

Athens, December 17th, 2024

Briefing to the Investment Community on the formation of fundamental economic figures during the first nine months of 2024 and developments in the Company's activity

- Turnover increased by 6.4% to 279.6 million euros from 262.8 million euros in the corresponding period of 2023.
- Pre-tax profit of 24.9 million euros from 16.7 million euros in 2023, increased by 49.5%
- Limited increase in operating expenses (without depreciation) by 4% mainly due to the increase in personnel costs and maintenance costs of the new Wastewater Treatment Plants

EYDAP S.A., in the context of timely and valid information to the investing community, announces the key financial figures and the development of its activities during the third quarter and the first nine months of 2024.

In the first nine months of 2024, consumption increased by 6.2%, which is mainly due to the average high temperatures that prevailed in Attica during the period under review. The continuous increase in consumption led to a significant increase in turnover by 6.4%. Revenue from the provision of water services increased by 7.3% to €178.6 million, while revenue from sewage services increased by 5.2% to €80 million. In the third quarter of 2024, turnover increased by 5.1% and amounted to €105.2 million from €100 million.

Operating costs before depreciation and amortization increased by 4% and amounted to €228.7 million from €219.6 million in the corresponding period of 2023. The main factors that shaped operating costs are:

- A) the increase in personnel fees and expenses by 10% (€9.7 million) mainly due to a one-off payment as well as the signing of a new Collective Labor Agreement
- B) the increase in third-party expenses by 14% (€6 million), mainly due to the increased maintenance costs of the Megara and Koropi Wastewater Treatment Plants that were integrated into the Company's operations
- C) the reduction in various provisions by €9.9 million, mainly due to the reduction in provisions in litigation cases from €4 to -8.1 million.

The increase in turnover affected the profitability indicators. The EBITDA for the nine months of 2024 amounted to €51.1 million from €43.6 million in the corresponding period last year, showing an increase of 17.2%. The EBITDA margin amounted to 18% from 17%. Regarding the third quarter of 2024, EBITDA appears reduced by 14.4% to €20.9 million compared to €24.4 million in 2023 as operating expenses increased by 12% from €75.4 million to €84.3 million.

Also, earnings before taxes, financial and investment results (EBIT) for the nine months of 2024 increased by 36.4%, reaching 19.3 million euros from 14.2 million euros in the corresponding period of 2023. The EBIT margin reached 7% from 5%.

During the first nine months of 2024, pre-tax profits amounted to 24.9 million euros from 16.7 million euros in 2023, an increase of 49.5%.

Profit after tax increased by 58.8% to €17 million from €10.7 million in the first nine months of 2023. Net profit margin stood at 6% from 4% compared to the same period last year.

It is noted that the above financial information has not been audited by an independent certified public accountant.

Increase in Investment Program Absorption

In the first nine months of 2024, the absorption of the investment project program amounted to 38.5 million euros, an increase of 18% compared to the absorption of the first nine months of 2023.

The 2024-2033 investment program concerns:

- major projects in Eastern Attica (958.7 million €.)
- water supply network projects (€681.6 million)
- sewerage projects (364.5 million €)
- building, digital governance and transformation projects (€103.8 million)

50% of the budget of the above projects is financed by the EU.

The delay in absorption in the investment program is mainly due to the large wastewater projects in Eastern Attica. During the first half of 2024 and for reasons not related to EYDAP, difficulties arose in the procedures of the co-financed projects, specifically in the required approvals for contract amendments and absorption of approved funds.

However, for the smooth continuation of the implementation of the projects, the costs were covered by EYDAP, based on the pre-financing procedure. With the completion of the process of transferring the projects to the NSRF 2021-2027, the co-financing procedure will be normalized and the above costs will be returned to EYDAP. Already in the 3rd quarter of 2024, an increase in quarterly absorption (of the quarterly budget) to 78% is observed compared to the absorption of the second quarter of 2024 (59%) and the first quarter of 2024 (57%).

Organized action plan against climate change and water scarcity

After 2 years of relative drought and the subsequent reduction of reserves in EYDAP's reservoirs, the company promptly took steps to mitigate the effects of water scarcity by activating alternative water supply sources (boreholes, Lake Yliki) and an information campaign for consumers to avoid wasting natural resources. The company also, as an helper to the Ministry of Energy and Environment, has already studied medium-term and long-term measures, while in the context of a recent decision of the Ministry, the Company was assigned the preparation of studies and the execution of projects in the External Water Supply System (EWSS). These projects mainly concern the reinforcement of the Mornos-Evinos reservoirs from basins of the Eastern Acheloos (such as Kremasta), the restoration of functionality and the reintegration into the EWS of the Mesos Rous Viotikos Kifissos boreholes and the study of a project for the installation of desalination units, including the possible desalination of brackish waters.

EYDAP has planned the execution of projects worth 400 million euros within five years for the optimal management of the water supply network, of which 293 million euros concern the reduction of leaks in the EYDAP network and are part of the Company's investment plan, while the remaining projects worth 107 million euros concern, among other things, the reduction of leaks in the EWSS and their execution has been assigned to EYDAP by the Greek State.

However, it should be noted that alternative sources of water abstraction are considerably more energy-intensive than the main water supply system that operates by gravity. We note that the responsibility for the adequacy of the natural resource to meet the needs of citizens, as well as the increased operating costs, falls on the state, which also owns the entire external water supply system.

Implementation of the regulatory framework

On September 27, 2024, the new Joint Ministerial Decree (Law 5438/2024) "Determination of general rules for costing and pricing of water services, measures to improve them. Procedures and method for recovering the cost of water services in its various uses" was published, which replaced the decision of the interministerial National Water Committee, no. 135275/19.05.2017, annulled by the Council of State, on water pricing rules.

On October 11, 2024, the declaratory act regarding the staffing and exercise of the new responsibilities of the RAEWW for water and urban waste by the Minister of Environment and Energy was published in the Government Gazette (Government Gazette B' 5657/11.10.2024).

The Company, in relation to the implementation of the regulatory framework based on the Joint Ministerial Decision, has sent to the regulatory authority all the data requested for the calculation of the permitted revenue. The process is currently at the stage of examination of the data by the RAEWW.

Other Developments

Law 5106/2024 contains favorable regulations regarding the operational flexibilities and expansion possibilities of EYDAP. Furthermore, according to announcements by the Ministry of Energy and Environment, a new legislative framework is expected regarding the possibilities, among others, of geographical expansion of EYDAP. The above development initiatives require the immediate reinforcement of human resources both in number and in skills.

It is also noted that the approval of the Court of Auditors is expected for the extension of the contract between the Greek State, EYDAP and EYDAP Fixed Assets for the operation and maintenance services of the External Water Supply System, until December 31, 2025.

Furthermore, EYDAP, in application of paragraph 4.1.3.1. of the Athens Stock Exchange regulations, informs the investing community that the tax audit for fiscal year 2023, conducted by the Statutory Certified Auditor - Accountant, was completed and a tax certificate was issued without reservation, with an emphasis referring to a question to the Independent Public Revenue Authority regarding the obligation to register ownership rights of the area of the island of Psyttalia in the Company's E9 Asset Declaration.

The Company's CEO, Haris Sachinis, commenting on the nine-month financial results, stated:

"In the first nine months of 2024, the prolonged period of high temperatures led to high levels of consumption, strengthening EYDAP's financial results. Regarding water scarcity, the Company contributes to the efforts of the Greek State to address it with alternative solutions and also continues to implement its planning to strengthen its water supply system from existing boreholes, while at the same time advancing its investment program for the maintenance and upgrade of its network.

Following the issuance of the new Joint Ministerial Decision on the pricing and costing of water supply and sewage services, we were requested and we sent to RAEWW all the information necessary for the implementation of the regulatory framework, which is essential for the sustainability of the Company and the continuation of its significant investment program, which is necessary to meet the needs of consumers but also to protect natural resources and the environment."