

OTE PLC

ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

REGISTERED NUMBER: 03896324

The financial statements on pages 19 to 37 were approved by the Board of Directors of OTE PLC on 4 April 2024 and are available online at the site:

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

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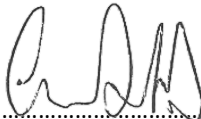
Declaration of the managers responsible for financial reporting

Pursuant to Article 3 of Luxembourg’s Transparency Law and to the Companies Act 2006, the undersigned Ioannis Kyriakopoulos and Christopher Duffy, on behalf of the Board of Directors of OTE PLC, confirm that to the best of their knowledge the financial statements for the year ended 31 December 2023 represent in all material respects, the financial position, results of operations of the Entity in conformity with UK adopted International Financial Reporting Standards and with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

Furthermore, the undersigned declare that the business summary includes a fair review of the development and performance and the company position together with a description of the principal risks and uncertainties that it faces.



Ioannis Kyriakopoulos
Director



Christopher Duffy
Director

The Directors present their Strategic Report on OTE PLC (“the Company”) for the year ended 31 December 2023.

Review of the business

The Company is a public limited company, with registered number 03896324 and is incorporated and domiciled in the United Kingdom (“UK”). The principal activity of the Company is to borrow and raise funds from the market and otherwise, for the benefit of its parent company, Hellenic Telecommunications Organisation S.A. (“OTE S.A.” or “OTE”), and other OTE Group subsidiaries. The Company’s profits stem from the difference between interest received from OTE S.A. and OTE Group subsidiaries and interest paid to the bondholders and/or other lenders. Profits and/or retained earnings are used to cover administrative and other expenses.

The Company has established a programme for the issuance of Global Medium Term Notes (“GMTN”) up to a maximum amount of €6.5 billion guaranteed by OTE S.A. (“Guarantor”). The programme is listed on the Luxembourg Stock Exchange and was last updated in April 2021. The principal balance of bonds outstanding under the GMTN Programme as at 31 December 2023 amounted to €0.8 billion (31 December 2022: €1 billion).

The most recent GMTN Programme documentation is available at the parent company’s website at <https://www.cosmote.gr/cs/otegroup/en/omologa.html>.

On June 8, 2023, the Company repaid at maturity the €150 million GMTN Notes which were fully subscribed by Deutsche Telekom AG. This transaction was backed by a transaction with COSMOTE S.A. under substantially the same terms and tenor, which was also repaid at maturity, on June 8, 2023.

On June 20, 2023, the Company issued €80 million Notes due October 2023 under the GMTN Programme, fully subscribed by Deutsche Telekom AG. On the same date, using the above funds, the Company subscribed to a €80 million bond loan issued by OTE S.A. matching the GMTN Notes tenor. On October 19, 2023, the Notes and the bond loan issued by OTE S.A. were repaid at maturity.

On July 19, 2023, Standard & Poor’s (“S&P”) raised the long term credit rating of OTE S.A. and the Company’s GMTN Programme to BBB+ from BBB and assigned a stable outlook to the ratings. This is the third consecutive credit rating upgrade, clearly demonstrating the Company’s and Guarantor’s credit quality.

The Company’s Finance Cost during 2023 was decreased by €1.9 million mainly due to the decrease of the total outstanding amount of Guaranteed Notes from €1 billion as of December 31, 2022 to €0.8 billion as of December 31, 2023, partially offset by the refinancing of maturing debt in 2023 with new debt bearing higher interest rates as a result of the widening interest rates environment. In line with the Company’s on-lending arrangements, the Finance Income has been decreased proportionately to the Finance Cost, resulting to an equal and opposite effect on the Company’s Income Statement.

The impact from the developments in the global economic & geopolitical environment to the Company and to the business operations of OTE in Greece, as OTE is acting as Guarantor to the Company’s liabilities, are assessed to be limited in 2023 and are further analysed in the paragraphs of “Principal risks and uncertainties” below.

The audited financial statements for the year ended 31 December 2023 are set out on pages 19 to 37. The after-tax profit for the financial year was €102,305 (2022: €34,308).

Section 172 statement

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of all stakeholders in their decision making. The Directors have regard to the interests of the Company’s stakeholders, including the impact of its activities on the community, the environment and the Company’s reputation, while maintaining high standards of business conduct when making decisions. Acting in good faith, the Directors’ decisions consider what is most likely to promote the success of the Company for the benefit of its members as a whole.

The following statements summarise how Directors have fulfilled their duties concerning the matters described in Section 172 of the Companies Act 2006:

OTE PLC Strategic report

The key stakeholders of the Company are its shareholders, the employee, all Company's GMTN Programme Bond Noteholders including OTE Group Companies which act both as borrowers and lenders, Deutsche Telekom AG which is the ultimate parent of the Company, Luxembourg Stock Exchange and EU regulators.

With respect to subsections (a), (b), (c), (e) and (f):

The Directors in their decisions ensured that the use of the Company's assets will continue covering administrative and other expenses of the Company in the long-term. Furthermore, the Directors acted within the framework set by Company's Compliance Policies, Code of conduct and Code of Ethics, which create a culture of high ethical and professional standards in the relationship with all stakeholders and in the conduct of business. The Board considers and discusses information from across the OTE Group Organisation as well as its advisors to understand the impact in the Company's operations, and the interests and views of the key stakeholders, at regular intervals. It also reviews strategy, financial and operational performance of OTE Group as well as information covering areas such as key risks, legal and regulatory compliance. This information is provided to the Board through reports sent in advance of each Board meeting, and through in-person presentations. As a result, the Board maintains a proper engagement with all stakeholders, and other relevant factors, which enables the Directors to comply with their legal duty under section 172 of the Companies Act 2006. Finally, the Board is committed to always treating its employee fairly and respectfully with regards to pay and benefits, health and safety at work and the training and development that the Company offers.

With regards to subsection (d), the Company together with its parent company and its ultimate parent company recognises and commits to corporate social responsibility and environmental sustainability practices. The Company's Directors have duly considered the interests of the Company's stakeholders and the impact of its operations on both the community and the environment. It has been determined that such impact remains limited, primarily attributed to the Company's focused scope, which centers on financial activities.

Principal risks and uncertainties

The principal activities of the Company outlined above give rise to exposure to financial risks in the ordinary course of business. The main risks associated with the Company's financial assets and liabilities are set out in Note 18 to the financial statements.

- **Macroeconomic conditions in Greece and impact from the developments in the global economic & geopolitical environment**

Currently prevailing economic and geopolitical conditions remain challenging, amidst volatile interest rates, energy market turbulence and inflation pressures driving upwards prices for raw materials and labour intensive services.

The management of OTE Group continually assesses the possible impact of any changes in the macroeconomic and financial environment in Greece taking into consideration global economic and geopolitical developments, so as to ensure that all necessary measures are taken in order to minimize any impact on the Group's Greek operations. Management is closely monitoring macroeconomic developments and financial outlook in order to mitigate uncertainties and risks.

- **Impact from the developments in the global economic & geopolitical environment to the Company**

The Company's activity to borrow and raise funds from the market and otherwise, for the benefit of its parent company has not been affected by the global economic & geopolitical environment developments, since the operation of the Company, as well as of debt capital markets and the operation of all relevant participants, such as banks, agents etc. remained undisrupted. The impact from the developments in global economic & geopolitical environment to the operation of OTE S.A., acting as Guarantor to the Company's liabilities, and its mitigating measures, was analysed above and did not have an impact to the Company.

Financial Key performance Indications

Key Performance Indicators (“KPIs”), allow the Directors and shareholders to monitor the Company as a whole. The Board of Directors of the Company monitors KPIs on a regular basis. The Company’s KPIs are as follows:

| | 31.12.2023 | 31.12.2022 |
|------------------------------|---------------|---------------|
| | € | € |
| 1. Administrative expenses | (435,531) | (458,052) |
| 2. Finance income | 11,195,322 | 13,050,326 |
| 3. Finance cost | (10,604,922) | (12,549,046) |
| 4. Cash and cash equivalents | 7,352,327 | 7,231,134 |
| 5. Total financial assets | 824,787,924 | 951,799,773 |
| 6. Guaranteed notes | (824,620,017) | (951,613,587) |

A more detailed analysis of the KPIs can be found in the following Notes to the financial statements. Administrative expenses are analysed in Notes 6 and 7, finance income and finance costs in Notes 4 and 5 respectively, total financial assets in Note 10 while the guaranteed notes issued in Note 12.

Approved by the Board of Directors and signed on its behalf by:



Ioannis Kyriakopoulos

Director

4 April 2024

The Directors present their Report and the audited financial statements of the Company, registered number 03896324, for the year ended 31 December 2023.

The Directors are fully aware of their responsibilities to promote the success of the Company in accordance with section 172 of the Companies Act 2006. The Directors, in order to achieve the Company's targets, implement actions such as, closely monitoring the Company's activities, scheduling regular Board Meetings, adopting compliance policies, obtaining tax/legal advice when necessary, and in general making all necessary actions to promote the Company's and its stakeholders interests.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Charalampos Mazarakis
Stuart Watson (resigned 11 May 2023)
Ioannis Kyriakopoulos (appointed 11 May 2023)
Panos Kaliabetsos (resigned 1 January 2024)
Anastasios Tzoulas (resigned 1 January 2024)
Christopher Duffy
Wilmington Trust SP Services (London) Limited

Secretary

Wilmington Trust SP Services (London) Limited
1 King's Arms Yard, Third Floor, London, EC2R 7AF

Independent Auditors

Deloitte LLP
2 New Street Square, London, EC4A 3BZ

Registered office

Wilmington Trust SP Services (London) Limited
1 King's Arms Yard, Third Floor, London, EC2R 7AF

Directors' remuneration

Details of Directors' remuneration are shown in Note 7.

Going Concern

The Management has identified that the main areas for assessing the ability of the Company to continue as a going concern, are related to securing the receipts from the financial assets owned and securing that the debt of the Company will be repaid.

These areas are addressed by the fact that all debt liabilities of the Company issued under the GMTN Programme are guaranteed by the parent company OTE S.A. via various deeds of guarantee and are backed by loans granted exclusively to OTE Group companies with essentially same terms and tenors and with good credit standing (refer to Note 18). Furthermore, the Directors closely monitor the Company's cash balances which is invested in highly rated banks and with a short tenor. More specifically, for the year ended 31/12/2023 the Company's net current assets stand at €7.5 million (2022: €7.4 million), including cash and cash equivalents of €7.4 million (2022: €7.2 million), sufficiently covering its day-to-day business.

The Directors, including Mr Mazarakis who is also a member of the OTE S.A. Board of Directors and OTE Group Chief Financial Officer, have considered the ability of the OTE Group companies to meet their obligations towards the Company as well as the ability of OTE S.A. as guarantor to the Company and are of the opinion that the Company will meet its obligations.

In assessing the appropriateness of the going concern basis, all relevant information covering a period of at least twelve months from the date of the approval of the financial statements has been taken into account, including the Company's business plan forecasts for 2024 and 2025 which are aligned with those of the parent entity OTE S.A. and OTE Group entities, and the assessment of the Management of OTE for the impact from the developments in the global economic & geopolitical environment.

Based on the above, no material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern have been identified by the Directors.

Accordingly, the Directors continue to adopt the going concern basis in preparing the annual report and financial statements.

Developments

The Directors expect that the Company will continue to borrow and raise funds from the market and otherwise for financing OTE Group in the forthcoming periods.

Dividends

The Directors do not recommend the payment of a final dividend out of the Company's retained earnings (2022: €25 million).

Qualifying third-party indemnity provisions

The Directors of the Company benefited from third party qualifying indemnity insurance provisions during 2023. Such qualifying third party indemnity provisions remain in force as at the date of approving the directors' report.

Post balance sheet events

No events.

Financial risk management

Capital management

The Directors monitor capital as the value of its share capital and its retained profits. The objective in managing capital is to maintain its ability to continue as a going concern. The Directors may adjust its capital needs by determining the amount of profit to retain and the level of debt to maintain, in response to changes in economic conditions and the risk profile of its markets and underlying assets.

Credit risk

Credit risk is the risk that the counterparty will cause a financial loss to the Company by failing to meet its contractual obligations. Concentration of credit risk for the Company is identified in the receivables from OTE Group companies with respect to debt facilities. Receivables from OTE Group companies mainly relate to companies operating in Greece. Therefore, the Directors monitor the macroeconomic conditions in Greece, the impact from the global economic and geopolitical developments, including inter alia the rising interest rates, high inflation and energy prices. The management after assessing the impact of these risks to the OTE Group operations, considers the Company's exposure to credit risk as not material. Note 18 to the financial statements provides a more detailed analysis on the Company's credit risk exposure.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Management's objective to mitigate liquidity risk is to ensure that all the Company's outflows (servicing of debt) are matched with equivalent inflows via back-to-back agreements with OTE Group companies, that have essentially the same terms and conditions. To monitor liquidity risk, the Company prepares cash flow forecasts on a frequent basis. The Company is dependent mainly on the credit standing of its parent company OTE S.A., which acts as Guarantor to all the Company's financial liabilities.

Market risk

Market risk relevant to the Company relates to interest rate risk and foreign exchange risk. The objective of market risk management is to manage and control exposure within acceptable limits while optimizing the return on risk. The management's strategy is to mitigate interest rate risk by a) matching interest rate payable to its creditors with interest rate receivable from its debtors, b) by issuing primary (non-derivative) financial instruments and, where necessary, by deploying derivative financial instruments. Regarding foreign exchange risk, the Company has no material exposure as the vast majority of liabilities and assets are denominated in Euro, which is the Company's functional currency.

Political and charitable contributions

The Company made neither political nor charitable contributions during the year (2022: € nil).

Disclosure of information to auditors

Each Director at the date of approval of this report confirms that:

- As far as the Director is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the Company's auditors are unaware; and
- The Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent Auditors

A resolution for the appointment of Deloitte LLP as auditors for the year ended 31 December 2023 was taken at the shareholders Annual General Meeting on 2 June 2023. A further resolution concerning the appointment of auditors will be proposed at the next Annual General Meeting.

Internal control and risk management over financial reporting

The Company has in place internal control and risk management systems in relation to the Company's financial reporting process and the process for preparation of the financial statements. These systems include policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets; provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with UK adopted International Financial Reporting Standards and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union; require representatives of the businesses to certify that their reported information gives a true and fair view of the state of affairs of the business and its results for the year; and review and reconcile reported data. The Directors are responsible for monitoring these internal control and risk management systems.

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Company's financial statements in accordance with UK-adopted international accounting standards. The Company has also prepared financial statements in accordance with and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's financial statements publications in the parent's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors are responsible for presenting the financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format ("ESEF Regulation").

Directors' confirmations

Each of the Directors, whose names and functions are listed in the Directors' report confirm that, to the best of their knowledge:

- the Company financial statements, which have been prepared in accordance with UK-adopted international accounting standards and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- the Strategic report and Directors' report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.
- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

Auditors

In the case of each Director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board of Directors and signed on its behalf by:



Ioannis Kyriakopoulos

Director

4 April 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OTE PLC

Report on the audit of the financial statements

1. Opinion

In our opinion the financial statements of OTE PLC (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom adopted International Accounting Standards and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows; and
- the related notes 1 to 18.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom adopted International Accounting Standards and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matter

The key audit matter that we identified in the current year was:

- Recoverability of intercompany loans receivables
-

| | |
|--------------------|---|
| Materiality | We determined materiality in the current year to be €530,000 which was based on 5% of interest expense. |
|--------------------|---|

| | |
|----------------|---|
| Scoping | Audit work to respond to the risks of material misstatement was performed with support from members of Deloitte Greece. |
|----------------|---|

| | |
|--|--|
| Significant changes in our approach | Last year our report included a key audit matter on the Appropriateness of basis for calculation of tax expense which is not included in our report this year. We have re-assessed the risk associated with these tax arrangements in the current year and no longer consider it to be a key audit matter. In the current period, we have identified a new Key Audit Matter relating to recoverability of Intercompany loans receivables. The carrying amount of the Company's loans due from OTE Group companies represents 99% (2022: 99%) of the Company's total assets and are stated in the balance sheet at €832m (2022: €959m). Due to its materiality in the context of the Company's financial statements, this is considered to be the area that had the greatest effect on our overall audit. |
|--|--|

There were no other significant changes in our audit approach.

4. Conclusions relating to going concern.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- the assessment of the company's business plan forecasts going out for a period of at least 12 months from the date of this opinion to evaluate whether sufficient liquidity exists;
- consideration of any significant one-off cash flows including the repayment of debt within this period;
- reviewing the Deed of Guarantee issued by its parent company, Hellenic Telecommunications Organisation S.A. ("OTE S.A." or "OTE"), for the guarantee of notes and considered the level of debt issued relative to the financial position of OTE S.A. and its future forecasts;
- assessing the recoverability of debtors, including any associated expected credit loss, in arriving at the forecast cash flows for the period;
- assessing the impact of the developments in the global economic & geopolitical environment on OTE Plc

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Recoverability of Intercompany loans receivables

| | |
|------------------------------|--|
| Key audit description | <p>matter The carrying amount of the Company's loans due from OTE Group companies represents 99% (2022: 99%) of the Company's total assets and are stated in the balance sheet at €832m (2022: €959m). Due to the materiality of the balance in the context of the Company's financial statements, this is considered to be the area that had the greatest effect on our overall audit.</p> <p>Although the developments in the global economical and geopolitical environment has limited impact on the company's operations any issue in relation to recoverability of such intercompany loans receivables balances could have a material impact on the financial statements, we have identified a key audit matter in relation to the appropriateness of the recoverability of intercompany loans receivables. Further details are included within the Directors' report on pages 6 to 10, and note 10 to the financial statements</p> |
|------------------------------|--|

| | |
|---|---|
| How the scope of our audit responded to the key audit matter | <ul style="list-style-type: none"> • We obtained an understanding of relevant processes related to the valuation and recoverability of loan receivables from group undertakings. • We have assessed the loan agreements to understand key terms and conditions for the loans with the group companies. • We assessed recoverability of the Company's loan receivables with reference to the balance sheet and cashflows of counter parties which are all OTE Group companies, to identify whether the Group companies had a positive net asset value, and therefore assess the ability of group companies to repay back loans to OTE Plc, as well as assessing whether the Group companies had historically generated and continue to generate cashflows. • We also considered whether the intercompany loans should have been impaired by deriving a default probability for OTE Plc from the Default probability of OTE S.A. We have considered whether the use of the default probability of OTE S.A. is appropriate considering the nature of the loans advanced to OTE S.A. by OTE Plc. At year end, this rate was 0.0005%. • We also verified the "issuance of Global Medium Term Notes ("GMTN") programme documents" which are covered by guarantees provided by OTE S.A. |
|---|---|

| | |
|-------------------------|---|
| Key observations | Based on the work performed above, we concluded that loan receivables from group undertakings are appropriately stated. |
|-------------------------|---|

6. Our application of materiality

6.1. Materiality

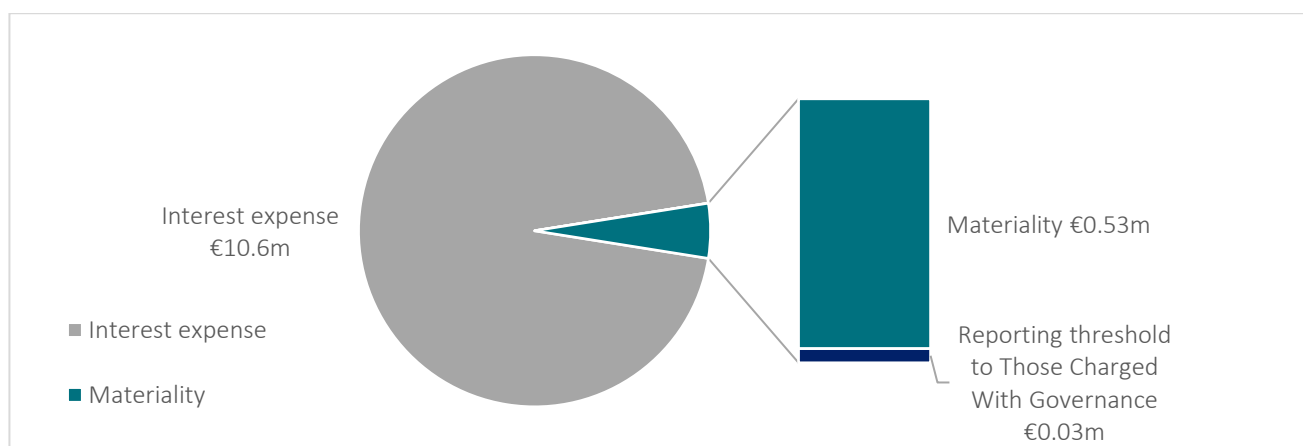
We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

| | |
|--------------------|---------------------------|
| Materiality | €530,000 (2022: €502,000) |
|--------------------|---------------------------|

Independent auditors' report

| | |
|--|--|
| Basis for determining materiality | for 5% of interest expense. (2022: 4% of interest expense) |
| Rationale for the benchmark applied | The key business of the company is to borrow and raise funds from the market and otherwise, for the benefit of OTE S.A. and other OTE Group subsidiaries. Accordingly, the costs of raising finance is of most interest to those using these financial statements. We have reassessed the basis for determining materiality from 4% to 5% of interest on the basis of the quality of the control environment and the low-level misstatements were identified in the previous audits. |



6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of materiality for the 2023 audit (2022: 70%). In determining performance materiality, we considered the following factors:

- the quality of the control environment
- the low level of misstatements in the previous audits.

6.3. Error reporting threshold

We agreed with the Board of Directors that we would report to the Board all audit differences in excess of €26,500 (2022: €25,100), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Board of Directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

We performed our scoping of the audit by obtaining an understanding of the company and its environment, and assessing the risks of material misstatement. Audit work to respond to the risks of material misstatement was performed with support from members of Deloitte Greece.

8. Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for preparing the financial statements in compliance with the requirements set out in the European Single Electronic Format Regulatory Technical Standard ('ESEF RTS').

10. Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Our responsibility is to assess whether the financial statements have been prepared, in all material respects, with the requirements laid down in the ESEF RTS.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's sector;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Rules & Regulations of the Luxembourg Stock Exchange and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

11.2. Audit response to risks identified.

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management and the directors concerning actual and potential litigation and claims;

Independent auditors' report

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

13. Opinion on other matters prescribed by the European Single Electronic Format Regulatory Technical Standard

We have checked the compliance of the financial statements as at 31 December 2023 with relevant statutory requirements set out in the ESEF RTS that are applicable to financial statements.

For the company it relates to:

- Financial statements prepared in a valid XHTML format.

In our opinion, the financial statements of OTE Plc as at 31 December 2023, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF RTS.

14. Matters on which we are required to report by exception.

14.1. Adequacy of explanations received and accounting records.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of this matter.

15. Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Brass FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

4 April 2024

OTE PLC
Income statement
For the year ended 31 December 2023

| | <u>Note(s)</u> | <u>Year ended 31/12/2023 €</u> | <u>Year ended 31/12/2022 €</u> |
|---|----------------|--|--|
| Finance income | 4 | 11,195,322 | 13,050,326 |
| Finance cost | 5 | (10,604,922) | (12,549,046) |
| Administrative expenses | 6&7 | (435,531) | (458,052) |
| Other gains | 8 | 3,287 | 1,199 |
| Profit before tax | | <u>158,156</u> | <u>44,427</u> |
| Income tax expense | 9 | (55,851) | (10,119) |
| PROFIT FOR THE YEAR | | <u>102,305</u> | <u>34,308</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>102,305</u> | <u>34,308</u> |
| Total comprehensive income for the year attributable to: | | | |
| Owners of the Company | | <u>102,305</u> | <u>34,308</u> |

There were no items of other comprehensive income in the year and therefore no separate statement of comprehensive income is required.

The accompanying notes on pages 23 to 37 are an integral part of the financial statements.

The above results were from continuing operations throughout both years.

OTE PLC
Statement of financial position
As at 31 December 2023

| | Note | 31/12/2023 € | 31/12/2022 € |
|--------------------------------------|-------------|------------------------|------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Right-of-use assets | | 25,543 | 53,313 |
| Financial assets at amortised cost | 10 | 707,967,081 | 702,298,353 |
| Other assets | | 6,191 | 6,191 |
| Total non-current assets | | 707,998,815 | 702,357,857 |
| Current assets | | | |
| Financial assets at amortised cost | 10 | 116,820,843 | 249,501,420 |
| Current tax assets | 11 | - | 4,533 |
| Other current assets | 11 | 91,060 | 139,343 |
| Cash and cash equivalents | | 7,352,327 | 7,231,134 |
| Total current assets | | 124,264,230 | 256,876,430 |
| Total Assets | | 832,263,045 | 959,234,287 |
| EQUITY AND LIABILITIES | | | |
| Non-current liabilities | | | |
| Borrowings | 12 | 707,968,487 | 702,320,845 |
| Total non-current liabilities | | 707,968,487 | 702,320,845 |
| Current liabilities | | | |
| Trade and other payables | | 40,445 | 74,460 |
| Short-term borrowings | 12 | 116,674,263 | 249,343,617 |
| Current tax liabilities | 13 | 783 | 10,571 |
| Current other liabilities | | 31,463 | 39,495 |
| Total current liabilities | | 116,746,954 | 249,468,143 |
| Total liabilities | | 824,715,441 | 951,788,988 |
| Capital and reserves | | | |
| Issued capital and share premium | 14 | 80,076 | 80,076 |
| Retained earnings | | 7,467,528 | 7,365,223 |
| Total equity | | 7,547,604 | 7,445,299 |
| Total equity and liabilities | | 832,263,045 | 959,234,287 |

The accompanying notes on pages 23 to 37 are an integral part of the financial statements.

The financial statements on pages 19 to 37 were approved by the Board of Directors on 4 April 2024 and signed on behalf of the Board by:



Ioannis Kyriakopoulos
 Director

Company Registration Number 03896324

OTE PLC
Statement of changes in equity
For the year ended 31 December 2023

| | Share Capital € | Retained Earnings € | Total Equity € |
|--|--------------------|------------------------|-------------------|
| Balance at 1 January 2022 | 80,076 | 32,330,915 | 32,410,991 |
| Profit for the financial year | - | 34,308 | 34,308 |
| Total comprehensive income for the financial year | - | 34,308 | 34,308 |
| Dividend distribution (Note 15) | - | (25,000,000) | (25,000,000) |
| Balance at 31 December 2022 | 80,076 | 7,365,223 | 7,445,299 |
| Balance at 1 January 2023 | 80,076 | 7,365,223 | 7,445,299 |
| Profit for the financial year | - | 102,305 | 102,305 |
| Total comprehensive income for the financial year | - | 102,305 | 102,305 |
| Balance at 31 December 2023 | 80,076 | 7,467,528 | 7,547,604 |

The accompanying notes on pages 23 to 37 are an integral part of the financial statements.

OTE PLC
Statement of cash flows
For the year ended 31 December 2023

| | Note | Year ended 31/12/2023 € | Year ended 31/12/2022 € |
|---|-------------|--|--|
| Cash flows from operating activities | | | |
| Profit before taxation | | 158,156 | 44,427 |
| Adjustments for: | | | |
| Depreciation | | 31,363 | 31,066 |
| Net finance income | | (590,400) | (496,759) |
| Foreign Exchange differences net | | (3,287) | (1,199) |
| Changes in working capital | | | |
| Decrease/(Increase) in other current assets | | 48,282 | (3,720) |
| (Decrease)/Increase in trade and other payables | | (34,015) | 3,496 |
| (Decrease) in other liabilities | | (8,033) | (17,002) |
| Changes in working capital | | 6,234 | (17,226) |
| Interest received | | 8,707,171 | 15,209,332 |
| Interest paid | | (8,098,491) | (14,658,963) |
| Tax paid | | (61,105) | (9,307) |
| Net cash flows generated from operating activities | | 149,641 | 101,371 |
| Cash flows from investing activities | | | |
| Payments to invest in Intragroup loans | 10 | (197,000,000) | (192,250,000) |
| Proceeds from repayment of Intragroup loans | 10 | 326,500,000 | 421,830,000 |
| Net cash flows generated from investing activities | | 129,500,000 | 229,580,000 |
| Cash flows from financing activities | | | |
| Proceeds from Guaranteed Notes | 11 | 197,000,000 | 192,250,000 |
| Repayments of Guaranteed Notes | 11 | (326,500,000) | (421,830,000) |
| Dividends paid to Company's owners | 15 | - | (25,000,000) |
| Repayment of Lease Liabilities | | (31,735) | (30,906) |
| Net cash flows (used in) financing activities | | (129,531,735) | (254,610,906) |
| Net increase/(decrease) in cash and cash equivalents | | 117,906 | (24,929,535) |
| Cash and cash equivalents at the beginning of the year | | 7,231,134 | 32,159,470 |
| Exchange gains on cash and cash equivalents | | 3,287 | 1,199 |
| Cash and cash equivalents at the end of the year | | 7,352,327 | 7,231,134 |

The accompanying notes on pages 23 to 37 are an integral part of the financial statements.

OTE PLC

Notes to the financial statements

1. General information

OTE PLC is a public limited company, which was incorporated on 17 December 1999 and is domiciled in England. The address of its registered office is 1 King's Arms Yard, London, EC2R 7AF, United Kingdom.

The Company's main activity is to borrow and raise funds from the market and otherwise, for the benefit of its parent company OTE S.A., and other OTE Group subsidiaries.

These financial statements are the standalone financial statements for the Company and have been approved for publication by the Board of Directors on 4 April 2024.

The principal accounting policies adopted by the Company are set out in Note 2.

2. Summary of significant accounting policies

2.1. Basis of preparation

The financial statements of the Company have been prepared in accordance with UK-adopted International Accounting Standards along with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in European Union, in conformity with the requirements of the Companies Act 2006.

The preparation of financial statements in accordance with IFRSs requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

The Directors have, at the time of approving the financial statements, a reasonable expectation that the parent company and the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.2. Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Euro' (€), which is also the Company's functional currency. At statement of financial position dates, foreign-currency items have been translated into the functional currency with the below rates.

| | Rate at balance sheet date | |
|------------------------|----------------------------|------------|
| | 31.12.2023 | 31.12.2022 |
| | € | € |
| 1 Pound sterling (GBP) | 1.1507 | 1.1275 |
| 1 U.S. dollar (USD) | 0.9050 | 0.9376 |

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates (see table above) of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account and are presented within 'Other gains'. Non-monetary assets and liabilities denominated in a foreign currency are translated using exchange rates at the date of the transaction. No subsequent translations are made once this has occurred.

2.3. Financial assets

The financial assets are classified, at initial recognition, and are subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVPL). The classification of

financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model within which the financial asset is held.

The Company's financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financial assets falling due within one year after the end of the reporting period are included in current assets, while those falling due after more than one year are presented within non-current assets. The Company's financial assets comprise contractual loans, receivables and cash & cash equivalents on the balance sheet.

Financial assets are initially recognised at fair value less transaction costs. Subsequently, financial assets are carried at amortised cost using the effective interest method (EIR) and are subject to impairment.

Regarding financial assets' impairment and based on the standard for financial instruments (IFRS 9), the Company needs to measure the expected credit losses, which are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. Expected credit losses are measured through a loss allowance at an amount equal to, a) the 12-month expected credit losses or b) full lifetime expected credit losses. A loss allowance for full lifetime expected credit losses is required for a financial instrument if the credit risk of that financial instrument has increased significantly since its initial recognition. The Company's assets are considered to have low credit risk and any loss allowance is therefore limited to 12 months' expected credit losses. Further analysis to this assessment is disclosed in Note 18.

Financial assets are derecognised when the rights to receive cash flows from investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

2.4. Financial liabilities

The Company's financial liabilities relate to guaranteed notes issued by the Company and other liabilities arising from services acquired by the Company in the ordinary course of business from suppliers. The Company's financial liabilities are presented within the "Current" and "Non-current" liabilities and are measured at amortised cost.

Guaranteed notes issued by the Company and other liabilities are classified as financial liabilities under "Borrowings" for those falling due after more than one year of the reporting period, and under "Short-term borrowings" for those falling due within one year after the reporting period- where the substance of the contractual arrangement results in the Company having an obligation to deliver cash to the holder. They are initially recognised at fair value, net of transaction costs incurred, and subsequently they are measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the redemption value of the guaranteed notes is recognised in the profit and loss account over the period of the notes using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on the issue and costs that are an integral part of the effective interest rate.

For liquidity/liability management purposes the Company may buy-back its outstanding Notes at fair value. The impact from the buyback is transferred to the profit and loss account. Such transactions are funded by equal transactions in the Company's financial assets.

2.5. Cash and cash equivalents

Cash and cash equivalents may include cash in hand, deposits held at call with banks and other short-term highly liquid investments.

2.6. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity, as a deduction from the proceeds.

2.7. Taxation

The tax charge is based on a “cost plus method” agreed with HM Revenue and Customs (HMRC). Namely, tax charged is based on the interest income earned from bank deposits and a 10% mark up on administrative costs.

2.8. Interest income and expenses

Interest income and expense is recognised using the effective interest rate method. When a loan or receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

The Company’s income relates mainly to interest income from OTE Group companies, which are located within the European Union. Therefore, a geographical segmentation of income has not been prepared.

2.9. Netting-off policy

Balances with other companies of the OTE Group are stated gross, unless all of the following conditions are met:

- (i) Currently there is legally enforceable right to set off the recognised amounts; and
- (ii) There is intent either to settle on a net basis, or to realise the asset and settle the liability simultaneously and this takes place on a regular basis.

2.10. Related party disclosures

The Company’s related parties have been identified based on the requirements of IAS 24 “Related Party Disclosures”.

OTE S.A. is the 100% shareholder of the Company, whereas Deutsche Telekom A.G was as at 31 December 2023 a 52.8% shareholder of OTE S.A. Consequently, all the companies of OTE Group and Deutsche Telekom Group are considered related parties.

As the Company’s main activity is to borrow and raise funds from the market and otherwise, for the benefit of its parent company and other OTE Group subsidiaries, many financing transactions occur during the year, e.g the Company grants and receives loans, resulting in finance income and expense. The bonds issued under the GMTN Programme are guaranteed by OTE S.A.

Amounts owed to and by the Company relating to loans granted and received, are analysed as follows:

| | 31/12/2023 | | 31/12/2022 | |
|-----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | Amounts owed to OTE PLC | Amounts owed by OTE PLC | Amounts owed to OTE PLC | Amounts owed by OTE PLC |
| OTE S.A. | 813,709,153 | - | 795,742,899 | - |
| COSMOTE S.A. | - | - | 150,610,085 | - |
| Cosmote Global Solutions N.V. | 5,125,254 | - | - | - |
| E-Value International S.A. | 3,426,109 | - | 2,916,057 | - |
| Cosmote Payments S.A. | 2,525,200 | - | 2,525,269 | - |
| Deutsche Telekom AG | - | 300,582,117 | - | 450,965,886 |
| Germanos S.A. | - | 87,648,260 | - | 70,541,005 |
| Cosmote E-Value SA | - | 15,315,670 | - | 15,080,872 |
| Cosmote Technical Services S.A. | - | 15,315,670 | - | 15,056,024 |
| OTE Estate SA | - | 5,105,223 | - | - |
| E-Value Debtors Notifications LTD | - | 1,531,567 | - | 1,500,633 |
| Total | 824,785,716 | 425,498,507 | 951,794,310 | 553,144,420 |

OTE PLC

Notes to the financial statements

The Company's financial activities with its related parties comprise interest on loans granted and received and are analysed as follows:

| | 2023 | | 2022 | |
|-----------------------------------|------------------------|-------------------------|------------------------|-------------------------|
| | Finance income OTE PLC | Finance expense OTE PLC | Finance income OTE PLC | Finance expense OTE PLC |
| OTE S.A. | 10,326,778 | - | 12,379,352 | - |
| COSMOTE S.A. | 484,389 | - | 610,085 | - |
| Cosmote Global Solutions N.V. | 125,254 | - | - | - |
| Cosmote Payments SA | 36,531 | - | 36,600 | - |
| E-Value International S.A. | 27,294 | - | 16,551 | - |
| Deutsche Telekom AG | - | 3,703,858 | - | 2,835,821 |
| Germanos S.A. | - | 1,853,438 | - | 170,411 |
| Cosmote E-Value SA | - | 389,586 | - | 80,872 |
| Cosmote Technical Services S.A. | - | 366,688 | - | 57,765 |
| OTE Estate S.A. | - | 105,223 | - | - |
| E-Value Debtors Notifications LTD | - | 32,089 | - | 1,155 |
| OTE Globe | - | - | - | 32,941 |
| Total | 11,000,246 | 6,450,882 | 13,042,588 | 3,178,965 |

3. Critical accounting estimates and judgments

There are no critical or significant accounting estimates or judgements applicable to the financial statements of the Company.

The Company takes climate-related factors into account when making estimations and assumptions. The analysis covers a variety of potential effects on the Company's business that could result from transitional risks and physical risks. As a result of the assessment, the Company concludes that climate related risks do not have a significant impact on the estimation and measurements for the current period. However, the Company is actively monitoring relevant changes and developments in the legislative environment related to climate change.

3.1. New standards, amendments to standards and interpretations

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

| Title | Subject | Effective date per IASB |
|---|--|-------------------------|
| <u>Newly mandatorily effective in the current period</u> | | |
| IFRS 17 | Insurance Contracts and amendments to IFRS 17 | 1 Jan 2023 |
| Amendments to IFRS 17 | Initial Application of IFRS 17 and IFRS 9 - Comparative Information | 1 Jan 2023 |
| Amendments to IAS 1 | Presentation of Financial Statements and IFRS Practice Statement 2 Disclosure of Accounting policies | 1 Jan 2023 |
| Amendments to IAS 12 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction | 1 Jan 2023 |
| Amendments to IAS 12 | International Tax Reform - Pillar Two Model Rules | 1 Jan 2023 |
| Amendments to IAS 8 | Definition of accounting estimates | 1 Jan 2023 |

OTE PLC
Notes to the financial statements

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet mandatorily effective. The adoption of the Standards listed below are not expected to have a material impact on the financial statements of the Company in future periods.

| Title | Subject | Effective date per IASB |
|--------------------------------------|---|-------------------------|
| Not yet mandatorily effective | | |
| Amendment to IFRS 16 | Lease Liability in a Sale and Leaseback | 1 Jan 2024 |
| Amendments to IAS 1 | Classification of liabilities as current or non-current | 1 Jan 2024 |
| Amendments to IAS 1 | Non-current Liabilities with Covenants | 1 Jan 2024 |
| Amendments to IAS 7 | Supplier Finance Arrangements | 1 Jan 2024 |
| Amendment to IAS 21 | Lack of exchangeability | 1 Jan 2025 |

4. Finance income

| | Year ended 31.12.2023 € | Year ended 31.12.2022 € |
|--|-------------------------------|-------------------------------|
| Interest income from OTE Group companies | 11,000,246 | 13,042,588 |
| Bank interest income | 195,076 | 7,738 |
| Total Finance Income | 11,195,322 | 13,050,326 |

Finance income is mainly derived from financial instruments held at amortized cost.

5. Finance cost

| | Year ended 31.12.2023 € | Year ended 31.12.2022 € |
|------------------------------------|-------------------------------|-------------------------------|
| Guaranteed Notes - third parties | (4,152,344) | (9,368,080) |
| Guaranteed Notes – related parties | (6,450,882) | (3,178,965) |
| Bank interest expense | - | (1,188) |
| Interest on finance leases | (1,696) | (813) |
| Total Finance Cost | (10,604,922) | (12,549,046) |

Finance cost is mainly derived from financial instruments held at amortized cost.

6. Administrative expenses: General

Operating loss and profits on ordinary activities before taxation is stated after charging:

| | Year ended 31.12.2023 € | Year ended 31.12.2022 € |
|--|-------------------------------|-------------------------------|
| Right-of-use asset depreciation charge for the year | (31,363) | (31,066) |
| Right-of-use asset depreciation charge for the year | (31,363) | (31,066) |
| Wages and salaries | (60,449) | (61,429) |
| Social security costs | (41,176) | (42,167) |
| Pension costs | (2,244) | (2,289) |
| Staff costs | (103,869) | (105,885) |
| Audit fees | (37,200) | (45,151) |
| Fees payable to the Company's auditors for the auditing of the financial statements | (37,200) | (45,151) |

OTE PLC
Notes to the financial statements

| | | |
|--|------------------|------------------|
| Fee for Tax services | (21,981) | (47,187) |
| Rating agency fees | (97,200) | (94,000) |
| Other fees | (63,474) | (58,854) |
| Other professional fees | (182,655) | (200,041) |
| General Administrative expenses | (355,087) | (382,143) |

7. Administrative expenses: Employees and Directors

Employees

The Company employed one person during the year (2022: one).

Directors

The Company had six Directors as of the year ended 2023 (2022: six), who were not employed or remunerated under a director's service contract.

The aggregate emoluments as of 31 December 2023 include the corporate service fee for Company's Secretary and two Directors' fees paid quarterly. The rest of the Directors were not remunerated for their services provided to OTE Plc. As a result, the Directors' emoluments were as follows:

| | Year ended 31.12.2023 € | Year ended 31.12.2022 € |
|-----------------------------|-------------------------------|-------------------------------|
| Aggregate emoluments | (80,444) | (75,909) |

8. Other gains and losses

| | Year ended 31.12.2023 € | Year ended 31.12.2022 € |
|--------------------------|-------------------------------|-------------------------------|
| Net effect from FX gains | 3,287 | 1,199 |
| Total | 3,287 | 1,199 |

9. Income tax expense

(a) Analysis of charge in year:

| | Year ended 31.12.2023 € | Year ended 31.12.2022 € |
|-------------------------|-------------------------------|-------------------------------|
| Current Tax: | | |
| Tax for the year | (55,851) | (10,119) |
| Total tax charge | (55,851) | (10,119) |

(b) Tax calculation framework:

The tax charge for the year is higher (2022: higher) than the standard rate of corporation tax in the UK (year ended 31 December 2023: 23.52%, year ended 31 December 2022: 19.00%). The differences are explained below:

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| | Year ended | Year ended |
|---|-----------------|-----------------|
| | 31.12.2023 | 31.12.2022 |
| | € | € |
| Tax reconciliation | | |
| Profits on ordinary activities before taxation | 158,156 | 44,427 |
| Current tax (charge) at 23.52% (2022: 19%) | (37,198) | (8,441) |
| Effects of: | | |
| Non taxable income and disallowed and non deductible expenses | (18,653) | (1,678) |
| Total tax charge | (55,851) | (10,119) |

In September 2006 a final agreement on a “cost plus method” was reached between the Company and the HMRC following HMRC’s enquiry into the Company’s Corporation Tax Return, initially, for years 2002 and 2003. The tax enquiry covered the years from 2000 to 2004 inclusive. According to the “cost plus method”, tax was computed on interest income earned from bank deposits and a 10% mark up on administrative costs. This basis was applied from 2005 and onwards resulting in current year tax of €55,851 (2021: €10,119).

By 31 December 2023 an amount of €55,742 (2022: €4,533) has been prepaid, reducing the income tax liability to €424 (2021: €5,678).

The main rate of UK corporation tax increased at 25% during the period and a 23.52% tax rate (2022: 19%) has therefore been used for the reconciliation of total tax.

10. Financial Assets at amortised cost

Financial Assets that fall due within one year:

| | 31.12.2023 | 31.12.2022 |
|--|--------------------|--------------------|
| | € | € |
| Amounts owed by OTE Group companies | 112,150,000 | 246,500,000 |
| Accrued Interest Income | 4,670,843 | 3,001,420 |
| Financial Assets: amounts due within one year | 116,820,843 | 249,501,420 |

Financial Assets that fall due in more than one year:

| | 31.12.2023 | 31.12.2022 |
|--|--------------------|--------------------|
| | € | € |
| Amounts owed by OTE Group companies due after more than one year | 707,967,081 | 702,298,353 |
| Financial Assets: amounts due after more than one year | 707,967,081 | 702,298,353 |

(a) Amounts owed by OTE Group companies that fall due within one year are analysed as follows:

| | 31.12.2023 | 31.12.2022 |
|---|------------|-------------|
| | € | € |
| (i) Subscription to bond issued by OTE SA in June 2021 of nominal amount of 101.5 million due in June 2023. A total amount of €45 million was repurchased in December 2022 by OTE SA. Repaid at maturity. | - | 56,500,000 |
| (ii) Subscription to bond issued by COSMOTE SA in June 2022 of nominal amount of €150 million due in June 2023. Repaid at maturity. | - | 150,000,000 |
| (iii) Subscription to bond issued by OTE SA in June 2022 of nominal amount of €40 million due in June 2023. Repaid at maturity. | - | 40,000,000 |

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| | | | |
|--------------|--|--------------------|--------------------|
| (iv) | Subscription to bond issued by OTE SA in June 2023 of nominal amount of €111.5 million due in June 2024. | 111,500,000 | - |
| (v) | Term loan granted to E-VALUE INTERNATIONAL SA in July 2021 of nominal amount of €0.65 million due in July 2024. The amount of loan was transferred from "Amounts falling due after more than one year" (see note 10(b) (i) below). | 650,000 | - |
| (vi) | Accrued interest receivable | 4,670,843 | 3,001,420 |
| Total | | 116,820,843 | 249,501,420 |

On June 20, 2023, the Company subscribed to a €80 million bond issued by OTE S.A. due on October 19, 2023. The bond was repaid at maturity.

(b) Amounts owed by OTE Group companies that fall due in more than one year are analysed as follows:

| | | 31.12.2023 | 31.12.2022 |
|--------------|--|--------------------|--------------------|
| | | € | € |
| (i) | Term loan granted to E-VALUE INTERNATIONAL SA in July 2021 of nominal amount of €0.65 million due in July 2024. The amount of loan was transferred to "Amount falling due within one year" (see note 10(a) (v) above). | - | 650,000 |
| (ii) | Term loan granted to E-VALUE INTERNATIONAL SA in March 2022 of nominal amount of €2.25 million due in February 2025. | 2,250,000 | 2,250,000 |
| (iii) | Term loan granted to E-VALUE INTERNATIONAL SA in July 2023 of nominal amount of €0.5 million due in February 2025. | 500,000 | - |
| (iv) | Subscription to bond issued by COSMOTE PAYMENTS ELECTRONIC MONEY SERVICES SA in April 2020 of nominal amount of €2.5 million due in April 2025. | 2,500,000 | 2,500,000 |
| (v) | Term loan granted to COSMOTE GLOBAL SOLUTIONS SA in April 2023 of nominal amount of €5 million due in April 2025. | 5,000,000 | - |
| (vi) | Subscription to bond issued by OTE SA in September 2019 of nominal amount of €500 million, due in September 2026. | 497,717,081 | 496,898,353 |
| (vii) | Subscription to bond issued by OTE SA in May 2021 of nominal amount of €200 million due in May 2028. | 200,000,000 | 200,000,000 |
| Total | | 707,967,081 | 702,298,353 |

The loans to OTE Group companies outstanding as at 31 December 2023 had interest rates that range from 0.036% to 4.217% (31 December 2022: from 0.036% to 1.464%).

There was no need for the Company to impair any debtors at the end of the reporting or the comparative year. Note 18.1 provides a more detailed analysis on the Company's Credit Risk exposure.

11. Other Current Assets and Current Tax Assets

The following table provides a breakdown of Company's other current assets and current tax assets:

| | | 31.12.2023 | 31.12.2022 |
|--|--|---------------|----------------|
| | | € | € |
| Prepayments for various expenses/fees | | 91,060 | 139,343 |
| Prepayments to the tax authorities | | - | 4,533 |
| Other Current Assets and current tax assets | | 91,060 | 143,876 |

12. Financial liabilities

The following amounts fall due within one year:

| | 31.12.2023 € | 31.12.2022 € |
|--|--------------------|--------------------|
| Interest payable on guaranteed notes - third parties | 946,721 | 949,315 |
| Guaranteed Notes - related parties | 112,150,000 | 246,500,000 |
| Interest payable on guaranteed notes - related parties | 3,554,809 | 1,864,457 |
| Lease liabilities | 22,733 | 29,845 |
| Total | 116,674,263 | 249,343,617 |

The following amounts fall due in more than one year:

| | 31.12.2023 € | 31.12.2022 € |
|------------------------------------|--------------------|--------------------|
| Guaranteed Notes - third parties | 398,174,790 | 397,519,852 |
| Guaranteed Notes - related parties | 309,793,697 | 304,779,963 |
| Lease liabilities | - | 21,030 |
| Total | 707,968,487 | 702,320,845 |

(a) Guaranteed notes and interest due **to third parties falling due within one year** are analysed as follows:

| | 31.12.2023 € | 31.12.2022 € |
|---|-----------------|-----------------|
| (i) Interest payable | 946,721 | 949,315 |
| Guaranteed Notes - third parties | 946,721 | 949,315 |

(b) Guaranteed notes and interest due **to related parties falling due within one year** are analysed as follows:

| | 31.12.2023 € | 31.12.2022 € |
|--|--------------------|--------------------|
| (i) Guaranteed Notes issued in June 2021 of nominal amount of €101.5 million due in June 2023. A total amount of €45 million was repurchased in December 2022. Repaid at maturity. | - | 56,500,000 |
| (ii) Guaranteed Notes issued in June 2022 of nominal amount of €150 million subscribed by Deutsche Telekom AG due in June 2023. Repaid at maturity. | - | 150,000,000 |
| (iii) Guaranteed Notes issued in June 2022 of nominal amount of €40 million due in June 2023. Repaid at maturity. | - | 40,000,000 |
| (iv) Guaranteed Notes issued in June 2023 of nominal amount of €111.5 million due in June 2024. | 111,500,000 | - |
| (v) Guaranteed Notes issued in July 2021 of nominal amount of €0.65 million due in July 2024. The amount of loan was transferred from "Amounts falling due after more than one year" (see note 13(d) (i) below). | 650,000 | - |
| (vi) Interest payable | 3,554,809 | 1,864,457 |
| Guaranteed Notes - related parties | 115,704,809 | 248,364,457 |

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(c) Guaranteed notes due **to third parties falling due in more than one year** are analysed as follows:

| | 31.12.2023 € | 31.12.2022 € |
|--|--------------------|--------------------|
| (i) Third parties participation of €400 million nominal amount in the Guaranteed Notes issued in September 2019, of total nominal amount of €500 million due in September 2026 ("€500 million Notes"). | 398,174,790 | 397,519,852 |
| Guaranteed Notes - third parties | 398,174,790 | 397,519,852 |

(d) Guaranteed notes due **to related parties falling due in more than one year** are analysed as follows:

| | 31.12.2023 € | 31.12.2022 € |
|--|--------------------|--------------------|
| (i) Guaranteed Notes issued in July 2021 of nominal amount of €0.65 million due in July 2024. The amount was transferred to "Amount falling due within one year" (see note 13(b) (v) above). | - | 650,000 |
| (ii) Guaranteed Notes issued in March 2022 of nominal amount of €2.25 million due in February 2025. | 2,250,000 | 2,250,000 |
| (iii) Guaranteed Notes issued in July 2023 of nominal amount of €0.5 million due in February 2025. | 500,000 | - |
| (iv) Guaranteed Notes issued in April 2020 of nominal amount of €2.5 million due in April 2025. | 2,500,000 | 2,500,000 |
| (v) Guaranteed Notes issued in April 2023 of nominal amount of €5 million due in April 2025. | 5,000,000 | - |
| (vi) Guaranteed Notes issued in May 2021 of nominal amount of €200 million subscribed by Deutsche Telekom AG due in May 2028. | 200,000,000 | 200,000,000 |
| (vii) Deutsche Telekom AG participation of €100 million nominal amount in the Guaranteed Notes issued in September 2019, of total nominal amount of €500 million due in September 2026 ("€500 million Notes"). | 99,543,697 | 99,379,963 |
| Guaranteed Notes - related parties | 309,793,697 | 304,779,963 |

On June 20, 2023, the Company issued Guaranteed Notes of nominal amount of €80 million subscribed by Deutsche Telekom AG due on October 19, 2023. The Notes were repaid at maturity.

Creditors - Developments:

Guaranteed Notes are issued under the Global Medium Term Note Programme (GMTN Programme) of €6.5 billion and are fully and unconditionally guaranteed by OTE S.A. In an event of default, as defined in the respective Final Terms of the Notes included in the Company's GMTN Programme documentation which is available on the parent company's website at <https://www.cosmote.gr/cs/otegroup/en/omologa.html> , the Guaranteed Notes are repayable at par along with accrued interest.

Guaranteed Notes falling due after more than one year are stated net of unamortised debt issue costs of €2.3 million (31 December 2022: €3.1 million).

In September 2019, the Company issued Guaranteed Notes of €500 million (nominal amount) under the GMTN Programme and Deutsche Telekom AG participated as anchor investor covering €100 million (nominal amount) of these Notes. As at the date of approval of these financial statements, Deutsche Telekom AG participation remains at €100 million (2022: €100 million).

On June 8, 2023, the Company repaid at maturity the €150 million GMTN Notes which were fully subscribed by Deutsche Telekom AG.

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On June 20, 2023, the Company issued Notes of €80 million due October 2023 under the GMTN Programme, fully subscribed by Deutsche Telekom AG. On October 19, 2023, the Notes were repaid at maturity.

The Guaranteed Notes due to OTE Group companies outstanding as at 31.12.2023 had interest rates that range from 0.016% to 4.097% (31.12.2022: from 0.016% to 1.444%)

Change of Control clauses:

The €500 million Notes include a change of control clause applicable to OTE which is triggered if an entity (other than (i) Deutsche Telekom AG, (ii) Deutsche Telekom AG together with the Hellenic Republic, any of its agencies or instrumentalities or any entity directly or indirectly controlled by the Hellenic Republic or any of its agencies or instrumentalities, or (iii) any telecommunications operator (other than Deutsche Telekom AG) with credit rating equivalent or better than the credit rating of Deutsche Telekom AG), gains the power to direct the management and policies of OTE, whether through the ownership of voting capital, by contract or otherwise. In the event that the clause is triggered the Company is obliged to notify the bondholders, who can request (within 45 days) the repayment of their notes.

The same "Change of Control" clause is included also in the relevant back-to-back loan granted to OTE SA. Hence, in case the Company is required to prepay the Notes as a result of a 'Change of Control', it has the right to request prepayment of the intragroup loan, thus minimizing liquidity risk.

13. Current tax liabilities

| | 31.12.2023 | 31.12.2022 |
|--------------------------------|------------|---------------|
| | € | € |
| Income Tax Liability | 423 | 10,211 |
| VAT liability | 360 | 360 |
| Current Tax Liabilities | 783 | 10,571 |

14. Issued capital and share premium

| | 31.12.2023 | 31.12.2022 |
|---|------------|------------|
| Authorised: | | |
| 50,000 (2022: 50,000) ordinary shares of £ 1 each | £50,000 | £50,000 |
| Allotted and fully paid: | | |
| 50,000 (2022: 50,000) ordinary shares of £ 1 each | € 80,076 | € 80,076 |

All ordinary shares rank equally with regards to voting rights and entitlement to dividends. There are no classes of shares with special rights, preferences, or restrictions.

There are no Treasury Shares held nor any shares reserved for issuance under options and contracts as of 31 December 2023 (31 December 2022: none).

15. Dividends

For the year ended 31 December 2023 and as at the date of approval of these financial statements, no dividend has been paid or declared (2022: €25 million).

16. Controlling parties

The immediate parent company is Hellenic Telecommunications Organisation S.A. ("OTE"). OTE is a company incorporated in Greece, with its registered office at 99 Kifissias Avenue, 151 24 Athens. OTE is the smallest group to consolidate these financial statements. Copies of the OTE consolidated financial statements can be obtained from the website https://www.cosmote.gr/cs/otegroup/en/oikonomikes_katastaseis_omilou_ote_kai_ae.html.

Effective February 6, 2009 OTE financial statements are included in the consolidated financial statements of Deutsche Telekom AG, which has a direct participation in OTE 's paid up share capital. Deutsche Telekom AG is the ultimate parent company and the largest group to consolidate these financial statements and has its registered office in Bonn, Germany. Its address is Deutsche Telekom AG, Friedrich-Ebert-Allee 140, 53113 Bonn. Copies of Deutsche Telekom AG consolidated financial statements can be obtained from the website www.telekom.com.

17. Events after the end of the reporting year

No events.

18. Financial risk management

18.1. Financial risk factors

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk and foreign exchange risk).

This note presents information about the Company's exposure to each of the above risks and management policies and procedures for measuring and managing these risks.

Macroeconomic conditions in Greece along with the impact from the developments in the global economic & geopolitical environment to the Company and the Greek operations of OTE Group are analysed in Strategic Report under the Principal Risks and Uncertainties section (page 4).

Credit risk

Credit risk is the risk that the counterparty will cause a financial loss to the Company by failing to meet its contractual obligations. Concentration of credit risk for the Company is identified in the receivables from OTE Group companies with respect to debt facilities.

Receivables from OTE Group companies mainly relate to companies operating in Greece. The macroeconomic conditions in Greece, the impact from global geopolitical tensions and the global economic developments, such as rising interest rates, high inflation and energy prices, are the main risk factors affecting the Greek companies' outlook. To mitigate these risks, OTE Group takes all necessary measures in order to minimize any impact on the Group's Greek operations and support its profitability and cash flow generation.

Recoverability of debt is not considered a material risk for the Company. OTE Group companies are expected to meet their contractual obligations towards the Company for the following reasons:

- 98.7% of the Company's intragroup loans are granted to OTE S.A., the parent company of OTE Group. All loans have specific maturity dates and fixed rates, reflecting the time horizon and the exact amounts for repayment;
- On July 19, 2023, S&P raised the long term credit rating of OTE S.A. and the Company's GMTN Programme to BBB+ from BBB, affirmed the short term credit rating of OTE S.A. at A-2 and assigned a stable outlook to all ratings. As of the date of approval of these Financial Statements, the rating and outlook remain the same. These credit ratings are at the investment grade range of S&P's credit rating scale depicting the credit quality of OTE Group.
- Based on OTE Group's business plan for the period 2024-2027, the management of the Group has assessed all the necessary refinancing plans required in order to secure the Group's operation;
- In June 2022, the Company issued €150 million Notes due June 2023 and on June 20, 2023, the Company issued another €80 million Notes due on October 19, 2023, under its GMTN Programme, fully subscribed by Deutsche Telekom AG. Both these transactions reflect the support by OTE Group's major shareholder;
- Based on historical data, no debt payment to the Company has ever been overdue as the Group closely monitors its financing payment plan and acts proactively to ensure that loan repayments occur on time;

The Company deposits its cash in highly rated banks and for a short term tenor, consequently no expected credit losses are recognised in the Company's Financial Statements with regard to its Cash and Cash equivalents.

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The carrying amount of financial assets represents the maximum exposure to credit risk. The maximum exposure to credit risk at the reporting date was:

| | 31.12.2023 € | 31.12.2022 € |
|---|--------------------|--------------------|
| Amounts owed by OTE Group companies: | | |
| i) Falling due within one year | 116,820,843 | 249,501,420 |
| ii) Falling due after more than one year | 707,967,081 | 702,298,353 |
| Other assets falling due within one year | - | - |
| Other assets falling due after more than one year | 6,191 | 6,191 |
| Cash and cash equivalents | 7,352,327 | 7,231,134 |
| Total | 832,146,442 | 959,037,098 |

All bonds issued under the Global Medium Term Note Programme (GMTN) are guaranteed by OTE S.A. The credit rating for OTE S.A. as of December 31, 2023 was:

| | 31.12.2023 |
|--------------------|-------------------|
| | Standard & Poor's |
| Rating | BBB+ |
| Outlook | Outlook Stable |
| Last rating change | July-2023 |

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

Liquidity risk is kept at low levels by ensuring that all the Company's outflows (servicing of debt) are matched with equivalent inflows via back-to-back agreements with OTE Group companies, that have essentially the same terms and conditions.

The Group's 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.

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

The Company is dependent mainly on the credit standing of its parent company OTE S.A., which acts as Guarantor to all the Company's financial liabilities.

Below is an analysis by maturity of the Company's financial liabilities (including principal and interest payments) based on contractual undiscounted cash flows:

| 31 December 2023 | Total | Up to 1 year | 1 to 2 years | 2 to 5 years | Over 5 years |
|------------------|--------------------|--------------------|-------------------|--------------------|--------------|
| Guaranteed Notes | 846,736,894 | 122,485,664 | 16,114,230 | 708,137,000 | - |
| Suppliers | 71,908 | 71,908 | - | - | - |
| Total | 846,808,802 | 122,557,572 | 16,114,230 | 708,137,000 | - |

| 31 December 2022 | Total | Up to 1 year | 1 to 2 years | 2 to 5 years | Over 5 years |
|------------------|--------------------|--------------------|------------------|--------------------|--------------------|
| Guaranteed Notes | 978,482,574 | 253,615,270 | 6,315,204 | 517,298,100 | 201,254,000 |
| Suppliers | 113,955 | 113,955 | - | - | - |
| Total | 978,596,529 | 253,729,225 | 6,315,204 | 517,298,100 | 201,254,000 |

The average tenor of financial liabilities as of December 31, 2023 is 2.8 years (31 December 2022: 3.2 years).

Market risk

Market risk relevant to the Company relates to interest rate risk and foreign exchange risk. The objective of market risk management is to manage and control exposure within acceptable limits while optimizing the return on risk. Below is a detailed description of the individual market risks and the Company's policies to manage such risks.

a) Interest rate risk

The Company's interest rate risk arises from guaranteed notes issued and receivables from OTE Group companies with respect to debt facilities. At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was:

| | 31.12.2023 € | 31.12.2022 € |
|----------------------------------|-----------------|-----------------|
| Fixed rate instruments | | |
| Financial assets | 824,787,924 | 951,799,773 |
| Financial liabilities | 824,642,750 | 951,664,462 |
| Variable rate instruments | | |
| Financial assets | - | - |
| Financial liabilities | - | - |

The Company's strategy is to mitigate interest rate risk by matching interest rate payable to its creditors with interest rate receivable from its debtors. The Company manages interest rate risk by issuing primary (non-derivative) fixed rate financial instruments and, where necessary, may deploy derivative financial instruments.

b) Foreign exchange risk

The Company has no material exposure to foreign exchange risk, as the vast majority of liabilities and assets are denominated in Euro, which is the Company's functional currency.

18.2. Capital management

The Company monitors capital as the value of its share capital and its retained profits. The Company's objective in managing capital is to maintain its ability to continue as a going concern. The Company manages the capital structure and may make adjustments to it in response to changes in economic conditions and the risk profile of its markets and underlying assets. The Company may adjust its capital needs by determining the amount of profit to retain and the level of debt to maintain.

The Company is not subject to any externally imposed capital requirements.

18.3. Fair Value estimation

The tables below show the fair values and the carrying amounts of financial assets and liabilities measured at amortised cost in the balance sheet. The Company uses the below fair value hierarchy for fair value estimation:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

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| | Carrying Amount € | Estimated fair value € |
|--|----------------------|---------------------------|
| Assets - 31 December 2023 | | |
| Debtors (amounts due after more than one year) | 707,967,081 | 663,152,975 |
| Debtors (amounts due in one year) | 116,820,843 | 117,242,572 |
| Cash and cash equivalents | 7,352,327 | 7,352,327 |
| | 832,140,251 | 787,747,874 |

| | Carrying Amount € | Estimated fair value € |
|---|----------------------|---------------------------|
| Liabilities - 31 December 2023 | | |
| Guaranteed Notes (Amounts due after more than one year) | 707,968,487 | 662,512,610 |
| Guaranteed Notes (amounts falling due within one year) | 116,651,530 | 117,015,193 |
| Suppliers | 71,908 | 71,908 |
| | 824,691,925 | 779,599,711 |

| | Carrying Amount € | Estimated fair value € |
|--|----------------------|---------------------------|
| Assets - 31 December 2022 | | |
| Debtors (amounts due after more than one year) | 702,298,353 | 629,963,643 |
| Debtors (amounts due in one year) | 249,501,420 | 247,500,822 |
| Cash and cash equivalents | 7,231,134 | 7,236,597 |
| | 959,030,907 | 884,701,062 |

| | Carrying Amount € | Estimated fair value € |
|---|----------------------|---------------------------|
| Liabilities - 31 December 2022 | | |
| Guaranteed Notes (Amounts due after more than one year) | 702,299,815 | 629,160,765 |
| Guaranteed Notes (amounts falling due within one year) | 249,313,772 | 247,248,152 |
| Suppliers | 113,955 | 113,955 |
| | 951,727,542 | 876,522,872 |

The €500 million Guaranteed Notes are traded in the secondary market. The estimated fair value of liabilities from such Guaranteed Notes is determined by the market price of the Notes multiplied by the nominal amount of the Notes and included within Level 1 of the fair value hierarchy.

The estimated fair value of the other Guaranteed Notes – third parties and Guaranteed Notes – related parties with respect to debt facilities, is determined by a price derived with the use of relevant indirect market input, multiplied by the nominal amount of the Notes. Same method is used to estimate the fair value for all back-to-back intragroup loans included in the Company's financial assets, except for the €500 million back-to-back loan with OTE S.A. whose price is derived with the use of the yield of the €500 million Guaranteed Notes. All these liabilities and assets are included within the Level 2 of the fair value hierarchy.

The carrying amount of Cash and Cash equivalent is approximately equal to their fair value.

The carrying amount of liabilities to suppliers, which fall due within one year, approximates its fair value.

The fair value of other receivables and payables approximates the carrying amount.