

## OTE GROUP REPORTS 2021 FIRST QUARTER RESULTS

### Highlights:

- Further momentum in Greece:
  - Strong top line, with revenues up 1.4% over Q1'20 pre-pandemic levels
  - Positive mobile service revenues trajectory, up 1% excluding MTR cuts and roaming
  - Record fiber additions, fueling broadband growth
  - Solid profitability, Adj. EBITDA (AL) up 3.5%
- Group Adj. EBITDA (AL) up 1.6%, driven by robust Greece performance
- On track for €480mn shareholder return in 2021; €0.68/share dividend payable in July

(€ mn)	Q1'21	Q1'20	Change
Revenues	787.9	797.3	-1.2%
Adjusted EBITDA After Lease (AL)	301.2	296.5	+1.6%
<i>Margin %</i>	<i>38.2%</i>	<i>37.2%</i>	<i>+1.0pp</i>
Operating profit before financial and investing activities	158.8	152.9	+3.9%
Profit to owners of the parent	101.4	96.6	+5.0%
Adj. Profit to owners of the parent	101.4	96.9	+4.6%
Basic EPS (€)	0.2211	0.2055	+7.6%
Adjusted Capex	99.9	151.2	-33.9%
Adjusted Free Cash Flow After Lease (AL)	162.8	107.7	+51.2%
Free Cash Flow After Lease (AL)	116.5	106.5	+9.4%
Free Cash Flow of Discontinued operations After Lease (AL)	9.1	23.9	-61.9%
Cash & Other financial assets	608.4	1,109.3	-45.2%
Adjusted Net Debt (excluding leases)	578.4	540.8	+7.0%
Adjusted Net Debt	925.3	930.0	-0.5%

*Note: The purpose and calculations of all 'Adjusted' data are detailed in the Alternative Performance Measures Section.*

*Note: All figures (apart from Balance Sheet ) adjusted to reflect only continuing operations; Telekom Romania (TKR) operations along with certain significant commercial transactions (MVNO agreement and handset sales) between TKR and Telekom Romania Mobile (TKRM) have been classified as held for sale and have been treated as discontinued operations.*

### ATHENS, Greece – May 12, 2021 – Hellenic Telecommunications Organization SA

(ASE: HTO; OTC MARKET: HLTOY), the Greek full-service telecommunications provider, announced today consolidated results (prepared under IFRS) for the first quarter of 2021.

#### Message from the Chairman & CEO, Michael Tsamaz:

"We are pleased to deliver a very solid start to the year. While we were running against a strong first quarter 2020 that was still largely unscathed by the pandemic, we managed to increase revenues in Greece, and actually improved our EBITDA and margin. OTE is back on the growth track, supported by continuing demand for our services, our technological lead, and our cost efficiencies."

"2021 will be a pivotal year for the Greek economy, as the country emerges from the crisis by investing strategically in the modernization of its public and private infrastructure, and in the digitization of its processes across the board. OTE is more than ever ready to contribute to this transformation, having made significant headway in its own mutation and reinforced its organization. We are confident that we will continue to build on this strong early performance and achieve a solid 2021 for the benefit of our customers, employees, shareholders and the Greek economy and society."



## Outlook

For the balance of 2021, as the negative impact of the pandemic gradually subsides following the removal of restrictions on mobility, the upcoming reopening of the country to international tourism, and the growing penetration of vaccination, OTE Group expects a progressive return to better operating conditions and revenue recovery.

The Company remains vigilant and continues to implement stringent cost-containment measures across all areas, to support its profitability and cash flow generation, while continuing to invest in fixed and mobile infrastructure that secures its competitive advantage and future growth. Strengthening its leadership in fiber investments and rapidly deploying its 5G network, OTE also pursues its journey of digitization and transformation, aiming to become even more agile, efficient and customer focused.

For 2021, management expects Adjusted CAPEX of approximately €550mn and Adjusted Free Cash Flow of approximately €575mn. Reported Free Cash Flow should total €480mn, also representing the total Shareholder remuneration amount for 2021 (not including proceeds from the disposal of Telekom Romania operations), a 20% increase compared to the prior year.

## OTE GROUP HIGHLIGHTS

OTE Group consolidated Revenues decreased by 1.2% in the quarter to €787.9mn. In Greece, Revenues were up for a second consecutive quarter to €717.0mn. This represents a year-on-year increase of 1.4% against a quarter that was still largely immune to the COVID-19 pandemic. In Romania, revenues were down 19.9% at €77.2mn in the quarter, partly reflecting an unusually high comparable base deriving from ICT activity in the prior year.

Total Operating Expenses, excluding depreciation, amortization, impairment and charges related to restructuring costs (primarily voluntary leave schemes) and non-recurring litigation, amounted to €468.7mn in Q1'21, down 2.8% compared to Q1'20, reflecting significant savings following the strategic transformation initiatives implemented in 2020 as well as disciplined cost management.

Group Adjusted EBITDA (AL) increased by 1.6% to €301.2mn, yielding an Adjusted EBITDA (AL) margin of 38.2%, up 100bp from the Q1'20 level. In Greece, Adjusted EBITDA (AL) improved significantly, up 3.5%, to €298.3mn, resulting in a strong margin of 41.6%. In Romania, mobile operation recorded an Adjusted EBITDA (AL) of €2.9mn due to pressure on the service revenue line, certain provisions, as well as the ongoing transition to a mobile-only business model, with substantial short-term focus on delivering the separation and securing its future growth and profitability.

Group Operating profit before financial and investing activities amounted to €158.8mn in Q1'21, up 3.9% from Q1'20, mainly reflecting the improved profitability of Greek operations.

The Group recorded an Income Tax charge of €48.5mn in Q1'21, up from €40.0mn in Q1'20, mainly reflecting higher profitability in the quarter. The recently announced reduction in corporate income tax rate has not yet been enacted and is therefore not reflected in these figures.

Adjusted Capital Expenditures amounted to €99.9mn in Q1'21, a drop of 33.9% from Q1'20 mainly reflecting a different cadence in payments related to TV content. Investments in Greece and Romania mobile stood at €86.3mn and €13.6mn, respectively. Growth in Capex is expected to resume in coming quarters.

Group Adjusted Free Cash Flow after leases reached €162.8mn, up €55.1mn compared to Q1'20, mainly reflecting the temporary decrease in Capex in Greece. Free Cash Flow stood at €116.5mn, up €10mn year-on-year, incorporating €42mn payments related to the voluntary exit schemes.

The Group's Adjusted Net Debt stood at €925.3mn as of March 31, 2021, nearly unchanged compared to March 31, 2020. The Group ratio of Adjusted Net Debt to 12-month Adjusted EBITDA (AL) stood at 0.8x.

Revenues (€mn)	Q1 '21	Q1 '20	Change
Greece	717.0	706.8	+1.4%
Romania mobile	77.2	96.4	-19.9%
Eliminations	(6.3)	(5.9)	+6.8%
<b>OTE GROUP</b>	<b>787.9</b>	<b>797.3</b>	<b>-1.2%</b>

Adjusted EBITDA After Lease (AL) (€mn)	Q1 '21	Q1 '20	Change
Greece	298.3	288.3	+3.5%
<i>Margin (%)</i>	<i>41.6%</i>	<i>40.8%</i>	<i>+0.8pp</i>
Romania mobile	2.9	8.2	-64.6%
<i>Margin (%)</i>	<i>3.8%</i>	<i>8.5%</i>	<i>-4.7pp</i>
<b>OTE GROUP</b>	<b>301.2</b>	<b>296.5</b>	<b>+1.6%</b>
<b><i>Margin (%)</i></b>	<b><i>38.2%</i></b>	<b><i>37.2%</i></b>	<b><i>+1.0pp</i></b>

Note: Adjusted EBITDA (AL) is defined as Adjusted EBITDA deducting the Depreciation for the right-of-use assets and Interest expense on leases.

## GREECE

### Operational highlights:

	Q1'21	Q1'20	y-o-y change	y-o-y diff	Q1'21 net adds
Fixed lines access	2,691,592	2,650,863	+1.5%	40,729	7,842
Broadband subscribers	2,175,820	2,036,110	+6.9%	139,710	30,335
<i>of which Fiber service</i>	<i>1,005,132</i>	<i>787,445</i>	<i>+27.6%</i>	<i>217,687</i>	<i>60,044</i>
TV subscribers	577,846	556,696	+3.8%	21,150	2,564
Mobile Subscribers	6,889,268	7,343,419	-6.2%	(454,151)	(69,499)
<i>Postpaid</i>	<i>2,724,937</i>	<i>2,671,518</i>	<i>+2.0%</i>	<i>53,419</i>	<i>10,983</i>
<i>Prepaid</i>	<i>4,164,331</i>	<i>4,671,901</i>	<i>-10.9%</i>	<i>(507,570)</i>	<i>(80,482)</i>

### Fixed Segment:

OTE posted another record quarter of fiber additions, totaling 60k, bringing the total number of fiber subscribers to 1,005k. This increase was fueled by the Company's successful speed-upgrade campaigns and investments, as well as by accelerating demand for higher speeds as a result of mobility restrictions due to the pandemic.

Penetration of fiber broadband service continues to progress, and now accounts for 46% of fixed broadband subscribers, up 8 percentage points year-on-year. Customers continue to switch to higher-speed FTTH offerings, and the share of subscribers using broadband speeds of 100Mbps or more has now reached 17% of all fiber connections, more than twice the proportion one year earlier. Thanks to ongoing upgrades in the speed and quality of its service, OTE's offering is able to sustain its competitiveness and drives broadband revenue growth, offsetting pressure in other fixed segments.

OTE continues the rollout of its FTTH infrastructure in new areas or where it has not been possible to deploy FTTC, as demand for high-speed services is constantly expanding. OTE achieved its ambitious FTTH expansion objective, reaching 340k households in the first quarter of 2021 after passing the 300k milestone at 2020 year end. Increasing availability of fiber services and steadily growing demand for faster speeds support the Group's long-term growth. OTE is rolling out infrastructure enabling speeds of 100Mbps or more in most of the territory, offering the fiber experience to an ever-expanding part of the population and to a far wider base than any of its competitors.

As of March 31, 2021, the total number of TV subscribers was 578k, up 3.8% year on year, recording positive net additions of 3k subscribers in the quarter as OTE continues to leverage its new OTT platform to strengthen its consumer offering.

**Mobile Segment:**

In the first quarter, Cosmote’s mobile customer base stood at 6.9mn customers, a 6.2% decrease compared to Q1’20, entirely due to the prepaid segment, while the postpaid segment continues to grow. This reflects the company’s strategy to migrate prepaid subscribers to postpaid, by offering attractive entry-point postpaid data bundles.

Following the successful 5G launch immediately after the conclusion of spectrum auction late in 2020, the Company announced that its 3G network would be switched off by the end of 2021, in order to re-farm spectrum capacity and increase efficiencies of 4G and 5G network. The Company will continue to focus on growth of data consumption and strengthen its competitive position going forward.

OTE plans to reach 5G population coverage of more than 50% by the end of 2021 and coverage of the nationwide highway system by 2023, while continuing to promote data usage over its superior 4G/4G+ network. As of March 31, 2021, 5G coverage in the country’s two biggest cities, Athens and Thessaloniki, had already exceeded 90% while 5G services were available to 15 more cities.

**Financial highlights:**

<b>(€ mn)</b>	<b>Q1 '21</b>	<b>Q1 '20</b>	<b>Change</b>
<b>Revenues</b>	<b>717.0</b>	<b>706.8</b>	<b>+1.4%</b>
<i>Retail Fixed Services</i>	<i>233.1</i>	<i>234.4</i>	<i>-0.6%</i>
<i>Mobile Service Revenues</i>	<i>221.6</i>	<i>222.4</i>	<i>-0.4%</i>
<i>Wholesale Services</i>	<i>135.9</i>	<i>138.0</i>	<i>-1.5%</i>
<i>Other Revenues</i>	<i>126.4</i>	<i>112.0</i>	<i>+12.9%</i>
<b>Adjusted EBITDA (AL)</b>	<b>298.3</b>	<b>288.3</b>	<b>+3.5%</b>
<b>margin (%)</b>	<b>41.6%</b>	<b>40.8%</b>	<b>+0.8pp</b>

Growth momentum continues in Greece, as OTE posted a total revenue increase of 1.4% to €717.0mn in Q1’21. While much of this increase came from sales of handsets, several revenue streams are clearly stabilizing despite pressure from the health crisis, and the strong momentum in broadband revenues is continuing.

Retail fixed service revenues were down just 0.6% despite pressure on the TV segment resulting from COVID-19 lockdowns. Broadband revenues pursued their positive growth, supported by fiber upselling. Wholesale revenues were down 1.5% in the quarter, mainly due to international transit traffic.

In mobile, service revenues were nearly unchanged in the quarter from the pre COVID-19 levels of Q1’20. Trends improved significantly from prior quarters, mainly driven by the prepaid segment. Outbound roaming, combined with regulatory measures, affected postpaid revenues in the quarter. Mobile service revenues are showing signs of stabilization despite lockdown measures in place during the first quarter. Reflecting ARPU recovery as customers steadily move towards higher bundles, service revenues, excluding MTR cuts and lower roaming, would have increased by approximately 1%.

Other revenues jumped 12.9% in the quarter, mainly reflecting the sharp increase in handset and digital products revenues as customers switch to higher-value products, as well as the impact of shop closures in the latter part of Q1’20. The positive trend in Other revenues is expected to continue following recently launched public initiatives to subsidize tablet and laptop sales for students.

ICT had another positive quarter, posting a 3% revenue increase compared to Q1’20, as OTE leverages its experience in delivering large ICT projects, partnering with businesses and public institutions. OTE also announced that is participating in major technology initiatives on behalf of Europe’s border security agencies

while continuing to expand cloud solutions to enhance productivity and accelerate the digital transformation of businesses.

Total Adjusted EBITDA (AL) in Greece was up 3.5% in the quarter at €298.3mn, yielding a strong margin of 41.6%, compared to 40.8% in Q1'20. Cost savings implemented in 2020 as well as in the current period, are supporting the positive EBITDA (AL) performance.

## ROMANIA

Operational Data	Q1'21	Q1'20	y-o-y change	y-o-y diff	Q1'20 net adds
Mobile Subscribers	3,550,469	3,860,801	-8.0%	(310,332)	(92,851)
<i>Postpaid</i>	1,663,897	1,544,162	+7.8%	119,735	15,992
<i>Prepaid</i>	1,886,572	2,316,639	-18.6%	(430,067)	(108,843)

(€ mn)	Q1'21	Q1'20	Change
<b>Revenues</b>	<b>77.2</b>	<b>96.4</b>	<b>-19.9%</b>
<i>Mobile Service Revenues</i>	54.9	59.3	-7.4%
<i>Other Revenues</i>	22.3	37.1	-39.9%
<b>Adjusted EBITDA (AL)</b>	<b>2.9</b>	<b>8.2</b>	<b>-64.6%</b>
<b>margin (%)</b>	<b>3.8%</b>	<b>8.5%</b>	<b>-4.7pp</b>

Following the agreement to sell Telekom Romania's fixed operations (TKR), announced in early November 2020, Telekom Romania Mobile operations (TKRM), excluding certain commercial transactions between TKR and TKRM (MVNO agreement and handset sales), have been reported separately since Q4'20. TKR, including the FMC operation, is treated as discontinued operation and accounted for as activities held for sale.

In Q1'21, total revenues from Telekom Romania Mobile were down 19.9% from pre-pandemic levels to €77.2mn, largely reflecting the high Q1'20 base of comparison due to certain ICT projects (Wi-Fi in schools). The negative impact of COVID-19 restrictions continued to weigh on TKRM's performance in the quarter.

Mobile service revenues totaled €54.9mn, down 7.4%, mainly due to declining trend in the prepaid segment and lower interconnection revenues resulting from the decrease in traffic. The Company maintained its share of the prepaid market, which continues to shrink across the industry. Postpaid segment continued the positive growth, with total number of postpaid subscribers rose for a fourth consecutive quarter.

The Company posted Q1'21 Adjusted EBITDA After Leases (AL) of €2.9mn, mainly reflecting costs associated with the Company's separation process, as well as certain COVID-19 provisions. Excluding these factors and the impact of the ICT project in Q1'20, Adjusted EBITDA (AL) would have been nearly stable.

## SIGNIFICANT EVENTS OF THE QUARTER

### **Dividend and Share Buyback**

The Board of Directors of OTE will propose to the Company's Annual General Shareholder Meeting on June 9, 2021, the distribution of a dividend of €0.68 per share. The corresponding dividend payout of €313mn represents 65% of the total amount to be allocated under the 2021 Shareholder Remuneration Policy. The remaining amount, of approximately €167mn or 35%, has been allocated to the buyback of Company shares under the existing Share Buyback Program.

The dividend corresponding to treasury shares owned by the Company until the ex-dividend date in the context of Share Buyback Program will increase the amount of the dividend to be paid to other shareholders.

### **Cancellation of Own Shares and Share Buyback Program**

Under the 2020-2022 Program and particularly during the period between March 4, 2020 to January 28, 2021, the Company acquired a total of 11,387,932 own shares at an average price of €12.20 per share. The Extraordinary General Shareholder Meeting of December 4, 2020 approved the cancellation of 9,965,956 own shares acquired during the period between March 4, 2020 to October 31, 2020.

These shares were canceled and delisted from the Athens Stock Exchange (ATHEX) on January 15, 2021, following completion of formalities.

The second year of the Program started on March 5, 2021 under which the Company intends to use approximately €167mn to purchase own shares during the period March 5, 2021, to January 28, 2022. During the period between March 5, 2021 and March 31, 2021, 992,528 own shares were acquired at an average price of €13.26 per share. The Board of Directors of OTE approved the proposal for the cancellation of 3,469,500 own shares to the Company's Annual General Shareholder Meeting on June 9, 2021.

## SUBSEQUENT EVENTS

### **S&P upgrades OTE to "BBB" with stable outlook**

On May 4, 2021, the rating agency Standard & Poor's raised its long-term rating on OTE to "BBB" with stable outlook. The upgrade of OTE follows the recent upgrade of Greece, indicating an improvement in OTE's economic environment and the anticipation that OTE will benefit from Greece recovery over the next two years. The upgrade also reflects OTE's strong credit metrics, including solid balance sheet and resilient cash flow generation.

#### *Note:*

*On February 25, 2021 the Board of Directors of OTE decided to submit a proposal to the Ordinary General Shareholder Meeting, which will take place on June 9, 2021, for the renewal of the engagement of the audit firm PricewaterhouseCoopers S.A. for the statutory audit of fiscal year 2021, revoking its previous decision for the submission of a proposal to the Ordinary General Shareholder Meeting for the engagement of Ernst & Young (Greece) Certified Auditors SA (EY) as the preferred choice for the statutory audit of the fiscal year 2021.*



## About OTE

OTE Group is the largest telecommunications provider in the Greek market and one of the leading telecom groups in Southeast Europe with presence in Greece and Romania. OTE is among the largest listed companies, with respect to market capitalization, in the Athens Stock Exchange.

OTE Group offers the full range of telecommunications services: from fixed-line and mobile telephony, broadband services, to pay television and ICT solutions. In addition to its core telecommunications activities, the Group is also involved in maritime communications, real estate, insurance distribution and professional training.

Additional Information is also available on: <https://www.cosmote.gr>

### Conference Call Details

**Wednesday, May 12, 2021**

5:00pm (EEST), 3:00pm (BST), 4:00pm (CEST), 10:00am (EDT)

Greece	+30 210 9460 800
Germany	+49 (0) 69 2222 4493
UK & International	+ 44 (0) 203 059 5872
USA	+1 516 447 5632

We recommend that you call any of the above numbers 5 to 10 minutes before the conference call is scheduled to start.

### Webcast Details

The conference call will be webcast in real time and you may join by linking at:  
<https://87399.themediaframe.eu/links/otegroup210512.html>

If you experience difficulty, please call + 30 210 9460803.

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**Forward-looking Disclaimer:**

Certain statements in this document constitute forward-looking statements. Such forward looking statements are subject to risks and uncertainties that may cause actual results to differ materially. These risks and uncertainties include, among other factors, changing economic, financial, business or other market conditions. OTE will not update such statements on a regular basis. As a result, you are cautioned not to place any reliance on such forward-looking statements. Nothing in this document should be construed as a profit forecast and no representation is made that any of these statement or forecasts will come to pass. Persons receiving this announcement should not place undue reliance on forward-looking statements and are advised to make their own independent analysis and determination with respect to the forecast periods, which reflect the Group's view only as of the date hereof.

**Exhibits to follow:**

- I. Alternative Performance Measures "APMs"
- II. Consolidated Statements of Financial Position as of March 31, 2021 and December 31, 2020
- III. Consolidated Income Statements for the quarter ended March 31, 2021 and comparative 2020
- IV. Group Revenues for the quarter ended March 31, 2021 and comparative 2020
- V. Consolidated Statement of Cash Flows for the quarter ended March 31, 2021 and comparative 2020



## I. ALTERNATIVE PERFORMANCE MEASURES “APMs”

The Group uses certain Alternative Performance Measures (“APMs”) in making financial, operating and planning decisions as well as in evaluating and reporting its performance. These APMs provide additional insights and understanding to the Group’s underlying operating and financial performance, financial condition and cash flow. The APMs should be read in conjunction with and do not replace by any means the directly reconcilable IFRS line items.

### Definitions and reconciliations of Alternative Performance Measures (“APMs”)

#### Alternative Performance Measures (“APMs”)

In discussing the performance of the Group, Alternative Performance Measures (“APMs”) are used such as: EBITDA and the respective margin %, Net Debt, CapEx and Free Cash Flow. The definitions and the calculations of these are presented in this section below.

Furthermore “Adjusted” measures are used such as: Adjusted EBITDA and the respective margin %, Adjusted Net Debt, Adjusted CapEx and Adjusted Free Cash Flow. These are calculated by deducting from the performance measures deriving from directly reconcilable amounts of the Consolidated Statement of Financial Position (Exhibit II), Consolidated Income Statement (Exhibit III) and Consolidated Statement of Cash Flow (Exhibit V), the impact of costs or payments related to voluntary leave schemes, costs or payments for restructuring plans and non-recurring litigations and Spectrum acquisitions.

#### Costs or payments related to Voluntary Leave Schemes

Costs or payments related to Voluntary Leave Schemes comprise the exit incentives provided to employees and the contributions to the social security fund to exit/retire employees before conventional retirement age. These costs are included within the income statement as well as within the cash flow statement lines “costs related to voluntary leave schemes” and “payment for voluntary leave schemes”. However, they are excluded from the adjusted results in order for the user to obtain a better understanding of the Group’s operating and financial performance achieved from ongoing activity.

#### Costs or payments related to other restructuring plans and non-recurring litigations

Other restructuring costs and non-recurring litigations comprise non-ongoing activity related costs arising from significant changes in the way the Group conducts business and non-recurring legal expenses. These costs are included in the Group’s income statement, while the payment of these expenses is included in the cash flow statement. However, they are excluded from the adjusted results in order for the user to obtain a better understanding of the Group’s operating and financial performance achieved from ongoing activity.

#### Spectrum acquisition payments

Spectrum payments comprise the amounts paid to acquire rights (licenses) through auctions run by the National Regulator to transmit signals over specific bands of the electromagnetic spectrum. As those payments are of significant size and of irregular timing, it is a common industry practice to be excluded for the calculation of the Adjusted Free Cash Flow and Adjusted Capital Expenditure (CapEx) in order to facilitate comparability with industry peers.

#### Net Debt

Net Debt is an APM used by management to evaluate the Group’s capital structure and leverage. Net Debt is defined as short-term borrowings plus long-term borrowings plus short-term portion of long-term borrowings less cash and cash equivalents as illustrated in the table below. Following the adoption of IFRS 16, financial liabilities related to leases are included in the calculation of Net Debt from 2019 onwards.

#### Adjusted Net Debt

Adjusted Net Debt is used by management to evaluate the Group’s capital structure and leverage defined as Net Debt including other financial assets as they are highly liquidity assets. The calculations are described in the table below:

OTE Group - Amounts in € mn	31/03/2021	31/03/2020	Change
Long-term borrowings	963.7	985.2	-2.2%
Short-term portion of long-term borrowings	23.1	664.9	-96.5%
Short-term borrowings	200.0	-	-
Lease liabilities (long-term portion)	283.0	327.3	-13.5%
Lease liabilities (short-term portion)	63.9	61.9	+3.2%
Cash and cash equivalents	(602.8)	(1,104.5)	-45.4%
<b>Net Debt</b>	<b>930.9</b>	<b>934.8</b>	<b>-0.4%</b>
Other financial assets	(5.6)	(4.8)	+16.7%
<b>Adjusted Net Debt</b>	<b>925.3</b>	<b>930.0</b>	<b>-0.5%</b>

### Net Debt & Adjusted Net Debt excluding leases

Net debt and Adjusted Net Debt excluding leases are used by management to evaluate the Group's capital structure and leverage excluding financial liabilities related to leases for comparability purposes with prior years. They are defined as Net Debt and adjusted Net Debt (described above) deducting financial liabilities related to leases as described below:

OTE Group - Amounts in € mn	31/03/2021	31/03/2020	Change
<b>Net Debt</b>	<b>930.9</b>	<b>934.8</b>	<b>-0.4%</b>
Lease liabilities (long-term portion)	(283.0)	(327.3)	-13.5%
Lease liabilities (short-term portion)	(63.9)	(61.9)	+3.2%
<b>Net Debt (excluding leases)</b>	<b>584.0</b>	<b>545.6</b>	<b>+7.0%</b>
Other financial assets	(5.6)	(4.8)	+16.7%
<b>Adjusted Net Debt (excluding leases)</b>	<b>578.4</b>	<b>540.8</b>	<b>+7.0%</b>

### EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization)

EBITDA is intended to provide useful information to analyze the Group's operating performance. EBITDA is defined as total revenues plus other operating income less total operating expenses before depreciation, amortization and impairment, as illustrated in the table below. EBITDA margin (%) is defined as EBITDA divided by total revenues.

### Adjusted EBITDA (Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations)

Adjusted EBITDA is intended to provide useful information to analyze the Group's operating performance excluding the impact of costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations. Adjusted EBITDA is defined as EBITDA adding back costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations, as illustrated in the table below. Adjusted EBITDA margin (%) is defined as Adjusted EBITDA divided by total revenues.

OTE Group - Amounts in € mn	Q1 '21	Q1 '20	Change
Total Revenues	787.9	797.3	-1.2%
Other Operating Income	3.8	3.3	+15.2%
Total operating expenses before depreciation, amortization and impairment	(468.7)	(482.4)	-2.8%
<b>EBITDA</b>	<b>323.0</b>	<b>318.2</b>	<b>+1.5%</b>
<b>margin %</b>	<b>41.0%</b>	<b>39.9%</b>	<b>+1.1pp</b>
Costs related to voluntary leave schemes	-	0.4	-100.0%
Other restructuring and non-recurring litigations	-	-	-
<b>Adjusted EBITDA</b>	<b>323.0</b>	<b>318.6</b>	<b>+1.4%</b>
<b>margin %</b>	<b>41.0%</b>	<b>40.0%</b>	<b>+1.0pp</b>

### EBITDA After Lease (AL) (Earnings before Interest, Taxes, Depreciation and Amortization After Lease)

EBITDA (AL) is intended to provide useful information to analyze the Group's operating performance. EBITDA (AL) is defined as EBITDA deducting the depreciation and interest expense of leases, as illustrated in the table below. EBITDA (AL) margin (%) is defined as EBITDA (AL) divided by total revenues.

### Adjusted EBITDA After Lease (AL) (Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations After Lease)

Adjusted EBITDA (AL) is intended to provide useful information to analyze the Group's operating performance. Adjusted EBITDA (AL) is defined as EBITDA (AL) adding back costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations, as illustrated in the table below. Adjusted EBITDA (AL) margin (%) is defined as Adjusted EBITDA (AL) divided by total revenues.

OTE Group - Amounts in € mn	Q1 '21	Q1 '20	Change
<b>EBITDA</b>	<b>323.0</b>	<b>318.2</b>	<b>+1.5%</b>
<b>margin %</b>	<b>41.0%</b>	<b>39.9%</b>	<b>+1.1pp</b>
Depreciation for the right-of-use assets	-17.3	-17.2	+0.6%
Interest expense on leases	-4.5	-4.9	-8.2%
<b>EBITDA After Lease (AL)</b>	<b>301.2</b>	<b>296.1</b>	<b>+1.7%</b>
<b>margin %</b>	<b>38.2%</b>	<b>37.1%</b>	<b>+1.1pp</b>
Costs related to voluntary leave schemes	-	0.4	-100.0%
Other restructuring costs and non-recurring litigations	-	-	-
<b>Adjusted EBITDA After Lease (AL)</b>	<b>301.2</b>	<b>296.5</b>	<b>+1.6%</b>
<b>margin %</b>	<b>38.2%</b>	<b>37.2%</b>	<b>+1.0pp</b>

Greece - Amounts in € mn	Q1 '21	Q1 '20	Change
<b>EBITDA</b>	<b>315.1</b>	<b>305.5</b>	<b>3.1%</b>
<b>margin %</b>	<b>43.9%</b>	<b>43.2%</b>	<b>+0.7pp</b>
Depreciation of lessee use rights to leased assets	-12.8	-13.0	-1.5%
Interest expense of leases	-4.0	-4.4	-9.1%
<b>EBITDA (AL) (after lease)</b>	<b>298.3</b>	<b>288.1</b>	<b>+3.5%</b>
<b>margin %</b>	<b>41.6%</b>	<b>40.8%</b>	<b>+0.8pp</b>
Costs related to voluntary leave schemes	-	0.2	-100.0%
Other restructuring and non-recurring litigations	-	-	-
<b>Adjusted EBITDA (AL) (after lease)</b>	<b>298.3</b>	<b>288.3</b>	<b>+3.5%</b>
<b>margin %</b>	<b>41.6%</b>	<b>40.8%</b>	<b>+0.8pp</b>

Romania mobile - Amounts in € mn	Q1'21	Q1'20	Change
<b>EBITDA</b>	<b>8.0</b>	<b>12.7</b>	<b>-37.0%</b>
<b>margin %</b>	<b>10.4%</b>	<b>13.2%</b>	<b>-2.8pp</b>
Depreciation of lessee use rights to leased assets	-4.6	-4.2	+9.5%
Interest expense of leases	-0.5	-0.5	+0.0%
<b>EBITDA (AL) (after lease)</b>	<b>2.9</b>	<b>8.0</b>	<b>-63.8%</b>
<b>margin %</b>	<b>3.8%</b>	<b>8.3%</b>	<b>-4.5pp</b>
Costs related to voluntary leave schemes	-	0.2	-100.0%
Other restructuring and non-recurring litigations	-	-	-
<b>Adjusted EBITDA (AL) (after lease)</b>	<b>2.9</b>	<b>8.2</b>	<b>-64.6%</b>
<b>margin %</b>	<b>3.8%</b>	<b>8.5%</b>	<b>-4.7pp</b>

## Adjusted Profit to owners of the parent

Adjusted Profit for the period attributable to owners of the parent is intended to provide useful information to analyze the Group's net profitability excluding the impact of significant non-recurring or irregularly recorded items in order to facilitate comparability with previous ongoing performance. Adjusted Profit for the period (attributable to owners of the parent) is calculated by adding back to the Profit of the period (attributable to owners of the parent) the impact upon it of the following items: costs related to voluntary leave schemes, net impact from impairments and write offs, reassessment of deferred tax, reversal of provision related to assets sales, other restructuring costs, non-recurring litigation expenses, gains from disposal of subsidiaries, effect of changes to tax rate, tax effect from deductible investment losses and intercompany dividends and tax effect from deductible provisions of prior years, as illustrated in the table below:

Amounts in € mn – After Tax impact	Q1'21	Q1'20	Change
<b>Profit to owners of the Parent from continuing operations (reported)</b>	<b>101.4</b>	<b>96.6</b>	<b>+5.0%</b>
Costs related to voluntary leave schemes	-	0.3	-100.0%
Other restructuring & non-recurring litigations	-	-	-
Net Impact from Impairments & Write offs	-	-	-
Tax effect from deductible investment losses/ Intercompany dividends	-	-	-
Tax effect from deductible provisions of prior years	-	-	-
Gain from disposal of subsidiary	-	-	-
Reversal of provision related to Assets Sales	-	-	-
Effect due to change in the income tax rates	-	-	-
<b>Adjusted Profit to owners of the parent</b>	<b>101.4</b>	<b>96.9</b>	<b>+4.6%</b>

## Capital expenditure (CAPEX) and Adjusted Capital expenditure

Capital expenditure is defined as payments for purchase of property plant and equipment and intangible assets. The Group uses capital expenditure to ensure that the cash spending is in line with its overall strategy for the use of cash. Adjusted capital expenditure is calculated by excluding from Capital expenditure, spectrum payments as illustrated in the table below:

OTE Group - Amounts in € mn	Q1 '21	Q1 '20	Change
Purchase of property plant and equipment and intangible assets - CAPEX	(101.0)	(151.2)	-33.2%
Spectrum Payments	1.1	-	-
<b>Adjusted CAPEX</b>	<b>(99.9)</b>	<b>(151.2)</b>	<b>-33.9%</b>

## Free Cash Flow (FCF)

Free Cash Flow is an APM used by the Group and is defined as cash generated by operating activities (excluding net cash flows from operating activities of discontinued operations), after payments for purchase of property plant and equipment and intangible assets (CAPEX) and adding the interest received. Free Cash Flow is intended to measure the cash generation from the Group's business, based on operating activities, including the efficient use of working capital and taking into account its payments for purchases of property plant and equipment and intangible assets. The Group presents Free Cash Flow because it believes the measure assists users of the financial accounts in understanding the Group's cash generating performance as well as availability for debt repayment, dividend distribution and own reserves.

### Free Cash Flow After Lease (AL)

Free Cash Flow After Lease is defined as Free Cash Flow adding the lease repayments.

OTE Group - Amounts in € mn	Q1 '21	Q1 '20	Change
Net cash flows from operating activities	274.1	314.9	-13.0%
Minus: Net cash flows from operating activities of discontinued operations	39.6	41.4	-4.3%
Interest received	0.2	0.5	-60.0%
Purchase of property, plant, equipment & intangible assets	(101.0)	(151.2)	-33.2%
<b>Free Cash Flow</b>	<b>133.7</b>	<b>122.8</b>	<b>+8.9%</b>
Lease repayments	(17.2)	(16.3)	+5.5%
<b>Free Cash Flow After Lease (AL)</b>	<b>116.5</b>	<b>106.5</b>	<b>+9.4%</b>

### Adjusted Free Cash Flow

Adjusted Free Cash Flow facilitates comparability of Cash Flow generation with industry peers. Adjusted Free Cash Flow is useful in connection with discussions with the investment analyst community and debt rating agencies. Adjusted Free Cash Flow is calculated by excluding from the Free Cash Flow (defined earlier) the payments related to voluntary leave schemes, other restructuring plans and non-recurring litigation expenses and spectrum.

### Adjusted Free Cash Flow After Lease (AL)

Adjusted Free Cash Flow After Lease is defined as Adjusted Free Cash Flow adding the lease repayments.

OTE Group - Amounts in € mn	Q1 '21	Q1 '20	Change
<b>Free Cash Flow</b>	<b>133.7</b>	<b>122.8</b>	<b>+8.9%</b>
Payment for voluntary leave schemes	42.3	0.8	-
Payment for restructuring costs and non-recurring litigations	2.9	0.4	-
Spectrum payments	1.1	-	-
<b>Adjusted Free Cash Flow</b>	<b>180.0</b>	<b>124.0</b>	<b>+45.2%</b>
Lease repayments	(17.2)	(16.3)	+5.5%
<b>Adjusted Free Cash Flow After Lease (AL)</b>	<b>162.8</b>	<b>107.7</b>	<b>+51.2%</b>

## II. GROUP CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Amounts in € mn	31/03/2021	31/12/2020
<b>ASSETS</b>		
<b>Non - current assets</b>		
Property, plant and equipment	2,049.6	2,060.6
Right-of-use assets	356.2	362.1
Goodwill	376.6	376.6
Telecommunication licenses	351.0	361.0
Other intangible assets	393.1	408.0
Investments	0.1	0.1
Loans to pension funds	71.4	72.3
Deferred tax assets	357.2	364.0
Contract costs	24.0	24.6
Other non-current assets	74.1	75.7
<b>Total non - current assets</b>	<b>4,053.3</b>	<b>4,105.0</b>
<b>Current assets</b>		
Inventories	49.6	26.9
Trade receivables	446.7	433.1
Other financial assets	5.6	5.4
Contract assets	29.3	28.7
Other current assets	122.6	143.8
Restricted Cash	2.3	2.3
Cash and cash equivalents	602.8	516.2
<b>Total current assets</b>	<b>1,258.9</b>	<b>1,156.4</b>
Assets of disposal group classified as held for sale	606.8	606.5
<b>TOTAL ASSETS</b>	<b>5,919.0</b>	<b>5,867.9</b>

Amounts in € mn	31/12/2020	31/12/2020
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Parent</b>		
Share capital	1,302.4	1,330.6
Share premium	466.4	476.4
Treasury shares	(31.8)	(132.2)
Statutory reserve	440.7	440.7
Foreign exchange and other reserves	(202.9)	(201.6)
Changes in non-controlling interests	(3,314.1)	(3,314.1)
Retained earnings	3,438.4	3,396.0
<b>Total equity attributable to owners of the Parent</b>	<b>2,099.1</b>	<b>1,995.8</b>
Non-controlling interests	151.6	144.0
<b>Total equity</b>	<b>2,250.7</b>	<b>2,139.8</b>
<b>Non-current liabilities</b>		
Long-term borrowings	963.7	974.8
Provision for staff retirement indemnities	144.3	145.7
Provision for youth account	106.1	109.2
Contract liabilities	25.2	25.4
Lease liabilities	283.0	290.6
Deferred tax liabilities	4.0	9.8
Other non – current liabilities	102.3	107.8
<b>Total non – current liabilities</b>	<b>1,628.6</b>	<b>1,663.3</b>
<b>Current liabilities</b>		
Trade accounts payable	733.8	719.8
Short-term borrowings	200.0	205.9
Short-term portion of long-term borrowings	23.1	23.1
Income tax payable	94.9	76.2
Contract liabilities	118.6	121.8
Lease liabilities	63.9	61.2
Provision for voluntary leave schemes	140.2	178.9
Dividends payable	2.1	2.2
Other current liabilities	375.8	364.5
<b>Total current liabilities</b>	<b>1,752.4</b>	<b>1,753.6</b>
Liabilities of disposal group classified as held for sale	287.3	311.2
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,919.0</b>	<b>5,867.9</b>

### III. CONSOLIDATED INCOME STATEMENT

Amounts in € mn	Q1'21	Q1'20	%
<b>Total revenues</b>	<b>787.9</b>	<b>797.3</b>	<b>-1.2%</b>
<b>Other operating income</b>	<b>3.8</b>	<b>3.3</b>	<b>+15.2%</b>
<b>Operating expenses</b>			
Interconnection and roaming costs	(100.3)	(101.2)	-0.9%
Provision for expected credit losses	(19.6)	(19.3)	+1.6%
Personnel costs	(115.2)	(126.1)	-8.6%
Costs related to voluntary leave schemes	-	(0.4)	-100.0%
Commission costs	(18.5)	(19.3)	-4.1%
Merchandise costs	(72.4)	(72.5)	-0.1%
Maintenance and repairs	(21.9)	(16.4)	+33.5%
Marketing	(14.8)	(17.4)	-14.9%
Other operating expenses	(106.0)	(109.8)	-3.5%
<b>Total operating expenses before depreciation, amortization and impairment</b>	<b>(468.7)</b>	<b>(482.4)</b>	<b>-2.8%</b>
<b>Operating profit before financial and investing activities, depreciation, amortization and impairment</b>	<b>323.0</b>	<b>318.2</b>	<b>+1.5%</b>
Depreciation, amortization and impairment	(164.2)	(165.3)	-0.7%
<b>Operating profit/(loss) before financial and investing activities</b>	<b>158.8</b>	<b>152.9</b>	<b>+3.9%</b>
<b>Income and expense from financial and investing activities</b>			
Interest and related expenses	(12.2)	(17.1)	-28.7%
Interest income	0.2	0.4	-50.0%
Foreign exchange differences, net	1.5	0.8	+87.5%
Gains / (losses) from investments and other financial assets - Impairment	0.2	(0.9)	-
<b>Total Profit/(loss) from financial and investing activities</b>	<b>(10.3)</b>	<b>(16.8)</b>	<b>-38.7%</b>
<b>Profit/(loss) before tax</b>	<b>148.5</b>	<b>136.1</b>	<b>+9.1%</b>
Income tax	(48.5)	(40.0)	+21.3%
<b>Profit/(loss) for the period from continuing operations</b>	<b>100.0</b>	<b>96.1</b>	<b>+4.1%</b>
Profit/(loss) from discontinued operations	34.9	4.7	-
<b>Profit/(loss) for the period</b>	<b>134.9</b>	<b>100.8</b>	<b>+33.8%</b>
Attributable to:			
<b>Owners of the parent</b>	<b>125.7</b>	<b>103.2</b>	<b>+21.8%</b>
<i>Profit/(loss) from continuing operations</i>	<i>101.4</i>	<i>96.6</i>	<i>+5.0%</i>
<i>Profit/(loss) from discontinued operations</i>	<i>24.3</i>	<i>6.6</i>	<i>-</i>
<b>Non-controlling interests</b>	<b>9.2</b>	<b>(2.4)</b>	<b>-</b>



## IV. GROUP REVENUES

Amounts in € mn	Q1'21	Q1'20	%
<b>Fixed business:</b>			
Retail services revenues	233.1	234.4	-0.6%
Wholesale services revenues	135.8	138.0	-1.6%
Other revenues	62.0	78.4	-20.9%
<b>Total revenues from fixed business</b>	<b>430.9</b>	<b>450.8</b>	<b>-4.4%</b>
<b>Mobile business:</b>			
Service revenues	275.4	280.5	-1.8%
Handset revenues	60.3	45.6	+32.2%
Other revenues	4.5	4.3	+4.7%
<b>Total revenues from mobile business</b>	<b>340.2</b>	<b>330.4</b>	<b>+3.0%</b>
<b>Miscellaneous other revenues</b>	<b>16.8</b>	<b>16.1</b>	<b>+4.3%</b>
<b>Total revenues</b>	<b>787.9</b>	<b>797.3</b>	<b>-1.2%</b>

**V. CONSOLIDATED STATEMENT OF CASH FLOW**

Amounts in € mn	Q1'21	Q1'20	%
<b>Cash flows from operating activities</b>			
Profit before tax	148.5	136.1	+9.1%
<u>Adjustments for:</u>			
Depreciation, amortization and impairment	164.2	165.3	-0.7%
Costs related to voluntary leave schemes	-	0.4	-100.0%
Provision for staff retirement indemnities	1.1	1.2	-8.3%
Provision for youth account	0.3	0.7	-57.1%
Foreign exchange differences, net	(1.5)	(0.8)	+87.5%
Interest income	(0.2)	(0.4)	-50.0%
(Gains) / losses from investments and other financial assets- Impairment	(0.2)	0.9	-
Interest and related expenses	12.2	17.1	-28.7%
<b>Working capital adjustments:</b>	<b>(32.6)</b>	<b>(33.8)</b>	<b>-3.6%</b>
<i>Decrease / (increase) in inventories</i>	<i>(22.8)</i>	<i>(9.1)</i>	<i>+150.5%</i>
<i>Decrease / (increase) in receivables</i>	<i>(17.5)</i>	<i>(54.2)</i>	<i>-67.7%</i>
<i>(Decrease) / increase in liabilities (except borrowings)</i>	<i>7.7</i>	<i>29.5</i>	<i>-73.9%</i>
<u>Plus / (Minus):</u>			
Payment for voluntary leave schemes	(42.3)	(0.8)	-
Payment of staff retirement indemnities and youth account, net of employees' contributions	(2.5)	(3.1)	-19.4%
Interest and related expenses paid (except leases)	(3.6)	(4.3)	-16.3%
Interest paid for leases	(4.5)	(4.9)	-8.2%
Income tax paid	(4.4)	(0.1)	-
Net cash flows from operating activities of discontinued operations	39.6	41.4	-4.3%
<b>Net cash flows from operating activities</b>	<b>274.1</b>	<b>314.9</b>	<b>-13.0%</b>
<b>Cash flows from investing activities</b>			
Repayment of loans receivable	1.8	1.8	0.0%
Purchase of property, plant and equipment and intangible assets	(101.0)	(151.2)	-33.2%
Interest received	0.2	0.5	-60.0%
Net cash flows from investing activities of discontinued operations	(27.5)	(15.1)	+82.1%
<b>Net cash flows from/(used in) investing activities</b>	<b>(126.5)</b>	<b>(164.0)</b>	<b>-22.9%</b>
<b>Cash flows from financing activities</b>			
Acquisition of treasury shares	(20.6)	(21.7)	-5.1%
Proceeds from loans granted and issued	-	11.5	-100.0%
Repayment of loans	(17.4)	(71.5)	-75.7%
Lease repayments	(17.2)	(16.3)	+5.5%
Net cash flows from financing activities of discontinued operations	(3.0)	(5.9)	-49.2%
<b>Net cash flows from/(used in) financing activities</b>	<b>(58.2)</b>	<b>(103.9)</b>	<b>-44.0%</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>89.4</b>	<b>47.0</b>	<b>+90.2%</b>
<b>Cash and cash equivalents, at the beginning of the period</b>	<b>516.2</b>	<b>1,058.3</b>	<b>-51.2%</b>
Net foreign exchange differences	(0.5)	(0.8)	-37.5%
Change in Cash and cash equivalents of disposal group classified as held for sale	(2.3)	-	-
<b>Cash and cash equivalents, at the end of the period</b>	<b>602.8</b>	<b>1,104.5</b>	<b>-45.4%</b>