

**HELLENIC TELECOMMUNICATIONS
ORGANIZATION S.A.**



GROUP OF COMPANIES

SIX MONTHS FINANCIAL REPORT

For the period
from January 1, 2022 to June 30, 2022

(TRANSLATED FROM THE GREEK ORIGINAL)

In accordance with Article 5 of Law 3556/2007

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I. STATEMENTS OF MEMBERS OF THE BOARD OF DIRECTORS

The members of the Board of Directors of HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.:

1. Michael Tsamaz, Chairman and Managing Director
2. Eelco Blok, Vice Chairman, Independent- Non Executive Member of the Board of Directors
3. Charalampos Mazarakis, Executive Board Member

We confirm that to the best of our knowledge:

- a. The Interim Condensed Financial Statements (Consolidated and Separate) of the HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. for the period January 1, 2022 to June 30, 2022, which have been prepared in accordance with the applicable accounting standards, provide a true and fair view of the assets and liabilities, the owners' equity and the results of the Company and of the companies included in the consolidation taken as a whole, in accordance with the provisions of paragraphs 3 to 5 of article 5 of L. 3556/2007.
- b. The report of the Board of Directors for the first half of the year provides a true and fair view of the information required according to paragraph 6 of article 5 of L. 3556/2007, i.e. the significant events of the first half of the year and their impact on the six months financial statements, the development, performance and the financial position of the Company and the companies included in the consolidation taken as a whole, the description of the risks and uncertainties for the second half of the year as well as the material transactions between the Company, its consolidated companies and other related parties.

Maroussi, August 3, 2022

Chairman
& Managing Director

Vice Chairman of the BoD

Board Member

Michael Tsamaz

Eelco Blok

Charalampos Mazarakis

The two members of the Board of Directors, who have signed the above statements, have been authorized to do so in accordance with the decision of the Company's Board of Directors of August 3, 2022.

II. HALF YEAR REPORT OF THE BOARD OF DIRECTORS

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The report of the Board of Directors of the HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. (hereinafter referred to as “OTE” or the “Company”) was prepared in accordance with article 5 of Law 3556/2007 as well as the relevant decisions of the Board of Directors of the Hellenic Capital Market Commission and refers to the Interim Condensed Financial Statements (Consolidated and Separate) as of June 30, 2022 and for the six month period then ended. The OTE Group (the “Group”) apart from the Company also includes subsidiaries over which OTE has direct or indirect control. The Consolidated and Separate Financial Statements have been prepared in accordance with International Financial Reporting Standards (I.F.R.S.), as adopted by the European Union (E.U.).

This report includes the financial assessment of the results of the period from January 1, 2022 to June 30, 2022, the outlook for the second half of 2022, the significant events which took place in the first half of 2022, a presentation of the main risks and uncertainties for the second half of the year, the significant transactions with the Group’s and the Company’s related parties and the significant events that took place after the end of the first half of 2022.

This report also refers to Alternative Performance Measures. For details on purpose and calculations refer to Alternative Performance Measures Section (Section G).

The interim OTE’s Financial Statements (separate and consolidated), Auditor’s Report on review of interim financial information and the half year report of the Board of Directors can be found on the following link:

https://www.cosmote.gr/cs/otegroup/en/oikonomikes_katastaseis_omilou_ote_kai_ae.html

The amounts in this report are presented in millions of Euro, except when otherwise indicated.

A. FINANCIAL HIGHLIGHTS FOR THE 1ST HALF OF 2022

| Group Revenues | 1 st Half 2022 | 1 st Half 2021 | Change |
|------------------|---------------------------|---------------------------|--------------|
| Greece | 1,521.3 | 1,475.7 | +3.1% |
| Romania mobile | 156.6 | 151.9 | +3.1% |
| Eliminations | (3.0) | (12.2) | -75.4% |
| OTE GROUP | 1,674.9 | 1,615.4 | +3.7% |

| Group Adjusted EBITDA After Lease (AL)* | 1 st Half 2022 | 1 st Half 2021 | Change |
|---|---------------------------|---------------------------|---------------|
| Greece | 632.7 | 602.0 | +5.1% |
| Margin (%) | 41.6% | 40.8% | +0.8pp |
| Romania mobile | 25.4 | 9.6 | +164.6% |
| Margin (%) | 16.2% | 6.3% | +9.9pp |
| OTE GROUP | 658.1 | 611.6 | +7.6% |
| margin (%) | 39.3% | 37.9% | +1.4pp |

* Alternative Performance Measures: For details on purpose and calculations refer to Section G. Alternative Performance Measures Section.

Note: All figures in 2021 adjusted to reflect only continuing operations; TELEKOM ROMANIA operations along with certain significant commercial transactions (MVNO agreement and handset sales) that existed between TELEKOM ROMANIA and TELEKOM ROMANIA MOBILE (Romania mobile) until the completion of the sale of TELEKOM ROMANIA have been treated as discontinued operations. The sale was concluded on September 30, 2021.

OTE Group revenues totaled Euro 1,674.9 in the first half of 2022, up 3.7% compared to the first half of 2021, on positive growth momentum in Greece and Romania.

On a country basis, total revenues in Greece posted a solid increase of 3.1% to Euro 1,521.3 benefiting from the positive performances in Mobile, TV, ICT and Broadband. Service revenues were up 1.4% in the fixed segment and 4.6% in mobile, supported by ongoing investments in network infrastructure and customer experience.

In Romania mobile, total revenues reached Euro 156.6 in the first half 2022, up 3.1% largely reflecting handset sales as well as certain activities related to the MVNO segment, expected to phase out in coming months. Service revenues decreased 5.9% affected by significant year-on-year drops in mobile termination rates (MTR).

Total Group Operating Expenses, excluding depreciation, amortization, impairment and charges related to voluntary leave schemes, other restructuring costs and non-recurring litigations amounted to Euro 982.0 in the first half of 2022, an increase of 1.7%, compared to the first half of 2021, reflecting higher topline activity and the rise in energy costs caused by the current crisis. In the first half of 2022, the Group’s Adjusted EBITDA After Lease (AL) rose 7.6% to Euro 658.1, yielding a margin of 39.3% compared to 37.9% in the same period last year driven by increased profitability in both Greece and Romania. In Greece, Adjusted EBITDA (AL) totaled Euro 632.7, up 5.1% and the respective margin increased 80 basis points to 41.6%. Romania Mobile operations recorded an Adjusted EBITDA (AL) of Euro 25.4.

The Group Operating profit before financial and investing activities in the first half of 2022 stood at Euro 329.7, compared to Euro 318.8 in the first half of 2021, an increase of 3.4% despite higher costs for voluntary exit schemes in 2022, reflecting higher profitability in both countries.

Interest and related expenses stood at Euro 16.9, down 29.6%, partly driven by the decreasing average cost of debt.

The Group's income tax expense stood at Euro 79.6 in the first half of 2022, down 33.7% compared to the first half of 2021, despite higher profitability in the period, mainly due to the negative impact on the deferred tax asset base resulting from the corporate income tax rate reduction from 24% to 22% in the respective period of 2021.

Adjusted Profit from continuing operations (attributable to owners of the parent) stood at Euro 262.0 in the first half of 2022, compared to Euro 207.9 in the same period of 2021.

In the first half of 2022, Adjusted Free Cash Flow After Lease (AL) stood at Euro 387.7, up 19.1% compared to the same period of 2021, while reported Free Cash Flow stood at Euro 379.0, up 38.4%. The increase mainly reflects higher profitability, working capital improvements, lower payments for voluntary exit schemes, as well as the timing of Capex spending. Accelerated FTTH deployment, TV content and implementation of a new voluntary exit scheme in Greece should impact cash flow generation in the coming period.

The Group's adjusted Net Debt was Euro 532.4 at June 30, 2022, down 31.4% from December 31, 2021. The Group's ratio of adjusted Net Debt to 12-month adjusted EBITDA stood at 0.4x. The Group's Adjusted Net Debt (excluding leases) stood at Euro 284.1 and the ratio of Adjusted Net Debt (excluding leases) to 12-month adjusted EBITDA (AL) was 0.2x.

GREECE

The positive performances of Greek operations recorded in 2021 continued in the first half of 2022, with revenues up 3.1% to Euro 1,521.3, on growth across key segments. Retail Fixed and Mobile Service revenues, Wholesale and ICT were all up in the first half of 2022.

Fixed Retail Service revenues posted an increase of 1.4%, supported by broadband growth, impacted though by the Company's initiative to upgrade broadband speeds, enhancing customer loyalty. The TV segment continued the positive momentum, reflecting the ongoing investment in superior sports content.

Mobile service revenues in Greece posted an increase of 4.6%, supported by solid recovery in visitor revenues exceeding pre-pandemic levels, as mobility restrictions have been gradually waived since May 2021. Excluding the contribution from roaming, service revenues would have been up approximately 3% on positive performance in both postpaid and prepaid, reflecting the successful execution of more-for-more strategy, notably in the contract segment.

Revenues from wholesale business in Greece were up 2.5%, mainly due to international transit traffic and the increasing penetration of fiber services in the market.

Despite a 9% growth in the ICT segment, Other revenues were up 4.0%, reflecting significant sales of subsidized handsets in the comparable period of 2021. Revenues from system solutions, included in ICT revenues, posted another solid increase, up 10% in the first half of 2022, as OTE leverages its experience in delivering large ICT projects, partnering with businesses and public institutions. As the Recovery Fund accelerates during 2022 and the following years, OTE will continue to benefit from the incremental resources available for the digitalization of the public sector.

Adjusted EBITDA After Lease (AL) in Greece increased by 5.1% reaching Euro 632.7, supported by higher service revenues, roaming recovery, together with the negative one-off items recorded last year. The negative impact from higher energy costs was partly offset by the absence of certain charges related to the separation of Romanian mobile and fixed operations, which had been recorded in the comparable period last year.

| Financial Data | 1 st Half 2022 | 1 st Half 2021 | Change |
|---|------------------------------|------------------------------|---------------|
| Revenues | 1,521.3 | 1,475.7 | +3.1% |
| Retail Fixed Services | 475.9 | 469.1 | +1.4% |
| Mobile Service Revenues | 476.5 | 455.5 | +4.6% |
| Wholesale Services | 289.5 | 282.5 | +2.5% |
| Other Revenues | 279.4 | 268.6 | +4.0% |
| Adjusted EBITDA After Lease (AL) | 632.7 | 602.0 | +5.1% |
| <i>Margin %</i> | <i>41.6%</i> | <i>40.8%</i> | <i>+0.8pp</i> |

| Operational Data (absolute amounts) | 1 st Half 2022 | 1 st Half 2021 | Change |
|-------------------------------------|------------------------------|------------------------------|---------------|
| Fixed lines access | 2,714,096 | 2,699,457 | +0.5% |
| Broadband subscribers | 2,287,003 | 2,203,809 | +3.8% |
| <i>of which Fiber service</i> | <i>1,415,406</i> | <i>1,056,210</i> | <i>+34.0%</i> |
| TV subscribers | 641,578 | 578,851 | +10.8% |
| Mobile Subscribers | 7,322,423 | 6,987,941 | +4.8% |
| <i>Postpaid</i> | <i>2,898,529</i> | <i>2,755,671</i> | <i>+5.2%</i> |
| <i>Prepaid</i> | <i>4,423,894</i> | <i>4,232,270</i> | <i>+4.5%</i> |

In the first half of 2022, OTE added 31k Broadband customers to a total of 2,287k, while it pursued its ambitious fiber expansion program in the first half of 2022, with the addition of an impressive 267k subscribers, bringing the total to 1,415k. This sharp increase was fueled by the Company's initiative to double broadband speeds for approximately 750k eligible subscribers in the current year, as well as by ongoing investments in fiber infrastructure. As of the end of June, OTE had upgraded approximately 80% of the eligible base, further improving customer satisfaction metrics.

As a result of the sharp increase in fiber subscriptions, penetration of the total broadband base increased by 14 percentage points year-on-year, reaching 61.9%. The share of subscribers using broadband speeds of 100Mbps or higher was 43% of all fiber connections at the end of June, more than double the level of 20% one year earlier.

OTE expanded its FTTH footprint, with 674k homes passed as of the end of June. OTE expects to continue speeding up FTTH deployment to reach approximately 1 million homes by the end of 2022. The FTTH subscriber base increased by 32k in the first half of 2022, to a total of 92k, and utilization on homes passed increased to 14%, compared to 10% a year earlier, reflecting active sales efforts alongside the rollout.

OTE's TV subscriber base continued to expand, reaching 642k at the end of June, a year-on-year increase of 10.8%, as the Company leverages its streaming platform and attractive content portfolio. During the first half of 2022, the Company announced the agreement for the broadcasting rights of the leading football team of the Greek league, Olympiakos, for three years, confirming its strategy to invest and offer superior TV content to its customers.

As of June 30, OTE's mobile customer base stood at 7.3 million, a 4.8% increase compared to one year earlier. The increase reflects growth of 5.2% in the postpaid segment and 4.5% increase in prepaid customers.

OTE pursues the expansion of its 5G network and is well on track to achieve its target of 80% population coverage by the end of 2022 while now sets a target for 90% for 2023. Currently population coverage is exceeding 70%. While it continues to promote data usage over its superior 4G/4G+/5G network, OTE will leverage the growth of data consumption, its rapid launch of 5G services, and its network superiority to further strengthen its competitive positions. During the first half, the company launched new offerings in mobile in order to further enhance value proposition and customer experience. COSMOTE completed the switch off of its 3G networks.

Cosmote's mobile network was recognized for 6th consecutive year as «the Fastest Mobile Network in Greece» at the Speedtest Awards™ by Ookla®, while its mobile network services were classified as «Best in Test» by umlaut for 8th consecutive time, performances largely driven by the company's 5G network.

ROMANIA MOBILE

| Financial Data | 1 st Half 2022 | 1 st Half 2021 | Change |
|---|------------------------------|------------------------------|----------------|
| Revenues | 156.6 | 151.9 | +3.1% |
| Mobile Service Revenues | 102.9 | 109.3 | -5.9% |
| Other Revenues | 53.7 | 42.6 | +26.1% |
| Adjusted EBITDA After Lease (AL) | 25.4 | 9.6 | +164.6% |
| Margin % | 16.2% | 6.3% | +9.9pp |

| Operational Data (absolute amounts) | 1 st Half 2022 | 1 st Half 2021 | Change |
|-------------------------------------|------------------------------|------------------------------|---------------|
| Mobile Subscribers | 3,940,571 | 3,539,629 | +11.3% |
| <i>Postpaid</i> | <i>1,786,909</i> | <i>1,696,398</i> | <i>+5.3%</i> |
| <i>Prepaid</i> | <i>2,153,662</i> | <i>1,843,231</i> | <i>+16.8%</i> |

Total revenues from TELEKOM ROMANIA MOBILE amounted to Euro 156.6 in the first half of 2022, up 3.1% year on year, largely reflecting a specific project benefiting handset sales, as well as certain activities related to the MVNO segment, which are scheduled to be phased out in coming months.

Mobile service revenues totaled Euro 102.9, down 5.9% due to sharp 28% reduction in mobile termination rates (MTR), which were previously cut by 8% on July 1, 2021 and another 21% at the start of 2022.

The total subscriber base continued the positive trend recorded in 2021, reflecting a 5.3% year-on-year increase in postpaid subscribers and a significant increase in the prepaid base resulting from active promotional activity.

Other revenues were up 26.1%, reflecting one off Handset and MVNO revenues.

The Company recorded Adjusted EBITDA After Leases (AL) of Euro 25.4, partly reflecting the positive MVNO impact and certain adjustment in operating expenses, as the Romanian entity continues to strengthen its profitability through ongoing cost-containment efforts and to implement its strategy as a mobile-only operator.

B. SIGNIFICANT EVENTS OF THE 1st HALF OF 2022

CANCELLATION OF OWN SHARES AND SHARE BUYBACK PROGRAM

The Extraordinary General Shareholders' Meeting of January 18, 2022 approved in accordance with article 49 of Law 4548/2018, the cancellation of 8,638,512 own shares along with the reduction of the Company's share capital by Euro 24,446,988.96 (absolute amount) (equivalent to the above number of own shares multiplied by the nominal value of the Company's share, i.e. Euro 2.83 (absolute amount)) and the amendment of Article 5 ("Share Capital") of the Company's Articles of Incorporation. The Company acquired these shares during the period from May 1, 2021 to November 30, 2021, at an average price of Euro 15.28 (in absolute amount) per share within the framework of the Own Share Buyback Program as approved by the General Shareholders' Meeting on February 20, 2020 (the 2020-2022 Program). Following notification to the Corporate Actions Committee of the Athens Stock Exchange and consummation of other legal and regulatory procedures, the aforementioned shares were canceled and delisted from the Athens Stock Exchange (ATHEX) as of February 22, 2022, when trading of the aforementioned shares on the ATHEX has ceased.

Furthermore, the Extraordinary General Shareholders' Meeting of January 18, 2022 approved a new Share Buyback Program for a period of 24 months, covering up to 10% of the Company's share capital, at a price range between Euro 1 and Euro 30 per share (in absolute amount). The Company acquired 6,478,259 of its shares during the period from February 24, 2022 to June 30, 2022 at an average price of Euro 17.08 (in absolute amount).

The Annual General Shareholders' Meeting of May 25, 2022 approved in accordance with article 49 of Law 4548/2018, the cancellation of 5,617,282 own shares along with the reduction of the Company's share capital by Euro 15,896,908.06 (absolute amount) (equivalent to the above number of own shares multiplied by the nominal value of the Company's share, i.e. Euro 2.83 (absolute amount)) and the amendment of Article 5 ("Share Capital") of the Company's Articles of Incorporation.

The Company acquired the above shares during the period from December 1, 2021 to March 31, 2022, and specifically the Company acquired 3,749,040 own shares during the period from December 1, 2021 to February 20, 2022, at an average price of Euro 16.59 (in absolute amount) per share within the framework of the Share Buyback Program as approved by the General Shareholders' Meeting on February 20, 2020 (the 2020-2022 Program). Moreover the Company acquired 1,868,242 own shares during the period from February 24, 2022 to March 31, 2022 at an average price of Euro 16.77 (in absolute amount) within the framework of the new Share Buyback Program as approved by the General Shareholders' Meeting on January 18, 2022. Following notification to the Corporate Actions Committee of the Athens Stock Exchange and consummation of other legal and regulatory procedures, the aforementioned shares were canceled and delisted from the Athens Stock Exchange (ATHEX) as of July 12, 2022, when trading of the aforementioned shares on the ATHEX has ceased.

REVISED SHAREHOLDERS REMUNERATION POLICY

On February 23, 2022, the Board of Directors of OTE, approved the revised Shareholder Remuneration Policy as follows:

Provided the external and the macroeconomic environment remain stable, the Company intends to distribute to its shareholders, through a combination of dividend payout and Share Buyback Programs (whereby acquired shares will be cancelled), between 70% and 100% of net free cash flow generated every year. In the coming years, the total shareholders remuneration payout will be split by 50% between dividends and share buybacks.

The Board will examine the use of any cash flow reserves which may be accumulated in the medium term, together with past surpluses.

The implementation of the revised Shareholder Remuneration Policy started in 2022 and will take into account the net free cash flow projections for the current year, i.e. 2022, as the basis for calculating the aggregate shareholder payout. In the same way,

the Remuneration Policy will be applied in the forthcoming years, i.e. the basis for calculating total shareholders' remuneration in 2023 will take into account the projections of net free cash flow for 2023 and so on.

In 2022, the total payout is targeted at Euro 500, a 5% increase compared to 2021, split equally between dividends and share buybacks.

On May 25, 2022, the Annual General Meeting of Shareholders approved the distribution of a dividend of Euro 0.558 (in absolute amount) per share outstanding (or Euro 0.571033 adjusted for own shares outstanding as of the ex-dividend date) which was paid out on July 7, 2022. The total dividend payout, i.e. Euro 250, represents 50% of the total amount allocated under the 2022 Revised Shareholder Remuneration Policy. The remaining amount, i.e. approximately Euro 250 has been allocated to the buyback of Company shares under the new Share Buyback Program, as approved by the Extraordinary General Shareholder Meeting of January 18, 2022.

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

ISSUANCE OF A NEW BOND UNDER THE GLOBAL MEDIUM-TERM NOTE (GMTN) PROGRAMME OF OTE PLC

On June 16, 2022, OTE PLC issued a Euro 150.0 bond due June 2023, with yield of 0.666% per annum, fully subscribed by DEUTSCHE TELEKOM AG. The new bond was issued by OTE PLC and guaranteed by OTE SA under the existing GMTN Programme. The proceeds were used for the refinancing of part of the Euro 374.6 OTE PLC bond, due July 2022.

REVISED OUTLOOK ON OTE BY STANDARD & POOR'S

On May 12, 2022 Standard and Poor's upgraded its outlook on OTE to positive from stable and affirmed its credit rating on the company at 'BBB'.

COSMOTE

PAYMENT OF PRINCIPAL INSTALLMENT UNDER THE EURO 150.0 TERM LOAN WITH EUROPEAN INVESTMENT BANK (EIB)

On January 24, 2022, COSMOTE paid principal installment of Euro 11.5 under the term loan with EIB, along with the accrued interest.

FINES OF DPA AND ADAE AGAINST COSMOTE AND OTE

In January 2022, DPA imposed fines on COSMOTE and OTE amounting to Euro 6.0 and Euro 3.3, respectively, related to an unauthorized file export from COSMOTE's system, as a result of a cyber-attack. On May 31, 2022, ADAE imposed a fine of Euro 3.2 to COSMOTE for infringements of Regulation for the Assurance of Confidentiality in Electronic Communications.

C. OUTLOOK FOR THE 2nd HALF OF 2022

Current geopolitical challenges with increasing global inflationary trends are expected to adversely impact the macroeconomic environment and consumer spending. OTE is partly protected against certain of the inflationary risks, and positioned to benefit from its ongoing investment in advanced network infrastructure in fixed and mobile. FTTH network deployment along with 5G expansion enable the Company to offer best-in-class services and focus on delivering first-rate customer experience in an intense competitive environment. The Company's initiative to upgrade broadband speeds wherever feasible together with new mobile plans are expected to enhance the value proposition to the customer and further strengthen customer loyalty. Moreover, enhanced TV sport content including the bulk of the Greek Super League, is anticipated to support our steady growth in TV subscribers.

In this framework, along with a positive outlook for tourism in 2022, OTE expects to continue growing in the second half of the year, though at a more moderate pace, and to achieve sustainable topline growth and solid profitability expansion for full year 2022.

The deployment of the EU Recovery and Resilience Fund (RRF) is a substantial factor both for the country's economic outlook and for OTE's ICT business, whose overall contribution to Group revenues is anticipated to continue growing in coming years.

OTE management maintains its targets and guidance for 2022. Adjusted Group CAPEX should reach approximately Euro 620, while Free Cash Flow is expected to near Euro 600 in 2022. Total 2022 Shareholder Remuneration is targeted at Euro 500, equally split between a cash dividend of Euro 0.558 per share (in absolute value) and an approximately Euro 250 share buyback program. The dividend was paid out on July 7, 2022.

D. RISKS AND UNCERTAINTIES FOR THE 2nd HALF OF 2022

OTE Group has developed and applies an Enterprise Risk Management System, which is certified as per ISO 31000:2018, and supports Management in its strategic decision-making, in order to safeguard its smooth operation and future corporate success. This is achieved by identifying, evaluating, communicating and addressing enterprise risks, including sustainability and conflicts of interest risks, utilizing all strategic and operational risk mitigation, and monitoring relevant measures taken by the Group, in order to avoid risks and seize future opportunities.

In 2022, OTE Group will conduct a new materiality analysis in order to identify the Group's most significant sustainability issues with the participation of OTE Group's Senior Management and the engagement of its stakeholders. The materiality analysis constitutes an important component of the stakeholder dialogue and of understanding stakeholders' expectations. At the same time it contributes to identifying and analyzing current and future developments, trends, opportunities, risks and stakeholder requirements relating to sustainability and ESG matters by taking into account the Group's unified Enterprise Risk Management methodology. The compliance risk assessment process was integrated in the materiality analysis process.

The Materiality Analysis is conducted periodically, it is an analysis of material issues and is based on the unified Enterprise Risk Management methodology on significant strategic, financial, operational, environmental, reputational and social aspects, which may have influence on (and/or may be influenced by) the decisions of the Group, taking into account the expectations of the Group's stakeholders.

The Board of Directors and the Management of OTE Group continually assess the possible impact of any changes in the macroeconomic and financial environment in the countries where the Group operates, so as to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group's operations. Based on its current assessment, it has concluded that no additional impairment provisions are required with respect to the Group's financial and non-financial assets as of June 30, 2022.

Information regarding the Enterprise Risk Management System is included in Section [F. Corporate Governance Statement \("C. Internal Control System"\)](#) into the Annual Financial Report. https://www.cosmote.gr/cs/otegroup/en/oikonomikes_katastaseis_etairiwn_omilou.html

Pandemic Crisis; COVID-19

In the first half of 2022, the COVID-19 pandemic fluctuated, showing an aggravation at the beginning of the year and a reduction at May and June 2022, while certainly, the ever-increasing vaccination coverage among the population was a protection shield. During the first four months of 2022, an increase in the number of coronavirus cases was observed due to the wide spread of mutations of the Omicron strain of SARS-CoV-2, which began during the previous Christmas period. Therefore, the implementation of restrictive measures in Greece continued, for the protection of the population against the pandemic. In full compliance with the orders of the State, OTE Group of Companies continued to implement and develop its targeted action plan, aiming at ensuring the health of its employees and the uninterrupted continuation of its operation. The official measures were gradually lifted from mid-May 2022, with the reduction of the percentage of employees who work remotely. Since then, teleworking is no longer considered as a measure against the pandemic. OTE Group, however, throughout the semester maintained a higher percentage of teleworking than predicted. Today the percentage of teleworking in the Group amounts to 20%.

Frontline units (stores and field technicians) were still working at full capacity, and Logistics/Warehouse employees work on shifts. Regarding the confirmed cases of COVID - 19, the company implemented an updated protocol, based on legislation, for the quarantine and isolation of employees and followed specific recommendations in accordance with the National Public Health Organization (NPHO). Throughout the pandemic, the Company continually acts based on the instructions and decisions of all relevant bodies, respecting the requirements and the action plan adopted by the Greek authorities.

Hence, the Company took all the necessary precautionary measures, concerning remote work scheme, operational modification of stores in high exposure regions, provision of healthcare supplies, provision of specialized Personal Protective Equipment (PPEs) for technicians and activation of direct communication which could be used by all the employees for consultation on health issues and psychological support (for more information, please refer to section "Health and Safety in the workplace" below).

Despite the particularly increased daily data traffic in fixed and mobile networks, OTE's networks continued responding to the higher demand. Moreover, the Company's risk assessments on potential stock shortages of devices/equipment were not verified.

The new increase in the number of COVID-19 cases observed at the beginning of the second half of 2022, will may force once again the State to new decisions and actions for prevention and protection against the disease. Based on them, OTE Group's action plan will also be transformed, to maintain the smoothness of the Company's operation.

Macroeconomic conditions in Greece

Management continually assesses the possible impact of any changes in the macroeconomic and financial environment in Greece so as to ensure that all necessary measures are taken in order to minimize any impact on the Group's Greek operations. Based on its current assessment, it has concluded that no additional impairment provisions are required with respect to the Group's financial and non-financial assets as of June 30, 2022.

Risk from the Russian invasion of Ukraine

The Group has no operational exposure in Ukraine and Russia. However, the geopolitical uncertainty has resulted in higher inflation and increased volatility in the energy market affecting the general economic environment, which is likely to continue. Furthermore, there is an increased risk from the disruption in the global supply chain.

Financial Risks

The below stated risks are significantly affected by the macroeconomic and financial environment in Greece.

a) Credit risk

Credit risk is the risk of financial loss to the Group and the Company if a counterparty fails to meet its contractual obligations.

The carrying value of financial assets at each reporting date is the maximum credit risk to which the Group and the Company are exposed in respect of the relevant assets.

Financial instruments classified as fair value through profit and loss include mutual funds and other securities. These financial assets are not considered to expose the Group and the Company to a significant credit risk.

Defaulted payments of trade receivables could potentially adversely affect the liquidity of the Group and the Company. However, due to the large number of customers and the diversification of the customer base, there is no concentration of credit risk with respect to these receivables. Concentration of risk is however considered to exist for amounts receivable from other telecommunication service providers, due to their relatively small number and the high volume of transactions they have with the Group and the Company. For this category the Group and the Company assess the credit risk following the established policies and procedures and recognizes the appropriate provision for impairment.

The Group and the Company have established specific credit policies under which customers are analyzed for creditworthiness and there is an effective management of receivables in place both before and after they become overdue and doubtful. In monitoring credit risk, customers are grouped according to their business group, their credit risk characteristics, aging profile and existence of previous financial difficulties, also adjusted for forward-looking factors specific to the customers and the economic environment.

Group's cash and cash equivalents are mainly invested in highly rated counterparties and with a very short term tenor.

Loans include loans to employees, which are collected either through the payroll or are netted-off with their retirement indemnities, and loans to pension funds mainly due to prior years' voluntary leave schemes. The latter loans are exposed to credit risk related to the debt servicing capacity of the pension fund.

b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will not be able to meet their financial obligations as they fall due. Liquidity risk is kept at low levels by ensuring that there is sufficient cash on demand and / or credit facilities to meet the financial obligations falling due in the next 12 months. The Group's and the Company's cash and cash equivalents as at June 30, 2022 amount to Euro 1,001.1 and Euro 559.9, respectively and their short-term borrowings and their short-term portion of long-term borrowings amount to Euro 547.6 and Euro 516.0, respectively.

For the monitoring of the liquidity risk, the Group prepares cash flows forecasts on a frequent basis.

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will result in fluctuations of the value of the Group's and the Company's financial instruments. The objective of market risk management is to manage and control exposure within acceptable levels.

The individual risks that comprise market risk and the Group's and the Company's policies for managing them are described below:

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the interest rates.

The total debt of the Group bears fixed interest rates, thus the Group is not sensitive to potential changes in interest rates on loans.

ii. Foreign currency risk

Currency risk is the risk that the fair values of the cash flows of a financial instrument fluctuate due to foreign currency changes.

The Group operates in Greece and Romania and as a result is exposed to currency risk due to changes between the functional currencies and other currencies. The main currencies within the Group are the Euro and the Ron (Romania).

Capital Management

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business plans and maximize shareholder value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

An important means of managing capital is the use of the gearing ratio (ratio of net debt to equity) which is monitored at Group level. Net debt includes interest bearing loans and notes, as well as long-term and short-term lease liabilities (following IFRS 16 adoption as of January 1, 2019), less cash and cash equivalents.

| GROUP | 30/06/2022 | 31/12/2021 |
|--|--------------|--------------|
| Long-term borrowings | 742.6 | 753.7 |
| Short-term borrowings | 150.0 | - |
| Short-term portion of long-term borrowings | 397.6 | 397.3 |
| Lease liabilities (long-term portion) | 177.6 | 189.2 |
| Lease liabilities (short-term portion) | 70.7 | 71.7 |
| Cash and cash equivalents | (1,001.1) | (630.7) |
| Net debt | 537.4 | 781.2 |
| Total equity | 1,827.6 | 1,972.2 |
| Gearing ratio | 0.29x | 0.40x |

| COMPANY | 30/06/2022 | 31/12/2021 |
|--|--------------|----------------|
| Long-term borrowings | 696.5 | 797.6 |
| Short-term borrowings | 40.0 | - |
| Short-term portion of long-term borrowings | 476.0 | 374.2 |
| Lease liabilities (long-term portion) | 121.8 | 126.5 |
| Lease liabilities (short-term portion) | 37.6 | 25.3 |
| Cash and cash equivalents | (559.9) | (274.0) |
| Net debt | 812.0 | 1,049.6 |
| Total equity | 3,213.9 | 3,198.6 |
| Gearing ratio | 0.25x | 0.33x |

d) Other risks

In OTE Group, Risk Assessment is a structured process for the identification, analysis, evaluation and treatment of enterprise risks, in order to ensure better informed decision-making by the Company's competent bodies regarding the management of risks, their mitigation measures, as well as the monitoring of the implementation of the measures. Within this framework, operational, strategic, regulatory, financial, legal and compliance risks are being assessed and monitored. A significant mitigation measure is the transfer of risk to third parties (e.g., insurance companies), through multinational and local insurance contracts, which protect the Company from operational risks that are insurable.

Additional tax burdens

In the previous years, the Greek State adopted a range of fiscal measures which aimed at increasing public tax revenues which materially affected the Group's and the Company's income statement. According to Law 4799/2021 that was published in May

2021, the corporate income tax rate was reduced to 22% from year 2021 onwards, whereas from January 1, 2020, the withholding tax rate on dividends was also reduced from 10% to 5%. Still, given the fiscal position of the Greek State in recent years, it cannot be excluded that fiscal measures may be taken in the future, which could have a material adverse effect on the Group's and the Company's financial condition.

Potential impairment losses

In conjunction with the conditions in many markets in which the Group has invested, the Group faces challenges regarding the financial outlook of some of its subsidiaries. In this respect, impairment losses may incur relating to these subsidiaries' assets.

Additional contributions to pension funds

Based on actuarial studies performed in prior years and on current estimations, the pension funds show (or will show in the future) increasing deficits. OTE does not have a legal obligation to cover any future deficiencies of these funds and, according to management, neither does it voluntarily intend to cover such possible deficiencies. However, there can be no assurance that OTE will not be required (through regulatory arrangements) to make additional contributions in the future to cover operating deficits of these funds.

Regulatory framework

The regulatory obligations and the competitive pressure have an impact on OTE's ability to apply competitive pricing at retail and wholesale level and they may have a negative effect on OTE's ability to compete effectively. According to the legal and the regulatory framework in force, the Hellenic Telecommunications and Post Committee ("HTPC") has designated OTE as having Significant Market Power (SMP) in the relevant wholesale markets and controls its pricing policy on wholesale and retail level. Price control regulatory obligations require OTE to set often higher retail prices than its competitors for the same services.

Critical infrastructure failure

For all telecom operators, the Information and Communication Technologies (ICT) infrastructure is considered as the backbone of their operations. Given the variety and diversity of contemporary services provided by all telecom operators, the complexity of the ICT infrastructure and the interdependencies between various network nodes and service platforms, are unprecedented. Thus, technical infrastructure outages, due to either external factors (e.g. earthquake, flooding, etc.) or internal factors (e.g. power and air-conditioning outages, human error, etc.) cannot be ruled out. Consequently, service disruptions might appear that could result in potential revenue losses, increased rehabilitation and/or potential customer compensation costs, and consequential effects on customer base and Company's reputation.

OTE Group, in order to ensure the seamless continuation of its business operation, has already established processes, Continuity & Recovery plans as a robust Business Continuity Management System demands and has been certified by ISO 22301:2019. In this context, recovery programs for both the telecommunications network and the IT infrastructure are already in place. Business Continuity Subdivision OTE Group, in cooperation with Network Automation, Security and Operations Support Subdivision Fixed & Mobile and IT Service Continuity and Risks Subdivision Fixed & Mobile test and rehearse the recoverability and operability of the critical business processes. The resilience of the telecommunications network has been further enhanced through the gradual introduction of new technologies.

Furthermore, power availability at critical sites is constantly monitored and enhanced. Two of the main Network and IT Data Centers were awarded with a Tier III-category certification by the Uptime Institute. Improvement works of Electro-Mechanical infrastructure ("Dual Feed" project) of network critical infrastructure sites took place.

Uninterrupted provision, to DT Group, of Value Added services is safeguarded by critical infrastructure's high availability along with application switch over or diversion to alternative Data Center.

Information security

Being faithful to the commitment of adapting swiftly to the evolving needs of the new digital era, OTE Group places emphasis on new strategy and business models, utilizes digital capabilities to the benefit of its customers, employees, partners and suppliers, and continuously innovates, providing a wide range of services and cutting-edge technology, such as 5G and Fiber to the Home.

The increasing degree of digitalization and interconnectedness of our society, along with the rising number of cyber-attacks at global level, introduced new, more complex challenges to companies and paved the way for a significant change in mindset regarding institutional and regulatory approach to cybersecurity. OTE Group provides a wide range of products and services, including integrated ICT solutions, to well-established customers and public organizations, keeping cybersecurity at the forefront. The Company embraces a holistic approach to cybersecurity, balancing the need to protect itself from cyber risks and ensure that right levels of protection are in place with the need for business innovation.

To maintain a high level of security throughout its network and information systems, OTE Group Information Security and Telecommunication Fraud Prevention Division delivers a resilient security strategy, demonstrating its commitment and the key actions it takes to stay ahead of the cyber threat landscape. By taking a risk-based approach to cybersecurity, the Division establishes and implements the required set of security policies, procedures and practices, oversees their implementation, builds

robust security mechanisms, secure and reliable systems and infrastructure, and evaluates their operating effectiveness (e.g. via periodic system audits). In addition, the Cyber Defense Center of the Division collects and analyzes data from corporate systems on a 24/7 basis, in order to timely detect security incidents (e.g. cyber-attacks) and respond effectively.

Ensuring security of network and information systems is always one of OTE Group's top priorities. It is more than just an obligation to meet statutory and regulatory requirements; it is also part of the Company's culture and enhances its competitive advantage in maintaining the trust of its customers, partners and suppliers.

Data Protection

The Company collects, stores and uses personal data, in the ordinary course of its operations, and protects them according to the data protection legislation and the Binding Corporate Rules Privacy (BCRP) for the protection of personal rights in the handling of personal data within the Group, which have been adopted by the BoD of the Company. Although technical and organizational measures are implemented to protect personal data, measures may fail and certain personal data may be lost as a result of human error or technological failure or otherwise be used inappropriately. Data breach by the Company or one of its partners or suppliers may result in fines, reputational harm and subscriber churn and could have a material adverse effect on the business and its financial condition.

Data protection is one of OTE Group's top priorities; it's more than just an obligation to meet legal and regulatory requirements, it's also an integral part of the Company's culture. In this context, OTE Group has established the Data Privacy unit OTE Group, headed by the Data Protection Officer, who is operationally supervised by the Audit Committee.

Technical and organizational measures implemented by the Company include, inter alia, measures to prevent unauthorized persons from accessing data processing systems, measures to ensure the confidentiality of data at rest and in transit (e.g. encryption, pseudonymization), measures to ensure that personal data processed by third parties / contractors are processed only in accordance with the Company's instructions, as well as periodic employee awareness and training activities.

Climate protection

Climate change is a global environmental issue, the impacts of which affect the whole range of economic activities as well as numerous other aspects of life on the planet and could lead to emerging risks, due to its severe and long-term impacts. On the one hand, low environmental performance could affect the Group's reputation and market share, as surveys indicate that consumers and investors tend to engage with companies that have an effective environmental policy in place. On the other hand, in the long term, telecommunications infrastructure could be affected by extreme weather events (physical impacts) that can lead to network disruptions.

Aiming at climate change mitigation, EU has set its target the reduction of Greenhouse Gas (GHG) emissions by at least 55% by 2030, compared to 1990 levels. In the context of the European Green Deal, EU aims at zero net emissions by 2050, which is now legally binding with the adoption of the EU Climate Law.

In July 2021 the European Commission released a series of legislative proposals (Fit for 55) setting out the policies and measures which intend to achieve its climate targets. Moreover, the European Commission is in the process of establishing through its Taxonomy Regulation and its delegated acts criteria for determining whether an economic activity qualifies as environmentally sustainable for the purposes of establishing the degree to which investing in it is also environmentally sustainable.

Following along these lines, Greece released in May 2022 the Greek Climate Law that aims to provide the framework for Greece to also achieve an 80% reduction by 2040 on the way to a net-zero emissions target by 2050.

Addressing climate change is fully in line with OTE Group's overall environmental strategy which comprises three areas, namely:

- Minimizing the environmental impact of its activities,
- Developing and providing products and services that enable increased productivity and environmental protection in other sectors of economic activity, and
- Reinforcing its stakeholders' environmental awareness.

On the basis of its environmental strategy to tackle climate change, OTE Group is committed to participate fully towards the achievement of the DT Group wide net zero targets (climate neutrality), announced in early 2021, of:

- Net-zero of direct and indirect GHG emissions (scope 1&2) from energy consumption by 2025, including up to 95% reduction of emissions from energy consumption by 2025 compared with 2017.
- 100% coverage of electricity consumption with electricity generated from renewable energy sources by 2021 and onwards.
- 25% Emission reduction per customer for value chains emissions (scope 3) by 2030 compared with 2017.
- Net zero GHG emissions (scope 1, 2 and 3) at the latest by 2040.

Energy consumption is a major source of GHG emissions in OTE Group contributing to climate change (and air pollution), and affects the operational cost of OTE Group, which is also directly related to the regulated charges of the national electricity transmission and distribution system, and may also be influenced by:

- Increases due to the fees / levies / burdens imposed on the electricity generation sector in the context of the EU emissions trading scheme (indirect regulatory risk).
- Stricter environmental regulations with mandatory provisions (e.g. energy audits of activities, heating / cooling systems, etc.).
- Increases in fossil fuel prices.

Taking into consideration all the above, OTE Group inventories annually all direct and indirect emissions (scope #1, #2 and #3) arising from its operation and endeavors to reduce them. In this, OTE Group has initiated a number of actions for the reduction of energy consumption (and corresponding emissions), thus minimizing relevant risks and enabling, in the long term, its adaptation to climate change. These actions, among others, include:

- Air-Condition temperature set-point / Automation
- Telecom Rooms Consolidation
- Legacy Networks Power off
- Infrastructure Modernization / Optimization
- Free Cooling
- Energy Audits at Telecom Rooms
- Mobile Modernization
- RAN Energy Features – Deactivation of capacity layers in low traffic periods
- Fuel saving measures, with hybrid solutions at off grid sites
- Measures to improve the efficiency in data centers
- Energy upgrade of buildings' shell
- Energy-efficient design of renovated buildings and shops and installation of new energy-efficient equipment and LED lighting systems
- Automation in lighting systems, air conditioning, generators etc. and monitoring of energy consumption
- Energy audits to identify measures to improve the performance of the equipment installed
- Office space consolidation
- BMS/ BEMS systems and energy management of installations in accordance with the ISO 50001 Standard
- Environmental certification of building installations according to internationally recognized standards
- Fleet upgrading with new technology vehicles of lower emissions and improved energy efficiency engines

Climate Change can lead to emerging risks, due to its severe and long-term impacts. On the one hand, low environmental performance could affect the Group's reputation and market share, as surveys indicate that consumers and investors tend to engage with companies that have an effective environmental policy in place. On the other hand, in the long term, telecommunications infrastructure could be affected by extreme weather events (physical impacts) that can lead to network disruptions.

Supply chain

OTE Group believes that the diffusion of key values and standards in the supply chain is an important feature of responsible business conduct.

The development and maintenance of a value-added supply chain for the Group, with economic, environmental and socially responsible methods and practices, in line with the Group's vision, is a continuous target for improvement.

However, there are risks that may potentially cause business operational failures, revenue losses, reputational damage as a result of third party/vendor actions (environmental damages, inadequate working conditions, child labor, fraud, etc.).

In order to mitigate these risks arising from suppliers, OTE Group has adopted and implements the following:

- The OTE Group Supplier Code of Conduct, which is uploaded on the corporate website and is accessible by suppliers. The acceptance of the Code is a prerequisite in order for a prospective supplier to enroll at the Suppliers' Portal and also for signing a contract or other agreement (the adherence to the Code is a contractual obligation). Moreover, the supplier must bind its contractors (and/or subcontractors) to the principles of the Supplier Code of Conduct insofar as they are involved in providing deliverables under the contract.
- The OTE Group Code of Human Rights and Social Principles, which is uploaded on the corporate website and in the Supplier Portal, is accessible by the suppliers, customers and the rest of the stakeholders of the Group. OTE Group extends the Code's principles to its suppliers and requires from them to respect and apply them throughout their operations and business relationships.
- An anti-corruption clause which is included both into the General Order Terms and also as a term in contracts with suppliers. As noted in the above mentioned clause, among others, the supplier and supplier's sub-contractors have the

obligation to adhere, in the context of the agreement, to the principles and values (Rules) that are outlined in the [“OTE Group Code of Conduct”](#), in the [“OTE Group Supplier Code of Conduct”](#) and in the [“OTE Group Code of Human Rights and Social Principles”](#) (i.e. the adherence to the Rules is a contractual obligation).

- Procedures for reviewing and evaluating suppliers and partners (such as a pre-contractual integrity check and evaluation of prospective suppliers and partners) according to the Compliance criteria. These criteria include anti-bribery or anti-money laundering law infringement, negative publicity regarding the supplier, as well as checking whether the supplier or partner is included in DT Non-Compliant List / NCL, which includes the legal entities and the natural persons that have been blacklisted in the published international Sanction Lists of European Union, United Nations, OFAC etc.
- Communication/awareness, periodically, to our suppliers regarding the OTE Group Principles, the OTE Group Compliance Management System and the related to suppliers’ Codes, as well as their contractual obligation to adhere to these principles throughout our business cooperation.
- An annual suppliers’ evaluation.

Health risks related to Electromagnetic fields (EMF)

The potential health effects of man-made sources of electromagnetic radiation fields (EMF) have attracted particular attention in recent years. For this reason, international scientific organizations have established safe limits of exposure to non-ionizing (EMF) radiation and a relevant legislative framework has been developed.

Research carried out and evaluated by the World Health Organization does not show any correlation between health and impact of electromagnetic emissions from telecommunication stations operating below the established EMF exposure safety limits. Furthermore according to measurements by independent organizations, the values of EMF attributed to telecommunications base stations, contribute less than 30% of the total electromagnetic background in the residential areas. The electromagnetic field levels in all OTE Group base stations comply with the limits recommended by the World Health Organization and the International Commission for the Protection of the Non Ionizing Radiation Protection (ICNIRP), as well as with the limits set by law 4635/2019, which are at 60-70% of the ICNIRP limits [establishing the limits, the scientific community has set a safety factor of fifty (50), considering that some population groups may be more vulnerable] at free public access points. In general, OTE Group’s policy is based on the application of the Precautionary Principle, which incorporates also the principles of Transparency, Information, Participation and Promotion of Science, for all its products and services.

In 2020, ICNIRP published the new guidelines for protection against exposure to electromagnetic radiation. According to ICNIRP's new international guidelines, after more than 20 years of research, the security of mobile networks is confirmed for everyone, including children, when the recommended exposure limits are met. ICNIRP notes that: "The most important thing for people to remember is that 5G technologies will not be able to cause harm when these new guidelines are adhered to".

Health and Safety in the workplace

Multiple work – related risk factors are considered to be hazardous for the Health and Safety of employees, especially for the technical staff (such as Field, Net and PCP technicians; linemen; electricians; warehouse personnel; etc.). An unsafe working environment, may burden the Company with compensation liabilities and other legal costs, while hurting the Company’s reputation and business continuity.

The evaluation of work - related risks and hazards and their consequences, conducted by Health & Safety Business Unit, has revealed that the category of employees who is exposed to the most significant hazards is the technical staff. These hazards could be the following:

1. Improper use of Personal Protective Equipments (“PPE”) Correct use aims to reduce the severity of injuries.
2. Underground work, which is performed for the purposes of repair or maintenance of equipment. An underground construction site is a narrow space with stagnant (dirty) water, and it could be a source of infections, especially if the worker does not use his of PPEs properly.
3. Work on poles, can also lead to accidents, especially if the worker uses his PPEs improperly or not at all.
4. Use of ladders, which have been located wrongly, for repair or maintenance purposes.
5. Improper or unsafe use of hand tools, which are used during work.
6. Non – continuous implementation of the guidelines for safe works, which are communicated in multiple ways for each individual work.
7. Domestic Animal attacks (such as dogs)

OTE guarantees that the technical staff is always equipped with the proper PPEs. The PPEs have been chosen according to specifications, are state of the art, certified and audited for its integrity and their expiry date. Moreover, they are renewed according to the standards defined by legislation. The Company is conducting continuous and repeated trainings for the technical staff; in order all the workers to be informed and aware for the hazards in the workplace. All training programs are being updated and enriched with new techniques and information if needed; in order to maintain the interest of employees in attending them. In 2022, the live webinars on safe work at height using a portable ladder continued and a new live webinar was created on the topic of safe work using hand tools. In addition to seminars and webinars, employees also receive regular training and guidelines from

the responsible Safety Engineer of the sites. Finally, all safe work instructions are uploaded to the Company's intranet, as well as updated instructions, which each employee can refer to at any time.

Regarding call center and store employees, the health and safety risks could be:

- Musculoskeletal strain, as a result of repetitive movements and non - ergonomic posture (sitting position or standing) during the work.
- Eye problems such as visual fatigue and disorders, as a result of insufficient lighting / reflections / large contrast of brilliance in the workspace.
- Improper response to emergencies such as fire or earthquake.

The Company ensures that its staff remains always informed about the risks arising in the workplace and the prevention measures taken for risks' elimination.

As for the prevention of visual fatigue and eye problems, employees are examined when they are hired and periodically by the occupational physicians of the Company.

Regarding the employees' response to emergencies, multiple and continuous trainings are organized by Health and Safety Unit and implemented by the responsible Safety Engineer of each site, nation widely. Among others, the trainings include evacuation exercises and updated information for good practices. Moreover, each site has its own Incident Response Team which consists of members – employees of the site, who are specially educated and have the proper equipment, so as in case of emergency (e.g. fire, earthquake) to evacuate the workspace promptly and safely. In 2022, firefighting trainings were organized in collaboration with the Navy and the Fire Service, in which the leaders and members of the Incident Response Teams participated. Firefighting training accompanied by theoretical evacuation drill took place at the stores of GERMANOS Company, aimed at the awareness of all store employees. A specialized questionnaire was distributed to all the store employees after the training, in order to certify the understanding of the knowledge they received about the evacuation process and the response in the emergency of fire.

Apart from the customized actions, all OTE Group employees are covered by private health insurance contracts, compensation programs for health issues, and have occupational physicians at their disposal.

During the first half of 2022, demands regarding the COVID-19 pandemic remained high also, and the Company, through the Health & Safety unit, responded promptly. More specifically, the Company continued to ensure all the necessary means and conditions for protection against the spread of the virus applying special instructions which are communicated to all the employees via the intranet and direct e-mails. The intranet of the Company is always up-to-date with information on both the general topics of COVID-19, as well as specific instructions for employees in retail stores, call centers, field technicians and subsidiaries.

In addition, employees have, individually, continuous and immediate access to the medical information on preventive protection measures, through a variety of communication channels (emergency telephone line for communication with the Occupational Physicians' team, communication via e-mail exclusively for questions regarding the pandemic and 24/7 telephone line for psychological support). Furthermore the company's medical unit continued manage positive cases and their, in accordance with the updated COVID-19 management protocol. In addition to the instructions of the new protocol which provides 5 days of quarantine for positive cases and return to work, the company's Medical Team contacts the employee on the fifth day and if he still has a positive diagnostic test, his quarantine is extended and he returns to work when he has a negative test, in order the protection of his colleagues to be ensured as well.

Attempting to return in a state of normalcy, Health and Safety Unit enriched the topics of its digital actions, beyond the narrow subject of COVID-19. In fact, some actions were conducted with live participation of the employees; always in absolute compliance with the protection guidelines.

- **Concerning safety:** Live Webinars on safe work at height and safe use of hand tools were conducted. Firefight training awareness events (mentioned above) with live participation were also conducted.
- **Concerning health:** the Health & Safety Business Unit organized Webinars regarding International Days; such as International Women's Day, Asthma, Smoking, Hypertension. A breast cancer awareness event was organized also; for the purpose of sensitivity and information.
- **Concerning mental health & balance:** the Health & Safety Business Unit continued to conduct the live webinars for the Workplace Management Crises in collaboration with specialized partners. A new live webinar on dealing with violence and harassment was also organized during the first half of 2022. These live webinars are aimed at self-improvement and maintaining work-life balance.
- **Concerning well-being:** The "Coach" digital platform launched in 2021 continued to operate and be available 24/7, while at the same time all sports activities (basketball, football, running team, etc.) were restarted. Additional, actions for healthy eating, with useful advice from a chef and a nutritionist, individual sessions with nutritionists and wellness actions were also organized with physical participation. In addition, a new live webinar on nutrition and psychology was conducted as well.

- **Concerning the social impact:** One (1) round of voluntary blood donation was conducted, respecting all the required health and safety measures for the participants.

For Health and Safety Unit, the participation of the employees to the units' actions was important, as well as their satisfaction. This magnitude was reflected in the evaluation questionnaires, that the employees completed after the end of each action. Evaluation questionnaires were widely used in 2022 and their large amount leads to safe conclusions regarding to the employees' satisfaction, which in most cases approaches 100%. All the comments collected help the unit to develop and improve actions.

Despite this, the pandemic is still part of our daily life, and the Company, through the Health and Safety unit, fully aligns with the official instructions of the State, adapting properly its operational functions. OTE continuously ensures the compliance with all instructions and protocols; aiming at protecting all employees and their families as well as customers and the wider community, while at the same time tries to restore normalcy through the actions provided to its employees.

Compliance, Corruption, Bribery, Human Rights and Digital Ethics' risks

Compliance stands for a solid commitment to the principles of integrity, transparency, justice, professionalism, team spirit, and of respect to the rules, principles which are essential to govern the functions of the Company.

Compliance violations (e.g. fraud, corruption, bribery, embezzlement, theft, money laundering, falsification of financial statements, unfair competition, workplace discrimination, human rights violations and any misconduct which could harm the Company's reputation, or any attempts to conceal the above) which are committed either within the Company or outside the Company involving business partners (e.g. customers, suppliers or distributors) who are doing business with the Company, could have an adverse impact on the Company's financial position and reputation and might lead to fines, sanctions and limitations in business operations. We note that the OTE Group companies take all the required measures in order to ensure that the whistle-blowers who report incidents of misconduct by providing accurate information that is plausible, will be protected from any retaliation resulting in personal, professional or financial damage.

In order to avoid risks of non-compliance with the legislation in force as well as other legal consequences for the Company and its Employees, the Management has adopted and implemented a Compliance Management System (CMS), in the framework of which the Management has also adopted a Whistleblowing Process ("Tell Me") and the relevant [communication channels](#), in which a communication channel for the violations of human rights is included.

Moreover, in the context of the System's implementation, OTE Group Codes and Compliance Policies have been adopted in order to cover important operations and procedures of the Company, including, inter alia, the Code of Conduct, the Code of Human Rights and Social Principles, the Diversity, Equity and Inclusion Policy, the Supplier Code of Conduct, the Policy on Avoiding Corruption and other Conflicts of Interest, the Anti-Fraud Policy, the Policy on Accepting and Granting of Benefits, the Donation Policy, the Sponsoring Policy, the Policy on Anti-Trust Law, the Policy on Insider Trading and the Prevention and Combatting Violence and Harassment in the Workplace Policy.

Failing to adopt and implement adequate and robust processes that prevent corruption, bribery, and human rights issues violation can result in harming OTE Group's reputation, thus possibly subsequently affecting its financial position as well as its employees' commitment and loyalty. Therefore, OTE Group recognizes corruption, bribery, human rights and digital ethics violations as an emerging risk, given the uptake of domestic and international regulation on these issues. As such, OTE Group has established effective policies and procedures (such as whistleblower procedures) for the prevention, identification and handling of possible cases.

Critical Enterprise Contracts and Business Resilience

Associated advances and continuous changes in technology make telecommunications services even more critical for small, medium and large businesses (e.g. cloud, mobile, fixed technologies and solutions). This market segment requests from telecom providers a higher level of customer service in order to support these advanced and personalized solutions. Competition is focused mostly on innovative services and it depends heavily on the ability to deliver products and services in a reliable and timely manner.

OTE Group aims to ensure the maintenance and improvement of existing networks and installations, upgrade existing systems and adapt new technologies, in a manner that minimizes business interruption and contributes to business resilience, in order to provide customers with high quality and innovative services. In addition, OTE Group has adopted and implemented proactive and reactive mitigation measures in order to ensure the continuation of operations. A failure to deliver these high-value and complex services on a continuous and uninterrupted basis may lead to revenue reduction and increase of restoration costs (e.g. ICT disruptions, Network and IT infrastructure failures, etc.). Each of these events might have an adverse impact on the level of customer experience and satisfaction as well as on the company's reputation.

E. MATERIAL TRANSACTIONS WITH RELATED PARTIES

OTE's related parties have been identified based on the requirements of IAS 24 "Related Party Disclosures".

The Group includes all entities which OTE controls, either directly or indirectly. Transactions and balances between companies in the OTE Group are eliminated on consolidation.

DEUTSCHE TELEKOM AG is a 49.2% shareholder of OTE and consolidates OTE using the full consolidation method. Therefore, all companies included in the DEUTSCHE TELEKOM group are also considered related parties.

The Company purchases goods and services from these related parties, provides services and delivers goods to them. Furthermore, OTE grants and receives loans to and from these related parties and also receives and pays dividends.

OTE's sales and purchases with related parties are analyzed as follows:

| | 1st Half 2022 | | 1st Half 2021 | |
|---|---------------|---------------|---------------|---------------|
| | Sales OTE | Purchases OTE | Sales OTE | Purchases OTE |
| COSMOTE Group - Greece | 30.6 | 72.5 | 28.0 | 75.3 |
| COSMOTE TV PRODUCTIONS | - | 3.2 | - | 3.2 |
| COSMO-ONE | - | 0.2 | - | 0.2 |
| OTESAT-MARITEL | 0.1 | 0.1 | 0.2 | - |
| CTS | - | 77.5 | 0.1 | 73.8 |
| OTE ESTATE | 0.2 | 0.7 | 0.1 | 0.1 |
| OTE GLOBE | 3.5 | 17.9 | 3.4 | 16.7 |
| OTE ACADEMY | - | 1.0 | - | 1.3 |
| TELEKOM ROMANIA | - | - | - | 0.2 |
| TELEKOM ROMANIA MOBILE | 1.1 | - | - | - |
| COSMOTE PAYMENTS | - | 2.1 | - | - |
| COSMOTE GLOBAL SOLUTIONS S.A. | - | 0.3 | - | - |
| OTE RURAL NORTH | 1.4 | 2.2 | 1.3 | 1.9 |
| OTE RURAL SOUTH | 1.9 | 3.1 | 1.7 | 2.8 |
| DEUTSCHE TELEKOM group of companies (except for OTE Group) | 1.4 | 4.8 | 6.0 | 2.3 |
| TOTAL | 40.2 | 185.6 | 40.8 | 177.8 |

Purchases of OTE from CTS include fixed assets purchases amounting to Euro 9.7 for the first half of 2022 (first half of 2021: Euro 8.9).

Following the adoption of IFRS 16, purchases from related parties do not include amounts related to lease expenses. For OTE, lease expenses amounted to Euro 18.2 for the first half of 2022 (first half of 2021: Euro 17.8).

The Group's sales and purchases with related parties which are not eliminated in the consolidation are analyzed as follows:

| | 1st Half 2022 | | 1st Half 2021 | |
|---|---------------|-------------------|---------------|-------------------|
| | Group's sales | Group's purchases | Group's sales | Group's purchases |
| DEUTSCHE TELEKOM group of companies (except for OTE Group) | 10.1 | 15.6 | 16.9 | 28.0 |
| TOTAL | 10.1 | 15.6 | 16.9 | 28.0 |

For the first half of 2021, Group's sales and purchases to DEUTSCHE TELEKOM group of companies include an amount of Euro 3.2 and an amount of Euro 15.1 respectively, related to discontinued operations.

OTE's other operating income with its related parties is analyzed as follows:

| | Other operating income OTE | |
|------------------------|----------------------------|---------------|
| | 1st Half 2022 | 1st Half 2021 |
| COSMOTE Group - Greece | 7.8 | 6.9 |
| OTE ACADEMY | 0.1 | 0.1 |
| OTE GLOBE | - | 0.1 |
| OTESAT-MARITEL | 0.2 | - |
| CTS | 5.1 | 4.9 |
| TOTAL | 13.2 | 12.0 |

The Group's other operating income with its related parties which is not eliminated in the consolidation is analyzed as follows:

| | Group's other operating income | |
|--|--------------------------------|---------------|
| | 1st Half 2022 | 1st Half 2021 |
| DEUTSCHE TELEKOM group of companies (except for OTE Group) | - | 0.1 |
| TOTAL | - | 0.1 |

OTE's financial activities with its related parties, which comprise interest on loans granted and received, as well as interest expense on lease liabilities to related parties, are analyzed as follows:

| | 1st Half 2022 | | 1st Half 2021 | |
|------------------------|--------------------|---------------------|--------------------|---------------------|
| | Finance income OTE | Finance expense OTE | Finance income OTE | Finance expense OTE |
| OTE PLC | - | 8.3 | - | 9.2 |
| COSMOTE Group - Greece | 0.1 | 0.1 | 0.1 | 0.1 |
| OTE RURAL SOUTH | 0.2 | - | 0.2 | 0.1 |
| OTE ESTATE | - | 2.6 | - | 3.0 |
| TOTAL | 0.3 | 11.0 | 0.3 | 12.4 |

OTE's dividend income from its related parties is analyzed as follows:

| | Dividend income OTE | |
|----------------|---------------------|---------------|
| | 1st Half 2022 | 1st Half 2021 |
| COSMOTE | 250.0 | - |
| OTE PLC | 25.0 | - |
| OTE GLOBE | 10.0 | - |
| OTESAT-MARITEL | 0.5 | - |
| OTE ESTATE | - | 20.4 |
| TOTAL | 285.5 | 20.4 |

Amounts owed to and by the related parties as a result of OTE's transactions with them, including dividends, are analyzed as follows:

| | 30/06/2022 | | 31/12/2021 | |
|--|---------------------|---------------------|---------------------|---------------------|
| | Amounts owed to OTE | Amounts owed by OTE | Amounts owed to OTE | Amounts owed by OTE |
| COSMOTE Group - Greece | 111.0 | 140.2 | 77.4 | 162.5 |
| TELEKOM ROMANIA MOBILE | 0.2 | 3.0 | 0.1 | 4.0 |
| COSMOTE TV PRODUCTIONS | - | 0.9 | - | 1.7 |
| COSMO-ONE | - | 0.1 | - | 0.1 |
| OTESAT-MARITEL | 5.0 | - | 4.5 | - |
| CTS | 5.0 | 33.2 | 13.2 | 33.1 |
| COSMOTE PAYMENTS | 1.0 | 0.3 | 0.5 | 0.2 |
| COSMOTE GLOBAL SOLUTIONS S.A. | - | 0.1 | - | 0.4 |
| OTE ESTATE | 1.3 | - | 1.8 | 0.5 |
| OTE GLOBE | 2.7 | 14.6 | 2.6 | 10.3 |
| OTE ACADEMY | 0.1 | 0.4 | 0.1 | 0.6 |
| OTE RURAL NORTH | 0.5 | 0.3 | 0.9 | 0.1 |
| OTE RURAL SOUTH | 0.6 | 0.4 | 1.0 | 0.1 |
| DEUTSCHE TELEKOM group of companies (except for OTE Group) | 1.8 | 129.7 | 2.9 | 6.1 |
| TOTAL | 129.2 | 323.2 | 105.0 | 219.7 |

Amounts owed by OTE to DEUTSCHE TELEKOM group of companies (except for OTE Group) include dividend payable amounting to Euro 126.0 as of June 30, 2022 (December 31, 2021: Euro nil).

Amounts owed to OTE by COSMOTE Group – Greece and OTESAT-MARITEL include dividend receivable amounting to Euro 70.0, and Euro 0.5 as of June 30, 2022, respectively (December 31, 2021: COSMOTE Group – Greece amounting to Euro 40.0, OTESAT-MARITEL amounting to Euro nil).

OTE's lease liabilities to related parties are analyzed as follows:

| | Lease liabilities OTE | |
|------------------------|-----------------------|--------------|
| | 30/06/2022 | 31/12/2021 |
| OTE ESTATE | 140.1 | 138.0 |
| COSMOTE Group - Greece | 8.1 | 0.2 |
| OTE RURAL NORTH | 0.6 | 0.8 |
| OTE RURAL SOUTH | 1.2 | 1.7 |
| TOTAL | 150.0 | 140.7 |

Amounts owed to and by the related parties as a result of the Group's transactions with them, which are not eliminated in the consolidation, are analyzed as follows:

| | 30/06/2022 | | 31/12/2021 | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | Amounts owed to Group | Amounts owed by Group | Amounts owed to Group | Amounts owed by Group |
| DEUTSCHE TELEKOM group of companies (except for OTE Group) | 6.5 | 623.2 | 8.5 | 348.4 |
| TOTAL | 6.5 | 623.2 | 8.5 | 348.4 |

Amounts owed by the Group to DEUTSCHE TELEKOM group of companies (except for OTE Group) include dividend payable amounting to Euro 126.0 as of June 30, 2022 (December 31, 2021: Euro nil).

Amounts owed by Group to DEUTSCHE TELEKOM group of companies (except for OTE Group) as of June 30, 2022 include an amount of Euro 450.0 (nominal amount) related to Notes issued by OTE PLC (Note 7) and subscribed partially or in full by

DEUTSCHE TELEKOM AG (December 31, 2021: Euro 300.0 nominal amount). Interest expenses for the above Notes amount to Euro 1.2 (June 30, 2021: Euro 1.5).

Amounts owed to and by OTE relating to loans granted and received, are analyzed as follows:

| | 30/06/2022 | | 31/12/2021 | |
|-----------------|---------------------|---------------------|---------------------|---------------------|
| | Amounts owed to OTE | Amounts owed by OTE | Amounts owed to OTE | Amounts owed by OTE |
| OTE PLC | - | 1,224.9 | - | 1,178.1 |
| OTE RURAL NORTH | 6.0 | - | 6.1 | - |
| OTE RURAL SOUTH | 8.5 | - | 8.5 | - |
| TOTAL | 14.5 | 1,224.9 | 14.6 | 1,178.1 |

Amounts owed by OTE to OTE PLC relating to loans include interest payable amounting to Euro 12.4 (December 31, 2021: Euro 6.3).

Key Management Personnel and those closely related to them are defined as related parties in accordance with IAS 24 "Related Party Disclosures". Key management compensation comprises salaries and other short-term benefits, termination benefits, post-employment benefits and other long-term benefits (as defined in IAS 19 "Employee Benefits") and share-based payments (as defined in IFRS 2 "Share-based Payment").

Compensation to the members of the Board of Directors and OTE's key management personnel amounted to Euro 5.3 for the first half of 2022 (first half of 2021: Euro 6.8).

F. SIGNIFICANT EVENTS AFTER THE END OF THE 1st HALF OF 2022

CANCELLATION OF OWN SHARES

The Annual General Shareholders' Meeting of May 25, 2022 approved in accordance with article 49 of Law 4548/2018, the cancellation of 5,617,282 own shares along with the reduction of the Company's share capital by Euro 15,896,908.06 (in absolute amount) (equivalent to the above number of own shares multiplied by the nominal value of the Company's share, i.e. Euro 2.83 (in absolute amount)) and the amendment of Article 5 ("Share Capital") of the Company's Articles of Incorporation.

The Company acquired the above shares during the period from December 1, 2021 to March 31, 2022, and specifically the Company acquired 3,749,040 own shares during the period from December 1, 2021 to February 20, 2022, at an average price of Euro 16.59 (in absolute amount) per share within the framework of the Own Share Buyback Program as approved by the General Shareholders' Meeting on February 20, 2020 (the 2020-2022 Program). Moreover the Company acquired 1,868,242 own shares during the period from February 24, 2022 to March 31, 2022 at an average price of Euro 16.77 (in absolute amount) within the framework of the new Share Buyback Program as approved by the General Shareholders' Meeting on January 18, 2022.

Following notification to the Corporate Actions Committee of the Athens Stock Exchange and consummation of other legal and regulatory procedures, the aforementioned shares were canceled and delisted from the Athens Stock Exchange (ATHEX) as of July 12, 2022, when trading of the aforementioned shares on the ATHEX has ceased.

On August 2, 2022, the Company holds 5,766,038 own shares, with a nominal value of Euro 2.83 (in absolute amount) per share, which represent 1.303% of the Company's share capital.

Euro 150.0 Bank Loan of OTE with the European Bank for Reconstruction and Development (EBRD), with the use of loan funds from the National Recovery and Resilience Facility 'Greece 2.0', financed by the European Union

On July 7, 2022, OTE signed a Euro 150.0 loan agreement with the EBRD. The loan has an eight-year tenor with repayment at maturity and bears a total blended fixed interest rate of 1.561% per annum. Its purpose is the financing of a project related to part of the rollout of OTE's Fiber to the Home (FTTH) network, amounting to total Euro 187.5. Out of the Euro 150.0 loan amount, Euro 93.8 are financed by the European Union's Recovery and Resilience Facility, channeled through the Greek Ministry of Finance, while Euro 56.2 are financed by the EBRD. Euro 37.5 of the project will be covered by OTE's own funds.

On July 13, 2022, OTE proceeded with the drawdown of the full amount under the Euro 150.0 EBRD Loan.

Extension for 2 years of the Revolving Credit Facility with National Bank of Greece and Alpha Bank SA for a committed amount of Euro 100.0.

On July 22, 2022, OTE extended for 2 years the existing from July 24, 2020, Euro 200.0 Bond Loan Agreement, in the form of a committed Revolving Credit Facility, with the syndication of National Bank of Greece and Alpha Bank SA, along with a simultaneous reduction of the committed amount to Euro 100.0.

No drawdown has taken place up to the date of approval of these interim financial statements.

Agreement for the sale of COSMO-ONE

On July 25, 2022, the Group completed the sale of COSMO-ONE through the transfer of its 61.74% stake in SOFT ONE TECHNOLOGIES S.A. for a total consideration of Euro 2.0. The amount attributable to OTE was Euro 1.0.

OTE PLC

Repayment of Bond under the Global Medium-Term Note (GMTN) Programme of OTE PLC

On July 18, 2022, OTE PLC repaid at maturity the Euro 400.0 fixed rate bond, with outstanding balance Euro 374.6, issued under its Global Medium Term Note Programme on July 18, 2018.

COSMOTE

Payment of principal installment under the Euro 150.0 term loan with the European Investment Bank (EIB)

On July 25, 2022, COSMOTE paid principal installment of Euro 11.5 under the term loan with EIB.

G. 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 six months’ Financial Statements, 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 (current and non-current) as they are highly liquidity assets. The calculations are described in the table below:

| OTE Group | 30/06/2022 | 31/12/2021 | Change |
|--|--------------|--------------|---------------|
| Long-term borrowings | 742.6 | 753.7 | -1.5% |
| Short-term portion of long-term borrowings | 397.6 | 397.3 | +0.1% |
| Short-term borrowings | 150.0 | - | - |
| Lease liabilities (long-term portion) | 177.6 | 189.2 | -6.1% |
| Lease liabilities (short-term portion) | 70.7 | 71.7 | -1.4% |
| Cash and cash equivalents | (1,001.1) | (630.7) | +58.7% |
| Net Debt | 537.4 | 781.2 | -31.2% |
| Other financial assets | (4.6) | (5.6) | -17.9% |
| Non-current financial assets | (0.4) | - | - |
| Adjusted Net Debt | 532.4 | 775.6 | -31.4% |

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 | 30/06/2022 | 31/12/2021 | Change |
|---|--------------|--------------|---------------|
| Net Debt | 537.4 | 781.2 | -31.2% |
| Lease liabilities (long-term portion) | (177.6) | (189.2) | -6.1% |
| Lease liabilities (short-term portion) | (70.7) | (71.7) | -1.4% |
| Net Debt (excluding leases) | 289.1 | 520.3 | -44.4% |
| Other financial assets | (4.6) | (5.6) | -17.9% |
| Non-current financial assets | (0.4) | - | - |
| Adjusted Net Debt (excluding leases) | 284.1 | 514.7 | -44.8% |

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 | 1 st Half 2022 | 1 st Half 2021 | Change |
|---|---------------------------|---------------------------|---------------|
| Total Revenues | 1,674.9 | 1,615.4 | +3.7% |
| Other Operating Income | 6.7 | 5.6 | +19.6% |
| Total operating expenses before depreciation, amortization and impairment | (1,015.1) | (972.1) | +4.4% |
| EBITDA | 666.5 | 648.9 | +2.7% |
| <i>margin %</i> | <i>39.8%</i> | <i>40.2%</i> | <i>-0.4pp</i> |
| Costs related to voluntary leave schemes | 32.7 | 4.7 | - |
| Other restructuring and non-recurring litigations | 0.4 | 1.5 | -73.3% |
| Adjusted EBITDA | 699.6 | 655.1 | +6.8% |
| <i>margin %</i> | <i>41.8%</i> | <i>40.6%</i> | <i>+1.2pp</i> |

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

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

| OTE Group | 1 st Half 2022 | 1 st Half 2021 | Change |
|---|---------------------------|---------------------------|---------------|
| EBITDA | 666.5 | 648.9 | +2.7% |
| <i>margin %</i> | <i>39.8%</i> | <i>40.2%</i> | <i>-0.4pp</i> |
| Depreciation of lessee use rights to leased assets | (37.1) | (35.0) | +6.0% |
| Interest expense on leases | (4.4) | (8.5) | -48.2% |
| EBITDA After Lease (AL) | 625.0 | 605.4 | +3.2% |
| <i>margin %</i> | <i>37.3%</i> | <i>37.5%</i> | <i>-0.2pp</i> |
| Costs related to voluntary leave schemes | 32.7 | 4.7 | - |
| Other restructuring costs and non-recurring litigations | 0.4 | 1.5 | -73.3% |
| Adjusted EBITDA After Lease (AL) | 658.1 | 611.6 | +7.6% |
| <i>margin %</i> | <i>39.3%</i> | <i>37.9%</i> | <i>+1.4pp</i> |

| Greece | 1 st Half 2022 | 1 st Half 2021 | Change |
|--|---------------------------|---------------------------|---------------|
| EBITDA | 630.4 | 630.7 | 0.0% |
| <i>margin %</i> | <i>41.4%</i> | <i>42.7%</i> | <i>-1.3pp</i> |
| Depreciation of lessee use rights to leased assets | (26.7) | (25.8) | +3.5% |
| Interest expense on leases | (3.5) | (7.5) | -53.3% |
| EBITDA After Lease (AL) | 600.2 | 597.4 | +0.5% |
| <i>margin %</i> | <i>39.5%</i> | <i>40.5%</i> | <i>-1.0pp</i> |
| Costs related to voluntary leave schemes | 32.5 | 4.6 | - |
| Other restructuring and non-recurring litigations | - | - | - |
| Adjusted EBITDA After Lease (AL) | 632.7 | 602.0 | +5.1% |
| <i>margin %</i> | <i>41.6%</i> | <i>40.8%</i> | <i>+0.8pp</i> |

| Romania mobile | 1 st Half 2022 | 1 st Half 2021 | Change |
|--|---------------------------|---------------------------|----------------|
| EBITDA | 36.1 | 18.3 | +97.3% |
| <i>margin %</i> | <i>23.1%</i> | <i>12.0%</i> | <i>+11.1pp</i> |
| Depreciation of lessee use rights to leased assets | (10.4) | (9.3) | +11.8% |
| Interest expense on leases | (0.9) | (1.0) | -10.0% |
| EBITDA After Lease (AL) | 24.8 | 8.0 | - |
| <i>margin %</i> | <i>15.8%</i> | <i>5.3%</i> | <i>+10.5pp</i> |
| Costs related to voluntary leave schemes | 0.2 | 0.1 | +100.0% |
| Other restructuring and non-recurring litigations | 0.4 | 1.5 | -73.3% |
| Adjusted EBITDA After Lease (AL) | 25.4 | 9.6 | +164.6% |
| <i>margin %</i> | <i>16.2%</i> | <i>6.3%</i> | <i>+9.9pp</i> |

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 / losses 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:

| OTE Group - After Tax impact | 1 st Half 2022 | 1 st Half 2021 | Change |
|---|---------------------------|---------------------------|---------------|
| Profit to owners of the Parent from continuing operations (reported) | 236.2 | 176.8 | +33.6% |
| Costs related to voluntary leave schemes | 25.5 | 3.7 | - |
| Other restructuring & non-recurring litigations | 0.3 | 1.1 | -72.7% |
| Loss from disposal of subsidiary | - | - | - |
| Reversal of provision related to Assets Sales | - | - | - |
| Net Impact from Impairments | - | - | - |
| Tax effect from deductible investment losses/Intercompany dividends | - | - | - |
| Effect due to change in the income tax rates | - | 26.3 | - |
| Adjusted Profit to owners of the parent | 262.0 | 207.9 | +26.0% |

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 as an APM 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 | 1 st Half 2022 | 1 st Half 2021 | Change |
|---|---------------------------|---------------------------|---------------|
| Purchase of property, plant and equipment and intangible assets - CAPEX | (262.0) | (238.2) | +10.0% |
| Spectrum Payments | 1.2 | 1.1 | +9.1% |
| Adjusted CAPEX | (260.8) | (237.1) | +10.0% |

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 | 1 st Half 2022 | 1 st Half 2021 | Change |
|--|---------------------------|---------------------------|---------------|
| Net cash flows from operating activities | 679.8 | 614.4 | +10.6% |
| Minus: Net cash flows from operating activities of discontinued operations | - | 69.7 | -100.0% |
| Interest received | 0.9 | 0.4 | +125.0% |
| Purchase of property, plant, equipment & intangible assets | (262.0) | (238.2) | 10.0% |
| Free Cash Flow | 418.7 | 306.9 | +36.4% |
| Lease repayments | (39.7) | (33.0) | +20.3% |
| Free Cash Flow After Lease (AL) | 379.0 | 273.9 | +38.4% |

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 | 1 st Half 2022 | 1 st Half 2021 | Change |
|---|---------------------------|---------------------------|---------------|
| Free Cash Flow | 418.7 | 306.9 | +36.4% |
| Payment for voluntary leave schemes | 2.4 | 47.7 | -95.0% |
| Payment for restructuring costs and non-recurring litigations | 5.1 | 2.9 | +75.9% |
| Spectrum payments | 1.2 | 1.1 | +9.1% |
| Adjusted Free Cash Flow | 427.4 | 358.6 | +19.2% |
| Lease repayments | (39.7) | (33.0) | +20.3% |
| Adjusted Free Cash Flow After Lease (AL) | 387.7 | 325.6 | +19.1% |

Maroussi, August 3, 2022

Michael Tsamaz
Chairman and Managing Director

Charalampos Mazarakis
Board Member

III. AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

TRUE TRANSLATION FROM THE ORIGINAL IN GREEK

Independent Auditor's Review Report

To the Board of Directors of the Company HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.

Report on Review of Interim Financial Information

Introduction

We have reviewed the accompanying interim separate and consolidated statement of financial position of the Company HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A. as of June 30, 2022 and the related interim separate and consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selective explanatory notes that comprise the interim condensed financial information and which represent an integral part of the six month financial report as provided by Law 3556/2007. Management is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and applied to interim financial reporting ("IAS 34"). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with the 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 of 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 Standards on Auditing as they have been transposed in Greek Legislation 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.

Other Matter

The separate and consolidated financial statements of the Company for the year ended December 31, 2021 were audited by another audit firm. For the aforementioned year, the certified auditor issued a report with an unmodified opinion dated February 23, 2022.

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.

Report on other Legal and Regulatory Requirements

Our review has not revealed any material inconsistency or misstatement in the Statements of members of the Board of Directors and the information in the half-year Report of the Board of Directors, as defined in articles 5 and 5a of Law 3556/2007, in relation to the accompanying interim condensed separate and consolidated financial information.

Athens, August 3, 2022

The Certified Public Accountant

Paris Efthymiades

Reg. No. SOEL: 18171

Deloitte Certified Public Accountants S.A.

3a Fragkokklisias & Granikou str., 151 25 Marousi

Reg. No. SOEL: E 120

IV. INTERIM CONDENSED FINANCIAL STATEMENTS (CONSOLIDATED AND SEPARATE)

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.



GROUP OF COMPANIES

INTERIM CONDENSED FINANCIAL STATEMENTS (CONSOLIDATED AND SEPARATE)
AS OF JUNE 30, 2022

IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS
as adopted by the European Union

(TRANSLATED FROM THE GREEK ORIGINAL)

The Interim Condensed Financial Statements presented on pages 36-64, were approved by the Board of Directors on August 3, 2022 and are signed by:

Chairman
& Managing Director

Board Member
& OTE Group Chief
Financial Officer

Executive Director
Financial Operations
OTE Group

Accounting Director

Michael Tsamaz

Charalampos Mazarakis

George Mavrakis

Anastasios Kapenis

HELLENIC TELECOMMUNICATIONS ORGANIZATION S.A.
REGISTRATION No 001037501000
99, KIFISSIAS AVE-151 24 MAROUSSI ATHENS, GREECE

INTERIM CONDENSED FINANCIAL STATEMENTS AS OF JUNE 30, 2022 AND FOR THE SIX MONTH PERIOD THEN ENDED

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INTERIM STATEMENTS OF FINANCIAL POSITION (CONSOLIDATED AND SEPARATE)

| (Amounts in millions of Euro) | Notes | GROUP | | COMPANY | |
|--|-------|----------------|----------------|----------------|----------------|
| | | 30/06/2022 | 31/12/2021 | 30/06/2022 | 31/12/2021 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | | 2,090.6 | 2,080.3 | 1,267.9 | 1,250.2 |
| Right-of-use assets | | 253.5 | 264.7 | 151.3 | 150.2 |
| Goodwill | | 376.6 | 376.6 | - | - |
| Telecommunication licenses | | 333.0 | 348.9 | 2.6 | 1.7 |
| Other intangible assets | | 390.8 | 387.7 | 287.3 | 275.5 |
| Investments | 4 | 0.1 | 0.1 | 3,173.9 | 3,158.8 |
| Loans to pension funds | | 66.7 | 68.6 | 66.7 | 68.6 |
| Deferred tax assets | | 195.5 | 197.9 | 15.4 | 22.7 |
| Contract costs | 8 | 24.7 | 24.3 | 10.3 | 9.8 |
| Other non-current assets | | 76.3 | 75.9 | 46.7 | 45.8 |
| Total non-current assets | | 3,807.8 | 3,825.0 | 5,022.1 | 4,983.3 |
| Current assets | | | | | |
| Inventories | | 45.8 | 38.0 | 7.2 | 5.0 |
| Trade receivables | | 517.3 | 504.4 | 311.3 | 304.1 |
| Other financial assets | | 4.6 | 5.6 | 2.7 | 3.0 |
| Contract assets | 8 | 38.2 | 34.6 | 3.9 | 3.4 |
| Other current assets | | 140.7 | 176.9 | 161.7 | 164.8 |
| Restricted cash | | 1.7 | 1.8 | - | - |
| Cash and cash equivalents | | 1,001.1 | 630.7 | 559.9 | 274.0 |
| Total current assets | | 1,749.4 | 1,392.0 | 1,046.7 | 754.3 |
| TOTAL ASSETS | | 5,557.2 | 5,217.0 | 6,068.8 | 5,737.6 |
| EQUITY AND LIABILITIES | | | | | |
| Equity attributable to owners of the Parent | | | | | |
| Share capital | 5 | 1,268.1 | 1,292.6 | 1,268.1 | 1,292.6 |
| Share premium | 5 | 453.8 | 462.6 | 453.8 | 462.6 |
| Treasury shares | 5 | (173.7) | (157.1) | (173.7) | (157.1) |
| Statutory reserve | | 440.7 | 440.7 | 440.7 | 440.7 |
| Foreign exchange and other reserves | | (150.4) | (168.6) | (22.1) | (32.8) |
| Changes in non-controlling interests | | (3,314.1) | (3,314.1) | - | - |
| Retained earnings | | 3,301.4 | 3,414.4 | 1,247.1 | 1,192.6 |
| Total equity attributable to owners of the Parent | | 1,825.8 | 1,970.5 | 3,213.9 | 3,198.6 |
| Non-controlling interests | 4 | 1.8 | 1.7 | - | - |
| Total equity | | 1,827.6 | 1,972.2 | 3,213.9 | 3,198.6 |
| Non-current liabilities | | | | | |
| Long-term borrowings | 7 | 742.6 | 753.7 | 696.5 | 797.6 |
| Provision for staff retirement indemnities | | 114.0 | 139.9 | 38.2 | 50.8 |
| Provision for youth account | | 91.2 | 98.4 | 91.2 | 98.4 |
| Contract liabilities | 8 | 35.8 | 33.2 | 46.8 | 48.2 |
| Lease liabilities | | 177.6 | 189.2 | 121.8 | 126.5 |
| Deferred tax liabilities | | 0.3 | 3.3 | - | - |
| Other non-current liabilities | | 80.9 | 89.3 | 102.5 | 115.8 |
| Total non-current liabilities | | 1,242.4 | 1,307.0 | 1,097.0 | 1,237.3 |
| Current liabilities | | | | | |
| Trade accounts payable | | 823.5 | 818.5 | 474.1 | 468.2 |
| Short-term borrowings | 7 | 150.0 | - | 40.0 | - |
| Short-term portion of long-term borrowings | 7 | 397.6 | 397.3 | 476.0 | 374.2 |
| Income tax payable | 9 | 86.9 | 44.0 | 14.1 | 7.9 |
| Contract liabilities | 8 | 119.7 | 118.4 | 79.3 | 76.7 |
| Lease liabilities | | 70.7 | 71.7 | 37.6 | 25.3 |
| Dividends payable | 6 | 252.3 | 2.3 | 252.2 | 2.3 |
| Other current liabilities | | 586.5 | 485.6 | 384.6 | 347.1 |
| Total current liabilities | | 2,487.2 | 1,937.8 | 1,757.9 | 1,301.7 |
| TOTAL EQUITY AND LIABILITIES | | 5,557.2 | 5,217.0 | 6,068.8 | 5,737.6 |

INTERIM INCOME STATEMENT (CONSOLIDATED)

| (Amounts in millions of Euro except per share data) | Notes | 1st Half | |
|--|-------|------------------|----------------|
| | | 2022 | 2021 |
| Revenue | | | |
| Fixed business: | | | |
| Retail services revenues | | 475.9 | 469.1 |
| Wholesale services revenues | | 289.5 | 282.3 |
| Other revenues | | 144.8 | 129.2 |
| Total revenues from fixed business | | 910.2 | 880.6 |
| Mobile business: | | | |
| Service revenues | | 579.2 | 562.6 |
| Handset revenues | | 124.0 | 128.9 |
| Other revenues | | 19.2 | 9.3 |
| Total revenues from mobile business | | 722.4 | 700.8 |
| Miscellaneous other revenues | | 42.3 | 34.0 |
| Total revenues | | 1,674.9 | 1,615.4 |
| Other operating income | 10 | 6.7 | 5.6 |
| Operating expenses | | | |
| Interconnection and roaming costs | | (217.7) | (209.8) |
| Provision for expected credit losses | | (26.1) | (37.3) |
| Personnel costs | | (232.8) | (229.5) |
| Costs related to voluntary leave schemes | 11 | (32.7) | (4.7) |
| Commission costs | | (40.7) | (38.9) |
| Merchandise costs | | (154.5) | (150.9) |
| Maintenance and repairs | | (39.2) | (36.9) |
| Marketing | | (29.9) | (27.8) |
| Other operating expenses, out of which: | | (241.5) | (236.3) |
| <i>Facility and other lease related costs</i> | | <i>(64.9)</i> | <i>(41.7)</i> |
| <i>Third party fees and services</i> | | <i>(91.5)</i> | <i>(76.0)</i> |
| <i>Other taxes and regulatory charges</i> | | <i>(36.8)</i> | <i>(34.9)</i> |
| <i>Construction cost network</i> | | <i>(0.3)</i> | <i>(0.1)</i> |
| <i>Other sundry operating expenses</i> | | <i>(48.0)</i> | <i>(83.6)</i> |
| Total operating expenses before depreciation, amortization and impairment | | (1,015.1) | (972.1) |
| Operating profit before financial and investing activities, depreciation, amortization and impairment | | 666.5 | 648.9 |
| Depreciation, amortization and impairment | | (336.8) | (330.1) |
| Operating profit before financial and investing activities | | 329.7 | 318.8 |
| Income and expense from financial and investing activities | | | |
| Interest and related expenses | | (16.9) | (24.0) |
| Interest income | | 0.9 | 0.4 |
| Foreign exchange differences, net | | 2.5 | (0.7) |
| Gains / (losses) from investments and other financial assets - Impairment | | (0.3) | 0.4 |
| Total loss from financial and investing activities | | (13.8) | (23.9) |
| Profit before tax | | 315.9 | 294.9 |
| Income tax | 9 | (79.6) | (120.1) |
| Profit for the period from continuing operations | | 236.3 | 174.8 |
| Profit from discontinued operations | | - | 66.7 |
| Profit for the period | | 236.3 | 241.5 |
| Attributable to: | | | |
| Owners of the parent | | | |
| <i>From continuing operations</i> | | <i>236.2</i> | <i>222.0</i> |
| <i>From discontinued operations</i> | | <i>-</i> | <i>45.2</i> |
| Non-controlling interests | | 0.1 | 19.5 |
| Profit for the period | | 236.3 | 241.5 |
| Earnings per share attributable to owners of the parent from continuing operations | | | |
| Basic earnings per share | 12 | 0.5337 | 0.3865 |
| Diluted earnings per share | 12 | 0.5337 | 0.3865 |
| Total basic earnings per share attributable to owners of the parent | 12 | 0.5337 | 0.4853 |

INTERIM INCOME STATEMENT (SEPARATE)

| (Amounts in millions of Euro) | Notes | 1st Half | |
|--|-------|----------------|----------------|
| | | 2022 | 2021 |
| Revenue | | | |
| Fixed business: | | | |
| Retail services revenues | | 474.0 | 468.0 |
| Wholesale services revenues | | 171.5 | 164.4 |
| Other revenues | | 124.7 | 115.0 |
| Total revenues from fixed business | | 770.2 | 747.4 |
| Mobile business: | | | |
| Handset revenues | | 1.0 | 1.1 |
| Total revenues from mobile business | | 1.0 | 1.1 |
| Miscellaneous other revenues | | 26.6 | 22.3 |
| Total revenues | | 797.8 | 770.8 |
| Other operating income | 10 | 17.4 | 13.8 |
| Operating expenses | | | |
| Interconnection and roaming costs | | (43.6) | (42.4) |
| Provision for expected credit losses | | (11.8) | (13.0) |
| Personnel costs | | (52.6) | (51.6) |
| Costs related to voluntary leave schemes | 11 | (9.8) | (1.3) |
| Commission costs | | (27.4) | (20.9) |
| Merchandise costs | | (25.7) | (22.8) |
| Maintenance and repairs | | (20.1) | (19.3) |
| Marketing | | (9.4) | (8.4) |
| Other operating expenses, out of which: | | (245.3) | (241.7) |
| <i>Facility and other lease related costs</i> | | <i>(38.4)</i> | <i>(23.5)</i> |
| <i>Third party fees and services</i> | | <i>(166.9)</i> | <i>(153.3)</i> |
| <i>Other taxes and regulatory charges</i> | | <i>(12.6)</i> | <i>(12.3)</i> |
| <i>Other sundry operating expenses</i> | | <i>(27.4)</i> | <i>(52.6)</i> |
| Total operating expenses before depreciation, amortization and impairment | | (445.7) | (421.4) |
| Operating profit before financial and investing activities, depreciation, amortization and impairment | | 369.5 | 363.2 |
| Depreciation, amortization and impairment | | (190.2) | (177.1) |
| Operating profit before financial and investing activities | | 179.3 | 186.1 |
| Income and expense from financial and investing activities | | | |
| Interest and related expenses | | (14.0) | (16.1) |
| Interest income | | 0.5 | 0.6 |
| Foreign exchange differences, net | | 0.8 | 0.6 |
| Dividend income | 4,14 | 285.5 | 20.4 |
| Gains / (losses) from investments and other financial assets - Impairment | | (0.3) | 0.2 |
| Total profit from financial and investing activities | | 272.5 | 5.7 |
| Profit before tax | | 451.8 | 191.8 |
| Income tax | 9 | (48.1) | (65.5) |
| Profit for the period | | 403.7 | 126.3 |

INTERIM STATEMENT OF COMPREHENSIVE INCOME (CONSOLIDATED)

| (Amounts in millions of Euro) | 1st Half | |
|---|--------------|--------------|
| | 2022 | 2021 |
| Profit for the period | 236.3 | 241.5 |
| Other comprehensive income: | | |
| Items that will not be reclassified subsequently to profit or loss | | |
| Actuarial gains | 23.2 | 9.0 |
| Deferred taxes on actuarial gains | (5.1) | (1.7) |
| Deferred taxes on actuarial gains due to change in tax rate | - | (0.8) |
| Total items that will not be reclassified subsequently to profit or loss | 18.1 | 6.5 |
| Items that may be reclassified subsequently to profit or loss | | |
| Foreign currency translation | 0.1 | (5.3) |
| Total items that may be reclassified subsequently to profit or loss | 0.1 | (5.3) |
| Other comprehensive income for the period | 18.2 | 1.2 |
| Total comprehensive income for the period | 254.5 | 242.7 |
| Attributable to: | | |
| Owners of the parent | 254.4 | 223.5 |
| Non-controlling interests | 0.1 | 19.2 |
| | 254.5 | 242.7 |
| Total comprehensive income attributable to owners of the parent arises from: | | |
| Continuing operations | 254.4 | 178.3 |
| Discontinued operations | - | 45.2 |
| | 254.4 | 223.5 |

INTERIM STATEMENT OF COMPREHENSIVE INCOME (SEPARATE)

| (Amounts in millions of Euro) | 1st Half | |
|---|--------------|--------------|
| | 2022 | 2021 |
| Profit for the period | 403.7 | 126.3 |
| Other comprehensive income: | | |
| Items that will not be reclassified subsequently to profit or loss | | |
| Actuarial gains | 13.7 | 2.8 |
| Deferred taxes on actuarial gains | (3.0) | (0.6) |
| Deferred taxes on actuarial gains due to change in tax rate | - | (0.8) |
| Total items that will not be reclassified subsequently to profit or loss | 10.7 | 1.4 |
| Other comprehensive income for the period | 10.7 | 1.4 |
| Total comprehensive income for the period | 414.4 | 127.7 |

INTERIM STATEMENT OF CHANGES IN EQUITY (CONSOLIDATED)

| | Attributed to equity holders of the parent | | | | | | | | Non-controlling interests | Total equity |
|--|--|---------------|-----------------|-------------------|-------------------------------------|--------------------------------------|-------------------|----------------|---------------------------|----------------|
| | Share capital | Share premium | Treasury shares | Statutory reserve | Foreign exchange and other reserves | Changes in non-controlling interests | Retained earnings | Total | | |
| (Amounts in millions of Euro) | | | | | | | | | | |
| Balance as at January 1, 2021 | 1,330.6 | 476.4 | (132.2) | 440.7 | (201.6) | (3,314.1) | 3,396.0 | 1,995.8 | 144.0 | 2,139.8 |
| Profit for the period | - | - | - | - | - | - | 222.0 | 222.0 | 19.5 | 241.5 |
| Other comprehensive income / (loss) | - | - | - | - | 1.5 | - | - | 1.5 | (0.3) | 1.2 |
| Total comprehensive income | - | - | - | - | 1.5 | - | 222.0 | 223.5 | 19.2 | 242.7 |
| Cancellation of treasury shares | (28.2) | (10.1) | 121.6 | - | - | - | (83.3) | - | - | - |
| Dividend distribution | - | - | - | - | - | - | (312.9) | (312.9) | - | (312.9) |
| Acquisition of treasury shares | - | - | (65.6) | - | - | - | - | (65.6) | - | (65.6) |
| Share option plans | - | 0.2 | - | - | - | - | - | 0.2 | - | 0.2 |
| Balance as at June 30, 2021 | 1,302.4 | 466.5 | (76.2) | 440.7 | (200.1) | (3,314.1) | 3,221.8 | 1,841.0 | 163.2 | 2,004.2 |
| Balance as at January 1, 2022 | 1,292.6 | 462.6 | (157.1) | 440.7 | (168.6) | (3,314.1) | 3,414.4 | 1,970.5 | 1.7 | 1,972.2 |
| Profit for the period | - | - | - | - | - | - | 236.2 | 236.2 | 0.1 | 236.3 |
| Other comprehensive income | - | - | - | - | 18.2 | - | - | 18.2 | - | 18.2 |
| Total comprehensive income | - | - | - | - | 18.2 | - | 236.2 | 254.4 | 0.1 | 254.5 |
| Cancellation of treasury shares (Note 5) | (24.5) | (8.7) | 132.4 | - | - | - | (99.2) | - | - | - |
| Dividend distribution (Note 6) | - | - | - | - | - | - | (250.0) | (250.0) | - | (250.0) |
| Acquisition of treasury shares (Note 5) | - | - | (149.0) | - | - | - | - | (149.0) | - | (149.0) |
| Share option plans | - | (0.1) | - | - | - | - | - | (0.1) | - | (0.1) |
| Balance as at June 30, 2022 | 1,268.1 | 453.8 | (173.7) | 440.7 | (150.4) | (3,314.1) | 3,301.4 | 1,825.8 | 1.8 | 1,827.6 |

INTERIM STATEMENT OF CHANGES IN EQUITY (SEPARATE)

| | Share capital | Share premium | Treasury shares | Statutory reserve | Other reserves | Retained earnings | Total equity |
|--|----------------|---------------|-----------------|-------------------|----------------|-------------------|----------------|
| (Amounts in millions of Euro) | | | | | | | |
| Balance as at January 1, 2021 | 1,330.6 | 476.4 | (132.2) | 440.7 | (27.9) | 1,171.6 | 3,259.2 |
| Profit for the period | - | - | - | - | - | 126.3 | 126.3 |
| Other comprehensive income | - | - | - | - | 1.4 | - | 1.4 |
| Total comprehensive income | - | - | - | - | 1.4 | 126.3 | 127.7 |
| Cancellation of treasury shares | (28.2) | (10.1) | 121.6 | - | - | (83.3) | - |
| Dividend distribution | - | - | - | - | - | (312.9) | (312.9) |
| Acquisition of treasury shares | - | - | (65.6) | - | - | - | (65.6) |
| Share option plans | - | 0.2 | - | - | - | - | 0.2 |
| Balance as at June 30, 2021 | 1,302.4 | 466.5 | (76.2) | 440.7 | (26.5) | 901.7 | 3,008.6 |
| Balance as at January 1, 2022 | 1,292.6 | 462.6 | (157.1) | 440.7 | (32.8) | 1,192.6 | 3,198.6 |
| Profit for the period | - | - | - | - | - | 403.7 | 403.7 |
| Other comprehensive income | - | - | - | - | 10.7 | - | 10.7 |
| Total comprehensive income | - | - | - | - | 10.7 | 403.7 | 414.4 |
| Cancellation of treasury shares (Note 5) | (24.5) | (8.7) | 132.4 | - | - | (99.2) | - |
| Dividend distribution (Note 6) | - | - | - | - | - | (250.0) | (250.0) |
| Acquisition of treasury shares (Note 5) | - | - | (149.0) | - | - | - | (149.0) |
| Share option plans | - | (0.1) | - | - | - | - | (0.1) |
| Balance as at June 30, 2022 | 1,268.1 | 453.8 | (173.7) | 440.7 | (22.1) | 1,247.1 | 3,213.9 |

INTERIM STATEMENTS OF CASH FLOWS (CONSOLIDATED AND SEPARATE)

| (Amounts in millions of Euro) | Notes | GROUP | | COMPANY | |
|--|-------|------------------|------------------|------------------|------------------|
| | | 01/01-30/06/2022 | 01/01-30/06/2021 | 01/01-30/06/2022 | 01/01-30/06/2021 |
| Cash flows from operating activities | | | | | |
| Profit before tax | | 315.9 | 294.9 | 451.8 | 191.8 |
| Adjustments for: | | | | | |
| Depreciation, amortization and impairment | | 336.8 | 330.1 | 190.2 | 177.1 |
| Costs related to voluntary leave schemes | 11 | 32.7 | 4.7 | 9.8 | 1.3 |
| Provision for staff retirement indemnities | | 2.0 | 2.2 | 0.8 | 0.8 |
| Provision for youth account | | 0.6 | 0.6 | 0.6 | 0.6 |
| Foreign exchange differences, net | | (2.5) | 0.7 | (0.8) | (0.6) |
| Interest income | | (0.9) | (0.4) | (0.5) | (0.6) |
| Dividend income | 4, 14 | - | - | (285.5) | (20.4) |
| (Gains) / losses from investments and other financial assets | | | | | |
| - Impairment | | 0.3 | (0.4) | 0.3 | (0.2) |
| Interest and related expenses | | 16.9 | 24.0 | 14.0 | 16.1 |
| Working capital adjustments: | | | | | |
| Decrease / (increase) in inventories | | (7.8) | (13.6) | (2.2) | (1.8) |
| Decrease / (increase) in receivables | | (18.6) | (23.9) | (12.1) | 2.3 |
| (Decrease) / increase in liabilities (except borrowings) | | 24.6 | (3.5) | (13.0) | (19.2) |
| Plus / (Minus): | | | | | |
| Payment for voluntary leave schemes | 11 | (2.4) | (47.7) | (0.9) | (41.6) |
| Payment of staff retirement indemnities and youth account, net of employees' contributions | | (4.1) | (4.9) | (3.8) | (4.7) |
| Interest and related expenses paid (except leases) | | (6.3) | (7.7) | (4.2) | (6.0) |
| Interest paid for leases | | (4.4) | (8.5) | (2.9) | (3.4) |
| Income tax paid | | (3.0) | (1.9) | (0.9) | (0.4) |
| Net cash flows from operating activities of discontinued operations | | - | 69.7 | - | - |
| Net cash flows from operating activities | | 679.8 | 614.4 | 340.7 | 291.1 |
| Cash flows from investing activities | | | | | |
| Return of capital invested in subsidiary | | - | - | - | 1.0 |
| Investment in subsidiaries | 4 | - | - | (15.0) | (3.0) |
| Sale or maturity of financial assets | | 0.7 | - | - | - |
| Purchase of financial assets | | (0.4) | - | (0.4) | - |
| Repayment of loans receivable | | 3.6 | 3.6 | 3.6 | 3.6 |
| Purchase of property, plant and equipment and intangible assets | | (262.0) | (238.2) | (176.0) | (134.0) |
| Payments related to disposal of subsidiaries / investments | | (0.4) | - | (0.4) | - |
| Movement in restricted cash | | 0.1 | 0.4 | - | - |
| Interest received | | 0.9 | 0.4 | 0.5 | 0.6 |
| Dividends received | 14 | - | - | 255.0 | 150.0 |
| Net cash flows from investing activities of discontinued operations | | - | (39.3) | - | - |
| Net cash flows from / (used in) investing activities | | (257.5) | (273.1) | 67.3 | 18.2 |
| Cash flows from financing activities | | | | | |
| Acquisition of treasury shares | 5 | (150.7) | (64.9) | (150.7) | (64.9) |
| Proceeds from loans granted and issued | 7 | 150.0 | 350.0 | 40.0 | 451.5 |
| Repayment of loans | 7 | (11.5) | (217.4) | - | (270.8) |
| Lease repayments | | (39.7) | (33.0) | (11.3) | (17.3) |
| Dividends paid to Company's owners | | (0.1) | (0.2) | (0.1) | (0.2) |
| Net cash flows from financing activities of discontinued operations | | - | (4.0) | - | - |
| Net cash flows from / (used in) financing activities | | (52.0) | 30.5 | (122.1) | 98.3 |
| Net increase in cash and cash equivalents | | 370.3 | 371.8 | 285.9 | 407.6 |
| Cash and cash equivalents, at the beginning of the period | | 630.7 | 516.2 | 274.0 | 105.5 |
| Net foreign exchange differences | | 0.1 | (0.9) | - | - |
| Transfer to sectors | | - | - | - | (35.4) |
| Cash and cash equivalents of disposal group classified as held for sale, beginning of period | | - | 73.3 | - | - |
| Cash and cash equivalents of disposal group classified as held for sale, end of period | | - | (74.5) | - | - |
| Cash and cash equivalents, at the end of the period | | 1,001.1 | 885.9 | 559.9 | 477.7 |

1. CORPORATE INFORMATION

Hellenic Telecommunications Organization S.A. (“Company”, “OTE” or “parent”), was incorporated as a société anonyme in Athens, Greece in 1949, and is listed in the Greek General Commercial Registry (Γ.Ε.ΜΗ.) with the unique number 001037501000. The registered office is located at 99 Kifissias Avenue – 151 24 Maroussi Athens, Greece, and the website is www.cosmote.gr. The Company is listed on the Athens Stock Exchange. Until September 19, 2010, OTE ADRs (American Depositary Receipts) were also listed on the New York Stock Exchange. Following OTE’s delisting from NYSE, OTE ADRs now trade in the US OTC (Over the Counter) market. OTE GDRs (Global Depositary Receipts) are also listed on the London Stock Exchange.

OTE’s principal activities are the provision of telecommunications and related services.

Effective from February 6, 2009, the financial statements are included in the consolidated financial statements of DEUTSCHE TELEKOM AG (full consolidation method), which has its registered office in Germany and as of June 30, 2022 holds a 49.2% interest in OTE (Note 5).

The OTE Group (“Group”) includes other than the parent Company, all the entities which OTE controls directly or indirectly.

The Interim Condensed Consolidated and Separate Financial Statements (“interim financial statements”) as of June 30, 2022 and for the six month period then ended, were approved for issuance by the Board of Directors on August 3, 2022.

The total numbers of Group and Company employees as of June 30, 2022 and 2021 and as of December 31, 2021 were as follows:

| | GROUP | COMPANY |
|-------------------|--------|---------|
| June 30, 2022 | 11,227 | 2,552 |
| December 31, 2021 | 11,453 | 2,557 |
| June 30, 2021 | 15,355 | 2,594 |

Group number of employees includes 3,681 employees of TELEKOM ROMANIA as of June 30, 2021. The disposal of TELEKOM ROMANIA completed on September 30, 2021.

The consolidated financial statements include the financial statements of OTE and the following subsidiaries which OTE controls directly or indirectly:

| ENTITY NAME | LINE OF BUSINESS | COUNTRY | GROUP’S OWNERSHIP INTEREST | |
|---|---------------------------------------|-------------|----------------------------|------------|
| | | | 30/06/2022 | 31/12/2021 |
| COSMOTE MOBILE TELECOMMUNICATIONS SINGLE MEMBER S.A. (“COSMOTE”) | Mobile telecommunications services | Greece | 100.00% | 100.00% |
| COSMO-ONE HELLAS MARKET SITE S.A. (“COSMO-ONE”) | E-commerce services | Greece | 61.74% | 61.74% |
| OTE PLC | Financing services | U.K. | 100.00% | 100.00% |
| OTESAT-MARITEL S.A. (“OTESAT-MARITEL”) | Satellite telecommunications services | Greece | 94.09% | 94.09% |
| COSMOTE TECHNICAL SERVICES S.A. (“CTS”) | Technical support services | Greece | 100.00% | 100.00% |
| OTE ESTATE S.A. (“OTE ESTATE”) | Real estate | Greece | 100.00% | 100.00% |
| OTE INTERNATIONAL SOLUTIONS S.A. (“OTE GLOBE”) | Wholesale telephony services | Greece | 100.00% | 100.00% |
| OTE INSURANCE AGENCY S.A. (“OTE INSURANCE”) | Insurance brokerage services | Greece | 100.00% | 100.00% |
| OTE ACADEMY S.A. (“OTE ACADEMY”) | Training services | Greece | 100.00% | 100.00% |
| TELEKOM ROMANIA MOBILE COMMUNICATIONS S.A. (“TELEKOM ROMANIA MOBILE”) | Mobile telecommunications services | Romania | 100.00% | 100.00% |
| GERMANOS S.A. (“GERMANOS”) | Retail services | Greece | 100.00% | 100.00% |
| COSMOTE E-VALUE | Marketing services | Greece | 100.00% | 100.00% |
| MOBILBEEEP LTD | Retail services | Greece | 100.00% | 100.00% |
| COSMOTE TV PRODUCTIONS | TV productions and services | Greece | 100.00% | 100.00% |
| E-VALUE DEBTORS AWARENESS ONE PERSON LTD (“E-VALUE LTD”) | Overdue accounts management | Greece | 100.00% | 100.00% |
| COSMOHOLDING INTERNATIONAL B.V. | Investment holding entity | Netherlands | 100.00% | 100.00% |

| ENTITY NAME | LINE OF BUSINESS | COUNTRY | GROUP'S OWNERSHIP INTEREST | |
|--|---|---------|----------------------------|------------|
| | | | 30/06/2022 | 31/12/2021 |
| E-VALUE INTERNATIONAL S.A. | Marketing services | Romania | 100.00% | 100.00% |
| OTE RURAL NORTH SPECIAL PURPOSE DEVELOPMENT AND MANAGEMENT OF BROADBAND INFRASTRUCTURE S.A. ("OTE RURAL NORTH") | Wholesale broadband and infrastructure services | Greece | 100.00% | 100.00% |
| OTE RURAL SOUTH SPECIAL PURPOSE DEVELOPMENT AND MANAGEMENT OF BROADBAND INFRASTRUCTURE S.A. ("OTE RURAL SOUTH ") | Wholesale broadband and infrastructure services | Greece | 100.00% | 100.00% |
| UltrafastOTE SINGLE MEMBER SOCIETE ANONYME S.P.V. ("UltrafastOTE") | Wholesale broadband and infrastructure services | Greece | 100.00% | - |
| COSMOTE PAYMENTS - ELECTRONIC MONEY SERVICES S.A. ("COSMOTE PAYMENTS") | Electronic money services | Greece | 100.00% | 100.00% |
| COSMOTE GLOBAL SOLUTIONS S.A. | ICT services | Belgium | 100.00% | 100.00% |

NEW ENTITY

On April 14, 2022, UltrafastOTE SINGLE MEMBER SOCIETE ANONYME S.P.V. ("UltrafastOTE") was established with a share capital of Euro 15.0. The entity is wholly owned by OTE and its purpose is the development of network infrastructure and provision of wholesale broadband services in the framework of a Service Concession Arrangement between public and private sectors for the implementation of the project "Ultra-Fast Broadband Infrastructure".

AGREEMENT FOR THE SALE OF COSMO-ONE

On July 25, 2022, the Group completed the sale of COSMO-ONE through the transfer of its 61.74% stake in SOFT ONE TECHNOLOGIES S.A. for a total consideration of Euro 2.0. The amount attributable to OTE was Euro 1.0. Assets and liabilities of COSMO-ONE have not been classified as held for sale in the consolidated statement of financial position as of June 30, 2022 due to limited materiality at OTE Group level.

2. BASIS OF PREPARATION

The interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

These interim financial statements do not include all the information required in the annual financial statements and they should be read in conjunction with the annual audited financial statements as of December 31, 2021, which are available on the Company's website https://www.cosmote.gr/cs/otegroup/en/oikonomikes_katastaseis_omilou_ote_kai_ae.html.

The interim financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss, which have been measured at fair values in accordance with IFRS.

The financial statements have been prepared based on a going concern basis.

In preparing these interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty, were the same as those applied to the annual audited financial statements as of December 31, 2021.

There is no seasonality in the Group's and the Company's operations.

The interim financial statements are presented in millions of Euro, except when otherwise indicated.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared using accounting policies consistent with those adopted for the preparation of the annual financial statements as of December 31, 2021 and which are comprehensively presented in the notes of the annual financial statements, except for the adoption of the following new and amended IFRSs and IFRIC interpretations which became effective for the accounting periods beginning January 1, 2022, noted below.

New standards, amendments to standards and interpretations: Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after January 1, 2022.

Standards and Interpretations effective for the current financial year

- **IAS 16 (Amendment) “Property, plant and equipment – Proceeds before intended use”:** The amendment prohibits an entity from deducting from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity’s ordinary activities.
- **IAS 37 (Amendment) “Onerous contracts – Cost of fulfilling a contract”:** The amendment clarifies that ‘costs to fulfil a contract’ comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract.
- **IFRS 3 (Amendment) “Reference to the Conceptual Framework”:** The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.
- **IFRS 16 (Amendment) “Covid-19-Related rent concessions”:** The amendment extends the application period of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases due only on or before June 30, 2022.

Annual Improvements to IFRS Standards 2018–2020

- **IFRS 9 “Financial instruments”:** The amendment addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.
- **IFRS 16 “Leases”:** The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

Standards and Interpretations effective for subsequent periods

A number of new standards and amendments to standards and interpretations are effective for subsequent periods and have not been applied in preparing these consolidated and separate financial statements. The Group is currently investigating the impact of the new standards and amendments on its financial statements.

- **IAS 1 (Amendments) “Presentation of Financial Statements” and IFRS Practice Statement 2 “Disclosure of Accounting policies”** (effective for annual periods beginning on or after January 1, 2023): The amendments require companies to disclose their material accounting policy information and provide guidance on how to apply the concept of materiality to accounting policy disclosures.
- **IAS 1 (Amendment) “Classification of liabilities as current or non-current”** (effective for annual periods beginning on or after January 1, 2023): The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the ‘settlement’ of a liability. The amendment has not yet been endorsed by the EU.

- **IAS 8 (Amendments) “Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates”** (effective for annual periods beginning on or after January, 1 2023): The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates.
- **IAS 12 (Amendments) “Deferred tax related to Assets and Liabilities arising from a Single Transaction”** (effective for annual periods beginning on or after January 1, 2023): The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning obligations. The amendments have not yet been endorsed by the EU.
- **IFRS 17 “Insurance contracts” and Amendments to IFRS 17** (effective for annual periods beginning on or after January 1, 2023): IFRS 17 has been issued in May 2017 and, along with the amendments to IFRS 17 issued in June 2020, supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values instead of historical cost.
- **IFRS 17 (Amendment) “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”** (effective for annual periods beginning on or after January 1, 2023): The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements. The amendment has not yet been endorsed by the EU.

4. INVESTMENTS

Investments are analyzed as follows:

| | GROUP | | COMPANY | |
|---------------------------------|------------|------------|----------------|----------------|
| | 30/06/2022 | 31/12/2021 | 30/06/2022 | 31/12/2021 |
| (a) Investments in subsidiaries | - | - | 3,173.8 | 3,158.7 |
| (b) Other investments | 0.1 | 0.1 | 0.1 | 0.1 |
| TOTAL | 0.1 | 0.1 | 3,173.9 | 3,158.8 |

(a) Investments in subsidiaries are analyzed as follows:

| COMPANY | OTE's direct ownership interest | Country of incorporation | 30/06/2022 | 31/12/2021 |
|------------------------|---------------------------------|--------------------------|----------------|----------------|
| COSMOTE | 100.00% | Greece | 2,763.4 | 2,763.3 |
| COSMOTE PAYMENTS | 100.00% | Greece | 4.4 | 4.4 |
| COSMOTE TV PRODUCTIONS | 100.00% | Greece | 3.8 | 3.8 |
| COSMO-ONE | 30.87% | Greece | 0.5 | 0.5 |
| OTESAT-MARITEL | 94.08% | Greece | 4.6 | 4.6 |
| OTE PLC | 100.00% | U.K. | 0.1 | 0.1 |
| CTS | 85.54% | Greece | 12.8 | 12.8 |
| OTE ESTATE | 100.00% | Greece | 72.6 | 72.6 |
| OTE GLOBE | 100.00% | Greece | 102.2 | 102.2 |
| OTE INSURANCE | 99.90% | Greece | 0.1 | 0.1 |
| OTE ACADEMY | 100.00% | Greece | 3.2 | 3.2 |
| OTE RURAL NORTH | 100.00% | Greece | 1.8 | 1.8 |
| OTE RURAL SOUTH | 100.00% | Greece | 2.2 | 2.2 |
| UltrafastOTE | 100.00% | Greece | 15.0 | - |
| GERMANOS | 4.39% | Greece | 6.4 | 6.4 |
| COSMOTE E-VALUE | 7.17% | Greece | 2.1 | 2.1 |
| TELEKOM ROMANIA MOBILE | 100.00% | Romania | 178.6 | 178.6 |
| TOTAL | | | 3,173.8 | 3,158.7 |

The movement of investments in subsidiaries is as follows:

| COMPANY | 2022 |
|--|----------------|
| Carrying value January 1 | 3,158.7 |
| Subsidiaries' share option plans (COSMOTE) | 0.1 |
| Establishment of new subsidiaries (UltrafastOTE) | 15.0 |
| Carrying value June 30 | 3,173.8 |

NEW ENTITY

On April 14, 2022, UltrafastOTE SINGLE MEMBER SOCIETE ANONYME S.P.V. ("UltrafastOTE") was established with a share capital of Euro 15.0. The entity is wholly owned by OTE and its purpose is the development of network infrastructure and provision of wholesale broadband services in the framework of a Service Concession Arrangement between public and private sectors for the implementation of the project "Ultra-Fast Broadband Infrastructure".

SHARE CAPITAL REDUCTION AND AGREEMENT FOR THE SALE OF COSMO-ONE

The General Assembly of COSMO-ONE decided the share capital reduction of the entity for an amount of Euro 2.2. The transaction was executed in July 2022 when all legal procedures had been completed and the respective amount attributable to OTE was Euro 0.7.

On July 25, 2022, the Group completed the sale of COSMO-ONE through the transfer of its 61.74% stake in SOFT ONE TECHNOLOGIES S.A. for a total consideration of Euro 2.0. The amount attributable to OTE was Euro 1.0.

DIVIDEND INCOME

The dividend income is analyzed as follows:

| COMPANY | 1st Half 2022 | 1st Half 2021 |
|----------------|---------------|---------------|
| COSMOTE | 250.0 | - |
| OTE PLC | 25.0 | - |
| OTE GLOBE | 10.0 | - |
| OTESAT-MARITEL | 0.5 | - |
| OTE ESTATE | - | 20.4 |
| TOTAL | 285.5 | 20.4 |

NON-CONTROLLING INTERESTS

The Group's non-controlling interests amount to Euro 1.8 as of June 30, 2022 (December 31, 2021: Euro 1.7).

5. SHARE CAPITAL - SHARE PREMIUM - TREASURY SHARES

The Extraordinary General Shareholders' Meeting on January 18, 2022 approved the cancellation of 8,638,512 own shares, together with corresponding reduction of the Company's share capital by Euro 24.5 and amendment of the Company's Articles of Incorporation.

On February 17, 2022, following notification to the Corporate Actions Committee of the Athens Stock Exchange and the completion of other legal and regulatory procedures, the aforementioned 8,638,512 shares were cancelled and delisted from the Athens Stock Exchange effective from February 22, 2022.

Following this cancellation, OTE's share capital as of June 30, 2022 amounted to Euro 1,268.1 (December 31, 2021: Euro 1,292.6) divided into 448,100,608 registered shares, with a nominal value of Euro 2.83 (in absolute amount) per share.

As a result of the aforementioned cancellation of treasury shares, a reduction of Euro 8.7 and Euro 99.2 was recognized in share premium and retained earnings, respectively.

The share premium as of June 30, 2022 amounted to Euro 453.8 (December 31, 2021: Euro 462.6).

Within the framework of the Share Repurchase Program, during the period from January 1, 2022 to June 30, 2022 OTE acquired 8,703,639 treasury shares amounting to Euro 149.0.

The following is an analysis of the ownership of OTE's shares as of June 30, 2022:

| Shareholder | Number of shares | Percentage % |
|---------------------|--------------------|---------------|
| DEUTSCHE TELEKOM AG | 220,567,676 | 49.2% |
| Hellenic State | 4,901,507 | 1.1% |
| e-E.F.K.A. | 26,617,844 | 5.9% |
| Free float | 185,786,282 | 41.5% |
| Treasury shares | 10,227,299 | 2.3% |
| TOTAL | 448,100,608 | 100.0% |

The stake of e-E.F.K.A includes 19,606,015 shares transferred by Hellenic State in 2009.

The movement of the treasury shares is presented in the table below:

| | Number of shares | Amount |
|--|-------------------|--------------|
| Treasury shares as at January 1, 2022 | 10,162,172 | 157.1 |
| Treasury shares acquired during the period | 8,703,639 | 149.0 |
| Cancellation of treasury shares | (8,638,512) | (132.4) |
| Treasury shares as at June 30, 2022 | 10,227,299 | 173.7 |

The Ordinary General Meeting of Shareholders of May 25, 2022 approved the cancellation of 5,617,282 treasury shares, acquired during the period from December 1, 2021 to March 31, 2022, together with the corresponding reduction in the Company's share capital of Euro 15.9 and amendment of the Company's Articles of Incorporation.

On July 7, 2022, following notification to the Corporate Actions Committee of the Athens Stock Exchange and the completion of other legal and regulatory procedures, the aforementioned 5,617,282 shares were cancelled and delisted from the Athens Stock Exchange effective from July 12, 2022.

6. DIVIDENDS

On May 25, 2022, the Ordinary General Assembly of OTE's Shareholders approved the distribution of dividend of a total amount of Euro 250.0 or Euro 0.571033 (in absolute amount) per share.

The amount of dividends payable for the Group and the Company as of June 30, 2022 amounted to Euro 252.3 and Euro 252.2, respectively (December 31, 2021: Euro 2.3 and Euro 2.3).

7. LONG-TERM AND SHORT-TERM BORROWINGS

LONG - TERM BORROWINGS

Long-term borrowings are analyzed as follows:

| GROUP | 30/06/2022 | 31/12/2021 |
|--|----------------|----------------|
| a) Bank loans | 69.2 | 80.7 |
| b) Global Medium-Term Note Programme ("GMTN") of OTE PLC | 1,071.0 | 1,070.3 |
| Total long-term debt | 1,140.2 | 1,151.0 |
| Short-term portion of long-term debt | (397.6) | (397.3) |
| Long-term borrowings | 742.6 | 753.7 |

The analysis of the Group's long-term debt is as follows:

| Description | Rate | Maturity | 31/12/2021 | | 30/06/2022 | | | | | |
|---|--------|------------|---------------------------|----------------|------------|------------------------|--------------------------|---------------------------|----------------|--|
| | | | Outstanding nominal value | Book value | New loans | Repayments/Prepayments | Amortization of expenses | Outstanding nominal value | Book value | |
| a) Bank loans | | | | | | | | | | |
| EIB loan Euro 150.0 | 2.805% | 23/01/2025 | 80.7 | 80.7 | - | (11.5) | - | 69.2 | 69.2 | |
| b) Global Medium-Term Programme of OTE PLC | | | | | | | | | | |
| Euro 400.0 Notes | 2.375% | 18/07/2022 | 374.6 | 374.2 | - | - | 0.3 | 374.6 | 374.5 | |
| Euro 500.0 Notes | 0.875% | 24/09/2026 | 500.0 | 496.1 | - | - | 0.4 | 500.0 | 496.5 | |
| Euro 200.0 Notes | 0.627% | 12/05/2028 | 200.0 | 200.0 | - | - | - | 200.0 | 200.0 | |
| | | | 1,155.3 | 1,151.0 | - | (11.5) | 0.7 | 1,143.8 | 1,140.2 | |

DEUTSCHE TELEKOM AG participated on September 2019 in the issuance of the Euro 500.0 Notes by OTE PLC under the GMTN Programme, covering a nominal amount of Euro 100.0 out of the total amount.

The Euro 200.0 7-year Notes which were issued on May 14, 2021 by OTE PLC under the GMTN Programme, were fully subscribed by DEUTSCHE TELEKOM AG.

For the Group, as of June 30, 2022, the short-term portion of long-term debt amounts to Euro 397.6 consisting of Euro 23.1 related to the EIB loan and of Euro 374.5, related to OTE PLC Notes (December 31, 2021: Euro 397.3 consisting of Euro 23.1 related to the EIB loan and of Euro 374.2 related to OTE PLC Notes).

| COMPANY | 30/06/2022 | 31/12/2021 |
|--|----------------|----------------|
| Intragroup loans | 1,172.5 | 1,171.8 |
| Total long-term debt | 1,172.5 | 1,171.8 |
| Short-term portion of long-term borrowings | (476.0) | (374.2) |
| Long-term borrowings | 696.5 | 797.6 |

The Company's long-term loans refer to bond loans granted by OTE PLC.

The analysis of the Company's long-term loans is as follows:

| Description | Maturity | 31/12/2021 | | 30/06/2022 | | | | |
|-----------------------------------|------------|---------------------------|----------------|------------|------------------------|--------------------------|---------------------------|----------------|
| | | Outstanding nominal value | Book value | New loans | Repayments/Prepayments | Amortization of expenses | Outstanding nominal value | Book value |
| Intragroup loans (OTE PLC) | | | | | | | | |
| Euro 400.0 bond loan | 18/07/2022 | 374.6 | 374.2 | - | - | 0.3 | 374.6 | 374.5 |
| Euro 101.5 bond loan | 15/06/2023 | 101.5 | 101.5 | - | - | - | 101.5 | 101.5 |
| Euro 500.0 bond loan | 24/09/2026 | 500.0 | 496.1 | - | - | 0.4 | 500.0 | 496.5 |
| Euro 200.0 bond loan | 12/05/2028 | 200.0 | 200.0 | - | - | - | 200.0 | 200.0 |
| | | 1,176.1 | 1,171.8 | - | - | 0.7 | 1,176.1 | 1,172.5 |

For the Company, as of June 30, 2022, the short-term portion of long-term borrowings amounts to Euro 476.0 (December 31, 2021: Euro 374.2).

SHORT –TERM BORROWINGS

GROUP

The Group's outstanding balance of short-term borrowings as of June 30, 2022 amounted to Euro 150.0 (December 31, 2021: Euro nil), relating to Euro 150.0 Notes of OTE PLC.

The analysis of short- term loans is as follows:

| Description | Maturity date | 31/12/2021 | 30/06/2022 | | |
|--|---------------|------------|--------------|------------------------|--------------|
| | | Book value | New loans | Repayments/Prepayments | Book value |
| Global Medium-Term Programme of OTE PLC | | | | | |
| Euro 150.0 Notes | 08/06/2023 | - | 150.0 | - | 150.0 |
| | | - | 150.0 | - | 150.0 |

On June 16, 2022, OTE PLC issued a Euro 150.0 bond due June 2023, with yield of 0.666% per annum, fully subscribed by DEUTSCHE TELEKOM AG. The new bond was issued by OTE PLC and guaranteed by OTE under the existing GMTN Programme. The proceeds were used for the refinancing of part of the Euro 374.6 OTE PLC bond, due July 2022.

COMPANY

The outstanding balance of short-term borrowings as of June 30, 2022 for the Company amounted to Euro 40.0 (December 31, 2021: Euro nil).

The analysis of short- term loans is as follows:

| Description | Maturity date | 31/12/2021 | 30/06/2022 | | |
|-----------------------------------|---------------|------------|-------------|------------------------|-------------|
| | | Book value | New loans | Repayments/Prepayments | Book value |
| Intragroup loans (OTE PLC) | | | | | |
| Euro 40.0 bond loan | 20/06/2023 | - | 40.0 | - | 40.0 |
| | | - | 40.0 | - | 40.0 |

The Company's short-term loan refers to a bond loan granted by OTE PLC.

8. CONTRACT BALANCES

The following table provides information about contract costs, contract assets and contract liabilities from contracts with customers:

| | GROUP | | COMPANY | |
|---|--------------|--------------|--------------|--------------|
| | 30/06/2022 | 31/12/2021 | 30/06/2022 | 31/12/2021 |
| Contract costs (short-term portion) | 19.5 | 19.1 | 6.6 | 6.0 |
| Contract costs (long-term portion) | 5.2 | 5.2 | 3.7 | 3.8 |
| Total contract costs | 24.7 | 24.3 | 10.3 | 9.8 |
| Contract assets (short-term portion) | 20.8 | 19.3 | 2.9 | 2.2 |
| Contract assets (long-term portion) | 17.4 | 15.3 | 1.0 | 1.2 |
| Total contract assets | 38.2 | 34.6 | 3.9 | 3.4 |
| Total assets | 62.9 | 58.9 | 14.2 | 13.2 |
| Contract liabilities (short-term portion) | 119.7 | 118.4 | 79.3 | 76.7 |
| Contract liabilities (long-term portion) | 35.8 | 33.2 | 46.8 | 48.2 |
| Total liabilities | 155.5 | 151.6 | 126.1 | 124.9 |

9. INCOME TAXES

According to law 4799/2021, the corporate income tax rate in Greece was reduced from 24% to 22% for fiscal years 2021 onwards.

The corporate income tax rate in Romania is 16%.

Unaudited tax years

The Company and its subsidiaries have not been audited with respect to the years described below and, therefore, the tax liabilities for these open years have not been finalized:

| ENTITY | Open Tax Years |
|---------------------------------|-------------------|
| OTE | 2021 |
| COSMOTE | 2021 |
| COSMO-ONE | 2021 |
| OTE PLC | 2018 - 2021 |
| OTESAT-MARITEL | 2021 |
| CTS | 2021 |
| OTE ESTATE | 2021 |
| OTE GLOBE | 2021 |
| OTE INSURANCE | 2021 |
| OTE ACADEMY | 2021 |
| COSMOTE TV PRODUCTIONS | 2021 |
| TELEKOM ROMANIA MOBILE | 2017 - 2021 |
| GERMANOS | 2021 |
| COSMOTE E-VALUE | 2021 |
| MOBILBEEEP LTD | 2016 - 2021 |
| E-VALUE LTD | 2021 |
| COSMOHOLDING INTERNATIONAL B.V. | 2014 - 2021 |
| E-VALUE INTERNATIONAL S.A. | 2016 - 2021 |
| OTE RURAL NORTH | 2016 - 2017, 2021 |
| OTE RURAL SOUTH | 2016 - 2017, 2021 |
| COSMOTE PAYMENTS | 2018 - 2021 |
| COSMOTE GLOBAL SOLUTIONS S.A. | 2018 - 2021 |

- COSMOTE has received a tax audit notification for year 2018. The audit is in progress.
- TELEMobil S.A. (ZAPP), GERMANOS TELECOM ROMANIA S.A. and SUNLIGHT ROMANIA S.R.L FILIALA were absorbed in 2017 by TELEKOM ROMANIA MOBILE. The companies have not been audited for 2016 and 2017.

The Group and the Company have established provisions for open tax cases or unaudited years.

For the Greek companies of the Group that are subject to the Tax Certificate process, the tax audit for the financial year 2021 is performed by PricewaterhouseCoopers S.A. and the "Tax Compliance Report" will be issued in the last quarter of 2022.

The major components of income tax expense are as follows:

| GROUP | 1st Half | |
|--|-------------|--------------|
| | 2022 | 2021 |
| Current income tax | 85.3 | 92.4 |
| Deferred income tax – Effect due to change in the income tax rates | - | 26.3 |
| Deferred income tax | (5.7) | 1.4 |
| Total income tax | 79.6 | 120.1 |

| COMPANY | 1st Half | |
|--|-------------|-------------|
| | 2022 | 2021 |
| Current income tax | 43.8 | 49.8 |
| Deferred income tax – Effect due to change in the income tax rates | - | 12.8 |
| Deferred income tax | 4.3 | 2.9 |
| Total income tax | 48.1 | 65.5 |

Income tax payable for the Group and the Company as of June 30, 2022 amounted to Euro 86.9 and 14.1, respectively (December 31, 2021: Euro 44.0 and 7.9, respectively).

Income tax receivable for the Group and the Company as of June 30, 2022 amounted to Euro 2.4 and Euro nil, respectively (December 31, 2021: Euro 41.8 and Euro 36.7, respectively) and is recorded under “Other current assets”.

10. OTHER OPERATING INCOME

Other operating income is analyzed as follows:

| GROUP | 1st Half | |
|---|------------|------------|
| | 2022 | 2021 |
| Gain from disposal of property, plant and equipment | 3.3 | 1.0 |
| Income from subsidiaries | 0.6 | 1.5 |
| Income from related parties (Note 14) | - | 0.1 |
| Other | 2.8 | 3.0 |
| TOTAL | 6.7 | 5.6 |

| COMPANY | 1st Half | |
|---|-------------|-------------|
| | 2022 | 2021 |
| Gain from disposal of property, plant and equipment | 3.3 | 0.1 |
| Income from subsidiaries | 0.4 | 1.1 |
| Income from related parties (Note 14) | 13.2 | 12.0 |
| Other | 0.5 | 0.6 |
| TOTAL | 17.4 | 13.8 |

11. VOLUNTARY LEAVE SCHEMES

OTE Voluntary Leave Scheme

In the first half of 2022, OTE proceeded to the implementation of voluntary leave schemes, the respective cost of which amounted to Euro 9.8.

Other voluntary leave schemes

In the first half of 2022, the operating segments, COSMOTE Group – Greece, TELEKOM ROMANIA MOBILE and Other, implemented voluntary leave schemes, the total cost of which was Euro 12.4, Euro 0.2 and Euro 10.3, respectively.

The total cost of the above mentioned programs for the first half of 2022, amounted to Euro 32.7 and Euro 9.8 for the Group and the Company, respectively. Amounts paid during the first half of 2022, in relation to voluntary leave schemes were Euro 2.4 for the Group and Euro 0.9 for the Company.

12. EARNINGS PER SHARE

Earnings per share (after income taxes) are calculated by dividing the profit attributable to the owners of the parent by the weighted average number of ordinary shares outstanding during the period. The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period. Diluted earnings per share incorporates stock options (if any) for which the average share price for the year is in excess of the exercise price of the stock option and which create a dilutive effect. As of June 30, 2022 and 2021 there was no dilution effect.

Earnings per share are analyzed as follows:

| GROUP | 1st Half | |
|---|---------------|---------------|
| | 2022 | 2021 |
| Profit attributable to owners of the parent | 236.2 | 222.0 |
| Profit for the period from continuing operations (attributable to owners of the parent) | 236.2 | 176.8 |
| Profit for the period from discontinued operations (attributable to owners of the parent) | - | 45.2 |
| Weighted average number of shares for basic earnings per share | 442,598,122 | 457,465,621 |
| Weighted average number of shares adjusted for the effect of dilutions | 442,598,122 | 457,465,621 |
| Basic earnings per share | 0.5337 | 0.4853 |
| From continuing operations | 0.5337 | 0.3865 |
| From discontinued operations | - | 0.0988 |
| Diluted earnings per share | 0.5337 | 0.4853 |
| From continuing operations | 0.5337 | 0.3865 |
| From discontinued operations | - | 0.0988 |

Earnings per share are in absolute amounts.

13. OPERATING SEGMENT INFORMATION

The following information is provided for the reportable segments, which are separately disclosed in the financial statements and which are regularly reviewed by the Group's chief operating decision makers. Segments were determined based on the Group's legal structure and business activities.

Using quantitative thresholds OTE, COSMOTE Group – Greece and TELEKOM ROMANIA MOBILE have been determined to be reportable segments. Information about operating segments that do not constitute reportable segments has been combined and disclosed in an "Other" category. This category comprises all the other operations of the Group, the most material of which relate to the Group's real estate subsidiary, OTE ESTATE, the Group's international carrier, OTE GLOBE, the Group's financing subsidiary, OTE PLC, as well as the Group's technical field operations subsidiary, CTS. The types of services provided by the reportable segments are as follows:

- OTE is a provider of fixed-line services, internet access services, ICT services and TV services in Greece.
- COSMOTE Group is a provider of mobile telecommunications, retail operations (shops) and customer services.
- TELEKOM ROMANIA MOBILE is a provider of mobile telecommunications services in Romania.

Accounting policies of the operating segments are the same as those followed for the preparation of the financial statements. Intersegment revenues are generally reported at values that approximate third-party selling prices. Management evaluates segment performance based on operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations; operating profit / (loss) before financial and investing activities and profit / (loss) for the period.

Segment information and reconciliation to the Group's consolidated figures are as follows:

| Six month period ended June 30, 2022 | OTE | COSMOTE Group – Greece | TELEKOM ROMANIA MOBILE | OTHER | TOTAL | Elim. | GROUP |
|--|--------------|------------------------|------------------------|--------------|----------------|----------------|----------------|
| Retail services revenues (fixed business) | 473.6 | 2.3 | - | - | 475.9 | - | 475.9 |
| Service revenues (mobile business) | - | 476.4 | 102.8 | - | 579.2 | - | 579.2 |
| Revenue from the sale of goods and merchandise | 2.3 | 90.1 | 34.1 | 3.5 | 130.0 | - | 130.0 |
| Revenues from the use of assets | 75.1 | - | 1.2 | 2.0 | 78.3 | - | 78.3 |
| Other revenues | 208.0 | 22.7 | 18.4 | 162.4 | 411.5 | - | 411.5 |
| External revenue | 759.0 | 591.5 | 156.5 | 167.9 | 1,674.9 | - | 1,674.9 |
| Intersegment revenue | 38.8 | 77.6 | 0.1 | 142.1 | 258.6 | (258.6) | - |
| Total revenue | 797.8 | 669.1 | 156.6 | 310.0 | 1,933.5 | (258.6) | 1,674.9 |
| Operating profit before financial and investing activities, depreciation, amortization and impairment | 369.5 | 262.6 | 36.1 | 28.6 | 696.8 | (30.3) | 666.5 |
| Costs related to voluntary leave schemes | (9.8) | (12.4) | (0.2) | (10.3) | (32.7) | - | (32.7) |
| Other restructuring costs and non-recurring litigations | - | - | (0.4) | - | (0.4) | - | (0.4) |
| Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations | 379.3 | 275.0 | 36.7 | 38.9 | 729.9 | (30.3) | 699.6 |
| Depreciation, amortization and impairment | (190.2) | (128.6) | (23.6) | (20.4) | (362.8) | 26.0 | (336.8) |
| Operating profit before financial and investing activities | 179.3 | 134.0 | 12.5 | 8.2 | 334.0 | (4.3) | 329.7 |
| Dividend income | 285.5 | - | - | - | 285.5 | (285.5) | - |
| Interest income | 0.5 | 0.1 | 0.6 | 8.4 | 9.6 | (8.7) | 0.9 |
| Interest and related expenses | (14.0) | (6.0) | (1.1) | (9.5) | (30.6) | 13.7 | (16.9) |
| Income tax | (48.1) | (28.4) | (0.1) | (2.8) | (79.4) | (0.2) | (79.6) |
| Profit for the period from continuing operations | 403.7 | 100.3 | 11.7 | 5.6 | 521.3 | (285.0) | 236.3 |
| Purchase of property plant and equipment and intangible assets | 176.0 | 55.1 | 17.4 | 13.5 | 262.0 | - | 262.0 |

| Six month period ended June 30, 2021 | OTE | COSMOTE Group – Greece | TELEKOM ROMANIA MOBILE | OTHER | TOTAL | Elim. | GROUP |
|--|--------------|------------------------|------------------------|--------------|----------------|----------------|----------------|
| Retail services revenues (fixed business) | 467.4 | 1.7 | - | - | 469.1 | - | 469.1 |
| Service revenues (mobile business) | - | 455.4 | 107.2 | - | 562.6 | - | 562.6 |
| Revenue from the sale of goods and merchandise | 0.5 | 100.8 | 28.5 | 1.9 | 131.7 | - | 131.7 |
| Revenues from the use of assets | 81.4 | - | 1.1 | 1.5 | 84.0 | - | 84.0 |
| Other revenues | 186.7 | 16.7 | 8.1 | 156.5 | 368.0 | - | 368.0 |
| External revenue | 736.0 | 574.6 | 144.9 | 159.9 | 1,615.4 | - | 1,615.4 |
| Revenues from discontinued operations | - | 1.9 | 6.9 | 0.2 | 9.0 | (9.0) | - |
| Intersegment revenue | 34.8 | 80.4 | 0.1 | 130.7 | 246.0 | (246.0) | - |
| Total revenue | 770.8 | 656.9 | 151.9 | 290.8 | 1,870.4 | (255.0) | 1,615.4 |
| Operating profit before financial and investing activities, depreciation, amortization and impairment | 363.2 | 263.9 | 18.3 | 35.3 | 680.7 | (31.8) | 648.9 |
| Costs related to voluntary leave schemes | (1.3) | (1.5) | (0.1) | (1.8) | (4.7) | - | (4.7) |
| Other restructuring costs and non-recurring litigations | - | - | (1.5) | - | (1.5) | - | (1.5) |
| Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations | 364.5 | 265.4 | 19.9 | 37.1 | 686.9 | (31.8) | 655.1 |
| Depreciation, amortization and impairment | (177.1) | (139.6) | (20.8) | (20.8) | (358.3) | 28.2 | (330.1) |
| Operating profit / (loss) before financial and investing activities | 186.1 | 124.3 | (2.5) | 14.5 | 322.4 | (3.6) | 318.8 |
| Dividend income | 20.4 | - | - | - | 20.4 | (20.4) | - |
| Interest income | 0.6 | 0.2 | - | 9.3 | 10.1 | (9.7) | 0.4 |
| Interest and related expenses | (16.1) | (11.3) | (1.8) | (10.3) | (39.5) | 15.5 | (24.0) |
| Income tax | (65.5) | (35.1) | (8.9) | (10.4) | (119.9) | (0.2) | (120.1) |
| Profit / (loss) for the period from continuing operations | 126.3 | 78.4 | (14.8) | 3.3 | 193.2 | (18.4) | 174.8 |
| Purchase of property plant and equipment and intangible assets | 134.0 | 69.0 | 27.0 | 8.2 | 238.2 | - | 238.2 |

| 30/06/2022 | OTE | COSMOTE Group – Greece | TELEKOM ROMANIA MOBILE | OTHER | TOTAL | Elim. | GROUP |
|---------------------|---------|------------------------|------------------------|---------|---------|-----------|---------|
| Segment assets | 2,895.0 | 2,254.7 | 445.2 | 2,036.8 | 7,631.7 | (2,074.5) | 5,557.2 |
| Segment liabilities | 2,854.9 | 1,140.2 | 203.6 | 1,605.4 | 5,804.1 | (2,074.5) | 3,729.6 |

| 31/12/2021 | OTE | COSMOTE Group – Greece | TELEKOM ROMANIA MOBILE | OTHER | TOTAL | Elim. | GROUP |
|---------------------|---------|------------------------|------------------------|---------|---------|-----------|---------|
| Segment assets | 2,578.9 | 2,173.3 | 436.1 | 1,868.1 | 7,056.4 | (1,839.4) | 5,217.0 |
| Segment liabilities | 2,539.0 | 910.4 | 206.4 | 1,428.4 | 5,084.2 | (1,839.4) | 3,244.8 |

Transactions between the segments are eliminated in the context of consolidation and the eliminated amounts are included in the column eliminations. The segment assets shown in "Other" as of June 30, 2022 include loans and interest receivable by OTE PLC of an amount of Euro 1,380.4 (December 31, 2021: Euro 1,183.5) which is eliminated at Group level.

GEOGRAPHIC INFORMATION

Geographic information for the Group's revenues and operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations is as follows:

| Six month period ended June 30, 2022 | GREECE | ROMANIA | Elim. | TOTAL |
|--|---------|---------|-------|---------|
| Total revenues | 1,521.3 | 156.6 | (3.0) | 1,674.9 |
| Operating profit before financial and investing activities, depreciation, amortization and impairment | 630.4 | 36.1 | - | 666.5 |
| Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations | 662.9 | 36.7 | - | 699.6 |

| Six month period ended June 30, 2021 | GREECE | ROMANIA | Elim. | TOTAL |
|--|---------|---------|--------|---------|
| Total revenues | 1,475.7 | 151.9 | (12.2) | 1,615.4 |
| Operating profit before financial and investing activities, depreciation, amortization and impairment | 630.7 | 18.3 | (0.1) | 648.9 |
| Operating profit before financial and investing activities, depreciation, amortization and impairment, costs related to voluntary leave schemes, other restructuring costs and non-recurring litigations | 635.3 | 19.9 | (0.1) | 655.1 |

14. RELATED PARTY DISCLOSURES

OTE's related parties have been identified based on the requirements of IAS 24 "Related Party Disclosures".

The Group includes all entities which OTE controls, either directly or indirectly (Note 1). Transactions and balances between companies in the OTE Group are eliminated on consolidation.

DEUTSCHE TELEKOM AG is a 49.2% shareholder of OTE and consolidates OTE using the full consolidation method. Therefore, all companies included in the DEUTSCHE TELEKOM group are also considered related parties.

The Company purchases goods and services from these related parties, provides services and delivers goods to them. Furthermore, OTE grants and receives loans to and from these related parties and also receives and pays dividends.

OTE's sales and purchases with related parties are analyzed as follows:

| | 1st Half 2022 | | 1st Half 2021 | |
|--|---------------|---------------|---------------|---------------|
| | Sales OTE | Purchases OTE | Sales OTE | Purchases OTE |
| COSMOTE Group - Greece | 30.6 | 72.5 | 28.0 | 75.3 |
| COSMOTE TV PRODUCTIONS | - | 3.2 | - | 3.2 |
| COSMO-ONE | - | 0.2 | - | 0.2 |
| OTESAT-MARITEL | 0.1 | 0.1 | 0.2 | - |
| CTS | - | 77.5 | 0.1 | 73.8 |
| OTE ESTATE | 0.2 | 0.7 | 0.1 | 0.1 |
| OTE GLOBE | 3.5 | 17.9 | 3.4 | 16.7 |
| OTE ACADEMY | - | 1.0 | - | 1.3 |
| TELEKOM ROMANIA | - | - | - | 0.2 |
| TELEKOM ROMANIA MOBILE | 1.1 | - | - | - |
| COSMOTE PAYMENTS | - | 2.1 | - | - |
| COSMOTE GLOBAL SOLUTIONS S.A. | - | 0.3 | - | - |
| OTE RURAL NORTH | 1.4 | 2.2 | 1.3 | 1.9 |
| OTE RURAL SOUTH | 1.9 | 3.1 | 1.7 | 2.8 |
| DEUTSCHE TELEKOM group of companies (except for OTE Group) | 1.4 | 4.8 | 6.0 | 2.3 |
| TOTAL | 40.2 | 185.6 | 40.8 | 177.8 |

Purchases of OTE from CTS include fixed assets purchases amounting to Euro 9.7 for the first half of 2022 (first half of 2021: Euro 8.9).

Following the adoption of IFRS 16, purchases from related parties do not include amounts related to lease expenses. For OTE, lease expenses amounted to Euro 18.2 for the first half of 2022 (first half of 2021: Euro 17.8).

The Group's sales and purchases with related parties which are not eliminated in the consolidation are analyzed as follows:

| | 1st Half 2022 | | 1st Half 2021 | |
|--|---------------|-------------------|---------------|-------------------|
| | Group's sales | Group's purchases | Group's sales | Group's purchases |
| DEUTSCHE TELEKOM group of companies (except for OTE Group) | 10.1 | 15.6 | 16.9 | 28.0 |
| TOTAL | 10.1 | 15.6 | 16.9 | 28.0 |

For the first half of 2021, Group's sales and purchases to DEUTSCHE TELEKOM group of companies include an amount of Euro 3.2 and an amount of Euro 15.1 respectively, related to discontinued operations.

OTE's other operating income with its related parties is analyzed as follows:

| | Other operating income OTE | |
|------------------------|----------------------------|---------------|
| | 1st Half 2022 | 1st Half 2021 |
| COSMOTE Group - Greece | 7.8 | 6.9 |
| OTE ACADEMY | 0.1 | 0.1 |
| OTE GLOBE | - | 0.1 |
| OTESAT-MARITEL | 0.2 | - |
| CTS | 5.1 | 4.9 |
| TOTAL | 13.2 | 12.0 |

The Group's other operating income with its related parties which is not eliminated in the consolidation is analyzed as follows:

| | Group's other operating income | |
|--|--------------------------------|---------------|
| | 1st Half 2022 | 1st Half 2021 |
| DEUTSCHE TELEKOM group of companies (except for OTE Group) | - | 0.1 |
| TOTAL | - | 0.1 |

OTE's financial activities with its related parties, which comprise interest on loans granted and received, as well as interest expense on lease liabilities to related parties, are analyzed as follows:

| | 1st Half 2022 | | 1st Half 2021 | |
|------------------------|--------------------|---------------------|--------------------|---------------------|
| | Finance income OTE | Finance expense OTE | Finance income OTE | Finance expense OTE |
| OTE PLC | - | 8.3 | - | 9.2 |
| COSMOTE Group - Greece | 0.1 | 0.1 | 0.1 | 0.1 |
| OTE RURAL SOUTH | 0.2 | - | 0.2 | 0.1 |
| OTE ESTATE | - | 2.6 | - | 3.0 |
| TOTAL | 0.3 | 11.0 | 0.3 | 12.4 |

OTE's dividend income from its related parties is analyzed as follows:

| | Dividend income OTE | |
|----------------|---------------------|---------------|
| | 1st Half 2022 | 1st Half 2021 |
| COSMOTE | 250.0 | - |
| OTE PLC | 25.0 | - |
| OTE GLOBE | 10.0 | - |
| OTESAT-MARITEL | 0.5 | - |
| OTE ESTATE | - | 20.4 |
| TOTAL | 285.5 | 20.4 |

Amounts owed to and by the related parties as a result of OTE's transactions with them, including dividends, are analyzed as follows:

| | 30/06/2022 | | 31/12/2021 | |
|--|---------------------|---------------------|---------------------|---------------------|
| | Amounts owed to OTE | Amounts owed by OTE | Amounts owed to OTE | Amounts owed by OTE |
| COSMOTE Group - Greece | 111.0 | 140.2 | 77.4 | 162.5 |
| TELEKOM ROMANIA MOBILE | 0.2 | 3.0 | 0.1 | 4.0 |
| COSMOTE TV PRODUCTIONS | - | 0.9 | - | 1.7 |
| COSMO-ONE | - | 0.1 | - | 0.1 |
| OTESAT-MARITEL | 5.0 | - | 4.5 | - |
| CTS | 5.0 | 33.2 | 13.2 | 33.1 |
| COSMOTE PAYMENTS | 1.0 | 0.3 | 0.5 | 0.2 |
| COSMOTE GLOBAL SOLUTIONS S.A. | - | 0.1 | - | 0.4 |
| OTE ESTATE | 1.3 | - | 1.8 | 0.5 |
| OTE GLOBE | 2.7 | 14.6 | 2.6 | 10.3 |
| OTE ACADEMY | 0.1 | 0.4 | 0.1 | 0.6 |
| OTE RURAL NORTH | 0.5 | 0.3 | 0.9 | 0.1 |
| OTE RURAL SOUTH | 0.6 | 0.4 | 1.0 | 0.1 |
| DEUTSCHE TELEKOM group of companies (except for OTE Group) | 1.8 | 129.7 | 2.9 | 6.1 |
| TOTAL | 129.2 | 323.2 | 105.0 | 219.7 |

Amounts owed by OTE to DEUTSCHE TELEKOM group of companies (except for OTE Group) include dividend payable amounting to Euro 126.0 as of June 30, 2022 (December 31, 2021: Euro nil).

Amounts owed to OTE by COSMOTE Group – Greece and OTESAT-MARITEL include dividend receivable amounting to Euro 70.0, and Euro 0.5 as of June 30, 2022, respectively (December 31, 2021: COSMOTE Group – Greece amounting to Euro 40.0, OTESAT-MARITEL amounting to Euro nil).

OTE's lease liabilities to related parties are analyzed as follows:

| | Lease liabilities OTE | |
|------------------------|-----------------------|--------------|
| | 30/06/2022 | 31/12/2021 |
| OTE ESTATE | 140.1 | 138.0 |
| COSMOTE Group - Greece | 8.1 | 0.2 |
| OTE RURAL NORTH | 0.6 | 0.8 |
| OTE RURAL SOUTH | 1.2 | 1.7 |
| TOTAL | 150.0 | 140.7 |

Amounts owed to and by the related parties as a result of the Group's transactions with them, which are not eliminated in the consolidation, are analyzed as follows:

| | 30/06/2022 | | 31/12/2021 | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| | Amounts owed to Group | Amounts owed by Group | Amounts owed to Group | Amounts owed by Group |
| DEUTSCHE TELEKOM group of companies (except for OTE Group) | 6.5 | 623.2 | 8.5 | 348.4 |
| TOTAL | 6.5 | 623.2 | 8.5 | 348.4 |

Amounts owed by the Group to DEUTSCHE TELEKOM group of companies (except for OTE Group) include dividend payable amounting to Euro 126.0 as of June 30, 2022 (December 31, 2021: Euro nil).

Amounts owed by Group to DEUTSCHE TELEKOM group of companies (except for OTE Group) as of June 30, 2022 include an amount of Euro 450.0 (nominal amount) related to Notes issued by OTE PLC (Note 7) and subscribed partially or in full by DEUTSCHE TELEKOM AG (December 31, 2021: Euro 300.0 nominal amount). Interest expenses for the above Notes amount to Euro 1.2 (June 30, 2021: Euro 1.5).

Amounts owed to and by OTE relating to loans granted and received, are analyzed as follows:

| | 30/06/2022 | | 31/12/2021 | |
|-----------------|---------------------|---------------------|---------------------|---------------------|
| | Amounts owed to OTE | Amounts owed by OTE | Amounts owed to OTE | Amounts owed by OTE |
| OTE PLC | - | 1,224.9 | - | 1,178.1 |
| OTE RURAL NORTH | 6.0 | - | 6.1 | - |
| OTE RURAL SOUTH | 8.5 | - | 8.5 | - |
| TOTAL | 14.5 | 1,224.9 | 14.6 | 1,178.1 |

Amounts owed by OTE to OTE PLC relating to loans include interest payable amounting to Euro 12.4 (December 31, 2021: Euro 6.3).

Key Management Personnel and those closely related to them are defined as related parties in accordance with IAS 24 "Related Party Disclosures". Key management compensation comprises salaries and other short-term benefits, termination benefits, post-employment benefits and other long-term benefits (as defined in IAS 19 "Employee Benefits") and share-based payments (as defined in IFRS 2 "Share-based Payment").

Compensation to the members of the Board of Directors and OTE's key management personnel amounted to Euro 5.3 for the first half of 2022 (first half of 2021: Euro 6.8).

15. LITIGATION AND CLAIMS

The Group and the Company have made appropriate provisions in relation to litigations and claims, when it is probable that an outflow of resources will be required to settle the obligations and it can be reasonably estimated.

There are no significant developments with respect to the litigations and claims referred to the financial statements as of December 31, 2021, except for the following:

Unauthorized file export from COSMOTE's system: On September 8, 2020, an unauthorized file export from COSMOTE's system was detected, as a result of a cyber-attack. The file contained data on the calls made or received by mobile subscribers during the five-day period between September 1, and September 5, 2020, namely: phone number, day and time and duration of the call. The file also included device model, IMSI, age, gender, ARPU, cell tower coordinates and tariff plan. The aforementioned data are used by the company for network and customer service optimization. The file did not contain call content (speech) or content of messages, names, addresses, passwords, credit card or other banking data information. The company immediately blocked the unauthorized access, took all necessary measures and informed the competent Authorities from the very first moment as provided by the law. Until today, there has been no indication whatsoever with regard to publishing or other abuse of the data in the illegally retrieved file. The affected persons were notified about the incident at October 14, 2020, after consulting the Authorities, as there

no longer was any serious risk to the investigation. The notification took place through public announcement in the main corporate web page, together with press release that was sent to more than 100 print, radio and TV stations of nationwide broadcasting, digital media and media groups. Furthermore, on October 16, 2020, COSMOTE also pressed criminal charges before the Public Prosecutor against unknown offender(s). Following that, a preliminary criminal investigation has been initiated by the Cyber Crime Unit of the Hellenic Police. Meanwhile, Hellenic Authority for Communication Security and Privacy (“ADAE”) and Hellenic Data Protection Authority (“DPA”) have initiated an audit related to the issues falling within their competences. On April 23, 2021 an online hearing took place before DPA. Both COSMOTE and OTE were invited to the hearing. OTE's summons at this hearing probably relates to the fact that the point used for the cyber-attack to COSMOTE was a website hosted on OTE infrastructure (Webhosting). A memorandum was submitted on May 24, 2021 to DPA. In January 2022, DPA imposed fines on COSMOTE and OTE amounting to Euro 6.0 and Euro 3.3, respectively. On March 28, 2022, an appeal was filed by COSMOTE and OTE before the Council of State against the decision of DPA. On January 31, 2022, COSMOTE was summoned by ADAE to a hearing. The hearing took place on February 21, 2022 through the submission of a memorandum. On May 31, 2022, ADAE published a press release announcing a Euro 3.2 fine to COSMOTE for infringements of Regulation for the Assurance of Confidentiality in Electronic Communications. On June 22, 2022, the decision was served to COSMOTE. COSMOTE is considering filing an application for annulment of the decision of ADAE before the Administrative Court of Athens. OTE was not summoned to a hearing by ADAE.

Orange Romania: On September 30, 2021, the sale to Orange Romania of the shares held by the Group to TELEKOM ROMANIA, was completed. The contract provided for the possibility of adjusting the purchase price based on the completion accounts of TELEKOM ROMANIA as of September 30, 2021 and agreed levels of cash and working capital. On December 24, 2021 Orange Romania informed OTE that according to the completion accounts, the purchase price for the transferred shares of TELEKOM ROMANIA should be reduced by Euro 24.0 approximately. On July 14, 2022, the Board of Directors of OTE approved a settlement agreement between OTE and Orange Romania and the disbursement by OTE of an amount of Euro 9.0 to Orange Romania.

16. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Fair value and fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuing technique: Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

During the reporting period there were no transfers between level 1 and level 2 fair value measurement, and no transfers into and out of level 3 fair value measurement.

The following tables compare the carrying amount of the Group's and the Company's financial instruments that are carried at amortized cost to their fair value:

| GROUP | Carrying Amount | | Fair value | |
|---|-----------------|------------|------------|------------|
| | 30/06/2022 | 31/12/2021 | 30/06/2022 | 31/12/2021 |
| Financial Assets | | | | |
| Trade receivables | 517.3 | 504.4 | 517.3 | 504.4 |
| Loans to pension funds | 73.8 | 75.6 | 88.8 | 104.2 |
| Loans and advances to employees | 40.7 | 37.4 | 40.7 | 37.4 |
| Guarantees | 7.4 | 6.9 | 7.4 | 6.9 |
| Guaranteed receipt from Grantor (Financial asset model) | 0.2 | 0.5 | 0.2 | 0.5 |
| Restricted cash | 1.7 | 1.8 | 1.7 | 1.8 |
| Cash and cash equivalents | 1,001.1 | 630.7 | 1,001.1 | 630.7 |
| Financial Liabilities | | | | |
| Long-term borrowings | 742.6 | 753.7 | 692.3 | 776.0 |
| Short-term borrowings | 150.0 | - | 149.5 | - |
| Short-term portion of long-term borrowings | 397.6 | 397.3 | 398.3 | 403.8 |
| Lease liabilities | 248.3 | 260.9 | 248.3 | 260.9 |
| Trade accounts payable | 823.5 | 818.5 | 823.5 | 818.5 |
| Interest payable | 13.2 | 7.3 | 13.2 | 7.3 |
| Liability for TV broadcasting rights (long-term) | 51.5 | 63.0 | 51.5 | 63.0 |

| COMPANY | Carrying Amount | | Fair value | |
|--|-----------------|------------|------------|------------|
| | 30/06/2022 | 31/12/2021 | 30/06/2022 | 31/12/2021 |
| Financial Assets | | | | |
| Trade receivables | 311.3 | 304.1 | 311.3 | 304.1 |
| Loans to pension funds | 73.8 | 75.6 | 88.8 | 104.2 |
| Loans and advances to employees | 10.9 | 9.5 | 10.9 | 9.5 |
| Guarantees | 0.3 | 0.3 | 0.3 | 0.3 |
| Other receivables from related parties | 78.3 | 47.2 | 78.3 | 47.2 |
| Loans to group companies | 14.5 | 14.5 | 14.7 | 16.5 |
| Cash and cash equivalents | 559.9 | 274.0 | 559.9 | 274.0 |
| Financial Liabilities | | | | |
| Long-term borrowings | 696.5 | 797.6 | 646.3 | 818.7 |
| Short-term borrowings | 40.0 | - | 40.0 | - |
| Short-term portion of long-term borrowings | 476.0 | 374.2 | 475.5 | 380.0 |
| Lease liabilities | 159.4 | 151.8 | 159.4 | 151.8 |
| Trade accounts payable | 474.1 | 468.2 | 474.1 | 468.2 |
| Interest payable | 12.7 | 6.6 | 12.7 | 6.6 |
| Liability for TV broadcasting rights (long-term) | 51.5 | 63.0 | 51.5 | 63.0 |

The fair values of loans to pension funds, loans to group companies, long-term borrowings and short-term borrowings are based on either quoted (unadjusted) prices or on discounted cash flows using either direct or indirect observable inputs. The fair value of the remaining financial assets and financial liabilities approximate their carrying amounts.

As at June 30, 2022, the Group and the Company held the following financial instruments measured at fair value:

| GROUP | Fair value | | Fair value hierarchy |
|---------------------------------------|------------|------------|----------------------|
| | 30/06/2022 | 31/12/2021 | |
| Financial Assets | | | |
| Investments in mutual funds | 4.5 | 5.1 | Level 1 |
| Investments in mutual funds | 0.1 | 0.5 | Level 3 |
| Investment in mutual fund (long-term) | 0.4 | - | Level 3 |

| COMPANY | Fair value | | Fair value hierarchy |
|---------------------------------------|------------|------------|----------------------|
| | 30/06/2022 | 31/12/2021 | |
| Financial Assets | | | |
| Investments in mutual funds | 2.7 | 3.0 | Level 1 |
| Investment in mutual fund (long-term) | 0.4 | - | Level 3 |

FINANCIAL RISK MANAGEMENT

Macroeconomic conditions in Greece

Management continually assesses the possible impact of any changes in the macroeconomic and financial environment in Greece so as to ensure that all necessary actions and measures are taken in order to minimize any impact on the Group's Greek operations. Based on its current assessment, it has concluded that no additional impairment provisions are required with respect to the Group's financial and non-financial assets as of June 30, 2022.

Risk from the Russian invasion of Ukraine

The Group has no operational exposure in Ukraine and Russia. However, the geopolitical uncertainty has resulted in higher inflation and increased volatility in the energy market affecting the general economic environment, which is likely to continue. Furthermore, there is an increased risk from the disruption in the global supply chain.

Risk from the coronavirus (COVID-19)

In early 2020, there was a global outbreak of coronavirus (COVID-19) which impacted the global supply and demand, including Greece. Management is closely monitoring the situation and its potential impact on the Group's activities. The Group follows the guidance and decisions of all relevant agencies and adheres to the requirements and actions endorsed by the Greek authorities. In addition, business-continuity and risk-containment strategies are proactively executed in order to mitigate any potential adverse impact of the crisis on the operations and financial conditions.

Financial Risks

The below stated risks are significantly affected by the macroeconomic and financial environment in Greece.

a) Credit risk

Credit risk is the risk of financial loss to the Group and the Company if a counterparty fails to meet its contractual obligations.

The carrying value of financial assets at each reporting date is the maximum credit risk to which the Group and the Company are exposed in respect of the relevant assets.

Financial instruments classified as fair value through profit and loss include mutual funds and other securities. These financial assets are not considered to expose the Group and the Company to a significant credit risk.

Defaulted payments of trade receivables could potentially adversely affect the liquidity of the Group and the Company. However, due to the large number of customers and the diversification of the customer base, there is no concentration of credit risk with respect to these receivables. Concentration of risk is however considered to exist for amounts receivable from other telecommunication service providers, due to their relatively small number and the high volume of transactions they have with the Group and the Company. For this category the Group and the Company assess the credit risk following the established policies and procedures and recognizes the appropriate provision for impairment.

The Group and the Company have established specific credit policies under which customers are analyzed for creditworthiness and there is an effective management of receivables in place both before and after they become overdue and doubtful. In monitoring credit risk, customers are grouped according to their business group, their credit risk characteristics, aging profile and existence of previous financial difficulties, also adjusted for forward-looking factors specific to the customers and the economic environment.

Group's cash and cash equivalents are mainly invested in highly rated counterparties and with a very short term tenor.

Loans include loans to employees, which are collected either through the payroll or are netted-off with their retirement indemnities, and loans to pension funds mainly due to prior years' voluntary leave schemes. The latter loans are exposed to credit risk related to the debt servicing capacity of the pension fund.

b) Liquidity risk

Liquidity risk is the risk that the Group or the Company will not be able to meet their financial obligations as they fall due. Liquidity risk is kept at low levels by ensuring that there is sufficient cash on demand and / or credit facilities to meet the financial obligations falling due in the next 12 months. The Group's and the Company's cash and cash equivalents as at June 30, 2022 amount to Euro 1,001.1 and Euro 559.9, respectively and their short-term borrowings and their short-term portion of long-term borrowings amount to Euro 547.6 and Euro 516.0, respectively.

For the monitoring of the liquidity risk, the Group prepares cash flows forecasts on a frequent basis.

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will result in fluctuations of the value of the Group's and the Company's financial instruments. The objective of market risk management is to manage and control exposure within acceptable levels.

The individual risks that comprise market risk and the Group's and the Company's policies for managing them are described below:

i. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the interest rates.

The total debt of the Group bears fixed interest rates, thus the Group is not sensitive to potential changes in interest rates on loans.

ii. Foreign currency risk

Currency risk is the risk that the fair values of the cash flows of a financial instrument fluctuate due to foreign currency changes.

The Group operates in Greece and Romania and as a result is exposed to currency risk due to changes between the functional currencies and other currencies. The main currencies within the Group are the Euro and the Ron (Romania).

Capital Management

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business plans and maximize shareholder value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

An important means of managing capital is the use of the gearing ratio (ratio of net debt to equity) which is monitored at Group level. Net debt includes interest bearing loans and notes, as well as long-term and short-term lease liabilities (following IFRS 16 adoption as of January 1, 2019), less cash and cash equivalents.

| GROUP | 30/06/2022 | 31/12/2021 |
|--|--------------|--------------|
| Long-term borrowings | 742.6 | 753.7 |
| Short-term borrowings | 150.0 | - |
| Short-term portion of long-term borrowings | 397.6 | 397.3 |
| Lease liabilities (long-term portion) | 177.6 | 189.2 |
| Lease liabilities (short-term portion) | 70.7 | 71.7 |
| Cash and cash equivalents | (1,001.1) | (630.7) |
| Net debt | 537.4 | 781.2 |
| Total equity | 1,827.6 | 1,972.2 |
| Gearing ratio | 0.29x | 0.40x |

| COMPANY | 30/06/2022 | 31/12/2021 |
|--|--------------|----------------|
| Long-term borrowings | 696.5 | 797.6 |
| Short-term borrowings | 40.0 | - |
| Short-term portion of long-term borrowings | 476.0 | 374.2 |
| Lease liabilities (long-term portion) | 121.8 | 126.5 |
| Lease liabilities (short-term portion) | 37.6 | 25.3 |
| Cash and cash equivalents | (559.9) | (274.0) |
| Net debt | 812.0 | 1,049.6 |
| Total equity | 3,213.9 | 3,198.6 |
| Gearing ratio | 0.25x | 0.33x |

17. RECLASSIFICATIONS

In the interim consolidated and separate income statement of the first half of 2021, an amount of Euro 1.7, has been reclassified from "Miscellaneous other revenues" to "Fixed business - Other revenues" for better presentation and in order to make it comparable to the presentation of the corresponding amounts in the consolidated and separate income statement for the current year.

18. EVENTS AFTER THE FINANCIAL POSITION DATE

The most significant events after June 30, 2022, are as follows:

OTE

Share Buyback Program

From July 1, 2022 until August 2, 2022, within the framework of the Share Repurchase Program approved by the General Meeting of Shareholders on January 18, 2022, OTE had acquired 1,156,021 own shares for a total value of Euro 18.8.

Cancellation of Own Shares

The Ordinary General Meeting of Shareholders of May 25, 2022 approved the cancellation of 5,617,282 treasury shares, acquired during the period from December 1, 2021 to March 31, 2022, together with the corresponding reduction in the Company's share capital of Euro 15.9 and amendment of the Company's Articles of Incorporation.

On July 7, 2022, following notification to the Corporate Actions Committee of the Athens Stock Exchange and the completion of other legal and regulatory procedures, the aforementioned 5,617,282 shares were cancelled and delisted from the Athens Stock Exchange effective from July 12, 2022.

Euro 150.0 Bank Loan of OTE with the European Bank for Reconstruction and Development (EBRD), with the use of loan funds from the National Recovery and Resilience Facility 'Greece 2.0', financed by the European Union

On July 7, 2022, OTE signed a Euro 150.0 loan agreement with the EBRD. The loan has an eight-year tenor with repayment at maturity and bears a total blended fixed interest rate of 1.561% per annum. Its purpose is the financing of a project related to part of the rollout of OTE's Fiber to the Home (FTTH) network, amounting to total Euro 187.5. Out of the Euro 150.0 loan amount, Euro 93.8 are financed by the European Union's Recovery and Resilience Facility, channeled through the Greek Ministry of Finance, while Euro 56.2 are financed by the EBRD. Euro 37.5 of the project will be covered by OTE's own funds.

On July 13, 2022, OTE proceeded with the drawdown of the full amount under the Euro 150.0 EBRD Loan.

Extension for 2 years of the Revolving Credit Facility with National Bank of Greece and Alpha Bank SA for a committed amount of Euro 100.0.

On July 22, 2022, OTE extended for 2 years the existing from July 24, 2020, Euro 200.0 Bond Loan Agreement, in the form of a committed Revolving Credit Facility, with the syndication of National Bank of Greece and Alpha Bank SA, along with a simultaneous reduction of the committed amount to Euro 100.0.

No drawdown has taken place up to the date of approval of these interim financial statements.

Agreement for the sale of COSMO-ONE

On July 25, 2022, the Group completed the sale of COSMO-ONE through the transfer of its 61.74% stake in SOFT ONE TECHNOLOGIES S.A. for a total consideration of Euro 2.0. The amount attributable to OTE was Euro 1.0.

OTE PLC

Repayment of Bond under the Global Medium-Term Note (GMTN) Programme of OTE PLC

On July 18, 2022, OTE PLC repaid at maturity the Euro 400.0 fixed rate bond, with outstanding balance Euro 374.6, issued under its Global Medium Term Note Programme on July 18, 2018.

COSMOTE

Payment of principal installment under the Euro 150.0 term loan with the European Investment Bank (EIB)

On July 25, 2022, COSMOTE paid principal installment of Euro 11.5 under the term loan with EIB.