



Unaudited  
Business Report of the  
**Telekom Slovenije Group and  
Telekom Slovenije, d.d.**

for the period January to March 2024

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Ljubljana, May 2024

# 1 INTRODUCTORY NOTE

Pursuant to the law and the Rules of the Ljubljana Stock Exchange, Telekom Slovenije, d.d. (hereinafter: Telekom Slovenije), with its registered office at Cigaletova 15, Ljubljana, hereby publishes the Unaudited Business Report of the Telekom Slovenije Group and Telekom Slovenije for the period January to March 2024.

The condensed interim financial statements for the period ending 31 March 2024 were compiled in accordance with IAS 34 Interim Financial Reporting, and must be read in conjunction with the annual financial statements compiled for the financial year ending 31 December 2023. The financial statements for the period January to March 2024 have not been audited.

Telekom Slovenije's Supervisory Board discussed the Unaudited Business Report of the Telekom Slovenije Group and Telekom Slovenije for the period under consideration at its session on 13 May 2024.

Any significant changes to the data contained in the prospectus for listing on the stock exchange are regularly published by the Company on the Ljubljana Stock Exchange's SEOnet website and on the Company's website at [www.telekom.si](http://www.telekom.si).

The Unaudited Business Report for the period January to March 2024 is also accessible on the Company's website at [www.telekom.si](http://www.telekom.si).

## 1.1 Statement of responsibility of the Management Board

The members of Telekom Slovenije, d.d.'s Management Board responsible for compiling the unaudited report of the Telekom Slovenije Group and Telekom Slovenije for the period January to March 2024, hereby find that:

- to the best of our knowledge, the unaudited report of the Telekom Slovenije Group and Telekom Slovenije was compiled and published in accordance with valid legislation and the International Financial Reporting Standards as adopted by the EU;
- the condensed interim financial statements for the period ending 31 March 2024 were compiled in accordance with IAS 34 Interim Financial Reporting, and must be read in conjunction with the annual financial statements compiled for the financial year ending 31 December 2023;
- the selected accounting policies were applied consistently in the compilation of the condensed financial statements and any changes to those policies were disclosed, and that accounting estimates were made fairly and with careful consideration, according to the principle of prudence and the diligence of a good manager, and under the assumption that the Telekom Slovenije Group and Telekom Slovenije are going concerns; and
- the interim business report presents a fair picture of information regarding major transactions with related parties, in accordance with regulations.



Boštjan Košak  
President of the  
Management Board



Boštjan  
Škufca Zaveršek,  
MSc  
Vice-President of  
the Management  
Board



Irma Gubanec, MSc  
Member of the  
Management Board



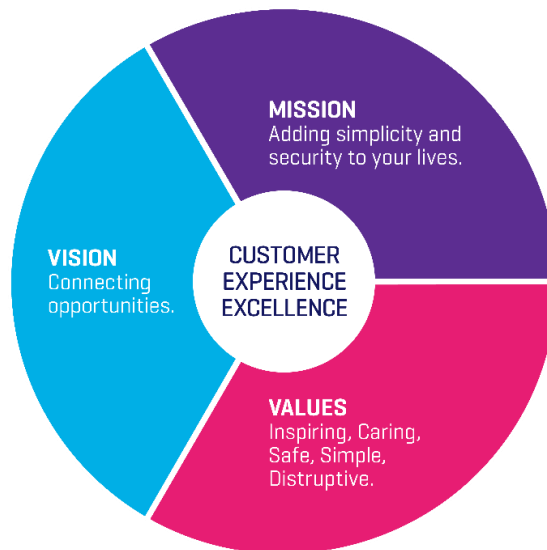
Vesna Prodnik, MSc  
Member of the  
Management Board



Špela Fortin  
Member of the  
Management Board –  
Workers' Director

# 2 STRATEGY OF THE TELEKOM SLOVENIJE GROUP FOR THE PERIOD 2024 TO 2028

## 2.1 Vision, mission, values



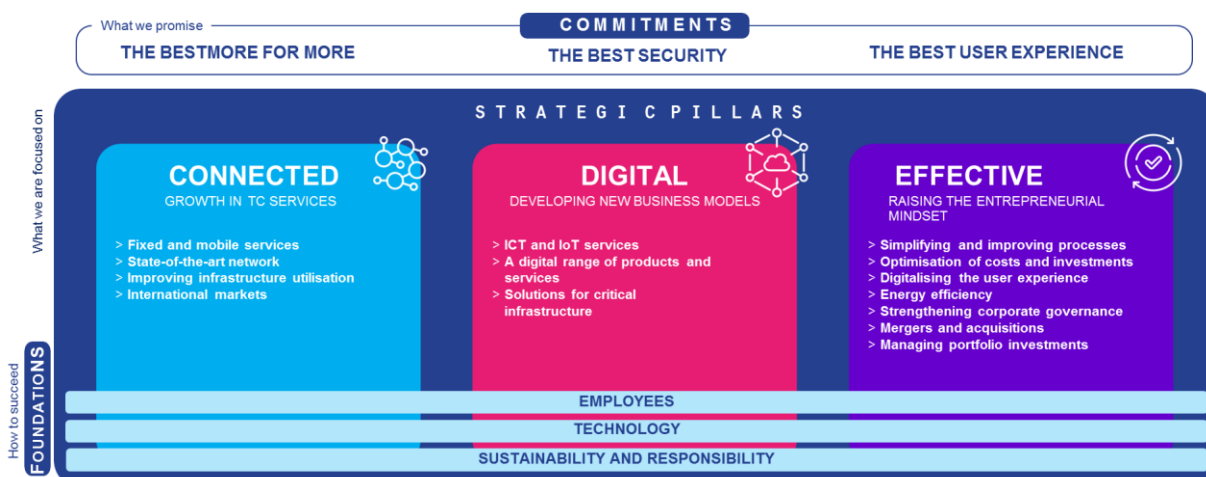
## 2.2 Summary of the Strategic Business Plan

The Strategic Business Plan of the Telekom Slovenije Group for the period 2024–2028 represents the core corporate document. Defined in that document through its mission, vision, values, business model and objectives is the Telekom Slovenije Group’s future development.

That document is based on available data, taking into account regulatory restrictions and trends in the macroeconomic environment of the region in which the Telekom Slovenije Group operates. In drafting the document, we took into account analyses of operations and the market shares of comparable European operators, analyses of the competition, development expectations and trends in the telecommunication sector.

### Connecting opportunities

The future development of the Telekom Slovenije Group is based on the vision ‘Connecting opportunities’. We represent the infrastructure foundation of connected users and devices.





The development of the Telekom Slovenije Group in the coming period will rely on highly qualified employees, the most advanced technologies, and sustainable development and social responsibilities.

The Group's future operations will focus on three strategic pillars:

- We will record additional growth in revenues and market shares on telecommunications markets in Slovenia and abroad. Special emphasis will be given to making better use of the existing infrastructure.
- As a reliable provider of critical infrastructure and the digitalisation of services, we plan the highest growth in the ICT segment and digital services. We will increase the value of services through the inclusion of cyber security solutions.
- We will improve operational efficiency through the continued digitalisation of operations, the reduction of costs and the improved efficiency of investing activities.

### Sustainable development

We include the principles of sustainability in our operations, products, services and content. We ensure the highest coverage through broadband access and advanced digital services. We responsibly accept our role in the adaptation to and mitigation of climate change, in part by reducing our carbon footprint, through energy efficiency and the use of cleaner energy sources. Together with our partners, we are promoting the transformation to a carbon-neutral and digitally connected Slovenia with a comprehensive range of solutions for the further development of smart cities, businesses and communities. Through our activities, we are bridging the digital divide and striving for an inclusive, healthy and safe society.

### Objectives of the Telekom Slovenije Group for 2024

in EUR million	Objectives for 2024
Operating revenues	717.4
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	233.6
Net profit	43.2
Value of investments	235.7

## 3 TELEKOM SLOVENIJE GROUP

### 3.1 Markets and companies of the Telekom Slovenije Group

The Telekom Slovenije Group comprises the controlling company Telekom Slovenije and its subsidiaries. The composition of the Telekom Slovenije Group and participating interests as at 31 March 2024 are presented in the picture below, and in more detail on the website <https://www.telekom.si/en/about-us/telekom-slovenije-group/subsidiaries>.

#### Composition of Telekom Slovenije as at 31 March 2024



There were no changes in the composition of the Telekom Slovenije Group in the period January to March 2024.

Telekom Slovenije is the founder of the Heart Foundation, the aim of which is to help the children of employees of Slovenian Telekom Slovenije Group companies who have lost one or both parents, or who are seriously ill. The foundation's funds are contributed voluntarily by the employees of Slovenian Telekom Slovenije Group companies.

## 3.2 Operating highlights

**The Telekom Slovenije Group achieved the following results in the period January to March 2024:**

- The Telekom Slovenije Group had 5% or 83,991 more retail mobile users as at 31 March 2024 than at the same date last year, and 2% more fixed retail broadband connections. Telekom Slovenije increased the number of fixed retail broadband connections by 7,527 and the number of retail mobile telephony users by 23,922. IPKO increased the number of retail mobile telephony users by 60,069.
- The Telekom Slovenije Group generated EUR 170.4 million in operating revenues in the period January to March 2024, an increase of 4% relative to the same period in 2023.
- Sales revenue totalled EUR 169.1 million, an increase of 4% relative to the same period in 2023. The Group recorded an increase in revenues on account of growth in the number of users and higher sales of IT merchandise and services, while revenues from financial, eHealth and insurance services and revenues on the wholesale market were also higher.
- The Telekom Slovenije Group's operating expenses totalled EUR 152.0 million, an increase of 1% relative to the same period in 2023. Labour costs were higher primarily as the result of a change in the method for the interim calculation of business and work performance costs, with the estimated proportionate annual amount included in the results for the first quarter of 2024. The aforementioned effects were recorded in previous years at the time of payment or in final annual results. We are thus normalising the effects of quarterly reporting.
- Earnings before interest and taxes (EBIT) amounted to EUR 18.3 million at the Telekom Slovenije Group level, an increase of 31% relative to the same period last year.
- Earnings before interest, taxes, depreciation and amortisation (EBITDA) totalled EUR 59.7 million at the Telekom Slovenije Group level, an increase of 10% or EUR 5.5 million relative to the same period in 2023. The EBITDA margin (i.e. EBITDA as a proportion of sales revenue) was 35.3% at the Group level.
- Following the calculation of income tax (including deferred taxes), the Telekom Slovenije Group generated a net profit of EUR 12.1 million, an increase of 48% or EUR 3.9 million relative to the same period in 2023.

### 3.3 Key operating indicators of the Telekom Slovenije Group

Key performance indicators of the Telekom Slovenije Group, in accordance with the financial report:

in EUR thousand and %	Telekom Slovenije Group			Telekom Slovenije		
	I – III 2024 / 31 March 2024	I – III 2023 / 31 December 2023	Index 24/23	I – III 2024 / 31 March 2024	I – III 2023 / 31 December 2023	Index 24/23
Operating revenues	<b>170,370</b>	164,140	<b>104</b>	<b>148,160</b>	143,825	<b>103</b>
EBITDA	<b>59,657</b>	54,182	<b>110</b>	<b>46,137</b>	42,832	<b>108</b>
EBITDA margin = EBITDA / sales revenue	<b>35.3%</b>	33.2%	<b>106</b>	<b>31.3%</b>	29.9%	<b>105</b>
EBIT	<b>18,347</b>	13,973	<b>131</b>	<b>11,667</b>	9,190	<b>127</b>
Return on sales = EBIT / sales revenue (EBIT margin)	<b>10.9%</b>	8.6%	<b>127</b>	<b>7.9%</b>	6.4%	<b>124</b>
Net profit from continuing operations	<b>12,102</b>	8,188	<b>148</b>	<b>7,944</b>	5,144	<b>154</b>
Assets*	<b>1,310,342</b>	1,317,866	<b>99</b>	<b>1,244,089</b>	1,250,315	<b>100</b>
Equity*	<b>629,742</b>	658,638	<b>96</b>	<b>597,188</b>	630,189	<b>95</b>
Equity ratio*	<b>48.1%</b>	50.0%	<b>96</b>	<b>48.0%</b>	50.4%	<b>95</b>
Net financial debt*	<b>408,754</b>	355,737	<b>115</b>	<b>410,028</b>	356,577	<b>115</b>

\* Comparative data as at 31 December 2023.

The Telekom Slovenije Group also uses the Alternative Performance Measures (APMs) defined by the ESMA to present its operating results.

#### Indicators of the sustainable (ESG) operations of the Telekom Slovenije Group

	I – III 2024	I – III 2023	Index 24/23
<b>Environmental indicators</b>			
Electricity consumption (in million kWh)	<b>21.4</b>	20.8	103
Energy intensity (in MWh/EUR million)	<b>126.8</b>	127.3	100
<b>Social indicators</b>			
Number of employees as at 31 March	<b>3,239</b>	3,251	100
Number of employees with a disability as at 31 March	<b>95</b>	96	99
Coverage of the Slovenian population with 5G technology as at 31 March	<b>61.6%</b>	40.4%	152
Coverage of the Slovenian population with 4G technology as at 31 March	<b>97.0%</b>	97.0%	100
<b>Governance indicators</b>			
Proportion of the under-represented gender on Telekom Slovenije's Management Board as at 31 March	<b>40%</b>	40%	100
Personal data protection (number of inspections by supervisory authorities)	<b>0</b>	1	-
Protection of privacy (number of reports of potential breaches of customer's privacy)	<b>24</b>	24	100



## Overview of operations by company and key market

### Operating revenues

in EUR thousand	I – III 2024	I – III 2023	Index 24/23
Telekom Slovenije	148,160	143,825	103
Other companies in Slovenia	18,239	21,560	85
IPKO – Kosovo	21,292	19,100	111
Other companies abroad	992	992	100
Exclusions and adjustments between Group companies	-18,313	-21,337	-
<b>Telekom Slovenije Group</b>	<b>170,370</b>	<b>164,140</b>	<b>104</b>

### Earnings before interest, taxes, depreciation and amortisation (EBITDA)

in EUR thousand	I – III 2024	I – III 2023	Index 24/23
Telekom Slovenije	46,137	42,832	108
Other companies in Slovenia	2,195	1,940	113
IPKO – Kosovo	11,497	10,037	115
Other companies abroad	718	714	101
Exclusions and adjustments between Group companies	-890	-1,341	-
<b>Telekom Slovenije Group</b>	<b>59,657</b>	<b>54,182</b>	<b>110</b>

### Earnings before interest and taxes (EBIT)

in EUR thousand	I – III 2024	I – III 2023	Index 24/23
Telekom Slovenije	11,667	9,190	127
Other companies in Slovenia	467	425	110
IPKO – Kosovo	5,588	4,137	135
Other companies abroad	267	253	106
Exclusions and adjustments between Group companies	358	-32	-
<b>Telekom Slovenije Group</b>	<b>18,347</b>	<b>13,973</b>	<b>131</b>

### Net profit for the period

in EUR thousand	I – III 2024	I – III 2023	Index 24/23
Telekom Slovenije	7,944	5,144	154
Other companies in Slovenia	1,059	201	527
IPKO – Kosovo	4,350	2,657	164
Other companies abroad	165	146	113
Exclusions and adjustments between Group companies	-1,416	40	-
<b>Telekom Slovenije Group</b>	<b>12,102</b>	<b>8,188</b>	<b>148</b>

### Investments

in EUR thousand	I – III 2024	I – III 2023	Index 24/23
Telekom Slovenije	44,922	35,372	127
Other companies in Slovenia	1,430	9,292	15
IPKO – Kosovo*	1,697	7,304	23
Other companies abroad	130	168	77
Exclusions and adjustments between Group companies	-2,418	-5,543	-
<b>Telekom Slovenije Group</b>	<b>45,761</b>	<b>46,593</b>	<b>98</b>

\* IPKO – Kosovo: includes the acquisition in 2023 of the radio frequency spectrum for 2x10 MHz capacities in the 800 MHz frequency band and 1x100 MHz in the 3.6 GHz frequency band. The investment in this regard amounts to EUR 4,921 thousand.

## Employees

Number of employees as at	31 March 2024	31 December 2023	Index 24/23
Telekom Slovenije	2,065	2,083	99
Other companies in Slovenia	685	684	100
IPKO – Kosovo	489	486	101
<b>Telekom Slovenije Group</b>	<b>3,239</b>	<b>3,253</b>	<b>100</b>

## TELEKOM SLOVENIJE GROUP CONNECTIONS AND SERVICES BY TYPE AND MARKET

### Retail mobile users

Number of connections as at	31 March 2024	31 March 2023	Index 24/23
Slovenia	968,216	944,294	103
Kosovo	929,600	869,531	107
<b>Telekom Slovenije Group</b>	<b>1,897,816</b>	<b>1,813,825</b>	<b>105</b>

### Retail broadband connections

Number of connections as at	31 March 2024	31 March 2023	Index 24/23
Slovenia	203,669	196,142	104
Kosovo	96,821	98,232	99
<b>Telekom Slovenije Group</b>	<b>300,490</b>	<b>294,374</b>	<b>102</b>

## 3.4 Ownership structure and share trading

### General information regarding Telekom Slovenije shares as at 31 March 2024

General information regarding shares	
Ticker symbol	TLSG
ISIN code	SI0031104290
Listing	Ljubljana Stock Exchange, prime market
Share capital (EUR)	272,720,664.33
Number of ordinary registered no-par value shares	6,535,478
Number of shares held in treasury	36,836
Number of shareholders as at 31 December 2024	8,236

### Trading in TLSG shares

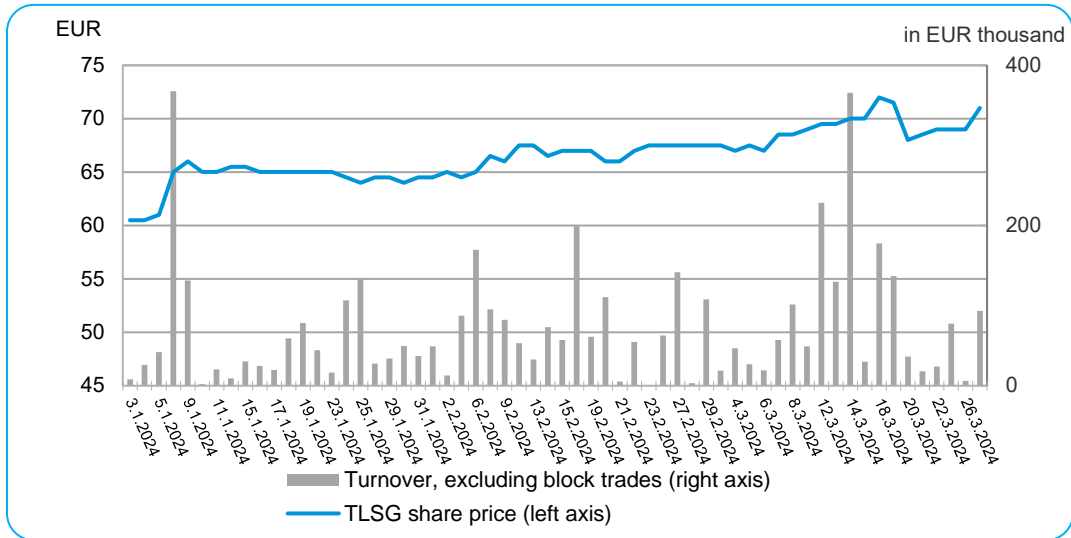
The shares of Telekom Slovenije are listed on the prime securities market of the Ljubljana Stock Exchange under the ticker symbol TLSG. The shares are included in the SBITOP and SBITOP TR share indices, and accounted for 4.69% of those two indices according to the semi-annual review of computational parameters conducted on 14 March 2024. The SBITOP and SBITOP TR are the Slovenian 'blue chip' indices that provide information regarding the movement of the most liquid and largest shares on the Ljubljana Stock Exchange. In contrast to the SBITOP, the SBITOP TR takes into account both market prices and dividends in its calculation. Telekom Slovenije's shares are also included in the ADRIAprime share index, which is a composite index of selected companies listed on the prime markets of the Ljubljana Stock Exchange and Zagreb Stock Exchange. The aforementioned index takes into account both changes in share prices and dividend yield.

The TLSG share price closed at EUR 71.00 on the last trading day of March 2024. The share price rose by 17.36% in the period January–March 2024, while the SBITOP index was up by 16.64% during the same period. Turnover in the Company's shares (excluding block trades) totalled EUR 4.49 million, representing 4.43% of total turnover on the Ljubljana Stock Exchange. The market capitalisation of Telekom Slovenije stood at EUR 464.02 million on the last trading day of March 2024.

### Trading statistics for TLSG shares

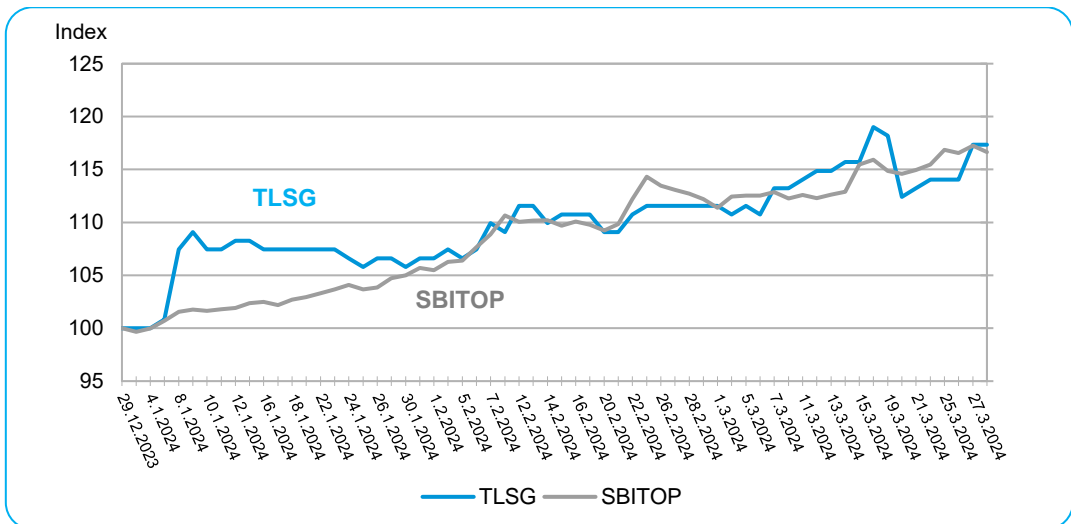
Standard price in EUR	I – III 2024	I – III 2023
Highest daily price	72.00	55.50
Lowest daily price	60.50	47.00
Average daily price	66.61	51.20
Turnover (excluding block trades) in EUR thousand	I – III 2024	I – III 2023
Total volume for the period	4,486.37	2,724.59
Highest daily volume	367.63	485.54
Lowest daily volume	0.74	0.00
Average daily volume	73.55	43.25

### Change in the share price and turnover in TLSG shares



Source: Ljubljana Stock Exchange, archive of data.

### Movement in the TLSG share price compared to the SBITOP (index: 31 December 2023 = 100)



Source: Ljubljana Stock Exchange, archive of data.

## Key financial data relating to TLSG shares

	31 March 2024 / I – III 2024	31 March 2023 / I – III 2023
Closing price of one share on the last trading day of the period in EUR	71.00	52.50
Capital return per share during the period in % <sup>1</sup>	17.36	11.23
<b>Telekom Slovenije</b>		
Book value of one share in EUR <sup>2</sup>	91.38	93.58
P/BV	0.78	0.56
Net earnings per share in EUR <sup>3</sup>	1.22	0.79
<b>Telekom Slovenije Group</b>		
Book value of one share in EUR <sup>4</sup>	96.36	94.87
P/BV	0.74	0.55
Net earnings per share in EUR <sup>5</sup>	1.86	1.26

### Notes:

<sup>1</sup> The capital return per share is calculated as follows: (share price on the final trading day of the period – share price on the final trading day of the previous period) / share price on the final trading day of the previous period.

<sup>2</sup> The book value of one share is calculated as the ratio of the book value of Telekom Slovenije's equity on the last day of the period to the number of issued ordinary shares.

<sup>3</sup> Net earnings per share is calculated as the ratio of Telekom Slovenije's net operating profit for the accounting period to the average number of issued ordinary shares, excluding treasury shares.

<sup>4</sup> The book value of one share is calculated as the ratio of the book value of the Telekom Slovenije Group's equity on the last day of the period to the number of issued ordinary shares.

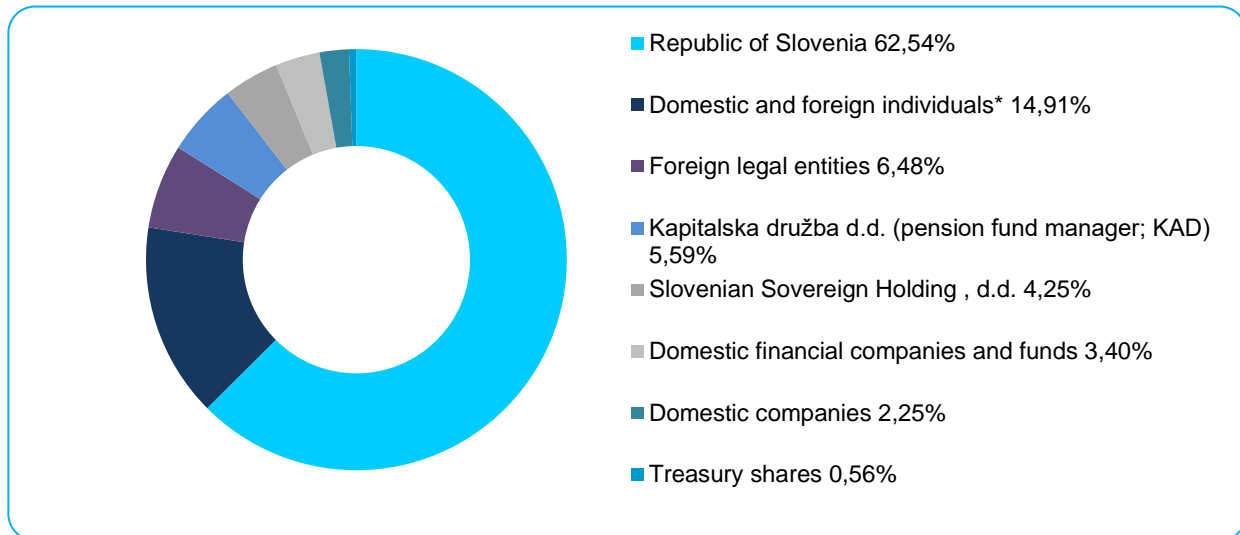
<sup>5</sup> Net earnings per share is calculated as the ratio of the Telekom Slovenije Group's net operating profit for the accounting period to the average number of issued ordinary shares, excluding treasury shares.



## Ownership structure and largest shareholders as at 31 March 2024

Telekom Slovenije had 8,236 shareholders as at 31 March 2024, a decrease of 26 relative to the end of 2023. At 0.38 percentage points, domestic financial corporations and funds recorded the most significant decrease in ownership stake during the first three months of 2024. The ownership stake of foreign legal entities was up by 0.20 percentage points. The ownership stakes of domestic and foreign individuals and domestic companies were up by 0.13 and 0.05 percentage points, respectively.

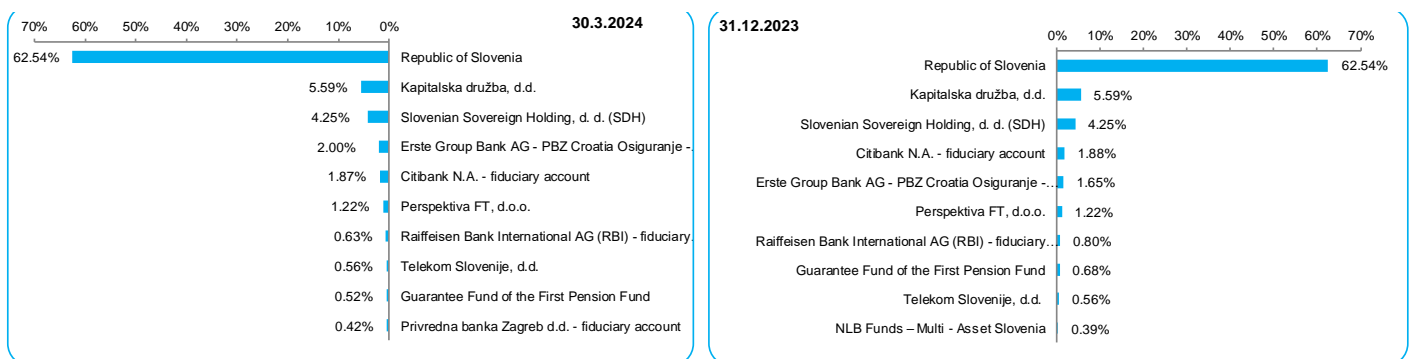
### Ownership structure



\* Individual shareholders include individuals who pursue gainful activities on the market.

### Ten largest shareholders

The concentration of ownership, as measured by the ownership stake held by the ten largest shareholders, stood at 79.60% as at 31 March 2024, an increase of 0.03 percentage points relative to the end of 2023. The composition of the ten largest shareholders changed as a result of the above-described changes.



## Shares held by the Management Board and Supervisory Board of Telekom Slovenije

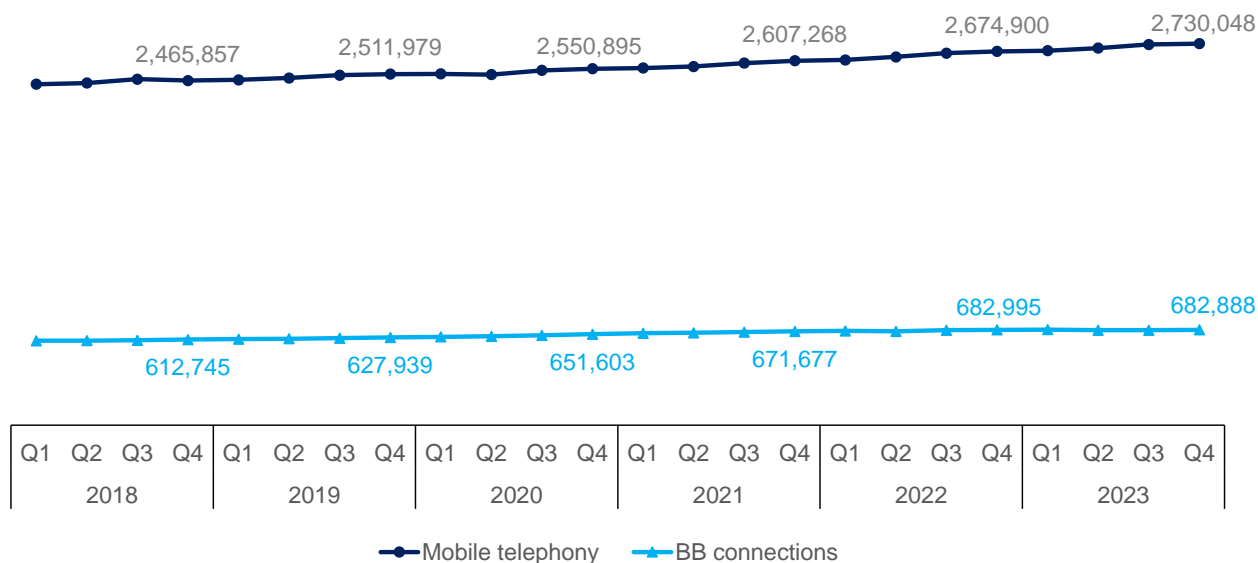
Members of the Management Board and Supervisory Board held 1,178 TLSG shares as at 31 March 2024.

Name	Office	Number of shares	% of equity
<b>Management Board</b>			
Boštjan Škufca Zaveršek	Vice-President of the Management Board	380	0.00581
Vesna Prodnik	Member of the Management Board	400	0.00612
<b>Supervisory Board</b>			
Aleksander Igličar	Member of the Supervisory Board	150	0.00230
Drago Kijevčanin	Vice-President of the Supervisory Board	212	0.00324
Dušan Pišek	Member of the Supervisory Board	36	0.00055
<b>Total Management Board and Supervisory Board</b>		<b>1,178</b>	<b>0.01802</b>

When the Company's shares are traded by its representatives and when reporting on such transactions at Telekom Slovenije, we comply with the applicable legislation and the Rules Restricting Trading in the Shares of Telekom Slovenije.

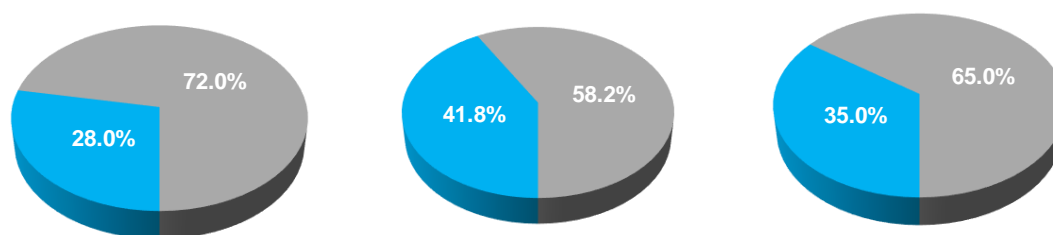
### 3.5 Market and market shares in key service segments

Changes in the number of connections on the electronic communications market in Slovenia



Source: Statistical Office of the Republic of Slovenia, Electronic Communications, fourth quarter of 2023.

Telekom Slovenije's market shares in the fourth quarter of 2023 in key market segments



	Fixed broadband access	IP TV	Mobile telephony
<b>Market share</b>	<b>28.0%</b>	<b>41.8%</b>	<b>35.0%</b>
Annual change (p.p.)	0,5 p.p.	0.6 p.p.	-0.6 p.p.
<b>Connections</b>	<b>201,236</b>	<b>1,697,425</b>	<b>953,441</b>
Annual change	2.4%	2.9%	0.4%

Source: Report on the development of the electronic communications market for the fourth quarter of 2023, AKOS; internal Telekom Slovenije figures.

## 3.6 Management of risks

The material risks at the Telekom Slovenije Group and the measures to manage them are presented below.

### Strategic risks

- We operate on markets subject to stiff competition in terms of pricing, services and the infrastructure, regulatory requirements, and changing customer needs, expectations and price sensitivity. Users demand high-quality and more extensive services at lower prices.
- Managing these risks requires a targeted market approach, constant innovation, the active monitoring of user expectations and market trends, and flexibility in supply. The emphasis is on ensuring the highest quality and the broadest set of competitive services for the most diverse user segments.
- The optimisation and development of the product portfolio are ongoing processes. We follow user needs by updating our mobile and fixed packages, by offering innovations and by enriching programme content. We promote the migration of users to more contemporary packages, and implement activities to maintain subscribers.
- We updated the mobile NEO application based on trends and user habits. Artificial intelligence is already partly integrated into the NEO platform's voice control and recommendation system.
- Artificial intelligence is also used in certain systems in the Cyber Security and Resilience Centre.
- We promote the use of advanced mobile payment options (e.g. VALÚ and VALÚ Moneta).
- Activities are in progress to promote the sale of cyber security, IT support, eCare and telemedicine services, and comprehensive ICT solutions tailored to the needs of business customers. Strategic partnerships for innovative solutions are being formed.
- We are digitalising user processes (digital communications, simple IT architecture and technology).
- To satisfy the needs of business users and the wholesale market, we are introducing a new cloud-based CRM system that will facilitate the most advanced customer relationship management approaches and methods through a high level of integration with back-office systems.
- The wholesale portfolio is being adapted to regulatory obligations and market needs. Additional international redundant connections have been established to increase cyber security.

- We manage risks in connection with securing investment projects and taking on major transactions by searching for new opportunities on the domestic and foreign markets.
- In terms of media, we are searching for new business opportunities, developing new advertising products, and launching new sales campaigns and content-based projects. We are adding new targeted advertising channels and segments.

### Financial risks

- We regularly monitor changes in the financial environment and the financial risks to which we are exposed in our operations.
- Liquidity risk is controlled through the management and planning of cash flows, through the optimisation of working capital, by ensuring that financial debt has appropriate maturities, through the use of liquid assets within the Group, and through short-term credit lines that are regularly rolled over with respect to needs.
- Credit risk management is achieved through credit assessment and the active monitoring of subscribers' transactions, and by setting maximum allowable exposures. We manage the risk of the deteriorating financial position of subscribers through credit insurance and by regularly monitoring the appropriateness thereof. Monitoring of the settlement of contractual obligations and the active recovery of past-due debt are elements of comprehensive credit risk management.
- Interest rate risk is managed by ensuring that financial debt with fixed interest rates and/or hedged interest rates or with variable interest rates is properly structured.

### Regulatory and compliance-related risks

- In our operations, we comply with valid legislation, as well as decisions and aspects of sectoral regulations and other competent bodies. We manage regulatory risks through organisational and procedural measures, through constructive dialogue, by putting forth opinions, comments and suggestions in public consultations regarding drafts of general and specific laws issued by the regulator, and by taking legal action against issued regulatory decisions, whenever that is justified.
- We process extensive collections of personal data relating to users, business partners, employees and other stakeholders. Much of

our attention is therefore dedicated to the security and compliance of data processing, for existing services and for new services alike. Crucial in that regard is the application of general EU regulations and national legislation (GDPR, Personal Data Protection Act, etc.), and sectoral legislation, in particular the Electronic Communications Act (ZEKom-2). Underlying laws have brought stricter regulation and increased the awareness of both users and the general public regarding the protection of data, while sectoral legislation sets out the obligations of the Company in individual areas of operations. We are monitoring activities aimed at the initial application of Regulation (EU) 2023/2854 governing data, which will enter into force in September 2025, and Regulation (EU) 2023/1543 on European Production Orders and European Preservation Orders for electronic evidence, which will enter into force in August 2026. We are also monitoring the drafting of other regulations in the area of personal data processing in Slovenia and the EU, which have not yet entered into force but will affect the provision of services in the future (e.g. the e-privacy regulation, which is being coordinated by EU bodies).

### Operational risks

- A great deal of attention is given to the management of ICT-related operational risks. We manage these risks through the control and development of subsystems, by improving operational efficiency and through employee training, all while supporting new business opportunities.
- We continuously optimise the network and the target architecture, data centres and other technical infrastructure. The fixed and mobile network and systems are the continuous subject of general and technological upgrades. The capacity of equipment is being upgraded and the number of licences increased in line with growth in traffic. Multiple activities are in progress to replace communication equipment in the MPLS backbone network and to upgrade the mobile packet network.
- Modern network technology (Software Defined Access or SDA), which already includes the zero trust principle of cyber security and advanced user identification and authorisation techniques, is being introduced at an accelerated rate in the internal business network.
- In the area of ICT security, the Company continuously develops systems for monitoring technologies and anomalies in the infrastructure and ICT services.
- We ensure business continuity through the regular assessment of the system and the testing of plans, and through upgrades of topology and the capacity of the infrastructure and ICT services, as required. Capacities are upgraded and increased through redundancy in those network segments where increased functional and security-related risks have been identified. Security checks are performed and knowledge and data regarding threats are shared with European telecommunications operators and international cyber incident response teams. In place is a modern Cyber Security and Resilience Centre that functions 24/7. Risks are also managed through the implementation of the security policy, by identifying security threats and vulnerabilities, and by spreading the security culture. Investments are made continuously in the development of the capacities (people, processes and technologies) in order to improve resilience. The network (fixed and mobile) and systems are continuously upgraded and adapted to new threats with the aim of preventing abuse both in the national network and in roaming. We continuously improve ICT processes and mechanisms to ensure the smooth functioning of systems and applications, and modernise and make technological upgrades in line with trends and needs. A search is in progress in Kosovo for a new secondary location to ensure business continuity in the event of a catastrophe (disaster recovery).
- The more rapid implementation of 5G technology by the competition in Kosovo could lead to the loss of the company's leading position on the market. Intensive preparations are in progress for the introduction of 5G technology.
- In Kosovo, IT risks due to the outdated business support system (BSS) architecture, non-standard development and the departure of staff due to the situation on the IT market are managed through the continuation of the BSS transformation programme, the consolidation of processes and additional training.
- We manage risks in Kosovo due to interruptions in data traffic or system failure on the fibre optic cable by migrating from an aerial to an underground infrastructure.
- We also face risks associated with attracting and retaining competent employees and rising labour costs, as it is difficult to recruit and retain staff with specific expertise due to labour market conditions and increased demand for professionally qualified personnel. We manage those risks through employee development, targeted development and training programmes and the internal transfer of knowledge. To that end, we upgrade employee motivation and



remuneration systems, and systematically enhance the employer brand. We manage relationships with external service providers. Due to the possibility of early disability retirements and other employee departures, we regularly implement measures to rejuvenate and maintain the flexibility of the employee structure. We implement numerous activities for young people, cooperate with schools and faculties, and offer company scholarships. We place a great deal of emphasis on the well-being of employees, and on measures in connection with occupational safety and health.

- We manage risks in connection with procurement processes through centralised procurement, a standardised procurement process and a supplier risk assessment methodology. To that end, compliance with contractual provisions is monitored. The Supplier Code of Conduct falls into this category of activities. We ensure regular communication with suppliers, continuously monitor the availability of goods and the timeliness of deliveries, draw up forecasts and order goods in advance, search for alternative suppliers and employ a strategy of two or more suppliers, where this is practical and economically justified. We also explore the possibility of additional suppliers, in particular for critical goods and services.
- We manage the risk of additional investments in Kosovo due to regulatory requirements and the demands of the business environment relating to the shift from an aerial to an underground infrastructure by coordinating with the Kosovo Energy Distribution Services

(KEDS), local communities and other operators.

- In connection with the risk associated with the payment of copyright fees and fees for the transmission of programmes via the cable network, we are working with the competent ministry in Kosovo to appoint an international expert to draft an expert opinion regarding the amount of those fees.
- Unfavourable weather conditions could result in a drop in salt production, which we would compensate for by drawing down inventories.

#### **Risks relating to sustainability aspects of operations**

- We regularly monitor the impacts of the external and internal environments, and assess risks on that basis. Risk management measures primarily relate to further efforts aimed at more efficient energy consumption and the reduction of emissions.
- The digital and green transitions are integrated into the Group's strategy, which is based on the superior quality of the network and the most advanced ICT services and solutions, all of which contributes to the mitigation of climate and environmental changes and the adaptation to the impacts thereof, and also facilitates energy savings.
- We regularly brief stakeholders and provide information regarding activities relating to socially responsible and sustainable conduct.

## 4 CORPORATE GOVERNANCE

### Management Board

Telekom Slovenije's Management Board functioned in the following composition as at 31 March 2024:

- Boštjan Košak, President,
- Boštjan Škufca Zaveršek, MSc, Vice-President,
- Irma Gubanec, MSc, member,
- Vesna Prodnik, MSc, member, and
- Špela Fortin, member and Workers' Director.

President of the Management Board Boštjan Košak began his four-year term of office on 4 October 2022. Irma Gubanec, MSc began her four-year term of office on 12 October 2022. Boštjan Škufca Zaveršek, MSc, who was appointed Vice-President of the Management Board, and Vesna Prodnik, MSc began their four-year terms of office on 14 November 2022. Member of the Management Board and Workers' Director Špela Fortin began her second four-year term of office on 14 September 2023.

### Supervisory Board

Telekom Slovenije's Supervisory Board comprises nine members, six of whom are shareholder representatives and three of whom are employee representatives. The members of the Supervisory Board submitted a statement of compliance with the criteria of independence in accordance with the Corporate Governance Code.

The Supervisory Board comprised the following members as at 31 March 2024:

Shareholder representatives:

- Žiga Debeljak, MSc, President,
- Karla Pinter, MSc, Vice-President,
- Marko Boštjančič, member,
- Alenka Čok Pangeršič, MSc, member,
- Mateja Čuk Orel, MSc, member, and
- Aleksander Igličar, MSc, member.

Employee representatives:

- Drago Kijevčanin, Vice-President,
- Dušan Pišek, member, and
- Rok Pleteršek, member.

Members of the Supervisory Board are elected for a term of four years.

The composition of the Supervisory Board is diverse, as its members complement each other in terms of their expertise, competences, experience, age, gender, work method and other aspects. This facilitates the effective exchange of opinions and views at sessions.

For more information, visit <https://www.telekom.si/en/about-us/company>.

## SLOVENIA

### **GVO, d.o.o.**

Managing Director: Dr Zef Vučaj

Supervisory Board: Vesna Prodnik, MSc (President), Peter Anžin and Helena Jakič

### **Infratel, d.o.o.**

Managing Director: Dr Zef Vučaj

### **Optic-Tel, d.o.o.**

Managing Director: Dr Zef Vučaj

### **Avtenta, d.o.o.**

Managing Director: Matija Nendl

### **TSmedia, d.o.o.**

Managing Director: Igor Gajster

### **Soline, d.o.o.**

Managing Director: Klavdij Godnič

### **TSinpo, d.o.o.**

Managing Director: Vesna Lednik

## OTHER COUNTRIES

### **IPKO Telecommunications LLC, Kosovo**

CEO: András Páli

### **SIOL, d.o.o. Zagreb, Croatia**

Managing Director: Simon Furlan, MSc

### **SIOL, d.o.o. Podgorica, Montenegro**

Managing Director: Simon Furlan, MSc

### **SIOL, d.o.o. Sarajevo, Bosnia and Herzegovina**

Managing Director: Simon Furlan, MSc

### **SIOL, DOOEL Skopje, North Macedonia**

Managing Director: Simon Furlan, MSc

### **SIOL DOO BELGRADE, Serbia**

Managing Director: Simon Furlan, MSc

### **SIOL Prishtina LLC, Kosovo**

Managing Director: Simon Furlan, MSc

## 5 SIGNIFICANT EVENTS IN THE PERIOD JANUARY TO MARCH 2024

### FIRST QUARTER OF 2024

#### JANUARY

- GVO is celebrating 20 years of operations this year.
- On 23 January, the Court of Audit of the Republic of Slovenia published the audit report 'Efficiency of the operations of Telekom Slovenije, d.d.' in the period 1 January 2019 to 31 October 2022. Telekom Slovenije cooperated constructively with the Court of Audit throughout the entire audit procedure, and took an active approach to the rectification of deficiencies. As a result, the audit report did not impose measures on the Company or require the submission of a response report.
- **ESG:** For the third year in a row, Telekom Slovenije received the international Top Employer certificate, which is received by companies that implement excellent HR practices.

#### FEBRUARY

- On 2 February, the Ljubljana District Court sent Telekom Slovenije the preliminary filing of the plaintiff in connection with the lawsuit filed by T-2, according to which the latter proposes an increase in its claim in the amount of EUR 59 million. On 2 March 2021, Telekom Slovenije received a lawsuit for the payment of ordinary damages in the amount of EUR 12,195,656.00, payment for lost profit in the amount of EUR 35,760,909.00 and the non-existence of claims in the amount of EUR 1,778,033.00, together with appertaining amounts. The aforementioned claim represents damages that the plaintiff allegedly incurred in the period 1 September 2018 to 31 July 2020.
- On 28 February, the Ljubljana District Court sent Telekom Slovenije a lawsuit filed by T-2, demanding, *inter alia*, that the court find that Telekom Slovenije does not have the right to request the submission of collateral in accordance with contracts concluded on the basis of sample offers for local access at a fixed location (WLA) and central access at a fixed location (WCA). The Company responded to that lawsuit by the prescribed deadline.
- The 37th General Meeting of Shareholders of Telekom Slovenije was held on 7 February 2024. Shareholders supported the proposal that distributable profit from 2022 in the amount of

EUR 40,291,580.40 be earmarked for the payment of dividends, i.e. EUR 6.20 gross per share.

- With the aim of mitigating interest rate risk, Telekom Slovenije entered into an interest rate swap (IRS) for 75% of the principal amount of a long-term loan drawn down at the end of 2023. As a result, the proportion of the total financial liabilities of the Group and Company accounted for by loans bearing a fixed or hedged interest rate rose to 51.9%.
- TSmedia redesigned the Siol.net portal.

#### MARCH

- On 12 March 2024, Telekom Slovenije received a ruling from the Administrative Court of the Republic of Slovenia in the administrative matter involving the Competition Protection Agency (CPA) with respect to the reversal of the decision of 2 February 2015. In the decision under review, the Administrative Court upheld Telekom Slovenije's claim in full, and also reversed the CPA's decision in the remaining part regarding the alleged abuse of a dominant position on the inter-operator broadband access market with bit-streaming and on the inter-operator market for access to the fixed network infrastructure in the Republic of Slovenia. The matter was returned for a new hearing before the CPA.
- On 1 March, Telekom Slovenije doubled speeds in mobile subscriber packages and thus facilitated a fast internet with gigabit speeds (download speeds of up to 1 Gbit/s and upload speeds of up to 200 Mbit/s).
- **ESG:** Avtenta received the Top Cloud Performer award for best SAP cloud solution partner for 2023, as well as the Platinum Credit Excellence award, which is given to companies that retain the highest credit rating (Gold AAA) for three years in a row. Avtenta met those criteria in 2021, 2022 and 2023.
- **ESG:** Soline added a salt shower body bar to its range of natural products.

## 6 SIGNIFICANT EVENTS AFTER THE REPORTING DATE

### SECOND QUARTER OF 2024

#### APRIL

- Telekom Slovenije published a change to its financial calendar for 2024. That change relates to the date of the 38th General Meeting of Shareholders, which will be held on 17 June 2024, and to the date of publication of the resolutions of the 38th General Meeting of Shareholders, which will be 18 June 2024.
- Telekom Slovenije published the audited annual report of the Telekom Slovenije Group and Telekom Slovenije, d.d. for 2023.
- Together with the Supervisory Board, the Company's Management Board prepared a proposal on the use of distributable profit for 2023. The distributable profit of Telekom Slovenije was EUR 66,507,561.11 as at 31 December 2023. On 7 February 2024, the General Meeting of Shareholders adopted a resolution that distributable profit for 2022 in the amount of EUR 40,291,580.40, comprising retained earnings up to and including 2022, be used for the payment of dividends. The General Meeting of Shareholders, to be held on 17 June 2024, will receive a proposal to allocate remaining distributable profit in the amount of EUR 26,215,980.71 as follows: EUR 23,863,902.71, representing net profit for 2023, shall be allocated to other profit reserves, while the remainder shall remain unallocated. The reason for such a proposal lies in the fact that the Company benefited from the state aid granted with the aim of alleviating high electricity prices in accordance with the Act on Aid to the Economy to Mitigate the Impact of the Energy Crisis (ZPGOPEK). According to that act, companies that pay profits for 2023 are not entitled to the aforementioned aid. Such a payment would make Telekom Slovenije liable for the repayment of aid in the amount of EUR 3.57 million.



# 7 CONDENSED INTERIM ACCOUNTING REPORT OF THE TELEKOM SLOVENIJE GROUP AND TELEKOM SLOVENIJE, D.D. FOR THE PERIOD JANUARY TO MARCH 2024

The condensed financial statements of the Telekom Slovenije Group and the condensed financial statements of the controlling company Telekom Slovenije, d.d. for the reported period and the comparable period last year were compiled in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and in accordance with the requirements of the Companies Act (ZGD).

The condensed financial statements for the period ending 31 March 2024 were compiled in accordance with IAS 34 Interim Financial Reporting, and must be read together with the financial statements and disclosures compiled for the 2023 financial year. The financial statements for the period January–March 2024 and the comparable period January–March 2023 are unaudited, while the financial statements for the comparable period ending 31 December 2023 are audited. The financial statements of the Group and Company were compiled under the assumption that both are going concerns. Operations are not seasonal.

## Changes in accounting policies

The accounting policies used in the compilation of the interim condensed financial statements are the same as those applied in the compilation of the financial statements for the financial year ending 31 December 2023.

## Use of significant estimates and judgements

The compilation of the financial statements requires of management certain estimates, assessments and assumptions that affect the carrying amount of assets and liabilities, the disclosure of contingent liabilities as at the statement of financial position date and the amount of revenues and expenses in the period ending on the statement of financial position date. Future events and their impact cannot be determined with certainty. Accounting assessments therefore apply a judgement subject to change taking into account new events, experiences and additional information, and as the result of changes in the business environment. Actual values may vary from estimates. Estimates and assumptions are reviewed on a regular basis. Revisions to accounting estimates are recognised in the period in which estimates are revised, and in all future years affected by such revisions.

## Functional and presentation currency

The reporting currency of the Telekom Slovenije Group is the euro, which is also the functional and presentation currency of the controlling company Telekom Slovenije. All financial information is presented in thousands of euros, unless otherwise stated.

## 7.1 Condensed interim financial statements of the Telekom Slovenije Group and Telekom Slovenije, d.d.

### Unaudited consolidated and separate statement of profit or loss for the period ending 31 March 2024

in EUR thousand	I – III 2024	I – III 2023	I – III 2024	I – III 2023
Sales revenue	169,068	163,216	147,390	143,482
Other operating income	1,302	924	770	343
Cost of goods sold	-21,833	-22,271	-22,488	-23,258
Costs of materials and energy	-5,626	-9,649	-4,401	-7,854
Cost of services	-49,531	-48,672	-46,781	-45,466
Labour costs	-31,530	-27,397	-26,090	-22,513
Depreciation and amortisation	-41,310	-40,209	-34,470	-33,642
Other operating expenses	-2,193	-1,969	-2,263	-1,902
<b>Total operating expenses</b>	<b>-152,023</b>	<b>-150,167</b>	<b>-136,493</b>	<b>-134,635</b>
<b>Earnings before interest and taxes</b>	<b>18,347</b>	<b>13,973</b>	<b>11,667</b>	<b>9,190</b>
Finance income	636	152	2,343	1,168
Finance expenses	-4,218	-4,135	-3,976	-3,931
<b>Profit before tax</b>	<b>14,765</b>	<b>9,990</b>	<b>10,034</b>	<b>6,427</b>
Corporate income tax	-1,573	-1,058	-992	-547
Deferred taxes	-1,090	-744	-1,098	-736
<b>Net profit for the period</b>	<b>12,102</b>	<b>8,188</b>	<b>7,944</b>	<b>5,144</b>
Earnings per share				
Basic earnings per share in EUR	1.86	1.26	1.22	0.79
Diluted earnings per share in EUR	1.86	1.26	1.22	0.79

\* The finance income of Telekom Slovenije include interest on loans to subsidiaries.

**Unaudited consolidated and separate statement of other comprehensive income for the period ending 31 March 2024**

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I – III 2024	I – III 2023	I – III 2024	I – III 2023
<b>Net profit for the period</b>	<b>12,102</b>	<b>8,188</b>	<b>7,944</b>	<b>5,144</b>
<i>Other comprehensive income that may be subsequently reclassified to the statement of profit or loss</i>	<i>-711</i>	<i>-11</i>	<i>-713</i>	<i>-15</i>
Translation reserves	1	3	0	0
Effective part of change in the fair value of hedging instrument	-913	-19	-913	-20
Deferred tax	201	5	200	5
<i>Other comprehensive income that may not be subsequently reclassified to the statement of profit or loss</i>	<i>59</i>	<i>274</i>	<i>59</i>	<i>275</i>
Change in the fair value of financial assets through other comprehensive income	76	338	76	339
Deferred tax	-17	-64	-17	-64
<b>Other comprehensive income for the period after tax</b>	<b>-652</b>	<b>263</b>	<b>-654</b>	<b>260</b>
<b>Total comprehensive income for the period</b>	<b>11,450</b>	<b>8,451</b>	<b>7,290</b>	<b>5,404</b>

## Unaudited consolidated and separate statement of financial position as at 31 March 2024

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
<b>ASSETS</b>				
Intangible assets	205,068	203,754	166,883	162,379
Property, plant and equipment	680,326	686,497	602,471	607,716
Right-of-use assets	88,088	79,205	96,092	85,356
Investments in subsidiaries	0	0	36,920	36,920
Other investments	2,548	2,472	19,008	22,014
Contract assets	4,713	4,179	4,281	3,749
Other receivables	18,950	19,685	18,948	19,684
Deferred costs	2,749	2,714	2,794	2,787
Investment property	3,269	3,296	3,269	3,296
Deferred tax assets	41,343	42,203	40,934	41,848
<b>Total non-current assets</b>	<b>1,047,054</b>	<b>1,044,005</b>	<b>991,600</b>	<b>985,749</b>
Assets held for sale	588	588	588	588
Inventories	26,627	24,802	23,117	21,176
Trade and other receivables	167,063	170,123	157,283	161,091
Receivables for corporate income tax	813	932	180	442
Contract assets	17,939	14,148	17,723	14,036
Deferred costs	13,941	6,743	9,922	4,855
Investments	1,006	1,046	18,192	18,002
Cash and cash equivalents	35,311	55,479	25,484	44,376
<b>Total current assets</b>	<b>263,288</b>	<b>273,861</b>	<b>252,489</b>	<b>264,566</b>
<b>Total assets</b>	<b>1,310,342</b>	<b>1,317,866</b>	<b>1,244,089</b>	<b>1,250,315</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital	272,721	272,721	272,721	272,721
Share premium	181,489	181,489	180,956	180,956
Profit reserves	106,479	106,479	104,978	104,978
<i>Legal reserves</i>	51,612	51,612	50,434	50,434
<i>Reserves for treasury shares and interests</i>	4,065	4,065	4,065	4,065
<i>Treasury shares and interests</i>	-4,065	-4,065	-4,065	-4,065
<i>Statutory reserves</i>	54,854	54,854	54,544	54,544
<i>Other profit reserves</i>	13	13	0	0
Retained earnings	68,397	96,640	38,144	70,492
<i>Retained earnings from previous periods</i>	56,295	49,575	30,200	46,628
<i>Profit or loss for the period</i>	12,102	47,065	7,944	23,864
Fair value reserves	-825	-172	-825	-172
Reserves for actuarial gains/losses	1,429	1,429	1,214	1,214
Translation reserves	52	52	0	0
<b>Total equity</b>	<b>629,742</b>	<b>658,638</b>	<b>597,188</b>	<b>630,189</b>
Contract liabilities	19,094	19,730	18,587	19,237
Provisions	25,039	24,711	21,465	21,139
Other operating liabilities	21,651	23,336	21,384	17,316
Accrued liabilities	8,899	8,916	418	426
Loans and borrowings	306,610	306,578	306,610	306,578
Lease liabilities	73,181	65,216	80,427	70,267
Other financial liabilities	913	0	913	0
Deferred tax liabilities	304	304	0	0
<b>Total non-current liabilities</b>	<b>455,691</b>	<b>448,791</b>	<b>449,804</b>	<b>434,963</b>
Trade payables	100,205	123,746	82,305	108,222
Income tax payable	183	7	108	0
Loans and borrowings	33,804	30,598	33,804	30,598
Lease liabilities	10,393	9,868	11,804	11,512
Other financial liabilities	20,170	2	20,146	0
Contract liabilities	11,431	11,907	5,476	5,779
Accrued liabilities	48,723	34,309	43,454	29,052
<b>Total current liabilities</b>	<b>224,909</b>	<b>210,437</b>	<b>197,097</b>	<b>185,163</b>
<b>Total liabilities</b>	<b>680,600</b>	<b>659,228</b>	<b>646,901</b>	<b>620,126</b>
<b>Total equity and liabilities</b>	<b>1,310,342</b>	<b>1,317,866</b>	<b>1,244,089</b>	<b>1,250,315</b>

## Unaudited consolidated statement of changes in equity of the Telekom Slovenije Group for the period ending 31 March 2024

in EUR thousand	Share capital	Share premium	Profit reserves					Retained earnings		Fair value reserve for financial instruments	Fair value reserve for hedging instruments in net amount	Reserves for actuarial deficits and surpluses	Translation reserves	Total
			Legal reserves	Treasury share reserves	Treasury shares	Statutory reserves	Other profit reserves	Retained earnings from previous years	Profit or loss for the period					
Balance as at 1 January 2024	272,721	181,489	51,612	4,065	-4,065	54,854	13	49,575	47,065	-172	0	1,429	52	658,638
Net profit or loss for the period	0	0	0	0	0	0	0	0	12,102	0	0	0	0	12,102
Other comprehensive income for the period	0	0	0	0	0	0	0	0	0	59	-712	0	0	-653
Total comprehensive income for the period	0	0	0	0	0	0	0	0	12,102	59	-712	0	0	11,449
Dividends paid	0	0	0	0	0	0	0	-40,292	0	0	0	0	0	-40,292
Transactions with owners	0	0	0	0	0	0	0	-40,292	0	0	0	0	0	-40,292
Transfer of profit or loss from the previous year to retained earnings	0	0	0	0	0	0	0	47,065	-47,065	0	0	0	0	0
Changes in equity	0	0	0	0	0	0	0	47,065	-47,065	0	0	0	0	0
Other	0	0	0	0	0	0	0	-53	0	0	0	0	0	-53
Balance as at 31 March 2024	272,721	181,489	51,612	4,065	-4,065	54,854	13	56,295	12,102	-113	-712	1,429	52	629,742

## Unaudited consolidated statement of changes in equity of the Telekom Slovenije Group for the period ending 31 March 2023

in EUR thousand	Share capital	Share premium	Profit reserves					Retained earnings		Fair value reserve for financial instruments	Fair value reserve for hedging instruments in net amount	Reserves for actuarial deficits and surpluses	Translation reserves	Total
			Legal reserves	Treasury share reserves	Treasury shares	Statutory reserves	Other profit reserves	Retained earnings from previous years	Profit or loss for the period					
Balance as at 1 January 2023	272,721	181,489	51,612	4,065	-4,065	54,854	13	12,497	37,506	-202	14	1,155	18	611,677
Net profit or loss for the period	0	0	0	0	0	0	0	0	8,188	0	0	0	0	8,188
Other comprehensive income for the period	0	0	0	0	0	0	0	0	0	274	-14	0	3	263
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,188</b>	<b>274</b>	<b>-14</b>	<b>0</b>	<b>3</b>	<b>8,451</b>
Transfer of profit or loss from the previous year to retained earnings	0	0	0	0	0	0	0	37,506	-37,506	0	0	0	0	0
Changes in the composition of the Group	0	0	0	0	0	0	0	-34	0	0	0	0	34	0
<b>Changes in equity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>37,472</b>	<b>-37,506</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34</b>	<b>0</b>
Other	0	0	0	0	0	0	0	-97	0	0	0	0	0	-97
<b>Balance as at 31 March 2023</b>	<b>272,721</b>	<b>181,489</b>	<b>51,612</b>	<b>4,065</b>	<b>-4,065</b>	<b>54,854</b>	<b>13</b>	<b>49,872</b>	<b>8,188</b>	<b>72</b>	<b>0</b>	<b>1,155</b>	<b>55</b>	<b>620,031</b>

## Unaudited statement of changes in equity of Telekom Slovenije for the period ending 31 March 2024

in EUR thousand	Share capital	Share premium	Profit reserves					Retained earnings		Fair value reserve for financial instruments	Fair value reserve for hedging instruments in net amount	Reserves for actuarial deficits and surpluses	Total
			Legal reserves	Treasury share reserves	Treasury shares	Statutory reserves	Other profit reserves	Retained earnings from previous years	Profit or loss for the period				
Balance as at 1 January 2024	272,721	180,956	50,434	4,065	-4,065	54,544	0	46,628	23,864	-171	-1	1,214	630,189
Net profit or loss for the period	0	0	0	0	0	0	0	0	7,944	0	0	0	7,944
Other comprehensive income for the period	0	0	0	0	0	0	0	0	0	60	-713	0	-653
Total comprehensive income for the period	0	0	0	0	0	0	0	0	7,944	60	-713	0	7,291
Dividends paid	0	0	0	0	0	0	0	-40,292	0	0	0	0	-40,292
Transactions with owners	0	0	0	0	0	0	0	-40,292	0	0	0	0	-40,292
Transfer of profit or loss from the previous year to retained earnings	0	0	0	0	0	0	0	23,864	-23,864	0	0	0	0
Changes in equity	0	0	0	0	0	0	0	23,864	-23,864	0	0	0	0
Balance as at 31 March 2024	272,721	180,956	50,434	4,065	-4,065	54,544	0	30,200	7,944	-111	-714	1,214	597,188



### Unaudited statement of changes in equity of Telekom Slovenije for the period ending 31 March 2023

in EUR thousand	Share capital	Share premium	Profit reserves					Retained earnings		Fair value reserve for financial instruments	Fair value reserve for hedging instruments in net amount	Reserves for actuarial deficits and surpluses	Total
			Legal reserves	Treasury share reserves	Treasury shares	Statutory reserves	Other profit reserves	Retained earnings from previous years	Profit or loss for the period				
Balance as at 1 January 2023	272,721	180,956	50,434	4,065	-4,065	54,544	0	26,076	20,793	-203	15	897	606,233
Net profit or loss for the period	0	0	0	0	0	0	0	0	5,144	0	0	0	5,144
Other comprehensive income for the period	0	0	0	0	0	0	0	0	0	275	-15	0	260
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,144</b>	<b>275</b>	<b>-15</b>	<b>0</b>	<b>5,404</b>
Transfer of profit or loss from the previous year to retained earnings	0	0	0	0	0	0	0	20,793	-20,793	0	0	0	0
<b>Changes in equity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,793</b>	<b>-20,793</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other	0	0	0	0	0	0	0	1	0	0	0	0	1
<b>Balance as at 31 March 2023</b>	<b>272,721</b>	<b>180,956</b>	<b>50,434</b>	<b>4,065</b>	<b>-4,065</b>	<b>54,544</b>	<b>0</b>	<b>46,870</b>	<b>5,144</b>	<b>72</b>	<b>0</b>	<b>897</b>	<b>611,638</b>

Unaudited consolidated and separate cash flow statement for the period ending 31 March 2024

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I – III 2024	I – III 2023	I – III 2024	I – III 2023
<b>Cash flows from operating activities</b>				
<b>Net profit for the period</b>	<b>12,102</b>	<b>8,188</b>	<b>7,944</b>	<b>5,144</b>
<b>Adjustments for:</b>				
Depreciation and amortisation	41,310	40,209	34,470	33,642
Impairment and write-offs of property, plant and equipment and intangible assets	33	82	0	0
Gain/loss on disposal of property, plant and equipment	-208	-82	-206	106
Impairment and write-offs of inventories	232	167	233	167
Net impairment of receivables and contract assets	1,193	1,141	1,100	905
Adjustment for provisions	-7	-6	0	0
Finance income	-636	-152	-2,344	-1,168
Finance expenses	4,218	4,135	3,976	3,931
Income tax expense with deferred taxes	2,663	1,802	2,090	1,284
<b>Cash flows from operating activities prior to changes in working capital and provisions</b>	<b>60,900</b>	<b>55,484</b>	<b>47,263</b>	<b>44,011</b>
Change in inventories	-1,773	-5,712	-1,889	-5,121
Change in trade and other receivables	2,946	1,775	3,202	3,587
Change in accrued and deferred asset items and contract assets	-11,783	-9,939	-8,558	-8,281
Change in provisions	335	328	326	296
Change in trade and other payables	-26,174	-11,072	-22,050	-11,622
Change in accrued and deferred liability items and contract liabilities	13,285	12,324	13,442	10,509
Income tax paid	-833	-1,095	-597	-888
<b>Net cash from operating activities</b>	<b>36,903</b>	<b>42,093</b>	<b>31,139</b>	<b>32,491</b>
<b>Cash flows from investing activities</b>				
<b>Proceeds from investing activities</b>	<b>683</b>	<b>305</b>	<b>5,320</b>	<b>5,535</b>
Proceeds from sale of property, plant and equipment	419	269	419	58
Dividends received	0	0	939	0
Proceeds from interest	226	0	777	930
Proceeds from repayment of loans and deposits	38	36	3,185	4,547
<b>Disbursements from investing activities</b>	<b>-33,690</b>	<b>-41,586</b>	<b>-31,414</b>	<b>-32,950</b>
Disbursements for property, plant and equipment	-14,458	-17,207	-12,060	-12,759
Disbursements for intangible assets	-19,232	-24,379	-19,024	-19,381
Disbursements for loans and deposits issued	0	0	-330	-810
<b>Net cash from investing activities</b>	<b>-33,007</b>	<b>-41,281</b>	<b>-26,094</b>	<b>-27,415</b>
<b>Cash flows from financing activities</b>				
<b>Proceeds from financing activities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Disbursements from financing activities</b>	<b>-24,065</b>	<b>-11,886</b>	<b>-23,938</b>	<b>-11,645</b>
Repayment of lease liabilities – principal	-3,088	-3,222	-3,040	-2,973
Repayment of non-current borrowings	0	-7,692	0	-7,692
Disbursements for interest	-831	-972	-752	-980
Dividends paid	-20,146	0	-20,146	0
<b>Net cash from financing activities</b>	<b>-24,065</b>	<b>-11,886</b>	<b>-23,938</b>	<b>-11,645</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>-20,169</b>	<b>-11,074</b>	<b>-18,893</b>	<b>-6,569</b>
<b>Opening balance of cash and cash equivalents</b>	<b>55,479</b>	<b>37,382</b>	<b>44,376</b>	<b>19,573</b>
Effect of exchange rate changes on cash and cash equivalents	1	45	1	45
<b>Closing balance of cash and cash equivalents</b>	<b>35,311</b>	<b>26,353</b>	<b>25,484</b>	<b>13,049</b>

## 7.2 Notes to the interim financial statements of the Telekom Slovenije Group and Telekom Slovenije

### Telekom Slovenije Group

The Telekom Slovenije Group comprised the controlling company Telekom Slovenije and the following subsidiaries as at the reporting date (31 March 2024):

Company	Country	31 March 2024
Telekom Slovenije, d.d.	Slovenia	100%
GVO, d.o.o.	Slovenia	100%
TSmedia, d.o.o.	Slovenia	100%
Avtenta, d.o.o.	Slovenia	100%
Soline, d.o.o.	Slovenia	100%
TSinpo, d.o.o.	Slovenia	100%
Optic-Tel, d.o.o.	Slovenia	100%
Infratel, d.o.o.	Slovenia	100%
IPKO Telecommunications LLC	Kosovo	100%
SIOL, d.o.o., Zagreb	Croatia	100%
SIOL, d.o.o., Sarajevo	Bosnia and Herzegovina	100%
SIOL, d.o.o., Podgorica	Montenegro	100%
SIOL, DOOEL Skopje	North Macedonia	100%
SIOL DOO Beograd	Serbia	100%
Heart Foundation	Slovenia	100%
SIOL Prishtina LLC	Kosovo	100%

### Segment reporting

Segment reporting is based on the internal reporting system used by management in the management of operations. The criterion for segment reporting is the registered office where an activity is performed. The Telekom Slovenije Group thus presents its operations in the following two segments:

**Slovenia:** this segment includes all Group companies registered in Slovenia, and primarily activities in the areas of fixed and mobile telephony services, the construction and maintenance of the telecommunications network, multimedia and internet services, and content and digital TV. The segment comprises the following companies: Telekom Slovenije, GVO, Avtenta, TSmedia, TSinpo, Optic-Tel, Infratel and Soline, as well as the Heart Foundation, which organises and collects donations, grants and other monetary and non-monetary contributions to achieve the foundation's charitable mission.

**Other countries:** this segment comprises other Group companies, including IPKO, SIOL Zagreb, SIOL Sarajevo, SIOL Podgorica, SIOL Skopje, SIOL Belgrade and SIOL Prishtina. This segment's main activity is the provision of telecommunication services.

Inter-segment sales were executed according to market terms. Intra-group transactions are eliminated in the consolidation process, and included in eliminations and adjustments.

The Group does not disclose finance income and expenses by segment, as the Group's financing is centralised at the level of the controlling company. Disclosures regarding revenues generated with external customers are described by type in the note 'Revenue'.

## Segment reporting

in EUR thousand	Slovenia		Other countries		Eliminations and adjustments*		Total	
	I – III 2024	I – III 2023	I – III 2024	I – III 2023	I – III 2024	I – III 2023	I – III 2024	I – III 2023
Sales revenue	149,064	145,301	20,004	17,915	0	0	169,068	163,216
Inter-segment sales	16,142	19,252	2,164	2,082	-18,306	-21,334	0	0
<b>Total segment revenue</b>	<b>165,206</b>	<b>164,553</b>	<b>22,168</b>	<b>19,997</b>	<b>-18,306</b>	<b>-21,334</b>	<b>169,068</b>	<b>163,216</b>
<b>Other operating income</b>	<b>1,190</b>	<b>833</b>	<b>112</b>	<b>91</b>	<b>0</b>	<b>0</b>	<b>1,302</b>	<b>924</b>
<b>Total operating expenses</b>	<b>-137,036</b>	<b>-135,904</b>	<b>-14,987</b>	<b>-14,263</b>	<b>0</b>	<b>0</b>	<b>-152,023</b>	<b>-150,167</b>
<b>Operating profit per segment</b>	<b>29,360</b>	<b>29,482</b>	<b>7,293</b>	<b>5,825</b>	<b>-18,306</b>	<b>-21,334</b>	<b>18,347</b>	<b>13,973</b>
Finance income	0	0	0	0	0	0	636	152
Finance expenses	0	0	0	0	0	0	-4,218	-4,135
<b>Profit before tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,765</b>	<b>9,990</b>
Corporate income tax	0	0	0	0	0	0	-1,573	-1,058
Deferred taxes	0	0	0	0	0	0	-1,090	-744
<b>Net profit for the period</b>							<b>12,102</b>	<b>8,188</b>

Other data by segment	Slovenia		Other countries		Eliminations and adjustments*		Total	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023	31 March 2024	31 December 2023	31 March 2024	31 December 2023
Segment assets	1,340,910	1,350,732	133,466	135,536	-164,034	-168,402	1,310,342	1,317,866
Segment liabilities	699,628	675,667	69,092	75,429	-88,120	-91,868	680,600	659,228

\* Inter-company amounts are excluded from the consolidated financial statements.

## Sales revenue by segment

in EUR thousand	Slovenia		Other countries		Total	
	I – III 2024	I – III 2023	I – III 2024	I – III 2023	I – III 2024	I – III 2023
Mobile services on end-user market	51,601	52,392	13,082	11,270	64,683	63,662
Fixed-line telephone services on end-user market	48,792	46,622	5,268	5,104	54,060	51,726
Additional services	1,404	1,244	0	0	1,404	1,244
Wholesale market	40,341	37,499	1,654	1,541	41,995	39,040
Other revenues and merchandise	6,926	7,544	0	0	6,926	7,544
<b>Total revenues</b>	<b>149,064</b>	<b>145,301</b>	<b>20,004</b>	<b>17,915</b>	<b>169,068</b>	<b>163,216</b>

## Sales revenues

### Breakdown of revenue by service category

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I – III 2024	I – III 2023	I – III 2024	I – III 2023
Mobile services on end-user market	64,683	63,662	51,644	52,442
Fixed-line telephone services on end-user market	54,060	51,726	48,224	46,216
Additional services	1,404	1,244	1,430	1,257
Wholesale market	41,995	39,040	40,740	38,063
Other revenues and merchandise	6,926	7,544	5,352	5,504
<b>Total revenues</b>	<b>169,068</b>	<b>163,216</b>	<b>147,390</b>	<b>143,482</b>

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I – III 2024	I – III 2023	I – III 2024	I – III 2023
Revenue from services rendered	146,313	138,906	124,653	119,040
Sales revenue – goods	22,755	24,310	22,737	24,442
<b>Total revenues</b>	<b>169,068</b>	<b>163,216</b>	<b>147,390</b>	<b>143,482</b>

The sales revenue of the Telekom Slovenije Group amounted to EUR 169.1 million in the period January–March 2024, an increase of EUR 5.9 million relative to the same period in 2023.

Revenues were up in the mobile segment of the end-user market due to higher revenues at IPKO, primarily due to an increase in the number of users. Revenues were lower at Telekom Slovenije mainly due to lower revenues from the sale of mobile merchandise, meaning the associated costs were also lower.

Revenues were higher in the fixed segment of the end-user market primarily due to higher revenues from broadband services as the result of growth in the number of users and sales of IT merchandise and services at Telekom Slovenije.

Revenues from additional services include revenues from financial services, eHealth services and insurance. All revenue categories have recorded growth in 2024.

We have also recorded growth in wholesale revenues, primarily from international wholesale traffic.

### Revenues from leases

The Telekom Slovenije Group generated revenues from leases in the amount of EUR 3,193 thousand in the period January–March 2024, compared with EUR 3,183 thousand during the same period last year.

Telekom Slovenije generated revenue from leases in the amount of EUR 3,446 thousand in that period, compared with EUR 3,470 thousand during the same period last year.

## Costs of services

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I – III 2024	I – III 2023	I – III 2024	I – III 2023
Telecommunication services	25,919	24,512	25,295	24,174
Costs of leased lines, networks and platforms	1,403	1,278	2,482	2,071
Multimedia content	2,525	2,289	2,317	2,105
Costs of subcontractors	5,640	6,809	4,158	4,680
Maintenance of property, plant and equipment	4,660	4,964	4,806	5,027
Costs of other services	9,384	8,820	7,723	7,409
<b>Total costs of services</b>	<b>49,531</b>	<b>48,672</b>	<b>46,781</b>	<b>45,466</b>

The costs of services incurred by the Group in the period January–March 2024 were up by EUR 859 thousand relative to the same period in 2023. The costs of telecommunication services were up due to higher revenues on the wholesale market.

The costs of subcontractor services were lower, primarily due to the reduced scope of subcontractor costs.

The costs of other services primarily comprise the costs of advertising and sponsorships in the amount of EUR 1,728 thousand (January–March 2023: EUR 1,856 thousand), the costs of intellectual and personal services in the amount of EUR 1,545 thousand (January–March 2023: EUR 1,049 thousand), the costs of attracting customers in the amount of EUR 912 thousand (January–March 2023: EUR 1,098 thousand), the costs of insurance premiums in the amount of EUR 979 thousand (January–March 2023: EUR 873 thousand), and the costs of other services in the amount of EUR 2,828 thousand (January–March 2023: EUR 2,444 thousand).

## Operating profit (EBIT) and net profit

### Telekom Slovenije Group

Earnings before interest and taxes (EBIT) in the amount of EUR 18,347 thousand were up by EUR 4,374 thousand relative to the same period last year. A net profit of EUR 12,102 thousand was achieved for the accounting period in the context of a net financial loss of EUR 3,582 thousand.

### Telekom Slovenije

Earnings before interest and taxes (EBIT) in the amount of EUR 11,667 thousand were up by EUR 2,477 thousand relative to the same period last year. A net profit of EUR 7,944 thousand was achieved for the accounting period in the context of a net financial loss of EUR 1,633 thousand.

## Intangible assets

### Changes in intangible assets of the Telekom Slovenije Group in the period January–March 2024

in EUR thousand	Goodwill	Concessions and licences	Costs of obtaining contracts with customers	Computer software	Other intangible assets	Intangible assets under construction	Total
<b>Cost</b>							
<b>Balance as at 1 January 2024</b>	<b>49,737</b>	<b>436,637</b>	<b>24,670</b>	<b>255,783</b>	<b>67,606</b>	<b>5,244</b>	<b>839,677</b>
Increases	0	0	0	0	126	18,630	18,756
Assets generated in the Group	0	0	0	0	25	451	476
Transfer into use	0	12,914	3,481	1,485	-212	-17,668	0
Impairments and write-offs	0	0	0	1	0	-3	-2
Other transfers*	0	0	0	10	356	0	366
<b>Balance as at 31 March 2024</b>	<b>49,737</b>	<b>449,551</b>	<b>28,151</b>	<b>257,279</b>	<b>67,901</b>	<b>6,654</b>	<b>859,273</b>
<b>Impairment</b>							
<b>Balance as at 1 January 2024</b>	<b>46,019</b>	<b>299,193</b>	<b>10,788</b>	<b>227,451</b>	<b>52,205</b>	<b>267</b>	<b>635,923</b>
Other transfers*	0	0	0	4	356	0	360
Amortisation	0	10,555	2,144	4,745	478	0	17,922
<b>Balance as at 31 March 2024</b>	<b>46,019</b>	<b>309,748</b>	<b>12,932</b>	<b>232,200</b>	<b>53,039</b>	<b>267</b>	<b>654,205</b>
<b>Carrying amount</b>							
Balance as at 1 January 2024	3,718	137,444	13,882	28,332	15,401	4,977	203,754
Balance as at 31 March 2024	3,718	139,803	15,219	25,079	14,862	6,387	205,068

\* Other transfers include transfers between intangible assets and property, plant and equipment, and transfers between groups of assets.

### Changes in intangible assets of the Telekom Slovenije Group in 2023

in EUR thousand	Goodwill	Concessions and licences	Costs of obtaining contracts with customers	Computer software	Other intangible assets	Intangible assets under construction	Total
<b>Cost</b>							
<b>Balance as at 1 January 2023</b>	<b>49,737</b>	<b>421,678</b>	<b>21,142</b>	<b>253,952</b>	<b>67,620</b>	<b>13,262</b>	<b>827,391</b>
Increases	0	0	0	0	2	73,936	73,938
Assets generated in the Group	0	0	0	0	0	1,414	1,414
Transfer into use	0	52,040	10,633	20,402	30	-83,105	0
Impairments and write-offs	0	-37,627	-7,105	-17,567	-46	-263	-62,608
Other transfers*	0	546	0	-1,004	0	0	-458
<b>Balance as at 31 December 2023</b>	<b>49,737</b>	<b>436,637</b>	<b>24,670</b>	<b>255,783</b>	<b>67,606</b>	<b>5,244</b>	<b>839,677</b>
<b>Impairment</b>							
<b>Balance as at 1 January 2023</b>	<b>46,019</b>	<b>293,491</b>	<b>10,267</b>	<b>222,667</b>	<b>50,328</b>	<b>267</b>	<b>623,039</b>
Increases	0	0	0	1,126	0	0	1,126
Impairments and write-offs	0	-35,015	-7,105	-17,550	-46	0	-59,716
Other transfers*	0	283	0	-560	0	0	-277
Amortisation	0	40,434	7,626	21,768	1,923	0	71,751
<b>Balance as at 31 December 2023</b>	<b>46,019</b>	<b>299,193</b>	<b>10,788</b>	<b>227,451</b>	<b>52,205</b>	<b>267</b>	<b>635,923</b>
<b>Carrying amount</b>							
Balance as at 1 January 2023	3,718	128,187	10,875	31,285	17,292	12,995	204,352
Balance as at 31 December 2023	3,718	137,444	13,882	28,332	15,401	4,977	203,754



\* Other transfers include transfers between intangible assets and property, plant and equipment, and transfers between groups of assets.  
**Changes in intangible assets of Telekom Slovenije in the period January–March 2024**

in EUR thousand	Goodwill	Concessions and licences	Costs of obtaining contracts with customers	Computer software	Other intangible assets	Intangible assets under construction	Total
<b>Cost</b>							
<b>Balance as at 1 January 2024</b>	<b>3,602</b>	<b>293,808</b>	<b>24,670</b>	<b>242,612</b>	<b>19,336</b>	<b>4,954</b>	<b>588,983</b>
Increases	0	0	0	0	0	18,604	18,604
Assets generated at the Company	0	0	0	0	0	420	420
Transfer into use	0	12,903	3,481	1,124	0	-17,508	0
Impairments and write-offs	0	0	0	0	0	-2	-2
Other transfers*	0	0	0	10	0	0	10
<b>Balance as at 31 March 2024</b>	<b>3,602</b>	<b>306,711</b>	<b>28,151</b>	<b>243,746</b>	<b>19,336</b>	<b>6,468</b>	<b>608,015</b>
<b>Impairment</b>							
<b>Balance as at 1 January 2024</b>	<b>0</b>	<b>186,751</b>	<b>10,788</b>	<b>212,194</b>	<b>16,871</b>	<b>0</b>	<b>426,604</b>
Other transfers*	0	0	0	4	0	0	4
Amortisation	0	7,857	2,144	4,434	89	0	14,524
<b>Balance as at 31 March 2024</b>	<b>0</b>	<b>194,608</b>	<b>12,932</b>	<b>216,632</b>	<b>16,960</b>	<b>0</b>	<b>441,132</b>
<b>Carrying amount</b>							
Balance as at 1 January 2024	3,602	107,057	13,882	30,418	2,465	4,954	162,379
Balance as at 31 March 2024	3,602	112,103	15,219	27,114	2,376	6,468	166,883

\* Other transfers include transfers between intangible assets and property, plant and equipment, and transfers between groups of assets.

### Changes in intangible assets of Telekom Slovenije in 2023

in EUR thousand	Goodwill	Concessions and licences	Costs of obtaining contracts with customers	Computer software	Other intangible assets	Intangible assets under construction	Total
<b>Cost</b>							
<b>Balance as at 1 January 2023</b>	<b>3,602</b>	<b>282,259</b>	<b>21,142</b>	<b>240,289</b>	<b>19,352</b>	<b>12,723</b>	<b>579,367</b>
Increases	0	0	0	0	0	67,910	67,910
Assets generated at the Company	0	0	0	0	0	1,220	1,220
Transfer into use	0	46,856	10,633	19,242	30	-76,761	0
Impairments and write-offs	0	-35,852	-7,105	-15,915	-46	-138	-59,056
Other transfers*	0	546	0	-1,004	0	0	-458
<b>Balance as at 31 December 2023</b>	<b>3,602</b>	<b>293,809</b>	<b>24,670</b>	<b>242,612</b>	<b>19,336</b>	<b>4,954</b>	<b>588,983</b>
<b>Impairment</b>							
<b>Balance as at 1 January 2023</b>	<b>0</b>	<b>190,312</b>	<b>10,267</b>	<b>206,980</b>	<b>16,549</b>	<b>0</b>	<b>424,108</b>
Increases	0	0	0	1,126	0	0	1,126
Impairments and write-offs	0	-33,240	-7,105	-15,913	-46	0	-56,304
Other transfers*	0	283	0	-562	0	0	-279
Amortisation	0	29,396	7,626	20,563	368	0	57,953
<b>Balance as at 31 December 2023</b>	<b>0</b>	<b>186,751</b>	<b>10,788</b>	<b>212,194</b>	<b>16,871</b>	<b>0</b>	<b>426,604</b>
<b>Carrying amount</b>							
Balance as at 1 January 2023	3,602	91,947	10,875	33,309	2,803	12,723	155,259
Balance as at 31 December 2023	3,602	107,058	13,882	30,418	2,465	4,954	162,379

\* Other transfers include transfers between intangible assets and property, plant and equipment, and transfers between groups of assets.

Commitments for intangible assets amounted to EUR 7,296 thousand at the Telekom Slovenije Group level and to EUR 8,427 thousand at Telekom Slovenije as at 31 March 2024.

## Property, plant and equipment

### Changes in property, plant and equipment of the Telekom Slovenije Group in the period January–March 2024

in EUR thousand	Land, buildings and cable ducts	Cable network	Telephone exchanges	Equipment for the mobile network	Other equipment	Assets under construction	Other	Total
<b>Cost</b>								
<b>Balance as at 1 January 2024</b>	<b>528,488</b>	<b>1,261,294</b>	<b>82,980</b>	<b>311,798</b>	<b>350,596</b>	<b>6,921</b>	<b>247</b>	<b>2,542,324</b>
Difference from the translation to the presentation currency	0	0	0	0	-151	0	0	-151
Increases	0	0	0	0	108	10,576	1	10,685
Assets generated in the Group	0	0	0	0	0	4,426	0	4,426
Transfer into use	898	7,683	144	1,429	5,375	-15,529	0	0
Impairments and write-offs	-33	-155	-5	-101	-3,570	-7	0	-3,871
Write-offs	0	0	-20	-677	-2,033	0	0	-2,730
Other transfers*	0	-1,328	-1	0	-9	1,334	0	-4
<b>Balance as at 31 March 2024</b>	<b>529,353</b>	<b>1,267,494</b>	<b>83,098</b>	<b>312,449</b>	<b>350,316</b>	<b>7,721</b>	<b>248</b>	<b>2,550,679</b>
<b>Impairment</b>								
<b>Balance as at 1 January 2024</b>	<b>241,884</b>	<b>991,555</b>	<b>77,949</b>	<b>257,340</b>	<b>275,709</b>	<b>11,390</b>	<b>0</b>	<b>1,855,827</b>
Difference from the translation to the presentation currency	0	0	0	0	-152	0	0	-152
Increases	0	0	1	0	0	0	0	1
Impairments and write-offs	-33	-138	-4	-100	-2,490	0	0	-2,765
Write-offs	0	0	-20	-677	-2,033	0	0	-2,730
Depreciation	3,351	6,003	445	3,176	7,198	0	0	20,173
Other transfers**	0	0	0	0	-1	0	0	-1
<b>Balance as at 31 March 2024</b>	<b>245,202</b>	<b>997,420</b>	<b>78,371</b>	<b>259,739</b>	<b>278,231</b>	<b>11,390</b>	<b>0</b>	<b>1,870,353</b>
<b>Carrying amount</b>								
Balance as at 1 January 2024	286,604	269,739	5,031	54,458	74,887	-4,469	247	686,497
Balance as at 31 March 2024	284,151	270,074	4,727	52,710	72,085	-3,669	248	680,326

\* Other transfers include transfers between intangible assets and property, plant and equipment, transfers to investment property and transfers between groups of assets.

### Changes in property, plant and equipment of the Telekom Slovenije Group in 2023

in EUR thousand	Land, buildings and cable ducts	Cable network	Telephone exchanges	Equipment for the mobile network	Other equipment	Assets under construction	Other	Total
<b>Cost</b>								
<b>Balance as at 1 January 2023</b>	<b>518,088</b>	<b>1,219,276</b>	<b>84,890</b>	<b>300,538</b>	<b>355,401</b>	<b>27,491</b>	<b>61</b>	<b>2,505,745</b>
Difference from the translation to the presentation currency	0	-4	0	0	-3	0	0	-7
Increases	0	640	0	0	1,069	79,506	186	81,401
Assets generated in the Group	0	0	0	0	0	16,205	0	16,205
Transfer into use	11,185	46,137	1,290	19,212	33,904	-111,728	0	0
Impairments and write-offs	-1,624	-4,594	-3,648	-7,952	-39,784	-4,562	0	-62,164
Other transfers*	839	-161	448	0	9	9	0	1,144
<b>Balance as at 31 December 2023</b>	<b>528,488</b>	<b>1,261,294</b>	<b>82,980</b>	<b>311,798</b>	<b>350,596</b>	<b>6,921</b>	<b>247</b>	<b>2,542,324</b>
<b>Impairment</b>								
<b>Balance as at 1 January 2023</b>	<b>229,415</b>	<b>971,670</b>	<b>79,481</b>	<b>253,252</b>	<b>281,036</b>	<b>11,390</b>	<b>0</b>	<b>1,826,244</b>
Difference from the translation to the presentation currency	0	-1	0	0	-1	0	0	-2
Increases	85	0	5	8	71	0	0	169
Impairments and write-offs	-798	-2,907	-3,634	-7,831	-35,085	0	0	-50,255
Depreciation	13,509	22,807	1,830	11,911	29,678	0	0	79,735
Other transfers**	-327	-14	267	0	10	0	0	-64
<b>Balance as at 31 December 2023</b>	<b>241,884</b>	<b>991,555</b>	<b>77,949</b>	<b>257,340</b>	<b>275,709</b>	<b>11,390</b>	<b>0</b>	<b>1,855,827</b>
<b>Carrying amount</b>								
Balance as at 1 January 2023	288,673	247,606	5,409	47,286	74,365	16,101	61	679,501
Balance as at 31 December 2023	286,604	269,739	5,031	54,458	74,887	-4,469	247	686,497

\* Other transfers include transfers between intangible assets and property, plant and equipment, and transfers between groups of assets.

## Changes in property, plant and equipment of Telekom Slovenije in the period January–March 2024

in EUR thousand	Land, buildings and cable ducts	Cable network	Telephone exchanges	Equipment for the mobile network	Other equipment	Assets under construction	Total
<b>Cost</b>							
<b>Balance as at 1 January 2024</b>	<b>503,398</b>	<b>1,158,489</b>	<b>81,552</b>	<b>195,407</b>	<b>331,395</b>	<b>14,311</b>	<b>2,284,552</b>
Increases	0	0	0	0	0	11,302	11,302
Assets generated at the Company	0	0	0	0	0	1,412	1,412
Transfer into use	898	5,159	144	646	4,795	-11,641	1
Impairments and write-offs	-33	-25	-25	-726	-5,232	0	-6,041
Other transfers*	0	0	-1	0	-9	0	-10
<b>Balance as at 31 March 2024</b>	<b>504,263</b>	<b>1,163,623</b>	<b>81,670</b>	<b>195,326</b>	<b>330,950</b>	<b>15,383</b>	<b>2,291,215</b>
<b>Impairment</b>							
<b>Balance as at 1 January 2024</b>	<b>232,873</b>	<b>938,008</b>	<b>76,714</b>	<b>163,852</b>	<b>265,389</b>	<b>0</b>	<b>1,676,836</b>
Increases	0	0	1	0	0	0	1
Impairments and write-offs	-33	-18	-24	-724	-4,169	0	-4,967
Depreciation	3,236	4,695	436	2,033	6,477	0	16,877
Other transfers*	0	0	0	0	-4	0	-4
<b>Balance as at 31 March 2024</b>	<b>236,077</b>	<b>942,684</b>	<b>77,126</b>	<b>165,160</b>	<b>267,695</b>	<b>0</b>	<b>1,688,743</b>
<b>Carrying amount</b>							
Balance as at 1 January 2024	270,525	220,481	4,838	31,555	66,006	14,311	607,716
Balance as at 31 March 2024	268,186	220,939	4,544	30,166	63,255	15,383	602,471

\* Other transfers include transfers between intangible assets and property, plant and equipment, transfers to investment property and transfers between groups of assets.

## Changes in property, plant and equipment of Telekom Slovenije in 2023

in EUR thousand	Land, buildings and cable ducts	Cable network	Telephone exchanges	Equipment for the mobile network	Other equipment	Assets under construction	Total
<b>Cost</b>							
<b>Balance as at 1 January 2023</b>	<b>488,699</b>	<b>1,139,346</b>	<b>83,665</b>	<b>185,472</b>	<b>337,505</b>	<b>20,541</b>	<b>2,255,228</b>
Increases	0	0	0	0	0	67,523	67,523
Assets generated at the Company	0	0	0	0	0	4,713	4,713
Transfer into use	11,179	23,180	1,087	12,831	29,904	-78,181	0
Impairments and write-offs	-1,604	-3,876	-3,648	-2,896	-36,023	-286	-48,333
Other transfers*	5,124	-161	448	0	9	1	5,421
<b>Balance as at 31 December 2023</b>	<b>503,398</b>	<b>1,158,489</b>	<b>81,552</b>	<b>195,407</b>	<b>331,395</b>	<b>14,311</b>	<b>2,284,552</b>
<b>Impairment</b>							
<b>Balance as at 1 January 2023</b>	<b>220,231</b>	<b>921,561</b>	<b>78,259</b>	<b>159,497</b>	<b>270,748</b>	<b>0</b>	<b>1,650,296</b>
Increases	85	0	5	8	67	0	165
Impairments and write-offs	-1,237	-2,318	-3,634	-2,870	-32,262	0	-42,321
Depreciation	12,984	18,779	1,817	7,217	26,827	0	67,624
Other transfers*	810	-14	267	0	9	0	1,072
<b>Balance as at 31 December 2023</b>	<b>232,873</b>	<b>938,008</b>	<b>76,714</b>	<b>163,852</b>	<b>265,389</b>	<b>0</b>	<b>1,676,836</b>
<b>Carrying amount</b>							
Balance as at 1 January 2023	268,468	217,785	5,406	25,975	66,757	20,541	604,932
Balance as at 31 December 2023	270,525	220,481	4,838	31,555	66,006	14,311	607,716

\* Other transfers include transfers between intangible assets and property, plant and equipment, and transfers between groups of assets.

Commitments for property, plant and equipment amounted to EUR 5,942 thousand at the Telekom Slovenije Group level and to EUR 15,929 thousand at Telekom Slovenije as at 31 March 2024.

## Right-of-use assets

### Changes in right-of-use assets of the Telekom Slovenije Group in the period January–March 2024

in EUR thousand	Base stations – easement and lease	Technological premises – easement and lease	Lease of business premises and land	Vehicles	Lease of lines	Other	Total
<b>Cost</b>							
<b>Balance as at 1 January 2024</b>	<b>85,401</b>	<b>9,514</b>	<b>11,970</b>	<b>3,104</b>	<b>23,363</b>	<b>4,345</b>	<b>137,697</b>
Increases – contract amendments	10,989	65	242	108	35	42	11,481
Transfer to use – new contracts	726	20	0	154	0	0	900
Decreases – contract amendments	-308	-3	0	0	0	0	-311
Disposals	-64	-14	0	0	0	-195	-273
Other transfers	0	0	72	0	0	0	72
<b>Balance as at 31 March 2024</b>	<b>96,744</b>	<b>9,582</b>	<b>12,284</b>	<b>3,366</b>	<b>23,398</b>	<b>4,192</b>	<b>149,566</b>
<b>Impairment</b>							
<b>Balance as at 1 January 2024</b>	<b>35,032</b>	<b>4,093</b>	<b>7,587</b>	<b>1,369</b>	<b>8,110</b>	<b>2,301</b>	<b>58,492</b>
Disposals	-13	-6	0	0	0	-183	-202
Depreciation	1,903	188	379	168	427	123	3,188
<b>Balance as at 31 March 2024</b>	<b>36,922</b>	<b>4,275</b>	<b>7,966</b>	<b>1,537</b>	<b>8,537</b>	<b>2,241</b>	<b>61,478</b>
<b>Carrying amount</b>							
Balance as at 1 January 2024	50,369	5,421	4,383	1,735	15,253	2,044	79,205
Balance as at 31 March 2024	59,822	5,307	4,318	1,829	14,861	1,951	88,088

### Changes in right-of-use assets of the Telekom Slovenije Group in 2023

in EUR thousand	Base stations – easement and lease	Technological premises – easement and lease	Lease of business premises and land	Vehicles	Lease of lines	Other	Total
<b>Cost</b>							
<b>Balance as at 1 January 2023</b>	<b>74,036</b>	<b>8,929</b>	<b>9,719</b>	<b>2,687</b>	<b>22,246</b>	<b>4,224</b>	<b>121,841</b>
Difference from the translation to the presentation currency	0	0	0	0	-88	0	-88
Increases – contract amendments	8,781	714	1,721	327	176	98	11,817
Transfer to use – new contracts	3,564	322	872	664	1,119	60	6,601
Decreases – contract amendments	-477	-305	-353	-96	-90	0	-1,321
Disposals	-503	-146	0	-478	0	-37	-1,164
Other transfers	0	0	11	0	0	0	11
<b>Balance as at 31 December 2023</b>	<b>85,401</b>	<b>9,514</b>	<b>11,970</b>	<b>3,104</b>	<b>23,363</b>	<b>4,345</b>	<b>137,697</b>
<b>Impairment</b>							
<b>Balance as at 1 January 2023</b>	<b>27,748</b>	<b>3,337</b>	<b>5,923</b>	<b>1,220</b>	<b>6,365</b>	<b>1,829</b>	<b>46,422</b>
Disposals	-197	-82	0	-457	0	-37	-773
Depreciation	7,481	802	1,664	606	1,745	509	12,807
Other transfers	0	36	0	0	0	0	36
<b>Balance as at 31 December 2023</b>	<b>35,032</b>	<b>4,093</b>	<b>7,587</b>	<b>1,369</b>	<b>8,110</b>	<b>2,301</b>	<b>58,492</b>
<b>Carrying amount</b>							
Balance as at 1 January 2023	46,288	5,592	3,796	1,467	15,881	2,395	75,419
Balance as at 31 December 2023	50,369	5,421	4,383	1,735	15,253	2,044	79,205

## Changes in right-of-use assets of Telekom Slovenije in the period January–March 2024

in EUR thousand	Base stations – easement and lease	Technological premises – easement and lease	Lease of business premises and land	Vehicles	Lease of lines	Other	Total
<b>Cost</b>							
<b>Balance as at 1 January 2024</b>	<b>66,326</b>	<b>8,376</b>	<b>4,939</b>	<b>2,753</b>	<b>55,949</b>	<b>711</b>	<b>139,054</b>
Increases – contract amendments	10,244	57	90	11	2,536	0	12,938
Transfer to use – new contracts	726	20	0	154	0	0	900
Disposals	-64	-14	0	0	0	0	-78
<b>Balance as at 31 March 2024</b>	<b>77,231</b>	<b>8,439</b>	<b>5,029</b>	<b>2,918</b>	<b>58,485</b>	<b>711</b>	<b>152,814</b>
<b>Impairment</b>							
<b>Balance as at 1 January 2024</b>	<b>28,029</b>	<b>3,509</b>	<b>2,833</b>	<b>1,200</b>	<b>17,493</b>	<b>633</b>	<b>53,698</b>
Disposals	-12	-6	0	-1	0	0	-18
Depreciation	1,619	162	185	148	889	39	3,042
<b>Balance as at 31 March 2024</b>	<b>29,635</b>	<b>3,665</b>	<b>3,019</b>	<b>1,347</b>	<b>18,383</b>	<b>672</b>	<b>56,722</b>
<b>Carrying amount</b>							
Balance as at 1 January 2024	38,297	4,867	2,106	1,553	38,456	78	85,356
Balance as at 31 March 2024	47,596	4,774	2,010	1,571	40,102	39	96,092

## Changes in right-of-use assets of the Telekom Slovenije Group in 2023

in EUR thousand	Base stations – easement and lease	Technological premises – easement and lease	Lease of business premises and land	Vehicles	Lease of lines	Other	Total
<b>Cost</b>							
<b>Balance as at 1 January 2023</b>	<b>60,695</b>	<b>7,994</b>	<b>4,054</b>	<b>2,456</b>	<b>44,461</b>	<b>633</b>	<b>120,293</b>
Increases – contract amendments	2,389	185	13	133	10,368	78	13,166
Transfer to use – new contracts	3,564	322	872	599	1,120	0	6,477
Disposals	-322	-125	0	-435	0	0	-882
<b>Balance as at 31 December 2023</b>	<b>66,326</b>	<b>8,376</b>	<b>4,939</b>	<b>2,753</b>	<b>55,949</b>	<b>711</b>	<b>139,054</b>
<b>Impairment</b>							
<b>Balance as at 1 January 2023</b>	<b>21,882</b>	<b>2,884</b>	<b>2,100</b>	<b>1,063</b>	<b>13,759</b>	<b>478</b>	<b>42,167</b>
Disposals	-141	-62	0	-415	0	0	-618
Depreciation	6,288	687	733	552	3,734	155	12,149
<b>Balance as at 31 December 2023</b>	<b>28,029</b>	<b>3,509</b>	<b>2,833</b>	<b>1,200</b>	<b>17,493</b>	<b>633</b>	<b>53,698</b>
<b>Carrying amount</b>							
Balance as at 1 January 2023	38,813	5,110	1,954	1,393	30,702	155	78,126
Balance as at 31 December 2023	38,297	4,867	2,106	1,553	38,456	78	85,356

Depreciation in the amount of EUR 3,188 thousand and interest expense on lease liabilities in the amount of EUR 487 thousand were disclosed in the Telekom Slovenije Group's statement of profit and loss in the period January–March 2024. The Group disclosed depreciation in the amount of EUR 3,119 thousand and interest expense in the amount of EUR 557 thousand during the same period last year.

Depreciation in the amount of EUR 3,042 thousand and interest expense on lease liabilities in the amount of EUR 407 thousand were disclosed in Telekom Slovenije's statement of profit and loss in the period January–March 2024. The Company disclosed depreciation in the amount of EUR 3,007 thousand and interest expense in the amount of EUR 511 thousand during the same period last year.

## Trade and other receivables

The Group and Company disclose receivables from the sale of merchandise with a maturity exceeding one year in non-current receivables. Corrections to the value of receivables relate to expected credit losses. The maturity structure of receivables is presented in Section 7.3.

Current trade and other receivables were down by EUR 3,060 thousand at the Telekom Slovenije Group level and by EUR 3,808 thousand at Telekom Slovenije relative to the balance at the end of 2023.

## Financial liabilities for borrowings received and other financial liabilities

Financial liabilities amounted to EUR 361,497 thousand at the Telekom Slovenije Group level and comprised the following as at 31 March 2024:

- loans and borrowings in the amount of EUR 340,414 thousand;
- liabilities for the payment of dividends in the amount of EUR 20,146 thousand;
- other liabilities in the amount of EUR 24 thousand; and
- derivatives in the form of interest rate swaps (IRS) in the amount of EUR 913 thousand.

Telekom Slovenije's financial liabilities in the amount of EUR 361,473 thousand relate to the following:

- loans and borrowings in the amount of EUR 340,414 thousand;
- the payment of dividends in the amount of EUR 20,146 thousand; and
- derivatives in the form of interest rate swaps (IRS) in the amount of EUR 913 thousand.

## Lease liabilities

The lease liabilities of the Telekom Slovenije Group amounted to EUR 83,574 thousand as at 31 March 2024 and were up by EUR 8,490 thousand relative to the end of 2023.

The lease liabilities of Telekom Slovenije amounted to EUR 92,231 thousand as at 31 March 2024 and were up by EUR 10,452 thousand relative to the end of 2023.

## Fair value hierarchy

In view of the accounting policies and breakdown, the fair value of financial and non-financial assets and liabilities is to be determined in certain cases. The Group and the Company apply the following hierarchy in determining fair values:

- Level 1: determination of fair value directly by referencing the official published price on an active market;
- Level 2: other models used to determine fair value based on assumptions and material impact on fair value in line with observed current market transactions with the same instruments either directly or indirectly; and
- Level 3: other models used to determine fair value based on assumptions and material impact on fair value that are not in line with observed current market transactions with the same instruments and investments.

The table below only includes information regarding classification to the fair value hierarchy for assets and financial liabilities measured at fair value and for which fair value is disclosed.

## Book and fair values of the Telekom Slovenije Group's financial instruments as at 31 March 2024

in EUR thousand	Book value	Fair value	Level 1	Level 2	Level 3
<b>Non-current financial assets</b>					
Investments in shares and interests listed on the stock exchange, measured at fair value through other comprehensive income	2,246	2,246	2,246	0	0
Investments in shares and interests not listed on the stock exchange, measured at fair value through other comprehensive income	284	284	0	0	284
Loans granted	2	2	0	2	0
Other non-current financial assets	16	16	0	16	0
Operating receivables	18,950	18,950	0	18,950	0
<b>Current financial assets</b>					
Loans granted	4	4	0	4	0
Other current financial assets	1,002	1,002	0	1,002	0
Trade and other receivables	167,876	167,876	0	167,876	0
Cash and cash equivalents	35,311	35,311	0	35,311	0
<b>Non-current financial liabilities</b>					
Borrowings	306,610	306,610	0	306,610	0
Liabilities for interest rate swaps	913	913		913	
Other liabilities	21,651	21,651	0	21,651	0
<b>Current financial liabilities</b>					
Borrowings	33,804	33,804	0	33,804	0
Other financial liabilities	20,170	20,170	0	20,170	0
Trade payables	100,205	100,205	0	100,205	0

## Book and fair values of the Telekom Slovenije Group's financial instruments as at 31 March 2023

in EUR thousand	Book value	Fair value	Level 1	Level 2	Level 3
<b>Non-current financial assets</b>					
Investments in shares and interests listed on the stock exchange, measured at fair value through other comprehensive income	2,170	2,170	2,170	0	0
Investments in shares and interests not listed on the stock exchange, measured at fair value through other comprehensive income	284	284	0	0	284
Loans granted	2	2	0	2	0
Other non-current financial assets	16	16	0	16	0
Operating receivables	19,685	19,685	0	19,685	0
<b>Current financial assets</b>					
Loans granted	7	7	0	7	0
Other current financial assets	1,039	1,039	0	1,039	0
Fair value of interest rate swap	0	0		0	
Trade and other receivables	171,055	171,055	0	171,055	0
Cash and cash equivalents	55,479	55,479	0	55,479	0
<b>Non-current financial liabilities</b>					
Borrowings	306,578	306,578	0	306,578	0
Other liabilities	23,336	23,336	0	23,336	0
<b>Current financial liabilities</b>					
Borrowings	30,598	30,598	0	30,598	0
Other financial liabilities	2	2	0	2	0
Trade payables	123,746	123,746	0	123,746	0



## Book and fair values of Telekom Slovenije's financial instruments as at 31 March 2024

in EUR thousand	Book value	Fair value	Level 1	Level 2	Level 3
<b>Non-current financial assets</b>					
Investments in shares and interests listed on the stock exchange, measured at fair value through other comprehensive income	2,246	2,246	2,246	0	0
Investments in shares and interests not listed on the stock exchange, measured at fair value through other comprehensive income	284	284	0	0	284
Loans granted	16,478	16,478	0	16,478	0
Operating receivables	18,948	18,948	0	18,948	0
<b>Current financial assets</b>					
Loans granted	18,192	18,192	0	18,192	0
Trade and other receivables	157,463	157,463	0	157,463	0
Cash and cash equivalents	25,484	25,484	0	25,484	0
<b>Non-current financial liabilities</b>					
Borrowings	306,610	306,610	0	306,610	0
Liabilities for interest rate swaps	913	913		913	
Trade payables	21,384	21,384	0	21,384	0
<b>Current financial liabilities</b>					
Borrowings	33,804	33,804	0	33,804	0
Other financial liabilities	20,146	20,146		20,146	
Trade payables	82,305	82,305	0	82,305	0

## Book and fair values of Telekom Slovenije's financial instruments as at 31 December 2023

in EUR thousand	Book value	Fair value	Level 1	Level 2	Level 3
<b>Non-current financial assets</b>					
Investments in shares and interests listed on the stock exchange, measured at fair value through other comprehensive income	2,170	2,170	2,170	0	0
Investments in shares and interests not listed on the stock exchange, measured at fair value through other comprehensive income	284	284	0	0	284
Loans granted	19,560	19,560	0	19,560	0
Operating receivables	19,684	19,684	0	19,684	0
<b>Current financial assets</b>					
Loans granted	17,966	17,966	0	17,966	0
Other current financial assets	36	36		36	
Trade and other receivables	161,533	161,533	0	161,533	0
Cash and cash equivalents	44,376	44,376	0	44,376	0
<b>Non-current financial liabilities</b>					
Borrowings	306,578	306,578	0	306,578	0
Trade payables	17,316	17,316	0	17,316	0
<b>Current financial liabilities</b>					
Borrowings	30,598	30,598	0	30,598	0
Trade payables	108,222	108,222	0	108,222	0

Fair values at levels 2 and 3 of the hierarchy were estimated using the discounted cash flow valuation technique. The Group and the Company did not record any transfers between fair value levels during the reporting period.

## Contingent liabilities from lawsuits

On 28 February 2024, the Ljubljana District Court sent Telekom Slovenije a lawsuit filed by T-2, demanding, inter alia, that the court find that Telekom Slovenije does not have the right to request the submission of collateral in accordance with contracts concluded on the basis of sample offers for local access at a fixed location (WLA) and central access at a fixed location (WCA). Telekom Slovenije requires operators to submit collateral to protect its business interests and minimise the risk of the non-payment of obligations under the above-described contracts. In T-2's annual report for 2022, published in November 2023, the auditor identified the existence of significant solvency risk under the point 'Significant uncertainty' in connection with a going concern, and stated that the situation points to material uncertainty about that company's ability to continue as a going concern. Telekom Slovenije implements all measures to mitigate risk in accordance with concluded contracts and valid legislation, and in a consistent and non-discriminatory manner. The Company responded to the aforementioned lawsuit by the prescribed deadline.

## Contingent liabilities from guarantees issued

The Group had provided the following guarantees as at 31 March 2024:

- performance guarantees and warranty bonds in the amount of EUR 11,657 thousand (at the end of 2023: EUR 11,741 thousand); and
- other guarantees in the amount of EUR 939 thousand (at the end of 2023: EUR 1,020 thousand).

The Company had provided the following guarantees as at 31 March 2024:

- performance guarantees and warranty bonds in the amount of EUR 8,570 thousand (at the end of 2023: EUR 8,480 thousand); and
- other guarantees in the amount of EUR 85 thousand (at the end of 2023: EUR 28 thousand).

None of the above stated liabilities meet the conditions for recognition under liabilities in the statement of financial position, and the Group does not expect any material consequences as the result thereof.

## Related party transactions

Related parties of the Company include the Republic of Slovenia as the majority shareholder of Telekom Slovenije, other shareholders, members of the Management Board, members of the Supervisory Board and their family members.

### Transactions with individuals

Individuals (members of the Management Board and Supervisory Board) held 1,178 shares in Telekom Slovenije as at 31 March 2024, representing a holding of 0.01802%.

No loans to related individuals were approved in the period January–March 2024.

### Transactions with owners and their related parties

The majority owner of Telekom Slovenije is the Republic of Slovenia, which together with Slovenski državni holding (SDH), holds a 66.8% participating interest.

Parties related to owners include those companies in which the Republic of Slovenia and SDH together hold a direct participating interest of at least 20%. A list of the aforementioned companies is published on SDH's website (<http://www.sdh.si/sl-si/upravljanje-nalozb/seznam-nalozb>).

The total value of transactions is presented in the table below.

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
Outstanding trade receivables	4,071	4,659	3,666	3,898
Outstanding trade payables	1,768	4,214	1,709	4,055
VAT liabilities	5,591	5,655	5,563	5,490
Income tax payable	-346	-889	-72	-442
Liabilities for the payment of dividends	0	0	0	0
in EUR thousand	I – III 2024	I – III 2023	I – III 2024	I – III 2023
Operating revenues	5,215	5,961	5,711	4,393
Purchase costs of material and services	4,821	7,805	4,603	7,519
in EUR thousand	I – III 2024	I – III 2023	I – III 2024	I – III 2023
VAT payment	15,507	13,539	15,016	13,573
CIT payment	805	982	597	788
Dividends paid	13,533	0	13,533	0

### Transactions with Group companies

Telekom Slovenije recorded the following transactions with Group companies:

in EUR thousand	31 March 2024	31 December 2023
<b>Receivables due from companies in the Group</b>		
Subsidiaries – gross amount	3,271	3,330
Subsidiaries – impairment	-15	-15
Subsidiaries – net amount	3,257	3,316
<b>Borrowings to companies in the Group</b>		
Subsidiaries – gross amount	34,664	37,516
Subsidiaries – impairment	0	0
Subsidiaries – net amount	34,663	37,516
<b>Liabilities to Group companies</b>		
Subsidiaries	32,697	33,092
in EUR thousand	I – III 2024	I – III 2023
<b>Net Group revenue</b>	<b>3,324</b>	<b>3,342</b>
Subsidiaries	3,324	3,342
<b>Purchase of material and services in the Group</b>	<b>5,285</b>	<b>5,007</b>
Subsidiaries	5,285	5,007

### Loans to subsidiaries

in EUR thousand	31 March 2024	31 December 2023
GVO, d.o.o.	4,517	4,517
TSmedia, d.o.o.	502	492
IPKO	17,000	20,000
Soline, d.o.o.	1,985	1,789
SIOL, d.o.o., Zagreb	261	313
SIOL, d.o.o., Sarajevo	3,868	3,920
Infratel, d.o.o.	3,724	3,654
SIOL Prishtina LLC	2,807	2,832
<b>Total to subsidiaries</b>	<b>34,664</b>	<b>37,516</b>

All transactions between related parties are executed at market terms.

### Events after the reporting date

Events after the reporting date are described in the business section of this report, in Section 6 Significant events after the reporting date.

There were no other events after the reporting date that could have a significant impact on the presented financial statements during the first three months of 2024.

### 7.3 Financial instruments and risk management

The financial risks to which the Telekom Slovenije Group and Telekom Slovenije are most exposed in their operations are credit risk, solvency risk and interest rate risk. Exposure to individual types of financial risks is assessed regularly. The appropriate measures to manage those risks are implemented based on an assessment of potential negative effects on financial stability.

#### Credit risk

Credit risk is the risk of financial loss if a subscriber or contracting party fails to settle their obligations in full or fails to settle them at all.

The maximum exposure to credit risk equals the book value of financial assets.

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
Loans granted	6	9	34,670	37,526
Deposits	1,002	1,039	0	36
Trade and other receivables	186,013	189,808	176,231	180,775
- of which trade receivables	178,134	179,731	168,820	171,583
Cash and cash equivalents	35,311	55,479	25,484	44,376
<b>TOTAL</b>	<b>222,332</b>	<b>246,335</b>	<b>236,385</b>	<b>262,713</b>

The credit risk to which the Group and Telekom Slovenije are exposed derives primarily from default by subscribers (retail) and by operators (wholesale). The highest exposure to credit risk is seen in trade receivables. The latter amounted to EUR 178,134 thousand as at 31 March 2024 at the Group level, a decrease of EUR 1,597 thousand relative to the end of 2023. Telekom Slovenije's receivables make up the majority of the Group's trade and other receivables. Most receivables are unsecured. The Group's receivables are accounted for by a large number of individuals and legal entities. Its largest customers are operators, where turnover generally flows in both directions, which reduces net credit exposure. We assess that there is no significant concentration of credit risk vis-à-vis a particular customer or economic sector.

Procedures aimed at the management of receivables are implemented at Group companies and include the monitoring of business partners' credit ratings, the collateralisation of receivables, the monitoring of high-traffic subscribers and debt collection activities. Debt collection activities are carried out according to a valid reminder timetable and via specialised external service providers.

Maturity analysis of the Telekom Slovenije Group's trade and other receivables as at the reporting date

in EUR thousand	31 March 2024				31 December 2023			
	Gross amount	Expected % of credit losses	Impairment	Net amount	Gross amount	Expected % of credit losses	Impairment	Net amount
<b>Total trade receivables</b>	<b>199,829</b>		<b>-21,695</b>	<b>178,134</b>	<b>200,927</b>		<b>-21,196</b>	<b>179,731</b>
Trade receivables not past due	162,270	0.4%	-691	161,579	165,270	0.5%	-784	164,486
<b>Past due</b>								
- up to and including 30 days	9,948	5%	-477	9,471	8,799	5%	-412	8,387
- from and including 31 days up to and including 60 days	3,454	11%	-375	3,079	3,754	11%	-415	3,339
- from and including 61 days up to and including 90 days	1,843	15%	-273	1,570	781	18%	-137	644
- from and including 91 days up to and including 180 days	2,127	71%	-1,509	618	2,493	46%	-1,135	1,358
- from and including 181 days up to and including 365 days	2,460	84%	-2,055	405	2,735	87%	-2,371	364
- from and including 366 days up to two years	7,227	83%	-5,973	1,254	6,642	83%	-5,486	1,156
- over two years	7,557	100%	-7,560	-3	7,650	100%	-7,653	-3
- trade receivables in insolvency proceedings	2,943	95%	-2,782	161	2,803	100%	-2,803	0
<b>Total trade receivables past due</b>	<b>37,559</b>		<b>-21,004</b>	<b>16,555</b>	<b>35,657</b>		<b>-20,412</b>	<b>15,245</b>
Other trade receivables	7,879		0	7,879	10,077		0	10,077
<b>Total trade and other receivables</b>	<b>207,708</b>		<b>-21,695</b>	<b>186,013</b>	<b>211,004</b>	<b>0</b>	<b>-21,196</b>	<b>189,808</b>

## Maturity analysis of Telekom Slovenije's trade and other receivables as at the reporting date

in EUR thousand	31 March 2024				31 December 2023			
	Gross amount	Expected % of credit losses	Impairment	Net amount	Gross amount	Expected % of credit losses	Impairment	Net amount
<b>Total trade receivables</b>	<b>185,405</b>		<b>-16,585</b>	<b>168,820</b>	<b>187,747</b>		<b>-16,164</b>	<b>171,583</b>
Trade receivables not past due	154,596	0.5%	-759	153,837	158,789	0.5%	-787	158,002
<b>Past due</b>								
- up to and including 30 days	9,465	5%	-471	8,994	8,126	5%	-405	7,721
- from and including 31 days up to and including 60 days	3,226	11%	-355	2,871	3,509	11%	-386	3,123
- from and including 61 days up to and including 90 days	1,676	15%	-251	1,425	598	15%	-90	508
- from and including 91 days up to and including 180 days	1,680	80%	-1,344	336	1,628	45%	-733	895
- from and including 181 days up to and including 365 days	1,630	90%	-1,468	162	2,239	90%	-2,025	214
- from and including 366 days up to two years	3,316	64%	-2,121	1,195	3,108	64%	-1,988	1,120
- over two years	7,544	100%	-7,544	0	7,457	100%	-7,457	0
- trade receivables in insolvency proceedings	2,272	100%	-2,272	0	2,293	100%	-2,293	0
<b>Total trade receivables past due</b>	<b>30,809</b>		<b>-15,826</b>	<b>14,983</b>	<b>28,958</b>		<b>-15,377</b>	<b>13,581</b>
Other trade receivables	7,411		0	7,411	9,192		0	9,192
<b>Total trade and other receivables</b>	<b>192,816</b>		<b>-16,585</b>	<b>176,231</b>	<b>196,939</b>		<b>-16,164</b>	<b>180,775</b>

The Telekom Slovenije Group and Telekom Slovenije also monitor credit risk in other areas of operations. Credit risk is low in terms of maintaining funds on business account and in the form of deposits due to a stable banking system and the high liquidity of banks. As a result, expected credit losses have not been recorded for cash and cash equivalents and deposits.

The Group is also exposed to credit risk associated with receivables from loans to employees, but that risk is assessed as low because they are repaid when employees' wages are paid. Expected credit losses have thus not been recorded for those loans.

Telekom Slovenije is exposed to credit risk arising from receivables from loans granted to subsidiaries. The Company regularly monitors and supervises the operations of its subsidiaries and their ability to repay loans. Expected credit losses have thus not been recorded for those loans.

## Maturity of loans granted

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
<b>Loans granted due for payment</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Loans granted not due for payment</b>	<b>6</b>	<b>9</b>	<b>34,670</b>	<b>37,526</b>
- in less than 3 months	2	3	4,935	1,487
- between 3 and 12 months	2	4	13,257	16,479
- between 1 and 2 years	2	2	8,253	11,321
- between 2 and 5 years	0	0	4,338	4,350
- over 5 years	0	0	3,888	3,890
<b>Total</b>	<b>6</b>	<b>9</b>	<b>34,670</b>	<b>37,526</b>

## Solvency risk

The Telekom Slovenije Group regularly settles its obligations. The Group's solvency is the result of the active planning of cash flows, ensuring the appropriate maturities and the diversification of financial debt, the financing of Group companies, and the optimisation of working capital and cash. Liquidity risk at the Group level is managed by the controlling company, which plans and monitors subsidiaries' financing needs, and provides them the sources they require.

The majority of the Group's financial liabilities relate to three long-term syndicated loans in the total amount of EUR 240.1 million with associated interest, a long-term loan in the amount of EUR 100.8 million from the European Investment Bank with associated interest, and lease liabilities in the amount of EUR 83.7 million at the Group level and EUR 92.2 million at the Company level.

Telekom Slovenije did not have any loan instalments fall due for payment during the first quarter of 2024.

The Group and Telekom Slovenije have raised short-term funding from banks to ensure sufficient liquidity. The liquidity reserve in the form of revolving loans and an overdraft facility on the business account in the total amount of EUR 55 million was not drawn down as at 31 March 2024.



Maturity of the Telekom Slovenije Group's financial liabilities as at 31 March 2024 and 31 December 2023 based on contractual non-discounted payments

in EUR thousand	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Not past due		Book value of liabilities
					Over 5 years	Total	
<b>31 March 2024</b>							
Loans and borrowings	25,314	21,883	46,411	180,515	121,062	<b>395,185</b>	340,908
Other financial liabilities	22	20,148	0	0	913	<b>21,083</b>	21,083
Trade and other payables	65,237	34,968	13,628	7,754	269	<b>121,856</b>	121,856
Financial liabilities from leases	4,938	7,723	13,258	26,482	52,155	<b>104,556</b>	83,691
<b>Total</b>	<b>95,511</b>	<b>84,722</b>	<b>73,297</b>	<b>214,751</b>	<b>174,399</b>	<b>642,680</b>	<b>567,538</b>
<b>31 December 2023</b>							
Loans and borrowings	887	43,849	45,556	181,391	122,681	<b>394,364</b>	337,700
Other financial liabilities	0	2	0	0	0	<b>2</b>	2
Trade and other payables	93,881	29,866	11,839	5,476	6,021	<b>147,083</b>	147,083
Financial liabilities from leases	5,246	6,279	11,831	23,703	46,193	<b>93,252</b>	75,084
<b>Total</b>	<b>100,014</b>	<b>79,996</b>	<b>69,226</b>	<b>210,570</b>	<b>174,895</b>	<b>634,701</b>	<b>559,869</b>

Maturity of Telekom Slovenije's financial liabilities as at 31 March 2024 and 31 December 2023 based on contractual non-discounted payments

in EUR thousand	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Not past due		Book value of liabilities
					Over 5 years	Total	
<b>31 March 2024</b>							
Loans and borrowings	25,314	21,883	46,411	180,515	121,062	<b>395,185</b>	340,908
Other financial liabilities	0	20,146	0	0	913	<b>21,059</b>	21,059
Trade and other payables	62,255	20,051	13,506	7,754	125	<b>103,691</b>	103,691
Financial liabilities from leases	5,459	9,061	11,285	28,005	58,006	<b>111,816</b>	92,232
<b>Total</b>	<b>93,028</b>	<b>71,141</b>	<b>71,202</b>	<b>216,274</b>	<b>180,106</b>	<b>631,751</b>	<b>557,890</b>
<b>31 December 2023</b>							
Loans and borrowings	887	43,849	45,556	181,391	122,681	<b>394,364</b>	337,700
Trade and other payables	91,945	16,278	11,716	5,476	125	<b>125,540</b>	125,540
Financial liabilities from leases	5,864	7,658	9,986	25,275	48,422	<b>97,205</b>	81,779
<b>Total</b>	<b>98,696</b>	<b>67,785</b>	<b>67,258</b>	<b>212,142</b>	<b>171,228</b>	<b>617,109</b>	<b>545,019</b>

## Interest rate risk

Interest-rate risk is the risk of the negative impact of a change in market interest rates on the Group's operations. The exposure of the Group and Company to interest rate risk as at 31 March 2024 derives from a potential change in the EURIBOR reference interest rate. We hedge exposure to interest rate risk through:

- the raising of loans with a fixed interest rate; and
- the conclusion interest rate swaps (IRS).

The Company concluded an interest rate swap (IRS) in February 2024 for the purpose of mitigating interest rate risk. It thus raised the proportion of loans bearing a fixed or hedged interest rate to 51.9%. Other liabilities derive from long-term loans bearing variable interest rates.

## Exposure to interest rate risk

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
<b>Financial instruments with variable interest rate</b>				
Financial liabilities	162,143	237,143	162,143	237,143
<b>Net financial liabilities</b>	<b>162,143</b>	<b>237,143</b>	<b>162,143</b>	<b>237,143</b>

The table does not include non-interest-bearing financial instruments and instruments bearing a fixed or hedged interest rate, as they are not exposed to interest rate risk.

## Sensitivity analysis

The sensitivity analysis illustrates the impact of a change in the EURIBOR reference interest rate on the profit before tax of the Group and Company on the reporting date.

## Interest rate risk table

January to March 2024	Interest rate increase/decrease	Effect on profit before tax in EUR thousand	
		Telekom Slovenije Group	Telekom Slovenije, d.d.
EURO	+100 bp	-1,621*	-1,621*
EURO	-100 bp	1,621*	1,621*

2023	Interest rate increase/decrease	Effect on profit before tax in EUR thousand	
		Telekom Slovenije Group	Telekom Slovenije, d.d.
EURO	+100 bp	-2,371*	-2,371*
EURO	-100 bp	2,371*	2,371*

\* The calculation applies to the previous 12 months.

## EURIBOR interest rate value

EURIBOR	Value as at 31 March 2024	Value as at 31 December 2023	Change (in percentage points)
3-month	3.892	3.909	-0.017
6-month	3.851	3.861	-0.01

## Capital management

The objectives of the Group's and Company's capital management are to ensure capital adequacy, and thus long-term liquidity and financial stability, which ensures the best possible credit rating for the financing of the Group's and Company's operations and further development, and consequently the maximisation of shareholder value.

The Group and Company monitor changes in equity using the debt-to-equity and equity-to-total assets ratios. The Group's net financial debt includes loans received and other financial liabilities, less current financial assets and cash and cash equivalents. When adopting decisions relating to capital management, the Group also follows the financial covenants under loan agreements.

**Debt-to-equity and equity-to-total assets ratios of the Telekom Slovenije Group and Telekom Slovenije as at 31 March 2024 and 31 December 2023**

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
Borrowings and other financial liabilities	445,071	412,262	453,704	418,955
Current assets, and cash and cash equivalents	-36,317	-56,525	-43,676	-62,378
<b>Net financial liabilities</b>	<b>408,754</b>	<b>355,737</b>	<b>410,028</b>	<b>356,577</b>
Equity	629,742	658,638	597,188	630,189
<b>Total assets</b>	<b>1,310,342</b>	<b>1,317,866</b>	<b>1,244,089</b>	<b>1,250,315</b>
Debt-to-equity ratio	64.9%	54.0%	68.7%	56.6%
Equity-to-total-assets ratio	48.1%	50.0%	48.0%	50.4%