



Presentation of 2019 financial results

May 2020

Vision – Objective – Implementation

Vision

A robust organisation that develops and operates modern, resilient infrastructure, provides top quality services to consumers and ensures the sustainability of the water ecosystem in the wider Thessaloniki area.

Objective

To offer comprehensive and high quality services in water supply and sewerage treatment, by utilising, improving and extending its infrastructure, through sustainable environmental management practices.

Implementation

Through a comprehensive strategy and effective planning, collaboration and utilisation of the company's staff expertise, and through partnership with all the city's stakeholders.

2019 key financial indicators

EBITDA margin

35.66%

EBITDA

€ 25.92 million

Turnover

€ 72.68 million

Earnings before tax

€ 20.65 million

Working Capital

€ 132.21 million

Gross profit margin

39.99%

Presentation of financial statements

Overview

	GROUP		COMPANY	
<i>Amounts in € '000</i>	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Turnover	72,686	73,030	72,686	73,030
Gross profit	29,069	30,286	29,069	30,380
Profits from operating activities	19,414	19,376	19,387	19,033
Earnings before tax	20,652	20,951	20,624	20,606
Earnings after tax	14,658	14,001	14,641	13,659
EBITDA	25,925	25,478	25,545	25,135

	GROUP		COMPANY	
<i>Amounts in € '000</i>	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Non-current assets	73,780	79,444	73,840	79,504
Current assets	144,799	130,428	144,292	130,011
Total assets	218,579	209,871	218,132	209,515
Total equity	183,212	173,138	182,863	172,807
Total long-term liabilities	22,785	23,481	22,785	23,481
Total short-term liabilities	12,582	13,252	12,484	13,227
Total liabilities and equity	218,579	209,871	218,132	209,515
Working Capital	132,217	117,176	131,808	116,784

Statement of financial position (1/2)

Assets (Group)

<i>(Amounts in € '000)</i>	31/12/2019	31/12/2018	CHANGE	%
ASSETS				
Non-current assets				
Tangible assets	65,898	72,525	(6,627)	(9.1)%
Intangible assets	217	297	(80)	(26.9)%
Deferred tax assets	3,571	3,453	118	3.4%
Other long-term assets	4,094	3,169	925	29.2%
	73,780	79,444	(5,664)	(7.1)%
Current assets				
Stocks / inventories	1,592	1,755	(163)	(9.3)%
Trade and other receivables	67,363	57,039	10,324	18.1%
Cash and cash equivalents	75,844	71,634	4,210	5.9%
	144,799	130,428	14,371	11.0%
Total assets	218,578	209,871	8,707	4.1%

Statement of financial position (2/2)

Liabilities (Group)

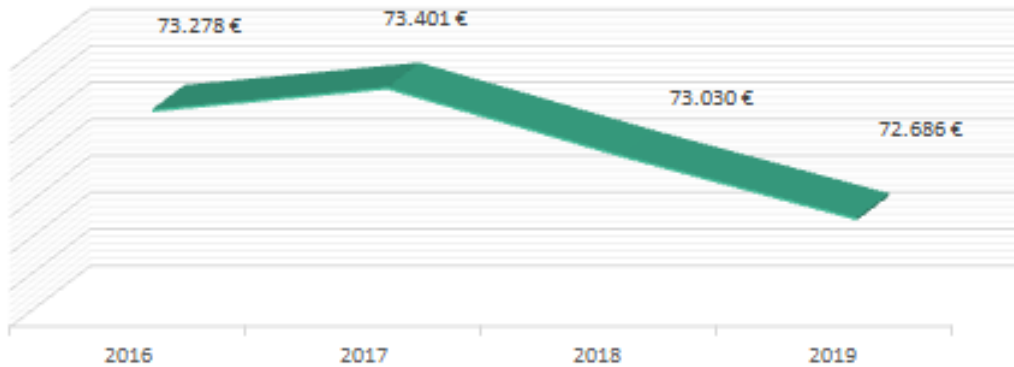
<i>(Amounts in € '000)</i>	31/12/2019	31/12/2018	CHANGE	%
EQUITY AND LIABILITIES				
Share capital	40,656	40,656	-	-
Retained earnings	109,380	100,033	9,347	9.3%
Other equity	33,176	32,450	726	2.2%
	183,212	173,139	10,073	5.8%
Long-term liabilities				
Grants	1,291	1,642	(351)	(21.4)%
Provisions for contingencies and expenses	3,571	5,128	(1,557)	(30.4)%
Provision for compensating staff retiring from service	2,044	1,909	135	7.1%
Other long-term liabilities	15,879	14,801	1,078	7.3%
	22,785	23,480	(695)	(3.0)%
Short-term liabilities				
Suppliers and other liabilities	12,573	11,989	584	4.9%
Current tax liabilities	9	1,263	(1,254)	(99.3)%
Total short-term liabilities	12,582	13,252	(670)	(5.1)%
Total liabilities	35,367	36,732	(1,365)	(3.7)%
Total liabilities and equity	218,579	209,871	8,708	4.1%

Statement of Comprehensive Income

Group

<i>(Amounts in € '000)</i>	31/12/2019	31/12/2018	CHANGE	%
Turnover	72,686	73,030	(344)	(0.5)%
Cost of sales	(43,617)	(42,744)	873	2.0%
Gross profit	29,069	30,286	(1,217)	(4.0)%
Other income	3,775	2,609	1,166	44.7%
Selling expenses	(5,219)	(6,895)	(1,676)	(24.3)%
Administrative expenses	(4,707)	(4,634)	73	1.6%
Research and development expenses	(164)	(116)	48	41.4%
Other operating expenses	(3,340)	(1,874)	1,466	78.2%
Profits / (losses) from operating activities	19,414	19,376	38	0.2%
Net financial results	1,238	1,575	(337)	(21.4)%
Earnings / (losses) before tax	20,652	20,951	(299)	(1.4)%
Income tax	(5,994)	(6,950)	(956)	(13.8)%
Κέρδη / (Ζημίες) μετά από φόρους (Α)	14,658	14,001	657	4.7%
EBITDA	25,925	25,478	447	1.8%
Other comprehensive income				
Actuarial gains / (losses) after tax	(11)	84	(95)	(112.5)%
Other total income after tax (B)	(11)	84	(95)	(112.5)%
Total comprehensive income (A+B)	14,648	14,085	563	4.0%
<i>Earnings per share (in € per share)</i>	<i>0.4038</i>	<i>0.3857</i>	<i>0.0181</i>	<i>4.7%</i>

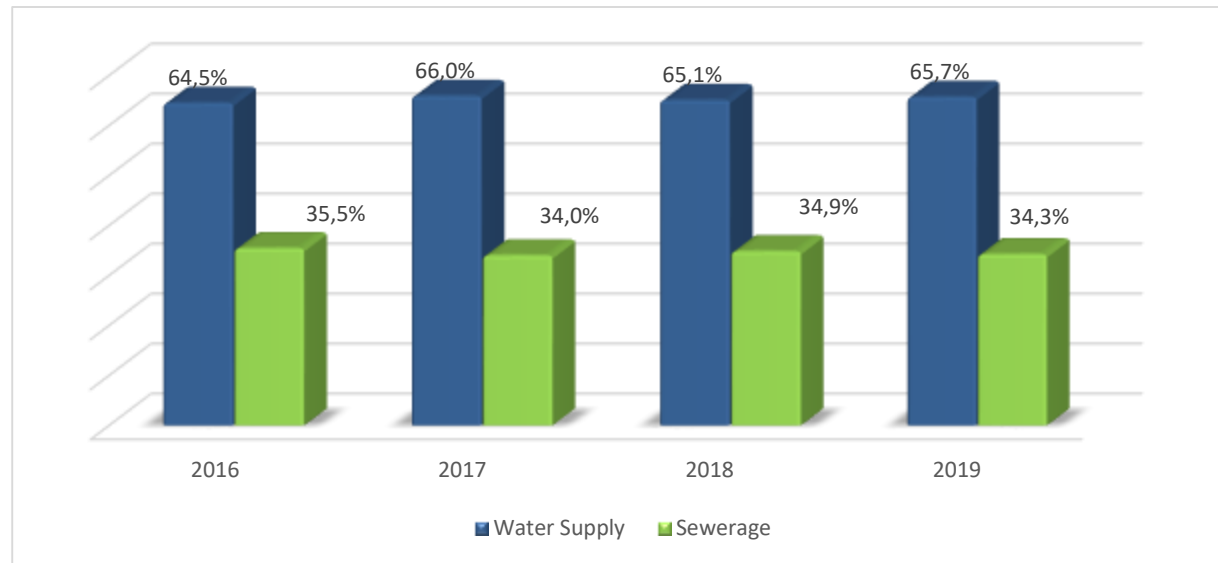
Turnover



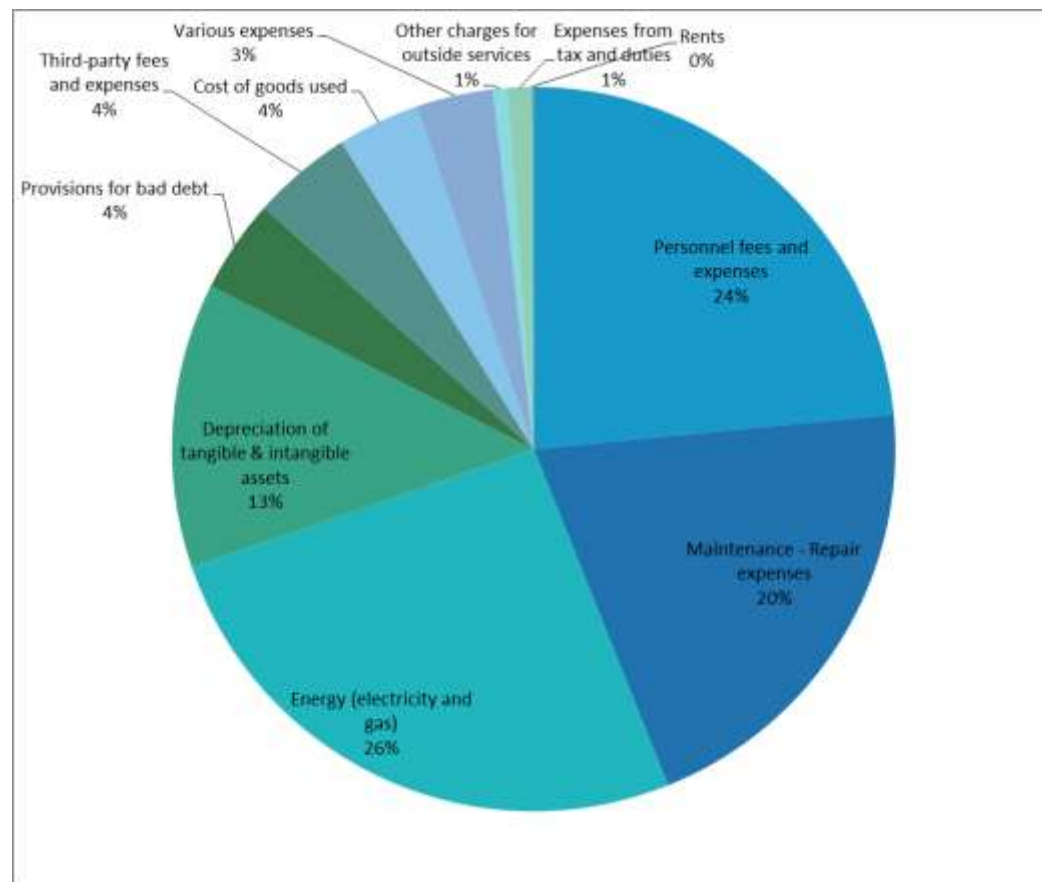
Change in turnover 2016-2019

** Amounts in €
'000*

Revenue breakdown 2016-2019

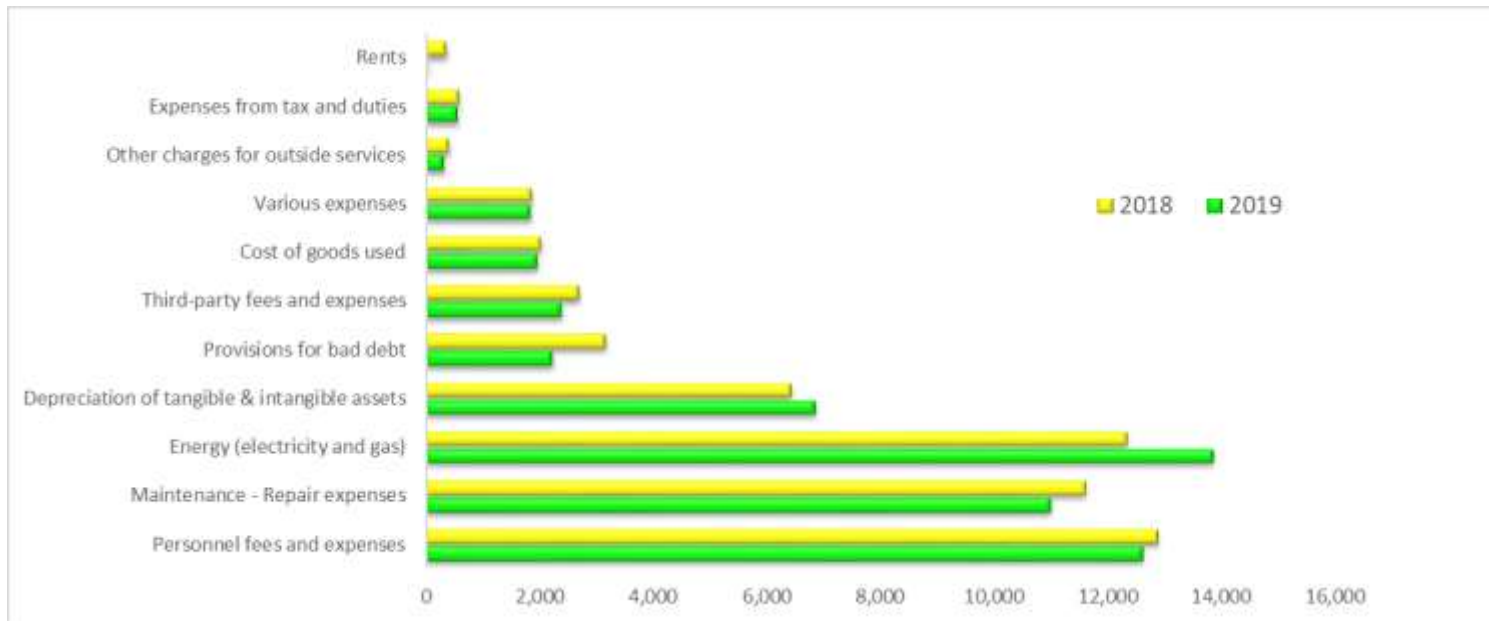


Operating expenses structure



Operating Expenses	2019	% of total
Personnel fees and expenses	12,642	23.5%
Maintenance - Repair expenses	11,020	20.5%
Energy (electricity and gas)	13,866	25.8%
Depreciation of tangible & intangible assets	6,863	12.7%
Provisions for bad debt	2,245	4.2%
Third-party fees and expenses	2,410	4.5%
Cost of goods used	1,981	3.7%
Various expenses	1,850	3.4%
Other charges for outside services	335	0.6%
Expenses from tax and duties	581	1.1%
Rents	51	0.1%
Total	53,844	100%

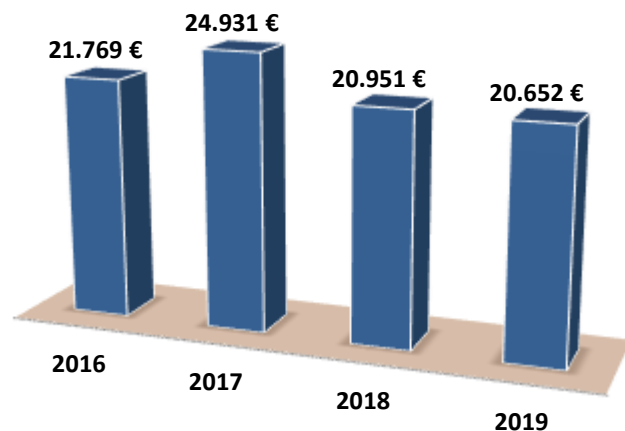
Change in Operating Expenses 2018-2019



Operating Expenses	2019	2018	Change	% Change
Personnel fees and expenses	12,642	12,908	(266)	-2%
Maintenance - Repair expenses	11,020	11,620	(600)	-5%
Energy (electricity and gas)	13,866	12,344	1,521	12%
Depreciation of tangible & intangible ass	6,863	6,454	409	6%
Provisions for bad debt	2,245	3,179	(934)	-29%
Third-party fees and expenses	2,410	2,711	(301)	-11%
Cost of goods used	1,981	2,044	(63)	-3%
Various expenses	1,850	1,871	(21)	-1%
Other charges for outside services	335	417	(82)	-20%
Expenses from tax and duties	581	607	(26)	-4%
Rents	51	366	(315)	-86%
Total	53,844	54,521	(677)	-1%

Change in profits 2016 - 2019

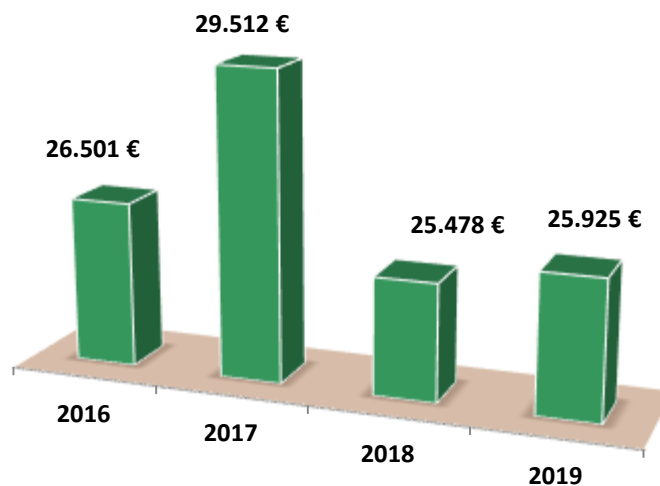
Earnings before tax



Earnings after tax

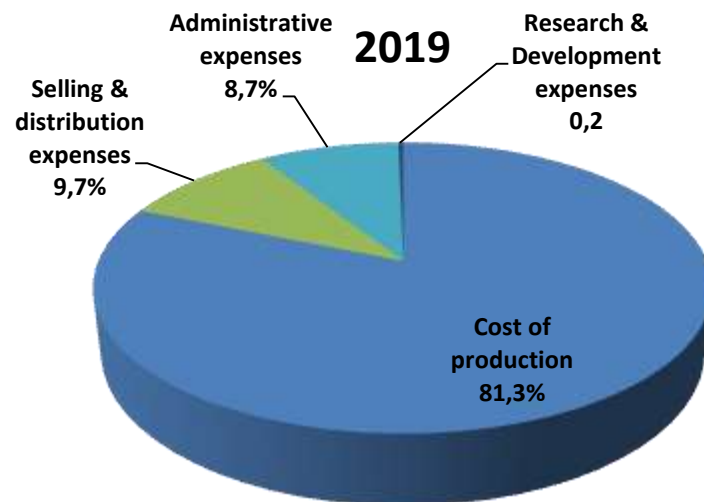
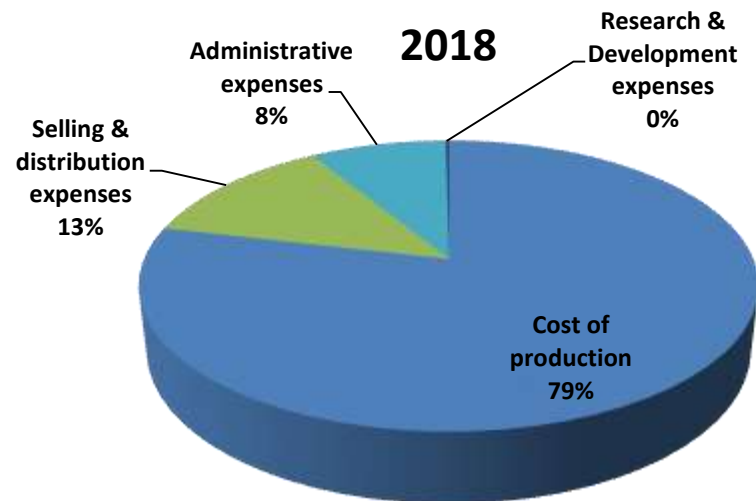


EBITDA

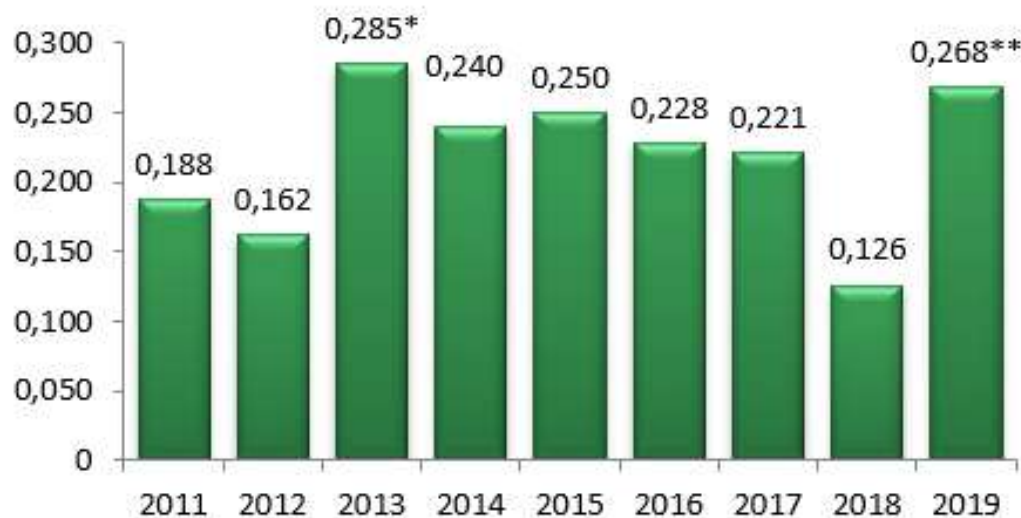


* Amounts in € '000

Expenses structure 2018-2019



Dividend per share 2011-2019

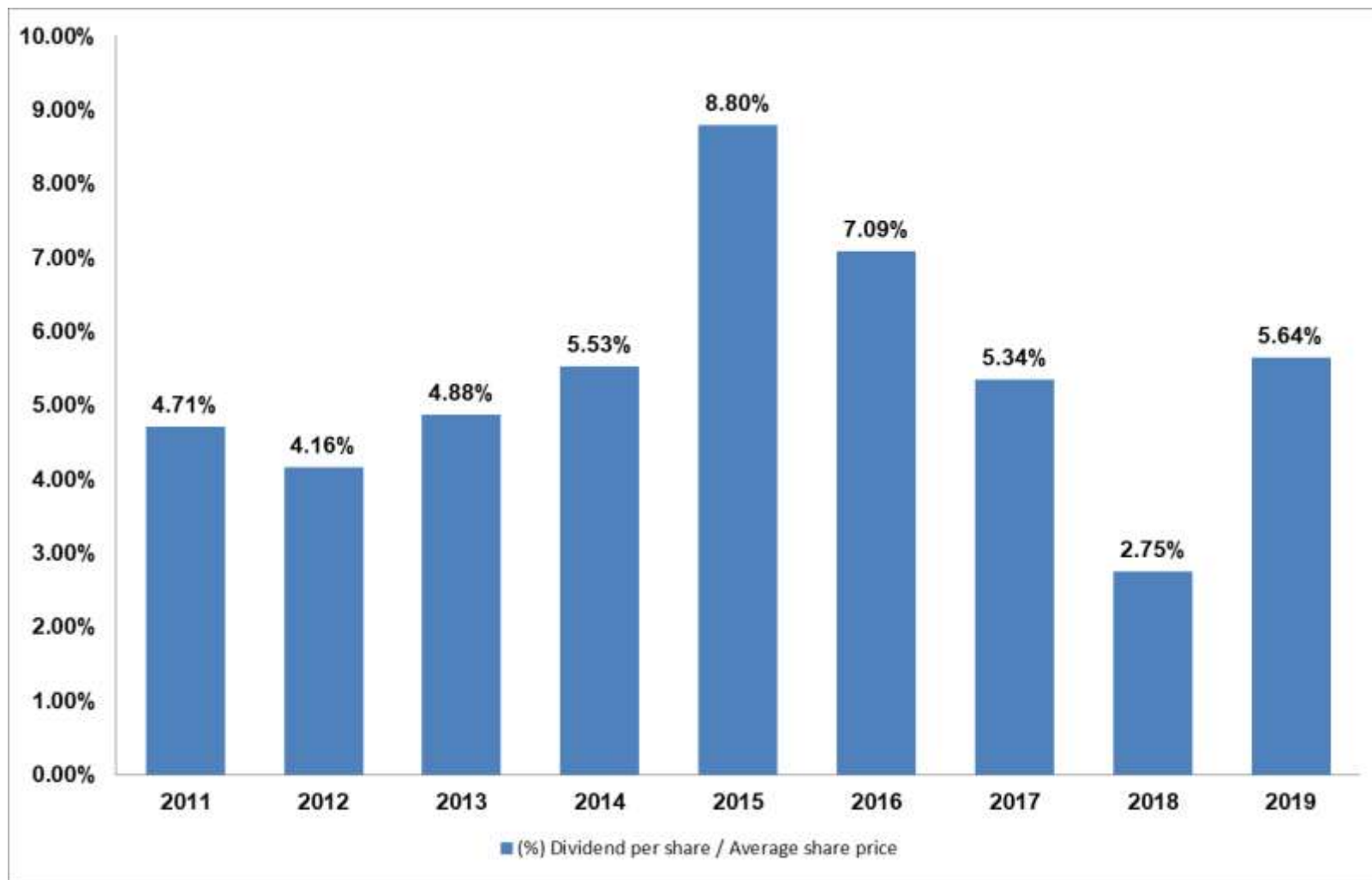


* The dividend includes:

- - a dividend of € 0.120/share for 2013,
- - distribution of the untaxed reserve of € 0.065/share,
- - handing back of the unused part of funds raised (€ 0.10/share)

** Proposed dividend, subject to approval by the annual Ordinary General Meeting to be held on 19.06.2020

Dividend yield per share 2011-2019



Share performance

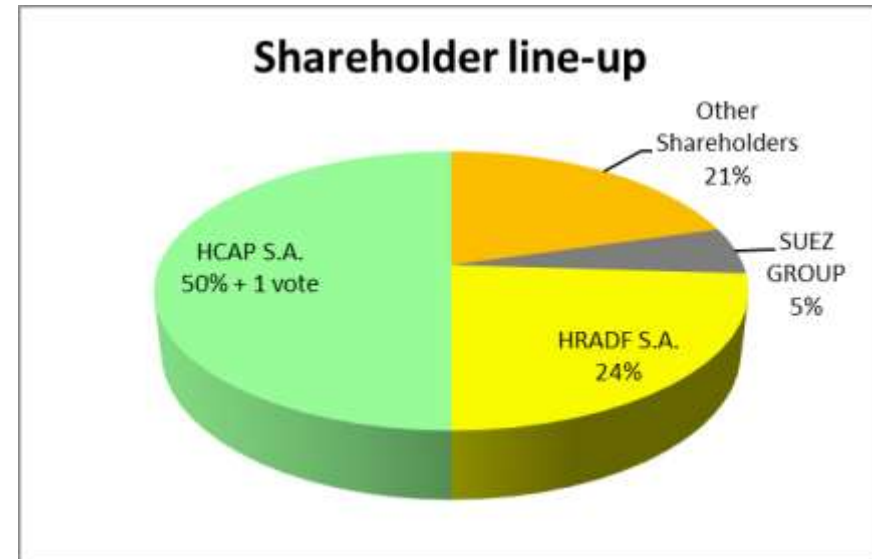
Share price on 1.1.2019: € 4.44
Share price on 31.12.2019: € 4.79
+ 7.88%



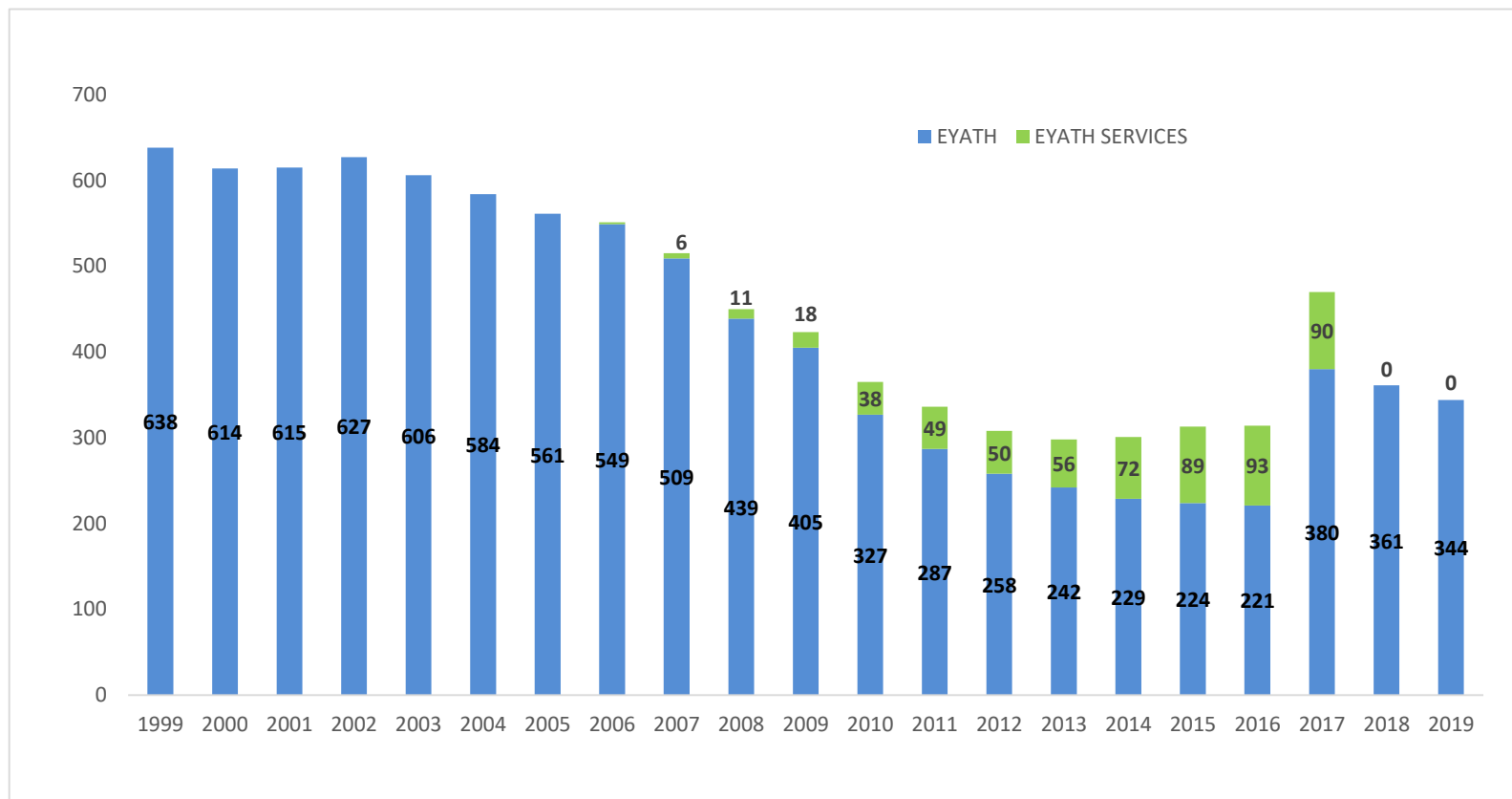
Capitalisation stands at approximately € 136.5 million.

Shareholder line-up

- **18,150,001 shares** were transferred by the Greek State to HCAP S.A. by means of OTC transaction, free of charge, effective from 1.1.2018.
- HCAP S.A. directly holds **50% + 1** voting rights and indirectly holds 24.02% via HRADE.
- The Greek State holds all voting rights in Hellenic Corporation of Assets and Participations S.A. (HCAP S.A.).



Change in staff

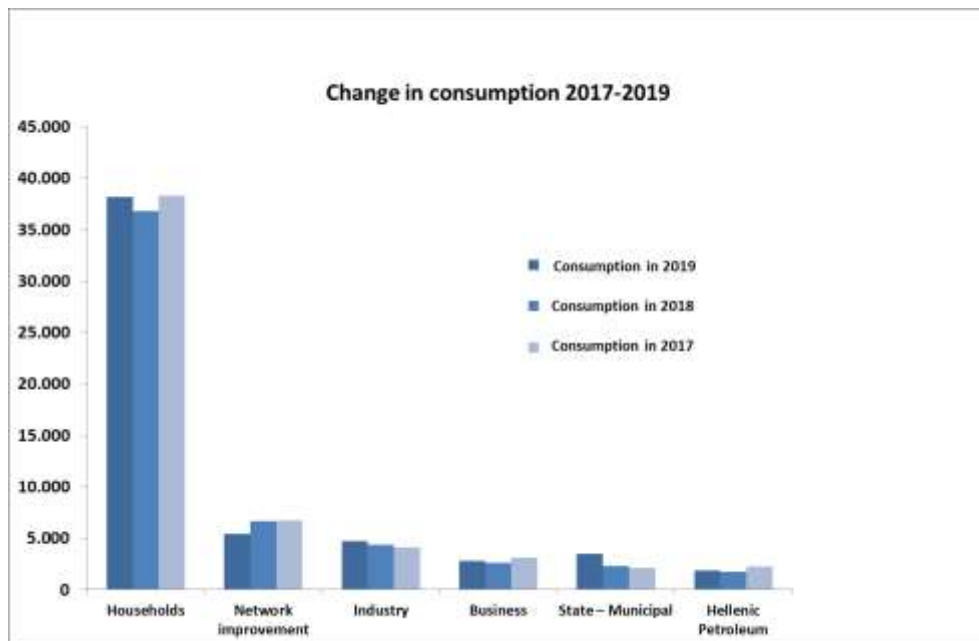


NEW TARIFF POLICY FROM 1/5/2019

New tariffs for 2019/20:	SCALE m ³	PRICE (euro/m ³)	SEWER CHARGES ON WATER PRICE
Household tariff	0-10	0,42	80%
	11-40	0,60	80%
	41-60	0,70	80%
	61-120	1,20	80%
	121-160	3,60	80%
	161 - over	4,40	80%
Social residential tariff A	0-30	free	80%
	31-80	70% of the household tariff	80%
	81-120	35% of the household tariff	80%
	121 - over	Without discount	80%
Social residential tariff B	0-30	free	80%
	31-80	50% of the household tariff	80%
	81-120	25% of the household tariff	80%
	121 - over	Without discount	80%
Public sector – Local government authorities	0 - over	0,65	80%
Aid for local government networks	0 - over	0,35	0%
Charitable bodies	0 - over	0,65	80%
Business tariff	0-200	0,70	80%

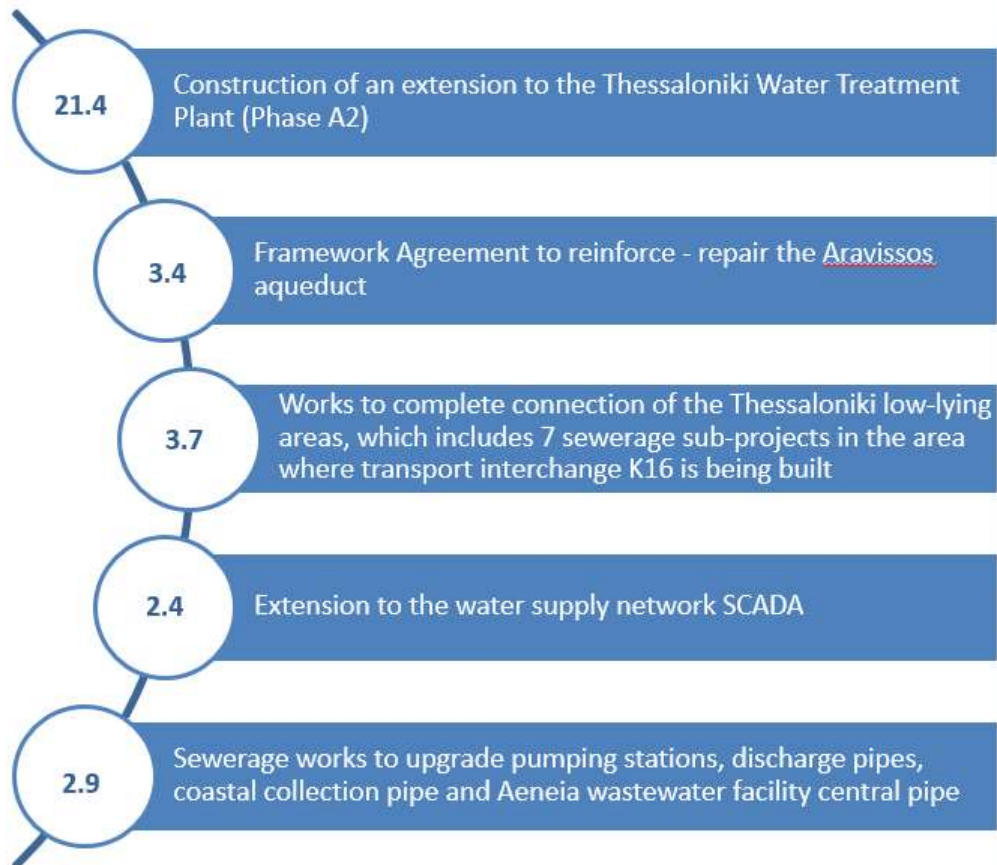
The pricing policy for the 2019-2023 period, which EYATH S.A. proposed to the Special Secretariat for Water, was approved by decision No. 26142/180 of the Special Secretary for Water (Government Gazette 1105/B/3.4.2019) and took effect on 1.5.2019.

Consumption data analysis



Consumption category (in thousands of m3)	Consumption in 2019	Consumption in 2018	Consumption in 2017
Households	38,178	36,818	38,280
Network improvement	5,434	6,654	6,749
Industry	4,717	4,352	4,121
Business	2,827	2,625	3,078
State – Municipal	3,478	2,322	2,090
Hellenic Petroleum	1,890	1,756	2,239
Other	125	98	153
TOTAL	56,648	54,627	56,711

Major investment projects under way



** Contract amount
Amounts in € millions*



Major events in 2019

- During 2019 a tender process to select contractors was launched to implement projects relating to sewerage projects with a total budget of € 6.9 million, water supply network projects worth € 3.4 million, and extensions to the water treatment facility worth € 21.7 million.
- In addition, during 2019 project and design contracts were signed in part covering works included in the company's investment plan and relate to sewerage and water supply works with contractual amounts of € 3.7 million and € 3.72 million respectively, and support studies worth € 2,025 million.
- In December 2019 a supply contract with a budget of € 3.4 million, financed by the Central Macedonia Region, was signed relating to “Remote control and automation of EYATH’s water supply system” and lastly an extension of the sewerage network by 1.5 km was examined, with third parties participating in the cost, as was reconstruction of 10 km of sewerage pipelines.
- A new collective labour agreement was signed by the company and the trade union in accordance with Article 33 of Law 4354/2015. The agreement entered into effect on 1.9.2019.

Events occurring after the balance sheet date

At the start of 2020 the coronavirus (Covid-19) pandemic appeared and its spread thereafter led the global community -after the initial surprise- to take preventative measures as well as measures to limit the spread of the virus.

Fully aware of its social responsibility, EYATH S.A. launched a series of information campaigns and has taken preventative measures in order to:

- 🌐 provide information to its employees
- 🌐 raise awareness about prevention and protection measures
- 🌐 protect both employees and their families
- 🌐 protect consumers
- 🌐 ensure a continued, problem-free operation.

At the end of financial year 2019 , the Company had a significant level of cash assets and an absolute lack of borrowing, while during the current period the overall picture in terms of total receivables is improved (2020 Q1 compared to the same period in 2019). These will serve as important tools both to ensure the necessary liquidity and to ensure that even if unfavourable conditions were to arise in the near future, they will be managed with the least possible distress.

Disclaimer

The information in this presentation includes forecasts of financials which reflect Management's estimates, which are based on current economic conditions and facts.

This presentation was prepared purely for information purposes and no information herein is or can be interpreted as an exhortation or encouragement to buy, sell or hold shares.

This presentation is the property of EYATH S.A.

Reproduction, use or distribution hereof without its written permission is prohibited.



 www.eyath.gr