing instability and volatility of the macroeconomic and financial environment in Greece, is likely to negatively affect the company's activities. However, as analysed below, the company's exposure in Greece is limited:

i) Liquidity Risk:

The company keeps most of the their cash reserve deposit in foreign financial institutions out of Greece. The company's cash are invested in counterparties with high credit rating and are readily available.

Furthermore, the company's financing sources are diversified is such a way that almost 25% of the borrowings are originating from international financial institutions. The company's reliable creditworthiness ensures an efficient use of the international financial markets for financial purposes.

The company has direct access to financial sources and are periodically refinancing their short term borrowing liabilities. The company assesses that the refinance of the short term loans will continue in the future if necessary.

ii) Operation Risk:

Production/Sales

The company's productive plant in Greece is not assumed to be affected by capital controls. Over time the percentage of domestic to total sales is less than 10% and represents a small percentage of the total profitability. As a result the exports' percentage on total sales exceeds 10%. However, in 2016 domestic sales represents 59% of total sales due to execution of TAP project, the biggest project in CPW's history.

Receivables/Clients

Receivables from domestic clients are a small percentage of the total clients receivables of the company. Therefore, the company has a limited exposure in revoked or delayed payments.

Suppliers

For the most part, company's operations are depending on foreign suppliers. The company keeps an important part of their total cash abroad and therefore in case that the imposed capital controls remain in effect, they will be in position to unimpededly fulfill their obligation toward their suppliers.

iii) Credit risk

The company is applying a specific credit policy focused on a controlled commercial solvability. Wherever it is deemed necessary, additional insurance coverage is required as credit guarantee.

Considering that the nature of "Corinth Pipeworks" activity is mostly exporting, and considering the strength financial position of the company, any negative development of the Greek economy is unlikely to have major impact in the operating activities. Despite all that, Management is constantly appraising the situation and its consequences and promptly ensure that the adequate measures are taken in order to minimize the impact on the company's activities.

3.2. Capital risk management

The company's objectives when managing capital are to safeguard the ability to continue as a going concern in order to achieve satisfactory performance and benefits for shareholders and other stakeholders and to maintain an optimal capital structure in order to reduce the cost of capital.

Consistent with best practices, the company monitors its capital through its gearing ratio. The aforementioned ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the statement of financial position) less "Cash & cash equivalents". Total capital employed is calculated as "Equity" as shown in the statement of financial position plus net debt.

Below the gearing ratios as of 31 December 2016:

Amounts in Euros	2016
Total borrowings (note 17)	175.411.224
Other short-term financing liabilities (note 31)	24.925.540
Less: Cash and cash equivalent (note 14)	-50.409.373
Net Debt	**149.927.390**
Equity	132.695.898
Total Capital employed	**282.623.288**
Gearing ratio	**53%**

3.3. Fair value estimation

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, in reference to other instruments and cash flow discounting methods that are substantially the same, reflecting the specific conditions of the issuer.

The table below analyses financial instruments in the statement of financial position at fair value by level of the following fair value measurement hierarchy:

The levels are as follows:

First level – Includes quoted prices (unadjusted) in active markets for identical assets or liabilities.

Second level – Includes inputs other than quoted prices included within the first level, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Third level – Includes inputs that are not based on observable market data (that is, unobservable inputs).

	2016			
EUR	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial instruments at fair value	-	-	10.537	**10.537**
Derivative financial assets	-	3.219.430	-	**3.219.430**
	-	**3.219.430**	**10.537**	**3.229.966**
Derivative financial liabilities	-	-307.493,44	-	**-307.493**
	-	**2.911.936**	**10.537**	**2.922.473**

	2015			
EUR	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial instruments at fair value	-	-	-	**-**
Derivative financial assets	-	-	-	**-**
	-	**-**	**-**	**-**
Derivative financial liabilities	-	-	-	**-**
	-	**-**	**-**	**-**

There were no transfers between Levels 1 and 2 during the period.

Non listed securities amounting to € 10.537 as financial assets at fair value through profit and loss are valued at cost less impairment.

Valuation techniques used to derive Level 2 fair values

Level 2 trading comprise of forward foreign exchange contracts (forward).

The fair value of these contracts is determined by using forward exchange rates at balance sheet date and discounted based on present values.

Valuation of Level 3 fair values

Level 3 financial assets at fair value through profit and loss consist of non listed securities and therefore a reliable estimation of their fair value is not possible. They are valued at acquisition cost.

Valuation process

For financial reporting purposes, the company's financial department performs the valuations of financial assets and Level 3 fair values.

The procedure is performed at least twice a year in line with the company's reporting dates.

Fair value of financial assets and liabilities measured at amortized cost

The book value of the short terms borrowings approximates its fair value as the effect from discounting is immaterial.

The fair value of the following financial assets and liabilities approximates their book value:

- Trade and other receivables

- Cash and cash equivalents

- Trade and other payables

- Other short-term financing liabilities

4) Critical accounting estimates and judgements of the management

The Management's estimates and judgements are re-examined on a continuous basis and are based on historical data and expectations of future events, which are deemed reasonable pursuant to the current events.

4.1. Critical accounting estimates and assumptions

The company proceeds in estimates and acknowledgements regarding the development of future events. The estimates and acknowledgements that involve a significant probability that they will affect the book value of assets and liabilities in the following 12 months are the following:

a) The company's judgment is required in order to determine the income tax provision. There are many transactions and calculations due to which final tax calculation is uncertain. The company recognises tax liabilities, based on accounting estimations on possible future tax burden and tax assets related to future offsets of tax losses carried forward. If the final tax is different from the initially recognised tax, the difference shall affect the income tax and the provision for deferred taxation of the period.

b) The company forms a provision for cases that are under dispute based on evidence provided by Legal Department. Any difference between the actual final outcome and the amount initially recorded, will impact the profit and loss in the period in which the event takes place.

If the actual final outcome differs by 10% from the management estimates, the company's provisions will increase/decrease by € 14.000.

c) The company forms provisions for contractual obligations to its clients, which are estimated based on historical and statistical data that arose from the resolution of similar cases in the past. Any difference between the actual final outcome and the amount initially recorded, will impact the profit and loss in the period in which the event takes place.

If the actual final outcome differs by 10% from the management estimates, the company's provision will increase/decrease by € 0.

d) Defined benefit obligations

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

The present value of the defined benefits is calculated based on the appropriate discount rate (interest rates of high-quality corporate bonds that have terms to maturity approximating to the terms of the related pension plan, in the same currency that these benefits will be paid and with terms almost similar to the ones of the benefits' commitment). Another fundamental assumption is related to the salaries' increase. The assumptions used are further illustrated in Note 19.

e) Provision for impairment of receivables

Impairment losses are recognised when there is an objective indication that the company is not in a position to collect all the amounts that are due pursuant to contractual terms. The objective indication that receivables have been impaired includes information coming to the attention of the company concerning the following events: Considerable financial distress of the customer, possibility to start bankruptcy procedures or any other financial restructuring of the customer as well as unfavourable changes in the ordinary commercial terms of the clients.

If the final outcome differs by 10% from management estimates, then the company's provision for impairment of receivables, will approximately increase/decrease by € 1.218.000.

5) Sector's absorption

On May 31st, 2016, the absorption of the industrial and commercial sector of pipes and hollow sections of Corinth Pipeworks Holdings S.A. was completed in accordance with the provisions of Law 4172/2013. Transformation Balance Sheet date was December 31st, 2015.

With the absorption of the industrial and commercial sector of pipes and hollow sections from the company, the share capital increased by 78.247.701 euro with the issuance of 26.705.700 common shares with 2,93 euro per share par value.

Following the decision of the General Shareholders meetings the name of the company changed from E.VI.KE S.A. to "CORINTH PIPEWORKS PIPE INDUSTRY S.A.".

The assets and liabilities of the absorbed sector on 31 December 2015 (transformation balance sheet date) and 31 May 2016 (date of absorption's completion) are presented in the following table:

Amounts in Euro	**31/05/2016**	**31/12/2015**
ASSETS		
Non-Current assets		
Property, Plant and Equipment	184.315.744	183.509.534
Investments in associated companies	1.073.950	1.082.637
Investments in subsidiary companies	629.935	629.935
Trade and other receivables	4.801.400	4.709.150
Total non-current assets	**190.821.029**	**189.931.256**
Current Assets		
Inventories	107.842.128	66.547.689
Trade and other receivables	53.743.242	46.084.523
Income tax receivable	1.553.052	1.566.684
Derivative financial instruments	250.543	121.499
Financial assets at fair value through profit and loss	9.137	9.137
Cash & Cash equivalent	20.147.434	3.075.112
Total current assets	**183.545.536**	**117.404.643**
Total Assets	**374.366.565**	**307.335.899**
LIABILITIES		
Long-term Liabilities		
Borrowings	77.738.531	76.625.469
Deferred tax liabilities	16.600.095	16.815.599

Defined benefit obligations	1.251.783	1.223.258
Provisions	137.753	137.753
Total long-term liabilities	**95.728.162**	**94.802.078**
Short-term Liabilities		
Trade and other payables	31.619.954	30.745.808
Loans	96.436.823	58.986.889
Derivative financial instruments	1.561.678	495.457
Other short-term financing liabilities	27.592.756	-
Total short-term liabilities	**157.211.211**	**90.228.154**
Total Liabilities	**252.939.373**	**185.030.232**

For comparability purposes with previously published figures of Corinth Pipeworks Holdings S.A. (General Commercial Registry (GCR) No.: 000264701000), which contributed the sector during the period to the company, the sum of the results of the two companies and the necessary adjustments made to the respective figures in order to be directly comparable with the respective prior year's figures are presented in the table below:

	CORINTH PIPEWORKS PIPE INDUSTRY S.A. GCR: 0003978301000	**CORINTH PIPEWORKS HOLDINGS S.A.** GCR: 000264701000	**INTERCOMPANY TRANSACTIONS**	**TOTAL**	**CORINTH PIPEWORKS S.A.** GCR: 000264701000
(Amounts in Euro)	**1/1 - 31/12/2016**	**01/01 - 14/12/2016**	**1/1 - 14/12/2016**	**1/1 - 31/12/2016**	**1/1 - 31/12/2015**
Revenue	210.694.839	72.304.157	-555.981	282.443.015	257.169.631
Cost of sales	-172.752.825	-63.624.800	668.666	-235.708.959	-195.712.021
Gross profit	**37.942.014**	**8.679.357**	**112.685**	**46.734.056**	**61.457.610**
Other income	433.903	566.921	-760.188	240.636	925.221
Selling and distribution expenses	-17.175.481	-6.948.043	70.988	-24.052.535	-43.985.962
Administrative expenses	-3.686.068	-3.284.594	539.885	-6.430.777	-5.713.225
Operating result	**17.514.368**	**-986.359**	**-36.629**	**16.491.380**	**12.683.644**
Finance income	425.617	25.888	-	451.505	76.855
Finance costs	-7.116.139	-3.462.708	4.086	-10.574.761	-7.997.037
Dividend	2.947.462	400.000	-	3.347.462	705.000
Profit/Loss (-) before tax	**13.771.308**	**-4.023.179**	**-32.543**	**9.715.586**	**5.468.462**
Income tax expense	-2.670.116	-	-	-2.670.116	-2.255.377
Profit/Loss (-) after tax	**11.101.192**	**-4.023.179**	**-32.543**	**7.045.470**	**3.213.085**

Corinth Pipeworks Holdings S.A., upon the completion of the spin-off, was absorbed by Cenergy Holdings SA in the context of the cross-border merger by absorption by Cenergy Holdings SA of Corinth Pipeworks Holdings S.A. and Hellenic Cables S.A. Holdings Société Anonyme. The merger from a legal perspective was completed on 14 December 2016.

6) Property, Plant and Equipment

Amounts in Euros	Land	Buildings	Machinery	Vehicles	Furniture, fittings and equipment	Assets under construction	Total
Cost							
Balance as of January 1 2015	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
Balance as of December 31 2015	-	-	-	-	-	-	-
Accumulated depreciation							
Balance as of January 1 2015	-	-	-	-	-	-	-
Depreciation of the year	-	-	-	-	-	-	-

Balance as of December 31 2015	-	-	-	-	-	-	-
Net Book value as of 31 December 2015	-	-	-	-	-	-	-
Cost							
Balance as of January 1 2016	-	-	-	-	-	-	-
Additions	109.410	350.140	543.630	122.925	199.661	1.522.957	**2.848.723**
Reclassifications			15.562.443			-15.562.443	
Sector's absorption	12.433.010	53.365.711	226.124.405	1.834.655	3.458.983	15.587.776	**312.804.540**
Balance as of December 31 2016	**12.542.420**	**53.715.851**	**242.230.478**	**1.957.580**	**3.658.644**	**1.548.290**	**315.653.263**
Accumulated depreciation							
Balance as of January 1 2016	-	-	-	-	-	-	-
Depreciation of the year	-	-676.842	-4.136.653	-25.425	-177.060	-	**-5.015.980**
Sector's absorption	-	-24.935.166	-98.770.594	-1.744.075	-3.038.960	-	**-128.488.795**
Balance as of December 31 2016	-	**-25.612.008**	**-102.907.247**	**-1.769.500**	**-3.216.020**	-	**-133.504.775**
Net Book value as of 31 December 2016	**12.542.420**	**28.103.843**	**139.323.231**	**188.080**	**442.624**	**1.548.290**	**182.148.488**

The expenditure regarding depreciation has been recorded in the Statement of Comprehensive Income as follows:

Amounts in Euros	**12 months until 31/12/2016**	**12 months until 31/12/2015**
Cost of sales	4.888.732	-
Administrative expenses	97.374	-
Selling expenses	29.875	-
Total	**5.015.980**	**-**

At 31/12/2016 assets under construction are mostly related to the machinery in the company's plant in the Industrial Area of Thisvi.

During fiscal year 2016 are pending mortgage prenotations amounting to € 56.760.000.

7) Investments in subsidiaries

Amounts in Euros	31/12/206	31/12/2015
Opening balance	**-**	**-**
Sector's absorption	593.455	-
Closing balance	**593.455**	**-**

The Company's subsidiaries, which are not listed in the stock exchange market, are as follows:

	Country	Acquisition value at beginning of period	Sector's absorption	Additions	Sales	Acquisition value at end of period	Direct holding percentage	Indirect holding percentage
2016								
CPW AMERICA CO.	USA	-	-	-	-	-	0,00%	100%
WARSAW TUBULARS TRADING Sp. z.o.o.	Poland	-	593.455	-	-	593.455	100%	0,00%
Total		**-**	**593.455**	**-**	**-**	**593.455**		

8) Investments in associates

Amounts in Euros	31/12/206	31/12/2015
Opening balance	**-**	**-**
Sector's absorption	1.073.950	-
Closing balance	1.073.950	**-**

This category includes the following investment:

Company	Country	Percentage holding	Measurement method
DIAVIPETHIV SA	Greece	21,75%	Equity

DIAVIPETHIV SA is established in Greece and sets, as Thisvi industrial zone's administrator, the boundaries of the statutory and regulatory frame in which the companies being settled in the industrial zone are operating, as well as the rights and responsibilities of the administrating and managing entity.

9) Financial instruments

a) Financial instruments by category

Figures at 31/12/2016

Amounts in Euros **Assets**	Borrowings and receivables	Assets at fair value through the profit and loss	Derivatives used for hedging	Total
Trade and other receivables	77.462.007	-	-	**77.462.007**
Cash and cash equivalents	50.409.373	-	-	**50.409.373**
Short-term derivative financial instruments	-	-	3.219.430	**3.219.430**
Short-term financial assets at fair value through results	-	10.537	-	**10.537**
Total	**127.871.380**	**10.537**	**3.219.430**	**131.101.347**

Amounts in Euros **Liabilities**	Derivatives used for hedging	Other financial liabilities	Total
Long-term loans	-	79.397.165	**79.397.165**
Short-term loans	-	96.014.058	**96.014.058**
Derivative financial instruments (short-term)	307.493	-	**307.493**
Trade and other payables	-	78.248.026	**78.248.026**
Other short-term financing liabilities		24.925.540	**24.925.540**
Total	**307.493**	**278.584.789**	**278.892.283**

Figures at 31/12/2015

Amounts in Euros **Assets**	Receivables
Trade and other receivables	179
Cash and cash equivalents	29.655
Total	**29.834**

b) Credit rating of financial assets

Derivative financial instruments (assets):

The credit rating of derivative financial assets according to external credit rating house (Moody's) is presented below:

Euro	31/12/2016	31/12/2015
Caa1	-	-
Caa2	131.603	-
Caa3	3.087.827	-
Total	**3.219.430**	**-**

The credit rating of cash at bank and short-term bank deposits according to external credit rating house (Moody's) is presented below:

Euro	31/12/2016	31/12/2015
Aa2	114.606	-
Caa3	50.264.087	29.655
Total	**50.378.693**	**29.655**

10) Inventories

EUR	31/12/2016	31/12/2015
Merchandise	313.301	-
Finished goods	16.337.246	-
Semi-finished goods	8.121.504	-
By-products & scrap	4.594.106	-
Work in progress	-	-
Raw and auxiliary materials, consumables, spare parts and packaging materials	75.601.501	-
Down payments for purchase of inventory	-	-
Total	**104.967.659**	**-**

The cost of inventory that was recorded as an expense in the cost of sales amounts to € 153.097.064 (note 23).

During the fiscal year 2016 inventory was estimated at the lower value between cost and net realisable value. The net realisable value was estimated based on the sales price of finished products in an active market. The net realisable value of certain finished products was lower, and as a result an impairment loss of € 298.477 has been recognized.

11) Trade and other receivables

Amounts in EUR	2016	2015
Current Assets		
Trade receivables	37.953.688	-
Less: Impairment losses	-12.143.243	-
Net trade receivables	**25.810.445**	**-**
Other downpayments	71.822	-
Cheques and notes receivables & Cheques overdue	37.000	-
Receivables from related entities	50.869.792	-
Current tax claims	1.553.052	-
Other debtors	8.042.623	179
Less: Impairment losses	-37.000	-
Net other receivables	**60.537.289**	**179**
Total	**86.347.734**	**179**

Non-current assets		
Non-current receivables from other related parties	3.603.024	-
Other non-current receivables	1.846.407	-
Non-current trade & other receivables	**5.449.431**	**-**
Total	**91.797.165**	**179**

During fiscal year 2016 the company transferred receivables amounting to € 67.220.291 to a bank in exchange for cash (note 31).

The long term-receivables included in the non-current assets for the Company are analysed as follows:

a) Long-term receivables included in non-current assets € 709.948 concern guarantees to third parties within the Company's activities and do not have a specific maturity date.

b) amount € 307.063 is related to amortized part of expenses regarding improvements made in Company's buildings which are on operational lease. Because of these improvements, the Company is charged with reduced lease. The expenses in question are amortized according to the duration of the lease, which will cease at 01/07/2021, and are recognized in the Statement of Comprehensive Income as leasing fees. The portion of the expense that relates to the next financial year, amounting to € 90.682 is recognized in the current assets.

c) Amount of € 3.603.023:

Further to the approval of the Regulatory Plan of the industrial zone in Thisvi (No 5931/28-9-2006) and the resolution of the General Secretary of Sterea Ellada region, the (related party) DIA.VI.PE.THIV. S.A. (Thisvi industrial zone's administrator) received a total surface of 195 acres and another 281 acres for communal needs of the companies settled in the said industrial zone. The land in question was given up by the companies being settled in the industrial zone. Corinth Pipeworks S.A. also gave up land of 145.471 sq.m. with a value of € 3.603.023, transaction posted as a long-term receivable (included in other assets) from DIA.VI.PE.THIV. S.A, since Law 2545/97 (art.5) stipulates that the said land will be returned to its owners if the administrator ceases its operation.

d) Amount € 829.397 is related to performance bond fees.

As of 31/12/2016 Trade receivables that were past due but not impaired were € 4.467.609 for the Company. These relate to a number of customers for whom there is no recent history of default. The ageing of these receivables is shown in the table below:

Ageing of Trade receivables not impaired

Amount in Euro	**31/12/2016**	**31/12/2015**
Neither past due nor impaired	68.455.972	-
Overdue		
- Up to 6 months	3.107.157	-
- Over 6 months	1.360.452	-
Total	**72.923.581**	**-**

The amounts recognised as provision usually are written off since they are not expected to be collected from the specific customers.

The ageing of the receivables from impaired clients are shown in the table below:

Amounts in Euros	**31/12/2016**	**31/12/2015**
> 6 μήνες	18.873.584	-

An impairment provision has been raised for doubtful debts, which is broken down as follows:

Amount in Euro	**31/12/2016**	**31/12/2015**
Opening balance	**-**	**-**
Sector's absorption	11.445.267	-
Foreign exchange differences	734.976	-
Provisions write-off	-	-
Closing balance	**12.180.243**	**-**

In 2010, the company impaired a receivable of ($ 24.864.102 or € 18.627.586) due to its overdue status. On 31/12/2016, the same amount is valuated € 23.786.570. While Company's judicial actions, both in Greece and other jurisdictions, for the collection of the aforementioned debt are ongoing and while no final judgments have been issued, the Company considers that for the moment there is no reason to revise the provisions amounting to € 11.934.245 (2015: € 11.417.597) that has formed in its financial statements. Management estimates that potential loss will not exceed the impaired amount.

The Court of Cassation in Dubai upheld the appeal of the Company and decided to cancel the judgement of appeal, in its capital that recognized the fictional counterclaim of Company's customer raised in the context of the action brought against him by the Company and ordered the set off to be carried out with Company's claim recognized irrevocably, and to refer back the case to the Court of Appeal to review the validity of the counterclaim with new panel. At the hearing on 5 June 2017, the Court of Appeal rejected the counterclaim raised by the Company's customer and obliged the latter to pay to the Company an amount of USD 24,035,919. Company's customer filed an appeal before the Court of Cassation challenging the aforesaid decision of the Court of Appeals. Based on assessment of the lawyers handling the legal case before the civil courts of Dubai, the appeal that has been filed by the Company's customer would have poor prospects of success and the Court of Cassation is likely to dismiss the said appeal. Therefore, the Company believes that the likelihood of an outflow of resources from the outcome of the counterclaim of that customer versus the Company is remote.

In addition the Company to ensure its rights under the decision of the First Instance Court of Athens issued in interim proceedings imposed precautionary seizure and has registered mortgage liens, on third party property involved in the abovementioned case.

Up until 31/12/2016 there were no changes regarding the collection of the amount due.

The carrying amounts of the Company's trade and other receivables are denominated in the following currencies:

Amounts in Euros	**31/12/2016**	**31/12/2015**
Euro	76.200.351	179
US Dollar	15.596.361	-
Zloty	451	-
UK Pound	2	-
Total	**91.797.165**	**179**

The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date for the Company is the fair value of each class of receivable mentioned above.

The Good performance guarantees given to customers are presented below:

Amounts in Euros	**31/12/2016**	**31/12/2015**
Good performance guarantees given to customers	21.980.111	-

12) Derivative financial instruments

Amounts in Euros	31/12/2016	31/12/2015
Current Assets		
Forward foreign exchange contracts – cash flow hedges	3.219.430	-
Short-term Liabilities		
Forward foreign exchange contracts – cash flow hedges	307.493	-
Amounts recognised in the income statement as income (or expense)	2.993.539	-

The amount of € -3.028.277 related to estimation of cash flow hedge through profit and loss, was recognised in the Statement of Comprehensive Income.

The maximum exposure to credit risk at 31/12/2016 is the fair value of the derivative assets in the Statement of Financial Position.

The derivative financial instruments are classified in the non-current assets/long-term liabilities when the remaining period (maturity date) exceeds 12 months, and in current assets/short-term liabilities when the remaining period (maturity date) is shorter than 12 months.

Forward foreign exchange contracts

The notional principal amounts of the outstanding forward foreign exchange contracts on 31/12/2016 were USD -44.783.114. No gains and losses from forward foreign exchange contracts recognised in equity on 31/12/2016.

13) Financial assets at fair value through profit or loss

The financial assets at fair value through profit or loss include the following:

Amounts in Euros	31/12/2015	31/12/2015
Not-listed securities		
- Greek securities	10.537	-
Total	**10.537**	**-**

14) Cash & Cash equivalents

Euro	31/12/2016	31/12/2015
Cash in hand and Cash in bank	5.409.373	29.655
Short-term bank deposits	45.000.000	-
Total	**50.409.373**	**29.655**

15) Share capital and share premium

On 31 December 2015, the share capital of the Company amounted to € 58.600 divided into 20.000 shares with a nominal value of € 2,93 each.

With the absorption by the company of the industrial and commercial sector of pipes and hollow sections the share capital of the company increased by 78.247.701 euro with the issuance of 26.705.700 common shares with 2,93 euro per share par value.

Thus, on 31 December 2016 the share capital of the Company amounted to € 78.306.301 divided into 26.725.700 shares with a nominal value of € 2,93 each.

16) Other reserves

(Amounts in Euro)	2016	2015
Statutory Reserve	-	-
Hedging reserve	-	-
Absorption's reserve	25.071.684	
Tax-free reserves	19.256.294	-
Tax-free reserves (transfer in 2016)	705.000	
Other reserves	94	94
Total	**45.033.072**	**94**

(a) Statutory reserve

Pursuant to the articles 44 and 45 of Codified Law 2190/1920 the statutory reserve is formed and used as follows: At least 5% of the true (accounting) net profits of each fiscal year is mandatorily withheld in order to form the statutory reserve until the accumulated amount thereof amounts to at least 1/3 of the registered share capital. The statutory reserve may be used to cover losses following a decision of the Ordinary General Meeting of the shareholders and may not be used for any other reason.

(b) Untaxed reserves

Special law untaxed reserves

The Company monitors the reserves that are formed from net profits, which, pursuant to incentive laws that are present each time, are not taxed because they were used for the acquisition of new production equipment. In other words, these reserves are formed from net profits for which a tax is not estimated or paid.

Reserves from income exempted from taxation and from income taxed by special laws.

These reserves include part of the non-distributed net profits of each fiscal year that comes from income exempted from taxation and income taxed by special laws with the exhaustion of the tax liability.

The aforementioned reserves may be capitalised and distributed (after the restrictions that may apply each time are taken into consideration) following a decision of the Ordinary General Meeting of the shareholders.

In case these reserves are distributed, the Company will have to pay the corresponding tax.

17) Borrowings

(Amounts in Euros)	2016	2015
Long-Term borrowings		
Bank loans	33.434.216	-
Bond loans	45.962.949	-
Total Long-Term borrowings	**79.397.165**	**-**
Short-Term borrowings		
Bank overdrafts	81.695.000	-
Bank loans	7.790.109	-
Bond loans	6.528.949	-
Total Short-Term borrowings	**96.014.058**	**-**
Total borrowings	**175.411.223**	**-**

The company's exposure to interest rates risk as well as the contractual dates of resetting interest rates are as follows:

Amounts in Euros	2016	2015
Less than 6 months	134.186.898	-
6 to 12 months	41.224.325	-
Total	**175.411.223**	**-**

The maturity dates of long-term loans are as follows:

Amounts in Euros	2016	2015
Between 1 and 2 years	43.326.342	-
Between 2 and 5 years	25.537.810	-
More than 5 years	10.533.016	-
Total	**79.397.168**	**-**

All of the company's loans are in Euros.

The long-term borrowings mature in 2023 and the effective weighted average interest rates that were applicable on the balance sheet date were as follows:

	2016	2015
Bank Loans (Long term)	1,95%	-
Bank overdrafts	5,62%	-
Bond Loans	4,75%	-

Total borrowings include secured liabilities amounting to € 52.491.898. Bank borrowings are secured by the company’s fixed assets (note 6).

The fair value of long-term borrowings is the following:

(Amounts in Euros)	2016	2015
Long-Term borrowings		
Bank loans	33.434.216	-
Bond loans	45.962.949	-
Total Long-Term borrowings	**79.397.165**	**-**

The fair values of short-term loans are equal to their book values, assuming that the effect from discounting is immaterial. The fair values are valuated according to parameters such as interest rates, specific factors risks of the country, current value balance sheet date and are included in level 2 of Fair Values.

For 2016 and 2015 there are no fixed interest rate long term loans.

18) Deferred taxation

Deferred tax claims and liabilities are offset when there is an applicable legal right to offset current tax claims with current tax liabilities and when deferred income taxes concern the same tax principle. The amounts offset are illustrated below:

Amounts in Euros	31/12/2016
Deferred tax asset	-
Deferred tax liability	18.700.082
Total	**18.700.082**

Most of the deferred tax assets are recoverable after 12 months. Most of the tax liabilities are payable after 12 months.

The total change in deferred income tax is as follows:

Amounts in Euros	31/12/2016
Balance at the beginning of the year	**-**
Sector's absorption	16.598.256
Charged/(credited) to the statement of comprehensive income	1.835.499
Tax charged/(credited) directly in equity	266.327
Balance at year-end	**18.700.082**

Changes in deferred tax assets and liabilities during the year, without taking into consideration the offset of balances for the same tax authority, are the following:

Deferred tax liabilities:

Amounts in Euros	Tangible assets/Difference in depreciation	Provisions differences	Non-recognised intangible assets	Fair value Gain/Loss	Other	Total
Balance 31/12/2015	**-**	**-**	**-**	**-**	**-**	**-**
Balance 1/1/2016	**-**	**-**	**-**	**-**	**-**	**-**
Recognised through profit or loss	1.978.690	-15.473	162.461	-	-290.179	**1.835.499**
Recognised through other comprehensive income	-	-61.302	-	327.629	-	**266.327**
Sector's absorption	15.841.315	-350.491	-1.272.117	-325.790	2.705.339	**16.598.256**
Balance 31/12/2016	**17.820.005**	**-427.266**	**-1.109.656**	**1.839**	**2.415.160**	**18.700.082**

The deferred tax that was credited to the company's Equity during the year refers to the change in the fair value of cash flow hedging.

19) Defined benefit obligations

According to Greek labor law, employees are entitled to compensations in case of termination of employment or retirement. The amount is related to the salary, the years of employment and the nature of withdrawal (termination or retirement). The resigning employees (employees with more than fifteen years of service are excepted) or those who are terminated with a reason are not entitled to compensations. In case of retirement, the due compensation is equal to 40% of the amount due in the case of a termination.

Amounts recognised in the statement of financial position have been designated as follows:

Amounts in Euros	2016	2015
Liability recognised in the statement of financial position		
Present value of non-financed liabilities	1.487.992	-
Liability in the statement of financial position	**1.487.992**	**-**

Changes in the present value of the liability for the Company:

(Amounts in Euro)	2016	2015
Changes in net liability recognised in the Balance Sheet		
Balance at the beginning of the period	-	-
Sector's absorption	1.223.258	-
Benefits paid	-144.826	-
Amounts recognised in the profit or loss statement	198.174	-
Amounts recognised in the statement of other comprehensive income	211.386	-
Balance at year's end	**1.487.992**	**-**

Amounts recognised in the profit or loss statement

Current service cost	88.446	-
Interest cost	24.327	-
Curtailment/settlement/termination cost	85.400	-
Total	**198.174**	**-**

Amounts recognised in the statement of other comprehensive income

Actuarial loss / (gain) - financial assumptions	92.494	-
Actuarial loss / (gain) – experience in the period	101.012	-
Actuarial loss / (gain) – demographic assumptions	34.603	-
Actuarial loss / (gain) – other adjustments	-16.723	-
Total	**211.386**	**-**

The “curtailment/settlement/termination cost” is mainly due to personnel downsizing owing to who were dismissed, retired or withdrew voluntarily.

The main actuarial assumptions used are the following:

	2016	2015
Discount rate	1,60%	-
Rate of compensation increase	0,50%	-
Price inflation	1,50%	-

The sensitivity of the present value of benefit obligations to changes in the principal assumptions is: if the discount rate used was higher by 0,5% then the present value of benefit obligations would be lower by 7,7 % If the salary growth rate was higher by 0,5% then the present value of the benefit obligation would be higher by 8,6%.

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, as changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

In respect of the previous financial year, the methods and the nature of the assumptions used in order to calculate the sensitivity analyses are unchanged.

Regarding the risks included in the aforementioned plan, this plan is not funded and therefore there are no assets related to it. Consequently, risks such as volatility of assets or other similar risks (low performance, concentration of assets etc.) do not apply. Risks in the current plan are related to the actuarial assumptions used in the valuation of the benefit obligation, as shown in the financial statements, and include possible changes in the performance of the bonds used in the calculation of the discount rate, and assumptions related to the inflation rate and the rate of future salary increase, that may to affect future cash flows.

20) Provisions

Amounts in Euros	Pending litigations / cases under arbitration	Onerous contracts	Total
1-Jan-15	**-**	**-**	**-**
Reversal of unused provisions	-	-	**-**
Used provisions	-	-	**-**
31-Dec-15	**-**	**-**	**-**
1-Jan-16	**-**	**-**	**-**
Sector's absorption	137.753		**137.753**
Reversal of unused provisions	-	-	**-**
Used provisions	-	-	**-**
31-Dec-16	**137.753**	**-**	**137.753**

Amounts in Euros	2016	2015
Short-term provisions	-	-
Long-term provisions	137.753	-
Total	**137.753**	**-**

Pending litigations

The amount of the said provision is based on estimations of the company's Legal Department. The remaining provision is expected to be used within the current year. The Management of the Company considers that the formed provision is sufficient and no additional burden is expected to arise beyond the amount stated at 31/12/2016.

Onerous contracts

The provision that has been formed, refers to losses that may arise as a result of the Company's contractual obligations. The provision was estimated based on historical figures and statistics for the settlement of similar cases in the past.

Moreover, based on the principle of prudence, the company evaluates periodically the nature of the contractual obligations and proceeds with adjustments when required.

21) Trade and other payables

Amounts in EUR	2016	2015
Suppliers	63.547.547	-
Customer prepayments	5.369.932	-
Social security funds	730.672	-
Tax & duties payable	740.758	-
Payables to related parties	5.537.594	-
Dividends payable	1.671	-
Other creditors	442.328	-
Accrued expenses	3.348.953	-
Total	**79.719.456**	**-**
Short-term liabilities	79.719.456	-
Total liabilities	**79.719.456**	**-**

22) Revenue

EUR	2016	2015
Sale of merchandise and products	208.527.666	-
Other	2.167.172	-
Total	**210.694.839**	**-**

The geographical allocation of the Company's sales is presented in the table below:

EUR	2016	2015
Greece	123.869.014	-
Other European Union countries	34.164.549	-
Other European countries	131.103	-
Asia	-	-
America	52.530.173	-
Africa	-	-
Oceania	-	-
Total	**210.694.839**	-

Sales are referred to the country that the costumers are established.

23) Expenses by nature

Amounts in Euros	Notes	2016	2015
Cost of inventories recognized as an expense		-153.097.064	-
Employee benefits	24	-11.227.208	-
Energy		-1.892.147	-
Depreciation and amortisation		-5.047.921	-
Insurance premiums		-2.297.984	-
Rental fees		-481.349	-
Transportation		-12.950.011	-
Third party fees and benefits		-6.929.530	-2.728
Taxes - duties		-200.591	-
Gains/(losses) from derivatives		2.993.539	-
Commission		-665.186	-
Other expenses		-1.818.922	-
Total cost of sales, distribution costs and administrative expenses		**-193.614.374**	**-2.728**

24) Employee benefit expenses

Amounts in Euros	2016	2015
Employee remuneration & expenses	8.723.452	-
Social security expenses	2.023.717	-
Defined benefit contribution plan	74.196	-
Other staff expenses	405.843	-
Total	**11.227.208**	**-**

The number of company's employees in 2016 amounted to 439.

25) Other operating income

Amounts in EUR	2016	2015
Grants of the Fiscal Year	36.081	-
Rentals	5.442	-
Cost refund	388.997	-
Income from reversal of prior year unused provisions	845	-
Other Income	2.538	-
Total	**433.903**	**-**

26) Finance expenses – net

Amounts in Euros	2016	2015
Income		
Interest income	12.215	326
Foreign Exchange gains	413.402	-
Divident Income	2.947.462	-
Total	**3.373.079**	**326**
Expense (-)		
Interest expense	(6.651.979)	-
Foreign Exchange losses	(142.275)	-
Bank Commission	(321.885)	-
Total	**(7.116.139)**	**-**
Financial Income & Cost (Net)	**(3.743.060)**	**326**

27) Income Tax

Amounts in Euros	12 months until 31/12/2016
Income tax	834.618
Deferred Tax (note 18)	1.835.499
Total	**2.670.117**

Income tax is different from the theoretical amount deriving from the application of the effective tax rate on the results of the consolidated companies. The difference is calculated as follows:

Amounts in Euros	12 months until 31/12/2016
Profit before tax	13.771.308
Tax calculated on the basis of the applicable tax rates (2016:29% & 2015:29%)	3.993.679
Non tax-exempted expenses	-11.175
Expenses not used in tax calculation	-2.211.896
Permanent tax differences	444.630
Differences of tax audit	454.877
Total income tax	**2.670.116**

The tax (expense)/income on the other comprehensive income is analysed as follows:

Amounts in Euros	Before tax	TAX (Debit)/Credit	After tax
Profit / (Loss) after tax from change of fair market value of cash flow hedge	1.136.652	-327.629	809.023
Actuarial gains/(losses)	-211.386	61.302	-150.084
Other comprehensive income	**925.266**	**-266.327**	**658.939**
Deferred Tax (note 18)		-266.327	
Total		**-266.327**	

28) Commitments

Capital commitments

The capital expenditures in progress at 31/12/2016 amounting to € 1.393.296 are related to machinery and other fixed assets.

Liabilities from operating leases

The company leases transportation means and buildings, based on operating leases. These leases have various terms, readjustment clauses and renewal rights. With regard to real estate lease contracts, no special term are stipulated for their rescission. Pursuant to the applicable general provisions, the lessee has the right to rescind the contract, provided a period of two years has lapsed from the date the lease has been concluded and a notice has been served six months prior thereto. Following the lapse of the aforementioned six-month period the lessee is obliged to pay the lessor as indemnification an amount equal to four months of lease, based on the last applicable rent. With regard to transportation means, lease contracts may be terminated at any time without notice, however the lessee must pay an early termination penalty that ranges between 2 to half of the remaining due leasing fees, depending on the counterparty.

The future total payable leasing fees are illustrated below:

EUR	2016	2015
Less than one year	282.559	-
Between one and five years	444.030	-
Total	**726.590**	**-**

29) Contingent assets/liabilities

a) The Company has contingent liabilities related to bank guarantees, issued in its ordinary course of business. The said contingent liabilities are shown below:

Amount in Euros

Liabilities	2016	2015
Guarantees to secure liabilities to suppliers	5.069.370	-
Guarantees to secure the good performance of contracts with clients	21.980.111	-
Total	**27.049.482**	**-**

b) The cases in court or under arbitration that are pending at the balance sheet date are shown below:

Amounts in Euros	2016	2015
Other lawsuits	143.622	-
Contractual obligations	-	-
Total	**143.622**	**-**

The company, in case of negative result of the above cases, has formed a provision of a total amount of € 137.753.

The total amount of provisions that has been formed is deemed sufficient and no additional burden is expected to arise.

c) On 31/12/2016, there were pending lawsuits against third parties. It is impossible to reach a reliable estimation of future financial benefits from a positive outcome of the said cases.

30) Related party transactions

The company is controlled by CENERGY S.A. and the ultimate parent company is VIOHALCO SA/NV, both established in Belgium.

The following transactions are with related parties:

(i) Sales

Amounts in Euros	31/12/2016	31/12/2015
Sales of goods		
Subsidiaries	52.530.172	-
Other related parties	6.625.873	-
Total	**59.156.045**	**-**
Sales of services		
Subsidiaries	-	-
Other related parties	477.171	-
Total	**477.171**	**-**
Sales of fixed assets		
Subsidiaries	-	-
Other related parties	-	-
Total	**-**	**-**

Dividend income		
Subsidiaries	2.947.462	-
Other related parties	-	-
Total	**2.947.462**	**-**

(ii) Purchases

Amounts in Euros	31/12/2016	31/12/2015
Purchase of goods		
Subsidiaries	-	-
Other related parties	1.004.430	-
Total	**1.004.430**	**-**
Purchase of services		
Subsidiaries	240.241	-
Other related parties	3.568.387	-
Total	**3.808.628**	**-**
Purchase of fixed assets		
Subsidiaries	-	-
Other related parties	202.239	-
Total	**202.239**	**-**

(iii) Fees to member of the BoD and Management compensation

Amounts in Euros	31/12/2016	31/12/2015
Fees to members of the BoD and Key management	332.438	-

(iv) Balances at year end from sales and purchases of goods, services and fixed assets

Amounts in Euros	31/12/2016	31/12/2015
Receivables from related parties:		
Subsidiaries	33.953.102	-
Other related parties	16.916.690	-
Long term liabilities related to land contribution in associated company	3.603.024	-
Total	**54.472.816**	**-**
Payables to related parties:		
Subsidiaries	64.462	-
Other related parties	5.473.132	-
Total	**5.537.594**	**-**

Other related parties are subsidiaries of Viohalco Group.

Payables and receivables to and from affiliated entities do not have specific settlement terms and are non-interest bearing.

The amounts payable are related to purchase of goods and services.

31) Other short-term financing liabilities

Amounts in Euros	
Balance at 01/01/2015	**-**
Additions	-
Repayments of short term financing liabilities	-
Balance at 31/12/2015	**-**
Additions	67.220.291
Repayments of short term financing liabilities	-42.294.751
Balance at 31/12/2015	**24.925.540**

During 2014 the company proceeded to a Factoring financing contract and received the amount of € 67.220.291 while the repayments amounted to € 42.294.751.

On 31/12/2016 the said liabilities are denominated in Euro and USD, and the period until the cash inflow is non interest bearing.

The interest is calculated based on a floating rate equal to the prevailing factoring rate (3 month Euribor plus spread for the amount in EUR and 3 month Libor plus spread for the amount in USD).

32) Open tax years

For the fiscal year 2011 and thereafter, Greek Société Anonyme and Limited liability companies, whose financial statements must be audited, are under obligation to receive an "annual tax certificate" as stipulated in the paragraph 5, article 82 of Law N.2238/1994. The certificate is issued once the tax audit has been completed by the same legal financial controller or office performing the annual audit on the financial statements. Upon completion of the audit, the Legal Controller or office issues a "Tax Compliance Report" and forwards it to the Ministry of Economy within 10 days after the general shareholders meeting. The Ministry of Economy will choose a sample of 9% of the companies for further control by its own audit department. This procedure may not last more than 18 months from the date of submission of the "Tax Compliance Report" to the Ministry of Economy.

The Company has not been audited by tax authorities for the years 2010 to 2016.

For the fiscal year 2016 PricewaterhouseCoopers performed the tax audit. There were no significant changes in tax obligations beside those recorded and presented in the company's financial statements.

The company made a provision for additional tax based on the findings of the tax audit on prior years.

33) Auditor's fees

For the year 2016, the auditor's fees, related to the Company's annual audit and interim review of financial statements as well as for the tax certificate, amounted to € 130.950.

34) Events after the reporting date

There are no events after the reporting date affecting the financial statements of the company.

C. Independent Auditor's Report

[Translation from the original text in Greek]

To the Shareholders of "Corinth Pipeworks Pipe Industry S.A"

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of Corinth Pipeworks Pipe Industry S.A which comprise the statement of financial position as of 31 December 2016 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing which have been transposed into Greek Law (GG/B'/2848/23.10.2012). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corinth Pipeworks Pipe Industry S.A as of 31 December 2016, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

Taking into consideration, that management is responsible for the preparation of the Board of Directors' report according to provisions of paragraph 5 article 2 of Law 4336/2015 (part B), we note the following:

a) In our opinion, the Board of Directors' report has been prepared in accordance with the legal requirements of articles 43a of the Codified Law 2190/1920 and the content of the Board of Directors' report is consistent with the accompanying financial statements for the year ended 31/12/2016.

b) Based on the knowledge we obtained from our audit for the Company "Corinth Pipeworks Pipe Industry S.A" and its environment, we have not identified any material misstatement to the Board of Directors report.

Athens, 8 September 2017

The Certified Auditor
Dimitris Sourbis
SOEL Reg No. 16891

PricewaterhouseCoopers
268 Kifissias Ave
152 32 Chalandri
SOEL Reg. No. 113

The above "Annual Financial Statements" on December 31, 2016 and the attached notes were approved by the Company's Board of Directors in its meeting on September 6, 2017. The persons responsible for the compilation of the financial statements of the company on December 31, 2016 and the attached notes and the accuracy of the data contained therein are: Meletios Fikioris, Chairman of BoD, Ioannis Stavropoulos, member of the BoD, Papavasiliou Apostolos, General Manager, Ioannis Dimitrios Papadimitriou, Financial Director, Koumpis Pavlos, Accounting Manager.

The Chairman of BoD	A member of the BoD	The General Manager	The Financial Director	Accounting Manager
Meletios Fikioris	Ioannis Stavropoulos	Papavasiliou Apostolos	Ioannis Dimitrios Papadimitriou	Koumpis Pavlos
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