



SIX-MONTH FINANCIAL REPORT

for the period 01 January 2019 to 30 June 2019
(in accordance with Article 5 of Law 3556/2007)

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

General Commercial Reg. No. 58240404000

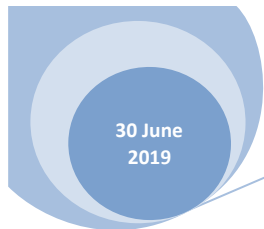
127 Egnatias St - 54635 Thessaloniki

SIX-MONTH FINANCIAL REPORT
FOR THE PERIOD 1 JANUARY 2019 - 30 JUNE 2019
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 26 September 2019 and has been published on the internet at www.eyath.gr. Note that the condensed financial data published seeks to provide the reader with certain general financial information but does not provide a complete picture of the financial position and results of the Company and Group in accordance with the International Financial Reporting Standards. Moreover, it should be noted that the condensed financial data published contains certain abridgements of accounts for the purpose of simplification.

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30 June
2019

SIX-MONTH FINANCIAL REPORT
for the six-month period ended on 30 June 2019
(amounts in thousands of euro)

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. Narkisos Georgiadis, 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 01.01.2019 to 30.06.2019 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, 26 September 2019

Confirmed by

Agis Papadopoulos

Narkisos Georgiadis

Nikos Klitou

Chairman of the Board
of Directors

CEO

Board member
Chairman of the Audit
Committee

ID Card No. AN 201633

ID Card No. AN 199359

ID Card No. AM 674658

SIX-MONTH MANAGEMENT REPORT OF THE BOARD OF DIRECTORS

(prepared in accordance with the provisions of Article 5 of Law 3556/2007 and the relevant decisions of the BoD of the Hellenic Capital Market Commission for the period 01 January 2019 - 30 June 2019)

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 (01.01.2019-30.06.2019).

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., 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 Codified Law 2190/1920 on societies anonyme, as that law applies pursuant to Law 4548/2018, 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. EFA/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 Thessaloniki 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 € 35,622 thous. compared to € 39,396 thous. during the corresponding period last year, reflecting a drop of € 3,774 thous. or 9.58%. The change in turnover was primarily due to the factors outlined below:

- Implementation of the new pricing policy from 1.5.2019 onwards, which follows the logic of a drop in the cost of water for lower levels of consumption (which covers most consumers) and a rise in cost for high consumption to avoid natural resource wastage.
- For around 4 months from March 2018 onwards, there were difficulties in reading water meters which led to bills being issued for that period based on historical data. That change in methodology led to higher billing in the first half of 2018 compared to the second half. At the end of 2018 billing returned to normal and revenues for 2018 have been recognised in full.
- The Group recognises an amount from contracts in its statement of financial position when it has met the implementation obligations under the contract, before the customer pays and/or before the payment becomes due, as in the case where the goods or services are transferred/provided to the customer before the date on which the bill is issued. The Group reassessed that asset for the six-month period and settled on the amount it expects to be entitled to as consideration for the specific services which it transferred to customers up to the end of the six-month period.

The cost of sales was € 20,928 thous. compared to € 20,567 thous. in 2018, up € 362 thous. or 1.76%. Consequently, the gross profit for the period ended stood at € 14,693 thous. compared to € 18,829 thous. in the same period last year, down € 4,136 thous. or 21.96%. The cost of sales rose due to higher public utility (electricity, natural gas) bills, particularly on the water supply network, the pumping stations and the biological treatment plant.

Other operating income stood at € 506 thous. compared to € 1,250 thous., down € 744 thous. or 59.54%, primarily due to the drop in the reversal of provisions for cases in litigation which were settled during the period ended.

The Group's operating expenses rose by € 331 thous. or 6.25% primarily due to the provision for bad debt formed in accordance with the requirements of IFRS 9, which was up € 319 thous. compared to the first half of 2018.

Other operating expenses stood at € 205 thous. compared to € 638 thous in the same half of 2018, down some 67.8% due to a drop in the compensation paid to third parties.

Due to the above, Group EBT was € 10,036 thous. compared to € 14,989 thous. during the corresponding period last year, down € 4,953 thous. or approximately 33.05%. Finally, Earnings After Tax as at 30.6.2019 amounted to € 6,622 thous. compared to € 10,829 thous., down by € 4,207 thous. or 38.85%.

The EYATH S.A. Group's EBITDA during the current period amounted to € 12,634 compared to € 17,206, a drop of € 4,572 or 26.57%.

Finally, Group cash and cash equivalents at the end of the period on 30.06.2019 stood at € 82,719 thousand compared to € 71,634 thousand on 31.12.2018, an increase of € 11,085 thousand or 15.47%.

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 expenses and adding 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 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 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:

	01.01.2019-30.06.2019	01.01.2018-30.06.2018	Deviation
PERFORMANCE AND PROFITABILITY RATIOS			

Gross Profit Margin	41.25%		47.79%		-6.55%
EBITDA Margin	34.97%		43.67%		-8.70%
EBIT	26.33%		35.93%		-9.61%
EBT Margin	28.17%		38.05%		-9.87%
EAT Margin	18.59%		27.49%		-8.90%
INVESTMENT RATIOS					
Earnings per share after tax	0.1824		0.2983		-38.84%
LIQUIDITY RATIOS					
	30.06.2019		31.12.2018		Deviation
General liquidity (Current assets / short-term liabilities)	6.46		9.84		-34.41%
CAPITAL STRUCTURE & VIABILITY RATIOS					
Equity / Debt	380.74%		471.34%		-90.60%

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 2019 EYATH S.A. put the following project out to tender via an open tender procedure:

- Project title: “Sewerage works to upgrade pumping stations, discharge pipes, coastal collection pipe and Aeneia wastewater facility central pipe”, which included 6 separate sub-projects, with a total budget of € 4.4 million (plus VAT). The interim lowest bidder was announced on 18.4.2019. . On 22.8.2019 the tender procedure award decision was issued after the appropriate procedures had been followed.

In addition, during 2019 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”. Budget: € 1.32 million (plus VAT). On 21.6.2019 the contractor was invited to submit updated award supporting documents. During the first half of 2019, the specific statement of works for the first implementing agreement started to be drafted, which will include at least 7 work tasks.
- Drafting of supporting designs / “Framework Agreement for the preparation of support designs to meet EYATH S.A.’s needs”. Budget: € 725 thous. (plus VAT). The contract was signed on 3.1.2019 and the first implementing agreement is expected to be signed soon.
- Project title: “Maintenance of EYATH S.A. facilities in 2018”. Budget: € 700 thous. (plus VAT). The contract was signed on 19.4.2019 and maintenance work of EYATH S.A. facilities started as per the request of the competent Divisions.
- Contract for “first group of urgent water supply works 2019”. Budget: € 2.5 million (plus VAT). On 20.6.2019 the contractor was invited to sign the contract.
- “Framework Agreement to improve - repair the Aravissos aqueduct”. Budget: € 3.37 million (plus VAT). On 31.5.2019 the matter was sent to the Court of Audit for a pre-contractual check.
- “Works to complete connection of the Thessaloniki low-lying areas”, which includes 5 sewerage sub-projects in the area where transport interchange K16 is being built. Budget: € 6 million (plus VAT). The contract was signed on 19.4.2019 and the necessary preparations are being made for works to start. The basic agreements with the design consultants, who will serve as technical advisors, still need to be signed.

During 2018, Decision No. 4391/2.8.2018 of the Regional Governor for Central Macedonia approved inclusion of the operation entitled “Construction of an extension to the Thessaloniki Water Treatment Plant - Phase A2” in the Central Macedonia 2014-2020 operational programme (operation MIS code: 5028173) with a budget of € 21.4 million (plus VAT). The Company is currently updating the tender documents and drafting the tender notice, and it plans to put the project out to tender in the second half of 2019.

During the first half of 2019, cases of extending sewerage networks with third parties assuming part of the cost were examined. These related to pipelines around 1.0 km long in various areas. Other cases examined included repairs/replacements of sewerage pipelines of around 1.5 km long.

In 2018 the special sewerage regulations were approved (Joint Ministerial Decision No. 1793 B/21-5-2018) which relates to the terms and conditions imposed on all activities and operators who generate liquid waste other than residential homes, to enable the liquid waste to be disposed of via EYATH S.A.’s sewerage network. The regulations incorporate environmental legislation and will reduce the impact on EYATH’s sewerage network and also the environmental impact of the liquid waste itself.

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.

At the Board meeting on 22.4.2019 decision No. 001/2019 was passed which extended the term in office of the Board of EYATH Services S.A. in accordance with Article 18 of its Articles of Association up to the Ordinary General Meeting which will elect the new Board.

At the Board meeting on 22.4.2019 decision No. 002/2019 accepted the resignation of Mrs. Styliani Valani from the post of Vice Chairman of the Board and decided her replacement with Mr. Panagiotis Gogos. Following that, the Board officially met with the line-up below:

- Olympia Latsiou-Chrysafi, daughter of Thomas, ID Card No. AM 660585, Chairman.
- Ioannis Krestenitis, son of Nikolaos, ID Card No. AB 680550, CEO.
- Ioannis Papaioannou, son of Evangelos, ID Card No. AE 183479, Member.
- Panagiotis Gogos, son of Dionysios, ID Card No. AE 680814, Vice Chairman.
- Despina Lemonidou, daughter of Iordanis, ID Card No. AM 265639, Member.
- Petros Nastos, son of Stergios, ID Card No. AB 363357, Member.
- Dimitrios Alexandris, son of Georgios, ID Card No. AZ 683204, Member.

On 24.6.2018 Mr. Ioannis Krestenitis tendered his resignation from the Board of EYATH Services S.A. and the post of CEO.

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.

Annual General Meeting of Shareholders

The Annual Ordinary General Meeting of Shareholders held on 06.06.2019:

- Approved the separate and consolidated annual Financial Statements of EYATH S.A. for the 1.1.2018 – 31.12.2018 accounting period and the relevant Board of Directors' and Auditors' reports and statements.
- Approved the Board's overall management approach during the accounting period 1.1.2018 – 31.12.2018 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 2018.
- Approved the fees and remuneration paid to the Board and its secretariat.
- Gave advance approval to the payment of fees and remuneration of members of the Board of Directors for the accounting period 1.1.2019 – 31.12.2019.
- Selected the certified public accountants for the statutory and tax audit for the 2019 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.
- Voted against electing a new Board member.
- Provided information about how the 150 new employees hired by EYATH S.A. are being managed and about their duties.
- Also provided information about the waste treatment plant.

Changes to the Board of Directors

The Board decided on 24.1.2019 (decision No. 023/2019) to accept the letter of resignation dated 16.1.2019 tendered by Mrs. Styliani Valani from the post of non-executive member and 2nd Vice-Chairman of the Board of EYATH S.A.

On 21.2.2019 EYATH S.A.'s Extraordinary General Meeting of Shareholders chose Mr. Nikolaos Klitou and Mr. Grigorios Penelis as independent, non-executive members of the Board of Directors of EYATH S.A. to serve for a 5-year term, to 21.2.2024.

Following the resignation of Mrs. Tanimanidou from the Audit Committee and the election of Mr. Nikolaos Klitou and Mr. Grigorios Penelis as independent, non-executive members of the Board of Directors of EYATH S.A., on 5.3.2019 the Board decided (decision No. 054/2019) to officially constitute itself as follows:

- Ioannis Krestenitis, son of Nikolaos, ID Card No. AB680550, Chairman & CEO, executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Ioannis Papaioannou, son of Evangelos, ID Card No. AE 183479, 1st Vice Chairman, executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Grigorios Penelis, son of Georgios, ID Card No. P 198072, 2nd Vice Chairman, independent non-executive member. Elected on 21.2.2019. Term in office ends on: 21.2.2024.
- Stefania Tanimanidou, daughter of Georgios, ID Card No. AE655638, Independent non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Panagiotis Gogos, son of Dionysios, ID Card No. AE 680814, Independent non-executive member. Elected on 6.4.2017. Term in office ends on: 10.5.2021.
- Olympia Latsiou-Chrysafi, daughter of Thomas, ID Card No. AM 660585, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Petros Samaras, son of Epaminondas, ID Card No. AM 686941, non-executive member. Elected on 12.10.2017. Term in office ends on: 10.5.2021.
- Nikolaos Klitou, son of Konstantinos, ID Card No. AM 674658, independent non-executive member, (Chairman of the Audit Committee.). Elected on 21.2.2019. Term in office ends on: 21.2.2024.
- Georgios Archontopoulos, son of Savvas, ID Card No. AI 733814, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Anastasios Sachinidis, son of Ioannis, ID Card No. AK 906475, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.

The Board decided on 27.6.2019 (decision no. 260A/2019) to accept the letter of resignation dated 24.6.2019 tendered by Mr. Ioannis Krestenitis from the post of Chairman of the Board of EYATH S.A.

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 € 21.5 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.

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 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 feasibility 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.

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 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.

To be more specific, to properly prepare the project entitled “Implementation of a new integrated customer service and billing system” EYATH S.A. launched an open public consultation on the tender procedure’s special terms in May 2018 which was completed in July 2018. The results of the consultation were presented in October 2018 and they formed the basis of the special terms. The tender notice was published on 4.6.2019 and then two clarifications were also published and two extensions were granted meaning that the procedure ended on 13.9.2019. Evaluation of the proposals submitted to the NEPPS in good time began in September 2019.

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. 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, during 2019 further improvements to phone services and online customer service are expected thanks to the design and development of an integrated service which will receive, record, and manage customer requests made by phone or electronically via the website or email. To that end, a special tender procedure was launched to obtain telephony and online customer services and a contract on these matters is expected to be signed soon.

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. It is expected that the tender procedure to select the contractor will be completed and the relevant contract signed by 2019 Q3.

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. It is expected that the tender procedure to select the contractor will be completed and the relevant contract signed within 2019 but that depends on whether any administrative objections are filed.

Pilot projects

The pilot project to digitise customer records was completed. Technical specifications and other technical requirements for the tender procedure to digitise all customer records were also drafted in full. During September 2019 the project team, set up for this purpose, will recommend that the tender procedure be launched.

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 AUTH 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 m³ 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, Efkarpiia, 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 Efkarpiia.

"**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 Hortiatia.

"**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 Thessaloniki 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 € 93 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:

- Designing model integrated infrastructure to smartly manage the water supply network which will utilise remote measuring and remote control technologies to offer innovative services to the water supply company and end consumer.
- R&D on alternative technologies to implement the remote measurement and remote control network, via a pilot scheme under real conditions in Thessaloniki's urban environment, to test and evaluate their reliability and efficiency.
- R&D and pilot testing of the water consumption data management, imaging and analysis system to support decision-making, automatically identify incidents thanks to alerts, provide personalised information to consumers and provide the water supply company with automated procedures.
- Evaluation of the infrastructure overall, based on criteria such as business performance, ease-of-use and reliability, cost-benefit for the water supply company, user/consumer satisfaction and financial return on the investment.

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. The contract was signed in 2018. The project is being carried out within the agreed schedule. During the first half of 2019, preparations to install equipment continued. Those preparations have now been completed and installation is expected to take place in the second half of 2019.

As part of the Smart-Water research project, EYATH will participate in the 11th Eastern European Young Water Professionals Conference run by IWA in Prague, Czech Republic, from 1 to 5 October 2019, with two scientific presentations and papers:

1. Towards Smart Infrastructure: A case study in the water supply system of Thessaloniki
2. The Smart-Water project: Smart metering in the city of Thessaloniki

During the first half of 2019, the company was also involved in submitting four research project proposals under the NSRF 2014-2020 action "RESEARCHING - CREATING - INNOVATING" (Management and Implementation Authority for Research, Technological Development and Innovation Actions) and

one proposal under the European R&D funding programme Horizon 2020 which are currently being evaluated. The total budget for those projects for EYATH is estimated at € 463 thous.

In February 2019 funding for the research project entitled “Monitoring and methodologies for removal of suspended pollutants from liquid waste” was approved as part of the programme entitled “Bilateral and Multilateral R&D cooperation between Greece and China - Competitiveness / Entrepreneurship / Innovation” (Competitiveness and Entrepreneurship Operational Programme Managing Authority). The project’s overall budget is € 367 thous. and EYATH S.A.’s contribution to the budget is € 39 thous. The project is expected to start in the second half of 2019.

During the first half of the year, steps were successfully taken to sign the Grant Agreement with the EU for the research project entitled: “Enhancing Standardisation strategies to integrate innovative technologies for Safety and Security in existing water networks” (Aqua3S), to utilise innovative technologies and standardise methodologies for the safety and protection of the end product (drinking water). The project’s total budget is € 6.9 million and EYATH S.A.’s contribution to the budget is € 188 thous., of which 70% will be financed by the European Union (funding: € 132 thous.). The technical and financial part of the project will commence around September 2019.

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 2019 took place (budget of around € 20 thous.).

The Research and Development Services Agreement with the Aristotle University of Thessaloniki’s Special Account for Research Grants and the School of Civil Engineering for a “Study on eco-toxicological parameters in various forms of sludge from the EYATH S.A. wastewater treatment plant” continued to be implemented (the contract was signed in May 2018, with an expected effective term of 15 months and budget of € 16 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

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 Kilikis 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 30.06.2019.

Management monitors 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.

The Company forms no provision for due receivables from the State and bodies governed by public law because it anticipates that it will collect them in their entirety.

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 previous fiscal year (2018), 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 (see note 19).

The Group's trading transactions with these related parties during the 1.1.2019 - 30.6.2019 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 1.1.2019 - 30.6.2019 period and on 30.6.2019 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	
	01.01.2019 - 30.06.2019	01.01.2018 - 30.06.2018	01.01.2019 - 30.06.2019	01.01.2018 - 30.06.2018
Expenses to subsidiary	-	-	-	371
Income from other related parties consolidated along with HCAP S.A.	50	96	50	96
Expenses to other related parties consolidated along with HCAP S.A.	6,277	5,801	6,277	5,801
Transactions with and fees for executives and board members	313	332	313	330

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	
	30.06.2019	31.12.2018	30.06.2019	31.12.2018
Receivables from subsidiary	-	-	24	24
Receivables from other related parties consolidated along with HCAP S.A.	640	533	640	533
Liabilities from other related parties consolidated along with HCAP S.A.	2,448	2,560	2,448	2,560
Receivables from management executives and board members	5	-	5	-
Liabilities to management executives and board members	8	7	6	2

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 € 640 and € 2,448 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 2018 a dividend of € 0.126/share has been 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

The company's shares are transferred as stipulated by Law 2190/1920, Article 8b, and Law 4548/2018, and there are no limitations on transfer set out 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 30.6.2019 were as follows:

SHAREHOLDER	Number of shares held	Holding on 30.06.2018
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%
Total	36,300,000	100.00%

The company is in the process of bringing its Articles of Association into line with Law 4548/2018 since under Article 183 of that law, existing societies anonyme can amend their Articles of Association by decision taken by the company's General Meeting provided that the relevant decision is taken within 1 year of the law entering into force (1.1.2019), which is to say by 1.1.2020.

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 Codified Law 2190/1920 and Law 4548/2018.

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

Article 5 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 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 6.6.2019 the General Meeting approved distribution of a dividend of € 0.126/share, or € 4,574 thous. in total for 2018 for all 36,300,000 bearer shares, compared to € 8,022 thous. in the previous year.

EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Given that as of 1.1.2019 the provisions of Article 31(5) and (6) of Law 4024/2011 cease to apply (as specified in the provisions of Article 33(a) of Law 4354/2015), the Company is in consultations with the SEEYATH trade union to forge a new collective labour agreement.

At its meeting on 31.7.2019 the Board accepted the letter of resignation from Mr. Petros Samaras dated 12.7.2019 from his position as non-executive member of the Board of Directors of EYATH S.A. (Decision No. 275/2019).

The Company's Extraordinary General Meeting of Shareholders was held on 2.8.2019 at the Stock Exchange Centre, and elected Mr. Agis Papadopoulos as Chairman and non-executive member of the Board of EYATH S.A. The issue of electing a CEO for EYATH S.A. was deferred for discussion to the General Meeting on 27.8.2019 following a recommendation from the shareholder Hellenic Corporation of Assets and Participations.

At its meeting of 5.8.2019, the Company's Board issued decision No. 276/2019 reconstituting the Board of Directors of EYATH S.A. with the following line-up:

- Agis Papadopoulos, son of Michail, ID Card No. AN 201633, Chairman, non-executive member. Elected on 2.8.2019. Term in office ends on: 2.8.2024.
- Ioannis Papaioannou, son of Evangelos, ID Card No. AE 183479, 1st Vice Chairman, executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Grigorios Penelis, son of Georgios, ID Card No. P 198072, 2nd Vice Chairman, independent non-executive member. Elected on 21.2.2019. Term in office ends on: 21.2.2024.

- Nikolaos Klitou, son of Konstantinos, ID Card No. AM 674658, independent non-executive member, (Chairman of the Audit Committee.). Elected on 21.2.2019. Term in office ends on: 21.2.2024.
- Stefania Tanimanidou, daughter of Georgios, ID Card No. AE 655638, Independent non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Panagiotis Gogos, son of Dionysios, ID Card No. AE 680814, Independent non-executive member. Elected on 6.4.2017. Term in office ends on: 10.5.2021.
- Olympia Latsiou-Chrysafi, daughter of Thomas, ID Card No. AM 660585, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Georgios Archontopoulos, son of Savvas, ID Card No. AI 733814, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Anastasios Sachinidis, son of Ioannis, ID Card No. AK 906475, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.

Shareholders at the Company's Extraordinary General Meeting held on 27.8.2019 decided:

- To elect Mr. Narkisos Georgiadis as CEO of EYATH S.A., executive member of the Board of Directors, with a 5-year term in office to 27.8.2024.
- To elect Mr. Theodoros Koulouris as non-executive member of the Company's Board of Directors and
- To appoint the Company's Audit Committee whose term runs from 27.8.2019 to 10.5.2021, comprised of Mr. Nikolaos Klitou (Chairman) and Messrs. Panagiotis Gogos and Theodoros Koulouris (members).

At its meeting on 29.8.2019, the Board passed decision No. 330/2019 appointing Mr. Ioannis Papaioannou as executive director and executive board member, and conferred the title of CEO on Mr. Narkisos Georgiadis (executive board member) and made Mr. Theodoros Koulouris a non-executive board member.

Following that, the Board was officially constituted with the line-up below:

- Agis Papadopoulos, son of Michail, ID Card No. AN 201633, Chairman, non-executive member. Elected on 2.8.2019. Term in office ends on: 2.8.2024.
- Narkisos Georgiadis, son of Vasilios, ID Card No. AN 199359, CEO, executive member. Elected on 27.8.2019. Term in office ends on: 27.8.2024.
- Ioannis Papaioannou, son of Evangelos, ID Card No. AE 183479, Executive Director Strategic Planning & Investment Programme Management, with executive duties decided on an ad hoc basis by the Board of Directors. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Grigorios Penelis, son of Georgios, ID Card No. P 198072, Vice Chairman, independent non-executive member. Elected on 21.2.2019. Term in office ends on: 21.2.2024.
- Nikolaos Klitou, son of Konstantinos, ID Card No. AM 674658, independent non-executive member, (Chairman of the Audit Committee.). Elected on 21.2.2019. Term in office ends on: 21.2.2024.
- Theodoros Koulouris, son of Nikiforos, ID Card No. AM 705629, non-executive member. Elected on 27.8.2019. Term in office ends on: 27.8.2024.
- Stefania Tanimanidou, daughter of Georgios, ID Card No. AE655638, independent non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Panagiotis Gogos, son of Dionysios, ID Card No. AE 680814, Independent non-executive member. Elected on 6.4.2017. Term in office ends on: 10.5.2021.
- Olympia Latsiou-Chrysafi, daughter of Thomas, ID Card No. AM 660585, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Georgios Archontopoulos, son of Savvas, ID Card No. AI 733814, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Anastasios Sachinidis, son of Ioannis, ID Card No. AK 906475, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.

If the CEO (as legal representative of EYATH S.A.) is absent or unable to attend to his duties, he is substituted by the Executive Director, Mr. Giannis Papaioannou in accordance with the provisions of the Articles of Association, the law and decisions of EYATH S.A.'s Board of Directors. If the Chairman of the

Board is absent or unable to attend to his duties, he is substituted by the Vice Chairman of the Board Mr. Grigorios Penelis, and likewise the Vice Chairman is substituted by the Chairman of the Board for the same reasons in accordance with Article 17 of the Articles of Association.

In September 2019 the process of recruiting 10 drivers under a fixed-term (2-month) private law employment contract will be completed. Moreover, EYATH S.A. has submitted a request to the Central Staff Recruitment Board (ASEP) to approve a call for 30 staff positions under a fixed term (8-month) private law employment contract.

At its meeting on 12.7.2019 the Board of EYATH Services S.A. issued decision No. 006/2019 accepting the letter of resignation dated 24.6.2019 tendered by Mr. Ioannis Krestenitis, from the position of CEO of EYATH Services S.A.

At its meeting on 17.7.2019 the Board of EYATH Services S.A. issued decision No. 007/2019 assigning the duties of CEO to Board Member, Mr. Ioannis Papaioannou, and the Board was officially constituted with the following line-up:

- Olympia Latsiou-Chrysafi, daughter of Thomas, ID Card No. AM 660585, Chairman.
- Ioannis Papaioannou, son of Evangelos, ID Card No. AE 183479, CEO.
- Panagiotis Gogos, son of Dionysios, ID Card No. AE 680814, Vice Chairman.
- Despina Lemonidou, daughter of Iordanis, ID Card No. AM 265639, Member.
- Petros Nastos, son of Stergios, ID Card No. AB 363357, Member.
- Dimitrios Alexandris, son of Georgios, ID Card No. AZ 683204, Member.

Lastly, at the meeting of this subsidiary's Board on 9.9.2019 decision No. 009/2019 was passed officially constituting the Board in implementation of the decision of the Ordinary General Meeting held on 9.9.2019, as follows:

- Agis Papadopoulos, son of Michail, ID Card No. AE 201633, Chairman, non-executive member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.
- Narkisos Georgiadis, son of Vasilios, ID Card No. AN 199359, CEO, executive member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.
- Olympia Latsiou-Chrysafi, daughter of Thomas, ID Card No. AM 660585, Vice Chairman, non-executive member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.
- Panagiotis Gogos, son of Dionysios, ID Card No. AE 680814, Member, executive member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.
- Petros Nastos, son of Stergios, ID Card No. AB 363357, Member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.
- Despina Lemonidou, daughter of Iordanis, ID Card No. AM 265639, Member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.
- Dimitrios Alexandris, son of Georgios, ID Card No. AZ 683204, Member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.

On 26.8.2019 the Hellenic Parliament voted to completely lift the capital controls which had been imposed on 29.6.2015 and from 1.1.2019 capital can be freely moved to/from abroad.

There are no events between 30 June 2019 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, 26 September 2019

ON BEHALF OF THE BOARD OF DIRECTORS



30 June
2019

SIX-MONTH FINANCIAL REPORT
for the six-month period ended on 30 June 2019
(amounts in thousands of euro)

Agis Papadopoulos

Narkisos Georgiadis

Nikos Klitou

Chairman of the Board of
Directors

CEO

Board Member & Chairman of
the Audit Committee

ID Card No. AN 201633

ID Card No. AN 199359

ID Card No. AM 674658

Audit Report

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 2019 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 article 5 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 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

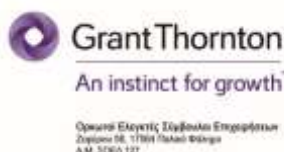
Our review did not identify any material inconsistencies or mistakes in the statements made by members of the Board and the information in the six-monthly management report from the Board, as defined in Articles 5 and 5a of Law 3556/2007, compared to the interim condensed separate and consolidated financial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

Athens, 27 September 2019

The Certified Public Accountants

Athanasia Arabatzi
ICPA Reg. No. 12821

Christos Vargiomezis
ICPA Reg. No. 30891



Statement of Financial Position

		THE GROUP		THE COMPANY	
	Note:	30.06.2019	31.12.2018	30.06.2019	31.12.2018
ASSETS					
Non-Current Assets					
Tangible assets	5	70,415	72,525	70,415	72,525
Intangible assets	5	249	297	249	297
Participations in subsidiaries	7	-	-	60	60
Deferred tax assets		3,271	3,453	3,271	3,453
Other long-term assets		2,991	3,119	2,991	3,119
Right-of-use assets	6	1,248	-	1,248	-
Financial assets measured at fair value through other comprehensive income		50	50.00	50	50
Total non-current assets		78,225	79,444	78,285	79,504
Current Assets					
Inventories	8	1,849	1,755	1,849	1,755
Trade receivables and contractual assets	9	57,866	56,140	57,850	56,103
Other receivables	9	538	899	479	835
Cash and cash equivalents	10	82,719	71,634	82,354	71,317
Total current assets		142,973	130,428	142,533	130,011
TOTAL ASSETS		221,198	209,871	220,817	209,515
LIABILITIES					
Equity					
Share capital	11	40,656	40,656	40,656	40,656
Premium on capital stock		2,830	2,830	2,830	2,830
Reserves		29,620	29,620	29,596	29,596
Results carried forward		102,080	100,033	101,768	99,725
Total equity		175,186	173,138	174,850	172,807
Non-controlling interests		-	-	-	-
Total equity		175,186	173,138	174,850	172,807
Liabilities					
Long-term liabilities					
Long-term borrowing					
Provisions for employee benefits	12	1,957	1,909	1,957	1,909
Provisions for contingencies and expenses	13	4,714	5,128	4,714	5,128
Grants		1,467	1,642	1,467	1,642
Long-term lease liabilities	15	703		703	
Other long-term liabilities		15,046	14,801	15,046	14,801
Total long-term liabilities		23,887	23,481	23,887	23,481
Short-term liabilities					
Trade and other liabilities	14	12,813	11,946	12,774	11,920
Short-term lease liabilities	15	337		337	
Dividends payable		4,508	43	4,508	43
Short-term tax liabilities	16	4,466	1,263	4,461	1,263
Total short-term liabilities		22,125	13,252	22,081	13,227
Total Liabilities		46,012	36,733	45,967	36,708
TOTAL OWNERS' EQUITY AND LIABILITIES		221,198	209,871	220,817	209,515

The disclosures on pages 36 to 63 are an integral part of these interim condensed financial statements.

Statement of Comprehensive Income

	Note	THE GROUP		THE COMPANY	
		1.1 - 30.06.2019	1.1 - 30.06.2018	1.1 - 30.06.2019	1.1 - 30.06.2018
Sales		35,622	39,396	35,622	39,396
Less: Cost of sales		(20,928)	(20,567)	(20,928)	(20,473)
Gross profit margin		14,693	18,829	14,693	18,923
Other operating income		506	1,250	471	933
		15,199	20,079	15,165	19,856
Selling and distribution expenses		(3,215)	(2,692)	(3,215)	(2,840)
Administrative expenses		(2,307)	(2,525)	(2,284)	(2,474)
Research & Development expenses		(93)	(68)	(93)	(68)
Other operating expenses		(205)	(638)	(205)	(679)
Results of operations		9,378	14,156	9,368	13,796
Net financial income		658	833	657	832
Result from usual business		10,036	14,989	10,025	14,628
Results before tax		10,036	14,989	10,025	14,628
Income tax	17	(3,414)	(4,160)	(3,408)	(4,144)
Results net of tax		6,622	10,829	6,617	10,484
Allocated among:					
Parent company shareholders		6,622	10,829	6,617	10,484
Non-controlling interests		-	-	-	-
Other comprehensive income net of tax:					
Data that will not be subsequently classified in the Income Statement:					
Actuarial Results		-	-	-	-
Total comprehensive income net of tax		6,622	10,829	6,617	10,484
Allocated among:					
Parent company shareholders		6,622	10,829	6,617	10,484
Non-controlling interests		-	-	-	-
Earnings per share (in euro per share)	18	0.1824	0.2983	0.1823	0.2888

*The Company reclassified expenses among the cost of sales, selling/distribution expenses and administrative expenses accounts for the comparator period ended on 30.6.2018 based on the update to the allocation criteria prepared during 2018.

The disclosures on pages 36 to 63 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
Balance on 01.01.2019 according to IFRS	40,656	2,830	12,583	17,035	100,034	173,138
Total comprehensive income net of tax 01.01 - 30.06.2019	-	-	-	-	6,622	6,622
Dividends distributed	-	-	-	-	(4,574)	(4,574)
Balance on 30.06.2019 according to IFRS	40,656	2,830	12,583	17,035	102,082	175,186

SIX-MONTH FINANCIAL REPORT
for the six-month period ended on 30 June 2019
(amounts in thousands of euro)

Balance on 31.12.2017 according to IFRS	40,656	2,830	12,029	17,035	89,874	162,424
Adjustments due to implementation of IFRS 9	-	-	-	-	(877)	(877)
Adjustments due to implementation of IFRS 15	-	-	-	-	5,555	5,555
Balance on 01.01.2018 according to IFRS	40,656	2,830	12,029	17,035	94,552	167,102
Total comprehensive income net of tax 01.01-30.06.2018	-	-	-	-	10,829	10,829
Dividends distributed	-	-	-	-	(8,022)	(8,022)
Balance on 30.06.2018 according to IFRS	40,656	2,830	12,029	17,035	97,359	169,909
Balance on 31.12.2017 according to IFRS	40,656	2,830	12,029	17,035	89,874	162,424
Adjustments due to implementation of IFRS 9	-	-	-	-	(877)	(877)
Adjustments due to implementation of IFRS 15	-	-	-	-	5,555	5,555
Balance on 01.01.2018 according to IFRS	40,656	2,830	12,029	17,035	94,552	167,102
Total comprehensive income net of tax 01.01-31.12.2018	-	-	554	-	13,447	14,000
Other Total Income of period 01.01-31.12.2018	-	-	-	-	84	84
Other changes	-	-	-	-	(26)	(26)
Dividends distributed	-	-	-	-	(8,022)	(8,022)
Balance on 31.12.2018 according to IFRS	40,656	2,830	12,583	17,035	100,034	173,138

The disclosures on pages 36 to 63 are an integral part of these interim condensed financial statements.

Statement of changes in equity (Company)

	Share capital	Share premium	Statutory reserve	Other reserves	Other comprehensive income / results carried forward	Total
Balance on 01.01.2019 according to IFRS	40,656	2,830	12,562	17,035	99,725	172,807
Total comprehensive income net of tax 01.01 - 30.06.2019	-	-	-	-	6,617	6,617
Dividends distributed	-	-	-	-	(4,574)	(4,574)
Balance on 30.06.2019 according to IFRS	40,656	2,830	12,562	17,035	101,768	174,850
Balance on 31.12.2017 according to IFRS	40,656	2,830	12,007	17,035	89,880	162,408
Adjustments due to implementation of IFRS 9	-	-	-	-	(877)	(877)
Adjustments due to implementation of IFRS 15	-	-	-	-	5,555	5,555
Balance on 01.01.2018 according to IFRS	40,656	2,830	12,007	17,035	94,559	167,087
Total comprehensive income net of tax 01.01 - 30.06.2018	-	-	-	-	10,484	10,484
Dividends distributed	-	-	-	-	(8,022)	(8,022)
Balance on 30.06.2018 according to IFRS	40,656	2,830	12,007	17,035	97,020	169,549
Balance on 31.12.2017 according to IFRS	40,656	2,830	12,007	17,035	89,880	162,408
Adjustments due to implementation of IFRS 9	-	-	-	-	(877)	(877)
Adjustments due to implementation of IFRS 15	-	-	-	-	5,555	5,555
Balance on 01.01.2018 according to IFRS	40,656	2,830	12,007	17,035	94,559	167,087
Total comprehensive income net of tax 01.01 - 31.12.2018	-	-	554	-	13,105	13,660
Other Total Income of period 01.01 - 31.12.2018	-	-	-	-	84	84
Dividends distributed	-	-	-	-	(8,022)	(8,022)
Balance on 31.12.2018 according to IFRS	40,656	2,830	12,562	17,035	99,725	172,807

The disclosures on pages 36 to 63 are an integral part of these interim condensed financial statements.

Cash Flow Statement

Indirect method

	Note:	THE GROUP		THE COMPANY	
		1.1-30.06.2019	1.1-30.06.2018	1.1-30.06.2019	1.1-30.06.2018
Cash flow from operating activities					
Profit / (loss) before income tax (continuing operations)		10,036	14,989	10,025	14,628
Plus/(Minus) adjustments for:					
Depreciation	5	3,255	3,226	3,255	3,226
Depreciation of rights-of-use	6	177		177	
Fixed asset investment subsidies		(176)	(176)	(176)	(176)
Provisions		1,714	1,436	1,701	1,738
Offsetting of prior period provisions	13	(135)	(827)	(135)	(552)
Interest and related (income) / expenses		(658)	(833)	(657)	(832)
		14,213	17,814	14,189	18,032
Decrease/ (increase) in inventories		(94)	(4)	(94)	(4)
Decrease/(increase) in trade and other receivables		(2,287)	(7,235)	(2,298)	(7,194)
Increase / (Decrease) of trade and other liabilities (except loans)		1,619	(1,506)	1,606	505
Decrease/ (increase) in other long-term receivables		(1,121)	448	(1,121)	448
(Less):					
Interest charges and related expenses paid		(49)	(42)	(49)	(42)
Total inflow/(outflow) from operating activities (a)		12,281	9,476	12,234	11,744
Cash Flows from Operating Activities					
Purchases of tangible assets	5	(1,097)	(847)	(1,097)	(847)
Purchase of intangible assets	5	-	(35)	-	(35)
Increase in investment in subsidiaries		-	-	-	(2,400)
Collected interest		155	295	154	294
Total inflow/(outflow) from investing activities (b)		(942)	(587)	(943)	(2,988)
Cash flows from financing activities					
Leasing arrangement liabilities paid	15	(254)	-	(254)	-
Total inflow / (outflow) from financing activities (c)		(254)	-	(254)	-
Net increase/ (decrease) in cash and cash equivalents for the period (a) + (b) + (c)		11,085	8,889	11,037	8,756
Cash assets and equivalents at start of year		71,634	65,210	71,317	64,914
Cash assets and equivalents at end of period	10	82,719	74,098	82,354	73,670

The disclosures on pages 36 to 63 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 2190/1920, 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. ΕΓΑ/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. However, those Articles of Association were amended and codified on 31.5.2018 and entered in the General Commercial Registry on 24.7.2018 (entry No. 1430512 / notice No. 1195562). The company is in the process of bringing its Articles of Association into line with Law 4548/2018 since under Article 183 of that law, existing societes anonyme can amend their Articles of Association by decision taken by the company's General Meeting provided that the relevant decision is taken within 1 year of the law entering into force (1.1.2019), which is to say by 1.1.2020.

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. Narkisos Georgiadis, CEO, executive member
3. Ioannis Papaioannou, Executive Director, executive member
4. Grigorios Penelis, Vice Chairman, non-executive member.
5. Nikolaos Klitou, Chairman of the Audit Committee, non-executive member
6. Theodoros Koulouris, non-executive member
7. Stefania Tanimanidou, Member, independent non-executive member
8. Panagiotis Gogos, Member, independent non-executive member
9. Olympia Latsiou - Chrysafi, Member, non-executive member
10. Georgios Archontopoulos, non-executive member, representative of employees
11. Anastasios Sachinidis, Member, non-executive member, representative of employees

Company registered office:

127 Egnatias St.

Thessaloniki GR-54635
Greece

Companies Reg. No. 41913/ 06/ B/ 98/ 32

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

The condensed interim financial information have been drawn up 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 2018. The key accounting policies implemented for drawing up the interim condensed financial report of the six-month period that ended on 30 June 2019 are the same as those that followed when drawing up the annual financial statements of the year ended on 31 December 2018, 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 1.1.2019. 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.

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 31.12.2018. Moreover, the main sources of uncertainties which existed when preparing the annual financial statements as at 31.12.2018 remained unchanged for the interim condensed financial statements as at 30.6.2019.

The financial statements have been prepared on the basis of the historical cost principle, as amended by adjusting specific assets and liabilities to current values, and on the basis that it is an ongoing concern, and were approved by the Board on 26.9.2019.

The Company's functional and presentation currency is the Euro.

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 1.1.2019. In 2019 the Group and Company adopted IFRS 16. Where not otherwise stated, other amendments and interpretations which applied for the first time in 2019 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 2019 period.

Standards and interpretations mandatory for the current fiscal year**IFRS 16 “Leases”** (effective for annual periods beginning on or after 1 January 2019)

In January 2016 the IASB issued a new standard, IFRS 16. IFRS 16 supersedes IAS 17 “Leases”, IFRIC 4 “Determining whether an Arrangement Contains a Lease”, SIC 15 “Operating Leases - Incentives” and SIC 27 “Evaluating the Substance of Transactions Involving the Legal Form of a Lease”. The Standard introduces principles for recognising, measuring, presenting and disclosing leases and requires the lessee to recognise all leases under a single model in the financial statements.

The impact on the Group and Company of implementing this standard is outlined in note 2.3.

IFRS 9 (Amendments) “Prepayment Features with Negative Compensation” (effective for annual accounting periods commencing on or after 1.1.2019)

If a specific condition is met the amendments allow companies to measure financial assets with prepayment features with negative compensation at amortised cost or fair value through comprehensive income, instead of at fair value through profit and loss. These amendments have no impact on the consolidated and corporate Financial Statements

IFRIC 23 Interpretation “Uncertainty over income tax treatments” (effective for annual accounting periods commencing on or after 1.1.2019)

The interpretation provides explanations about how to recognise and measure current and deferred income tax when there is uncertainty about the tax treatment of certain assets. IFRIC 23 applies to all aspects of income tax accounting when there is such uncertainty, including taxable profits/losses, the tax base of assets and liabilities, tax profits and losses and tax rates.

IAS 19 (Amendments) “Plan Amendment, Curtailment or Settlement” (Effective for annual accounting periods commencing on or after 1.1.2019)

The amendments lay down how entities must define pension costs when changes are made to defined benefit pension plans.

IAS 28 (Amendments) “Long-term Interests in Associates and Joint Ventures” (effective for annual accounting periods commencing on or after 1.1.2019)

The amendments make it clear that entities must account for long-term holdings in an associate or joint venture to which the equity method does not apply, using IFRS 9.

Annual improvements to the IFRS (2015 – 2017 Cycle) (effective for annual accounting periods commencing on or after 1.1.2019)

The amendments presented below describe the basic changes to specific IFRSs.

In December 2017, the IASB issued the “Annual Improvements to IFRSs 2015-2017 Cycle”, which incorporates a series of amendments to certain standards and forms part of the annual IFRS improvement project. The amendments included in the cycle relate to: **IFRS 3 - IFRS 11:** Equity rights previously held by the acquiror in a joint operation. **IAS 12:** Impacts on income tax of payments for financial instruments classified as equity items.

These amendments have no impact on the consolidated and separate Financial Statements.

Standards and Interpretations mandatory for later accounting periods**IFRS 3 (Amendments) “Definition of business combination”** (effective for annual accounting periods commencing on or after 1.1.2020)

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. These amendments have not yet been adopted by the European Union.

IAS 1 and IAS 8 (Amendments) "Definition of materiality" (effective for annual accounting periods commencing on or after 1.1.2020)

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. These amendments have not yet been adopted by the European Union.

Revision of the Financial Reporting Conceptual Framework (applicable to companies in periods commencing on or after 1.1.2020).

In March 2018 the IASB revised the Financial Reporting Conceptual Framework, the objective being to integrate key issues not covered up to then and to update and provide clarifications about specific guidance. The revised Financial Reporting Conceptual Framework includes a new chapter about measurement which analyses the concept of measurement, including factors which must be taken into account in selecting a basis for measurement, issues relating to presentation and disclosure in the Financial Statements and guidance about derecognition of assets as well as guidance about derecognition of assets and liabilities from the Financial Statements. Moreover, the revised Financial Reporting Conceptual Framework includes improved definitions of assets and liabilities, guidance to help apply those definitions, updating of criteria for recognition of assets and liabilities, as well as clarifications in key sectors such as the roles of management, conservatism and uncertainty in measurement in financial reporting. The Group will examine the impact of all these changes on its financial statements but no impact is actually expected. The above have not yet been adopted by the European Union.

2.3 Changes to accounting policies

The Group will apply IAS 16 "Leases" from 1.1.2019. IFRS 16 introduces a single model for recognising leases in the financial statements. By adopting the standard the Group, as lessee, recognises right-of-use assets and lease liabilities in its statement of financial position, on the date on which the leased assets become available for use. Accounting for leases remains by lessors remains the same as under IAS 17.

The Group applied the standard using the modified retrospective approach. Under that method, the standard is applied retrospectively with the cumulative impact of applying it being recognised on 1.1.2019, without the comparator amounts from previous periods being recast.

The changes to accounting policies for leases which were applied for the first time in 2019 and the impact of adopting them are explained below:

A. The group/company as lessee

Under the previous standard (IAS 17), the group and company as lessees classified leases as either operating or finance leases based on an assessment of whether all risks and rewards relating to ownership of an asset were transferred, irrespective of the final transfer or otherwise of ownership of the asset. Under IFRS 16, right-of-use assets and lease liabilities are recognised for most of the leases entered into as a lessee, apart from low value leases, payments for which are recorded using a straight line method in the income statement over the entire term of the lease.

In particular, leases are recognised in the statement of financial position as right-of-use assets and lease liabilities, on the date the leased asset becomes available for use. Each lease is allocated between the lease liability and interest, which is imputed to the results over the entire term of the lease, to achieve a fixed interest rate for the remainder of the financial liability in each period.

The right-of-use assets are initially measured at cost, and are then reduced by the amount of accumulated depreciation and any impairment. The right-of-use asset is depreciated over its entire useful life or over the term of the lease, whichever is shorter, using a straight line method. The initial measurement of right-of-use assets consists of:

- the amount the lease liability is initially measured at,
- lease payments made on the start date or prior to it, less the amount of any discounts or other incentives offered,
- the initial expenses directly associated with the leased property,
- restoration costs.

Lastly, the lease liability is adjusted when remeasured specifically.

Lease liabilities are initially calculated at the present value of rents which were not paid at the start of the lease. They are discounted using a deemed interest rate for the lease or, if that rate cannot be identified from the contract, using the incremental borrowing rate (IBR). The IBR is the cost which the lessee would be obliged to pay to borrow the necessary capital to acquire an asset similar in value to the leased asset, in a similar economic environment and under similar terms and conditions. The lease obligations include the net present value of:

- fixed rents (including any “substantively” fixed rents),
- variable rents, which are tied into some index,
- the residual value which remains to be paid,
- the price for exercising any right of purchase if the lessor is almost certain that the right will be exercised,
- sanctions for terminating a lease, if the lessor opts to use that right.

After initial measurement, lease liabilities are increased by the financial cost thereof and reduced by lease payments made. Lastly, they are re-assessed when there is a change: a) in rents due to a change in an index, b) in the estimate of the size of the residual value, expected to be paid, or c) in the assessment of the right to purchase or extend, which is relatively certain to be exercised or a right to terminate the agreement which is relatively certain to be exercised.

B. The group/company as lessor

When tangible assets are leased under a finance lease, the present value of the rents is recorded as a receivable. The difference between the gross amount of the receivable and the present value of the receivable is recorded as deferred financial income. The income from the lease is recognised in the income statement over the term of the lease using the net investment method, which represents a fixed periodic yield. The Group and Company do not enter into leases as lessors.

C. Impact on the financial statements

When IFRS 16 was adopted the Group and Company applied the following rules:

Leases previously classed as finance leases:

Neither the Group nor the Company had leases classed as finance leases based on the previous standard.

Leases previously classed as operating leases:

The Group and Company recognised rights to use fixed assets and liabilities for those leases which were previously classed as operating leases, apart from the exceptions under the standard for lease agreements whose remaining terms is less than 12 months on the date of initial adoption of the

standard, leases where the value of the leased assets is low, and short-term leases. The Group and Company applied the modified retrospective approach and recognised:

- a) a liability for leases measured at present value by discounting future rents using the incremental borrowing rate which applied on the date the standard was first adopted and
- b) a right-of-use asset which was recognised as a figure equal to the corresponding lease liability, adjusted for advance payments and accrued payments of rents which had been recognised in the statement of financial position as at 31.12.2018.

For those leases that allow the Group and Company a right to extend the lease or terminate it, Management estimated whether there was certainty that the rights would be exercised or not, based on past experience and the Group and Company's business plan.

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.

As a result of the first time adoption of IFRS 16, insofar as leases previously classed as operating leases are concerned, on 30.6.2019 the Group and Company recognised rights of use worth € 1,425 thous. and lease liabilities of € 1,283 thous.

In addition, for those leases the Group recognised depreciation and financial expenses for the period 1.1.2019 - 30.6.2019, instead of lease expenses. In the six-month period ended on 30.6.2019 the Group and Company recognised depreciation of € 177 thous. for right-of-use assets and € 12 thous. in interest from lease liabilities. Rent expenses under short-term leases and low value assets stood at € 12 thous.

During the first half of 2019 the positive impact on Group and Company EBITDA was approximately € 188 thous., since under IAS 17 payments from operating leases were included in EBITDA, but following the adoption of IFRS 16 depreciation of the right-of-use assets and interest on lease liabilities is no longer taken into account in calculating EBITDA. Lastly, the Group and Company's cash flows from operating activities rose in the first half of 2019, and likewise the cash flows from financing activities dropped by around € 254 thous., since payments of the principal and interest on lease liabilities was to be classed as cash flows from financing activities.

The impact of applying IFRS 16 on recognised leases and on other accounts in the statement of financial position as at 1.1.2019 is presented in detail in the tables below (amounts in € '000):

	THE GROUP	THE COMPANY
Commitments from operating leases as at 31.12.2018	1,557	1,557
Short-term leases	(23)	(23)
Liabilities as at 1.1.2019 prior to discounting	1,534	1,534
Weighted average discounting rate on 1.1.2019	4%	4%
Lease liabilities as at 1.1.2019	1,283	1,283
Of which:		
Long-term lease liabilities	814	814
Short-term lease liabilities	469	469
Lease liabilities as at 1.1.2019	1,283	1,283

ASSETS

Non-current assets

	THE GROUP				THE COMPANY			
	31.12.2018	IFRS 16 - Transition adjustments	IFRS 16 - reclassifications	01.01.2019 - adjusted	31.12.2018	IFRS 16 - Transition adjustments	IFRS 16 - reclassifications	01.01.2019 - adjusted
Tangible assets	72,525	-	-	72,525	72,525	-	-	72,525
Intangible assets	297	-	-	297	297	-	-	297
Participations in subsidiaries	-	-	-	-	60	-	-	60
Deferred tax assets	3,453	-	-	3,453	3,453	-	-	3,453
Other long-term assets	3,119	-	(80)	3,039	3,119	-	(80)	3,039
Right-of-use assets	-	1,283	142	1,425	-	1,283	142	1,425
Financial assets measured at fair value through other comprehensive income	50	-	-	50	50	-	-	50
Total non-current assets	79,444	1,283	62	80,789	79,504	1,283	62	80,849

Current Assets

Inventories	1,755	-	-	1,755	1,755	-	-	1,755
Trade receivables and contractual assets	56,140	-	-	56,140	56,103	-	-	56,103
Other receivables	899	-	(62)	837	835	-	(62)	773
Cash and cash equivalents	71,634	-	-	71,634	71,317	-	-	71,317
Total current assets	130,428	-	(62)	130,366	130,011	-	(62)	129,949

Total assets

209,871	1,283	-	211,154	209,515	1,283	-	210,798
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EQUITY & LIABILITIES

Equity								
Share capital	40,656	-	-	40,656	40,656	-	-	40,656
Premium on capital stock	2,830	-	-	2,830	2,830	-	-	2,830
Reserves	29,620	-	-	29,620	29,596	-	-	29,596
Results carried forward	100,033	-	-	100,033	99,725	-	-	99,725
Total equity	173,138	-	-	173,138	172,807	-	-	172,807
Non-controlling interests	-	-	-	-	-	-	-	-
Total equity	173,138	-	-	173,138	172,807	-	-	172,807

Long-term liabilities

Provisions for employee benefits	1,909	-	-	1,909	1,909	-	-	1,909
Provisions for contingencies and expenses	5,128	-	-	5,128	5,128	-	-	5,128
Grants	1,642	-	-	1,642	1,642	-	-	1,642
Long-term lease liabilities	-	814	-	814	-	814	-	814
Other long-term liabilities	14,801	-	-	14,801	14,801	-	-	14,801
Total long-term liabilities	23,481	814	-	24,295	23,481	814	-	24,295

Short-term liabilities

Trade and other liabilities	11,946	-	-	11,946	11,920	-	-	11,920
Short-term lease liabilities	-	469	-	469	-	469	-	469
Dividends payable	43	-	-	43	43	-	-	43
Short-term tax liabilities	1,263	-	-	1,263	1,263	-	-	1,263
Total short-term liabilities	13,252	469	-	13,721	13,227	469	-	13,696

Total Liabilities

36,733	1,283	-	38,016	36,708	1,283	-	37,991
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Total Equity and Liabilities

209,871	1,283	-	211,154	209,515	1,283	-	210,798
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2.4 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
THESSALONIKI WATER SUPPLY AND SEWERAGE S.A. (EYATH)	PARENT COMPANY	GREECE	Water supply & Sewerage Services
EYATH SERVICES S.A.	100%	GREECE	Provision of all types of Water supply & Sewerage Services, telecommunication services & production / sale of electricity

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 01.01 - 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)
Gross Profit (losses)	11,359	3,335	14,693
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)
Earnings / (losses) before taxes, financial and investment results	8,046	1,332	9,378
Net Financial Income	447	211	658
Result from usual business	8,493	1,543	10,036
Results before tax	8,493	1,543	10,036
Income tax	(2,890)	(525)	(3,414)
Results net of tax	5,603	1,019	6,622
Earnings / (losses) before taxes, financial and investment results and depreciation	9,606	3,028	12,634

	Group data for the period 1.1 - 30.06.2018		
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Sales to third parties	27,022	12,374	39,396
Less: Total cost of sales	(11,601)	(9,844)	(21,446)
Gross profit (losses)	15,421	2,529	17,950
Other operating income	625	625	1,250
Selling and distribution expenses	(941)	(696)	(1,637)
Administrative expenses	(1,508)	(1,193)	(2,701)
Research & Development expenses	(40)	(28)	(68)
Other operating expenses	(319)	(319)	(638)
Earnings / (losses) before taxes, financial and investment results	13,238	918	14,156
Net Financial Income	417	417	833
Result from usual business	13,654	1,335	14,989
Results before tax	13,654	1,335	14,989
Income tax	(3,831)	(329)	(4,160)
Results net of tax	9,823	1,005	10,829
Earnings / (losses) before taxes, financial and investment results and depreciation	14,624	2,581	17,206

3.1.2 Distribution of Assets and Liabilities per business sector.

Group data	Group data as at 30.06.2019		
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Fixed assets	40,904	31,008	71,912
Trade receivables, contractual assets and other receivables	37,963	20,441	58,404
Non-allocated assets	-	-	90,882
Total assets	78,867	51,449	221,198
Future subsidy income	-	1,467	1,467
Liabilities	11,935	6,427	18,362
Non-allocated liabilities	-	-	201,369
Total Liabilities	11,935	7,893	221,198
Additions of Tangible and Intangible Assets	472	626	1,098

Group data	Group data as at 31.12.2018		
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Fixed assets	41,422	31,400	72,822
Trade receivables, contractual assets and other receivables	37,075	19,963	57,038
Non-allocated assets	-	-	80,011
Total assets	78,497	51,363	209,871
Future subsidy income	-	1,642	1,642
Liabilities	7,793	4,196	11,989
Non-allocated liabilities	-	-	196,240
Total Liabilities	7,793	5,839	209,871
Additions of Tangible and Intangible Assets	884	1,172	2,056

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 € 35,622 compared to € 39,396 during the corresponding period last year, reflecting a drop of € 3,774 or 9.58%. The change in turnover was primarily due to the factors outlined below:

- Implementation of the new pricing policy from 1.5.2019 onwards, which follows the logic of a drop in the cost of water for lower levels of consumption (which covers most consumers) and a rise in cost for high consumption to avoid natural resource wastage.

- For around 4 months from March 2018 onwards, there were difficulties in reading water meters which led to bills being issued for that period based on historical data. That change in methodology led to higher billing in the first half of 2018 compared to the second half. At the end of 2018 billing returned to normal and revenues for 2018 have been recognised in full.
- The Group recognises an amount from contracts in its statement of financial position when it has met the implementation obligations under the contract, before the customer pays and/or before the payment becomes due, as in the case where the goods or services are transferred/provided to the customer before the date on which the bill is issued. The Group re-assessed that asset for the six-month period and settled on the amount it expects to be entitled to as consideration for the specific services which it transferred to customers up to the end of the six-month period.

The cost of sales was € 20,928 compared to € 20,567 in 2018, up € 362 or 1.76%. Consequently, the gross profit for the period ended stood at € 14,693 compared to € 18,829 in the same period last year, down € 4,136 or 21.96%. The cost of sales rose due to higher public utility (electricity, natural gas) bills, particularly on the water supply network, the pumping stations and the biological treatment plant.

Other operating income stood at € 506 compared to € 1,250, down € 744 or 59.54%, primarily due to the drop in the reversal of provisions for cases in litigation which were settled during the period ended.

The Group's operating expenses rose by € 331 or 6.25% primarily due to the provision for bad debt formed in accordance with the requirements of IFRS 9, which was up € 319 compared to the first half of 2018.

Other operating expenses stood at € 205 compared to € 638 in the same half of 2018, down some 67.8% due to a drop in the compensation paid to third parties.

Due to the above, Group EBT was € 10,036 compared to € 14,989 during the corresponding period last year, down € 4,953 or approximately 33.05%. Finally, Earnings After Tax as at 30.6.2019 amounted to € 6,622 compared to € 10,829, down by € 4,207 or 38.85%.

The EYATH S.A. Group's EBITDA during the current period amounted to € 12,634 compared to € 17,206, a drop of € 4,572 or 26.57%.

Finally, Group cash and cash equivalents at the end of the period on 30.06.2019 stood at € 82,719 compared to € 71,634 on 31.12.2018, an increase of € 11,085 or 15.47%.

5. TANGIBLE AND INTANGIBLE ASSETS

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

	THE GROUP					
	Plots – lots	Buildings and building facilities	Machinery & Mechanical Installations	Transportation equipment	Furniture and other equipment	Fixed assets under construction
Acquisition or valuation value						
Balance on 01.01.2019	18,896	5,899	118,543	1,881	3,987	4,445
Additions 01.01 - 30.06.2019	-	34	70	-	314	679
Total on 30.06.2019	18,896	5,932	118,613	1,881	4,301	5,124
Accumulated depreciation						
Balance on 01.01.2019	-	2,192	74,593	1,221	3,118	-
Depreciation of period 01.01 - 30.06.2019	-	78	2,984	43	101	-
Settlements 01.01 - 30.06.2019	-	2	-	-	-	-
Total on 30.06.2019	-	2,272	77,577	1,264	3,219	-
Net carried value on 31.12.2018	18,896	3,707	43,950	660	869	4,445
Net carried value on 30.06.2019	18,896	3,660	41,036	617	1,082	5,124

Acquisition or valuation value

Balance on 01.01.2019

Additions 01.01 - 30.06.2019

Total on 30.06.2019

THE COMPANY						
Plots – lots	Buildings and building facilities	Machinery & Mechanical Installations	Transportation equipment	Furniture and other equipment	Fixed assets under construction	Total
18,896	5,899	118,543	1,881	3,987	4,445	153,651
-	34	70	-	314	679	1,097
18,896	5,932	118,613	1,881	4,301	5,124	154,747

Accumulated depreciation

Balance on 01.01.2019

Depreciation of period 01.01 - 30.06.2019

Settlements 01.01 - 30.06.2019

Total on 30.06.2019

-	2,192	74,593	1,221	3,118	-	81,124
-	78	2,984	43	101	-	3,207
-	2	-	-	-	-	2
-	2,272	77,577	1,264	3,219	-	84,333

Net carried value on 31.12.2018

Net carried value on 30.06.2019

18,896	3,707	43,950	660	869	4,445	72,526
18,896	3,660	41,036	617	1,082	5,124	70,415

Additions to assets under construction of € 679 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:

Acquisition or valuation value

Balance on 01.01.2019

Total on 30.06.2019

THE GROUP	
Software Applications	Total
1,172	1,172
1,172	1,172

THE COMPANY	
Software Applications	Total
1,172	1,172
1,172	1,172

Accumulated depreciation

Balance on 01.01.2019

Depreciation of period 01.01 - 30.06.2019

Total on 30.06.2019

875	875
48	48
923	923

875	875
48	48
923	923

Net carried value on 31.12.2018

Net carried value on 30.06.2019

297	297
249	249

297	297
249	249

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:

Balance as at 01.01.2019

Depreciation of period 01.01 - 30.06.2019

Balance as at 01.01.2019

THE GROUP	THE COMPANY
1,425	1,425
(177)	(177)
1,248	1,248

7. PARTICIPATIONS IN SUBSIDIARIES

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

30-Jun-19	31-Dec-18
-----------	-----------

Opening balance	60	60
Share capital increase in holdings	-	2,400
Impairment of holdings	-	(2,400)
	60	60
Sale of shares in subsidiary	-	-
Closing balance	60	60

Decision No. 270/2018 of EYATH S.A.'s Board of Directors approved a € 2,400,000 increase in the share capital of the wholly owned subsidiary EYATH Services S.A. in May 2018 paid in cash. Following completion of that share capital increase, the subsidiary's share capital stood at € 2,460,000 divided into 4,920,000 registered shares with a nominal value of € 0.50 each. Then based on its accounting policies and the requirements of IAS 36, the Company formed an impairment provision equal to the increase in the subsidiary's share capital based on the present value of future cash flows which are expected to flow from the subsidiary.

8. INVENTORIES

Group and Company inventories can be broken down as follows:

	THE GROUP		THE COMPANY	
	30-Jun-19	31-Dec-18	30-Jun-19	31-Dec-18
Raw direct and indirect materials - consumables - spare parts	1,885	1,791	1,885	1,791
Impairment of inventories	(35)	(35)	(35)	(35)
Total after impairment	1,849	1,755	1,849	1,755

There is an impairment provision of € 35 on the Group's inventories (2018: €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-19	31-Dec-18	30-Jun-19	31-Dec-18
Trade receivables	43,509	42,096	43,493	42,078
Doubtful – bad customers and debtors	30,409	28,906	30,396	28,906
Contractual assets	13,506	13,242	13,506	13,242
Years' receivable income	851	802	851	784
	88,275	85,045	88,246	85,009
Less: Provision for bad debt	(30,409)	(28,906)	(30,396)	(28,906)
Total trade receivables and contractual assets	57,866	56,140	57,850	56,103

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 current income" account primarily includes revenues from interest on time deposits to be collected.

The book values of the above receivables represent their fair value and no discounting is required on the Balance sheet date. There is no credit risk concentration related to receivables, as the Company has a large number of customers and the credit risk is dispersed.

15% 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.

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

	THE GROUP		THE COMPANY	
	30-Jun-19	31-Dec-18	30-Jun-19	31-Dec-18
Loans and other receivables from staff	423	432	423	432
Short-term receivables from related parties	-	-	24	24
Sundry debtors	794	1,012	710	925
Advances and credit control account	112	112	112	112
Prepaid expenses	61	193	61	193
	1,389	1,749	1,330	1,686
Less: Provision for bad debt	(851)	(851)	(851)	(851)
Total other receivables	538	899	479	835

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 30.6.2019 mainly included receivables-bills for payment of the Company's collectors and other associates.

The change in bad debts (trade and other receivables) and the provision formed can be broken down as follows:

	THE GROUP		THE COMPANY	
	30-Jun-19	31-Dec-18	30-Jun-19	31-Dec-18
Balance on 1 January in accordance with IAS 39		25,700		25,700
Forecast adjusted via retained earnings		877		877
Balance on 1 January in accordance with IFRS 9	29,757	26,577	29,757	26,577
Provisions (expenses) for current period	2,097	3,732	2,083	3,732
Provisions used in the current fiscal year	(593)	(552)	(593)	(552)
Balance on 30 June 2019 / 31 December 2018	31,260	29,757	31,247	29,757

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.

10. CASH AND CASH EQUIVALENTS

	THE GROUP		THE COMPANY	
	30-Jun-19	31-Dec-18	30-Jun-19	31-Dec-18
Cash	37	124	37	124
Sight Deposits	45,682	34,510	45,317	34,192
Time deposits	37,000	37,000	37,000	37,000
Total	82,719	71,634	82,354	71,317

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

The total sight and time deposits are deposited in Greek banks which are subject to capital controls.

In implementation of the Act of Legislative Content of 20.04.2015 (Government Gazette 41/A), on 22.04.2016 EYATH S.A. requested that a cash management account be opened at the Bank of Greece in which € 25,000 was deposited.

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-19	31-Dec-18
Number of registered shares	36,300,000	36,300,000
Nominal value per share (in Euro)	1.12	1.12
Nominal value	40,656,000	40,656,000
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 30.6.2019, shareholders with a significant participation percentage in the Company were:

SHAREHOLDER	Number of shares held	Holding on 30.06.2019
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%
Total	36,300,000	100.00%

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. To revoke Interministerial Committee for Restructuring and Privatisation Decision 206/25.4.2012, Government Gazette 1363/B/26.4.2012), to the extent that it transferred 3,630,001 shares of the Hellenic Republic to the company with the corporate name 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.

Following that, 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	
	30.06.2019	30.06.2018	30.06.2019	30.06.2018
Payroll expenses	4,847	5,126	4,847	5,126
Employer contributions	1,233	1,309	1,233	1,309
Other benefits and staff expenses	114	78	114	78
Personnel dismissal and retirement compensation provision	43	84	43	84
Total cost	6,238	6,598	6,238	6,598
Number of employees	360	399	360	399

The Group's and Company's obligation to pay compensation to its staff leaving due to retirement was determined 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-19	31-Dec-18	30-Jun-19	31-Dec-18
Provisions for retirement benefits	1,957	1,909	1,957	1,909
	1,957	1,909	1,957	1,909

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

	THE GROUP		THE COMPANY	
	30-Jun-19	31-Dec-18	30-Jun-19	31-Dec-18
Current value of non-financed liabilities	1,957	1,909	1,957	1,909
Fair value of plan assets				
Net liability recognised in balance sheet	1,957	1,909	1,957	1,909
	THE GROUP		THE COMPANY	
	30-Jun-19	30-Jun-18	30-Jun-19	30-Jun-18
Cost of current employment	43	65	43	65
Interest on liability	19	19	19	19
Normal expenses in income statement	63	84	63	84
Total expense in income statement	63	84	63	84
	THE GROUP		THE COMPANY	
	30-Jun-19	31-Dec-18	30-Jun-19	31-Dec-18
Net liability at start of period	1,909	1,892	1,909	1,892
Benefits paid by employer	(15)	(66)	(15)	(66)
Total expense recognised in income statement	63	180	63	180
Amount recognised directly in comprehensive income statement	-	(97)	-	(97)
Net liability at end of period	1,957	1,909	1,957	1,909
Adjustment				
Net liability at end of period	1,957	1,909	1,957	1,909
	THE GROUP		THE COMPANY	
	30-Jun-19	31-Dec-18	30-Jun-19	31-Dec-18
Present value of liability at start of period	1,909	1,892	1,909	1,892
Cost of current employment	43	130	43	130
Interest cost	19	38	19	38
Benefits paid by employer	(15)	(66)	(15)	(66)
Cost of cutbacks / settlements / termination of service	-	12	-	12
Amounts recognised in other comprehensive income	-	(97)	-	(97)
Present value of liability at end of period	1,957	1,909	1,957	1,909

Actuarial assumptions
Discount rate
Inflation

Future increases of salaries

Retirement Increase Rate

2.00%	2.00%	2.00%	2.00%
2.00%	2.00%	2.00%	2.00%
0% up to 2020 and 2.3% thereafter	0% up to 2020 and 2.3% thereafter	0% up to 2020 and 2.3% thereafter	0% up to 2020 and 2.3% thereafter
0.00%	0.00%	0.00%	0.00%

13. PROVISIONS FOR CONTINGENCIES AND EXPENSES

A provision of € 148 covers contingent liabilities that may arise during the settlement of litigation with third parties and Company staff.

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

GROUP		
Pending litigation	Provisions for contingencies & expenses	Total
1 January 2019	3,487	5,128
Additional provisions for year	148	148
Income from unrealized provisions	(135)	(135)
Provisions used/reversal of provisions for the period	(427)	(427)
30 June 2019	3,073	4,714

THE COMPANY		
Pending litigation	Provisions for contingencies & expenses	Total
1 January 2019	3,487	5,128
Additional provisions for year	148	148
Income from unrealized provisions	(135)	(135)
Provisions used/reversal of provisions for the period	(427)	(427)
30 June 2019	3,073	4,714

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-19	31-Dec-18		30-Jun-19	31-Dec-18
Suppliers	7,129	7,572		7,110	7,559
Cheques payable	114	10		114	10
Other Taxes - Duties	1,694	1,016		1,694	1,016
Insurance and pension fund dues	545	569		544	569
Accrued expenses	1,996	1,470		1,979	1,464
Sundry creditors	1,335	1,308		1,333	1,303
Total	12,813	11,946		12,774	11,920

15. LEASE LIABILITIES

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

	THE GROUP	THE COMPANY
Adjusted balance of lease liabilities as at 1.1.2019	1,283	1,283
Of which:		
Long-term lease liabilities	814	814
Short-term lease liabilities	469	469
Lease liabilities as at 01.01.2019	1,283	1,283
Lease repayments	(254)	(254)
Financial cost for period	12	12
Lease liabilities as at 30.06.2019	1,040	1,040
Of which:		
Long-term lease liabilities	703	703
Short-term lease liabilities	337	337
Lease liabilities as at 30.06.2019	1,040	1,040

16. SHORT-TERM TAX LIABILITIES

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

	THE GROUP		THE COMPANY	
	30-Jun-19	31-Dec-18	30-Jun-19	31-Dec-18
Income tax	4,466	1,263	4,461	1,263
	<u>4,466</u>	<u>1,263</u>	<u>4,461</u>	<u>1,263</u>

17. INCOME TAX

According to Greek tax law, the tax rate was 29% for 2018. Under Article 23 of Law 4579/2018 the income tax rates will be reduced to 28% for income in the 2019 tax year, and will continue to be gradually reduced to 27% for income in the 2020 tax year, 26% for income in the 2021 tax year and 25% for income in tax years from 2022 onwards.

The tax burden on the results was as follows:

	THE GROUP		THE COMPANY	
	1.1-30.06.2019	1.1-30.06.2018	1.1-30.06.2019	1.1-30.06.2018
Income tax	3,233	4,715	3,227	4,698
Deferred tax	182	(554)	182	(554)
Total	<u>3,414</u>	<u>4,160</u>	<u>3,408</u>	<u>4,144</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-19	31-Dec-18	30-Jun-19	31-Dec-18
Opening balance	3,453	3,133	3,453	3,133
Income/equity tax	(182)	320	(182)	320
Closing balance	<u>3,271</u>	<u>3,453</u>	<u>3,271</u>	<u>3,453</u>

Deferred tax liabilities
Adjustment of fixed asset subsidies

THE GROUP / THE COMPANY			
As at 31.12.2018	Credits (Debits) in results	Credits (Debits) in equity	As at 30.06.2019
(1,443)	(250)	-	(1,693)

	(1,443)	(250)	-	(1,693)
Deferred tax assets				
Depreciation on tangible assets	3,344	(154)	-	3,190
De-recognition of depreciation on capital expenditure and adjustment in depreciation for intangible assets	127	(18)	-	109
Adjustment of value of receivable accounts	606	0	-	606
Provisions for contingencies - other provisions	330	(79)	-	251
Personnel dismissal and retirement compensation provision	489	1	-	489
Impact of adopting IFRS 16	-	319	-	319
	4,896	68	-	4,964
Net deferred tax assets in the statement of financial position	3,453	(182)	-	3,271
Presentation in statement of financial position				
Deferred tax liabilities (net)	-	-	-	-
Deferred tax assets (net)	3,453	-	-	3,271
	3,453			3,271

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- 30.06.2019	1.1- 30.06.2018	1.1- 30.06.2019	1.1- 30.06.2018
Net profits payable to the Company's ordinary shareholders	6,622	10,829	6,617	10,484
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)	0.1824	0.2983	0.1823	0.2888

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 previous fiscal year (2018), 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 1.1.2019 - 30.6.2019 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 1.1.2019 - 30.6.2019 period and on 30.6.2019 respectively, as well as during the previous period, are broken down in the following tables:

	THE GROUP		THE COMPANY	
	01/01/2019 - 30/06/2019	01/01/2018 - 30/06/2018	01/01/2019 - 30/06/2019	01/01/2018 - 30/06/2018
Expenses to subsidiary	-	-	-	371
Income from other related parties consolidated along with HCAP S.A.	50	96	50	96

Expenses to other related parties consolidated along with HCAP S.A.	6,277	5,801	6,277	5,801
Transactions with and fees for executives and board members	313	332	313	330

	THE GROUP		THE COMPANY	
	30/6/2019	31/12/2018	30/6/2019	31/12/2018
Receivables from subsidiary	-	-	24	24
Receivables from other related parties consolidated along with HCAP S.A.	640	533	640	533
Liabilities from other related parties consolidated along with HCAP S.A.	2,448	2,560	2,448	2,560
Receivables from management executives and board members	5	-	5	-
Liabilities to management executives and board members	8	7	6	2

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 € 640 and € 2,448 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 30.6.2019 there were lawsuits, extrajudicial summons and in general future claims of a total amount of € 37 million approximately against the Group, for which a provision of € 3.1 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

The Group on 30.06.2019 had granted performance bonds for project contracts of a total amount of €447 (31.12.2018: €526)

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 2011-2017, 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 2018, the Tax Compliance Reports are expected to be provided after the publication of the interim condensed financial statements for the 01.01.2019 - 30.6.2019 period. After 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 impact, other than those recorded in the separate and consolidated financial statements.

Open tax periods

In September 2016, the Large Enterprises Audit Centre of the Ministry of Finance carried out a statutory tax audit of the Company for years 2009 and 2010. The audit was completed and the final audit reports were received on 12.06.2017. It found taxes and surcharges payable, amounting to € 483, which were fully covered by the existing provision formed in previous years.

Note that based on recent judgments in similar cases (such as Council of State Judgments No. 1738/2017, 675/2017 and Athens Administrative 3-member Court of Appeal Judgment No. 1490/2016), the administrative courts have ruled that the 2011 accounting period has become statute-barred for tax purposes (given the 5-year statute-barring rule). It should also be pointed out that the Dispute Resolution Directorate accepted an administrative recourse filed by a company asking that audit instructions for the 2012 and 2013 accounting periods be annulled on the grounds that it was no longer possible to audit them given that the 18-month deadlines for carrying them out specified in ministerial decision No. ΠΟΛ. 1159/22-7-2011 had elapsed. Based on those points, it appears that the tax authorities can no longer carry out tax audits on societies anonyme for 2012 and 2013, and that the ability to carry out audits only exists for the 2014-2017 accounting periods, 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 360, compared to 399 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 1.1.2019 - 30.6.2019

Investment projects

During the first half of 2019 EYATH S.A. put the following project out to tender via an open tender procedure:

- Project title: "Sewerage works to upgrade pumping stations, discharge pipes, coastal collection pipe and Aeneia wastewater facility central pipe", which included 6 separate sub-projects, with a total budget of € 4.4 million (plus VAT). The interim lowest bidder was announced on 18.4.2019. . On 22.8.2019 the tender procedure award decision was issued after the appropriate procedures had been followed.

In addition, during 2019 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”. Budget: € 1.32 million (plus VAT). On 21.6.2019 the contractor was invited to submit updated award supporting documents. During the first half of 2019, the specific statement of works for the first implementing agreement started to be drafted, which will include at least 7 work tasks.
- Drafting of supporting designs / “Framework Agreement for the preparation of support designs to meet EYATH S.A.’s needs”. Budget: € 725 thous. (plus VAT). The contract was signed on 3.1.2019 and the first implementing agreement is expected to be signed soon.
- Project title: “Maintenance of EYATH S.A. facilities in 2018”. Budget: € 700 thous. (plus VAT). The contract was signed on 19.4.2019 and maintenance work of EYATH S.A. facilities started as per the request of the competent Divisions.
- Contract for “first group of urgent water supply works 2019”. Budget: € 2.5 million (plus VAT). On 20.6.2019 the contractor was invited to sign the contract.
- “Framework Agreement to improve - repair the Aravissos aqueduct”. Budget: € 3.37 million (plus VAT). On 31.5.2019 the matter was sent to the Court of Audit for a pre-contractual check.
- “Works to complete connection of the Thessaloniki low-lying areas”, which includes 5 sewerage sub-projects in the area where transport interchange K16 is being built. Budget: € 6 million (plus VAT). The contract was signed on 19.4.2019 and the necessary preparations are being made for works to start. The basic agreements with the design consultants, who will serve as technical advisors, still need to be signed.

During 2018, Decision No. 4391/2.8.2018 of the Regional Governor of Central Macedonia approved inclusion of the operation entitled “Construction of an extension to the Thessaloniki Water Treatment Plant - Phase A2” in the Central Macedonia 2014-2020 operational programme (operation MIS code: 5028173) with a budget of € 21.4 million (plus VAT). The Company is currently updating the tender documents and drafting the tender notice, and it plans to put the project out to tender in the second half of 2019.

During the first half of 2019, cases of extending sewerage networks with third parties assuming part of the cost were examined. These related to pipelines around 1.0 km long in various areas. Other cases examined included repairs/replacements of sewerage pipelines of around 1.5 km long.

In 2018 the special sewerage regulations were approved (Joint Ministerial Decision No. 1793 B/21-5-2018) which relates to the terms and conditions imposed on all activities and operators who generate liquid waste other than residential homes, to enable the liquid waste to be disposed of via EYATH S.A.’s sewerage network. The regulations incorporate environmental legislation and will reduce the impact on EYATH’s sewerage network and also the environmental impact of the liquid waste itself.

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.

At the Board meeting on 22.4.2019 decision No. 001/2019 was passed which extended the term in office of the Board of EYATH Services S.A. in accordance with Article 18 of its Articles of Association up to the Ordinary General Meeting which will elect the new Board.

At the Board meeting on 22.4.2019 decision No. 002/2019 accepted the resignation of Mrs. Styliani Valani from the post of Vice Chairman of the Board and decided her replacement with Mr. Panagiotis Gogos. Following that, the Board officially met with the line-up below:

- Olympia Latsiou-Chrysafi, daughter of Thomas, ID Card No. AM 660585, Chairman.
- Ioannis Krestenitis, son of Nikolaos, ID Card No. AB 680550, CEO.
- Ioannis Papaioannou, son of Evangelos, ID Card No. AE 183479, Member.
- Panagiotis Gogos, son of Dionysios, ID Card No. AE 680814, Vice Chairman.
- Despina Lemonidou, daughter of Iordanis, ID Card No. AM 265639, Member.
- Petros Nastos, son of Stergios, ID Card No. AB 363357, Member.
- Dimitrios Alexandris, son of Georgios, ID Card No. AZ 683204, Member.

On 24.6.2018 Mr. Ioannis Krestenitis tendered his resignation from the Board of EYATH Services S.A. and the post of CEO.

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.

Annual General Meeting of Shareholders

The Annual Ordinary General Meeting of Shareholders held on 06.06.2019:

- Approved the separate and consolidated annual Financial Statements of EYATH S.A. for the 1.1.2018 – 31.12.2018 accounting period and the relevant Board of Directors' and Auditors' reports and statements.
- Approved the Board's overall management approach during the accounting period 1.1.2018 – 31.12.2018 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 2018.
- Approved the fees and remuneration paid to the Board and its secretariat.
- Gave advance approval to the payment of fees and remuneration of members of the Board of Directors for the accounting period 1.1.2019 – 31.12.2019.
- Selected the certified public accountants for the statutory and tax audit for the 2019 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.
- Voted against electing a new Board member.
- Provided information about how the 150 new employees hired by EYATH S.A. are being managed and about their duties.
- Also provided information about the waste treatment plant.

Changes to the Board of Directors

The Board decided on 24.1.2019 (decision No. 023/2019) to accept the letter of resignation dated 16.1.2019 tendered by Mrs. Styliani Valani from the post of non-executive member and 2nd Vice-Chairman of the Board of EYATH S.A.

On 21.2.2019 EYATH S.A.'s Extraordinary General Meeting of Shareholders chose Mr. Nikolaos Klitou and Mr. Grigorios Penelis as independent, non-executive members of the Board of Directors of EYATH S.A. to serve for a 5-year term, to 21.2.2024.

Following the resignation of Mrs. Tanimanidou from the Audit Committee and the election of Mr. Nikolaos Klitou and Mr. Grigorios Penelis as independent, non-executive members of the Board of

Directors of EYATH S.A., on 5.3.2019 the Board decided (decision No. 054/2019) to officially constitute itself as follows:

- Ioannis Krestenitis, son of Nikolaos, ID Card No. AB680550, Chairman & CEO, executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Ioannis Papaioannou, son of Evangelos, ID Card No. AE 183479, 1st Vice Chairman, executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Grigorios Penelis, son of Georgios, ID Card No. P 198072, 2nd Vice Chairman, independent non-executive member. Elected on 21.2.2019. Term in office ends on: 21.2.2024.
- Stefania Tanimanidou, daughter of Georgios, ID Card No. AE655638, independent non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Panagiotis Gogos, son of Dionysios, ID Card No. AE 680814, Independent non-executive member. Elected on 6.4.2017. Term in office ends on: 10.5.2021.
- Olympia Latsiou-Chrysafi, daughter of Thomas, ID Card No. AM 660585, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Petros Samaras, son of Epaminondas, ID Card No. AM 686941, non-executive member. Elected on 12.10.2017. Term in office ends on: 10.5.2021.
- Nikolaos Klitou, son of Konstantinos, ID Card No. AM 674658, independent non-executive member, (Chairman of the Audit Committee.). Elected on 21.2.2019. Term in office ends on: 21.2.2024.
- Georgios Archontopoulos, son of Savvas, ID Card No. AI 733814, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Anastasios Sachinidis, son of Ioannis, ID Card No. AK 906475, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.

The Board decided on 27.6.2019 (decision No. 260A/2019) to accept the letter of resignation dated 24.6.2019 tendered by Mr. Ioannis Krestenitis from the post of Chairman of the Board and CEO of EYATH S.A.

24. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Given that as of 1.1.2019 the provisions of Article 31(5) and (6) of Law 4024/2011 cease to apply (as specified in the provisions of Article 33(a) of Law 4354/2015), the Company is in consultations with the SEEYATH trade union to forge a new collective labour agreement.

At its meeting on 31.7.2019 the Board accepted the letter of resignation from Mr. Petros Samaras dated 12.7.2019 from his position as non-executive member of the Board of Directors of EYATH S.A. (Decision No. 275/2019).

The Company's Extraordinary General Meeting of Shareholders was held on 2.8.2019 at the Stock Exchange Centre, and elected Mr. Agis Papadopoulos as Chairman and non-executive member of the Board of EYATH S.A. The issue of electing a CEO for EYATH S.A. was deferred for discussion to the General Meeting on 27.8.2019 following a recommendation from the shareholder Hellenic Corporation of Assets and Participations.

At its meeting of 5.8.2019, the Company's Board issued decision No. 276/2019 reconstituting the Board of Directors of EYATH S.A. with the following line-up:

- Agis Papadopoulos, son of Michail, ID Card No. AE 201633, Chairman, non-executive member. Elected on 2.8.2019. Term in office ends on: 2.8.2024.
- Ioannis Papaioannou, son of Evangelos, ID Card No. AE 183479, 1st Vice Chairman, executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Grigorios Penelis, son of Georgios, ID Card No. P 198072, 2nd Vice Chairman, independent non-executive member. Elected on 21.2.2019. Term in office ends on: 21.2.2024.

- Nikolaos Klitou, son of Konstantinos, ID Card No. AM 674658, independent non-executive member, (Chairman of the Audit Committee.). Elected on 21.2.2019. Term in office ends on: 21.2.2024.
- Stefania Tanimanidou, daughter of Georgios, ID Card No. AE655638, independent non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Panagiotis Gogos, son of Dionysios, ID Card No. AE 680814, Independent non-executive member. Elected on 6.4.2017. Term in office ends on: 10.5.2021.
- Olympia Latsiou-Chrysafi, daughter of Thomas, ID Card No. AM 660585, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Georgios Archontopoulos, son of Savvas, ID Card No. AI 733814, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Anastasios Sachinidis, son of Ioannis, ID Card No. AK 906475, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.

Shareholders at the Company's Extraordinary General Meeting held on 27.8.2019 decided:

- To elect Mr. Narkisos Georgiadis as CEO of EYATH S.A., executive member of the Board of Directors, with a 5-year term in office to 27.8.2024.
- To elect Mr. Theodoros Koulouris as non-executive member of the Company's Board of Directors and
- To appoint the Company's Audit Committee whose term runs from 27.8.2019 to 10.5.2021, comprised of Mr. Nikolaos Klitou (Chairman) and Messrs. Panagiotis Gogos and Theodoros Koulouris (members).

At its meeting on 29.8.2019, the Board passed decision No. 330/2019 appointing Mr. Ioannis Papaioannou as executive director and executive board member, and conferred the title of CEO on Mr. Narkisos Georgiadis (executive board member) and made Mr. Theodoros Koulouris a non-executive board member.

Following that, the Board was officially constituted with the line-up below:

- Agis Papadopoulos, son of Michail, ID Card No. AE 201633, Chairman, non-executive member. Elected on 2.8.2019. Term in office ends on: 2.8.2024.
- Narkisos Georgiadis, son of Vasilios, ID Card No. AN 199359, CEO, executive member. Elected on 27.8.2019. Term in office ends on: 27.8.2024.
- Ioannis Papaioannou, son of Evangelos, ID Card No. AE 183479, Executive Director Strategic Planning & Investment Programme Management, with executive duties decided on an ad hoc basis by the Board of Directors. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Grigorios Penelis, son of Georgios, ID Card No. P 198072, Vice Chairman, independent non-executive member. Elected on 21.2.2019. Term in office ends on: 21.2.2024.
- Nikolaos Klitou, son of Konstantinos, ID Card No. AM 674658, independent non-executive member, (Chairman of the Audit Committee.). Elected on 21.2.2019. Term in office ends on: 21.2.2024.
- Theodoros Koulouris, son of Nikiforos, ID Card No. AM 705629, non-executive member. Elected on 27.8.2019. Term in office ends on: 27.8.2024.
- Stefania Tanimanidou, daughter of Georgios, ID Card No. AE655638, independent non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Panagiotis Gogos, son of Dionysios, ID Card No. AE 680814, Independent non-executive member. Elected on 6.4.2017. Term in office ends on: 10.5.2021.
- Olympia Latsiou-Chrysafi, daughter of Thomas, ID Card No. AM 660585, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Georgios Archontopoulos, son of Savvas, ID Card No. AI 733814, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.
- Anastasios Sachinidis, son of Ioannis, ID Card No. AK 906475, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2021.

If the CEO (as legal representative of EYATH S.A.) is absent or unable to attend to his duties, he is substituted by the Executive Director, Mr. Giannis Papaioannou in accordance with the provisions of the Articles of Association, the law and decisions of EYATH S.A.'s Board of Directors. If the Chairman of the

Board is absent or unable to attend to his duties, he is substituted by the Vice Chairman of the Board Mr. Grigorios Penelis, and likewise the Vice Chairman is substituted by the Chairman of the Board for the same reasons in accordance with Article 17 of the Articles of Association.

In September 2019 the process of recruiting 10 drivers under a fixed-term (2-month) private law employment contract will be completed. Moreover, EYATH S.A. has submitted a request to the Central Staff Recruitment Board (ASEP) to approve a call for 30 staff positions under a fixed term (8-month) private law employment contract.

At its meeting on 12.7.2019 the Board of EYATH Services S.A. issued decision No. 006/2019 accepting the letter of resignation dated 24.6.2019 tendered by Mr. Ioannis Krestenitis, from the position of CEO of EYATH Services S.A.

At its meeting on 17.7.2019 the Board of EYATH Services S.A. issued decision No. 007/2019 assigning the duties of CEO to Board Member, Mr. Ioannis Papaioannou, and the Board was officially constituted with the following line-up: Olympia Latsiou-Chrysafi, daughter of Thomas (Chairman), Ioannis Papaioannou, son of Evangelos (CEO), Panagiotis Gogos, son of Dionysios (Vice Chairman), Despina Lemonidou, daughter of Iordanis (member), Petros Nastos, son of Stergios (member), and Dimitrios Alexandris, son of Georgios (member).

Lastly, at the meeting of this subsidiary's Board on 9.9.2019 decision No. 009/2019 was passed officially constituting the Board in implementation of the decision of the Ordinary General Meeting held on 9.9.2019, as follows:

- Agis Papadopoulos, son of Michail, ID Card No. AE 201633, Chairman, non-executive member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.
- Narkisos Georgiadis, son of Vasilios, ID Card No. AN 199359, CEO, executive member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.
- Olympia Latsiou-Chrysafi, daughter of Thomas, ID Card No. AM 660585, Vice Chairman, non-executive member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.
- Panagiotis Gogos, son of Dionysios, ID Card No. AE 680814, Member, executive member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.
- Petros Nastos, son of Stergios, ID Card No. AB 363357, Member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.
- Despina Lemonidou, daughter of Iordanis, ID Card No. AM 265639, Member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.
- Dimitrios Alexandris, son of Georgios, ID Card No. AZ 683204, Member. Elected on 9.9.2019. Term in office ends on: 9.9.2022.

On 26.8.2019 the Hellenic Parliament voted to completely lift the capital controls which had been imposed on 29.6.2015 and from 1.9.2019 capital can be freely moved to/from abroad.

There are no events between 30 June 2019 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, 26 September 2019

Agis Papadopoulos

Narkisos Georgiadis

Dimitrios Alexandris



30 June
2019

SIX-MONTH FINANCIAL REPORT
for the six-month period ended on 30 June 2019
(amounts in thousands of euro)

Chairman of the Board of
Directors

CEO

CFO

ID Card No. AN 201633

ID Card No. AN 199359

ID Card No. AZ 683204

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