



## **SIX-MONTH FINANCIAL REPORT**

for the period 1 January 2022 to 30 June 2022  
(in accordance with Article 5 of Law 3556/2007)

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

General Commercial Reg. No. 58240404000

91 Tsimiski St - GR-54622 Thessaloniki



30 June  
2022

**SIX-MONTH FINANCIAL REPORT**  
for the six-month period ended on 30 June 2022  
*(amounts in thousands of euro)*

**SIX-MONTH FINANCIAL REPORT**  
**FOR THE PERIOD 1 JANUARY 2022 - 30 JUNE 2022**  
**IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS**

It is confirmed that the attached interim financial report is the one approved by the Board of Directors of "THESSALONIKI WATER SUPPLY & SEWERAGE CO. S.A." on 28 September 2022 and has been published on the internet at [www.eyath.gr](http://www.eyath.gr).

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## STATEMENTS BY BOARD OF DIRECTORS MEMBERS

(in accordance with article 5(2) of Law 3556/2007)

The members of the Board of Directors of the company with the corporate name "**THESSALONIKI WATER SUPPLY & SEWERAGE CO S.A.**", trading as EYATH S.A., whose registered offices are at 91 Tsimiski St., Thessaloniki (GR-54622):

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

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

(a) the attached six-month separate and consolidated condensed financial statements for the company EYATH S.A. for the period from 1.1.2022 to 30.6.2022 which were prepared in accordance with IAS 34 accurately reflect the assets and liabilities, equity and results of EYATH S.A. and the enterprises included in the consolidation, taken as a whole, in accordance with the provisions of Article 5(3) to (5) of Law 3556/2007 and

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

Thessaloniki, 28 September 2022

Confirmed by

Agis Papadopoulos

Anthimos Amanatidis

Nikos Klitou

Chairman of the Board of Directors

CEO

Board member

Chairman of the Audit Committee

ID Card No. AN 201633

ID Card No. AE 125155

ID Card No. AM 674658

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

(prepared in accordance with the provisions of Article 4 of Law 3556/2007 and the relevant decisions of the BoD of the Hellenic Capital Market Commission for the period 1 January 2022 - 30 June 2022)

Dear shareholders,

In accordance with the provisions of Law 3556/2007 and the relevant decisions of the Hellenic Capital Market Commission, we are submitting to you this Six-Month Report of the Board of Directors for the current period (01.01.2022-30.06.2022).

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

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

The Group consists of (a) the company under the name "THESSALONIKI WATER SUPPLY & SEWERAGE CO S.A." trading as "EYATH S.A." (hereinafter the "Company" or "EYATH S.A."), that was founded in 1998 [Law 2651/3-11-1998 (Government Gazette 248/A/3-11-1998)], created from the merger of the companies "Thessaloniki Water Supply Organisation S.A." (OYTH S.A.) and "Thessaloniki Sewerage Organisation S.A." (OATH S.A.), which had been converted into societies anonymes 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 anonymes, 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. ΕΓΑ/606/26-7-2001 (Government Gazette 989/30-7-2001) and the company is entered in the Companies Register (Reg. No. 41913/06/B/98/32) and the General Electronic Commercial Registry (GCR No. 58240404000). The Company's registered offices are in a leased building at 91 Tsimiski St., Thessaloniki.

EYATH is the second largest water supply and sewerage services provider in Greece. It provides water supply services via a 2,700 km long water distribution network within its territorial remit (the wider Thessaloniki urban area and industrial area) and sewerage services via a 1,750 km long sewerage network within its territorial remit (from the river Axios, the Municipality of Delta and 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 (510,000 water supply connections and around 77,000 sewerage connections). EYATH also helps with flood protection in the city of Thessaloniki, even though it is the Greek State, the Region and local government authorities which are responsible for the design, construction, and maintenance of rainwater drainage and flood protection works in general, and for cleaning the water collection shafts.

**FINANCIAL INFORMATION - COURSE OF BUSINESS**

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

Group turnover came from the sale of water supply and sewerage services and stood at € 33,826 compared to € 34,905 during the corresponding period last year, reflecting a drop of € 1,078 or 3.09%. This drop was primarily due to the reduced consumption of water supply and sewerage services in the household price list.

The cost of sales was € 28,924 compared to € 23,061 in 2021, up € 5,863 or 25.42%. Consequently, the gross profit for the period ended stood at € 4,903 compared to € 11,844 in the same period last year, down € 6,941 or 58.61%. The increase in the cost of sales was primarily due to the increased cost of electricity, which rose by 79%.

Other operating income stood at € 2,653 compared to € 3,456, down € 803 or 23.24%. This reduction is justified by the reversal of a large part of the provisions during the comparator period from the finalisation of the Group's litigation, which did not exist to a similar degree during the current period.

Group operating expenses rose by € 303 or 4.62% primarily due to the increased cost of electricity.

Other operating expenses stood at € 299 compared to € 513 in the comparable half of 2021, down 41.67% due to the absence of extraordinary losses from provisions for the previous year and significantly reduced compensation under court rulings during the current period.

Due to the above, Group EBT was € 564 compared to € 8,460 during the corresponding period last year, down € 7,896 or approximately 93.33%. Finally, Earnings After Tax as at 30.6.2022 amounted to € 9 compared to € 5,935, down by € 5,926 or 99.85%.

The EYATH S.A. Group's EBITDA during the period ended stood at € 3,154 compared to € 11,031 in the same period last year, down € 7,877 or 71.41%.

Finally, Group cash and cash equivalents on 30.6.2022 stood at € 91,081 compared to € 91,305 on 31.12.2021, down € 224 or 0.25%.

#### **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 expenses and adding operating income and total depreciation, and then dividing by turnover. These figures are used as shown in the financial statements and notes thereto, without any adjustments.

#### EBIT Margin (%)

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

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

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

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

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

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

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

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

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

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

These measures are shown in the table below:

	01/01/2022- 30/06/2022		01/01/2021- 30/06/2021		Deviation
PERFORMANCE AND PROFITABILITY RATIOS					
Gross Profit Margin	14.49%		33.93%		-19.44%
EBITDA Margin	9.33%		31.60%		-22.28%
EBIT	1.20%		23.61%		-22.40%
EBT Margin	1.67%		24.24%		-22.57%
EAT Margin	0.03%		17.00%		-16.98%

INVESTMENT RATIOS				
Earnings per share after tax	0.0002		0.1635	-99.84%
LIQUIDITY RATIOS				
	30/06/2022		31/12/2021	Deviation
General liquidity (Current assets / short-term liabilities)	8.02		8.30	-3.42%
CAPITAL STRUCTURE & VIABILITY RATIOS				
Equity / Debt	481.26%		482.40%	-1.14%

## 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 30.4.2020 following successive extensions.

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

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

The pricing Policy for the 2019-2023 period which EYATH S.A. recommended to the Special Secretariat for Water, was approved by decision No. 26142/180 of the Special Secretary for Water of the Ministry of the Environment and Energy (Government Gazette 1105/B/3.4.2019) and takes effect on 1.5.2019. The new pricing policy follows the logic of a drop in the cost of water for lower levels of consumption, to ensure it has a social focus, and a rise in cost for high consumption to avoid natural resource wastage. At the same time, the social tariff has been retained and improved for groups of consumers who are socially and economically vulnerable; it is tied into the social and income criteria used for the social residential tariffs for electricity (tariffs A and B), which beneficiaries can access automatically without bureaucratic procedures, and without needing to submit supporting documents. An environmental levy is included in the new tariffs, which is paid over to the Green Fund to finance water resource management and protection projects. For 2021-2023 there will be a 2% annual increase in tariffs (apart from household scale one with consumption of up to 10 m3/4-months) to ensure that the company's investment plan can be implemented (which foresees major water supply and sewerage projects, such as an extension to the Thessaloniki water treatment plant, maintenance of the Aravissos aqueduct, works to improve the water supply and sewerage networks), while the sewerage levy fixed charges and special water cycle levy will remain firm and fixed over the tariff's 5-year period.

## MAJOR EVENTS



**Investment projects**

During the first half of 2022 EYATH S.A. put the following projects out to tender via an open tender procedure:

- "Repair of damage and local replacement of sections of sewerage network pipeline in 2022", with a budget of € 600,000 (plus VAT). A contract was signed on 11.5.2022.
- "Repair and maintenance of the water supply network in central and eastern Thessaloniki in 2022", with a budget of € 750,000 (plus VAT). A contract was signed on 25.7.2022.

During the first half of 2022 the tender procedure to select a contractor for the following contracts for the preparation of designs and implementation of water supply projects was launched:

- Study entitled "Final Design for Tanks D2a and D3a and the New Lime Saturation Sedimentation Tank at the Thessaloniki Water Treatment Plant", with a budget of € 1.4 million (plus VAT). A contract was signed on 20.1.2022.
- Contract entitled "Construction of extension to the Thessaloniki Water Treatment Plant - Phase A2", with a budget of € 21.7 million (plus VAT).

During the first half of 2022 the following contracts were signed:

- On 20.4.2022 the 4th Individual Agreement was signed with a contractual value of € 106,000 (VAT excl.) under the Framework Agreement entitled: "Framework Agreement for the provision of Technical Advisor support services for designs and projects under the EYATH S.A. Strategic and Business Plan", with a budget of € 1.32 million (plus VAT).
- On 18.4.2022 the contract entitled "Preparation of a dossier to amend the environmental terms and conditions in the decision approving the environmental terms and conditions for the project entitled "Thessaloniki water supply project from the Aliakmon River and related projects" was signed, with a contractual value of € 15,000 (VAT excl.).
- During the first half of 2022 EYATH S.A. commenced the process of drafting tender documents for the award of the project entitled "Repair of damage to the load-bearing structure and reinforcement of the foundations of the eastern chamber of water supply tank D5" with a budget of € 600,000 (VAT excl.). The process of drafting the tender notice and contract documents for an open public online tender procedure above the thresholds for concluding a framework agreement on the "Supply, installation, commissioning and operation of household water meters in EYATH S.A.'s territorial remit" continued, with a value of € 21.165 million (VAT excl.) or € 49.565 million including options (excl. VAT).

The following contracts are currently under way:

- "Operation and Maintenance of the Waste Water Treatment Plant in the Wider Thessaloniki Area"

After the 5-year contract with the contractor for the "Operation and Maintenance of the Waste Water Treatment Plant in the Wider Thessaloniki Area" was signed in December 2020 for a price of € 42,087,089, that service is currently being provided. In addition to general efficient operation, maintenance, sanitary monitoring and overall responsibility of the Thessaloniki Waste Water Treatment Plant, this also includes: a) major additional maintenance works / repairs / upgrades / replacement / addition of equipment (additional operational interventions) and b) energy optimisation interventions for the facilities to reduce the Thessaloniki Waste Water Treatment

Plant's energy footprint. It also includes the design, supply, installation and operation of a 1MW photovoltaic park, while it is expected that within the next few months the power generation plant will be commissioned comprised of two plants with a total capacity of 2.5MW, using biogas produced from the dehydrated sludge anaerobic digestion tanks. Most of these projects - and more important - are expected to be completed during the year.

- *"Works to complete connection of the Thessaloniki low-lying areas"*

It consists of 5 individual sub-projects within EYATH S.A.'s territorial remit. The 5 individual sub-projects comprising the overall project are as follows:

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

- *"Sewerage works to upgrade pumping stations, discharge pipes, coastal collection pipe and the Aeneia Waste Water Treatment Plant central pipe"*

This includes sewerage works to improve - upgrade the wastewater pumping station A5 (at the port) and the pumping station A2B (in the Thessaloniki Industrial Area), to replace the sewerage twin discharge pipe at pumping station A5 at the port, to build a coastal collection pipe at pumping station B3 and a rainwater drainage pipe, to upgrade pumping station A17 at Finikas, and to rebuild the central sewerage pipeline at the Aeneia Waste Water Treatment Plant (a sub-project which has been completed).

- *"Upgrade of the EYATH S.A. Management building at 127 Egnatias St."*

This relates to overall upgrade of EYATH S.A.'s management building. More specifically:

- (a) Improvement of the building's load-bearing capacity and harmonisation with the applicable regulations (on earthquake protection, reinforced concrete, etc.).
- (b) Energy improvements to the building in line with the specifications in the Building Energy Performance Regulations. Full refurbishment of building façades.
- (c) Full reconfiguration of indoor areas in line with new circumstances in terms of staff allocation and the type of uses.
- (d) Adaptation of the building to bring it into line with the applicable provisions of the Building Fire Protection Regulations (Presidential Decree 41/2018, Government Gazette 80/A/7.5.2018).
- (e) Full renovation so that the building can be upgraded to a state-of-the-art high-spec office building. All building and electromechanical elements in the building will be fully removed and rebuilt.
- (f) Preparing a Final Design and implementation design and all manner of supplementary designs and studies for construction of the said projects.

Moreover, the scope of this contract also includes all works or supplies and installation of equipment which are necessary for integrated construction, and flawless and efficient operation of the Project.

- "Sewage treatment for wastewater in the Neokastro area, southeast of the village of Galini in the Municipality of Oreokastro"

The technical scope of the contract is the implementation of the sewerage works in the Neokastro area, southeast of the village of Galini in the Municipality of Oreokastro.

- Framework Agreement to improve - repair the Aravissos aqueduct - 4th implementing agreement

The scope of the Framework Agreement includes works to improve and repair the Aravissos aqueduct consisting of 6.0 m long Ø165cm pre-fabricated concrete pipes, which were necessary according to the approved study prepared by Professor Emeritus G. Penelis, due to the finding that over a length of 6 or 6.5 km in the Thessaloniki Industrial Area the aqueduct suffers from sporadic oxidation of the reinforcements on such a scale that certain elements of the pre-stressing reinforcements have been completely worn away.

- "Maintenance of EYATH S.A. facilities for 2021"

The project primarily relates to repairs and renovation of EYATH S.A.'s building facilities and the layout and fencing of the surrounding areas. The works to be carried out are scattered across all water supply and sewerage facilities located within EYATH's territorial remit along the length of aqueducts and at water abstraction sites in those areas (tanks, pumping stations, warehouses, work crews, boreholes, etc.).

- "Group I of urgent water supply works 2019"

The scope of the contract is to replace / reinstall water supply pipes and valves, renovate and repair the water supply network, lower and relocate pipes, remove old pipes, build pumping stations, water supply shafts and other works (such as PPC meter posts to implement the new SCADA) using reinforced concrete, technical works in the network area and on external aqueducts and to build extensions and junctions which are necessary to supply water to properties in the city.

- "Group I of urgent water supply works 2018"

The scope of this contract is to carry out urgent water supply works (replacement of pipes and valves, renovations and repairs to the network, lowering and relocation of pipes, removal of old pipes, construction of technical works in the network and on external aqueducts, etc.), construction of branches - extensions to the water supply network and work to add more - replace valves in areas where EYATH S.A. operates.

- "Group I of urgent sewerage works 2020"

The contract being put out to tender relates to the carrying out of emergency sewerage works (construction of sections of open or closed pipes, construction of access and water collection shafts, etc.), construction of private branch lines to connect properties to the network of sewers, and construction of extensions to the sewerage network including and involving third parties in the cost of such works.

- "Group I of urgent sewerage works 2021"

The contract being put out to tender relates to the carrying out of emergency sewerage works (construction of sections of open or closed pipes, construction of access and water collection shafts, etc.), construction of private branch lines to connect properties to the network of sewers, and construction of extensions to the sewerage network including and involving third parties in the cost of such works.

- *"Group I of urgent water supply works 2021"*

The scope of the contract is to install water supply pipes in areas where EYATH S.A. operates. It also includes replacing, reinstalling water supply pipes and valves, renovating and repairing the water supply network, lowering and relocating pipes, removing old pipes, building pumping stations, huts, water supply shafts and other technical works made of reinforced concrete (e.g. PPC meter posts, etc.) in the area of the network and external aqueducts and construction of extensions and branches which are necessary to supply water to city properties. Moreover, the works also include construction of around 150 shafts and huts made of reinforced concrete to install devices and equipment necessary to remotely control and automate the water supply system within EYATH S.A.'s remit. These shafts and huts will be built at the local control stations for the new remote control and automation system for the water supply network, which is currently being installed.

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

At the Extraordinary General Meeting of EYATH SERVICES S.A. which met on 11.2.2022 it was decided to increase the company's share capital by one million euro (€ 1,000,000.00) by issuing two million (2,000,000.00) new shares with a nominal value of fifty cents (€ 0.50) each and to amend Article 5 of the Articles of Association to finance RES investment plans and cover the cost of the subsidiary's participation in the Havrias River PPP tender procedure.

The line-up of the Board of Directors as specified in Board Decision No. 006/2022 of 23.6.2022 is 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: Aikaterini 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: Dimitrios Alexandris, son of Georgios, elected on 9.9.2019, whose term in office expires on 9.9.2022.
- MEMBER: Panagiotis Chatzisarrou, son of Pantelis, elected on 17.6.2022, whose term in office expires on 17.6.2025.

#### ***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 (NEPPS) to award a public-private partnership agreement relating to: "IMPLEMENTATION OF THE HAVRIA HALKIDIKI DAM WATER TREATMENT PLANTS AND NETWORKS THROUGH PUBLIC-PRIVATE PARTNERSHIP - Phase I" announced by the MINISTRY OF INFRASTRUCTURE & TRANSPORT / GENERAL SECRETARIAT FOR INFRASTRUCTURE / DG HYDRAULIC, PORT AND BUILDING INFRASTRUCTURE / WATER SUPPLY, SEWERAGE & WASTEWATER TREATMENT PROJECTS DIRECTORATE (D18).

The project's total contractual duration is 30 years and its budget is € 86,321,000.00 for construction (3 years) 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 II of the tender process is currently under way and in particular Stage B.II (Stage B.I - DIALOGUE has been completed) and relates to the call for a binding offer which ends on 17.10.2022.

### **Recruitment of new staff**

In implementation of BoD Decision No. 184/2022, the nine (9) successful vehicle drivers in tender notice No. ΣΟΧ1/2022 were recruited on the basis of a fixed-term private law employment contract of 8 months.

The procedures specified in ASEP tender notice No. 10K/2021 (Government Gazette 60/ASEP Bulletin/27.11.2019) for filling a total of forty-eight (48) posts with a private law open-ended employment contract for staff with university, technological and secondary education in order of priority are expected to be completed by issuing the final recruitment tables in September 2022 and the schedule for the commencement of recruitments is set by the end of 2022.

### **Line-up of the Board of Directors**

Following decision No. 681/2021 by which the BoD accepted the resignation of Board member Mr. Georgios Satlas, its line-up is as follows:

- 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.
- Dimitrios Konstantakopoulos, son of Grigorios, non-executive member. Elected on 16.12.2021. 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.
- Aikaterini 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 outbreak of coronavirus (Covid-19) at the start of 2020 and the spread of the pandemic to date have brought major changes in how global supply and demand fluctuates, making the macroeconomic environment more difficult at both global and local level.

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 public 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.

In addition, EYATH monitors the development of the health crisis, complying at all times with the recommendations of the National Public Health Organisation (EODY), with the primary focus on the protection of employees and consumers.

### ***Geopolitical conflict in the Ukraine***

Recent geopolitical events in the Ukraine, military actions by Russia and the subsequent reaction of the EU, European countries and the United States in the form of economic sanctions have affected the global energy market and wider macroeconomic conditions. The Group has no exposure to Russia or the Ukraine, meaning that recent developments have no direct impact. Any impact is indirect and is related to high energy costs and the impact of inflation in conjunction with the negative impact on our customers' disposable income. The Group is monitoring developments in relation to the crisis in the Ukraine and reacts accordingly.

### **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 plans ensure that the company grows, remains profitable, and transforms into a robust centre for know-how and entrepreneurship in the wider region.

### **PROSPECTS**

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

In March 2019 a framework agreement was signed with the Central Macedonia Region to clean and maintain the rainwater network in the Thessaloniki urban area with a budget of € 4 million and effective for 2 years from signing, which was renewed after its expiry, from 1.5.2021 for another 2 years with a budget of € 3 million.

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

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



replacement of water meters (tender documents are already being drafted), 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 continues in line with the schedule which has been prepared.

To help implement its Strategic Plan, EYATH S.A. has put out to tender technical advisor services for support with and drafting of the supporting designs (geotechnical, geological and environmental designs) with a total pre-estimated fee of € 2.05 million (plus VAT). Those two framework agreements have been signed. Board of Directors' decision No. 414/13.9.2018 approved the updated Strategic and Business Plan for the 2018-2024 period whose objective is to:

- ensure the overall development of its networks and expansion of its operations, namely a series of technical projects in order to supply water to areas of both the urban area, and beyond it, to regions which currently are lacking good quality water; and face water supply problems due to over-abstraction, salinization, etc.;
- implement the extension of the Thessaloniki Water Treatment Plant (known as the 'refinery') to ensure the necessary extra quantity of water needed to cope with current and future water supply demand for the Thessaloniki urban area;
- ensure uninterrupted, safe operation of the water supply systems, by supplying top quality water, in line with the rules and requirements laid down by the current regulatory framework;
- increase environmental safety in relation to pollution and protection of water resources;
- improve customer service by offering top class water supply and sewerage services at the least possible cost;
- combine business activity with social responsibility;
- upgrade infrastructure to improve the productivity of existing systems, which will lead to lower operating costs for the company, especially energy costs. In exploring the Company's potential for using renewable energy sources (RES) to reduce its energy costs, during the first half of 2019 it analysed the legal framework and the relevant procedures so that EYATH S.A. could install RES plants (photovoltaic stations) and operate as a self-producer, thereby making good use of its own properties or newly purchased/rented ones and benefiting from net metering and virtual net metering. A preliminary feasibility study was then prepared looking at 3 indicative examples of these options being applied: the Thessaloniki Water Treatment Plant, the Thessaloniki Waste Water Treatment Plant and the Aeneia Waste Water Treatment Plant. During the first half of 2021 permits were issued to install photovoltaic stations using a net metering system at the Thessaloniki Waste Water Treatment Facility.
- raise citizen awareness about environmental issues and brief them about the company's contribution to society as a whole, and about its purely business activities.

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

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

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

- An EYATH pipeline relocation study (alternative solution) under the operation entitled "Construction of the K16 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 contract is currently under way entitled “Sewerage works to upgrade pumping stations, discharge pipes, coastal collection pipe and Aeneia wastewater facility central pipe”, which includes sewerage works to improve - upgrade the wastewater pumping station A5 (at the port) and pumping station A2B (in the Thessaloniki Industrial Area), to replace the sewerage twin discharge pipe at pumping station A5 at the port, to build a coastal collection pipe at pumping station B3 and a rainwater drainage pipe, to upgrade pumping station A17 at Finikas, and to rebuild the central sewerage pipeline at the Aeneia Waste Water Treatment Plant.

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

Since the end of 2021 to the present day, steps have been taken to explore extending the scope of the tender procedure for the implementation of a new integrated customer service and billing information system to cover additional company business sectors.

In the meantime, until EYATH S.A.'s new IT system has been implemented, a project was launched in 2021 to develop a customer e-service portal which interfaces with EYATH S.A.'s existing ERP (Solution II), and to upgrade the company's payment system, which is expected to be completed in the autumn of 2022. During the first half of 2022 the portal user requirements study and the portal and ERP interface study were completed, the interface with myAADE was achieved, the graphical interface was completed and gradual implementation of the portal and its interface with the ERP commenced.

### ***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, during the first half of 2022 the following actions were taken:

- The technical specifications and budget for the project “Implementation of a new Integrated Customer Service and Billing System for EYATH S.A.” were re-evaluated by examining the SaaS, IaaS and PaaS models.
- A tender procedure is under way 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 (the customer portal project).
- Further improvement of the e-services provided on the Company's website - creation of an online appointment form.
- Three (3) communication campaigns were run by the Company using new digital communication channels (Viber, SMS and e-mail) to inform citizens about (i) measures to protect against frost, (ii) the ability to book appointments online via our website, and (iii) the Company's activities for Environment Day.
- Adoption of the Papyros IT system for the new procedure for recording and managing internal correspondence and distributing documents within the company, and relevant training for company employees.
- Project kick-off for the company's new switchboard, incorporating new digital tools.
- Project kick-off for digitisation of all water supply and sewerage customers files.
- The approved digital signature application for Company management and other executives was extended.
- Requirements for the functionality of a new application to record water meter readings and its interconnection with the ERP (Solution II) were studied and laid down.



**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. During the first half of 2022 the following steps were taken:

- Renewal of cyber insurance contract to June 2023.
- Project Kikk-off for the impact assessment of the new, under construction, customer portal.
- Continuation of provision of a 24/7 service to monitor and handle cybersecurity incidents.
- Continuation of the contract for the IT infrastructure support service against vulnerabilities and cyberattacks.
- Preparation of EYATH S.A.'s strategic and business cybersecurity plan 2022-2025.

**IT actions**

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

- Study and design of a transition plan for EYATH on-premises systems to the GSIS cloud (G-Cloud).
- Improved remote access services for EYATH systems.
- Initiation of the works to interconnect the ERP to the customer portal.
- Application configuration for eSign capability.
- A new cutting-edge EYATH document management system commenced operations.
- Design and study of specifications for interoperability of revenue establishment for the State for interconnection with the existing ERP (Solution II).
- Participation in the Growthfund's Open Data Hub actions relating to open data.

**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. Since then, improvements have been made every year and additional application forms are added to it 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 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.

To constantly improve office functionality and by extension customer service, the 1st floor of EYATH S.A.'s building at 6 Angelaki St. was redesigned and laid out after an architectural design was prepared.

The customer e-service portal is currently at the final implementation stage; the portal will be interconnected to the company's existing customer management IT system to:

1. Modernise the company's e-payments system by redesigning and re-deploying it.
2. Develop a web platform for customer applications to enable them to do things remotely.
3. Develop a mobile application.

### **Water supply SCADA**

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

In May 2018 the Central Macedonia Region approved the tender documents for the project entitled "Remote control and automation of water supply systems within EYATH's remit" with a total budget of € 3,347,049.00 plus 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 tender procedure to select a contractor was completed in 2021 and during the first half of 2022 supporting documents were submitted and a final project contractor was chosen. Objections were also heard and judgments handed down by the Council of State and the audit was completed by the Court of Audit. The contract will be signed at the start of the second half of 2022.

### **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.

### **Rehabilitation of part of the drinking water network at the Thessaloniki Industrial Area using non-excavation technology.**

The pilot project to rehabilitate part of the water supply pipe in the Ryzia area of the Thessaloniki Industrial Area is being implemented using non-excavation technology.

### **Interconnection of technical information (GIS) and commercial information (ERP) systems**

The water supply customer database is being corrected based on the standardisation provided by the GIS database to allow consumption to be automatically interconnected to the GIS (hydraulic modelling).

#### ***EYATH S.A. pilot fleet management application***

The Geoinformatics, Surveying & Hydraulic Modelling Department undertook in-house pilot development and operation of company vehicle monitoring technology. The project included configuring hardware devices (servers, gps devices, sim cards), their interface software and developing a vehicle management platform by the competent employees of the company.

The objective of the project is to more effectively manage vehicles and works done by company employees, by integrating and combining vehicle monitoring with existing GIS technologies implemented by the company (monitoring network and fault management) based exclusively on the know-how of its staff (implementation using in-house technology).

By implementing the project the company optimises times, costs and procedures with the overriding benefit of providing more efficient services, reduced response times and costs.

#### ***Hydraulic Modelling***

- Creation of integrated infrastructure for 3 EYATH S.A. pilot district metering areas (DMAs) (PANORAMA GYMNASIUM, EFKARPIA & EVANGELISTRIA) to systematically check, record, monitor and manage water, and to measure and manage water consumption.
- A hydraulic simulation of the 3 sub-zones has been carried out (they will be adjusted/calibrated based on the records of the new smart water meters which will be installed).

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;
- adjusting/calibrating the hydraulic model with reliable rainfall and flow data. To this end, two rain meters and a flowmeter with suitable technical characteristics have been installed in the selected pilot basin.

#### ***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, the first and second sets of diagrams have been prepared or updated, primarily for the purposes of the water supply SCADA and for the purposes of work at sewerage pumping stations in tourist areas, and the third set of diagrams relating to the company's large facilities has been largely completed.

At the same time, Cadastral Postings in the areas of Sindos, Kalohori, Gefyra, Neochorouda, etc. are monitored in cooperation with EYATH FIXED ASSETS.

#### ***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 - Menemeni, Kalamaria, Neapoli - Sykies, Pavlos Melas, Kordelio - Evosmos, Pylea - Hortiati, Oreokastro in the districts of Ionia and Kalohori of the Municipality of Delta.

**"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 Delta, the districts of Agios Athanasios, Anchialos, Gefyra of the Municipality of Halkidona and the districts of Halastra and Anatoliko of the Municipality of Delta.

**"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 Pylea-Hortiatis.

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

**"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, Nea Michaniona, Emvolo and Angelohori in the Municipality of Thermaikos.

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 € 80 thous. on R&D expenses which primarily related to staff salaries for their participation in research activities, third party fees and equipment procurement expenses.

### *Research projects*

During the first half of 2022 work to implement the following research projects was successfully continued, with EYATH's participation:

- Water Quality Emergency Monitoring Service (WQeMS)", whose overall objective is to create an open platform to evaluate the quality of surface water, utilising the satellite monitoring tools offered by the EU's Copernicus Earth Observation Programme. The project's total budget is € 1.5 million and EYATH S.A.'s contribution to the budget is € 56 thousand, of which 100% will be financed by the European Union.
- "Pathogen Contamination Emergency Response Technologies" (PathoCERT), Horizon 2020, whose 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).
- Enhancing Standardisation strategies to integrate innovative technologies for Safety and Security in existing water networks" (Aqua3S), Horizon 2020, with a budget for EYATH S.A. of € 188 thousand with EU funding of € 132 thousand. The project received a 4-month extension from the Auditing Authority and will end in December 2022.
- "Monitoring and Methodologies for the Removal of Emerging Pollutants from Liquid Waste" (MOREM) 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 funding of € 39 thousand. The project received a one-year extension from the Auditing Authority and will end in November 2024.

## **CORPORATE SOCIAL RESPONSIBILITY**

Issues of top priority on the international agenda are to secure access for all to water supply / sewerage services and sanitary facilities by 2030, and proper and sustainable management of water resources for future generations, and are in fact the UN's 6th sustainable development target. In line with the provisions of national climate law and the national strategy on climate change adaptation, EYATH seeks to reduce its water footprint by 20% and its carbon footprint by 50% by 2030.

EYATH S.A. works daily with this orientation within its corporate responsibility framework: 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 then are implemented as part of the company's CSR strategy.

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

We have opted to build our commitments and performance based on four pillars: the environment, society, human resources and culture. EYATH S.A.'s values are therefore being turned into reality in the following areas:

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

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

During that entire period EYATH S.A. continued its valuable public health partnership with the Aristotle University of Thessaloniki to trace the coronavirus molecules in wastewater, which became a vital tool in combating the pandemic, and made a financial contribution to installing a multi-sensor at the entrance to the Thessaloniki Waste Water Treatment Plant to analyse even more pandemic data. There are also plans to expand collaboration with the University on other topics so that wastewater can serve as "window into the state of public health" for the entire Thessaloniki urban area.

## **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 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 and to protect the environment, 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 has a Water Supply Lab run by the Water Supply Facilities Division (Water Treatment Plant Lab Department) which includes the Drinking Water Testing Lab, which is now fully run by EYATH and co-located at the Thessaloniki Water Treatment Plant. It carries out lab tests at the entrance to the Thessaloniki Water Treatment Plant at intermediate processing stages in line with the specific programme, at the outlet of the water supply plant (D3) from EYATH's distribution network and on water from water abstraction sources, complying as a minimum with the company's legislative obligations before the water is released for consumption; Each year more than 10,000 water samples are taken and chemical and microbiological and organic parameters are analysed in line with the relevant legislation. It systematically participates in inter-laboratory tests and has a quality management system in line with ISO 17025/2017 with a special scope of accreditation which includes all chemical and microbiological tests and the organic parameters required by the legislation on drinking water (a large number of pesticides, polycyclic aromatic hydrocarbons, volatile organic compounds);
  - it actively contributes to cleaning the surface of the sea in the bay of Thessaloniki, removing floating objects, oil spills or contaminants. In the first half of 2022 in particular, it dealt with the situation for 3 months so that the city's sea front remained clean and attractive to our fellow citizens and visitors;
  - it removes urban and industrial wastewater from the urban area via an extensive sewerage network, controlled by remotely controlled and operated systems;
  - it operates a state-of-the-art GIS system for preventative maintenance and rapid response to emergencies;
  - it implements a programme to re-use water treated at the Thessaloniki Waste Water Treatment Plant to irrigate areas of land in the Halastra - Kalohori plains during droughts;
  - it has significantly reduced the time required to carry out network-related tasks (new connections, relocations, extensions, etc.);
  - it also ensures environmentally and socially beneficial management of sewage sludge and seeks to improve the biogas production and exploitation unit running on sewage sludge which is already in operation at the Sindos Biological Treatment Plant, and to utilise its heat generating capacity;
  - it systematically recycles at the workplace and uses environmentally-friendly materials;
  - it is focusing on rationalising business travel and on applying environmental criteria to procurement;
  - it has a Sewerage & Environment Testing Lab which carries out daily environmental checks.
- Around 1,500 such checks are carried out each year, which equate to around 12,000 physico-chemical analyses per year at:
- production facilities located within EYATH's territorial remit (at least once a year);



- businesses of sanitary interest and professional facilities, connected to the EYATH S.A. network or networks managed by EYATH S.A.;
- Waste Water Treatment Plants (Thessaloniki Waste Water Treatment Plant and AENEIA Waste Water Treatment Plant) on the EYATH network of sewerage pipelines and at the Waste Treatment Plant located in the Thessaloniki Industrial Area;
  - water leaks;
  - emergencies;
- it systematically monitors the quality of outflows from industries based in the Thessaloniki Industrial Area and processes the data generated to determine the sewerage fees for those activities so as to suitably allocate the operating costs of the Waste Treatment Plant;
- it is **ELOT EN ISO/IEC 17025:2017** accredited by the Hellenic Accreditation System (ESYD) (Certificate No. 1139-2);
- it supports the work of the Liquid Waste Treatment and Sewerage Designs Inspection Committee as outlined in the EYATH S.A. Sewerage Network Special Regulation (Joint Ministerial Decision No. 3594/2021, Government Gazette 4252/B/15.9.2021) and monitors implementation thereof;
- it implements an integrated IT system (CRM) for all procedures related to tests and lab analyses (customer register, recording of tests, posting of lab test results, issuing reports) and soon (2nd half of 2022) it will be possible to manage the licensing procedure for various activities via this IT system;
- it oversees students doing their internship.

## 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). In June 2022 it completed the innovation competition by awarding the winning research team the prize for seeking out technologies to remove pollutant load from untreated waste water, which could be used for energy purposes. The competition was organised in partnership with HCAP and MITEF Greece to provide incentives to start-ups or research teams and, of course, to promote innovative technologies in Greece;
- it offers a social tariff to vulnerable groups of citizens using the same criteria applied by PPC for its social household tariff, and also offers a broad spectrum of repayment plans for overdue debts for all debtors as well as more favourable terms for the financially disadvantaged;
- it facilitates customers via improved e-services and a wide network of partners and associated businesses (150 super markets in the prefecture of Thessaloniki and neighbouring prefectures of Halkidiki, Pieria, Imathia, Pella and Kilikis at no extra charge, and at all associated OPAP agencies and Hellenic Post Office branches and Banks);
- it makes donations on a case-by-case basis in areas which have been declared in a state of civil emergency and monitors international developments by intervening when necessary. In the half of 2022 with the outbreak of the war in the Ukraine, it supported the suffering Ukrainian people by supporting the actions of the Red Cross;
- it runs info-campaigns for the public about the options available to socially and financially vulnerable population groups. In fact, during this 6-month period it provided the Melissa Girls' Orphanage with vouchers for essentials and consumables;
- it offers work and professional experience to students and pupils at technical schools as part of their internships;
- it helps improve the life of refugees in refugee camps in the wider area of Thessaloniki, providing material aid (radiators) and carrying out infrastructure works (water supply and sewerage facilities at those camps, and repairs to damaged facilities);

- it has a long-standing partnership with the magazine “DROMOS” to support the unemployed, since its head offices are a 'safe haven' for sellers, and also supports unemployed people in Thessaloniki via the Labour Centre;
- it encourages staff to get involved in volunteering (by collecting food or other items for the poor, participating in running events for social causes, etc.). On World Environment Day 2022 it organised a voluntary action to beautify the “Red Road” in Kalohori in order to raise awareness among employees and fellow citizens about environmental protection;
- it collaborates with the academic community at specialist and general events on environmental issues, attracting audiences comprised of students, experts and ordinary citizens;
- it helps students by providing targeted scholarships. The company has signed an open-ended MoU with the Aristotle University of Thessaloniki and is funding two scholarships: both are annual and are for postgraduate studies in fields relevant to EYATH S.A., while another one is for 4 years to finance the cost of a PhD;
- it 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. On World Water Day, 22 March, this year info-materials and ecological promos were distributed at central locations in the city about the issue of ground waters and the need to protect them, which was the theme the UN had chosen for that day;
- it supports the activities of local bodies and organisations relating to the environment and water;
- it donates electronic equipment to schools in Thessaloniki. In the first half of 2022 it provided a computer and air-conditioner to a primary school in the urban area.

## **HUMAN RESOURCES AND TRAINING**

In the human resources sector:

- it provides group life and health insurance for employees;
- it invests in developing its employees' skills in life-long learning, offering numerous chances for training both via specialised seminars and post-graduate training;
- it supports the families of staff, covers the costs of kindergartens and summer camps for employees' children;
- it rewards the children of employees who enter university;
- it organises parties for employees' children;
- it implements policies to protect the H&S of all employees;
- it ensures equal opportunities for both genders when it comes to promotions;
- it offers employees a work uniform and personal protection equipment;
- in June 2022 it carried out the first employee satisfaction survey as an attempt to map the positive and negative aspects of their working day-to-day life, with the aim of eliminating complaints and improving conditions where needed.

## **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 and independent groups of visitors. Unfortunately, it remained closed for a long time due to the pandemic and successive lockdowns. In early 2022 it opened an Instagram account to promote the activities of the museum and raise awareness among the public about water and environmental issues;



- it provides support to sports clubs and associations;
- it supports cultural activities, sports and artistic events in the city, promoting the idea of culture and the good life. In April it took part in Thess Truth, the first and largest city game in Thessaloniki to celebrate April Fools' Day. Groups of residents and visitors to Thessaloniki took part in the game, which was organised under the aegis of the Municipality of Thessaloniki, and entertained themselves with puzzle games, authenticity games, question games and physical games which had been set up at selected locations / stations in the city. Those landmarks included the EYATH Water Supply Museum in the Sfagia area;
- 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. During the pandemic in particular, the task of recording and digitising the archive was accelerated and extended due to the suspension of the museum's normal operations.

## COMPANY BRANCHES

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

## OWN SHARES HELD BY THE GROUP AND THE COMPANY

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

## RISKS

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

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

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

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

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

### *Financial risk factors*

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

### Market risk

*(i) Exchange rate risk*

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

*(ii) Price risk*

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

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

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

There were no loan liabilities on 30.6.2022.

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

**Credit risk**

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

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

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

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

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

**Liquidity risk**

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

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

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

**SIGNIFICANT TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES**

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

The Group's trading transactions with these related parties during the 1.1.2022 - 30.6.2022 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 1.1.2022 - 30.6.2022 period and on 30.6.2022 respectively, as well as during the previous period, are broken down in thousands of euro in the following tables (see note 20 of the interim condensed financial statements):

	THE GROUP		THE COMPANY	
	01/01- 30/06/2022	01/01- 30/06/2021	01/01- 30/06/2022	01/01- 30/06/2021
Income from other related parties consolidated along with HCAP S.A.	72	77	72	77
Expenses to other related parties consolidated along with HCAP S.A.	12,360	6,078	12,360	6,078
Transactions with and fees for executives and board members	516	495	514	495

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

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

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

	THE GROUP		THE COMPANY	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
Receivables from subsidiary	-	-	24	25
Receivables from other related parties consolidated along with HCAP S.A.	656	610	656	610
Liabilities to other related parties consolidated along with HCAP S.A.	3,943	4,578	3,943	4,578
Receivables from management executives and board members	6	8	6	8
Liabilities to management executives and board members	16	7	15	5

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

Receivables from other related parties consolidated along with HCAP S.A. of € 656 primarily relate to invoiced income from providing water supply and sewerage services and prepaid property rental expenses. Liabilities to other related parties consolidated along with HCAP S.A. of € 3,943 relate to accrued expenses from services received.

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

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

The Company's Share Capital amounts to forty million six hundred and fifty six thousand euro (€ 40,656,000) divided into thirty six million three hundred thousand (36,300,000) ordinary 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.

Save where the General Meeting specifies otherwise, 35% of the net profits are distributed from the profits each year to shareholders as a first dividend, while the General Meeting also decides on whether to distribute any additional dividend. Distribution of a dividend of €0.2186/share was approved for 2021. 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 method and place of payment is announced on the Athens Exchange and EYATH S.A. websites. Dividends not collected within 5 years from the end of the year in which the General Meeting approved distribution, devolve to the State.

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

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

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

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

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

Shareholders with a significant holding in the Company's share capital on 30.6.2022 were as follows:

SHAREHOLDER	Number of shares held	Holding on 30.6.2022	
HCAP	18,150,001	50.00%	+1
HRADF	8,717,999	24.02%	
SUEZ GROUPE	1,982,870	5.46%	
Other shareholders	7,449,130	20.52%	
<b>Total</b>	<b>36,300,000</b>	<b>100.00%</b>	

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

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

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

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

#### **AGREEMENTS BETWEEN COMPANY SHAREHOLDERS**

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

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

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

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

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

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

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

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

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

#### **DIVIDEND POLICY**

The General Meeting of 8.9.2022 approved the distribution of a dividend of € 0.2186/share, amounting to € 7,935 for 2021, compared to € 8,095 for the previous year, and applicable to all 36,300,000 shares.

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

#### **EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

*Decision of the CoS on the Shareholding Composition of EYATH S.A.*

Judgment No. 191/2022 of the Plenary Session of the Council of State, published on 4.2.2022, held that the transfer under Law 4389/2016 by the State to HCAP S.A. of more than 50% of the share capital of EYATH S.A. is contrary to the provisions of Article 5(5) and 21(3) of the Constitution which state that the provision of water supply and sewerage services to the population of the wider Thessaloniki area is not an activity integral to the core of state power and that under current conditions, namely under conditions where those services are provided on a monopolistic basis, it is constitutionally necessary for EYATH S.A. to be controlled by the Greek State, not simply by the exercising supervision over it but via its share capital. Although the State is the sole shareholder of HCAP S.A. (the shareholder hereinafter of EYATH S.A.) it does not exercise control over the Board of Directors of HCAP and consequently the constitutional condition which requires EYATH S.A. to be controlled by the Greek State, not just by exercising supervision over it but also via its share capital, is not met, and in addition HCAP S.A., a body governed by private law which intervenes between the State and EYATH S.A., seeks above all to achieve cash flow and money saving objectives and has been organised and is run in such a way as to achieve those objectives.

Articles 114 and 115 of Law 4694/2022, published on 30.7.2022, enacted in implementation of that Council of State judgment, made the transfer of 50%+1 shares by the Greek State to HCAP valid and effective and provided for checks and balances on constitutional security so that: a) HCAP's decisions must be taken exclusively by the Greek State as the sole shareholder in HCAP and b) HCAP as a shareholder and the management team of EYATH S.A. have a duty to constantly provide high quality water supply and sewerage services to society as a whole.

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

The Annual Ordinary General Meeting of Shareholders held on 8.9.2022 approved the following items by a majority:

- Approval of the Annual Financial Report and the Consolidated Financial Statements of the Group prepared in accordance with the International Financial Reporting Standards (IFRS) for the 21<sup>st</sup> accounting period (1.1.2021 - 31.12.2021) and the Management Reports of the Board of Directors and the Independent Certified Public Accountant thereon.
- Approval of overall management of the Board of Directors for the accounting period 1.1.2021 - 31.12.2021 in accordance with Article 108 of Law 4548/2018 and release of auditors from liability in accordance with Article 117(1)(c) of Law 4548/2018.
- Approval of distribution of profits and distribution of dividends from profits for 2021 to company shareholders.
- Discussion on the Remuneration Report of the Remuneration and Nominations Committee in accordance with Article 112(3) and approval of the remuneration and compensation paid to the members of the Board of Directors for the accounting period 1.1.2021 - 31.12.2021 in accordance with the Company's Remuneration Policy and the Remuneration Report.
- Selection of Auditing Firm and approval of its fee for the auditing of the Annual Financial Statements, the Report on Review of the Interim Condensed Six-Month Financial Statements and issuing of a Tax Certificate, for the accounting period 1.1.2022 - 31.12.2022.
- Approval of amendments to the Company's Articles of Association to further bring them into line with Law 4548/2018 and Law 4706/2020 and addition of activities to Article 4 (Scope).
- Approval of revision of the Remuneration Policy under Article 111 of Law 4548/2018.
- Announcement of election by the Board of Mr. Dimitrios Konstantakopoulos as a non-executive member of the Board of Directors to replace Mr. Georgios Satlas, who had resigned.
- Authorising the members of the Board of Directors of the Company and the executives of the Company's Divisions to participate in the Boards of Directors or in the management of other related parties in accordance with IAS 24, and legal persons controlled by them in accordance with IAS 24.

- Approval of the type of Company Audit Committee in accordance with Article 44 of Law 4449/2017, as in force, and appointment of members where an independent committee is approved.

As far as the revision of the Remuneration Policy (item 7) is concerned, the Chairman of the General Meeting proposed to shareholders that the discussion of this item be postponed to the next meeting of the General Meeting and that the proposal for postponement was put to a vote.

The General Meeting unanimously decided not to discuss or take decision on this item.

### **Smart water meters**

On 26.8.2022 a tender procedure was published relating to the supply, installation, commissioning and operation of household water meters in EYATH S.A.'s territorial remit, which provides for the supply and installation of 100,000 digital water meters with an option for another 100,000. This involves replacing part of the company's old technology metering equipment with new technology water meters without any moving parts (smart water meters).

The tender amount is € 21.1 million approx (VAT and options excl.) but the options could bring the figure to € 49.6 million (VAT excl.). The project's effective term is 5 years from the contract signing date, with the Awarding Body's option to extend it for a further 2 years. The cost of replacing the water meters alone will be € 17 million.

Modernising the water meters and replacing them with 'smart' water meters is key to shaping Thessaloniki's new 'smart' water supply map and will be combined with a series of other investments in projects to change the water supply network in the wider urban area of Thessaloniki. Among other things, the main water supply zones for the tanks will be redefined, new zones will be created for new tanks which will be built and equipment and monitoring devices will be installed for the operation of the facilities. This will further reduce non-revenue water and will save additional water resources. At the same time, in addition to optimal water management, smart water meters will also contribute to achieving major energy savings since pumping stations will consume energy based on their actual needs.

Thessaloniki, 28 September 2022

### **ON BEHALF OF THE BOARD OF DIRECTORS**

Confirmed by

Agis Papadopoulos

Anthimos Amanatidis

Nikos Klitou

Chairman of the Board of Directors

CEO

Board member

Chairman of the Audit Committee



## Review Report of Independent Certified Public Accountant

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

### Report on Review of Interim Financial Information

#### Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of the Company THESSALONIKI WATER SUPPLY & SEWERAGE CO S.A. as at 30 June 2022 and the related separate and consolidated condensed income statement and statement of comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes that comprise the interim financial information, which form an integral part of the six-month financial report of Article 5 of Law 3556/2007.

Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with the International Financial Reporting Standards as adopted by the European Union and applied to interim financial reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

#### Scope of Review

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

#### Conclusion

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

### Reference to other legal and regulatory issues

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

Athens, 28 September 2022

The Certified Public Accountant

Andreas Sofis

ICPA (GR) Reg. No. 47771



Grant Thornton

Ορκωτοί Ελεγκτές Σύμβουλοι Επιχειρήσεων  
Α. Κατεχάνη 58, 115 25 Αθήνα  
Α.Μ. ΣΟΕΑ 127





30 June  
2022

**SIX-MONTH FINANCIAL REPORT**  
for the six-month period ended on 30 June 2022  
*(amounts in thousands of euro)*

## **Interim Condensed Financial Statements**

For the period 1.1 – 30.6.2022

In accordance with the International Financial Reporting Standards (IFRS)

## Interim Statement of Financial Position

		THE GROUP		THE COMPANY	
	Note:	30/06/2022	31/12/2021	30/06/2022	31/12/2021
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Tangible assets	5	70,155	66,806	70,155	66,806
Intangible assets	5	93	88	93	88
Participations in subsidiaries	7	-	-	1,060	60
Deferred tax assets		3,313	3,377	3,313	3,377
Other long-term assets		2,904	2,863	2,904	2,863
Right-of-use assets	6	1,426	1,743	1,426	1,743
Financial assets measured at fair value through other comprehensive income		50	50	50	50
<b>Total non-current assets</b>		<b>77,940</b>	<b>74,928</b>	<b>79,000</b>	<b>74,988</b>
<b>Current Assets</b>					
Inventories	8	1,731	1,820	1,731	1,820
Trade receivables and contractual assets	9	54,738	57,095	54,738	57,050
Other receivables	9	3,093	3,337	3,044	3,300
Cash and cash equivalents	10	91,081	91,305	89,882	91,019
<b>Total current assets</b>		<b>150,642</b>	<b>153,557</b>	<b>149,395</b>	<b>153,189</b>
<b>TOTAL ASSETS</b>		<b>228,582</b>	<b>228,485</b>	<b>228,395</b>	<b>228,177</b>
<b>LIABILITIES</b>					
<b>Equity</b>					
Share capital	11	40,656	40,656	40,656	40,656
Premium on capital stock		2,830	2,830	2,830	2,830
Reserves		30,610	30,610	30,587	30,587
Results carried forward		115,161	115,157	115,037	114,999
<b>Total equity</b>		<b>189,257</b>	<b>189,253</b>	<b>189,110</b>	<b>189,072</b>
Non-controlling interests		-	-	-	-
<b>Total equity</b>		<b>189,257</b>	<b>189,253</b>	<b>189,110</b>	<b>189,072</b>
<b>Liabilities</b>					
<b>Long-term liabilities</b>					
Provisions for employee benefits	12	1,240	1,265	1,240	1,265
Provisions for contingencies and expenses	13	1,565	1,603	1,565	1,603
Grants		599	695	599	695
Long-term lease liabilities	15	537	859	537	859
Other long-term liabilities		16,600	16,303	16,600	16,303
<b>Total long-term liabilities</b>		<b>20,541</b>	<b>20,725</b>	<b>20,541</b>	<b>20,725</b>
<b>Short-term liabilities</b>					
Trade and other liabilities	14	17,534	17,533	17,495	17,407
Short-term lease liabilities	15	552	628	552	628
Dividends payable		32	40	32	40
Short-term tax liabilities	16	667	307	666	306
<b>Total short-term liabilities</b>		<b>18,785</b>	<b>18,507</b>	<b>18,744</b>	<b>18,381</b>
<b>Total Liabilities</b>		<b>39,325</b>	<b>39,232</b>	<b>39,285</b>	<b>39,105</b>
<b>TOTAL OWNERS' EQUITY AND LIABILITIES</b>		<b>228,582</b>	<b>228,485</b>	<b>228,395</b>	<b>228,177</b>

The notes on pages 41 to 64 constitute an integral part of these interim condensed financial statements.

## Interim Statement of Comprehensive Income

	Note	THE GROUP		THE COMPANY	
		01/01- 30/06/2022	01/01- 30/06/2021	01/01- 30/06/2022	01/01- 30/06/2021
-					
<b>Sales</b>		33,826	34,905	33,826	34,905
Less: Cost of sales		(28,924)	(23,061)	(28,924)	(23,061)
<b>Gross profit margin</b>		<b>4,903</b>	<b>11,844</b>	<b>4,903</b>	<b>11,844</b>
Other operating income		2,653	3,456	2,635	3,419
		<b>7,555</b>	<b>15,300</b>	<b>7,537</b>	<b>15,263</b>
Selling and distribution expenses		(3,659)	(3,614)	(3,659)	(3,614)
Administrative expenses		(3,109)	(2,852)	(3,063)	(2,840)
Research & Development expenses		(80)	(80)	(80)	(80)
Other operating expenses		(299)	(513)	(299)	(513)
<b>Operating results</b>		<b>407</b>	<b>8,240</b>	<b>436</b>	<b>8,215</b>
Net financial income		157	220	157	220
<b>Normal operating results</b>		<b>564</b>	<b>8,460</b>	<b>593</b>	<b>8,435</b>
<b>Results before tax</b>		<b>564</b>	<b>8,460</b>	<b>593</b>	<b>8,435</b>
Income tax	17	(555)	(2,525)	(555)	(2,519)
<b>Results net of tax</b>		<b>9</b>	<b>5,935</b>	<b>38</b>	<b>5,916</b>
<b>Allocated among:</b>					
Parent company shareholders		9	5,935	38	5,916
Non-controlling interests		-	-	-	-
<b>Other comprehensive income net of tax:</b>					
Data that will not be subsequently classified in the Income Statement:					
Actuarial Results		-	-	-	-
<b>Total comprehensive income net of tax</b>		<b>9</b>	<b>5,935</b>	<b>38</b>	<b>5,916</b>
<b>Allocated among:</b>					
Parent company shareholders		9	5,935	38	5,916
Non-controlling interests		-	-	-	-
<b>Earnings per share (in euro per share)</b>	18	<b>0.0002</b>	<b>0.1635</b>	<b>0.0010</b>	<b>0.1630</b>
Basic					

The notes on pages 41 to 64 constitute an integral part of these interim condensed financial statements.

## Interim Statement of Changes in Equity

## Group

	Share capital	Share premium	Statutory reserve	Other reserves	Other comprehensive income / results carried forward	TOTAL
<b>Balance on 1.1.2022 according to IFRS</b>	40,656	2,830	13,574	17,035	115,158	189,253
Total comprehensive income net of tax 1.1 - 30.6.2022	-	-	-	-	9	9
Share capital increase expenses	-	-	-	-	(5)	5
<b>Balance on 30.6.2022 according to IFRS</b>	40,656	2,830	13,574	17,035	115,162	189,257
<b>Balance on 1.1.2021 according to IFRS</b>	40,656	2,830	13,574	17,035	111,897	185,991
Total comprehensive income net of tax 1.1 - 30.6.2021	-	-	-	-	5,935	5,935
Dividends distributed	-	-	-	-	(8,095)	(8,095)
<b>Balance on 30.6.2021 according to IFRS</b>	40,656	2,830	13,574	17,035	109,737	183,831

## Company

	Share capital	Share premium	Statutory reserve	Other reserves	Other comprehensive income / results carried forward	TOTAL
<b>Balance on 1.1.2022 according to IFRS</b>	40,656	2,830	13,552	17,035	114,999	189,072
Total comprehensive income net of tax 1.1 - 30.6.2022	-	-	-	-	38	38
<b>Balance on 30.6.2022 according to IFRS</b>	40,656	2,830	13,552	17,035	115,037	189,110
<b>Balance on 1.1.2021 according to IFRS</b>	40,656	2,830	13,552	17,035	111,528	185,601
Total comprehensive income net of tax 1.1 - 30.6.2021	-	-	-	0.00	5,916	5,916
Dividends distributed	-	-	-	-	(8,095)	(8,095)
<b>Balance on 30.6.2021 according to IFRS</b>	40,656	2,830	13,552	17,035	109,349	183,422

The notes on pages 41 to 64 constitute an integral part of these interim condensed financial statements.

## Interim Cash Flow Statement

	Note:	THE GROUP		THE COMPANY	
		01/01-30/06/2022	01/01-30/06/2021	01/01-30/06/2022	01/01-30/06/2021
<b>Cash flow from operating activities</b>					
Profit / (loss) before income tax (continuing operations)		564	8,460	593	8,435
<b>Plus/(Minus) adjustments for:</b>					
Depreciation	5	2,525	2,653	2,525	2,653
Depreciation of rights-of-use	6	318	231	318	231
Depreciation of fixed asset investment subsidies		(96)	(93)	(96)	(93)
Provisions		2,069	2,313	2,069	2,313
Offsetting of prior period provisions	13	(289)	(1,207)	(289)	(1,207)
Interest and related (income) / expenses		(157)	(220)	(157)	(220)
		<b>4,934</b>	<b>12,137</b>	<b>4,963</b>	<b>12,112</b>
Decrease/ (increase) in inventories		90	(13)	90	(13)
Decrease/(increase) in trade and other receivables		1,027	1,737	993	1,741
Increase / (Decrease) of trade and other liabilities (except loans)		136	3,418	222	3,462
Decrease/ (Increase) in other long-term receivables (Less):		(41)	279	(41)	279
Interest charges and related expenses paid		(67)	(55)	(67)	(55)
<b>Total inflow/(outflow) from operating activities (a)</b>		<b>6,079</b>	<b>17,504</b>	<b>6,161</b>	<b>17,527</b>
<b>Cash Flows from Investing Activities</b>					
Purchases of tangible assets	5	(5,848)	(3,379)	(5,848)	(3,379)
Purchase of intangible assets	5	(30)	(2)	(30)	(2)
Increase in investment in subsidiaries	7			(1,000)	
Collected interest		12	37	12	37
<b>Total inflow/(outflow) from investing activities (b)</b>		<b>(5,866)</b>	<b>(3,344)</b>	<b>(6,866)</b>	<b>(3,344)</b>
<b>Cash flows from financing activities</b>					
Capital increase expenses payments		(5)	-	-	-
Leasing arrangement liabilities paid	15	(423)	(372)	(423)	(372)
Dividends paid		(8)	-	(8)	-
<b>Total inflow/(outflow) from financing activities (c)</b>		<b>(436)</b>	<b>(372)</b>	<b>(431)</b>	<b>(372)</b>
<b>Net increase/(decrease) in cash and cash equivalents for the period (a) + (b) + (c)</b>					
		<b>(224)</b>	<b>13,788</b>	<b>(1,137)</b>	<b>13,811</b>
Cash assets and equivalents at start of year		91,305	81,916	91,019	81,358
<b>Cash assets and equivalents at end of period</b>	<b>10</b>	<b>91,081</b>	<b>95,705</b>	<b>89,882</b>	<b>95,169</b>

The notes on pages 41 to 64 constitute an integral part of these interim condensed financial statements.

## NOTES TO INTERIM CONDENSED 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 91 Tsimiski St., Thessaloniki GR-54622, 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 S.A.) is a société anonyme which was established by Article 20 of Law 2651/1998 (Government Gazette 248/A) following the merger of the companies "Thessaloniki Water Supply Organisation S.A." (OYTH S.A.) and "Thessaloniki Sewerage Organisation S.A." (OATH S.A.). Article 18 of Law 2937/2001 states that EYATH S.A. is governed by the provisions of Law 4548/2018, Article 22 of Law 2733/1999 which applies to EYATH S.A. from publication of that law, and also by the provisions of Emergency Law 1563/1939, Legislative Decree 787/1970, Presidential Decrees 156/1997 and 157/1997 and Article 20 of Law 2651/1998, and is under the supervision of the Ministers of Finance and Macedonia-Thrace.

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

EYATH S.A.'s objects, as expressly specified in Article 18(2) of Law 2937/2001 and Article 4(1)(a) of its Articles of Association, include the provision of water supply and sewerage services, the design, construction, installation, operation, exploitation, management, maintenance, extension and renewal of water supply and sewerage systems, and the construction, installation, operation and exploitation under any legal relationship of power and thermal energy plants, the acquisition, sale, supply, trading of electricity generated by wind turbines, photovoltaic plants, and other RES, the research, utilisation and exploitation of geothermal energy, the treatment of sea or brackish water for the purpose of desalination and trading of drinking water and/or irrigation; or management, processing, utilisation, recycling and composting of solid and liquid waste and biomass, exploitation and trading thereof and the provision of services in the above sectors. 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 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. Dimitrios Konstantakopoulos, non-executive member
7. Sofia Ammanatidou, independent non-executive member
8. Aikaterini Tsikaloudaki, non-executive member
9. Maria Petala, independent non-executive member
10. Georgios Archontopoulos, employee representative, non-executive member
11. Ioannis Mitziyas, employee representative, non-executive member

Companies Reg. No. 41913/ 06/ B/ 98/ 32  
General Commercial Reg. No. 58240404000

Auditing Company: GRANT THORNTON SA  
58 Katehakis Ave.  
GR- 11525  
Athens, Greece  
ICPA (GR) Reg. No. 127

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

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

These condensed financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), including the International Accounting Standards (IAS) and interpretations issued by the International Financial Reporting Interpretations Committee as adopted by the European Union up to 30 June 2022 and in accordance with International Accounting Standard 34 (Interim Financial Reporting). The interim condensed financial statements must be read in conjunction with the annual financial statements dated 31.12.2021 which are available on the internet at the Company's website [www.eyath.gr](http://www.eyath.gr).

The key accounting policies implemented for drawing up the interim condensed financial report of the six-month period that ended on 30 June 2022 are the same as those that followed when drawing up the annual financial statements of the year ended on 31 December 2021, which are described therein, after taking into consideration the amendments to standards and interpretations presented below, implementation of which became mandatory for accounting periods commencing after 1 January 2022. Where necessary, the comparable data have been reclassified to reconcile with any changes to the presentation of the current period data. Any differences between the amounts presented in the interim condensed financial statements and the respective amounts in the notes are due to rounding.

The interim condensed financial statements have been prepared based on historical cost and the going concern principle, as disclosed below in the company's accounting policies, and were approved by the BoD on 28.9.2022.

Preparing the financial statements in accordance with the IFRS requires the adoption of certain estimates and assumptions. It also requires Management to use its discretion when implementing the Company's accounting policies. When preparing these interim condensed financial statements, the main accounting estimates and judgements adopted by Management to implement the Group's accounting policies are consistent with those applied to the annual financial statements as at 31.12.2021. Moreover, the main sources of uncertainties which existed when preparing the annual financial statements as at 31.12.2021 remained unchanged for the interim condensed financial statements as at 30.6.2022.

These interim condensed financial statements are presented in Euro (€), which is the currency of the primary economic environment in which the Company operates.

### **2.2. New standards, amendments to standards and interpretations**

Specific new standards, amendments to standards and interpretations have been issued which are mandatory for accounting periods which commence on or after 1.1.2022. Where not otherwise stated, other amendments and interpretations which applied for the first time in 2022 have no impact on the consolidated financial statements. The Group and Company did not engage in early adoption of standards, interpretations or amendments which have been issued by the IASB and adopted by the EU, which are not mandatorily applicable in the 2022 period.

**Standards and interpretations mandatory for periods beginning during the current financial year**

**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.

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

**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.

**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 the application of the practical expedient provided for rent concessions by one year to cover the rent reductions due on or by 30 June 2022.

**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.

**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.

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



**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.

**IAS 12 (Amendments) "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"** (effective for annual accounting periods beginning on or after 1.1.2023)

The amendments require companies to recognise deferred tax in specific transactions which, upon initial recognition, leads to equal amounts of taxable and deductible interim differences. This usually applies to transactions such as leases for lessees and decommissioning obligations. These amendments have not yet been adopted by the European Union.

**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 sets out the relevant disclosures. The purpose of the standard is to ensure that an entity provides relevant information that presents a reasonable picture of these contracts. The new standard resolves comparability problems which existed under IFRS 4 since it requires all insurance contracts to be accounted for in a consistent manner. Insurance liabilities must be measured at current cost and not at historical cost. The standard has not yet been adopted by the European Union.

**IFRS 17 (Amendments) "Insurance Contracts: First-time adoption of IFRS 17 and IFRS 9 - Comparative Period Information"** (effective for annual accounting periods commencing on or after 1.1.2023)

In December 2021, the IASB issued a narrow-scope amendment to the transition requirements in IFRS 17 to address a major issue related to temporary accounting mismatches between insurance contract liabilities and financial assets in comparative reporting in the context of first-time adoption. IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments". This amendment seeks to improve the utility of financial information presented in the comparator period for the users of the Financial Statements. These amendments have not yet been adopted by the European Union.

### 2.3. Basis of consolidation

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
EYATH S.A.	PARENT COMPANY	GREECE	Water supply & Sewerage Services Construction and operation of power and thermal power plants Acquisition and trading of electricity generated by RES Geothermal research and utilisation Sea/brackish water treatment Management, processing, recycling and trading of solid and liquid waste and biomass
EYATH SERVICES S.A.	100%	GREECE	Provision of all types of Water supply & Sewerage Services, telecommunication services & production / sale of electricity Work to build and maintain water management facilities (dams, aqueducts) and manage water resources

In the Company's financial statements, holdings in subsidiaries are valued at their acquisition cost less any subsequent provisions for impairment in their value. Each year and/or whenever there is an indication of impairment, the Company examines the book value of the said holdings in relation to their recoverable value based on the fair value less cost to sell and the value in use, whichever is bigger.

### 3. SEGMENTAL REPORTING

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

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

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

	Group data for the period 1.1 - 30.6.2022		
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Sales to third parties	22,372	11,455	33,826
<b>Less: Total cost of sales</b>	<b>(16,127)</b>	<b>(12,797)</b>	<b>(28,924)</b>
<b>Gross Profit (losses)</b>	<b>6,245</b>	<b>(1,342)</b>	<b>4,903</b>
Other operating income	1,357	1,295	2,653
Selling and distribution expenses	(2,261)	(1,398)	(3,659)
Administrative expenses	(1,724)	(1,385)	(3,109)
Research & Development expenses	(49)	(31)	(80)
Other operating expenses	(198)	(101)	(299)
<b>Earnings / (losses) before taxes, financial and investment results</b>	<b>3,370</b>	<b>(2,963)</b>	<b>407</b>
Net Financial Income	119	38	157
Normal operating results	3,489	(2,925)	564
<b>Results before tax</b>	<b>3,489</b>	<b>(2,925)</b>	<b>564</b>
Income tax	(3,282)	2,726	(555)
<b>Results net of tax</b>	<b>208</b>	<b>(199)</b>	<b>9</b>

Earnings / (losses) before taxes, financial and investment results and depreciation

4,663                      (1,508)                      3,154

Group data for the period 1.1 - 30.6.2021		
Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL

Sales to third parties	22,840	12,065	34,905
<b>Less: Total cost of sales</b>	<b>(12,027)</b>	<b>(11,034)</b>	<b>(23,061)</b>
<b>Gross Profit (losses)</b>	<b>10,813</b>	<b>1,031</b>	<b>11,844</b>

Other operating income	1,788	1,667	3,456
------------------------	-------	-------	-------

Selling and distribution expenses	(2,286)	(1,329)	(3,614)
Administrative expenses	(1,599)	(1,253)	(2,852)
Research & Development expenses	(56)	(24)	(80)
Other operating expenses	(336)	(177)	(513)

**Earnings / (losses) before taxes, financial and investment results**                      **8,325**                      **(85)**                      **8,240**

Net Financial Income                      157                      63                      220

Normal operating results                      8,482                      (22)                      8,460

**Results before tax**                      **8,482**                      **(22)**                      **8,460**

Income tax                      (2,535)                      10                      (2,525)

**Results net of tax**                      **5,947**                      **(12)**                      **5,935**

Earnings / (losses) before taxes, financial and investment results and depreciation                      9,637                      1,394                      11,031

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

Group data	Group data as at 30.6.2022		
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Fixed assets	40,769	30,905	71,673
Trade receivables, contractual assets and other receivables	38,248	19,583	57,831
Non-allocated assets	-	-	99,078
<b>Total assets</b>	<b>79,016</b>	<b>50,488</b>	<b>228,582</b>
Future subsidy income	-	599	599
Liabilities	12,337	6,317	18,654
Non-allocated liabilities	-	-	209,329
<b>Total Liabilities</b>	<b>12,337</b>	<b>6,916</b>	<b>228,582</b>

Group data	Group data as at 31.12.2021		
	Provision of Water Supply Services	Provision of Sewerage Services	GROUP TOTAL
Fixed assets	39,042	29,596	68,638
Trade receivables, contractual assets and other receivables	39,339	21,093	60,432
Non-allocated assets	-	-	99,415
<b>Total assets</b>	<b>78,381</b>	<b>50,689</b>	<b>228,485</b>

Future subsidy income	-	695	695
Liabilities	12,407	6,652	19,059
Non-allocated liabilities	-	-	208,730
<b>Total Liabilities</b>	<b>12,407</b>	<b>7,347</b>	<b>228,485</b>

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

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

## 4. CHANGES IN FINANCIALS

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 € 33,826 compared to € 34,905 during the corresponding period last year, reflecting a drop of € 1,078 or 3.09%. This drop was primarily due to the reduced consumption of water supply and sewerage services in the household price list.

The cost of sales was € 28,924 compared to € 23,061 in 2021, up € 5,863 or 25.42%. Consequently, the gross profit for the period ended stood at € 4,903 compared to € 11,844 in the same period last year, down € 6,941 or 58.61%. The increase in the cost of sales was primarily due to the increased cost of electricity, which rose by 79%.

Other operating income stood at € 2,653 compared to € 3,456, down € 803 or 23.24%. This reduction is justified by the reversal of a large part of the provisions during the comparator period from the finalisation of the Group's litigation, which did not exist to a similar degree during the current period.

Group operating expenses rose by € 303 or 4.62% primarily due to the increased cost of electricity.

Other operating expenses stood at € 299 compared to € 513 in the comparable half of 2021, down 41.67% due to the absence of extraordinary losses from provisions for the previous year and significantly reduced compensation under court rulings during the current period.

Due to the above, Group EBT was € 564 compared to € 8,460 during the corresponding period last year, down € 7,896 or approximately 93.33%. Finally, Earnings After Tax as at 30.6.2022 amounted to € 9 compared to € 5,935, down by € 5,926 or 99.85%.

The EYATH S.A. Group's EBITDA during the period ended stood at € 3,154 compared to € 11,031 in the same period last year, down € 7,877 or 71.41%.

Finally, Group cash and cash equivalents on 30.6.2022 stood at € 91,081 compared to € 91,305 on 31.12.2021, down € 224 or 0.25%.

## 5. TANGIBLE AND INTANGIBLE ASSETS

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

GROUP AND COMPANY						
Plots – lots	Buildings and building facilities	Machinery & Mechanical Installations	Transportation equipment	Furniture and other equipment	Fixed assets under construction	Total

Acquisition or valuation value

<b>Balance on 1.1.2022</b>	<b>18,896</b>	<b>6,107</b>	<b>125,637</b>	<b>1,836</b>	<b>4,945</b>	<b>8,217</b>	<b>165,638</b>
Additions 1.1 - 30.6.2022	-	81	1,311	39	37	4,300	5,848
Redistributions 1.1 - 30.6.2022	-	-	681	-	-	(681)	-
Sales 1.1 - 30.6.2022	-	-	-	-	-	-	-
<b>Total on 30.6.2022</b>	<b>18,896</b>	<b>6,188</b>	<b>127,709</b>	<b>1,875</b>	<b>4,981</b>	<b>11,836</b>	<b>171,486</b>

**Accumulated depreciation**

<b>Balance on 1.1.2022</b>	-	2,689	90,876	1,444	3,823	-	98,832
Depreciation of period 1.1 - 30.6.2022	-	103	2,228	41	126	-	2,499
<b>Total on 30.6.2022</b>	-	<b>2,792</b>	<b>93,105</b>	<b>1,485</b>	<b>3,949</b>	-	<b>101,331</b>

<b>Net carried value on 31.12.2021</b>	<b>18,896</b>	<b>3,418</b>	<b>34,761</b>	<b>392</b>	<b>1,122</b>	<b>8,217</b>	<b>66,806</b>
<b>Net carried value on 30.6.2022</b>	<b>18,896</b>	<b>3,396</b>	<b>34,605</b>	<b>390</b>	<b>1,032</b>	<b>11,836</b>	<b>70,155</b>

**Acquisition or valuation value**

GROUP AND COMPANY						
Plots – lots	Buildings and building facilities	Machinery & Mechanical Installations	Transportation equipment	Furniture and other equipment	Fixed assets under construction	Total
<b>Balance on 1.1.2021</b>	<b>18,896</b>	<b>5,940</b>	<b>121,613</b>	<b>1,853</b>	<b>4,790</b>	<b>156,444</b>
Additions 1.1 - 31.12.2021	-	122	1,930	-	155	7,003
Redistributions 1.1 - 31.12.2021	-	44	2,094	-	-	(2,138)
Sales 1.1 - 31.12.2021	-	-	-	(17)	-	(17)
<b>Total on 31.12.2021</b>	<b>18,896</b>	<b>6,107</b>	<b>125,637</b>	<b>1,836</b>	<b>4,945</b>	<b>165,638</b>

**Accumulated depreciation**

<b>Balance on 1.1.2021</b>	-	2,511	86,183	1,378	3,559	-	93,631
Depreciation of period 1.1 - 31.12.2021	-	178	4,693	83	264	-	5,218
Sales 1.1 - 31.12.2021	-	-	-	(17)	-	-	(17)
<b>Total on 31.12.2021</b>	-	<b>2,689</b>	<b>90,876</b>	<b>1,444</b>	<b>3,823</b>	-	<b>98,832</b>

<b>Net carried value on 31.12.2020</b>	<b>18,896</b>	<b>3,429</b>	<b>35,430</b>	<b>475</b>	<b>1,230</b>	<b>3,352</b>	<b>62,813</b>
<b>Net carried value on 31.12.2021</b>	<b>18,896</b>	<b>3,418</b>	<b>34,761</b>	<b>392</b>	<b>1,122</b>	<b>8,217</b>	<b>66,806</b>

Additions to assets under construction worth € 4,300 in the current period relate to energy and operational improvements to the Thessaloniki Waste Water Treatment Plant, improvements to the management building at 127 Egnatias St. and works to extend and improve water supply and sewerage networks.

Reallocations to assets under construction of € (681) relate to the consolidation of new investments which were made ready for use during the first half of 2022 in the machinery and mechanical facilities category.

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

**Acquisition or valuation value**

GROUP AND COMPANY	
Software Applications	Total

<b>Balance on 1.1.2022</b>	1,739	1,739
<b>Additions 1.1 - 30.6.2022</b>	30	30
<b>Total on 30.6.2022</b>	<b>1,769</b>	<b>1,769</b>
<b><u>Accumulated depreciation</u></b>		
<b>Balance on 1.1.2022</b>	1,651	1,651
<b>Depreciation of period 1.1 - 30.6.2022</b>	26	26
<b>Total on 30.6.2022</b>	<b>1,677</b>	<b>1,677</b>
<b>Net carried value on 31.12.2021</b>	<b>88</b>	<b>88</b>
<b>Net carried value on 30.6.2022</b>	<b>93</b>	<b>93</b>

GROUP AND COMPANY		
	Software Applications	Total
<b><u>Acquisition or valuation value</u></b>		
<b>Balance on 1.1.2021</b>	1,723	1,723
<b>Additions 1.1 - 31.12.2021</b>	16	16
<b>Total on 31.12.2021</b>	<b>1,739</b>	<b>1,739</b>
<b><u>Accumulated depreciation</u></b>		
<b>Balance on 1.1.2021</b>	1,568	1,568
<b>Depreciation of period 1.1 - 31.12.2021</b>	82	82
<b>Total on 31.12.2021</b>	<b>1,651</b>	<b>1,651</b>
<b>Net carried value on 31.12.2020</b>	<b>155</b>	<b>155</b>
<b>Net carried value on 31.12.2021</b>	<b>88</b>	<b>88</b>

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

## 6. RIGHT-OF-USE ASSETS

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

GROUP AND COMPANY		
	Buildings and building facilities	Total
<b><u>Recognition value</u></b>		
<b>Balance on 1.1.2022</b>	3,004	3,004
<b>Total on 30.6.2022</b>	<b>3,004</b>	<b>3,004</b>
<b><u>Accumulated depreciation</u></b>		
<b>Balance on 1.1.2022</b>	1,261	1,261
<b>Depreciation of period 1.1 - 30.6.2022</b>	318	318
<b>Total on 30.6.2022</b>	<b>1,579</b>	<b>1,579</b>
<b>Net carried value on 30.6.2022</b>	<b>1,426</b>	<b>1,426</b>
GROUP AND COMPANY		

**Recognition value****Balance on 1.1.2021**

Additions 1.1 - 31.12.2021

Settlements 1.1 - 31.12.2021

**Total on 31.12.2021****Accumulated depreciation****Balance on 1.1.2021**

Depreciation of period 1.1 - 31.12.2021

**Total on 31.12.2021****Net carried value on 31.12.2021**

Buildings and building facilities	Total
1,396	1,396
1,605	1,605
4	4
3,004	3,004
706	706
555	555
1,261	1,261
1,743	1,743

**7. PARTICIPATIONS IN SUBSIDIARIES**

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

	30-Jun-22	31-Dec-21
<b>Opening balance</b>	60	60
Share capital increase in holdings	1,000	-
	1,060	60
<b>Closing balance</b>	1,060	60

At the Extraordinary General Meeting of EYATH SERVICES S.A. which met on 11.2.2022 it was decided to increase the company's share capital by one million euro (€ 1,000,000.00) by issuing two million (2,000,000.00) new shares with a nominal value of fifty cents (€ 0.50) each and to amend Article 5 of the Articles of Association to finance RES investment plans and cover the cost of the subsidiary's participation in the Havrias River PPP tender procedure.

**8. INVENTORIES**

Group and Company inventories can be broken down as follows:

	GROUP AND COMPANY	
	30-Jun-22	31-Dec-21
Raw direct and indirect materials - consumables - spare parts	1,766	1,855
Impairment of inventories	(35)	(35)
<b>Total after impairment</b>	1,731	1,820

There is an impairment provision of € 35 on the Group's inventories (2021: €35). There are no pledges on the Group's inventories.

**9. TRADE AND OTHER RECEIVABLES**

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

	THE GROUP		THE COMPANY	
	30-Jun-22	31-Dec-21	30-Jun-22	31-Dec-21
Trade receivables	42,029	42,980	42,029	42,935
Doubtful – bad customers and debtors	39,931	38,116	39,916	38,100
Contractual assets	11,903	13,309	11,903	13,309
Non-current receivables from currently earned income	806	806	806	806
	<b>94,670</b>	<b>95,211</b>	<b>94,654</b>	<b>95,151</b>
Less: Provision for bad debt	(39,931)	(38,116)	(39,916)	(38,100)
<b>Total trade receivables and contractual assets</b>	<b>54,738</b>	<b>57,095</b>	<b>54,738</b>	<b>57,050</b>

The “contractual assets” account 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 2022 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.

16.34% 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 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.

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

	THE GROUP		THE COMPANY	
	30-Jun-22	31-Dec-21	30-Jun-22	31-Dec-21
Loans and other receivables from staff	241	478	241	478
Short-term receivables from related parties	-	-	24	25
Sundry debtors	1,867	2,416	1,867	2,415
Advances and credit control account	110	110	110	110



Prepaid expenses	401	105	401	105
Non-current receivables from currently earned income	1,135	932	1,135	932
Greek State - Other Receivables	135	147	63	86
	<b>3,888</b>	<b>4,188</b>	<b>3,840</b>	<b>4,151</b>
Less: Provision for bad debt	(796)	(851)	(796)	(851)
<b>Total other receivables</b>	<b>3,093</b>	<b>3,337</b>	<b>3,044</b>	<b>3,300</b>

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

The advances and credit management account on 30.6.2022 mainly included receivables-bills for payment of the Company's associates.

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

The change in the provision for impairment of trade receivables and other bad debt can be broken down as follows:

	THE GROUP		THE COMPANY	
	30-Jun-22	31-Dec-21	30-Jun-22	31-Dec-21
Opening balance	38,967	35,028	38,951	35,028
Provisions (expenses) for current period	2,843	4,920	2,843	4,905
Provisions used in the current period	(1,082)	(982)	(1,082)	(982)
Closing balance	<b>40,727</b>	<b>38,967</b>	<b>40,712</b>	<b>38,951</b>

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.

## 10. CASH AND CASH EQUIVALENTS

	THE GROUP		THE COMPANY	
	30-Jun-22	31-Dec-21	30-Jun-22	31-Dec-21
Cash	4	2	4	2
Sight Deposits	79,077	80,302	77,879	80,017
Time deposits	12,000	11,000	12,000	11,000
<b>Total</b>	<b>91,081</b>	<b>91,305</b>	<b>89,882</b>	<b>91,019</b>

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

All sight and time deposits are deposited with Greek banks.

**11. SHARE CAPITAL**

The Company/Group's share capital can be broken down as follows. All amounts are in € apart from the number of shares.

	30-Jun-22	31-Dec-21
Number of registered shares	36,300,000	36,300,000
Nominal value per share (in Euro)	1.12	1.12
<b>Nominal value</b>	<b>40,656,000</b>	<b>40,656,000</b>
<b>Premium on capital stock</b>	<b>2,829,985</b>	<b>2,829,985</b>

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

According to the Company's Shareholder Registry, on 30/06/2022, shareholders with a significant participation percentage in the Company were:

SHAREHOLDER	Number of shares held	Holding on 30.6.2022
HCAP	18,150,001	50.00% +1
HRADF	8,717,999	24.02%
SUEZ GROUPE	1,982,870	5.46%
Other shareholders	7,449,130	20.52%
<b>Total</b>	<b>36,300,000</b>	<b>100.00%</b>

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

1. Revoke Interministerial Committee for Restructuring and Privatisation decision No. 195/27.10.2011 (Government Gazette 754/B) to the extent that it transferred 14,520,000 shares in EYATH 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 Greek State transferred free of charge 18,150,001 shares in EYATH S.A. to HCAP, in accordance with Article 380(20) of Law 4512/2018 as

amended by Article 197(1) of Law 4389/2016. That transfer is effective from 1.1.2018. HCAP directly holds 50% + 1 share in EYATH and via HRADF indirectly holds 24.02%, which directly holds 24.02%. HCAP's voting rights account for 74.02% of the capital.

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

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

## 12. PROVISIONS FOR EMPLOYEE BENEFITS

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

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

	GROUP AND COMPANY	
	30/06/2022	30/06/2021
Payroll expenses	5,486	5,127
Employer contributions	1,255	1,191
Other benefits and staff expenses	159	163
Personnel dismissal and retirement compensation provision	57	46
<b>Total cost</b>	<b>6,956</b>	<b>6,528</b>
<b>Number of employees</b>	<b>317</b>	<b>326</b>

Provisions for employee benefits recognised in the interim condensed statement of financial position are as follows:

	GROUP AND COMPANY	
	30-Jun-22	31-Dec-21
Current value of non-financed liabilities	1,240	1,265
<b>Net liability recognised in balance sheet</b>	<b>1,240</b>	<b>1,265</b>

The Group's and Company's obligation to pay compensation to its staff leaving due to retirement is reduced based on an actuarial study which is prepared by an independent company of certified actuaries. The change in the account during the current period is primarily due to the benefit arising from departures for which a provision had been made in a previous year.

**13. PROVISIONS FOR CONTINGENCIES AND EXPENSES**

An additional provision of € 196 covers contingent liabilities that may arise during the settlement of litigation with third parties and Company staff.

Income from unused provisions worth € (70) relates to existing provisions for litigation which are reversed due to finality in favour of the Company.

Group and Company provisions can be broken down as follows:

Long-term provisions	GROUP AND COMPANY		
	Pending litigation	Provisions for contingencies & expenses	Total
<b>1 January 2022</b>	<b>1,439</b>	<b>164</b>	<b>1,603</b>
Additional provisions for year	196	-	196
Income from unused provisions	(70)	(0)	(70)
Provisions used/reversal of provisions for the period	-	(164)	(164)
<b>30 June 2022</b>	<b>1,565</b>	<b>0</b>	<b>1,565</b>

Long-term provisions	GROUP AND COMPANY		
	Pending litigation	Provisions for contingencies & expenses	Total
<b>1 January 2021</b>	<b>3,075</b>	<b>489</b>	<b>3,564</b>
Additional provisions for year	130	110	240
Income from unused provisions	(1,194)	-	(1,194)
Provisions used/reversal of provisions for the period	(572)	(435)	(1,007)
<b>31 December 2021</b>	<b>1,439</b>	<b>164</b>	<b>1,603</b>

**14. TRADE AND OTHER LIABILITIES**

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

	THE GROUP		THE COMPANY	
	30-Jun-22	31-Dec-21	30-Jun-22	31-Dec-21
Suppliers	10,549	11,145	10,524	11,055
Cheques payable	2	23	2	23
Other Taxes - Duties	1,051	863	1,051	862
Insurance and pension fund dues	520	564	520	563
Liabilities to related parties	-	2	-	-
Accrued expenses	3,707	3,982	3,695	3,949
Sundry creditors	1,704	954	1,703	954
<b>Total</b>	<b>17,534</b>	<b>17,533</b>	<b>17,495</b>	<b>17,407</b>

**15. LEASE LIABILITIES**

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

	GROUP AND COMPANY
<b>Adjusted balance of lease liabilities as at 1.1.2022</b>	<b>1,487</b>
Of which:	
Long-term lease liabilities	859
Short-term lease liabilities	628
<b>Lease liabilities as at 1.1.2022</b>	<b>1,487</b>
Lease repayments	(423)
Financial cost for period	24
<b>Lease liabilities as at 30.6.2022</b>	<b>1,089</b>
Of which:	
Long-term lease liabilities	537
Short-term lease liabilities	552
<b>Lease liabilities as at 30.6.2022</b>	<b>1,089</b>

	GROUP AND COMPANY
<b>Adjusted balance of lease liabilities as at 1.1.2021</b>	<b>438</b>
Of which:	
Long-term lease liabilities	266
Short-term lease liabilities	172
<b>Lease liabilities as at 1.1.2021</b>	<b>438</b>
Liabilities from new contracts	1,304
Conversions / remeasurements	4
Lease repayments	(307)
Financial cost for period	49
<b>Lease liabilities as at 31.12.2021</b>	<b>1,487</b>
Of which:	
Long-term lease liabilities	859
Short-term lease liabilities	628
<b>Lease liabilities as at 31.12.2021</b>	<b>1,487</b>

**16. SHORT-TERM TAX LIABILITIES**

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

	THE GROUP		THE COMPANY	
	30-Jun-22	31-Dec-21	30-Jun-22	31-Dec-21
Income tax	667	307	666	306
	<b>667</b>	<b>307</b>	<b>666</b>	<b>306</b>

**17. INCOME TAX**

The tax burden on the results was as follows:

	THE GROUP		THE COMPANY	
	01/01-30/06/2022	01/01-30/06/2021	01/01-30/06/2022	01/01-30/06/2021
Income tax	491	2,192	491	2,186
Deferred tax	64	333	64	333
<b>Total</b>	<b>555</b>	<b>2,525</b>	<b>555</b>	<b>2,519</b>

Income tax for the period is calculated based on the applicable tax rates.

International Accounting Standard 12 "Income Taxes" states that deferred tax assets and liabilities are calculated, without discounting, at the tax rates that are expected to be applied during the period when the asset is realised or the liability is settled, provided that they have been adopted or effectively adopted on the reporting date.

During the current and comparator period, income tax and deferred tax have been calculated using the income tax rate of 22%.

Deferred tax assets and liabilities are offset when there is an applicable legal right to offset the current tax assets against current tax liabilities and when the deferred income tax relates to the same taxation authority.

The net deferred tax asset recognised by the Group and the Company can be broken down as follows:

	GROUP AND COMPANY	
	30-Jun-22	31-Dec-21
<b>Opening balance</b>	<b>3,377</b>	<b>3,831</b>
Tax on income/equity	(64)	(454)
<b>Closing balance</b>	<b>3,313</b>	<b>3,377</b>

The changes in deferred tax assets and liabilities during the period, without taking into account the offsetting of balances within the same tax authority, are as follows:

As at 31/12/2021	Credits (Debits) in	As at 30/06/2022
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**Deferred tax liabilities**

Adjustment of fixed asset subsidies

	results	
(1,323)	47	(1,276)
(1,323)	47	(1,276)

**Deferred tax assets**

Depreciation on tangible assets  
De-recognition of depreciation on capital expenditure  
and adjustment in depreciation for intangible assets  
Adjustment of value of receivable accounts  
Provisions for contingencies - other provisions  
Personnel dismissal and retirement compensation  
provision  
Impact of adopting IFRS 16

2,871	64	2,935
615	(9)	606
604	34	638
(45)	(67)	(112)
278	(6)	273
378	(127)	250
4,700	(111)	4,589

**Net deferred tax assets in the statement of financial position**

<b>3,377</b>	<b>(64)</b>	<b>3,313</b>
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**Presentation in statement of financial position**

Deferred tax assets (net)

3,377	3,313
<b>3,377</b>	<b>3,313</b>

**18. EARNINGS PER SHARE**

Basic earnings per share were calculated as follows:

	THE GROUP		THE COMPANY	
	01/01- 30/06/2022	01/01- 30/06/2021	01/01- 30/06/2022	01/01- 30/06/2021
<b>Net profits payable to the Company's ordinary shareholders</b>	<b>9</b>	<b>5,935</b>	<b>38</b>	<b>5,916</b>
Average weighted number of shares in circulation	36,300,000	36,300,000	36,300,000	36,300,000
Less: Weighted average number of own shares				
Total average weighted number of shares in circulation	<b>36,300,000</b>	<b>36,300,000</b>	<b>36,300,000</b>	<b>36,300,000</b>
<b>Basic earnings (losses) per share (in euro)</b>	<b>0.0002</b>	<b>0.1635</b>	<b>0.0010</b>	<b>0.1630</b>

**19. DIVIDENDS**

On 8.9.2022 the General Meeting approved distribution of a dividend of € 0.2186/share which stood at € 7,935 for 2021 compared to € 8,095 for the previous period for all 36,300,000 shares.

The balance of dividends payable to the Group and Company on 30.6.2022 was € 32 (31.12.2021: € 40) and relates to undrawn dividends from previous years from beneficiaries to which the 5-year statute-barring period applies in implementation of the provisions of Article 1 of Legislative Decree 1195/1942.

**20. 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 presented below were entered into at arm's length and in the context of its usual business activity. Transactions with related parties from the start of the period and the receivables and liabilities balances at the end of the current period which have arisen from transactions with related parties are broken down in the following tables:

	THE GROUP		THE COMPANY	
	01/01- 30/06/2022	01/01- 30/06/2021	01/01- 30/06/2022	01/01- 30/06/2021
Income from other related parties consolidated along with HCAP S.A.	72	77	72	77
Expenses to other related parties consolidated along with HCAP S.A.	12,360	6,078	12,360	6,078
Transactions with and fees for executives and board members	516	495	514	495

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

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

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

	THE GROUP		THE COMPANY	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
Receivables from subsidiary	-	-	24	25
Receivables from other related parties consolidated along with HCAP S.A.	656	610	656	610
Liabilities to other related parties consolidated along with HCAP S.A.	3,943	4,578	3,943	4,578
Receivables from management executives and board members	6	8	6	8
Liabilities to management executives and board members	16	7	15	5

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

Receivables from other related parties consolidated along with HCAP S.A. of € 656 primarily relate to invoiced income from providing water supply and sewerage services and prepaid property rental expenses. Liabilities to other related parties consolidated along with HCAP S.A. of € 3,943 relate to accrued expenses from services received.

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

## 21. COMMITMENTS FROM CONTINGENT LIABILITIES

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

On 30.6.2022 there were lawsuits, extrajudicial invitations and in general future claims of a total amount of € 47 million (31.12.2021: € 46 million) against the Group, for which a provision of € 1.6 million



approximately had been formed, which is included in the long-term liabilities account "Provisions for contingencies and expenses" (see note 13).

Of those lawsuits, the sum of € 11 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 Company's and Group's legal department estimates that other than the provision formed there will be no other cases whose outcome in court will significantly affect the Company's and Group's assets and operation.

### 21.2 Other contingent liabilities

On 30.6.2022 the Group had provided performance bonds for project contracts worth a total of € 668 (31.12.2021: € 514) which primarily relate to guarantee letters to the Strategic Planning, Projects and Development Division.

### 21.3 Open tax periods

#### Tax Compliance Report

For the years 2011 to 2021, 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 2011-2020, audit reports were issued with an unqualified opinion for the Company and its subsidiary, while there were no tax liabilities other than those recorded and presented in the separate and consolidated financial statements.

For the year 2021, the Tax Compliance Reports are expected to be provided after the publication of the interim condensed financial statements for the 1.1.2022 - 30.6.2022 period. After the completion of the tax audit, the Management of the Company and the Group does not anticipate any additional tax liabilities that will have a material effect, other than those recorded in the separate and consolidated financial statements.

#### Open tax periods

Note that based on their judgments in similar cases (see Council of State Judgments No. 1738/2017, 675/2017 and Athens 3-member Administrative Court of Appeal Judgment No. 1490/2016) the Administrative Courts have ruled that 2015 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 2016-2021 for which the audit in the context of the annual tax certificate is optional and the 18-month deadlines for carrying out random tax audits have been repealed.

## 22. NUMBER OF STAFF EMPLOYED

The number of staff employed by the Group and Company at the end of the current period was 317, compared to 326 at the end of the previous period.

## 23. 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.

## 24. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

### *Decision of the CoS on the Shareholding Composition of EYATH S.A.*

Judgment No. 191/2022 of the Plenary Session of the Council of State, published on 4.2.2022, held that the transfer under Law 4389/2016 by the State to HCAP S.A. of more than 50% of the share capital of EYATH S.A. is contrary to the provisions of Article 5(5) and 21(3) of the Constitution which state that the provision of water supply and sewerage services to the population of the wider Thessaloniki area is not an activity integral to the core of state power and that under current conditions, namely under conditions where those services are provided on a monopolistic basis, it is constitutionally necessary for EYATH S.A. to be controlled by the Greek State, not simply by the exercising supervision over it but via its share capital. Although the State is the sole shareholder of HCAP S.A. (the shareholder hereinafter of EYATH S.A.) it does not exercise control over the Board of Directors of HCAP and consequently the constitutional condition which requires EYATH S.A. to be controlled by the Greek State, not just by exercising supervision over it but also via its share capital, is not met, and in addition HCAP S.A., a body governed by private law which intervenes between the State and EYATH S.A., seeks above all to achieve cash flow and money saving objectives and has been organised and is run in such a way as to achieve those objectives.

Articles 114 and 115 of Law 4694/2022, published on 30.7.2022, enacted in implementation of that Council of State judgment, made the transfer of 50%+1 shares by the Greek State to HCAP valid and effective and provided for checks and balances on constitutional security so that: a) HCAP's decisions must be taken exclusively by the Greek State as the sole shareholder in HCAP and b) HCAP as a shareholder and the management team of EYATH S.A. have a duty to constantly provide high quality water supply and sewerage services to society as a whole.

### *Annual General Meeting of Shareholders*

The Annual Ordinary General Meeting of Shareholders held on 8.9.2022 approved the following items by a majority:

- Approval of the Annual Financial Report and the Consolidated Financial Statements of the Group prepared in accordance with the International Financial Reporting Standards (IFRS) for the 21<sup>st</sup> accounting period (1.1.2021 - 31.12.2021) and the Management Reports of the Board of Directors and the Independent Certified Public Accountant thereon.
- Approval of overall management of the Board of Directors for the accounting period 1.1.2021 - 31.12.2021 in accordance with Article 108 of Law 4548/2018 and release of auditors from liability in accordance with Article 117(1)(c) of Law 4548/2018.
- Approval of distribution of profits and distribution of dividends from profits for 2021 to company shareholders.
- Discussion on the Remuneration Report of the Remuneration and Nominations Committee in accordance with Article 112(3) and approval of the remuneration and compensation paid to the members of the Board of Directors for the accounting period 1.1.2021 - 31.12.2021 in accordance with the Company's Remuneration Policy and the Remuneration Report.
- Selection of Auditing Firm and approval of its fee for the auditing of the Annual Financial Statements, the Report on Review of the Interim Condensed Six-Month Financial Statements and issuing of a Tax Certificate, for the accounting period 1.1.2022 - 31.12.2022.
- Approval of amendments to the Company's Articles of Association to further bring them into line with Law 4548/2018 and Law 4706/2020 and addition of activities to Article 4 (Scope).
- Approval of revision of the Remuneration Policy under Article 111 of Law 4548/2018.

- Announcement of election by the Board of Mr. Dimitrios Konstantakopoulos as a non-executive member of the Board of Directors to replace Mr. Georgios Satlas, who had resigned.
- Authorising the members of the Board of Directors of the Company and the executives of the Company's Divisions to participate in the Boards of Directors or in the management of other related parties in accordance with IAS 24, and legal persons controlled by them in accordance with IAS 24.
- Approval of the type of Company Audit Committee in accordance with Article 44 of Law 4449/2017, as in force, and appointment of members where an independent committee is approved.

As far as the revision of the Remuneration Policy (item 7) is concerned, the Chairman of the General Meeting proposed to shareholders that the discussion of this item be postponed to the next meeting of the General Meeting and that the proposal for postponement was put to a vote.

The General Meeting unanimously decided not to discuss or take decision on this item.

### **Smart water meters**

On 26.8.2022 a tender procedure was published relating to the supply, installation, commissioning and operation of household water meters in EYATH S.A.'s territorial remit, which provides for the supply and installation of 100,000 digital water meters with an option for another 100,000. This involves replacing part of the company's old technology metering equipment with new technology water meters without any moving parts (smart water meters).

The tender amount is € 21.1 million approx (VAT and options excl.) but the options could bring the figure to € 49.6 million (VAT excl.). The project's effective term is 5 years from the contract signing date, with the Awarding Body's option to extend it for a further 2 years. The cost of replacing the water meters alone will be € 17 million.

Modernising the water meters and replacing them with 'smart' water meters is key to shaping Thessaloniki's new 'smart' water supply map and will be combined with a series of other investments in projects to change the water supply network in the wider urban area of Thessaloniki. Among other things, the main water supply zones for the tanks will be redefined, new zones will be created for new tanks which will be built and equipment and monitoring devices will be installed for the operation of the facilities. This will further reduce non-revenue water and will save additional water resources. At the same time, in addition to optimal water management, smart water meters will also contribute to achieving major energy savings since pumping stations will consume energy based on their actual needs.

Thessaloniki, 28 September 2022

Agis Papadopoulos

Anthimos Amanatidis

Dimitrios Alexandris



30 June  
2022

**SIX-MONTH FINANCIAL REPORT**  
for the six-month period ended on 30 June 2022  
*(amounts in thousands of euro)*

Chairman of the Board of  
Directors

CEO

CFO

ID Card No. AN 201633

ID Card No. AE 125155

ID Card No. AZ 683204

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