CORINTH PIPEWORKS
PIPE INDUSTRY SINGLE MEMBER S.A.

ANNUAL CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022

According to the International Financial Reporting Standards

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General Commercial Registry No. 003978301000

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CORINTH PIPEWORKS
PIPE INDUSTRY SINGLE MEMBER S.A.

ANNUAL REPORT BY THE BOARD OF DIRECTORS OF "CORINTH PIPEWORKS PIPE INDUSTRY SINGLE-MEMBER S.A." ON THE SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2022

Dear Shareholders,

In the context of the provisions of Law 4548/2018 and the relevant provisions of the Articles of Association of CORINTH PIPEWORKS PIPE INDUSTRY SINGLE-MEMBER S.A. (previously named E.VI.KE. S.A., hereinafter called "Corinth Pipeworks" or the "Company") we hereby submit this Annual Report of the Board of Directors on 2022, namely the period from 1 January 2022 to 31 December 2022.

This Report includes an overview of the financial results and developments of the period, an overview of the important events that took place in 2022, an analysis of the prospects and risks expected during 2023, as well as a presentation of non-financial information.

The Company has a 100% participation in Warsaw Tubulars Trading Sp. Z.o.o. which is established in Poland (hereinafter "WTT"). WTT has a 100% participation in CPW America Co. which is established in Houston, Texas USA. During 2022, the Company established two new subsidiaries in Greece, CPW SOLAR S.A. and CPW WIND S.A., in which the Company has a 100% participation, to support future investment plans. Finally, the Company also owns a 26.20% stake in DIA.VI.PE.THI.V. S.A. The Company and the above participations form Corinth Pipeworks Group or the "Group". These Financial Statements present both the Company's and the Group's financials.

I. Report on the ending year

Throughout 2022, the gas fuel transportation market turned around due, first, to steadily high energy prices and then, to the energy security issues faced by many European countries caused by the geopolitical turbulence in Ukraine. Demand growth and a more favourable financial environment resulted in many pipeline projects, previously postponed, to be revived and pushed to execution phase.

In this improving environment, Corinth Pipeworks consolidated its market position as a Tier 1 pipe manufacturer and leader in energy transition technologies, such as hydrogen and Carbon Capture & Storage (CCS) pipelines. Within the year, it successfully executed a number of pipeline projects and was awarded significant new ones. Along with contracts in Italy, the Mediterranean region, the North & Norwegian Sea as well as Australia, South Africa and USA, it is worth noting the awards below:

- Contract for 201 km of desalinated water pipeline by Collahuasi in Chile.
- Award by DESFA for 163 km of pipeline in West Macedonia, Greece, certified to transport up to 100% hydrogen.
- Award by Jemena in Australia for 13 km of hydrogen transportation certified pipes.
- New contract by Saipem S.p.A for 28 km of pipeline for the Alexandroupolis Floating Storage and Regasification Unit (FSRU) in Northern Greece, operated by Gastrade.
- New award by TotalEnergies of 40 km pipeline for the Fenix offshore gas field in Argentina.

Remarks on year results

Increased revenue for the Group led to an increase in gross profit equal to EUR 28 million in 2022 (from EUR 16.2 million in 2021) and further to a 61% increase in adjusted EBITDA which reached EUR 24.9 million (from EUR 15.4 million achieved in 2021).

Finally, the Group recorded profit before tax amounting to EUR 3.6 million in 2022 compared to losses before tax of EUR 14.9 million in 2021. It is noted though that 2021 profit before tax was significantly impacted by a one-off provision charge of EUR 12.8 million due to the retrospective implementation of the anti-dumping duty rate of 41.04% imposed by the US Department of Commerce on CPW America.

Remarks on the Statement of Financial Position

Higher revenue (+101%) and increased needs for raw materials related to backlog projects which will be produced within Q1

2023, pushed working capital up compared to its 2021 levels.

It should be noted that 2021 levels should be thought as a one-off low record, due to the collapse of the oil and gas markets caused by the pandemic. Working capital consequently pushed net debt higher by EUR 35.6 million for the end of 2022, reaching EUR 103.7 million (2021: EUR 68.2 million). Nevertheless, due to the aforementioned increased profitability, the Net Debt / a-EBITDA ratio decreased from 4.4x to 4.2x.

Investments

During 2022, the Group allocated EUR 7.8 million mainly in selected investments in order to improve productivity and reduce the production cost in the Thisvi plant units.

Alternative Performance Measures and Ratios

Group Management has adopted, monitors and reports internally and externally Alternative Performance Measures (APMs) and certain financial ratios. These APMs allow meaningful comparisons of the Group's and the Company's performance and constitute the base for decision making by management.

Liquidity ratio: This ratio is an indicator of how current liabilities are met by current receivables and is calculated by the ratio of current assets to current liabilities. The financials are used as presented in the Statement of Financial Position. This ratio is as follows for the ending and the comparable periods:

	GROUP		COMPANY	
Liquidity	**2022**	**2021**	**2022**	**2021**
Current assets / Current liabilities	0.95	0.93	0.95	0.96

Leverage ratios: These ratios are an indicator of leverage and each ratio presented below is calculated as follows:

i. by the ratio of equity to debts;
ii. by the ratio of equity to net debt;
iii. by the ratio of net debt to adjusted EBITDA (a-EBITDA). The definitions of EBITDA and adjusted EBITDA are set out in the section on profitability ratios below.

The amounts are used as presented in the Consolidated and Separate Statement of Financial Position, for the Group and the Company, respectively. This ratio is as follows for the ending and the comparable periods:

	GROUP		COMPANY	
Leverage	**2022**	**2021**	**2022**	**2021**
Equity/Debt	0.89	1.18	0.89	1.20
Equity/Net debt	1.33	1.89	1.22	1.84
Net debt/a-EBITDA	4.17	4.42	5.23	4.49

Return on Capital Employed: It is a ratio that measures the efficiency with which both debt and equity is employed and is measured by the ratio of operating results to debt and equity.
The amounts are used as presented in the Consolidated and Separate Statement of Financial Position as well as the Consolidated and Separate Statement of Profit or Loss.

This ratio is as follows for the ending and the comparable periods:

	GROUP		COMPANY	
Return on Capital Employed	**2022**	**2021**	**2022**	**2021**
Operating results / (Equity + Debt)	5.0%	-2.9%	4.2%	2.5%

Return on Equity: It measures the efficiency of the Company's equity and is measured by the net profit/(losses), net of tax to total equity. The amounts are used as presented in the Consolidated and Separate Statement of Financial Position as well as the Consolidated and Separate Statement of Profit or Loss. This ratio is as follows for the ending and the comparable periods:

	GROUP		COMPANY	
Return on Equity	**2022**	**2021**	**2022**	**2021**
Net Profit/Equity	5.3%	-12.1%	3.9%	-3.8%

Profitability ratios:

	GROUP		COMPANY	
	2022	**2021**	**2022**	**2021**
Gross Profit Margin (Gross Profit/Sales)	6.1%	7.0%	4.9%	6.8%
Net Profit Margin (Net profit after tax/Sales)	1.6%	-6.8%	1.2%	-2.2%
EBITDA	24,526	1,390	21,218	14,626
EBITDA margin* (EBITDA/Sales)	5.3%	0.6%	4.9%	6.5%
a–EBITDA	24,886	15,434	21,578	15,828
a–EBITDA margin** (a-EBITDA/Sales)	5.4%	6.7%	4.9%	7.0%

***EBITDA:** It measures Group and Company profitability before interest, taxes, depreciation and amortisation. It is calculated by adjusting depreciation and amortisation, interest charges and interest income as well as dividends in pre-tax results as indicated in the Statement of Profit or Loss.

	GROUP		COMPANY	
	2022	**2021**	**2022**	**2021**
Earnings before taxes	**3,596**	**(14,914)**	**1,263**	**(1,558)**
Adjustments for:				
+Depreciation of tangible and intangible assets	9,198	8,860	9,059	8,755
- Amortisation of grants	(62)	(77)	(62)	(77)
+ Net finance expenses	11,636	7,571	10,957	7,556
Dividends	-	(50)	-	(50)
+Gains on sale of fixed assets	1	-	-	-
+Gains on sale of investments	156	-	-	-
EBITDA	**24,526**	**1,390**	**21,218**	**14,626**

****a–EBITDA:** adjusted EBITDA measure an entity's profitability after adjustment for:

- Exceptional litigation fees and fines
- (Profit)/loss from sale of property, plant & equipment
- Other extraordinary or one-off expenses

	GROUP		COMPANY	
	2022	**2021**	**2022**	**2021**
EBITDA	**24,526**	**1,390**	**21,218**	**14,626**
Adjustments for:				
+ Exceptional litigation fees and fines	-	-	-	-
+ (Profit)/losses from the sale of tangible assets	-	-	-	-
+ Other extraordinary or one-off expenses	360	14,044	360	1,202
a–EBITDA	**24,886**	**15,434**	**21,579**	**15,828**

As regards 2022, Other extraordinary expenses amounted to EUR 125k. for dealing with the Covid-19 pandemic and to EUR 235k. as effect on revenue of a court ruling imposing damage compensation to customer.

The Group's Other extraordinary expenses in 2021 mainly concerned the retrospective application of the anti-dumping duty rate of EUR 12.8 million imposed by the US Department of Commerce on CPW America, expenses of EUR 224k. for dealing with the Covid-19 pandemic and expenses of EUR 978k. incurred as part of the Company's cost optimisation.

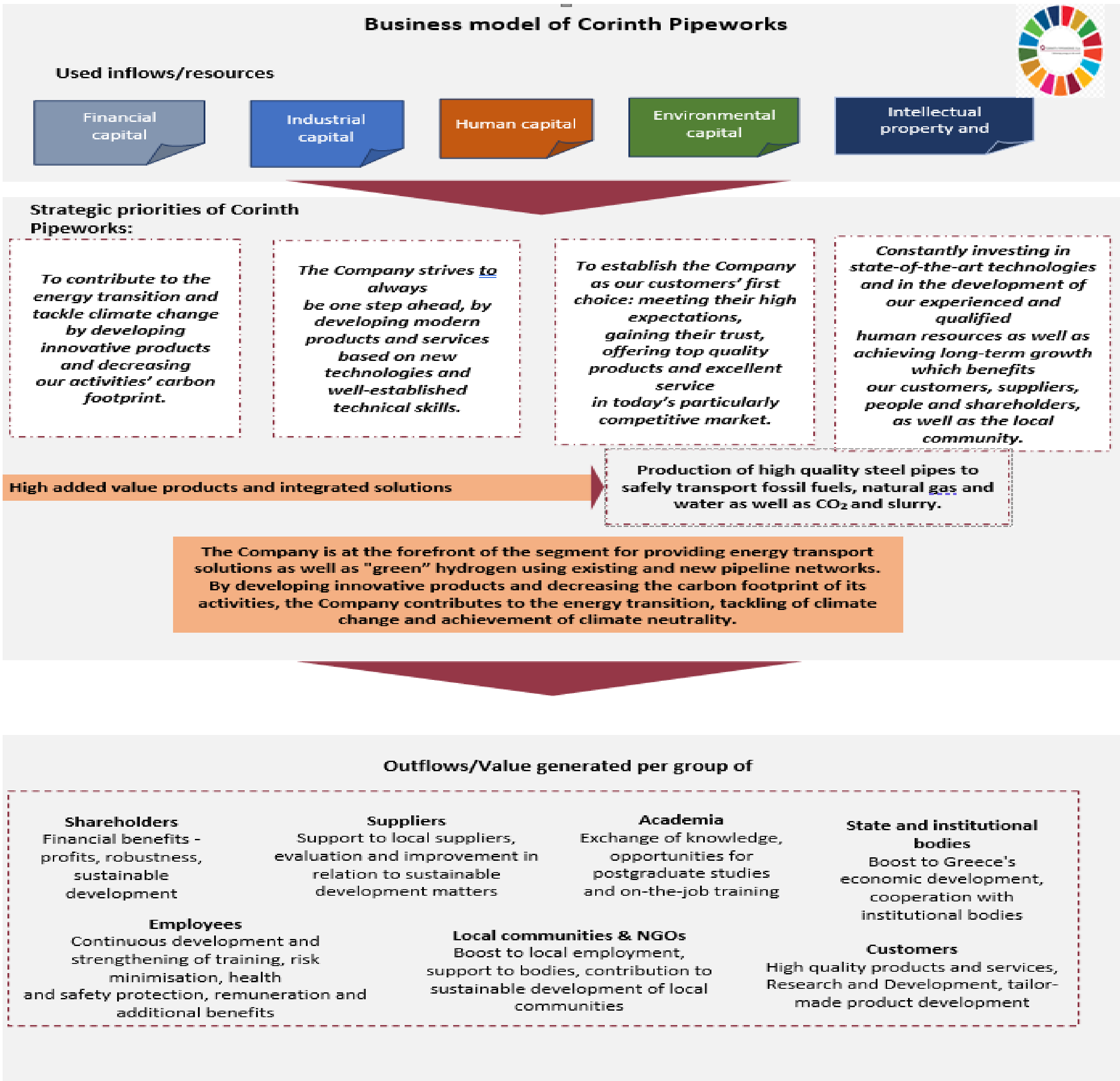
II. Objectives and Outlook for 2023

Corinth Pipeworks has left behind three challenging years marked by the pandemic and the ensuing energy crisis where the focus has been on securing maximum capacity utilisation. 2023 is expected to be a positive year thanks to the significant order backlog built by the company during 2022 blending with a higher profit margin. Looking ahead, Corinth Pipeworks expects the gas fuel sector to continue its dynamic growth, in line with the energy transition pillars. As market conditions improve, so is the order backlog, feeding into a positive outlook for 2023.

III. Non-Financial Information

Business Model[1]

The principles of Sustainable Development are an integral part of the philosophy that guides the way in which Corinth Pipeworks (hereinafter "Company") conducts business and are recognised as a prerequisite for its long-term growth along with prosperity of society as a whole. The Company has incorporated factors such as prompt response to market trends and customer needs, maintaining excellent relationships with its partners and the application of technological innovations in its business model and strategy. Through these practices, the Company aims to improve its business performance and to create added value to all groups of its stakeholders. Its operating business model is described below:



[1]*Business model development based on the Integrated Reporting Framework of the International Integrated Reporting Council (IIRC)*

The objective of this Non-Financial Disclosure is to provide an overview of the 2022 critical achievements of Corinth Pipeworks and an overview of the main risks, opportunities, and key performance indicators concerning the non-financial matters such as environmental, social and employee matters, anti-bribery, anti-corruption, diversity, and human rights issues.
The Non-Financial Disclosure has been drawn up per the United Nations' Sustainable Development Goals (SDGs) reporting framework, which embraces a comprehensive and universal approach to sustainability issues facing today's societies. The SDGs are a list of 17 interconnected global goals, designed to be a "blueprint for achieving a better and more sustainable future for all", that address current challenges societies over the globe are facing. The 17 goals have 169 underlying, more specific targets that stimulate action in areas of concern. While Corinth Pipeworks directly or indirectly impacts the 17 SDGs, the Non-Financial Disclosure focuses on the SDGs directly impacted by or affected by the activities of the Company.

Management of Sustainable Development matters

The Company has put in place mechanisms and processes for highlighting and maintaining sustainable development issues with emphasis on work safety, environmental protection and society, while focusing on economic and sustainable operation. Management's commitment and the management framework of issues responsible operation are reflected in the Sustainable Development Policy of the Company.

Wishing to reinforce its sound operation and driven by Sustainable Development, the Company has established specific policies and puts into practice adequate management systems and procedures that uphold responsible operation and define the way in which its goals are achieved. More specifically

- Sustainable Development Policy
- Environment Policy
- Human Rights and Labour Practices Policy
- Energy and Climate Change
- Business Code of Conduct
- Occupational Health and Safety Policy
- Supplier Code of Conduct

All policies can be found at: https://www.cpw.gr/en/corporate-policy/policies/

The Company manages Sustainable Development matters across its business units and plants, by developing and implementing certified management systems. More specifically, the following management systems are applied:

- Quality Management System as per ISO 9001:2015
- Environmental Management System as per ISO 14001:2015.
- Energy Management System compliant with ISO 50001:2018.
- Occupational Health and Safety Management System as per ISO 45001:2018

The Company is also certified as an Authorised Economic Operator (AEOF: Certificate) for its production plant. The companies having acquired this particular certification are reliable business partners of the international supply chain.
Aiming at its continuous improvement in Sustainable Development matters, the company sets specific goals on an annual basis and monitors their progress, based on the relevant key performance indicators (KPIs) it has developed. To attain these goals, responsible operation plans and actions are prepared, implemented and put into practice. The sections below present the results of the policies and procedures implemented by the Company, including relevant indicators involving its environmental and social performance.

The 2022 Sustainable Development Report of Corinth Pipeworks includes a more detailed presentation of material issues, the respective performance indicators and their correlation with the UN Global Sustainable Development Goals (Agenda 2030). The Company's Sustainable Development Report is available on the following website: https://www.cpw.gr/media-center/Publications/.

Business Excellence Programme "BEST/IWS"

In July 2019, the Company launched the implementation of a business excellence programme called "BEST/IWS" combined with management policies, procedures and relevant systems. The implementation of this programme aims to ensure continuous improvement of its operations and procedures, more efficient -i.e. no losses - operation of its production plants as well as the development of its employees and reinforcement of their everyday tasks. Moreover, BEST/IWS programme gives priority to the decrease in energy consumption, more effective use of resources and materials in conjunction with a decrease in inventories and broader product management cost, thus making a dynamic contribution to decreasing the environmental impact of its activities.

To ensure effective management of Sustainable Development matters, the Company has set up and manages the relevant team which is responsible for the development and implementation of an annual action plan per priority area, as well as for monitoring and recording material issues in relation to stakeholder groups.

A detailed report is included in the Company's Annual Sustainable Development Report at: https://www.cpw.gr/media-center/Publications/.

Sustainable Development Strategy (ESG Roadmap)

Corinth Pipeworks' strategy and decision-making procedures are aligned with good sustainable development practices. Corinth Pipeworks aims to develop products that have a positive environmental impact by lowering their environmental footprint during their life cycle, to promote operational health and safety and prioritise human capital development. In line with the continuous improvement approach that the company follows, sustainability goals are set and incorporated into the business operations, recognising that long-term business growth and social prosperity can only be achieved through integrating sustainability principles in the business model of the company.

As announced last year, Corinth Pipeworks made significant strides in sustainability matters by establishing a Sustainable Development strategy to manage the above matters, assess the relevant risks and opportunities and integrate them into the business strategy. Various qualitative and quantitative metrics, internal and external controls for due diligence, and regulatory compliance are utilised to monitor sound implementation of these policies. The Sustainable Development strategy also includes specific goals, such as the gradual replacement of electricity supply with RES, commitment to short and long-term carbon reduction targets, evaluation of top-tier suppliers on sustainable development matters, and a five-year improvement action plan for health and safety.

Sustainable development material issues

The company has assessed and prioritised the most important sustainable development matters by implementing a double materiality assessment. The assessment of these issues is based on the guidelines of the Global Reporting Initiative (GRI Standards), on the industry-specific reporting standard of the Sustainability Accounting Standards Board (SASB) and on international organisation AccountAbility's AA1000 Standard. These sustainable development standards are an important tool in shaping and finalising the Company's annual action plan per pillar of Sustainable Development, as well as in shaping the content of the annual Sustainable Development Report.
Moreover, acknowledging how important it is to develop actions that seek to contribute to the achievement of the United Nations Sustainable Development Goals (SDG), the Company has associated its material issues with the SDGs.

Labour and social matters

The Company applies merit-based procedures to select, train and reward employees and aims at helping them develop their skills on an ongoing basis and at their career advancement. Combined with the effective application of its policies, the Company has developed a Code of Conduct and Business Ethics which forms the framework of principles for the Company's smooth operation and serves as a key tool for shaping a unified corporate culture. Constantly oriented towards human values, the Company seeks to apply responsible work practices, focusing on important issues such as:

- ensuring of the health and safety of its employees and business partners

- ensuring ongoing training and education
- providing equal opportunities for all employees
- applying fair and objective evaluation systems
- maintaining the working culture.

Key elements of Human Resources

Personnel profile per gender	**2020**	**2021**	**2022**
Male	444	411	457
Female	49	38	42
Total	**493**	**449**	**499**

Personnel profile per gender and age	**2020**			**2021**			**2022**		
	<30	**30-50**	**51+**	**<30**	**30-50**	**51+**	**<30**	**30-50**	**51+**
Male	22	317	105	16	274	121	25	299	133
Female	5	38	6	5	27	6	8	28	6
Total	**27**	**355**	**111**	**21**	**301**	**127**	**33**	**327**	**139**

Personnel profile per gender and seniority	**2020**			**2021**			**2022**		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Senior executives	9	1	**10**	9	1	**10**	10	1	**11**
Managers and Professionals	74	20	**94**	70	17	**87**	65	13	**78**
White-collar workforce	20	22	**42**	16	15	**31**	20	18	**38**
Blue-collar workforce and foremen	341	6	**347**	316	5	**321**	361	11	**372**

Employee evaluation and development

The employee performance evaluation system implemented by the Company secures further development of employees, based on their merits, as it is based on objective performance measurement indicators. The post and responsibilities of each employee are taken into account when implementing the procedure which applies to the entire personnel.

During 2022, the evaluation of 91% of the Company's personnel was achieved

To manage human resources issues, the Company uses a specialised platform, a modern and interactive system which simplifies all HR procedures for the employees. An on-boarding procedure is implemented through the system for newly hired employees, training programmes are selected and annual evaluation is carried out while paper use and printouts are reduced in all events.

The Company prepares an annual training plan notified to all personnel, through the platform. Aiming to enhance the employees' knowledge and skills, the plan includes various training programmes from among which the employees can choose. Programmes are carried out in house or in cooperation with a specialised external agency, based on the applicable training needs.

Average training hours per employee, gender and seniority 2022

Performance indicators	Male	Female	Total
Managers	23.4	9.7	**20.7**
Senior executives	4.4	0	**3.7**
Employees	4.2	3.6	**3.9**
Foremen and workers	7.1	12.6	**7.9**
Total workforce	**9.7**	**7.4**	**9.5**

During 2022, 5.979 training hours were implemented in the company.

Equal opportunities and respect for human rights

Showing respect for human rights and wishing to foster an inclusive culture in the workplace, the Company implements a human and labour rights policy driven by equal opportunities without any discrimination of gender, nationality, religion, age or educational background. The Company does not tolerate child labour and condemns all forms of forced or compulsory labour. In addition, the Company condemns and does not tolerate any behaviours that could lead to discrimination, unequal treatment, bullying or moral harassment, gestures and verbal or physical threats.

As a result of the control policies, procedures and mechanisms put in place, during 2022 like also in previous years, no incident of child or forced labour was identified and no incident related to violation of human rights has taken place.

Occupational health and safety

Constant prevention and effective management of health and safety issues at work is a matter of utmost importance for the Company while the relevant priorities determine the way in which it operates. Such priorities are as follows:

- implementation of the precautionary principle;
- evaluation of health and safety risks and detailed recording of near misses;
- substantial and quality analysis of all incidents in order to focus on their root causes;
- enhancement of the safety culture by raising employee and partner awareness on an ongoing basis.

In 2022, the Company updated the integrated Quality, Environment, Occupational Health and Safety Policy, Energy and Climate Change Policy in accordance with international standards, and has prepared a new Occupational Health and Safety Policy.

The Company implements a certified Occupational Health and Safety Management System compliant with ISO 45001:2018 in each production plant where a health and safety committee is established. Aiming to improve its performance in the health

and safety field on a systematic basis, the Company implements a continuous training programme, using new technological training tools too (interactive training platform).
The Company implements internationally applicable and measurable indicators to monitor and evaluate performance in the field of occupational health and safety while using its best efforts to minimise accidents and eliminate risks.

Health and safety indicators

Performance indicators	2020	2021	2022
Incidents frequency rate (LTIR) [1]	3.0	2.0	8.0
Incidents severity rate (SR) [2]	119	27	117
Fatal accidents	0	0	0

[1] *LTIR: Lost time incident rate (number of lost time accidents/incidents relating to safety issues per million (1,000,000) hours worked)*
[2] *SR: Severity rate (number of lost work days/working man-hours per million (1,000,000) hours worked)*

Social matters

The Company strives for its business activities to be in a positive and productive interaction with the social environment in which it operates, to contribute to the overall development of the country and to benefit local communities through job creation (priority is given to the recruitment of employees from the local area) and the provision of business opportunities (through cooperation with local suppliers wherever possible).

Corinth Pipeworks supports the local communities in which it operates, by working in collaboration and maintaining open lines of communication, so as to recognise their needs in a timely manner. The Company supports vulnerable social groups, undertakes sponsorships and makes donations to various bodies and actions of local communities, thus responding to a considerable range of needs. In particular, the Company's social actions are divided into the following areas: education, health, vulnerable social groups, culture, environment and sports.

Through its business activities, the Company generates multiple benefits for the community. In addition to the salaries and other benefits paid to its employees, the relevant taxes and social contributions are paid to the State, investments are made continuously as well as payments to the suppliers of materials and service providers. Thus, the overall positive impact of the Company on local communities as well as on the whole society is important.

Environmental issues

For the Company, which is driven by Sustainable Development, reducing its environmental footprint and in particular mitigating the effects of climate change is a priority. In this direction, the Company plans actions and sets goals to reduce air emissions while making investments in practices and technologies leading to the global energy transition and reinforcing the practices of circular economy. Aiming to protect natural environment and enhance energy efficiency, the Company takes specific initiatives, maintaining a strong competitive edge in designing and manufacturing innovative products and integrated solutions contributing to energy transition.

The Company has set indicators to monitor its environmental performance and plans actions to reduce its environmental footprint on an annual basis. In the field of production, the Company implements an Integrated Environmental Management System compliant with ISO 14001:2015, as well as a system for the quantification and reporting of greenhouse gas emissions as per ISO 14064:2018. The personnel are also thoroughly trained in environmental management and energy saving issues. Focusing on environmental management and protection policies, the Company improves its environmental performance through:

- Reduction in consumption of energy resources and materials
- Materials recovery and re-use
- Waste sorting to ensure more effective processing
- Reduction in consumption of thermal and electric energy

- Use of more environment-friendly raw materials
- Personnel training in sound management practices
- Preparation of emergency response plans (accidents, fire, etc.).

Carbon emissions

Seeking to reduce carbon dioxide emissions and limit climate change, Corinth Pipeworks makes substantial efforts to reduce the air emissions arising from its operation.

The Company sources electricity from Greece's principal energy suppliers given that it does not own any energy production plants.

Performance indicators	2020	2021	2022
Total carbon emissions (Scope 1 and 2, tn) [(1)]	23,138	13,992	15,932
Total energy consumption (MWh)	47,996	33,692	37,994

(1) *Using the "location based" method in accordance with the GHG Protocol Guidance. Total CO_2 emissions: the sum of direct (Scope 1) and indirect (Scope 2) CO_2 emissions (tn). Emissions are verified by an external agency.*

Energy-saving initiatives

Corinth Pipeworks has developed an energy-saving plan structured around different actions involving electric energy, fossil fuels and diesel oil. In 2022 the Company carried out new programmes improving energy efficiency and managed to save 1,291 MWh.

Water management

To meet the needs of its production process, Corinth Pipeworks must use water. The Company takes all necessary steps to ensure its efficient use and limit its consumption in compliance with its environmental policy.

Performance indicators	2020	2021	2022
Water drawdown (m^3)	62,710	44,191	54,260

Waste Management

Corinth Pipeworks applies a specific waste management process in order to reduce their volume. It is worth noting that the greatest proportion (99.7%) of waste is recycled and/or forwarded for recovery (energy or other type of utilisation). Corinth Pipeworks has established partnerships solely and exclusively with adequately licensed companies to manage all types of waste.

Performance indicators	2020	2021	2022
Total generated waste (tn)	25,078	16,130	21,289
Recycling and energy utilisation * (%)	99.1	99.3	99.7

** Proportion of waste forwarded for recycling and energy utilisation in relation to the total of waste generated*

Non-Financial Risks

The Company operates in an economic and social environment characterised by various risks, financial and others (all financial and business risks are laid down in the section "IV. Main Risks and Uncertainties" of this Report).
In this context, the Company has established procedures to control and manage non-financial risks. The main categories of non-financial risks facing the Company are environmental risks, risks related to occupational health and safety, human rights

as well as the fight against corruption and bribery. Managing these risks is considered a very important task by Company Management given that they may have a direct or indirect impact on the Company's regular operation.

The company's internal operating regulation (approved by the Board) clearly describes the risk areas and includes specific procedures that have been developed based on the Prevention Principle for the management of Health, Safety and Environmental issues.

In addition, in the context of the certified Management Systems implemented by the Company (ISO 9001:2015, ISO 14001:2015, ISO 50001:2018, and ISO 45001:2018), the relevant risks are assessed on an annual basis. Aiming to reduce the likelihood and the importance of risks occurring in certain segments, the Company takes preventive steps, designs and implements specific plans and actions, and monitors its performance through the relevant indicators (quality, environment, occupational health and safety) it has set. Moreover, the Company has carried out all hazard studies prescribed by law, implements operation and safety criteria which are compliant with Greek and European laws, develops an emergency plan and cooperates closely with local authorities and the Fire Brigade in order to address any eventual incidents quickly and effectively.

1. Environment

The principal risks involving environmental matters consist in climate change, and water adequacy and management. These risks are also of strategic importance for the supply chain as well.

Climate change

Climate change is considered one of the most important global issues facing the humankind with environmental, social and financial implications. In financial terms, climate change is associated with transition and physical risks companies are required to tackle. Transition risks are associated with the risks arising from the transition to a low-carbon economy, as well as with the European and global trends and policies which call for important energy efficiency measures and the development of renewable energy sources projects. The Company puts in practice various measures to mitigate this risk including, among others, the following:

- monitoring the relevant trends of the Greek and European policy;
- assuming commitments to reduce direct and indirect carbon emissions in line with the latest climate data and the criteria set by the Science Based Targets Initiative (SBTi);
- development of action plans and long-term specific goals for investments in energy efficiency equipment and measures reducing carbon emissions;
- electricity supply from renewable energy sources.

To that end, Corinth Pipeworks aims to assess the risks and opportunities related to climate change in order to take all necessary steps to mitigate the negative and maximise the positive effects arising from climate change. The Company identified the most important risks and opportunities and assessed them based on various climate scenarios aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework. The project covers all industrial activities and installations of Corinth Pipeworks. More information about this analysis will be presented in the 2022 Sustainable Development Report of Corinth Pipeworks.

Water management

The risks associated with water management include the availability of industrial water for production purposes and the quality of waste water discharged in water recipients. The risk involving water availability is mainly mitigated by the continuous efforts to improve the Company's water footprint and the availability of multiple water sources so as to ensure alternative water supply sources. Regarding waste water quality discharge, this concerns limited discharges of water used for cooling needs and rainwater and therefore no continuous or specific monitoring of waste water quality discharge is necessary.

2. Occupational health and safety

One of the key risks associated with social and labour issues consists in employee health and safety in the workplace as well as relevant labour issues such as accidents and injuries. As regards the health and safety risks in the workplace, the Company implements a certified management system aiming at systematic monitoring and supervision of safety parameters. A Health and Safety Committee has been set up as part of the system. A specific accident decrease plan is implemented within the Company together with continuous investments in the replacement of older equipment while ongoing training seminars and awareness courses take place in relation to the necessary safety culture.

3. Human rights
The key risks for human rights are associated with the Company's supply chain provided that many suppliers are not located in Europe or North America. The Company is at the stage of developing an adequate and comprehensive management system of supplier evaluation so as to ensure that all major suppliers meet specific standards involving the respect for human rights, employee safety, working conditions and business ethics.

4. Anti-Bribery and Anti-Corruption Measures
The risks associated with anti-bribery and anti-corruption measures consist in the incapacity to conduct business operations in an ethical manner and to comply with the applicable laws and regulations in the countries in which the Company operates. To prevent and mitigate these risks, Corinth Pipeworks ensures that the Sustainable Development Policy and the Code of Conduct and Business Ethics are properly implemented and that all employees are aware of the Company's procedures and practices in relation to the fight against corruption. The Internal Audit function is responsible for monitoring and reporting timely and properly any related deviation or misconduct.

Transparency and information safety issues

Management of transparency and corruption matters

The Company has taken preventive steps in order to assume and determine the limits of responsibility and influence of each executive, develop safeguards for preventing any corruption incidents, and carry out the relevant checks in relation to its operations. As part of its plan to protect customers' interests and to enhance transparency in all its actions, the Company's Commercial Managers sign a special corporate form. By signing this form they undertake to refrain from any procedure that may lead to unlawful partnership with potential competitors for price fixing, bid rigging, creation of barriers to the market or production, imposition of quotas per geographical area or customer allocation,

Report management procedure

The Company's updated Code of Conduct and Business Ethics has incorporated the report management procedure that is implemented. The Company sees to the adoption of safe communication channels for internal reporting so as to strengthen confidentiality. All employees have been informed about the reporting plan of any incidents that do not comply with the Code through electronic notice and a relevant leaflet distributed to the production plant. Moreover, a whistle-blowing mechanism has been implemented by the establishment of an "Integrity Hotline" operating over phone and internet reporting, which provides additional channels of communication for employees and business partners to report any incidents of misconduct or unethical behaviour, anonymously, if so preferred. Such mechanism ensures confidentiality and the avoidance of any retaliation against the persons making the report.

Information system security

The Company protects the privacy and all confidential information that may arise from commercial transactions and partnerships with clients, as an integral part of governance framework. Personal and corporate data are protected against any unauthorised access, loss or alteration using all available organisational, procedural and technical means. The Company's production plant implements a certified Information Security Management System in accordance with the requirements of the international standard ISO 27001:2013 which helps carry out adequate security checks, optimising the threat detection and prevention mechanisms, in order to protect information and safeguard confidential data.

Personal Data Protection

The Company respects personal data protection and takes adequate steps compliant with the provisions of Regulation (EU) 2016/679 (General Data Protection Regulation) and other applicable laws. Aiming at harmonisation with international standards and good practices, the Company implements a Personal Data Protection Policy, setting specific procedures, roles and mechanisms for personal data protection across all its business units.

Supply Chain

Suppliers are important partners for the Company since they contribute to the production of competitive products through the supply of quality raw and other materials. The Company has developed and put into practice a Suppliers Code of Conduct which seeks to incorporate lawful, ethical principles and sustainability principles across the supply chain, specifying the requirements that suppliers of goods and services as well as all subcontractors are expected to meet in terms of social, environmental and financial performance. The key principles of the Code, which the Company encourages its suppliers to apply, are:

- Business Ethics and anti-corruption
- Labour and human rights
- Environmental protection
- Personal Data Protection

As part of the certified Management Systems established in the Company, it applies supplier evaluation procedures, seeking to collaborate with suppliers who adopt responsible practices and ensuring that Sustainable Development principles are promoted to their partners. The suppliers with whom the Company collaborates, among others, are evaluated based on transparency and merit-based principles for their environmental and social performance, as well as for matters relating to occupational health and safety management and accident prevention during product transports and loading/unloading works. In addition, the Company's procurement policy applies a strategy aiming to boost local economy, offering business opportunities and employment to local suppliers. When evaluating and selecting suppliers, local origins are a criterion factored in.

NOTE: The non-financial ratios for 2022 which are presented in this report are compliant with the Sustainability Reporting Guidelines of Global Reporting Initiative (GRI-Standards).

These ratios were chosen strictly on the basis of their relevance to the Company's business (according to the materiality analysis conducted by the Company). More details on performance in sustainability issues, and the actions of Corinth Pipeworks' responsible operation will be set forth in the 2022 Sustainable Development Report (May 2023). The Sustainable Development Report is an important tool as it reflects the way in which the Company responds to major issues and to the expectations of all its stakeholders.

All Sustainable Development Reports of the Company (pursuant to GRI guidelines) which have been published from 2008 to date are available on the website https://www.cpw.gr.

IV. Main risks and uncertainties

The main risks facing the Company are identified after mapping risks across all functions of the organisation and analysing them as a whole, taking into account the likelihood of their emergence, the evaluation of their impact on the Company's strategic goals as well as the plans to mitigate/avoid risks such as preparation of processes, safeguards, controls and risk transfer to third parties, when and where this is possible.

Risks are classified into two major categories:

- Financial and
- Business risks

The former includes different types of market risk affecting the Company's activities (e.g. exchange rates, interest rates, commodity prices and overall macroeconomic environment) as well as credit risk, counterparty risk and liquidity risk.

The Business Risk family is broader: it is defined as all risks that do not concern directly the Company's financials and financial position. Business Risks are further broken down into sub-categories, to help better understand and respond adequately to the different risk events involved by each risk category:

1. Operational and technology risks are defined as the risk of loss resulting from inadequate or failed processes or systems, acts of natural persons or from external events. Operational risks comprise all risks associated with the day-to-day operations of the Company's production plant such as Health & Safety, environmental issues and any legal risks involved by processes but not strategic or reputation risks.

2. Compliance and Reputation risks include possible negative impacts (economic – fines, penalties, etc. and other –

exclusion from markets, etc.) from non-compliance with existing regulations and standards. They also include potential impacts on the Company's brand image and reputation, as well as accounting risk.

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

Company risk management policies are implemented to recognise and analyse risks faced by the Company and to set risk assumption limits and implement checks and controls relating to them. The risk management policies and relevant systems are reviewed on a periodic basis to take into account any changes in the market and the Company's activities.

The implementation of risk management policies and procedures is supervised by the Internal Audit department of Viohalco S.A. (ultimate shareholder), which performs ordinary and extraordinary audits relating to the implementation of procedures, whereas the results of such audits are notified to the Board of Directors.

A brief classification of the risks faced by the Company is presented below together with the measures taken to identify, quantify, handle, control and monitor them.

- **Business risks**

Operations and technology

Procurement risk
Smooth supply of energy, metals and other primary raw materials and components is a key prerequisite for the Company to manufacture quality products at competitive prices on a timely basis. Therefore, the Company takes adequate measures to reduce such risks from key suppliers and monitors the performance of the supply chain by reviewing the relevant indicators at regular intervals.

Operation interruption risk
Apart from the unexpected unavailability of raw materials or other crucial resources, a lack of skilled labour, a delay in adapting to new technologies and/or the danger for equipment breakdowns may threaten the Company's capacity to continue operations. Consequently, the Company uses specialised maintenance departments to minimise the latter, upgrade plant equipment and production lines to reduce obsolescence risk.

Product failure risk
Any products that do not abide by the specifications set by the Company's clients may expose it to penalties, complaints, claims and returns, which lead to loss of revenues, market share and business reputation. To mitigate such risk, the Company has established rigorous quality management systems at its plant and maintains appropriate insurance coverage against such claims as well as product liability insurance. Quality control includes, among others, sample testing, and defect capturing monitoring systems spread out in production phases.

Information Technology (IT) and cyber-security risk
IT and cyber-security risk is defined as the likelihood of occurrence of a particular threat which may be accidentally triggered or by having an IT vulnerability intentionally exploited by third parties and the resulting impact of such an occurrence. The Company is capital intensive and relies heavily on IT systems to manage and optimise its production. IT equipment failure, human errors and/or the unauthorised use, disclosure, modification or destruction of information, pose serious risks to the company's operation and profitability. Any eventual breaches of network and IT security threaten the Company's data integrity, sensitive information and smooth operation of its business activities. Such an eventual breach could have a negative impact on the Company's reputation and competitive position.

Moreover, an eventual court ruling granting indemnities, imposition of fines or loss of activities (including restoration cost) could have a significant negative effect on the Company's financial position and operating results. Finally, the management of cyber-security breaches may require major capital expenditure and the investment of time by Management.

Consequently, identifying exposure to these risks and implementing adequate and proportionate measures to restrict the aforementioned exposure are of major importance to ensure both the integrity of the Company's IT systems and fulfilment of all legal requirements.

Furthermore, the Company complies with 2016/679 EU General Data Protection Regulation (GDPR), taking this opportunity to evaluate and ameliorate its overall IT and cyber-security risk posture, beyond regulatory requirements.

Compliance and reputation risks

Compliance Risk
Laws and regulations apply to many aspects of the Company's operations including but not limited to, labour laws, Health & Safety, environmental regulations, building and operational permits, etc.

The Company has elaborated policies helping the same to abide by all laws and regulations, whether at the local, European or international level, regarding Health and Safety in the production plants, labour and human rights, the protection of the environment, the combat against corruption, bribery and financial fraud.

Additional details on this topic are provided on the 2022 Sustainable Development Report.

Strategic risks

Environment
The principal risks involving environmental matters consist in climate change, and water adequacy and management. These risks are also of strategic importance for the supply chain as well.

Climate change
Climate change is currently one of the most important global issues with substantial impact not only in terms of financial materiality (negative impact on the Company's activities) but also in environmental and social terms (negative impact on the climate, thus on the environment and society).

Financial materiality arises from the fact that the Company is faced with transition and physical risks. Transition risks are associated with the risks arising from the transition to a low-carbon economy, as well as with the European and global requirements and policies which:

- call for important energy efficiency measures;
- impose carbon pricing mechanisms in order to increase the carbon price and, therefore, increase electricity cost;
- impose carbon border adjustments which may disrupt supply chains and lead to countermeasures from other countries in which clients are established.

Physical risks are associated with risks involving long-term effects such as sea level rise and the reduced availability of industrial water. The Company puts in practice various measures to mitigate this risk including, among others, the following:

- monitoring of policy trends;
- development of action plans and long-term specific goals for investments in energy efficiency equipment and measures reducing carbon emissions;
- electricity supply from producers of clean, renewable sources.

Water management
The risks associated with water management include the availability of industrial water for production purposes and the quality of waste water discharged in water recipients. The risk is mainly mitigated by the continuous efforts to improve the Company's water footprint and the availability of multiple water sources so as to ensure alternative water supply sources. As far as the quality of waste water discharge is concerned, the appropriate investments in modern equipment have been made, thus strengthening rigorous discharge procedures.

Country risk
Political risk of countries where the Company operates, commercially or in production, may threaten the supply chain and cash flows. The main response to this risk lies in geographical diversification of both the supply chain and the commercial portfolio either directly or through contracts assigned by the parent Company.

The availability and prices of basic raw materials, such as copper and aluminium follow international markets and, therefore, are not affected by developments in any particular country. Finally, for a further analysis of the risks arising from the broader macroeconomic environment, please refer to the "Macroeconomic environment" paragraph in "Financial Risks".

Competitor risk
Strategic issues regarding competition are assessed as part of the Company's annual budget process and its strategic plan. Daily management of competitor risk, on the other hand, is captured through daily review of market information and mitigated by a strong commitment to quality, a competitive pricing policy in commodity products and targeting on products with a high profit margin.

Technological innovation risk

In a world of rapidly changing technology, not following the technology wave in an efficient manner or not investing in the necessary IT infrastructure may seriously affect current and future business results of the Company. Alternatively, companies that do not leverage such technology advancements to extend their competitive advantage may suffer a severe blow from competition and be placed out of the market. The Company manages this strategic risk primarily through the establishment of technical assistance and know-how transfer agreements with global leaders in their sectors, as well as through extensive investments in Research & Development (R&D).

- **Financial Risks**

Credit risk

Credit risk concerns the risk of incurred losses for the Group and the Company in case a client or other third party involved in a transaction including a financial instrument fails to fulfil its obligations according to the terms and conditions laid down in the relevant contract. Credit risk is mainly associated with receivables from customers.

Company exposure to credit risk is mainly affected by the characteristics of each customer. Whenever deemed necessary, additional insurance coverage is requested as credit guarantee. Receivables from clients established in Greece are a small percentage of the trade receivables of the Group; therefore, there is limited exposure to revoked or delayed payments.

Considering that the nature of Group's activity mostly concerns clients established outside Greece, and its strong financial position, any negative development of the Greek economy is unlikely to have major impact on its operating activities. Notwithstanding the above, Management is constantly appraising the situation and its consequences and promptly ensures that the adequate measures are taken in order to minimise the impact on the Group's activities.

Liquidity risk

Liquidity risk is the risk that the Group may not be able to fulfil its financial obligations when these mature. The approach adopted by the Group for liquidity risk management is to ensure, by holding the necessary cash and cash equivalents and adequate credit limits from the cooperating banks, that it will always have sufficient liquidity to meet its obligations when they expire under normal but also difficult conditions, without incurring unacceptable damage or jeopardising Group's reputation. The Group keeps most of its cash reserves deposited in systemic financial institutions in Greece and the USA.

In addition, liquidity risk management requires the provision of cash and the ability to finance the projects undertaken by the Group through sufficient credit limits. Due to the different working capital needs of each project, the Group analyses the data of each project and uses, whenever necessary, the credit lines secured from banks and other financial institutions for the utilisation of new short term finance and the refinance of existing short term loans. The Group estimates that the refinance of the short term loans will continue in the future if necessary.

Market risk

Market risk is the risk of a change in raw material prices, exchange rates and interest rates, which affects Group's results or the value of its financial instruments. Market risk management is aimed at controlling the exposure of the Group to such risks within a framework of acceptable parameters, in parallel with optimisation of performance. The Group uses transactions on derivative financial instruments in order to hedge part of market risks.

Foreign exchange risk

The Group is exposed to foreign exchange risk in connection with its sales and purchases. The currency used for such transactions is mainly the US dollar. The Group hedges the greatest part of its estimated exposure to foreign currencies in relation to the anticipated sales and purchases as well as to the receivables and liabilities in foreign currency. The Group mainly enters into foreign currency futures with its foreign counterparties in order to hedge the risk of exchange rate changes, which primarily mature in less than one year from the Financial Statements date. When necessary, such futures are renewed upon expiry.

Interest rate risk

The Group's interest rate risk arises from Corinth Pipeworks' borrowings. Borrowings issued at variable rates expose the Company to cash flow volatility risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. During the fiscal years of 2022 and 2021 Company's total borrowings were at variable interest rate (Euribor plus spread) and denominated in Euros.

Macroeconomic environment

The Company and the Group closely monitor and evaluate on a continuous basis the developments in the international and domestic environment and timely adapt their business strategy and risk management policies in order to minimise the impact of the macroeconomic conditions on their operations.

The macroeconomic and financial environment in Greece, where Corinth Pipeworks is located, is showing clear signs of improvement while the cash flows from the Company's and the Group's operational activities are not significantly affected by Greece's macroeconomic environment as more than 90% of sales in 2022 were directed to international customers. This also minimises the liquidity risk which may arise from any remaining uncertainty of the economic environment in Greece.

V. Facilities and Branches of the Company and the Group

The Group, through Corinth Pipeworks, privately owns a production plant located in the industrial area of Thisvi in the prefecture of Voiotia, on a total surface of 496,790 m^2.

Corinth Pipeworks has the following branches:

1) a branch at Marousi (33, Amarousiou Halandriou Avenue) where the Company's headquarters are established;
2) Branch in Thisvi, Voiotia, where the Company's production plant and warehouse are established.

VI. Subsequent events after 31 December 2022

There are no other events that occurred subsequent to the reporting date, which should be presented in these Financial Statements.

VII. Conclusions

Dear Shareholders, we presented an account of the management of 2022, the risks and how these were managed together with the prospects and development of the Group and the Company for 2023.

In conclusion, we kindly request you to approve the Group's and the Company's Financial Statements, as well as this Report, for the fiscal year that ended on 31 December 2022.

Athens, 6 June 2023

The Chairman of the Board of Directors	Authorised Member of the Board of Directors
Meletios Fikioris	Nikolaos Sarsentis

B. Annual Consolidated Financial Statements

CORINTH PIPEWORKS
PIPE INDUSTRY SINGLE MEMBER S.A.

CONTENTS

CORINTH PIPEWORKS
PIPE INDUSTRY SINGLE MEMBER S.A.

Statement of Financial Position

(Amounts in ,000 Euro)		GROUP		COMPANY	
		31 December		31 December	
ASSETS	**Note**	**2022**	**2021**	**2022**	**2021**
Property, plant and equipment	5	183,596	184,844	183,538	185,133
Right-of-use assets	6	1,285	1,414	833	950
Intangible assets	7	3,002	2,723	2,976	2,688
Equity accounted investees	9	1,506	3,213	1,287	1,287
Investments in subsidiaries	8	-	-	643	593
Other investments	10	8,160	8,160	8,160	8,160
Deferred tax assets	18	2,343	2,591	-	-
Derivatives	14	4,908	944	4,908	-
Other receivables	13	515	514	475	476
Non-current assets		**205,316**	**204,404**	**202,820**	**199,288**
Inventories	12	238,912	92,582	236,500	88,682
Trade and other receivables	13	54,767	27,371	48,505	25,071
Contract assets	24	69,317	30,528	66,145	30,528
Derivatives	14	8,400	536	8,400	536
Cash and cash equivalents	15	50,988	40,991	41,455	37,665
Total current assets		**422,384**	**192,008**	**401,006**	**182,482**
Total assets		**627,700**	**396,412**	**603,826**	**381,769**
EQUITY & LIABILITIES					
EQUITY					
Share capital	16	78,306	78,306	78,306	78,306
Reserves	16	21,584	19,885	22,111	20,180
Retained earnings		38,258	30,975	37,630	32,248
Total equity		**138,149**	**129,166**	**138,047**	**130,735**
LIABILITIES					
Loans and borrowings	17	28,151	42,005	28,151	42,005
Lease liabilities	6	896	974	544	619
Deferred tax liabilities	18	14,318	17,855	14,412	17,954
Employee benefits	19	835	869	835	869
Grants	28	88	149	88	149
Total non-current liabilities		**44,288**	**61,852**	**44,029**	**61,596**
Loans and borrowings	17	125,252	65,734	125,252	65,734
Lease liabilities	6	435	458	313	343
Trade and other payables	22	226,646	119,840	218,150	117,409
Provisions	21	14,897	13,410	-	-
Contract liabilities	24	68,227	4,811	68,227	4,811
Derivatives	14	9,807	1,141	9,807	1,141
Current liabilities		**445,263**	**205,394**	**421,749**	**189,439**
Total liabilities		**489,551**	**267,246**	**465,778**	**251,034**
Total equity and liabilities		**627,700**	**396,412**	**603,826**	**381,769**

The attached notes on pages 30 to 88 are an integral part of the Consolidated Financial Statements.

CORINTH PIPEWORKS
PIPE INDUSTRY SINGLE MEMBER S.A.

Statement of Profit or Loss

(Amounts in ,000 Euro)	Note	GROUP For the year ended 31 December 2022	GROUP For the year ended 31 December 2021	COMPANY For the year ended 31 December 2022	COMPANY For the year ended 31 December 2021
Revenue	23	461,631	229,927	437,063	225,764
Cost of Sales	25	(433,390)	(213,900)	(415,513)	(210,491)
Gross Profit		**28,241**	**16,027**	**21,550**	**15,273**
Other income	25	3,630	2,159	3,633	1,809
Selling and distribution expenses	25	(6,453)	(4,461)	(4,201)	(3,693)
Administrative expenses	25	(7,369)	(6,263)	(7,110)	(6,254)
Provision for receivables impairment		-	25	-	25
Other expenses	25	(3,402)	(14,363)	(1,652)	(1,212)
Operating profit		**14,647**	**(6,876)**	**12,221**	**5,948**
Finance income	26	123	77	1,403	74
Finance costs	26	(11,759)	(7,598)	(12,361)	(7,580)
Finance cost, net		**(11,636)**	**(7,521)**	**(10,957)**	**(7,506)**
Share of profit/(loss) of equity-accounted investees	9	585	(517)	-	-
Profit/(Loss) before tax		**3,596**	**(14,914)**	**1,263**	**(1,558)**
Income tax	18	3,663	(764)	4,093	(3,375)
Profit/(Loss) after taxes		**7,259**	**(15,678)**	**5,356**	**(4,933)**

The attached notes on pages 30 to 88 are an integral part of the Consolidated Financial Statements.

CORINTH PIPEWORKS
PIPE INDUSTRY SINGLE MEMBER S.A.

Statement of Comprehensive Income

(Amounts in ,000 Euro)	Note	GROUP For the year ended 31 December 2022	GROUP For the year ended 31 December 2021	COMPANY For the year ended 31 December 2022	COMPANY For the year ended 31 December 2021
Profit of the period		**7,259**	**(15,678)**	**5,356**	**(4,933)**
Items that will never be reclassified to profit or loss:					
Actuarial gains/(losses)	19	149	(52)	149	(52)
Other movements		-	36	-	
Related tax		(33)	11	(33)	11
		116	**(4)**	**116**	**(41)**
Items that are or may be reclassified to profit or loss:					
Foreign currency translation differences		(231)	274	-	-
Gain/(loss) from derivatives valuation for hedging purposes - Effective portion		1,602	(756)	1,602	(756)
Gain/(loss) from derivatives valuation for hedging purposes – reclassified to profit or loss		756	(314)	756	(314)
Related tax		(519)	242	(519)	242
		1,608	**(554)**	**1,839**	**(828)**
Other comprehensive income after tax		**1,724**	**(559)**	**1,956**	**(869)**
Total comprehensive income after tax		**8,983**	**(16,237)**	**7,312**	**(5,802)**

The attached notes on pages 30 to 88 are an integral part of the Consolidated Financial Statements.

CORINTH PIPEWORKS
PIPE INDUSTRY SINGLE MEMBER S.A.

Statement of Changes in Equity

GROUP

(Amounts in ,000 Euro)	**Share capital**	**Reserves**	**Foreign exchange gains/(losses)**	**Results carried forward**	**Total Equity**
Balance at 1 January 2021	**78,306**	**21,009**	**(569)**	**46,657**	**145,403**
Other comprehensive income	-	(828)	-	(4)	(833)
Foreign exchange gains/(losses)	-	-	274	-	274
Net profit of the period	-	-	-	(15,678)	(15,678)
Total recognised net profit of the period	**-**	**(828)**	**274**	**(15,683)**	**(16,237)**
Transfer of reserves	-	-	-	-	-
Balance at 31 December 2021	**78,306**	**20,180**	**(295)**	**30,975**	**129,166**
Balance at 1 January 2022	**78,306**	**20,180**	**(295)**	**30,975**	**129,166**
Other comprehensive income	-	1,839	-	116	1,955
Foreign exchange gains/(losses)	-	-	(231)	-	(231)
Net profit of the period	-	-	-	7,259	7,259
Total recognised net profit of the period	**-**	**1,839**	**(231)**	**7,375**	**8,983**
Transfer of reserves	-	91	-	(91)	-
Balance at 31 December 2022	**78,306**	**22,111**	**(527)**	**38,258**	**138,149**

The attached notes on pages 30 to 88 are an integral part of the Consolidated Financial Statements.

COMPANY

(Amounts in ,000 Euro)	Share capital	Reserves	Results carried forward	Total Equity
Balance at 1 January 2021	**78,306**	**21,009**	**37,223**	**136,538**
Other comprehensive income	-	(828)	(41)	(869)
Net profit of the period	-	-	(4,933)	(4,933)
Total recognised net profit of the period	**-**	**(828)**	**(4,974)**	**(5,802)**
Transfer of reserves	-	-	-	-
Balance at 31 December 2021	**78,306**	**20,180**	**32,248**	**130,735**
Balance at 1 January 2022	**78,306**	**20,180**	**32,248**	**130,735**
Other comprehensive income	-	1,839	116	1,956
Net profit of the period	-	-	5,356	5,356
Total recognised net profit of the period	**-**	**1,839**	**5,473**	**7,312**
Transfer of reserves	-	91	(91)	-
Balance at 31 December 2022	**78,306**	**22,111**	**37,630**	**138,047**

The attached notes on pages 30 to 88 are an integral part of the Consolidated Financial Statements.

Statement of Cash Flows

(Amounts in ,000 Euro)	Note	GROUP For the year ended 31 December 2022	GROUP 2021	COMPANY For the year ended 31 December 2022	COMPANY 2021
Cash flows from operating activities:					
Profit/(loss) after taxes		7,259	(15,678)	5,356	(4,933)
Plus/less adjustments for:					
Income tax		(3,663)	764	(4,093)	3,375
Depreciation of fixed assets and right-of-use tangible assets	5, 6	8,783	8,510	8,660	8,418
Depreciation of intangible assets	7	415	417	400	404
Grants amortisation		(62)	(77)	(62)	(77)
Finance costs-net	26	11,636	7,571	10,957	7,556
Dividends		-	(50)	-	(50)
(Profits)/Losses from associated companies	9	(585)	517	-	-
(Profit)/Loss from sale of tangible assets		1	-	(0)	-
(Profit)/Loss from derivatives valuation		(463)	(139)	(463)	(139)
Profit)/Loss from sale of holdings (subsidiaries and affiliated companies)		156	-	-	-
Foreign exchange (gains)/losses		0	-	2,567	-
Impairment of inventories		-	119	-	119
Impairment of receivables	13	-	(25)	-	(25)
		23,478	1,929	23,322	14,648
Changes in working capital:					
Decrease/(increase) in inventories		(146,330)	(14,619)	(147,818)	(10,884)
Decrease/(increase) in receivables		(27,397)	(1,311)	(26,001)	1,537
(Decrease)/Increase in liabilities (except banks)		108,320	76,017	99,729	57,118
(Decrease)/Increase in employee benefits		(34)	(69)	(34)	(69)
Decrease/(increase) in contract assets		(38,789)	(20,526)	(35,617)	(20,563)
Decrease/(increase) in contract costs		-	167	-	167
(Decrease)/Increase in contract liabilities		63,416	(2,820)	63,416	(2,493)
Cash flows from operating activities		(17,338)	38,768	(23,004)	39,462
Interest charges & related expenses paid		(10,890)	(6,542)	(10,873)	(6,524)
Taxes paid		-	(22)	-	-
Total inflow/(outflow) from operating activities		**(28,227)**	**32,204**	**(33,876)**	**32,938**
Cash flows from investing activities:					
Purchase of tangible assets	5	(6,030)	(8,417)	(5,684)	(8,413)
Purchase of intangible assets	7	(691)	(1,142)	(687)	(1,101)
Acquisition of share capital in associates		-	(213)	(50)	(213)
Income from sale of holdings (subsidiaries and affiliated companies)		427	-	-	-
Dividend received		-	42	-	42
Interest received		117	27	117	24
Total (outflow) from investing activities		**(6,177)**	**(9,702)**	**(6,303)**	**(9,661)**
Cash flows from financing activities:					
Loans obtained	17	57,042	21,520	57,042	21,520
Repayment of borrowings	17	(12,737)	(22,986)	(12,737)	(22,986)
Repayment of lease principal	17	(456)	(468)	(335)	(372)
Net cash flows from financing activities		**43849**	**(1,934)**	**43,970**	**(1,838)**
Net (decrease) / increase in cash and cash equivalents		**9,445**	**20,568**	**3,790**	**21,438**
Cash and cash equivalents at the beginning of period		40,991	20,675	37,665	16,226
Foreign exchange effect on cash and cash equivalents		552	(253)	-	-
Cash and cash equivalents at the end of period	15	**50,988**	**40,991**	**41,455**	**37,665**

The attached notes on pages 30 to 88 are an integral part of the Consolidated Financial Statements.

Notes on the Separate & Consolidated Financial Statements

1. Information on the Company and the Group

"CORINTH PIPEWORKS PIPE INDUSTRY SINGLE-MEMBER S.A." (hereinafter "Corinth Pipeworks" or the "Company") was established and operates in Greece, at 2-4 Mesogeion Ave., Athens. The Company's Commercial Registry Number is 003978301000 and its web address is www.cpw.gr.

Corinth Pipeworks is a wholly-owned subsidiary of the Belgian holding Company "Cenergy Holdings S.A." 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 has a 100% participation in Warsaw Tubulars Trading Sp. Z.o.o. which is established in Poland (hereinafter "WTT"). WTT has a 100% participation in CPW America Co. which is established in Houston, Texas USA.

During 2022, the Company established two new subsidiaries in Greece, CPW SOLAR S.A. and CPW WIND S.A., in which CPW has a 100% participation, to support future investment plans.

Finally, the Company also owns a 26.20% stake in DIA.VI.PE.THI.V. S.A. The above participations form the Group of Corinth Pipeworks Companies or hereinafter the "Group".

The Company is engaged in:
1) the production of high-quality medium and large-diameter steel pipes that are used in the petrochemical industry to transfer liquid and gas fuels;
2) the construction of hollow structural sections which are used in construction works.

2. Presentation basis of Financial Statements

The Company is exempted from preparing consolidated financial statements because its financial statements are consolidated in the financial statements of parent companies Cenergy Holdings S.A. and VIOHALCO SA/NV. Management has decided to prepare consolidated financial statements in order to improve the quality of information received by users of the financial statements. Preparing consolidated financial statements improves the presentation of the Group's activities and financial position. Initial date for the preparation of consolidated financial statements is January 1st 2017.

2.1 Statement of Compliance

The Financial Statements of the Group and the Company have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union. The International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) may vary from those adopted by the European Union.

These financial statements were approved by the Board of Directors on 6 June 2023 and have been uploaded on the website at www.cpw.gr where they will remain for at least 5 years from publication date.

2.2 Basis of measurement

The Consolidated Financial Statements have been prepared according to the principle of historical cost, with the exception of the financial derivative instruments that are presented at fair value, and on the basis of the going concern principle.

2.3 Functional and presentation currency

Consolidated Financial Statements of the Group's subsidiaries are measured using local currency of the countries where they operate, which is their functional currency. The Consolidated Financial Statements are presented in Euro (€), which is the Company's and the Group's functional currency. Both Consolidated and Company Financial Statements are presented in thousand Euro (€).

2.4 Use of estimates and assumptions

The preparation of financial statements according to the IFRS requires the use of estimations and the adoption of assumptions by Management which may affect the accounting balances of assets and liabilities as well as the income and expense figures. The actual results may differ from these estimations.

The estimates and relevant assumptions are reviewed on an ongoing basis. Any deviations of the accounting estimates are recognised in the period in which they are reviewed provided they concern the current period or even future periods.
The accounting decisions made by Management when applying the accounting policies and expected to affect mostly the Consolidated Financial Statements of the Group and the Company are as follows:

- the useful life and residual value of depreciable tangible and intangible assets;
- the recoverable value of holdings in subsidiaries, associates and other companies;
- the amount of provisions for employee benefits;
- the amount of provisions for doubtful debts;
- the amount of provisions for income tax for unaudited tax years;
- the recoverability of the deferred tax asset;
- use of going concern assumption.

The main sources of uncertainty for the Group and the Company on the date the Consolidated Financial Statements were compiled which may have a significant effect on the book values of assets and liabilities concern:

1) Measurement of provision for doubtful debts (Note 13).

The Group/Company raises a provision for impairment losses when there is an objective indication that the Group/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 Group concerning the following events: i) Considerable financial distress of the customer, ii)

possibility to start bankruptcy procedures or any other financial restructuring of the customer as well as iii) unfavourable changes in the ordinary commercial terms of customers.

2) Income tax expense (Note 18)

During the Group's normal business operations, there are many transactions and calculations due to which final tax calculation is uncertain. The Group 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.

3) Estimate about the recoverability of deferred tax assets (Note 18).

4) Measurement of liabilities for employee benefits (Note 19)

This liability is based on key actuarial assumptions.

5) Fair value measurement

A number of accounting policies and disclosures requires the measurement of fair value for both financial and non-financial instruments and liabilities. Fair value is classified in hierarchy levels as follows:

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

Inputs that do not meet the respective criteria and cannot be classified in Level 1 but are observable, either directly or indirectly, fall under Level 2. Over-the-counter derivative financial instruments based on prices obtained from brokers are classified in this level.
Unobservable prices are classified in Level 3. The fair value of shares that are not traded in an active market is measured on the basis of the Company's forecasts for the issuer's future profitability, having taken into consideration the expected growth rate of its activities and the discount rate. The fair values of financial liabilities are estimated based on the present value of future cash flows that arise from specific contracts using the current interest rate that is available for the Company for the use of similar financial instruments.
The Group recognises transfers between fair value levels at the end of the reporting period in which a change took place. Further information on the assumptions of measurement at fair value is included in Note 11.

3. New standards, interpretations and amendment of existing standards

The accounting principles used in the preparation and presentation of these Financial Statements are consistent with those used in the preparation of the Company's Financial Statements for the year ended on 31 December 2021, with the exception of the implementation of the new standards and interpretations set out below which must be applied to the annual financial statements beginning on or after 01 January 2022.

The accounting principles cited below have been consistently applied to all periods presented in these Financial Statements and have also been consistently applied by all companies of the Group.

Standards and Interpretations effective for the current financial year

IFRS 16 (Amendment) "Covid-19-Related Rent Concessions" - Extension of period of application

The amendment extends the application of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases only on or before 30 June 2022.

IAS 16 (Amendment) "Property, Plant and Equipment – Proceeds before Intended Use"

This amendment prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity's ordinary activities.

IAS 37 (Amendment) "Onerous Contracts – Cost of Fulfilling a Contract"

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

IFRS 3 (Amendment) "Reference to the Conceptual Framework"

The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.

Annual Improvements to IFRS Standards 2018-2020

- **IFRS 9 "Financial Instruments"**

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

- **IFRS 16 "Leases"**

The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the Standard, in order to remove any potential confusion about the treatment of lease incentives.

- **IAS 41 "Agriculture"**

The amendment has removed a requirement for entities to exclude cash flows from taxation when measuring fair value in accordance with IAS 41.

Standards and Interpretations effective for subsequent periods

IFRS 17 "Insurance contracts" and Amendments to IFRS 17 (effective for annual periods beginning on or after 01 January 2023)

IFRS 17 was issued in May 2017 and, along with the Amendments to IFRS 17 issued in June 2020, supersedes IFRS 4. IFRS

17 establishes principles for the recognition, measurement and presentation of insurance contracts falling under the scope of the Standard, and the relevant disclosures. The Standard aims to ensure that an entity provides relevant information which gives a fair view of these contracts. The new Standard resolves the problems of comparability created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be measured at present values instead of historical cost.

IAS 1 (Amendments) "Presentation of Financial Statements" and IFRS Practice Statement 2 "Disclosure of Accounting Policies) (effective for annual accounting periods beginning on or after 1 January 2023)

The amendments require companies to provide information about their material accounting policies and provide guidance on how to apply the concept of materiality to accounting policy disclosures.

IAS 8 (Amendments) "Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates" (effective for annual accounting periods beginning on or after 1 January 2023)

The amendments clarify how an entity should distinguish changes in accounting policies from changes in accounting estimates.

IAS 12 (Amendments) "Deferred Tax Related to Assets and Liabilities arising from a Single Transaction" (effective for annual accounting periods beginning on or after 1 January 2023)

The amendments require companies to recognise deferred tax on specific transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. These amendments typically apply to transactions such as leases for the lessee and decommissioning obligations.

IFRS 17 (Amendment) "Initial Application of IFRS 17 and IFRS 9 - Comparative Information" (effective for annual accounting periods beginning on or after 01 January 2023)

The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements.

IAS 1 (Amendments) "Presentation of Financial Statements" (effective for annual periods beginning on or after 01 January 2024)

- **2020 Amendment 'Classification of liabilities as current or non-current'**

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

- **2022 Amendments 'Non-current liabilities with covenants'**

The new amendments clarify that if the right to defer settlement is subject to the entity complying with specified conditions (covenants), this amendment will only apply to conditions that exist when compliance is measured on or before the reporting date. Moreover, the amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period.

The 2022 amendments changed the effective date of the 2020 amendments. As a result, the 2020 and 2022 amendments are effective for annual reporting periods beginning on or after 1 January 2024 and should be applied retrospectively in accordance with IAS 8. As a result of aligning the effective dates, the 2022 amendments override the 2020 amendments when they both become effective in 2024. The amendments have not yet been endorsed by the EU.

IAS 16 (Amendment) "Lease Liability in a Sale and Leaseback" (effective for annual accounting periods beginning on or after 01 January 2024)

The amendment clarifies how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. An entity applies the requirements retrospectively back to sale and leaseback transactions that were entered into after the date when the entity initially applied IFRS 16. The amendment has not yet been endorsed by the EU.

4. Significant accounting policies

The accounting policies described below were consistently applied by the Company and the subsidiaries and the associates for the periods included in these Consolidated Financial Statements.

4.1 Consolidation basis

(1) Business combinations

Acquisition of subsidiaries is accounted for using the acquisition method on the acquisition date, i.e. the date on which control is transferred to the Group. The Group exercises control over an entity when the Group is exposed to, or has rights to, variable returns from its holding in the entity and is able to affect such returns through the influence exercised over the entity.

Goodwill arises from the acquisition of subsidiaries and constitutes the excess amount between the sum of the consideration for acquisition, the amount of the non-controlling interest in the acquired company and the fair value of any previous holding in the acquired company on the acquisition date and the fair value of the identifiable net assets of the subsidiary that was acquired. If the sum of the total consideration for acquisition, the non-controlling interest recognised and the fair value of the previous holding in the acquired company is less than the fair value of the equity of the subsidiary acquired in case of an advantageous purchase, the difference is directly recognised to equity. Transaction costs are expensed as incurred. Any eventual acquisition consideration is recognised at its fair value on the acquisition date.

(2) Business combinations under common control

A business combination, in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and when control is not transitory, is a common control transaction. The Group has chosen to account for such common control transactions at book value (carry-over basis). The identifiable net assets acquired are not measured at fair value but recorded at their carrying amounts; intangible assets and contingent liabilities are recognised only to the extent that they were recognised before the business combination in accordance with applicable IFRS. Any difference between the consideration paid and the capital of the acquiree is presented in retained earnings within equity. Transaction costs are expensed as incurred.

(3) Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls a subsidiary when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated (total consolidation) from the date they acquire control over them and are no longer consolidated from the date when such control no longer exists.
The Company measures its investments in subsidiaries at their acquisition cost in its separate Financial Statements less any impairment of their value.

(4) Loss of control

When Group loses control over a subsidiary, the assets and liabilities of the subsidiary and any related NCI are derecognised. Any resulting gain or loss is recognised in profit or loss. Any interest retained by the Group in the former subsidiary is measured at fair value when control is lost. It is subsequently measured using the equity method for an associated company or a financial asset depending on the percentage of participation preserved.

(5) Associates

Associates are those entities in which the Group has significant influence, but not control; this is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. Investments in associates also include the goodwill that arose upon acquisition. In the Consolidated Financial Statements, the Group presents the ratio in profit or loss and total income after any adjustments of accounting principles so that they are comparable with those of the Group as of the date significant influence was acquired. If the Group’s share in the losses of an investee is higher than the value of its investment therein, no additional losses are recognised, unless payments have been made or further commitments have been assumed on behalf of the investee.
In its Consolidated Financial Statements, the Company recognises interest in investees at their acquisition cost less any impairment.

(6) Equity method

Under the equity method of accounting, investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income, until the date on which significant influence or joint control ceases. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.
When the Group's share of losses in an equity-accounted investee equals or exceeds its interest in the entity, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.
The Group has no interests in equity-accounted investees (associates and joint ventures).

(7) Elimination of intra group transactions

Intra group balances and transactions, and any unrealised income and expenses arising from intra group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

4.2 Foreign currency

(1) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Group and the Company at the exchange rates at the dates of the transactions. Foreign currency gains and losses which arise from the settlement of such transactions and from conversion of monetary asset and liability items denominated in a foreign currency at the exchange rates applicable on the balance sheet date are recognised through the statement of profit or loss based on the nature of the related item.
Overall, exchange rate differences arising from the conversion of the above shall be recognised in the Statement of Profit or Loss and OCI:

- Financial assets measured at fair value through other comprehensive income (FVOCI).
- Financial liabilities intended to hedge a net investment in a company in foreign currency to the extent such hedging is effective.
- Cash flow hedge to the extent such hedge is effective.

(2) Transactions with Group companies in foreign currency

Translation of the financial statements of the Group's companies (none of which had a currency in a hyperinflationary economy) which have a different functional currency from the presentation currency of the Group is performed as follows:

- Assets and liabilities, including goodwill and fair value adjustments arising on consolidation, are translated into Euro on the basis of the official foreign exchange rate ruling on the Consolidated Statement of Financial Position date.
- Revenues and expenses of foreign subsidiaries are translated into Euro at the average rate of the foreign currency during the period and
- The resulting foreign exchange differences are recognised in other comprehensive income on the line "Foreign exchange gains/(losses)" and transferred to the income statement on the sale of those companies.

4.3 Revenue recognition

The Group recognises revenue from the following major sources:

- Energy projects, related to high end projects of customised welded oil or gas pipelines
- Sale of products
- Rendering of services
- Dividends

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties or the public sector. The Group recognises revenue when it transfers control over a product or service to a customer.

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

4.3.1 Energy projects

The Company produces and sells customised welded steel pipes to customers for energy projects.

Under the terms of the contracts and due to the high degree of customisation, these products have no alternative use, since they are produced according to customers' specifications, while there is an enforceable right to payment for performance completed to date if the contract is terminated by the customer or another party for reasons other than Company's failure to perform as promised.

Revenue from such projects is therefore recognised over time.

For distinct performance obligations identified, the most appropriate method to measure progress is used. Progress is measured based on the quantity of manufactured and tested steel pipes compared with the total quantity to be produced according to the contract. This method is used for customised welded steel pipes, since the production of such products is performed in batches and as a result the related performance obligations are satisfied as certain batches of agreed quantities.

Management considers that this method is appropriate for the measurement of progress towards complete satisfaction of these performance obligations under IFRS 15.

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, unbilled receivables (contract assets), and customer advances (contract liabilities). These contract assets and contract liabilities are presented on the Statement of Financial Position in the lines "Contract assets" and "Contract liabilities" respectively.

There is not considered to be a significant financing component in energy projects contracts with customers, as the period between the recognition of revenue and the milestone payment is less than one year.

Contract costs
Group recognises the incremental costs of obtaining contracts with customers and the costs incurred in fulfilling contracts with customers that are directly associated with the contract as an asset, if those costs are expected to be recoverable, and record them in the line "Contract costs" in Company's and Consolidated Statements of Financial Position. Incremental costs of obtaining contracts are costs incurred to obtain a contract with a customer that would not have been incurred if the contract had not been obtained. Fulfilment costs are only capitalised if they generate or enhance resources that will be used to satisfy performance obligations in the future. Assets arising from contract costs are amortised based on the portion of revenue recognised during the execution of the related contract.

4.3.2 Sale of products

The Group sells the following products:

- hollow structural sections for the construction sector,
- steel pipes which during production did not meet the technical specifications of the Group's customers. These pipes are sold at relatively lower prices than the pipes that meet the criteria of the Group's customers because they can be used in different uses than those originally intended.

For sales of products, revenue is recognised at a point of time, when the control of the goods sold has been transferred.

The timing of the transfer of control usually occurs when the goods have been shipped to the customers' location, unless otherwise specified in the terms of the contract. The terms defined on the contracts with customers are compliant with Incoterms.

Revenue recognised at a point in time is invoiced either simultaneously with its recognition or within a short time period from its recognition. A receivable is recognised when the control is transferred to the customer, as this represents the point in time at which the right to consideration becomes unconditional.

4.3.3 Rendering of services

The Group recognises the revenue from the provision of services in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed on the basis of the inspections carried out.

If the payment for the services is not due to the customer until their service is completed, a corresponding claim on clients' contracts is recognised for the period in which these services are provided and which reflects the right to remuneration for services rendered up to that date. Receivables from contracts with customers are presented in the Statement of Financial Position on the line "Receivables from contracts with customers".

4.3.4 Dividends

Dividends are recognised as income when the right to receive them is established.

4.4 Employee benefits

(1) Short-term employee benefits
Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group and its companies have a present legal or constructive obligation to pay this amount, as a result of past service provided by the employee and the obligation can be estimated reliably.

(2) Defined-contribution plan
Defined-contribution plans are plans for the period after the employee has ceased to work during which the Company pays a defined amount to a third legal entity without any other obligation. The accrued cost of defined-contribution programmes is recorded as an expense in the period that the related service is provided.

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

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

Past service cost is recognised in profit or loss on:

- the date the amendment or curtailment takes place, or
- the date on which the Group recognises the cost of the relevant restructuring, whichever happens earlier.

Net interest expense is calculated as the net amount between the liability for the defined benefit plan and the fair value of plan assets multiplied by the discount rate. The Group recognises the following changes to the defined benefit liability in the statement of profit or loss in the lines below:

- Service cost consisting of current service cost and past service cost, curtailment profit or loss and extraordinary settlements in other operating income/expenses
- Net finance income or costs in financial expenses.

Remeasurements which comprise actuarial gains and losses are recognised immediately in the Statement of Financial Position by debiting or crediting accordingly the retained earnings through other comprehensive income in the period in which they are incurred. Remeasurements are not reclassified in profit or loss at subsequent periods.

(4) Termination benefits
Termination benefits are paid to employees when they terminate their employment with the Group, before the retirement date. Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when they recognise costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted. In the case of employment termination in which the Group is not able to determine the number of employees who will take advantage of this incentive, these benefits are not accounted for, but are recorded as a contingent liability.

4.5 Finance income and finance costs

Group's finance income and finance costs mainly include:

- finance income;
- finance costs;
- foreign currency gains and losses from deposits valuation.

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

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

4.6 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in OCI.

4.6.1 Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, based on the tax rates enacted on the Financial Statements reporting date, and any adjustment to the tax payable or receivable in respect of previous years.

4.6.2 Deferred tax

Deferred income tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for: (a) temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; (b) temporary differences related to investments in subsidiaries to the extent that temporary differences will not be reversed; (c) taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the period in which the asset (liability) will be realised (settled). Future tax rates are determined according to laws passed on the date the Financial Statements are prepared.

Deferred tax assets are recognised only to the extent it is probable that future taxable profits will suffice for offsetting temporary differences. Deferred tax assets are reduced when the relevant tax benefit is realised.

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

4.7 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost is determined by applying the method of annual average weighted cost and includes the cost to buy, produce or manufacture and other expenses required to bring inventories at their current condition and location, and the ratio of production expenses. The cost may include any transfer from the cash flow hedging reserve. The net realisable value is estimated based on the inventory's current sales price, in the ordinary course of business activities, less any possible selling expenses, whenever such a case occurs.

4.8 Property, plant and equipment

1) Recognition and measurement

Property, plant and equipment include: land, buildings, machinery, transportation equipment, furniture and other equipment. Property, plant and equipment are presented at their acquisition cost less accumulated depreciation. The acquisition cost includes all expenses that are directly associated with the asset's acquisition. The acquisition cost also includes any transfer from equity of any gains/losses on cash flow hedging for the acquisition of property, plant and equipment in foreign currency.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and their cost can be reliably measured. The book value of the portion of the replaced fixed asset is derecognised.

Repair and maintenance costs are recorded in profit or loss when they are incurred.

The book value of a fixed asset is impaired at the recoverable amount when its book value exceeds the estimated recoverable amount.

On the sale of property, plant and equipment, any difference that may arise between the price that is received and the carrying amount thereof is recorded through profit or loss in the category "other operating income (expenses)".

2) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

3) Depreciation

Land is not depreciated. Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

Review of useful life

Residual values and useful lives of property, plant and equipment are reviewed and adjusted at each reporting date of Financial Statements, if appropriate.
During the presented years of 2022 and 2021, the Group did not review the operational performance of its production lines and premises.

The expected useful life of property, plant and equipment is presented below.

Administrative buildings	20-33 years
Plants	25-43 years
Heavy machinery	25-35 years
Light machinery	8-18 years
Furniture	5 years
Other equipment	4-12 years
Transportation means	10 years

4.9 Intangible assets

1) Recognition and measurement

Research and development: Expenditure on research activities is recognised in the Statement of Profit and Loss and Other Comprehensive Income as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is feasible in technical and commercial terms, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Software programmes: Software licenses are recorded at their acquisition cost, less accumulated amortisation and any accumulated impairment. These assets are depreciated based on the straight-line method during their useful life, which ranges between 3 to 10 years.

Expenses required for the maintenance of software programmes are recognised in the Statement of Profit or Loss and Other Comprehensive Income in the year in which they are incurred.

2) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

3) Amortisation and useful lives

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. The expected useful life of assets is as follows:

- Intangible assets associated with development expenses 5 – 10 years
- Software programmes 3 – 10 years

4.10 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits as well as short-term highly liquid deposits such as money market instruments and bank deposits with a maturity of three months or less.

4.11 Impairment

A. Non-derivative financial assets

Financial instruments and contract assets

The Group recognises provisions for expected credit losses (ECLs) on:

- financial assets measured at amortised cost, and
- contract assets.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime expected credit losses (ECLs). Lifetime ECLs are the expected credit losses that result from all possible default events over the expected life of trade receivables and contract assets.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations in full, without recourse by Group companies to actions such as realising security (if any is held). The maximum period considered when estimating ECLs is the maximum contractual period over which Group companies are exposed to credit risk.

Measurement of ECLs

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

Credit-impaired financial assets

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

- default or delinquency by a debtor;
- restructuring of an amount due to Group companies on terms that the Company/Group would not consider otherwise;
- indications that a debtor will enter bankruptcy;
- adverse changes in the payment status of a debtor;
- the disappearance of an active market for a security; or
- observable data indicating that there is a measurable decrease in the expected cash flows from a financial asset.

Presentation of allowance for ECLs in the statement of financial position

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

Write-offs

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

B. Non-financial assets

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

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

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

Impairment losses are recognised in profit or loss under “Other expenses”. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

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

4.12 Leases

IFRS 16 “Leases” which has been applied since January 1, 2019, supersedes IAS 17 and the relevant interpretations, and changes considerably the way lease payments are reported by lessees The Standard removes the distinction between operating and finance leases and requires companies to recognise all relevant leases according to a single model, save the cases cited below.

According to IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In respect of such contracts, the new model requires lessees to recognise right-of-use assets and lease liabilities. The right-of-use assets are depreciated and liabilities generate interest.

When applying IFRS 16, the Group uses the following exceptions:

- lease with a term of 12 months or less, without purchase options;
- leases in which the underlying asset is of low value, up to ca. € 4.5 thousand. When assessing the value of an asset, the value of the new asset is always taken into account.

Moreover, the Group does not apply IFRS 16 to leases of intangible assets.

The Group as lessee

At the commencement date of the lease, the Group measures the lease liabilities at the present value of the outstanding rents on such date. Lease payments are discounted using the interest rate implicit in the lease or, when this cannot be readily determined, the incremental borrowing rate of the asset included in the lease contract. In general, the Group uses the incremental borrowing rate as discount rate. This is the rate of interest that the lessee would have to pay, at the inception date of the lease, to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The following payments are included in valuation of the lease liability:

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

The above payments are discounted over the lease term. The lease term is the non-cancellable period of the lease. Any periods covered by options held by the Group are included in the lease liability only if it is reasonable that the options will be exercised. Moreover, the periods covered by the option held by the Group to terminate the lease are included only if the Group is reasonably certain that these options will not be exercised. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured if there is a modification that is not accounted for as a separate lease; when there is a change in future lease payments arising from a change in an index or rate; a change in the estimate of the amount expected to be payable under a residual value guarantee; and changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability. They are depreciated using the straight-line method to the earlier of the end of the lease term or the end of the useful life of the asset. If the cost of right-of-use assets reflects the exercise of a purchase option by the Group, they are depreciated over the useful life of the underlying asset.

Short-term leases and leases of low value assets

Payments associated with short-term leases and leases of low value assets are recognised on a straight-line basis in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise IT equipment, small items of office furniture and other equipment.

The Company leases administration offices and warehouses by the ultimate parent company Viohalco SA/NV and other related companies. No contract for administration offices and warehouses includes any early termination penalty clauses and they are cancellable at any time. For this reason, all intercompany contracts for administration offices and warehouses are considered as short term and the Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4.13 Financial assets and financial liabilities

4.13.1 Initial recognition and measurement

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

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

4.13.2 Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured either at: a) non-amortised cost, or b) fair value through other comprehensive income (FVOCI), or c) fair value through profit or loss (FVTPL).

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

A financial asset is measured at non-amortised cost if it meets all of the following conditions:

- it is not designated by Management as an asset measured at FTVPL;
- it is not held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

For the subsequent measurement of financial assets and liabilities, the following accounting principles are applied:

Financial assets – Subsequent measurement and gains and losses

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

Financial liabilities

Financial liabilities are classified as measured at amortised cost.

All financial liabilities (except for derivatives held for hedging purposes) are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

4.13.3 Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire, or

- it transfers the rights to receive the contractual cash flows in a transaction

  - in which substantially all of the risks and rewards of ownership of the financial asset are transferred or
  - in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its Consolidated Statement of Financial Position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

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

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

4.13.4 Offsetting

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

4.13.5 Derivatives and hedge accounting

The Group has elected not to adopt the provisions of IFRS 9 regarding the hedge accounting and continues to apply IAS 39. The Group holds derivative financial instruments designated as cash flow hedges. Derivatives are used to cover risks arising from changes in fluctuations of foreign exchange rates. Derivatives are initially measured at fair value; any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and the effective portion of changes in the fair value of derivatives is recognised in the “Hedging reserve”. Any ineffective proportion is recognised immediately in profit or loss.

Cash flow hedge

The effective portion of changes in the fair value of derivatives designated as cash flow hedges is recognised in the “Hedging reserve”. Any ineffective proportion is recognised immediately in profit or loss. The amounts recognised in the “Hedging reserve” are reclassified to the profit or loss in the same periods during which the hedged item affects profit or loss. In the case of a hedge on a forecast future transaction which results in the recognition of a non-monetary asset (e.g. Inventory) or liability, the profit or loss recognised in the ‘Hedging reserve’ is reclassified to the acquisition cost of the resultant non-financial asset.

When a hedge item matures or is sold or when the hedge no longer meets the hedge accounting criteria, the profits and losses accrued to ‘Equity’ remain as a reserve and are reclassified to profit or loss when the hedged asset affects profit or loss. In the case of a hedge on a forecast future transaction which is no longer expected to occur, amounts recorded in Equity are reclassified to profit and loss.

The Group examines the effectiveness of the cash flow hedges at inception (prospectively) by comparing the critical terms of the hedging instrument with the critical terms of the hedged item, and then at every reporting date (retrospectively), the effectiveness of the cash flow hedges is examined by applying the dollar offset method on a cumulative basis.

4.14 Share capital

Share capital is composed of ordinary shares. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

4.15 Provisions

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

Provisions are recognised when:

i. There is a present legal or constructive obligation as a result of past events.
ii. Payment is probable to settle the obligation.
iii. The amount of the payment in question can be reliably estimated.

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

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

4.16 Operating profit

Operating profit is the result generated from the continuing principal revenue-producing activities of the Group, as well as other income and expenses related to operating activities. Operating profit excludes Net finance costs, Share of profit of equity-accounted investees and Income tax.

4.17 Fair value measurement

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

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

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

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

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

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

4.18 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale form part of the acquisition cost of that asset until the time it is substantially ready for its intended use or sale. Any income on the temporary investment of borrowings for financing the above qualifying asset and the collection of grants reduce the borrowing costs eligible for capitalisation. In other events, borrowing costs are charged through profit or loss in the year in which they are incurred. To the extent that funds are part of a general loan and are used for acquiring a qualifying asset, costs eligible for capitalisation are specified by applying a capitalisation rate to the investment expenses incurred for that asset.

4.19 Grants

A grant represents a contribution provided by the State in the form of resources transferred to an entity, in return for existing or future maintenance of certain resources relating to its operation. The above term does not include state aids which, due to their nature, are not measurable, or transactions with the State which are impossible to separate from an entity’s ordinary transactions.

The Company recognises state subsidies which meet the following criteria in aggregate: a) there is presumed certainty that the enterprise has complied or will comply with the terms of the grant; and b) the grant amount has been collected or its collection is probable. They are recorded at fair value and are systematically recognised in income, on the basis of correlating grants to the corresponding costs that are subsidised.

The grants related to the finance cost are deferred and recognised in the income statement in the period required for their hedging at the cost they intend to hedge.

CORINTH PIPEWORKS
PIPE INDUSTRY SINGLE MEMBER S.A.

5. Property, plant & equipment

GROUP

Amounts in ,000 Euro	Land & buildings	Machinery and mechanical equipment	Furniture and other equipment	Fixed assets under construction	Total
Acquisition Cost					
Balance at 1 January 2021	**73,846**	**254,908**	**8,685**	**14,623**	**352,061**
Foreign exchange gains/(losses)	0	-	8	-	**8**
Additions	408	3,482	1,378	3,139	**8,407**
Revenue	-	(64)	(66)	-	**(130)**
Reclassifications	5,373	5,159	173	(10,135)	**570**
Balance at 31 December 2021	**79,627**	**263,486**	**10,178**	**7,626**	**360,917**
Balance at 1 January 2022	**79,627**	**263,486**	**10,178**	**7,626**	**360,917**
Foreign exchange gains/(losses)	0	-	6	-	**7**
Additions	263	1,626	130	5,051	**7,071**
Revenue	-	-	(18)	-	**(18)**
Reclassifications	388	6,218	24	(6,630)	-
Balance at 31 December 2022	**80,278**	**271,330**	**10,321**	**6,048**	**367,976**
Accumulated depreciation					
Balance at 1 January 2021	**(30,318)**	**(132,804)**	**(4,721)**	**-**	**(167,843)**
Foreign exchange gains/(losses)	(0)	-	(5)	-	**(5)**
Depreciation of the period	(1,073)	(6,184)	(776)	-	**(8,033)**
Revenue	-	11	64	-	**75**
Reclassifications	-	(267)	-	-	**(267)**
Balance at 31 December 2021	**(31,391)**	**(139,244)**	**(5,438)**	**-**	**(176,073)**
Balance at 1 January 2022	**(31,391)**	**(139,244)**	**(5,438)**	**-**	**(176,073)**
Foreign exchange gains/(losses)	(0)	-	(4)	-	**(4)**
Depreciation of the period	(1,191)	(6,311)	(814)	-	**(8,315)**
Revenue	-	-	12	-	**12**
Balance at 31 December 2022	**(32,582)**	**(145,555)**	**(6,244)**	**-**	**(184,381)**
Carrying amount at 31 December 2021	**48,236**	**124,241**	**4,740**	**7,626**	**184,844**
Carrying amount at 31 December 2022	**47,696**	**125,775**	**4,076**	**6,048**	**183,596**

CORINTH PIPEWORKS
PIPE INDUSTRY SINGLE MEMBER S.A.

COMPANY

Amounts in ,000 Euro	Land & buildings	Machinery and mechanical equipment	Furniture and other equipment	Fixed assets under construction	Total
Acquisition Cost					
Balance at 1 January 2021	**74,282**	**254,908**	**8,589**	**14,623**	**352,401**
Additions	408	3,482	1,375	3,139	**8,404**
Revenue	-	(64)	(66)	-	**(130)**
Reclassifications	5,373	5,159	173	(10,135)	**570**
Balance at 31 December 2021	**80,063**	**263,486**	**10,071**	**7626**	**361,246**
Balance at 1 January 2022	**80,063**	**263,486**	**10,071**	**7,626**	**361,246**
Additions	263	1,626	117	4,716	**6,722**
Revenue	-	-	(16)	-	**(16)**
Reclassifications	388	6,218	24	(6,630)	**-**
Balance at 31 December 2022	**80,714**	**271,330**	**10,195**	**5,713**	**367,952**
Accumulated depreciation					
Balance at 1 January 2021	**(30,409)**	**(132,804)**	**(4,664)**	**-**	**(167,877)**
Depreciation of the period	(1,094)	(6,184)	(765)	-	**(8,043)**
Revenue	-	11	64	-	**75**
Reclassifications	-	(267)	-	-	**(267)**
Balance at 31 December 2021	**(31,503)**	**(139,244)**	**(5,365)**	**-**	**(176,112)**
Balance at 1 January 2022	**(31,503)**	**(139,244)**	**(5,365)**	**-**	**(176,112)**
Depreciation of the period	(1,212)	(6,311)	(792)	-	**(8,314)**
Revenue	-	-	12	-	**12**
Balance at 31 December 2022	**(32,715)**	**(145,555)**	**(6,144)**	**-**	**(184,414)**
Carrying amount at 31 December 2021	**48,559**	**124,241**	**4,706**	**7,626**	**185,133**
Carrying amount at 31 December 2022	**47,999**	**125,775**	**4,051**	**5,713**	**183,538**

On 31.12.2022 fixed assets under construction mainly concerned machinery in the Thisvi-based plant of the Company (at Voiotia).

On 31/12/2022 there are no mortgages or pledges on the Company's real estate properties in favour of banks (like also on 31/12/2021).

CORINTH PIPEWORKS
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6. Leases

A. Amounts recognised in the Statement of Financial Position

The right-of-use assets recognised by the Group and the Company relate to the following categories:

GROUP

Amounts in ,000 Euro	At 31 December	
Right-of-use assets	**2022**	**2021**
Buildings	358	408
Transportation means	830	890
Other equipment	97	116
Total	**1,285**	**1,414**

Lease liabilities	**2022**	**2021**
Current lease liabilities	435	458
Non-current lease liabilities	896	974
Total	**1,330**	**1,432**

COMPANY

Amounts in ,000 Euro	At 31 December	
Right-of-use assets	**2022**	**2021**
Transportation means	736	834
Other equipment	97	116
Total	**833**	**950**

Lease liabilities	**2022**	**2021**
Current lease liabilities	313	343
Non-current lease liabilities	544	619
Total	**856**	**962**

Additions to the right-of-use assets during 2022 were EUR 390 thousand and EUR 310 thousand for the Group and the Company, respectively.

B. Amounts recognised in the Income Statement

The following amounts have been recognised in the Statement of Profit or Loss:

GROUP

Amounts in ,000 Euro	For the year ended 31 December	
Depreciation charge of right-of-use assets	**2022**	**2021**
Buildings	76	68
Transportation means	327	347
Other equipment	64	63
Total	**468**	**478**

	2022	**2021**
Finance costs	77	67
Variable rental fees	191	52
Low-value rental fees	-	-
Short-term rental fees	287	293
Other expenses of lease contracts	68	23
Total	**624**	**435**

COMPANY

Amounts in ,000 Euro	For the year ended 31 December	
Depreciation charge of right-of-use assets	**2022**	**2021**
Transportation means	282	312
Other equipment	64	63
Total	**346**	**375**

	2022	2021
Finance costs	60	49
Variable rental fees	191	52
Short-term rental fees	287	293
Other expenses of lease contracts	12	23
Total	**550**	**417**

7. Intangible assets

GROUP

Amounts in ,000 Euro	Development costs	Software	Total
Acquisition cost			
Balance at 1 January 2021	**1,575**	**3,177**	**4,751**
Foreign exchange gains/(losses)	-	3	3
Additions	-	1,142	1,142
Reclassifications	(1,200)	630	(570)
Balance at 31 December 2021	**374**	**4,952**	**5,326**
Balance at 1 January 2022	**374**	**4,952**	**5,326**
Foreign exchange gains/(losses)	-	3	**3**
Additions	-	691	**691**
Balance at 31 December 2022	**374**	**5,647**	**6,021**
Accumulated depreciation			
Balance at 1 January 2021	**(902)**	**(1,550)**	**(2,451)**
Foreign exchange gains/(losses)	-	(1)	(1)
Depreciation of the period	(80)	(337)	**(417)**
Reclassifications	608	(341)	267
Balance at 31 December 2021	**(374)**	**(2,229)**	**(2,603)**
Balance at 1 January 2022	**(374)**	**(2,229)**	**(2,603)**
Foreign exchange gains/(losses)	-	(1)	**(1)**
Depreciation of the period	0	(415)	**(415)**
Balance at 31 December 2022	**(374)**	**(2,645)**	**(3,019)**
Carrying amount at 31 December 2021	**(0)**	**2,723**	**2,723**
Carrying amount at 31 December 2022	**0**	**3,002**	**3,002**

COMPANY

Amounts in ,000 Euro	Development costs	Software	Total
<u>Acquisition cost</u>			
Balance at 1 January 2021	**1,575**	**3,164**	**4,738**
Additions	-	1,101	**1,101**
Reclassifications	(1,200)	630	**(570)**
Balance at 31 December 2021	**374**	**4,895**	**5,270**
Balance at 1 January 2022	**374**	**4,895**	**5,270**
Additions	-	687	**687**
Balance at 31 December 2022	**374**	**5,582**	**5,956**
<u>Accumulated depreciation</u>			
Balance at 1 January 2021	**(902)**	**(1,542)**	**(2,444)**
Depreciation of the period	(80)	(324)	**(404)**
Reclassifications	608	(341)	**267**
Balance at 31 December 2021	**(374)**	**(2,207)**	**(2,581)**
Balance at 1 January 2022	**(374)**	**(2,207)**	**(2,581)**
Depreciation of the period	0	(400)	**(400)**
Balance at 31 December 2022	**(374)**	**(2,606)**	**(2,981)**
Carrying amount at 31 December 2021	**(0)**	**2,688**	**2,688**
Carrying amount at 31 December 2022	**0**	**2,976**	**2,976**

8. Subsidiaries

2022

Company Name	Acquisition cost at December 31	Total Assets	Total Liabilities	Revenue	Profits/Losses	Direct Holding Percentage	Indirect Holding Percentage
WARSAW TUBULARS TRADING Sp. z.o.o. (Poland)	593	580	2	-	(9)	100%	-
CPW AMERICA CO (America)	-	74,044	73,366	242,610	92	-	100%
CPW WIND S.A. (Greece)	25	220	195	-	(0)	100%	-
CPW SOLAR S.A. (Greece)	25	165	140	-	(0)	100%	-
Total	**643**	**75,009**	**73,704**	**242610**	**82**		

2021

Company Name	Acquisition cost at December 31	Total Assets	Total Liabilities	Revenue	Profits/Losses	Direct Holding Percentage	Indirect Holding Percentage
WARSAW TUBULARS TRADING Sp. z.o.o. (Poland)	593	631	32	-	(10)	100%	-
CPW AMERICA CO (America)	-	11,450	18,248	17,177	(10,232)	-	100%
Total	**593**	**12,081**	**18,280**	**17,177**	**(10,242)**		

The Company has a 100% participation in Warsaw Tubulars Trading Sp. Z.o.o. which is established in Poland. Warsaw Tubulars Trading Sp. Z.o.o. has a 100% participation in the share capital of CPW America Co. which is established in Houston, Texas USA. During 2022, the Company established two new subsidiaries in Greece, CPW SOLAR S.A. and CPW WIND S.A., in which CPW has a 100% stake, to support future investment plans. None of the aforementioned companies is listed in any stock exchange market.

9. Equity-accounted investees

A. Reconciliation of carrying amount

(Amounts in ,000 Euro)	2022	2021
Balance at 1 January	3,213	3,360
Additions	-	213
Revenue	(2,358)	-
Share in profit/(loss) after taxes	585	(517)
Share in other comprehensive income	(0)	2
Increase of share in investee	-	34
Foreign exchange gains/(losses)	66	121
Balance at 31 December	**1,506**	**3,213**

In January 2020, through the subsidiary CPW America Co. the Group acquired an interest of 20% in the share capital of Bellville Tube Company in exchange for USD 3,300 thousand, translated in EUR 3,285 thousand. Bellville Tube Company manufactures steel tubular products for the local market.
During 2022, the participation in Belleville Tube Company was sold, with a net effect on the Group's results and equity equal to

losses of EUR 156k.

DIA.VI.PE.THI.V. S.A. 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. The Group's total participation in DIA.VI.PE.THI.V. S.A. is a percentage of 26.19%.

B. Financial reporting on associated companies

The tables below present key financials for the Group's associated companies. The financial reporting presented has been drawn from their financial statements.

2022

Amounts in ,000 Euro

Company Name	Country of establishment	Revenue	Profit/Losses from continuing operations	Total comprehensive income after tax	Holding percentage
DIAVIPETHIV	Greece	2,781	95	94	26.20%

Company Name		Current assets	Non-current assets	Current liabilities	Non-current liabilities
DIAVIPETHIV	Greece	2,966	11,846	891	8,172

2021

Amounts in ,000 Euro

Company Name	Country of establishment	Revenue	Profit/Losses from continuing operations	Total comprehensive income after tax	Holding percentage
DIAVIPETHIV	Greece	2,447	127	131	26.20%
Bellville Tube Company	America	20,238	(2,837)	(2,837)	19.40%

Company Name		Current assets	Non-current assets	Current liabilities	Non-current liabilities
DIAVIPETHIV	Greece	1,968	12,070	193	8,191
Bellville Tube Company	America	422	13,744	3,988	3,418

10. Other investments

Reconciliation of carrying amount

Company and consolidated figures

	31 December	
(Amounts in ,000 Euro)	**2022**	**2021**
Balance at 1 January	**8,160**	**8,160**
Additions/sales of holdings	-	-
Balance at 31 December	**8,160**	**8,160**

Other investments of the Group and the Company are equity investments measured at fair value in other comprehensive income. No holdings were sold or disposed of during 2022.

The table below summarises the categories of other investments of the Company.

	31 December	
(Amounts in ,000 Euro)	**2022**	**2021**
Shares of Greek unlisted companies	11	11
Shares of unlisted companies seated beyond Greece	8,149	8,149
Total	**8,160**	**8,160**

11. Financial instruments

1. Accounting classification and fair value

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including the levels in the fair value hierarchy, for both the Group and the Company.

On 31 December 2022

(Amounts in ,000 Euro)	**Carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
Equity investments at FVOCI	8,160	-	-	8,160	**8,160**
Derivative financial assets	13,308	-	13,308	-	**13,308**
Derivative financial liabilities	9,807	-	9,807	-	**9,807**
	31,276	-	**23,116**	**8,160**	**31,276**

On 31 December 2021

(Amounts in ,000 Euro)	**Carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
Equity investments at FVOCI	8,160	-	-	8,160	**8,160**
Derivative financial assets	1,480	-	536	944	**1,480**
Derivative financial liabilities	-	-	-	-	-
	9,641	-	**536**	**9,105**	**9,641**

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

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

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Debt

Specifically, the carrying amount of loans and borrowings is considered as a good approximation of their fair value as, with the exception of lease liabilities, all the remaining consolidated and company loans and borrowings concern floating-rate debt, which is a very good approximation of current market rates.

The following table shows the reconciliation between opening and closing balances for Level 3 financial assets, which are classified as equity investments at fair value through other comprehensive income.

(Amounts in ,000 Euro)	2022	2021
Balance at 1 January	**9,105**	**9,032**
Additions	3,964	-
Revenue	-	-
Effect of changes in exchange rates	-	73
Balance at 31 December	**13,069**	**9,105**

2. Fair value measurement

(1) Valuation techniques and significant unobservable inputs

Inputs that do not meet the respective criteria and cannot be classified in Level 1 but are observable, either directly or indirectly, fall under Level 2. Over-the-counter derivative financial instruments based on prices obtained from brokers are classified in this level.

The financial assets, such as unlisted shares that are not traded in an active market whose measurement is based on Group companies' and the Company's forecasts for the issuer's future profitability are classified under Level 3.

The following table shows the valuation techniques used in measuring fair values, as well as the significant unobservable inputs used:

Type	Valuation techniques	Significant observable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Forward exchange contracts	*Market comparison technique:* The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.	Broker quotes	Not applicable.
Call option in shares/put option in shares held in an associate	*Options pricing model* The Company uses a widely acceptable methodology considering the complexity of such derivative.	The basic inputs that have been used in the valuation model are the following: • expected turnover & EBITDA margins of the affiliated entity; • future working capital needs; • risk free rate; • volatility, defined as the range of values for all variables/inputs used in the valuation model.	• If turnover of the affiliated entity is higher, then the fair value of the options would be higher. • If future working capital is higher, then the fair value of the options would be lower. • If risk free rate is higher, then the fair value of the options would be higher. • If volatility is higher, then the fair value of the options would be higher. (Please also see notes 9 & 14)

(2) Transfers between Levels 1 and 2

There were no transfers from Level 2 to Level 1 or vice versa nor any transfers in either direction in 2022.

3. Financial risk management

The Group and the Company are exposed to credit, liquidity and market risk due to the use of financial instruments. This Note sets forth information on their exposure to each one of the above risks, their objectives, the policies and procedures applied to risk measurement and management and the Group's Capital Management (section D of the Note).

The risk management policies are applied in order to identify and analyse the risks facing the Group and the Company, set risk-taking limits and apply relevant control systems. The risk management policies and relevant systems are reviewed on a periodic basis so as to take into account any changes in the market and the companies' activities.

The implementation of risk management policies and procedures is supervised by the Internal Audit department of VIOHALCO Group, which performs recurring and non-recurring audits and the results of such audits are notified to the Board of Directors of each Company.

C.1 Credit Risk

Credit risk is the risk that the Group and the Company will incur financial loss if a client or third counterparty to a transaction on a financial instrument fails to meet its contractual obligations. Credit risk mainly arises from receivables from customers and contract assets. The carrying amount of financial assets represents the maximum credit exposure.

GROUP

		At 31 December	
Amounts in ,000 Euro	**Note**	**2022**	**2021**
Trade and other receivables	13	55,282	27,885
Contract assets	24	69,317	30,528
Sub-total		**124,599**	**58,413**
Less:			
Down payments	13	(2,802)	(443)
Current tax assets	13	(709)	(166)
Other receivables	13	(11,625)	(1,566)
Sub-total		**(15,137)**	**(2,175)**
Financial assets with credit risk		**109,462**	**56,238**

COMPANY

		At 31 December	
Amounts in ,000 Euro	**Note**	**2022**	**2021**
Trade and other receivables	13	48,980	25,547
Contract assets	24	66,145	30,528
Sub-total		**115,125**	**56,074**
Less:			
Current tax assets	13	(532)	-
Other receivables	13	(7,969)	(1,564)
Sub-total		**(8,501)**	**(1,564)**
Financial assets with credit risk		**106,624**	**54,510**

Increase in contract assets for both the Group and the Company is due to the launch of new projects during the last months of 2022 for which no invoice had been issued to end customers as at 31/12/2022.

(1) Trade and other receivables

Group's and Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the companies' Management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. Commercial risk is spread over a considerable number of customers. However, due to the fact that the Company's business is project oriented, there are cases where the 10% threshold of consolidated sales is individually exceeded for a short period of time. In 2022, Group sales to its customer COLLAHUASI accounted for 38% of total sales of the year while the Group has hedged the relevant risk through down payments and credit insurance.

The Group has established a credit policy where each new customer is examined on an individual basis in terms of creditworthiness before the standard payment and delivery terms are proposed to such customer. The Group's review includes external ratings, if they are available, and in some cases bank references. Credit limits are set for each customer, which are reviewed in accordance with current circumstances and the terms of sales and collections are readjusted, if necessary. In principal, the credit limits of customers are set on the basis of the insurance limits received for them from insurance companies and, subsequently, receivables are insured according to such limits.

When monitoring the credit risk of customers, the latter are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past problems of recoverability they have shown. Any customers characterised as being “high risk” are included in a special list of customers and subsequent sales must be paid in advance. Depending on the background of the customer and its status, the Group’s subsidiaries demand real or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.

The Group records an impairment that represents Management's estimate of expected credit losses in respect of trade and other receivables.

At 31 December, the maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

GROUP

Amounts in ,000 Euro	**2022**	**2021**
Greece	9,847	9,823
Other EU Member States	23,452	10,922
Other European countries	177	32
Asia	6,581	28,696
America	69,348	2,712
Africa	56	4,053
Total	**109,462**	**56,238**

COMPANY

Amounts in ,000 Euro	**2022**	**2021**
Greece	10,118	9,785
Other EU Member States	23,592	10,951
Other European countries	177	32
Asia	6,581	28,696
America	66,098	992
Africa	56	4,053
Total	**106,624**	**54,510**

At 31 December, the ageing of trade and other receivables that were not impaired was as follows:

GROUP

Amounts in ,000 Euro	**2022**	**2021**
Neither past due nor impaired	108,996	54,228
Overdue		
- Up to 6 months	465	2,010
Total	**109,462**	**56,238**

COMPANY

Amounts in ,000 Euro	2022	2021
Neither past due nor impaired	106,158	52,500
Overdue		
- Up to 6 months	465	2,010
Total	**106,624**	**54,510**

Group companies' Management believes that the non-impaired amounts that are past due up to 6 months and over 6 months are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings, if they are available.

As at 31 December 2022 and 2021, the remaining receivables past due but not impaired mainly related to leading energy groups. In addition, Group companies insure the majority of their receivables in order to be secured in case of default. As of 31 December 2022, 99% of the balances owed by third parties were insured by insurance companies with a probability of default rate of less than 0.04%. 30% of receivables come from customers in Greece and the rest of the European Union, while 63% come from customers based in America, which highlights the non-existent country risk of the Company and the Group's customers.

The movement in impairment of trade and other receivables, as well as of contract assets is as follows:

GROUP

	2022	2021
Amounts in ,000 Euro	Trade & other receivables	
Balance at 1 January	**22,189**	**20,523**
Recognised provision	-	-
Reversal of provision	-	(25)
Foreign exchange gains/(losses)	1,358	1,691
Balance at 31 December	**23,547**	**22,189**

COMPANY

	2022	2021
Amounts in ,000 Euro	Trade & other receivables	
Balance at 1 January	**22,189**	**20,523**
Reversal of provision for impairment	-	(25)
Foreign exchange gains/(losses)	1,358	1,691
Balance at 31 December	**23,547**	**22,189**

The allowance for expected credit losses for trade receivables and contract assets is calculated at the level of each subsidiary when there is an indication of impairment. For receivables and contract assets without any indication of impairment the expected credit losses are based on the historical credit loss experience combined with forward-looking information about macroeconomic factors affecting the credit risk, such as country risk and customers' industry related risks.

(2) Cash and cash equivalents

The Group and the Company held cash and cash equivalents of EUR 50.9 million and EUR 41.5 million, respectively, at 31 December 2022. The cash and cash equivalents are held with bank and financial institution counterparties, which are rated from B to B+ based on ratings of Standard & Poor's.

C.2. Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting the obligations associated with their financial liabilities that are settled by delivering cash or another financial asset. The approach to manage liquidity is to ensure, as much as possible, that the Group and the Company will have sufficient liquidity to meet their liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to their reputation.

In order to avoid liquidity risks, the Group and the Company estimate the expected cash flows for the next year when preparing the annual budget and monitor the monthly rolling forecast of its cash flows for the next quarter, so as to ensure sufficient cash on hand to meet their operating needs, including coverage of their financial obligations. This policy does not take into account the relevant effect from extreme conditions that cannot be foreseen.

Exposure to liquidity risk
Financial liabilities and derivatives based on contractual maturity are broken down as follows:

GROUP

31/12/2022		**Contractual cash flows**				
Amounts in ,000 Euro	**Carrying amount**	**Up to 1 year**	**1 to 2 years**	**2 to 5 years**	**Over 5 years**	**Total**
Bank loans	109,378	109,378	-	-	-	**109,378**
Finance lease liabilities	1,330	787	223	321	-	**1,330**
Bond loans	44,026	15,875	7,141	19,010	2,000	**44,026**
Derivatives	9,807	9,807	-	-	-	**9,807**
Trade and other payables	226,646	226,969	-	-	-	**226,969**
	391,187	**362,816**	**7,364**	**19,331**	**2,000**	**391,511**

31/12/2021		**Contractual cash flows**				
Amounts in ,000 Euro	**Carrying amount**	**Up to 1 year**	**1 to 2 years**	**2 to 5 years**	**Over 5 years**	**Total**
Bank loans	64,325	61,230	6,380	-	-	**67,609**
Finance lease liabilities	1,432	846	307	347	-	**1,500**
Bond loans	43,414	7,727	15,884	23,327	-	**46,937**
Derivatives	1,141	1,141	-	-	-	**1,141**
Trade and other payables	119,840	119,840	-	-	-	**119,840**
	230,152	**190,784**	**22,570**	**23,674**	**-**	**237,027**

COMPANY

31/12/2022		**Contractual cash flows**				
Amounts in ,000 Euro	**Carrying amount**	**Up to 1 year**	**1 to 2 years**	**2 to 5 years**	**Over 5 years**	**Total**
Bank loans	109,378	109,378	-	-	-	**109,378**
Finance lease liabilities	856	313	223	321	-	**856**
Bond loans	44,026	15,875	7,141	19,010	2,000	**44,026**
Derivatives	9,807	9,807	-	-	-	**9,807**
Trade and other payables	218,150	218,150	-	-	-	**218,150**
	382,217	**353,522**	**7,364**	**19,331**	**2,000**	**382,217**

31/12/2021		**Contractual cash flows**				
Amounts in ,000 Euro	**Carrying amount**	**Up to 1 year**	**1 to 2 years**	**2 to 5 years**	**Over 5 years**	**Total**
Bank loans	64,325	61,230	6,380	-	-	**67,609**
Finance lease liabilities	962	376	307	347	-	**1,030**
Bond loans	43,414	7,727	15,884	23,327	-	**46,937**
Derivatives	1,141	1,141	-	-	-	**1,141**
Trade and other payables	117,409	117,409	-	-	-	**117,409**
	227,251	**187,883**	**22,570**	**23,674**	**-**	**234,127**

As at 31/12/2022 the Company had no debts involving clauses the violation of which could force the Company to repay the loans earlier than indicated in the table above.

C.3. Market Risk

Market risk is the risk that changes in the market prices – such as foreign exchange rates and interest rates - will affect the Group's and the Company's income or the value of their financial instruments. The Group and the Company use derivatives to manage market risk.

(1) Foreign exchange risk

The Group and the Company are exposed to currency risk in relation to the sales and purchases carried out in a currency other than their functional currency. The most important currencies in which transactions are held are EUR and USD while 2021 saw important transactions in Polish zloty.

Over time, the Company and the Group hedge the greatest part of their estimated exposure to foreign currencies in relation to the anticipated sales and purchases, as well as to the receivables and liabilities in foreign currency. Group companies enter mainly into forward contracts with external counterparties so as to deal with the risk of the exchange rates varying, which mainly expire within less than a year from the reporting date. When deemed necessary, these contracts are renewed upon expiry.

Interest on all loans is denominated in Euro. The investments of the Group in other subsidiaries are not hedged, because these exchange positions are considered to be long-term.

The summary quantitative data about the Group's and the Company's exposure to currency risk is as follows:

GROUP

31/12/2022

Amounts in ,000 Euro	**USD**	**GBP**	**Other**	**Total**
Trade and other receivables	30,514	12	-	**30,525**
Contract assets	67,173	-	-	**67,173**
Cash and cash equivalents	6,686	9	0	**6,696**
Loans and borrowings	(474)	-	-	**(474)**
Trade and other payables	(103,252)	-	(23)	**(103,276)**
Contract liabilities	(41,082)	-	-	**(41,082)**
	(40,436)	**21**	**(23)**	**(40,438)**
Derivatives for risk hedging (Nominal value)	(105,564)	(7,577)	-	**(113,141)**
Total risk	**(146,000)**	**(7,556)**	**(23)**	**(153,579)**

31/12/2021

Amounts in ,000 Euro	**USD**	**GBP**	**Other**	**Total**
Trade and other receivables	2,822	-	30	**2,851**
Contract assets	-	-	-	**-**
Cash and cash equivalents	3,312	6	-	**3,318**
Loans and borrowings	(470)	-	-	**(470)**
Trade and other payables	(23,702)	(53)	(3)	**(23,758)**
Contract liabilities	-	-	(4,811)	**(4,811)**
	(18,038)	**(47)**	**(4,785)**	**(22,869)**
Derivatives for risk hedging (Nominal value)	(36,691)	-	-	**(36,691)**
Total risk	**(54,729)**	**(47)**	**(4,785)**	**(59,560)**

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COMPANY

31/12/2022

Amounts in ,000 Euro	USD	GBP	Other	Total
Trade and other receivables	23,975	12	-	**23,986**
Contract assets	32,005	-	-	**32,005**
Cash and cash equivalents	2,077	9	0	**2,086**
Trade and other payables	(94,757)	-	(23)	**(94,780)**
Contract liabilities	(41,082)	-	-	**(41,082)**
	(77,782)	**21**	**(23)**	**(77,784)**
Derivatives for risk hedging (Nominal value)	(105,564)	(7,577)	-	**(113,141)**
Total risk	**(183,346)**	**(7,556)**	**(23)**	**(190,925)**

31/12/2021

Amounts in ,000 Euro	USD	GBP	Other	Total
Trade and other receivables	454	-	30	**483**
Contract assets	-	-	-	**0**
Cash and cash equivalents	32	6	-	**38**
Trade and other payables	(21,274)	(53)	(3)	**(21,330)**
Contract liabilities	-	-	(4,811)	**(4,811)**
	(20,788)	**(47)**	**(4,785)**	**(25,620)**
Derivatives for risk hedging (Nominal value)	(36,691)	-	-	**(36,691)**
Total risk	**(57,479)**	**(47)**	**(4,785)**	**(62,311)**

The following exchange rates have been applied during the year.

	Average exchange rate		**Year end spot rate**	
	2022	**2021**	**2022**	**2021**
USD	1.0530	1.1827	1.0666	1.1326

A reasonably possible strengthening (weakening) of USD against EUR as at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and would have also affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

GROUP

	Profit or loss		**Equity, net of tax**	
Amounts in ,000 Euro	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
2022				
USD (10% movement in relation to EUR)	7,071	(8,642)	6,870	(8,396)
2021				
USD (10% movement in relation to EUR)	1,890	(2,310)	1,945	(2,377)

COMPANY

	Profit or loss		Equity, net of tax	
Amounts in ,000 Euro	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
2022				
USD (10% movement in relation to EUR)	7,071	(8,642)	6,870	(8,396)
2021				
USD (10% movement in relation to EUR)	1,890	(2,310)	1,945	(2,377)

(2) Interest rate risk

During the prolonged low interest period, the Company has adopted a flexible policy of ensuring that its interest rate risk exposure is entirely at a variable rate. The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	GROUP		COMPANY	
Amounts in ,000 Euro	**2022**	**2021**	**2022**	**2021**
Variable-rate instruments				
Financial liabilities	154,734	109,171	154,260	108,701
	154,734	**109,171**	**154,260**	**108,701**

A reasonably possible change of 0.25% in interest rates at the reporting date would have increased/decreased (-) equity and profit or loss by the amount shown below. This analysis assumes all other variables, in particular foreign exchange rate, remain constant.

	Profit or loss & Equity, net of tax			
	Increase by 0.25%		Decrease by 0.25%	
Amounts in ,000 Euro	**GROUP**	**COMPANY**	**GROUP**	**COMPANY**
2022				
Financial liabilities	(289)	(318)	289	318
2021				
Financial liabilities	(335)	(333)	335	333

The Company does not use interest rate swaps as hedging instruments under a fair value or cash flow hedge accounting model and as a result the impact presented in the table above in profit or loss and equity is the same.

(3) Derivatives assets and liabilities designated as cash flow hedges

The following table indicates the periods in which the cash flows associated with cash flow hedges are expected to occur:

2022

		Expected cash flows			
	Carrying amount	**1-6 months**	**6-12 months**	**Over 1 year**	**Total**
Amounts in ,000 Euro					
Forward exchange contracts					
Assets	12,024	2,595	5,805	3,624	8,400
Liabilities	9,807	5,338	4,470	-	9,807
	21,831	**7,932**	**10,275**		**18,208**

2021

		Expected cash flows			
	Carrying amount	**1-6 months**	**6-12 months**	**Over 1 year**	**Total**
Amounts in ,000 Euro					
Forward exchange contracts					
Assets	536	536	-	-	536
Liabilities	1,141	1,141	-	-	1,141
	1,677	**1,677**	**-**	**-**	**1,677**

The table below provides information about the items designated as cash flow hedging instruments during the year and also as at 31 December 2022 and the reconciliation of hedging reserve.

		Carrying amount		Line item in the statement of financial position where the hedging instrument is included	Balance at 1 January 2021	Changes in the value of the hedging instrument recognised in OCI	Amount reclassified from hedging reserve to profit or loss	Effect of movement in exchange rates	Balance at 31 December 2022
Amounts in ,000 Euro	**Nominal value**	**Assets**	**Liabilities**						
Forward exchange contracts	113,141	12,024	(9,807)	Derivatives (Assets & Liabilities)	(605)	1,602	756	463	2,216

C.4. Risk of macroeconomic and financial environment

The Group closely monitors and evaluates on a continuous basis the developments in the international and domestic environment and timely adapts its business strategy and risk management policies in order to minimise the impact of the macroeconomic conditions on its operations.

The macroeconomic and financial environment in Greece is showing clear signs of improvement while the cash flows from the Company's and the Group's operational activities are not significantly affected by Greece's macroeconomic environment as more than 92% of sales in 2022 were directed to international customers. This also minimises the liquidity risk which may arise from any remaining uncertainty of the economic environment in Greece.

4. Capital management

Group management's policy consists in maintaining a strong capital structure so as to keep the confidence of investors, creditors and the market and enable the future development of its activities. Group Management monitors return on equity, which is defined as net profits divided by total equity. Group Management also monitors the level of dividends distributed to holders of ordinary shares.

No changes were made to the approach adopted by the Group and the Company concerning capital management during the fiscal year.

Total borrowing of the Group and the Company in relation to its equity on the reporting date is as follows:

	GROUP		COMPANY	
Amounts in ,000 Euro	**2022**	**2021**	**2022**	**2021**
Total loans & borrowings	154,734	109,171	154,260	108,701
Less: Cash and cash equivalents	(50,988)	(40,991)	(41,455)	(37,665)
Net debt	**103,746**	**68,180**	**112,805**	**71,036**

Total Equity	138,149	129,166	138,047	130,508
Debt to equity ratio	**0.75**	**0.53**	**0.82**	**0.54**

12. Inventories

GROUP

Amounts in ,000 Euro	2022	2021
Finished goods and merchandise	25,431	19,872
Semi-finished goods	10,385	4,415
Raw and auxiliary materials	196,123	62,849
Spare parts	3,971	3,721
Consumables	2,972	1,694
Packaging materials	31	31
Total	**238,912**	**92,582**

COMPANY

Amounts in ,000 Euro	2022	2021
Finished goods and merchandise	23,019	15,971
Semi-finished goods	10,385	4,415
Raw and auxiliary materials	196,123	62,849
Spare parts	3,971	3,721
Consumables	2,972	1,694
Packaging materials	31	31
Total	**236,500**	**88,682**

Increase in the value of Finished Goods at Company level is attributed to the increased volume of hollow structural sections in order to support the increased sales compared to the respective period of 2021. At Group level the increase in CPW America's inventories should be noted, that were purchased from another subsidiary of VIOHALCO Group to be resold to end customers with whom no transactions had taken place during 2021.

Inventories are presented at the lower between their acquisition cost or production cost and net realisable value. Net realisable value is considered to be the estimated selling price under normal business operations less the estimated costs required for the sale.

The cost of inventory that was recognised as an expense in the cost of sales of the Group for the fiscal year ended December 31, 2022 amounts to EUR 328,708 thousand (2021: EUR 156,364 thousand), while the respective amounts for the Company stood at EUR 311,627 thousand and EUR 152,932 thousand, respectively (Note 25).

At December 31, 2021 the net realisable value of certain finished goods was lower than their production cost, and as a result an impairment loss of EUR 118 thousand was recorded for both the Group and the Company. No impairment of inventory arose as at 31 December 2022.

13. Trade and other receivables

GROUP

Amounts in ,000 Euro	2022	2021
Current Assets		
Trade receivables	42,760	30,997

Less: Provisions for impairment	(23,547)	(22,189)
	19,213	**8,808**
Receivables from related parties	13,654	15,681
Current tax assets	709	166
Other receivables	6,763	706
Other debtors	14,428	2,009
	35,554	**18,562**
Total	**54,767**	**27,371**
Non-current assets		
Non-current receivables	515	514
Total	**515**	**514**

COMPANY

Amounts in ,000 Euro	**2022**	**2021**
Current Assets		
Trade receivables	26,708	30,607
Less: Provisions for impairment	(23,547)	(22,189)
	3,161	**8,418**
Receivables from related parties	30,148	14,382
Current tax assets	532	-
Other receivables	7,969	1,564
Other debtors	6,695	706
	45,344	**16,653**
Total	**48,505**	**25,071**
Non-current assets		
Non-current receivables	475	476
Total	**475**	**476**

Credit and market risks and impairment losses

During 2010, the Company initiated in Greece and Dubai legal actions against a former customer in the Middle-East regarding the recovery of an overdue receivable of USD 24.8 million (EUR 23.4 million as at 31 December 2022), plus legal interest. Following a series of court proceedings, the Dubai Court of Cassation issued its final judgment which ruled to reject any counterclaim of the former customer and to confirm the amount due to the Company. In order to recover this long overdue balance, the Company has recently initiated the enforcement procedures against the assets of the former customer that are located within any of the countries, where such judgment is enforceable (i.e. various other countries in the Middle East). As at 31/12/2022 the Company has recorded an impairment loss for all receivables while it pursues all actions required for collecting the entire amount of this receivable.

Information about Company's exposure to credit and market risks, and impairment losses for trade and other receivables, is included in Note 11.

14. Derivatives

The following table sets out the carrying amount of derivatives for both the Group and the Company:

GROUP

	At 31 December	
Amounts in ,000 Euro	**2022**	**2021**
Non-current assets		
Other contracts	4,908	944

Total	**4,908**	**944**
Current assets		
Forwards for cash flow hedging	8,400	536
Total	**8,400**	**536**
Current liabilities		
Forwards for cash flow hedging	9,807	1,141
Total	**9,807**	**1,141**

COMPANY

	At 31 December	
Amounts in ,000 Euro	**2022**	**2021**
Non-current assets		
Other contracts	4,908	-
Total	**4,908**	**-**
	2022	**2021**
Current assets		
Forwards for cash flow hedging	8,400	536
	8,400	**536**
Current liabilities		
Forwards for cash flow hedging	9,807	1,141
	9,807	**1,141**

Hedge accounting

The Company has derivative financial instruments to hedge cash flows. The above-mentioned derivative financial instruments cover risks from fluctuations of foreign exchange rates.

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

Derivatives held by the Company concern foreign exchange forwards to hedge the risk from the change in exchange rate of US Dollar (i.e. the currency to which the Company is mainly exposed). Such hedges are designated as cash flow hedges given that foreign exchange forwards are used for hedging foreign exchange risk on the forecast sales of goods or purchase of materials.

Derivatives are recognised when the Company enters into the transaction in order to hedge highly probable transactions (cash flow hedges).

Cash flow hedge

The effective portion of change in fair value of derivatives designated as a cash flow hedge is recognised in other comprehensive income (OCI), under “Hedging Reserve”. Any ineffective proportion is recognised immediately in profit or loss.

The amounts recorded in “Hedging Reserve” are reclassified to the Consolidated Statement of Profit or Loss of the period when the hedged event occurs, i.e. at the date when the forecast transaction which constitutes the object of the hedge took place or the hedged item affects profit and loss.

When a hedge item is sold or when the hedging proportion no longer meets the hedge accounting criteria, hedge accounting is discontinued prospectively, the amounts recorded in ‘Hedging reserve’ remain as a reserve and are reclassified to the Consolidated Statement of Profit or Loss when the hedged asset affects profits or losses.

In the case of a hedge on a forecast future transaction which is no longer expected to be realised, the amounts recorded in ‘Hedging reserve’ are reclassified to the consolidated statement of profit or loss.

The change in fair value recognised in equity under cash flow hedging as of 31 December 2022 will be recycled to the company and consolidated statement of profit or loss during 2023, as all the forecast transactions will take place or the hedged items will affect profit or loss in 2023.

The Group examines the effectiveness of the cash flow hedge at inception (prospectively) by comparing the critical terms of the hedging instrument with the critical terms of the hedged item, and then at every reporting date (retrospectively) the effectiveness of the cash flow hedge is examined by applying the dollar offset method on a cumulative basis.

The Group's results from the hedging activities recorded in the statement of profit or loss are presented below for foreign exchange contracts in "Revenue" and "Cost of sales". The amounts recognised in the company and consolidated statement of profit or loss are the following:

	For the year ended 31 December	
Amounts in ,000 Euro	**2022**	**2021**
Gain / (loss) on foreign exchange forwards	7,389	1,162
	7,389	**1,162**

Derivatives related to Bellville Tube Company

Based on the share purchase agreement signed in 2020, the shareholders of Bellville Tube Company (see note 21) granted CPW America with a call option to purchase (hereinafter "call option") the remaining outstanding capital stock of Bellville Tube Company. The calculation of the purchase price prescribed in the call option is based on a predetermined formula. The exercise period for the call option starts in 2022 and expires in 2025.

In addition, the purchase agreement prescribes that if CPW America does not exercise the call option described above, CPW America shall have the option ("put option"), but not the obligation, during the period 2022-2025 to require Bellville Tube Company's shareholders to redeem all shares of Bellville Tube Company held by such time. The aggregate purchase price for the redeemed shares if the put option is exercised will be USD 3.3 million, i.e. equal to the amount initially disbursed.

On 12 August 2022 CPW America exercised the above put option, and as a result, Bellville Tube Company's shareholders repurchased the shares of the company that were held by CPW America up to that time (19.4%) at the pre-arranged exercise price of the relevant put option (USD 3.3 million). As a result of the above transaction, on 31 December 2022 both call and put options described above are derecognised from the Group's Statement of Financial Position.

15. Cash and cash equivalents

GROUP

Amounts in ,000 Euro	**2022**	**2021**
Cash on hand	4	1
Bank deposits	50,984	40,989
Total	**50,988**	**40,991**

COMPANY

Amounts in ,000 Euro	**2022**	**2021**
Cash on hand	2	1
Bank deposits	41,453	37,664
Total	**41,455**	**37,665**

Short-term deposits of the Group and the Company have a term less than 90 days and are available for use.

16. Share capital and reserves

A. Share capital

On 31 December 2022, the share capital of the Company amounted to EUR 78,306,301 divided into 26,725,700 shares with a nominal value of EUR 2.93 each. The share capital of the Company remained unchanged compared to 2021.

On 31 December 2022 the share capital of WTT amounted to PLN 2,783,750 divided into 55,675 shares with a nominal value of PLN 50 each. The share capital of WTT remained unchanged compared to 2021.

On 31 December 2022 the share capital of CPW America amounted to USD 500,000 divided into 5,000 shares with a nominal value of USD 100 each. The share capital of CPW America remained unchanged compared to 2021.

On 31 December 2022, the share capital of CPW Solar S.A. amounted to EUR 25,000 divided into 5,000 shares with a nominal value of EUR 5 each.

On 31 December 2022, the share capital of CPW Wind S.A. amounted to EUR 25,000 divided into 5,000 shares with a nominal value of EUR 5 each.

B. Nature and purpose of reserves

(1) Statutory reserve:

Pursuant to Greek company law (article 158 of Law 4548/2018), companies are obliged to allocate each year at least 5% of the annual net profits to their statutory reserve, until this reserve equals at least 1/3 of the company's share capital. This reserve may be used to cover losses following a decision of the Ordinary General Meeting of Shareholders and consequently cannot be used for any other purpose.

(2) Hedging reserve:

The hedging reserve includes the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss.

(3) Tax-exempt reserves:

Tax exempt reserves mainly concern:

- reserves that are formed from prior-period net profits, which, pursuant to incentive laws that are in effect each time, are not taxed because they were used for the acquisition of production equipment;
- reserves that were formed from partially non-distributed net profits of each fiscal year that come 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 shareholders. In case these reserves are distributed, the Company will be required to pay the related tax.

(4) Translation reserve:

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

C. Reconciliation of reserves

GROUP

Amounts in ,000 Euro	**Statutory reserve**	**Hedging reserve**	**Tax-free reserves**	**Translation reserve**	**Total**
Balance at 1 January 2021	**809**	**238**	**19,961**	**(569)**	**20,439**
Other comprehensive income, net of tax	-	(828)	-	274	**(554)**
Transfer of reserves	-	-	-	-	-
Balance at 31 December 2021	809	(590)	19,961	(295)	**19,885**
Balance at 1 January 2022	**809**	**(590)**	**19,961**	**(295)**	**19,885**
Other comprehensive income, net of tax	-	1,839	-	(231)	**1,608**
Transfer of reserves	91	-	-	-	**91**
Balance at 31 December 2022	**900**	**1,249**	**19,961**	**(527)**	**21,584**

COMPANY

Amounts in ,000 Euro	Statutory reserve	Hedging reserve	Tax-free reserves	Total
Balance at 1 January 2021	**809**	**238**	**19,961**	**21,009**
Other comprehensive income, net of tax	-	(828)	-	**(828)**
Transfer of reserves	-	-	-	-
Balance at 31 December 2021	**809**	**(590)**	**19,961**	**20,180**
Balance at 1 January 2022	**809**	**(590)**	**19,961**	**20,180**
Other comprehensive income, net of tax	-	1,839	-	**1,839**
Transfer of reserves	91	-	-	**91**
Balance at 31 December 2022	**900**	**1,249**	**19,961**	**22,111**

17. Loans and borrowings

A. Overview

	GROUP		COMPANY	
	At 31 December		At 31 December	
Amounts in ,000 Euro	**2022**	**2021**	**2022**	**2021**
Unsecured bank loans	-	5,219	-	5,219
Unsecured bond issues	28,151	36,786	28,151	36,786
Total	**28,151**	**42,005**	**28,151**	**42,005**
Finance lease liabilities - Long term	896	974	544	619
Total long-term debt	**29,047**	**42,979**	**28,695**	**42,624**
Unsecured bank loans	101,494	53,700	101,494	53,700
Current portion of long-term unsecured bank loans	5,273	5,407	5,273	5,407
Current portion of long-term unsecured bond issues	15,875	6,628	15,875	6,628
Factoring with recourse	2611	-	2,611	-
Total	**125,252**	**65,734**	**125,252**	**65,734**
Finance lease liabilities - Short term	435	458	313	343
Total short-term debt	**125,687**	**66,192**	**125,565**	**66,077**
Total borrowing	**154,734**	**109,171**	**154,260**	**108,701**

Short term unsecured bank loans are predominately revolving credit facilities, which meet the Company's working capital needs for specific ongoing projects on 31 December 2022.

Information about the Company's and the Group's exposure to interest rate, foreign currency and liquidity risks is included in Note 11.

The maturities of non-current loans are as follows:

	GROUP		COMPANY	
	At 31 December		At 31 December	
Amounts in ,000 Euro	**2022**	**2021**	**2022**	**2021**
Between 1 and 2 years	7,496	20,264	7,364	20,140
Between 2 and 5 years	19,456	22,603	19,331	22,484
Over 5 years	2,095	112	2,000	-
Total	**29,047**	**42,979**	**28,695**	**42,624**

The effective weighted average interest rates of the main categories of the Company's and the Group's loans and borrowings at the reporting date are as follows:

	GROUP				COMPANY			
	2022		2021		2022		2021	
Amounts in ,000 Euro	**Carrying amount**	**Interest rate**	**Carrying amount**	**Interest rate**	**Carrying amount**	**Interest rate**	**Carrying amount**	**Interest rate**
Bank loans (non-current)	5,273	3.49%	10,625	1.95%	5,273	3.49%	10,625	1.95%
Bank loans (current)	101,494	5.50%	53,700	3.39%	101,494	5.50%	53,700	3.39%
Bond issues	44,026	4.43%	43,414	2.61%	44,026	4.43%	43,414	2.61%
Factoring with recourse	2,611	6.82%	-		2,611	6.82%	-	

During the comparable period 2021 the Company fully repaid long-term loans containing clauses. Therefore, as at 31/12/2022 the Company had no debts involving clauses the violation of which could force the Company to repay the loans earlier than their contractual term. At the same time, no mortgages or pledges have been recorded on the Company's property, plant and equipment.

During 2022, Corinth Pipeworks obtained a new long-term loan of EUR 7 million and repaid long-term and short-term loans of EUR 13 million. More specifically in 2022 the following bond loan was obtained from domestic systemic banks:

- A loan of EUR 7 million for 7 years

The borrowing profile of both the Company and the Group was thus further improved.

As at the reporting date the Group's average borrowing cost amounted to 5.15% compared to 2.93% as at 31/12/2021.

B. Reconciliation of movements of liabilities to cash flows arising from financing activities

	GROUP					
	2022			2021		
Amounts in ,000 Euro	**Loans and borrowings**	**Lease liabilities**	**Total**	**Loans and borrowings**	**Lease liabilities**	**Total**
Balance at 1 January	**107,739**	**1,432**	**109,171**	**108,384**	**1,516**	**109,900**
<u>Changes from financing activities:</u>						
Loans received	57,042	-	**57,042**	21,764	-	**21,764**
Repayment of borrowings	(12,737)	-	**(12,737)**	(22,986)	-	**(22,986)**
Repayment of lease principal	-	(456)	**(456)**	-	(466)	**(466)**
Total changes from financing activities	**44,305**	**(456)**	**43,849**	**(1,222)**	**(466)**	**(1,687)**
<u>Other changes:</u>						
Accrued interest	3,914	77	**3,991**	3,139	67	**3,205**
Interest paid	(3,514)	(60)	**(3,574)**	(3,152)	(67)	**(3,219)**
Interest capitalised	964	-	**964**	1,043	-	**1,043**
New lease liabilities	-	390	**390**	-	470	**470**
Lease expiry	-	(81)	**(81)**	-	(125)	**(125)**
Foreign exchange gains/(losses)	-	29	**29**	9	39	**47**
	1,360	**354**	**1,714**	**577**	**381**	**958**
Balance at 31 December	**153,404**	**1,330**	**154,734**	**107,739**	**1,432**	**109,171**

	COMPANY					
Amounts in ,000 Euro	2022			2021		
	Loans and borrowings	**Lease liabilities**	**Total**	**Loans and borrowings**	**Lease liabilities**	**Total**
Balance at 1 January	**107,739**	**962**	**108,701**	**108,149**	**1,019**	**109,168**
<u>Changes from financing activities:</u>						
Loans received	57,042	-	**57,042**	21,520	-	**21,520**

Repayment of borrowings	(12,737)	-	**(12,737)**	(22,986)	-	**(22,986)**
Repayment of lease principal	-	(333)	**(333)**	-	(370)	**(370)**
Total changes from financing activities	**44,305**	**(333)**	**43,972**	**(1,466)**	**(370)**	**(1,836)**
Other changes:						
Accrued interest	3,914	60	**3,974**	3,139	-	**3,139**
Interest paid	(3,514)	(60)	**(3,574)**	(3,152)	-	**(3,152)**
Interest capitalised	964	-	**964**	1,043	-	**1,043**
New lease liabilities	-	310	**310**	-	440	**440**
Lease expiry	-	(81)	**(81)**	-	(125)	**(125)**
Other movements	(3)	(2)	**(5)**	27	(2)	**25**
	1,360	**227**	**1,587**	**1,056**	**313**	**1,369**
Balance at 31 December	**153,404**	**856**	**154,260**	**107,739**	**962**	**108,701**

18. Income tax

1. Amounts recognised in profit or loss

	GROUP		COMPANY	
Amounts in ,000 Euro	**2022**	**2021**	**2022**	**2021**
Current tax (expense)/credit	(12)	(4)	-	-
Deferred tax (expense)/credit	3,675	(760)	4,093	(3,375)
Income tax (expense)/credit	**3,663**	**(764)**	**4,093**	**(3,375)**

2. Reconciliation of applicable tax rate

	GROUP		COMPANY	
Amounts in ,000 Euro	**2022**	**2021**	**2022**	**2021**
Book profit/(loss) before tax	**3,596**	**(14,914)**	**1,263**	**(1,558)**
Tax using the domestic tax rate in Greece (2022: 22%, 2021: 22%).	(791)	3,281	(278)	343
Non-deductible expenses for tax purposes	(365)	(952)	(365)	(848)
Tax-exempt income	391	0	-	-
Recognition of previously unrecognised tax losses	4556	-	4,556	-
Effect of tax rates in foreign jurisdictions	5	(129)	-	-
Tax incentives	181	-	181	-
Change in tax rate or composition of new tax	-	1,649	-	1,649
Other taxes	(312)	(28)	-	(15)
Tax of permanent differences	(1)	(172)	-	-
Reversal of deferred tax assets	-	(4,413)	-	(4,505)
	3,663	**(764)**	**4,093**	**(3,375)**
Effective tax rate	***102%***	***5%***	***324%***	***217%***

According to Greek law 4799/2021, the corporate income tax rate for legal entities in Greece is set to 22% for fiscal year 2022 (2021: 22%).

The effective income tax rate of the Group was affected considerably by the reassessment of tax losses recoverability set off against tax assets during the following years, which led to the recognition of additional deferred tax assets.

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3. Movement in deferred tax balances

GROUP

Amounts in ,000 Euro						Change in tax rate			Balance at 31 December		
2022	**Balance at 1 January**	**Recognised in profit or loss**	**Recognised in Other Comprehensive Income**	**FX Differences**	**Other**	**Recognised in profit or loss**	**Recognised in OCI**	**Change in accounting policy**	**Net balance**	**Deferred tax assets**	**Deferred tax liabilities**
Property, plant and equipment	(18,848)	(1,463)	-	-	-	-	-	-	**(20,311)**	-	(20,311)
Intangible assets	226	(123)	-	-	-	-	-	-	**102**	102	-
Right-of-use assets	(5)	(10)	-	-	-	-	-	-	**(15)**	-	(15)
Thin-cap interest	3,304	2,153	-	-	-	-	-	-	**5,458**	5,458	-
Derivatives	143	(385)	(519)	-	-	-	-	-	**(760)**	-	(760)
Inventories	3,616	29,842	-	-	-	-	-	-	**33,457**	33,457	-
Loans and borrowings	(75)	247	-	-	-	-	-	-	**172**	172	-
Employee benefits	219	25	(33)	-	-	-	-	-	**209**	209	-
Provisions	2,951	(659)	-	183	-	-	-	-	**2,475**	2,475	-
Deferred income	2	(75)	-	(0)	-	-	-	-	**(73)**	-	(73)
Contract assets	(6,384)	(33,676)	-	-	-	-	-	-	**(40,060)**	-	(40,060)
Other	(781)	315	-	(15)	-	-	-	-	**(481)**	-	(481)
Carryforward tax losses	369	7,482	-	-	-	-	-	-	**7,851**	7,851	-
Tax assets / (liabilities) before set-off	**(15,264)**	**3,675**	**(552)**	**168**	**-**	**-**	**-**	**-**	**(11,975)**	**49,724**	**(61,700)**
Set-off tax										(47,381)	47,381
Net tax assets/(liabilities)									**(11,975)**	**2,343**	**(14,318)**

Amounts in ,000 Euro						Change in tax rate			Balance at 31 December		
2021	**Balance at 1 January**	**Recognised in profit or loss**	**Recognised in OCI**	**FX Differences**	**Others**	**Recognised in profit or loss**	**Recognised in OCI**	**Change in accounting policy**	**Net balance**	**Deferred tax assets**	**Deferred tax liabilities**
Property, plant and equipment	(18,522)	(2,070)	-	-	-	1,744	-	-	**(18,848)**	-	(18,848)
Intangible assets	404	(158)	-	-	-	(21)	-	-	**226**	226	-
Right-of-use assets	(5)	-	-	-	-	-	-	-	**(5)**	-	(5)
Thin-cap interest	3,581	24	-	-	-	(300)	-	-	**3,304**	3,304	-
Derivatives	(68)	(33)	257	-	-	3	(15)	-	**143**	143	-
Inventories	7,580	(2,845)	-	-	-	(1,119)	-	-	**3,616**	3,616	-
Loans and borrowings	(331)	240	-	-	-	16	-	-	**(75)**	-	(75)
Employee benefits	213	12	11	-	-	(18)	-	-	**219**	219	-
Provisions	193	2,659	-	119	-	(20)	-	-	**2,951**	2,951	-
Deferred income	-	2	-	(0)	-	-	-	-	2	2	-
Contract assets	(11,450)	3,693	-	-	-	1,372	-	-	**(6,384)**	-	(6,384)
Other	(678)	4	-	(133)	-	25	-	-	**(781)**	-	(781)
Carryforward tax losses	4,340	(3,937)	-	-	-	(34)	-	-	**369**	369	-
Tax assets / (liabilities) before set-off	**(14,744)**	**(2,409)**	**268**	**(14)**	**-**	**1,649**	**(15)**	**-**	**(15,264)**	**10,830**	**(26,094)**
Set-off tax										(8,239)	8,239
Net tax assets/(liabilities)									**(15,264)**	**2,591**	**(17,855)**

COMPANY

Amounts in ,000 Euro **2022**	**Balance at 1 January**	**Recognised in profit or loss**	**Recognised in OCI**	**Others**	**Change in tax rate**		**Change in accounting policy**	**Balance at 31 December**		
					Recognised in profit or loss	**Recognised in OCI**		**Net balance**	**Deferred tax assets**	**Deferred tax liabilities**
Property, plant and equipment	(18,935)	(1,458)	-	-	-	-	-	**(20,393)**	-	(20,393)
Intangible assets	226	(123)	-	-	-	-	-	**102**	102	-
Right-of-use assets	(5)	(10)	-	-	-	-	-	**(15)**	-	(15)
Thin-cap interest	3,304	2,153	-	-	-	-	-	**5,458**	5,458	-
Derivatives	143	(385)	(519)	-	-	-	-	**(760)**	-	(760)
Inventories	(9,344)	29,842	-	-	-	-	-	**20,498**	20,498	-
Loans and borrowings	(75)	247	-	-	-	-	-	**172**	172	-
Employee benefits	219	25	(33)	-	-	-	-	**211**	211	-
Provisions	133	4	-	-	-	-	-	**137**	137	-
Deferred income	-	(77)	-	-	-	-	-	**(77)**	-	(77)
Contract assets	6,558	(33,676)	-	-	-	-	-	**(27,117)**	-	(27,117)
Other	(546)	68	-	-	-	-	-	**(478)**	-	(478)
Carryforward tax losses	369	7,482	-	-	-	-	-	**7,851**	7,851	-
Tax assets / (liabilities) before set-off	**(17,953)**	**4,093**	**(552)**	**-**	**-**	**-**	**-**	**(14,412)**	**34,429**	**(48,840)**
Set-off tax									(34,429)	34,429
Net tax assets/(liabilities)								**(14,412)**	**-**	**(14,412)**

Amounts in EUR					Change in tax rate			Balance at 31 December		
2021	**Balance at 1 January**	**Recognised in profit or loss**	**Recognised in OCI**	**Others**	**Recognised in profit or loss**	**Recognised in OCI**	**Change in accounting policy**	**Net balance**	**Deferred Tax assets**	**Deferred tax liabilities**
Property, plant and equipment	(18,617)	(2,062)	-	-	1,744	-	-	**(18,935)**	-	(18,935)
Intangible assets	404	(158)	-	-	(21)	-	-	**226**	226	-
Right-of-use assets	(5)	-	-	-	-	-	-	**(5)**	-	(5)
Thin-cap interest	3,581	24	-	-	(300)	-	-	**3,304**	3,304	-
Derivatives	(68)	(33)	257	-	3	(15)	-	**143**	143	-
Inventories	(5,380)	(2,845)	-	-	(1,119)	-	-	**(9,344)**	-	(9,344)
Loans and borrowings	(331)	240	-	-	16	-	-	**(75)**	-	(75)
Employee benefits	213	12	11	-	(18)	-	-	**219**	219	-
Provisions	191	(38)	-	-	(20)	-	-	**133**	133	-
Contract assets	1,493	3,693	-	-	1,372	-	-	**6,558**	6,558	-
Others	(652)	81	-	-	25	-	-	**(546)**	-	(546)
Carryforward tax losses	4,340	(3,937)	-	-	(34)	-	-	**369**	369	-
Tax assets / (liabilities) before set-off	**(14,831)**	**(5,025)**	**268**	**-**	**1,649**	**(15)**	**-**	**(17,953)**	**10,952**	**(28,906)**
Set-off tax									(10,952)	10,952
Net tax assets/(liabilities)								**(17,953)**	**-**	**(17,953)**

As at 31/12/2022 the Group had accumulated tax losses carried forward for a part of which total provisions have been raised regarding deferred tax assets of EUR 7,851 thousand (EUR 369 thousand on 31/12/2021).
Regarding the part of tax losses for which deferred tax assets have been recognised, Management estimates that these losses will be covered by taxable profits before their maturity date.

19. Employee benefits

According to IFRS, the liabilities of the Group and the Company towards social security funds of their employees are split into defined-contribution and defined-benefit plans.

According to the Greek Labour Law employees are entitled to compensation when dismissed or retired, the level of which is related to employee salary, length of service and the mode of departure (dismissal or retirement). Employees who resign or are dismissed on specific grounds are not entitled to compensation. The compensation payable in the case of retirement is 40% of the amount which would have been paid for unjustified dismissal. The level of compensation finally paid by the Group or the Company is determined by taking into account the employee's length of service and salary.

A liability is considered related to defined contribution plans when the accrued part thereof is regularly accounted for. This practice is similar to the practice under current Greek law, in other words payment to insurance funds of employer contributions for the length of employee service.

For pension plans falling into the defined benefit category, the IFRSs have set certain requirements concerning the valuation of the current liability and the principles and actuarial assumptions which have to be followed to assess the liability deriving from those pension plans. The obligation which is posted is based on the projected unit credit method which calculates the current value of the accrued obligation.

The staff leaving indemnities were computed in an actuarial study. The following tables set out the composition of net expenditure for the relevant provision posted through profit or loss and equity for the years 2022 and 2021 respectively.

A. Changes in the present value of the liability for the Group and the Company

Amounts in ,000 Euro	For the year ended 31 December 2022	2021
Balance at 1 January	**869**	**886**
Amounts recognised in profit or loss		
Current service cost	157	144
Past service cost	-	(9)
Curtailment/settlement/termination loss	320	1,112
Interest cost	2	3
	479	**1,249**
Amounts recognised in OCI		
Remeasurement loss/(gain)		
- Actuarial loss/(gain) arising from:		
Demographic assumptions	-	15
Financial assumptions	(160)	121
Experience adjustments	10	(84)
	(149)	**52**
Other movements		
Benefits paid	(364)	(1,319)
Balance at 31 December	**835**	**869**

B. Actuarial assumptions

The main assumptions on which the actuarial study was based to calculate the provision are as follows:

	2022	2021
Discount rate	3.65%	0.20%
Price inflation	2.80%	2.10%
Future wage increase	3.00%	2.60%
Plan duration (in years)	6.30	7.45

C. Sensitivity analysis

Potential changes to one actuarial assumption on the reporting date, while all other assumptions remain constant, would affect the defined benefit liability by the amounts shown below.

Amounts in ,000 Euro	2022		2021	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate (0.5% movement)	(26)	27	(32)	33
Future salary growth (0.5% movement)	27	(26)	32	(31)

D. Expected maturity analysis

The expected non-discounted cash flows of defined benefit plans for the Group and the Company are analysed as follows:

Amounts in Euro	2022	2021
Up to 1 year	49	28
Between 1 and 2 years	22	24
Between 2 and 5 years	252	156
Over 5 years	743	674
Total	**1,066**	**882**

20. Personnel fees

GROUP

	For the year ended 31 December	
Amounts in ,000 Euro	**2022**	**2021**
Salaries and wages	16,504	12,985
Social security expenses	3,510	2,639
Retirement cost of defined-contribution plans	97	72
Retirement cost of defined-benefit plans	479	1,249
Other employee benefits	2,098	1,577
Total	**22,687**	**18,523**

Employee benefits can be broken down as follows:

	For the year ended 31 December	
Amounts in ,000 Euro	**2022**	**2021**
Cost of sales	16,759	12,738
Distribution expenses	3,782	2,988
Administrative expenses	2,146	2,797
Total	**22,687**	**18,523**

The personnel employed by the Group on 31 December 2022 numbered 541 persons (2021: 447).

COMPANY

	For the year ended 31 December	
Amounts in ,000 Euro	**2022**	**2021**
Salaries and wages	15,608	12,314
Social security expenses	3,471	2,611
Provisions for termination benefits	479	1,249
Other employee benefits	2,033	1,519
Total	**21,591**	**17,693**

Employee benefits can be broken down as follows:

	For the year ended 31 December	
Amounts in ,000 Euro	**2022**	**2021**
Cost of sales	16,759	12,738
Selling and distribution expenses	2,686	2,158
Administrative expenses	2,146	2,797
Total	**21,591**	**17,693**

The personnel employed by the Company on 31 December 2022 numbered 533 persons (2021: 440).

21. Provisions

During the year there was no movement of the long-term provisions for both the Company and the Group (except for the Provisions for Employee Benefits, Note 19).

Movement of short-term provisions is presented in the table below:

Amounts in Euro	Note	GROUP	COMPANY
Balance at 1 January 2021		-	-
Additional provisions of the fiscal year		12,842	-
Foreign exchange gains/(losses)		568	
Balance at 31 December 2021		**13,410**	**-**
Balance at 1 January 2022		**13,410**	**-**
Additional provisions of the fiscal year	25	665	-
Foreign exchange gains/(losses)		821	-
Balance at 31 December 2022		**14,897**	**-**

22. Trade and other payables

GROUP

Amounts in ,000 Euro	2022	2021
Suppliers	125,819	33,404
Notes payable	75,705	65,510
Insurance & pension fund dues	1,060	688
Amounts owed to related parties	5,970	6,989
Sundry creditors	1,874	1,521
Accrued expenses	16,205	11,664
Other taxes and duties	12	64
Total	**226,646**	**119,840**

COMPANY

Amounts in ,000 Euro	2022	2021
Suppliers	124,765	33,411
Notes payable	75,705	65,510
Insurance & pension fund dues	1,060	688
Amounts owed to related parties	2,537	4,581
Sundry creditors	937	1,521
Accrued expenses	13,146	11,639
Other taxes and duties	-	59
Total	**218,150**	**117,409**

The increase of liabilities towards Suppliers of the Group and the Company as at 31 December 2022 is mainly attributable to the increased liabilities towards suppliers of raw materials generated by orders made during the last few months of 2022 as a result of the Company's increased activity during such period compared to the respective period of 2021.

23. Sales

1. Significant accounting principles

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

For a detailed description of the relevant accounting policy, please refer to Note 4.3.

2. Nature of goods and services

Steel pipes projects

The Group produces and sells customised products to customers mainly for onshore and offshore pipelines for oil and gas transportation and casing pipes. Under the terms of the contracts and due to the high degree of customisation, these products have no alternative use, since they are produced according to customers' specifications, while there is an enforceable right to payment for performance completed to date if the contract is terminated by the customer or another party for reasons other than the Company's failure to perform as promised. Revenue from such projects is therefore recognised over time.

Hollow structural sections

These steel products are primarily used in the construction sector and are used as structural components in metal constructions. For sales of such products, revenue is recognised at a point of time, when the control of the goods sold has been transferred.

3. Disaggregation of revenue

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

Geographical allocation in primary markets

	GROUP		COMPANY	
Amounts in ,000 Euro	**2022**	**2021**	**2022**	**2021**
Greece	38,863	21,585	38,863	21,585
Other European Union countries	128,097	134,361	128,097	134,361
Other European countries	28,644	16,360	28,644	16,360
Other countries	9,743	1,922	9,831	103
Israel	2,454	40,030	2,454	40,030
America	253,111	14,870	228,455	12,526
Africa	720	800	720	800
	461,631	**229,927**	**437,063**	**225,764**

Product categories

	GROUP		COMPANY	
Amounts in ,000 Euro	**2022**	**2021**	**2022**	**2021**
Steel pipes	375,870	141,775	361,626	140,749
Hollow structural sections	57,136	59,511	57,136	59,511
Sales of raw materials and other products	28,625	28,641	18,301	25,503
	461,631	**229,927**	**437,063**	**225,764**

Timing of revenue recognition

	GROUP		COMPANY	
Amounts in ,000 Euro	**2022**	**2021**	**2022**	**2021**
Revenue recognised over time	375,870	141,775	361,626	140,749
Revenue recognised at a point in time	85,761	88,152	75,437	85,015
	461,631	**229,927**	**437,063**	**225,764**

Revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date amounts to EUR 134.3 million for the Group and the Company respectively. This amount is expected to be recognised during 2023 based on the time schedules included in the open contracts as of 31 December 2022.

24. Contract assets and liabilities

The following table provides information about contract assets and contract liabilities with customers:

	GROUP		COMPANY	
Amounts in ,000 Euro	**2022**	**2021**	**2022**	**2021**
Contract assets	69,317	30,528	66,145	30,528
Contract liabilities	68,227	4,811	68,227	4,811

The timing of revenue recognition, billings and cash collections result in billed accounts receivable, unbilled receivables (contract assets), and customer advances (contract liabilities).

For products and services for which revenue is recognised over time such as energy projects, amounts are billed as work progresses in accordance with agreed-upon contractual terms, either upon achievement of contractual milestones, or at the final delivery and acceptance of the manufactured items.

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

For revenues recognised at a given point in time, billing takes place at the same time with revenue recognition or within a short period from such recognition.

Significant changes in balances of contract assets and contract liabilities for the reporting period are as follows:

GROUP

	GROUP	
Amounts in ,000 Euro	**Contract assets**	**Contract liabilities**
Balance at 1 January 2022	**30,528**	**4,811**
Foreign exchange gains/(losses)	(454)	-
Increases due to fulfilment of performance obligations	69,771	-
Increases due to cash received, excluding amounts recognised as revenue during the period	-	68,227
Revenue recognised and included in the contract liabilities during the period	-	(4,811)

Contract assets recognised during the period and transferred to trade receivables	(30,528)	-
Balance at 31 December 2022	**69,317**	**68,227**

COMPANY

	COMPANY	
Amounts in ,000 Euro	**Contract assets**	**Contract liabilities**
Balance at 1 January 2022	**30,528**	**4,811**
Increases due to fulfilment of performance obligations	66,145	-
Increases due to cash received, excluding amounts recognised as revenue during the period	-	68,227
Revenue recognised and included in the contract liabilities during the period	-	(4,811)
Transfers from contract assets recognised at the beginning of the period to trade receivables	(30,528)	-
Balance at 31 December 2022	**66,145**	**68,227**

Contract costs

Management expects that fees, commissions and other costs associated with obtaining contracts for energy projects are recoverable.

In addition, costs to fulfil a contract are capitalised if they are directly associated with the project contract and are recoverable. Such contract costs may include materials used for tests necessary for the production, labour costs, insurance fees and other costs necessary to fulfil performance obligations.

Contract costs of obtaining or fulfilling a contract are expensed to cost of sales when the related revenue is recognised.

As regards the fiscal years of 2022 and 2021, no contract costs for the Company or the Group are included in items.

During 2022, there was no impairment in relation to contract costs for the Company and the Group.

25. Income and expenses

A. Expenses by nature

GROUP

Amounts in ,000 Euro		For the year ended 31 December	
	Note	**2022**	**2021**
Cost of inventories recognised as an expense		328,708	156,364
Employee benefits	20	22,687	18,523
Energy		2,773	2,003
Depreciation and amortisation	5, 6, 7	9,198	8,860
Taxes		574	413

Insurance premiums	4,280	2,610
Rent	547	368
Transportation of materials and products	36,244	16,933
Third-party fees	30,257	9,425
(Profit)/Loss from derivatives	(7,389)	(1,162)
Commissions	1,448	3,086
Foreign exchange differences	7,773	1,487
Maintenance expenses	5,137	2,815
Travel expenses	1,725	1,142
Other expenses	3,252	1,756
Total cost of sales, selling & distribution and administrative expenses	**447,212**	**224,624**

COMPANY

		For the year ended 31 December	
Amounts in ,000 Euro	**Note**	**2022**	**2021**
Cost of inventories recognised as an expense		311,627	152,932
Employee benefits	20	21,591	17,693
Energy		2,773	2,003
Depreciation and amortisation	5, 6, 7	9,059	8,755
Taxes		569	413
Insurance premiums		4,241	2,596
Rent		490	368
Transportation of materials and products		36,244	16,933
Third-party fees		29,232	9,771
(Profit)/Loss from derivatives		(7,389)	(1,162)
Commissions		1,448	3,086
Foreign exchange differences		6,955	1,487
Maintenance expenses		5,137	2,787
Travel expenses		1,625	1,096
Other expenses		3,222	1,678
Total cost of sales, selling & distribution and administrative expenses		**426,824**	**220,438**

The Company significantly invests in research and development in order to continuously bring value-added products and services to the market and improve production processes, as well as to promote materials recycling and the proper use of natural resources. The aggregate amount of research and development expenditure recognised as an expense for 2022 amounts to EUR 1,125 thousand and has been charged to the Cost of goods sold.

B. Other income

GROUP

	For the year ended 31 December	
Amounts in ,000 Euro	**2022**	**2021**
Grants of the year	79	-
Depreciation of grants received	62	77
Rental income	13	19
Income from third party activities	93	-
Income from expenditure re-invoicing	2,634	1,375
Indemnities	286	168
Gains from sale of property, plant & equipment	0	-

Other	462	520
Other income	**3,630**	**2,159**

COMPANY

	For the year ended 31 December	
Amounts in ,000 Euro	**2022**	**2021**
Grants of the year	79	-
Depreciation of grants received	62	77
Rental income	13	19
Income from third party activities	93	-
Income from expenditure re-invoicing	1,042	1,025
Indemnities	286	168
Gains from sale of property, plant & equipment	0	-
Other	2,057	520
Other income	**3,633**	**1,809**

C. Other expenses

GROUP

	For the year ended 31 December	
Amounts in ,000 Euro	**2022**	**2021**
Loss from write-offs of property, plant & equipment	1	-
Loss from sale of subsidiary	156	-
Indemnities	515	-
Provision for anti-dumping duty rates	-	12,842
Expenses recharged	2,603	1,296
Other	125	224
Other expenses	**3,402**	**14,363**

On February 8th, 2022, the US Department of Commerce (DoC) published its final results in the administrative proceedings conducted by the DoC for the period from April 19, 2019 through April 30, 2020 (“POR”) in connection with an antidumping (“AD”) order on large diameter welded pipe (LDWP) from Greece. As a result, the DoC determined for the POR an antidumping duty rate of 41.04% based on total adverse facts available (AFA) for mandatory respondent Corinth Pipeworks S.A. This one-off charge amounted to EUR 12.8 million ($15 million plus interest) and is included in a separate line in Other Expenses of 2021 as it is related to prior-year sales. The Company has filed an appeal before the US Court of International Trade against the decision of the DoC.

COMPANY

	For the year ended 31 December	
Amounts in ,000 Euro	**2022**	**2021**
Indemnities	515	-
Expenses recharged	1,011	987
Other expenses	125	224
Total	**1,652**	**1,212**

26. Net finance costs

GROUP

Amounts in ,000 Euro	For the year ended 31 December 2022	2021
Finance income		
Interest income	8	16
Foreign exchange gains	111	11
Dividends	-	50
Other	5	-
Total income	**123**	**77**
Finance costs		
Interest expense and related costs	11,121	7,593
Foreign exchange losses	638	5
Total expenses	**11,759**	**7,598**
Finance cost, net	**(11,636)**	**(7,521)**

COMPANY

Amounts in ,000 Euro	For the year ended 31 December 2022	2021
Finance income		
Interest income	8	13
Foreign exchange gains	111	11
Dividends	-	50
Profit from derivatives	1,285	-
Total income	**1,403**	**74**
Finance costs		
Interest expense and related costs	11,722	7,575
Foreign exchange losses	638	5
Total expenses	**12,361**	**7,580**
Finance cost, net	**(10,957)**	**(7,506)**

27. Commitments and contingent liabilities

Contingent liabilities

The Group and the Company have contingent liabilities mainly related to bank guarantees, issued in the ordinary course of their business, as follows:

Amounts in ,000 Euro	At 31 December 2022	2021
Guarantees to secure payables to suppliers	12,656	1,710
Guarantees to secure the good performance of contracts with customers	227,266	66,629
Guarantees for factoring with recourse	2,611	-
	242,533	**68,339**

During the comparable period 2021 the Company fully repaid long-term loans containing clauses. Therefore, as at 31/12/2022 the Company had no debts involving clauses the violation of which could force the Company to repay the loans earlier than their contractual term. Mortgages and pledges in favour of banks had been recorded on the Company's property, plant and equipment.

Capital commitments

The capital commitments on the reporting date for the Group and the Company amounted to EUR 2,817 thousand (2021: EUR 1,263 thousand) and mainly concerned investments in machinery.

Unaudited tax years

Greek tax laws and the relevant provisions are subject to interpretations by tax authorities and administrative courts. Income tax returns are submitted each year. The profits and losses declared for taxation purposes remain temporarily open until tax authorities audit the tax returns and books of the Company and its subsidiaries at which time the relevant taxation obligations will be finalised.

According to applicable tax laws (article 36 of Law 4174/2013), Greek tax authorities may impose additional taxes and fines following their audit, within the prescribed statute-barring period which, in principle, is set at five years from the end of the following year which sees the expiration of the deadline for submitting the income tax return. Based on the above, the years up to 2016 are considered, in principle and based on the general rule, as prescribed.

With respect to Corinth Pipeworks, years 2012 to 2015 have not been audited in tax terms by Greek tax authorities. No tax compliance certificates have been issued by the statutory auditor who was chosen as per Codified Law 2190/1920 given that audit prerequisites were not met. The Company received a tax compliance certificate "with unqualified opinion" for the years 2016-2021 from its statutory auditors.

As for the year 2022, the Company has fallen under the tax audit of Certified Public Accountants which is provided for in Article 65A of Law 4174/2013. This audit is in progress and the relevant tax compliance report is expected to be issued following the publication of the Financial Statements for the year ended December 31, 2022. Company Management estimates that the outcome of the audit will not have a material impact on the Financial Statements.

In addition, on the basis of risk analysis criteria, Greek tax authorities may choose the Company for tax audit in the context of audits carried out on companies that have received tax compliance certificates with the assent of their statutory auditor. The Greek tax authorities have the right to carry out a tax audit of the fiscal years they choose, taking into account the work already performed for the issuance of the tax compliance certificate. The Company has not received any control orders from the tax authorities for unaudited years.

Group Management does not expect any additional taxes or surcharges to be incurred from a possible audit by the Greek tax authorities.

28. Grants

	GROUP & COMPANY	
Amounts in ,000 Euro	**2022**	**2021**
Balance at 1 January	149	227
Grants amortisation	(62)	(77)
Balance at 31 December	**88**	**149**

During past years, Corinth Pipeworks recognised a grant equal to EUR 245,000 as part of the new loan obtained with Hellenic Development Bank as guarantor. This grant will be amortised throughout the loan term.

29. Related parties

The following are considered to be related parties: a) the subsidiaries and associates of Corinth Pipeworks, executive members of its Board of Directors; b) parent company Cenergy Holdings, ultimate parent company VIOHALCO SA/NV and c) other subsidiaries and associates of VIOHALCO SA/NV. The tables below present the transactions and balances of

Corinth Pipeworks with the related parties as set out above in a), b) and c).

1. Transactions and balances with subsidiaries and associates of Corinth Pipeworks

	For the year ended 31 December	
Amounts in ,000 Euro	**2022**	**2021**
Sales of products and other income		
Subsidiary companies	217,810	12,416
	217,810	**12,416**
Sale of services		
Subsidiary companies	1,595	-
Equity-accounted investees	622	536
	2,217	**536**
Purchases of goods and other expenses		
Equity-accounted investees	-	351
	-	**351**
Services expenditure		
Subsidiary companies	200	321
Equity-accounted investees	1,976	1,066
	2,176	**1,387**

	At 31 December	
	2022	**2021**
Amounts in ,000 Euro		
Trade and other receivables, short-term		
Subsidiary companies	17,940	76
Equity-accounted investees	113	-
	18,053	**76**
Trade and other receivables, long-term		
Equity-accounted investees	3,842	-
	3,842	**-**
Contract assets, short-term		
Subsidiary companies	31,681	-
	31,681	**-**
Trade and other payables, short-term		
Subsidiary companies	97	1,638
Equity-accounted investees	1,021	226
	1,118	**1,864**

CORINTH PIPEWORKS
PIPE INDUSTRY SINGLE MEMBER S.A.

2. Transactions and balances with the parent and ultimate parent company

Amounts in ,000 Euro	For the year ended 31 December 2022	2021
Services expenditure	116	18
	116	**18**

Amounts in ,000 Euro	At 31 December 2022	2021
Trade and other receivables, short-term	337	452
	337	**452**
Trade and other payables, short-term	10	93
	10	**93**

Outstanding balances from related parties are not secured and the settlement of these non-past due balances is expected to take place in cash next year since the balances refer only to short-term receivables and liabilities.

3. Transactions and balances with other subsidiaries and associates of VIOHALCO Group

Amounts in ,000 Euro	For the year ended 31 December 2022	2021
Sales of products and other income		
Subsidiary companies	10,713	10,605
	10,713	**10,605**
Sale of services		
Subsidiary companies	339	440
	339	**440**
Finance income		
Sales of property, plant & equipment		
Purchases of goods and other expenses		
Subsidiary companies	1,270	1,228
	1,270	**1,228**
Services expenditure		
Subsidiary companies	5,419	3,359
	5,419	**3,359**
Purchase of property, plant and equipment		
Subsidiary companies	-	357
	-	**357**

Amounts in ,000 Euro	At 31 December 2022	2021
Trade and other receivables, long-term		
Subsidiary companies	17	17
	17	**17**
Trade and other receivables, short-term		
Subsidiary companies	12,036	7,808

	12,036	**7,808**
Trade and other payables, short-term		
Subsidiary companies	1,825	2,344
	1,825	**2,344**

4. Management compensation

Amounts in ,000 Euro	For the year ended 31 December 2022	2021
Compensation to BoD members and executives	1,174	1,027

30. Audit and other fees

	GROUP		COMPANY	
	For the year ended 31 December		For the year ended 31 December	
Amounts in ,000 Euro	**2022**	**2021**	**2022**	**2021**
Fees for statutory audit	173	103	105	65
Fees for tax certificate	43	39	43	39
Total	**216**	**142**	**149**	**104**

31. Events after 31 December 2022

There are no other events that occurred subsequent to the reporting date, which should be presented in these Financial Statements.

****
Athens, 6 June 2023

THE CHAIRMAN OF THE BOARD OF DIRECTORS	AN AUTHORISED MEMBER OF THE BOARD OF DIRECTORS	THE ACCOUNTING MANAGER
MELETIOS FIKIORIS AK 511386	NIKOLAOS SARSENTIS AB 281941	PAVLOS KOUMPIS AB 589945

CORINTH PIPEWORKS
PIPE INDUSTRY SINGLE MEMBER S.A.

C. Independent Auditor’s Report

Independent auditor's report

To the Shareholders of "Corinth Pipeworks Pipe Industry SA"

Report on the audit of the separate and consolidated financial statements

Our opinion

We have audited the accompanying separate and consolidated financial statements of Corinth Pipeworks Pipe Industry SA (Company and Group) which comprise the separate and consolidated statement of financial position as of 31 December 2022, the separate and consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flow statements for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the separate and consolidated financial statements present fairly, in all material respects the separate and consolidated financial position of the Company and the Group as at 31 December 2022, their separate and consolidated financial performance and their separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Law 4548/2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the separate and consolidated financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

During our audit we remained independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017, that are relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, and the requirements of the IESBA Code.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information is the Board of Directors Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the separate and consolidated financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Board of Directors Report, we considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the the Board of Directors' Report for the year ended at 31 December 2022 is consistent with the separate and consolidated financial statements,

- The Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150 and 153 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Company and Group Corinth Pipeworks Pipe Industry SA and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' Report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the separate and consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as the Board of Directors determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, the Board of Directors is responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company and Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and Group's financial reporting process.

Auditor's responsibilities for the audit of the separate and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

With respect to the Board of Directors Report, the procedures we performed are described in the "Other Information" section of our report.

Athens, 7 June 2023
The Certified Auditor Accountant

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