

FINANCIAL RESULTS
FOR THE FISCAL YEAR

2019



VIOHALCO

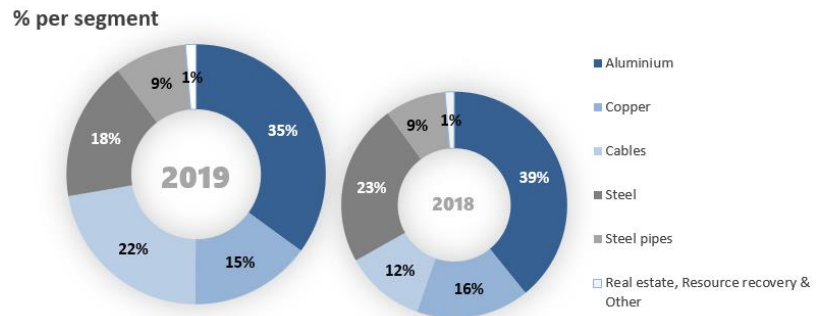
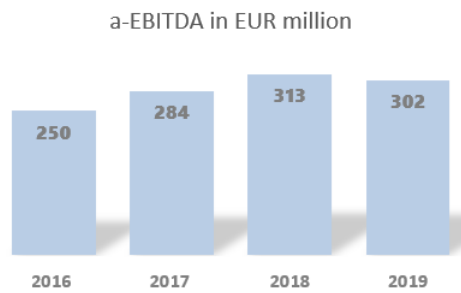
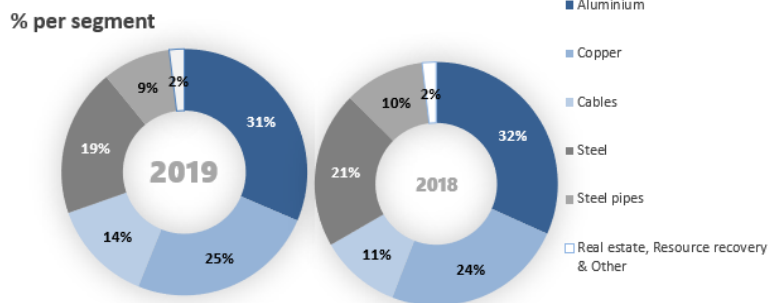
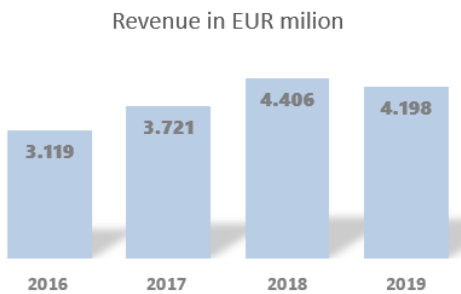
REGULATED INFORMATION
INSIDE INFORMATION

FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

Brussels, 19 March 2020 – Viohalco S.A. (Euronext Brussels: VIO, Athens Stock Exchange: BIO), hereafter “Viohalco” or “the Company”, today announces its financial results for the year ended 31 December 2019.

Highlights

- **Viohalco segments secured market positions and expanded global presence;**
- **Continuous investments by Viohalco companies to meet end-market trends;**
- **Consolidated revenue** of EUR 4,198 million, down 5% (2018: EUR 4,406 million);
- **Consolidated adjusted EBITDA** (a-EBITDA) of EUR 302 million, down 3% (2018: EUR 313 million); **Consolidated EBITDA** of EUR 273 million, down 18% (2018: EUR 332 million);
- **Consolidated profit before income tax** of EUR 32 million, down 67% year-on-year (2018: EUR 96 million).



Overview

Although the Viohalco companies experienced significant market headwinds during the year, the resilience of their diversified business models allowed them to respond effectively to these challenges. Within Viohalco, the cables segment delivered a particularly strong performance.

Despite growing competition in the US and Europe, the aluminium flat rolled products market was stable in 2019, with demand driven by the packaging, transportation and industrial sectors. In this competitive environment, Viohalco's aluminium segment companies expanded their global presence by leveraging their high-quality, sophisticated product and customer service portfolios, while also selectively investing in state-of-the-art equipment. The adoption of advanced aluminium technology further supported these efforts. The revenue of the segment was adversely impacted by the 10.4% decrease in aluminium prices versus the prior year, a decline in sales volumes towards the end of the year due to a drop in demand in the US market, and lower sales volumes in the lithography sector due to declining demand year-on-year and uncertainty associated with the UK's departure from the EU.

During the year, copper segment sales volumes maintained levels recorded in 2018, with the copper tube volumes advancing positively even, in spite of a slowdown of industrial output in European markets significantly reducing the demand, predominantly in rolling products. At the same time, Sofia Med successfully penetrated new markets by launching high-demand added-value products.

2019 was a challenging year for the European steel industry, and consequently, for Viohalco's steel segment. This was due to a combination of factors including a slow-down in European industrial production, the decline in steel prices internationally, as a result of trade wars and global trade distortions, and the increase in raw materials and energy prices. EU trade protection measures partially mitigated the impact of these factors. Despite this, the segment strengthened its market position in the Balkan area, with Romania becoming a major market, and maintained its market share in Greece.

The steel pipes segment also faced challenges in 2019, though the year was characterized by a high utilization rate at the Thisvi plant and a strong market presence, despite reduced sales volumes due to strong protectionism, particularly in the US. Corinth Pipeworks leveraged its reputation for quality to increase market share, and it successfully entered new markets and product segments, including the technically-demanding deep offshore market, while also being awarded several major projects.

All business units in the cables segment delivered a positive performance during the year, with revenue growth reaching 20%. This growth was supported by the solid performance of the energy projects unit in particular and translated into a profit uplift for the whole segment. High capacity utilization levels for all production units greatly assisted financial performance for the year. The segment's performance was further supported by recent initiatives to enter new geographical markets, such as the US, as well as a persistent determination to be at the forefront of technology.

In the real estate segment, Noval Property was formally established as a Real Estate Investment Company ('REIC') in October 2019 and became the second largest REIC in Greece, based on real estate value. Noval Property boasts a modern and diversified real estate portfolio comprising 41 properties, with high marketability and significant geographical distribution. Both retail developments (the River West | IKEA Shopping Center and Mare West Retail Park) and hospitality properties (the Wyndham Grand Athens and K29) delivered a strong performance in 2019. During the year, progress was made on a number of developments and several significant projects were completed, including The Orbit and The Butterfly office buildings in Athens, both of which have been leased to blue-chip tenants.

Financial Overview

<i>Amounts in EUR thousands</i>	2019	2018
Revenue	4,198,194	4,406,185
Gross profit	347,766	396,775
EBITDA	273,374	331,857
a-EBITDA*	302,473	312,565
EBIT	130,782	200,044
a-EBIT*	159,881	180,752
Net finance cost	-98,515	-102,499
Profit before tax	31,924	95,612
Profit after tax	16,740	85,852
Profit / Loss (-) attributable to owners of the Company	8,206	76,112

* Re-presented. Reconciliation vs figures published in the 2018 Annual Report is provided in the consolidated financial statements

- EBITDA, EBIT, adjusted EBITDA and adjusted EBIT are considered Alternative Performance Measures (APMs). For definitions and further information please refer to Appendix C.

Viohalco's consolidated revenue for 2019 was amounted to EUR 4,198 million, slightly down by 4.7% compared to previous year (2018: EUR 4,406 million). This trend was mainly driven by decline in metal prices mainly in aluminium and steel segments and by lower volumes at certain segments due to market slowdown recorded in the last quarter of 2019.

Consolidated a-EBITDA totalled EUR 302 million in 2019 (2018: EUR 313 million), while **consolidated EBITDA** including the effect of metal prices decreased by 18% to EUR 273 million (2018: EUR 332 million).

Net finance cost improved to EUR 98.5 million (2018: EUR 102.5 million), mainly due to credit spread reductions implemented gradually across all Viohalco companies during the last years.

Viohalco's consolidated profit before income tax for the year was EUR 32 million compared to EUR 96 million in 2018, affected mainly by lower metal prices.

Consolidated profit after tax for the period amounted to EUR 17 million (2018: EUR 86 million).

<i>Amounts in EUR thousands</i>	31/12/2019	31/12/2018
Fixed & intangible assets	2,152,103	1,989,868
Other non-current assets	67,296	67,224
Non-current assets	2,219,399	2,057,092
Inventory	1,060,009	1,142,309
Trade and other receivables (<i>inc. contract assets</i>)	559,919	668,633
Cash and cash equivalents	214,499	163,676
Other current assets	9,084	13,976
Current assets	1,843,511	1,988,594
Total assets	4,062,910	4,045,685
Equity	1,335,073	1,304,624
Loans and borrowings	943,522	874,802
Other non-current liabilities	212,302	194,164
Non-current liabilities	1,155,824	1,068,966
Loans and borrowings	830,455	899,468

Trade and other payables (<i>inc. contract liabilities</i>)	710,957	739,391
Other current liabilities	30,600	33,237
Current liabilities	1,572,012	1,672,096
Total equity and liabilities	4,062,910	4,045,686

Capital expenditure for the year reached EUR 284 million (2018: EUR 196 million), due to investment in the new four-stand tandem hot finishing mill in aluminium segment and investments focused on new products and increase in capacity in cables segment.

Depreciation and amortization for the period amounted to EUR 143 million.

Working capital decreased by 15% compared to 2018, as a result of effective management across all elements (debtors, creditors and inventory).

Viohalco companies' **net debt** improved to EUR 1,590 million (2018: EUR 1,636 million) before IFRS 16, despite the heavy investing program occurring in 2019. The respective amount after IFRS 16 implementation amounted to EUR 1,613 millions.

Performance by business segment

Amounts in EUR thousands	Revenue		EBITDA		a-EBITDA		EBIT		EBT	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Segments										
Aluminium	1,318,774	1,397,322	109,073	144,079	105,340	122,353	59,444	89,565	45,943	70,278
Copper	1,036,972	1,065,500	45,033	53,500	45,749	50,693	29,916	41,706	12,123	21,119
Cables	567,785	474,734	63,641	32,208	66,816	35,871	47,152	18,541	24,488	-3,961
Steel	815,568	916,581	26,428	74,002	53,309	72,336	-13,057	37,812	-41,993	9,115
Steel pipes	376,084	470,174	25,541	25,536	27,045	27,245	15,113	17,918	4,262	8,612
Real estate	11,197	8,388	7,771	4,607	8,259	4,597	932	297	-2,022	-1,507
Resource Recovery	42,160	45,626	267	2,952	199	2,950	-2,452	273	-4,366	-1,807
Other activities	29,654	27,860	-4,379	-5,027	-4,245	-3,480	-6,266	-6,068	-6,512	-6,238
Total	4,198,194	4,406,185	273,374	331,857	302,473	312,565	130,782	200,044	31,924	95,612

Aluminium

In 2019, the aluminium segment witnessed a 5.6% decrease in **revenue** to EUR 1,319 million, mainly due to lower international aluminium prices. **Profit before income tax** amounted to EUR 46 million (2018: EUR 70 million).

During 2019, the aluminium rolling division's diverse product portfolio was particularly successful in end-use industries, especially in Europe and the US. A declining trend in shipments during the fourth quarter, driven by a drop in demand of the US market was reversed in the first two months of 2020. During the year, EUR 118.6 million was invested in the production facilities of the aluminium rolling division, as part of the ongoing strategic investment programme. This included the installation of a new four-stand tandem mill, scheduled to commence production in the second quarter of 2020, which will more than double the Oinofyta plant's hot rolling capacity. At the start of 2020, the aluminium rolling division (Elval) announced the initiation of the second phase of its five-year investment plan, worth EUR 100 million, and signed a contract for the purchase and installation of a 6-high cold rolling mill, which is expected to commence operation in 2022. The sustainable characteristics of aluminium are expected to drive demand for innovative flat rolled aluminium

solutions. This positive trend presents significant growth opportunities for Elval in 2020, especially following the investment in the four-stand-tandem aluminium hot finishing mill and the recently announced 6-high aluminium cold rolling mill.

2019 was another year of growth for Symetal, despite negative market trends in the last quarter, namely decreased US market demand and increased competition as Chinese foil producers entered the European market, adversely impacting sales volumes and profitability. The decline in sales volumes was particularly apparent in flexible packaging foil, food containers and industrial foil. Despite this, Symetal successfully adapted its business strategy to capitalise on growing demand for lacquered products, its market share as a supplier to the tobacco industry and the developing battery foil market. In 2020, Symetal will remain focused on exploiting growth in demand for lacquered products, flexible packaging foil and battery foil.

During the year, Etem Bulgaria shifted its strategic focus to automotive-based projects and investments. It concluded the spin-off of its extrusion and post-operations businesses and formed a joint venture with Gestamp for the production of extruded aluminium profiles. Due to Etem Bulgaria's expertise, the new Etem-Gestamp joint venture was selected for a number of projects related to the production of automotive battery boxes, firmly establishing a solid platform for future growth. Implementation of the investment plan, the purpose of which is to increase extrusion capacity, will progress throughout 2020. The automotive extrusion sector will also enhance its competitiveness through its continued strong focus on research and development.

At Bridgnorth Aluminium, demand in the lithographic segment declined year-on-year, as a result of key customers reducing production activity and uncertainty associated with the UK's departure from the European Union. However, the 2020 order book is strong, comprising large contracts with key customers. Forthcoming negotiations on trade agreements between the UK and the European Union are expected to provide further clarity on trading arrangements from 2021 and beyond.

Copper

In 2019, copper segment volumes remained almost flat compared with 2018. **Revenue** stood at EUR 1,037 million versus EUR 1,066 million in the prior year, mainly due to a 2.9% decrease in copper prices, while **profit before income tax** amounted to EUR 12 million (2018: EUR 21 million).

The copper segment's competitive landscape evolved significantly during 2019. Demand for copper and copper alloy flat rolled products, both globally and in Europe, was particularly weak and the segment outperformed the market as volumes increased marginally. For the copper tubes segment in particular, there has been an increase in both sales volumes and in market share, despite a slightly weaker performance in the last quarter of 2019.

The copper tubes division (Halcor) successfully completed its copper tubes mill investment at the end of 2018, increasing overall annual production capacity by 5,000 tons. In addition, following the successful launch of a hot dip tinning line for strips, Sofia Med successfully penetrated new markets and launched high demand, value-added products.

Market conditions in 2020 are not expected to improve significantly. However, despite expectations that demand for copper tubes will remain stable, the tubes mill will continue to operate at near full capacity. Production of copper and copper alloy rolled products is expected to rise, and Sofia Med will therefore seek to increase its market share by improving product quality and expanding its product range. Finally, investment in higher value-added products is expected to drive further product portfolio improvements and segment profitability.

Steel

Since the end of 2018, the European steel industry has been adversely impacted by a number of factors. These include the slowing of industrial production, the increase in imports of low price steel products from outside the EU, the reduction of international prices as result of the trade wars and the higher raw materials and energy prices. EU trade protection measures (quotas) only partially mitigated the impact of these factors. As a result, steel segment **revenue** amounted to EUR 816 million in 2019 (2018: EUR 917 million), while **loss before income tax** amounted to EUR 42 million (2018: profit of EUR 9.1 million). During 2019, the segment strengthened its market position in the Balkan area, with Romania becoming a major market, and also maintained its market share in Greece.

The price of plates and special steels was suppressed due to a slowdown in the EU automotive industry, following the introduction of new emissions and fuel efficiency measurement rules. Increased raw materials and energy prices (especially CO₂ extra cost) made spot market sales challenging or even completely inaccessible.

A gradual increase in demand for residential, commercial and tourist real estate was expected to drive a recovery in Greece's domestic construction industry between 2020-2022, despite low levels of public investment allocated to infrastructure projects in 2020. However, the implications of the Covid-19 outbreak on the economy have impacted these expectations and forecasts.

In 2020, companies in the segment will continue to adapt to this volatile environment, further enhancing cost competitiveness and operational efficiency.

Steel pipes

Operating within adverse market conditions, characterized by strong protectionism, particularly in the US, **revenue** in the steel pipes segment amounted to EUR 376 million in 2019, a 20.0% decrease year-on-year (2018: EUR 470 million). **Profit before income tax** amounted to EUR 4 million, compared to EUR 9 million in 2018, mainly attributable to an increase in net finance costs of EUR 2.4 million.

During the year, Corinth Pipeworks leveraged its reputation for quality to increase its market share and successfully enter new markets. In addition to this, during 2019 Corinth Pipeworks produced pipes for Karish, its first deep sea offshore project and an important breakthrough for the steel pipes segment. This was a strategic project in the SE Mediterranean, at a maximum depth of 1,750m, a highly complex work only a limited number of companies worldwide could have accomplished.

In 2019, Corinth Pipeworks successful completed:

- Various reeling North Sea and US projects, as well as Zinia, the first small LSAW offshore project for Total
- Baltic Connector linking Finland to Estonia
- NET4GAS in Czech Republic and Izostal in Poland, summing 34kTns
- Projects in Italy of Snam and SGI, including the milestone TAP connection to the Italian grid (3 projects of 56" won by Corinth Pipeworks)

The company was also awarded several major projects, including the following:

- Energinet, Baltic Pipe, a 114 km gas pipeline of 32-36" pipes;
- Midia Gas Development Project, a 145 km of 8" & 16" offshore pipeline in Romania;
- Snam, 150 km of gas pipeline of 26" pipes in Italy;
- I.G.B. (Gas Interconnector Greece-Bulgaria) project, a 187km gas pipeline of 32" pipes.

Throughout the year, Corinth Pipeworks successfully progressed its intense programme of qualifications from the major oil and gas companies, and launched innovative programmes to enhance competitiveness.

In the steel pipes segment, the global economic environment in which Corinth Pipeworks operates remains volatile. The imposition of tariffs and antidumping duties by the US triggered severe competitive pressure from local US mills on worldwide pipe makers. Despite these headwinds, Corinth Pipeworks enters 2020 with a significant backlog of projects and expects to maintain high capacity utilization. 2020 is also expected to be a transitional year with new or ongoing projects undertaken with greater efficiency, operational excellence and digitalization.

Cables

The cables segment's 2019 results reflect a positive performance by all its businesses. **Revenue** grew by 20% to EUR 568 million (2018: EUR 475 million), as a result of a solid performance from the energy projects unit, which boosted the segment's profitability, and high capacity utilization levels at all production units. Adjusted EBITDA increased 86% year-on-year to EUR 67 million (2018: 36 EUR million), the highest ever for the segment. **Profit before income tax** amounted to EUR 24 million, compared to a loss before income tax of EUR 4 million in 2018.

For the projects business unit, 2019 is best portrayed by the following events:

- The extension of the 400kV power grid system in the Peloponnese is progressing on schedule: production of the extra-high voltage submarine cables was completed in the early summer and, during August, the installation of the first 400kV submarine cable in Greece was completed (seabed clearance, trenching, cable laying and protection) in the Rio-Antirio area.
- The production for the Hollandze Kust Alpha project in the Netherlands and the interconnection of Crete – Peloponnese commenced, while those for the second phase of Cyclades islands' interconnection project and the Seamade-Mermaid project in Belgium were concluded. The installation of both projects is expected to take place during 2020.
- The submarine cables for the Modular Offshore Grid project in the North Sea, Belgium and the interconnection of the Kafireas wind park in Evia, Greece with the national power grid via submarine cables, were successfully finished.

During the second half of 2019, Hellenic Cables participated in tenders across a number of geographies and markets and, among other awarded projects, secured their first US project (Mayflower Wind project) with Shell / EDPR and their first contract for inter-array cables with Ørsted, the global leader in offshore wind.

Given the strong pipeline of new projects and the potential to expand into new markets, the considerable backlog of orders and the growth potential of the offshore cables sector, the overall outlook for the cables segment remains positive for 2020, despite volatility in the global economic environment. The Corinth plant is expected to retain high utilization through 2020 and this will be the main driver for the segment's profitability. The Thiva plant is also expected to operate at high utilization levels throughout 2020.

Finally, Hellenic Cables consolidated its presence in the US offshore wind market with the establishment of Hellenic Cables America Inc., a wholly owned subsidiary, providing US customers with direct support and expertise throughout entire lifetime of their projects.

Real estate

Revenue for the segment amounted to EUR 11 million in 2019, while **profit before income tax** amounted to a loss of EUR 2 million, remaining flat versus 2018.

The River West | IKEA Shopping Center recorded increases in rental income and footfall of 18% and 10%, respectively, and its occupancy stands at 100%. Expansion works at River West commenced in mid-2019 with the construction of an additional retail and entertainment building with a gross buildable area ('GBA') of c.25,000 sqm. Construction works are progressing well and leases with anchor tenants have already been signed. Meanwhile, the Mare West Retail Park achieved rental income and footfall increases of 31% and 17%, respectively, and an occupancy of 99%. Construction of Mare West's outdoor athleisure park (total area: 6,000 sq.m) was also completed and has been successfully operating since September 2019.

Regarding office properties, the construction of two Leadership in Energy and Environmental Design ('LEED') certified office buildings in Athens, "The Orbit" (GBA: 39,650 sq.m) and "The Butterfly" (GBA: 10,150 sq.m), was completed during the year, with both buildings leased to blue-chip tenants. In hospitality, the "Wyndham Grand Athens" Hotel and "K29" apartment hotel, both in the center of Athens, performed very well throughout the year.

Noval Property evolved its captive pipeline in 2019 by developing several of its former industrial assets, mainly in Athens, into single and/or mixed-use projects and continued to source investment and development opportunities in Greece and other countries in Southeastern Europe. Finally, Noval Property is also progressing the conversion of the former industrial property at 252 Pireos Street in Athens (GBA: c.73,000 sq.m) into a mixed use development (hotel, office and retail). The Greek Government awarded "Strategic Investment" status to this project in Q4 2019.

Looking ahead into 2020 and beyond, Noval Property is targeting acquisition of third party properties, along with the further development of its captive pipeline, while continuing the active asset management of its portfolio.

Resource recovery

Resource recovery segment **revenue** decreased by 8% year-on-year, while **loss before income tax** amounted to EUR 4.4 million, compared to a loss of EUR 1.8 million in 2018. Continued pressure on commodity prices, especially ferrous and plastic, had a negative impact on the segment's financial performance throughout the year. Furthermore, the negative effects of protectionist trade policies carried over to 2019. The activity of industrial waste continued to generate positive results, though limited compared to previous years as volume declined. Finally, end-of-life waste streams decreased losses, supported by cost cutting efforts and ad-hoc projects. In 2020, the market environment is expected to remain challenging as commodity prices continue to face pressure on the back of slowing global demand. Against this background, the segment will look to restructure its operations in an effort to reduce costs and minimize losses.

Other activities

Other activities mainly encompass expenses incurred by the parent (holding) company, along with the results of companies which operate in the Technology and R&D segment and in ceramic trade activities (Vitruvit). **Loss before income tax** amounted to EUR 7 million, broadly flat versus 2018.

Subsequent events

- On March 12th2020, the subsidiary ElvalHalcor received notice for the commencement of the preliminary phase for antidumping investigation and countervailing duty (CVD) investigation by the United States International Trade Commission (USITC) to determine whether there is a reasonable indication that an industry in the United States is materially injured or threatened or the establishment of an industry in the United States is materially retarded by reason of imports of common alloy aluminum sheet from Greece and seventeen other countries (Bahrain, Brazil, Croatia, Egypt, Germany, India, Indonesia, Italy, Korea, Oman, Romania, Serbia, Slovenia, South Africa, Spain, Taiwan and Turkey). On the date of publication of the financial statements there were no available information in order to estimate the potential impact on its financial results.
- On March 19th 2020, Stomana Industry SA, Bulgarian subsidiary of Viohalco operating in steel segment, announced a business restructuring plan aiming to address the continuously declining trend in sales volume and profit margins of steel industry. In response to these challenging circumstances, Stomana Industry SA plans to downsize its operations, in accordance to the current and forecasted demand and consequently proceed to a respective personnel reduction, using objective criteria, while demonstrating social responsibility. Based on management assessment, there is no impact on financial statements.

Outlook

As the outbreak of Covid-19 continues to progress and evolve rapidly, the prediction of the full extent and duration of its business and economic impact remains challenging. Viohalco companies have already activated protection mechanisms and measures for human resources and its partners in compliance to health authorities, while closely monitoring the developments and assessing the implications on their operations.

A prolonged spread of Covid-19 is expected to affect both business and financial results of 2020, but the impact depends on a number of factors amongst which the most important relate to government restrictions and logistics constraints.

However, Viohalco companies with diverse business model and solid organizational structure basis continue to show resilience in this challenging environment, securing their long-term sustainable growth.

While market conditions in 2020 are expected to vary by segment, strategic investment in higher value-added products across the businesses is expected to drive further product portfolio improvements. Viohalco companies remain focused on their long term growth strategy on strengthening their market positions through ongoing investment programmes, technological innovation along with cost and operational efficiency improvements.

Statement of the Auditor

The statutory auditor, PwC Réviseurs d'Entreprises SRL / Bedrijfsrevisoren BV, represented by Mr. Marc Daelman, has confirmed that the audit, which is substantially completed, has not to date revealed any material misstatement in the draft consolidated accounts and that the accounting data reported in this press release is consistent in all material respects with the draft consolidated accounts from which it has been derived.

Financial Calendar

Date	Event
21 May 2020	Presentation of 2019 financial results to the analysts (Athens Stock Exchange)
26 May 2020	Viohalco - Annual General Meeting 2020
24 September 2020	Viohalco - Half yearly 2020 results

The Annual Financial Report for the period 1 January 2019 – 31 December 2019 will be published on 23 April 2020 and will be posted on the Company's website, www.viohalco.com, on the website of the Euronext Brussels www.euronext.com, as well as on the Athens Stock Exchange website www.helex.gr.

About Viohalco

Viohalco is the Belgium based holding company of a number of leading metal processing companies in Europe. It is listed on Euronext Brussels (VIO) and the Athens Stock Exchange (BIO). Viohalco's subsidiaries specialise in the manufacture of aluminium, copper, cables, steel and steel pipes products, and are committed to the sustainable development of quality, innovative and value added products and solutions for a dynamic global client base. With production facilities in Greece, Bulgaria, Romania, Russia, North Macedonia, Turkey, the Netherlands and the United Kingdom, Viohalco companies collectively generate annual revenue of EUR 4.2 billion. Viohalco's portfolio includes a dedicated R&D&I and technology segment, as well as a segment dedicated to resource recovery. In addition, Viohalco and its companies own real estate investment properties, mainly in Greece, which generate additional income through their commercial development.

For more information, please visit our website at www.viohalco.com.

Contacts

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Functional and presentation currency

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

Appendix A – Consolidated statement of profit or loss

<i>Amounts in EUR thousands</i>	For the period ended 31 December	
	2019	2018
Revenue	4,198,194	4,406,185
Cost of sales	-3,850,427	-4,009,411
Gross profit	347,766	396,775
Selling and distribution expenses	-83,165	-82,835
Administrative expenses	-131,528	-117,586
Impairment loss on receivables and contract assets	-78	-328
Other income / expenses	-2,213	4,018
Operating result	130,782	200,044
Net finance cost	-98,515	-102,499
Share of profit/loss (-) of equity-accounted investees	-343	-1,934
Profit before tax	31,924	95,612
Income tax	-15,184	-9,760
Profit for the period	16,740	85,852
Profit/Loss (-) attributable to:		
Owners of the Company	8,206	76,112
Non-controlling interest	8,534	9,740
	16,740	85,852
Earnings per share (EUR per share)		
Basic and diluted	0,0317	0,2937

Appendix B – Consolidated statement of financial position

<i>Amounts in EUR thousands</i>	As at	
	31 December 2019	31 December 2018
ASSETS		
Non-current assets		
Property, plant and equipment	1,881,616	1,783,812
Right of use assets	42,652	-
Intangible assets and goodwill	36,226	32,346
Investment property	191,608	173,710
Equity - accounted investees	37,742	32,066
Other investments	5,829	8,539
Derivatives	1	3
Trade and other receivables	6,023	6,315
Contract costs	84	108
Deferred tax assets	17,618	20,193
	2,219,399	2,057,092
Current assets		
Inventories	1,060,009	1,142,309
Trade and other receivables	438,734	551,205
Contract assets	121,186	117,428
Contract costs	512	1,872
Derivatives	1,522	7,009
Assets held for sale	4,223	4,223
Income tax receivables	2,826	872
Cash and cash equivalents	214,499	163,676
	1,843,511	1,988,594
Total assets	4,062,910	4,045,685
EQUITY		
Equity attributable to owners of the Company		
Share capital	141,894	141,894
Share premium	457,571	457,571
Translation reserve	-21,711	-26,227
Other reserves	426,607	404,370
Retained earnings	184,854	196,142
	1,189,214	1,173,749
Non-controlling interest	145,859	130,875
Total equity	1,335,073	1,304,624
LIABILITIES		
Non-current liabilities		
Loans and borrowings	943,522	874,802
Lease liabilities	42,518	22,004
Derivatives	185	101
Employee benefits	37,362	31,624
Grants	35,409	39,618
Provisions	2,777	4,071
Trade and other payables	4,183	8,324
Contract liabilities	7,551	19
Deferred tax liabilities	82,317	88,402
	1,155,824	1,068,966
Current liabilities		
Loans and borrowings	830,455	899,468
Lease liabilities	10,903	3,087
Trade and other payables	649,981	661,544
Contract liabilities	60,975	77,847
Current tax liabilities	14,962	16,115
Derivatives	4,100	13,498
Provisions	636	538
	1,572,012	1,672,096
Total liabilities	2,727,837	2,741,062
Total equity and liabilities	4,062,910	4,045,686

Appendix C – Alternative Performance Measures (APMs)

Introduction

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

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

General Definitions

APM definitions have been slightly changed, compared to those applied as at 31 December 2018. The changes are minor and have been made in order to simplify the definitions, align the calculations of EBIT/EBITDA and a-EBIT/a-EBITDA, and assist in reflecting business performance more accurately. Comparatives have been restated.

The changes are the following:

- The calculation of a-EBIT and a-EBITDA excludes net finance cost, instead of net interest cost, in order to be aligned with the calculation of EBIT and EBITDA.
- Adjustment "unrealized gains/losses on derivatives and on foreign exchange differences" has been removed from the calculation of a-EBIT and a-EBITDA, since it was concluded that these amount are connected with the business performance of Viohalco companies.

The current definitions of APMs are as follows:

EBIT

EBIT is defined as profit for the period before:

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

a-EBIT

a-EBIT is defined as EBIT, excluding:

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

EBITDA

EBITDA is defined as profit for the period before:

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

a-EBITDA

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

Detailed reconciliation between APMs as published in 2018 and comparatives of this press release, is presented in the Reconciliation tables' section.

Net Debt

Net Debt is defined as the total of:

- Long term borrowings,
- Short term borrowings,

Less:

Cash and cash equivalents.

Metal Price Lag

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

Metal price lag exists due to:

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

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

Reconciliation Tables

EBIT and EBITDA

Amounts in EUR thousands	2019								
	Aluminium	Copper	Cables	Steel	Steel pipes	Real Estate	Resource recovery	Other activities	Total
EBT (as reported in Statement of Profit or Loss)	45,943	12,123	24,488	-41,993	4,262	-2,022	-4,366	-6,512	31,924
Adjustments for:									
Share of profit/loss (-) of equity-accounted investees	-718	2,286	-	262	-1,488	-	-	-	343
Net Finance Cost	14,218	15,506	22,664	28,674	12,339	2,954	1,914	246	98,515
EBIT	59,444	29,916	47,152	-13,057	15,113	932	-2,452	-6,266	130,782
Add back:									
Depreciation & Amortization	49,629	15,117	16,489	39,485	10,428	6,839	2,719	1,886	142,592
EBITDA	109,073	45,033	63,641	26,428	25,541	7,771	267	-4,379	273,374

Amounts in EUR thousands	2018								
	Aluminium	Copper	Cables	Steel	Steel pipes	Real Estate	Resource recovery	Other activities	Total
EBT (as reported in Statement of Profit or Loss)	70,278	21,119	-3,961	9,115	8,612	-1,507	-1,807	-6,238	95,612
Adjustments for:									
Share of profit/loss (-) of equity-accounted investees	-322	1,957	-	952	-653	-	-	-	1,934
Net Finance Cost	19,609	18,630	22,502	27,745	9,959	1,804	2,081	170	102,499
EBIT	89,565	41,706	18,541	37,812	17,918	297	273	-6,068	200,044
Add back:									
Depreciation & Amortization	54,515	11,795	13,667	36,190	7,618	4,310	2,678	1,041	131,813
EBITDA	144,079	53,500	32,208	74,002	25,536	4,607	2,952	-5,027	331,857

a-EBIT and a-EBITDA

Amounts in EUR thousands	2019								Total
	Aluminium	Copper	Cables	Steel	Steel pipes	Real Estate	Resource recovery	Other activities	
EBT (as reported in Statement of Profit or Loss)	45,943	12,123	24,488	-41,993	4,262	-2,022	-4,366	-6,512	31,924
Adjustments for:									
Net finance cost	14,218	15,506	22,664	28,674	12,339	2,954	1,914	246	98,515
Metal price lag	-4,379	2,579	3,088	26,215	-	-	-	-	27,502
Impairment/ Reversal of Impairment (-) on fixed assets	-10	671	80	-	-	86	-	144	972
Exceptional litigation fees and fines / income (-)	29	-	-	-16	-	-	1	-	14
Gains (-) /losses from sales of fixed assets and intangibles	-89	-248	7	-12	16	-5	-67	-10	-409
Other exceptional or unusual income (-) /expenses	-	-	-	956	-	407	-1	1	1,362
a-EBIT	55,712	30,632	50,326	13,824	16,617	1,420	-2,520	-6,131	159,881
Add back:									
Depreciation & Amortization	49,629	15,117	16,489	39,485	10,428	6,839	2,719	1,886	142,592
a-EBITDA	105,340	45,749	66,816	53,309	27,045	8,259	199	-4,245	302,473

Amounts in EUR thousands	2018								Total
	Aluminium	Copper	Cables	Steel	Steel pipes	Real Estate	Resource recovery	Other activities	
EBT (as reported in Statement of Profit or Loss)	70,278	21,119	-3,961	9,115	8,612	-1,507	-1,807	-6,238	95,612
Adjustments for:									
Net finance cost	19,609	18,630	22,502	27,745	9,959	1,804	2,081	170	102,499
Metal price lag	-22,041	-545	1,679	9,110	173	-	-	-	-11,624
Impairment/ Reversal of Impairment (-) on fixed assets	-22	-	-	-	-	-	-	1,100	1,078
Exceptional litigation fees and fines / income (-)	120	-	-	-	906	-	3	-	1,028
Gains (-) /losses from sales of fixed assets and intangibles	-105	-305	-16	-3	-23	-10	-4	-11	-478
Other exceptional or unusual income (-) /expenses	-	-	2,000	-9822	-	-	-	458	-7,364
a-EBIT	67,838	38,899	22,204	36,146	19,627	287	272	-4,521	180,752
Add back:									
Depreciation & Amortization	54,515	11,795	13,667	36,190	7,618	4,310	2,678	1,041	131,813
a-EBITDA	122,353	50,693	35,871	72,336	27,245	4,597	2,950	-3,480	312,565

<i>Amounts in EUR thousands</i>	2018 a-EBIT Restatement Reconciliation								<i>Total</i>
	<i>Aluminium</i>	<i>Copper</i>	<i>Cables</i>	<i>Steel</i>	<i>Steel pipes</i>	<i>Real estate</i>	<i>Resource recovery</i>	<i>Other activities</i>	
As reported 31/12/2018	68,151	38,863	21,898	38,122	21,727	287	577	-4,413	185,212
Excluding:									
Interest Cost (Net)	-19,462	-18,799	-22,188	-28,568	-10,136	-1,804	-2,265	-266	-103,488
Including:									
Finance cost (Net)	19,609	18,630	22,502	27,745	9,959	1,804	2,081	170	102,499
Unrealized gains (-) /losses on foreign currency balances and derivatives (fx and commodity)	-459	204	-7	-1,153	-1,923	-	-121	-12	-3,471
Restated figure 31/12/2018	67,838	38,899	22,204	36,146	19,627	287	272	-4,521	180,752

<i>Amounts in EUR thousands</i>	2018 a-EBITDA Restatement Reconciliation								<i>Total</i>
	<i>Aluminium</i>	<i>Copper</i>	<i>Cables</i>	<i>Steel</i>	<i>Steel pipes</i>	<i>Real estate</i>	<i>Resource recovery</i>	<i>Other activities</i>	
As reported 31/12/2018	122,665	50,658	35,564	74,312	29,345	4,597	3,256	-3,372	317,025
Excluding:									
Interest Cost (Net)	-19,462	-18,799	-22,188	-28,568	-10,136	-1,804	-2,265	-266	-103,488
Including:									
Finance cost (Net)	19,609	18,630	22,502	27,745	9,959	1,804	2,081	170	102,499
Unrealized gains (-) /losses on foreign currency balances and derivatives (fx and commodity)	-459	204	-7	-1,153	-1,923	-	-121	-12	-3,471
Restated figure 31/12/2018	122,353	50,693	35,871	72,336	27,245	4,597	2,950	-3,480	312,565

Segmental Information

2019	Aluminium	Copper	Cables	Steel	Steel pipes	Real Estate	Resource recovery	Other activities	Total
Revenue	1,318,774	1,036,972	567,785	815,568	376,084	11,197	42,160	29,654	4,198,194
Gross profit	124,132	68,052	70,133	30,386	32,532	3,325	10,748	8,458	347,766
Operating profit	59,444	29,916	47,152	-13,057	15,113	932	-2,452	-6,266	130,782
Net finance cost	-14,218	-15,506	-22,664	-28,674	-12,339	-2,954	-1,914	-246	-98,515
Share of profit/loss (-) of Associates	718	-2,286	-	-262	1,488	-	-	-	-343
Profit/Loss (-) before tax	45,943	12,123	24,488	-41,993	4,262	-2,022	-4,366	-6,512	31,924
Income tax	-19,181	-3,309	-7,524	1,279	-782	7,571	-462	7,223	-15,184
Profit/Loss (-)	26,762	8,815	16,964	-40,714	3,481	5,549	-4,828	711	16,740

2018	Aluminium	Copper	Cables	Steel	Steel pipes	Real Estate	Resource recovery	Other activities	Total
Revenue	1,397,322	1,065,500	474,734	916,581	470,174	8,388	45,626	27,860	4,406,185
Gross profit	149,335	77,638	40,880	69,626	33,029	3,024	14,227	9,015	396,775
Operating profit	89,565	41,706	18,541	37,812	17,918	297	273	-6,068	200,044
Net finance cost	-19,609	-18,630	-22,502	-27,745	-9,959	-1,804	-2,081	-170	-102,499
Share of profit/loss (-) of Associates	322	-1,957	-	-952	653	-	-	-	-1,934
Profit/Loss (-) before tax	70,278	21,119	-3,961	9,115	8,612	-1,507	-1,807	-6,238	95,612
Income tax	-7,654	-11,578	5,733	3,910	1,177	317	-498	-1,166	-9,760
Profit/Loss (-)	62,624	9,541	1,772	13,025	9,789	-1,190	-2,306	-7,404	85,852

Net Debt

Amounts in EUR thousands	As at	
	31 December 2019	31 December 2018
Long term		
Loans & borrowings	943,522	874,802
Lease liabilities	42,518	22,004
Short term		
Loans & borrowings	830,455	899,468
Lease liabilities	10,903	3,087
Total Debt	1,827,398	1,799,361
Less :		
Cash and cash equivalents	-214,499	-163,676
Net Debt	1,612,899	1,635,685