

## **ANNOUNCEMENT**

**Forthnet S.A.**

**Athens, 19.01.2021**

**Granting of permission for the amendment of an agreement with a related party, pursuant to articles 99 et seq. of L. 4548/2018**

The Company under the name “HELLENIC TELECOMMUNICATIONS & TELEMATICS APPLICATIONS SOCIETE ANONYME”, following its announcements dated 02.11.2020 and 17.11.2020, informs the investing public of the following:

Following the resolution of the Company’s Board of Directors dated 30.10.2020, Newco United Group Hellas S.A.R.L. (the “Bondholder”), the Company (“Company” or “Issuer”) and Forthnet Media S.A. (hereinafter altogether referred to as “the Parties”) executed on 13.11.2020 a Common Bond Loan Programme and Agreement for the Subscription of Bonds (“the Bond Loan Programme”) according to the provisions of L. 4548/2018 and L. 3156/2003 (as in force), with a total nominal value (principal) of up to EURO twenty-seven million (€27,000,000.00) and with a Final Maturity Date which coincides with the 24th monthly anniversary (i.e. two years) from the date of signature of the Programme and the Bond Loan Subscription Agreement (the “Bond Loan”). The Bond Loan comprises of nominal bonds with a nominal value of EURO one (€1,00) each and is governed by the specific terms and conditions included in the relevant Bond Loan Programme. The company “FORTHNET PAY TV, TELECOMMUNICATION SERVICES AND HOLDINGS SOCIETE ANONYME”, with the distinctive title “FORTHNET MEDIA S.A.”, a subsidiary of the issuer Company (the Guarantor of the Bond Loan) with GEMI nr. 124012301000, guarantees to ensure the timely, proper and full repayment of the Company’s obligations in relation to the Bond Loan.

Later, by virtue of its decision dated 15.01.2021, the Company’s Board of Directors unanimously granted its special permission, pursuant to articles 99 et seq. of L. 4548/2018, for the increase of the total nominal value (principal) of the Bond Loan by an amount of EURO sixteen million (€16,000,000) – “Additional Amount”, under and pursuant to the terms and conditions of the Bond Loan as these are amended by the Amendment Agreement (the “Amendment”), rendering hence the overall total nominal value (principal) of the Bond Loan to an amount up to EURO forty three million (€43,000,000). The Additional Amount of the Bond Loan also will be subscribed in full by the company under the name “NewCo United Group Hellas S.A.R.L.”, majority shareholder of the Company.

The above resolution of the Board of Directors for the granting of permission for the amendment of the Bond Loan, which constitutes a related party transaction, was made on the basis of the Report of the chartered auditors’ company under the name Deloitte Chartered Auditors Accountants S.A., entitled *“Evaluation of the amendment of the Bond Loan agreement*

*by "HELLENIC TELECOMMUNICATIONS & TELEMATICS APPLICATIONS SOCIETE ANONYME" as per the provisions of article 101 of L. 4548/2018" dated 23.12.2020 (attached), as per which the transaction is evaluated as fair and reasonable for the Company and its shareholders who are not a related party, including the minority shareholders. The resolution of the Board of Directors will be subject to publicity requirements of article 101 of L. 4548/2018.*

The present announcement is published in accordance with art. 17 of Regulation (EU) 596/2014 for market abuse (MAR) and para. 4.1.3.6. of the Athens Exchange Regulation, as in force.

**Independent Auditor's Report for the evaluation of the amendment  
of the Bond Loan agreement of the company "HELLENIC  
TELECOMMUNICATION & TELEMATIC APPLICATIONS S.A." in  
accordance with the provisions of Article 101 of Law 4548/2018**

23 December 2020

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Athens, 23 December 2020

To the  
Board of Directors of the Societe Anonyme  
“HELLENIC TELECOMMUNICATION & TELEMATIC APPLICATIONS S.A.”

**Independent Auditor’s Report for the assessment of the amendment of the Bond Loan agreement of the company  
“HELLENIC TELECOMMUNICATION & TELEMATIC APPLICATIONS S.A.”, in accordance with the provisions of Article 101  
of Law 4548/2018**

Ladies and Gentlemen,

## **I. Introductory notes**

Based on the mandate received by the management of the company “HELLENIC TELECOMMUNICATION & TELEMATIC APPLICATIONS S.A.” with the General Commercial Registry (GEMI) Number 77127927000 (hereinafter referred to as the “Company”) and the engagement letter signed between us on 23 December 2020, we present herein the Assessment Report (hereinafter referred to as “the Report”) in accordance with the provisions of Article 101 of Law 4548/2018, in order to assess whether the transaction related to the draft amendment of the agreement for the issue of a common bond loan, pertaining to the increase of the original nominal amount of €27.000.000 to €43.000.000, divided into 43.000.000 registered bonds with a nominal value of €1,00 each, issued by the Company and guaranteed by the company Forthnet Media S.A. (hereinafter referred to as the “Guarantor”), which the related party Newco United Group Hellas S.A.R.L., based in Luxemburg, (hereinafter referred to as the “Related Party”) undertakes to cover entirely (hereinafter “Amendment of the Bond Loan Agreement”), is fair and reasonable to the Company and its shareholders who are not related parties, including the Company's minority shareholders. The specific transaction of the Amendment of the Bond Loan Agreement, is considered a transaction of the Company with a related party in accordance with the provisions of Article 99 of Law 4548/2018, for the conclusion of which a special permission of the Board of Directors of the Company is required, which is granted under the terms and conditions of articles 99, 100 and 101 of Law 4548/2018.

Based on the relevant information received by the Company’s management, we understand that the provision of additional credit by the Related Party is considered necessary and imperative for the Company and will substantially support its liquidity position, given the current conditions of the economy and its financial position.

## **II. Management’s Responsibilities**

The Company’s management is responsible for the compliance with its obligations deriving from the provisions of Law 4548/2018 and in particular with those regarding the transactions with related parties as well as the safeguarding of the interests of the Company.

## **III. Auditor’s Responsibilities**

Our responsibility is limited to the publication of this Report, based on our work performed, to assess whether this transaction is fair and reasonable for the Company and its shareholders who are not related parties, including the Company's minority shareholders, as provided in paragraph 1 of Article 101 of Law 4548/2018.

#### **IV. Scope of work performed**

Based on the mandate received from the Company's management, we conducted procedures in order to assess whether this transaction is fair and reasonable for the Company and its shareholders who are not related parties, including the Company's minority shareholders, as provided by paragraph 1 of article 101 of Law 4548/2018.

#### **V. Procedures performed**

The procedures we performed including the methods and assumptions we used are summarized as follows:

- We reviewed the draft Amendment of the Bond Loan Agreement between the Company and the Related Party, obtained an understanding of the nature of the transaction and examined the existence of terms, which may be an indication of insufficient protection of the interests of the parties referred to paragraph 1 of Article 101 of Law 4548/2018.
- In particular, it was examined whether the borrowing rate specified in the draft Amendment of the Bond Loan Agreement (fixed interest rate of 4% per annum) as well as its other terms, are fair and reasonable to the Company and the shareholders who are not related parties, including the minority shareholders of the Company, taking into account published information for bond loan programs of companies with similar terms, issued by companies with similar business operations, credit and other risks' characteristics.

#### **VI. Conclusion**

Based on the procedures performed and by taking into account the purpose of the transaction for the Company, as described in this Report, we conclude that the transaction is fair and reasonable for the interests of the Company and the shareholders who are not related parties, including the Company's minority shareholders, as provided in paragraph 1 of Article 101 of Law 4548/2018.

#### **VII. Limitations and Clarifications**

- Our work did not constitute any audit or review of financial statements, but is limited to the performance of the above procedures.
- Our work was conducted based on the terms of the transaction defined in the draft Amendment of the Bond Loan Agreement, as provided to us by the Company for the purposes of issuing this Report.
- This Report was prepared exclusively in the context of the Company's obligations, in accordance with paragraph 1 of Article 101 of Law 4548/2018, and therefore, this Report should not be used for any other purposes.

#### **The Certified Public Accountant**



**Dimitris Katsibokis**

Reg. No. SOEL: 34671

Deloitte Certified Public Accountants S.A.

3a Fragoklissias & Granikou Str.

15 121 Marousi

Reg. No. SOEL: E120

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