



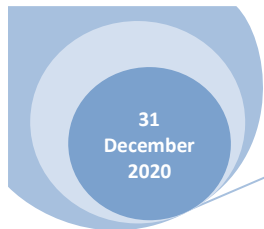
ANNUAL FINANCIAL REPORT
for the period 1 January 2020 - 31 December 2020

(in accordance with Article 4 of Law 3556/2007)

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

General Commercial Reg. No. 58240404000

127 Egnatias St - 54635 Thessaloniki



31
December
2020

ANNUAL FINANCIAL REPORT
for the period 1 January 2020 - 31 December 2020
(amounts in thousands of euro)

ANNUAL FINANCIAL REPORT
FOR THE PERIOD 1 JANUARY 2020 - 31 DECEMBER 2020
IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

It is confirmed that the attached Annual Financial Report is the one approved by the Board of Directors of "THESSALONIKI WATER SUPPLY AND SEWERAGE CO. S.A." on 22 April 2021 and has been published on the internet at www.eyath.gr.

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Statements by Board of Directors Members
(in accordance with Article 4(2) of Law 3556/2007)

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

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

in implementation of the provisions of Article 4(2) of Law 3556/2007, hereby state and confirm, that to the best of our knowledge:

(a) the attached annual company and consolidated financial statements for the company EYATH S.A. for the period from 1/1/2020 to 31/12/2020 which were prepared in accordance with the applicable IFRS accurately reflect the assets and liabilities, equity and results of EYATH S.A. and the enterprises included in the consolidation, taken as a whole, and

(b) the attached annual 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, 22 April 2021

Confirmed by

Agis Papadopoulos

Anthimos Amanatidis

Nikos Klitou

Chairman of the Board of
Directors

CEO

Board member
Chairman of the Audit
Committee

ID Card No. AN 201633

ID Card No. AE 125155

ID Card No. AM 674658

ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS

(prepared in accordance with the provisions of Article 4 of Law 3556/2007 and the relevant decisions of the BoD of the Hellenic Capital Market Commission for the period 1 January 2020 - 31 December 2020)

Dear Shareholders,

In accordance with the provisions of Law 3556/2007 and the relevant decisions of the Hellenic Capital Market Commission, we are submitting to you this Annual Management Report of the Board of Directors for the current period (1/1/2020-31/12/2020).

This report contains summary financial data about the financial position and results of the Company EYATH S.A. and the EYATH S.A. Group of Companies, a description of the significant events that took place during this financial year, 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 financial year.

In addition, the Board of Directors' report includes the explanatory report required by Article 4(7) of Law 3556/2007 and the Corporate Governance Statement.

The amounts in the Board of Directors Annual Management Report are in euro.

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 A 248/3-11-1998), created from the merger of the companies "Thessaloniki Water Supply Organisation S.A." (OYTH S.A.) and "Thessaloniki Sewerage Organisation S.A." (OATH S.A.), which had been converted into societies anonyme during 1997, and (b) the subsidiary EYATH SERVICES S.A. (wholly owned), which engages in the provision of all types of water supply and sewerage services, telecommunications services and the generation and sale of electricity.

It is listed on the Athens Exchange and is governed by the provisions of Law 4548/2018 on societies anonyme, as well as 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. EGA/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 Municipalities of Delta and Halkidona, and the high areas of the Thessaloniki urban area to the Municipality of Thermaikos at the tourist areas). The Company has over 1,000,000 household connections (around 510,000 water supply connections and 60,000 sewerage connections). EYATH also helps with flood protection in the city of Thessaloniki following a framework agreement with the Central Macedonia Region, which along with the Municipalities of the urban area is responsible for designing, constructing and maintaining rainwater drainage works and flood protection works in general.

FINANCIAL INFORMATION - COURSE OF BUSINESS

EYATH remains a robust, viable Company and has continued to be highly profitable over recent years.

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 € 71,911 thousand compared to € 72,686 thousand during the corresponding period last year, reflecting a drop of € 775 thousand or 1.07%. The fluctuation in turnover was primarily due to the factors outlined below:

- The different time required to implement the new pricing policy (starting on 1.5.2019) compared to the same period last year. This policy follows the logic of reducing the price of water at low consumption levels (the largest volume of consumers) and increasing it at high levels to avoid natural resource wastage.
- The outbreak of Coronavirus (Covid-19) in early 2020 and its rapid spread over the next period in the form of a global pandemic, with the direct result that industrial and business consumption was reduced, which was recorded during the reporting period and continued thereafter to the present day.

The cost of sales was € 44,290 thousand compared to € 43,617 thousand in 2019, up € 673 thousand or 1.54%. 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 waste water treatment plants. Consequently, Gross Profit in 2020 stood at € 27,621 compared to € 29,069 in the previous year, down € 1,448 or 4.98%.

Other operating income stood at € 2,748 thousand compared to € 3,775 thousand in 2019, down € 1,027 thousand or 27.20%, primarily due to the fact that during the 2019 comparator year there was a reversal of unused provisions relating to removal of sludge and screenings of € 1,189 thousand.

The Group's operating expenses rose by € 1,203 thousand or 11.92% compared to 2019 primarily due to the provision for bad debt made based on the requirements of IFRS 9 which was up € 783 thousand compared to the previous year. A further increase was due to the increase in payroll costs as a result of the implementation of the new Enterprise-Level Collective Labour Agreement signed on 3.10.2019 and the recruitment of staff under private law fixed-term employment contracts.

Other operating expenses stood at € 2,715 thousand compared to € 3,339 thousand in 2019, down 18.68% primarily due to the absence in the reporting period of a similar account for the impairment in the construction value of the Company's property in the Toumba area of Thessaloniki worth € 2,326 thousand which was made in the previous year, and the additional provision formed relating to pending litigation with third parties worth € 511 thousand.

As a result of the above, Group EBT was € 16,709 thousand compared to € 20,652 thousand during the corresponding period last year, down € 3,943 thousand or 19.09% approximately. Earnings After Tax in 2020 amounted to € 11,868 thousand compared to € 14,658 thousand in 2019, down € 2,790 thousand or 19.03%.

Group EBITDA during the current period amounted to € 22,606 compared to € 25,925, a drop of € 3,319 or 12.80%.

Finally, Group cash and cash equivalents at the end of the period on 31/12/2020 stood at € 81,916 compared to € 75,844 on 31/12/2019, an increase of € 6,072 or 8.01%.

ALTERNATIVE PERFORMANCE MEASURES ("APMs")

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

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

The APMs used by the Group are as follows:

Gross Profit Margin (%)

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

EBITDA Margin (%)

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

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

EBIT Margin (%)

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

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

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

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

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

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

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

The measure is calculated by deducting from turnover the cost of sales, selling expenses, administrative expenses, other operating expenses, financial expenses, and income tax, and adding other operating

income and financial income, and then dividing by turnover. These figures are used as shown in the financial statements, without any adjustments.

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

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

These measures are shown in the table below:

	1/1/2020-31/12/2020		1/1/2019-31/12/2019		Deviation
PERFORMANCE AND PROFITABILITY RATIOS					
Gross Profit Margin	38.41%		39.99%		-1.58%
EBITDA Margin	31.44%		35.67%		-4.23%
EBIT	22.75%		26.71%		-3.96%
EBT Margin	23.24%		28.41%		-5.18%
EAT Margin	16.50%		20.17%		-3.66%
INVESTMENT RATIOS					
Earnings per share after tax	0.3269		0.4038		-19.03%
LIQUIDITY RATIOS					
	31/12/2020		31/12/2019		Deviation
General liquidity (Current assets / short-term liabilities)	11.13		11.51		-3.32%
CAPITAL STRUCTURE & VIABILITY RATIOS					
Equity / Debt	512.98%		518.03%		-5.05%

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", general costing and billing rules for water services were laid down. 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.

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 (Government Gazette 1105/B/3.4.2019) and took 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

In 2020, EYATH S.A. launched the tender process to select contractors to implement the following 6 projects with a total budget of around € 9.4 million:

- "Repairs of damage and local replacements of sections of the sewerage network pipeline for 2020", with an estimated value of € 400,000.00 (VAT excl.).
- "Repair and maintenance of the water supply network in western Thessaloniki in 2020", with an estimated value of € 2,000,000.00 (VAT excl.).
- Summary tender procedure for award of the project entitled "Restoration of part of the drinking water network at the Thessaloniki Industrial Area using no dig technology", with an estimated contract value of € 287,511.50 (VAT excl.).
- "Cancellation – reconnection of water abstraction sites and replacement of water meters within EYATH S.A.'s territorial remit in 2020", with an estimated value of € 500,000.00 (VAT excl.).
- "Sewage treatment for wastewater in the Neokastro area, southeast of the village of Galini in the Municipality of Oreokastro", with an estimated value of € 1,200,437.99 (VAT excl.).
- "Upgrade of EYATH S.A.'s management building at 127 Egnatias St.", with an estimated value of € 4,999,894.82 (VAT excl.).

In addition, a summary tender procedure was held to award service relating to "Creation of Contract Dossier and Preparation of Tender Documents for the Award of a Project (Design - Construction) Contract, whose scope is to upgrade the Management Building of EYATH S.A. at 127 Egnatias St." to a Technical Advisor, with an estimated contract value of € 40,000.00 (VAT excl.).

During 2020 the tender procedure to appoint a contractor for the project entitled "Construction of an extension to the Thessaloniki Water Treatment Plant - Phase A2" with a budget of € 21.7 million (plus VAT) also went ahead.

In 2020, the following 11 project and design contracts (which are included in the Company's investment plan), worth a total of € 7.74 million approximately, were signed:

- Contract entitled "Sewerage works to upgrade pumping stations, discharge pipes, a coastal collection pipeline and the Aeneia Waste Water Treatment Plant central pipe", worth € 2,862,054.17 (VAT excl.), 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 the AA9 (B3)

pumping station, and to upgrade pumping station A17 at Finikas. The contract with the contractor was signed in March 2020.

- Contract entitled "Repair and maintenance of the water supply network in western Thessaloniki", worth € 524,184.36 (VAT excl.). The contract with the contractor was signed in March 2020.
- Contract entitled "Repair and maintenance of the water supply network in central and eastern Thessaloniki in 2019", worth € 837,562.56 (VAT excl.). The contract with the contractor was signed in June 2020.
- Contract entitled "First group of urgent water supply works 2019", worth € 940,343.07 (VAT excl.). The contract was signed in June 2020.
- Contract entitled "Repairs of damage and local replacements of sections of the sewerage network pipeline for 2020", worth € 364,000.01 (VAT excl.). The contract was signed in June 2020.
- Contract entitled "First group of urgent sewerage works 2020", worth € 2,038,846.37 (VAT excl.). The contract was signed in July 2020.
- Framework agreement for the provision of Technical Advisor support services for designs and projects under the EYATH S.A. Strategic & Business Plan, with a budget of € 1,322,500.00:

1st individual contract for € 95,130.22 (VAT excl.). The contract was signed in March 2020.

2nd individual contract for € 37,467.99 (VAT excl.). The contract was signed in June 2020.

- Contract for technical services relating to "Creation of Contract Dossier and Preparation of Tender Documents for the Award of a Project (Design - Construction) Contract, whose scope is to upgrade the Management Building of EYATH S.A. at 127 Egnatias St.", worth € 28,400.00 (VAT excl.). The contract was signed in October 2020.
- Demolition – removal of existing anti-hammer protection device (pressure relief tower) for the Aravissos aqueduct, worth € 5,000 (VAT excl.). The contract was signed in October 2020.
- Preliminary design of E/M facilities at the EYATH S.A. building at 127 Egnatias St., worth € 8,000 (VAT excl.). The contract was signed in November 2020.

The subsidiary EYATH SERVICES S.A.

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

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

- A nominal reduction in the Company's share capital by €2,000,000.00 by offsetting losses by cancelling four million (4,000,000) registered shares in implementation of Article 119(4) of Law 4548/2018 on equity, and amending Article 5 of the Articles of Association.

- Replacement of members of the Board of Directors, namely Narkissos Georgiadis, Panagiotis Gogos, Olympia Latsiou-Chrysafi and Petros Nastos with Anthimos Amanatidis, Sofia Ammanatidou, Ekaterini Tsikaloudaki and Parthena Theodoridou.
- Expanding the Company's corporate scope, which includes carrying out works to build and maintain water management facilities and managing water resources, and amending Article 4 of the Articles of Association.

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

Decision No. 001/2020 of the Board of Directors taken on 30.6.2020 established EYATH Services S.A.'s new Board of Directors as follows:

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

The following decisions were taken at EYATH SERVICES S.A.'s Ordinary General Meeting on 27 August 2020:

- Approval of the annual financial statements, reports from the Board of Directors and the auditor for the accounting period (1.1.2019 to 31.12.2019) in accordance with the IFRS.
- Release of members of the Board of Directors and Auditors from all liability to pay compensation for management during the period 1.1.2019-31.12.2019.
- Approval of fees paid to the Chairman, CEO, members and secretariat of the Board of Directors during 2019 and setting of fees for 2020.

Participation in Public International Tender Procedure

Decision No. 003/2020 of the Board of Directors taken on 6.8.2020 decided that EYATH Services S.A. would participate as a member of the grouping INTRAKAT - SUEZ EAU FRANCE S.A.S - EYATH SERVICES S.A. in the public international tender procedure via the National Electronic Public Procurement System (ESIDIS) to award a public-private partnership agreement relating to: "IMPLEMENTATION OF THE HAVRIA HALKIDIKI DAM WATER TREATMENT PLANTS & NETWORKS THROUGH PPP - Phase A", announced by the MINISTRY OF INFRASTRUCTURE & TRANSPORT / GENERAL SECRETARIAT FOR INFRASTRUCTURE / GENERAL DIRECTORATE OF HYDRAULIC, PORT AND BUILDING INFRASTRUCTURE / DIRECTORATE OF WATER SUPPLY, SEWERAGE & WASTEWATER TREATMENT PROJECTS (D18).

The total contractual duration of the project is 30 years and its budget is €86,321,000.00 (3 years) for construction and €80,496,000.00 for operation and maintenance (27 years).

The project award procedure includes two phases (A & B) of which phase B is divided into two stages (B.I & B.II). Phase A is currently under way, and in particular evaluation of the expression of interest dossiers

submitted for the project to prequalify candidates. In Phase B, with the candidates selected, binding offers will be submitted.

The Expression of Interest dossier was submitted in October 2020 and the results are expected soon.

Recruitment of new staff

In implementation of BoD Decision No. 30/2020, during the first half of 2020 a total of 30 successful candidates in tender notice No. ΣΟΧ1/2019 were recruited under a fixed-term private law employment contract of 8 months.

Extraordinary General Meeting of Shareholders

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

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

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

Under Decision No. 289/2020 the Board of Directors was officially constituted as a body comprised of:

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

- Anastasios Sachinidis, son of Ioannis, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2020.

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

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

Annual General Meeting of Shareholders

The Annual Ordinary General Meeting of Shareholders held on 19.6.2020:

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

Changes to the Board of Directors

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

- Agis Papadopoulos, son of Michail, Chairman, non-executive member. Elected on 2.8.2019. Term in office ends on: 1.8.2023.
- Anthimos Amanatidis, son of Anastasios, CEO, Executive Member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Grigorios Penelis, son of Georgios, Vice Chairman, independent non-executive member. Elected on 21.2.2019. Term in office ends on: 20.2.2023.
- Theodoros Koulouris, son of Nikiforos, Executive Member. Elected on: 27.8.2019. Term in office ends on: 26.8.2023.

- Nikos Klitou, son of Konstantinos, independent non-executive member, Chairman of the Audit Committee. Elected on 21.2.2019. Term in office ends on: 20.2.2023.
- Georgios Satlas, son of Nikolaos, non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Sofia Ammanatidou, daughter of Ilias, (independent) non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Katerina Tsikaloudaki, daughter of Georgios, non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Maria Petala, daughter of Dimitrios, (independent) non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Georgios Archontopoulos, son of Savvas, employee representative, non-executive member. Elected on 19.6.2020. Term in office ends on: 18.6.2024.
- Ioannis Mitzias, son of Konstantinos, employee representative, non-executive member. Elected on 19.6.2020. Term in office ends on: 18.6.2024.

Coronavirus (COVID-19)

The start of the COVID-19 pandemic in mid-February 2020 in Greece and the subsequent lockdown of the domestic market from the end of March 2020 to mid-May 2020, and from early November 2020 to the present day has brought major changes in the fluctuation in domestic supply and demand, making the macroeconomic environment difficult at both local and global level. Given the current situation both globally and in Greece where the pandemic is in its third wave, there is still an inability to safely assess the duration of the public health crisis, which to a large extent is expected to depend on the progress of vaccination programmes.

EYATH S.A.'s financial data, after a series of estimates and analyses during the reporting period, only appears to have fluctuated slightly, without there being any major impact from the health crisis on the Company's business activities and liquidity. Despite that, Management continues to monitor developments carefully so that it can immediately respond to the requirements of the global and domestic environment, based on the major checks and balances it has in place, such as the significant level of cash assets and the general lack of borrowing.

As part of the pandemic public health crisis Greece is undergoing to this day, the role of responsibility of companies like EYATH in managing vital public health infrastructure is crucial for social cohesion. In this context, Company Management has developed a web of actions which have already been implemented in all sectors of its operations.

Since April 2020, the Company's scientific staff have worked closely with the Aristotle University of Thessaloniki to support research into the detection of viral loads in the city's wastewater. This research significantly contributes to the national effort to address the pandemic and is also expected to expand into new fields in the near future.

EYATH also contributed to bolstering the National Health System, and in particular in the sector of care for vulnerable groups, both by providing healthcare equipment and by offering direct financial support. Some characteristic examples include: 1. The delivery of special diagnostic equipment to the Thessaloniki University Hospital (AHEPA) to detect COVID cases in September 2020 and 2. 5,000 pieces of personal protective equipment (masks) were made available to schools in Thessaloniki at the start of the 2020-21 school year.

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

VISION - MISSION

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

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

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

EYATH S.A.'s special features, such as the natural monopoly it has, its strong cash flow situation, zero borrowing, and its business and investment plan, 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. In December 2020 the initial contract was revised, which in effect set the expected expiry date in 2022.

Strategic and Business Plan

An exceptionally ambitious investment plan worth around € 175 million was prepared by EYATH S.A. in partnership between Management and specialists within the Company and is currently being implemented. It includes, *inter alia*, tens of projects and designs involving the maintenance, replacement and extension of infrastructure in the city's water supply and sewerage system. The investment plan includes some flagship projects such as: extension of the Thessaloniki Water Treatment Plant (Phase A2), with NSRF Funding of € 21.7 million (plus VAT), sewerage works to complete the connection between low-lying areas of Thessaloniki (works in the Dendropotamos area and interchange K16) with a budget of € 6 million (plus VAT), extension to the water supply network SCADA with a budget of € 3.35 million (plus VAT), upgrade of the SCADA system for the sewerage network with a budget of € 1.4 million (plus VAT), the framework agreement to improve and repair the Aravissos aqueduct 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), replacement of water meters, extension of the water supply network into new areas and others. As far as the project to improve and repair the Aravissos aqueduct is concerned, implementation of the project commenced in June 2020 and will continue in line with the schedule which has been prepared.

To help implement its Strategic Plan, framework agreements are in place relating to the provision of technical advisor support services and the preparation of support studies (geological, geotechnical and environmental studies) for a total estimated fee of € 2.05 million (plus VAT).

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

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

Investments in the sewerage sector

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

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

Moreover, a new contract entitled "Sewerage works to upgrade pumping stations, discharge pipes, a coastal collection pipeline and the Aeneia Waste Water Treatment Plant central pipe" is underway, 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, and to upgrade pumping station A17 at Finikas, while the reconstruction of the central sewerage pipeline for the Aeneia Waste Water Treatment Plant has already been completed.

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

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

In the meantime, until the tender procedure is completed and the contract to be concluded is implemented, EYATH plans to upgrade the Company's payment system and to develop a customer e-service portal interconnected with the existing ERP (solution II).

At present, the Company is in the process of finalising the requirements for re-launching this tender process.

EYATH S.A.'s digital transformation

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

At the same time, the following actions were taken:

- Study to update the technical specifications and budget for the project to implement a new Integrated Customer Service and Billing System for EYATH S.A.
- Preparation of a technical specification - study to immediately improve and upgrade e-services to consumers to ensure more direct service, to modernise the Company's e-payment system, and to develop a web-based centralised customer application platform to remotely service them, while maintaining the existing central customer IT system.
- Replacement / upgrade of portable devices and meter reading software.
- Further improvement of e-services provided on the Company's website.
- Study to activate the "click to call" service on the Company's website.

- Study on the Company's communication campaign using new digital communication channels (Viber, SMS, email).
- Redesign of the project to digitise the entire Company customer archives taking into account the needs of the Customer Service Division, and submission of a recommendation and technical specifications.
- Design and preparation of technical specifications for a tender procedure to redesign internal correspondence management procedures and related procurement, installation and commissioning of an IT system to that end.
- Examining the pilot implementation of procedures for the dispatch of electronic documents using electronic signatures.
- Ensuring qualified digital signatures for Company senior executives.
- Design and gradual implementation of measures to ensure central printing services at EYATH S.A. customer service sites.

Information System Security and Personal Data Protection

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

- Appointment of Information and Network Security Officer in accordance with NIS requirements.
 - Establishment of a Company-based Computer Systems and Networks Security Team to manage the necessary actions to comply with the new regulatory framework
 - Establishment of a department responsible for the security of the Company's information systems and networks, and harmonisation of the Company with the relevant regulatory frameworks (Applications Security and Development Department).
 - Penetration tests to check and evaluate the vulnerabilities of EYATH S.A.'s IT infrastructure (External Security Testing – Penetration Test). The vulnerabilities shown by the penetration tests were dealt with during the first half of 2020.
 - GAP analysis of the current state of the Company's IT infrastructure using the international ISO/IEC 27001:2013 standard (completed in early 2020).
 - Drafting and approval of key security policies (21 overall) to ensure EYATH S.A.'s compliance with the Network and Information Systems Security Law (NIS Directive) (approved in April 2020).
 - Renewal of cybersecurity contract until June 2021.
 - Staff training about the NIS Directive and Company security policies. By the end of 2020 remote training was provided to management executives, heads of department, staff of the Digital Transformation and IT Division and the Procurement and Human Resources Departments.
 - Establishment of a Security Management Committee to support the Company's information security management framework.
 - At the same time, further steps were planned at the start of 2021 such as:
 - A programme of remote training for all employees on safety issues and understanding the relevant policies.
 - 24/7 monitoring of Company IT systems for potential security threats.
 - Internal security control services via internal penetration testing.
- Evaluation of the security of the Company's existing SCADA and IT systems and development of a Roadmap to fill identified gaps.

At the same time, the GDPR compliance system was further improved/updated by preparing 11 new policies to protect the personal data of both customers and employees of EYATH S.A. In addition, the Company's GDPR compliance coordination team was updated, and the personal data protection coordinators team (who are the points of contact in each Division in relation to GDPR) was trained remotely.

IT actions

The following steps were taken to support these actions in the IT sector:

- Implementing web applications to meet the Company's internal needs.
- Implementing interfaces between EYATH systems and external third party systems to improve customer service.
- Improving central internet access to the EYATH S.A. Management Building
- Adopting and gradually extending the remote work model (teleworking – tele-training) using cutting-edge methods:
 - Procuring the relevant IT terminal equipment for users
 - Ensuring the necessary web-based secure access services
 - Procuring the relevant teleconferencing software
 - User support

Improving customer service

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

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

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

During the second half of 2020, as part of the ongoing improvement in office functionality and consequently customer service, the 1st floor of EYATH S.A.'s building at 6 Angelaki St. was redesigned and laid out in accordance with architectural design principles.

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 system within EYATH's remit" with a total budget of € 3,347,049.00 + VAT which is being funded by the NSRF. The last date for submitting tenders was 30.7.2018 and tenders were opened on 24.8.2018 at which time the process of having them evaluated

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

Sewerage system SCADA

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

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

It is expected that the tender procedure to select a contractor and sign the relevant contract will be completed in 2021, and will depend on the progress of court appeals and the judicial remedies in general which have been filed by candidate contractors.

Pilot projects

- Pilot digitisation of the customer archives was completed. Moreover, the preparation of technical specifications and other technical requirements for a tender procedure to digitise the overall customer archives was completed and a recommendation on this matter was submitted in July 2020 by the Digital Transformation & IT Division, following a previous recommendation made in September 2019 by the team established for this purpose, taking into account the more recent discussions which took place in the meantime with the new Consumers Division.
- The water supply customer database is currently being standardised so as to permit automated interconnection of consumption with GIS (hydraulic modelling) and consequently with the hydraulic model for the purpose of modelling (simulated operation) of the networks.
- 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.
- A system to remotely monitor consumption at Aristotle University of Thessaloniki (AUTH) water meters has been installed, maintained and operated.

It relates to the 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. Installation of that system was completed in 2019. In March 2020, the contract to maintain and operate the AUTH Water Meters Remote Monitoring and Consumption Management System was renewed for 2 years. This contract has a budget of around € 12,000 and will be completed in March 2022.

Implementing its scope 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.

Hydraulic Modelling

Creation of integrated infrastructure for 3 EYATH S.A. pilot district metering areas (DMAs) (Thessaloniki Industrial Area, Efkarpia & Evangelistria) to systematically check, record, monitor and manage water, and to measure and manage water consumption.

- Preliminary work continues by preparing the project technical specifications, and at the same time the necessary work to hydraulically isolate mainly the Efkarpia pilot DMA is being carried out.
- The Efkarpia DMA is being simulated using hydraulic simulation.
- A hydraulic simulation of the Evangelistria DMA has already been carried out (without it being calibrated to actual data).

Implementation of an integrated hydraulic simulation study for a pilot basin for EYATH S.A.'s sewerage system in the Panorama Municipal Unit area, which includes:

- hydraulic simulation of the existing sewerage network in dry and wet weather, based on the initial division of the basin into individual sub-basins.
- adjusting the hydraulic model with reliable rainfall and flow data. To this end, two rain meters are being installed in the selected pilot basin, and a flow-meter has been procured which has suitable technical characteristics.

Preparing a Property Register

To ensure optimal management and utilisation of the Company's water supply and sewerage facilities, a comprehensive property register is being prepared, reviewed and updated.

To ensure that the register is as up-to-date as possible, 70 survey diagrams were prepared or updated, primarily covering the needs of the water supply SCADA and the need for sewerage pumping stations works in tourist areas.

At the same time, survey diagrams are being prepared in all cases where it was considered necessary in the context of first posting of the National Cadastre's KT1-19 study (which covers Sindos, Kalohori, Gefyra, etc.), and the ownership status for 149 company facilities was examined.

EYATH's geographical remit

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

WITH REGARD TO WATER SUPPLY: the Municipalities of Thessaloniki, Ampelokipoi, Kalamaria, Neapoli, Sykies, Agios Pavlos, Menemeni, Polichni, Efkarpia, Triandria, Eleftherio Kordelio, Evosmos, Stavroupoli, Panorama, Pylea, Oreokastro, Pefka, as well as the industrial area of Thessaloniki.

WITH REGARD TO SEWERAGE: the territorial remit of EYATH S.A. is divided into five regions:

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

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

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

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

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

The Company, under a contract signed with the corresponding Municipality and EYATH Fixed Assets can undertake the existing network of local government authorities in one of the above regions and the obligation to provide water supply or sewerage services to the corresponding Municipality. The Company, under a contract signed with the corresponding Municipality, EYATH Fixed Assets, and approved by a joint decision of the co-competent ministers, can extend its activity to the territory of local government authorities that are outside the above regions.

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

GROUP AND COMPANY RESEARCH & DEVELOPMENT OPERATIONS

During the period ended the Group spent € 269 thousand 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

In 2020, the Company requested financing by participating in the submission of three research project proposals in the EU R&D Funding Programme Horizon 2020. The total budget requested for these projects was € 217 thousand for EYATH and is allocated as follows:

- 1 project proposal which was approved (€ 56 thousand) in 2020, commencing on 1.1.2021.
- 2 project proposals which were not approved (€ 155 thousand) in 2020.

In September 2020, a Horizon 2020 research project commenced, with EYATH's participation. It is entitled: "Pathogen Contamination Emergency Response Technologies" (PathoCERT), and its general objective is to strengthen the coordination capability of all First Responders in dealing with cases of water contamination caused by pathogens. The project's total budget is € 7.2 million and EYATH S.A.'s contribution to the budget is € 154 thousand, of which 70% will be financed by the European Union (funding: € 154 thousand).

Throughout 2020, the research project entitled 'Smart infrastructure for remote metering of water consumption and management of water demand' (known as SMART-WATER) continued to be implemented (as part of the 2014-2020 NSRF); it is a research partnership between EYATH S.A., the telecom company Apifon and the Information and Communication Technologies Institute of the Centre for Research and Technology Hellas (CERTH). The project was primarily managed by members of the former Strategic Planning & Investment Programme Management Unit which took the necessary steps to prepare for an upcoming publication (talk at the 39th IAHR 2022 Congress in Granada). In 2020, a scientific article was published in the *Water Science and Technology* journal in collaboration with the other two bodies (CERTH, APIFON) which are participating in the Smart-Water Research Project.

The total budget for this project is around € 660 thousand, of which around € 490 thousand will be financed with public money. EYATH S.A.'s budget is around € 170 thousand, of which around € 87.5 thousand will be financed with public money. During 2020, work continued successfully on 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 thousand, of which 70% will be financed by the European Union (funding: € 132 thousand).

The project entitled "Monitoring and Methodologies for Removal of Emerging Pollutants from Liquid Waste" continued to be implemented as part of the "Bilateral and Multilateral R&D Cooperation between Greece and China - Competitiveness, Entrepreneurship and Innovation" Programme (Competitiveness Entrepreneurship and Innovation Operational Programme Managing Authority), which has a budget of € 50 thousand for EYATH and provides financing of € 39 thousand.

Moreover, to study the marine environment close to the submerged waste disposal pipes from the two waste treatment plants, and near the White Tower, the Company entered into a self-financed agreement (budget around € 20 thousand) 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 took place (for winter and spring), while during the second half of the year the contract's third and last seasonal sailing took place (for summer 2020).

Lastly, in 2020 the Company concluded a self-financed service agreement entitled: "Development and installation of a system for valid and timely detection and information about the presence of hydrocarbons at Polyfytos Reservoir, using satellite surveying methods". The specific R&D services last 6 months commencing in November 2020, and total budgeting is € 29,900. They are being implemented in partnership between Infalia Private Company and the Research and Development Department of EYATH S.A. to develop a digital tool which will automatically and validly brief EYATH S.A.'s staff in good time if hydrocarbons are found at Polyfytos Reservoir.

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

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

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

With the same philosophy, from the moment the pandemic broke out EYATH took measures to focus on its employees so that staff are and feel safe and active during the crisis. It prepared a business plan for

the employment of staff which involved a skeleton staff, tele-working and rotating work depending on staff duties, and closed offices providing services to the public in the spring and only allowed people in by appointment. Immediate implementation of all circulars from ministries to safeguard personal health and hygiene allowed services to be provided as normal to consumers in Thessaloniki over the entire period.

At the same time, care was also taken to support consumers: the Company announced very early on that new water supply connections would be treated as a matter of priority given the vital importance of water for citizens' hygiene. In addition, bill payment times were extended during the first wave of the pandemic, while available online services were expanded.

EYATH's management team delivered special COVID-19 equipment to the AHEPA reference hospital (video laryngoscope) and distributed 5,000 masks to schools in Thessaloniki at the start of the school year, while social structures and the homeless / unemployed persons in the city received support as part of the company's CSR actions.

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, when necessary, 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 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 850 tests which generate over 5,000 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 Sewerage & Environment Quality Control 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;
- it implements an integrated IT system for all procedures related to tests and lab analyses (customer register, recording of tests and lab test results, issuing reports);
- it supports the work of the Waste Water and Liquid Industrial Waste Treatment and Disposal Designs Inspection Committee (where 250 issues were examined in 2020).

Moreover, on World Environment Day the Company also distributed info-materials to citizens about the importance of biodiversity and protection of water resources as a weapon in the fight against climate change.

SOCIETY AND VULNERABLE SOCIAL GROUPS

In this sector:

- it is exploring innovative procedures and automated processes to optimise day-to-day operations at its facilities and ensure better customer service (e-transactions, web-banking, payments via an extensive network of supermarkets, and other similar ideas);
- it offers a social tariff to vulnerable groups of citizens using the same criteria applied by PPC for its social household tariff, and also offers a broad spectrum of repayment plans for overdue debts for all debtors as well as more favourable terms for the financially disadvantaged;
- it facilitates customers via improved e-services and a wide network of partners and associated businesses (150 super markets in the prefecture of Thessaloniki and neighbouring prefectures of Halkidiki, Pieria, Imathia, Pella and Kilkis at no extra charge, all 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 internships to students and pupils at technical schools as part of their work experience requirements;
- it helps improve the life of refugees in refugee camps in the wider area of Thessaloniki, providing 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; 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 that share a social cause, etc.);
- 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 and secondary 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, 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 is supporting 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 changes 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 7,000 children, associations, disabled persons, refugees and other groups of visitors;
- it supports sports clubs, associations and social actors;
- 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. In fact, a special platform has already been set up to digitise the entire archive and consequently to preserve it and facilitate the relevant research. During the pandemic, materials for a digital tour of the museum were prepared for the benefit of all stakeholders.

COMPANY BRANCHES

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

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 31/12/2020.

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

Credit risk

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

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

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

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

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

Liquidity risk

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

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

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

SIGNIFICANT TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

According to the Group, related parties are members of the Board of Directors, members of Management, as well as the shareholders holding a significant percentage of its share capital (including their related persons). Note that in the 2018 accounting period the Company's financial statements were included in the consolidated financial statements of HCAP S.A. for the first time. Consequently, the Group considers the entities related to HCAP S.A. to be related parties (see note 31).

The Group's trading transactions with these related parties during the 1/1/2020-31/12/2020 period were carried out under market terms and in the framework of its usual business activity. The transactions and the balances of the Group's and Company's related parties, during the 1/1/2020 - 31/12/2020 period and as at 31/12/2020 respectively, as well as during the previous financial year, are broken down in the following tables (see note 31 of the financial statements):

	THE GROUP		THE COMPANY	
	1/1- 31/12/2020	1/1- 31/12/2019	1/1-31/12/2020	1/1-31/12/2019
Income from subsidiary	-	-	-	1
Income from other related parties consolidated along with HCAP S.A.	143	157	143	157
Expenses to other related parties consolidated along with HCAP S.A.	13,704	13,219	13,704	13,219
Transactions with and fees for executives and board members	995	518	995	515
Transactions with other related parties	6	2	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.

Expenses to other related parties consolidated along with HCAP S.A. relate primarily to services received (expenses for electricity supplied worth € 13.6 million) and the leasing of properties.

THE GROUP	
31/12/2020	31/12/2019

THE COMPANY	
31/12/2020	31/12/2019

Receivables from subsidiary	-	-	24	25
Receivables from other related parties consolidated along with HCAP S.A.	601	598	601	598
Liabilities from other related parties consolidated along with HCAP S.A.	2,550	2,788	2,550	2,788
Receivables from management executives and board members	12	2	12	2
Liabilities to management executives and board members	4	6	4	3

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

Receivables and liabilities from other related parties consolidated along with HCAP S.A. of € 601 and € 2,550 related to receivables for income from providing water supply and sewerage services both billed and accrued, and services received and prepaid property rents.

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

The actuarial liability for the Company's related parties (management executives) was € 193 on 31/12/2020 (compared to € 90 in 2019).

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS

(in accordance with Article 4(7) of Law 3556/2007)

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 bearer shares with voting rights, of a nominal value of one euro and twelve cents (€ 1.12) each.

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

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

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

35% of the net profits (having deducted the statutory reserve first) are distributed from the profits each fiscal year to shareholders as a first dividend, unless the General Meeting stipulates otherwise. The General Meeting also decides on whether to distribute any additional dividend. For 2019, the right to issue an additional dividend was used following a decision of the General Meeting because of the high cash assets, on the basis of which approval was given for a dividend of € 0.268/share to be distributed (70% of the net profits). 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. The right to collect a dividend becomes statute-barred and the amount involved devolves to the State if not collected within 5 years from the end of the year in which the General Meeting approved distribution.

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

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

LIMITATIONS TO THE TRANSFER OF THE COMPANY'S SHARES

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

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

Shareholders with a significant holding in the Company's share capital on 31/12/2020 were as follows:

SHAREHOLDER	Number of shares held	Holding on 31/12/2020	
HCAP	18,150,001	50.00%	+1
HRADF	8,717,999	24.02%	
SUEZ GROUPE	1,982,870	5.46%	
Other shareholders	7,449,130	20.52%	
Total	36,300,000	100.00%	

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

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

LIMITATIONS ON THE VOTING RIGHT - DEADLINES FOR EXERCISING RELEVANT RIGHTS

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

AGREEMENTS BETWEEN COMPANY SHAREHOLDERS

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

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

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

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

Article 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 Article 13 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 an amount which cannot exceed 3 times 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 no different than that 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 OR STAFF 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 22.4.2021 the Board of Directors decided to recommend that the Ordinary General Meeting of Shareholders distribute a dividend of € 0.223 per share for 2020, which corresponds to 70% of the distributable profits. The dividend is subject to approval by the Ordinary General Meeting of Shareholders and is included in the balance of the account "Retained earnings".

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

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

STATEMENT OF CORPORATE GOVERNANCE

Section: I. Principles of Corporate Governance

In making this statement, and following the provisions of Article 152 of Law 4548/2018, acting in accordance with Article 2(2) of Law 3873/2010, the Company's Board of Directors declares that it has decided on its own initiative to implement the Hellenic Corporate Governance Code which was prepared by the Hellenic Federation of Enterprises and then amended as part of the first revision by the Hellenic Corporate Governance Council on 28 June 2013.

(http://www.helex.gr/documents/10180/2227277/HCGC_GR_20131022.pdf/e8e7b6da-6dd0-4c30-90e9-79fe9ca8383d)

The Hellenic Corporate Governance Code includes provisions of two types: "general principles" which are aimed at all companies, whether listed or not, and "special practices" which only relate to listed companies. The Code follows the "comply or explain" approach and requires listed companies which adopt it to publish their intention in this regard and either comply with all special practices in the Code or explain the reasons for non-compliance with specific special practices. The Code incorporates all applicable legislative requirements on corporate governance, and also includes special practices that go beyond those requirements. EYATH S.A. (hereinafter EYATH) fully complies with all legislative requirements on corporate governance, while for the time being, at least, does not apply any of the special practices in the Code which go beyond the legislative requirements.

The deviations from the Hellenic Corporate Governance Code are presented and justified in the table below:

Special practices in the Hellenic Corporate Governance Code	Explanation/ justification for deviation from the special practice in the Hellenic Corporate Governance Code
Size and composition of the Board: Special practices 2.1, 2.2, 2.3	<p>EYATH's Board of Directors consists of 11 members, 2 of whom are executive members, 9 non-executive members and 4 of whom are independent non-executive members.</p> <p>The independent members provide the Board of Directors with independent, impartial viewpoints and there are no close ties with the Company or situations of conflict of interest.</p>
Size and composition of the Board: Special practices 2.7, 2.8	<p>For the time being, EYATH has not adopted this specific diversity policy on the composition of the Board of Directors. The fact that it is a company in which the Greek State has a direct and indirect holding does not allow the staff selection and promotion procedures for public agencies to be bypassed.</p> <p>However, in its Corporate Governance Statement the Company publishes the line-up of the Board of Directors and senior executives, their term in office and the gender distribution percentages which are related to diversity (gender, experience, etc.).</p>

Special practices in the Hellenic Corporate Governance Code	Explanation/ justification for deviation from the special practice in the Hellenic Corporate Governance Code
Role and profile of the Chairman of the Board: Special practice 3.3	At EYATH, the posts of Chairman of the Board and CEO were held by the same person up to 30.6.2019. Following the convening of the Extraordinary General Meeting on 2.8.2019 and the subsequent official establishment of the Board of Directors, the powers of the Chairman and CEO were divided between separate persons, with a Chairman who was a non-executive member, effective from 1.9.2019.
Role and profile of the Chairman of the Board: Special practice 3.4	The decision of 29.8.19 to officially establish the Board of Directors appointed an independent, non-executive member as Vice Chairman.
Nomination of Board members: Special practice 5.1	According to EYATH's Articles of Association, the Board's term in office is 4 years. This term in office serves the Company's development and strategic planning objectives and is not expected to be reduced, but the Board may—if necessary— partially replace its members.
Nomination of Board members: Special practices 5.4, 5.5, 5.6, 5.7	By means of decision No. 124/21 of the Board of Directors, a Nominations Committee was set up which will prepare a suitability policy for Board members in line with Law 4706/2020 and will be approved by the Ordinary General Meeting on 1.6.2021.
Functioning of the Board: Special practices 6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 6.7, 6.8, 6.9	The internal regulations for EYATH's Board of Directors were approved by Board decision no. 402/2017.
Board evaluation: Special practices 7.1, 7.3	<p>By the date this statement was drawn up, there were no evaluation procedures for the Board of Directors.</p> <p>However, the possibility of developing procedures which will make it possible to evaluate the Chairman and Board as a collective body will be examined.</p>
Board evaluation: Special practice 7.2	<p>Non-executive members do not convene periodically without the executive members being present in order to evaluate the performance of the executive members and discuss their remuneration.</p> <p>However, the possibility of developing procedures which will make it possible to evaluate the performance of executive members of the Board of Directors will be examined.</p>

Special practices in the Hellenic Corporate Governance Code	Explanation/ justification for deviation from the special practice in the Hellenic Corporate Governance Code
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System of internal controls: Special practice 1.7	In decision No. 152/2021 the Board of Directors updated the bylaws of the Board's Audit Committee in accordance with Article 74 of Law 4706/2020.
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Level and structure of remuneration: Special practices 1.1, 1.4, 1.5, 1.6, 1.7, 1.8, 1.9, 1.10	The Extraordinary General Meeting of Shareholders on 20.12.2019 approved the new remuneration policy effective from 1.1.2020 on a proposal from the competent Remuneration Committee and is posted to the company website.
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Section: II. Main characteristics of the Internal Controls and Risk Management Systems in relation to the preparation of the Financial Statements

The Internal Audit Unit's mission is:

- to examine and evaluate the adequacy and effectiveness of the Company and Group's system of internal controls and to ascertain to what extent the system provides a reasonable assurance about:
 - compliance with policies, procedures, guidelines and decisions of Company Management and the legislation governing its operations.
 - adequate evaluation of the data processing systems, in order to ascertain to what extent such systems achieve their purposes and objectives, and adequate auditing procedures have been incorporated into them;
 - efficient and effective utilisation of the Company's available resources, and an overview of the means of safeguarding assets and an assurance per se of the existence of such assets (via inventories, counts, etc.);
 - reliability of the financial statements;
 - the reliability and completeness of data, information and means used for decision-making.
- Management is briefed by the Audit Committee about the results of scheduled and unscheduled audits.
- Steps taken to correct auditing issues which have been identified and notified in the past are evaluated.

Internal auditing, as a function, is performed in an independent, objective manner and consequently has no power or other form of responsibility for the activities its oversees. The key principles guiding how internal audits are carried out are set out below:

- Each year an Audit Plan is drawn up, which includes areas to be audited during the year, the subject matter and timeframe for carrying out all auditing work. The annual Audit Plan is prepared based on risk assessment and is approved by the Audit Committee.
- Auditing work is carried out by 1st and 2nd class auditors with the required degree of professional diligence, conduct, confidentiality, objectivity and integrity, in compliance with the International Standards for the Professional Practice of Internal Auditing (Standards) and the Code of Conduct of the international Institute of Internal Auditors (IIA).
- When carrying out audits, Company auditors collaborate as necessary with staff and executives who are directly or indirectly involved in the activity being audited.
- The practices and detailed procedures implemented by Internal Auditing, and the operating framework for internal audits are outlined in detail in the Internal Audit Manual.
- The scope of audits and the findings which emerge from each auditing task are recorded in detail in internal Audit Reports. These are prepared by the 1st and 2nd class auditors who

- were involved in the auditing task and are reviewed by the head of the Internal Audit Unit.
- Follow-up of corrective measures is done by the Internal Audit Unit at regular intervals depending on their seriousness.
 - The Audit Committee periodically briefs Company Management about issues which come to the attention of auditors while carrying out audits, or from other sources which require further investigation by expert investigators.

Regulatory Compliance, Crisis and Risk Management Unit

Decision No. 576/19 of the Board of Directors established the Regulatory Compliance, Crisis and Risk Management Unit on 1.1.2020 whose mission is to monitor the legal and regulatory framework governing the Company and changes to it, to ensure effective ongoing compliance with the laws and regulations of the State and the regulatory authorities, and the policies laid down by Company Management. In the context of its duties, the Unit should:

1. Monitor the current regulatory framework and examine amendments and supplements to the legal, regulatory and ethical framework governing the Company, informing the Board of Directors about changes and making recommendations on the relevant amendments needed to internal policies, guidelines and regulatory compliance procedures, especially on issues such as the code of conduct, combating corruption and bribery, confidentiality of internal information, etc.
2. Oversee the implementation of regulatory compliance based on the plan it prepares, which is approved by the Board and is in line with the Company's strategy and objectives, monitoring its effectiveness and submitting proposals for improvement, where necessary, or carrying out random checks.
3. Ensure ongoing briefings, and raise awareness and train executives and employees on regulatory compliance issues through training courses to develop a regulatory compliance culture as a model for corporate behaviour.
4. Draw up a code of conduct based on the fundamental principles and values which determine how employees behave and how they carry on business with the Company's customers, suppliers and associates.
5. Support and inform the Board in identifying and managing possible conflict of interest situations and any reports on non-regulatory compliance, so that after an investigation, the necessary corrective measures can be taken. It must also report to the Board periodically.
6. Prepare the risk management framework and make recommendations on the strategy and policies for managing and controlling the risks to which the Company is exposed or assumes in line with Management guidelines.
7. Lay down the procedures for identifying, recording and evaluating business risks, analysing current ones and identifying potential ones affecting the Company.
8. Assist in developing a corporate risk management culture at all levels within the Company and organise training courses to raise staff awareness about how to manage and address risks.
9. Support the heads of operational areas in putting in place safety checks and balances to address risks, to develop / implement action plans and to monitor progress in implementing them, to ensure that they are adequately and effectively dealt with.
10. Keep the Company's central risk register, periodically evaluate the risk identification and evaluation mechanism, and submit to the CEO periodic reports on the effectiveness of risk management and handling for approval by the Board of Directors.
11. Ensure and support the Company's operational areas in preparing crisis management plans.

Section: III. Modus operandi of the General Meeting of Shareholders, key powers and description of shareholder rights and how they can be exercised.

a) Modus operandi and powers of the General Meeting of Shareholders

The modus operandi and powers of the General Meeting of Shareholders and the rights of shareholders and how they exercise them are set out in detail in Articles 29 to 39 of the Company's Articles of Association, which are available to the public in hard copy at the Company's head offices.

According to the Articles of Association, the General Meeting of Shareholders is the supreme management body which decides on all corporate affairs and its lawful decisions are binding on all shareholders.

The General Meeting of Shareholders is convened by the Board of Directors and meets regularly at the place and time specified by the Board of Directors within the first six months from the end of each financial year.

The General Meeting convenes where 20 whole days before the meeting an invitation was published which clearly sets out the place and time of the meeting, the items on the agenda, and the procedure to be followed by shareholders to participate and exercise their voting rights.

The General Meeting meets and has a quorum where 51% of the share capital is present and represented at it, apart from cases where a 2/3 qualified quorum is required by the Articles of Association.

Shareholders who participate in the General Meeting and have voting rights elect the Chairman and Secretary. The items on the agenda are then discussed and decisions are taken on those matters by absolute majority.

Minutes are kept of the items discussed and decided on by the General Meeting signed by the Chairman and Secretary of the meeting.

The General Meeting is the sole body competent to decide on:

- a) Extension of the Company's effective term, transformation, merger or winding up.
- b) Amendment of the Articles of Association.
- c) Share capital increases or decreases.
- d) The election of members of the Board, auditors and valuers.
- e) Approval of the annual financial statements.
- f) Profit distribution.

b) Rights of Company shareholders

The rights of shareholders and the rights of shareholders with non-controlling interests are set out in the aforementioned articles of the Articles of Association.

The rights of Company shareholders deriving from its shares depend on their holding in the capital which corresponds to the paid-up value of each share. Each share grants all the rights specified by Law 4548/2018 as amended and in force, 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. The General Meeting decides on whether to distribute any additional dividend. Each shareholder entered in the register of shareholders maintained by the Company on the holder-of-record date are entitled to a dividend. The dividend will be paid to the shareholders within 2 months from the date of the Ordinary General Meeting that approved the annual financial statements. The place and manner of payment is announced in the press. The right to collect a dividend becomes statute-barred and the amount involved devolves to the State if not collected within 5 years from the end of the year in which the General Meeting approved distribution.
- Pre-emptive right for each Company share capital increase with cash and the right to subscribe 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 right to receive the contribution paid, upon liquidation or upon the writing off of capital corresponding to the shares, where this is decided upon by the General Meeting.
- The General Meeting of the Company's shareholders shall retain all its rights during the period of liquidation.

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

Section: IV. Composition and modus operandi of the Board of Directors and other administrative, management and supervisory bodies or committees.

a) Composition and modus operandi of the Board

The composition and modus operandi as well as assignable and non-assignable competences of the Company's Board of Directors are set out in detail in Articles 13 to 26 of its Articles of Association and in the Company's internal regulations, which are available to the public in hard copy at the Company's head offices.

By the time this statement was prepared, there was no nomination committee.

In line with Article 13 of the Articles of Association, the Board of Directors is comprised of between 7 and 11 members.

Decisions of the General Meeting and Board of Directors to elect new members

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

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

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

Under Decision No. 289/2020 the Board of Directors was officially constituted as a body comprised of:

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

- Katerina Tsikaloudaki, daughter of Georgios, non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Maria Petala, daughter of Dimitrios, (independent) non-executive member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Georgios Archontopoulos, son of Savvas, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2020.
- Anastasios Sachinidis, son of Ioannis, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2020.

The elected members of the Board and Audit Committee meet the conditions and independence criteria laid down in Law 3016/2002, as in force, and the conditions in Article 44 of Law 4449/2017.

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

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

Among other things, the Annual Ordinary General Meeting of Shareholders held on 19.6.2020 approved the election of 2 members and their stand-ins as representatives of employees of the Company's Board of Directors in accordance with Article 85(1) and (2) of Law 4548/2008 and Article 13(5) of the Articles of Association of EYATH S.A.

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

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

- Georgios Archontopoulos, son of Savvas, employee representative, non-executive member. Elected on 19.6.2020. Term in office ends on: 18.6.2024.
- Ioannis Mitzias, son of Konstantinos, employee representative, non-executive member. Elected on 19.6.2020. Term in office ends on: 18.6.2024.

Data is set out below about the gender distribution and age of Board members and senior executives:

Board of Directors	No. of people	%
Men	8	73%
Women	3	27%
Total	11	100%

The age range of Board members is from 40 to 59.

Senior Executives	No. of people	%
Men	9	75%
Women	3	25%
Total	12	100%

The age range of senior executives is from 46 to 67.

b) Independence of Board members

The Board's four independent members meet all requirements on relationships of dependence set out in the Code.

c) Board meetings

Between 1.1.2020 and 31.12.2020 the Board of Directors met 43 times over the course of the year.

d) Board Committees

Audit Committee

In the context of the Company's corporate governance, evaluation of the Internal Audit System and implementation of decisions of the supervisory authorities (Hellenic Capital Market Commission Decision No. 5/204/14.11.2000, Law 3016/17.05.2002, Law 4449/24.01.2017), the Company has put in place an Audit Committee which may be either an independent committee or a committee of the Company's Board of Directors comprised of at least 3 non-executive members of the Board of Directors.

The Audit Committee is appointed by the Company's General Meeting of Shareholders and operates in accordance with the provisions of Law 3016/2002 and Law 4449/2017 and its own bylaws approved by the Board of Directors, which set out the purpose, remit, election, line-up, competences and duties of the committee.

Audit Committee line-up from 1.1.2020 to 31.12.2020

The Audit Committee's detailed line-up from 1.1.2020 to the present day is as follows:

Audit Committee line-up from 1.1.2020 to 9.3.2020

- A) Nikos Klitou, independent non-executive member and Chairman of the Audit Committee, economist
- B) Panagiotis Gogos, independent non-executive member, economist
- C) Theodoros Koulouris, independent non-executive member

On 9.3.2020 Mr. Theodoros Koulouris resigned from his post as a non-executive member of the Audit Committee of the Company's Board of Directors.

By means of decision of the Extraordinary General Meeting of Shareholders held on 30.4.2020, Ms. Sofia Ammanatidou and Ms. Maria Petala were elected as new members of the Board of Directors, and in line with Board of Directors decision No. 291/2020 were appointed as non-executive members of the Board and members of the Audit Committee to replace Mr. Theodoros Koulouris and Mr. Panagiotis Gogos. Their term in office commenced on 30.4.2020 and expires when the term in office of the Board of Directors ends.

Audit Committee line-up from 30.4.2020 to present day

- A) Nikos Klitou, independent non-executive member and Chairman of the Audit Committee, economist
- B) Sofia Ammanatidou, independent non-executive member, economist
- C) Maria Petala, independent non-executive member, chemical engineer

In all 2020 the line-up of the Audit Committee met the conditions in Article 44 of Law 4449/2017 since all members of the Audit Committee have adequate knowledge of the sector in which the audited entity operates, and at the same time at least one member of the Audit Committee who is independent of the audited entity has adequate knowledge and experience in auditing or accounting.

No. of Audit Committee meetings from 1.1.2020 to 31.12.2020

During that time the EYATH S.A. Board of Directors' Audit Committee held 13 meetings.

In order to implement its task the Audit Committee meets regularly and on an extraordinary basis when required. The frequency and time at which Audit Committee meetings are held depends on the extent of its competences, taking into account, *inter alia*, the Company's activity, size, business environment and business model.

For each meeting the Committee keeps minutes of meetings which sets out its activities and the results thereof, in relation to implementation of its work, and submits reports to the Board of Directors where that is considered necessary, depending on the items on the agenda.

The Audit Committee's main competences, specified in the relevant legislation, involve monitoring the financial reporting process, effective operation of the internal audit system and the risk management system, and proper running of the internal audit unit at the entity being audited.

Moreover, its competences relate to monitoring the progress of the statutory audit of the financial statements, and reviewing and monitoring issues relating to the independence and objectivity of the statutory auditor or auditing firm and ensuring it is maintained, especially in relation to the provision of other services by the statutory auditor or auditing firm to the entity. It is also responsible for selecting the certified public accountant or auditing firm.

The Audit Committee has frequent contact with the Internal Audit Unit in the context of performing its duties. In this context, both the head of the Internal Audit Unit and other members of the Internal Audit Unit are invited to participate in most of the Audit Committee meetings and to provide briefings about the progress of audits carried out and the follow-up of corrective measures decided on in the context of audits. The Audit Committee also has frequent contact and meetings with the auditors to review the financial statements and evaluate the financial information provided.

Risk management

The Company has adopted and implements a corporate governance system in line with Law 4706/2020, taking into account the size, nature, extent and complexity of its activities, which includes the Internal Audit System among other things. The risk management framework is developed by the Regulatory Compliance, Crisis and Risk Management Unit while the adequacy and correctness of risk management is checked and evaluated by the Internal Audit Unit. The existence of a risk management framework is of key importance in consolidating Corporate Governance. Enterprise risk management is a structured, consistent and continuous process involving all levels of the organisation to identify, record and assess risks, select appropriate responses, design and implement checks and balances, evaluate their adequacy and effectiveness, and constantly monitor and report on opportunities and threats that affect the achievement of the organisation's objectives.

The Company places particular emphasis on effective monitoring and management of potential risks to maintain the stability and continuity of its operations and in particular:

- To prepare an overall framework and to recommend a strategy, policies and procedures for managing and controlling risks which the Company may assume in line with Management guidelines.
- To define, identify and evaluate the risks assumed.
- To develop and implement tools tailored to the pricing risk for the services provided and to train organisational units about how to use them.
- To prepare a crisis management plan.
- To develop a corporate risk management culture at all levels within the Company.

Although each member of the Company plays its own role—in the context of its powers—in ensuring adequate risk management, the Board of Directors bears overall responsibility. It sets targets, lays down policy, decides how to respond and whether or not to accept the remaining risk. It selects the risk management framework, implementation of which is assigned to Company executives.

The Company's Board of Directors wishes to ensure that the functions comprising the Internal Audit System are independent of the business sectors they audit and that they have suitable financial and human resources, and the powers to effectively operate them in accordance with the requirements of their role, and in Decision No. 576/2019 established the Regulatory Compliance, Crisis and Risk Management Unit which reports to the Company's Board of Directors via the Audit Committee.

Description of the main characteristics of the internal audit and risk management systems in relation to the procedure followed to prepare the Financial Statements

Ensuring the reliability of the Company's financial statements is achieved by applying Internal Audit and Risk Management procedures. The Company prepares interim and annual financial statements reports. More specifically, the Finance Division prepares the financial statements in accordance with the International Financial Reporting Standards. The Management of the Company is informed about the evolution of corporate fundamental financials through management reports. Monitoring and auditing the financial statements and analyses thereof are a key tool in auditing the quality and consistency of the financial results. The Finance Division provides the Auditors and the Company's Management with all necessary information. The Auditors examine the interim and annual consolidated financial statements, and inform the Audit Committee about the progress and results of the statutory audit. The

Audit Committee is informed about the procedure and time schedule for preparing the financial statements by the Company's CFO, and holds meetings with Management team/competent management executives during the preparation of financial reports as well as with the Auditors during the audit planning stage. During these meetings, the Audit Committee is also informed about the management of financial risks, and examines the effectiveness of the risk management system. In the event that an issue arises regarding which the Auditors express serious concern, the Audit Committee informs the Board of Directors. The Audit Committee reviews the six-month and annual financial statements and the accompanying reports, in order to assess their completeness and consistency with the information provided to it, as well as with the accounting policies applied by the Company, and recommends their approval to the Board of Directors.

Conduct of Board members and Company executives

All Board members and Company executives are obliged to comply at all times with the Company's ethics and professional conduct rules, which are set out in its internal regulations.

EVENTS OCCURRING AFTER THE BALANCE SHEET DATE***Refurbishment of the management building***

Decision No. 187/2021 of the Board of Directors of EYATH S.A. approved the appointment of an interim contractor to which the project to upgrade EYATH S.A.'s management building at 127 Egnatias St. was awarded. The estimated value is € 4,999,894.82 (VAT excl.).

An architectural preliminary design has been prepared for the building, which was approved by Decision No. 605/2020 of the Board of Directors of EYATH S.A. The works to upgrade the building are necessary, first and foremost for safety reasons, but also to ensure improved functionality and to reduce its energy footprint.

The project completion deadline is 18 months from the contract signing date.

Recruitment of new staff

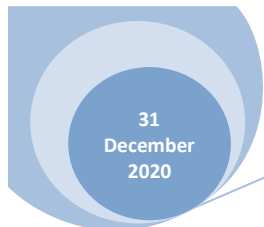
Decision No. 204/2021 of the Company's Board of Directors approved the start of procedures to issue a notice via the Supreme Staff Selection Council to fill 50 job positions (open-ended private law employment contracts) which can be broken down by category, sector and area of specialisation as follows:

- University education category: 13 jobs.
- Technological education category: 11 jobs.
- Secondary education category: 26 jobs.

There are no events between 31.12.2020 and the date on which the financial statements were approved by the Company's Board of Directors which could materially affect the financial position or the Company's results for the period that ended on this date, or other events which should be disclosed in the financial statements.

Thessaloniki, 22 April 2021

ON BEHALF OF THE BOARD OF DIRECTORS



Agis Papadopoulos	Anthimos Amanatidis	Nikos Klitou
Chairman of the Board of Directors	CEO	Board member Chairman of the Audit Committee
ID Card No. AN 201633	ID Card No. AE 125155	ID Card No. AM 674658

Report on the audit of the Separate and Consolidated Financial Statements

Independent Auditor's Report

To the Shareholders of "THESSALONIKI WATER SUPPLY & SEWERAGE Co. S.A."

Report on the audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of "THESSALONIKI WATER SUPPLY & SEWERAGE Co. S.A." (the Company), which comprise the separate and consolidated statement of financial position as at December 31, 2020, the separate and consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and its subsidiary (the Group) as at 31 December 2020, their financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as they have been incorporated into the Greek Legislation. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements section of our report. We are independent of the Company and the subsidiary included in the consolidation throughout our entire appointment, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) incorporated into the Greek Legislation and ethical requirements that are relevant to the audit of separate and consolidated financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters, as well as the related risk of significant misstatements, were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters

How our audit addressed the key audit matter

Trade Receivables – Trade Receivables Recoverability Assessment

As at 31.12.2020, the Group and Company's trade and other receivables stood at € 102,251 thousand and € 102,259 thousand respectively, whereas the relevant accumulated impairment referred to in Notes 14 and 15 of the attached financial statements stood at € 35,028 thousand for the Group and Company.

At the period end, the Management reviews the recoverability of the Group and Company's trade and other receivables, so that they are reflected in their recoverable amount, recognizing the required impairment provisions for expected credit losses. This process includes important judgements and estimates, in relation to the proper application of IFRS 9 "Financial Instruments", which was adopted by the Group on 1/1/2018 by the method of cumulative effect.

Given the significance of trade and other receivables and the level of judgement and estimates required, we consider the review of the recoverability of trade and other receivables as an area of particular audit interest.

The Group and Company disclosures about recognition of impairment of trade and other

Our audit procedures to assess the recoverability of trade and other receivables included:

- Assessment of the assumptions and methodology used by Management to identify the recoverability of trade and other receivables or characterise them as bad debt.
- Examination of the attorney's confirmation letter regarding bad receivables handled during the year and identification of any indication of doubtful accounts.
- Assessment of the level of impairment of trade and other receivables, taking into account specific debtors classifications and factors, such as maturity, substantial debtors and high risk debtors.
- Assessment of recoverability of balances through comparing the year end closing balances with subsequent amounts collected / settlements.
- Assessment of the application of the methodology, in accordance with IFRS 9, as well

receivables are included in Notes 5.1, 14 and 15 of the attached financial statements.

as the accuracy and completeness of the data used by the Management in the calculation model.

- Assessment of the adequacy and appropriateness of the Company and Group's disclosures in Notes 5.1, 14 and 15 of the attached financial statements.

Contingent liabilities and provisions for litigation

As at 31.12.2020, the Group is engaged in numerous litigation claims and arbitration procedures totalling approximately € 45 million, for which a provision is recognized amounting to approximately €3.1 million. The relative reference is provided in Notes 5.6, 20 and 32 of the attached financial statements.

Management uses legal advisors who periodically examine all significant legal cases. If the potential loss from litigation is considered probable and the amount can be estimated reliably, Management recognizes the relevant provision in the financial statements.

Management's assessment in respect of the outcome of legal cases involves subjectivity, as it requires significant judgment to include assessments based on the latest available information, determination of potential risk and reliable data on similar court cases. Negative outcome in the course of litigations or on the basis of estimates made by Management and external legal advisors could result in recognizing impairment losses that may have a material impact on the Group's income statement.

Given the above factors, significant Management's estimates and the amount of provisions and contingent liabilities, we consider this issue to be one of the key audit matters.

Our audit procedures regarding contingent liabilities and provisions for litigations include, among others, the following:

- Analysis of provisions that have been made in comparison with the detailed checklist of pending court cases held by the Company's Legal Department.
- Receiving direct external confirmation letter from legal advisors handling pending court cases.
- Discussion with the Group's Legal Department on legal cases and their potential outcome, and assessment of reasonableness of estimates as well as the evidence on which Management's assessment is based.

Assessment of the adequacy and appropriateness of the Company and Group's disclosures in Notes 5.6, 20 and 32 of the attached financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Board of Director's Report, the reference to which is made in the "Report on Other Legal and Regulatory Requirements" section of our Report, and Statements of the Members of the Board of Directors, but does not include the financial statements and our auditor's report thereon

Our opinion on the separate and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards that have been adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, Management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management intends to liquidate the Company and the Group or to cease operations or has no other realistic alternative but to do so.

The Company's Audit Committee (Article 44, Law 4449/2017) is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as transposed into Greek law, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to affect the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, as transposed into Greek law, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in

our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separated and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

1. Board of Directors' Report

Taking into consideration the fact that Management is responsible for the preparation of the Board of Directors' Report and the Corporate Governance Statement included in this report, under the provisions of Article 2(5) (Part B) of Law 4336/2015, we note the following:

1. The Board of Director's Report includes the Corporate Governance Statement that provides the information required by Article 152 of Law 4548/2018.
2. In our opinion, the Board of Directors' Report has been prepared in compliance with the applicable legal requirements of Articles 150 and 153, and Article 152(1)(c) and (d) of Law 4548/2018 and its content is consistent with the accompanying separate and consolidated financial statements for the year ended as at 31/12/2020.
3. Based on the knowledge we acquired during our audit of "THESSALONIKI WATER SUPPLY & SEWERAGE Co. S.A." and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

2. Additional Report to the Audit Committee

Our opinion on the accompanying separate and consolidated financial statements is consistent with our Additional Report to the Company's Audit Committee, prepared in compliance with Article 11 of Regulation (EU) No 537/2014.

3. Provision of Non-Audit Services

We have not provided to the Company and its subsidiary the prohibited non-audit services referred to in Article 5 of Regulation (EU) No 537/2014.

Authorized non-audit services provided by us to the Company during the year ended as at December 31, 2020 are disclosed in Note 26 of the attached separate and consolidated financial statements.

4. Auditor's Appointment

We were first appointed as auditors of the Company by the Annual General Meeting of Shareholders on 4.8.2011. Since then, our appointment has been renewed annually for a total uninterrupted period of 10 years following the decisions of the Annual General Meetings of Shareholders.

Athens, 23 April 2021

The Certified Public Accountant

Andreas Sofis

I.C.P.A. Reg. No. 47771

Statement of Financial Position

	Note:	THE GROUP		THE COMPANY	
		31/12/2020	31/12/2019	31/12/2020	31/12/2019
ASSETS					
Non-Current Assets					
Tangible assets	7	62,813	65,898	62,813	65,898
Intangible assets	8	155	217	155	217
Right-of-use assets	9	690	1,072	690	1,072
Participations in subsidiaries	10	-	-	60	60
Deferred tax assets	29	4,019	3,571	4,019	3,571
Other long-term assets	11	3,126	2,972	3,126	2,972
Financial assets measured at fair value through other comprehensive income	12	50	50	50	50
Total non-current assets		70,854	73,780	70,914	73,840
Current Assets					
Inventories	13	1,542	1,592	1,542	1,592
Trade receivables and contractual assets	14	65,033	63,002	65,017	62,987
Other receivables	15	2,190	4,361	2,214	4,385
Cash and cash equivalents	16	81,916	75,844	81,358	75,329
Total current assets		150,681	144,799	150,130	144,292
TOTAL ASSETS		221,535	218,579	221,044	218,132
LIABILITIES					
Equity					
Share capital	17	40,656	40,656	40,656	40,656
Premium on capital stock	17	2,830	2,830	2,830	2,830
Reserves	18	30,610	30,346	30,587	30,323
Results carried forward		111,298	109,380	110,932	109,054
Total equity		185,394	183,212	185,005	182,863
Non-controlling interests		-	-	-	-
Total equity		185,394	183,212	185,005	182,863
Liabilities					
Long-term liabilities					
Provisions for employee benefits	19	1,993	2,044	1,993	2,044
Provisions for contingencies and expenses	20	3,564	3,571	3,564	3,571
Grants	21	943	1,291	943	1,291
Long-term lease liabilities	23	266	469	266	469
Other long-term liabilities	22	15,833	15,411	15,833	15,411
Total long-term liabilities		22,598	22,785	22,598	22,785
Short-term liabilities					
Trade and other liabilities	24	12,590	12,188	12,503	12,099
Short-term lease liabilities	23	172	342	172	342
Dividends payable		42	43	42	43
Short-term tax liabilities	25	738	9	724	-
Total short-term liabilities		13,542	12,582	13,441	12,484
Total Liabilities		36,140	35,367	36,039	35,269
TOTAL OWNERS' EQUITY AND LIABILITIES		221,535	218,579	221,044	218,132

Notes:

The disclosures on pages 58 to 103 constitute an integral part of these financial statements.

Statement of Comprehensive Income

	Note:	THE GROUP		THE COMPANY	
		1/1- 31/12/2020	1/1- 31/12/2019	1/1- 31/12/2020	1/1- 31/12/2019
-					
Sales		71,911	72,686	71,911	72,686
Less: Cost of sales	26	(44,290)	(43,617)	(44,290)	(43,617)
Gross profit margin		27,621	29,069	27,621	29,069
Other operating income	27	2,748	3,775	2,676	3,705
		30,369	32,844	30,297	32,774
Selling and distribution expenses	26	(5,798)	(5,219)	(5,798)	(5,219)
Administrative expenses	26	(5,227)	(4,707)	(5,208)	(4,680)
Research and development expenses	26	(269)	(164)	(269)	(164)
Other operating expenses	27	(2,715)	(3,339)	(2,715)	(3,324)
Operating results		16,360	19,414	16,307	19,387
Net financial income	28	349	1,238	348	1,237
Normal operating results		16,709	20,652	16,655	20,624
Income from investments		-	-	-	-
Results before tax		16,709	20,652	16,655	20,624
Income tax	29	(4,841)	(5,994)	(4,828)	(5,984)
Results net of tax		11,868	14,658	11,827	14,641
Allocated among:					
Parent shareholders		11,868	14,658	11,827	14,641
Non-controlling interests		-	-	-	-
Other comprehensive income net of tax:					
Data that will not be subsequently classified in the Income Statement:					
Actuarial Results		43	(11)	43	(11)
Total comprehensive income net of tax		11,911	14,648	11,870	14,630
Allocated among:					
Parent shareholders		11,911	14,648	11,870	14,630
Non-controlling interests		-	-	-	-
Earnings per share (in euro per share)	30	0.3269	0.4038	0.3258	0.4033
Basic					

Notes:

The disclosures on pages 58 to 103 constitute an integral part of these 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 1/1/2020 according to IFRS	40,656	2,830	13,310	17,035	109,381	183,212
Total comprehensive income net of tax 1/1 - 31/12/2020	-	-	264	-	11,604	11,868
Other Comprehensive Income for the period 1/1 - 31/12/2020	-	-	-	-	43	43
Dividends distributed	-	-	-	-	(9,728)	(9,728)
Balance on 31/12/2020 according to IFRS	40,656	2,830	13,574	17,035	111,300	185,394
Balance on 1/1/2019 according to IFRS	40,656	2,830	12,583	17,035	100,034	173,138
Total comprehensive income net of tax 1/1 - 31/12/2019	-	-	727	-	13,932	14,658
Other Comprehensive Income for the period 1/1 - 31/12/2019	-	-	-	-	(11)	(11)
Dividends distributed	-	-	-	-	(4,574)	(4,574)
Balance on 31/12/2019 according to IFRS	40,656	2,830	13,310	17,035	109,381	183,212

Statement of changes in equity (Company)

	Share capital	Share premium	Statutory Reserve	Other reserves	Other comprehensive income / results carried forward	Total
Balance on 1/1/2020 according to IFRS	40,656	2,830	13,288	17,035	109,054	182,863
Total comprehensive income net of tax 1/1 - 31/12/2020	-	-	264	-	11,563	11,827
Other Comprehensive Income for the period 1/1 - 31/12/2020	-	-	-	-	43	43
Dividends distributed	-	-	-	-	(9,728)	(9,728)
Balance on 31/12/2020 according to IFRS	40,656	2,830	13,552	17,035	110,932	185,005
Balance on 1/1/2019 according to IFRS	40,656	2,830	12,562	17,035	99,725	172,807
Total comprehensive income net of tax 1/1 - 31/12/2019	-	-	727	-	13,914	14,641
Other Comprehensive Income for the period 1/1 - 31/12/2019	-	-	-	-	(11)	(11)
Dividends distributed	-	-	-	-	(4,574)	(4,574)
Balance on 31/12/2019 according to IFRS	40,656	2,830	13,288	17,035	109,054	182,863

Notes:

The disclosures on pages 58 to 103 constitute an integral part of these financial statements.

Cash Flow Statement

Indirect method

Note:	THE GROUP		THE COMPANY	
	1/1- 31/12/2020	1/1- 31/12/2019	1/1- 31/12/2020	1/1- 31/12/2019
Cash flow from operating activities				
Profit / (loss) before income tax (continuing operations)	16,709	20,652	16,655	20,624
Plus/(Minus) adjustments for:				
Depreciation	7.8 6,241	6,509	6,241	6,509
Depreciation of rights-of-use	9 353	353	353	353
Depreciation of fixed asset investment subsidies	21 (348)	(351)	(348)	(351)
Tangible asset impairment	7 -	2,327	-	2,327
Provisions	5,262	2,997	5,262	2,997
Offsetting of prior period provisions	20 (355)	(1,601)	(355)	(1,601)
Interest and related (income) / expenses	(349)	(1,238)	(348)	(1,237)
	27,513	29,648	27,459	29,621
Decrease/ (increase) in inventories	50	163	50	163
Decrease/(increase) in trade and other receivables	(5,343)	(9,696)	(5,343)	(9,803)
Increase/(decrease) of trade and other liabilities (except loans)	(1,207)	1,076	(1,196)	1,013
Decrease/(increase) in other long-term receivables	(389)	(925)	(389)	(925)
(Less):	-	-	-	-
Interest charges and related expenses paid	(107)	(124)	(107)	(124)
Tax paid	(2,173)	(10,233)	(2,173)	(10,233)
Total inflow/(outflow) from operating activities (a)	18,345	9,908	18,302	9,711
Cash Flows from Investing Activities				
Purchases of tangible assets	7 (3,035)	(2,113)	(3,035)	(2,113)
Purchase of intangible assets	8 (73)	(16)	(73)	(16)
Sales of fixed assets	14	-	14	-
Interest received	818	1,403	818	1,401
Total inflow/(outflow) from investing activities (b)	(2,276)	(726)	(2,276)	(728)
Cash flows from financing activities				
Leasing arrangement liabilities paid	23 (372)	(502)	(372)	(502)
Dividends paid	(9,625)	(4,470)	(9,625)	(4,470)
Total inflow/(outflow) from financing activities (c)	(9,996)	(4,972)	(9,996)	(4,972)
Net increase/(decrease) in cash and cash equivalents for the period (a) + (b) + (c)	6,072	4,210	6,029	4,012
Cash assets and equivalents at start of year	75,844	71,634	75,329	71,317
Cash assets and equivalents at end of period	81,916	75,844	81,358	75,329

Notes:

The disclosures on pages 58 to 103 constitute an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION ABOUT THE COMPANY AND THE GROUP

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

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

Decision no. 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. These Articles of Association, as amended and codified on 20.12.2019, were lawfully entered in the GCR on 9.3.2020 with entry number 2099211 (notice no. 1919394).

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

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

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

Board of Directors:

1. Agis Papadopoulos, Chairman, non-executive member



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

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

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), including the International Accounting Standards (IAS) and the interpretations issued by the IFRIC Committee, as adopted by the European Union up to 31 December 2020. The key accounting policies implemented for drawing up the financial statements for the period that ended on 31 December 2020 are the same as those followed when drawing up the annual financial statements of the year ended on 31 December 2019, and are described in them. Where necessary, the comparable data have been reclassified to reconcile with any changes to the presentation of the current period's data. Any differences between the amounts reported in the financial statements and the respective amounts in the notes are due to rounding.

The financial statements have been prepared based on historical cost and the going concern principle, as disclosed below in the Company's accounting policies, have been approved by the BoD on 22/04/2021 and are subject to approval by the General Meeting.

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. Areas entailing a high degree of subjectivity or which are complex or where assumptions and estimates are significant for the financial statements are cited in Note 5 below.

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

2.2. Standards and interpretations mandatory for the financial year ended

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

Standards and interpretations mandatory for the current financial year

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

The new definition focuses on the concept of an enterprise's return in the form of providing goods and services to customers, as opposed to the previous definition that focused on returns in the form of dividends, lower costs or other economic benefits to investors and other parties. It also clarifies that, to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. It also introduces an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

IAS 1 and IAS 8 (Amendments) "Definition of material"

The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. In addition, the

explanations accompanying the definition have been improved. Finally, the amendments ensure that the definition of material is consistent across all IFRS Standards.

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

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the benchmark rates reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

Standards and Interpretations mandatory for later accounting periods

IFRS 17 "Insurance contracts" and Amendments to IFRS 17 (effective for annual accounting periods beginning on or after 1.1.2023)

IFRS 17 was issued in May 2017 and along with amendments to IFRS 17 issued in June 2020, it replaces IFRS 4. IFRS 17 establishes the principles of recognition, measurement and presentation of insurance contracts which fall within the standard's scope and the relevant disclosures. The objective of the standard is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values – instead of historical cost. The standard has not yet been adopted by the European Union.

IFRS 16 (Amendment) "COVID-19-Related Rent Concessions" (effective for annual accounting periods beginning on or after 1.6.2020)

The amendment provides lessees (but not lessors) with an optional exemption from assessing whether a COVID-19-related rent concession is a lease modification. Lessees can choose to account for rent concessions as if such concessions were not lease modifications.

IFRS 16 (Amendment) "COVID-19-Related Rent Concessions — Extension of practical expedient" (effective for annual accounting periods beginning on or after 1.4.2021)

The amendment extends, by one year, the application period of the practical expedient in relation to rent concessions to cover rental concessions that reduce lease payments due on or before 30 June 2022. This amendment has not yet been adopted by the European Union.

IFRS 4 (Amendment) "Extension of the Temporary Exemption from Applying IFRS 9" (effective for annual accounting periods beginning on or after 1.1.2021)

The amendment changes the specified end date for the temporary exemption in IFRS 4 (Insurance Contracts) from the application of IFRS 9 (Financial Instruments) so that entities are obliged to apply IFRS 9 for annual periods beginning on or after 1.1.2023.

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) "Interest Rate Benchmark Reform - Phase 2" (effective for annual accounting periods beginning on or after 1 January 2021)

The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for changes in its hedging relationships, and the information which must be disclosed.

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

The amendment prohibits an entity from deducting from the cost of property plant and equipment any proceeds received from the sale of items produced while the entity is readying the asset for its intended use. It also requires entities to disclose separately the amounts of income and expenses related to such items produced which are not the result of the entity’s normal activities. This amendment has not yet been adopted by the European Union.

IAS 37 (Amendment) “Onerous Contracts — Cost of Fulfilling a Contract” (effective for annual accounting periods beginning on or after 1.1.2022)

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

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

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

IAS 1 (Amendment) “Classification of liabilities as current or non-current” (effective for annual accounting periods beginning on or after 1.1.2023)

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

IAS 1 (Amendments) "Presentation of Financial Statements" and IFRS Practice Statement 2 "Disclosure of Accounting Policies" (effective for annual accounting periods beginning on or after 1.1.2023)

The amendments require companies to provide information about their accounting policies when they are material, and provide guidance about the concept of materiality when applied to accounting policy disclosures. These amendments have not yet been adopted by the European Union.

IAS 8 (Amendments) “Accounting Policies, Changes in Accounting Estimates and Errors: “Definition of Accounting Estimates” (effective for annual accounting periods beginning on or after 1.1.2023)

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. These amendments have not yet been adopted by the European Union.

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

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

IFRS 9 "Financial instruments"

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

IFRS 16 "Leases"

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

IAS 41 "Agriculture"

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

3. MAIN ACCOUNTING POLICIES

3.1 Investments in subsidiaries

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

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

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

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

3.2 Basis of consolidation:

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

COMPANIES	% GROUP	COUNTRY	ACTIVITY
THESSALONIKI WATER SUPPLY AND SEWERAGE CO. 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

3.3 Tangible fixed assets

Tangible assets are measured at acquisition cost less accumulated depreciation and impairment. The cost of acquisition includes all directly payable expenses for acquiring assets. Subsequent expenses are recorded as an increase to the book value of the fixed assets or as a separate asset only where it is likely that the future financial benefits accruing to the Group and the cost can be reliably measured. The cost of repair and maintenance works is recognised in profit and loss when the said works are carried out.

Fixed assets under construction include assets being constructed presented at cost. Fixed assets under construction are not depreciated until the asset is completed and available for the purpose for which it is intended.

Plots – lots are not depreciated. Depreciation of other tangible assets is calculated using the straight line method, charged in equal amounts over the asset's expected useful life, so as to write off the cost at residual value, as follows:

Buildings and technical works	9 to 40 years
Machinery and installations	10-25 years
Transportation equipment	10-15 years
Furniture and other equipment	6-15 years

Residual value and the useful life of tangible assets are subject to re-examination on each balance sheet date. When the book value of tangible assets exceeds the recoverable value the differences (impairment) are posted as expenses to the results.

When the tangible assets are sold, differences between the price received and the book value are posted as profits or losses in the income statement. Financial expenses which relate to the construction of assets are capitalised for the time required to complete construction. All other financial expenses are recognised in the income statement.

3.4 Intangible assets

3.4.1 Software

Software here means the cost of purchasing or developing such software, such as payrolling, materials and services, as well as all expenses incurred to develop software in order for it to be put into service.

Costs which improve or extend the performance of software beyond initial specifications are recognised as capital expenditure and added to the initial cost of the software.

Depreciation on software is imputed to the income statement using straight line depreciation over the entire useful life of the asset. The estimated useful life is 6 years.

3.4.2 Product Research and Development (R&D) cost

The R&D cost is recognised in the Income Statement when incurred. Development costs are incurred mainly for the development of new products and production methods. The costs incurred for developing a separate program are recognised as intangible assets only when the requirements of IAS 38 "Intangible assets" are met.

3.5 Financial assets

a) Classification, recognition and measurement

To a large extent IFRS 9 retains the existing requirements in IAS 39 on classification and measurement of financial liabilities. However, it removes the previous IAS 39 categories on financial assets: assets held to maturity, loans and receivables, and assets available for sale.

In accordance with IFRS 9, the Group and Company's financial instruments are measured at fair value through profit and loss, at amortised cost or at fair value through other comprehensive income.

Classification is based on two criteria:

- the business model within which the financial asset is held, namely whether the objective is to hold it to collect contractual cash flows or collect contractual cash flows and sale financial assets and
- whether the contractual cash flows form a financial asset which consists Solely of Payments of Principal and Interest on the outstanding capital balance (the SPPI criterion).

Normal purchases and sales of investments are recognised on the date the transaction takes place, which is the date the Group and Company undertake to purchase or sell the asset.

Upon initial recognition, the Group and the Company measure a financial asset at fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs directly attributable to the acquisition of the financial asset. Transaction costs of financial assets measured at fair value through profit or loss are recognised directly in profit or loss.

Investments cease to be recognised when the rights to receive cash flows from financial assets expire or are transferred and the Group and the Company have transferred substantially all the risks and rewards of ownership.

The Group and Company use the following categories to classify and measure financial assets:

Financial assets at amortised cost

Financial assets are measured at amortised cost if held in the context of a business model for the purpose of retaining them and collecting contractual cash flows which meet the SPPI criterion. Interest earned from those assets is included in financial income and recognised using the effective interest rate. Any profit or loss arising from deletion is recognised immediately in the Income Statement.

The Financial assets classified in this category are "trade and other receivables". Trade and other receivables are initially recognised at fair value and are subsequently valued at amortised cost using the effective interest rate method, unless the results of discounting, less any impairment losses, are not significant.

Financial assets measured at fair value through other comprehensive income

According to the relevant requirements of IFRS 9, upon initial recognition, the Group and Company may irrevocably opt to present subsequent changes in the fair value of an equity investment not intended for commercial exploitation, in other results directly in equity.

Gains and losses from those financial assets are never recycled in the results for the period. Dividends are recognised as other income in the income statement when the payment entitlement has been established unless the Group and the Company benefit from such income as recovery of part of the cost of the financial asset, in which case those profits are recognised in the statement of comprehensive income. Equity instruments designated at fair value through comprehensive income are not subject to impairment testing. This is done for each individual equity instrument.

The Group and the Company have chosen to classify investments in this category (see note 12).

(b) Impairment

The Group and Company recognise provisions for impairment for expected credit losses for all financial assets apart from those measured at fair value through profit and loss. The relevant methodology depends on whether there is a significant increase in credit risk.

For contractual assets and customer receivables, the Group and the Company apply the simplified approach permitted by IFRS 9. Based on this approach, the Group and the Company recognise the credit losses that are expected over the lifetime of these receivables.

3.6 Trade receivables

Trade receivables are the balances owed by customers from the sale of goods or provision of services in the context of the Group's normal operations. If it is expected that these balances will be collected within a year or less (or more if this is part of the normal business cycle) then the receivables are classified as current assets. If not, they are classified as non-current assets.

Trade receivables are posted initially at fair value and subsequently valued at amortised cost using the effective interest rate less impairment losses.

3.7 Inventories

Inventories are valued at acquisition cost or net realisable value, whichever is lower. The cost is calculated using the average weighted cost method. The financial cost is not included in the acquisition cost of inventories. Net realisable value is assessed based on current sale prices of inventories in the context of normal activities less any sales expenses which apply in the case.

More specifically, inventories/stocks consisting of specialist spare parts for machinery purchased when the machinery is purchased are considered to be an integral part of the machinery's value and are depreciated along with the machinery, while replacements for used spare parts are expensed at the time of purchase. On the contrary though, consumables for machinery maintenance and spare parts for general use are included in inventories and are expensed at the time of consumption.

3.8 Cash assets

Cash also includes cash equivalents such as sight deposits and short-term time deposits. Overdrafts payable upon first demand, which are an integral part of managing the Group and Company's cash are included as an integral part of cash for the purpose of preparing the cash flow statement.

3.9 Share capital

Expenditure paid to third parties related directly to the issuing of new shares is recorded in equity, less the corresponding tax, as a reduction in the premium on capital stock.

When acquiring own shares, the price paid including relevant expenses are presented as reducing equity.

3.10 Income tax

Current and deferred income tax is calculated based on the relevant financial statement accounts, in accordance with taxation laws which apply in Greece. Current income tax relates to tax on the taxable profits of the Group and Company adjusted in accordance with tax law requirements and calculated based on the current tax rate.

Deferred taxation is calculated using the liability method on all interim differences on the balance sheet date between the taxation basis and the book value of the assets and liabilities.

Expected tax impacts from interim tax adjustments are determined and presented either as future (deferred) tax liabilities or as deferred tax assets.

Deferred tax assets are posted for all tax deductible interim difference and tax losses carried forward to the extent that this is likely that there will be taxable profits available in respect of which the interim difference can be utilised.

The book value of deferred tax assets is revised on each balance sheet date and reduced to the extent that it is not considered likely that there will be sufficient taxable profits for which all or part of the deferred tax assets can be used.

Current tax assets and liabilities for the current and past accounting periods are valued at the figure expected to be paid to the tax authorities (or recovered from them) using tax rates (and tax laws) which have been adopted or substantively adopted by the balance sheet date.

3.11 Dividends

Dividends payable are presented as a liability at the time they are approved by the General Meeting of Shareholders.

3.12 Provisions for employee benefits

The Company's and Group's obligation to staff employed by them 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 relevant obligation is calculated based on the financial and actuarial assumptions and is specified using the actuarial valuation method called the projected unit method. The net cost of retirement in the period is included in payroll cost in the attached statement of comprehensive income and consists of the present value of benefits which became accrued during the year, interest on the benefit obligation, the cost of past service, actuarial profits or losses, and any other additional pension costs.

3.13 Provisions for contingencies and expenses

Provisions are formed when the Group has a legal or presumed obligation as a result of some past event and it is considered likely that an outflow of resources will be required to settle the liability, and that amount can be reliably estimated.

The Company re-examines the need to form provisions at the end of each year and adjusts them so that they reflect the best possible assessments and in the case where this is considered necessary discounts them based on a reasonable pre-tax discount rate. Contingent liabilities are not posted to the financial statements but are disclosed unless the likelihood of a resource output incorporating financial benefits

is minimal. Contingent assets are not posted to the financial statements but are disclosed where the inflow of financial benefits is likely.

3.14 Grants

Grants are initially recognised at their nominal value when there is a reasonable assurance that the grant will be received and that the Company will comply with all specified terms and conditions laid down for payment. Grants for current expenditure are recognised in the results during the period when the grant is needed, in order to be matched to the expenditure it is intended to offset. Grants for the purchase of tangible (fixed) assets are included in long-term liabilities as deferred income and are recognised as income and transferred to the income statement over the useful life of the subsidised asset.

3.15 Revenue recognition

Revenue is defined as the amount which an economic entity expects to be entitled to as consideration for the goods or services which were transferred to a customer, apart from amounts collected on behalf of third parties (VAT, other sales taxes).

An economic entity recognises revenues when (or as) it fulfils the contract performance obligations, by transferring the goods or services it has promised to the customer. The customer acquires control of the goods or services where he can direct how they are to be used and in effect enjoys all the financial benefits from the goods or services. Control is transferred over a period or at a specific point in time.

3.15.1. Revenue from the supply of water and sewerage services and related services

The Group and Company are involved in providing water supply and sewerage services. Revenue for each of the two performance obligations mentioned above is recognised over time as the customer receives -and at the same time uses- the benefits of water consumption and usage of the sewerage network. Revenue is measured on the basis of the quantities of water consumed and the current price lists. The Group and the Company bill customers for water and sewerage services mainly on a quarterly basis, based on relevant meter readings.

The customer receivable is recognised when there is an unconditional right for the entity to receive the price for the contractual obligations performed for the customer. A contract asset is recognised when the Group (or Company) has satisfied its performance obligations before the customer makes payment or before the payment is due, for example when the goods or services are transferred to the customer before the Group's (or Company's) right to issue a bill.

The contractual obligation is recognised when the Group (or the Company) receives a consideration from the client (prepayment) or when it reserves the right to a price that is unconditional (deferred income) before the performance of the obligations of the contract and the transfer of the goods or services. The contractual obligation is de-recognised when the contractual obligations are performed and the revenue is recorded in the income statement

For the Group and Company, liabilities from contracts with customers arise from down payments made in lieu of water consumption and water supply services, which customers pay when they sign the water supply and sewerage services agreement. Those liabilities are accounted for and included in the "Other long-term liabilities" lines in the statement of financial position.

Down payments for water consumption and the provision of water supply services are returned to customers when the contract is terminated. The Group reached the conclusion that the best approach is to present the above liabilities from contracts with customers as long-term liabilities since they can be expected to be settled at a period more than 12 months hence.

3.15.2. Income from interest

Income from interest is recognised based on the accrual principle.

3.15.3. Income from dividends

Income from dividends is recognised as revenue on the date distribution is approved.

3.16 Cost of financing

The net cost of financing consists of accrued interest on loans taken out, calculated using the effective interest rate method.

3.17 Earnings per share

The basic earnings per share are calculated by dividing net profits for the period by the average weighted number of shares in circulation during the specific period, apart from the average number of ordinary shares acquired by the Group as own shares.

3.18 Leases

3.18.1 The Group and Company as lessee

Asset leases where the Group or Company substantially retains all risks and rewards of ownership are classed as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the assets and the present value of the minimum lease payments. The corresponding liabilities from lease payments net of financial charges are presented as liabilities. That part of financial expenses relating to finance leases is recognised in the income statement over the term of the lease.

Leases where in effect the risk and rights of ownership remain with the lessor are posted as operating leases. Payments made under operating leases are recognised in the income statement on a straight line basis over the term of the lease.

3.18.2 The Group and Company as a lessor

Leases where the Group and Company do not in effect transfer all risks and rewards of ownership are characterised as operating leases. Income generated by operating leases, including advances received, is recognised in the income statement using the straight line method pro rata over the term of the lease. The initial direct costs incurred by lessors when negotiating an operating lease are added to the book value of the leased asset and are recognised during the term of the lease on the same basis as the lease income.

3.19 Group operations by segment

A Group's sector or segment of activity is each distinct business activity with special features in terms of the nature of the activity and the business risks entailed (business segment). A similar distinction can be drawn based on the business environment within which it carries on activity (geographical segment).

The Group primarily operates in the water supply - sewerage segments in the wider area of the Prefecture of Thessaloniki, in order to rationally manage water resources on the one hand, and collect and process waste water so as to provide top level services to society as a whole, to safeguard hygiene and a clean environment.

3.20 Set-off

Financial assets and liabilities are set off and the net amount is shown in the balance sheet when there is an applicable legal right to set off and the intention is for them to be paid by set-off.

3.21 Rounding off

The amounts in these financial statements have been rounded off to thousands of euro. Due to that, discrepancies which may arise are due to such rounding off.

4. FINANCIAL RISK MANAGEMENT

The Group is exposed to various financial risks, the most important of which are price risk and credit risk. The Group's risk management policies aim to minimise the negative impacts that those risks could have on the Group's financial position and performance. Risk management is primarily done by the Company's general management and the relevant policies are approved by the Board of Directors. Financial risk management includes recognition, calculation and hedging of financial risks in close collaboration with the Group's operating units.

4.1 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.

There were no loan liabilities on 31/12/2020.

(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.

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

4.2 Credit risk

The Group applies the expected credit loss model to trade receivables and non-current receivables from currently earned income. The Group applies the simplified approach permitted under IFRS 9 to these receivables, under which the Group recognises the credit losses expected over the lifetime of the receivables.

To calculate expected credit losses, trade receivables and non-current receivables from currently earned income were grouped together based on common credit risk characteristics and days past due. Non-current receivables from currently earned income have the same risk features as trade receivables and so the same methodology was followed to calculate the expected credit losses.

For trade receivables and non-current receivables from currently earned income from the public sector, the expected credit losses were calculated as the difference between the contractual cash flows and the present value of the expected cash flows, taking into account the possibility of default by the State over the lifetime of the those receivables.

4.3. Liquidity risk

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

The maturity of Group and Company financial assets on 31.12.2020 can be broken down as follows:

FINANCIAL LIABILITIES MATURITY AS AT 31.12.2020

	THE GROUP				THE COMPANY			
	SHORT-TERM		LONG-TERM		SHORT-TERM		LONG-TERM	
	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total
Long-term lease liabilities		256	10	266		256	10	266
Other long-term liabilities	-	-	15,833	15,833	-	-	15,833	15,833
Short-term lease liabilities	172			172	172			172
Suppliers and other liabilities	12,632	-	-	12,632	12,545	-	-	12,545
Short-term tax liabilities	738	-	-	738	724	-	-	724
Total	13,542	256	15,843	29,641	13,441	256	15,843	29,540

The maturity of Group and Company financial assets on 31.12.2019 can be broken down as follows:

FINANCIAL LIABILITIES MATURITY AS AT 31.12.2019

	THE GROUP				THE COMPANY			
	SHORT-TERM		LONG-TERM		SHORT-TERM		LONG-TERM	
	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total
Long-term lease liabilities		459	10	469		459	10	469
Other long-term liabilities	0	0	15,411	15,411	-	-	15,411	15,411
Short-term lease liabilities	342			342	342			342
Suppliers and other liabilities	12,231	0	0	12,231	12,142	-	-	12,142
Short-term tax liabilities	9	0	0	9	-	-	-	-
Total	12,582	459	15,421	28,461	12,484	459	15,421	28,363

4.4 Capital risk management

The Group's aim when managing capital is to ensure the ability to continue operating, to generate profits for shareholders and benefits for other stakeholders and to maintain its capital structure which will reduce the cost of capital.

Capital is reviewed based on the gearing ratio. This ratio is calculated as net debt / total capital. Net debt is calculated as total borrowing (including short- and long-term loans presented in the balance sheet) less cash assets. Total capital is calculated as equity presented in the balance sheet plus net debt. More specifically:

	THE GROUP		THE COMPANY	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Total borrowing	-	-	-	-
Less: Cash assets	(81,916)	(75,844)	(81,358)	(75,329)
Net debt	(81,916)	(75,844)	(81,358)	(75,329)
Total equity	185,394	183,212	185,005	182,863
Total capital	103,478	107,368	103,647	107,535
Gearing ratio	-79.16%	-70.64%	-78.49%	-70.05%

4.5 Determination of fair value

The fair value of financial instruments traded on active markets (Stock Exchanges) (e.g. derivatives, shares, bonds, mutual funds) is determined by the published prices which apply on the financial statements reference date.

The fair value of financial instruments not traded on active markets is determined using valuation techniques and the use of valuation methods and assumptions based on market data on the financial statements reference date.

The amounts shown in the balance sheets for cash, short-term receivables and liabilities are close to the relevant fair values due to their short-term maturity. The nominal value less provisions for bad trade debts is deemed to be close to the actual value.

5. MAJOR ACCOUNTING ESTIMATES AND ASSUMPTIONS

Preparation of the financial statements in accordance with the IFRS requires the use of certain important accounting estimates, which may affect the book balances in the balance sheet with the disclosures required, and the exercise of judgement by Management in applying and implementing accounting policies. Moreover, it requires the use of certain calculations and assumptions which affect the value of assets and liabilities mentioned, the disclosure of contingent receivables and liabilities on the date of preparation of the financial statements and the income and expenses for the duration of year being reported on. Despite the fact that these calculations are based on Management's best possible knowledge of current conditions and activities, the actual future results may in fact differ from those calculations. The estimates and judgements made by Management are re-examined continuously and are based on historical data and expectations about future events which are considered reasonable in light of current circumstances. The basic estimates and evaluations referring to data whose development could affect the financial statements' accounts in the upcoming 12 months are as follows:

5.1 Bad debt

The Group and Company apply the simplified approach in IFRS 9 to calculate expected credit losses, according to which the impairment provision is always measured at the amount of expected lifetime losses of customer receivables and contractual assets. The Group and Company have formed provisions for bad debt to adequately cover the loss which can be reliably assessed as coming from those receivables. The provision formed is adjusted in each reporting period, with changes in it being recognised in the results for the period (more information in Notes 14 and 15).

5.2 Provision for income tax

The provision for income tax is calculated by estimating the taxes to be paid to the tax authorities and includes the current income tax for every financial year and a provision for surtaxes that may emerge in future tax audits. In order to determine the size of the Group and Company's provision for income tax, a proper understanding of these matters is required. The final statement of income tax payable may differ from the amounts entered in the Group and Company's financial statements and those differences may affect income tax and provisions for deferred tax.

5.3 Provisions for employee benefits

Employee benefit obligations are calculated based on a study prepared by independent actuaries. The final obligation may differ from the actuarial figure due to various facts related to the discount rate, inflation, pay rises, as well as demographic and other data.

5.4 Depreciation of tangible and intangible assets

The Group calculates depreciation on tangible and intangible assets based on estimates of their useful life. The residual value and useful life of those assets are re-examined and determined on each balance sheet date if that is considered necessary.

5.5 Impairment of tangible assets and holdings

Tangible assets are tested for impairment in case events or changes in the circumstances suggest that the accounting value may not be recoverable. In order to estimate the current value, Management estimates future cash flows arising from the asset or cash generating unit and chooses the suitable discount rate in order to estimate the future cash flows present value. Alternatively, it selects another reasonable method which it considers reflects the recoverable value of tangible assets at the end of the period in a reliable manner.

The book value of holdings is re-assessed for possible need for impairment when events or conditions indicate that their reported value may not be recovered.

5.6. Pending litigation

The Group is involved in legal proceedings and claims for compensation in the normal course of its operations. Calculating the contingent liabilities associated with pending litigation and claims is a complex process which includes value judgements about the likely consequences and also interpretations of laws and regulations. If a contingent loss from court cases is considered to be likely and the amount can be reliably assessed Management recognises the relevant provisions in the financial statements.

Assessing court cases entails subjectivity, since it requires major judgments to be made which include estimates based on the most recently available information, determining the likelihood of the risk and reliable information from relates court cases.

Changes in judgements or estimates may lead to the Group's contingent liabilities decreasing or increasing in the future.

5.7. Provision for accrued but not yet invoiced supply of water and sewerage services

Revenues are recognised in accordance with the accounting policy in paragraph 3.15. In cases where the Group and Company have not measured the quantities consumed by the reporting date, they estimate the quantities consumed based on historical data and recognise the relevant revenue. The actual amounts which are eventually invoiced may differ from those forecast.

6. SEGMENTAL REPORTING

The Group's Management (Chief Operating Decision Maker) responsible for taking financial decisions, after evaluating the Group's activity, 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:

6.1 Break-down per Business Segment (primary reporting type)

6.1.1 Distribution of income statement per business segment

	Group data for the period 1/1 - 31/12/2020		
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Sales to third parties	47,324	24,587	71,911
Less: Total cost of sales	(24,492)	(19,797)	(44,290)
Gross profit (losses)	22,832	4,789	27,621
Other operating income	1,331	1,417	2,748
Selling and distribution expenses	(3,657)	(2,141)	(5,798)
Administrative expenses	(2,981)	(2,246)	(5,227)
Research and development expenses	(153)	(116)	(269)
Other operating expenses	(1,671)	(1,045)	(2,715)
Earnings / (losses) before taxes, financial and investment results	15,702	659	16,360
Net Financial Income	304	45	349
Normal operating results	16,006	703	16,709
Results before tax	16,006	703	16,709
Income tax	(4,645)	(196)	(4,841)
Results net of tax	11,361	507	11,868
Earnings / (losses) before taxes, financial and investment results and depreciation	20,977	1,629	22,606

Other income statement information

Depreciation of fixed assets	5,275	1,319	6,594
Depreciation of grants	-	(348)	(348)

Group data for the period 1/1 - 31/12/2019			
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Sales to third parties	47,771	24,915	72,686
Less: Total cost of sales	(23,912)	(19,705)	(43,617)
Gross profit (losses)	23,859	5,210	29,069
Other operating income	1,889	1,885	3,775
Selling and distribution expenses	(3,220)	(1,999)	(5,219)
Administrative expenses	(2,688)	(2,019)	(4,707)
Research and development expenses	(90)	(75)	(164)
Other operating expenses	(2,195)	(1,145)	(3,339)
Earnings / (losses) before taxes, financial and investment results	17,556	1,858	19,414
Net Financial Income	840	399	1,238
Normal operating results	18,396	2,257	20,652
Results before tax	18,396	2,257	20,652
Income tax	(5,343)	(651)	(5,994)
Results net of tax	13,052	1,606	14,658
Earnings / (losses) before taxes, financial and investment results and depreciation	23,046	2,879	25,925
Other income statement information			
Depreciation of fixed assets	5,490	1,372	6,862
Depreciation of grants	-	(351)	(351)

6.1.2 Distribution of Assets and Liabilities per business segment

Group data as at 31/12/2020			
Group data	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Fixed Assets	36,210	27,449	63,658
Trade receivables, contractual assets and other receivables	43,695	23,528	67,223
Non-allocated assets	-	-	90,654
Total Assets	79,904	50,977	221,535
Future subsidy income	-	943	943
Liabilities	8,495	4,574	13,070
Non-allocated liabilities	-	-	207,522
Total Liabilities	8,495	5,517	221,535

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

6.2 Break-down per Geographical Segment (secondary reporting type)

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

7. TANGIBLE ASSETS

The Group'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	Total
Acquisition or valuation value						
Balance on 1/1/2020	18,896	5,940	118,683	1,881	4,393	153,437
Additions 1/1 - 31/12/2020	-	-	368	-	397	3,035
Redistributions 1/1 - 31/12/2020	-	-	2,562	-	(2,562)	-
Sales 1/1 - 31/12/2020	-	-	-	(28)	-	(28)
Total on 31/12/2020	18,896	5,940	121,613	1,853	4,790	156,444
Accumulated depreciation						
Balance on 1/1/2020	-	2,352	80,552	1,307	3,328	87,539
Depreciation of period 1/1 - 31/12/2020	-	159	5,631	85	231	6,106
Sales 1/1 - 31/12/2020	-	-	-	(14)	-	(14)
Total on 31/12/2020	-	2,511	86,183	1,378	3,559	93,631
Net carried value on 31/12/2019	18,896	3,589	38,131	574	1,064	65,898
Net carried value on 31/12/2020	18,896	3,429	35,430	475	1,230	62,813

	THE GROUP						
	Plots – lots	Buildings and building facilities	Machinery & Mechanical Installations	Transportation equipment	Furniture and other equipment	Fixed assets under construction	Total
<u>Acquisition or valuation value</u>							
Balance on 1/1/2019	18,896	5,899	118,543	1,881	3,987	4,445	153,651
Additions 1/1 - 31/12/2019	-	42	140	-	406	1,526	2,113
Redistributions 1/1 - 31/12/2019	-	-	-	-	-	-	-
Settlements 1/1 - 31/12/2019	-	-	-	-	-	(2,327)	(2,327)
Total on 31/12/2019	18,896	5,940	118,683	1,881	4,393	3,644	153,437
<u>Accumulated depreciation</u>							
Balance on 1/1/2019	-	2,194	74,593	1,221	3,118	-	81,126
Depreciation of period 1/1 - 31/12/2019	-	158	5,959	86	211	-	6,413
Total on 31/12/2019	-	2,352	80,552	1,307	3,328	-	87,539
Net carried value on 31/12/2018	18,896	3,705	43,950	660	869	4,445	72,525
Net carried value on 31/12/2019	18,896	3,589	38,131	574	1,064	3,644	65,898

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

	THE COMPANY						
	Plots – lots	Buildings and building facilities	Machinery & Mechanical Installations	Transportation equipment	Furniture and other equipment	Fixed assets under construction	Total
<u>Acquisition or valuation value</u>							
Balance on 1/1/2020	18,896	5,940	118,683	1,881	4,393	3,644	153,437
Additions 1/1 - 31/12/2020	-	-	368	-	397	2,270	3,035
Redistributions 1/1 - 31/12/2020	-	-	2,562	-	-	(2,562)	-
Sales 1/1 - 31/12/2020	-	-	-	(28)	-	-	(28)
Total on 31/12/2020	18,896	5,940	121,613	1,853	4,790	3,352	156,444
<u>Accumulated depreciation</u>							
Balance on 1/1/2020	-	2,352	80,552	1,307	3,328	-	87,539
Depreciation of period 1/1 - 31/12/2020	-	159	5,631	85	231	-	6,106
Sales 1/1 - 31/12/2020	-	-	-	(14)	-	-	(14)
Total on 31/12/2020	-	2,511	86,183	1,378	3,559	-	93,631

Net carried value on 31/12/2019
Net carried value on 31/12/2020

18,896	3,589	38,131	574	1,064	3,644	65,898
18,896	3,429	35,430	475	1,230	3,352	62,813

Acquisition or valuation value

Balance on 1/1/2019
Additions 1/1 - 31/12/2019
Redistributions 1/1 - 31/12/2019
Settlements 1/1 - 31/12/2019
Total on 31/12/2019

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
-	42	140	-	406	1,526	2,113
-	-	-	-	-	-	-
-	-	-	-	-	(2,327)	(2,327)
18,896	5,940	118,683	1,881	4,393	3,644	153,437

Accumulated depreciation

Balance on 1/1/2019
Depreciation of period 1/1 - 31/12/2019
Total on 31/12/2019

-	2,194	74,593	1,221	3,118	-	81,126
-	158	5,959	86	211	-	6,413
-	2,352	80,552	1,307	3,328	-	87,539

Net carried value on 31/12/2018
Net carried value on 31/12/2019

18,896	3,705	43,950	660	869	4,445	72,525
18,896	3,589	38,131	574	1,064	3,644	65,898

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

Additions to assets under construction worth € 2,270 relate to works to extend and improve water supply and sewerage networks.

The reallocations to assets under construction amounting to € (2,562) pertain to the consolidation of new investments that were made ready for use during 2020 financial year in the category of “Machinery & Mechanical Installations”.

8. INTANGIBLE ASSETS

The intangible assets of the Company and the Group can be broken down as follows:

Acquisition or valuation value

Balance on 1/1/2020
Additions 1/1 - 31/12/2020
Total on 31/12/2020

THE GROUP	
Software Applications	Total
1,650	1,650
73	73
1,723	1,723

THE COMPANY	
Software Applications	Total
1,650	1,650
73	73
1,723	1,723

Accumulated depreciation

Balance on 1/1/2020
Depreciation of period 1/1 - 31/12/2020
Total on 31/12/2020

1,433	1,433
135	135
1,568	1,568

1,433	1,433
135	135
1,568	1,568

Net carried value on 31/12/2019
Net carried value on 31/12/2020

217	217
155	155

217	217
155	155

Acquisition or valuation value

Balance on 1/1/2019
Additions 1/1 - 31/12/2019
Total on 31/12/2019

THE GROUP	
Software Applications	Total
1,634	1,634
16	16
1,650	1,650

THE COMPANY	
Software Applications	Total
1,634	1,634
16	16
1,650	1,650

Accumulated depreciation

Balance on 1/1/2019
Depreciation of period 1/1 - 31/12/2019
Total on 31/12/2019

1,337	1,337
96	96
1,433	1,433

1,337	1,337
96	96
1,433	1,433

Net carried value on 31/12/2018
Net carried value on 31/12/2019

297	297
217	217

297	297
217	217

9. 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 are right-of-use buildings. The right-of-use assets of the Company and the Group can be broken down as follows:

	THE GROUP		THE COMPANY	
	Buildings and building facilities	Total	Buildings and building facilities	Total
Recognition value				
Balance on 1/1/2020	1,425	1,425	1,425	1,425
Additions 1/1 - 31/12/2020	-	-	-	-
Settlements 1/1 - 31/12/2020	(29)	(29)	(29)	(29)
Total on 31/12/2020	1,396	1,396	1,396	1,396
Accumulated depreciation				
Balance on 1/1/2019	353	353	353	353
Depreciation of period 1/1 - 31/12/2020	353	353	353	353
Total on 31/12/2020	706	706	706	706
Net carried value on 31/12/2020	690	690	719	719

The settlements in the value of right-of-use assets of € (29) relate to adjustments due to changes in the duration and level of the rent for an existing long-term lease for the property during 2020.

10. PARTICIPATIONS IN SUBSIDIARIES

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

	31.12.2020	31.12.2019
Opening balance	60	60
Share capital increase / (decrease) in holdings	(2,000)	-
Decrease / (Increase) in impairment provisions	2,000	-
Closing balance	60	60

At the Extraordinary General Meeting of the subsidiary EYATH SERVICES S.A. on 26.6.2020 it was decided, among other things, to reduce the Company's share capital by € 2,000,000.00 followed by losses offset by an equal amount, and to cancel 4 million registered shares (4,000,000) in implementation of Article 119(4) of Law 4548/2018 on equity, and to amend Article 5 of the Articles of Association. At the same time, the Company reduced the already existing impairment provision of the Subsidiary, which had been formed in 2018 by the same amount.

11. LONG-TERM RECEIVABLES

Long-term receivables on 31.12.2020 primarily represented guarantees provided to PPC worth € 395 (2019: € 395) and long-term trade receivables after arrangements made to pay them, worth € 2,731 (2019: € 2,577).

12. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31.12.2020	31.12.2019
Opening balance	50	50
Additions	-	-
Closing balance	50	50

The financial assets measured at fair value through other comprehensive income include the purchase of 1,783 shares in the Metropolitan Development Agency of Thessaloniki acquired during 2018.

Fair value was measured in accordance with Level 3: Prices from valuation models not based on observable market data" and there was no change in fair value.

Assets	Group		THE COMPANY		Fair value scale
	31.12.2020	31.12.2019	31.12.2020	31.12.2019	
Financial assets measured at fair value through other comprehensive income	50	50	50	50	Level 3

13. INVENTORIES

Group and Company inventories can be broken down as follows:

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Raw direct and indirect materials - consumables - spare parts	1,549	1,628	1,549	1,628
Advances for stocks/inventories	28	-	28	-
Impairment of inventories	(35)	(35)	(35)	(35)
Total after impairment	1,542	1,592	1,542	1,592

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

14. TRADE RECEIVABLES AND CONTRACTUAL ASSETS

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

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Trade receivables	51,080	49,358	51,064	49,342
Doubtful – disputed customers and debtors	34,178	31,150	34,178	31,150
Contractual assets	12,716	13,290	12,716	13,290
Non-current receivables from currently earned income	1,237	355	1,237	355
	99,210	94,153	99,195	94,137
Less: Provision for bad debt	(34,178)	(31,150)	(34,178)	(31,150)
Total trade receivables and contractual assets	65,033	63,002	65,017	62,987

The "contractual assets" account worth € 12,716 relates to accrued, uninvoiced income from customers from supplying water and sewerage services, which will be invoiced for in the subsequent period.

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

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

On the balance sheet date 16% of the value of trade receivables comes from one customer, however, since it is a Greek state agency, the company considers that there is no question of it not being able to pay the amounts owed to the Company, nor any concentration risk from providing credit to the specific customer.

As far as the rest of the trade receivables portfolio is concerned, there is no concentration of credit risk since the Company has a large number of customers and the credit risk is spread.

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

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Balance on 1 January in accordance with IFRS 9	32,001	29,757	32,001	29,757
Provisions (expenses) for current period	3,640	2,838	3,640	2,838
Provisions used in current period	(613)	(593)	(613)	(593)
Balance on 31 December 2020 / 31 December 2019	35,028	32,001	35,028	32,001

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

The parent company sends bills to customers - consumers of water three times a year. Each bill is for the consumption of water of a calendar quarter. In 2007, the Company's management decided to charge default interest to those customers who were late at least one month in paying their bill.

15. OTHER RECEIVABLES

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

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Loans and other receivables from staff	393	378	393	378
Short-term receivables from related parties	-	-	24	25
Sundry debtors	973	817	972	816
Advances and credit control account	109	111	109	111
Prepaid expenses	98	110	98	110
Non-current receivables from currently earned income	620	684	620	684
Greek State - Other Receivables	847	3,112	847	3,112
	3,041	5,211	3,065	5,236
Less: Provision for bad debt	(851)	(851)	(851)	(851)
Total other receivables	2,190	4,361	2,214	4,385

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 31/12/2020 mainly included receivables-bills for payment of the Company's collectors and other associates.

The "Greek State - Other Receivables" account consists of the balance of the tax advance for the year ended, other tax withholdings for the current period and trade and other receivables from the Greek State. The decrease in this amount is due to the calculation of the tax advance for 2020 within the previous year, which had been calculated at a rate of 24% compared to 29% in 2019 (in 2018).

16. CASH AND CASH EQUIVALENTS

Cash assets can be broken down as follows:

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cash	3	14	3	14



ANNUAL FINANCIAL REPORT
for the period 1 January 2020 - 31 December 2020
(amounts in thousands of euro)

Sight deposits	46,413	43,830	45,855	43,314
Time deposits	35,500	32,000	35,500	32,000
Total	81,916	75,844	81,358	75,329

Cash assets include cash in hand for the Company and its subsidiary, and bank deposits available upon demand.

The rating of cash assets based on the credit ratings of FITCH is:

(Fitch)	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
B-	42,101		42,101	
CCC+	2,728	34,945	2,728	34,945
CCC	3,163	11,513	2,604	10,997
Sight and time deposits in banks not rated by Fitch	33,921	29,372	33,921	29,372
Total	81,913	75,830	81,355	75,314

All sight and time deposits are deposited with Greek banks.

17. SHARE CAPITAL

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

	31.12.2020	31.12.2019
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 31/12/2020, shareholders with a significant participation percentage in the Company were:

SHAREHOLDER	Number of shares held	Holding on 31/12/2020
HCAP	18,150,001	50.00% +1
HRADF	8,717,999	24.02%
SUEZ GROUPE	1,982,870	5.46%
Other shareholders	7,449,130	20.52%
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 owned by the Greek State to the company Hellenic Republic Asset Development Fund S.A. That decision is effective from 1.1.2018.
2. Revoke Interministerial Committee for Restructuring and Privatisation decision No. 206/25.4.2012 (Government Gazette 1363/B/26.4.2012), to the extent that it transferred 3,630,001 shares in EYATH owned by the Greek State to the company Hellenic Republic Asset Development Fund S.A. That decision is effective from 1.1.2018.

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

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

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

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

18. RESERVES

The company's and Group's reserves can be broken down as follows:

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Statutory Reserve	13,575	13,311	13,552	13,288
Special law untaxed reserves	399	399	399	399
Reserves for own share acquisition	1	1	1	1
Other reserves	16,635	16,635	16,635	16,635
Balance	30,610	30,346	30,587	30,323

Under Greek company law, the establishment of a statutory reserve (by transferring 5% of the annual earnings net of tax to it each year) is mandatory until an amount accounting for 1/3 of the share capital has been reached. The "statutory reserve" is distributed only upon the final winding up and liquidation of the Company; it may though be set off against accumulated losses.

The tax law reserves were established under the provisions of tax laws which either entitle the taxation of certain income to be rolled forward to the time at which that income is distributed to shareholders or grant certain tax breaks as incentives for making investments.

The own shares reserve consists of fractional rights in shares from share capital increases in which gratis shares were distributed on 17/1/2003.

The figure of € 16,635 (Other reserves) was created in accordance with Law 2937/2001 "amending and supplementing the provisions on the adequacy of equity of investment firms and credit institutions, reforms relating to EYATH S.A. and other provisions".

19. PROVISIONS FOR EMPLOYEE BENEFITS / PROVISIONS FOR THE SUPPLY OF WATER

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 present value is an estimate made at a specific point in time (the present). That estimate calculates an amount which is considered to express the economic equivalent (at the present time) of one or more

amounts which will be paid at future points in time. The need to calculate the present value rises from the established principle that amounts which refer to different points in time are not comparable. To be able to compare the two or more amounts, they must be 'extrapolated' to the current date.

The obligation arising from currently completed service is equal to the present value of benefits accrued up to the valuation date (i.e. those which correspond to completed service by members on the valuation date) and is based on estimated final pensionable pay for active members.

Contributions are the present value of the increase for benefits due to one year's service, which will be added during the year after the valuation date, relate to service during that year and are based on estimated final pensionable pay for active members. That is done by calculating present value, which is the only method acceptable under IAS 19.

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

	THE GROUP		THE COMPANY	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Payroll expenses	10,292	9,726	10,292	9,726
Employer contributions	2,586	2,462	2,586	2,462
Other benefits and staff expenses	340	364	340	364
Personnel dismissal and retirement compensation provision	107	90	107	90
Total cost	13,325	12,642	13,325	12,642
No. of employees	346	344	346	344

During the 1st half of 2020 a total of 30 employees were recruited under a private law fixed-term employment contract of 8 months. During 2020, the fixed-term employment contracts of 10 of them came to an end. Since then, the Company has not engaged any more employees under fixed-term employment relationships.

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

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Provisions for retirement benefits	1,993	2,044	1,993	2,044
	1,993	2,044	1,993	2,044

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

Changes in net liability recognised in the balance sheet

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Current value of non-financed liabilities	1,993	2,044	1,993	2,044
Fair value of plan assets				
	1,993	2,044	1,993	2,044
Net liability recognised in balance sheet	1,993	2,044	1,993	2,044

Amounts recognised in income statement

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cost of current employment	94	87	94	87
Interest on liability	36	40	36	40
Normal expenses in income statement	131	127	131	127
Cost of cutbacks / settlements / termination of service	13	3	13	3
Total expense in income statement	144	130	144	130

Changes in net liability recognised in the balance sheet

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Net liability at start of period	2,044	1,909	2,044	1,909

Benefits paid by employer	(138)	(15)	(138)	(15)
Total expense recognised in income statement	144	130	144	130
Amount recognised directly in comprehensive income statement	(57)	19	(57)	19
Net liability at end of period	1,993	2,044	1,993	2,044
Adjustment				
Net liability at end of period	1,993	2,044	1,993	2,044
Change in net value of liability				
Present value of liability at start of period	2,044	1,909	2,044	1,909
Cost of current employment	94	87	94	87
Interest cost	36	40	36	40
Benefits paid by employer	(138)	(15)	(138)	(15)
Cost of cutbacks / settlements / termination of service	13	3	12.91	3
Amounts recognised in other comprehensive income	(57)	19	(57)	19
Present value of liability at end of period	1,993	2,044	1,993	2,044
Actuarial assumptions				
Discount Rate	1.20%	1.70%	1.20%	1.70%
Inflation	2.00%	2.00%	2.00%	2.00%
Future increases of salaries	2.30%	2.30%	2.30%	2.30%
Retirement Increase Rate	0.00%	0.00%	0.00%	0.00%

On the value date (31.12.2020) use of a 0.5% higher discount rate would result in the present value of the actuarial obligation being 5% lower while, the exact opposite, use of a 0.5% lower discount rate would result in the present value of the actuarial obligation being 5% higher.

The relevant sensitivity tests for the expected pay rise, in other words use of a 0.5% higher than expected pay rise and the exact counterbalance, in other words use of an expected pay rise of 0.5% less, would result in the actuarial obligation remaining almost unchanged.

Based on the actuarial study, the gross value of the amount recognised in other comprehensive income is € (57), of which the net amount is € (43) and the corresponding deferred tax is € (14)

20. PROVISIONS FOR CONTINGENCIES AND EXPENSES

A provision of € 1,173 covers contingent liabilities that may arise during the settlement of litigation with third parties and Company staff. The provision of € 489 relates to the estimated cost of removing an accumulated quantity of sludge and screenings from EYATH S.A. facilities.

Income from unused provisions of € (355) relates to the reversal of existing provisions for litigation either due to the cancellation of cases or due to a positive outcome thereof based on court rulings.

The provisions used relate to reversal of existing provisions relating to contested cases where the final judgment was negative for the Group and Company worth € (934) and also the reversal of the provision already formed to remove screenings from the previous year, which was implemented during the year ended and was worth € (380).

For the period ended on 31.12.2020 the change in the provisions account for the Group and Company was as follows:

	GROUP		
	Pending litigation	Provisions for contingencies & expenses	Total
Long-term provisions			
1 January 2020	3,191	380	3,571
Additional provisions for year	1,173	489	1,662
Income from unused provisions	(355)	-	(355)
Provisions used/reversal of provisions for the period	(934)	(380)	(1,314)
31 December 2020	3,075	489	3,564
	THE COMPANY		
	Pending litigation	Provisions for contingencies & expenses	Total
Long-term provisions			
1 January 2020	3,191	380	3,571
Additional provisions for year	1,173	489	1,662
Income from unused provisions	(355)	-	(355)
Provisions used/reversal of provisions for the period	(934)	(380)	(1,314)
31 December 2020	3,075	489	3,564

For the period ended on 31.12.2019 the change in the provisions account for the Group and Company was as follows:

	GROUP		
	Pending litigation	Provisions for contingencies & expenses	Total
Long-term provisions			
1 January 2019	3,487	1,642	5,129
Additional provisions for year	662	-	662
Income from unused provisions	(339)	(1,262)	(1,601)
Provisions used/reversal of provisions for the period	(619)	-	(619)
31 December 2019	3,191	380	3,571

	THE COMPANY		
	Pending litigation	Provisions for contingencies & expenses	Total
Long-term provisions			
1 January 2019	3,487	1,642	5,128
Additional provisions for year	662	-	662
Income from unused provisions	(339)	(1,262)	(1,601)
Provisions used/reversal of provisions for the period	(619)	-	(619)
31 December 2019	3,191	380	3,571

21. GRANTS

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Opening balance	1,291	1,643	1,291	1,643
Depreciation of grants carried forward to results	(348)	(351)	(348)	(351)
End of period balance	943	1,291	943	1,291

Grants primarily relate to the construction of the Company's water supply and sewerage network. The Company has complied with all obligations required in order to receive the grants and so there is no issue of the grants being returned.

22. OTHER LONG-TERM LIABILITIES

The sum of €15,833 on 31/12/2020 and € 15,411 on 31/12/2019 related to guarantees from customers for use of meters and for bills, which were collected when the initial supply connection was made. Those guarantees are returned (without interest) when the customer terminates the connection. The guarantees have been recorded at nominal value, and not at fair value when initially recorded and then subsequently at carried cost because customers may request those amounts back at any time.

23. LEASE LIABILITIES

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

	THE GROUP	THE COMPANY
	811	811
Adjusted balance of lease liabilities as at 1.1.2020		
Of which:		
Long-term lease liabilities	469	469
Short-term lease liabilities	342	342
Lease liabilities as at 1.1.2020	811	811
Lease repayments	(403)	(403)

Financial cost for period
Lease liabilities as at 31.12.2020
Of which:
Long-term lease liabilities
Short-term lease liabilities
Lease liabilities as at 31.12.2020

30	30
438	438
266	266
172	172
438	438

24. 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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Suppliers	6,956	7,590	6,941	7,577
Cheques payable	11	2	11	2
Other Taxes - Duties	1,154	1,571	1,141	1,558
Insurance and pension fund dues	637	631	637	630
Liabilities to related parties	1	3	0	-
Accrued expenses	2,498	1,547	2,440	1,488
Sundry creditors	1,333	844	1,332	843
Total	12,590	12,188	12,503	12,099

The maturity of the Group and Company suppliers and other liabilities accounts can be broken down as follows:

	THE GROUP		THE COMPANY	
	SHORT-TERM 2020		SHORT-TERM 2020	
	WITHIN 6 MONTHS	FROM 6 TO 12 MONTHS	WITHIN 6 MONTHS	FROM 6 TO 12 MONTHS
Suppliers	6,956	-	6,941	-
Cheques payable	11	-	11	-
Insurance and pension fund dues	637	-	637	-
Sundry creditors	1,334	-	1,332	-
Accrued expenses	2,498	-	2,440	-
Other taxes and duties	1,154	-	1,141	-
Total	12,590	-	12,503	-

	THE GROUP		THE COMPANY	
	SHORT-TERM 2019		SHORT-TERM 2019	
	WITHIN 6 MONTHS	FROM 6 TO 12 MONTHS	WITHIN 6 MONTHS	FROM 6 TO 12 MONTHS
Suppliers	7,590	-	7,577	-
Cheques payable	2	-	2	-
Insurance and pension fund dues	631	-	630	-
Sundry creditors	847	-	843	-
Accrued expenses	1,547	-	1,488	-
Other taxes and duties	1,571	-	1,558	-
Total	12,188	-	12,099	-

25. SHORT-TERM TAX LIABILITIES

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

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Income tax	738	9	724	-
	738	9	724	-

26. EXPENSES PER CATEGORY

Expenses per category for the Group and Company in 2020 can be broken down as follows:

	THE GROUP			
	Cost of Goods Sold	Selling & distribution expenses	Administrative expenses	Research & Development expenses
for the period ended on 31/12/2020				
				Total

Cost of goods used	2,192	-	-	-	2,192
Self-supplied fixed assets	(149)	-	-	-	(149)
Staff salaries and expenses	8,812	1,558	2,827	135	13,333
Third party fees and expenses	578	896	1,170	82	2,727
Electricity	13,105	15	19	-	13,139
Rent	80	3	-	-	84
Maintenance - Repair expenses	11,245	3	155	1	11,403
Other charges for outside services	928	50	240	-	1,217
Expenses from tax and duties	257	105	234	-	595
Various expenses	953	142	319	7	1,421
Depreciation of tangible & intangible assets	6,288	-	262	44	6,594
Provisions for bad debt	-	3,027	-	-	3,027
Total	44,290	5,798	5,227	269	55,583

THE COMPANY					
for the period ended on 31/12/2020	Cost of Goods Sold	Selling & distribution expenses	Administrative expenses	Research & Development expenses	Total
Cost of goods used	2,192	-	-	-	2,192
Self-supplied fixed assets	(149)	-	-	-	(149)
Staff salaries and expenses	8,812	1,558	2,827	135	13,333
Third party fees and expenses	578	896	1,154	82	2,710
Electricity	13,105	15	19	-	13,139
Rent	80	3	-	-	84
Maintenance - Repair expenses	11,245	3	154	1	11,402
Other charges for outside services	928	50	240	-	1,217
Expenses from tax and duties	257	105	233	-	595
Various expenses	953	142	320	7	1,421
Depreciation of tangible & intangible assets	6,288	-	262	44	6,594
Provisions for bad debt	-	3,027	-	-	3,027
Total	44,290	5,798	5,208	269	55,565

For the 2020 annual period, management expenses included fees for the auditing firm of € 22 which relates to authorized non-audit tasks.

The corresponding expenses for 2019 can be broken down per category for the Group and Company as follows:

THE GROUP					
for the period ended on 31/12/2019	Cost of Goods Sold	Selling & distribution expenses	Administrative expenses	Research & Development expenses	Total
Cost of goods used	1,981	-	-	-	1,981
Self-supplied fixed assets	(136)	-	-	-	(136)
Staff salaries and expenses	8,478	1,507	2,575	82	12,642
Third party fees and expenses	408	977	954	71	2,410
Electricity	12,616	16	21	-	12,653
Rent	49	2	0	-	50
Maintenance - Repair expenses	10,940	27	52	-	11,020
Other charges for outside services	1,245	61	243	-	1,549
Expenses from tax and duties	257	106	218	-	581
Various expenses	1,192	279	368	11	1,850
Depreciation of tangible & intangible assets	6,588	-	275	-	6,863
Provisions for bad debt	-	2,245	-	-	2,245
Total	43,617	5,219	4,707	164	53,707

THE COMPANY					
for the period ended on 31/12/2019	Cost of Goods Sold	Selling & distribution expenses	Administrative expenses	Research & Development expenses	Total
Cost of goods used	1,981	-	-	-	1,981
Self-supplied fixed assets	(136)	-	-	-	(136)
Staff salaries and expenses	8,478	1,507	2,575	82	12,642
Third party fees and expenses	408	977	928	71	2,384
Electricity	12,616	16	21	-	12,653
Rent	49	2	0	-	50
Maintenance - Repair expenses	10,940	27	52	-	11,020
Other charges for outside services	1,245	61	243	-	1,549
Expenses from tax and duties	257	106	217	-	581
Various expenses	1,192	279	368	11	1,850
Depreciation of tangible & intangible assets	6,588	-	274	-	6,862
Provisions for bad debt	-	2,245	-	-	2,245
Total	43,617	5,219	4,680	164	53,680

27. OTHER OPERATING EXPENSES - OTHER OPERATING INCOME

Other operating income can be broken down as follows:

	THE GROUP		THE COMPANY	
	1/1-31/12/2020	1/1-31/12/2019	1/1-31/12/2020	1/1-31/12/2019
Income from Subsidies	83	158	83	158
Rainwater network management & maintenance compensation	1,589	1,231	1,589	1,231
Income from services provided	46	30	46	31
Rent	72	71	0	1
Depreciation on subsidies	348	351	348	351
Other prior period income	-	8	-	8
Other income	251	324	251	324
Income from prior period provisions	355	1,601	355	1,601
Total other operating income	2,748	3,775	2,676	3,705

Other operating expenses can be broken down as follows:

	THE GROUP		THE COMPANY	
	1/1-31/12/2020	1/1-31/12/2019	1/1-31/12/2020	1/1-31/12/2019
Tax and other fines and surcharges	120	4	120	3
Compensation to third parties for damage to the water supply and sewerage network	55	102	55	102
Compensation under court rulings	234	213	234	213
Other expenses, provisions and losses	2,128	675	2,128	662
Losses from replacement of water meters and Other losses	45	2,334	45	2,334
Other prior period expenses	134	12	134	9
Total other expenses	2,715	3,339	2,715	3,324

Other expenses, provisions and losses as at 31/12/2020 amounting to € 2,128 (2019: € 675) include provisions for pending litigation amounting to € 1,173 as well as provisions for managing sludge and screenings amounting to € 489.

28. FINANCIAL INCOME/(EXPENSES)

Financial income (expenses) can be broken down as follows:

	THE GROUP		THE COMPANY	
	1/1-31/12/2020	1/1-31/12/2019	1/1-31/12/2020	1/1-31/12/2019
Financial expenses for discounting receivables	297	-	297	-
Financial expenses for finance leases	30	30	30	30
Financial cost of actuarial study	36	40	36	40
Other financial expenses	107	95	107	95
Total financial expenses	470	164	470	164
Interest and related income	818	1,403	818	1,401
Other financial income	-	-	-	-
Total financial income	818	1,403	818	1,401
Net financial income/(expenses)	349	1,238	348	1,237

Note that the balance in the Group account "Interest and related income" as at 31/12/2020 of €818 includes default interest on customer bills of €10 and other interest of € 808 which primarily relates to interest from deposits. The policy of charging default interest on customer bills has been implemented since 16/5/2007 by decision of the Company's Board of Directors.

The "Financial expenses for discounting receivables" account relates to the financial cost of discounting the long-term settlement with the Municipality of Pylea - Hortiat, of € 1,683.

The "Other financial expenses" account primarily records bank commissions for bank transactions and issuing guarantee letters.

29. INCOME TAX

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

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

The tax burden on the results was as follows:

	THE GROUP		THE COMPANY	
	1/1-31/12/2020	1/1-31/12/2019	1/1-31/12/2020	1/1-31/12/2019
Income tax	5,303	6,104	5,290	6,093
Deferred tax	(462)	(110)	(462)	(110)
Total	4,841	5,994	4,828	5,984

The tax amount in the "Income tax" line of the comprehensive income statement is different from the theoretical amount that would arise by applying the current tax rate to the Company's profits. This difference is as follows:

	THE GROUP		THE COMPANY	
	1/1-31/12/2020	1/1-31/12/2019	1/1-31/12/2020	1/1-31/12/2019
Earnings before tax	16,709	20,652	16,655	20,624
Tax calculated at the corporation tax rate (24%)	4,010	4,957	3,997	4,950
Expenditure not exempted from income tax	601	152	601	148
Untaxed income	(227)	(482)	(227)	(482)
Impact of change in tax rates	-	(172)	-	(172)
Other differences in accounting/taxation base	456	1,540	456	1,540
Total taxes in Comprehensive Income Statement	4,841	5,994	4,828	5,984

As far as the rates used to calculate deferred tax are concerned, note that paragraph of IAS 12 "Income Tax" states that:

"Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date".

Consequently, deferred tax was calculated using the new tax rates which apply in the year in which the asset or liability is expected to be settled.

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/liability recognised by the Group and the Company can be broken down as follows:

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Deferred tax assets	5,550	5,165	5,550	5,165
Deferred tax liabilities	(1,531)	(1,594)	(1,531)	(1,594)
Total deferred tax in the Statement of Financial Position	4,019	3,571	4,019	3,571

	THE GROUP		THE COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Opening balance	3,571	3,453	3,571	3,453
Tax on income/equity	449	118	449	118
Closing balance	4,019	3,571	4,019	3,571

THE GROUP / THE COMPANY			
As at 31/12/2019	Credits (Debits) in results	Credits (Debits) in equity	As at 31/12/2020
Deferred tax liabilities			
Adjustment of fixed asset subsidies	(1,594)	63	(1,531)
	(1,594)	63	(1,531)
Deferred tax assets			
Depreciation on tangible assets	3,197	246	3,442
De-recognition of depreciation on capital expenditure and adjustment in depreciation for intangible assets	651	(15)	636
Adjustment of value of receivable accounts	582	71	653
Provisions for contingencies - other provisions	-	185	186
Personnel dismissal and retirement compensation provision	490	1	478
Impact of adopting IFRS 16	245	(90)	155
	5,165	(14)	5,550
Net deferred tax assets in the statement of financial position	3,571	(14)	4,019
Presentation in statement of financial position			
Deferred tax liabilities (net)	-	-	-
Deferred tax assets (net)	3,571		4,019
	3,571		4,019

THE GROUP / THE COMPANY			
As at 31/12/2018	Credits (Debits) in results	Credits (Debits) in equity	As at 31/12/2019
Deferred tax liabilities			
Adjustment of fixed asset subsidies	(1,443)	(151)	(1,594)
	(1,443)	(151)	(1,594)
Deferred tax assets			
Depreciation on tangible assets	3,344	(148)	3,197
De-recognition of depreciation on capital expenditure and adjustment in depreciation for intangible assets	127	524	651
Adjustment of value of receivable accounts	606	(24)	582
Provisions for contingencies - other provisions	330	(330)	-
Personnel dismissal and retirement compensation provision	489	(7)	490
Impact of adopting IFRS 16	-	245	245
	4,896	260	5,165
Net deferred tax assets in the statement of financial position	3,453	8	3,571
Presentation in statement of financial position			
Deferred tax liabilities (net)	-	-	-
Deferred tax assets (net)	3,453		3,571
	3,453		3,571

Deferred income tax is calculated using the expected applicable tax rate at the time the tax asset/liability matures.

30. EARNINGS PER SHARE

The basic earnings per share are calculated by dividing the net profits for the period by the average weighted number of shares in circulation during the period. Earnings are defined as profits or losses from the Group's continuing operations. It should be clearly understood that during the current and previous financial year there were no discontinued operations. There are no debentures convertible to shares or other potential instruments convertible to shares which would reduce profits during the periods to which the financial statements relate and consequently reduced earnings per share have not been calculated.

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

	THE GROUP		THE COMPANY	
	1/1- 31/12/2020	1/1- 31/12/2019	1/1- 31/12/2020	1/1- 31/12/2019
Net profits payable to the Company's ordinary shareholders	11,868	14,658	11,827	14,641
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				
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)	0.3269	0.4038	0.3258	0.4033

At its meeting on 22.4.2021 the Company's Board of Directors approved submission of a proposal to the Ordinary General Meeting of Shareholders to distribute a dividend under Article 160 of Law 4548/2018 of € 0.223 per share (total gross amount at € 8,094,287) for 2020. The dividend is subject to approval by the Ordinary General Meeting of Shareholders and is included in the balance of the account "Retained earnings".

31. 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 the Company's financial statements are included in the consolidated financial statements of Hellenic Corporation of Assets and Participations S.A. (HCAP S.A.). 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 1/1/2020-31/12/2020 period were carried out under market terms and in the framework of its usual business activity. The transactions and the balances of the Group's and Company's related parties, during the 1/1/2020 - 31/12/2020 period and on 31/12/2020 respectively, are broken down in the following tables:

	THE GROUP		THE COMPANY	
	1/1- 31/12/2020	1/1- 31/12/2019	1/1- 31/12/2020	1/1- 31/12/2019
Income from subsidiary	-	-	-	1
Income from other related parties consolidated along with HCAP S.A.	143	157	143	157
Expenses to other related parties consolidated along with HCAP S.A.	13,704	13,219	13,704	13,219
Transactions with and fees for executives and board members	995	518	995	515
Transactions with other related parties	6	2	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.

Expenses to other related parties consolidated along with HCAP S.A. relate primarily to services received (expenses for electricity supplied worth € 13,551) and the leasing of properties.

THE GROUP	THE COMPANY
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	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Receivables from subsidiary	-	-	24	25
Receivables from other related parties consolidated along with HCAP S.A.	601	598	601	598
Liabilities from other related parties consolidated along with HCAP S.A.	2,550	2,788	2,550	2,788
Receivables from management executives and board members	12	2	12	2
Liabilities to management executives and board members	4	6	4	3

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

Receivables and liabilities from other related parties consolidated along with HCAP S.A. of € 601 and € 2,550 related to receivables for income from providing water supply and sewerage services both billed and accrued, and services received and prepaid property rents.

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

The actuarial liability for the Company's related parties (management executives) was € 193 on 31/12/2020 (compared to € 90 in 2019).

32. COMMITMENTS FROM CONTINGENT LIABILITIES

32.1 Contingent liabilities from disputes in litigation or arbitration (amounts in €)

On 31/12/2020 there were lawsuits, extrajudicial invitations and in general future claims of a total amount of €45 million approximately against the Company and Group, for which a provision of €3.1 million in total had been formed, which is included in the long-term liabilities account "Provisions for contingencies and expenses" (see Note 19).

Of those lawsuits, the sum of € 9 million relates to compensation for damage done by flooding or actions from various counterparties/suppliers and contractors for breach of contractual terms and € 36 million relates to labour disputes, retirement compensation and fines imposed by insurance funds.

The 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 Group's assets and operations.

32.2. Other contingent liabilities

The Group on 31/12/2020 had granted performance bonds for project contracts of a total amount of €511 (2019: € 417).

32.3 Open tax periods

Tax Compliance Report

For the years 2011 to 2020, 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 2011-2019, 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 2020 financial year, the Tax Compliance Reports are expected to be issued after the publication of the annual financial statements.

After the completion of the tax audit, the Management of the Company and the Group does not anticipate any additional tax liabilities that will have a material effect, other than those recorded in the separate and consolidated financial statements.

Open tax periods

Note that based on their judgments in similar cases (see Council of State Judgments No. 1738/2017, 675/2017 and Athens 3-member Administrative Court of Appeal Judgment No. 1490/2016) the administrative courts have ruled that 2014 has been statute-barred for tax purposes (with a 5-year statute-barring period). In light of this, it is clear that audits can only be carried out for the years 2015-2020 for which the provisions on tax certificates and 18-month deadlines for carrying out random tax audits have been repealed.

33. NUMBER OF STAFF EMPLOYED

On 31.12.2020 the Group employed 346 people on a permanent basis compared to 344 in 2019. On 31.12.2020 EYATH S.A. employed 20 people on fixed-term contracts, while on 31.12.2019 there were no staff on fixed-term contracts.

34. 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.

35. MAJOR EVENTS

Investment projects

In 2020, EYATH S.A. launched the tender process to select contractors to implement the following 6 projects with a total budget of around € 9.4 million:

- “Repairs of damage and local replacements of sections of the sewerage network pipeline for 2020”, with an estimated value of € 400,000.00 (VAT excl.).
- “Repair and maintenance of the water supply network in western Thessaloniki in 2020”, with an estimated value of € 2,000,000.00 (VAT excl.).
- Summary tender procedure for award of the project entitled “Restoration of part of the drinking water network at the Thessaloniki Industrial Area using no dig technology”, with an estimated contract value of € 287,511.50 (VAT excl.).
- “Cancellation – reconnection of water abstraction sites and replacement of water meters within EYATH S.A.'s territorial remit in 2020”, with an estimated value of € 500,000.00 (VAT excl.).
- “Sewage treatment for wastewater in the Neokastro area, southeast of the village of Galini in the Municipality of Oreokastro”, with an estimated value of € 1,200,437.99 (VAT excl.).
- “Upgrade of EYATH S.A.'s management building at 127 Egnatias St.”, with an estimated value of € 4,999,894.82 (VAT excl.).

In addition, a summary tender procedure was held to award service relating to “Creation of Contract Dossier and Preparation of Tender Documents for the Award of a Project (Design - Construction) Contract, whose scope is to upgrade the Management Building of EYATH S.A. at 127 Egnatias St.” to a Technical Advisor, with an estimated contract value of € 40,000.00 (VAT excl.).

During 2020 the tender procedure to appoint a contractor for the project entitled “Construction of an extension to the Thessaloniki Water Treatment Plant - Phase A2” with a budget of € 21.7 million (plus VAT) also went ahead.

In 2020, the following 11 project and design contracts (which are included in the Company’s investment plan), worth a total of € 7.74 million approximately, were signed:

- Contract entitled “Sewerage works to upgrade pumping stations, discharge pipes, a coastal collection pipeline and the Aeneia Waste Water Treatment Plant central pipe”, worth € 2,862,054.17 (VAT excl.), 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 the AA9 (B3) pumping station, and to upgrade pumping station A17 at Finikas. The contract with the contractor was signed in March 2020.
- Contract entitled “Repair and maintenance of the water supply network in western Thessaloniki”, worth € 524,184.36 (VAT excl.). The contract with the contractor was signed in March 2020.
- Contract entitled “Repair and maintenance of the water supply network in central and eastern Thessaloniki in 2019”, worth € 837,562.56 (VAT excl.). The contract with the contractor was signed in June 2020.
- Contract entitled “First group of urgent water supply works 2019”, worth € 940,343.07 (VAT excl.). The contract was signed in June 2020.
- Contract entitled “Repairs of damage and local replacements of sections of the sewerage network pipeline for 2020”, worth € 364,000.01 (VAT excl.). The contract was signed in June 2020.
- Contract entitled “First group of urgent sewerage works 2020”, worth € 2,038,846.37 (VAT excl.). The contract was signed in July 2020.
- Framework agreement for the provision of Technical Advisor support services for designs and projects under the EYATH S.A. Strategic & Business Plan, with a budget of € 1,322,500.00:

1st individual contract for € 95,130.22 (VAT excl.). The contract was signed in March 2020.

2nd individual contract for € 37,467.99 (VAT excl.). The contract was signed in June 2020.

- Contract for technical services relating to “Creation of Contract Dossier and Preparation of Tender Documents for the Award of a Project (Design - Construction) Contract, whose scope is to upgrade the Management Building of EYATH S.A. at 127 Egnatias St.”, worth € 28,400.00 (VAT excl.). The contract was signed in October 2020.
- Demolition – removal of existing anti-hammer protection device (pressure relief tower) for the Aravissos aqueduct, worth € 5,000 (VAT excl.). The contract was signed in October 2020.
- Preliminary design of E/M facilities at the EYATH S.A. building at 127 Egnatias St., worth € 8,000 (VAT excl.). The contract was signed in November 2020.

The subsidiary EYATH SERVICES S.A.

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

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

- A nominal reduction in the Company's share capital by €2,000,000.00 by offsetting losses by cancelling four million (4,000,000) registered shares in implementation of Article 119(4) of Law 4548/2018 on equity, and amending Article 5 of the Articles of Association.
- Replacement of members of the Board of Directors, namely Narkissos Georgiadis, Panagiotis Gogos, Olympia Latsiou-Chrysafi and Petros Nastos with Anthimos Amanatidis, Sofia Ammanatidou, Ekaterini Tsikaloudaki and Parthena Theodoridou.
- Expanding the Company's corporate scope, which includes carrying out works to build and maintain water management facilities and managing water resources, and amending Article 4 of the Articles of Association.

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

Decision No. 001/2020 of the Board of Directors taken on 30.6.2020 established EYATH Services S.A.'s new Board of Directors as follows:

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

The following decisions were taken at EYATH SERVICES S.A.'s Ordinary General Meeting on 27 August 2020:

- Approval of the annual financial statements, reports from the Board of Directors and the auditor for the accounting period (1.1.2019 to 31.12.2019) in accordance with the IFRS.

- Release of members of the Board of Directors and Auditors from all liability to pay compensation for management during the period 1.1.2019-31.12.2019.

Approval of fees paid to the Chairman, CEO, members and secretariat of the Board of Directors during 2019 and setting of fees for 2020.

Recruitment of new staff

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

In implementation of BoD Decision No. 30/2020, during the first half of 2020 a total of 30 successful candidates in tender notice No. ΣΟΧ1/2019 were recruited on the basis of a fixed-term private law employment contract of 8 months.

Extraordinary General Meeting of Shareholders

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

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

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

Under Decision No. 289/2020 the Board of Directors was officially constituted as a body comprised of:

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

- Georgios Archontopoulos, son of Savvas, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2020.
- Anastasios Sachinidis, son of Ioannis, employee representative, non-executive member. Elected on 11.5.2016. Term in office ends on: 10.5.2020.

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

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

Annual General Meeting of Shareholders

The Annual Ordinary General Meeting of Shareholders held on 19.6.2020:

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

Changes to the Board of Directors

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

- Agis Papadopoulos, son of Michail, Chairman, non-executive member. Elected on 2.8.2019. Term in office ends on: 1.8.2023.
- Anthimos Amanatidis, son of Anastasios, CEO, Executive Member. Elected on 30.4.2020. Term in office ends on: 29.4.2024.
- Grigorios Penelis, son of Georgios, Vice Chairman, independent non-executive member. Elected on 21.2.2019. Term in office ends on: 20.2.2023.

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

Coronavirus (COVID-19)

The start of the COVID-19 pandemic in mid-February 2020 in Greece and the subsequent lockdown of the domestic market from the end of March 2020 to mid-May 2020, and from early November 2020 to the present day has brought major changes in the fluctuation in domestic supply and demand, making the macroeconomic environment difficult at both local and global level. Given the current situation both globally and in Greece where the pandemic is in its third wave, there is still an inability to safely assess the duration of the public health crisis, which to a large extent is expected to depend on the progress of vaccination programmes.

EYATH S.A.'s financial data, after a series of estimates and analyses during the reporting period, only appears to have fluctuated slightly, without there being any major impact from the healthcare crisis on the Company's business activities and liquidity. Despite that, Management continues to monitor developments carefully so that it can immediately respond to the requirements of the global and domestic environment, based on the major checks and balances it has in place, such as the significant level of cash assets and the general lack of borrowing.

As part of the pandemic public health crisis Greece is undergoing to this day, the role of responsibility of companies like EYATH in managing vital public health infrastructure is crucial for social cohesion. In this context, Company Management has developed a web of actions which have already been implemented in all sectors of its operations.

Since April 2020, the Company's scientific staff have worked closely with the Aristotle University of Thessaloniki to support research into the detection of viral loads in the city's wastewater. This research significantly contributes to the national effort to address the pandemic and is also expected to expand into new fields in the near future.

EYATH also contributed to bolstering the National Health System, and in particular in the sector of care for vulnerable groups, both by providing healthcare equipment and by offering direct financial support. Some characteristic examples include: 1. The delivery of special diagnostic equipment to the Thessaloniki University Hospital (AHEPA) to detect COVID cases in September 2020 and 2. 5,000 pieces of personal protective equipment (masks) were made available to schools in Thessaloniki at the start of the 2020-21 school year.



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

36. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Refurbishment of the management building

Decision No. 187/2021 of the Board of Directors of EYATH S.A. approved the appointment of an interim contractor to which the project to upgrade EYATH S.A.'s management building at 127 Egnatias St. was awarded. The estimated value is € 4,999,894.82 (VAT excl.).

An architectural preliminary design has been prepared for the building, which was approved by Decision No. 605/2020 of the Board of Directors of EYATH S.A. The works to upgrade the building are necessary, first and foremost for safety reasons, but also to ensure improved functionality and to reduce its energy footprint.

The project completion deadline is 18 months from the contract signing date.

Recruitment of new staff

Decision No. 204/2021 of the Company's Board of Directors approved the start of procedures to issue a notice via the Supreme Staff Selection Council to fill 50 job positions (open-ended private law employment contracts) which can be broken down by category, sector and area of specialisation as follows:

- University education category: 13 jobs.
- Technological education category: 11 jobs.
- Secondary education category: 26 jobs.

There are no events between 31.12.2020 and the date on which the financial statements were approved by the Company's Board of Directors which could materially affect the financial position or the Company's results for the period that ended on this date, or other events which should be disclosed in the financial statements.

Thessaloniki, 22 April 2021

Agis Papadopoulos

Anthimos Amanatidis

Dimitrios Alexandris

CEO

CFO



ANNUAL FINANCIAL REPORT
for the period 1 January 2020 - 31 December 2020
(amounts in thousands of euro)

Chairman of the Board of
Directors

ID Card No. AN 201633

ID Card No. AE 125155

ID Card No. AZ 683204
Econ. Chamber of Greece
Licence No. 0105601 (1st class)

AVAILABILITY OF FINANCIAL STATEMENTS

The annual and interim financial statements of the Group and Company, the Audit Report, and the Board of Directors' Management Report to the Annual Ordinary General Meeting have been posted to the company's website (www.eyath.gr).