

Athens, September 28, 2023

### **Turnover €162.8 million - EBITDA €19.2 million**

Turnover slightly down 0.7% - Adjusted EBITDA up 5% to €21.5m despite lower consumption

- Stabilization of electricity costs at 17.6 million euros and an estimate for a reduction on an annual basis.
- Increase in the absorption of the investment program by 51.1% compared to the 1st Semester of 2022.

EYDAP continues to give priority to the implementation of its investment plan, which guarantees a sustainable development and protects the right of access of the residents of Attica to the vital water supply and sewerage services. The Company in the first half of 2023 managed to stabilize energy costs and continue supporting its consumers through low tariffs.

The Company's turnover amounted to €162.8 million from €163.9 million in the first half of 2022, showing a slight decrease of 0.7%, as a consequence of the decrease in consumption.

The total consumption of the first half of 2023 showed a decrease of -3.4% compared to the corresponding period last year. The limited volume of consumption was a result of the energy crisis and the general ambiance that prevailed, along with the lower temperatures. It is noted that consumption until now has increased by 0.2% compared to last year.

The Company's total operating costs increased by 10.2% or +€15.2 million and amounted to €163.7 million, mainly due to the €16.3 million increase in various provisions which amounted to €2.3 million from -€13.9 million in the first half of 2022, increased by 117%.

Without the increase in provisions (disputed cases from the outcome of court claims in the corresponding period of the previous year and impairment of financial assets mainly from the increase in the balance of Municipalities) operating costs would have shown a decrease of approximately €1 million (0.73%). It should be noted that within the 3rd quarter of 2023, decisions were issued for a grant to the Municipalities for the payment of their obligations by the Ministry of the Interior and the Company has so far collected the amount of approximately 5.8 million euros. In addition, over the last four years, the total of disputed claims has decreased from €269 million to €141 million and the related provisions have decreased from €55 million to €40 million.

However, it should be noted that the high level of operating costs in 2022 and the first half of 2023 are also due to the increase in energy costs as in the five-year period 2019-2023 the cost of electricity has more than doubled from €8.4 million in the first half of 2019 to €17.6 million in the first half of 2023. It is known that the tariffs did not increase and the Company fully absorbed the additional costs in order not to burden the consumers.

EBITDA\* fell by -44% or -€15.3 million to €19.2 million from €34.5 million in the first half of 2022, while EBITDA margin\* decreased to 11.8% from 21.1% in the first half of 2022.

However, it is pointed out that if the various provisions mentioned above (-13.9 in the 1st half of 2022 and +2.3 in the corresponding 2023) are subtracted from EBITDA then the adjusted EBITDA would have shown an increase of 0.9 million € or +5% and would have amounted to 21.5 million € from 20.5 million € in the 1st half of 2022.

Indicative of the effect of the increased cost of electricity is the fact that, compared to the corresponding half of 2019, the reduction of EBITDA by €22.0 million corresponds by 42% to the cost of electricity, while a significant part of the costs that affected also the EBITDA relates to the development of the Company (18% fees and expenses of third parties and 18% in fees and expenses of personnel).

Similarly, there was a decline in EBIT\* which amounted to -0.3 million € from €15 million in the first half of 2022. The EBIT margin\* stood at -0.2% from 9.1% in the first half of 2022.

During the first half of 2023, pre-tax profits amounted to €1.9 million from €20.3 million in the first half of 2022.

Profit after tax decreased to €0.7 thousand from €16.7 million in the first half of 2022, showing a decrease of -96%. Net profit margin stood at 0.4% from 10.2% in the first half of 2022.

### **Project Investment Program**

In the first half of 2023 the absorption of the investment program amounted to 21.1 million euros, increased by 51.5% compared to the absorption of the first half of 2022 which had amounted to 13.9 million euros and increased by 122.7% from the absorption of the corresponding period of 2021 which amounted to 9.5 million euros. The main volume of the investment program concerns the large sewerage projects in eastern Attica, but also projects of the water supply network (installation of new services, water supply network works, extensions, improvements and replacements) and of the sewerage network (construction of house connections & secondary sewerage network, reconstruction of pipelines).

### **Signing of an Addendum between EYDAP, the Greek State, and "EYDAP Fixed Assets Company"**

In June 2023, the tripartite signing of an Addendum to the Contract between the Greek State, the "EYDAP Fixed Assets Company" and "EYDAP S.A." was successfully completed. The object of the agreement is the execution of works on the closed Joint Aqueduct of Mornos-Marathon, Section Klidi - Dafnoula. This agreement promotes the implementation of an important project for the upgrading of the external water supply system of Attica.

### **Effects of geopolitical and energy crisis**

The geopolitical crisis, combined with the energy crisis, has led to a further increase in energy costs, which has dragged the market into price increases. According to the published data of the Hellenic Statistics Company, the average CPI for the twelve months July 2022 - June 2023, compared to the corresponding Index for the twelve months July 2021 - June 2022, showed an increase of 7.0% compared to an increase of 6.2% that occurred during the corresponding period comparison of the twelve months of July 2021 - June 2022. The consequence of the above is the burden on the family and business budget, but this fact has not affected the pace of the Company's collections. An important role in the steady flow of collections is played, in addition to the company's policy, by the financial invoice, but also by the positive image of the Company to the consumer public. However, the volume of consumption has been affected, especially in the general tariff

that concerns domestic consumers due to the change in consumption habits to save energy (washing machines, water heaters, etc.).

The increase in prices has caused delays and difficulties in some of the Company's projects as the prices of the materials, and therefore the initial budgets of the projects, have increased between the time of the submission of the offer by the contractor and the execution of the project. With reference to the ongoing contracts, requests have been submitted by contractors amounting to €3,377,440.58 plus VAT, mainly on the basis of the relevant HSPPA document No. 2040/13.04.2022 with Subject: "Clarifications regarding price increases and problems in the supply chain due to the energy crisis, the crisis in Ukraine and the ongoing consequences of COVID-19 ».

In the first half of 2023, the cost of electricity remained stable compared to the corresponding half of 2022, at 17.6 million euros from 17.9 million euros in the corresponding period of 2022. It is estimated that the cost of electricity will be reduced on an annual basis. The cost of supplied natural gas showed a significant drop of 75.9% from 460 thousand euros to 111 thousand euros, mainly due to the upgrade and installation of burners for the use of biogas at the Drying plant in Psyttalia as part of the Company's strategy to integrate the principles of circular economy.

After the continuous revaluations of electricity prices, and to reduce operating costs, EYDAP S.A. has undertaken actions to mitigate this risk, such as the electricity supplier tender to reduce supply costs, which is in the process of being awarded, and the tenders for the creation of PV plants with energy offsets to reduce overall electricity consumption energy. In addition, as part of investments in Psyttalia, the annual supply of electricity was reduced by 17.83%, while a further reduction in energy costs is expected at the second largest Wastewater Treatment Center in Europe.

The Company will continue in the second half of 2023 the effort to rationalize operating costs with an emphasis on energy costs, the acceleration of the implementation of the investment program focusing on the projects of Eastern Attica and the projects to reduce the priceless water that will improve the environmental footprint, the improvement of the services provided, the expansion of the activities and the customer base.

The CEO of the Company, Harry Sachinis, commenting on the financial results of 2022, stated:

"During the first half of 2023, EYDAP, despite the inflationary pressures that directly and indirectly affected its results, insisted on its strategy and investment program that will ensure its sustainability and the quality of life of the residents of Attica. 2023 is a transition year until the implementation of the new Regulatory Framework which, based on the Regulated Asset Base, will provide predictability and stability to income and recovery of amounts. EYDAP's goal is to strengthen its resilience, in order to continue offering high-level services at low costs."

The Semi-Annual Financial Report and the Data and Information of Use A for the 2023 semester are posted on the corporate website [www.eydap.gr](http://www.eydap.gr)

\* Alternative performance metric. See Alternative Performance Indicators section in the 2023 half-yearly financial report posted on the corporate website [www.eydap.gr](http://www.eydap.gr). The financial figures mentioned in the announcement refer to the Company unless otherwise stated