

OTE INSURANCE AGENCY S.A.



ANNUAL FINANCIAL REPORT

**For the period from
January 1, 2024 to December 31, 2024**

**Translated copy of the original Annual Financial Report which are presented in Greek.
For any possible discrepancies the Greek version prevails.**

TABLE OF CONTENTS	PAGE
I. ANNUAL REPORT OF THE BOARD OF DIRECTORS	3
II. AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS	9
III. ANNUAL FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024 AND FOR THE YEAR THEN ENDED	
STATEMENT OF FINANCIAL POSITION	15
INCOME STATEMENT	16
STATEMENT OF COMPREHENSIVE INCOME	16
STATEMENT OF CHANGES IN EQUITY	17
STATEMENT OF CASH FLOWS	17
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024 AND FOR THE YEAR THEN ENDED	
1. CORPORATE INFORMATION	18
2. BASIS OF PREPARATION	18
3. MATERIAL ACCOUNTING POLICY INFORMATION	23
4. PROPERTY, PLANT AND EQUIPMENT	28
5. LEASES	29
6. INTANGIBLE ASSETS.....	30
7. TRADE RECEIVABLES.....	30
8. INVESTMENTS.....	30
9. OTHER NON-CURRENT ASSETS.....	31
10. RELATED PARTY DISCLOSURES	31
11. OTHER CURRENT ASSETS.....	32
12. CASH AND CASH EQUIVALENTS	32
13. EQUITY.....	32
14. STAFF RETIREMENT INDEMNITIES	32
15. INCOME TAX –DEFERRED TAXES	34
16. TRADE ACCOUNTS PAYABLE	37
17. OTHER CURRENT LIBAILITIES.....	37
18. OTHER OPERATING EXPENSES.....	37
19. DIVIDENDS.....	37
20. FINANCIAL RISK MANAGEMENT.....	38
21. COMMITMENTS AND CONTIGENT LIABILITIES	39
22. LITIGATION AND CLAIMS	39
23. EVENTS AFTER THE FINANCIAL POSITION DATE	39

I. ANNUAL REPORT OF THE BOARD OF DIRECTORS

**REPORT OF THE BOARD OF DIRECTORS
ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2024**

This report of the Board of Directors of OTE INSURANCE AGENCY S.A. (hereinafter referred to as “OTE INSURANCE” or the “Company”) refers to the Financial Statements of the Company as of December 31, 2024 and for the year then ended, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

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

A. GENERAL

The Insurance Market in 2024

The Association of Insurance Companies of Greece recently published comparative data for the entire insurance market’s performance in 2024 compared to 2023, showing an increase of approximately 8.7%. During the same period, OTE INSURANCE recorded a revenue increase of 6.3%. Specifically, the Company’s revenue growth in the life insurance sector reached 10.22%, while the overall market also grew by 7.9% in total production. In general insurance, our revenue increased by 8.92%, with the market also rising by 9.4% in total production. Notably, the fire insurance sector showed an increase of 37.05%. The motor insurance sector also experienced growth, primarily through COSMOTE Insurance, with a revenue increase of 1.37%, while the overall market production grew by 4.6%. Finally, no significant cancellation rates were observed in the renewable business.

In 2024, for the first time, the insurance market saw the State’s incentive for a discount on the ENFIA property tax for insured homes contribute to an increase in their insurance coverage rate. This legislative initiative, established the previous year and expanded due to the extent of the devastating fires mainly in the urban fabric of the Capital, was further enhanced by increasing the discount rate. Beyond anything else, it is particularly noteworthy that this is one of the rare historical occasions where the State institutionally recognizes the role and value of the private insurance mechanism. Moreover, in 2024, even greater recognition of the role and value of private insurance, especially in business, was legislated since from 1 June 2025, beyond the mandatory insurance of vehicles against natural risks, there will also be an obligation, with a financial penalty for non-compliance, for businesses with gross revenues over Euro 500,000 to cover themselves against natural disasters. In the health insurance sector, there is strong activity with increased interest and information requests from individuals, families, and businesses, foreseeing significant growth in private healthcare service providers (clinics and diagnostic/medical centers). However, there is also considerable concern about the rising trend in premiums, which is even more pronounced in older-generation lifelong health insurance policies. This situation has led to government intervention and announcements of legislative measures in favor of policyholders. These developments create an atmosphere of uncertainty and concern about the future, which restrains the sector’s true potential. Regarding insurance companies, it is worth mentioning that all of them exceed by far the minimum solvency limits set by the Solvency II directive on the financial stability of insurance and reinsurance undertakings, that according to the annual report of the Governor of the Bank of Greece on September 30, 2024, there were 34 such companies. However, companies operating under the Freedom to Provide Services (F.P.S.) regime and registered in the Greek insurance market (mainly in the compulsory motor liability insurance market) numbered 185 at the end of the third quarter of 2024. Finally, insurance intermediation, including insurance brokers and agents, continued in 2024 to announce partnerships, further demonstrating the trend towards consolidation, which, among other things, creates opportunities for entities with legal form, organization, and support mechanisms.

The current strategy of OTE INSURANCE

OTE INSURANCE continued to work persistently and with dedication on the key pillars it has adopted in recent years, focusing on further expanding its activities in life, health, pension, property, liability, and business insurance. This has further strengthened the Company’s presence in the broader business environment and reinforced its profile as an experienced, capable, and reliable partner able to offer ideal insurance solutions for every level of business activity and operation. The retention and development of human resources with experience, certifications, and high specialization, along with a reasonable number of partners and insurance agents who engage in face-to-face contact and provide personalized support and service to clients and prospective clients, constitute the main “core” of the Company’s strategy formulation and implementation for growth.

B. SIGNIFICANT EVENTS OF THE 2024 FINANCIAL YEAR

The Company's activities in 2024 were characterized by the following events:

In 2024, the Company placed significant emphasis on outward orientation, focusing on communication within corporate structures for consulting on risk management and review of insurance solutions. It attracted new clients with its extensive experience and footprint in the field of group contracts as its spearhead and continued to provide specialized training to its partners and executives, placing the human approach and dimension at the center of its corporate culture.

Two Sales Competitions (Life and General Insurance Branches) were announced and held for our partners and executives, based on quantitative and qualitative criteria, faithful to our established principle that no restrictions or instructions are imposed on contestants to promote specific insurance products or insurance companies, thereby highlighting that the interest of the transacting client or prospective client is always prioritized.

All employees and partners of the Company were re-certified in insurance knowledge as required by the Supervisory Authority. Additionally, training activities were conducted on topics related to Regulatory Compliance and Financial Compliance. Finally, for yet another year, OTE INSURANCE participated actively in the National Customer Service Week organized by the National Customer Service Institute, of which the Company has been a member for many years.

C. FINANCIAL HIGHLIGHTS OF 2024

The Company's financial figures for the year 2024 based on IFRS has been as follows:

- The revenue showed an increase of 6.3% compared to 2023 and amounting to Euro 1,982,007 versus Euro 1,864,404.
- The year 2024 ended with profitability for the Company. Profit before tax amounts to Euro 608,856 compared to Euro 507,837 in 2023, while the "Operating profit before financial and investment activities, depreciation and impairments" amounted to Euro 595,697 compared to Euro 527,680 in 2023.

The following table shows the development of the most important financial ratios:

	2024	2023
Current assets/Current liabilities	8.33	9.22
Equity/ Total assets	0.86	0.86

Also, in accordance with Article 1 of L.4403/2016 it is disclosed that the Company:

- does not maintain branches the fiscal year 2024.
- has no activity in the field of research and development.

D. DIVIDEND POLICY

The Company's Board of Directors will propose to the Annual General Meeting the distribution of retained earnings from previous years amounting to Euro 1,500,000 and the non-distribution of dividends from the profits of the fiscal year 2024.

E. STRATEGY – OUTLOOK FOR 2025

The long-term strategy chosen by the Company aligns with and supports the shareholder's guiding principles, focusing on the further development of personal insurance in the areas of life, health, savings, property, liability, as well as business insurance. The greater emphasis on these lines of business, which have recorded a successful growth rate in recent years, appears to be the correct approach that can meet even the most specific conditions and requirements.

The year 2025 does not appear to significantly affect the Company's field of operations. However, there are two conflict zones that maintain and/or intensify concerns in the external environment, with volatility in the economic environment also influenced by the trade war front, which seems to be driven by US policy. Inflation, which has moved downward to desirable levels, and the positive assessments by international credit rating agencies of the Greek economy, appear to be a positive yet fragile "counterbalance" to the overall situation. These, however, are common market characteristics, and OTE INSURANCE remains alert to address problems or seize opportunities that may arise. Products with competitive and reliable features are being explored and selected so that the Company can offer affordable and functional solutions, thereby remaining the preferred choice for both consumer and business markets.

The introduction by the State of additional incentives for property insurance, such as the expansion of the ENFIA discount and the activation from June 1, 2025 of the legislative provision for mandatory insurance of businesses with a turnover exceeding Euro 500,000, as well as all types of vehicles, finds OTE INSURANCE not only ready but also aligned with the same culture, since for three years it has established separate remuneration regulations for its partners for these risks, providing further incentives and instituting reward trips. The Company will also continue to work on developing coverage on an individual or family basis, with emphasis on supplementary policies to group insurance, leveraging its vast know-how and experience in this customer category.

Finally, the selective development of new partnerships with experienced and reputable insurance agents will remain a key concern for the Company, as in a particularly fluid environment, it can guarantee processes and developed expertise that will support them and, through such partnerships, create mutual benefit.

In conclusion, it is worth mentioning for the Company that, since the beginning of the year, it has been operationally under the same division as COSMOTE Insurance within the Group, thereby enhancing the insurance profile of the OTE Group.

F. NON-FINANCIAL REPORT

Sustainable development

Sustainable Development is a key priority and is integrated into the business strategy and operations of the OTE Group companies. Through the way they operate, their sustainable business practices are strengthened, contributing to the economy, society, and the environment. The OTE Group's efforts, actions, and commitments on sustainable development focus on four strategic priorities: Climate Neutrality, Circular Economy, Inclusion & Equal Opportunities at Work, and Digital Society for All. The Group's performance on sustainable development issues is presented consolidated in the [Sustainability Report of OTE S.A.](#) and on the corporate website cosmote.gr, while some indicative data at the Company level are as follows:

- The gender ratio of the Company's personnel for the year 2024 was 36% male – 64% female, with the total number of employees amounting to 11.
- Procurement of electricity from renewable energy sources to cover 100% of electricity consumption.

G. FINANCIAL RISK MANAGEMENT

Macroeconomic conditions in Greece

Currently prevailing economic conditions are stable. Following the 2023 elections and high inflation of the past years, conditions in Greece are normalized. Yet several uncertainties, driven by global developments, may impact the future outlook.

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

Based on its current assessment, it has concluded that no additional impairment provisions are required with respect to the Company's financial and non-financial assets as of December 31, 2024.

Financial risks

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

(A) Credit risk

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

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

Defaulted payments of trade receivables could potentially adversely affect the liquidity of the Company. The Company assesses the credit risk following the established policies and procedures and recognizes the appropriate provision for impairment.

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

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

Impairment of financial assets

The Company's trade receivables are subject to the expected credit loss model.

While cash and cash equivalents are also subject to impairment requirements of IFRS 9, the identified loss was immaterial.

The Company applies the IFRS 9 simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables.

The following tables demonstrate the credit risk exposure on gross carrying amount of trade receivables for the Company:

Simplified approach				
December 31, 2024	Performing	Underperforming	Non-performing	Total
Trade receivables	413,129	46	14,935	428,110
Total	413,129	46	14,935	428,110

Simplified approach				
December 31, 2023	Performing	Underperforming	Non-performing	Total
Trade receivables	382,133	129	-	382,262
Total	382,133	129	-	382,262

Financial assets which have a low risk of default and an adequate capacity to meet contractual cash flows are considered as performing, while financial assets for which there is a significant increase in credit risk since initial recognition but there is no objective evidence of a credit loss event are treated as underperforming. Non-performing financial assets are those that have objective evidence of impairment at the reporting date and there is limited expectation of recovery.

(B) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The Company retains sufficient liquidity in order to cover its financial obligations.

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

The analysis of the undiscounted contractual payments of the financial liabilities of the Company is as follows:

December 31, 2024	Up to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Lease liabilities	36,126	16,899	220	-	53,245
Trade accounts payable	167,317	-	-	-	167,317
TOTAL	203,443	16,899	220	-	220,562

December 31, 2023	Up to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Lease liabilities	36,072	35,302	16,848	-	88,222
Trade accounts payable	159,862	-	-	-	159,862
TOTAL	195,934	35,302	16,848	-	248,084

(C) Market risk

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

The Company does not have financial assets and fixed-interest liabilities measured at fair value through other comprehensive income, nor derivatives (interest rate swap contracts) designated as hedging instruments in a fair value hedge accounting model. Therefore, a change in interest rates at the balance sheet date would not affect the statement of comprehensive income due to fair value changes.

EVENTS AFTER THE FINANCIAL POSITION DATE

There are no significant events to disclose after December 31, 2024.

Athens, June 20, 2025

The Chairman of the Board

Member of the Board

Aristodimos Dimitriadis

Fotios Poulis

II. AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

TRANSLATION FROM THE ORIGINAL IN GREEK LANGUAGE**Independent Auditor's Report**

To the Shareholders of the Company "OTE INSURANCE AGENCY S.A."

Report on the Audit of the Financial Statements**Opinion**

We have audited the financial statements of "OTE INSURANCE AGENCY S.A." ("the Company"), which comprise the statement of financial position as at December 31, 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company "OTE INSURANCE AGENCY S.A." as of December 31, 2024, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union.

Basis of Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as they have been transposed in Greek Legislation. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. During our audit, we remained independent of the Company, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as transposed in Greek legislation and the ethical requirements relevant to the audit of the financial statements in Greece. We have fulfilled our responsibilities in accordance with the provisions of the currently enacted law and the requirements of the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information is included in the Board of Directors' Report, reference to which is made in the "Report on other Legal and Regulatory Requirements" but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 during the audit, or otherwise appears to be materially misstated. If, based on the procedures performed, we conclude that there is a material misstatement therein, we are required to communicate this matter. We have nothing to report in this respect.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as endorsed by the European Union, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 principle of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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, as they have been transposed in Greek Legislation, 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.

As part of an audit in accordance with ISAs as they have been transposed in Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Taking into consideration that Management is responsible for the preparation of the Board of Directors' Report according to the provisions of paragraph 1, sub paragraphs aa), ab) and b) of article 154G of Law 4548/2018, we note the following:

- a) In our opinion, the Board of Directors' Report has been prepared in accordance with the legal requirements currently in force of the article 150 of Law 4548/2018 and its content is in line with the accompanying financial statements for the year ended December 31, 2024.
- b) Based on the knowledge we obtained during our audit about the Company "OTE INSURANCE AGENCY S.A." and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

Athens, 20 June 2025

The Certified Public Accountant

Nikolaos Martaras

Reg. No. SOEL: 54971

Deloitte Certified Public Accountants S.A.

3a Fragokklissias & Granikou str., 151 25 Marousi

Reg. No. SOEL: E. 120

III. ANNUAL FINANCIAL STATEMENTS

OTE INSURANCE AGENCY S.A.



ANNUAL FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

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

The Annual Financial Statements presented on pages 15 to 39 were approved by the Board of Directors on June 20, 2025 and are signed by:

Chairman of the BoD

Board Member

Accounting Director

Aristodimos Dimitriadis

Fotios Poulis

Anastasios Kapenis

STATEMENT OF FINANCIAL POSITION

(Amounts in Euro)	Notes	2024	2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	15,084	19,437
Right-of-use assets	5	47,971	79,213
Intangible assets	6	-	-
Investments	8	1,800	1,800
Other non-current assets	9	2,860	2,860
Total non-current assets		67,715	103,310
Current assets			
Trade receivables	7	428,110	382,262
Other current assets	11	35,922	29,281
Cash and cash equivalents	12	2,253,120	1,758,478
Total current assets		2,717,152	2,170,021
TOTAL ASSETS		2,784,867	2,273,331
EQUITY AND LIABILITIES			
Equity			
Share capital	13	86,000	86,000
Statutory reserve	13	28,666	28,666
Other reserves	13	26,968	34,853
Retained earnings		2,262,767	1,815,437
Total equity		2,404,401	1,964,956
Non-current liabilities			
Provision for staff retirement indemnities	14	33,371	20,657
Deferred tax liabilities	15	3,979	1,849
Lease liabilities	5	16,889	50,444
Total non-current liabilities		54,239	72,950
Current liabilities			
Trade accounts payable	16	167,317	159,862
Income tax payable	15	43,851	9,443
Lease liabilities	5	34,621	33,068
Other current liabilities	17	80,438	33,052
Total current liabilities		326,227	235,425
TOTAL EQUITY AND LIABILITIES		2,784,867	2,273,331

INCOME STATEMENT

(Amounts in Euro)	Notes	2024	2023
Revenues		1,982,007	1,864,404
Other operating income		3,240	212
Operating expenses			
Personnel costs		(395,585)	(365,996)
Costs related to voluntary leave schemes		-	(17,977)
Commission costs		(579,359)	(546,078)
Other operating expenses	18	(414,606)	(406,885)
Total operating expenses before depreciation, amortization and impairment		(1,389,550)	(1,336,936)
Operating profit before financial and investing activities, depreciation, amortization and impairment		595,697	527,680
Depreciation, amortization and impairment	4, 5	(37,991)	(38,331)
Operating profit before financial and investing activities		557,706	489,349
Income and expenses from financial and investing activities			
Interest expense		(6,025)	(8,458)
Interest income		57,175	26,946
Total profit / (loss) from financial and investing activities		51,150	18,488
Profit before tax		608,856	507,837
Income tax	15	(161,526)	(143,939)
Profit for the year		447,330	363,898

STATEMENT OF COMPREHENSIVE INCOME

(Amounts in Euro)	Notes	2024	2023
Profit for the year		447,330	363,898
Actuarial gains / (losses)	14	(10,109)	29,145
Deferred taxes on actuarial gains / (losses)	15	2,224	(6,412)
Total items that will not be reclassified subsequently to profit or loss		(7,885)	22,733
Other comprehensive income / (losses)		(7,885)	22,733
Total comprehensive income for the year		439,445	386,631

STATEMENT OF CHANGES IN EQUITY

(Amounts in Euro)	Share capital	Statutory reserve	Other reserves	Retained Earnings	Total
Balance as at January 1, 2023	86,000	28,666	12,120	1,451,539	1,578,325
Profit for the year	-	-	-	363,898	363,898
Other comprehensive income	-	-	22,733	-	22,733
Total comprehensive income	-	-	22,733	363,898	386,631
Balance as at December 31, 2023	86,000	28,666	34,853	1,815,437	1,964,956
Balance as at January 1, 2024	86,000	28,666	34,853	1,815,437	1,964,956
Profit for the year	-	-	-	447,330	447,330
Other comprehensive loss	-	-	(7,885)	-	(7,885)
Total comprehensive income	-	-	(7,885)	447,330	439,445
Balance as at December 31, 2024	86,000	28,666	26,968	2,262,767	2,404,401

STATEMENT OF CASH FLOWS

(Amounts in Euro)	Notes	2024	2023
Cash flows from operating activities			
Profit before tax		608,856	507,837
Adjustments for:			
Depreciation, amortization and impairment	4, 5	37,991	38,331
Provision for staff retirement indemnities	14	1,663	27,088
Interest expense		6,025	8,458
Interest income		(57,175)	(26,946)
Working capital adjustments:			
(Increase) / decrease in receivables		(52,489)	36,972
Increase in liabilities		54,361	1,345
Plus / (minus):			
Payment of staff retirement indemnities	14	-	(28,400)
Interest paid for leases	5	(3,068)	(4,399)
Interest expense paid		(1,536)	(2,055)
Income tax paid	15	(122,764)	(195,536)
Net cash flows from operating activities		471,864	362,695
Cash flows from investing activities			
Purchase and disposal of property, plant and equipment and intangible assets	4	(557)	(4,644)
Interest received		57,175	26,946
Net cash flows used in investing activities		56,618	22,302
Cash flows from financing activities			
Lease repayments	5	(33,840)	(31,215)
Net cash flows used in financing activities		(33,840)	(31,215)
Net increase in cash and cash equivalents		494,642	353,782
Cash and cash equivalents at the beginning of the year		1,758,478	1,404,696
Cash and cash equivalents at the end of the year	12	2,253,120	1,758,478

1. CORPORATE INFORMATION

OTE INSURANCE AGENCY S.A. with the distinctive title OTE ASFALISI INSURANCE AGENT (hereinafter referred to as the “Company” or “OTE INSURANCE”) was incorporated in November 1997 with its registered office in Athens and the duration of the Company is defined until December 31, 2037. The Company is listed in the Greek General Commercial Registry (Γ.Ε.Μ.Η.) with the unique number 002753801000.

According to article 4 of the Company's articles of association, its purpose is generally the undertaking, by contract and for a commission, of insurance activities within the Greek Territory, as well as abroad, in the name and on behalf of one or more insurance companies.

The Company's financial statements are included in Consolidated Financial statements of OTE S.A. (which has its registered office at 99 Kifissias Avenue, Maroussi, number in the Greek Commercial Registry 1037501000) and DEUTSCHE TELEKOM AG (which has its registered office in Bonn, Germany).

The financial statements have been approved for issuance by the Company's Board of Directors on June 20, 2025 and are subject to the final approval of the Annual General Assembly of the Shareholders.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting standards (“IFRS”) as adopted by the European Union (“EU”).

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

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

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

2.1 Significant accounting judgments, estimates and assumptions

The preparation of the financial statements requires management to make estimates and judgments that affect the reported amount of assets, liabilities, revenues and expenses and related disclosures of contingent assets and liabilities included in the financial statements. On an ongoing basis, management evaluates its estimates and judgements, including mainly those related to legal contingencies, the estimated useful life of assets, impairment of property, plant and equipment and intangible assets, provision for staff retirement indemnities and income taxes. Those estimates and judgements are based on historical experience and on various other assumptions that are considered reasonable and form the basis for making decisions about the carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates under different assumptions or conditions.

The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below:

Provision for income tax

The provision for income taxes in accordance with IAS 12 “Income taxes”, are the amounts expected to be paid to the taxation authorities and includes provision for current income taxes reported and the potential additional tax that may be imposed as a result of audits by the taxation authorities. Actual income taxes could vary from these estimates due to future changes in income tax law, significant changes in the jurisdiction in which the Company operates, or unpredicted results from the final determination of each year's liability by tax authorities. These changes could have a significant impact on the Company's financial position. Where the actual additional taxes payable are different from the amounts that were initially recorded, these differences will impact the income tax and deferred tax provisions in the period in which such a determination is made. Further details are provided in Note 15.

Greece as well as the other countries where the Group operates have adopted the OECD PILLAR II rules which aim to ensure that large multinational enterprise groups (with consolidated annual revenues equal or greater than Euro 750,000,000) are subject to a minimum tax rate of 15% on profits arising in each jurisdiction where they operate. In May 2023, the International Accounting Standards Board (“IASB”) introduced a temporary exemption from recognizing and disclosing deferred tax assets and liabilities related to global minimum taxes (IAS 12.4A). The Company has applied this exemption. Further details are provided in Note 15.

Deferred tax assets

Deferred income tax assets and liabilities have been provided for the tax effects of temporary differences between the carrying amount and tax base of such assets and liabilities, using enacted tax rates in effect in the years in which the differences are expected to reverse. Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused losses can be utilized. The Company has considered future taxable income and followed ongoing feasible and prudent tax planning strategy in the assessment of the recoverability of deferred tax assets. The accounting estimate related to deferred tax assets requires management to make assumptions regarding the timing of future events, including the probability of expected future taxable income and available tax planning opportunities. Further details are provided in Note 15.

Provision for expected credit losses of trade receivables

The Company applies the IFRS 9 simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables and contract assets.

The Company establishes allowance for expected credit losses sufficient to cover reasonably estimable loss for these accounts. At each reporting date all accounts receivable are assessed based on historical trends, statistical information, future expectations regarding suspended or cancelled customers, reactivation rates for suspended or cancelled customers and collection rates for amounts due from cancelled customers. Receivables are examined and assessed on an individual basis. The balance of such allowance for expected credit losses is adjusted by recording a charge to the income statement of the reporting period. Any amount written off with respect to customer account balances is charged against the existing allowance for expected credit losses.

Post retirement benefits

Staff Retirement Indemnities obligations are calculated at the discounted present value of the future retirement benefits deemed to have accrued at year-end. Retirement obligations are calculated on the basis of financial and actuarial assumptions that require management to make assumptions regarding discount rates, pay increases, withdrawal rates, mortality and disability rates, retirement ages and other factors. Changes in these key assumptions can have a significant impact on the obligation and pension costs for the period. Net pension costs for the period consist of the present value of benefits earned in the year, interest costs on the benefits obligation, prior service costs and actuarial gains or losses. The Staff Retirement Indemnities are not funded. Due to the long term nature of these defined benefit plans these assumptions are subject to a significant degree of uncertainty. Further details are provided in Note 14.

Estimating the useful life of assets

The Company must estimate the useful life of property, plant and equipment and intangible assets recognized at acquisition or as a result of a business combination. These estimates are revisited at least on an annual basis taking into account new developments and market conditions.

Contingent liabilities and provisions

Periodically, the Company review the status of each significant matter and assess potential financial exposure, based on the advice of legal counsel. If the potential loss from any claims or legal proceedings is considered probable and the amount can be reliably estimated, the Company recognize a provision for the estimated loss. Significant judgment is required in both the determination of probability and the determination as to whether an exposure is reasonably estimable. As additional information becomes available, the Company reassess the potential liability related to pending claims and litigation and may revise assessments of the probability of an unfavorable outcome and the related estimate of potential loss. Such revisions in the estimates of the potential liabilities could have a material impact on the Company's financial position and results of operations.

Impairment of property, plant and equipment

The determination of impairment of property, plant and equipment involves the use of estimates that include, but are not limited to, the cause, timing and amount of the impairment. Impairment is based on a large number of factors, such as changes in current competitive conditions, expectations of growth in the industry, increased cost of capital, the future availability of financing, technological obsolescence, discontinuance of services, current replacement costs, prices paid in comparable transactions and other changes in circumstances that indicate an impairment exists. The recoverable amount is typically determined using a discounted cash flow method. The identification of impairment indicators, as well as the estimation of future cash flows and the determination of fair values for assets (or groups of assets) require management to make significant judgments concerning the identification and validation of impairment indicators, expected cash flows, applicable discount rates, useful lives and residual values.

Determining the lease term of contracts with renewal and termination options – Accounting by lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. In cases that the Company has certain lease contracts that include extension and termination options and the Company applies judgement in evaluating whether it is reasonably certain to exercise or not to exercise the option to renew or terminate the lease. For this purpose, all relevant factors that create an economic incentive to exercise either the renewal or termination are considered. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that are within its control and affect its ability to exercise or not to exercise the option to renew or to terminate a lease (e.g. construction of significant leasehold improvements or significant customization to the leased asset, ability to replace the leased assets without significant cost or business disruption). Additional details are provided in Note 5.

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, they use the Group's incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Group's IBR is determined by using maturity-related risk-free interest rates corresponding to maturities similar to the lease term of the assets, which are increased with the Group's derived credit spread and adjusted with a liquidity risk premium. Therefore, the Group estimates the IBR using observable inputs where available and make certain estimations and adjustments where no observable inputs are available.

2.2. New standards, amendments to standards and interpretations:

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after January 1, 2024

IAS 1 (Amendment) "Classification of liabilities as current or non-current": The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.

IAS 1 (Amendment) "Non-Current Liabilities with Covenants": The amendment specifies that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date. The right to defer settlement is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period.

IAS 7 (Amendments) "Statement of Cash Flows" and IFRS 7 (Amendments) "Financial Instruments: Disclosures": The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and the entity's exposure to liquidity risk. Under the existing Application Guidance in IFRS 7, an entity is required to disclose a description of how it manages the liquidity risk resulting from financial liabilities. The amendments include as an additional factor whether the entity has accessed, or has access to, supplier finance arrangements that provide the entity with extended payment terms or the entity's suppliers with early payment terms.

IFRS 16 (Amendments) "Lease Liability in a Sale and Leaseback": The amendments add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognize a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

Standards and Interpretations effective for subsequent periods

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

IAS 21 (Amendments) “Lack of Exchangeability” (effective for annual periods beginning on or after January 1, 2025): The amendments specify when a currency is exchangeable into another currency and how to determine the exchange rate when it is not. Applying the amendments, a currency is exchangeable when an entity is able to exchange that currency for the other currency through market or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose. However, a currency is not exchangeable into the other currency if an entity can only obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose. When a currency is not exchangeable at the measurement date, an entity is required to estimate the spot exchange rate as the rate that would have applied to an orderly exchange transaction at the measurement date between market participants under prevailing economic conditions. In that case, an entity is required to disclose information that enables users of its financial statements to evaluate how the currency’s lack of exchangeability affects, or is expected to affect, the entity’s financial performance, financial position and cash flows.

IFRS 9 (Amendments) “Financial Instruments” (effective for annual periods beginning on or after January 1, 2026): Application guidance is added to IFRS 9 “Financial Instruments” to address specifically whether a contract to buy electricity generated from a source dependent on natural conditions is held for the entity’s own-use expectations. The amendments also permit an entity to designate a variable nominal amount of electricity as the hedged item when an entity applies the hedge accounting requirements in IFRS 9 and designates a contract referencing nature-dependent electricity with a variable nominal amount as the hedging instrument. The amendments have not yet been endorsed by the EU.

IFRS 9 (Amendments) “Financial Instruments” and IFRS 7 (Amendments) “Financial Instruments: Disclosures” (effective for annual periods beginning on or after January 1, 2026): The application guidance in IFRS 9 is amended to clarify the date of initial recognition or derecognition of financial assets and financial liabilities. The amendments permit an entity to deem a financial liability (or part of it) that will be settled in cash using an electronic payment system to be discharged before the settlement date if, and only if, the entity has initiated a payment instruction that has resulted in:

- the entity having no practical ability to withdraw, stop or cancel the payment instruction
- the entity having no practical ability to access the cash to be used for settlement
- the settlement risk associated with the electronic payment system being insignificant.

The application guidance in IFRS 9 is amended to provide guidance on how an entity assesses whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments clarify that contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost or if they represent a share of the debtor’s revenue or profit, even if such contractual terms are common in the market in which the entity operates.

IFRS 9 is amended to enhance the description of the term “non-recourse”. Under the amendments, a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

The amendments in IFRS 9 clarify the characteristics of contractually linked instruments that distinguish them from other transactions. The amendments also note that not all transactions with multiple debt instruments meet the criteria of transactions with multiple contractually linked instruments.

The amendments in IFRS 7 require an entity that derecognises investments in equity instruments measured at FVTOCI during the reporting period to disclose any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognised during that reporting period. Also, an entity is no longer required to disclose the reporting date fair value of each equity instruments designated at FVTOCI, this information can be provided by class of instruments.

The amendments in IFRS 7 introduce disclosure requirements for financial instruments that include contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs (such as the time value of money or credit risk). The entity is required to make these disclosures by class of financial assets measured at amortized cost or FVTOCI and by class of financial liabilities measured at amortized cost.

The amendments have not yet been endorsed by the EU.

IFRS 18 “Presentation and Disclosure in Financial Statements” (effective for annual periods beginning on or after January 1, 2027): The standard replaces IAS 1 “Presentation of Financial Statements”. The standard requires companies to report subtotals for operating profit and profit before financing and income taxes in the statement of profit or loss. In addition, the standard requires companies to disclose reconciliations between reported management-defined performance measures and totals or subtotals required by IFRS Accounting Standards. The standard also introduces enhanced requirements for grouping of information in the financial statements and the presentation of operating expenses in the statement of profit or loss and the notes. The standard has not yet been endorsed by the EU.

IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (effective for annual periods beginning on or after January 1, 2027): The standard permits an eligible subsidiary to provide reduced disclosures when applying IFRS accounting standards in its financial statements. A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it. The standard has not yet been endorsed by the EU.

Annual improvements to International Financial Reporting Standards (IFRS) (effective for annual periods beginning on or after January 1, 2026):

IFRS 1 “First-time Adoption of International Financial Reporting Standards”: The amendment addresses a potential confusion arising from an inconsistency in wording between paragraph B6 of IFRS 1 and requirements for hedge accounting in IFRS 9 “Financial Instruments”.

IFRS 7 “Financial Instruments: Disclosures”: The amendment addresses a potential confusion in paragraph B38 of IFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when IFRS 13 “Fair Value Measurement” was issued.

IFRS 7 “Financial Instruments: Disclosures” (implementation guidance only): The amendment addresses an inconsistency between paragraph 28 of IFRS 7 and its accompanying implementation guidance that arose when a consequential amendment resulting from the issuance of IFRS 13 was made to paragraph 28, but not to the corresponding paragraph in the implementation guidance.

IFRS 7 “Financial Instruments: Disclosures” (implementation guidance only): The amendment addresses a potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 and by simplifying some explanations.

IFRS 9 “Financial Instruments”: The amendment addresses a potential lack of clarity in the application of the requirements in IFRS 9 to account for an extinguishment of a lessee’s lease liability that arises because paragraph 2.1(b)(ii) of IFRS 9 includes a cross-reference to paragraph 3.3.1, but not also to paragraph 3.3.3 of IFRS 9.

IFRS 9 “Financial Instruments”: The amendment addresses a potential confusion arising from a reference in Appendix A to IFRS 9 to the definition of ‘transaction price’ in IFRS 15 “Revenue from Contracts with Customers” while term ‘transaction price’ is used in particular paragraphs of IFRS 9 with a meaning that is not necessarily consistent with the definition of that term in IFRS 15.

IFRS 10 “Consolidated Financial Statements”: The amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of IFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs.

IAS 7 “Statement of Cash Flows”: The amendment addresses a potential confusion in applying paragraph 37 of IAS 7 that arises from the use of the term ‘cost method’ that is no longer defined in IFRS Accounting Standards.

The amendments have not yet been endorsed by the EU.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policy information adopted and followed and is deemed material to the preparation of the financial statements is as follows:

3.1 Foreign Currency Translation

The Company's functional and presentation currency is the Euro. Transactions involving other currencies are translated into Euro at the exchange rates, ruling on the date of the transactions. At the reporting date, monetary assets and liabilities, which are denominated in foreign currencies, are retranslated at the exchange rates at that date. Gains or losses resulting from foreign currency translation are recognized in the income statement.

Non-monetary items denominated in foreign currencies that are measured at historical cost are translated at the exchange rate at the date of the initial transaction. Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the exchange rates at the date that the fair value was determined. The foreign currency differences arising from the change in the fair value of these items are recognized in the income statement or directly in other comprehensive income depending on the underlying item.

3.2. Intangible Assets

Intangible assets acquired separately are initially recognized at cost. Subsequently, they are carried at cost less accumulated amortization and accumulated impairment losses. All intangible assets have a finite useful life and are amortized on a straight-line basis over their useful life. The useful life of intangible assets is reviewed on an annual basis, and adjustments, where applicable, are made prospectively. The main category of intangible assets is software licenses. For the financial year ended December 31, 2024, the Company's intangible assets have been fully amortized.

3.3. Property, Plant and Equipment

Items of property, plant and equipment are measured at historical cost, less accumulated depreciation and any impairment in value.

Repairs and maintenance costs are expensed as incurred. The cost and related accumulated depreciation of assets retired or sold are removed from the corresponding accounts at the time of sale or retirement, and any gain or loss is recognized in the income statement.

When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciation.

Depreciation is recognized on a straight-line basis over the estimated useful lives of property, plant and equipment, which are periodically reviewed. The estimated useful lives and the respective rates are as follows:

	Depreciation rates	Estimated useful life
Leasehold improvements	10%-20%	5-10
Furniture and fixtures	10%-33.3%	3-10

3.4. Impairment of Non-Financial Assets

The carrying values of the Company's non-financial assets are tested for impairment, when there are indications that their carrying amount is not recoverable. In such cases, the recoverable amount is estimated and if the carrying amount of the asset exceeds its estimated recoverable amount, an impairment loss is recognized in the income statement. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. In measuring value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to that asset. If an asset does not generate cash flows individually, the recoverable amount is determined for the cash generating unit to which the asset belongs. At each reporting date the Company assesses whether there is an indication that an impairment loss recognized in prior periods may no longer exist. If any such indication exists, the Company estimates the recoverable amount of that asset and the impairment loss is reversed, increasing the carrying amount of the asset to its recoverable amount, to the extent that the recoverable amount does not exceed the carrying value of the asset that would have been determined (net of amortization or depreciation), if no impairment loss had been recognized for the asset in prior years.

3.5. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and subsequent measurement of financial assets

The financial assets are classified, at initial recognition, as subsequently measured at amortized 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.

With the exception of trade receivables, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables are initially measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI criterion and is performed at an instrument level.

For the purpose of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through other comprehensive income
- Financial assets at fair value through profit or loss.

The Company holds no assets at fair value through other comprehensive income as of December 31, 2024.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the income statement.

The fair values of quoted investments are based on quoted market bid prices. For investments where there is no quoted market price, fair value is determined using valuation techniques, unless the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, where the entity is precluded from measuring these investments at fair value. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the settlement date (i.e. the date that the asset is transferred or delivered to the Company).

Impairment of financial assets

The Company assesses at each reporting date, whether a financial asset or group of financial assets is impaired and recognize an allowance for Expected Credit Losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs 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.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default.

For trade receivables the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

Derecognition of financial assets

A financial asset (or, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Initial recognition and subsequent measurement of financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. For the purpose of subsequent measurement, financial liabilities are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability. The difference in the respective carrying amounts is recognized in the income statement.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position only when the Company has a legally enforceable right to set off the recognized amounts and intends either to settle such asset and liability on a net basis or to realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

3.6. Trade Receivables and Allowance for Expected Credit Losses

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Trade receivables are initially recognized at their fair value which is equal to the transaction amount. Subsequently they are measured at amortized cost, less the expected credit losses (ECLs) that arise from all probable events of default during the expected lifetime of the financial instrument at each reporting date. At each reporting date, trade receivables are either assessed individually for debtors based on historical trends, statistical information and forward looking factors and a provision for the probable and reasonably estimated loss for these accounts is recorded. The balance of such allowance for expected credit losses is adjusted by recording a charge to the income statement at each reporting period. Any customer account balances written-off are charged against the existing allowance for expected credit losses.

3.7. Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash in hand and short-term bank deposits with a maturity of up to three months at initial recognition.

3.8. Current and Deferred Income Tax

Income tax for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current income tax is measured on the taxable income for the year using enacted or substantively enacted tax rates at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided on all temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.

Deferred tax liabilities are recognized for all taxable temporary differences except:

- where the deferred tax liability arises from the initial recognition of goodwill of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of temporary differences associated with investment in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of goodwill of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of temporary differences associated with investment in subsidiaries and associates, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax is measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

3.9. Share Capital

Ordinary shares are classified as equity. Share capital issuance costs, net of related tax, are reflected as a deduction from Share Premium.

3.10. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Accounting by lessee

The Company applies a single recognition and measurement approach for all leases (including short-term leases and leases of low-value assets). The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life of the assets.

If ownership of the leased asset is transferred to the Company at the end of the lease term or its cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The Company has lease contracts for buildings and vehicles used in its operations. The lease contracts may contain both lease and non-lease components. The Company has elected not to separate non-lease components from lease components, and instead to account for each lease component and any associated non-lease components as a single combined lease component.

The right-of-use assets are also subject to impairment, as described in the accounting policy '3.4. Impairment of Non-Financial Assets'.

ii. Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses the Group OTE's incremental borrowing rate because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced through the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a reassessment or modification of the lease contract.

Accounting by lessor

Leases in which the lessor does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When assets are leased out under an operating lease, the asset is included in the statement of financial position based on the nature of the asset. Lease income on operating leases is recognized over the term of the lease on a straight-line basis.

A lease that transfers substantially all of the risks and rewards incidental to ownership of the leased item is classified as finance lease. The lessor in a finance lease derecognizes the leased asset and recognizes a receivable in the amount of the net investment in the lease. The lease receivable is discounted using the effective interest method and the carrying amount is adjusted accordingly. Lease receivable is increased to reflect the accretion of interest and reduced through the lease proceeds made.

3.11. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are measured by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase of the provision due to the passage of time is recognized as a borrowing cost. Provisions, such as provisions for litigations and claims, for which the Company does not have the right to defer their settlement for at least twelve months after the end of the reporting period are classified as current, irrespectively of the expectation of the Company that it will be settled within twelve months or not. Provisions are reviewed at each reporting date, and if it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, they are reversed. Provisions are used only for expenditures for which they were originally recognized. No provisions are recognized for future operating losses. Contingent assets and contingent liabilities are not recognized.

3.12. Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

3.13. Employee Benefits

Defined contribution plans

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay any further amounts if the fund does not hold sufficient assets to pay benefits relating to service in the current and prior periods. Obligations for contributions to defined contribution plans are recognized as an expense as incurred.

Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period. These obligations are calculated annually by independent actuaries using the Projected Unit Credit Method. The discount rate used is the yield of high quality European corporate bonds with maturity that approximates the term of the related obligation.

The current service cost of the defined benefit plan, recognized in the income statement in personnel costs, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the income statement. Actuarial gains or losses are recognized directly in other comprehensive income in the period in which they occur and are not reclassified to income statement in a subsequent period.

Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees

expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

3.14. Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue recognition is as follows:

Provision of services

Commission revenue from the intermediation of insurance contract issuance is recognized at the inception of the insurance contract.

Revenue from the provision of insurance consulting services is recognized in the period in which the services are rendered, taking into account the stage of completion of the service provided.

In accordance with IFRS 15, service revenue is recognized in the period in which the services are provided, as the customer simultaneously receives and consumes the benefits from the service provided by the Company.

3.15. Interest income

Interest income is recognized on an accrual basis using the effective interest rate.

3.16. Dividend distribution

Dividends declared to the shareholders are recognized as a liability in the period they are approved by the General Assembly of shareholders.

4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is analyzed as follows:

	Leasehold improvements	Furniture and fixtures	Total
COST			
Balance January 1, 2023	71,400	175,880	247,280
Additions	471	4,173	4,644
Balance December 31, 2023	71,871	180,053	251,924
ACCUMULATED DEPRECIATION			
Balance January 1, 2023	(56,327)	(169,682)	(226,009)
Depreciation charge for the year	(2,880)	(3,598)	(6,478)
Balance December 31, 2023	(59,207)	(173,280)	(232,487)
Net book value December 31, 2023	12,664	6,773	19,437
COST			
Balance January 1, 2024	71,871	180,053	251,924
Additions	-	557	557
Balance December 31, 2024	71,871	180,610	252,481
ACCUMULATED DEPRECIATION			
Balance January 1, 2024	(59,207)	(173,280)	(232,487)
Depreciation charge for the year	(2,950)	(1,960)	(4,910)
Balance December 31, 2024	(62,157)	(175,240)	(237,397)
Net book value December 31, 2024	9,714	5,370	15,084

There are no restrictions on title on property, plant and equipment and there is no significant indication for impairment in the value of property, plant and equipment.

5. LEASES

Right-of-use assets are analyzed as follows:

	Buildings	Transportation	Total
1/1/2023			
Net book value 1/1/2023	80,401	22,027	102,428
Additions	2,520	7,928	10,448
Reductions – cost	-	(15,543)	(15,543)
Reductions – accumulated depreciation	-	13,733	13,733
Depreciation charge for the year	(25,139)	(6,714)	(31,853)
Net book value 31/12/2023	57,782	21,431	79,213
31/12/2023			
Cost	175,010	30,983	205,993
Accumulated depreciation	(117,228)	(9,552)	(126,780)
Net book value 31/12/2023	57,782	21,431	79,213
1/1/2024			
Net book value 1/1/2024	57,782	21,431	79,213
Additions	1,839	-	1,839
Depreciation charge for the year	(25,934)	(7,147)	(33,081)
Net book value 31/12/2024	33,687	14,284	47,971
31/12/2024			
Cost	176,849	30,983	207,832
Accumulated depreciation	(143,162)	(16,699)	(159,861)
Net book value 31/12/2024	33,687	14,284	47,971

The Company's depreciation includes depreciation charge for the right-of-use assets in relation to lease agreements with related parties amounting to Euro 25,933 (2023: Euro 25,139).

The statement of financial position includes the following amounts related to lease liabilities:

	2024	2023
Lease liabilities (long-term portion)	16,889	50,444
Lease liabilities (short term portion)	34,621	33,068
Total lease liabilities	51,510	83,512

The company's long-term and short-term lease liabilities from related parties amount to Euro 9,248 (2023: Euro 35,496) and Euro 27,313 (2023: Euro 26,087) respectively.

The Company's interest expense on lease liabilities amount to Euro 3,068 (2023: Euro 4,399). The Company's interest expense includes interest expense to related parties at an amount of Euro 2,222 (2023: Euro 3,317).

The Company's total cash outflows for leases in 2024 amount to Euro 36,908 (2023: Euro 35,614).

6. INTANGIBLE ASSETS

Intangible assets include software programs and their movement is analyzed as follows:

COST	
Balance January 1, 2023	46,690
Additions	-
Balance December 31, 2023	46,690
ACCUMULATED DEPRECIATION	
Balance January 1, 2023	(46,690)
Depreciation charge for the year	-
Balance as at December 31, 2023	(46,690)
Net book value December 31, 2023	-
COST	
Balance January 1, 2024	46,690
Additions	-
Balance December 31, 2024	46,690
ACCUMULATED DEPRECIATION	
Balance January 1, 2024	(46,690)
Depreciation charge for the year	-
Balance as at December 31, 2024	(46,690)
Net book value December 31, 2024	-

7. TRADE RECEIVABLES

Trade receivables are analyzed as follows:

	2024	2023
Customers	376,935	317,140
Due from related parties (Note 10)	51,175	65,122
Total	428,110	382,262

The aging analysis of trade receivables is as follows:

	2024	2023
Not impaired and not past due	396,182	380,397
Not impaired and past due:		
Up to 180 days	16,947	1,865
Between 181 and 360 days	46	-
More than 360 days	14,935	-
Total	428,110	382,262

8. INVESTMENTS

The summary data of investments are analyzed as follows:

Name	Type of participation	Ownership interest	2024 Accounting value	Ownership interest	2023 Accounting value
PANORMOS PARTNERSHIP OF INSURANCE INTERMEDIARIES LLC	Other	4.11%	1,800	4.20%	1,800

9. OTHER NON-CURRENT ASSETS

Other non-current assets are analyzed as follows:

	2024	2023
Guarantees granted to related parties (Note 10)	2,140	2,140
Guarantees granted	720	720
Total	2,860	2,860

10. RELATED PARTY DISCLOSURES

Company's related parties have been identified based on the requirements of IAS 24 "Related Party Disclosures". OTE S.A. is a 99.90% shareholder in the company and a 100% shareholder in CTS S.A., which is 0.10% shareholder of the company, while Deutsche Telekom AG is 53.45% shareholder of OTE S.A.. Consequently, all the companies of the OTE group and the Deutsche Telekom group are considered to be related parties.

The transactions and balances with related companies are analyzed as follows:

	December 31, 2024			
	Revenues	Expenses	Receivables	Liabilities
DETEASSEKURANZ	-	17,764	-	-
OTE	111,397	93,212	33,175	59,442
CTS	1,452	-	1,800	-
COSMOTE TV PRODUCTIONS	968	-	1,200	-
OTE ACADEMY	968	-	1,200	-
COSMOTE E-VALUE	5,806	5,442	7,200	959
OTESAT MARITEL (until the date of disposal by OTE Group)	847	-	-	-
GERMANOS	3,871	14,439	4,800	2
OTE ESTATE	1,452	2,222	3,940	36,561
Total	126,761	133,079	53,315	96,964

	December 31, 2023			
	Revenues	Expenses	Receivables	Liabilities
DETEASSEKURANZ	-	12,388	-	-
OTE	16,800	41,452	4,672	38,112
COSMOTE	91,199	49,856	40,650	499
CTS	1,452	-	1,800	-
COSMOTE TV PRODUCTIONS	968	-	1,200	-
E-value LTD	968	-	1,200	-
OTE ACADEMY	968	-	1,200	-
COSMOTE E-VALUE	4,839	7,688	6,000	1,414
OTESAT MARITEL	1,452	-	1,800	-
GERMANOS	3,871	16,638	4,800	3,539
OTE ESTATE	1,452	3,317	3,940	61,583
Total	123,969	131,339	67,262	105,147

The Company's remuneration for the members of the Board of Directors and Directors amount to Euro 74,619 for 2024 (2023: Euro 71,355).

The company's revenue from related parties include personnel secondment cost amounting to Euro nil for 2024 (2023: Euro 1,843). These amounts are presented in the statement as a reduction from the 'Personnel costs' line.

In the context of the adoption of IFRS 16, in 2024 the Company's expenses from related parties do not include lease expenses amounting to Euro 29,081 (2023: Euro 28,245). Interest on lease liability of the Company amounting to Euro 2,222 (2023: Euro 3,317).

The Company's liabilities to related parties include long-term and short-term leases amounting to Euro 9,248 (2023: Euro 35,496) and Euro 27,313 (2023: Euro 26,087) respectively.

11. OTHER CURRENT ASSETS

Other current assets are analyzed as follows:

	2024	2023
Receivables from other taxes	12,666	9,820
Loans and advances to employees	14,009	11,222
Other receivables	9,247	8,239
Total	35,922	29,281

12. CASH AND CASH EQUIVALENTS

The cash and cash equivalents are analyzed as follows:

	2024	2023
Short-term bank deposits	2,253,120	1,758,478
Total	2,253,120	1,758,478

13. EQUITY

13.1 Share Capital

On December 31, 2024, the Company's share capital amounted to Euro 86,000 divided into 200,000 ordinary nominal shares with nominal value of Euro 0.43 (forty-three cents) each. The shareholders of the Company are OTE S.A. with 199,800 shares and CTS S.A. with 200 shares. In relation to December 31, 2023 there was no movement.

13.2 Statutory Reserve

In Greece, under Greek corporate law, a minimum of 5% of the annual net profit after income taxes is transferred to a statutory reserve, that can be only used to offset losses prior to dividend distribution. The transfer to this reserve ceases to be compulsory as soon as its balance equals one third of the issued share capital. This statutory reserve cannot be distributed to shareholders.

As of December 31, 2024 and 2023, statutory reserve amounts to Euro 28,666.

13.3 Other Reserves

Other reserves amounted to Euro 26.968 as of December 31, 2024 (December 31, 2023: Euro 34.853) include actuarial gains and losses and related deferred tax on these figures.

14. STAFF RETIREMENT INDEMNITIES

In accordance with the Greek labor law, employees are entitled to compensation in the event of dismissal or retirement, the amount of which varies based on the employees' monthly salary in the current month before the dismissal, the duration of the service (including possible recognized by the Company service, in case the recognition concerns indemnity as well) and the way of termination of the employment agreement (dismissed with notification, dismissed without notification or retirement). Furthermore, according to the provision of law 4093/2012 there is a reduction in warning period and in employees' dismissal compensation and there is an extra compensation in case that an employee has worked 17 years and above in the same employer with full occupation in the date of related law publication i.e. on November 12, 2012. It is noted that the extra compensation is calculated on the employee's regular salary until the limit of Euro 2.000. In case of retirement, the payable amount of compensation is equal to 50% of the amount which would be payable upon dismissal without cause and 40% if the employee has an auxiliary social security. In case that an employee has the right to receive an extra compensation, this is calculated on the last month salary before the termination of his agreement without any salary limit as stated above. According to the Greek labor law there are cases in which the employee is not entitled to compensation as indicatively referred to herein below e.g. in case of employee's resignation, in case of employee's dismissal during the first 12 months of his employment, in case of filing against an employee a law suit for an penal offense which was committed during his employment and in case of employee's death.

The provision for staff retirement indemnities included in the financial statements is recognized according to IAS 19 "Employee Benefits" and is based on an independent actuarial study.

In May 2021 an agenda decision was published by the International Financial Reporting Interpretations Committee (“IFRIC”) in relation to IAS 19 “employee benefits” and more specifically to how the applicable principles and requirements in IFRS Standards apply on attributing benefits to periods of service based on a specific fact pattern of a defined benefit plan.

IFRIC concluded that, for the defined benefit plan with the fact pattern illustrated in the agenda decision, the entity attributes retirement benefit to each year in which an employee renders service, in the last years of the period in which the retirement benefit is capped (16 years of service), until the retirement age.

Following the publication of the IFRIC agenda decision, a Technical Committee was established in Greece between the Institute of Certified Public Accountants in Greece (SOEL) and qualified actuaries to form a consultation paper that would examine the prevalent benefit practices in the Greek market and would be used as a basis for applying the specific decision in Greece.

The main outcome of the Technical Committee’s guidelines is that the Greek market provides for a variety of benefit practices that may diverge from the fact pattern illustrated in the agenda decision, since benefit payments may be provided in other cases of exit, apart from normal retirement.

The Company indemnities' policy provides for a fact pattern that differs from that assumed in the IFRIC agenda decision. According to the Technical Committee's consultation paper, in these cases benefits are attributed over the first years of employment until the period when the retirement benefit is capped.

The amount of the staff retirement indemnity expense recognized in the income statement is analyzed as follows:

	2024	2023
Current service cost	1,663	3,057
Effect of termination benefit	-	24,031
Income statement effect recorded in lines “Personnel costs” and “Costs related to voluntary leave schemes”	1,663	27,088
Income statement effect recorded in line “Interest expense”	942	2,004
Total effect on the income statement	2,605	29,092

Changes in the defined benefit obligation for staff retirement indemnities are as follows:

	2024	2023
Defined benefit obligation at the beginning of the year	20,657	49,110
Current service cost	1,663	3,057
Interest cost	942	2,004
Benefits paid	-	(28,400)
Effect of termination benefit	-	24,031
Actuarial (gains) / losses	10,109	(29,145)
Defined benefit obligation at the end of the year	33,371	20,657

The assumptions underlying the actuarial valuation of the staff retirement indemnities for the Company are as follows:

	2024	2023
Discount rate	3.62%	4.56%
Assumed rate of future salary changes	2025: 1.40% 2026+: 1.60%	1.00%
Inflation rate	2.00%	2023-2024: 2.30% 2025+: 2.00%
Average future working life (years)	17.27	16.67

If the discount rate used in the valuation was 1% higher, then the defined benefit obligation for staff retirement indemnities would decrease by about 15.1%. If the discount rate used in the valuation was 1% lower, then the defined benefit obligation for staff retirement indemnities would increase by about 18.5%. If the rate of future salary increases was 0.5% higher, then the defined benefit obligation for staff retirement indemnities would increase by about 8.9%. If the rate of future salary increases was 0.5% lower, then the defined benefit obligation for staff retirement indemnities would reduce by about 8.1%.

The Company's employees at December 31, 2024 and December 31, 2023 was 11.

15. INCOME TAX – DEFERRED TAXES

According to law 4799/2021, the corporate income tax rate in Greece is set at 22%.

From January 1, 2014 and onwards, intragroup dividends distributed within the EU are exempt from both income tax, as well as withholding tax provided that, amongst other conditions, the parent entity holds a minimum participation of 10% for at least two consecutive years. According to law 5162/2024, from 2025 onwards, intra-group dividends received from companies established in non-EU countries are also exempt from income tax in Greece under the same conditions, provided they are not established in non-cooperative jurisdictions.

Based on law 4646/2019 as amended by law 4876/2021, from January 01, 2020, the capital gains from the sale of shares of companies established in EU countries will be exempt from income tax in Greece, provided that the seller holds a minimum participation of 10% for at least two consecutive years. Based on law 5162/2024, from 2025 onwards, the exemption has been extended also for the sale of shares in companies established in non-EU countries under the same conditions, provided they are not established in non-cooperative jurisdictions.

Greek tax regulations and related clauses are subject to interpretation by the tax authorities and administrative courts of law. Tax returns are filed annually. The profits or losses declared for tax purposes remain provisional until such time as the tax authorities examine the returns and the records of the tax payer and a final assessment is issued. In accordance with the Greek tax legislation (article 37 of law 5104/2024) in force and the respective Ministerial Decisions issued, the Greek tax authorities may impose additional taxes and penalties following a tax audit, within the applicable statute of limitations which in principle is five years as from the end of the following fiscal year within which the relevant tax return should have been submitted. Based on the above, the right of the tax authorities to impose additional income taxes for the fiscal years up to 2018 (inclusive) is considered in principle and under the general rules as time-barred.

From the financial year 2011 and onwards, the tax returns are subject to the audit tax certificate process (described below). Net operating losses which are tax deductible, can be carried forward against taxable profits for a period of five years from the year they are generated.

Under Greek tax regulations, a 80% income tax advance calculated on each year's current income tax liability is paid to the tax authorities. Such advance is then netted off with the following year's income tax liability. Any excess advance amounts are refunded to the companies following a tax examination.

Tax compliance report

From the financial year 2011 and onwards, Greek Société Anonyme and Limited Liability Companies that are required to prepare audited statutory financial statements are subject to the "Tax compliance report" process as provided for by paragraph 5 of Article 82 of law 2238/1994 and article 78 of law 5104/2024. This "Tax compliance report" is issued by the same statutory auditor or audit firm that issues the audit opinion on the statutory financial statements. Upon completion of the tax audit, the statutory auditor or audit firm issues to the entity a "Tax Compliance Report" which is subsequently submitted electronically to the Ministry of Finance, by the statutory auditor or audit firm.

For the Company the "Tax compliance report" for the years 2011 till 2023, has been issued and submitted with no substantial adjustments with respect to the tax expense and corresponding tax provision as reflected in the respective annual financial statements.

It is noted that based on the tax legislation in force (Circular POL 1006/2016), the companies that have obtained a "Tax compliance report" without any reservations for infringements of the tax law, are not exempt from tax audit. In effect, the tax authorities retain the right to audit them within the applicable statute of limitations as described above.

The tax audit for the financial year 2024 is being performed by Deloitte Certified Public Accountants S.A. Upon completion of the tax audit, management does not expect that significant additional tax liabilities will arise, in excess of those provided for and disclosed in the financial statements.

Unaudited tax years

For the unaudited tax years, possibility exists that additional taxes and penalties may arise at the time when the tax years are audited and finalized. The Company provides, when considered appropriate, for possible additional taxes that may be imposed by the tax authorities.

15.1 Income tax

The income tax expense is analyzed as follows:

	2024	2023
Current income tax	(157,172)	(149,076)
Deferred income tax	(4,354)	5,137
Total	(161,526)	(143,939)

The income tax payable as of December 31, 2024 amounted to Euro 43,851 (December 31, 2023: Euro 9,443).

The reconciliation between the income tax expense as reported in the financial statements and the accounting profit before tax multiplied by the income tax rate of the Company is as follows:

	2024	2023
Profit before tax	608,856	507,837
Statutory tax rate	22%	22%
Tax at statutory rate	(133,948)	(111,724)
Expenses non-deductible for tax purposes	(27,578)	(32,215)
Income tax	(161,526)	(143,939)

15.2 Deferred income tax

Deferred taxes are recognized on the temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts recognized for taxation purposes and are analyzed as follows:

	Balance 31/12/2022	Effect in income statement 2023	Effect in comprehensi ve income	Balance 31/12/2023	Effect in income statement 2024	Effect in comprehensiv e income	Balance 31/12/2024
Deferred tax assets							
Staff retirement indemnities	10,803	154	(6,412)	4,545	573	2,224	7,342
Tangible assets / Leases	702	(661)	-	41	(41)	-	-
Deferred tax assets (before offset)	11,505	(507)	(6,412)	4,586	532	2,224	7,342
Offset of deferred tax liabilities	(11,505)	507	6,412	(4,586)	(532)	(2,224)	(7,342)
Deferred tax assets (after offset)	-	-	-	-	-	-	-
Deferred tax liabilities							
Tangible assets/leases	-	-	-	-	(226)	-	(226)
Other	(12,079)	5,644	-	(6,435)	(4,660)	-	(11,095)
Deferred tax liabilities (before offset)	(12,079)	5,644	-	(6,435)	(4,886)	-	(11,321)
Offset of deferred tax assets	11,505	(507)	(6,412)	4,586	532	2,224	7,342
Deferred tax asset / (liability), net	(574)	5,137	(6,412)	(1,849)	(4,354)	2,224	(3,979)

Global minimum taxation

In accordance with Law 5100/2024, Greece has incorporated the provisions of EU Directive 2022/2523, implementing the OECD Pillar II rules on a global minimum tax rate of 15% on the income generated by large multinational enterprises in each jurisdiction where they operate. These regulations are effective from 2024 and apply to the Greek entities of the Company as part of OTE Group and DEUTSCHE TELEKOM group.

As of December 31, 2024, no provision for global minimum taxes has been recognized in the consolidated and separate financial statements, as it is expected that the DEUTSCHE TELEKOM group will qualify for the simplified safe harbor tests for 2024 in Greece (effective tax rate equal or higher than 15% and/or routine profits test met). In May 2023, the International Accounting Standards Board (IASB) introduced a temporary exemption from recognizing and disclosing deferred tax assets and liabilities related to global minimum taxes (IAS 12.4A). The Company has applied this exemption and accordingly, no deferred taxes related to global minimum tax have been recorded or disclosed.

16. TRADE ACCOUNTS PAYABLE

Trade accounts payable are analyzed as follows:

	2024	2023
Suppliers	106,914	116,298
Due to related parties (Note 10)	60,403	43,564
Total	167,317	159,862

17. OTHER CURRENT LIABILITIES

Other current liabilities are analyzed as follows:

	2024	2023
Other taxes / duties	20,236	19,745
Social security contribution	14,093	13,273
Other	46,109	34
Total	80,438	33,052

18. OTHER OPERATING EXPENSES

Other operating expenses are analyzed as follows:

	2024	2023
Third party services	(202,877)	(211,164)
Facility and other lease related costs	(27,765)	(18,530)
Other taxes and duties	(67,240)	(64,716)
Other sundry operating expenses	(116,724)	(112,475)
Total	(414,606)	(406,885)

In the other operating expenses for the year 2023, an amount of Euro 22,185 has been reclassified from 'Third party services' to 'Other operating expenses', for the purpose of better presentation as well as comparison with the recording of corresponding amounts in the current year.

19. DIVIDENDS

The Company's Board of Directors will propose to the Annual General Meeting the distribution of retained earnings from previous years amounting to Euro 1,500,000 and the non-distribution of dividends from the profits of the 2024 fiscal year.

20. FINANCIAL RISK MANAGEMENT

Macroeconomic conditions in Greece

Currently prevailing economic conditions are stable. Following the 2023 elections and high inflation of the past years, conditions in Greece are normalized. Yet several uncertainties, driven by global developments, may impact the future outlook.

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

Based on its current assessment, it has concluded that no additional impairment provisions are required with respect to the Company's financial and non-financial assets as of December 31, 2024.

Financial risks

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

(A) Credit risk

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

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

Defaulted payments of trade receivables could potentially adversely affect the liquidity of the Company. The Company assesses the credit risk following the established policies and procedures and recognizes the appropriate provision for impairment.

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

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

Impairment of financial assets

The Company's trade receivables are subject to the expected credit loss model.

While cash and cash equivalents are also subject to impairment requirements of IFRS 9, the identified loss was immaterial.

The Company applies the IFRS 9 simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables.

The following tables demonstrate the credit risk exposure on gross carrying amount of trade receivables for the Company:

Simplified approach				
December 31, 2024	Performing	Underperforming	Non-performing	Total
Trade receivables (Note 7)	413,129	46	14,935	428,110
Total	413,129	46	14,935	428,110

Simplified approach				
December 31, 2023	Performing	Underperforming	Non-performing	Total
Trade receivables (Note 7)	382,133	129	-	382,262
Total	382,133	129	-	382,262

Financial assets which have a low risk of default and an adequate capacity to meet contractual cash flows are considered as performing, while financial assets for which there is a significant increase in credit risk since initial recognition but there is no

objective evidence of a credit loss event are treated as underperforming. Non-performing financial assets are those that have objective evidence of impairment at the reporting date and there is limited expectation of recovery.

(B) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The Company retains sufficient liquidity in order to cover its financial obligations.

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

The analysis of the undiscounted contractual payments of the financial liabilities of the Company is as follows:

December 31, 2024	Up to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Lease liabilities (Note 5)	36,126	16,899	220	-	53,245
Trade accounts payable (Note 16)	167,317	-	-	-	167,317
TOTAL	203,443	16,899	220	-	220,562

December 31, 2023	Up to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Lease liabilities (Note 5)	36,072	35,302	16,848	-	88,222
Trade accounts payable (Note 16)	159,862	-	-	-	159,862
TOTAL	195,934	35,302	16,848	-	248,084

(C) Market risk

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

The Company does not have financial assets and fixed-interest liabilities measured at fair value through other comprehensive income, nor derivatives (interest rate swap contracts) designated as hedging instruments in a fair value hedge accounting model. Therefore, a change in interest rates at the balance sheet date would not affect the statement of comprehensive income due to fair value changes.

21. COMMITMENTS AND CONTINGENT LIABILITIES

The company has no contractual commitments for the acquisition of fixed assets or lease commitments that have not yet commenced.

22. LITIGATION AND CLAIMS

The company has no litigation or arbitration disputes before judicial or arbitration bodies that could impact its financial position or operation.

23. EVENTS AFTER THE FINANCIAL POSITION DATE

There are no significant events to disclose after December 31, 2024.