



TelekomSlovenije

Unaudited business report of the
**Telekom Slovenije Group and
Telekom Slovenije, d.d.**

for the period January to March 2025

Table of contents

1	INTRODUCTORY NOTE.....	3
1.1	Statement of responsibility of the Management Board.....	3
2	STRATEGIC BUSINESS PLAN OF THE TELEKOM SLOVENIJE GROUP FOR THE PERIOD 2024 TO 2028.....	4
2.1	Vision, mission and values	4
2.2	Summary of the Strategic Business Plan	4
3	TELEKOM SLOVENIJE GROUP	6
3.1	Markets and companies of the Telekom Slovenije Group	6
3.2	Operating highlights	7
3.3	Key operating indicators of the Telekom Slovenije Group and Telekom Slovenije	8
3.4	Share trading and ownership structure.....	11
3.5	Market and market shares in key service segments	15
3.6	Risk management.....	16
4	CORPORATE GOVERNANCE.....	18
5	SIGNIFICANT EVENTS IN THE PERIOD JANUARY TO MARCH 2025	20
6	SIGNIFICANT EVENTS AFTER THE REPORTING DATE	21
7	CONDENSED INTERIM FINANCIAL REPORT OF THE TELEKOM SLOVENIJE GROUP AND TELEKOM SLOVENIJE, D.D. FOR THE PERIOD JANUARY TO MARCH 2025.....	22
7.1	Condensed interim financial statements of the Telekom Slovenije Group and Telekom Slovenije, d.d.	23
7.2	Notes to the interim financial statements of the Telekom Slovenije Group and Telekom Slovenije	31
7.3	Financial instruments and risk management	47

Ljubljana, May 2025

1 INTRODUCTORY NOTE

Pursuant to the law and the Rules of the Ljubljana Stock Exchange, Telekom Slovenije, d.d. (hereinafter: Telekom Slovenije), with its registered office at Cigaletova 15, Ljubljana, hereby publishes the Unaudited Business Report of the Telekom Slovenije Group and Telekom Slovenije for the period January to March 2025.

The condensed interim financial statements for the period ending 31 March 2025 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 2024. The financial statements for the period January to March 2025 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 14 May 2025.

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 March 2025 is also accessible on the Company's website at www.telekom.si.

1.1 Statement of responsibility of the Management Board

The members of Telekom Slovenije, d.d.'s Management Board responsible for compiling the unaudited business of the Telekom Slovenije Group and Telekom Slovenije for the period January to March 2025, hereby find that:

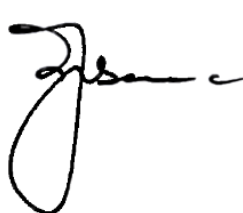
- to the best of our knowledge, the unaudited report of the Telekom Slovenije Group and Telekom Slovenije was compiled and published in accordance with valid legislation and the International Financial Reporting Standards as adopted by the EU;
- the condensed interim financial statements for the period ending 31 March 2025 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 2024.
- 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
Vice-President of
the Management
Board



Irma Gubanec
Member of the
Management Board



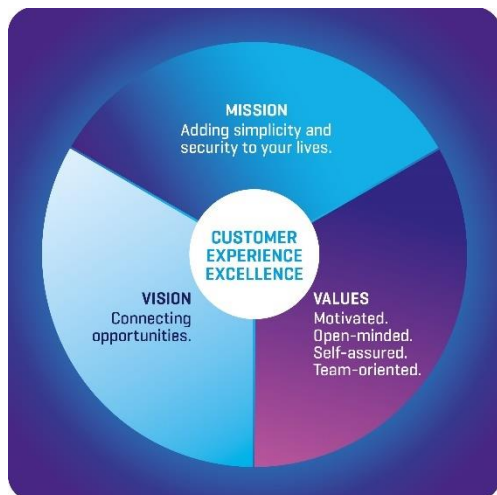
Vesna Prodnik
Member of the
Management Board



Špela Fortin
Member of the
Management Board
and Workers' Director

2 STRATEGIC BUSINESS PLAN OF THE TELEKOM SLOVENIJE GROUP FOR THE PERIOD 2024 TO 2028

2.1 Vision, mission and values



The Telekom Slovenije Group is constantly moving forward, evolving and facilitating development and progress **by connecting opportunities**. We serve as the infrastructure backbone for connecting users and devices.

We provide the most-advanced telecommunication services, fast and reliable internet and advanced ICT services. We thus facilitate comprehensive social development, cross-sectoral cooperation and growth in productivity, as well as more equitable access to services and social inclusion. We are guided by four values: motivated, open, self-confident and team-oriented (M.O.S.T.).

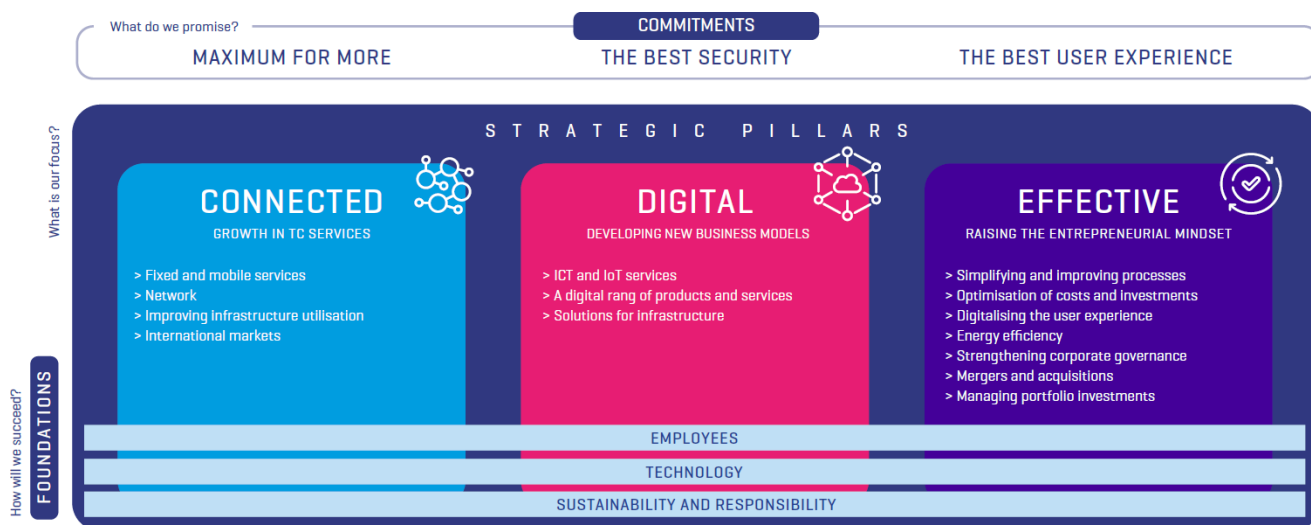
2.2 Summary of the Strategic Business Plan

The Strategic Business Plan of the Telekom Slovenije Group for the period 2024 to 2028 sets out our future development in a period of expected rapid technological development and advances in the ICT sector.

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.



CONNECTED

Developing and strengthening our core activity. We will record additional growth in revenues and market shares on telecommunications markets in Slovenia and abroad. We place special emphasis on making better use of the existing infrastructure.

DIGITAL

Developing new business models. As a reliable provider of the infrastructure and the digitalisation of services, we plan the highest growth in the ICT segment and digital services. We will continue to increase the value of these services by incorporating cyber security solutions.

EFFECTIVE

Raising commercial awareness. We are improving operational efficiency through the continued digitalisation of operations, the reduction of costs and the improved efficiency of investing activities.

Objectives of the Telekom Slovenije Group for 2025

in EUR million	
Sales revenue	726.2
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	248.9
Net profit from continuing operations	53.6
Investments	218.4

Strategic objectives of the Telekom Slovenije Group for the period 2024 to 2028

in EUR million	
Earnings before interest, taxes, depreciation and amortisation (EBITDA) in 2028	280
Net profit in 2028	83
Investments in the period 2024 to 2028	951
Carbon-neutrality under Scope 1 and 2 in 2028	

Dividend Policy	The payment of dividends in the amount of 30% to 50% of the Telekom Slovenije Group's net profit, taking into account the Group's current financial position and investment needs.
-----------------	--

3 TELEKOM SLOVENIJE GROUP

3.1 Markets and companies of the Telekom Slovenije Group

The Telekom Slovenije Group comprises the controlling company Telekom Slovenije and its subsidiaries. The composition of the Telekom Slovenije Group and participating interests as at 31 March 2025 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 31 March 2025



There were no changes in the composition of the Telekom Slovenije Group in the period January to March 2025.

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 and Telekom Slovenije achieved the following results in the period January to March 2025:

- The Telekom Slovenije Group had 1,979,861 retail mobile users as at 31 March 2025, an increase of 4% or 82,045 relative to 31 March 2024. The Group had 317,447 fixed retail broadband and TV connections as at 31 March 2025, an increase of 4% or 12,429 connections relative to 31 March 2024. Telekom Slovenije recorded an increase in the number of fixed retail broadband and TV connections of 6% or 12,376 connections, while the number of retail mobile telephony users was up by 4% or 40,872 users. The subsidiary IPKO in Kosovo recorded an increase in the number of retail mobile telephony users by 4% or 41,173 users.
- Telekom Slovenije surpassed a significant milestone: it is now trusted by more than one million mobile telephony users. Continuous growth in the number of users confirms that Telekom Slovenije responds to the needs of both residential and business users through clearly targeted sales and development activities, and superior services on a high-capacity network. Connectivity, flexibility and reliability remain the cornerstones of the Group's portfolio, which currently connects one million users across Slovenia.
- Sales revenue totalled EUR 171.7 million, an increase of 2% relative to the same period in 2024. Revenues were up on account of growth in the number of users and increased sales of IT merchandise and services, while revenues from financial, eHealth and eCommerce services were also up.
- Operating expenses totalled EUR 153.8 million, an increase of 1% relative to the same period in 2024.
- Earnings before interest, taxes, depreciation and amortisation (EBITDA) totalled EUR 61.8 million, an increase of 4% or EUR 2.1 million relative to 2024. The EBITDA margin (i.e. EBITDA as a proportion of sales revenue) was 36.0%.
- Earnings before interest and taxes (EBIT) amounted to EUR 19.2 million, an increase of 4% relative to the same period last year.
- Following the calculation of income tax (including deferred taxes), the Telekom Slovenije Group generated a net profit of EUR 14.3 million, an increase of 18% or EUR 2.2 million relative to the same period in 2024.

A comparative analysis of the regulation of incumbent operators in EU countries indicates a trend of deregulation of telecommunication operators. Contrary to trends in the EU, the responsible regulator in Slovenia, AKOS, unjustifiably maintains a high level of regulation, despite the fact that Telekom Slovenije has one of the lowest retail market shares amongst incumbent operators in the EU.

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

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

in EUR thousand and %	Telekom Slovenije Group			Telekom Slovenije		
	I – III 2025 / 31 March 2025	I – III 2024 / 31 March 2024	Index 25/24	I – III 2025 / 31 March 2025	I – III 2024 / 31 March 2024	Index 25/24
Sales revenue	171,707	169,068	102	149,353	147,390	101
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	61,750	59,657	104	47,916	46,137	104
EBITDA margin = EBITDA / sales revenue	36.0%	35.3%	102	32.1%	31.3%	102
Earnings before interest and taxes (EBIT)	19,159	18,347	104	12,024	11,667	103
Return on sales = EBIT / sales revenue (EBIT margin)	11.2%	10.9%	103	8.1%	7.9%	102
Net profit from continuing operations	14,285	12,102	118	8,684	7,944	109
Assets*	1,363,780	1,338,533	102	1,304,476	1,300,543	100
Equity*	687,951	672,947	102	709,352	699,948	101
Net financial debt*	376,271	372,912	101	386,940	384,098	101

* Comparative data as at 31 December 2024.

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

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

	I – III 2025	I – III 2024	Index 25/24
Environmental indicators			
Consumption of electricity (in MWh)	21,745	21,442	101
Energy intensity in MWh/EUR million (electricity consumption/sales revenue)	126.6	126.8	100
Social indicators			
No. of employees as at 31 March	3,231	3,239	100
Number of employees with a disability as at 31 March	90	95	95
Coverage of the Slovenian population with 5G technology as at 31 March	83.4%	61.6%	135
Coverage of the Slovenian population with 4G technology as at 31 March	99.0%	97.0%	102
Governance indicators			
Proportion of under-represented gender on management and supervisory bodies as at 31 March	43%	43%	100
Personal data protection (number of inspections by supervisory authorities)	1	0	-
Protection of privacy (number of reports of potential breaches of customer's privacy)	22	24	92

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

Overview of operations by company and key market

Sales revenues

in EUR thousand	I – III 2025	I – III 2024	Index 25/24
Telekom Slovenije	149,353	147,390	101
Other companies in Slovenia	18,133	17,817	102
IPKO – Kosovo	21,855	21,179	103
Other companies abroad	990	989	100
Exclusions and adjustments between Group companies	-18,624	-18,307	-
Telekom Slovenije Group	171,707	169,068	102

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

in EUR thousand	I – III 2025	I – III 2024	Index 25/24
Telekom Slovenije	47,916	46,137	104
Other companies in Slovenia	2,033	2,195	93
IPKO – Kosovo	12,170	11,497	106
Other companies abroad	696	718	97
Exclusions and adjustments between Group companies	-1,065	-890	-
Telekom Slovenije Group	61,750	59,657	104

Earnings before interest and taxes (EBIT)

in EUR thousand	I – III 2025	I – III 2024	Index 25/24
Telekom Slovenije	12,024	11,667	103
Other companies in Slovenia	280	467	60
IPKO – Kosovo	6,413	5,588	115
Other companies abroad	265	267	99
Exclusions and adjustments between Group companies	177	358	-
Telekom Slovenije Group	19,159	18,347	104

Net profit from continuing operations

in EUR thousand	I – III 2025	I – III 2024	Index 25/24
Telekom Slovenije	8,684	7,944	109
Other companies in Slovenia	-5	1,059	0
IPKO – Kosovo	5,008	4,350	115
Other companies abroad	181	165	110
Exclusions and adjustments between Group companies	417	-1,416	-
Telekom Slovenije Group	14,285	12,102	118

Investments

in EUR thousand	I – III 2025	I – III 2024	Index 25/24
Telekom Slovenije	34,654	44,922	77
Other companies in Slovenia	1,707	1,430	119
IPKO – Kosovo	1,917	1,697	113
Other companies abroad	93	130	72
Exclusions and adjustments between Group companies	185	-2,418	-
Telekom Slovenije Group	38,556	45,761	84

Employees

Number of employees as at	31 March 2025	31 December 2024	Index 25/24
Telekom Slovenije	2,044	2,049	100
Other companies in Slovenia	691	671	103
IPKO – Kosovo	496	480	103
Telekom Slovenije Group	3,231	3,200	101

TELEKOM SLOVENIJE GROUP CONNECTIONS AND SERVICES BY TYPE AND MARKET

Retail mobile users

Balance as at	31 March 2025	31 March 2024	Index 25/24
Slovenia	1,009,088	968,216	104
Kosovo	970,773	929,600	104
Telekom Slovenije Group	1,979,861	1,897,816	104

Retail broadband and TV connections

Balance as at	31 March 2025	31 March 2024	Index 25/24
Slovenia	216,045	203,669	106
Kosovo	101,402	101,349	100
Telekom Slovenije Group	317,447	305,018	104



3.4 Share trading and ownership structure

General information regarding Telekom Slovenije shares as at 31 March 2025

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	8,003

Trading in TLSG shares

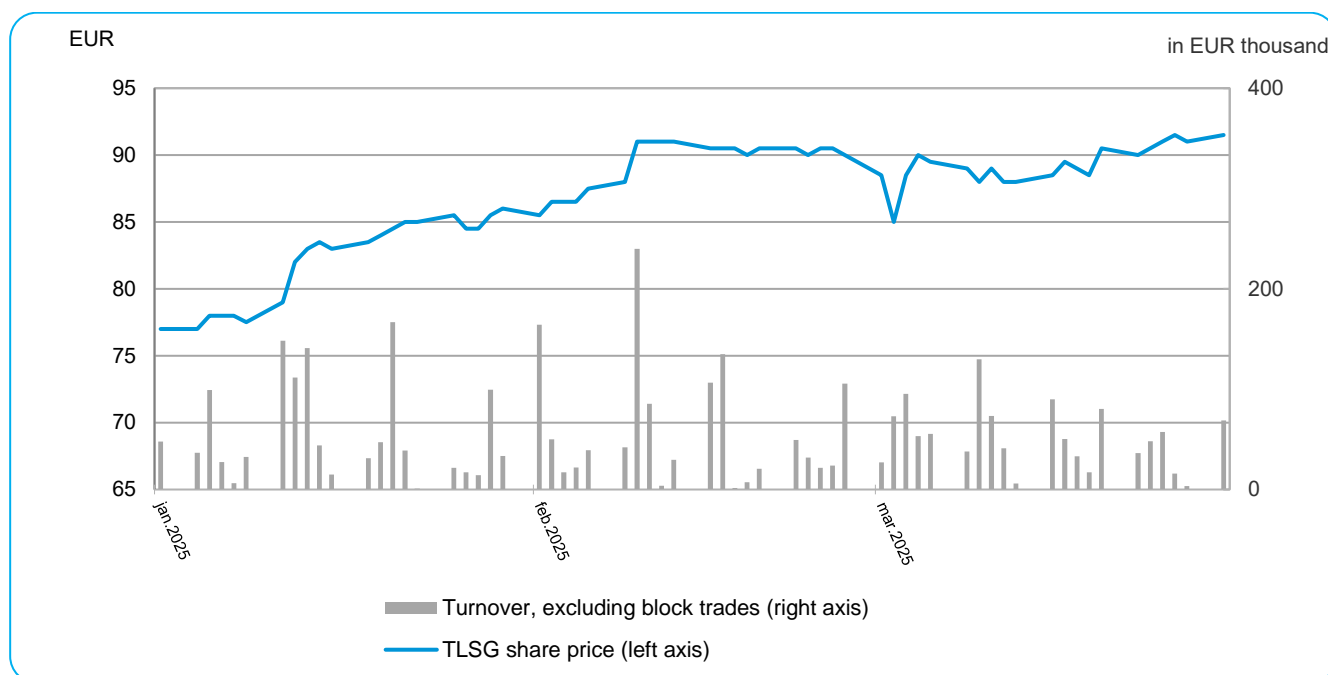
The shares of Telekom Slovenije are listed on the prime securities market of the Ljubljana Stock Exchange under the ticker symbol TLSG. The shares are included in the SBITOP and SBITOP TR share indices, and accounted for 4.31% of those two indices according to the semi-annual review of computational parameters conducted on 20 March 2025. 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 91.50 on the last trading day of March 2025. The share price rose by 19.61% in the period January to March 2025, while the SBITOP index was up by 21.43% during the same period. Turnover in the Company's shares (excluding block trades) totalled EUR 3.47 million, representing 2.12% of total turnover on the Ljubljana Stock Exchange. The market capitalisation of Telekom Slovenije stood at EUR 598.00 million on the last trading day of March 2025.

Trading statistics for TLSG shares

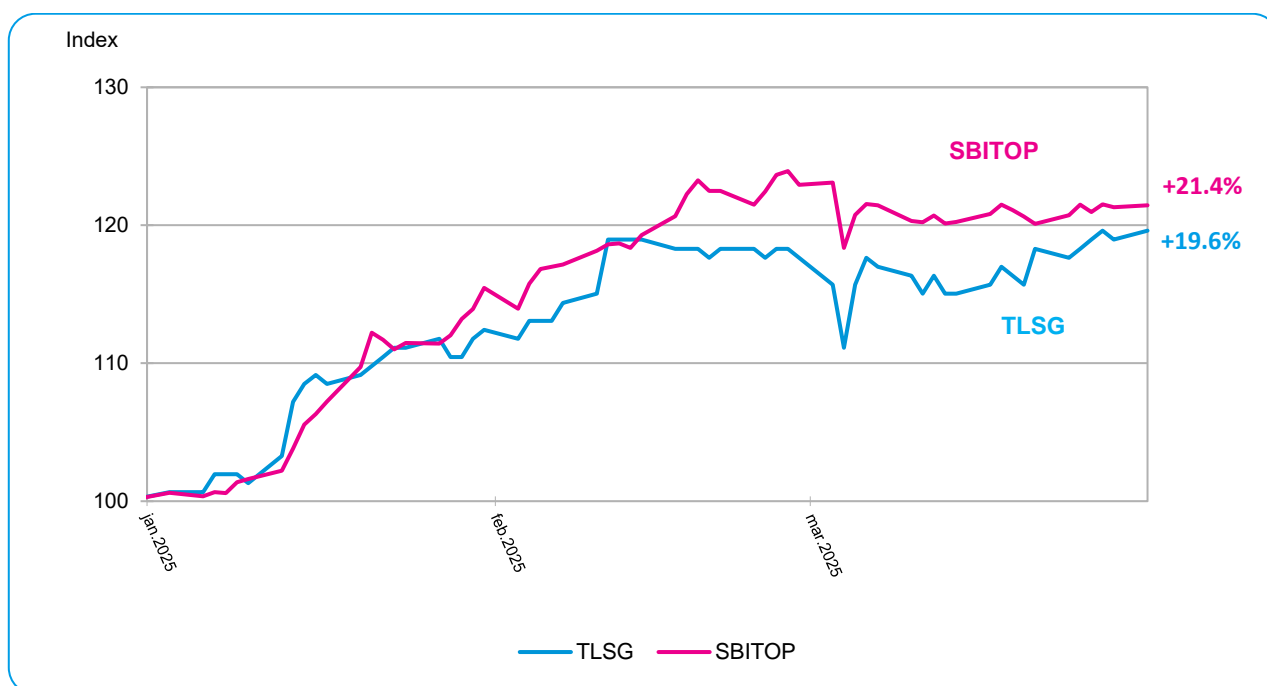
Standard price in EUR	I – III 2025	I – III 2024
Highest daily price	91.50	72.00
Lowest daily price	77.00	60.50
Average daily price	86.89	66.61
Turnover (excluding block trades) in EUR thousand	I – III 2025	I – III 2024
Total volume for the period	3,468.58	4,486.37
Highest daily volume	239.82	367.63
Lowest daily volume	0.85	0.74
Average daily volume	55.94	73.55

Change in the share price and turnover in TLSG shares



Source: Ljubljana stock exchange, 31 March 2025

Movement in the TLSG share price compared to the SBITOP (index: 31 December 2024 = 100)



Source: Ljubljana stock exchange, 31 March 2025

Key financial data relating to TLSG shares

	31 March 2025 / I – III 2025	31 March 2024 / I – III 2024	Index
Closing price of one share on the last trading day of the period (in EUR)	91.50	71.00	129
Capital return per share during the period (in %) ¹	19.61	17.36	113
Telekom Slovenije			
Book value of one share (in EUR) ²	108.54	91.38	119
P/BV	0.84	0.78	108
Net earnings per share in (EUR) ³	1.34	1.22	109
Telekom Slovenije Group			
Book value of one share (in EUR) ⁴	105.26	96.36	109
P/BV	0.87	0.74	118
Net earnings per share in (EUR) ⁵	2.20	1.86	118

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.

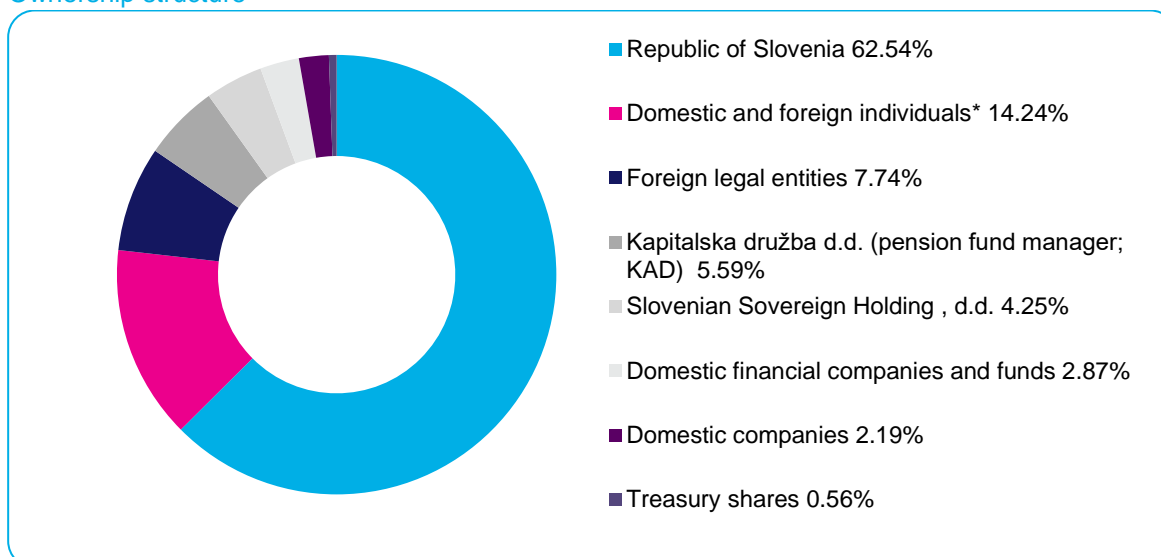
⁴ The book value of one share is calculated as the ratio of the book value of the Telekom Slovenije Group's equity on the last day of the period to the number of issued ordinary shares.

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 31 March 2025

Telekom Slovenije had 8,003 shareholders as at 31 March 2025, a decrease of 68 relative to the end of 2024. At 0.26 percentage points, foreign legal entities recorded the most significant increase in ownership stake during the first three months of 2025. The ownership stake of domestic and foreign individual shareholders was down by 0.16 percentage points, while the ownership stake of domestic financial corporations and funds was down by 0.09 percentage points and the ownership stake of domestic legal entities was down by 0.1 percentage points.

Ownership structure

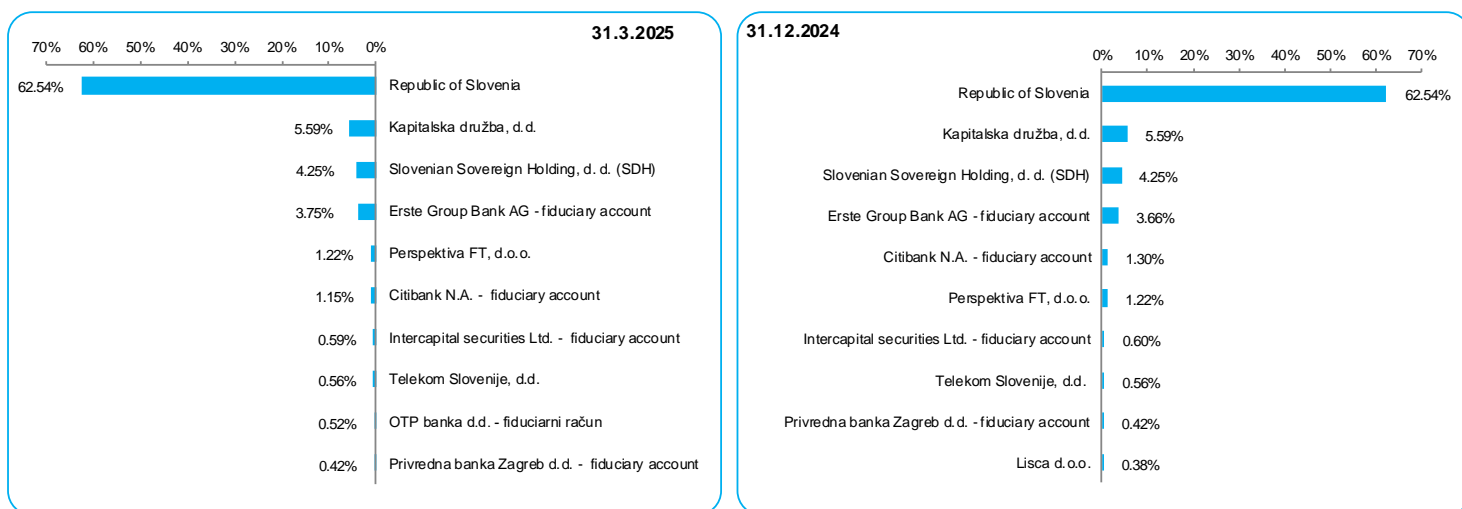


* Individual shareholders include individuals who pursue gainful activities on the market.

Source: KDD, 31 March 2025

Ten largest shareholders

The concentration of ownership, as measured by the ownership stake held by the ten largest shareholders, stood at 80.60% as at 31 March 2025, an increase of 0.07 percentage points relative to the end of 2024. The composition of the ten largest shareholders changed as a result of these changes.



Source: KDD, 31 March 2025

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

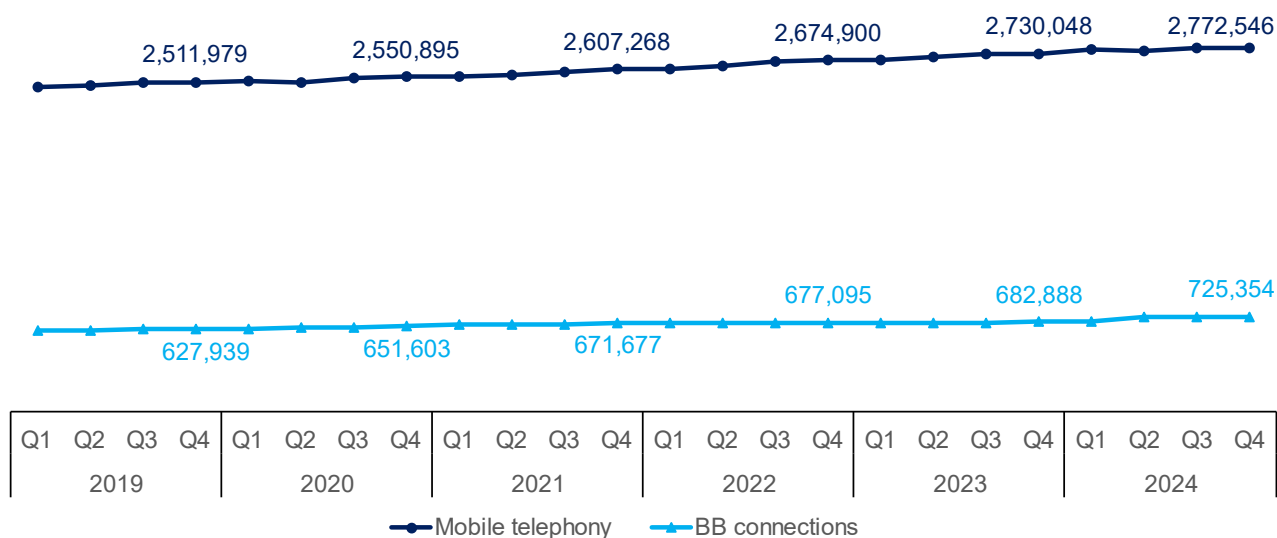
Members of the Management Board and Supervisory Board held 1,178 TLSG shares as at 31 March 2025.

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.

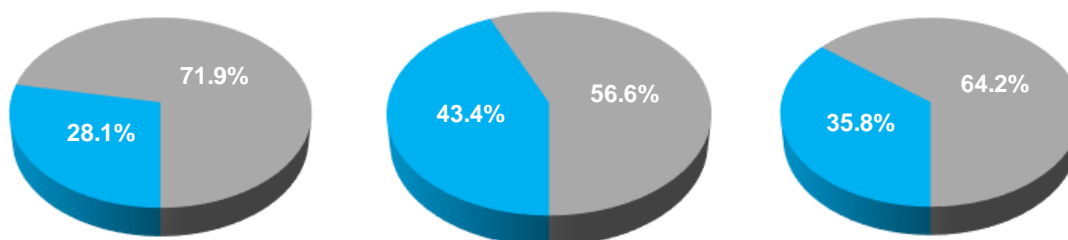
3.5 Market and market shares in key service segments

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



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

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



	Fixed broadband access	IP TV	Mobile telephony
Market share	28.1%	43.4%	35.8%
Annual change (p.p.)	0.9 p.p.	1.7 p.p.	0.7 p.p.
Connections	213,582	181,925	991,307
Annual change	6.1%	7.4%	4.0%

Source: Report on the development of the electronic communications market for the fourth quarter of 2024, AKOS and 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

- Strategic risks include risks related to technological changes, pressure from competitors and new market entrants, macroeconomic factors, regulatory requirements, societal and environmental impacts, and the changing needs and expectations of users.
- We operate on markets where there is increased competition in terms of prices, services and the infrastructure, while we are also addressing challenges in connection with the increasing needs and expectations of users, and the price sensitivity of the latter. Our focus is thus on developing the most technologically advanced services, the flexibility of our portfolio and enhancing the overall user experience. We actively monitor market trends and user needs with the aim of adapting our strategies in a timely manner to consolidate our position as the most technologically advanced operator.
- We continuously optimise and develop our product portfolio. We meet the needs of users through flexible, innovative and price competitive offers, and enriched programme content. The emphasis is on ensuring high quality, security and reliability, and the broadest range of competitive services for the most diverse user segments. We promote the migration of users to more modern packages, and implement programmes to retain subscribers and strengthen their trust.
- We provide users advanced mobile payment options (e.g. VALÚ, VALÚ Moneta and payments for digital content).
- We actively enhance the development and sale of cyber security, IT support, eCare, telemedicine and digital infrastructure services (smart cities, energy, mobility, Industry 4.0 and mobile private networks), and comprehensive ICT solutions tailored to the needs of business users.
- We also develop innovative solutions in the scope of strategic partnerships.
- Intensive activities and communication with all stakeholders are being carried out in the area of eCare for the smooth transition to an insurance system for long-term care in line with the entry into force of the Long-Term Care Act.
- We actively invest in the digitalisation and simplification of processes with the aim of providing the best possible user experience (digital communications, simple IT architecture and technology). We are redesigning mobile applications for digital access to our services. We are introducing a new form of security screening

with the aim of further protecting our users and their accounts.

- We promote the responsible use of artificial intelligence in accordance with our strategy for introducing and managing artificial intelligence in business processes, while we also organise employee training on the safe use of AI.

Financial risks

- We closely monitor changes in the financial environment and the associated risks.
- 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.
- We manage credit risk through the systematic assessment of the creditworthiness of subscribers and the active monitoring of their operations, and by setting maximum exposure limits. These risks are further managed through credit insurance. Monitoring of the settlement of contractual obligations and the active recovery of past-due debt are also 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

- The telecommunications market is subject to strict regulatory requirements that impact our operations, which in turn dictates that we take a proactive approach to risk management. We work with the competent authorities, comply with valid legislation, and with the decisions and aspects of sectoral regulations and other competent bodies. We manage these risks through organisational and procedural measures, through constructive dialogue, and by putting forth opinions, comments and suggestions in public consultations regarding drafts of general and specific laws issued by the regulator. We actively participate in the analysis of relevant markets.
- 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 provide payment and electronic money issuing services that are covered by Regulation (EU) 2022/2554 on digital operational resilience for the financial sector. We have aligned our digital operational resilience processes and procedures with the requirements of the aforementioned regulation and associated implementing acts. We monitor the adoption of implementing acts and practices in the application of that regulation, and update our procedures accordingly. We also provide various ICT services to subscribers who are subject to the regulation. We adapt services for those subscribers and our agreements with them and with subcontractors (where we subcontract services) to new requirements.

Operational risks

- We dedicate a great deal of attention to managing operational risks associated with the functioning and security of the network, systems and applications that serve as the basis of our operations.
- We continuously upgrade and technologically update our fixed and mobile networks and systems. We upgrade capacities and licences in line with growth in traffic. The modernisation of the radio access network (RAN) and core network is being carried out at an accelerated pace in connection with the decision on the allocation of radio frequencies.
- We are actively investing in an advanced cyber security infrastructure to increase cyber resilience. We continuously upgrade the network, systems and applications, and adapt them to new threats with the aim of preventing abuse. We carry out security testing, and exchange knowledge and data regarding threats with European telecommunications operators and international cyber incident response teams. On account of a rising number of cyber security incidents, the Cyber Security and Resilience Centre is actively improving the effectiveness of its response to cyber incidents by monitoring threats and automating processes.
- 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.
- We ensure business continuity through a business continuity management system (BCMS)

that is continuously developed, upgraded and assessed. We update topology, the capacities of the infrastructure and ICT services, and the Company's key processes as required.

- We also face risks in connection with the retention of key employees. We respond 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. We work actively with various educational institutions, implement numerous activities to build the employer brand with the aim of attracting new and diverse candidates, and offer company scholarships.
- We manage procurement-related risks through a standardised procurement process and a supplier risk assessment methodology, and by including the requisite collateral in contracts with suppliers.
- We are closely monitoring market developments regarding potential tariffs. We are currently analysing possible impacts on the Group's operations, and preparing scenarios to adapt operations and supply flows accordingly.
- The Energy Regulatory Office (ERO) has announced that it is continuing with the liberalisation of the electricity market in the Republic of Kosovo. IPKO's electricity costs may rise due to the transition to an unregulated market, effective 1 June 2025.

Risks relating to sustainability aspects of operations

- We have identified significant transition and physical risks in connection with climate change. Our key measures focus on proactively increasing energy efficiency across our operations and ambitiously reducing greenhouse gas emissions in line with established targets.
- The digital and green transitions are integrated into the Group's strategy. Our strengths are based on a high-quality network, innovative ICT services and solutions, and the increased consumption of clean energy sources. We are thus actively contributing to the mitigation of and adaptation to climate change.
- We actively communicate with all stakeholders, and regularly inform them about activities in the areas of social responsibility and sustainable conduct. This includes targeted communication campaigns and engagement with key stakeholder groups to ensure transparency and inclusion.

4 CORPORATE GOVERNANCE

Management Board

Telekom Slovenije's Management Board functioned in the following composition as at 31 March 2025:

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

Supervisory Board

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

The Supervisory Board comprised the following members as at 31 March 2025:

Shareholder representatives:

- Žiga Debeljak, President,
- Karla Pinter, Vice-President,
- Marko Boštjančič, Member,
- Alenka Čok Pangeršič, Member,
- Mateja Čuk Orel, Member, and
- Aleksander Igličar, 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 office of four years.

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

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

SLOVENIA

GVO, d.o.o.

Managing Director: Zef Vučaj

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

INFRATEL, d.o.o.

Managing Director: Zef Vučaj

OPTIC-TEL, d.o.o.

Managing director: Matej Kušar

AVTENTA, d.o.o.

Managing director: Matija Nendl

TSmedia, d.o.o.

Managing director: Rolando Žel

Igor Gajster served as the company's managing director until 28 February 2025.

SOLINE, d.o.o.

Managing director: Aleksander Valentin

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

SIOL doo Podgorica, Montenegro

Managing Director: Simon Furlan

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

Managing Director: Simon Furlan

SIOL DOOEL Skopje, North Macedonia

Managing Director: Simon Furlan

SIOL DOO BEOGRAD-PALILULA, Serbia

Managing Director: Simon Furlan

SIOL Prishtina LLC, Kosovo

Managing Director: Simon Furlan

5 SIGNIFICANT EVENTS IN THE PERIOD JANUARY TO MARCH 2025

JANUARY

- For the fourth year in a row, we received the prestigious Top Employer certificate, which is awarded by the global Top Employers Institute organisation. That certificate represents an international professional standard in the area of sustainability and HR practices that companies implement for their employees. For recipient companies, it serves as outstanding recognition of business excellence in the areas of HR policy, and employee development and care.
- Siol.net set a record in terms of the number of visits. For the first time in its history, it surpassed the magical milestone of 900 thousand unique users.
- TSinpo modernised its production in Novo Mesto. The first effects have already been seen in an increased number of orders and higher revenues.

FEBRUARY

- On 21 February 2025, Telekom Slovenije's Supervisory Board gave its consent to the appointment of Rolando Žel as managing director of TSmedia for a four-year term of office beginning on 1 March 2025, and to the reappointment of Zef Vučaj as managing director of GVO for a four-year term of office beginning on 1 September 2025.
- On 26 February 2025, we detected a cyber incident in which some internal business data was disclosed. We immediately adopted all

necessary measures to contain the incident and stop it from continuing and spreading. The hack occurred in the incident management and fault resolution support system.

- In cooperation with Kontron and Cinkarna Celje, we installed a private 5G mobile network solution in the form of an advanced wireless connection, at the Celje production site, including seven warehouses. We thus facilitated the digitalisation of warehouse operations with portable mobile terminals.

MARCH

- Telekom Slovenije was the first to fully enter the world of gigabit connections, and will continue to increase speeds in its network. NEO packages now offer gigabit speeds while delivering a new user experience to all devices, including smart TVs and the internet. NEO also provides the free subtitling of TV programmes, which Telekom Slovenije has developed based on years of experience with NEO voice control and advanced artificial intelligence that can provide high-quality subtitles, even on programmes that do not otherwise offer subtitles.
- With the aim of providing an even better user experience, Siol.net has a redesigned and improved mobile application.
- Bizi.si offers a new service: Certificate of Sustained Excellence (CSE). That certificate recognises companies that demonstrate stability, reliability and above-average operating results.

6 SIGNIFICANT EVENTS AFTER THE REPORTING DATE

SECOND QUARTER OF 2025

APRIL

- We received an important award at the Slovenian HR Conference: confirmation that we are excelling in the areas of HR management, and employee development and care. We are very proud of the fact that our work for and with employees makes us stand out amongst the best employers in Slovenia.
- Telekom Slovenije enabled LTE-M technology for the development of the Internet of Things (IoT) across its entire network in April as part of a comprehensive modernization of its mobile network.

7 CONDENSED INTERIM FINANCIAL REPORT OF THE TELEKOM SLOVENIJE GROUP AND TELEKOM SLOVENIJE, D.D. FOR THE PERIOD JANUARY TO MARCH 2025

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

The condensed financial statements for the period ending 31 March 2025 were compiled in accordance with IAS 34 Interim Financial Reporting, and must be read together with the financial statements and disclosures compiled for the 2024 financial year. The financial statements for the period January to March 2025 and the comparable period January to March 2024 are unaudited, while the financial statements for the comparable period ending 31 December 2024 are audited. The financial statements of the Group and Company were compiled under the assumption that both are going concerns. Operations are not seasonal.

Changes in accounting policies

The accounting policies used in the compilation of the interim condensed financial statements are the same as those applied in the compilation of the financial statements for the financial year ending 31 December 2024.

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 income statement

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I – III 2025	I – III 2024	I – III 2025	I – III 2024
Sales revenue	171,707	169,068	149,353	147,390
Other operating income	1,239	1,302	532	770
Cost of goods sold	-21,361	-21,833	-22,513	-22,488
Costs of materials and energy	-5,186	-5,626	-3,621	-4,401
Cost of services	-49,659	-49,531	-47,135	-46,781
Labour costs	-30,988	-31,530	-24,854	-26,090
Depreciation and amortisation	-42,591	-41,310	-35,892	-34,470
Other operating expenses	-4,002	-2,193	-3,846	-2,263
Total operating expenses	-153,787	-152,023	-137,861	-136,493
Operating profit	19,159	18,347	12,024	11,667
Finance income	554	636	694	2,343
Finance expenses	-4,121	-4,218	-3,389	-3,976
Profit before tax	15,592	14,765	9,329	10,034
Corporate income tax	-1,779	-1,573	-1,148	-992
Deferred taxes	472	-1,090	503	-1,098
Net profit from continuing operations	14,285	12,102	8,684	7,944

Unaudited consolidated and separate statement of other comprehensive income

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I – III 2025	I – III 2024	I – III 2025	I – III 2024
Net profit for the period	14,285	12,102	8,684	7,944
<i>Other comprehensive income that may be subsequently reclassified to the statement of profit or loss</i>	<i>369</i>	<i>-711</i>	<i>372</i>	<i>-713</i>
Translation reserves	-3	1	0	0
Effective part of change in the fair value of hedging instrument	477	-913	477	-913
Deferred tax	-105	201	-105	200
<i>Other comprehensive income that may not be subsequently reclassified to the statement of profit or loss</i>	<i>348</i>	<i>59</i>	<i>348</i>	<i>59</i>
Change in the fair value of financial assets through other comprehensive income	446	76	446	76
Deferred tax	-98	-17	-98	-17
Other comprehensive income for the period after tax	717	-652	720	-654
Total comprehensive income for the period	15,002	11,450	9,404	7,290

Unaudited consolidated and separate statement of financial position

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
ASSETS				
Intangible assets	210,852	215,555	153,571	155,763
Property, plant and equipment	715,202	716,297	624,887	624,984
Right-of-use assets	87,195	86,464	93,215	92,568
Investments in subsidiaries	0	0	120,354	120,354
Other investments	3,303	2,856	12,721	12,524
Contract assets	3,688	4,173	3,306	3,779
Other receivables	20,190	19,242	20,127	19,179
Deferred assets	2,070	2,018	2,060	2,020
Investment property	3,321	3,349	3,321	3,349
Deferred tax assets	48,447	48,179	48,042	47,742
Total non-current assets	1,094,268	1,098,133	1,081,604	1,082,262
Assets held for sale	588	588	588	588
Inventories	27,555	24,146	24,120	20,518
Trade and other receivables	167,926	174,000	157,308	163,172
Income tax receivables	235	114	68	65
Contract assets	16,605	13,817	16,357	13,655
Deferred assets	37,667	7,852	9,380	4,779
Investments	4	1,004	6,852	6,447
Cash and cash equivalents	18,932	18,879	8,199	9,057
Total current assets	269,512	240,400	222,872	218,281
Total assets	1,363,780	1,338,533	1,304,476	1,300,543
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	185,768	185,768	184,267	184,267
<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>	79,302	79,302	79,289	79,289
Retained earnings	46,500	32,213	70,444	61,760
<i>Retained earnings from previous periods</i>	32,215	32,213	61,760	6,335
<i>Profit or loss for the period</i>	14,285	0	8,684	55,425
Fair value reserves	-819	-1,539	-819	-1,539
Reserves for actuarial gains/losses	2,237	2,237	1,783	1,783
Translation reserves	55	58	0	0
Total equity	687,951	672,947	709,352	699,948
Contract liabilities	16,469	17,090	16,388	17,024
Provisions	28,488	28,177	25,064	24,227
Other operating liabilities	31,048	34,340	12,372	13,336
Accrued liabilities	33,431	8,515	1,810	546
Loans and borrowings	286,568	287,881	286,568	287,880
Lease liabilities	72,526	72,207	79,419	79,074
Other financial liabilities	1,662	2,139	1,662	2,139
Deferred tax liabilities	544	544	0	0
Total non-current liabilities	470,736	450,893	423,283	424,226
Trade payables	118,025	135,587	96,572	108,610
Income tax payable	1,717	1,501	1,494	1,257
Loans	22,670	19,197	22,670	19,197
Lease liabilities	11,779	11,369	11,672	11,312
Other financial liabilities	2	2	0	0
Contract liabilities	10,532	10,858	4,312	4,587
Accrued liabilities	40,368	36,179	35,121	31,406
Current liabilities	205,093	214,693	171,841	176,369
Total liabilities	675,829	665,586	595,124	600,595
Total equity and liabilities	1,363,780	1,338,533	1,304,476	1,300,543

Unaudited consolidated statement of changes in equity of the Telekom Slovenije Group for the period ending 31 March 2025

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 periods	Profit or loss for the period					
Balance as at 1 January 2025	272,721	181,489	51,612	4,065	-4,065	54,854	79,302	32,213	0	129	-1,668	2,237	58	672,947
Net profit or loss for the period	0	0	0	0	0	0	0	0	14,285	0	0	0	0	14,285
Other comprehensive income for the period	0	0	0	0	0	0	0	0	0	348	372	0	-3	717
Total comprehensive income for the period	0	0	0	0	0	0	0	0	14,285	348	372	0	-3	15,002
Other	0	0	0	0	0	0	0	2	0	0	0	0	0	2
Balance as at 31 March 2025	272,721	181,489	51,612	4,065	-4,065	54,854	79,302	32,215	14,285	477	-1,296	2,237	55	687,951

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

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

Unaudited statement of changes in equity of Telekom Slovenije for the period ending 31 March 2025

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 periods	Profit or loss for the period				
Balance as at 1 January 2025	272,721	180,956	50,434	4,065	-4,065	54,544	79,289	6,335	55,425	130	-1,669	1,783	699,948
Net profit or loss for the period	0	0	0	0	0	0	0	0	8,684	0	0	0	8,684
Other comprehensive income for the period	0	0	0	0	0	0	0	0	0	348	372	0	720
Total comprehensive income for the period	0	0	0	0	0	0	0	0	8,684	348	372	0	9,404
Transfer of profit or loss from the previous year to retained earnings	0	0	0	0	0	0	0	55,425	-55,425	0	0	0	0
Changes in equity	0	0	0	0	0	0	0	55,425	-55,425	0	0	0	0
Balance as at 31 March 2025	272,721	180,956	50,434	4,065	-4,065	54,544	79,289	61,760	8,684	478	-1,297	1,783	709,352

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

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

Unaudited consolidated and separate cash flow statement

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I – III 2025	I – III 2024	I – III 2025	I – III 2024
Cash flows from operating activities				
Net profit for the period	14,285	12,102	8,684	7,944
Adjustments for:				
Depreciation and amortisation	42,591	41,310	35,892	34,470
Impairment and write-offs of property, plant and equipment and intangible assets	73	33	246	0
Gain/loss on disposal of property, plant and equipment	-51	-208	-39	-206
Impairment and write-offs of inventories	233	232	233	233
Net impairment of receivables and contract assets	3,255	1,193	3,048	1,100
Adjustment for provisions	134	-7	120	0
Finance income	-131	-636	-306	-2,344
Finance expenses	3,495	4,218	2,798	3,976
Income tax expense with deferred taxes	1,307	2,663	645	2,090
Cash flows from operating activities before changes in working capital and provisions	65,191	60,900	51,321	47,263
Change in inventories	-3,146	-1,773	-3,338	-1,889
Change in trade and other receivables	2,128	2,946	2,120	3,202
Change in accrued and deferred asset items and contract assets	-32,427	-11,783	-7,131	-8,558
Change in provisions	177	335	721	326
Change in trade and other payables	-21,588	-26,174	-13,084	-22,050
Change in accrued and deferred liability items and contract liabilities	28,158	13,285	4,067	13,442
Income tax paid	-1,056	-833	-911	-597
Net cash flow from operating activities	37,437	36,903	33,765	31,139
Cash flows from investing activities				
Proceeds from investing activities	1,145	683	481	5,320
Proceeds from the sale of property, plant and equipment	65	419	65	419
Dividends received	16	0	16	939
Proceeds from interest	64	226	208	777
Proceeds from repayment of loans and deposits	1,000	38	192	3,185
Disbursements from investing activities	-34,491	-33,690	-31,246	-31,414
Disbursements for property, plant and equipment	-20,877	-14,458	-17,787	-12,060
Disbursements for intangible assets	-13,614	-19,232	-13,099	-19,024
Disbursements for loans and deposits issued	0	0	-360	-330
Net cash flow from investing activities	-33,346	-33,007	-30,765	-26,094
Cash flows from financing activities				
Proceeds from financing activities	0	0	0	0
Disbursements from financing activities	-4,040	-24,065	-3,860	-23,938
Repayment of lease liabilities – principal	-2,717	-3,088	-2,656	-3,040
Disbursements for interest	-1,323	-831	-1,204	-752
Payment of dividends	0	-20,146	0	-20,146
Net cash flow from financing activities	-4,040	-24,065	-3,860	-23,938
Net increase/decrease in cash and cash equivalents	51	-20,169	-860	-18,893
Opening balance of cash and cash equivalents	18,879	55,479	9,057	44,376
Effect of exchange rate changes on cash and cash equivalents	2	1	2	1
Closing balance of cash and cash equivalents	18,932	35,311	8,199	25,484

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

Telekom Slovenije Group

The Telekom Slovenije Group comprised the controlling company Telekom Slovenije and the following subsidiaries as at the reporting date (31 March 2025):

Company	Country	31 March 2025
Telekom Slovenije, d.d.	Slovenia	100%
GVO, d.o.o.	Slovenia	100%
OPTIC-TEL, d.o.o.*	Slovenia	100%
INFRATEL, 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%
USTANOVA SRČNI SKLAD	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%
SIOL Prishtina LLC	Kosovo	100%

* Subsidiaries of GVO, d.o.o.

Segment reporting

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

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

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

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

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

Segment reporting

in EUR thousand	Slovenia		Other countries		Eliminations and adjustments*		Total	
	I – III 2025	I – III 2024	I – III 2025	I – III 2024	I – III 2025	I – III 2024	I – III 2025	I – III 2024
Sales revenue	151,011	149,064	20,696	20,004	0	0	171,707	169,068
Inter-segment sales	16,526	16,142	2,148	2,164	-18,674	-18,306	0	0
Total segment revenue	167,537	165,206	22,844	22,168	-18,674	-18,306	171,707	169,068
Other operating income	1,029	1,190	210	112	0	0	1,239	1,302
Total operating expenses	-139,028	-137,036	-14,759	-14,987	0	0	-153,787	-152,023
Operating profit per segment	29,538	29,360	8,295	7,293	-18,674	-18,306	19,159	18,347
Finance income	0	0	0	0	0	0	554	636
Finance expenses	0	0	0	0	0	0	-4,121	-4,218
Profit before tax	0	0	0	0	0	0	15,592	14,765
Corporate income tax	0	0	0	0	0	0	-1,779	-1,573
Deferred taxes	0	0	0	0	0	0	472	-1,090
Net profit for the period							14,285	12,102

Other data by segment	Slovenia		Other countries		Eliminations and adjustments*		Total	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Segment assets	1,425,682	1,316,196	163,793	166,220	-225,695	-143,883	1,363,780	1,338,533
Segment liabilities	669,443	652,290	74,221	81,836	-67,835	-68,540	675,829	665,586

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

Sales revenue by segment

in EUR thousand	Slovenia		Other countries		Total	
	I – III 2025	I – III 2024	I – III 2025	I – III 2024	I – III 2025	I – III 2024
Mobile services on end-user market	51,503	51,601	12,927	13,082	64,430	64,683
Fixed segment of the end-user market	52,313	48,792	5,629	5,268	57,942	54,060
Additional services	1,431	1,404	0	0	1,431	1,404
Wholesale market	37,517	40,341	2,140	1,654	39,657	41,995
Other revenues and merchandise	8,247	6,926	0	0	8,247	6,926
Total sales revenue	151,011	149,064	20,696	20,004	171,707	169,068

Sales revenues

Breakdown of revenue by service category

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I – III 2025	I – III 2024	I – III 2025	I – III 2024
Mobile services on end-user market	64,430	64,683	51,555	51,644
Fixed-line telephone services on end-user market	57,942	54,060	52,183	48,224
Additional services	1,431	1,404	1,481	1,430
Wholesale market	39,657	41,995	37,985	40,740
Other revenues and merchandise	8,247	6,926	6,149	5,352
Total sales revenue	171,707	169,068	149,353	147,390

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I – III 2025	I – III 2024	I – III 2025	I – III 2024
Revenues from the sale of services	149,047	146,313	126,301	124,653
Revenues from the sale of goods	22,660	22,755	23,052	22,737
Total sales revenue	171,707	169,068	149,353	147,390

The sales revenue of the Telekom Slovenije Group amounted to EUR 171.7 million in the period January to March 2025, an increase of EUR 2.64 million relative to the same period in 2024.

Revenues were lower **in the mobile segment of the end-user market**, primarily due to lower revenues from the sale of goods.

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.

Revenues were lower in both the domestic and international segments of the **wholesale market**.

Other revenue and revenues from merchandise were up due to higher eCommerce revenues.

Revenues from leases

The Telekom Slovenije Group generated revenues from leases in the amount of EUR 3,251 thousand in the period January to March 2025, compared with EUR 3,193 thousand during the same period last year.

Telekom Slovenije generated revenue from leases in the amount of EUR 3,510 thousand in that period, compared with EUR 3,446 thousand during the same period last year.

Costs of services

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	I – III 2025	I – III 2024	I – III 2025	I – III 2024
Costs of telecommunication services	24,576	25,919	24,222	25,295
Costs of leased lines, networks and platforms	1,899	1,403	2,957	2,482
Costs of multimedia content	2,370	2,525	2,180	2,317
Costs of subcontractors	6,842	5,640	5,413	4,158
Maintenance of property, plant and equipment	4,923	4,660	4,925	4,806
Costs of other services	9,049	9,384	7,438	7,723
Total costs of services	49,659	49,531	47,135	46,781

The costs of services incurred by the Group in the period January to March 2025 were up by EUR 128 thousand relative to the same period in 2024.

The increase in the cost of services incurred by the Group was mainly due to higher costs of subcontractors, which amounted to EUR 6,842 thousand (January to March 2024: EUR 5,640 thousand) and higher costs of maintaining property, plant and equipment, which amounted to EUR 4,923 thousand (January to March 2024: EUR 4,660 thousand). The costs of other services primarily comprise the costs of advertising and sponsorships, which amounted to EUR 1,635 thousand (January to March 2024: EUR 1,728 thousand) and the costs of intellectual and personal services, which amounted to EUR 1,338 thousand (January to March 2024: EUR 1,545 thousand).

Operating profit (EBIT) and net profit

Telekom Slovenije Group

Earnings before interest and taxes (EBIT) in the amount of EUR 19,159 thousand were up by EUR 812 thousand relative to the same period last year. A net profit of EUR 14,285 thousand was achieved for the accounting period in the context of a net financial loss of EUR 3,567 thousand.

Telekom Slovenije

Earnings before interest and taxes (EBIT) in the amount of EUR 12,024 thousand were up by EUR 357 thousand relative to the same period last year. A net profit of EUR 8,684 thousand was achieved for the accounting period in the context of a net financial loss of EUR 2,695 thousand.

Intangible assets

Changes in intangible assets of the Telekom Slovenije Group in the period January–March 2025

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 2025	49,737	437,901	32,722	212,687	68,091	8,780	809,918
Increases	0	0	0	0	0	13,159	13,159
Assets generated in the Group	0	0	0	0	0	454	454
Transfer into use	0	5,126	3,376	6,722	177	-15,400	1
Impairments and write-offs	0	-136	0	-707	-4	0	-847
Other transfers*	0	0	0	0	0	0	0
Balance as at 31 March 2025	49,737	442,891	36,098	218,702	68,264	6,993	822,685
Accumulated amortisation and impairment losses							
Balance as at 1 January 2025	46,019	292,795	13,362	187,490	54,430	267	594,363
Impairments and write-offs	0	-136	0	-707	-4	0	-847
Other transfers*	0	0	0	0	0	0	0
Amortisation	0	10,590	2,760	4,482	485	0	18,317
Balance as at 31 March 2025	46,019	303,249	16,122	191,265	54,911	267	611,833
Carrying amount							
Balance as at 1 January 2025	3,718	145,106	19,360	25,197	13,661	8,513	215,555
Balance as at 31 March 2025	3,718	139,642	19,976	27,437	13,353	6,726	210,852

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

Changes in intangible assets of the Telekom Slovenije Group in 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	28,556	0	0	132	54,638	83,326
Assets generated in the Group	0	0	0	0	0	1,773	1,773
Transfer into use	0	22,231	14,985	15,623	34	-52,873	0
Impairments and write-offs	0	-49,523	-6,933	-58,729	-37	-2	-115,224
Other transfers*	0	0	0	10	356	0	366
Balance as at 31 December 2024	49,737	437,901	32,722	212,687	68,091	8,780	809,918
Accumulated amortisation and impairment losses t							
Balance as at 1 January 2024	46,019	299,193	10,788	227,451	52,205	267	635,923
Impairments and write-offs	0	-49,265	-6,933	-58,530	-37	0	-114,765
Other transfers*	0	0	0	5	357	0	362
Amortisation	0	42,866	9,507	18,565	1,905	0	72,843
Balance as at 31 December 2024	46,019	292,794	13,362	187,491	54,430	267	594,363
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 31 December 2024	3,718	145,107	19,360	25,196	13,661	8,513	215,555

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

Changes in intangible assets of Telekom Slovenije in the period January to March 2025

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 2025	3,602	292,221	32,722	199,966	19,333	7,909	555,753
Increases	0	0	0	0	0	12,738	12,738
Assets generated at the Company	0	0	0	0	0	360	360
Transfer into use	0	4,828	3,376	6,601	177	-14,981	1
Impairments and write-offs	0	-136	0	-707	-4	0	-847
Balance as at 31 March 2025	3,602	296,913	36,098	205,860	19,506	6,026	568,005
Accumulated amortisation and impairment losses							
Balance as at 1 January 2025	0	196,490	13,362	172,953	17,185	0	399,990
Impairments and write-offs	0	-136	0	-707	-4	0	-847
Other transfers*	0	0	0	0	0	0	0
Amortisation	0	8,265	2,760	4,170	96	0	15,291
Balance as at 31 March 2025	0	204,619	16,122	176,416	17,277	0	414,434
Carrying amount							
Balance as at 1 January 2025	3,602	95,731	19,360	27,013	2,148	7,909	155,763
Balance as at 31 March 2025	3,602	92,294	19,976	29,444	2,229	6,026	153,571

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

Changes in intangible assets of Telekom Slovenije in 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	52,274	52,274
Assets generated at the Company	0	0	0	0	0	1,471	1,471
Transfer into use	0	21,768	14,985	14,003	34	-50,790	0
Impairments and write-offs	0	-23,353	-6,933	-56,659	-37	-1	-86,983
Other transfers*	0	-3	0	10	0	1	8
Balance as at 31 December 2024	3,602	292,221	32,722	199,966	19,333	7,909	555,753
Accumulated amortisation and impairment losses							
Balance as at 1 January 2024	0	186,751	10,788	212,194	16,871	0	426,604
Impairments and write-offs	0	-23,095	-6,933	-56,469	-37	0	-86,534
Other transfers*	0	2	0	4	0	0	6
Amortisation	0	32,832	9,507	17,224	351	0	59,914
Balance as at 31 December 2024	0	196,490	13,362	172,953	17,185	0	399,990
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 31 December 2024	3,602	95,731	19,360	27,013	2,148	7,909	155,763

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

Commitments for intangible assets amounted to EUR 18,811 thousand at the Telekom Slovenije Group level and to EUR 20,069 thousand at Telekom Slovenije as at 31 March 2025.

Property, plant and equipment

Changes in property, plant and equipment of the Telekom Slovenije Group in the period January to March 2025

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 2025	536,711	1,290,141	77,612	307,962	353,103	21,906	267	2,587,702
Difference from the translation to the presentation currency	0	1	0	0	0	0	0	1
Increases	0	273	0	0	82	16,449	39	16,843
Assets generated in the Group	0	0	0	0	0	4,603	0	4,603
Transfer into use	1,424	6,473	99	6,517	7,108	-21,918	0	-297
Impairments and write-offs	-604	-201	-2,104	-1,292	-4,625	-113	0	-8,939
Other transfers*	0	0	-3	0	3	-61	0	-61
Balance as at 31 March 2025	537,531	1,296,687	75,604	313,187	355,671	20,866	306	2,599,852
Accumulated amortisation and impairment losses								
Balance as at 1 January 2025	253,375	1,015,753	73,285	237,109	280,493	11,390	0	1,871,405
Difference from the translation to the presentation currency	0	1	0	0	1	0	0	2
Increases	0	0	0	11	3	0	0	14
Impairments and write-offs	-604	-172	-2,102	-1,274	-3,675	0	0	-7,827
Depreciation	3,332	6,244	379	3,980	7,121	0	0	21,056
Other transfers*	0	0	-3	0	3	0	0	0
Balance as at 31 March 2025	256,103	1,021,826	71,559	239,826	283,946	11,390	0	1,884,650
Carrying amount								
Balance as at 1 January 2025	283,336	274,388	4,327	70,853	72,610	10,516	267	716,297
Balance as at 31 March 2025	281,428	274,861	4,045	73,361	71,725	9,476	306	715,202

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

Changes in property, plant and equipment of the Telekom Slovenije Group in 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	530,605	1,261,294	82,980	311,798	350,596	6,921	247	2,544,441
Difference from the translation to the presentation currency	0	1	0	0	-151	0	0	-150
Increases	0	1,380	0	0	252	97,137	20	98,789
Assets generated in the Group	0	0	0	0	0	17,050	0	17,050
Transfer into use	10,171	29,114	998	29,985	30,283	-100,551	0	0
Impairments and write-offs	-4,065	-310	-6,374	-33,821	-27,875	-27	0	-72,472
Other transfers*	0	-1,338	8	0	-2	1,376	0	44
Balance as at 31 December 2024	536,711	1,290,141	77,612	307,962	353,103	21,906	267	2,587,702
Accumulated amortisation and impairment losses								
Balance as at 1 January 2024	244,001	991,555	77,949	257,340	275,709	11,390	0	1,857,944
Difference from the translation to the presentation currency	0	0	0	0	-153	0	0	-153
Increases	22	0	2	2	37	0	0	63
Impairments and write-offs	-4,015	-235	-6,367	-33,709	-23,963	0	0	-68,289
Depreciation	13,365	24,435	1,699	13,476	28,853	0	0	81,828
Other transfers*	2	-2	2	0	10	0	0	12
Balance as at 31 December 2024	253,375	1,015,753	73,285	237,109	280,493	11,390	0	1,871,405
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 31 December 2024	283,336	274,388	4,327	70,853	72,610	10,516	267	716,297

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

Changes in property, plant and equipment of Telekom Slovenije in the period January to March 2025

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 2025	511,694	1,181,632	76,184	188,478	332,424	21,839	2,312,251
Increases	0	0	0	0	0	16,900	16,900
Assets generated at the Company	0	0	0	0	0	1,454	1,454
Transfer into use	1,414	5,618	99	5,247	6,606	-18,984	0
Impairments and write-offs	-604	0	-2,103	-86	-4,232	0	-7,025
Other transfers*	0	0	-3	0	3	0	0
Balance as at 31 March 2025	512,504	1,187,250	74,177	193,639	334,801	21,209	2,323,580
Accumulated amortisation and impairment losses							
Balance as at 1 January 2025	244,086	956,997	72,010	144,324	269,850	0	1,687,267
Increases	0	0	0	11	3	0	14
Impairments and write-offs	-604	0	-2,102	-78	-3,323	0	-6,107
Depreciation	3,260	4,798	370	2,659	6,431	0	17,518
Other transfers*	0	0	-3	0	4	0	1
Balance as at 31 March 2025	246,742	961,795	70,275	146,915	272,967	0	1,698,693
Carrying amount							
Balance as at 1 January 2025	267,608	224,635	4,174	44,154	62,574	21,839	624,984
Balance as at 31 March 2025	265,762	225,455	3,902	46,724	61,834	21,209	624,887

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

Changes in property, plant and equipment of Telekom Slovenije in 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	505,515	1,158,489	81,552	195,407	331,395	14,311	2,286,669
Increases	0	0	0	0	0	84,353	84,353
Assets generated at the Company	0	0	0	0	0	5,361	5,361
Transfer into use	10,143	23,179	998	21,395	26,474	-82,189	0
Impairments and write-offs	-3,965	-25	-6,374	-28,324	-25,428	-6	-64,122
Other transfers*	1	-11	8	0	-17	9	-10
Balance as at 31 December 2024	511,694	1,181,632	76,184	188,478	332,424	21,839	2,312,251
Accumulated amortisation and impairment losses							
Balance as at 1 January 2024	234,990	938,008	76,714	163,852	265,389	0	1,678,953
Increases	22	0	2	2	34	0	60
Impairments and write-offs	-3,925	-18	-6,368	-28,213	-21,641	0	-60,165
Depreciation	12,996	19,009	1,662	8,683	26,074	0	68,424
Other transfers*	3	-2	0	0	-6	0	-5
Balance as at 31 December 2024	244,086	956,997	72,010	144,323	269,852	0	1,687,267
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 31 December 2024	267,608	224,635	4,174	44,155	62,572	21,839	624,984

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

Commitments for property, plant and equipment amounted to EUR 9,541 thousand at the Telekom Slovenije Group level and to EUR 24,700 thousand at Telekom Slovenije as at 31 March 2025.

Right-of-use assets

Changes in right-of-use assets of the Telekom Slovenije Group in the period January to March 2025

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 2025	100,323	10,169	14,258	3,688	23,667	4,344	156,450
Contract modifications	489	60	866	0	-37	0	1,378
Transfer into use – new contracts	747	196	1,606	46	0	91	2,686
Decreases	-33	-79	-68	0	0	0	-180
Other transfers	0	0	-38	-11	0	0	-49
Balance as at 31 March 2025	101,526	10,344	16,622	3,725	23,630	4,435	160,284
Accumulated amortisation and impairment losses							
Balance as at 1 January 2025	42,388	4,759	9,120	1,954	9,259	2,506	69,986
Decreases	-4	-41	-25	0	0	0	-70
Depreciation	1,884	180	416	181	428	102	3,191
Other transfers	0	0	-6	-12	0	0	-18
Balance as at 31 March 2025	44,268	4,898	9,505	2,123	9,687	2,608	73,089
Carrying amount							
Balance as at 1 January 2025	57,935	5,410	5,138	1,734	14,408	1,838	86,464
Balance as at 31 March 2025	57,258	5,446	7,117	1,602	13,943	1,827	87,195

Changes in right-of-use assets of the Telekom Slovenije Group in 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	13,416	742	2,423	154	620	122	17,477
Transfer into use – new contracts	1,954	98	129	565	116	102	2,964
Decreases	-448	-184	-255	-113	-441	-224	-1,665
Other transfers	0	1	-7	-24	9	-1	-22
Balance as at 31 December 2024	100,323	10,169	14,258	3,688	23,667	4,344	156,450
Accumulated amortisation and impairment losses							
Balance as at 1 January 2024	35,032	4,093	7,587	1,369	8,110	2,301	58,492
Decreases	-162	-79	-190	-97	-439	-203	-1,170
Depreciation	7,515	748	1,575	706	1,739	406	12,689
Other transfers	3	-3	148	-24	-151	2	-25
Balance as at 31 December 2024	42,388	4,759	9,120	1,954	9,259	2,506	69,986
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 31 December 2024	57,935	5,410	5,138	1,734	14,408	1,838	86,464

Changes in right-of-use assets of Telekom Slovenije in the period January to March 2025

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 2025	80,042	8,931	5,780	3,195	58,703	833	157,484
Contract modifications	385	57	813	0	-36	0	1,219
Transfer into use – new contracts	747	196	1,606	0	0	0	2,549
Decreases	-33	-79	0	0	1	0	-111
Balance as at 31 March 2025	81,141	9,105	8,199	3,195	58,668	833	161,141
Accumulated amortisation and impairment losses							
Balance as at 1 January 2025	34,273	4,083	3,380	1,782	20,682	716	64,916
Decreases	-5	-41	1	1	-1	0	-45
Depreciation	1,624	157	203	152	902	17	3,055
Balance as at 31 March 2025	35,892	4,199	3,584	1,935	21,583	733	67,926
Carrying amount							
Balance as at 1 January 2025	45,769	4,848	2,400	1,413	38,021	117	92,568
Balance as at 31 March 2025	45,249	4,906	4,615	1,260	37,085	100	93,215

Changes in right-of-use assets of Telekom Slovenije in 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	12,170	634	962	12	3,078	122	16,978
Transfer into use – new contracts	1,954	98	133	464	116	0	2,765
Decreases	-408	-177	-254	-34	-440	0	-1,313
Balance as at 31 December 2024	80,042	8,931	5,780	3,195	58,703	833	157,484
Accumulated amortisation and impairment losses							
Balance as at 1 January 2024	28,029	3,509	2,833	1,200	17,493	634	53,698
Decreases	-147	-75	-189	-33	-440	0	-884
Depreciation	6,391	649	736	615	3,629	82	12,102
Balance as at 31 December 2024	34,273	4,083	3,380	1,782	20,682	716	64,916
Carrying amount							
Balance as at 1 January 2024	38,297	4,867	2,106	1,553	38,456	77	85,356
Balance as at 31 December 2024	45,769	4,848	2,400	1,413	38,021	117	92,568

Depreciation in the amount of EUR 3,191 thousand and interest expense on lease liabilities in the amount of EUR 949 thousand were disclosed in the Telekom Slovenije Group's statement of profit and loss in the period January–March 2025. The Group disclosed depreciation in the amount of EUR 3,188 thousand and interest expense in the amount of EUR 557 thousand during the same period last year.

Depreciation in the amount of EUR 3,055 thousand and interest expense on lease liabilities in the amount of EUR 830 thousand were disclosed in Telekom Slovenije's statement of profit and loss in the period January–March 2025. The Company disclosed depreciation in the amount of EUR 3,007 thousand and interest expense in the amount of EUR 511 thousand during the same period last year.

Trade and other receivables

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

Current trade and other receivables were down by EUR 6,074 thousand at the Telekom Slovenije Group level and by EUR 5,864 thousand at Telekom Slovenije relative to the balance at the end of 2024.

Financial liabilities for borrowings received and other financial liabilities

Financial liabilities amounted to EUR 310,902 thousand at the Telekom Slovenije Group level (EUR 309,219 thousand at the end of 2024) and comprised the following as at 31 March 2025:

- loans and borrowings in the amount of EUR 309,238 thousand (EUR 307,078 thousand at the end of 2024);
- other liabilities in the amount of EUR 2 thousand (the same as at the end of 2024); and
- derivatives in the form of interest rate swaps (IRS) in the amount of EUR 1,662 thousand (EUR 2,139 thousand the previous year).

Financial liabilities amounted to EUR 310,900 thousand at Telekom Slovenije (EUR 309,216 thousand at the end of 2024) and comprised the following as at 31 March 2025:

- loans and borrowings in the amount of EUR 309,238 thousand (EUR 307,077 thousand at the end of 2024); and
- derivatives in the form of interest rate swaps (IRS) in the amount of EUR 1,662 thousand (EUR 2,139 thousand the previous year).

Lease liabilities

The lease liabilities of the Telekom Slovenije Group amounted to EUR 84,305 thousand as at 31 March 2025 and were up by EUR 729 thousand relative to the end of 2024.

The lease liabilities of Telekom Slovenije amounted to EUR 91,092 thousand as at 31 March 2025 and were up by EUR 706 thousand relative to the end of 2024.

Fair value hierarchy

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

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

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

Book and fair values of the Telekom Slovenije Group's financial instruments as at 31 March 2025

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	3,003	3,003	3,003	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
Other non-current financial assets	16	16	0	16	0
Operating receivables	20,190	20,190	0	20,190	0
Current financial assets					
Loans granted	2	2	0	2	0
Other current financial assets	2	2	0	2	0
Operating and other receivables	168,161	168,161	0	168,161	0
Cash and cash equivalents	18,932	18,932	0	18,932	0
Non-current financial liabilities					
Loans received	286,561	286,561	0	286,561	0
Liabilities for interest-rate swaps	1,662	1,662		1,662	
Other liabilities	31,048	31,048	0	31,048	0
Current financial liabilities					
Loans received	21,820	21,820	0	21,820	0
Other financial liabilities	2	2	0	2	0
Trade payables	118,025	118,025	0	118,025	0

Book and fair values of the Telekom Slovenije Group's financial instruments as at 31 December 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	2,556	2,556	2,556	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
Other non-current financial assets	16	16	0	16	0
Operating receivables	19,242	19,242	0	19,242	0
Current financial assets					
Loans granted	3	3	0	3	0
Other current financial assets	1,001	1,001	0	1,001	0
Operating and other receivables	174,114	174,114	0	174,114	0
Cash and cash equivalents	18,879	18,879	0	18,879	0
Non-current financial liabilities					
Loans received	287,881	287,881	0	287,881	0
Liabilities for interest-rate swaps	2,139	2,139		2,139	
Other liabilities	34,340	34,340	0	34,340	0
Current financial liabilities					
Loans received	19,197	19,197	0	19,197	0
Other financial liabilities	2	2	0	2	0
Trade payables	135,587	135,587	0	135,587	0

Book and fair values of Telekom Slovenije's financial instruments as at 31 March 2025

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	3,003	3,003	3,003	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	9,434	9,434	0	9,434	0
Other non-current financial assets	0	0		0	
Operating receivables	20,127	20,127	0	20,127	0
Current financial assets					
Loans granted	6,852	6,852	0	6,852	0
Operating and other receivables	157,377	157,377	0	157,377	0
Cash and cash equivalents	8,199	8,199	0	8,199	0
Non-current financial liabilities					
Loans received	286,568	286,568	0	286,568	0
Liabilities for interest-rate swaps	1,662	1,662		1,662	
Trade payables	12,372	12,372	0	12,372	0
Current financial liabilities					
Loans received	22,670	22,670	0	22,670	0
Trade payables	96,572	96,572	0	96,572	0

Book and fair values of Telekom Slovenije's financial instruments as at 31 December 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	2,556	2,556	2,556	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	9,684	9,684	0	9,684	0
Operating receivables	19,179	19,179	0	19,179	0
Current financial assets					
Loans granted	6,447	6,447	0	6,447	0
Operating and other receivables	163,237	163,237	0	163,237	0
Cash and cash equivalents	9,057	9,057	0	9,057	0
Non-current financial liabilities					
Loans received	287,880	287,880	0	287,880	0
Liabilities for interest-rate swaps	2,139	2,139		2,139	
Trade payables	13,336	13,336	0	13,336	0
Current financial liabilities					
Loans received	19,197	19,197	0	19,197	0
Trade payables	108,610	108,610	0	108,610	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

Telekom Slovenije Group

in EUR thousand	31 March 2025	31 December 2024
Amounts claimed in litigation	346,096	343,883

A total of 79 lawsuits had been filed against Group companies as at the balance-sheet date (31 December 2024: 82 lawsuits).

Based on senior management's assessment and legal opinions received, provisions from lawsuits were created in the amount of EUR 11,155 thousand (31 December 2024: EUR 10,406 thousand).

Telekom Slovenije

in EUR thousand	31 March 2025	31 December 2024
Amount claimed in litigation	342,697	340,482

As at the balance sheet date, 38 lawsuits have been filed against Telekom Slovenije (31 December 2024: 39 lawsuits).

Based on senior management's assessment and legal opinions received, provisions from lawsuits were created in the amount of EUR 10,444 thousand (31 December 2024: EUR 9,696 thousand).

Contingent liabilities from guarantees issued

The Telekom Slovenije Group had provided the following guarantees as at 31 March 2025:

- performance guarantees and warranty bonds in the amount of EUR 12,551 thousand (at the end of 2024: EUR 12,524 thousand); and
- other guarantees in the amount of EUR 387 thousand (at the end of 2024: EUR 382 thousand).

The Company had provided the following guarantees as at 31 March 2025:

- performance guarantees and warranty bonds in the amount of EUR 9,124 thousand (at the end of 2024: EUR 8,999 thousand); and
- other guarantees in the amount of EUR 374 thousand (at the end of 2024: EUR 387 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 a total of 1,178 shares in Telekom Slovenije as at 31 March 2025, representing a holding of 0.01802%.

No loans to related individuals were approved in the period January to March 2025.

Transactions with owners and their related parties

The majority owner of Telekom Slovenije is the Republic of Slovenia, which together with Kapitalska družba and Slovenski državni holding (SDH), holds a 72.38% participating interest in Telekom Slovenije.

Parties related to owners include those companies in which the Republic of Slovenia, Kapitalska družba 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	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Outstanding operating receivables	5,801	4,425	4,365	3,628
Outstanding trade payables	1,910	1,716	1,812	1,560
VAT liabilities	4,902	5,026	4,712	4,770
Income tax liabilities	1,629	1,422	1,426	1,193
Liabilities for the payment of dividends	0	0	0	0
in EUR thousand	I – III 2025	I – III 2024	I – III 2025	I – III 2024
Operating revenues	6,873	5,215	5,988	5,711
Purchase costs of material and services	3,699	4,821	3,460	4,603
in EUR thousand	I – III 2025	I – III 2024	I – III 2025	I – III 2024
VAT payment	15,701	15,507	14,961	15,016
CIT payment	1,095	805	911	597
Payment of dividends	0	13,533	0	13,533

Transactions with Group companies

Telekom Slovenije recorded the following transactions with Group companies:

in EUR thousand	31 March 2025	31 December 2024
Receivables due from companies in the Group		
Subsidiaries – gross amount	3,630	2,952
Subsidiaries – impairment	-26	-26
Subsidiaries – net amount	3,604	2,926
Borrowings to companies in the Group		
Subsidiaries – gross amount	16,284	16,129
Subsidiaries – impairment	0	0
Subsidiaries – net amount	16,284	16,129
Liabilities to Group companies		
Subsidiaries	32,320	33,439
in EUR thousand	I – III 2025	I – III 2024
Net Group revenue	4,197	3,324
Subsidiaries	4,197	3,324
Purchase of material and services in the Group	5,191	5,285
Subsidiaries	5,191	5,285

Loans to subsidiaries

in EUR thousand	31 March 2025	31 December 2024
GVO, d.o.o.	3,360	3,566
TSmedia, d.o.o.	331	341
Soline, d.o.o.	2,022	1,507
SIOL, d.o.o., Zagreb	70	107
SIOL d.o.o., Sarajevo	3,213	3,215
Infratel, d.o.o.	4,699	4,699
SIOL Prishtina	2,589	2,693
Total to subsidiaries	16,284	16,129

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	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Loans granted	2	3	16,286	16,131
Deposits	2	1,001	0	0
Trade and other receivables	188,116	193,242	177,435	182,351
- of which trade receivables	178,258	185,280	168,560	175,258
Cash and cash equivalents	18,932	18,879	8,199	9,057
TOTAL	207,052	213,125	201,920	207,539

The credit risk to which the Group and Telekom Slovenije are exposed derives primarily from default by subscribers (retail) and by operators (wholesale). The highest exposure to credit risk is seen in trade receivables. The latter amounted to EUR 178,258 thousand as at 31 March 2025 at the Group level, a decrease of EUR 7,022 thousand relative to the end of 2024. 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. The Group's largest customers are operators, where turnover with operators outside of Slovenia 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, with the exception of certain domestic operators. The credit risk to which Telekom Slovenije is exposed is higher with some domestic operators who do not settle their liabilities for wholesale services. Telekom Slovenije has initiated the necessary court proceedings against those operators.

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 31 March 2025

in EUR thousand	31 March 2025				31 December 2024			
	Gross amount	Expected % of credit losses	Value adjustment	Net amount	Gross amount	Expected % of credit losses	Value adjustment	Net amount
Total trade receivables	210,342		-32,084	178,258	214,595		-29,315	185,280
Trade receivables non-past-due	164,339	1.0%	-1,661	162,678	170,258	1.0%	-1,733	168,525
Past due								
- up to and including 30 days	8,234	9%	-756	7,478	8,986	9%	-785	8,201
- from and including 31 days up to and including 60 days	3,988	23%	-901	3,087	4,174	23%	-976	3,198
- from and including 61 days up to and including 90 days	1,593	36%	-568	1,025	2,404	38%	-916	1,488
- from and including 91 days up to and including 180 days	4,723	64%	-3,031	1,692	3,942	64%	-2,528	1,414
- from and including 181 days up to and including 365 days	5,998	74%	-4,416	1,582	4,283	73%	-3,132	1,151
- from and including 366 days up to two years	8,782	92%	-8,065	717	8,624	85%	-7,330	1,294
- over two years	9,559	100%	-9,560	-1	8,818	100%	-8,809	9
- trade receivables in insolvency proceedings	3,126	100%	-3,126	0	3,106	100%	-3,106	0
Total trade receivables past-due	46,003		-30,423	15,580	44,337		-27,582	16,755
Other operating receivables	9,858		0	9,858	7,962		0	7,962
Total receivables	220,200		-32,084	188,116	222,557	0	-29,315	193,242

Maturity analysis of Telekom Slovenije's trade and other receivables as at 31 March 2025

in EUR thousand	31 March 2025				31 December 2024			
	Gross amount	Expected % of credit losses	Value adjustment	Net amount	Gross amount	Expected % of credit losses	Value adjustment	Net amount
Total trade receivables	194,470		-25,910	168,560	198,582		-23,324	175,258
Trade receivables non-past-due	156,238	1.1%	-1,687	154,551	162,108	1.1%	-1,753	160,355
Past due								
- up to and including 30 days	7,711	10%	-748	6,963	7,969	10%	-773	7,196
- from and including 31 days up to and including 60 days	3,621	24%	-874	2,747	3,937	24%	-951	2,986
- from and including 61 days up to and including 90 days	1,332	39%	-525	807	2,231	39%	-880	1,351
- from and including 91 days up to and including 180 days	4,278	67%	-2,871	1,407	3,503	67%	-2,350	1,153
- from and including 181 days up to and including 365 days	5,242	74%	-3,858	1,384	3,624	74%	-2,667	957
- from and including 366 days up to two years	3,891	82%	-3,190	701	3,819	67%	-2,559	1,260
- over two years	9,535	100%	-9,535	0	8,790	100%	-8,790	0
- trade receivables registered in insolvency proceedings	2,622	100%	-2,622	0	2,601	100%	-2,601	0
Total trade receivables past due	38,232		-24,223	14,009	36,474		-21,571	14,903
Other operating receivables	8,875		0	8,875	7,093		0	7,093
Total receivables	203,345		-25,910	177,435	205,675		-23,324	182,351

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 accounts 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.

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	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Past due	0	0	0	0
Non-past-due:	2	3	16,286	16,131
- in less than 3 months	1	1	1,341	790
- between 3 and 12 months	1	2	5,512	5,658
- between 1 and 2 years	0	0	1,315	1,400
- between 2 and 5 years	0	0	4,695	4,730
- over 5 years	0	0	3,424	3,554
Total	2	3	16,286	16,131

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 two long-term syndicated loans in the total amount of EUR 198.7 million with appertaining interest, a separate long-term loan in the amount of EUR 15.5 million with appertaining interest, a long-term loan from the European Investment Bank in the amount of EUR 95.4 million with appertaining interest, and lease liabilities in the amount of EUR 84.3 million at the Group level and EUR 91.1 million at the Company level.

The Telekom Slovenije Group's other financial liabilities are comprised almost entirely of non-current liabilities from an interest rate swap.

Telekom Slovenije did not repay any long-term loans in the period January to March 2025.

The Group and Telekom Slovenije have raised short-term funding from banks to ensure sufficient liquidity. The liquidity reserve in the form of a revolving loan and an overdraft facility on the business account in the total amount of EUR 55 million was not drawn down as at 31 March 2025.

Maturity of the Telekom Slovenije Group's financial liabilities as at 31 March 2025 and 31 December 2024 based on contractual non-discounted payments

in EUR thousand	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total	Book value of liabilities
31 March 2025							
Loans and borrowings	14,663	17,833	52,566	167,785	94,051	346,898	309,610
Other financial liabilities	0	2	0	0	1,662	1,664	1,664
Trade and other payables	79,309	38,717	11,085	1,158	18,805	149,074	149,074
Financial liabilities from leases	4,707	10,474	12,229	27,119	52,275	106,804	84,305
Total	98,679	67,026	75,880	196,062	166,793	604,440	544,653
31 December 2024							
Loans and borrowings	824	28,223	52,610	167,917	95,515	345,089	307,469
Other financial liabilities	0	2	0	0	2,139	2,141	2,141
Trade and other payables	94,530	41,057	11,331	2,024	20,985	169,927	169,927
Financial liabilities from leases	5,036	8,671	12,564	26,639	52,693	105,603	83,576
Total	100,390	77,953	76,505	196,580	171,332	622,760	563,113

Maturity of Telekom Slovenije's financial liabilities as at 31 March 2025 and 31 December 2024 based on contractual non-discounted payments

in EUR thousand	Up to 3 months	Between 3 and 12 months	Non-past-due			Total	Book value of liabilities
			Between 1 and 2 years	Between 2 and 5 years	Over 5 years		
31 March 2025							
Loans and borrowings	14,663	17,833	52,566	167,785	94,051	346,898	309,610
Other financial liabilities	0	0	0	0	1,662	1,662	1,662
Trade and other payables	77,483	19,089	11,087	1,158	127	108,944	108,944
Financial liabilities from leases	5,133	9,636	12,066	28,193	56,650	111,678	91,092
Total	97,279	46,558	75,719	197,136	152,490	569,182	511,308
31 December 2024							
Loans and borrowings	824	28,223	52,610	167,917	95,515	345,089	307,469
Other financial liabilities	0	0	0	0	2,139	2,139	2,139
Trade and other payables	92,329	16,280	11,205	2,024	108	121,946	121,946
Financial liabilities from leases	5,607	8,575	11,497	27,600	57,139	110,418	90,386
Total	98,760	53,078	75,312	197,541	154,901	579,592	521,940

Interest rate risk

Interest rate risk is the risk of the negative impact of a change in market interest rates on the Group's operations. The exposure of the Group and Company to interest rate risk as at 31 March 2025 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. The proportion of the financial liabilities of the Group and Company comprising loans bearing fixed or hedged interest rates was 55.3% as at 31 March 2025.¹ Other liabilities derive from long-term loans bearing variable interest rates.

Exposure to interest rate risk

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Financial instruments with variable interest rate				
Financial liabilities	137,308	137,308	137,308	137,308
Net financial liabilities	137,308	137,308	137,308	137,308

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

Sensitivity analysis

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

Interest rate risk table

January to March 2025	Interest rate increase/decrease	Effect on profit before tax in EUR thousand	
		Telekom Slovenije Group	Telekom Slovenije
EUR	+100 bp	-1,373*	-1,373*
EUR	-100 bp	1,373*	1,373*

2024	Interest rate increase/decrease	Effect on profit before tax in EUR thousand	
		Telekom Slovenije Group	Telekom Slovenije
EUR	+100 bp	-1,373*	-1,373*
EUR	-100 bp	1,373*	1,373*

* The calculation applies to the next 12 months.

EURIBOR interest rate value

¹ Includes the balance of principal on long-term loans.

EURIBOR	Value as at 31 March 2025	Value as at 31 March 2024	Change (in percentage points)
3-month	2.336	2.714	-0.378
6-month	2.336	2.568	-0.232

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 rating for the financing of the Group's and Company's operations and further development, and consequently the maximisation of shareholder value.

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

Debt-to-equity and equity-to-total assets ratios of the Telekom Slovenije Group and Telekom Slovenije as at 31 March 2025 and 31 December 2024

in EUR thousand	Telekom Slovenije Group		Telekom Slovenije	
	31 March 2025	31 December 2024	31 March 2025	31 December 2024
Borrowings and other financial liabilities	395,207	392,795	401,992	399,602
Less current investments, cash and cash equivalents	-18,936	-19,883	-15,051	-15,504
Net liabilities	376,271	372,912	386,941	384,098
Equity	687,951	672,947	709,352	699,948
Total assets	1,363,780	1,338,533	1,304,476	1,300,543
Debt/equity ratio	54.7%	55.4%	54.5%	54.9%
Equity to total assets	50.4%	50.3%	54.4%	53.8%



Publisher:
Telekom Slovenije, d.d., Cigaletova 15, 1000 Ljubljana
Text preparation, editing: Telekom Slovenije Group
Photographs: Telekom Slovenije Group
Ljubljana, May 2025