



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

for the period January to June 2024

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Ljubljana, August 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 June 2024.

The condensed interim financial statements for the period ending 30 June 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 June 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 27 August 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.

The Unaudited Business Report for the period January to June 2024 is also available on the Company's website at www.telekom.si.

1.1 Statement of responsibility of the Management Board

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

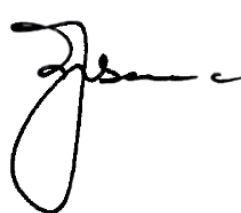
- to the best of our knowledge, the unaudited report of the Telekom Slovenije Group and Telekom Slovenije was compiled and published in accordance with valid legislation and the International Financial Reporting Standards as adopted by the EU;
- the condensed interim financial statements for the period ending 30 June 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



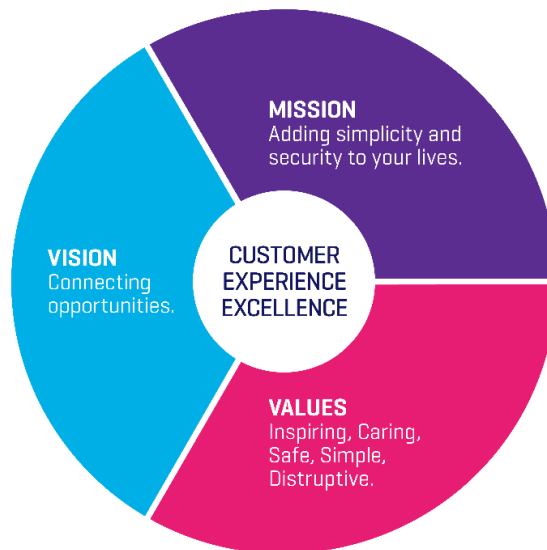
Vesna Prodnik, MSc
Member of the
Management Board



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



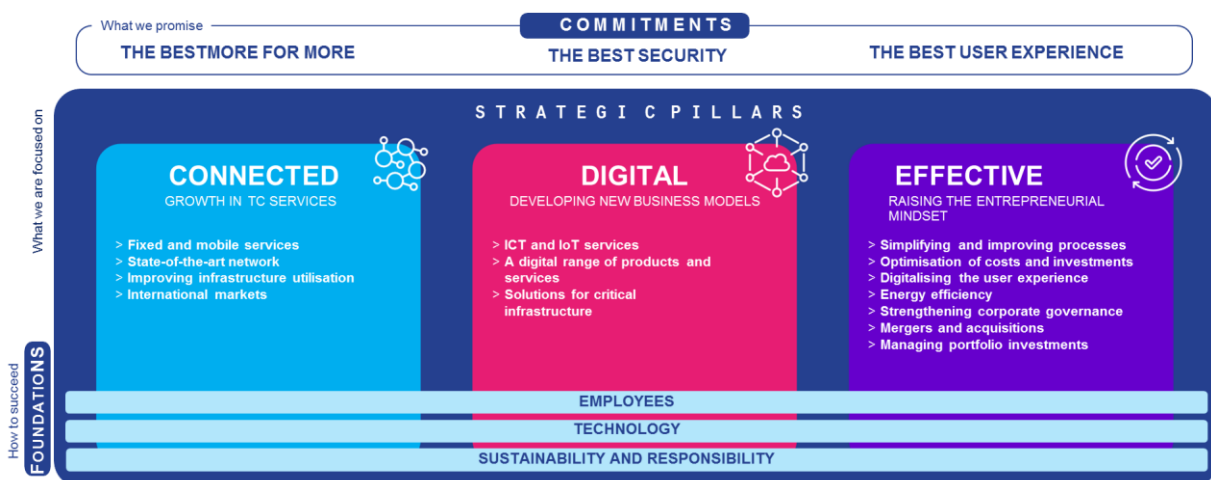
2.2 Summary of the Strategic Business Plan

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 30 June 2024 are presented in the picture below, and in more detail on the website <https://www.telekom.si/o-podjetju/skupina-telekom-slovenije/odvisne-druzbe>.

Composition of the Telekom Slovenije Group as at 30 June 2024



There were no changes in the composition of the Telekom Slovenije Group in the period January to June 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 in the period January to June 2024:

- As at 30 June 2024 the Telekom Slovenije Group had 4% or 73,020 more retail mobile users and 2% more fixed retail broadband connections than at 30 June 2023. Telekom Slovenije increased the number of fixed retail broadband connections by 8,401 and the number of retail mobile telephony users by 26,019. IPKO increased the number of retail mobile telephony users by 47,001.
- The Telekom Slovenije Group generated EUR 350.1 million in operating revenues in the period January to June 2024, an increase of 4% relative to the same period in 2023.
- Sales revenue totalled EUR 346.6 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 311.3 million, an increase of 3% relative to the same period in 2023. As the unaudited report for the first quarter also explains, labour costs are higher, primarily as a result of a change in the method used for the interim calculation of business and work performance costs. The estimated proportionate annual amount is included in the results for the period January to June 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 38.7 million at the Telekom Slovenije Group level, an increase of 7% relative to the same period last year.
- Earnings before interest, taxes, depreciation and amortisation (EBITDA) totalled EUR 121.4 million at the Telekom Slovenije Group level, an increase of 4% (or EUR 4.2 million) relative to the same period in 2023. The EBITDA margin (i.e. EBITDA as a proportion of sales revenue) was 35% at the Group level.
- Following the calculation of income tax (including deferred taxes), the Telekom Slovenije Group generated a net profit of EUR 29.6 million, an increase of 25% (or EUR 5.9 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–VI 2024/ 30 June 2024	I–VI 2023 / 31 December 2023	Index 24/23	I–VI 2024/ 30 June 2024	I–VI 2023 / 31 December 2023	Index 24/23
Operating revenues	350,083	337,513	104	304,416	294,887	103
EBITDA	121,364	117,184	104	93,637	92,590	101
EBITDA margin = EBITDA / sales revenue	35%	35.1%	100	31%	31.7%	98
EBIT	38,747	36,248	107	24,774	24,630	101
Return on sales = EBIT / sales revenue (EBIT margin)	11.2%	10.8%	103	8.2%	8.4%	97
Net profit from continuing operations	29,605	23,676	125	19,618	16,334	120
Assets*	1,319,587	1,317,866	100	1,243,162	1,250,315	99
Equity*	647,937	658,638	98	609,545	630,189	97
Equity ratio*	49.1%	50%	98	49%	50.4%	97
Net financial debt*	386,442	355,737	109	388,260	356,577	109

* 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–VI 2024	I–VI 2023	Index 24/23
Environmental indicators			
Consumption of electricity (in GWh)	43,694	42,217	103
Energy intensity (in MWh/EUR million)	126.1	126.4	100
Social indicators			
Number of employees as at 30 June	3,222	3,275	98
Number of employees with a disability as at 30 June	92	94	98
Coverage of the Slovenian population with 5G technology as at 30 June	62.3%	40.1%	155
Coverage of the Slovenian population with 4G technology as at 30 June	97%	97.0%	100
Governance indicators			
Proportion of the under-represented gender on Telekom Slovenije's Management Board as at 30 June	40%	40%	100
Personal data protection (number of inspections by supervisory authorities)	0	2	-
Protection of privacy (number of reports of potential breaches of customer's privacy)	46	56	82

All data refer to the Telekom Slovenije Group, unless it is specifically stated that they refer to Slovenia or Telekom Slovenije.

Overview of operations by company and key market

Operating revenues

in EUR thousand	I–VI 2024	I–VI 2023	Index 24/23
Telekom Slovenije	304,416	294,887	103
Other companies in Slovenia	37,618	45,570	83
IPKO – Kosovo	43,865	40,415	109
Other companies abroad	1,984	1,985	100
Exclusions and adjustments between Group companies	-37,800	-45,344	-
Telekom Slovenije Group	350,083	337,513	104

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

in EUR thousand	I–VI 2024	I–VI 2023	Index 24/23
Telekom Slovenije	93,637	92,590	101
Other companies in Slovenia	4,634	5,793	80
IPKO – Kosovo	23,689	21,717	109
Other companies abroad	1,415	1,380	103
Exclusions and adjustments between Group companies	-2,011	-4,296	-
Telekom Slovenije Group	121,364	117,184	104

Earnings before interest and taxes (EBIT)

in EUR thousand	I–VI 2024	I–VI 2023	Index 24/23
Telekom Slovenije	24,774	24,630	101
Other companies in Slovenia	1,151	2,778	41
IPKO – Kosovo	11,769	10,040	117
Other companies abroad	513	458	112
Exclusions and adjustments between Group companies	540	-1,658	-
Telekom Slovenije Group	38,747	36,248	107

Net profit from continuing operations

in EUR thousand	I–VI 2024	I–VI 2023	Index 24/23
Telekom Slovenije	19,618	16,334	120
Other companies in Slovenia	1,398	2,044	68
IPKO – Kosovo	9,269	7,061	131
Other companies abroad	309	252	123
Exclusions and adjustments between Group companies	-989	-2,015	-
Telekom Slovenije Group	29,605	23,676	125

Investments

in EUR thousand	I–VI 2024	I–VI 2023	Index 24/23
Telekom Slovenije	68,513	62,318	110
Other companies in Slovenia	3,694	14,151	26
IPKO – Kosovo*	9,547	12,827	74
Other companies abroad	368	1,089	34
Exclusions and adjustments between Group companies	-2,380	-7,379	-
Telekom Slovenije Group	79,742	83,006	96

* 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	30 June 2024	31 December 2023	Index 24/23
Telekom Slovenije	2,054	2,083	99
Other companies in Slovenia	689	684	101
IPKO – Kosovo	479	486	99
Telekom Slovenije Group	3,222	3,253	99

TELEKOM SLOVENIJE GROUP CONNECTIONS AND SERVICES BY TYPE AND MARKET

Retail mobile users

Balance as at	30 June 2024	30 June 2023	Index 24/23
Slovenija	972,940	946,921	103
Kosovo	924,045	877,044	105
Telekom Slovenije Group	1,896,985	1,823,965	104

Retail broadband connections

Balance as at	30 June 2024	30 June 2023	Index 24/23
Slovenija	205,745	197,344	104
Kosovo	95,767	97,719	98
Telekom Slovenije Group	301,512	295,063	102

3.4 Share trading and ownership structure

General information regarding Telekom Slovenije shares as at 30 June 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 30 June 2024	8,151

Trading in TLSG shares

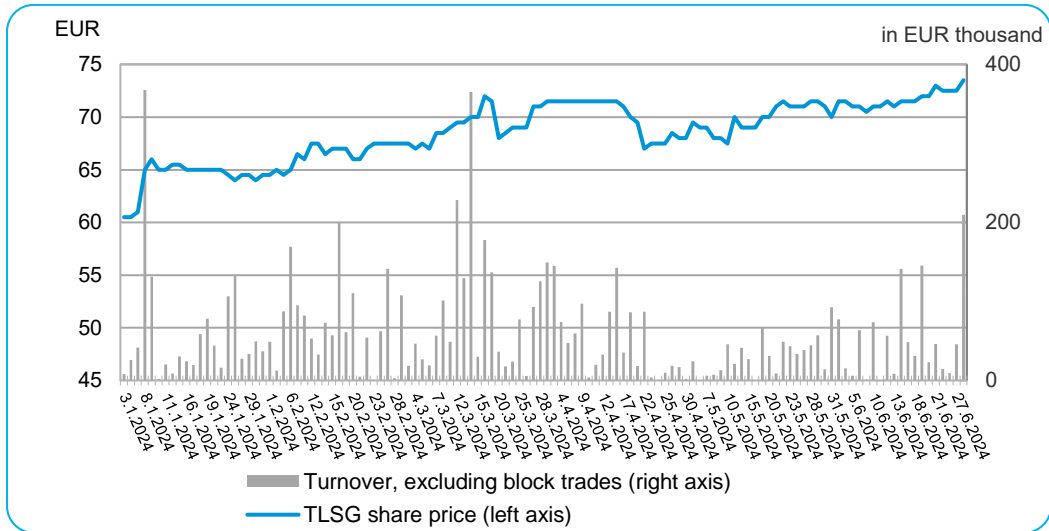
The shares of Telekom Slovenije are listed on the prime securities market of the Ljubljana Stock Exchange under the ticker symbol TLSG. The shares are included in the SBITOP and SBITOP TR share indices, and accounted for 4.58% of those two indices according to the quarterly review of computational parameters conducted on 20 June 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 73.50 on the last trading day of June 2024. The share price rose by 21.49% in the period January–June 2024, while the SBITOP index was up by 25.89% during the same period. Turnover in the Company's shares (excluding block trades) totalled EUR 7.31 million, representing 3.51% of total turnover on the Ljubljana Stock Exchange. The market capitalisation of Telekom Slovenije stood at EUR 480.36 million on the last trading day of June 2024.

Trading statistics for TLSG shares

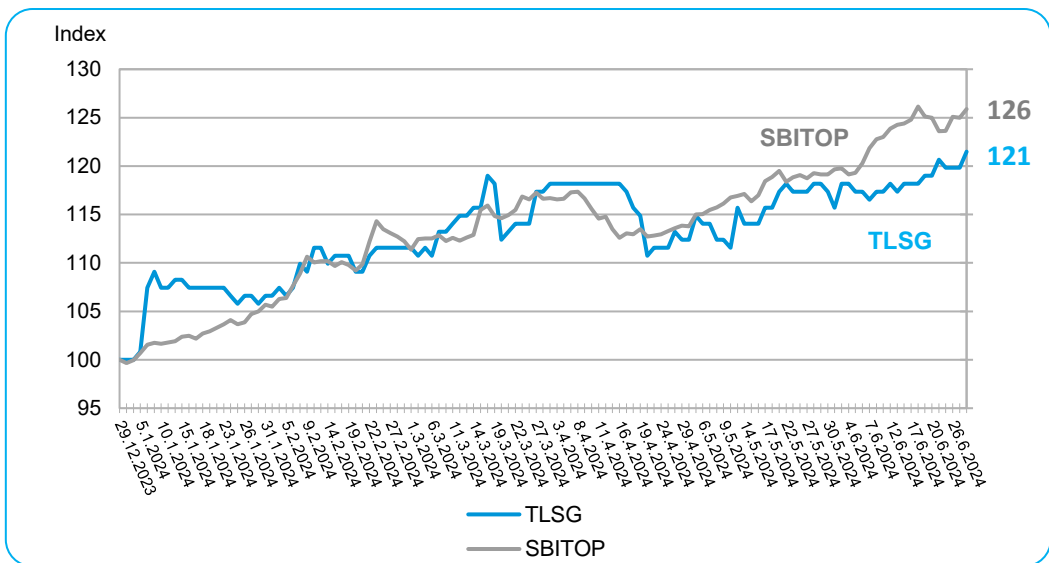
Standard price in EUR	I–VI 2024	I–VI 2023
Highest daily volume	73.50	55.50
Lowest daily price	60.50	47.00
Average daily volume	68.56	51.09
Turnover (excluding block trades) in EUR thousand	I–VI 2024	I–VI 2023
Total volume for the period	7,307.18	5,190.52
Highest daily volume	367.63	485.54
Lowest daily volume	0.00	0.00
Average daily volume	59.89	42.20

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

	30 June 2024 / I–VI 2024	30 June 2023 / I–VI 2023
Closing price of one share on the last trading day of the period in EUR	73.50	50.00
Capital return per share during the period in % ¹	21.49	5.93
Telekom Slovenije		
Book value of one share in EUR ²	93.27	95.27
P/BV	0.79	0.52
Net earnings per share in EUR ³	3.02	2.51
Telekom Slovenije Group		
Book value of one share in EUR ⁴	99.14	97.21
P/BV	0.74	0.51
Net earnings per share in EUR ⁵	4.56	3.64

Notes:

¹ 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.

² 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.

³ 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.

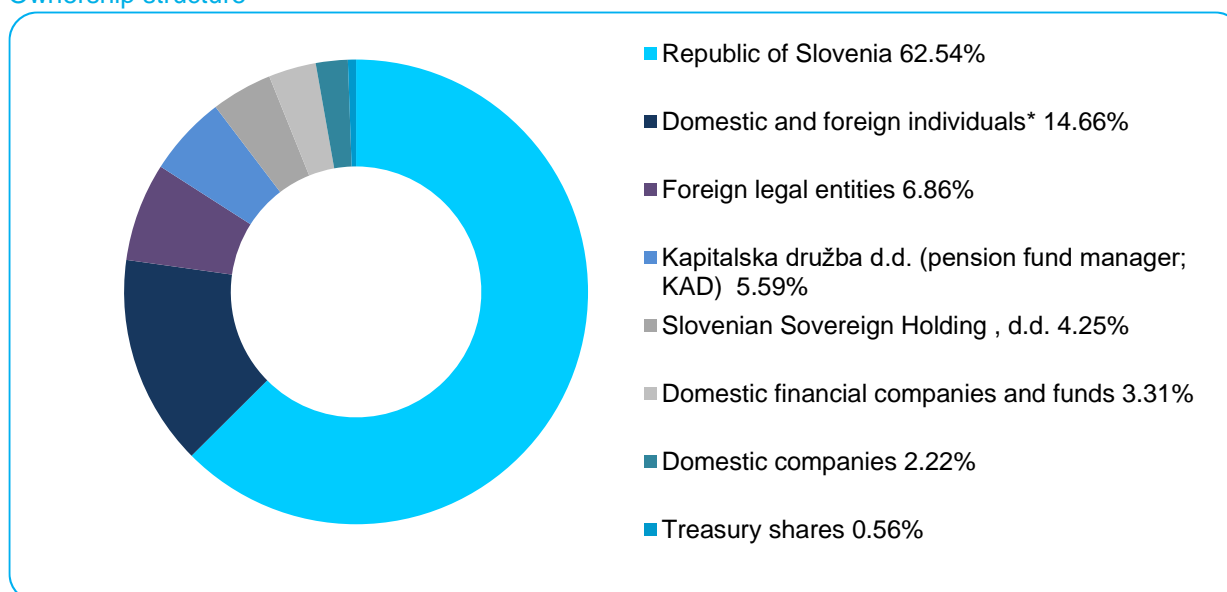
⁴ The book value of one share is calculated as the ratio of the book value of the Telekom Slovenije Group's equity on the last day of the period to the number of issued ordinary shares.

⁵ 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 30 June 2024

Telekom Slovenije had 8,151 shareholders as at 30 June 2024, a fall of 111 relative to the end of 2023. At 0.47 percentage points, domestic financial corporations and funds recorded the most significant decrease in ownership stake during the first six months of 2024. Domestic and foreign individual shareholders reduced their ownership stake by 0.13 percentage points. Domestic and foreign legal entities increased their ownership stake by 0.02 percentage points.

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 80.09% as at 30 June 2024, an increase of 0.52 percentage points relative to the end of 2023. The composition of the ten largest shareholders changed as a result of these changes.



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

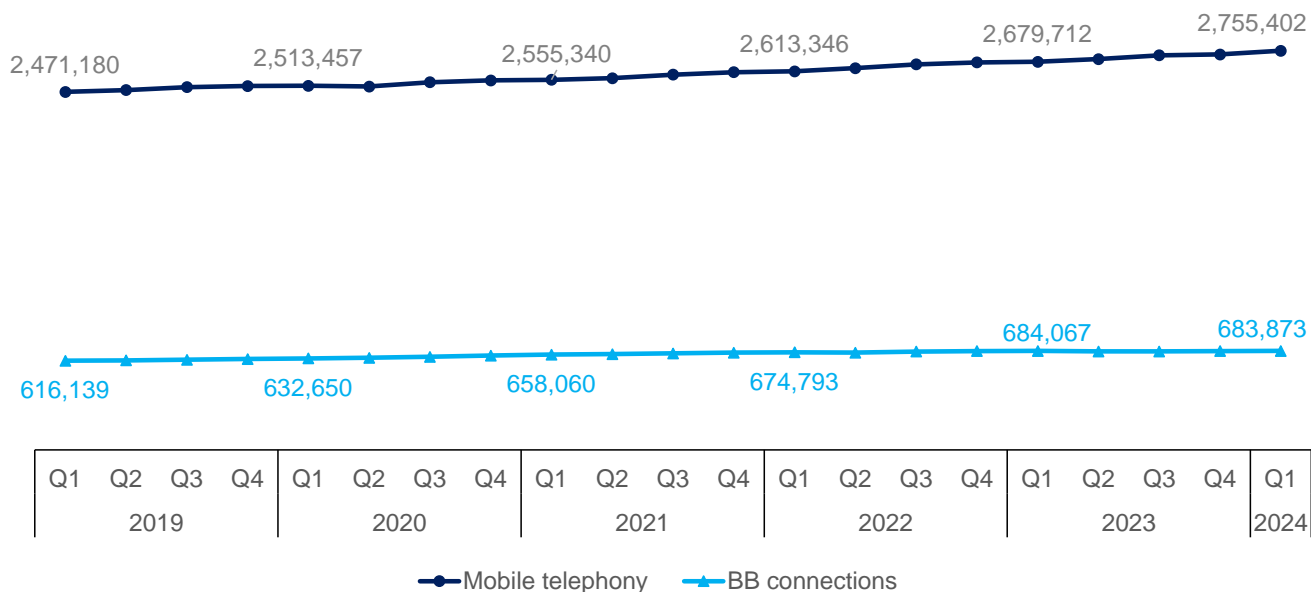
Members of the Management Board and Supervisory Board held 1,178 TLSG shares as at 30 June 2024.

Name and surname	Office	Number of shares	% of equity
Management Board			
Boštjan Škufca Zaveršek	Vice-President of the Management Board	380	0.00581
Vesna Prodnik	Member of the Management Board	400	0.00612
Supervisory Board			
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
Total Management Board and Supervisory Board		1,178	0.01802

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.

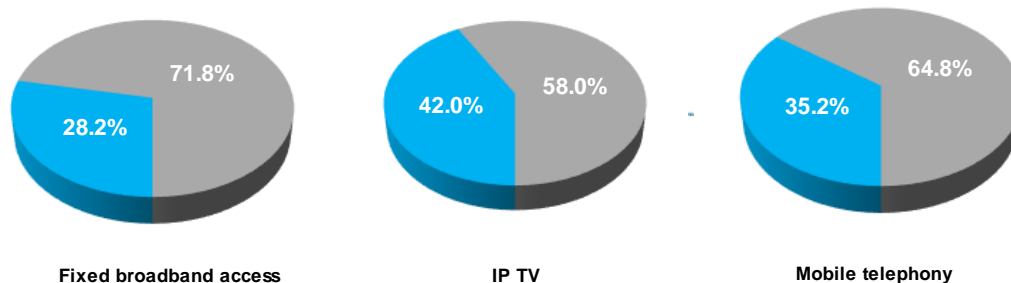
3.5 Market and market shares in key service segments

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



Source: Statistical Office of the Republic of Slovenia, Electronic Communications, first quarter of 2024.

Telekom Slovenije's market shares in the first quarter of 2024 in key market segments



	Fixed broadband access	IP TV	Mobile telephony
Market share	28.2%	42.0%	35.2%
Quarterly change (p.p.)	0.2%	0.2%	0.2%
Connections	203,669	172,020	968,216
Quarterly change	1.2%	1.5%	1.5%

Source: Report on the development of the electronic communications market for the first quarter of 2024, AKOS; internal Telekom Slovenije figures.

3.6 Risk management

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 current packages, and implement activities to maintain subscribers.
- We promote the use of advanced mobile payment options (e.g. VALÚ and VALÚ Moneta).
- Activities are under way to promote the sale of cyber security, IT support, eCare 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).
- A new cloud-based CRM system has been introduced to provide support to sales processes for business users and the needs of the wholesale market. The greater degree of integration with back-office systems that it provides paves the way for more advanced customer relationship management approaches and methods.
- The wholesale portfolio is being adapted to regulatory obligations and market needs. International redundant connections have been established to increase availability and cyber security.
- We manage risks in connection with securing investment projects and taking on major transactions by searching for new opportunities on 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.

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 which 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.
- As data security is a particular area of focus for us, we have begun to introduce a system of firewalls at the application level.
- We are in the process of setting up a new disk array in Maribor, to be used for providing additional back-up copies of key data.
- 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 in which 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 under way 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, 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 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.

- Telekom Slovenije faces risks associated with retaining employees, as it is difficult to recruit and retain staff with specific expertise due to labour market conditions and increased demand for professionally qualified personnel. The Company responds to these risks through targeted development and training programmes, by promoting the transfer of knowledge through mentors, by offering support to employees in the acquisition of new competences, by promoting cooperation and internal mobility, and by implementing other activities to motivate and retain employees. 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. The Company actively works with various educational institutions, implements numerous activities to build the employer brand with the aim of attracting new and diverse candidates, and offers company scholarships.
- 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 are working closely with the competent ministry and VAPIC on issues relating to the risk associated with the payment of copyright fees and fees for the transmission of programmes via the cable network in Kosovo. Coordination has restarted on setting the level of the fees, as VAPIC, in common with all operators, has expressed the intention of signing an agreement.
- 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 internal and external environments, and determine the impacts and the risk probability at the level of the Group on the basis of a materiality assessment.
- Exposure to transition and physical risks is relatively low. Risk management measures relate primarily to ongoing efforts in the area of energy efficiency and reducing greenhouse gas emissions in line with the strategy.
- The digital and green transitions are built into the Group's strategy, which is based on excellent network quality, the very latest ICT services and solutions, and cleaner energy sources. All of this helps to mitigate climate and environmental change and adjust to their impacts, and enables energy savings to be made.
- We regularly brief stakeholders and provide information regarding activities relating to socially responsible and sustainable conduct via communication campaigns and cooperation with prominent groups of stakeholders.

4 CORPORATE GOVERNANCE

Management Board

Telekom Slovenije's Management Board functioned in the following composition as at 30 June 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 30 June 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/o-podjetju/predstavitev/organiziranost-in-upravljanje>.

SLOVENIA

GVO, d.o.o.

Managing Director: Dr Zef Vučaj

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

INFRADEL 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., Croatia

Managing Director: Simon Furlan, MSc

SIOL doo 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 BEOGRAD-PALILULA, Serbia

Managing Director: Simon Furlan, MSc

SIOL Prishtina LLC, Kosovo

Managing Director: Simon Furlan, MSc

5 SIGNIFICANT EVENTS IN THE PERIOD JANUARY TO JUNE 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 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, T-2, according to which the latter proposes an increase in its claim in the amount of EUR 59 million. Telekom Slovenije received a lawsuit for the payment of ordinary damages in the amount of EUR 12,195,656, payment for lost profit in the amount of EUR 35,760,909 and the non-existence of claims in the amount of EUR 1,778,033.00, together with appertaining amounts, on 2 March 2021. The 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. 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, 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. 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 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. The platinum certificate of credit rating excellence 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.

SECOND QUARTER OF 2024

APRIL

- Telekom Slovenije published the audited annual report of the Telekom Slovenije Group and Telekom Slovenije, d.d. for 2023.
- **ESG:** Telekom Slovenije has launched the 'Uživajmo pametno' (Enjoy Smart) platform, within which, in cooperation with experts from the Logout, neodvisen.si and TOM Telefon organisations, recommendations and tools have been developed to help parents and young

people by providing a space for discussion of digital dangers and the responsible and smart use of technology. The contents are available online at telekom.si/pametno.

MAY

- In the event of future natural or other disasters that affect network operation, Telekom Slovenije will employ its own mobile unit to help reestablish mobile services as soon as possible in the affected areas.
- Telekom Slovenije users are the most satisfied users of (mobile and fixed) telecommunications services in the country according to the results of a spring survey carried out by Valicon, which measured how satisfied customers were with their telecommunications services. Telekom Slovenije thereby consolidates its position as the leading operator and the operator with the most satisfied customers, with similar results having been produced in the spring 2023 survey.
- Telekom Slovenije received the top award as the most secure company of 2023 at the Corporate Security Days conference. Presented by the Institute for Corporate Security Studies (ICS Ljubljana) in conjunction with the Slovenian Corporate Security Association, this is the most important award in the field of security in Slovenia.
- Telekom Slovenije took the next development step by establishing the first mobile roaming with voice traffic via the LTE/4G network (VoLTE/Voice over LTE services). Telekom Slovenije provided the first VoLTE mobile roaming in the USA, in cooperation with T-Mobile.
- **ESG:** At TSinpo, as part of efforts to raise awareness of sustainability, they have been organising 'green breakfasts' for staff. In addition to the important role of training and the equal inclusion of persons with disabilities, they highlight the importance of taking steps together to lead more sustainable lives and explore ways of ensuring that TSinpo can contribute to the common goals of the Telekom Slovenije Group.
- On 24 May the Telekom Slovenije Supervisory Board gave its consent to the appointment of Aleksander Valentin as Managing Director of Soline Pridelava soli, d.o.o. for a four-year term of office that began on 1 July.

JUNE

- The 38th General Meeting of Shareholders was held on 17 June. Shareholders were briefed on the annual report and on the Supervisory Board's report on the results of the verification of the annual report for the 2023 financial year, and conferred official approval on the Management Board and Supervisory Board for

the 2023 financial year. Shareholders were also briefed on the report on the remuneration of members of Telekom Slovenije's Management Board and Supervisory Board for 2023. The General Meeting approved the proposed use of distributable profit for the 2023 financial year. A portion of the distributable profit, which amounts to EUR 26,215,980.71, is to be used thus: EUR 23,863,902.71, which represents the net profit for 2023, is to be allocated to other profit reserves, and the remainder (EUR 2,352,078), which comes from retained earnings from previous years, shall remain unallocated as retained earnings, with a decision on its use being taken in the coming financial years. The General Meeting of Shareholders elected Aleksander Igljčar to serve a four-year term of office as member of the Supervisory Board and shareholder representative, beginning on 22 January 2025.

- **ESG:** Telekom Slovenije donated EUR 20,000 to the Slovenian Red Cross for the renovation of the Starfish Youth Home at the Debeli Rtič Youth Spa and Resort.
- The 2024 Slovenian telephone directory was published on DVD in the spring.
- As a sponsor of the Slovenian football team, Telekom Slovenije provided subscribers to its NAJ and SUPR mobile packages with unlimited data transfer and free 'Brezskrbni' (Worry-Free) travel insurance during the European championships in Germany.
- **ESG:** In cooperation with its partners, Telekom Slovenije has developed a comprehensive smart charging network solution for companies that wish to electrify their vehicle fleet. This customised solution is modular, and can also include everything from the installation and maintenance of charging stations to advanced software for managing and optimising energy consumption. In this way Telekom Slovenije is easing the transition to electric vehicles and contributing to sustainable mobility.
- Telekom Slovenije received two innovation awards. The 'eCare and vital functions' project received a gold award and a solution for identification using a biometric personal identity card on a mobile telephone a silver award from the Chamber of Commerce and Industry of Slovenia for the Central Slovenia region as being among the best innovations in the region.
- In the first half of the year our's Cyber Security and Resilience Centre handled a record number of security events (more than three times the number handled in the same period the previous year). There were 15% more security events in the second quarter than in the first, which indicates an upward trend.

6 SIGNIFICANT EVENTS AFTER THE REPORTING DATE

THIRD QUARTER OF 2024

JULY

- Telekom Slovenije received two innovation awards. The 'eCare and vital functions' project received a gold award and a solution for identification using a biometric personal identity card on a mobile telephone a silver award from the Chamber of Commerce and Industry of Slovenia for the Central Slovenia region as being among the best innovations in the region.
- Together with partners in Trieste, Telekom Slovenije presented the results of a study that was carried out as part of the European 5G-SITACOR project, and focuses on exploiting the potential of 5G technology for developing infrastructure for improved safety in road traffic between Slovenia and Italy. The main objective was to assess the technical requirements for the comprehensive establishment of Mediterranean and Baltic-Adriatic road corridors, with particular emphasis on the cross-border sections between Friuli-Venezia Giulia (Italy) and Slovenia.



7 CONDENSED INTERIM ACCOUNTING REPORT OF THE TELEKOM SLOVENIJE GROUP AND TELEKOM SLOVENIJE, D.D., FOR THE PERIOD JANUARY TO JUNE 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 30 June 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 to June 2024 and for the comparative period January to June 2023 have not been audited, while the financial statements for the comparative period ending 31 December 2023 have been 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 30 June 2024

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I–VI 2024	I–VI 2023	I–VI 2024	I–VI 2023
Sales revenue	346,639	334,124	301,899	292,127
Other operating income	3,444	3,389	2,517	2,760
Historical cost of goods sold	-43,683	-43,058	-45,140	-44,486
Costs of materials and energy	-10,919	-16,029	-8,605	-13,329
Costs of services	-105,738	-102,318	-100,376	-95,848
Labour costs	-63,507	-55,196	-52,172	-45,073
Amortisation/depreciation	-82,617	-80,936	-68,863	-67,960
Other operating expenses	-4,872	-3,728	-4,486	-3,561
Total operating expenses	-311,336	-301,265	-279,642	-270,257
Earnings before interest and taxes	38,747	36,248	24,774	24,630
Finance income	1,419	641	3,624	3,179
Finance expenses	-8,675	-8,334	-8,137	-7,809
Profit before tax	31,491	28,555	20,261	20,000
Corporate income tax	-3,298	-2,736	-2,028	-1,522
Deferred taxes	1,412	-2,143	1,385	-2,144
Net profit from continuing operations	29,605	23,676	19,618	16,334
Earnings per share				
Basic earnings per share in EUR	4.56	3.64	3.02	2.51
Diluted earnings per share in EUR	4.56	3.64	3.02	2.51

Unaudited consolidated and separate statement of other comprehensive income for the period ending 30 June 2024

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I–VI 2024	I–VI 2023	I–VI 2024	I–VI 2023
Net profit for the period	29,605	23,676	19,618	16,334
<i>Other comprehensive income that may be subsequently reclassified to the statement of profit or loss</i>				
	-17	-14	-16	-15
Translation reserves	-1	0	0	0
Effective part of change in the fair value of hedging instrument	-21	-19	-21	-20
Deferred tax	5	5	5	5
<i>Other comprehensive income that may not be subsequently reclassified to the statement of profit or loss</i>				
	46	83	46	84
Net gain/loss on equity instruments at fair value through other comprehensive income	0	37	0	37
Change in the fair value of financial assets through other comprehensive income	59	57	59	58
Deferred tax	-13	-11	-13	-11
Other comprehensive income for the period after tax	29	69	30	69
Total comprehensive income for the period	29,634	23,745	19,648	16,403

Unaudited consolidated and separate statement of financial position as at 30 June 2024

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
ASSETS				
Intangible assets	197,112	203,754	159,585	162,379
Property, plant and equipment	679,487	686,497	598,734	607,716
Right-of-use assets	88,874	79,205	95,733	85,356
Investments in subsidiaries	0	0	36,920	36,920
Other investments	2,530	2,472	14,398	22,014
Contract assets	5,039	4,179	4,628	3,749
Other receivables	18,097	19,685	18,095	19,684
Deferred costs	2,450	2,714	2,468	2,787
Investment property	3,406	3,296	3,406	3,296
Deferred tax assets	43,652	42,203	43,225	41,848
Total non-current assets	1,040,647	1,044,005	977,192	985,749
Assets held for sale	588	588	588	588
Inventories	30,049	24,802	26,748	21,176
Operating and other receivables	175,744	170,123	164,220	161,091
Receivables for corporate income tax	155	932	44	442
Contract assets	20,268	14,148	19,969	14,036
Deferred costs	11,394	6,743	7,980	4,855
Investments	1,005	1,046	14,061	18,002
Cash and cash equivalents	39,737	55,479	32,360	44,376
Total current assets	278,940	273,861	265,970	264,566
Total assets	1,319,587	1,317,866	1,243,162	1,250,315
EQUITY AND LIABILITIES				
Share capital	272,721	272,721	272,721	272,721
Share premium	181,489	181,489	180,956	180,956
Profit reserves	130,343	106,479	128,842	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>	23,877	13	23,864	0
Retained earnings	62,047	96,640	25,954	70,492
<i>Retained earnings from previous periods</i>	32,442	49,575	6,336	46,628
<i>Profit or loss for the period</i>	29,605	47,065	19,618	23,864
Fair value reserves	-142	-172	-142	-172
Reserves for actuarial gains/losses	1,429	1,429	1,214	1,214
Translation reserves	50	52	0	0
Total equity	647,937	658,638	609,545	630,189
Contract liabilities	18,717	19,730	18,196	19,237
Provisions	25,572	24,711	22,002	21,139
Other operating liabilities	18,443	23,336	16,591	17,316
Accrued liabilities	8,880	8,916	410	426
Loans	291,558	306,578	291,558	306,578
Lease liabilities	74,719	65,216	80,757	70,267
Other financial liabilities	21	0	21	0
Deferred tax liabilities	304	304	0	0
Total non-current liabilities	438,214	448,791	429,535	434,963
Operating liabilities	113,654	123,746	94,993	108,222
Income tax payable	910	7	834	0
Loans	30,582	30,598	30,582	30,598
Lease liabilities	10,156	9,868	11,617	11,512
Other financial liabilities	20,148	2	20,146	0
Contract liabilities	11,162	11,907	5,004	5,779
Accrued liabilities	46,824	34,309	40,906	29,052
Total current liabilities	233,436	210,437	204,082	185,163
Total liabilities	671,650	659,228	633,617	620,126
Total equity and liabilities	1,319,587	1,317,866	1,243,162	1,250,315

Unaudited consolidated statement of changes in equity of the Telekom Slovenije Group for the period ending 30 June 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	29,605	0	0	0	0	29,605
Other comprehensive income for the period	0	0	0	0	0	0	0	0	0	46	-16	0	-2	28
Total comprehensive income for the period	0	0	0	0	0	0	0	0	29,605	46	-16	0	-2	29,633
Payment of dividends	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 to reserves							23,864	-23,864	0					0
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	23,864	23,201	-47,065	0	0	0	0	0
Other	0	0	0	0	0	0	0	-42	0	0	0	0	0	-42
Balance as at 30 June 2024	272,721	181,489	51,612	4,065	-4,065	54,854	23,877	32,442	29,605	-126	-16	1,429	50	647,937

Unaudited consolidated statement of changes in equity of the Telekom Slovenije Group for the period ending 30 June 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	23,676	0	0	0	0	23,676
Other comprehensive income for the period	0	0	0	0	0	0	0	0	0	83	-14	0	0	69
Total comprehensive income for the period	0	0	0	0	0	0	0	0	23,676	83	-14	0	0	23,745
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
Other movements in equity	0	0	0	0	0	0	0	3	0	-37	0	0	34	0
Changes in equity	0	0	0	0	0	0	0	37,509	-37,506	-37	0	0	34	0
Other	0	0	0	0	0	0	0	-103	0	0	0	0	0	-103
Balance as at 30 June 2023	272,721	181,489	51,612	4,065	-4,065	54,854	13	49,903	23,676	-156	0	1,155	52	635,319

Unaudited statement of changes in equity of Telekom Slovenije for the period ending 30 June 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	19,618	0	0	0	19,618
Other comprehensive income for the period	0	0	0	0	0	0	0	0	0	46	-16	0	30
Total comprehensive income for the period	0	0	0	0	0	0	0	0	19,618	46	-16	0	19,648
Payment of dividends	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 to reserves							23,864	-23,864	0				
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	23,864	0	-23,864	0	0	0	0
Balance as at 30 June 2024	272,721	180,956	50,434	4,065	-4,065	54,544	23,864	6,336	19,618	-125	-17	1,214	609,545

Unaudited statement of changes in equity of Telekom Slovenije for the period ending 30 June 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	16,334	0	0	0	16,334
Other comprehensive income for the period	0	0	0	0	0	0	0	0	0	47	21	0	68
Total comprehensive income for the period	0	0	0	0	0	0	0	0	16,334	47	21	0	16,402
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
Other movements in equity	0	0	0	0	0	0	0	37	0	-37	0	0	0
Changes in equity	0	0	0	0	0	0	0	20,830	-20,793	-37	0	0	0
Other	0	0	0	0	0	0	0	0	0	1	0		1
Balance as at 30 June 2023	272,721	180,956	50,434	4,065	-4,065	54,544	0	46,906	16,334	-192	36	897	622,636

Unaudited consolidated and separate cash flow statement for the period ending 30 June 2024

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I–VI 2024	I–VI 2023	I–VI 2024	I–VI 2023
Cash flows from operating activities				
Net profit for the period	29,605	23,676	19,618	16,334
Adjustments for:				
Amortisation/depreciation	82,617	80,936	68,863	67,960
Impairment and write-offs of property, plant and equipment and intangible assets	121	82	0	0
Gain/loss on disposal of property, plant and equipment	-109	-22	-109	-271
Impairment and write-offs of inventories	529	310	530	310
Net impairment of receivables and contract assets	2,686	2,076	2,281	1,623
Adjustment for provisions	-16	-16	0	0
Finance income	-1,419	-641	-3,624	-3,179
Finance expenses	8,675	8,334	8,137	7,809
Income tax expense with deferred taxes	1,887	4,879	643	3,667
Cash flows from operating activities before changes to working capital and provisions	124,576	119,614	96,339	94,253
Changes in inventories	-4,998	-6,126	-5,323	-5,265
Change in trade and other receivables	-6,896	-1,193	-4,455	1,752
Change in accrued and deferred asset items and contract assets	-11,912	-9,508	-8,029	-6,156
Changes in provisions	877	508	863	437
Change in trade and other payables	-15,775	-15,538	-14,666	-16,040
Change in accrued and deferred liability items and contract liabilities	10,721	7,989	10,024	6,541
Income tax paid	-897	-653	-907	-70
Net cash flow from operating activities	95,696	95,093	73,846	75,452
Cash flows from investing activities				
Inflows from investing activities	1,251	1,957	15,645	13,786
Proceeds from the sale of property, plant and equipment	621	920	621	693
Dividends received	115	147	1,260	253
Proceeds from interest	476	13	1,497	1,811
Proceeds from the sale of investments	0	37	0	37
Proceeds from repayment of loans and deposits	39	840	12,267	10,992
Outflows from investing activities	-63,552	-73,976	-52,634	-58,595
Disbursements for property, plant and equipment	-34,400	-36,102	-25,783	-24,947
Disbursements for intangible assets	-29,152	-37,874	-26,161	-32,458
Disbursements for loans and deposits issued	0	0	-690	-1,190
Net cash flow from investing activities	-62,301	-72,019	-36,989	-44,809
Cash flows from financing activities				
Proceeds from financing activities	0	0	0	0
Outflows from financing activities	-49,139	-33,304	-48,875	-32,858
Repayment of lease liabilities – principal	-5,414	-5,370	-5,343	-5,102
Repayment of non-current borrowings	-15,084	-20,110	-15,084	-20,110
Disbursements for interest	-8,495	-7,824	-8,302	-7,646
Payment of dividends	-20,146	0	-20,146	0
Net cash flow from financing activities	-49,139	-33,304	-48,875	-32,858
Net increase/decrease in cash and cash equivalents	-15,744	-10,230	-12,018	-2,215
Opening balance of cash and cash equivalents	55,479	37,382	44,376	19,573
Effect of exchange rate changes on cash and cash equivalents	2	48	2	48
Closing balance of cash and cash equivalents	39,737	27,200	32,360	17,406

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 (30 June 2024):

Company	Country	30 June 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.	Croatia	100%
SIOL d.o.o. Sarajevo	Bosnia and Herzegovina	100%
SIOL doo Podgorica	Montenegro	100%
SIOL DOOEL Skopje	North Macedonia	100%
SIOL DOO BEOGRAD-PALILULA	Serbia	100%
USTANOVA SRČNI SKLAD	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–VI 2024	I–VI 2023	I–VI 2024	I–VI 2023	I–VI 2024	I–VI 2023	I–VI 2024	I–VI 2023
Sales revenue	305,610	296,462	41,029	37,662	0	0	346,639	334,124
Inter-segment sales	33,246	40,368	4,519	4,381	-37,765	-44,749	0	0
Total segment revenue	338,856	336,830	45,548	42,043	-37,765	-44,749	346,639	334,124
Other operating income	3,175	3,183	269	206	0	0	3,444	3,389
Total operating expenses	-280,817	-272,392	-30,519	-28,873	0	0	-311,336	-301,265
Operating profit per segment	61,214	67,621	15,298	13,376	-37,765	-44,749	38,747	36,248
Finance income	0	0	0	0	0	0	1,419	641
Finance expenses	0	0	0	0	0	0	-8,675	-8,334
Profit before tax	0	0	0	0	0	0	31,491	28,555
Corporate income tax	0	0	0	0	0	0	-3,298	-2,736
Deferred taxes	0	0	0	0	0	0	1,412	-2,143
Net profit for the period							29,605	23,676

Other data by segment	Slovenia		Other countries		Eliminations and adjustments*		Total	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Segment assets	1,341,093	1,350,732	134,166	135,536	-155,672	-168,402	1,319,587	1,317,866
Segment liabilities	687,115	675,667	64,731	75,429	-80,196	-91,868	671,650	659,228

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

Sales revenue by segment

in EUR thousand	Slovenia		Other countries		Total	
	I–VI 2024	I–VI 2023	I–VI 2024	I–VI 2023	I–VI 2024	I–VI 2023
Mobile services on end-user market	103,200	103,384	27,249	23,871	130,449	127,255
Fixed-line telephone services on end-user market	98,918	94,166	10,618	10,158	109,536	104,324
- of which IT services	17,656	15,891	214	142	17,870	16,033
Additional services	2,794	2,458	0	0	2,794	2,458
Wholesale market	86,082	80,626	3,162	3,633	89,244	84,259
Other revenues and merchandise	14,616	15,828	0	0	14,616	15,828
Total sales revenue	305,610	296,462	41,029	37,662	346,639	334,124

Sales revenue

Breakdown of revenue by service category

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I–VI 2024	I–VI 2023	I–VI 2024	I–VI 2023
Mobile services on end-user market	130,449	127,255	103,291	103,479
Fixed-line telephone services on end-user market	109,536	104,324	97,826	93,350
- of which IT services	17,870	16,033	16,473	14,991
Additional services	2,794	2,458	2,867	2,523
Wholesale market	89,244	84,259	87,123	81,908
Other revenues and merchandise	14,616	15,828	10,792	10,867
Total sales revenue	346,639	334,124	301,899	292,127

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I–VI 2024	I–VI 2023	I–VI 2024	I–VI 2023
Revenue from sale of services	301,361	288,470	256,600	246,102
- of which rental income	6,407	6,505	6,919	7,072
Sales revenue – goods	45,278	45,654	45,299	46,025
Total sales revenue	346,639	334,124	301,899	292,127

The sales revenue of the Telekom Slovenije Group amounted to EUR 346.6 million in the period January to June 2024, an increase of EUR 12.5 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 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 6,407 thousand in the period January to June 2024, compared with EUR 6,505 thousand during the same period last year.

Telekom Slovenije generated revenue from leases in the amount of EUR 6,919 thousand in that period, compared with EUR 7,072 thousand during the same period last year.

Costs of services

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I–VI 2024	I–VI 2023	I–VI 2024	I–VI 2023
Costs of telecommunication services	56,639	53,654	55,494	52,819
Costs of leased lines, networks and platforms	2,828	2,527	5,037	4,121
Costs of multimedia content	5,344	4,804	4,919	4,457
Costs of subcontractors	11,957	13,037	9,510	9,224
Maintenance of property, plant and equipment	9,674	10,007	9,761	10,020
Costs of other services	19,296	18,289	15,655	15,207
Total costs of services	105,738	102,318	100,376	95,848

The costs of services incurred by the Group in the period January to June 2024 were up by EUR 3,420 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 other services primarily comprise the costs of advertising and sponsorships in the amount of EUR 4,170 thousand (January to June 2023: EUR 3,573 thousand), the costs of intellectual and personal services in the amount of EUR 3,222 thousand (January to June 2023: EUR 2,790 thousand), the costs of attracting customers in the amount of EUR 1,606 thousand (January to June 2023: EUR 2,241 thousand), the costs of insurance premiums in the amount of EUR 1,688 thousand (January to June 2023: EUR 1,560 thousand) and the costs of other services in the amount of EUR 5,571 thousand (January to June 2023: EUR 5,167 thousand).

Operating profit (EBIT) and net profit

Telekom Slovenije Group

Earnings before interest and taxes (EBIT) in the amount of EUR 38,747 thousand were up by EUR 2,499 thousand relative to the same period last year. A net profit of EUR 29,605 thousand was achieved for the accounting period in the context of a net financial loss of EUR 7,256 thousand.

Telekom Slovenije

Earnings before interest and taxes (EBIT) in the amount of EUR 24,774 thousand were up by EUR 144 thousand relative to the same period last year. A net profit of EUR 19,618 thousand was achieved for the accounting period in the context of a net financial loss of EUR 4,513 thousand.

Intangible assets

Changes in intangible assets of the Telekom Slovenije Group in the period January to June 2024

in EUR thousand	Goodwill	Concessions and licences	Costs of obtaining contracts with customers	Computer software	Other intangible assets	Intangible assets under construction	Total
Cost							
Balance as at 1 January 2024	49,737	436,637	24,670	255,783	67,606	5,244	839,677
Increases	0	2,377	0	0	0	25,830	28,207
Assets generated in the Group	0	0	0	0	0	945	945
Transfer into use	0	13,648	6,678	4,543	0	-24,869	0
Impairments and write-offs	0	-3,902	0	-13,763	0	-3	-17,668
Other transfers*	0	0	0	10	356	0	366
Balance as at 30 June 2024	49,737	448,760	31,348	246,573	67,962	7,147	851,527
Impairment							
Balance as at 1 January 2024	46,019	299,193	10,788	227,451	52,205	267	635,923
Impairments and write-offs	0	-3,902	0	-13,745	0	0	-17,647
Other transfers*	0	0	0	4	356	0	360
Amortisation	0	21,220	4,417	9,189	953	0	35,779
Balance as at 30 June 2024	46,019	316,511	15,205	222,899	53,514	267	654,415
Carrying amount							
Balance as at 1 January 2024	3,718	137,444	13,882	28,332	15,401	4,977	203,754
Balance as at 30 June 2024	3,718	132,249	16,143	23,674	14,448	6,880	197,112

* 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
Cost							
Balance as at 1 January 2023	49,737	421,678	21,142	253,952	67,620	13,262	827,391
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
Balance as at 31 December 2023	49,737	436,637	24,670	255,783	67,606	5,244	839,677
Impairment							
Balance as at 1 January 2023	46,019	293,491	10,267	222,667	50,328	267	623,039
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
Balance as at 31 December 2023	46,019	299,193	10,788	227,451	52,205	267	635,923
Carrying amount							
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 to June 2024

in EUR thousand	Goodwill	Concessions and licences	Costs of obtaining contracts with customers	Computer software	Other intangible assets	Intangible assets under construction	Total
Cost							
Balance as at 1 January 2024	3,602	293,809	24,670	242,612	19,336	4,954	588,983
Increases	0	0	0	0	0	25,369	25,369
Assets generated at the Company	0	0	0	0	0	792	792
Transfer into use	0	13,629	6,678	3,654	0	-23,961	0
Impairments and write-offs	0	-2,145	0	-13,764	0	-2	-15,911
Other transfers*	0	0	0	10	0	0	10
Balance as at 30 June 2024	3,602	305,293	31,348	232,512	19,336	7,152	599,243
Impairment							
Balance as at 1 January 2024	0	186,751	10,788	212,194	16,871	0	426,604
Impairments and write-offs	0	-2,145	0	-13,745	0	0	-15,890
Other transfers*	0	0	0	4	0	0	4
Amortisation	0	15,788	4,417	8,559	176	0	28,940
Balance as at 30 June 2024	0	200,394	15,205	207,012	17,047	0	439,658
Carrying amount							
Balance as at 1 January 2024	3,602	107,058	13,882	30,418	2,465	4,954	162,379
Balance as at 30 June 2024	3,602	104,899	16,143	25,500	2,289	7,152	159,585

* 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
Cost							
Balance as at 1 January 2023	3,602	282,259	21,142	240,289	19,352	12,723	579,367
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
Balance as at 31 December 2023	3,602	293,809	24,670	242,612	19,336	4,954	588,983
Impairment							
Balance as at 1 January 2023	0	190,312	10,267	206,980	16,549	0	424,108
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
Balance as at 31 December 2023	0	186,751	10,788	212,194	16,871	0	426,604
Carrying amount							
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 20,558 thousand at the Telekom Slovenije Group level and to EUR 22,176 thousand at Telekom Slovenije as at 30 June 2024.

Property, plant and equipment

Changes in property, plant and equipment of the Telekom Slovenije Group in the period January to June 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
Cost								
Balance as at 1 January 2024	528,488	1,261,294	82,980	311,798	350,596	6,921	247	2,542,324
Difference from the translation to the presentation currency	0	-3	0	0	-155	0	0	-158
Acquisitions	0	26	0	0	132	26,855	16	27,029
Assets generated in the Group	0	0	0	0	0	8,497	0	8,497
Transfer into use	1,626	12,161	235	2,792	11,220	-28,034	0	0
Impairments and write-offs	-58	-173	-1,296	-11,218	-10,882	-12	0	-23,639
Other transfers*	0	-1,328	-1	0	-9	1,345	0	7
Balance as at 30 June 2024	530,056	1,271,977	81,918	303,372	350,902	15,572	263	2,554,060
Impairment								
Balance as at 1 January 2024	241,884	991,555	77,949	257,340	275,709	11,390	0	1,855,827
Difference from the translation to the presentation currency	0	-2	0	0	-155	0	0	-157
Acquisitions	10	0	2	0	0	0	0	12
Impairments and write-offs	-33	-138	-1,292	-11,156	-8,889	0	0	-21,508
Depreciation	6,700	12,023	888	6,359	14,433	0	0	40,403
Other transfers*	0	0	0	0	-4	0	0	-4
Balance as at 30 June 2024	248,561	1,003,438	77,547	252,543	281,094	11,390	0	1,874,573
Carrying amount								
Balance as at 1 January 2024	286,604	269,739	5,031	54,458	74,887	-4,469	247	686,497
Balance as at 30 June 2024	281,495	268,539	4,371	50,829	69,808	4,182	263	679,487

* 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
Historical cost								
Balance as at 1 January 2023	518,088	1,219,276	84,890	300,538	355,401	27,491	61	2,505,745
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
Balance as at 31 December 2023	528,488	1,261,294	82,980	311,798	350,596	6,921	247	2,542,324
Impairment								
Balance as at 1 January 2023	229,415	971,670	79,481	253,252	281,036	11,390	0	1,826,244
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
Balance as at 31 December 2023	241,884	991,555	77,949	257,340	275,709	11,390	0	1,855,827
Carrying amount								
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 to June 2024

in EUR thousand	Land, buildings and cable ducts	Cable network	Telephone exchanges	Equipment for the mobile network	Other equipment	Assets under construction	Total
Cost							
Balance as at 1 January 2024	503,398	1,158,489	81,552	195,407	331,395	14,311	2,284,552
Increases	0	0	0	0	0	24,228	24,228
Assets generated at the Company	0	0	0	0	0	2,681	2,681
Transfer into use	1,626	8,822	235	1,527	9,522	-21,732	0
Impairments and write-offs	-58	-25	-1,296	-11,165	-10,375	-1	-22,920
Other transfers*	0	0	-1	0	-9	0	-10
Balance as at 30 June 2024	504,966	1,167,286	80,490	185,768	330,534	19,486	2,288,530
Impairment							
Balance as at 1 January 2024	232,873	938,008	76,714	163,852	265,389	0	1,676,836
Acquisitions	10	0	2	0	0	0	12
Impairments and write-offs	-33	-18	-1,292	-11,103	-8,406	0	-20,851
Depreciation	6,471	9,421	870	4,057	12,983	0	33,802
Other transfers*	0	0	0	0	-4	0	-4
Balance as at 30 June 2024	239,322	947,410	76,293	156,805	269,964	0	1,689,795
Carrying amount							
Balance as at 1 January 2024	270,525	220,481	4,838	31,555	66,006	14,311	607,716
Balance as at 30 June 2024	265,644	219,876	4,197	28,963	60,570	19,486	598,734

* 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
Cost							
Balance as at 1 January 2023	488,699	1,139,346	83,665	185,472	337,505	20,541	2,255,228
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
Balance as at 31 December 2023	503,398	1,158,489	81,552	195,407	331,395	14,311	2,284,552
Impairment							
Balance as at 1 January 2023	220,231	921,561	78,259	159,497	270,748	0	1,650,296
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
Balance as at 31 December 2023	232,873	938,008	76,714	163,852	265,389	0	1,676,836
Carrying amount							
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 8,888 thousand at the Telekom Slovenije Group level and to EUR 21,368 thousand at Telekom Slovenije as at 30 June 2024.

Right-of-use assets

Changes in right-of-use assets of the Telekom Slovenije Group in the period January to June 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
Cost							
Balance as at 1 January 2024	85,401	9,514	11,970	3,104	23,363	4,345	137,697
Contract modifications	11,379	219	1,943	109	386	122	14,158
Transfer into use – new contracts	1,368	85	99	388	0	102	2,042
Decreases	-129	-72	0	0	0	-224	-425
Other transfers	0	0	-8	0	8	0	0
Balance as at 30 June 2024	98,019	9,744	14,002	3,603	23,757	4,345	153,471
Impairment							
Balance as at 1 January 2024	35,032	4,093	7,587	1,369	8,110	2,301	58,492
Decreases	-37	-33	0	0	0	-203	-273
Depreciation	3,767	379	809	349	861	213	6,378
Other transfers	2	-3	149	1	-151	2	0
Balance as at 30 June 2024	38,764	4,436	8,545	1,719	8,820	2,313	64,597
Carrying amount							
Balance as at 1 January 2024	50,369	5,421	4,383	1,735	15,253	2,044	79,205
Balance as at 30 June 2024	59,255	5,308	5,457	1,884	14,937	2,032	88,874

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
Cost							
Balance as at 1 January 2023	74,036	8,929	9,719	2,687	22,246	4,224	121,841
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 into 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
Balance as at 31 December 2023	85,401	9,514	11,970	3,104	23,363	4,345	137,697
Impairment							
Balance as at 1 January 2023	27,748	3,337	5,923	1,220	6,365	1,829	46,422
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
Balance as at 31 December 2023	35,032	4,093	7,587	1,369	8,110	2,301	58,492
Carrying amount							
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 to June 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
Cost							
Balance as at 1 January 2024	66,326	8,376	4,939	2,753	55,949	711	139,054
Contract modifications	10,677	206	725	12	2,887	122	14,629
Transfer into use – new contracts	1,368	85	99	388	0	0	1,940
Decreases	-129	-67	0	0	0	0	-196
Balance as at 30 June 2024	78,242	8,600	5,763	3,153	58,836	833	155,427
Impairment							
Balance as at 1 January 2024	28,029	3,509	2,833	1,200	17,493	634	53,698
Decreases	-40	-29	1	1	0	-1	-68
Depreciation	3,202	328	373	307	1,806	48	6,064
Balance as at 30 June 2024	31,191	3,808	3,207	1,508	19,299	681	59,694
Carrying amount							
Balance as at 1 January 2024	38,297	4,867	2,106	1,553	38,456	77	85,356
Balance as at 30 June 2024	47,051	4,792	2,556	1,645	39,537	152	95,733

Changes in right-of-use assets of Telekom Slovenije 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
Cost							
Balance as at 1 January 2023	60,695	7,994	4,054	2,456	44,461	633	120,293
Contract modifications	2,389	185	13	133	10,368	78	13,166
Transfer into use – new contracts	3,564	322	872	599	1,120	0	6,477
Disposals	-322	-125	0	-435	0	0	-882
Balance as at 31 December 2023	66,326	8,376	4,939	2,753	55,949	711	139,054
Impairment							
Balance as at 1 January 2023	21,882	2,884	2,100	1,063	13,759	478	42,167
Disposals	-141	-62	0	-415	0	0	-618
Depreciation	6,288	687	733	552	3,734	155	12,149
Balance as at 31 December 2023	28,029	3,509	2,833	1,200	17,493	633	53,698
Carrying amount							
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 6,378 thousand and interest expense on lease liabilities in the amount of EUR 1,375 thousand were disclosed in the Telekom Slovenije Group's statement of profit or loss in the period January to June 2024. The Group disclosed depreciation in the amount of EUR 6,340 thousand and interest expense in the amount of EUR 1,194 thousand during the same period last year.

Depreciation in the amount of EUR 6,064 thousand and interest expense on lease liabilities in the amount of EUR 1,181 thousand were disclosed in Telekom Slovenije's statement of profit or loss in the period January to June 2024. The Company disclosed depreciation in the amount of EUR 6,078 thousand and interest expense in the amount of EUR 1,019 thousand during the same period last year.

Operating 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 operating and other receivables were up by EUR 5,621 thousand at the Telekom Slovenije Group level and by EUR 3,129 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 342,309 thousand at the Telekom Slovenije Group level and comprised the following as at 30 June 2024:

- loans and borrowings in the amount of EUR 322,140 thousand;
- the payment of dividends in the amount of EUR 20,146 thousand;
- other liabilities in the amount of EUR 2 thousand; and
- derivatives in the form of interest rate swaps (IRS) in the amount of EUR 21 thousand.

Telekom Slovenije's financial liabilities in the amount of EUR 342,307 thousand relate to the following:

- loans and borrowings in the amount of EUR 322,140 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 21 thousand.

Lease liabilities

The lease liabilities of the Telekom Slovenije Group amounted to EUR 84,875 thousand as at 30 June 2024 and were up by EUR 9,791 thousand relative to the end of 2023.

The lease liabilities of Telekom Slovenije amounted to EUR 92,374 thousand as at 30 June 2024 and were up by EUR 10,595 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 30 June 2024

in EUR thousand	Book value	Fair value	Level 1	Level 2	Level 3
Non-current financial assets					
Investments in shares and interests listed on the stock exchange, measured at fair value through other comprehensive income	2,229	2,229	2,229	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	1	1	0	1	0
Other non-current financial assets	16	16	0	16	0
Operating receivables	18,097	18,097	0	18,097	0
Current financial assets					
Loans granted	4	4	0	4	0
Other current financial assets	1,001	1,001	0	1,001	0
Operating and other receivables	175,899	175,899	0	175,899	0
Cash and cash equivalents	39,737	39,737	0	39,737	0
Non-current financial liabilities					
Borrowings	291,558	291,558	0	291,558	0
Liabilities for interest-rate swaps	21	21		21	
Other liabilities	18,443	18,443	0	18,443	0
Current financial liabilities					
Borrowings	30,582	30,582	0	30,582	0
Other financial liabilities	20,148	20,148	0	20,148	0
Operating liabilities	113,654	113,654	0	113,654	0

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

in EUR thousand	Book value	Fair value	Level 1	Level 2	Level 3
Non-current financial assets					
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
Current financial assets					
Loans granted	7	7	0	7	0
Other current financial assets	1,039	1,039	0	1,039	0
Operating and other receivables	171,055	171,055	0	171,055	0
Cash and cash equivalents	55,479	55,479	0	55,479	0
Non-current financial liabilities					
Borrowings	306,578	306,578	0	306,578	0
Other liabilities	23,336	23,336	0	23,336	0
Current financial liabilities					
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 30 June 2024

in EUR thousand	Book value	Fair value	Level 1	Level 2	Level 3
Non-current financial assets					
Investments in shares and interests listed on the stock exchange, measured at fair value through other comprehensive income	2,229	2,229	2,229	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	11,885	11,885	0	11,885	0
Operating receivables	18,095	18,095	0	18,095	0
Current financial assets					
Loans granted	14,061	14,061	0	14,061	0
Operating and other receivables	164,264	164,264	0	164,264	0
Cash and cash equivalents	32,360	32,360	0	32,360	0
Non-current financial liabilities					
Borrowings	291,558	291,558	0	291,558	0
Liabilities for interest-rate swaps	21	21		21	
Operating liabilities	16,591	16,591	0	16,591	0
Current financial liabilities					
Borrowings	30,582	30,582	0	30,582	0
Other financial liabilities	20,146	20,146		20,146	
Operating liabilities	94,993	94,993	0	94,993	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
Non-current financial assets					
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
Current financial assets					
Loans granted	17,966	17,966	0	17,966	0
Other current financial assets	36	36		36	
Operating and other receivables	161,533	161,533	0	161,533	0
Cash and cash equivalents	44,376	44,376	0	44,376	0
Non-current financial liabilities					
Borrowings	306,578	306,578	0	306,578	0
Trade payables	17,316	17,316	0	17,316	0
Current financial liabilities					
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

Claims received in the period from January to June 2024 are listed in Chapter 5 - Significant events in the period January to June 2024..

Contingent liabilities from guarantees issued

The Group had provided the following guarantees as at 30 June 2024:

- performance guarantees and warranty bonds in the amount of EUR 10,939 thousand (at the end of 2023: EUR 11,741 thousand);
- other guarantees in the amount of EUR 258 thousand (at the end of 2023: EUR 1,020 thousand).

The Company had provided the following guarantees as at 30 June 2024:

- performance guarantees and warranty bonds in the amount of EUR 8,010 thousand (at the end of 2023: EUR 8,480 thousand);
- other guarantees in the amount of EUR 241 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 30 June 2024, representing a holding of 0.01802%.

No loans to related individuals were approved in the period January to June 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.

Telekom Slovenije Group			Telekom Slovenije	
in EUR thousand	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Outstanding operating receivables	5,565	4,659	5,092	3,898
Outstanding trade payables	2,348	4,214	2,231	4,055
VAT liabilities	4,944	5,655	4,827	5,490
Income tax liabilities	846	-889	790	-442
in EUR thousand	I–VI 2024	I–VI 2023	I–VI 2024	I–VI 2023
Operating revenues	12,651	12,357	12,309	9,078
Purchase costs of material and services	9,272	13,368	8,900	12,819
in EUR thousand	I–VI 2024	I–VI 2023	I–VI 2024	I–VI 2023
VAT payment	29,557	28,886	28,723	28,786
CIT payment	851	416	907	-112
Payment of dividends	13,533	0	13,533	0

Transactions with Group companies

Telekom Slovenije recorded the following transactions with Group companies:

in EUR thousand	30 June 2024	31 December 2023
Receivables due from companies in the Group		
Subsidiaries – gross amount	3,254	3,330
Subsidiaries – impairment	-15	-15
Subsidiaries – net amount	3,239	3,316
Borrowings to companies in the Group		
Subsidiaries – gross amount	25,942	37,516
Subsidiaries – net amount	25,942	37,516
Liabilities to Group companies		
Subsidiaries	32,498	33,092
in EUR thousand	I–VI 2024	I–VI 2023
Net Group revenue	6,916	6,958
Subsidiaries	6,916	6,958
Purchase of material and services in the Group	10,922	10,527
Subsidiaries	10,922	10,527

Loans to subsidiaries

in EUR thousand	30 June 2024	31 December 2023
GVO, d.o.o.	3,616	4,517
TSmedia, d.o.o.	312	492
IPKO Telecommunications LLC	9,000	20,000
Soline, d.o.o.	2,280	1,789
SIOL, d.o.o.	210	313
SIOL, d.o.o., Sarajevo	3,818	3,920
Infratel, d.o.o.	3,924	3,654
SIOL Prishtina LLC	2,782	2,831
Total to subsidiaries	25,942	37,516

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.

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	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Loans granted	5	9	25,946	37,526
Deposits	1,001	1,039	0	36
Operating and other receivables	193,841	189,808	182,315	180,775
- of which trade receivables	185,779	179,731	175,279	171,583
Cash and cash equivalents	39,737	55,479	32,360	44,376
TOTAL	234,584	246,335	240,621	262,713

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 185,779 thousand at the Group level as at 30 June 2024, an increase of EUR 6,048 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	30 June 2024				31 December 2023			
	Gross amount	Expected % of credit losses	Impairment	Net amount	Gross amount	Expected % of credit losses	Impairment	Net amount
Total trade receivables	207,916		-22,137	185,779	200,927		-21,196	179,731
Trade receivables non-past-due	168,829	0.4%	-735	168,094	165,270	0.5%	-784	164,486
Past due								
- up to and including 30 days	11,257	5%	-531	10,726	8,799	5%	-412	8,387
- from and including 31 days up to and including 60 days	3,893	11%	-421	3,472	3,754	11%	-415	3,339
- from and including 61 days up to and including 90 days	1,511	18%	-269	1,242	781	18%	-137	644
- from and including 91 days up to and including 180 days	1,902	43%	-826	1,076	2,493	46%	-1,135	1,358
- from and including 181 days up to and including 365 days	2,827	84%	-2,371	456	2,735	87%	-2,371	364
- from and including 366 days up to 2 years	7,427	90%	-6,705	722	6,642	83%	-5,486	1,156
- over 2 years	7,610	100%	-7,619	-9	7,650	100%	-7,653	-3
- trade receivables in insolvency proceedings	2,660	100%	-2,660	0	2,803	100%	-2,803	0
Total trade receivables past-due	39,087		-21,402	17,685	35,657		-20,412	15,245
Other operating receivables	8,062		0	8,062	10,077		0	10,077
Total receivables	215,978		-22,137	193,841	211,004	0	-21,196	189,808

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

in EUR thousand	30 June 2024				31 December 2023			
	Gross amount	Expected % of credit losses	Impairment	Net value	Gross amount	Expected % of credit losses	Impairment	Net amount
Total trade receivables	191,990		-16,711	175,279	187,747		-16,164	171,583
Trade receivables non-past-due	160,219	0.5%	-802	159,417	158,789	0.5%	-787	158,002
Past due								
- up to and including 30 days	10,507	5%	-523	9,984	8,126	5%	-405	7,721
- from and including 31 days up to and including 60 days	3,571	11%	-381	3,190	3,509	11%	-386	3,123
- from and including 61 days up to and including 90 days	1,074	14%	-155	919	598	15%	-90	508
- from and including 91 days up to and including 180 days	1,634	44%	-713	921	1,628	45%	-733	895
- from and including 181 days up to and including 365 days	1,824	90%	-1,642	182	2,239	90%	-2,025	214
- from and including 366 days up to 2 years	3,416	81%	-2,750	666	3,108	64%	-1,988	1,120
- over 2 years	7,596	100%	-7,596	0	7,457	100%	-7,457	0
- trade receivables in insolvency proceedings	2,149	100%	-2,149	0	2,293	100%	-2,293	0
Total trade receivables past-due	31,771		-15,909	15,862	28,958		-15,377	13,581
Other operating receivables	7,036		0	7,036	9,192		0	9,192
Total receivables	199,026		-16,711	182,315	196,939		-16,164	180,775

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 the ability of those subsidiaries to repay loans. Expected credit losses have therefore not been recorded for those loans.

Maturity of loans granted

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Past-due	0	0	0	0
Non-past-due:	5	9	25,946	37,526
- in less than 3 months	2	3	5,934	1,487
- between 3 and 12 months	2	4	8,127	16,479
- between 1 and 2 years	1	2	3,685	11,321
- between 2 and 5 years	0	0	4,325	4,350
- over 5 years	0	0	3,875	3,890
Total	5	9	25,946	37,526

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 224.8 million with associated interest, a long-term loan in the amount of EUR 97.8 million from the European Investment Bank with associated interest, and lease liabilities in the amount of EUR 84.9 million at the Group level and EUR 92.4 million at the Company level.

Telekom Slovenije did not have any loan instalments fall due for payment in the first half 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 85 million was not drawn down as at 30 June 2024.

Maturity of the Telekom Slovenije Group's financial liabilities as at 30 June 2024 and 31 December 2023 based on contractual non-discounted payments

in EUR thousand	Up to 3 months	Non-past-due			Over 5 years	Total	Book value of liabilities
		Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years			
30 June 2024							
Loans and borrowings	872	42,274	45,976	173,660	109,099	371,881	322,601
Other financial liabilities	20,146	2	0	0	21	20,169	20,169
Trade and other payables	76,480	37,173	11,510	5,055	1,879	132,097	132,097
Financial liabilities from leases	4,713	7,796	15,027	28,975	49,896	106,407	84,875
Total	102,211	87,245	72,513	207,690	160,895	630,554	559,742
31 December 2023							
Loans and borrowings	887	43,849	45,556	181,391	122,681	394,364	337,700
Other financial liabilities	0	2	0	0	0	2	2
Trade and other payables	93,881	29,866	11,839	5,476	6,021	147,083	147,083
Financial liabilities from leases	5,246	6,279	11,831	23,703	46,193	93,252	75,084
Total	100,014	79,996	69,226	210,570	174,895	634,701	559,869

Maturity of Telekom Slovenije's financial liabilities as at 30 June 2024 and 31 December 2023 based on contractual non-discounted payments

in EUR thousand	Up to 3 months	Non-past-due			Over 5 years	Total	Book value of liabilities
		Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years			
30 June 2024							
Loans and borrowings	872	42,274	45,976	173,660	109,099	371,881	322,601
Other financial liabilities	20,146	0	0	0	21	20,167	20,167
Trade and other payables	73,822	21,170	11,387	5,055	150	111,584	111,584
Financial liabilities from leases	5,359	9,163	11,592	28,210	58,018	112,342	92,374
Total	100,199	72,607	68,955	206,925	167,288	615,974	546,726
31 December 2023							
Loans and borrowings	887	43,849	45,556	181,391	122,681	394,364	337,700
Trade and other payables	91,945	16,278	11,716	5,476	125	125,540	125,540
Financial liabilities from leases	5,864	7,658	9,986	25,275	48,422	97,205	81,779
Total	98,696	67,785	67,258	212,142	171,228	617,109	545,019

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 30 June 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 of interest rate swaps (IRS).

The Company concluded an interest-rate swap (IRS) in February 2024 for the purpose of mitigating interest-rate risk. As at 30 June 2024, 54% of loans bore a fixed or hedged interest rate. Other liabilities derive from long-term loans bearing variable interest rates.

Exposure to interest rate risk

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Financial instruments with variable interest rate				
Financial liabilities	149,725	237,143	149,725	237,143
Net financial liabilities	149,725	237,143	149,725	237,143

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 June 2024	Interest rate increase/decrease	Effect on profit before tax in EUR thousand	
		Telekom Slovenije Group	Telekom Slovenije
EUR	+100 bp	-1,497*	-1,497*
EUR	-100 bp	1,497*	1,497*

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

* The calculation applies to the next 12 months.

EURIBOR interest rate value

EURIBOR	Value as at 30 June 2024	Value as at 31 December 2023	Change (in percentage points)
3-month	3.711	3.909	-0.198
6-month	3.682	3.861	-0.179

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 30 June 2024 and 31 December 2023

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Borrowings and other financial liabilities	427,184	412,262	434,681	418,955
Less current investments, cash and cash equivalents	-40,742	-56,525	-46,421	-62,378
Net liabilities	386,442	355,737	388,260	356,577
Equity	647,937	658,638	609,545	630,189
Total assets	1,319,587	1,317,866	1,243,162	1,250,315
Debt/equity ratio	59.6%	54%	63.7%	56.6%
Equity to total assets	49.1%	50%	49%	50.4%