



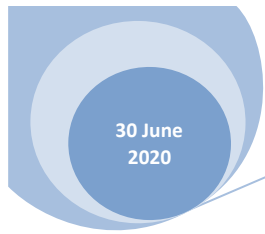
## **SIX-MONTH FINANCIAL REPORT**

for the period 01 January 2020 to 30 June 2020  
(in accordance with Article 5 of Law 3556/2007)

**Companies Register No: 41913/06/B/98/32**

**General Commercial Reg. No. 58240404000**

**127 Egnatias St - 54635 Thessaloniki**



30 June  
2020

**SIX-MONTH FINANCIAL REPORT**  
for the six-month period ended on 30 June 2020  
*(amounts in thousands of euro)*

**SIX-MONTH FINANCIAL REPORT**  
**FOR THE PERIOD 1 JANUARY 2020 - 30 JUNE 2020**  
**IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS**

It is confirmed that the attached interim financial report is the one approved by the Board of Directors of “THESSALONIKI WATER SUPPLY & SEWERAGE CO. S.A.” on 24 September 2020 and has been published on the internet at [www.eyath.gr](http://www.eyath.gr).

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**STATEMENTS BY BOARD OF DIRECTORS MEMBERS**  
**(in accordance with article 5(2) of Law 3556/2007)**

The members of the Board of Directors of the company with the corporate name "**THESSALONIKI WATER SUPPLY & SEWERAGE CO S.A.**", trading as EYATH S.A., whose registered offices are at 127 Egnatias St., Thessaloniki, GR-54635):

1. Agis Papadopoulos, Chairman of the Board
2. Anthimos Amanatidis, CEO
3. Nikos Klitou, Board Member, Chairman of the Audit Committee

in implementation of the provisions of Article 5(2) of Law 3556/2007, we hereby state and confirm, that to the best of our knowledge:

(a) the attached six-month separate and consolidated condensed financial statements for the company EYATH S.A. for the period from 01.01.2020 to 30.06.2020 which were prepared in accordance with IAS 34 accurately reflect the assets and liabilities, equity and results of EYATH S.A. and the enterprises included in the consolidation, taken as a whole, in accordance with the provisions of Article 5(3) to (5) of Law 3556/2007 and

(b) the attached six-month report of the Board of Directors of EYATH S.A. accurately reflects the developments, performance and position of EYATH S.A. and the enterprises included in the consolidation, taken as a whole, including a description of the main risks and uncertainties they face.

Thessaloniki, 24 September 2020

Confirmed by

Agis Papadopoulos

Anthimos Amanatidis

Nikos Klitou

Chairman of the Board of Directors

CEO

Board member  
Chairman of the Audit Committee

ID Card No. AN 201633

ID Card No. AE 125155

ID Card No. AM 674658

## **SIX-MONTH MANAGEMENT REPORT OF THE BOARD OF DIRECTORS**

(prepared in accordance with the provisions of Article 4 of Law 3556/2007 and the relevant decisions of the BoD of the Hellenic Capital Market Commission for the period 1 January 2020 - 30 June 2020)

Dear Shareholders,

In accordance with the provisions of Law 3556/2007 and the relevant decisions of the Hellenic Capital Market Commission, we are submitting to you this Six-Month Report of the Board of Directors for the current period (01.01.2020-30.06.2020).

This report contains condensed financial information about the financial position and results of the company EYATH S.A. and the EYATH Group of companies, a description of the significant events that took place during this period, a description of the significant events that took place after the balance sheet date, a description of the projected course of business for the Group and the Company, information about the management of significant financial risks for the Group and the Company, a presentation of the significant transactions concluded between the Company and the Group and related parties, as well as other information with regard to the shares, share capital and significant agreements in force at the end of this period.

### **CONDENSED FINANCIAL INFORMATION ABOUT THE GROUP AND THE COMPANY**

The Group consists of a) the company under the name "THESSALONIKI WATER SUPPLY & SEWERAGE CO S.A." trading as "EYATH S.A." (hereinafter the "COMPANY" or "EYATH S.A."), that was founded in 1998 (Law 2651/3-11-1998 (Government Gazette 248/A/3-11-1998), created from the merger of the companies "Thessaloniki Water Supply Organisation S.A." (OYTH S.A.) and "Thessaloniki Sewerage Organisation S.A." (OATH S.A.), which had been converted into societies anonyme during 1997 and b) the subsidiary EYATH SERVICES S.A. (wholly owned), which engages in the provision of all types of Water Supply & Sewerage Services, telecommunications services and the generation and sale of electricity.

It is listed on the Athens Exchange and is governed by the provisions of Law 4548/2018 on societies anonyme, as that law applies as a complement to the provisions of Law 2937/2001, Chapter II (Government Gazette 169/A) and Law 3016/2002, as amended by Article 26 of Law 3091/2002. The company's effective term is 99 years from 3.11.1998, and expires on 3.11.2097. The original Articles of Association were approved by decision No. ΕΓΑ/606/26-7-2001 (Government Gazette 989/30-7-2001) and the company is entered in the Companies Register (Reg. No. 41913/06/B/98/32) and the General Electronic Commercial Registry (GCR No. 58240404000). The Company's registered offices are in a privately owned building at 127 Egnatias St., Thessaloniki.

EYATH is the second largest water supply and sewerage services provider in Greece. It provides water supply services via a 2,700 km long water distribution network within its territorial remit (the wider Thessaloniki urban area and industrial area) and sewerage services via a 1,750 km long sewerage network within its territorial remit (from the river Axios, the Municipality of Delta and Chalkidona, and the high areas of the Thessaloniki urban area to the Municipality of Thermaikos at the tourist areas). The company has over 1,000,000 household connections (510,000 water supply connections and around 77,000 sewerage connections). EYATH also helps with flood protection in the city of Thessaloniki, even

though it is the Greek State, the Region and local government authorities which are responsible for the design, construction, and maintenance of rainwater drainage and flood protection works in general, and for cleaning the water collection shafts.

### **FINANCIAL INFORMATION - COURSE OF BUSINESS**

The following financial information concern the EYATH S.A. Group.

Group turnover came from the sale of water supply and sewerage services and stood at € 34,464 thous. compared to € 35,622 thous. during the corresponding period last year, reflecting a drop of € 1,158 thous. or 3.25%. The change in turnover was primarily due to the factors outlined below:

- The different time required to implement the new pricing policy (starting on 1.5.2019) compared to the same period last year. This policy follows the logic of reducing the price of water at low consumption levels (the largest volume of consumers) and increasing it at high levels to avoid natural resource wastage.
- The sudden appearance of coronavirus (Covid-19) at the start of 2020 and its rapid spread over the following period worldwide, with the direct result that industrial and business consumption was reduced during the reporting period.

The cost of sales was € 21,410 thous. compared to € 20,928 thous. in 2019, up € 482 thous. or 2.30%. Consequently, the gross profit for the period ended stood at € 13,054 thous. compared to € 14,693 thous. in the same period last year, down € 1,639 thous. or 11.16%. The cost of sales rose due to higher prices and reduced discounts in public utility bills (electricity bills), particularly on the water supply network, the pumping stations and the biological treatment plant.

Other operating income stood at € 1,144 thous. compared to € 506 thous., up some € 638 thous. or 126.19% primarily due to the fact that a provision was formed with respect to the financial scope of work carried out in the context of the framework agreement entitled "Cleaning and maintenance of the rainwater network in the Wider Thessaloniki Area".

The Group's operating expenses rose by € 271 thous. or 4.83% primarily due to the increase in payrolling costs as a result of implementation of the new Enterprise-Level Collective Labour Agreement signed on 3.10.2019 and the recruitment of staff on a private law fixed-term employment contract.

Other operating expenses stood at € 1,200 thous. compared to € 205 thous. in the corresponding half of 2019, up 484.11% due to the formation of provisions on sludge removal and also due to litigation.

Due to the above, Group EBT was € 7,380 thous. compared to € 10,036 thous. during the corresponding period last year, down € 2,656 thous. or approximately 26.46%. Finally, Earnings After Tax as at 30.6.2020 amounted to € 4,837 thous. compared to € 6,622 thous., down by € 1,785 thous. or 26.95%.

The EYATH S.A. Group's EBITDA during the period ended stood at € 10,216 thous. compared to € 12,634 thous. in the same period last year, down € 2,418 thous. or 19.14%.

Finally, Group cash and cash equivalents at the end of the period on 30.06.2020 stood at € 83,994 thous. compared to € 75,844 thous. on 31.12.2019, an increase of € 8,150 thous. or 10.75%.

### **ALTERNATIVE PERFORMANCE MEASURES ("APMs")**

In its management reports and investor disclosures the Group uses Alternative Performance Measures (APMs) in addition to the financials included in its financial statements, which have been prepared in accordance with the current financial reporting framework.

The purpose in providing these measures is so that both Company Management and investors have a fuller picture of the performance, capital structure, activities and liquidity of the Group, but should not under any circumstances be taken into account independently of the measures resulting directly from the financial statements.

The APMs used by the Group are as follows:

**Gross profit margin (%)**

This measure is calculated by dividing the Gross Profit by Turnover, using the exact figures which appear in the financial statements.

**EBITDA Margin (%)**

This measure is widely known among the investing community and is a general performance measure, with the advantage that it isolates the impacts of financing-investing results, income tax and the main category of non-cash expenses which is depreciation.

The measure is calculated by deducting from turnover the cost of sales, selling expenses, administrative expenses, and other operating expenses and adding other operating income and total depreciation, and then dividing by turnover. These figures are used as shown in the financial statements and notes thereto, without any adjustments.

**EBIT Margin (%)**

This measure, like the previous one (EBITDA) is widely known among investors and is a general performance measure, with the advantage that it can isolate the impacts of financing-investing results and income tax.

The measure is calculated by deducting from turnover the cost of sales, selling expenses, administrative expenses, and other operating expenses and adding other operating income, and then dividing by turnover. These figures are used as shown in the financial statements, without any adjustments.

**Earnings before tax / turnover (EBT Margin) (%)**

This measure, like the previous one (EBIT) is widely known among investors and is a general performance measure, with the advantage that it can isolate the impacts of income tax.

The measure is calculated by deducting from turnover the cost of sales, selling expenses, administrative expenses, other operating expenses and financial expenses, and adding other operating income and financial income, and then dividing by turnover. These figures are used as shown in the financial statements, without any adjustments.

**Earnings after tax / turnover (EAT Margin) (%)**

This measure is widely known among investors and is a general performance indicator, with the advantage that it examines the performance of net earnings after tax compared to turnover.

The measure is calculated by deducting from turnover the cost of sales, selling expenses, administrative expenses, other operating expenses, financial expenses, and income tax and adding other operating income and financial income, and then dividing by turnover. These figures are used as shown in the financial statements, without any adjustments.

**Current ratio: total current assets / total short-term liabilities**

This ratio shows the relationship between a company's equity and debt. These figures are used as shown in the financial statements, without any adjustments.

These measures are shown in the table below:

	01/01/2020-30/06/2020	01/01/2019-30/06/2019	Deviation
<b>PERFORMANCE AND PROFITABILITY RATIOS</b>			
Gross Profit Margin	37.88%	41.25%	-3.37%
EBITDA Margin	29.64%	34.97%	-5.84%
EBIT	20.63%	26.33%	-5.69%
EBT Margin	21.41%	28.17%	-6.76%
EAT Margin	14.03%	18.59%	-4.55%
<b>INVESTMENT RATIOS</b>			
Earnings per share after tax	0.1332	0.1824	-26.94%
<b>LIQUIDITY RATIOS</b>			
	30/06/2020	31/12/2019	Deviation
General liquidity (Current assets / short-term liabilities)	6.12	11.51	-46.87%
<b>CAPITAL STRUCTURE &amp; VIABILITY RATIOS</b>			
Equity / Debt	365.84%	518.03%	-152.19%

**PRICING POLICY**

Decision No. 416/2011 of the Board of Directors set the company's pricing policy for the 2012-2013 period, which was ratified with Joint Ministerial Decision No. 4799/19-12-2012 (Government Gazette 3450/B/27-12-2012) of the Ministers of Finance and Macedonia-Thrace. That decision has remained in effect to this day following successive extensions.

Article 33 of Law 4258/2014 on arrangements for setting the tariffs of EYDAP and EYATH, applied from 1.7.2015 to 31.12.2018, according to which tariffs for water supply and sewerage services were to be approved by decisions of the Special Secretary for Water, following consultations with the Minister of Finance and other relevant agencies.

In Special Secretariat for Water Decision No. 135275/22.5.2017 (Government Gazette 1751/B) "on general rules for costing and billing water services, methods and procedures for recovering costs of water services for various water uses", the Committee laid down the general costing and billing rules for water services. The purpose of the decision is to approve the general costing and billing rules as well as measures to improve water services for various uses of water, and to lay down procedures and methods for recovering the cost of such services, including environmental costs and water resource costs. At the same time, the objective of the Joint Ministerial Decision is to ensure that pricing policy for water offers adequate incentives to users to efficiently use water resources and for the different uses of water to adequately contribute to recovery of the cost of water supply services. Services are charged for based on cost factors, including financial costs, environmental costs and resource costs. Financial costs are worked out by the provider (EYATH S.A. in this instance) whereas environmental and resource costs are calculated and approved by decision of the competent authority, and overall are added to tariffs as an environmental levy per m3 of water used.

The pricing Policy for the 2019-2023 period which EYATH S.A. recommended to the Special Secretariat for Water, was approved by decision No. 26142/180 of the Special Secretary for Water of the Ministry of the Environment and Energy (Government Gazette 1105/B/3.4.2019) and takes effect on 1.5.2019. The new pricing policy follows the logic of a drop in the cost of water for lower levels of consumption, to ensure it has a social focus, and a rise in cost for high consumption to avoid natural resource wastage. At the same time, the social tariff has been retained and improved for groups of consumers who are socially and economically vulnerable; it is tied into the social and income criteria used for the social residential tariffs for electricity (tariffs A and B), which beneficiaries can access automatically without bureaucratic procedures, and without needing to submit supporting documents. An environmental levy is included in the new tariffs, which is paid over to the Green Fund to finance water resource management and protection projects. For 2021-2023 there will be a 2% annual increase in tariffs (apart from household scale one with consumption of up to 10 m3/4-months) to ensure that the company's



investment plan can be implemented (which foresees major water supply and sewerage projects, such as an extension to the Thessaloniki water treatment plant, maintenance of the Aravissos aqueduct, works to improve the water supply and sewerage networks), while the sewerage levy fixed charges and special water cycle levy will remain firm and fixed over the tariff's 5-year period.

## MAJOR EVENTS

### *Investment projects*

During the first half of 2020 EYATH S.A. put the following project out to tender via an open tender procedure:

- the contract entitled "Repair of damage and local replacement of sections of the sewerage network pipeline for 2020", with a budget of € 400,000 (plus VAT). The contract was signed on 16.6.2020.

In addition, during 2020 EYATH S.A. launched a tender procedure to select a contractor for the following water supply and sewerage designs and projects relating to extensions to networks, repair or replacement of pipelines or new projects, etc.:

- Technical Advisor services under the Framework Agreement for Technical Advice for EYATH S.A.'s Strategic and Business Plan designs and works, with a budget of € 1.32 million (plus VAT). The 1st (03.03.2020) and 2nd (02.06.2020) Individual Contracts with budgets of € 95,130.00 (plus VAT) and € 37,467.99 (plus VAT) have been signed respectively.
- the contract entitled "Construction of extension to the Thessaloniki Water Treatment Plant - Phase A2", with a budget of € 21.7 million (plus VAT). On 24.4.2020 EYATH S.A.'s Board of Directors issued Award Decision No. 259/2020 to the lowest bidding Economic Operator. Review applications were filed against the Decision by participants in the tender procedure. The Authority for the Examination of Review Applications issued a decision on those review applications. EYATH S.A. and other participants in the tender procedure submitted applications for suspension of enforcement before the Council of State against the decision of the Authority for the Examination of Review Applications. Announcement of the Council of State's decision on the applications for suspension of enforcement is awaited.
- the contract entitled "Sewerage works to upgrade pumping stations, discharge pipes, coastal collection pipe and Aeneia wastewater facility central pipe", which includes 6 separate sub-projects, with a total budget of € 4.4 million (plus VAT). The contract was signed on 16.3.2020 and construction work has commenced.
- the contract entitled "Repair and maintenance of the water supply network in Western Thessaloniki in 2019", with a budget of € 950 thous. (plus VAT). The contract was signed on 17.3.2020.
- the contract entitled "Repair and maintenance of the water supply network in central and eastern Thessaloniki in 2019", with a budget of € 1.5 million (plus VAT). The contract was signed on 12.6.2020.
- the contract entitled "First group of urgent water supply works 2019", with a budget of € 950 thous. (plus VAT). The contract was signed on 5.6.2020 and the work required commenced.
- the contract entitled "First group of urgent sewerage works 2020", with a budget of € 2.5 million (plus VAT). The contract was signed on 17.7.2020 and work is expected to commence soon.

***The subsidiary EYATH SERVICES S.A.***

On 31.12.2016 contracts for work entered into by the subsidiary EYATH SERVICES S.A. expired but were extended to 30.6.2017 under Article 46 of Law 4440/2016. All persons engaged under such contracts sought recourse to the courts and obtained an interim order until the final judgment on the petition for injunctive relief is handed down. Athens Single-Member Court of First Instance judgment No. 1353/2018 was handed down on 1.3.2018 which rejected the injunction of the contract staff against the Company and the subsidiary EYATH SERVICES S.A. and since that date those persons have ceased offering their services to the company. EYATH SERVICES S.A. has not provided any water supply and sewerage services in the period from 1.3.2018 to the present day. On 2.4.2019 the main case filed by former contract workers against EYATH S.A. and EYATH SERVICES S.A. was heard and judgment is awaited.

The following decisions were taken at EYATH SERVICES S.A.'s Extraordinary General Meeting on 26 June:

- A nominal reduction in the Company's share capital by € 2 million by offsetting losses by cancelling 4 million registered shares in implementation of Article 119(4) of Law 4548/2018 on equity and amending Article 5 of the Articles of Association.
- Replacement of members of the Board of Directors, namely Narkisos Georgiadis, Panagiotis Gogos, Olympia Latsiou-Chrysafi and Petros Nastos with Anthimos Amanatidis, Sofia Ammanatidou, Ekaterini Tsikaloudaki and Parthena Theodoridou.
- Expanding the company's corporate scope, which includes carrying out works to build and maintain water management facilities and managing water resources and amending Article 4 of the Articles of Association.

The Articles of Association were brought into line with Law 4548/2018. This share capital reduction was effectuated to reduce accumulated losses and Article 119 of Law 4548/2018 does not apply, meaning equity is now above 1/2 of the share capital.

Decision No. 001/2020 of the Board of Directors of 30.6.2020 established the company's new Board of Directors as follows:

- CHAIRMAN: Agis Papadopoulos, son of Michail, elected on 9.9.2019, whose term in office expires on 9.9.2022.
- CEO: Anthimos Amanatidis, son of Anastasios, elected on 26.6.2020, whose term in office expires on 26.6.2023.
- VICE CHAIRMAN: Sofia Ammanatidou, daughter of Ilias, elected on 26.6.2020, whose term in office expires on 26.6.2023.
- MEMBER: Katerina Tsikaloudaki, daughter of Georgios, elected on 26.6.2020, whose term in office expires on 26.6.2023.
- MEMBER: Parthena Theodoridou, daughter of Antonios, elected on 26.6.2020, whose term in office expires on 26.6.2023.
- MEMBER: Despina Lemonidou, daughter of Iordanis, elected on 9.9.2019, whose term in office expires on 9.9.2022.
- MEMBER: Dimitris Alexandris, son of Georgios, elected on 9.9.2019, whose term in office expires on 9.9.2022.

***Recruitment of new staff***

In implementation of BoD Decision No. 30/2020, during the first half of 2020 a total of 30 successful candidates in tender notice No. ΣOX1/2019 were recruited on the basis of a fixed-term private law employment contract of 8 months.

***Extraordinary General Meeting of Shareholders***

Decision No. 246/2020 of EYATH S.A.'s Board of Directors decided to convene an Extraordinary General Meeting on 30.4.2020 to replace members of the Board of Directors and elect members of the Audit Committee in accordance with Article 44 of Law 4449/2017.

According to the proposal from Hellenic Corporation of Assets and Participations S.A. (HCAP) to shareholders, the following persons were candidates to replace members of the Board of Directors: Mr. Narkisos Georgiadis, Ms. Olympia Chrysafi-Latsiou, Mr. Ioannis Papaioannou, Mr. Panagiotis Gogos and Ms. Stefania Tanimanidou: Anthimos Amanatidis, Georgios Satlas, Maria Petala, Sofia Ammanatidou and Ekaterini Tsikaloudaki.

The following were proposed in relation to the election of members of the Audit Committee: Nikolaos Klitou, as Chairman, and Sofia Ammanatidou and Maria Petala, as members.

Decision No. 289/2020 of the Board of Directors established the following body:

- Agis Papadopoulos, son of Michail, Chairman, non-executive member. Elected on 2.8.2019. Term in office ends on 1.8.2023.
- Anthimos Amanatidis, son of Anastasios, CEO, Executive Member Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Grigorios Penelis, son of Georgios, Vice Chairman, independent non-executive member. Elected on 21.2.2019. Term in office ends on: 20.2.2023.
- Theodoros Koulouris, son of Nikiforos, Executive Member. Elected on 27.8.2019. Term in office ends on: 26.8.2023.
- Nikos Klitou, son of Konstantinos, independent non-executive member, Chairman of the Audit Committee. Elected on 21.2.2019. Term in office ends on: 20.2.2023.
- Georgios Satlas, son of Nikolaos, non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Sofia Ammanatidou, daughter of Ilias (independent) non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Katerina Tsikaloudaki, daughter of Georgios, non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Maria Petala, daughter of Dimitrios, (independent) non-executive member Elected on 30.4.2020. Term in office ends on 29.4.2024.
- Georgios Archontopoulos, son of Savvas, employee representative, non-executive member Elected on 11.5.2016. Term in office ends on: 10.5.2020.
- Anastasios Sachinidis, son of Ioannis, employee representative, non-executive member Elected on 11.5.2016. Term in office ends on: 10.5.2020.

The line-up of the Board of Directors from 1.1.2020 to 30.4.2020 was as follows:

- Agis Papadopoulos, son of Michail, Chairman, non-executive member.
- Narkisos Georgiadis, son of Vasilios, CEO, executive member.
- Ioannis Papaioannou, son of Evangelos, Executive Director for Strategic Planning & Investment Programme Management, with executive powers determined ad hoc by the Board of Directors.
- Grigorios Penelis, son of Georgios, Vice Chairman, independent non-executive member.
- Nikos Klitou, son of Konstantinos, independent non-executive member, Chairman of the Audit Committee.
- Theodoros Koulouris, son of Nikiforos, non-executive member
- Stefania Tanimanidou, daughter of Georgios, (independent) non-executive member.
- Panagiotis Gogos, son of Dionysios, non-executive member
- Olympia Latsiou - Chrysafi, daughter of Thomas, non-executive member.
- Georgios Archontopoulos, son of Savvas, employee representative, non-executive member.
- Anastasios Sachinidis, son of Ioannis, employee representative, non-executive member

### ***Annual General Meeting of Shareholders***

The Annual Ordinary General Meeting of Shareholders held on 19.06.2020:

- Approved the separate and consolidated annual Financial Statements of EYATH S.A. for the 1.1.2019 – 31.12.2019 accounting period and the relevant Board of Directors' and Auditors' reports and statements.
- Approved the Board's overall management approach during the accounting period 1.1.2019 – 31.12.2019 in accordance with Article 108 of Law 4548/2018 and released the Auditors from liability in accordance with Article 117(1)(c) of Law 4548/2018.
- Approved the distribution of dividends to shareholders from the profits for 2019.
- Approved the fees and remuneration paid to members of the Board of Directors for the 1.1.2019 – 31.12.2019 accounting period.
- Approved the election of 2 members and their stand-ins as representatives of employees of the company's Board of Directors in accordance with Article 85(1) and (2) of Law 4548/2008 and Article 13(5) of the Articles of Association of EYATH S.A.
- Selected the certified public accountants for the statutory and tax audit for the 2020 accounting period and set their fees.
- Gave permission to the members of the Company's Board and executives in its various Divisions to participate in the Boards or in the Management of other affiliated companies in accordance with IAS 24, as well as in the legal person those companies control.

### ***Changes to the Board of Directors***

The Board of Directors officially met on 23.6.2020 following Decision No. 367/2020 and was officially constituted with the line-up below:

- Agis Papadopoulos, son of Michail, Chairman, non-executive member. Elected on 2.8.2019. Term in office ends on 1.8.2023.
- Anthimos Amanatidis, son of Anastasios, CEO, executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Grigorios Penelis, son of Georgios, Vice Chairman, independent non-executive member. Elected on 21.2.2019. Term in office ends on: 20.2.2023.
- Theodoros Koulouris, son of Nikiforos, Executive Member. Elected on: 27.8.2019. Term in office ends on: 26.8.2023.
- Nikos Klitou, son of Konstantinos, independent non-executive member, Chairman of the Audit Committee. Elected on 21.2.2019. Term in office ends on: 20.2.2023.
- Georgios Satlas, son of Nikolaos, non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Sofia Ammanatidou, daughter of Ilias (independent) non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Katerina Tsikaloudaki, daughter of Georgios, non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Maria Petala, daughter of Dimitrios, (independent) non-executive member Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Georgios Archontopoulos, son of Savvas, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2020.
- Ioannis Mitzias, son of Konstantinos, employee representative, non-executive member. Elected on 19.6.2020. Term in office ends on: 18.6.2024.

### ***Coronavirus (COVID-19)***

The appearance of coronavirus (Covid-19) at the start of 2020 and the spread of the pandemic to date have brought major changes in how global supply and demand fluctuates, making the macroeconomic environment more difficult at both global and local level. At the same time, there continues to be an inability to estimate both the duration and intensity of the pandemic while at the time the second wave of the pandemic is currently under way on a global scale and also in Greece.

EYATH S.A.'s financial data, after a series of estimates and analyses during the reporting period, only appears to have fluctuated slightly, without there being any major impact from the healthcare crisis on

the company's business activities and liquidity. Despite that, Management continues to monitor developments carefully so that it can immediately respond to the requirements of the global and domestic environment, based on the major checks and balances it has in place, such as the significant level of cash assets and the general lack of borrowing.

In addition, as a follow-on to its initial focus on combating the health crisis, motivated by its desire to safeguard its employees and consumers, EYATH S.A. is in constant contact with the National Public Health Organisation (EODY) on issues relating to coronavirus, so that it can immediately receive all instructions and take measures relating to the protection and safety of staff and the general public.

## VISION - MISSION

Management's vision is to develop the company as an efficient manager of water resources, protecting the environment in the wider Thessaloniki and Thermaikos Bay area.

The Company's mission is to offer quality, comprehensive water supply and sewerage services to old and new consumers who are in need of them, by utilising, improving and extending its infrastructure, through sustainable environmental management practices.

The Company's strategy aims at fulfilling its obligations as a Utility Company, in combination with increasing the shareholders' assets. To this end, it seeks to improve the quality of the services it provides through an investment programme, to upgrade its facilities and to expand its technological infrastructures, and the ICT systems it has.

EYATH SA's special features, such as the natural monopoly it has, its strong cash flow situation, zero borrowing and its business and investment plans ensure that the company grows, remains profitable, and transforms into a robust centre for know-how and entrepreneurship in the wider region.

## PROSPECTS

### ***Flood protection works***

In March 2019 a framework agreement was signed with the Central Macedonia Region to clean and maintain the rainwater network in the Thessaloniki urban area. The project has a budget of € 4 million and will run for 2 years from the signing of the agreement.

### ***Strategic and Business Plan***

An exceptionally ambitious investment plan worth approximately € 175 million was prepared in partnership between Management and specialists within the company and is currently being implemented. It includes, *inter alia*, tens of projects and designs involving the maintenance, replacement and extension of infrastructure in the city's water supply and sewerage system. The investment plan includes some flagship projects such as: extension of the Thessaloniki Water Treatment Plant (Phase A2), with NSRF Funding of € 21.7 million (plus VAT), sewerage works to complete the connection between low-lying areas of Thessaloniki (works in the Dendropotamos area and interchange K16) with a budget of € 6 million (plus VAT), extension to the water supply network remote control and automation system (SCADA) worth € 3.35 million (plus VAT), the framework agreement to improve and repair the Aravissos water pipeline with a budget of € 3.37 million (plus VAT), sewerage works at pump houses, discharge pipes and the coastal pipeline, with a budget of € 5.4 million (plus VAT), and replacement of water meters, extension of the water supply network into new areas and others. As far as the project to improve and repair the Aravissos aqueduct is concerned, implementation of the project commenced in June 2020 and will continue in line with the schedule which has been prepared.

To help implement its Strategic Plan, EYATH S.A. has put out to tender technical advisor services for support with and drafting of the supporting designs (geotechnical, geological and environmental designs) with a total pre-estimated fee of € 2.05 million (plus VAT). Those two framework agreements have been signed. Evaluation of the application in the context of call for tenders No. 108603/15.10.2018 issued by the General Secretariat for Public Investments and NSRF / Ministry of Economy and Development on preparation and maturation of projects to be implemented/co-financed in the 2021-

2027 programming period is still pending. EYATH S.A. submitted three technical bulletins for the operation via EYATH Fixed Assets for projects worth a total of € 5.5 million approximately.

Board of Directors' decision No. 414/13-9-2018 approved the updated Strategic and Business Plan for the 2018-2024 period whose objective is to:

- ensure the overall development of its networks and expansion of its operations, namely a series of technical projects in order to supply water to areas of both the urban area, and beyond it, to regions which currently are lacking good quality water; and face water supply problems due to over-abstraction, salinization, etc.;
- implement the extension of the Thessaloniki Water Treatment Plant (known as the 'refinery') to ensure the necessary extra quantity of water needed to cope with current and mainly future water supply demand for the Thessaloniki urban area;
- ensure uninterrupted, safe operation of the water supply systems, by supplying top quality water, in line with the rules and requirements laid down by the current regulatory framework;
- increase environmental safety in relation to pollution and protection of water resources;
- improve customer service by offering top class water supply and sewerage services at the least possible cost;
- combine business activity with social responsibility;
- upgrade infrastructure to improve the productivity of existing systems, which will lead to lower operating costs for the company, especially energy costs. In exploring the Company's potential for using renewable energy sources (RES) to reduce its energy costs, during the first half of 2019 it analysed the legal framework and the relevant procedures so that EYATH S.A. could install RES plants (photovoltaic stations) and operate as a self-producer, thereby making good use of its own properties or newly purchased/rented ones and benefiting from net metering and virtual net metering. A preliminary technical and economic study was then prepared looking at 3 indicative examples of these options being applied: the Thessaloniki Water Treatment Plant, the Thessaloniki Waste Water Treatment Plant and the Aeneia Waste Water Treatment Plant.
- raise citizen awareness about environmental issues and brief them about the company's contribution to society as a whole, and about its purely business activities.

The company's Strategic and Business Plan is being implemented gradually.

#### ***Investments in the sewerage sector***

A project has been under way during the period entitled "Works to complete the connection to Thessaloniki's low-lying areas," which consists of 5 individual sub-projects within EYATH S.A.'s territorial remit. The 5 individual sub-projects comprising the overall project are as follows:

- An EYATH pipeline relocation study (alternative solution) under the operation entitled "Construction of the K16 grade-separated interchange at the junction of the PATHE Motorway and the Thessaloniki Inner Ring Road- Phase II".
- Improvement - Upgrading of the A3 wastewater pumping station and construction of a discharge pipe.
- Improvement - Upgrading of the A4 wastewater pumping station.
- Diversion of wastewater from sewerage collection pipes at Agios Nektarios, Dendropotamos.
- Extension of the sewerage collection pipe at pumping station A3 to Kalohoriou St.

Moreover, a new tender procedure is now under way entitled "Sewerage works to upgrade pumping stations, discharge pipes, coastal collection pipe and Aeneia wastewater facility central pipe", which includes sewerage works to improve - upgrade the wastewater pumping station A5 (at the port) and pumping station A2B (at the Thessaloniki Industrial Area), to replace the sewerage twin discharge pipe at pumping station A5 (at the port), to build a coastal collection pipe at pumping station B3 and a rainwater drainage pipe, to upgrade pumping station A17 at Finikas and to rebuild the central sewerage pipeline for the Aeneia wastewater treatment plant.

#### ***Functional and technological modernisation***

In 2013 EYATH S.A. prepared a plan for functional and technological modernisation to be implemented in 4 phases, in the areas of retail, support and admin. functions within the company.

Phase 1 of the modernisation plan, which related to financial management, was successfully completed in January 2016, on budget and on schedule despite the project's scale and complexity.

In that context the company installed a new SAP system in early 2016 which supports the procurement management, warehouse logistics and accounting office functions.

During 2017 Phase 2 was implemented which related to CRM and customer service. Three actions were implemented in this regard:

A. redesign of billing, CRM and customer service via various improvements relating to (a) modernisation of the bill checking, issuing and management system and (b) development of a comprehensive framework and computerising CRM and customer service.

B. developing requirements and then running a tender procedure for the supply, configuration, installation and commissioning of a billing and CRM and customer service IT system.

C. running that tender procedure.

Phase 2 is currently under way, and the plan is to run the tender procedure to procure the new CRM IT system.

During June 2019 a tender procedure had been published and following two clarifications and two extensions which were granted, it was closed in September 2019 with a single tenderer comprised of a grouping of economic operators. Decision No. 570/2019 of 19.12.2019 annulled the tender procedure with the need to re-examine the requirements and specifications to reflect the increasing changes in the company's operating needs and to attract greater competition.

Decision No. 28/2020 of 6.7.2020 extended the consultancy services agreement with E&Y to update the special terms and conditions for the new tender procedure.

In the meantime, until the tender procedure is completed, recommendations have been submitted to upgrade the company's payment system and to develop a customer e-service portal interconnected with the existing ERP (solution II).

#### ***EYATH S.A.'s digital transformation***

EYATH S.A.'s digital transformation is vital for improving its efficiency and competitiveness in a constantly changing technological environment. In order to achieve the goal of digital transformation, a digital strategy with clear priorities and milestones is needed, based on current developments and looking to tomorrow, and taking into account the overriding objective of providing better services to citizens. To that end, a recommendation was submitted to prepare a Digital Strategy.

#### ***Information System Security and Personal Data Protection***

Acknowledging the criticality of the security of its IT systems and the even more urgent requirements brought by the recent Ministerial Decision (1027, 8/10/2019) on the security of network and information systems for critical infrastructures [NIS Directive (EU) 2016/1148], the company has taken a number of steps from October 2019 to date to protect the organisation from possible cyber threats:

- Appointment of Information and Network Security Officer in accordance with NIS requirements.
- Establishment of a company-based Computer Systems and Networks Security Team to manage the necessary actions to comply with the new regulatory framework

- Penetration tests to check and evaluate the vulnerabilities of EYATH S.A.'s IT infrastructure (External Security Testing – Penetration Test). The vulnerabilities shown by the penetration tests were dealt with during the first half of 2020.
- GAP analysis of the current state of the company's IT infrastructure using the international ISO/IEC 27001:2013 standard (completed early 2020)
- Drafting and approval of key security policies (21 overall) to ensure EYATH S.A.'s compliance with the Network and Information Systems Security Law (NIS Directive) (approved in April 2020).
- Renewal of cybersecurity contract until June 2021

At the same time, further steps are arranged/planned such as:

- A programme of remote training for all employees on safety issues and understanding the relevant policies
- 24/7 monitoring of company IT systems for potential security threats
- Internal security control services via internal penetration testing
- Establishment of an Information Security Management Committee to support the company's information security management framework.

At the same time, the GDPR compliance system was further improved/updated by preparing 7 new policies to protect the personal data of both customers and employees of EYATH S.A.

#### ***Improving customer service***

Since 10.6.2019 the Customer Service Division has been operating out of new, cutting edge offices at 6 Angelaki St., handling all day-to-day transactions and requests of EYATH customers. The purpose of relocating is to improve service and communication with consumers inside open-plan, ergonomic, well-designed premises, by applying accelerated procedures.

The Company launched its new website in May 2019 which among other things improves the channels of communication with customers, allowing them to perform certain tasks online. During 2020 we added many additional application forms that customers can submit online without having to visit EYATH S.A.'s offices. Development of EYATH's new IT System will also include an e-services platform which will allow all user requests to be handled electronically using login credentials.

In addition, after a tender procedure during the first half of 2020 further improvements were made to the phone and online customer service provided by the company by implementing an integrated service for receiving, recording and managing customer requests made by phone or electronically via the website or email by ensuring a relevant service.

#### ***Water supply SCADA***

During 2017 following the Central Macedonia Region NSRF funding decision for the remote control and automation system to manage EYATH's water supply system, steps were taken to finalise technical and other requirements in the tender procedure documents for the financed project. The project is designed to ensure automated monitoring and management of the water supply network (pipelines, pumping stations, reservoirs, etc.) by installing a remote control/remote operation system (SCADA). That system will help identify and check drinking water leaks and safeguard the operational status of all E/M equipment installed, thereby supporting moves being made to optimise operations.

In May 2018 the Central Macedonia Region approved the tender documents for the project entitled "Remote control and automation of water supply systems within EYATH's remit" with a total budget of € 3,347,049.00 + VAT which is being funded by the NSRF. The last date for submitting tenders was 30.7.2018 and tenders were opened on 24.8.2018 at which time the process of having them evaluated by the competent tender committee commenced. The tender procedure to select a contractor and sign



the relevant contract was completed in 2019 with the relevant contract being signed on 17.12.2019, for a total award of € 2,434,777.00 plus VAT. The expenditure is covered by the relevant NSRF programme of the Central Macedonia Region. Projects are progressing based on the time frame prepared.

#### ***Sewerage system SCADA***

During 2018 the design and specification of the project to upgrade the sewerage pump station SCADA system was finalised; most of the systems relate to the Thessaloniki Waste Water Treatment Plant's sewerage system.

On 5.6.2019 international tender procedure No. 17/2019 for the "design, supply, installation and roll out of a sewerage pumping station integrated remote control system" was launched with a budget of € 1,400,000 (plus VAT). The last date for submitting tenders was 3.7.2019 and tenders were opened on 10.7.2019 at which time the process of having them evaluated by the competent tender committee commenced.

On 29.1.2020 LINK Technologies Societe Anonyme, trading as LINK Technologies S.A., as lowest bidder/candidate, was appointed as interim contractor. A review application was then filed on 10.2.2020 by the second lowest bidder, OTE S.A., which was rejected by the Authority for the Examination of Review Applications.

On 26.4.2020 LINK Technologies S.A. submitted the award supporting documents in order to be appointed as final contractor. However, at the meeting of the tender committee on 20/5/2020 it was found that one supporting document was missing and therefore the offer from that company was rejected and the second lowest bidder, i.e. OTE S.A., was appointed as interim contractor. On 19.6.2020 LINK Technologies S.A. sought recourse against that decision to the Authority for the Examination of Review Applications.

It is expected that the tender procedure to select the contractor will be completed and the relevant contract signed within 2020 but that depends on whether or not any other judicial remedies are filed.

#### ***Pilot projects***

Pilot digitisation of the customer archives was completed. Moreover, the preparation of technical specifications and other technical requirements for a tender procedure to digitise the overall customer archives was completed and a recommendation on this matter was submitted in July 2020 by the Digital Transformation & IT Division, following a previous recommendation made in September 2019 by the team established for this purpose, taking into account the more recent discussions which took place in the meantime with the new Consumers Division.

The water supply customer database is currently being standardised to allow consumption data to be automatically interconnected to GIS data (hydraulic modelling).

The Company is exploring the adoption of smart meter technologies as part of a pilot project; they offer cutting-edge solutions for recording consumption levels, and the aim is to see how they can be adopted on a large scale. More specifically:

1. A system to remotely monitor consumption at Aristotle University of Thessaloniki water meters has been installed, maintained and operated.

The project has been completed and is currently undergoing testing. It relates to the supply, installation, operation and maintenance of a remote monitoring and consumption management system for water meters at the AUTH campus, where average consumption is 26,000 m<sup>3</sup> per 4 months. This will:

- allow the information recorded by the water meters to be monitored remotely and in real time.
- allow controlled access to available consumption data.
- prevent overconsumption and leaks, and avoid needless charges thereby helping save water.

2. Creation of integrated infrastructure for 3 EYATH S.A. pilot district metering areas (DMAs) to systematically check, record, monitor and manage water and to measure and manage water

consumption. During the first half of 2019 work to draft the technical specifications for the project commenced. The project seeks to:

- automate and significantly increase the frequency of consumption sampling per water meter.
- draw technical conclusions about the existence of leaks on the water supply network and quantify unseen losses.
- increase the number of services offered to company customers.

3. Completion of the hydraulic model simulation of how EYATH S.A.'s outdoor aqueducts operate under current conditions and in the event of emergencies. During the first half of 2019 the project entitled "Design and development of the EYATH outdoor water supply aqueducts hydraulic model: water supply network emergency and normal operation scenarios" was completed. The contract was signed on 17.9.2018 and deliverables were submitted on 6.6.2019. The project included:

- Hydraulic simulation of the current state of EYATH S.A.'s outdoor aqueducts. During this stage of the project particular emphasis was placed on configuring the hydraulic model as reliably as possible, by updating all necessary geometric and hydraulic data used in the simulation.
- Designing and simulating alternative network supply and operating scenarios in the event of failure of one of the sources of supply (Aravissos aqueduct / Aliakmonas aqueduct).

Note that the hydraulic model simulation is not yet operational since the results cannot be tested - regularised using metering data in real time.

#### ***EYATH's geographical remit***

According to Article 26 of Law 2937/2001, the Company's territorial remit, within which it may provide its services and conduct its business, is the following:

With regard to water supply: the Municipalities of Thessaloniki, Ampelokipoi, Kalamaria, Neapoli, Sykies, Agios Pavlos, Menemeni, Polichni, Efkarpia, Triandria, Eleftherio Kordelio, Evosmos, Stavroupoli, Panorama, Pylea, Oreokastro, Pefka, as well as the industrial area of Thessaloniki.

With regard to sewerage: the territorial remit of EYATH S.A. is divided into five regions:

**"Region A"** includes the Municipalities of Thessaloniki, Ampelokipoi, Kalamaria, Neapoli, Sykies, Agios Pavlos, Menemeni, Polichni, Triandria, Diavata, Eleftherio Kordelio, Evosmos, Stavroupoli, Pylea, Panorama, Oreokastro, the districts of Ionia and Kalohori of the Municipality of Echedoros and the Community of Efkarpia.

**"Region B"** includes the area surrounded by the rivers Gallikos and Axios, up to the sea, including the industrial zone of the major Thessaloniki area, the district of Sindos of the Municipality of Echedoros, the districts of Agios Athanasios, Anchialos, Gefyra of the Municipality of Ag. Athanasios and the districts of Halastra and Anatoliko of the Municipality of Halastra.

**"Region C"** includes the hill zone of the Thessaloniki urban area and includes the community of Pefka and the Districts of Asvestochori, Exochi, Filyro of the Municipality of Hortiatis.

**"Region D"** extends to the Municipalities of Kalamaria and Panorama, to the Sedes public baths and the airport of Mikra and includes the Industrial area and the Districts of Thermi, N. Redestos, N. Rysio and Tagarades of the Municipality of Thermi and the District of Agia Paraskevi of the Municipality of Vassilika.

**"Region E"** extends from the airport of Mikra and the districts of N. Rysio and Tagarades of Agia Paraskevi to the sea and includes the Districts of Agia Triada, Perea, N. Epivates of the Municipality of Thermaikos and the districts of Nea Michaniona, Emvolo, Angelohori of the Municipality of Michaniona.

The Company, under a contract signed with the corresponding Municipality and EYATH Fixed Assets can undertake the existing network of local government authorities in one of the above regions and the obligation to provide water supply or sewerage services to the corresponding Municipality. The Company, under a contract signed with the corresponding Municipality, EYATH Fixed Assets, and

approved by a joint decision of the co-competent ministers, can extend its activity to the territory of local government authorities that are outside the above regions.

Note that the operations of no operating sector have been discontinued.

## **GROUP AND COMPANY RESEARCH & DEVELOPMENT OPERATIONS**

During the period ended the Group spent € 78 thous. on R&D expenses which related primarily to staff salaries for their participation in research activities and third party fees and expenses for a pilot scheme to use satellites to identify hidden leaks.

### ***Research projects***

#### *Smart-water*

The Company is participating in a project entitled "Smart infrastructure for remote metering of water consumption and management of water demand" (known as SMART-WATER) as part of the 2014-2020 NSRF, which is a research partnership between EYATH S.A., the telecom company Apifon, the Information and Communication Technologies Institute of the Centre for Research and Technology Hellas (CERTH), and focuses on the following objectives:

The total budget for this project is around € 660 thous., of which around € 490 thous. will be financed with public money. EYATH S.A.'s budget is around € 170 thous., of which around € 87.5 thous. will be financed with public money. During 2018 the contract was signed and in the first half of 2020 installation of the necessary equipment commenced, which is expected to be completed by September 2020.

As part of the Smart-Water research programme, in the first half of 2020 EYATH S.A. and its partners in the programme (Apifon, Information and Communication Technologies Institute/CERTH) submitted a research article entitled: 'Making Urban Water Smart: The SMART-WATER solution' to the journal "Water Science and Technology" for publication (the publication was accepted).

During the first half of 2020 the company participated in submitting three proposals for research projects in the European R&D Funding Programme, Horizon2020, one of which was approved in the second half of the year and the other was in the second phase of evaluation. The total EU budget and financing (100%) for these two projects is estimated at € 131,000 thous. for EYATH.

During the first half of the year, the H2020 Research Project was successfully continued, entitled: "Enhancing Standardisation strategies to integrate innovative technologies for Safety and Security in existing water networks" (Aqua3S) with a budget for EYATH S.A. of € 188 thous., with EU funding of € 132 thous., and the project entitled "Monitoring and Methodologies for the removal of emerging pollutants from liquid waste" as part of the "Bilateral and Multilateral R&D Cooperation between Greece and China - Competitiveness, Entrepreneurship and Innovation" Programme, which has a budget of € 50 thous. for EYATH and provides financing of € 39 thous.

To study the marine environment close to the two submerged waste disposal pipes from the two waste treatment plants, and along the coastline near the White Tower, the company entered into a self-financed agreement with the Aristotle University of Thessaloniki's Special Account for Research Grants and the School of Civil Engineering to implement the "Thermaikos Bay Quality Monitoring Programme". During the first half of the year two out of three of the seasonal sailings (for winter and spring) of 2020 took place (budget of around € 20 thous.).

## **CORPORATE SOCIAL RESPONSIBILITY**

Issues of top priority on the international agenda are to secure access for all to water supply / sewerage services by 2030, and proper and sustainable management of water resources for future generations, and are in fact the UN's 6th sustainable development target.

EYATH S.A. works daily to achieve that target within the context of corporate responsibility: Its strategy includes highlighting the vital relationship it has with the local community, and ensure it has a positive environmental impact on the area. Through dialogue with stakeholders -staff, customers, investors, suppliers, the local community in which it operates- mutual targets can be set which can then be implemented as part of the company's CSR strategy.

EYATH's undisputed role as a public benefit enterprise is reinforced through societal measures designed to improve the quality of life of citizens, to improve their health and protect the environment, all of which are sectors directly related to the company's business activities.

We have opted to focus our commitments on 4 key aspects and present our performance in those areas: the environment, society, human resources and culture. EYATH S.A.'s values are therefore being turned into reality in the following areas:

1. Natural resources and the environment
2. Society and vulnerable social groups
3. Human Resources and Training
4. Culture and Sport

With the same philosophy, when the pandemic was under way EYATH took measures to focus on its employees so that staff were safe and active during the crisis. It prepared a business plan for the employment of staff which involved a skeleton staff, tele-working and rotating work depending on staff duties, and closed offices providing services to the public early on. The normal flow of payroll and the immediate implementation of all circulars from ministries to safeguard personal health and hygiene allowed employees to offer their services to consumers in Thessaloniki without problems.

At the same time, care was also taken to support the local community of Thessaloniki: The Company announced very early on that it would not cut off water supply due to debts during the crisis, while new water supply connections were treated as a matter of priority given the vital importance of water for citizens' hygiene. In addition, an extension was given for bill payments. Company management also decided to procure special equipment to combat COVID-19 for the AHEPA reference hospital, and support was provided to a new Greek magazine which is sold in the streets to assist groups of unemployed and homeless people who were particularly affected during that period.

## **NATURAL RESOURCES AND THE ENVIRONMENT**

Water is our most precious natural resource. That's why for EYATH S.A. ensuring sustainable water management is synonymous with protecting the natural environment; a concept interrelated with sustainable development.

EYATH S.A.'s commitment to environmental protection takes shape through the company's day-to-day practices and all its business activities comply with environmental law.

More specifically:

- it fully implements Community and national environmental law, seeking to minimise the impacts of its activities on the environment;
- it engages in R&D, ever seeking out ways to protect and improve the environment;
- it is planning systematic modernisation of the water supply network to reduce leaks;
- it is working in partnership with similar European companies and bodies as part of research activities on the impact of climate change on aquifers, helping promote solutions to stimulate sustainable development in our area and the wider SE Europe region. One example is its active participation in EUREAU, the European Federation of National Associations of Water and Wastewater Services;
- it invests in improving its facilities to ensure better performance and reduce energy consumption;
- it actively contributes to cleaning the surface of the sea in the bay of Thessaloniki, removing floating objects, oil spills or contaminants;

- it removes urban and industrial wastewater from the urban area via an extensive sewerage network, controlled by remotely controlled and operated systems;
- it operates a state-of-the-art GIS system for preventative maintenance and rapid response to emergencies;
- it implements a programme to re-use water treated at the Thessaloniki Waste Water Treatment Plant to irrigate areas of land in the Halastra - Kalohori plains during droughts;
- it has significantly reduced the time required to carry out network-related tasks (new connections, relocations, extensions, etc.);
- it also ensures environmentally and socially beneficial management of sewage sludge and seeks to improve the biogas production and exploitation unit running on sewage sludge which is already in operation at the Sindos Biological Treatment Plant, and to utilise its heat generating capacity;
- it systematically recycles at the workplace and uses environmentally-friendly materials;
- it is focusing on rationalising business travel and on applying environmental criteria to procurement;
- it has (a) a Sewerage & Environment Quality Control Lab which carries out environmental tests every day at the outlets of the waste water treatment plants and industries (around 1,500 tests which generate over 12,000 quality analyses) and (b) a Drinking Water Testing Lab in cooperation with the Quality Control Lab at the Water Treatment Plant which receives over 3,000 samples of water and carries out around 50,000 chemical and microbiological tests a year, implementing the relevant legislation. Both labs systematically participate each year in the inter-laboratory tests and now have an ISO 17025 quality management system.
- The Drinking Water Testing Lab implements a quality management system that conforms to ISO 17025.
- it shares know-how with other water management bodies such as municipal water supply and sewerage companies, and provides training services to bodies and organisations that lack experience and knowledge about how to manage water resources and waste water;
- it participates in financed research programmes.

Responding to a request from the Ministry of the Interior (Macedonia & Thrace Sector) the company's Board resolved in June to once again contribute to cleaning up Thermaikos Gulf from floating objects and oil spills, and to combating cases of pollution by oil and other substances, and it also carries out unscheduled cleaning operations for pollution phenomena such as red tides. Moreover, on World Environment Day the company ran a volunteer tree planting event and created a vegetable garden at the Lighthouse of the World's new accommodation centre in Dendropotamos; it is a charity doing amazing social work to integrate Roma youth into society in a sensitive run-down area of Thessaloniki.

## SOCIETY AND VULNERABLE SOCIAL GROUPS

In this sector:

- It is exploring innovative procedures and automated processes to optimise day-to-day operations at its facilities and ensure better customer service (e-transactions, web-banking, payments via an extensive network of supermarkets, and other similar ideas);
- it offers a social tariff to vulnerable groups of citizens using the same criteria applied by PPC for its social household tariff, and also offers a broad spectrum of repayment plans for overdue debts for all debtors as well as more favourable terms for the financially disadvantaged;
- it facilitates customers via improved e-services and a wide network of partners and associated businesses (150 super markets in the prefecture of Thessaloniki and neighbouring prefectures of Halkidiki, Pieria, Imathia, Pella and Kilkis at no extra charge, and at all associated OPAP agencies and Hellenic Post Office branches and Banks);
- it makes donations on a case-by-case basis in areas which have been declared in a state of civil emergency;
- it runs info-campaigns for the public about the options available to socially and financially vulnerable population groups;

- it offers work and professional experience to students and pupils at technical schools as part of their internships;
- it helps improve the life of refugees in refugee camps in the wider area of Thessaloniki, providing material aid (radiators) and carrying out infrastructure works (water supply and sewerage facilities at those camps, and repairs to damaged facilities);
- it has a long-standing partnership with a magazine sold in the streets to support the unemployed, since its head offices are a 'safe haven' for sellers, and also supports unemployed people in Thessaloniki via the Labour Centre;
- it encourages staff to get involved in volunteering (by collecting food or other items for the poor, participating in running events for social causes, etc.);
- it collaborates with the academic community at specialist and general events on environmental issues, attracting audiences comprised of students, experts and ordinary citizens;
- it helps students by providing targeted scholarships. The company has signed an open-ended MoU with the Aristotle University of Thessaloniki and is funding two scholarships: both are annual and are for postgraduate studies in fields relevant to EYATH S.A., while another one is for 4 years to finance the cost of a PhD;
- it presents a 1-hour programme entitled 'The sewerage cycle in Thessaloniki' approved by the Ministry of Education, to brief primary school pupils about daily influxes to the sewerage network and raise their awareness;
- it prepares educational programmes for children as part of the Thessaloniki International Fair;
- it cultivates ecological awareness among consumers thanks to info-campaigns and above all via daily visits by tens of primary and secondary school pupils, students, associations, and special groups (such as refugees, etc.), to the Water Supply Museum;
- it participates in World Water Day celebrations on 22 March and World Environment Day events on 5 June, hosting info-events for the general public;
- it supports the activities of local bodies and organisations relating to the environment and water;
- it donates electronic equipment to schools in Thessaloniki.

## **HUMAN RESOURCES AND TRAINING**

In the human resources sector:

- it provides group life and health insurance for employees;
- it invests in developing its employees' skills in life-long learning, offering numerous chances for training both via specialised seminars and post-graduate training;
- it supports the families of staff, covers the costs of kindergartens and summer camps for employees' children;
- it rewards the children of employees who enter university;
- it organises parties for employees' children;
- it implements policies to protect the H&S of all employees;
- it ensures equal opportunities for both genders when it comes to promotions;
- it offers employees a work uniform and personal protection equipment.

## **CULTURE AND SPORT**

In the well-being and cultural advancement sector:

- it runs the Water Supply Museum which is visited every year by around 6,000 children and individual visitors;
- it provides support to sports clubs and associations;
- it supports cultural activities, sports and artistic events in the city, promoting the idea of culture and the good life;

- it keeps an archive of maps, letters and other documents at the Water Supply Museum which cover the history of water supply in Thessaloniki and are available to any interested parties.

#### COMPANY BRANCHES

During the current year, as well as during the previous one, the Company had no branches outside the Thessaloniki urban area through which it engages in its business activities.

#### OWN SHARES HELD BY THE GROUP AND THE COMPANY

At year-end no shares of the parent Company were held by the same or another company included in the consolidation.

#### RISKS

##### *Risk related to the sector in which the Group operates*

As regards the possibility of the future deregulation of the market, in relation to EU law and its possible impact on the Group, we note that due to the nature of the installed infrastructure (mainly underground networks and tanks), the water supply - sewerage sector is a typical example of a physical monopoly, where the development of alternative networks and the creation of competition conditions, where customers could choose between different suppliers of processed drinking water, is practically impossible. Moreover, EYATH's product suffers from inelasticity.

We further note that in all countries of the European Union, as well as the rest of the world, water supply-sewerage services are provided by private or state companies or local government authorities without any capability of developing competition within the specific geographical boundaries where these companies provide their services.

The specific characteristics of the water supply and sewerage sector (that differentiate this utility sector), are recognised by the European Union, and never to this date has an issue ever been raised regarding the abolition of the monopoly of the sector, and the development of competition, as for example was the case in the telecommunication services sector.

Therefore, we do not consider possible, at least in the foreseeable future, the possibility of development of competition in this sector.

##### *Financial risk factors*

The Group's main financial tools are cash, bank deposits, trade and other receivables and liabilities. Management examines and periodically reviews the policies and procedures related to financial risk management, such as credit risk and liquidity risk, which are described below:

##### **Market risk**

###### *(i) Exchange rate risk*

The Group and the Company do not face exchange rate risks, because throughout the year ended they did not carry out transactions in foreign currency and all assets and liabilities were in euro.

###### *(ii) Price risk*

As regards price risk, the Group is not exposed to significant risk of fluctuation of the variables that determine both revenues and cost.

###### *(iii) Cash flows and fair value of risk rate*

The Group has a limited interest rate risk in interest-bearing assets (time deposits) and therefore the income and the operating cash flows depend, to a point, on the changes to the interest rate market.

There were no loan liabilities on 30/06/2020.

Management is monitoring interest rate fluctuations on an ongoing basis, and evaluates in each case the duration and the type of time deposits.

### Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash at hand and cash in banks, as well as credit exposure to customers, including significant receivables and transactions made.

The Company is constantly monitoring its receivables, either separately or per group (customer categories) and incorporates this information into its credit control processes.

Cash and cash equivalents do not entail significant credit risk. Trade and other receivables include receivables from private customers, with a relatively limited degree of risk of losses, mainly due to the broad dispersion of the receivables, whereas for receivables from the State and the broader public sector, the company examines the possibility of collecting due debts by drawing up contracts or through legislative regulations.

At the end of the period, Management deemed that there is no significant credit risk that is not covered by some collateral or an adequate provision for bad debt.

None of the financial assets has been secured with a mortgage or other form of credit security.

### Liquidity risk

Liquidity risk is kept low, by means of ensuring high cash assets.

As regards the Company's and the Group's cash, note that it is deposited in sight and time accounts in Greek banks and at the Bank of Greece. On the other hand, the Group operates in the domestic market and is not affected by potential adversities, because it does not have any significant transactions with foreign suppliers, which might have affected its smooth operation.

The Group continues to follow-up these developments carefully, taking any measure needed to ensure the unhindered continuation of its business activity and will inform investors immediately about any effect which the unfolding events may have on its operation, financial position and results.

### SIGNIFICANT TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

According to the Group, related parties are members of the Board of Directors, members of Management, as well as the shareholders holding a significant percentage of its share capital (including their related persons). Note that in the 2018 accounting period the Company's financial statements were included in the consolidated financial statements of HCAP S.A. for the first time. Consequently, the Group considers the entities related to HCAP S.A. to be related parties.

The Group's trading transactions with these related parties during the 01/01/2020-30/06/2020 period were carried out under market terms and in the framework of its usual business activity. The transactions and the balances of the Group's and Company's related parties, during the 1.1.2020 - 30.6.2020 period and on 30.6.2020 respectively, as well as during the previous period, are broken down in thousands of euro in the following tables (see note 19 of the financial statements):

	THE GROUP		THE COMPANY	
	1.1-30.06.2020	1.1-30.06.2019	1.1-30.06.2020	1.1-30.06.2019
Income from other related parties consolidated along with HCAP S.A.	68	50	68	50
Expenses to other related parties consolidated along with HCAP S.A.	5,860	6,277	5,860	6,277
Transactions with and fees for executives and board members	457	313	457	313
Transactions with other related parties	3	-	3	-



Transactions with and fees for executives and board members relate to salaries.

Income from other related parties consolidated along with HCAP S.A. relates primarily to water supply and sewerage network service revenues.

Expenses from related parties consolidated along with HCAP S.A. relate primarily to services received, most of which were expenses for electricity supplied by PPC and the leasing of properties.

	THE GROUP		THE COMPANY	
	30/06/2020	31/12/2019	30/06/2020	31/12/2019
Receivables from subsidiary	-	-	24	25
Receivables from other related parties consolidated along with HCAP S.A.	649	598	649	598
Liabilities from other related parties consolidated along with HCAP S.A.	2,451	2,788	2,451	2,788
Receivables from management executives and board members	8	2	8	2
Liabilities to management executives and board members	11	6	11	3

The Company's receivable from a subsidiary of € 24 mainly related to receivables in lieu of the approved dividend.

Receivables and liabilities from other related parties consolidated along with HCAP S.A. of € 649 and € 2,451 related to receivables for income from providing water supply and sewerage services both billed and accrued, and services received and prepaid property rental expenses.

Liabilities to management executives and board members related to salaries payable.

#### STRUCTURE OF THE COMPANY'S SHARE CAPITAL (amounts in €)

The Company's Share Capital amounts to forty million six hundred and fifty six thousand euro (€ 40,656,000) divided into thirty six million three hundred thousand (36,300,000) ordinary registered shares with voting rights, of a nominal value of one euro and twelve cents (€ 1.12) each.

Company shares are listed for trading on the Equities Market of the Athens Exchange (Category: Large Capitalisation). The Company's shareholders rights arising from shares depend on the percentage of capital held which corresponds to the share's paid value.

Each share grants all the rights specified by law and the Company's Articles of Association and in particular:

- Right to obtain a dividend from the Company's annual profits.

35% of the net profits (having deducted the statutory reserve first) are distributed from the profits each fiscal year to shareholders as a first dividend, unless the General Meeting stipulates otherwise. The General Meeting also decides on whether to distribute any additional dividend. For 2019 a dividend of € 0.268/share was approved due to the high levels of cash assets. All persons who are shareholders before the dividend cut-off date are entitled to a dividend. The dividend to which each share is entitled shall be paid to the shareholder within two (2) months of the date of approval by the Ordinary General Meeting of the annual financial statements. The place and manner of payment is announced in the press. Dividends not collected within 5 years from the end of the year in which the General Meeting approved distribution, devolve to the State.

- The right to receive the contribution paid upon liquidation or to write off capital corresponding to the shares, where this is decided upon by the General Meeting.
- The pre-emptive right in each increase of the Company's share capital with cash and new shares.
- The right to receive a copy of the financial statements and reports of chartered auditors and the Company's Board of Directors.
- The right to participate in the General Meeting which consists of the following specific rights: legal standing, attendance, participation in discussions, submission of proposals on items on the agenda, entry of views in the minutes and voting rights.
- The General Meeting of the Company's shareholders shall retain all its rights during the period of liquidation.

Shareholders' liability is limited to the nominal value of the shares held.

#### LIMITATIONS TO THE TRANSFER OF THE COMPANY'S SHARES

Shares can be transferred in the manner specified in Article 41 of Law 4548/2018 and there are no restrictions on transfer contained in its Articles of Association. Company shares are dematerialised and listed on the Athens Exchange.

#### SIGNIFICANT DIRECT OR INDIRECT HOLDINGS WITHIN THE MEANING OF ARTICLES 9 TO 11 OF LAW 3556/2007

Shareholders with a significant holding in the Company's share capital on 30/06/2020 were as follows:

SHAREHOLDER	Number of shares held	Holding on 30/06/2020	
HCAP	18,150,001	50.00%	+1
HRADF	8,717,999	24.02%	
SUEZ GROUPE	1,982,870	5.46%	
Other shareholders	7,449,130	20.52%	
<b>Total</b>	<b>36,300,000</b>	<b>100.00%</b>	

#### HOLDERS OF ALL CLASSES OF SHARES ENTITLING THEM TO SPECIAL RIGHTS OF CONTROL

There are no shares in the Company granting their holders special rights of control.

#### LIMITATIONS ON THE VOTING RIGHT - DEADLINES FOR EXERCISING RELEVANT RIGHTS

The Company's Articles of Association contain no restrictions on voting rights deriving from its shares.

#### AGREEMENTS BETWEEN COMPANY SHAREHOLDERS

The Company is not aware of the existence of agreements between its shareholders which entail restrictions on the transfer of its shares or the exercise of voting rights deriving from its shares.

#### RULES ON THE APPOINTMENT AND REPLACEMENT OF BOARD MEMBERS AND AMENDMENTS OF THE ARTICLES OF ASSOCIATION

The rules contained in the Company's Articles of Association on appointment and replacement of members of the Board of Directors and amendment of the provisions of the Articles of Association are not different from those contained in Law 4548/2018.

#### POWERS OF THE BOARD OF DIRECTORS OR SPECIFIC MEMBERS TO ISSUE NEW SHARES OR PURCHASE OWN SHARES

Article 8 of the Company's Articles of Association states that the General Meeting may reach a decision, to be published in the manner required by Articles 12, 13, 14 of Law 4548/2018 as in force, granting the Board of Directors the right to make a decision by a 2/3 majority at least of its members to increase the share capital in whole or in part by issuing new shares up to the paid-up share capital on the date that the said power was granted to the Board of Directors. The Board of Directors' competence to purchase own shares is laid down in the provisions of Articles 48, 49 and 52 of Law 4548/2018. There is no provision to the contrary in the Company's Articles of Association.

#### ANY SIGNIFICANT AGREEMENT CONCLUDED BY THE COMPANY WHICH ENTERS INTO FORCE, IS AMENDED OR ENDS, IN CASE OF CHANGE IN CONTROL OF THE COMPANY FOLLOWING A TAKEOVER BID

There are no other agreements that enter into force, are amended or end in case of a change in the Company's control, following a takeover bid, beyond the trilateral concession agreement between EYATH SA, EYATH Fixed Assets and the Greek State, which was ratified with Law 2937/2001 Government Gazette 169-A-26.7.2001.

**ANY AGREEMENT BETWEEN THE COMPANY AND ITS BOARD MEMBERS PROVIDING FOR COMPENSATION IF THEY RESIGN OR ARE MADE REDUNDANT WITHOUT VALID REASON OR IF THEIR EMPLOYMENT CEASES BECAUSE OF A TAKEOVER BID**

There are no agreements between the Company and members of the Board of Directors or staff which provide for the payment of remuneration specifically in the case of resignation or dismissal without just cause or termination of service or employment due to a takeover bid.

**DIVIDEND POLICY**

On 16.6.2020 the General Meeting approved distribution of a dividend of € 0.268/share, or € 9,728 thous. in total for 2019 for all 36,300,000 bearer shares, compared to € 4,574 thous. in the previous year.

The dividend is subject to a 5% withholding tax. The net amount of dividends (after the withholding) cannot be assessed before the dividend is paid and the Hellenic Central Securities Depository is notified because some investors receive special tax breaks and are exempt from the withholding tax.

**EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

There are no events between 30 June 2020 and the date on which the financial statements were approved by the Company's Board of Directors which could materially affect the financial position or the Company's results for the period that ended on this date, or other events which should be disclosed in the financial statements.

Thessaloniki, 24 September 2020

**ON BEHALF OF THE BOARD OF DIRECTORS**

Confirmed by

Agis Papadopoulos

Anthimos Amanatidis

Nikos Klitou

Chairman of the Board of Directors

CEO

Board member

Chairman of the Audit Committee

ID Card No. AN 201633

ID Card No. AE 125155

ID Card No. AM 674658

## Review Report of Independent Certified Public Accountant

To the Board of Directors of THESSALONIKI WATER SUPPLY AND SEWERAGE CO. S.A.

### Report on Review of Interim Financial Information

#### Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of the Company THESSALONIKI WATER SUPPLY & SEWERAGE CO S.A. as at 30 June 2020 and the related separate and consolidated condensed income statement and statement of comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes that comprise the interim financial information, which form an integral part of the six-month financial report of Law 3556/2007. Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with the International Financial Reporting Standards as adopted by the European Union and applied to interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

#### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily on persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Auditing Standards which have been incorporated into Greek law, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

#### Reference to other legal and regulatory issues

Our review did not identify any material inconsistencies or mistakes in the statements made by members of the Board and the information in the six-monthly management report from the Board, as defined in Articles 5 and 5a of Law 3556/2007, compared to the condensed separate and consolidated financial report.

Athens, 24 September 2020

The Certified Public Accountant

Andreas Sofis

ICPA Reg. No. 47771



Ορκωτοί Ελεγκτές Σύμβουλοι Επιχειρήσεων  
Ζεφύρου 58, 17564 Πλάκα Φάληρο  
Α.Μ. ΣΟΕΑ 127

## Statement of Financial Position

Not e:	THE GROUP		THE COMPANY		
	30/06/2020	31/12/2019	30/06/2020	31/12/2019	
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Tangible assets	5	64,115	65,898	64,115	65,898
Intangible assets	5	235	217	235	217
Participations in subsidiaries	7	-	-	60	60
Deferred tax assets		3,602	3,571	3,602	3,571
Other long-term assets		2,259	2,972	2,259	2,972
Right-of-use assets	6	895	1,072	895	1,072
Financial assets measured at fair value through other comprehensive income		50	50	50	50
<b>Total non-current assets</b>		<b>71,156</b>	<b>73,780</b>	<b>71,216</b>	<b>73,840</b>
<b>Current Assets</b>					
Inventories	8	1,714	1,592	1,714	1,592
Trade receivables and contractual assets	9	66,233	63,002	66,217	62,987
Other receivables	9	3,965	4,361	3,984	4,385
Cash and cash equivalents	10	83,994	75,844	83,500	75,329
<b>Total current assets</b>		<b>155,907</b>	<b>144,799</b>	<b>155,416</b>	<b>144,292</b>
<b>TOTAL ASSETS</b>		<b>227,062</b>	<b>218,579</b>	<b>226,631</b>	<b>218,132</b>
<b>LIABILITIES</b>					
<b>Equity</b>					
Share capital	11	40,656	40,656	40,656	40,656
Premium on capital stock		2,830	2,830	2,830	2,830
Reserves		30,346	30,346	30,323	30,323
Results carried forward		104,488	109,380	104,140	109,054
<b>Total equity</b>		<b>178,320</b>	<b>183,212</b>	<b>177,949</b>	<b>182,863</b>
Non-controlling interests		-	-	-	-
<b>Total equity</b>		<b>178,320</b>	<b>183,212</b>	<b>177,949</b>	<b>182,863</b>
<b>Liabilities</b>					
<b>Long-term liabilities</b>					
Long-term borrowing					
Provisions for employee benefits	12	2,001	2,044	2,001	2,044
Provisions for contingencies and expenses	13	4,236	3,571	4,236	3,571
Grants		1,116	1,291	1,116	1,291
Long-term lease liabilities	15	349	469	349	469
Other long-term liabilities		15,574	15,411	15,574	15,411
<b>Total long-term liabilities</b>		<b>23,276</b>	<b>22,785</b>	<b>23,276</b>	<b>22,785</b>
<b>Short-term liabilities</b>					
Trade and other liabilities	14	12,964	12,188	12,923	12,099
Short-term lease liabilities	15	292	342	292	342
Dividends payable		9,660	43	9,660	43
Short-term tax liabilities	16	2,550	9	2,531	0
<b>Total short-term liabilities</b>		<b>25,466</b>	<b>12,582</b>	<b>25,406</b>	<b>12,484</b>
<b>Total Liabilities</b>		<b>48,742</b>	<b>35,367</b>	<b>48,682</b>	<b>35,269</b>
<b>TOTAL OWNERS' EQUITY AND LIABILITIES</b>		<b>227,062</b>	<b>218,579</b>	<b>226,631</b>	<b>218,132</b>

The disclosures on pages 36 to 57 are an integral part of these interim condensed financial statements.

## Statement of Comprehensive Income

	Note:	THE GROUP		THE COMPANY	
		1.1-30.06.2020	1.1-30.06.2019	1.1-30.06.2020	1.1-30.06.2019
-					
Sales		34,464	35,622	34,464	35,622
Less: Cost of sales		(21,410)	(20,928)	(21,410)	(20,928)
<b>Gross profit margin</b>		<b>13,054</b>	<b>14,693</b>	<b>13,054</b>	<b>14,693</b>
Other operating income		1,144	506	1,108	471
		<b>14,198</b>	<b>15,199</b>	<b>14,163</b>	<b>15,165</b>
Selling and distribution expenses		(3,233)	(3,215)	(3,233)	(3,215)
Administrative expenses		(2,576)	(2,307)	(2,570)	(2,284)
Research & Development expenses		(78)	(93)	(78)	(93)
Other operating expenses		(1,200)	(205)	(1,200)	(205)
<b>Operating results</b>		<b>7,111</b>	<b>9,378</b>	<b>7,081</b>	<b>9,368</b>
Net financial income		270	658	269	657
<b>Normal operating results</b>		<b>7,380</b>	<b>10,036</b>	<b>7,350</b>	<b>10,025</b>
<b>Results before tax</b>		<b>7,380</b>	<b>10,036</b>	<b>7,350</b>	<b>10,025</b>
Income tax	17	(2,544)	(3,414)	(2,536)	(3,408)
<b>Results net of tax</b>		<b>4,837</b>	<b>6,622</b>	<b>4,814</b>	<b>6,617</b>
<b>Allocated among:</b>					
Parent company shareholders		4,837	6,622	4,814	6,617
Non-controlling interests		-	-	-	-
<b>Other comprehensive income net of tax:</b>					
Data that will not be subsequently classified in the Income Statement:					
Actuarial Results		-	-	-	-
<b>Total comprehensive income net of tax</b>		<b>4,837</b>	<b>6,622</b>	<b>4,814</b>	<b>6,617</b>
<b>Allocated among:</b>					
Parent company shareholders		4,837	6,622	4,814	6,617
Non-controlling interests		-	-	-	-
<b>Earnings per share (in euro per share)</b>	18	<b>0.1332</b>	<b>0.1824</b>	<b>0.1326</b>	<b>0.1823</b>

The disclosures on pages 36 to 57 are an integral part of these interim condensed financial statements.

## Statement of Changes in Equity

## Statement of changes in equity (Group)

	Share capital	Share premium	Statutory reserve	Other reserves	Other comprehensive income / results carried forward	TOTAL
<b>Balance on 01/01/2020 according to IFRS</b>	<b>40,656</b>	<b>2,830</b>	<b>13,310</b>	<b>17,035</b>	<b>109,381</b>	<b>183,212</b>
Total comprehensive income net of tax 01/01 - 30/06/2020	-	-	-	(0)	4,837	4,837
Dividends distributed	-	-	-	-	(9,728)	(9,728)
<b>Balance on 30/06/2020 according to IFRS</b>	<b>40,656</b>	<b>2,830</b>	<b>13,310</b>	<b>17,035</b>	<b>104,490</b>	<b>178,320</b>
<b>Balance on 01/01/2019 according to IFRS</b>	<b>40,656</b>	<b>2,830</b>	<b>12,583</b>	<b>17,035</b>	<b>100,034</b>	<b>173,138</b>
Total comprehensive income net of tax 01/01 - 30/06/2019	-	-	-	-	6,622	6,622
Dividends distributed	-	-	-	-	(4,574)	(4,574)
<b>Balance on 30.06.2019 according to IFRS</b>	<b>40,656</b>	<b>2,830</b>	<b>12,583</b>	<b>17,035</b>	<b>102,082</b>	<b>175,186</b>
<b>Balance on 01/01/2019 according to IFRS</b>	<b>40,656</b>	<b>2,830</b>	<b>12,583</b>	<b>17,035</b>	<b>100,034</b>	<b>173,138</b>
Total comprehensive income net of tax 01/01 - 31/12/2019	-	-	727	-	13,932	14,658
Other Comprehensive Income for the period 01/01 - 31/12/2019	-	-	-	-	(11)	(11)
Dividends distributed	-	-	-	-	(4,574)	(4,574)
<b>Balance on 31/12/2019 according to IFRS</b>	<b>40,656</b>	<b>2,830</b>	<b>13,310</b>	<b>17,035</b>	<b>109,381</b>	<b>183,212</b>

## Statement of changes in equity (Company)

	Share capital	Share premium	Statutory reserve	Other reserves	Other comprehensive income / results carried forward	Total
<b>Balance on 01/01/2020 according to IFRS</b>	<b>40,656</b>	<b>2,830</b>	<b>13,288</b>	<b>17,035</b>	<b>109,054</b>	<b>182,863</b>
Total comprehensive income net of tax 01/01 - 30/06/2020	-	-	-	(0)	4,814	4,814
Dividends distributed	-	-	-	-	(9,728)	(9,728)
<b>Balance on 30/06/2020 according to IFRS</b>	<b>40,656</b>	<b>2,830</b>	<b>13,288</b>	<b>17,035</b>	<b>104,140</b>	<b>177,949</b>
<b>Balance on 01/01/2019 according to IFRS</b>	<b>40,656</b>	<b>2,830</b>	<b>12,562</b>	<b>17,035</b>	<b>99,725</b>	<b>172,807</b>
Total comprehensive income net of tax 01/01 - 30/06/2019	-	-	-	-	6,617	6,617
Dividends distributed	-	-	-	-	(4,574)	(4,574)
<b>Balance on 30.06.2019 according to IFRS</b>	<b>40,656</b>	<b>2,830</b>	<b>12,562</b>	<b>17,035</b>	<b>101,768</b>	<b>174,850</b>
<b>Balance on 01/01/2019 according to IFRS</b>	<b>40,656</b>	<b>2,830</b>	<b>12,562</b>	<b>17,035</b>	<b>99,725</b>	<b>172,807</b>
Total comprehensive income net of tax 01/01 - 31/12/2019	-	-	727	-	13,914	14,642
Other Comprehensive Income for the period 01/01 - 31/12/2019	-	-	-	-	(11)	(11)
Dividends distributed	-	-	-	-	(4,574)	(4,574)
<b>Balance on 31/12/2019 according to IFRS</b>	<b>40,656</b>	<b>2,830</b>	<b>13,288</b>	<b>17,035</b>	<b>109,054</b>	<b>182,863</b>

The disclosures on pages 36 to 57 are an integral part of these interim condensed financial statements.

## Cash Flow Statement

## Indirect method

	Note:	THE GROUP		THE COMPANY	
		1.1-30.06.2020	1.1-30.06.2019	1.1-30.06.2020	1.1-30.06.2019
<b>Cash flow from operating activities</b>					
Profit / (loss) before income tax (continuing operations)		7,380	10,036	7,350	10,025
<b>Plus/(Minus) adjustments for:</b>					
Depreciation	5	3,104	3,255	3,104	3,255
Depreciation of rights-of-use	6	177	177	177	177
Depreciation of fixed asset investment subsidies		(176)	(176)	(176)	(176)
Provisions		3,117	1,714	3,117	1,701
Offsetting of prior period provisions	13	(60)	(135)	(60)	(135)
Interest and related (income) / expenses		(270)	(658)	(269)	(657)
		<b>13,273</b>	<b>14,213</b>	<b>13,243</b>	<b>14,189</b>
Decrease/ (increase) in inventories		(122)	(94)	(122)	(94)
Decrease/(increase) in trade and other receivables		(4,503)	(2,287)	(4,499)	(2,298)
Increase / (Decrease) of trade and other liabilities (except loans)		308	1,619	354	1,606
Decrease/ (increase) in other long-term receivables		588	(1,121)	588	(1,121)
(Less):					
Interest charges and related expenses paid		(53)	(49)	(53)	(49)
<b>Total inflow/(outflow) from operating activities (a)</b>		<b>9,490</b>	<b>12,281</b>	<b>9,512</b>	<b>12,234</b>
<b>Cash Flows from Investing Activities</b>					
Purchases of tangible assets	5	(1,273)	(1,097)	(1,273)	(1,097)
Purchase of intangible assets	5	(66)	-	(66)	-
Collected interest		185	155	185	154
<b>Total inflow/(outflow) from investing activities (b)</b>		<b>(1,154)</b>	<b>(942)</b>	<b>(1,154)</b>	<b>(943)</b>
<b>Cash flows from financing activities</b>					
Leasing arrangement liabilities paid	15	(186)	(254)	(186)	(254)
<b>Total inflow/(outflow) from financing activities (c)</b>		<b>(186)</b>	<b>(254)</b>	<b>(186)</b>	<b>(254)</b>
<b>Net increase/(decrease) in cash and cash equivalents for the period (a) + (b) + (c)</b>		<b>8,150</b>	<b>11,085</b>	<b>8,171</b>	<b>11,037</b>
Cash assets and equivalents at start of year		75,844	71,634	75,329	71,317
<b>Cash assets and equivalents at end of period</b>	10	<b>83,994</b>	<b>82,719</b>	<b>83,500</b>	<b>82,354</b>

The disclosures on pages 36 to 57 are an integral part of these interim condensed financial statements.



## NOTES ON THE SIX-MONTH FINANCIAL REPORT

### 1. GENERAL INFORMATION ABOUT THE COMPANY AND THE GROUP

The THESSALONIKI WATER SUPPLY AND SEWERAGE CO. S.A., trading as EYATH S.A. (hereinafter the Company) has its registered offices at 127 Egnatias St., Thessaloniki GR-54635, and has been listed since 2001 with its shares traded in the high cap category on the Athens Exchange. It provides water supply and sewerage services to more than 1 million citizens in the wider Thessaloniki urban area.

Thessaloniki Water Supply and Sewerage Co. S.A. (EYATH) is a societe anonyme which was established by Article 20 of Law 2651/1998 (Government Gazette 248/A) following the merger of the companies "Thessaloniki Water Supply Organisation S.A." (OYTH S.A.) and "Thessaloniki Sewerage Organisation S.A." (OATH S.A.). Article 18 of Law 2937/2001 states that EYATH S.A. is governed by the provisions of Law 4548/2018, Article 22 of Law 2733/1999 which applies to EYATH S.A. from publication of that law, and also by the provisions of Emergency Law 1563/1939, Legislative Decree 787/1970, Presidential Decrees 156/1997 and 157/1997 and Article 20 of Law 2651/1998, and is under the supervision of the Ministers of Finance and Macedonia-Thrace.

Decision no. EFA/606/26-7-2001 of the Ministers of Economy-Finance-Macedonia-Thrace was issued pursuant to Article 18(9) of Law 2937/2001 (Government Gazette 989/B/30.07.2001), and the Company's Articles of Association were drawn up. These Articles of Association, as amended and codified on 20.12.2019, were lawfully entered in the GCR on 9.3.2020 with entry number 2099211 (notice no. 1919394).

Article 18(2) of Law 2937/2001 and Article 4(1)(a) of its Articles of Association expressly state that EYATH S.A.'s objects include the provision of water supply and sewerage services, the design, construction, installation, operation, running, management, maintenance, extension and renewal of water supply and sewerage systems. To achieve its objects, the company can (among other things) enter into all manner of contracts.

Moreover, under Article 20 of Law 2937/2001 and the tripartite agreement of 27.7.2001 signed by the Greek State, EYATH S.A. Fixed Assets and EYATH S.A., an exclusive right to provide water supply and sewerage services in the geographical areas within its remit, as defined in Article 26(1) of that same Law was conferred on EYATH S.A.

Moreover, via the subsidiary EYATH SERVICES S.A., the group seeks to provide telecom services via the water supply and sewerage networks and is also involved in the generation and sale of electricity, which is primarily generated by utilising water from springs, dams, aqueducts and pipelines.

Board of Directors:

1. Agis Papadopoulos, Chairman, non-executive member
2. Anthimos Amanatidis, CEO, executive member
3. Grigorios Penelis, Vice Chairman, independent non-executive member.
4. Theodoros Koulouris, executive member
5. Nikos Klitou, independent non-executive member, Chairman of the Audit Committee.
6. Georgios Satlas, non-executive member
7. Sofia Ammanatidou, independent non-executive member
8. Katerina Tsikaloudaki, non-executive member
9. Maria Petala, independent non-executive member
10. Georgios Archontopoulos, employee representative, non-executive member
11. Ioannis Mitziias, employee representative, non-executive member

General Commercial Reg. No.

58240404000

Auditing Company: GRANT THORNTON SA  
56 Zefyrou St.  
Paleo Faliro GR-17564  
Athens, Greece  
ICPA (GR) Reg. No. 127

## **2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS**

### **2.1 Basis of preparation of the financial statements**

These condensed financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), including the International Accounting Standards (IAS) and interpretations issued by the International Financial Reporting Interpretations Committee as adopted by the European Union up to 30 June 2020 and in accordance with International Accounting Standard 34 (Interim Financial Reporting). The condensed interim financial reporting must be considered in combination with the financial statements of 31 December 2019. The key accounting policies implemented for drawing up the interim condensed financial report of the six-month period that ended on 30 June 2020 are the same as those that followed when drawing up the annual financial statements of the year ended on 31 December 2019, which are described therein, after taking into consideration the amendments to standards and interpretations presented below, implementation of which became mandatory for accounting periods commencing after 1.1.2020. Where necessary, the comparable data have been reclassified to reconcile with any changes to the presentation of the current period data. Any differences between the amounts reported in the interim condensed financial information and the respective amounts in the notes are due to rounding.

The financial statements have been prepared based on historical cost and the going concern principle, as disclosed below in the company's accounting policies, and were approved by the BoD on 24.09.2020.

Preparing the financial statements in accordance with the IFRS requires the adoption of certain estimates and assumptions. It also requires Management to use its discretion when implementing the Company's accounting policies. When preparing these interim condensed financial statements, the main accounting estimates and judgements adopted by Management to implement the Group's accounting policies are consistent with those applied to the annual financial statements as at 31.12.2019. Moreover, the main sources of uncertainties which existed when preparing the annual financial statements as at 31.12.2019 remained unchanged for the interim condensed financial statements as at 30.6.2020.

These financial statements are presented in Euro, which is the currency of the primary economic environment in which the company operates.

### **2.2. Standards and interpretations mandatory for the fiscal year ended**

Specific new standards, amendments to standards and interpretations have been issued which are mandatory for accounting periods which commence on or after 1.1.2020. Where not otherwise stated, other amendments and interpretations which applied for the first time in 2020 have no impact on the consolidated financial statements. The Group and Company did not engage in early adoption of standards, interpretations or amendments which have been issued by the IASB and adopted by the EU, which are not mandatorily applicable in the 2020 period.

#### **Standards and interpretations mandatory for the current period**

**IFRS 3 (Amendments) "Definition of a business combination"**

The new definition focuses on the concept of an enterprise's return in the form of providing goods and services to customers, as opposed to the previous definition that focused on returns in the form of dividends, lower costs or other economic benefits to investors and other parties.

#### **IAS 1 and IAS 8 (Amendments) "Definition of materiality"**

The amendments clarify the definition of materiality, and how it should be used, supplementing the definition with guidelines that have been provided so far in other parts of the IFRSs. In addition, the clarifications accompanying the definition have been improved. Finally, the amendments ensure that the definition of materiality is consistently applied to all IFRSs.

#### **IFRS 9, IAS 39 and IFRS 7 (Amendments) "Interest Rate Benchmark Reform"**

The amendments change certain requirements on hedge accounting to make it easier to handle the potential impact of the uncertainty that a change in benchmark rates will cause. Moreover, the amendments require companies to provide additional information to investors about their hedging relationships directly affected by those uncertainties.

#### **Standards and Interpretations mandatory for later accounting periods**

#### **IFRS 17 "Insurance contracts" and Amendments to IFRS 17 (applicable to annual accounting periods beginning on or after 1.1.2023)**

IFRS 17 was issued in May 2017 and along with amendments to IFRS 17 issued in June 2020, it replaces IFRS 4. IFRS 17 establishes the principles of recognition, measurement and presentation of insurance contracts which fall within the standard's scope and sets out the relevant disclosures. The purpose of the standard is to ensure that an entity provides relevant information that presents a reasonable picture of these contracts. The new standard resolves comparability problems which existed under IFRS 4 since it requires all insurance contracts to be accounted for in a consistent manner. Insurance liabilities must be measured at current cost and not at historical cost. The standard has not yet been adopted by the European Union.

#### **IFRS 16 (Amendment) "COVID-19-related rent concessions" (applicable to annual accounting periods beginning on or after 1.6.2020)**

The amendment provides lessees (but not lessors) with the possibility of optional exemption from the assessment of the extent to which a COVID-19-related rent concession is an amendment of the lease. Lessees can choose to account for rent concessions in the same way they would for changes which are not lease amendments. This amendment has not yet been adopted by the European Union.

#### **IFRS 4 (Amendment) "Extension of the temporary exemption from applying IFRS 9" (applicable to annual accounting periods beginning on or after 1.1.2021)**

The amendment changes the specified end date for the temporary exemption in IFRS 4 (Insurance Contracts) from the application of IFRS 9 (Financial Instruments) so that entities are obliged to apply IFRS 9 for annual periods beginning on or after 1.1.2023. This amendment has not yet been adopted by the European Union.

#### **IAS 1 (Amendment) "Classification of liabilities as current or non-current" (applicable to annual accounting periods beginning on or after 1.1.2022)**

This amendment clarifies that liabilities are classified as current or non-current based on the rights in force at the end of the reporting period. Classification is not affected by the entity's expectations or by events after the reporting date. Moreover, the amendment clarifies the meaning of the term 'settlement' of an obligation under IAS 1. This amendment has not yet been adopted by the European Union.

#### **IAS 16 (Amendment) "Property Plant and Equipment – Proceeds before intended use" (effective for annual accounting periods beginning on or after 1.1.2022)**

The amendment prohibits an entity from deducting from the cost of property plant and equipment any proceeds received from the sale of items produced while the entity is readying the asset for its intended use. It also requires entities to disclose separately the amounts of income and expenses related to such

items produced which are not the result of the entity's normal activities. This amendment has not yet been adopted by the European Union.

**IAS 37 (Amendment) "Onerous Contracts — Cost of Fulfilling a Contract" (applicable to annual accounting periods beginning on or after 1.1.2022)**

The amendment clarifies that "the cost of fulfilling a contract" includes the directly correlated cost of performing this contract and the allocation of other costs directly related to its implementation. The amendment also clarifies that, before recognising a separate provision for an onerous contract, an entity must recognise any impairment losses on the assets used to fulfil the contract, and not on assets dedicated only to the specific contract. This amendment has not yet been adopted by the European Union.

**IFRS 3 (Amendment) "Reference to the Conceptual Framework" (applicable to annual accounting periods beginning on or after 1.1.2022)**

The amendment updated the standard to refer to the Conceptual Framework for Financial Reporting issued in 2018 when it is necessary to determine what constitutes an asset or liability in a business combination. In addition, an exception was added for certain types of liabilities and contingent liabilities acquired in a business combination. Lastly, it should be clarified that the acquirer must not recognise contingent assets as defined in IAS 37 on the acquisition date. This amendment has not yet been adopted by the European Union.

**Annual improvements to the IFRS 2018-2020 (applicable to annual accounting periods beginning on or after 1.1.2022)**

The amendments presented below describe the basic changes to four IFRSs. These amendments have not yet been adopted by the European Union.

**IFRS 9 "Financial instruments"**

The amendment examines which costs should be included in the ten per cent test for derecognition of financial liabilities. The relevant costs or fees could be paid either to third parties or to the creditor. Under the amendment, the cost or fees paid to third parties will not be included in the ten per cent test.

**IFRS 16 "Leases"**

The amendment removed the example for payments by the lessor relating to lease improvements in explanatory example 13 of the standard in order to remove any possible confusion about how lease incentives are handled.

**IAS 41 "Agriculture"**

This amendment has abolished the requirement for entities to exclude tax cash flows when measuring fair value in accordance with IAS 41.

## **2.3 Main Accounting Principles**

### **2.3.1 Investments in subsidiaries**

Subsidiaries are businesses over which the Group exerts control. The parent company acquires and exercises control via voting rights. The existence of any potential voting rights which are exercisable at the time the financial statements are prepared is taken into account in order to determine whether the parent company exercises control over subsidiaries. Subsidiaries are fully consolidated from the date on which control of them is acquired and they cease to be consolidated from the date on which such control no longer exists.

The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of acquiring a subsidiary is the fair value of the assets given, the shares issued and the liabilities assumed on the transaction date plus any cost directly associated with the transaction. Individual assets, liabilities and contingent liabilities acquired in a business combination are measured at acquisition at fair value regardless of the holding. The cost of acquisition above fair value of the specific assets acquired is

posted as goodwill. If the total acquisition cost is lower than the fair value of the individual assets acquired, the difference is directly recorded in the profit and loss account.

Intra-group transactions, balances and unrealised profits from transactions between companies in the group are crossed out. Unrealised losses are also crossed out but are taken into account as indications of impairment of the asset transferred. The subsidiary's accounting policies have been changed, where necessary, so that they are identical with those adopted by the Group.

Investments in subsidiaries in the parent company's separate financial statements are valued at acquisition cost less any accumulated impairment losses.

### 2.3.2 Basis of consolidation

The consolidated financial statements consist of the financial statements of the parent company and the subsidiary of the Group. The following table presents the parent and the subsidiary included in the consolidation, together with the corresponding participation percentages, the country where they are registered as well as their activity.

COMPANIES	% GROUP	COUNTRY	ACTIVITY
YATH S.A.	PARENT COMPANY	GREECE	Water supply & Sewerage Services
YATH SERVICES S.A.	100%	GREECE	Provision of all types of Water supply & Sewerage Services, telecommunication services & production / sale of electricity Work to build and maintain water management facilities (dams, aqueducts) and manage water resources.

## 3. SEGMENTAL REPORTING

After evaluating the Group's activity, Management has designated the Provision of Water Supply Services and the Provision of Sewerage Services as its operating segments. The break-down per segment of activity is as follows:

### 3.1 Break-down per Business Segment (primary reporting type)

#### 3.1.1 Distribution of income statement per business segment

	Group data for the period 1/1 - 30/06/2020		
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Sales to third parties	22,832	11,632	34,464
Less: Total cost of sales	(12,014)	(9,396)	(21,410)
Gross Profit (losses)	10,819	2,236	13,054
Other operating income	758	386	1,144
Selling and distribution expenses	(2,071)	(1,162)	(3,233)
Administrative expenses	(1,473)	(1,102)	(2,576)
Research & Development expenses	(49)	(29)	(78)
Other operating expenses	(795)	(405)	(1,200)
Earnings / (losses) before taxes, financial and investment results	7,188	(77)	7,111
Net Financial Income	216	54	270
Normal operating results	7,404	(23)	7,380
Results before tax	7,404	(23)	7,380
Income tax	(2,555)	11	(2,544)
Results net of tax	4,849	(12)	4,837
Earnings / (losses) before taxes, financial and investment results and depreciation	8,680	1,536	10,216

Group data for the period 1.1 - 30.06.2019			
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Sales to third parties	23,515	12,107	35,622
Less: Total cost of sales	(12,156)	(8,772)	(20,928)
<b>Gross Profit (losses)</b>	<b>11,359</b>	<b>3,335</b>	<b>14,693</b>
Other operating income	334	172	506
Selling and distribution expenses	(2,006)	(1,210)	(3,215)
Administrative expenses	(1,457)	(850)	(2,307)
Research & Development expenses	(48)	(45)	(93)
Other operating expenses	(136)	(70)	(205)
<b>Earnings / (losses) before taxes, financial and investment results</b>	<b>8,046</b>	<b>1,332</b>	<b>9,378</b>
Net Financial Income	447	211	658
Normal operating results	8,493	1,543	10,036
<b>Results before tax</b>	<b>8,493</b>	<b>1,543</b>	<b>10,036</b>
Income tax	(2,890)	(525)	(3,414)
<b>Results net of tax</b>	<b>5,603</b>	<b>1,019</b>	<b>6,622</b>
<b>Earnings / (losses) before taxes, financial and investment results and depreciation</b>	<b>9,606</b>	<b>3,028</b>	<b>12,634</b>

### 3.1.2 Distribution of Assets and Liabilities per business sector.

Group data as at 30.06.2020			
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
<b>Group data</b>			
Fixed assets	37,112	28,133	65,245
Trade receivables, contractual assets and other receivables	46,506	23,692	70,198
Non-allocated assets	-	-	91,619
<b>Total assets</b>	<b>83,618</b>	<b>51,825</b>	<b>227,062</b>
Future subsidy income	-	1,116	1,116
Liabilities	15,413	7,852	23,265
Non-allocated liabilities	-	-	202,682
<b>Total Liabilities</b>	<b>15,413</b>	<b>8,968</b>	<b>227,062</b>
Additions of Tangible and Intangible Assets	576	764	1,340

Group data as at 31/12/2019			
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
<b>Group data</b>			
Fixed assets	38,217	28,970	67,187
Trade receivables, contractual assets and other receivables	43,786	23,577	67,363
Non-allocated assets	-	-	84,030
<b>Total assets</b>	<b>82,002</b>	<b>52,547</b>	<b>218,579</b>
Future subsidy income	-	1,291	1,291
Liabilities	8,477	4,564	13,041
Non-allocated liabilities	-	-	204,247
<b>Total Liabilities</b>	<b>8,477</b>	<b>5,856</b>	<b>218,579</b>
Additions of Tangible and Intangible Assets	909	1,206	2,114

### 3.2 Break-down per Geographical Segment (secondary reporting type)

The Group's registered offices are in Greece and all the activities take place in Greece.

#### 4. CHANGES IN FINANCIALS

Group turnover came from the sale of water supply and sewerage services and stood at € 34,464 thous. compared to € 35,622 thous. during the corresponding period last year, reflecting a drop of € 1,158 thous. or 3.25%. The change in turnover was primarily due to the factors outlined below:

- The different time required to implement the new pricing policy (starting on 1.5.2019) compared to the same period last year. This policy follows the logic of reducing the price of water at low consumption levels (the largest volume of consumers) and increasing it at high levels to avoid natural resource wastage.
- The sudden appearance of coronavirus (Covid-19) at the start of 2020 and its rapid spread over the following period worldwide, with the direct result that industrial and business consumption was reduced during the reporting period.

The cost of sales was € 21,410 thous. compared to € 20,928 thous. in 2019, up € 482 thous. or 2.30%. Consequently, the gross profit for the period ended stood at € 13,054 thous. compared to € 14,693 thous. in the same period last year, down € 1,639 thous. or 11.16%. The cost of sales rose due to higher prices and reduced discounts in public utility bills (electricity bills), particularly on the water supply network, the pumping stations and the biological treatment plant.

Other operating income stood at € 1,144 thous. compared to € 506 thous., up some € 638 thous. or 126.19% primarily due to the fact that a provision was formed with respect to the financial scope of work carried out in the context of the framework agreement entitled "Cleaning and maintenance of the rainwater network in the Wider Thessaloniki Area".

The Group's operating expenses rose by € 271 thous. or 4.83% primarily due to the increase in payrolling costs as a result of implementation of the new Enterprise-Level Collective Labour Agreement signed on 3.10.2019 and the recruitment of staff on a private law fixed-term employment contract.

Other operating expenses stood at € 1,200 thous. compared to € 205 thous. in the corresponding half of 2019, up 484.11% due to the formation of provisions on sludge removal and also due to litigation.

Due to the above, Group EBT was € 7,380 thous. compared to € 10,036 thous. during the corresponding period last year, down € 2,656 thous. or approximately 26.46%. Finally, Earnings After Tax as at 30.6.2020 amounted to € 4,837 thous. compared to € 6,622 thous., down by € 1,785 thous. or 26.95%.

The EYATH S.A. Group's EBITDA during the period ended stood at € 10,216 thous. compared to € 12,634 thous. in the same period last year, down € 2,418 thous. or 19.14%.

Finally, Group cash and cash equivalents at the end of the period on 30.06.2020 stood at € 83,994 thous. compared to € 75,844 thous. on 31.12.2019, an increase of € 8,150 thous. or 10.75%.

#### 5. TANGIBLE AND INTANGIBLE ASSETS

The Group's and Company's tangible assets can be broken down as follows:

	THE GROUP						Total
	Plots – lots	Buildings and building facilities	Machinery & Mechanical Installations	Transportation equipment	Furniture and other equipment	Fixed assets under construction	
<b>Acquisition or valuation value</b>							
Balance on 01/01/2020	18,896	5,940	118,683	1,881	4,393	3,644	153,437
Additions 1/1 - 30/06/2020	-	-	210	-	99	965	1,273
<b>Total on 30/06/2020</b>	<b>18,896</b>	<b>5,940</b>	<b>118,893</b>	<b>1,881</b>	<b>4,492</b>	<b>4,609</b>	<b>154,710</b>
<b>Accumulated depreciation</b>							
Balance on 01/01/2020	-	2,352	80,552	1,307	3,328	-	87,539
Depreciation of period 1/1 - 30/06/2020	-	80	2,823	43	110	-	3,056

Total on 30/06/2020	-	2,431	83,375	1,350	3,439	-	90,595
Net carried value on 31/12/2019	18,896	3,589	38,131	574	1,064	3,644	65,898
Net carried value on 30/06/2020	18,896	3,509	35,518	531	1,053	4,609	64,115

	THE COMPANY						Total
	Plots – lots	Buildings and building facilities	Machinery & Mechanical Installations	Transportation equipment	Furniture and other equipment	Fixed assets under construction	
<b>Acquisition or valuation value</b>							
Balance on 01/01/2020	18,896	5,940	118,683	1,881	4,393	3,644	153,437
Additions 1/1 - 30/06/2020	-	-	210	-	99	965	1,273
Total on 30/06/2020	18,896	5,940	118,893	1,881	4,492	4,609	154,710
<b>Accumulated depreciation</b>							
Balance on 01/01/2020	-	2,352	80,552	1,307	3,328	-	87,539
Depreciation of period 1/1 - 30/06/2020	-	80	2,823	43	110	-	3,056
Total on 30/06/2020	-	2,431	83,375	1,350	3,439	-	90,595
Net carried value on 31/12/2019	18,896	3,589	38,131	574	1,064	3,644	65,898
Net carried value on 30/06/2020	18,896	3,509	35,518	531	1,053	4,609	64,115

Additions to assets under construction of €965 relate to works to extend and improve water supply and sewerage networks.

The Company and Group's intangible assets can be broken down as follows:

	THE GROUP		THE COMPANY	
	Software Applications	Total	Software Applications	Total
<b>Acquisition or valuation value</b>				
Balance on 01/01/2020	1,650	1,650	1,650	1,650
Additions 1/1 - 30/06/2020	66	66	66	66
Total on 30.06.2019	1,716	1,716	1,716	1,716
<b>Accumulated depreciation</b>				
Balance on 01/01/2020	1,433	1,433	1,433	1,433
Depreciation of period 1/1 - 30/06/2020	48	48	48	48
Total on 30/06/2020	1,481	1,481	1,481	1,481
Net carried value on 31/12/2019	217	217	217	217
Net carried value on 30/06/2020	235	235	235	235

No encumbrances have been registered on the Company's and the Group's assets.

## 6. RIGHT-OF-USE ASSETS

The recognised right-of-use assets which are presented in the assets in the Group and Company's statement of financial position relate to rights to use buildings. The right-of-use assets of the Company and the Group can be broken down as follows:



	THE GROUP		THE COMPANY	
	Buildings and building facilities	Total	Buildings and building facilities	Total
<b>Recognition value</b>				
Balance on 1.1.2020	1,425	1,425	1,425	1,425
Additions 1/1 - 30/06/2020	-	-	-	-
Redistributions 1/1 - 30/06/2020	-	-	-	-
Settlements 1/1 - 30/06/2020	-	-	-	-
<b>Total on 30/06/2020</b>	<b>1,425</b>	<b>1,425</b>	<b>1,425</b>	<b>1,425</b>
<b>Accumulated depreciation</b>				
Balance on 01/01/2020	353	353	353	353
Depreciation of period 1/1 - 30/06/2020	177	177	177	177
Redistributions 1/1 - 30/06/2020	-	-	-	-
Settlements 1/1 - 30/06/2020	-	-	-	-
<b>Total on 30/06/2020</b>	<b>530</b>	<b>530</b>	<b>530</b>	<b>530</b>
<b>Net carried value on 30/06/2020</b>	<b>895</b>	<b>895</b>	<b>895</b>	<b>895</b>

## 7. PARTICIPATIONS IN SUBSIDIARIES

Company participations in subsidiaries and the relevant transactions for the year can be broken down as follows:

	30-Jun-20	31-Dec-19
Opening balance	60	60
Share capital increase in holdings	-	-
Impairment of holdings	-	-
	60	60
Sale of shares in subsidiary	-	-
<b>Closing balance</b>	<b>60</b>	<b>60</b>

## 8. INVENTORIES

Group and Company inventories can be broken down as follows:

	THE GROUP		THE COMPANY	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
Raw direct and indirect materials - consumables - spare parts	1,749	1,628	1,749	1,628
Impairment of inventories	(35)	(35)	(35)	(35)
<b>Total after impairment</b>	<b>1,714</b>	<b>1,592</b>	<b>1,714</b>	<b>1,592</b>

There is an impairment provision of € 35 on the Group's inventories (2019: €35). There are no pledges on the Group's inventories.

## 9. TRADE AND OTHER RECEIVABLES

Group and Company trade receivables can be broken down as follows:

	THE GROUP		THE COMPANY	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
Trade receivables	52,745	49,358	52,729	49,342
Doubtful – bad customers and debtors	33,117	31,150	33,117	31,150
Contractual assets	12,428	13,290	12,428	13,290
Non-current receivables from currently earned income	1,060	355	1,060	355
	<b>99,350</b>	<b>94,153</b>	<b>99,335</b>	<b>94,137</b>
Less: Provision for bad debt	(33,117)	(31,150)	(33,117)	(31,150)
<b>Total trade receivables and contractual assets</b>	<b>66,233</b>	<b>63,002</b>	<b>66,217</b>	<b>62,987</b>

The “contractual assets” account relates to accrued, un invoiced income from customers from supplying water and sewerage services, which will be invoiced for in the subsequent period.

The “Non-current receivables from currently earned income” account includes a provision for un invoiced revenues for 2020 from the Central Macedonia Region for the part of the relevant bilateral agreement which was implemented.

The book values of the above receivables represent their fair value and no discounting is required on the Balance sheet date.

15.5% of the value of trade receivables comes from one customer, however, since it is a Greek state agency, the company considers that there is no question of it not being able to pay the amounts owed to the Company, nor any concentration risk from providing credit to the specific customer.

As far as the rest of the trade receivables portfolio is concerned, there is no concentration of credit risk since the Company has a large number of customers and the credit risk is spread. The change in bad debts (trade and other receivables) and the provision formed can be broken down as follows:

The change in the account 'provisions for bad debt' were as follows:

	THE GROUP		THE COMPANY	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
Balance on 1 January in accordance with IFRS 9	32,001	29,757	32,001	29,757
Provisions (expenses) for current period	2,580	2,838	2,580	2,838
Provisions used in the current period	(613)	(593)	(613)	(593)
Balance on 30 June 2020 / 31 December 2019	33,968	32,001	33,968	32,001

To measure expected future credit losses, the Group and Company divide up receivables based on maturity. The loss rates for each category of receivables were estimated based on historical data and taking into account current conditions.

The parent company sends bills to customers - consumers of water three times a year. Each bill is for the consumption of water of a calendar quarter. In 2007, the Company's management decided to charge default interest to those customers who were late at least one month in paying their bill. Decision No. 232/2020 of the Board of Directors of 2.4.2020 temporarily suspended the specific measure for the pandemic period due to the appearance of the Coronavirus.

Group and Company other receivables can be broken down as follows:

	THE GROUP		THE COMPANY	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
Loans and other receivables from staff	141	378	141	378
Short-term receivables from related parties	-	-	24	25
Sundry debtors	789	817	784	816
Advances and credit control account	106	111	106	111
Prepaid expenses	35	110	35	110
Non-current receivables from currently earned income	646	684	646	684
Greek State - Other Receivables	3,099	3,112	3,099	3,112
	4,816	5,211	4,835	5,236
Less: Provision for bad debt	(851)	(851)	(851)	(851)
<b>Total other receivables</b>	<b>3,965</b>	<b>4,361</b>	<b>3,984</b>	<b>4,385</b>

The "Loans and other receivables from staff" account includes interest-free short-term payrolling advances, cash assistance and short-term interest-bearing loans to staff.

The advances and credit management account on 30/06/2020 mainly included receivables-bills for payment of the Company's collectors and other associates.

The "Greek State - Other Receivables" account consists of the balance of the income tax advance and other tax withholdings for the comparative period and trade and other receivables from the Greek State.

## 10. CASH AND CASH EQUIVALENTS

	THE GROUP		THE COMPANY	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
Cash	33	14	33	14
Sight Deposits	83,961	43,830	83,467	43,314

Time deposits	-	32,000	-	32,000
<b>Total</b>	<b>83,994</b>	<b>75,844</b>	<b>83,500</b>	<b>75,329</b>

Cash assets include cash in the Company and its subsidiary's treasury and bank deposits available upon demand.

All sight and time deposits are deposited with Greek banks.

## 11. SHARE CAPITAL

The Company/Group's share capital can be broken down as follows (figures are in € and are not rounded off):

	30-Jun-20	31-Dec-19
Number of registered shares	36,300,000	36,300,000
Nominal value per share (in Euro)	1.12	1.12
<b>Nominal value</b>	<b>40,656,000</b>	<b>40,656,000</b>
Premium on capital stock	2,829,985	2,829,985

Company shares are listed for trading on the Large Capitalisation category of the Athens Exchange.

According to the Company's Shareholder Registry, on 30/06/2020, shareholders with a significant participation percentage in the Company were:

SHAREHOLDER	Number of shares held	Holding on 30/06/2020
HCAP	18,150,001	50.00% +1
HRADF	8,717,999	24.02%
SUEZ GROUPE	1,982,870	5.46%
Other shareholders	7,449,130	20.52%
<b>Total</b>	<b>36,300,000</b>	<b>100.00%</b>

At its meeting on 21.2.2018, the Interministerial Committee for Restructuring and Privatisation decided to:

1. Revoke Interministerial Committee for Restructuring and Privatisation decision no. 195/27.10.2011 (Government Gazette 754/B) to the extent that it transferred 14,520,000 shares in EYATH to the company Hellenic Republic Asset Development Fund S.A. That decision is effective from 1.1.2018.
2. Revoke Interministerial Committee for Restructuring and Privatisation decision no. 206/25.4.2012 (Government Gazette 1363/B/26.4.2012), to the extent that it transferred 3,630,001 shares in EYATH to the company Hellenic Republic Asset Development Fund S.A. That decision is effective from 1.1.2018.

The decision was published in Government Gazette 614/B/22.2.2018. In light of that 18,150,001 shares of EYATH S.A. belong to the State (50% + 1 share) and 8,717,999 shares (24.017%) belong to HRADF.

According to the notice submitted by the Ministry of Finance, which the company received by email on 21.3.2018, on 20.3.2018 following an OTC trade on that date the Hellenic Republic transferred free of charge 18,150,001 shares in EYATH S.A. to HCAP, in accordance with Article 380(20) of Law 4512/2018 as amended by Article 197(1) of Law 4389/2016. That transfer is effective from 1.1.2018. HCAP directly holds 50% + 1 share in EYATH and via HRADF indirectly holds 24.02%, which directly holds 24.02%. HCAP's voting rights account for 74.02% of the capital.

The total voting rights controlled by the Greek State remain at 74.02%. The Greek State owns all voting rights in Hellenic Corporation of Assets and Participations (HCAP) which in turn holds all voting rights in HRADF.

The Greek State's total direct and indirect holding in those companies has not changed.

## 12. PROVISIONS FOR EMPLOYEE BENEFITS

The Company's and Group's obligation to staff employed in Greece for future payment of benefits depending on their length of previous service is measured and presented based on the accrued right expected to be paid to each employee, on the balance sheet date, discounted at present value, compared to the expected time of payment. The accrued benefits of each period are charged in profit or loss with corresponding increase of the pension liability. The payment of benefits to employees leaving due to retirement correspondingly decrease the pension liability.

The number of staff employed in the Company and the corresponding payroll cost are as follows:

	THE GROUP		THE COMPANY	
	30/06/2020	30/06/2019	30/06/2020	30/06/2019
Payroll expenses	5,091	4,847	5,091	4,847
Employer contributions	1,284	1,233	1,284	1,233
Other benefits and staff expenses	134	114	134	114
Personnel dismissal and retirement compensation provision	47	43	47	43
<b>Total cost</b>	<b>6,556</b>	<b>6,238</b>	<b>6,556</b>	<b>6,238</b>
<b>Number of employees</b>	<b>361</b>	<b>360</b>	<b>361</b>	<b>360</b>

The Group's and Company's obligation to pay compensation to its staff leaving due to retirement was reduced based on an actuarial study which was prepared by an independent company of certified actuaries. The key figures and assumptions of the actuarial study are as follows:

	THE GROUP		THE COMPANY	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
Provisions for retirement benefits	2,001	2,044	2,001	2,044
	<b>2,001</b>	<b>2,044</b>	<b>2,001</b>	<b>2,044</b>

The key financials and assumptions of the actuarial study for compensation benefits are:

### Changes in net liability recognised in the balance sheet

	THE GROUP		THE COMPANY	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
Current value of non-financed liabilities	2,001	2,044	2,001	2,044
Fair value of plan assets				
	<b>2,001</b>	<b>2,044</b>	<b>2,001</b>	<b>2,044</b>
<b>Net liability recognised in balance sheet</b>	<b>2,001</b>	<b>2,044</b>	<b>2,001</b>	<b>2,044</b>

### Amounts recognised in income statement

	THE GROUP		THE COMPANY	
	30-Jun-20	30-Jun-19	30-Jun-20	30-Jun-19
Cost of current employment	47	43	47	43
Interest on liability	18	19	18	19
<b>Normal expenses in income statement</b>	<b>65</b>	<b>63</b>	<b>65</b>	<b>63</b>
Cost of cutbacks / settlements / termination of service	-	-	-	-
<b>Total expense in income statement</b>	<b>65</b>	<b>63</b>	<b>65</b>	<b>63</b>

### Changes in net liability recognised in the balance sheet

	THE GROUP		THE COMPANY	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
Net liability at start of period	2,044	1,909	2,044	1,909
Benefits paid by employer	(108)	(15)	(108)	(15)
Total expense recognised in income statement	65	130	65	130
Amount recognised directly in comprehensive income statement	-	19	-	19
<b>Net liability at end of period</b>	<b>2,001</b>	<b>2,044</b>	<b>2,001</b>	<b>2,044</b>
Adjustment				
<b>Net liability at end of period</b>	<b>2,001</b>	<b>2,044</b>	<b>2,001</b>	<b>2,044</b>
<b>Change in net value of liability</b>				
Present value of liability at start of period	2,044	1,909	2,044	1,909
Cost of current employment	47	87	47	87
Interest cost	18	40	18	40
Benefits paid by employer	(108)	(15)	(108)	(15)
Cost of cutbacks / settlements / termination of service	-	3	-	3
Amounts recognised in other comprehensive income	-	19	-	19
<b>Present value of liability at end of period</b>	<b>2,001</b>	<b>2,044</b>	<b>2,001</b>	<b>2,044</b>

Actuarial assumptions				
Discount rate	1.70%	1.70%	1.70%	1.70%
Inflation	2.00%	2.00%	2.00%	2.00%
Future increases of salaries	2.30%	2.30%	2.30%	2.30%
Retirement Increase Rate	0.00%	0.00%	0.00%	0.00%

### 13. PROVISIONS FOR CONTINGENCIES AND EXPENSES

A provision of € 673 covers contingent liabilities that may arise during the settlement of litigation with third parties and Company staff. The provision of € 430 relates to the cost of removing an accumulated quantity of sludge from the Thessaloniki Waste Water Treatment Plant.

Income from unused provisions worth € (60) relates to existing provisions in litigation.

The Group and Company's provisions can be broken down as follows:

Long-term provisions	THE GROUP		
	Pending litigation	Provisions for contingencies & expenses	Total
<b>01 January 2020</b>	<b>3,191</b>	<b>380</b>	<b>3,571</b>
Additional provisions for year	673	430	1,103
Income from unrealized provisions	(60)	-	(60)
Provisions used/reversal of provisions for the period	-	(377)	(377)
<b>30 June 2020</b>	<b>3,804</b>	<b>433</b>	<b>4,236</b>

Long-term provisions	THE COMPANY		
	Pending litigation	Provisions for contingencies & expenses	Total
<b>01 January 2020</b>	<b>3,191</b>	<b>380</b>	<b>3,571</b>
Additional provisions for year	673	430	1,103
Income from unrealized provisions	(60)	-	(60)
Provisions used/reversal of provisions for the period	-	(377)	(377)
<b>30 June 2020</b>	<b>3,804</b>	<b>433</b>	<b>4,236</b>

### 14. TRADE AND OTHER LIABILITIES

The total liabilities of the Group and the Company to suppliers and other third parties are broken down as follows:

	THE GROUP		THE COMPANY	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
Suppliers	5,645	7,590	5,623	7,577
Cheques payable	2	2	2	2
Other Taxes - Duties	1,427	1,571	1,427	1,558
Insurance and pension fund dues	564	631	564	630
Liabilities to related parties	1	3	-	-
Accrued expenses	2,350	1,547	2,332	1,488
Sundry creditors	2,974	844	2,974	843
<b>Total</b>	<b>12,964</b>	<b>12,188</b>	<b>12,923</b>	<b>12,099</b>

### 15. LEASE LIABILITIES

Group and Company lease liabilities can be broken down as follows:

Adjusted balance of lease liabilities as at 1.1.2020	THE GROUP	THE COMPANY
	811	811
Of which:		
Long-term lease liabilities	469	469
Short-term lease liabilities	342	342
<b>Lease liabilities as at 01.01.2020</b>	<b>811</b>	<b>811</b>
Lease repayments	(186)	(186)
Financial cost for period	17	17
<b>Lease liabilities as at 30.06.2020</b>	<b>641</b>	<b>641</b>
Of which:		
Long-term lease liabilities	349	349
Short-term lease liabilities	292	292

Lease liabilities as at 30.06.2020

641

641

**16. SHORT-TERM TAX LIABILITIES**

Group and Company short-term tax liabilities can be broken down as follows:

	THE GROUP		THE COMPANY	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
Income tax	2,550	9	2,531	-
	<u>2,550</u>	<u>9</u>	<u>2,531</u>	<u>-</u>

**17. INCOME TAX**

The provisions of Law 4646/2019 (Government Gazette 201/A/12.12.2019) amended Article 58 of the Hellenic Income Tax Code (Law 4172/2013).

The new provisions set a fixed tax rate for profits from business activity acquired by legal persons and legal entities at 24%, with the reduction starting for income acquired during the 2019 tax year.

The tax burden on the results was as follows:

	THE GROUP		THE COMPANY	
	1.1-30.06.2020	1.1-30.06.2019	1.1-30.06.2020	1.1-30.06.2019
Income tax	2,574	3,233	2,567	3,227
Deferred tax	(31)	182	(31)	182
<b>Total</b>	<u>2,544</u>	<u>3,414</u>	<u>2,536</u>	<u>3,408</u>

The fact that in some cases income and expenses are booked at a time other than the time at which income is taxed or expenses deducted for the purpose of determining taxable income gives rise to the need to recognise deferred tax assets or deferred tax liabilities. The deferred tax asset recognised by the Group and the Company can be broken down as follows:

	THE GROUP		THE COMPANY	
	30-Jun-20	31-Dec-19	30-Jun-20	31-Dec-19
Opening balance	3,571	3,453	3,571	3,453
Tax on income/equity	31	118	31	118
<b>Closing balance</b>	<u>3,602</u>	<u>3,571</u>	<u>3,602</u>	<u>3,571</u>

	THE GROUP / THE COMPANY			
	As at 31/12/2019	Credits (Debits) in results	Credits (Debits) in equity	As at 30/06/2020
<b>Deferred tax liabilities</b>				
Adjustment of fixed asset subsidies	(1,594)	31	-	(1,563)
	<u>(1,594)</u>	<u>31</u>	<u>-</u>	<u>(1,563)</u>
<b>Deferred tax assets</b>				
Depreciation on tangible assets	3,197	123	-	3,320
De-recognition of depreciation on capital expenditure and adjustment in depreciation for intangible assets	651	(11)	-	640
Adjustment of value of receivable accounts	582	34	-	615
Provisions for contingencies - other provisions	0	(95)	-	(95)
Personnel dismissal and retirement compensation provision	490	(10)	-	480
Impact of adopting IFRS 16	245	(41)	-	204
	<u>5,165</u>	<u>(0)</u>	<u>-</u>	<u>5,164</u>
<b>Net deferred tax assets in the statement of financial position</b>	<u>3,571</u>	<u>31</u>	<u>-</u>	<u>3,602</u>
<b>Presentation in statement of financial position</b>				
Deferred tax liabilities (net)	-	-	-	-
Deferred tax assets (net)	<u>3,571</u>			<u>3,602</u>
	<u>3,571</u>			<u>3,602</u>

Deferred income tax is calculated using the tax rate expected to apply at the time the tax assets/liabilities mature.

## 18. EARNINGS PER SHARE

Basic profits (losses) per share were calculated as follows:

	THE GROUP		THE COMPANY	
	1.1-30.06.2020	1.1-30.06.2019	1.1-30.06.2020	1.1-30.06.2019
Net profits payable to the Company's ordinary shareholders	4,837	6,622	4,814	6,617
Average weighted number of shares in circulation	36,300,000	36,300,000	36,300,000	36,300,000
Less: Weighted average number of own shares				
Total average weighted number of shares in circulation	36,300,000	36,300,000	36,300,000	36,300,000
Basic earnings (losses) per share (in euro)	0.1332	0.1824	0.1326	0.1823

## 19. TRANSACTIONS WITH RELATED PARTIES

According to the Group, related parties are members of the Board of Directors, members of Management, as well as the shareholders holding a significant percentage of its share capital (including their related persons). Note that in the 2018 accounting period the Company's financial statements were included in the consolidated financial statements of HCAP S.A. for the first time. Consequently, the Group considers the entities related to HCAP S.A. to be related parties.

The Group's trading transactions with these related parties during the 01/01/2020-30/06/2020 period were carried out under market terms and in the framework of its usual business activity. The transactions and the balances of the Group's and Company's related parties, during the 1.1.2020 - 30.6.2020 period and on 30.6.2020 respectively, as well as during the previous period, are broken down in the following tables:

	THE GROUP		THE COMPANY	
	1.1-30.06.2020	1.1-30.06.2019	1.1-30.06.2020	1.1-30.06.2019
Income from other related parties consolidated along with HCAP S.A.	68	50	68	50
Expenses to other related parties consolidated along with HCAP S.A.	5,860	6,277	5,860	6,277
Transactions with and fees for executives and board members	457	313	457	313
Transactions with other related parties	3	-	3	-

	THE GROUP		THE COMPANY	
	30/06/2020	31/12/2019	30/06/2020	31/12/2019
Receivables from subsidiary	-	-	24	25
Receivables from other related parties consolidated along with HCAP S.A.	649	598	649	598
Liabilities from other related parties consolidated along with HCAP S.A.	2,451	2,788	2,451	2,788
Receivables from management executives and board members	8	2	8	2
Liabilities to management executives and board members	11	6	11	3

Transactions with and fees for executives and board members relate to salaries. Income from other related parties consolidated along with HCAP S.A. relates primarily to water supply and sewerage network service revenues. Furthermore, expenses from other related parties consolidated along with HCAP S.A. relate primarily to services received, most of which pertained to expenses for electricity supplied by PPC and the leasing of properties.

The Company's receivable from a subsidiary of € 24 mainly related to receivables in lieu of the approved dividend. Receivables and liabilities from other related parties consolidated along with HCAP S.A. of € 649 and € 2,451 related to receivables for income from providing water supply and sewerage services both billed and accrued, and services received and prepaid property rental expenses. Finally, liabilities to management executives and board members related to salaries payable.

## 20. COMMITMENTS FROM CONTINGENT LIABILITIES

### 20.1 Contingent liabilities from disputes in litigation or arbitration

On 30.06.2020 there were lawsuits, extrajudicial invitations and in general future claims of a total amount of € 45 million (31.12.2019: € 40 million approximately) against the Group, for which a provision of € 3.8 million approximately had been formed, which is included in the long-term liabilities account "Provisions for contingencies and expenses" (see note 13).

The Company's and Group's legal department estimates that other than the provision formed there will be no other cases whose outcome in court will significantly affect the Company's and Group's assets and operation.

### 20.2 Other contingent liabilities

On 30.6.2020 the Group had provided performance bonds for project contracts worth a total of € 518 (31.12.2019: € 416).

### 20.3 Open tax periods

#### Tax Compliance Report

For the years 2011 to 2018, the Company and its subsidiary EYATH Services S.A. have undergone a tax audit carried out by certified public accountants, as provided for in Article 82(5) of Law 2238/1994 (for the years 2011 to 2013) and Article 65a of Law 4172/2013 (Income Tax Code) (for the years from 2014 onwards). Upon completion of the tax audit by the certified public accountants for the periods 2011-2018, audit reports were issued with an unqualified opinion for the Company and its subsidiary, while there were no tax liabilities other than those recorded and presented in the separate and consolidated financial statements.

For the year 2019, the Tax Compliance Reports are expected to be provided after the publication of the interim condensed financial statements for the 01.01.2020 - 30.6.2020 period. After the completion of the tax audit, the Management of the Company and the Group does not anticipate any additional tax liabilities that will have a material effect, other than those recorded in the separate and consolidated financial statements.

#### Open tax periods

Note that based on their judgments in similar cases (see Council of State Judgments No. 1738/2017, 675/2017 and Athens 3-member Administrative Court of Appeal Judgment No. 1490/2016) the administrative courts have ruled that 2013 has been statute-barred for tax purposes (with a 5-year statute-barring period). In light of this, it is clear that audits can only be carried out for the years 2014-2019 for which the provisions on tax certificates and 18-month deadlines for carrying out random tax audits have been repealed.

## 21. NUMBER OF STAFF EMPLOYED

The number of staff employed at the end of the current period was 361, compared to 360 at the end of the previous period.

## 22. SEASONALITY OF OPERATIONS

Company revenues are cyclical (with higher water consumption during summer months) meaning that there are major fluctuations from quarter to quarter in turnover and results. Consequently, results per quarter cannot *per se* be indicative of the trend for results which will arise by the end of the period, but are indicative only if compared to the corresponding results for previous periods. During the second half of each year a rise in consumption over the summer is recorded, which bolsters company turnover compared to the first half of the year.



## 23. MAJOR EVENTS IN THE PERIOD 1.1.2020 - 30.6.2020

### *Investment projects*

During the first half of 2020 EYATH S.A. put the following project out to tender via an open tender procedure:

- the contract entitled "Repair of damage and local replacement of sections of the sewerage network pipeline for 2020", with a budget of € 400,000 (plus VAT). The contract was signed on 16.6.2020.

In addition, during 2020 EYATH S.A. launched a tender procedure to select a contractor for the following water supply and sewerage designs and projects relating to extensions to networks, repair or replacement of pipelines or new projects, etc.:

- Technical Advisor services under the Framework Agreement for Technical Advice for EYATH S.A.'s Strategic and Business Plan designs and works, with a budget of € 1.32 million (plus VAT). The 1st (03.03.2020) and 2nd (02.06.2020) Individual Contracts with budgets of € 95,130.00 (VAT excl.) and €37467.99 (VAT excl.) have been signed respectively.
- the contract entitled "Construction of extension to the Thessaloniki Water Treatment Plant - Phase A2", with a budget of € 21.7 million (plus VAT). On 24.4.2020 EYATH S.A.'s Board of Directors issued Award Decision No. 259/2020 to the lowest bidding Economic Operator. Review applications were filed against the Decision by participants in the tender procedure. The Authority for the Examination of Review Applications issued a decision on those review applications. EYATH S.A. and other participants in the tender procedure submitted applications for suspension of enforcement before the Council of State against the decision of the Authority for the Examination of Review Applications. Announcement of the Council of State's decision on the applications for suspension of enforcement is awaited.
- the contract entitled "Sewerage works to upgrade pumping stations, discharge pipes, coastal collection pipe and Aeneia wastewater facility central pipe", which includes 6 separate sub-projects, with a total budget of € 4.4 million (plus VAT). The contract was signed on 16.3.2020 and construction work has commenced.
- the contract entitled "Repair and maintenance of the water supply network in Western Thessaloniki in 2019", with a budget of € 950 thous. (plus VAT). The contract was signed on 17.3.2020.
- the contract entitled "Repair and maintenance of the water supply network in central and eastern Thessaloniki in 2019", with a budget of € 1.5 million (plus VAT). The contract was signed on 12.6.2020.
- the contract entitled "First group of urgent water supply works 2019", with a budget of € 950 thous. (plus VAT). The contract was signed on 5.6.2020 and the work required commenced.
- the contract entitled "First group of urgent sewerage works 2020", with a budget of € 2.5 million (plus VAT). The contract was signed on 17.7.2020 and work is expected to commence soon.

### *The subsidiary EYATH SERVICES S.A.*

On 31.12.2016 contracts for work entered into by the subsidiary EYATH SERVICES S.A. expired but were extended to 30.6.2017 under Article 46 of Law 4440/2016. All persons engaged under such contracts sought recourse to the courts and obtained an interim order until the final judgment on the petition for

injunctive relief is handed down. Athens Single-Member Court of First Instance judgment No. 1353/2018 was handed down on 1.3.2018 which rejected the injunction of the contract staff against the Company and the subsidiary EYATH SERVICES S.A. and since that date those persons have ceased offering their services to the company. EYATH SERVICES S.A. has not provided any water supply and sewerage services in the period from 1.3.2018 to the present day. On 2.4.2019 the main case filed by former contract workers against EYATH S.A. and EYATH SERVICES S.A. was heard and judgment is awaited.

The following decisions were taken at EYATH SERVICES S.A.'s Extraordinary General Meeting on 26 June:

- A nominal reduction in the Company's share capital by € 2 million by offsetting losses by cancelling 4 million registered shares in implementation of Article 119(4) of Law 4548/2018 on equity and amending Article 5 of the Articles of Association.
- Replacement of members of the Board of Directors, namely Narkisos Georgiadis, Panagiotis Gogos, Olympia Latsiou-Chrysafi and Petros Nastos with Anthimos Amanatidis, Sofia Ammanatidou, Ekaterini Tsikaloudaki and Parthena Theodoridou.
- Expanding the company's corporate scope, which includes carrying out works to build and maintain water management facilities and managing water resources and amending Article 4 of the Articles of Association.

The Articles of Association were brought into line with Law 4548/2018. This share capital reduction was effectuated to reduce accumulated losses and Article 119 of Law 4548/2018 does not apply, meaning equity is now above 1/2 of the share capital.

Decision No. 001/2020 of the Board of Directors of 30.6.2020 established the company's new Board of Directors as follows:

- CHAIRMAN: Agis Papadopoulos, son of Michail, elected on 9.9.2019, whose term in office expires on 9.9.2022.
- CEO: Anthimos Amanatidis, son of Anastasios, elected on 26.6.2020, whose term in office expires on 26.6.2023.
- VICE CHAIRMAN: Sofia Ammanatidou, daughter of Ilias, elected on 26.6.2020, whose term in office expires on 26.6.2023.
- MEMBER: Katerina Tsikaloudaki, daughter of Georgios, elected on 26.6.2020, whose term in office expires on 26.6.2023.
- MEMBER: Parthena Theodoridou, daughter of Antonios, elected on 26.6.2020, whose term in office expires on 26.6.2023.
- MEMBER: Despina Lemonidou, daughter of Iordanis, elected on 9.9.2019, whose term in office expires on 9.9.2022.
- MEMBER: Dimitris Alexandris, son of Georgios, elected on 9.9.2019, whose term in office expires on 9.9.2022.

### ***Recruitment of new staff***

During the first half of 2019 a request was submitted to the Central Staff Recruitment Board (ASEP) following approval of the relevant procedures and issuing of the relevant Ministerial Council Decision, for a tender procedure to fill 80 posts (open-ended, private law employment contracts). There have been no further developments on this matter.

In implementation of BoD Decision No. 30/2020, during the first half of 2020 a total of 30 successful candidates in tender notice No. ΣOX1/2019 were recruited on the basis of a fixed-term private law employment contract of 8 months.

### ***Extraordinary General Meeting of Shareholders***

Decision No. 246/2020 of EYATH S.A.'s Board of Directors decided to convene an Extraordinary General Meeting on 30.4.2020 to replace members of the Board of Directors and elect members of the Audit Committee in accordance with Article 44 of Law 4449/2017.

According to the proposal from Hellenic Corporation of Assets and Participations S.A. (HCAP) to shareholders, the following persons were candidates to replace members of the Board of Directors: Mr. Narkisos Georgiadis, Ms. Olympia Chrysafi-Latsiou, Mr. Ioannis Papaioannou, Mr. Panagiotis Gogos and Ms. Stefania Tanimanidou: Anthimos Amanatidis, Georgios Satlas, Maria Petala, Sofia Ammanatidou and Ekaterini Tsikaloudaki.

The following were proposed in relation to the election of members of the Audit Committee: Nikolaos Klitou, as Chairman, and Sofia Ammanatidou and Maria Petala, as members.

Decision No. 289/2020 of the Board of Directors established the following body:

- Agis Papadopoulos, son of Michail, Chairman, non-executive member. Elected on 2.8.2019. Term in office ends on 1.8.2023.
- Anthimos Amanatidis, son of Anastasios, CEO, Executive Member Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Grigorios Penelis, son of Georgios, Vice Chairman, independent non-executive member. Elected on 21.2.2019. Term in office ends on: 20.2.2023.
- Theodoros Koulouris, son of Nikiforos, Executive Member. Elected on 27.8.2019. Term in office ends on: 26.8.2023.
- Nikos Klitou, son of Konstantinos, independent non-executive member, Chairman of the Audit Committee. Elected on 21.2.2019. Term in office ends on: 20.2.2023.
- Georgios Satlas, son of Nikolaos, non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Sofia Ammanatidou, daughter of Ilias (independent) non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Katerina Tsikaloudaki, daughter of Georgios, non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Maria Petala, daughter of Dimitrios, (independent) non-executive member Elected on 30.4.2020. Term in office ends on 29.4.2024.
- Georgios Archontopoulos, son of Savvas, employee representative, non-executive member Elected on 11.5.2016. Term in office ends on: 10.5.2020.
- Anastasios Sachinidis, son of Ioannis, employee representative, non-executive member Elected on 11.5.2016. Term in office ends on: 10.5.2020.

The line-up of the Board of Directors from 1.1.2020 to 30.4.2020 was as follows:

- Agis Papadopoulos, son of Michail, Chairman, non-executive member.
- Narkisos Georgiadis, son of Vasilios, CEO, executive member.
- Ioannis Papaioannou, son of Evangelos, Executive Director for Strategic Planning & Investment Programme Management, with executive powers determined ad hoc by the Board of Directors.
- Grigorios Penelis, son of Georgios, Vice Chairman, independent non-executive member.
- Nikos Klitou, son of Konstantinos, independent non-executive member, Chairman of the Audit Committee.
- Theodoros Koulouris, son of Nikiforos, non-executive member
- Stefania Tanimanidou, daughter of Georgios, (independent) non-executive member.
- Panagiotis Gogos, son of Dionysios, non-executive member
- Olympia Latsiou - Chrysafi, daughter of Thomas, non-executive member.
- Georgios Archontopoulos, son of Savvas, employee representative, non-executive member.
- Anastasios Sachinidis, son of Ioannis, employee representative, non-executive member

### ***Annual General Meeting of Shareholders***

The Annual Ordinary General Meeting of Shareholders held on 19.06.2020:

- Approved the separate and consolidated annual Financial Statements of EYATH S.A. for the 1.1.2019 – 31.12.2019 accounting period and the relevant Board of Directors' and Auditors' reports and statements.
- Approved the Board's overall management approach during the accounting period 1.1.2019 – 31.12.2019 in accordance with Article 108 of Law 4548/2018 and released the Auditors from liability in accordance with Article 117(1)(c) of Law 4548/2018.
- Approved the distribution of dividends to shareholders from the profits for 2019.
- Approved the fees and remuneration paid to members of the Board of Directors for the 1.1.2019 – 31.12.2019 accounting period.
- Approved the election of 2 members and their stand-ins as representatives of employees of the company's Board of Directors in accordance with Article 85(1) and (2) of Law 4548/2008 and Article 13(5) of the Articles of Association of EYATH S.A.
- Selected the certified public accountants for the statutory and tax audit for the 2020 accounting period and set their fees.
- Gave permission to the members of the Company's Board and executives in its various Divisions to participate in the Boards or in the Management of other affiliated companies in accordance with IAS 24, as well as in the legal person those companies control.

### **Changes to the Board of Directors**

The Board of Directors officially met on 23.6.2020 following Decision No. 367/2020 and was officially constituted with the line-up below:

- Agis Papadopoulos, son of Michail, Chairman, non-executive member. Elected on 2.8.2019. Term in office ends on 1.8.2023.
- Anthimos Amanatidis, son of Anastasios, CEO, executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Grigorios Penelis, son of Georgios, Vice Chairman, independent non-executive member. Elected on 21.2.2019. Term in office ends on: 20.2.2023.
- Theodoros Koulouris, son of Nikiforos, Executive Member. Elected on: 27.8.2019. Term in office ends on: 26.8.2023.
- Nikos Klitou, son of Konstantinos, independent non-executive member, Chairman of the Audit Committee. Elected on 21.2.2019. Term in office ends on: 20.2.2023.
- Georgios Satlas, son of Nikolaos, non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Sofia Ammanatidou, daughter of Ilias (independent) non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Katerina Tsikaloudaki, daughter of Georgios, non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Maria Petala, daughter of Dimitrios, (independent) non-executive member Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Georgios Archontopoulos, son of Savvas, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2020.
- Ioannis Mitzias, son of Konstantinos, employee representative, non-executive member. Elected on 19.6.2020. Term in office ends on: 18.6.2024.

### **Coronavirus (COVID-19)**

The appearance of coronavirus (Covid-19) at the start of 2020 and the spread of the pandemic to date have brought major changes in how global supply and demand fluctuates, making the macroeconomic environment more difficult at both global and local level. At the same time, there continues to be an inability to estimate both the duration and intensity of the pandemic while at the time the second wave of the pandemic is currently under way on a global scale and also in Greece.

EYATH S.A.'s financial data, after a series of estimates and analyses during the reporting period, only appears to have fluctuated slightly, without there being any major impact from the healthcare crisis on the company's business activities and liquidity. Despite that, Management continues to monitor developments carefully so that it can immediately respond to the requirements of the global and

domestic environment, based on the major checks and balances it has in place, such as the significant level of cash assets and the general lack of borrowing.

In addition, as a follow-on to its initial focus on combating the health crisis, motivated by its desire to safeguard its employees and consumers, EYATH S.A. is in constant contact with the National Public Health Organisation (EODY) on issues relating to coronavirus, so that it can immediately receive all instructions and take measures relating to the protection and safety of staff and the general public.

## 24. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no events between 30 June 2020 and the date on which the financial statements were approved by the Company's Board of Directors which could materially affect the financial position or the Company's results for the period that ended on this date, or other events which should be disclosed in the financial statements.

Thessaloniki, 24 September 2020

Agis Papadopoulos

Anthimos Amanatidis

Dimitrios Alexandris

Chairman of the Board of  
Directors

CEO

CFO

ID Card No. AN 201633

ID Card No. AE 125155

ID Card No. AZ 683204

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